

SENATE EDUCATION
EXHIBIT NO. 3
DATE 1/14/13
BILL NO. _____

**Understanding Implementation Costs of
Common Core State Standards**

Council of State Governments
Presentation to the Montana Senate
Education and Cultural Resources Committee

January 14, 2013
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Overview

- The transition to CCSS will require near-term shifts (including very likely the allocation of additional resources). It also should lead to long-term changes. CCSS provide state leaders with an opportunity not only to rethink standards, but delivery of education as a whole.
- Long-term, to ensure that all students have the knowledge and skills to be CCR, these changes should include bringing teaching and learning into the information age, personalizing student learning environments and supports, creating new learning models, etc.
- Acknowledging the critical importance of rethinking education delivery, the paper published by the Thomas B. Fordham Institute, *Putting a Price Tag on the Common Core: How Much Will Smart Implementation Cost?* analyzes the near-terms costs of CCSS implementation.

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Overview continued

- The Fordham paper focuses on three primary cost drivers of implementing the CCSS:
 1. Instructional materials and tools
 2. Assessments
 3. Professional development
- Using these cost drivers and three approaches to implementation – ranging from "business as usual" to "balanced" – the analysis gives states a general structure to frame thinking and options for the near-term costs of transitioning to CCSS.
- The costs associated with the different implementation approaches should be taken as a good-faith effort in forecasting and not as hard and fast numbers.

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Overview continued

- Key takeaways:
 - CCSS implementation will cost additional money, at least during transition.
 - States can improve efficiency in implementation by looking for new methods of delivery for materials, assessments, and professional development, and repurposing existing funds for the transition.
 - This may lead to cost-savings in the near-term, while also moving the education system towards long-term, systemic changes that need to occur.

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Background

- Forty-five states plus DC have adopted Common Core State Standards (CCSS)
- Full roll-out is scheduled for 2014-15
- Most states have embarked on a multi-year year implementation plan based on their ESEA-Flexibility waivers
- Common-ness has market changing potential
 - New economies of scale
 - Vendors not limited by state/district boundaries

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Bounding the Discussion (limitations of the report)

- Transition period
 - Costs occurring within a single "year"
 - 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
 - Beyond the transition, anticipate that any costs will become part of the state's regular, ongoing operating expenditures.

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Costs that are NOT included:

- **Remedial services for students:** The costs associated with remedial services needed to bring all students on track to graduate from high school college- and career-ready (e.g., tutoring, extended learning time, special interventions, and school turnarounds).
- **Innovations in staffing/personnel management:** Innovations in personnel management and staffing practices to help schools deliver high-quality content more efficiently.
- **Consortia development of new assessments:** Development of assessment tools by the two assessment consortia (which have been funded separately by federal grants).
- **Re-tooling teacher training programs in education schools:** The costs of upgrading schools of education to train teachers and leaders who are prepared to help students meet the demands of the more rigorous standards.
- **Realigning expectations:** Any costs associated with realigning expectations or quality in either early learning or higher education.
- **Technology infrastructure:** The infrastructure costs of online assessments.

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Pioneer Institute Study

- The Fordham analysis is in some ways similar to one released in February 2012 by the Pioneer Institute. The Fordham Institute study is different in four significant ways:
 - Pioneer attempted to estimate both transitional costs (incurred in years “zero” and “one”) and implementation costs for six subsequent years. Fordham estimate is limited to transitional costs.
 - Pioneer’s analysis relies largely on implementation strategies that have been used in the past. Fordham costs out alternative approaches.
 - The Pioneer figures include an estimate for the cost of building technical infrastructure.
 - Fordham attempts to calculate how much is currently being spent by states and districts on these activities to arrive at a net-cost estimate.

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Evaluating Financial Implications of CCSS Transition

- The report is designed to help states in evaluating the financial implications of transitioning to the CCSS. It provides answers to the following questions:
 - What are the short-term costs of moving to the Common Core? That is, what is the initial expense of implementing the new standards and providing the necessary instructional materials, assessment tools, and professional development?
 - To what extent do costs vary based on the approaches that states take to implement the standards?
 - How much of what states currently spend on standards implementation could be repurposed for Common Core implementation?

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Understanding Primary Cost Drivers

- The three cost drivers identified in the report are:
 - **Instructional materials** (e.g., textbooks, teacher guides, digital content) that are needed to help teachers to teach and students to learn the new material.
 - **Student assessments** (including the administration, scoring and reporting of results, but not test development), which should help teachers understand how well their students are learning the standards, as well as serve various summative purposes such as accountability for students and schools.
 - **Professional development** to help teachers understand what is expected of them (as well as of their students).

