

Funding Dual Credit Programs

► What do we know? What should we know?

A New Pathway for Students

More than 87% of America's public high schools offer their students the opportunity to gain college credit prior to graduation.¹ Learning opportunities that allow students to gain college-level credit often are referred to as "dual credit" programs, and they are experiencing a growth in both the number of students who take advantage of them and the number of schools that offer them. One reason for the extreme growth in dual credit programs is that they are seen as a way to ease the transition from high school to postsecondary education or the workforce. There are multiple dual credit programs that high schools can offer. They include:

- *Advanced Placement® (AP)* – lets students gain college credit in certain subjects by obtaining a minimum score (usually "3" or higher on a scale of 1-5) on subject area exams.
- *Dual/concurrent enrollment* – allows students to participate in college-level courses, typically offered at a postsecondary institution or high school, for which students may earn high school credit, postsecondary credit or both.
- *Early/Middle college high school* – offers students the opportunity to earn substantial amounts of postsecondary credit while still in high school.
- *International Baccalaureate® (IB)* – provides highly motivated students with the opportunity to complete a cohesive, challenging, two-year curriculum aligned with international standards. Students may earn postsecondary credit based on minimum scores on individual end-of-course exams, or based on completion of the IB Diploma Program.
- *Technical preparation* – prepares students with career and technical courses in grades 11 and 12 as well as in the first two years after high school.

What's Inside

- What are the funding issues for dual credit?
- How predictable is the funding?
- What are the costs for students?

State and local education decisionmakers seeking to meet the current demand for dual credit options often are hamstrung by a lack of a means to compare these programs that can seem quite similar to one another. In particular there is a need for information about the funding of these programs, including answers to the following questions:

- What will it cost to start up and operate each of the dual credit programs?
- What are the different sources of funding for dual credit programs as opposed to traditional general education programs?
- Is there a predictable stream of funding for this program to continue in the future?

These questions need to be answered before policymakers can make educated decisions about which dual credit programs, if any, are right for their state.



