

*“Without proper preparation and support, 17 percent of all teachers leave the profession within five years, creating a self-perpetuating cycle as they are replaced with more inexperienced teachers who will similarly face a steep learning curve.”*

# Arkansas Education Association (AEA) 2018 Written Adequacy Testimony

Public school funding and the review of Adequacy for Arkansas public school students

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## Executive Summary

It is time for Arkansas to make the connection between Economic Development and Public Education. Without it, our state will continue to meander between below-par and mediocrity and our quality of life will not improve. An educated population, feeds economic growth and business development. Arkansas can be the place people and companies choose to invest, live and raise a family.

States with a more educated workforce tend to have stronger economies overall and quality schools help equip communities to compete in today's global marketplace. Students need both hard skills to one day enter the workforce and a deeper love of learning that leads to new ideas, products, businesses and richer lives. Reaching that goal depends on relentless support for early childhood education<sup>2</sup> and public K-12 schools.

1. Fund the Matrix to meet the needs of school expenditures. In the 2017 and 2018 biennium, despite the recommendations from the Bureau of Legislative Researches (BLR) to implement a 2.5% increase in funds to stay even, Adequacy was only 1.01%. This was essentially a cut in resource allocation and has forced school districts to make decisions in a scarcity climate.
2. School Facilities Funding need urgent attention beyond "Warm, safe and dry." School facilities in parts of Arkansas have been drastically neglected as a result of the local tax base lacking the ability to make the investment. The Partnership Program needs investment.
3. Educator Recruitment & Retention has a direct impact on Arkansas' Achievement Gap.
4. Implement National School Lunch (NSL) funding changes that narrows the eligibility criteria.
5. Teacher Salary Funding and Minimum Teacher Compensation: In order to ensure that Arkansas teachers receive the adequate salaries contained in the Matrix, the minimum teacher compensation schedules must be amended

6. Public Funds without Accountability
7. Invest in Career and Technical (CTE) Learning in Arkansas to train students in advanced technology opportunities if the legislature commits the resources and investment.

**Arkansas Education Association's  
Educational Adequacy Testimony  
January 2018**

The Arkansas Education Association (AEA) honors the opportunity to present written testimony for consideration regarding public school funding. Arkansas statute § 10-3-2102 requires House and Senate Committees on Education to evaluate the cost of providing an adequate education for each child. The ongoing work of the House and Senate Education Committees, its co-chairs, committee members, the Bureau of Legislative Research and staff, and the Arkansas Department of Education play an essential role in meeting the state's Adequacy commitment.

The AEA has been a full participant in supporting the work to ensure students get the resources they need in each classroom including a certified qualified teacher. However, we are guarded that the commitment to students is wavering. Students and families in Arkansas need the full investment of our Governor, our legislature, and the community at large. That investment comes not only in the form of finances, but also in the moral fabric of our choices and our vision for our state.

Well-funded public schools help children get a good start in life. Adequate and sustained investment in K-12 schools is shown to improve children's performance in the classroom and increase their future earnings, with students from low income families showing the most gain. But Arkansas ranks 34th in the nation in school spending and invests \$1,165 less per student than the national average, even after accounting for regional cost differences.

State lawmakers took an axe to public school budgets in the last round of adequacy funding, underfunding the state's K-12 schools by not meeting the BLR recommendation of at least a 2.5% increase to stay on par. The shortfall is making it hard for districts to keep class sizes down, invest in reform strategies or provide students with the extra support they need to reach successful education goals. For the 2018 funding cycle, despite the \$50M revenue increase, the choice has not been to make an investment in children. The long-term impact of this decision will reverberate throughout districts across the state.

## FACILITIES

Research, court decisions and legislation have substantially recognized that public school facilities and infrastructure have a direct impact on education outcomes. Disparities between facility quality and student success by district is a key indicator for evaluation of education investment. By now, the lowest standard of Warm, Safe and Dry for the student learning environment should be surpassed to ensure all students have access to state-of-the-art facilities in every school district and in every school. Unfortunately, disparities still exist between and within districts.

The disparities between districts can be attributed to the property tax digests as they vary based on property wealth. We believe the state, in its effort to have more successful student outcomes, needs to engage Arkansas' students to raise the level of science and technology participation needs so as to establish an expanded definition for school facilities beyond Warm, Safe and Dry. Without raising 'the bar' on facilities, Arkansas' students will fall behind in the US and globally.

