# Dual Credit Program Evaluation Report



# Division of Fiscal and Program Analysis

November 18, 2019







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# **Executive Summary**

#### Overview

The South Dakota high school dual credit program has experienced rapid growth since its inception in 2014. The program allows eligible high school students to receive both secondary and postsecondary credit from courses completed at the Board of Regents universities and South Dakota's four technical institutes. State statute establishes the reduced tuition rate and subsidizes two-thirds of the cost with state general funds. As a result of the increased program participation, annual state expenditures have nearly tripled and are expected to continue to grow. This program evaluation examines state and institutional program policies, analyzes student outcomes, and compares the South Dakota dual credit program with similar programs in surrounding states.

#### **Funding and Policy Considerations**

Dual credit programs vary greatly amongst states and are designed in a manner that suits a state's goals and intended outcomes. A list of funding and policy considerations were developed to provide a basis of understanding and examples of approaches that may be used to ensure the dual credit program meets the intended goals and outcomes of the program.

#### Recommendations

The following recommendations align with the research questions explored in this evaluation:

- The Board of Regents and Board of Technical Education should set metrics and goals for matriculation, retention, and graduation rates for dual credit students;
- The Board of Regents and Board of Technical Education should provide an annual dual credit program report to the South Dakota Legislature; and
- The Board of Technical Education should work with the four technical institutes to set robust policies, procedures, and guidelines related to the dual credit program.

#### **Conclusion**

The dual credit program provides high school students with an opportunity to participate in postsecondary coursework at a reduced rate. Currently, state general funds subsidize part of the student cost for dual credit participation while also providing funds to school districts through the State Aid to General Education formula; thus, state funds are essentially paying for dual credit courses twice. The Board of Regents has established system-wide policies for the program, setting eligibility criteria, limiting course offerings, and creating consistency in program delivery among the regental institutions. The Board of Technical Education does not have system-wide policies for dual credit, instead allowing each of the four technical institutes to operate its program independently. As a result, there is discrepancy with continued program eligibility, evaluating student success, and course offerings. Finally, while student outcome data shows that dual credit program participants have higher rates of retention and matriculation, neither the Board of Regents nor the Board of Technical Education have established metrics and goals for matriculation or retention.

### Purpose and Scope

The Executive Board of the State Legislature, in accordance with South Dakota Codified Law (SDCL) 2-9-4, directed the South Dakota Legislative Research Council's Division of Fiscal and Program Analysis to evaluate the state subsidized high school dual credit program, as defined in SDCL 13-28-37.1.

The evaluation was guided by the following research questions:

- 1. What is the financial impact of South Dakota's dual credit program?
- 2. What courses are offered and taken through South Dakota's dual credit program?
- 3. Does dual credit completion improve student outcomes?

The program evaluators collected and analyzed data from numerous sources including:

- Interviews with Department of Education, Board of Regents, and Board of Technical Education staff;
- Survey of South Dakota public school districts;
- Review of dual credit policies and procedures;
- Review and analysis of regional state dual credit programs;
- Analysis of dual credit data, including operational and financial data;
- Literature review; and
- Research on law, policy, and practices related to dual credit.

# High School Dual Credit Program Overview & Background

#### **Dual Credit Program Defined**

The state subsidized high school dual credit program (hereafter referred to as the dual credit program or dual credit) allows eligible high school students to enroll in college-level courses for which they receive both high school (secondary) and college-level (postsecondary) credit. The courses are taught by a postsecondary instructor, may be taken online or in-person, and are offered to students at a reduced tuition rate. Dual credit courses may be taken at Board of Regents' (BOR) institutions, including Black Hills State University (BHSU), Dakota State University (DSU), Northern State University (NSU), South Dakota School of Mines and Technology (SDSMT), South Dakota State University (SDSU), and University of South Dakota (USD) and at South Dakota technical institutes, including Lake Area Technical Institute (LATI), Southeast Technical Institute (STI), Western Dakota Technical Institute (WDT), and Mitchell Technical Institute (MTI).

SDCL 13-28-37.1 establishes the state subsidized high school dual credit program for eleventh and twelfth grade students, determines how the tuition rate is calculated, and identifies how payment of the tuition shall be made.

13-28-37.1. State subsidized high school dual credit program--Tuition rate--Payment of tuition and costs. A state subsidized high school dual credit program shall be established for any student in grades eleven or twelve. The public institution of higher education or postsecondary technical institute offering the credit shall set the admission standards. A participating institution shall regularly submit course availability, enrollment, and completion data to the Department of Education.

The Board of Regents shall set a high school dual credit tuition rate equivalent to forty-three percent of the undergraduate off-campus tuition rate. The student taking the course shall pay an amount equal to thirty-three and three tenths percent of the total high school dual credit tuition rate and a school district may pay any portion of the student's share. The state shall pay an amount equal to sixty-six and seven tenths percent of the total high school dual credit tuition rate. No public institution of higher education or postsecondary technical institute offering the credit may require any additional fees.

The student is responsible for any other costs involved with attending a postsecondary institution. For the purposes of this section, the term, undergraduate off-campus tuition rate, means the per-credit rate, as set by the Board of Regents, that was in effect on January first of the previous fiscal year. <sup>1</sup>

<sup>&</sup>lt;sup>1</sup> SDCL 13-28-37.1 (2018)

In addition to the dual credit program, South Dakota high school students have the opportunity to participate in both concurrent credit courses and advanced placement (AP) courses. Concurrent credit and AP courses should not be confused with dual credit program courses. Although they are often grouped with dual credit courses in other reports and other state dual enrollment programs, South Dakota's concurrent credit courses and AP courses have distinct differences, as outlined in Table 1.

Table 1: South Dakota High School Advanced Coursework Comparison							
	Who teaches the course?	How much does the course cost?	Who pays for instructional costs?	Who pays for the course?			
Concurrent Credit <sup>2</sup>	High School Teachers	\$40 per credit hour	School District	Student or School District			
Advanced Placement <sup>3</sup>	High School Teachers	Cost of AP exam	School District	Student or School District			
Dual Credit	Postsecondary Instructors	\$145 per credit hour	Postsecondary Institution	Student or School District & State General Fund			

The dual credit program is jointly administered by the Department of Education, Board of Regents, and Board of Technical Education/four postsecondary technical institutes. The Department of Education manages the budget requests, disburses funding for program expenditures to each entity, and collects and reports general dual credit outcome data and course information for all institutions. The Board of Regents sets policies for the public universities and researches and reports on the impact of dual credit on the regental institutions and students. The Board of Technical Education sets some centralized policies for the technical institutes, while other policies and dual credit data collection are locally controlled by each of the four technical institutes.

<sup>&</sup>lt;sup>2</sup> Concurrent courses with BOR oversight are \$40 per credit hour, but cost may vary depending on oversight. High school teachers who teach concurrent credit courses must meet qualifications established by the Higher Learning Commission.

<sup>&</sup>lt;sup>3</sup> Only provide college credit with acceptable score on the AP exam.

#### **Other State Dual Credit Programs Defined**

To conduct a regional comparison, six neighboring states were surveyed: Iowa, Minnesota, Montana, Nebraska, North Dakota, and Wyoming. The six states chosen are in close regional proximity in order to conduct a comparative analysis.

Each state administers dual enrollment programs differently, including courses offered and funding methodologies. Due to the variances, it is important to distinguish the differences among the six states examined. Table 2 provides an overview of the states' dual enrollments programs.

	Table 2: State-by-State Comparison of Dual Credit Program⁴							
	South Dakota	Iowa	Minnesota	Montana	Nebraska	North Dakota	Wyoming	
Location: Can a course be taught at a secondary school?	Yes	No	No	No	Yes	Yes	No	
Teacher: Can a secondary instructor teach postsecondary level courses?	No	No	No	No	Yes	No	No	
Credit: Can students earn both secondary and postsecondary school credit?	Yes	Yes	Yes	Yes	Varies	Yes	Yes	
Tuition Policy: Is there a policy/law that determines who is responsible for paying tuition?	Yes	Yes	Yes	No	No	Yes	Yes	
Tuition: Do students receive discounts on tuition for postsecondary schools?	Yes	No Cost	No Cost	Yes	Varies	Varies	Varies	
Academic: Are there academic eligibility requirements?	Yes	Yes	No	No	No	No	No	

<sup>&</sup>lt;sup>4</sup> See Appendix B for complete state-by-state comparison.

#### **Dual Credit Program Timeline**

The high school dual credit program was established in FY2015 as an initiative of then Governor Dennis Daugaard. Prior to FY2015, high school students were able to take dual credit courses; however, state funding and the reduced tuition rate were not available. Instead, students paid the full college tuition rate.<sup>5</sup>

The state subsidized dual credit program was initiated through a general fund budget request as well as a statutory change proposed in Senate Bill 182 during the 2014 Legislative Session. Governor Daugaard focused on the dual credit program in the 2014 State of the State Address, discussing his budget request to buy-down tuition and the benefits of the dual credit program, stating:

The FY15 budget I proposed last December proposes funds to help make these opportunities more affordable. Using a combination of state funds and discounts from the Regents and the Technical Institutes, we propose to buy down the cost of entry-level university and technical institute courses. That way students can take these dual credit courses from the universities and tech schools directly at the low \$40 per credit hour.

Dual credit opportunities are a win-win-win. Students who start college or tech schools with some credits already earned are more likely to complete on time and at less cost. Universities and technical institutes get the opportunity to make themselves known to prospective students and to help prepare them for success when they graduate. High schools gain flexibility to offer more opportunities to students at no cost to the district, and the state gets more young people who are ready to succeed, live, and work here in South Dakota.<sup>6</sup>

Senate Bill 182, "An Act to revise certain provisions relating to dual education credit," passed both the House (yeas 66, nays 4) and the Senate (yeas 34, nays 1) and added language to SDCL 13-28-37, which allowed the state to pay all or part of the tuition and fees for dual credit courses. In addition, the legislation requires that if a student fails a postsecondary course, the student must show good cause to continue to be eligible to enroll in postsecondary courses.

During the 2015 Legislative Session, House Bill 1117 was enacted. It allows students who attend non-public schools and students receiving alternative instruction to participate in the dual credit program. The bill aligned state law with current practice since students attending non-public schools or receiving alternative instruction were already participating in dual credit.

The dual credit program, as it exists today, became law in FY2019. During the 2018 Legislative Session, House Bill 1099, "An Act to revise certain provisions regarding dual education credit," passed both the House (yeas 59, nays 9) and the Senate (yeas 25, nays 8) and was signed into law on February 22, 2018. House Bill 1099 set the dual credit tuition rate at 43% of BOR's undergraduate, off-campus tuition rate. In addition, the bill specified the student pays 33.3% and the state pays 66.7% of the tuition for each course. Local school districts are allowed to pay any portion of the student's share. Although dual credit is open to all students in grades nine through twelve, only students in grades eleven and twelve are eligible for the state subsidized high school dual credit program.

<sup>&</sup>lt;sup>5</sup> In some instances, school districts, industry partners, and federal grants were available to help pay student tuition.

<sup>&</sup>lt;sup>6</sup> Governor Dennis Daugaard, "2014 State of the State Address" (speech, Pierre, SD, January 14, 2014),

# **Financial Impact**

#### South Dakota Funding Methodology

South Dakota's state subsidized high school dual credit program funding methodology is outlined in SDCL 13-28-37.1. In accordance with this statute, BOR sets a high school dual credit tuition rate equivalent to forty-three percent of the undergraduate off-campus tuition rate. The student is responsible to pay for thirty-three and three tenths percent (33.3%) and the state is responsible to pay for sixty-six and seven tenths percent (66.7%) of the tuition. No additional fees may be charged for the dual credit course.

The dual credit tuition rate has stayed consistent at \$145 per credit hour since inception of the dual credit program, as shown in Table 3.

Table 3: Dual Credit Tuition Rate								
	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	FY2020 Projected		
Student Share	\$40.00	\$48.33	\$48.33	\$48.33	\$48.33	\$48.33		
State Share	\$105.00	\$96.67	\$96.67	\$96.67	\$96.67	\$96.67		
Total	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00		

Although the dual credit tuition rate has remained unchanged over the years, under state law BOR shall set the dual credit tuition rate at 43% of the off-campus tuition rate. BOR's undergraduate, off-campus tuition rate for FY2020 is \$351.25 per credit hour. Therefore, if the dual credit tuition rate was set at 43% of the undergraduate, off-campus tuition rate, the rate would be approximately \$151.04 per credit hour, which would increase both the student and state share to \$50.30 and \$100.74, respectively. For FY2020, BOR chose to maintain the dual credit tuition rate at \$145 per credit to avoid requesting general funds to pay for the increased state share.

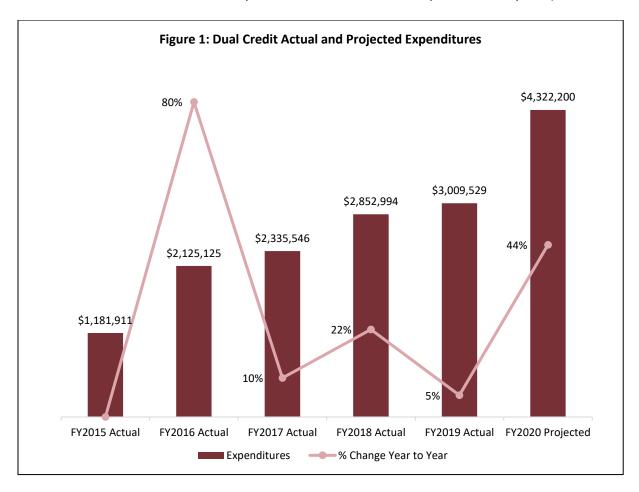
<sup>&</sup>lt;sup>7</sup> SDCL 13-28-37.1 (2018)

<sup>&</sup>lt;sup>8</sup> South Dakota Board of Regents, "South Dakota Board of Regents FY20 Off-Campus and Distance Tuition Schedule," <a href="https://www.sdbor.edu/student-information/Documents/FY20TuitionFeeSchedule.pdf">https://www.sdbor.edu/student-information/Documents/FY20TuitionFeeSchedule.pdf</a>.

