

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

ADEQUACY

Tuesday, December 19, 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 Frances Cavanaugh; Representative Gary Deffenbaugh; Representative Jon S. Eubanks; Representative Mickey Gates; Representative Grant Hodges; Representative Mark Lowery; Representative Mark D. McElroy; Representative Stephen Meeks; Representative Dan Sullivan; and Representative DeAnn Vaught.

OTHER MEMBERS OF THE GENERAL ASSEMBLY IN ATTENDANCE: Senator Trent Garner; Senator Larry Teague; Representative Fred Allen; Representative Scott Baltz; Representative Jim Dotson; Representative Dan M. Douglas; Representative Monte Hodges; Representative Bob Johnson; Representative Roger Lynch; Representative Reginald Murdock; Representative Matthew J. Shepherd; and Representative Les Warren.

Remarks by the Chairs

The Honorable Jane English, State Senator, District 34, and Chair of the Senate Interim Committee on Education, was recognized. Senator English commented about the encouragement she received from the previous day's meeting at which the Committees heard from presenters about policies moving communities, schools, and kids in new directions.

Representative Cozart announced that the next item was not on the agenda.

Presenter:

Mr. Richard Wilson, Assistant Director, Research Services, Bureau of Legislative Research, was recognized. Mr. Wilson stated that the **Honorable Bart Hester**, State Senator, District 1, had requested he be provided evidence of the relationship between funding and student achievement using all sources of funding. Mr. Wilson called attention to a handout, *Funding and Achievement*, which was provided to Senator Hester, and which contained spreadsheets of data from all school districts and the results of the correlation analysis. Mr. Wilson explained the meaning of the results.

Mr. Wilson also updated the Committees on the data collection process for the Adequacy Study. He stated that, in addition to having gathered all the relevant APSCN (Arkansas Public School Computer Network) data, three

online surveys (one for school districts, one for principals, and one for teachers) had been distributed and site visits to schools had also been scheduled. He reported 96% of 260 school districts, 52% of 1,000 principals, and 32% of 2,572 teachers have returned the surveys; out of 72 site visits, 66 have been completed.

Issues Included in the Discussion:

- ❖ total funding from all sources,
- ❖ types of questions on the surveys,
- ❖ gathering data from students,
- ❖ looking at money spent and student achievement over a trend line as a better way of looking at data,
- ❖ clarification of struggling schools getting more money, and
- ❖ funding to address disparities; funding to address other factors, *e.g.*, whole child, whole community.

Handout:

Funding and Achievement, Packet with Cover Memo dated December 15, 2017

Discussion of Issues Related to English Language Learners (ELL) Categorical Funding

Presenter:

Ms. Nell Smith, Administrator, Policy Analysis and Research Section, Bureau of Legislative Research, was recognized. Ms. Smith stated that English Language Learner (ELL) Funding is one of four state categorical funds. She said in 2016-17, there were nearly 42,000 ELL students in Arkansas public schools; that number has grown by about 34% since 2011. She said about 9% of the state's public school students are ELL students and that is a little below the national average of about 9.4%. She said in traditional school districts, ELL students make up about 9% of the student population, and in charter schools they comprise about 3.5% of all students. Ms. Smith discussed census data, concentrations of ELL students in school districts, and types of languages spoken. Utilizing charts and graphs, Ms. Smith continued with an in-depth report that included: Program Overview, English Language Learners Under the Every Student Succeeds Act (ESSA), ELL State Categorical Funding, Other States' Funding for ELL Students, Federal Funding, and Achievement, including a discussion of ACT Aspire and the National Assessment of Educational Progress (NAEP) scores.

Contributors to the Discussion:

Ms. Tricia Kerr, English for Speakers of Other Languages (ESOL) Program Director, Arkansas Department of Education

Mr. Johnny Key, Commissioner, Arkansas Department of Education

Ms. Stacy Smith, Director of Curriculum and Instruction, Arkansas Department of Education

Issues Included in the Discussion:

- availability of data indicating ELL students who were born in Arkansas vs. immigrant students,
- ability of state to serve dual language learners,
- adopting common language proficiency screening for dyslexia,
- requirement in statute that primary language of instruction in Arkansas shall be English,
- changing demographics in Arkansas,
- replacing the current ELL program exit criteria with a Professional Judgment Rubric,
- allocating funds for the monitoring of exiting ELL students, and
- initial feedback from the United States Department of Education (DoED) on the ESSA plan.

