

EXHIBIT

SUMMARIES OF LAKE VIEW (2004) TESTIMONY

EQUALITY OF TEACHER SALARIES

Index to Summaries Contained in Exhibit

A. HIGH PRIORITY DISTRICT FUNDING:

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Jack Crumbly, Superintendent	Earle School District	p. [REDACTED]
Bill Kessinger, Superintendent	West Memphis School District	p. [REDACTED]
Roy Kirkland, Superintendent	Barton-Lexa School District	p. [REDACTED]
Lee Vent, Superintendent	Forrest City School District	p. [REDACTED]

B. TEACHER SALARIES:

Brenda Bowles, Director of Equity and Multicultural Education	Pulaski County Special School District	p. [REDACTED]
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David Land, Superintendent	Omaha School District	p. [REDACTED]
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Jack Crumbly, Superintendent	Earle School District	p. [REDACTED]
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Bill Kessinger, Superintendent	West Memphis School District	p. [REDACTED]
Roy Kirkland, Superintendent	Barton-Lexa School District	p. [REDACTED]

A. HIGH PRIORITY DISTRICT FUNDING

Randy Byrd, Superintendent, Brinkley School District: (Masters' Hearing Vol. IX)

Page Summary

859- Brinkley qualified for salary recruitment incentive money under Act 101, which means
860 that the district had less than 1,000 students and at least 80% of its students qualify for free and reduced lunch. The starting teacher salary at Brinkley is \$31,000. The salary bonus under Act 101 helped Brinkley reduce the number of departing teachers. The year after the salary increase we only lost 4 teachers. The year before we lost 14.

...

880 It will be difficult to recruit teachers to Brinkley in '06-'07 because the Act 101 salary bonus program was not renewed. The base salary in Brinkley is \$31,000 and the average teacher salary is \$39,000 without the Act 101 money.

881 Without the Act 101 money, Brinkley's average teacher salary will fall below the state average two years ago. It will be difficult to get anyone to teach in Brinkley. Typically, we start advertising in October to fill a new position and don't fill it until spring.

...

903 A method, such as Act 101, would assist in addressing teacher salary disparity issues, so would a statewide salary schedule. After 14 veteran teachers left Brinkley, we were able to raise the base teacher salary \$3,000 with the Act 101 to stem the tide in future years.

Jack Crumbly, Superintendent, Earle School District: (Masters' Hearing Vols. III-IV)

Page Summary

361 Except for Marion, most of the districts in Crittenden County are probably losing students. Normally we've been losing anywhere from 8 to 10 students per year. It's been slow, but it has been a steady decline. Earle has none of the conveniences young teachers find attractive when they're looking for a place to get a job.

362 That is an impediment in attempting to attract people into the community as teachers. That fact causes me to need to have an even more competitive teacher salary schedule. Act 101 made us close salary-wise to West Memphis and Marion but we were not completely competitive.

363 Act 101 provides extraordinary incentives for high priority school districts in

terms of helping them recruit and retain qualified teachers. A new teacher gets \$10,000 over a three-year period. Veteran teachers get \$6,000 over the three-year period. Act 101 has a beginning and an end – its initial funding was only for the three-year cycle.

- 364 We would like to receive permanent funding because it's a godsend. It's the only way we can try to level the playing field in terms of trying to recruit and maintain highly qualified teachers. Without that money, we won't be able to pay competitive salaries and keep students in the Earle district. There's a \$6,000 starting salary difference between Earle and West Memphis. Act 101 provided \$4,000 to fill that gap. Marion raised their starting salary near that of West Memphis. Without the addition of the Act 101 money, it would be impossible to attract and retain highly qualified staff. We hired some staff as a result of Act 101 money.
- 365 We gave the money to those teachers as a stipend because it has a sunset clause on it. A starting teacher received a salary of \$29,783 and received an additional \$4,000 in December.
- 366 We provide a \$450 step increase for 20 years, which is the minimum required by law. Act 101 was not extended.
- 367 I believed that Act 57 would provide me an opportunity to testify to the advantages of Act 101. I was not given the opportunity to give evidence. I made an attempt to bring the information to the legislature of the critical need to continue the salary supplement. I worked with Representative Joyce Elliott on House Bill 2654. I gave testimony similar to what I've given today to the House Education Committee.
- 368- The bill got out of the House Education committee and the House, but did not
369 get out of the Senate Education Committee. I cannot tell a teacher I hired under Act 101 that I can get her more money in the next biennium. I am concerned that I will continue to have flight of good teachers from my district. In 2002-2003 the Earle District was the only one in the state up for loss of accreditation because we were employing a great number of teachers who were not fully certified. I lost 17 of my fully certified teachers in a two-week period. We tried to hire back as many as we could. We ended up with 10 or 12 teachers who were not fully certified. We worked out a deal to keep our accreditation, but we had to do something drastic. The next year our starting salary was \$27,758. We were again up for loss of accreditation. The next year we cut staff, cut positions, and moved people around. But we were able to raise our salary to \$29,000 and that one factor alone led to us going from being up for loss of accreditation to being 100% accredited. The only variable that changed was what we were able to pay in a teacher's salary.
- 370 Salary counts in our ability to keep teachers.

