

INTRODUCTION TO ADEQUACY STUDY

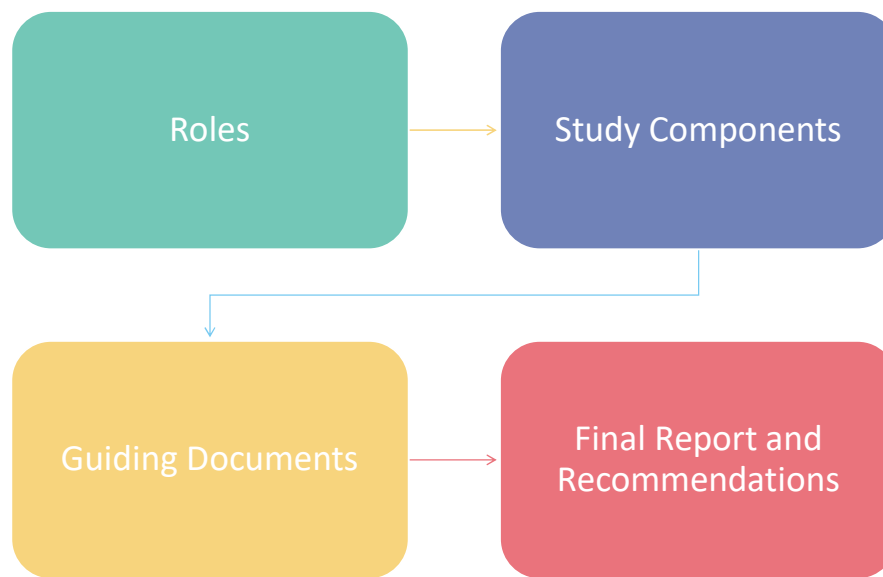
February 2, 2026



2026 EDUCATIONAL ADEQUACY STUDY

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Roadmap



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ROLES

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Bureau of Legislative Research

- Who informs about statutory responsibilities?
- Who presents evidence-based reports aligned to statutory responsibilities?
- Who discusses relevant legal issues?
- Who tracks recommendations?
- Who drafts final report and policy decisions?

YOU- Education Committees

- Who defines educational adequacy?
- Who determines if educational adequacy is being met?
- Who decides the components of an adequate education and resources required?
- Who directs the adequacy study using statute and legal precedent as a guidepost?
- Who makes policy and funding recommendations based on evidence?

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Study Components

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BLR Reports



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BLR Reports



Typically Include:

- History and legislative intent
- Relevant statutes and rules
- Data (state, district, school, and student-level)
 - Funding
 - Expenditures
 - Achievement scores
 - Maps
 - Survey results
- National and regional comparisons
- Relevant research



Do Not Include:

- Opinion
- Judgments
- Recommendations
- Determination of adequacy or equity

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BLR Reports



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Additional Stakeholders

Arkansas Department
of Education

Answer programmatic questions during
committee meetings and provide information for
BLR reports

Educators

Respond to surveys and participate in site visits

Educational Advocacy
Organizations

Provide written testimony

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GUIDING DOCUMENTS

Tab 1

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| Guiding Document | Purpose | Binder Location |
|--|--|-----------------|
| Adequacy Statute | Provides the full Continuing Evaluation Act of 2004. | Tab 1.a |
| Statutory Requirements- Tracking Sheet | Identifies BLR reports presented to assist the committees with accomplishing statutory requirements | Tab 1.b |
| Definition of Adequacy | Current working definition used to serve as basis for identifying resources required for adequate funding. | Tab 1.c |
| Adequacy Recommendations Worksheet | Provides decision points to be made during the adequacy study. | Tab 1.d |
| Matrix and Other Funding Summary | Provides a summary of foundation, categorical, and supplemental funding amounts. | Tab 1.e |
| Tentative Meeting Schedule | Dates for when adequacy reports will be presented. | Tab 1.f |

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Continuing Adequacy Evaluation Act of 2004

Establishes broad study requirements and provides specific steps for accomplishing requirements.

