

# FINAL REPORT ON THE LEGISLATIVE HEARINGS FOR THE 2022 EDUCATIONAL ADEQUACY STUDY

(ACT 57 OF THE SECOND EXTRAORDINARY SESSION OF 2003,  
ACT 1204 OF 2007, ACT 936 OF 2017 AND ACT 725 OF 2011)

**“FROM ADEQUATE TO EXCELLENT”**

**VOLUME I OF II**

**(VOLUME I REPORT  
VOLUME II HANDOUTS/EXHIBITS)**

RECOMMENDATIONS  
OF THE  
SENATE INTERIM COMMITTEE ON EDUCATION

# Table of Contents

<b>Acronyms</b> .....	<b>iv</b>
<b>Section 1: Introduction</b> .....	<b>1</b>
Statutory Requirements .....	1
Process.....	1
Legal Landscape.....	2
Educational Adequacy Definition .....	4
<b>Section 2: Starting Slate</b> .....	<b>4</b>
State Assessment Scores .....	4
National Assessment of Educational Progress (NAEP) Scores.....	5
Average ACT Composite Scores.....	7
College Going Rates.....	7
Adults Who Graduated From High School.....	8
Adults With a Bachelor’s Degree or Higher .....	8
Teacher Pay .....	8
<b>Section 3: K-12 Public Education Funding</b> .....	<b>9</b>
Educational Funding – A Big Investment.....	9
All Funding Streams for Arkansas Education.....	11
<b>Section 4: K-12 Public Education Expenditures</b> .....	<b>34</b>
Matrix Items .....	34
Non-Matrix Items .....	53
Categorical Funding.....	56
Additional State Funding .....	58
<b>Section 5: Equity in Revenues and Spending</b> .....	<b>59</b>
Equity Analyses of District Revenue .....	59
Equity Analyses of District Expenditures.....	60
<b>Section 6: K-12 Facilities Funding and Expenditures</b> .....	<b>61</b>
Impact of Facilities on Learning.....	61
State Models for Funding Academic Facilities.....	61
Arkansas State Funding for Academic Facilities .....	62
District and Charter Survey Responses.....	65
<b>Section 7: Teacher Recruitment and Retention</b> .....	<b>65</b>
Arkansas Teachers .....	65
Teacher Recruitment and Retention Best Practices.....	67
Arkansas’s Recruitment and Retention Efforts .....	68
Survey Results.....	68
<b>Section 8: K-12 Teacher Salaries</b> .....	<b>69</b>
Teacher Salary Comparisons .....	69
Teacher Salary Disparity within Arkansas.....	70
Review of Minimum Teacher Salary Schedule .....	72
<b>Section 9: Professional Development and Teacher Evaluations</b> .....	<b>73</b>
Best Practices.....	73
Professional Development Requirements.....	74

Professional Development Programs .....	75
Teacher Evaluations.....	77
<b>Section 10: Learning Expectations in Arkansas Schools .....</b>	<b>77</b>
Academic Standards .....	77
Required Courses.....	78
Graduation Requirements and Smart Core .....	78
College and Career Readiness .....	79
Advanced Courses .....	79
Arkansas Computer Science Initiative .....	81
Remote/Digital/Distance Learning .....	82
<b>Section 11: K-12 Career and Technical Education (CTE) .....</b>	<b>84</b>
Arkansas Policy Background .....	84
CTE Oversight.....	84
CTE Funding .....	85
CTE Programs of Study .....	86
CTE Students.....	87
2020 APA Recommendations .....	88
<b>Section 12: Arkansas Public Schools’ Waiver Pathways.....</b>	<b>88</b>
Waiver Pathways in Arkansas.....	88
<b>Section 13: K-12 Alternative Learning Environment (ALE).....</b>	<b>92</b>
Literature Review .....	92
ALE Programs.....	92
ALE Students.....	93
Effectiveness Indicators.....	94
<b>Section 14: English Language Learners (ELL) .....</b>	<b>95</b>
Literature Review .....	95
English Language Learner Students.....	96
Program Overview .....	96
Progress Toward English Language Proficiency Assessment.....	97
<b>Section 15: Enhanced Student Achievement (ESA) .....</b>	<b>98</b>
Literature Review .....	99
Identifying Poverty Students in Arkansas.....	99
Allowable Uses for ESA Expenditures.....	100
Achievement of ESA Students .....	100
<b>Section 16: Special Education .....</b>	<b>101</b>
Literature Review .....	101
Students with Disabilities .....	101
Special Education Teachers .....	102
Student Achievement.....	103
<b>Section 17: Student Achievement .....</b>	<b>104</b>
National Assessment of Educational Progress (NAEP) .....	104
AP.....	105
ACT.....	106
ACT Aspire.....	107
Graduation Rates.....	110

<b>Section 18: State and Federal Accountability Programs.....</b>	<b>111</b>
Academic Accountability .....	111
Special Education.....	116
Fiscal Assessment and Accountability .....	116
Facilities Distress .....	117
<b>Section 19: Economic Indices .....</b>	<b>118</b>
<b>Section 20: Stakeholder Feedback.....</b>	<b>119</b>
Arkansas Advocates for Children and Families.....	119
Arkansas Association of Educational Administrators (AAEA).....	120
Arkansas Education Association .....	120
Arkansas Public School Resource Center.....	120
Arkansas Rural Education Association.....	121
Arkansas School Boards Association .....	121
Forward Arkansas .....	122
Winthrop Rockefeller Foundation .....	122
<b>Section 21: Recommendations .....</b>	<b>123</b>
<b>Appendix A: Adequacy Study Presenters and Contributors .....</b>	<b>128</b>
Bureau of Legislative Research.....	128
Arkansas Department of Education.....	128
Other Organizations .....	128
<b>Appendix B: Report Methodologies and Definitions.....</b>	<b>129</b>
School Comparisons .....	129
State Comparisons.....	130
Survey Methodology .....	131
<b>Appendix C: 2021 Legislation.....</b>	<b>132</b>
K-12 Public Education Funding (Section 3).....	132
K-12 Public Education Expenditures (Section 4).....	132
K-12 Facilities Funding and Expenditures (Section 6).....	132
Teacher Recruitment and Retention (Section 7).....	133
K-12 Teacher Salaries (Section 8) .....	133
Professional Development and Teacher Evaluations (Section 9).....	133
Arkansas Public Schools’ Waiver Pathways (Section 12).....	134
K-12 ALE (Section 13).....	134
Student Achievement (Section 17).....	134
<b>Appendix D: Action Plan.....</b>	<b>135</b>
<b>Appendix E: Draft Legislation .....</b>	<b>139</b>

## Acronyms

Acronyms	Name
<b>AAEA</b>	Arkansas Association of Educational Administrators
<b>ABC</b>	Arkansas Better Chance
<b>ADE</b>	Arkansas Dept. of Education
<b>DESE fka: ADE</b>	Division of Elementary and Secondary Education fka: ADE
<b>ADHE</b>	Division of Higher Education fka: Ark. Dept. of Higher Education
<b>ADM</b>	Average Daily Membership
<b>AESAA</b>	Arkansas Education Support and Accountability Act
<b>AETN</b>	Arkansas Education Television Network
<b>AEU</b>	Alternative Education Unit
<b>ALE</b>	Alternative Learning Environment
<b>ALP</b>	Additional Licensure Plan
<b>AP</b>	Advanced Placement
<b>APSCN</b>	Arkansas Public School Computer Network
<b>Arkansas IDEAS</b>	Internet Delivered Education for Arkansas Schools
<b>BLR</b>	Bureau of Legislative Research
<b>COLA</b>	Cost of Living Adjustment
<b>CPI-U</b>	Consumer Price Index-All Urban Consumers
<b>CTE</b>	Career and Technical Education
<b>DLM</b>	Dynamic Learning Maps
<b>DOE</b>	U.S. Department of Education
<b>EAF</b>	Educational Adequacy Fund
<b>ECS</b>	Education Commission of the States
<b>EETF</b>	Educational Excellence Trust Fund
<b>ELA</b>	English language arts
<b>ELL</b>	English Language Learners
<b>ELPA21</b>	English Language Proficiency Assessment 21 <sup>st</sup> Century
<b>ESA fka NSL</b>	Enhanced Student Achievement fka: National School Lunch
<b>ESL</b>	English as a Second Language
<b>ESSA</b>	Every Student Succeeds Act
<b>ESSER I &amp; II</b>	Elementary and Secondary School Emergency Relief I & II
<b>FAPE</b>	Free, Appropriate Public Education
<b>FPL</b>	Federal Poverty Level
<b>FRL</b>	Free and Reduced-Price Lunch
<b>FTE</b>	Full-Time Equivalent
<b>FWI</b>	Facilities Wealth Index
<b>FY</b>	Fiscal Year
<b>GED</b>	General Educational Development
<b>IB</b>	International Baccalaureate
<b>IDEA</b>	Individuals with Disabilities Education Act
<b>IEP</b>	Individualized Education Program
<b>LEADS</b>	Leader Excellence and Development System
<b>NAEP</b>	National Assessment of Educational Progress
<b>NCES</b>	National Center for Education Statistics
<b>NEA</b>	National Education Association
<b>O&amp;M/M&amp;O</b>	Operations and Maintenance
<b>OEPCS</b>	Open-Enrollment Public Charter School
<b>PAM</b>	Physical education, art and music
<b>PLC</b>	Professional Learning Community
<b>PSF</b>	Public School Fund Account
<b>R.I.S.E.</b>	Reading Initiative for Student Excellence
<b>SREB</b>	Southern Regional Education Board
<b>TESS</b>	Teacher Excellence and Support System
<b>URT</b>	Uniform Rate of Tax

## Section 1: Introduction

The adequacy study is a key element in the continued constitutionality of the state's system of funding public education. The study process began during the 2003 Regular Legislative Session when the General Assembly enacted Act 94 of 2003 to create the Joint Committee on Educational Adequacy. The Joint Committee's charge was to study the state's educational system and determine how it could offer an adequate education to Arkansas public school students. In early 2004, the General Assembly made that responsibility ongoing with Act 57 of the Second Extraordinary Session of 2003, which requires the Education Committees to study the entire educational system and report their findings and recommendations before every regular session.

### Statutory Requirements

Act 57 of the Second Extraordinary Session of 2003 established eight broad areas the Education Committees must review each biennium. These include examining "the entire spectrum of public education" in Arkansas, reviewing the components of an adequate education and evaluating the costs of an adequate education. Act 1204 of 2007 (as amended by later acts) specified that these broad reviews should be accomplished by:

- Reviewing a report prepared by Arkansas Legislative Audit compiling all funding received by public schools for each program;
- Reviewing the academic standards developed by the Department of Education;
- Reviewing the Arkansas Educational Support and Accountability Act;
- Reviewing fiscal and facilities distress programs;
- Reviewing the state's standing under the Elementary and Secondary Education Act of 1965 as reauthorized by the Every Student Succeeds Act;
- Comparing the average teacher salary in Arkansas with surrounding states and Southern Regional Education Board member states, including:
  - Comparing teacher salaries as adjusted by a cost-of-living index or a comparative wage index;
  - Reviewing the minimum teacher compensation salary schedule;
- Reviewing expenditures from:
  - Isolated school funding;
  - National school lunch state funding;
  - Declining enrollment funding;
  - Student growth funding;
  - Special education funding;
- Reviewing disparities in teacher salaries;
- Completing an expenditure analysis and resource allocation review;
- Using evidence-based research as the basis for recalibrating, as necessary, the state's system of funding public education;
- Adjusting for the inflation or deflation of any appropriate component of the system of funding public education; and
- Reviewing legislation enacted or rules promulgated during the biennium covered by the study to determine the impact of the legislation and rules on educational adequacy-related public school costs.

Act 1204 of 2007 also established that the Education Committees would review any other program or topic they identified for further study. This report is presented to document the Education Committees' compliance with those statutory mandates.

### Process

For the 2022 adequacy study, the Chairs of the House and Senate Education Committees, Senator Missy Irvin and Representative Bruce Cozart, opted to include all members of both Education Committees in the review. Committee members began meeting for the study in January 2022, and the committees met 15 times over the following 10 months. Presenters included representatives from the Bureau of Legislative Research (BLR) and Arkansas Legislative Audit. (A list of all presenters and contributors can be found in Appendix A.) This report

represents a summary of all testimony and reports presented to the Education Committees for this adequacy study and provides the recommendations the Senate Committee developed based on that information. ***Each recommendation reflects the Senate Committee's two core goals for improving education in Arkansas: 1) To support and reward the dedicated teachers in Arkansas's public schools; and 2) To enhance the support of students who may require it due to poverty, language barriers, disabilities, or other challenges. These two approaches together will move Arkansas's public education system "from adequate to excellent".***

This study considered four types of evidence in each report:

- Analyses of Arkansas K-12 funding, expenditure and achievement data
- Data, programs or practices in a set of comparison states used throughout the report
- Analyses of Arkansas educator responses provided through online surveys of school district and charter school superintendents, directors, school principals and a sample of teachers and 25 interviews and focus groups with superintendents, principals, teachers, and students
- Recent findings in research literature

Please see Appendix B for a more detailed description of research methodologies used for this report.

The Education Committees carefully considered all of the information presented and made a variety of recommendations concerning educational funding. The recommendations are described in Section 21.

This report serves as Volume I of the 2022 final adequacy report. Volume II of this report contains copies of all materials presented to the Education Committees for this adequacy review. Those materials are available at the following link: <https://www.arkleg.state.ar.us/Education/K12/AdequacyReports?folder=2022and contain> additional analyses, data sources and research citations.

## Legal Landscape

The Arkansas Constitution provides that the state "shall ever maintain a general, suitable and efficient system of free public schools and shall adopt all suitable means to secure to the people the advantages and opportunities of education." Ark. Const. art. 14, § 1. The primary Arkansas Supreme Court decisions interpreting this constitutional provision are *Dupree v. Alma Sch. Dist. No. 30 of Crawford County*, 279 Ark. 340, 651 S.W.2d 90 (1983) and the *Lake View* decisions.<sup>1</sup> The *Dupree* court held that the state's constitutional responsibility included providing "equal educational opportunity" to the state's public school children. The court further interpreted the state's constitutional obligations through 15 years of litigation in the *Lake View* case.

### *HISTORICAL DEFICIENCIES LEADING TO LAKE VIEW*

In *Lake View*, the Arkansas Supreme Court found that the state's public school funding system was unconstitutional and identified the following reasons:

1. Failure to conduct an adequacy study or define adequacy;
2. "Abysmal" Arkansas educational rankings;
3. Low Benchmark scores;
4. Need for Arkansas student remediation in college;
5. Teacher salaries not comparable to surrounding states;
6. Disparities in teacher salaries within the state;
7. Recruitment and retention of quality teachers;
8. Special needs of poverty level students, including English-language learners;
9. Needs of school districts in low-income areas (for improved and advanced curriculum, quality teachers, and adequate facilities, supplies, and equipment); and

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<sup>1</sup> *Lake View School Dist. No. 25 v. Huckabee*, 351 Ark. 31, 91 S.W.3d 472 (2002); *Lake View School Dist. No. 25 v. Huckabee*, 355 Ark. 617, 142 S.W.3d 643 (2004); *Lake View School Dist. No. 25 v. Huckabee*, 358 Ark. 137, 189 S.W.3d 1 (2004); *Lake View School Dist. No. 25 v. Huckabee*, 362 Ark. 520, 210 S.W.3d 28 (2005); *Lake View School Dist. No. 25 v. Huckabee*, 364 Ark. 398 (2005); and *Lake View School Dist. No. 25 v. Huckabee*, 370 Ark. 139, 257 S.W.3d 879 (2007)

10. Needs of school districts in high enrollment growth areas.

### *STATE ACTIONS TO REMEDY THE CONSTITUTIONAL DEFICIENCIES*

In May of 2007 the court found that the actions taken by the General Assembly had satisfied the constitutional obligations of the state, including:

1. Act 57 of the Second Extraordinary Session of 2003 - the adequacy study;
2. Act 108 of the Second Extraordinary Session of 2003 - the "doomsday" provision that protects funding in the Educational Adequacy Fund and other resources available to the Department of Education Public School Fund Account of the Public School Fund;
3. Adoption of a comprehensive system of accounting and accountability to provide state oversight of school district expenditures;
4. Establishment of the Immediate Repair Program for facilities, the Academic Facilities Partnership Program, modification of the academic facilities wealth index, and other provisions assisting school districts with academic facility needs;
5. Adoption of Amendment 74 to provide a 25 mill Uniform Rate of Tax and ensuring that school districts receive the full amount of foundation funding if the actual school tax collection is less than 98%;
6. Categorical funding for alternative learning environments, English-language learners, and national school lunch students;
7. Foundation funding;
8. Growth or declining enrollment funding; and
9. Adoption of a minimum teacher salary schedule allowance of the use of national school lunch categorical funding to supplement certain teacher salaries, and provision of incentives to attract and retain teachers in high-priority districts.

The court held that:

- (1) An adequate education must be provided to all school children on a substantially equal basis with regard to curricula, facilities, and equipment, and
- (2) It is the state's responsibility to:
  - (a) define adequacy;
  - (b) assess, evaluate, and monitor the entire spectrum of public education to determine whether equal educational opportunity is being substantially afforded to Arkansas's school children; and
  - (c) know how state revenues are spent and whether true equality in education is being achieved.

The court further noted that the General Assembly must exercise "constant vigilance" for constitutionality, recognizing that continual assessment is vital under Act 57. The court stated that **the General Assembly has put into place the "framework for a much improved Arkansas public education system," the funds to support it, and the "continuous financial and standards review" needed to ensure future success.**

### *MAINTAINING CONSTITUTIONAL COMPLIANCE*

The court identified four essential components for continued constitutional compliance:

1. Act 57's required biennial adequacy review;
2. Funding education first under Act 108;
3. The comprehensive system for accounting and accountability for providing state oversight of school-district expenditures; and
4. The General Assembly's express showing that "constitutional compliance is an ongoing task requiring constant study, review, and adjustment."

In both *Dupree* and *Lake View*, the court held that the ultimate responsibility for maintaining constitutionality rests with the state, even if local government fails to use state funding resources to provide an adequate education. (*Lake View*, 351 Ark. at 79, 91 S.W.3d at 500, citing *Dupree*, 279 Ark. at 349, 651 S.W.2d at 95). As a result, the General Assembly's efforts in recent years to define and fund an adequate education have been driven largely by the *Lake View* decisions.



## Educational Adequacy Definition

The Education Committees used the following working definition of "educational adequacy," which was updated during the 2018 adequacy study, to serve as a basis for identifying the resources required for *adequate funding*:

1. 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.

## Section 2: Starting Slate

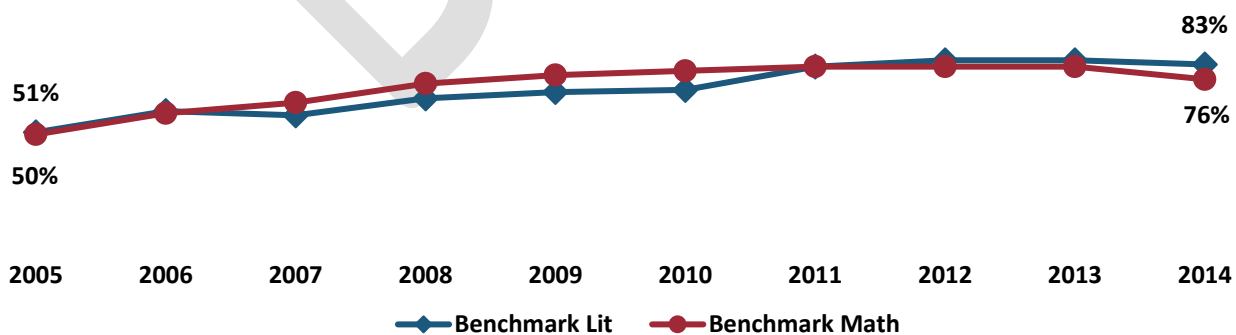
The biennial adequacy study is the legislature's ongoing effort to ensure the Arkansas's education system continues to provide an adequate and equitable education for Arkansas public school students. As context for these considerations, it is helpful to review the indicators that spurred the Courts to act in *Lake View*. In that decision, the justices agreed with the lower court's assessment that the "State has a remarkably serious problem with student performance." Pulaski County Circuit Court Judge Collins Kilgore wrote the lower court's assessment, and he based the conclusions on a range of educational and economic statistics. The BLR has attempted to identify the likeliest sources of data that were cited in the 2001 Kilgore decision, then determine the state's progress based on the most recent data. This section contains a selection of those indicators; please see the January 22 *Starting Slate* report in Volume II of this report for the full set of those updated measures.

### State Assessment Scores

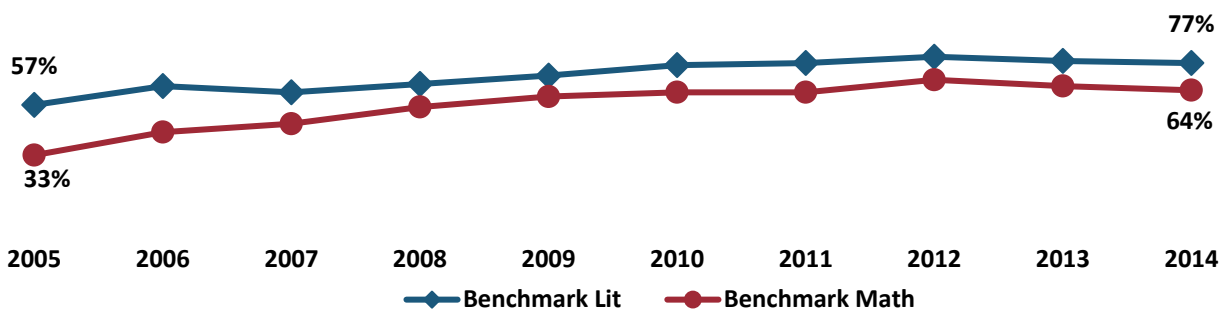
**2001 KILGORE DECISION:** "The first set of scores on the ACTAAP test showed that only 44% of the fourth graders were proficient in reading and only 34% of the students were proficient in math." **NOW:** The most recent set of scores on the state's current standardized test, the ACT Aspire, shows that 40.4% of 4<sup>th</sup> graders were "ready" or "exceeding" in reading (indicating proficiency with grade-level standards) in 2021, and 43.1% were "ready" or "exceeding" in math.

The statewide assessment has changed multiple times in the last 20 years, so direct comparisons are difficult. However, the decade from 2005 to 2014 shows progress being made on both the 4<sup>th</sup> and 8<sup>th</sup> grade Benchmark assessments in literacy and math.

**2005-2014 Progress: % Proficient or Advanced on State Assessments 4th Grade Math & Literacy**



**2005-2014 Progress: % Proficient or Advanced on State Assessments 8th Grade Math & Literacy**

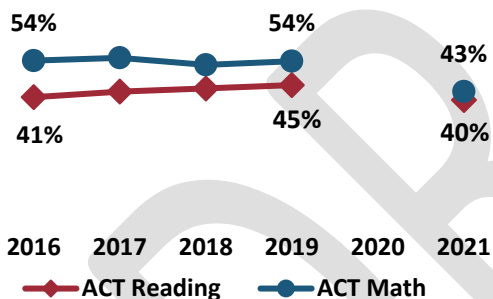


In 2015, the state switched to an exam taken by students across a number of states, the Partnership for Assessment of Readiness for College and Careers. The results of that test were:

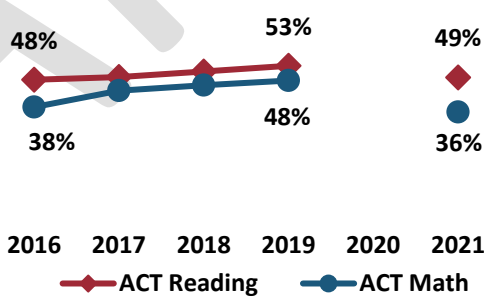
- 34% proficient or advanced in 4<sup>th</sup> grade English language arts
- 24% proficient or advanced in 4<sup>th</sup> grade math
- 32% proficient or advanced in 8<sup>th</sup> grade English language arts
- 17% proficient or advanced in 8<sup>th</sup> grade math

In 2016 the state changed its state assessment to the ACT Aspire, which uses the terminology “Ready” and “Exceeding”. Except for 4th grade math, which has remained relatively flat, some progress has occurred on the other three tests. Because of COVID-19, no tests were administered in 2020. For the same reason, test scores across the country tended to decline in 2021.

**% Ready or Exceeding 4th Grade Math & Reading**



**% Ready or Exceeding 8th Grade Math & Reading**

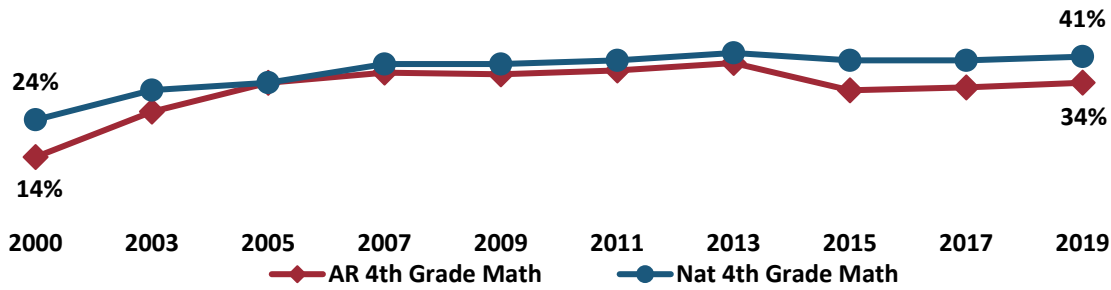


Source: DESE

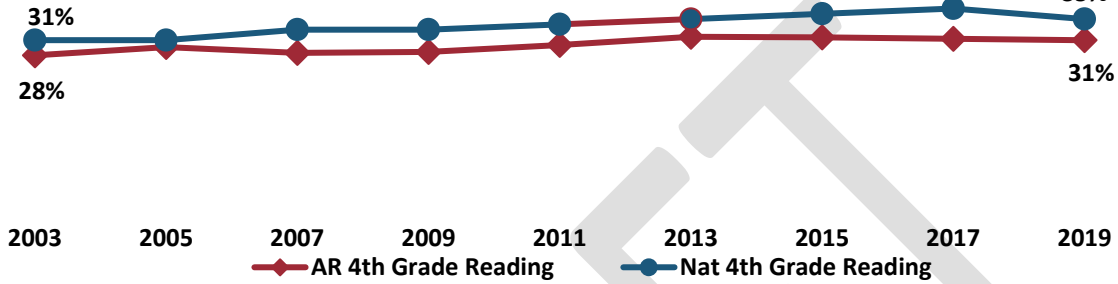
**National Assessment of Educational Progress (NAEP) Scores**

**2001 KILGORE DECISION:** “Arkansas’ fourth and eighth grade students do not rank at or above the national average for proficiency in math, reading, science or writing as measured by the SREB’s State Analysis of the NAEP test scores.” **NOW:** Arkansas’s 4<sup>th</sup> and 8<sup>th</sup> grade students have made progress on the NAEP assessments since the 2001 Kilgore decision. However, the most recent scores in both math and reading fall below the peak that was set in previous years. Arkansas students trail behind the national average in those subjects.

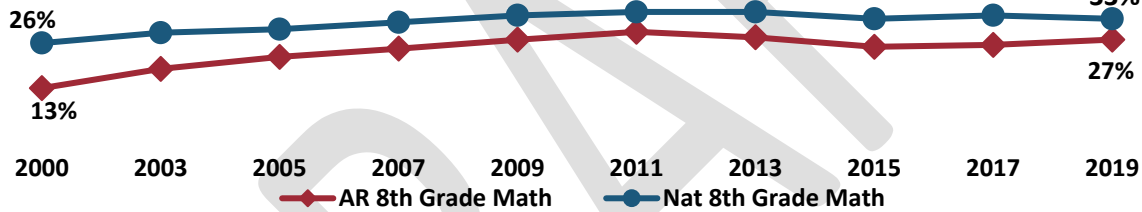
### NAEP 4th Grade Math Proficient & Above



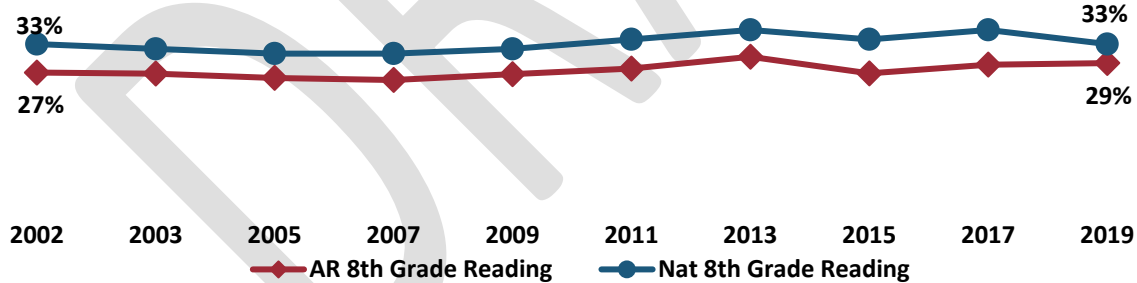
### NAEP 4th Grade Reading Proficient & Above



### NAEP 8th Grade Math Proficient & Above

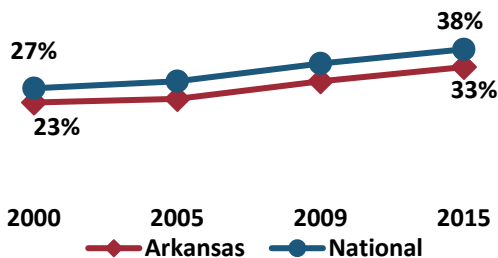


### NAEP 8th Grade Reading Proficient & Above

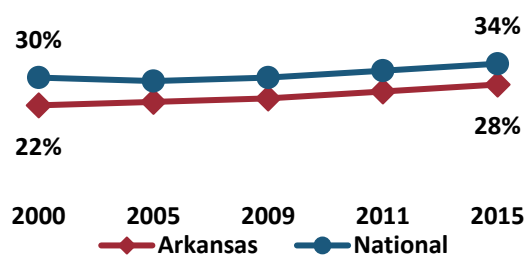


Science scores have increased for students both in Arkansas and nationally since the year 2000. Arkansas students' average scores, however, fall below the national average.

### NAEP 4th Grade Science Proficient and Above



### NAEP 8th Grade Science Proficient and Above

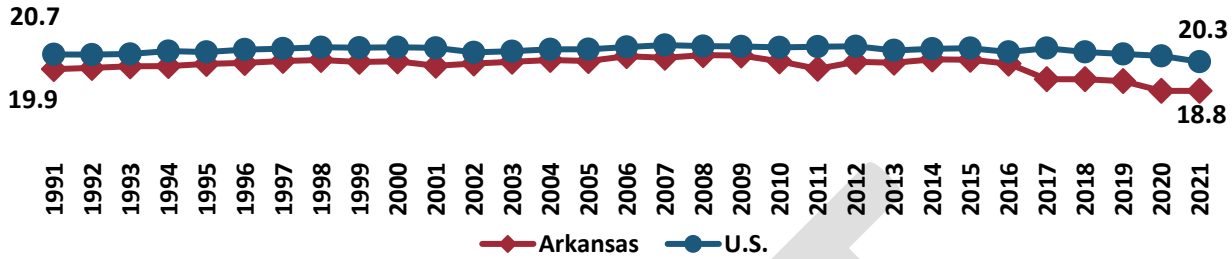


Note: The last science NAEP exams were administered in 2019 but only national scores are available as of December 2021.

## Average ACT Composite Scores

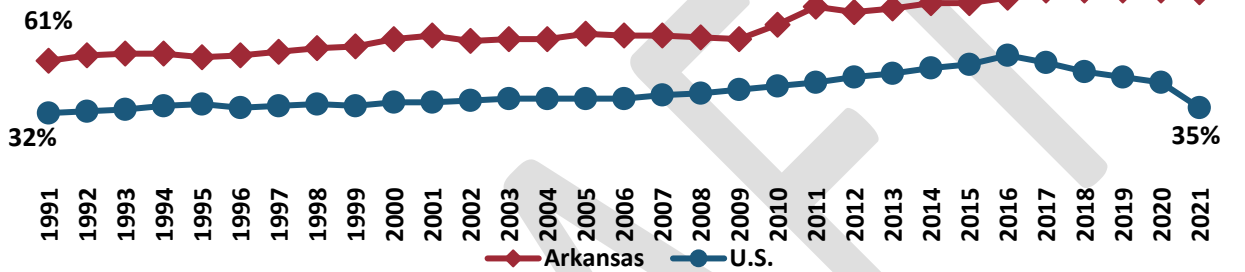
**2001 KILGORE DECISION:** “Arkansas students scored several tenths below the national average on the ACT from 1990 to 1999.” **NOW:** Arkansas students scored 1.5 points below the national average in 2021.

### ACT Scores



Source: ACT, Inc., and DESE

### ACT Participation Rate



Source: ACT, Inc.

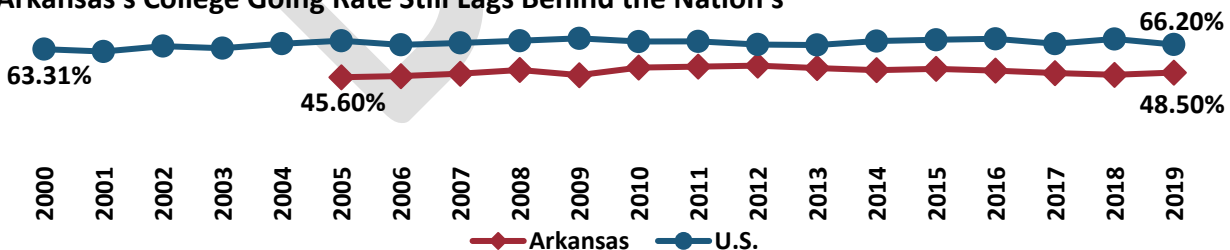
Source: ACT, Inc., and DESE.

## College Going Rates

**2001 KILGORE DECISION:** “For the period 1996 through 1998, the percentage of Arkansas high school graduates attending college is approximately 53%.” **NOW:** The most recent data show that not quite half of Arkansas’s graduating students go on to postsecondary education, while two-thirds of the nation’s graduates do pursue two- or four-year degrees.

The college-going rate cited in the Kilgore decision resulted from a different methodology than the one currently used. Beginning in the 2010 school year, the new methodology is a calculation for Arkansas public high school graduates only and does not include graduates from private schools.<sup>2</sup>

### Arkansas's College Going Rate Still Lags Behind the Nation's



Source: *Digest of Education Statistics: 2019*. NCES, Recent high school completers and their enrollment in 2-year and 4-year colleges, by sex: 1960 through 2019 (Table 302.10); ADHE, Comprehensive Arkansas Higher Education Annual Reports, 2005-2019.

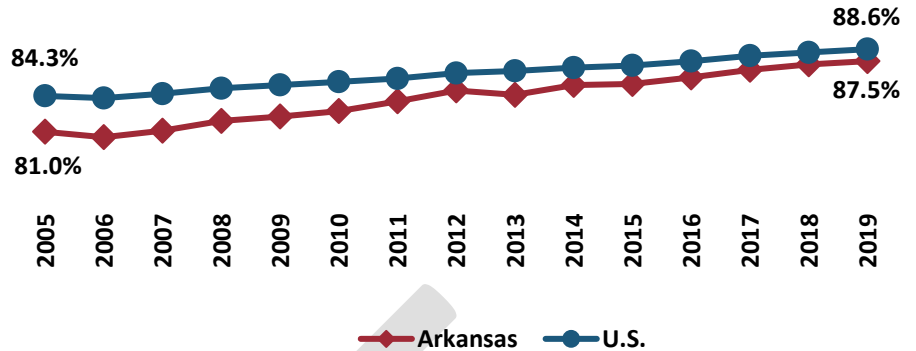
<sup>2</sup> Arkansas Department of Higher Education. *Comprehensive Arkansas Higher Education Annual Report*. 2020. Retrieved from: [https://static.ark.org/eeuploads/adhe/6-CollegeGoingRate-ANNUAL\\_2.pdf](https://static.ark.org/eeuploads/adhe/6-CollegeGoingRate-ANNUAL_2.pdf)

## Adults Who Graduated From High School

### 2001 KILGORE DECISION:

“Arkansas ranks lower than the national average for percentage of adults ages 25 years and older who have graduated from high school.” **NOW:** While Arkansas continues to rank below the national average, it has increased the percentage of adults who have graduated from high school and narrowed the gap.

State & National High School Graduation Rates Grow

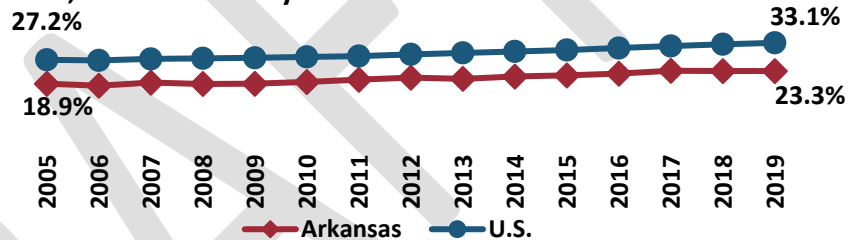


Source: U.S. Census Bureau, American Community Survey: 1-Year Estimate, Various Years.

## Adults With a Bachelor’s Degree or Higher

**2001 KILGORE DECISION:** “Arkansas ranks 49<sup>th</sup> in the nation in percentage of the population age 25 years or older with a bachelor’s degree or higher.” **NOW:** Arkansas ranks 49<sup>th</sup> out of the 50 states and the District of Columbia for the percentage of adults 25 and older with bachelor’s degrees. The percentage fell from 23.4% in 2017 to 23.3% in 2018, where it remained in 2019.

Percentage of Adults with Bachelor’s Degrees Falls; Rises Nationally

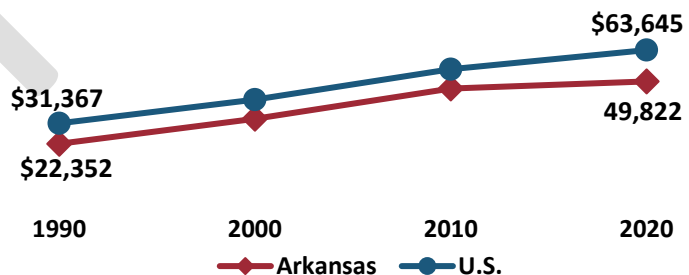


Source: U.S. Census Bureau, American Community Survey: 1-Year Estimate, Various Years.

## Teacher Pay

**2001 KILGORE DECISION:** “Arkansas generally ranks between 48th and 50th in teacher pay.” **NOW:** Arkansas’s average annual teacher salary increased by more than \$16,000 since 2000, but its ranking in average annual teacher salaries in 2020 was 48<sup>th</sup>, after improving to 46<sup>th</sup> in 2019.

Arkansas Teacher Salaries Below National Average



Source: 2020 Digest of Education Statistics, Table 211.60

## Section 3: K-12 Public Education Funding

Arkansas's current funding structure for education has changed little since being put in place following *Lake View*. After considerable study, the 2003 General Assembly adopted a funding system largely based on three groups of funding sources:

- **Per-Pupil Foundation Funding.** This is the largest source of funds and has been determined each year by applying amounts to elements in a matrix that are deemed required to provide an adequate education.
- **Categorical funds.** On top of the foundation amount, money provided through "categorical" funds that were created to address specific student needs helped ensure an equitable education for students. Another categorical funding stream provided for teacher professional development.
- **Supplemental funding streams.** Several other smaller, supplemental funding streams supported adequacy and equity efforts as well. Some of these predate the 2003 education reforms; however, several others have been added in more recent years.

This section examines those revenues at the state level that are dedicated to education and then each funding stream that flows to school districts and charter school systems for their use. Please see the Feb. 7, 2022 *K-12 Public Education Funding Report* in Volume II of this report for more details.

### Educational Funding – A Big Investment

Funds for education at the state level are derived from the following sources of revenue:

- The **Public School Fund Account (PSF)** is the primary account used to distribute state funds to school districts and charter schools. The primary sources of funding for the PSF are state general revenue, the Educational Excellence Trust Fund and transfers from the Educational Adequacy Fund.
- The **Educational Excellence Trust Fund (EETF)** is funded with an "off-the-top" deduction from gross general revenues, and the amount distributed to EETF is 14.14% of prior year sales and use tax collections. The EETF was created in 1991 to provide additional funding for teacher salaries and to support other programs of educational opportunity. The Public School Fund receives 67.16% of the total funding available to the EETF, and these funds are used by DESE to provide a portion of the State Foundation Funding Aid distributed to districts and are to be used for teacher salaries.
- The **Educational Adequacy Fund (EAF)** derives its funding from a 7/8 cent sales tax increase, the expansion of sales taxes to some services, an increase in vending machine decal fees, an increased minimum corporate franchise tax and tax rate, and a portion of the six-cent per gallon dyed diesel tax.
- Arkansas Code Annotated § 19-5-1227(c)(1) provides that the EAF is to be used to provide funds to the Department of Education PSF and the Department of Education Fund Account "to fulfill the financial obligation of the state to provide an adequate educational system as authorized by law".
- The **Department of Education Fund Account** is primarily used for the operations of DESE. The primary sources of funding for the Department of Education Fund Account are state general revenue and transfers from the EAF and the EETF.
- The **Educational Facilities Partnership Fund Account (EFPF)** is the account used to distribute school district funding for facilities construction. The primary funding sources for the EFPF Account are state general revenue and unexpended balances of funds allocated in the Public School Fund for the Bonded Debt Assistance Program as required in A.C.A. § 6-20-2503(b)(3)(B). The EFPF Account has also received funding through one-time transfers from the General Improvement Fund and from state surplus funds held in the General Revenue Allotment Reserve Fund.

Fiscal Year	Department of Education Public School Fund Account (JAA)/1	General Education Fund - Department of Education Fund Account	Educational Excellence Trust Fund (EETF)		EFPF and Dept. of Public School Academic Facilities and Transp. Fund Account	Educational Adequacy Fund	Total All Selected Funds
			Dept of Education Fund Acct of the Public School Fund (JAA)/5	Dept of Education Fund Account (EGA)/5			
2005	1,587,868,208	11,841,192	165,146,201	809,075	20,439,774	442,872,886	2,228,977,336
2006	1,664,928,944	13,536,267	178,219,239	873,122	54,214,982	426,505,888	2,338,278,442
2007	1,722,737,993	13,433,942	191,219,957	936,815	90,976,326	448,450,030	2,467,755,062
2008	1,830,265,989	15,799,231	200,422,877	981,901	502,643,494	438,730,903	2,988,844,395
2009	1,843,274,503	14,769,806	193,587,342	948,413	51,585,902	433,090,041	2,537,256,006
2010	1,790,947,911	17,529,999	190,786,665	934,692	36,916,527	411,286,403	2,448,402,196
2011	1,829,267,307	15,167,661	180,391,694	883,765	57,704,295	451,110,054	2,534,524,776
2012	1,882,316,142	15,701,088	188,051,836	921,294	58,528,882	438,147,425	2,583,666,667
2013	1,936,432,524	15,471,687	193,026,506	945,665	62,465,585	444,832,631	2,653,174,598
2014	1,980,965,210	16,578,345	195,093,479	955,792	84,858,082	456,647,180	2,735,098,088
2015	2,072,170,259	16,587,878	199,766,427	978,685	51,071,087	455,078,909	2,795,653,245
2016	2,113,356,522	16,162,434	202,031,412	989,781	98,785,465	460,624,739	2,891,950,353
2017	2,136,234,690	16,162,434	210,504,218	1,031,291	59,633,327	481,006,228	2,904,572,188
2018	2,110,560,691	16,162,434	215,134,285	1,053,974	150,579,640	506,417,821	2,999,908,845
2019	2,139,916,945	15,677,561	222,454,322	1,089,836	61,355,437	467,249,996	2,907,744,097
2020	2,169,729,298	16,298,264	226,827,803	1,111,263	62,387,201	595,416,316	3,071,770,145
2021	2,178,778,730	16,346,413	234,068,325	1,146,735	63,059,675	623,996,221	3,117,396,099

Source: Arkansas Administrative Statewide Information System - Trial Balance Report

The preceding table shows the state funding that has been made available to DESE from fiscal year 2005 (FY05) to FY21 for K-12 Education. These are not the amounts allocated or expended from these funding accounts.

**A net increase of \$45.6 million in funding resulted for these selected funds in FY21 over the prior year.** This net increase includes an additional \$9 million in the Education - Public School Fund and marginal increases to the Department of Education Fund and the Division of Public School Academic Facilities and Transportation. The funding available in the Educational Adequacy Fund increased by \$28.6 million from FY20. The funding for the Education Excellence Trust fund also increased by \$7.5 million due to revenue growth.

This money is distributed from the state to school districts through a number of funding streams. Foundation funding supplies the backbone for adequacy, but categorical funds and supplemental funds for specific purposes such as transportation or teachers' salaries provide additional muscle to help school districts and public charter school systems achieve adequate and equitable education delivery. These combine with still other local, state and federal dollars to pay for the full spectrum of costs that schools incur.

### **LITERATURE REVIEW AND BEST PRACTICES**

From 1920 to the 1970s, local governments provided about 80% of school funding, usually through property taxes. After the 1970s, states and local governments became largely equal partners, with the federal government contributing about 10%.<sup>3</sup> Arkansas's *Lake View* case – in addition to an earlier 1983 lawsuit cited as *Dupree v. Alma* – was one of a number of similar lawsuits in the late 20<sup>th</sup> and early 21<sup>st</sup> centuries resulting in states' increased roles in education funding. Much of the education research performed during the last two decades had the advantage of being able to compare results before and after these court-ordered school finance reforms. In other words, researchers can now compare student outcomes before and after an influx of money that was distributed statewide. A compilation of the post-school finance reform literature finds that *increased funding can impact student achievement* and lead to increased test scores, higher graduation rates

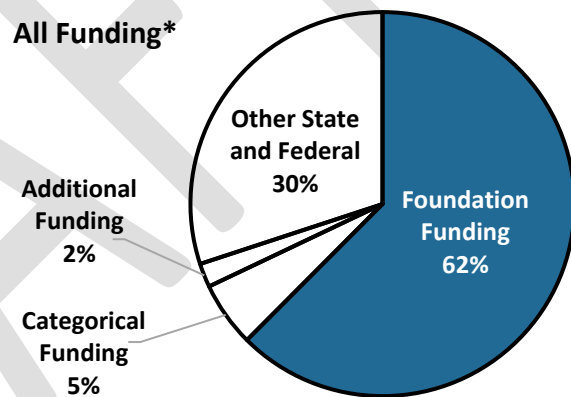
<sup>3</sup> Chingos, M. and Blagg K. (Urban Institute, May 2017) "Do Poor Kids Get Their Fair Share of School Funding?"

and college enrollment and completion, especially if the funds are devoted to teacher pay for current teachers and to providing additional resources for students in poverty.<sup>4</sup>

Providing an adequate and equitable education is the primary goal of Arkansas’s state funding system, as it is for many states. Of the four common methods for deciding educational adequacy funding amounts, Arkansas’s biennial study most closely resembles the **evidence-based** model as it relies largely on evidence supplied by data analysis and research to inform what is needed for adequacy and what those needs cost. The other three methods include **professional judgment**, which depends on the input of educators (Arkansas educators take part in the biennial adequacy studies through surveys and site visits); **successful schools/districts**, which looks at the overall funding used by schools with high-achieving students to estimate the overall funding needs of all schools; and **cost function**, which uses statistical formulas to determine how much it will cost to achieve state-set outcomes.<sup>5</sup>

## All Funding Streams for Arkansas Education

Arkansas’s primary funding stream for education – foundation funding – is derived from a funding matrix composed of the items the legislature has determined are necessary to provide an adequate education. Foundation funding is considered unrestricted funding, meaning districts are able to spend the money as they deem best. While foundation funding supplies the bulk of money Arkansas schools can use toward providing an adequate education, categorical funding – for the most part – is aimed at ensuring the state supports an equitable education. This is true for funding dollars targeted to students whose family incomes qualify them for the federal lunch program, to students for whom English is not their first language, and to students who do not perform well in the traditional classroom. These funds – Enhanced Student Achievement (ESA), English Language Learner (ELL), and Alternative Learning Environment (ALE), respectively -- are distributed on a per-pupil basis for each student in each category and are generally restricted to that specific use. An additional categorical fund supports teachers’ professional development.



\*Data percentages based on 2019-2020 Annual Statistical Report and State Aid Notice

Other state funds address inequities among school situations. These are called Isolated Funding (distributed to schools meeting strict, statutory definitions of being either isolated or small) and Declining Enrollment or Growth funding (two funding streams that address inequities occurring because of changes in enrollment.) Several more streams of funds have been added over the years, mainly to help schools meet adequacy requirements: Enhanced Transportation, Additional ESA, Special Education High-Cost Occurrences, Additional Professional Development, and Salary Equalization. All but the Enhanced Transportation dollars are considered restricted. Because these latter funding streams have been created since passage of the 2007 “adequacy study statute,”<sup>6</sup> their review is not statutorily required. However, to provide a more holistic picture of state funding of education, this funding is included in this study. The expenditures of all funds are addressed in Section 4 of this report. The following subsections will look at the specific funding levels set within the matrix, within each of the categorical funds, and within each additional stream of funds.

<sup>4</sup> Kirabo Jackson, C. (Northwestern University, Winter 2018) “Does School Spending Matter? The New Literature on an Old Question.” [https://works.bepress.com/c\\_kirabo\\_jackson/38/](https://works.bepress.com/c_kirabo_jackson/38/)

<sup>5</sup> Augenblick, Palaich and Associates. (Maryland State Department of Education, September 2015) “A Comprehensive Review of State Adequacy Studies Since 2003.”

<sup>6</sup> Act 1204 of 2007 (as amended by later acts)



**FOUNDATION FUNDING: ARKANSAS’S PRIMARY FUNDING STREAM FOR K-12 EDUCATION**

The base amount for foundation funding – the state’s main source to ensure adequacy – is the per-pupil amount derived from the funding matrix multiplied by the enrollment. Enrollment for traditional schools and existing charter schools is based on the average daily membership (ADM) for the first three quarters of the prior school year. For new charter schools or those that have added grade levels and/or expanded enrollment caps, foundation funding is based on current year ADM. While funding levels for matrix items have increased over the years, the items in the funding matrix have remained largely unchanged.

Arkansas distributed \$3.3 billion in foundation funding during the 2021 school year. Part of the money for foundation funding comes from the millage raised by school districts themselves. The Arkansas Constitution sets a **uniform rate of tax (URT)** of 25 mills from local property tax that must be dedicated to public schools. Overall, URT accounts for about 39% of school districts’ foundation funding. URT, however, is not as uniform as it sounds, because the value of a mill varies greatly among school districts *and* the number of students the 25 mills covers in each district also varies. The range of results shows the disparity. For instance, at one end is Poyen School District, which raised \$575 per student through URT for the 2021 school year, while the Fountain Lake School District raised \$7,177 per student – so more than the \$7,018 per student called for in the matrix.

To make up for the disparity in what local districts are able to raise through URT, Arkansas contributes the next largest portion of foundation funding through the aptly named **State Foundation Funding Aid**. For the 2021 school year, this made up about 60% of foundation funding overall for districts and 100% for charter school systems because charter school systems do not have a tax base. School districts receive about 2% of their foundation funds from **miscellaneous funds** (federal revenue from forest land, grazing rights, etc.) and from the state supplied **“98% adjustment”** to ensure that 98% of a local district’s property taxes are covered when tax collections fall short of that rate.

	Matrix Items	2021 Per Pupil Amt.
<b>School-Level Staffing</b>	Classroom Teachers	\$2,848
	PE, Art & Music (PAM) Teachers	\$567
	Special Education Teachers	\$397
	Instructional Facilitators	\$342
	Librarian/Media Specialist	\$116
	Counselor, Nurse and Other Pupil Support	\$342
	Principal	\$198
	Secretary	\$82
<b>School-Level Resources</b>	Technology	\$250
	Instructional Materials	\$188
	Extra Duty Funds	\$66
	Supervisory Aides	\$50
	Substitutes	\$72
<b>District-Level Resources</b>	Operations & Maintenance	\$706
	Central Office	\$439
	Transportation	\$321
<b>Adjustment</b>	Adjustment (retirement)	\$33

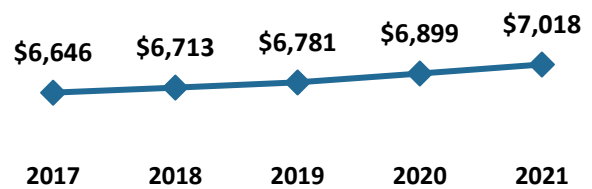
Foundation Funding Component	District Total	% of Total	Charter Total	% of Total
<b>Uniform Rate of Tax (URT)</b>	\$1,246,334,339	38.9%	\$0	0%
<b>State Foundation Funding Aid</b>	\$1,927,320,045	60.1%	\$141,706,492	100%
<b>98% Adjustment</b>	\$20,619,275	0.6%	\$0	0%
<b>Miscellaneous</b>	\$13,537,614	0.4%	\$0	0%
<b>Total</b>	\$3,207,811,273	100%	\$141,706,492	100%

Note: Amounts include overage URT raised by five school districts (Armored, Fountain Lake, Mineral Springs, Eureka Springs and West Side – Cleburne) that raised more than the foundation funding amount of \$7,018 per student.

Arkansas’s matrix is based on a theoretical *school district* of 500 students. This evolved from the prevailing research at the time that showed that schools (not districts) of 500 operated efficiently while providing the necessary resources for an adequate education. (In 2021, 69% of Arkansas schools had fewer than 500 students, while 21% of school districts and public charter school systems did.) In 2003, Arkansas legislators converted the per-school funding approach to a per-pupil funding approach in the original matrix.

It is important to keep in mind that the matrix is a *funding tool* that, though it has been used to determine foundation funding for each school year, is not set in statute. Furthermore, while the line-item amounts may express legislative intent for spending, the foundation funding that is sent to school districts is considered “unrestricted funding” and may be spent as each school district and charter school system determines.

**Per Pupil Foundation Funding, 5-Year Trend**



Funding in the matrix has increased each of the past five years; however, the increases haven’t kept up with inflation when adjusted to constant 2021 dollars. The \$6,646 in 2017 would be the equivalent of \$7,366.56 in 2021.



**Survey Says:** 61% of superintendents reported that the matrix moderately or extensively guided spending decisions, while 69% percent said the matrix moderately or extensively guided staffing decisions.<sup>7</sup>

### Literature Review, Best Practices and State Comparisons

Odden and Picus in 2003 suggested a matrix based on schools with 500 students because the research at the time pointed to that enrollment level as being optimal for supporting the resources needed to provide for an adequate education. More recent research echoes those findings, reporting that economies of scale and also student achievement are optimized in schools with enrollment of 400-500 students in districts of about 1,300 to about 4,000 students.<sup>8</sup> For instance, the 2018 Evidence-Based approach used by Odden and Picus identifies resources for prototypical elementary, intermediate, and high schools within a prototypical school district of 3,900 students. This aligns with recent NCES figures reporting the average public school district had 3,768 students in fall 2018 with an average school size of 513 students. The average elementary school had 478 students and the average secondary school had 499 students (NCES, 2021).

According to Odden and Picus, the formulas and staffing allocations provided by the evidence-based model work for a district down to around 975 students, but school districts below this enrollment require increased staff resources for an adequate program. In 2006, Odden and Picus wrote in the Arkansas Recalibration Report<sup>9</sup> that “we would suggest that the state strongly consider constructing schools that are of sufficient size to maximize efficiencies in building and maintaining buildings, as well as staffing them with teachers and administrators.”

States’ primary funding systems for education generally follow two models – student-based foundation funding or resource allocation funding. Some states incorporate a hybrid of the two. Two states use another method, called the guaranteed tax-base model.

Arkansas is one of 34 states to use a foundation formula to determine its per-pupil support for education.<sup>10</sup> Student-based foundation funding formulas can vary. Arkansas’s, for instance, is based on a single per-student amount while Alaska’s applies different weights to the same per-pupil amount based on school size. The resource-allocation model is based more on the resources needed at the school level rather than divided into per-pupil funding amounts, and the hybrid model combines the two. The guaranteed tax base model uses a formula to equalize the “tax paid on the base amount of property within the district,” meaning that the state provides more funding to districts with low property wealth than to ones with high property wealth.<sup>11</sup> Arkansas provides a similar equalization system in the way it distributes State Foundation Funding Aid to schools in the state.

<sup>7</sup> See Superintendent’s Survey Responses, question 3.

<sup>8</sup> Devaraj, S., Faulk, D., and Hicks, M. (Journal of Regional Analyses & Policy, 2018). “School District Size and Student Performance;” Egalite, A. and Kisida, B. (School Effectiveness and School Improvement, 2016) “School size and student achievement: a longitudinal analysis,” and Zimmer, T., DeBoer, L. and Hirth, M. (Journal of Education Finance, 2009) “Examining Economies of Scale in School District Consolidation: Assessment of Indiana Districts.”

<sup>9</sup> [Recalibrating The Arkansas School Funding Structure](#)

<sup>10</sup> ECS: <https://reports.ecs.org/comparisons/k-12-funding-01> (2021)

<sup>11</sup> Ibid.

Arkansas ranked 32nd in per-pupil funding among states using all fund sources – local, state and federal – in 2018, according to data obtained from the NCES and controlled for cost of living differences.

About 43 states have public charter schools<sup>12</sup> – entities that contract with a school district or the state to provide a public education while receiving waivers from some of the laws and regulations governing that state’s traditional public schools. In most cases, as in Arkansas, the funding mechanism is the same or very similar to the school funding mechanism of the state or, in some cases, the district in which the charter school is located.

### **FOUNDATION FUNDING (THE MATRIX)**

Funding information for each resource listed in the matrix is provided in the following sections according to the three-part matrix structure. A summary of the 2021 per-pupil funding for each item can found on page 12.

#### **School-Level Staffing**

The first component of the matrix is school-level staffing, which includes classroom teachers, pupil support staff, one principal, and one school-level secretary, for a total of 35.69 school-level full-time employees (FTEs). This section of the matrix constitutes \$4,893.31 of the per-pupil funding amount, or 69.7% of all foundation funding. Unlike other parts of the matrix, the school-level staffing section is made up of the number of each type of staff and the salary and benefits for each of those employees. In the 2021 school year, the per-student funding amount was calculated using a salary of \$68,470 (including benefits) for teachers and other pupil support staff. The principal funding amount was calculated using a salary of \$99,012 (including benefits), and the school secretary funding amount used a salary of \$40,855 (including benefits).

School-Level Staffing Matrix Items	FTEs
Classroom Teachers	20.8
PE, Art and Music (PAM) Teachers	4.14
Special Education Teachers	2.9
Instructional Facilitators	2.5
Librarian/Media Specialist	.85
Counselor, Nurse and Other Pupil Support	2.5
Principal	1.0
Secretary	1.0
<b>Total</b>	<b>35.69</b>

#### **Classroom Teachers**

In Arkansas, core classroom teachers are funded according to the number required to meet the average class sizes established in the DESE Rules Governing Class Size and Teaching Load<sup>13</sup>. These are different for kindergarten teachers, teachers in grades 1-3, and teachers in grades 4-12. Non-core teachers, also referred to as “specialist teachers,” are funded based on the number of non-core teachers needed at 20% of the total core teachers. In all, 24.94 core and non-core classroom teachers are included in the matrix for every 500 students. School districts and charter schools may apply for and receive waivers from state rules regarding both class size and minimum teacher salaries; receiving such waivers does not affect funding levels. Classroom teachers constitute \$3,416 of the per-pupil foundation funding amount, just under half of the total per pupil amount.



**Survey Says:** 80% of superintendents reported that their districts were in moderate or extreme need of more funding for classroom teachers.<sup>14</sup>

#### **Kindergarten Teachers**

In 2021, funding for kindergarten teachers accounted for 3.9% of foundation dollars. The matrix funds two core kindergarten teachers for the prototypical K-12 school of 500 students, and DESE Rules call for an average kindergarten class size of 20. However, kindergarten classes are allowed to reach a total of 22 students if a half-time instructional aide is present.

2021/ 2022/ 2023	2021 Funding Amount
\$274 / \$280 / \$286	\$130,474,241

<sup>12</sup> Ziebarth, T., and Bierlein, L. (National Alliance of Public Charter Schools, January 2018) “Measuring Up to the Model: A Ranking of State Funding Laws.”

<sup>13</sup> [DESE Rules Governing Class Size and Teaching Load](#)

<sup>14</sup> See Superintendents Survey Responses, question 4.

### Teachers Grades 1-3

In 2021, funding for teachers in grades 1-3 accounted for 9.7% of foundation dollars. The matrix funds five core teachers for grades 1-3 for the prototypical K-12 school of 500 students, and DESE Rules call for an average class size of 23 with no more than 25 students per teacher.

2021/ 2022/ 2023	2021 Funding Amount
\$685 / \$700 / \$716	\$326,185,602

### Matrix/Teachers Grades 4-12

In 2021, funding for teachers in grades 4-12 accounted for 26.9% of foundation dollars. The matrix funds 13.8 core teachers for grades 4-12 for the prototypical K-12 school of 500 students. For grades 4-6, DESE Rules call for an average class size of 25 with no more than 28 students per teacher. With the exception of classes that lend themselves to large group instruction, the Rules stipulate that individual classes shall not exceed 30 students in grades 7-12; however, an average class size is not specified.

2021/ 2022/ 2023	2021 Funding Amount
\$1,890 / \$1,932 / \$1,976	\$900,272,263

### PE, Art and Music (PAM) Teachers

In 2021, funding for PAM teachers accounted for 1.4% of foundation dollars. The matrix funds 4.14 specialist teachers per 500 students who teach non-core academic subjects such as art, music, and physical education, and who help to provide teachers of core academic subjects time for professional development, planning and preparation. According to state accreditation standards, courses that lend themselves to large group instruction - as do many PAM courses - can exceed 30 students in grades 7-12.

