

Final Report on the Legislative Hearings for the 2024 Educational Adequacy Study

Volume 1

Recommendations of
the House and Senate
Committees
on Education



November 1, 2024



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Table of Acronyms

ADE	Arkansas Department of Education	FRL	Free and reduced-price lunch
ADHE	Arkansas Division of Higher Education	FTE	Full-time equivalent
ADM	Average daily membership	FWI	Facilities Wealth Index
AESAA	Arkansas Educational Support and Accountability Act	GTE	Gifted and talented education
AETN	Arkansas Educational Television Network	HQIM	High quality instructional materials
ALE	Alternative learning environment	HVAC	Heating, ventilation and air conditioning
AP	Advanced Placement	IB	International Baccalaureate
APA	Augenblick, Palaich and Associates	IDEA	Individuals with Disabilities Education Act
APPEL	Arkansas Professional Pathway to Educator Licensure	IEP	Individualized education program
APSCN	Arkansas public school computer network	IHE	Institutions of Higher Education
ASCA	American School Counselor Association	K	Kindergarten
ASR	Annual Statistical Report	NAEP	National Assessment of Education Progress
ASTA	Arkansas State Teachers Association	NBCT	Nationally board-certified teacher
BLR	Bureau of Legislative Research	NCCSA	National Conference of Chief School Officers
BLS	Bureau of Labor Statistics	NCES	National Center for Educational Statistics
COLA	Cost of living adjustment	NEA	National Education Association
CPI	Consumer Price Index	NSA	National School Lunch
CPI-U	Consumer Price Index-Urban Consumers	NTPS	National Teacher and Principal Survey
CTE	Career and technical education	O&M	Operations and maintenance
CWD	Children with disabilities	PAM	Physical education, art and math
DCTE	Division of Career and Technical Education	PARCC	Partnership for Assessment of Readiness for College and Careers
DESE	Division of Elementary and Secondary Education	PD	Professional development
EAF	Educational Adequacy Fund	PLC	Professional learning communities
ECS	Education Commission of the States	PSF	Public School Fund
EEPF	Educational Facilities Partnership Fund	SBOE	State Board of Education
EETF	Educational Excellence Trust Fund	SFP	State financial participation
EL	English learner	SNAP	Supplemental Nutritional Assistance Program
ELA	English language arts	SREB	Southern Regional Education Board
ELPA21	English Language Proficiency Assessment for the 21st Century	STC	Secondary technical centers
ESA	Enhanced Student Achievement	STEM	Science, technology, engineering, and mathematics
ESSA	Every Student Succeeds Act	URT	Uniform rate of tax
ESSER	Elementary and Secondary School Emergency Relief	WSD	Warm, safe, dry
FCI	Facilities Condition Index	WSI	Workplace stability index



1. The Adequacy Study Process

Introduction

The adequacy study is a key element in the continued constitutionality of the state's system of funding public education. The study process began during the 2003 Regular Legislative Session when the General Assembly enacted Act 94 of 2003 to create the Joint Committee on Educational Adequacy. The Joint Committee's charge was to study the state's educational system and determine how it could offer an adequate education to Arkansas public school students. In early 2004, the General Assembly made that responsibility ongoing with Act 57 of the Second Extraordinary Session of 2003, which requires the Education Committees to study the entire educational system and report their findings and recommendations before every regular session.

Statutory Requirements

Act 57 of the Second Extraordinary Session of 2003 established eight broad areas that the Education Committees must review each biennium. These include examining "the entire spectrum of public education" in Arkansas, reviewing the components of an adequate education and evaluating the costs of an adequate education. Act 1204 of 2007 (as amended by later acts) specified that these broad reviews should be accomplished by:

- Reviewing a report prepared by Arkansas Legislative Audit compiling all funding received by public schools for each program
- Reviewing the academic standards developed by the Department of Education
- Reviewing the Arkansas Educational Support and Accountability Act (AESAA)
- Reviewing fiscal and facilities distress programs
- Reviewing the state's standing under the Elementary and Secondary Education Act of 1965 as reauthorized by the Every Student Succeeds Act (ESSA)
- Comparing the average teacher salary in Arkansas with surrounding states and Southern Regional Education Board member states, including:
 - Comparing teacher salaries as adjusted by a cost-of-living index or a comparative wage index
 - Reviewing the minimum teacher compensation salary schedule
- Reviewing expenditures from:
 - Isolated school funding
 - National school lunch (NSL) state funding
 - Declining enrollment funding
 - Student growth funding
 - Special education funding
- Reviewing disparities in teacher salaries
- Completing an expenditure analysis and resource allocation review
- Using evidence-based research as the basis for recalibrating, as necessary, the state's system of funding public education
- Adjusting for the inflation or deflation of any appropriate component of the system of funding public education
- 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

Act 1204 of 2007 also established that the Education Committees would review any other program or topic they identified for further study. **This report is presented to document the Education Committees' compliance with those statutory mandates.**

2024 Study Process

For the 2024 adequacy study, the Chairs of the House and Senate Education Committees, Senator Jane English and Representative Brian Evans, opted to include all members of both Education Committees in the review. Committee members began meeting for the study in January 2024 and met eight times over the following 10 months. Presenters included representatives from the Bureau of Legislative Research (BLR) and Arkansas Legislative Audit. A list of all presenters, contributors and meeting dates can be found in APPENDIX A. Also, various stakeholder groups were invited to supply written testimony. A summary of these statements is included in Section 14.

This document, Volume 1, represents a summary of all testimony and reports presented to the Education Committees for the 2024 adequacy study and provides the recommendations the Committees developed based on that information. Volume II of this report contains copies of all materials presented to the Education Committees for this adequacy review. Those materials are available at the following arkleg.state.ar.us/Education/K12/AdequacyReports?folder=2024 and contain additional analyses, data sources and research findings.

For each examined topic, this study considered four types of evidence whenever available:

- Analyses of Arkansas K-12 funding, expenditure and achievement data
- State comparisons, when possible, of data, programs or practices
- Recent findings in research literature
- Analyses of Arkansas educator responses provided through online surveys of school district and charter school superintendents, directors, school principals, and teachers, as well as 25 interviews and focus groups with superintendents, principals, teachers, and students

Please see APPENDIX B for a more detailed description of research methodologies used for this report.

The Senate and House Education Committees carefully considered all of the information presented and made a variety of recommendations concerning educational funding. The recommendations are described in Section 16.

Legal Landscape

The Arkansas Constitution provides that the state "shall ever maintain a general, suitable and efficient system of free public schools and shall adopt all suitable means to secure to the people the advantages and opportunities of education." Ark. Const. art. 14, § 1. The primary Arkansas Supreme Court decisions interpreting this constitutional provision are *Dupree v. Alma Sch. Dist. No. 30 of Crawford County*, 279 Ark. 340, 651 S.W.2d 90 (1983) and the *Lake View* decisions.¹ The *Dupree* court held that the state's constitutional responsibility included providing "equal educational opportunity" to the state's public school children. The court further interpreted the state's constitutional obligations through 15 years of litigation in the *Lake View* case.

Historical Deficiencies Leading to Lake View

In *Lake View*, the Arkansas Supreme Court found that the state's public school funding system was unconstitutional and identified the following reasons:

- Failure to conduct an adequacy study or to define adequacy

¹ *Lake View School Dist. No. 25 v. Huckabee*, 351 Ark. 31, 91 S.W.3d 472 (2002); *Lake View School Dist. No. 25 v. Huckabee*, 355 Ark. 617, 142 S.W.3d 643 (2004); *Lake View School Dist. No. 25 v. Huckabee*, 358 Ark. 137, 189 S.W.3d 1 (2004); *Lake View School Dist. No. 25 v. Huckabee*, 362 Ark. 520, 210 S.W.3d 28 (2005); *Lake View School Dist. No. 25 v. Huckabee*, 364 Ark. 398 (2005); and *Lake View School Dist. No. 25 v. Huckabee*, 370 Ark. 139, 257 S.W.3d 879 (2007)

- "Abysmal" Arkansas educational rankings
- Low Benchmark scores
- Need for Arkansas student remediation in college
- Teacher salaries not comparable to surrounding states
- Disparities in teacher salaries within the state
- Recruitment and retention of quality teachers
- Special needs of poverty level students, including English learners
- Needs of school districts in low-income areas (for improved and advanced curriculum, quality teachers, and adequate facilities, supplies, and equipment)
- Needs of school districts in high enrollment growth areas

State Actions to Remedy the Constitutional Deficiencies

In May of 2007 the court found that the actions taken by the General Assembly had satisfied the constitutional obligations of the state, including:

1. Act 57 of the Second Extraordinary Session of 2003 - the adequacy study
2. Act 108 of the Second Extraordinary Session of 2003 - the "doomsday" provision that protects funding in the Educational Adequacy Fund and other resources available to the Department of Education Public School Fund Account of the Public School Fund
3. Adoption of a comprehensive system of accounting and accountability to provide state oversight of school district expenditures
4. Establishment of the Immediate Repair Program for facilities, the Academic Facilities Partnership Program, modification of the academic facilities wealth index, and other provisions assisting school districts with academic facility needs
5. Adoption of Amendment 74 to provide a 25 mill Uniform Rate of Tax and ensuring that school districts receive the full amount of foundation funding if the actual school tax collection is less than 98%
6. Categorical funding for alternative learning environments, English-language learners, and NSL students
7. Foundation funding
8. Growth or declining enrollment funding
9. Adoption of a minimum teacher salary schedule, allowance of the use of NSL categorical funding to supplement certain teacher salaries, and provision of incentives to attract and retain teachers in high-priority districts

The court held that:

- (1) An adequate education must be provided to all school children on a substantially equal basis with regard to curricula, facilities, and equipment, and
- (2) It is the state's responsibility to:
 - (a) define adequacy;
 - (b) assess, evaluate, and monitor the entire spectrum of public education to determine whether equal educational opportunity is being substantially afforded to Arkansas's school children; and
 - (c) know how state revenues are spent and whether true equality in education is being achieved.

The court further noted that the General Assembly must exercise "constant vigilance" for constitutionality, recognizing that continual assessment is vital under Act 57. The court stated that **the General Assembly has put into place the "framework for a much improved Arkansas public education system," the funds to support it, and the "continuous financial and standards review" needed to ensure future success.**

Maintaining Constitutional Compliance

The court identified four essential components for continued constitutional compliance:

1. Act 57's required biennial adequacy review
2. Funding education first under Act 108

3. The comprehensive system for accounting and accountability for providing state oversight of school-district expenditures
4. The General Assembly's express showing that "constitutional compliance is an ongoing task requiring constant study, review, and adjustment"

In both *Dupree* and *Lake View*, the court held that the ultimate responsibility for maintaining constitutionality rests with the state, even if local government fails to use state funding resources to provide an adequate education. (*Lake View*, 351 Ark. at 79, 91 S.W.3d at 500, citing *Dupree*, 279 Ark. at 349, 651 S.W.2d at 95). As a result, the General Assembly's efforts in recent years to define and fund an adequate education have been driven largely by the *Lake View* decisions.

Definition of Educational Adequacy

The Education Committees used the following working definition of "educational adequacy," which was updated during the 2018 adequacy study, 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.

2. Lake View Measures Update

Introduction

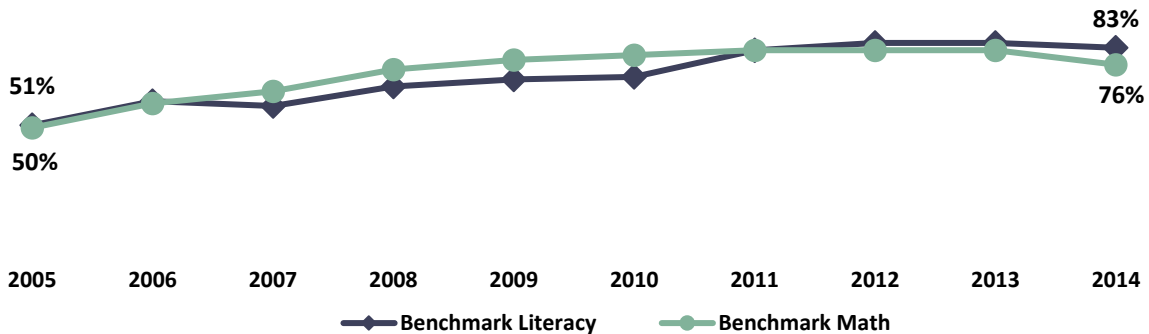
Arkansas’s biennial adequacy study stems from the Arkansas Supreme Court’s 2002 *Lake View* decision that declared the state’s school funding system unconstitutional. In it, the Supreme Court justices agreed with the lower court’s assessment that the “State has a remarkably serious problem with student performance.” Pulaski County Circuit Court Judge Collins Kilgore wrote the lower court’s assessment, and he based the conclusions on a range of educational and economic statistics. The BLR has attempted to identify the likeliest sources of data that were cited in the 2001 Kilgore decision, then illustrate the state’s progress based on the most recent comparable data. In addition, the current data representing progress on the original *Lake View* measures is compared with similar data in other states, and the trend in performance over time is displayed when possible.

State Assessment Scores

2001 KILGORE DECISION: “The first set of scores on the ACTAAP test showed that only 44% of the fourth graders were proficient in reading and only 34% of the students were proficient in math.”

NOW: The statewide assessment has changed multiple times in the last 20 years, so direct comparisons are difficult. However, the decade from 2005 to 2013 showed progress on the 4th grade assessments in literacy and math. The ACTAAP tests Kilgore referred to were known as the state’s Benchmark exams, which were criterion-referenced exams specific to Arkansas’s learning standards with the purpose of measuring students’ mastery of Arkansas’s curriculum. Beginning in 2007, Benchmarks included norm-referenced questions to allow for comparisons with students in other states.

Percent 4th Graders Scoring Proficient or Advanced on State Benchmark Exams

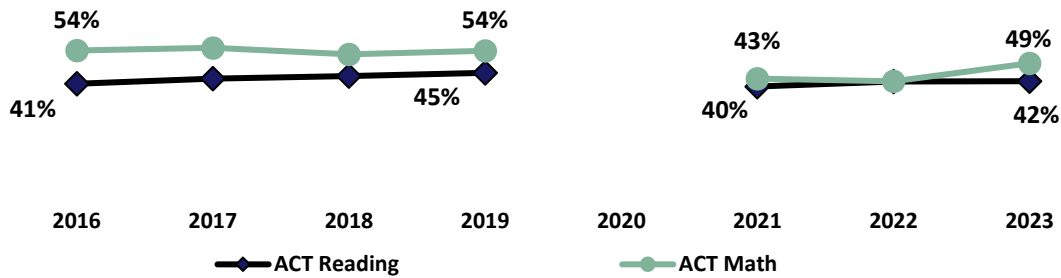


In 2015, the state switched to a common exam taken by students in a consortium of states, the Partnership for Assessment of Readiness for College and Careers (PARCC). The results showed that most 4th graders did not meet proficiency:

- **34%** proficient or advanced in 4th-grade English language arts (ELA)
- **24%** proficient or advanced in 4th-grade math

In 2016, the state changed its statewide assessment again, this time to the ACT Aspire, which used the terms “Ready” and “Exceeding” to indicate proficient levels of achievement. Though 4th-grade math scores remained relatively flat, some progress occurred in reading scores. Because of COVID-19, no tests were administered in 2020. The 2023 school year was the final year the ACT Aspire would be administered as the statewide exam.

Percent 4th Graders Scoring Ready or Exceeding on ACT Aspire Math & Reading

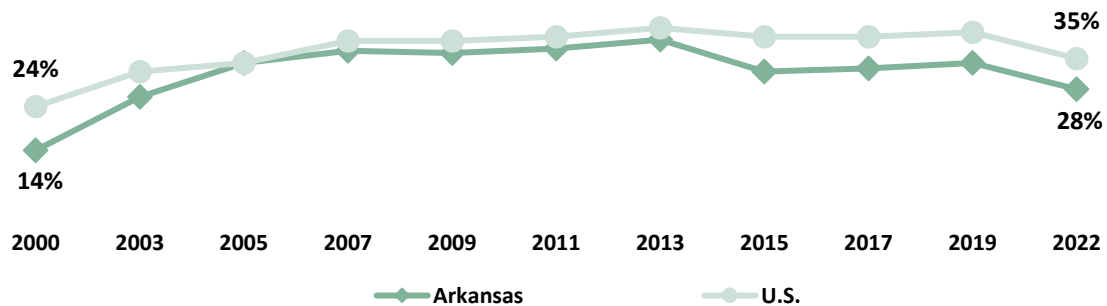


National Assessment of Education Progress Scores

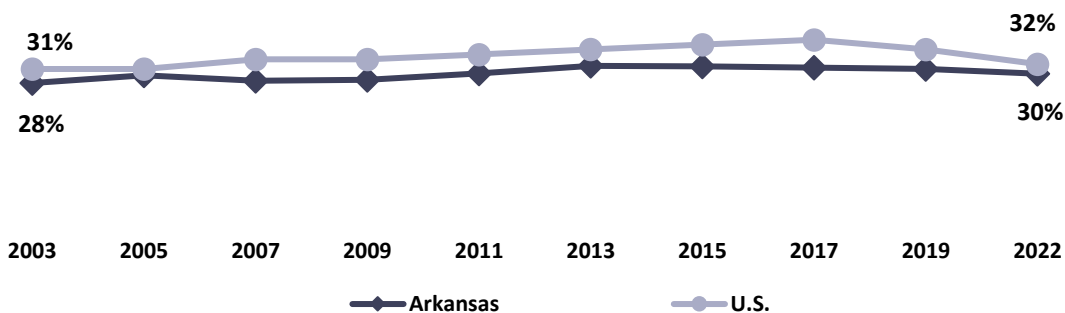
2001 KILGORE DECISION: “Arkansas’ [sic] fourth and eighth grade [sic] students do not rank at or above the national average for proficiency in math, reading, science or writing as measured by the Southern Regional Education Board’s State Analysis of the National Assessment of Education Progress (NAEP) test scores.”

NOW: Arkansas’s 4th and 8th grade students have made some progress on the NAEP assessments since the 2001 Kilgore decision, especially in science. (The science exam was last administered in 2019, when scores at the national level saw a decrease in both grades. No state scores have yet been released for 2019.) The most recent scores in math and reading both fall below the peak that was set in previous years for each test. The impact of COVID-19 both in Arkansas and nationwide also is evident in the following graphs.

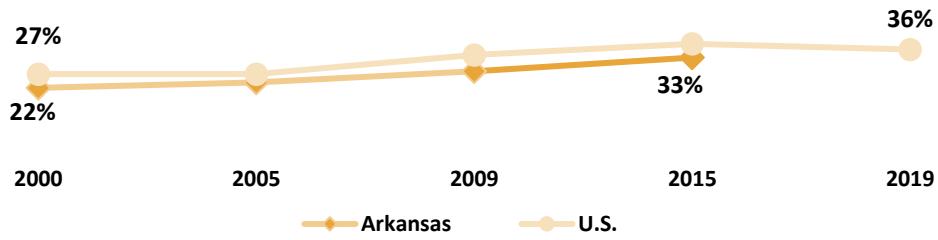
Percent AR and U.S. 4th Graders Scoring Proficient or Above on NAEP Math



Percent AR and U.S. 4th Graders Scoring Proficient or Above on NAEP Reading

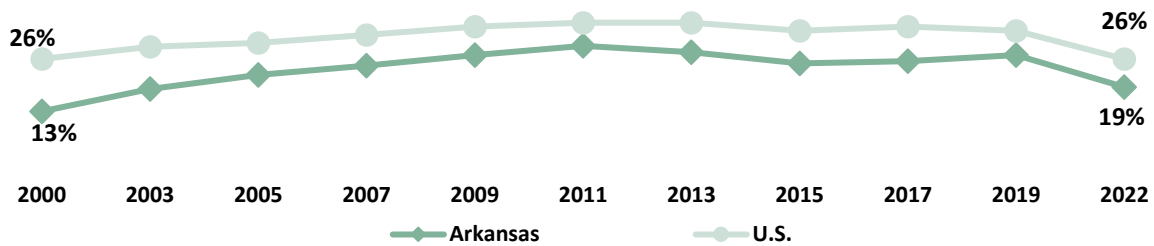


Percent AR and U.S. 4th Graders Scoring Proficient or Above on NAEP Science

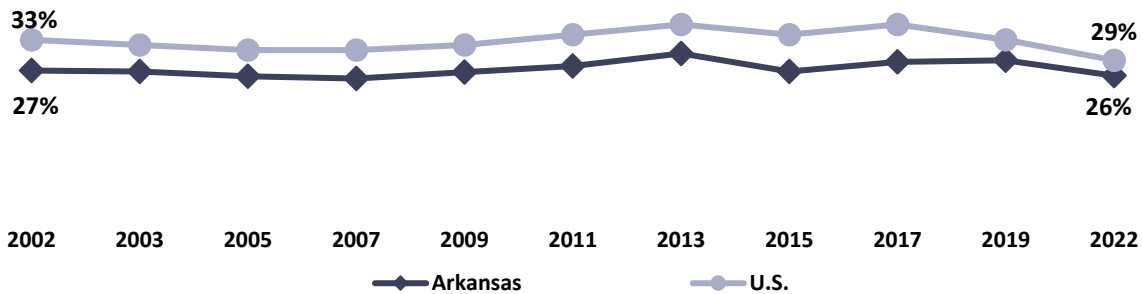


Percent AR and U.S. 8th Graders Scoring Proficient or Above on NAEP Math

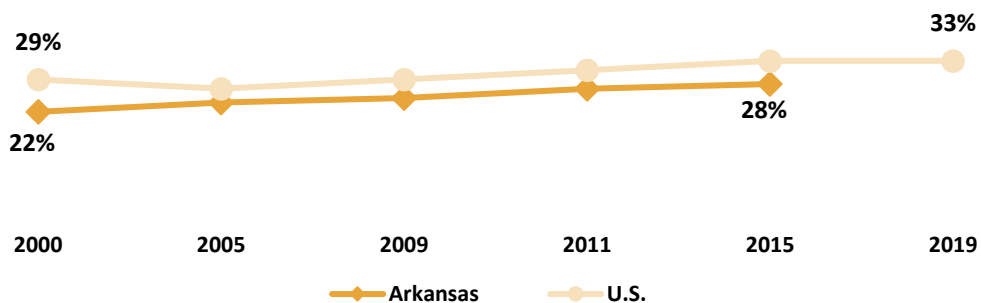
Note: State scores for 2019 NAEP Science exam not reported.



Percent AR and U.S. 8th Graders Scoring Proficient or Above on NAEP Reading



Percent AR and U.S. 8th Graders Scoring Proficient or Above on NAEP Science



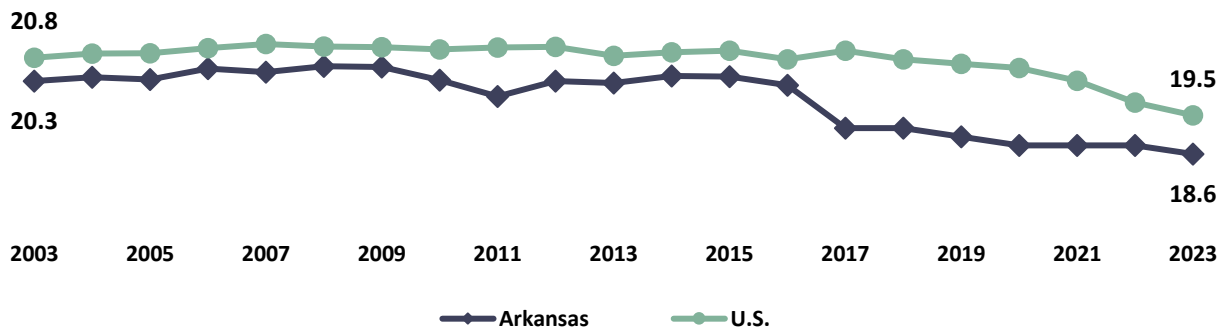
Data Source: Scores retrieved from the NAEP Data Explorer at www.nationsreportcard.gov.

Average ACT Composite Scores

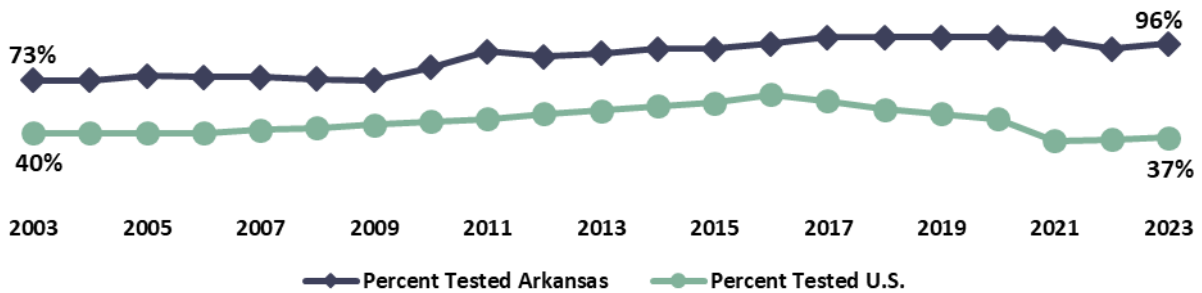
2001 KILGORE DECISION: “Arkansas students scored several tenths below the national average on the ACT from 1990 to 1999.”

NOW: Arkansas students fell further behind the national average, scoring 0.9 points below the national average in 2023. While Arkansas historically has been a state with higher percentages of participation, in 2017 state policy changed to allow all 11th graders to take the exam. That increased participation to nearly 100% explained a lot of why the state’s average score dropped that year. The narrower gap in the most recent years was largely due to the national average score declining.

Average ACT Composite Scores for AR and U.S.



ACT Participation Rates for AR and U.S.



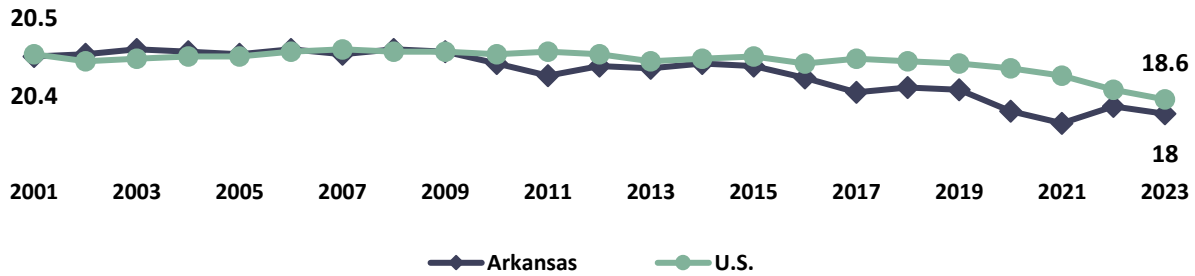
Data Source: “Average Act Scores by State Graduating Class of 2023” and former years, ACT.

Average ACT Scores in English

2001 KILGORE DECISION: “On the ACT test in English, Arkansas students exceed the national average.”

NOW: The average ACT English score for Arkansas dropped from 20.7 in 2001 to 18 in 2023. Arkansas’s score was below the national average for the last 14 administrations of the exam, though the gap was less than one point in 2023. Again, the lower scores beginning in 2017 may be all or partially due to Arkansas’s higher participation rate.

Average ACT English Scores for AR and U.S.



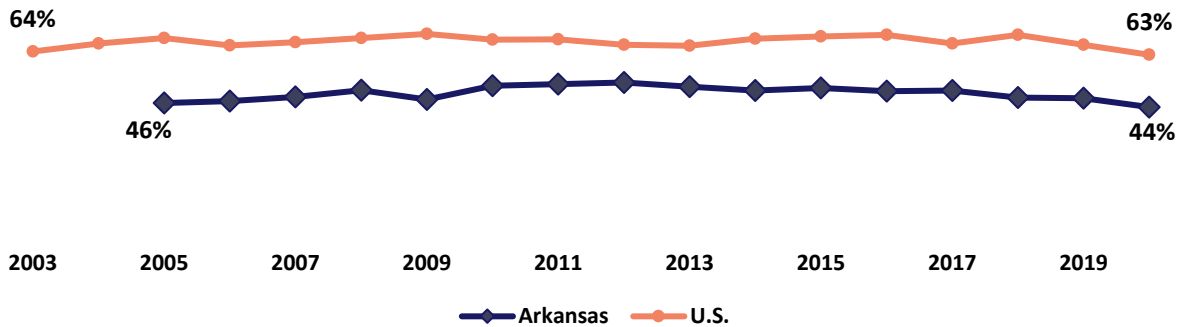
Data Source: "Average Act Scores by State Graduating Class of 2023" and former years, ACT.

College Going Rates

2001 KILGORE DECISION: "For the period 1996 through 1998, the percentage of Arkansas high school graduates attending college is approximately 53%."

NOW: The most recent data showed that fewer than half of Arkansas's graduating students continued on to two- and four-year colleges, while about two-thirds of the nation's graduates entered post-secondary education.

College-Going Rates for AR and U.S.



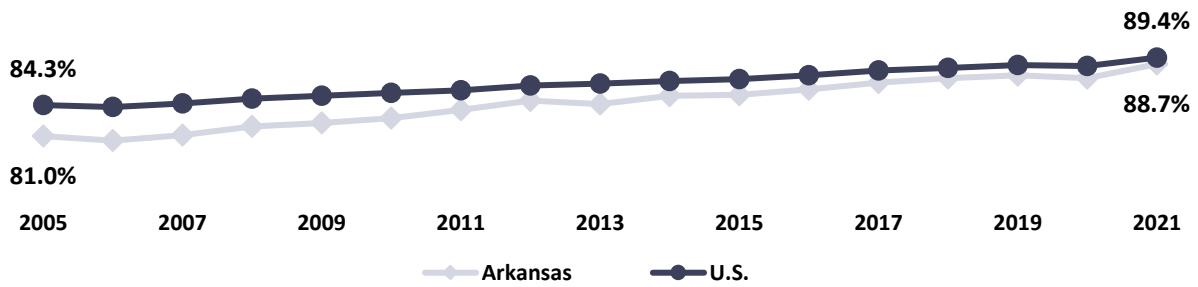
Data Source: NCES Recent high school completers and their enrollment in 2-year and 4-year colleges retrieved at https://nces.ed.gov/programs/digest/d16/tables/dt16_302.10.asp and ADHE's Annual College-Going Rate Report, Dec. 2022.

Adults Who Graduated from High School

2001 KILGORE DECISION: "Arkansas ranks lower than the national average for percentage of adults ages 25 years and older who have graduated from high school."

NOW: While Arkansas still ranked below the national average, it increased in the percentage of adults ages 25 years and older who had graduated from high school and narrowed the gap to only 0.7 percentage points below the national rate in 2021, according to the latest data from the U.S. Census Bureau's American Community Survey. Arkansas tied with Oklahoma to rank 47th among the states and the District of Columbia that year.

Average Percent High School Graduates, 25 and Older, in AR and U.S.

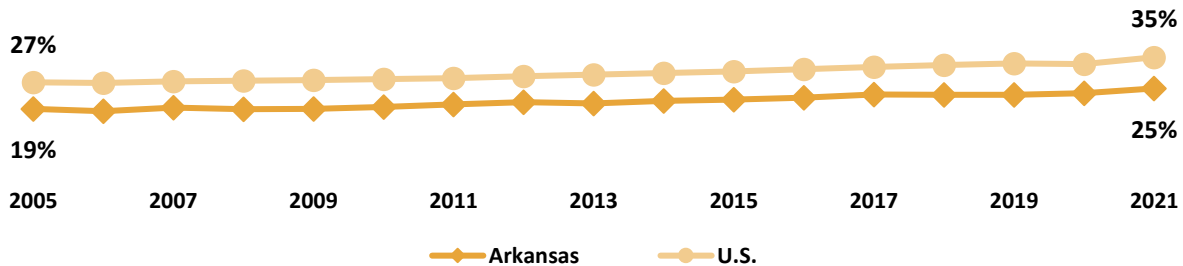


Adults with a Bachelor’s Degree or Higher

2001 KILGORE DECISION: “Arkansas ranks 49th in the nation in percentage of the population age 25 years or older with a bachelor’s degree or higher.”

NOW: According to the latest data from the U.S. Census Bureau’s American Community Survey, Arkansas ranked 49th out of the 50 states and the District of Columbia in 2021, with 25.3% of adults 25 and older holding bachelor’s degrees, compared to the national rate of 35%.

Average Percent with Bachelor’s Degrees, 25 and Older, in AR and U.S.



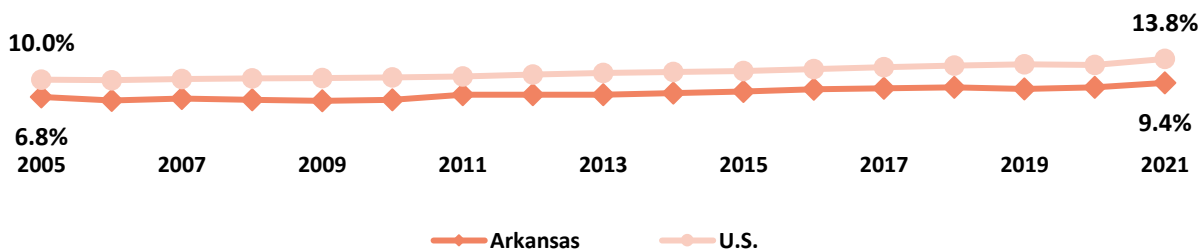
Data Source: U.S. Census Bureau, American Community Survey: 1 –Year Estimate, Various Years.

Adults with Graduate and Professional Degrees

2001 KILGORE DECISION: “Arkansas ties for last place in the nation in percentage of adults with graduate degrees.”

NOW: In 2021, Arkansas tied for 50th with North Dakota, with 9.4% of adults 25 and older with graduate degrees. Mississippi was last with 9.3% of residents 25 years and older with graduate degrees.

Average Percent with Graduate Degrees, 25 and Older, in AR and U.S.



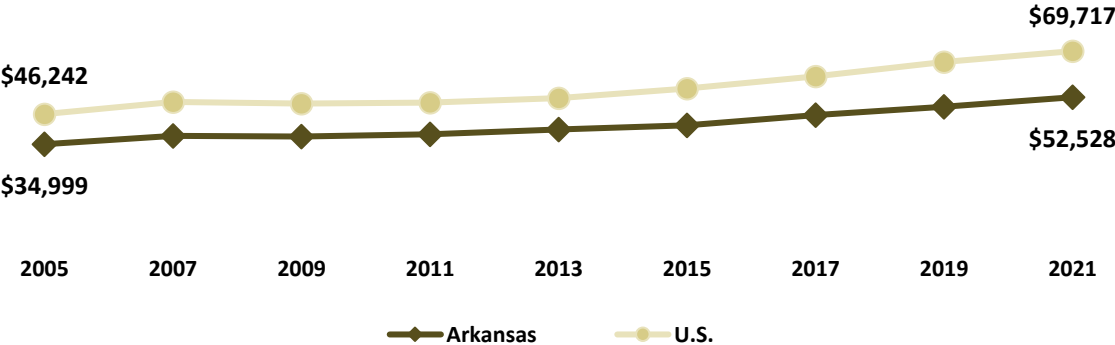
Data Source: U.S. Census Bureau, American Community Survey: 1 –Year Estimate, Various Years.

Median Household Income

2001 KILGORE DECISION: “Arkansas ranks 49th among the states for median household income.”

NOW: According to the latest data from the U.S. Census, in 2021 Arkansas ranked **48th**, at \$52,528, putting the state ahead of Louisiana, West Virginia, and Mississippi.

Median Income in AR and U.S.



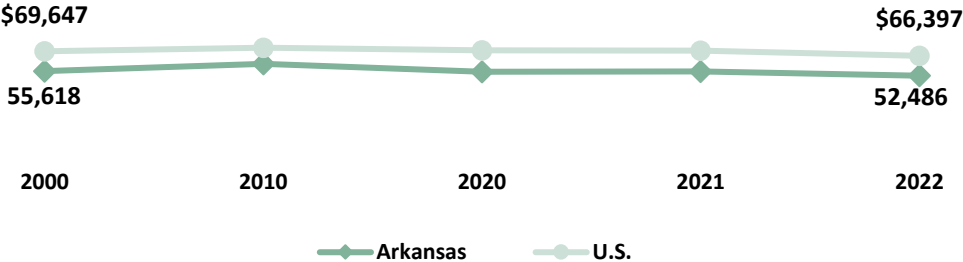
Data Source: U.S. Census Bureau, American Community Survey: 1 –Year Estimate, Various Years.

Teacher Pay

2001 KILGORE DECISION: “Arkansas generally ranks between 48th and 50th in teacher pay.”

NOW: Arkansas’s average annual teacher salary increased by more than \$17,000 since 2000, but its ranking in average annual teacher salaries in 2022 was 45th, ahead of Missouri, Louisiana, Florida, West Virginia, South Dakota, and Mississippi.²

Average Teacher Salaries, Selected Years



Data Source: 2022 Educational Digest, Table 211.60, NCES. (2022 constant dollars.)

² The minimum salary for teachers increases to \$50,000 in 2023-2024 due to passage of Act 237 of 2023

3. Education Funding Overview

Introduction

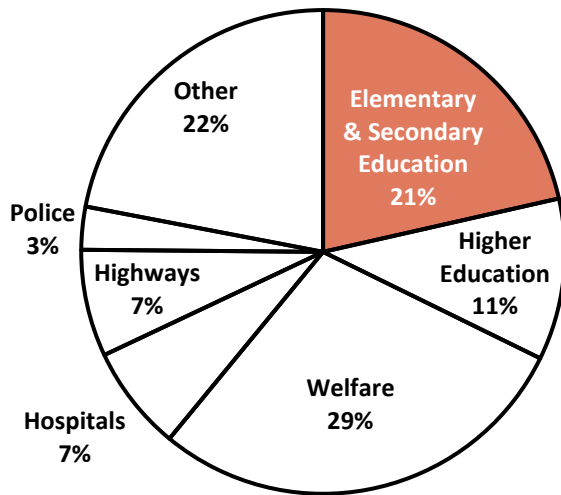
Over the past half century, states have assumed greater responsibility for public school funding. From the 1920s to the 1970s, local governments provided about 80% of the money for public K-12 schools, usually through property taxes. After the 1970s, however, states and local governments became largely equal partners, with the federal government contributing about 10%.³

Arkansas’s 2002 *Lake View* case – in addition to an earlier 1983 lawsuit cited as *Dupree v. Alma* – was one of a number of similar lawsuits in the late 20th and early 21st centuries resulting in states’ increased roles in education funding. After *Lake View*, Arkansas adopted an evidence-based approach to determine how much funding was required to supply adequate resources for students to have equal access to an education that would help them reach proficient levels of learning.

Research and Best Practices

K-12 Education Spending in the U.S.

Arkansas Budget by Spending, 2020



While the national government distributes some funding for public K-12 education, providing the resources for public schools is largely a shared state and local responsibility. Nationally, about one of every five dollars that states spend are allocated to public K-12 education systems. This spending, which includes federal, state, and local dollars, ranks below average state spending for welfare programs but above average state spending for higher education, highways, and police.⁴

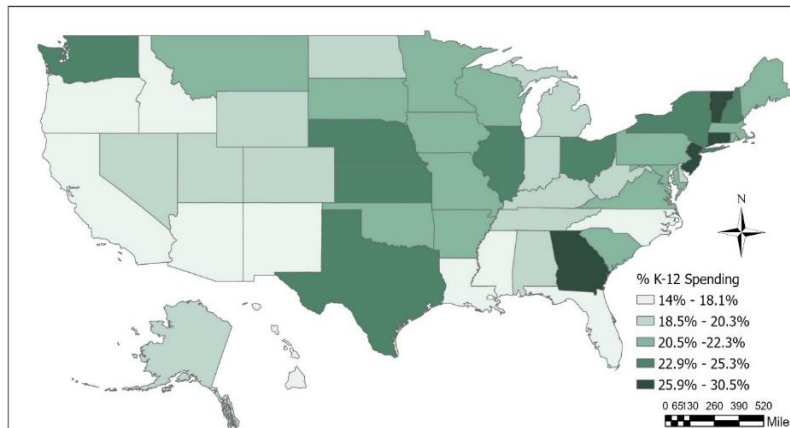
In Arkansas, public K-12 education accounted for 21.5% of per-capita spending by the state in 2020, compared with 28.7% for public welfare on the top end and just under 3% for police on the low end. When compared with other states in terms of percent of spending allocated to K-12 education, Arkansas tied in 21st place with Minnesota. New Jersey had the highest rate at 30.5%, and Hawaii had the lowest rate at 14%.⁵ (See the map on the next page.)

³ Chingos, M. and Blagg K. (Urban Institute, May 2017) “Do Poor Kids Get Their Fair Share of School Funding?”.

⁴ Ibid.

⁵ U.S. Census Bureau Annual Survey of State and Local Government Finances, 2020.

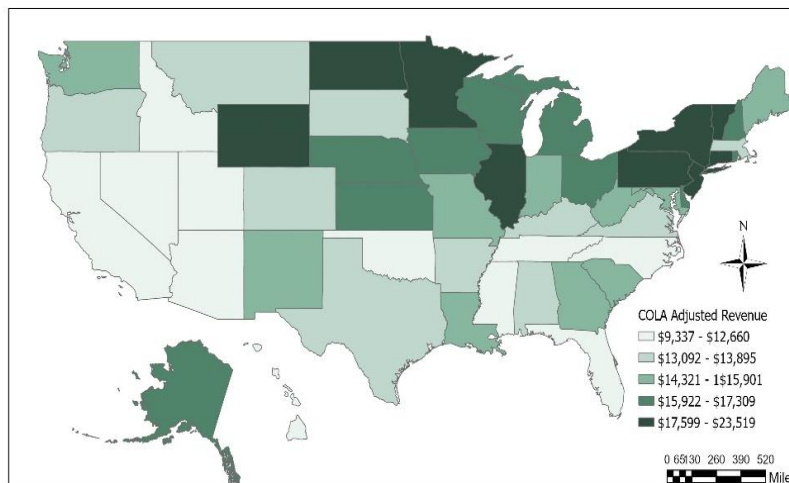
States' Spending on Education as Percent of Overall Budget



While the portion of per capita spending is helpful in comparing states' level of funding for education, it fails to account for differences among factors that can be large determinants of education spending. For example, states with larger percentages of school-aged citizens would be expected to spend more. The same is true for states with higher wages (because the bulk of school spending is for salaries) and for states with lower student-teacher ratios.

Therefore, another way to compare state education funding is with the amount of revenues provided on a per-student basis. After being adjusted for cost-of-living differences among states, per-student funding in 2020 ranged from \$9,337 in Idaho to \$23,509 in New York. Arkansas, with an adjusted funding amount of \$13,092 per student, ranked 40th out of the 50 states and the District of Columbia.

State Per-Student Education Revenue w/COLAs



The Albert Shanker Institute – a non-profit, non-partisan organization that assesses states on fiscal effort, statewide adequacy, and equal opportunity – found Arkansas to be a high-effort state in fiscal effort because of the proportion of state economic capacity the state devoted to public K-12 schools. The Institute also found that Arkansas scored low in terms of statewide adequacy because 77.3 percent of Arkansas students attended inadequately funded school districts, meaning the districts spent less than the

necessary per-student amount that the analysts' cost model⁶ estimated was needed for students to achieve average test scores. The analysts also found that the state scored⁶ low in terms of equal educational opportunity because per-pupil spending in the highest-poverty districts was 43.7% below the estimated adequate level, while spending in the most affluent districts was only 4.6% below the estimated adequate level.⁷

⁶ According to the Albert Shanker Institute's notes in the state profile, the cost model "calculates required spending based on the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics."

⁷ "State School Finance Profile: Arkansas, 2019-20 School Year," Albert Shanker Institute, www.schoolfinancedata.org.

Principles to Consider for Education Funding Systems

In 1996, the National Conference of State Legislators published “Principles of a Sound State School Finance System,” a document (currently being updated for the first time) that lists five foundational components that should be incorporated into a state’s education finance formula. These five elements are:

- **Equity** for both students and taxpayers
- **Efficiency** to make the best possible use of resources while minimizing the cost of state oversight through ease of administration and of local school compliance
- **Adequacy** in the form of adequate resources to local school districts so they are able to achieve state and local goals and standards
- **Accountability** fiscally both at the state and local levels
- **Stability** to provide for both predictability of educational revenues and expenditures over time

Writing about education funding goals more than 20 years later, Linda Darling-Hammer, with the non-profit, non-partisan The Learning Policy Institute, identified common features found in both high-achieving nations and states in the U.S. that are “needed in a system of education that routinely educates all children well, including: supportive early learning environments; equitably funded schools that provide equitable access to high-quality teaching; well-prepared and well-supported teachers; standards, curriculum, and assessments focused on 21st-century learning goals; and schools organized productively for student and teacher learning, providing time and opportunities for collaborative planning and collective improvement activities.”⁸

Education Funding Approaches and Models

Providing an adequate and equitable education is the goal – and constitutional requirement – of many states, including Arkansas, when developing funding formulas for public schools, but states vary in how they make decisions regarding what resources to provide and how much those resources cost. Of the four most common approaches to determining funding for an adequate education for all students, Arkansas’s biennial adequacy study most closely resembles the **evidence-based** model, as it relies largely on research to inform policy decisions regarding resources and their costs.

The other three methods include **professional judgment**, which depends on the input of educators to specify the needs and overall cost of an adequate education (Arkansas educators take part in the biennial adequacy studies through surveys and site visits); **successful schools/districts**, which looks at the overall funding used by schools with high-achieving students to estimate the needs of all schools (similar to the BLR Cohort analyses included in this study); and **cost function**, which uses statistical formulas to determine how much it will cost to achieve specific, state-set targets for outcomes.⁹

Once the cost of educating students is determined, states must determine how to allocate funds to schools. According to the Education Commission of the States (ECS), the most common method states use is a **foundation**, or per-pupil, means of funding. The foundation consists of the total costs for all resources necessary to educate one student. Local school districts then receive that amount of funding for each student enrolled. Often, **categorical or weighted** funding is allocated along with per-pupil funding to provide for additional costs associated with high-needs populations of students or with small or isolated school systems. Arkansas largely follows this approach.

Less common is the **resource-allocation** method, which funds schools based on the schools’ need for resources to adequately educate students. These resources – i.e., teachers, support staff, and administrators – are usually

⁸ “Investing for Student Success: Lessons from State School Finance Reforms,” Linda Darling-Hammer, The Learning Policy Institute, April 2019.

⁹ Augenblick, Palaich and Associates. (Maryland State Department of Education, September 2015) “A Comprehensive Review of State Adequacy Studies Since 2003.”

funded to meet required ratios. For example, if a school’s kindergarten enrollment of 52 students calls for three kindergarten teachers to maintain a 20:1 student-teacher ratio, states using a resource allocation model would provide funding for three teachers.

The **guaranteed tax base** model uses a formula to equalize the “tax paid on the base amount of property within the district,” meaning that the state provides more funding to districts with low property wealth than to ones with high property wealth.¹⁰ (Arkansas incorporates this approach with its State Foundation Funding Aid, which is discussed in more detail in a later section.)

States sometimes use a **hybrid** of the above. Montana, for instance, provides per-pupil funding that varies depending on the type and size of school the pupil is in, but it also assigns a single amount of *per-school* funding, also based on school type and size. As an example, for the 2024 school year, elementary schools with more than 800 students receive \$343,483 in “basic entitlement” funding while elementary schools with fewer than 800 students receive \$353,787. In addition to funding for at-risk, special education, and American Indian students, the state also supplies funding of \$3,566 for each FTE educator.¹²

Primary Funding Model ¹¹	# States
Student-based foundation	34
Resource-based	10
Guaranteed tax base	2
Hybrid	5

A newer approach to funding has been devised by Tennessee, which recently reformed its education funding system from a resource allocation model to a strategic student-based model that incorporates various funding mechanisms: a base per-pupil amount applied equally for all students; weighted amounts to address student and school challenges, such as poverty and special education needs or small-school inefficiencies; direct funding to pay for specific resources deemed vital by the state legislature; and outcomes funding to reward schools for student successes. The goal is to both incentivize and reward identified desired results while providing schools great flexibility in spending.¹³

Arkansas’s Funding for Education

Revenues for Funding Education in Arkansas

Funding for Arkansas’s education system begins with revenues collected at the state level. These include the following accounts:

The **Public School Fund Account (PSF)** is the primary account used to distribute state funds to school districts and charter schools. The primary sources of funding for the PSF are state general revenue, the Educational Excellence Trust Fund, and transfers from the Educational Adequacy Fund.

The **Educational Excellence Trust Fund (EETF)** is funded with an “off-the-top” deduction from gross general revenues, and the amount distributed to EETF is 14.14% of prior year sales and use tax collections. The EETF was created in 1991 to provide additional funding for teacher salaries and to support other programs of educational opportunity. The Public School Fund receives 67.16% of the total funding available to the EETF, and these funds are used by DESE to provide a portion of the State Foundation Funding Aid distributed to districts and are to be used for teacher salaries.

The **Educational Adequacy Fund (EAF)** was created to fund adequacy after the *Lake View* decision and derives its funding from a 7/8-cent sales tax increase, the expansion of sales taxes to some services, an increase in vending machine decal fees, an increased minimum corporate franchise tax and tax rate, and a portion of the six-cent per gallon dyed diesel tax. Arkansas Code Annotated § 19-5-1227(c)(1) provides that the EAF is to be used to provide

¹⁰ Ibid.

¹¹ ECS 50-State Comparison, K-12 and Special Education Funding, October 2021.

¹² House Bill 15 of the 68th Legislature of Montana, signed into law on March 2, 2023.

¹³ Video of Dec. 15, 2021, Tennessee Steering Committee for the Tennessee Investment in Student Achievement process, retrieved at https://www.youtube.com/watch?v=Yu_screGalS.

funds to the Department of Education PSF and the Department of Education Fund Account “to fulfill the financial obligation of the state to provide an adequate educational system as authorized by law.”

The **Department of Education Fund Account** is primarily used for the operations of DESE. The primary sources of this fund are state general revenue and transfers from the EAF and the EETF.

The **Educational Facilities Partnership Fund Account (EFPF)** is the account used to distribute funding to school districts for facility construction. Primary funding sources are state general revenue and unexpended balances of funds allocated in the Public School Fund for the Bonded Debt Assistance Program as required in Ark. Code Ann. § 6-20-2503(b)(3)(B). The EFPF Account has also received funding through one-time transfers from the General Improvement Fund and from state surplus funds deposited in various accounts.

The following table shows the state funding allocated to DESE for the last five years. This includes General Revenues, Special Revenues, and Trust Funding transferred to the DESE Public School Fund, ADE-DESE Fund Account, and Facilities Partnership Program.

Fiscal Year	Dept of Education Public School Fund Account (JAA)/1	General Education Fund – Depart. of Education Fund Account (EGA)/2	Educational Excellence Trust Fund (EETF)		EFPF & Dept of Public School Academic Facilities & Trans. Fund Account	Educational Adequacy Fund	Total All Selected Funds
			Dept of Education Fund Acct of the Public School Fund (JAA)/5	Dept of Education Fund Account (EGA)/5			
2019	2,139,916,945	15,677,561	222,454,322	1,089,836	61,355,437	467,249,996	2,907,744,097
2020	2,169,729,298	16,298,264	226,827,803	1,111,263	62,387,201	559,325,673	3,035,679,502
2021	2,178,778,730	16,346,413	234,068,325	1,146,735	63,059,675	623,996,221	3,117,396,099
2022	2,201,586,482	20,449,189	265,368,010	1,300,077	92,786,164	564,398,682	3,145,888,604
2023	2,270,169,875	20,496,441	290,299,988	1,422,222	93,833,096	567,680,454	3,243,902,076

Arkansas’s Education Funding Model

Arkansas’s funding structure for education for the 2023 school year dates back to the educational reforms put in place after the Supreme Court’s 2002 *Lake View* decision. After the Court found that the state’s education funding formula did not meet constitutional standards because it failed to fund public schools adequately and equitably, the 2003 General Assembly adopted a funding system largely based on three groups of funding mechanisms, as follows:

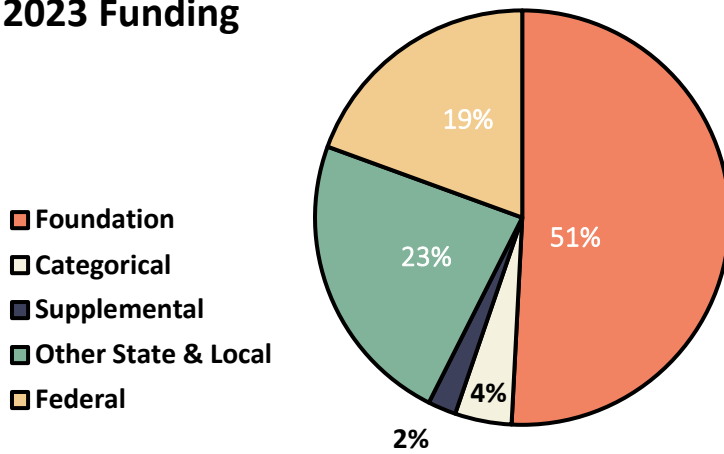
Per-Pupil Foundation Funding. This is the largest source of funds and has been determined each year by applying per-pupil dollar amounts to resources deemed necessary for an adequate education. These resources and their per-pupil amounts are combined in the “funding matrix,” which results in a single per-pupil foundation funding amount that is provided for each student enrolled in Arkansas’s school districts and charter school system.

Categorical funds. On top of the foundation funding amount, categorical funds were created to address specific student needs to help ensure an equitable education for all students. Another categorical funding stream provides for teacher professional development.

Supplemental funding streams. Several other relatively smaller, supplemental funding streams support adequacy and equity efforts as well. Some of these predate the 2003 education reforms; however, others have been added in the years since.

Local and federal dollars, along with a few other streams of state funds, combine with the state funding described previously to create the total funding available to Arkansas’s public schools.

2023 Funding



Note: Compiled from data reported in the 2023 Annual Statistical Review and the 2023 District and Charter State Aid Data Files; included funding for professional development contracts.

Altogether, during the 2023 school year (the most recent for which all data was available), just over \$6.9 billion was distributed to Arkansas school districts and charter systems, with federal money accounting for about 19% of the total. The percentage of federal funds was higher in 2023 than in most earlier years because of the continued federal response to the COVID-19 pandemic and is expected to decrease in future years. Prior to the pandemic, federal dollars accounted for about 10% of total funding for Arkansas’s public schools.

Foundation Funding from the “Matrix”

As stated earlier, Arkansas’s primary funding stream for education is foundation funding, which is derived from a funding matrix. The matrix, first created in 2003, includes all of the resources the General Assembly deems necessary for the delivery of an adequate education. The resources listed in the matrix have remained largely unchanged since then, though the funding amounts for each have increased most – but not all – years. Arkansas’s matrix is based on a theoretical *school district* of 500 students in a single K-12 school.

The per-pupil foundation funding amount in 2023 was \$7,413. School districts and charter systems received that amount for each student enrolled, with enrollment for school districts and existing charter schools based on the average daily membership (ADM) for the first three quarters of the prior school year.¹⁴ For new charter schools or those that added grade levels, campuses, and/or expanded enrollment caps, foundation funding was based on current year ADM.¹⁵

2023 Matrix Items & Per Pupil Amounts			
School-Level Staffing	Classroom Teachers	\$3,044	
	PE, Art, and Music (PAM) Teachers	\$606	
	Special Education Teachers	\$424	
	Instructional Facilitators	\$366	
	Librarian/Media Specialist	\$124	
	Counselor, Nurse, and Other Pupil Support	\$366	
	Principal	\$211	
	Secretary	\$89	
	School-Level Resources	Technology	\$250
		Instructional Materials	\$197
Extra Duty Funds		\$70	
Supervisory Aides		\$56	
Substitutes		\$75	
District-Level Resources	Operations & Maintenance	\$748	
	Central Office	\$464	
	Transportation	\$321	

¹⁴ According to the ECS 50-States Comparison, October 2021, 23 states use average membership for student counts; 12 use single point-in-time counts of students, nine use multiple counts; six use attendance averages, and one (Alaska) uses the enrollment period.

¹⁵ DESE Rules Governing Public Charter Schools, Effective Date May 2, 2022.

Arkansas distributed \$3.5 billion in foundation funding during the 2023 school year, composed of state and local sources.

The local source of foundation funding comes from the first 25 mills of the millage money school districts receive from local property taxes. The Arkansas Constitution sets the **uniform rate of tax (URT)** of 25 mills for all school districts.¹⁶ Charter school systems, on the other hand, do not have a tax base, so they make no contribution to foundation funding through URT.

Overall, URT accounted for 41% of school districts’ foundation funding in 2023. That percentage contribution can change from year to year as the total per-pupil foundation funding amount, enrollment, and property tax collections fluctuate. Likewise, URT, however, is not as uniform as it sounds because the value of a mill varies greatly among school districts and the number of students the 25 mills cover in each district also varies.

The range of results for the 2023 school year shows the disparity: At one end was Poyen School District, which raised \$745 per student through URT, while the Mineral Springs School District raised \$13,173 per student – almost \$6,000 more than the \$7,413 per student amount set forth in the matrix. Five other school districts also raised more from URT that was needed to provide full foundation funding for each of their students in 2023.

To make up the difference in what most local districts and charter school systems are able to raise through URT each school year, Arkansas contributes the largest portion of foundation funding through the aptly named **State Foundation Funding Aid**. For the 2023 school year, this state aid made up about 58% of foundation funding overall for districts and 100% for charter school systems.

In addition, during 2023 school districts received about 1.6% of their foundation funds each from **miscellaneous funds** (federal revenue from forest land, grazing rights, etc.) and from the state supplied **“98% adjustment”** to ensure that 98% of a local district’s property taxes were met when tax collections fell short of that.

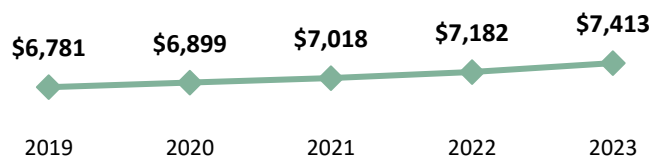
The four components of foundation funding and their breakdowns are shown in the following table:

Foundation Funding Component	District Total	% of Total	Charter Total	% of Total
Uniform Rate of Tax (URT)	\$1,354,167,110	41%	\$0	0%
State Foundation Funding Aid	\$1,915,220,873	58%	\$184,392,872	100%
98% Adjustment	\$36,651,371	1%	\$0	0%
Miscellaneous	\$18,185,318	<1%	\$0	0%
Total	\$3,324,224,672	100%	\$184,392,872	100%

Note: Amounts include overage URT of \$7.9 million raised by six school districts (Armored, Eureka Springs, Fountain Lake, Mineral Springs, and West Side – Cleburne) that raised more than the foundation funding amount of \$7,413 per student for the 2023 school year.

Per-pupil funding amounts derived by the matrix have increased each of the past five years; however, the increases have not kept up with inflation when adjusted to constant dollars. **For example, the \$6,781 in 2019 would be the equivalent of \$8,046.35 in 2023, almost \$600 more than what was provided in 2023.**

Per Pupil Foundation Funding, 5-Year Trend



The matrix is a *funding tool* that, although it has been used to determine foundation funding for each school year, is not set in statute. Furthermore, while the matrix item amounts may express legislative intent for spending, the

¹⁶Ark. Const. art. 14, sec. 3(b)(1) (establishing "a uniform rate of ad valorem property tax of twenty-five (25) mills to be levied on the assessed value of all taxable real, personal, and utility property in the state to be used solely for maintenance and operation of the schools").

foundation funding that is sent to school districts is considered “unrestricted funding” and may be spent as each school district and charter school system chooses.



Survey Says: 69% of superintendents reported that the matrix moderately or extensively guided their spending decisions for the 2023 school year, while 71% percent said the matrix moderately or extensively guided staffing decisions that year.¹⁷

Categorical Funding

In addition to foundation funding, Arkansas public school districts and public charter school systems often receive categorical funding. Three of the four streams of categorical funding address specific groups of students who may face learning barriers that require more educational resources to ensure equity. The fourth provides funds for teachers’ professional development. The categorical funds and their 2023 funding amounts were as follows:

Alternative Learning Environment (ALE) funding provided \$4,890 per FTE ALE student. ALE students face one or more identified barriers to learning and do not perform well in the regular classroom environment.

English Learner (EL) funding provided \$366 per student who qualified for English learner status through a language proficiency test.

Enhanced Student Achievement (ESA) funding provided three different levels of funding for students qualifying for the federal free and reduced-price lunch (FRL) program: \$538 per FRL student in districts with 70% or fewer FRL students; \$1,076 per FRL student in districts with between 70% and 90% FRL students; and \$1,613 per FRL student in districts with more than 90% FRL students. ESA funds are provided to address learning barriers frequently associated with poverty.

Professional Development (PD) funding provided up to \$41 per student to be used for teachers’ professional development throughout the year.

Categorical funding is considered restricted because it may be spent only on the intended uses (defined in statute and/or rule). The funds may also be transferred to other categorical funds. For instance, it is common for districts to transfer some of their ESA funding to their EL or ALE funds.

Many other states supply categorical or weighted funding (so-called because it is a weighted amount of state’s base funding) for students who may need more resources to overcome learning barriers. In addition to the categories identified in Arkansas (unchanged since 2003), some states provide additional funding for special education students, homeless and foster care students, and migrant students.¹⁸

Supplemental Funding

Other state funding streams have been created over the years to help balance school districts’ abilities to meet adequacy requirements. For instance, the decades-old funding streams to help geographically isolated and/or small schools and districts, as well as districts with fluctuating enrollment trends, are known as isolated funding, declining enrollment funding, and student growth funding – all of which use formulas dependent upon the foundation funding amount. In recent years, additional funding streams have been added to help address specific adequacy-related expenses. These are noted with their 2023 funding amounts in the following table:

¹⁷ See Superintendent’s Survey Responses, question 3.

¹⁸ ECS “50-State Comparison: K-12 and Special Education Funding,” October 2021, retrieved at <https://reports.ecs.org/comparisons/k-12-and-special-education-funding-06>.

SUPPLEMENTAL FUND	PURPOSE	2023 AMOUNT
Enhanced Transportation	To help school districts and charter school systems cover transportation costs above what foundation funding provides	\$7,200,000
Special Education High-Cost Occurrences	To help with high costs often associated with special education students with more severe diagnoses	\$13,998,150
Enhanced Student Achievement Grants	For schools that use specific research-based practices to help student qualifying for FRL to excel academically	\$5,300,000
Teacher Salary Equalization Funds	To help districts and charter systems with teacher salaries below a target average salary amount to exceed that average amount in teacher pay	\$60,000,000
Additional PD	To support Professional Learning Communities in selected schools	\$16,500,000

Foundation, categorical, and supplemental funding streams will be discussed in much more detail in the upcoming Resource Allocation section.

4. Resource Allocation

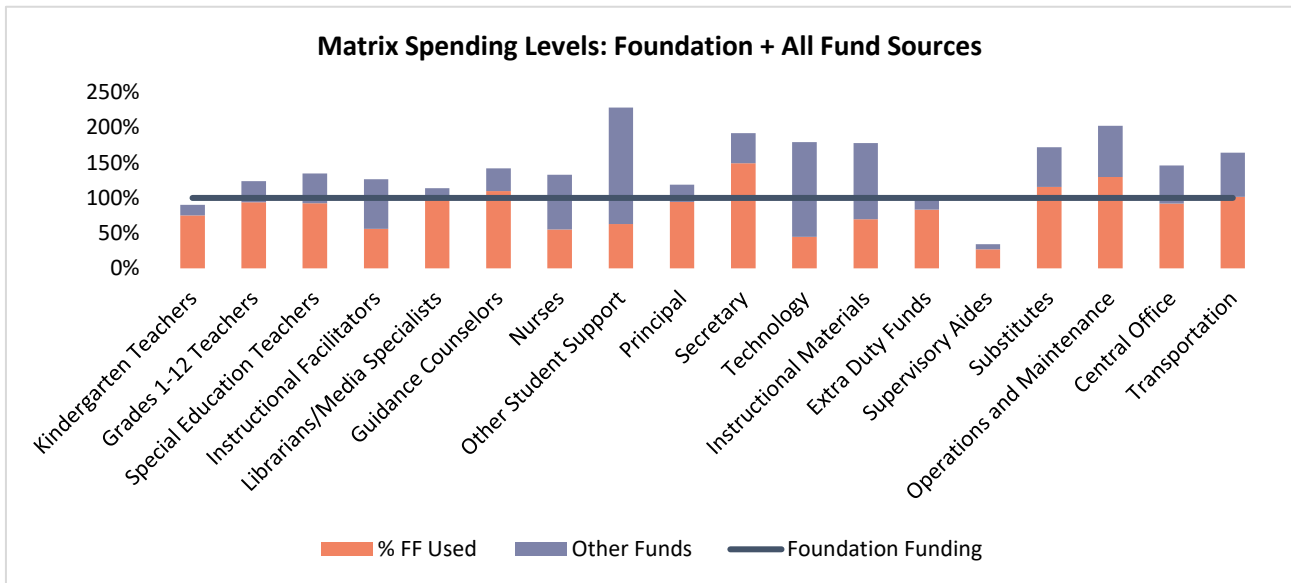
Introduction

Ark. Code Ann. §10-3-2102 calls for the House and Senate Education Committees to biennially “[r]eview and continue to evaluate the costs of an 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” as well as to “[r]eview 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”

The review of funding and spending in Arkansas’s education system is accomplished in this Resource Allocation section, which will provide an overview of foundation funding and spending levels and examine funding and spending for each item in the matrix as well as for categorical and supplemental funds. Items not in the matrix that are being purchased with foundation funds and/or have been identified as important to improving student achievement are explored as well.

Matrix Items

When looking at what is spent on all matrix items, which are those resources determined by the legislature as being necessary for an “adequate” education, spending of foundation dollars was below the level set in the matrix for eleven items during the 2023 school year: kindergarten teachers, grades 1-12 teachers, special education teachers, instructional facilitators, nurses, other pupil support, technology, instructional materials, extra duty funds, supervisory aides, and central office. However, when spending on these items from all fund sources is considered, spending surpassed the foundation funding level on all but kindergarten teachers and supervisory aides. Meanwhile, foundation fund expenditures amounted to more than the foundation funding level for five items: guidance counselors, secretaries, substitutes, operations and maintenance, and transportation.



Classroom Teachers

In Arkansas, core classroom teachers are funded according to the number required to meet the average class sizes established in the DESE Rules Governing Class Size and Teaching Load.¹⁹ These are different for kindergarten teachers, teachers in grades 1-3, and teachers in grades 4-12. Non-core teachers, also referred to as “specialist teachers,” are funded based on 20% of the total core teachers. In all, 24.94 core and non-core classroom teachers are included in the matrix for every 500 students. School districts and open-enrollment public charter schools may apply for and receive waivers from state rules regarding both class size and minimum teacher salaries; receiving such waivers did not affect funding levels in 2023. Classroom teachers constituted \$3,651 of the per-pupil foundation funding amount, just under half of the total foundation per-pupil amount.

Kindergarten Teachers

Funding

In 2023, funding for kindergarten teachers accounted for 3.9% of foundation dollars. DESE Rules called for an average kindergarten class size of 20.

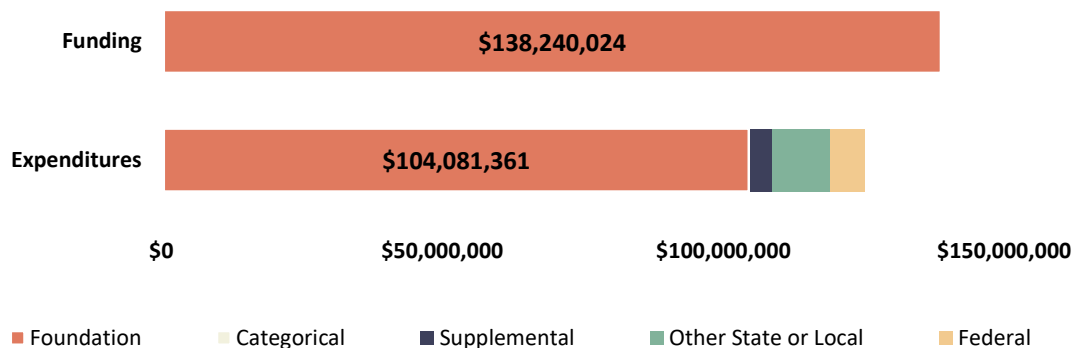
2023 / 2024 / 2025 Per Pupil	2023 Total
\$293 / \$298 / \$304	\$138,240,024

However, kindergarten classes were allowed to reach a total of 22 students if a half-time instructional aide was present. The matrix funded two core kindergarten teachers for the prototypical K-12 school of 500 students. While the matrix funded the number of teachers needed to meet class size rules, this happened only if a school hit the mark exactly. For example, if a school had more than 45 kindergarten students, three teachers would be needed to meet class size rules.

Spending

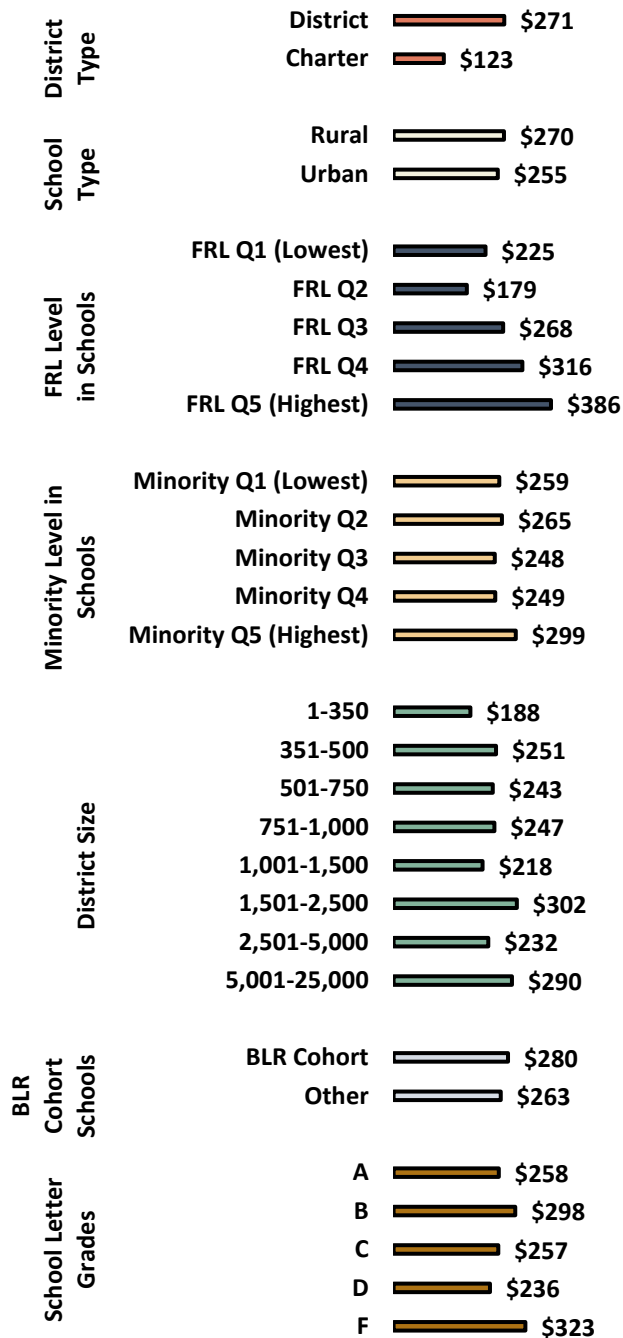
In 2023, public schools in Arkansas spent a little over \$124 million on kindergarten teachers from all fund sources, almost \$14 million less than they received in foundation funding.

Kindergarten Teachers: Funding vs. Spending

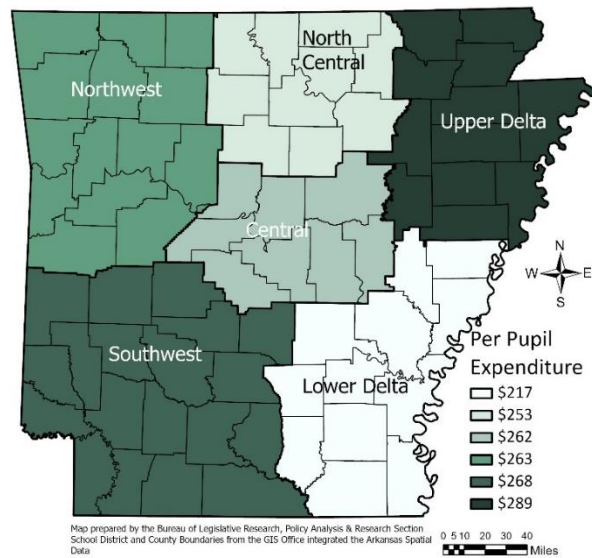


¹⁹ [DESE Rules Governing Class Size and Teaching Load](#)

Per-Pupil Spending by School Type: Kindergarten Teachers



When looking at spending on kindergarten teachers among different types of schools in Arkansas, schools in districts, on average, spent more than double per pupil than charter schools spent. For the most part, spending increased with FRL levels, and BLR Cohort Schools spent more, on average, than Others. Few patterns emerged when looking at minority level, district size, and school letter grade categories. Schools in the Upper Delta region spent the most per pupil for kindergarten teachers. Schools in the Lower Delta region spent the least per pupil.



Grades 1-3 Teachers

Funding

In 2023, funding for teachers in grades 1-3 accounted for 9.9% of foundation dollars. DESE Rules called for an average class size of 23 with no more than 25 students per teacher. The matrix assumed a total of 115 students in grades 1-3, which equated to 38.33 students per grade, and funded a total of five core teachers for grades 1-3 for the prototypical K-12 school of 500 students. Based on the assumed number of students per grade, two classes in each grade were required to meet class size rules, which could have resulted in a need for six core teachers.

