

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

**ADEQUACY**

**Tuesday, June 20, 2017**

**9:00 A.M.**

**Room 171, State Capitol**

**Little Rock, Arkansas**

Representative Bruce Cozart, the Chair of the House Interim Committee on Education, called the meeting to order at 9:00 a.m.

**MEMBERS OF THE SENATE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE:** Senator Jane English, Chair; Senator Joyce Elliott, Vice Chair; Senator Linda Chesterfield; Senator Alan Clark; Senator Jim Hendren; Senator Blake Johnson; and Senator Uvalde Lindsey.

**MEMBERS OF THE HOUSE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE:** Representative Bruce Cozart, Chair; Representative Charlotte V. Douglas, Vice Chair; Representative Rick Beck; Representative Frances Cavanaugh; Representative Andy Davis; Representative Gary Deffenbaugh; Representative Jon Eubanks; Representative Mickey Gates; Representative Mark Lowery; Representative Mark McElroy; Representative George McGill; Representative Stephen Meeks; Representative Nelda Speaks; Representative James Sturch; and Representative DeAnn Vaught.

**OTHER MEMBERS OF THE GENERAL ASSEMBLY IN ATTENDANCE:** Senator Missy Irvin; Representative Fred Allen; Representative Charles Blake; Representative David L. Branscum; Representative Kim Hammer; Representative Mathew Pitsch; and Representative Les A. Warren.

Remarks by the Chairs

Representative Cozart stated that members have made a request for adequacy discussions to stay on the currently scheduled item. He said that should a member like to have a different item that is scheduled further down the line, or another issue, taken up, the member should notify the Chairs or staff for it to be brought up at the next meeting.

**The Honorable Jane English**, State Senator, District 34, and Chair, Senate Interim Committee on Education, was recognized. Senator English urged members to review the draft of ESSA (Every Student Succeeds Act), Arkansas State Plan that was handed out to each of them. She said there would be an opportunity for discussion and commentary about the Plan at the August meeting of the Committees; and noted that **Mr. Johnny Key**, Commissioner, Arkansas Department of Education (ADE), would be present to review the Plan. She said the Plan has to be submitted to the federal government in September. Senator English said that other recently passed education legislation would also be discussed at the August meeting.

**Handout:**

Every Student Succeeds Act, Arkansas State Plan, DRAFT

Representative Cozart asked members for their opinion on current scheduling of Joint Education meetings: non-adequacy issues taken up on Mondays and issues related to adequacy taken up on Tuesdays. The consensus was to let the Bureau of Legislative Research (BLR) staff make the decision.

## Overview of the Adequacy Study Process

1. Historical Development
2. Legal Aspects and Definition

### Presenter:

**Mr. Isaac Linam**, Staff Attorney, Bureau of Legislative Research, was recognized. Mr. Linam set the stage for the day's presentations on the Adequacy Study. He delivered a comprehensive overview of the Lake View School District (Lake View) case which led to the ruling by the Arkansas Supreme Court that the Arkansas educational funding system was unconstitutional. Mr. Linam explained the historical deficiencies leading to the Lake View case, the required actions taken by the state to remedy the constitutional deficiencies, and the required components for continued constitutional compliance. He reviewed what systems the state has initiated so as to be in compliance, including the Adequacy Study. Mr. Linam noted that the Adequacy Study is a continual assessment carried out each Interim; and is the basis for making policy decisions on educational funding and statutory changes. Mr. Linam concluded with a discussion of the working definition of "educational adequacy."

### Contributor to the Discussion:

**Ms. Nell Smith**, Administrator, Policy Analysis and Research Section, Bureau of Legislative Research

### Issues Included in the Discussion:

- clarification of when the state needs to intercede if a school district falls short of the accountability system,
- available data on progress made in the last ten (10) years in the Adequacy Study,
- ways to better assure parents and the public of the state's continuing efforts toward providing an adequate education for all kids,
- contextual use of the terms "study" and "review,"
- holding meetings in school districts around the state so members can verify needs for themselves,
- reviewing the basis for the required thirty-eight (38) Carnegie Units to respond to current needs,
- verity of the causal relationship between spending and achievement,
- the dynamic process of Adequacy,
- looking at inadequacy in school districts in academic distress and facilities distress, and looking at what some school districts have done to extricate themselves from distress, to better understand what needs to be done to achieve adequacy,
- importance of parental engagement and local responsibility in order to achieve adequacy,
- efficient use of the state's dollars for facilities,
- handling overlaps between federal funding and foundation funding,
- starting interventions for school districts at a higher mark,
- shifting philosophy of facilities funding, and
- responsible spending by school districts; looking at maintenance budgets.