<sup>&</sup>lt;sup>9</sup> Interview with South Dakota Board of Regents staff, August 13, 2019.

#### Actual and Budgeted Expenditures (FY2015 - FY2020)

General fund expenditures for the dual credit program have increased each year since inception of the program in FY2015. From FY2015 to FY2019, expenditures increased by 155% from approximately \$1.18 million to just over \$3 million annually. Figure 1 details actual and budgeted expenditures and year-over-year changes from FY2015 to FY2020. A total of \$11.5 million has been expended on dual credit over the past five fiscal years (FY2015 – FY2019).



<sup>&</sup>lt;sup>10</sup> FY2020 projected expenditures are based on the DOE budget at a rate of \$148.41 per credit, a state share of \$98.99 per credit. In addition, FY2020 projected expenditures are based on the FY2019 projection of \$3,663,986, but actual FY2019 expenditures came in lower than projected at \$3,009,528.

#### **Other State Funding Methodologies**

Table 4 summarizes the dual credit funding process for South Dakota and the six regional states used for comparison. Of the six states, Minnesota is the only one that primarily contributes state funds for its dual enrollment program. There are direct state funds used in Nebraska for a scholarship program that assists with dual enrollment costs for low-income students; otherwise, students are responsible for course costs in the state. Students in North Dakota also pay for dual credit courses themselves. The university system in Montana covers the cost of a student's first two courses, and subsequent course costs are paid by the student at a reduced rate. In lowa and Wyoming, secondary school districts pay the costs directly to the postsecondary institutions; although, lowa secondary schools do receive some additional state funding through a weight-based system.

•	Table 4: State-by-State Comparison of Dual Credit Funding <sup>11</sup>							
	South Dakota	lowa	Minnesota	Montana	Nebraska	North Dakota	Wyoming	
Who is the primary payer of dual enrollment tuition?	State	School District	State	Montana University System	Student	Student	School District	
Are students responsible for paying for textbooks and fees?	Yes: Books No: Fees	No	No	Yes: Fees No: Books	Varies	Yes	No	
Is the state responsible for payment of incomplete courses or late withdrawals?	Yes	No	Yes	No	No	No	No	
Do students have to pay reimbursement for failed or non-completed credits?	No	Yes	No	No	N/A	No	No	

#### **Double Funding in South Dakota**

Funding to public school districts through the State Aid to General Education formula and funding to the postsecondary institutions for dual credit courses is commonly referred to as "double funding." The reason this is considered double funding is because the local school district receives funding through the State Aid to General Education formula for a student who is taking a dual credit course. In addition, the postsecondary institution receives funding for the same student through the tuition payment for the dual credit course of \$145 per credit hour (\$48.33 from the student and \$96.67 from the state general fund). Thus, funding through both the State Aid to General Education formula and the postsecondary tuition payment pays for the student's dual credit courses.

<sup>&</sup>lt;sup>11</sup> See Appendix B for complete state-by-state comparison.

The topic of double funding is depicted further in Examples 1 and 2. In these examples, two students attend the same public school district and are funded through the State Aid to General Education formula at the same amount. John is taking 60% of his courses at the high school taught by a high school teacher and 40% of his courses online through the dual credit program taught by college faculty. Jane is taking 100% of her courses at the high school taught by a high school teacher. Although John's high school is providing direct instruction for 60% of his courses, the school is still receiving 100% of the per student equivalent allocation.

#### **Example 1: Dual Credit Participant, John Doe**

John is a senior at South Dakota Public High School. John is taking 2 dual credit courses and 3 regular high school courses each semester for a total of 10 courses and a total of 12 college-level credits. 60% of John's courses are taught at the high school by a high school teacher, while 40% are taught by a college-level instructor online.

In FY2020, South Dakota Public High School received funding through the State Aid to General Education formula in the amount of \$86,442 per teacher, with a student teacher ratio of 15:1, which equates to a per student equivalent allocation of \$5,763 for the school year.<sup>12</sup>

The State Aid to General Education formula paid South Dakota Public High School \$5,763 for John's senior year. <sup>13</sup> The State General Fund paid the postsecondary institute \$96.67 per credit hour (12 credits) for a total of \$1,160. The total funds (State Aid and State General Funds) paid for John's senior year equals \$6,923.

#### **Example 2: Not Participating in Dual Credit, Jane Doe**

Jane is a senior at South Dakota Public High School. Jane is not taking dual credit courses. She is enrolled in 5 regular high school courses per semester for a total of 10 courses. 100% of Jane's courses are taught by high school teachers.

In FY2020, South Dakota Public High School received funding through the State Aid to General Education formula in the amount of \$86,442 per teacher, with a student teacher ratio of 15:1, which equates to a per student equivalent allocation of \$5,763 for the school year.<sup>14</sup>

The State Aid to General Education formula paid South Dakota Public High School \$5,763 for Jane's senior year. <sup>15</sup> The total funds (State Aid only) paid for Jane's senior year equals \$5,763.

#### **Double Funding in Other States**

The majority of the six neighboring states examined do not contribute state funds towards dual credit, so there are not concerns regarding double funding. Minnesota is the only state that uses state funds for its program, and it avoids the double funding issue with adjustments to its State Aid to General Education formula. The state considers program participants as less than full-time high school students, based on the number of dual credit courses taken, and secondary schools receive less funding for those students as a result.

Table 5: State-by-State Comparison of Double Funding <sup>16</sup>							
South Dakota Iowa Minnesota Montana Nebraska North Dakota Wyom						Wyoming	
Are students "double funded" for dual credit courses?	Yes	No	No	No	No	No	No

<sup>&</sup>lt;sup>12</sup> Per SDCL 13-13-10.1 (2019), teacher allocation includes salary, benefits, and overhead rate.

<sup>&</sup>lt;sup>13</sup> Includes state general funds and local effort funds.

<sup>&</sup>lt;sup>14</sup> Per SDCL 13-13-10.1 (2019), teacher allocation includes salary, benefits, and overhead rate.

<sup>&</sup>lt;sup>15</sup> Includes state general funds and local effort funds.

<sup>&</sup>lt;sup>16</sup> See Appendix B for complete state-by-state comparison.

#### **In-District Delivery of Dual Credit Courses**

In addition to double funding as outlined in Examples 1 and 2, there are also dual credit courses taught by postsecondary instructors at high school campuses, which is referred to as in-district delivery. Both the Board of Regents and some of the technical institutes offer dual credit course through this method of delivery.<sup>17</sup>

In FY2019, BOR delivered eight dual credit courses through in-district delivery to one local school district. Table 6 details the university that delivered the course, the high school where the dual credit course was taught, the course taught, the number of students in the course, and the compensation BOR faculty received for teaching the course.

Table 6: BOR Dual Credit In-District Delivery							
University	High School	Course	Students	Faculty Pay			
Dakota State University	Harrisburg	MATH 102: College Algebra	28	\$3,234			
Dakota State University	Harrisburg	MATH 102: College Algebra	17	\$3,234			
Dakota State University	Harrisburg	CSC 150: Computer Science I	21	\$9,565			
University of South Dakota	Harrisburg	SPCM: Fundamentals of Speech	18	\$3,986			
University of South Dakota	Harrisburg	SPCM: Fundamentals of Speech	23	\$3,986			
University of South Dakota	Harrisburg	A&S 101: Career Exploration	18	\$1,288			
University of South Dakota	Harrisburg	A&S 100: 1st Year Seminar	19	\$1,288			
University of South Dakota	Harrisburg	A&S 100: 1st Year Seminar	18	\$1,288			
	Average Cost per Course: \$3,484						
Total Cost: \$27,869							

BOR estimates that in FY2020 there are twenty sections eligible for in-district delivery; however, it is likely that fewer than twenty courses will be offered. At an average cost of \$3,484 per course, the total cost to the universities for twenty courses would be \$69,673.

According to BOR, "Individual school districts request these agreements with the Board of Regents through individual institutions and for a variety of reasons. In some cases where a significant number of students from one high school are interested in a specific [dual credit] course, it is logistically beneficial to offer the course at the high school. In other cases, the request and approval is contingent upon unique programming efforts at the school districts." <sup>18</sup>

<sup>&</sup>lt;sup>17</sup> South Dakota Board of Regents, "Academic Affairs Guidelines, Section 7.1: Dual/Concurrent Credit Administration Guidelines," revised 6/2019,

https://www.sdbor.edu/administrative-offices/academics/academic-affairs-guidelines/Documents/7\_Guidelines/7\_1\_Guideline.pdf.

<sup>&</sup>lt;sup>18</sup> South Dakota Board of Regents response to Legislative Research Council questionnaire, September 14, 2019.

Between FY2016 and FY2019, technical institutes delivered a total of 72 course sections through in-district delivery as detailed in Table 7.<sup>19</sup> The offering of dual credit courses by technical institute staff at the high school has grown from six courses in FY2016 to a projected 47 courses in FY2020.

Table 7: BOTE Dual Credit In-District Delivery from FY2016 - FY2019						
Technical Institute	Number of Sections Taught at a High School	Total Cost	Average Cost per Section			
LATI	6	\$116,640	\$19,440			
STI	12	\$52,975	\$4,415			
WDT	54	\$129,600	\$2,400			
Totals	72	\$299,215	\$4,156			

In FY2020, technical institutes will offer a total of 47 dual credit courses at local high schools at a total cost of \$199,354 to the institutes.

#### **School District Survey Results**

The Legislative Research Council (LRC) conducted a survey of public school districts to determine if school districts or local entities pay for any portion of the student's share of dual credit courses.<sup>20</sup> Of the 149 public school districts with high school students, LRC received responses from 144, a 97% response rate. The survey results are as follows: Of the respondents, 135 school districts (94%) had 11<sup>th</sup> and 12<sup>th</sup> graders who took state subsidized dual credit courses during the 2018-2019 school year.

Question #1	Yes	%	No	%
Did any 11th and 12th grade students at your school district take state- subsidized dual credit courses, as defined in South Dakota Codified Law (SDCL) 13-28.37.1, during the 2018-2019 school year?	135	94%	9	6%

Of the 135 school districts whose students took dual credit courses in 2018-2019, 16 of those (12%) paid for a portion of the students' costs for the courses.

Question #2	Yes	%	No	%
Did your school district pay any portion of the student's cost for dual credit course(s) during the 2018-2019 school year?	16	12%	119	88%

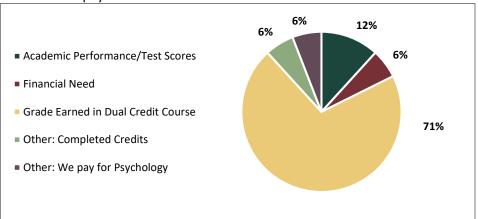
Of the 16 school districts that paid for a portion of the students' share of dual credit, 14 school districts (87.5%) have criteria that must be met for the payment.

Question #3	Yes	%	No	%
If your school district did pay a portion of the student's cost, are there criteria related to that payment?	14	87.5%	2	12.5%

<sup>&</sup>lt;sup>19</sup> Mitchell Technical Institute (MTI) does not offer dual credit courses via in-district delivery.

<sup>&</sup>lt;sup>20</sup> See Appendix A: Local School District Survey Questions

The criteria for school district payment are as follows:



Of the 16 school districts that pay for a portion of the students' share of dual credit, 10 school districts (62.5%) have a maximum amount for each student.

Question #4	Yes	%	No	%
Is there a maximum amount your school district pays for each student's dual credit course(s)?	10	62.5%	6	37.5%

Amounts paid by school districts for each student range from a minimum of \$40 to a maximum of \$600, actual expenditures for the 2018-2019 school year range from \$300 to \$16,000, and budgeted expenditures for the 2019-2020 school year range from \$500 to \$16,000.

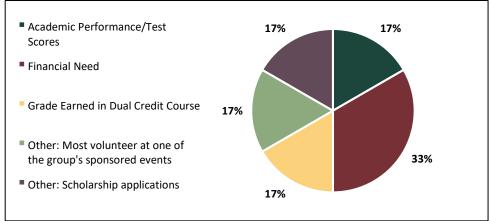
Of the 135 school districts whose students took dual credit courses in 2018-2019, 7 of those (5%) indicated that a private entity paid for a portion of the students' costs for dual credit courses.

Question #7	Yes	%	No	%
Did a private entity pay any portion of the student's costs for a dual credit course(s) during the 2018-2019 school year?	7	5%	128	95%

Of the 7 school districts that indicated a private entity pays for a portion of the dual credit course, 5 school districts (71%) indicated there are criteria related to that payment.

Question #8	Yes	%	No	%	Unknown	%
If a private entity did pay a portion of the student's cost, are there criteria related to that payment?	5	71%	1	14%	1	14%





Of the 7 school districts that indicated a private entity pays for a portion of the students' share of dual credit, 2 (29%) are aware of a maximum amount for each student.

Question #9	Yes	%	No	%	Unknown	%
Is there a maximum amount the private entity pays for each student's dual credit course(s)?	2	29%	3	43%	2	29%

Amounts paid by a private entity for each student range from a minimum of \$24 to a maximum of \$200, actual expenditures for the 2018-2019 school year range from \$150 to \$2,500, and budgeted expenditures for the 2019-2020 school year range from \$1,100 to \$2,500.

#### **Financial Impact on Postsecondary Programs**

The dual credit program has a financial impact on South Dakota's universities and technical institutes. In a recent South Dakota Board of Regents' report, *South Dakota's Dual Credit Program: A Review of Data*, a conceptual model for the financial impact of dual credit on the universities was developed. Through this model, BOR estimates the public university system has lost revenue in the amount of \$1.25 million dollars from FY2015 to FY2019.

