

Local Government Snapshot



NEW YORK STATE OFFICE OF THE STATE COMPTROLLER

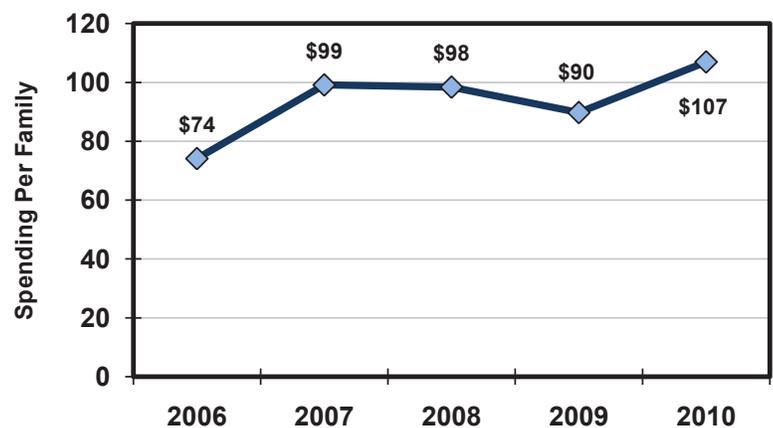
Thomas P. DiNapoli • State Comptroller

August 2010

Helping New York Families With the Cost of School Supplies: Is It Time to Go “Back to School” on Back-to-School?

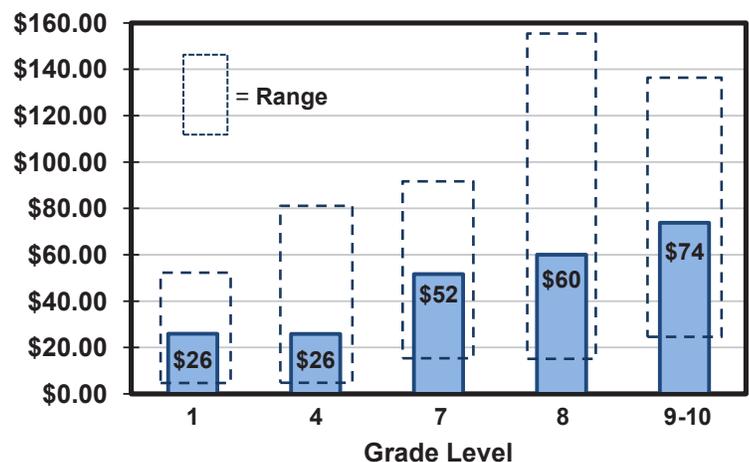
- New Yorkers plan to spend up to \$192 million for back-to-school supplies this year,¹ with approximately 64 percent of this spending (\$123 million) driven by school supply lists from their children’s schools. In the future, school districts may be able to help reduce these costs by changing their approach to procurement, by leveraging opportunities for bulk purchase buying, and by improving coordination and communication among teachers and parents. Some schools are already moving in this direction, and there are several best practices that can be replicated to reduce costs for families and make back-to-school shopping easier.
- Back-to-school spending is big business. According to a National Retail Federation survey, back-to-school and back-to-college spending on clothing, supplies and education-related items is expected to total \$55 billion in 2010—making the back-to-school season the second largest consumer spending event, outpaced only by the holiday shopping season.
- The average family in the Northeast will spend \$674 getting the kids back to school in 2010, with an estimated \$107 of that going towards school supplies.
- School supply lists often leave parents feeling overwhelmed about the number of items to be purchased, and the time and money (including fuel expense traveling to multiple stores) that is required to purchase these items. School lists are now often at least one page in length, filled with highly specific requests, and include items such as hand sanitizers, dry erase markers, adhesive bandages, tissues, tube socks, bubbles and even tennis balls to reduce chair squeaking. Families with more than one child face even more challenging and expensive shopping efforts.

School Supply Spending Northeast Average per Family



Source: National Retail Federation Survey

Average Cost of School Supply List by Grade Level

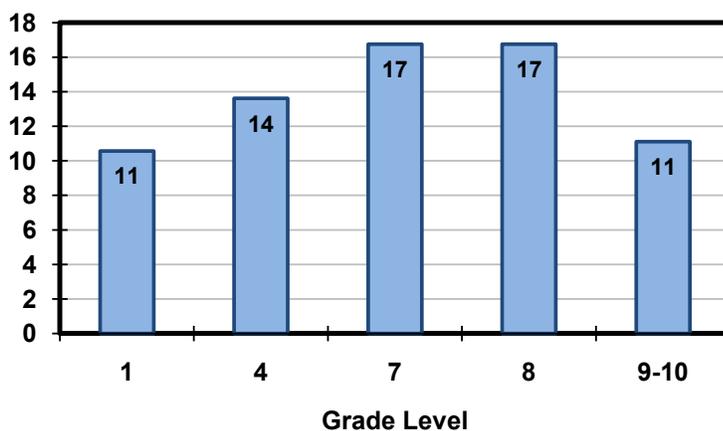


¹ OSC calculation based on data from the National Retail Federation and the U.S. Census Bureau.

