



HANDOUT E4

Research Report



The Resource Allocation of Foundation Funding for Arkansas School Districts and Open-Enrollment Charter Schools

School-Level Staffing

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INTRODUCTION

Arkansas Code § 10-3-2102 requires the Education Committees to “[r]eview and continue to evaluate the amount of per-student expenditure necessary to provide an equal educational opportunity and the amount of state funds to be provided to school districts, based upon the cost of an adequate education, and monitor the expenditures and distribution of state funds and recommend any necessary changes.” The law calls for this requirement to be accomplished by completing a resource allocation review. This report serves as the first part of that required review.

Arkansas's K-12 education foundation funding formula, referred to as the matrix, is used to determine the per-pupil level of foundation funding disbursed to each school district. The matrix was not intended to reimburse schools for actual expenditures but rather to provide a methodology for determining an adequate level of funding to allow schools to meet the state's accreditation standards and adequately educate Arkansas students.

This report is the first in a series of three Resource Allocation reports that compare the funding and staffing levels of the foundation funding matrix with the actual expenditures and staffing levels of school districts and open enrollment charter schools. This report examines school-level staffing and expenditures. School- and district-level resources will be addressed in upcoming reports.

LEGISLATIVE HISTORY

The General Assembly's efforts to define and fund an adequate education was driven by a lawsuit filed in August 1992 by the Lake View School District in Phillips County. The lawsuit claimed the disparity between public school funding for wealthy districts and for low-income districts was unconstitutional.

In 2002, the Arkansas Supreme Court declared the state's public school funding system inequitable and inadequate and thus unconstitutional. The court ordered the state to define educational adequacy, examine the entire spectrum of the state's public education system, and monitor how state education funding is spent.

To comply with the court's ruling, the General Assembly created the Joint Committee on Educational Adequacy during the 2003 regular legislative session, and charged it with conducting an adequacy study. The committee hired school funding experts Lawrence O. Picus and Associates, who spent four months reviewing Arkansas's school finance and adequacy issues and presented their final recommendations September 1, 2003,¹ which included a foundation funding formula based on the staffing and resources necessary to operate a prototypical school of 500 students.

Based on the recommendations and other information, the General Assembly enacted 73 education bills into law during the Second Extraordinary Session of 2003. The legislation included new funding for school operations, based on a formula known as the matrix. The Supreme Court released the state from court supervision in 2004, praising much of the General Assembly's work while noting that deficiencies still existed.

A year later, after the 2005 legislative session, the Supreme Court reopened the Lake View case at the request of 50 school districts. The districts, led by the Rogers School District, argued that despite inflation and new state mandates placed on schools, the General Assembly failed to increase the foundation funding rate for 2005-06. They claimed the money schools received was not enough to provide an adequate education.

In December 2005, the Arkansas Supreme Court again declared the public school funding to be unconstitutionally inequitable and inadequate. Among other findings, the court said the state had

¹ Odden, A., Picus, L. O., Fermanich (2003). *An Evidence-based Approach to School Finance Adequacy in Arkansas*. Report prepared for the Arkansas Joint Committee on Education Adequacy, http://www.arkleg.state.ar.us/education/K12/AdequacyReportYears/2003%20Final%20Arkansas%20Report%2009_01_2003.pdf

failed to comply with two laws: its doomsday provision requiring that education needs be funded first and Act 57 of the Second Extraordinary Session of 2003, which required the state to study the cost of providing an adequate education.

In 2006, the Adequacy Study Oversight Subcommittee began another interim study on education and rehired Lawrence O. Picus and Associates to reassess the foundation funding levels. Based on the consultants' recommendations and other information, the Subcommittee refined the funding levels established in the matrix, and in a special session in April 2006, the General Assembly increased the foundation funding rate.²

A year later in May 2007, the Supreme Court, in a historic decision signed by all seven of the participating justices, declared the Arkansas public school funding system constitutional.³

Since that time, the House and Senate Education Committees have undertaken biennial studies of the state's entire education system and adjusted the matrix and foundation funding levels as needed.

DATA AND METHODOLOGY

FOUNDATION FUNDING EXPENDITURES

A major objective of the biennial Adequacy Study is to determine how school districts have spent the foundation funding they have received. For context, this report also provides the total amount that districts have spent from all funding sources, including from local revenue, state categorical funds and federal funds.

This reports examines district spending as one measure that can be used to determine whether state foundation funding is adequate. However, expenditures alone may not be sufficient to determine the adequacy of funding. Expenditures certainly can illustrate a school district's needs, but some expenditures may also represent a school district's wants, while others reflect what a school district can afford. **This report provides expenditures not as a red line for what should or should not be provided, but as one measure that can help inform legislators' judgments about what adequate funding should be.**

The most basic function of this report is to compare the levels of foundation funding provided to districts for specified resources with districts' actual spending patterns. The state provided funding for a set of resources. How did school districts actually spend those dollars? This report compares the legislative intent of the funding (the matrix) with districts' actual spending. **Where the intent and the spending—the theory and the practice—do not align, either side of the equation may be in need of adjustment.** Sometimes when school districts spend in a way that does not meet the legislative intent, a policy—a restriction or limitation—may be needed to change districts' spending. Other times, the difference between legislative intent and actual spending may be an indication that the legislative intent is off; the matrix may need to be adjusted.

To calculate district expenditures, the Bureau of Legislative Research (BLR) extracted data from a data warehouse maintained by the Arkansas Public School Computer Network (APSCN) Division of the Arkansas Department of Education. The expenditure coding system in APSCN does not perfectly align with the categories of the matrix. For example, there is no single expenditure code districts use to identify "technology" expenditures as recognized by past Adequacy Studies. The BLR has used its best judgment in categorizing the expenditures in a way that best fits the legislative intent expressed in past adequacy reports. The expenditure calculations in this Resource

² Odden, A., Picus, L. O., & Goetz, M. (2006). *Recalibrating the Arkansas School Funding Structure*. Report prepared for Arkansas Joint Committee on Education, <http://www.arkleg.state.ar.us/education/K12/AdequacyReports/2006/AR%20Recalibration%20Report%20August%2030,%202006.pdf>

³ *Lake View Sch. Dist. No. 25 of Phillips County v. Huckabee*, 370 Ark. 139, __ S.W.3d __ (2007).

Allocation report are not perfectly comparable with numbers provided in past reports as the BLR has, from time to time, made slight changes in the categorization of expenditure codes it uses.

Additionally, precisely measuring districts’ foundation funding expenditures has always been hindered by the fact that there is no single source of funds code that identifies expenditures made using exclusively foundation funding. School districts have a variety of revenues they can use to pay for resources listed in the matrix. In the district accounting system, foundation funding is placed in and spent from two account-like funds: the Salary Matrix Fund and the Operating Matrix Fund. However, other district revenues, such as excess property tax revenue, can be placed in these accounts and comingled with current year foundation funding.

To estimate the expenditures made using foundation funding, the BLR divided the foundation funding districts and charter schools received in 2018-19 (\$6,781 per student) by the total expenditures made from the Salary Matrix and Operating Matrix accounts to reach an individual percentage for each district. That percentage was then applied to districts’ expenditures made from those two accounts to determine the portion of expenditures made using foundation funding. Although the percentage is different for each district, statewide about 91.6% of all expenditures made from the Salary Matrix and the Operating Matrix accounts are considered expenditures of foundation funding.

Additionally, there is not perfect uniformity in the way districts and charter schools code their expenditures. While the Arkansas Financial Accounting Handbook published by the Division of Elementary and Secondary Education (DESE) describes the expenditure code structure and defines what each code is meant to cover, there are differences among districts and charter schools in the way they apply the codes to their own expenditures.

For each matrix line, this report provides average staffing levels and expenditures for the 235 districts and 25 open-enrollment public charter school systems operating in 2018-19.⁴ This report also provides the districts’ expenditures per student when grouped by district size (based on prior year average daily membership, or ADM) and by the percentage of students who are eligible for free or reduced price lunch (FRL). This type of analysis allows for a comparison of spending patterns based on the size of a district or the level of poverty among its student population. **The spending patterns allow legislators to better understand whether there are certain types of districts that are particularly hindered or helped by the foundation funding formula. Where inequities exist, legislators may consider changing the foundation funding formula, which affects every district equally per student, or they may consider changing, adding or deleting supplemental funding targeted toward particular types of districts.** For example, if small districts are determined to be disadvantaged by the foundation funding formula, one way legislators could address the issue is by adjusting special needs isolated funding. The ADM and FRL percentage used for each school year are from 2017-18, because those data were used as the basis for distributing state funding in 2018-19.

The following table provides the number of districts in each category and selected characteristics of the group. Only traditional school districts are included in the analysis using this segmentation (by ADM and FRL). Open-enrollment public charter school systems are included only in the charter school grouping.

		# of Districts	District Avg. ADM	Total ADM	District Avg. FRL%
District Size	Small (750 or Less)	82	526	43,158	71.7%
	Medium (751-5,000)	137	1,742	238,761	63.7%
	Large (5,001+)	16	11,132	178,115	55.2%

⁴ This report does not include the Excel Center, a charter school focused on adult education, in its analysis. This report also treats Covenant Keepers charter school and Friendship Aspire Little Rock as one charter school for 2018-19 because Friendship Aspire took over for Covenant Keepers when the State Board of Education revoked the school’s charter mid-way through the 2018-19 school year.

		# of Districts	District Avg. ADM	Total ADM	District Avg. FRL%
Poverty	Low Poverty (<70%)	113	2,456	277,520	54.5%
	Medium Poverty (70%-<90%)	112	1,571	175,945	74.9%
	High Poverty (90%+)	10	657	6,570	93.5%

Source: Arkansas Division of Elementary and Secondary Education, State Aid Notice; Child Nutrition Unit, Audited Free and Reduced Price Lunch, Office of Innovation for Education

EXPENDITURES FROM OTHER FUNDING SOURCES

This report also provides information on district expenditures for matrix items (e.g., classroom teachers) using funding other than foundation funds. For each matrix item, this report includes a bar chart showing the per-student amount of funding districts collectively spent on each matrix item from foundation funding and how much they spent using all other funding sources. For each matrix item, this report also provides a pie chart showing the percentage of districts’ total expenditures that were made using foundation funding and the percentage made using other sources of funds. The pie charts describe the fund sources using the following fund types:

- **Foundation:** The portion of the unrestricted state funds that equals the matrix funding amount of \$6,781 per student for the 2018-19 school year.
- **Other State Unrestricted:** Unrestricted state funding other than foundation funding (e.g., declining enrollment funding, student growth funding). These funds are considered unrestricted because districts are not limited in the way in which they can spend them.
- **Enhanced Student Achievement (ESA):** State categorical funding based on the percentage of students receiving free or reduced price meals. This funding was called “National School Lunch state categorical funding” between 2005 and 2019, but Act 1083 of 2019 renamed this funding “Enhanced Student Achievement.” For simplicity’s sake, this report calls this funding ESA funding even when referring to its use prior to Act 1083.
- **Professional Development (PD):** State categorical funding for professional development activities.
- **Alternative Learning Environment (ALE):** State categorical funding for alternative learning environments.
- **English Language Learner (ELL):** State categorical funding for English Language Learners.
- **Other State Restricted:** Restricted state funds expended from the Salary and Operating Funds other than state categorical funds (e.g., special needs isolated transportation funding and catastrophic occurrences special education funding). These funds are considered restricted because they are intended for a particular use.
- **Federal Funds:** Federal grant funds, such as Title I, expended from the Federal Grants Fund.
- **Building Fund:** Bond proceeds, state Partnership Program facilities funding or other funds used for facilities acquisition and construction purposes.
- **Debt Service Fund:** Generally consists of property tax revenues transferred to this fund for retirement of bonded indebtedness and interest.
- **Capital Outlay/Dedicated M&O:** Property taxes from approved local millage for specific purposes.
- **Activity Fund:** Admission receipts, sales, dues and fees relating to school-sponsored athletics and activities.
- **Food Service Fund:** Includes daily sales from student meals and state and federal funding for food service operations.

DISTRICT AND CHARTER SCHOOL EMPLOYEES AND SALARIES

This report provides information on the numbers of district and charter school employees and salaries included in districts' expenditures. The average salaries in this report have been calculated using DESE's Arkansas Financial Personnel Salaries and FTE Positions Cross-Reference coding structure and data.⁵ The salaries include regular salaries, bonuses, unused leave, severance, and early retirement, but do not include other benefits, such as health insurance and retirement, or the employer share of Medicare/Social Security payments. The salary amounts include those paid from all types of funds, including federal funds.

STATUTE AND STANDARDS

The foundation funding matrix is largely based on state Accreditation Standards (Rules Governing Standards for Accreditation of Arkansas Public Schools and School Districts), which set minimum staffing and resource levels schools must provide. In past years, BLR examined whether districts are able to meet established statutory and regulatory standards as one measure of the adequacy of foundation funding. If many districts were out of compliance on a particular standard, it could suggest an issue with the sufficiency of funding.

The 2018 adequacy study documented a number of standards violations, including teachers not fully licensed for the subject they were teaching, failure to meet student-to-staff ratios and failure to adhere to class size limits. Today, however, schools and school districts are able to receive waivers from most statutes and standards if they have difficulty meeting them. Additionally, teacher licensure issues—previously one of the most frequently noted accreditation violations on schools' and districts' accreditation reports—are now no longer considered accreditation violations when teachers are teaching under an approved additional licensure plan (ALP).⁶ With these changes, the accreditation violations dropped nearly to zero. The only district cited with accreditation violations in 2018-19 was Lee County School District with violations in the following areas:

- Student discipline policy
- Graduation requirements
- Records retention policy
- Student services plan
- School guidance program
- Screening and interventions for dyslexia

In the absence of standards violations, this report documents instances of teachers teaching out of area on an ALP and the waivers that districts and schools receive from meeting relevant statutes and standards.

SURVEYS AND SCHOOL SITE VISITS

As part of the 2020 Adequacy Study, the BLR conducted online surveys of superintendents and principals in Arkansas. The BLR also visited a randomly selected, representative sample of 74 schools and interviewed their principals. Teachers in the 74 randomly selected schools were also invited to complete an online survey. The online surveys allowed the BLR to collect specific, quantitative data from districts, while the principal interviews asked more open-ended qualitative questions. This report provides the questions and responses from all four surveys related to foundation funding and the matrix. Responses to other survey questions have been or will be presented in other reports throughout the Adequacy Study process.

⁵ Arkansas Division of Elementary and Secondary Education, Statewide Information System Handbook, 2018-19, <https://adedata.arkansas.gov/sis/ManagedContent/Docs/sisman1819.pdf>

⁶ Jacks, M., DESE, Feb. 18, 2020 email.

The superintendent and principal surveys were conducted using online questionnaires. The superintendent survey was distributed beginning July 23, 2019, and the last district responded November 21, 2019. The BLR received responses from all 235 school districts and 24 open enrollment charter schools.

The principal survey began October 14, 2019, and the last principal response was received December 12, 2019. A total of 1,045 principal surveys were distributed, and 752 principals completed the survey, providing a 72% response rate.

The school visits and principal interviews began October 29, 2019, with the final visits on December 18, 2019. The BLR visited a total of 74 schools and interviewed the principals of those schools. Some schools invited other staff members to the interviews, and some included their superintendents in the conversation.

The BLR invited certified teachers in the 74 randomly selected schools to complete an online teacher survey. Each principal was asked to provide the name of a teacher or staff member who would distribute the teacher survey instructions and individual survey access codes to his/her colleagues. Generally only certified teachers assigned to teach a class were invited to complete the survey (i.e., not administrators), but the survey pool also included guidance counselors, English as a second language teachers, alternative education teachers, library/media specialists and instructional facilitators, regardless of whether they were assigned to teach a class. Teachers accessed the survey online using an individual code that was distributed to them by the teacher representative assigned by the principal. A total of 2,482 surveys were distributed, and 1,288 teachers responded by January 15, 2020, for a response rate of nearly 52%.

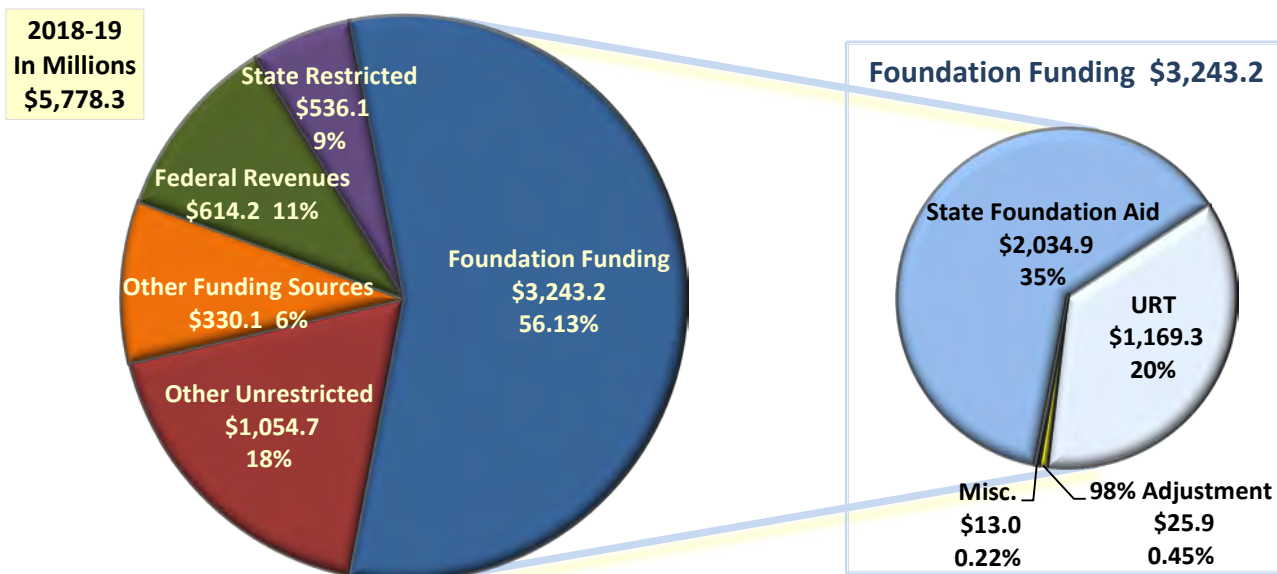
To elicit the most candid responses, district and school staff were assured their answers would not be individually identified, therefore responses are provided only in aggregate. Quotes used from the surveys and site visits are provided only where the respondent and school cannot be identified.

NATIONAL COMPARISON DATA

This report also uses data from the National Center for Education Statistics (NCES) to compare Arkansas's spending and staffing patterns with those of other states. For staffing numbers, the BLR used 2017-18 data from NCES's Elementary/Secondary Information System. For some categories of expenditures per student, this report relied on data from the Elementary/Secondary Information System for the 2015-16 school year, the most recent data available for those expenditure categories. For some other broader categories of expenditures, the BLR used Table 236.30, "Total expenditures for public elementary and secondary education and other related programs, by function and state or jurisdiction: 2016-17."

EDUCATION FUNDING IN ARKANSAS

Arkansas schools receive many different types of funding. In 2018-19, school districts and open-enrollment charter schools received about \$5.8 billion in total revenue. **Foundation funding makes up 56% of that amount.** The following chart illustrates the significance of foundation funding as a part of districts' and charter schools' total revenue. The pie chart also demonstrates that a significant amount of additional revenue is available to districts and charter schools to meet their needs.



- **Foundation Funding** primarily consists of property tax revenues (URT) and the state aid portion of foundation funding. (The components of foundation funding are described in the next section of this report.)
- **Other Unrestricted Funds** include student growth funding, declining enrollment funding, isolated funding and other local revenue sources. School districts have broad authority to spend these funds for their educational needs without limitation.
- **Other Funding Sources** include the sale of bonds for construction activities, loans, insurance compensation for loss of assets, other gains from disposals of assets and other miscellaneous funding.
- **Federal Revenues** include Title I funding, the Individuals with Disabilities Education Act (IDEA), Part B funding, School Lunch and Breakfast grant funds and other federal grant funding.
- **State Restricted Funds** include ESA and other categorical funds, as well as funding for early childhood education, adult education, career education, special education, educational service cooperatives, academic facilities and other grants for specific programs.

FOUNDATION FUNDING OVERVIEW

Foundation funding is the building block of public education funding in the state of Arkansas (A.C.A. § 6-20-2301 et seq.). Every year the state distributes foundation funding to each school district on a per-student basis. Foundation funding is **unrestricted**, meaning the state does not specify what school districts may or may not purchase with it. This policy is intended to provide flexibility for the specific needs of each school district, allowing some districts to spend more on teacher salaries, for example, while other districts may have higher transportation needs.

Foundation funding is made up of four sources of funding:

- Uniform rate of tax (URT),
- 98% URT adjustment,
- Miscellaneous funds and
- State foundation funding aid.

The **URT** is a constitutionally mandated minimum millage rate (or property tax rate) that school districts must levy at the local level. This rate is set at 25 mills, and the revenue generated is used specifically for school operations. The **98% URT adjustment funding** is state money used to supplement districts where actual URT collections are less than 98% of what was anticipated based on assessments. This funding ensures that districts receive at least 98% of their total URT funding when the county is unable to collect the full amount from its citizens. **Miscellaneous funds** are monies school districts receive from “federal forest reserves, federal grazing rights, federal mineral rights, federal impact aid, federal flood control, wildlife refuge funds, and severance taxes,” that are “in lieu of taxes and local sales and use taxes dedicated to education” [§ 6-20-2303(12)(A) and (B)].

State foundation funding aid is then provided to make up the difference between the per student foundation funding level set by the Legislature (\$6,781 per student in 2018-19) and the amount of money raised through the combination of the URT, the 98% adjustment and miscellaneous funds. For example, if a district’s URT, 98% adjustment funding and miscellaneous funding collectively generated \$2,781 per student in 2018-19, the district would have received an additional \$4,000 in state foundation funding aid, for a total of \$6,781. The two smaller components of foundation funding are the 98% URT Actual Collection Adjustment and other types of funding collectively considered “miscellaneous funds”.

Statewide, URT made up about 36% of the total foundation funding (for districts and charter schools) in 2018-19, while state foundation funding aid covered about 63%. However, these percentages varied greatly among individual districts. For example, in the Poyen School District, state foundation aid covered 92% of the foundation funding, with URT paying just 8%. Four districts in 2018-19 collected more than \$6,781 per student in URT alone and therefore received no state foundation funding aid. For charter schools, which have no tax base from which to collect funds, the entire foundation funding amount is covered by state foundation funding aid.

Foundation Funding Components	District Total	% of Total	Charter Total	% of Total
URT	\$1,169,273,935	37.4%	\$0	0%
State Foundation Funding Aid	\$1,916,781,794	61.3%	\$118,161,086	100%
98% Adjustment	\$25,942,934	0.8%	\$0	0%
Miscellaneous	\$12,997,740	0.4%	\$0	0%
Total	\$3,124,996,403		\$118,161,086	

Foundation funding is distributed based on a school district’s **average daily membership (ADM)**, which is the calculation representing a district’s total number of students. Each school district receives the foundation funding amount set for each year multiplied by its prior year ADM. For example, the foundation funding rate was \$6,781 for the 2018-19 school year. If a school district’s ADM was 1,000 for the previous year, its funding would be determined by multiplying \$6,781 by 1,000 for a total of \$6,781,000.

THE MATRIX

Arkansas uses a specific formula, known as the **matrix**, to arrive at the per-student funding amount. The matrix calculates the per-student funding based on the cost of personnel and other resources needed to operate a prototypical school of 500 students. Legislators involved in the biennial Adequacy Study recommend the dollar amount needed to fund each line item of the matrix, based on the money needed to adequately fund school districts’ educational needs. Unlike the foundation funding rate (\$6,781 for 2018-19), the matrix is not established in statute. Instead, it is used as a tool to set the foundation funding rate. The matrix is divided into two basic sections: 1.) the number of people needed for the prototypical school of 500 students, and 2.) the cost of all needed resources. The first section describes the 35.69 school-level personnel needed for the prototypical school.

	Matrix Item	2019 FTE
Classroom Teachers	Kindergarten	2.00
	Grades 1-3	5.00
	Grades 4-12	13.80
	Non-Core	4.14
	Subtotal	24.94
Pupil Support Staff	Special Education	2.90
	Instructional Facilitators	2.50
	Library Media Specialist	0.85
	Counselors & Nurses	2.50
	Subtotal	8.75
Administration	Principal	1.00
	Secretary	1.00
	Total	35.69

The second section of the matrix specifies the cost of the staff described in the first section of the matrix, as well as the cost of all other needed resources. The matrix is divided into three cost categories:⁷

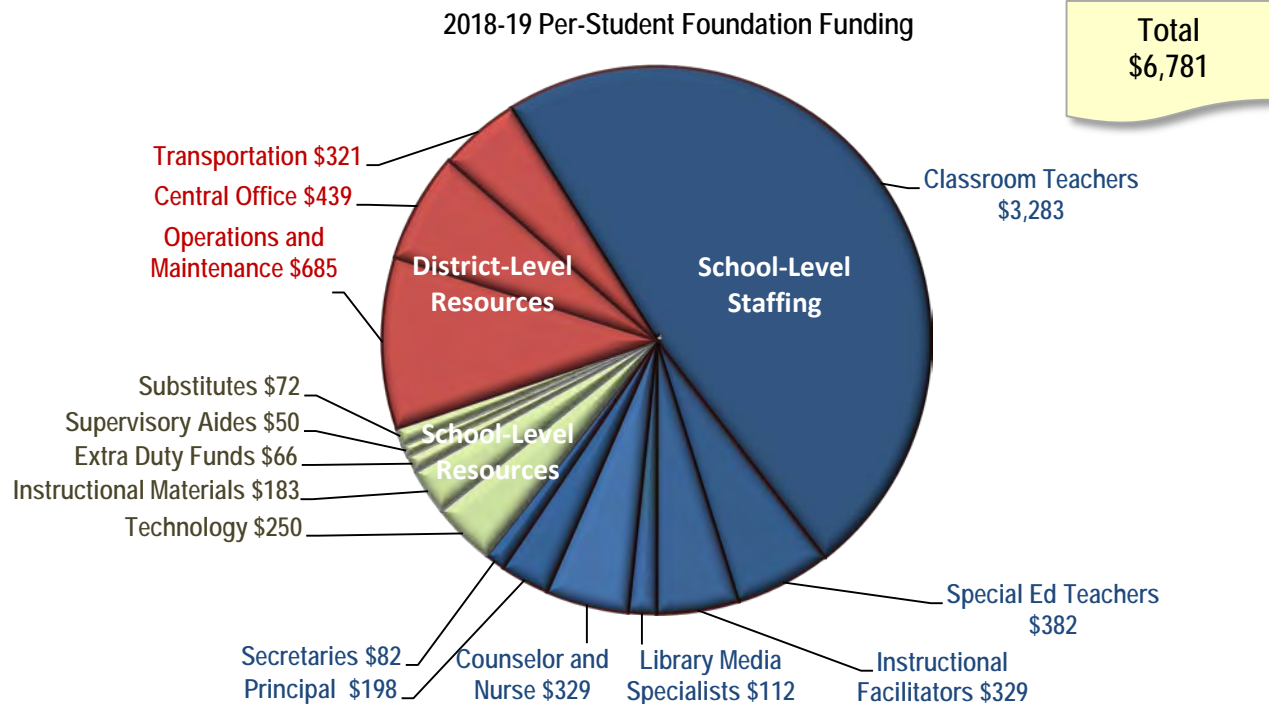
- School-level salaries** of teachers and other pupil support staff, a principal and a secretary. The matrix also identifies the salaries for the school-level staff and calculates the per-student cost of paying the identified salaries for the number of staff needed. For example, 24.94 classroom teachers at \$65,811 each costs a total of \$1,641,326. For a school of 500 students, that calculates to about \$3,283 per student.
- School-level resources** including instructional materials and technology-related expenses.
- District-level resources**, which include funding for districts’ operations & maintenance, central office and transportation expenses.

