

## ARKANSAS GENERAL ASSEMBLY

### EDUCATION SERVICE COOPERATIVES STUDY SUBCOMMITTEE of the HOUSE INTERIM COMMITTEE ON EDUCATION and the SENATE INTERIM COMMITTEE ON EDUCATION

Senator Jimmy Jeffress  
Co-Chair

Representative Betty Pickett  
Co-Chair

#### MEMORANDUM

**TO:** The Members of the House Interim Committee on Education  
The Members of the Senate Interim Committee on Education

**FROM:** Senator Jimmy Jeffress, Co-Chair  
Representative Betty Pickett, Co-Chair  
Education Service Cooperatives Study Subcommittee of the House Interim  
Committee on Education and the Senate Interim Committee On Education

**SUBJECT:** Report of the Subcommittee

**DATE:** December 19, 2006

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At their joint meeting on Thursday, November 17, 2005, the House Interim Committee on Education and the Senate Interim Committee on Education authorized their respective chairs to establish and appoint an Education Service Cooperatives Study Subcommittee. The Subcommittee, to be composed of four (4) members of the House Interim Committee on Education and four (4) members of the Senate Interim Committee on Education, was charged with the responsibility of overseeing the implementation and completion of the study regarding education service cooperatives required by Act 1874 of 2005. A copy of Act 1874 is attached. The following members of the House Interim Committee on Education and the Senate Interim Committee on Education were appointed as members of the Education Service Cooperatives Study Subcommittee:

#### SENATE MEMBERS

Jimmy Jeffress, Chair  
Henry "Hank" Wilkins, IV  
Shane Broadway  
Gene Jeffress  
Jim Argue, Ex Officio

#### HOUSE MEMBERS

Betty Pickett, Chair  
Janet Johnson  
David Rainey  
David Cook  
Joyce Elliott, Ex Officio

The Education Service Cooperatives Study Subcommittee held three (3) meetings. The first meeting was held on Thursday, September 14, 2006, at 10:00 a.m. in Room 138 of the State

The Members of the House Interim Committee on Education  
The Members of the Senate Interim Committee on Education  
December 19, 2006  
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Capitol. The second meeting was held at 1:30 p.m. on Thursday, October 5, 2006, at the Dawson Education Service Cooperative in Arkadelphia. The final meeting was held at 1:30 p.m. on Monday, November 27, 2006, in Room 138 of the State Capitol. Listed below are the topics discussed by the Subcommittee at each of these meetings:

**September 14, 2006**

- Legal Basis for the Establishment and Operation of Education Service Cooperatives
- Relationship between the Arkansas Department of Education and Education Service Cooperatives
- Financial Information Concerning Education Service Cooperatives

**October 5, 2006**

- Review of Operations of Education Service Cooperatives in other States
- Continued Discussion of the Relationship between the Arkansas Department of Education and Education Service Cooperatives Concerning Programmatic and Fiscal Issues
- Discussion of Programs and Services Provided by Education Service Cooperatives

The Subcommittee also briefly discussed the Division of Legislative Audit's Investigative Report concerning the Arch Ford Education Service Cooperative. This report was more fully reviewed by the Joint Performance Review (JPR) Committee at its meeting on October 9, 2006, at which a motion was adopted for the Education Service Cooperatives Study Subcommittee to conduct a further investigation and report its findings back to JPR. The report was also an agenda item discussed by the Legislative Joint Auditing Committee at its meeting on October 13, 2006.

**November 27, 2006**

- Review of Report on Education Service Cooperatives prepared by the Policy Analysis and Research Section of the Bureau of Legislative Research
- Review of Draft Legislation Concerning Education Service Cooperatives

The final report of the Education Service Cooperatives Study Subcommittee is attached for your review. Hopefully, you will find this information beneficial. We are available at your earliest convenience to discuss any aspect of this memo or the attachments with you.

Attachments

# **FINAL REPORT**





## Research Report

Research Project 06-177  
Comparison of  
Arkansas Education Service Cooperative Network to  
Three Other State Networks

November 8, 2006

BUREAU OF LEGISLATIVE RESEARCH

315 State Capitol Little Rock, Arkansas 72201 (501) 682-1937 [www.arklcr.state.ar.us](http://www.arklcr.state.ar.us)

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This report was produced by The Bureau of Legislative Research, Arkansas Legislative Council at the request of Rep. Betty Pickett and Rep. Rick Saunders. For further information or inquiries contact Brent Benda at [Bendab@arkleg.state.ar.us](mailto:Bendab@arkleg.state.ar.us) or 682-1937.

## Executive Summary

The purpose of this report is to compare the Arkansas Education Service Cooperative (ESC) statewide network to education service center networks in three other states: 1) Texas Regional Education Service Centers (RESC), 2) New York Boards of Cooperative Educational Services (BOCES), and 3) Iowa Area Education Agencies (AEA). These states were selected for comparison because they have been identified by leading experts as among the most effective and efficient education service networks in the country.

Comparisons are made using two different procedures and sources of information: 1) state statutes are examined in detail for differences in declarative statements, and 2) chief executive officers (CEO) (or education service center directors) from each state were interviewed via telephone with a survey questionnaire to confirm that differences observed in statutes exist in practice. Extensive probes were used to ensure accuracy and mutual understanding. Four Arkansas CEOs, and more than one CEO in other states, were interviewed to confirm factual accuracy. The statutory comparisons are discussed first (Section 1), then the responses from CEOs in the different states are summarized (Section 2).

These comparisons resulted in the following noteworthy observations about statutory differences and differences in practice between Arkansas and other states, which are discussed in greater detail within the context of this report.

For ease of location, observations are encased in rectangles in the report and identified by the same numbers as shown below.

- 1) Issues of equity and efficiency are implied (Iowa AEA, Texas RESC), if not stated explicitly (e. g., Arkansas ESC), in all mission statements calling for the service centers to facilitate collaboration among school districts. The emphasis on equity is more pronounced in the statement by Arkansas than in other states.
- 2) Two states' statutes charge their education service centers to exercise a leadership role in local school improvement efforts (New York and Iowa), a precedent that is likely to be emulated by other states as deadlines for meeting the No Child Left Behind Act (2002) provisions arrive. The leadership expected of the CEOs of a BOCES in New York is reinforced by the fact that the CEOs also serve as staff members of the state department of education. Declaring a leadership role for education service centers in the improvement of schools in local districts appears to differentiate states like New York and Iowa from Arkansas. As seen in Table 1, Arkansas has no specific statutory statement on the leadership role of education cooperatives.
- 3) Table 3 shows the statutory provisions for the alteration or dissolution of an individual service center in each state education service network. A particularly notable difference between states indicates that Arkansas education service cooperatives (ESCs) are only dissolved by a majority vote among school district boards of directors, or upon the recommendation of an evaluation committee. Other states have an accrediting body (Texas and Iowa) or an education commissioner (Texas and New York) that can dissolve an individual service center.

- 4) The most salient exception to districts automatically being included as members of an ESC in many states seems to be large cities, such as Little Rock, Arkansas. By contrast, some states (e. g., Texas, Michigan, Oregon) include large cities in their regional education service centers.
- 5) Governing boards of ESCs in every state reviewed except Arkansas are elected by members of the component school districts' governing boards (Table 4). In contrast, one board member is appointed by each school district within an ESC's boundaries to serve on the board of a ESC in Arkansas. Arkansas is the only state among those reviewed that does not elect board members.
- 6) The declarative statement found in Arkansas on a joint service arrangement between two or more cooperatives seems vague as to whether services are *shared* with school districts or other education cooperatives (Table 7).
- 7) Chief executive officers (CEOs) of education service centers in all states reviewed are appointed by the board of directors of the respective centers. However, the appointment decision is subject to approval by the commissioner of education in Texas and New York. Arkansas and Iowa are the only states reviewed where the appointment of a chief executive officer of an education service center is not reviewed by the commissioner of education. In Iowa, the salary of the CEO is subject to the approval of the commissioner of education. The statute in Texas specifically states that there is to be a formal state-directed annual evaluation of the chief executive officer of an education service center by the commissioner. The commissioner of education in New York evaluates the CEOs, who are employees of the Department of Education as well as a BOCES. Arkansas and Iowa also are the only states where the CEO is not evaluated by the commissioner of education (Table 8).
- 8) In examining the statutorily required roles and responsibilities of chief executive officers, the only discernable pattern among the states reviewed was that these are administrative or supervisory in nature. By contrast, the statutory requirements of the chief executive officers of the Iowa AEAs and the New York BOCES explicitly make the connection between the expected role of these officials and the school improvement efforts of component school districts. Notably, these statutory pronouncements on the roles and responsibilities of chief executive officers and their service centers assign a priority to assisting component school districts in their school improvement efforts.

The following additional differences between states were indicated in the interviews with CEOs in Arkansas and the other states or otherwise observed in the review of states:

- 9) The financial audits in the three states reviewed appeared to be based upon the Governmental Accounting Standards Board (GASB) 34 financial statement model instead of the format used in Arkansas. This is more fully discussed on page 29 of this report. Additionally, staff noted that each of the three states reviewed incorporate regional data on student achievement in an annual report and/or on the web site of the state education department or regional educational service center.
- 10) No real differences were noted among states in terms of evaluation tools or procedures. All states use client satisfaction forms and surveys to *evaluate* individual programs, ESCs, and the statewide network. No state reviewed has a true program evaluation of services. Iowa is in the preliminary stages of setting up a true evaluation of the services offered in area education agencies.



- 11) In every state examined, CEOs of ESCs meet together with department of education officials on a monthly basis to share information and for training in the delivery of various programs to school districts. In New York, the relationship between the department of education and the service centers is more formalized by the employment of CEOs in the department of education as well as the BOCES. In Texas, CEOs are directly accountable to the commissioner and to an associate commissioner over the regional education service centers (RESC). The relationship between Iowa AEAs and the state department of education is similar to the one in Arkansas, where there is a liaison between the ESCs and the department.
- 12) Education service cooperatives in Arkansas provide useful information for administrative purposes in annual reports, and they do client satisfaction surveys after program sessions and periodically in schools districts. A statewide client satisfaction survey was done by the University of Arkansas within the past three years. Annual audits are also done either by the state or by private firms. A comprehensive administrative investigation (or audit) is done by the Arkansas Department of Education (ADE) every five years.
- 13) While the information provided in annual reports is crucial to monitoring and administrative decision-making by the ADE, it could be more consistently and systematically reported. More importantly, existing information, including client satisfaction surveys and audits, does not evaluate services, programs, cooperatives, or the statewide network. As discussed in detail in the conclusions section of this report, Arkansas currently does not evaluate ESCs or the services they offer.
- 14) The lack of systematic evaluations of ESCs and services does not permit an objective assessment of cooperatives in Arkansas. Instead, there is useful information on governance, staff, services, participation, and financial.

