



MODULE 3 VIDEO 1 INTRODUCTION TO MODULE 3

Hello and welcome to Module 3.

If you already completed Modules 1 and 2, you are equipped with an introduction to cost analysis and how to design one which the first stage of a cost analysis. Now you are ready to start on **Stage 2: Collecting Cost Data** which is the focus for this module. We will look closely at collecting cost data and we'll show you how to use CAP Project tools and other resources that can help with the process. As you scroll down the Module 3 content, you will notice the occasional Methods Note or Module Note.

A Methods Note, depicted by this kind of icon, addresses methodological issues you should be thinking about at that point in your analysis. An important one is about comparing costs of a program with a “control” condition and what to do if the control group engages in multiple different programs.

A Module Note, depicted by this kind of icon, provides practical information such as where to find specific resources you may need. Keep an eye out for the icons.

In the next video, Video 2, I introduce the CAP Project's cost analysis interview template, demonstrate its use in a mock interview, and explain how the data from the interview leads to cost data for your analysis.

In Video 3, I share how to use the CAP Project time log to collect data on personnel time spent on program implementation activities, how to use the CAP Project event log template to gather data on resource use at key program implementation events like training sessions.

In Videos 4 and 5, Fiona continues her step-by-step guidance on how to set up a cost analysis template to facilitate data entry and analysis. Remember that she is using CAPCAT 1.2 Plus.

Video 4 focuses on entering information about each study site while in Video 5, Fiona shows you how you can customize CAPCAT for your study including creating overview tables to help you map out what resources are used, where, and by whom and how to customize the dropdown lists used to label and categorize your ingredients. She also shows you where you can change or update the inflation indices used to adjust prices from different years to the one in which you need to present costs.

In Videos 6 to 9, Fiona explains each piece of data you need to collect for each ingredient, continuing with our running Reading Recovery example. Each of the 4 videos focuses on one of the main categories of ingredients: personnel, materials, facilities, and other inputs.

For each ingredient used to implement the program, you'll need the:

Type

Quantity and units

Percentage of use

And price

The specific details you need to collect will vary by type of ingredient.

If you have a program with multiple components, for example, a training component, a summer program, and an in-school activity, you will need to be sure to collect information about the ingredients used in each component.

Towards the end of each of the 4 videos, Fiona shows you how to enter all these data into CAPCAT 1.2 Plus

In Videos 10 and 11, Rob tackles the questions of how and where to find price data, beginning with a brief discussion of why you might use national prices or local prices.

Video 10 focuses on sources for national prices and video 11 focuses on sources for local prices.

A few tips about prices. As you collect prices, be sure to note the year for which the price is relevant. This is helpful in case you need to adjust for inflation in your analysis. Take extra care to align the collected price with the quantity and units for

each ingredient. This is important to ensure you aren't placing a value that is too high or too low on the ingredient.

For example, let's say your program uses a classroom space of 900 square feet for program implementation in an elementary school. So, you record 900 square feet as your quantity and units.

Then you look in the CAP Project Database of Prices facilities list and see a price of \$238,135 for a 900 square foot classroom. If you use the \$238,000 number for the price but had already recorded 900 square feet for the quantity and units, you are going to be placing a whopping \$214 million dollar value on that one space you need. In this case, what you really need is either a quantity and unit of one classroom to align with the roughly \$238,000 price, OR you could keep the quantity and units as 900 square feet and use the price of \$264.59 for a single square foot of classroom space. This would get you to the same correct answer. If you notice the cost estimates for your study seem too high or even too low, double check that the prices align with the quantity and units for each ingredient.

Another tricky issue when valuing ingredients is that you may have volunteers, donated items, or other items for which finding a market price is challenging. In these cases, you can use what's called a shadow price which is an "An estimate of an economic value when market-based values are not available" (Crowley et al., 2018, p. 378).

The Standards for Economic Evaluation of Educational and Social Programs provides a useful example of how to find a shadow price for curricular materials developed by a project and provided free of charge to the study participants:

The analyst could find the market prices of textbooks that cover equivalent content and use the average of these textbook prices as the shadow price for the curricular materials.

As you can see, there is a lot of content in Module 3. Just like any other kind of data collection, collecting cost data is time-consuming and requires a lot of attention to detail. You will need to use multiple instruments and sources to collect all the data. By the end of this module, you should be all set on what to do in the **Collecting Cost Data** stage and ready for **Stage 3: Analyzing Cost Data** which will be covered in the next module.

If you are anxious to see what a completed analysis looks like, you can find three demo cost analyses on the CAP Project website capproject.org under the cost analysis templates section.

One of demo analyses is the Reading Recovery example that we are using throughout the modules. So, if you want to follow along, be sure to download the Reading Recovery demo and take a look.

Alright, ready to begin? Let's get started.