

## EXECUTIVE SUMMARY

Foundation funding is considered unrestricted funding, meaning districts and charter schools can spend this money in whatever way best fits their needs. The matrix is designed to determine the amount of funding needed to cover the necessary components of an adequate education. Districts and charter schools are not required to mirror their spending patterns on the funding levels in the matrix formula. However, a major objective of the biennial Adequacy Study is to examine how schools have spent the foundation funding they have received to ensure that funding levels adequately meet their needs. This report describes the amount of foundation funding provided to districts for each component of the matrix and the way districts have spent those funds. It is important to remember that while foundation funding is a major source of funding for school districts, it makes up only about 57% of districts' total funding. Because school districts, on average, receive 43% of their funding from other sources, they have a variety of options for funding decisions on each line of the matrix.

Districts' actual foundation funding expenditures in 2014-15 tracked fairly closely with the intent of the matrix in some areas and less well in other areas. Average per-student spending in four areas closely matched the matrix amounts: special education teachers, principals, and transportation.

Districts generally **spent less foundation funding** than they were provided for **classroom teachers, instructional facilitators** (including assistant principals and technology assistants), **school nurses, student support services, technology** and **supervisory aides**, regardless of district size, poverty level or student achievement. For most of those items, districts may have spent less foundation funding, in part, because they had other types of funding they could use to make those purchases. However, when considering total spending from all funding sources, districts generally did not spend even the matrix level for supervisory aides.

Districts also tended to **spend more foundation funding** than they were provided on **librarians, guidance counselors, school secretaries, extra duty stipends, substitutes, and operations and maintenance**. The two areas in which districts spent the most foundation funding above what the matrix provided were operations and maintenance and extra duty funds.

Foundation funding was the source of revenue districts and charter schools used for at least 70% of most items in the matrix. However, districts use significant amounts of other types of funding to pay for other items in the matrix. Components of the matrix where districts used other types of funding to cover more than 30% of all costs included instructional facilitators, school nurses, student support services, technology, and instructional materials.

Most of the school-level staffing in the 2014-15 matrix was based on a base salary of \$50,256. However, in practice some types of school-level staff are paid an average salary above that amount, while others are paid less. School nurses were paid about \$15,000 less than the salary funded in the matrix in 2014-15. Salaries for classroom teachers and special education teachers were also slightly under the salary provided in the matrix. Assistant principals, instructional facilitators, guidance counselors and library media specialists are paid more, on average, than the salary funded in the matrix. The matrix funded principals in 2014-15 with a base salary of \$79,667. The actual average salary of principals is just under that amount.

Charter schools spent less foundation funding than they were provided for every school staff component except school secretaries, where they spent 2.5 times more than the matrix amount. Charter schools also spent less than the matrix provides in extra duty funds, supervisory aides, substitutes, and transportation. Charter schools spent more foundation funding per student in areas that were generally less staff-related, including technology, instructional materials, operations and maintenance, and central office.

When analyzed by district size, **large districts spent more foundation funding** per student than small districts on school-staff related items, including:

- Classroom teachers
- Special education teachers
- Instructional facilitators
- Counselors
- Student support services

**Small districts spent more foundation funding** per student on administrative staff and district-level items including:

- Librarians
- Principals
- O&M
- Central Office
- Transportation

When analyzed by poverty level, **low poverty level districts spent more** foundation funding per student than high-poverty districts on:

- Classroom teachers
- Special education teachers
- Counselors
- Instructional materials
- Extra duty funds

**High-poverty districts spent more** foundation funding per student on:

- Principals
- Substitutes
- O&M
- Central office

This report also compared Arkansas's staffing and expenditures to that of other states in areas where reliable data were available. Arkansas **ranked high** in the **staffing levels for student support services (health services, speech pathology, etc.), library staff and district clerical staff**. The state ranked more in the middle of the pack in guidance counselors, school administrative support, instructional coordinators, and district administrators. In terms of expenditures, Arkansas **ranked high** in its **spending level per student for instructional materials**. The state ranked more in the middle of states in spending for district administrators, operations and maintenance, and instructional staff. The state **ranked among the bottom ten states in spending for special education teachers**.

## DISTRICT COMPARISONS

The variety of needs for different districts and their individual student characteristics make it unlikely each matrix line item's funding will fit all schools equally well, which is why districts are not required to spend according to the levels established in the matrix. This study reviewed each line of the matrix in an effort to identify how districts are using these resources. The following charts compare the way districts of different sizes, poverty levels, and achievement levels use foundation funding to address the needs of their students.