## Purpose of the Report

This report is designed to compare the Arkansas ESC network to three other state networks using a series of profiles developed by Stephens (2001) and to summarize revenues and other characteristics of Arkansas ESCs. These networks are variously labeled as regional education service centers (RESC), boards of cooperative educational services (BOCES), and area education agencies (AEA), respectively, in Texas, New York, and Iowa. For convenience of discussion, these centers or agencies will be referred to as education service centers (ESCs).

## Section 1. Statutory Comparisons

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Arkansas ESCs are compared to these other state networks because these particular systems have been rated by experts as in the top echelon of service networks in the country in terms of organization and quality of services.

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The following profiles highlight selected structural and organizational features of statewide education service networks in Arkansas, Texas, New York, and Iowa. Arkansas ESCs are compared to these other state networks because these particular systems have been rated by experts as in the top echelon of service networks in the country in terms of organization and quality of services (see Stephens, 2001; Stephens & Keane, 2005).

- 1) Mission Statement – Declarative statements on the mission or purpose of the networks cited in statute or administrative rule.
- 2) Statutory Construction–Statutory provisions for the establishment, alteration, and dissolution of the networks.
- 3) Governance–The method used to select the governing boards of the agencies.
- 4) Services and Programs–State required core programs and services and statutory provisions for the offering of discretionary programs and services.
- 5) Coordination of services–Both mandatory and voluntary practices used to facilitate joint planning and coordination between the state education agencies and the state network.
- 6) Selection of chief executive officers–The methods used to select the CEOs of the agencies, and to decide whether or not others than the governing board of an agency are required by statute to have a role in the appointment of these individuals.

Each comparison of the states, using these six profiles, is presented in a separate table. Noteworthy features of each profile are discussed, along with any observations about discernable patterns among state networks.

**Mission Statement:**

**Declarative Statements on the Mission or Purpose of the Network Cited in Statute or Administrative Rule.**

In every state examined, the latest version of the statute and/or administrative rule governing a state education service network contains specific declarative statements on the expected mission or purpose of state support for the system. The declarative statements presented in Table 1 represent either a complete rewrite (e. g., Texas RESC), or the retention of all or parts of the original statement creating these networks, and the addition of new language (e. g., New York BOCES and the Iowa AEA networks).

Observations

Examining a state's intent in the creation of an education service network reveals both similarities and dissimilarities. Despite variances in language, a prominent theme in the declarative statements of each state is the expectation that the network will address and contribute to the pervasive and challenging issues of the equity, efficiency, and the quality of the state system of K-12 education. In terms of dissimilarities, one of the four statements cites a specific student population to be served (e. g., Iowa AEA) whereas another statement indicates that statewide service centers are to facilitate collaboration among districts (e. g., New York BOCES).

1. Issues of equity and efficiency are implied (Iowa AEA, Texas RESC), if not stated explicitly (e. g., Arkansas ESC), in all mission statements calling for the service centers to facilitate collaboration among school districts. The emphasis on equity is more pronounced in the statement by Arkansas than in other states.

**Table 1. Declarative Statements of the Mission or Purpose of State Support for the Service Network**

State Network	Declarative Statement of Mission or Purpose	Source
Texas RESC	1) Assist school districts in improving student performance, 2) enable school districts to operate more efficiently & economically, and 3) implement initiatives assigned by the legislature or state commissioner.	S.B. 1158. 8.002
New York BOCES	1) Carry out a program of shared services, 2) provide instruction in special subjects as the state commissioner may approve, 3) as representatives of the state commissioner, provide forceful leadership in implementation of state standards, 4) lead local school improvement, 5) engage community support, and 6) report & resolve problems.	Article 40.1
Iowa AEA	1) Provide an effective, efficient, & economical means of serving, especially students with learning disabilities, 2) provide pupils K-12 with media services, 3) avoid duplication, 4) provide contract services to school districts, 5) support learning for all students, and 6) provide school improvement leadership services to schools & school districts.	Chapter 273 and Chapter 72, 281-72.1 273
Arkansas ESC	Education service cooperatives established by this subchapter will provide to school districts which choose to use them assistance in: (1) meeting or exceeding accreditation standards and equalizing educational opportunities; (2) using educational resources more effectively through cooperation among school districts; and (3) promoting coordination between school districts and the Department of Education in order to provide services which are consistent with the needs identified by school districts and the educational priorities of the state as established by the General Assembly or the board.	A.C.A. § 6-13-1002(b) The Education Service Cooperative Act of 1985

A noteworthy feature of these declarative statements is the expectation of the ESCs to direct their efforts toward assisting school districts in their approaches to school improvement.

A noteworthy feature of these declarative statements is the expectation of the ESCs to direct their efforts toward assisting school districts in their approaches to school improvement. This emphasis seems to reflect a decision by states to utilize the existing network of ESCs as a primary mechanism to strengthen the infrastructure of the state K-12 education system, a widely accepted prerequisite for any sustained statewide school improvement plan (Stephens, 2001).

Declaring a leadership role for education service centers in the improvement of schools in local districts appears to differentiate states like New York and Iowa from Arkansas.

2. Two statements in Table 1 specifically charge the ESCs to exercise a leadership role in local school improvement efforts (New York and Iowa), a precedent that is likely to be emulated by other states as deadlines for meeting the No Child Left Behind Act (2001) provisions arrive. The leadership expected of the chief executive officers of a BOCES in New York is reinforced by the fact that they also serve as staff members of the state department of education. Declaring a leadership role for education service centers in the improvement of schools in local districts appears to differentiate states like New York and Iowa from Arkansas.

Another noteworthy feature of the statements in Table 1 is the declaration by New York that the BOCES are to facilitate inter-organizational cooperation and coordination with other human services providers in their respective regions. In practice, most ESCs in all states are known to be either the catalyst for or an active participant in numerous inter-organizational arrangements with other public and not-for-profit human service providers (Stephens, 2001; Stephens & Keane, 2005). This interagency involvement has been facilitated by support services for exceptional children and by network sponsorship of vocational/technical programs and/or adult education programs, especially the recent federally sponsored adult literacy initiative (Stephens, 2001). Interagency involvement is necessitated by specific requirements of state or state/federal regulations. What is noteworthy, however, is the expression of intraagency and interagency coordination of services in mission statements between ESCs, school districts, and other human services agencies.

Of particular note also is the declaration that the ESC network is to be an integral part of the infrastructure of the state department of education in Texas and New York. In both of these states, the network is to work with and represent the commissioner of education in school improvement plans.

**Statutory Construction:  
Provisions for the Establishment, Alteration, or Dissolution of a  
State Network, or Individual Agency.**

Mandatory legislation was employed in the initial formation of education service networks in every state except New York.

As indicated in Table 2, mandatory legislation was employed in the initial formation of education service networks in every state except New York. In most cases, efforts were made to closely align the boundaries with those of one or more county school systems that the newly created state network replaced, or with those of existing state supported or endorsed regional planning areas (i.e., Texas) or an existing state supported regional delivery system (i.e., Iowa area community college districts).

**Table 2. Procedures for Creating Networks and Establishing Boundaries**

State Network	Procedure Used to Create Network	Major Criteria Used to Establish Initial Boundaries	Source
Texas RESC	Mandatory legislation (1967)	Follows closely twenty regional economic planning regions identified by the state in the 1960s	Website <sup>1</sup>
New York BOCES	Permissive legislation (1948)	Coterminous boundaries with supervisory districts	Article 40
Iowa AEA	Mandatory legislation (1975)	Follows boundaries of area community college/vocational-technical districts created in 1965	Chapter 273.3.16
Arkansas ESC	Mandatory legislation (1985)	The State Board of Education established the existing 15 education cooperatives	A.C.A. § 6-13-1002(a) The Education Service Cooperative Act of 1985

Note: <sup>1</sup>[http://www.aesa.us/map\\_texas.html](http://www.aesa.us/map_texas.html)

Arkansas ESCs are only dissolved by a majority vote among district boards of directors or upon the recommendation of the evaluation committee.

3. Table 3 shows the statutory provisions for the alteration or dissolution of an individual ESC in each state education service network. A particularly notable difference between states indicates that Arkansas ESCs are only dissolved by a majority vote among school district boards of directors or upon the recommendation of the evaluation committee. Other states have an accrediting body, or an education commissioner, that can dissolve an individual service center.

**Table 3. Statutory Provision for the Alteration and Dissolution of the Service Centers**

State Network	Statutory Provisions	Source
Texas RESC	1) State commissioner shall provide for the establishment of not more than 20 agencies, 2) he/she may determine actual number, location, and boundaries so long as all districts have an opportunity to secure services, 3) a nonaccredited agency may be dissolved.	S.B. 1158. 8.001(c)
New York BOCES	Efficacy in the number of BOCES is subject to review by the state commissioner whenever a vacancy occurs in the office of a district superintendent, a state official who also serves as the chief executive of a BOCES.	Article 40.1
Iowa AEA	1) State board can dissolve a non-accredited AEA and assign it to an accredited agency, 2) two or more AEAs may voluntarily merge if majority of affected AEA boards & state board approve & if 20% or more of local district [approve]. Boards petition for a reorganization, and 3) an AEA board can dissolve the agency if approved by local boards.	Chapter 72.281 through 72-114.4(e) and House File 674
Arkansas ESC	<b>After 1990, the State Board of Education shall be authorized to dissolve any education service cooperative upon the request of a majority of its school district boards of directors or upon the recommendation of the evaluation committee provided for in § 6-13-1021.</b>	<b>A.C.A. § 6-13-1022(a) The Education Service Cooperative Act of 1985</b>

**Note:** Legislation in Iowa allows the governing board of a school district that is contiguous to a newly reorganized AEA to petition the governing board of the AEA to be affiliated with the reorganized AEA. If the petition is approved, it becomes final; if denied, the local district board may appeal the decision to the state board of education (H.F. 674.5).

