Introduction and the Current Trend of Exit Exams

The growing popularity of high school exit exams stems from the standards-based reform movement of the 1990s. By 2012, approximately 72% of all American public school students will be required to take an exit exam prior to high school graduation. Standards-based instruction clarifies what students should know, standardized exams measure whether they know it, and accountability motivates schools to prepare students adequately. Thus, high school exit exams have become another standardized measure to determine whether a student is adequately prepared for post-high school success. While the value of exit exams remains controversial, some of the least acknowledged aspects center on the cost of implementing these exams and whether states should supply additional funding to support local districts. According to the Center on Education Policy (CEP), states that have or are planning to adopt exit exams should acknowledge up front the cost burdens that exit exam polices impose on districts and consider ways to address these burdens equitably to ensure students are adequately prepared to pass these exams.

In its report, Pay Now or Pay Later: The Hidden Costs of High School Exit Exams, the Center on Education Policy analyzed costs associated with implementing and sustaining high school exit exams. CEP has developed this checklist to provide policymakers and education stakeholders with information linked to exit exam policy costs. Until CEP began its systematic approach to uncovering the true costs of high school exit exams in 2003, the available data provided only estimates of the expenditures by states. In the absence of reliable cost estimates, decisions about adopting and implementing exit exams depend on the general desirability of the idea and the goal of raising student performance. The pervasive and mistaken impression is that exit exams provide nearly cost-free benefits. The evidence suggests otherwise.

The full cost of implementing a system of exit exams includes additional local expenses for remediation and other “hidden” costs that are necessary to give students a strong chance of passing the exams. These hidden costs include the extra costs of programs at all grades to prevent student failure, to raise student test scores and to improve the skills of teachers who must prepare student to pass exit exams.

Cost Checklist—An Exercise for Policymakers

- While state policymakers may view exit exams as a low-cost way to raise student achievement, the extra costs—both apparent and hidden—are considerable. The true costs of an exit exam policy often are invisible to state policymakers because the majority of expenses are absorbed by the local school district—an estimated 96% according to CEP research. The following checklist is designed for state policymakers to conduct a quick budgeting exercise to begin to tally the costs of implementing an exit exam policy in their state.
Remediation

- Even with the best of intentions, not every student who takes a high school exit exam is capable of passing the exam the first time around. Remediation services geared toward assisting struggling students account for a large chunk of the costs associated with exit exams. These include costs for resources and services for students who have failed the exam, such as tutoring. Of each state's costs studied for this brief, Minnesota districts spend approximately $37 per student per year on remediation, while Massachusetts spends approximately $85 per student per year and Indiana spends approximately $128 per student per year, equating to 29%, 27%, and 29% of the district costs respectively. Exams for which students are unprepared initially cost $266 more per student than do exams for which students have been prepared, with many of these costs coming for English language learners, at-risk, and students with disabilities.

Prevention

- The costs of a challenging exit exam can be lessened by implementing a coordinated system of standards-based reforms and assessments. This type of system emphasizes early efforts to monitor student performance, identify problems, and take steps to prevent academic failure. Prevention services constitute a sizable portion of the costs and might include summer school, extended-day and half-size classes, prep classes, and programs to improve attendance for students with marginal attendance.

Teacher Professional Development

- In order for teachers to assist students effectively and efficiently in preparing to take exit exams, additional professional development often is required, including activities targeted at changing teacher practice to help teachers better prepare students for an exit exam and only that exam. Costs vary and in the states highlighted in CEP’s research, a wide range is presented. Minnesota spends an additional $3 per student on teacher professional development, while Massachusetts spends an additional $101 per student and Indiana spends an additional $111 per student.

Exam Difficulty

- Minnesota spends $171 per student per year to maintain its exit exam policy, while Indiana spends $557 per student per year. The cost difference is due mainly to the fact that Minnesota’s exam is a basic proficiency test, whereas Indiana’s exam is more challenging. Massachusetts spends $385 per student, which is in the middle range, but for a demanding test. Massachusetts’ costs are lower because it has a coordinated system of standards-based reforms and assessments.

Exit Exam Design, Development and Administration

- Designing, developing, administering, and analyzing exit exams constitute a small fraction of the total costs of implementing exit exams. However, these state-level costs are the most visible ones, sometimes as a line in the state department of education budget. Designing an exam once does not cover the costs for the life of the policy. Exit exam items must be redesigned and refreshed every few years if the state aims to maintain alignment with state standards and evolving student expectations. Policymakers must incorporate design and development costs in their budget at least every few years. Another factor to not be ignored is the additional cost associated with designing and developing multiple versions of an exit exam to meet the needs of students with disabilities.

Other Costs to Consider

- In addition to many of the “hidden” costs associated with exit exams, policymakers and education stakeholders should understand related costs to implement and sustain the use of these exams. Such costs include legal expenses related to district, school, or student compliance and costs related to communication
and outreach strategies to parents, communities, and businesses. Student discouragement and dropout prevention, exit exam implementation, scoring and interpretation of results, management and compliance, and data collection are all costs connected to implementing and sustaining exit exams.

Conclusion

As the number of states requiring students to pass exit exams in order to receive a diploma increases, substantial costs are imposed on local school districts. States should consider these costs as one aspect of imposing this requirement on students and school districts. This checklist is designed to introduce the policy brief, *A Look at the Hidden Costs of High School Exit Exams*, which provides an in-depth analysis for policymakers and education stakeholders engaged in conversations about the costs of high school exit exam policies at the state and district levels. For more information on the hidden costs of high school exit exams, please refer to *Pay Now or Pay Later: The Hidden Costs of High School Exit Exams*, available at http://www.cep-dc.org/pubs/hiddencost_may04/HiddenCostFinal.pdf. For more information on state high school exit exams, please refer to State High School Exit Exams: A Challenging Year (2006).

References:


