

The Credential Differential:

The Public Return to Increasing Postsecondary Credential Attainment

Announcing the CLASP-NCHEMS ROI Dashboard Tool

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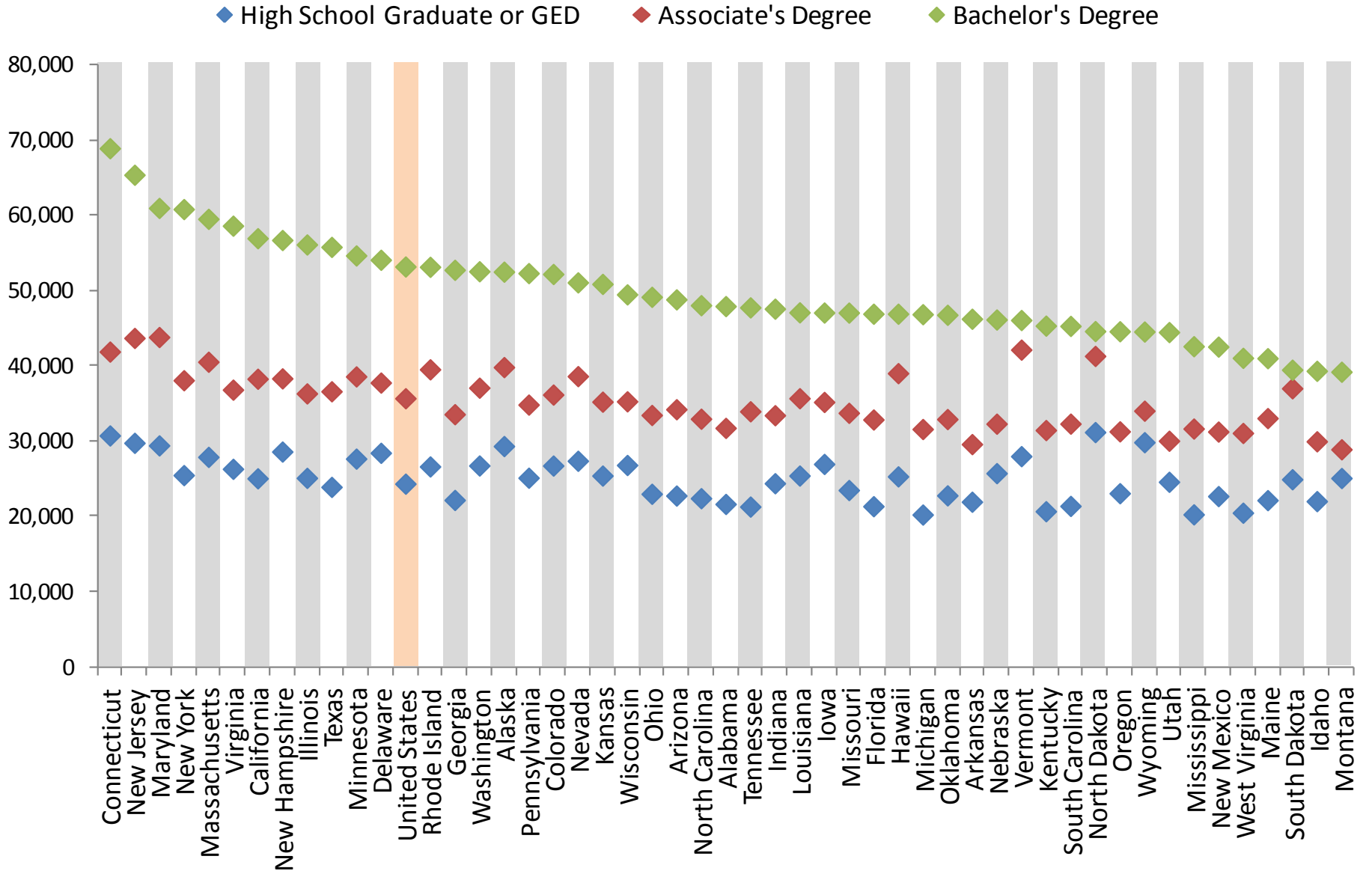
The Model: Calculating the Economic Value of Increasing College Credentials by 2025