The BOR report breaks down the dual credit courses taken into three categories, which results either in a financial gain or a financial loss for the university. The three categories are:

- 1. Eating our own lunch: a university delivers dual credit to a student who later enrolls as a regular student, which results in a **financial loss** for the university. Since the student later enrolled as a regular student, the university lost money because it is assumed the student would have taken the same course(s) at the regular tuition rate.
- 2. Eating someone else's lunch: a university delivers dual credit to a student who does <u>not</u> enroll as a regular student, which results in a **financial gain** for the university. Since the student does not enroll as a regular student, the university received extra revenue because it is assumed the student would never have taken any courses from the university, if not for dual credit.
- 3. Someone ate our lunch: a competitor delivers dual credit to a student who later enrolls as a regular student, which results in a **financial loss** for the university because the university cannot deliver the course to the student. Since the student already took the course(s) from a competitor, the university lost money because it is assumed the student would have normally taken the course at the regular tuition rate.<sup>21</sup>

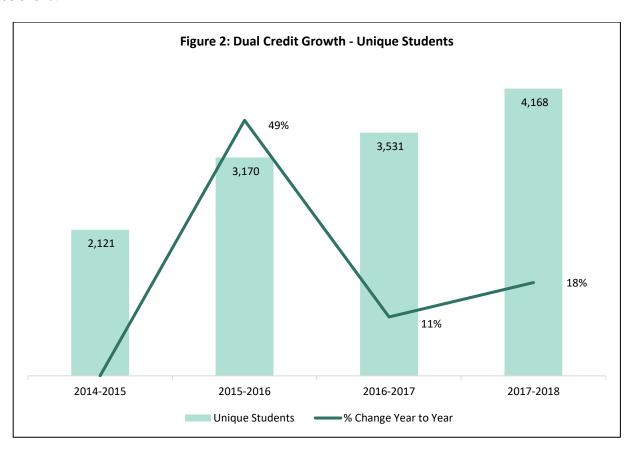
<sup>&</sup>lt;sup>21</sup> South Dakota Board of Regents, "South Dakota's Dual Credit Program: A Review of Data," August 7-8, 2019, <a href="https://www.sdbor.edu/the-board/agendaitems/2014Agendaitems/2019%20Agenda%20Items/August7/2\_G\_BOR0819.pdf">https://www.sdbor.edu/the-board/agendaitems/2014Agendaitems/2019%20Agenda%20Items/August7/2\_G\_BOR0819.pdf</a>.

The four technical institutes also estimated financial impacts from the dual credit program. From FY2015 through FY2019, it is estimated the cost for dual credit course instruction at the four technical institutes totaled \$2,371,080.<sup>22</sup> During that same time, the technical institutes recognized a total loss in revenue for tuition and state fees in the amount of \$190,799 due to the reduced tuition rate.<sup>23</sup>

In-district delivery of dual credit courses, when postsecondary faculty teach a dual credit course at a high school, also has a financial impact on universities and the technical institutes. As previously noted, each course offered via in-district delivery costs the BOR university an average of \$3,484 per course, while each course offered by a BOTE technical institute via in-district delivery costs an average of \$4,156 per course.

#### **Actual Growth of the Dual Credit Program**

The high school dual credit program's student enrollment has grown each year since inception of the program. As Figure 2 shows, the total number of unique students taking dual credit courses has increased annually, growing from 2,121 unique students in school year 2014-2015 to 4,168 unique students in school year 2017-2018, an increase of 97%.<sup>24</sup>



<sup>&</sup>lt;sup>22</sup> South Dakota Board of Technical Education, "Fiscal Impact of High School Dual Credit Program," October 11, 2019.

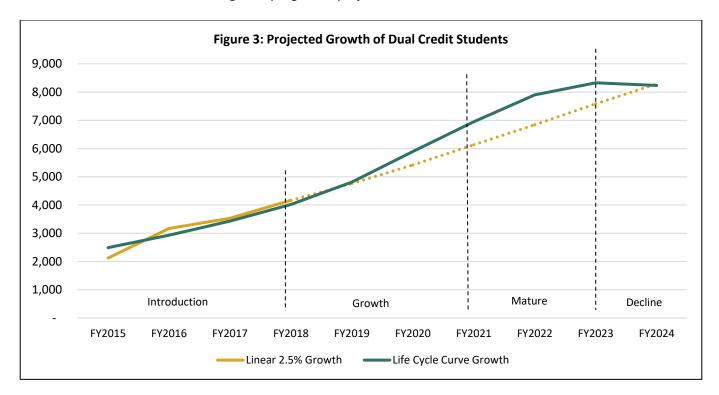
<sup>&</sup>lt;sup>23</sup> BOTE compared the tuition and fees received from dual credit courses at \$145 per credit versus the tuition and fees a student would have paid at full price.

<sup>&</sup>lt;sup>24</sup> Unique students by each school year. Students may be counted from one school year to the next as the student transitions from grade 11 to grade 12.

#### **Projected Growth of the Dual Credit Program**

The projected growth of the dual credit program takes into account the growth of the 11<sup>th</sup> and 12<sup>th</sup> grade student population by considering the actual number of students coming through the K-12 education pipeline and also applying the actual, historical percentage of change in the student population from year-to-year as each cohort progresses from kindergarten through 12<sup>th</sup> grade.<sup>25</sup> In addition, the projected growth utilizes the actual unique students who took a dual credit course and the actual dual credit courses paid for from FY2015 through FY2018.<sup>26</sup> The projection does not take into account potential policy or funding changes or other unknown factors that may impact future program participation.

Figure 3 demonstrates how the growth of dual credit students could increase in the coming fiscal years based on a normal life cycle curve when compared to linear growth. The linear growth curve assumes the number of unique students taking dual credit courses will grow by 2.5% each year. The normal life cycle curve assumes the number of unique students taking dual credit will grow each year, but once the program reaches saturation during the mature phase, the growth will level off or may decline. Based on a normal life cycle curve, the dual credit program is most likely in the early growth or late introduction stage and by FY2023 the number of unique students enrolled and the number of dual credits taken through the program is projected to double.



In summary, 2.5% linear growth and a normal life cycle curve growth results in the dual credit program peaking in FY2023 or FY2024 at approximately 8,300 unique students, or about 36% of the 11<sup>th</sup> and 12<sup>th</sup> grade student population, which equates to a total of approximately 61,000 credits. Assuming the state share cost for FY2020 of \$96.67 per credit, the total state investment would increase to approximately \$6 million per year.

<sup>&</sup>lt;sup>25</sup> In order to determine student population growth for eleventh and twelfth graders, a 4-year moving average model was utilized.

<sup>&</sup>lt;sup>26</sup> The growth in unique students assumes a future growth rate of 2.5% per year. Total credits paid by year assumes a much smaller growth rate, which means dual credit courses per student will remain close to the current ratio.

# Courses and Student Demographics

#### **Student Eligibility**

Only students in grades eleven or twelve can participate in the state subsidized dual credit program but the postsecondary institutions must set the admission criteria.<sup>27</sup> BOR establishes its eligibility requirements for both dual credit and concurrent enrollment in BOR Academic Affairs Guideline 7.1.

The technical institutes use a common dual credit application form and require a recommendation from the student's high school. If the school does not recommend the student, the individual must meet the specific institute's general admissions criteria.<sup>28</sup>

#### **Courses Offered Overview**

Under the dual credit program, the postsecondary institutions decide which courses to offer. Institutions must submit the courses to the DOE Dual Credit Dashboard.<sup>29</sup> The Dual Credit Dashboard lists the course offerings for the current and upcoming semesters.

BOR Academic Affairs Council Guideline 7.1, Section 4 sets the policy for courses offered by the universities throughout the state, limiting all dual credit courses to those approved by BOR and included in the System Graduation Requirements guidelines.<sup>30</sup> Remedial and upper level courses are approved on a case-by-case basis by request of the university.

BOTE does not have an overall policy on the courses offered through the dual credit program, leaving the selection up to each individual institute.<sup>31</sup> Technical institute programs are generally two-year with specialized courses, so the technical institutes do not limit the course offerings only to general education.

<sup>&</sup>lt;sup>27</sup> SDCL 13-28-37.1 (2018)

<sup>&</sup>lt;sup>28</sup> Lake Area Technical Institute, Mitchell Technical Institute, Southeast Technical Institute, and Western Dakota Technical Institutes' response to Legislative Research Council questionnaire, September 19, 2019.

<sup>&</sup>lt;sup>29</sup> SDCL 13-21-37.1 (2018)

<sup>&</sup>lt;sup>30</sup> South Dakota Board of Regents, "Academic Affairs Guidelines, Section 7.1: Dual/Concurrent Credit Administration Guidelines," last revised 6/2019.

https://www.sdbor.edu/administrative-offices/academics/academic-affairs-guidelines/Documents/7\_Guidelines/7\_1\_Guideline.pdf.

<sup>&</sup>lt;sup>31</sup> South Dakota Board of Technical Education's response to Legislative Research Council questionnaire, July 19, 2019.

Table 8 compares policies for courses offered under the dual credit program by states in the region. Half of the programs in those states have some sort of course restriction set in policy; those that do have a policy restricting courses do not allow remedial courses.

<b>Table 8: Dual Credit Course Restrictions Comparison</b>						
	Restrictions on Courses Offered	Remedial Courses Allowed	Upper Level Courses Allowed			
South Dakota BOR	Yes	No <sup>32</sup>	No <sup>33</sup>			
South Dakota BOTE	No	Yes	NA			
Iowa	Yes	No	Yes			
Minnesota	Yes	No	Yes			
Montana	Yes	No	No			
Nebraska	No	Yes	Yes			
North Dakota	No	Yes	Yes			
Wyoming	No	Yes	Yes			

<sup>&</sup>lt;sup>32</sup> Unless the Board has approved an exception for a specific course per South Dakota Board of Regents response to Legislative Research Council questionnaire, July 19, 2019.

<sup>&</sup>lt;sup>33</sup> Unless the Board has approved an exception for a specific course per South Dakota Board of Regents response to Legislative Research Council questionnaire, July 19, 2019.

#### **Courses Offered and Taken Comparison**

From the 2014-2015 through the 2017-2018 school year, a total of 10,954 eligible course sections for the dual credit program were advertised on the Dual Credit Dashboard by BOR institutions. Approximately 21.9% of sections were available online. Courses offered can be broken down into the six different categories under the BOR System General Education Requirements.<sup>34</sup>

Table 9 identifies the number of unique courses offered and taken by students at BOR institutions in each category. Students took the highest number of unique courses in the Arts & Humanities category, which has the largest number of designated unique classes by policy of all categories. Northern State University had the highest number of unique courses offered and taken in the Exceptions category, which includes all classes that would not qualify as one of the general education courses listed in BOR Academic Affairs Guideline 8.4. Some examples of exceptions include: MATH 095: Transitional Algebra; READ 041: Read for College Success; and MATH 321: Differential Equations.

Table 9: Unique Courses Offered and Taken Comparison by BOR Institution												
Catalana	ВН	BHSU DSU		NSU		SDSM&T		SDSU		USD		
Category	Offered	Taken	Offered	Taken	Offered	Taken	Offered	Taken	Offered	Taken	Offered	Taken
Arts & Humanities	42	28	26	9	37	24	21	12	58	26	52	25
Mathematics	7	7	10	8	7	4	5	5	11	8	11	9
Natural Sciences	16	14	15	5	14	9	9	8	24	12	24	14
Oral Communication	3	3	2	1	3	1	0	0	3	1	3	1
Social Sciences	15	14	14	12	15	11	13	10	21	21	21	15
Written Communications	2	2	3	1	3	2	2	1	8	4	8	4
Exceptions <sup>36</sup>	7	2	2	3	25	13	1	2	1	1	1	2

<sup>&</sup>lt;sup>34</sup> South Dakota Board of Regents, "Academic Affairs Guidelines, Section 8.4: Baccalaureate General Education Curriculum Requirements," last revised 5/2019,

https://www.sdbor.edu/administrative-offices/academics/academic-affairs-guidelines/Documents/8\_Guidelines/8\_4\_Guideline.pdf.

<sup>&</sup>lt;sup>35</sup> An additional category of "Exceptions" is included that groups together courses not listed in Board of Regents' Academic Affairs Guidelines, Section 8.4.

<sup>&</sup>lt;sup>36</sup> Not all exception-type courses are advertised on the DOE Dual Credit Dashboard, so some institutions may have more exceptions taken than offered.

During the same time period, a total of 7,707 eligible course sections were offered by BOTE institutes. Approximately 24.5% of sections were offered online. The Association for Career & Technical Education established 16 Career Clusters that group together occupations and industries on commonalities.<sup>37</sup>

Table 10 identifies the number of unique courses offered and taken by students at technical institutions in each category. Lake Area Technical Institute notably has several categories in which the number of unique courses taken is higher than the total offered. Because the courses offered only include those advertised on the Dual Credit Dashboard, it is likely that Lake Area Technical Institute failed to advertise all the courses actually offered each semester. Manufacturing had the highest number of unique courses taken, and Hospitality & Tourism had the fewest taken of the clusters that offered at least one course. No institute offered any courses that fall into the Government & Public Administration cluster.

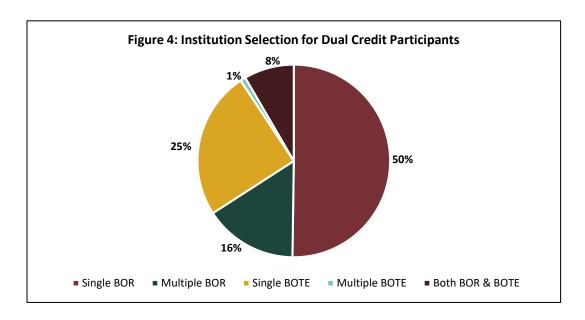
Table 10: Unique Courses Offered and Taken Comparison by BOTE Institute									
Career Cluster	LA	LATI		MTI		STI		WDT	
Career Cluster	Offered	Taken	Offered	Taken	Offered	Taken	Offered	Taken	
Agriculture, Food & Natural Resources	39	21	37	21	5	0	0	0	
Architecture & Construction	6	6	59	17	12	2	62	22	
Arts, A/V Technology & Communications	4	5	12	6	17	10	8	6	
Business Management & Administration	23	7	20	14	34	11	52	27	
Finance	3	3	0	0	0	0	1	1	
Government & Public Administration	0	0	0	0	0	0	0	0	
Health Science	9	12	29	8	24	11	81	13	
Hospitality & Tourism	0	0	20	1	0	0	0	0	
Human Services	9	16	21	5	10	6	4	3	
Information Technology	0	17	32	18	39	28	19	8	
Law, Public Safety, Corrections & Security	1	3	0	0	2	2	52	18	
Manufacturing	27	50	8	5	9	3	25	16	
Marketing	9	1	0	0	13	6	0	0	
Other	0	0	3	2	2	2	1	0	
Science, Technology, Engineering & Math	6	6	23	7	10	8	21	10	
Transportation, Distribution & Logistics	2	2	15	7	21	3	23	11	

<sup>&</sup>lt;sup>37</sup> Association for Career & Technical Education, Career Clusters, https://www.acteonline.org/career-clusters-2/.

