

## **TYPES OF “COSTING-OUT” STUDIES**

For Commission discussion – February 3, 2020

### **Input-based (resource oriented methods)**

Professional judgment

Current spending by high-performing schools (if these schools can produce high achievement, they must be using their resources effectively)

Qualitative, case examples

### **Evidence Based**

Spending and other variables → performance outcomes

Correlational, linear

Descriptive

### **Output-based (performance oriented) methods**

Successful schools, case examples

Current spending by high-performing schools

### **Education cost function**

Spending and other variables → performance outcomes

Correlational, linear

Quantitative, model-driven

**Cost study reports (samples)** see <https://www.ccrslegislation.info/wp-content/uploads/2019/04/NCSL-Finance-Fellows-Meeting-Slides-07-09-18-FINAL-.pdf>

- [A Professional Judgment Approach to School Finance Adequacy in Kentucky.](#)

*This document is the second of two reports prepared by Lawrence O. Picus and Associates for the Kentucky Department of Education estimating the costs of financing an adequate education in Kentucky.*

- [Costing out the Resources to Needed to Meet Pennsylvania’s Public Education Goals.](#)

*This costing-out study was conducted by Augenblick, Palick, and Associates (APA) and the findings in this report were produced pursuant to a study initiated by the Pennsylvania State Board of Education. This costing-out study was designed to develop a supportable means for policymakers and other education leaders to understand what it*

would cost for each district in the state to achieve the performance that is expected of them.

- [Study of a New Method of Funding for Public Schools in Nevada.](#)

*In September of 2012, the American Institutes for Research (AIR) completed a study for the Nevada State legislature to investigate how the state finance system could be improved by determining how it could best address the differential funding needs of students and smaller rural districts. AIR team members examined state funding formulas, demographic characteristics, and fiscal data from all 50 U.S. states. Based on empirical analyses of these data, the team has attempted to identify the best practices that lead to an equitable distribution of funding with respect to the incidence of students in poverty, English language learners, students enrolled in special education programs, and students attending schools in districts that have a small scale of operations.*

- [Estimating the Costs Associated with Reaching Student Achievement Expectations for Kansas Public Education Students, A Cost Function Approach](#), Jason Willis (WestEd).

*Over the past five decades, the Kansas Legislature has made efforts to address concerns of inadequacy and inequity of the state's school finance system. This study examines the costs associated with ensuring that all students meet achievement goals in Kansas following the Kansas Supreme Court finding that the schools finance system was unconstitutional. This study is designed to aid the State Legislature in exploring options for education finance reform.*

- American Institutes for Research (AIR) 2008 Study, [An Independent Comprehensive Study of the New Mexico Public School Funding Formula.](#)

*This study, conducted by Dr. Jesse Levin and others with the American Institutes for Research (AIR), presents the results of a 16-month effort to determine the cost of a sufficient education for all public school students in New Mexico. The project included three major components: (1) a public engagement process to clarify the goals of public education and define the concept of sufficiency; (2) a component to determine the cost of a sufficient education; and (3) the development of a new school funding formula.*

### **Additional Resources**

- Equity and Excellence Commission report, [For Each and Every Child: A Strategy for Education Equity and Excellence.](#)

*This 2013 report of the Equity and Excellence Commission examines disparities in equal educational opportunities in the nation that give rise to the achievement gap. The report focuses on systems of finance and provides recommendations for action to improve fiscal equity, close achievement gaps, and improve student outcomes.*