In every state except New York, all local school districts within geographic boundaries of a particular service center are included as members of that center. Therefore, they have representation on the governing body of the center to which they were assigned. All but 17 of the more than 700 school districts in New York are members of a BOCES. Five of the seventeen – the so-called “Big Five” school systems serving Buffalo, Rochester, Syracuse, Yonkers, and New York City – are statutorily excluded in the operation of the BOCES.

An exception to districts' being included as members of an education service center seems to be large cities, such as Little Rock in Arkansas.

4. The most salient exception to districts' being included as members of an education service center seems to be large cities, such as Little Rock in Arkansas. On the other hand, some states (e. g., Texas, Michigan, Oregon) include large cities in their regional education service centers.

Several states have provisions for the voluntary merger of two or more service centers (e. g., Iowa). Other states do not need this provision because the state commissioner has near absolute authority to determine the configuration of a state network (e. g., Texas, New York).

The state boards of education in the two states – Texas and Iowa – have an accreditation system for their state network that can dissolve a non-accredited agency. The statutes in the other states are silent on this issue. The inclusion of a sanction that can be levied against some predetermined substandard level of performance is one of the essential features of an effective accreditation system (Stephens & Keane, 2005).

**Governance:  
Selected Governance Features.**

Governing boards of ESCs in every state reviewed except Arkansas are elected by members of component school districts' governing boards.

5. Governing boards of ESCs in every state reviewed except Arkansas are elected by members of component school districts' governing boards (Table 4). In contrast, one board member is appointed by each school district within an ESC's boundaries to serve on the board of a ESC in Arkansas. Arkansas is the only state among those reviewed that does not elect board members.



**Table 4. Election of Governing Board**

State	Method of Selection		Source
	Elected	Appointed	
Texas RESC	By RESA governing board.		S.B. 1158. 8.003
New York BOCES	By convention of component school district boards--1 vote each school district.		Article 40.
Iowa AEA	By convention of component school district boards--weighted general population vote.		Chapter 273. 8
Arkansas ESC		Each education service cooperative shall be governed by a board of directors consisting of one representative appointed by each school district board of directors within the boundary of the cooperative.	A.C.A. § 6-13-1006(a) The Education Service Cooperative Act of 1985

There seems to be a desire to make ESCs responsive to their component school districts by having representatives from each district on the governing boards of these centers.

At least two cherished principles seem apparent in these statements. There seems to be a desire to make ESCs responsive to their component school districts by having representatives from each district on the governing boards of these centers. Also, in most states there is the principle of democracy whereby the governing board is elected by member school districts.

**Services and Programs:  
Selected Programming Features.**

The following features of the programming practices of the four state networks are discussed based on the model presented by Stephens (2001):

- 1) Required programs and services cited in the current statutes governing the operation of the network;
- 2) Discretionary programs and services specifically cited in statute;
- 3) Examples of current joint service arrangements that stand as illustrations of how the agencies have enhanced the ability to

- offer programs and services with improved efficiency and quality; and
- 4) Examples of new role(s) assigned a network in a state's current emphasis on improving teaching and learning.

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State legislatures have been more inclined to enumerate in statute types of discretionary programs rather than types of required programs.

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These features are presented in the following tables and narrative discussion. A comparison of Tables 5 and 6 suggest that state legislatures have been more inclined to enumerate in statute types of discretionary programs rather than types of required programs. The clause "if requested by school districts" is a relatively common condition cited in legislative provisions as a prerequisite for an education service center to engage in a discretionary service (Stephens, 2001).

**Table 5. Statutory References to Required Programs and Services**

State Network	Programs and Services	Source
Texas RESC	1) Develop, maintain, & deliver services to improve student & school district performance, with emphasis on low performing campuses, 2) provide services that enable school districts to operate more efficiently & economically.	S.B. 1158. 8.005
New York BOCES	If requested by 2 or more districts & approved by state commissioner, may provide a range of shared school services: school nurse; supervisor of teachers; psychologist; art, music, physical education teachers; guidance counselor; special classes for students with disabilities; career education.	Article 40
Iowa AEA	1) School-community planning, 2) professional development, 3) curriculum, instructional, assessment services, 4) gifted & talented, 5) support for inclusive schools, 6) media, 7) technology, and 8) leadership development.	Chapter 72.281 72.4 (273)
Arkansas ESC	No required services noted	A.C.A. §§ 6-13-901–906 The Public School Educational Cooperative Act of 1981 and A.C.A. §§ 6-13-1001–1026 The Education Service Cooperative Act of 1985

The statute in New York appears to be unique in identifying criteria for the commissioner of education to follow in approving discretionary BOCES services requested by two or more school districts.

The statute in New York appears to be unique in identifying criteria for the commissioner of education to follow in approving discretionary BOCES services requested by two or more school districts. The following criteria is cited: 1) will provide additional opportunities for pupils; 2) are expected to result in a cost savings to the school districts; 3) will provide greater opportunities for pupils, including those with handicapping conditions; 4) will permit students to earn credit for academic subjects; and 5) will ensure greater or more appropriate use of BOCES facilities (Boards of Cooperative Education Services, Chapter 40. (c.bb.2)).

**Table 6. Statutory References to Discretionary Programs and Service**

State Network	Programs and Services	Source
Texas RESC	May offer any service requested by any school district, nonpublic, or charter school.	S. B. 1158. 8.00
New York BOCES	If requested by 2 or more districts & approved by state commissioner, may offer: 1) itinerant teachers in advanced academic subjects, 2) academic courses, 3) satellite offerings, 4) interactive TV & other technologies, 5) academic intervention services, 6) adult training, and 7) other cooperative programs for which no state aid may be received.	Article 40
Iowa AEA	1) Management services, 2) services requested by 60% of districts or districts representing 60% of enrollment, if funds available, 3) auxiliary services for nonpublic schools for fee, and 4) other educational services if approved by state board.	Chapter 72. 281 72.4 (273)
Arkansas ESC	Education service cooperatives may provide shared educational programs and services such as needs assessment and school improvement planning, staff development, curriculum development, itinerant teachers, instructional materials, adult and vocational education, programs for gifted and talented, education for children with disabilities, alternative educational programs, secondary area vocational centers, community-based education programs and other services which the State Board of Education may approve or which school districts may support with local funds.	A.C.A. § 6-13-1017(c) The Education Service Cooperative Act of 1985

**Coordination of Services:  
Selected Joint Service Arrangement.**

Current statutes suggest legislative intent to facilitate joint service arrangements between individual education service centers in most states; only Texas is completely silent.

Current statutes suggest legislative intent to facilitate joint service arrangements between individual education service centers in most states (Stephens & Keane, 2005). As shown in Table 7, only Texas is completely silent on joint service arrangements; in practice, regional education service centers in this state do share services.

6. Also, the declarative statement as shown in Table 7 in Arkansas on a joint service arrangement between two or more cooperatives seems vague as to whether services are "shared" with school districts or other education cooperatives.

**Table 7. Statutory Authority for Joint Service Arrangements**

State Network	Statutory Provision	Source
Texas RESC	None Reported	
New York BOCES	School districts, community colleges, public institutions of higher education, independent institutions of higher education, public agencies to produce educational television materials & programs, & with other BOCES.	Article 40. 2 and .4 and .7
Iowa AEA	1) Shall contract, whenever possible, with other schools for use of personnel, buildings, facilities, supplies, equipment, programs & services, and 2) may contract with another AEA & with other public agencies to provide special education, media & educational services.	Chapter 273. 3 (6 and 8)
Arkansas ESC	Education service cooperatives may provide shared educational programs and services such as needs assessment and school improvement planning, staff development, curriculum development, itinerant teachers, instructional materials, adult and vocational education, programs for gifted and talented, education for children with disabilities, alternative educational programs, secondary area vocational centers, community-based education programs and other services which the State Board of Education may approve or which school districts may support with local funds.	A.C.A. § 6-13-1017(c) The Education Service Cooperative Act of 1985

As seen in Table 7, some statutory provisions are more direct in conveying legislative intent than are others. For example, the Iowa AEAs are instructed that they shall contract, whenever possible, with other school corporations for use of personnel, buildings, facilities, supplies, equipment, and programs and services. In contrast, most of the other statutory provisions are more permissive. The authority to contract with another educational service agency for the provision of programs and services is specifically referenced in Iowa and New York.

**Chief Executive Officers:  
Selection of Chief Executive Officer of Service Center.**

Arkansas and Iowa are the only states of the states reviewed where the appointment of a CEO of an ESC is not reviewed by the commissioner of education.

7. Chief executive officers (CEOs) of ESCs in all states reviewed are appointed by the board of directors of the respective centers. However, the appointment decision is subject to approval by the commissioner of education in Texas and New York. Arkansas and Iowa are the only states reviewed where the appointment of a CEO of an ESC is not reviewed by the commissioner of education. In Iowa, the salary of CEOs is subject to the approval of the commissioner of education. The statute in Texas specifically states that there is to be a formal state-directed annual evaluation of the CEO of an ESC by the commissioner. The commissioner of education in New York evaluates the CEOs, who are employed by the department of education as well as a BOCES. Arkansas and Iowa also are the only states where the CEO is not evaluated by the commissioner of education.

**Table 8. Appointment and Evaluation of Chief Executive Officer (CEO)**

State Network	State Review of CEO Appointment	Process of State Evaluation of CEO	Source
Texas RESC	Subject to approval of state commissioner of education	1) Annual evaluation by state commissioner, 2) data reviewed includes results of annual client satisfaction survey of teachers, principals, & superintendents of school districts, and 3) any aspect of a center's operation is subject to review.	S.B. 1158. 8.004
New York BOCES	Subject to approval of state commissioner of education <sup>1</sup>	CEO also serves as a district superintendent, an officer of the state education agency, as well as chief executive officer of a BOCES—as such, subject to periodic evaluation by state commissioner.	Article 40.4 (a)
Iowa AEA	Salary only is subject to approval of state director of education		Chapter 273.3(5)
Arkansas ESC	None Reported	None Reported	A.C.A. §§ 6-13-901–906 The Public School Educational Cooperative Act of 1981 and A.C.A. §§ 6-13-1001–1026 The Education Service Cooperative Act of 1985

In every state reviewed, the statutes that require an annual report from all ESCs were very likely passed in part to obtain some systematic information on the operation and performance of these centers and the centers' leadership efforts.

