Foundation Funding (Matrix Lines)

Grades K12 Classroom Teachers

Funding Context: Includes core teaching staff and PAM teachers. PAM teachers includes educators, or "specialist teachers" who teach physical education, art, or music (PAM), or other electives.

The evidence-based model's core teaching staff recommendations are based on the number of teachers needed to meet effective class sizes. The intent is to provide core teaching positions for actual class sizes of 15 in grades K-3 and 25 in higher grades.

Current Ratios	
Kindergarten	20:1
Grades 1-3	23:1
Grades 4-12	25:1

All other instructional staff are resourced above that level. In addition to core classroom teachers, elective or specialist (non-core) teacher staffing recommendations are provided in the evidence-based model using a percentage of total core teachers. According to Odden and Picus, this is to enable schools to offer a comprehensive curriculum and to provide teachers the time required to engage in collaborative planning to review student data, design standards-based lesson and curriculum plans, and identify interventions for struggling students.

The Odden and Picus studies recommended that the state calculate the number of non-core teachers needed at 20% of the total core academic teachers. The 20% calculation was based on a regular five-hour teacher instructional day at the elementary level and a five-period day at the high school level.

Consultant Recommendations

According to the 2020 Arkansas School Finance Study[1] conducted by Augenblick, Palaich and Associates (APA), literature review findings all point to lower student-to-teacher ratios for K-3 grades than what is currently funded through the matrix. The report also indicated that evidence-based studies and other national adequacy studies suggest a 15:1 ratio. While specific sources were not provided, APA indicates that national studies identify the need for 33% more staff above core teaching staff, which is consistent with the evidence-based model recommendations.

Stakeholder feedback provided in the APA report indicated that the funded ratio being too close to the state class size maximum requirements is an issue. For example, a school may have 45 kindergarteners, which would provide funding for just over 2.0 FTE, but staffing would require three full teachers to adhere to the state class size maximum of 20 (or 22 with aides). This feedback is consistent with the information shared by respondents on the 2021 stakeholder surveys conducted by the Bureau of Legislative Research (BLR).

[1] Arkansas School Finance Study (APA, 2020)

The latest Odden and Picus evidence-based model[2] provides for a total core and elective teaching staff of 31.2 and 21.6, respectively, for the prototypical 450-student elementary and middle school, respectively, and 32 for the prototypical 600-student high school.

Committee Recommendations

The Arkansas Joint Legislative Committee on Educational Adequacy chose to base the matrix on the state's class size standards, which have a higher student-to-teacher ratio in grades K-3 than the evidence-based model recommends. A summary table displaying the difference between current Arkansas policy and the evidence-based model recommendations is provided below.

Core and Non-Core Teachers				
Matrix Item: Classroom Teachers	**Matrix FTE: All grades**	**Evidence-Based Model FTE: 450-student prototypical elementary school**	**Evidence-Based Model FTE: 450-student prototypical middle school**	**Evidence-Based Model FTE: 600-student prototypical high school**
Core: English Language Arts, Math, Social Studies and Science	20.8	26	18	24
Non-Core: PE, Art, Music and other electives	4.16 20% of Core	5.2 20% of Core	3.6 20% of Core	8 33 1/3 of Core
Total	24.96 FTE	31.2 FTE	21.6 FTE	32 FTE

Special Education Teachers

Funding Context: Certified personnel who are primarily responsible for teaching students specified as special education under the Individuals with Disabilities Act, 20 U.S.C. § 1400 et seq.

The 2019 Odden and Picus[3] evidence-based model special education recommendations, shown in the following table, propose a census approach, which would provide additional teacher resources at a fixed level. This is to be used for high-incidence, lower-cost students with disabilities and combined with funds to cover 100% of costs for low-incidence, high-cost students with disabilities (capped at 2% of students in the district). Their total special education staffing recommendation includes 8.1 positions for every 1,000 students or 4.05 for every 500 students. The breakdown for these positions is included in the following table. Odden and Picus also recommend reduced usage of paraprofessionals, except with some students with severe and profound disabilities.

Odden and Picus Special Education Evidence-Based Model	
Funding Mechanisms	Census Approach and High-Cost
Staffing for students with mild and moderate disabilities	5 special education teachers and 1 teacher behaviorist (or 6 total teacher positions) per 1,000 students

[2] Odden, Allan, & Picus, Lawrence O. (2019). "*School finance: A policy* perspective." 6th ed. New York: McGraw-Hill

[3] Odden, Allan, & Picus, Lawrence O. (2019). "*School finance: A policy perspective*." 6th ed. New York: McGraw-Hill

Staffing for students with severe and profound, and high cost-to-serve disabilities	Fund 100% of extra costs for students with severe and profound disabilities (minus federal Title VI-B); AND Limit students covered here to 2% of students in the district
Staffing for related services	1.1 per 1,000 students
Staffing for costs associated with developing and continually reviewing individualized education plans (Psychologists)	1 psychologist per 1,000 students
Total Special Education Staffing	8.1 positions for every 1,000 students

Consultant Recommendations

In its 2020 report to the House and Senate Education Committees, APA[4] recommended removing special education from Arkansas's funding matrix and instead providing support based on actual special education students served. This could be done using either a single weight for all special education students or multiple weights based on student need. The weight(s) would be applied to the special education student enrollment count and provide differentiated funding based on the distribution of students with special education needs across the states. APA further added that a multi-weight system would also align resources to the levels of services students need in each district.

Committee Recommendations

The Adequacy Study Oversight Subcommittee recommended in 2007 to continue with the method previously established by the General Assembly, including a 2.9 FTE special education teacher.

In 2022, the Senate Education Committee recommended increasing the number of special education teachers to 3.3 FTE; however, the House Education Committee did not recommend changing the FTE and the General Assembly did not adopt the Senate's recommendation in 2023.