School-Level Staffing	Salary & Benefits	Per-Student Funding Amt.
Classroom Teachers	\$65,811	\$3,282.65
Pupil Support Staff	\$65,811	\$1,151.75
Principal	\$99,012	\$198.10
Secretary	\$40,855	\$81.70

School-Level Resources	Per-Student Funding Amt.
Technology	\$250.00
Instructional Materials	\$183.10
Extra Duty Funds	\$66.20
Supervisory Aides	\$50.00
Substitutes	\$71.80

District-Level Resources	Per-Student Funding Amt.
Operations & Maintenance	\$685.00
Central Office	\$438.80
Transportation	\$321.20

⁷ The individual per-student funding amounts total \$6,645.63, which was rounded up to \$6,646 per student for the total foundation funding rate.



MATRIX: SCHOOL/DISTRICT SIZE AND GRADE DISTRIBUTION

The foundation funding matrix was based on the staffing and resources needed to operate a prototypical school/district of 500 students. This section of the report examines the research literature around optimal school district size and the extent to which the school/district size and grade levels in the matrix remain appropriate for the current make up of Arkansas schools.

RESEARCH ON OPTIMAL DISTRICT SIZE

Research examining optimal district size has focused on two areas: cost effectiveness and effect on student outcomes. From a cost perspective, a 2002 literature review found that small school districts (fewer than 500 students) can achieve cost saving by moving to a district with 2,000 to 4,000 students. Per-student costs continue decreasing as the district increases in size, but they stop at a district size of about 6,000. Another study found the optimal district size to be just under 2,000 students, and a 2018 study confirmed previous researchers’ conclusions, finding that “the largest potential cost savings can be found within the smallest school districts (<500 students) and diseconomies of scale appear within the largest districts (at the threshold of around 6,000 students).”⁸

⁸ Schiltz, F. and De Witt, K., British Educational Research Journal, Estimating scale economies and the optimal size of school districts: A flexible form approach, December, 2017

SCHOOL SIZE

The following table shows that **66% of the schools in 2018-19 (including open-enrollment charter schools) have fewer than 500 students, while 34% had 500 or more students.** That’s a change from the school make-up at the time the matrix was most significantly adjusted in 2006.⁹ That year 71% of schools had fewer than 500 students, and 29% had 500 or more. Overall, **schools have been increasing in size over the past 13 years.**

School Size: Districts and Charter Schools				
# of Students	Base for Matrix		2018-19	
	# of schools	%	# of schools	%
100 or fewer	58	5%	23	2%
101-249	229	21%	170	16%
250-349	228	21%	221	21%
350-499	271	25%	274	26%
500 or more	320	29%	348	34%
Total	1,106		1,036	

*Note: Percentages may not add to 100% due to rounding.
Data Source: Enrollment data for 2019 come from myschoolinfo.arkansas.gov, Total Enrollment, Oct. 1.*

DISTRICT SIZE

While the matrix was designed for schools with 500 students, its assumptions concerning grade distribution for kindergarten through grade 12 can be compared with school districts. The following table shows that **16% of districts in 2018-19 had fewer than 500 students.** The average district size in Arkansas was 1,945 students, and the average charter school size was 735 students.

2018-19 District Size				
# of Students	# of Districts	%	# of Charters	%
Fewer than 350	4	2%	13	54%
350-499	34	14%	1	4%
500-999	84	36%	3	13%
1,000-2,499	69	29%	6	25%
2,500-4,999	28	12%	1	4%
5,000 or more	16	7%	0	0%
	235		24	

Data Source: 2018-19 ADM, myschoolinfo.arkansas.gov. The number of charter schools does not include The Excel Center or Covenant Keepers/Friendship Aspire Little Rock. The Excel Center is an adult education center that is not funded like other open enrollment charter schools, and Covenant Keepers closed mid-way through 2018-19 with Friendship Aspire Little Rock managing its operations for the remaining part of the school year.

Larger districts tend to have more students per school, meaning smaller districts tend to have smaller schools. This is an important consideration for school finance as it can give larger districts opportunities to achieve economies of scale.

Importantly, the **matrix does not pay districts based on districts’ existing resources.** In other words, it does not pay districts based on the number of schools a district has or the number of teachers employed or the number of buses purchased. Part of the reason for basing funding on the number of students in the district rather than the district’s existing resources serving those students

⁹ Odden, A., Picus, L. O., & Goetz, M. (2006). Recalibrating *the Arkansas School Funding Structure*. Report prepared for Arkansas Joint Committee on Education, <http://www.arkleg.state.ar.us/education/K12/AdequacyReports/2006/AR%20Recalibration%20Report%20August%2030,%202006.pdf>

is to **encourage districts to find efficiencies**. For example, a small district with three schools may decide to combine two of the schools so they can share resources. **Additionally, the state provides other types of funds—outside of foundation funding—to address issues with reductions or increases in student populations (declining enrollment and student growth funding) or to address issues encountered by isolated or small districts (isolated and special needs isolated funding).**

GRADE DISTRIBUTION

For the purpose of establishing a funding model, the prototypical school of 500 was based on having 40 kindergarten students, 115 students in grades 1-3 (38.3 per grade), and 345 students in grades 4-12 (38.3 per grade). This assumption is necessary because the funding model must account for the different staffing levels required for each of these grade groupings.

The following table shows that the original matrix assumptions regarding the number of students per grade continues to closely match actual district and charter school data.

Students by Grade				
	Basis for Matrix		2018-19	
	# of Students	%	# of Students	%
Kindergarten	40	8%	36,499	8%
Grades 1-3	115	23%	109,399	23%
Grades 4-12	345	69%	331,783	69%

Data Source: Enrollment Count by Grade, myschoolinfo.arkansas.gov. The enrollment numbers above do not include The Excel Center, but do include Covenant Keepers.

SCHOOL-LEVEL STAFFING

The first component of the matrix is school-level staffing. This component is made up of 24.94 full-time classroom teachers and another 8.725 pupil support staff. This matrix component also includes one principal and one school-level secretary, for a total of 35.69 school-level full-time employees (FTEs). Funding for the total school-level personnel group (\$4,434.40 in 2018-19) constitutes 65% of the per-pupil funding contained in the matrix. The school-level staffing can be broken down into three categories: classroom teachers, pupil support staff and administration.

Unlike other parts of the matrix, the school-level staffing section is made up of more than a per-student funding amount. For school-level staffing, the matrix contains the number of each type of staff and the salary and benefits for each of those employees. Each line of the matrix is calculated as follows:

	Number of Staff in a Prototypical School of 500 Students		Salary and Benefits for Each Funded Position		Number of Students in Prototypical School		Per-Student Amount
Classroom Teachers	24.94	X	\$65,811	/	500	=	\$3,282.65

In 2018-19, the per-student funding amount was calculated using a salary of \$65,811 for the teachers and other pupil support staff (guidance counselors, library media specialists, instructional facilitators, nurses, etc.). The principal funding amount was calculated using a salary of \$99,012, and the school secretary funding amount used a salary of \$40,451.

CLASSROOM TEACHERS

The first section of the school-level staffing is classroom teachers. About 70% of the total 35.69 FTE school-level personnel funded in the matrix are classroom teachers who have direct daily interaction with students.

BACKGROUND: CLASSROOM TEACHERS IN THE MATRIX

In 2018-19, the matrix provided districts and charter schools with \$3,282.65 per student to support 24.94 classroom teachers. This staffing level was originally based on the average class sizes established in the Accreditation Standards and the recommendations of the state’s education consultants.

In 2003, Picus and Associates recommended developing the matrix based on class sizes of 15 students per class for grades K-3, or an average of 18 students per class for grades K-5. They also recommended a matrix that supported class sizes of 25 students for middle and high school classes. The Arkansas Joint Legislative Committee on Educational Adequacy, however, opted to base the matrix on the state’s existing class size standards. The class size standards provide two types of class size restrictions, a maximum and an average. The **maximum** standard sets the highest number of students any single class can have. The district **average** requires each district to maintain staffing levels that meet an overall average pupil-to-teacher ratio across the entire school district.

The matrix was designed to fund the number of teachers needed to meet the district average class sizes. For example, the accreditation standards allow teachers in grades 1 through 3 to teach up to 23 students. Therefore, the 500-student prototypical school’s 115 students in grades 1 through 3 would require 5 teachers to meet the 23:1 district average.

Class Size and Grade Distribution Assumptions				
Grade Level	Pupil/Teacher Ratio Standards		Matrix Assumptions	
	District Avg. in Standards*	Class Max. in Standards	# Students	%
Kindergarten	20:1	20:1	40	8%
Grades 1-3	23:1	25:1	115	23%
Grades 4-6	25:1	28:1	345	69%
Grades 7-12	25:1**	30:1		
Total K-12			500	100%

*The DESE Rules Governing Class Size and Teaching Load require each district to maintain staffing levels that meet an **average** pupil-to-teacher ratio across the entire school district. The **maximum** standard sets the highest ratio any single class can have.

**Teachers for grades 5 through 12 may not be assigned more than 150 students per day without receiving additional compensation (with some exceptions), which averages 25 students per class for teachers teaching six periods per day.

To examine class size patterns in school districts, the BLR examined 1st grade math classes in each district and charter school system. In 2018-19, class sizes across the state averaged 19.6 students per class—considerably less than the 25-student maximum. Four districts and seven open enrollment charter schools had any single class above the maximum. And eight districts and six charters had district average class sizes above the limit set in the standard (23 students).

Large districts tended to have larger class sizes on average.

District Size	District Average Class Size: 1 st Grade Math
Small	16.2
Medium	18.6
Large	21.6

In 2018-19, 167 of the state’s 1,036 schools (16%) in 59 school districts or open enrollment charter schools had waivers from class size or teaching load limits and/or state law regarding compensating teachers teaching above the maximum number of students per day.¹⁰

Based on the class size standards, the matrix provides funding for 24.94 classroom teachers per 500 students. Classroom teachers are divided into two categories in the matrix: core teachers and non-core teachers.

Core teachers include teachers whose main responsibility in lower grades is to serve as the primary classroom teacher. In higher grades, core teachers teach in one or more of four academic areas: language arts, math, science, and social studies.

Matrix Item		Type	Average Class Size	# of Students in Matrix	FTE Teachers in Matrix
Classroom Teachers	Core	Kindergarten	20	40	2.0
		Grades 1-3	23	115	5.0
		Grades 4-12	25	345	13.8

The second group, referred to in this report as **non-core teachers**, includes educators who teach physical education, art, or music (PAM), or other electives. These teachers have also been called "specialist teachers."

The 2003 and 2006 Picus and Associates studies recommended that the state calculate the number of non-core teachers needed at 20% of the total core academic teachers. The consultants reasoned that core teachers need one period per day for collaborative planning and professional development, which they could receive when students are in elective classes. Arkansas state law requires districts to allow each teacher at least 200 minutes per week to schedule time for conferences and instructional planning. The planning time must occur in increments of no less than 40 minutes during the instructional day (§ 6-17-114). In 2018-19, 49 schools in nine districts and 17 charter school systems had waivers from the requirement that they provide this planning period.

The 20% calculation was based on a regular five-hour teacher instructional day at the elementary level and a five-period day at the high school level. Twenty percent of 20.8 core teachers is 4.16 non-core teachers per 500 students (4.14 is the number in the matrix as a result of rounding adjustments).

Matrix Item		Type	FTE Teachers in Matrix
Classroom Teachers	Core	English Language Arts, Math, Social Studies and Science	20.8
	Non-Core	Physical Education, Art, Music and other electives	4.14, or 20% of Core

BACKGROUND: TEACHER SALARIES IN THE MATRIX

During the Lake View lawsuit, the courts cited Arkansas’s comparatively low teacher salaries and wide wage disparities among districts in the state. In 2003, the Arkansas General Assembly addressed these concerns by passing new taxes to generate additional funding for a variety of educational reforms, including a raise for teachers. Act 59 of the Second Extraordinary Session of 2003 raised the statutory minimum salary nearly 26% and increased the other steps of the salary schedule by 20-25%. For 2004-05, the average salary used in the matrix formula was set at \$48,750 (base salary of \$39,000), and each subsequent year, a cost-of-living adjustment has been applied.

¹⁰ The number of schools with waivers from class sizes or teaching loads does not count early childhood centers that teach only pre-K students.

In their final report of the 2018 Adequacy Study, the Education Committees recommended increasing the statutory minimum teacher salary and increasing the per-student foundation funding rate for classroom teachers by 2% each year for FY20 and FY21. The General Assembly then passed Act 170 of 2019 to increase the minimum teacher salary from \$31,800 to:

- \$32,800 in 2019-20,
- \$33,800 in 2020-21,
- \$34,900 in 2021-22 and
- \$36,000 in 2022-23.

To help districts meet the new minimum salary schedule, the General Assembly authorized \$60 million in existing funding to be spent from the Educational Adequacy Fund over the next four years.

Act 667 of 2019 increased the per-student foundation funding rate to include the following amounts for classroom teachers:

	2020	2021
Per-Student Rate	\$3,348.28	\$3,415.27
% Change	2%	2%

COMPONENTS OF THE TEACHER SALARY IN THE MATRIX

For school-level staff, the matrix specifies not only the numbers of needed employees, but how much those employees typically cost. The 2018-19 matrix used a base salary for teachers of \$52,386. An additional 22% of that amount is added for fringe benefits [14% for retirement; 8% for Social Security, Medicare, unemployment, and workers’ compensation; and \$1,900 for health insurance (\$157.5 for the first six months and \$159.1 for remaining six months)]. Act 995 of 2015 called for the district contribution for employees participating in the state school employees’ health insurance plan to increase annually “by the same percentage that the legislature increases the per-student foundation funding amount.” On a per-student basis [calculated as $(\$65,811 * 24.94) / 500$], classroom teacher compensation in the matrix provides about \$3,282.65 per student.

	2018-19
Base Salary in Matrix	\$52,386
Retirement	\$7,334
Social Security, Medicare, Unemployment, Workers’ Compensation	\$4,191
Health Insurance	\$1,900
Total = Salary + Fringe	\$65,811

Act 1446 of 2013 gave the Arkansas Teacher Retirement System (ATRS) the authority to increase the employer contribution percentage to 15%, and in November 2017, the ATRS Board of Trustees voted to increase the percentage beginning in 2019-20. The employer contribution will increase a quarter of a percentage point each year over a four-year period.

The Education Committees, in their 2018 final Adequacy Report, did not specifically address this change to the employer contribution for retirement. However, the chairs of the House and Senate Education Committees opted to **add \$16 per student to the matrix amount the Committees recommended to help districts pay this increased cost in 2019-20.**¹¹ They also **added \$33 to the recommended matrix amount in 2020-21 for the same purpose.** The General Assembly then adopted the per-student foundation amounts with the additional funds for retirement by passing Act 667 of 2019. Additionally, the contribution rate for contributory public school employees is increasing from 6% to 7%, or .25 points each year from 2019-20 through 2021-22. This means that while the base salary in the matrix increases, a greater percentage of employees’ paychecks is being withheld for retirement each year.

¹¹ English, J. and Cozart, B., March 5, 2019 Addendum, http://www.arkleg.state.ar.us/education/K12/AdequacyReportYears/2018EducationalAdequacyReportVolume1_11-1-2018withAddendum.pdf

DISTRICT AND CHARTER SCHOOL STAFFING LEVELS AND EXPENDITURES

The average number of districts’ classroom teachers paid using foundation funds is just slightly lower than the staffing level established in the matrix. The following table compares the number of classroom teachers in the matrix with the average number of classroom FTEs paid from foundation funds.

Classroom Teachers			
	Matrix FTE Number Per 500	Districts: Foundation Paid Staff Per 500	Charters: Foundation Paid Staff Per 500
2018-19	24.94	24.51	27.91

In 2018-19, districts and charter schools collectively spent \$1.44 billion of their foundation funds on classroom teachers. This equates to approximately \$3,005 per student.

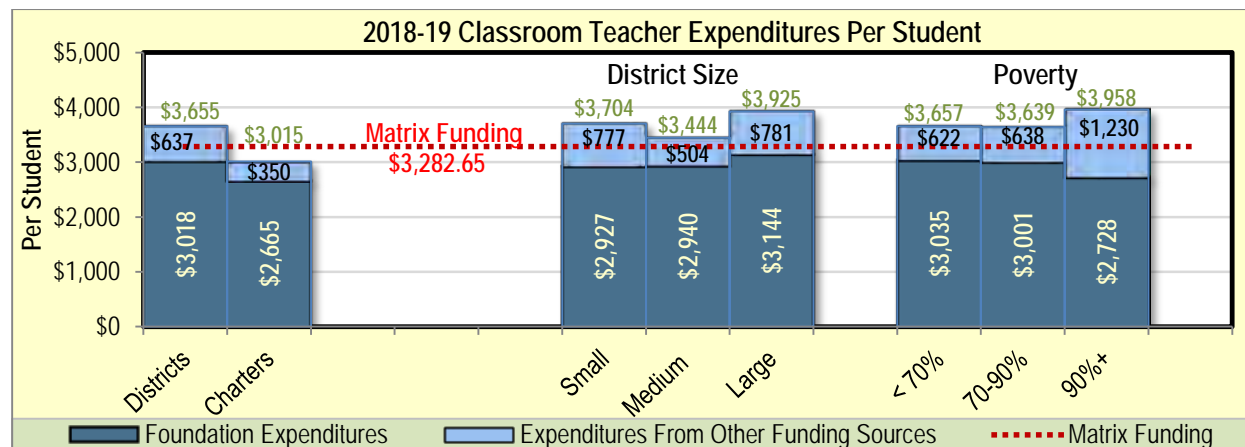
Classroom Teachers: Foundation Funding and Expenditures		
	Funding	Expenditures
2017-18	\$1,539,365,370	\$1,411,563,810
2018-19	\$1,567,779,229	\$1,435,089,551

While the matrix funded a base salary of \$52,386, districts and charter schools paid classroom teachers an average salary that was about \$3,423 less than the salary provided in the matrix. This average is calculated using expenditures from all funding sources, not just foundation funding.

	Base Salary in the Matrix	Districts/Charters Actual Average Salary*
Classroom Teacher	\$52,386	\$48,963 ¹²

*Calculated using all funding sources.

The following chart compares the per-student spending of traditional school districts and charter schools for classroom teachers. It also compares districts’ per-student spending based on district size and poverty level.



Traditional school districts spent about \$3,018 per student for classroom teachers using foundation funds, or about \$265 less than the foundation funding rate. Open-enrollment charter schools spent \$2,665 per student, or nearly \$618 less than the matrix amount. When examining spending from all funding sources, charter schools spent about \$640 per student less for classroom teachers than

¹² The average teacher salary discussed in an upcoming report on teacher salaries will differ somewhat from the average classroom teacher salary described in this report. That’s because the salary calculated for this section of this Resource Allocation report focuses on the average salary of classroom teachers only, while the average teacher salary described in the upcoming report will include the salaries of other types of teachers, such as special education teachers, librarians and guidance counselors.

districts spent, a difference that primarily resulted from lower salaries paid by charter schools. Districts employed about one half fewer teachers per 500 students than charter schools employed (using all funding sources), but charter schools paid far lower salaries. The average classroom teacher salary among districts was \$49,388, which was about \$10,000 higher than the average salary charter schools paid.

The lower salaries may result from charter schools receiving waivers from the statute requiring schools to pay a minimum teacher salary. Twenty-one of the 25 open-enrollment charter school systems operating in 2018-19 had been granted waivers from the statute setting the minimum teacher salary schedule. As a result, these charter schools were not required to pay the minimum salary of \$31,800.

FTES and Salaries From All Funding Sources	Classroom Teachers Per 500 Students	Average Classroom Teacher Salary
Type		
District	29.51	\$49,338
Charter	30.08	\$39,329
Size (Districts only)		
Small	34.78	\$42,451
Medium	29.39	\$46,737
Large	28.39	\$54,991
Poverty Level (Districts only)		
Low	28.75	\$50,678
Medium	30.41	\$47,654
High	37.22	\$42,448

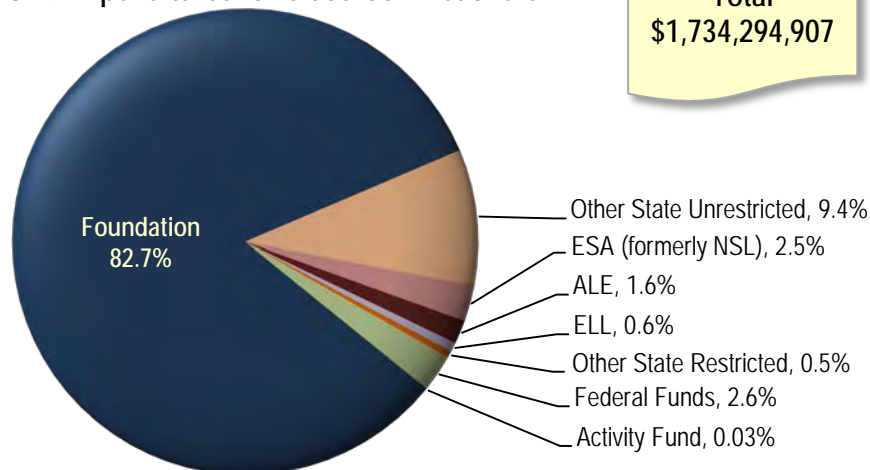
That’s compared with two traditional school districts that had waivers from paying the minimum teacher salary. While few districts had waivers from paying the minimum teacher salary, waivers from teacher licensure requirements were widespread. In 2018-19, 78 school districts (33%) had waivers in one or more schools from either the accreditation standard requiring classroom teachers meet licensure requirements (4-D.1) or from DESE rules for educator licensure generally. All 25 charter school systems had teacher licensure waivers.

Large districts spent more per student on classroom teachers than small districts. While large districts employed fewer teachers per student than smaller districts, they actually spent considerably more per student on those teachers, as indicated by the higher salaries that larger districts tend to pay.

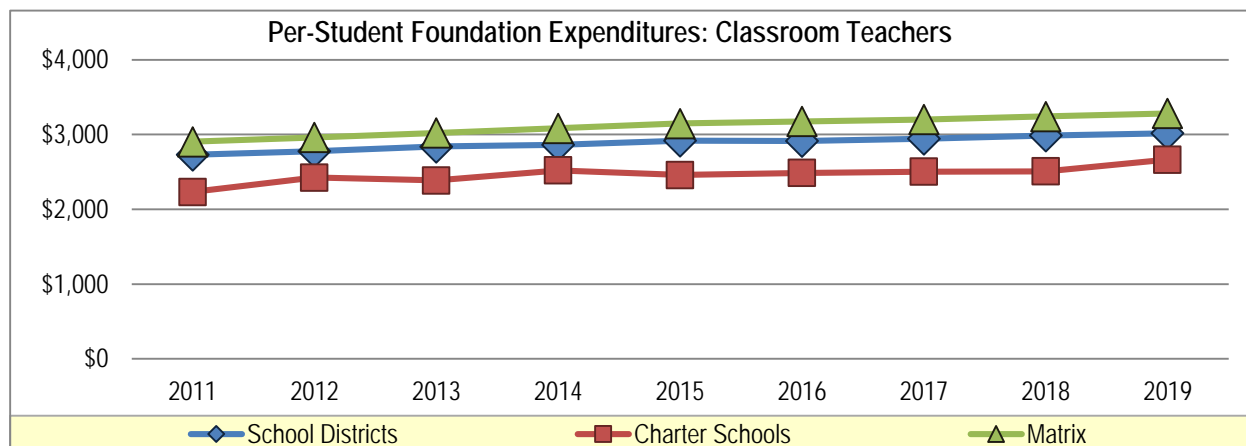
High-poverty districts spent less foundation funding per student than lower poverty districts on classroom teachers, but an equivalent amount from all funding sources. This reflects the other types of funding that high-poverty districts had to spend on teachers’ salaries, including ESA funding and federal Title I funding. High poverty districts employed more teachers per student, but paid them a lower salary than lower poverty districts.

In addition to foundation funding, districts and charter schools receive a variety of other sources of funding they can use for teacher salaries. Districts and charter schools used foundation funding to pay for nearly 83% of the total cost of classroom teacher salaries, but they also used another \$299.2 million in other types of funding to pay for teachers. The chart below shows the district expenditures for classroom teachers by the type of funding used.

2018-19 Expenditures for Classroom Teachers



The following graph shows the per-student expenditures for classroom teachers from foundation funding between 2011 and 2019. Traditional districts and charter schools have consistently spent less foundation funding per student on classroom teachers than they are provided by the matrix. Additionally, the gap between the amount districts received in funding and the amount they spent from foundation funding widened slightly between 2011 and 2019.



GIFTED AND TALENTED

The matrix does not provide a dollar amount specific for gifted and talented (GT) programs, but the 2003 Joint Committee on Educational Adequacy considered gifted and talented programs to be funded, at least in part, through foundation funding. “The Committee strongly recommends that the needs of Arkansas’ gifted and talented students be met,” Picus and Associates wrote in their final report for the Adequacy Committee. “The state already has standards for such programs, the staff that teach in them, and minimum expenditures for them. Testimony by Department of Education staff concluded that current resources have resulted in all districts meeting the gifted and talented standards, the program provision requirements and resourcing. The Committee thus recommends that these standards and requirements be retained. Because the general per-pupil funding base will rise given the overall recommendations of this report, the minimum expenditure requirement for gifted and talented students will insure that more is spent on them as well.”

When examining districts’ current expenditures for this series of Resource Allocation reports, the BLR has included gifted and talented expenditures with expenditures for classroom teachers, instructional materials and other components of the matrix based on what is being purchased for the program.

State law requires school districts to spend a minimum amount of money each year on gifted and talented programs (§ 6-20-2208(c)(6)). Districts must spend at least 15% of the foundation funding amount multiplied by 5% of the districts’ prior year ADM. This means districts must spend an amount equal to 0.75% of the foundation funding they receive each year on gifted and talented programs, or about \$51 per student.

The vast majority of districts and charters appear to have met the expenditure requirement for 2018-19,¹³ even those with waivers from the statute. Twenty-one charter school systems and eight districts had at least one school with a waiver from the GT expenditure requirement in 2018-19. Additionally, 21 charter school systems and nine school districts have one or more schools with waivers from the accreditation standard requiring them to provide GT services.

To teach gifted and talented programs, teachers are required to add a gifted and talented endorsement to their license. In 2018-19, 43 school districts (18%) and one charter school had at least one teacher serving as a GT teacher who was not fully licensed in gifted and talented. These individuals were on an additional licensure plan (ALP) while they pursued their GT endorsement.

STATE RANKING: STAFFING AND EXPENDITURES

One measure of the adequacy of Arkansas’s education funding system is its staffing levels compared with those of other states. The following tables use pupil-to-teacher ratios to show how Arkansas’s teacher staffing levels compare with other states’. School year 2017-18 is the most recent year for which national data are available through the National Center for Education Statistics (NCES).

NCES calculates each state’s pupil-to-teacher ratio. This is simply a calculation of the total number of students (including pre-kindergarten students) divided by the total number of teachers, regardless of class assignment. Using this measure, Arkansas has the 2nd lowest pupil/teacher ratio among surrounding states (behind only Missouri), and it has the lowest ratio among SREB states, with one teacher for every 13.9 students. Nationally, Arkansas ranks behind just 14 other states and Washington, D.C. That means **Arkansas has more teachers, given our student population, than most other states.** That pupil/teacher ratio includes both pre-K teachers and pre-K students. If both are removed from the ratio calculation, Arkansas falls more to the middle of the pack: 22nd nationally.

	Pupil/Teacher Ratio
National Average	16.0
Arkansas	13.9

	Pupil/Teacher Ratio: Arkansas’s Rank
All States and Washington D.C. (50*)	15 th lowest
SREB States (16)	lowest
Surrounding States (7, including AR)	2 nd lowest

Source: U.S. Department of Education, National Center for Education Statistics, Elementary and Secondary Information System.

NCES also provides data on total expenditures for the instructional (regular program) salaries, defined by NCES as “certified teachers and certified substitute teachers providing regular education instruction to students in pre-kindergarten through grade 12.” The most recent data available for all states are from 2015-16.¹⁴ According to the NCES data, Arkansas schools spent \$2,395 per student on instructional staff salaries in 2015-16. (The enrollment data used to calculate the per-student

¹³ Calculation is based on expenditures with function codes 1910 or 2291, regardless of whether the program code 270 is used. Some districts’ GT expenditures are higher when all expenditures with program code 270 are counted, regardless of function code.