In examining the statutorily required roles and responsibilities of CEOs, the only discernable pattern among the states reviewed was that these are administrative or supervisory in nature.

**8.** In examining the statutorily required roles and responsibilities of CEOs, the only discernable pattern among the states reviewed was that these are administrative or supervisory in nature. By contrast, the statutory requirements of the CEOs of the Iowa AEAs and the New York BOCES explicitly make the connection between the expected role of these officials and the school improvement efforts of component school districts. Notably, these statutory pronouncements

on the roles and responsibilities of CEOs and their ESCs assign a priority to assisting component school districts in their school improvement efforts.

## **Section 2. Organizational Comparisons Based on CEO Interviews**

The remaining discussion is based on a telephone survey of CEOs (or directors) of ESCs in Arkansas, Texas, New York, and Iowa. Extensive probes were used to ensure accuracy and mutual understanding and more than one CEO was interviewed in each state to check the accuracy of the information. Four different CEOs were interviewed in Arkansas to determine consistency in organizational features and procedures. It should be noted at this juncture that there were no significant discrepancies in responses between the cooperative CEOs. Hence, the responses from Arkansas CEOs will be summarized rather than presenting individual responses.

Responses from CEOs are presented in narrative form instead of tables to allow for more details. To avoid redundancy, the states examined are discussed together under each organizational feature according to noteworthy differences.

### **Members of Governing Board**

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In Arkansas, existing ESC boards appear to be almost exclusively, if not entirely, composed of superintendents of the member school districts.

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In Arkansas, each school district board of education appoints one member to the governing board of the ESC. Existing ESC boards appear to be almost exclusively, if not entirely, composed of superintendents of the member school districts. In some cooperatives, this board elects an executive committee from its members to carry out duties delegated to it by the governing board.

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The salient contrast between Arkansas and other states is the appointment of board members, whereas other states elect board members.

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The salient contrast between Arkansas and other states examined, as noted in the discussion of statutory declarations, is the appointment of board members, whereas other states elect board members. In New York, for example, nominations are made by each of the 15 school districts in a BOCES, and then seven members are elected to serve on the governing board of the BOCES. Nine members of the area education agency (AEA) boards in Iowa are elected by weighted voting from each school district by its population. In both states, members of the district school board vote for the nominees. In Texas, each school board casts a vote for nominees to their regional education service center board.



### **Chief Executive Officer of Education Service Center or Cooperative**

The CEO of each Arkansas cooperative is hired by the governing board of that cooperative, using standard hiring practices found in most governmental agencies and businesses.

The statutory differences among states in hiring and evaluating CEOs of service centers were confirmed in interviews with CEOs.

Examining these practices in more detail in the interviews, it was learned that the CEO of each Arkansas cooperative is hired by the governing board of that cooperative, using standard hiring practices found in most governmental agencies and businesses. The governing board in each Arkansas cooperative also does a formal annual evaluation of its CEO.

Iowa has similar hiring practices as Arkansas for CEOs of their AEAs. However, the salary for a CEO must be approved by the commissioner of education in Iowa, and while CEOs receive an annual evaluation by their respective AEA boards, they receive an additional evaluation by all member district superintendents every four years. These additional evaluations can mean, for example, that a CEO of an AEA is evaluated by as many as 61 superintendents (an actual number for one CEO interviewed).

In New York, the BOCES CEO is also employed by the department of education and carries out the responsibilities of that department in addition to overseeing the BOCES. Although the CEO is hired and evaluated every year by the BOCES, all hiring must be approved by the commissioner of education who also conducts an annual evaluation of the individual CEO for each BOCES.

In Texas, CEOs also are hired by the ESC boards, with the approval of the commissioner of education, who annually evaluates CEOs in addition to the evaluation provided by the respective governing boards.

### **Reports and Audits**

Some Arkansas cooperatives use a private firm to do the audit, whereas other cooperatives rely on the Division of Legislative Audit.

In Arkansas, each cooperative is audited annually. Some cooperatives use a private firm to do the audit, whereas other cooperatives rely on the Division of Legislative Audit. One CEO explained that a private firm is used because of the delay in reports from the division.

Cooperatives also provide an annual report to the Arkansas Department of Education that includes, but is not limited to, organizational characteristics (e. g., number of districts, students, and teachers), governance, involvement of teachers in the Teacher Center, administrative services, direct services to students, employment practices, and programs.

Copies of the 2005-06 report from each cooperative are available from Dr. Brent Benda (501-537-9146; bendab@arkleg.state.ar.us).

The financial audits in the three states reviewed appeared to be based upon the GASB 34 financial statement model instead of the format used in Arkansas.

9. The financial audits in the three states reviewed appeared to be based upon the GASB 34 financial statement model instead of the format used in Arkansas. This is more fully discussed on page 29 of this report. Additionally, staff noted that each of the three states reviewed incorporate regional data on student achievement in an annual report and/or on the web site of the state education department or regional educational service center.

Client satisfaction surveys are administered periodically to administrators and teachers to determine how well programs are received.

### Evaluation of Cooperatives and Services

According to CEOs, client satisfaction surveys are administered periodically to administrators and teachers to determine how well programs are received. Satisfaction forms are also distributed to program participants after sessions. In addition, a teacher center committee provides ongoing feedback to cooperative staff about program needs and performance. This teacher center committee is composed of at least one representative from each school district. Regular feedback on needs and performance is also provided by the school district superintendent from each school district with a member who serves on the governing board of the cooperative. CEOs considered having superintendents on the cooperative boards a real asset because of their intimate knowledge of the needs of schools and the satisfaction rating of cooperative programs that exist in school districts.

The University of Arkansas at Fayetteville conducted a client satisfaction survey of the entire Arkansas ESC network within the past three years. The survey items covered the general services provided by the cooperatives to their respective school districts and the results were compiled in a report by the College of Education and Health Professions (2003) titled Arkansas Education Service Cooperative Client Survey.

The ADE is charged by statute to conduct an evaluation of each service cooperative at least once every five years.

CEOs of the cooperatives also reported that the commissioner of the ADE appoints an evaluation team, which is composed of an ADE official, a local district superintendent, school administrators and teachers, business leaders, and parents as well as the team's leader. The ADE is charged by statute to conduct an evaluation of each service cooperative at least once every five years. Each cooperative is to participate in an evaluation process that culminates with a one-day visit by the evaluation team. Prior to this visit, the staff of the ESC prepare a brief written summary of how the cooperative has interpreted and implemented management and programming to serve local school districts. These summaries and other supporting

evidence and displays are required to be available on the day of visitation for review by the evaluation team.

This evaluation might be more appropriately labeled an *evaluation audit* to distinguish it from true program evaluations that include measures and analyses of program activities and effects or their impacts.

The evaluation manual (dated January, 2002) provided by the ADE to cooperatives to prepare for evaluation visits indicates that the evaluation is basically an audit or investigation of issues such as client satisfaction, service adequacy, extent of local support, and staff qualifications. No direct measures of program services or outcomes are indicated in this manual. This evaluation might be more appropriately labeled an *evaluation audit* to distinguish it from true program evaluations that include measures and analyses of program activities and effects or their impacts (Rossi, Lipsey, & Freeman, 2004). Client satisfaction surveys, for example, represent an assessment of services by recipients of those services rather than an independent evaluative measure of the quality of services.

**10.** No real differences were detected among states in terms of evaluation tools or procedures. All states use client satisfaction forms and surveys to *evaluate* individual programs, ESCs, and the statewide network. As discussed below, the only possible exceptions are found in Texas and Iowa. None of the states examined have fully implemented a systematic program evaluation.

Texas had a systematic statewide *evaluation audit* conducted in 2004 by GMT of America.

Texas had a systematic statewide *evaluation audit* conducted in 2004 by GMT of America, entitled, Management and Performance Review of Texas Regional Education Service Centers (this report is available from Dr. Brent Benda at bendab@arkleg.state.ar.us). The 20 regional education service centers in Texas have begun to use this report as a model for evaluating their services every other year. However, this *evaluation* is still in the development stage and is essentially a very systematic audit of services, client satisfaction, and their relation to student performance. The evaluation model is not a true program evaluation as defined by program evaluators (Rossi et al., 2004).

Comparison of statewide *evaluation audits* done in Arkansas and Texas suggest more similarities than dissimilarities, with the audit in Texas being more detailed and containing systematic recommendations for change within the service network.

Selected area education agencies in Iowa, on the other hand, are in the preliminary *trial and error* phase of doing actual program evaluations.

Selected area education agencies in Iowa, on the other hand, are in the preliminary *trial and error* phase of doing actual program evaluations, where systematic measures of program activities and impacts are analyzed in relation to student performance measures. However, CEOs were clear that these efforts are very preliminary and need to be further developed. No states other than Texas and

Iowa have been identified by experts as having program evaluations of ESCs.

No program evaluation efforts were reported in New York other than the standard client satisfaction surveys. Every state investigated had client satisfaction surveys of programs, individual service centers, and the statewide network.

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CEOs reported that they have monthly meetings as a group with the liaison from the ADE and other ADE officials to discuss pertinent information for cooperative CEOs.

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**Organization Affiliation with the Department of Education**

CEOs reported that they have monthly meetings as a group with the liaison from the ADE, Diana Julian. Several other ADE officials have been at these meetings to present and discuss pertinent information for cooperative CEOs, such as how to apply for grants or implement educational programs. In addition, every cooperative grant has an ADE monitor that communicates with CEOs and other staff regarding the implementation and activities or services covered by the grant.

As stated earlier, CEOs of BOCES in New York are also hired by the department of education. Hence, BOCES services are coordinated by the department of education and are under the control of the commissioner of education.

CEOs of the RESCs are directly accountable to the commissioner of the Texas Education Agency (TEA) and there is an associate commissioner who serves as the executive director of the statewide network. There is also a commissioner's cabinet, comprised of the 20 regional education service center CEOs, that meets monthly with this associate commissioner to coordinate services.