The Committees' joint report in 2024 recommended increasing the number of special education teachers to 3.2 FTE.

Instructional Facilitators

Funding Context: Certified personnel who coordinate the instructional program and provide ongoing coaching and mentoring to teachers. According to historical documentation, the 2.5 positions are intended to pay for more than just instructional facilitators. These FTEs allow for a half-time assistant principal (.5 FTE) and a half-time technology assistant (.5 FTE), though not all schools or school districts employ those staff.

Research cited by Odden and Picus[5] shows nearly all improving schools provide resources to fund instructional coaches to not only design the instructional program, but also to work with school-based data teams and provide the ongoing coaching and mentoring necessary for teachers to improve their

[4] Arkansas School Finance Study (APA, 2020)

[5] Odden, Allan, & Picus, Lawrence O. (2019). "*School finance: A policy* perspective." 6th ed. New York: McGraw-Hill

practice at scale. The evidence-based model recommends a staffing formula for such positions of one instructional coach for every 200 students which translates into 2.25 FTEs for the 450-student prototypical elementary and middle schools, and 3.0 FTEs for the 600-student high school.

Consultant Recommendations

Odden and Picus's 2003 report recommended 2.5 FTE instructional facilitators for every elementary, middle, and high school. The 2.5 number included a 0.5 FTE technology coordinator.

Committee Recommendations

The Adequacy Study Oversight Subcommittee recommended funding 2.5 FTE instructional facilitators for every 500 students using the teacher salary in the matrix. The subcommittee also recommended that the interim committees study instructional facilitators to determine if the line should be pulled out of the matrix and become a categorical and whether the General Assembly should mandate that districts employ a certain number of instructional facilitators.

In 2022, neither committee recommended a change in the number of instructional facilitators. The House and Senate made two different recommendations on teacher salary. The ultimate foundation funding amount set by the General Assembly was lower than either committee's recommendation.

In 2024, the Committees' joint report did not recommend any changes to the instructional facilitator staffing ratios. The report recommended increasing the teacher salary by 2.48% each year of the biennium.

Librarian/Media Specialists

Funding Context: Individuals certified as having the knowledge and skills in running a library or media center in a public school.

Consultant Recommendations

Odden and Picus's 2003 report recommended one librarian for each middle school and 1.5 FTE librarians for each high school. In Odden and Picus's model, librarians were included in specialist teachers in elementary schools.

APA reported the current funding in the matrix is below recommendations found in other state adequacy studies. Furthermore, stakeholders indicated funding is below what is required for a school of 500 students per the state's accreditation standards. Studies suggest resources of at least 1.0 library/media FTE.

Committee Recommendations

The Adequacy Study Oversight Subcommittee recommended a 0.825 FTE library/media specialist for every 500 students, an increase from 0.7 FTE.

The Committees made the same recommendation in the 2014 joint report—to increase the library/media specialist position to 0.85 per 500 students.

In 2022, neither Committees' report recommended changes to the number of library/media specialists. As discussed above, the General Assembly set the foundation funding rate at a lower amount than either Committee recommended.

In 2024, the Committees' joint report did not recommend any changes to the library/media specialist staffing ratios. The report recommended increasing the teacher salary by 2.48% each year of the biennium.

School Counselors

Funding Context: Certified individuals to provide counseling services to students.

Odden and Picus cite numerous research studies that show school counseling programs designed after the model developed by the American School Counselor Association (ASCA) and using the 1:250 ratio recommended by ASCA have a positive impact on student learning, achievement test scores, and graduation rates. Thus, the evidence-based model uses the ASCA standard student-to-counselor ratio for middle and high school students. The model was recently modified to include a minimum of one guidance counselor for a 450-student prototypical elementary school.[6]

Consultant Recommendations

In 2003, Odden and Picus recommended one guidance counselor for each middle school and two for each high school (assuming each school had 500 students).

Committee Recommendations

The Adequacy Study Oversight Subcommittee included counselors in the 2.5 pupil support category, including 1.1 FTE for a counselor. The subcommittee recommended 2.5 positions to include counselors, nurses, social workers, psychologists, and other positions.

The committees did not recommend changes to the counselor staffing ratios until 2024, when the committees recommended an increase to 1.61 FTE to reflect the need for more mental health services.

Nurses

Funding Context: Odden and Picus noted that nurses had been included in their earlier recommendation for 1.0 FTE pupil support staff for every 100 FRL students. The General Assembly passed Act 59 of the Second Extraordinary Session of 2003, which adopted a foundation funding rate calculated to include a staffing level of 2.5 FTE pupil support services staff, including school nurses. That same session, the General Assembly also passed Act 67, which increased the number of required school nurses from 1 per 1,000 students to 1 per 750 students. However, the new law also added a provision making the statute effective "only upon the availability of state funds."

To meet the physical and medical needs of students that have dramatically increased over the past decade, Odden and Picus' evidence-based model has been enhanced to provide nurses as core

[6] Odden, Allan, & Picus, Lawrence O. (2019). "*School finance: A policy* perspective." 6th ed. New York: McGraw-Hill

positions.[7] Using the staffing standard of the National Association of School Nurses, the evidence-based model provides core school nurses at the rate of one nurse position for every 750 students.[8] This allocation allows districts to provide a half-time nurse in each prototypical elementary and middle school and a full-time nurse in each prototypical high school. According to the association, school nursing is a specialized practice of nursing that protects and promotes student health and advances academic success.[9] It is the association's position that a full-time registered school nurse be present in every school, every day.

Committee Recommendations

The Adequacy Study Oversight Committee's 2007 report included nurses in the 2.5 FTE pupil support, with nurses making up at least 0.67 FTE of the 2.5 positions.