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Approaches to Implementing CCSS

- Drawing on current state practice, the authors of the report considered three hypothetical approaches to CCSS implementation:
 - **Business as Usual.** This “traditional” approach to implementation is defined as buying hard-copy textbooks, administering annual student assessments on paper, and delivering in-person professional development to all teachers. It is not a cheap approach.
 - **Bare Bones.** This is the lowest-cost alternative, employing open-source materials, annual computer-administered assessments, and online professional development via webinars and modules.
 - **Balanced Implementation.** This is a blend of approaches, some of which may be more effective than others while also reducing costs. It uses a mix of instructional materials (e.g., teacher self-published texts and/or district-produced materials), both interim and summative assessments, and a hybrid system of professional development (e.g., train-the-trainers).

Alternatives for New Instructional Materials

Alternative	Description	Per-Student Cost Estimate	Trade-Offs
Business as Usual: Hard-copy textbooks only	Funds would be used to purchase new math and English language arts hard-copy textbooks for each student.	\$135 per student	<p>Pros: Traditional textbooks provide maximum consistency relative to content. They are also durable.</p> <p>Cons: Because their content is largely determined by publishers, textbooks offer the least flexibility to states, districts, and teachers. Updates are difficult and costly.</p>
Bare Bones: All online or device-supported materials—including free, open educational resources	States, districts, or schools adopt open instructional materials that have been developed by the state, districts, nonprofits, or low-cost vendors and made available at low or no cost.	\$20 per student	<p>Pros: Potential to maximize flexibility, adaption, and control of content at the state, district, school, or even classroom level. Updating could be frequent. Promotes content development by teachers and students. Meta-tagging promotes discovery of high-quality content aligned to the standards.</p> <p>Cons: Lacks centralized control over content and quality. Assumes access to technology for all students and their teachers (or teachers must print materials for students). Assumes a ready supply of materials, or some capacity for creation or modification at the state or local level.</p>
Balanced Implementation: “Blended” materials	Instructional materials are produced by the state, districts, nonprofits, or low-cost vendors. (Students can access materials on demand in either electronic or hard-copy formats.)	\$35 to \$45 per student	<p>Pros: Periodic updating should be possible and less costly than traditional options. Easier to modify and flexible with potential to tailor the material to the individual student or class.</p> <p>Cons: Online access assumes technology is available to significant numbers of students. Also assumed is a ready supply of materials, or some capacity for creation or modification at the state or local level.</p>

Alternatives for New Assessments

Alternative	Description	Per-Student Cost Estimate	Trade-Offs
Business as Usual: Annual paper assessments	Once a year, usually in spring, states administer a summative test on paper.	\$20 per student	<p>Pros: Little training needed for teachers to be able to administer the assessment. Classroom activities interrupted only once a year.</p> <p>Cons: Lack of interim testing makes it more difficult to identify students who are falling behind or to provide formative feedback to teachers. (Or, puts the burden of creating interim assessments on districts, schools, or teachers.) Reporting of test results is often very slow.</p>
Bare Bones: Annual computer-administered assessments	Once a year, states/districts administer a computer-based test.	\$20 per student	<p>Pros: Less training needed for teachers to administer. Classroom activities interrupted only once a year.</p> <p>Cons: Requires training for teachers and proper technology infrastructure. Lack of interim testing makes it more difficult to identify students who are falling behind or to provide teachers and schools with formative data and opportunities for mid-course corrections.</p>
Balanced Implementation: Summative and interim/benchmark computer assessments	Schools offer up to three interim assessments during the course of the school year and a final summative test at year's end using computer adaptive technology.	\$45 per student	<p>Pros: Quick reporting of results. Interim testing yields formative data and helps identify students who are falling behind.</p> <p>Cons: Requires teacher training and substantial technology infrastructure.</p>

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Alternatives for Professional Development