¹⁴ National Center for Education Statistics, Elementary/Secondary Information System, <https://nces.ed.gov/ccd/elsi/>

instructional staff expenditures include pre-K students who have been excluded from the BLR’s foundation funding analysis throughout this report.)

Instructional Salaries-Regular Programs Expenditures	
National Average	\$2,914 per student
Arkansas	\$2,395 per student

	Per-Student Expenditures for Instructional Staff Salaries: Arkansas’s Rank
All States and Washington D.C. (50*)	40 th highest
SREB States (16)	10 th highest
Surrounding States (7, including AR)	4 th highest

*Data were not available for Alaska

SPECIAL EDUCATION TEACHERS

All districts must provide students with disabilities access to special education services under the federal Individuals with Disabilities Education Act (IDEA). Arkansas Code § 6-41-202 establishes that it is also the state’s policy to provide a free and appropriate public education to students with disabilities. Every special education student has an individualized education program (IEP). An IEP is a plan or program developed to ensure that a child with a disability identified under the law receives specialized instruction and related services. There were 63,935 special education students (ages 5-21) in Arkansas public schools in 2018-19, making up about 13.4% of the total student enrollment in the state.¹⁵

Special education teachers are among the staff positions that districts have the most difficult time filling. Districts and charter schools are not allowed to obtain waivers from special education program requirements, including teacher licensure. Without that option, many districts and charter school systems employ non-special education teachers to teach special education while they work toward their certification. In 2018-19, 145 school districts (62%) and four charter schools had at least one teacher serving as a special education teacher who was not fully licensed for that position, for a total of 393 teachers in schools statewide. These individuals were on an additional licensure plan (ALP) while they pursued licensure in special education. Special education is the certification area with the highest number of teachers on an ALP.

BACKGROUND: SPECIAL EDUCATION TEACHERS IN THE MATRIX

The matrix provides funding for 2.9 special education teachers. These teachers are in addition to the 24.94 classroom teachers provided in the matrix. Like most school-level staff, the cost of each FTE special education teacher in the matrix is calculated using the teacher salary of \$65,811 for 2018-19 (base salary of \$52,386). For 2.9 special education teachers, the matrix provides \$190,860 for every 500 students, or \$381.72 per student.

This staffing level is based on the recommendation of the General Assembly’s consultants in 2003, with an adjustment recommended by a panel of Arkansas educators. Because the specific needs of special education students dictate the level of staffing required, the state could not simply calculate the number of special education teachers needed based on maximum student-to-teacher staffing standard for special education classes.

The Committee’s consultants, Picus and Associates, originally proposed funding 2.0 special education teachers, but after receiving input from panels of Arkansas educators and ADE officials, the Joint Adequacy Committee opted to increase the number to 2.9 teachers.

¹⁵ Calculation made using data retrieved from DESE’s special education child count data, ages 5-21.

Hired again in 2006, Picus and Associates affirmed the state’s methodology of funding special education using a “census” approach, meaning the funding is based on total enrollment rather than on the number of special education students. They affirmed the state’s funding level for 2.9 special education teachers for “high-incidence, lower cost students with disabilities.” Since 2006, the matrix has continued to fund 2.9 special education teachers for every 500 students. The state has also historically supplemented foundation funding with about \$11 million to \$13 million annually in Catastrophic Occurrences funding for low incidence, high-cost students with disabilities. Act 757 of 2019 changed the name of this funding program to Special Education High-Cost Occurrences funding.

In their final report of the 2018 Adequacy Study, the Education Committees recommended increasing the per-student foundation funding rate for special education teachers each year by 2% for FY20 and FY21, based on the salary increase for teachers in the matrix. For special education teachers in the matrix, Act 677 of 2019 increased the per-student foundation funding rate to include the following amounts:

	2020	2021
Per-Student Rate	\$389.34	\$397.13
% Change	2%	2%

The House Education Committee and the Senate Education Committee had separate recommendations for High-Cost Occurrences funding. The House Education Committee recommended increasing this funding by \$4 million in FY20, for a total of a little over \$17 million in FY20 and FY21. The Senate Education Committee recommended no increase in this funding. The General Assembly opted to adopt the Senate’s recommendation. Act 877 of 2019 appropriated \$13.02 million for Special Education High-Cost Occurrences funding for FY20.

DISTRICT AND CHARTER SCHOOL STAFFING AND EXPENDITURES

The average number of districts’ special education teachers paid using foundation funds is slightly above the staffing level established in the matrix. The following table compares the number of special education teachers in the matrix with the average number of special education teacher FTEs paid from foundation funds.

Special Education Teachers			
	Matrix FTE Number Per 500	Districts: Foundation Paid Staff Per 500	Charters: Foundation Paid Staff Per 500
2018-19	2.9	3.05	1.74

Districts and charter schools collectively paid special education teachers a salary that was, on average, nearly \$2,100 less than the salary provided in the matrix. This average is calculated using expenditures from all funding sources, not just foundation funding.

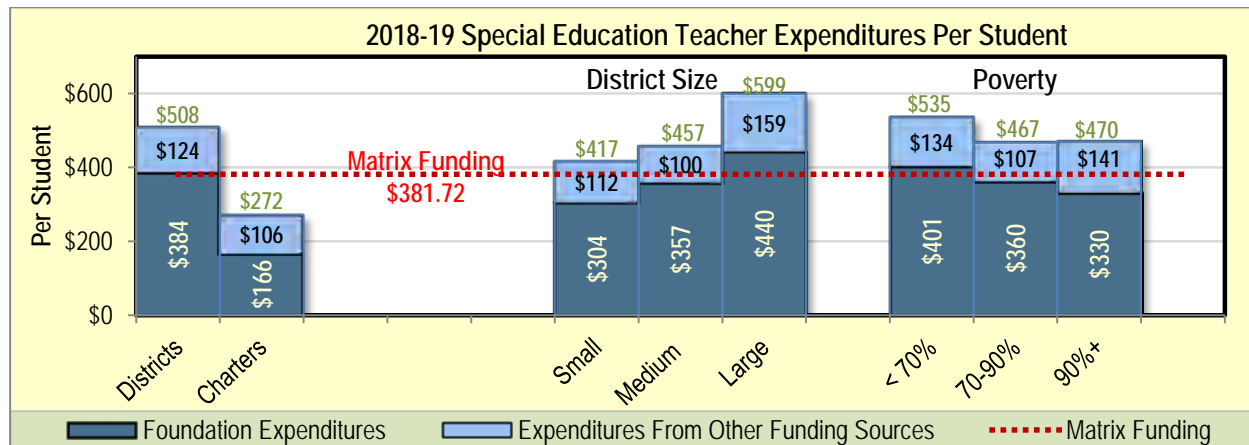
	Base Salary in the Matrix	Statewide Actual Average Salary*
Special Education Teachers	\$52,386	\$50,301

*Calculated using all funding sources.

In 2018-19, districts and charter schools statewide spent about \$179.6 million from foundation funding on special education teachers. This equates to about \$376 per student, which is just under the amount funded in the matrix (\$382).

Special Education Teachers: Foundation Funding and Expenditures		
	Funding	Expenditures
2017-18	\$178,996,194	\$176,101,857
2018-19	\$182,307,796	\$179,607,528

The following chart compares the per-student spending of traditional school districts and charter schools for special education teachers. It also compares districts’ per-student spending based on district size and poverty level.



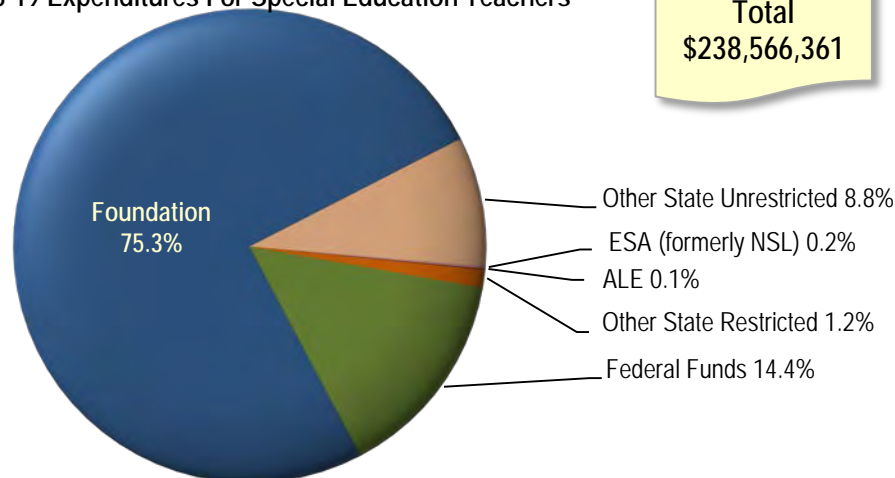
Open-enrollment charter schools spent considerably less foundation funding per student on special education teachers than traditional school districts. This is true when considering only foundation funding expenditures (\$166 per student compared with districts’ \$384) and when considering total expenditures from all funding sources (\$272 per student for charter schools, compared with \$508 for districts). This lower level of spending is due to the fact that charter schools employ fewer special education teachers per 500 students than school districts, on average, and they pay them lower salaries. Charter schools, on average, have lower percentages of special education students than traditional school districts, 10.1% for charter schools, compared with 13.5% for traditional school districts.

The chart also indicates that larger districts spent more per student than smaller districts, and districts with the lowest concentrations of poverty spent more per student than other districts. These patterns result from higher salaries for special education teachers in the large and low poverty districts.

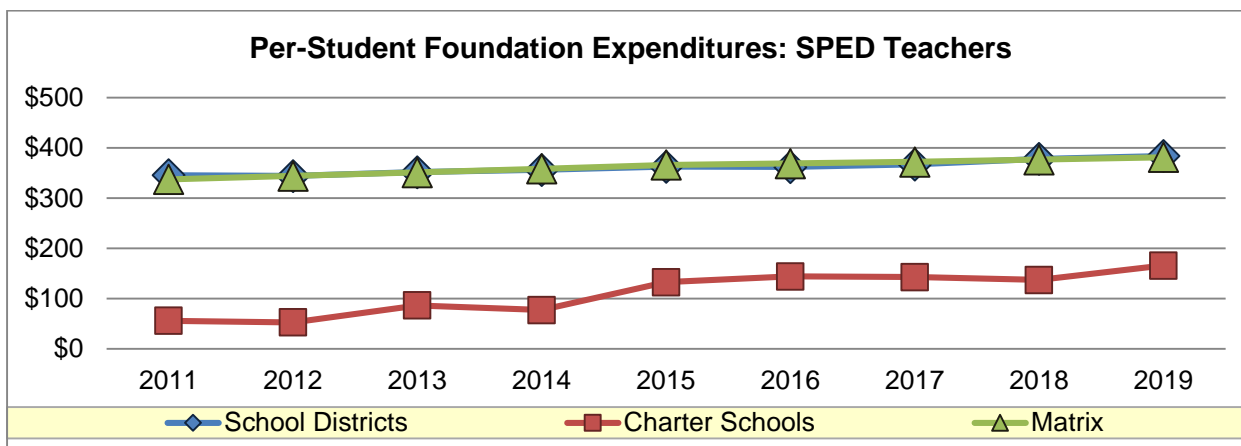
FTEs and Salaries From All Funding Sources	Special Education Teachers Per 500 Students	Average Salary by Group: Special Education Teacher
Type		
District	4.02	\$50,557
Charter	2.67	\$40,184
Size (Districts only)		
Small	3.96	\$42,078
Medium	3.87	\$47,160
Large	4.22	\$56,666
Poverty Level (Districts only)		
Low	4.13	\$51,804
Medium	3.83	\$48,712
High	4.27	\$44,000

Foundation funding covered about 75.3% of districts’ and charter schools’ total expenditures on special education teachers in 2018-19. Districts and charter schools used other funding, including federal IDEA, Part B funds and state Catastrophic Occurrences funding to pay for special education teachers.

2018-19 Expenditures For Special Education Teachers



The following graph shows the per-student expenditures for special education teachers from foundation funding between 2011 and 2019. Traditional districts historically have spent about the same amount per student on special education teachers as the matrix provides. Charter schools have tended to spend well below the per-student funding amount, although charter schools' expenditure per student has increased over the last few years.



STATE RANKING: EXPENDITURES

NCES provides data on total special education salaries in each state. NCES defines special education as “direct instructional activities or special learning experiences designed primarily for students identified as having exceptionalities in one or more aspects of the cognitive process or as being underachievers in relation to general level or model of their overall abilities. Such services usually are directed at students with the following conditions: (1) physically disabled; (2) emotionally disabled; (3) culturally different, including compensatory education; (4) intellectually disabled; and (5) students with learning disabilities. Programs for the mentally gifted and talented are also included in some special education programs.”¹⁶ The most recent data available for all states are from 2015-16. According to the NCES data, Arkansas schools spent \$383 per student on certified special education teachers and substitutes in 2015-16. (The enrollment data used to calculate the per-student special education expenditures include pre-K students who have been excluded from the BLR’s foundation funding analysis.)

¹⁶ NCES, Digest of Education Statistics, Appendix B: Definitions, https://nces.ed.gov/programs/digest/d18/app_b.asp#s

Special Education Teacher Expenditures	
National Average	\$684 per student
Arkansas	\$383 per student

	Expenditures for Special Education Instructional Staff Salaries: Arkansas's Rank
All States and Washington D.C. (50*)	39 th highest
SREB States (16)	11 th highest
Surrounding States (7, including AR)	4 th highest

* Data were not available for Alaska

INSTRUCTIONAL FACILITATORS

An instructional facilitator is a staff member who helps teachers plan, develop and evaluate instruction. Instructional facilitators may be referred to as “academic coaches” or “specialists.” Among their many responsibilities, instructional facilitators perform the following functions:

- Demonstrate lessons in curriculum and teaching techniques for classroom teachers and others.
- Facilitate communication about research-based instructional practices and student achievement between and among teachers, within and across grade levels.
- Assist in the implementation of the school improvement planning process.
- Plan and provide professional development for classroom teachers by conducting formal workshops, group discussions and one-on-one mentoring.
- Assist teachers in analyzing classroom and state assessment data to inform instruction.

A position similar to an instructional facilitator is a curriculum administrator or curriculum supervisor. Curriculum administrators are responsible for program development and administration and may be responsible for teacher evaluations in their subject area.¹⁷ Individuals who serve as curriculum administrator may have a curriculum administrator endorsement, in addition to their standard teaching license. Districts are not required to hire curriculum administrators, but if they enter an employee in the APSCN system as a curriculum administrator, that individual must have an appropriate license. In 2018-19, four school districts (2%) had at least one employee serving as a curriculum administrator (not including special education curriculum administrators) who was not fully licensed for that position. These individuals were on an additional licensure plan (ALP) while they pursued their curriculum administrator endorsement.

BACKGROUND: INSTRUCTIONAL FACILITATORS IN THE MATRIX

The instructional facilitator line of the matrix funds 2.5 employees for each school of 500 students. However, the 2.5 positions are intended to pay for more than just instructional facilitators. The 2.5 positions allow for a half-time assistant principal (.5 FTE) and a half-time technology assistant (.5 FTE), though not all schools or school districts employ those staff. Like all school-level pupil support staff, the cost of each FTE in the instructional facilitator line is calculated using the teacher salary of \$65,811 for 2018-19 (base salary of \$52,386, plus benefits). For 2.5 instructional facilitators, the matrix provides \$164,540 for every 500 students or \$329.08 per student.

Instructional Facilitators and Curriculum Supervisors/Administrators

In 2003, Picus and Associates recommended providing funding for 2.5 instructional facilitators per 500 students. They noted that instructional facilitators “coordinate the instructional program, and provide the important ongoing coaching and mentoring that the professional development literature shows is so critically necessary for teachers to change and improve their instructional practice.”

¹⁷ DESE, Rules Governing Educator Licensure, 1-2.20

They also noted that “[c]urriculum and instructional adaptation requires the support of a specially trained coach at the building level.”¹⁸

When the consultants were rehired in 2006, they reiterated their recommendation that Arkansas provide funding to support 2.5 instructional facilitators but noted that a number of school districts were not actually spending foundation funding on instructional facilitators. The consultants recommended pulling the instructional facilitator funding out of the matrix and creating a separate line of categorical funding where districts’ use of the money would be restricted to that purpose.

The General Assembly adopted the consultants’ recommendation to designate funding for 2.5 instructional facilitators. The Legislature also opted to leave the instructional facilitator funding in the matrix, rather than breaking it out as a categorical. The instructional facilitator line has included 2.5 FTEs since that time.

In addition to instructional facilitators, Picus and Associates noted in 2003 that the recommended 2.5 employees in the instructional facilitator line could include two other staff positions: a technology assistant and an assistant principal.

Technology Assistant

The technology assistant’s role is to “provide the technological expertise to fix small problems with the computer system, install all software, connect computer equipment so it can be used for both instruction and management issues and provide professional development to embed computer technologies into the curriculum.”¹⁹ When the consultants were rehired in 2006, they specified that the staffing level for the technology assistant be calculated at .5 of the total 2.5 instructional facilitator FTEs.

Assistant Principal

Assistant principals are also addressed in the instructional facilitator line of the matrix because the state accreditation standards treat them as interchangeable with curriculum specialists. Arkansas accreditation standards require districts to employ a half-time (.5 FTE) assistant principal, instructional supervisor or curriculum specialist for schools exceeding 500 students (4-C.1). About 33% of schools had more than 500 students in 2018-19, so this accreditation standard would not apply to 689 of the state’s 1,036 schools.

In 2003, the consultants hired by the General Assembly discouraged Arkansas from including assistant principals within the matrix. “[F]ew if any comprehensive school designs include assistant principal positions,” they wrote.²⁰ In passing Act 59 of the Second Extraordinary Session of 2003, the General Assembly adopted the consultants’ recommendation and funded a total of 2.5 employees in the instructional facilitators line of the matrix.

Hired again in 2014, the consultants changed their position on assistant principals and recommended adding funding for an assistant principal in the principal line of the matrix. They recommended adding 1 assistant principal for every 600 high school students, “largely for discipline and athletics.”²¹ This would equate to 0.26 FTEs for the prototypical district. However, the Education Committees did not recommend this change in their final 2014 Adequacy Report.

¹⁸ Odden, A., Picus, L. O., Fermanich (2003). *An Evidence-based Approach to School Finance Adequacy in Arkansas*. Report prepared for the Arkansas Joint Committee on Education Adequacy, http://www.arkleg.state.ar.us/education/K12/AdequacyReportYears/2003%20Final%20Arkansas%20Report%2009_01_2003.pdf, p. 23 and 30

¹⁹ Odden, A., Picus, L. O., Fermanich (2003). *An Evidence-based Approach to School Finance Adequacy in Arkansas*. Report prepared for the Arkansas Joint Committee on Education Adequacy, http://www.arkleg.state.ar.us/education/K12/AdequacyReportYears/2003%20Final%20Arkansas%20Report%2009_01_2003.pdf, p. 23.

²⁰ Odden, A., Picus, L. O., Fermanich (2003), p. 22.

²¹ Picus Odden & Associates, Desk Audit of the Arkansas School Funding Matrix and Developing an Understanding of the Potential Costs of Broadband Access for All Schools, September 5, 2014, p. 42.

In their 2018 Adequacy Report, the Education Committees did recommend increasing the per-student foundation funding rate for instructional facilitators by 2% for FY20 and FY21, based on the salary increase for teachers in the matrix. Act 667 of 2019 increased the per-student foundation funding rate to include the following amounts for instructional facilitators, assistant principals and technology assistants:

	2020	2021
Per-Student Rate	\$335.64	\$342.35
% Change	2%	2%

DISTRICT AND CHARTER SCHOOL STAFFING AND EXPENDITURES

The staffing level established in the matrix for instructional facilitators, curriculum supervisors, assistant principals and technology assistants is more than twice the actual average number of employees that districts employ using their foundation funding. The following table compares the matrix number for instructional facilitators and assistant principals with the average number of FTEs employed by districts and charter schools. The number of FTEs districts employed using foundation funds does not include any technology assistants because APSCN lacks an employee code for that position. Therefore, districts’ staffing levels for the instructional line of the matrix represented in the following table are lower than they actually are.

Instructional Facilitators and Assistant Principals			
	Matrix FTE Number Per 500	Districts: Foundation Paid Staff Per 500	Charters: Foundation Paid Staff Per 500
2018-19	2.5	1.14	1.43

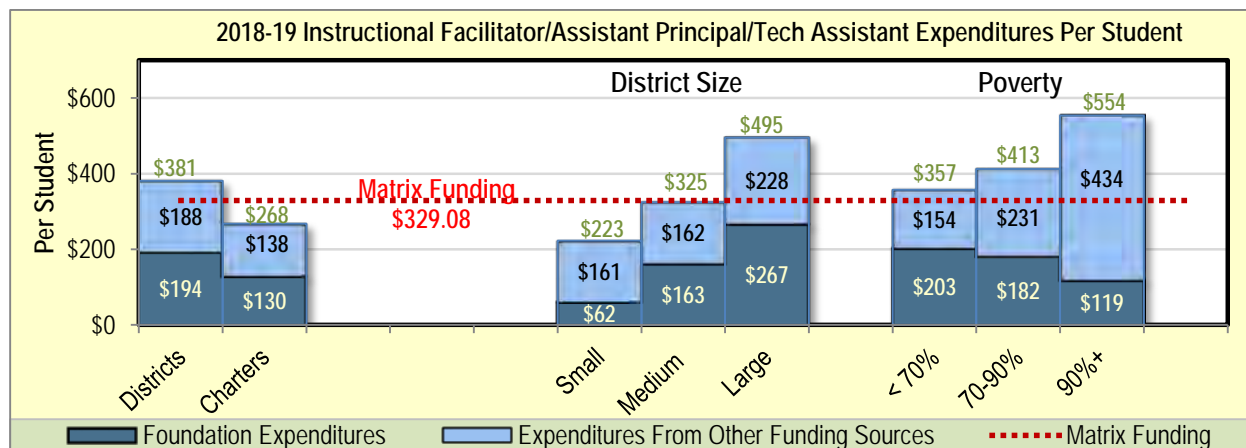
	Base Salary in the Matrix	Districts/Charters Actual Average Salary*
Assistant Principal/Dean of Students	\$52,386	\$75,245
Instructional Facilitator and Curriculum Supervisors		\$63,368

*Calculated using all funding sources.

In 2018-19, districts and charter schools statewide spent about \$91.4 million from foundation funding on instructional facilitators, assistant principals and technology assistants, about 58% of the amount provided for this purpose. This equates to about \$191 per student.

Instructional Facilitators: Foundation Funding and Expenditures		
	Funding	Expenditures
2017-18	\$154,311,157	\$87,963,550
2018-19	\$157,167,163	\$91,375,416

The following chart compares the per-student spending of traditional school districts and charter schools for instructional facilitators/assistant principals. It also compares districts’ per-student spending based on district size and poverty level.



The fact that districts spent considerably less foundation funding in this line than the matrix provides results from districts’ access to other types of funding they can use for instructional facilitators. Districts employed more instructional facilitators and assistant principals per 500 students than charter schools, and they paid higher salaries to those staff.

Of the \$194 per student that districts spent from foundation funding, about \$139 of it (72%) was spent on assistant principals and deans of students. Collectively, districts spent more than twice as much foundation funding on assistant principals and deans of students as what was provided in the matrix. This is likely due to the fact that, although many districts do not have any assistant principals or deans of students (86 of the 235 districts and 21 of the 25 charter schools in 2018-19), those that do have assistant principals, pay them considerably higher salaries than what was funded through the matrix.

	FTEs and Salaries From All Funding Sources	Assistant Principals Per 500 Students	Assistant Principal Average Salary	Instructional Facilitators Per 500 Students	Instructional Facilitator Average Salary
Type					
District		0.84	\$75,486	1.78	\$63,515
Charter		0.63	\$66,775	1.33	\$58,215
Size (Districts only)					
Small		0.20	\$55,386	1.85	\$50,704
Medium		0.79	\$69,076	1.65	\$58,842
Large		1.07	\$82,708	1.93	\$71,866
Poverty Level (Districts only)					
Low		0.86	\$77,077	1.45	\$67,538
Medium		0.82	\$73,430	2.21	\$60,028
High		0.87	\$60,816	4.07	\$53,691

Large districts spent considerably more foundation funding per student on the instructional facilitator/assistant principal line than small districts, primarily due to the fact that they employ more assistant principals than the small districts and pay higher salaries. In 2018-19, large districts spent \$190 per student from foundation funding for assistant principals, compared with small districts’ \$24 per student.

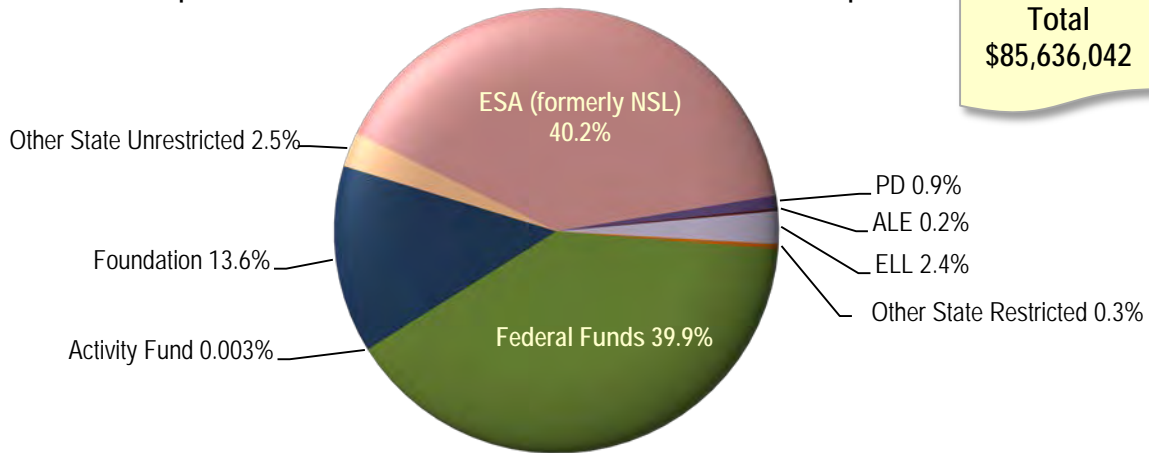
High-poverty districts spent less foundation funding on the instructional facilitator line than wealthier districts, but they spent considerably more on these staff when considering total expenditures from all funding sources. These higher overall expenditures result from the fact that high-poverty districts have more curriculum supervisors and instructional facilitators per 500 students than the other districts. They employ nearly twice as many of these staff per 500 students when compared with middle poverty districts and nearly three times as many of these staff as the lowest poverty districts.

In addition to foundation funding, districts and charter schools receive a variety of other sources of funding they can use for instructional facilitators, assistant principals and technology assistants.

The following pie charts show the proportion of each funding type used to cover all expenditures for instructional facilitators, assistant principals and technology assistants. Districts and charter schools

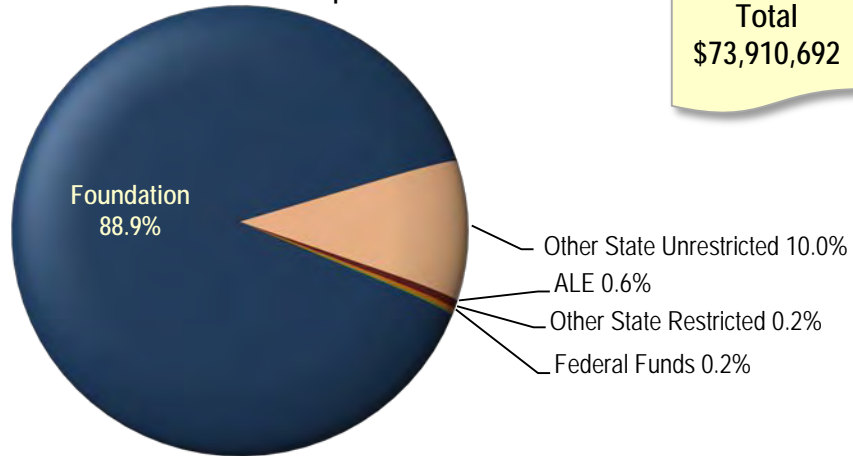
use foundation funding to cover about 14% of their total expenditures for instructional facilitators and curriculum supervisors. Districts primarily use ESA state categorical funds and federal funds to pay for these staff.

