



Funding Public Education in Arkansas: Thoughts, Concerns and Recommendations

A Report for the Interim House and
Senate Education Committees

November 5, 2019

Arkansas School Boards Association

Student Focused Leadership



Preface

- Thank you for the opportunity to provide input as you consider the adequacy of the public education system in our state.
- We recognize and appreciate the recent progress in areas of increases in teacher salaries and additional adequacy funding for this biennium
- We agree that constant review and adjustments are necessary to maintain adequacy, as noted by Special Masters

Educational Adequacy Study

- 2007 – Last time an **independent consultant** was contracted to do an **on the ground review** of educational adequacy in Arkansas (Odden and Picus)
- 2014 – Most recent **independent review** of educational adequacy in Arkansas was a **desk audit** (Odden and Picus)
- We believe that periodic independent reviews provide the legislature with additional new evidence based ideas for their consideration when determining what is required for an adequate and equitable education.

Educational Adequacy Study (Continued)

Recommendation:

Initiate on the ground independent study of educational adequacy that will provide valuable research based options to consider when determining what is required to provide an adequate and equitable education.

Pre-Kindergarten

According to the U.S. Department of Education, research demonstrates that the years prior to kindergarten are the most significant in shaping a child's foundation for success in school and life.

Without sufficient early learning experiences upon which to build a strong foundation, the achievement gaps – too often experienced by children with high needs, such as those who are from low-income families, English Language Learners, or have developmental delays or disabilities – may start long before children reach kindergarten.

Pre-Kindergarten (Continued)

We believe high-quality preschool programs can help ensure that children have the foundation they need to meet early learning and development standards and experience success throughout elementary, secondary school, and beyond.

Recommendation:

Increase funding to expand this program to all students who are currently eligible and eventually to make it available to every child.

Class Size

- Odden and Picus reference potential benefits of smaller class size; especially in lower grades in their original study in 2003, which was echoed in both their 2007 recalibration study and most recently in their 2014 desk audit:
- K – 3 15:1 Teacher/Student ratio
- 4 – 12 25:1 Teacher/Student ratio
- Used research based approach to justify recommendation
- Study revealed students from smaller classes performed significantly higher than students from larger classes
- Same study also showed higher level of performance magnified for low income and minority students

Class Size (Continued)

Recommendation:

Initiate a study to determine the effects of class size on students in Kindergarten through grade three becoming proficient in reading, to help determine the value of reducing class sizes in the early grades and fund additional teachers to reduce class size in the lower grades, if deemed effective to do so.

Teacher Staffing

- Conflict may exist between staff allotted in Matrix and staff required by Standards of Accreditation
- Consider example of K-4 "model school" of 100 students per grade for total of 500 students
- Per Standards of Accreditation:

K – 20 per class	5 teachers
Gr. 1-3 – 23 per class average	15 teachers
Gr. 4 – 25 per class average	<u>4 teachers</u>
Total	24 teachers

Teacher Staffing (Continued)

- Matrix allocates 20.8 core teachers per 500 students
- 24 core teachers required by Standards for Accreditation minus 20.8 allocated through the Matrix leaves underfunding of 3.2 teachers for that K-4 school
- Even in model K-12 school, there are problems with staffing per the Matrix vs. Standards of Accreditation

Teacher Staffing (Continued)

- Another issue is whether or not it is realistic that all the necessary certifications to teach the required coursework can be met with the Matrix allocation
- Small districts seem to have a disadvantage staffing within the Matrix allocations

Recommendation:

Initiate a study of actual school staffing to determine the relationship between the number of teachers funded through the matrix and the number of staff positions required to meet the Standards for Accreditation

Special Education Teacher Staffing

- Funding Matrix provides funding for 2.9 Special Education teachers for 500 students
- Odden and Picus recommended 3.3 Special Education teachers per 500 students
- The April 24, 2018 Resource Allocation Report showed public schools provided approximately 2.98 Special Education teachers per 500 students

Recommendation:

Increase the Special Education teacher line in the Matrix to at least 3.0 Special Education teachers per 500 students.

Special Education High Cost Occurrences Funding

- We recognize and appreciate the legislature adding just over \$4 million in funding to the Special Education High Cost Occurrences fund during the 2017-2019 biennium
- During the September 9, 2019 presentation by DESE before the House and Senate Education Committees it was revealed the Division was in the process of amending the Rules governing the Reimbursement Formula for high cost students
- The proposed amendments could have a substantial impact on current high cost districts.