2021/ 2022/ 2023	2021 Funding Amount
\$567 / \$580 / \$593	\$270,081,679

### APA Recommendations

According to the 2020 Arkansas School Finance Study<sup>15</sup> conducted by Augenblick, Palaich and Associates (APA), literature review findings all point to lower student-to-teacher ratios for K-3 grades than what is currently funded through the matrix. The report also indicated that evidence-based studies and other national adequacy studies suggest a 15:1 ratio. While specific sources were not provided, APA indicates that national studies identify the need for 33% more staff above core teaching staff, which is consistent with the evidence-based model recommendations. Stakeholder feedback provided in the APA report indicated that the funded ratio being too close to the state class size maximum requirements is an issue. For example, a school may have 45 kindergarteners, which would provide funding for just over 2.0 FTE, but staffing would require three full teachers to adhere to the state class size maximum of 20 (or 22 with aides). This feedback is consistent with information shared by respondents on the 2021 educator surveys conducted by the BLR. The difference between current Arkansas policy and the evidence-based model recommendations is provided below:

Core and Non-Core Teachers				
Matrix Item: Classroom Teachers	Matrix FTE: All grades	Evidence-Based Model FTE: 450-student prototypical elementary school	Evidence-Based Model FTE: 450-student prototypical middle school	Evidence-Based Model FTE: 600-student prototypical high school
Core: English Language Arts, Math, Social Studies and Science	20.8	26	18	24
Non-Core: PE, Art, Music and other electives	4.14 20% of Core	5.2 20% of Core	3.6 20% of Core	8 33 1/3 of Core
<b>Total</b>	<b>24.94 FTE</b>	<b>31.2 FTE</b>	<b>21.6 FTE</b>	<b>32 FTE</b>

<sup>15</sup> [Arkansas School Finance Study](#) (APA, 2020)

### Special Education Teachers

The matrix funds 2.9 special education teachers for the prototypical K-12 district of 500 students, meaning that the state funds special education based on each district's or charter's total number of students, rather than on the total number of students with disabilities. Districts also receive special education high-cost occurrence funding for students with higher cost special education expenses. That funding will be reviewed in a later subsection. In 2021, 66,279 students with disabilities attended public schools in Arkansas. This number has increased by about 11% since 2017, while the number of special education teachers funded in the matrix has remained at 2.9 FTEs per 500 students.

2021 / 2022/2023 Per Student Amount	2021 Total Amount
\$397 / \$406 / \$414	\$189,187,649

The Special Education and Related Services Program Standards Rules set maximum teacher-to-student caseloads ranging from 1:6 to 1:45, depending on the type of classroom or services (e.g. regular classroom, resource services, or special class services) and other staff assistance (e.g. paraprofessional, speech/language pathologist, or co-teacher). Districts and charter school systems may not apply for waivers from laws and rules regulating special education programs; however, teacher salary waivers would apply to these personnel. In 2021, funding for special education teachers accounted for 5.7% of foundation dollars.



**Survey Says:** 83% of superintendents reported that their districts were in moderate or extreme need of more funding for special education teachers.<sup>16</sup>

### Literature Review and Best Practices

States receive some federal funds to provide special education services but are primarily responsible for funding these services themselves. A 2019 report for the National Education Policy Center noted that no single funding mechanism is best as each state must consider its unique needs.<sup>17</sup>

The 2019 Odden and Picus evidence-based model's special education recommendations propose a census approach, which would provide additional teacher resources at a fixed level. This is to be used for high-incidence, lower-cost students with disabilities and combined with covering 100% of costs for low-incidence, high-cost students with disabilities (capped at 2% of students in the district). The total special education staffing recommendation includes 8.1 positions for every 1,000 students. Odden and Picus also recommend reduced usage of paraprofessionals, except with some students with severe and profound disabilities.

In 2020, APA recommended removing special education from Arkansas's funding matrix and instead providing support based on actual special education students served. This could be done using either a single weight for all special education students or multiple weights based on student need. The weight(s) would be applied to the special education student enrollment count and provide differentiated funding based on the distribution of students with special education needs across the states. APA further added that a multi-weight system would also align resources to the levels of services students need in each district.

In most analyses, Arkansas is considered to fund special education for high-cost students only, likely due to the fact that the majority of state funding for special education is provided through the unrestricted foundation funds. On the other hand, APA considers Arkansas's inclusion of special education teachers in the state's foundation funding method a census-based funding model for special education because it presumes that districts have similar percentages of special education students with similar levels of needs. The following tables show the comparison states selected for this report<sup>18</sup>. Among all groupings of states, the most common mechanism was some sort of weighting system.

<sup>16</sup> See Superintendents Survey Responses, question 4.

<sup>17</sup> Funding Special Education: Charting a Path That Confronts Complexity and Crafts Coherence. (June 2019). National Education Policy Center.

<sup>18</sup> Please see Appendix B to read about the methodology for selecting the comparison states.

### Instructional Facilitators

2021 / 2022/2023 Per Student Amount	2021 Total Amount
\$342 / \$350 / \$358	\$163,092,801

In 2021, funding for instructional facilitators accounted for 4.9% of foundation dollars. The matrix funds 2.5 instructional facilitators for every 500 students; however, the 2.5 positions are also used to pay 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. There are no state Standards for Accreditation that require the use of instructional facilitators; however, schools with more than

500 students are required to have a half-time “assistant principal, instructional supervisor, or curriculum specialist” in addition to a principal. Waivers for these personnel may be applied for, though there is no effect on funding.



**Survey Says:** 67% of superintendents reported that their districts were in moderate or extreme need of more funding for instructional facilitators.

#### Literature Review and Best Practices

Research cited by Odden and Picus shows nearly all improving schools provide resources to fund instructional coaches to not only design the instructional program, but to work with school-based data teams and provide the ongoing coaching and mentoring necessary for teachers to improve their practice at scale. The evidence-based model recommends a staffing formula for such positions of one instructional coach for every 200 students, which translates into 2.25 FTEs instructional facilitators for the 450-student prototypical elementary and middle schools, and 3.0 FTEs for the 600-student high school.

#### Librarians-Media Specialists

In 2021, funding for librarian/media specialists accounted for 1.7% of foundation dollars. The matrix funds 0.85<sup>19</sup> librarian/media specialists for the prototypical K-12 school of 500 students. The state’s Standards for

Accreditation<sup>20</sup> call for public schools with fewer than 300 students to employ at least one half-time library media specialist, while schools with 300 or more students must employ at least one full-time library media specialist. Schools with 1,500 or more students are required to employ at least two full-time library media specialists; however, waivers are granted from this accreditation standard. No adjustment to funding is made due to waivers.

2021 / 2022/2023 Per Student Amount	2021 Total Amount
\$116 / \$119 / \$122	\$55,451,552



**Survey Says:** 34% of superintendents reported that their districts were in moderate or extreme need of more funding for librarians-media specialists.<sup>21</sup>

#### Literature Review and Best Practices

In 2012, Colorado conducted a study using data from 2005-2011 that showed that students with access to licensed librarians working full time perform better on state reading assessments.<sup>22</sup> The Odden and Picus evidence-based model provides for 1.0 library/media FTE position for each prototypical school, which is based on best practices. The findings from data collected by the NCES through the survey of school libraries conducted in 2011-2012 show the evidence-based model recommendation is appropriate.<sup>23</sup> APA reported the current funding in the matrix is below recommendations found in other state adequacy studies. Furthermore, stakeholders indicated funding is below what is required for a school of 500 students per the state’s accreditation standards. Studies suggest resources of at least 1.0 library/media FTE.

<sup>19</sup> This calculation was originally based on the actual number of FTE library media specialists required in the state for 2005-2006, not on a 500-student prototypical school.

<sup>20</sup> [DESE Rules Governing Standards for Accreditation of Arkansas Public Schools, Effective Date: July 1, 2020](#)

<sup>21</sup> See Superintendents Survey Responses, question 4.

<sup>22</sup> Lance, K. C., & Hofschire, L. (2012, January). Change in school librarian staffing linked with change in CSAP reading performance, 2005 to 2011 [Closer Look]. Retrieved from Library Research Service website:

[http://www.lrs.org/documents/closer\\_look/CO4\\_2012\\_Closer\\_Look\\_Report.pdf](http://www.lrs.org/documents/closer_look/CO4_2012_Closer_Look_Report.pdf)

<sup>23</sup> Odden, Allan, & Picus, Lawrence O. (2019). *School finance: A policy perspective*, 6<sup>th</sup> ed. New York: McGraw-Hill

### School Counselor, Nurse, and Other Pupil Support

The matrix funds 2.5 pupil support staff for guidance counselors, nurses, and other pupil support. Pursuant to A.C.A. § 6-18-706, 0.67 of the 2.5 positions must be a school nurse.

#### Guidance Counselors

2021/ 2022/ 2023	2021 Total Amount
\$152 / \$155 / \$159	\$72,413,204

In 2021, funding for guidance counselors accounted for 2.1% of foundation dollars. The matrix funds 1.11 guidance counselors for every 500 students. The state’s Standards for Accreditation require districts to have at least one counselor for every 450 students, which equates to approximately 1.1 FTEs per 500 students (4-E.2). Districts are eligible to receive a waiver from this accreditation standard; funding is not adjusted when these waivers are granted.



**Survey Says:** 56% of superintendents reported that their districts were in moderate or extreme need of more funding for guidance counselors.<sup>24</sup>

#### Literature Review and Best Practices

In recent years, the evidence-based model approach has changed from providing an overall student support resource recommendation to specifying guidance on counselor positions as part of the core program, and to provide additional pupil support positions (e.g., additional counselors, as well as social workers, family liaison persons) on the basis of poverty and ELL student counts. Odden and Picus cite numerous research studies that show school counseling programs designed after the model developed by the American School Counselor Association (ASCA) and using the 1:250 ratio recommended by ASCA have a positive impact on student learning, achievement test scores, and graduation rates.

#### Nurses

In 2021, funding for nurses accounted for 1.3% of foundation dollars. The matrix funds .67 FTE nurse for every 500 students. State law 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)).

2021/ 2022/ 2023	2021 Total Amount
\$92 / \$94 / \$96	\$43,708,871



**Survey Says:** 61% of superintendents reported that their districts were in moderate or extreme need of more funding for nurses.<sup>25</sup>

#### Literature Review and Best Practices

To meet the physical and medical needs of students that have dramatically increased over the past decade, Odden and Picus’ evidence-based model has been enhanced to provide nurses as core positions. Using the staffing standard of the National Association of School Nurses (NASN), the evidence-based model provides core school nurses at the rate of one nurse position for every 750 students. This allocation allows districts to provide a half-time nurse in each prototypical elementary and middle school and a full-time nurse in each prototypical high school. According to NASN, school nursing is a specialized practice of nursing that protects and promotes student health and advances academic success. It is the position of the NASN that a full-time registered school nurse be present in every school, every day.

#### Other Student Support

In 2021, funding for other student support personnel accounted for 1.4% of foundation dollars. The matrix funds 0.72 FTE positions for other student support, which includes psychological services, social work services, speech pathology services and audiology

2021/ 2022/ 2023	2021 Total Amount
\$99 / \$101 / \$103	\$46,970,727

<sup>24</sup> See Superintendents Survey Responses, question 4.

<sup>25</sup> See Superintendents Survey Responses, question 4.

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 of these services for special education students whose individualized education program (IEP) calls for them.



**Survey Says:** 59% of superintendents reported that their districts were in moderate or extreme need of more funding for other student support.<sup>26</sup>

**Principal**

Arkansas’s standards call for one half-time principal, at least, for schools with fewer than 300 students. Of the 313 schools with enrollment of 299 or lower in 2021, 175 employed at least one full-time equivalent (FTE)

principal. The funding matrix, however, funds a full-time principal with a salary and benefits totaling \$99,012 if a school has 500 or more students. Only 31% of Arkansas schools met this enrollment level in 2021. Districts may apply for waivers from the rules regarding principals and their licensure. In 2021, funding for principals accounted for 2.8% of foundation dollars.

2021 / 2022/2023 Per Student Amount	2021 Total Amount
\$198 / \$203 / \$208	\$94,373,255



**Survey Says:** 47.5% of superintendents reported that their districts were in moderate or extreme need of more funding for principals.<sup>27</sup>

**Literature Review and Best Practices**

Little research has been done on the appropriate ratio of administrators to students; however, a study of schools in Indiana found that higher performing schools had lower administrator-to-student ratios.<sup>28</sup> Other studies have found that principals’ duties can number up to 42 individual responsibilities,<sup>29</sup> but the Indiana study found that higher achievement was associated with those schools where principals kept a majority of “organizational duties” for themselves (hiring and developing teachers and budget planning, for instance) while delegating to assistants other common administrative duties such as student discipline and managing school facilities. The concept of shared leadership, in which principals seek and incorporate ideas from staff, is also found to be integral to higher performing schools.<sup>30</sup>

**Secretary**

In 2021, funding for secretaries accounted for 1.2% of foundation dollars. The school-level secretary amount in the matrix, which funds one nurse for every 500 students, was calculated using a salary of \$40,855.

2021 / 2022/2023 Per Student Amount	2021 Total Amount
\$82 / \$82 / \$84	\$38,921,226



**Survey Says:** 40% of superintendents reported that their districts were in moderate or extreme need of more funding for secretaries.<sup>31</sup>

**Literature Review and Best Practices**

The 2020 Arkansas study report provided by APA indicated the current funding of 1.0 secretary FTE is below recommendations and agrees with feedback from the past evidence-based studies conducted for Arkansas,

<sup>26</sup> See Superintendents Survey Responses, question 4.

<sup>27</sup> See Superintendents Survey Responses, question 4.

<sup>28</sup> McCaffrey, C. (Doctoral Research Paper, Ball State University, May 2014) “Investing the Connection of the Student-to-Administrator Ratio and Administrative Roles in Indiana Public High Schools.”

<sup>29</sup> Grissom, J. and Loeb, S. (American Educational Research Journal, 2011.) “Triangulating Principal Effectiveness: How Perspectives of Parents, Teachers, and Assistant Principals Identify the Central Importance of Managerial Skills” and Waters, T., Marzano, R., and McNulty, B. “Balanced Leadership: What 30 Years of Research Tells Us About the Effect of Leadership on Student Achievement. A Working Paper.”

<sup>30</sup> Craig, J. et al. (Appalachia Educational Laboratory at Edvantia, 2005) “A Case Study of Six High-Performing Schools in Tennessee;” (The Center on School Turnaround at WestEd, 2017) “Four Domains for Rapid School Improvement: A System Framework;” and (Hanover Research, 2014) “Best Practices for School Improvement Planning.”

<sup>31</sup> See Superintendents Survey Responses, question 4.



other adequacy studies, and stakeholder engagement. APA reported that case study schools with 400 or more students generally have at least 2.0 FTE secretaries.

### School-Level Resources

The second component of the matrix contains both staff and material resources schools need to operate effectively. These five line items are funded with specific per-pupil dollar amounts. Together, this section of the matrix accounted for \$625.90 of the per-pupil funding amount, or 8.9%, of total foundation funding.

#### Technology

In 2021, funding for technology accounted for 3.6% of foundation dollars.

2021 / 2022/2023 Per Student Amount	2021 Total Amount
\$250 / \$250 / \$250	\$119,098,000



**Survey Says:** 61% of superintendents reported that their districts were in moderate or extreme need of more funding for technology.<sup>32</sup>

#### Literature Review and Best Practices

In their latest evidence-based study, Odden and Picus kept the \$250-per-student technology funding amount they had recommended for more than a decade, with the following breakdown: \$71 for computer hardware; \$72 for operating systems, productivity and non-instructional software; \$55 for network equipment, printers and copiers; and \$52 for instructional software and additional classroom hardware. The recommendation for \$250 is for school districts and charter systems equipping their schools at 3:1 or 2:1 computer-student ratio. They recommend \$400 per student when a 1:1 ratio is in effect. While Odden and Picus remain neutral on the educational benefit of 1:1, they do point out that increased online standardized testing, especially as it more frequently occurs in lower grades, makes it more necessary for students to feel comfortable learning and testing in a digital environment. They also point out that 1:1 and digital learning depends greatly on students' ability to access the Internet while at home.

#### Instructional Materials

In 2021, funding for instructional materials accounted for 2.7% of foundation dollars.



**Survey Says:** 62% of superintendents reported that their districts were in moderate or extreme need of more funding for instructional materials.<sup>33</sup>

2021 / 2022/2023 Per Student Amount	2021 Total Amount
\$188 / \$193 / \$197	\$89,514,057

#### Literature Review and Best Practices

Textbooks are needed unless a school district or charter school system truly supplies every student with a computer. Odden and Picus put the costs of high school text books at \$80 to \$140 per book. They also recommend a six-year review of text books to keep curricula up to date.<sup>34</sup>

#### Extra Duty Funds

Extra duty funds are funds schools use to pay stipends for teachers who coach athletics and those who supervise after-school clubs or other extracurricular activities. In 2021, funding for extra duty funds accounted for 1% of foundation dollars.



**Survey Says:** 63% of superintendents reported that their districts were in moderate or extreme need of more funding for extra duty.<sup>35</sup>

2021 / 2022/2023 Per Student Amount	2021 Total Amount
\$66 / \$68 / \$70	\$31,537,150

<sup>32</sup> See Superintendents Survey Responses, question 4.

<sup>33</sup> Ibid.

<sup>34</sup> Odden, A. and Picus, L. (2019). *School finance: A policy perspective*, 6<sup>th</sup> ed. New York: McGraw-Hill

<sup>35</sup> See Superintendents Survey Responses, question 4.

### Literature Review and Best Practices

No common model exists for allocating state support for student activities. Neither is there a model that recognizes the higher costs faced by small schools and districts due to longer travel distances.<sup>36</sup> Extracurricular activities have a number of benefits for students, including better academic performance, lower dropout rates, positive school perceptions, and high self-esteem.<sup>37</sup> According to APA's 2020 Arkansas study, other state adequacy studies have not addressed extra duty funds. In APA's educator panels and stakeholder surveys, participants indicated that the amounts should be revisited in light of minimum wage increases.<sup>38</sup> In 2018, Arkansas voters approved gradually increasing the hourly minimum wage from \$8.50 to \$11 by 2021.<sup>39</sup>

### Matrix/Supervisory Aides

Supervisory aides are staff who help students get on and off buses in the morning and afternoon and who supervise lunch and recess periods. In 2021, funding for supervisory aides accounted for 0.7% of foundation dollars.

2021 / 2022/2023 Per Student Amount	2021 Total Amount
\$50 / \$51/ \$53	\$23,819,600



**Survey Says:** 59% of superintendents reported that their districts were in moderate or extreme need of more funding for supervisory aides.<sup>40</sup>

### Literature Review and Best Practices

While schools need staff for non-instructional responsibilities like lunch duty, hallway monitoring, playground supervision, and others, research does not support the use of supervisory aides to be used as general teachers' helpers.<sup>41</sup> These "instructional aides" in a regular-sized classroom do not positively impact student achievement.<sup>42</sup> Odden and Picus' most recent evidence-based model does call for one supervisory aide for every 225 elementary and middle school students and for every 200 high school students. According to APA's 2020 Arkansas study, other state adequacy studies have not addressed supervisory aides. In APA's educator panels and stakeholder surveys, participants indicated that the amounts should be revisited in light of minimum wage increases.<sup>43</sup> Arkansas's minimum wage increased between 2018 and 2021 from \$8.50 to \$11.

### Substitutes

In 2021, funding for substitutes accounted for 1% of foundation dollars.

2021 / 2022/2023 Per Student Amount	2021 Total Amount
\$72 / \$74/ \$75	\$34,204,946



**Survey Says:** 75% of superintendents reported that their districts were in moderate or extreme need of more funding for substitutes.<sup>44</sup>

### Literature Review and Best Practices

Many states provide funding for about 10 days for each teacher, similar to companies and government providing one sick day per month for employees.<sup>45</sup> According to APA's 2020 Arkansas study, other state adequacy studies

<sup>36</sup> Odden, A. and Picus, L. (December 2020) "The 2020 Recalibration of Wyoming's Education Resource Block Grant Model Final Report."

<sup>37</sup> Odden, A. and Picus, L. (December 2020) "The 2020 Recalibration of Wyoming's Education Resource Block Grant Model Final Report;" Feldman, A. and Matjasko, J. (Review of Educational Research, Summer 2005.) "The Role of School-Based Extracurricular Activities in Adolescent Development: A Comprehensive Review and Future Directions;" and Knop, B. and Siebens, J. (U.S. Census Bureau, November 2018). "A Child's Day: Parental Interaction, School Engagement, and Extracurricular Activities: 2014."

<sup>38</sup> Odden, A. and Picus, L. (Presentation to the Senate Committee and Education and the House Committee on Education, October 19, 2020.) "Review of the Resource Matrix."

<sup>39</sup> Arkansas Department of Labor and Licensing, "Minimum Wage and Overtime," <https://www.labor.arkansas.gov/divisions/labor-standards/minimum-wage-and-overtime/>, accessed September 29, 2021.

<sup>40</sup> See Superintendents Survey Responses, question 4.

<sup>41</sup> Odden, A. and Picus, L. (2020). "The 2020 Recalibration of Wyoming's Education Resource Block Grant Model Final Report."

<sup>42</sup> Gerber, S., Finn, J., Achilles, C. and Boyd-Zaharias, J. (Educational Evaluation and Policy Analysis, Summer 2001.) "Teacher Aides and Students' Academic Achievement."

<sup>43</sup> Odden, A. and Picus, L. (Presentation to the Senate Committee and Education and the House Committee on Education, October 19, 2020.) "Review of the Resource Matrix."

<sup>44</sup> See Superintendents Survey Responses, question 2.

<sup>45</sup> Odden, A. and Picus, L. (2020). "The 2020 Recalibration of Wyoming's Education Resource Block Grant Model Final Report."

have not addressed substitutes. In APA’s educator panels and stakeholder surveys, participants indicated that the amounts should be revisited in light of minimum wage increases,<sup>46</sup> which reached \$11 in 2021.

### District-Level Resources

The third component of the matrix includes the resources necessary for districts’ operations and maintenance, central office, and transportation. The \$1,466 total represents 21.9% of overall foundation funding.

#### Operations and Maintenance

Operations and maintenance includes the staff and other resources necessary to maintain school facilities and grounds and to keep school buildings clean, heated, and cooled. The funding level is based on 9% of foundation funding, plus the cost of property insurance. Since 2009, the operations and maintenance rate has increased every year **except** 2017, but at different rates of change than the overall foundation funding rate per-student. In 2021, funding for operations and maintenance accounted for 10% of foundation dollars.

2021 / 2022/2023 Per Student Amount	2021 Total Amount
\$706 / \$723 / \$741	\$336,189,834



**Survey Says:** 77% of superintendents reported that their districts were in moderate or extreme need of more funding for operations and maintenance.<sup>47</sup>

#### Literature Review and Best Practices

The Odden and Picus evidence-based model provides formulas to compute the number of custodians needed at the school level, maintenance staff at the district level, and groundskeepers at the school and district level, as well the costs of materials and supplies to support all operation and maintenance activities. These formulas vary, but all take into account the number of teachers, student classrooms, and gross square feet. The formulas applied to Arkansas in 2014 by Odden and Picus are not used by the state to calculate funding levels.

#### Central Office

The matrix funds \$438.8 per student for central office expenses. These expenses include the salaries and benefits of the superintendent, administration personnel (legal, fiscal, human resources, communications, etc.), certain district instructional and pupil support directors, and clerical staff. It also includes funding for activities of the local school board. Arkansas Standards of Accreditation require a full-time superintendent to oversee all operations of the public school district.<sup>48</sup> Waivers from the rules regarding superintendents may be applied for, but receiving such a waiver does not impact foundation funding for school districts or charter systems. In 2021, funding for central office accounted for 14% of foundation dollars.

2021 / 2022/2023 Per Student Amount	2021 Total Amount
\$439 / \$448 / \$457	\$209,040,810



**Survey Says:** 51% of superintendents reported that their districts were in moderate or extreme need of more funding for central offices.<sup>49</sup>

#### Literature Review and Best Practices

Odden and Picus provide recommendations based on a 3,900 student district. These recommendations include eight administration positions and fifteen classified positions. They also recommend a per-student dollar amount of \$300 to account for other costs that include, but are not limited to, insurance, purchased services, materials and supplies, equipment, association fees, elections, districtwide technology, and communications.

<sup>46</sup> Odden, A. and Picus, L. (Presentation to the Senate Committee and Education and the House Committee on Education, October 19, 2020). “Review of the Resource Matrix.”

<sup>47</sup> See Superintendents Survey Responses, question 4.

<sup>48</sup> DESE Rules Governing Standards for Accreditation of Arkansas Public Schools and School Districts. (July 2020).

<sup>49</sup> See Superintendents Survey Responses, question 4.

### Transportation

While state law does not require school districts to provide transportation for students, funding is provided in the matrix. In 2021, funding for transportation accounted for 4.6% of foundation dollars.

2021 / 2022/2023 Per Student Amount	2021 Total Amount
\$321 / \$321 / \$321	\$153,017,110



**Survey Says:** 78% of superintendents reported that their districts were in moderate or extreme need of more funding for transportations.<sup>50</sup>

### Literature Review and Best Practices

Student transportation funding mechanisms vary widely with some states using actual cost funding, flat rate per unit, or utilization of multivariate calculations and factors. In 2006, consultants recommended the development of a funding formula based on student density, mileage, or hours of operation, rather than on ADM. They also recommended that the General Assembly consider moving the funding for transportation out of the matrix to be funded separately. While the state has added Enhanced Transportation Funding as a separate funding stream, transportation also remains as a line item in the matrix.

### Matrix: Adjustment

Because the Arkansas Teacher Retirement System increased employee contributions by 1% with a four-year phase-in beginning in the 2020 school year, an adjustment was made below the matrix. For the 2021 school year, the per-pupil amount for the adjustment was \$33 dollars, accounting for .5% of foundation funding.

### Matrix: Additional Funding Needs

To gauge administrators' assessment of how well the current matrix is meeting districts' needs, the BLR survey of superintendents asked them to identify which resource components of the matrix are most in need of additional funding. The top five matrix items were reported by superintendents as in need of more funding: special education teachers, classroom teachers, transportation, operations and maintenance, and substitutes.

### Matrix: Additional Resource Component and Funding Needs

Superintendents were also asked if there were any resources not included in the matrix they believe are an important part of providing an adequate education. The top five areas where superintendents reported additional resources were mental health services, school safety and school resource officers, dyslexia support services, special education support, and preschool. The results from the educator surveys conducted by the BLR for the 2022 adequacy study are consistent with the data collected in 2020 by APA as part of its district-level survey, educator panels, and online forums. School-based mental health services, school safety, dyslexia support services, and preschool were the areas most cited as highly in need of funding.

### Mental Health

According to the Centers for Disease Control and Prevention, each year nearly one in five school-age children and youth meet the criteria for a mental health disorder, yet less than 20% of students get the help they need. Of those who do receive mental health services, more than 75% get help in schools. According to the American School Counselor Association, students' unmet mental health needs can be a significant obstacle to student academic, career, and social/emotional development, and even compromise school safety.<sup>51</sup>

Though the matrix identifies resources for guidance counselors, Arkansas educators – superintendents, principals, and teachers – all report that the growing student mental health needs go beyond the expertise of guidance counselors and that specific mental health resources and support for all students, including additional

<sup>50</sup> See Superintendents Survey Responses, question 4.

<sup>51</sup> [The School Counselor and Student Mental Health](#) (2020), American School Counselor Association.

positions for specialized staff, need to be identified. Other states' adequacy studies have recommended student mental health support through a combination of guidance counselor, nurse, psychologist, and social workers at a level of 150 students to one mental health professional for elementary and 180:1 for secondary. The matrix currently provides FTE for guidance counselors and nurses at a level of 250:1. Nationally, different models are recommended to support student mental health. The table to the right shows recommended staffing ratios from school mental health professional associations.<sup>52</sup>

### **School Safety**

The matrix does not provide a dollar amount specific for School Resource Officers. Stakeholders identified this as an expense they are helping cover with other funding, including ESA funds. According to the 2020 APA report, community members in particular shared concerns about school safety, and it is a high priority area for many districts. During the 2017–2018 school year, U.S. public schools experienced an estimated 962,300 violent incidents and 476,100 non-violent incidents, and around 71% public schools experienced at least one violent incident (National Center of Education Statistics, 2019). The number of school shootings between the 2016 and 2020 school years almost tripled.<sup>53</sup>

### **Dyslexia**

According to the Yale Center for Dyslexia and Creativity, dyslexia is a language-based learning disorder and is the most common of all neuro-cognitive disorders. Children with dyslexia have an unusually difficult time learning how to read, and they often struggle with reading new words, sounding out words, picking out words they have already learned, spelling, and writing. It is estimated that one in five children has dyslexia, and that 80% to 90% of youth with learning disorders have it. Research shows that early intervention is critical to helping students with dyslexia not only catch up academically, but to boost their self-confidence, which is often damaged by continuing to struggle in school.<sup>54</sup>

State dyslexia rules require screening of all students in grades K–2, and students in grade 3 and above if teachers note deficiencies in certain skills. If screening indicates need, then the student is provided intervention services. Beginning no later than the 2016 school year, each school district was required to have at least one individual to serve as a dyslexia interventionist. This resource requirement is not addressed in the matrix. According to the 2020 APA report, minimal outside information in this area exists as dyslexia is not typically addressed separately from special education resources in adequacy studies. However, data shows many districts report using matrix or categorical funds to address dyslexia needs.

### **Preschool**

The majority of research on the topic finds that that preschool is especially beneficial for students who may be considered likely to struggle academically because of poverty, language barriers, or other reasons, by allowing these students to enter school on a similar ready-to-learn level as their more advantaged peers. Preschool is not funded through the matrix. According to 2019 report published by the Learning Policy Institute, which includes reviews of rigorous evaluations of 21 public preschool programs, students who attend high-quality preschool are more prepared for school and experience substantial learning gains in comparison to children who do not attend preschool. The report finds that students who attend preschool programs are less likely to be retained or identified as having special needs than children who did not attend preschool, both resulting in significant cost savings. Studies of preschool programs that have followed students into adulthood show that students who attend preschool are less likely to be unemployed or incarcerated and more likely to graduate high school and earn higher salaries. It is estimated this results in up to \$17 returned for every dollar invested. Even studies that only followed students into elementary school indicate the benefits produce an average of \$2 to \$4 returns on the dollar.<sup>55</sup>

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<sup>52</sup> [Arkansas School Finance Study 2020](#)

<sup>53</sup> [Digest of Education Statistics](#), NCES, retrieved Dec. 27, 2021

<sup>54</sup> [The Yale Center For Dyslexia and Creativity](#)

<sup>55</sup> Meloy, B., Gardner, M., & Darling-Hammond, L. (2019). *Untangling the evidence on preschool effectiveness: Insights for policymakers*. Palo Alto, CA: Learning Policy Institute.

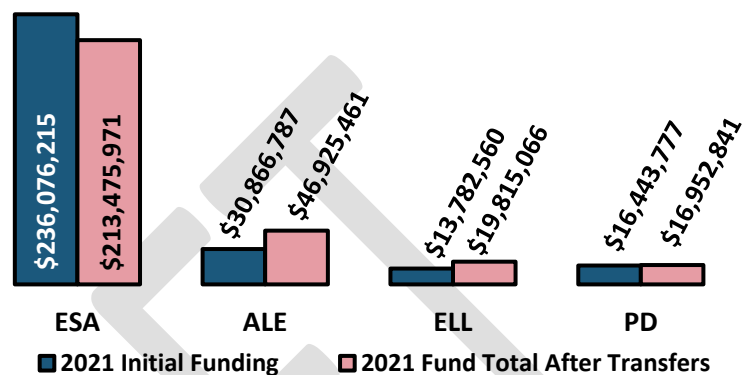
Odden and Picus in 2003 recommended that preschool be an allowable use for Arkansas’s categorical funds for lower income students to help close the achievement gap that continues to exist between these and other students. In 2021, preschool remained an allowable use for these funds, and 124 schools operated preschool classes that year.<sup>56</sup>

**CATEGORICAL FUNDING**

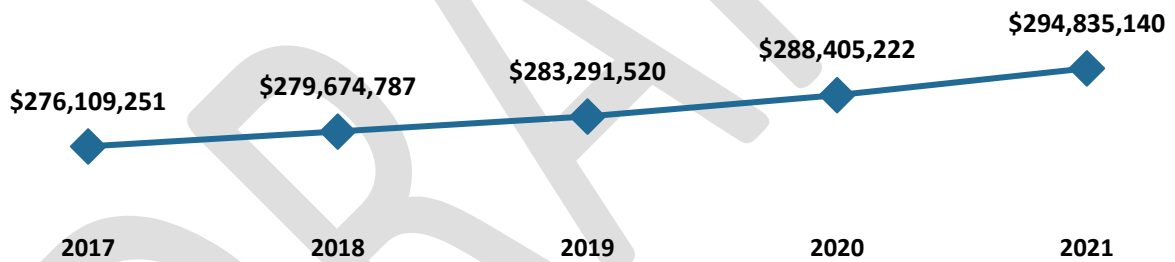
Four streams of categorical funding (ALE, ELL, ESA and PD) have supplemented foundation funding since it was first distributed in 2005, mainly to address equity issues. The funding provided through the categorical streams, however, are considered restricted and may be spent only on the intended uses (defined in statute and/or rule). They may also be transferred to spend on other categorical purposes.

Total funding for categorical purposes has increased each of the past five years, as the following graph shows:

**Categorical Funding Before and After Transfers**



**Trend in Total Categorical Funding**



**English Language Learners (ELL)**

ELL funding is provided to districts based on the number of students identified as not proficient in the English language based upon a state-approved English proficiency assessment instrument, the ELPA21. Districts received \$352 per ELL student in 2021 for the purpose of educating these students.<sup>57</sup> There were 39,155 ELL students in 2021.

2021 / 2022/2023 Per ELL Student Amount	2021 Total Amount
\$352 / \$359 / \$366	\$13,782,560

**Literature Review and Best Practices**

In their most recent evidence-based model, Odden and Picus recommended one ELL teacher for every 100 ELL students as well as other resources that serve all students with special needs. These other resources included one tutor, 0.8 pupil support, 0.83 extended day services, and 0.83 summer school services for every 100 ELL students (and other special needs students). States fund ELL students in multiple ways – or not at all. The two states that do not are Mississippi and Montana. Among the top performing NAEP states, most use some sort of weighted system. For states using multiple weights, these typically vary by grade level, by level of English proficiency, or by number of ELL students enrolled.

<sup>56</sup> 2020-2021 LEA Information Grades Served Report created at DESE’s MySchoolInfo.arkansas.gov website. (Created Oct. 19, 2021).

<sup>57</sup> A.C.A. § 6-20-2305

## Alternate Learning Environment (ALE)

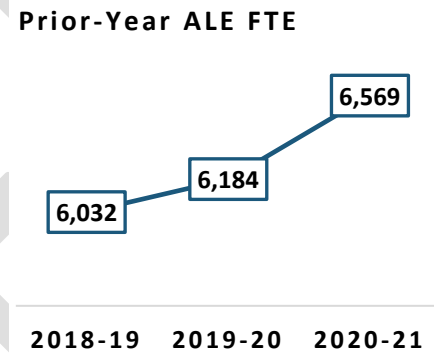
ALE funding is restricted state aid to provide alternative environments for students who do not learn well in a traditional classroom environment. Funding for students in ALE are distributed from the state to school districts based on rules promulgated by the State Board of Education. School districts and charter systems may apply for waivers from offering ALE programs. When they do not offer a program, they do not receive ALE categorical funds. Current year funding is based on the previous year's count of FTE ALE students. The FTE count is determined by the number of hours per day and the number of days per year spent in an ALE:

2021 / 2022/2023 Per ALE FTE Amount	2021 Total Amount
\$4,700 / \$4,794 / \$4,890	\$30,866,787 1:15 Teacher-FTE Student Ratio

$$\frac{\text{Total number of days in ALE}}{\text{Total number of school days}} \times \frac{\text{Hours per day in ALE}}{6 \text{ hours}}$$

DESE provides guidance around placement percentages, clarifying that ALE programs are intended to meet the needs of the hardest-to-reach 2-3%<sup>58</sup>; however, these caps are not stipulated in rules or statute.

The chart to the right provides the prior year ALE FTE totals for the funding years shown. The majority of school districts receive ALE funding, while the majority of charter schools have obtained waivers from the state so they do not have to provide the services and therefore do not receive funding for ALE. However, one charter school, Graduate Arkansas, has received funding for the last three school years.<sup>59</sup>



## Enhanced Student Achievement (ESA)

Funding to help Arkansas schools meet the challenges associated with poverty is called Enhanced Student

	2021 / 2022/2023 Per ESA Student Amount	2021 Total Amount	Recommendation
<70%:	\$526 / \$532 / \$538	\$236,505,233	Weight of 20% more than regular student funding
70%-90%:	\$1,051 / \$1,063 / \$1,076		
>90%:	\$1,576 / \$1,594 / \$1,613		

Achievement funding. It is distributed on a per-student basis for students who qualify for the national free and reduced-price lunch (FRL) program.<sup>60</sup> Three per-pupil amounts are awarded based on the concentration of FRL students in the school population, as shown in the chart. Because funding cliffs occur at the 70% and 90% thresholds, transitional and growth ESA funding are distributed based on enrollment changes to smooth funding changes over several years.

## Literature Review and Best Practices

Research finds that increased funding can have a positive impact on the academic success of poverty students, especially when it is used to reduce class size to 15-18 students for at-risk students and to ensure teacher quality for those students.<sup>61</sup> Odden and Picus' 2018 research offers that one key to helping struggling students (which

<sup>58</sup> Alternative Education Process Guide (November 2021).

<sup>59</sup> DESE State Aide Notices (2019 and 2020 Final, 2021 Preliminary).

<sup>60</sup> For those schools and districts that participate in federal lunch programs (Provision 2 and Community Eligibility Program) that do not require annual documentation of qualifying students, DESE provides guidance for estimating the number of children for which funding is provided in the Rules Governing Student Special Needs Funding.

<sup>61</sup> Baker, B. (Learning Policy Institute, July 2018.) "How Money Matters for Schools."

refers to all ELL students first and then to all non-ELL poverty students) is to keep standards high for all students but “vary the instructional time so all students have multiple opportunities to achieve proficiency levels.”<sup>62</sup>

The 41 states that provide additional money for poverty students use a number of means for identifying them. The majority, like Arkansas, identify students solely through their FRL eligibility while others use means of direct certification through federal programs such as the Supplemental Nutritional Assistance Program. Several more closely follow the Odden and Picus model for struggling students because they combine other indicators such as English language learners or foster care with FRL eligibility. At least one state relies on indicators such as student mobility without regard for FRL participation. The manner of determining funding amounts also varies greatly among states. For instance, some states provide a flat amount to districts for each low-income student distinct from their base funding amount, while others weight the base funding amount for each low-income student. In some states, these per-student amounts or weights increase according to the concentration of poverty students in a district. In its report provided to the Education Committees in December 2020, APA recommended that Arkansas adopt a per-ESA student weighting system to smooth funding cliffs. (Arkansas presently addresses funding cliffs through ESA transition funding, which allows for a graduated change in fund levels over a three-year period.) APA also recommended funding students the same weighted amount regardless of the concentration of poverty within a school. While APA did not recommend specific weights, the per-ESA pupil amounts provided in the 2021 year translate to the following weights:

**\$526 = 1.07; \$1,051 = 1.15; and, \$1,576 = 1.22.**

### Professional Development (PD)

PD categorical funds are divided three ways: To districts and charters; to the Arkansas Educational Television Network (AETN); and to Solution Tree. AETN receives PD funds to implement the Arkansas Internet Delivered Education for Arkansas Schools program, or ArkansasIDEAS,<sup>63</sup> and Solution Tree receives PD funds to implement the Professional Learning Communities (PLC) Program. A.C.A. § 6-20-2305 requires professional development funding to districts and charters of up to \$40.80 per student. After funding is allotted for AETN and Solution Tree, the remaining amount is distributed to districts and charters. In 2021, this amount was \$36 per student. Special language has appropriated \$3.5 million for AETN (with reporting requirements) since 2017. In 2021, the amount paid to AETN was \$2.7 million. This section focuses on the amounts going to districts and charters and to AETN. Funding for Solution Tree will be discussed under Supplemental Funding Sources.

2021 / 2022/2023 Per Student Amount	2021 Total Amount
<b>Total: \$36* / NA / NA</b>	<b>Total: \$19,908,071</b> <b>Districts: \$17,163,721</b> <b>AETN: \$2,744,350</b>

Waivers may be granted from the statutes and rules governing professional development requirements. The per-pupil funding amount sent to schools remains the same whether these waivers are in effect or not.

### Literature Review and Best Practices

Odden and Picus estimate the cost for effective professional development would be about \$125 per pupil for trainers.<sup>64</sup> This includes paying for central office PD staff, outside consultants or school turnaround organizations as well as reimbursements for teacher conference registrations or for tuition for teachers who enroll in appropriate coursework at approved colleges and universities. Costs may also include miscellaneous administrative, materials, supplies, and travel expenses. Odden and Picus also recommend that teachers have 10 days dedicated to PD. Arkansas requires teachers be provided a minimum of six PD days, though many districts exceed that number.

<sup>62</sup> Odden and Picus, 2018.

<sup>63</sup> ArkansasIDEAS is a partnership between DESE and AETN to provide online PD for Arkansas licensed educators and those wishing to obtain an Arkansas educator license.

<sup>64</sup> Odden, Allan, & Picus, Lawrence O. (2019). *School finance: A policy perspective*, 6<sup>th</sup> ed. New York: McGraw-Hill

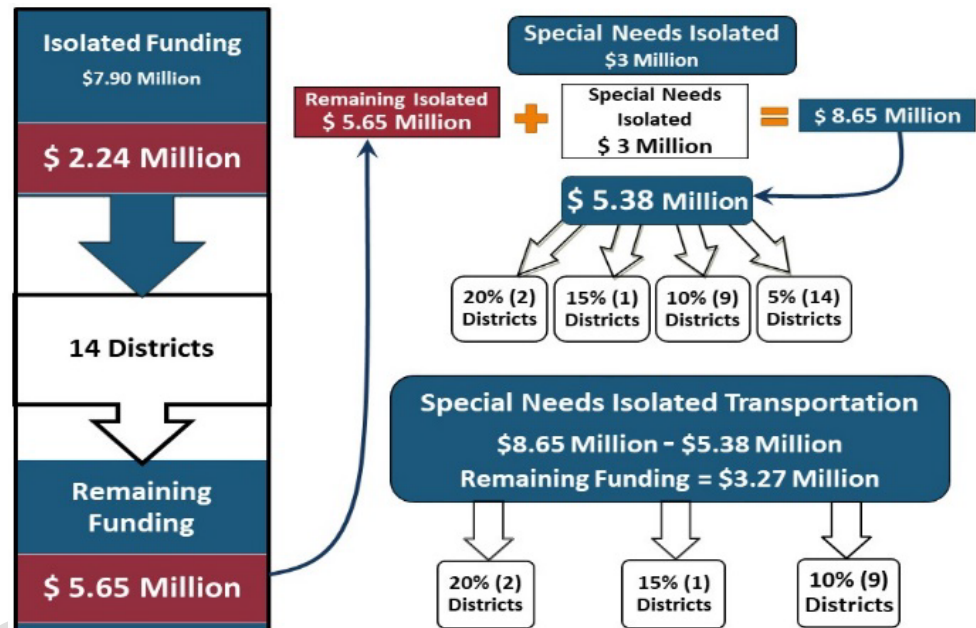


## SUPPLEMENTAL FUNDING SOURCES

In addition to the foundation and categorical funding that schools receive, other funding streams have been in place to help small schools and districts, as well as districts with fluctuating enrollment trends, provide an adequate education since the initial Lake View reforms. In recent years, additional funding streams have been added to help address specific adequacy-related expenses: transportation; special education; ESA (poverty); and teacher salaries.

### Isolated Schools Funding

Isolated funding is supplemental funding distributed to districts with low enrollment or geographic challenges, such as rugged road systems and/or low-student density, which can increase costs. Arkansas provides three types of isolated funding: isolated funding; special needs isolated funding; and special needs isolated – transportation funding. Varying restrictions are placed on how these funds can be used. These are discussed further in the Section 4.



In 2021, the state distributed almost \$11 million to the 29 districts falling in one or more of the three isolated funding categories. Each category of isolated funding has different eligibility criteria. Funding is first distributed to districts meeting the eligibility criteria for isolated funding. The remaining amount is then available to districts meeting the criteria for the second funding category, special needs isolated funding. The remaining amount is then distributed to districts meeting requirements for special needs isolated – transportation funding, as illustrated in the following diagram.

2021 Total Amount
\$10,895,977

To be eligible for isolated funding, a district has to meet four of the following five conditions: long distances; low student density of bus riders; high number of square miles; low proportion of hard-surfaced roads; and geographic obstacles. Once it does, a district must then meet certain budget requirements, ADM requirements, and the minimum standards for accreditations. These districts receive an amount determined by a formula based on ADM that is set in statute.

Eligibility criteria for special needs isolated funding – the second category – result in districts receiving four different levels of funding. Depending on which requirements districts meet, they will receive funding equal to 20%, 15%, 10%, or 5% of the foundation funding rate for each student in the isolated school area(s) or for the district. The 5% category is known as special needs isolated – small district funding. Districts receiving this funding typically do not contain isolated schools, but instead are districts with fewer than 500 students. In 2021, 26 districts received special needs isolated funding (excluding special needs isolated – transportation).

The third category of funding is special needs isolated – transportation. This funding, provided to districts with the sole purpose of helping isolated districts with transportation needs, consists of any remaining dollars after isolated and special needs isolated funding is distributed. Twelve districts received this funding in 2021.

### Literature Review and State Comparisons

Isolated funding can vary widely by state and is not as common as other types of education funding. Only 36 states use some form of isolated or small school/district funding. Among those, the mechanisms used to provide districts and schools funding vary as do the factors used to determine funding. These can include location, geographic barriers, sparsity, and/or enrollment size. Among this report’s comparison states, the ones that provide some form of isolated or small school/district funding often have multiple mechanisms in place such as weights and resource-allocation, or the above factors may be included in transportation funding formulas. The criteria states use to determine eligibility for this funding include travel times, geographic barriers, student density, teacher ratios, class size, or overall student enrollment. Several states provide additional funding for small enrollment districts or schools, either solely or as part of their funding for isolated or rural districts.

### Student Growth Funding

Student growth funding is additional funding the state provides to growing districts to help support their additional students. No restrictions are placed on how these funds can be spent. The student growth funding formula is based on quarterly ADM (rather than yearly ADM) and provides the full foundation amount for each student that a district gains. Because of the difference in the student growth and declining enrollment calculations, it is possible for a district to qualify for student growth funding and declining enrollment funding in one school year. However, since 2007, state law has prohibited districts from receiving both types of funding.<sup>65</sup> Under DESE’s rules, when a district qualifies for both, DESE issues the funding type that would result in the most money for the district.<sup>66</sup> Declining enrollment is discussed in the next subsection.

2021 Total Amount
\$29,536,568

Historical Student Growth Funding <sup>67</sup>					
Year	Districts that Received Student Growth Funding	Total Student Growth Funding: Districts	Charters that Received Student Growth Funding	Total Student Growth Funding: Charters	Total Student Growth Funding
2019	110	\$20,644,366	7	\$3,422,676	\$24,067,042
2020	101	\$21,524,794	7	\$4,795,253	\$26,320,047
2021	103	\$11,656,740	11	\$17,879,828	\$29,536,568

Student growth payments increased more than \$3 million from 2020 to 2021 despite a statewide decrease in enrollment. District enrollment fell almost 10,000 from 2020 to 2021. Charter enrollment grew almost 4,000.

Statewide Enrollment <sup>68</sup>			
Year	District Enrollment	Charter Enrollment	Combined Enrollment
2019	457,151	17,414	474,565
2020	456,200	19,134	475,334
2021	446,707	22,844	469,551

### Literature Review and State Comparisons

Seventeen states have some form of growth funding to provide districts with growing enrollment. Many states have no form of student growth funding. This is particularly true in states that use current-year enrollment counts for funding; Arkansas uses prior-year ADM to determine foundation funding.<sup>69</sup> States use different approaches to growth funding. In some states, the state provides high-growth districts additional funding based on the percentage of growth in the current year. In some, the state averages the amount of a district’s growth over a period of years and adds the average percent of growth to the district’s enrollment count. In other states, the state adjusts more than once in a school year, with the district receiving all or half of the foundation funding

<sup>65</sup> Act 461 of 2007; Act 272 of 2007; Arkansas Code Annotated § 6-20-2305(a)(3)(C).

<sup>66</sup> ADE Rules Governing Declining Enrollment and Student Growth Funding for Public School Districts, effective Jan. 1, 2019, 4.04.

<sup>67</sup> State Aid Notices 2018-19 through 2020-21. The data above represent the three-quarter ADM for the years indicated.

<sup>68</sup> State Aid Notices 2017-2018 through 2020-21.

<sup>69</sup>APA. (Presentation to Senate Committee on Education and House Committee on Education, June 8, 2020.) “Growth Funding and Declining Enrollment.”

amount for each student gained.<sup>70</sup> Odden and Picus’ evidence-based model recommends funding districts based on the full-time ADM, using the actual count for schools with stable or rising district counts.<sup>71</sup> In their 2020 Arkansas study, APA recommended funding districts that had at least a 2% growth rate. The change would decrease the number of districts receiving student growth funding, as well as the amount of overall funding.<sup>72</sup>

### Declining Enrollment Funding

Declining enrollment is funding provided to districts that have lost students and therefore experience a loss in foundation funding. No restrictions are placed on how these funds can be spent. Declining enrollment funding is based on yearly ADM (rather than quarterly ADM) and provides a district about half the foundation funding amount for each student lost. As discussed above, because of the difference in the declining enrollment and student growth calculations, a district may be eligible for declining enrollment and student growth funding in the same year, but districts may not receive both types of funding.<sup>73</sup> DESE awards the funding type that would result in the most money for the district.<sup>74</sup>

<b>2021 Total Amount</b>
<b>\$14,681,796</b>

Since the beginning of declining enrollment funding, state statute has prohibited districts from receiving both declining enrollment and special needs isolated funding.<sup>75</sup> Act 909 of the 2021 Regular Session changed the statute to allow a district to receive both special needs isolated funding and declining enrollment funding.<sup>76</sup> Any funding appropriated for either declining enrollment or special needs isolated that is not distributed under the formulas is prorated and distributed equally per average student loss to school districts that meet the qualifications for both declining enrollment and special needs isolated funding.<sup>77</sup>

Historical Declining Enrollment Funding <sup>78</sup>					
Year	Districts that Received Declining Enrollment Funding	Total Declining Enrollment Funding: Districts	Charters that Received Declining Enrollment Funding	Total Declining Enrollment Funding: Charters	Total Declining Enrollment Funding
2019	96	\$11,714,039	7	\$953,918	\$12,667,957
2020	109	\$18,483,453	6	\$949,820	\$19,433,273
2021	110	\$14,305,210	3	\$326,337	\$14,631,547

### Literature Review and Best Practices

Proponents of declining enrollment provisions argue that the provisions serve two goals: 1) allowing time for communities and economics in rural areas to rebound, improve, and adjust to changes in population and revenue; and 2) ensuring that students in rural areas are offered an adequate education.<sup>79</sup>

Opponents of declining enrollment funding argue that declining enrollment funding allows districts to avoid restructuring for smaller enrollments, discourages experimentation, and diverts funding from other uses.<sup>80</sup> Declining enrollment policies can take several forms: 1) protections against declining enrollment; 2) hold-harmless provisions; 3) small district subsidies; and 4) minimum categorical allocations.<sup>81</sup>

<sup>70</sup> Ibid.

<sup>71</sup> Odden, Allan, & Picus, Lawrence O. (2019). *School finance: A policy perspective*, 6<sup>th</sup> ed. New York: McGraw-Hill

<sup>72</sup> “Growth Funding and Declining Enrollment” by APA, Presentation to Senate Committee on Education and House Committee on Education, June 8, 2020.

<sup>73</sup> Arkansas Code § 6-20-2305(a)(3)(C)

<sup>74</sup> ADE Rules Governing Declining Enrollment and Student Growth Funding for Public School Districts, effective Jan. 1, 2019, 4.04.

<sup>75</sup> Arkansas Code § 6-20-2305(a)(3)(A)

<sup>76</sup> Act 909 of 2021.

<sup>77</sup> Arkansas Code Annotated § 6-20-2305(a)(3)(B); Act 21 of the 1<sup>st</sup> Extraordinary Session of 2006.

<sup>78</sup> State Aid Notices, 2019-2020 through 2020-21.

<sup>79</sup> Jimerson, L. (Rural School and Community Trust Policy Brief, February, 2006.) “Breaking the Fall: Cushioning the Impact of Rural Declining Enrollment.”

<sup>80</sup> Fullerton, J. and Roza Marguerite. (Education Next, May 1, 2013.) “Funding Phantom Students.”

<sup>81</sup> Ibid.

Hold-harmless provisions guarantee districts a certain level of funding. In Connecticut, the 33 lowest-performing districts in the state, known as Alliance Districts, are permanently held harmless at the fiscal year 2017 funding amount, even if the districts experience a decline in population that would otherwise mean a decline in funding.<sup>82</sup> Hold-harmless provisions may also be specific to districts losing students to charter schools. Connecticut funds districts based on the enrollments of students living in their region whether the student attends a district school or a charter school. In Massachusetts, when a student leaves a district for a charter school, the district no longer receives the revenue associated with that student; the revenue goes to the charter school. Massachusetts then provides a partial tuition reimbursement to the district for up to six years after the student begins attending the charter.<sup>83</sup>

Declining enrollment protections are additional funds provided to districts that are experiencing a decline in enrollment.<sup>84</sup> The formulas vary by state. For example, in Colorado, a district with declining enrollment receives funding based on the average of up to three prior years' October student counts and the current year's October student count. In Nevada, schools with declining enrollment may base funding on either of the two prior years' ADM, whichever is greater. Districts with a declining enrollment of less than 5% get additional funding for one year, but districts with a decline of 5% or more receive two years of additional funding.<sup>85</sup> Another form of declining enrollment funding is small district subsidies. In some states, the subsidies are a weight in the state allocation form based on district size. In other states, the state funds certain items by district; for example, a particular kind of staff person might have a funding level of one per district. In these states, the cost-per-pupil of the one-per-district item is much higher in smaller schools because of the lower number of students.<sup>86</sup>

Some states that use categorical funds require minimum allotments for certain categorical funding allocations. In this situation, the state sets a minimum allotment for a categorical. A district with a very small number of the targeted population will receive at least the minimum allotment.<sup>87</sup> Odden and Picus' evidence-based model recommends funding students based on the school and district where they are actually attending school, and using a rolling three-year average pupil count when students are declining to help districts deal with enrollment decline and the corresponding loss in revenues.<sup>88</sup> Odden and Picus recognize that this method of funding may have the effect of creating "phantom students," or students who are counted in their new district but still partially funded in their old district until the three-year average cycles through.<sup>89</sup> In its 2020 Arkansas study, APA offered two alternative approaches to funding declining enrollment: using a three-year average and using a percentage per year. The three-year average would provide districts with the highest ADM of the current year, average of the current year and prior year, or average of the last three years. A percentage per year model would assign percentages to the prior year, two years back, and three years back ADM, with each year further back receiving smaller percentages of funding. Both methods would increase the overall amount of declining enrollment funding.<sup>90</sup>

### ESA Grants

In 2018, the General Assembly began providing an additional source of funds to supplement spending to improve achievement levels of low-

**2021 / 2022/2023 Total Amount**

**\$5.3 million / \$5.3 million/ \$5.3 million**

<sup>82</sup> Atherton, M. and Rubado, M. (Center on Regional Politics, December 2014.) "Hold Harmless Education Finance Policies in the U.S.: A Survey." School + State Finance Project. "Education Cost Sharing (ECS) Formula." <https://ctschoolfinance.org/issues/ecs-formula>.

<sup>83</sup> Ibid.

<sup>84</sup> Fullerton, J. and Roza Marguerite. (Education Next, May 1, 2013.) "Funding Phantom Students."

<sup>85</sup> Atherton, M. and Rubado, M. (Center on Regional Politics, December 2014.) "Hold Harmless Education Finance Policies in the U.S.: A Survey."

<sup>86</sup> Jimerson, L. (Rural School and Community Trust Policy Brief, February, 2006.) "Breaking the Fall: Cushioning the Impact of Rural Declining Enrollment."

<sup>87</sup> Fullerton, J. and Roza Marguerite. (Education Next, May 1, 2013.) "Funding Phantom Students."

<sup>88</sup> Odden, A. Picus, L. (2019). *School finance: A policy perspective*, 6<sup>th</sup> ed. New York: McGraw-Hill.

<sup>89</sup> Ibid.

<sup>90</sup> APA. (Presentation to Senate Committee on Education and House Committee on Education, June 8, 2020.) "Growth Funding and Declining Enrollment."

income students. School districts and charter schools are reimbursed for the previous years' expenditures on three evidence-based uses: tutors; before- and after-school programs; and prekindergarten programs. Funding was distributed in November 2020 to 192 school districts and charter school systems on a prorated basis of 25.3%.<sup>91</sup> Distribution amounts ranged from \$61.50 (West Memphis School District) to \$976,688 (Little Rock School District). This money is restricted to the same uses for which the funding is provided.

### Special Education High-Cost Occurrences

Special Education High-Cost Occurrences funding is provided to districts when an individual student's special education and related services required in his/her IEP are unduly expensive, extraordinary, or beyond the routine and normal costs associated with special education and related services.<sup>92</sup> Districts must submit eligible claims<sup>93</sup> to be reimbursed by DESE. The district is responsible for 100% of the first \$15,000 after being adjusted for offsets. Offsets include Title VI-B (Federal Individuals with Disabilities Education Act (IDEA) Part B funding), Medicaid reimbursements, and other funds received (extended school year, third party liability, etc.). After that, districts can be reimbursed 100% of expenses between \$15,000 and \$65,000 and 80% of expenses of \$65,000 to \$100,000. Reimbursements are prorated if total reimbursement requests exceed the amount of funds available in the High-Cost Occurrences fund.

2021 / 2022/2023 Total Amount
\$13.02 million / \$13.5 million / \$14.99 million

In 2021, nearly 84% of all eligible claims were reimbursed to districts, up from previous years due to a 2020 change in rules in how eligible claims are calculated. In 2019, 39% of approved claims were reimbursed to districts. At that time, the first \$15,000 was eligible for 100% reimbursement, followed by 80% of the next \$35,000, and 50% of the next \$50,000. The new method is intended for DESE to "fund those truly extraordinary costs that could put an extreme financial hardship on a school with little or no need for proration."<sup>94</sup> Under the new formula, while the percentage of eligible claims reimbursed to districts increased from 38% to 84%, the amount of unfunded total claims increased from \$24 million to \$25.7 million. Additionally, the amount of available high-cost occurrence funds remained the same, \$13.02 million. Other than the restrictions on the types of claims that are eligible to be reimbursed, no restrictions govern how those reimbursed funds are to be spent.

The following table shows funding changes over the past three years, noting the 2020 rule change.

	Number of Students	Number of Districts/Charters	Funding Per Student	Total Eligible Amount (millions)	Max Amount of Reimbursement (millions)	Total Funding Provided (millions)	Percent of Approved Funds Received	Total Eligible Amount Not Funded (millions)
<b>2019</b>	1,442	164	\$9,029	\$37.0	\$33.9	\$13.02	38.5%	\$24.0
<b>Rule Change</b>								
<b>2020</b>	1,398	160	\$9,313	\$37.3	\$16.1	\$13.02	81.0%	\$24.3
<b>2021</b>	1,276	155	\$10,204	\$38.8	\$15.6	\$13.02	83.7%	\$25.7

### Enhanced Transportation

Enhanced Transportation money is distributed to school districts found to be underfunded for transportation using matrix dollars only. This determination is made through a multistep formula, which first uses a regression formula to estimate a district's or public charter school system's transportation expenses. Three variables – ADM, route miles and the number of bus riders – combine to be very accurate predictors of transportation expenses, often with predictive value of higher than 90% at a

2021 / 2022/2023 Total Amount
\$5 million / \$6 million / \$7.2 million

<sup>91</sup> Email from Tracy Webb, Coordinator of Fiscal Services and Support, DESE, dated Oct. 19, 2021.

<sup>92</sup> A.C.A. § 6-20-2303

<sup>93</sup> Eligible claims include those for students currently enrolled in the district at the time of submission, when costs exceed \$15,000, and the costs must have incurred solely as a result of the provision of special education and related services to the individual student.

<sup>94</sup> ADE-DESE Proposed Changes to Catastrophic Occurrence Fund Rule September 9, 2019.

statistically significant level. These predicted amounts are compared with districts’ and charter systems’ actual funding and actual expenditures to determine the amount of additional funding to be provided. Funding is distributed based on need until it is depleted. In 2021, funding amounts ranged from \$73 (Rector) to \$148,828 (Caddo Hills). Spending of Enhanced Transportation funding is not restricted.

**Additional Professional Development**

As noted earlier, a portion of PD categorical funds is paid to Solution Tree for the implementation of the PLC pilot program. The PLC Pilot program is a partnership between DESE and Solution Tree, a private organization that provides PD resources, training, and support to K-12 educators, to implement the PLC at work model in selected districts and schools. In the 2021 school year, \$12.5 million was provided for 50 schools and districts participating in the program.

2021 / 2022/2023 Total Amount
\$12.5 million / \$14.5 million / \$16.5 million

**Educator Compensation Reform Programs**

The Educator Compensation Reform Program was established by Act 877 of 2019 in order to assist districts to continue to meet the minimum salary requirements of the Teacher Salary Enhancement Act (Ark. Code Ann. § 6-17-2403 as amended by Act 170 of 2019). Educator Compensation Reform funds are restricted. All funds were fully distributed by the end of the 2022 school year.