<sup>&</sup>lt;sup>38</sup> Programs from each institution were assigned categories by BOTE; an additional category of "Other" is included that groups together courses that did not fit into one of the Career Clusters.

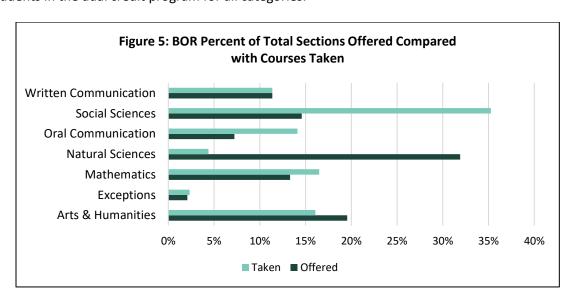
#### **Postsecondary Institution Selection Analysis**

From the 2014-2015 through the 2017-2018 school year, a total of 10,618 students took at least one dual credit course. Figure 4 identifies from which institution each student took their courses. Half of students participating in the program took all their dual credit courses from a single BOR institution. Nearly three-fourths of students took at least one course from a BOR institution. Of all students, 892 took at least one dual credit course from both a BOR and BOTE institution. In general, courses offered do not transfer between BOR and BOTE institutions; however, approximately 43% of BOTE courses taken were transferrable to BOR.



#### **Course Selection Analysis**

Across all BOR institutions, approximately 32% of total course sections offered for dual credit students were in the Natural Sciences category; of the total courses that students took, only approximately 4% of courses fall in that category. In comparison, courses in the Social Sciences category comprise 15% of total sections offered but 35% of the courses that dual credit students actually took. Figure 5 compares BOR courses offered with those taken by high school students in the dual credit program for all categories.



Across all BOTE institutions, approximately 15% of total course sections offered for dual credit students were in the Business Management and Administration career cluster; of the total courses that students took, only 4% of courses fall in that category. In comparison, courses in the Human Services cluster comprise 8% of total sections offered but 23% of the courses that dual credit students actually took. Table 11 compares BOTE courses offered with those taken by high school students in the dual credit program for all categories.

Table 11: BOTE Percent of Total Sections Offered Compared with Courses Taken					
Career Cluster	Cou	irses			
Career Cluster	Offered	Taken			
Agriculture, Food & Natural Resources	5.1%	2.7%			
Architecture & Construction	6.2%	1.6%			
Arts, A/V Technology & Communications	10.4%	24.6%			
Business Management & Administration	14.6%	3.5%			
Finance	1.3%	2.1%			
Government & Public Administration	0%	0%			
Health Science	14.0%	10.7%			
Hospitality & Tourism	0.5%	<0.1%			
Human Services	7.8%	22.8%			
Information Technology	15.8%	9.9%			
Law, Public Safety, Corrections & Security	2.2%	1.4%			
Manufacturing	4.3%	3.8%			
Marketing	2.8%	0.3%			
Other	2.5%	3.4%			
Science, Technology, Engineering & Math	9.1%	12.5%			
Transportation, Distribution & Logistics	3.5%	0.6%			

BOR Policy 2.8 establishes the levels and numbering of courses. For courses taken under the dual credit program, levels range from 33 to 321. BOR defines courses numbered 001 to 099 as pre-college or remedial, 100 to 299 as lower division, and 300 to 499 as upper division. Table 12 identifies the number of times a course was taken that falls within the course levels identified by institution. The majority of courses taken fall into the lower division. Northern State University had the most courses taken outside of that range.

Table 12: Levels of Courses Taken by BOR Institution								
Course Number	BHSU	DSU	NSU	SDSMT	SDSU	USD		
001-099 (remedial)	0	0	54	0	2	0		
100-199 (lower)	3,421	1,259	3,361	346	4,218	5,887		
200-299 (lower)	512	70	235	73	569	1,010		
300-399 (upper)	0	0	0	7	0	0		
400-499 (upper)	0	0	0	0	0	0		

<sup>&</sup>lt;sup>39</sup> South Dakota Board of Regents, "Policy Manual, Section 2: Academic Affairs" https://www.sdbor.edu/policy/documents/2-8.pdf.

Table 13 identifies the number of times a course was taken that falls within the course levels identified by BOTE institute. Of the four institutes, only Western Dakota Technical Institute indicated that remedial courses are allowed under the dual credit program.<sup>40</sup> Southeast Technical Institute stated that neither remedial courses nor courses under the 100 level are offered for dual credit; however, STI had the highest number of unique offerings and of total courses taken below the 100 level with 72 classes taken from the 2014-2015 through the 2017-2018 school year.<sup>41</sup>

Table 13: Levels of Courses Taken by BOTE Institute						
Course Number	LATI	MTI	STI	WDT		
001-099	0	0	72	19		
100-199	2,092	1,480	2,275	1,870		
200-299	251	114	122	172		

Table 14 groups the overall number of dual credit courses taken and shows the number and percent of students who took courses in that range. 99% of students took between one and ten courses during their time in the program. The remaining 1% took anywhere from 11 to 35 courses total. There currently is no maximum number of dual credit courses that an individual can take during his or her participation in the program.

Table 14: Total Courses Taken by Students						
Number of Courses Taken	Total Students	Percentage				
1 to 5	9,602	90.4%				
6 to 10	912	8.6%				
11 to 15	87	0.8%				
16 or more	17	0.2%				

<sup>&</sup>lt;sup>40</sup> Western Dakota Technical Institute response to Legislative Research Council questionnaire, September 19, 2019.

<sup>&</sup>lt;sup>41</sup> Southeast Technical Institute response to Legislative Research Council questionnaire, September 19, 2019.

#### **Dual Credit Course Grade or Credit Earned**

Of the 29,491 dual credit courses taken, 92.8% (27,368) were completed with credit earned and 7.2% (2,123) did not result in the student earning credit, generally as a result of the student failing the course or withdrawing sometime after the final drop date. Table 15 provides detailed information by grade in the course. Overall, students earned credits from BOR courses 94.0% of the time, and students who took a BOTE class earned credit 89.9% of the time.

Table 15: Dual Credit Courses by Grade						
Course Grade	Credit Earned	<b>Total Grades</b>	Percentage			
А	Yes	15,172	51.5%			
В	Yes	8,237	27.9%			
С	Yes	2,961	10.0%			
D	Yes	848	2.9%			
Pass	Yes	129	0.4%			
Remedial Satisfactory	Yes	21	0.1%			
F	No	806	2.7%			
Remedial Unsatisfactory	No	23	0.1%			
Incomplete	No	50	0.2%			
Withdrew	No	1,220	4.1%			
Not Reported	No	24	0.1%			

#### **Student Demographics**

From the 2014-2015 through the 2017-2018 school year, a total of 10,618 students took at least one dual credit course. Table 16 displays the race of program participants compared with the race of all 11th and 12th grade students during that same period. Students identifying as American Indian/Alaska Native have the largest reduced presence in the dual credit student population, representing 11.6% of all 11th and 12th graders and only 2.8% of dual credit participants.

Table 16: Race Comparison of Dual Credit Participants with all 11th and 12th Grade Students						
Race	Dual Credit Participants	All 11th & 12th Graders				
White	92.1%	77.9%				
American Indian/Alaska Native	2.8%	11.6%				
Hispanic/Latino	1.8%	3.8%				
Two or More Races	1.4%	1.9%				
Black/African American	0.9%	2.5%				
Asian	0.9%	2.2%				
Native Hawaiian/Pacific Islander	0.1%	0.1%				
Not Available	<0.1%	<0.1%				

Table 17 shows the gender of program participants compared with all 11th and 12th grade students from the 2014-2015 through the 2017-2018 school year. Females account for the majority of dual credit students, while they represent slightly fewer than half of all 11th and 12th graders.

Table 17: Gender Comparison of Dual Credit Participants with all 11th and 12th Grade Students				
Gender	Dual Credit Participants	All 11th & 12th Graders		
Female	61.4%	48.5%		
Male	38.6%	51.5%		

Table 18 identifies the dual credit program participants by socioeconomic status compared with all 11th and 12th grade students during the same 2014-2015 to 2017-2018 period.<sup>42</sup> Students categorized as economically disadvantaged are underrepresented in the dual credit program.

Table 18: Socioeconomic Comparison of Dual Credit Participants with all 11th and 12th Grade Students					
Socioeconomic Status	Dual Credit Participants	All 11th & 12th Graders			
Economically Disadvantaged	16.0%	28.8%			
Not Economically Disadvantaged	83.8%	71.2%			
Unknown	0.2%	0%			

<sup>&</sup>lt;sup>42</sup> Socioeconomic status is defined by the South Dakota Department of Education (DOE) for dual credit students as those who either "received free or reduced lunch at any point during the year" or "attended a school that falls under Community Eligibility Provision." Socioeconomic status is defined by DOE for all 11th and 12th graders as students in free and reduced lunch status.

There are currently no restrictions on the type of secondary school dual credit students attend. Table 19 identifies the type of secondary school in which students were enrolled.<sup>43</sup> The majority of program participants come from the public school system. From the 2014-2015 through the 2017-2018 school year, a total of 29,491 courses were completed and 80,702 credits earned by dual credit participants, averaging 2.8 classes and 7.6 credits earned per student. Table 19 also identifies the average numbers of courses taken and credits earned by secondary school type. On average, home school students took more courses and earned more credits than students in any other type of secondary school setting.

Table 19: Dual Credit Comparison by Secondary School Type					
School Type	Total Students	Percentage of Students	Average Number of Courses Taken	Average Number of Credits Earned	
Public School	10,127	95.3%	2.8	7.6	
Private School	281	2.6%	2.3	6.5	
Home School	164	1.5%	4.8	13.3	
Tribal/BIE	38	0.4%	1.5	1.9	
Out-of-State <sup>44</sup>	17	0.2%	2.1	5.3	
Cooperatives/Multi-Districts	Under 10	<0.1%	3.5	5.5	
Unknown	Under 10	<0.1%	1.0	3.0	

<sup>&</sup>lt;sup>43</sup> 12 students are counted twice due to moving from one school type to another during their participation in the dual credit program.

<sup>&</sup>lt;sup>44</sup> Out-of-State refers to students who are South Dakota residents, but attend an out-of-state high school.

#### **Student Outcomes**

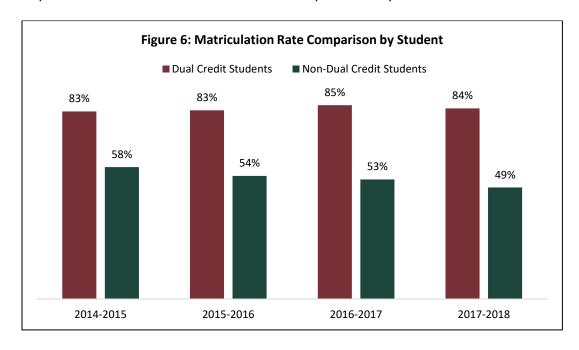
#### Student Matriculation

Both the Board of Technical Education and the Board of Regents have a similar goal for matriculation in the dual credit program, which is to increase the number of South Dakota students who matriculate to regental institutions or technical institutes. BOTE "aim(s) to matriculate students who engage in dual enrollment opportunities at higher rates, having cultivated a direct institution-to-student connection, affirmed a student's pathway to postsecondary education through accessing collegiate level coursework", while BOR "expects students completing [dual credit] credits from South Dakota public universities to matriculate to postsecondary institutions and South Dakota public universities at a higher rate than all South Dakota high school graduates and those who do not complete [dual credit] credits." Neither BOTE nor BOR currently have a specific, measurable goal for matriculation for the dual credit program.

#### **Overall Matriculation**

Matriculation, according to BOR's definition, is the enrollment to postsecondary schools during the first fall term immediately following the high school graduation as at least a part-time student.<sup>46</sup> This means that a student who graduated in the spring of 2014 must have enrolled in a postsecondary institution as at least a part-time student in the fall of 2014 to be included as "matriculated."<sup>47</sup>

Figure 6 displays the matriculation rate comparison between dual credit students and non-dual credit students to any postsecondary school. The average matriculation rate for dual credits students from 2014 through 2018 was 84%, while the average for non-dual credit students was 54%. The matriculation rate for non-dual credit students declined each year while the rate for dual credit students stayed relatively consistent.



<sup>&</sup>lt;sup>45</sup> South Dakota Board of Technical Education and South Dakota Board of Regents response to Legislative Research Council questionnaire, August 2, 2019 and July 27, 2019, respectively.

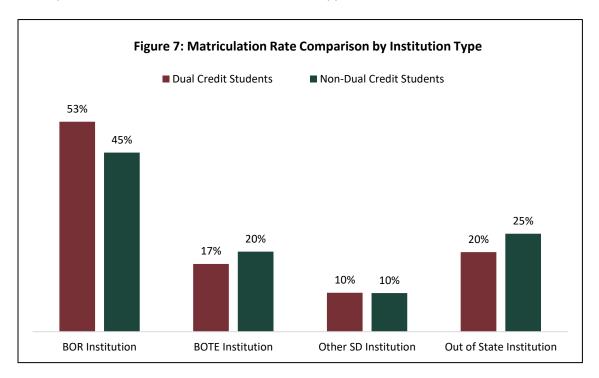
<sup>&</sup>lt;sup>46</sup> South Dakota Board of Regents, "South Dakota's Dual Credit Program: A Review of Data," August 7-8, 2019, <a href="https://www.sdbor.edu/the-board/agendaitems/2014Agendaitems/2019%20Agenda%20Items/August7/2">https://www.sdbor.edu/the-board/agendaitems/2014Agendaitems/2019%20Agenda%20Items/August7/2</a> G BOR0819.pdf.

<sup>&</sup>lt;sup>47</sup> Students who attained a GED or graduated from high school are included as part of the matriculation rate analysis.

