

Michigan Department of Education Officials, State Board of Education Members, and Elected Officials:

The following article shows the costs to implement the Common Core Standards (CCS) in Michigan. These costs are taken from a longer report that I completed on 10.15.12 and a comprehensive report prepared by the Pioneer Institute. I will send my report to you separately.

I realize that Michigan is committed to the Common Core Standards. You adopted the CCS and you have received \$23 million in competitive awards. It is my understanding that you are seriously considering dropping out of CCS; I applaud your initiative in this regard. As the following article explains, there is some urgency in the decision. If Michigan delays its decision, it could incur huge up-front, one-time costs (65 % of the total cost) to implement CCS.

Most states entered into the RTTT and CCS without solid estimates on CCS implementation. As many of the states are moving ahead with CCS implementation, they are finding that the costs are quite high. Some states are experiencing "buyer's remorse," and are dropping CCS.

I strongly suggest that Michigan take a hard look at this issue. Because Michigan gave up good standards to embrace CCS, the state could revert back to those standards.

Thank you for educating the students in Michigan.

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Michigan Common Core Implementation Costs

by Henry W. Burke

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It will cost Michigan \$569 million (net amount) to implement the Common Core Standards (CCS). Where will Michigan find \$569 million to implement the mediocre Common Core Standards?

I will call your attention to an excellent Pioneer Institute report, "National Cost of Aligning States and Localities to the Common Core Standards," dated February 2012 (PI report) and my report, "States' Taxpayers Cannot Afford Common Core Standards," by Henry W. Burke, dated 10.15.12 (Burke report). These are the links to the reports:

http://www.pioneerinstitute.org/pdf/120222_CCSSICost.pdf

<http://educationviews.org/states-taxpayers-cannot-afford-common-core-standards/>

I also wrote a companion report applicable to the states that did not adopt the Common Core Standards, "Non-Common Core States Will Save Millions of Dollars," by Henry W. Burke, 10.18.12:

<http://educationviews.org/non-common-core-states-will-save-millions-of-dollars/>

Michigan gave up good state standards to adopt the inferior Common Core Standards. According to a 2010 Fordham Institute report that compared the state standards with the Common Core Standards, Michigan had "Clearly Inferior" English Language Arts (ELA) standards and "Too Close to Call" Mathematics standards.

I encourage you to realistically evaluate the costs versus the benefits for the State of Michigan. I will focus only on the cost of implementing the Common Core Standards (CCS) versus the dollar awards received from the federal government.

I thought I would offer a little insight into the CCS implementation costs. This explanation includes the Pioneer report figures and my assumptions. Obviously, I cannot speak for the Pioneer Institute nor its partners in the white paper, Accountability Works and Pacific Research Institute. These are strictly my thoughts, assumptions and calculations.

The Pioneer Institute report identified four cost categories for CCS implementation. The categories are: Testing, Professional Development, Textbooks, and Technology. Pioneer calculated the total CCS implementation cost over a 7-year time period.

The PI report included bar graphs (without dollar figures) for each state in Professional Development, Textbooks, and Technology. The Appendices to the PI report showed exact dollar figures for each state in only the Textbooks and Technology categories. This is the link to the Pioneer Institute Appendices:

http://www.accountabilityworks.org/photos/Appendices.Common_Core_Cost.AW.pdf

Consequently, I had to derive figures for Testing and Professional Development for each of the 46 states. My goal was to duplicate the Pioneer figures as closely as possible. My nationwide totals for the four categories agree quite closely with the Pioneer Institute report.

A. Michigan CCS Loss

The State of Michigan submitted a proposal to the U.S. Department of Education (USDOE) for Phase 1 and Phase 2 of the Race to the Top (RTTT) program and received a rank of No. 21 in Phase 1 and a rank of No. 23 in Phase 2 of that competition. The 12 "winning" states under Phase 1 and Phase 2 of RTTT received a total of \$3.94 billion. Michigan did not receive any funds under the Phase 1 and 2 competition. In subsequent competitions, Michigan received \$22.730 million for competitive stimulus awards.

In the Burke Table 1, CCS Loss Per State, the CCS Total Cost for Michigan is \$591.593 million; and the federal competitive award total is \$22.730 million. The difference is \$568.863 million.

[\$591.593 million - \$22.730 million = \$568.863 million]

This means Michigan will have to find \$569 million to pay for the implementation expense of CCS.

B. Michigan CCS Cost

In the Burke Table 2, CCS Cost Per Student, we can see that Michigan has a CCS Cost per Student of \$362. This is slightly below the average cost per student of \$379 (average cost for the 46 CCS states).

Table 3, Total CCS Cost, lists the components making up the Total CCS Cost of \$591.593 million for Michigan. Testing cost is \$48.496 million; Professional Development cost is \$178.986 million; Textbook cost is \$97.181 million; and Technology cost is \$266.930 million.