...

409 The Act 101 money will sunset absent the special session or action in the 2007 General Assembly.

Bill Kessinger, Superintendent, West Memphis School District:
(Masters' Hearing Vol. VIII)

Page Summary

822 I think Act 101 probably should be extended. It warrants discussion in Act 57.

Roy Kirkland, Superintendent, Barton-Lexa School District:
(Masters' Hearing Vol. X)

Page Summary

987 Act 101 was a teacher's supplement to help districts with high poverty to attract and retain qualified teachers. Act 101 was a step in the right direction. It's sufficient in terms of funding and it's sufficient in terms of breadth of students that it addresses. To really start closing the gap on a more permanent basis, the General Assembly needs to employ several tools, but one of the tools they will have to employ will be some form of needs-based funding for teachers' salaries.

Lee Vent, Superintendent, Forrest City School District:
(Masters' Hearing Vol. VIII)

Page Summary

748 If there had been an Act 57 review, Act 101 concerning the Earl School District would not have died at the end of session.

B. TEACHER SALARIES

Brenda Bowles, Director of Equity and Multicultural Education , Pulaski County Special School District:
(Masters' Hearing Vol. XII)

Page Summary

- 1143 Two-thirds of our teachers are at the top of the salary schedule and we based this assessment on an annual salary of \$30,000. This excludes benefits but the projection includes benefits.
- 1144 The teachers' union revised the salary schedule to give up three-day holiday pay.

Randy Byrd, Superintendent, Brinkley School District:
(Masters' Hearing Vol. IX)

Page Summary

- 870 It is difficult to attract and keep teachers in Delta schools. A statewide teacher salary schedule might solve the salary disparity issue if I'm loosing teachers because another district can pay more.
- 871 \$31,000 is the base teacher salary in Brinkley. Our salary schedule covers twenty years, five more than the state minimum.
- ...
- 876 During the '04-'05 school year, Brinkley gave two salary increases to teacher. We raised the base from \$28,000 to \$30,000 in the fall. In the spring, we added another \$1,000 and increased the number of steps.
- 877 Teacher raises were given because the budget position of Brinkley was good in '04-'05.
- 878 Raises were given with the expectation that the state would continue to provide money for step increases, not freeze the amount of foundation funding.

Jack Crumbly, Superintendent, Earle School District:
(Masters' Hearing Vols. III-IV)

Page Summary

- 381 I think we spent a little over \$600,000 in NSLA money last year. Some of that was to try to supplement some teacher salaries, but a great deal of it was spent on our remediation

programs, the after-school tutoring, summer school, and the Saturday programs. The \$5,400 and \$1,400 for poverty students will not be enough money to provide an adequate education to the children of Earle. We would need some supplemental funding. We would have to move our deputy superintendent and relieve a couple of principals and cut out some teaching positions to get our starting salary competitive with Marion and West Memphis.

- 382 Many of our teachers live in Marion and West Memphis. It would be easier for them to work in those districts. We have to offer a salary that is at least close.
- 383 We don't want to offer excuses, but it's going to increasingly difficult for us to make adequate progress. When they raised teacher salaries under Act 59, many of the districts still paid more than the minimum. It didn't really narrow the disparity between
- 384 teachers' salaries. We estimate \$26,143 in trust fund increases. The state sent us that figure. That's \$32 per student. We put that money into our teacher salaries.
- ...
- 396 We used some of the NSLA money to help get our teachers' salary schedule up. We offer somewhere between 75 and 80 courses at Earle. We have 253 students grades 9 through 12.

Janie Darr, Superintendent Rogers School District:
(Deposition)

Page Summary

- 21 We are able to pay our teachers about \$9,000 more with benefits than the money because we have a better teacher ratio than may school districts do.
- 22 We have trust funds, we are required to keep giving raises. Trust funds go up every year because we grow in students, which forces our salaries to go higher.
- 23 We have had to use excess debt mills to cover operating expenses. We have to compete with Missouri and Oklahoma, our neighboring districts, for teachers. In order to do that, we have had to keep our salaries going up.
- ...
- 30-31 Our average teacher salary for 2004-2005 was \$51,832 – well above the state average and well above any minimum amount that would be required by state law.

Danny Foley, Superintendent, Southside School District:
(Masters' Hearing Vol. V)

Page Summary

- 478 We are actually going to have to pay \$54,600 for step increases based upon the salary schedule that is in effect in our school district.

Benny Gooden, Superintendent, Fort Smith School District:
(Deposition)

Page Summary

56 The starting salary for the 2005-2006 school year is \$30,000. The average teacher salary for the 2005-2006 school year, not counting fringe benefits, is \$47,000-48,000.

...

72-73 I would not be an advocate for a state wide teacher pay scale because the market forces should somewhat dictate teacher pay scales. Also, a statewide salary schedule may result in standardized mediocre salaries, which will bring the entire state down.

