

 ★ ★ ★ ★ ★ ★ ★ ★ ★ ★   
**Bureau of Legislative Research**  
Policy Analysis & Research Section

# *Adequacy Study Process*

**August 20, 2019**




1

## *The Big Investment*

**Arkansas students and our state’s future, of course, but also...**

**41% of Arkansas General Revenue is dedicated to K-12 education.**



**Half of school district revenue comes from the state (40% generated locally, 10% federal).**

**Foundation funding alone (state and local share) provides \$3 billion to schools.**

Image Source:  
<http://www.arkleg.state.ar.us/bureau/fiscal/Publications/A,%20PowerPoints,%20Fund%20Types,%20Important%20Dates/2016%20Financing%20State%20Programs.pdf>

2

## ***What is educational adequacy?***

- There is **NO** single correct answer.
- It is a **judgment** based on **evidence**.
- The BLR & others provide information—the evidence—through the adequacy study to help form that judgment.
- **YOU** determine what an adequate education is.
- **General Assembly** typically adopts recommendations.

3

## ***What's included in adequacy?***

What's included in an adequate education?

**You decide.**

What's included in the adequacy study?

**Statute sets the minimum requirements.**

**You decide the rest.**

4

## ***Basis for Adequacy Decisions***

- **Funding decisions must be based on evidence.**
- **Amounts must be based on districts' NEEDS, not the amount of available funding.**

5

**You determine the components of an adequate education.**



**Anything you determine necessary for an adequate education must be funded.**

Image Source: <http://davidmmasters.com/blog/with-great-power-comes-great-responsibility/>

6

## ***Adequacy and the Budget***

- **State statute requires K-12 education to be funded first.**
- **Ed Committees' funding recommendations serve as basis of the governor's budget for education.**

7

## ***Types of Recommendations***

### **Funding changes**

Examples:

- Increase/decrease funding levels
- Change what is being funded
- Change funding restrictions (e.g., limits on uses, expenditure requirements)
- Change distribution methods

8

## ***Types of Recommendations*** *continued*

### **Substantive education policies**

— It's not just about money!

Examples:

- Change required staffing levels
- Add/delete curriculum requirements
- Change accountability structure
- Increase/decrease districts' flexibility in complying with state standards

9

## ***Types of Recommendations*** *continued*

### **Issues affecting this study**

Examples:

- Add/delete what's statutorily required to be studied
- Introduce new data elements districts are required to report

10

## ***Adequacy Study Statute***

- 2003: established broad study requirements
- 2007: provided specific steps for accomplishing requirements
- 2011: added the review of new laws or rules approved in the biennium
- Two study requirements removed in 2017 and 2019

11

## ***Adequacy Study Process***

- No single report is The Adequacy Study.
- Study is a year and a half long process, culminating in recommendations and a final report.
- The 2017-18 study included 18 meetings and dozens of reports.

12

## ***Roles***

### **Committee**

- Direct study
- Define adequacy
- Identify problems and choose solutions
- Make policy & funding recommendations

### **BLR**

- Inform about statutory responsibilities
- Provide information and answer questions
- Advise on legal ramifications

13

## ***Other Organizations' Roles***

- **ADE**
- **Districts and Educators**
- **Advocacy Organizations and Others**
- **Consultant?**

14

## ***Study Components***

- Analysis of expenditure/student achievement data, national data, etc.
- Surveys of educators
- School site visits
- Testimony from education advocacy associations
- Public comment

15

## ***BLR Reports***

**Provide you with information intended to:**

**1. Help you make your recommendation**

**OR**

**2. Formulate additional questions that lead to your recommendation**

16



## ***BLR Reports DO NOT Include:***

- Opinion
- Judgments about which issues are “problems”
- Recommendations
- Determination of what’s adequate

17

## ***Timeline***

- Now entering 2020 school year.
- Funding levels already set for 2020 and 2021 school years.
- Your recommendations will be for 2022 and 2023.
- Study examines data from 2018 and 2019 (and earlier).

18

# ***PROPOSED MEETING SCHEDULE***

19

## ***Recommendations & Final Report***

- Final report and recommendations due **Nov. 1, 2020**.
- Draft report due at least 14 days before final report.



20

## ***Fiscal Session Responsibilities***

Before Fiscal Session:

- Review funding recommendations in 2018 Adequacy Report.
- Review other issues that could affect adequate education.
- Amend, if necessary, 2018 recommendations by March 1, 2020.

21

## ***Adequacy Links***

Link to Past Adequacy Study Materials

<http://www.arkleg.state.ar.us/education/K12/Pages/AdequacyReports.aspx>

Link to Current Adequacy Study

<http://www.arkleg.state.ar.us/education/K12/Pages/AdequacyReportDetails.aspx?catId=2020>

(To navigate from General Assembly website: Click on BLR tab at top; click on BLR Education Research on right side; click on K-12; click on Adequacy Reports on left side; click on 2020)

22

# ***BLR Staff***

**Richard Wilson**

## **Policy Research & Analysis**

- Nell Smith
- Paul Atkins
- Adrienne Beck
- Lori Bowen
- Elizabeth Bynum
- Chrissy Heider
- Julie Johnson Holt

## **Committee Staff**

- Michelle Griffin
- Juanita Giles

## **Legal Services**

- Taylor Loyd

## **Fiscal Services**

- Katie Walden