2018-19 Expenditures for Instructional Facilitators and Curriculum Supervisors

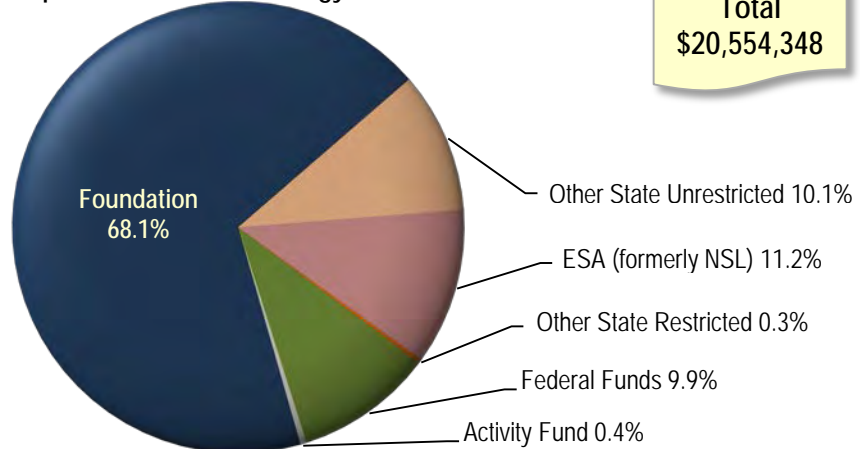


Districts do, however, use foundation funds to cover the majority of their expenditures for assistant principals and technology assistants. Foundation funds cover about 89% of assistant principal expenditures and 68% of their expenditures for technology assistants, as shown in the following charts.

2018-19 Expenditures for Assistant Principals and Deans of Students

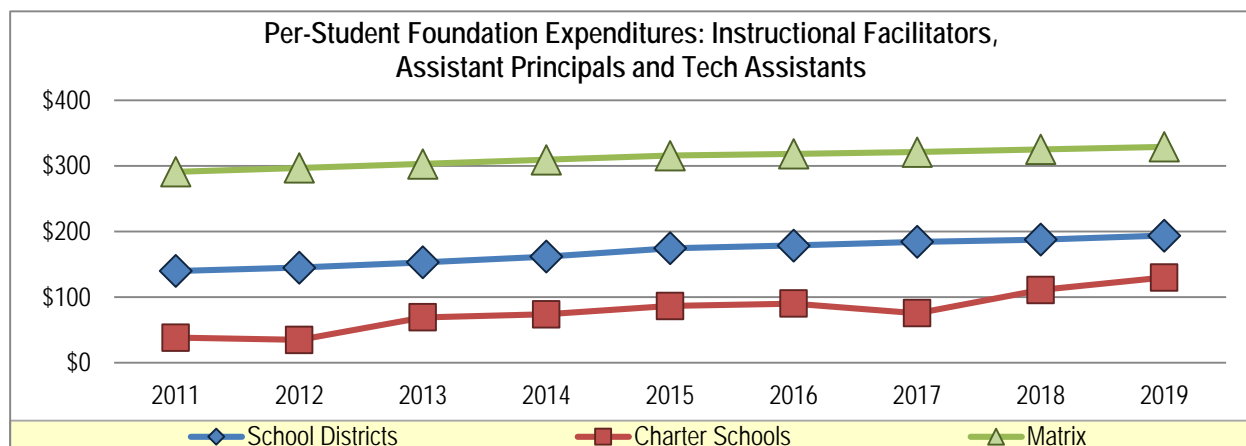


2018-19 Expenditures for Technology Assistants



Districts and one open enrollment charter school spent about \$20.6 million on technology assistants. In a BLR survey question asking superintendents, principals and teachers to rank the barriers to the use of technology in the classroom, the second most frequently cited barrier by all three groups was an inadequate number of technology support staff. (The highest ranking barrier was inadequate technology in students’ homes.) (These survey results will be discussed in more detail in the final Resource Allocation report on school-level resources.) Superintendents, principals and teachers were also asked to rate the quantity of their technology resources, including their tech support. The surveys gave respondents the choices of “fails to meet the school/district’s needs,” “meets the needs” or “exceeds the needs.” About 14% of superintendents said their quantity of tech support fails to meet the needs of their school. About 20% of principals and 16% of teachers said the quantity of tech support fails to meet their school’s needs.

The following graph shows the per-student foundation funding expenditures for instructional facilitators, assistant principals and technology assistants between 2011 and 2019. Both districts and charter schools typically spend far less foundation funding on these staff than they receive through the matrix. However the lower spending levels reflect the fact that districts and charters have other types of funding they can use for this purpose.



STATE RANKING: STAFFING AND EXPENDITURES

NCES provides data on the number of “instructional coordinators” in each state. Under the NCES definition, instructional coordinators are staff who supervise instructional programs at the school or district. Instructional coordinators may be most comparable to what Arkansas calls curriculum supervisors. The most recent data available for all states are from 2017-18. According to the NCES data, Arkansas had about one instructional coordinator per 500 students in 2017-18, which was slightly higher than the national average of .94. (The enrollment data used to calculate the instructional coordinators per 500 students and the instructional staff support service expenditures below include pre-K students who have been excluded from the BLR’s foundation funding analysis elsewhere in this report.)

Number of Instructional Coordinators	
National Average	0.94 per 500 students
Arkansas	0.99 per 500 students

	Instructional Coordinators: Arkansas’s Rank
All States and Washington D.C. (51)	20 th highest
SREB States (16)	5 th highest
Surrounding States (7, including AR)	1 st

NCES also provides data on total instructional staff support services in each state. These services are “activities that include instructional staff training, educational media (library and audiovisual), and other instructional staff support services,” according to the NCES definition. The most recent data available for all states are from 2016-17. According to the NCES data, Arkansas schools spent \$841 per student on instructional staff support in 2016-17, compared with \$577 per student nationally.

Instructional Staff Support Services Expenditures	
National Average	\$577 per student
Arkansas	\$841 per student

	Expenditures for Instructional Staff Support Services: Arkansas’s Rank
All States and Washington D.C. (51)	4 th highest
SREB States (16)	1 st
Surrounding States (7, including AR)	1 st

LIBRARY MEDIA SPECIALISTS

The school library media specialist is responsible for budgeting, purchasing and maintaining an appropriate library collection for each school. Library media specialists also ensure that access to records and resource databases are available for students. As licensed teachers, library media specialists also teach students special subject offerings.

State accreditation standards require schools with fewer than 300 students to have a half-time library media specialist. Schools with 300 to 1,499 students must have one full-time library media specialist, and schools with 1,500 or more students must have two full-time library media specialists (4-F.2).

State statute specifies that “only trained and certified library media services program personnel shall be assigned to carry out duties of the library media specialist” (§ 6-25-104). Library media specialists are master’s degree-level licensed staff with an endorsement in school library media. Arkansas code allows library media clerks to handle clerical duties when “supervised by the library media specialist.” State statute requires districts to ensure that no less than one third of a library media specialist’s time is used as an “information specialist, allowing time for administrative tasks such as ordering books and materials, processing items for usage, planning finances and accountability, organizing, directing and evaluating the library media program, and other management duties” (§ 6-25-103).

To serve as a library media specialist, teachers are required to add a library media specialist endorsement to their license. In 2018-19, 38 school districts (16%) had at least one teacher serving as a library media specialist who was not fully licensed for that position. These individuals were on an additional licensure plan (ALP) while they pursued their library media specialist endorsement.

BACKGROUND: LIBRARY MEDIA SPECIALISTS IN THE MATRIX

The matrix provides .85 FTE library media specialists for every 500 students. Like most school-level staff, the cost of each FTE library media specialist in the matrix is calculated using the teacher salary of \$65,811 for 2018-19 (base salary of \$52,386). For 0.85 FTE library media specialists, the matrix provides a total of \$55,940 for every 500 students or \$111.88 per student.

This staffing level is based on the recommendation of the General Assembly’s consultants in 2003, with adjustments in 2006 and 2014 to ensure districts could comply with the state’s accreditation standards. In 2003, Picus and Associates recommended the state provide funding for library media specialists for middle schools and high schools. At the elementary level, the consultants recommended considering library media specialists as part of the 20% non-core teachers provided in the matrix. They recommended funding 1.0 FTE library media specialist for middle schools, 1.5 FTE library media specialists for high schools and no additional positions for library media

specialists at the elementary level. Based on these figures, the total amount of library media specialists for the prototypical school of 500 students was set at 0.7 FTEs. The General Assembly adopted this recommendation and established the library media specialist staffing level at 0.7 FTEs.

In 2006, when the state rehired Picus and Associates, the consultants noted that the staffing level of 0.7 library media specialists per 500 students would not be an adequate level for districts to comply with the state accreditation standards. The consultants recommended funding 1.0 FTE library media specialist in the matrix. The General Assembly, however, opted to set the staffing level at 0.825. That staffing level is the result of an analysis that examined the number of schools in 2006 at each enrollment size: under 300 students, 300-1,500 and more than 1,500. Based on the number of schools at each level, 912.5 library media specialists were needed statewide, and the average number of library media specialists needed was calculated to be .825 per school (912.5/1,106).

School Size	# of Schools in 2005-06	Required Library Media Specialists	Library Media Specialists Multiplied by # of Schools
Under 300	407	0.5	203.5
300-1,499	689	1.0	689
1,500 +	10	2.0	20
Totals	1,106		912.5

During the 2014 Adequacy Study, the same analysis was applied to the number of schools operating in 2012-13. That analysis showed that an average of 0.85 FTE library media specialists would be needed to be in compliance with state standards. (This analysis included charter schools, some of which had waivers from the library media specialist-to-student ratio.) In their 2014 recommendations, the Education Committees voted to increase the number of library media specialists from 0.825 to 0.85 FTEs beginning in 2015-16.

The following table shows the number of schools by enrollment for the 2018-19 school year. Using these numbers, 0.867 FTE library media specialists per school would be needed to serve all schools. However, these data include the 144 schools in 2018-19 that had waivers from the requirement to hire .5, 1 or 2 FTE library media specialists.

School Size	# of Schools in 2018-19	Required Library Media Specialists	Library Media Specialists Multiplied by # of Schools
Under 300	305	0.5	152.5
300-1,499	716	1.0	716
1,500 +	15	2.0	30
Totals	1,036		898.5

It is important to note that while the schools operating in 2018-19 required 898.5 library media specialists statewide (without considering any waivers from the library media specialist requirement), the matrix funded only about 812 library media specialists. Small districts tended to have schools that require more library media specialists than were funded, and large districts needed fewer library media specialists than were funded.

Districts	Funded	Average District Librarian Need Per 500 Students Based on 2018-19 Schools	Difference
Small (750 or Less)	0.85	1.25	-0.40
Medium (751-5,000)	0.85	1.08	-0.23
Large (5,001+)	0.85	0.79	+0.06

That said, foundation funding is provided on a per-student basis—rather than on existing school configurations. This provides a built-in incentive for districts to configure schools as efficiently as possible.

In their final report of the 2018 Adequacy Study, the Education Committees recommended increasing the per-student foundation funding rate for library media specialists by 2% for FY20 and

2% for FY21, based on the salary increase for teachers in the matrix. Act 67 of 2019 increased the per-student foundation funding rate to include the following amounts for library media specialists:

	2020	2021
Per-Student Rate	\$114.12	\$116.40
% Change	2%	2%

DISTRICT AND CHARTER SCHOOL STAFFING AND EXPENDITURES

Districts used foundation funding to employ .87 FTE library media specialists per 500 students in 2018-19, while charter schools employed .08 FTEs. The lower staffing number for charter schools reflects the fact that most charter schools have waivers from the library media specialist staffing requirement. The district staffing number is slightly higher than the staffing level established in the matrix. The following table compares the matrix FTE for library media specialists with the average number of FTEs paid using foundation funds for all districts and charter schools.

Library Media Specialists			
	Matrix FTE Number Per 500	Districts: Foundation Paid Staff Per 500	Charters: Foundation Paid Staff Per 500
2018-19	0.85	0.87	0.08

Districts paid library media specialists a salary that was, on average, nearly \$2,900 more than the salary provided in the matrix. This average is calculated using expenditures from all funding sources, not just foundation funding.

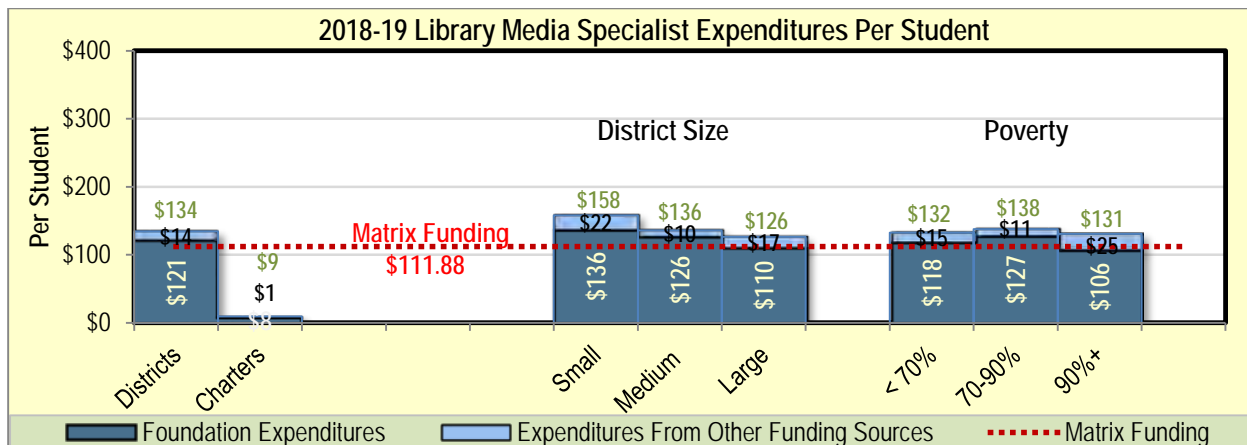
	Salary in the Matrix	Statewide Actual Average Salary*
Library/Media Specialist	\$52,386	\$55,271

*Calculated using all funding sources.

In 2018-19, districts and charter schools statewide spent about \$55.7 million from foundation funding on library media specialists. This equates to about \$117 per student, or about \$5 per student more than the matrix amount.

Library Media Specialists: Foundation Funding and Expenditures		
	Funding	Expenditures
2017-18	\$52,465,793	\$55,778,126
2017-19	\$53,433,397	\$55,714,960

The following chart compares the per-student spending of traditional school districts and charter schools for library media specialists. It also compares districts' per-student spending based on district size and poverty level.



This line of the matrix is one where a high number of districts and charter schools have waivers from accreditation standards and state laws. Open-enrollment charter schools spent a total of just \$9 per student on library media specialists, well under the amount provided in the matrix. This is primarily due to the fact that 24 of the 25 open-enrollment charter schools had waivers from the accreditation standard requiring a library media specialist (4-F.2). Just four open enrollment charter schools employed any library media specialist FTEs. Forty-three districts (18%) had waivers from the library media specialist staffing accreditation standard. Still, all but 16 of these districts had total library media specialist expenditures per student above the foundation funding level of \$111.88 per student. Districts and charter schools appear to be using this waiver differently. Charter schools generally use the waiver to avoid hiring any library media specialists, while districts appear to use the waiver to hire fewer library media specialist FTEs than the standards require.

Additionally all charter schools had a waiver from the accreditation requiring schools to hire library media specialists who meet licensure requirements (4-F.1). Sixty-seven school districts (nearly 29%) had one or more schools with a waiver from the licensure requirement.

The following table provides the differences in spending and staffing patterns in districts and charter schools with waivers from the two accreditation standards regarding library media specialists and the spending and staffing patterns of those without waivers. The table examines average library media specialist salaries, per-student expenditures for library media specialists, and total library media specialist FTEs per 500 students.

Librarian Licensure or FTE Requirement	Average of District/Charter Average Librarian Salaries*	Average of District/Charter Per Student Librarian Expenditure	Librarian FTE Per 500 Students
With Waivers	\$50,267	\$106	0.86
Without Waivers	\$50,868	\$155	1.23

*Salary averages do not include districts and charter schools with no library media specialists and therefore no average salaries.

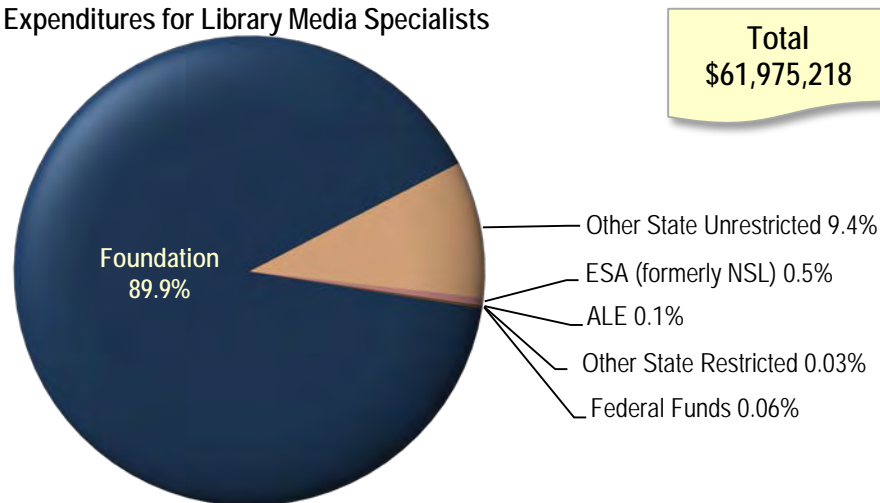
Smaller districts spent more for library media specialists than large districts, which may be due to economies of scale. Even though large districts paid library media specialists higher salaries than smaller districts, their student population allowed them to employ fewer library media specialists per 500 students.

FTEs and Salaries From All Funding Sources	Librarians Per 500 Students	Average Library Media Specialist Salary
Type		
District	0.97	\$55,320
Charter	0.09	\$41,453
Size (Districts only)		
Small	1.34	\$47,110
Medium	1.03	\$52,803
Large	0.80	\$62,980
Poverty Level (Districts only)		
Low	0.94	\$56,517
Medium	1.02	\$53,865
High	1.08	\$48,280

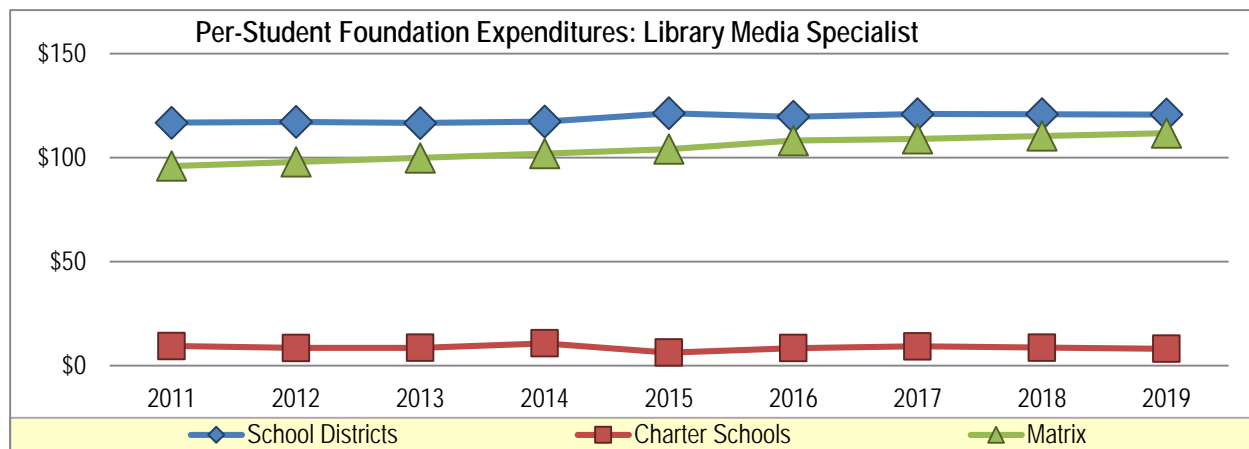
There was little difference in per-student spending among districts based on poverty.

The following pie chart shows the proportion of each funding type used to cover all expenditures for library media specialists. Districts and charter schools used foundation funding for about 90% of their total expenditures for library media specialists.

2018-19 Expenditures for Library Media Specialists



The following graph shows the per-student expenditures for library media specialists from foundation funding between 2011 and 2019. Districts have historically spent more from foundation funding than the matrix provided. The gap between the funding amount and the expenditure amount has narrowed beginning in 2016, in part, due to the fact that the matrix level increased when the number of funded library media specialists increased from .825 to .85. Charter schools have historically spent well below the matrix level for library media specialists largely because most charters do not employ library media specialists.



STATE RANKING: STAFFING

NCES provides data on the number of librarians and library support staff in each state. The most recent data available for all states are from 2017-18. According to the NCES data, Arkansas had a total of .96 FTE librarians per 500 students in 2017-18, compared with .42 librarians nationally. Arkansas had .17 library support staff per 500 students compared with .24 library support staff nationally. (The enrollment data used to calculate the library staff per 500 students include pre-K students who have been excluded from the BLR’s foundation funding analysis elsewhere in this report.)

Compared with all other states, Arkansas had the 3rd highest number of librarians for its student population. This high ranking may be related to the state requirement that schools employ a librarian. Arkansas is one of 19 states that have such a requirement, according to a compilation of

state school library policies, last updated in December 2019.²² Some of the states that require districts to employ librarians do not specify a librarian-to-student ratio; some require only that districts *have* a librarian or that a librarian oversees districts’ library media programs.

	Number of Librarians	Number of Library Support Staff
National Average	0.42 per 500 students	0.24 per 500 students
Arkansas	0.96 per 500 students	0.17 per 500 students

	Librarians: Arkansas’s Rank	Library Support Staff: Arkansas’s Rank
All States and Washington D.C. (51, 49*)	3 rd highest	32 nd highest
SREB States (16)	1 st	7 th highest
Surrounding States (7, including AR)	1 st	3 rd highest

*Data for library support staff were not available for two states, California and Montana.

Nationally the number of school librarians has decreased about 22% from 2007-08 to 2017-18, a decrease of about 11,800 full-time school librarians. Although the numbers of librarians in Arkansas has increased and decreased over the last 11 years, according to the NCES data, Arkansas did not experience nearly the decline in librarians that the nation as a whole experienced. The number of Arkansas librarian FTEs in 2017-18 is less than 1% lower than in 2007-08.

	Decrease in total FTEs between 2007-08 and 2017-18	
	Arkansas	U.S.
Librarians	-0.7	-27.7%
Librarian Support Staff	-43.6%	-39.5%

COUNSELORS, NURSES, AND OTHER PUPIL SUPPORT

This line of the matrix provides funding for guidance counselors, nurses, and other pupil support staff, such as speech therapists, social workers, psychologists, and family outreach workers.

Until 2019, state statute required all districts to develop and implement a plan describing how individual student services would be coordinated and provided (§ 6-18-1004). Districts’ “student services program” were to include guidance counseling services, psychological services, social work services, career services and health services. Act 190 of 2019 repealed this statute and replaced the required student services program with a required “comprehensive school counseling program.” A comprehensive school counseling program “ensures student services are coordinated in a manner that provides comprehensive support to all students” (§ 6-18-2003(a)(1)).

Until the passage of Act 190, DESE was required to annually compile a report on districts’ compliance with statutory school services program requirements. (Act 190 repealed this reporting requirement.) According to DESE’s 2018 Public School Student Services Program Annual Report (published January 1, 2019), all but nine of the 1,439 reports submitted (99.38%) reported having a written student services plan for their school building.

The matrix establishes a staffing level of 2.5 FTEs for counselors, nurses and other pupil support. This includes 1.11 FTEs for a counselor, 0.67 FTEs for a nurse and 0.72 FTEs for other student services.

	FTEs in the Matrix
Counselors	1.11
Nurses	.67
Other Pupil Support Staff	.72
Total	2.50

²² Pennsylvania School Library Project, Requirements for School Librarians: A State-by-State Summary, December 9, 2019, https://paschoollibraryproject.org/ld.php?content_id=39592856

COUNSELORS

A guidance counselor is a master's-level certified staff member responsible for a wide variety of activities. According to state law (§ 6-18-2004), guidance and counseling services include:

- Intervening with students at risk of dropping out
- Following up with high school graduates
- Providing orientation programs for new students
- Providing academic advisement services
- Providing a career planning process
- Providing social and emotional skills that support students and
- Serving on decision-making teams, such as response to intervention teams and English language learner programs

In 2018-19, 50 school districts (21%) had at least one teacher serving as a guidance counselor who was not fully licensed for that position. These individuals were on an additional licensure plan (ALP) while they pursued their endorsement for school counseling.

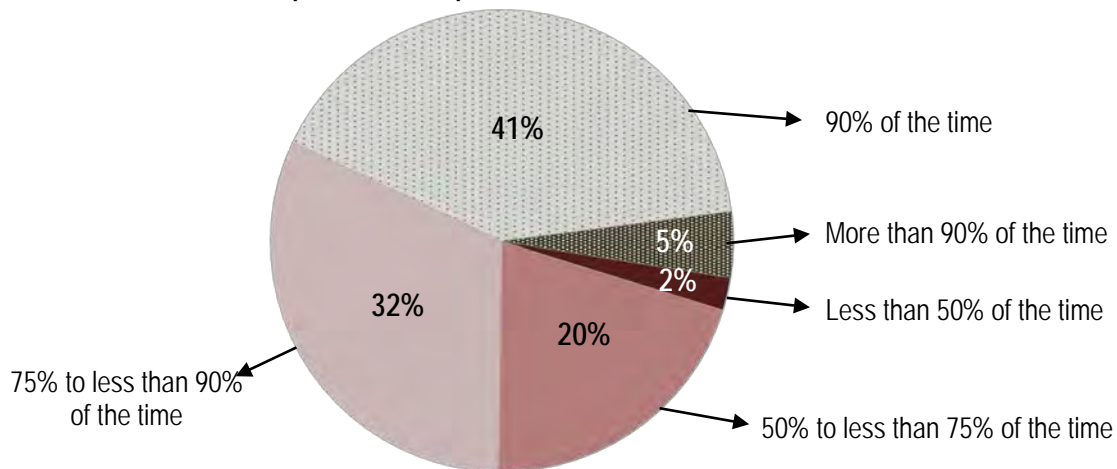
State accreditation standards require districts to have at least one counselor for every 450 students, which equates to approximately 1.11 FTEs per 500 students (4-E.2). According to the January 1, 2019, Student Services Program report, there were 1,331 school counselors in the state in 2017-18. The report indicates that 169 counselors reported being assigned to more than 450 students. Of those 169 counselors, 16 reported having more than 600 students. Though some counselors are assigned more than 450 students, their districts still may be in compliance with the accreditation standards if the district as a whole meets the 450 to 1 student-to-counselor ratio or if the district has a waiver from the ratio standard.

State law also limits the amount of time guidance counselors can spend on administrative functions. Prior to the 2019-20 school year, state law required guidance counselors spend at least 75% of their work time each month providing “direct counseling related to students” and prohibited them from spending more than 25% of their time each month on “administrative activities” [previously, § 6-18-1005 (b)]. Act 190 of 2019 further limited the time guidance counselors spend on administrative duties to 10% of their time during student contact days. The Student Services Program report, published before the passage of Act 190, noted that 24 counselors reported to DESE that they spent less than 75% of their time providing direct counseling, the minimum amount required in 2017-18. The report notes that the counselor survey used to collect information for the report was conducted before districts administered state assessments, which typically consumes significant amounts of counselors’ time. The report noted, “Many counselors are district and/or building test coordinators and spend a great deal of time scheduling, training, and preparing technology for assessments.” The report also notes that counselors are also assigned “supplementary non-counseling duties such as coordinating 504 and Response to Intervention (RTI) programs, inputting APSCN data, building master schedules and other clerical duties.”

