

## EDUCATION WEEK

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# Standardized Testing Costs States \$1.7 Billion a Year, Study Says

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Standardized-testing regimens cost states some \$1.7 billion a year overall, or a quarter of 1 percent of total K-12 spending in the United States, according to a **new report** on assessment finances.

The report released Nov. 29 by the Washington-based Brown Center on Education Policy, at the Brookings Institution, calculates that the test spending by 44 states and the District of Columbia amounted to \$65 per student on average in grades 3-9 based on the most recent test-cost data the researchers could gather. (The Brown Center report was not able to gather that data from Connecticut, Iowa, Oklahoma, South Carolina, West Virginia, and Wyoming.)

It also says that the District of Columbia spends the most on its assessments per student—\$114—of the 45 jurisdictions Brookings measured, followed by Hawaii, Alaska, Delaware, North Dakota, and Massachusetts. New York, where test scoring is a local responsibility, spent the least—\$7 per student—followed by Kansas, North Carolina, Oregon, and Utah.

Despite the relatively small amount states spend on tests overall, compared with total education spending nationally, the report, written by Brown Center fellow Matthew M. Chingos, warns that the testing costs take on growing importance during difficult budget periods for states.

While the two consortia developing tests for the Common Core State Standards in English/language arts and mathematics (adopted by 46 and 45 states, respectively) may help reduce overall costs for states, the report says, “it is not yet clear whether larger consortia ... are a better choice than smaller ones formed more organically” from a cost standpoint.

### Risking ‘Backlash’

The report, titled “State Spending on K-12 Assessments,” also notes that while only 9 percent of Americans in a poll said they disapprove of federal mandates for state tests like the math, reading, and science tests required by No Child Left Behind Act, “there is the risk of multimillion-dollar assessment contracts contributing to a political backlash against testing among parents and taxpayers who oppose the

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use of standardized testing for accountability purposes or object to public dollars flowing to for-profit companies (as most of the testing contractors are).”

If the money for standardized assessments was instead put toward teacher raises, the report estimates that each teacher in the country would receive, on average, a raise of \$550, or 1 percent, based on data about teacher salaries and other factors from the 2012 Digest of Education Statistics.

The report also includes information on the major contractors that provide services for the states’ primary assessment contracts, although they don’t represent all state spending on tests.

It found that six vendors overall accounted for the bulk of the states’ \$669 million of annual spending for tests required under the No Child Left Behind Act in grades 3-8 and once in high school. That spending amounted to \$27 per student on average. Of all the contractors, the report says that New York City-based Pearson Education received the most money (39 percent), followed by McGraw-Hill Education, also in New York (14 percent), and the Maple Grove, Minn.-based Data Recognition Corp. (13 percent).

Of the roughly \$1 billion in remaining testing costs, the Brown Center calculates that amount would consist of the data it did not receive from the five states, as well as testing costs that are not contracted out and costs not included in primary assessment contracts, such as state exams not mandated by the NCLB law.

### Common-Core Wrinkle

In an interview, Mr. Chingos said that comparing current state assessment costs against the projected costs of administering and scoring the common tests now being developed would not be meaningful, given the different numbers of students involved and the different way the work is being parceled out.

A few factors could drive down the cost-per-student of the standards-aligned tests. In addition to the larger number of students the consortia will be dealing with when the common-core standards are fully implemented, the market for providing services to the consortia will remain relatively competitive, Mr. Chingos said, since each group will likely use more than one contractor. Examples set by Kansas and North Carolina, which use public universities for their primary assessment contracts, could also encourage more nonprofits to enter the market, in Mr. Chingos’ view.

“It stands to reason that, all else equal, these consortia should be able to produce savings. But where those savings go is an open question,” he said, adding that one significant move would be to plow that money back into crafting higher-quality tests.

At the same time, Mr. Chingos said the field of companies and nonprofit groups vying for common-core consortia work is relatively small and mostly impervious to new, outside competition, a dynamic that could reduce potential savings for states.

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The Smarter Balanced Assessment Consortium, for example, estimates a cost of \$20 per student, less than many of its member states are spending but an increase for six of its members, the report says.

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