The Committees have not recommended any changes to the nursing staffing ratio.

Student Support

Funding Context: The General Assembly passed Act 59 of the Second Extraordinary Session of 2003, which adopted a foundation funding rate calculated to include a staffing level of 2.5 FTE pupil support services staff, including individuals employed to provide health, safety, and/or social services to public school students.

Other states' adequacy studies have recommended student mental health support through a combination of guidance counselors, nurses, psychologists, and social workers at a level of 150 students to one mental health professional for elementary and 180:1 for secondary. Nationally, different models are recommended to support student mental health. The following table shows recommended staffing ratios from school mental health professional associations.[10]

Professional Association	Recommended Staffing Level
American School Counselor Association	**250:1 student to school counselors**
National Association of School Psychologists	**250:1 for school counselors, 500-700:1 for school psychologists, and 400:1 for school social workers**
National Association of Social Workers	**250:1 for school social workers, unless working with students with intensive needs, when a lower ratio is required**

Multiple data sources suggest that student mental health is an area of increasing need. According to the Centers for Disease Control and Prevention, each year nearly one in five school-age children and youth meet the criteria for a mental health disorder, yet less than 20% of students get the help they need. Of those who do receive mental health services, more than 75% get help in schools. Between 2009-2019, the number of high school students experiencing persistent symptoms of depression increased by 40%,

[7] Odden, Allan, & Picus, Lawrence O. (2019). "*School finance: A policy* perspective." 6th ed. New York: McGraw-Hill

[8] National Association of School Nurses. (2015). School nurse workload: Staffing for safe care (Position Statement). Silver Spring, MD: Author.

[9] National Association of School Nurses. (2017). Definition of School Nursing

[10] Arkansas School Finance Study 2020

while the number of youth indicating they had made a suicide plan in the past year increased by 44%.[11] In fact, by 2018, suicide replaced homicide as the second leading cause of death in youth ages 10-24. Suicide rates are higher in rural areas for a variety of reasons, but limited access to mental health services is cited as a significant factor.[12] The escalating mental health crisis, exacerbated by the pandemic, prompted the American Academy of Pediatrics, the American Academy of Child and Adolescent Psychiatry, and the Children's Hospital Association to join together in October 2021 to declare a National State of Emergency in Children's Mental Health.[13]

According to the American School Counselor Association, students' unmet mental health needs can be a significant obstacle to student academic, career, and social/emotional development and even compromise school safety.[14] Without planned intervention for students exhibiting early-warning signs, setbacks in academic, career, and social/emotional development can result during later school years and adulthood. High school students with significant symptoms of depression are more than twice as likely to drop out of school, and students aged 6-17 with mental, emotional, or behavioral concerns are three times more likely to repeat a grade.[15]

Consultant Recommendations

APA's 2020 report noted that currently, no resources are identified specifically for mental health. APA received stakeholder input that student mental health needs were beyond the expertise of guidance counselors and that specific mental health resources should be identified. In addition, funding other mental health resources would allow counselors to focus on supporting students in postsecondary plans and career exploration. APA recommended considering adding resources for mental health, possibly as a categorical outside the matrix.

Committee Recommendations

The Adequacy Study Oversight Committee recommended in 2007 continuing to include 2.5 FTE positions in the matrix for student support staff. The 2.5 FTE included nurses and counselors.

The Committees have not recommended any changes to the number of student support staff.

Principal

Funding Context: Certified individual employed by a school district who has administrative responsibility and instructional leadership for the planning management, operation, and evaluation of a public school.

Little research has been done on the appropriate ratio of administrators to students; however, a study of schools in Indiana found that higher performing schools had lower administrator-to-student ratios.[16] Other studies have found that principals' duties can number up to 42 individual responsibilities,[17] but

[11] Center for Disease Control and Prevention (2019)

[12] National Association of School Psychologists. (2021). *Comprehensive School-Based Mental and Behavioral Health Services and School Psychologists*

[13] American Academy of Pediatrics (2021)

[14] The School Counselor and Student Mental Health (2020), American School Counselor Association.

[15] National Alliance on Mental Illness (2021)

[16] McCaffrey, C. (Doctoral Research Paper, Ball State University, May 2014) "Investing the Connection of the Student-to-Administrator Ratio and Administrative Roles in Indiana Public High Schools."

[17] Grissom, J. and Loeb, S. (American Educational Research Journal, 2011.) "Triangulating Principal Effectiveness: How Perspectives of Parents, Teachers, and Assistant Principals Identify the Central Importance of

the Indiana study found that higher achievement was associated with those schools where principals kept a majority of "organizational duties" for themselves (hiring and developing teachers and budget planning, for instance) while delegating to assistants other common administrative duties such as student discipline and managing school facilities.

The referenced studies of characteristics of successful and improving schools point to leadership that holds staff accountable while also inspiring and supporting them, especially in the areas of teaching and learning. The concept of shared leadership, in which principals seek and incorporate ideas from staff, is also found to be integral to higher performing schools.[18]

Committee Recommendations

The Committees have not made any recommendations to change the principal staffing ratio.

Where the Committees have addressed principal salary in adequacy reports, almost all reports have recommended an increase. The 2014 report recommended keeping principal salary flat for both years in the biennium. In the 2022 report, both the House and Senate Education Committees recommended increases in the principal salary amount, but the Committees recommended different amounts. The General Assembly's final foundation funding amount was lower than either Committee recommended.

In 2024, the Committees recommended a 2.48% increase in principal salary for each year of the biennium.

School Secretary

Funding Context: Clerical staff in support of the teaching and administrative duties of the school. Odden and Picus noted school secretaries are necessary to run a school, even there is no clear connection between school secretaries and student achievement.