Act 190 now requires guidance counselors to spend at least 90% of their “working time during student contact days providing direct and indirect services to students” and no more than 10% of their time on administrative activities. Administrative activities include coordinating state assessments, developing master schedules, and coordinating staff teams, such as English language learner placement teams and RTI teams.

In BLR’s teacher survey, guidance counselors were asked to estimate the amount of time they anticipate spending on administrative activities and on providing services to students in 2019-20, the first year the 90/10 requirement will be in effect. A total of 44 guidance counselors responded to this question. Of those respondents, less than half anticipated that they would meet the 90/10 requirement.

Anticipated Time Spent on Student Services



BACKGROUND: COUNSELORS IN THE MATRIX

The matrix provides funding for 1.11 FTE guidance counselors for every 500 students. Like most school-level staff, the cost of each FTE guidance counselor in the matrix is calculated using the teacher salary of \$65,811 for 2018-19 (base salary of \$52,386). For 1.11 guidance counselors, the matrix provides \$73,055 for every 500 students or \$146.11 per student.

This staffing level is based on the recommendation of the General Assembly’s consultants in 2003, with an adjustment based on the state’s accreditation standards. In 2003, Picus and Associates recommended one pupil support staff for every 100 students eligible for free or reduced price lunch (FRL students). They argued that pupil support should increase or decrease with the level of poverty in the population. The consultants also recommended one counselor for every 500 middle school students and two counselors for every 500 high school students. For elementary schools, the consultants did not recommend any additional counselors beyond the pupil support staff based on FRL students.

The General Assembly elected to create a separate source of funding based on the number of FRL students (NSL funding, now known as ESA) and authorized districts to use this funding to provide certain pupil support services, including counselors. The General Assembly also opted to provide student support services through the matrix. They established a matrix staffing level for counselors based on the state accreditation standards (4-E.2), which require districts to have at least one counselor for every 450 students, or approximately 1.11 FTEs per 500 students.

In 2006, when Picus and Associates were rehired, they endorsed the staffing levels set for pupil support in the matrix, which included 1.11 counselors, but they also recommended enhancing ESA funding with an additional 1.0 FTE for additional pupil support services staff for every 100 FRL students. The General Assembly decided against implementing this recommendation because the Adequacy Study Oversight Subcommittee found that “funds received by school districts through state foundation funding aid and categorical funding for [FRL] students is adequate, when school districts spend those funds efficiently.”²³ The staffing level for guidance counselors has remained at 1.11 since it was originally established.

²³ Adequacy Study Oversight Subcommittee (2006). “A Report on Legislative Hearings For the 2006 Interim Study on Educational Adequacy, adopted by the House and Senate Education.”

In their final report of the 2018 Adequacy Study, the Education Committees recommended increasing the per-student foundation funding rate for guidance counselors by 2% for FY20 and 2% for FY21, based on the salary increase for teachers in the matrix. Act 667 of 2019 increased the per-student foundation funding rate to include the following amounts for guidance counselors:

	2020	2021
Per-Student Rate	\$149.02	\$152.00
% Change	2%	2%

DISTRICT AND CHARTER SCHOOL STAFFING AND EXPENDITURES

On average, districts use foundation funding to employ 1.16 FTE guidance counselors per 500 students. This staffing level is slightly more than the staffing level established in the matrix. Charter schools employed fewer counselors per 500 students largely due to the fact that many charter schools have waivers from the counselor accreditation standard. The following tables compare the matrix staffing level for counselors with the average foundation funded FTEs for all districts and charter schools.

Guidance Counselors			
	Matrix FTE Number Per 500	Districts: Foundation Paid Staff Per 500	Charters: Foundation Paid Staff Per 500
2018-19	1.11	1.16	0.61

Districts paid guidance counselors a salary that was, on average, nearly \$5,800 more than the salary provided in the matrix. This average is calculated using expenditures from all funding sources, not just foundation funding.

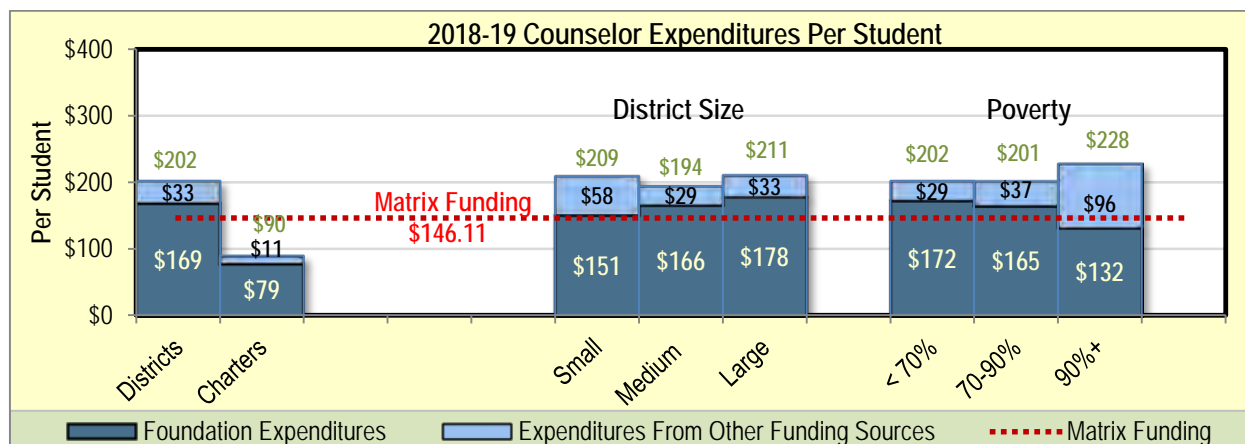
	Salary in the Matrix	Statewide Actual Average Salary*
Guidance Counselor	\$52,386	\$58,184

*Calculated using all funding sources.

In 2018-19, districts and charter schools statewide spent about \$79 million from foundation funding on counselors. This equates to about \$166 per student.

Counselors: Foundation Funding and Expenditures		
	Funding	Expenditures
2017-18	\$68,514,154	\$78,064,534
2018-19	\$69,781,495	\$79,044,045

The following chart compares the per-student spending of traditional school districts and charter schools for guidance counselors. It also compares districts’ per-student spending based on district size and poverty level.



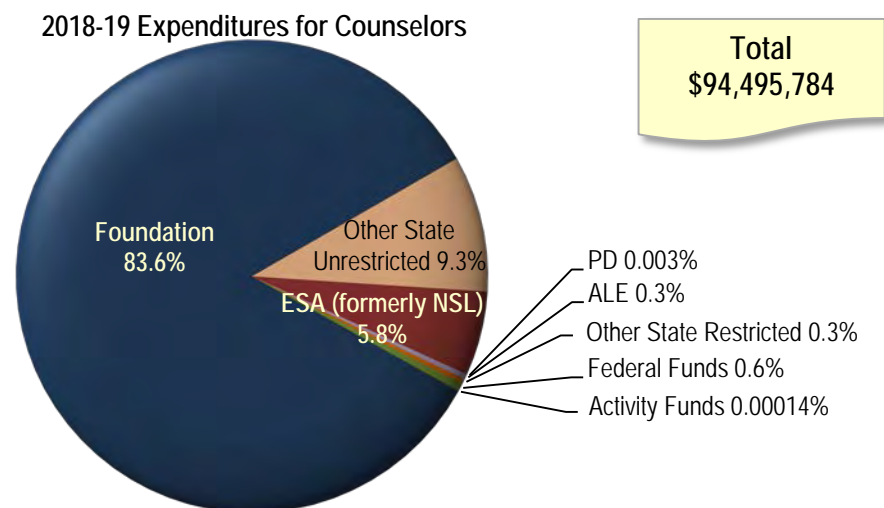
On a per-student basis, districts spent about \$169 per student from foundation funding on guidance counselors in 2018-19, or about \$23 more per student than the matrix provides. That may be due, in part, to the fact that districts pay counselors salaries that are higher than the salary provided in the matrix. Charter schools spent \$79 per student from foundation funding—well below the matrix amount. This may be due to the fact that 23 of the 25 charter school systems operating in 2018-19 had one or more schools with waivers from the guidance counselor-to-student ratio accreditation standard (4-E.2). Nine school districts had one or more schools with a waiver. In total, 64 individual schools had waivers from the counselor-to-student ratio. Additionally, all 25 charter school systems had waivers from the accreditation standard requiring guidance counselors to be appropriately licensed (4-E.1). Sixty school districts (just over 25%) of school districts had one or more schools with these licensure waivers for counselors.

While larger districts spent more foundation funding per student than smaller districts, the differences in overall spending (from all funding sources) were negligible. While small districts employed more staff per student, large districts paid higher salaries, which evened out overall spending.

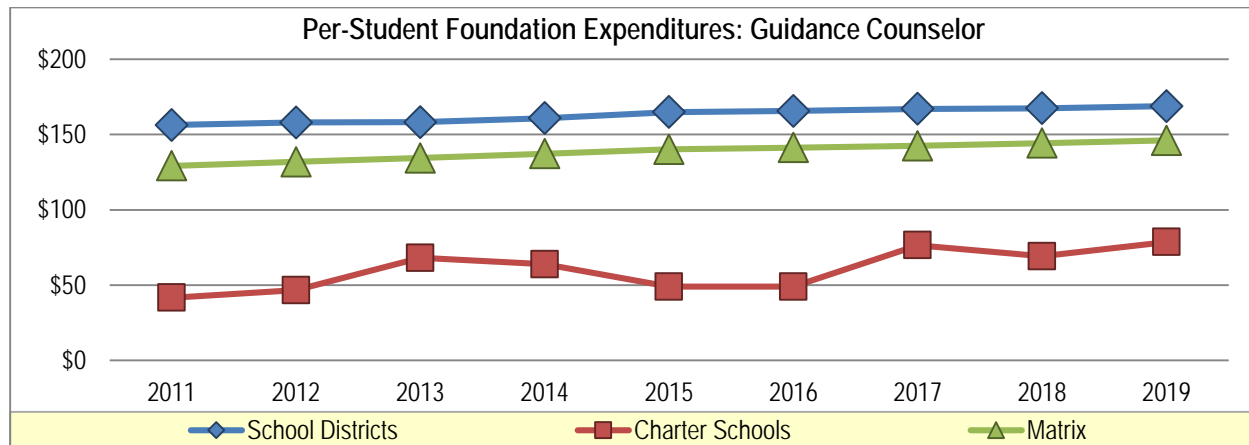
FTEs and Salaries From All Funding Sources	Counselors Per 500 Students	Average Counselor Salary
Type		
District	1.37	\$58,320
Charter	0.62	\$50,313
Size (Districts only)		
Small	1.64	\$50,422
Medium	1.38	\$55,683
Large	1.29	\$64,536
Poverty Level (Districts only)		
Low	1.35	\$59,456
Medium	1.40	\$56,690
High	1.59	\$56,185

Low-poverty districts tended to pay more per student in foundation funding for guidance counselors than high-poverty districts, but high-poverty districts spent more on counselors from all funding sources. This results from the fact that high poverty districts use other funding sources, such as ESA state categorical funds, to employ some counselors. DESE rules prohibit districts and charters from using ESA funding to meet the accreditation standards, but they may use the funding to supplement their expenditures for guidance counselors, once the accreditation standards have been met. (Rules Governing the Distribution of Student Special Needs Funding, 6.06)

The following pie chart shows the proportion of each funding type used to cover all expenditures for guidance counselors. Districts used foundation funding to cover nearly 84% of their total expenditures for guidance counselors in 2018-19.



The following graph shows the per-student expenditures for guidance counselors from foundation funding between 2011 and 2019. Traditional districts consistently spent more than what the matrix provides, while charter schools spent far less than the matrix level.



STATE RANKING: STAFFING

NCES provides data on the number of guidance counselors in each state. The most recent data available for all states are from 2017-18. According to the NCES data, Arkansas had a total of 1.3 guidance counselors per 500 students in 2017-18, compared with 1.13 guidance counselors nationally. (The enrollment data used to calculate the guidance counselors per 500 students include pre-K students who have been excluded from the BLR’s foundation funding analysis elsewhere in this report.)

Number of Guidance Counselors	
National Average	1.13 per 500 students
Arkansas	1.30 per 500 students

	Guidance Counselors: Arkansas’s Rank
All States and Washington D.C. (51)	20 th highest
SREB States (16)	7 th highest
Surrounding States (7, including AR)	3 rd highest

MENTAL HEALTH IN SCHOOLS

Educators in Arkansas have expressed increasing concern about student mental health issues as they say they are seeing higher numbers of students needing services. The mental health resources schools and students need are hard to measure using school expenditures since only a small amount of therapeutic services are paid for by schools and districts.

	2018-19 Statewide School Expenditure
Psychological Services	\$4,769,472
Psychological Services Supervision	\$2,449,810
Psychological Counseling	\$77,755
Psychotherapy	\$131,904
Behavior Support Specialist	\$847,648
Other Psychological Services	\$120,570
School-Based Mental Health	\$1,534,500

The Division of Elementary and Secondary Education recommends districts have one mental health therapist to serve every 500 students.²⁴ To find out the number of therapists serving Arkansas schools, the BLR requested information through its survey of superintendents.

Superintendent Survey Question: In 2018-19, how many mental health therapist FTEs regularly worked in your district’s schools, including both employee and non-employee therapists.... Therapists include school psychology specialists, psychologists, licensed associate counselors, licensed professional counselors, and psychiatrists. Do not include school guidance counselors. Do not include licensed psychological examiners or licensed educational examiners unless they provide therapy services; then count only the amount of time they spend providing therapy services.

The survey also asked respondents to specify how many of the FTEs were employees and how many were employees of an outside agency (e.g., Ozark Guidance, Counseling Associates). Districts reported about 890 mental health FTE therapists working in their schools, with the vast majority being employed by an outside agency.

	Total FTE Therapists
School employees	85
Outside agency employees	805

Statewide, 121 districts and charter school systems (about 47% of respondents) reported having enough therapists to meet the recommended threshold of 500 students to 1 therapist. Forty-four districts and charter school systems reported having no mental health therapists working in their schools. However, four of those districts provided a clarifying note indicating that they do have outside therapists who come to their schools to serve their patients at the school. A greater percentage of small and high poverty districts reported having enough therapists to meet the recommended ratio compared with larger districts and those with lower poverty levels.

	Districts With No Therapists	Districts That Do Not Meet Recommended Ratio	Districts That Meet Recommended Ratio	% That Meet Recommended Ratio
Type				
Districts	37	87	111	47%
Charters	7	7	10	42%
Size (Districts only)				
Small	14	23	45	55%
Medium	22	53	62	45%
Large	1	11	4	25%
Poverty Level (Districts only)				
Low	17	45	51	45%
Medium	17	41	54	48%
High	3	1	6	60%

During BLR’s school site visits, many principals mentioned an increase in the mental health needs of students and the need for more resources to deal with the issue. Some schools mentioned having mental health professionals on staff, but most said they rely on outside mental health agencies to provide services to students who need them. Because of that reliance, principals frequently mentioned the spillover effect of changes in Medicaid policies and changes in ownership of the mental health agencies serving the schools. Several principals mentioned high turnover among the mental health therapists serving their school through outside agencies. And a few

²⁴ DESE, School-Based Mental Health Certification Manual, http://dese.ade.arkansas.gov/public/userfiles/Learning_Services/School_Health_Services/FINAL_2018_School_Based_Mental_Health_Guidelines.docx
http://dese.ade.arkansas.gov/public/userfiles/Learning_Services/School_Health_Services/SBMH_Manual_June2012.pdf

principals mentioned that there are not enough therapists in their area to adequately serve all the students who need help.

One principal noted that a day treatment center in the community closed a few years ago after a change in Medicaid policy. Previously students with extreme behavior issues attended the day treatment center, rather than public school, and received services there until they could reenter public school. When the day treatment center closed, students receiving services returned to public school. “My [students’] behaviors here intensified dramatically,” the principal said. She said the therapist working at the school reminds her, “We’re running a day treatment here, that’s how intense and severe these behaviors are.”

Another principal noted that student poverty often complicates the school’s ability to get students the help they need. “When I have a student in crisis, there’s not a lot of choices there because we are dealing with low economic families that literally do not have the gas money to get to [treatment]. So our route is to tell them to go to the emergency room, and they’re transported by ambulance.”

Several principals said school staff are not adequately trained to address the mental health needs of their students. They expressed the need for more professional development in this area. “I’ve probably had more training than anyone here—I’m older—and I’m not equipped to deal with some of these students, so how can I expect a first-year teacher—or even a 10-year teacher to [handle these students]? They went to school to teach English. They don’t know how to deal with these children...We’re not trained.”

Other principals emphasized that guidance counselors are not trained mental health therapists. “They are not qualified” for that, said one high school principal. “That is outside their skill set. High school counselors are doing transcripts. They’re looking at their courses. They’re making sure they’re graduating....They’re trying to get scholarships for them. They’re doing scheduling. That is the stuff they’re doing. When [a student] break[s] up with their boyfriend and they’re crying, OK, we can handle that. But when they try to commit suicide three times, we don’t know what to do with that.”

One principal noted that the change in statute requiring guidance counselors to spend 90% of their time on student services is changing guidance counselors’ roles. “I think it’s important. I think our counselors need to spend more time on mental health, but I also think they need significant training. They’re going from a primarily desk, paper job of being a counselor and switching their role now to a mental health role.”

To find out more about how mental health services are provided in schools, the BLR asked principals during school site visits how well they’re meeting the mental health needs of their students. Most of the principals said their guidance counselor addresses some mental health needs, but they mostly rely on mental health providers in their community to provide ongoing services in their school to students who need it. Some schools reported having a formal Memorandum of Understanding (MOU) with particular mental health agencies that require case workers and/or therapists to be in the school a specified number of days per week, while others informally allowed the agencies to come to the school during the school day to see their existing patients. Some formal agreements specify that the school will provide office space where students can be seen, while others don’t provide an official space for therapy sessions, but allow therapy sessions to take place where space is available.

While a handful of schools said their district pays for a staff mental health therapist or a student services coordinator, most schools reported that the school is not involved in the payment for mental health services. Instead most outside mental health providers bill students’ insurance for the services they provide. Several schools noted that, in their school, providers can see students on Medicaid or ARKids, but privately insured students cannot be seen in the school setting. For some insurers this may be a policy they have with providers. One private insurer indicated that its policy notes that a school is not an allowable service setting for mental health providers with which it

contracts (with some exceptions).²⁵ Additionally, private insurance may require additional administrative hassles for providers that cause them to avoid seeing privately insured patients.²⁶

Principals also noted that students frequently don't receive the help they need because parents do not complete the parental consent paperwork. Often parents decline to consent to their child receiving services because of the costs they would incur, such as co-pays and deductibles. Some schools said their MOU with mental health providers requires the provider to see all students regardless of their ability to pay or requires the provider to provide a specified percentage of charity care.

NURSES

School nurses assess the health of students, deliver emergency care, administer medication and vaccines, perform health care procedures, and provide required health screenings.

Until the 2019 legislative session, state statute required districts to provide health services as part of their student services program [formerly, § 6-18-1005(a)(6)]. Act 190 of 2019 eliminated this statute and replaced it with the School Counseling Improvement Act, which established requirements for coordinating the provision of student services generally, though made no specific mention of health services. However, DESE accreditation standards still require that school districts provide a health services program under the direction of a licensed registered nurse" (2-E.1) and that schools and districts "maintain appropriate materials and expertise to reasonably ensure the safety of students, employees and visitors" (2-E.2).

State statute requires districts to have at least one nurse per 750 students (§ 6-18-706(c)(1)). The law also notes that districts with "a high concentration of children with disabling conditions as determined by the State Board of Education" "should" have a nurse-to-student requirement of 1:400. In districts that "provide a center for profoundly disabled students," the ratio "should" be 1:125. [§ 6-18-706(c)(2) and (3)].

However, the law also includes a provision that makes these requirements effective "only upon the availability of state funds" (§ 6-18-706(e)(1)). DESE has long held the legal interpretation that funding was never made available for school nurses and therefore the nurse staffing levels were not a requirement. In 2016, the Attorney General agreed, opining "the mere existence of foundation funding does not mean that funds are 'available' under subsection 6-18-706(e). ... If the mere existence of foundation funding were sufficient to automatically trigger the ratio requirements of section 6-18-706, then the triggering provision would be superfluous, as there is always some foundation funding in each year. ... No school is required to spend foundation funding on school nurses. So we must conclude that foundation funding is not 'available' so as to trigger the ratios under section 6-18-706."²⁷

Despite the fact that the student-to-nurse ratios are not enforced, most school districts did meet the statutory staffing level based on their enrollment for 2018-19. Only 16 districts and 11 charter schools employed fewer nurses than the statutory level (not including nurses hired as contractors). Of those, all but two charter schools were off by less than 1 FTE, and those two charter schools were virtual schools that did not employ any nurses.

Act 935 of 2015 required districts to begin reporting the number of students with varying degrees of health concerns as defined in the following table. In 2018-19, .01% of students were considered nursing dependent, 1% were medically fragile, and 4% were considered medically complex. Act 935 establishes nurse-to-student ratios for each acuity level for annual reporting purposes, but does not require districts to adhere to them. Additionally, the nurse-to-student ratios included in the definitions of the acuity levels are different from the nurse-to-student ratios as defined in the state

²⁵ Greenwood, M., Arkansas Blue Cross Blue Shield, Feb. 26, 2020 phone call.

²⁶ Kindall, B., Division of Elementary and Secondary Education, Feb. 21, 2020 email.

²⁷ Arkansas Attorney General Opinion 2016-028

statute defining the nurse to student ratios that districts should have (§ 6-18-706). At these levels, 82 districts and charter schools would need to employ more school nurses (not including five open enrollment charter schools that did not report the health acuity level of their students and two school districts that reported acuity levels for more than twice as many students as they had enrolled in 2018-19). To meet the nurse-to-student ratios suggested by districts’ student health acuity levels, those 82 districts would need to hire, on average, about one additional nurse.

Acuity Level/ Nurse-to- Student Ratio	Definition	Number of Students and % of Total
Level 1 1:750	No healthcare concerns identified. The student’s physical and/or social-emotional condition is stable and sees the nurse at least once a year for screening and occasionally as needed.	409,186 87% of all students
Level 2 1:400	Health concerns require an Individualized Healthcare Plan (IHP). The student’s physical and/or social-emotional condition is currently uncomplicated and predictable. Occasional monitoring varies from biweekly to annually. Examples of a level 2 would include students with ADHD, dental disease, or a feeding tube.	56,822 12% of all students
Level 3 1:225	Medically Complex: Students with a complex and/or unstable physical and/or social-emotional condition that requires daily treatments and close monitoring by a professional registered nurse. Example of level 3 would include students with cancer, pregnancy, and moderate to severe asthma.	20,735 4% of all students
Level 4 1:125	Medically Fragile: Students with complex health care needs in this category face daily the possibility of a life-threatening emergency requiring the skill and judgment of a professional nurse. An individual health care plan of nursing care developed by a registered nurse must be complete, current, and available at all times to personnel in contact with these children. Example of level 4 would be students with severe seizures or tracheostomy with suctioning.	3,819, 1% of all students
Level 5 1:1	Nursing Dependent: Nursing dependent students require 24 hours/day, frequently one-to-one, skilled nursing care for survival. Many are dependent on technological devices for breathing, and/or for continuous nursing assessment and intervention. Example of level 5 is student on a respirator.	62 .01% of all students

Source: Definitions are those provided in the Statewide Information System (SIS) Handbook, 2018-19, p. 100 and 101

Note: The data above exclude five open enrollment charter schools that did not report the health acuity level of their students and two school districts that reported acuity levels for more than twice as many students as they had enrolled in 2018-19.

To find out more about how health services are provided in schools, the BLR asked principals during school site visits how well they are meeting the health needs of their students. Most principals felt the school was adequately addressing the medical/physical needs of students. (For principals’ response on students’ mental health needs, see page 40.) Several principals noted that they have a full-time nurse on campus due to the particular health needs of current students, including diabetic and tube fed students.

A number of principals said they share a nurse with other schools. For some, that’s acceptable, and they are thankful for the time the nurse is able to be at their school. Others said they need a nurse on campus full time. Several mentioned a new State Board of Nursing guideline restricting the administration of controlled substances to nurses by prohibiting nurses from delegating that responsibility to other staff members.²⁸ DESE released a Commissioner’s memo that specified that while school nurses cannot delegate the responsibility of administering controlled medication to other staff, *parents* can.²⁹ DESE distributed a form schools can use to allow parents to authorize a particular school staff member to administer controlled medications to their child when the school nurse is not available. Still, some schools said this restriction causes challenges when they share a nurse with another campus. One school that shares its nurse with five other schools said the nurse is at the school about one hour per day, so that’s when all controlled medications must be administered.

²⁸ Arkansas State Board of Nursing, School Nurse Roles and Responsibilities, Practice Guidelines, July 2018.

²⁹ DESE, Commissioner Memo LS-19-006, Aug. 10, 2018.

BACKGROUND: SCHOOL NURSES IN THE MATRIX

The matrix provides funding for a .67 FTE nurse for every 500 students. Like most school-level staff, the cost of each FTE nurse in the matrix is calculated using the teacher salary of \$65,811 for 2018-19 (base salary of \$52,386). Districts and charter schools received \$44,095 for a school of 500 students, or \$88.19 per student.

This staffing level is based on the recommendation of the General Assembly’s consultants, with an adjustment based on the state’s accreditation standards. Picus and Associates’ 2003 report made no specific mention of school nurses, but their 2006 report noted that nurses had been included in their earlier recommendation for 1.0 FTE pupil support staff for every 100 FRL students. As mentioned previously, the General Assembly passed Act 59 of the Second Extraordinary Session of 2003, which adopted a foundation funding rate calculated to include a staffing level of 2.5 FTE pupil support services staff, including school nurses. That same session, the General Assembly also passed Act 67, which increased the number of required school nurses from 1 per 1,000 students to 1 per 750 students. However, the new law also added a provision making the statute effective “only upon the availability of state funds.”

In 2006, the Adequacy Study Oversight Subcommittee specified in its report that, of the 2.5 FTEs in the pupil support line of the matrix, .67 FTEs per 500 students are intended for nursing staff. Since 2006, the matrix has continued to fund .67 school nurses for every 500 students.

In their final report of the 2018 Adequacy Study, the Education Committees recommended increasing the per-student foundation funding rate for school nurses by 2% in FY20 and FY21 based on the salary increase for teachers in the matrix. Act 667 of 2019 increased the per-student foundation funding rate to include the following amounts for school nurses:

	2020	2021
Per-Student Rate	\$89.95	\$91.75
% Change	2%	2%

DISTRICT AND CHARTER SCHOOL STAFFING AND EXPENDITURES

On average, districts used foundation funding to employ .52 FTE nurses per 500 students, while charter schools employed .70 nurses per 500 students with foundation funding. The following table compares the matrix number for nurses with the average number of FTE nurses employed by districts and charter schools using foundation funding.

Nurses			
	Matrix FTE Number Per 500	Districts: Foundation Paid Staff Per 500	Charters: Foundation Paid Staff Per 500
2018-19	0.67	0.52	0.70

Districts paid nurses a salary that was, on average, nearly \$14,700 less than the salary provided in the matrix. This average is calculated using expenditures from all funding sources, not just foundation funding.