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Statutory Requirements- Tracking Sheet

| Adequacy Study Duties A.C.A. § 10-3-2102 (a) | Shall be accomplished by: | Report/ Presentation | Date To Be Presented |
|--|---|--------------------------------|-------------------------|
| (1) Assess, evaluate, and monitor the entire spectrum of public education across the State of Arkansas to determine whether equal educational opportunity for an adequate education is being substantially afforded to the school children of the State of Arkansas and recommend any necessary changes; | • Reviewing a report prepared by the Arkansas Legislative Audit compiling all funding received by public schools for each program | Legislative Audit | June 1, 2026 |
| (2) Review and continue to evaluate what constitutes an adequate education in the State of Arkansas and recommend any necessary changes; | • Reviewing the Arkansas academic standards developed by the DESE | Accountability and Achievement | February 3, 2026 |
| (3) Review and continue to evaluate the method of providing equality of educational opportunity of the State of Arkansas and recommend any necessary changes; | • Reviewing the Arkansas Educational Support and Accountability Act | | |
| (4) Evaluate the effectiveness of any program implemented by a school, a school district, an education service cooperative, the Division of Elementary and Secondary Education, or the State Board of Education and recommend necessary changes; | • Reviewing fiscal and facilities distress programs | | |
| | • Reviewing the state's standing under the Elementary and Secondary Education Act of 1965 as reauthorized by Every Student Succeeds Act of 2015 | | |
| | • Reviewing the specific programs identified for further study by the House Committee on Education and the Senate Committee on Education | | |

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Statutory Requirements- Tracking Sheet

| Adequacy Study Duties A.C.A. § 10-3-2102 (a) | Shall be accomplished by: | Report/ Presentation | Date To Be Presented |
|--|--|--------------------------------------|-------------------------|
| (5) Review the average teacher salary in the State of Arkansas in comparison to average teacher salaries in surrounding states and member states of the Southern Regional Education Board and make recommendations for any necessary changes to teacher salaries in the State of Arkansas established by law; | <ul style="list-style-type: none"> • Comparing the average teacher salary in Ark. with surrounding states and Southern Regional Education Board member states, including: <ul style="list-style-type: none"> • Comparing teacher salaries as adjusted by a cost-of-living index or a comparative wage index • Reviewing the minimum teacher compensation salary schedule | Teacher Salary | June 1, 2026 |
| | • Reviewing any related topics identified for further study by the House Committee on Education and the Senate Committee on Education | | |
| (6) Review and continue to evaluate the costs of an adequate education for all students in the State of Arkansas, taking into account cost-of-living variances, diseconomies of scale, transportation variability, demographics, school districts with a disproportionate number of students who are economically disadvantaged or have educational disabilities, and other factors as deemed relevant, and recommend any necessary changes; | <ul style="list-style-type: none"> • Reviewing expenditures from: <ul style="list-style-type: none"> • Isolated school funding • National student lunch funding • Declining enrollment funding • Student growth funding • Special education funding | Resource Allocation and Expenditures | March 9 - 10, 2026 |
| | • Reviewing disparities in teacher salaries | Teacher Salary | June 1, 2026 |
| | • Reviewing any related topics identified for further study by the House Committee on Education and the Senate Committee on Education | | |

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Statutory Requirements- Tracking Sheet

| Adequacy Study Duties A.C.A. § 10-3-2102 (a) | Shall be accomplished by: | Report/ Presentation | Date To Be Presented |
|--|---|--------------------------------------|-------------------------|
| (7) Review and continue to evaluate the amount of per-student expenditure necessary to provide an equal educational opportunity and the amount of state funds to be provided to school districts, based upon the cost of an adequate education and monitor the expenditures and distribution of state funds and recommend any necessary changes; | •Completing an expenditure analysis and resource allocation review each biennium | Resource Allocation and Expenditures | March 9 - 10, 2026 |
| | •Reviewing any related topics identified for further study by the House Committee on Education and the Senate Committee on Education | | |
| (8) Review and monitor the amount of funding provided by the State of Arkansas for an education system based on need and the amount necessary to provide an adequate educational system, not on the amount of funding available, and make recommendations for funding for each biennium. | •Using evidence-based research as the basis for recalibrating as necessary the state's system of funding public education | ALL | February to June 2026 |
| | •Adjusting for the inflation or deflation of any appropriate component of the system of funding public education every two (2) years | Economic Indices | June 1, 2026 |
| | •Reviewing legislation enacted or rules promulgated during the biennium covered by the study to determine the impact of the legislation and rules on educational adequacy-related public school costs | ALL | February to June 2026 |
| | •Reviewing any related topics identified for further study by the House Committee on Education and the Senate Committee on Education | | |

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Adequacy Study Duties

A.C.A. § 10-3-2102 (b)

(1) As a guidepost in conducting deliberations and reviews, the committees shall use the opinion of the Supreme Court in the matter of Lake View Sch. Dist. No. 25 v. Huckabee, 351 Ark. 31, 91 S.W.3d 472 (2002), and other legal precedent.