2021 / 2022/2023 Total Amount
\$15 million / \$15 million / \$15 million

**Teacher Salary Equalization**

To assist in addressing the disparities in teacher salaries within the state and compared to surrounding states, the legislature passed Acts 679 and 680 of 2021, creating the Teacher Salary Equalization Fund to provide public school districts and open-enrollment charter schools with additional restricted funding dedicated to increasing teacher salaries. Equalization funding is provided to districts and charter systems that have an average annual teacher salary below the statewide target average annual salary set by the legislature and who are not scheduled to receive funds from the Educator Compensation Reform Fund. Equalization funding is continuous and will increase if a district’s ADM increases. The legislature may also increase the state target average and the amount of per-student funding as part of the adequacy review process, which will increase the amount of funds districts will be eligible to receive. Funding will not decrease below the amount a district receives in the initial base year even if ADM decreases.

2021 / 2022/2023 Total Amount
\$0 / \$25 million / \$25 million

Each year, districts and charter schools should use equalization funds to meet or exceed the state minimum salary requirements in Ark. Code Ann. § 6-17-2403. Districts and charter schools may also use equalization funds to increase or add to local minimum salary schedules and for salaries and benefits paid out of the teacher salary fund. One-time salary payments are not the preferred use of equalization funds to meet the intended purpose and goals of the legislature but are allowable. Districts must use all equalization funding for teacher salaries and benefits each year and not carry over funds. The teacher salary equalization fund was created by shifting \$15 million within legislative committee recommendations for public school funding and \$10 million from the educational adequacy trust fund. The legislation allows districts with below-average teacher salaries to raise them using a pool of money equal to the district's ADM multiplied by \$185.

**OTHER STATE AND FEDERAL FUNDING**

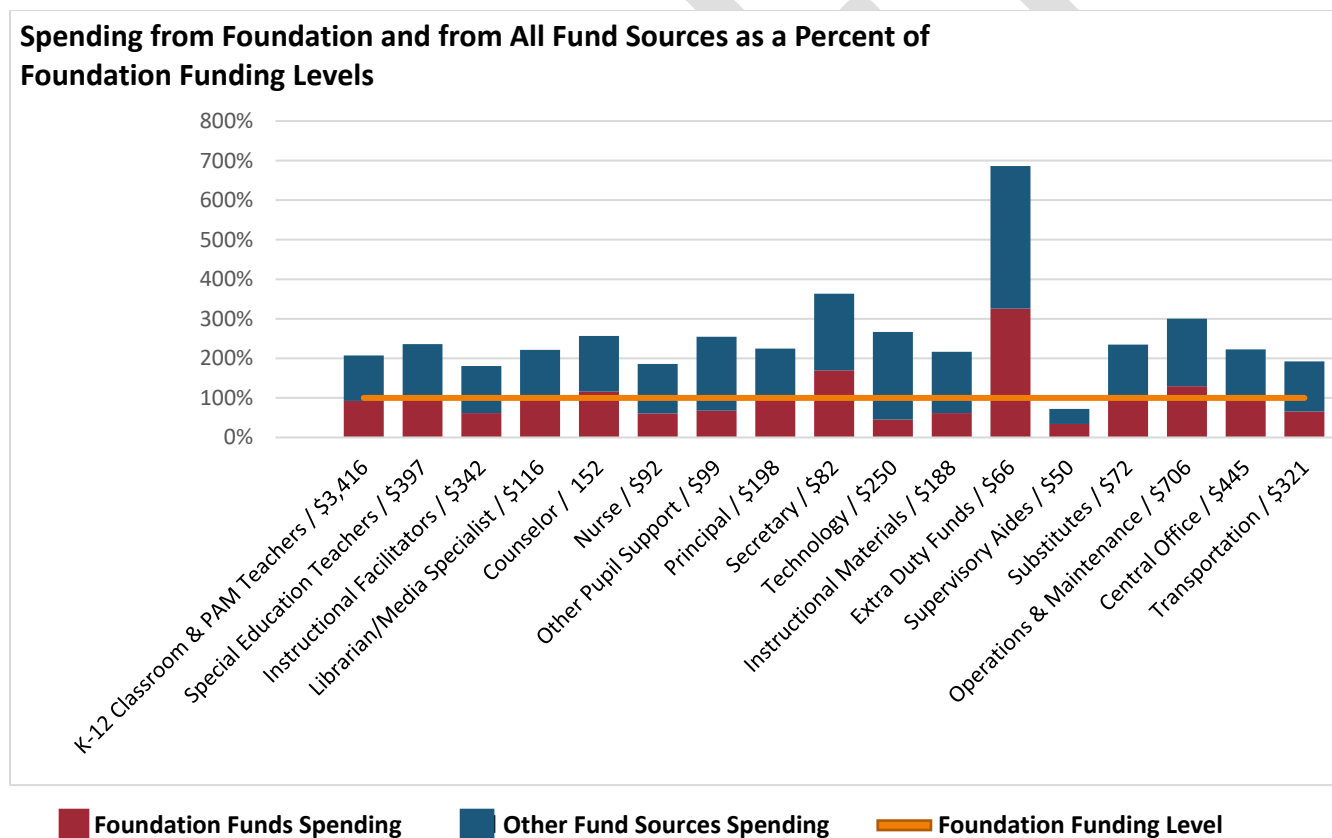
In addition to the funding described above, in the 2020 school year, the most recent for which data is available, the school districts and charter school systems in Arkansas received an additional \$258 million in state funding. While \$110,363 of that was considered “unrestricted,” the remainder was restricted to specific uses such as gifted and talented education, career education, and early childhood education. That same year, Arkansas school districts and charter school systems received \$594 million in federal funds, all of which is restricted to its intended use. These uses include special education and spending for poverty students, for example.

## Section 4: K-12 Public Education Expenditures

As described in the previous section, Arkansas school districts and public charter school systems have access to a variety of funds to spend on staffing and resources, including: **foundation funding**, the main source of educational funding for Arkansas schools; **categorical funds**, and **supplemental funding**. This section examines how Arkansas schools have spent these funds during the 2021 school year for each item in the matrix, the special populations for which categorical funds are designated, and other “non-matrix” items for which foundation dollars have been spent. Spending patterns between types of schools, such as urban versus rural, are examined, and, when possible, comparisons to other states and research from literature reviews are provided. More information is available in the Feb. 8, 2022, *K-12 Public Education Expenditures* report that is found in Volume II.

### Matrix Items

When looking at what is spent on all matrix items, spending of foundation dollars fails to meet the legislative intent set in the matrix on seven items: instructional facilitators; nurses; other pupil support; technology; instructional materials; supervisory aides; and transportation. However, when spending on these items from all fund sources is considered, spending surpasses legislative intent on all but supervisory aides. Foundation funds are used significantly more than the legislative intent for two items: secretaries and extra duty funds. Even so, additional monies are also used to help pay for these items.

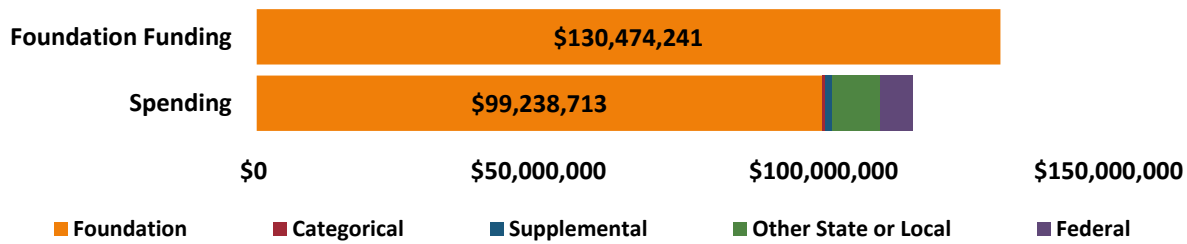


### MATRIX/KINDERGARTEN TEACHERS

In 2021, public schools in Arkansas spent a little over \$115 million on kindergarten teachers from all fund sources, close to \$15 million less than they received in foundation funding.

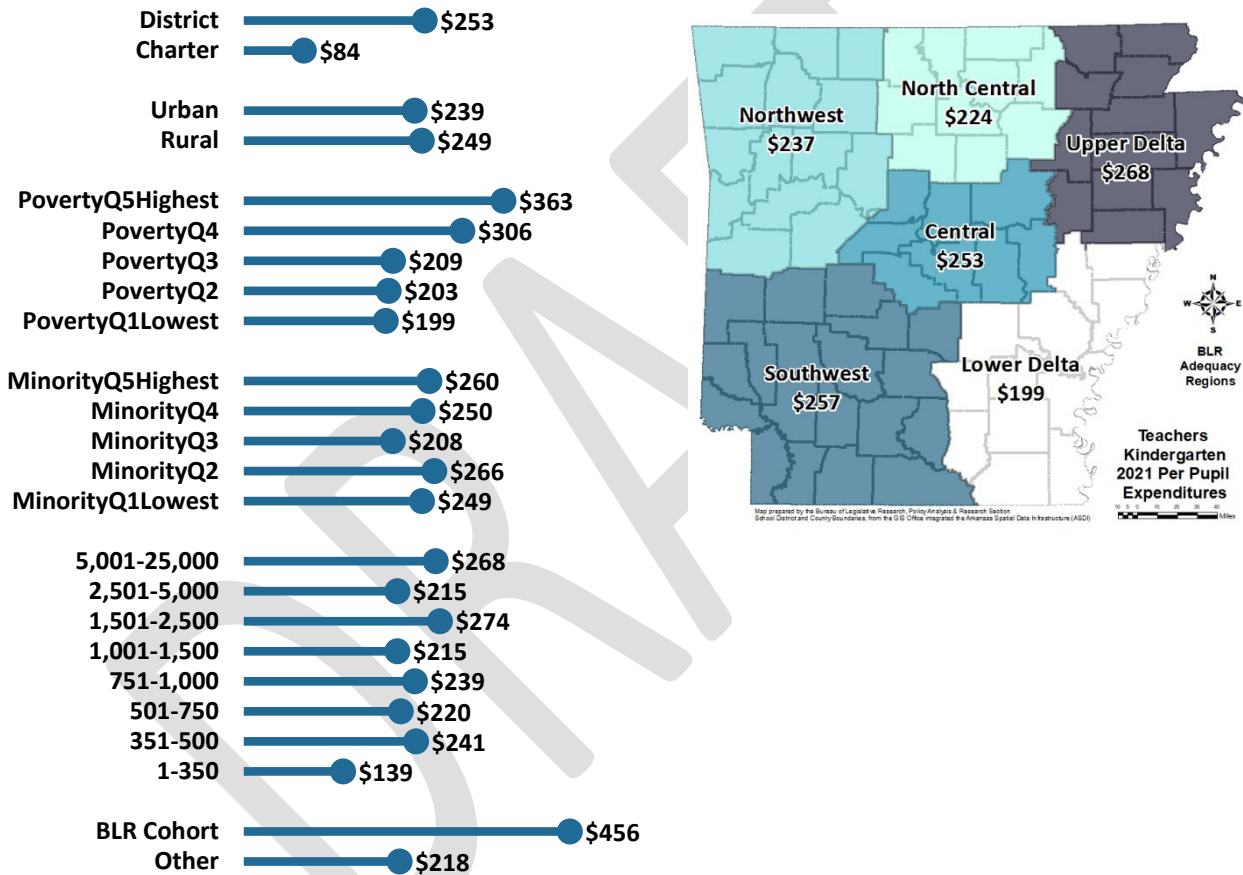
2021 Per Pupil Amount	
Foundation Funding	\$274
Foundation Expenditures	\$211
Total Expenditures	\$245

## Kindergarten Teachers: Funding vs. Spending



The following chart shows trends for spending for kindergarten teachers among different categories of schools.

### Per-Pupil Expenditure Patterns: Kindergarten Teachers



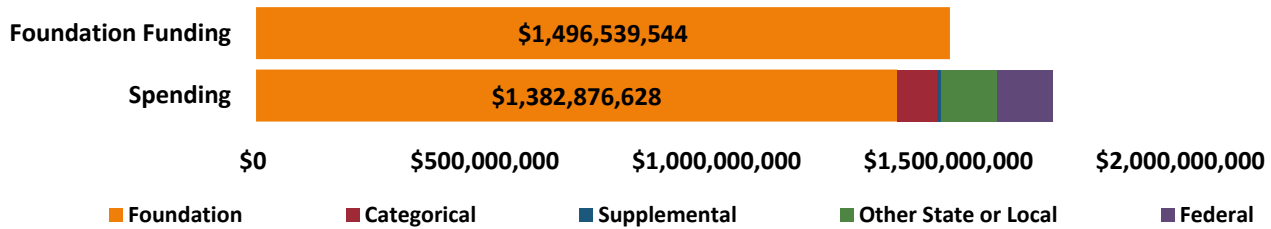
### MATRIX/CLASSROOM TEACHERS GRADES 1-12

2021 Per Pupil Amount	
Foundation Funding	\$3,142
Foundation Expenditures	\$2,944
Total Expenditures	\$3,684

In 2021, public schools in Arkansas spent \$1,730,110,867 on classroom teachers from all fund sources, \$233.5 million more than they received in foundation funding. Public schools may use a variety of funds to pay their grades 1-12 teachers' salaries and benefits, as is illustrated in the following graph. A little over \$347 million came from other fund sources. Schools spent 81% on regular classroom instruction and 19% on other instructional programs.

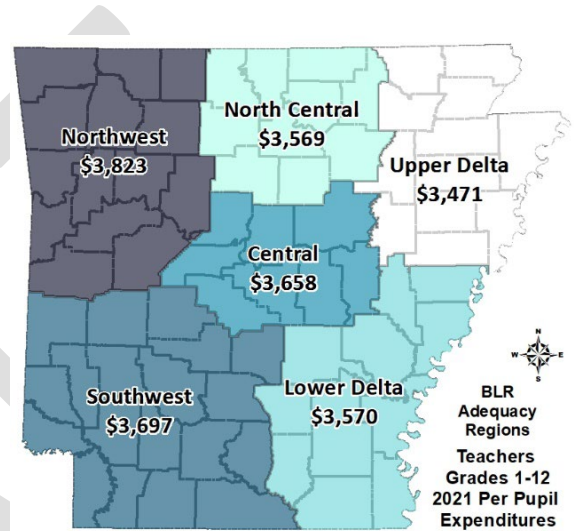
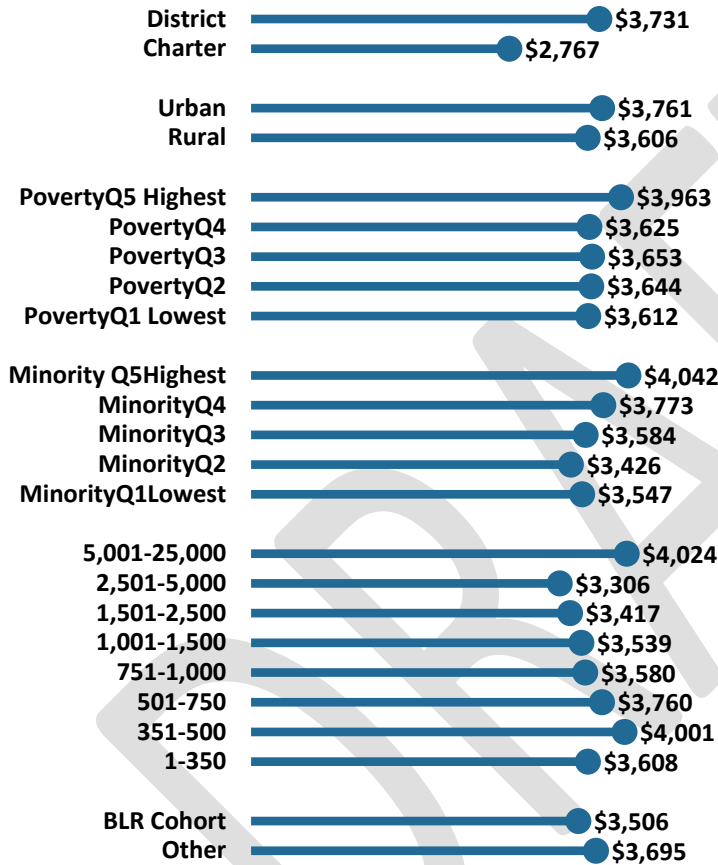


## Teachers Grades 1-12: Funding vs. Spending



The following chart shows trends for spending for Grades 1-12 teachers among different categories of schools.

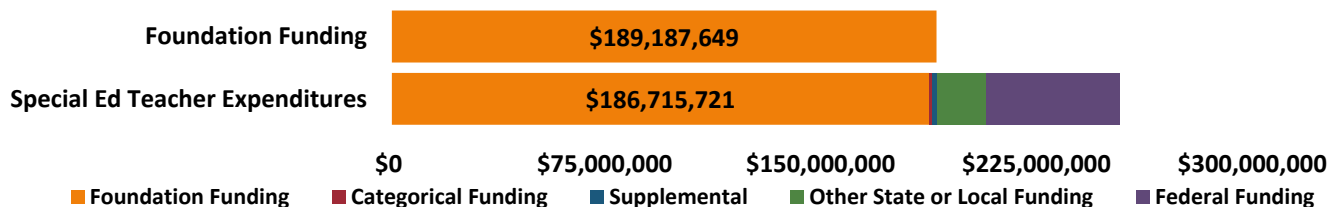
## Per-Pupil Expenditure Patterns: Grades 1-12 Teachers



## MATRIX/SPECIAL EDUCATION TEACHERS

In 2021, public schools in Arkansas spent nearly \$187 million on special education teachers, about \$2.5 million less than they received in foundation funding for that purpose.

## Special Education Teachers: Per Pupil Expenditures



However, total spending on special education teachers from all fund sources equaled about \$253 million. Federal funding, primarily from IDEA Part B (or Title VI-B)<sup>95</sup> and Medicaid, provided the next largest source of funds. Special education high-cost occurrences funding (included among additional state funding) totaled \$13.02 million in 2021, making up less than 1% of funds used for special education teachers.

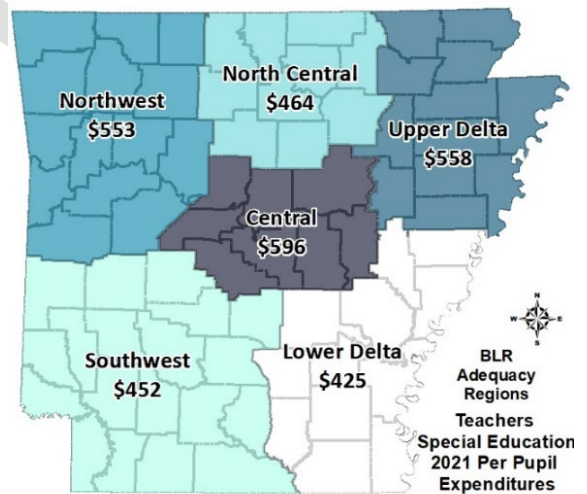
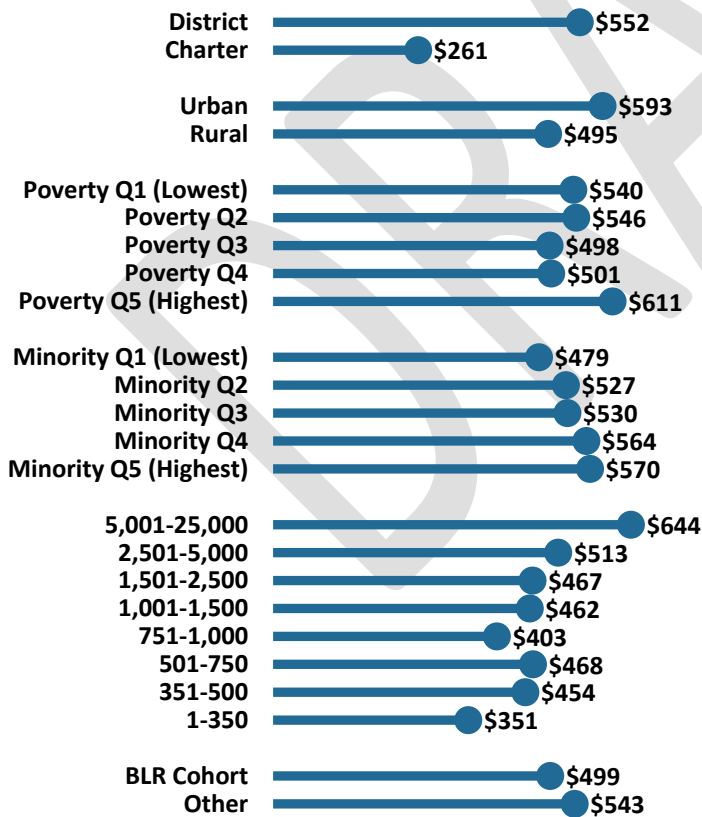
The following table shows data on special education teacher spending and FTEs for districts and charters.

2021 SPENDING ON PER PUPIL BASIS	All Students	Students with Disabilities
Foundation Funding (Special Education Teachers Only)	\$397	\$2,854
Foundation Expenditures (Special Education Teachers Only)	\$398	\$2,817
Total Special Education Teacher Expenditures (All Funds)	\$539	\$3,816

FTE PER STUDENT	Districts	Charters	Total
# of SPED Teachers Funded in Matrix (Per 500 Students)	2.9	2.9	2.9
# of SPED Teacher FTEs from Foundation Funding (Per 500 Students)	3.06	1.83	3.02
# of SPED Teacher FTEs from All Funding Sources (Per 500 Students)	4.03	2.75	3.98
Percentage of Students with Disabilities of Total Enrollment	14.2%	11.3%	13.4%

The following chart shows trends for spending for special education teachers among different categories of schools.

### Per-Pupil Expenditure Patterns: Special Education Teachers



<sup>95</sup> IDEA Part B funding is provided to states, and subsequently to the districts and charters to meet the excess costs of providing special education and related services to children with disabilities. It is distributed based on historic funding levels, the number of children in the state, and the number of children living in poverty in the state.

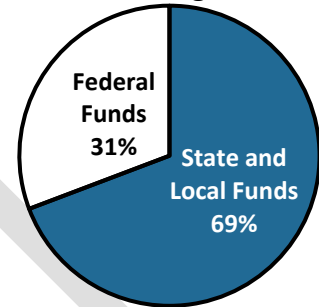
## Other Special Education Expenses

When taking into account all special education expenditures includes services like speech pathology, physical and occupational therapy, transportation, and other instructional programs, total special education expenditures equaled \$508 million, or \$1,082 per pupil.

2021 Per Pupil Spending	(All Students)	(With Disabilities Only)
Foundation Funding	\$397	\$2,854
Foundation Expenditures	\$398	\$2,817
Total Special Education Teacher Expenditures	\$539	\$3,816
Total Special Education Expenditures	\$1,082	\$7,667

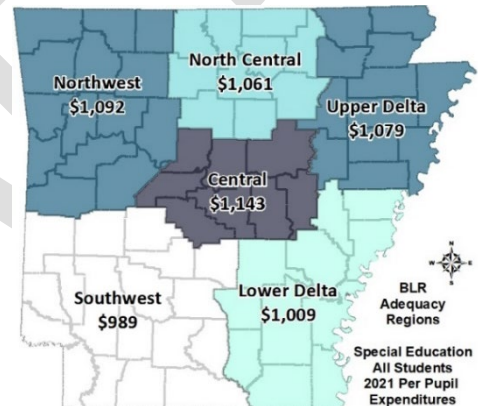
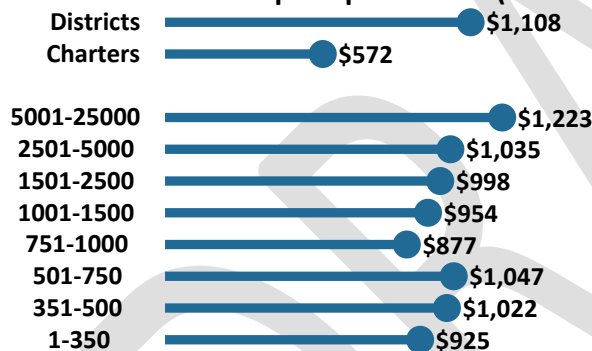
Nearly 70% of special education expenditures in 2021 came from state and local sources – primarily foundation funding. Special education high-cost occurrences made up almost 3% of those state funds. The remaining 31% came from federal funds. Top special education expenditures were for resource room, special (self-contained) classrooms, and speech pathology and audiology services.

## Special Education Funding

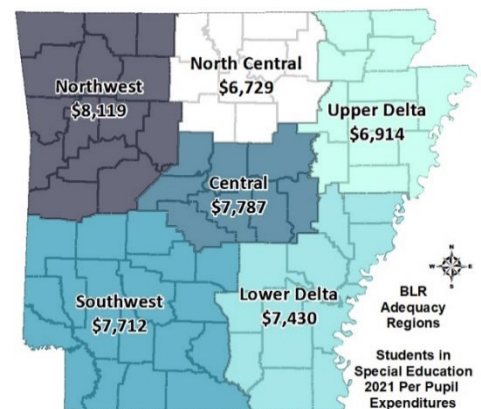
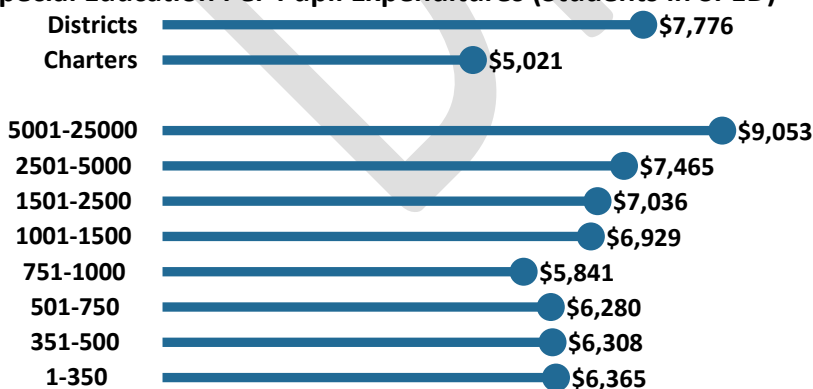


The following chart shows trends for spending for special education among different categories of schools.

### Special Education: Per-Pupil Expenditures (All Students)



### Special Education Per-Pupil Expenditures (Students in SPED)

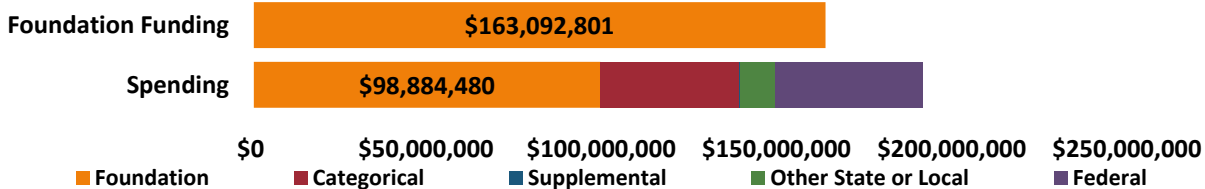


### MATRIX/INSTRUCTIONAL FACILITATORS

In 2021, public schools in Arkansas spent nearly \$191 million on instructional facilitators from all fund sources, about \$28 million more than they received in foundation funding. Schools spent the 66% of foundation fund expenditures for this matrix line on Assistant Principals. Schools used a little over \$92 million from other fund sources, primarily categorical and federal funds.

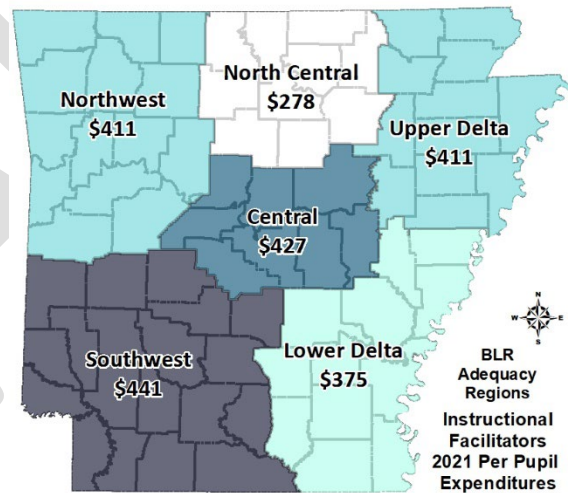
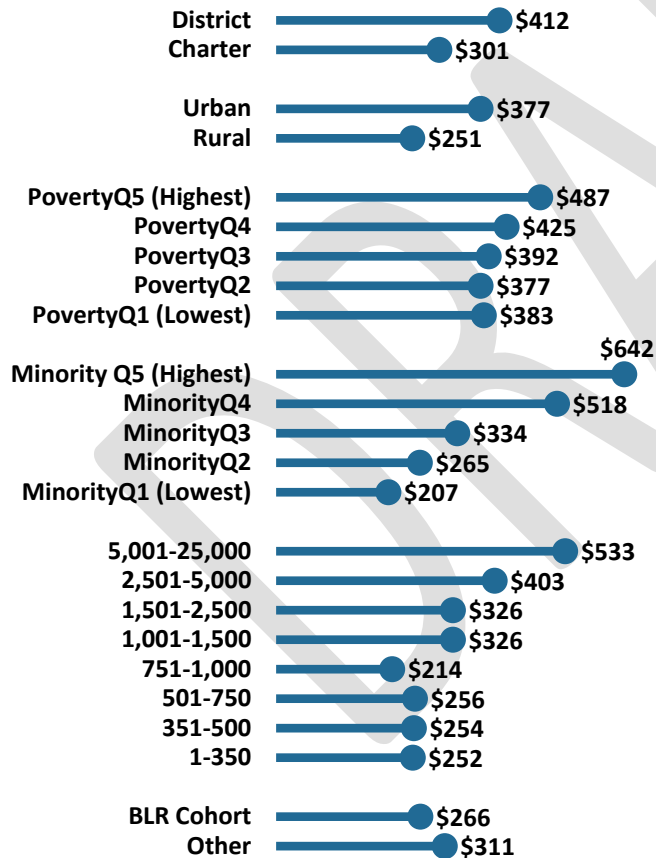
2021 Per Pupil Amount	
Foundation Funding	\$342
Foundation Expenditures	\$211
Total Expenditures	\$407

#### Instructional Facilitators: Funding vs. Spending



The following chart shows trends for spending for instructional facilitators among different categories of schools:

#### Per-Pupil Expenditure Patterns: Instructional Facilitators



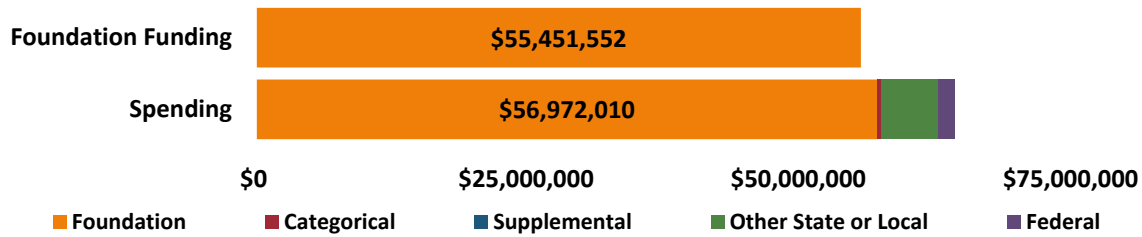
### MATRIX/LIBRARIANS-MEDIA SPECIALISTS

In 2021, public schools in Arkansas spent slightly more than \$64 million on librarians/media specialists, almost \$9 million more than they received in foundation funding.

2021 Per Pupil Amount	
Foundation Funding	\$116
Foundation Expenditures	\$121
Total Expenditures	\$136

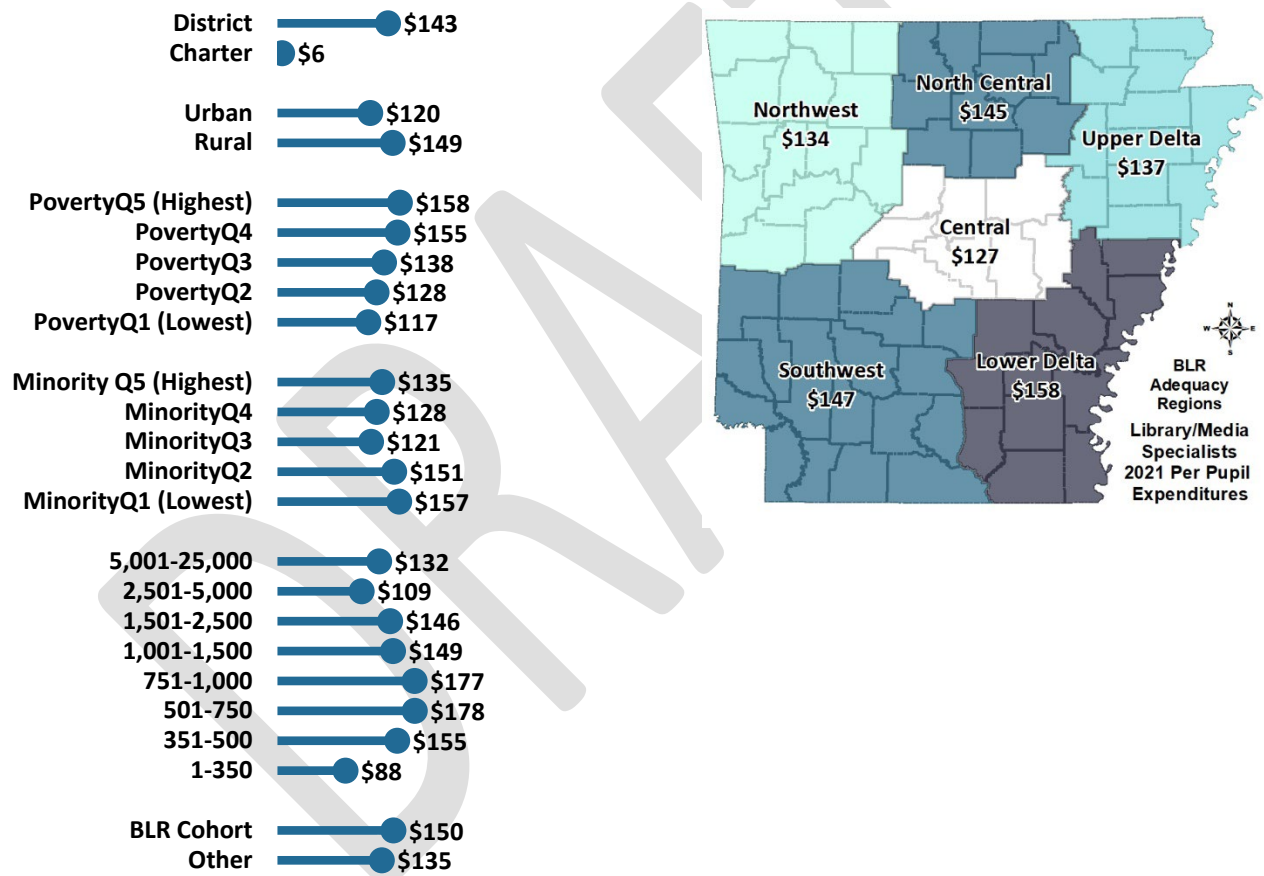
Schools used a little over \$7 million from other fund sources. The majority of these funds came from the other state and local funding stream.

### Librarians/Media Specialists: Funding vs. Spending



The following chart shows trends for spending for librarians/media specialists among different categories of schools:

### Per-Pupil Expenditure Patterns: Librarians/Media Specialists

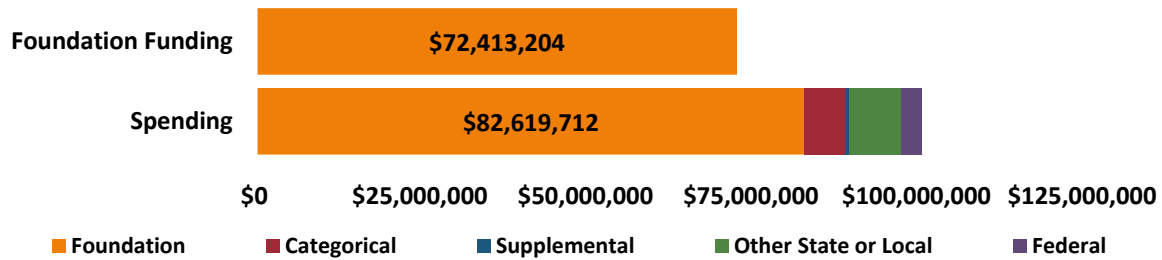


### MATRIX/GUIDANCE COUNSELORS

In 2021, public schools in Arkansas spent a little over \$100 million on guidance counselors from all fund sources, close to \$28 million more than they received in foundation funding. Schools used almost \$18 million from other fund sources, as illustrated in the following chart.

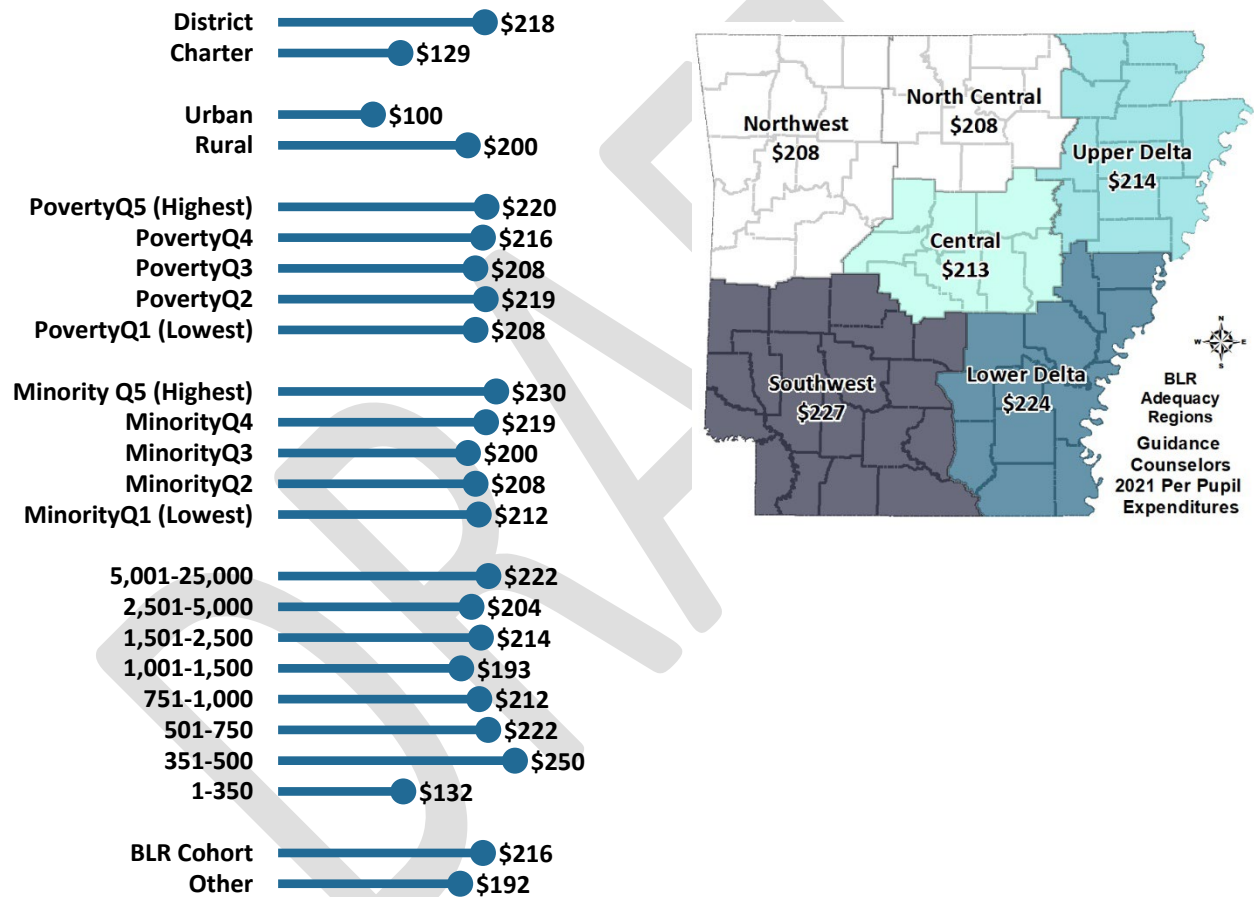
2021 Per Pupil Amount	
Foundation Funding	\$152
Foundation Expenditures	\$176
Total Expenditures	\$214

## Guidance Counselors: Funding vs. Spending



The following chart shows trends for spending for counselors among different categories of schools:

### Per-Pupil Expenditure Patterns: Guidance Counselors

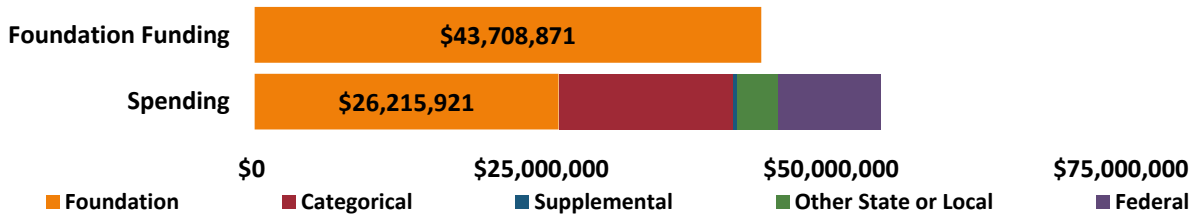


### MATRIX/NURSES

In 2021, public schools in Arkansas spent close to \$54 million on nurses from all fund sources, a little over \$10 million more than they received in foundation funding. Schools spent almost \$28 million on nurses using other funding sources, with the majority coming from categorical funds.

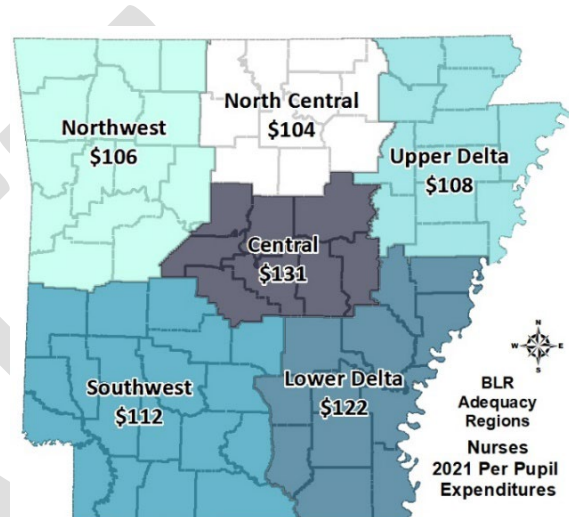
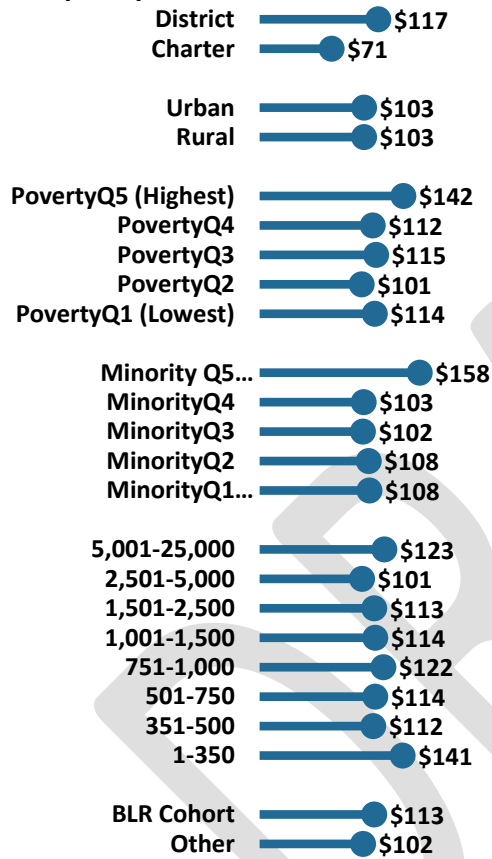
2021 Per Pupil Amount	
Foundation Funding	\$92
Foundation Expenditures	\$56
<b>Total Expenditures</b>	<b>\$115</b>

## Nurses: Funding vs. Spending



The following chart shows trends for spending for nurses among different categories of schools:

## Per-Pupil Expenditure Patterns: Nurses

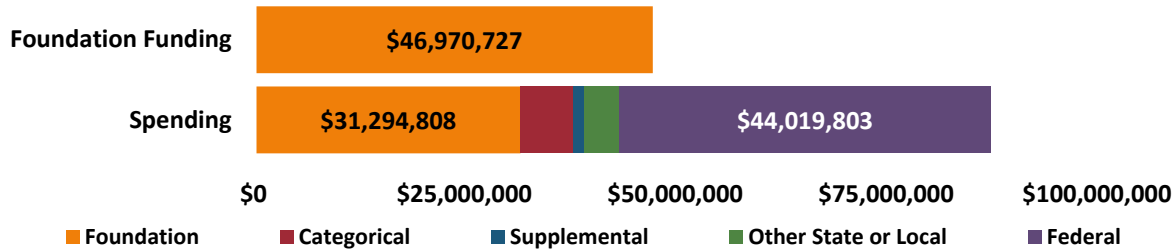


## MATRIX/OTHER STUDENT SUPPORT

In 2021, schools in Arkansas spent a little over \$87 million on other student support staff from all funds sources, slightly over \$40 million than they received in foundation funding. Schools spent almost \$56 million from other funding streams, with about 79% of that from federal funds.

2021 Per Pupil Amount	
Foundation Funding	\$99
Foundation Expenditures	\$67
Total Expenditures	\$185

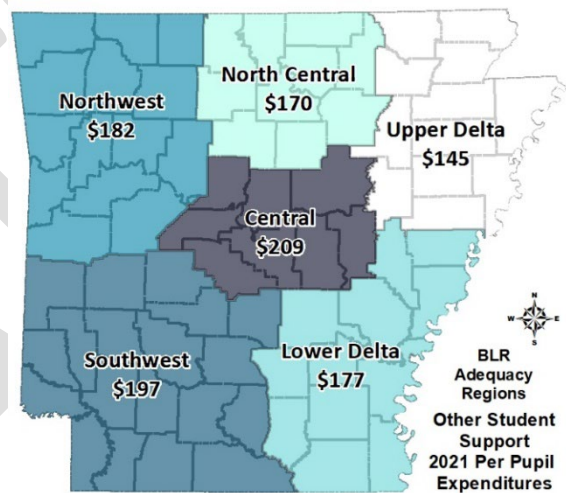
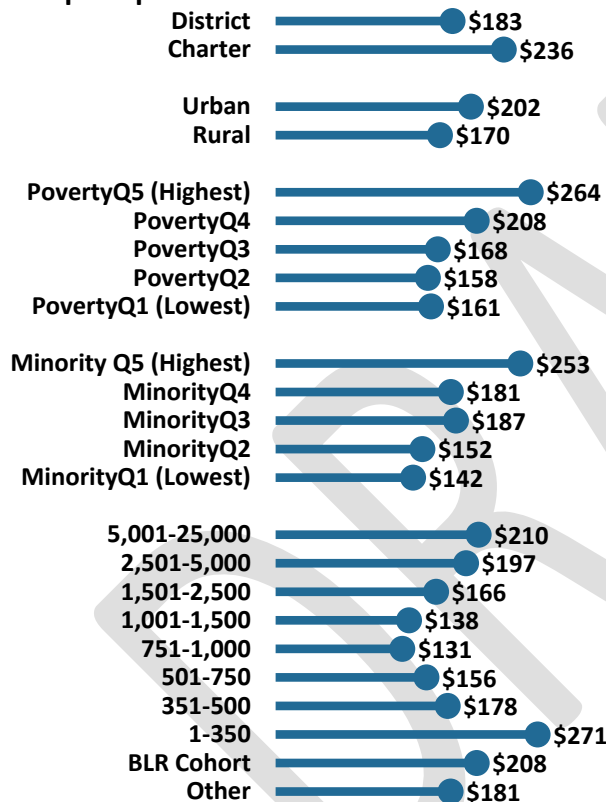
## Other Pupil Support: Funding vs. Spending



The largest pupil support expenditures were for speech and audiology services, followed closely by physical and occupational therapy.

The following chart shows trends for spending for other student support among different categories of schools:

### Per-Pupil Expenditure Patterns: Other Student Support



### MATRIX/PRINCIPAL

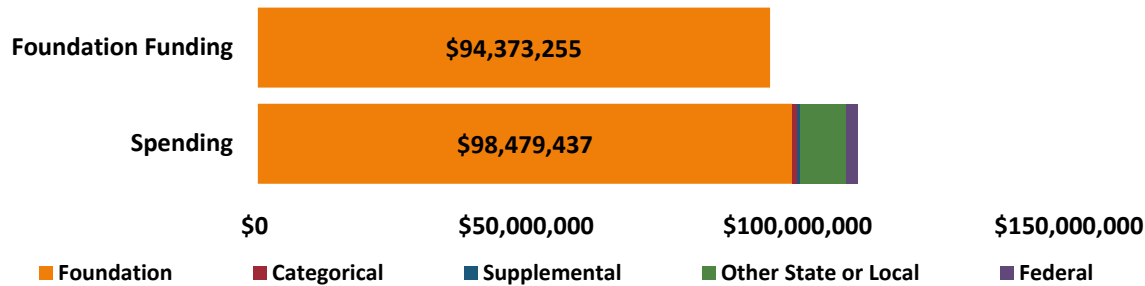
In 2021, public schools in Arkansas spent over \$110 million on principals from all fund sources, about \$25 million more than they received in foundation funding. Successful applicants for building-level administrator licensure in Arkansas will have a current Arkansas standard teacher's license, at least three years as a licensed classroom teacher, school counselor, or library media specialist, an official college or university transcript reflecting a master's level program of study and passing scores for the School Leaders Licensure

2021 Per Pupil Amount	
Foundation Funding	\$198
Foundation Funding Expenditures	\$210
Total Expenditures	\$235



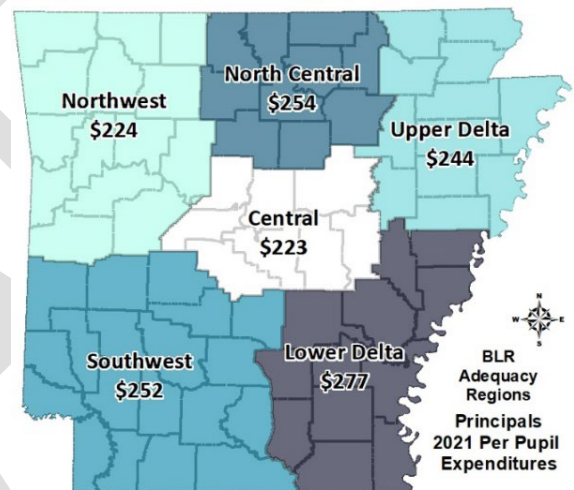
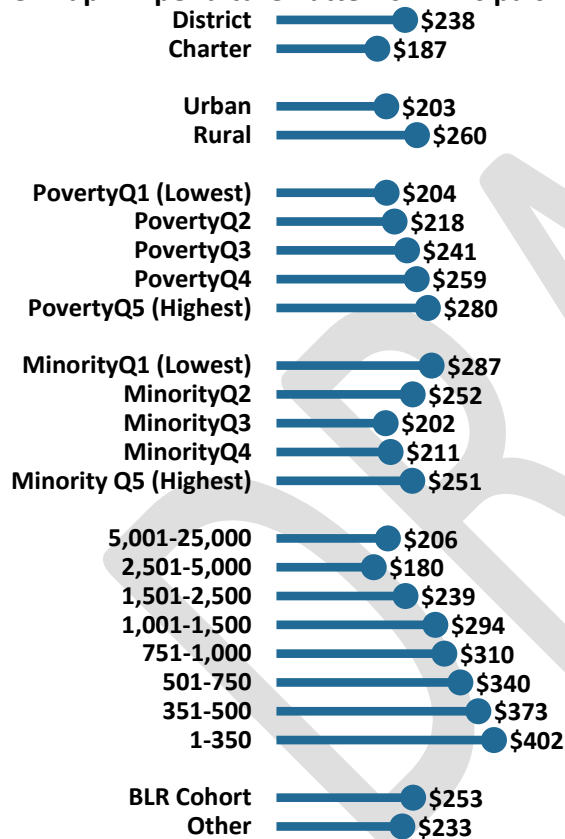
Exam.<sup>96</sup> Licensed educators studying to obtain a relevant master’s degree may become building-level administrator under Administrator Licensure Completion Plan.<sup>97</sup>

### Principal Foundation Funding vs. All Expenditures



The following chart shows trends for spending for principals among different categories of schools:

### Per-Pupil Expenditure Patterns: Principals



### MATRIX/SECRETARY

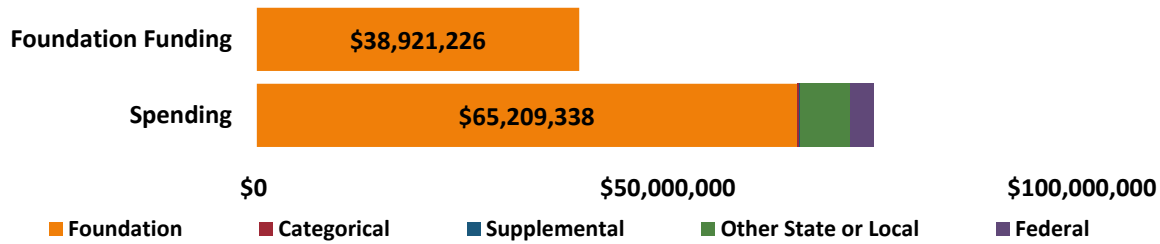
In 2021, schools in Arkansas spent \$74.5 million on secretaries, almost twice as much as they received in foundation funding.

2021 Per Pupil Amount	
Foundation Funding	\$82
Foundation Funding Expenditures	\$139
Total Expenditures	\$159

<sup>96</sup> ADE Standard License Application, Building Level Administrator found at [https://dese.ade.arkansas.gov/Files/20201030145456\\_Standard\\_Building\\_Level\\_Administrator\\_application\\_7\\_10\\_18.pdf](https://dese.ade.arkansas.gov/Files/20201030145456_Standard_Building_Level_Administrator_application_7_10_18.pdf).

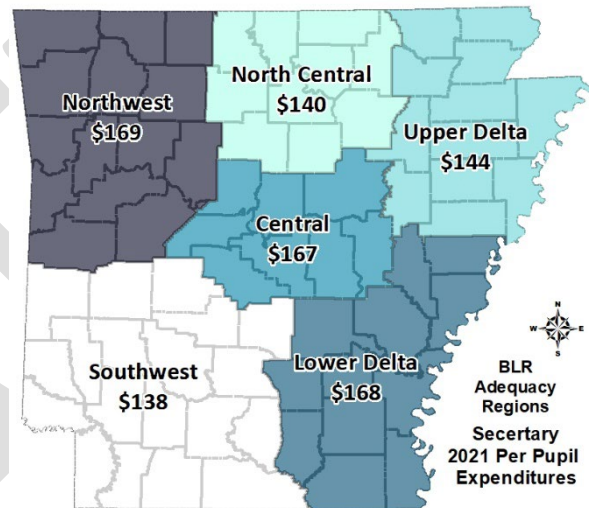
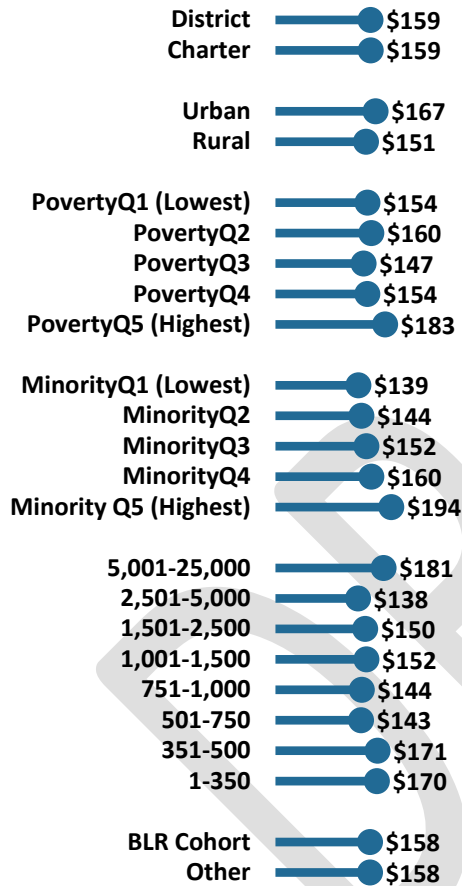
<sup>97</sup> <https://dese.ade.arkansas.gov/Offices/educator-effectiveness/becoming-a-teacher-or-school-leader/preparation-for-school-leader-licensure>

## Secretary Foundation Funding vs. Spending



The following chart shows trends for spending for secretaries among different categories of schools:

### Secretaries: Per Pupil Expenditure Patterns



### MATRIX/TECHNOLOGY

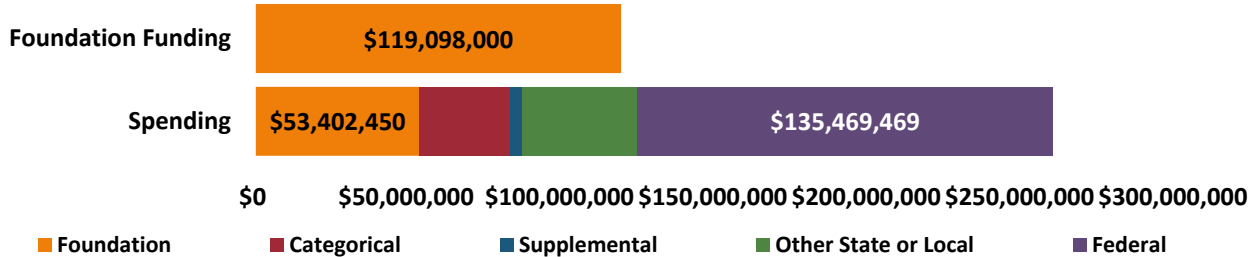
In 2021, public school districts and charter systems in Arkansas spent more than \$260 million on technology,

twice the amount they received in foundation funding. However, \$135 million of the technology purchases were made using federal funds, with about \$97 million of that coming from the one-time Elementary and Secondary School Emergency Relief (ESSER) I and II funds provided to assist schools with the unexpected costs associated with COVID-19. The presence of COVID-19, which first hit during the spring of the 2020 school year, caused schools to expand their investments in technology to cover much more learning that occurred at home, either as entire schools had to pivot to out-of-school instruction due to infection levels or because of districts that made at

2021 Per Pupil Amount	
Foundation Funding	\$250
Foundation Funding Expenditures	\$114
Total Expenditures	\$553

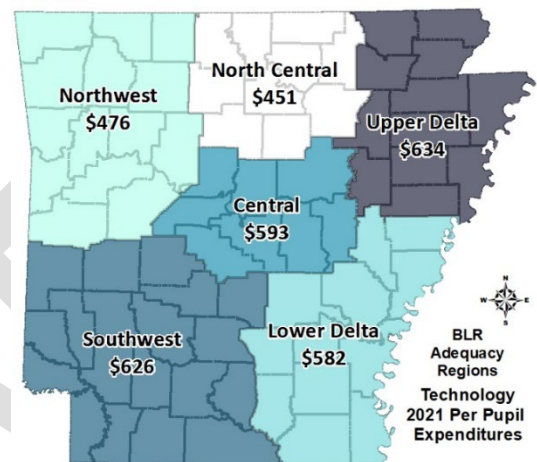
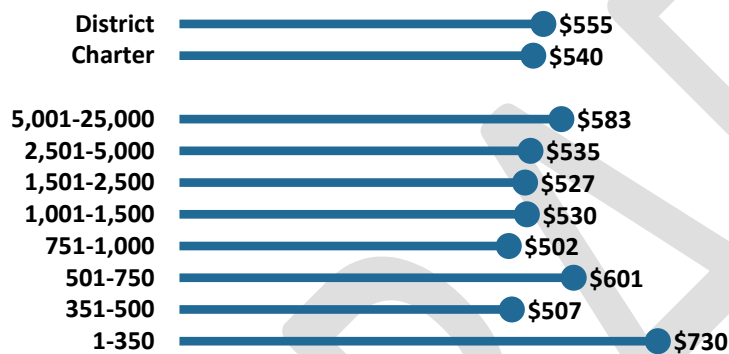
home learning a long-term option for students. Both circumstances called for expanding broadband, devices and software to enable at-home learning (and sometimes teaching). The largest categories of expenditures were for software and licenses (\$35.8 million), devices (\$30 million), and general supplies and consultants/outside services (\$16.5 million).

### Technology: Funding vs. Spending



Most technology expenditures are made at the district level, so the following chart shows trends for spending for technology among different types of districts.

### Technology Per-Pupil Expenditure Patterns: Total for District



**Survey Says:** Almost all superintendents (86%), principals (86%) and teachers (84%) responded that the school’s broadband is sufficient most of the time, while only about ½ to 2/3 of superintendents (46%), principals (61%) and teachers (66%) reported that the community’s broadband reached that same standard.<sup>98</sup> According to superintendents, on average, 90% of students were allowed to take home a district-owned computer during the 2021 school year,<sup>99</sup> while about 34% of students, on average, were thought to have access to home computers already.<sup>100</sup>

### MATRIX/INSTRUCTIONAL MATERIALS

In 2021, public schools in Arkansas spent \$136.6 million on instructional materials, about \$47 million more than they received in foundation funding. Federal funding accounted for almost \$38 million of that total, with one-time ESSER funds making up just over a third of the federal spending. Charter schools spent about \$800 per pupil more on average than did schools in traditional school districts (\$1,048 vs. \$252). State law calls for districts to provide all instructional materials and related equipment free to

2021 Per Pupil Amount	
Foundation Funding	\$188
Foundation Funding Expenditures	\$116
<b>Total Expenditures</b>	<b>\$291</b>

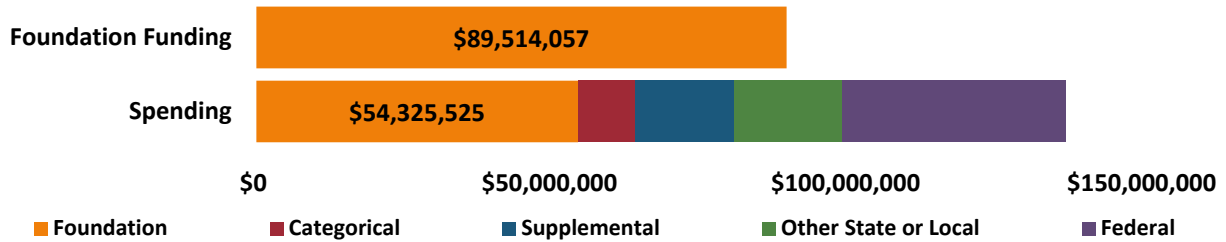
<sup>98</sup> See Superintendents’ Survey Responses, questions 41 and 42, Principals’ Survey Responses, questions 63 and 64, and Teachers’ Survey Responses, questions 59 and 60.

