

Arkansas Division of Elementary and Secondary Education
Rules Governing the School District Educational Excellence Trust Fund
Effective October 2019

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EVALUATIVE RESEARCH

1.00 PURPOSE

- 1.01 These rules shall be known as the ~~Arkansas Department of Education~~ Arkansas Division of Elementary and Secondary Education ("Division") Rules Governing the School District Educational Excellence Trust Fund.
- 1.02 The purpose of these rules is to provide the process and procedures necessary to calculate and allocate the Educational Excellence Trust Fund available to school districts.

2.00 AUTHORITY

- 2.01 The Arkansas State Board of Education promulgated these rules pursuant to the authority granted to it by Ark. Code Ann. §§ 6-11-105, 6-5-301 et seq., 6-20-2301 et seq., 19-5-942, and 25-15-201 et seq., and ~~Acts 1138 and 1278 of 2013~~ Act 170 of 2019.

3.00 DEFINITIONS

As used in these rules:

- 3.01 "Educational Excellence Trust Fund" (Trust Fund) means a fund for the ~~Arkansas Department of Education~~ Arkansas Division made available to school districts for teacher salaries as provided for by Ark. Code Ann. § 6-5-301 et seq.
- 3.02 "~~State Foundation Funding~~" means the same as the definition set forth in Ark. Code Ann. § 6-20-2303(21) (7) and is the amount ~~of state financial aid provided to a school district under~~ set forth in Ark. Code Ann. § 6-20-2305(a)(2).
- 3.03 "Licensed personnel" means a person holding a valid Arkansas standard teaching license, an ancillary license, a provisional license, or a technical permit issued by the State Board.
- 3.02.1 "Licensed personnel" also includes a licensed or nonlicensed classroom teacher employed in a position under a waiver from licensure.

4.00 CALCULATION

- 4.01 Divide the ~~Arkansas Department of Education~~ Arkansas Division total educational excellence trust fund available for distribution by the ~~state total distribution~~

~~of state foundation funding for all school districts to determine the percentage of state foundation funding that is the educational excellence trust fund.~~

- 4.02 Calculate each district's educational excellence trust fund amount by multiplying the result of Section 4.01 by each district's ~~state-foundation~~ funding amount.
- 4.03 Changes to the total educational excellence trust fund available for distribution or changes to the ~~state-foundation~~ funding amount ~~in one or more school districts~~ may result in revised educational excellence trust fund amounts.

5.00 ALLOCATION

- 5.01 ~~To determine if a "salary increase" is required: The Trust Fund amount on the final State Aid Notice for the current school year must be expended in the form of salaries, social security, and retirement matching for current licensed personnel positions.~~

~~5.01.1 Compare the Trust Fund amount shown on the final State Aid Notice for the current school year with the highest Trust Fund amount since the establishment of the Trust Fund (1991-1992 school year).~~

~~5.01.2 If the current school year Trust Fund amount is the highest amount on record since the 1991-1992 school year, subtract the previous highest amount from the current school year amount. The district is obligated to pay this increase in Trust Fund amount in the form of salaries, social security and retirement matching for current licensed personnel positions.~~

~~5.01.3 To determine the amount of the increase in Section 5.01.2 to allocate to salaries, social security (FICA), and retirement matching, first determine the current year percentage of social security (FICA) and retirement matching.~~

~~5.01.3.1 Using for example, 2012-2013 school year, the social security rate of 7.65% and the retirement matching of 14.00%, the amount of Trust Fund increase to be paid in salaries is the Trust Fund increase less the 7.65% social security and the 14.00% retirement matching. Divide the Trust Fund increase by 1.2165 (1+.0765+.14) to determine the salary obligation.~~

~~Example: If Trust Fund increase to be paid in salaries is: \$12,000~~

$$12,000 / 1.2165 = \$9,864$$

~~FICA 7.65% = 755
RET 14.00% = 1,381
Total obligation: 12,000~~

~~5.01.3.2 The difference between the trust fund increase and the calculated salary obligation should be exactly enough to cover the Social Security (FICA) and the retirement obligations.~~

- ~~5.02 If the amount obligated to be paid in salaries is less than the annual increase provided by the district for experience or advanced hours or degrees, there is no obligation to provide an additional salary increase or to change the salary schedule as a result of the Trust Fund increase. School districts are not required to increase salaries as a result of its Trust Fund allocation for the 2019-2020 school year. This exemption applies only to the 2019-2020 school year.~~
- ~~5.03 Open-enrollment charter schools shall not have a Trust Fund allocation and are exempt from the statutory requirements of the Trust Fund.~~