#### **Board of Regents and Board of Technical Education Matriculation**

A total of 4,061 dual credit students and 5,963 non-dual credit students matriculated to one of BOR's institutions between 2014 and 2018. The average matriculation rate for BOR institutions among dual credit students was 53% and 45% for non-dual credit students. Although the matriculation rate for dual credit students stayed consistent at around 53%, the matriculation rate for non-dual credit students declined between 2014 and 2018.

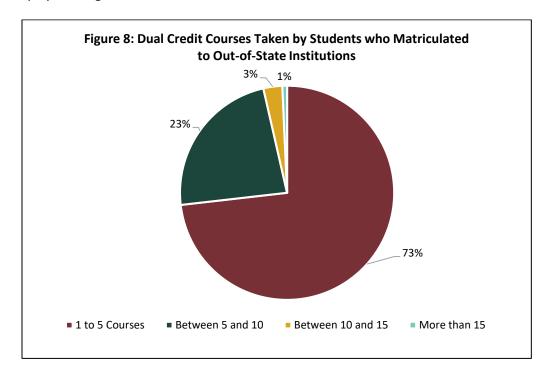
A total of 1,311 dual credit students and 2,657 non-dual credit students matriculated to one of BOTE's institutions between 2014 and 2018. The average matriculation rate for BOTE institutions among dual credit students was 17% and 20% for non-dual credit students. Figure 7 indicates that more dual credit students matriculated to BOR institutions compared to non-dual credit students while the opposite was true for BOTE institutions.



Students who matriculated to a BOTE institution took more dual credit classes than those who matriculated to a BOR institution. The average number of dual credit courses taken by students who matriculated to a BOTE institution was 4.5 courses, and the average number of courses taken by students who matriculated to a BOR institution was 3.8 courses. Of all dual credit students who matriculated to a BOTE institution, 8% took more than 10 courses while only 3% of students who matriculated to a BOR institution took more than 10 courses.

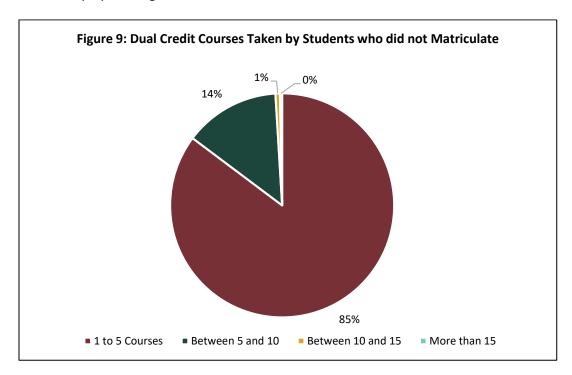
#### **Out-of-State Matriculation**

The matriculation to out-of-state postsecondary institutions among dual credit students was slightly lower than that of non-dual credit students. The average matriculation to other states among dual credit students was 20% while 25% of non-dual credit students matriculated to other states. Among the dual credit students that chose to go to other states, a total of 5,418 courses were taken, which equates to approximately \$1.57 million in state general fund spending between 2014 and 2018. Of all the dual credit students who matriculated to other states, 96% took less than 10 courses through dual credit program while only 4% took more than 10 courses through the program, as displayed in Figure 8.



#### **Dual Credit Students Who Did Not Matriculate**

Between 2014 and 2018, 8% of all dual credit students did not matriculate to any postsecondary institution while 46% of non-dual credit students chose not to matriculate immediately after graduation or GED attainment. Among the dual credit students who did not immediately matriculate, a total of 3,156 courses were taken, which equates to approximately \$915,000 in state general fund spending. Of the dual credit students who did not immediately matriculate, 85% took between 1 to 5 courses, 14% took between 5 and 10 courses, and less than 1% took more than 10 courses, as displayed in Figure 9.



#### **Student Retention**

Student retention is defined as continued enrollment within the same higher education system during the next fall term subsequent to entering postsecondary education following high school graduation. For example, a student who graduated in May 2015 and matriculated to a technical institute in August 2015 is included in the 2015-2016 cohort data.<sup>48</sup>

Both BOTE and BOR aim to retain South Dakota dual credit students at higher rates compared with students who did not enroll in the dual credit program. Neither BOTE nor BOR have any specific, measurable goals for retention for the dual credit program. <sup>49</sup>

#### **Overall Retention**

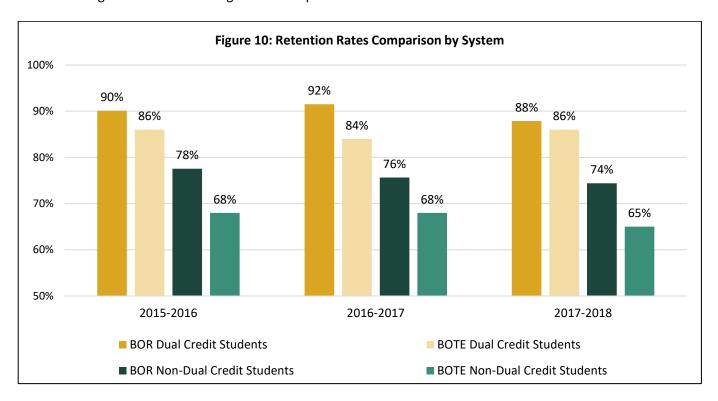
The retention rate comparison by system, demonstrated in Figure 10, shows higher retention rates for dual credit students in both BOR and BOTE institutions.<sup>50</sup> It is important to note that students must meet academic eligibility requirements in order to participate in the dual credit program within BOR institutions; meaning, students participating in BOR dual credit may be performing higher academically than their peers, which may result in greater retention.

<sup>&</sup>lt;sup>48</sup> South Dakota Board of Technical Education retention rate data methodology notes, September 24, 2019.

<sup>&</sup>lt;sup>49</sup> South Dakota Board of Technical Education and South Dakota Board of Regents response to Legislative Research Council questionnaire, August 2, and July 27, 2019, respectively.

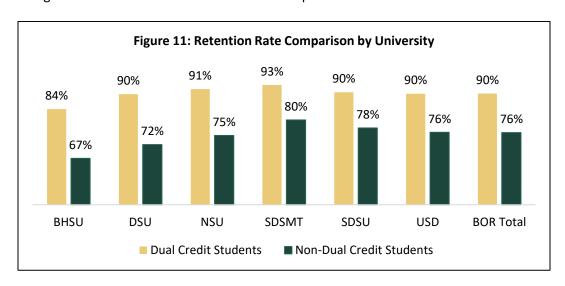
<sup>&</sup>lt;sup>50</sup> South Dakota Board of Technical Education's rate includes graduates from a one-year program, while South Dakota Board of Regents' rate does not include graduates.

Figure 10 shows how many students stayed either at the same postsecondary institution or within the BOR or BOTE system in each academic year from 2015-2016 to 2017-2018. The data includes all students who participated in dual credit regardless of their final grade or completion status.



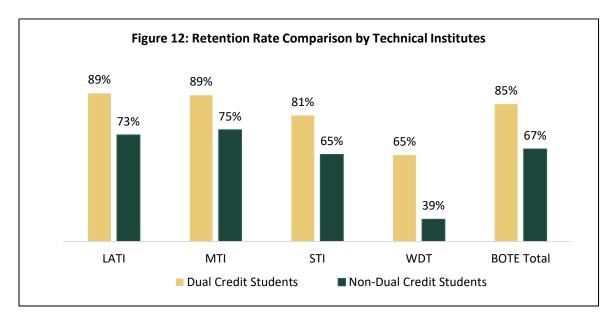
#### **Retention Rate for Board of Regents**

Figure 11 identifies the average retention rate by BOR institution. The average retention rate between 2015-2016 and 2017-2018 for all dual credit students in the BOR system was 14% higher than non-dual credit students. In addition, five of six universities were at or exceeded the overall retention rate of 90% for all dual credit students across three academic years. For non-dual credit students, three of six universities were at or exceeded the non-dual credit average retention rate of 76% for the same time period.



#### **Retention Rate for Board of Technical Institutes**

Figure 12 displays the retention rate comparisons among the technical institutes.<sup>51</sup> The average retention rate for 2015-2016 through 2017-2018 for all dual credit students in the BOTE system was 18% higher than the average retention rate of 67% for non-dual credit students. Lake Area Technical Institute and Mitchell Technical Institute exceeded both dual credit and non-dual credit average retention rates while Southeast Technical Institute and Western Dakota Technical Institute did not meet the overall system retention rates.



<sup>&</sup>lt;sup>51</sup> South Dakota Board of Technical Education retention includes students who graduated after completing a one-year program.

# **Funding & Policy Considerations**

During the evaluation process, potential funding and policy considerations were identified. These options were developed to provide a basis of understanding and examples of approaches that may be used as state policymakers determine the future of the dual credit program. These considerations are based on information gathered from other states in the immediate region, information received from DOE, BOR and BOTE, and research and insight from LRC staff. It is important to note the following list of funding and policy considerations is not inclusive of all available options. In fact, the list is a small fraction of options available.

#### Consideration 1: The local school district or student pay for the full cost of dual credit courses.

One option is to eliminate state funding for dual credit and require each school district to pay for dual credit out of the funds already received through the State Aid to General Education formula or require each student to pay for the dual credit course out-of-pocket. This approach would eliminate all funding for dual credit regardless of school type; therefore, double funding would be eliminated. This approach still allows students to earn higher education credits at a reduced tuition rate.

Similar to lowa's dual credit program, school districts would be responsible for paying tuition directly to the postsecondary institution that the student has enrolled in without any additional funding from the state for the program. If students were to pay for the course, similar to North Dakota, Wyoming, and Montana, students pay discounted tuition rates for courses they take through the dual credit program. The difference between the regular tuition rate and the discounted tuition rate would be absorbed by the postsecondary institution, which is the current practice in South Dakota. The postsecondary institutions in other states view this as revenue they may not have otherwise received and worth the potential cost to the institution since participation in dual credit courses may encourage continued enrollment in their institutions.

#### Consideration 2: Dual credit program funding is capped.

An additional consideration may be capping the amount of funding appropriated for dual credit each year. For FY2020, approximately \$4.3 million in state general funds is budgeted for the dual credit program. Although budgeted at \$4.3 million, the program may be capped at any dollar amount deemed appropriate by the South Dakota Legislature.

Capping the funding amount for the dual credit program would require the Department of Education, Board of Regents, and Board of Technical Education to identify and develop policies and procedures to ensure limited dollars are appropriately distributed to students if demand exceeds available program funding. This approach would ensure that there are no unforeseen budget requests in the general appropriations bill or supplemental appropriations bill due to unanticipated growth of the dual credit program.

## Consideration 3: Adjust the state general fund and student share of the dual credit tuition rate.

This consideration focuses on adjusting the student's share and the state's share of the dual credit tuition rate. The funding formula for the program is specified in SDCL 13-28-37.1 and requires the student to pay 33.3% and the state to pay 66.7% of the dual credit tuition rate, currently set at \$145 per credit.

Table 20 outlines the actual and projected costs at the following state/student shares:

- Current Funding Share: State 66.7%/Student 33.3%;
- Optional Funding Share: State 50%/Student 50%;
- Optional Funding Share: State 33.3%/Student 66.7%; and
- Optional Funding Share: State 25%/Student 75%.

Table 20: State/Student Share Options <sup>52</sup>						
	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	FY2020 Projected	
Total Credits	20,239	24,036	29,513	31,132	43,663	
Total Cost per Credit	\$145	\$145	\$145	\$145	\$145	
Total Cost	\$2,934,655	\$3,485,220	\$4,279,385	\$4,514,140	\$6,331,135	
	Current Fundi	ng Share: State 66	.7%/Student 33.3%	6		
State Share at 66.7%	\$1,957,415	\$2,324,642	\$2,854,350	\$3,010,931	\$4,222,867	
Student Share at 33.3%	\$977,240	\$1,160,578	\$1,425,035	\$1,503,209	\$2,108,268	
	Optional Fur	nding Share: State	50%/Student 50%			
State Share at 50%	\$1,467,328	\$1,742,610	\$2,139,693	\$2,257,070	\$3,165,568	
Student Share at 50%	\$1,467,328	\$1,742,610	\$2,139,693	\$2,257,070	\$3,165,568	
	Optional Fund	ing Share: State 33	.3%/Student 66.79	%		
State Share at 33.3%	\$977,240	\$1,160,578	\$1,425,035	\$1,503,209	\$2,108,268	
Student Share at 66.7%	\$1,957,415	\$2,324,642	\$2,854,350	\$3,010,931	\$4,222,867	
Optional Funding Share: State 25%/Student 75%						
State Share at 25%	\$733,664	\$871,305	\$1,069,846	\$1,128,535	\$1,582,784	
Student Share at 75%	\$2,200,991	\$2,613,915	\$3,209,539	\$3,385,605	\$4,748,351	

If the student/state share of the dual credit program were adjusted, there could be substantial savings in state general fund dollars. For example, the FY2020 general fund budget for dual credit is approximately \$4.3 million dollars at a state share of 66.7% and a student share of 33.3%. If the share percentages were switched to a state share of 33.3% and a student share of 66.7%, the FY2020 general fund budget for dual credit would be approximately \$2.1 million, which results in an equivalent amount of general fund savings.

<sup>&</sup>lt;sup>52</sup> Actual expenditures, as provided by the South Dakota Department of Education and displayed in Figure 1, are slightly different than the amounts indicated in the "Current Funding Share: State 66.7%/Student 33.3%."

## Consideration 4: Dual credit student eligibility is based on income level.

The Board of Regents and the four technical institutes recommend that an opportunity for growth or change in the dual credit program is to focus on expanding access to dual credit courses for low-income students. BOR states, "The [dual credit] program requires a substantial investment by the legislature and the public university system in order to fund the discounted tuition. However, there are still high school students and families for whom the student portion of the tuition payment (currently \$48.33/credit hour) is out of reach. Low income students/families do not receive the same benefit from the [dual credit] program as do other students/families."<sup>53</sup> All four of the technical institutes echo BOR's sentiments.<sup>54</sup> As identified in the socioeconomic analysis of dual credit participants, low-income students are underrepresented in the program, meaning 16% of all dual credit participants are economically disadvantaged, compared with about 29% of all eligible students.