1. The number of additional undergraduate credentials needed to reach certain levels of college attainment by 2025
2. Increases in performance needed to close the attainment gap – college participation and completion rates
3. The economic returns for closing the attainment gaps – increases in personal earnings generated, increases in federal and state tax revenues, and decreases in spending on health and corrections

The Major Drivers of Return on Investment (ROI)

1. Personal Wage Earnings – Increase in earnings from high school to college completion
2. State Tax Structure – Income, sales, and property taxes by level of education attained
3. State spending on Medicaid and corrections by level of education attained

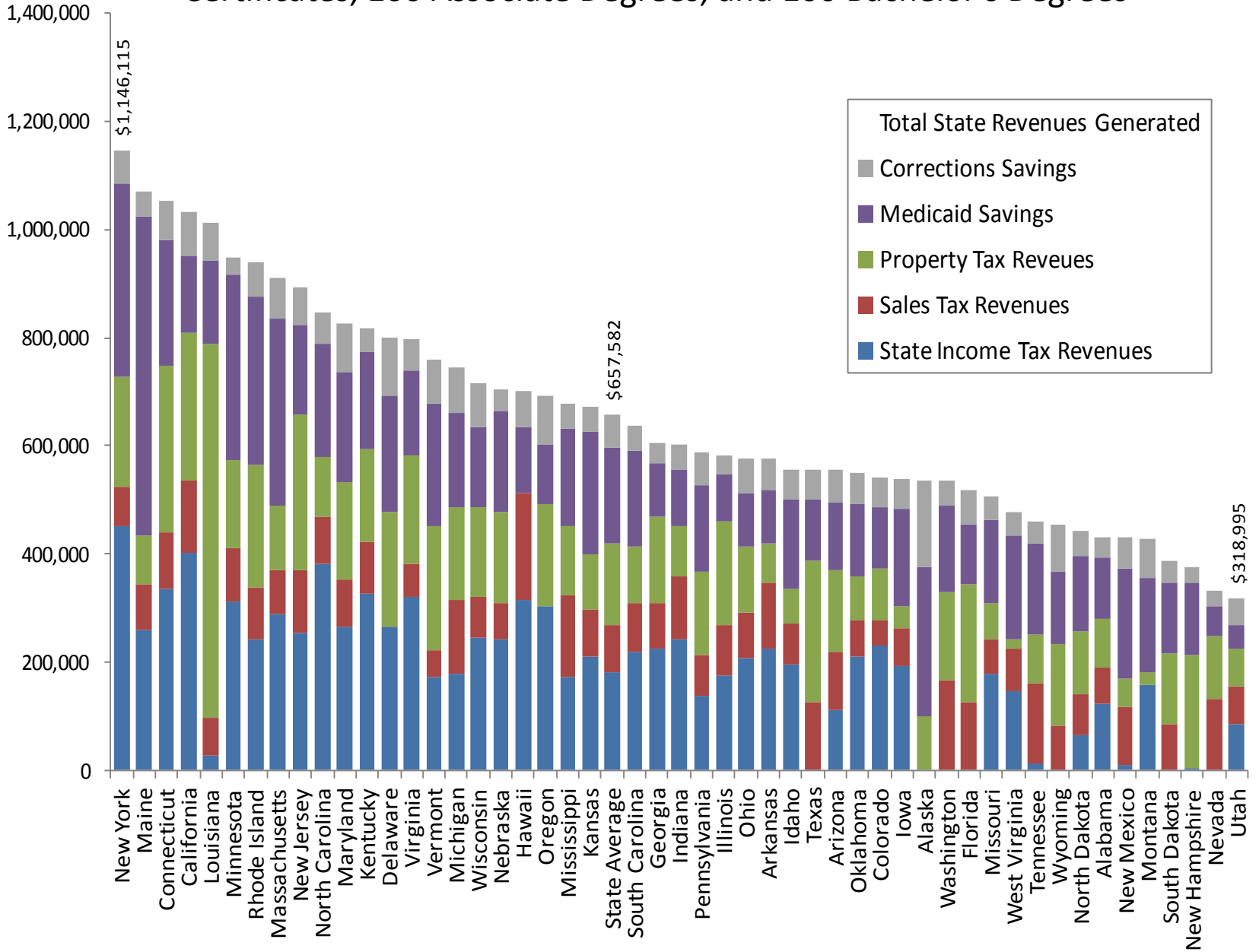
Median Earnings by Level of Education Attained (2009)