Consultant Recommendations

The 2020 Arkansas study report provided by APA indicated the current funding of 1.0 secretary FTE is below recommendations and agrees with feedback from the past evidence-based studies conducted for Arkansas, other adequacy studies, and stakeholder engagement. APA reported that case study schools with 400 or more students generally have at least 2.0 FTE secretaries.

Committee Recommendations

In 2007, the Adequacy Study Oversight Committee recommended moving two secretary positions from the central office allocation to a separate matrix line, and that the matrix include two secretary positions for every 500 students. However, the matrix continues to fund one secretary positions for every 500 students.

Managerial Skills" and Waters, T., Marzano, R., and McNulty, B. "Balanced Leadership: What 30 Years of Research Tells Us About the Effect of Leadership on Student Achievement. A Working Paper."

[18] Craig, J. et al. (Appalachia Educational Laboratory at Edvantia, 2005) "A Case Study of Six High-Performing Schools in Tennessee;" (The Center on School Turnaround at WestEd, 2017) "Four Domains for Rapid School Improvement: A System Framework;" and (Hanover Research, 2014) "Best Practices for School Improvement Planning."

The committees have not recommended a change in the secretary staffing ratio.

In 2022, the Committees' separate reports both recommended increasing the secretary salary, but by different amounts.

Technology

Funding Context: Any equipment or infrastructure for instructional purposes that is electronic in nature including, but not limited to, computer hardware, computer software, internet connectivity, and distance learning.

In their latest evidence-based study,[19] Odden and Picus kept the $250-per-student technology funding amount they had recommended for more than a decade, with the following breakdown: $71 for computer hardware; $72 for operating systems, productivity and non-instructional software; $55 for network equipment, printers and copiers; and $52 for instructional software and additional classroom hardware. The recommendation for $250 is for school districts and charter systems to equip schools at a 1:3 computer-student ratio. Odden and Picus recommend $400 per student when a 1:1 ratio is in effect, and the districts are using Google or Chromebook-based computers. While Odden and Picus remain neutral on the educational benefit of 1:1, they do point out that increased online standardized testing, especially as it more frequently occurs in lower grades, makes it more necessary for students to feel comfortable learning and testing in a digital environment. They also point out a 1:1 computer-to-student ratio and digital learning depends greatly on students' ability to access the Internet while at home.

Consultant Recommendations

In 2003, Odden and Picus recommended $250 per student in technology funding.

Committee Recommendations

The Adequacy Study Oversight Subcommittee noted in 2007 that the 2007 foundation funding amount for technology was $185. The subcommittee recommended increasing the amount to $220 for the 2008 school year and $201 for the 2009 school year.

In 2022, the House Education Committee recommended holding technology funding at $250 per student, while the Senate recommended increasing funding to $254.60 in 2024 and $260.10 in 2025.

The General Assembly set the technology amount for 2024 and 2025 at $250.

In 2024, the Committees recommended lowering the technology funding amount to $235 to reflect lower technology costs.

Instructional Materials

Funding Context: Materials used to teach a class including, but not limited to, textbooks, consumable supplies (e.g. workbooks), pedagogical aids, library texts, and electronic devices. Some documentation noted instructional materials also included manipulatives, hand-held calculators, hands-on materials, laboratory equipment, and equipment necessary for workforce education.

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[19] Odden, A. and Picus, L. (2019). *School finance: A policy* perspective, 6th ed. New York: McGraw-Hill, pages 116-121, 146.

Odden and Picus emphasize that "up-to-date" instructional materials are paramount." Odden and Picus put the costs of high school textbooks at $80 to $140 per book, and they recommend a six-year review of textbooks to keep curricula up to date. In terms of per-student spending, they recommend $170 per student for instructional materials and $30 per student for library materials, or $200 in total.[20]

Consultant Recommendations

The 2003 Odden and Picus report recommended $250 per student for instructional materials.

The 2020 APA report recommended reconsidering instructional materials funding, noting that the funding levels for fiscal years 2022 and 2023 were below the recommended funding from all three Arkansas evidence-based studies and other adequacy studies, all of which recommended at least $250 per student. APA further noted that districts were spending $227 per student for instructional materials.

Committee Recommendations

The Adequacy Study Oversight Subcommittee recommended in 2007 that funding for instructional materials be funded at $160 per student in 2008.

The Committees' separate 2022 reports both recommended increasing the funding for instructional materials. The General Assembly ultimately set the amount at $201 for 2024 and $205 for 2025.

In 2024, the Committees recommended increasing funding for instructional materials to $210 in 2026 and $216 in 2027.

Extra-Duty

Funding Context: Amounts paid to teachers for duties performed outside of the course and scope of their duties in their contract.

No common model exists for allocating state support for student activities. Neither is there a model that recognizes the higher costs faced by small schools and districts due to longer travel distances.[21] Extracurricular activities have a number of benefits for students, including better academic performance, reduced rates of dropout, positive school perceptions, and high self-esteem. [22] According to APA's 2020 Arkansas study, other state adequacy studies have not addressed extra duty funds. In APA's educator panels and stakeholder surveys, participants indicated that the amounts should be revisited in light of

[20] Odden, A. and Picus, L. (2019). *School finance: A policy* perspective, 6th ed. New York: McGraw-Hill, pages 112-114.

[21] Odden, A. and Picus, L. (December 2020) "The 2020 Recalibration of Wyoming's Education Resource Block Grant Model Final Report."