2023 / 2024 / 2025 Per Pupil	2023 Total
\$732 / \$745 / \$760	\$345,642,875

Grades 4-12 Teachers

Funding

In 2023, funding for teachers in grades 4-12 accounted for 27.2% of foundation dollars. For grades 4-6, DESE Rules called for an average class size of 25 with no more than 28 students per teacher. With the exception of classes that lent themselves to large group instruction, the Rules stipulated that individual classes not exceed 30 students in grades 7-12; however, an average class size was not specified. The matrix funded 13.8 core teachers for grades 4-12 for the prototypical K-12 school of 500 students, which was up to 4.2 teachers short of the number needed to meet classroom size rules.

2023 / 2024 / 2025 Per Pupil	2023 Total
\$2,020 / \$2,055 / \$2,098	\$953,823,235

Physical Education, Art, and Music (“PAM”) Teachers

Funding

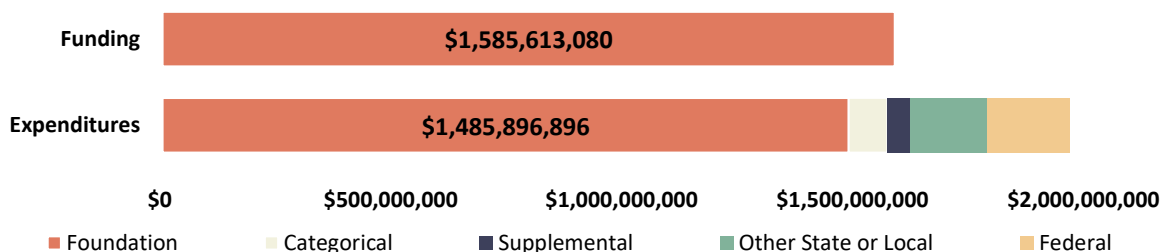
In 2023, funding for PAM teachers accounted for 8.2% of foundation dollars. The matrix funded 4.14 specialist teachers, which was a little less than the stated 20% of the total number of core teachers funded in the matrix. These teachers not only taught non-core academic subjects such as art, music, and physical education, they helped to provide teachers of core academic subjects time for professional development, planning, and preparation. According to DESE Rules, courses that lent themselves to large group instruction - as many PAM courses do - could exceed 30 students in grades 7-12.

2023 / 2024 / 2025 Per Pupil	2023 Total
\$606 / \$617 / \$629	\$286,146,970

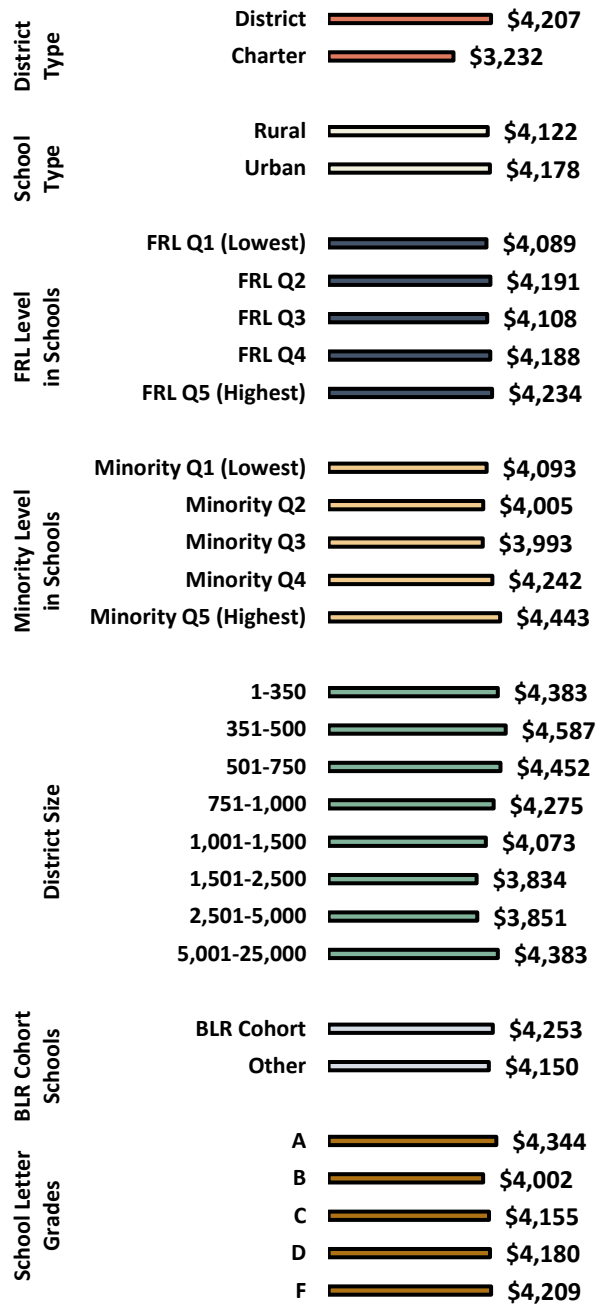
Spending

While foundation funding was assigned by grade span in the 2023 matrix, spending totals could not be reported the same way because expenditures were not coded in the Arkansas Public School Computer Network (ASPCN) system at individual grade levels above kindergarten. In 2023, public schools in Arkansas spent close to \$2 billion on grade 1-12 classroom teachers from all fund sources, \$380 million more than they received in foundation funding. Public schools were able to use a variety of funds to pay their grade 1-12 teachers’ salaries and benefits, as is illustrated in the following graph. Almost \$500 million came from other fund sources, including Teacher Salary Equalization funds, which will be discussed in detail later in this section.

Grades 1-12 Teachers: Funding vs. Spending

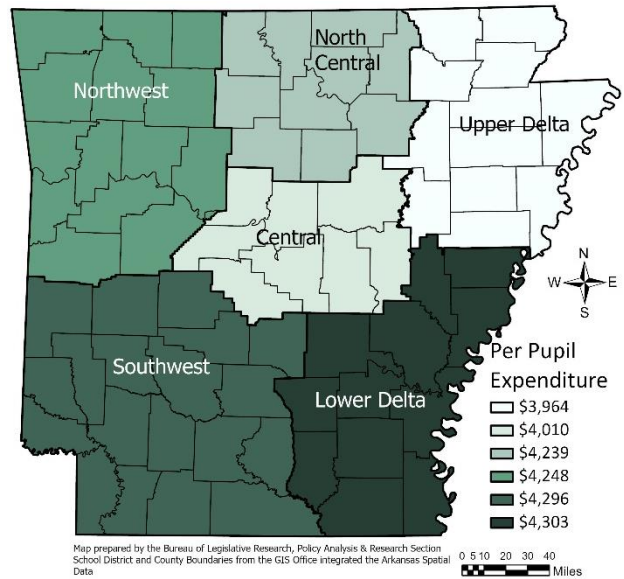


Per-Pupil Spending by School Type: Grades 1-12 Teachers



When comparing per-pupil spending levels by category, few patterns emerged. Schools in districts spent more, on average, than charter schools spent, and BLR Cohort Schools spent more on average than Other schools.

The following map shows that, on average, schools in the Lower Delta region spent the most per pupil for grades 1-12 teachers. Schools in the Upper Delta region, on average, spent the least per pupil.



Research and Best Practices

According to the 2020 Arkansas School Finance Study²⁰ conducted by Augenblick, Palaich and Associates (APA), literature review findings recommend lower student-to-teacher ratios for K-3 grades than what is currently funded through Arkansas’s funding 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 was an issue. This feedback was consistent with the information shared by respondents on both the 2023 and 2021 stakeholder surveys conducted by the BLR.

²⁰ [Arkansas School Finance Study](#) (APA, 2020)

In 2003, 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 recommendations made by the state’s consultants, Odden and Picus.

The accompanying table shows the difference between Arkansas policy in 2023 and the most current evidence-based model recommendations for student-to-teacher ratios.

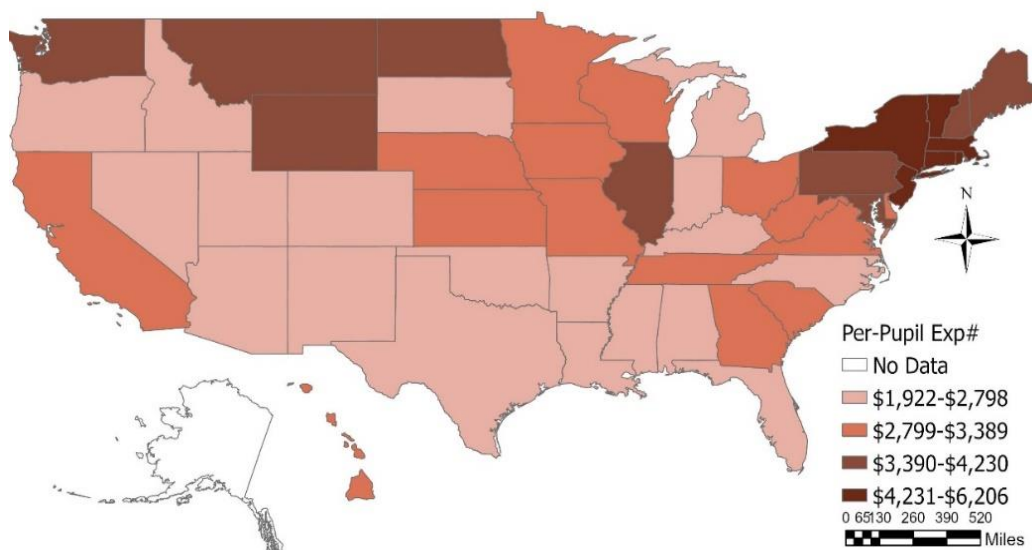
2023 Matrix	2023 Matrix Teacher-Student Ratio	Evidence-Based Model*
Kindergarten	1:20	1:15
Grades 1-3	1:23	1:15
Grades 4-12	1:25	1:25

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

The latest Odden and Picus evidence-based model²¹ provided for a total core and elective teaching staff of 31.2 and 21.6 for the prototypical 450-student elementary and middle school, respectively, and 32 for the prototypical 600-student high school. The evidence-based model’s core teaching staff recommendations were based on the number of teachers needed to meet effective class sizes. The intent was to provide core teaching positions for actual class sizes of 15 in grades K-3 and 25 in higher grades. All other instructional staff were resourced above that level. In addition to core classroom teachers, elective or specialist (non-core) teacher staffing recommendations were provided in the evidence-based model using a percentage of total core teachers.

The NCES provides expenditure data for instructional salaries by state. For 2020, the most recently available year, spending for grades K-12 regular program instructional salaries, based on total student population (adjusted for cost of living), ranged from \$6,206 per pupil in New York to \$1,922 per pupil in Utah. Arkansas’s average per-pupil spending amount for grades K-12 regular program instructional salaries was \$2,519, and the national average was \$3,319.²²

Grades K-12 Instructional Salaries Per-Student Spending – All Students (Adjusted for Cost of Living)



²¹ Odden, Allan, & Picus, Lawrence O. (2019). *School finance: A policy perspective.* 6th ed. New York: McGraw-Hill

²² NCES, Elementary/Secondary Information System, <https://nces.ed.gov/ccd/elsi/>

Arkansas Educators' Input



Survey Says: 69% of superintendents reported that their districts were in moderate or extreme need of more funding for classroom teachers.²³

Special Education Teachers

Funding

In 2023, funding for special education teachers accounted for 5.7% of foundation dollars. DESE Rules²⁴ set maximum teacher-to-student caseloads ranging from 1:6 to 1:45, depending on the type of classroom or services (e.g. regular classroom, resource services, or special class services) and other staff assistance (e.g. paraprofessional, speech/language pathologist, or co-teacher). Districts and charter school systems could not apply for waivers from laws and rules regulating special education programs;²⁵ however, teacher salary waivers would apply to these personnel. The matrix funded 2.9 special education teachers for the prototypical K-12 district of 500 students, meaning that the state funded special education based on each district's or charter's total number of students, rather than on the total number of students with disabilities.

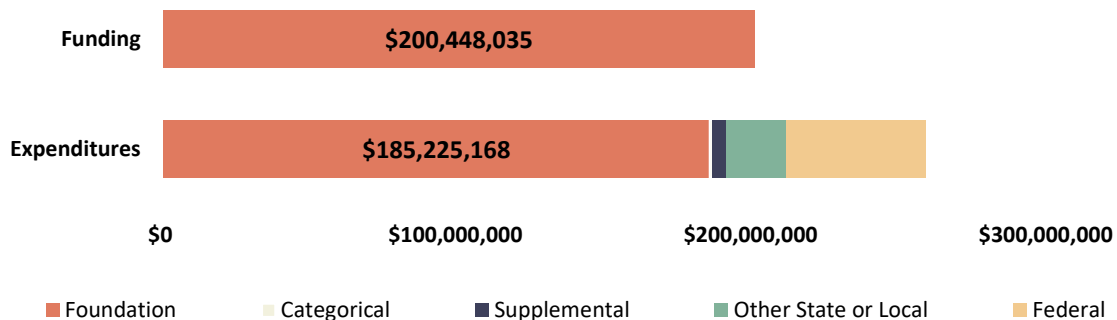
2023 / 2024 / 2025 Per Pupil	2023 Total
\$424 / \$432 / \$441	\$200,448,035

In 2023, 70,023 students with disabilities attended public schools in Arkansas. Since 2017, this number generally increased between 2.6% and 3.9%²⁶ annually while the number of special education teachers funded in the matrix remained at 2.9 FTEs per 500 students. In 2023, districts paid for 3.29 special education teacher FTEs per 500 students from foundation funding and for 4.02 special education teacher FTEs per 500 students from all fund sources.

Spending

In 2023, public schools in Arkansas spent a little over \$270 million on special education teachers from all fund sources, close to \$70 million more than they received in foundation funding. When considering all special education expenditures, including services like speech pathology, physical and occupational therapy, transportation, and other instructional programs, total special education expenditures equaled \$571 million. Just over half of those expenditures paid for resource room and self-contained class expenses.

Special Education Teachers: Funding vs. Spending



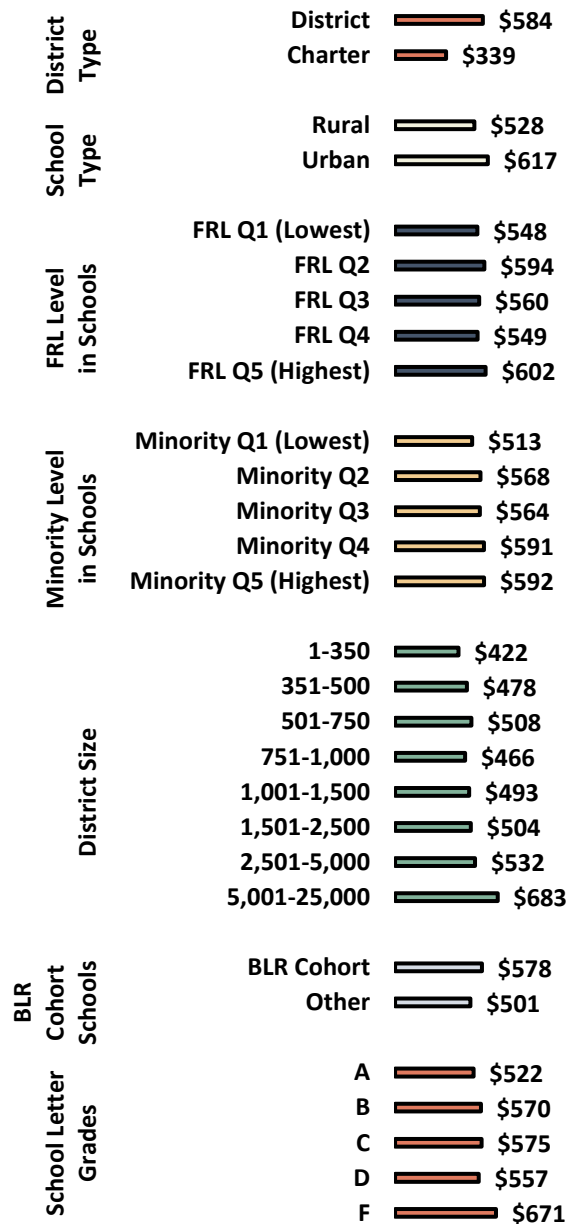
²³ See Superintendents Survey Responses, question 4.

²⁴Arkansas Department of Education (ADE). Special Education and Related Services – 17.00 Program Standards. (July 2008). https://dese.ade.arkansas.gov/Files/20210105162326_17%2000%20PROGRAM%20STANDARDS.pdf

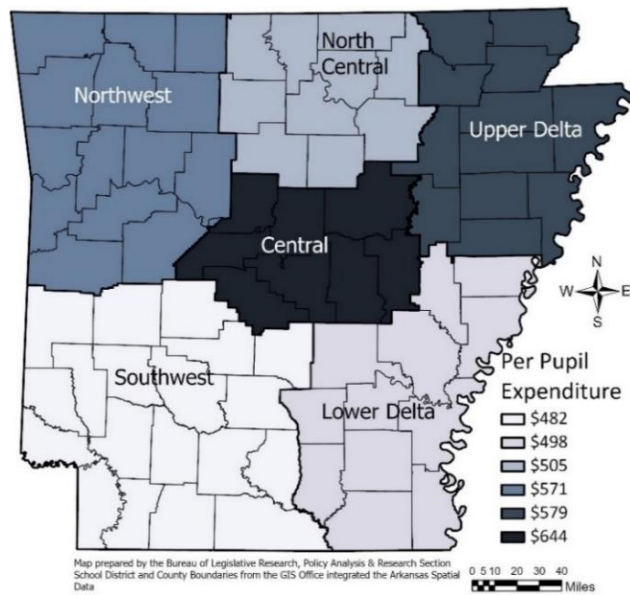
²⁵ DESE Education Rules Governing Act 1240 Waivers, Rule 3.05.4 (May 2022).

²⁶ This excludes 2021 in which the number of students with disabilities increase 0.4%, likely due to COVID-19.

Per-Pupil Spending by School Type: Special Education Teachers



When looking at average per-pupil spending for special education, schools in districts spent on average close to two times more per pupil than charter schools spent. Urban schools on average spent more per pupil than rural schools, and per-pupil spending generally increased with higher levels of FRL and minority students. Average per-pupil spending was also higher among BLR Cohort Schools and highest among the largest districts and “F” schools. Schools in the Central region of the state spent the most per pupil for special education teachers at \$644. Schools in the Southwest region spent the least per pupil at \$482.



Research and Best Practices

States receive some federal funds to provide special education services but are primarily responsible for funding these services in their respective states. A 2019 report for the National Education Policy Center noted that no single funding mechanism for special education was best as each state must take into consideration its unique needs.²⁷

²⁷ Funding Special Education: Charting a Path That Confronts Complexity and Crafts Coherence. (June 2019). National Education Policy Center.

The 2019 Odden and Picus²⁸ evidence-based model special education recommendations proposed a census approach, which would provide additional teacher resources at a fixed level. This was 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). Odden and Picus' special education staffing recommendation included 8.1 positions for every 1,000 students (4.05 for every 500).

In its 2020 report to the House and Senate Education Committees, APA²⁹ recommended removing special education from Arkansas's funding matrix and instead providing support based on actual special education students served, using either a single weight or multiple weights based on student need.

States use a variety of funding mechanisms for special education, as noted by the ECS. Often, Arkansas is considered to fund special education for high-cost students only. This is likely due to the fact that most state funding for special education comes through foundation funds and is not restricted to special education only. Meanwhile, APA considers Arkansas's funding of special education teachers a census-based funding model because it presumes that districts have similar percentages of students in special education and that those students have similar levels of special education needs.

The NCES³⁰ provides expenditure data for special education salaries by state. For 2020, the most recently available year, special education instruction spending based on total student population (adjusted for cost of living³¹) ranged from \$299 per student in Oregon to \$2,061 per student in Delaware. Arkansas was roughly in the middle at \$474. For special education instruction spending based strictly on the special education population³², per-pupil special education spending (adjusted for cost of living) ranged from \$2,292, again in Oregon, to \$12,767 in Delaware. Arkansas was again roughly in the middle at \$3,537.

Arkansas Educators' Input



Survey Says: 72% of superintendents reported that their districts were in moderate or extreme need of more funding for special education teachers.³³

2023 / 2024 / 2025 Per Pupil	2023 Total
\$366 / \$372 / \$380	\$172,800,031

²⁸ Odden, Allan, & Picus, Lawrence O. (2019). *School finance: A policy perspective.* 6th ed. New York: McGraw-Hill

²⁹ [Arkansas School Finance Study](#) (APA, 2020)

³⁰ Note: Only uses special education instruction expenditures. It does not include any salary benefits.

U.S. Department of Education, NCES, Common Core of Data (CCD), "National Public Education Financial Survey (State Fiscal)", 2019-20 (FY 2020) v.2a; "State Nonfiscal Public Elementary/Secondary Education Survey", 2019-20 v.1a, 2021-22 v.1a

³¹ Missouri Economic Research and Information Center. <https://meric.mo.gov/>

³² Special education enrollment comes from the U.S. Department of Education, Office of Special Education Programs: <https://www2.ed.gov/programs/osepidea/618-data/state-level-data-files/index.html#bcc>

³³ See Superintendents Survey Responses, question 4.

Instructional Facilitators

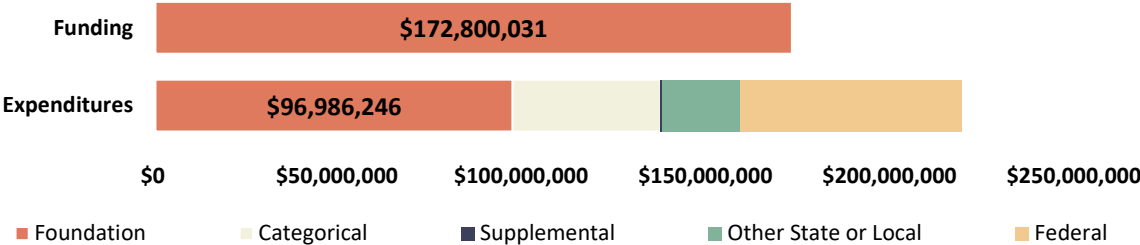
Funding

In 2023, funding for instructional facilitators accounted for 4.9% of foundation dollars. The matrix funded 2.5 instructional facilitators for every 500 students; however, the 2.5 positions were also used to pay for a half-time assistant principal and a half-time technology assistant, if schools so chose. Instructional facilitators are not required; however, schools with more than 500 students are required to have a half-time “assistant principal, instructional supervisor, or curriculum specialist” in addition to a principal (Standard 4-C.1). Waivers for these personnel may be applied for, although there is no effect on funding.

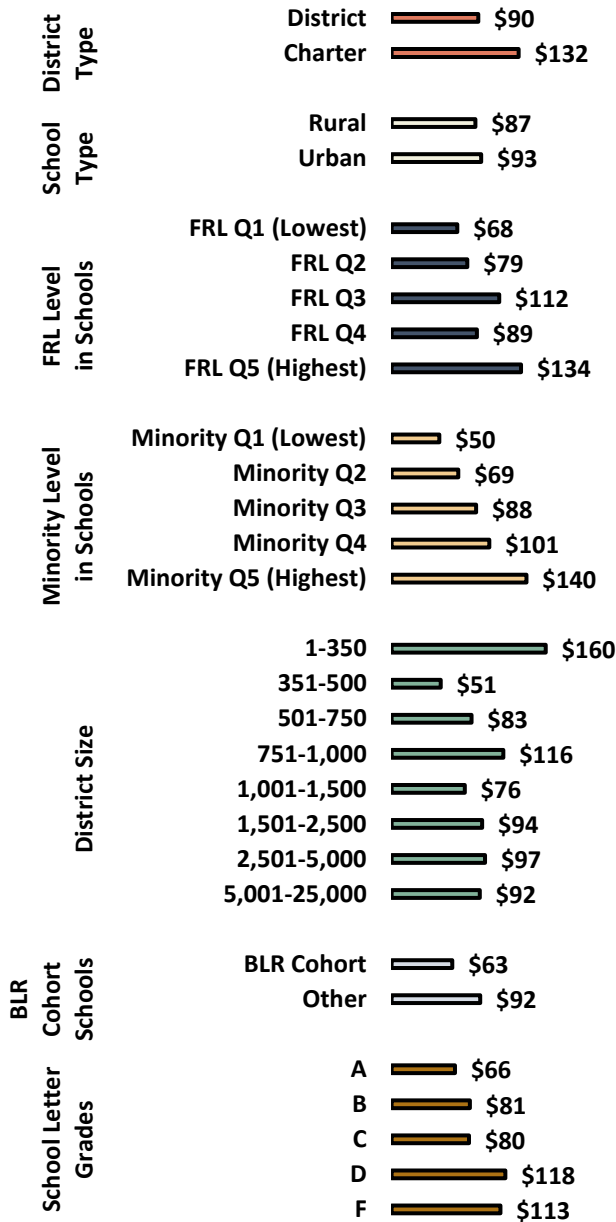
Spending

In 2023, public schools in Arkansas spent nearly \$219 million on instructional facilitators from all fund sources, over \$46 million more than they received in foundation funding.

