



KNOW THE ISSUES

What Are Education “Cost Studies”?

- The amount of funding provided to public schools has traditionally been based on a politically determined amount of money available for state education aid and a political struggle over how to distribute that money – without regard for the actual needs of students – along with local ability to raise money through property taxes.
- In 37 states, education finance experts have performed “**costing-out studies**” (also known as “cost studies” or “adequacy studies”) at the request of state legislatures or other entities. These studies estimate the amount of money needed for the educational services required to provide students the opportunity to meet state learning standards. Since 1991, over 50 studies have been undertaken.

Standards-Based Reform

- Because most states now hold students and schools accountable for meeting state student learning standards, states should align their funding systems with their standards. A new set of questions emerges, then, about what resources schools need to enable their students to meet state standards, how much money is needed for these resources, and what kind of finance system would deliver the necessary funding.

Education Finance Litigation

- An additional impetus for cost studies comes from education finance litigation. In some states, courts have ruled state school finance systems unconstitutional based in part on the evidence from cost studies. In five states, courts have ordered the states to conduct costing-out studies as part of their Remedial Orders.

No Child Left Behind

- The 2001 reauthorization of the federal Elementary and Secondary Education Act, known as “No Child Left Behind” (NCLB), has complicated the field of education cost studies because of its unprecedented and impossible goal of having all students achieve high levels of “proficiency.” In recent years, many cost studies have claimed to estimate the cost of achieving “100 percent proficiency.”

Public Engagement

- A credible and practical way to inform key judgments in cost studies is a public engagement process. Public involvement not only expands the range of information available, but it also promotes public support for the recommendations a study produces. Public engagement played a significant role in the New York Adequacy Study, but to date most studies have afforded the public little or no opportunity to become involved.