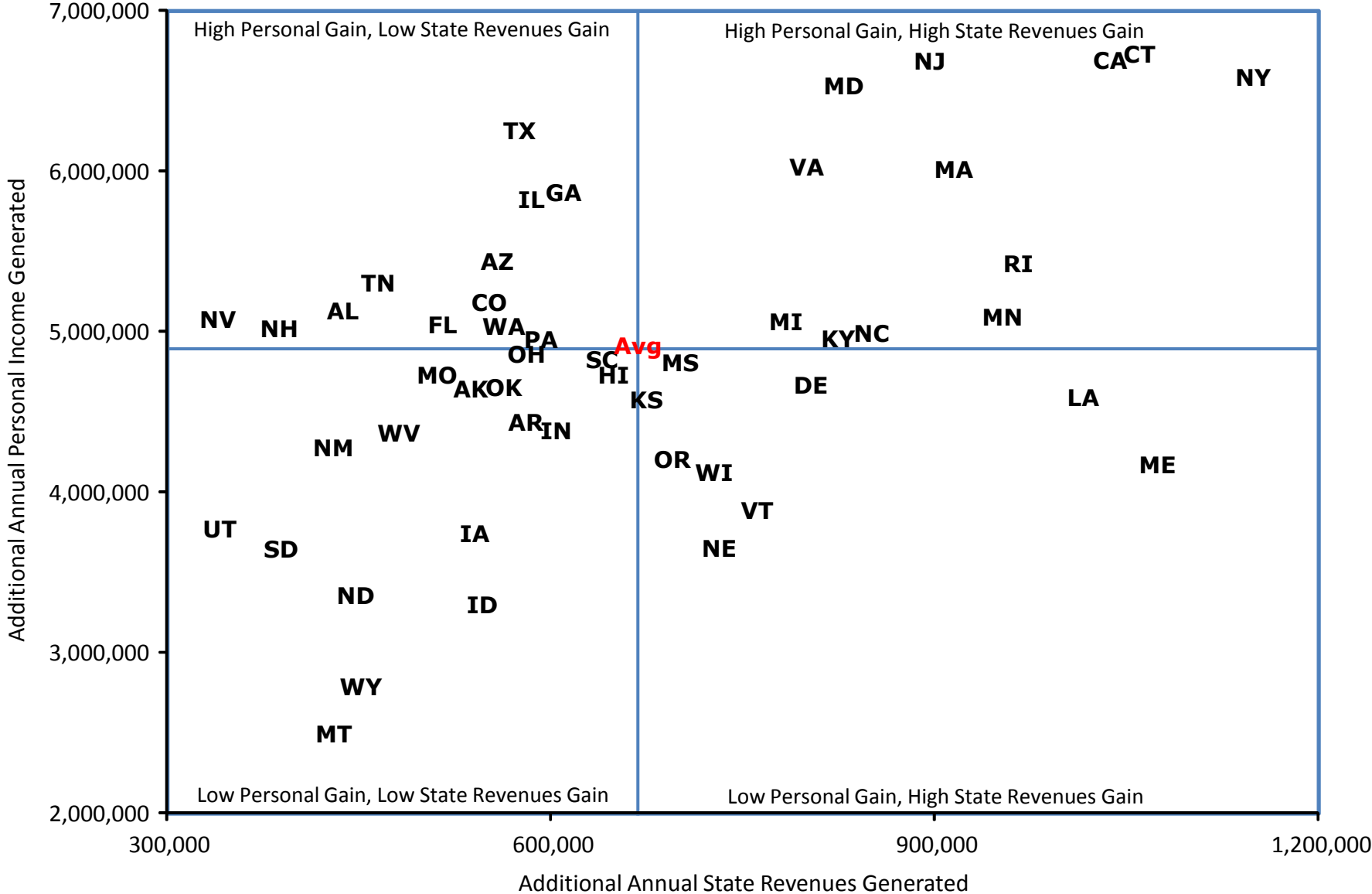
State-to-State Differences

What Each State Produced an Additional 100 Undergraduate Certificates, 100 Associate Degrees, and 100 Bachelor's Degrees?

State Returns by Source if Each State Produced an Additional 100 Undergraduate Certificates, 100 Associate Degrees, and 100 Bachelor's Degrees



Personal and State Returns by Source if Each State Produced an Additional 100 Undergraduate Certificates, 100 Associate Degrees, and 100 Bachelor's Degrees



The U.S. Model

Calculating the Economic Value of Increasing College Credentials by 2025 United States

Start Over
Save Scenario
Print Page

Increase College Attainment | View Returns on Investment | Instructions and Definitions

Set Postsecondary Performance Goals for Year 2025

Increase College Access

Avg. Performance of Top 3 States

High School Graduation Rate 70.1%

College-Going Rate Directly from High School 63.3%

20 to 39 Year Olds Enrolled in College 1.08%

Increase Number of College Credentials

Public Research 21.7

Public Bachelor's and Master's 19.9

Public Two-Year 19.1

Private Colleges 23.8

Undergraduate Credentials Awarded per 100 Students

Change Enrollment Patterns of Additional First-Time Students

Directly from High School

20 to 39 Year Olds

Public Research 24%

3%

Public Bachelor's and Master's 18%

5%

Public Two-Year 34%

62%

Private Sector 25%

30%

Must Equal 100% 100%

100%

2025 Enrollment patterns of additional first-time students as a result of the improvements made above.

Optional: Set 2025 College Attainment Goal (%)

60.0

(Current College Attainment of 25 to 64 Year Olds is 38.3%)