Other states utilize an approach for dual credit that targets low-income students. For example, Nebraska's Access College Early Scholarship Program (ACE) allows scholarships for qualified low-income students to enroll in college courses through dual credit. The criteria for the scholarship includes participation in the Free or Reduced-Price Lunch program, an extreme hardship that affects family income, or participation in a designated Career Education Program as established by the Nebraska Department of Education.<sup>55</sup>

### Consideration 5: State general funds are not utilized to pay for courses in which credit is not earned.

Between the fall of 2014 and the summer of 2018, dual credit students did not earn credit for 2,123 courses due to either failing the course or withdrawing after the deadline. <sup>56</sup> One consideration would be to eliminate state funding for courses when credit is not earned. Table 21 identifies the cost per year to the state for these courses. <sup>57</sup>

Iowa has a similar policy where the student is responsible for the cost of the course if the individual receives a failing grade or otherwise does not receive credit. Implementing a similar policy would have resulted in \$615,884 in total savings to the state.

Table 21: State Funds Spent on Courses without Credit Earned						
2014-2015 2015-2016 2016-2017 2017-2018 Total						
State Share	\$105.00	\$96.67	\$96.67	\$96.67		
Number of Courses	328	525	520	750	2,123	
Number of Credits	980.5	1533.5	1537	2235.5	6286.5	
State Dollars Spent	\$102,953	2,953 \$148,243 \$148,5		\$216,106	\$615,884	

<sup>&</sup>lt;sup>53</sup> South Dakota Board of Regents response to Legislative Research Council questionnaire, July 27, 2019.

<sup>&</sup>lt;sup>54</sup> Lake Area Technical Institute, Mitchell Technical Institute, Southeast Technical Institute, and Western Dakota Technical Institute response to Legislative Research Council questionnaire, August 2, 2019.

<sup>&</sup>lt;sup>55</sup> Nebraska's Coordinating Commission for Postsecondary Education, "Access College Early Scholarship 2017-2018 Year-End Report," January 24, 2019, <a href="https://ccpe.nebraska.gov/sites/ccpe.nebraska.gov/files/doc/ACE">https://ccpe.nebraska.gov/sites/ccpe.nebraska.gov/sites/ccpe.nebraska.gov/files/doc/ACE</a> 2017-18.pdf.

<sup>&</sup>lt;sup>56</sup> Included in this total are courses with a grade of F or Remedial Unsatisfactory, those where students dropped or withdrew from the course after the last day to add or drop a class, and cases where the grade reported is listed as "Incomplete" or "Not Reported."

<sup>&</sup>lt;sup>57</sup> In some instances, BOR bills a prorated amount for withdrawn courses; the totals are projections based on the full per credit amount.

## Consideration 6: If a student fails one dual credit course, the student is not allowed to continue to participate.

The Board of Regents policy establishes continuing eligibility for the dual credit program.<sup>58</sup> In this policy, students who earn an "F" in a term and wish to enroll in further dual credit courses must have a grade point average of 2.5 in prior dual credit courses or must repeat the failed course after sitting out of the program for one semester. When the student repeats the failed course, the student may take additional courses provided the total credit hours do not exceed ten. There is an exception policy to this requirement where the System Vice President for Academic Affairs can approve a waiver for good cause.

The Board of Technical Education does not have a system-wide policy addressing continued eligibility in the dual credit program and leaves it up to each individual institution to establish its own policy. Both Lake Area Technical Institute and Mitchell Technical Institute require that the student's high school determine whether the student continues in the program. Southeastern Technical Institute allows students to continue as long as they are "successful," but does not have any guidelines that define success. Western Dakota Technical Institute applies its continuing eligibility policy for all students to dual credit participants.<sup>59</sup>

Between the fall of 2014 and the summer of 2018, 1,630 students did not earn credit. Of those students, 73.4% did not take any further courses in the program. Of the students who did go on to take further courses, 27.0% did not receive credit again in at least one of their subsequent courses.

One consideration would be to disallow students who do not receive credit in a course from participating further in the dual credit program. Table 22 identifies the potential savings to the state for students who did not earn credit on a dual course and subsequently enrolled in later coursework. Implementing this policy could have resulted in savings of \$255,630 to the state.

Table 22: Subsequent Dual Credit Courses Taken by Students						
2014-2015 2015-2016 2016-2017 2017-2018 Tota						
State Share	\$105.00	\$96.67	\$96.67	\$96.67		
Number of Courses	28	218	248	413	907	
Number of Credits	79.5	608.5	732.5	1,217	2,637.5	
State Dollars Spent	\$8,348	\$58,824 \$70,811		\$117,647	\$255,630	

<sup>&</sup>lt;sup>58</sup> South Dakota Board of Regents, "Academic Affairs Guidelines, Section 7.1: Dual/Concurrent Credit Administration Guidelines," revised 6/2019,

https://www.sdbor.edu/administrative-offices/academics/academic-affairs-guidelines/Documents/7 Guidelines/7 1 Guideline.pdf.

<sup>&</sup>lt;sup>59</sup> Lake Area Technical Institute, Mitchell Technical Institute, Southeast Technical Institute, and Western Dakota Technical Institutes' response to Legislative Research Council questionnaire, September 19, 2019.

## Consideration 7: Limit course options to "basic" general education requirements with no exceptions.

The Board of Regents policy setting the course eligibility for the dual credit program provides that only general education courses may be taken unless approved under an exception.<sup>60</sup>

One consideration would be to remove the exception within BOR policy. Exceptions have the lowest credit attainment rate of all categories at 86.7%. Table 23 identifies the state dollars that have been spent on exception courses by year. In total, \$131,929 state dollars have been spent on BOR courses that are not general education courses.

Table 23: State Funds Spent on Exceptions Courses						
2014-2015 2015-2016 2016-2017 2017-2018 Total						
State Share	\$105.00	\$96.67	\$96.67	\$96.67		
Number of Courses	57	134	77	221	489	
Number of Credits	171	403	227	549	1,350	
State Dollars Spent	pent \$17,955 \$38,9		\$21,944	\$53,072	\$131,929	

The Board of Technical Education does not have a system-wide policy that establishes courses available in the dual credit program, leaving it up to each institute to determine which courses to offer.

A consideration for BOTE would be to establish some sort of policy regarding courses offered. Because of the structure of technical education programs, it would not be feasible to restrict coursework to general education courses. One option would be allowing only courses that would be completed in the first year of the specific program.

Technical institutes do have some general education courses students must complete, and often these courses are specific to the program they are taking or otherwise not transferable to BOR institutions. The technical institutes have an agreement with BOR to provide general education courses that meet BOR standards, and these courses are fully transferable. <sup>61</sup> A policy consideration for BOTE would be to require dual credit students to take the transferable option if one is available. (Example: specific English course for students in the welding program that could not be transferred to BOR compared with ENGL 101T Composition I that is transferable to BOR and would also meet the requirements for the welding program).

<sup>&</sup>lt;sup>60</sup> Unless the Board has approved an exception for a specific course per South Dakota Board of Regents response to Legislative Research Council questionnaire, July 19, 2019.

<sup>&</sup>lt;sup>61</sup> Articulation agreements and associated guidelines are located on the South Dakota Board of Regent's website: <a href="https://www.sdbor.edu/administrative-offices/academics/Pages/Articulation.aspx">https://www.sdbor.edu/administrative-offices/academics/Pages/Articulation.aspx</a>.

#### Consideration 8: Limit the number of dual credit courses each student may take.

Currently, there are no limits to the number of dual credit courses each student can take. BOR does limit students to a maximum of ten credit hours per semester, unless approved by the dual credit contact at the specific institution. BOTE does not have any specific policies related to the maximum number of courses for dual credit students.

One consideration would be to limit the overall number of courses that students can take while in the program. Table 24 identifies different options and the potential savings to state general funds if courses were limited. For example, if students were limited to taking five courses, this would result in a savings of approximately \$777,517 in state general funds.

Table 24: Course Limitation Options					
Course Limitation	Students Exceeding Limitation Courses Exceeding Limitation		Credits Exceeding Limitation <sup>62</sup>	State Dollars Spent <sup>63</sup>	
15 courses	17	92	276	\$26,681	
10 courses	104	369	1,107	\$107,014	
5 courses	1,016	2,681	8,043	\$777,517	

## Consideration 9: State general funds are not utilized to pay for remedial courses.

Remedial courses are basic skills courses that are "intended to help unprepared students achieve a higher education credential."<sup>64</sup> These are courses for which the student does not earn credit towards a degree but are used to supplement college-level coursework when a subject was not mastered in high school.

The Board of Regents does not allow remedial courses through dual credit unless approved as a part of its exception process. The Board of Technical Education does not have any limitations for remedial courses and leaves it up to each institute to decide course offerings. Of the four institutes, only Western Dakota Technical Institute offers remedial courses through the dual credit program. Southeast Technical Institute noted that neither remedial nor courses below the 100 level are offered through the program, but data from the Department of Education on courses taken showed a total of 72 classes below the 100 level from the institute.

One consideration would be to disallow any remedial courses through the dual credit program, since students can enroll in the related high school class at no additional cost. Table 25 identifies the number of remedial courses paid for through the dual credit program and the cost to state general funds. The state could have saved \$33,321 in state general funds by not allowing remedial coursework.

Table 25: Remedial Dual Credit Courses Taken by Year						
2014-2015 2015-2016 2016-2017 2017-2018 Total						
State Share	\$105.00	\$96.67	\$96.67	\$96.67		
Number of Courses	33	26	37	51	147	
Number of Credits	66	51	84	138	339	
State Dollars Spent	\$6,930	\$4,930	\$8,120	\$13,340	\$33,321	

 $<sup>^{\</sup>rm 62}$  Based on an average of 3 credit hours per course.

<sup>&</sup>lt;sup>63</sup> Using \$96.67 as the state share.

<sup>&</sup>lt;sup>64</sup> Shields, Katherine A., and Laura M. O'Dwyer. "Remedial Education and Completing College: Exploring Differences by Credential and Institutional Level." Journal of Higher Education 88, no. 1 (January 2017): 85–109.

<sup>&</sup>lt;sup>65</sup> Lake Area Technical Institute, Mitchell Technical Institute, Southeast Technical Institute, and Western Dakota Technical Institutes' response to Legislative Research Council questionnaire, September 19, 2019.

## Recommendations

# Recommendation 1: The Board of Regents and Board of Technical Education should set metrics and goals for matriculation, retention, and graduation rates for dual credit students.

Neither BOR nor BOTE have specific, measurable goals for the matriculation, retention, or graduation of dual credit students. Both agencies cite a goal of matriculating and retaining dual credit participants "at a higher rate" than their non-dual credit peers. 66

Standardized metrics and goals to ensure program success are especially important given the growth in enrollment in the dual credit program. By establishing metrics and goals, BOR and BOTE can engage in continuous quality improvement by evaluating the success of the program on an on-going basis and making changes as needed. Doing this will ensure that program dollars are being used effectively and students are getting the most out of the program.

## Recommendation 2: The Board of Regents and Board of Technical Education should provide an annual dual credit program report to the South Dakota Legislature.

During review of the dual credit program, it was identified that there is a lack of programmatic information readily available for public consumption. It is recommended that BOR and BOTE provide an annual dual credit program report to the South Dakota Legislature, which would include, but is not limited to:

- Actual and projected program expenditures;
- Actual and projected program enrollment;
- Current and past metrics and goals;
- Progress towards goals;
- Student demographics; and
- Statistics regarding dual credit courses offered and taken.

# Recommendation 3: The Board of Technical Education should work with the four technical institutes to set robust policies, procedures, and guidelines related to the dual credit program.

Currently, the Board of Technical Education does not set policies, procedures, or guidelines for the dual credit program. Citing limited statutory authority, BOTE leaves the vast majority of policies, procedures, and guidelines up to each of the four technical institutes.<sup>67</sup> Consequently, the four technical institutes have varying policies and procedures.

The Board of Regents approach has been to create a robust set of policies for each university to follow to ensure consistency for dual credit students and the regental institutions. Similar to BOR's approach, BOTE should work with the four technical institutes to establish a standardized set of policies and procedures to ensure consistency for the dual credit students and the technical institutes. Standard policies and procedures would allow program participants to more easily understand expectations and educators to provide consistent guidance and practice. Specific policies, procedures, and guidelines to consider include, but are not limited to:

- Enrollment requirements and procedures;
- Continuing eligibility requirements; and
- Course offerings.

<sup>&</sup>lt;sup>66</sup> South Dakota Board of Technical Education and South Dakota Board of Regents response to Legislative Research Council questionnaire, August 2, 2019 and July 27, 2019, respectively.

<sup>&</sup>lt;sup>67</sup> Interview with Board of Technical Education staff, August 22, 2019.

## **Report Limitations**

Limitation 1: Inability to assess student outcome data of dual credit students in comparison to non-dual credit students with all other factors being equal.

Both matriculation and retention rates for dual credit participants are higher than their non-dual credit peers. Taken at face value, this data appears to be very promising. However, this analysis does not consider the academic skills, personal motivation, or any other factors that may impact student outcomes. In other words, all factors amongst dual credit and non-dual credit students may not be equal. For example, students who take dual credit courses may possess advanced academic skills, which would likely result in better outcomes. The Board of Regents echoes these sentiments stating, "The [dual credit] program is designed to allow enrollment by only those high school students in the upper echelon of academic ability...Consequently [dual credit] students tend to demonstrate higher academic qualifications than the general college population."<sup>68</sup> Other research or outcome studies on dual credit face similar limitations as noted in a journal article in the National Education Association's Thought & Action stating, "dual enrollment program cohorts were comprised of students who possessed academic skills and motivations which were more robust than the general student body. Their experience in the program would not be representative of a typical high school student."<sup>69</sup>

<sup>&</sup>lt;sup>68</sup> South Dakota Board of Regents, "South Dakota's Dual Credit Program: A Review of Data," August 7-8, 2019, <a href="https://www.sdbor.edu/the-board/agendaitems/2014AgendaItems/2019%20Agenda%20Items/August7/2">https://www.sdbor.edu/the-board/agendaitems/2014AgendaItems/2019%20Agenda%20Items/August7/2</a> G BOR0819.pdf.

