



Adequacy Presentation

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Arkansas Association of Educational Administrators

Progress Made

From Quality Counts Report 2013, Arkansas:

- 8th grade math gains
2nd highest in the nation
(2003-2011)
- 4th grade math gains *12th highest in the nation*
(2003-2011)
- Overall ranking *5th in the nation*



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Progress Made

- College remediation rates steadily dropped to the lowest rate since 1994, when the State started tracking this data
- Students continue to make great strides in AP/Concurrent Credit classes offered and passed

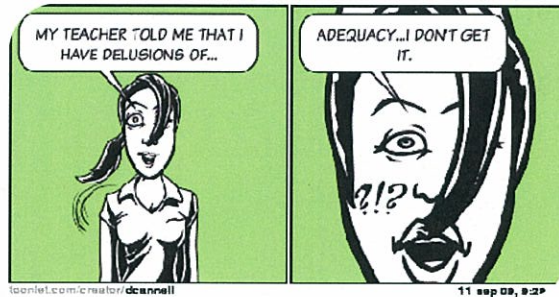


Progress Made -- Recently

- Arkansas
 - **1 of only 2** states that experienced statistically significant increases in *Grade 12 reading and math test scores* on the NAEP since 2009
 - **1 of 18** states with a *graduation rate over 80%*
 - **1 of only 4** states recognized for keeping *students with disabilities on path to a diploma*

Adequacy Concerns

- Eroding Adequacy of School Funding
- Reduction of Facility and PD Funds
- Health Insurance
- Bandwidth
- Remediation



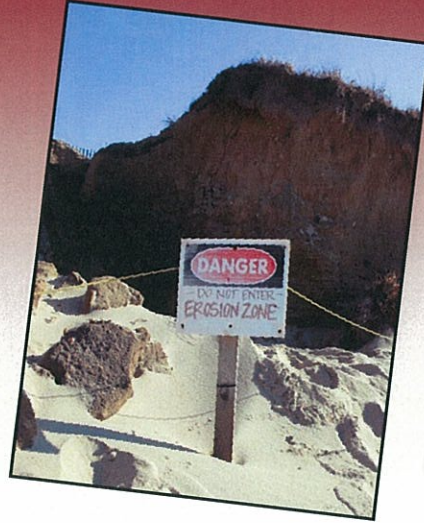
Adequacy Concerns



- Categorical Funds
- Teacher Salaries
- Pre-K Funding
- Unfunded Mandates

Eroding Adequacy of School Funding

- Using Matrix as an Expenditure Model vs a Revenue Model
- Additional Staff due to new requirements - TESS, LEADS, Common Core, Digital Learning, Facility Management and Master Planning, etc.



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Reduction of Facility & PD Funds



- Facility funding reduced by approximately \$16M for health insurance
- 40% reduction in PD funds to pay for health insurance



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Funding for Charter School Facilities

- Legislation indicates that charters are public schools established to accomplish certain objectives
- One of those objectives: special emphasis on serving *identified low achieving students*



Funding for Charter School Facilities

- Concerns with separate program for funding facilities
- Legislative action to allow charter schools to pass a millage / sales tax (county, city, school district boundary, etc.) after criteria are met
- Student population should reflect local district including race, poverty, special ed., etc.



Funding for Charter School Facilities

- Charter would not be eligible to submit tax to the voters until student population equity was met. They may have to use a weighted enrollment application.
- A facility needs assessment (the same as traditional schools) would need to be completed.

Funding for Charter School Facilities

- After the needs assessment, then charter schools would be in the same pool as traditional schools for facility funding
- State would need to protect itself in case of default (facility would become state property)

Health Insurance

- “Taxation without Representation”
 - 2 out of 12 (17%) on EBD board represents school employees
 - EBD staff use the state insurance
 - 67% of the insurance program are school employees



- We support the legislative intent of “parity” of the two insurance programs



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Health Insurance

- FICA savings diverted to the state would reduce adequacy for schools
- Section 125 of the IRS rules allow “employers” to establish cafeteria plans
 - School employees are not state employees; therefore, the state is not the “employer”
- Solution should include additional dedicated state dollars

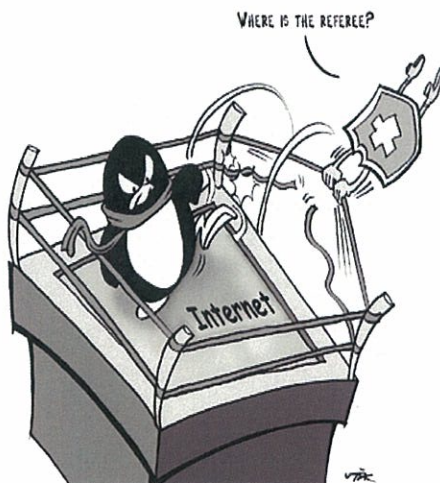


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Bandwidth

- **50th** in nation for broadband access
- Arkansas is the only state who **prohibited** K-12 education from using networks similar to ARE-ON (Act 1050 of 2011)
- *All students should have access to adequate/affordable bandwidth if we are going to compete with other states and nations*

Bandwidth



- Students having access to adequate bandwidth will either be the great equalizer...or it will become the great divide
- Unaffordable bandwidth is the same as NO bandwidth

Bandwidth

- Current cost vary from \$1.20 Mb to \$280 Mb
Average cost approximately \$34 Mb
- Connecting to ARE-ON could significantly reduce the cost and provide greater access for kids
- Act 1280 of 2013 - Digital Learning Requirement



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Remediation

- What determines the need for remediation...one assessment...ACT
- Research shows GPA is a better predictor of college success than the ACT assessment
- If we want to continue using the ACT assessment then we need to look at the ACT Aspire vs PARCC



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Remediation

- Schools are directing students to a four-year college program to be successful
 - Yet *80%* of the jobs *do not require a four-year degree*
- Our policy needs to follow the research if we want to improve economic development

Remediation

- Students need rigorous courses to allow them to choose any career path, but not force them in a field of study
- Obstacle - ADE and ACE
- Obstacle - Lack of Career Counselors

Categorical Funding



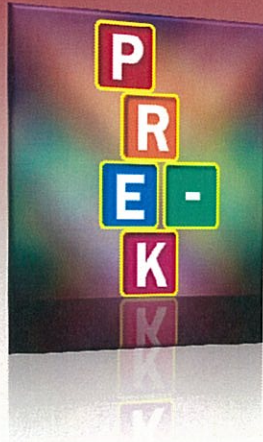
- COLA adjustments needed for program personnel cost
- Restrict expenditures/mandate expenditures will make it harder to use Federal dollars and meet the needs of kids

Teacher Salaries

- Teacher salaries have fallen from 8th in FY06 to 12th in FY13 in the 16 SREB states
- COLA increase required to fund steps



Pre-K



- High quality early childhood educational programs need to be expanded and provided with additional funding
- Pre-K programs housed in schools should fall under the direction of ADE vs the Division of Early Childhood Education under the DHS



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Unfunded Mandates

- Statute or regulation that **requires** a school district to perform **additional** actions without additional funding or relief from existing mandates



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Unfunded Mandates

- Act 3 of 2013 - Earmark matrix funding for health insurance
 - Act 25 of 2006 requires **parity** of employee health insurance
- Act 1314 of 2013 - Establishes an advisory board for hearing impaired interpreters
 - Dept. of Health heard our concerns and are willing to work with us at this time



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Unfunded Mandates

- Act 778 of 2009 - Allows DHS to establish rules for liability insurance
- *No rules developed*
- Pre-K liability insurance **required** 2014



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Questions

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