In a 2005 report from the Building Educational Success Together and the National Trust for Historic Preservation, a comprehensive planning approach to school facilities was recommended. To undertake this effort "ensures the most efficient and cost-effective use of taxpayer dollars. School facility planning should be a natural part of community planning with a focus on the role of school *within* the community. It should be integrated into community planning and not viewed as a supplement to the overall planning process. Like other focused planning processes, school facility planning has goals, objectives, data, and constituents that may, or may not, overlap, with other interests." Some of the specific aspects of the school facility planning process are described below.

School facility planning assures that public schools fit into the overall growth and zoning plans and projects for the neighborhood and/or community. Developing a dialogue between the various planning entities can provide for the exchange of information and data so that comprehensive plans address all of the needs and requirements of the constituents. Integrating school facility planning into municipal plans and municipal plans into educational facility plans can reduce or eliminate the many negative effects of independent and isolated planning that can lead to such problems as overcrowded schools, underutilized schools, sprawl, and increased costs for public infrastructure. Integrating school facility planning creates opportunities for establishing the school building as a focal point in the neighborhood or community and for developing a sense of pride and identity.

Cooperative planning enables communities to be creative in building and land utilization, which could for example, economically combine some of the multiple needs and requirements for schools, recreation, daycare, senior citizens, health and social services, and libraries.

Given the fact that the Partnership Program Fund projections will not meet the long-term needs of the state’s public-school facilities beyond 2015, serious consideration must be given by the legislature to address the physical needs of schools across the state to ensure real strides are made to transcend the disparities and to move the quality index for Arkansas’ students. State funding for school facilities are essential for low wealth districts.

According to a 2015 Arkansas Advocates for Children & Families report, “When looking at how much has been spent within facilities programs on completed projects from 2006 to 2015, only 8 percent of the state’s money went towards districts with the lowest 20 percent of property wealth. Because of the way the formula is set up, the 20 percent of districts with the highest property wealth captured \$390 million – or nearly 40 percent of all state partnership school facilities dollars.”

### **Recommendations**

- (1) It is imperative to review the impact the Partnership Program funding is having on furthering facilities disparities between students and within districts. If the disparities are found to be substantial, establishing alternate criteria for low wealth districts will have to be undertaken as disparities will widen the achievement gap, harming the state’s education agenda.
- (2) The Partnership Program needs a consistent, dedicated and ongoing funding source to meet the evolving needs for students to access state-of-the-art facilities.
- (3) Put restrictions in place to prevent the re-routing of these funds. The transfer of approximately \$16 million annually to health insurance for public school employees has long-term implications for the facilities funding.

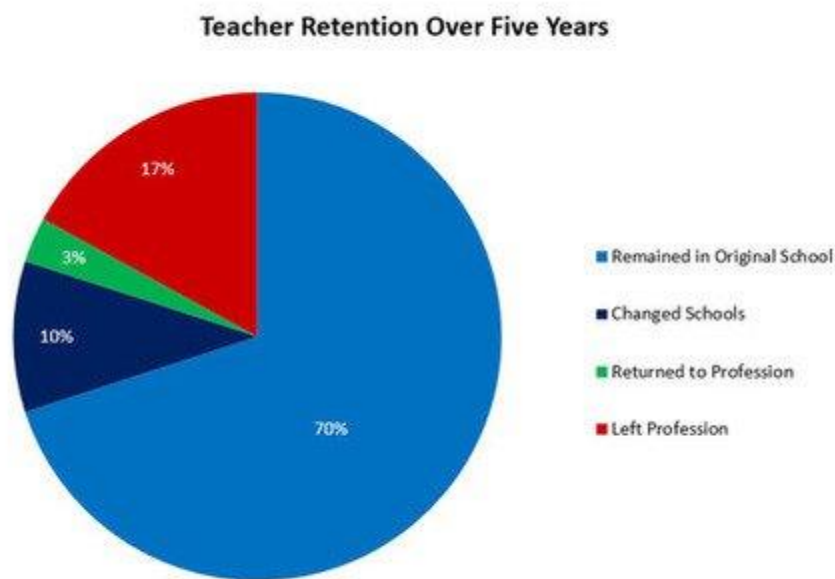
*“Without proper preparation and support, 17 percent of all teachers leave the profession within five years, creating a self-perpetuating cycle as they are replaced with more inexperienced teachers who will similarly face a steep learning curve.”*

### EDUCATOR RECRUITMENT AND RETENTION

Arkansas continues to face challenges with recruiting and retaining educators for rural and urban schools. With the projected growth of the student population, focus on planning for quality educators interacting with every child is essential for success.