Local Government Snapshot

- The lists get longer and more expensive at higher grade levels. The average cost of supplies required for elementary grades is about \$26 for around a dozen items, but the cost can range from less than \$5 to more than \$80. The average cost in middle school was \$52 to \$60 for roughly 17 items, with the cost ranging from \$13 to more than \$150. The average cost for high school lists was \$74 per student, and costs ranged from \$21 to over \$135 per student.
- The total out-of-pocket cost to parents for school-requested supplies in New York State is estimated to be \$123 million. This is a conservative estimate, since it reflects special back-to-school pricing, which may not be available to parents—especially those that receive their lists late in the summer. If parents are unable to take advantage of these special prices, costs could be as high as \$136 million statewide. Additionally, estimates do not reflect name brand products, or items such as lunch boxes and backpacks unless they were specifically requested, and do not include the cost of time and fuel spent to fulfill the list requirements.
- As a result of statewide budgetary pressures, school districts are facing major State Aid cuts. At the same time, personal income in the State has remained relatively flat,² and property taxes paid to support school districts have increased, resulting in a growing financial burden for families with school age children.
- The school supply lists tend to be less expensive in school districts with high poverty rates.³ Assuming that school districts and teachers must make up the difference, school supply costs may represent a greater budgetary challenge in high-need districts.

Average Number of Items on the School Supply List by Grade Level



What About the Calculator?

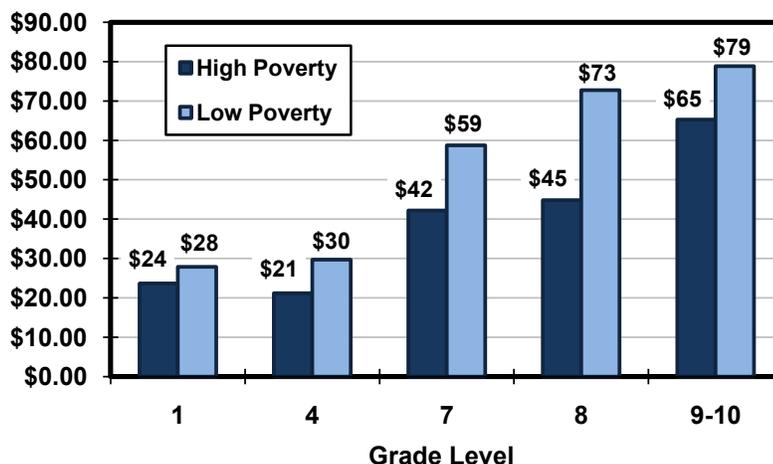
Many parents struggle with the expense associated with specific calculators required for class. The cost of these calculators can exceed \$100. According to State Education Department (SED) guidelines, the State Education Department requires the use of calculators for intermediate and high school level mathematics and science assessments. To the extent that calculators are a necessary part of the educational program, the State Education Department has determined that **the school district must provide them**. School districts may, however, charge students if they lose a district-provided calculator.

According to the State Education Department, *“under no circumstances should students be charged for a calculator or otherwise required to purchase one in order to participate in an educational program.”*

Despite this, several of the high school lists examined included a graphing calculator.

- In some cases the calculator was specified as *optional*, but included a brand recommendation.
- In other cases, it was unclear whether the specific brand, or the calculator itself, was optional.

Average Cost of School Supply List by Grade Level and District Poverty Level



² As reported by the Federal Bureau of Economic Analysis at www.bea.gov/regional.

³ We defined a district as high poverty if the percentage of pupils eligible for free or reduced price lunches exceeded the statewide mean of 33 percent in 2009.

Is There a Better Way?

Sending parents out to shop for long, detailed lists of supplies can have several disadvantages, including higher per-unit costs, wasted money if parents purchase the wrong items, and the time and expense of shopping for each child. School districts should explore options such as cooperative or bulk purchasing, supply bundling and increased coordination between teachers to streamline this process. By implementing such alternatives, savings statewide could reach nearly \$47 million in a single year.