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Definition of Adequacy

The working definition of “educational adequacy” used to serve as a basis for identifying the resources required for adequate funding:

1. The standards included in the state's curriculum and career and technical frameworks, which define what Arkansas students are to be taught, including specific grade level curriculum, and a mandatory thirty-eight (38) Carnegie units defined by the Arkansas Standards of Accreditation to be taught at the high school level;
2. The standards included in the state's testing system. The goal is to have all, or all but the most severely disabled, students perform at or above proficiency on these tests; and
3. Sufficient funding to provide adequate resources as identified by the General Assembly.

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Adequacy Recommendations Worksheet

| Topic | BLR Report | FY27 | FY28 | FY29 |
|-------------------------------|---|---|------|------|
| Definition of Adequacy | <ul style="list-style-type: none"> - Introduction - Entire Adequacy Study | <i>No change to current definition.</i> | | |
| Adequacy Study | <ul style="list-style-type: none"> - Entire Adequacy Study | <i>No change.</i> | | |

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Adequacy Recommendations Worksheet

| Topic | | BLR Report(s) | FY27 | FY28 | FY29 |
|---------------------------|----------------------------|---|---|------|------|
| Foundation Funding | | | | | |
| 15. | Operations and Maintenance | - Funding Overview | <i>\$833 to reflect 3% increase in operational expenses</i> | | |
| 16. | Central Office | - Resource Allocation I: District Level Resources | <i>\$507 includes COLA increase of 2.48% from previous year</i> | | |
| 17. | Transportation | | <i>\$354 includes COLA increase of 2.48% from previous year</i> | | |
| 18. | Additional Matrix Item(s) | - Resource Allocation I | <i>No new matrix items.</i> | | |

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Types of Recommendations

Funding

- Revamp tool used to drive foundation funding
- Increase/decrease funding levels
- Change what is funded
- Change funding restrictions (e.g., limits on uses, expenditure requirements)
- Change distribution methods

Education Policies

- Change staffing levels
- Add/delete curriculum requirements
- Change accountability structure
- Increase/decrease districts' flexibility in complying with standards

Study Issues

- Definition of Adequacy
- Add/delete what's statutorily required to be studied
- Amend/expand how statutory responsibilities are accomplished
- Introduce new data elements or fund code requirements for tracking and removing limitations to data analysis

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Matrix and Other Funding Summary

| Matrix (2025 Session) | FY25 | FY26 | FY27 |
|--------------------------------------|--------------|--------------|--------------|
| Matrix Calculations | | | |
| School Size | 500 | 500 | 500 |
| K = 8% of students | 40 | 40 | 40 |
| Grades 1-3 = 23% of students | 115 | 115 | 115 |
| Grades 4-12 = 69% of students | 345 | 345 | 345 |
| Staffing Ratios | | | |
| Kindergarten ratio = 20:1 | 2 | 2 | 2 |
| Grades 1-3 ratio = 23:1 | 5 | 5 | 5 |
| Grades 4-12 ratio = 25:1 | 13.8 | 13.8 | 13.8 |
| PAM = 20% of classroom | 4.14 | 4.16 | 4.16 |
| Total Classroom Teachers | 24.94 | 24.96 | 24.96 |
| Special Ed Teachers | 2.9 | 3.2 | 3.2 |
| Instructional Facilitators | 2.5 | 2.5 | 2.5 |
| Librarian / Media Specialist | 0.85 | 0.85 | 0.85 |
| Guidance Counselor | 1.11 | 1.61 | 1.61 |
| Nurse | 0.67 | 0.67 | 0.67 |
| Other Support Staff | 0.72 | 0.72 | 0.72 |
| Total Pupil Support Personnel | 8.75 | 9.55 | 9.55 |
| SUBTOTAL | 33.69 | 34.51 | 34.51 |
| Principal | 1 | 1 | 1 |
| Secretary | 1 | 1 | 1 |
| Total School-Level Personnel | 35.69 | 36.51 | 36.51 |

