The Big Investment

Arkansas students and our state’s future, of course, but also...

41% of Arkansas General Revenue is dedicated to K-12 education.

Half of school district revenue comes from the state (40% generated locally, 10% federal).

Foundation funding alone (state and local share) provides $3 billion to schools.

What is educational adequacy?

- There is NO single correct answer.
- It is a **judgment** based on evidence.
- The BLR & others provide information—the evidence—through the adequacy study to help form that judgment.
- YOU determine what an adequate education is.
- General Assembly typically adopts recommendations.

What’s included in adequacy?

What’s included in an adequate *education*? You decide.

What’s included in the adequacy *study*? Statute sets the minimum requirements. You decide the rest.
**Basis for Adequacy Decisions**

- Funding decisions must be based on evidence.
- Amounts must be based on districts’ NEEDS, not the amount of available funding.

You determine the components of an adequate education.

Anything you determine necessary for an adequate education must be funded.

Adequacy and the Budget

• State statute requires K-12 education to be funded first.

• Ed Committees’ funding recommendations serve as basis of the governor’s budget for education.

Types of Recommendations

Funding changes

Examples:
• Increase/decrease funding levels
• Change what is being funded
• Change funding restrictions (e.g., limits on uses, expenditure requirements)
• Change distribution methods
**Types of Recommendations continued**

**Substantive education policies**
— It’s not just about money!

Examples:
- Change required staffing levels
- Add/delete curriculum requirements
- Change accountability structure
- Increase/decrease districts’ flexibility in complying with state standards

**Types of Recommendations continued**

**Issues affecting this study**

Examples:
- Add/delete what’s statutorily required to be studied
- Introduce new data elements districts are required to report
Adequacy Study Statute

- 2003: established broad study requirements
- 2007: provided specific steps for accomplishing requirements
- 2011: added the review of new laws or rules approved in the biennium
- Two study requirements removed in 2017 and 2019

Adequacy Study Process

- No single report is The Adequacy Study.
- Study is a year and a half long process, culminating in recommendations and a final report.
- The 2017-18 study included 18 meetings and dozens of reports.
### Roles

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<tr>
<th>Committee</th>
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<tr>
<td>• Direct study</td>
<td>• Inform about statutory responsibilities</td>
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<tr>
<td>• Define adequacy</td>
<td>• Provide information and answer questions</td>
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<td>• Identify problems and choose solutions</td>
<td>• Advise on legal ramifications</td>
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<td>• Make policy &amp; funding recommendations</td>
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### Other Organizations’ Roles

- ADE
- Districts and Educators
- Advocacy Organizations and Others
- Consultant?
**Study Components**

- Analysis of expenditure/student achievement data, national data, etc.
- Surveys of educators
- School site visits
- Testimony from education advocacy associations
- Public comment

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**BLR Reports**

Provide you with information intended to:

1. Help you make your recommendation

OR

2. Formulate additional questions that lead to your recommendation
BLR Reports DO NOT Include:

- Opinion
- Judgments about which issues are “problems”
- Recommendations
- Determination of what’s adequate

Timeline

- Now entering 2020 school year.
- Funding levels already set for 2020 and 2021 school years.
- Your recommendations will be for 2022 and 2023.
- Study examines data from 2018 and 2019 (and earlier).
PROPOSED MEETING SCHEDULE

Recommendations & Final Report

• Final report and recommendations due **Nov. 1, 2020**.

• Draft report due at least 14 days before final report.
**Fiscal Session Responsibilities**

Before Fiscal Session:
- Review funding recommendations in 2018 Adequacy Report.
- Review other issues that could affect adequate education.
- Amend, if necessary, 2018 recommendations by March 1, 2020.

**Adequacy Links**

Link to Past Adequacy Study Materials
http://www.arkleg.state.ar.us/education/K12/Pages/AdequacyReports.aspx

Link to Current Adequacy Study
http://www.arkleg.state.ar.us/education/K12/Pages/AdequacyReportDetails.aspx?catId=2020
(To navigate from General Assembly website: Click on BLR tab at top; click on BLR Education Research on right side; click on K-12; click on Adequacy Reports on left side; click on 2020)
### BLR Staff

#### Richard Wilson

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<thead>
<tr>
<th>Policy Research &amp; Analysis</th>
<th>Committee Staff</th>
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<tr>
<td>• Nell Smith</td>
<td>• Michelle Griffin</td>
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<td>• Paul Atkins</td>
<td>• Juanita Giles</td>
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<td>• Adrienne Beck</td>
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<td>• Taylor Loyd</td>
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**Legal Services**

• Taylor Loyd

**Fiscal Services**

• Katie Walden