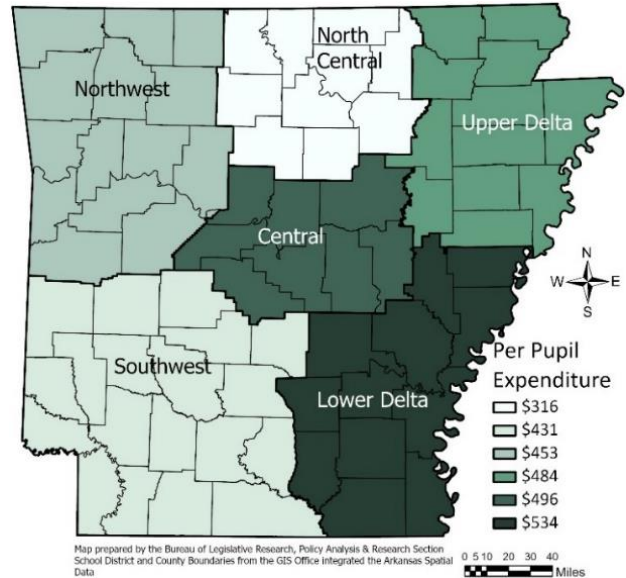
Instructional Facilitators: Funding vs. Spending



Per-Pupil Funding by School Type: Instructional Facilitators



When comparing per-student spending by school type for instructional facilitators, spending was higher in charter schools, urban schools, high minority schools and D and F schools. Schools in the Lower Delta region spent the most, on average.



Research and Best Practices

Literature indicates instructional facilitators, also referred to as instructional coaches or curriculum specialists, are critical to making professional development effective. Research cited by Odden and Picus³⁴ showed nearly all improving schools provided resources to fund instructional coaches to design the instructional program, to work with school-based data teams and to provide the ongoing coaching and mentoring necessary for teachers to improve their practice at scale. The evidence-based model recommended a staffing formula for such positions of one instructional coach for every 200 students.

Arkansas Educators' Input



Survey Says: 57% of superintendents reported that their districts were in moderate or extreme need of more funding for instructional facilitators.³⁵

³⁴ Odden, Allan, & Picus, Lawrence O. (2019). "School finance: A policy perspective." 6th ed. New York: McGraw-Hill

³⁵ See Superintendents Survey Responses, question 4.

Librarians/Media Specialists

Funding

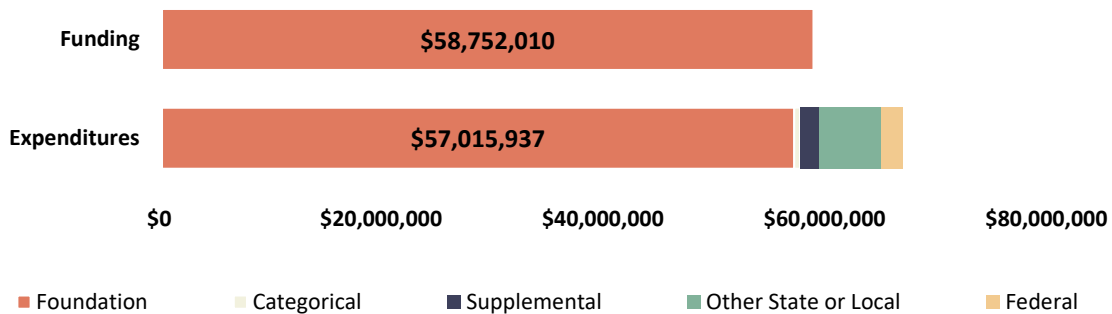
In 2023, funding for librarians/media specialists accounted for 1.7% of foundation dollars. The matrix funded 0.85³⁶ librarian/media specialists for the prototypical K-12 school of 500 students. The state’s Standards for Accreditation³⁷ call for public schools with fewer than 300 students to employ at least one half-time library media specialist, while schools with 300 or more students must employ at least one full-time library media specialist. Schools with 1,500 or more students are required to employ at least two full-time library media specialists. Waivers are granted from this accreditation standard with no adjustment to funding.

2023 / 2024 / 2025 Per Pupil	2023 Total
\$124 / \$127 / \$129	\$58,752,010

Spending

In 2023, public schools in Arkansas spent close to \$67 million on librarians/media specialists, a little over \$8 million more than they received in foundation funding. Schools used close to \$10 million from other fund sources, the majority of which came from the other state and local funding stream.

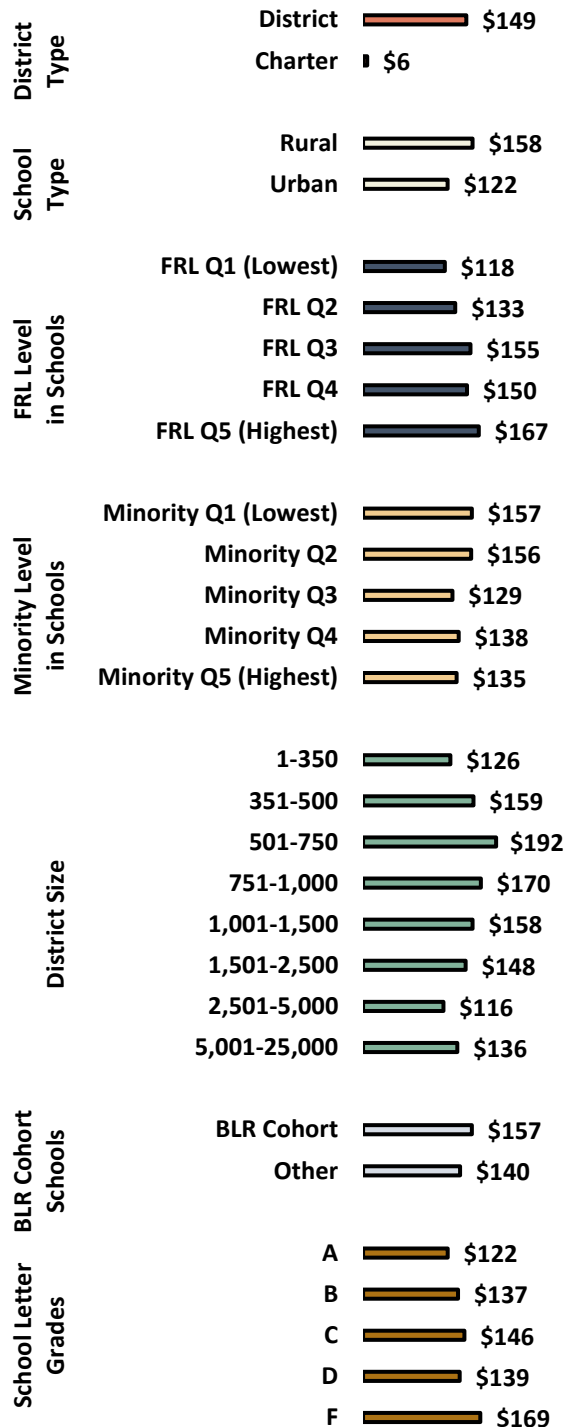
Librarian/Media Specialists: Funding vs. Spending



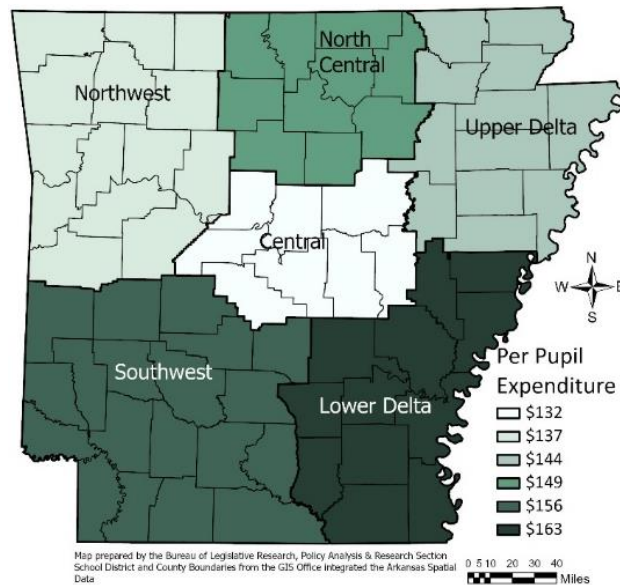
³⁶ This calculation was originally based on the actual number of FTE library media specialists required in the state for 2005-2006, not on a 500-student prototypical school.

³⁷ [Arkansas Division of Elementary and Secondary Education Rules Governing Standards for Accreditation of Arkansas Public Schools, Effective Date: July 1, 2020](#)

Per-Pupil Spending by School Type: Librarians/Media Specialists



Schools in districts, on average, spent significantly more than charter schools, which may be due to the number of waivers that charter schools receive. Rural schools spent more per pupil on librarians/media specialists, and spending increased with FRL levels. BLR Cohort Schools spent more than Others. The map shows that schools in the Lower Delta region spent, on average, the most per pupil on librarians/media specialists.



Research and Best Practices

In 2012, Colorado conducted a study using data from 2005-2011 that showed that students with access to licensed librarians working full time performed better on state reading assessments.³⁸ The Odden and Picus evidence-based model provides for 1.0 library/media FTE position for each prototypical school, which is based on best practices. The findings from data collected by the NCES through the survey of school libraries conducted in 2011-2012 showed that the evidence-based model recommendation was appropriate.³⁹

APA in 2020 reported that the funding in the matrix is below recommendations found in other state adequacy studies. Furthermore, APA reported that stakeholders indicated funding is below what is required for a school of 500 students per the state's accreditation standards.

³⁸ Lance, K. C., & Hofschire, L. (2012, January). Change in school librarian staffing linked with change in CSAP reading performance, 2005 to 2011 [Closer Look]. Retrieved from Library Research Service website: http://www.lrs.org/documents/closer_look/CO4_2012_Closer_Look_Report.pdf

³⁹ Odden, Allan, & Picus, Lawrence O. (2019). *School finance: A policy perspective*, 6th ed. New York: McGraw-Hill

Arkansas Educators' Input



Survey Says: 43% of superintendents reported that their districts were in moderate or extreme need of more funding for librarians/media specialists.⁴⁰

Guidance Counselors

Funding

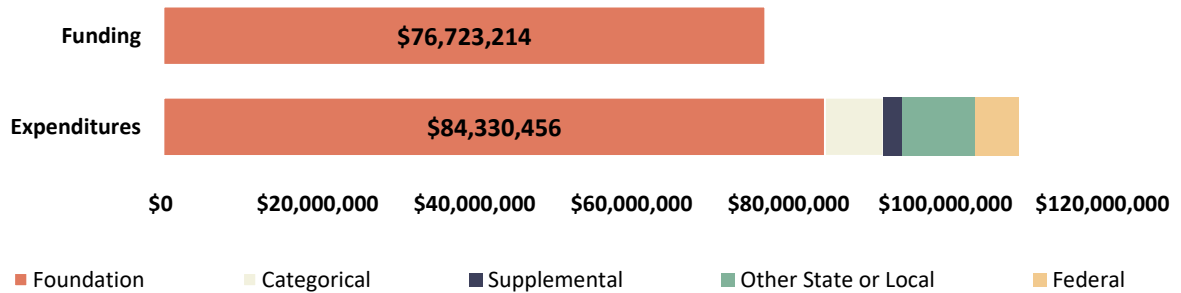
In 2023, funding for guidance counselors accounted for 2.2% of foundation dollars. The matrix funded 1.11 guidance counselors for every 500 students. The state's Standards for Accreditation require districts to have at least one counselor for every 450 students, or approximately 1.1 FTEs per 500 students (Standard 4-E.2). Districts are eligible to receive waivers from this accreditation standard; funding is not adjusted when these waivers are granted.

2023 / 2024 / 2025 Per Pupil	2023 Total
\$162 / \$165 / \$169	\$76,723,214

Spending

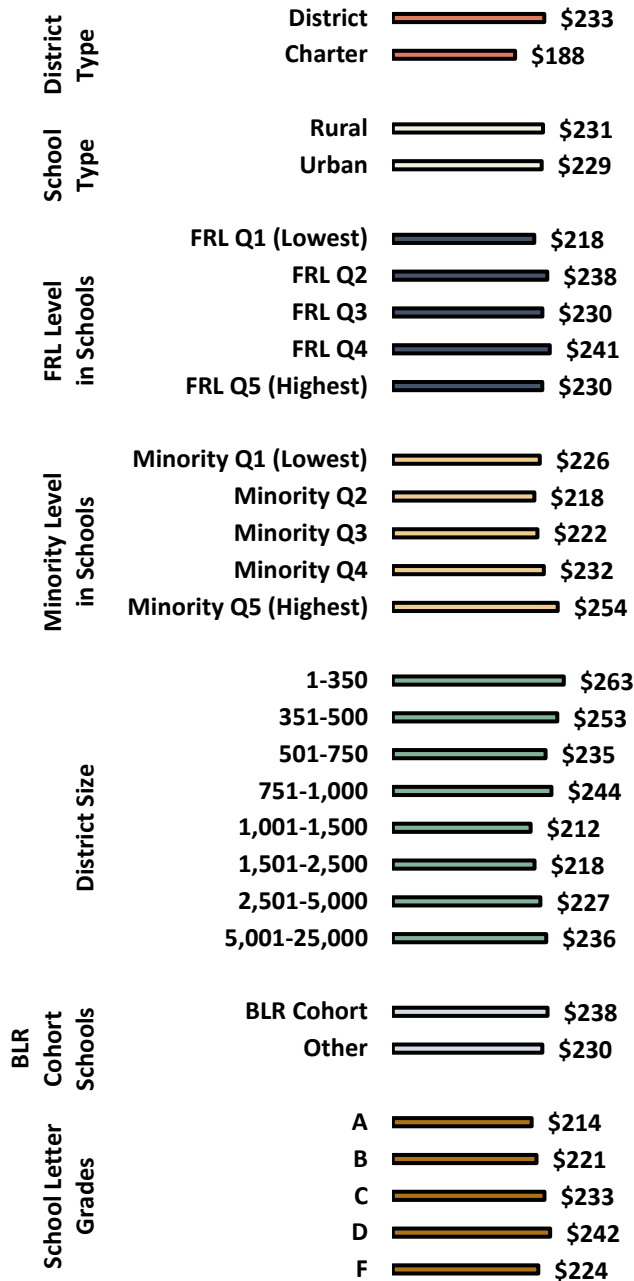
In 2023, public schools in Arkansas spent close to \$110 million on guidance counselors from all fund sources, over \$32 million more than they received in foundation funding. Schools spent \$7.6 million more in foundation funding than they received for guidance counselors. Schools used close to \$25 million from other fund sources for guidance counselors, as illustrated in the following chart.

Guidance Counselor: Funding vs. Spending



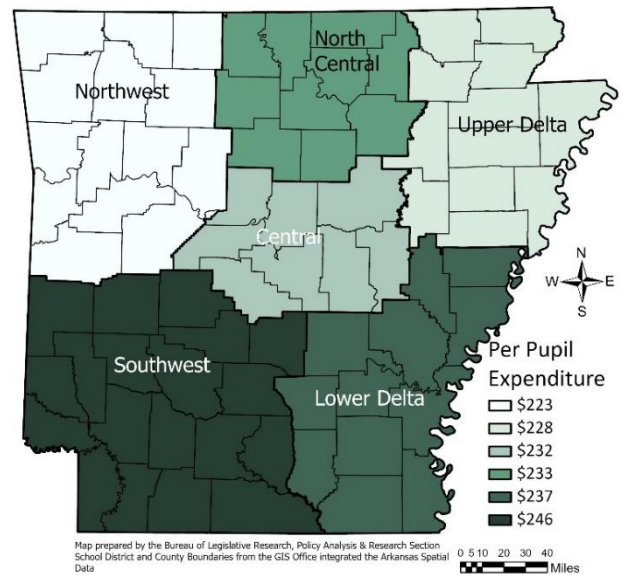
⁴⁰ See Superintendents Survey Responses, question 4.

Per-Pupil Spending by School Type: Guidance Counselors



Per-pupil spending levels for guidance counselors show that, on average, schools in districts spent more than charter schools. Spending by FRL student concentration levels varied, but increased with higher minority concentrations. Schools in smaller districts spent more per pupil, as did BLR Cohort Schools.

The map shows that schools in the Southwest region spent the most, on average, per pupil for guidance counselors.



Research and Best Practices

In recent years, the evidence-based model approach has changed from providing an overall student support resource recommendation to specifying counselor positions as part of the core program, and to provide additional pupil support positions (e.g., additional counselors, as well as social workers, or family liaison persons) on the basis of FRL and EL student concentrations.

Odden and Picus cited numerous research studies that show that school counseling programs designed after the model developed by the American School Counselor Association (ASCA) and using the 1:250 ratio recommended by ASCA had a positive impact on student learning, achievement test scores, and graduation rates. Thus, the evidence-based model used 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.⁴¹

⁴¹ Odden, Allan, & Picus, Lawrence O. (2019). "School finance: A policy perspective." 6th ed. New York: McGraw-Hill

Arkansas Educators' Input



Survey Says: 53% of superintendents reported that their districts were in moderate or extreme need of more funding for guidance counselors.⁴² The guidance counselors who responded to the teacher survey indicated 76% of their time is spent on direct services, while the other 24% is spent on administrative duties.⁴³

Nurses

Funding

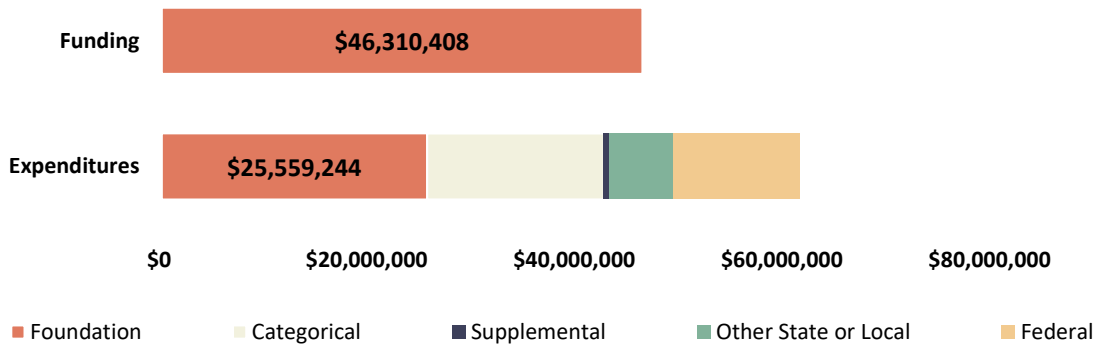
In 2023, funding for nurses accounted for 1.3% of foundation dollars. The matrix funded .67 FTE nurses for every 500 students. State law requires districts to have at least one nurse per 750 students (§ 6-18-706(c)(1)) and notes that districts with “a high concentration of children with disabling conditions as determined by the State Board of Education ... should” have a nurse-to-student requirement of 1:400. In districts that “provide a center for profoundly disabled students,” the ratio “should” be 1:125. [§ 6-18-706(c)(2) and (3)]. However, the law includes a provision that makes these requirements effective “only upon the availability of state funds” (§ 6-18-706(e)(1)).

2023 / 2024 / 2025 Per Pupil	2023 Total
\$98 / \$100 / \$102	\$46,310,408

Spending

In 2023, public schools in Arkansas spent over \$61 million on nurses from all fund sources, a little over \$15 million more than they received in foundation funding. Schools spent almost \$36 million on nurses using other funding sources.

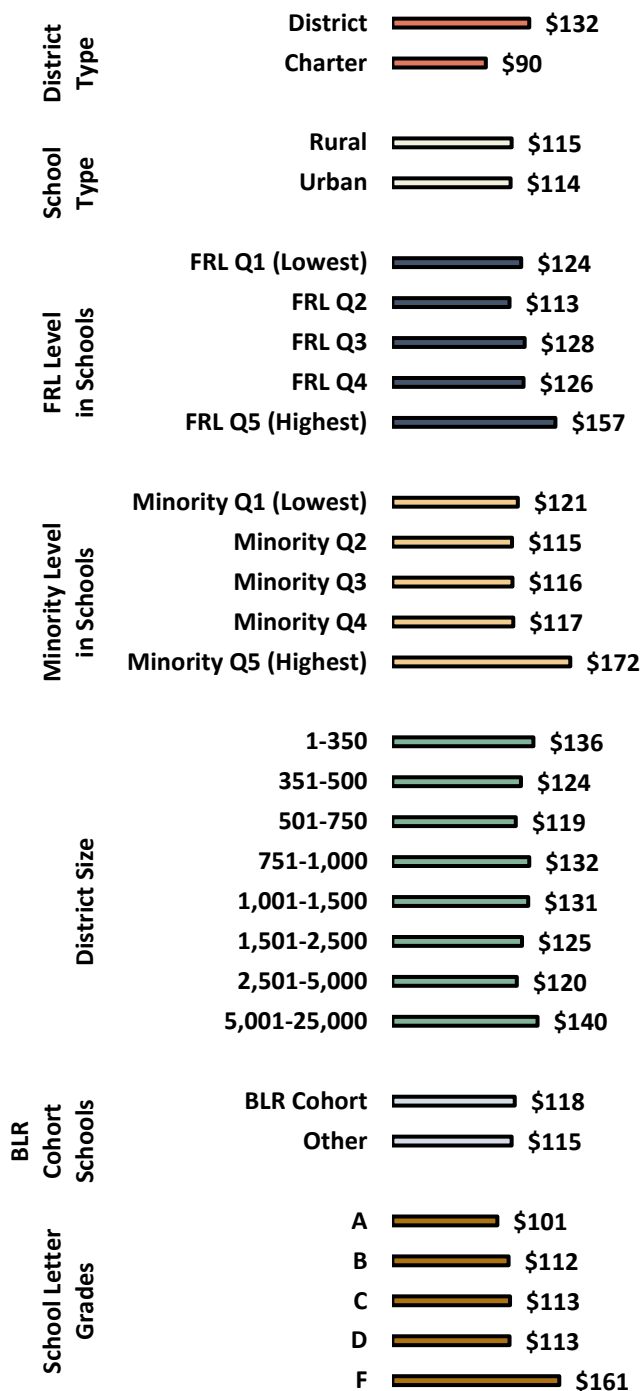
Nurses: Funding vs. Spending



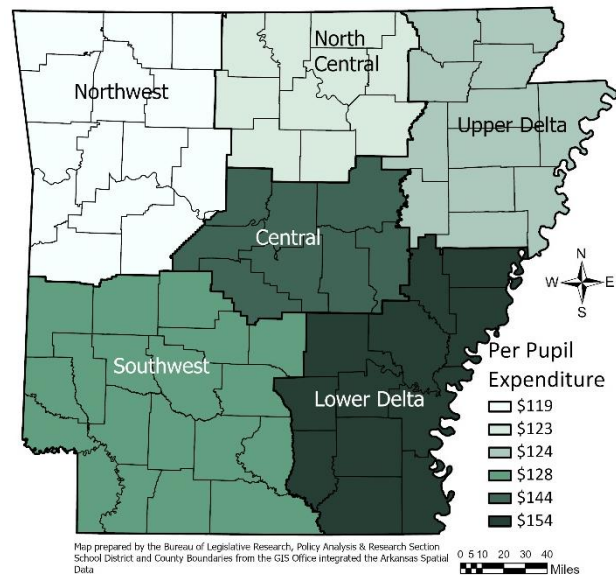
⁴² See Superintendents Survey Responses, question 4.

⁴³ See Teacher Survey Responses, question 17.

Per-Pupil Spending by School Type: Nurses



District schools spent more than charter schools, on average, per pupil on nurses. Schools with the highest FRL and minority concentrations spent more per pupil for nurses. The map shows that schools in the Lower Delta region spent the most per pupil for nurses, on average, while schools in the Northwest region averaged spending the least per pupil.



Research and Best Practices

To meet the medical needs of students, which have dramatically increased over the past decade, Odden and Picus' evidence-based model added nurses as core positions.⁴⁴ Using the staffing standard of the National Association of School Nurses, the evidence-based model provided core school nurses at the rate of one nurse position for every 750 students.⁴⁵ This allocation allowed districts to provide a half-time nurse in each prototypical elementary and middle school and a full-time nurse in each prototypical high school. The association posited that a full-time registered school nurse be present in every school, every day.⁴⁶

⁴⁴ Odden, Allan, & Picus, Lawrence O. (2019). *School finance: A policy perspective.* 6th ed. New York: McGraw-Hill

⁴⁵ National Association of School Nurses. (2015). *School nurse workload: Staffing for safe care (Position Statement).* Silver Spring, MD: Author.