<sup>99</sup> See Superintendent’s Survey Responses, question 45.

<sup>100</sup> See Superintendent’s Survey Responses, question 46.

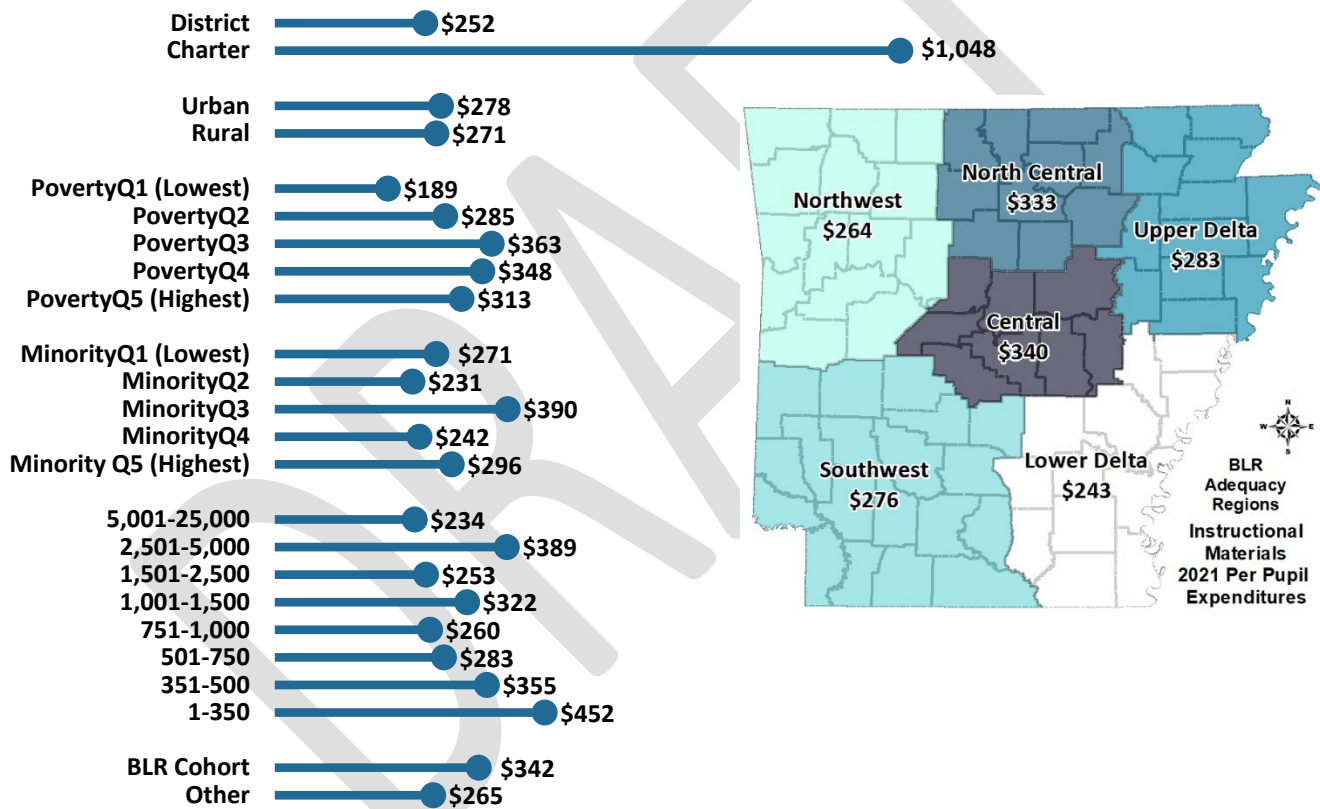
students.<sup>101</sup> Instructional materials include electronic and physical textbooks, workbooks, worksheets and other consumables, math manipulatives, science supplies, and library materials.

### Instructional Materials: Funding vs. Spending



The following chart shows trends for spending for instructional materials among different categories of schools:

### Instructional Materials: Per-Pupil Expenditure Patterns



### Major Expenditures

One of the main expenses under the instructional materials heading is for textbooks and e-textbooks. In the 2021 school year, Arkansas schools spent a total of \$42 million (\$89 per student), with 66% for textbooks and 34% for e-textbooks.

**Survey Says:** Superintendents reported spending an average of \$14,736 on formative assessments during the 2021 school year, with about 28% of that coming out of foundation funds.<sup>102</sup>

<sup>101</sup> A.C.A. § 6-21-403(a)

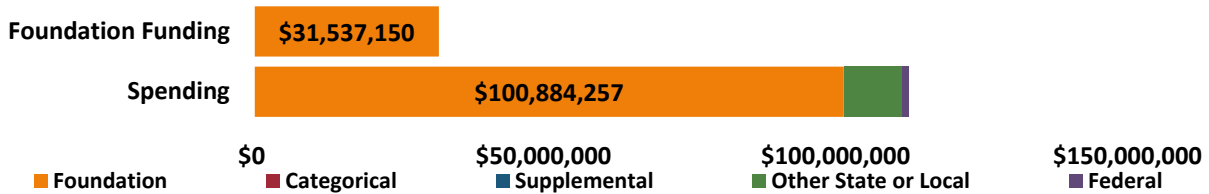
<sup>102</sup> See Superintendents Survey Responses, questions 17 and 18.

### MATRIX/EXTRA DUTY FUNDS

In 2021, schools in Arkansas spent \$112 million on extra duty, about \$81 million more than they received in foundation funding. While the bulk was paid for out of foundation funding, other state and local funds and federal funds covered most of the rest. Extra duty funds are spent for stipends or salaries of personnel who oversee extracurricular activities. The three large groups of these expenditures are athletics, athletic directors, and other school-based activities. Athletic expenditures dominate spending of these funds.

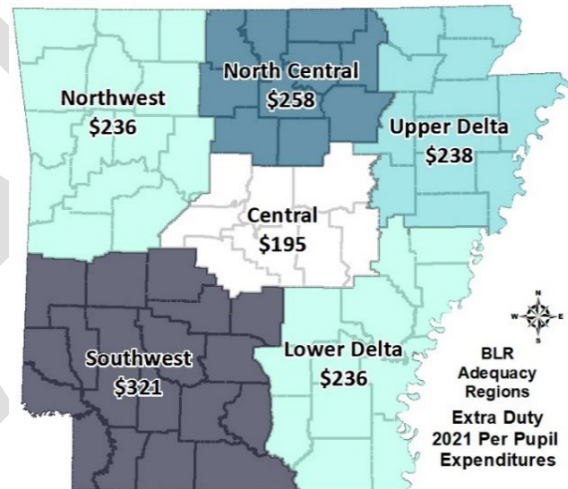
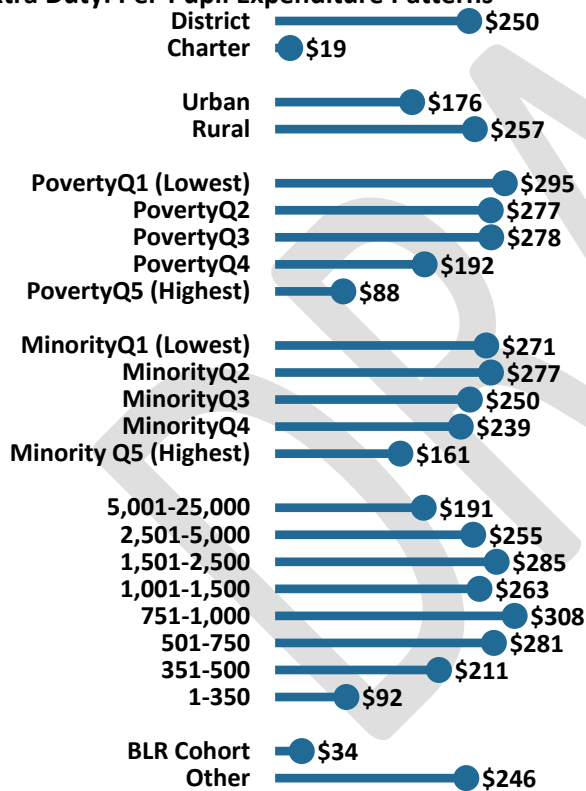
2021 Per Pupil Amount	
Foundation Funding	\$66
Foundation Funding Expenditures	\$215
Total Expenditures	\$238

#### Extra Duty Funds: Funding vs. Spending



The following chart shows trends for spending for extra duty personnel among different categories of schools:

#### Extra Duty: Per-Pupil Expenditure Patterns

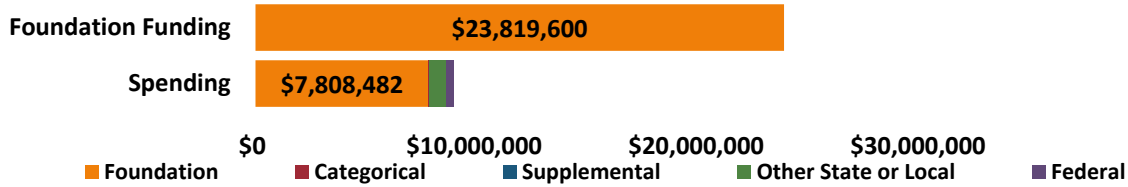


### MATRIX/SUPERVISORY AIDES

In 2021, public schools in Arkansas spent \$9 million on supervisory aides, less than half of what they received in foundation funding. While most of that spending was from foundation funds, other state and local dollars and federal dollars also were used to pay for these personnel. Supervisory aides monitor lunch and recess and perform bus duty before and after school.

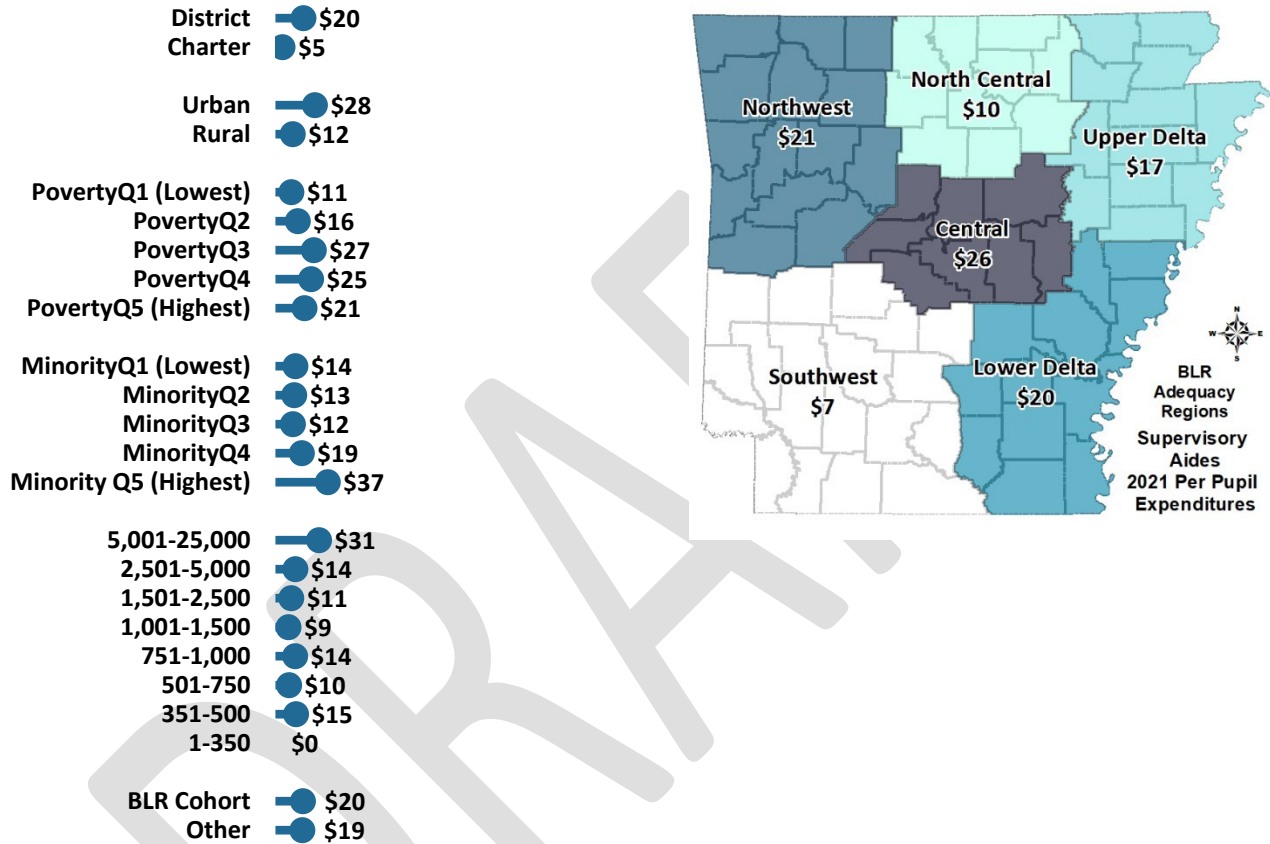
2021 Per Pupil Amount	
Foundation Funding	\$50
Foundation Funding Expenditures	\$17
Total Expenditures	\$19

### Supervisory Aides: Funding vs. Spending



The following chart shows trends for spending for supervisory aides among different categories of schools:

### Supervisory Aides: Per-Pupil Expenditure Patterns

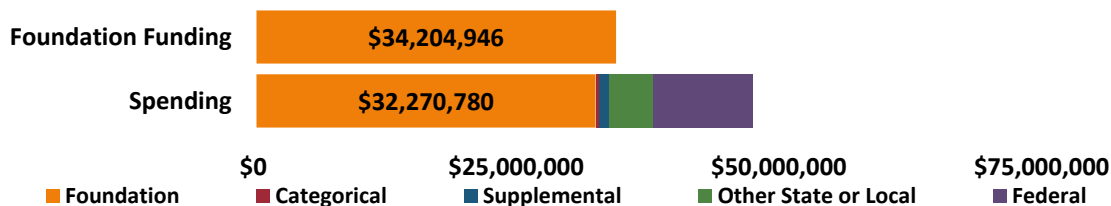


### MATRIX/SUBSTITUTES

In 2021, public schools in Arkansas spent \$47 million on substitutes, \$13 million more than they received in foundation funding. In addition to foundation funds, federal dollars accounted for \$9.5 million of the money spent on substitutes in 2021. The need for substitutes caused by COVID-19 and the one-time federal dollars sent to public schools to help deal with COVID-related expenses accounted for 44% of the federal funds spent on substitutes.

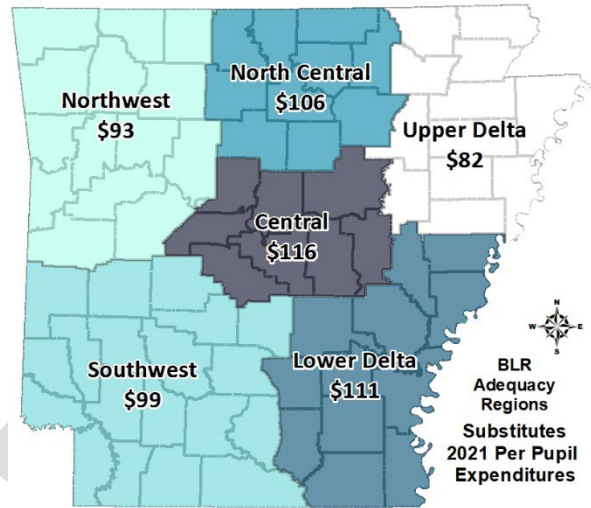
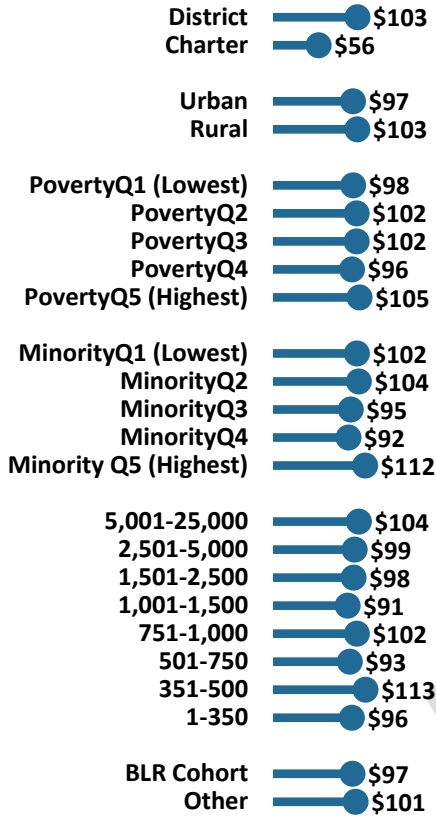
2021 Per Pupil Amount	
Foundation Funding	\$72
Foundation Funding Expenditures	\$69
Total Expenditures	\$100

### Substitutes: Funding vs. Spending



The following chart shows trends for spending for substitutes among different categories of schools:

**Substitutes: Per-Pupil Expenditure Patterns**



**Survey Says:** Superintendents reported the daily rates of pay for three categories of substitutes. The average and the range of pay for substitutes by qualifications are noted in the chart to the right.<sup>103</sup>

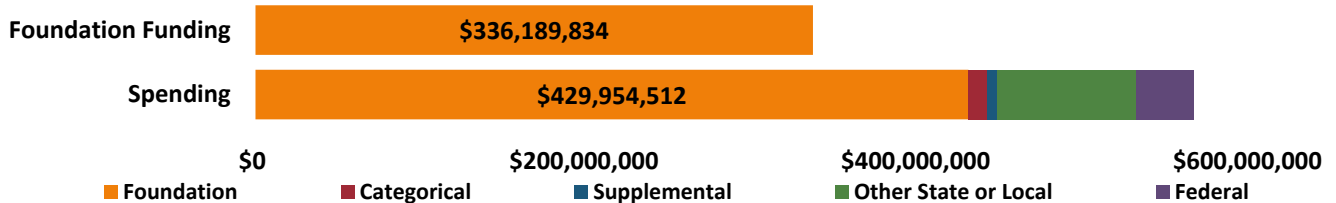
	Average	Range
<b>Certified</b>	\$97	\$31 to \$241.10
<b>With Degree</b>	\$86	\$28 to \$189.47
<b>No Degree</b>	\$83	\$55 to \$112

**MATRIX/OPERATIONS AND MAINTENANCE**

In 2021, public schools in Arkansas spent a little over \$566 million on operations and maintenance, almost \$230 million more than they received in foundation funding. Schools used over \$136 million from other funding sources, with the majority coming from other state or local.

2021 Per Pupil Amount	
<b>Foundation Funding</b>	\$706
<b>Foundation Expenditures</b>	\$915
<b>Total Expenditures</b>	\$1,205

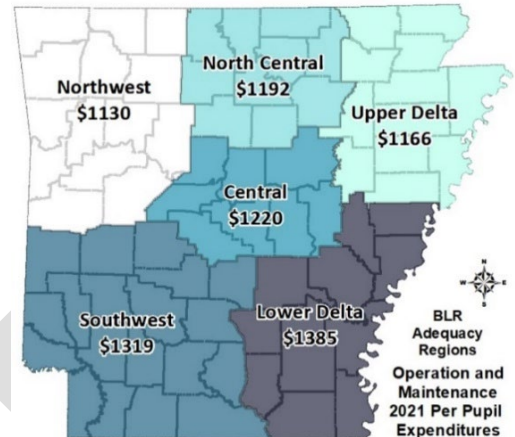
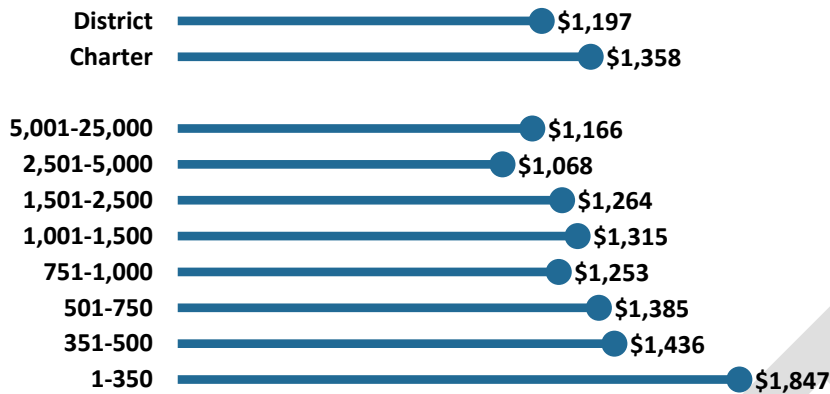
**Maintenance and Operations: Funding vs. Spending**



<sup>103</sup> See Superintendents Survey Responses, question 23.

The following chart shows trends for spending for operations and maintenance among different categories of districts:

### Per-Pupil Expenditure Patterns: Operations and Maintenance

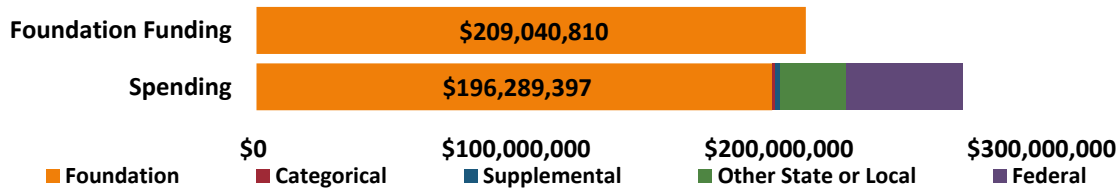


### MATRIX/CENTRAL OFFICE

In 2021, schools in Arkansas spent \$269 million on central office, nearly \$60 more than what they received in foundation funding. In addition to foundation funding, districts and charters primarily spent from federal and other state or local funds to cover central office expenditures.

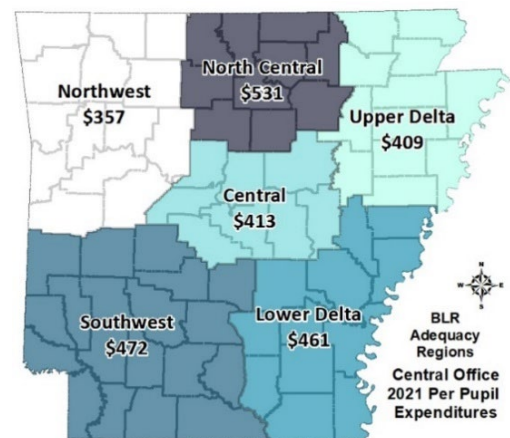
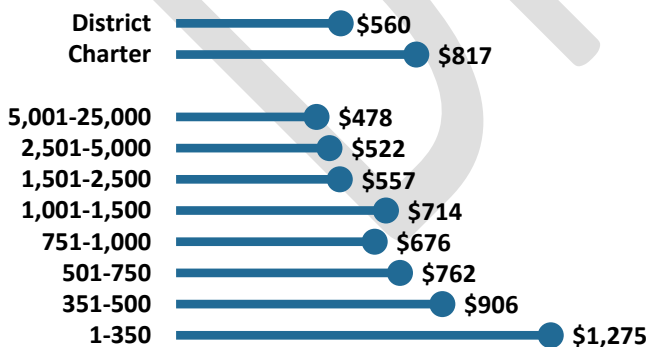
2021 Per Pupil Amount	
Foundation Funding	\$445
Foundation Expenditures	\$418
<b>Total Expenditures</b>	<b>\$573</b>

### Central Office: Funding vs. Spending



The following chart shows trends for spending for central office among different categories of districts:

### Per-Pupil Expenditure Patterns: Central Office



Source: BLR calculations of data from <https://nces.ed.gov/ccd/elsi/tableGenerator.aspx> <sup>104</sup>

<sup>104</sup> NCES ELSi tableGenerator. Variables: State; 2017-18; Total Students, All Grades (Excludes AE) [Public School]; General Administration Subtotal (STE24) Expenditures. <https://nces.ed.gov/ccd/elsi/tableGenerator.aspx> Expenses have been adjusted for cost of living in each state using the Cost of Living Annual 2018 Table created by the Missouri Economic Research and Information Center..



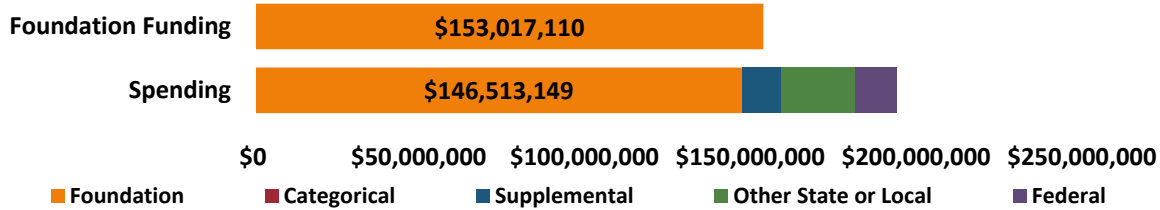
Just over a quarter of central office expenditures were for superintendents and assistant superintendents. The remaining funds were spent primarily on district level administrative services, including personnel services and business and fiscal services and technology services.

**MATRIX/TRANSPORTATION**

In 2021, schools in Arkansas spent a little over \$193 million on transportation, close to \$40 million more than they received in foundation funding. Schools spent almost \$47 million from other funding streams, with the majority coming from other state or local funds.

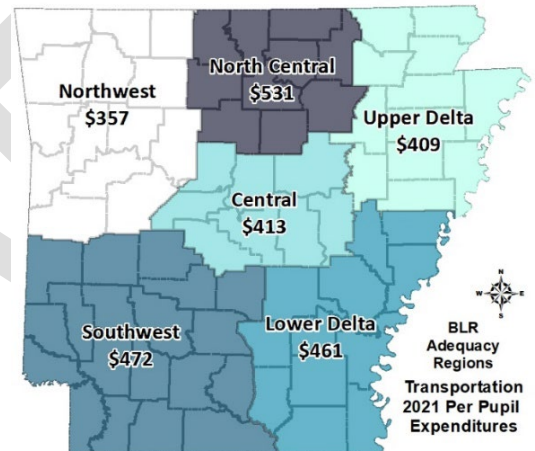
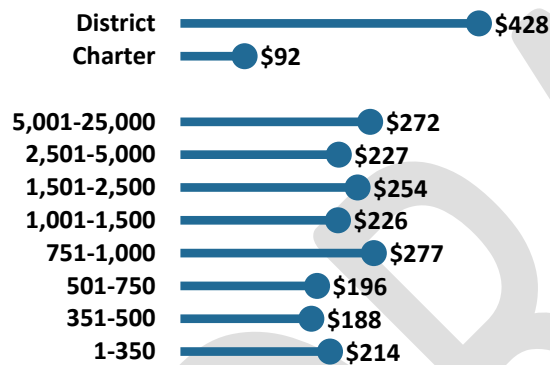
2021 Per Pupil Amount	
Foundation Funding	\$321
Foundation Expenditures	\$211
Total Expenditures	\$407

**Transportation: Funding vs. Spending**



The following chart shows trends for spending for transportation among different categories of districts:

**Per-Pupil Expenditure Patterns: Transportation**

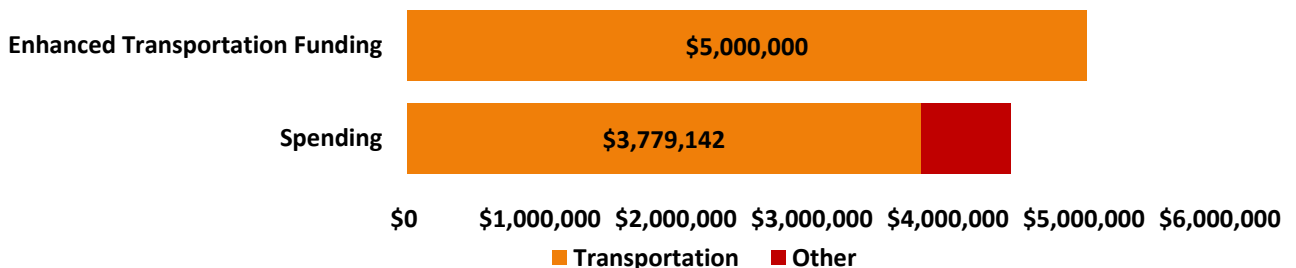


**Enhanced Transportation Fund Expenditures**

In 2015 the legislature passed Act 987 to create a supplemental \$3 million stream of funds outside of the matrix called enhanced transportation funding to assist those school districts with extraordinarily high transportation costs. Enhanced transportation is not restricted money and therefore may be spent on items other than transportation. Of the \$4.4 million spent from enhanced transportation funds in 2021, \$3.7 million was spent on transportation-related items such as vehicles, gasoline and classified salaries.

Year	Enhanced Transportation Funding Total
2017	\$3 million
2018	\$3 million
2019	\$3 million
2020	\$5 million
2021	\$5 million

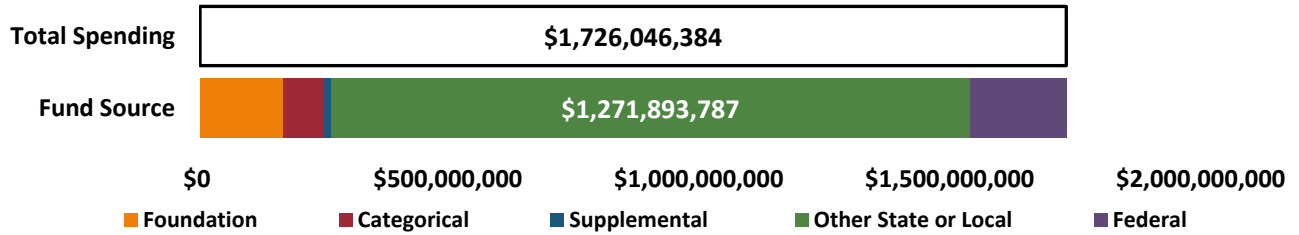
**Enhanced Transportation: Funding vs. Spending**



## Non-Matrix Items

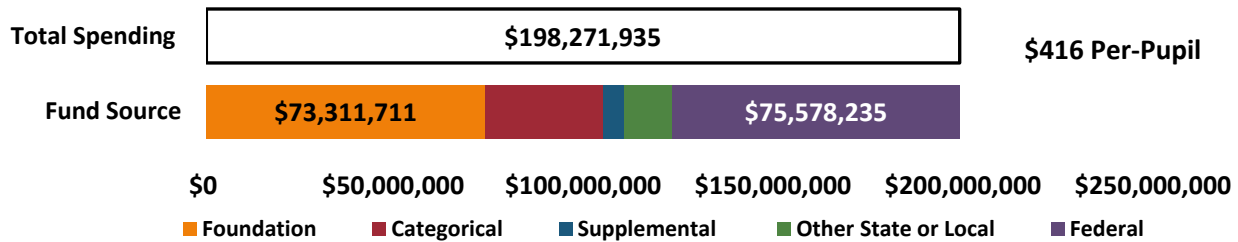
Several items are not included specifically in the matrix but are frequently purchased by public schools using foundation funds. These non-matrix items include a variety of expenditures for resources that have not been assigned to a specific matrix line item in this analysis. It is important to note 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. In 2021, schools in Arkansas spent a total of \$1.7 billion on items not specifically identified in the matrix. Almost \$160 million in foundation funding was spent on non-matrix expenditures, as shown in the following table.

### Non-Matrix Items: Spending by Fund Source



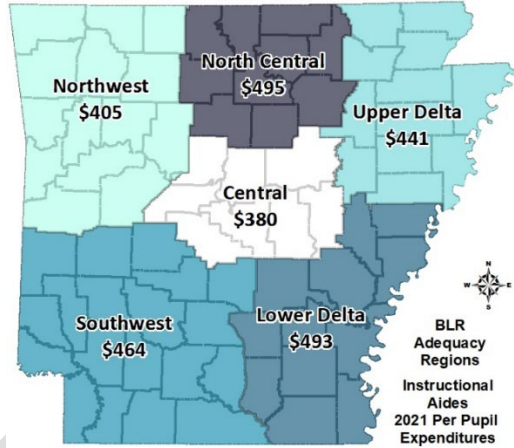
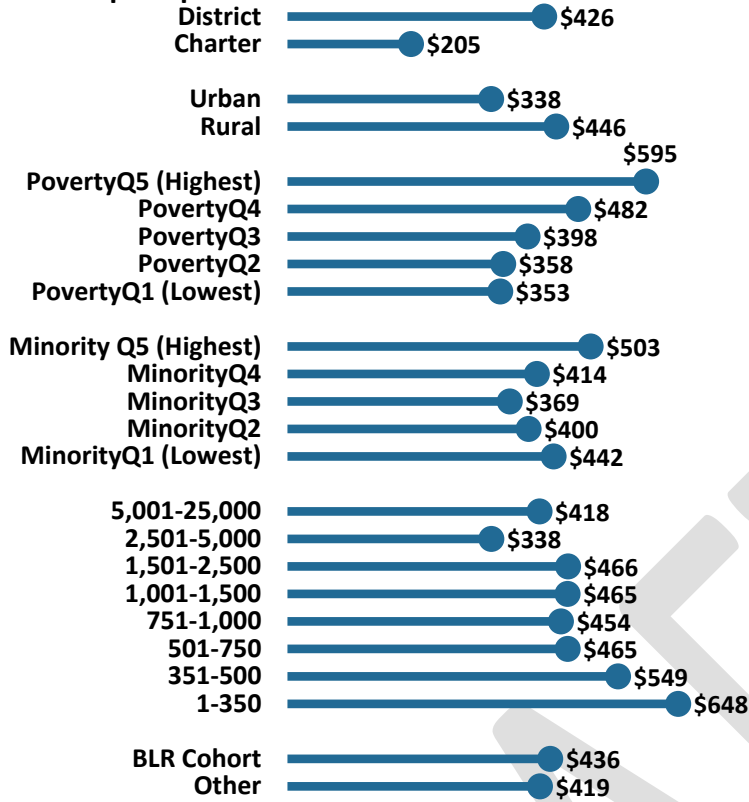
The highest total expenditure using foundation funds was for instructional aides, which accounted for 44% of total non-matrix expenditures.

### Instructional Aides: Spending by Fund Source



The following chart shows trends for spending for instructional aides among different categories of schools:

### Per-Pupil Expenditure Patterns: Instructional Aides



### ADDITIONAL ADEQUACY RESOURCES

Superintendents were asked if there were any resources not included in the matrix they believe are an important part of providing an adequate education. As shown in the Funding Report, the top five areas where superintendents reported additional resources were needed in the matrix are provided here.

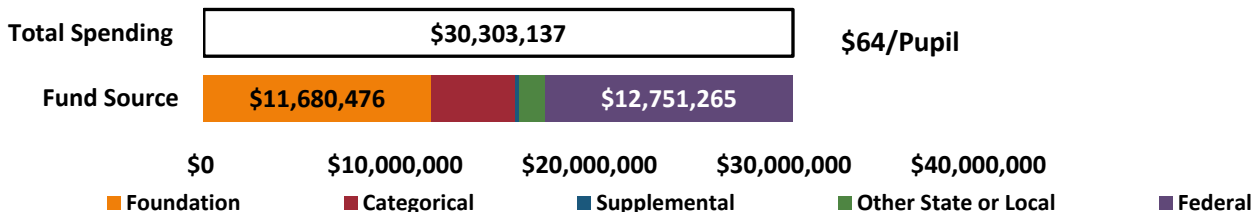
The following sections provide expenditure analyses on all of the areas cited as highly in need of funding, with the exception of Special Education Support which will be discussed in a separate section.

Resource Component Need
Mental Health Services
School Safety/SROs
Dyslexia Support Services
Special Education Support
Preschool

### Mental and Behavioral Health 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. In 2021, schools in Arkansas spent a little over \$30 million on items related to students' mental health or around \$64 per-pupil. Foundation and federal aid were the two major funding streams used for these expenditures.

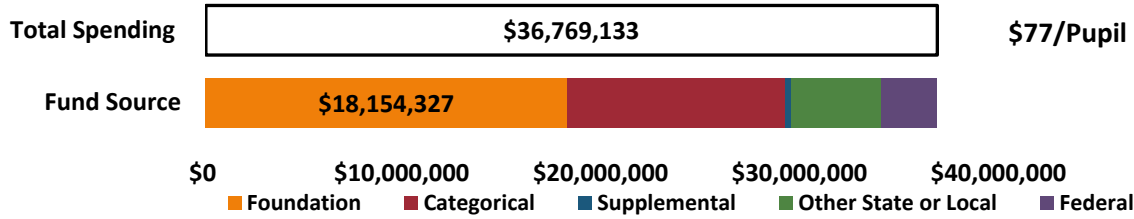
### Mental/Behavioral Health: Spending by Fund Source



## School Safety and SROs

In 2021, schools in Arkansas spent almost \$37 million on school safety. Foundation and categorical aid were the two major funding streams used for these expenditures.

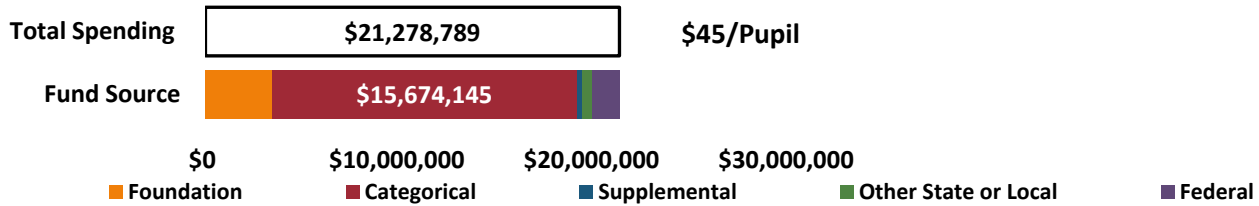
### School Safety/SROs: Spending by Fund Source



## Dyslexia Support Services

Public schools in Arkansas spent a little over \$21 million on dyslexia support services in 2021. Categorical aid was the major funding stream used for these expenditures.

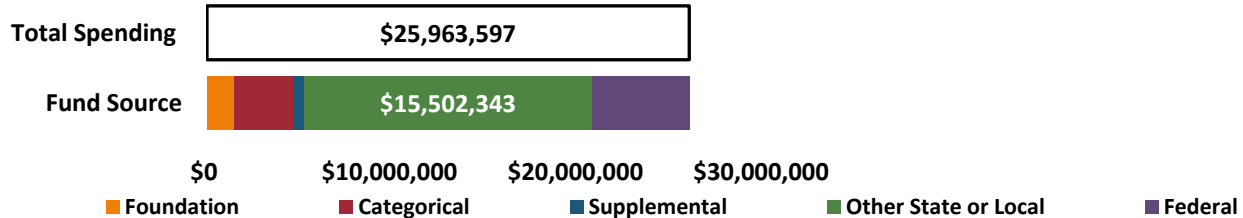
### Dyslexia Services: Spending by Fund Source



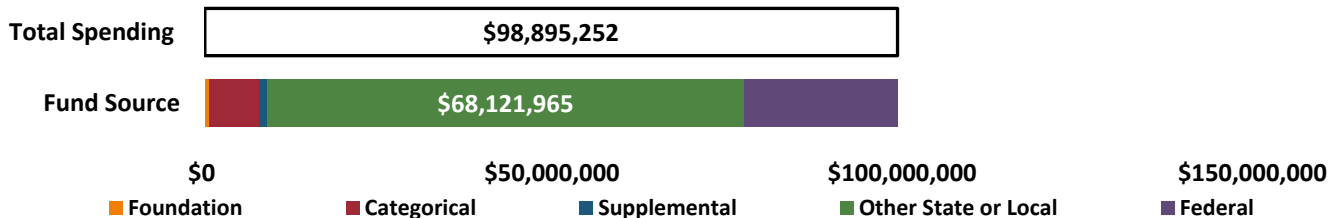
## Preschool

Preschool programs have not been included as part of the adequacy study in the past because they are not defined in legislation as part of adequacy. While the BLR has strived to exclude Pre-K expenditures from analyses, doing so has become increasingly challenging due to the growth in the number of Pre-K programs within public elementary schools. Close to \$26 million was spent on standalone preschool programs, including almost \$1.5 million from foundation funds. Other state or local was the major funding stream used for these expenditures.

### Pre-K Standalone Programs: Spending by Fund Source



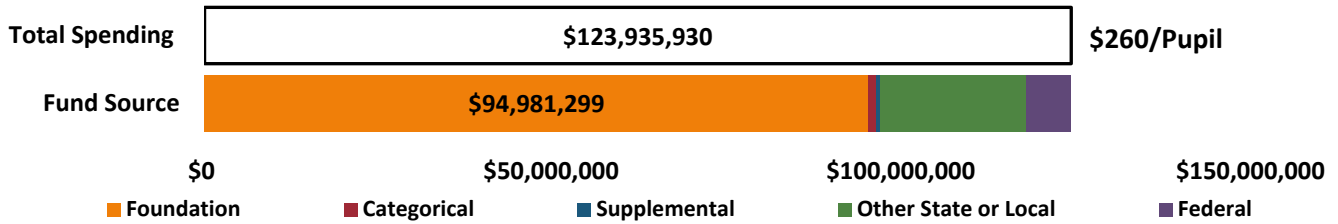
### Pre-K Embedded Programs: Spending by Fund Source



## CTE

The matrix does not provide a dollar amount specific for CTE; however, the General Assembly currently includes “curriculum and career and technical frameworks” as part of the definition of adequacy. Arkansas public schools spent almost \$124 million on CTE.

### CTE: Spending by Fund Source



## Categorical Funding

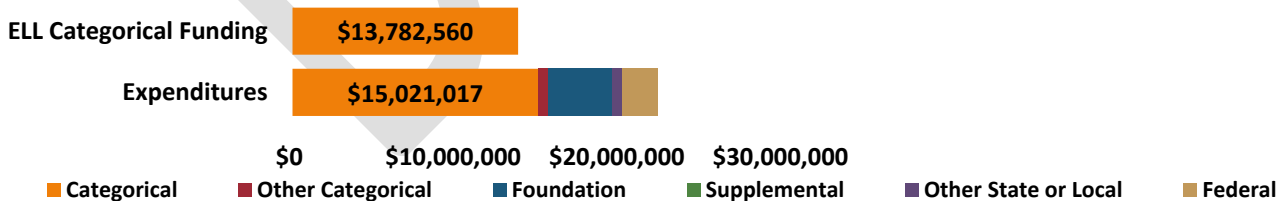
Four streams of categorical funding have been distributed on top of foundation funding since it was first distributed in 2005. With the exception of professional development funds, the monies are distributed based on the number of students qualifying as an English language learner, in need of alternative education, or for FRL. Mainly to address equity issues, categorical funds are considered restricted and may be spent only on the intended uses defined in statute and/or rule. They may also be transferred to other categorical fund accounts. For instance, it is common for districts to transfer some of their ESA funding to fund accounts dedicated to English learners or to students in ALE.

## ELL

In 2021, schools in Arkansas spent about \$22 million on ELL students, almost \$9 million more than they received in ELL funding (including transfers into the ELL fund). When looking at all money spent to provide ELL services, districts relied on multiple sources of funds in addition to the state categorical funds. The other main sources of ELL funding came from foundation and federal funds. Federal funds primarily consisted of Title III, federal funding for English as a Second Language (ESL) programs. The other main source of federal funds came from ESSER II. The majority of English Language Learner funding is spent on ESL programs followed by instructional support services.

2021 Per ELL Student Amount	
Categorical Funding	\$352
Categorical Expenditures	\$400
Total ELL Expenditures	\$570

### ELL Categorical: Funding vs. Spending



English Language Learner categorical funding spending restrictions are found in DESE rules<sup>105</sup>. Restrictions include salaries for English Language Learner-skilled instructional services, relevant trainings for teachers and other providers, program development, instructional materials and services, and assessment and evaluation activities. Nearly 97% of these categorical funds were spent on salaries and benefits. Of 2021 salaries and benefits expenditures, 77% were spent on certified salaries and the remaining 23% were spent on classified

<sup>105</sup> DESE Rules Governing Student Special Needs Funding (July 2020).  
[https://dese.ade.arkansas.gov/Files/20201102120657\\_dese\\_268\\_StudentSpecialNeedsFunding2020RV.pdf](https://dese.ade.arkansas.gov/Files/20201102120657_dese_268_StudentSpecialNeedsFunding2020RV.pdf)

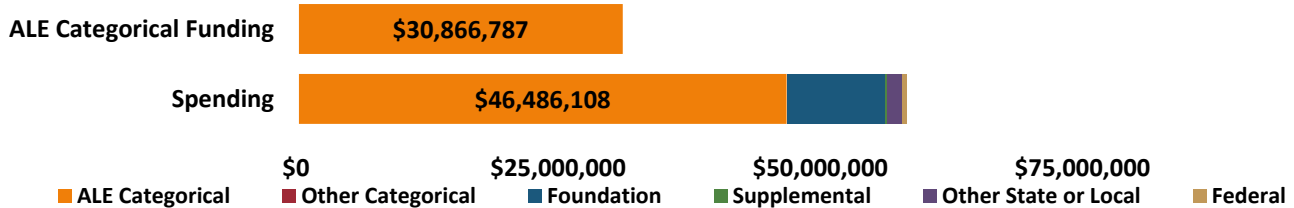
salaries. Of the certified salaries, 82% went to teachers grades 1-12, and of the classified salaries, 70% went to instructional aides.

### ALE

In 2021, schools in Arkansas spent a little over \$60 million on ALE, almost \$30 million more than they received in categorical funding. When looking at all expenditures for ALE, districts relied on multiple sources of funds in addition to the ALE categorical funds. The other main source of ALE funding came from foundation funds.

2021 Per ALE Student Amt.	
ALE Categorical Funding	\$4,700
ALE Categorical Expenditures	\$7,079
Total ALE Expenditures	\$9,176

### ALE Categorical: Funding vs. Spending



### Allowable Expenditures

As shown in the following table, the vast majority of ALE program expenditures for 2020 and 2021 were made on salaries and benefits of ALE staff. For certified salaries, teachers grades 1-12 accounted for 92% of expenditures, while instructional aides accounted for approximately 89% of classified salary expenditures in both 2020 and 2021. Instructional materials were 97% of the total instructional and non-instructional materials expenditures in both reporting years. Operations and maintenance accounted for 68% of the last expenditure category in 2020, and 65% in 2021.

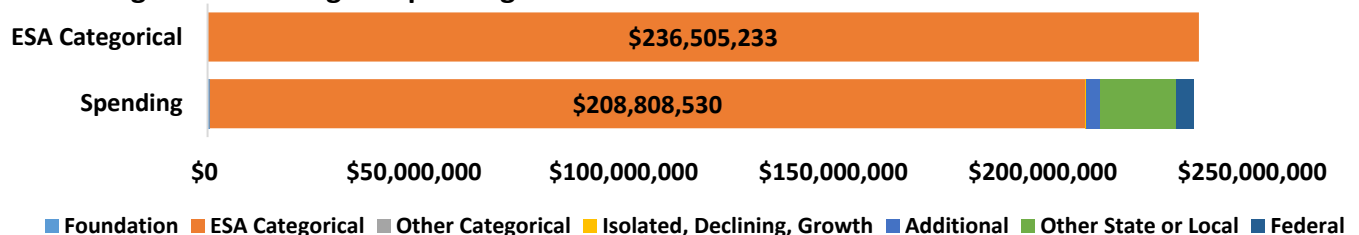
Expenditure Category	2020	2021
Certified Salaries and Benefits	60.4%	58.6%
Instructional and Non-Instructional Support Materials	21.9%	24.1%
Classified Salaries and Benefits	13.7%	13.7%
Operations and Other Reconciling Items	4.0%	3.6%

While ALE program requirements emphasize the need for providing intervention services that address each student’s specific behavioral needs for long-term improvement, findings from the analysis of expenditure data show 0.76% was spent on counselors, and 0.02% was spent on student support.

### ESA

ESA traditionally has been restricted to resources or programs approved by DESE that are research-based and will improve the achievement of students facing the challenges caused by poverty, with the ultimate goal of closing the achievement gap between poverty and non-poverty students. In 2021, public schools in Arkansas spent \$235.3 million on ESA students (as identified by program intent codes), which was about \$1.2 million less than they received in ESA Categorical funding that year. Those expenses included \$209 million in ESA Categorical funding, \$3.5 million in ESA Matching grant funds and \$18 million in other state and local funds.

### ESA Categorical: Funding vs. Spending



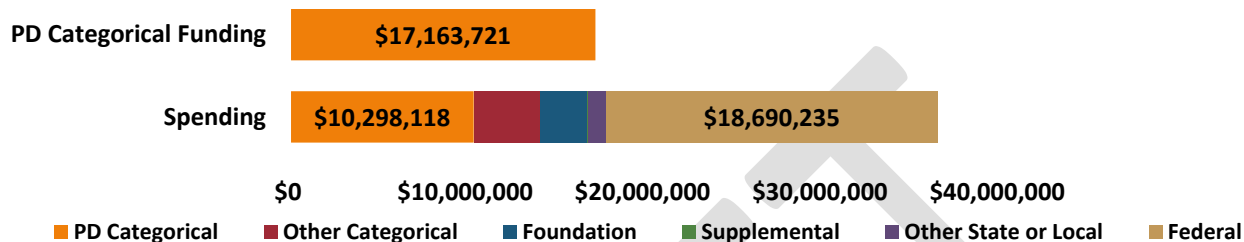
## PROFESSIONAL DEVELOPMENT

Professional development categorical funds are divided three ways: Districts and charters; AETN; and Solution Tree. In 2021, districts and charter systems received \$32.40 per student to provide professional development for teachers and staff. They spent about \$30 per student using those categorical funds but total PD expenditures equaled about \$78 per student. PD categorical funding made up about 39% of total PD expenditures, with federal funding making up about 52%.

2021 Per Pupil Amount	
Categorical Funding*	\$36
Categorical Expenditures	\$30
Total PD Expenditures	\$78

\* A.C.A. § 6-20-2305 requires that professional development funding equal to an amount of up to \$40.80 per student.

### PD Categorical: Funding vs. Spending



Professional development categorical funds are required to be spent on activities and materials that do the following: improve the knowledge, skills, and effectiveness of teachers; address the knowledge and skills of administrators and paraprofessionals concerning effective instructional strategies, methods, and skills; lead to improved student academic achievement; and provide training for school bus drivers. Nearly 60% of these funds were spent on purchased services that primarily included training and development services (i.e. course registration fees, training courses). About 30% of these categorical funds were spent on salaries and benefits. The following chart shows trends for spending for professional development among different categories of districts:

The remaining professional development categorical funds are distributed to Solution Tree for implementation of the PLC program and to the AETN for the implementation of ArkansasIDEAS.

	2021 Funding	2021 Spending
Districts and Charters	\$17,163,721	\$36,462,799
Solution Tree	\$12,500,000	\$12,500,000
AETN	\$2,744,350	\$2,744,350
<b>Total PD Categorical</b>	<b>\$32,408,071</b>	<b>\$51,707,149</b>

The PLC Pilot program is a partnership between DESE and Solution Tree, a private organization that provides PD resources, training, and support to K-12 educators, to implement the PLC at work model in selected districts and schools. Since it began in 2017, 60 schools and

districts have participated in the PLC program. The fifth cohort of participating schools and districts began in the 2022 school year. This program began as a result of recommendations from the 2016 Adequacy report. Since 2017, Solution Tree has received \$37.5 million (excluding 2022).

## Additional State Funding

### STUDENT GROWTH, DECLINING ENROLLMENT, AND ISOLATED FUNDING

Student growth funding is supplemental funding the state provides to growing districts to help support their additional students. Declining enrollment funding is supplemental funding provided to districts that have lost students and therefore experience a loss in foundation funding. Isolated funding is supplemental funding distributed to districts with low enrollment or geographic challenges, such as rugged road systems and/or low-student density, which can increase costs. All three funding types are included in the following chart. In 2021, districts spent about \$9.3 million in isolated and special needs isolated funding.

Funding Stream	2021 Funding	2021 Spending	Spending Restrictions
Student Growth	\$29,536,568	\$30,203,978	Unrestricted
Declining Enrollment	\$14,681,796	\$11,748,025	Unrestricted

Funding Stream	2021 Funding	2021 Spending	Spending Restrictions
Isolated and Special Needs Isolated	\$10,895,997	\$9,275,982	<b>Isolated:</b> Operation, maintenance, and support of the isolated school area
			<b>Special Needs Isolated:</b> Operation of the isolated school area
			<b>Special Needs Isolated (Small District):</b> None
			<b>Special Needs Isolated – Transportation:</b> Transportation costs for the isolated school area

The top uses of student growth, declining enrollment, and isolated funding are shown in the following table.

Student Growth		Declining Enrollment		Isolated & Special Needs Isolated	
Top Five Expenditures	%	Top Five Expenditures	%	Top Five Expenditures	%
Regular Instruction	63%	Regular Instruction	39%	Transportation	38%
Support Services	13%	Operations and Maintenance	20%	Regular Instruction	34%
Operations and Maintenance	6%	Transportation	18%	District/School Administration	12%
Facilities Acquisition and Construction Services	5%	District/School Administration	8%	Operations and Maintenance	8%
Transportation	5%	Other Instructional Programs*	7%	Other Instructional Programs*	4%

\*Other Instructional Programs includes special education, career education, compensatory education, and other forms of instruction like gifted and talented, arts education, and alternative learning education.

## Section 5: Equity in Revenues and Spending

Equity is a key component of achieving and maintaining a constitutionally sound system of funding education in Arkansas, and has been since the 1983 case *Dupree v. Alma Sch. Dist. No. 30, 279 Ark. 340 (1983)*. Equity has been conceptualized and measured using three different approaches. Horizontal equity examines the degree to which districts receive equal revenue. Vertical equity is concerned with equal district spending within certain key categories (or ranges) such as race and poverty level. Neutrality measures are used to examine inequities that may arise from differences in property wealth between districts. This section addresses those measures, and an expanded analyses may be found in the Aug. 8, 2022, *Equity in Public School Funding and Expenditures* report included in Volume II of this report.

### Equity Analyses of District Revenue

The Court has relied on the federal range ratio and to a lesser extent the coefficient of variation and the gini coefficient to measure disparities and determine equity (*Lake View*, 351 Ark. 31, 49 (2002)). The “federal range ratio” is the restricted range (the difference between the revenue of the district at the 5<sup>th</sup> percentile and revenue of the district at the 95<sup>th</sup> percentile) divided by the value at the 5<sup>th</sup> percentile (the “restricted range” is the difference between the per-pupil revenue at the 5<sup>th</sup> percentile and the 95<sup>th</sup> percentile). The “coefficient of variation” is the standard deviation divided by the mean (or average) revenue distributed to districts. The “gini coefficient” measures the degree to which the cumulative percentage of revenue is equal to the cumulative percentages of districts (e.g., do 20% of the districts receive 20% of the total revenue).

District revenue was examined for horizontal equity with two variables. The first variable was “Foundation Funding and Property Taxes Per Student”. This is district revenue made up of foundation funding and revenue from local millage raised above the first 25 mills. To eliminate the effect of temporary increases or decreases in revenue (debt service millage) due to capital projects, tax revenue used to service construction debt was excluded.



The second variable is “Foundation and Other Adequacy-related Funding Per Student”. This revenue consists of all the revenue included in the first variable, plus selected types of state funding, such as categorical, declining enrollment and student growth funds. Revenue in both cases was divided by each district's prior year ADM.

The first set of horizontal equity analyses examine Foundation Funding and Property Taxes Per Student using the statistics listed above. The restricted range indicates that the difference between the per-pupil Foundation Funding and Property Taxes between the 5<sup>th</sup> and 95<sup>th</sup> percentiles increased some each of the three years examined, and the federal range ratios are higher than the preferred 0.25. The overall results from the horizontal equity analyses, however, are within the commonly accepted range for denoting equity. The gini coefficient is considered the most powerful statistic of those examined, and it is clearly within the commonly used acceptance range of 0.05 to 0.10.

**Foundation Funding and Property Taxes Per Student**

Horizontal Equity	2019	2020	2021
<b>Restricted Range</b>	\$2,118.35	\$2,319.66	\$2,897.74
<b>Federal Range Ratio</b>	0.32	0.34	0.42
<b>Coefficient of Variation</b>	0.12	0.12	0.15
<b>McLoone Index</b>	0.941	0.947	0.929
<b>Gini Coefficient</b>	0.056	0.056	0.068

The same conclusions are drawn from the results of the horizontal equity analyses of per-pupil Foundation and Other Adequacy Funding. Again, the federal range ratios are higher than the preferred 0.25. However, this ratio is a very limited measure of equity because it only considers the difference between the 5<sup>th</sup> and 95<sup>th</sup> percentile values.

**Foundation and Other Adequacy Funding Per Student**

Horizontal Equity	2019	2020	2021
<b>Restricted Range</b>	\$ 2,956.68	\$ 3,314.48	\$ 3,781.47
<b>Federal Range Ratio</b>	0.41	0.45	0.50
<b>Coefficient of Variation</b>	0.13	0.12	0.14
<b>McLoone Index</b>	0.940	0.941	0.929
<b>Gini Coefficient</b>	0.062	0.062	0.068

**NEUTRALITY MEASURES OF REVENUE**

The following two tables show the correlation between per-student Property Wealth and Foundation Funding and Property Taxes, and the regression of the latter on the former (or wealth elasticity measure). The correlation appears to be strong all three years. At the same time, all three wealth elasticity coefficients are small, indicating that a dollar increase in per-student property wealth is associated with 18 cents or less increase in funding and property taxes.

Property Wealth:	Foundation Funding and Property Taxes Per Student			Foundation and Adequacy-Related Funding Per Student		
	2019	2020	2021	2019	2020	2021
<b>Statistic</b>						
<b>Wealth-Neutrality Correlation</b>	0.835	0.838	0.801	0.765	0.788	0.762
<b>Wealth Elasticity</b>	0.165	0.176	0.179	0.165	0.180	0.180

Picus et al.<sup>106</sup> clearly state that large correlations between property wealth and funding are not relevant to policy when wealth elasticity coefficients are small.

**Equity Analyses of District Expenditures**

Vertical equity statistics are typically conducted on expenditures to assess the equity in spending according to key district characteristics. The district characteristics addressed in this study are ADM, percent non-white, percent of students eligible for free or reduced-price lunch, and per-student property wealth.

Two variables are examined in relation to district characteristics to determine vertical equity. The first variable is “per-student expenditures from select state funding.” These expenditures include only those made using foundation funding, property taxes, and other adequacy-related funding. The second variable, “total

<sup>106</sup> Picus, L. O., Odden, A., & Fermanich, M. (2004). Assessing the equity of Kentucky’s SEEK formula: A ten-year analysis. *Journal of Education Finance*, 29, 315-336.

expenditures per-student,” includes all expenditures made using all funding sources (including federal funding). Both sets of expenditures were divided by each district’s current year ADM, and exclude facilities acquisition and construction and debt service payments.

When district characteristics, commonly associated with school expenditures, were divided into deciles, the vertical equity analyses revealed limited and relatively insignificant differences, with the exception of more spending in districts with higher concentrations of poverty and lower ADM. These latter findings are well-established in the school finance literature.<sup>107</sup>

All measures of equity indicate that Arkansas school districts are within the accepted ranges of equity in revenue and expenditures. The only exceptions are due to extra funding for districts that have high concentrations of poverty to provide more resources to address the challenges associated with poverty, and the higher per-student costs typically related to running a smaller district.

## Section 6: K-12 Facilities Funding and Expenditures

Arkansas is not the only state where courts agree that access to adequate facilities is important to providing all public school children an opportunity for an adequate education. In the 45 states that have had school finance cases similar to Arkansas’s *Lake View* case, 17 state courts have heard school facility inequity arguments and have recognized the detrimental effect of poor quality school facilities, citing disparities in school facilities as a violation of student rights and as evidence of the need for change in the state’s school facility funding formula. State courts have determined that school facility quality is so integral to the basic educational experience that mechanisms that perpetuate facility inequities must be struck down.<sup>108</sup> This section provides an overview of Arkansas’s facilities funding program. Further information may be found in the April 4, 2022, *K-12 Facilities Funding and Expenditures* report found in Volume II of this report.

### Impact of Facilities on Learning

In December 2017, the ECS published a summary<sup>109</sup> of research discussing the effects of school facilities – specifically, construction and renovation – on student learning. [The Effect of School Construction on Test Scores, School Enrollment, and Home Prices](#) (2011) found a positive correlation in student reading scores per \$10,000 in facilities investment. [Does High School Facility Quality Affect Student Achievement? A 2-Level Hierarchical Linear Model](#) (2011) countered findings showing a relationship between building quality and student achievement by suggesting that facility maintenance and disrepair may operate through a mediated lens, meaning teacher and administrator perception of facility quality had a role on the student impact.

### State Models for Funding Academic Facilities

States use various methods of funding for academic facilities. Some states use direct reimbursement, while others use grants or loan programs to assist public schools with facilities funding. Thirty-four state departments of education fund some level of local district school facilities improvements or debt service. Six states (Massachusetts, Ohio, New Mexico, Wyoming, West Virginia and recently Hawaii) have separate public authorities with responsibilities for funding public school construction projects. However, 11 state departments of education had neither a separate authority nor provided funds to school districts specifically for school construction or debt service from fiscal year 2009 to 2019 (FY2009-2019).

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<sup>107</sup> Odden, A. R., & Picus, L. O. (2013). *School finance: A policy perspective (5th ed.)*. Columbus, OH: McGraw Hill.

<sup>108</sup> Filardo, Mary, Jeffrey M. Vincent, and Kevin Sullivan. 2018. *Education Equity Requires Modern School Facilities*. Washington, DC: 21st Century School Fund.

<sup>109</sup> State Information Request: School Environment, <https://www.ecs.org/state-information-request-school-environment/>

## Arkansas State Funding for Academic Facilities

Arkansas public school districts and open-enrollment public charter schools systems have access to different funding sources for building, renovating, and maintaining academic facilities. Funding for routine maintenance is provided to districts and charter school systems through foundation funding, discussed in Sections 1 and 2. Funding for new construction and renovation projects is provided differently for districts and for charter school systems, and the specific funding programs for each are discussed below.