<sup>&</sup>lt;sup>69</sup> Alec Thomson, "Dual Enrollment's Expansion: Cause for Concern," National Education Association, http://www.nea.org/home/71701.htm.

## Appendix A: Local School District Survey Questions

Sch	nool District Name: Click or tap here to enter text.
Sch	nool District Location (city): Click or tap here to enter text.
1.	Did any 11 <sup>th</sup> and 12 <sup>th</sup> grade students at your school district take state-subsidized dual credit courses as defined in South Dakota Codified Law (SDCL) <u>13-28.37.1</u> , during the 2018-2019 school year?  ☐ Yes ☐ No
	ou answered "No" to question 1, do not complete the rest of the survey. ou answered "Yes" to question 1, please continue to question 2.
2.	Did your school district pay any portion of the student's cost for a dual credit course(s) during the 2018-2019 school year?  Yes  No
lf y	ou answered "No" to question 2, move on to question 7.
3.	If your school district did pay a portion of the student's cost, are there criteria related to that payment?  Yes  No If yes, what are the criteria?  Academic Performance/Test Scores (e.g. GPA or ACT Score)  Financial Need  Grade Earned in Dual Credit Course  Other, please explain: Click or tap here to enter text.
4.	Is there a maximum amount your school district pays for each student's dual credit course(s)?  Yes  No  If yes, what is the maximum amount for each student? Click or tap here to enter text.
5.	Approximately how much did your school district spend in total on dual credit courses for the 2018 2019 school year? \$Click or tap here to enter text.
6.	Approximately how much does your school district plan to spend in total on dual credit courses for the 2019-2020 school year?  \$Click or tap here to enter text.

7.	Did a private entity pay any portion of the student's cost for a dual credit course(s) during the 2018-2019 school year?  Yes  No
If yo	ou answered "No" to question 7, do not complete the rest of the survey.
8.	If a private entity did pay a portion of the student's cost, are there criteria related to that payment?  Yes  No Unknown  If yes, what are the criteria? Academic Performance/Test Scores (e.g. GPA or ACT Score)  Financial Need Grade Earned in Dual Credit Course Other, please explain: Click or tap here to enter text.
9.	Is there a maximum amount the private entity pays for each student's dual credit course(s)?  Yes  No Unknown  If yes, what is the maximum amount for each student? Click or tap here to enter text.
10.	Approximately how much did the private entity spend in total on dual credit courses for the 2018-2019 school year?  \$Click or tap here to enter text.  Unknown
	Approximately how much does the private entity plan to spend in total on dual credit courses for the 2019-2020 school year?  \$Click or tap here to enter text.  Unknown

## Appendix B: Regional State Information

#### Iowa

#### **Program Overview**

The state established the Senior Year Plus (SYP) program in 2008, which encompasses concurrent enrollment, postsecondary enrollment options (PSEO), Advanced Placement (AP), and several other options for high school students to have access to college-level courses.<sup>1</sup>

PSEO classes are provided exclusively through postsecondary institutions and must be taught by postsecondary professors, while concurrent enrollment and other dual enrollment programs through SYP can be taught at a high school, community college, or online. Both concurrent enrollment and PSEO allow students to earn high school and postsecondary credits; however, courses under the concurrent enrollment program are ineligible for the PSEO program since school districts receive additional funding from the state for concurrent enrollment.<sup>2</sup>

Remedial courses are not permitted in any of the dual enrollment programs; career technical education courses are allowed through PSEO and the concurrent enrollment program. Students can take an annual maximum of 24 credits through SYP. PSEO is a mandatory program for all school districts to participate, while other SYP programs are voluntary for the school districts. For PSEO reporting, the lowa Board of Regents that oversees the public four-year institutions must annually report to the general assembly with the revenue, headcount, and total credits earned through PSEO.<sup>3</sup>

## **Funding Methodology**

PSEO does not receive any additional state funding, and school districts must pay tuition directly to the postsecondary institution in which the student is enrolled. In addition, postsecondary institutions may not charge students for textbooks, materials, or fees. The amount of tuition reimbursement must be the lesser of the actual costs of tuition, textbooks, materials, and fees directly related to the course taken by the student or \$250 per course; however, students are responsible for the course costs if they fail to complete and receive credit.

School districts do receive additional funding through a supplemental weight system that is based on the number of students in concurrent enrollment classes with additional weighing of 0.7 for career and technical courses and .46 for liberal arts and science courses.

<sup>&</sup>lt;sup>1</sup> Iowa Department of Education, "Senior Year Plus Guide for Educators and Educational Administrators," revised April 2016, <a href="https://educateiowa.gov/sites/files/ed/documents/SYP%20Guide%20for%20Educators%20and%20Ed.%20Administrators%205-3-16.pdf">https://educateiowa.gov/sites/files/ed/documents/SYP%20Guide%20for%20Educators%20and%20Ed.%20Administrators%205-3-16.pdf</a>

<sup>&</sup>lt;sup>2</sup> Education Commission of the States, "Dual Enrollment – All State Profiles," updated April 2019, http://ecs.force.com/mbdata/mbprofall2?Rep=DE19A

<sup>&</sup>lt;sup>3</sup> Education Commission of the States, "Dual Enrollment – All State Profiles," updated April 2019, http://ecs.force.com/mbdata/mbprofall2?Rep=DE19A

#### Minnesota

## **Program Overview**

Minnesota's Postsecondary Enrollment Option (PSEO) allows students enrolled in a public school, private school, or homeschool to take courses offered by Minnesota postsecondary institutions for both high school and postsecondary school credits. Under PSEO, courses are taught by postsecondary professors at postsecondary institutions or online. Concurrent enrollment courses are an option for school districts and charter schools for students; these are taught by secondary school faculty at the high school. Concurrent courses and some PSEO offered through a contract are not available to private or homeschooled students.

Secondary schools have the ability to determine the subject area in which to award the achieved PSEO credits, but schools are required to award a specific number of credits for a completed PSEO course. The conversion of postsecondary college credits to high school credits must be at least a 4:1 ratio. One year of high school credit in a district for a subject area is equivalent to at least four college credits.<sup>4</sup>

There is no cap on the number of postsecondary courses students can take in a year; however, there is a participation limit. A student who first enrolls in PSEO by contract or in concurrent enrollment in grade 9 may participate for four academic years. If the first enrollment is in grade 10, the student may participate for three academic years, and so on. Career and technical courses can only be taken by students in grade 10 or higher. For students in grade 10 to take a technical course, they must have demonstrated reading proficiency through an approved standardized test and then are limited to one technical course during their first semester of enrollment; if they receive a "C" grade or higher in the course, they are permitted to take additional courses in the subsequent semesters. Students are not permitted to enroll in remedial courses unless they are enrolled in a State-Approved Alternative Program (SAAP) as defined in state statute. SAAPs may apply to be an Early/Middle College Program, which allows students to take necessary remedial courses funded through PSEO.

The education commissioner must annually submit information on courses taken, disaggregated data by student subgroup, school district, and postsecondary institution, to the education committees of the legislature.<sup>6</sup>

#### Funding Methodology

For concurrent enrollment courses, individual agreements between public school boards and public or private postsecondary institutions set forth the costs and arrangements. Minnesota statute sets the rate for PSEO, shown in the table below.

2016-2017	2017-2018	2018-2019
\$132.40 / quarter credit	\$135.24 / quarter credit	\$138.15 / quarter credit
\$198.60 / semester credit	\$202.86 / semester credit	\$207.22 / semester credit

<sup>&</sup>lt;sup>4</sup> Minnesota Department of Education, "Postsecondary Enrollment Options (PSEO) Reference Guide," updated August 2019, <a href="https://education.mn.gov/MDE/fam/dual/pseo/">https://education.mn.gov/MDE/fam/dual/pseo/</a>.

Minnesota Code § 124D.09, "Postsecondary Enrollment Options Act," (2019) https://www.revisor.mn.gov/statutes/cite/124D.09

<sup>&</sup>lt;sup>6</sup> Minnesota Department of Education, "Postsecondary Enrollment Options (PSEO) Reference Guide," updated August 2019, <a href="https://education.mn.gov/MDE/fam/dual/pseo/">https://education.mn.gov/MDE/fam/dual/pseo/</a>.

For a student earning both high school and postsecondary credit or just high school credit, the state uses a formula set in statute to reimburse universities. An institution may not charge a student for fees, textbooks, materials, support services, or other necessary costs, except for equipment purchased by the student that becomes the property of the student.

Postsecondary institutions will not be paid for a student who withdraws during the first 14 days of the term or who has been absent from the postsecondary institution for the first 15 consecutive school days and is not receiving instruction in the home or hospital; however, the state rather than the student is responsible for the payment of any failed classes.<sup>9</sup>

The state prevents paying for students who participate in PSEO twice through a requirement where students must give up one regular secondary course at the high school per PSEO course taken. By PSEO statute, the student must be less than full time to be included in the general education formula. District and charter school staff track each public school PSEO student, detailing the credit-bearing high school courses. Using this information, the student's general education revenue is calculated. For example, out of a typical seven course load, a student who takes three high school and four PSEO courses generates 3/7 of the student allocation in the general education formula.<sup>10</sup>

#### Montana

#### **Program Overview**

Montana's dual enrollment program offers both concurrent courses and early college courses, which are taught by a postsecondary instructor on campus or online for dual or college credit only, depending on faculty qualifications and the local agreement with the secondary school. The Montana University System (MUS) provides the structure, function, and management of MUS dual enrollment programs. Based on MUS guidelines, community colleges are primarily responsible to provide dual enrollment opportunities.<sup>11</sup>

Beginning in the fall of 2018, the state also implemented "One-Two-Free," a two-year pilot program that offers two free dual enrollment courses for up to six credits through MUS to all eligible high school students. Students can take a variety of coursework, including core and workforce courses.<sup>12</sup>

Both the dual enrollment and One-Two-Free programs allow students to take Career Technical Education courses, while remedial courses are not permitted. There are no statutory or policy caps on credits students can take through the dual enrollment program. The dual enrollment program is optional for school districts. Program quality through evaluation is outlined in the Montana University System Operational Guidelines for Dual Enrollment and Other Postsecondary Educational Opportunities and currently monitored by the Office of the Commissioner of Higher Education.<sup>13</sup>

<sup>&</sup>lt;sup>7</sup> Minnesota Code § 124D.09, "Postsecondary Enrollment Options Act," (2019) https://www.revisor.mn.gov/statutes/cite/124D.09

<sup>&</sup>lt;sup>8</sup> Minnesota Code § 124D.09, "Postsecondary Enrollment Options Act," (2019) https://www.revisor.mn.gov/statutes/cite/124D.09

<sup>&</sup>lt;sup>9</sup> Minnesota Department of Education, "Postsecondary Enrollment Options (PSEO) Reference Guide," updated August 2019, <a href="https://education.mn.gov/MDE/fam/dual/pseo/">https://education.mn.gov/MDE/fam/dual/pseo/</a>.

<sup>&</sup>lt;sup>10</sup> Minnesota Department of Education, "Postsecondary Enrollment Options (PSEO) Reference Guide," updated August 2019, <a href="https://education.mn.gov/MDE/fam/dual/pseo/">https://education.mn.gov/MDE/fam/dual/pseo/</a>.

<sup>&</sup>lt;sup>11</sup> Montana University System, "Operational Guidelines for Dual Enrollment and Other Secondary-Postsecondary Credit Opportunities," September 2010.

<sup>&</sup>lt;sup>12</sup> Montana University System, "One Two Free." https://mus.edu/one-two-free/FAQ.html#.

<sup>&</sup>lt;sup>13</sup> Montana University System, "Operational Guidelines for Dual Enrollment and Other Secondary-Postsecondary Credit Opportunities," September 2010.

#### **Funding Methodology**

The One-Two-Free program is funded by MUS. Once a student has completed courses made available at no tuition cost through One-Two-Free, the student pays the course tuition at a discounted rate, unless another arrangement is made between the school board, with a private foundation, or using grants or other sources.

All MUS institutions have a common tuition approach for students in the dual enrollment program, established by a directive from Montana's Commissioner of Higher Education. The rate is half of the resident two-year tuition with no mandatory or other fees, with the exception of course fees if applicable. In 2019, the tuition cost ranged from \$50 to \$80 per credit. The state does not contribute any funds. For students and parents, there is some financial assistance available through grants.<sup>14</sup>

Montana's House Bill 387 created advanced educational opportunity programs, including courses, exams, and experiential or online learning opportunities, through qualifying schools. The bill appropriated \$750,000 from the general fund for FY2021, and a school board may apply with a plan to design an advanced educational program for students in grades 6 through 12. The school districts are permitted to use funding from this bill to cover the student cost of dual enrollment programs.<sup>15</sup>

#### Nebraska

#### **Program Overview**

In Nebraska, dual enrollment refers to any courses taught to high school students for which the students receive both secondary and postsecondary credit, including concurrent courses. Each Nebraska postsecondary and secondary institution must establish dual enrollment arrangements as they deem appropriate. Locations, course offerings, and cost for these courses vary by postsecondary institution. The primary location for offering dual enrollment courses is at the high school using secondary school faculty as the course instructor. In May 2019, the three public postsecondary systems agreed on five principles the dual enrollment program shall follow.<sup>16</sup>

#### Funding Methodology

Each postsecondary college or university sets its own rate for dual enrollment courses. As shown in the table below, some institutions set rates per course and others per credit. Most colleges and universities require students to purchase materials and pay necessary fees.

	University of Nebraska Omaha	Wayne State College	Concordia University Nebraska
2018-2019 Cost	\$250 / Course	\$49 / Credit	\$90 / Credit

The state provides funding for dual enrollment courses through scholarships for students who meet income requirements. The Access College Early (ACE) scholarship is for qualified high school students to enroll in college courses from Nebraska universities either through dual enrollment or early enrollment agreements. For 2017, the ACE scholarship was funded with \$965,300 in state general funds appropriated by the Nebraska Legislature. The scholarship pays for a maximum of three dual enrollment courses per

<sup>&</sup>lt;sup>14</sup> Montana University System, "Operational Guidelines for Dual Enrollment and Other Secondary-Postsecondary Credit Opportunities," September 2010.

