

# Return on Investment

Program	No. Graduates	Annual Social Cost	Social Cost Reduction Years	Total Social Costs Reduction
Year 1	15	\$ 5,000	54	<b>\$ 4,050,000</b>
Year 2	15	\$ 5,000	54	<b>\$ 4,050,000</b>
Year 3	15	\$ 5,000	54	<b>\$ 4,050,000</b>
<b>Total Lifetime Impact of Social Costs Reduction Attributed from Program Years 1 -3</b>				<b>\$ 12,150,000</b>
<b>Initial Investment</b>				<b>\$ 3,500,000</b>
<b>Return</b>				<b>\$ 8,650,000</b>
<b>ROI</b>				<b>247%</b>

**Assumptions:**

- The Annie E. Casey Foundation *Success Beyond 18 Infographic Handout* states, "on average, for every young person who ages out, taxpayers and communities pay \$300,000 in social costs over that person's lifetime. Social costs equal taxpayer-funded costs such as public assistance and incarceration, as well as costs absorbed by the community, such as wages lost as a result of dropping out of high school.
- A lifetime after aging out = 60 years of social costs
- Average annual social costs per person then equals \$300K/60years = \$5K per year
- Program graduate only requires 6 years of social costs
- Total lifetime impact of social costs reduction attributed from program graduation equals 54 years