### SCHOOL DISTRICT FACILITIES FUNDING

School district facilities funding is generally drawn from two main funding sources – General Revenue and Bonded Debt Assistance. From FY2007 through FY2015, the state allocated about \$35 million annually for school district facilities. Beginning in FY2016, the allocation for facilities was increased to almost \$42 million annually. In FY2023, the allocation will jump to over \$70 million annually. DESE estimates Bonded Debt Assistance for FY2023 will be over \$19 million. The General Assembly has provided facilities programs an average of about \$88.4 million annually between FY2005 and FY2023.

The next table shows total state expenditures for the facilities programs between FY2017 and FY2021. Between

State Academic Facilities Expenditures FY2017-FY2021			
Fiscal Year	Partnership	Catastrophic	Total
FY2017	\$73,790,114	\$0	\$73,790,114
FY2018	\$71,948,301	\$5,944	\$71,954,245
FY2019	\$96,253,022	\$0	\$96,253,022
FY2020	\$105,281,931	\$0	\$105,281,931
FY2021	\$79,997,440	\$6,428	\$80,003,868
<b>Total</b>	<b>\$427,270,808</b>	<b>\$12,372</b>	<b>\$427,283,180</b>

FY2005 and FY2021, a total of \$1.3 billion has been spent from all academic facilities funding programs established by Act 2206 of 2005 for regular school districts. According to the 2018 Advisory Committee on Public School Academic Facilities report<sup>110</sup>, Arkansas had a five-year facilities needs estimate of almost \$605 million, including \$346 million per year to keep existing academic facilities in good repair.

### Academic Facilities Partnership Program

The Academic Facilities Partnership Program (Partnership Program) is a financial partnership between the state and public school districts to share the cost of school facilities construction and major renovations. Every two years, school districts have the opportunity to apply for state financial participation for projects that support their facilities master plan. Projects may include new schools, additions to existing schools, conversions of existing space, and “warm, safe, and dry” renovations such as replacements of roofs, HVAC, electrical, plumbing or structural system.<sup>111</sup> Projects cannot be for maintenance or repair, and the program does not fund non-academic projects such as district administration offices or athletic facilities. Open-enrollment public charter schools are not entitled to participate in the Partnership Program because they do not have taxing authority and cannot raise millage revenue to provide the local share required by the Partnership Program.

Once a district’s project(s) have been approved for funding, the district is required to submit a Partnership Program Project Agreement form<sup>112</sup>, the project must be under contract within 18 months of the funding approval date, and the full project must be completed within four years of the funding approval date.

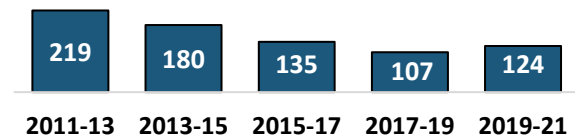
<sup>110</sup> Advisory Committee on Public School Academic Facilities, *Arkansas Committed to Adequate & Equitable K-12 Academic Facilities – Progress, Ongoing Needs & Recommendations*, July 31, 2018.

<sup>111</sup> See Ark. Code Ann. § 6-20-2502(12) (defining a “project” as maintenance, repair, and renovation activities of an academic facility; new construction of an academic facility; or any combination of maintenance, repair, and renovation and new construction activities with regard to an academic facility).

<sup>112</sup> See Ark. Code Ann. § 6-20-2507(e)(1); see also [2023-2025 Academic Facilities Partnership Program Project Agreement](#)

Act 801 of 2017 created the Advisory Committee on Public School Academic Facilities (“Advisory Committee”) to conduct a “comprehensive review and provide a report to the Commission for Academic Facilities and Transportation”.<sup>113</sup> The Advisory Committee presented a report to the Commission on July 31, 2018, which identified recommendations for changes. In response to the recommendations, numerous changes have been made, including amendments to the Arkansas Public School Academic Facility Manual and the Project Agreement Form. Additionally, the Division promulgated revised Partnership Program rules, which were approved by the Commission for Academic Facilities and Transportation and went into effect on Dec. 3, 2021. The new rules will be implemented in the 2023-25 Partnership Program funding cycle.

### Funded Partnership Projects by Funding Cycle



Of the currently operating districts, 13 have never received any Partnership Program payments: Armorel, Brinkley, Calico Rock, Cedar Ridge, Eureka Springs, Fayetteville, Fountain Lake, Gravette, Nevada, Rector, Russellville, Shirley, and West Side (Cleburne). Six had never applied, and five had approved projects that were rescinded before the program funds were disbursed.

### Millages

To draw down the state share of Partnership funding, districts must contribute their share of local funding. Districts use debt service millage to generate revenue to pay the long-term cost of construction and renovation.<sup>114</sup> According to the millages approved in 2020 (for collection in 2021), all but three (Gosnell, Mountain View, and Salem) had passed some level of debt service mills.<sup>115</sup> The number of debt service mills authorized for each district ranges from 1.3 mills for the Lee County School District to 29.8 mills for the Earle School District, and the average number among Arkansas school districts is 12.8 mills. In response, Acts 34 and 35 of 2006 created the Academic Facilities Extraordinary Circumstances Program to provide state financial assistance to districts that do not have enough local resources to qualify for Partnership Program funding; however, this program has never been funded.

### Facilities and Bonded Indebtedness

Bonded debt is one of the mechanisms districts use to finance school facilities. DESE publishes a debt ratio for each school district each fiscal year, which is the total district indebtedness less energy savings contracts divided by the districts assessed valuation.<sup>116</sup> The debt ratio ranges from 0% for districts that had no debt for FY2021 (Salem, Gosnell, and Mountain View) through 36.1% (Cutter-Morning Star).

### FWI

The FWI is the percentage of the qualified cost of an approved Partnership Program project that a school district is required to pay. Act 1080 of 2019 created a new FWI calculation which is required to be fully implemented for the 2023-25 Partnership Program funding cycle.

### National Comparison

The creation of the Partnership Program appears to have improved Arkansas’s spending on capital projects compared to other states. The U.S. Census collects data on K-12 school district capital expenditures using data

<sup>113</sup> Advisory Committee on Public School Academic Facilities, *Arkansas Committed to Adequate & Equitable K-12 Academic Facilities – Progress, Ongoing Needs & Recommendations*, July 31, 2018.

[https://dpsaft.ade.arkansas.gov/Files/Revised\\_MP\\_PP\\_Program\\_Recommendations\\_-\\_071718\\_201021122352.pdf](https://dpsaft.ade.arkansas.gov/Files/Revised_MP_PP_Program_Recommendations_-_071718_201021122352.pdf)

<sup>114</sup> See Ark. Code Ann. § 6-20-2507(b)(1)(B) (requiring that, in order to apply for state financial participation in a new construction project, school districts shall provide evidence of, among other things, a resolution certifying the school district's dedication of local resources to meet its share of financial participation in the project).

<sup>115</sup> *Outstanding Indebtedness for Arkansas Public Schools June 30, 2021*, ADE – Division of Fiscal and Administrative Services.

<sup>116</sup> *Ibid.*

collected by state departments of education. Arkansas’s capital outlay expenditures’ percentage of total expenditures has exceeded the national average each of the last five years.

### Catastrophic Facilities Funding

The Catastrophic Program is still in existence and, as the name implies, it provides funding to districts for emergency facility projects required “due to an act of God or violence” (See Ark. Code Ann. § 6-20-2508). The Catastrophic Program authorizes the Arkansas Division of Public School Academic Facilities and Transportation (“DPSAFT”) to distribute catastrophic facilities funding, the purpose of which is to supplement insurance or other public or private emergency assistance. Nearly \$2.9 million of this funding was distributed to 16 districts between the 2008 and 2021 school years.

### OPEN-ENROLLMENT PUBLIC CHARTER SCHOOL FACILITIES FUNDING

As noted before, open-enrollment public charter schools are not entitled to participate in the Academic Facilities Partnership Program because they do not have taxing authority and cannot raise millage revenue to provide the local share required by the Partnership Program. Instead, Act 739 of 2015 created the Open Enrollment Charter School Facilities Funding Aid Program. Act 735 of 2015 authorized a \$15 million FY2016 appropriation for the new facilities funding aid program and authorized the transfer of the \$5 million to the DESE Public School Fund Account for the benefit of the new Charter School Facilities Funding Aid Program. DESE first distributed funds to charter schools for facilities during the 2016 school year and has continued to spend money on charter facilities in each succeeding fiscal year.

According to A.C.A. § 6-23-908, each charter school must successfully complete the charter school application review and approval process prior to the beginning of the fiscal year for which funding will be disbursed. Under A.C.A. § 6-23-908, funding is distributed on a pro-rata basis depending on the available funding for the program. A per-student funding rate is calculated by dividing the total available funding by the ADM counts for all eligible charter schools.

School Year	# of Charter Systems	# of Charters Receiving Facilities Funding Aid	% Participating	Funding Rate Per ADM
2018-19	26	24	92%	\$473.57
2019-20	22	18	82%	\$514.09
2020-21	23	21	91%	\$465.29

Source: DESE Fiscal Services

The top table to the right provides the number and percentage of charter school facilities participating and the final per-ADM funding rate. An increase in the ADM count of the eligible charter schools has contributed to the decline of the funding rate per student. The next table illustrates the appropriations, annual funding, and expenditures of the funding. Since the first fund transfer in FY2014<sup>117</sup>, the state has allocated a total of \$56.3 million, including 2023 funding for charter school facilities.

Fiscal Year	Appropriation	Total Annual Funding	Expenditures
2019	\$6,500,000	\$6,500,000	\$6,370,546
2020	\$7,575,000	\$7,575,000	\$7,477,803
2021	\$7,575,000	\$7,575,000	\$7,509,218
2022	\$9,075,000	\$9,075,000	\$5,906,492
2023	\$9,075,000	\$9,075,000	

Source: BLR Fiscal Services

**Allowable Use of the Funds:** The Charter School Facility Funding Aid Program funds can be used only for the lease, purchase, renovation, repair, construction, installation, restoration, alteration, modification, or operation and maintenance of an approved facility that meets specific criteria established in A.C.A. § 6-23-908(d). If a charter school fails to use the funds in an approved way or no longer has the need for the funds, the Division shall certify and recoup the funds. Importantly, the funds from which DESE may recoup are limited to state foundation funding, state categorical funding, federal funding if allowed by federal law, and the net assets of a

<sup>117</sup> Five million dollars from the GIF Fund was originally transferred to the Open-Enrollment Public Charter School (OEPCS) Facilities Loan Fund Account for the OEPCS Facilities Loan Program. Act 735 of 2015 transferred this \$5 million to the Public School Fund to provide funding in FY2016 for the Open Enrollment Public Charter School Facilities Funding Aid Program created by Act 739 of 2015.

charter school deemed property of the state upon revocation or nonrenewal of the charter after all legal debts are paid (A.C.A. § 6-23-908(e)).

**Actual Use of Funds:** Charters reported total expenditures have increased by 40% since the first year of funding in FY2016. Total expenditures for rental of land and buildings accounted for 88% of these total expenditures.

## District and Charter Survey Responses

When surveyed by the BLR in 2021, most superintendents rated the overall condition of their schools’ facilities as fair or better.<sup>118</sup> In terms of space, superintendents were most satisfied with their core academic classrooms:<sup>119</sup> Superintendents cited lack of available state funding most frequently as the top obstacle to addressing facility needs.<sup>120</sup> More than half of the state’s superintendents said they were likely to be able to fully address facility needs in their district in the coming school year.<sup>121</sup>

## Section 7: Teacher Recruitment and Retention

For the past several adequacy studies, the BLR has been asked to examine teacher recruitment and retention issues. This section provides information on issues affecting schools’ ability to attract and retain qualified teachers, state efforts to attract teachers to particular districts and disciplines, research-based best practices, and relevant survey results. More information is available in the April 5, 2022, Teacher Recruitment and Retention report found in Volume II of this report.

### Arkansas Teachers

The following tables provides information on various characteristics of Arkansas teachers. In terms of race, whites are over-represented among teachers when compared with Arkansas’s public school students.

2021	American Indian	Asian	Black/ African American	Hawaiian/ Pacific Islander	Hispanic/ Latino	Two or More Races	White
<b>AR Students</b>	1%	1%	20%	1%	12%	3%	62%
<b>AR Teachers</b>	0.5%	0.4%	7%	0.1%	1%	0.3%	90%
<b>Districts</b>							
<b>Students</b>	0.6%	1.3%	18.8%	0.8%	11.8%	3.4%	63.4%
<b>Teachers</b>	0.5%	0.3%	6.9%	0.1%	1.2%	0.3%	90.7%
<b>Charters</b>							
<b>Students</b>	0.6%	3.4%	49.4%	0.2%	11.6%	3.3%	31.6%
<b>Teachers</b>	0.7%	0.8%	20.7%	0.3%	1.8%	0.4%	75.4%

Source: DESE<sup>122</sup>

<sup>118</sup> Adequacy Study Superintendent Survey Responses, question 33.

<sup>119</sup> Adequacy Study Superintendent Survey Responses, question 34.

<sup>120</sup> Adequacy Study Superintendent Survey Responses, question 35.

<sup>121</sup> Adequacy Study Superintendent Survey Responses, question 36.

<sup>122</sup> <https://myschoolinfo.arkansas.gov/>

The percentages of teachers with degrees have decreased over the last five school years as have average years of teacher experience. In 2017, for example, 55% of teachers held bachelor’s degrees while another 39% held masters. Teachers averaged 11 years of experience that year.

	Total Number of Teachers	Pct. Teachers with Bachelor's <sup>123</sup>	Pct. Teachers with Master's	Average Years of Teacher Experience	Pct. Inexperienced <sup>124</sup>	Pct. Out of Field
<b>2021</b>	41,955	45%	37%	10.66	35%	2%

Source: DESE<sup>125</sup>

The next table provides data regarding types of teachers in the classroom and the Workforce Stability Index, which is the calculation used to “depict the strength or stability of a school or district’s faculty. It relies on the percentage of the faculty that are inexperienced, teaching out-of-field, provisionally licensed, and/or leaving the school or district each year.”<sup>126</sup>

	Pct. of Teachers Completely Certified	Pct. of Teachers with Emergency/ Provisional Credentials	Emergency Teaching Permit	Approved Long-term Substitute	Percent Attrition	Workforce Stability Index
<b>2021</b>	93%	0.9%	390	328	21%	85.32

Source: DESE<sup>127</sup>

The next table shows the teacher workforce data by geographic regions.

	Average of Percent of Teachers with Bachelor's	Average Years of Teacher Experience	Pct. Teachers Completely Certified	Average of Percent Inexperienced	Average of Percent Out-of-Field	Average of Percent Attrition
<b>Lower Delta</b>	43%	10.2	82%	42%	2%	23%
<b>Central</b>	43%	8.8	90%	45%	2%	23%
<b>Southwest</b>	42%	11.4	94%	35%	2%	22%
<b>North Central</b>	40%	11.1	94%	33%	4%	22%
<b>Upper Delta</b>	48%	11.3	91%	32%	2%	21%
<b>Northwest</b>	47%	10.9	96%	30%	3%	19%

Of the teachers surveyed by the BLR in 2021, 30% were within one to 10 years of retirement.<sup>128</sup> Additionally, 33% of teachers responded that they will stay in teaching as long as they are able.<sup>129</sup>

<sup>123</sup> This does not include teachers with a Master’s Degree.

<sup>124</sup> "Inexperienced" teachers are defined as teachers in first three years of teaching. See ADE "Rules Governing Educator Support and Development," Rule 4.18 (Dec. 2017) (defining "novice teacher").

<sup>124</sup> <https://myschoolinfo.arkansas.gov/>

<sup>125</sup> <https://myschoolinfo.arkansas.gov/>

<sup>126</sup> <https://dese.ade.arkansas.gov/Offices/educator-effectiveness/education-workforce-resources--data/education-workforce-data>

<sup>127</sup> <https://myschoolinfo.arkansas.gov/>

<sup>128</sup> See Teacher Survey Response, Question 36

<sup>129</sup> See Teacher Survey Response, Question 35

## TEACHER SHORTAGES

The Arkansas academic shortage areas for 2021 as designated by the DESE were biology (7-12), business (K-12), physics (7-12), chemistry (7-12), French (K-12), art (K-12), mathematics (7-12), and special education (K-12).<sup>130</sup> Special education has been considered a shortage area since 2008. A 2018 study from the Office for Education Policy at the University of Arkansas<sup>131</sup> found that teacher supply is unequally distributed across the state and that district size, region, and population density drive teacher supply. Specifically, teacher supply is most favorable in large districts with student enrollments of greater than 3,500, in districts in the Northwest region of the state, and in districts in suburbs and cities. As seen in the graph below, only about three-quarters of teachers remain in the classroom for five years.

### Teacher Retention Rates



Data Source: 2021 Educator Preparation Provider Quality Report

In 2021, 1,789 students completed an educator preparation program. About 70% of those completers (1,250) were in traditional programs. Of those 1,789 completers, 61% were employed in Arkansas public schools in the following school year.

## Teacher Recruitment and Retention Best Practices

Research into the relationship between teacher preparation and teacher turnover suggest that educators with little to no pedagogical preparation are two to three times more likely to leave the profession than those with more comprehensive preparation (including student teaching, formal feedback on their teaching, and multiple courses in student learning). An important element of that preparation is clinical training or student teaching. Teacher residencies, Grow Your Own programs, and Teacher License Reciprocity are shown to be effective programs. Residencies and Grow Your Own Programs are also found to be effective at recruiting and retaining teachers of color.<sup>132</sup>

The cost of teacher preparation and subsequent lower salaries as teachers is one significant obstacle to entering the teaching profession. Research shows that service scholarships and loan forgiveness programs can be effective methods of attracting teachers into the profession, including teachers of color.<sup>133</sup>

Low teacher salaries is another factor contributing to teacher shortages and teacher attrition nationally, according to research. One study noted that, “the lack of competitive compensation is one factor that frequently contributes to teacher shortages, by impacting the quality and quantity of people training to become teachers as well as attrition within the existing teacher workforce. Even after adjusting for the shorter work year in teaching, beginning teachers nationally earn about 20% less than individuals with college degrees in other fields—a wage gap that widens to 30% by mid-career.”<sup>134</sup>

Research shows that stronger training and mentoring for new teachers also support teacher retention. The first few years of every teacher’s career require a leap from preparation to practice. Key elements of high-quality and effective induction include having a mentor from the same field, common planning time with same-subject

<sup>130</sup> DESE. Critical Teacher Shortage Areas 2020-2021 Presentation for Website

<sup>131</sup> Foreman, Leesa M., McKenzie, Sarah C., and Ritter, Gary W. “Arkansas Teacher Supply.” (August 2018). Office for Education Policy, University of Arkansas. *Arkansas Education Report* 16(1).

<sup>132</sup> Carver-Thomas, Desiree. “Diversifying the Teaching Profession: How to Recruit and Retain Teachers of Color.” (April 2018). Learning Policy Institute.

<sup>133</sup> Carver-Thomas, Desiree. “Diversifying the Teacher Workforce.” (April 2018). Learning Policy Institute.

<sup>134</sup> Espinoza, Daniel, et. al. “Taking the Long View: State Efforts to Solve Teacher Shortages by Strengthening the Profession.” (Aug 2018).



teachers, regularly scheduled collaboration time with other teachers, and an external network of teachers.<sup>135</sup> A personalized professional development program also supports teacher retention.<sup>136</sup> Working conditions refer to various aspects of teachers' work environments, including previously mentioned elements. Principal support is often cited as one of the most important factors in teachers' decisions to stay in a school or in the profession. Research shows that a principal's ability to create positive working conditions and collaborative learning environments plays a critical role in attracting and retaining qualified teachers.<sup>137</sup> A 2020 qualitative study of Missouri schools, researchers found that teacher retention can be bolstered by schools and their leaders by developing "a culture of trust, openness, and academic freedom."<sup>138</sup>

## **Arkansas's Recruitment and Retention Efforts**

In addition to the traditional routes at higher education institutions, Arkansas has eight methods of obtaining certification through an alternative route.<sup>139</sup> In Fall 2022, DESE will begin offering the Arkansas Teacher Residency Model as an "affordable, work-based pathway to the teaching profession".<sup>140</sup> In this program, high school students or paraprofessionals begin by earning a certified teaching assistant (CTA) credential.

Arkansas has multiple programs that provide financial incentives through bonus, scholarship reimbursement or grant programs to attract and retain public school teachers.<sup>141</sup> There are also multiple state financial teacher recruitment and retention programs that are not funded.

Arkansas law<sup>142</sup> states that the purpose of professional development is to "improve teaching and learning in order to facilitate individual, school-wide, and system-wide improvements designed to ensure that all students demonstrate proficiency on state academic standards." Arkansas also has a statewide teacher evaluation system, Teacher Excellence and Support System (TESS), which districts must use.<sup>143</sup>

Since 2006, 48 principals have completed the Master Principal program, which was established to enhance leadership qualities and also encourage (with a \$25,000 per year bonus for five years) principals to take positions in high needs schools.<sup>144</sup> Originally housed with the Arkansas Leadership Academy, the program now resides with the Arkansas Public School Resource Center.

## **Survey Results**

In the BLR's surveys, over 90% of teachers reported being generally satisfied with being a teacher at their school while about 60% reported being satisfied with their salaries.<sup>145</sup> Furthermore, principals cite teacher salary and the community's quality of life among the top five challenges they faced in recruiting teachers, which teachers noted those two items among the top five reasons for choosing to teach at their current schools.

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<sup>135</sup> Espinoza, Daniel, et. al. "Taking the Long View: State Efforts to Solve Teacher Shortages by Strengthening the Profession." (Aug 2018).

<sup>136</sup> Shuls, V. James and Flores, M. Joshua. "Improving Teacher Retention through Support and Development." (2020). *Journal of Educational Leadership and Policy Studies* 4(1)

<sup>137</sup> Espinoza, Daniel, et. al. "Taking the Long View: State Efforts to Solve Teacher Shortages by Strengthening the Profession." (Aug 2018).

<sup>138</sup> Shuls, V. James and Flores, M. Joshua. "Improving Teacher Retention through Support and Development." (2020). *Journal of Educational Leadership and Policy Studies* 4(1)

<sup>139</sup> See Ark. Code Ann. § 6-17-409 (describing the ability of the State Board of Education to promulgate rules for the requirements of educator licensure through other alternative educator preparation programs).

<sup>140</sup> A Certified Teaching Assistant (CTA) meets the requirements for a highly qualified paraprofessional and has received pedagogical training and completed field experiences.

<sup>141</sup> See, e.g. Ark. Code Ann. §§ 6-17-413 (National Board for Professional Teaching Standards certification funding - Bonuses); 6-17-811 (Incentives for teacher recruitment and retention in high-priority districts); 6-81-1501 et seq. (Arkansas Geographical Critical Needs Minority Teacher Scholarship Program); 6-81-1601 et seq. (State Teacher Education Program); and 6-81-601 et seq. (Teacher Opportunity Program).

<sup>142</sup> Ark. Code Ann. § 6-17-704(b).

<sup>143</sup> Ark. Code Ann. § 6-17-2801 et seq.

<sup>144</sup> Ark. Code Ann. § 6-17-2801 et seq.

<sup>145</sup> Teacher Survey Response, Question 18

Twenty percent of teachers surveyed were considering leaving teaching. Three-quarters of principals reported that teacher stress/workload was the biggest retention challenge and the biggest reason why teachers were considering leaving the profession. Teacher salary was also among the top five responses for both principals and teachers. Twenty percent of teachers were considering transferring outside of their school or school district.

Those teachers listed higher pay as the top reason for moving to a new district, followed by a lack of student accountability & stress/workload.

## Section 8: K-12 Teacher Salaries

During the *Lake View* lawsuit, the courts cited Arkansas’s comparatively low teacher salaries and wide wage disparities among districts in the state. In compliance with adequacy study requirements for the House and Senate Education Committees found in Ark. Code Ann. § 10-3-2101 et seq., this section evaluates Arkansas teacher salaries.

### Teacher Salary Comparisons

#### AVERAGE TEACHER SALARIES

According to the annual statistical report of the NEA, *Rankings of the States 2020 and Estimates of School Statistics 2021*, Arkansas’s 2020 average salary ranked 47<sup>th</sup> among the 50 states and the District of Columbia, which is a drop from Arkansas’s 2019 ranking of 46<sup>th</sup>. The national average teacher salary for 2020 was \$64,133, which was an increase of 2.9% over the 2019 average salary. Arkansas’s average salary of \$50,546 increased by 2.1%. New York, California, Massachusetts, and the District of Columbia rank 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup>, respectively, among the 50 states and D.C. According to the *2020 Missouri Cost of Living Data Series* index, these four states are also among the states with the highest cost of living in the U.S., so it is not unexpected that their teacher salaries would reflect this higher cost of living.<sup>146</sup>

To provide a better idea of the value of Arkansas’s teacher salaries in light of the cost of living in Arkansas, the BLR adjusted the teacher salaries of all 50 states and D.C. using the *Missouri Cost of Living Data Series* index. Using cost of living adjusted (COLA) salaries, Arkansas moved up in the national ranking to 28<sup>th</sup>. Arkansas’s COLA average salary ranking in 2018 and 2019 was 22<sup>nd</sup> and 25<sup>th</sup>, respectively. Again, even while applying COLA, Arkansas’s average teacher salary ranking declined in the most recently completed year.

Rank (COLA Salary)	State	2020 COLA Adj. Salary	2020 Avg. Salary
1	Georgia	\$59,497	\$60,578
2	Texas	\$54,670	\$57,090
3	Oklahoma	\$54,654	\$54,096
4	Alabama	\$53,428	\$54,095
5	Delaware	\$53,051	\$64,853
6	Tennessee	\$50,937	\$51,862
7	Maryland	\$50,868	\$73,444
8	Kentucky	\$50,739	\$53,907
<b>9</b>	<b>Arkansas</b>	<b>\$50,456</b>	<b>\$50,456</b>
10	Virginia	\$50,052	\$57,665
11	North Carolina	\$49,642	\$54,150
12	South Carolina	\$48,992	\$53,329
13	Mississippi	\$48,839	\$46,843
14	Louisiana	\$48,744	\$51,566
15	W. Virginia	\$47,745	\$50,238
16	Florida	\$43,346	\$49,102

#### SREB and Contiguous States

Rank (COLA-Adj. Salary)	State	2020 COLA Adj. Salary	2020 Avg. Salary
1	Texas	\$54,670	\$57,090
2	Oklahoma	\$54,654	\$54,096

<sup>146</sup> 2020 Missouri Cost of Living Data Series, Missouri Economic Research and Information Center, <https://meric.mo.gov/data/cost-living-data-series>.

The regional average teacher salary for 2020 was \$55,205. According to the SREB, the average teacher salary in the South is 16% lower than the national average.<sup>147</sup> Arkansas's 2020 average teacher salary as reported by the NEA for state-to-state comparisons was \$50,456, which ranked 13<sup>th</sup> among the 16 SREB states, but rose to 9<sup>th</sup> when a COLA was applied to the salaries. Arkansas's 2020 average salary, and COLA-salary rankings among the SREB states did not change from the prior year. The above table provides the 2020 NEA average salary, COLA-adjusted average salary, and rank using the COLA-adjusted salary, for each SREB state.

3	Tennessee	\$50,937	\$51,862
<b>4</b>	<b>Arkansas</b>	<b>\$50,456</b>	<b>\$50,456</b>
5	Missouri	\$50,247	\$50,817
6	Mississippi	\$48,839	\$46,843
7	Louisiana	\$48,744	\$51,566

The surrounding states' average teacher salary for 2020 was \$51,819. Among the seven surrounding states, Arkansas's 2020 unadjusted average salary ranked 6<sup>th</sup>, which is the same as it was in 2019, but is a decline from the 2018 ranking of 5<sup>th</sup>, and 2017 ranking of 4<sup>th</sup>. When a COLA was applied, Arkansas's ranking moved up to 4<sup>th</sup>. The table to the right provides the 2020 NEA average salary, the COLA average salary, and rank using the COLA salary, for the surrounding states.

## Teacher Salary Disparity within Arkansas

To assist in the evaluation of whether there is disparity in teacher salaries in Arkansas, the following sections present information regarding the state-level average teacher salaries and average teacher salaries by district and open-enrollment public charter school system. The NEA average salary amounts are not available at the district levels, so the BLR used data from APSCN to calculate an average salary for all districts and an overall statewide average. The same is done for charter school systems.

The Arkansas Legislature created the Teacher Salary Equalization Fund<sup>148</sup> to assist in addressing the disparities in teacher salaries within the state and compared to surrounding states.<sup>149</sup> These funds provide public school districts and open-enrollment public charter school systems<sup>150</sup> with additional funding dedicated to increasing teacher salaries. Equalization funding is provided to districts and charter school systems that have an average annual teacher salary below the "statewide target average annual salary" set by the legislature.<sup>151</sup> Equalization funding is continuous and will increase if ADM increases. The legislature may also increase the state target average and the amount of per-student funding as part of the adequacy review process, which will increase the amount of funds districts and charter school systems will be eligible to receive. Funding will not decrease below the amount received in the initial base year even if ADM decreases. According to DESE, districts and open-enrollment charter school systems should use equalization funds, at a minimum, to meet or exceed the state minimum salary requirements in Ark. Code Ann. 6-17-2403 each year.<sup>152</sup>

The chart below provides public school districts' and open-enrollment public charter school system's average teacher salaries compared to the teacher salary amounts used in the matrix between 2017 and 2021. The teacher salary amount used in the matrix to calculate foundation funding has consistently been higher than the average teacher salary paid at the district and charter school system level. District and open-enrollment charter school systems' average teacher salaries have steadily increased between 2017 and 2021.

<sup>147</sup> SREB Teacher Compensation Dashboard 2019-2020, [https://www.sreb.org/interactive/teacher-compensation-dashboard?utm\\_source=SREB+Policy+%26+Practice+and+Announcements&utm\\_campaign=9909bea137-EMAIL\\_CAMPAIGN\\_2022\\_03-10\\_TeacherComp&utm\\_medium=email&utm\\_term=0\\_d0b081a99e-9909bea137-131001057](https://www.sreb.org/interactive/teacher-compensation-dashboard?utm_source=SREB+Policy+%26+Practice+and+Announcements&utm_campaign=9909bea137-EMAIL_CAMPAIGN_2022_03-10_TeacherComp&utm_medium=email&utm_term=0_d0b081a99e-9909bea137-131001057)

<sup>148</sup> See Ark. Code Ann. § 6-20-2305(b)(6) (as codified by Acts 679 and 680 of 2021).

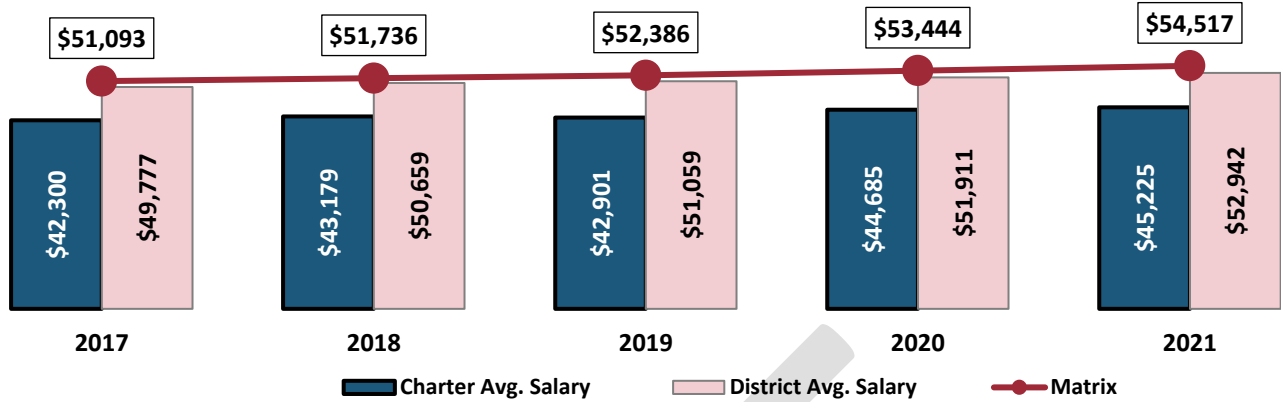
<sup>149</sup> See Acts 679 and 680 of 2021.

<sup>150</sup> See Ark. Code Ann. § 6-23-501(a)(1) (providing that open-enrollment public charter schools "shall receive funds equal to the amount that a public school would receive under § 6-20-2305(a) and (b) as well as any other funding that a public charter school is entitled to receive under law or under rules promulgated by the State Board of Education).

<sup>151</sup> See Ark. Code Ann. § 6-20-2305(b)(6)(A)(ii) (establishing the statewide target average annual salary for the 2021-2022 and 2022-2023 school years as \$51,822).

<sup>152</sup> See Ark. Code Ann. § 6-20-2305(b)(6)(C) (providing that "[t]eacher salary equalization funding provided to a school district under this subchapter shall be expended only for teacher salaries and benefits."); see also DESE's "Teacher Salary Equalization Fund Guidelines," FIN-21-048 (May 13, 2021).

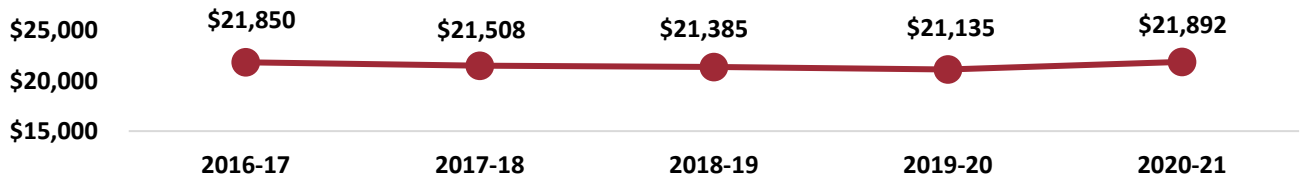
**5-YR Charter School Systems' and Districts' Average Salaries Compared to Matrix**



**PUBLIC SCHOOL DISTRICTS' AVERAGE TEACHER SALARIES**

The following chart shows the gap between the highest and lowest average salaries for school districts between 2017 and 2021. The 2021 average teacher salary for Arkansas's school districts ranged from \$63,616 for Springdale School District to \$41,724 for Ozark Mountain School District, a difference of almost \$22,000.

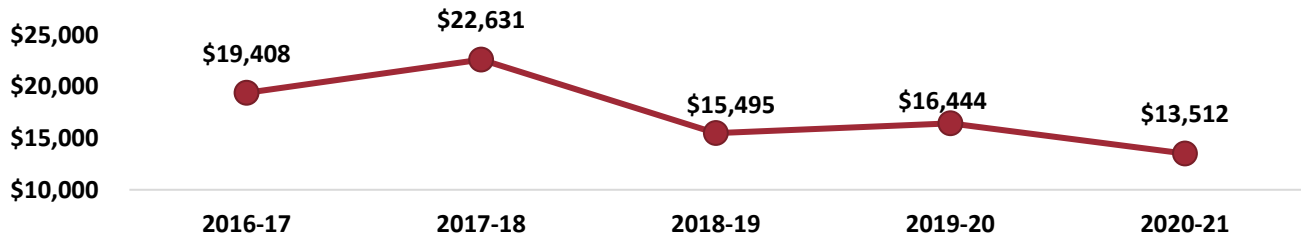
**School Districts: Gap Between Highest and Lowest Average Salary**



**OPEN-ENROLLMENT PUBLIC CHARTER SCHOOL SYSTEMS' AVERAGE TEACHER SALARIES**

The chart below shows the gap between the highest and lowest average salaries for open-enrollment public charter school systems between 2017 and 2021. The 2021 average salary for Arkansas's charter school systems range from \$52,010 for Haas Hall Academy to \$38,498 for Capital City Lighthouse Academy, which is a difference of \$13,512.

**Charter School Systems: Gap Between Highest and Lowest Average Salary**



## Review of Minimum Teacher Salary Schedule

Arkansas does not mandate teacher salaries, but it does statutorily provide for a minimum teacher compensation schedule.<sup>153</sup> The Arkansas General Assembly enacted the Teacher Salary Enhancement Act<sup>154</sup> through the passage of Act 170 of 2019. The Teacher Salary Enhancement Act increased minimum teacher salary schedules for the 2020 through the 2023 school years. The salary schedules establish minimum salaries for teachers based on years of experience (0-15 years) and on the type of degree earned by the teacher, with one schedule for bachelor-degree-prepared teachers and one for master-degree-prepared teachers. The table to the right provides the minimum salary schedule established for 2021.

The minimum salary for 2021 for a bachelor degree prepared teacher with zero years of experience was raised to \$33,800, an increase of \$1,000. The minimum salary for a master degree prepared teacher with zero years of experience was also increased to \$38,450, also an increase of \$1,000. The minimum salary schedules enacted in Act 170 retain the \$450 increase for each succeeding year of experience through year 15 for bachelor-degree-prepared teachers and a \$500 increase for each additional year of experience for master-degree-prepared teachers. The following table shows the beginning salary rates (zero years of experience) enacted for each of the 2020 through 2023 school years.

Years of Experience	BA Degree Salary	MA Degree Salary
0	\$33,800	\$38,450
1	\$34,250	\$38,950
2	\$34,700	\$39,450
3	\$35,150	\$40,950
4	\$35,600	\$40,450
5	\$36,050	\$40,950
6	\$36,500	\$41,450
7	\$36,950	\$41,950
8	\$37,400	\$42,450
9	\$37,850	\$42,950
10	\$38,300	\$43,450
11	\$38,750	\$43,950
12	\$39,200	\$44,450
13	\$39,650	\$44,950
14	\$40,100	\$45,450
15	\$40,550	\$45,950

School Year	BA Degree Salary	Change from Prior Year	MA Degree Salary	Change from Prior Year
2020	\$32,800	\$1,000	\$37,450	\$1,000
2021	\$33,800	\$1,000	\$38,450	\$1,000
2022	\$34,900	\$1,100	\$39,550	\$1,100
2023	\$36,000	\$1,100	\$40,650	\$1,100

Source: Act 170 of 2019

In 2014, nine districts' minimum salaries were at the statutory minimum, but by 2015 the number at the minimum had decreased to five: Augusta, Deer/Mount Judea, Mineral Springs, Mulberry, and Nevada County. With the consistent rise of the state-mandated minimum salary beginning in 2016, the number of districts at the minimum salary began to rise, culminating with 97 districts at the minimum salary of \$33,800 in 2021.

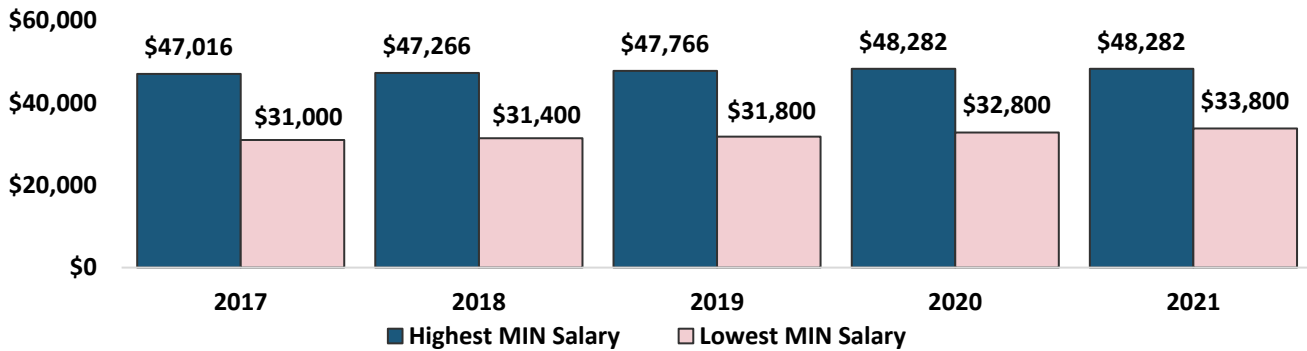
### *PUBLIC SCHOOL DISTRICTS' MINIMUM TEACHER SALARIES*

The 2021 average minimum salary for school districts was \$35,799. The following chart provides the highest and lowest minimum salaries adopted by Arkansas school districts between 2017 and 2021.

<sup>153</sup> Ark. Code Ann. § 6-17-2403.

<sup>154</sup> See Ark. Code Ann. §§ 6-17-2403(b) (codifying Act 170 of 2019).

### District Minimum Teacher Salaries

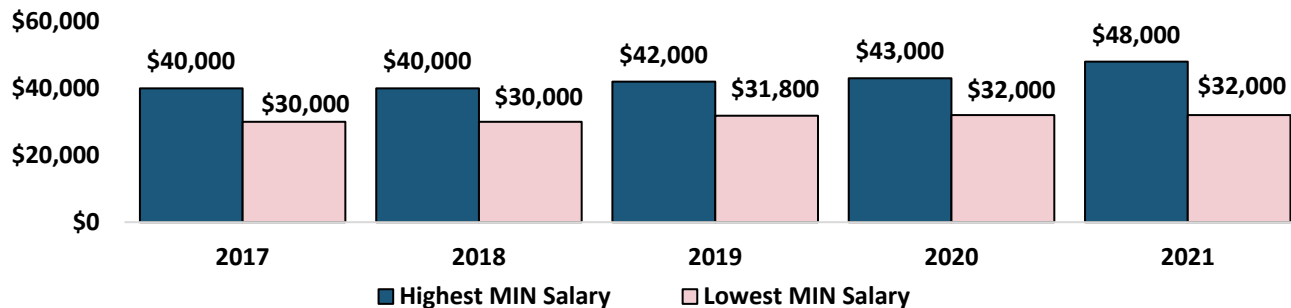


Districts can and often do adopt individual district salary schedules that exceed the state-mandated minimum salary amounts. In 2021, while 97 school districts adopted the state mandated minimum of \$33,800 as their minimum salary, a 28 districts paid a minimum salary of \$40,000 or more. Springdale School District adopted the highest minimum salary of \$48,282.

### OPEN-ENROLLMENT PUBLIC CHARTER SCHOOL SYSTEMS' MINIMUM TEACHER SALARIES

While 22 of the 23 open-enrollment public charter school systems operating in 2021 received a waiver from the minimum teacher compensation requirements found in A.C.A. § 6-17-2403, the charters did have minimum teacher salary amounts available for comparison. The 2021 average minimum salary for public charter school systems was \$37,037, which is about 3.5% higher than the average for school districts. The following chart provides the highest and lowest minimum salaries adopted by Arkansas open-enrollment public charter school systems between 2017 and 2021. All but one (Exalt Academy of Southwest Little Rock) had a minimum salary above \$33,800. For the 2021 school year, the minimum salaries for teachers ranged from \$32,000 at Exalt Academy of Southwest Little Rock to \$48,000 for Haas Hall Academy. Eleven of the charter systems' minimum salary levels increased in 2021, with Haas Hall Academy having the greatest increase at almost 12%.

### Charter School System Minimum Teacher Salaries Highest and Lowest



## Section 9: Professional Development and Teacher Evaluations

This section reviews teacher professional development and the evaluation systems in Arkansas, including the requirements of each, how they are implemented, relevant survey results, and best practices for each. More information can be found in the April 5, 2022, *Professional Development and Teacher Evaluations* report in Volume II.

### Best Practices

The ECS reports that when educators receive relevant, data-driven professional learning, “they can achieve better outcomes for students and are less likely to leave the profession.” ECS defines quality professional learning as learning that is content-focused, supports collaboration, is grounded in research about best

practices, and is sustained over time.<sup>155</sup> National research on teacher professional development (PD) has found that some types of PD are more effective than others and has identified successful characteristics that exemplify them. A 2017 study<sup>156</sup> reviewed methodologically rigorous studies that demonstrated a positive link between teacher PD, teaching practices, and student outcomes. Seven widely shared features of effective PD include 1) being content focused; 2) incorporating active learning that uses adult-learning theory; 3) supporting collaboration; 4) modeling effective practice; 5) coaching; 6) offering feedback and reflection opportunities; and, 7) being sustained for an adequacy amount of time for mastery. Researchers also note that even the best-designed PD may fail to produce desired outcomes if it is poorly implemented due to barriers such as inadequate resources, a lack of shared vision of high-quality instruction, or a dysfunctional school cultures.<sup>157</sup>

## Professional Development Requirements

Arkansas law<sup>158</sup> states that the purpose of PD is to “improve teaching and learning in order to facilitate individual, school-wide, and system-wide improvements designed to ensure that all students demonstrate proficiency on state academic standards.” Ark. Code Ann. § 6-17-704 defines PD as a “set of coordinated planned learning activities for teachers, administrators, and non-licensed school employees. According to Arkansas law, districts must include no fewer than six PD days out of the 190 required days in educators' basic contracts<sup>159</sup> Additionally, PD shall comply with DESE’s Rules Governing Professional Development and may provide educators with the knowledge and skills needed to teach:

- Students with disabilities, including without limitation autism; and
- Culturally and linguistically diverse students.<sup>160</sup>

Arkansas law<sup>161</sup> also requires districts to annually prepare a PD plan in which “teachers, administrators, and classified school employees shall be involved with in the design, implementation, and evaluation of their respective professional development offerings under the plan.” Additionally, this statute provides that “evaluation results shall be given to each group of employees in the school district and used to improve professional development offerings.”

PD content requirements include the following:

- One of the following topics is required for educators each year on a rotating basis over four years (previously some of the topics were required annually):<sup>162</sup>
  - Two hours on child maltreatment mandated reporter;
  - Two hours on parental involvement<sup>163</sup>;
  - Two hours on teen suicide awareness and prevention;<sup>164</sup> and
  - Two hours on Arkansas history (to teachers who provide instruction in Arkansas history).
- All teachers must receive professional awareness on dyslexia.<sup>165</sup>

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<sup>155</sup> [https://www.ecs.org/wp-content/uploads/Professional\\_Learning\\_for\\_Teachers\\_and\\_Leaders\\_FINAL.pdf](https://www.ecs.org/wp-content/uploads/Professional_Learning_for_Teachers_and_Leaders_FINAL.pdf)

<sup>156</sup> Effective Teacher Professional Development. (May 2017). Learning Policy Institute.

<sup>157</sup> “Effective Teacher Professional Development.” (May 2017). Learning Policy Institute.

<sup>158</sup> A.C.A. § 6-17-704(b)

<sup>159</sup> A.C.A. § 6-17-2402(1)(A) (providing further that for teachers employed in the Civilian Student Training Program or the Arkansas National Guard Youth Challenge Program, a basic contract for a teacher includes full-time employment for 190 days, which must include no fewer than 6 days of PD, with all days in excess of the 190 required days paid at a daily rate as established in § 6-17-2403 that is required for full-time annual employment and subject to the policies and guidelines of the Arkansas National Guard).

<sup>160</sup> A.C.A. § 6-17-704(e).

<sup>161</sup> A.C.A. § 6-17-704

<sup>162</sup> A.C.A. § 6-17-709(e)(3) (as codified by Act 969 of 2013).

<sup>163</sup> See also A.C.A. § 6-15-1703(a) (requiring professional development under each school's parent and family engagement plan that is designed to enhance teachers' and administrators' understanding of effective family and community engagement strategies).

<sup>164</sup> See also A.C.A. § 6-17-708 (requiring professional development concerning mental health awareness and teen suicide awareness and prevention for licensed public school personnel).

<sup>165</sup> A.C.A. § 6-41-609 (as codified by Act 1294 of 2013).

- Districts must annually make available 30 minutes of PD on human trafficking.<sup>166</sup>
- Districts and charters must provide PD in specific scientific reading instruction. The specific type of training varies by the type of license teachers have<sup>167,168</sup>:
  - o For teachers licensed at the elementary level, K-12 special education, and K-12 reading specialists: One of the “prescribed pathways to obtaining a proficiency credential in knowledge and practices in scientific reading instruction.”
  - o For teachers licensed at levels other than elementary: One of the “prescribed pathways to obtaining an awareness credential in knowledge and practices in scientific reading instruction.”
  - o Districts must include in their annual school-level improvement plan a literacy plan that also includes a PD program aligned with the literacy needs of the districts and is based on the science of reading.<sup>169</sup>
- Licensed public-school personnel must receive two hours of PD in bullying recognition and recognition of the relationship between incidents of bullying and risk of suicide.<sup>170</sup>
- Athletic coaches working in school districts are required to complete training every three years on the following:<sup>171</sup>
  - o Concussions, dehydration, or other health emergencies;
  - o Environmental issues that threaten the health or safety of students;
  - o Communicable diseases; and
  - o Sudden cardiac arrest.

## Professional Development Programs

### ARKANSASIDEAS

ArkansasIDEAS (Internet Delivered Education for Arkansas Schools) is a partnership between DESE and the Arkansas Educational Television Network (AETN) to provide online PD for Arkansas licensed educators and those wishing to obtain an Arkansas educator license.<sup>172</sup> ArkansasIDEAS “connects K-12 educators with quality ADE-approved PD and educational opportunities.”<sup>173</sup> It also offers programs of study to assist teachers in “obtaining an Arkansas Educator License or additional grade band endorsements added to an existing license.”<sup>174</sup> Additionally, it provides PD that helps teachers understand new statutory requirements such as dyslexia intervention and bullying. Data in the following table shows usage statistics from the program.<sup>175</sup>

ArkansasIDEAS FY20-22				
Program Statistics			User Demographics	
	Overall	FY20-22	User Type	Number
<b>Users</b>	78,958	20,708	<b>Certified Teachers</b>	52,876
<b>Courses and Credit Hours Created</b>	732 (987.5 hours)	130 (90 hours)	<b>Non-Licensed</b>	24,275
<b>Credit Hours Earned by Users</b>	3.8 Million	841,335	<b>School Administrators</b>	375
<b>AR History Program Learners</b>	3,315	1,329	<b>Facilities and Transportation</b>	5,434
<b>AR History Program Hours Earned</b>	149,175	59,805	<b>University Teacher Prep Programs</b>	5,687
			<b>Private schools</b>	1,182
			<b>Charter Schools</b>	1,916

<sup>166</sup> A.C.A. § 6-17-710 (as codified by Act 765 of 2017).

<sup>167</sup> A.C.A. § 6-17-429 (as codified by Act 1063 of 2017).

<sup>168</sup> A.C.A. § 6-17-429 (as codified by Act 83 of 2019).

<sup>169</sup> A.C.A. § 6-15-2914(b)(1)(B)(ii).

<sup>170</sup> A.C.A. § 6-17-711.

<sup>171</sup> A.C.A. § 6-18-708.

<sup>172</sup> See A.C.A. § 6-17-707 (requiring the Commissioner of Elementary and Secondary Education to work with the Director of the Educational Television Division and local school districts "to develop a statewide online professional development program that includes quality professional development courses" that meet certain statutory standards).

<sup>173</sup> <http://ideas.aetn.org/>

<sup>174</sup> <http://ideas.aetn.org/>

<sup>175</sup> Arkansas PBS Education Department Report. (February 2022).



## PLCs

Beginning in the 2018 school year, DESE, in partnership with Solution Tree (a private organization that provides PD resources, training, and support to K-12 educators), started the Professional Learning Communities at Work Pilot Program.<sup>176</sup> This resulted from 2016 Adequacy report recommendations. DESE defines a PLC as an “ongoing process in which educators work collaboratively in recurring cycles of collective inquiry and action research to achieve better results for the students they serve.”<sup>177</sup> The underlying assumption behind the PLCs is the “key to improved learning for students is continuous job-embedded learning for educators.”<sup>178</sup> Broadly, a PLC can also refer to some form of structured collaboration between educators within a school in which educators share experiences, ideas, resources, and strategies for improved student achievement. It can also be a formal program implemented in the school or include informal meetings among educators in a school.

Solution Tree’s PLC at Work program is a specific way of implementing a PLC.<sup>179</sup> Each school is matched with a certified PLC at Work Associate (or Pilot School Site Coach) who coordinates the school’s PLC services. The site coaches are overseen by a Solution Tree PLC project manager. A Solution Tree project administrator will coordinate the internal Solution Tree team with the project manager and the site coaches to form the project administration and evaluation team. This team will monitor, assess, and report on the pilot school services and will provide periodic feedback to DESE. According to the Solution Tree contract, each school will have its own Pilot School Plan that will be collaboratively developed based on a needs assessment at the beginning of the year.

According to the DESE contract with Solution Tree, the intended outcomes of the pilot project include “increasing student achievement through teacher collaboration, a focus on learning, and a results orientation.” Student achievement and process data is used to make decisions. This is done through a needs assessment given to PLC schools/districts) and formative assessments throughout the year (to evaluate growth and determine next steps). Additional data specific to each school is also determined and monitored.

Beginning in the 2021 school year, DESE partnered with Solution Tree to expand the PLC Pilot Program within select schools to focus on supporting students with disabilities and other groups of struggling learners to have meaningful access to core instruction and established systems of intervention.

## SURVEY RESULTS

According to teachers’ response to the 2021 survey by BLR, the PD most often used by teachers was provided by the district, by the school or by ArkansasIDEAS.<sup>180</sup> The most useful form of PD, according to the survey, was collaboration, followed by conferences and workshops, and then by school- or district-provided PD.<sup>181</sup> In the BLR adequacy study survey, principals also noted that professional development was an additional teacher retention tool.

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<sup>176</sup> See A.C.A. § 6-20-2305(b)(5)(C) (codified by Act 427 of 2017) (providing that additional funding for professional development above a designated amount shall be used by DESE “for the development and administration of professional learning communities” and that DESE “may partner with or choose a person, firm, corporation, or education service cooperative to provide the knowledge, skills, experience, and expertise for the development of a research-based process for the implementation of professional learning communities”).

<sup>177</sup> ADE “Rules Governing Professional Learning Communities” (October 2017), Rule 2.01.

<sup>178</sup> *Id.*

<sup>179</sup> <https://www.solutiontree.com/st-states/arkansas-plc>

<sup>180</sup> See Teacher Survey Responses, Question 41.

<sup>181</sup> See Teacher Survey Responses, Question 42.

## Teacher Evaluations

### *BEST PRACTICES*

The ECS notes that an effective teacher evaluation system typically serves two distinct purposes: Accountability and Development.<sup>182</sup> Teacher evaluation systems can also serve as teacher retention tools.

The National Council on Teacher Quality (NCTQ), a not-for-profit education research and policy organization centered on teacher effectiveness, compiled data on how states evaluate teachers. Teacher evaluations systems range from being completely determined at the state level to being completely determined at the school or district level, as shown in the following tables.

### *TESS*

Arkansas uses TESS to evaluate teachers.<sup>183</sup> Public schools are required to conduct a summative evaluation for each teacher that is not a novice<sup>184</sup> at least one time every four years.<sup>185</sup> Districts and schools can choose to conduct the summative evaluations more frequently. Schools or districts can adopt additional policies that allow peer observations and student feedback to contribute to the summative rating. Schools and districts can also substitute for the whole or any part of the summative evaluation any part of a teacher's work completed for the certification or renewal of a certification from the National Board for Professional Teaching Standards.<sup>186</sup> An evaluator can place a teacher in intensive support status if the teacher receives low performance ratings on a summative evaluation.<sup>187</sup> If a teacher is placed in intensive support status, the evaluator will work with the teacher to develop clear goals and tasks to support the teacher's progress and provide ongoing support to the teacher. As part of the TESS process, each teacher will work with the evaluator to create a professional growth plan for themselves. The plan is designed to identify professional growth outcomes to improve professional skills and is a living document that continually focuses on the learning of the teacher.

The requirement to report TESS scores for the 2021 school year was waived due to COVID-19, so scores from 2019-20 are the most recent available. Of the 1,038 total schools in 2020, 20% did not report any TESS ratings. Of the remaining schools, only 11 reported having teachers considered ineffective.

## Section 10: Learning Expectations in Arkansas Schools

The state of Arkansas has expressed the intent of what public school students should learn in law, rule and in the definition of adequacy. This section examines many of the learning expectations the state has put in place for Arkansas students. More information can be found in the May 2, 2022, *Learning Expectations in Arkansas Schools* report found in Volume II of this report.

### Academic Standards

The current standards used by public school teachers throughout the state are called the Arkansas Academic Standards and are currently posted on DESE's website. These provide by grade level and/or subject area the specific content to be covered in each course. Standards are reviewed and revised periodically, generally every six years or so. The process involves a committee of educators and stakeholders with professional experience related to the academic content area being discussed meeting over a course of weeks to review and update the

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<sup>182</sup> <https://www.ecs.org/wp-content/uploads/Mitigating-Teacher-Shortages-Evaluation-and-Feedback.pdf>

<sup>183</sup> See A.C.A. § 6-17-2801 et seq.

<sup>184</sup> See A.C.A. § 6-17-2803(8) (defining "novice teachers" as those with less than three years of teaching experience in a public school classroom).

<sup>185</sup> A.C.A. § 6-17-2805(a).

<sup>186</sup> A.C.A. § 6-17-2805(c)(3)(C).

<sup>187</sup> A.C.A. § 6-17-2807(a).

academic standards, which then must be approved by the State Board of Education.<sup>188</sup> Standards have been created for the following areas: Computer Science, English Language Arts, Fine Arts, Health and Physical Education, Library Media Services, Mathematics, Science, Social Studies, and World Languages.

## Required Courses

The courses required to be taught at each grade level can be found in the Standards for Accreditation, Appendix A, Standard 1. In grades 9-12, a total of 38 unique units, or year-long courses must be offered unless otherwise allowed by law or rule. Until 2015, schools were considered in violation of accreditation standards if they did not teach all 38 of the required units without a corresponding waiver from teaching one or more of the required units. Act 853 of 2015 changed that, specifying in its subtitle that, “a school district is not in violation of the standards of accreditation for Arkansas public schools and school districts if a school district offers a course but no students enroll in the course.”<sup>189</sup>

The specific courses within the content areas are updated in a separate document annually, which is approved by the State Board of Education generally during the second semester of the school year preceding the fall of the school year in which they will be required. The courses approved for the 2021 school year were approved by the state board in January 2020. The main change from the previous year was the addition of 10 semester courses focusing on specific career pathways for Literature, Communications and/or Technical Professions.

Sixty-five schools operate under waivers from laws and rules requiring Arkansas’s curriculum. These range from the broad waiver for “required instruction” in high school (four charter high schools) to waivers from specific courses such as Arkansas history, fine arts, or CTE in certain grades. These also include waivers from gifted and talented programs as well as concurrent credit and AP courses. These do not include waivers from ALE programs or from recess in elementary schools.<sup>190</sup>

## Graduation Requirements and Smart Core

Arkansas Code Annotated §6-15-2901 et seq. directs the Department of Education to establish and regularly review the academic standard “to ensure that the Arkansas academic standards are rigorous and prepare students for college, career, and community engagement.” The graduation requirements are courses identified within the required 38 units that are to be offered. Although there is flexibility of courses that can be taken within the content areas, the requirements set by the State Board of Education call for students to successfully complete 22 units before graduation. Local districts may require more credits on top of the 22.

Smart Core is the default high school curriculum required for graduation. However, students’ parents or guardians may request a waiver beginning in middle school or junior high. Of the students in grades seven through 12, 6,223 statewide, or 2.8%, were coded as having waivers from Smart Core in the 2021 school year. That percentage is lower than it was five years ago (2017 school year) when 5.1% of seventh- through 12<sup>th</sup>- graders had waivers from Smart Core.

The list below is of the number of units required in each content area for students to graduate with a Smart Core diploma, followed by a listing of the specific courses students must take in those content areas. The asterisk denotes when the requirement differs for students with waivers from the Smart Core curriculum.

- 4 units of English Language Arts – English 9, English 10, English 11 and English 12 (or four of the approved half units described above may be completed in place of English 11 and 12 starting with the 2021 school year)
- 4 units of Mathematics – Algebra 1, Geometry, Algebra II and an ADE Approved Mathematics or Computer Science Flex\*
- 3 units of Science
- 3 units of Social Studies

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<sup>188</sup> A.C.A. § 6-15-2906(b) and (c) “Arkansas Academics Standards Revision Cycle” found at [https://dese.ade.arkansas.gov/Files/20201209101511\\_Standards-Revision-Cycle.pdf](https://dese.ade.arkansas.gov/Files/20201209101511_Standards-Revision-Cycle.pdf).

<sup>189</sup> A.C.A. § 6-15-213(1)(B)

<sup>190</sup> Get law. In 2021, 349 schools in 137 districts and charter school systems operated under waivers from this requirements.

- .5 units of Physical Education
- .5 units of Fine Arts
- .5 units of Oral Communication
- .5 units of Health and Safety
- 6 units of Career Focus or Content Electives

Algebra II and/or the fourth math/computer science courses may be replaced by other approved courses when Smart Core is waived.

In addition to successfully completing the 22 required courses for graduation, students must complete a digital course for credit, earn a credit in a course that includes Personal and Family Finance, pass the Arkansas Civics Exam and complete cardiopulmonary resuscitation (CPR) training.

## College and Career Readiness

Readiness for college and career has been a focus for public education in recent decades, though definitions vary from state to state and from organization to organization. Arkansas’s current definition of college and career readiness is located in A.C.A. §6-15-2903(2) as part of the definition for the mandated college and career readiness assessment. The assessment is “a set of criterion-referenced measurements of a student’s acquisition of the knowledge and skills that the student needs to [b]e successful in future endeavors, including credit-bearing, first-year courses at an institution of higher education such as a two-year or four-year college, trade school, or technical school; or [e]mbark on a career.” When APA presented its 2020 Arkansas School Finance Study, one of the recommendations was for Arkansas “to adopt a career readiness definition that includes: (1) core academic knowledge and skills, (2) capabilities, (3) behavior skills and dispositions, and (4) postsecondary preparation and planning.” APA recommended the following definition, which, if adopted, would place Arkansas among the other 15 or so states that include capabilities, behavior skills, and college and career preparation knowledge and skills in their definitions of college and career readiness:

*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.*

*More specifically, an Arkansas student who is career ready will have:*

- *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.*
- *Demonstrated capabilities such as communication, critical thinking, collaborative problem-solving, time management, and information and technology skills.*
- *Developed behavioral skills and dispositions such as dependability, perseverance, working effectively with others, adapting, and managing stress.*
- *Developed financial literacy.*

*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.<sup>191</sup>*

## Advanced Courses

### *AP AND INTERNATIONAL BACCALAUREATE*

The Standards for Accreditation call for advanced education courses to be offered in accordance with Arkansas laws and rules. A.C.A. §6-16-1204 stipulates that, beginning with the 2008-09 school year, each Arkansas high

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<sup>191</sup> Augenblick, Palaich and Associates, WestED and Partners, “Arkansas School Finance Study,” prepared for the Arkansas Senate and House Education Committee, December 2020.

school shall offer a minimum of four AP courses, with one each in English, math, science and social studies. That directive is reflected on the course list for the 2021 school year, which says “Schools must offer AP courses in endorsed areas.” State law allows for International Baccalaureate (IB) courses to be offered instead of AP courses.<sup>192</sup> Both AP and IB classes are weighted on a five point rather than a four point scale (A = 5 points toward grade point average).<sup>193</sup>

During the 2021 school year, AP or IB courses were taught in 236 – or 91% – of the state’s school districts and open enrollment charter school systems. Within those, 268 high schools and 12 junior highs feeding into high schools offered at least one AP course. Springdale offered the most AP courses (43), while 12 schools offered one AP course during the 2021 school year. Total enrollment in AP courses during the 2021 school year was just over 47,800, representing 28,024 unique students, meaning some students were enrolled in more than one AP or IB class. Eleven open-enrollment charter schools had waivers from offering AP courses in 2021.