1 State of Arkansas As Engrossed: H1/28/19
2 92nd General Assembly **A Bill**

3 Regular Session, 2019

HOUSE BILL 1145

4
5 By: Representatives Cozart, *F. Allen, Barker, Beck, Bentley, Berry, Blake, Bragg, Breaux, Brown, Burch,*
6 *Capp, Cavanaugh, Christiansen, Cloud, Clowney, Coleman, A. Collins, C. Cooper, Crawford, Dalby, A.*
7 *Davis, M. Davis, Deffenbaugh, Della Rosa, Dotson, D. Douglas, Eaves, Eubanks, Evans, D. Ferguson, K.*
8 *Ferguson, Fielding, C. Fite, L. Fite, V. Flowers, Fortner, D. Garner, Gates, Gazaway, Godfrey,*
9 *Gonzales, M. Gray, Hawks, Hillman, G. Hodges, M. Hodges, Holcomb, Hollowell, House, Jett, L.*
10 *Johnson, Kelly, Ladyman, Love, Lowery, Lundstrum, Lynch, Maddox, Magie, J. Mayberry, McCollum,*
11 *McCullough, McNair, S. Meeks, Miller, Murdock, Nicks, Payton, Perry, Petty, Pilkington, Richardson,*
12 *Richey, Richmond, Rushing, Rye, Scott, Slape, B. Smith, S. Smith, Sorvillo, Speaks, Sullivan, Tosh,*
13 *Vaught, Walker, Warren, Watson, D. Whitaker, Wing, Womack*
14 By: Senators *J. English, Bond, E. Cheatham, A. Clark, B. Davis, Elliott, J. Hendren, Hester, Hill, M.*
15 *Johnson, G. Leding, Maloch, M. Pitsch*

16
17 **For An Act To Be Entitled**

18 AN ACT TO CREATE THE TEACHER SALARY ENHANCEMENT ACT;
19 TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

20
21
22 **Subtitle**

23 TO CREATE THE TEACHER SALARY ENHANCEMENT
24 ACT; AND TO DECLARE AN EMERGENCY.

25
26
27 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

28
29 SECTION 1. Arkansas Code § 6-5-307 is amended to read as follows:
30 6-5-307. Classroom teacher salary requirement – Definition.

31 (a) Any increase in Educational Excellence Trust Fund funds allocated
32 for teacher salaries shall be used by school districts to provide salary
33 increases for current licensed personnel positions and for no other purpose,
34 except that required Social Security and teacher retirement matching required
35 to be paid by the school districts for licensed personnel positions may be
36 paid from the funds.



1 (b) Educational Excellence Trust Fund funds allocated for teacher
 2 salaries shall be disbursed by the Department of Education to ~~school~~
 3 ~~districts pursuant to a school district in accordance with the state~~
 4 ~~foundation funding formula~~ foundation funding amount under § 6-20-2305.

5 (c) In determining whether a school district has had an increase in
 6 Educational Excellence Trust Fund funds allocated for teacher salaries, any
 7 annual increase in ~~such the trust~~ Educational Excellence Trust Fund funds
 8 must exceed the level of the ~~highest year since 1991~~ prior fiscal year to be
 9 classified as an increase.

10 (d) "Salary increase", as used in this section, ~~shall include~~ includes
 11 increments for experience or advanced hours or degrees.

12 (e) The department may promulgate rules to administer this section.

13
 14 SECTION 2. Arkansas Code § 6-17-2403(b), concerning the minimum
 15 teacher compensation schedule, is amended to read as follows:

16 (b) Each school district in the state shall have in place a salary
 17 schedule with at least the following minimum levels of compensation for a
 18 basic contract:

19 (1) For the ~~2017-2018~~ 2019-2020 school year:

20 Years of Experience	BA Degree Salary	MA Degree Salary
21 0	\$31,400 <u>\$32,800</u>	\$36,050 <u>\$37,450</u>
22 1	31,850 <u>33,250</u>	36,550 <u>37,950</u>
23 2	32,300 <u>33,700</u>	37,050 <u>38,450</u>
24 3	32,750 <u>34,150</u>	37,550 <u>38,950</u>
25 4	33,200 <u>34,600</u>	38,050 <u>39,450</u>
26 5	33,650 <u>35,050</u>	38,550 <u>39,950</u>
27 6	34,100 <u>35,500</u>	39,050 <u>40,450</u>
28 7	34,550 <u>35,950</u>	39,550 <u>40,950</u>
29 8	35,000 <u>36,400</u>	40,050 <u>41,450</u>
30 9	35,450 <u>36,850</u>	40,550 <u>41,950</u>
31 10	35,900 <u>37,300</u>	41,050 <u>42,450</u>
32 11	36,350 <u>37,750</u>	41,550 <u>42,950</u>
33 12	36,800 <u>38,200</u>	42,050 <u>43,450</u>
34 13	37,250 <u>38,650</u>	42,550 <u>43,950</u>
35 14	37,700 <u>39,100</u>	43,050 <u>44,450</u>
36 15	38,150 <u>39,550</u>	43,550; and <u>44,950;</u>

