

COMMON CORE AND NORTH CAROLINA: PART III—HOW MUCH WILL IT COST?

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Rushing to adopt Common Core in order to win Race to the Top (RTTT) grants, few states thoroughly evaluated the full costs of implementing a new curriculum and aligned assessment tests. Recent studies suggests that the cost of implementing Common Core will add a burden of billions of dollars on already cash-strapped states— \$15.8 billion nationally, and \$641.9 million in North Carolina alone.² Moreover, when federal government funding for assessment development dries up next year,³ states will be left to pick up the tab. This paper provides a brief overview of some recent research detailing the expected costs associated with Common Core, particularly as it relates to North Carolina.

Cost of Assessments

Current Cost of Assessments in North Carolina. The best estimate, based on the bulk of the available research, of how much the State of North Carolina has generally spent on summative (e.g., annual End-of-Grade) testing prior to Common Core is around \$10 per student. For example, the Brookings Institution found that in 2010 North Carolina spent \$8,969,794 on assessments covering 814,456 students in grades 3-9, for a cost per student of approximately \$11.⁴ These numbers also match the findings of a Pew study in 2001.⁵ Brookings also found that the Smarter Balanced Assessment Consortium (SBAC), which is one of two state consortiums receiving federal funding through Race to the Top (RTTT),

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² Theodor Rebarber, AccountabilityWorks, *National Cost of Aligning States and Localities to the Common Core Standards*, A Pioneer Institute and American Principles Project White Paper 10-11, Feb. 2012 (cited herein as Pioneer Study), <http://pioneerinstitute.org/education/study-estimates-cost-of-transition-to-national-education-standards-at-16-billion/>.

³ Matthew M. Chingos, *Strength In Numbers: State Spending on K-12 Assessment Systems 2*, Brown Center on Education Policy at Brookings, Nov. 2012 (cited herein as Brookings Study), <http://www.brookings.edu/research/reports/2012/11/29-cost-of-ed-assessment-chingos>.

⁴ Brookings Study 26, 28.

⁵ *Id.*

estimates that North Carolina has generally spent around \$9 per student on assessments.⁶ Another study found that during the mid-1990s North Carolina spent an estimated \$6.51 per student for assessments.⁷ In line with these studies, the North Carolina Department of Public Instruction as recently as June 5, 2013 estimated current per pupil spending on assessments at \$10.⁸

The Cost of Aligned Tests. There is widespread agreement that Common Core aligned assessments (i.e., end-of-year tests designed specifically to test students on Common Core standards) will significantly increase the cost of annual summative testing. The SBAC predicts a per pupil cost of \$19.81 for summative assessments, plus \$7.50 for optional benchmark assessments.⁹ The Partnership for Assessment of Readiness for College and Careers (PARCC), which is the other federally funded state consortium developing aligned tests, says per pupil assessment costs will range between \$17 and \$50.¹⁰ The North Carolina Department of Public Instruction projects that the cost of assessments will increase from the current level of \$10 to around \$27 under Common Core.¹¹

Full Cost of Making the Switch to Common Core

National cost estimates. Two leading studies show that full implementation of Common Core may end up costing between \$12.1 billion and \$15.8 billion. According to a comprehensive study conducted by the Pioneer Institute, the total cost of implementing

⁶ *Id.* 26. Prior to Common Core, assessment development was contracted out to N.C. State University researchers. North Carolina is a “governing state” member of SBAC and field-tested assessments for SBAC during the 2012-13 school year. Smarter Balanced Assessment Consortium (cited herein as SBAC), <http://www.smarterbalanced.org/about/governance/>.

⁷ Picus, L. O., Adamson, F., Montague, W., & Owens, M., *A New Conceptual Framework for Analyzing the Costs of Performance Assessment 23*, Stanford, CA: Stanford University, Stanford Center for Opportunity Policy in Education 2010, <https://scale.stanford.edu/system/files/new-conceptual-framework-analyzing-costs-performance-assessment.pdf>.

⁸ This figure was provided to the North Carolina Board of Education by Department of Public Instruction Deputy Chief Academic Officer Angela Quick at a recent orientation session. NC SBE Orientation, Part 2, June 5, 2013 (minutes not yet available online).

⁹ Pioneer Study 10-11.

¹⁰ *Id.* at 11.

¹¹ NC SBE Orientation, Part 2, June 5, 2013.