### *CONCURRENT COURSES*

A.C.A. §6-16-1204 provides that schools may offer concurrent enrollment courses (in which students earn both high school credit and college-level credit) if they do so through an Arkansas institution of higher education. Districts may decide to offer these courses with a weighted grading scale (A=5 points).

Concurrent credit courses may be offered at reduced rates of tuition. In 2017, Act 1118 added that students qualifying for free or reduced-price lunches do not have to pay the costs of qualifying concurrent credit courses for up to six credit hours,<sup>194</sup> and, in 2019, Act 456 created the Arkansas Concurrent Challenge Scholarship Program,<sup>195</sup> which allows any remaining funds after the distribution of Arkansas Academic Challenge Scholarships under A.C.A. § 6-85-201 et seq. and Arkansas Workforce Challenge Scholarships under A.C.A. § 6-85-301 et seq. to be used for \$125 scholarships per concurrent course for college credit up to a maximum \$500 per student. According to the Arkansas Department of Higher Education, 12,504 awards totaling \$1,242,511 were provided to 7,414 students in Fall 2020, and another 11,398 awards totaling \$1,194,624 were provided to 6,754 students in Spring 2021. All who applied received the scholarship.

River Valley Virtual Academy in the Van Buren School District was the only school with a waiver concerning concurrent credit courses in the 2021 school year.

### *GIFTED AND TALENTED*

While gifted and talented instruction is not funded directly through the matrix, state law<sup>196</sup> requires that districts spend state and local revenues on gifted and talented programs in an amount equal to 15% of the foundation funding amount multiplied by 5% of the school district’s prior year three-quarter ADM and “[o]nly upon gifted and talented programs in accordance with rules promulgated by the [S]tate [B]oard [of Education].” In 2021, 40,214 students were identified by their schools as in need of gifted and talented services, according to DESE.<sup>197</sup> These services may be provided through AP, IB and concurrent credit courses or through other programs not coded as classes. Schools also may offer courses coded specifically as Gifted and Talented seminars, and 8,567 individual students were enrolled in such courses at 188 different schools during the 2021 school year. Forty-nine schools – all but eight being open-enrollment charter schools – operated with waivers from gifted and talented programs in 2021.

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<sup>192</sup> A.C.A. § 6-16-806

<sup>193</sup> DESE “Rules Governing Grading and Course Credit.”

<sup>194</sup> DESE’s “Rules Governing Grading and Course Credit.”

<sup>195</sup> A.C.A. § 6-85-401 et seq.

<sup>196</sup> A.C.A. § 6-20-2208(c)(6)

<sup>197</sup> Email from Erin Franks and Krystal Nails dated April 15, 2022.

## Reading Initiative for Student Excellence (R.I.S.E.)

Act 1063 of 2017 – also known as the Right to Read Act – created the R.I.S.E. program. This push resulted from 2015 test results, when fewer than half of Arkansas’s students in grades 3-10 scored Ready or Exceeding in reading on the ACT Aspire, and only 39% of Arkansas’s graduating seniors met reading readiness benchmarks on the ACT.<sup>198</sup> Act 1063 requires all K-6 teachers employed in a classroom teaching position that requires a license to teach elementary students and all K-12 special education teachers to demonstrate proficiency in the science of reading by the 2024 school year. All other teachers must show awareness in the science of reading. This effort is supported through annual professional development opportunities called R.I.S.E. Academies (as well as other trainings) that train teachers to use research-based approaches for teaching reading. Additionally, the literacy plan in each public school's annual school-level improvement plan is to be based on the science of reading,<sup>199</sup>

An analysis of scores since 2015 show that from 2016 to 2019, the percentage scoring Ready or higher in reading on the ACT Aspire steadily increased for grades 3, 4, 5, and 8. Grades 6 and 7 showed slight dips from 2018 to 2019, and grades 9 and 10 started declining after 2017. No ACT Aspire tests were administered in the 2020 school year due to COVID-19, and scores overall declined in the 2021 year, largely attributed to learning loss associated with the COVID-19 situation. However, two grades – 5 and 8 – had slightly higher percentages scoring at the Ready or above level in 2021 than they did in 2016. In 2021, 32% of graduating seniors in Arkansas public schools scored ready on the reading portion of the ACT exam. Universal ACT testing of Arkansas students began in 2017, resulting in a dip in scores.

## Arkansas Computer Science Initiative

Act 187 of 2015 required each public high school and public charter high school to offer a course “of high quality” that meets or exceeds the State Board of Education’s curriculum standards in computer science. DESE has developed and adopted curriculum standards and courses worth one credit per course level (or year), with year three being designated an advanced course. DESE also provides course codes for AP and IB computer science courses. Computer science learning standards also are to be incorporated into the instruction at each grade level, and Middle School Introduction to Coding must be taught to all students at least once in grades 5-8.<sup>200</sup> (Beginning with entering 9<sup>th</sup> grade class in the 2023 school year, public high school students must complete one unit of computer science to graduate.<sup>201</sup>) The introduction of computer science as a mandatory offering has garnered the state national recognition in the last few years by organizations such as Facebook, Microsoft, Code.org and the Computer Science Teachers of America.

Computer science courses are taught in traditional and charter high schools as classroom-based courses or remotely as digital-learning courses. According to APSCN, about 12,500 unique students were enrolled in computer science courses in 288 schools in 227 districts and open-enrollment charter school systems<sup>202</sup> during the 2021 school year. No waivers from computer science course offerings were listed for 2021.

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<sup>198</sup> ADE Division of Learning Services Literacy Support Unit, “A New Chapter for Arkansas Students, 2018 Report.”

<sup>199</sup> See Ark. Code Ann. § 6-15-2914(b)(1)(B).

<sup>200</sup> Email from Erin Franks, Chief Legislative Affairs Director, DESE, dated April 28, 2022.

<sup>201</sup> Act 414 of 2021.

<sup>202</sup> The school districts and charter schools with no computer science course enrollment in APSCN for the 2021 school year were Alma, August, Capital City Lighthouse Academy, Charleston, Concord, Des Arc, East Poinsett County, Exalt Academy of Southwest Little Rock, Friendship Aspire Academy Little Rock, Friendship Aspire Academy Pine Bluff, Graduate4 Arkansas Charter, Hazen, Hope Academy of Northwest Arkansas, Imboden Charter, Magnet Cove, Mineral Springs, Mountain Pine, Mt. Vernon/Enola, Nevada, Osceola, Piggott, Pine Bluff Lighthouse Academy, Poyen, Responsive Ed Solutions Premier High School of Little Rock, Responsive Ed Solutions Premier High School of North Little Rock, Scholarmade Achievement Place of Arkansas, Shirley, Smackover-Norphlet, South Side (Van Buren County), Strong-Huttig, and Waldron.

## Remote/Digital/Distance Learning

Distance learning was originally implemented in the state by Act 1083 of 1999. As later stated explicitly in Act 1192 of 2003, distance learning was intended to help schools deal with the shortage of qualified teachers and to increase access to a variety of courses beyond those required by the state’s accreditation standards. During the 2013 legislative session, the General Assembly passed Act 1280, which requires all school districts to provide at least one digital learning course beginning in the 2014-15 school year.<sup>203</sup> A.C.A. § 6-16-1406(d) also requires students to take at least one digital learning course to graduate from high school.

When COVID-19 shut down schools in March 2020, schools and students suddenly had to rely on remote teaching and learning for school to continue. Because there had been little opportunity for planning this type of educational delivery on a statewide scale, results were mixed. In a survey administered by the BLR at the end of the 2020 school year, superintendents reported that teachers and students living in rural areas often were not able to connect to broadband from their homes. The cost of broadband and devices was also a factor for many families, superintendents said at the end of the 2020 school year, so that those who might have connectivity might not have it at a level that allowed streaming or downloading of lengthier lessons. Federal funds distributed during the 2021 school year helped improve this situation for schools, according to the BLR’s adequacy survey of superintendents.<sup>204</sup> Arkansas’s public schools reopened for the 2021 school year; with many districts offering the option for remote or hybrid learning. Remote learning meant students participated only through digital learning, though that mode of learning could be changed during the school year. Hybrid learning could mean learning in the classroom for some days of the week and learning digitally for the others, but it could also mean that a school had to pivot to remote learning for a period of days because the level of infection in a school required the building to close.

Each student was recorded in Arkansas’s public school computer network as using one of the following learning instructional options: Onsite/Traditional; Virtual/Remote; Hybrid/Blended; or, N/A (No Show/No Activity). On average, 66% of students attended school in the classroom, 21% worked remotely, and 13% participated in a hybrid learning situation.

### *STUDENT PERFORMANCE*

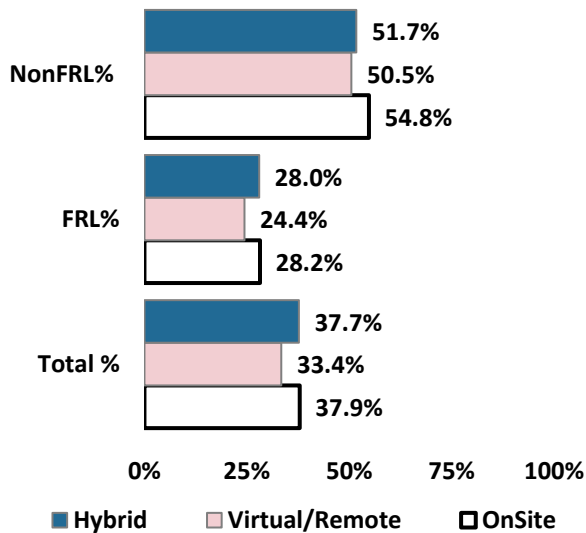
A vast majority of the teachers who taught virtually responded that they did not believe students learned as well virtually, with 7% of teachers who taught virtually stating that students learned just as well and no one responding that students learned better virtually. According to an analysis of 2021 test score data from DESE, students who learned most of the school year through remote learning scored lower than those who learned in a hybrid environment. In-class learners scored the highest.

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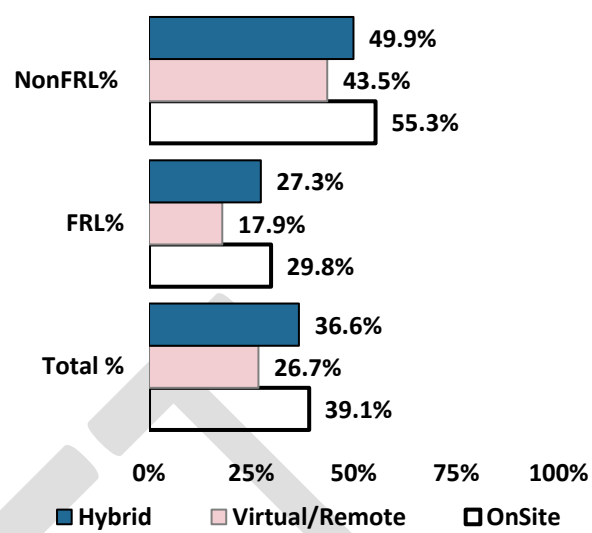
<sup>203</sup> State statute refers to both “distance learning” and “digital learning”. For a number of years, distance learning typically referred to instruction delivered in one location and made available to classrooms across the state via compressed interactive video. As distance learning began to rely less on compressed video, the terminology shifted to “digital learning”. State statute defines digital learning as “a digital technology or internet-based educational delivery model that does not rely exclusively on compressed interactive video” (§ 6-16-1403(a)(1)). ADE rules further specify that “digital learning may be a type of distance learning” (Rules Governing Distance and Digital Learning).

<sup>204</sup> 2022 Adequacy Study Superintendent Survey Responses, questions 51 and 52.

### Reading Proficient Levels by Learning Instruction Option



### Math Proficient Levels by Learning Instruction Option



### NATIONAL RESEARCH

Because digital learning has become so necessary during the out-of-school learning period caused by the pandemic, it is helpful to look at research into the effectiveness of digital learning classes. Three recent research projects were examined by *Education Week*.<sup>205</sup> While all three occurred before the pandemic, they all found that digital learning could be beneficial in allowing students access to topics they might not have in their own school buildings, but, overall, retention of learning from digital classes was less than it was for in-person classrooms. Researchers during the pandemic noted that “while education gaps existed pre-pandemic, the situation worsened during the current global crisis as students, parents, and educators struggled to meet educational goals in the new instructional era (Cottingham et al., 2020; Engzell et al, 2020).”<sup>206</sup> Cited reasons by various researchers were the lack of or limited access to online resources for many families of low socioeconomic status, lack of involvement or knowledge by some parents, lack of online teaching expertise and technology-related resources for many teachers, and varied delivery methods. For instance, communities and schools without adequate broadband or enough personal devices had to resort to “packaging hard copy instructional materials for their students/parents to pick up and drop off. This instructional delivery process approach added a lag time when packages were not picked up, completed, or promptly returned.”<sup>207</sup>

<sup>205</sup> Loeb, Susan. “How Effective is Online Learning? What the Research Does and Doesn’t Tell Us,” *Education Week*, April 1, 2020.

<sup>206</sup> Ogoto, J.A., Simon, M., Morris, D., Akubo, M. “Examining K-12 Teachers’ Digital Competency and Technology Self-Efficacy During COVID-19 Pandemic,” *Journal of Higher Education Theory and Practice* Vol. 21 (11) 2021. <https://doi.org/10.33423/jhetp.v21i11.4660>

<sup>207</sup> Ibid.



## Section 11: K-12 Career and Technical Education (CTE)

Arkansas Code §10-3-2102 does not explicitly require the House and Senate Education Committees to include a review and analysis of CTE in the biennial adequacy study.<sup>208</sup> However, this section has been prepared in response to requests by the Education Committees. In addition, it is important to note that the current definition of educational adequacy that was defined and is used by the Education Committees includes references that are directly related to CTE. First, the definition states that the standards of accreditation and the mandatory thirty-eight (38) Carnegie Units that must be taught, are part of the basis for identifying what resources are required to achieve adequate funding for Arkansas's public schools. CTE is also one of the required content areas that must be included in the 38 units. Additionally, the definition states that "opportunities for students to develop career readiness skills" is part of the basis for identifying the resources required to achieve adequate educational funding. This section examines CTE in the state's public K-12 schools. More information can be found in the May 2, 2022, *K-12 Career and Technical Education* report, which can be found in Volume II of this report.

### Arkansas Policy Background

Arkansas Code §6-5-1002(b) requires that a "rigorous career and technical education program of study that links secondary education and postsecondary education and combines academic and technical education in a structured sequence of courses that progresses from broad foundation skills to occupationally specific courses shall be made available" and permits the awarding of "postsecondary credits for career and technical education program of study courses that lead to a postsecondary credential[s], certificate[s], or degree[s]." According to A.C.A § 6-5-1002(a), a CTE program of study means a planned program of courses and learning experiences that begins with the exploration of career options; supports basic academic and life skills; and enables achievement of high academic standards, leadership, employment preparation, and advanced continuing education.

### CTE Oversight

General control and supervision of all programs of vocational, technical, and occupational education in secondary institutions is the authority and responsibility of the State Board of Education<sup>209</sup> and the ADE's Division of Career and Technical Education (DCTE).<sup>210</sup> The DCTE<sup>211</sup> approves and oversees public school CTE programs across the state. The DCTE is responsible for adopting rules governing CTE programs, prescribing academic standards for CTE programs and teachers, and approving the programs of study and courses districts can offer based on federal requirements.<sup>212</sup> In addition, the DCTE is responsible for receiving and distributing federal and state funds intended to support CTE delivery in secondary schools<sup>213</sup> and for ensuring that CTE instructors are appropriately licensed and permitted.<sup>214</sup>

### *K-12 PUBLIC SCHOOL REQUIREMENTS*

According to the DCTE, to meet the Arkansas Standards of Accreditation, school districts are required to provide all students in grades 5-8 courses of Keyboarding or KeyCode and Career Development. Additionally, each student is required to have a Student Success Plan<sup>215</sup> on file upon completing the 8th grade. The Student Success Plan includes, among other requirements, college and career components. The Standards further require that

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<sup>208</sup> However, Arkansas Code § 10-3-2102(c) does require the Division of Career and Technical Education, in addition to DESE and Division of Higher Education, to provide the Committees "assistance and information as requested...."

<sup>209</sup> Ark. Code Ann. §6-11-203.

<sup>210</sup> Ark. Code Ann. §25-30-107.

<sup>211</sup> Act 910 of 2019 moved DCTE under the ADE

<sup>212</sup> See Ark. Code Ann. § 6-16-140.

<sup>213</sup> Ark. Code Ann. § 6-11-205.

<sup>214</sup> See Ark. Code Ann. §§ 6-15-102(f)(5) and 6-15-1004(d)(3).

<sup>215</sup> Ark. Code Ann. § 6-15-2911(b).

school districts offer a total of 38 units of instruction in grades 9-12, and nine of those units are to be “sequenced career and technical education courses representing three (3) occupational areas.”<sup>216</sup> To comply with state standards, schools must offer one program of study from three of the following occupational areas:

- Agricultural Science and Technology
- Business and Marketing Technology
- Family and Consumer Sciences
- Science, Technology, Engineering and Mathematics (STEM)
- Trade and Industry

## CTE Funding

The matrix does not provide a dollar amount specifically for CTE; however, districts can and do use state foundation funding to provide CTE instruction. Funding sources for CTE programs include Carl D. Perkins federal funding and vocational start-up grant funding.

### CARL D. PERKINS FEDERAL FUNDS

Perkins V federal funds received through DCTE are used to improve CTE programs and services for students enrolled in CTE programs of study, which may also include other uses as outlined in Perkins V<sup>217</sup>, including support and career preparation courses. Only CTE programs of study or CTE modified programs approved by DCTE are eligible for Perkins funding and graduation credits. If program approvals are unavailable due to unforeseen circumstances, Perkins funding and student graduation credits will not be negatively impacted.<sup>218</sup> Of the total funds that come to the state from the Perkins Act, 85% is distributed to local recipients, and the remaining 15% is used at the state level for administration (5%) and leadership (10%).<sup>219</sup> The 85% distributed to location recipients is further split between secondary (75%) and post-secondary (25%). Analysis of 2021 expenditure data showed almost \$3.8 million was disbursed to public school districts. There was a remaining budget of close to \$4.8M in aid from Perkins V funding.<sup>220</sup>

Fund Source	2021 Funding
Carl D. Perkins Federal	\$12,404,169

### STATE START-UP GRANTS

Annually, State Start-Up grants are provided on a competitive basis to assist with the start-up expenses of a new program of study.<sup>221</sup> Occupational area grant awards are available exclusively for the purpose of purchasing new equipment and program specific supplies, required training, assessment, and software to support newly approved career focus programs of study. The factors used for determining both approval and the amount of the grant awards are contingent on available funds, state priority, labor market data, and evaluation and review of the application and rubric.<sup>222</sup> Almost \$2.4M was awarded in 2021 to 59 schools for the start-up of 34 programs of study. Analysis of FY2021 expenditure data showed a balance of close to \$59,000 in Start-Up Aid.<sup>223</sup>

Fund Source	2021 Funding
Vocational Start-Up Grants	\$2,445,000

### SECONDARY TECHNICAL CENTERS

Funding to support secondary technical centers is to be determined by DCTE, in consultation with the Office of Skills Development, and approved by the State Board of Education.<sup>224</sup> Called “secondary

Fund Source	2021 Funding
Vocational Center Aid	\$19,240,092

<sup>216</sup> ADE Division of Career and Technical Education Program Operational Guide, September 2021

<sup>217</sup> Strengthening Career and Technical Education for the 21st Century Act, Pub. Law No. 115-224 (2018).

<sup>218</sup> DCTE Perkins Manual, July 2021

<sup>219</sup> Carl D. Perkins Career and Technical Education Act of 2006, 20 U.S.C. § 2322, Sec. 112(a).

<sup>220</sup> ASIS Expenditure Data provided by BLR Fiscal Division, April 2022.

<sup>221</sup> DCTE Policies and Procedures for Career and Technical Education, September 2021.

<sup>222</sup> DCTE Policies and Procedures for Career and Technical Education, September 2021.

<sup>223</sup> ASIS Expenditure Data provided by BLR Fiscal Division, April 2022.

<sup>224</sup> A.C.A §6-20-2305

vocational centers” or “multidistrict vocational centers” in statute<sup>225</sup> (and a variety of names in rules), these centers are typically sponsored by high schools or two-year colleges. In 2021, 30 Career Centers with 23 satellite locations were in place to serve high school students within a defined geographical region. The State Board of Education reviews recommendations from the Career Education and Workforce Development Board to establish new vocational centers to serve high school students from several school districts in locations where services are needed. The Office of Skills Development is required to provide an annual report to the State Board of Education on the financial viability of vocational centers, enrollment, programs, and the success of students.<sup>226</sup>

## CTE Programs of Study

Applications to implement new CTE programs of study are reviewed by content area personnel within ADE with input from industry leadership, as well as from secondary and postsecondary partners. Programs of study must offer a state-approved credentialing opportunity. Additionally, Career and Technical Student Organizations are a requirement of the federal Perkins program. Programs of study are reviewed annually to ensure they meet the federal Perkins V definition of a Program of Study;

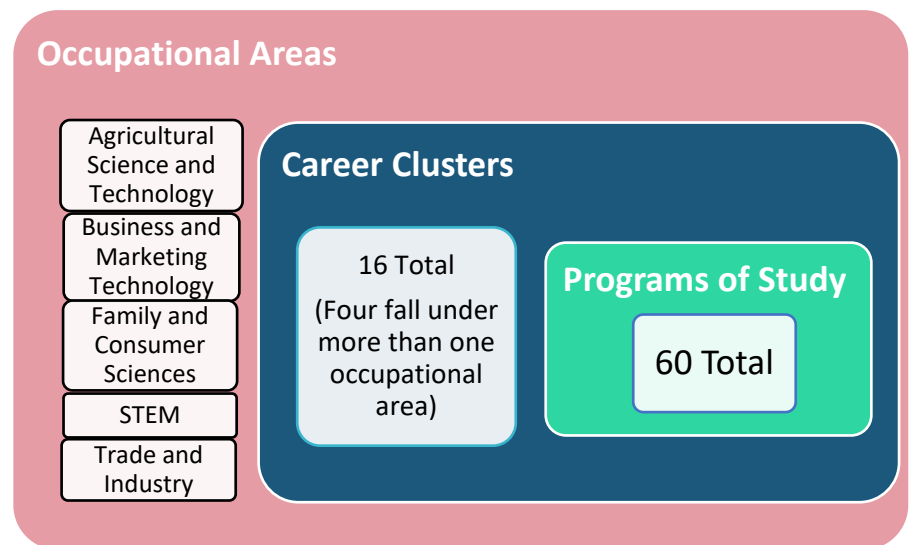
follow all policies and procedures; remove all critical elements identified in tiered support review(s); and follow all required CTE guidelines. Arkansas CTE programs of study are offered in 16 career clusters that fall under five occupational areas. Districts that do not offer required programs of study on campus may utilize other public schools, secondary technical centers, or postsecondary institutions to meet requirements upon approval by DCTE.<sup>227</sup>

CTE teachers’ licensures are submitted through the DESE’s Office of Educator Licensure. Additional endorsement and training requirements are outlined in the DCTE’s policy manual. CTE instructors teaching at a Secondary Technical Center (STC) must have a minimum of an associate’s degree within the area of instruction, have completed all necessary background checks, and have met all college accrediting standards for instructors.<sup>228</sup>

While districts are required to offer CTE programs, which include nine units of sequenced courses, students are not required to take CTE courses. A total of 457 distinct CTE courses were taught across the state in 2021, with 250 of the state’s 258 public school districts and open-enrollment charter school systems offering one or more CTE courses. The number of CTE courses that were offered to high school students varied widely by district.

## Work-Based Learning

Work-Based Learning (WBL) is a nationally recognized umbrella term that all WBL opportunities fall under. WBL includes industry-focused experiences that provide an opportunity for students to explore and engage in the learning and skills necessary to prepare them for the future workforce. The Perkins V federal definition of WBL is



<sup>225</sup> See, e.g. Ark. Code Ann. § 6-51-302 (concerning the subchapter on multidistrict vocational centers and its references to the approval of the establishment of secondary vocational centers that are operated by a postsecondary vocational-technical school or two-year college).

<sup>226</sup> Ark. Code Ann. § 6-51-302(f).

<sup>227</sup> DCTE Policies and Procedures for Career and Technical Education, September 2021

<sup>228</sup> DCTE Policies and Procedures for Career and Technical Education, September 2021

“sustained interactions with industry or community professionals in real workplace settings, to the extent practicable, or simulated environments at an educational institution that foster in-depth, first-hand engagement with the tasks required in a given career field, that are aligned to curriculum and instruction.”<sup>229</sup>

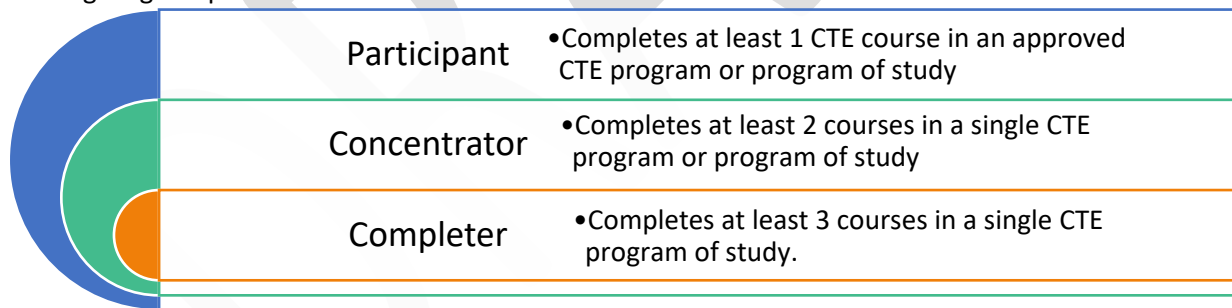
In 1991, the Arkansas General Assembly enacted companion measures, Acts 546 and 553 (codified in Ark. Code Ann. § 6-50-501 et seq.), which direct the DCTE to “develop and implement work-based learning programs to provide additional educational and training opportunities for Arkansas high school students.” Acts 546 and 553 further provide that the programs should include high-quality supervised learning opportunities on work sites, integrate academic and vocational teaching and learning, use competency-based measures for evaluating student progress, and provide both academic and occupational credentials. The table here shows the total number of CTE courses by course type taught in 2021 as well as the total enrollments and number of districts and open-enrollment public charter schools in which they were taught.

2021 Course Type	Courses	Enrollment	Districts/ Charters
CTE	6,372	157,567	251
CTE Concurrent	1,972	10,626	189
CTE Work-Based Learning	123	3,216	100
CTE Weighted	74	1,569	62

## CTE Students

As mentioned earlier, students are not required to take CTE courses, but they are required to complete six units of “career focus” credits. Additionally, as discussed above, Arkansas statute requires the preparation of a Student Success Plan for every student by the end of 8<sup>th</sup> grade, beginning in the 2019 school year. The plans are to be completed by school personnel in collaboration with parents and students and are required to include “college and career planning components.” In addition, districts are required to use college and career readiness assessment data to support strategies or programs to “increase the attainment of career credentials or technical certificates through expanded opportunities for students.”<sup>230</sup>

The following diagram provides definitions for the different terms used for CTE students.



In 2021, 113,868 students were considered participants, 43,192 were considered concentrators, and 18,071 were considered completers.<sup>231</sup> The three clusters with the highest number of students were 1) Agriculture, Food, and Natural Resources, 2) Business Management and Administration, and 3) Hospitality. CTE participants in 2021 were more often male (52%). In terms of race, the breakdown was 63% white, 18% black, 13% Hispanic, and 6% other.

## PERFORMANCE INDICATORS

As a component of its requirements under the federal Perkins Act, DCTE must report to the federal government measures of student performance in CTE. The following table provides data on several of the Perkins V performance measures identified in the State’s Perkins Plan<sup>232</sup>.

<sup>229</sup> DCTE Policies and Procedures for Career and Technical Education, September 2021

<sup>230</sup> Ark. Code Ann. § 6-5-2911

<sup>231</sup> University of Arkansas, Office of Innovation, April 2022.

<sup>232</sup> CTE Summary Document 2019 to 202, Division of Career and Technical Education

Perkins V Performance Measures	Target	2021 Performance
Graduation Rate (4-YR Adjusted Cohort)	87.1%	96.2%
Academic Performance	ELA: 48.4 MATH: 42.2 SCIENCE: 48.4	ELA: 65.7 MATH: 59.9 SCIENCE: 67.8
Post-Secondary Placement	75.8%	81.9%
Non-Traditional Enrollment	13.3%	32.0%
Post-Secondary Credentials	32.3%	14.5%

## 2020 APA Recommendations

When APA presented its Arkansas School Finance Study in 2020, one of the recommendations was for the state to adopt a career readiness definition that includes: 1) core academic knowledge and skills, 2) capabilities, 3) behavior skills and dispositions, and 4) postsecondary preparation and planning. The APA study team further recommended that the definition be focused on career readiness for all students, as college is just one of several pathways to a career.<sup>233</sup>

## Section 12: Arkansas Public Schools’ Waiver Pathways

During the 2021 school year, 813 of the 1,038 public schools in Arkansas operated under 11,427 individual waivers from the state’s education laws and rules. Those schools enrolled 78% of the state’s public school students and were located in 195 of the state’s 235 public school districts and in all 23 charter school systems.<sup>234</sup> While waivers is not a topic mandated under the adequacy study statute, the House and Senate Education committees first requested a report on waivers in 2018. Waivers are considered relevant because a number of the waivers granted today are for laws that grew out of the response to the Arkansas Supreme Court’s 2002 *Lake View* ruling, which declared the state’s education system to be unconstitutional. Many other waivers that schools operate under currently provide exemptions from adhering to the state’s Standards for Accreditation, which existed prior to the *Lake View* case but were identified in the *Lake View* ruling as one of the underpinning systems required for the education system to meet constitutional standards. Each biennium, the General Assembly updates the funding matrix, which is used to determine the amount of money necessary to provide a constitutionally adequate education system. A number of matrix items cover resources mandated in law or rule that fall in areas for which schools have been granted waivers. This section examines the presence of waivers in Arkansas. The unabridged version of this section can be found in the May 2, 2022, *Arkansas Public Schools’ Waiver Pathways* within Volume II of this report.

### Waiver Pathways in Arkansas

Arkansas provides a number of pathways for public school districts and charter systems or schools to apply for waivers from the state’s laws and rules governing education delivery. Conversion and open-enrollment charter school waivers have been available the longest – for more than 20 years. Schools of Innovation and “Act 1240” waivers were added in the last decade. The most recent to be added are Digital Learning Program Waivers, which were added for the 2021 school year to help schools deal with challenges presented by the COVID-19 pandemic. This latest category of waivers now represents the waiver that most schools have applied for and received. Waivers may not be sought from federal civil rights and special education laws. While most state-level mandates are eligible to be waived, laws governing open-records, teacher background checks, health and safety

<sup>233</sup> Augenblick, Palaich and Associates, WestED and Partners, “Arkansas School Finance Study,” prepared for the Arkansas Senate and House Education Committee, December 2020.

<sup>234</sup> Charter school systems do not include The Excel Center because it educates adults.

codes, state reporting and accountability requirements, and high school graduation requirements generally are not.<sup>235</sup> The waivers analyzed for this section do not include individual teacher waivers for which school districts and charter systems may also apply. Overall, the most frequent waivers that schools operated under in the 2021 school year were related to laws and rules governing class size, the instructional day, the school calendar, attendance, and recess.<sup>236</sup>

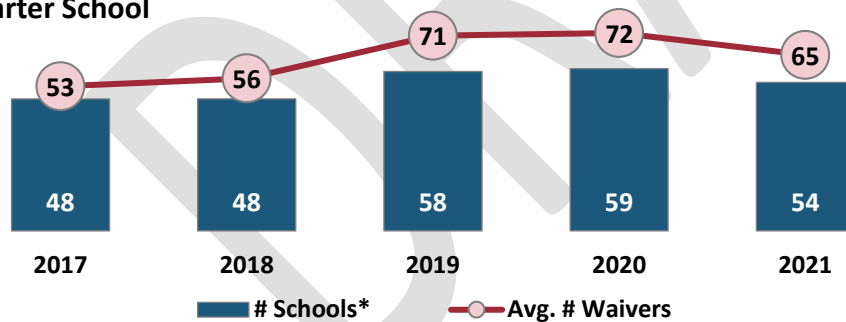
### OPEN-ENROLLMENT PUBLIC CHARTER SCHOOLS

Open-enrollment public charter school operators run schools that are not associated with one of Arkansas’s traditional school districts. Instead, they are usually operated by nonprofit, nonsectarian organizations, but universities and other eligible entities may apply for an open-enrollment public charter as well.<sup>237</sup> The planning process for an open-enrollment charter school takes about 18 months. Applications are considered by the Charter Authorizing Panel, which is composed of DESE staff and other stakeholders from outside the Division. Charters are approved for up to five years, at which time the State Board of Education may renew a charter for up to 20 years.

Upon opening, open-enrollment public charters schools often enroll students from across district or county boundaries. Because they have no tax base of their own, state aid supplies all of the per-student state foundation and categorical funding that traditional public school districts are guaranteed. Currently, a rolling cap is applied to open-enrollment public charter school applications,<sup>238</sup> which now can be approved without regard to the congressional district in which they are located. Any time the number of approved schools reaches within two of the current cap, another five slots are added to create a new maximum.

Open-enrollment public charter schools operate under more waivers per charter than do any other type of school allowed to obtain waivers. In 2021, 23 charter school systems running 54 individual schools operated under an average of 65 waivers per school. The most common waivers that open-enrollment charter schools operated under were related to laws and rules governing teacher salary and licensure, employing a fulltime superintendent, employing a library/media specialist, employing a counselor, and offering ALE.<sup>239</sup>

**Average Number of Waivers per Open-Enrollment Charter School**



On the whole, students tended to perform about the same in the open-enrollment public charter schools as they performed in all other schools, but FRL students tended to score lower in the open-enrollment charter schools than they did in all other schools.

\* Data for all years exclude The Excel Center, an open-enrollment public charter high school for adults.

<sup>235</sup> "Prohibited Waivers," DESE (Dec. 2016), retrieved at

[https://dese.ade.arkansas.gov/Files/20201127153924\\_Prohibited\\_Waivers\\_12\\_30\\_16.pdf](https://dese.ade.arkansas.gov/Files/20201127153924_Prohibited_Waivers_12_30_16.pdf)

<sup>236</sup> Waivers from Section 1-A.4.2 of the Rules Governing Standards for Accreditation of Arkansas Public Schools and School Districts, A.C.A. §6-10-126, and A.C.A. §6-18-213(a)(2) were the three most common.

<sup>237</sup> A.C.A. § 6-23-103(6)

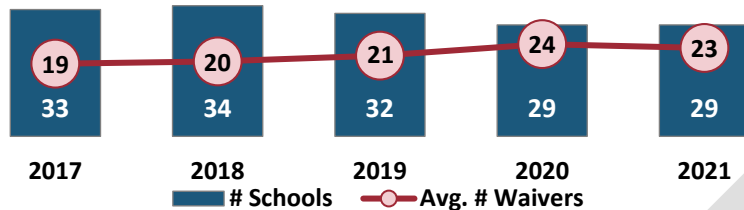
<sup>238</sup> A.C.A. § 6-23-304(c)(1)(A)

<sup>239</sup> Waivers from the School District Requirement for Personnel Policies, Salary Schedules, Minimum Salaries, and Document Posted to District Website rule was the most common, followed by sections 4-B.2, 4-D.1, 4-E-1, and 4-F.1 of the Rules Governing Standards for Accreditation of Arkansas Public Schools and School Districts, and Rules Governing Special Needs Funding.

### CONVERSION CHARTER SCHOOLS

Conversion charter schools are traditional public schools that have applied to operate under a charter, usually with waivers from some of the laws and rules governing Arkansas’s education system.<sup>240</sup> They enroll students from within the district in which they are located and are funded by the same tax base as other schools in their school district.

**Average Number of Waivers per Conversion Charter School**



Conversion charter schools, as with open-enrollment public charters, now submit applications to the Charter Authorizing Panel, which is appointed by the Secretary of DESE, rather than the State Board of Education.<sup>241</sup> Charters for these schools can be approved for up to five years. No limit to the number of conversion charter schools that may exist in the state has

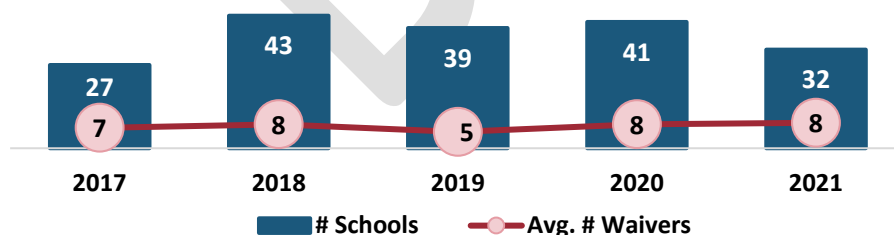
been legislated. Conversion charter schools operate under fewer waivers, on average, than do open enrollment public charter schools. During the 2021 school year, 29 schools in 25 districts operated under conversion charter school waivers, averaging 23 waivers apiece. The most common waivers that conversion charter schools operated under were related to laws and rules governing teacher salary and licensure and class size and teaching load.<sup>242</sup>

### DISTRICTS AND SCHOOLS OF INNOVATION

In 2013, Act 601 created districts and schools of innovation, which allowed these entities to apply for and operate under waivers from many of Arkansas’s education-related laws and rules, similarly to their public charter counterparts.<sup>243</sup> (Although the law allows the creation of districts of innovation, the applications approved are mostly for schools of innovation.) Act 601 did not place a cap on the number of allowed schools of innovation. The law does state that schools of innovation are to specify goals and performance targets for the school, which may include:

- Reducing the achievement gap
- Increasing student participation in curriculum options
- Exploring new ways to expand students’ college and career readiness
- Motivating students through innovative teaching and learning choices
- Transforming the school’s culture and climate to lead to “transformative teaching and learning”<sup>244</sup>

**Average Number of Waivers per School with Innovation Pathway Waivers**



The application process to become a district or school of innovation takes 12-18 months, approximately the same amount of time that it takes to get through the process for potential open-enrollment public or conversion charter schools.

<sup>240</sup> A.C.A. § 6-23-201 et seq.

<sup>241</sup> A.C.A. § 6-23-201(a)(1).

<sup>242</sup> Waivers from A.C.A. §6-17-309, §6-17-902, §6-17-401, §6-17-812, Sections 1-A.5 , 4-D.1 of the Rules Governing Standards of Accreditation of Arkansas Public Schools, and the Rules Governing Class Size and Teaching Load were the most common.

<sup>243</sup> DESE’s Rules Governing Schools of Innovation.

<sup>244</sup> A.C.A. § 6-15-2803(b)(1).

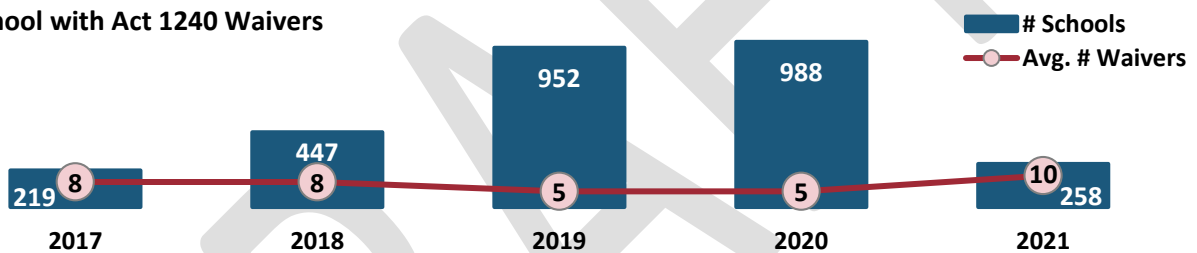
In 2021, 32 schools in 20 districts operated under waivers for schools of innovation, with an average of eight waivers apiece from Arkansas laws and rules. The most common waivers that these schools operated under were related to laws and rules governing teacher salary and licensure and the instructional day and school calendar.<sup>245</sup>

### ACT 1240 WAIVERS

Legislation passed in 2015 introduced another, quicker pathway to waivers that school districts can now pursue. Act 1240 districts (the law does not apply to schools) could request the same waivers held by any open-enrollment public charter school that enrolled a student from within the school district’s borders within a matter of months.<sup>246</sup> Act 815 of 2019 amended the law so that all schools may now seek any waiver that has been granted to any charter school in the state. These waivers still show up in DESE’s database as “Act 1240” waivers.

Districts submit applications for Act 1240 waivers to DESE’s Legal Services Offices and petition the State Board of Education directly for them. DESE’s rules state that these waivers may only be requested if they “enhance student learning opportunities, promote innovation, or increase equitable access to effective teachers.”<sup>247</sup> All Act 1240 waiver requests are presented during a hearing before the State Board of education, and the state board may grant or deny part or all of the waiver request.<sup>248</sup> The state board has 90 days to make a decision. Act 1240 waivers may be granted for up to five years,<sup>249</sup> and, at the expiration date, a district may seek to renew a waiver. The State Board of Education may also review and revoke these waivers at any time.

**Average Number of Waivers per School with Act 1240 Waivers**



During the 2021 school year, waivers dealing with teacher licensure and teacher salary were the most common waivers for these schools.<sup>250</sup> When looking only at those schools with Act 1240 waivers against all other schools, student performance overall is lower in schools with the waivers except for the subpopulation of non-FRL students in each subject areas

### DIGITAL LEARNING PROGRAM WAIVERS

Waivers for Digital Learning Programs (DLP) – actually an expedited version of Act 1240 waivers – were established by DESE to allow schools to teach students remotely through online courses. Education delivery can be provided either synchronously (meaning the teacher and student are online at the same time) or asynchronously. The waivers were put in place during the COVID-19 pandemic but currently last through June of 2022, 2023, or 2024. Separate local education agencies (schools) do not have to be formed but instead the DLP waivers are granted to existing schools. In 2021, 611 schools in 161 districts and open-enrollment public charter school systems operated under DLP waivers, meaning that some or all students could learn remotely some or all of the time, although having a waiver did not mean a school had to deliver education remotely. The most

<sup>245</sup> Waivers from A.C.A. §6-17-919, and Sections 1-A.2, 1-A.4.2, and 4-D.1 of the Rules Governing Standards of Accreditation of Arkansas Public Schools were the most common.

<sup>246</sup> A.C.A. § 6-15-103

<sup>247</sup> DESE Rules Governing Act 1240 Waivers, effective July 6, 2020.

<sup>248</sup> DESE’s Rules Governing Act 1240 Waivers.

<sup>249</sup> A.C.A. § 6-15-103(c)(4).

<sup>250</sup> Waivers from A.C.A. §6-17-309, §6-15-1004, §6-17-401 and §6-17-902 were the most common.



common waivers were for class size, the instructional day, recess and attendance.<sup>251</sup> Similar percentages of students scored Ready or Exceeding on the ELA and math ACT Aspire exams overall and in both subgroups.

## Section 13: K-12 Alternative Learning Environment (ALE)

According to A.C.A. § 6-48-102, all school districts in Arkansas are to provide their students with access to an alternative learning environment (ALE) program because some students do not learn well in the traditional classroom environment. This section focuses on ALE in Arkansas's K-12 public schools, including ALE program requirements, oversight, and funding and delivery of ALE. This report also examines the students who participate in ALE and the use of resources to meet their needs. More information can be found in the May 2, 2022, *K-12 Alternative Learning Environments* report found in Volume II of this report.

### Literature Review

The current definition of alternative learning used by the U.S. Department of Education's NCES is "a public elementary/secondary school that addresses needs of students that typically cannot be met in a regular school, provides nontraditional education, serves as an adjunct to a regular school, or falls outside the categories of regular, special or vocational education."<sup>252</sup> The NCES elaborates that students at risk of educational failure are those "as indicated by poor grades, truancy, disruptive behavior, pregnancy, or similar factors associated with temporary or permanent withdrawal from school."<sup>253</sup> The focus on at-risk students is the defining factor for most of the 43 states and the District of Columbia with statutorily described alternative education, all of which embody their own definitions.<sup>254</sup> Yet, while the target population and overall goals are similar, alternative learning environments encompass myriad forms. Various researchers list everything from prisons and hospital schools to virtual and language immersion schools.<sup>255</sup>

According to the National Alternative Education Association, "[n]ontraditional and alternative education delivers innovative 21<sup>st</sup> Century approaches to teaching and learning which provide students with the opportunity to meet graduation requirements, engage in college and career readiness, and participate as productive members of their communities."<sup>256</sup> To enhance the quality of alternative education across the United States, the National Alternative Education Association (NAEA) has identified and crafted 15 exemplary practices in the field. According to the NAEA, the exemplary practices were developed from research on productive alternative programs and the wisdom of alternative educators, and represent a national effort to develop a common core of principles. Additionally, the Association has identified specific indicators of quality programming that signify meeting each of the identified exemplary practices. The NAEA indicates both the exemplary practices and the indicators are essential to quality alternative education programming.

### ALE Programs

According to state rules, ALE programs must submit to DESE every three years a program description that documents the program's compliance with A.C.A. § 6-48-101 *et seq.*, as well as DESE rules. Program approval is contingent on satisfactory review of the program description, annual report data, and assurance statement

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<sup>251</sup> Waivers from A.C.A. §6-10-126, §6-18-213(a)(2) and Section 1-A.4.2 of the Rules Governing Standards for Accreditation of Arkansas Public Schools and School Districts were the most common.

<sup>252</sup> "How Do States Define Alternative Education?" by A. Porowski, R. O'Conner and J.L. Luo, National Center of Education Evaluation and Regional Assistance, Institute of Education Sciences, U.S. Department of Education, September 2014.

<sup>253</sup> "How Do States Define Alternative Education?"

<sup>254</sup> "How Do States Define Alternative Education?"

<sup>255</sup> "Critical Analysis of Accountability Policy in Alternative Schools: Implications for School Leaders" by Lynn M. Hemmer, *Journal of Educational Administration*, January 2013.

<sup>256</sup> "Exemplary Practices 2.0: Standards of Quality and Program Evaluation 2014," National Alternative Education Association, 2014.

submission.<sup>257</sup> The Alternative Education Unit (AEU) within DESE approves and oversees public school ALE programs across the state.

DESE’s rules for ALEs provide some parameters by which programs must adhere. They are to provide intervention services to address students’ specific educational and behavioral needs, including access to a school counselor, mental health professional, nurse, and other support services that are “substantially equivalent” to those provided to students in the traditional school environment. Additionally, ALEs are to provide students with the guidance, counseling, and academic support necessary to make progress toward educational goals.<sup>258</sup>

ALEs are to provide a curriculum that includes the basic subjects and adheres to the Arkansas academic standards.<sup>259</sup>

ALE teachers are not required to obtain special endorsements to teach in an alternative learning environment, but DESE’s rules do require training related to specific needs and characteristics of students in alternative learning environments, and ALE teachers must be able to demonstrate Arkansas Qualified Teacher status in any area for which they are not licensed.<sup>261</sup> ALE programs also utilize other professionals to address behavioral, social, and emotional needs of children. These services are described in each program’s description that must be approved by DESE.

Class Size Limits	Traditional Classroom	ALE Classroom
Kindergarten	20, or 22 w/aide	10, or 12 w/aide <sup>260</sup>
Grades 1-3	25	
Grades 4-6	28	15, or 18 w/aide
Grades 7-12	30	

According to A.C.A. § 6-48-104(d), DESE shall provide to the House Committee on Education and the Senate Committee on Education an annual report (“legislative report”) on the information reported to it under A.C.A. § 6-48-102, which includes information on race and gender of the students educated in the ALE and any other information regarding students’ education in the ALE that DESE requires by rule. The statute also calls for the legislative report to include information on the effectiveness of ALEs evaluated under A.C.A. § 6-48-101 et seq., which governs Alternative Learning Environments. State law further requires DESE to evaluate ALE programs based on measures of effectiveness.

## ALE Students

Students are placed in ALE for a variety of reasons. DESE’s rules specify the 12 behaviors or situations for which a student can be identified for ALE.<sup>262</sup> Placement in alternative learning cannot be based solely on academic problems.<sup>263</sup> Instead, a student may be recommended for alternative learning if he or she meets two or more of the following barriers to learning:

*Ongoing, persistent lack of attaining proficiency levels in literacy and math	Single parenting (meaning the student is a single parent)
Abuse: physical, mental, or sexual	Pregnancy
Frequent relocation of residency	Personal or family problems or situations
Homelessness	Recurring absenteeism
Inadequate emotional support	Dropping out of school
Mental/physical health problems	Disruptive behavior

*\*Students cannot be placed in an ALE program for academic problems alone.*

<sup>257</sup> ADE "Rules Governing Student Special Needs Funding," Rule § 4.05 (July 2020).

<sup>258</sup> ADE "Rules Governing Student Special Needs Funding," Rules §§4.01.2-3 (July 2020).

<sup>259</sup> ADE "Rules Governing Student Special Needs Funding," Rule § 4.04.2.1 (July 2020).

<sup>260</sup> Middle school programs that encompasses 5<sup>th</sup> and/or 6<sup>th</sup> grade mixed in with 7<sup>th</sup> and/or 8<sup>th</sup> grade may have a ratio of 15, or 18 with an aide, according to DESE. Email from ALE Director dated Jan. 23, 2020.

<sup>261</sup> ADE "Rules Governing Student Special Needs Funding," Rule § 4.01.3.1 (July 2020).

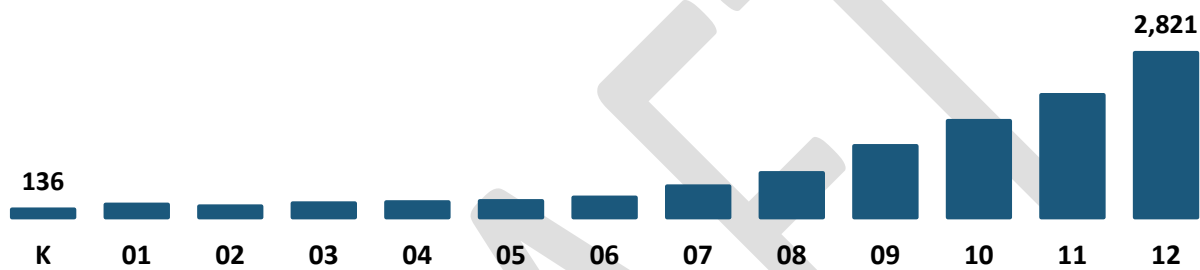
<sup>262</sup> ADE "Rules Governing Student Special Needs Funding," Rule 4.02.1 (July 2020).

<sup>263</sup> *Id.* at Rule 4.02.1.

Students who meet two or more of the above criteria may be placed in an ALE only on the recommendation of a school-based Alternative Education Placement Team, which may also include the student’s parent and the student.<sup>264</sup> Before or upon entry, an ALE is required to assess each ALE student with effective, research-based assessment tools to determine current academic capability<sup>265</sup> and then develop a Student Action Plan.<sup>266</sup> Each plan outlines the intervention services to be provided to address the student’s specific educational needs and, if appropriate, the student’s behavioral needs. The plan must also include the goals and objectives the student must meet to return to the regular educational environment and specific exit criteria. Before a student returns to the regular educational environment, the Placement Team is to develop a transition or positive behavioral plan to support the move back to the regular classroom.<sup>267</sup>

In 2021, there were 10,761 individual students and 6,158 FTE students in ALE. The total number of ALE students has declined over the last three years, but the number of FTEs have not declined in proportion to the overall enrollment decline. This means that ALE students are spending more time in ALE, either more hours a day, more days a year, or both. In 2021, ALE students were 65% male, and most were in the upper grades.

### ALE Students



**Source:** ALE Legislative Reports. **Note:** The “Other” category includes students identified as Asian, Native American or Alaskan Native, Native Hawaiian or Pacific Islander, and Two or More Races.

### Effectiveness Indicators

As previously mentioned, state law requires that DESE is to promulgate rules that establish, among other things, “measures of effectiveness for alternative learning environments” to assess the ALE program’s effect on students’ 1) school performance, 2) need for intervention, and 3) school attendance and dropout rates. While DESE rules do not explicitly reflect those measures, DESE does include some of this information in its annual legislative report. Two additional indicators that the BLR analyzed regarding ALE program effectiveness are a comparison of test scores and of dropout rates.

ALE Indicators	2021
Exited ALE in the prior school year and returned to ALE in the reporting school year	24%
Returned to Traditional Educational Environment in the same school year	18%
Exited ALE and returned in the same school year	5%
Received GED during the reporting year	1%
Graduated after an ALE Intervention During Any Year*	10%
*Percent of all graduates	

### TEST SCORE COMPARISONS

Historically, ALE students have been far less likely to score as well on state standardized tests. The trend

2021	% Ready/ Exceeding, ELA	% Ready/ Exceeding, Math
ALE	7%	6%
Non-ALE	37%	37%

<sup>264</sup> *Id.* at Rules §§ 4.02.2.

<sup>265</sup> ADE "Rules Governing Student Special Needs Funding," Rule §4.04.1 (July 2020).

<sup>266</sup> *Id.* at Rule 4.02.4.

<sup>267</sup> *Id.* at Rule 4.02.6.

has not changed, as seen in the 2021 ACT Aspire math and English language arts scores shown in the charts below. A score of 3 or 4 on the ACT Aspire is considered proficient or above, though in ACT terms, a 3 is “ready” and a 4 is “exceeding.”

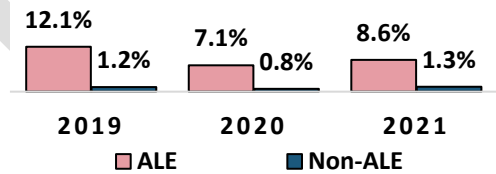
### DROPOUT RATES

The BLR analyzed dropout rates between ALE and non-ALE students. Using APSCN data, the BLR examined all individual students who dropped out of school for one of the reasons used to identify “dropouts” and their APSCN-reported cause for leaving school:

Failing grades	Conflict with school	Peer conflict	Health problems	Alcohol/drugs	Other
Suspended/expelled	Economic hardship	Enrolled in GED	Lack of interest	Pregnancy/marriage	

The chart to the right shows the dropout rate of 9<sup>th</sup> through 12<sup>th</sup> grade ALE students dropping out for one of the above reasons divided by the number of individual 9<sup>th</sup> through 12<sup>th</sup> grade ALE students in the same district compared to the dropout rate of non-ALE students using the same calculation. While it is not possible to know how many more students may have dropped out of school without ALE services, the dropout rate for ALE students is higher than it is for those students who are not enrolled in ALE.

Grades 9-12 Dropout Rates



## Section 14: English Language Learners (ELL)

Title VI of the Civil Rights Act of 1964 requires school districts to provide an equal educational opportunity to language minority students. Federal law provides that, “[n]o state shall deny equal educational opportunity to an individual on account of his or her race, color, sex, or national origin by ... the failure by an educational agency to take appropriate action to overcome language barriers that impede equal participation by its students in its instructional programs.”<sup>268</sup> Arkansas provides districts with categorical funds to assist districts and open-enrollment public charter school systems in meeting these requirements for English language learner (ELL) students. These funds must be spent on eligible activities as identified in current rules and are a supplement to the funding for national school lunch students. This section examines literature regarding ELL students nationally, how ELL programming works in Arkansas, and state data on Arkansas ELL students, including student achievement. More information can be found in the May 3, 2022, *English Language Learners* report found in Volume II of this report.

### Literature Review

Most schools in the United States use variations of one or all of the following to provide instruction for students learning English as a second language.<sup>269</sup>

- **Pull-out/push-in tutoring:** ELL students attend core academic classes in English while also being provided separate instructional support in the language by an ELL.
- **Sheltered English instruction:** This is a stand-alone classroom, typically for ELL students with low English proficiency.
- **Bilingual instruction:** Students receive ongoing language and subject matter instruction in both their native language and English.

According to EdWeek, an independent news organization, “there is relatively little rigorous research on the general effectiveness for each method, and evidence is particularly scarce on the most effective methods for

<sup>268</sup> 20 USC § 1703(f)

<sup>269</sup> Sparks, Sarah D. (May 2016). “Teaching English-Language Learners: What Does the Research Tell Us?”

<https://www.edweek.org/policy-politics/teaching-english-language-learners-what-does-the-research-tell-us/2016/05>

specific ELL populations.”<sup>270</sup> Research does show that “students who become fully fluent in multiple languages generally perform better academically than either fluent monolingual students or students who are not fully proficient in more than one language.

## English Language Learner Students

### STUDENT COUNT

In 2021, Arkansas public schools enrolled 39,155 ELL students, or 8% of the total student population. ELL students made up 8% of the total student population in districts and 7% in open-enrollment public charter schools. Approximately 18% of ELL students were also in special education.

2021	Total Student Population (All Students)	Number of ELL Students	Pct. of Total Student Population
Districts	449,486	37,489	8.3%
Charters	23,082	1,666	7.2%
<b>Total</b>	<b>472,568</b>	<b>39,155</b>	<b>8.3%</b>

Data Source: 2021 State Aid Notice and DESE Oct. 1 Enrollment

### PRIMARY LANGUAGES

In 2021, English language learners collectively spoke a total of 110 languages as their primary language. The home language of 83% of these students was Spanish. Marshalese followed with 8.1%.

## Program Overview

Under federal law, school districts are required to identify and assess students who may be limited English proficient.<sup>271</sup> Placement in the ELL program is made at the district level by a site-based Language Proficiency and Assessment Committee. Notification must be provided to parents or guardians in a language they can understand. English Learner services can be waived at any time and parents/guardians can request their child return to services at any time.

	2017	2021
Number of Entering ELL Students	6,102	5,282
Number of Students For Whom Waived ELL Services	281	467

Data Source: APSCN.

Note: The Arkansas School for the Blind, School for the Deaf, and Division of Youth Services are not included.

Neither state nor federal law specifies particular ESL curriculum or programs districts must use, but federal law does require districts to follow three principles when designing programs:

1. The educational approach selected must be “based on a sound educational theory.”
2. Districts must provide adequate staffing and resources to support the selected program.
3. The district must periodically evaluate and revise its program.<sup>272</sup>

Districts often use a combination of instructional methods to serve their ELL population at varying levels of English proficiency. There are two groups of programs: English language development programs and core content program models. The primary source of English language development instruction is embedded in core classes (49%). The most common method for providing core instruction to ELL students is to provide integrated support in content classes (86%). None of the programs Arkansas schools used in 2021 and prior years are dual language or bilingual programs—those offered both in English and in another language. Act 663 of 2021 allows a public school district or open-enrollment public charter school to adopt a bilingual program or a dual-immersion program approved by DESE. This change goes into effect for the 2022 school year.

DESE rules do not require specialized licensure for teachers teaching ESL. However, DESE does offer an ESL endorsement that can be added to the standard teaching license. The endorsement requires 12 hours of coursework and passage of the ESL Praxis. As of April 2022, 4,992 individuals have an ESL endorsement and, of

<sup>270</sup> “Teaching English-Language Learners: What Does the Research Tell Us?”

<sup>271</sup> U.S. Dept. of Justice and U.S. Dept. of Education. (2015). “Ensuring English Learner Students Can Participate Meaningfully and Equally in Educational Programs.” Retrieved from: <https://www2.ed.gov/about/offices/list/ocr/docs/dcl-factsheet-el-students-201501.pdf>

<sup>272</sup> U.S. Department of Education, Office of Civil Rights, Programs for English Language Learners, [https://dese.ade.arkansas.gov/Files/20201221103738\\_OCR\\_ELL\\_Guide.pdf](https://dese.ade.arkansas.gov/Files/20201221103738_OCR_ELL_Guide.pdf)

those, 3,577 are currently employed teachers. However, it is not clear how many of those are actually working in ESL. APSCN data shows that 231 FTE ESL staff were employed in 2021. However, that number is likely lower than the actual number of people teaching ESL because of an inconsistency in how districts code ESL salaries (e.g. classified ESL staff vs. certified ESL teachers).

### *EXITING THE PROGRAM*

The Language Proficiency and Assessment Committee will annually review the progress of each identified English Learner’s progress in acquiring English. The review includes a committee analysis of ELPA 21 summative assessment scores and other available student performance data.

#### **Monitoring Exited Students**

Once students exit the ELL program, they must continue to be monitored and receive appropriate academic supports as needed for four years.<sup>273</sup> “Students are eligible to be released from monitoring if they continue to demonstrate English language proficiency and academic growth/success/grade-level proficiency in reading, writing, and other content areas.”<sup>274</sup>

	No. of Exiting Students	Pct. of ELL Enrollment
<b>2021</b>	3,210	8.2%

Data Source: APSCN

Note: The Arkansas School for the Blind, School for the Deaf, and Division of Youth Services are not included.