⁴⁶ National Association of School Nurses. (2017). *Definition of School Nursing*

Arkansas Educators' Input



Survey Says: 58% of superintendents reported that their districts were in moderate or extreme need of more funding for nurses.⁴⁷

Other Student Support

Funding

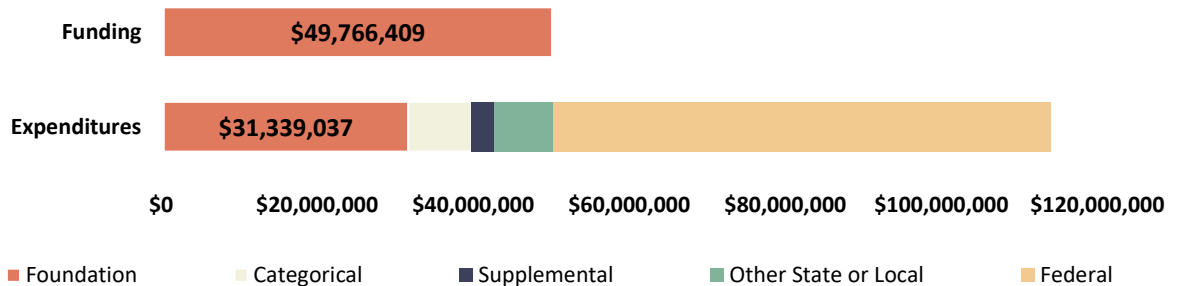
In 2023, funding for other student support personnel accounted for 1.4% of foundation dollars. The matrix funded 0.72 FTE positions for other student support, which included psychologists, social workers, speech therapists, and family outreach workers. No specific state standards required these individual services in 2023, but Arkansas accreditation standards did require school districts to “offer a full continuum of special education services as required by the Individuals with Disabilities Education Act” (IDEA) (Standard 2-F.2). Schools were required to provide some of these services for special education students whose individualized education program (IEP) called for them.

2023 / 2024 / 2025 Per Pupil	2023 Total
\$105 / \$107 / \$109	\$49,766,409

Spending

In 2023, schools in Arkansas spent a little over \$113 million on other student support staff from all fund sources, more than \$46 million than they received in foundation funding.

Student Support: Funding vs. Spending

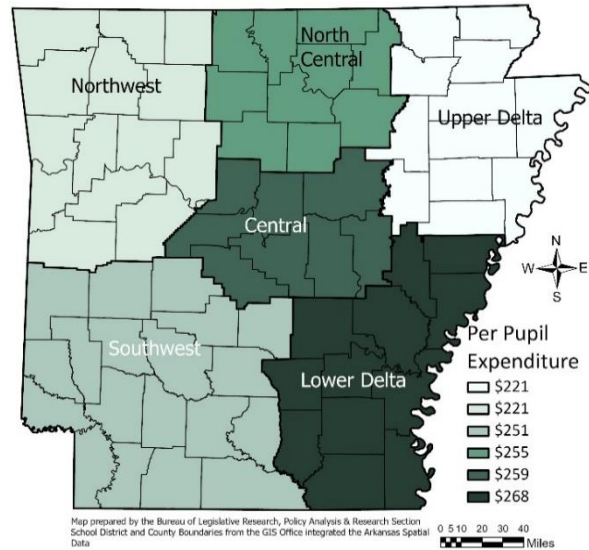
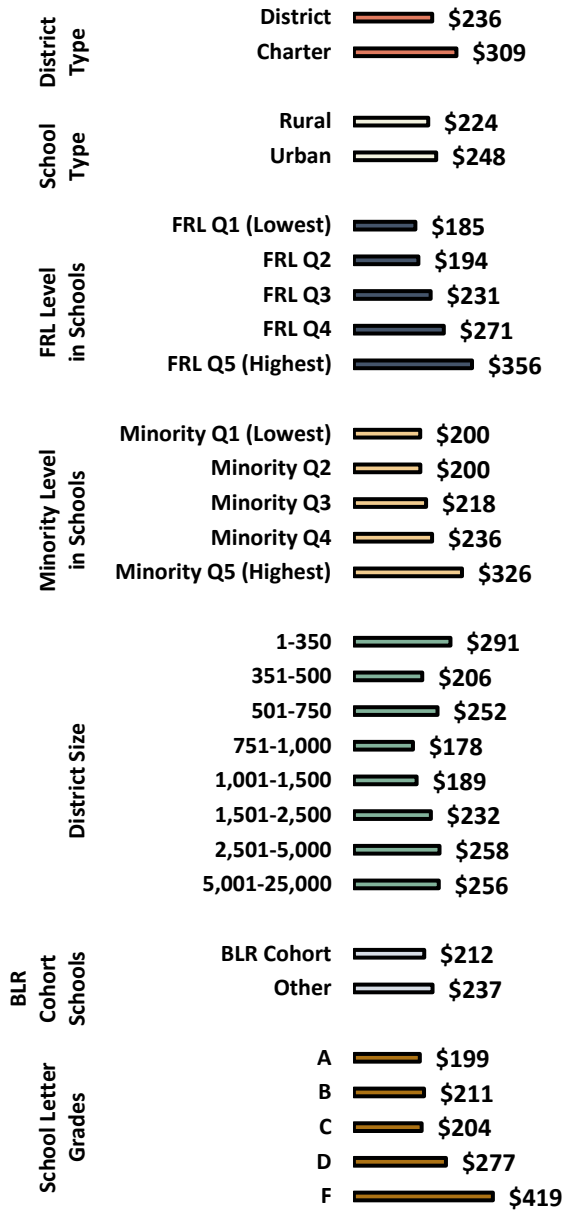


The largest other student support expenditures were for physical and occupational therapy, followed closely by speech and audiology services.

⁴⁷ See Superintendents Survey Responses, question 4.

Per-Pupil Spending by School Type: Other Student Support

Schools in districts spent less per pupil, on average, than charter schools. Spending increased with higher FRL and minority student concentration levels. BLR Cohort Schools, on average, spent less per pupil than others.



The map shows that schools in the Lower Delta region spent the most per pupil for student support, on average.

Research and Best Practices

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.

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%, while the number of youth indicating they had made a suicide plan in the past year increased by 44%.⁴⁸ 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.⁴⁹

⁴⁸ Center for Disease Control and Prevention (2019)

⁴⁹ National Association of School Psychologists. (2021). *Comprehensive School-Based Mental and Behavioral Health Services and School Psychologists*

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.⁵⁰ 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.⁵¹

Arkansas Educators’ Input



Survey Says: 60% of superintendents reported that their districts were in moderate or extreme need of more funding for other student support.⁵²

When superintendents were asked if there were any resources not included in the matrix they believed were an important part of providing an adequate education; mental and behavioral health specialists (not guidance counselors) were among the most frequently cited resources needed.⁵³ Although the matrix identifies resources for guidance counselors, many Arkansas educators – superintendents, principals, and teachers – reported that the growing student mental health needs go beyond the expertise of guidance counselors and that specific mental health resources and support for all students, including additional positions for specialized staff—such as social workers, psychologists, or behavioral specialists, need to be identified.⁵⁴

Principals

Funding

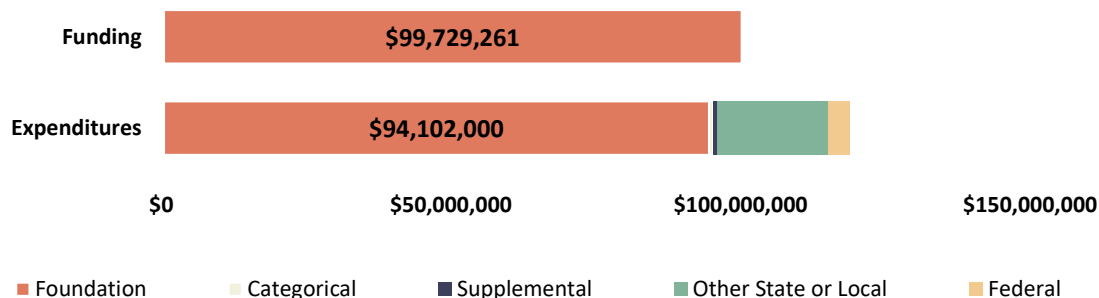
2023 / 2024 / 2025	2023 Funding Amount
\$208 / \$211 / \$211	\$99,729,261

In 2023, funding for principals accounted for 2.8% of foundation dollars. Arkansas’s standards call for one half-time principal for schools with fewer than 300 students.⁵⁵ Districts may apply for waivers from the rules regarding principals and their licensure. Funding remains the same when waivers are in effect.

Spending

In 2023, districts received \$99,729,261 in foundation funding for principals, and spent \$94,102,000 in foundation funding, with another \$24,337,810 for principals coming from other funds.

Principals: Funding vs. Spending



⁵⁰ [American Academy of Pediatrics](#) (2021)

⁵¹ [The School Counselor and Student Mental Health](#) (2020), American School Counselor Association.

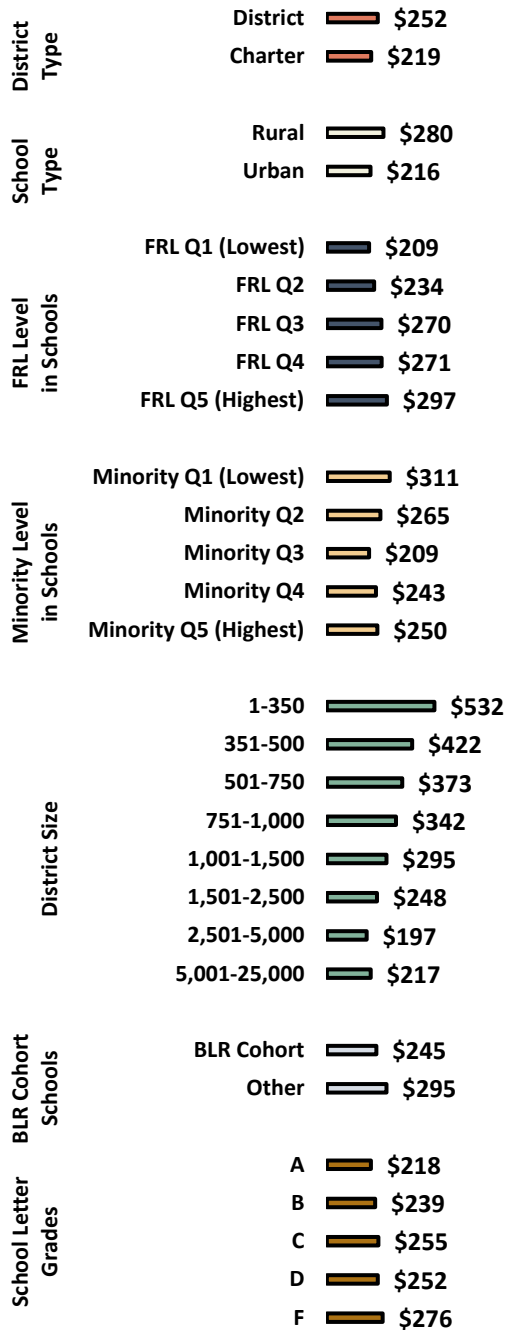
⁵² See Superintendents Survey Responses, question 4.

⁵³ See Superintendents Survey Responses, question 5.

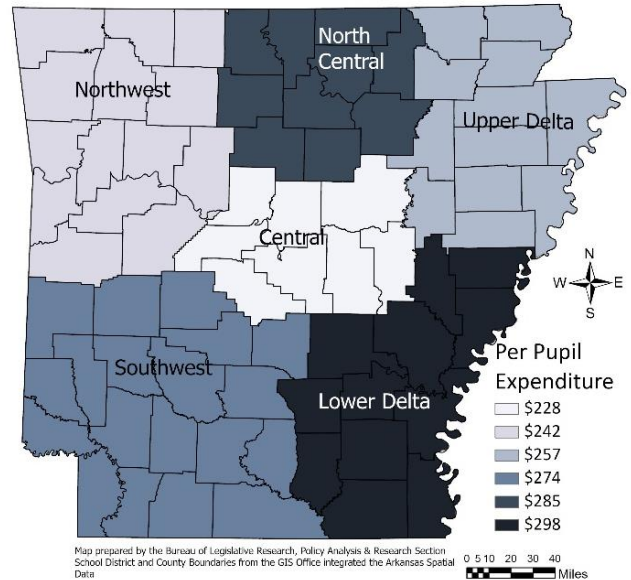
⁵⁴ 2021 and 2023 BLR Educator Surveys. [Arkansas School Finance Study 2020](#)

⁵⁵ DESE Rules Governing Standards for Accreditation of Arkansas Public Schools and Schools District, Rule 4-C (May 2022).

Per-Pupil Spending by School Type: Principals



When looking at different types of schools in Arkansas, schools in districts, on average, spent more than charter schools, and rural schools spent more than urban schools. Per-pupil spending was highest, on average, in the smallest districts (1-350 students) and lowest in the “A” schools.



Research and Best Practices

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.⁵⁶ Other studies have found that principals’ duties can number up to 42 individual responsibilities,⁵⁷ but 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.

⁵⁶ 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.”

⁵⁷ 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 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.”

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.

Arkansas Educators' Input



Survey Says: 49% of superintendents reported that their districts were in moderate or extreme need of more funding for principals.⁵⁸

Secretary

Funding

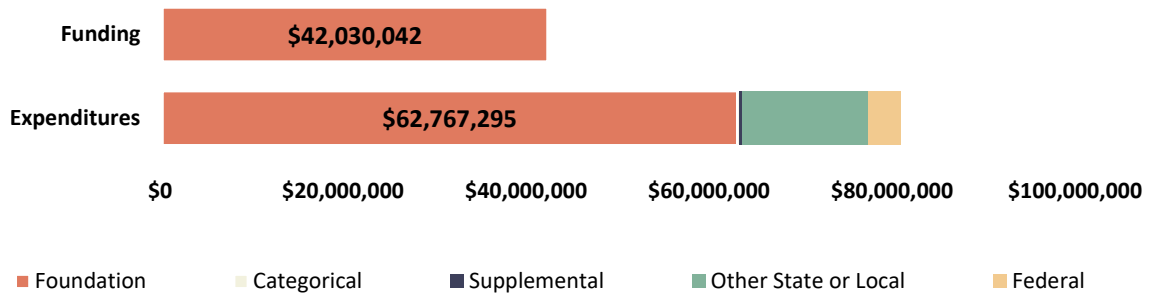
2023 / 2024 / 2025 Per Pupil	2023 Total
\$86 / \$91 / \$92	\$42,030,042

In 2023, funding for school secretaries accounted for 1.2% of foundation funding.

Spending

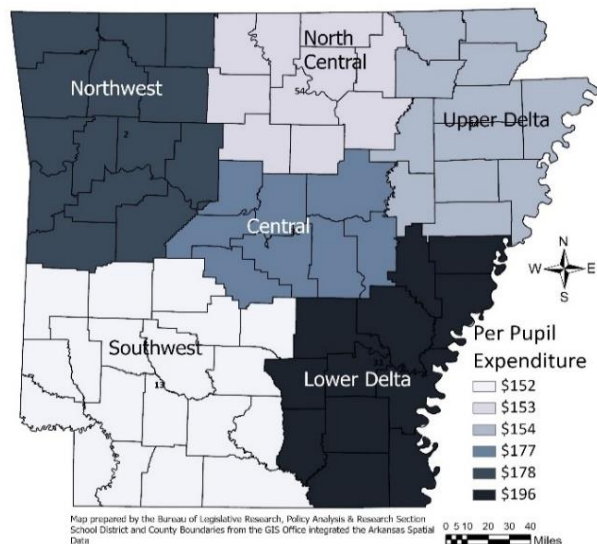
In 2023, districts received \$42,030,042 in foundation funding, while they spent \$62,767,295 in foundation funds and \$17,914,872 in other funds.

Secretary: Funding vs. Spending



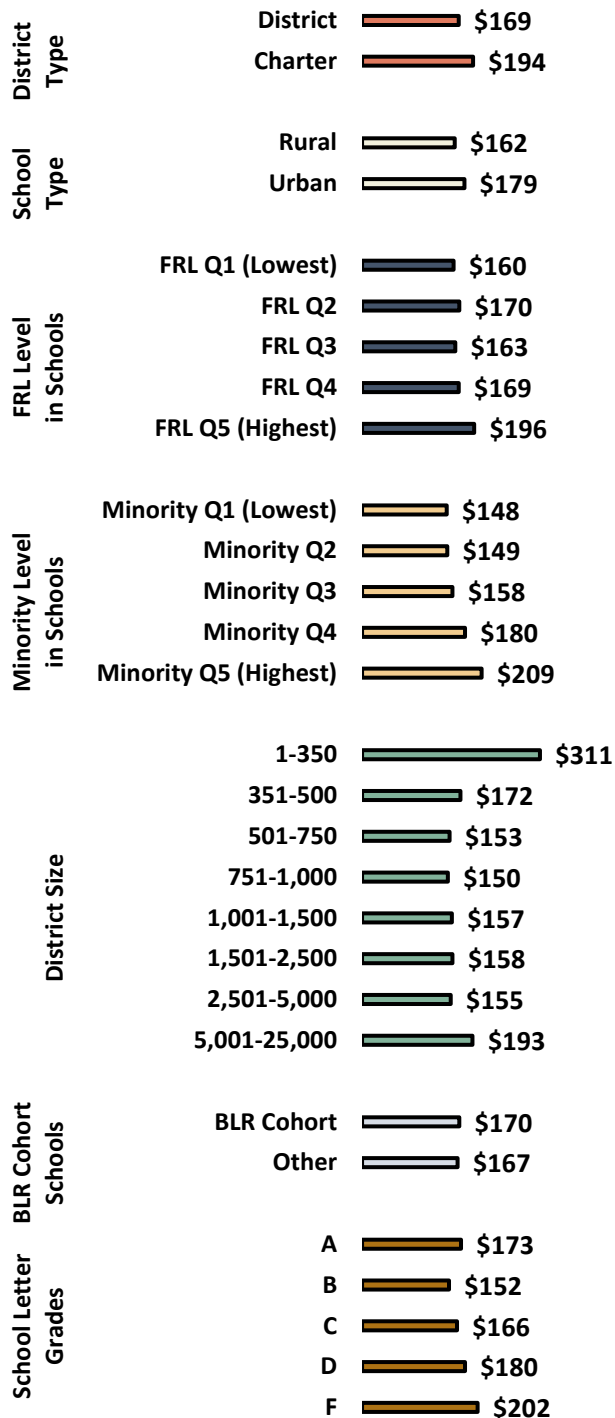
Per-Pupil Spending by School Type: Secretary

When looking at average spending differences among different types of schools and districts in Arkansas, schools in the smallest districts spent the highest amount per pupil. Districts with 751 to 1,000 students spent the least amount per pupil, on average.



⁵⁸ See Superintendent Survey Responses, question 4.

Per-Pupil Spending by School Type: Secretary



Research and Best Practices

The 2020 Arkansas study report provided by APA indicated the 2023 funding of 1.0 secretary FTE was below recommendations from Odden and Picus' 2006 and 2014 reports, as well as adequacy reports from other states, which recommend at least 2.0 FTE for 500 students. APA reported that case study schools with 400 or more students generally had at least 2.0 FTE secretaries.

Arkansas Educators' Input



Survey Says: 51% of superintendents reported that their districts were in moderate or extreme need of more funding for secretaries.⁵⁹

⁵⁹ See Superintendent Survey Responses, question 4.

School-Level Resources

The second section of the matrix the legislature has used to determine funding for adequacy since 2003 is composed of the school-level resources deemed necessary to educate students to proficient levels of learning.

Technology

2023 / 2024 / 2025 Per Pupil	2023 Total
\$250 / \$250 / \$250	\$118,061,915

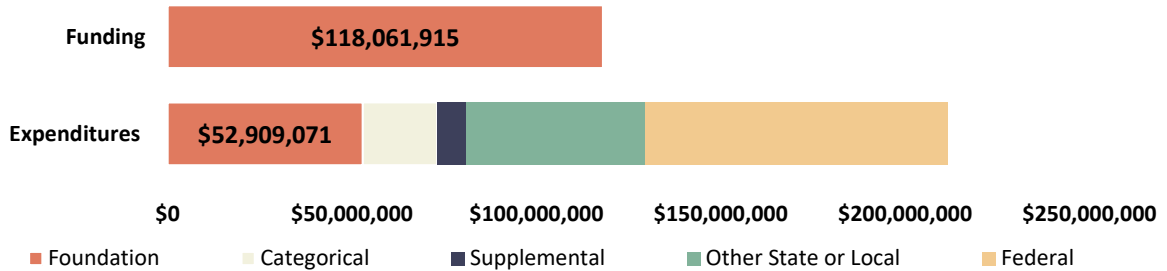
Funding

In 2023, funding for technology accounted for 3.4% of foundation dollars. The \$250 in the matrix for technology has remained at the same level since 2017, and provided \$118 million in total funding in FY2023.

Spending

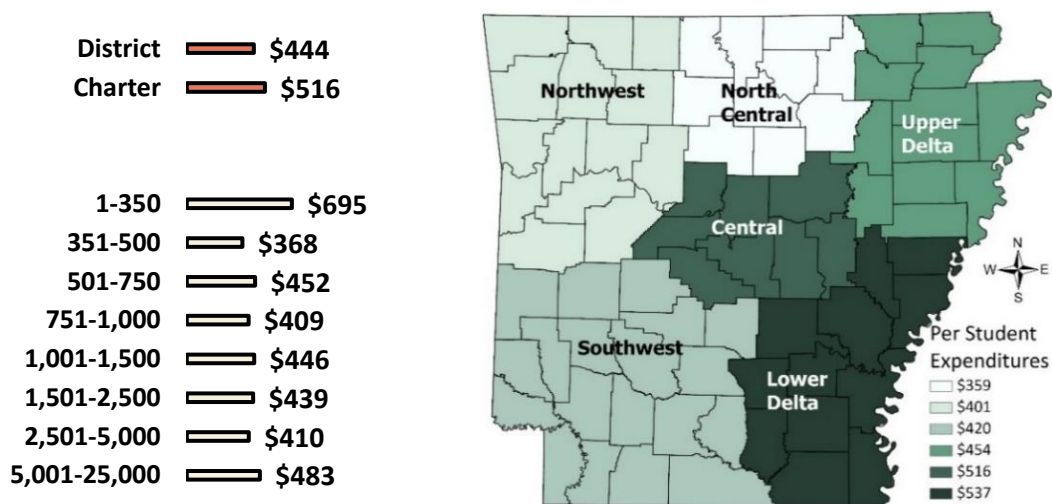
In 2023, public school districts and charter systems in Arkansas spent \$211.6 million or \$447 per student on technology, which was not quite twice the amount they received in foundation funding. Federal funds were the largest fund source for technology expenditures accounting for \$82 million or 39% of the total (none were coded as one-time Elementary and Secondary School Emergency Relief (ESSER) funds).

Technology: Funding vs. Spending



The largest amount of technology expenditures -- \$34.6 million -- were spent on a category of items labeled District Defined, with about a third of this expenditure assigned to instruction-related technology. The next largest amount -- \$32.2 million -- went toward items codes as Technology Related Hardware, followed by \$30 million for items coded as Software. Many technology expenses are coded to the district offices; therefore, the following charts make comparisons among districts only and not among school types.

Per-Pupil Spending by District Type: Technology



Research and Best Practices

In their latest evidence-based study,⁶⁰ Odden and Picus kept the \$250-per-student technology funding amount they had recommended for more than a decade. The recommendation for \$250 was for school districts and charter systems to equip schools at a 1:3 computer-student ratio. Odden and Picus recommended \$400 per student when a 1:1 ratio was in effect. While Odden and Picus remained neutral on the educational benefit of 1:1, they did point out that increased online standardized testing makes it more necessary for students to feel comfortable learning and testing in a digital environment. They also pointed out that a 1:1 computer-to-student ratio and digital learning depends greatly on students’ ability to access the Internet while at home.