### Districts and Open-Enrollment Charter Schools

	Matrix	Traditional Districts	Charter Schools
Classroom Teachers	\$3,148.96	\$2,919.02	\$2,458.05
Special Education Teachers	\$366.17	\$362.80	\$132.73
Instructional Facilitators	\$315.67	\$174.53	\$86.55
Library Media Specialists	\$104.18	\$121.41	\$6.30
Counselors and Nurses	\$315.72	\$261.18	\$154.72
Principal	\$198.10	\$198.37	\$173.83
School-level Secretary	\$80.10	\$119.86	\$210.38
Technology	\$225.60	\$89.98	\$266.17
Instructional Materials	\$183.10	\$105.32	\$637.48
Extra Duty Funds	\$57.20	\$191.30	\$41.50
Supervisory Aides	\$56.70	\$11.92	\$6.84
Substitutes	\$66.30	\$81.59	\$63.84
Central Office	\$430.20	\$356.36	\$728.82
Transportation	\$321.20	\$311.39	\$94.95
Operations & Maintenance	\$651.80	\$826.11	\$969.15
Other Non-Matrix Items	\$0	\$346.59	\$371.73
<b>TOTAL</b>	<b>\$6,521</b>		

### District Size

	Matrix	Small (750 or less)	Medium (751 to 5000)	Large (over 5000)
Classroom Teachers	\$3,148.96	\$2,836.68	\$2,879.67	\$2,996.26
Special Education Teachers	\$366.17	\$271.81	\$335.69	\$424.75
Instructional Facilitators	\$315.67	\$51.32	\$152.23	\$237.84
Library Media Specialists	\$104.18	\$144.58	\$124.23	\$111.48
Counselors and Nurses	\$315.72	\$228.52	\$233.90	\$308.48
Principal	\$198.10	\$273.88	\$207.19	\$166.51
School-level Secretary	\$80.10	\$114.39	\$114.26	\$129.26
Technology	\$225.60	\$68.76	\$96.71	\$85.77
Instructional Materials	\$183.10	\$111.67	\$115.61	\$89.01
Extra Duty Funds	\$57.20	\$191.68	\$225.72	\$142.02
Supervisory Aides	\$56.70	\$8.50	\$8.99	\$16.97
Substitutes	\$66.30	\$83.15	\$79.81	\$83.73
Central Office	\$430.20	\$520.51	\$375.25	\$287.47
Transportation	\$321.20	\$338.60	\$320.74	\$291.11
Operations & Maintenance	\$651.80	\$916.86	\$838.78	\$784.86
Other Non-Matrix Items	\$0	\$329.05	\$353.03	\$341.86
<b>TOTAL</b>	<b>\$6,521</b>			

## Poverty Level

	Matrix	Low ( < 70%)	Medium (70%-90%)	High (90% or more)
Classroom Teachers	\$3,148.96	\$2,982.00	\$2,808.72	\$2,551.19
Special Education Teachers	\$366.17	\$373.22	\$345.58	\$281.73
Instructional Facilitators	\$315.67	\$172.52	\$184.11	\$67.33
Library Media Specialists	\$104.18	\$118.71	\$126.78	\$124.67
Counselors and Nurses	\$315.72	\$261.06	\$265.02	\$190.51
Principal	\$198.10	\$191.39	\$211.64	\$218.85
School-level Secretary	\$80.10	\$115.42	\$129.60	\$106.94
Technology	\$225.60	\$96.73	\$75.94	\$93.86
Instructional Materials	\$183.10	\$110.66	\$95.95	\$74.63
Extra Duty Funds	\$57.20	\$201.58	\$172.26	\$151.42
Supervisory Aides	\$56.70	\$11.26	\$13.86	\$0.24
Substitutes	\$66.30	\$79.17	\$85.20	\$108.07
Central Office	\$430.20	\$328.37	\$400.30	\$619.60
Transportation	\$321.20	\$310.33	\$314.31	\$296.96
Operations & Maintenance	\$651.80	\$792.68	\$879.22	\$1,128.77
Other Non-Matrix Items	\$0	\$347.77	\$346.55	\$299.88
<b>TOTAL</b>	<b>\$6,521</b>			

## Student Achievement

	Matrix	Top Quartile	2nd Quartile	3rd Quartile	4th Quartile
Classroom Teachers	\$3,148.96	\$3,033.04	\$2,939.09	\$2,806.31	\$2,802.23
Special Education Teachers	\$366.17	\$401.96	\$363.15	\$307.51	\$354.81
Instructional Facilitators	\$315.67	\$189.11	\$184.19	\$160.51	\$146.70
Library Media Specialists	\$104.18	\$116.64	\$126.73	\$117.87	\$125.86
Counselors and Nurses	\$315.72	\$271.97	\$257.56	\$263.04	\$244.14
Principal	\$198.10	\$176.36	\$201.97	\$209.40	\$221.40
School-level Secretary	\$80.10	\$111.66	\$131.32	\$119.28	\$116.58
Technology	\$225.60	\$98.65	\$92.45	\$85.98	\$74.16
Instructional Materials	\$183.10	108.93	\$113.10	\$105.36	\$84.63
Extra Duty Funds	\$57.20	\$192.01	\$176.09	\$215.93	\$185.73
Supervisory Aides	\$56.70	\$12.97	\$13.45	\$10.90	\$8.45
Substitutes	\$66.30	\$77.88	\$77.17	\$89.49	\$86.70
Central Office	\$430.20	\$312.37	\$338.68	\$372.50	\$453.09
Transportation	\$321.20	\$290.04	\$299.55	\$362.68	\$309.78
Operations & Maintenance	\$651.80	\$752.10	\$854.34	\$859.58	\$879.66
Other Non-Matrix Items	\$0	\$361.94	\$320.04	\$384.95	\$315.10
<b>TOTAL</b>	<b>\$6,521</b>				