Number of Former ELL Students Being Monitored	2021
<b>Students in Year 1 Monitoring</b>	3,968
<b>Students in Year 2 Monitoring</b>	4,047
<b>Students in Year 3 Monitoring</b>	4,487
<b>Students in Year 4 Monitoring</b>	3,316
<b>Total Students in ELL Monitoring</b>	<b>15,818</b>

## Progress Toward English Language Proficiency Assessment

Schools are annually required to assess their ELL students to determine whether they have progressed to English language proficiency or need continued services.<sup>275</sup> The ELPA21 summative assessment, developed by a consortium of states, including Arkansas, is used to assess English language proficiency across four domains: listening, speaking, reading, and writing. The ELPA21 assigns each student a proficiency level based on his or her proficiency scores in each domain. In 2021, of Arkansas’s 38,254 ELL students, 10% were considered Emerging, 75% were considered Progressing, and 15% were considered Proficient.

For 2021, the statewide average English language proficiency growth score among ELL students was 83.38, where a score of 80 is right on track with a student’s expected score based on his or her previous test scores. A score higher than 80 indicates a higher level of growth than would be expected for that student, and a score less than 80 indicates a score lower than would be expected for that student.

### *STUDENT ACHIEVEMENT ON ACADEMIC CONTENT ASSESSMENTS*

In addition to assessing ELL students’ progress toward English language proficiency, ELL students’ success in mastering academic content is also monitored. At the state level, that is measured using the ACT Aspire; and at the national level, the NAEP can be used.

The ACT Aspire is the assessment used for Arkansas students statewide in grades 3 to 10. It is a criterion-referenced test, and the four score levels for the ACT Aspire are In Need of Support, Close, Ready, and Exceeding. The goal is for students to score ready and above. The ACT Aspire tests students’ content knowledge acquisition only and is not a test of English-language proficiency. In

2021	% Ready/ Exceeding, Math	% Ready/ Exceeding, ELA
<b>ELL</b>	13.3%	7.8%
<b>% Non-ELL</b>	38.2%	39.3%

<sup>273</sup> ESSA § 3121(a)(5)

<sup>274</sup> ADE. Professional Judgement Rubric/Exit Criteria Guidance. (2018).

<sup>275</sup> U.S. Dept. of Justice and U.S. Dept. of Education. (2015). “Dear Colleague Letter dated Jan. 7, 2015.” Retrieved from: [https://dese.ade.arkansas.gov/Files/20201221103913\\_colleague-el-201501.pdf](https://dese.ade.arkansas.gov/Files/20201221103913_colleague-el-201501.pdf)

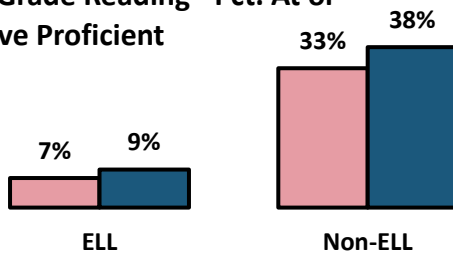
Arkansas, the assessment is administered only in English, but ELL students are allowed accommodations as needed.

### NAEP

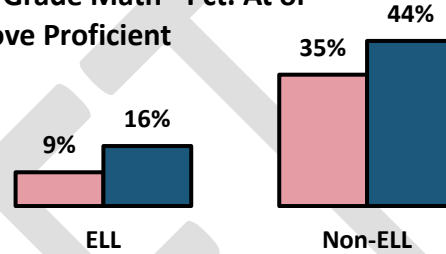
NAEP scores are also important to consider when looking at the progress of Arkansas’s ELL students. The NAEP test is given to a sample of students in every state, so it allows for comparison across states on a common assessment. The following tables provide information on percentage of ELL students scoring ready or exceeding compared to non-ELL students on the NAEP in 2019 (the most recent scores available) for Arkansas compared to the national average.



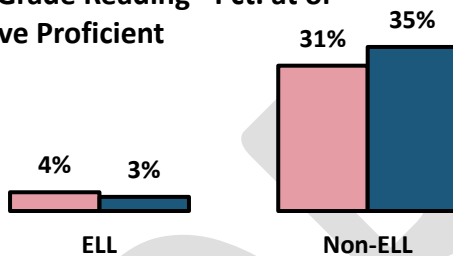
**4th Grade Reading - Pct. At or Above Proficient**



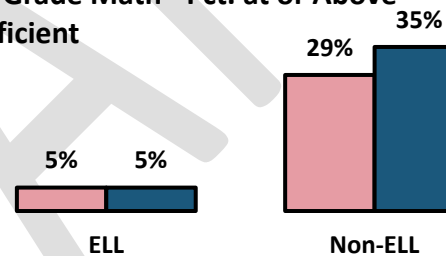
**4th Grade Math - Pct. At or Above Proficient**



**8th Grade Reading - Pct. at or Above Proficient**



**8th Grade Math - Pct. at or Above Proficient**



## Section 15: Enhanced Student Achievement (ESA)

More than 65% of Arkansas’s public school children each year are eligible for free and reduced-price lunches (FRL), and over 80% of the state’s 1,038 schools have at least 46% of their students who are FRL eligible. According to federal guidelines, students must be in families whose incomes are at or below 185% of the national poverty level to qualify for reduced-price meals, or at or below 130% of the national poverty level to qualify for free meals. In 2021, the poverty level for a family of four was \$26,500<sup>276</sup>, which equated to income of \$34,450 to qualify for a free meal or between \$34,451 and \$49,025 to qualify for a reduced-price meal.

For the last two decades, Arkansas has used additional categorical funding that is now known as Enhanced Student Achievement (ESA)<sup>277</sup> funding to help address the barriers FRL students often face. Uses of the funds are restricted to state-approved uses. In 2021, these included but were not limited to classroom teachers; before- and after-school academic programs, pre-kindergarten programs, tutors, teacher's aides, counselors, social workers, nurses, and curriculum specialists; parent education; summer programs; early intervention programs; and materials, supplies, and equipment including technology used in approved programs or for approved

<sup>276</sup> <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines/prior-hhs-poverty-guidelines-federal-register-references>.

<sup>277</sup> Act 1083 of 2019.

purposes. This section examines the use of ESA categorical funds by Arkansas school districts and charter school systems. More information can be found in the May 3, 2022, *Enhanced Student Achievement* report in Volume II.

## Literature Review

Poverty matters when it comes to a child’s opportunity to learn, a review of research shows – not just the presence of poverty in a child’s home environment, but the persistence of it as well.<sup>278</sup> Poverty also can affect a child’s school as research has found that many schools with high levels of poverty offer fewer advanced classes, are staffed with less experienced teachers, and experience higher teacher turnover.<sup>279</sup> Research has found that effective spending of additional funds for poverty students can enhance learning for students facing challenges associated with poverty and even eliminate the achievement gap that often exists between poverty and non-poverty students<sup>280</sup> Funding policies that allocate more money to support low-income school districts results in greater student learning and reduced achievement gaps.<sup>281</sup> Some studies have shown that spending to reduce class sizes are most effective when classes reach a size of 15-18 students, with the effects strongest for students of color and schools serving concentrations of students in poverty.<sup>282</sup> Another substantial body of research shows that teacher pay matters. Teachers’ overall wages and relative wages affect “the quality of those who choose to enter the teaching profession – and whether they stay once they get in.”<sup>283</sup>

## Identifying Poverty Students in Arkansas

To determine categorical funding in Arkansas, Ark. Code Ann. §6-20-2305(b)(4) specifies that ESA funding shall be provided “for each identified national school lunch student.” Based on eligibility numbers districts submitted to DESE in October 2021, 128,706 students were eligible by direct certification, and 145,875 students were eligible based on a meal application.<sup>284</sup>

Two federal programs allow schools to serve free meals to all of their students, both with a goal of eliminating paperwork for school personnel and ensuring children are fed. Provision 2 allows schools to serve all meals at no charge for a four-year period. Schools make eligibility determinations during the first year, and then make no eligibility determinations for the next three years. For the 2022 school year, 24 Arkansas school districts participated in Provision 2, with a total of 100 schools participating. Funding is based on the first year eligibility numbers. The Community Eligibility Provision (CEP) is a federal program<sup>285</sup> for schools and school districts in low-income areas, allowing schools and districts to serve breakfast and lunch to all students at no cost without collecting household applications. Previously, base year calculations determined the percentage FRL for CEP districts, but DESE’s new rules specify that schools will be reimbursed using a formula based on the percentage of students participating in other specific means-tested programs, like SNAP. For the 2021 school year, 75 districts were participating, for a total of 256 schools.<sup>286</sup>

### **Alternatives to FRL Counts**

In 2020, Augenblick, Palaich, and Associates presented four common alternatives to counts of students qualifying for free and reduced-price meals through the federal National School Lunch program:

- 1) Direct certification of eligibility for other public support programs
- 2) Census or Title I poverty counts
- 3) Other student risk factors (homeless, foster care, etc.)
- 4) Some combination of the above

<sup>278</sup> Olszewski-Kubilius, P. and Corwith, S. (Gifted Child Quarterly, 2018) “Poverty, Academic Achievement, and Giftedness: A Literature Review.”

<sup>279</sup> Ibid.

<sup>280</sup> Ibid.

<sup>281</sup> Ibid.

<sup>282</sup> Ibid.

<sup>283</sup> “How Money Matters for Schools.”

<sup>284</sup> Ibid.

<sup>285</sup> The Healthy, Hunger Free Kids Act (HHFKA, Public Law 111-296, Sec. 104 (Dec. 2010).

<sup>286</sup> “Achieving Kindergarten Readiness for All our Children: A Funder’s Guide to Early Childhood Development from Birth to Five.”



## ALTERNATIVE METHODS FOR DEFINING POVERTY

When the Senate and House Education Committees hired Augenblick, Palaich and Associates (APA) to perform the Arkansas School Finance Study in 2020, one of the charges for APA was to present alternative methods to FRL-status for identifying poverty students. (See box.) The loss of accuracy in reporting achievement levels for these students and in providing appropriate amounts of funding due to the Provision 2 and CEP programs prompted this request. APA reported that while alternative approaches to identifying students who would be eligible for ESA funding exist, all would cause change from the current distribution, which would create “winners” and “losers” after the funding changes were implemented

### Allowable Uses for ESA Expenditures

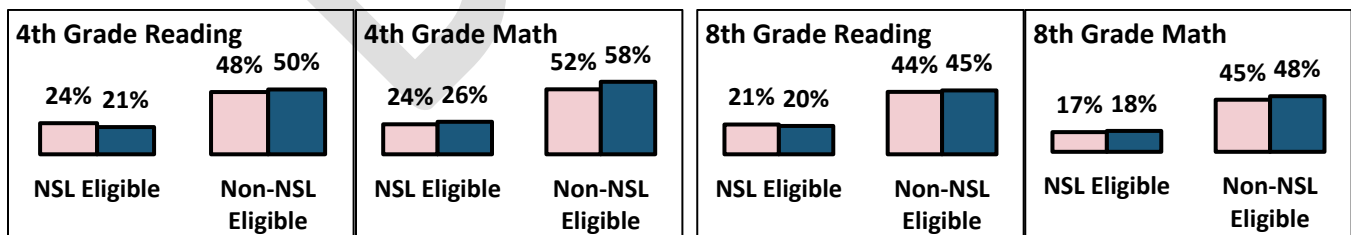
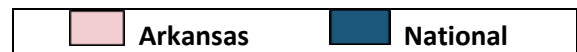
The following tables show the allowable ESA uses for which schools spent funds to support both regular FRL and special education FRL students. For these analyses, expenditures also include those made at the seven free-standing preschools in the state because preschool is considered an allowable expense for ESA funds. The first columns show those expenditures using all funds, while the second columns show the expenditures using only ESA or ESA Matching Grant funds.

Category	Expenditures for ESA Purposes from All Fund Sources		Expenditures for ESA Purposes from ESA and ESA Matching Grants Funds	
	Total Expenditures	Percent of Total	Total Expenditures	Percent of Total
More Intense Staffing	\$ 97.3 million	45%	\$ 93 million	44%
More Time on Task	\$ 21 million	10%	\$ 20.2 million	10%
Pre-Kindergarten	\$ 13.2 million	6%	\$ 10.4 million	5%
Tutors	\$ 10.1 million	4%	\$ 8.4 million	4%
Other ESA Uses	\$ 96.6 million	41%	\$ 79.4 million	38%

### Achievement of ESA Students

When looking at the scores of students who are FRL eligible (which, in Arkansas, triggers ESA funding) on the most recent NAEP tests, the patterns for Arkansas and the nation as a whole are very similar. The following charts show the differences in the percentages scoring proficient or above on the 2019 NAEP between FRL students and students who are not FRL eligible.

#### (2019) Percentage At or Above Proficient



Note: NAEP uses National School Lunch Program (NSL) eligibility as an indicator of poverty. This terminology is interchangeable with students considered eligible for free or reduced-price lunches (FRL).<sup>287</sup>

<sup>287</sup> NCES. “Eligibility for Free/Reduced-Price School Lunch.” Retrieved from: <https://nces.ed.gov/nationsreportcard/guides/groups.aspx>

The four score levels for the ACT Aspire are In Need of Support, Close, Ready, and Exceeding. The goal is for students to score Ready and above. The following table compares the percent of FRL students scoring Ready or Exceeding with the percent of non-FRL students on the English language arts (ELA) and math exams.

2021	% Ready/ Exceeding, ELA	% Ready/ Exceeding, Math
ESA (FRL)	27%	27%
% Non-ESA (FRL)	54%	52%

## Section 16: Special Education

The IDEA and Arkansas Code Annotated §6-41-202 guarantees a free, appropriate public education (FAPE) to each child with a disability in Arkansas. Every eligible student with a disability has an individualized education program (IEP) in accordance with the federal law that serves as the student’s plan for specialized instruction. Arkansas Code § 6-41-217(b)(2) defines an IEP as a "written statement for each child with disabilities that is developed, reviewed, and revised in accordance with the requirements" of the law.<sup>288</sup> This section provides information on special education research-based best practices, students with disabilities in Arkansas, the performance of these students, and relevant results from the BLR educator surveys. More information is available in the May 3, 2022, *Special Education* report, which can be found in Volume II.

### Literature Review

In a 2020 study<sup>289</sup> focused on special education services, policies, and funding, multiple best practices for special education were identified from national research. Many of the policies also benefit students without disabilities in addition to those with disabilities. The report noted seven interconnected best practices found in research to improving special education services: 1) a rigorous general education curriculum; 2) a coordinated and sustained focus on reading; 3) extra time to learn; 4) targeted interventions; 5) content-strong teachers; 6) social-emotional supports; and 7) data to track progress and inform improvement. The study also noted that there is higher burnout for special education teachers as they are often expected to be experts in student instruction in multiple content areas and grades as well as behavioral experts, IEP compliance specialists, supports for general education staff, and parent liaisons. This likelihood for burnout can be exacerbated in smaller or more remote districts.<sup>290</sup>

### Students with Disabilities

In 2021, 66,279 students with disabilities were enrolled in Arkansas public schools, or 13.4% of the total student population. Students with disabilities made up 14.2% of the total student population in traditional school districts and 11.3% in open-enrollment public charter schools. The number of students with disabilities has increased by 11 percentage points from 2017 to 2021 statewide, while the total student population has decreased by 0.9 percentage points.

In Arkansas, 12 categories of disabilities are used to determine students’ eligibility for special education.<sup>291</sup> The 12 disabilities that qualify for special education in Arkansas mirror the 13 disabilities named in IDEA, except that Arkansas combines hearing impairment and deafness into one category.

<sup>288</sup> See also 20 U.S.C. § 1414(d)(1)(A)(i) (defining an IEP and specifying that IEPs include a number of additional statements and descriptions, including without limitation the child’s present levels of academic achievement and functional performance, measurable annual goals, how the child’s progress will be measured, and what special education and related services and supplementary aids and services will be provided to or on behalf of the child).

<sup>289</sup> District Management Group (Under subcontract with Picus, Odden, and Associates). (2020). “Assessing the Adequacy and Means of Funding Services for Students with Disabilities in Wyoming.” Prepared for the Wyoming Select Committee on School Finance Recalibration. Accessed at [https://wyoleg.gov/InterimCommittee/2020/SSR-2020122103-02\\_20201201\\_DMGroup-WyomingSpecialEducationReport\\_Final.pdf](https://wyoleg.gov/InterimCommittee/2020/SSR-2020122103-02_20201201_DMGroup-WyomingSpecialEducationReport_Final.pdf)

<sup>290</sup> District Management Group, 2020, p. 84.

<sup>291</sup> ADE (2019). “Special Education and Related Services 2.0 Definitions.”

The following table shows the breakout of Arkansas students with disabilities by disability category in 2021.

Disability	Number of Students with Disabilities 2021	Percent of Students with Disabilities 2021
Autism	5,708	9%
Other Health Impairments	12,737	19%
Speech/Language Impairments	16,946	26%
Specific Learning Disabilities	19,538	29%
Emotional Disturbance	1,069	2%
Multiple Disabilities	1,358	2%
Intellectual Disability	8,064	12%
All Others <sup>292</sup>	859	1%
<b>Total</b>	<b>66,279</b>	

Under IDEA and Arkansas Code, students with disabilities are to be educated in the “least restrictive environment.” According to federal law<sup>293</sup>, students with disabilities should be educated with children who are not disabled “to the maximum extent appropriate.” Education provided outside the regular educational environment should occur “only when the nature or severity of the disability of a child is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily.”<sup>294</sup> In the 2021 school year, nearly 60% of Arkansas students with disabilities were placed in a regular class with special education.

SPED Licensure and Enrollment	2021
Number of Individuals Holding SPED License and/or Endorsement	13,143
Number of SPED ALPs	373
Number of SPED LTS Teachers	189
Number of SPED FTEs	3,694
Number of Students with Disabilities	66,279

**Note:** The number of individuals holding a SPED licensure and/or endorsement could include individuals that may hold multiple licenses or may not be currently teaching.

## Special Education Teachers

Arkansas teachers held 18 types of special education licenses or endorsements in the 2021 school year. Of those 18, only 11 of those are granted to new licensees. The remaining licenses were discontinued. Two of these active ones are specific to dyslexia, a diagnosis that can sometimes qualify a student for special education.

In 2021, 373 additional licensure plans (ALPs) were requested for special education. An ALP is given to an educator to become certified in a particular subject/class while teaching that class. Educators can be employed out of their licensure areas for up to three consecutive school years (with approval from the State Board of Education). Additionally, 189 long-term substitute teachers (LTS) were requested for special education in the 2021 school year. A LTS teacher takes the place of the contracted teacher for longer than 30 consecutive days and must hold a minimum of a bachelor’s degree or be licensed to teach in Arkansas.

<sup>292</sup> All others include deaf-blindness, deaf/hearing impairment, orthopedic impairment, traumatic brain injury, and visual impairment.

<sup>293</sup> 20 U.S.C. §1412(a)(5)(A)) See also Ark. Code Ann. § 6-41-204(a).

<sup>294</sup> *Id.*

## Student Achievement

Students with disabilities are required to participate in state assessments. Students' IEP teams must decide whether each special education student will take the regular state assessment, the assessment with accommodations, or, for a very small percentage of students with significant cognitive disabilities, an alternate assessment. The number of students taking each subject tested using the alternate assessment cannot exceed 1% of the total number of students in the state being assessed in that subject<sup>295</sup>. If states expect to exceed that cap, they must request a waiver through the U.S. Department of Education. Arkansas has applied for this waiver for the last four assessments.

### *ACT ASPIRE*

The ACT Aspire is the assessment used for Arkansas students statewide in grades 3- 10. The percentage of students scoring "ready" or "exceeding" in Math and ELA are shown in the following table for students in special education compared to students not in special education.

Percentage of Students Ready or Exceeding			Total Tested	
Math				
	<u>SPED</u>	<u>Non-SPED</u>	<u>SPED</u>	<u>Non-SPED</u>
<b>2021</b>	8.20%	40.7%	37,106	246,693
English Language Arts				
	<u>SPED</u>	<u>Non-SPED</u>	<u>SPED</u>	<u>Non-SPED</u>
<b>2021</b>	5.30%	41.8%	37,106	246,693

### *ALTERNATE ASSESSMENT – DYNAMIC LEARNING MAPS (DLM)*

Arkansas uses the DLM as the alternative assessment for students with significant cognitive abilities. Roughly 2,500 students were assessed with the DLM in 2021. The following table shows the percentage of students with disabilities who scored the equivalent of ready/exceeding or target/advanced.<sup>296</sup>

	Math		English Language Arts		Test Used
	% Ready or Exceeding/ Target or Advanced	Total Tested	% Ready or Exceeding/ Target or Advanced	Total Tested	
<b>2021</b>	11.7%	2,428	23.8%	2,451	DLM

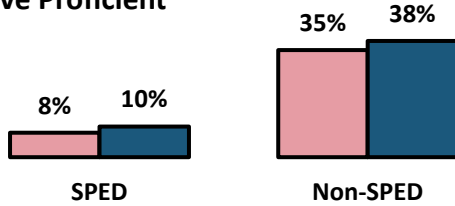
<sup>295</sup> 34 CFR §200.6(c)(2)

<sup>296</sup> DLM student score results are reported using four performance models, which are approved by the State of Arkansas: (1) the student demonstrates "emerging" understanding of and ability to apply content knowledge and skills represented by the Essential Elements; (2) the student's understanding of and ability to apply targeted content knowledge and skills represented by the Essential Elements is "approaching the target"; (3) the student's understanding of and ability to apply content knowledge and skills represented by the Essential Elements is "at target"; and (4) the student demonstrates "advanced" understanding of and ability to apply targeted content knowledge and skills represented by the Essential Elements. Essential Elements include ELA, mathematics, and science.

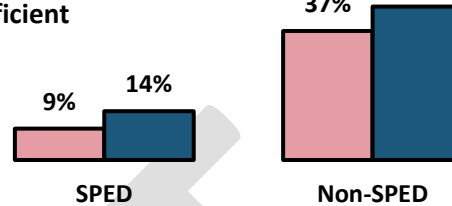
## NAEP

The following graphs show the 2019 NAEP results, the most recently available, for students with disabilities and those without on the 4<sup>th</sup> grade and 8<sup>th</sup> grade reading and math assessments. Students with disabilities in Arkansas scored lower than students without disabilities and scored lower than the national average in all four assessments shown below.

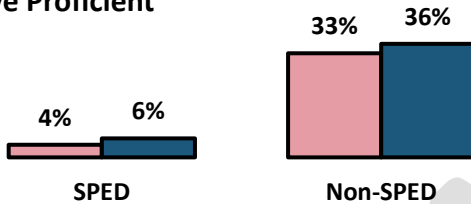
### 4th Grade Reading - Pct. At or Above Proficient



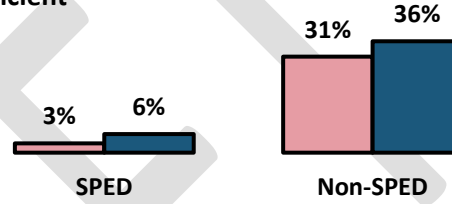
### 4th Grade Math - Pct. At or Above Proficient



### 8th Grade Reading - Pct. At or Above Proficient



### 8th Grade Math - Pct. At or Above Proficient



## ACT ASPIRE

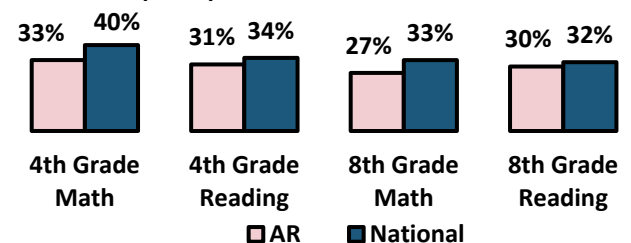
The ACT Aspire is the assessment used for Arkansas students statewide in grades 3-10. The percentage of students scoring “ready” or “exceeding” in Math and ELA are shown in the chart for students in special education compared to students not in special education.

2021 ACT Aspire	SPED	Non-SPED
Math	8.2%	40.7%
ELA	5.3%	41.8%

## Section 17: Student Achievement

This section reviews Arkansas public school student achievement data, including results from NAEP, AP, the ACT college entrance exam, the statewide assessment (ACT Aspire), and high school graduation rates. English language learner students and students with disabilities have additional assessments specific to their population. Results from those assessments can be found in their respective sections. More results are available in the June 2022 *Student Achievement* report found in Volume II.

### Pct. of Students Scoring At or Above Proficient (2019)



## National Assessment of Educational Progress (NAEP)

NAEP is a national assessment administered to a sample of students in every state approximately every two years in 4<sup>th</sup> and 8<sup>th</sup> grades across a variety of subjects. The most recent assessment available was taken in 2019. Students in the 12<sup>th</sup> grade are also tested but on a different schedule. It is the “largest nationally representative and continuing assessment of what students in public and private schools in the United States know and are able to do in various subjects.”<sup>297</sup> NAEP is congressionally mandated through the U.S. Department of Education. It allows for a “common measure of student achievement that allows for direct comparisons among states and

<sup>297</sup> [https://nces.ed.gov/nationsreportcard/subject/about/pdf/naep\\_overview\\_brochure\\_2021.pdf](https://nces.ed.gov/nationsreportcard/subject/about/pdf/naep_overview_brochure_2021.pdf)

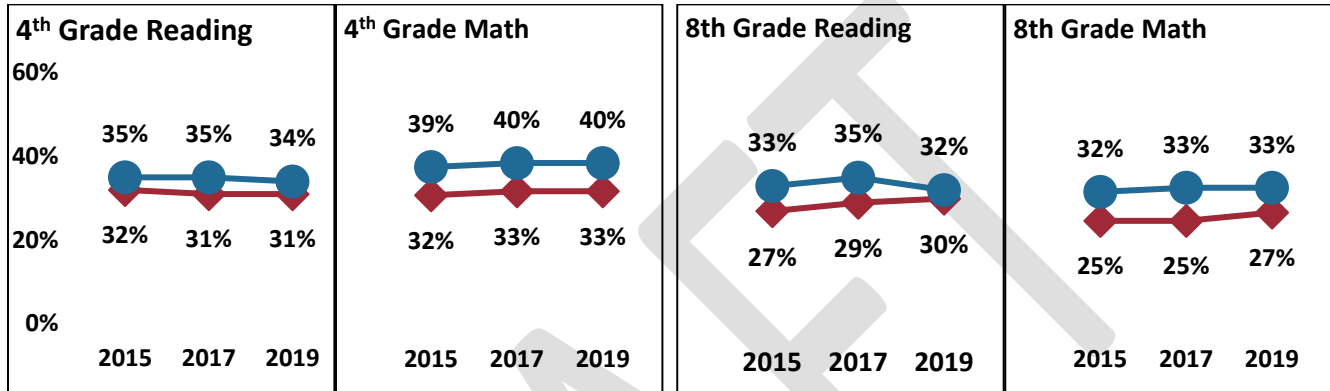
participating urban districts... Results are reported as scores and as percentages of students reaching NAEP achievement levels – NAEP Basic, NAEP Proficient, and NAEP Advanced.”<sup>298</sup> These achievement levels are defined below. NAEP results included in this report do not include scores from private schools.

- NAEP Basic “denotes partial mastery of prerequisite knowledge and skills that are fundamental for Proficient work at each grade.”
- NAEP Proficient “represents solid academic performance. Students reaching this level have demonstrated competency over challenging subject matter.”
- NAEP Advanced “represents superior performance.”<sup>299</sup>

**ALL STUDENTS**



**(2019) Percentage At or Above Proficient**



**AP**

The Arkansas AP program is “designed to improve course offerings available to middle school, junior high school, and high school students throughout the state” by providing “advanced educational courses that are accessible and will prepare students for admission to and success in a postsecondary educational environment.”<sup>300</sup>

Arkansas school districts must provide high school students with the opportunity to enroll in at least one AP course in each of the four core areas of English, math, science, and social studies.<sup>301</sup> AP courses are defined as “a high school level preparatory course for a college advanced placement test that incorporates all topics specified by the College Board and Educational Testing Service on its standard syllabus for a given subject area and is approved by the College Board and Educational Testing Service.”<sup>302</sup> Students may take AP exams which provide them the opportunity to qualify for college/university level credit.<sup>303</sup> These exams are scored on a scale of 1 to 5. Many U.S. colleges grant credit and/or advanced placement for scores of 3 or above.<sup>304</sup>

	2020	Arkansas	National
<b>Number of Students Taking AP Exams</b>		28,315	N/A
<b>Number of AP Exams Taken</b>		36,824	3,057,148
<b>Percentage of Exams That Scored 3 or Above</b>		45%	64%

Source: Office for Education Policy, DESE<sup>305</sup>, and the College Board<sup>306</sup>.

Note: Data includes Arkansas School for the Blind, School for the Deaf, and the Division of Youth Services.

<sup>298</sup> *Id.*

<sup>299</sup> NCES. Retrieved from: <https://www.nationsreportcard.gov/ndecore/help#sec38>

<sup>300</sup> Arkansas Code § 6-16-802. See also DESE “Rules Governing Grading and Course Credit.” (6-1.01). Retrieved from: [https://dese.ade.arkansas.gov/Files/20201102110218\\_FINAL\\_Rules\\_Governing\\_Grading\\_and\\_Course\\_Credit\\_1.pdf](https://dese.ade.arkansas.gov/Files/20201102110218_FINAL_Rules_Governing_Grading_and_Course_Credit_1.pdf)

<sup>305</sup> <http://www.officeforeducationpolicy.org/act-ap/>

<sup>306</sup> College Board. “AP Score Distributions All Subjects 2000-2020.” Retrieved from: <https://reports.collegeboard.org/ap-program-results/data-archive>

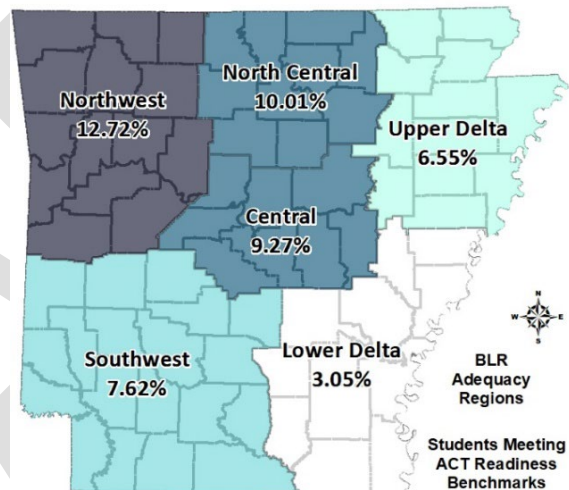
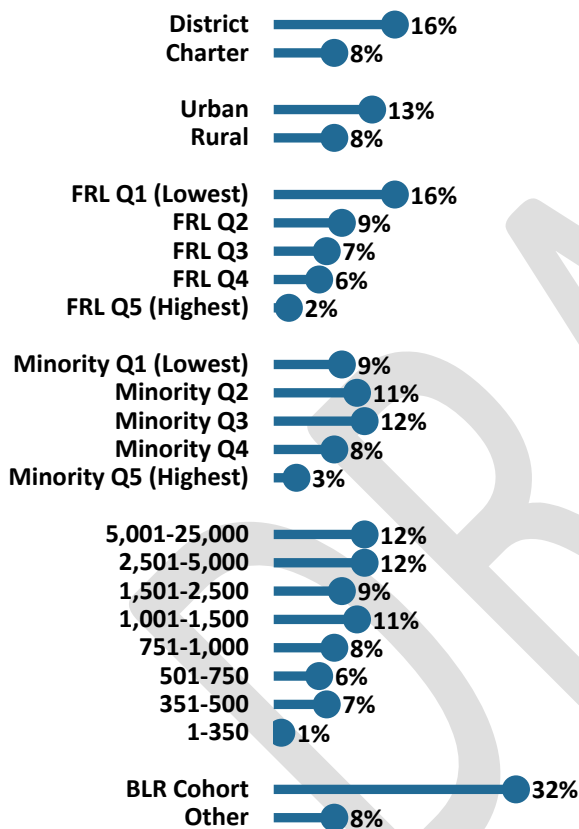
## ACT

The ACT is “a national college admissions examination recognized by universities and colleges in the U.S.”<sup>308</sup> Arkansas provides one opportunity for all Arkansas 11<sup>th</sup> grade students to test at their respective high schools.<sup>309</sup> The ACT contains four multiple-choice tests: English, math, reading, and science.<sup>310</sup> The score range for each of the four multiple-choice tests is 1-36. The composite score is the average of the four test scores rounded to the nearest whole number.”<sup>311</sup>

Arkansas Graduating Class		2021
English	Pct. Met College Readiness Benchmarks	49%
	Average ACT Score	18.3
Math	Pct. Met College Readiness Benchmarks	22%
	Average ACT Score	18.1
Reading	Pct. Met College Readiness Benchmarks	32%
	Average ACT Score	19.0
Science	Pct. Met College Readiness Benchmarks	24%
	Average ACT Score	19.1
All Subjects	Pct. Met All Four College Readiness Benchmarks	14%
	Average Composite ACT Score	18.8

Data Source: ACT.<sup>307</sup> Note: Students in private schools are not included here.

### Pct. of Students Meeting All ACT Readiness Benchmarks



Data Source: DESE<sup>312</sup>

Note: Data does not include Arkansas School for the Blind, Arkansas School for the Deaf, or Division of Youth Services.

<sup>303</sup> DESE. “Rules Governing Grading and Course Credit.” (1-2.02)

<sup>304</sup> College Board. “About AP Scores.” Retrieved from: <https://apstudents.collegeboard.org/about-ap-scores#:~:text=AP%20Exams%20are%20scored%20on,scores%20of%203%20and%20above>

<sup>305</sup> <http://www.officeforeducationpolicy.org/act-ap/>

<sup>306</sup> College Board. “AP Score Distributions All Subjects 2000-2020.” Retrieved from: <https://reports.collegeboard.org/ap-program-results/data-archive>

<sup>307</sup> ACT. “The ACT Profile Report – State; Graduating Class 2021, Public High School Students; Arkansas.”

<sup>308</sup> DESE. Retrieved from: <https://dese.ade.arkansas.gov/Offices/learning-services/assessment/the-act--resources-for-parentsstudents>

<sup>309</sup> Ark. Code Ann. § 6-18-1606(b).

<sup>310</sup> The national administration of the test includes an optional writing test. Email from Sheree K. Baird, DESE Assessment Program Manager. (June 2, 2022).

<sup>311</sup> ACT. Retrieved from: <https://www.act.org/content/act/en/products-and-services/the-act-educator/the-act-test.html#order-reg-materials>

<sup>312</sup> DESE. “Arkansas ACT Grade 11 School and District Report. Retrieved from: <https://dese.ade.arkansas.gov/Offices/learning-services/assessment-test-scores/2021>

## NATIONAL COMPARISON

	Pct. of Graduates Tested	Average Composite Score	Pct. Meeting English Benchmark	Pct. Meeting Reading Benchmark	Pct. Meeting Math Benchmark	Pct. Meeting Science Benchmark
Arkansas	99%	19.0	51%	34%	23%	26%
National	35%	20.3	56%	44%	36%	35%

Data Source: College Board<sup>313</sup>

## ACT Aspire

“Arkansas law requires that all public school students shall participate in a statewide program of educational assessments per Ark. Code Ann. § 6-15-419, 6-15-433, 6-15-2009. In the 2015-16 school year, the State Board of Education adopted the ACT Aspire summative assessment.”<sup>314</sup> The ACT Aspire end-of-year summative assessment is used to “assess all Arkansas public school students in grades 3-10 unless they qualify for an alternate assessment” in English, reading, writing, math, and science.<sup>315</sup> Average scores for English, reading, and writing are combined to form an English language arts score that is shown in the accompanying chart.<sup>316</sup> Scale scores at each grade are combined into four achievement levels: “Exceeding”, “Ready”, “Close”, and “In Need of Improvement”.

2021	Percentage of Students Scoring Ready or Exceeding	
	ELA	Math
3 <sup>rd</sup> Grade	30%	49%
4 <sup>th</sup> Grade	36%	43%
5 <sup>th</sup> Grade	34%	35%
6 <sup>th</sup> Grade	38%	42%
7 <sup>th</sup> Grade	39%	37%
8 <sup>th</sup> Grade	43%	36%
9 <sup>th</sup> Grade	38%	27%
10 <sup>th</sup> Grade	37%	22%

Students whose scores fall within the “Exceeding” or “Ready” categories are considered on target for college and workplace readiness by the end of high school.<sup>317</sup> The state’s long-term goal is for 80% students to score proficient for their grade level by 2030.<sup>318</sup> The following ACT Aspire scores do not include the Arkansas School for the Blind, Arkansas School for the Deaf, the Division of Youth Services, or The Excel Center, which is a charter school for adults.

<sup>313</sup> ACT. “Average ACT Scores by State Graduating Class of 2021.” Retrieved from:

<https://www.act.org/content/dam/act/unsecured/documents/2020/2020-Average-ACT-Scores-by-State.pdf>

<sup>314</sup> DESE. “ACT Aspire.” Retrieved from: <https://dese.ade.arkansas.gov/Offices/learning-services/assessment/act-aspire>

<sup>315</sup> *Id.*

<sup>316</sup> ACT. “ACT Aspire Summative Score Labels.” Retrieved from: <https://success.act.org/s/article/ACT-Aspire-Summative-Score-Labels>

<sup>317</sup> “ACT Aspire: Understanding Your ACT Aspire Summative Results” retrieved at

<https://actinc.my.salesforce.com/sfc/p/#300000000Wu5/a/4v000000gUBM/KI315ECIwPIY64oFQsIPAm2bY70umWJV9784Dv8xhAU>

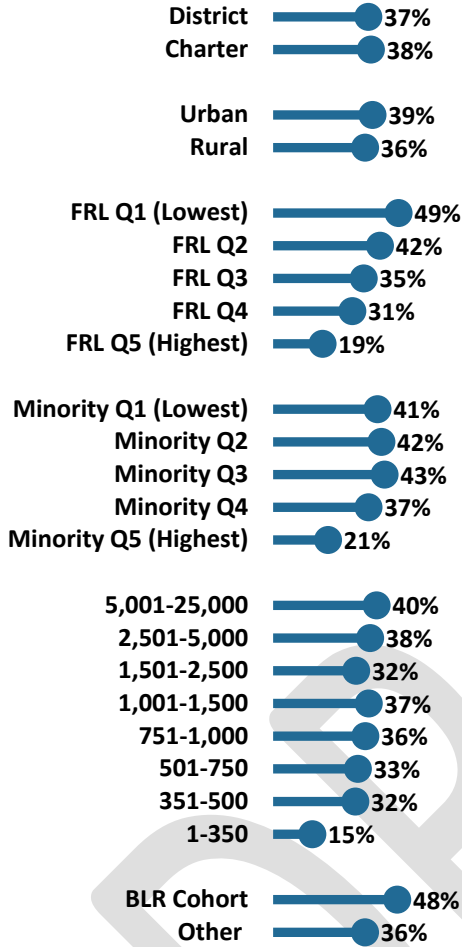
<sup>318</sup> “Every Student Succeeds Act Arkansas State Plan.”



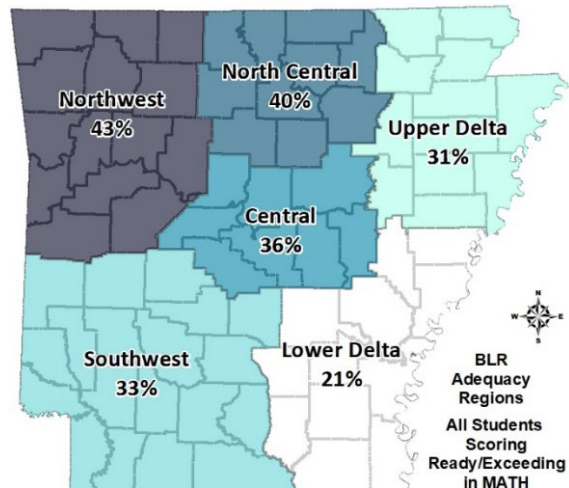
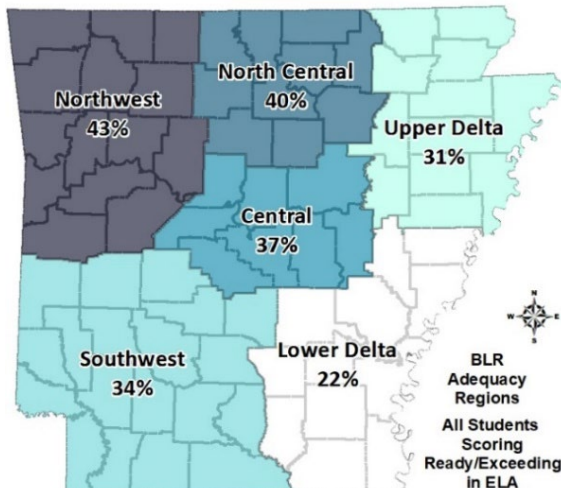
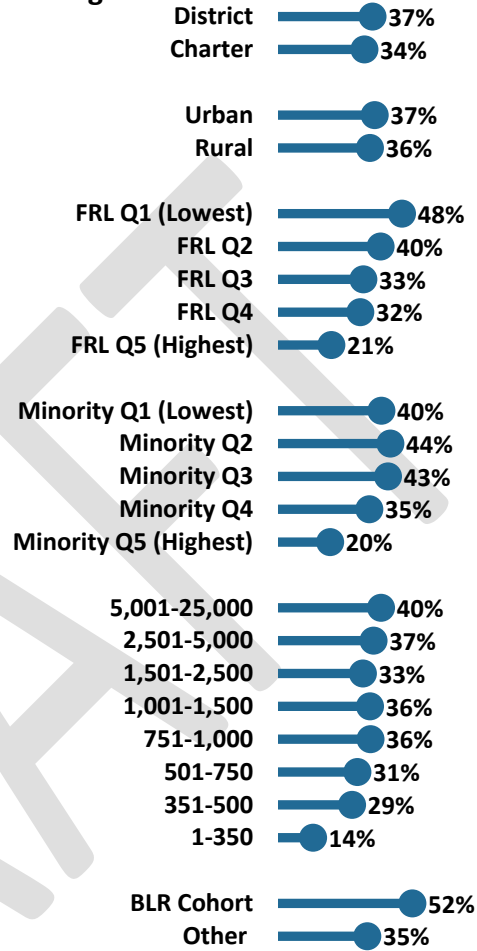
**ALL STUDENTS**

The following graphs represent the average percentage of students scoring “Ready” and “Exceeding” and the student growth scores based on the categories of schools they attend.

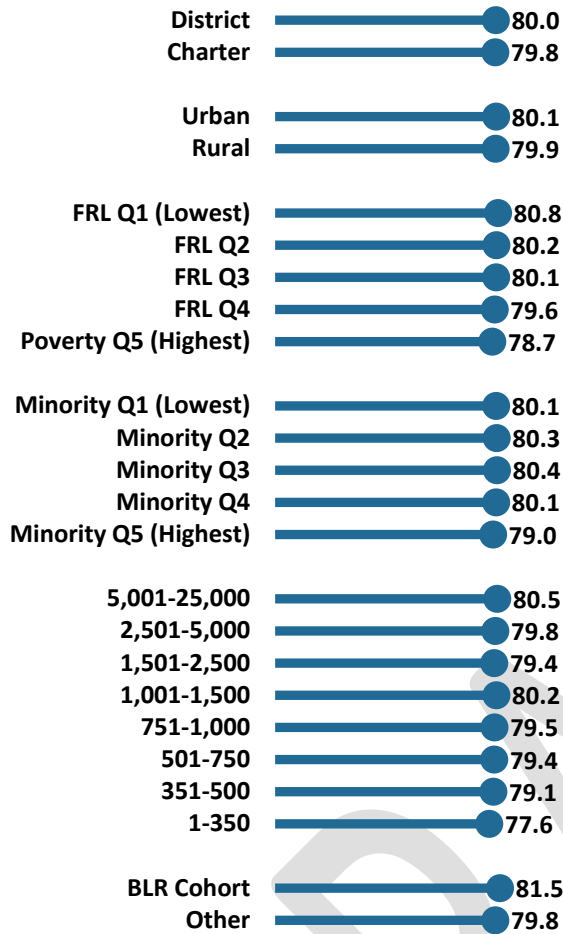
**Pct. of All Students Scoring Ready or Exceeding - ELA**



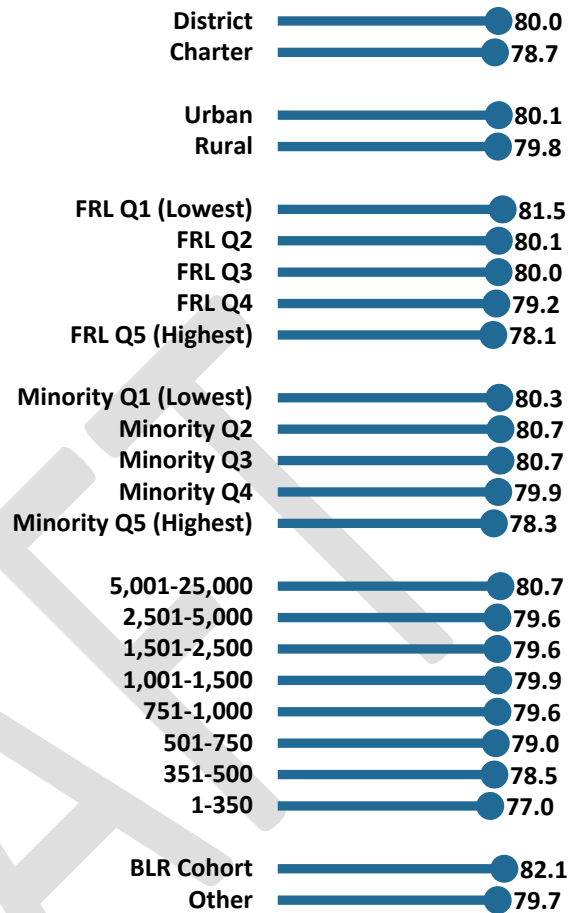
**Pct. of All Students Scoring Ready or Exceeding - Math**



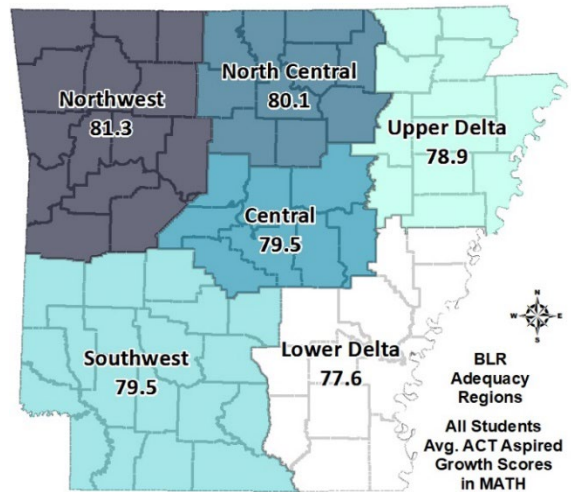
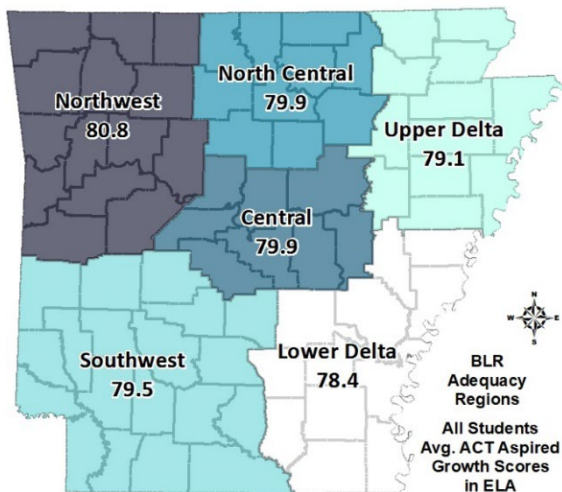
### Average ACT Aspire Growth Scores - All Students - ELA



### Average ACT Aspire Growth Scores - All Students - Math



**Note:** Student growth scores are calculated by comparing the student’s actual score against the student’s expected score (based on prior assessment performance) to determine whether the student met, exceeded, or failed to meet his or her expected performance. A score of 80 is right on track with a student’s expected score based on their previous test scores. A score higher than 80 indicates a higher level of growth than would be expected for that student, and a score less than 80 indicates a score lower than would be expected for that student.



## Graduation Rates

The following graduation rates for Arkansas are considered a four-year adjusted cohort graduation rate. “Under the ESEA [Elementary and Secondary Education Act], each state and local education agency must calculate and report on its annual report card a four-year adjusted graduation rate, disaggregated by subgroups.”<sup>319</sup>

School Year	All Students	Economically Disadvantaged Students	Students with Disabilities	Limited English Proficient Students	Male Students	Female Students
2021	88.5%	85.8%	83.1%	84.1%	85.8%	91.3%

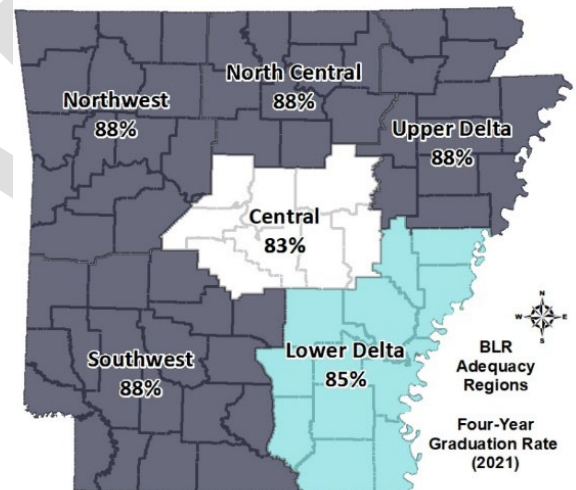
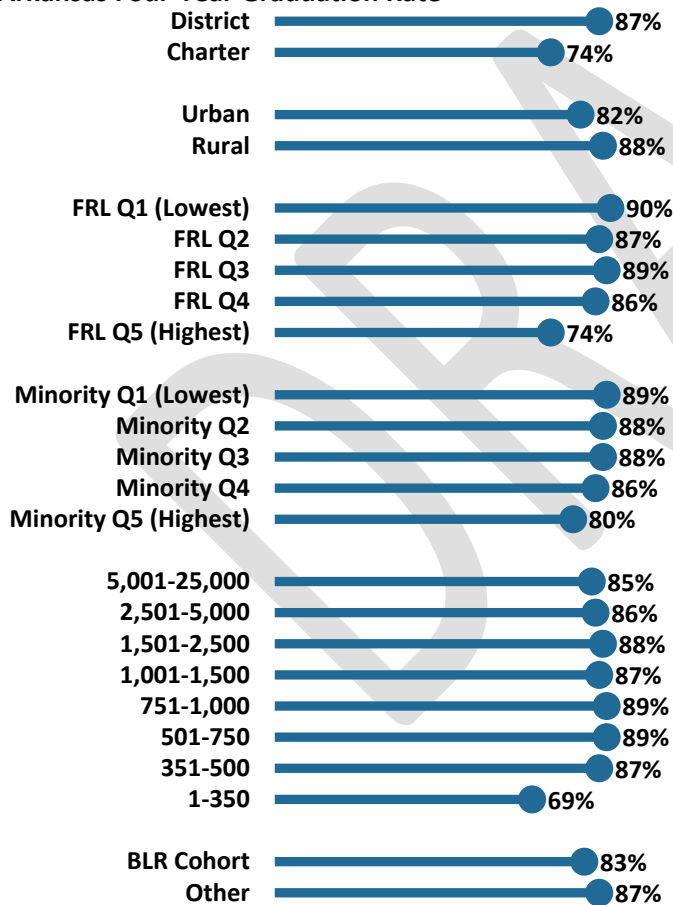
School Year	African American	Asian	Caucasian	Hawaiian/Pacific Islander	Hispanic	Native American	Two or More Races
2021	84.5%	93.7%	90.1%	77.8%	87.6%	85.4%	86.2%

Source: DESE. Retrieved from: <https://dese.ade.arkansas.gov/Offices/public-school-accountability/school-performance/graduation-rate--graduation-rate-files>

Note: Economically disadvantaged students are defined as students “participating in the Federal Free and Reduced Price Lunch Program.”<sup>320</sup>

The following graphs represent the four year graduation rate based on categories of schools.

### Arkansas Four-Year Graduation Rate

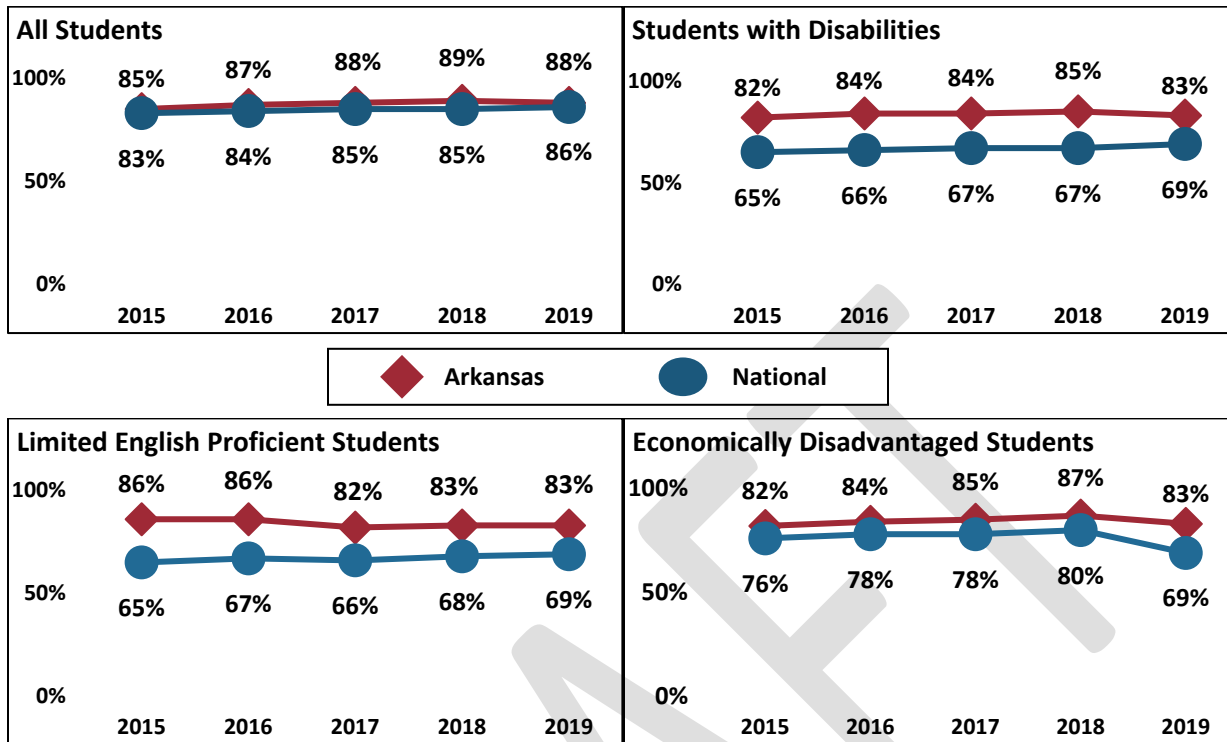


<sup>319</sup> U.S. Department of Education (DOE). (Jan. 2017). “Every Student Succeed Act High School Graduation Rate Non-Regulatory Guidance.” (p. 6). Retrieved from: [https://dese.ade.arkansas.gov/Files/20201215103932\\_Grad\\_Rate\\_Guidance\\_4\\_11\\_18%20\(1\).pdf](https://dese.ade.arkansas.gov/Files/20201215103932_Grad_Rate_Guidance_4_11_18%20(1).pdf)

<sup>320</sup> DESE. “Business Rules for Calculating the 2022 ESSA School Index Scores.” Retrieved from [https://adecm.ade.arkansas.gov/Attachments/2022\\_ESSA\\_Business\\_Rules\\_143646.pdf](https://adecm.ade.arkansas.gov/Attachments/2022_ESSA_Business_Rules_143646.pdf)

## NATIONAL COMPARISON

The following graduation rates are also adjusted cohort graduation rates from the NCES.<sup>321</sup>



## Section 18: State and Federal Accountability Programs

This section examines three state accountability systems: the Arkansas Educational Support and Accountability Program, the Arkansas Fiscal Assessment and Accountability Program, and facilities distress. Furthermore, the report addresses two federal accountability measures: the Every Student Succeeds Act of 2015, and state compliance with Part B of the Individual with Disabilities Act. More information can be found in the June 2022 *Accountability* report in Volume II.

### Academic Accountability

#### ESSA

ESSA, or the Every Student Succeeds Act, passed in 2015, was a reauthorization of the 1965 Elementary and Secondary Education Act. ESSA replaced the No Child Left Behind Act (2002) and provided states with additional flexibility to design accountability systems tailored to state needs while addressing the needs of low-performing schools. Each state education agency was required to submit an ESSA plan to the U.S. Department of Education. Plans had to be developed with input from governors and members of the state legislatures and boards of education, as well as teachers, principals, parents, and others. ESSA covers several broad areas: standards and assessments, accountability, public reporting, teachers, and school funding. The U.S. Department of Education approved Arkansas's ESSA plan on Jan. 16, 2018, with an amendment changing long-term goals approved on March 11, 2019, and a revised addendum relating to COVID-19 approved Aug. 20, 2021. The 2019 amendment was to accommodate for ACT Aspire cut score changes. The 2021 addendum allowed the state to skip the 2020

<sup>321</sup> NCES. "Table 219.46 Public high school 4-year adjusted cohort graduation rate, by selected student characteristics and state: 2010-11 through 2018-19." Retrieved from: [https://nces.ed.gov/programs/digest/d20/tables/dt20\\_219.46.asp](https://nces.ed.gov/programs/digest/d20/tables/dt20_219.46.asp)

data reporting requirements, since no assessments were given in 2020 due to the COVID-19 pandemic. Arkansas's ESSA plan provided more autonomy and flexibility to districts, more support from the state, and multiple measures for districts and schools to prove success with students.

Under ESSA, states are required to adopt challenging statewide academic content standards and statewide academic achievement standards that apply to all public schools and public school students in the state, have statewide, annual assessments aligned with academic standards, and have a statewide accountability system based on the state academic standards. The accountability system must establish long-term goals for all students and each subgroup of students in the following areas: proficiency on the annual assessments, high-school graduation rates, and percentage of English language learners making progress in achieving English language proficiency.

Arkansas's ESSA plan sets goals over a 12-year time period, based on stakeholder feedback and the recommendation of the Arkansas Technical Advisory Committee for Assessment and Accountability. According to the plan, setting goals over a 12-year period encourages districts and schools to focus on all students, not just those close to achievement level cut points. Goals in the Arkansas ESSA plan are intended to be aspirational.<sup>322</sup> Arkansas's long-term achievement goal is 80% of students achieving a test-based grade-level proficiency score. For graduation rates, the long-term goal for the four-year Adjusted Cohort Graduation Rate is 94%, and the long-term goal for five-year Adjusted Cohort Graduation Rate is 97%. The goal for English language proficiency is 52% of students on track to English Language proficiency.<sup>323</sup>

The accountability system must also have a process for identifying Comprehensive Support and Improvement Schools, Targeted Support and Improvement Schools, and Additional Targeted Support Schools.<sup>324</sup> Comprehensive Support and Improvement Schools are Title I schools in the lowest performing 5% of Title I schools in the state, and all high schools that fail to graduate one-third or more of their students.<sup>325</sup> Targeted Support and Improvement Schools are schools that are consistently underperforming for one or more student groups. Additional Targeted Support Groups are schools that, for any student subgroup, meet the criteria for the lowest performing 5% of Title I schools in the state for students overall.<sup>326</sup> ESSA sets out specific requirements for state education agencies about the kinds of support that must be provided to each category of schools.<sup>327</sup>

In addition, state ESSA plans must describe how the state will ensure low-income and minority students are not taught at a disproportionate rate by ineffective, out-of-field, or inexperienced teachers. ESSA requires that states describe the state's accountability system, list the schools identified for Comprehensive Support and Improvement and Targeted Support and Improvement, and include results of assessments, graduation rates, other indicators, progress toward goals, assessment participation rates, and number and percentage of English learners achieving English-language proficiency.

### *ARKANSAS EDUCATIONAL SUPPORT AND ACCOUNTABILITY ACT (AESAA)*

Act 930 of 2017 – AESAA – repealed the state's previous accountability system and replaced it with a new accountability system that conformed to the Every Student Succeeds Act. Under the new system, the state is to provide needed support for school districts so they can assist their schools in improving student performance.

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<sup>322</sup> Every Student Succeeds Act, Arkansas Plan, retrieved at [https://dese.ade.arkansas.gov/Files/20201126142803\\_Arkansas\\_ESSA\\_Plan\\_Final\\_rv\\_January\\_30\\_2018.pdf](https://dese.ade.arkansas.gov/Files/20201126142803_Arkansas_ESSA_Plan_Final_rv_January_30_2018.pdf).

<sup>323</sup> Every Student Succeeds Act, Arkansas Plan, retrieved at [https://dese.ade.arkansas.gov/Files/20201126142803\\_Arkansas\\_ESSA\\_Plan\\_Final\\_rv\\_January\\_30\\_2018.pdf](https://dese.ade.arkansas.gov/Files/20201126142803_Arkansas_ESSA_Plan_Final_rv_January_30_2018.pdf).

<sup>324</sup> National Conference of State Legislatures, Summary of the Every Student Succeeds Act, retrieved at [https://www.ncsl.org/documents/educ/ESSA\\_summary\\_NCSL.pdf](https://www.ncsl.org/documents/educ/ESSA_summary_NCSL.pdf).

<sup>325</sup> National Conference of State Legislatures, Summary of the Every Student Succeeds Act, retrieved at [https://www.ncsl.org/documents/educ/ESSA\\_summary\\_NCSL.pdf](https://www.ncsl.org/documents/educ/ESSA_summary_NCSL.pdf).

<sup>326</sup> National Conference of State Legislatures, Summary of the Every Student Succeeds Act, retrieved at [https://www.ncsl.org/documents/educ/ESSA\\_summary\\_NCSL.pdf](https://www.ncsl.org/documents/educ/ESSA_summary_NCSL.pdf).

<sup>327</sup> National Conference of State Legislatures, Summary of the Every Student Succeeds Act, retrieved at [https://www.ncsl.org/documents/educ/ESSA\\_summary\\_NCSL.pdf](https://www.ncsl.org/documents/educ/ESSA_summary_NCSL.pdf).