Kathy Hanlon, District Treasurer, Rogers School District:
(Deposition)

Page Summary

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Kathy Hanlon, District Treasurer, Rogers School District:
(Masters' Hearing, Vol. I)

Page Summary

53-54 The average teacher's salary discussed in Dr. Darr's testimony excludes benefits. You have to add 25%.

...

91 *[Looking at Deposition Exhibit 4, prepared testimony of Senator Bisbee]* Yes, on page 2 there is a beginning assumption as to what the teacher's salaries are to be before 2004-2005, that the salary of \$48,750 would be increased by 5% over what the average salary was for 2003-2004. The \$48,750 includes benefits. About \$39,000 would be cash-in-their-pocket salary. Yes, it is accepted in the

school business consultants trade that benefits are approximately 25% of base salary. I think that is what the Arkansas Department of Education and others use to determine actual salary costs.

92 Yes, from that I could conclude that Senator Bisbee said \$39,000 is what we believe would represent a 5% increase over the salary for the 2003-2004 ...

93 Yes, it tells us what the actual average teacher's salary was in Arkansas for 2003-2004, \$39,266.31. No, comparing Davis 11 and Senator Bisbee's testimony, there was no teacher raise money in the \$5400 foundation money.

[Looking at Exhibit 5] Yes, this is the memo I referred to earlier that came from the Department of Education dealing with inflation costs. It does show an inflation figure of 3.1%. Yes, when I prepared the grid, I used my best efforts to ascertain accurate figures.

Bill Kessinger, Superintendent, West Memphis School District:
(Masters' Hearing Vol. V)

Page Summary

786 The salary pull in West Memphis goes up every year whether or not money is added to the base schedule. Because people move up the salary schedule.

787 In my 33 years I have never seen the salary pull in West Memphis go down or stay level because people retire and cheaper teachers are hired. I believe the teaching cadre is going to increase each year. I have never had more people retire that was brought on as new teachers. Personnel is our single biggest cost.

...

794 Line 14 and 14-A on the grid are blank because my salary is above the state minimum. Even at the minimum there are step increases that are possible. Our step increases cost us around 190 this year.

...

813 Our starting teacher salary is 36,000 with step increases of 450. We go down to year 24 on the teachers' salary scale. The state mandated minimum is for 15.

...

820 Without good teachers it does not matter what kind of building you have.

821 We have to have competitive salary to attract teachers.

822 I think Act 101 probably should be extended. It warrants discussion in Act 57. Arkansas' minimum teacher salary is \$27,500.

823 Having a minimum salary encourages people to go into the teaching profession. The minimum teacher salary needs to go up for the next school year.

- 824 I thought the legislature would do a continual adequacy review as a result of Act 57. But, they did not. I know what ASCN is and I know about Pentamation software. I do not know how to operate it. I would have to hire some one.
- 825 I know that the State Department of Education is capable of making pulls. I don't know that they did.
- 826 If a salary pull had been done they would have learned that average salary \$39,266 and not \$37,000. If the intent was to give a 5 percent raise, that they had fallen \$70 million short and could have been dealt with during the most recent session and they would not have had to raise taxes to get it done.
- 827 It is my understanding that the legislature appropriated cost of living for every other branch of government except education and an additional \$100 million in new programs. That money could have been used to rectify the salary disparity. If the minimum salary had gone up and been accompanied with some money the gap would have been closed.

Roy Kirkland, Superintendent, Barton-Lexa School District:
(Masters' Hearing Vol. X)

Page Summary

- 917 Part of the financial burden in taking on Lake View was teacher salaries. At the time, Lake View's starting salary was \$21,000 and Barton-Lexa's was \$31,000, so we had to raise the salary of each teacher from Lake View by \$10,000.
- ...
- 937 Immediately after the consolidation, Barton-Lexa had to pay the Lake View teachers a higher salary. For that one year, the Lake View teachers got a pretty significant raise. At the time, Barton-Lexa's starting salary was just a little over \$31,000.
- ...
- 942 Barton-Lexa traditionally looks at its budget picture in the middle of the year and determines whether it has enough money to give the teachers an additional raise or bonus. Brinkley gave an \$800 raise about the first of December in 2004. The raise was amended into the salary schedule.
- ...
- 954 Barton-Lexa did not list any cost in line 9 of the grid regarding salary schedule credit for private school and higher experience. We try to do everything we can when we're hiring our teachers to bump our salary up as much as we possibly can. We have given credit for all previous experience for the last 15 or 20 years, so when the law was passed requiring credit to be given it was not a problem for us. We did not think we should count that as an additional expense on the grid.
- ...
- 974 The average teacher's salary for this school year is going to be right at \$40,000.

- 975 We have some excellent teachers this year. We've recruited very well and we've been able to retain some really good people. The key to student achievement is having good teachers. I believe that some our teachers in terms of their quality and their effectiveness can go "head to head" with their peers that teach in the Rogers School District. However, the average salaries in Rogers are a lot higher than ours.
- 976 The comparable qualified quality teacher in our district is going to be making less money than the comparable teacher in Rogers. How much money a teacher is making is not necessarily correlated to the quality of that teacher. Most of our teachers are local people. We have a lot of good local people or quality people. We don't have to go out and recruit widely. Under our system right now, it has essentially mandated increases in salary based on tenure.
- 977 It impossible to have a veteran teacher who is at the top end of the salary schedule, an effective teacher, and have an equally effective quality teacher with only two years of experience, but one will be making a lot more money than the other. The amount of money that the teacher is making does not necessarily correlate with their quality and qualifications in the classroom. The one area that I have great concern about is the teacher's salary disparity issue. A document was attached to my deposition which is Deposition 114 - a Power Point Presentation that was prepared for the Joint Interim Committee on Education last November and specifically address this issue.

