

# Analysis of the Costs of Colorado's Achievement Plan for Kids (CAP4K)

## SECOND INTERIM REPORT

AUGENBLICK, PALAICH AND ASSOCIATES  
COLORADO SCHOOL FINANCE PROJECT  
DECEMBER 2011

## Overview of Project

- APA was selected in October 2009 to analyze the costs of implementing CAP4K for the Colorado Department of Education.
- APA is working jointly with the Colorado School Finance Project; both organizations are contributing support to the project because the costs exceed the contract amount.
- APA will produce three reports as part of this work:
  - First Interim Report: March 2010 (completed)
  - Second Interim Report: October 2011 (completed)
  - Final Report: October 2012

## Scope of Work for Interim Reports

- For each report, APA developed cost estimates for four entities as required by the contract:
  - Colorado Department of Education (CDE)
  - Colorado Department of Higher Education (DHE)
  - K-12 School Districts
  - Institutions of Higher Education (IHEs)
- The first interim report focused on activities for the *planning phase* of CAP4K
- The second interim report built upon the work of the first report and added activities related to the *implementation phase* of CAP4K

## Methodology

- APA used the “professional judgment” approach as the basis for its cost estimates. This approach relies on experts, in this case representatives from all affected entities, to identify the resources needed to appropriately complete a given objective.
- APA held the following meetings as part of this approach:
  - In-person meetings with representatives from CDE and DHE;
  - One-on-one meetings with several larger K-12 school districts; and
  - Webinars with several mid-sized and smaller school districts.
- DHE staff worked with IHE representatives to collect their responses.

## How Costs Were Estimated

- To estimate the costs of the planning phase of CAP4K for each entity:
  - APA worked with each group to develop lists of activities and tasks that they felt were important to undertake to comply with CAP4K.
  - For each activity or task, estimates of the amount of personnel time and other costs, such as supplies and materials, were developed.
  - Salaries and benefits were then applied to personnel time and combined with other costs to produce total figures.

## Distinctions Made When Estimating Costs

- APA made a number of distinctions when determining what costs were associated with the planning phase of CAP4K:
  - Compliance vs. Fulfilling Implied Intent
    - × APA developed cost estimates only for the costs associated with complying with the legislation, not fulfilling it's implied intent.
  - New Costs vs. Continued Costs
    - × APA focused on new costs instead of costs to continue activities that may have been taking place already or costs that involve redirecting personnel that were already available.
  - One-Time Preparation Costs vs. Ongoing Implementation Costs
    - × APA also attempted to distinguish between "one-time" preparation costs and ongoing implementation costs that recur year after year.
  - Tasks that Should be Undertaken vs. Those That Can be Undertaken Within Budget Constraints
    - × APA asked entities to identify tasks and the resources needed to properly implement CAP4K, not just the scaled down method they would use given current budget issues.

### Key Changes and Developments since First Interim Report

- A number of key changes and developments related to CAP4K occurred between reports; these changes included:
  - ✦ The three components of School Readiness, Content Standards; and PWR are no longer thought of separately by CDE but are instead considered to be part of an interwoven and overlapping system of reform
  - ✦ Districts do not need to develop a separate Postsecondary and Workforce Readiness program and no additional assessments are needed; PWR is instead an integral part of the K-12 curriculum
  - ✦ Individual Career and Academic Plans (ICAPs) have been incorporated as part of the costs of CAP4K
  - ✦ The new state summative exam will include an additional year of testing in the 11<sup>th</sup> grade

### Key Changes and Developments since First Interim Report

- Key changes and developments continued:
  - ✦ CDE will be selecting school readiness assessment options that expand upon Results Matter Assessments which are already being used in many districts for Early Childhood Education; districts will not have to develop their own
  - ✦ CDE is developing a resource bank of professional development tools and materials that districts can access to create or supplement their professional development system
  - ✦ CDE hopes to create an integrated student data system
- At the time of our data collection, CDE had not released their recommendations regarding assessments being online so estimates shown here are based upon paper and pencil administration.

## CDE: Activities (First Interim Report)

- The Colorado Department of Education undertook the following tasks related to the *preparation phase* of CAP4K:
  - × Co-convened regional tours and held meetings with stakeholders
  - × Conducted a review of relevant literature and best practice
  - × Developed the school readiness and PWR descriptions
  - × Developed new content standards
  - × Developed school readiness indicators
  - × Developed strategic implementation and outreach plans

## CDE: Activities (Second Interim Report)

- CDE undertook the following additional tasks related to the *preparation phase* of CAP4K:
  - × Held internal meetings
  - × co-convened regional tours with DHE
  - × Jointly presented to the State Board of Education and the Colorado Commission on Higher Education with DHE
  - × Held additional meetings with stakeholders and committees
  - × Developed a Request for Proposals (RFP) for the development of the new assessments
- CDE also identified the following additional future tasks related to the *implementation phase* of CAP4K:
  - × Develop and provide the new assessments
  - × Create a student data system

## CDE: Preliminary Cost Estimates

- The estimated costs to CDE for tasks identified in the first and second interim reports are:

|  | One-time Preparation Phase Costs | Ongoing Implementation Phase Costs |
|--|----------------------------------|------------------------------------|
| <b>Reported in First Interim Report</b>  | \$1,521,172                      | -                                  |
| <b>Reported in Second Interim Report</b> | \$25,702,600                     | \$16,684,082                       |
| <b>Total</b>                             | <b>\$27,223,772</b>              | <b>\$16,684,082</b>                |

