

Section 21: Recommendations

	Topic	FY24	FY25
1.	Definition of Adequacy	<p><i>Add College and Career definition as recommended by Augenblick, Palaich and Associates in 2020:</i></p> <p>The standards included in the state's curriculum and career and technical frameworks, which define what Arkansas students are to be taught, including specific grade level curriculum and a mandatory thirty-eight (38) Carnegie units defined by the Arkansas Standards of Accreditation to be taught at the high school level; 2. The standards included in the state's testing system. The goal is to have all, or all but the most severely disabled, students perform at or above proficiency on these tests; and 3. Sufficient funding to provide adequate resources as identified by the General Assembly. 4) <i>Upon high school graduation, Arkansas students should be prepared to take the next steps toward a career regardless of whether that is college (two- or four-year), a technical program, military service, or an entry-level career position.</i></p> <p><i>More specifically, an Arkansas student who is career ready will have:</i></p> <ul style="list-style-type: none"> • <i>Gained core academic knowledge in mathematics, science, and English language arts to enable them to successfully complete credit-bearing, first-year courses at a postsecondary institution.</i> • <i>Demonstrated capabilities such as communication, critical thinking, collaborative problem-solving, time management, and information and technology skills.</i> • <i>Developed behavioral skills and dispositions such as dependability, perseverance, working effectively with others, adapting, and managing stress.</i> • <i>Developed financial literacy.</i> <p><i>All Arkansas students should be guided in career exploration, planning, and decision-making throughout their K–12 education to enable them to successfully navigate their chosen career path. This includes knowledge of careers, industries, and postsecondary education and training opportunities, identification of individual interests and abilities, and development of a personalized postsecondary plan with the concrete steps that need to be taken to enter a specific career field after graduation. Further, students should have had opportunities to participate in advanced, concurrent enrollment, CTE or other career-focused courses, internships, and apprenticeships to demonstrate that they are career ready</i></p>	
2.	Adequacy Study	<p><i>See additional recommendations below the chart.</i></p>	

* Other benefits include Unemployment Insurance and Workers Comp (.35%), Medicare (1.45%), Social Security (6.2%), and Retirement (15%). Total benefits as of SY2023 equal 23% of Base Salary.

MATRIX FUNDING

	Topic	FY24	FY25
3.	Matrix Calculations	No change to prototypical school size. School Size: 500 Kindergarten = 8% of Students Grades 1-3 = 23% of students Grades 4-12 = 69% of students	No change to prototypical school size. School Size: 500 Kindergarten = 8% of Students Grades 1-3 = 23% of students Grades 4-12 = 69% of students
4.	Staffing Ratios	(Add 1 FTE computer education Librarian/Media teacher to Grades 4-12) & increase Specialist: .85 2.9 special ed. teachers to 3.3) Guidance Counselor: Kindergarten : 2.0 1.11 Grades 1-3: 5.0 Nurse: .67 Grades 4-12: 14.8 Other Student Support PAM: 4.14 Staff: .72 Special Education Teachers: 3.3 Principal: 1 Instructional Facilitators: 2.5 Secretary: 1	Kindergarten : 2.0 Librarian/Media Specialist: .8 Grades 1-3: 5.0 Guidance Counselor: 1.11 Grades 4-12: 14.8 Nurse: .67 PAM: 4.14 Other Student Support Staff: Special Education Teachers: .72 3.3 Principal: 1 Instructional Facilitators: Secretary: 1 2.5
5.	Public School Employee Insurance Line Item	Maintain the \$142 million the Division of Elementary and Secondary Education pays the Employee Benefits Division for public school employees health insurance.	Increase the amount the Division of Elementary and Secondary Education pays the Employee Benefits Division for public school employees' health insurance by the Medical CPI of 3.7% as recommended by Segal to \$147,254,000.
6.	Health Insurance All Employees	Maintain rate of \$300/month per participating employee. Health Insurance: = \$3,600	Fund first six months of school year at \$300/month per participating employee. Adjust second six months by Medical CPI-U of 3.7 to \$311 align with EBD fiscal year. Health Insurance: = \$3,666.60
7.	School Level Salaries: Teacher	Increase teacher salary and benefits to reflect \$4,000 increase plus benefits for all of above positions in matrix minus secretary and principal.	Increase salary and benefits to reflect COLA of 2.16%.
		Base Salary: \$61,208	Base Salary: \$62,530
		Health Insurance: \$3600	Health Insurance: \$3667
		Other Benefits (23% of base salary): \$14,078	Other Benefits (23% of base salary): \$14,382
		Salary + All Benefits: \$78,886	Salary + All Benefits: \$80,579
Per Student Matrix Amount: \$5,536	Per Student Matrix Amount: \$5,655		
8.	Principal	Increase salary and benefits by the projected CPI-U of 1.84%.	Increase salary and benefits by the projected CPI-U of 2.16%.
		Base Salary: \$85,115	Base Salary: \$86,953
		Health Insurance: \$3,600	Health Insurance: \$3,667
		Other Benefits (23% of base salary): \$19,576	Other Benefits (23% of base salary): \$19,999
		Salary + All Benefits: \$108,291	Salary + All Benefits: \$110,620
Per Student Matrix Amount: \$217	Per Student Matrix Amount: \$222		
9.	Secretary	Increase salary and benefits by the projected CPI-U of 1.84%.	Increase salary and benefits by the projected CPI-U of 2.16%.
		Base Salary: \$34,530	Base Salary: \$35,276
		Health Insurance: \$3,600	Health Insurance: \$3,667
		Other Benefits (23% of base salary): \$7,942	Other Benefits (23% of base salary): \$8,113
		Salary + All Benefits: \$46,072	Salary + All Benefits: \$47,056
Per Student Matrix Amount: \$92	Per Student Matrix Amount: \$94		