In Iowa, the 11 area AEAs also meet once a month with the department of education to coordinate services and to receive consultation on educational programs. Unlike most states, AEAs in Iowa do not sell services to school districts. Rather, AEAs are funded by the state in the same manner as school districts, and they directly hire many instructors for programs offered.

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To summarize, CEOs of ESCs in every state examined meet together with department of education officials on a monthly basis to share information and for training in the delivery of various programs to school districts.

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**11.** To summarize, CEOs of ESCs in every state examined meet together with department of education officials on a monthly basis to share information and for training in the delivery of various programs to school districts. In New York, the relationship between the department of education and the service centers is more formalized by the employment of CEOs in the department of education as well as the BOCES. In Texas, CEOs are directly accountable to the commissioner and to an associate commissioner over the regional education service centers. The relationship between Iowa AEAs and

the state department of education is similar to the one in Arkansas, where there is a liaison between the service centers and the department.

### **Section 3. Observations on Education Service Cooperatives in Arkansas**

#### **General Observations and Analyses of Data Included in Annual Reports**

Despite the existence of a form for reporting information, many cooperatives did not use the same reporting format or provide the same information in their latest annual reports (2005-06) to the ADE.

In this section of the report, various aspects of the 15 existing ESCs in Arkansas are discussed. Usage of the designation "various aspects" is apropos because information reported annually by cooperatives to the department of education is limited, primarily descriptive, and inconsistent in terms of reporting and organization. Despite the existence of a form for reporting information, many cooperatives did not use the same reporting format or provide the same information in their latest annual reports (2005-06) to the ADE. For example, Appendix A shows that six of the 15 cooperatives did not report information on the number of teacher visits (#TVisits) (NOTE: brief labels are used to identify factors in appendices, owing to space limitations, but the legend defines factors labeled). Moreover, at least three other cooperatives appear to have presented estimates of these visits (based on round numbers), whereas other cooperatives seem to have presented actual counts. Two cooperatives did not indicate the number of board meetings they had in the 2005-06 school year.

Two cooperatives also did not report the number of teachers on the Teacher Center Committee (#TCCTea) in the table shown in Appendix A), and one did not indicate how many members are on that committee (#TCC). Responses indicated that this committee met about the same number of times in each of the cooperatives (#TCCMet). It should be noted that several cooperatives do not have an executive committee (#ExComit), and therefore no executive meetings (#ExMet), which is optional according the Arkansas statue *The Education Service Cooperative Act of 1985, A.C.A. § 6-13-1001 et seq.* A more detailed discussion of all appendices ensues in the next section of this report, following a presentation of each remaining appendix.

Appendix B presents data on the services provided by the individual cooperatives. A "yes" (Y) or "no" (N) format is used to record data on whether districts contribute money for media services (DollMed) and whether the cooperative operates a "make-and-take" center for teachers (Make Take). The number of teacher visits (TVisits) is simply the total reported by the various cooperatives. Empty cells

indicate that the information was not provided by the ESC.

The remaining columns (e. g., purchasing, planning, special ed) in Appendix B and all columns in Appendices C through F are left blank because of inconsistencies in recording information. Inconsistencies include where information is found and the format of recording, labeling or names used for programs and services, and even what constitutes services versus programs. What are referred to as programs in some cooperatives are presented as services under a different program label in another cooperative. Furthermore, it is not clear in some reports whether programs or services were offered in 2005-06 or were presented to indicate activities normally found at the cooperative. These inconsistencies in how and where information is presented together with these definitional problems in what are services and programs prohibited any accurate count of programmatic activities at each cooperative.

Initially, the intent in creating Appendices B through F was to record programs offered at each cooperative to get a sense of the total number of programs available to school districts and teachers in Arkansas. However, the more staff of the Bureau of Legislative Research attempted to categorize activities across cooperatives, the more apparent it became that reliable and accurate classifications could not be attained with the existing information. Too much inference and interpretation would be required to create a classification of existing data, and satisfactory inter-rater reliability would not likely be achieved. Even if inter-rater reliability was achieved between Bureau staff, it is unlikely that the classification would accurately represent the actual activity of each cooperative.

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Existing information in the annual reports (2005-06) presented to ADE by each cooperative is not consistently reported and, therefore, no summary can be presented in terms of services and programs offered at each cooperative.

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As a result, existing information in the annual reports (2005-06) presented to ADE by each cooperative is not consistently reported and, therefore, no summary can be presented in terms of services and programs offered at each cooperative. Appendices B through F are left in the report to provide an example of the range of services offered at many cooperatives – these appendices were originally created to present counts and totals.

### **Discussion of Observations and Analyses of Data Included in Annual Reports**

The data on the number of students and the number of board meetings shown in Appendix A raise questions about compliance with guidelines set forth in *The Education Service Cooperative Act of 1985, A.C.A. § 6-13-1001 et seq.*, which states that there must be 20,000 students and 8 board meetings each year. Several

cooperatives report less than 20,000 students and one reports seven board meetings during 2005-06. Two cooperatives, as already stated, did not report the number board meetings.

Generally, the information provided by cooperatives to the ADE would seem to be useful, including, but not limited to, governance; financial statements; administration; program description; goals and objectives; costs of program; and participation. The amount of programmatic detail as well as where details are located vary considerably across cooperatives, which makes review of the information much more cumbersome than necessary.

While the kind of data reported would seem to be relevant to the ADE for administrative purposes, these data are not useful in terms of evaluation except as supplemental information.

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The College of Education and Health Professions (2003) at the University of Arkansas conducted a statewide client satisfaction survey within the past three years.

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Cooperatives do conduct client satisfaction surveys annually and immediately following the presentation of many programs that are offered. The College of Education and Health Professions (2003) at the University of Arkansas also conducted a statewide client satisfaction survey within the past three years. However, client satisfaction surveys, while essential to finding out how program recipients assess services, are not program evaluations as typically defined by professional evaluators (Patton, 1997; Rossi et al. 2004). The Workforce program has federal requirements that data be collected on skill acquisition, program completion, and job placement. However, outcome data do not appear to be collected for other programs.

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The *evaluation* conducted by the ADE is more of an administrative audit than a conventional program evaluation.

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The *evaluation* conducted by the ADE is more of an administrative audit than a conventional program evaluation (Patten, 1997; Rossi et al., 2004). As stated in the Arkansas Department of Education Evaluation Manual (2002, p. 15), "each evaluation shall include, but not be limited to, an investigation of user satisfaction, service adequacy, extent of local financial support, staff qualifications, and performance and administrative effectiveness." The schedule of the *evaluation* team site visit indicates the nature of the audit or investigation as follows:

- 1) forty-five minutes is given to cooperative staff presentations,
- 2) an hour and a half is allotted to review of printed material and interviews of cooperative staff,
- 3) one hour is given to evaluation team work,
- 4) half an hour is devoted to preparation of reports, and
- 5) half an hour is allotted to an exit conference.

The Evaluation Manual is provided by the ADE to ESCs as a guide

for preparing materials for the *audit* or *investigation*; the latter term is used by the ADE in the manual.

Ten brief reports (e. g., five pages) of the investigations of cooperatives from 2002 were made available by the ADE. These brief reports consist primarily of recommendations made to ESCs for improving various administrative functions as well as services. These reports suggest that ESCs receive some valuable feedback from the ADE concerning their operation and services.

Similar to other state education service networks, the cooperatives in Arkansas are not evaluated in the traditional sense of a program evaluation. A program evaluation typically entails at least two phases: 1) a process evaluation, and 2) an outcome evaluation. A process evaluation often is based on a combination of qualitative and quantitative data on the processes used to design, implement, manage, monitor, and evaluate a program.

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To evaluate the *effect* or impact of programs and individual cooperatives per se, outcomes need to be specified and measured with validated instruments.

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Much of the data currently presented to the ADE by cooperatives would be used in a process evaluation, although additional information on exactly how services are delivered would be needed (see Rossi et al., 2004). The outcome phase of a program evaluation is not included in audits or reports on cooperatives. To evaluate the *effect* or impact of programs and individual cooperatives per se, outcomes need to be specified and measured with validated instruments (Patten, 1997; Rossi et al., 2004). To complete the evaluation, outcomes need to be examined in relation to program inputs (or measures of services) to determine the *effects* of the services. Measures of services need to extend beyond simple indications of whether they are delivered, frequency of occurrences, number of clientele, and client satisfaction. Although each of the existing measures provides valuable information for administrative auditing purposes, they are not objective direct measures of services that can be used to determine the *effects* or impact of services on desired outcomes.

For example, one of the most formidable provisions of the No Child Left Behind Act (2002) for school districts is Adequate Yearly Progress (AYP), which requires states to develop measurable annual targets for increasing the percentage of students within all specified subgroups that reach Proficient and Advanced levels of achievement. As stated earlier on page 7 of this report (observation #2), New York and Iowa have statutory statements that education service centers will take a leadership role in improving student performance. The quality or usefulness of many services offered at cooperatives could be evaluated in relation to their contribution to student performance



if the services are measured objectively and validly. There are existing measures of quality of services, and pre-post test designs can be used to measure student gains in knowledge and skills (Odden & Wallace, 2006).

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It is possible to find out how much a factor (e.g., a particular ESC) contributes to student performance relative to other factors considered together in the same analyses.

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The relationships between cooperative services and student performance would have to be examined with very sophisticated analyses because of the many factors (e.g., student, family, and teacher) that contribute to gains in student performance (Milanowski, 2004; Odden, Borman, & Fermanich, 2004). However, a sophisticated literature and strong methodologies are being developed to separate out the individual *effects* of many factors when they are analyzed simultaneously (Milanowski, Kimball, & Odden, 2005; Odden et al., 2004). In other words, it is possible to find out how much a factor (e.g., a particular ESC) contributes to student performance relative to other factors considered together in the same analyses. Findings are clear that no one factor is sufficient to elevate student performance; rather, performance is the result of a combination of factors, such as quality of teaching and classroom environment (Odden & Wallace, 2006). Furthermore, many services at cooperatives could not be expected to have any realistic affect on student achievement gains, such as drug testing of bus drivers or training bookkeepers.

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Assessing teachers who work for the cooperative might be a measure of services (or impact factor), whereas assessing teachers who are clients may be an outcome.