...

984 - 986 Power Point Presentation - Deposition 114

- 987 Some legislators would say in '06-'07, there's a slight increase in minimum teacher's salary, but I would say that will be ineffectual. In '04, the legislature enacted a substantial increase in the minimum teacher's salary, which was good, but it had no positive effect on closing the teacher's salary disparity gap. Act 101 was a teacher's supplement to help districts with high poverty to attract and retain qualified teachers. Act 101 was a step in the right direction. It's sufficient in terms of funding and it's sufficient in terms of breadth of students that it addresses. To really start closing the gap on a more permanent basis, the General Assembly needs to employ several tools, but one of the tools they will have to employ will be some form of needs-based funding for teachers' salaries. Our district's salary schedule is \$690 greater than
- 988 the state limit. So we made little progress in that direction. We're a border county. We have a very difficult time attracting and holding teachers. We are not able to look at the most highly qualified. We don't have a choice between applicants. We have a few good teachers who because of other family or other ties are going to be there no matter what. We had a middle school English teacher leave us this summer who had become faculty leader, master's degree
- 989 teacher, excellent teacher. She had agreed to move to a reading position that we wanted established because we think we need to continue reading instruction in the middle school. I moved her to that position. She had a substantial role in helping develop that plan. About three weeks after the end of the school year, Magnolia offered her a contract and she's gone. If we paid Magnolia's salary, I don't know for sure that she would have stayed. I think the young lady we hired basically was her numerical replacement and will

be a good teacher, but she is not today and that happens over and over and over. Our district has become a training ground for new teachers. Taking into consideration the problems we have recruiting and retaining good teachers, taking into consideration some of these costs that we put on the grid, these days and then looking at the funding the state has provided, \$5,400 in foundation funding and four categorical things, using only those sources of funds, I do not believe

990 we will be able to provide adequate and equal or equitable education to the children of the Lafayette School District in the '05-'06 school year.

David Land, Superintendent, Omaha School District:
(Masters' Hearing Vol. VII)

Page Summary

604 The Omaha School District is located fairly close to the Fayetteville and Springdale area and some of the school districts in our immediate area have raised their teacher salaries far beyond our capabilities. I'd like to raise our salaries up to their level. We always end up losing our good teachers because of the disparity in teachers' salaries, which drastically affects the quality of our school.

605 The starting salary for teachers in our district is \$28,500. We lost two excellent teachers last year. If you keep losing top quality teachers, naturally your education facility will go down and your ability to teach kids properly.

...

629 I'm not faulting these schools that are paying higher teacher salaries. I would just like to be able to pay the same amounts so I don't lose my teachers. A lot of teachers do stay in Omaha rather than taking higher salaries. Several of our teachers are residents there and live there and farm there.

...

633 I am not aware of any studies that were undertaken or any effort made at the state level to try and determine some reasonable way to address the problem of teacher salary disparity since the special session in 2003.

...

652 I feel that it probably would create more problems if the Arkansas constitution was revised to solve the problem of equalized teacher salaries by having the state decide how much to pay teachers in our district instead of having to be dependent upon the collection rate of local revenue. I just know that there's a problem and people smarter than I need to figure out if we can equalize the teacher salaries. On the issue of local control, I think it would really, really hurt public schools in this state if the people in the community didn't have local control of their schools. I don't think it would be good for the state to take over the schools in Arkansas and make the school boards advisory groups.

653 If the government came in and wanted to set higher teacher salaries and maintain them, I wouldn't have a problem with that. It just needs to be done adequately and not cause

more problems than there is currently. I would like to see a levelized salary schedule in this state.

Robert Smalley, Superintendent, Alpena School District:
(Masters' Hearing Vol. VII)

Page Summary

672 The Alpena School District minimum teacher salary for the 2005-2006 school year is \$28,918 with a bachelor's degree and no experience. The salary scale was last increased in the 2004-2005 school year in order to keep quality teachers in the school district. I have seven teachers right now that have completed national board certification and I do try to keep those teachers in place. I increased teacher salaries at the beginning of the year and before some inflation costs hit and before hiring some teachers that were needed to meet the standards.