[22] Odden, A. and Picus, L. (December 2020) "The 2020 Recalibration of Wyoming's Education Resource Block Grant Model Final Report;" Feldman, A. and Matjasko, J. (Review of Educational Research, Summer 2005.) "The Role of School-Based Extracurricular Activities in Adolescent Development: A Comprehensive Review and Future Directions;" and Knop, B. and Siebens, J. (U.S. Census Bureau, November 2018). "A Child's Day: Parental Interaction, School Engagement, and Extracurricular Activities: 2014."

minimum wage increases.[23] In 2018, Arkansas voters approved a ballot measure gradually increasing the hourly minimum wage from $8.50 to $11 by 2021.[24]

Consultant Recommendations

Odden and Picus's 2003 report recommended $60 per student for each middle school and $120 per student for each high school for extra duty funds.

Committee Recommendations

The Adequacy Study Oversight Committee in 2007 recommended funding $50 in extra-duty funds based on a weighted average of the costs for extra-duty funds among schools of various grade levels, including elementary schools.

In the 2022 separate reports, the Committees both recommended increasing funding for extra-duty funds, in different amounts. The General Assembly set the amount at $71 for 2026 and $72 for 2027.

Supervisory Aides

Funding Context: Non-instructional individuals employed to supervise students, whether before or after school, during recesses, or lunch breaks.

Consultant Recommendations

Odden and Picus recommended in 2003 that supervisory aides be funded at $35 per student. Odden and Picus noted that state law restricts teacher to one hour of non-instructional duties a week; supervisory aides are necessary to supervise students getting on and off the bus and during lunch and recess.

According to APA's 2020 Arkansas study, other state adequacy studies have not addressed supervisory aides. In APA's educator panels and stakeholder surveys, participants indicated that the amounts should be revisited in light of minimum wage increases.[25] As noted in the 2022 BLR Resource Allocation Report, Arkansas's minimum wage increased between 2018 and 2021 from $8.50 to $11.

Committee Recommendations

The 2007 Adequacy Study Oversight Committee found that one supervisory aide was sufficient. Since 2007, supervisory aides have been part of the school-level resources section of the matrix and funded at a flat amount rather than being included in the school-level staffing. The subcommittee also requested documents from the Department of Education and the Arkansas Association of Educational Administrators on the actual use of supervisory aides in schools.

In the 2022 separate reports, the Committees recommended increasing funding for supervisory aides, but in different amounts. The General Assembly set the amount at $57 for 2026 and $58 for 2027.

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[23] Odden, A. and Picus, L. (Presentation to the Senate Committee and Education and the House Committee on Education, October 19, 2020.) "Review of the Resource Matrix."

[24] Arkansas Department of Labor and Licensing, "Minimum Wage and Overtime," https://www.labor.arkansas.gov/divisions/labor-standards/minimum-wage-and-overtime/, accessed September 29, 2021.

[25]Odden, A. and Picus, L. (Presentation to the Senate Committee and Education and the House Committee on Education, October 19, 2020). "Review of the Resource Matrix."

In 2024, the Committees recommended increasing supervisory aide funding by 2.48% for 2026 and 2027.

Substitutes

Funding Context: Individuals are employed to temporarily replace classroom or specialist teachers when the classroom or specialist teachers are absent.

Consultant Recommendations

Odden and Picus recommended funded 10 days for each teacher for substitutes.

According to APA's 2020 Arkansas study, other state adequacy studies have not addressed substitutes. In APA's educator panels and stakeholder surveys, participants indicated that the amounts should be revisited in light of minimum wage increases.[26] As noted in the 2022 BLR Resource Allocation Report, Arkansas's minimum wage increased between 2018 and 2021 from $8.50 to $11.

Committee Recommendations

The 2007 Adequacy Study Oversight Committee recommended continuing substitute funding at $59 as part of the matrix. The subcommittee also recommended that the Committees conduct a study to determine if sufficient numbers of certified teachers were available in the job market to meet school districts need for substitute teachers.

In 2022, the Committees separate reports recommended increasing substitute funding, in different amounts. The General Assembly set the amount at $77 for 2024 and $78 for 2025.

In 2024, the Committees recommended funding $85 for 2026 and $90 in 2027 to reflect increased need for substitutes.

Salary Enhancement

Funding Context: This line was added during the 2022 Adequacy Study to provide a salary increase for classified employees.

Committee Recommendations

In 2022, the House Education Committee recommended creating a salary enhancement line for other employees, set at $44 per student, to fund a $2 salary increase. The House recommendation held funding at $44 for 2024 and 2025.

The Senate Education Committee also recommended creating the salary enhancement line, originally funded at $44 to fund a $2 salary increase. However, the Senate recommendation included an increase of 2.16% in 2025 for $44.95 in per student funding.

The General Assembly included the salary enhancement line at $44 for 2024 and 2025.

[26] Odden, A. and Picus, L. (Presentation to the Senate Committee and Education and the House Committee on Education, October 19, 2020). "Review of the Resource Matrix."

In 2024, the Committees recommended $50 for 2026 and $52 for 2027 to better meet needs of classified staff.

Operations and Maintenance

Funding Context: To cover the cost of custodians, maintenance workers, groundskeepers, maintenance supplies, and utilities. Districts that do not spend the required 9% of Foundation Funding on operations and maintenance (O&M) must transfer unspent funds into an escrow account to be used for future O&M expenses (§ 6-21-808(d)). The O&M funding level was established to include 9% of foundation, plus the cost of property insurance.