Gap: Additional Degrees Needed to Meet 24,305,885

Results: Additional Undergraduate Credentials Awarded by 2025

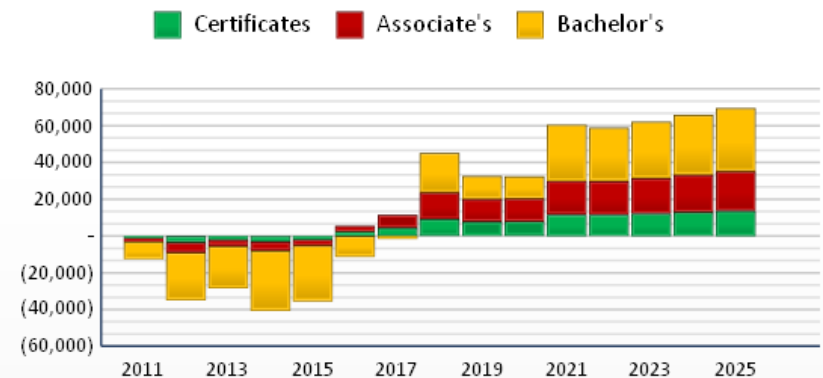
Associate's 127,487 + Bachelor's 69,154

= Additional Degrees 196,641

Undergraduate Certificates 81,854