Darrell Smith, Superintendent, Wynne School District:
(Masters' Hearing Vol. VI)

Page Summary

563- Wynne School District's minimum teacher salary is \$33,000. The state-mandated
564 minimum is \$27,500. In the increase in our pay scale that I implemented in the middle of the '04, '05 school year, we were at \$33,000 and we increased our pay to \$33,000. We increased our step increments from 550 to 600. We increased the fifth and tenth step increment by a thousand dollars, and added two-step increments. From 23 to 25 for those people beyond the bachelor's and that was vertically. Horizontally, we increased our master's degree from 3,200 to 4,200, and there are incremental steps horizontally in between that stayed the same at all levels. We may have increased those at 100 dollars. It would be like a BS plus 12, BS 24, master's, MS plus 15, and MS plus 30. We increased those by one or two hundred dollars across. The masters begin at \$37,200. All of our increases to our pay scale will be recurring expenses over time. In previous years, if I wanted to give one of my teachers a bonus of \$3,000 I probably could, but under current legislation, I'm not sure if that could be done.

565 Once you give it to them, they're going to expect it again, and it would need to be part of a salary schedule. Where I'm located, in order to attract teachers to provide an adequate and equitable education for our students, I've got to try to be competitive with school districts across the state to some degree. And even with my salary schedule, I'm not competitive enough. The state-mandated minimum step increase is \$450. At the five and ten year level, we went from a \$550 to a \$1,000 step increase. Previously, if we had gone from a BA to master's degree, we would have had a \$3,200 increment.

...

575- Most often, on average the scores of our students in poverty are significantly below
576 the scores of their more affluent peers on the benchmark exams. In general, students in poverty bring to school with them a host of educational issues that their more-advantaged

peers don't. In order to work to improve the situation of these students in poverty, we have to have a salary structure that's going to attract and retain experienced teachers and teachers who are educated and have master's degrees or some higher level of education. We want to attract the very best we possibly can for all of our children. I do not believe that I will be able to attack the problems of students in poverty and attempt to bring them to the proficient level on the benchmark exams in the next seven to ten years. We are having trouble attracting and retaining highly qualified teachers. There are six major areas where students go to be trained as teachers in our state. I sort of call it going from the rural areas to what I call the glitz. The students go to the bright lights, plenty of places to eat, movie houses, all these activities that will attract them. They spend four years there. The schools there are also offering them jobs, many times at a higher salary schedule than we can offer them in our part of the state. Also, there is an opportunity for a spousal connection in a metropolitan area.

577 At that particular point in their life, they view them as advantages. They stay there to teach. And when those areas are paying more than we're already paying, it's very hard to attract them to come back to our area of the state.

...

580- I've had thoughts along the line of advocating a statewide teacher salary scale that
582 flattened out the disparity between districts. I think it would be something deserves a certain amount of study. I would advocate adequate funding for all students so the teachers could get a decent salary schedule that would be competitive with any other school in the state. Given the disparity that exists now and a statewide teacher salary schedule, if I had to advocate for one or the other, I would advocate for statewide teacher salary schedule. In order for me to have any hope at all to have my children achieve and reach proficiency, I have to put a good teacher in front of them. And salaries make the difference in whether I can attract them.

583- I think the same holds true in places like Rogers, Springdale, Fayetteville, and
584 Bentonville, the same as does Wynne. These places have to have good teachers in order to adequately educate their children. I do not advocate a statewide teacher's salary scale that should begin at the lowest level paid in one of the northwest Arkansas districts for average teachers. At some point, if there's going to be a statewide teacher's scale and we're not going to pay teachers less money, which we can't do contractually, we would have to raise everybody to that level. That would cost more than \$5,400 per student. The Legislature could have discussed the teach salary disparity in an Act 57 review last fall before the legislative session began. I believe the average teacher pay in our school district is a little over 46,000. After we received the new money that came about as a result of Act 59, we were able to give our teachers a five percent pay raise. I don't know whether or not every school district in Arkansas was able to get a five percent pay raise.

Winston Simpson, Superintendent, Lafayette County School District:
(Masters' Hearing Vol. X)

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|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 996 | I would recommend a needs-based funding to maybe correct the teacher's salary disparity. A mechanism through which districts were provided funding to pay a competitive teacher's salary outside a foundation aid amount if the state is going to stay with something like a foundation aid idea. |
| 997 | It on ADE website that the average teacher salary in Little Rock for '04 was \$55,000. I used the \$50,000 mark because there are three districts in northwest Arkansas that bump right around \$50,000 in the '04 year. Our average teacher salary would have to increase about \$15,000 to be at that level. We would have to have enough money outside some sort of foundation funding to increase our teachers' salaries roughly \$15,000. We already do needs-based funding and I think something of that sort will have to be put in place and I'm sure there will be other tools that the General Assembly could employ, but we have to get away from a system in which the state sends each child the same amount of money for the operating budget. |
| 998 | I think if we could pay a competitive salary, we would have a much better opportunity to staff our schools with well-trained, skilled individuals that would stay with us. We lose individuals who prefer that lifestyle to more urban areas or communities that pay substantially better. They have to have a way to provide a reasonable degree of support for their families. Money may be a factor, however, it is not the only reason why teachers decide to teach where they teach. |
| 999 | We have approximately 80 teachers and when trying to understand the human resources available to educate the children, you have to think about 80, not two or three. I can think of two or three teachers in Lafayette County |
| 1000 | that I would put up against Rogers' best. We have so many inexperienced teachers. I certainly don't want to disparage the staff that's working there and they work hard in most cases and they do the best thing they know to do. But, I do know there are differences in abilities and aptitudes and I think if we could find some way to characterize the Rogers or the Springdale or Fayetteville faculty and compared it to Lafayette County, we would be found wanting. |
| 1001 | It takes most teachers about five years to get to the top of their game. Some people stay there for a career and some keep growing and some decline unfortunately. |
| 1002 | The teacher's salary disparity within the state is a violation of Article 2, Paragraph 2, 3, and 18 because the disparity as a result of local school district discretion bears no rational relation to the state's interest in providing a general suitable and sufficient education of our children. |
| 1003 | The larger school districts because of efficiencies can generally afford to pay higher salaries than smaller ones. The real issue is size of school, not size of school districts. The teacher/pupil ration with larger schools are able to use more of their money to raise salaries as opposed to hiring teachers that lead to a low teacher/pupil ratio. My first |