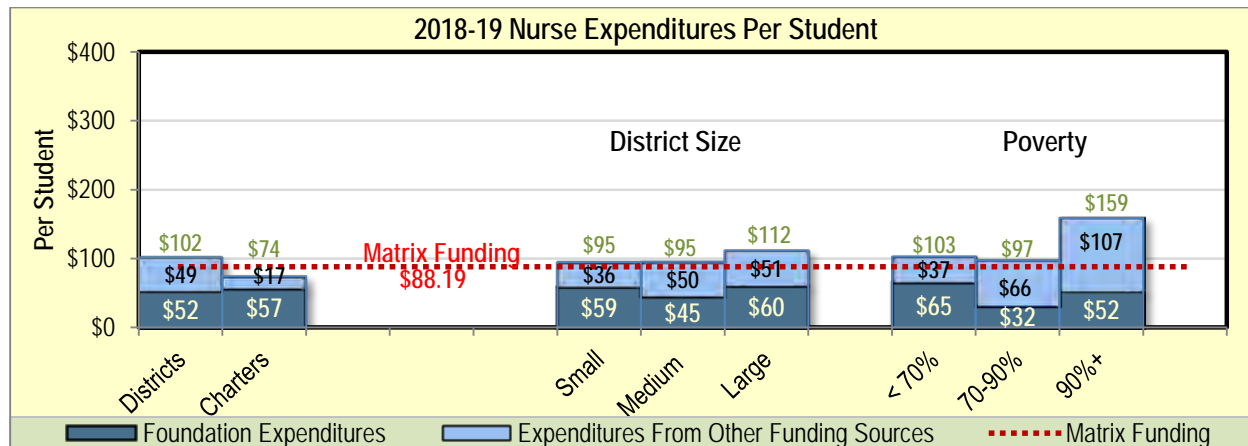
	Salary in the Matrix	Statewide Actual Average Salary*
Nurse	\$52,386	\$37,699

*Calculated using all funding sources.

In 2018-19, districts and charter schools statewide spent about \$25 million from foundation funding on nurses. This equates to about \$53 per student, or nearly \$35 less foundation funding per student than the matrix provides. Districts may have spent less foundation funding on nurses because they have other sources of funding to use for this purpose.

Nurses: Foundation Funding and Expenditures		
	Funding	Expenditures
2017-18	\$41,355,390	\$23,300,658
2018-19	\$42,119,157	\$25,080,273

The following chart compares the per-student spending of traditional school districts and charter schools for nurses. It also compares districts’ per-student spending based on district size and poverty level.



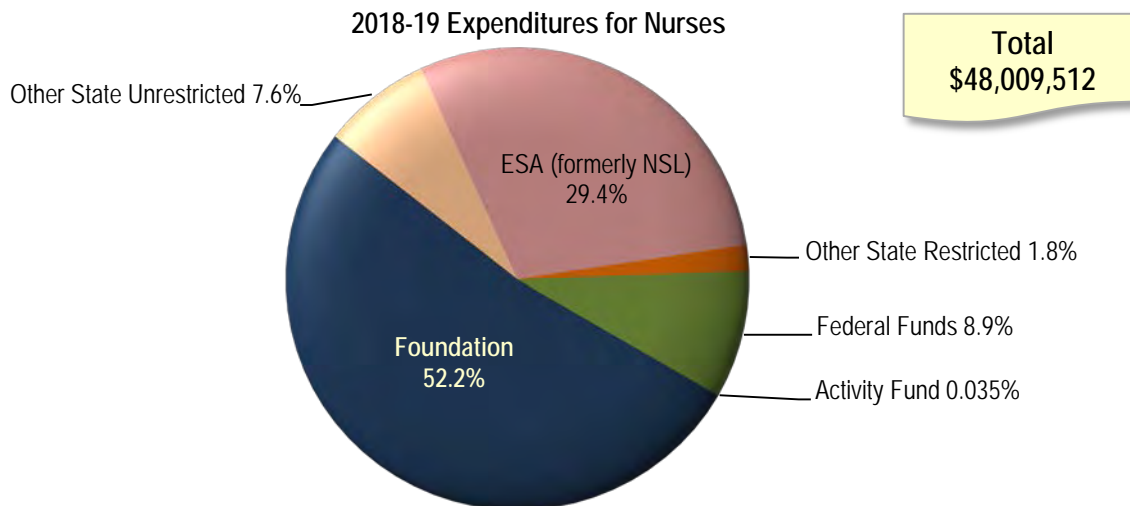
Charter schools spent more foundation funding per student on nurses compared with districts, but districts spent more total funding per student. Seventeen of the 25 charter school systems and five districts had one or more schools with a waiver from the nurse-to-student ratio in statute or from the health services program requirement in DESE’s accreditation standards (2-E.1). Despite these waivers, most charter schools recorded expenditures for school nurses. Only three of the 25 charter schools had no nurse expenditures at all. Five others had less than \$10,000 in health expenditures.

Small and large districts spent similar amounts of foundation funding per student, but large districts spent more overall from all funding sources. Despite the fact that large districts employed fewer nurses per 500 students, they had higher per-student expenditures than small districts because they paid significantly higher salaries.

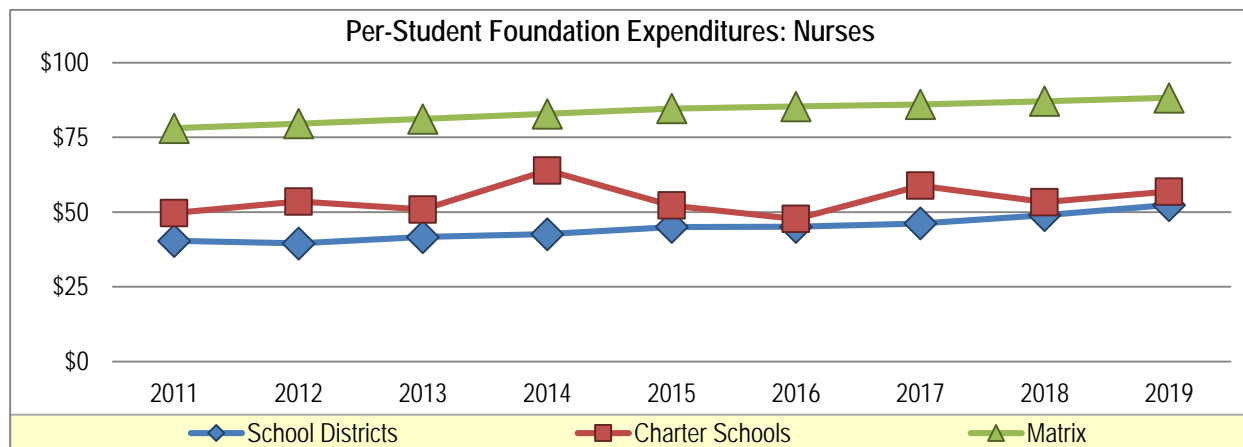
High poverty school districts had higher total nurse expenditures per student than lower poverty districts because they employ more nurses per student. High poverty districts receive more ESA state categorical funds than lower poverty districts, and the proportion of their nurse expenditures made using ESA funds is higher than lower poverty districts. High poverty districts use ESA funds to cover about 44% of their nurse expenditures, compared with 38% for the mid-level poverty districts and 21% for the lowest poverty districts.

FTEs and Salaries from All Funding Sources	Nurses Per 500 Students	Average Nurse Salary
Type		
District	0.97	\$37,681
Charter	0.74	\$38,317
Size (Districts only)		
Small	1.19	\$28,819
Medium	1.00	\$34,274
Large	0.89	\$45,640
Poverty Level (Districts only)		
Low	0.95	\$38,560
Medium	0.99	\$36,556
High	1.54	\$33,991
The nurses counted above do not include FTEs labeled as “health services”. Statewide districts reported employing about 48 health services FTEs with an average salary of \$35,565.		

The following pie chart shows the proportion of each funding type used to cover all nurse expenditures. Districts and charter schools used foundation funding to cover just 52% of their total expenditures for nurses. More than half of the districts used state ESA funding for this purpose, thereby reducing their reliance on foundation funding to employ nurses.



The following graph shows the per-student expenditures for school nurses from foundation funding between 2011 and 2019. Both districts and charter schools have historically spent less foundation funding for school nurses than they received through the matrix for that purpose. This reflects the availability of other sources of funding that can be used for school nurses.



OTHER PUPIL SUPPORT SERVICES

Other pupil support services include psychological services, social work services, speech pathology services and audiology services. While there are no specific state standards requiring these individual services, Arkansas accreditation standards do require school districts to “offer a full continuum of special education services as required by the Individuals with Disabilities Education Act” (2-F.2). Schools are required to provide some these services for special education students whose individualized education program (IEP) calls for them.

BACKGROUND: STUDENT SUPPORT SERVICES IN THE MATRIX

The matrix provides 0.72 FTE positions within the 2.5 pupil support services staff for student services personnel. This number is calculated as the remaining pupil support staff (from the 2.5 total pupil support staff), after accounting for 1.11 counselors and .67 school nurses.

Like most school-level staff, the cost of each FTE student support staff in the matrix is calculated using the teacher salary of \$65,811 for 2018-19 (base salary of \$52,386). For 0.72 FTE school support staff, the matrix provides a total of \$47,385 for every 500 students or \$94.77 per student.

In their final report of the 2018 Adequacy Study, the Education Committees recommended increasing the per-student foundation funding rate for pupil support personnel by 2% for FY20 and FY21, based on the salary increase for teachers in the matrix. Act 667 of 2019 increased the per-student foundation funding rate to include the following amounts for pupil support personnel:

	2020	2021
Per-Student Rate	\$96.66	\$98.60
% Change	2%	2%

DISTRICT AND CHARTER SCHOOL STAFFING AND EXPENDITURES

On average, districts used foundation funding to employ 0.3 FTE pupil support services per 500 students in 2018-19. This staffing level is less than half of the staffing level established in the matrix. The following table compares the matrix number for pupil support staff with the average staffing level for all districts.

Pupil Support Staff			
	Matrix FTE Number Per 500	Districts: Foundation Paid Staff Per 500	Charters: Foundation Paid Staff Per 500
2018-19	0.72	.30	.27

Some types of pupil support staff employed directly by districts and charter schools had an average salary above the salary in the matrix, while other staff had an average salary below the matrix level. This average is calculated using expenditures from all funding sources, not just foundation funding.

	Total FTEs Statewide	Salary in the Matrix	District/Charter Actual Average Salary
Certified Psychologist	150	\$52,386	\$60,590
Classified Psychological Services	37		\$53,590
Certified Attendance/Social Work Services	12		\$63,525
Classified Social Worker	116		\$37,265
Classified Attendance	45		\$30,614
Certified Speech Pathology/Audiology	122		\$55,553
Classified Speech Pathology/Audiology	53		\$48,731
Classified Physical and Occupational Therapy	126		\$68,073
Classified Parent Involvement	118		\$28,198
Classified School-based Mental Health	13		\$51,440
Other Support Services	30		\$19,172

In 2018-19, districts and charter schools collectively spent about \$29.6 million from foundation funding on other student support services. This equates to about \$62 per student, or about \$32 per student less than the matrix provides. Districts may have spent less foundation funding on student support services because they have other sources of funding to use for this purpose.

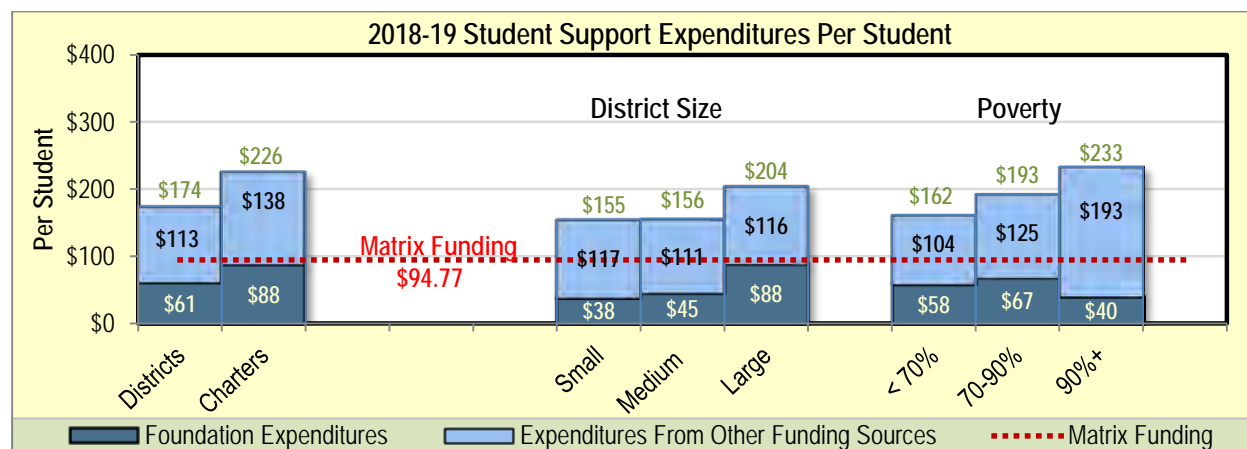
Other Pupil Support Services: Foundation Funding and Expenditures		
	Funding	Expenditures
2017-18	\$44,441,613	\$28,724,624
2018-19	\$45,261,736	\$29,625,667

Expenditures for student support services is one of the most rapidly increasing expenditures for districts and charters. Total student support expenditures from all funding sources increased from about \$61.7 million in 2011 to \$84.2 million in 2019, or 36%. That may be due to the increase in the proportion of special education students schools are serving. About three quarters of the student support expenditures are provided for special education students. The number of special education

students in all public schools increased 18% between 2011 and 2019, compared with a 2% increase in the total student population during that time. During the same timeframe, the student support services expenditures provided for non-special education students increased 9% between 2011 and 2019, compared with a 49% increase in the student support services expenditures for special education students.

	Increase in Total Enrollment	Increase in Students With Disabilities	Increase in NON-SPED student support services expenditures	Increase in SPED student support services expenditures
2011 to 2019	2%	18%	9%	49%

The following chart compares the per-student spending of traditional school districts and charter schools for student support services. It also compares districts’ per-student spending based on district size and poverty level.



Charter schools’ per-student expenditures for student support services exceeded that of school districts in both foundation funding expenditures and in total expenditures from all funding sources. Charter school expenditures outpaced those of school districts most significantly in speech pathology and audiology services.

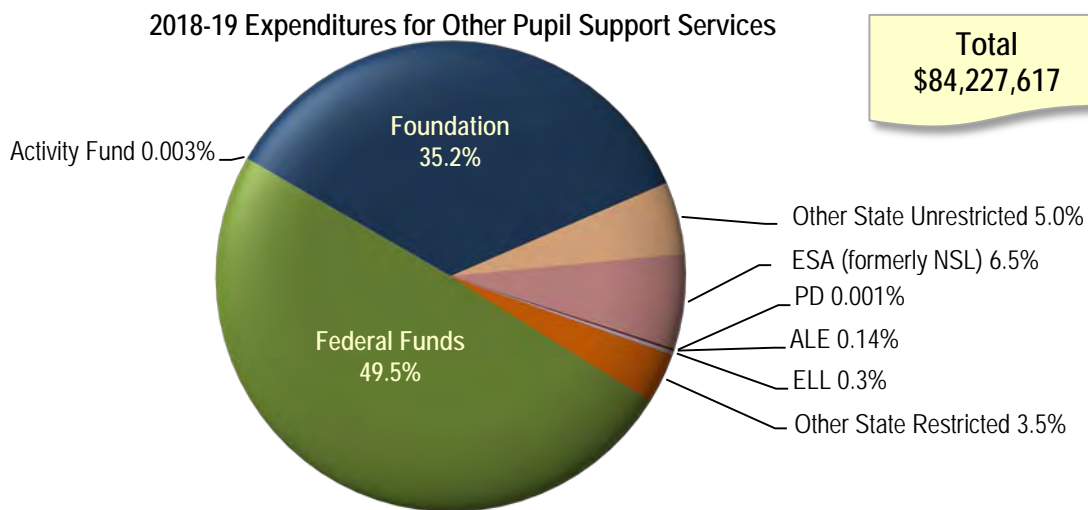
For student support services, large districts spent nearly 2.5 times the amount of foundation funding per student that small districts spent per student. Even considering overall spending (from all funding sources), large districts spent about 32% more per student than small districts.

Large districts tend to provide these services by directly employing professionals, while small districts rely much more heavily on contracting for the services. With greater student populations, large districts require enough services to make employing staff make fiscal sense. The following table shows the percentage of all student support expenditures (including those made with non-foundation funding) that are made employing staff directly and the percentage made contracting with outside providers.

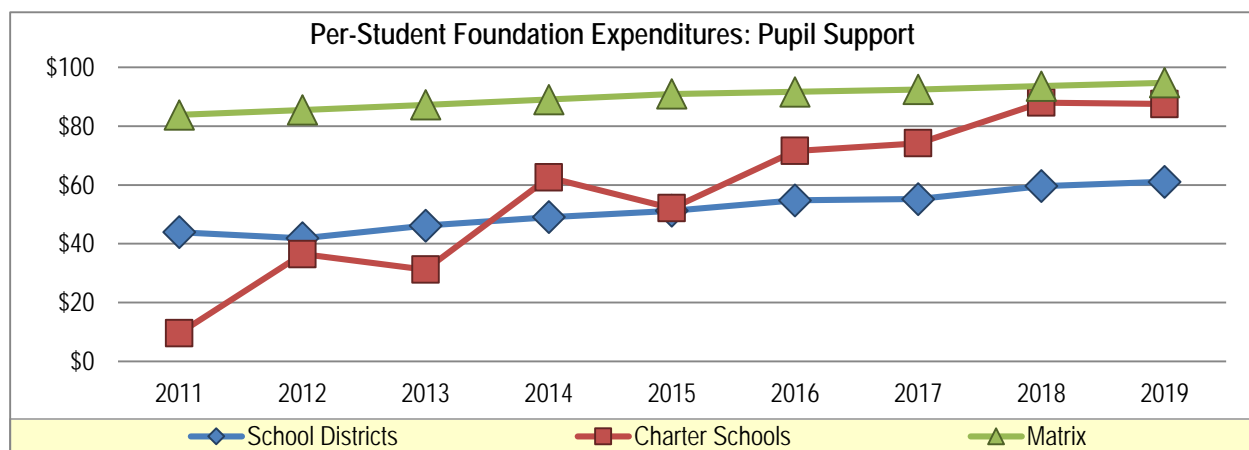
	Hire Employees Directly	Use Purchased Services	Total Student Support Expenditures
Small	31%	69%	100%
Medium	50%	50%	100%
Large	86%	14%	100%

High-poverty districts spend less foundation funding per student than either the low or medium poverty group, but high-poverty districts spent more total funding per student on student support services. High poverty districts may have spent less foundation funding because they had other sources of funds to use for this purpose.

The following pie chart shows the proportion of each funding type used to cover all pupil support expenditures. Districts and charter schools used foundation funding to cover just over a third of these expenditures. Districts used federal funds to cover nearly half of their student support expenditures.



The following graph shows the per-student expenditures for pupil support services from foundation funding between 2011 and 2019. Traditional school districts typically spent well below the matrix funding level, while charter schools’ per-student expenditures have increased significantly in recent years. This increase may reflect a rise in the enrollment of special education students in charter schools. Special education students made up about 5.4% of total charter school enrollment in 2011, compared with about 10.1% in 2019. The most significant increases in charter schools’ overall per-student expenditures (not just foundation funding expenditures) were for speech pathology services. The overall per-student expenditures (districts and charters) for speech pathology increased about 88% between 2011 and 2019. Overall, the largest total expenditure increase occurred in physical and occupational therapy, which increased from \$19 million in 2011 to \$28.5 million in 2019.



STATE RANKING: STAFFING AND EXPENDITURES

NCES provides data on the number of student support staff in each state. Under the NCES definition, employees who provide student support services are staff “whose activities are concerned with providing non-instructional services to students.” Staff in this category include attendance officers; staff providing health, psychology, speech pathology, audiology, or social services; as well as the supervisors of these employees and of transportation and food service workers. Student support staff may be most comparable to what this report has included as

Arkansas’s nurse and pupil support staff, although this NCES category include staff included in other components of the matrix (e.g., transportation supervisors are included in the transportation line of the matrix). The most recent data available for all states are from 2017-18. According to the NCES data, Arkansas had a total of 7.52 student support services staff per 500 students in 2017-18. (The enrollment data used to calculate the student support services staff per 500 students and expenditures per student include pre-K students who have been excluded from the BLR’s foundation funding analysis elsewhere in this report.)

Number of Student Support Staff	
National Average	3.52 per 500 students
Arkansas	7.52 per 500 students

	Student Support Staff: Arkansas’s Rank
All States and Washington D.C. (51)	6 th highest
SREB States (16)	1 st
Surrounding States (7, including AR)	1 st

NCES also provides data on total student support services in each state. These services “include attendance and social work, guidance, health, psychological services, speech pathology, audiology, and other student support services,” according to the NCES definition. The most recent data available for all states are from 2016-17. According to the NCES data, Arkansas schools spent \$541 per student on student support services in 2016-17, compared with \$711 per student nationally.

Student Support Services Expenditures	
National Average	\$711 per student
Arkansas	\$541 per student

	Expenditures for Student Support Services: Arkansas’s Rank
All States and Washington D.C. (51)	36 th highest
SREB States (16)	8 th highest
Surrounding States (7, including AR)	2 nd highest

SCHOOL-LEVEL ADMINISTRATION PERSONNEL

PRINCIPALS

Principals serve as the building-level leader, ensuring schools run smoothly and improve student achievement. A school principal provides not only administrative oversight for a school but also instructional leadership. Principals do this “by creating professional communities in which teachers provide considerable instructional leadership, developing professional development opportunities for teachers, signaling that instructional improvement and student achievement are core goals, and helping the school as a whole to take responsibility for student achievement increases or decreases while also managing the non-instructional aspects of the school.”³⁰

The state’s accreditation standards require districts to employ at least a half-time principal for every school, and one full-time principal for schools with 300 students or more (4-C.1). For districts with enrollments below 300, the accreditation standards allow the superintendent to serve as a half-time school principal as long as the superintendent is appropriately certified and is not already teaching classes. In 2018-19, one traditional district, Strong-Huttig, and 12 open enrollment charter systems had fewer than 300 students. In 2018-19, only four charter schools reported employing less than a half-time principal.

³⁰ Odden, A., Picus, L. O., & Goetz, M. (2006). Recalibrating *the Arkansas School Funding Structure*. Report prepared for Arkansas Joint Committee on Education, p. 23.

To serve as a principal or assistant principal, educators are required to add a building-level administrator endorsement to their license. In 2018-19, 35 school districts (15%) and one charter school had at least one teacher serving as a principal or assistant principal who was not fully licensed for that position. These individuals were on an additional licensure plan (ALP) while they pursued their building-level administrator endorsement.

BACKGROUND: PRINCIPALS IN THE MATRIX

The matrix provides funding for 1.0 FTE principal for every 500 students. This staffing level was established in 2003 based on the recommendation of the General Assembly’s consultants.

In 2003, Picus and Associates recommended 1.0 FTE principal for every 500 students, noting that “all comprehensive school designs, and all prototypic school designs from professional judgment studies around the country include a principal for every school unit.”³¹ The General Assembly implemented this recommendation in the matrix formula beginning with the 2004-05 school year. When the consultants were hired again in 2006, they noted that the state’s accreditation standards require districts to employ at least a half-time principal (.5 FTE) for every school and one full-time (1.0 FTE) principal for schools with 300 students or more. That would mean that some schools smaller than 500 students would need 1 FTE principal to comply with the standards but would be funded only for a partial FTE principal. Still, the consultants continued to recommend providing funding for one full-time principal for a school of 500 students. They reasoned that the actual salaries paid in smaller schools are typically low enough that the salary provided in the matrix is adequate even for schools with fewer than 500 students. The principal line has included 1.0 FTE principal since that time.

Unlike other salaries discussed previously in this report, the principal salary is not based on the average teacher salary. Instead, the matrix includes a salary and benefits package totaling \$99,012 per principal in 2018-19, or \$198.10 per student. That amount is comprised of the following items:

- Base salary of \$79,600
- Health insurance contribution of \$1,900
- Additional benefits calculated at 22% of the base salary (\$17,512). This is comprised of 14% for state retirement, 6.2% for Social Security, 1.45% for Medicare and .35% for unemployment and workers’ compensation.

The principal salary and benefits package was originally established at \$72,000 in the 2004-05 matrix, but in 2007, the Education Committees determined that the salary package had been set too low due to a miscalculation. Based on evidence presented in 2006, the Committees opted to increase the principal salary and benefits amount by 12.88% from \$76,335 in 2006-07 to \$86,168 in 2007-08. The salary has received an annual increase each year between 2008-09 and 2014-15 as the foundation funding rate received annual cost-of-living adjustments. However, the principal line of the matrix has not received any increase since 2014-15.

Act 667 of 2019 set the per-student foundation funding rate to include no increase for principals. While the salary and benefits package has remained unchanged, since 2014-15 (\$99,012), the base salary within that package has declined slightly due to an annual increase in the required district payment for health insurance and retirement match.

	2020	2021
Per-Student Rate	\$198.10	\$198.10
% Change	0%	0%

³¹ Odden, A., Picus, L. O., Fermanich (2003). *An Evidence-based Approach to School Finance Adequacy in Arkansas*. Report prepared for the Arkansas Joint Committee on Education Adequacy, p. 22.

DISTRICT AND CHARTER SCHOOL STAFFING AND EXPENDITURES

The following table shows the number of schools (including charter schools) with fewer than 300 students, where a half-time principal is required, and those with 300 or more students, which require a full-time principal. The table indicates that the state’s public schools would have needed a minimum of 883.5 FTE principals in 2018-19 to meet the state accreditation standards. Districts and charter schools received funding to support about 955 principals statewide. In 2018-19, districts and charters schools actually employed about 1,012 FTE principals using all funding sources (not just foundation funding).

School Size	# of Schools in 2019	Principals Required Per School	Total Principals Required
Under 300	305	0.5	152.5
300+	731	1.0	731
Totals	1,036		883.5

The actual number of principals districts employed per 500 students using foundation funding is just under the staffing level established in the matrix. The following table compares the two.

Principals			
	Matrix FTE Number Per 500	Districts: Foundation Paid Staff Per 500	Charters: Foundation Paid Staff Per 500
2018-19	1.0	0.93	1.25

Districts and charter schools paid principals a salary that was, on average, nearly \$3,700 more than what was provided in the matrix.

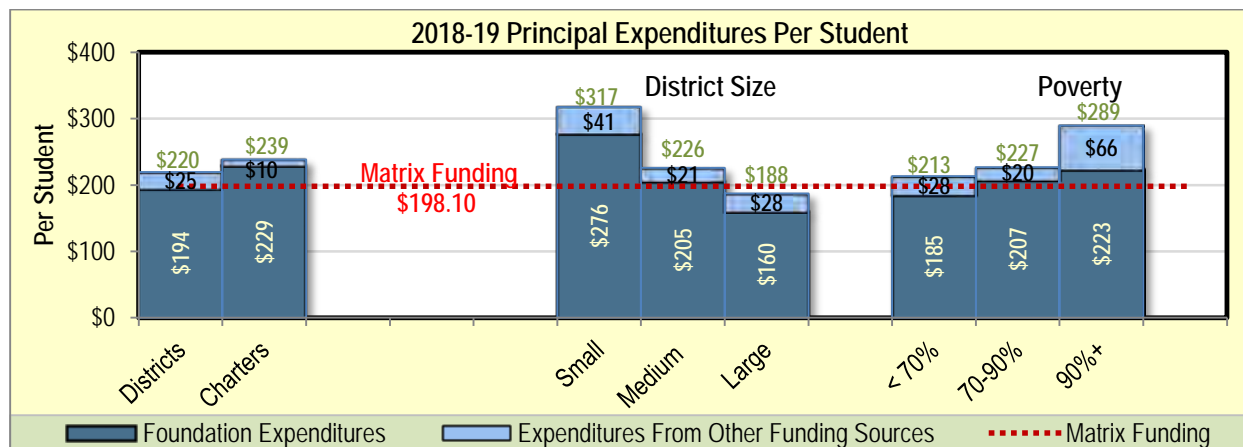
	Salary in the Matrix	Statewide Actual Average Salary*
Principal	\$79,600	\$83,265

*Calculated using all funding sources.

In 2018-19, districts and charter schools collectively spent \$93.4 million in foundation funding on principal compensation, or about \$195 per student. That’s about \$4 per student less than what the matrix funded.

Principals: Foundation Funding and Expenditures		
	Funding	Expenditures
2017-18	\$94,058,585	\$92,890,894
2018-19	\$94,611,690	\$93,363,213

The following chart compares the per-student spending of traditional school districts and charter schools for principals. It also compares districts’ per-student spending based on district size and poverty level.