Total Additional Undergraduate Credentials 278,494

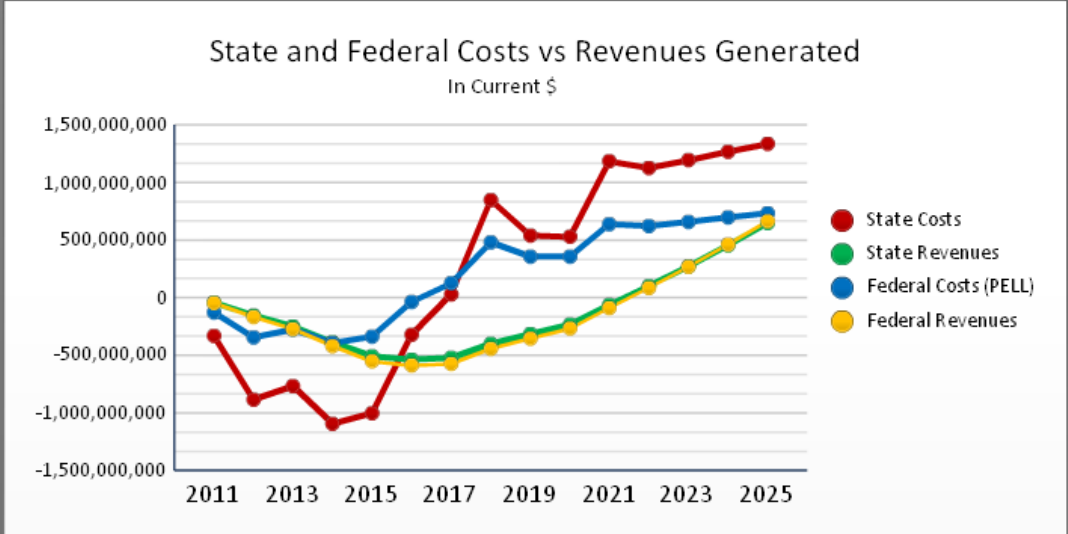
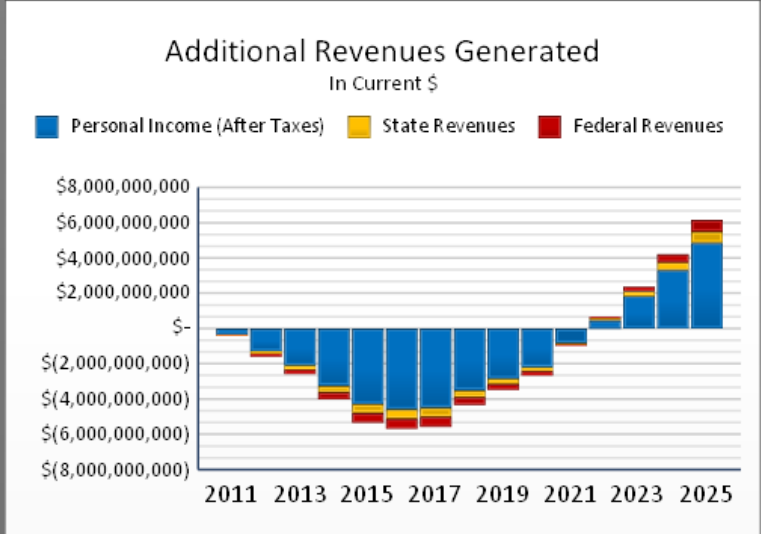
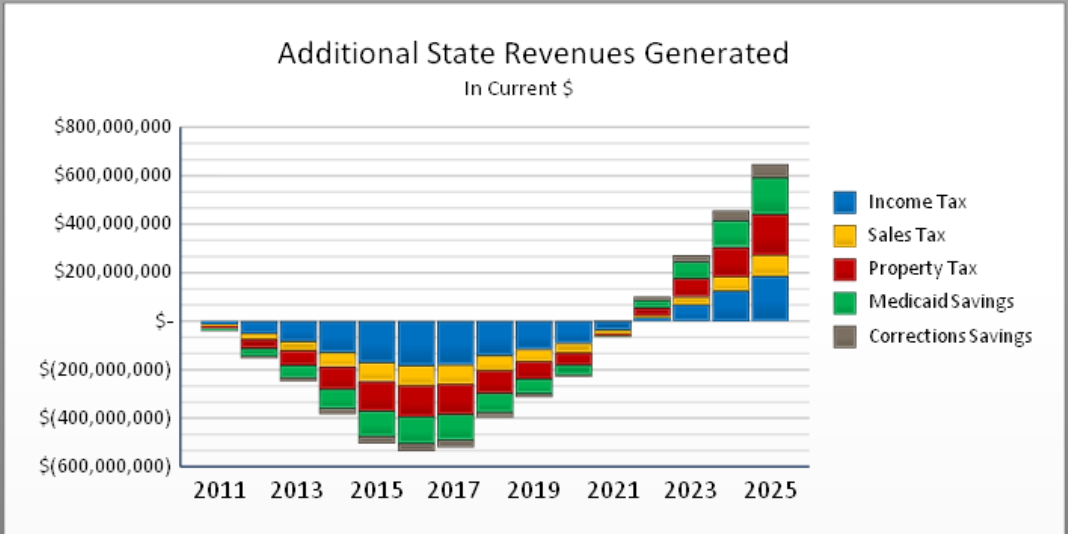
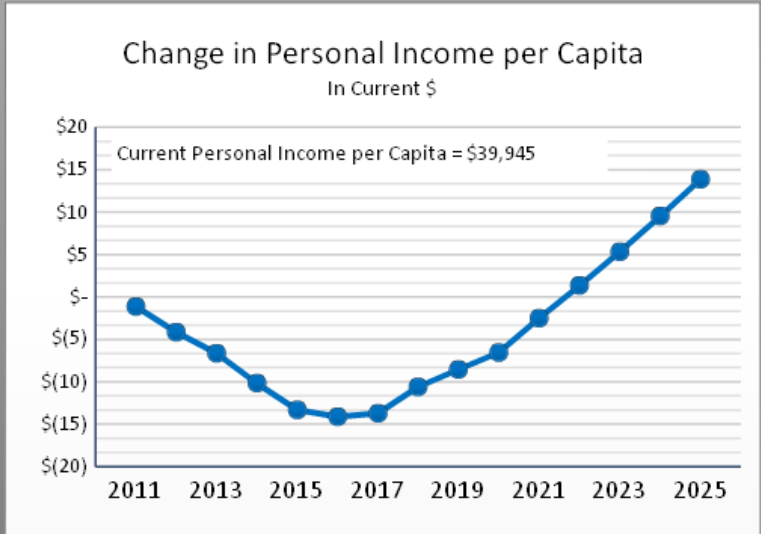
Additional Undergraduate Credentials Awarded Annually



