

About the CoSN-Gartner Total Cost of Ownership (TCO) Tool

Understanding the full range of costs associated with technology investments will assist school leaders in planning for the future. The TCO Tool is designed to help schools and school districts make sound budgetary decisions, conduct technology planning in an organized way, establish a baseline for future analysis and maximize benefits from their investments in technology.

What is the CoSN-Gartner TCO Web Tool?

The TCO Tool is the latest development in the Consortium for School Networking's initiative, Taking TCO (Total Cost of Ownership) to the Classroom. CoSN has worked to help school leaders understand **all the costs** associated with operating school networks and to ensure that they have budgeted adequately to support their ed-tech investments.

The online TCO Tool is a **vendor-neutral, free resource** available to help schools and districts manage their computer networks in a cost-effective way. The new resource is available online at www.classroomtco.org.

Determining overall technology cost—a concept known as *Total Cost of Ownership (TCO)*—can help education leaders conduct the most comprehensive assessment possible to determine how well they are managing their technology infrastructure.

The TCO Tool measures direct and indirect costs of technology investments, such as hardware, software, direct labor costs for formal technology support and the indirect costs accrued for technology support.

The TCO Tool was developed by CoSN, Gartner (one of the leading authorities on business TCO), and the North Central Regional Technology in Education Consortium (NCRTEC) at the North Central Regional Education Laboratory (NCREL). The U.S. Department of Education provided financial support for the project.

How does the TCO tool work? What results will it produce?

School technology leaders can review documentation online to learn more about TCO. They are then asked to gather about 100 pieces of data that will form the basis for their TCO analysis.

The TCO Tool includes the following components:

- A **Web-based interactive survey** instrument
- A set of **definitions** to guide districts in their data collection
- A discussion of **methodology**, suggesting **best practices** for undertaking a TCO assessment
- An introductory section, discussing the **benefits** of monitoring TCO
- **Case studies** that describe how school districts of varying sizes used the **TCO Tool's metrics to assess their own technology implementation**

When school leaders input their data, the TCO Tool automatically calculates metrics that can then be evaluated in comparison to the high and low numbers that were calculated for the case study districts.

While there is no one "right" number for TCO, the TCO tool allows school district technology decision makers to evaluate their own decisions over time, while also allowing them to compare their districts against other similar school districts. Because the TCO Tool is based on Gartner's methodology, an unbiased third-party expert, and includes Gartner's perspective on the results, the metrics produced by the tool attain additional credibility with education

policy makers.

Who can use the TCO Tool?

The TCO Tool is made available for free to educational institutions that request a user-id and password by providing their name and their institution's NCES number. (Note: National Center for Education Statistics identification numbers are used by the U.S. Department of Education for collecting education statistics.)

Have any school leaders used the tool? What were their reactions?

The TCO Tool was developed with input from four case studies of school districts of varying sizes in California, Pennsylvania, Minnesota and Utah. An additional four case studies in Missouri, Texas, Virginia and Wisconsin have also been documented. The case study reports are posted online (www.classroomtco.org) as part of the tool's documentation. The case studies provide valuable lessons about technology management practices that the districts learned while using the TCO Tool.

Why should a school do a TCO analysis? Who will benefit from this?

A TCO analysis can become an important part of ongoing technology and budget planning. Due to the requirements of the No Child Left Behind Act of 2001, states and local districts are now in the process of reviewing their technology plans with an eye to demonstrating the impact that technology improvements have on academic achievement. The TCO Tool can help school leaders make the case that the dollars they are spending on education technology are well spent. This kind of analysis is likely to gain credence with education policy-makers, whether they are members of local school boards or members of legislative bodies.

Why was the tool developed? Who is involved in the effort?

The TCO Tool is the latest step in an ongoing CoSN initiative to help school leaders understand how to budget more wisely to manage their networks for the long term.

CoSN is a national non-profit association whose mission is to advance the K-12 education community's capacity to effectively use technology to improve teaching and learning through policy, advocacy, and leadership development.

Gartner, Inc. is a research and advisory firm that helps more than 10,500 clients understand technology and drive business growth. Gartner's businesses consist of Gartner Research, Gartner Consulting, Gartner Measurement and Gartner Events.

The North Central Regional Educational Laboratory (NCREL) is a not-for-profit organization dedicated to helping schools—and the students they serve—reach their full potential. NCREL (now a wholly owned subsidiary of Learning Point Associates) specializes in the educational applications of technology.

Business partners have provided additional support for dissemination of information about the TCO Tool. They include Sprint, Hewlett-Packard, Texas Instruments, Blackboard, and Dell Computer.

For more information, please contact:

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