In round numbers, Michigan will spend \$49 million on Testing, \$179 million on Professional Development, \$97 million on Textbooks, and \$267 million on Technology. The Total CCS Cost for Michigan will be \$592 million.

Explanation of Figures

1. Testing -- Testing is a function of the number of students tested. Table 5 in my report shows the Total Nationwide Cost for the 46 CCS states. My Table 5 duplicates Pioneer Figure 2B (on page 2 of the PI report). Figure 2B shows a Total Testing Cost of \$1,240,641,297.

Table 6 (Burke report) lists the number of students and teachers in each of the 46 states; the total for the 46 states is 41,805,062 students. I obtained all of the numbers in Table 6 from the Pioneer report Appendices (NCES: 2009 - 2010 School Year).

When I divided \$1,240,641,297 by 41,805,062 students, I obtained a factor of \$29.67681993 per student. This Testing cost factor was applied to each of the 46 states to get the Testing cost for each state. My Total Testing Cost of \$1,240.641 million agrees with the Pioneer Figure 2B number.

Michigan has a total student enrollment of 1,634,151 students (Burke Table 6). When I multiplied 1,634,151 students by the \$29.6768 factor per student, I obtained \$48.496 million.

[1,634,151 students x \$29.67681993 per student = \$48,496,405]

2. Professional Development -- The purpose of Professional Development is to train the teachers on the new Common Core academic standards. Professional Development is a function of the number of teachers that must be trained. Pioneer used a Professional Development cost of \$1,931 per teacher.

Michigan has 92,691 teachers (Burke Table 6). When I multiplied 92,691 teachers by \$1,931 per teacher, I obtained \$178.986 million.

[92,691 teachers x \$1,931 per teacher = \$178,986,321]

Incidentally, my calculations produced a Professional Development Cost for California of \$605.938 million. The PI report bar graph showed the number \$606 million for California. This verifies that my calculation assumptions and methodology are correct.

3. Textbooks -- I obtained the Textbook cost for Michigan directly from the Pioneer Institute Appendix. The Table in the Appendix showed a Total Textbook Cost for Michigan of \$97,181,335 (\$97.181 million).

The PI Appendix listed the following numbers for Textbooks and Instructional Materials:

Michigan Textbook Cost
(Millions of Dollars)

Grade	Textbook Cost (\$ Millions)
K	9.043
1	7.775
2	6.294
3	6.547
4	5.975
5	5.944
6	6.990
Subtotal -- K - 6	48.568
7	7.207
8	7.344
9	8.764
Subtotal -- 7 - 9	23.315
10	8.459
11	8.566
12	8.273
Subtotal -- 10 - 12	25.298
Total -- K - 12	97.181

4. Technology -- I obtained the Technology cost for Michigan directly from the Pioneer Appendix. The PI Appendix lists the Total Technology Cost for Michigan as \$266,929,724 (\$266.930 million).

The PI Appendix provides the following information:

Michigan Technology Cost
(Millions of Dollars)

Description	Technology Cost (\$ Millions)	Total Technology Cost (\$ Millions)
One-Time Costs	109.307	109.307
Year 1 Operations	11.593	11.593
Years 2 - 7 Operations (Annual)	24.3383	--
Total for 6 Years (Years 2 - 7)	146.030	146.030
Total Technology Cost		266.930

C. Urgency of Decision

We know that the total cost to implement CCS in Michigan will be \$591.593 million (\$592 million), but we have not said anything about the timing. The timing for the expenditures is extremely important!

A sizeable portion of the total CCS implementation cost is spent early in the implementation. In the Pioneer Report Figure 2B, two-thirds (about 66 %) of the Total Cost falls into the up-front, one-time cost period. Pioneer shows a one-time cost of \$10,522,885,028; the Total Cost is \$15,835,121,347. When I divide these two numbers, I get 66 %.

For Michigan, the figures are as follows:

Timing of Michigan CCS Costs
(Millions of Dollars)

Cost Category	Up-Front, One-Time Cost (\$ Millions)	Years 1 - 7 Cost (\$ Millions)	Total Cost -- Up-Front & for 7 Years (\$ Millions)
Testing	--	48.496	48.496
Professional Development	178.986	--	178.986
Textbooks	97.181	--	97.181
Technology	109.307	157.623	266.930
Total Cost	385.474	206.119	591.593
Percentage of Total	65 %	35 %	100 %

As this table shows, 65 % of the total cost (\$385.474 million) is incurred as an up-front, one-time cost. If Michigan has any interest in dropping the CCS, the state should act very soon. Much of the CCS implementation expense (65 %) hits very early in the process. If the state delays the decision to drop CCS, it could waste \$385 million on a system that it is not going to use. The decision is urgent!

Please contact me if you would like copies of my two reports.

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