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As an example of evaluating a service offered by cooperatives, one measure of professional development services provided by most cooperatives could be assessments of teachers' knowledge and skills (Odden and Wallace, 2006). Validated assessment instruments, based on widely accepted teaching standards, have been developed for this purpose (Odden et al., 2004). Teachers in the cooperatives could be assessed along with teachers who receive professional development and other services at the various cooperatives. Assessing teachers who work for the cooperative might be a measure of services (or impact factor), whereas assessing teachers who are clients may be an outcome. Relationships between assessment ratings of teachers in cooperatives and teachers who receive professional development at these cooperatives could then be examined in relation to student performance gains. These analyses would reveal the linkage between professional development services provided in cooperatives and increases in quality of teaching and in student performance.

Even if these more rigorous evaluation tools and procedures are not adopted immediately, attention could be given to analyzing data that is presently available. For example, relationships could be examined between the number of teacher visits to cooperatives and teaching

assessments, assuming ratings are discriminating. These relationships could be further disaggregated into kinds of services received to identify which services are contributing to higher teacher performance. These analyses may require more systematic assessments of teachers than currently exist in many school districts, which are rapidly being developed in several locations across the country (see review, Odden & Wallace, 2006).

### **Observations on Fiscal Matters**

Staff performed a limited review of information relating to the funding sources and revenues of the ESCs for the year ending June 30, 2006. The information is based upon revenue information reflected in the APSCN and provided to the Bureau of Legislative Research by APSCN staff. Total revenues reported for all 15 ESCs for the year ending June 30, 2006 was \$78,130,598.39 consisting of \$39,201,204.10 state assistance, \$20,202,638.92 federal assistance and \$18,726,759.37 local revenues. A detailed comparison of the FY2006 revenues for the ESCs based on this information is presented at Appendices G, H, and I. Possible limitations on the comparability of the data include possible coding differences among the ESCs or summarization decisions made by staff. This comment may particularly apply to the information presented on local sources of revenues included as Appendix I. The following general observations are made based upon a limited review of the financial information provided through extracts from APSCN, financial information included in the annual reports of the ESCs, and audit reports of previous years available on the website of the Division of Legislative Audit.

#### **Diversity of Funding Sources and Programs**

A number of programs and state funding sources are provided on a consistent or relatively consistent basis to the ESCs. Examples of such programs and funding include base funding for ESCs, early childhood special education, certain types of technology assistance, and Smart Start funding. Some of the key differences noted include:

##### **State Assistance:**

- Adult Basic or General Education (only 2 reporting revenues)
- Workforce Education (substantial differences noted)
- Arkansas Better Chance (significant variations in funding)
- Tobacco Prevention (8 reporting grant revenues)
- College Prep Enrichment (7 reporting state assistance)

**Federal Assistance:** Appendix H reflects significant variation in the types and amounts of federal financial

assistance utilized by the ESCs.

**Local Revenues:** Observations include (1) the most significant Cooperative purchasing was at Arch Ford Educational Cooperative, (2) most funding for professional development activities appears to be derived from local sources, and (3) some Cooperatives have significant fund balances as indicated by interest/investment earnings)

### **Financial Audit Reports**

Most of the financial audit reports are prepared by the Division of Legislative Audit. Benefits of financial audits include an assessment of internal controls over financial reporting, compliance with state regulations applicable to ESCs, and compliance with requirements of federal assistance administered by the ESCs.

Most of the financial audit reports of the Arkansas ESCs utilize the Regulatory Basis of Accounting as permitted, but not required by ACA § 10-4-413. Financial audit reports in the three states reviewed for this report appear to be using GASB 34 formats.

Most of the financial audit reports of the ESCs utilize the Regulatory Basis of Accounting as permitted, but not required by ACA § 10-4-413. The ADE has promulgated rules governing the Regulatory Basis of Accounting. The Regulatory Basis format provides some relief from certain requirements of GASB 34 such as the preparation of entity-wide financial statements, a Management Discussion and Analysis Section, accrual based accounting, and a Statement of Activities. Financial audit reports in the three states reviewed for this report appear to be using GASB 34 formats.

We do note that there are some considerations that may limit the usefulness of financial audit reports for some oversight and program monitoring purposes.

Rule 4.06 for the Regulatory Basis of Accounting indicates that "Revenues shall be reported by major sources, and expenditures shall be reported by major function." The revenues and expenditure classifications presented in the financial audit reports are derived from information reported in APSCN. However, state assistance is reported as a single line in the financial statements and the major function level for expenditure reporting is generally at a higher level than program level reporting. It should be noted, however, that the levels of revenue and expenditure reporting in these reports appear substantially the same in the GASB format.

Rule 4.04 for the Regulatory Basis of Accounting indicates that the major funds will be a general fund and a special revenue fund presented in separate columns. All other governmental funds are to be presented in the aggregate. As a practical matter, most state

assistance and local assistance will be presented in the general fund, with expenditures from both funding sources combined at the major function level.

The effect of the rules discussed above is that the audit report financial presentations do not easily align with the level of information presented in the annual reports prepared by the ESCs or with the programs provided in relevant appropriation acts.

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Inconsistencies were noted in the definitions of programs and the amount of financial information included.

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### **Financial Information in Annual Reports**

A key component of the annual reports prepared by the ESCs is individual program summaries. Generally the program summaries include a program narrative, financial, staffing information, and statistical information. Generally the program summaries contain good information, but some inconsistencies were noted in the definitions of programs and the amount of financial information included. Inconsistencies were also noted in the review of annual reports regarding the inclusion of an overall financial summary and its content and format.

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Annual Reports may be the most logical place to focus efforts to improve consistency and value of cooperative reporting due to the timeliness of such reports, the programmatic emphasis of the reports, and the inclusion of statistical information.

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Annual Reports may be the most logical place to focus efforts to improve consistency and value of cooperative reporting due to the timeliness of such reports, the programmatic emphasis of the reports, and the inclusion of statistical information. The annual report is also probably a logical place to consider the appropriateness of linking information on the program efforts of ESCs and student performance trends in the school districts they serve. Additionally, a schedule reflecting school district participation in the various programs provided by the ESCs would be probably be helpful information.

### **Cost Allocation and Indirect Cost Recovery**

Limited observations of revenue coding suggest that it may be appropriate for the ADE or another oversight entity to review the methodologies followed regarding cost recovery of general and administrative costs and costs charged to federal grants as indirect costs to ensure the use of consistent practices among the ESCs.

### **Federal Grants**

Due to the diversity of federal assistance utilized by the ESCs as indicated at Appendix H, it may be appropriate for the ADE to provide information to each ESC on federal assistance programs that may be available and appropriate for ESC programs.

## Conclusions

### **Statutory and Practice Differences Between States**

In conclusion, one of the most noteworthy observations about differences between states in the organizational arrangement of the ESCs is the accountability of CEOs to commissioners of education. In Arkansas the hiring and evaluation of CEOs are exclusively done by the governing boards of ESCs; whereas, commissioners of education annually evaluate CEOs in Texas and New York and approve all hiring of CEOs of ESCs. In Iowa, the salary of CEOs of AEs must be approved by the commissioner of education. Furthermore, CEOs in New York are hired to assume responsibilities in a BOCES as well as in the department of education. In Texas, CEOs of ESCs are directly responsible to an associate commissioner in the Texas Education Agency who coordinates the services of the 20 regional centers.

Another particularly striking observation is the explicit statements in the statutes of New York and Iowa that charge the service centers to exercise a leadership role in local school improvement efforts. This leadership role would seem to be important in complying with provisions of the No Child Left Behind Act (2002).

The election rather than appointment of members to governing boards of ESCs is another conspicuous difference between states. Arkansas stands alone among the states reviewed in appointing board members.

Staff observed reporting of regional student achievement in each of the three other states reviewed in the form of a Regional Report Card, performance report, or information available on a web site.

Finally, the lack of systematic program evaluation of services in statewide networks is surprising with the current emphasis on improving student performance in the No Child Left Behind Act (2002).

### **Education Cooperatives within Arkansas**

The annual reports provided to the ADE by each of the 15 ESCs are replete with information that is useful for administrative purposes. Characteristics of the education cooperative and staff are presented along with program descriptions, financial reports, and usage of services by teachers, districts, and others. The information provided by ESCs in Arkansas to the ADE in these reports is very similar to information presented in other states to departments of education.

This type of information would seem to be very useful for administrative and auditing purposes to the ADE. Ease and usefulness of the information could be greatly improved by consistency in entering data and in the reporting format.

ESCs in Arkansas also conduct client satisfaction surveys immediately after program sessions and periodically on a more global basis among school districts. The University of Arkansas has done a statewide client satisfaction survey within the past three years, and the ADE does a day-long onsite audit of cooperatives every five years. A few programs, such as Workforce, seem to have outcomes that are recorded, including skills learned, graduation, and job placements. The types and timing of client satisfaction surveys are very common among all states reviewed.

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Annual reports, audits, and client satisfaction surveys are very useful tools for the collection of information essential to monitoring and to decision-making. More objective and direct measures are needed to capture the *effects* of services.

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Annual reports, audits, and client satisfaction surveys are very useful tools for the collection of information essential to monitoring and to decision-making. However, program evaluations (Patton, 1997; Rossi et al., 2004) provide additional information essential to planning, designing, implementing, monitoring, evaluating, and modifying services and programs that is not obtained in reports, audits, and client satisfaction surveys. For example, information on staff qualifications, program goals and objectives, participation, and client satisfaction does not inform decision-making on the quality or effectiveness of services and programs. More objective and direct measures are needed to capture the *effects* of services. Direct measures of education services in school districts are being used in selected areas of the country, along with specific outcome measures (e. g., Milanowski et al. 2005; Odden & Wallace, 2006).

These more direct measures and methods of program evaluation (e. g., Rossi et al., 2004) would seem to be the next logical step in educational reform because of the stipulations in the No Child Left Behind Act (2002) that require states to provide empirical evidence on gains in student achievement. Increasingly, education systems need to have a better understanding of what factors contribute to gains in achievement. For example, there is a growing literature that clearly demonstrates that quality of teaching is one of the strongest predictors of positive changes in student scores (see reviews, Milanowski, 2004; Odden & Wallace, 2006). There is also evidence that professional development is a key factor in enhancing the quality of teaching (Milanowski, 2004), and professional development is a valuable service offered by Arkansas ESCs. Hence, evaluations of professional development would provide objective information on content, amount, and delivery methods for the more efficient and effective approaches to services.