Calculating the Economic Value of Increasing College Credentials by 2025 United States

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Increase College Attainment

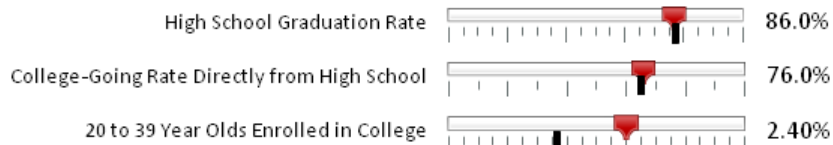
View Returns on Investment

Instructions and Definitions

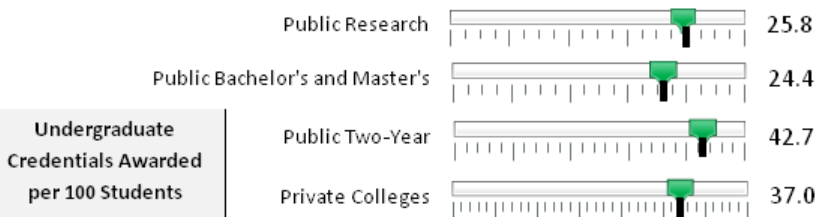
Set Postsecondary Performance Goals for Year 2025

Increase College Access

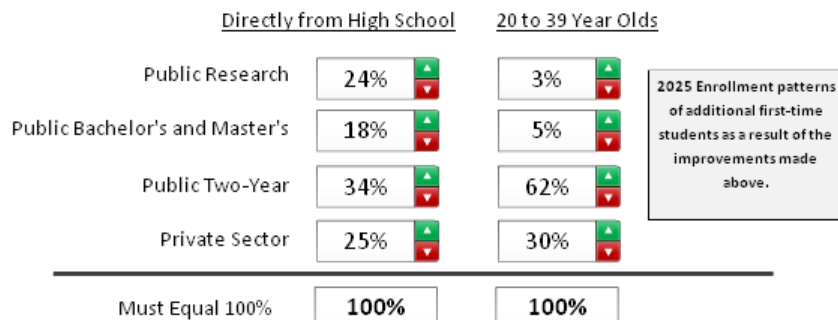
Avg. Performance of Top 3 States



Increase Number of College Credentials



Change Enrollment Patterns of Additional First-Time Students



Optional: Set 2025 College Attainment Goal (%)

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(Current College Attainment of 25 to 64 Year Olds is 38.3%)

Gap: Additional Degrees Needed to Meet **24,305,885**

Results: Additional Undergraduate Credentials Awarded by 2025

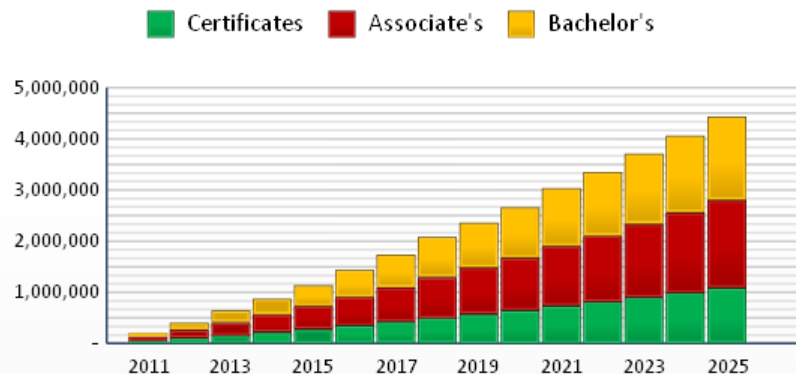
Associate's **12,403,095** + Bachelor's **11,914,548**