1 (2) For the ~~2018-2019~~ 2020-2021 school year and ~~each school year~~
 2 ~~thereafter:~~

3	Years of Experience	BA Degree Salary	MA Degree Salary
4	0	\$31,800 <u>\$33,800</u>	\$36,450 <u>\$38,450</u>
5	1	32,250 <u>34,250</u>	36,950 <u>38,950</u>
6	2	32,700 <u>34,700</u>	37,450 <u>39,450</u>
7	3	33,150 <u>35,150</u>	37,950 <u>39,950</u>
8	4	33,600 <u>35,600</u>	38,450 <u>40,450</u>
9	5	34,050 <u>36,050</u>	38,950 <u>40,950</u>
10	6	34,500 <u>36,500</u>	39,450 <u>41,450</u>
11	7	34,950 <u>36,950</u>	39,950 <u>41,950</u>
12	8	35,400 <u>37,400</u>	40,450 <u>42,450</u>
13	9	35,850 <u>37,850</u>	40,950 <u>42,950</u>
14	10	36,300 <u>38,300</u>	41,450 <u>43,450</u>
15	11	36,750 <u>38,750</u>	41,950 <u>43,950</u>
16	12	37,200 <u>39,200</u>	42,450 <u>44,450</u>
17	13	37,650 <u>39,650</u>	42,950 <u>44,950</u>
18	14	38,100 <u>40,100</u>	43,450 <u>45,450</u>
19	15	38,550 <u>40,550</u>	43,950 <u>45,950</u> ;

20 (3) For the 2021-2022 school year:

21	<u>Years of Experience</u>	<u>BA Degree Salary</u>	<u>MA Degree Salary</u>
22	<u>0</u>	<u>\$34,900</u>	<u>\$39,550</u>
23	<u>1</u>	<u>35,350</u>	<u>40,050</u>
24	<u>2</u>	<u>35,800</u>	<u>40,550</u>
25	<u>3</u>	<u>36,250</u>	<u>41,050</u>
26	<u>4</u>	<u>36,700</u>	<u>41,550</u>
27	<u>5</u>	<u>37,150</u>	<u>42,050</u>
28	<u>6</u>	<u>37,600</u>	<u>42,550</u>
29	<u>7</u>	<u>38,050</u>	<u>43,050</u>
30	<u>8</u>	<u>38,500</u>	<u>43,550</u>
31	<u>9</u>	<u>38,950</u>	<u>44,050</u>
32	<u>10</u>	<u>39,400</u>	<u>44,550</u>
33	<u>11</u>	<u>39,850</u>	<u>45,050</u>
34	<u>12</u>	<u>40,300</u>	<u>45,550</u>
35	<u>13</u>	<u>40,750</u>	<u>46,050</u>
36	<u>14</u>	<u>41,200</u>	<u>46,550</u>

1 15 41,650 47,050; and
 2 (4) For the 2022-2023 school year and each school year
 3 thereafter:

<u>Years of Experience</u>	<u>BA Degree Salary</u>	<u>MA Degree Salary</u>
<u>0</u>	<u>\$36,000</u>	<u>\$40,650</u>
<u>1</u>	<u>36,450</u>	<u>41,150</u>
<u>2</u>	<u>36,900</u>	<u>41,650</u>
<u>3</u>	<u>37,350</u>	<u>42,150</u>
<u>4</u>	<u>37,800</u>	<u>42,650</u>
<u>5</u>	<u>38,250</u>	<u>43,150</u>
<u>6</u>	<u>38,700</u>	<u>43,650</u>
<u>7</u>	<u>39,150</u>	<u>44,150</u>
<u>8</u>	<u>39,600</u>	<u>44,650</u>
<u>9</u>	<u>40,050</u>	<u>45,150</u>
<u>10</u>	<u>40,500</u>	<u>45,650</u>
<u>11</u>	<u>40,950</u>	<u>46,150</u>
<u>12</u>	<u>41,400</u>	<u>46,650</u>
<u>13</u>	<u>41,850</u>	<u>47,150</u>
<u>14</u>	<u>42,300</u>	<u>47,650</u>
<u>15</u>	<u>42,750</u>	<u>48,150.</u>

21
 22 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
 23 General Assembly of the State of Arkansas that there exists a shortage of
 24 licensed teachers in many areas of the state; that teacher salaries are a key
 25 factor in attracting individuals to the field of teaching; and that the
 26 provisions of this act should become effective at the beginning of the fiscal
 27 year to allow for implementation for the 2019-2020 school year. Therefore,
 28 an emergency is declared to exist, and this act being necessary for the
 29 preservation of the public peace, health, and safety shall become effective
 30 on July 1, 2019.

31
 32 /s/Cozart

33
 34
 35 **APPROVED: 2/18/19**