There is a direct correlation between Arkansas’ Achievement Gap and teacher quality and retention. With less students seeking teaching as a career for a myriad of reasons including career mobility, compensation and support, finding ways to attract and retain teachers must be addressed.

For a decade or so, statistics about new teachers showed that almost half of them leave the teaching profession within five years. But a longitudinal study conducted by the Institute for Education Sciences, published in April 2015, found that statistic to be very different by 2012: Only 17 percent of new teachers are now believed to leave the profession within five years:



Source: Institute for Education Sciences  
Chart: Ross Brenneman

Even if future studies find that the measurement has moved again, the change documented is a little shocking, and shows that it takes a long time and a lot of effort to understand where and when and how teachers move. The new data don't necessarily reduce the need to understand and address teacher attrition, but it does help point us in a direction for more research.

This summer, as schools looked to fill teacher vacancies, teacher-prep enrollment numbers in Arkansas did not improve significantly – we are not graduating enough teachers to meet the demand either by subject matter or quantity. There are persistent teacher shortages in some forms, such as in certain subject areas, in rural parts of our state, and in non-white demographics, as well as math and science as AEA reported in its 2014 testimony, the report “An Emerging Understanding of the Arkansas Teacher Pipeline.”

The purpose of the report was to assess the teacher production, employment and retention and their impact on student learning. The results indicated:

- (1) teachers prepared at intuitions of higher education in the education program stay longer in the profession and are confident in their classroom preparation;
- (2) support from the principal (building leader) is the key reason teachers stay or leave the classroom;
- (3) clinical preparation is a significant contributor to the level of preparedness for new teachers and is therefore a key;
- (4) the turnover rate of newly licensed teachers in predominately African-American schools is high when compared to other schools
- (5) more teachers are coming to the classroom from non-traditional undergraduate programs.

The shortage of math, science, and special education teachers in central and rural Arkansas schools, is critical. There is an urgent need for urban and rural schools to attract experienced mathematics, science, and special education teachers who have the content knowledge, intellectual flexibility, and demonstrated commitment to the teaching profession to meet the unique challenges and capitalize on the unique opportunities for teaching in these challenging settings. Strong recruitment strategies can help these districts compete for teachers in shortage areas. Approaches such as grow-your-own strategies, financial incentives, and alternative licensure can assist a district and school in being competitive in the job market and luring students interested in teaching.



## Recommendations

- (1) Students in the teacher training programs should receive some cultural competency training to support new educators in their first 3 years.
- (2) Form longitudinal Partnerships with Institutions of Higher Education and Create High-Quality Alternative Routes to Certification.
- (3) Offer Incentives to Attract High-Quality Math, Science, and Special Education Teachers to Urban and Rural Districts with National Board Certified Teachers.
- (4) Streamline the Hiring Process.
- (5) Improve Working Conditions in school building so teachers have a collaborative environment
- (6) Support Professional Development efforts beyond school districts so teachers meet peers across the state.

## National School Lunch (NSL) Funding

In 2015 the Southern Education Foundation (SEF) released a report finding that for the first time in over 5 decades, a majority of public school students come from low-income families. According to the SEF report, using data collected by the National Center for Education Statistics, 61 percent of students in Arkansas's public schools were low income students in 2013.

This new research coupled with the growing body of research has found a significant achievement gap between low income students and students from households living above the Federal poverty line. These statistics should move us to a renewed effort to heed the findings by school finance consultants Odden & Piccus that calls for additional resources to be distributed to high poverty schools. However, simply sending these additional dollars to districts does not narrow the gap. It is critical that these resources are spent in a manner supported by evidence-based outcomes that improve educational outcomes for low-income students.

Odden and Piccus in their 2003 and 2006 reports recommended additional funding for teacher tutors, pupil support personnel, as well as programs to afterschool and summer programs. Importantly, they recommended funding these programs through the matrix if the tutoring provided with NSL dollars was not enough. AEA supports directing these dollars to evidence-based interventions and programs such

as these that have increased educational outcomes for low-income students for whom NSL dollars were intended.

### **Recommendation**

- (1) Currently, NSL funding is used for 25 ADE approved activities and pupil support services. AEA believes those approved activities should be narrowed as it currently dilutes the effectiveness of this funding stream as well as the intent of the program.