Alternative	Description	Per-Student Cost Estimate	Trade-Offs
Business as Usual: In-person professional development for all teachers	Each teacher attends a set number of hours per subject (elementary teachers, two subjects; middle and high school teachers, one subject).	\$2,000 per teacher (80 hours at \$25 per hour).	<p>Pros: Standardization of content. Shared experience and opportunity to interact directly with peers. Covers all relevant teachers.</p> <p>Cons: A one-size-fits-all approach, in terms of both timing and content. Difficult to tailor delivery to individual needs and circumstances.</p>
Bare Bones: Online instruction	Professional development modules are developed and delivered via webinars, online cohorts, and/or self-paced instructional units.	\$200 to \$600 per teacher; pricing varies due to structure (e.g., per teacher versus per site) and selected features (e.g., level of support).	<p>Pros: Teachers can access professional development without travel. Can be tailored to their individual needs, and they can refer back to or repeat material.</p> <p>Cons: Need to build a library of high-quality exemplars (a potentially significant startup cost, although one that can be shared). Potentially limited opportunity for real-time feedback and shifts in delivery. Assumes technology infrastructure.</p>
Balanced Implementation: Hybrid approach to professional development	A mixture of in-person instruction and online training. Options vary in terms of who/how many teachers receive in-person professional development as well as the mix of delivery method (e.g., number of hours in person versus the number of hours online).	Precise cost will depend on the mix of delivery methods and the number of teachers involved. We estimate that in-person professional development could cost as much as \$25 per teacher per hour and that online modules could be offered for between \$200 and \$660 per teacher.	<p>Pros: Enables teachers to interact with peers while using online features to address specific needs and concentrations.</p> <p>Cons: All teachers may not receive the same level of support. Assumes technology infrastructure.</p>

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Cost Estimates: Gross vs. Net

- **Gross cost** estimates were derived for each state and for each approach. Cost estimates for instructional materials, assessments, professional development and fixed transitional costs were merged with figures for the number of students and teachers in each state to calculate total gross cost estimates.
- **Net cost** estimates were calculated in an attempt to estimate the potential to re-purpose funds. States already spend sizable sums on instructional materials, assessment, and professional development, so the net costs aims to determine how much existing funding can be repurposed as states move to the Common Core. Conservative assumptions were used to estimate current expenditures for instructional materials, assessment, and professional development. Subtracting current expenditures from the gross costs produces net estimates.
- As is evident from the following tables, current expenditures may cover a significant share of the transitional costs, regardless of the approach a state employs.

Estimated Gross and Net Transitional Costs for CCSS Implementation, by Approach (dollars in millions)

1	2	3	4	5	6	7	8
State	Business as Usual Gross Costs	Bare Bones Gross Costs	Balanced Implementation Gross Costs	Current Expenditures	Business as Usual Net Costs	Bare Bones Net Costs	Balanced Implementation Net Costs
Arkansas	\$153.0	\$38.1	\$63.3	\$47.5	\$105.5	-\$9.3	\$15.8
Indiana	290.7	70.8	122.6	93.9	196.8	-23.2	28.7
Maine	65.9	18.1	28.3	19.5	46.4	-1.4	8.8
Michigan	445.0	107.0	187.8	145.3	299.7	-38.3	42.5
Montana	47.0	13.9	21.2	13.8	33.3	0.1	7.5
Nevada	114.7	30.0	50.7	36.8	77.9	-6.8	13.9
Oklahoma	190.9	47.3	80.3	60.6	130.2	-13.4	19.7
South Dakota	41.8	12.7	19.1	12.1	29.7	0.6	7.0
Vermont	35.8	11.2	16.3	9.9	25.9	1.3	6.4
Total National Cost	12,131.8	2,951.1	5,064.9	3,878.5	8,253.3	-927.3	1,186.4

Estimated Gross and Net Transitional Costs for CCSS Implementation, Per Student

1	2	3	4	5	6	7	8
State	Business as Usual Gross Costs	Bare Bones Gross Costs	Balanced Implementation Gross Costs	Estimated Current Expenditures	Business as Usual Net Costs	Bare Bones Net Costs	Balanced Implementation Net Costs
Arkansas	\$318	\$79	\$132	\$99	\$220	-\$19	\$33
Indiana	278	68	117	90	188	-22	27
Maine	348	96	149	103	245	-7	46
Michigan	270	65	114	88	182	-23	26
Montana	332	98	150	97	234	1	53
Nevada	267	70	118	86	182	-16	32
Oklahoma	291	72	123	93	199	-20	30
South Dakota	338	102	155	98	240	5	57
Vermont	387	121	176	107	280	14	69
National Average	289	70	121	92	197	-22	28

Thinking Differently About Implementation

- CCSS presents tremendous opportunity to re-think how education is delivered.
- “Common” standards make collaboration across boundaries possible.
- New methods for providing materials, assessment and professional development may save money and be more effective.
- 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.

Discussion

- Where is your state on CCSS implementation? In particular, what is your state thinking regarding instructional materials, assessments and professional development?
- Where does your state fall in terms of its approach – business as usual, bare bones or balanced implementation?
- Has your state had discussions regarding reallocating resources to support CCSS implementation? What are some options?