Putting a price tag on the Common Core

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Acknowledgments and Disclaimers

• Sponsored by the Thomas B. Fordham Institute (with Gates support)

• Co-authored with Elliot Regenstein

• Data collected fall 2011/spring 2012
Main Findings

- Implementing the CCSS presents significant challenge with costs driven by instructional materials, assessments, and professional development.

- A *Business as Usual* approach will incur most costs, BUT significant reductions can be realized.

- CCSS presents an opportunity not only to rethink standards, but delivery of education as a whole.
Overview

- Background
- *Putting a Price Tag on the Common Core*
- Thinking differently about the CCSS implementation
- Smart questions to ask your SEA
Background

- Forty-five states plus DC have adopted Common Core State Standards (CCSS)
- Full roll-out scheduled for 2014-15
- States’ implementation progress uneven
- Common-ness has market changing potential
  - New economies of scale
  - Vendors not limited by state/district boundaries
Bounding the discussion

- Transition period
  - Year “Zero” and “One” of implementation
  - Could span 2 – 4 years in reality

- State costs
  - Report costs on a “by state” basis
  - Do not assign costs to district or state budget

- Transitional costs
  - New costs incurred by states/districts for implementation up to the first year
  - New materials, assessments, preparation for teachers and administration of process
Costs that are **NOT** included:

- Remedial services for students
- Assessments consortia
- Re-tooling teacher training programs in education schools
- Realigning higher education expectations
- Innovations in staffing/personnel management
- Technology infrastructure
Major Cost Drivers

- Instructional Materials (IM)
- Professional Development (PD)
- Assessments (AS)
- Fixed transitional administrative costs (FxC)
Calculating Gross Costs

IM  x Number of students  +  
PD  x Number of teachers  +  
AS  x Number of students  +  

FxC

= Total Gross Costs
Three Scenarios

- **Business as Usual**
  - Traditional approach (hardcopy texts; paper annual assessment; in-person professional development)

- **Bare Bones**
  - Lowest cost alternatives (online open source materials; computer assessment; online professional development)

- **Balanced Implementation**
  - Mix of approaches (blended materials; interim and summative assessment; hybrid professional development)
Three Scenarios

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- Balanced Implementation
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## Scenario Assumptions

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Business as Usual</th>
<th>Balanced Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instructional Materials (per student)</td>
<td>$135</td>
<td>$35</td>
</tr>
<tr>
<td>Professional Development (per teacher)</td>
<td>$2,000</td>
<td>$560</td>
</tr>
<tr>
<td>Assessment (per student)</td>
<td>$20</td>
<td>$45</td>
</tr>
<tr>
<td>Fixed Transitional Costs</td>
<td>$4 Million</td>
<td>$4 Million</td>
</tr>
</tbody>
</table>
Calculating Gross Costs: Business as Usual

$135 \times \text{Number of students} + 
$2,000 \times \text{Number of teachers} + 
$20 \times \text{Number of students} + 
$4 \text{ million} = \text{Total Gross Costs}$
### Gross Transitional Cost Estimates (millions)

<table>
<thead>
<tr>
<th>(millions of dollars)</th>
<th>Business as Usual</th>
<th>Balanced Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>12,132</td>
<td>5,065</td>
</tr>
<tr>
<td>Florida</td>
<td>780</td>
<td>318</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>256</td>
<td>107</td>
</tr>
<tr>
<td>Wyoming</td>
<td>32</td>
<td>15</td>
</tr>
</tbody>
</table>
Gross Transitional Cost Estimates (per student)

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<tbody>
<tr>
<td>Total</td>
<td>289</td>
<td>121</td>
</tr>
<tr>
<td>Florida</td>
<td>296</td>
<td>121</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>294</td>
<td>122</td>
</tr>
<tr>
<td>Wyoming</td>
<td>363</td>
<td>171</td>
</tr>
</tbody>
</table>
Calculating Net Costs

• Attempt to estimate potential to re-purpose funds

• How much are states and districts currently spending on instructional materials, assessments, and professional development?

• Sought conservative estimates:
  • $40 per year instructional materials
  • $500 per year professional development
  • $20 per year assessment
Calculating Net Costs

Gross Costs \textit{minus}:

- IM: $40 \times \text{Number of students}
- PD: $500 \times \text{Number of teachers}
- AS: $20 \times \text{Number of students}

\underline{Total Net Costs}
### Net Transitional Cost Estimates: All States

<table>
<thead>
<tr>
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<th>Business as Usual</th>
<th>Balanced Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Gross</strong></td>
<td>$12,132 million</td>
<td>$5,065 million</td>
</tr>
<tr>
<td><strong>Total Net</strong></td>
<td>$8,253 million</td>
<td>$1,186 million</td>
</tr>
<tr>
<td><strong>Per Student</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Gross</strong></td>
<td>$289/student</td>
<td>$121/student</td>
</tr>
<tr>
<td><strong>Net</strong></td>
<td>$197/student</td>
<td>$28/student</td>
</tr>
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</table>
Thinking Differently About Implementation

- “Common” standards make collaboration across boundaries possible
- Rapid pace of technological developments is yielding new tools for use in classroom.
- Rise of new education delivery models – charters, blended schools, virtual schools – that states and districts could adopt more broadly.
Thinking Differently About Implementation: Examples

- **Instructional materials:**
  - MA, NY, and RI explore cross-state platforms
  - Electronic and open source textbooks

- **Assessment:**
  - Investment in interim and diagnostic assessment
  - SBAC developing computer-adaptive tests

- **Professional Development:**
  - Targeted instruction and support
  - Teacher driven/authored PD modules; social networks
Bottom Line:

- CCSS presents tremendous opportunity to re-think how education is delivered
- New methods for providing materials, assessment and professional development may save money; be more effective
- Existing funds could be re-purposed during transition process
- Transparent framework to be used by education policy makers
Questions for your SEA

• What, if anything, is being done to find less costly \textit{and} better alternatives for instructional materials, PD, and assessment?

• How much does our state currently budget for these activities and how can we re-purpose existing money over the next 2 years?

• Where are the opportunities for our state to take advantage of the market changing features of the CCSS?
Questions about your SEA

• Does your state education department have the capacity to take on the tasks it has asked to perform (Common Core, school improvement, etc.)?

• Cuts in personnel
• Mismatch of skills
• Changes in leadership
Questions for Me