Districts and charter schools spent similar amounts per student on school principals. While charter schools employed slightly more principals per 500 students (using all funding sources, not just foundation funding), they paid lower salaries than districts.

The higher principal staffing levels are despite the fact that 21 of the 25 charter school systems had waivers from the accreditation standard requiring at least a half-time principal for every school and a full-time principal for schools with 300 students or more. However, only three of the 25 charter school systems recorded

FTEs and Salaries From All Funding Sources	Principals Per 500 Students	Average Principal Salary
Type		
District	1.05	\$83,756
Charter	1.32	\$73,041
Size (Districts only)		
Small	1.73	\$73,934
Medium	1.13	\$79,788
Large	0.78	\$96,745
Poverty Level (Districts only)		
Low	0.99	\$86,300
Medium	1.13	\$80,862
High	1.60	\$72,406

employing no principals. Two others reported having fewer principals for their schools than what would be required under the accreditation standards. In some charter school systems, the principal may also serve the superintendent function, particularly in those systems that operate only one school. Seventeen charter school systems reported no superintendents. Twelve of the 235 school districts (5%) had waivers from the principal accreditation standard in 25 schools.

Principal FTE Requirement for Each School	Average of District/Charter Average Principal Salaries	Average of District/Charter Per-Student Principal Expenditure	Principal FTE Per 500 Students
With Waivers	\$80,345	\$354	1.87
Without Waivers	\$77,956	\$276	1.48

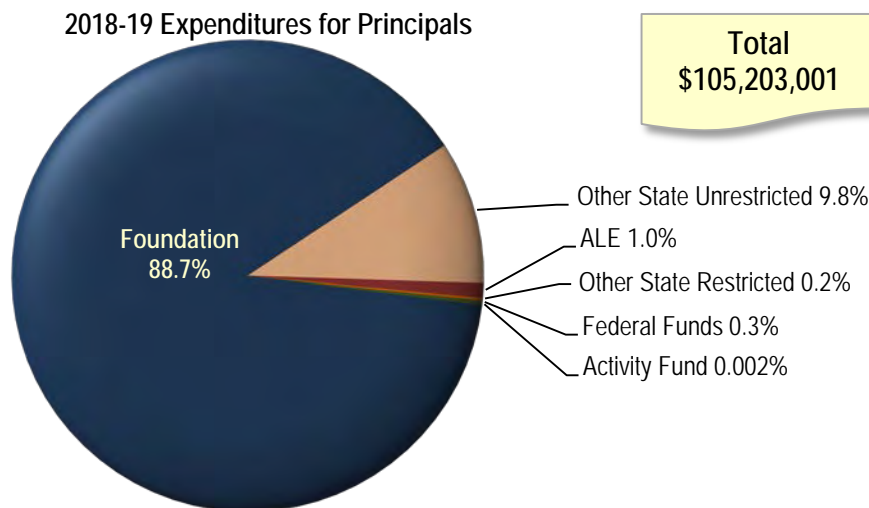
Fifty school districts (21%) and 24 of the 25 open enrollment charter school systems had one or more schools with a waiver from the accreditation standard requiring principals to be appropriately licensed. The waivers did not result in lower principal salaries, on average, but it did result in slightly lower per-student expenditures (from all funding sources) for principals.

Principal Licensure Requirement	Average of District/Charter Average Principal Salaries	Average of District/Charter Per Student Principal Expenditure
With Waivers	\$78,677	\$304
Without Waivers	\$78,078	\$279

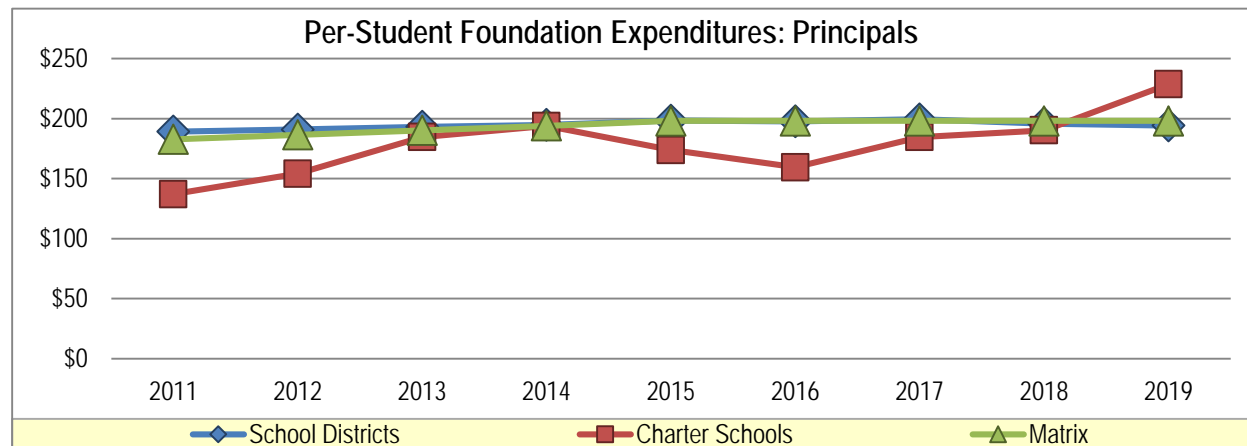
Smaller districts spent more foundation funding on principals than larger districts, which is the result of employing more principals per 500 students. Large districts, on average, pay principals significantly higher salaries than small districts pay.

High-poverty districts spent more per student on principals than districts with lower concentrations of poverty, but the differences were not as significant as they were among districts grouped by size. The higher expenditures per student among high poverty districts is due to employing more people per 500 students.

The following pie chart shows the proportion of each funding type used to cover all principal expenditures. Districts and charter schools primarily use foundation funding to pay for principals.



The following graph shows the per-student expenditures for principals from foundation funding between 2011 and 2019. Generally, districts spent on principals about the same amount they received in foundation funding. Charter schools have tended to spend below the matrix amount in most years, though their spending exceeded the matrix amount in 2018-19. Part of that may result from the fact that more charter schools are reporting employing principals. In 2016-17, nine charter schools reported employing zero principals, compared with 2018-19 when just three charter schools reported employing no principals.



STATE RANKING: STAFFING AND EXPENDITURES

NCES provides data on the number of school administrators in each state. This NCES category includes principals, assistant principals, as well as people who supervise school operations and coordinate school instructional activities. The most recent data available for all states are from 2017-18. According to the NCES data, Arkansas had a total of 1.90 FTE school administrators per 500 students in 2017-18, compared with 1.87 school administrators nationally. (The enrollment data used to calculate the number of school administrators per 500 students and the expenditures per student below include pre-K students who have been excluded from the BLR’s foundation funding analysis.)

Number of School Administrators	
National Average	1.87 per 500 students
Arkansas	1.90 per 500 students

	School Administrators: Arkansas’s Rank
All States and Washington D.C. (51)	25 th highest
SREB States (16)	11 th highest
Surrounding States (7, including AR)	5 th highest

NCES also provides data on total school administration expenditures in each state. These expenditures are those “for the office of the principal, full-time department chairpersons, and graduation expenses,” according to the NCES definition. The most recent data available for all states are from 2016-17. According to the NCES data, Arkansas schools spent \$525 per student on school administration expenses in 2016-17, compared with \$683 per student nationally.

School Administration Expenditures	
National Average	\$683 per student
Arkansas	\$525 per student

	Expenditures for School Administration: Arkansas’s Rank
All States and Washington D.C. (51)	44 th highest
SREB States (16)	14 th highest
Surrounding States (7, including AR)	6 th highest

SCHOOL-LEVEL SECRETARY

School clerical personnel perform duties essential for the orderly administration of a school’s day-to-day operation, including record-keeping, answering phones, managing the office, and serving as a liaison to parents. Neither state law nor ADE’s accreditation standards require districts or charter schools to employ any school secretaries.

BACKGROUND: SCHOOL SECRETARIES IN THE MATRIX

The matrix provides funding for one school secretary for every 500 students. Unlike other salaries discussed previously in this report, the secretary salary is not based on the average teacher salary. Instead, the matrix includes a salary and benefits package totaling \$40,855 per secretary in 2018-19, or \$81.70 per student. That salary amount is comprised of a base salary (\$31,931), health insurance contribution, retirement, Social Security, Medicare, unemployment and workers’ compensation.

The 2003 Adequacy Study conducted by Picus and Associates mentioned clerical staff as a component of the prototypical school’s overall operations and maintenance costs, which the General Assembly translated into a catchall funding line known as the “carry-forward.” (The carry-forward was later broken into three more specific categories of transportation, operations and maintenance and central office costs.) When the consultants were rehired in 2006, they noted that efficient school operations require administrative support and clerical services, even though state accreditation standards do not require schools to employ clerical support. They recommended that 2.0 FTE school secretaries be separated from the carry-forward and included as a separate line in the school-level staffing section of the matrix. The Adequacy Subcommittee agreed that two school secretaries should be broken out of the carry-forward and included in the school-level staffing section of the matrix. However, following the publication of the Adequacy Subcommittee’s final report, the number of school-level secretaries was reduced to one.

The matrix staffing level for clerical support has remained at one secretary position per 500 students since it was established, with inflationary adjustments made to the salary.

In their final report of the 2018 Adequacy Study, the Education Committees recommended no increase in the per-student foundation funding rate for school secretaries for FY20 or FY21. Act 667 of 2019 set the per-student foundation funding rate to include the following amounts for school secretaries:

	2020	2021
Per-Student Rate	\$87.70	\$81.70
% Change	0%	0%

DISTRICT AND CHARTER SCHOOL STAFFING AND EXPENDITURES

Districts and charter schools paid secretaries a salary that was, on average, about \$3,800 less than the base salary provided in the matrix.

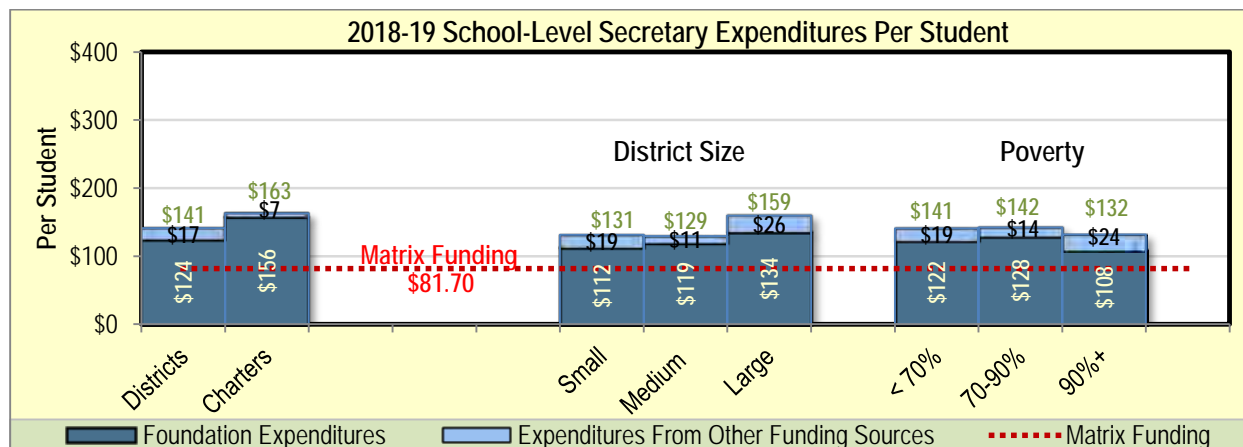
	Salary in the Matrix	Statewide Actual Average Salary (including secretaries in the central office)*
Secretary	\$31,931	\$28,123

*Calculated using all funding sources.

The APSCN system does not allow for easy calculation of the number of school-level clerical support staff funded by foundation funding. However, expenditures can be examined. In 2018-19, districts spent \$59.8 million in foundation funding on school secretary compensation (including benefits), or \$125 per student.

School-Level Secretaries: Foundation Funding and Expenditures		
	Funding	Expenditures
2017-18	\$38,411,608	\$59,477,318
2018-19	\$39,019,561	\$59,783,649

The following chart compares the per-student spending of traditional school districts and charter schools for school secretaries. It also compares districts' per-student spending based on district size and poverty level.

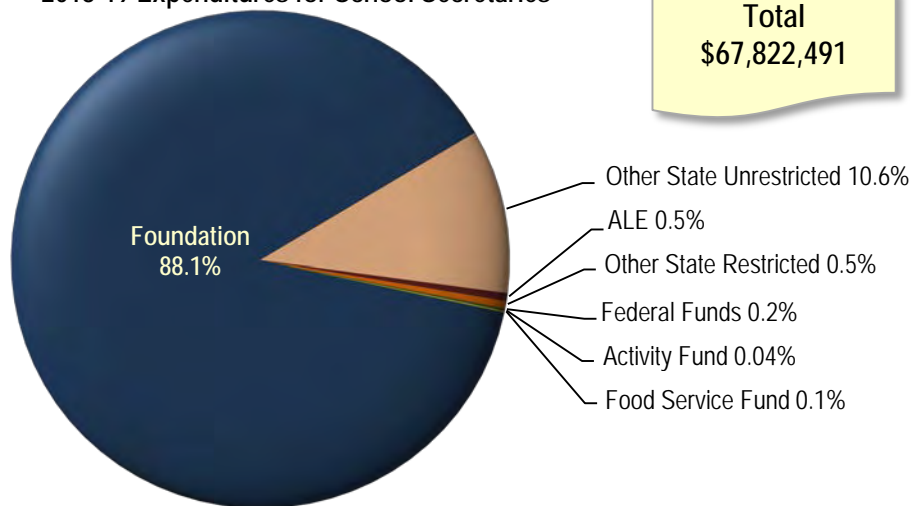


Open-enrollment charter schools spent considerably more foundation funding per student on school-level clerical support than traditional school districts spent, which may be the result of the higher salaries that charters pay for secretaries compared with districts. Similarly, large districts pay higher salaries than small districts, resulting in higher per-student spending on secretaries than smaller districts. There do not appear to be clear spending patterns based on districts' poverty levels.

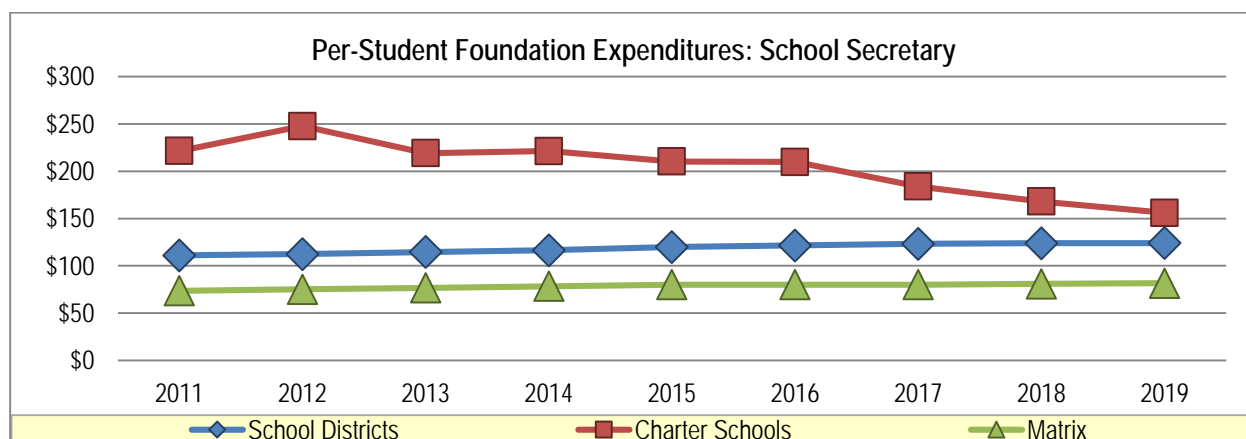
FTEs and Salaries From All Funding Sources	Secretaries (including those in the central office) Per 500 Students	Average Secretary Salary
Type		
District	2.58	\$27,804
Charter	2.97	\$35,372
Size (Districts only)		
Small	3.10	\$23,948
Medium	2.54	\$26,621
Large	2.50	\$30,578
Poverty Level (Districts only)		
Low	2.50	\$28,436
Medium	2.66	\$27,112
High	3.74	\$23,097

The following pie chart shows the proportion of each funding type used to cover all expenditures for school secretaries. Most of the funding districts used to pay for secretaries was foundation funding (88%), but districts also used other state unrestricted funds to pay about 10% of the cost of these salaries.

2018-19 Expenditures for School Secretaries



The following graph shows the per-student school secretary expenditures from foundation funding between 2011 and 2019.



STATE RANKING: STAFFING

NCES provides data on the number of school administrative support staff in each state. According to NCES, these staff “support the teaching and administrative duties of the office of the principal or department chairpersons.” The most recent data available for all states are from 2017-18. According to the NCES data, Arkansas had a total of 2.94 school administrative support staff per 500 students in 2017-18, compared with 2.56 support staff nationally. (The enrollment data used to calculate the number of school administrative support staff per 500 students include pre-K students who have been excluded from the BLR’s foundation funding analysis.)

Number of School Administrative Support Staff	
National Average	2.56 per 500 students
Arkansas	2.94 per 500 students

	School Administrative Support Staff: Arkansas’s Rank
All States and Washington D.C. (51)	13 th highest
SREB States (16)	3 rd highest
Surrounding States (7, including AR)	1 st

EXPENDITURES FOR SCHOOL-LEVEL STAFF NOT IN THE MATRIX

Districts and charter schools use foundation funding for purposes not included in the matrix and not specifically noted as being essential for educational adequacy. These non-matrix items include a variety of expenditures for resources that have not been assigned to a specific matrix line item in this analysis. It is important to note that foundation funding is unrestricted funding, and districts are free to use it however best fits their needs. Spending on non-matrix items should not be considered necessarily problematic or incorrect. In some cases, expenditures were placed in this category simply because they did not fit with the specific intent of the matrix. The following table lists the district and charter school expenditures of foundation funding for school-level staff that have not been included in the matrix.

Description	2018-19 Expenditures From Foundation Funds	2018-19 Expenditures Per Student From Foundation Funds
Selected instructional program coordinators and other instructional personnel for programs outside regular school programs, including preschool, summer school, homebound instruction	\$13,004,293	\$27.23
Classified guidance services	\$3,908,833	\$8.18
Instructional aides	\$69,502,990	\$145.53
Classified library support	\$4,039,774	\$8.46

INSTRUCTIONAL AIDES

Instructional aides are characterized as a non-matrix item because they are not included in the matrix. In 2003, Picus and Associates recommended against providing funding for instructional aides because “research generally shows that they do not add value, i.e., do not positively impact student academic achievement.”³² However, the consultants noted that research has found instructional aides can have a positive impact on student reading under particular circumstances. While the consultants questioned the value of instructional aides, many districts consider instructional aides a necessary component in the delivery of education.

When the Education Committees rehired Picus Odden and Associates in 2014, the consultants continued to note that evidence “does not support the use of instructional aides for improving student performance,” but they noted that the research does indicate instructional aides can have an impact as tutors if they are properly selected and trained according to specific educational criteria. The consultants suggested that “districts may want to consider a possible use of instructional aides that is supported by research.”³³ The consultants recommended increasing the number of *supervisory* aides to 2.1 per 500 students. Supervisory aides provide bus, lunch and recess duty, and Arkansas’s matrix provides \$50 per student for this function (to be discussed in an upcoming report). Because the consultants’ discussion of instructional aides appears in the report’s section on supervisory aides, they may have been suggesting that some of the supervisory aides could serve as instructional aides. Additionally, Picus Odden and Associates recommended adding funding to the matrix to support aides for special education. They recommended one aide for every 150 students, or about 3.3 aides for a school of 500 students. The Education Committees in 2014, however, did not add any instructional aides to the matrix formula.

³² Odden, A., Picus, L. O., Fermanich (2003). *An Evidence-based Approach to School Finance Adequacy in Arkansas*. Report prepared for the Arkansas Joint Committee on Education Adequacy, p. 40.

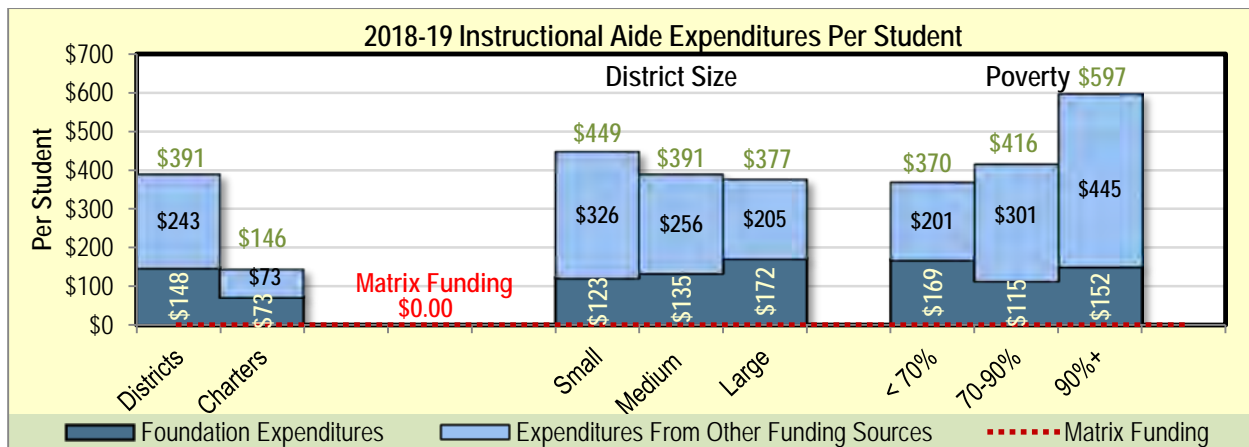
³³ Picus Odden & Associates (2014). Desk Audit of the Arkansas School Funding Matrix and Developing an Understanding of the Potential Costs of Broadband Access For All Schools, Sept. 5, 2014, p. 39.

DISTRICT AND CHARTER SCHOOL EXPENDITURES FOR INSTRUCTIONAL AIDES

In 2018-19, districts and charter schools spent \$69.5 million on instructional aides from foundation funds, or about \$146 per student. Of that amount, about 47% was spent on special education instructional aides. Districts may be required to employ some of these aides as a provision of students’ individualized education programs (IEP).

	Instructional Aides: Foundation Expenditures
2017-18	\$66,970,891
2018-19	\$69,502,990

The following chart compares the per-student spending of traditional school districts and charter schools for instructional aides. It also compares districts’ per-student spending based on district size and poverty level.

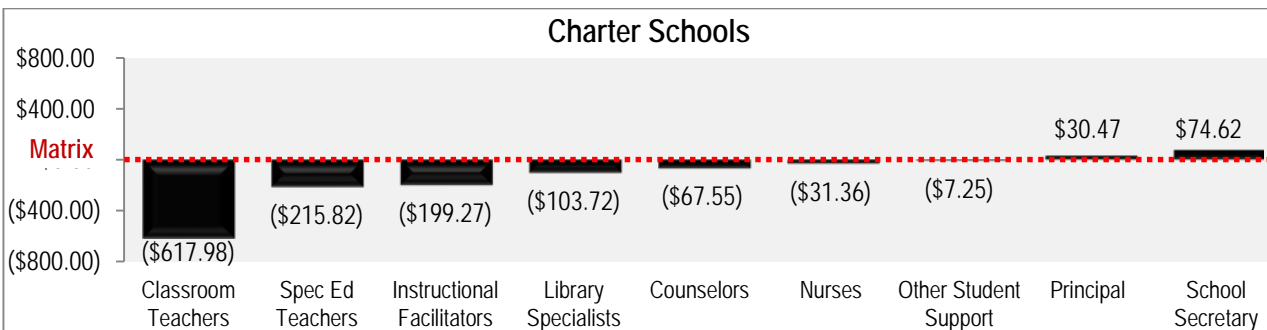
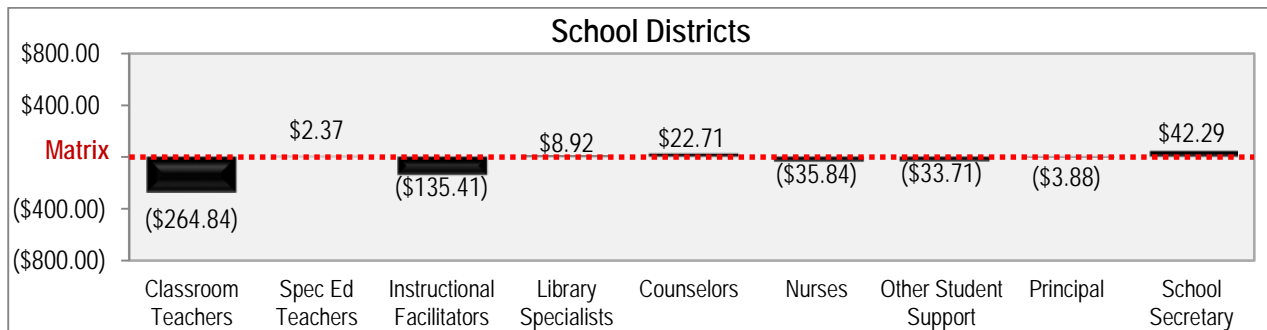


DISTRICT COMPARISONS

The variety of needs of 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 report reviewed each line of the matrix in an effort to identify how districts are using these resources. The following tables compare the way districts of different types (traditional districts and open-enrollment charter systems), sizes, and poverty levels use foundation funding to address the needs of their students. The charts below each table also show how district and charter spending of foundation funding compares with the matrix. The black line in the charts represents the matrix funded level, and the positive and negative amounts provide the foundation funding expenditures per student above and below the matrix amount for each district grouping.