Special Education High Cost Occurrences Funding (Continued)

Recommendation:

Review the impact of the new rules governing Special Education High Cost Occurrences Reimbursement Formula to gauge their effectiveness and add additional funds for High Cost Special Educations students until need is fully met.

Enhanced Student Achievement Funding (Formerly NSL)

- **Funds to be used for evidence-based programs or purposes for students at-risk to improve instruction and increase academic achievement**
- **Allowable uses for ESA funds have been increased over past legislative sessions to cover additional legislated programs and/or expenses.**
- **Districts depend on utilizing this funding for many allowable expenditures, which sometimes helps to fill in gaps in foundation funding.**

Enhanced Student Achievement Funding (Formerly NSL) (Continued)

Recommendation:

Review the current eligible expenditures of ESA funding, along with the matrix, to ensure districts are receiving necessary foundation funding for essential programs while continuing to allow ESA funds to be used for those evidence based programs that have demonstrated effectiveness in assisting to close the gap for those students that the funds were originally intended to support.

Teacher Salaries

We recognize and appreciate the importance the legislature placed on increasing teacher salaries through the recent passage of Act 170 of 2019 (Teacher Salary Enhancement Act) along with the passage of Act 877 of 2019 (Educator Compensation Reform Program), which appropriated \$60 million to assist districts whose salary schedules were below the \$36,000 minimum final salary.

Teacher Salaries (Continued)

Recommendation:

Continue review of teacher salaries to be competitive with other states and review expenditures of the Educator Compensation Reform Program to ensure appropriate funds are made available to districts.

Cost of Living Adjustment (COLA)

- 2% COLA added to Matrix funding from 2009 through June of 2015
- Total added for both FY16-FY17 and FY18-FY19 biennium's was only about half that amount even though the inflationary factor was determined to be at least 2% for both biennium's
- We recognize and appreciate the increases the legislature approved for current FY20 (1.74% increase) and FY21 (1.72 increase)

COLA (Continued)

Recommendation:

The annual COLA added to the Matrix funding should, at a minimum, match the annual CPI inflationary factor and any new requirements placed on districts

Facilities

- The Advisory Committee on Public School Academic Facilities recently conducted a thorough review of the Partnership Program and submitted their report on July 31, 2018.
- The Advisory Committee recommended State Partnership Program funding should be an annual budgeted amount of approximately \$90 million
- There has not been a full assessment of public school facilities in well over 10 years
- The \$175 per sq. ft. Funding Factor, established in 2008, is insufficient at today's construction costs

Facilities (Continued)

Recommendations:

- 1) Provide for a full assessment and update of the actual public school facilities and their current condition across the state
- 2) The cost per square foot Funding Factor needs to be revised to match current construction costs
- 3) Implement all remaining recommendations submitted by the Advisory Committee on Public School Academic Facilities, July, 2018

School Safety

The Arkansas School Safety Commission released their Final Report on November, 2018, after analyzing the safety of K-12 students in Arkansas considering the following topical areas: Mental Health and Prevention; Law Enforcement and Security; Audits; Emergency Operation Plans and Drills; Intelligence and Communications; and Physical Security.

School Safety (Continued)

Recommendation:

When additional personnel, equipment, or facility safety improvements are required for districts to meet the recommendations from the Arkansas School Safety Commission of November, 2018, we hope the legislature will provide any additional funding required for districts to meet those recommendations.

Mental Health Services

- **In today's society, more and more students are facing new challenges and coming to school under heavy burdens of anxiety and stress.**
- **Additionally, a growing percentage of youth are impaired with depression symptoms.**
- **Unfortunately, if their issues are not addressed, learning and school safety suffers.**
- **Counselors, school psychologists and social workers can support teachers and aid students who are struggling emotionally or are troubled.**

Mental Health Services (Continued)

Recommendation:

Initiate a study to determine the appropriate ratio of mental health professionals to students and provide districts the proper resources to increase the ratio to appropriate levels in all school districts.

Property Tax

Due to the recent Walmart appeal of its property assessment in Pulaski County, many school board members and administrators are uneasy as to the potential funding issues that could result from this case, regardless of its ultimate outcome.

Property Tax (Continued)

Recommendation:

Monitor developments in the Walmart appeal of its property assessment in Pulaski County and be prepared to provide appropriate remedies to ensure the greatest stability possible for school district funding.

Conclusion

- We appreciate the hard work the Education Committees have put into providing adequate and equitable education for the children of Arkansas.
- Again, we appreciate the opportunity to present our thoughts, concerns and recommendations to you as you consider the adequacy of the public education system in our state.
- ASBA is always eager to work with you to move Arkansas forward