2020
FEBRUARY
Vol. 10 No. 1

THE PROGRESS OF
Education Reform

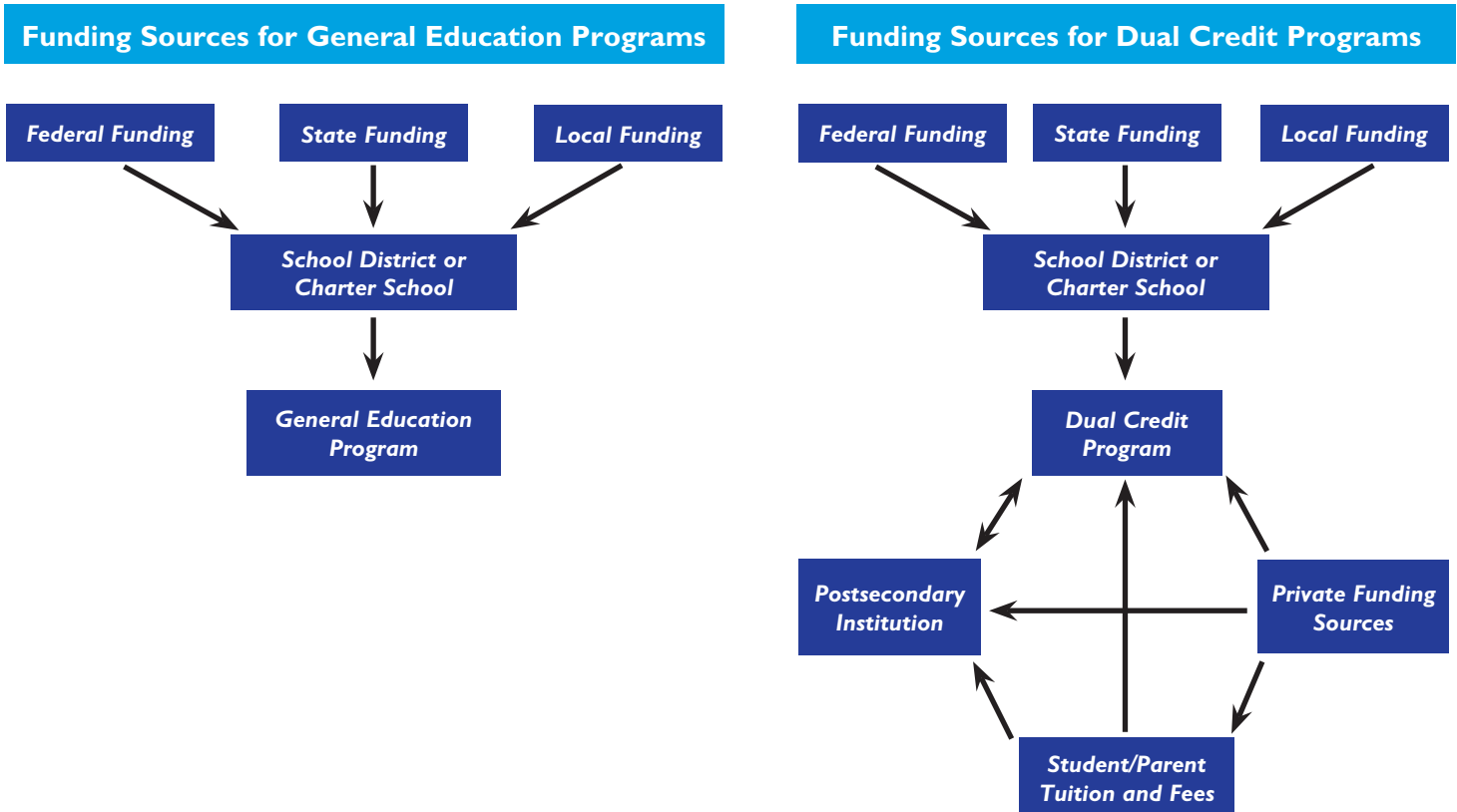


What is the Cost of Dual Credit?

While the popularity of dual credit programs continues to grow, there is a lack of information about the true financial costs of these programs. The National Working Group on Funding Student Learning recently released a study that found states and school districts have little specific information on the amount of funds expended on specific education programs and thus have little to go by when making a cost/benefit analysis of a program². This lack of knowledge about funding sources and levels is particularly true in regards to dual enrollment programs. There have been some attempts to gain a handle on state programs that fund dual credit programs, but these studies tend to raise as many questions as they answer. The National Center for Education Statistics (NCES) produced a study reviewing the K-12 funding formula of all 50 states — a section of which attempted to ascertain if states had designated funding for dual enrollment programs.³ While this information is helpful, it provides only details about a single supply of funding for an educational program that receives funding from a number of sources.

What Are the Different Funding Sources for Dual Credit Programs?

Due to the multi-dimensional nature of dual credit programs, the funding issues surrounding them tend to be more complex than traditional general education programs. Funding streams for dual credit programs can vary significantly from program to program, state to state (or even within a state), and can include federal, state or local dollars, private donations, student fees or funding from postsecondary sources. Traditional general education programs receive the vast majority of their funding from federal, state and local sources. Dual credit programs also receive funding from the same sources as traditional programs; however, they also receive significant levels of funding from community colleges or four-year institutions, private funding sources, and from students or parents in the form of tuition or fees. In addition, a school district may be required to pay funds to a higher education institution to cover part or all of the cost of a student's tuition or, in the case of AP, to a third party to cover the costs of an exam. The following diagrams show the differences in the complexity of funding a general education and dual credit programs:



The Predictability of Funding

The different organizations that provide funding for dual credit programs often are not connected to each other. This can be problematic. For example, a high school might offer a dual credit program with the assistance of the local community college and some private funding. If either the community college or the private funder changes its priorities and withdraws its funding, the school will have to discontinue its dual credit program. Because the school district has no control over these outside funding sources, it can not predict from year to year, or even within a single year, if the needed funding will be available. The lack of predictability can make some district-level leaders reluctant to participate in these types of programs.

The Cost to Students or Their Parents

Unlike other public education programs, dual credit programs can produce a cost for students or parents. In the case of dual or concurrent enrollment programs, students may be charged for tuition, fees, books or even transportation to class. Students enrolled in Advanced Placement courses may be required to pay for the exams that will allow them to earn college credit. These costs can discourage some students, especially those who are at-risk, from participating. Some states have recognized this problem and are beginning to adopt policies that eliminate most, if not all, costs for students to participate in these programs:

- ▶ Iowa requires school districts to pay the tuition costs for any student in a dual enrollment program.
- ▶ Colorado and Wisconsin require districts to pay student tuition but require the student to refund the money if they do not pass the class.
- ▶ New Mexico requires higher education institutions to waive tuition for students enrolled in dual credit programs and requires the student's high school to pay for the cost of the required textbooks and supplies for the course.

