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## Best Use Poverty Funds: Current ESA Fund Use and Survey Results

This brief addresses the following areas:

- Brief background on Enhanced Student Achievement (ESA) funding for low-income students in Arkansas
- District survey responses regarding effective uses of ESA funds
- Examination of current district use of ESA funds

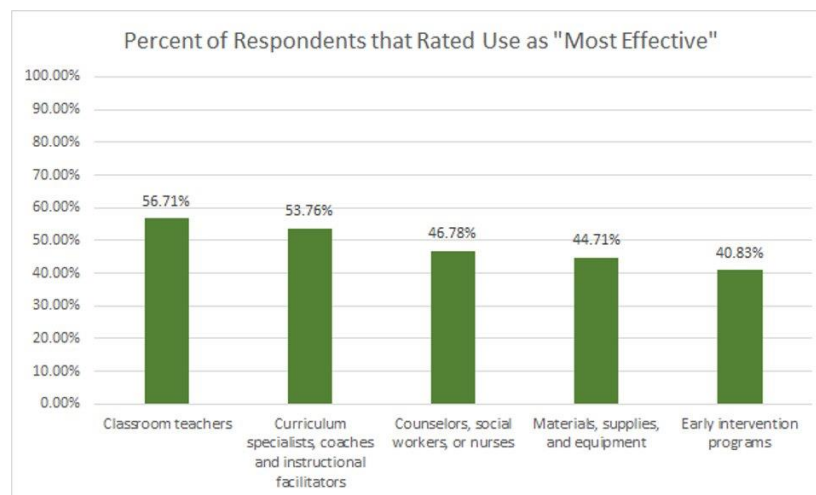
### Background on ESA Funding

The Enhanced Student Achievement categorical fund provides additional funding to districts based upon the concentration of students that are eligible for free and reduced-price lunch (FRL). This program was formerly known as Nation School Lunch (NSL) funding. The ESA funding is intended to provide additional resources to address achievement. The funding must be used for allowable purposes or be used for activities approved by Arkansas Department of Education (ADE). The ESA Funding is tiered into three concentration categories: below 70 percent, 70 to 90 percent, and above 90 percent.

There has been no change in ESA funding since fiscal year 2017; however, the legislature has supplemented ESA funds with a separate matching grant program to be used to help districts provide certain services such as tutoring, pre-kindergarten programs, and before and after school programs. There is also additional transitional and growth ESA funding to address districts with changing enrollment that shifts the funds between various categories.

### District Survey Responses Regarding Effective Uses of ESA Funds

The study team administered a survey to district and charter administrators where respondents were asked to rank the effectiveness of each allowable use of ESA funds as either most effective, effective, somewhat effective, or not effective. In order to streamline the survey the uses in the survey were focused on allowable uses that had reported expenditures in prior years of at least 1% of allowable expenditures with a write in option for "other allowable uses."



Out of the 173 respondents 57% of them ranked classroom teachers as the most effective use of ESA funds, followed closely by curriculum specialist, coaches, and instructional facilitators (54%). When combining “most effective” and “effective” rankings respondents 82% of respondents ranked materials, supplies, and equipment and counselors, social worker, or nurses. Respondents rated school improvement plans/scholastic audits (19%) and parent education (16%) as non-effective uses of ESA funds.

Additionally, teacher salary supplements, college and career coaches, transfers to other categoricals, and summer programs were also the highest ranked non-effective uses. Respondents rated curriculum specialist, coaches, and instructional facilitators, early interventions, professional development, remediation, before and after school academic programs and classroom teachers as effective or most effective.

The study team analyzed the variation in responses between urban and rural districts, small and large districts, districts with high free and reduced-price lunch population and low free and reduced-price population. Urban and rural district respondents both rated classroom teachers and curriculum specialists/coaches as most effective. Additionally, rural district respondents rated counselors as most effective at a similar rate. Large district respondents found curriculum specialists/coaches to be most effective while smaller district respondents found teachers and early interventions to be the most effective. High free and reduced-price lunch population respondents found curriculum specialists/coaches and counselors to be the most effective while low free and reduced-price lunch populations found classroom teachers and curriculum specialists/coaches to be the most effective.

### Examination of Current District Use of ESA Funds

The study team used district expenditure data and coding provided by the Bureau of Legislative Research (BLR) to examine 19-20 district ESA fund expenditures by allowable use category. Similar to the survey, the study team collapsed expenditure categories with less than 1% of expenditures into “other allowable uses.” Using this data, the study team examined the areas where districts used most of their ESA funds statewide and then examined the differences between expenditures by wealth, FRL and locale.

Much of ESA funding is spent on curriculum specialists, coaches, and instructional facilitators (16%), transfer to other categoricals (14%), and other activities approved by ADE (12%). The study team analyzed the difference between free and reduced-price lunch, size, and locale. There was observable variation in a number of areas, including the average percentage of ESA funds used on classroom teachers, counselors/social workers/nurses, curriculum specialists/coaches, and other activities approved by ADE.

Two expenditure categories that a high percentage of ESA funds are used for are either transfer to other categoricals or for other uses approved by ADE. The transfer to other categoricals suggests that districts expenditures in these other areas are higher than current funding. Other top categories of expenditures are aligned with uses that districts rated as “most effective” in the survey including counselors, social workers, or nurses, curriculum specialists, coaches and instructional facilitators, and early interventions. There are a number of areas that are rated as effective that districts are spending less than 5% of their total funds on: before and after school programs, remediation, classroom teachers, and pre-kindergarten programs.