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MATRIX FUNDING

	Topic	FY24	FY25
10.	Salary Increase – Other Employees	Add line for Salary Enhancement – Other Employees and set at \$44 per student to fund a \$2 salary increase.	Increase Enhancement – Other Employees to \$44.95 by the projected CPI-U of 2.16%.
11.	All Other Personnel Health Insurance	Set at \$38.88 per student.	Increase to \$39.60 per student.
12.	Technology	Increase technology funding by the projected CPI-U of 1.84% to \$254.60 per student.	Increase technology funding by the projected CPI-U of 2.16% to \$260.10 per student.
13.	Instructional Materials	Increase instructional materials funding by the projected CPI-U of 1.84% to \$201.03 per student.	Increase instructional materials funding by the projected CPI-U of 2.16% to \$205.37 per student.
14.	Extra Duty Funds	Increase extra duty funds by the projected CPI-U of 1.84% to \$70.88 per student.	Increase extra duty funds by the projected CPI-U of 2.16% to \$72.41 per student.
15.	Supervisory Aides	Increase supervisory aides funding by the projected CPI-U of 1.84% to \$56.82 per student.	Increase supervisory aides funding by the projected CPI-U of 2.16% to \$58.04 per student.
16.	Substitutes	Increase substitutes funding by the projected CPI-U of 1.84% to \$76.79 per student.	Increase substitutes funding by the projected CPI-U of 2.16% to \$78.45 per student.
17.	Operations and Maintenance	Increase O&M funding by the projected CPI-U of 1.84% to \$761.44 per student.	Increase O&M funding by the projected CPI-U of 2.16% to \$777.88 per student.
18.	Central Office	Increase Central Office funding by the projected CPI-U of 1.84% to \$472.69 per student.	Increase Central Office funding by the projected CPI-U of 2.16% to \$482.90 per student.
19.	Transportation	Increase Transportation funding by the projected CPI-U of 1.84% to \$327.11 per student.	Increase Transportation funding by the projected CPI-U of 2.16% to \$334.18 per student.
20.	Adjustment for Retirement	Included in salary and benefits calculations.	Included in salary and benefits calculations.
21.	Additional Matrix item(s)	See Salary Increase for Classified Employees (line 10) and Health Insurance Classified Employees (line 11) above	None.
22.	Total Foundation Funding Rate	\$8,150	\$8,325