choice would be some sort of differentiated funding for teachers' salaries, coupled with a look at perhaps more stringent rules about how school districts use their money. In other words, if the state is going to give Lafayette County a substantial extra helping so we can compete for teachers, then

- 1004 I certainly would expect there to be some rather stringent rules to demonstrate that we're using the money for that fashion and that we're not abusing that opportunity in some way.
- 1005 School Districts would receive varying levels of need-based funding. Some would get none for that purpose because they may comparatively be wealthier and be able to offer more in salary than others can. But, the thing the General Assembly would accomplish through that is taking the salary level essentially out
- 1006 of the matrix of people deciding where they wanted to live and work as teachers. The different districts would get different amounts of needs-based funding because everybody has different needs. I think there's a very good likelihood that one aspect of the teacher's salary disparity that the court addressed would be totally ignored and that is comparison with other states.
- 1007 I think if you put more money at the bottom than you put at the top in terms of trying to close the gap, you can make substantial progress towards closing the gap without capping salaries through statute.
- 1008 What I have read about knowledge and skills-based pay, in some form or fashion, it mimics pay for performance in the sense of setting up some ruler through which someone says "yes, you exhibit more skills, more knowledge and things that we value in our ruler and you have earned more degrees, you've earned more certificates, et cetera; therefore, you qualify for more money". But, you have to adjust for the fact that some teachers may just by circumstance have a group of students that because of high poverty or otherwise are more difficult to educate. We need to get away from the system we have now that tends to
- 1009 reward you based on longevity and greed, assuming that's going to add to your value as a teacher. In my years as an administrator, I've advocated a number of things that I thought were a fine idea and I'm convinced would help children, but in some instances, I and others have failed to put in place the necessary support structures in terms of political systems, et cetera, to support the innovation. I think the value-added approach to assessing student progress is good. I think it makes some sense to apply that in some fashion to rewarding teachers whose students show the greatest growth, no matter where they start.
- 1010 What we don't have in the current system is an official stamp on Mr. or Mrs. X that says "this is an unusual, good teacher. The other teachers are adequate. They're qualified. They meet all the standards to be a teacher, but this person is unusual here". I think that kind of system breaks down both from within the teaching staff and from within the community political support for the school system unless we can do some things we've
- 1011 not yet done and I would love to see such a system devised that could be supported. It is my opinion that unless we could figure out some way to overcome that, we're pretty much going to have to live with a system where within the same school district, two teachers with the same degree and the same level of experience are going to be paid the

same even though one is clearly doing a better job. Generally teacher unions tend to be fairly leery of any sort of either merit-based pay or knowledge-and-skills-based pay. They lobby real hard against those

...

- 1014 \$6,000 as foundation funding would not be enough if you had special needs. Mr. Gauger, you're trying to get me to say foundation aid is sufficient to provide an adequate education, but the funding mechanism put in place by our General Assembly did not depend totally on foundation aid to provide an adequate education.
- 1015 If you want me to go back to a number that represents resources that would likely provide an adequate education for the Lafayette County students, I would have to go back to the \$2.7 million. But there's a real problem with that. You just gave Rogers the same amount of money to raise their teachers' salaries you've given us to compete with them, so you cannot resolve that puzzle with foundation aid alone.
- 1016 I think it would help, if through whatever means and devices we were able to raise teachers' salaries overall in the state to a level at or in excess of the surrounding states. As the question was discussed about some people preferring to live in northwest Arkansas than southwest Arkansas. I think if our salary were competitive with surrounding states, there would be less exodus to Texas, et cetera. If we would get them to a competitive level and if it was perceived that some places in Texas,
- 1017 Missouri, Mississippi, Tennessee, Kentucky, Louisiana, or Oklahoma, we might actually be in a position to attract teachers from those states into Arkansas. Both of those in combination would expand our teaching pool which in and of itself would serve logically to lessen the competition for the available teachers. The real competition is from the private sector; because of our status of teachers' salaries, there are more attractive options for bright college educated people than the teaching profession.
- 1018 If we can increase the financial attractiveness of being a public schoolteacher, we can then logically expand the pool of available teachers. Over time that has to logically serve the purpose of decreasing competition among Arkansas districts for what is now a scarce commodity.