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Matrix and Other Funding Summary

| Matrix (2025 Session) | FY25 | FY26 | FY27 |
|---|------------------|------------------|------------------|
| School-Level Salaries | | | |
| Teacher Base Salary | \$59,519 | \$60,995 | \$62,508 |
| Teacher Health Insurance | \$2,814 | \$3,819 | \$0 |
| Teacher Other Benefits | \$13,689 | \$14,029 | \$14,377 |
| Total Teacher Salary + Benefits | \$76,022 | \$78,843 | \$76,885 |
| Per Student Total Teacher Salary + Benefits | \$5,122 | \$5,442 | \$5,307 |
| Principal Base Salary | \$83,577 | \$85,650 | \$87,774 |
| Principal Health Insurance | \$2,814 | \$3,819 | \$0 |
| Principal Other Benefits | \$19,223 | \$19,699 | \$20,188 |
| Total Principal Salary + Benefits | \$105,614 | \$109,168 | \$107,962 |
| Per Student Total Principal Salary + Benefits | \$211 | \$218 | \$216 |
| Secretary Base Salary | \$35,376 | \$36,151 | \$37,047 |
| Secretary Health Insurance | \$2,814 | \$3,819 | \$0 |
| Secretary Other Benefits | \$8,113 | \$8,315 | \$8,521 |
| Total Secretary Salary + Benefits | \$46,203 | \$48,284 | \$45,568 |
| Per Student Total Secretary Salary + Benefits | \$92 | \$97 | \$91 |
| Per Student Total School-Level Salaries + Benefits | \$5,426 | \$5,757 | \$5,614 |

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Matrix and Other Funding Summary

| Matrix (2025 Session) | FY25 | FY26 | FY27 |
|--|----------------|----------------|----------------|
| School-Level Resources | | | |
| Technology | \$250 | \$235 | \$235 |
| Instructional Materials | \$205 | \$210 | \$216 |
| Extra Duty Funds | \$72 | \$74 | \$76 |
| Supervisory Aides | \$58 | \$59 | \$61 |
| Substitutes | \$78 | \$85 | \$90 |
| Salary Enhancement Other Employees | \$44 | \$50 | \$52 |
| All Other Personnel Health Insurance Contribution Rate | \$30 | \$41 | \$0 |
| Per Student Total School-Level Resources | \$739 | \$755 | \$730 |
| District-Level Resources | | | |
| Operations & Maintenance | \$786 | \$809 | \$833 |
| Central Office | \$483 | \$495 | \$507 |
| Transportation | \$337 | \$345 | \$354 |
| Per Student Total District-Level Resources | \$1,605 | \$1,649 | \$1,694 |
| Per Student Total Foundation Funding Amount | \$7,771 | \$8,162 | \$8,037 |

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Matrix and Other Funding Summary

| Categorical Programs (2025 Session) | FY25 | FY26 | FY27 |
|---|---------|---------|---------|
| Alternative Learning Environment (ALE) | \$5,086 | \$5,212 | \$5,341 |
| English Learner (EL) | \$366 | \$375 | \$384 |
| Enhanced Student Achievement (ESA) | | | |
| <70% FRL* | \$538 | \$551 | \$565 |
| 70%-90% FRL | \$1,076 | \$1,103 | \$1,130 |
| >90% FRL | \$1,613 | \$1,653 | \$1,694 |
| Professional Development (PD) | \$41 | \$41 | \$41 |