### Handout:

Adequacy: Legal Overview

3. The Adequacy Study Process

### Presenter:

**Ms. Nell Smith**, Administrator, Policy Analysis and Research Section, Bureau of Legislative Research, was recognized. Utilizing a PowerPoint presentation, Ms. Smith explained the process that the Bureau of Legislative Research (BLR) plans to use over the next eighteen (18) months to complete the Adequacy Study. She interspersed the presentation with video clips of interviews with former **Senator Jim Argue** and former

**Senator Dave Bisbee**, who were the architects of the original Adequacy Study. She discussed the responsibility of Committee members to evaluate data from BLR, to formulate questions, to inform judgment, and to develop recommendations. At the end of the comprehensive presentation, Ms. Smith reviewed the meeting schedule and timeline, and noted that the final report and recommendations are due November 1, 2018.

Contributor to the Discussion:

**Dr. Ivy Pfeffer**, Assistant Commissioner, Arkansas Department of Education

Issues Included in the Discussion:

- o clarification of how the Academic Facilities Partnership Program fits into the Adequacy Study,
- o increasing the number of meetings of the Academic Facilities Oversight Committee,
- o use of textbooks vs. digital textbooks in school districts; use of computer labs vs. use of individual tablets that students can take home,
- o role played by the Department of Information Systems (DIS) in school districts, and
- o bringing together outside metrics on what is necessary for a child to succeed to inform the Committees.

PowerPoint Presentation:

Adequacy Study Process, June 20, 2017

Handouts:

Adequacy Meeting Schedule  
Adequacy Recommendations Worksheet  
Adequacy Statute  
Adequacy Study Process, June 20, 2017  
Adequacy Study Responsibilities

4. Matrix Structure Review

Presenter:

**Mr. Richard Wilson**, Assistant Director, Research Services, Bureau of Legislative Research, was recognized. Utilizing the handout, *Matrix, Total History, updated March 30, 2017*, Mr. Wilson stated that the Total Foundation Funding for FY18 was \$6,713 per student, and for FY19, the amount was \$6,781 per student. He continued with a detailed explanation of the structure and line items appearing on the spreadsheet. He noted the Matrix is the theory, while the application can be found in resource allocation reports prepared by the BLR, which show exactly how school districts spend money, and on which funding decisions can be made. Mr. Wilson explained that foundation funding consists of two (2) main components: the uniform rate of tax (URT) and state foundation funding aid.

Contributor to the Discussion:

**Mr. Isaac Linam**, Staff Attorney, Bureau of Legislative Research

Issues Included in the Discussion:

- the time during the academic year that the ADM (Average Daily Membership) is established, and effect on money following the student,
- state taking URT money,
- compensation to school districts for legal fees in challenges to state,
- investing in the well-being of a child before the child arrives at school, and
- career tech as a part of the discussion.

Handouts:

Foundation Funding and the Matrix, Bureau Brief  
Matrix, Total History, updated March 30, 2017

Next Scheduled Meetings:

Monday, August 21, 2017 at 1:30 p.m. in Room 171, State Capitol, Little Rock – *Joint Education*  
Tuesday, August 22, 2017 at 9:00 a.m. in Room 171, State Capitol, Little Rock – *Joint Education/Adequacy*  
Tuesday, August 22, 2017 at 1:30 p.m. in Room 207, State Capitol, Little – *Legislative Task Force on Workforce  
Education Excellence*

Adjournment:

The meeting adjourned at 11:06 a.m.

*Approved: 08/21/17*