Arkansas Educators’ Input



Survey Says: Just less than half – 49% of superintendents - said they had a moderate or extreme need for more funding for technology, while 16% cited no need for additional technology dollars.⁶¹

Instructional Materials

Funding

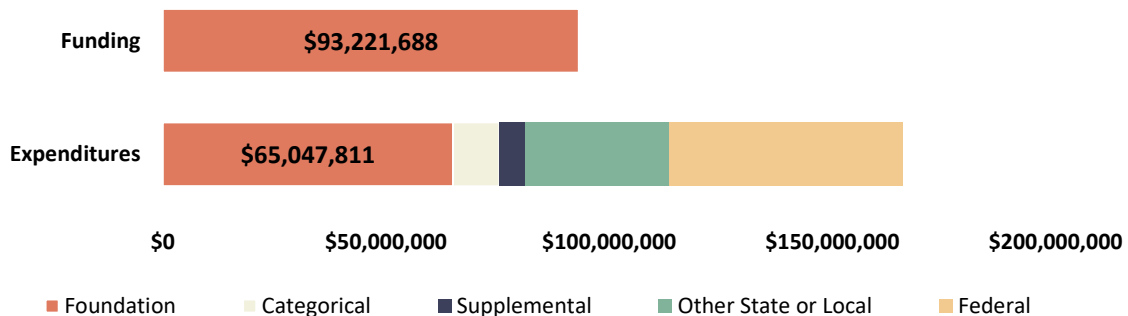
In 2023, the matrix provided \$197 per pupil for instructional materials (\$93 million total), accounting for 2.7% of all foundation dollars.

2023 /2024 / 2025 Per Pupil	2023 Total
\$197 / \$201 / \$205	\$93,221,688

Spending

Schools spent \$65 million from foundation funds on instructional materials, so less than they received for that purpose. But schools spent nearly \$166 million from all funds for instructional materials.

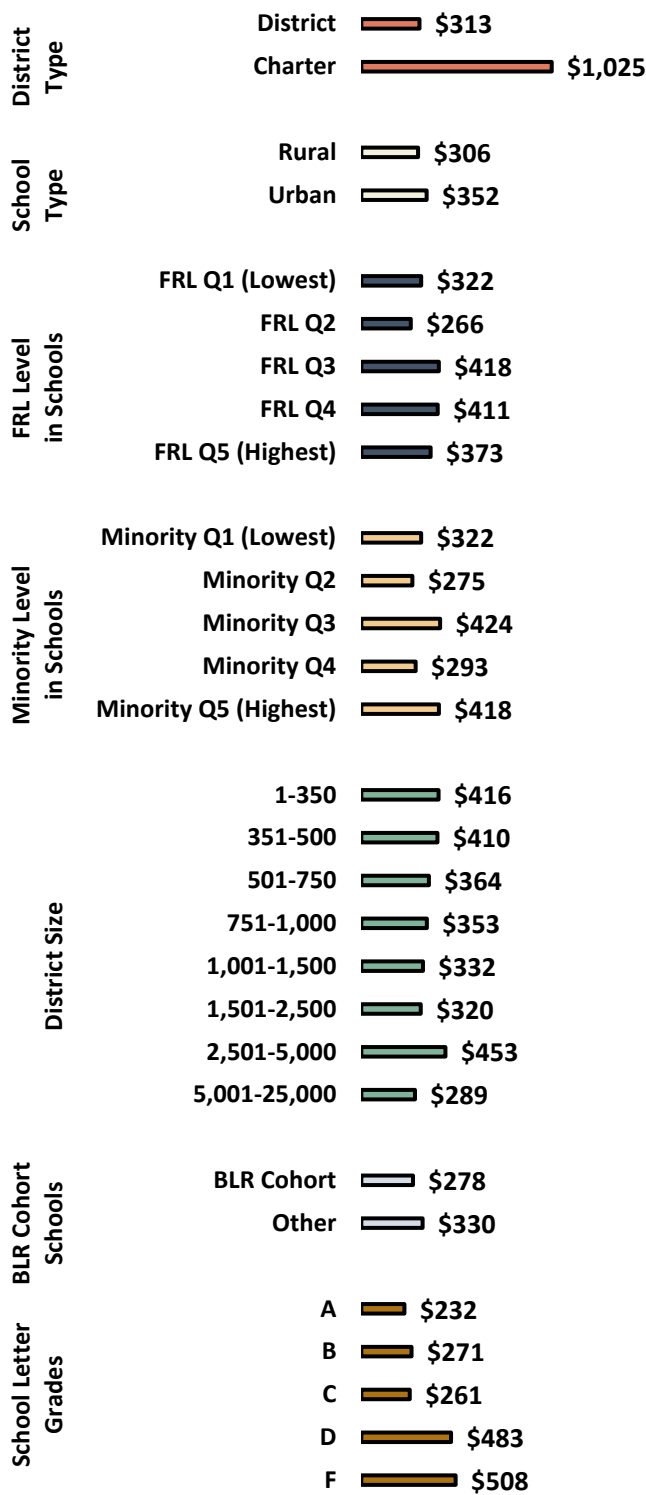
Instructional Materials: Funding vs. Spending



⁶⁰ Odden, A. and Picus, L. (2019). *School finance: A policy perspective*, 6th ed. New York: McGraw-Hill, pages 116-121, 146.

⁶¹ See Superintendent Survey Responses, question 4.

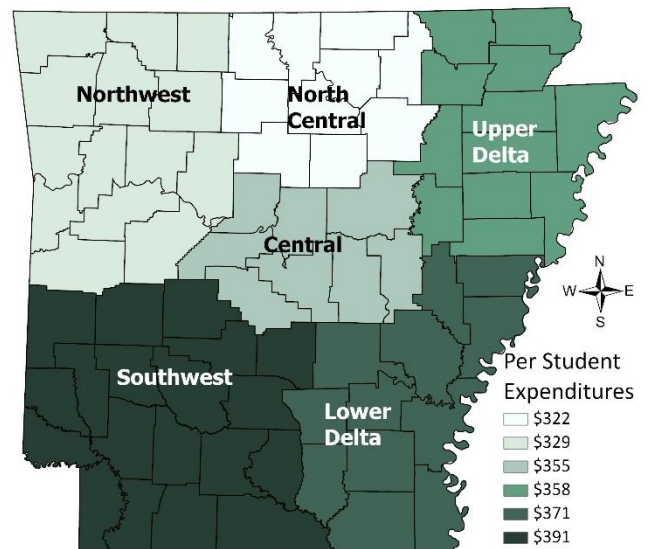
Per-Pupil Spending by School Type: Instructional Materials



When comparing per-pupil spending levels by category, few patterns emerged except in the comparison between public charter schools and traditional schools, where the charters appeared to have spent three times more per pupil than traditional schools did.

Higher spending by charter schools was primarily due to the impact of spending at two virtual charter schools: Arkansas Virtual Academy spent \$3,047 per pupil, with about \$8.2 million or \$2,159 per student spent on eTextbooks; and Arkansas Connections Academy spent \$2,617 per pupil, with \$5.1 million, or \$1,552 per student spent on eTextbooks. Otherwise, public charter systems ranged from \$49 per pupil (Haas Hall) to \$931 per pupil (Friendship Aspire Academies) in their expenditures on instructional materials.

Schools in the North Central region spent, on average, the least per student on instructional materials, \$322, and the Southwest region spent the most at \$391 per student.



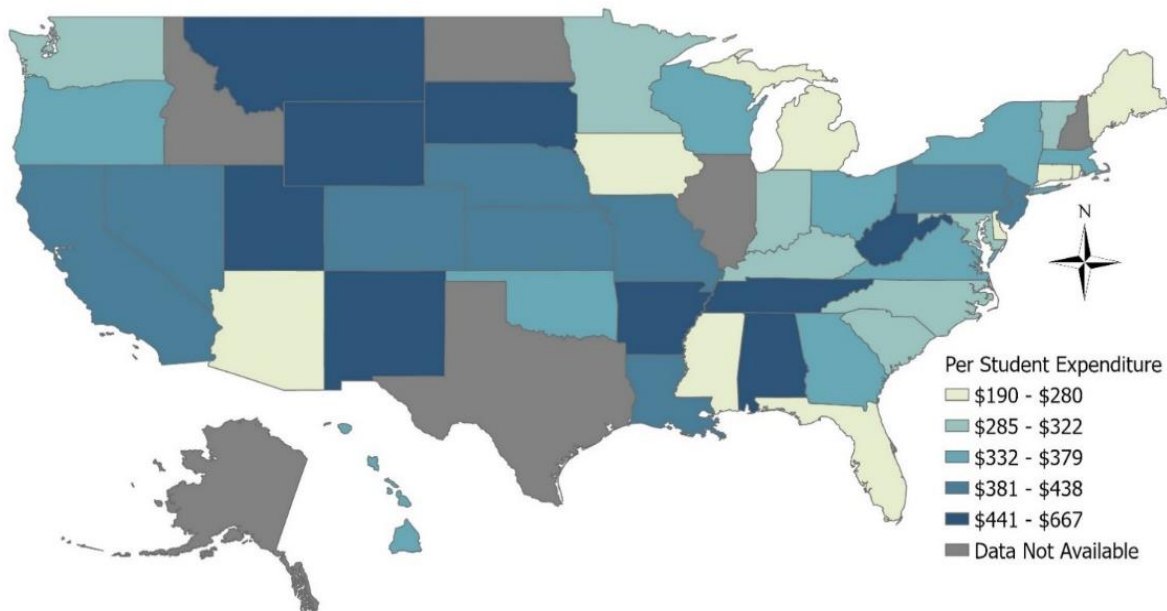
Map prepared by the Bureau of Legislative Research, Policy Analysis & Research Section School District and County Boundaries from the GIS Office integrated the Arkansas Spatial Data.

Research and Best Practices

Odden and Picus emphasized 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 recommended a six-year review of textbooks to keep curricula up to date. In terms of per-student spending, they recommended \$170 per student for instructional materials and \$30 per student for library materials, or \$200 in total.⁶² A good deal of recent research has focused on the impact of high-quality instructional materials (HQIM), and the National Conference of Chief School Officers (NCCSO) established the Instructional Materials and Professional Development Network, of which Arkansas was a member during the 2022-23 school year. According to NCCSO, the Network is “dedicated to ensuring that every student, every day, is engaged in meaningful, affirming, grade-level instruction.”

National Comparison

The map shows a comparison of states’ per-student expenditures for textbooks and supplies. Note that data was not available for six states: Alaska, Idaho, Illinois, New Hampshire, North Dakota, and Texas. Arkansas spent \$445 per student. New Mexico spent the highest amount per student, \$667, and Rhode Island spent the least, \$190.



Source: U.S. Department of Education, NCES, Common Core of Data (CCD), "National Public Education Financial Survey (State Fiscal)", 2019-20 (FY 2020) v.2a; "State Nonfiscal Public Elementary/Secondary Education Survey", 2019-20 v.1a, 2022-23 v.1a.

Arkansas Educators’ Input



Survey Says: 53% of superintendents reported that their districts were in moderate or extreme need of more funding for instructional materials. Almost 100% of principals and 93% of teachers believe their instructional materials meet student learning needs either “very well” or “somewhat well”.⁶³

⁶² Odden, A. and Picus, L. (2019). *School finance: A policy perspective*, 6th ed. New York: McGraw-Hill, pages 112-114.

⁶³ See Principals Survey Responses, question 60, and Teachers Survey Responses, question 54.

Extra Duty Funds

Funding

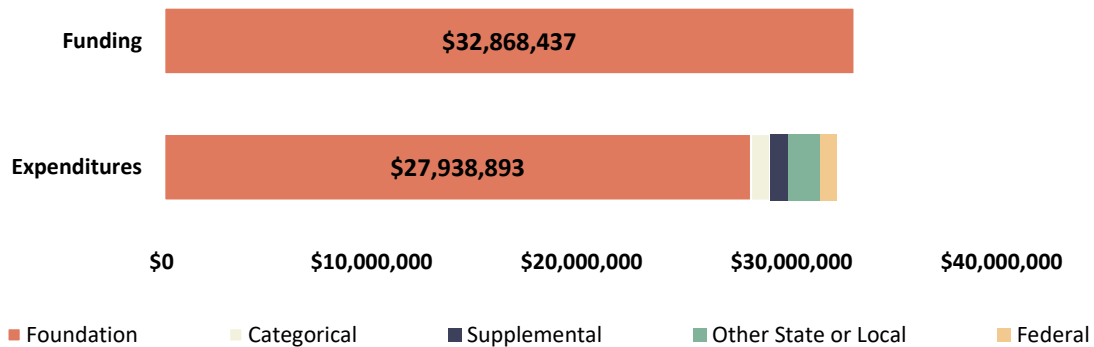
Extra duty funds are funds schools use to pay stipends for teachers who coach athletics and supervise after-school clubs or other extracurricular activities. In 2023, funding for extra duty funds accounted for 0.9% of foundation funding.

2023 / 2024 / 2025 Per Pupil	2023 Total
\$69.90 / \$70.90 / \$72.40	\$32,868,437

Spending

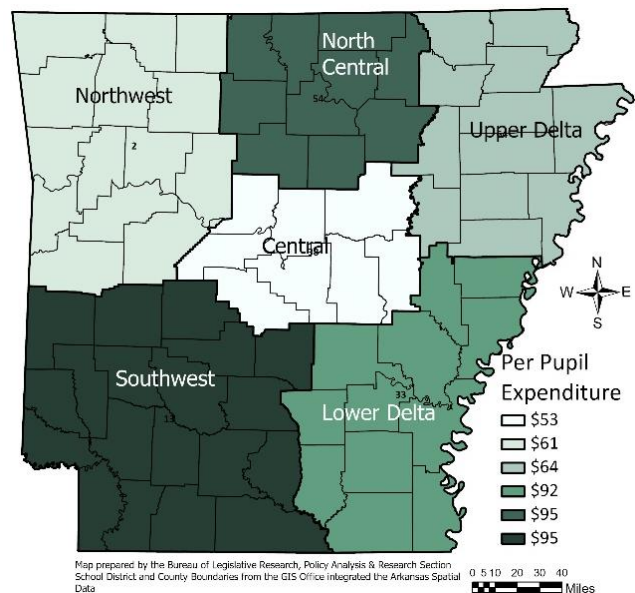
In 2023, districts received \$32,868,437 in extra duty funds, and spent \$27,388,893, with an additional \$4,096,453 spent from other funds.

Extra Duty Funds: Funding vs. Spending

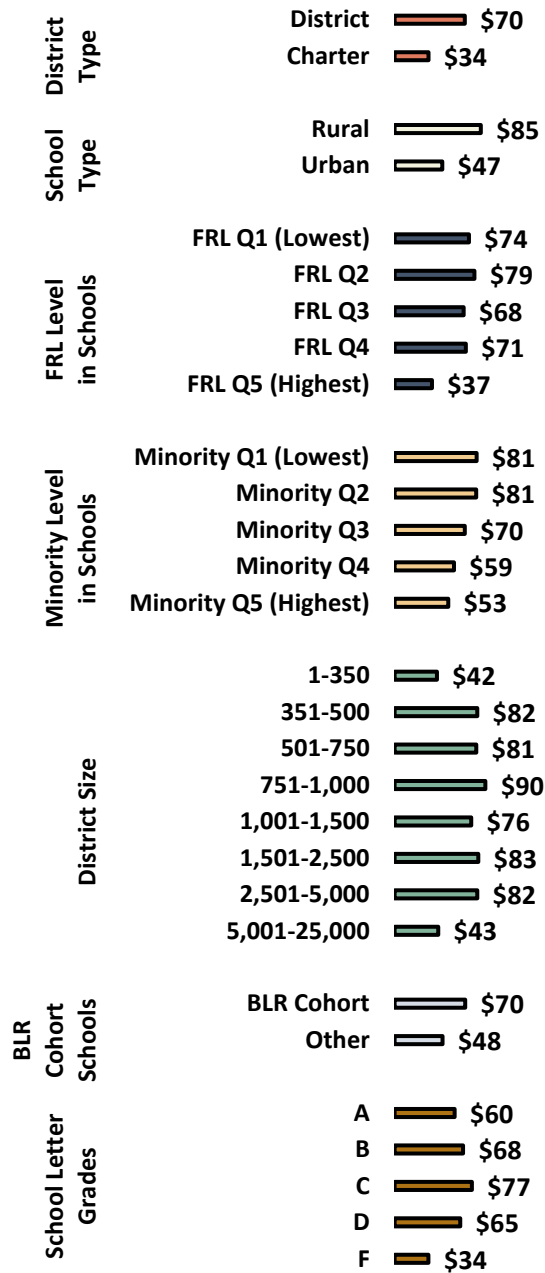


Per-Pupil Spending by School Type: Extra Duty Funds

When looking at average spending levels within the different types of schools and districts in Arkansas, “F” schools, charter schools, and those with the highest FRL-student concentrations spent the least on extra duty funds per pupil. Schools in rural districts and in districts with 501 to 750 students spent the most, on average, per student on extra duty funds. Spending decreased with higher levels of minority student concentration.



Per-Pupil Spending by School Type: Extra Duty Funds



Research and Best Practices

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.⁶⁴ Extracurricular activities have several benefits for students, including better academic performance, reduced rates of dropout, positive school perceptions, and high self-esteem.⁶⁵

Arkansas Educators' Input



Survey Says: 57% of superintendents reported that their districts were in moderate or extreme need of more funding for extra duty funds.⁶⁶

⁶⁴ Odden, A. and Picus, L. (December 2020) "The 2020 Recalibration of Wyoming's Education Resource Block Grant Model Final Report."

⁶⁵ 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."

⁶⁶ See Superintendent Survey Responses, question 4.

Supervisory Aides

Funding

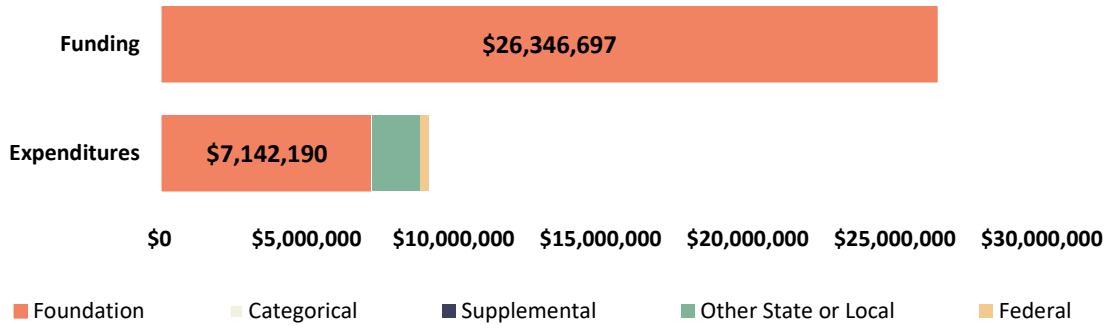
Supervisory aides are staff who help students get on and off buses in the morning and afternoon and who supervise lunch and recess periods. In 2023, funding for supervisory aides accounted for 0.8% of foundation funding.

2023 / 2024 / 2025 Per Pupil	2023 Total
\$52.60 / \$56.80 / \$58.00	\$26,346,697

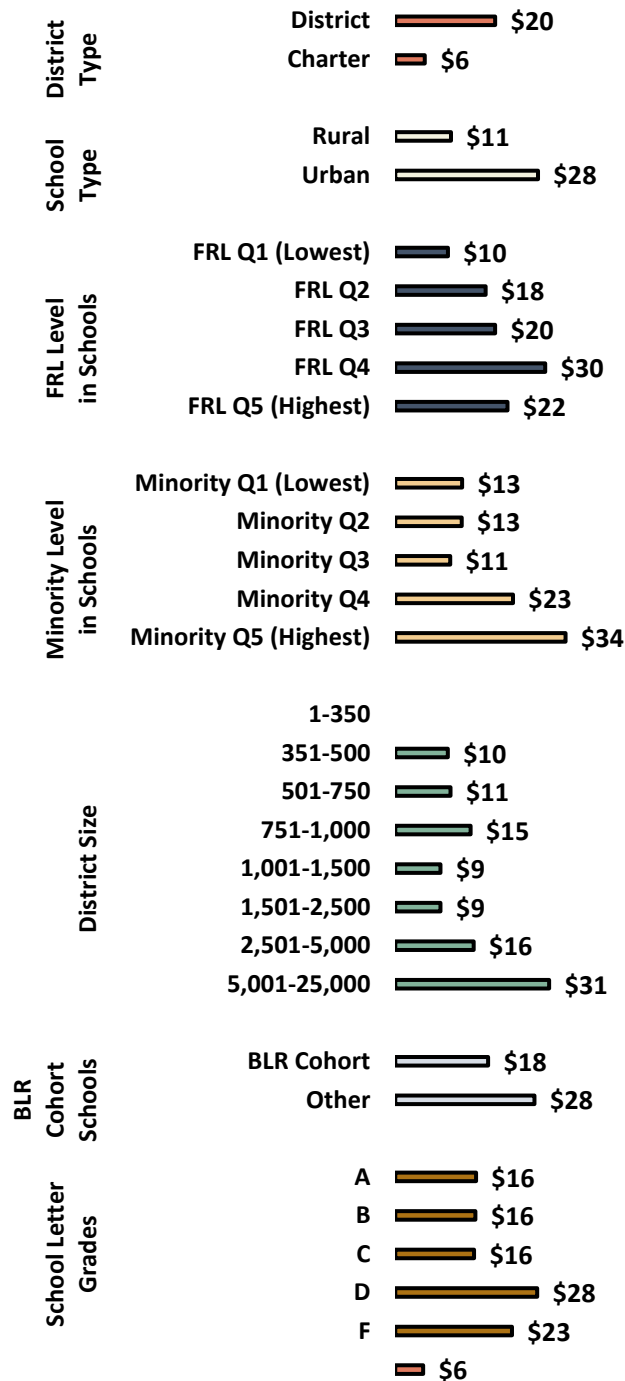
Spending

In 2023, districts received \$26,346,697 in foundation funding for supervisory aides per the matrix. They spent \$7,142,190 in foundation funds and an additional \$1,918,464 in other funds for supervisory aides.

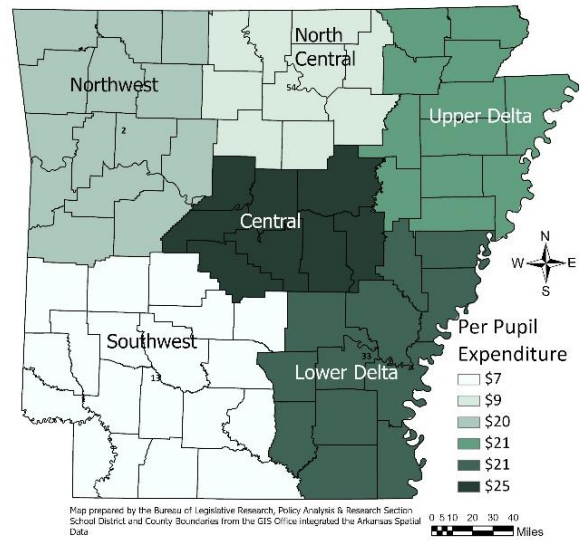
Supervisory Aides: Funding vs. Spending



Per-Pupil Spending by School Type: Supervisory Aides



Schools in districts, on average, spent more than three times as much per student on supervisory aides as charter schools spent. Schools in the smallest districts reported no expenditures for supervisory aides, while schools in the largest districts had the highest level, on average, of per-pupil spending.



Research and Best Practices

While schools need staff for non-instructional responsibilities like lunch duty, hallway monitoring, and before- and after-school playground supervision, research does not support the use of supervisory aides to be used as general teachers' helpers.⁶⁷ These "instructional aides" in a regular-sized classroom have not been found to positively impact student achievement.⁶⁸

According to APA's 2020 Arkansas study, other states' adequacy studies have not addressed supervisory aides. In APA's educator panels and stakeholder surveys, participants indicated that the amounts should be revisited due to minimum wage increases.⁶⁹ Arkansas's minimum wage increased between 2018 and 2021 from \$8.50 to \$11.

⁶⁷ Odden, A. and Picus, L. (2020). "The 2020 Recalibration of Wyoming's Education Resource Block Grant Model Final Report."

⁶⁸ Gerber, S., Finn, J., Achilles, C. and Boyd-Zaharias, J. (Educational Evaluation and Policy Analysis, Summer 2001.) "Teacher Aides and Students' Academic Achievement."

⁶⁹ 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."

Arkansas Educators' Input



Survey Says: 53% of superintendents reported that their districts were in moderate or extreme need of more funding for supervisory aides.⁷⁰

Substitutes

Funding

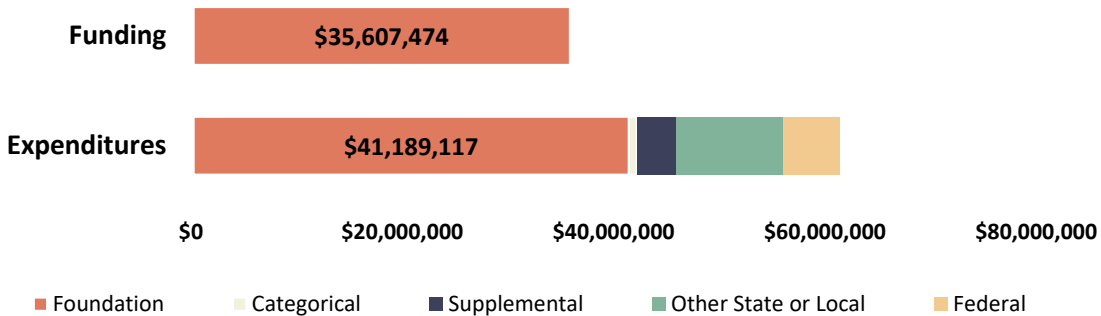
In 2023, funding for substitutes accounted for 1.0% of foundation funding.