DESE is responsible for developing and implementing a comprehensive accountability system that does the following:

- Establishes clear academic standards that are periodically reviewed and revised
- Maintains a statewide student assessment system that includes a variety of assessment measures
- Assesses whether all students have equitable access to excellent educators
- Establishes levels of support for public school districts
- Maintains information systems composed of performance indicators that allow DESE to identify levels of public school district supports and generate reports for the public.

## Student Assessment

The Educational Support and Accountability Act requires a statewide student assessment system, which must contain the following:

- Developmentally appropriate measurements or assessments for kindergarten through grade 2 in literacy and mathematics;
- Assessments to measure English language arts, mathematics, and science as identified by the state board;
- Assessment of English proficiency of all English learners; and
- Assessments to measure college and career readiness.

Currently, the state uses the ACT Aspire test as the statewide assessment. However, ACT has announced that the ACT Aspire assessment for grades 3-10 will no longer be available after 2023. DESE, working with the Office of State Procurement, completed a Request for Proposals to develop a new statewide assessment to begin in the 2023-24 school year. DESE selected Cambium Assessment Incorporated to develop, administer, and report on a statewide summative assessment in ELA, math, and science for grades 3-10.

Arkansas received a waiver from the U.S. Department of Education for conducting assessments in 2020 due to the COVID-19 pandemic. Arkansas did conduct assessments in the 2020-21 school year, with DESE allowing districts flexibility to reduce the risk of COVID-19 while still meeting the goal of testing at least 95 percent of students. In 2021, the State Board of Education granted waivers to 56 districts, and 111 schools received waivers who tested fewer than 95% of their eligible students. Ten of those districts had campuses that also tested fewer than 95% of eligible students in the 2019 school year. Those districts submitted plans to DESE for increasing the number of test-taking students.<sup>328</sup>

## Levels of Support

Arkansas Code Annotated § 6-15-2913 sets out the levels of support that DESE is required to provide to districts. In determining levels of support, DESE considers schools' ESSA designations (which are determined by the ESSA School Index score), fidelity of implementation of school-level improvement plans and district support plans, school and district level data, and fidelity of implementation of DESE directives. Districts may request a certain level of support.<sup>329</sup> For the 2021 school year, the levels of support for each district were based on the 2019 assessments, since no assessments were conducted in 2020, resulting in no ESSA School Index scores that year.

Act of 1082 of 2019 added some specific requirements for levels of support beginning in the 2020 school year. DESE must provide Level 3 support to districts in which 40% or more of the district's students score "in need of support" on the state's prior year summative assessment for reading. Additionally, DESE must provide Level 4 support to districts in which 50% or more of the district's students score "in need of support" on the state's prior year summative assessment for reading.

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<sup>328</sup> The following schools submitted plans to DESE: Arkansas Virtual Academy Middle School, Decatur High School, Fayetteville High School, Gravette High School, North Little Rock High School, Conway High School, Arkansas Consolidated High School at Alexander and Mansfield (part of the Arkansas Division of Youth Services), Graduate Arkansas Charter High School, Lee High School, and Premier High School of Little Rock.

<sup>329</sup> DESE "Rules Governing the Arkansas Educational Support and Accountability Act (AESAA)" Rule 8.02.

In **Level 1—General** support, DESE provides guidance and tools to assist districts; districts have access to contacts at DESE for questions. Schools must have school improvement plans, including a literacy plan. School and district improvement plans are discussed below. In 2021, 180 districts were in Level 1 support.

In **Level 2—Collaborative** support includes minor or temporary technical assistance of a department initiative or state expectations. Level 2 is required if the district is receiving a federal 1003 grant. Schools in Level 2 districts must have school improvement plans (including literacy plans) and DESE may require districts to have district support plans. In the 2021 school year, three districts were in Level 2 support.

In **Level 3—Coordinated** support, districts receive technical assistance and monitoring. This level of support requires school and district improvement plans. In the 2021 school year, 46 districts were in Level 3 support.

In **Level 4—Directed** support, DESE provides direct guidance on the development and implementation of school-level plans, resource allocation, monitoring, and evaluation. This level of support also requires district and school improvement plans; DESE must approve district improvement plans. In the 2021 school year, 28 districts were in Level 4 support.

**Level 5—Intensive** support requires State Board of Education approval (though districts may request to receive Level 5 supports). Once a district is classified as being in need of Level 5—Intensive support, DESE creates a district improvement/exit plan in collaboration with district leadership and the local school board. Districts in Level 5 make quarterly reports to the state board. Additionally, if a district is classified as being in need of Level 5—Intensive Support, the state board may take other actions, including assuming authority of the public school district (excluding open-enrollment charters). The State Board of Education must vote to remove districts from Level 5. In the 2021 school year, five districts were in Level 5 support.

### School Improvement Plans and District Support Plans

Each school in the state is required under Act 930 to develop a school-level improvement plan by May 1 of each year. The plan is to be submitted to the district and posted on the district website by Aug. 1 of each year. The law also requires all school districts to continually monitor and assess their schools' improvement efforts. School districts are to incorporate school improvement plans into their strategic planning for the school year, but not all have to develop an actual support plan. Districts receiving support categorized as Level 2 and higher must develop district plans of support by Sept. 1 and post them on their websites within 10 days. Districts in Level 2 must submit plans to DESE at the request of the Secretary; Districts receiving Level 3, 4, or 5 support must submit plans to DESE. In the 2021 school year, DESE asked all districts to submit district-level plans including "Ready for Learning" plans that described how districts would use COVID-19 mitigation strategies to protect students and staff. For 2021, all districts and open-enrollment charter schools submitted district-level plans.

A district in which 40% or more of the students scored "in need of support" on the state's prior year summative assessment for reading shall develop a literacy plan as part of its district support plan. The literacy plan must include goals for improving reading achievement throughout the district and information regarding the prioritization of funding for strategies to improve reading. BLR asked principals about the impacts of school-level improvement plans on their schools. More than 90% of responding principals found the plans useful for improving student achievement.<sup>330</sup>

### Student Success Plans

Under Act 930 of 2017, the DESE "shall collaborate with public school districts to transition to a student-focused learning system to support success for all students." As part of that system, beginning with the 2019 school year, each student, by the end of 8<sup>th</sup> grade, must have a student success plan, developed by school personnel in collaboration with parents and the student. Success plans must be reviewed and updated annually and must address coursework needed for graduation, opportunities for excelleration or remediation as needed, and college and career planning componenets. Of responding principals in the BLR's 2021 survey for adequacy, 84%

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<sup>330</sup> See Principal Survey, Questions 32 and 33.

indicated that at least 75% of their rising 9th through 12th grade students had a student success plan.<sup>331</sup> Most principals said the plans were positive exercises for students and staff.<sup>332</sup>

### **DATA REPORTING AND LETTER GRADE RATING SYSTEM**

DESE uses multiple methods for communicating data to districts, schools, parents, and the public, one being the annual school report cards.<sup>333</sup> Report cards are published for each district and contain data on achievement, enrollment, college readiness, school environment, accreditation, graduation rates, remediation rates, retention, teacher quality, and school expenditures.

Arkansas Code Annotated § 6-15-2101 *et seq.* lays out the state’s school rating system (also known as the letter grade system). The school rating system must be a multiple-measures approach. The statute directs DESE to promulgate rules to implement the rating system. Under DESE rules, the School Rating System uses the ESSA School Index, which consists of indicators and weights listed in the following chart. DESE converts the ESSA School Index scores into letter grades. Act 89 of 2021 suspended the public school rating system for the 2021 school year (due to the pandemic); therefore, DESE did not issue letter grades for the 2021 school year.

Component	Weight Grades K – 5 & 6 - 8	Component	Weight High Schools
Weighted Achievement Indicator	35%	Weighted Achievement and Academic Growth	70% total with Weighted Achiev. accounting for half and SchoolGrowth Score accounting for half
Growth Indicator Academic Growth English Language Progress	50%		
Progress to English Language Proficiency	Weight of indicator in School Value-Added Growth Score is proportionate to number of English Learners	Progress to English Language Proficiency	Weight of indicator in School Value-Added Growth Score is proportionate to number of English Learners
Graduation Rate Indicator 4-Year Adjusted Cohort Rate 5-Year Adjusted Cohort Rate	NA		15% total 4-Yr = 10% 5-Yr = 5%
School Quality and Student Success Indicator	15%		15%

### **REWARD SCHOOLS**

The Arkansas School Recognition Program, or Reward Schools, was created under Act 35 of the Second Extraordinary Session of 2003 (now codified at A.C.A. § 6-15-2107). The program was created to provide financial awards to public schools experiencing high student performance and those with high student academic growth, including high school graduation rate comparisons for secondary schools. Currently, the program authorizes up to \$100 per student who attends a public school or public charter school in the top 5% of all Arkansas public schools in student performance or student academic growth, including high school graduation rates for secondary schools. The program also authorizes up to \$50 per student for public schools or public charter schools between the top 5% and the next 5% of all public schools in Arkansas in student performance or student academic growth, including high school graduation rates for secondary schools. In the 2021 school year, the total amount awarded was \$6,871,250.<sup>334</sup> Awards may be distributed on a pro-rata basis based on available funding.

<sup>331</sup> See Principal Survey, Question 39.

<sup>332</sup> See Principal Survey, Question 40 and 41.

<sup>333</sup> Arkansas Code Annotated § 6-15-2202.

<sup>334</sup> Arkansas Code Annotated § 6-15-2107(e) requires that school recognition awards be used for: (1) nonrecurring bonuses to faculty and staff; (2) nonrecurring expenditures for educational equipment or materials to assist in maintaining and improving student performance; or (3) temporary personnel for the school to assist in maintaining and improving student performance.



## Schools on the Move

Schools on the Move is a DESE program that “celebrates schools that demonstrate improvement on recent state and federal accountability reports.”<sup>335</sup> For 2021, DESE identified schools that improved their overall ESSA score by more than 10 points, schools that improved their overall ESSA Index Score, schools that improved their Weighted Achievement Score, and schools that improved their Value Added Growth Score. Act 89 of 2021 suspended school ratings (letter grades) for the 2021 school year, meaning that DESE was unable to identify schools that improved by one or two letter grades for the 2021 academic year.<sup>336</sup> For the 2021 report, DESE looked at improvement from 2019 to 2021 as tests were not administered in 2020 due to COVID-19.

## Special Education

The U.S. Department of Education annually assesses whether each state meets the requirements of Part B of the IDEA. Part B of the IDEA relates to the provisions of services and federal funding for states to provide a FAPE in the least restrictive environment for children with disabilities ages 3 to 21. This is determined by looking at multiple pieces of information: educational results and functional outcomes of students with disabilities, whether the data provided by the state is valid and reliable, and the percentage of the compliance with federal special education requirements.<sup>337</sup> Based on results, each state receives one of the following determinations from the department’s Office of Special Education and Rehabilitative Services: Meets the Requirements and Purposes of IDEA; Needs Assistance in Implementing the Requirements of IDEA, Needs Intervention in Implementing the Requirements of IDEA; and, Needs Substantial Intervention in Implementing the Requirements of IDEA. Arkansas has received a determination of “Needs Assistance” in four of the last five years: 2017, 2018, 2019 and 2021. In 2021, no State or Entity received a determination of “Needs Intervention” due solely to due to COVID-19.<sup>338</sup>

## Fiscal Assessment and Accountability

The Arkansas Fiscal Assessment and Accountability Program<sup>339</sup>, known more commonly as fiscal distress, is the state program used to identify and correct school districts that are struggling to maintain fiscal stability. Under state law, DESE identifies districts in fiscal distress, and the State Board of Education approves or denies the identification and classifies school districts as being in distress. DESE, the Commissioner of Education, and the State Board of Education have authority to take corrective actions in districts identified and classified in fiscal distress.

After a district is classified in fiscal distress, DESE and the state board may take any one of a number actions in the district, including removing and replacing the superintendent, suspending or removing the local school board, or petitioning to the State Board of Education to annex, consolidate, or reconstitute the district. DESE is able to take “any other action allowed by law that is deemed necessary to assist a school district in removing the classification of fiscal distress.” To be removed from fiscal distress, a school district must demonstrate that all causes of fiscal distress have been corrected. In addition, the district must not have experienced any additional indicators of fiscal distress. The State Board of Education must vote to remove a district from distress. If a school district is not removed from fiscal distress within five years, the State Board of Education is required to annex, consolidate, or reconstitute the district. However, if the district is unable to be removed from fiscal distress due to conditions beyond its control, the law allows the State Board of Education to grant additional time. Arkansas Code Annotated § 6-20-1908 does not specify what conditions qualify as “beyond the school district’s control.”

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<sup>335</sup> Schools on the Move Toward Excellence 2021, retrieved at <https://docs.google.com/document/d/1oqxnnazwd1FotHQcVJ6KFy8XtrdMzDxk616dkcfB6BY/edit>.

<sup>336</sup> Schools on the Move Toward Excellence 2021, retrieved at <https://docs.google.com/document/d/1oqxnnazwd1FotHQcVJ6KFy8XtrdMzDxk616dkcfB6BY/edit>.

<sup>337</sup> 20 USC Chapter 33 § 1411.

<sup>338</sup> U.S. DOE. IDEA 2021 Part B Annual Determination – Arkansas.

<sup>339</sup> Arkansas Code Annotated § 6-20-1901 et seq.

Districts in fiscal distress during the 2021 school year included Earle, Lee County, Pine Bluff, and Dollarway (On July 1, 2021, the Pine Bluff School District annexed the Dollarway School District.)<sup>340</sup>

## **Facilities Distress**

Act 1426 of 2005 established the Academic Facilities Distress Program to provide the state with a mechanism to intervene when districts do not provide adequate academic facilities or comply with facilities rules. The Division has several methods for compiling facilities condition information. The Division uses the information provided by Division inspections, state-mandated inspections, and school districts reports in any Early Intervention Program created by Act 798 of 2009. This program seeks to address facility issues before they advance to the point a school or school district is classified as being in facilities distress.

Under Arkansas Code Annotated § 6-21-811(a)(1), the Commission for Arkansas Public School Academic Facilities and Transportation (Commission) shall classify a public school or school district as being in academic facilities distress if the Division of Public School Academic Facilities and Transportation recommends and the commission concurs that the school or school districts has failed to maintain facilities, violated safety or building codes or laws, defaulted on school district debt obligations, or committed other similar infractions.

No schools have been placed in facilities distress, and, to date, only one school district has been so classified. Hermitage School District was put in facilities distress in 2008 due to building code and procurement law violations. After correction of the violations, Hermitage was removed from facilities distress in 2009.

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<sup>340</sup> Order Annexing the Dollarway School District to the Pine Bluff School District, Arkansas State Board of Education, Dec. 10, 2020.

## Section 19: Economic Indices

In order to estimate the future impacts of inflation or deflation on the costs of providing an adequate education, the Bureau of Legislative Research subscribes to two top economic data providers, IHS Markit (a part of S&P Global) and Moody's Analytics. These services provide two Consumer Price Indexes (CPI) to consider, Core CPI and the CPI-U.

The CPI-U is the CPI – for all Urban Consumers, but it includes all baskets of goods. The Core CPI is the same as the CPI-U, except the Core CPI provides a less volatile estimate, as the Core CPI removes energy and food costs due to the volatility in these two sectors.

The CPI-U may relate more to the needs of school personnel as it includes the costs of energy and food, which apply to educators' needs. The estimates provided follow a similar approach to the reports presented to this committee showing the year-over-year percent change based on Quarter 3 estimates.

During the analysis period, IHS Markit and Moody's Analytics expect the CPI-U to decline after the initial period, in the direction of approximately 2%, as it moves towards the end of the estimation period (2027). The IHS Global estimated change for the 2023-2024 CPI-U is 1.68%, and for 2024-2025 is 2.01%. Estimates from Moody's Analytics for the same period are 2.00% and 2.31%, respectively. The difference between the two is partly associated with labor market and monetary policy assumptions. The average of those evaluations would lead to 1.84% for 2023-2024 and 2.16% for 2024-2025. These estimates can change over time, and new estimates will be provided to the committee upon request.

## Section 20: Stakeholder Feedback

Eight organizations representing the interests of citizens, districts, schools, and educators submitted written comments and/or recommendations for changes to the state's educational system to the House and Senate Education Committees. This section provides summaries of the comments from each organization.

### Arkansas Advocates for Children and Families

Arkansas Advocates for Children and Families is concerned that, by nearly any set of educational statistics used, large equity gaps in educational opportunities and outcomes remain for many students in Arkansas, and in some cases have worsened because of the COVID-19 pandemic. Reducing equity gaps in educational resources, opportunities, and outcomes must become a greater priority for Arkansas if the state is truly committed to ensuring that every child receives a high-quality education. The adequacy matrix has not changed significantly or fundamentally in many years and is inadequate to allow Arkansas to make the major progress it needs to make to close equity gaps and help the state as a whole move forward in education progress.

Recommendations:

1. **Close the teacher pay equity gap.** The biggest in-school factor affecting achievement is teacher quality. Arkansas is not paying teachers fair and competitive salaries. The state must also address the significant disparities in teacher quality, recruitment, and retention between poorer and wealthier districts.
2. **Increase funding for special education.** The state should consider following Picus and Odden's 2019 recommendation of increasing the current funding matrix to five special education teachers and one teacher behaviorist per 1,000 special education students. Additional funding is needed to cover the true cost of providing special education services for students who need intensive support in the classroom.
3. **Expand funding of early childhood education.** Early childhood education is one of the most studied and most impactful education programs. While Arkansas makes a significant state investment in quality pre-K for low-income 3 and 4-year old children through the Arkansas Better Chance Program (ABC), it invests relatively little in state funding for infants and toddlers. Many Arkansas families struggle with finding high-quality infant and toddler care. ABC funding should be increased to help programs continue to provide high-quality care and allow programs that want to serve more infants and toddlers to do so. Investing in a comprehensive birth-to-5 system, with an emphasis on quality care for infants and toddlers, should be a priority for funding public education.
4. **Fund community schools.** Community schools can promote school success by serving as the hub of local neighborhoods and communities. This model provides integrated student support, or wrap-around services, that can encompass a student's mental health, social-emotional development, and academic learning. Community schools can increase student achievement, high school graduation rates, and college-going rates.
5. **Fund out-of-schools programs.** Without community-based afterschool and summer learning programs, lower-income students do not receive enrichment that other students receive, but also lose much of what they gain in school. Funding for preschool, afterschool, and summer programs should be expanded.
6. **Address discipline reform.** Too many schools still rely on punitive disciplinary practices, such as expulsions and out-of-school suspensions, which disproportionately hurt minority students. The current limited bans on the use of expulsions, out-of-school suspensions, and corporal punishment should be expanded. In addition, school districts should be given additional support (both financial support and increased technical assistance from the Department of Education) to help them adopt and implement alternatives to punitive disciplinary practices.
7. **Oppose increases in funding for private school vouchers.** Decades of research on the impact of school vouchers on students and neighborhood schools have shown us that vouchers do not improve educational outcomes for students who receive them, especially for minority students, English Language Learners, and special education students. At the same time, they worsen outcomes for students remaining in public schools by draining valuable resources. Unlike public schools, private schools have little or no public transparency about how effectively or fairly they are educating our children.
8. **Fund strategies to close gaps that worsened because of COVID.** Further efforts to expand rural broadband access are needed to ensure that all communities and students are included. Strong action is needed to support our students, both at school and at home, as we navigate through the pandemic, and increased funding for school-based mental health care would be one way to provide that support.

## Arkansas Association of Educational Administrators (AAEA)

### Recommendations:

1. AAEA supports additional study on education issues facing public schools that were not part of the discussion in the original development of the funding matrix, such as school safety, including mental health services in schools, and learning loss recovery resulting from the extended pandemic.
2. It is crucial that funding be added to the matrix components that currently are funded considerably less than actual school expenditures.
3. Funds need to be added to the matrix funding model and to additional salary funds to provide an ongoing funding source to sustain the Educator Compensation Reform Program and the Teacher Salary Equalization Fund.
4. The Facilities Partnership Program should be adequately funded.
5. Continue funding high-cost transportation with yearly increases to reflect all student transportation expenditures.
6. AAEA supports adding funding to the matrix earmarked for health insurance with a corresponding increase in the required minimum district contribution to employee premiums.
7. As additional funds are allocated for teacher salary increases and health insurance benefits, categorical program funding for fiscal year 2024 and fiscal year 2025 should be increased accordingly since salaries and benefits are a significant portion of categorical fund expenditures.
8. AAEA supports current initiatives to expand bandwidth to all areas of the state.
9. Funding for a computer science teacher salary needs to be added to the matrix.
10. It is essential that Arkansas expand and adequately fund CTE program in schools and area career centers to ensure all students in all areas of the state have an opportunity to explore alternative educational and career pathways. This is an economic investment that will help fill current high-paying job openings in the state.

## Arkansas Education Association

### Recommendations:

1. **Fund schools equitably.** The current matrix model is causing a disparity in educational opportunity across the state. Funding amounts should, at a minimum, follow the consumer price index. Schools with geographical disadvantages should receive support to become equal to schools who do not suffer the same disadvantages.
2. **Ensure schools are staffed with adequate resources.** Schools should have the ability to provide the support based on students' needs. Specifically, improving student-to-teacher ratios, providing additional instructional support, providing early childhood programs, and funding more competitive teacher and staff compensation will permit school districts to recruit and retain a higher quality workforce.
3. **End funding private institutions with public school funds.** Voucher and scholarship programs have no accountability, while public school employees struggle to provide modifications, services, and reporting for special needs students. We have seen no evidence that these vouchers or scholarships are improving student outcomes.
4. **Fund pre-K and community schools.** For children from low-income families, healthcare and education are inextricably linked. Addressing health and education issues involves developing and implementing a whole child approach to education that includes services provided by community schools.

## Arkansas Public School Resource Center

### Recommendations:

1. Consider the effect that inflation has had on the dollars made available by the state to public schools.
2. Look at the current adequacy process and its ultimate goals, with a focus on ensuring that the process focuses around a clear question and a clear objective and is supported by data and information that are presented in a concise way clearly related to the stated objective.
3. Consider beginning the process with a presentation on student achievement, focusing on comparing Arkansas to similar states on a variety of measures.
4. Consider looking at equity within the state, looking at various groups of schools and measures.
5. Consider using school characteristics to look at student accountability (rather than district characteristics).
6. Address facilities funding by addressing statewide needs, changing the wealth index to be more equitable in local district cost-sharing requirements, making intermediate and long-term student growth and facility forecast to better

anticipate funding needs, forecasting state partnership funding for four to six years, cultivating a long-term focus on implementing procurement, budgeting, and efficiency measures to aid districts through data-driven models, and using the Academic Facilities Distress program to loan funds to districts that cannot or will not raise local funds to match state Partnership program funding.

7. Consider initial sessions in which policymakers could ask questions to be included in subsequent presentations.
8. Consider a weighted student funding model.
9. Address teacher quality and the teacher pipeline.
10. Increase funding to expand CTE programs.

## **Arkansas Rural Education Association**

The foundation funding matrix is a basis from which to begin, however additional dollars need to be added to arrive at a more equitable distribution of adequate funding.

Recommendations:

1. Continue requiring and funding teacher salary increases, especially in the state's poorest areas. Provide impactful incentives to address teacher quality disparity.
2. Prioritize facility funding based on a community's ability to pay for new facilities prioritized by the lowest yield per mill.
3. Meeting state Standards of Accreditation requires funding not provided through the matrix. Funding the required standards would ease the financial burden on the state's smallest and most rural districts.
4. We strongly support efforts to provide connectivity and increased bandwidth to all parts of the state.
5. Continue with the process of providing solvency of the teacher insurance program.
6. Continue to allow the Arkansas Teacher Retirement System the flexibility to adjust to the needs of the program.
7. Resist the politics of using public funds for private education.

## **Arkansas School Boards Association**

Recommendations:

1. When additional personnel, equipment, or facility safety improvements are required for districts, to meet recommendations from the Advisory Committee on Public School Academic Facilities, April 24, 2018, report, we hope the legislature will provide the additional funding required to meet those recommendations.
2. Initiate a study to determine the appropriate ratio of mental health professionals to students and provide districts the proper resources to increase the ratio to appropriate levels in all school districts.
3. Increase funding to expand pre-K to all students who are eligible and eventually make it available to every child.
4. Initiate a study to determine the effects of class size on students in kindergarten through third grade becoming proficient in reading. Fund additional teachers to reduce class size in the lower grades if deemed effective to do so.
5. Initiate a study of actual school staffing to determine the relationship between the number of teachers funded through the matrix and the number of staff positions required to meet the Standards for Accreditation.
6. Increase the special education teacher line in the matrix to at least 3.3 SPED teachers per 500 students and review the impact of the new rules governing special education high-cost occurrences reimbursement formula to gauge their effectiveness and add additional funds for high cost special education students until need is fully met.
7. Review the new district ESA funding process following district submission and continue providing these vital funds.
8. Continue review of teacher salaries to make competitive with other states and review expenditures of the Educator Compensation Program to ensure appropriate funds are made available to districts.
9. Provide an annual increase in foundation funding that, at a minimum, matches the annual consumer price index inflation rate.
10. Provide for a full review and update of the actual public school facilities and their current condition across the state and implement all remaining recommendations submitted by the Advisory Committee on Public School Academic facilities, July 2018.
11. Watch developments in the Pulaski County property assessment appeal, regardless of its ultimate outcome, and be prepared to provide appropriate remedies to ensure the greatest stability possible for school district funding.

## Forward Arkansas

### Recommendations:

1. Require prioritization of state foundation funds for teachers.
2. Eliminate cliffs in ESA funding.
3. Explore using a more precise measure of student poverty to ensure equitable education funding for the most economically disadvantaged students.

## Winthrop Rockefeller Foundation

### Recommendations:

1. **Seek excellence instead of adequacy.** A commitment to excellence is necessary to achieve equitable outcomes for students in Arkansas.
2. **Invest in a shared vision for public education.** ForwARd Arkansas has engaged thousands of Arkansans in the development of policy and practice priorities that can transform our state's educational system. We use the Committee to listen to them.
3. **Invest early to ensure all students are prepared for early school success.**
4. **Use a formal equity analysis to strengthen policymaking.** Arkansas policymakers should use an equity analysis as a formal part of the policymaking process to ensure that all Arkansas students attain the skills and education needed to support their families and communities.

DRAFT

## Section 21: Recommendations

	Topic	FY24	FY25
1.	<b>Definition of Adequacy</b>	<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"> <li>• <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></li> <li>• <i>Demonstrated capabilities such as communication, critical thinking, collaborative problem-solving, time management, and information and technology skills.</i></li> <li>• <i>Developed behavioral skills and dispositions such as dependability, perseverance, working effectively with others, adapting, and managing stress.</i></li> <li>• <i>Developed financial literacy.</i></li> </ul> <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.	<b>Adequacy Study</b>	<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.	<b>Matrix Calculations</b>	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.	<b>Staffing Ratios</b>	(Add 1 FTE computer education Librarian/Media teacher to Grades 4-12) & increase Specialist: .85 2.9 special ed. teachers to 3.3) Guidance Kindergarten : 2.0 Counselor: 1.11 Grades 1-3: 5.0 Nurse: .67 Grades 4-12: 14.8 Other Student PAM: 4.14 Support Staff: .72 Special Education Teachers: 3.3 Principal: 1 Instructional Facilitators: 2.5 Secretary: 1	Librarian/ Media Specialist: .85 Guidance Kindergarten : 2.0 Counselor: 1.11 Grades 1-3: 5.0 Nurse: .67 Grades 4-12: 14.8 Other Student PAM: 4.14 Support Staff: .72 Special Education Teachers: 3.3 Principal: 1 Instructional Facilitators: 2.5 Secretary: 1
5.	<b>Public School Employee Insurance Line Item</b>	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.	<b>Health Insurance All Employees</b>	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.	<b>School Level Salaries: Teacher</b>	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.	<b>Principal</b>	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.	<b>Secretary</b>	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		

## MATRIX FUNDING

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

## 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 \$1,227.
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.

**SUPPLEMENTAL FUNDS**

	<i>Topic</i>	<i>FY24</i>	<i>FY25</i>
36.	<b>Additional Supplemental Funding Stream: Small District Equity</b>	<i>None recommended.</i>	<i>None recommended.</i>

**PARTNERSHIP PROGRAM**

	<b>Facilities Partnership Program</b>	<i>No change recommended.</i>	
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**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.

## Appendix A: Adequacy Study Presenters and Contributors

Experts, state agency officials, and members of advocacy organizations provided information, data, and other assistance for the Adequacy Study.

### Bureau of Legislative Research

- **Ms. Jessica Whittaker**, Assistant Director for Research Services
- **Ms. Julie Holt**, Administrator, Policy Analysis and Research Section
- **Mr. Paul Atkins**, Senior Legislative Analyst, Policy Analysis and Research Section
- **Ms. Shelia Beal**, Legislative Administrative Assistant, Legislative Committee Staff
- **Ms. Adrienne Beck**, Legislative Analyst, Policy Analysis and Research Section
- **Ms. Lori Bowen**, Senior Legislative Analyst, Policy Analysis and Research Section
- **Ms. Elizabeth Bynum**, Legislative Analyst, Policy Analysis and Research Section
- **Ms. Chrissy Heider**, Asst. to the Assistant Director, Policy Analysis and Research Section
- **Ms. Taylor Loyd**, Staff Attorney, Legal Services Division
- **Ms. Michelle Nelson**, Senior Legislative Analyst, Legislative Committee Staff
- **Ms. Jasmine Ray**, Legislative Analyst, Policy Analysis and Research Section
- **Dr. Carlos Silva**, Legislative Economist
- **Ms. Kathryn Walden**, Legislative Fiscal Analyst, Fiscal Services Division

### Arkansas Department of Education

- **Mr. Johnny Key**, Commissioner
- **Dr. Ivy Pfeffer**, Deputy Commissioner
- **Stacy Smith**, Deputy Commissioner
- **Greg Rogers**, Assistant Commissioner, Fiscal and Administrative Services
- **Karli Saracini**, Assistant Commissioner, Educator Effectiveness and Licensure
- **Missy Wally**, Director of Special Projects
- **Tim Cain**, Director of Public School Academic Facilities and Transportation

### Other Organizations

- **Mr. Patrick Klein**, The Segal Group, Inc.
- **Mr. Matt Kersting**, The Segal Group, Inc.
- **Mr. David Webb**, CPA, Division of Legislative Audit
- Arkansas Advocates for Children and Families
- Arkansas Association of Educational Administrators
- Arkansas Education Association (AEA)
- Arkansas Public School Resource Center
- Arkansas Rural Education Association
- Arkansas School Boards Association
- Forward Arkansas (ForwARd)
- Winthrop Rockefeller Foundation

## Appendix B: Report Methodologies and Definitions

### School Comparisons

Due to provisions in the federal Every Student Succeeds Act (ESSA), Arkansas educational data is more frequently reported at the school rather than at only the school district level. This allowed the BLR to analyze most expenditure and achievement variables at the school level, enabling a more fine-grain examination. In attempt to meet the requirements of adequacy statute CITE, which calls for, the BLR developed the following categories of schools for analysis purposes.

#### *DISTRICT/CHARTER*

In 2021, Arkansas had 235 traditional school districts, which are tied to a geographic area and supported by local millage rates. In addition, the state had 23 open-enrollment charter systems, which may enroll students from across school district boundaries. (This number does not include The Excel Center, a charter school for adults, which was excluded from all analyses.) The majority of funding for these schools is provided through state funding.

#### *MINORITY QUINTILES*

Schools are identified by which 20% of schools they fall in according the percentage of minority (all other than white) students enrolled in the 2021 school year. Percent values below have been rounded to the nearest whole number, which accounts for occasional overlap.

**Minority Quintile 1** contains schools with minority enrollment levels of **none to 10%**.

**Minority Quintile 2** contains schools with minority enrollment levels of **10% to 21%**.

**Minority Quintile 3** contains schools with minority enrollment levels of **21% to 41%**.

**Minority Quintile 4** contains schools with minority enrollment levels of **41% to 68%**.

**Minority Quintile 5** contains schools with minority enrollment levels of **68 to 100%**.

#### *POVERTY QUINTILES*

Schools are identified by which 20% of schools they fall in according the percentage of FRL students enrolled in the 2021 school year. Percent values below have been rounded to the nearest whole number, which accounts for occasional overlap.

**Poverty Quintile 1** contains schools with FRL levels of **none to 46%**.

**Poverty Quintile 2** contains schools with FRL levels of **46% to 61%**.

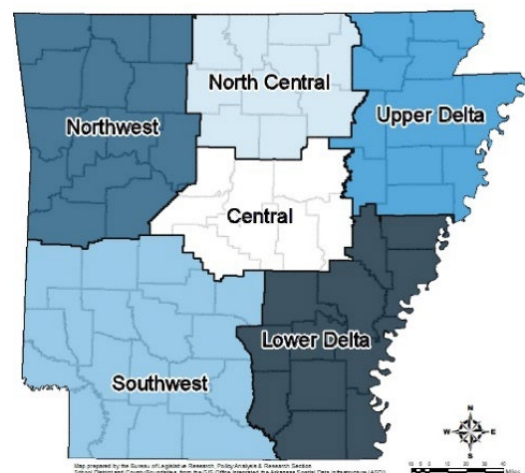
**Poverty Quintile 3** contains schools with FRL levels of **61% to 71%**.

**Poverty Quintile 4** contains schools with FRL levels of **71% to 80%**.

**Poverty Quintile 5** contains schools with FRL levels of **80% to 99%**.

#### *REGIONS*

School districts are divided into six regions of the state: Northwest, North Central, Upper Delta, Lower Delta, Southwest and Central.



## SIZE

Several factors influenced the grouping of school districts and charter systems by size. Because school districts with enrollments of 350 district must receive a minimum school size waiver to operate, districts and charter systems with enrollments of 350 or less became the first category. The next category of 351-500 was selected since the matrix funds districts and charter systems based on a prototypical school district of 500 students. Subsequent enrollment categories were chosen to group similar number of districts together.

**Size Category 1** contains districts with **0 to 350 students.**      **Size Category 2** contains districts with **351 to 500 students.**  
**Size Category 3** contains districts with **501 to 750 students.**      **Size Category 4** contains districts with **751 to 1,000 students.**  
**Size Category 5** contains districts with **1,001 to 1,500 students.**      **Size Category 6** contains districts with **1,501 to 2,500 students.**  
**Size Category 7** contains districts with **2,501 to 5,000 students.**      **Size Category 8** contains districts with **5,001 to 25,000 students.**

## BLR COHORT

The methodology used to identify the set of schools that are used as a comparison set in the adequacy study, the BLR utilized a regression formula to predict ESSA School Index Weighted Achievement scores with student demographic information. This is similar to a process used by some states to determine adequacy costs, called the successful school methodology. All data used was from 2019 as that was the most recent year Weighted Achievement scores were available due to the fact that no testing occurred in 2020 and 2021 scores had not been released at the time of the analysis.

Using the statistical software SPSS and data obtained from DESE's My School Information website (<https://myschoolinfo.arkansas.gov/>), a number of demographic and income variable statistics were entered into a stepwise regression formula. This formula identifies the variables that add the most predictive value for the weighted achievement scores. The resulting regression formula was:

$$= 109.461 - .369\text{PctFRL} - .304\text{PctBlack} - .079\text{PctWhite} - .301\text{PctMale}$$

This equation produced an R-squared value of .465, which means that almost half the variance in weighted Achievement Scores can be explained by student demographics. This means that just over half the variance in weighted achievement scores is explained by variables other than student demographics, including programs, practices, and personnel provided at the school.

By comparing predicted scores with actual scores, 132 schools were identified as scoring 13 or more points higher (about one standard deviation) on the actual Weighed Achievement score than what was predicted by their students' demographics. These schools became the "BLR Cohort" used for comparisons.

## State Comparisons

In order to have a consistent set of states by which to compare Arkansas indicators, the BLR used a methodology to obtain a mix of high-performing and similar states. The BLR compiled NAEP average scale scores for every state and the District of Columbia's for selected tests (4th Grade Math, 4th Grade Reading, 8th Grade Math, and 8th Grade Reading) from the 2015, 2017, and 2019 NAEP assessments. The scores for each state and the District of Columbia were then averaged, and then all were ranked highest to lowest by the resulting average score. The "**Top NAEP States**" are the top 10 (20%) when ranked. The "**Top SREB States**" are the top eight (50%) when only those states belonging to the Southern Regional Board of Education are ranked. The "**Contiguous States**" are the six states surrounding Arkansas and the state of Arkansas. These comparison states are used whenever it was possible to compare financial data, achievement data or program information among states.

Data Source: U.S. Department of Education, Institute of Education Sciences, National Center for Education Statistics, National Assessment of Educational Progress (NAEP), 2015, 2017, and 2019 Mathematics and Reading Assessments. <https://www.nationsreportcard.gov/ndecore/xplore/NDE>

## Survey Methodology

The BLR conducts surveys of school district and charter school system superintendents, principals and teachers as part of the adequacy study process. Information for the implementation of each for the 2022 adequacy study is below:

**Superintendents:** Emails with a link to an online survey was sent on May 11, 2021, to all 259 superintendent positions in Arkansas public school districts and charter school systems. The final survey was submitted August 6, 2021, for a 100% response rate. For analysis purposes, information from one charter system (The Excel Center) was excluded as it is a school for adult students.

**Principals:** Emails with a link to an online survey was sent on May 11, 2021, to all 1,030 school building principals in Arkansas public school districts and charter school systems. The final survey was submitted July 12, 2021, for a 74% response rate.

**Teachers:** Emails with a link to an online survey was sent on April 8, 2021, to 1,865 certified personnel in a random sample of 74 public schools in Arkansas, including public charter schools. The final survey was submitted May 12, 2021, for a 55% response rate.

**Focus Groups and Interviews:** Six BLR Cohort schools of varying sizes and regions and with varying levels of FRL and minority students were selected for further study as they represented the set of Arkansas schools whose students were performing at levels higher than would be expected based on student characteristics alone. At each school, interviews were conducted separately with the superintendent and with the principal. Focus groups with six to eight teachers representing the various grade levels and a special education teacher were performed, as were focus groups with six to eight students representing the demographic make up and the grade levels in the school. A student focus group was not conducted at one elementary school because the grade levels were all younger grades. All interviews and focus groups were conducted via Zoom during September 2021.



## Appendix C: 2021 Legislation

Below is list of legislation passed by the General Assembly during the 2021 session:

### K-12 Public Education Funding (Section 3)

**ACT 323** (SB207) and **ACT 400** (HB1433) increases the **enhanced transportation funding** amounts for eligible school districts for the 2021-2022 and 2022-2023 school years.

**ACT 614** (HB1677) amends the amount of **foundation funding, categorical funding, and ESA funding** for public schools for the 2021-2022 and 2022-2023 school years. The act declares an emergency and is effective on and after April 8, 2021.

**ACT 544** (SB64) provides for the calculation of **student growth funding** based on the per- student foundation funding for a school district, the school district's quarterly ADM for the fourth quarter of the previous school year, and the ADM in the year before the fourth quarter.

**ACT 544** (SB64) repeals the law concerning consultants hired to determine whether and in what respect certain Pulaski County school districts are unitary and have complied with their respective consent decrees concerning desegregation. The act also repeals the law concerning **desegregation funding**.

**ACT 633** (SB61) provides that a school district may use **ESA funds** to support the school district's participation in the College and Career Coaches Program. The act provides that, to participate in the program, a school district shall apply jointly with an institution of higher education, an education service cooperative, or a nonprofit organization to the Division of Career and Technical Education. The act provides that implementation of the program shall be monitored by on-site technical assistance visits at least one (1) time every two (2) years. The act also adds additional criteria for evaluating the effectiveness of the program.

**ACT 679** (SB504) and **ACT 680** (HB1614) provide that, beginning with the 2021-2022 school year, school districts identified by the DESE as having an average annual teacher salary below the statewide target shall receive **teacher salary equalization funding** equal to one hundred eighty-five dollars (\$185) multiplied by the ADM of the school district for the previous school year.

**ACT 909** (SB629) allows a public school district that has experienced a decline in ADM over the two (2) immediately preceding school years to receive both **declining enrollment funding and special needs isolated funding**.

### K-12 Public Education Expenditures (Section 4)

**ACT 633** (SB61) provides that a school district may use **ESA funds** to support the school district's participation in the College and Career Coaches Program. The act provides that, to participate in the program, a school district shall apply jointly with an institution of higher education, an education service cooperative, or a nonprofit organization to the Division of Career and Technical Education. The act provides that implementation of the program shall be monitored by on-site technical assistance visits at least one (1) time every two (2) years. The act also adds additional criteria for evaluating the effectiveness of the program.

**ACT 322** (SB101) specifies when school districts are permitted to **expend ESA Funding** to provide supports and resources. The act requires each public school district to submit, by July 1, 2022, a three-year ESA plan to the DESE describing the school district's intended and implemented strategies to enhance student achievement and how ESA funds will be used to support the strategies of the school district as permitted by the law and rules promulgated by the State Board of Education. The act also addresses the review and update of ESA plans.

### K-12 Facilities Funding and Expenditures (Section 6)

**Act 126** (HB1103) requires the Division of Public School Academic Facilities and Transportation to require proof of the need to replace equipment. The act provides that the division shall consider how a school district's facilities master plan addresses regularly scheduled and unscheduled maintenance, repair, and renovation in evaluating the school district's application for state financial participation in a new construction project. The act requires that, at the request of a school district, a consultation meeting be held between the school district and the division to discuss the development of the school district's facilities master plan. The act requires the division to provide notice of a school district's petition for a waiver concerning the sale or lease of a unused or underutilized public school facility with the school district. The act provides that an eligible entity or a statewide organization representing charter schools may submit a written objection to a

school district's petition for a waiver to the division no later than thirty (30) days after the division provides notice of the school district's petition.

**Act 620** (HB1549) and **Act 648** (SB394) requires a public school to have a panic button alert system or other means of emergency communication with law enforcement if funding is available. The act requires a public school district or open-enrollment charter school to conduct a comprehensive school safety audit every three (3) years to assess the safety, security, accessibility, and emergency preparedness of district buildings and grounds in collaboration with local law enforcement, fire, and emergency management officials. The act also requires a public school district or open-enrollment charter school to conduct an annual lockdown drill for a possible threat on campus at each school in the public school district or open-enrollment charter school. The act creates the Arkansas Center for School Safety of the Criminal Justice Institute, which is tasked with assisting the DESE in building the capacity of educators, leaders, and law enforcement professionals to meet the safety needs of children in public schools in this state. The act is identical to Act 620.

## **Teacher Recruitment and Retention (Section 7)**

**ACT 646** (SB524) provides that by Aug. 1, 2022, each public school district and open-enrollment public charter school in the state shall prepare a three-year teacher and administrator recruitment and retention plan. The act provides that the Equity Assistance Center shall provide technical assistance, guidance, and support to public school districts and public open-enrollment charter schools in developing recruitment and retention plans and setting and meeting annual goals. The act provides that the Department of Education shall set goals for increasing the number of teachers and administrators of minority races and ethnicities in this state. The act also provides that the Division of Higher Education shall collaborate with the State Board of Education, local universities, colleges, public school districts, and open-enrollment public charter schools to develop a strategic plan for increasing the number of teachers and administrators of minority races and ethnicities in this state.

## **K-12 Teacher Salaries (Section 8)**

**Act 679** (SB504) provides that, beginning with the 2021-2022 school year, school districts identified by DESE as having an average annual teacher salary below the statewide target shall receive teacher salary equalization funding equal to one hundred eighty-five dollars (\$185) multiplied by the ADM of the school district for the previous school year. The act is identical to Act 680. The act declares an emergency and is effective on and after April 12, 2021.

**Act 680** (HB1614) provides that, beginning with the 2021-2022 school year, school districts identified by DESE as having an average annual teacher salary below the statewide target shall receive teacher salary equalization funding equal to one hundred eighty-five dollars (\$185) multiplied by the ADM of the school district for the previous school year. The act is identical to Act 679. The act declares an emergency and is effective on and after April 12, 2021.

## **Professional Development and Teacher Evaluations (Section 9)**

**ACT 744** (SB291) allows DESE to provide professional development programs that teach the skills required for managing community schools and expanded learning time, planning and implementing services and strategies in collaboration with communities, and blending and braiding funding to support community schools. The act also allows the charter authorizer to designate a public charter school as a community school. The act declares an emergency and is effective on and after April 19, 2021.

**ACT 1089** (HB1826) requires each public school district to provide a health services program under the direction of a licensed registered nurse and requires at least one (1) licensed registered nurse employed or contracted by each public school district to participate annually in professional development related to Arkansas school nursing mandates and practices beginning with the 2021-2022 school year.

**ACT 620** (HB1549) and **ACT 648** (SB394) provide that by Sept. 1, 2024, and every four (4) years following, a school counselor shall receive Youth Mental Health First Aid training to learn the risk factors and warning signs of mental health issues in adolescents, the importance of early intervention, and how to help an adolescent who is in crisis or expecting a mental health challenge.

**ACT 551** (SB407) and **ACT 622** (HB1510) require a school district board of directors that accepts a school resource officer to enter into a memorandum of understanding with the local law enforcement agency with jurisdiction or, if the school district has an institutional law enforcement officer, to adopt policies and procedures that govern the school resource officer. The

act also requires certain training for school resource officers and public school district superintendents and principals who accept a school resource officer or employ an institutional officer.

**ACT 1084** (HB1610) addresses the proper uses of student restraints, including devices, medications, or personal restrictions that restrict students' free movements in public schools or educational settings; and requires each public school district to adopt policies and procedures that are consistent with the act, review the Department of Education Special Education and Related Services Guidelines, § 20.00 Time-Out Seclusion Room, and provide its school personnel with the training, tools, and support needed to ensure the safety of all students and school personnel, in particular with respect to student discipline.

**ACT 126** (HB1103) prohibits a person who has been convicted within the past three (3) years of operating a motor vehicle while under the influence of intoxicating liquor or drugs from being permitted or employed to operate a school bus. The act also requires the Division of Public School Academic Facilities and Transportation to certify an applicant who has completed and documented the required training as a school bus driver for a one-year period, which may be renewed annually.

**ACT 1016** (HB1891) requires DESE to create a network of Certified Academic Language Therapists to support public schools for the purpose of providing a specialized dyslexia instructional program designed to provide therapy to students with dyslexia or other related reading and written-language difficulties and requires the division to establish and coordinate a dyslexia therapy training program for educators.

## **Arkansas Public Schools' Waiver Pathways (Section 12)**

**Act 774** (SB251) repeals the requirement that a copy of the waivers granted to an open-enrollment public charter school be included in a school district's petition for all or some of the waivers granted to the open-enrollment public charter school. The act provides that DESE may request additional information concerning a school district's waiver petition if necessary. The act provides that if the division determines that additional information is necessary, the State Board of Education shall grant or deny, in whole or in part, the petition for a waiver within ninety (90) days of receiving the requested additional information.

## **K-12 ALE (Section 13)**

**Act 544** (SB64): Removing the ability of a principal or his or her designee from placing a student into the school district's ALE following the student's removal by a teacher from class upon the student being documented by teacher as repeatedly interfering with the teacher's ability to teach the students in his or her class or the ability of the student's classmates to learn or upon the teacher determining the student's behavior is so unruly, disruptive, or abusive that it seriously interferes with the teacher's ability to teach the students in the class or with the ability of the student's classmates to learn.

**Act 614** (HB1677) Amends the categorical funding amounts for ALE to \$4,794 multiplied by the number of ALE students enrolled in the previous year for the 2021-2022 school year and to \$4,890 multiplied by the number of ALE students enrolled in the previous year for the 2022-2023 school year.

## **Enhanced Student Achievement (ESA) (Section 15)**

**Act 322** (SB101) specifies when school districts are permitted to expend Enhanced Student Achievement Funding to provide supports and resources. The act requires each public school district to submit, by July 1, 2022, a three-year enhanced student achievement plan to the Division of Elementary and Secondary Education describing the school district's intended and implemented strategies to enhance student achievement and how enhanced student achievement funds will be used to support the strategies of the school district as permitted by the law and rules promulgated by the State Board of Education. The act also addresses the review and update of enhanced student achievement plans.

## **Student Achievement (Section 17)**

**Act 251** (SB124) requires DESE to provide for statewide student assessments that are scored and returned for public school and school district use by Aug. 1 of each year.

## Appendix D: Action Plan

Below is the list of adequacy requests from legislators during the course of the adequacy presentation and the manner with which they were handled. Questions were either answered via an upcoming report or by an email to the member.

Count #	BLR Action Needed	Response Means	Completed
1	GTE Research – funding/GTE programs in schools implementation; percentage of funding mandated for GTE	Learning Exp.; Spending Rpts	May 2; Feb 8
2	Master principal impact	Email	Feb 9
3	ALE/AP/PLC role/impact – successful schools	ALE; PD; Learning Exp. Rpts	Apr 5; May 2
4	Support staff impact (qualitative)	Various Rpts	Feb 8;
5	Timeline – impact of charter schools/school choice	History; Acct. Rpts	Jan 4; Jun 7
6	Foundation Spending/Outcomes	Spending; Achievement Rpts	Feb 8; Apr 4; Jun 6
7	Facilities impact on Learning	Facilities Rpt	Apr 4
8	Other states funding adequacy/implementation/outcomes	Spending Rpt	Feb 8; Apr 4
9	Adequacy impact on achievement measures	Starting Slate; Funding Rpts	Jan 4; Feb 7
10	Demographic changes over time by regions	Spending Rpt	Feb 8; Apr 4
11	Housing/quality of life issues for teacher recruitment	Teacher R&R Rpt	Apr 5
12	Districts by income – overlay with successful schools	Spending Rpt	Feb 8; Apr 4
13	Teachers teaching out of fields – how that looks in Successful Schools vs other schools?	Teachers R&R Rpt	Apr 5
14	EdWeek spending rating methodology	Email	Feb 8
15	Work Force certification Rates – longitudinal data/where are the jobs going/job placement?	CTE Rpt	May 2
16	Cost of living for spending	Funding; Spending Rpts	Feb 7; Feb 8; April 4
17	Literature review – athletics/academics – time on task, leadership, goals	Email	Feb 10
18	Demographic shifts within the state	Spending Rpt	Feb 8; Apr 4
19	College going rates – 4 year or both?	Starting Slate; Final Rpts	Feb 8
20	Learning loss -- digital	Learning Exp. Rpt	May 2
21	Chart with Millage Increases/Sales Tax	Email	Feb 16
22	Districts size categories by enrollment	Email	Feb 9
23	Redact survey comments; compile	Email	Feb 23
24	FRL forms reliability	Email; ESA Rpt	May 3
25	ARBroadband survey letter/link to school districts	Email	Feb 9
26	Successful schools/income chart	Email	Feb 11
27	SPED data by SPED students for national comparison	Email	Feb 16
28	Instructional Materials – how many not submitting for reimbursement?	Email	Feb 16
29	How is federal funding being provided for special education?	Email	Feb 11
30	Additional research on assistant principals	Email	Aug 23
31	Crossover between students with dyslexia and mental health issues	Email	Apr 7
32	Difference between high quality and other types of pre-k programs	Email	Feb 18

Count #	BLR Action Needed	Response Means	Completed
33	ESA Funds being spent on students in poverty	Spending; ESA Rpts	May 3
34	PLC student growth compared with other schools	Email; PD Rpt	Mar 4; Apr 5
35	List of schools participating in PLC program	Email	Feb 16
36	Number answering Not in Need	Email	Feb 11
37	Themes of what outside resources schools are using to help with mental health per survey. Is there not a bridge between schools and DHS?	Email	Apr 7
38	Summary of funding vs. recommendations.	Email	Apr 1
39	Why wasn't the Vanderbilt Study used in the research on Pre-K?	Email	Feb 24
40	Additional data analysis on survey responses (small schools vs. others, etc.)	Email	Feb 16
41	Do teacher's choosing their schools because of the leadership. Do you have any data on how close they are living to their school?	Email	Feb 11
42	How many schools are engaging in "that program?" Where they bring outside programs in and get trained?	Email	Apr 7
43	Number of Teachers in PLC Schools	Email	Feb 25
44	List of ADE approved uses for code 14 in 2020-21 school year.	ESA Rpt	May 3
45	Categorical graph of before/after transfers	Email	Apr 6
46	Districts that transfer don't use all of their FRL funds?	Email	Jul 1
47	PLC schools – how many are Award schools? Does that exacerbate rich getting richer?	Email; Accountability Rpt	Apr 7
48	Reading proficiency scores with other list Award Schools/Successful schools (two lanes)	Email; Achiev.; Accountability Rpts	Jun 6
49	List of school received matching grants	Email	Apr 14
50	List of mental health expenses and used for	Email	Apr 7
51	How many schools used instructional aides and how many per school? Can we tell what their training is?	Email	Jun 15
52	ALE – what's being spent on; has it made a difference?	Email; ALE Rpt	May 3
53	Athletic transportation spending vs. academic transportation spending for extracurricular. Where decisions are being made and how effecting our students?	Email	Aug 10
54	How are schools being paid for in states without state funding for facilities?	Email	Apr 7
55	Retirement of teachers – how compare nationally? Shortage areas? What other states are doing to help bridge that?	Email	Pending National Data
56	List of districts in which teachers received a NBCT bonus	Email	Jul 6
57	Get pre-covid response to the question about page 8; time in teaching and planning to retire.	Email	Apr 7
58	Sources for different bonus programs for teachers.	Email	Apr 6
59	NCLB teacher bonus amount divided by teachers is more than \$5,000 a year – clarification needed.	Email	Jun 22
60	Do we know what causes stress – comments analysis?	Email	Jun 16
61	\$20 million total goes into bonuses – what percentage of teachers getting that bonus?	Email	Jun 22
62	What are raw numbers of shortage areas?	Email	Apr 7
63	Any incidences in schools doing well did they say it was leadership? Down the road: Why are teachers leaving the profession—why losing leaders?	Email; Conversation	Jul 11

Count #	BLR Action Needed	Response Means	Completed
64	Look at top-paying and lower-paying districts and see how much coming from foundation vs. other state and local? Marvell v. NWA	Email	Apr 7
65	Attrition data in charters and districts	Email; Teacher R&R Rpt	Apr 8
66	Education NW report and data from BLR analysis on PLCs	Email	Apr 7
67	Look at growth rather than achievement in our methodology	Email	Apr 13
68	Mention APA recommendation re: Task Force	Email; Special Pops. Rpt	May 3
69	How A-F schools are determined	Accountability Rpt	Jun 7
70	PLC All Inclusive Program	Email	Apr 7
71	What type of teachers are included in Teacher 1-12 Category? Disaggregate CTE Expenditures Included in Teacher 1-12 Category.	Email	May 12
72	All Schools Not Offering AP Classes - Do you know historically if they ever offered AP courses?	Email	Aug 29
73	Are American Sign Language courses being taught as foreign language in schools?	Email	Jun 30
74	Per-Pupil Principal Expenditures: for principals is higher w/waivers - Charters spend more on principals since their job role similar to superintendents? Charters use principals in place of superintendents?	Email	Aug 10
75	Historical trends in student performance in schools with waivers vs. schools without waivers	Waiver Rpt	May 2
76	Avg. Salary % differences between superintendents and classroom teachers and between principals and classroom teachers?	Email	Aug 29
77	Is the NAEP administered in other languages?	Email	May 5
78	Percentage of students testing out of ELL? Average duration in program?	Email	Jun 15
79	Specific diagnoses included in emotional disturbance definition? Where would migraines be included?	Email	May 5
80	Number of preschools or Head Start programs available in delta?	Email	Jun 22
81	What are other states doing in order to be able to have a literate population?	Email	Jun 15
82	How does Arkansas compare to other countries in terms of student achievement?	Email	Jun 15
83	Did smaller schools have resources to teach certain things? Did smaller schools need additional resources?	Email	Jun 22
84	What states have robust/universal pre-k programs what are their literacy rates?	Email	Jun 13
85	Can achievement scores for black students be disaggregated further by level of racial integration/ school or district ethnic breakdown of the student population?	Email	Jun 22
86	How does Arkansas compare with other states in regards to funding and spending?	Email	Jun 13
87	BLR Coordination Of Reports With ADE	Email	Jun 14
88	Parent Status ACT Aspire Analysis	Email	Jun 14
89	Integration Student Achievement	Memo	Jun 21
90	Vertical Equity Source Data	Email	Aug 9
91	Teacher Information Lollipops	Email	Sept 2
92	School district safety information <i>*On hold pending request for Survey</i>	Email	<i>*Aug 9</i>

Count #	BLR Action Needed	Response Means	Completed
93	Categories of Expense by Non-White Deciles	Email	Aug 9
94	Are there any studies showing the effect of armed guards on students of color?	Email	Aug 31
95	What were the measures used prior to Lake View?	Email	Aug 23
96	Who is included in the salary lines of the matrix?	Email	
97	Definition of teachers – different definitions: Matrix, ASR, NEA, Teacher of Record, what we send out for the survey.	Email	
98	If increase minimum salary schedule \$1,000 dollars, how much would it cost considering some districts already paying above that. What would the average be?	Email	

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# Appendix E: Draft Legislation

Stricken language would be deleted from and underlined language would be added to present law.

1 State of Arkansas  
2 93rd General Assembly  
3 Third Extraordinary Session, 2022  
4  
5 By: Senator Irvin  
6

## A Bill

DRAFT TNL/TNL  
SENATE BILL

### For An Act To Be Entitled

8 AN ACT TO AMEND THE MINIMUM TEACHER COMPENSATION  
9 SCHEDULE UNDER THE TEACHER COMPENSATION PROGRAM OF  
10 2003; AND FOR OTHER PURPOSES.

### Subtitle

14 TO AMEND THE MINIMUM TEACHER COMPENSATION  
15 SCHEDULE UNDER THE TEACHER COMPENSATION  
16 PROGRAM OF 2003.

17  
18  
19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
20

21 SECTION 1. Arkansas Code § 6-17-2403(b), concerning the minimum  
22 teacher compensation schedule, is amended to read as follows:

23 (b) Each school district in the state shall have in place a salary  
24 schedule with at least the following minimum levels of compensation for a  
25 basic contract+

26 ~~(1) For the 2019-2020 school year:~~

<del>Years of Experience</del>	<del>BA Degree Salary</del>	<del>MA Degree Salary</del>
29 0	\$32,800	\$37,450
30 1	33,250	37,950
31 2	33,700	38,450
32 3	34,150	38,950
33 4	34,600	39,450
34 5	35,050	39,950
35 6	35,500	40,450
36 7	35,950	40,950

DRAFT

10/17/2022 3:30:07 PM TNL034



1	8	36,400	41,450
2	9	36,850	41,950
3	10	37,300	42,450
4	11	37,750	42,950
5	12	38,200	43,450
6	13	38,650	43,950
7	14	39,100	44,450
8	15	39,550	44,950;
9	<del>(2) For the 2020-2021 school year:</del>		
10			
11	<del>Years of Experience</del>	<del>BA Degree Salary</del>	<del>MA Degree Salary</del>
12	0	\$33,800	\$38,450
13	1	34,250	38,950
14	2	34,700	39,450
15	3	35,150	39,950
16	4	35,600	40,450
17	5	36,050	40,950
18	6	36,500	41,450
19	7	36,950	41,950
20	8	37,400	42,450
21	9	37,850	42,950
22	10	38,300	43,450
23	11	38,750	43,950
24	12	39,200	44,450
25	13	39,650	44,950
26	14	40,100	45,450
27	15	40,550	45,950;
28	<del>(3) For the 2021-2022 school year:</del>		
29			
30	<del>Years of Experience</del>	<del>BA Degree Salary</del>	<del>MA Degree Salary</del>
31	0	\$34,900	\$39,550
32	1	35,350	40,050
33	2	35,800	40,550
34	3	36,250	41,050
35	4	36,700	41,550
36	5	37,150	42,050

1	<del>6</del>	<del>37,600</del>	<del>42,550</del>
2	<del>7</del>	<del>38,050</del>	<del>43,050</del>
3	<del>8</del>	<del>38,500</del>	<del>43,550</del>
4	<del>9</del>	<del>38,950</del>	<del>44,050</del>
5	<del>10</del>	<del>39,400</del>	<del>44,550</del>
6	<del>11</del>	<del>39,850</del>	<del>45,050</del>
7	<del>12</del>	<del>40,300</del>	<del>45,550</del>
8	<del>13</del>	<del>40,750</del>	<del>46,050</del>
9	<del>14</del>	<del>41,200</del>	<del>46,550</del>
10	<del>15</del>	<del>41,650</del>	<del>47,050; and</del>

11                   (4) ~~For~~ for the 2022-2023 school year and each school year  
 12 thereafter:

13				
14	Years of Experience	BA Degree Salary	MA Degree Salary	
15	0	<del>\$36,000</del> <u>\$40,000</u>	<del>\$40,650</del> <u>\$44,650</u>	
16	1	<del>36,450</del> <u>40,450</u>	<del>41,150</del> <u>45,150</u>	
17	2	<del>36,900</del> <u>40,900</u>	<del>41,650</del> <u>45,650</u>	
18	3	<del>37,350</del> <u>41,350</u>	<del>42,150</del> <u>46,150</u>	
19	4	<del>37,800</del> <u>41,800</u>	<del>42,650</del> <u>46,650</u>	
20	5	<del>38,250</del> <u>42,250</u>	<del>43,150</del> <u>47,150</u>	
21	6	<del>38,700</del> <u>42,700</u>	<del>43,650</del> <u>47,650</u>	
22	7	<del>39,150</del> <u>43,150</u>	<del>44,150</del> <u>48,150</u>	
23	8	<del>39,600</del> <u>43,600</u>	<del>44,650</del> <u>48,650</u>	
24	9	<del>40,050</del> <u>44,050</u>	<del>45,150</del> <u>49,150</u>	
25	10	<del>40,500</del> <u>44,500</u>	<del>45,650</del> <u>49,650</u>	
26	11	<del>40,950</del> <u>44,950</u>	<del>46,150</del> <u>50,150</u>	
27	12	<del>41,400</del> <u>45,400</u>	<del>46,650</del> <u>50,650</u>	
28	13	<del>41,850</del> <u>45,850</u>	<del>47,150</del> <u>51,150</u>	
29	14	<del>42,300</del> <u>46,300</u>	<del>47,650</del> <u>51,650</u>	
30	15	<del>42,750</del> <u>46,750</u>	<del>48,150</del> <u>52,150.</u>	

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