<sup>&</sup>lt;sup>15</sup> Montana Advanced Opportunity Act, 2019 (MT), <a href="https://leg.mt.gov/bills/2019/BillHtml/HB0387.htm">https://leg.mt.gov/bills/2019/BillHtml/HB0387.htm</a>

<sup>&</sup>lt;sup>16</sup> Nebraska's response to Legislative Research Council questionnaire, September 5, 2019.

year, and scholarships are awarded until funds have been exhausted.<sup>17</sup> The ACE scholarship is currently the only funding through the state to postsecondary schools for dual enrollment program.

#### **North Dakota**

### **Program Overview**

North Dakota's dual credit program offers classes taught by high school or postsecondary instructors at various locations, including high school or online. The state's Early Entry Program is provided on postsecondary campuses. Although students may earn postsecondary credits through this program, there is no assurance of corresponding high school equivalent credits.

There is no policy regarding the maximum number of courses a student can cake in one academic year, but each postsecondary institution set its own caps. For example, North Dakota State University allows students to take up to two courses per semester while the University of North Dakota allows up to 15 credits total. Students are permitted to take technical education and remedial courses; because there are more affordable options for students to take remedial courses, it is rare they are taken through the Early Entry Program. 19

## Funding Methodology

Dual credit programs are offered at two reduced rates, depending on whether the high school or postsecondary institution provides the instruction. Both are less than what a typical college freshman would pay for the same class. The cost of full tuition for Early Entry participants vary by postsecondary institution. Some universities, including North Dakota State University, require students to pay full tuition, while others, such as Mayville State University and Dickenson State University, offer a significantly discounted rate. For Mayville State University, the dual credit rate is \$137.48 per credit while the regular in-state tuition is \$277.79 per credit.<sup>20</sup>

There are no formal reporting requirements for colleges related to the dual enrollment program because the state's longitudinal data system populates a public-facing dashboard that details dual enrollment courses taken and enrollment by postsecondary institution, high school, and course for the last ten years. The oversight of dual credit programs is provided by the North Dakota University System. The Early Entry Program also requires students to pay for all fees, textbooks, materials, equipment, and other necessary charges to postsecondary schools. There are currently no statewide scholarships available for any dual enrollment programs.<sup>21</sup>

<sup>&</sup>lt;sup>17</sup> Nebraska's Coordinating Commission for Postsecondary Education, "Access College Early Scholarship 2017-2018 Year-End Report," January 24, 2019, <a href="https://ccpe.nebraska.gov/sites/ccpe.nebraska.gov/files/doc/ACE\_2017-18.pdf">https://ccpe.nebraska.gov/sites/ccpe.nebraska.gov/sites/ccpe.nebraska.gov/files/doc/ACE\_2017-18.pdf</a>.

<sup>&</sup>lt;sup>18</sup> North Dakota State University, "Early Entry Program," <a href="https://www.ndsu.edu/fileadmin/admission/Forms/Early\_Entry.pdf">https://www.ndsu.edu/fileadmin/admission/Forms/Early\_Entry.pdf</a>

<sup>&</sup>lt;sup>19</sup> North Dakota University System response to Legislative Research Council questionnaire, August 15, 2019.

<sup>&</sup>lt;sup>20</sup> Mayville State University, "College Tuition Breakdown," <a href="https://mayvillestate.edu/paying-school/tuition-fees/">https://mayvillestate.edu/paying-school/tuition-fees/</a>

<sup>&</sup>lt;sup>21</sup> North Dakota University System response to Legislative Research Council questionnaire, August 15, 2019.

## Wyoming

## **Program Overview**

Wyoming's postsecondary education enrollment options offer two programs: concurrent enrollment and dual enrollment. Concurrent enrollment courses are taught by a secondary teacher approved as community college adjunct faculty, and teaching the course is part of their duties as district employees. These courses are only offered at the high school. Dual enrollment credit is given to high school students who complete college-level courses taught by postsecondary instructors and after the school district agrees to allow students to earn high school credits. These courses can be taught at the postsecondary institution or online. <sup>22</sup>

Although the state does not have any policies regarding remedial or developmental courses, students are permitted to take career technical education courses, and there are no state limits on the number of credits a student can enroll for dual credit. For evaluation, the Wyoming Community College Commission must compile student enrollment, completion, and outcome information for dual and concurrent enrollment programs in collaboration with Department of Education.<sup>23</sup>

### **Funding Methodology**

Per Wyoming statute, if there is a concurrent and dual enrollment agreement between the postsecondary institution and the school district, students cannot be charged for courses, textbooks, materials, or fees. As a part of the agreement, the school districts pay costs directly to the postsecondary institutions. There are no provisions in the statute for postsecondary schools to offer discounted rates for this program; as a result, school districts pay the full postsecondary tuition rate to postsecondary institutions in many cases.<sup>24</sup> School districts do not receive any additional state funding specifically for the dual enrollment program.

<sup>&</sup>lt;sup>22</sup> Wyoming Department of Education response to Legislative Research Council questionnaire, August 8, 2019.

<sup>&</sup>lt;sup>23</sup> Education Commission of the States, "Dual Enrollment – All State Profiles," updated April 2019, http://ecs.force.com/mbdata/mbprofall2?Rep=DE19A.

<sup>&</sup>lt;sup>24</sup> Wyoming Code § 21-20-201, "The Boards of Cooperative Educational Services Act," https://wyoleg.gov/statutes/compress/title21.pdf



## -STATE OF SOUTH DAKOTA—

## OFFICE OF THE GOVERNOR

KRISTI L. NOEM | GOVERNOR

November 8, 2019

2019 Executive Board South Dakota Legislative Research Council 500 East Capitol Avenue Pierre, SD 57501

Representative Haugaard and Members of the Executive Board,

Thank you for the opportunity to discuss South Dakota's dual credit program and the benefits it has shared with our students and the state since its inception five years ago. Your review of the program was timely. The five-year mark allows us to look at what's working well. And we can identify areas where changes can be made to better support our young people while making good use of the state's investment.

The program is a successful investment in our next generation. It offers our juniors and seniors a wide variety of advanced courses that jumpstart their college career. They build confidence in their ability to succeed at the postsecondary level at a reasonable cost. Exploring career options is still possible before they must make significant life decisions. For some, the program has even accelerated completion of a college degree, allowing them to enter the workforce and contribute to South Dakota as taxpaying citizens early in their adult lives.

As we consider the program, we must keep sight on why the program was designed as it is:

- Tuition buy-down: The reduced tuition dual credit program is first and foremost a tuition buy-down for students. The rate our higher education institutions charge is a negotiated portion of their regular rate. Beyond that, the state supports students in their ability to pay that rate (students pay 33.3%, the state 66.7%). High school students are not eligible for federal financial aid. The split of student and state investments balances students having a personal stake in their success while making the program financially accessible. Unlike many states, our students can choose any of our public higher education institutions and access college courses at a common rate.
- Advanced course options: The dual credit program allows our juniors and seniors to take
  advanced coursework that benefits both their high school transcript and their entry into college
  programs. This alleviates students having a 'slack' senior year when they have taken all their
  required courses for graduation. It also compliments what many schools have the ability to offer
  with their limited number of high school faculty. Our small schools do not have the ability to
  decrease their teachers' workloads when a portion of their juniors and seniors take dual credit
  courses.

- Introduce South Dakota universities and technical institutes: Before they enroll in higher education as college students, our dual credit students have experience with our public higher education institutions. They see their opportunities in the state and become familiar with the many worthwhile degree programs available here.
- In addition, our dual credit students build confidence in their abilities to succeed with
  postsecondary coursework and they see paths to in-demand careers here in South Dakota. As
  your data shows, these students are more likely to enroll in higher education following high
  school graduation and continue in their college education compared to their non-dual credit
  peers.

The growth model shown in the report anticipates the program growing in cost for several more years. The actual course taking patterns we have seen from students in FY19 and at the start of FY20 suggest the program has possibly hit a natural saturation point and may not reach the projections in the report.

Significant growth could happen if a mid- to large-sized school who offers Advanced Placement (AP) coursework instead of dual credit changes their approach. To our knowledge, schools in that situation are not planning to change their offerings.

There are two points in the report that I do not agree with:

1. The report references the notion that the dual credit program double funds schools. This view is a misunderstanding of the purpose of the appropriation. The program is designed to support high school students launching into postsecondary coursework through a buy-down on their tuition cost. The funding is not intended to displace courses or teachers in high schools.

Many of our school districts have one high school teacher for English. One for math. One for social studies. One for science. Sometimes one teacher instructs in multiple subject areas. It is not realistic to think that having a small number of students take a dual credit course in a single content area will reduce the course load of a teacher in the high school.

Even in the limited instances where high schools have a large enough mass of students to offer a full section of a dual credit course at their school, they are investing staff time to administer the program and support students in their studies. Changing the funding model would likely deter schools from making dual credit an option for their students. Let's keep in mind the tremendous benefit dual credit gives our kids. I commend those schools who have used their student allocation dollars or private donations to cover the costs of students enrolling in dual credit courses.

2. Students have access to both general education and technical education courses through the program. The report suggested slimming down to only offer "basic" general education courses. South Dakota has significant workforce needs which we must continue to address. When high school students can explore career options before they have to commit to major life decisions in college, it is to our advantage to introduce them to in-demand industries like healthcare, education, manufacturing, computer science, engineering, and construction so they can try their options out and make choices they feel confident in and proud of.

The report highlighted two things that I agree should change immediately:

- It was noted that students have taken some courses that were not listed in the selection of available courses through the Department of Education's (DOE) dashboard at some point. This should not be happening. Enrollment in and state payment for courses should only be allowed for those on the dual credit dashboard.
- Four of our 10 institutions have offered courses below the 100 level at some point in the program's history. This means that some students have taken courses through the program that did not result in college credits. The dual credit program should not include remedial coursework. Remedial supports should be (and are) offered at the high school level.

The reduced tuition dual credit program is an excellent opportunity for our young people. There are now more than 10,000 South Dakota students who have launched into their postsecondary education with credits before they were officially college students. By nearly all measures in the report, these students were better off in their high school and college education for having completed dual credit.

Our next generation of community leaders, entrepreneurs, skilled employees, professionals, and innovators are in our classrooms. The dual credit program lends to their ability to seek a college education and career here in South Dakota. Let's continue to make dual credit a priority.

Sincerely,

Kristi Noem, Governor

sitt from



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November 18, 2019

Members of the Executive Board and the Legislative Research Council,

Thank you for providing this opportunity to review and discuss the high school dual credit program.

The High School Dual Credit Program (HSDC) benefits South Dakota students and their families, school districts, and higher education institutions. In addition, HSDC advances community and economic development in South Dakota. While the benefits of HSDC are far reaching, the following are specifically impactful: 1) accelerates college and career readiness, 2) expands needed diversity in course offerings to South Dakota students and school districts, 3) promotes enrollment in South Dakota's public higher education institutions, and, lastly, 4) increases access to higher education by decreasing costs.

First, dual credit's impact on accelerating college and career readiness is evidenced through the Department of Education's latest data. South Dakota students met the 2023 goal for college English readiness this year and Math readiness is nearly at the 2023 goal. Dual credit opportunities are part of the reason we have seen this progress. Additionally, as reflected in this report and affirmed by reports published by both the Board of Regents and Board of Technical Education, dual credit students are starting college and being retained at higher rates than their peers who are not engaging in dual credit.

Second, HSDC enables students and South Dakota school districts to access more diverse and advanced course offerings that accelerate a student's pathway to and through postsecondary education. Through these advanced course offerings, dual credit students receive direct exposure to the rigor and expectations of postsecondary coursework at an earlier point in their education. Additionally, the public universities and technical institutes strategically offer both general education and career and technical education (CTE) courses that directly apply to program of study requirements in postsecondary degree programs. The combination of general education and CTE enables students to develop a firm start to their postsecondary degree alongside exposure to career opportunities.

Third, dual credit opportunities promote enrollment in South Dakota's public higher education institutions. A hallmark of HSDC, which differentiates our model from other states, is the promotion of actual postsecondary courses taught by university and technical institute faculty. In other states, dual credit programs emphasize coursework taught by high school teachers. Because of the use of postsecondary faculty, students engaging in dual credits more readily connect with South Dakota university and technical institute faculty as well as the higher education institutions themselves. This direct exposure increases the likelihood students will enroll in state at South Dakota's universities and technical institutes. Once students are

enrolled, they are more likely to stay in South Dakota after completing their postsecondary degree to meet the state's urgent workforce demand.

Fourth, HSDC decreases the cost of higher education for students and their families. The report's projections suggest that the program will greatly increase in costs over the next few years. However, we have seen the costs stabilize and real enrollment behavior indicates the program is reaching a natural plateau within the participating school districts. We also believe that more context is necessary to understand what students and schools receive for the state's investment of \$96.67 per credit hour. Students receive low-cost college credit, vast course options otherwise unavailable in most districts, and opportunities to realize readiness for and confidence to persist through postsecondary programs, all of which frequently occurs on top of taking a full slate of high school coursework. In turn, high schools invest time and resources into overseeing students' coursework, working with postsecondary institutions, and serving as college advisors to help students decide and register for appropriate coursework. The \$145 per credit cost of the high school dual credit program involves much time and energy on behalf of postsecondary institutions, parents, students, and high schools.

As you review the information highlighted in this study, consider the information in the report related to similar programs in other states. We are convinced the core components of South Dakota's program make it superior.

We are eager to continue discussions on policy that will ensure the program's continued viability. By working together with the Legislature, the Department of Education, Board of Technical Education, and Board of Regents can refine the existing program to ensure that the state receives the maximum benefit for the financial investment for the financial investment while continuing to provide high-quality dual credit opportunities for South Dakota's next generation.

Thank you again for this opportunity and we look forward to continuing this important discussion.

Respectfully,

Benjamin F. Jones, Ph.D.

Secretary, Department of

Education

Nick Wendell

Benja & Junes nich Wendu

Executive Director, Board of

**Technical Education** 

Paul B. Beran, Ph.D.

Jel & Burn

Executive Director, Board of

Regents