



# Legislative Post Audit Performance Audit Report Highlights

Highlights

## K-12 Education: Estimating Potential Costs Related to Implementing the No Child Left Behind Waiver in Kansas

### Report Highlights

December 2012 • R-12-017

#### Summary of

#### Legislator Concerns

Legislators want to know both the short- and long-term potential costs of implementing the Common Core standards and other requirements of the No Child Left Behind waiver.

#### Background Information

To implement the NCLB waiver, KSDE and school districts will incur two types of costs—real costs and opportunity costs.

- Real costs refer to out-of-pocket expenditures for goods or services.
- Opportunity costs refer to the value of alternatives that must be foregone to pursue other options. For example, a school district may decide to devote two hours of a regularly scheduled professional development day to train teachers on the new Common Core standards. That will not necessarily cost the school district any new money, but it will lose the opportunity to train on other topics.

### **QUESTION:** What Are the Potential Costs of Implementing the NCLB Waiver in Kansas K-12 Schools Over the Next Several Years?

- The NCLB waiver has four principles that states must agree to. These are: (1) adopting college and career-ready academic standards; (2) assessing student and school performance; (3) assessing teacher and principal performance; and (4) reducing duplicate reporting and paperwork.
- Over the next five years, school districts will likely incur between \$34 million and \$63 million in real or opportunity costs to implement the NCLB waiver's four principles, but the Kansas State Department of Education (KSDE) might actually reduce its expenses.
  - Most of the estimated costs for school districts are attributable to implementing the college and career-ready standards (Common Core standards).
  - School district officials should be able to take steps to mitigate most of the real (out-of-pocket) costs of implementing the NCLB waiver's principles.
  - KSDE likely will incur minimal costs to implement the NCLB waiver and may achieve some future savings.

### **Findings Related to Principle 1 (College and Career Readiness)**

- KSDE adopted the Common Core standards in 2010 and these standards meet the waiver's college and career-readiness principle.
- We estimate school districts could incur between \$32 million and \$60 million in real or opportunity costs to implement the Common Core standards.
  - We estimate that new instruction materials aligned to the Common Core standards would cost school districts an additional \$30 million to \$50 million over the next two years, but this amount does not have to be entirely out of pocket.
  - We estimate school districts could also incur between \$2 million and \$10 million in real or opportunity costs in the next year to train teachers on the new standards.
- KSDE likely will not incur any significant costs to implement the Common Core standards.
- Our estimate of the total costs of implementing the Common Core standards in Kansas is significantly lower than other studies' estimates in two main areas:
  - Our estimate of teacher training costs is lower because other studies likely have overestimated the number of teachers who will need Common Core training and the number of training hours that teachers will need.
  - Technology costs, which may be significant in many states, should not be an issue in Kansas because nearly all student assessments already are taken online.

### **Findings Related to Principle 2 (Assessing Student and School Performance)**

- Kansas has developed four annual measurable objectives as a way to assess student and school performance.
- Neither KSDE nor school districts should incur any significant additional costs to assess student and school performance.
- KSDE could save as much as \$3 million per year by not having to develop student assessment tests.

### **Findings Related to Principle 3 (Teacher and Principal Evaluation Systems—“KEEP” or an Alternative)**

- KSDE has developed an electronic teacher and principal evaluation system (KEEP) to meet the requirements of principle 3. School districts have the option not to use the KEEP system, but any alternative system must meet federal waiver requirements.
- We estimate school districts could incur up to \$3 million in costs to train teachers and administrators to use the new evaluation systems.
- KSDE should incur minimal costs to refine and maintain the KEEP teacher and principal evaluation system and to train school district staff how to use it.

### **Findings Related to Principle 4 (Reducing Duplicate Reporting and Paperwork for School Districts)**

- Neither KSDE nor school districts should incur any additional costs to reduce unnecessary reporting and paperwork.

## **SUMMARY OF RECOMMENDATIONS**

- This report had no recommendations.

## **AGENCY RESPONSE**

The Kansas State Department of Education expressed no opinion about the report's findings.

### **HOW DO I GET AN AUDIT APPROVED?**

By law, individual legislators, legislative committees, or the Governor may request an audit, but any audit work conducted by the Division must be approved by the Legislative Post Audit Committee, a 10-member committee that oversees the Division's work. Any legislator who would like to request an audit should contact the Division directly at (785) 296-3792.

*Passed by Congress in 2001, the federal NCLB Act imposed a number of performance targets on schools that receive federal funds. The NCLB Act's performance targets have been viewed by some legislators, educators, and policymakers as controversial. In 2011, the U.S. Department of Education offered a waiver that provided states and schools with an alternative way to meet some of the NCLB performance targets.*

*In July 2012, Kansas received a waiver from the U.S. Department of Education exempting it from certain No Child Left Behind (NCLB) requirements. As of October 2012, Kansas was one of 34 states to receive a NCLB waiver.*

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