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Knowing the efficiency and effectiveness of services is critical to designing a program, an ESC, and a statewide network that makes a real contribution to the educational goals of the state.

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Knowing the efficiency and effectiveness of services is critical to designing a program, an ESC, and a statewide network that makes a real contribution to the educational goals of the state. To accomplish this efficiency and effectiveness, more direct and objective measures and more sophisticated methodological tools are needed to analyze the complex interrelated factors involved in enhancing student learning gains (Milanowski, 2004; Odden et al, 2004). Some of these factors are under the purview of ESCs, whereas others reside primarily, if not entirely, within the classroom and school district (Odden & Wallace, 2006). At the same time, many factors have interrelated effects on student achievement, such as professional development contributing to the quality of teaching, which in turn is the preeminent factor in student learning gains.

To identify factors and linkages between factors that actually contribute to accomplishing the education goals of the state, program evaluations of services, cooperatives, and the entire statewide network are essential. Program evaluations provide objective information in addition to essential information being provided by existing mechanisms.

In a nutshell, existing information does not allow an objective evaluation of the quality or effectiveness of services or ESCs in Arkansas.

Staff suggests the items listed below for consideration as steps toward improving the available information included in the annual reports on ESC programs and accomplishments. These proposed initiatives should also enhance the ability to provide comprehensive information to members of all ESCs:

- 1) Development of a standard set of program and service descriptions, statement of purpose or objective and method of program or service evaluation to be used consistently by all ESCs in the annual report. Greater standardization of program and service descriptions would enhance comparability among ESCs and the meaningfulness of a standard set of evaluation or accountability criteria. This is not to suggest that ESCs have the same programs and services, but is intended to say that programs and services should be consistently described within the system of all ESCs. These efforts would require the input from the participating schools, the ESCs, the ADE, and the House and Senate Interim Committees on Education.

- 2) Development of a standard format for reporting information on the frequency and amount of participation of districts, individual schools, and teachers in every program and service.
- 3) Standardization of a Financial Summary by Program/Service for inclusion in the annual report prepared by the ESCs.
- 4) Inclusion in the annual report of information on key student achievement in the schools within the service area of each ESC. While ESCs are only one factor affecting student achievement, this information should help to focus attention on the types of programs needed within the service area. Consideration should also be given to including this type of information on a web site of the ADE and/or each ESC. Staff also notes that the ADE needs time to evaluate the feasibility and potential costs of providing or compiling student achievement data by ESC service area.



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Appendix D

CoOp	EarlyChild	VisImpair	HearImpair	EflLit	ESL	ELLA	GTprog	HealthPro	MathProg	media	Medicaid	MidLVoc
Arch Ford												
Ark River												
Crowleys Ridge												
Dawson												
DeQueen-Mena												
Great Rivers												
North Central Ark												
Northeast Ark												
Northwest Ark												
Ozark Unlimited												
South Central												
Southeast Ark												
Southwest Ark												
Western Ark												
Wilbur D Mills												
<b>LEGEND:</b>												
<b>EarlyChild</b> means whether or not the cooperative provides special education services for children with disabilities.												
<b>VisImpair</b> means whether or not the cooperative provides services to visually impaired or blind students and their families.												
<b>HearImpair</b> means whether or not the cooperative provides services to hearing impaired students and their families.												
<b>EflLit</b> means whether or not the cooperative provides teachers with staff development in the Effective Literacy program.												
<b>ESL</b> means whether or not the cooperative provides teachers with staff development in the English as a Second Language program.												
<b>ELLA</b> means whether or not the cooperative provides teachers with staff development in the Early Literacy Learning in Arkansas program.												
<b>GTprog</b> means whether or not the cooperative provides staff development for teachers of gifted and talented students.												
<b>HealthPro</b> means whether or not the cooperative provides technical assistance to schools in implementing the CDC's guidelines for School Health Programs.												
<b>MathProg</b> means whether or not the cooperative provides staff development to teachers to promote effective mathematics practices.												
<b>media</b> means whether or not the cooperative provides schools with training in the use of media and information relating to media in education.												
<b>Medicaid</b> means whether or not the cooperative provides schools assistance with filing claims for students who are eligible for Medicaid services.												
<b>MidVoc</b> means whether or not the cooperative provides staff development in effective vocabulary instruction for intermediate readers and writers.												

Appendix E

CoOp	MidLWord	PathMent	ReadRec	Ruby	Nutrit	Tobacco	ScienceP	SmartStep	StepupWri	TeachCent	Techno
Arch Ford											
Ark River											
Crowleys Ridge											
Dawson											
DeQueen-Mena											
Great Rivers											
North Central Ark											
Northeast Ark											
Northwest Ark											
Ozark Unlimited											
South Central											
Southeast Ark											
Southwest Ark											
Western Ark											
Wilbur D Mills											
<b>LEGEND:</b>											
<b>MidLWord</b> means whether or not the cooperative provides staff development for teachers in the Mid Level Word Study program.											
<b>PathMent</b> means whether or not the cooperative provides teachers with Pathwise Classroom Mentoring.											
<b>ReadRec</b> means whether or not the cooperative offers students the Reading Recovery program.											
<b>Ruby</b> means whether or not the cooperative offers teachers training through the Ruby Payne program.											
<b>Nutrit</b> means whether or not the cooperative offers schools assistance through nutrition and wellness programs for students.											
<b>Tobacco</b> means whether or not the cooperative offers schools assistance through school-based tobacco prevention and education programs.											
<b>ScienceP</b> means whether or not the cooperative offers inservice training for teachers in effective science instruction practices.											
<b>SmartStep</b> means whether or not the cooperative offers teachers training through the Smart Step/Next Step program.											
<b>StepupWri</b> means whether or not the cooperative offers teachers training through the Step Up to Writing program.											
<b>TeachCent</b> means whether or not the cooperative has a Teacher Center offers instructional resources and equipment.											
<b>Techno</b> means whether or not the cooperative offers schools information and training concerning technology.											



# Appendix G

## SUMMARY OF REVENUES FOR YEAR ENDING JUNE 30, 2006 STATE ASSISTANCE

	Arch Ford	Arkansas River	Crowley's Ridge	Dawson	DeQueen-Mena	Great Rivers	North Central	Northeast AR	Northwest AR	Clark Unlimited	South Central	Southwest AR	Western AR	Wilbur D. Mills	TOTAL
Educational Service Cooperative Funding	328,618.00	360,785.36	328,618.00	328,618.00	328,618.00	328,618.00	328,618.00	328,618.00	328,618.00	328,618.00	328,618.00	328,618.00	328,618.00	328,618.00	4,961,437.36
Adult Basic Education	230,811.39									371,395.33					230,811.39
Adult General Education	660,402.20													74,850.00	1,031,797.53
Reading Program Insurances / Recovery					5,000.00										
Writing Assessment (Report Card)				307,298.77											307,298.77
Technology Grant		50,000.00		200,000.00	50,000.00				50,000.00		50,000.00				400,000.00
College Prop Enrichment Program				65,114.00	30,189.00	61,121.00	42,812.00	24,530.00		36,522.00	9,190.00				269,477.00
Parents as Teachers Training Center					32,450.86										
National Board of Professional Teaching				5,000.00					5,000.00						125,908.86
Professional Development															10,000.00
Distant Learning	500,000.00			114,000.00			300,500.00			109,200.00					409,700.00
District Defined				100,000.00						425,000.00					1,039,000.00
Distress District Support - Alternative Ed.			50,000.00												125,000.00
Teacher Licensure Pilot Grant (Palwise M)		65,000.00		14,844.36			10,000.00								50,000.00
Children w/Disabilities, Foster Care	169,184.00	600.00	56,000.00		56,000.00		56,000.00	59,664.00		56,000.00	455,737.00	63,844.00	28,444.00		156,044.36
Professional Quality Enhancement	15,190.00	2,000.00	10,341.00	24,000.00			800.00	4,000.00	3,000.00	10,191.38	112,104.84	107,767.50		2,000.00	291,394.72
Special Educ Catastrophic Loss Funding									555,567.00						555,567.00
Early Childhood - Pre-Ella				49,481.12						27,533.93					77,015.05
Early Childhood Special Education	856,200.00	203,183.54	449,764.00	611,978.00	279,439.00	593,140.00	395,052.00	322,696.00		431,740.00	728,231.00	458,776.00	366,681.00	432,866.00	6,109,759.54
Gifted and Talented Coordinator						13,000.00		46,000.00					46,000.00		118,000.00
English Language Learners															
Gifted and Talented (AEGIS Program)	36,000.00	23,015.00	46,000.00	33,000.00	46,000.00				23,000.00	15,333.00		45,000.00		46,000.00	314,348.00
Other Workforce or Vocational Aid											15,232.23				45,000.00
Workforce Center Grant												55,525.32			70,757.55
Workforce Education - Special Needs				2,310.00				12,500.00			46,000.00				391,093.00
Technical Preparatory Coordination	50,000.00		50,000.00	50,000.00	50,000.00	52,310.00				50,000.00	50,000.00	4,000.00			258,620.00
Model Vocational / Technical Ed Resource							50,000.00						50,000.00		400,000.00
Youth Apprenticeship		25,641.45													225,225.00
Traditional Apprenticeship															25,641.45
Distance Learning Grants	454,835.00	96,041.81	127,114.00	553,597.00	100,000.00	100,000.00	100,000.00	185,586.00	127,327.00	100,000.00	133,501.00	100,000.00	156,916.00	214,378.00	3,370,443.82
Educational Cooperative Technology Center	50,000.00		50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	500,000.00
Arkansas Better Chance	88,000.00	1,012,042.00	413,600.00		2,212,964.24			1,302,000.00	29,375.00	1,331,250.00	1,506,000.00	872,930.00		1,091,456.00	9,953,037.24
Early Childhood - Parent Involvement															13,543.90
Smart Start	223,349.30	283,321.91	374,250.00	419,400.00	154,700.00	359,400.00	329,400.00	150,500.00	531,545.70	234,550.00	169,700.00	109,326.74	269,550.00	299,700.00	3,908,693.65
Other Literacy or Math Funding	374,250.00			74,850.00				159,700.00			289,400.00				1,077,900.00
Department of Health		79,049.03		112,819.75	93,175.00				128,651.24	94,238.55	48,950.85	70,944.37	91,213.41	6,000.00	725,042.20
Other Grants	6,000.00	12,000.00		19,200.00	8,011.78	6,000.00	14,164.00		7,200.00		26,888.14	6,665.00	13,200.00	56,116.30	246,824.40
Home Instruction	150,000.00			65,057.50											417,467.50
<b>Total State Assistance</b>	<b>\$3,301,626.30</b>	<b>\$3,585,005.08</b>	<b>\$1,955,667.00</b>	<b>\$3,467,464.43</b>	<b>\$3,871,719.38</b>	<b>\$1,553,589.00</b>	<b>\$1,650,346.00</b>	<b>\$2,655,794.00</b>	<b>\$1,614,283.94</b>	<b>\$2,881,930.76</b>	<b>\$2,897,666.37</b>	<b>\$1,490,906.83</b>	<b>\$1,424,622.41</b>	<b>\$2,916,034.30</b>	<b>\$39,201,204.10</b>