Lee Vent, Superintendent, Forrest City School District:
(Masters' Hearing Vol. V)

Page Summary

- 690 We increased our teacher salaries a little bit in order to retain qualified teachers and also to address the needs of the national No Child Left Behind Act.

Charles Vondran, retired Superintendent, McCrory School District:
(Masters' Hearing Vol. V)

Page Summary

472 Line item number 14 on the grid is the step increase projection for our current salary schedule. With our salary schedule, we are above state average. Our starting salary is \$28,000 with yearly increments of \$600.

Milton Washington, Superintendent Osceola School District:
(Masters' hearing Vol. XI)

Page Summary

1044 One of the problems that schools in the Delta often face is loss of teachers. At the end of the school year, a number of the teachers move on to other areas. Because of the area where we're located, there are not a lot of entertainment and recreational situations there for husband and wife and children.

1045 So many people choose to move back to areas where there's more abundance of activities to get involved in. For the last 2 or 3 years, we have lost approximately 20 teachers a year. We have to be actively recruiting as much as we possible can. Normally, we find enough teachers, but we usual run right up to the beginning of school.

...

1059 The beginning teacher salary in Osceola is \$30,550.

1060 We have five steps that are \$450 on the B.A. side, \$500 on the master's side, and some variations. The starting salary for a master's level teacher is \$31,000. The salary schedule contains 25 steps, which is 10 over the state mandated minimum. We gave our teachers a raise in the middle of '04-05 school year. The pay increase ranged from \$500 to \$1,500.

1061 The raise was based on good budget picture that we had in the middle of the school year.

...

1066 The average teacher salary in Osceola is going to range somewhere in the mid- to upper thirties.

1067 I would be surprised if it exceeded \$39,000 even after the raise we gave in 2004. Teachers on the upper end of scale might have gotten a 5 percent increase in the pay during the 2004-2005 school year, but not teachers on the lower end.

1068 If the formula that established \$5,400 as the foundation amount was predicated on the notion that it would provide enough money to give the average teacher in Arkansas a 5% raise, then they fell short of that mark in Osceola.

C. EDUCATIONAL EXCELLENCE TRUST FUND

Jack Crumbly, Superintendent, Earle School District:
(Masters' Hearing Vols. III-IV)

Page Summary

384 We estimate \$26,143 in trust fund increases. The state sent us that figure. That's \$32 per student. We put that money into our teacher salaries.

Benny Gooden, Superintendent, Fort Smith School District:
(Deposition)

Page Summary

46-47 I received a new printout of state funding in the mail today that showed the Ft. Smith School District is receiving about \$750,000 less state money in foundation aid than last year. I understand that in theory we will make up this difference with increases in assessments on property. We had a \$100,000 increase in the Educational Excellence Trust Fund, but the new mandate prohibits us from using this money for either experience increments or horizontal educational increments for teacher salaries.

47 The mandate is violated if we don't raise our total contributions to salaries because everyone got a year older and we don't increase our contribution to salaries per person by \$100,000 divided by the number of existing personnel, not new hires. Ft. Smith raised its salaries more than that, but I don't know what it's going to cost the district.

48 Rogers and Fort Smith have growth in assessed valuation, but a school district that's losing 100 students is going to have significantly less State money. It is conceivable that this school district will have growth in its educational excellence trust fund and it will have to spend money it doesn't have. Fort Smith school district has received growth funding for some years. Our enrollment has been substantially flat for the last 15 years.

Kathy Hanlon, District Treasurer, Rogers School District:
(Deposition)

Page Summary

22 We have trust funds, we are required to keep giving raises. Trust funds go up every year because we grow in students. Which forces our salaries to go higher.

Kathy Hanlon, District Treasurer, Rogers School District:
(Masters' Hearing, Vol. I)

Page Summary

81 The trust fund was started in 1991. There's a percentage of sales tax devoted (supposedly) to increasing teacher salaries. So you receive a printout, and it says, you have X students and this is how much you're going to get. Of that the state department tells you that so much is actually trust fund. If that number goes up, you must distribute it to teachers. That number always goes up if you increase students because they base it off of the ...

82 ... number of students you have. So for Rogers, that number always increases, even though there's really no additional funds (from the \$5400 per student). I believe the trust funds would decrease if we were losing enrollment. I think what happens is the opposite of what was intended. In a growing district, you keep giving raises. In a losing district, you don't have to. There's also been an attorney's ruling this year on a memo we received from ADE that says that you cannot count step increases or lane changes as those funds. We did ask ADE this year how much those trust funds increased. We received the same \$5400 per students we would get, so we were forced to distribute that money that we really didn't get any extra on. No, this phenomenon is not something that will be present in every school district.

83 I think it was intended to raise teachers' salaries across the state, and what happens is it just makes districts that are growing have to keep increasing our salary schedule -- and others do not. I believe it has contributed to the disparity in teachers' salaries. I know at one point in the law, teachers had to vote on how those funds were distributed, which is one reason we have such large steps between our increments. They always asked that teachers who have been teaching longer get more of the money, on a percentage basis. ...

...