In *School Finance: a policy perspective,* Odden and Picus's most recent research, they estimate O&M spending levels by identifying and quantifying the necessary personnel for a prototypical school district of 3,900 students and adding cost of materials and supplies, utilities and insurance. The positions they include in their calculations are custodians, maintenance workers and groundskeepers. They determine the number of custodians needed based on the number of students, classrooms, teachers, and square footage. They use the number of buildings, gross square footage, enrollment, and general fund revenue to determine needed maintenance staffing levels. Last, to determine the number of groundskeepers needed, they allocate certain levels of FTEs for each type of school, i.e. elementary (.25 FTE), middle schools (.5 FTE), and high schools (.2 FTE). The staffing cost is derived by multiplying the total needed FTEs in each category by the average total compensation for these classifications of staff. They recommend $1 per gross square feet for materials and supplies costs and further recommend using current expenditures to determine the funding needed for utilities and insurance. They take these calculated costs and derive a per-student cost for O&M.[27]

Consultant Recommendations

In 2006, Odden and Picus submitted a recalibration report. In this report, Odden and Picus divided operations and maintenance into three categories: 1) school-level custodial; 2) district-level maintenance; and 3) district-level grounds keeping functions.

In addition to the three categories, Odden and Picus included utilities and insurance.

Committee Recommendations

The 2007 Adequacy Study Oversight Committee recommended that an amount equal to 9% of foundation funding (excluding operations and maintenance) and $27 for property insurance be included in the foundation funding matrix. The subcommittee recommended that districts should be required to spent the $27 on insurance.

In 2022, the House and Senate Education Committees' separate reports recommended increasing operations and maintenance funding, in different amounts. The General Assembly set the amount at $766 for 2026 and $786 for 2025.

Central Office

Funding Context: *The Odden and Picus recommendation was based on a prototypical district of 3,500 students, but in Arkansas in 2006, only 26 of the districts, or 11%, had 3,500 or more students. Analysis of 2005-06 central office expenditures and personnel counts for districts with an ADM between*

[27] Odden, A. and Picus, L. (2019), *School finance: a policy perspective*, 6th ed. New York McGraw-Hill.

3,000 and 4,000 resulted in an average number of personnel of 17.82. The Central Office positions include the superintendent, business manager, human resources manager, assistant superintendent for curriculum and instruction, director of special education, director of pupil services, director of technology, and 8 secretaries. The consultants showed how the 17 positions could be prorated down based on Arkansas's 500 student model (2.44 positions). In 2007, the Committees adopted the Central Office amount with an implied 2.4 positions without explicitly naming the positions to be included.

Odden and Picus's recent research on central office staffing needs compiled staffing assumptions for various sized districts to recommend appropriate staffing levels. These assumptions include whether district size is sufficient for a district to contract for certain central office services or hire in-house staff. Odden and Picus do provide recommendations for central office staffing based on a 3,900 student district. These recommendations include eight administration positions and 15 classified positions. They also recommend a per-student dollar amount of $300 to account for other costs that include, but are not limited to, insurance, purchased services, materials and supplies, equipment, association fees, elections, districtwide technology, and communications.[28]

Consultant Recommendations

Odden and Picus's 2006 recalibration recommended staffing a central office based on recommended resources for a 3,500 prototypical district. The staffing for the prototypical district included superintendent, business manager, human resources manager, assistant superintendent for curriculum and instruction, director of special education, director of pupil services, director of technology, secretaries, payroll clerk, and accounts payable clerk.

Odden and Picus recommended additional funding in central office for miscellaneous expenses such as legal expenses, materials, supplies, board of education expenses, and other central office function.

Committee Recommendations

In 2007, the Adequacy Study Oversight Subcommittee wrote that Odden and Picus's figures were inflated because of being calculated using higher-priced geographical areas and using more duties than would be required in Arkansas. Odden and PIcus's recommendation was $591 per student; the subcommittee recommended $383.50 per student.

In 2022, the House and Senate Education Committees' separate reports recommended increasing central office funding, in different amounts. The General Assembly set the amount at $473 for 2026 and $483 for 2025.

Transportation

Funding Context: Originally established based on input from the state's education finance consultants as well as districts' actual expenditures for student transportation. Consultants recommended that the General Assembly consider moving the funding for transportation out of the matrix to be funded separately.

In 2014, Odden and Picus, consultants for the state of Arkansas, recommended using a transportation formula based on need rather than a flat amount per student. In their recommendation, Odden and

[28] Odden, A. and Picus, L. (2019), *School finance: a policy perspective*, 6th ed. New York McGraw-Hill.

Picus cited a study completed by BLR that estimated transportation costs based on miles driven, number of school bus riders, and the Average Daily Membership (ADM). They further indicate that basing a transportation formula on these variables would accomplish their recommendation of funding transportation based on need.[29] While the state has added Enhanced Transportation funding as a separate funding stream to assist districts with high transportation costs, the primary transportation funding remains as a line item in the matrix.

Consultant Recommendations

The 2006 Odden and Picus recalibration estimated that transportation should be funded at $286 per student, but noted that actual transportation costs varied from $67 per student to $695 per student.

Committee Recommendations

The 2007 Adequacy Study Oversight Committee recommended funding transportation at $286 per student, while awaiting the development of a formula providing fair and accurate costs for all school districts. The subcommittee recommended that the Academic Facilities Oversight Subcommittee should conduct a study to develop the formula.

In 2008, the House and Senate Interim Committees on Education referred to the Committees the question of whether to change the amount of transportation funding in the matrix. The Committees recommended that $24.6 million in general revenue be provided in each year of the biennium for enhanced transportation, in addition to the $286 per student in the matrix. The issue was referred to the committees since not all data was available to make a final recommendation.

In 2022, the House and Senate Education Committees' separate reports recommended increasing transportation funding, in different amounts. The General Assembly set the amount at $329 for 2026 and $337 for 2025.

In 2024, the Committees recommended a 2.48% increase in transportation funding, for $345 in 2026 and $354 in 2027.

Categorical Funding

Alternative Learning Environment (ALE)

Funding Context: To eliminate traditional barriers to learning for students.

Consultant Recommendations

Odden and Picus recommended in their 2003 report each elementary, middle, and high school have one additional teacher for every 20 ALE students.