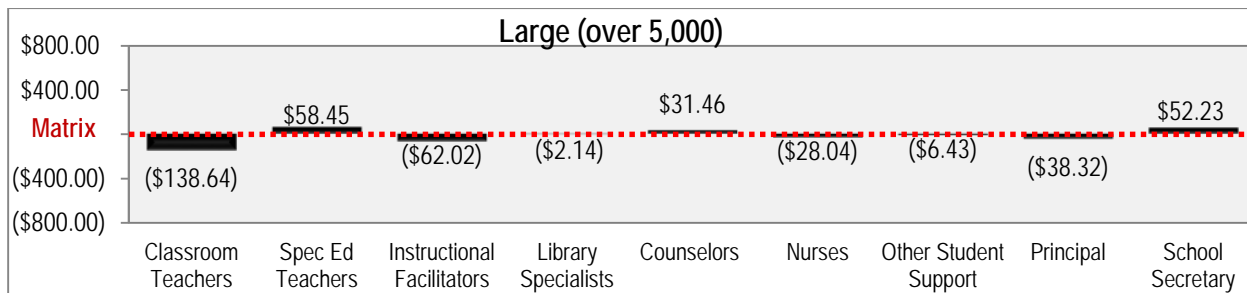
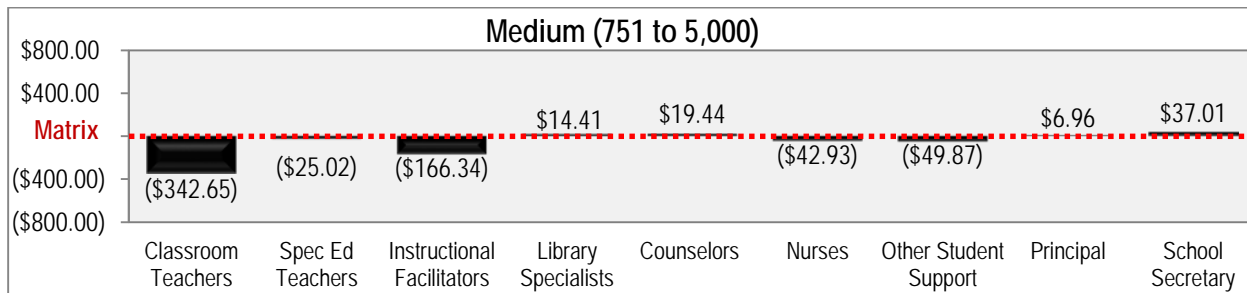
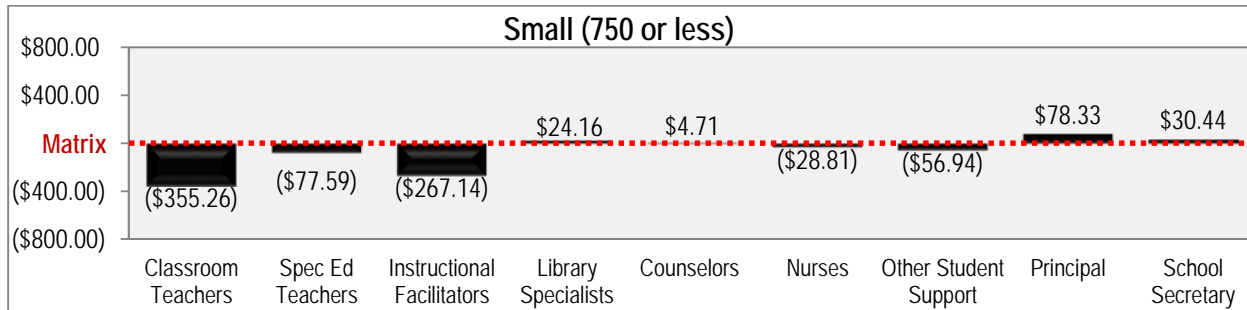
DISTRICTS AND OPEN-ENROLLMENT CHARTER SCHOOLS

	Matrix	Traditional Districts	Charter Schools
Classroom Teachers	\$3,282.65	\$3,017.81	\$2,664.67
Special Education Teachers	\$381.72	\$384.09	\$165.90
Instructional Facilitators	\$329.08	\$193.67	\$129.81
Library Media Specialists	\$111.88	\$120.80	\$8.16
Counselors	\$146.11	\$168.82	\$78.56
Nurses	\$88.19	\$52.35	\$56.83
Other Pupil Support	\$94.77	\$61.06	\$87.52
Principal	\$198.10	\$194.22	\$228.57
School-level Secretary	\$81.70	\$123.99	\$156.32
Technology	\$250.00		
Instructional Materials	\$183.10		
Extra Duty Funds	\$66.20		
Supervisory Aides	\$50.00		
Substitutes	\$71.80		
Operations & Maintenance	\$685.00		
Central Office	\$438.80		
Transportation	\$321.20		
Other Non-Matrix Items	\$0		
TOTAL	\$6,781		



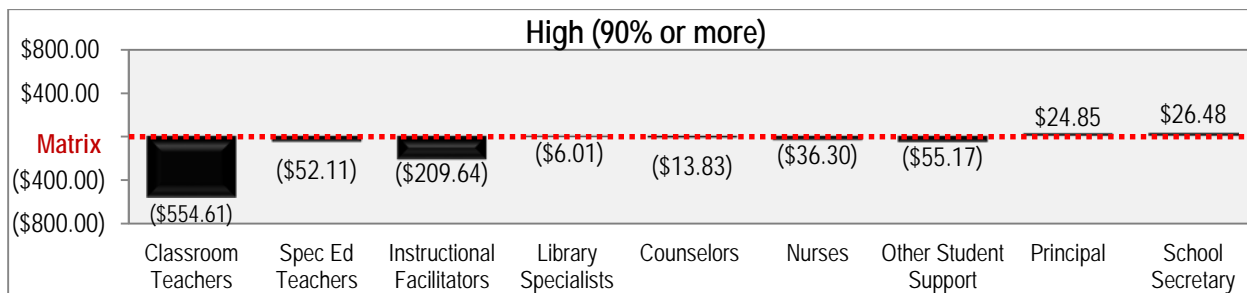
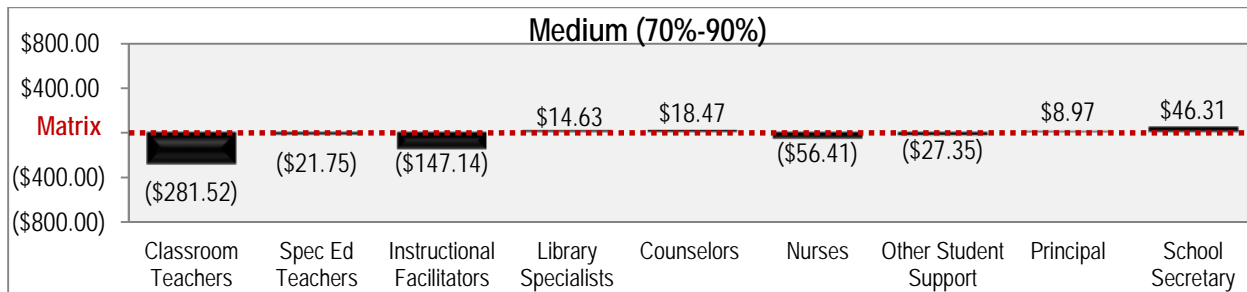
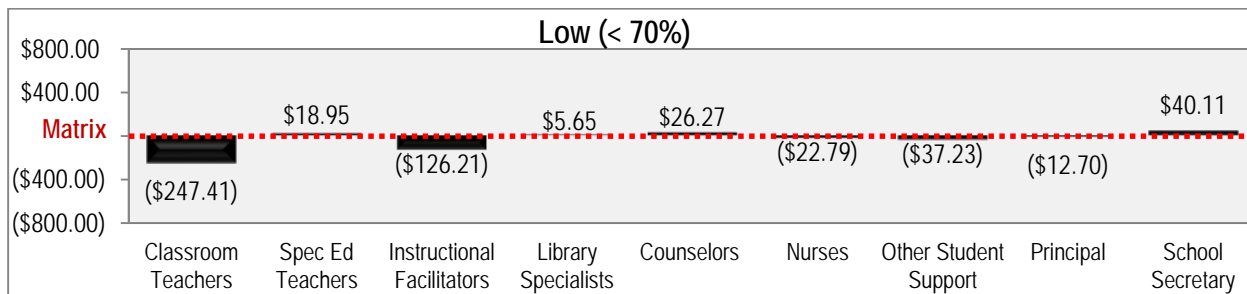
DISTRICT SIZE

	Matrix	Small (750 or less)	Medium (751 to 5,000)	Large (over 5,000)
Classroom Teachers	\$3,282.65	\$2,927.39	\$2,940.00	\$3,144.01
Special Education Teachers	\$381.72	\$304.13	\$356.70	\$440.17
Instructional Facilitators	\$329.08	\$61.94	\$162.74	\$267.06
Library Media Specialists	\$111.88	\$136.04	\$126.29	\$109.74
Counselors	\$146.11	\$150.82	\$165.55	\$177.57
Nurses	\$88.19	\$59.38	\$45.26	\$60.15
Other Pupil Support	\$94.77	\$37.83	\$44.90	\$88.34
Principal	\$198.10	\$276.43	\$205.06	\$159.78
School-level Secretary	\$81.70	\$112.14	\$118.71	\$133.93
Technology	\$250.00			
Instructional Materials	\$183.10			
Extra Duty Funds	\$66.20			
Supervisory Aides	\$50.00			
Substitutes	\$71.80			
Operations & Maintenance	\$685.00			
Central Office	\$438.80			
Transportation	\$321.20			
Other Non-Matrix Items	\$0			
TOTAL	\$6,781			



POVERTY LEVEL

	Matrix	Low (< 70%)	Medium (70%-90%)	High (90% or more)
Classroom Teachers	\$3,282.65	\$3,035.24	\$3,001.13	\$2,728.04
Special Education Teachers	\$381.72	\$400.67	\$359.97	\$329.61
Instructional Facilitators	\$329.08	\$202.87	\$181.94	\$119.44
Library Media Specialists	\$111.88	\$117.53	\$126.51	\$105.87
Counselors	\$146.11	\$172.38	\$164.58	\$132.28
Nurses	\$88.19	\$65.40	\$31.78	\$51.89
Other Pupil Support	\$94.77	\$57.54	\$67.42	\$39.60
Principal	\$198.10	\$185.40	\$207.07	\$222.95
School-level Secretary	\$81.70	\$121.81	\$128.01	\$108.18
Technology	\$250.00			
Instructional Materials	\$183.10			
Extra Duty Funds	\$66.20			
Supervisory Aides	\$50.00			
Substitutes	\$71.80			
Operations & Maintenance	\$685.00			
Central Office	\$438.80			
Transportation	\$321.20			
Other Non-Matrix Items	\$0			
TOTAL	\$6,781			



OVERVIEW: FTES AND AVERAGE SALARIES

The following table provides the amount of FTEs and the base salary provided by the matrix for each school-level staffing position. For comparison, the table also provides the number of FTEs per 500 students that districts and charter schools employed using foundation funding as well as the average salaries they paid (calculated using all funding sources).

	Matrix FTEs	Actual Foundation Paid FTEs	Matrix Salary	Actual Average Salary
Classroom teachers	24.94	24.63	\$52,386	\$48,963
Special education teachers	2.90	3.00	\$52,386	\$50,301
Instructional facilitators and assistant principals	2.50	1.15	\$52,386	\$63,368 (instructional facilitators and curriculum supervisors); \$75,245 (assistant principals)
Librarian	0.85	0.84	\$52,386	\$55,271
Guidance counselor	1.11	1.14	\$52,386	\$58,184
Nurse	0.67	0.52	\$52,386	\$37,699
Other pupil support	0.72	0.30 (does not include contracted pupil support)	\$52,386	varies depending on position
Principal	1.00	0.94	\$79,600	\$83,265
Secretary	1.00	Not available at the school level	\$31,931	\$28,123 (includes clerical staff at the central office)

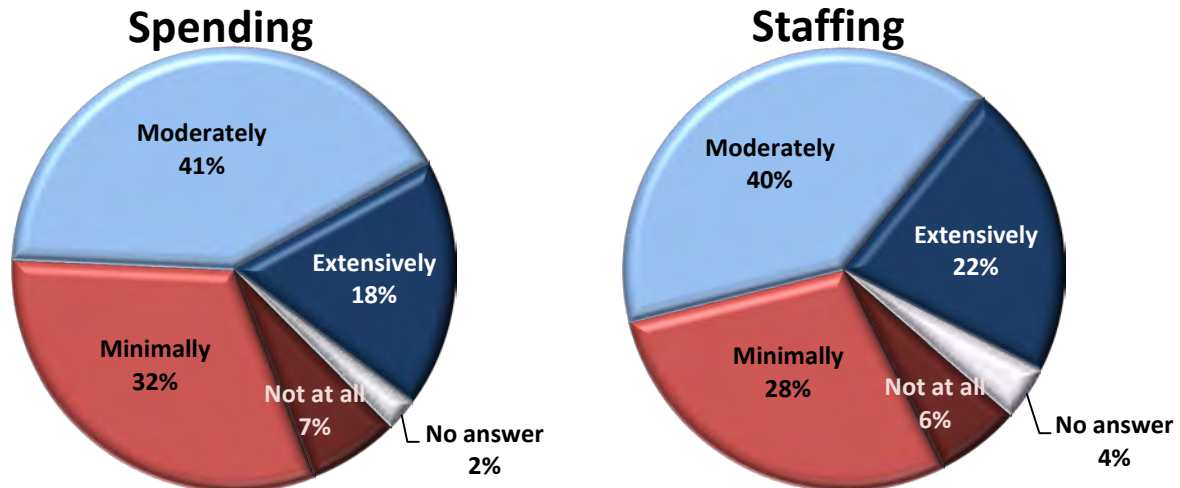
DISTRICT SURVEY RESPONSES

As part of the 2018 Adequacy Study, the BLR conducted surveys of school district superintendents and the directors of the open-enrollment charter schools operating in 2019-20. To gauge administrators' assessment of how well the current matrix is meeting district's needs, the BLR survey asked superintendents how they use the matrix and where they believe funding is needed most.

Superintendent Survey Question: The matrix is the formula the General Assembly uses to determine the per-student foundation funding rate. To what extent do you use the matrix to guide your district's spending and staffing levels? 1. Not at all 2. Minimally 3. Moderately 4 Extensively

About 59% of superintendents and charter school directors said they use the matrix "extensively" or "moderately" to guide spending and 62% said they use it "extensively" or "moderately" to guide their staffing decisions. About 7% and 6% said they do not use it at all for spending or staffing, respectively.

This same question was asked of superintendents during the 2018 adequacy study. Responses to the 2020 question indicate a decrease in the percentage of respondents saying they do not use the matrix as a spending or staffing guide at all, down from 14% and 12%, respectively. The percentage of respondents who said they use the matrix to guide spending and staffing moderately or extensively increased slightly—from 56% for spending 2018 to 59% in 2020 and from 59% for staffing in 2018 to 62% in 2020.



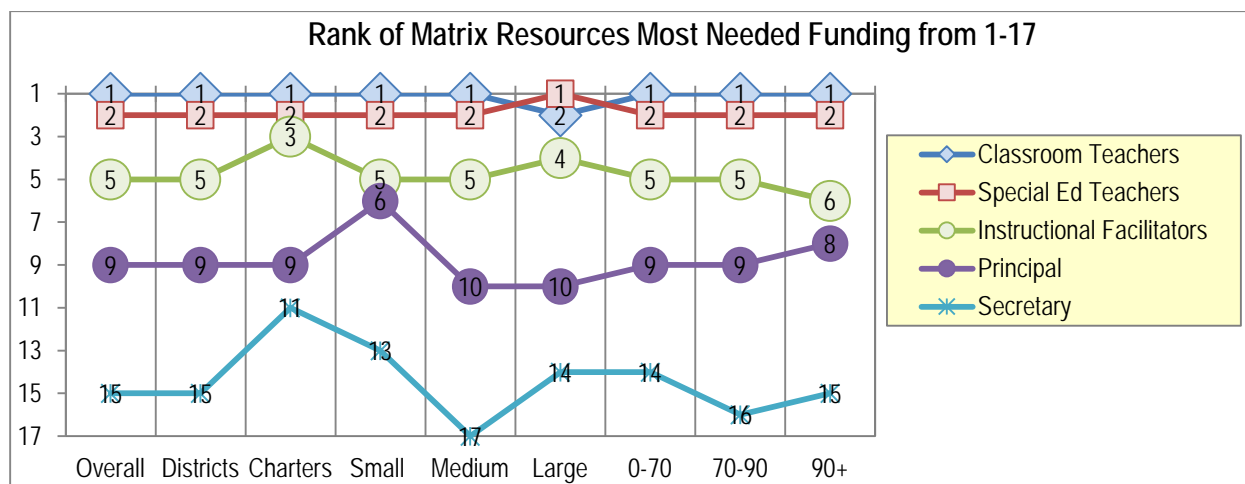
The BLR survey included a space on the superintendent survey for respondents to provide additional comments or give any additional information or clarification they felt necessary. Several superintendents used this space to comment on the matrix and foundation funding. These comments are provided below.

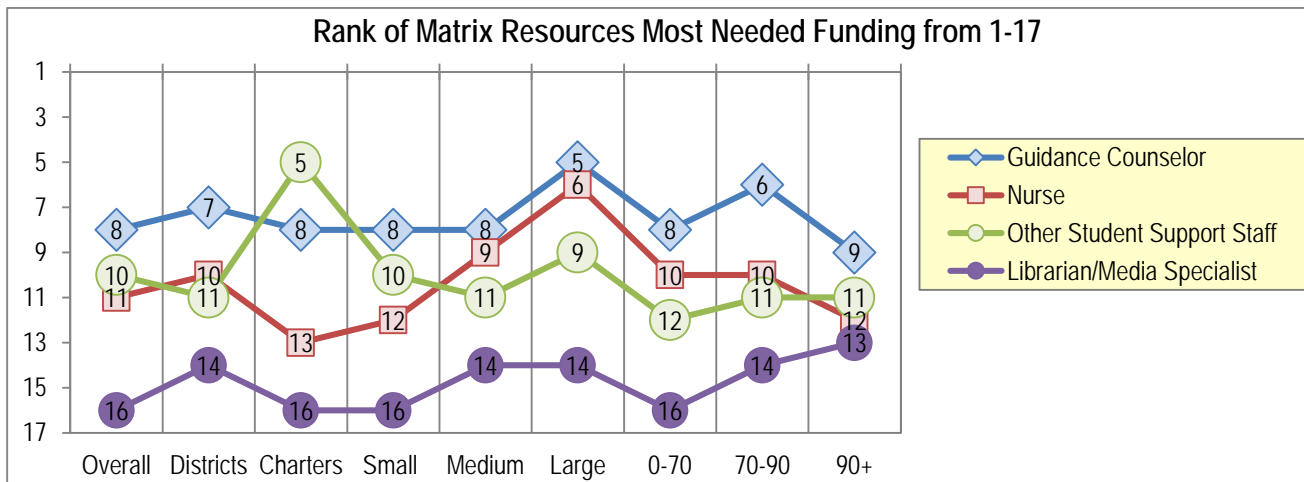
Teachers and Teacher Salaries
The way the formula is set up, the district can lose 2 kids per grade level and still need the same number of teachers as the previous school year, but take a \$100,000 hit to the budget. Where do you cut that from when you are already struggling to meet the minimum requirements set forth by the state? The formula is not adequate nor equitable. When my teachers can leave my district and take a job doing the exact same thing in a Northwest Arkansas District and make \$20,000 more annually.....there is a problem and this problem needs to be addressed sooner rather than later. The district budget cannot absorb more unfunded mandates to the salary schedules or minimum wage requirements.
We are a small, rural district. The new mandates for teacher salary increases, though needed, are going to impact us tremendously over the next 4 year. They will cost my district approximately \$440,000, but funding is being provided for only \$201,000. That, coupled with the increases to minimum wage, is not appropriate.
The money made available to the schools for the salary increases only provides for the increases, not the sustaining of the salaries over time. It does not include administrators, federal or state funds for example. We have positions that have been created out of necessity since the funding matrix was created that are not reflected on the current matrix.
It is difficult to attract and retain quality teachers at competitive rates with the current matrix.
There is a critical shortage of teachers in South Arkansas.
We are at the state bottom of the state salary schedule and will have a critical need in three years to address the new salary schedule legislation.
A school district of 500 needs more than 24 teachers. Theoretically, this model school would have 250 kids in grades K-6 and 250 in grades 7-12. So, 250 kids would have 12.5 teachers. In the elementary, you would be required to have two per grade, according to standards. K-6 would already require 14 teachers....and we haven't even factored in specialty teachers like art, music, PE, band, and other classes. The problems only worsen for high schools when you start talking about student load, number of subjects teachers would have to prep for, required number of offerings, etc.
School Safety
School safety and mental health service requirements have increased without funding, including in foundation aid or categorical.
There needs to be funds set aside for safety and security.
Special Education and Dyslexia
Our special education population is 17% and we have older buildings, therefore, our maintenance and operations percentage is well above 9%.
Special education continues to be a major expense for our district. A multitude of interventions is leading to a number of students choosing to school choice into our district.
There is an additional need for funding for special education, especially in the area of para-pro support.
Dyslexia has been mandated and deserves additional funding.

Transportation
Transportation: We lost enhanced transportation funding because the 'formula' said we were not spending enough money from operations on transportation. We leased two brand new buses with the enhanced transportation funding. Our buses are old and I can't drop 200K for two new buses.
Matrix Generally
The matrix was never intended to guide spending, just state funding.
We are a K-12 district of about 460 students. The matrix is calculated based upon the needs for 500 students. We obviously cannot only employ two-thirds of a nurse (we actually employ one and a half) or .85 librarian. We have to make up the extra somewhere else. That is why the matrix cannot efficiently or effectively be used as a spending mechanism.
This is still one size fits all. This is not a good way to allocate resources. You can hide your heads all you want, but you have no idea how to fund schools.
I support the model of the matrix and feel it is relevant for constant review and discussion, but decisions are made in my district based upon our unique facility needs, debt service obligations, and student staff ratios as it relates to our salary schedule. All districts in Arkansas base their expenditures upon their local wealth and the decline or increase in their student enrollment.
We are a poor district doing the best we can without adequate funding.
Multiple School Cost Priorities
There are several areas not covered in the matrix. The need for additional support also includes guidance, counseling, dyslexia services, and media. The need for substitutes increases yearly for required training. The increased minimum wage will great impact our district.
According to our district's needs over the past four years, we have spent over 300% of our funding on extra duties and instructional materials. Furthermore, maintenance and operations have been consistently over 120% over the funded amount. Students and teachers come first, otherwise, [maintenance and operations] M & O spending would have been even more. We have facilities needs that have been put aside and are continuing to cost the district more each year. The increase in minimum wage is having an impact on the cost of goods and services, not to mention our own employees. We have cut contract days to afford minimum wage and foresee our students suffering because of this.

Superintendents were also asked to rank the components of the matrix from those resources for which more funding is most needed to the resources where more funding is least needed.

Superintendent Survey Question: Rank the resources in the matrix in terms of areas where your district most needs additional funding (of any amount), with 1=MOST in need of additional funding and 17=LEAST in need of additional funding.



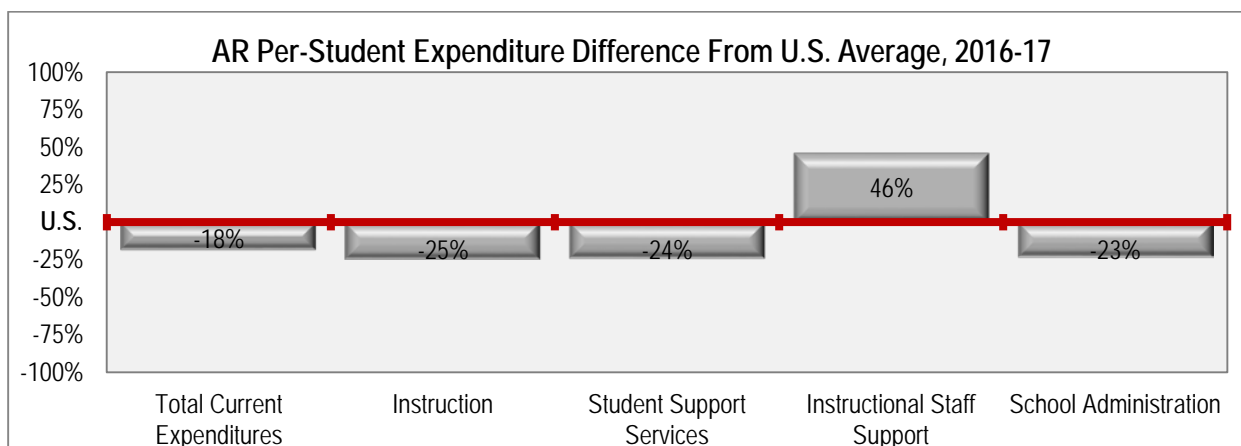


Almost without exception, the various groups of districts and charter schools ranked classroom teachers and special education teachers as the areas of the matrix most in need of additional foundation funding. Instructional facilitators/assistant principals also ranked fairly high, with most groups ranking this staffing position as the 4th or 5th highest funding need. Charter schools ranked instructional facilitators even higher at 3rd.

Compared with results from this question two years ago, instructional facilitators, principals, and other student support staff dropped in the rankings by one level (i.e., principals ranked 9th among all districts and charter schools this year, but ranked 10th two years ago). Library media specialists dropped by three ranking levels. School nurses jumped higher in need by two ranking levels. That said, nurses, other student support and principals were all ranked very closely together, on average, in both 2018 and in the current survey.

NATIONAL COMPARISON

The following bar chart shows how Arkansas’s per-student spending compares with the national average. The chart covers the services addressed in this report: total current expenditures, instruction, student support services, instructional staff support, and school administration. Other components of school expenditures will be addressed in coming reports.



Data Source: National Center for Education Statistics, Table 236.30. Total expenditures for public elementary and secondary education and other related programs, by function and state or jurisdiction: 2016-17

Total current expenditures: expenditures for school operations excluding capital outlay, interest on school debt and current expenditures for programs other than elementary and secondary programs.

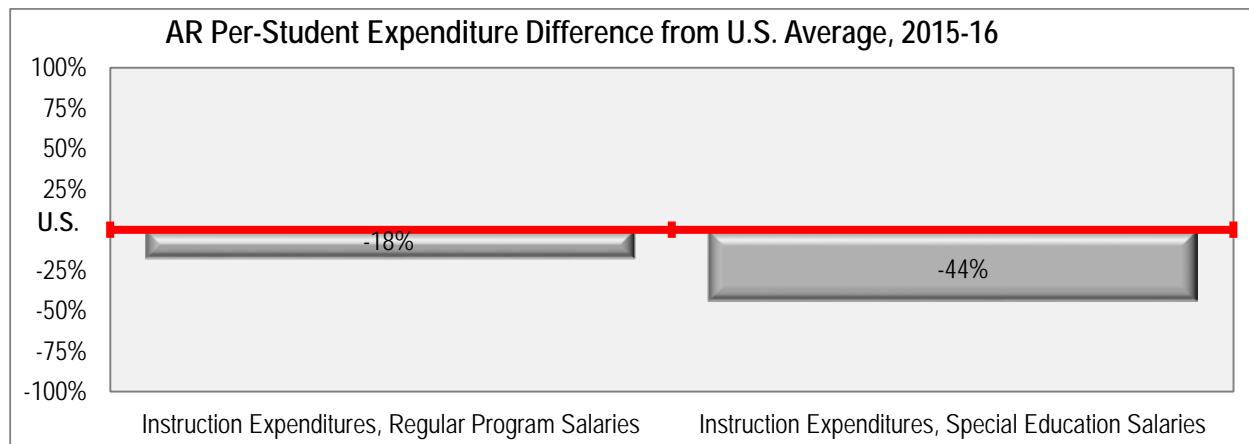
Instruction: expenditures for “activities related to the interaction between teachers and students,” including “salaries and benefits for teachers and teacher aides, textbooks, supplies, and purchased services. These expenditures also include expenditures relating to extracurricular and cocurricular activities.”³⁴

Student support services: expenditures for services including “attendance and social work, guidance, health, psychological services, speech pathology, audiology.”

Instructional staff support: expenditures for “activities that include instructional staff training, educational media (library and audiovisual), and other instructional staff support services.”

School administration: expenditures for the “office of the principal, full-time department chairpersons, and graduation expenses.”

The following chart breaks out instructional expenditures into regular instructional salary expenditures and special education salary expenditures. The most recent data for this break out is from 2015-16. Arkansas’s per-student expenditures for regular instructional salaries are 18% less than the national average, and its special education salary expenditures are 44% lower than the national average.



Data Source: NCES, Elementary and Secondary Information System

Instruction Expenditures, Regular Program Salaries: salary expenditures “certified teachers and certified substitute teachers providing regular education instruction to students in pre-kindergarten through grade 12.”

Instruction Expenditures, Special Education Salaries: salary expenditures for “direct instructional activities or special learning experiences designed primarily for students identified as having exceptionalities in one or more aspects of the cognitive process or as being underachievers in relation to general level or model of their overall abilities. Such services usually are directed at students with the following conditions: (1) physically disabled; (2) emotionally disabled; (3) culturally different, including compensatory education; (4) intellectually disabled; and (5) students with learning disabilities. Programs for the mentally gifted and talented are also included in some special education programs.”

³⁴ Appendix B: Definitions, Digest of Education Statistics: 2018, https://nces.ed.gov/programs/digest/d18/app_b.asp

APPENDIX: ACRONYMS

ADM—Average Daily Membership
ALE—Alternative Learning Environment
ALP—Additional Licensure Plan
APSCN—Arkansas Public School Computer Network
ATRS—Arkansas Teacher Retirement System
BLR—Bureau of Legislative Research
DESE—Division of Elementary and Secondary Education
ELA—English language arts
ELL—English Language Learner
ESA—Enhanced Student Achievement funding
FRL—Free or Reduced Price Lunch
FTE—Full-Time Employee/Full-Time Equivalent
GT—Gifted and Talented
IDEA—Individuals with Disabilities Education Act
IEP—Individualized Education Program
NCES—National Center for Education Statistics
NSL—National School Lunch state categorical funding
PAM—Physical education, art and music
PD—Professional Development
O&M/M&O—Operations and Maintenance
RTI—Response to Intervention
SREB—Southern Regional Education Board
URT—Uniform Rate of Tax