87 *[Referring to a copy of Act 2121 -- regarding the Educational Excellence Trust Fund. Court takes judicial notice of the various acts referenced.]* Yes, Act 2121 made changes in the trust fund law.

88 *[Reads changes into the record -- "may" was changed to "shall" be used ... to provide salary increases ... , and struck language about required Social Security and teacher retirement being paid from the trust fund.]*

Yes, in reliance on that act, I believe that if the Rogers School District received money this year and that money, if traced, showed an increase from the educational excellence trust fund, that we must give that increase in the form of salaries. And the school district did provide a salary increase to its teachers for 205-2006 in the amount of \$449. That was the only increase the teachers in

Rogers received other than step increases for tenure.

- 89 No, there would not have been a salary increase for Rogers' teachers for 2005-2006 without that requirement in Act 2121. Yes, it was exactly my understanding that the educational excellence trust fund was originally created to supplement education funding and not to supplant it. Act 2121 clearly supplants it. It takes it out of the \$5400 per student. *[Identifies Volume I, Exhibit 1 - a letter from Ken James, Director of the Department of Education to Joyce Elliott, Chairman of the House Education Committee]* Yes, attached to that letter is a document titled "Financial Impact Statement, Act 35 of 2003."

...

- 97 Yes, it is my understanding that the Educational Excellence Trust Fund was originally passed 10 or 20 years ago, and that a certain amount of the then tax increase went into that fund. Yes, I believe that now that fund is utilized as a component of the \$5400 base funding. Yes, it was my testimony that the part of the Educational Excellence Trust Fund that's an increase over the prior year must go to teachers' salary increases, under Act 2121. Yes, the salary increase has to be an additional salary, not for an in-step grade increase -- either educational or experience.
- 98 Yes, prior to the last session of the legislature, that money could have been used for in-step increases. The law said "may" distribute, and I believe it could for a number of years. That law has changed so many times. This year, we actually just turned it over to David Matthews and asked him to read the law and tell us what he thinks it says because we weren't sure what to do. We took his word on the interpretation that the increase can only be used for salary increases and not for step increases. And that's what the ADE memo said that came out at about the same time as we asked the question.
- 99 Yes, it was my testimony that this year Rogers is increasing the per teacher salary for classified teachers for 2005-2006 \$449 from the Educational Excellence Trust Fund. And in addition, we are granting whatever is required for step increases. Yes, that is on top of the average salary Dr. Darr testified from last year as \$51,832.

Yes, I believe there were no expenditures under the Act 35 of 2003 -- academic improvement plans -- for 2004-2005, but we have now computed it for Rogers as costing \$2 million a year for the current year, and an additional \$2 million dollars plus for next year, because of the remediation requirements in Act 35.

Norman Hill, Superintendent, Monticello School District:
(Masters' Hearing Vol. III)

Page Summary

- 241 The Educational Excellence Trust Fund was passed to supplement education and provide more money for education. At one time the funds could be used as either salary increases, salary for new personnel, or salaries for step increases. Now it's earmarked for salary increases proportionately across the board on the base.
- 242 The Monticello District lost \$497,230 in state funds, but we're mandated to give a raise on the base for our teachers. Rogers gives \$500 per teacher under the Educational Excellence Trust Fund and we give less than \$10. It just makes it harder for us to compete and keep our teachers at home.
- 243 The way the Educational Excellence Trust Fund is set up creates a guaranteed widening of the teacher's salary gap. Those that are gaining students give more; those that are losing students give less.
- ...
- 262 I have summarized the new expenses for the Monticello district. The first is the trust fund mandated increase. That is a small amount -- \$1,167. But it changes the salary schedule. The step increases cost us \$110,000. That's just our step experience for our certified people with the fringe figured into that.
- ...
- 340 The Educational Excellence Trust Fund was passed in 1991 as a supplemental funding source for our schools. Over the years, it seems to have become just another funding that's rolled in and treated as part of the regular funds, not a supplemental fund. It's utilized to make up the \$5,400 -- it's not supplemental for the \$5,400. It's part of the foundation fund but it has the earmark characteristics of being totally salary.
- 341 Last year trust fund money could have been used for step increases, but this year it must be used on base salary. With three-year reappraisals you are constantly going to see local assessments go up.

Bill Kessinger, Superintendent, West Memphis School District:
(Masters' Hearing Vol. VIII)

Page Summary

- 798 Our figure for academic improvement plan is \$317,457 because that is the figure we spent last year. Item 18 on the grid is the trust fund increase. We have to give teacher raises based on an increase in our trust fund account. This is addition to the normal step increase.

Roy Kirkland, Superintendent, Barton-Lexa School District:
(Masters' Hearing Vol. X)

Page Summary

959 Barton-Lexa is one of the districts that, by increasing its receipt of educational excellence trust fund dollars, had to build a raise into its teacher salary. The raise amount was about \$190 and we're putting \$00 per teacher on our contracts to cover that amount of money. We actually were losing minimal foundation money, but because of the way the trust fund is set up, we're having to give the teachers \$200 a piece from the trust fund money, even though we're getting less minimal foundation money.