Common Core over the next 7 years could reach as high as \$15.8 billion nationwide.¹² The study factored in projected costs over a seven-year period for new testing (\$1.2 B), new professional development needed to retrain teachers for Common Core (\$5.3 B), new textbooks and instructional materials (\$2.5 B), and new technology (\$6.9 B).¹³

Another study conducted by the Fordham Institute found that the costs of nationwide implementation of Common Core could be as high as \$12.1 billion (a net increase of \$8.3 billion when current expenditures are excluded).¹⁴ The Fordham Institute study emphasizes that states may be able to realize cost savings by adopting a “bare bones” or “balanced implementation” which would cost only \$3.0 billion (savings of \$927.3 million) or \$5.1 billion (a net increase of \$1.2 billion) respectively.¹⁵ However, it is important to note that the Fordham study differs from the Pioneer study in three key respects: (1) it does not account for technology costs, (2) it only includes one time expenses whereas the Pioneer study factors in continuing costs over a 7-year period, and (3) it attempts to factor in net costs by subtracting current expenditures.¹⁶ However, the Fordham study’s decision to omit technology costs is a major flaw because as even it notes, SBAC and PARCC have issued guidelines for minimum technology requirements that include adequate computer access, bandwidth, and servers.¹⁷ In other words, the Fordham study excludes from its calculation a vital and costly component of Common Core. Moreover, the potential cost-savings the Fordham study touts as “bare bones” or “balanced implementation” could only be realized if states already have and so do not need to adopt these necessary technologies. In fact, the Fordham study actually admits: “If schools are to take advantage of cost-saving innovation, a technology infrastructure must first exist.”¹⁸ The Pioneer study provides a more reasonable estimate of the full cost of Common Core

¹² Pioneer Study 2.

¹³ *Id.*

¹⁴ Patrick Murphy, Elliot Regenstein, and Keith McNamara, Putting a Price Tag on the Common Core: How much will Smart Implementation Cost 3, Thomas B. Fordham Institute, May 2012, <http://www.edexcellence.net/publications/putting-a-price-tag-on-the-common-core.html>, (cited herein as Fordham Study).

¹⁵ *Id.*

¹⁶ *Id.* at 14.

¹⁷ *Id.* at 42, Appendix A: Technology in Common Core Implementation.

¹⁸ *Id.*

implementation because it includes technology cost estimates and a 7-year outlook, as noted above.¹⁹

Cost Estimates for North Carolina. The cost to implement Common Core in North Carolina over the next 7 years could be as high as \$641.9 million, according to the Pioneer Institute's data.²⁰ New technology costs alone are projected to account for \$242.4.²¹ Professional development necessary to retrain teachers to teach Common Core accounts for \$202.8 million.²² Assessments could cost approximately \$109 million.²³ Finally, new textbooks and instructional materials that are aligned to the Common Core Standards will cost around \$87.6 million.²⁴ It is notable that the \$641.9 million price tag far exceeds even the \$399.5 million in Race to the Top funds awarded to the State in 2010.²⁵ Legislators and

¹⁹ In addition to national statistics, individual state-level cost estimates from the two largest states in the Union are alarming. In California, for example, it is estimated that retooling for and implementing Common Core will require \$1.6 billion in new state spending. EdSource, *California and the Common Core: Will There Be a New Debate About K-12 Standards?* 18, June 2010, http://www.edsource.org/pub_common-core.html. In Texas, the cost could reach \$3 billion. Governor Rick Perry, letter to Secretary of Education Arne Duncan, Jan. 12, 2010, <http://governor.state.tx.us/files/press-office/O-DuncanArne201001130344.pdf>.

²⁰ See Pioneer Study. By comparison, the Fordham study indicates NC will have to spend \$440 million (net increase of \$302.5) for full implementation, not counting technology costs. A bare bones implementation would cost \$105.4 million (net savings of \$36.2 million), and a balanced implementation would cost \$181.5 million (net increase of \$40 million).

²¹ *Id.* at 22.

²² *Id.* at 16. This amount is calculated by multiplying the estimated \$1,931 cost per teachers of professional development required by Common Core by the total number of educators in the state (105,046 teachers based on the Pioneer Study's data). This calculation results in an estimate of \$202,843,826.

²³ This figure is calculated by multiplying SBAC's estimate of \$19.81 per test by 786,206 students in grades 3 through 8 and 11 in North Carolina (based on the Pioneer Study's data). This calculation yields a one-year cost of \$15,574,740.86, which, for the purposes of the Pioneer Study, should be multiplied by 7 to determine the cost over 7 years, which is \$109,023,186.

²⁴ Pioneer Study 19; see also Appendix to the Pioneer Study p. 5, http://www.accountabilityworks.org/photos/Appendices.Common_Core_Cost.AW.pdf.

²⁵ Letter to NC State Superintendent of Public Instruction June Atkinson from Interim Director, Race to the Top, Joseph C. Conaty, Sept. 24, 2010, <http://www2.ed.gov/programs/racetothetop/phase2-awards/north-carolina.pdf>.

SBE members are beginning to question the expense of Common Core, including and in particular the cost of aligned testing.

Conclusion

The best estimate is that Common Core will cost the State of North Carolina \$641.9 million over the next seven years. Even though the federal government has funded assessment development up until now, that support will end in September 2014, six months before the first actual tests are administered. This means states will be left to foot this bill along with all the other costs associated with implementation. Before proceeding, states like North Carolina would be wise to do further study the cost and consequences of continued implementation of Common Core.