## DHE: Activities (First Interim Report)

- The Department of Higher Education undertook the following tasks related to the *planning phase* of CAP4K:
  - Held meetings with stakeholders, including representatives of higher education institutions
  - Participated in the development of the PWR description by:
    - Co-convening regional tours
    - Conducting a literature review
    - Developing a database and conducting an analysis of pertinent data

## DHE: Activities (Second Interim Report)

- DHE undertook the following additional tasks related to the *preparation phase* of CAP4K:
  - ✦ Held internal meetings
  - ✦ Co-convened regional tours with CDE
  - ✦ Jointly presented to the State Board of Education and the Colorado Commission on Higher Education with CDE
  - ✦ Held additional meetings with stakeholders
  - ✦ Gathered data from the admissions directors at higher education institutions
  - ✦ Contracted with a consultant to produce a data analysis report
- DHE did not identify any tasks related to the *implementation phase* of CAP4K yet

## DHE: Preliminary Cost Estimates

- The estimated costs to DHE for tasks identified in the first and second interim reports are:

|  | One-time Preparation Phase Costs | Ongoing Implementation Phase Costs |
|--|----------------------------------|------------------------------------|
| <b>Reported in First Interim Report</b>  | \$141,473                        | -                                  |
| <b>Reported in Second Interim Report</b> | \$132,103                        | -                                  |
| <b>Total</b>                             | <b>\$273,576</b>                 | -                                  |

## Districts: Activities (First Interim Report)

- School districts identified the following tasks related to the *preparation phase* of CAP4K:
  - Translate new state requirements into local language and local expectations
  - Design and implement staff development
  - Adopt the new content standards and align their existing curriculum
  - Plan for new assessments
  - Develop a PWR program
  - Determine material and technology needs
  - Manage communications with students and families about new requirements

## Districts: Activities (Second Interim Report)

- School districts identified the following additional task related to the *preparation phase* of CAP4K:
  - × Further professional development for staff related to Individual Career and Academic Plans (ICAPs) and assessments
- School district also identified the following additional future tasks related to the *implementation phase* of CAP4K:
  - × Identify school readiness goals for schools and district as part of improvement/strategic plan for accreditation
  - × Administer assessments to students
  - × Create and update Individual Readiness Plans (IRPs) for all kindergarten and 1<sup>st</sup> grades as well as ICAPs for students in grades 9-12



## Districts: Activities (Second Interim Report)

- School district also identified the following additional future tasks related to the *implementation phase* of CAP4K (continued):
  - ✦ Analyze assessment data
  - ✦ Provide additional support and services to 11<sup>th</sup> and 12<sup>th</sup> grade ELL students to reach language proficiency
  - ✦ Provide ongoing professional development to staff
  - ✦ Manage ongoing communications
  - ✦ Integrate technology
  - ✦ Manage the student data system

## Districts: Preliminary Cost Estimates

- The estimated costs to school districts for tasks identified in the first and second interim reports (adjusted by size) are:

|  | One-time Preparation Phase Costs | Ongoing Implementation Phase Costs |
|--|----------------------------------|------------------------------------|
| <b>Reported in First Interim Report</b>  | \$128,512,869                    | -                                  |
| <b>Reported in Second Interim Report</b> | \$10,312,884                     | \$189,069,536                      |
| <b>Total</b>                             | <b>\$138,825,753</b>             | <b>\$189,069,536</b>               |

## IHEs: Activities (First Interim Report)

- Institutions of Higher Education undertook the following activities related to the *preparation phase* of CAP4K:
  - Planned for any needed changes to their teacher preparation programs, admissions policies, remediation policies and materials
  - Community colleges also participated in the development of the school readiness, PWR and content standards

## IHEs: Activities (Second Interim Report)

- IHEs identified the following additional tasks related to the *preparation phase* of CAP4K:
  - To date IHEs have:
    - × Met with DHE staff to discuss CAP4K and ICAPs
    - × Held trainings and meetings with faculty supervisors and students
  - Going forward IHEs will also:
    - × Align their teacher preparation program curriculum
    - × Create and revise materials and guidebooks
- DHE did not identify any tasks related to the *implementation phase* of CAP4K yet

## IHEs: Preliminary Cost Estimates



- The estimated costs to institutions of higher education for tasks identified in the first and second interim reports are:

|  | One-time Preparation Phase Costs | Ongoing Implementation Phase Costs |
|--|----------------------------------|------------------------------------|
| <b>Reported in First Interim Report</b>  | \$1,547,181                      | -                                  |
| <b>Reported in Second Interim Report</b> | \$184,050                        | -                                  |
| <b>Total</b>                             | <b>\$1,731,231</b>               | -                                  |

## Total Preliminary Cost Estimates to All Entities



- All figures in the first and second interim reports should be considered preliminary estimates only. Figures are subject to change based upon:
  - Changes in understanding of the requirements and expectations of CAP4K
  - Subsequent budget reductions
- APA intends to review and refine these figures to produce a more complete and accurate cost picture in the final report.

## Total Preliminary Cost Estimates to All Entities



- With previous caveats in mind, the estimated costs to all entities for tasks identified in the first and second interim reports are:

|   | One-time Preparation Phase Costs | Ongoing Implementation Phase Costs |
|---|----------------------------------|------------------------------------|
| Colorado Department of Education                                  | \$27,223,772                     | \$16,684,082                       |
| Department of Higher Education                                    | \$273,576                        | -                                  |
| K-12 School Districts   | \$138,825,753                    | \$189,069,536                      |
| Higher Education Institutions                                     | \$1,731,231                      | -                                  |
| <b>Total Estimated Cost for CAP4K as of Second Interim Report</b> | <b>\$178,174,124</b>             | <b>\$205,753,618</b>               |