Committee Recommendations

In its 2007, the Adequacy Study Oversight Subcommittee recommended increasing the staffing for ALE positions to one for every 12 FTE ALE students, which would result in an increase in ALE funding to

[29] Picus Odden & Associates, Desk Audit of the Arkansas School Funding Matrix and Developing An Understanding of the Potential Costs of Broadband Access for All Schools, 2014, page 68.

$4,063 per FTE, an increase of 25%. The subcommittee also recommended that the House and Senate Education Committees conduct a study on ALE best practices in coordination with the Arkansas Department of Education.

In the 2022 House Education Committee report, the Committee recommended increasing ALE funding by 2% for each fiscal year, for $4,987 in 2024 and $5,086 in 2025. The Senate Education Committee recommended increasing ALE funding by 1.84% in 2024 and 2.16% in 2025, for $4,980 in 2024 and $5,088 in 2025.

The General Assembly set the 2024 amount at $4,987 and the 2025 amount at $5,086.

In 2024, the Committees recommended a 2.48% increase for both fiscal years, resulting in $5,212 for 2026 and $5,341 for 2027.

English Learner (EL)

Funding Context: To help overcome language barriers that impede equal participation by students in instructional programs.

Consultant Recommendations

Odden and Picus recommended an additional 0.4 FTE tutor/teacher for every 100 students identified as English learners.

Committee Recommendations

In the Adequacy Study Oversight Subcommittee's 2007 report, the subcommittee recommended legislation to adjust the student-teacher ratio requirement to increase funding by 50% per 100 students, beginning in 2008.

In 2022, the House Education Committee's report recommended increasing EL funding 1.9% to $373 per student in 2024 and 3.8% to $387 per student in 2025. The Senate Education Committee recommended increasing funding by 1.84% to $373 per student in 2024 and 2.16% to $381 per student in 2025.

The General Assembly set the EL amounts at $366 per EL student, the same amount as fiscal year 2023.

In 2024, the Committees joint report recommended a 2.48% increase in each fiscal year, resulting in $375 per student in 2024 and $384 per student in 2025.

Enhanced Student Achievement (ESA)

Funding context: To improve instruction and increase academic achievement of students who qualify for the national free and reduced-price lunch program.

Consultant Recommendations

Odden and Picus's 2003 report recommended an additional teacher for every 100 poverty students,

APA's 2020 report recommended funding ESA as a weight above the foundation funding amount so that ESA funding would rise at the same rate as foundation funding. In addition, this would eliminate funding cliffs, provide higher resources per eligible student, and address the resource needs of students at lower concentration tiers.

Under the current system of funding based on a district's percentage of students eligible for free- and reduced-price lunch, districts can gain or lose large amounts of funding based on small changes in the percentage of students eligible. APA also noted that there is no statistically significant relationship between the school's concentration of poverty and proficiency; however, there is a strong relationship between being a student in a low-income background and academic achievement. Funding through a weight rather than the tiered system would provide more funding for students whose districts fall in the lower tiers.

Furthermore, APA recommended that all ESA funds be funded through the weight, including the ESA Matching Grants.

Committee Recommendations

The Adequacy Study Oversight Subcommittee 2007 report recommended an increase in funding for poverty students, changes to the tiered system of funding, and further study by BLR and the Department of Education.

The Committees' joint report in 2012 recommended replacing the ESA funding (then NSL funding) with a smoother funding model that would provide more money to districts for students who qualified for free lunches than it provided for students qualifying for reduced-price lunches.

The Committees' 2014 report recommended increases in ESA funding and further study in the next biennium.

In 2022, the House Education Committee recommended increases in ESA funding, see in the table below.

ESA Concentration	Funding Amount
<70%	$548
70%-90%	$1,097
>90%	$1,645

The Senate Education Committee following the APA recommendation described above, using a 0.12 weight on the per-pupil foundation funding amount, to be phased in over four years.

The General Assembly ultimately set the ESA funding using the same concentrations as the House recommended, but with the different amounts shown in the table below.

ESA Concentration	Funding Amount
<70%	$538
70%-90%	$1,076
>90%	$1,613

In 2024, the Committees' joint report recommended a 2.48% increase in ESA funding for each fiscal year of the biennium.

Professional Development (PD)

Funding Context: To provide a coordinated set of learning activities for teachers and administrators that result in individual, school-wide, and system-wide improvements to ensure all students demonstrate proficiency on state academic standards; $38 goes directly to districts.

Consultant Recommendations

In 2003, Odden and Picus recommended $50 per student in professional development funding for trainers, conferences, travel, and other professional development expenses. In the Odden and Picus model, instructional facilitators, planning and prep time, and 10 summer days of professional development were included in other parts of the funding model.

Committee Recommendations

In the Adequacy Study Oversight Committee 2007 report, the subcommittee recommended that the state retain the current professional development funding amount of $50 per student.

In 2016, the Committees recommended increasing the PD amount and setting aside the increased amount to fund Professional Learning Communities.

In the House Education Committee 2022 report, the Committee recommended maintaining PD funding at $40.80 per student for both fiscal years 2024 and 2025. The Senate Education Committee recommended increasing funding to $41.60 in 2024 and $42.40 in 2025.

The General Assembly continued PD funding at $41 per student for fiscal years 2024 and 2025.

In 2024, the Committees' joint report recommended maintaining the $41 PD per-student amount for both fiscal years.

Supplemental Funding

Declining Enrollment

Funding context: Formula based funding provided to districts with declining enrollment because loss of students does not automatically decrease financial need; began in 2006.

Committee Recommendations

In 2007, the Adequacy Study Oversight Subcommittee recommended that declining enrollment be continued for the 2008 and 2009 fiscal years to allow the General Assembly to assess the effectiveness of funding a school with declining enrollment.

