



MONTANA LEGISLATIVE BRANCH

Legislative Fiscal Division

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Director
AMY CARLSON

DATE: February 26, 2012
TO: Legislative Finance Committee Members
FROM: Kris Wilkinson, Fiscal Analyst II
RE: Cost Estimates for the Implementation of Common Core

The Education and Local Government Interim Committee requested that the Legislative Fiscal Division (LFD) develop cost estimates for the changes to the content and performance standards for mathematics and English language arts adopted by the Board of Public Education (BPE). The purpose of the analysis is to determine if the costs of implementing the amendments would be a substantial cost increase to the school districts. Statute defines substantial as an amount that cannot be readily absorbed in the budget of an existing school district program. If the costs are found to be substantial, BPE must delay implementation of the standards until July 1 of the year following the next regular legislative session and must request that the legislature fund the implementation of the proposed standard.

The LFD analysis concluded that the estimated costs to implement the common core standards are not substantial.

Overall, the cost estimate for school districts to implement the common core standards is about \$6.3 million. Over half of the costs or \$3.4 million are considered one-time-only including:

- o Professional development costs
- o Curriculum development costs
- o Textbook purchases
- o Computer purchases for interim and summative assessments

Ongoing costs of \$2.8 million include hiring additional mathematics teachers to implement a third year of mathematics for all high school students and a \$7 per student per year assessment fee for online adaptive assessments.

The LFD estimates that about 6% of the Montana school districts will incur costs that cannot be readily absorbed within the district's budgets as measured by:

- o Common core implementation costs are between 1 and 2% of the FY 2011 general fund budget and more than 10% of the total of the reserves for the district's general fund, technology fund, impact aid fund, and the flex fund
- o Implementation costs are more than 2% of the general fund budget and more than 5% of the reserves

Costs for implementing common core in these school districts are estimated to be \$2.1 million or 34% of overall costs.