Handouts:

English Language Learner Funding, Bureau Brief

English Language Learners (ELL) State Categorical Funding Review

Statutory Responsibilities

Discussion of Arkansas Department of Education (ADE) Fund Balances

Presenter:

Ms. Kathryn Walden, Legislative Analyst, Budget and Fiscal Review Section, Bureau of Legislative Research, was recognized. Utilizing a PowerPoint presentation, Ms. Walden discussed the report, *Education Fund Balance Carry Forward Report FY2012-FY2017*. She commented that the Chairs had requested staff to look at fund balances and what might be causing them. She initially discussed the general composition of the Public School Fund Revenue Sources 2017 and the Fund Balance Carry Forward. In order to answer what is causing the growth in fund balances from year to year, she went on to review: Funding Sources for the Public School Fund, including an explanation of the funding sources for the public school funds: 1) General Revenue, 2) Educational Adequacy Funding, and 3) Educational Excellence Trust Funding; Funded Budget Balances for Specific Line Items; Department Budget Requests and Budget Adjustments; and Student Counts and Department Estimations for Revenues. Ms. Walden concluded with a discussion of Budget Adjustments in FY2018.

Contributors to the Discussion:

Mr. Kevin Anderson, Assistant Director, Fiscal Services, Bureau of Legislative Research
Mr. Johnny Key, Commissioner, Arkansas Department of Education

Issues Included in the Discussion:

- timing of distribution and receipt of data in report,
- Remaining Balance in budget adjustments FY2018,
- total expenditures of the Partnership Fund for facilities,
- mechanism(s) for transfer to the Partnership Fund,
- return on investment for fund balances carried forward,
- capping fund balances,
- effect of property tax on funding,
- relationship of URT (Uniform Rate of Tax) collections to the Public School Fund,
- clarifying URT collections, and
- cautioning against making decisions regarding adequacy based on fund balances or revenue sources.

PowerPoint Presentation:

Education Fund Balance Carry Forward Report FY2012-FY2017

Handouts:

Education Fund Balance Carry Forward Report FY2012-FY2017
Education Fund Balance Packet

Discussion of Charter Schools, Schools of Innovation, and Act 1240 District Waiver Requests

Presenter:

Ms. Julie Holt, Legislative Analyst, Policy Analysis and Research Section, Bureau of Legislative Research, was recognized. Ms. Holt stated this is not a statutorily required report; but covers a topic identified for further study by the House and Senate Committees on Education. She said the report looks at waivers granted to public schools, school districts, and charter systems that allows them to operate free from some of the education laws and rules that are in place in Arkansas's education system. She said the waivers to be discussed have been granted over past years to conversion charter schools, open-enrollment charter schools, schools of innovation, and now, to districts that qualify under Act 1240 for the same waivers granted to charter schools that enroll a student from a district. She mentioned a minimum school district waiver is granted specifically to allow a school district to operate below the 350 enrollment threshold. Ms. Holt discussed Appendix C – Granted Waivers; and stated waivers are becoming more common around the state. She stated the topic relates to the Adequacy Study for a

couple of reasons, one being how waivers interact with the funding Matrix. Ms. Holt presented in-depth information on waivers that included: legislative background, the application process, types of waivers, and impacts of waivers.

Contributors to the Discussion:

Mr. Johnny Key, Commissioner, Arkansas Department of Education

Dr. Ivy Pfeffer, Assistant Commissioner of Human Resources, Arkansas Department of Education

Issues Included in the Discussion:

- ✓ number of different types of waivers,
- ✓ number of requests for waivers that have not been approved,
- ✓ waivers granted for staffing ratios,
- ✓ studying emerging patterns of areas where waivers are concentrated,
- ✓ length of time taken to enact the oral communications requirement,
- ✓ providing justification for waivers,
- ✓ specific arguments for requesting waivers,
- ✓ making sure requirements of a waiver are met,
- ✓ “inspection” process to know if Adequacy is being met in the waiver process, and
- ✓ giving flexibility and opportunity to school districts with unique situations.

Handouts:

District- and School-Level Waivers, Bureau Brief

District- and School-Level Waivers, Research Report

Next Scheduled Meetings:

Monday, January 22, 2018 at 1:30 p.m. in Room 171, State Capitol, Little Rock

Tuesday, January 23, 2018 at 9:00 a.m. in Room 171, State Capitol, Little Rock

Adjournment:

The meeting adjourned at 11:21 p.m.

Approved: 01/22/2018