

MEETING SUMMARY
JOINT MEETING
OF THE
HOUSE AND SENATE INTERIM COMMITTEES ON EDUCATION

ADEQUACY

Monday, March 10, 2014

1:30 P.M.

Room 171, State Capitol
Little Rock, Arkansas

Senator Johnny Key, the Chair of the Senate Interim Committee on Education, called the meeting to order at 1:30 p.m.

MEMBERS OF THE SENATE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE: Senator Johnny Key, Chair; Senator Joyce Elliott, Vice Chair; Senator Eddie Cheatham; Senator Uvalde Lindsey; and Senator Jason Rapert.

MEMBERS OF THE HOUSE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE: Representative Ann Clemmer, Vice Chair; Representative Charles L. Armstrong; Representative John Catlett; Representative Bruce Cozart; Representative Jody Dickinson; Representative Charlotte Vining Douglas; Representative Jon Eubanks; Representative Debra Hobbs; Representative Karen Hopper; Representative Sheilla Lampkin; Representative Homer Lenderman; Representative Mark Lowery; and Representative James Ratliff.

NON-VOTING MEMBERS OF THE HOUSE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE: Representative Harold Copenhagen; Representative David Fielding; and Representative Stephen Meeks.

OTHER MEMBERS OF THE GENERAL ASSEMBLY IN ATTENDANCE: Senator Cecile Bledsoe; Senator Jane English; Representative Scott Baltz; Representative Mary “Prissy” Hickerson; Representative John Hutchison; Representative Joe Jett; Representative Fredrick Love; and Representative David Meeks.

Senator Key welcomed second grade students and teachers from Oakbrooke Elementary School in Sherwood, Arkansas. He advised the Committees that these students and teachers had participated in an event earlier in the day at the Capitol as part of Read Across America, sponsored by the Arkansas Education Association (AEA) and the National Education Association (NEA). Senator Key thanked the AEA for helping put together this celebration of reading. He remarked that Senator Joyce Elliott, Representative Ann Clemmer, Representative Jody Dickinson, Representative Charlotte Vining Douglas, and Representative Sheilla Lampkin were among participants who read to students today. He mentioned that Senator Eddie Cheatham had also participated in the program in his home district.

Ms. Brenda Robinson, President, Arkansas Education Association, was recognized, and thanked Senator Key for the opportunity to host this event at the Capitol. She encouraged legislators to continue reading to students in their own districts during the school year.

Senator Key called for a moment of silence in honor of Mr. Allen Maxwell, former State Representative, District 10, who passed away earlier in the day.

Discussion of the Arkansas Department of Education's Inclement Weather Waiver Process

Presenter & Synopsis:

Dr. Tom Kimbrell, Commissioner, Arkansas Department of Education, was recognized. Dr. Kimbrell noted that two (2) Commissioner's Memos, Inclement Weather Waiver (COM-14-041) and Inclement Weather Waiver Extension (COM-14-051), were included in members' packets. He said the Arkansas Department of Education (ADE) was instructed by the Arkansas State Board of Education (State Board) to deliver the memos to school districts giving them ample time to seek waivers for the many instructional days missed this school year because of inclement weather. He said the state's Standards of Accreditation require all public school districts to offer 178 instructional days of six (6) hours instructional time each year. He said the State Board has a rubric that if more than 10 instructional days have been missed, the five (5) make-up dates built into the school calendar, Spring Break, and/or other holidays could be used to make up the days. He stated that, to date, 75 districts have requested waivers for from 10 to 23 days missed, and on March 20, the State Board will determine if the requests will be granted. He commented that the West Fork School District had missed 18 days before the last weather event, and had found a way to make up all 18 days. He said the district's concern was to get as many days as possible in before the final assessment in April. He noted that while West Fork missed an additional three (3) days for which a waiver could be requested, the district's make-up of the 18 days was an effort worthy of commendation. Dr. Kimbrell said school districts have looked into multiple options for moving the assessment dates in the school calendar, taking into consideration cost, security of test delivery, impact on other activities, and the requirement that scores are back to the school by July 1. He confirmed that there will be additional flexibility and options available with computer-based assessments. Dr. Kimbrell said that the school year calendar needs will be part of a conversation for the 2015 General Session.

Issues Included in the Discussion:

- steps taken by West Fork School District to make up the 18 days,
- affect on teacher contracts if days are waived,
- options available to school districts regarding Spring Break,
- counting of instructional days under the Standards,
- satisfaction of requirements before requesting a waiver,
- teacher readiness for assessment deadlines, and
- requirements for a day to be counted as a school day.