= Additional Degrees **24,317,643**

Undergraduate Certificates **7,843,609**

Total Additional Undergraduate Credentials **32,161,252**

Additional Undergraduate Credentials Awarded Annually



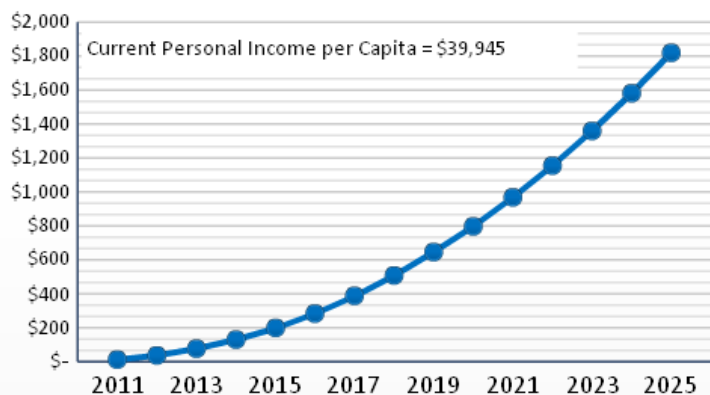
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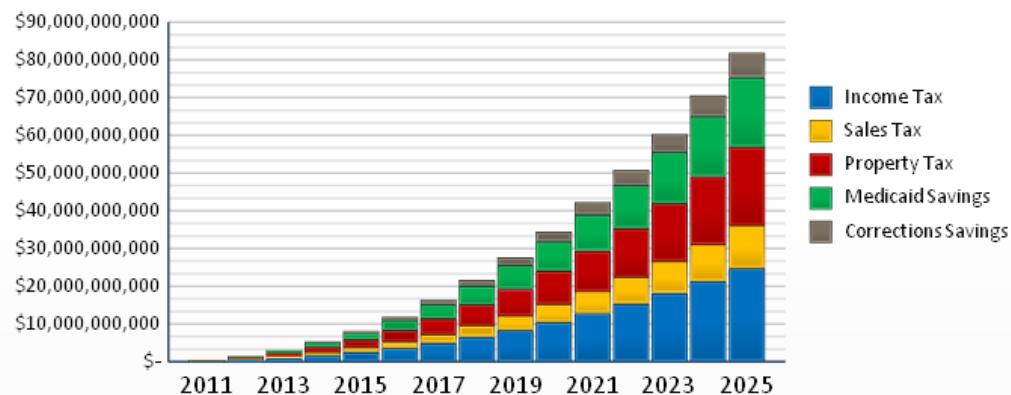
Change in Personal Income per Capita

In Current \$



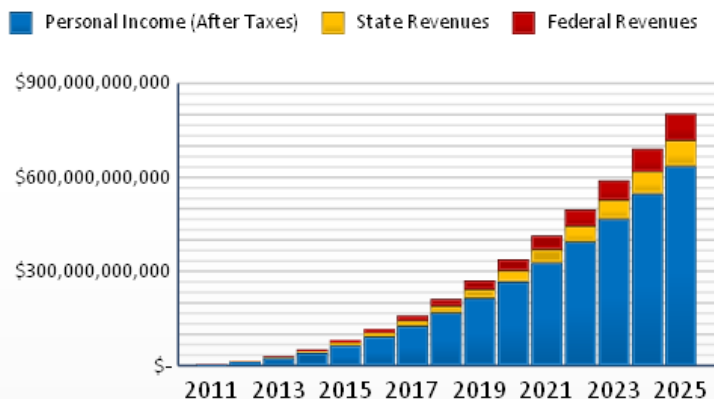
Additional State Revenues Generated

In Current \$



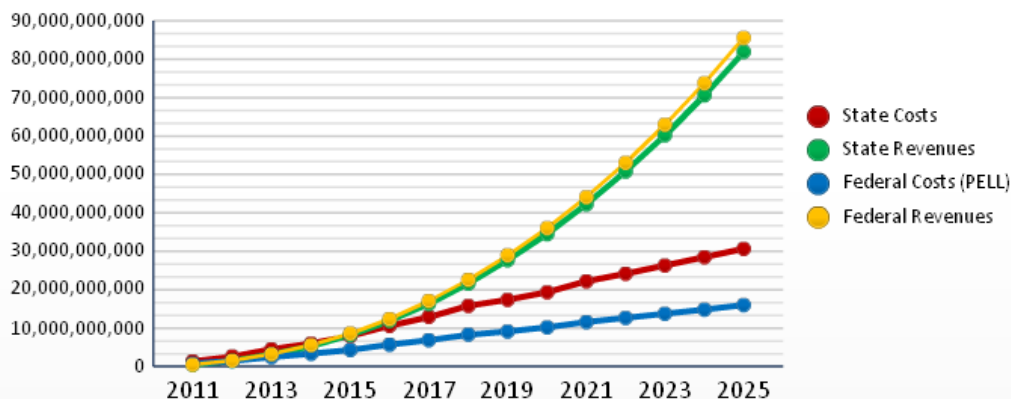
Additional Revenues Generated

In Current \$



State and Federal Costs vs Revenues Generated

In Current \$



Thank You!