### **TEACHER SALARY FUNDING AND THE MINIMUM TEACHER COMPENSATION SCHEDULE**

The Arkansas Education Association (AEA) believes there is sufficient evidence for the House Interim Committee on Education and the Senate Interim Committee on Education (Education Committees) to increase the teacher salary and benefits amount in the educational adequacy funding matrix by two per cent (2%) in each of the fiscal years '18 and '19. In its "Budget and Economic Outlook: 2014-2024" report, the U.S. Congressional Budget Office projects several inflation indexes to increase from 1.9% to 2.4% in calendar year 2018, and it projects the employment cost index for wages and salaries of workers in private industry to grow by 3.9% for the same year. For calendar year 2019, the report shows the inflation indexes increasing by 2.0% to 2.4% while the same employment cost index rises by 3.8%. \* [Table G-1 is attached.] A 2% improvement will ensure that teacher salaries will remain adequate through the next biennium. The FY'17 matrix amount of \$64,196 for teacher salaries and benefits would increase to \$65,480 for FY'18 and to \$66,789 for FY'19.

Additionally, Arkansas' average teacher salary in fiscal year 2014 ranked forty-first (41<sup>st</sup>) out of the fifty states and the District of Columbia. In fiscal year 2014, Arkansas ranked fifth (5<sup>th</sup>) when compared to the six surrounding states. Also in that same year, Arkansas' average teacher salary ranked twelfth (12<sup>th</sup>) out of the sixteen SREB states which is just above the bottom quartile. \*\*

The AEA also believes that there is sufficient evidence to warrant that the Minimum Teacher Compensation Schedule [Arkansas Code 6-17-2403 (b)(1) and (b)(2)] be amended to reflect the 2% increases outlined above. For the six (6) fiscal years

beginning with 2010 through 2015, there were no changes in the minimum teacher compensation schedule. In four (4) of these six (6) years, the average teacher salary in the state excluding fringe benefits was less than the classroom teacher salary amount used in the Matrix. This condition was recognized by the House and Senate Education Committees, and each took decisive action to improve the minimum schedule for fiscal years 2016 and 2017.

### Recommendations

- (1) To ensure that Arkansas teachers receive the adequate salaries contained in the Matrix, the minimum teacher compensation schedules must be amended for each year of the next biennium.
- (2) The Adequacy Committee should institute a Cost of Living Adjustment (COLA) into the Matrix. This would allow the maintenance of standards for students across the state, and would mitigate revenue losses at the district level. The COLA would apply to the teacher salary schedule so the state would honor its commitment to teachers without districts having to choose between teachers and district-wide student needs.

\* "Budget and Economic Outlook: 2014-2024," Table G-1, Page 152; Congress of the U.S., Congressional Budget Office; February 2014

\*\* ["Rankings and Estimates: Rankings of the States 2015 and Estimates of School Statistics 2016,"](#) National Education Association Research, May 2016; Table C-11, p. 19

### PUBLIC FUND DIVERSION WITHOUT ACCOUNTABILITY

AEA opposes school vouchers because they divert essential resources from Arkansas' public schools to private institutions without any oversight or academic accountability.

Teachers, parents, and the general public have long opposed private school tuition vouchers in Arkansas — especially when funds for vouchers compete with funds for overall improvements in Arkansas' public schools. AEA knows that when public resources are used to ensure the 96% of our students in Arkansas gain improved public schools that supports the overall economic development of our state and our local communities. Our legislature has an obligation to concentrate on investing in the interests of the greater good and oppose alternatives that divert attention,

energy, and resources from efforts to reduce class size, enhance teacher quality, and provide every student with books, computers, and school environments that students can truly thrive.

## **INVEST IN CAREER AND TECHNICAL (CTE) LEARNING**

Career Technical Education (CTE) provides students of all ages with the academic and technical skills, knowledge and training necessary to succeed in future careers. In total, about 12.5 million high school and college students are enrolled in CTE across the nation. CTE prepares these learners for the world of work by introducing them to workplace competencies, and makes academic content accessible to students by providing it in a hands-on context. In fact, the high school graduation rate for CTE concentrators is about 90% – 15 percentage points higher than the national average.

### **Recommendation**

- (1) CTE in Arkansas is uniquely positioned to train students in advanced technology opportunities if the legislature commits the resources and investment. This investment will pay dividends with a workforce well positioned to embrace the impending technology impact on the economy.
- (2) CTE in Arkansas can be an partnership between Community Colleges and Businesses and School Districts. Students will have the combination of academic rigor and unique career pathways.

## **ACKNOWLEDGMENTS**

<http://www.21csf.org/csf-home/publications/modelpolicies/PlanningSectionMay2005.pdf>

<http://www.gtlcenter.org/sites/default/files/docs/NCCTQRecruitQuality.pdf>

<http://www.aradvocates.org/wp-content/uploads/Wealth-Education-and-the-Opportunity-Gap.pdf>

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