



Cost Measurement in the USAID Education Sector

Information about the cost of developing and implementing interventions is essential for sustaining and scaling up successful interventions and for informing decision-making at USAID throughout the Program Cycle. Measuring, reporting on, and analyzing the cost of USAID interventions benefits implementing partners, Missions, and most importantly, our beneficiaries.

USAID recommends cost data collection for all USAID-funded education activities and ADS 201 requires cost analysis in all impact evaluations. USAID's Center for Education at the Bureau for Development, Democracy, and Innovation (DDI/EDU) provides full support to USAID operating units and partners to meet these requirements.

Why Measure Costs?

VALUE FOR MONEY



We want to reach more people and achieve greater impact.

Improved visibility into cost details of different intervention components helps USAID Missions and their partners plan, budget, and manage activities to identify the least costly activity models with the greatest impact on our key outcomes.

SUSTAINABILITY



We want our investments to make a lasting impact.

To sustain effective interventions, partner governments need to know the details of their implementation and what resources are required. Comprehensive cost reports alongside evaluation findings can provide this information.

How Can We Use Cost Data?

- **Align education funding** levels with country development objectives
- Improve **coordination** across donors and with partner governments to more accurately fund and achieve priorities
- Improve the **accuracy of budgeting** for programs
- Support program management to ensure **efficient use of resources**
- Contribute to the **global evidence base** on cost and cost-effectiveness of various interventions

What Questions Can We Answer With Cost Data?

■ How much does it cost to develop and deliver interventions?

Detailed cost data help us understand how much it costs to, for example, produce books or train a teacher in a particular country. Such data also help estimate how these costs will change when the intervention is scaled up or transferred to the partner government.

■ Which factors drive up the cost of an intervention?

Costs of key inputs such as staff, transportation, and materials are among the factors that can drive up costs of interventions. Detailed data on key inputs can help manage costs so we can reach more beneficiaries while still producing desired outcomes.

■ How can cost considerations inform the selection of interventions?

A better understanding of the fixed and variable costs of intervention components, as well as the price of specific inputs, allows us to weigh different intervention options, set realistic budgets, and improve our confidence in the expected results.

■ How can we best support marginalized learners?

We know it is more expensive to improve outcomes for marginalized learners, but by how much? Cost data can help us to appropriately fund interventions to reach and be effective for learners affected by crisis and conflict, learners with disabilities, out-of-school learners, and other disadvantaged populations.

How Do We Measure Cost?

To ensure data are accurate and comparable, the USAID cost measurement approach emphasizes following a standardized data collection approach and collecting data in real time.

STANDARDIZED APPROACH

- Standard cost reporting categories
- Standard reporting templates for expenditures, contributions, and intervention details

REAL-TIME DATA COLLECTION

- Cost data capture set up during startup
- Data submitted on quarterly or annual basis

How Can You Get Started?

USAID has developed tools and resources to help Missions and partners collect data on expenditures, contributions, and intervention details in a standardized way. Guidance and templates can be found on the [USAID Cost Measurement webpage](#) and include:

- Cost Reporting Guidance
- Cost Analysis Guidance
- Cost Reporting Field Implementation Guidance
- Contributions and Dosage Reporting Template
- Cost Reporting Manual Template
- Implementing Partner Special Interest Group

USAID also provides ongoing technical assistance to partners and education officers on cost reporting and cost analysis.

To request technical assistance, please contact: educost@usaid.gov