*Free or Reduced-Price Lunch

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Matrix and Other Funding Summary

| Supplemental Funds (2025 Session) | FY25 | FY26 | FY27 |
|--|----------------------|--------------------------------------|---------------------|
| Additional Professional Development (PLCs) | \$16,500,000 | \$0 | \$0 |
| Enhanced Transportation | \$8,000,000 | \$8,000,000 | \$8,000,000 |
| ESA Grants | \$5,500,000 | \$5,636,400 | \$5,776,183 |
| Special Education High-Cost Occurrences | \$17,500,000 | \$17,934,000 | \$18,378,763 |
| Teacher Salary Equalization | \$60,000,000 | \$60,000,000 | \$60,000,000 |
| Declining Enrollment | \$24,663,364 | Formula Based; No changes to Formula | |
| Isolated and Special Needs Isolated | \$10,895,999 | | |
| Student Growth | \$31,340,011 | | |
| Total Supplemental | \$174,399,374 | \$91,570,400 | \$92,154,946 |

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Tentative Meeting Schedule

| DATE | TOPIC |
|---------------------------|--|
| Feb. 2, 2026, 1:30 p.m. | BLR: Legal Overview BLR: Historical Framework BLR: Introduction to Adequacy Study |
| Feb. 3, 2026, 9:00 a.m. | BLR: Accountability and Achievement |
| March 2026 | Any changes to 2024 Adequacy Report must be approved in writing by March 1, 2026 (§ 10-3-2104(d)) |
| March 9, 2026, 1:30 p.m. | BLR: Funding Overview BLR: Resource Allocation (Part I) |
| March 10, 2026, 9:00 a.m. | BLR: Resource Allocation (Part II) |
| June 1, 2026, 1:30 p.m. | Audit Segal BLR: Economic Indicators BLR: Teacher Salaries |
| June 2, 2026, 9:00 a.m. | Preliminary Report (tentative) |
| October 13, 2026 | DEADLINE for both House and Senate Committees to approve report and recommendations |
| November 1, 2026 | APPROVED REPORT DUE to Senate President Pro Tempore and House Speaker |

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Final Adequacy Report and Recommendations

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§ 10-3-2104. Final Report

- Education Committees must submit final report of findings and recommendations to the President Pro Tempore of the Senate and Speaker of the House of Representatives by **November 1, 2026**.
- For each recommendation the report shall include proposed implementation schedules with timelines, specific steps, agencies and persons responsible, resources needed, and drafts of bills proposing all necessary and recommended legislative changes.
- Must publish a draft report at least **14 days** before submitting to the President Pro Tempore and Speaker.

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§ 10-3-2104. Final Report

- Before the fiscal session, the Education Committees shall:
 - Meet to review the funding recommendations contained in the 2024 Adequacy Report;
 - Review any other matters identified by the Education Committees that could affect the state's obligation to provide a substantially equal opportunity for an adequate education for all public school students; and
 - Amend, if necessary, 2024 recommendations and advise in writing the President Pro Tempore and Speaker of findings and amendments to the adequacy evaluation report by **March 1, 2026**

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Adequacy Link

Current and past adequacy study materials:

<https://www.arkleg.state.ar.us/Education/K12/AdequacyReports>

Arkansas State Legislature
95th General Assembly - Regular Session, 2025

ASSEMBLY | HOUSE | SENATE | BILL | ALLOT

Legislators | Committees | Acts | Bills | Calendars | Arkansas Law | Budget | Search Center

Search for Bills (Example: HB1001) | Search for Acts (Example: 1)

Home / Education / K12 / Adequacy Reports

Adequacy Reports

The legislature is charged with studying the state's educational system to determine how it can offer an adequate education to all Arkansas public school students. The requirements of that study are specified in [Act 57 of the Second Extraordinary Session of 2003](#), which requires the Education Committees to study the system and report their findings and recommendations. [Act 1204 of 2007](#) defines information needed to meet the broad objectives listed in Act 57. Acts 57 and 1204 are codified at A.C.A. § 10-3-2101 et seq. The adequacy study is a key element in the continued constitutionality of the state's system of funding public education.

The report and all relating documents for each biennium is provided below:

| Type | Name |
|------|----------|
| | 2026 |
| | 2024 |
| | 2022 |
| | 2020 APS |
| | 2020 |
| | 2019 RFP |
| | 2018 |
| | 2016 |
| | 2014 |

- Arkansas Code
- State Government Directory
- Committee Room Reservation
- 2026 Important Dates
- Session Documents
- BLR Key Staff
- Interim Filings

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Questions?

Contact:

| | | |
|-----------------|--|--------------|
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