■ **Purchase in Bulk.** The retail price paid by parents is substantially higher than that which can be achieved through bulk purchases. Even when buying through retailers, the savings associated with bulk quantity purchases versus individual items was approximately 40 percent—which could generate savings of \$46.7 million statewide.⁴

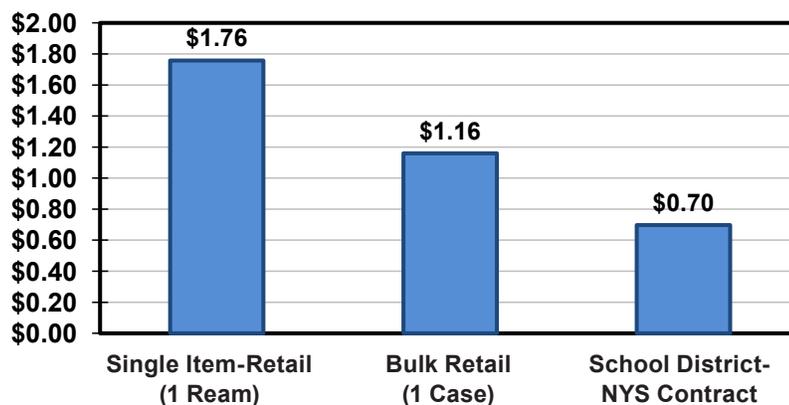
■ **Seek Assistance to Offer Supply Bundling.** Many school districts have recognized that bulk purchasing is more effective and have sought assistance to offer supply bundle options which, for a set fee, will deliver the requested supplies to student desks by the first day of school. These services are provided through parent-teacher organizations which may purchase and bundle the supplies themselves, or negotiate with local retailers to provide bundled supplies. While parents may opt to purchase the supplies themselves, bundling will also help ensure that children do not come to school with the wrong supplies, leading to wasted money and wasted classroom time as teachers sort out the materials. The quality of the supplies will also be the same for each child.

■ **Consider Cooperative Purchasing.** Beyond retail bulk purchasing, school districts often have greater purchasing power through the use of contracts and bid agreements. For example, school districts can utilize the State contract to purchase paper at roughly 40 percent off the retail bulk price. In some cases, districts asked for a reimbursement from parents in lieu of the actual items in order to take advantage of the better pricing the districts receive.

■ **Reuse Teaching Materials.** According to the State Education Department (SED), school districts may require that students provide their own student supplies, defined as “something which is consumed in use, loses its shape and appearance in use, is expendable and is inexpensive. Examples include pencils, pens, paper, etc.” SED guidance documents also distinguish these supplies from classroom teaching materials, which the school districts are required to provide. Classroom teaching supplies such as rulers, compasses, and scissors, can be reused and shared within the classroom and a teacher could use the same items for all sections of a class, and reuse them in subsequent years until they wear out.

■ **Institute a Maximum Cost Cap.** School districts could also limit the cost of the total list. In some cases we found that, while the individual items were relatively inexpensive, the cost of the entire list exceeded \$80. To deal with this issue, some districts have resorted to policies which limit the total cost of the lists.

The Purchasing Power Difference: Cost per 100 Sheets of Recycled Paper



⁴ Estimate is based on a 40 percent savings for districts in which enrollment was greater than 1000 pupils, since it may not be effective to purchase items in bulk for small school districts.

■ **Improve Communication and Coordination With Teachers About Instructional Supply Needs.**

Items that the school or parents do not supply are often paid for by teachers. Over 90 percent of teachers reported spending their own money on classroom supplies.⁵ Both teachers and parents could benefit if the purchase of supplies was better coordinated and school district administrators ensure that teachers have the supplies they need for effective classroom instruction.

■ **Carefully Review Supply Lists.**

When formulating lists, district officials and teachers should look closely at each of their requests and consider whether it is something that is truly necessary and reasonable for each student to buy. For example, are the amounts appropriate? One list specified 96 pencils per student, and such a request appears to be excessive, even for classroom use. Is there too much specificity in type or brand of product? Highly specific requests can increase search time, cost and frustration. Finally, is the connection between the request and classroom learning clear to the parent? For example, some lists included items such as tube socks, tennis balls, bubbles, etc.

■ **In the Future, Make Lists Available to Parents as Early as Possible.**

As the first day of school approaches, options for taking advantage of sale prices and back-to-school special offers decrease dramatically. A list that costs \$25 to fill in July may cost as much as twice that at the end of August. By getting the information to parents early, school districts will minimize the cost to families. To get information out early may require teachers of the same grade to agree on “the list” so that a single sheet can be sent to the parents of all incoming students for that grade. However, if each teacher has a specific list, parents cannot start shopping until their child’s classroom assignment is known, which often occurs just prior to the start of the school year. Of the elementary school lists examined in this study, fewer than half were shared by more than one teacher. Publishing lists for all grades will also allow parents to shop only once if they have children in multiple grades.

Methodology

To determine the school supply cost burden on New York families, a sample of 39 school districts from across New York State was selected. For these districts, the school supply lists were obtained from district websites, if available, and the total price of the items on each list (using average prices from three separate retail chains) was calculated for five different grade levels.

Four districts were selected at random from each of the nine economic development regions, plus three additional schools were selected from a list of the largest districts (based on enrollment) in each region. Of these, 23 districts had lists available. In total, 168 school supply lists were obtained and evaluated for this study.

⁵ Dyrli, K.O. *School Supplies on a Budget*, District Administration, July 2008.