The cost of a single AP exam is \$85 — an amount high enough to discourage some students from taking it even if they have a good chance of passing it and receiving college credit. Most states have recognized that the cost of this exam may discourage participation. The Education Commission of the States conducted a review of all 50 states' policies and found that at least 40 states pay for 100% of the cost of AP exams for low-income students. Some states, such as Alabama and Utah, provide grants to school districts that help to defray the exam costs for all students.



Other Resources

Please visit the ECS High School Database page for a complete list of all state-level databases, including:

Dual Enrollment
<http://www.ecs.org/hsdb-de>

Early/Middle College
<http://www.ecs.org/hsdb-ech>

Advanced Placement
<http://www.ecs.org/hsdb-ap>

International Baccalaureate
<http://www.ecs.org/hsdb-ib>

Career and technical education (includes tech prep)
<http://www.ecs.org/hsdb-cte>

High School Databases home page:
<http://www.ecs.org/HighSchoolDatabase>

Related ECS products:
Policy brief: Dual Enrollment: Policy Issues Confronting State Policymakers
<http://www.ecs.org/clearinghouse/67/87/6787.pdf>

Recent state policies/activities database
<http://www.ecs.org/StatePolicies-de>
and issue site
<http://www.ecs.org/html/issue.asp?issueid=214>

Highlights:

Twelve states require all high schools and eligible public postsecondary institutions to provide dual enrollment opportunities. In 21 states, dual enrollment programs are based on voluntary partnerships between K-12 and postsecondary partners, or schools, districts or institutions may limit eligible students from participating. In nine states, policy does not specify whether the offering of dual enrollment is mandatory or voluntary.

Who is primarily responsible for paying tuition in dual enrollment programs:

- ▶ Students and parents: 22 states
- ▶ Student's school district: 6 states
- ▶ Participating postsecondary institution: 3 states
- ▶ The state department of education or another state organization: 3 states
- ▶ Georgia, Indiana, Louisiana and Missouri have multiple dual enrollment programs that have different groups that are primarily responsible for tuition: 4 states
- ▶ No clear funding system in place: 6 states.

In some of the states where the student or parent is primarily responsible for tuition, state rules or laws stipulate that a district or higher education institution may fund the tuition costs. The fact that the language in these states says "may" as opposed to "will" means that the primary responsibility of paying tuition is still with the parents or the student, and only the secondary responsibility lies with the district or higher education institution.

Conclusion:

Dual enrollment programs can aid in retention of at-risk students, allow students to gain college credit while being enrolled in high school or provide gifted students with accelerated learning opportunities. However, dual enrollment programs cannot achieve any of these goals without an adequate and stable funding source. Almost every state and school district in this country lacks a comprehensive and cohesive system for funding dual credit programs. The lack of a comprehensive funding program results in an uneven offering of dual credit options from district to district or even within a single school district. If states and districts wish to offer all students a high-quality dual enrollment program, they must establish a stable funding system that provides districts with adequate funding.

Endnotes

¹ Tiffany Waits, J. Carl Setzer and Laurie Lewis, *Dual Credit and Exam Based Courses in U.S. Public High Schools 2002-2003* (Washington, D.C.: National Center for Education Statistics, April, 2005), page 5. <http://nces.ed.gov/pubs2005/2005009.pdf> (accessed December 8, 2008).

² National Working Group on Funding Student Learning, *Funding Student Learning: How to Align Education Resources with Student Learning Goals*. (Seattle: School Finance Redesign Project – University of Washington, October 2008).

³ National Center for Education Statistics, *Public School Finance Programs of the United States and Canada: 1998-1999*. (Washington, D.C.: National Center for Education Statistics, 2001).

This issue of *The Progress of Education Reform* was made possible by a grant from the GE Foundation. It was written by Michael Griffith, a senior policy analyst in the ECS Clearinghouse. If you have any questions regarding this or other issues, please contact Michael at mgriffith@ecs.org or 303.299.3619.



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