Handout:

ADE Commissioner's Memo, COM-14-041, Inclement Weather Waiver, 01/14/2014
ADE Commissioner's Memo, COM-14-051, Inclement Weather Waiver, 03/05/2014

Discussion of Issues Related to Student Growth and Declining Enrollment Funding

Presenter & Synopsis:

Ms. Nell Smith, Administrator, Policy Analysis and Research Section, Bureau of Legislative Research, was recognized. Ms. Smith referenced a handout of Adequacy Study responsibilities, and discussed the report, *Review of Student Growth and Declining Enrollment Funding and Expenditures*. Ms. Smith stated the purpose of declining enrollment and student growth is to help districts as they gain or lose students, because funding is tied to the number of students in a district. She said districts' needed resources don't necessarily increase or decrease by that same increment. Ms. Smith presented a historical perspective for the creation of the funding. She employed charts and graphs to discuss: 1) statewide changes in enrollment; 2) calculations, expenditures, and fund balances; and 3) districts' qualifications and eligibility for funding.

Issues Included in the Discussion:

- ❖ clarification of the way funds are apportioned,
- ❖ number of schools "static" in growth,

- ❖ how receipt of additional funds by districts relates to Adequacy,
- ❖ policy in place addressing schools on the decline reducing assets because of the decline,
- ❖ funding for “phantom” students,
- ❖ using real time numbers for the distribution of foundation funding to K-12,
- ❖ additional types of growth funding,
- ❖ using another option to determine eligibility for funding,
- ❖ districts’ applications of funds with unrestricted use,
- ❖ differing needs of larger and smaller school districts,
- ❖ application of student growth and declining enrollment funding to charter schools,
- ❖ rationale behind full foundation funding,
- ❖ relationship of increase/decrease in student enrollment to school choice,
- ❖ baseline amount with which to compare the cost of students staying put vs. moving between districts,
- ❖ numbers of students enrolled in large districts where the money has gone, and
- ❖ changing use of the funds from “unrestricted” to “restricted.”

Dr. Tom Kimbrell, Commissioner, Arkansas Department of Education, was recognized. Dr. Kimbrell shared his observations on declining enrollment funding from the perspective of a commissioner and that of a former superintendent. He touched upon pertinent issues including timing, budgeting, staffing models, staffing and programming decisions, and lagging-year funding. Dr. Kimbrell also responded to members’ questions on meeting Adequacy, on guidelines for districts’ disposition of certain assets, and on the complexity of the revenue formula because of students moving around the state.

Senator Key requested a follow-up on whether funding with prior-year Average Daily Membership (ADM) is enough to fund the needs of the “wind-down,” or is it necessary to give the full amount of declining enrollment funding to districts, or is there something in-between. He said he would like to have something put together numerically and to also hear from representatives of both growth and declining districts.

Handouts:

Adequacy Study Statutory Responsibilities
Review of Student Growth and Declining Enrollment Funding and Expenditures (Report)
Student Growth and Declining Enrollment Funding (BureauBrief)

Discussion of Issues Related to Educational Equity

Presenter & Synopsis:

Ms. Rebeca Whorton, Legislative Analyst, Policy Analysis and Research, Bureau of Legislative Research, was recognized. Ms. Whorton presented the *Equity Analysis Report*, one part of the Adequacy Study. She said the first page of the memorandum presents an overview of why the method of providing equality of educational opportunities in the state is continually reviewed and evaluated. She stated the report provides information on the state’s educational equity using standards and statistical measures accepted by the courts. She explained the report is broken down into two sections: State Funding Equity and School District Expenditure Equity, and discussed statistical charts related to the issues in each section. Ms. Whorton noted that on Table 3 and Table 4 on page 5, the charts show an increase in statistical values from 2012 to 2013 because of the court order in the *Kimbrell v. McClesky* case in 2013 which allowed eight school districts to keep property taxes in excess of foundation funding. On an ending note, Ms. Whorton stated that Arkansas’s equity statistics indicate a moderate decline in equity scores over the most recent three years but continue to confirm that the qualities in the equity of the funding, as well as district expenditures, exist and are holding up well.

Senator Key’s requested and received affirmation from Ms. Whorton that should the day come when the funding formula is challenged, this is the kind of statistical information that would be presented in the arguments to defend the system as it is currently established.

Contributor to the Discussion:

Mr. Richard Wilson, Assistant Director, Research Services, Bureau of Legislative Research

Issues Included in the Discussion:

- ◆ clarification of “district spending has very little connection with the property wealth of a district” on page 6,
- ◆ awareness of effort being put toward education at the local school level,
- ◆ best indicators for determining equity, and
- ◆ explanation and discussion of content in tables on page 5.

Handout:

Equity Analysis Report, Memorandum

Next Scheduled Meetings:

Tuesday, March 11, 2014, at 9:00 a.m. in Room 171 of the State Capitol in Little Rock

Tuesday, March 11, at 1:30 p.m. in Room 171 of the State Capitol in Little Rock, State and Public Employee Life and Health Insurance Program Legislative Task Force

Adjournment:

The meeting adjourned at 3:44 p.m.

Approved: 04/14/14