Source of Information: Compilation prepared by Research Division staff, based upon revenue extracts provided by APSN staff



# Appendix H

## SUMMARY OF REVENUES FOR YEAR ENDING JUNE 30, 2006 FEDERAL ASSISTANCE

	Arch Ford	Arkansas River	Crowley's Ridge	Dawson	DeQueen-Mena	Great Rivers	North Central	Northeast AR	Northwest AR	Ozark Unlimited	South Central	Southeast AR	Southwest AR	Western AR	Wilbur D. Mills	TOTAL
Family Resource Center Funds	22,792.88															22,792.88
Early Childhood Special Education																15,625.79
21st Century Community Learning Ctr. IV-B																37,825.00
ESEA Title I Migrant Education																1,108,572.64
Learn and Serve America																133,275.09
ESEA Title I Improvement Grant																4,200.00
ESEA Title I Regular - Comp Education				357,298.77												357,298.77
Reading First - Title I	180,000.00			270,000.00	66,700.00	59,600.00	90,000.00									22,825.00
Public Charter Schools, Title V, Part B																1,200.00
Job Training Partnership Act, Title II				50,000.00												50,000.00
AR DHS - Early Childhood Enhancement																64,641.43
AR DHS - Child Care Quality Status																10,931.93
Basic Grant - Formula Grant Entitlement	213,598.00	40,877.00	323,388.00	463,293.00	88,284.00	102,306.00	97,981.00	97,981.00								3,600.00
Educational Technology - Title II Part D				82,078.73												82,078.73
Foster Grandparent - Vocational Tech Prep																384,161.58
Direct and Equitable		185,461.81			384,161.58											384,161.58
Model Resource Center																462,329.56
Correctional Adult Education Program																589,837.50
Special Needs																17,998.79
IDEA Title VI-B Education of Handicapped						114,563.00										254,804.00
IDEA Title VI-B Area Services																85,374.69
IDEA Title VI-B Pass Through Funding	168,172.00			95,209.00		1,025,838.00										3,512.31
IDEA Title VI-B Head Start	86,304.00			97,341.00	14,100.00	114,180.00	71,174.00	43,084.00	47,673.00	49,625.00	154,871.00	75,211.00	40,599.00	71,502.00		2,193,825.00
IDEA Early Childhood, Section 619	412,814.00			380,211.00	151,250.00	301,376.00	191,423.00	161,886.00	323,981.00	268,773.00	442,654.00	231,524.00	199,239.00	289,032.00		929,433.00
IDEA Title VI-B Special Grants																4,189,151.23
Special Education - Transition Project																35,000.00
Behavior Intervention																470,000.00
General Supervision Enhancement Grant																100.00
State Improvement Grant (SIG)																98,163.06
Comprehensive School Health																3,309.73
Medicare Catastrophic Coverage Act	95,547.80	344.35	2,500.00	14,623.00	2,500.00	2,000.00										(62,364.00)
ARMAC																5,000.00
Eisenhower Math & Science Project																516,204.94
English Language Acquisition, Title III	93,744.00			92,600.00		4,202.99	51,144.08	7,358.20	29,889.42	9,545.35	44,140.61	7,444.68	1,017.30	245,921.79		32,092.54
Title VI - Small Rural School Achievement																293,441.00
Title I Accountability																50,000.00
Longitudinal Grant																75,000.00
Statewide Math Training																88,484.88
AmeriCorp																332,679.24
Community Education - Title IV																75,737.01
Sr. Citizens Center																26,250.00
Revenue For / On Behalf of LEA																28,250.00
Food Service																137,185.64
Other																6,000.00
<b>Total Federal Assistance</b>	<b>\$1,361,964.41</b>	<b>\$543,635.53</b>	<b>\$1,199,175.00</b>	<b>\$2,437,079.94</b>	<b>\$1,093,635.50</b>	<b>\$1,812,903.99</b>	<b>\$538,175.93</b>	<b>\$497,051.75</b>	<b>\$776,862.00</b>	<b>\$1,051,698.11</b>	<b>\$591,063.14</b>	<b>\$3,223,030.63</b>	<b>\$691,497.24</b>	<b>\$3,526,709.96</b>	<b>\$863,965.79</b>	<b>\$20,202,638.92</b>

Source of Information: Compilation prepared by Research Division staff, based upon revenue extracts provided by APSCN staff

# Appendix I

## SUMMARY OF REVENUES FOR YEAR ENDING JUNE 30, 2006 LOCAL FUNDS

	Ach Ford	Arkansas River	Crowley's Ridge	Dawson	DeQueen-Mena	Great Rivers	North Central	Northeast AR	Northwest AR	Ozark Unlimited	South Central	Southwest AR	Western AR	Wilbur D. Mills	TOTAL
Investment Earnings	140,045.44	36,210.29	22,970.37	45,937.66	52,576.61	8,655.76	58,413.24	48,092.16	14,485.54	20,494.78	51,333.29	124,768.31	20,029.26	30,962.50	715,268.77
Aztec Special Project (Adult Education)												850,000.00			850,000.00
Regular Day School	337,536.63									143,463.86					481,000.51
APSCN support	7,200.00			3,600.00											10,800.00
Special Education - Speech Therapists	93,053.63						218,343.74		347,130.00		28,726.07			39,231.16	836,561.39
Special Education - Appraisal Services	108,345.68						107,300.88			31,032.96				164,384.20	411,063.72
Special Education - LEA	456,684.27		123,622.00				70,577.00	85,515.03					56,415.00	151,669.06	1,511,859.33
Gifted and Talented Services	26,013.85														26,013.85
Special Education - Purchasing Services	118,174.13														118,174.13
Special Education Services					247,575.72				155,695.23			130,356.09	87,839.40		621,466.44
LEAs- HIPPY												240,000.00			240,000.00
Alternative Learning Environment	725,271.47	318,574.00													1,043,845.47
Examiner			210,778.42												210,778.42
Professional Development	362,970.56	102,851.69	68,176.00	344,951.48		157,572.98	64,619.84	121,386.38	61,042.07	137,200.00	41,410.00	211,453.27	380,207.71	304,787.94	2,358,639.92
Testing				32,628.00			422.00	20,678.70			21,125.00			4,503.86	79,357.36
Arkansas Virtual K-8	421,659.26														421,659.26
Print Shop	184,582.22								377,482.03		1,341.06	35,306.68	26,135.65		686,404.67
Media Services	44,772.01			88,222.00	38,380.00	17,930.00	16,955.00			4,750.00		12,282.00	47,053.00		270,354.01
Cooperative Purchasing	1,733,848.01			196,830.53		21,658.80	41,968.40	17,380.26			3,374.74				2,014,860.74
Other Services	183,844.32	338,849.06	228,136.77	223,677.68	756,235.04	652,313.13	234,804.35	282,794.20	142,991.49	215,591.88	79,993.50	966,968.60	199,971.55	378,897.14	5,411,709.15
Indirect Cost Reimbursement				336,605.50			8,393.66	81,939.07							426,938.23
Total Local Funds	\$4,606,264.85	\$1,134,021.67	\$653,683.56	\$1,072,032.32	\$1,291,597.90	\$664,568.89	\$694,894.65	\$643,863.73	\$316,622.37	\$1,351,922.83	\$306,708.66	\$3,087,387.44	\$556,721.13	\$902,866.41	\$18,726,755.37
Total Revenues (all sources)	\$9,269,855.56	\$5,262,662.28	\$3,808,545.56	\$6,976,576.69	\$6,196,952.78	\$4,031,061.88	\$3,083,516.58	\$3,793,709.48	\$2,908,058.31	\$5,385,751.70	\$3,795,438.17	\$10,001,946.27	\$2,739,125.30	\$5,854,198.78	\$78,130,598.39

Source of Information: Compilation prepared by Research Division staff, based upon revenue extracts provided by APSCN staff

**Act 1874 of 2005**

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 1874 of the Regular Session

1 State of Arkansas  
2 85th General Assembly  
3 Regular Session, 2005

A Bill

HOUSE BILL 2645

4  
5 By: Representative Elliott  
6  
7

8 **For An Act To Be Entitled**

9 AN ACT TO PROVIDE FOR AN INTERIM STUDY BY THE  
10 HOUSE INTERIM COMMITTEE ON EDUCATION AND THE  
11 SENATE INTERIM COMMITTEE ON EDUCATION CONCERNING  
12 EDUCATION SERVICE COOPERATIVES.  
13

14 **Subtitle**

15 AN ACT TO PROVIDE FOR AN INTERIM STUDY  
16 BY THE HOUSE INTERIM COMMITTEE ON  
17 EDUCATION AND THE SENATE INTERIM  
18 COMMITTEE ON EDUCATION CONCERNING  
19 EDUCATION SERVICE COOPERATIVES.  
20  
21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
23

24 SECTION 1. (a) The House Interim Committee on Education and the  
25 Senate Interim Committee on Education shall jointly conduct a study of  
26 education service cooperatives relative to instructional improvements and  
27 support services to the Department of Education and to local school  
28 districts.

29 (b) The committees shall complete the study and make their findings  
30 and recommendations by October 31, 2006.  
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