

September 2004

## **CHILD Program Reduces Student Retention and Could Save Tens of Millions of Dollars**

The CHILD (Changing How Instruction for Learning is Delivered) Program is a highly engaging technology-integrated instructional system, developed in 1988 at Florida State University by Dr. Sarah (Sally) Butzin. The Program currently is operated by the Institute for School Innovation, Inc. under Dr. Butzin's leadership as the Executive Director.

The Program focuses on reading, mathematics and writing at K-5 grade levels and significantly increases student achievement, as measured by FCAT and SAT-9 test scores. Florida TaxWatch evaluated the academic progress of CHILD students in each of the last three years and found impressive, statistically significant year-to-year student achievement based on FCAT and SAT-9 test scores by students participating in the program. Comparisons of mean test scores for CHILD participants with comparable populations of non-CHILD students showed CHILD student test scores to be equal or higher in reading, mathematics, and writing (statistically significant at the 0.95 level), even though CHILD classrooms included 30 students on average while comparison school enrollments were approximately only 20 students. Moreover, the longitudinal study of a representative CHILD school conducted by Florida TaxWatch showed that the academic year-to-year gains in the test scores of CHILD participant students were sustained.<sup>1</sup>

It was just announced that an elementary school that implemented the CHILD Program schoolwide is one of six recipients to win the prestigious and highly competitive National School Change Award.

The CHILD Program affords substantial other benefits as well. Florida law now mandates that third grade students who score at the lowest level of the Reading FCAT must be retained in-grade. Though the law is well intended, student morale can be decimated when students are left behind, thereby potentially undermining their academic performance and causing them to drop out of school later on.

Last year some 28,028 Florida students were retained in-grade—14.6% of all third grade regular education enrollment, who scored at the lowest level on the Reading FCAT—at an enormous fiscal cost. While the hidden costs of retaining these students in-grade have not been explicitly calculated statewide by the Florida Department of Education, a conservative approximation of just the direct costs involved can be made based on the state FTE student dollar contribution. For example, the 2002-03 cost of retaining the regular education students in-grade, using the state FTE cost of \$4,917 per student totals was \$137,813,676, including \$102,367,023 spent on Title I students (third grade enrollment x retention rate x \$4,917 per student).

<sup>1</sup>Florida TaxWatch studies of CHILD students can be found at <http://www.floridatxwatch.org>

Retention data for Florida classrooms participating in the CHILD Program last year, as compared to nonparticipating classrooms, demonstrate that CHILD students have a significantly smaller retention rate than students enrolled in regular, nonparticipating classrooms.<sup>1</sup> The CHILD third grade retention rate of regular education Non-Title I students was 6.08% (8.52% less than the state average). Among Title I students the difference in retention rates between the state and CHILD students was even greater—8.77%.

Table 1 shows that, if the CHILD Program were implemented statewide, the substantially reduced retention rate among regular education third grade students would have saved Florida considerably, *i.e.*, \$81,008,198, if all CHILD students had participated two years or less. The annual dollar savings could be used to pay for at least three new high schools costing over \$25 million each or to hire 1,656 additional teachers, including their benefit packages, at state average.

**Table 1**  
**Third Grade Retention Costs & Savings (All Regular Education Students 2002-03)**

	<b>Student Count</b>	<b>Retained Student Count</b>	<b>Retention Rate</b>	<b>Statewide Cost @ \$4,917/FTE</b>	<b>Difference Saved</b>
Florida Third Grade Enrollment	193,328	28,028	14.60%	\$138,786,691	\$0
CHILD Third Grade Enrollment	691	42	6.08%	\$57,778,493	\$81,008,198

Table 2 shows that, if CHILD were implemented statewide the substantially reduced retention rate among Title I students additionally would have resulted in substantial cost savings, *i.e.*, \$48,007,296 for all CHILD students participating in the Program two years or less. The annual cost savings could pay for two new high schools costing about \$25 million each or to hire 981 additional teachers, including benefits, at state average.

**Table 2**  
**Title I Third Grade Retention Costs & Savings (2002-03)**

	<b>Student Count</b>	<b>Retained Student Count</b>	<b>Retention Rate</b>	<b>Statewide Cost @ \$4,917/FTE</b>	<b>Difference Saved</b>
Florida Third Grade Enrollment	111,334	20,819	18.70%	\$102,367,023	\$0
CHILD Third Grade Enrollment	584	58	9.93%	\$54,359,727	\$48,007,296

To summarize, had CHILD been implemented statewide last year, the savings generated by reducing third grade retention of regular education students in both the Non-Title I and Title I programs would have been \$129,015,494. These considerable savings could be used to purchase five high schools costing \$25 million each and hire 2,637 new teachers, with benefits, at state average.

Not to be discounted, though not calculated here, are the substantial future costs that likely will accumulate over time as a result of a buildup in the numbers of students retained. For example, it will be

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<sup>1</sup> Data were obtained from one-third of the participating CHILD schools, a reasonably representative sample to use for data extrapolation purposes.

necessary to implement a different method of instructional delivery and design a curriculum better tailored to the special individualized needs of retained students. Additional classrooms and staffing levels doubtless also will be needed to accommodate the likely expanding “bubble” of retained students unless something is done “on the front end” to diminish the number. As demonstrated, the CHILD Program clearly could diminish some of those costs and the savings realized put to better use in the classroom.

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Florida TaxWatch is the only statewide organization entirely devoted to protecting and promoting the political and economic freedoms of Floridians as well as the economic prosperity of our state. Since its inception in 1979, Florida TaxWatch has become widely recognized as the watchdog of citizens' hard-earned tax dollars. The nationally distributed *City and State* magazine (now *Governing* magazine) published a poll of the nation's statewide taxpayer research centers. Based on this poll, the publication cited Florida TaxWatch as one of the six most influential and respected government watchdogs and taxpayer research institutes in the nation.

In recent years, news stories about Florida TaxWatch have run in all Florida newspapers, *The Wall Street Journal*, *The New York Times* and *The Washington Post* and *Fortune* magazine. In addition, Florida TaxWatch has been featured on the prestigious *MacNeil/Lehrer Newshour*.

Florida TaxWatch is a private, non-profit, non-partisan research institute supported by voluntary, tax-deductible membership contributions and philanthropic foundation grants. Membership is open to any organization or individual interested in helping to make Florida competitive, healthy and economically prosperous by supporting a credible research effort that promotes constructive taxpayer improvements. Members, through their loyal support, help Florida TaxWatch to bring about a more effective, responsive government that is accountable to the citizens it serves.

Florida TaxWatch is supported by all types of taxpayers -- homeowners, small businesses, corporations, professional firms, labor unions, associations, individuals and philanthropic foundations -- representing a wide spectrum of Florida's citizens.

Florida TaxWatch's empirically sound research products recommend productivity enhancements and explain statewide impact of economic and tax and spend policies and practices. Without lobbying, Florida TaxWatch has worked diligently and effectively to build government efficiency and promote responsible, cost-effective improvements that add value and benefit taxpayers. This diligence has yielded impressive results: through the years, three-fourths of TaxWatch's cost-saving recommendations have been implemented, saving taxpayers over \$6.2 billion (according to an independent assessment by Florida State University). That translates to approximately \$1,067 in added value for every Florida family.

With your help, we will continue our diligence to make certain your tax investments are fair and beneficial to you, the taxpaying customer who supports Florida's government. Florida TaxWatch is ever present to ensure that taxes are equitable, not excessive, that their public benefits and costs are weighed, and that government agencies are more responsive and productive in the use of your hard-earned tax dollars.

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