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CATEGORICAL FUNDING

	Topic	FY24	FY25
23	Alternative Learning Environment (ALE) Funding	Increase ALE funding by the projected CPI-U of 1.84% to \$4,980 per ALE full-time equivalent student.	Increase ALE funding by the projected CPI-U of 2.16% to \$5,088 per ALE full-time equivalent student.
24	English Language Learner (ELL) Funding	Increase ELL funding by the projected CPI-U of 1.84% to \$373 per ELL student.	Increase ELL funding by the projected CPI-U of 2.16% to \$381 per ELL student.
25	Enhanced Student Achievement (ESA) Funding	Follow the 2020 Augenblick, Palaich and Associates recommendation to eliminate funding cliffs by funding FRL students at a single weight of .12 based on the per-pupil foundation funding amount as defined by the matrix and phase in over four years. FY24, the funding amounts for school districts with <70% FRL is \$648; with 70%-90% FRL is \$1,052; and .90% is \$1,454.	For FY25, continue to phase in of single .12 weight per FRL students. FY25, the funding amounts for school districts with <70% FRL is \$769; with 70%-90% FRL is \$1,038; and .90% is \$1227.
26	Professional Development (PD) Funding	Increase PD funding by the projected CPI-U of 1.84% to \$41.60 per student.	Increase PD funding by the projected CPI-U of 2.16% to \$42.40 per ELL student.
27	Additional Categorical Funds: Merit Teacher Incentive Funding		Using an approach similar to the Louisiana compensation model, create a system to provide additional to pay to teachers based on effectiveness, demand, and experience from a total fund of \$70,000,000.

SUPPLEMENTAL FUNDS

	Topic	FY24	FY25
28.	ESA Grants	Eliminate this supplemental as the funds for these grants are assumed in the distribution of ESA Categorical funds.	
29.	Additional PD (PLCs)	Keep Additional PD funding at \$16,500,000.	Keep Additional PD funding at \$16,500,000.
30.	Enhanced Transportation	Increase Enhanced Transportation funding by the projected CPI-U of 1.84% to \$7,332,480.	Increase Enhanced Transportation funding by the projected CPI-U of 2.16% to \$7,490,862.
31.	Special Education High-Cost Occurrences	Increase Special Education High-Cost Occurrences funding by 1.84% to \$14,255,716	Increase Special Education High-Cost Occurrences funding by 2.16% to \$14,563,639.
32.	Teacher Salary Equalization	Maintain Teacher Salary Equalization funding at \$60,000,000 with no change to the target average teacher salary of \$51,822.	Maintain Teacher Salary Equalization funding at \$60,000,000 with no change to the target average teacher salary of \$51,822.
33.	Student Growth Funding	No change recommended.	No change recommended.
34.	Declining Enrollment Funding	No change recommended.	No change recommended.
35.	Isolated Funding	No change recommended.	No change recommended.

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SUPPLEMENTAL FUNDS			
	<i>Topic</i>	<i>FY24</i>	<i>FY25</i>
36.	Additional Supplemental Funding Stream: Small District Equity	<i>None recommended.</i>	<i>None recommended.</i>
PARTNERSHIP PROGRAM			
	Facilities Partnership Program	<i>No change recommended.</i>	

ADDITIONAL RECOMMENDATION:

1. Adopt the 2020 Augenblick, Palaich and Associates recommendation to develop a legislative task force to investigate and address the out-of-school factors that inhibit performance for high need students within the state.
2. Alternative Learning Educators shall monitor student academic achievement and annually report progress to DESE and the Education Committees of the House and Senate.
3. Follow the 2020 Augenblick, Palaich and Associates recommendation to add a Categorical fund for Special Education that distributes funding based on multi-weighted amounts and is restricted to providing special education students with the instruction and services they need. The Education Committees of the House and will determine a structure and the data needed to be collected by DESE in order to include this new Categorical fund for special education in the 2024 Adequacy Study recommendations.
4. Create a K-12 Public School Education Funding Legislative Task Force to study the state’s current K-12 education funding structure for public schools, including both adequacy funding and all other K-12 education funding within the context of the full state budget. The Task Force should be modeled on the legislature’s former Tax Reform and Relief Legislative Task Force as well as the former Health Reform Legislative Task Force and is to consider changing education funding from a prior-year to a current-year ADM funding model, study methodologies for addressing small school inequities caused by per-pupil funding for a model 500-student district, and also to determine the best methods for funding education based on research of best practices and current spending practices that lead to high levels of student performance.

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