In both the 2014 joint report and each Committee's 2016 report, the Committees recommended reviewing declining enrollment funding.

The Committees have not made any other recommendations on declining enrollment funding.

Isolated and Special Needs

Funding Context: Formula based funding provided to districts with low enrollment or geographic challenges; began in 1983.

The Adequacy Study Oversight Subcommittee recommended in its 2007 report that isolated and special needs isolated funding continue, with $7.9 million in isolated funding and $3 million in special needs isolated funding recommended for both fiscal years 2008 and 2009. The subcommittee also recommended that the special needs isolated funding mechanism be rewritten.

In 2014, the Committees recommended conducting a study of isolated funding in the next biennium.

The Committees have not made any other recommendations on isolated and special needs funding.

Student Growth

Funding Context: *Formula based funding provided to districts experiencing growth; began in 1995.*

Committee Recommendations

In 2007, the Adequacy Study Oversight Subcommittee recommended that the formula already established for student growth funding should continue. The Committee further recommended that the House and Senate Education Committees should study student growth funding in the next biennium to determine the actual per-student funding amount needed to meet districts' growth needs.

Since the 2007 report, the Committees have not recommended any changes to student growth funding.

Special Education High-Cost Occurrences

Funding Context: Reimbursement funding provided to districts where an individual student's special education and related services required in his/her individualized learning plan (IEP) are unduly expensive, extraordinary, or beyond the routine and normal costs associated with special education and related services.

Committee Recommendations

In the Committees' 2018 joint report, the Committees made separate recommendation concerning special education high-cost occurrences funding (then catastrophic occurrences funding).

The House Education Committee recommended an additional $4 million in funding for fiscal year 2020, for a total of $17.02 million, with no additional increase in 2021. The Senate Education Committee recommended no changes to high-cost occurrences funding.

The General Assembly ultimately appropriated $13.02 million for high-cost occurrences for fiscal year 2020 and fiscal year 2021.

In 2022, the House Education Committee recommended increasing high-cost occurrences funding by 2.1% to $17 million in fiscal year 2024, and an additional increase of 2.9% to $17.5 million in fiscal year 2025. The Senate Education Committee recommended increases of 1.84% in 2024 and 2.16% in 2025, or $14.3 million for 2024 and $14.6 million in 2025.

The General Assembly appropriated almost $14 million for fiscal year 2024 and almost $17.5 million for fiscal year 2025.

The Committees joint report in 2024 recommended increases of 2.48% in each year, for $17.9 million in fiscal year 2026 and $18.4 million in fiscal year 2027.

Enhanced Transportation

Funding Context: Funding provided to cover transportation costs above what foundation funding provides. Enhanced transportation was created in 2015. Enhanced transportation funding is awarded on a formula based on three factors: average daily membership, average daily number of riders, and average daily route miles.

Committee Recommendations

The Committees first recommended enhanced transportation funding in the joint 2008 report, asking that $24.6 million in general revenue be provided in each fiscal year for enhanced transportation, to be distributed according to a distribution methodology developed by BLR.

In the joint 2014 report, the Committees recommended that the General Assembly create a separate program for districts with high transportation costs. The Committees recommended funding 2% of the funding provided for transportation in fiscal year 2015, approximately $3 million for fiscal year 2016 and 2017. The recommendation stated that the funding would be distributed according to the BLR funding distribution model.

The Committees again recommended funding enhanced transportation at $3 million for each fiscal year in the 2016 reports.

In 2022, the House Education Committee's report recommended increasing enhanced transportation funding by 6.9% to $7.7 million for fiscal year 2024, and an increase of 3.9% to $8 million in fiscal year 2025. The Senate Education Committee's report recommended increases of 1.84% in fiscal year 2024 and 2.16% in fiscal year 2025, or $7.33 million for 2024 and $7.49 million for 2025.

The Committees' joint 2024 report recommended maintaining enhanced transportation funding at $8 million in fiscal years 2026 and 2027.

ESA Matching Grants

Funding Context: Reimbursement funding provided to districts and charters that use specific, research-based practices to help students who qualify for free and reduced lunch to excel. ESA Matching Grants were created in special language in the 2018 fiscal session.

Committee Recommendations

In 2016, the House and Senate Education Committees issued separate reports, but both Committees recommended creating a grant program to assist districts in providing pre-K, tutoring services, and before- and after-school programs. The Committees recommended $4.3 million in funding, which would be separate from the ESA categorical fund.

In 2022, the House Education Committee recommended increasing ESA Matching Grants by 3.8% to $5.5 million in fiscal year 2024 and keeping the same amount for fiscal year 2025. The Senate Education Committee's report recommended eliminating the ESA Matching Grants. In Act 572 of 2023, the General Assembly funded $5.3 million for fiscal year 2024, and a total of $5.5 million for fiscal year 2025 in Act 90 and 146 of 2024.

The Committees' joint report in 2024 recommended increasing ESA Matching Grant funding by 2.48% in each fiscal year.

Teacher Salary Equalization

Funding Context: Restricted funding dedicated to support districts and charters with teacher salaries below the target average salary amount to exceed that average amount in teacher pay. Teacher salary equalization was created in 2021, with $25 million in funding for fiscal year 2022. The General Assembly appropriated $60 million for fiscal year 2023.

Committee Recommendations

In 2020, the Committees' joint report recommended created enhanced salary funding in the amount of $15 million to distribute to qualifying schools based on a formula.

In 2022, the House Education Committee recommended maintaining the Teacher Salary Equalization funding amount at $60 million with an average target salary of $51,882 for fiscal years 2024 and 2025. The Senate Education Committee, in its separate 2022 report, made the same recommendation.

In 2024, the Committees' joint report recommended funding $60 million for Teacher Salary Equalization. The report did not address the target average salary.