2023 / 2024 / 2025 Per Pupil	2023 Total
\$69.90 / \$70.90 / \$72.40	\$35,607,474

Spending

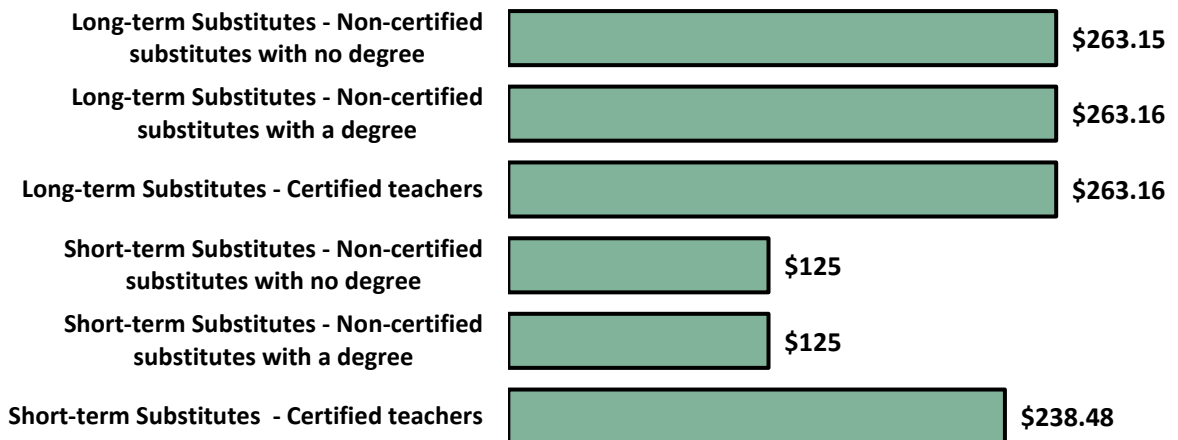
In 2023, districts received \$35,607,474 in foundation funding for substitutes, spent \$41,189,117 in foundation funds, and spent \$19,967,187 in other funds.

Substitutes: Funding vs. Spending



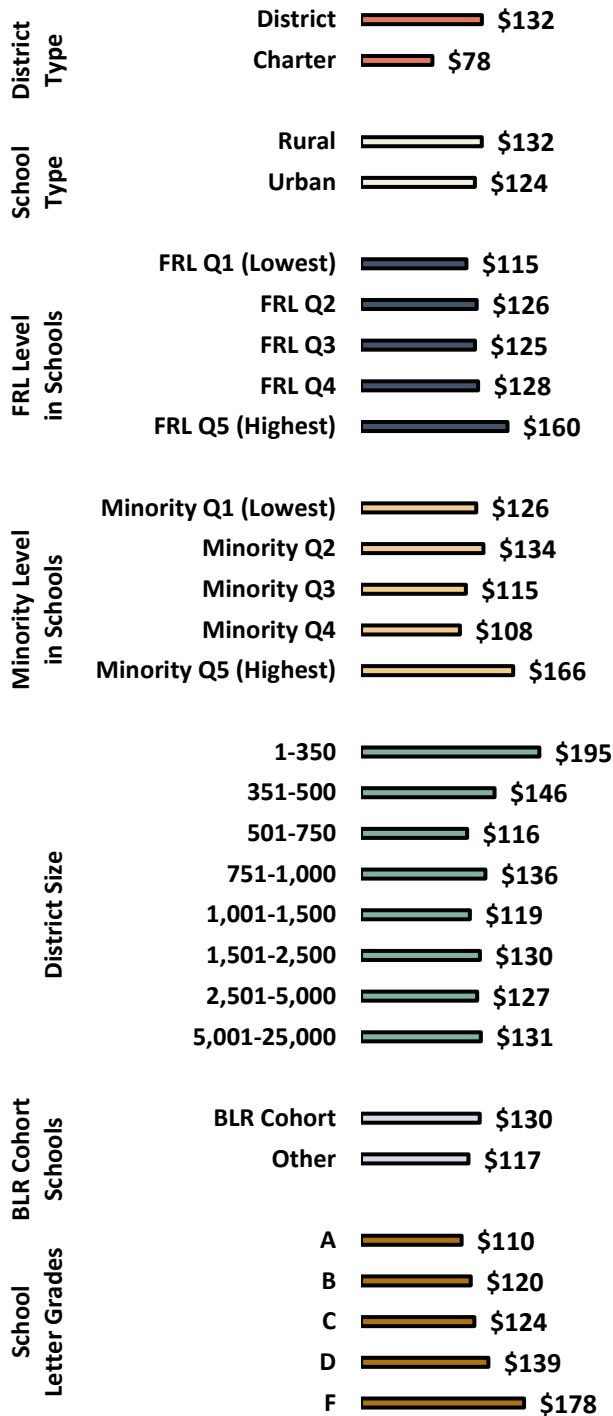
The BLR asked superintendents about rates of pay for substitutes in the 2023 adequacy study survey:

Highest Daily Rate of Pay

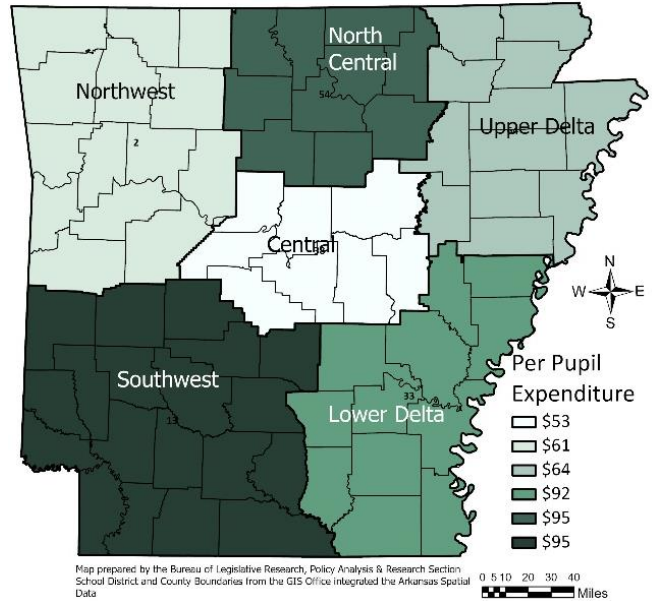


⁷⁰ See Superintendent Survey Responses, question 4.

Per-Pupil Spending by School Type: Substitutes



Schools in the smallest districts and “F” schools spent the most per pupil, on average, on substitutes. Charter schools spent the least per pupil on substitutes.



Research and Best Practices

Many states provide funding for about 10 days for each teacher, much like companies and government that provide one sick day per month for employees.⁷¹ 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 due to minimum wage increases.⁷² Arkansas’s minimum wage increased between 2018 and 2021 from \$8.50 to \$11.

Arkansas Educators’ Input



Survey Says: 70% of superintendents reported that their districts were in moderate or extreme need of more funding for substitutes.⁷³

⁷¹ Odden, A. and Picus, L. (2020). “The 2020 Recalibration of Wyoming’s Education Resource Block Grant Model Final Report.”.

⁷² 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.”

⁷³ See Superintendent Survey Responses, question 4.

District-level Resources

Operations and Maintenance

Operations and maintenance (O&M) include the staff and other resources necessary to maintain school facilities and grounds and to keep school buildings clean, heated, and cooled. The funding rate was not based on a specific minimum staffing standard, but rather was based on 9% of foundation funding, plus the cost of property insurance. When the O&M rate was first created in 2008, the 9% allocation for O&M was determined by the Joint Adequacy Committee based on recommendations of the Task Force to the Joint Committee on Educational Facilities, which had cited a 2003 study by American School and University Magazine finding the cost of district O&M to be approximately 9% of district expenditures. The Joint Adequacy Committee added an additional \$27 for the cost of property insurance to the O&M rate, which was determined by actual per-student expenditures for property insurance.

Funding

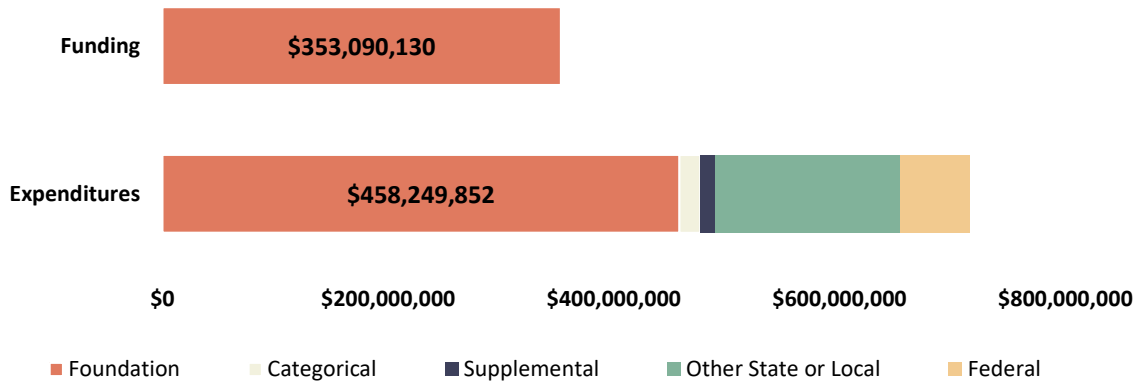
In FY2023, foundation funding provided \$741 per ADM or \$353 million in total funding for operations and maintenance activities. Using the 2008 original ratio of funding provided for O&M and for property insurance, in FY2023, \$706.55 of the O&M rate was allocated for operations and maintenance expenses, and \$34.45 was allocated for property insurance.

2023/ 2024/ 2025 Per Pupil	2023 Funding Amount
\$741 / \$766 / \$786	\$353,090,130

Spending

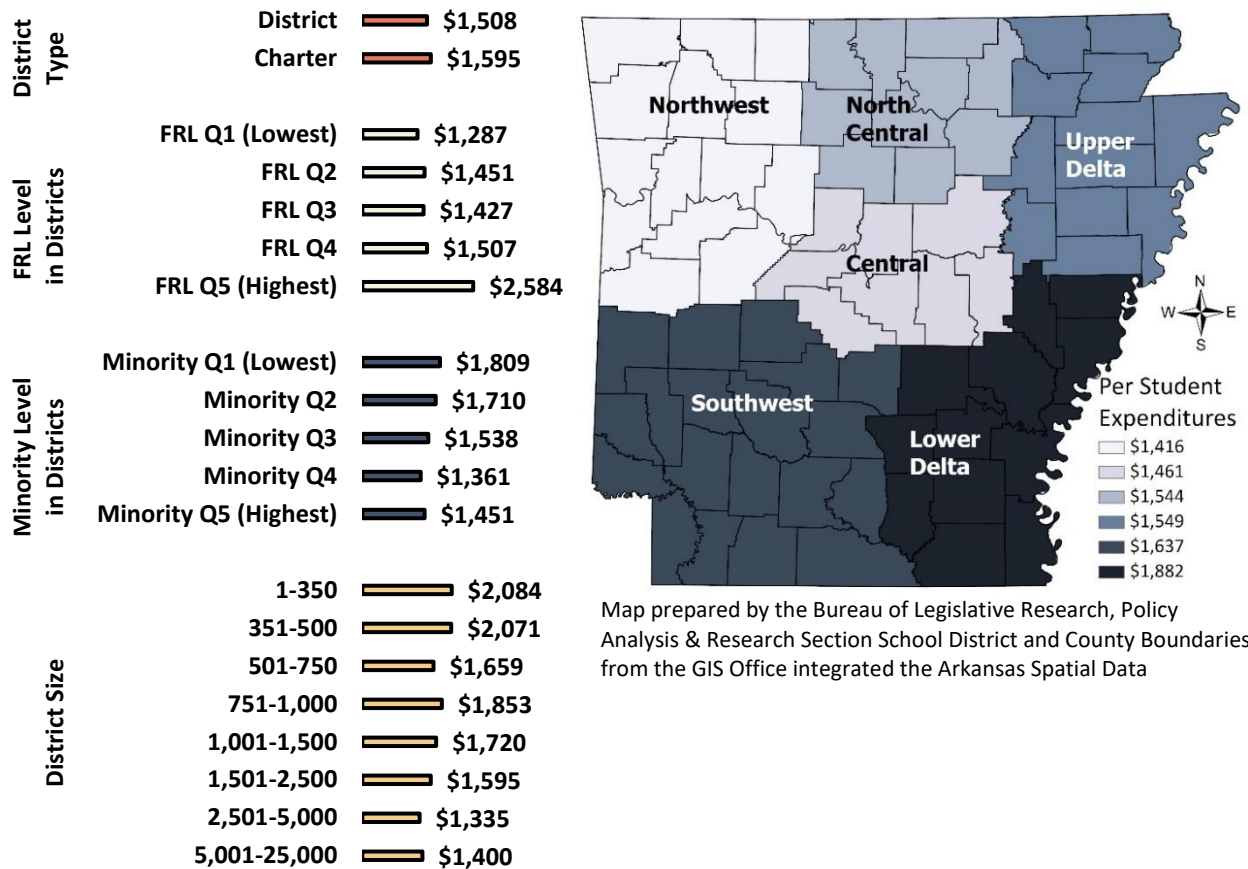
In 2023, districts and charter systems spent a total of \$715.4 million, or \$1,513 per student, on O&M expenses, a little more than twice as much as public schools received in foundation funding for O&M expenses. They spent \$458.2 million in foundation funding compared to the \$353.1 million received.

Operations and Maintenance: Funding vs. Spending



The following chart and map illustrate the average per-student spending for O&M by various district system characteristics. Charter systems spent more than regular districts on a per-student basis, and those districts and charter systems with the highest percentage of FLR and with between 351 and 500 students had the highest average per-student expenditures. The map illustrates that the Northwest region had the lowest average per-student spending on O&M and that the Lower Delta region had the highest.

Per-Pupil Spending: Operations and Maintenance



The top 10 categories of expense are listed in the chart below. Expenditures for classified salaries and employee benefits comprised the highest percentage of total expenditures, and these top ten categories of expense accounted for nearly 90% of all O&M expenditures.

Top Ten Expenditure Categories

Category of Expense	Expenditures	% of Total
Classified (Salaries and Employee Benefits)	\$216,321,009	30.2%
Non-Technology-Related Repairs and Maintenance	\$109,064,442	15.2%
Electricity	\$96,632,318	13.5%
Custodial	\$52,484,387	7.3%
General Supplies and Materials	\$49,353,222	6.9%
Property Insurance	\$28,254,980	3.9%
Natural Gas	\$24,734,186	3.5%
Rental of Land and Buildings	\$22,600,270	3.2%
Other Professional and Technical Services	\$21,245,237	3.0%
Security	\$16,829,654	2.4%

Research and Best Practices

In their most recent research, *School Finance: a policy perspective*, Odden and Picus estimated O&M spending levels by identifying and quantifying the necessary personnel for a prototypical school district of 3,900 students and adding the costs of materials and supplies, utilities, and insurance. They took these calculated costs and derived a per-student cost for O&M.⁷⁴

National Comparison

Using the most recent expenditure data reported to the U.S. Census Bureau (2021) for other states and the District of Columbia (D.C.), the BLR found that the percentage of total K-12 expenditures each state spent on maintenance and operations ranged from 5.32% in D.C. to 10.78% in Louisiana. Arkansas spent 9% of total K-12 expenditures on maintenance and operations costs, and the national average was 7.8%.⁷⁵

In terms of how much each state and the District of Columbia spent per student on maintenance and operations when adjusted for inflation using the MERIC Inflation index, Arkansas spent \$1,330 per student, compared to the \$1,327 national average. Wyoming spent the highest amount per student, \$1,977 and Utah spent the lowest amount, \$782. Among Arkansas's neighboring states, Louisiana spent the most per student, \$1,702, and Tennessee spent the least, \$915.

Arkansas Educators' Input



Almost 72% of all superintendents said they had moderate to extreme need for more funding for O&M expenses, while 8% cited no need for additional O&M dollars.⁷⁶

Central Office

Funding

In FY2023, foundation funding provided \$457 per ADM or \$219 million in total funding for central office activities.

2023 / 2024 / 2025 Per Pupil	2023 Total
\$457 / \$473 / \$483	\$219,193,751

Spending

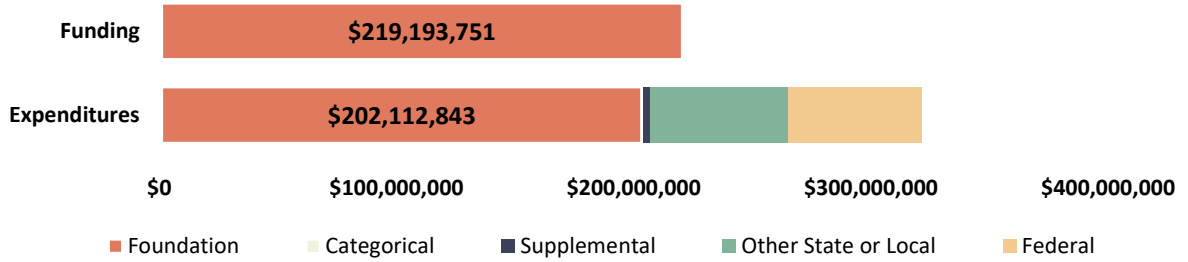
In 2023, districts and charter systems spent a total of \$320 million or \$677 per student on central office expenses. About 63% of central office expenditures were funded by foundation funding. However, districts' total spending exceeded the amount they received in foundation funding for central office by \$100 million.

⁷⁴ Odden, A. and Picus, L. (2019), *School finance: a policy perspective*, 6th ed. New York McGraw-Hill.

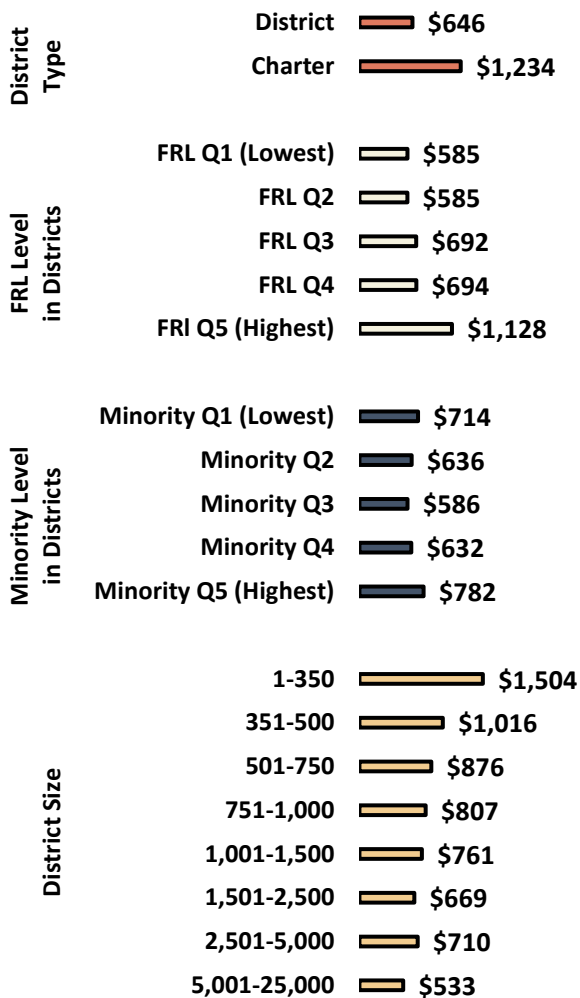
⁷⁵ U.S. Census, [2021 Public Elementary-Secondary Education Finance Data](#). There are differences in what the U.S. Census includes in M&O expenditures, and what Arkansas includes in the O&M matrix line item. For example, U.S. Census does not appear to include insurance costs in their M&O expenditure amounts, and insurance costs are included in the Arkansas O&M matrix line item.

⁷⁶ Please see question 4 of the Superintendent Survey Response report.

Central Office: Funding vs. Spending

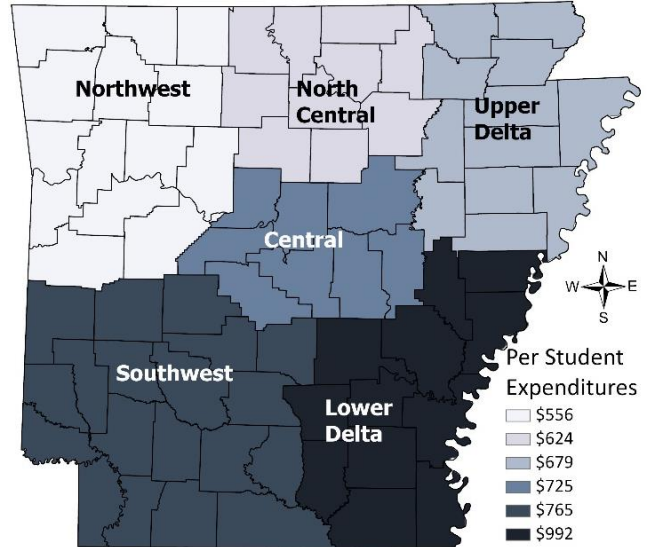


Per-Pupil Spending by District Type: Central Office



The chart and map illustrate the average per-student spending for central office expenses by various district and charter system characteristics. The chart on the left illustrates that charter systems spent almost twice as much as regular districts on a per-student basis, and those districts and charter systems with 1-350 students spent the highest average rate per student at \$1,543.

The map shows that the Northwest region spent the least average per student amount on central office expenses, \$556, and the Lower Delta region spent the highest average per student amount, \$992.



Map prepared by the Bureau of Legislative Research, Policy Analysis & Research Section School District and County Boundaries from the GIS Office integrated the Arkansas Spatial Data.

Over \$243 million or 76% of total central office expenditures were spent on salaries and employee benefits expenses for both certified and classified employees (\$135.9 million or 42.4% for certified and \$107.9 million or 33.7% for classified).

Research and Best Practices

Odden and Picus provided recommendations for central office staffing based on a 3,900 student district. These recommendations included eight administration positions and 15 classified positions. They also recommended a per-student dollar amount of \$300 to account for other costs that included, but were not limited to, insurance, purchased services, materials and supplies, equipment, association fees, elections, districtwide technology, and communications.⁷⁷

Arkansas Educators' Input



Survey Says: 41% of all superintendents said they had moderate to extreme need for more funding for central office expenses, while 19.2% cited no need for additional central office funding

Transportation

Funding

In 2023, the matrix provided \$321.20 per student for academic transportation, which comprised about 4% of the total foundation funding provided. Transportation expenses included school bus and district vehicle operations and maintenance, transportation personnel, insurance, equipment costs, and bus purchases. Transportation expenses did not include the costs for athletic or activity transportation. State law does not require school districts to provide general transportation to students, although all districts and some charter systems provided transportation services.

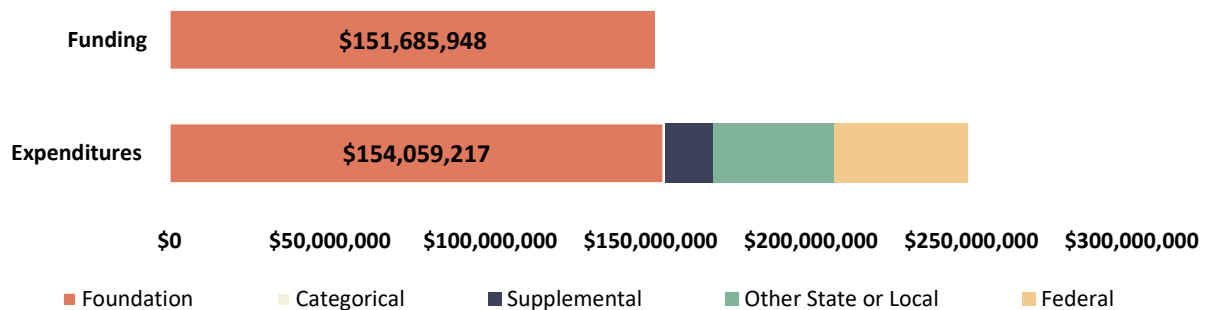
2023 / 2024 / 2025 Per Pupil	2023 Total
\$321 / \$329 / \$337	\$151,685,948

Spending

In the 2023 school year, districts and charter systems spent a total of \$248.8 million or \$526 per student on transportation, \$18,057 of which was spent by stand-alone preschools.⁷⁸ Approximately 62% of transportation expenditures were funded by foundation funding.

Almost 73% of total expenditures of districts and charter systems were spent on staffing costs and vehicles.

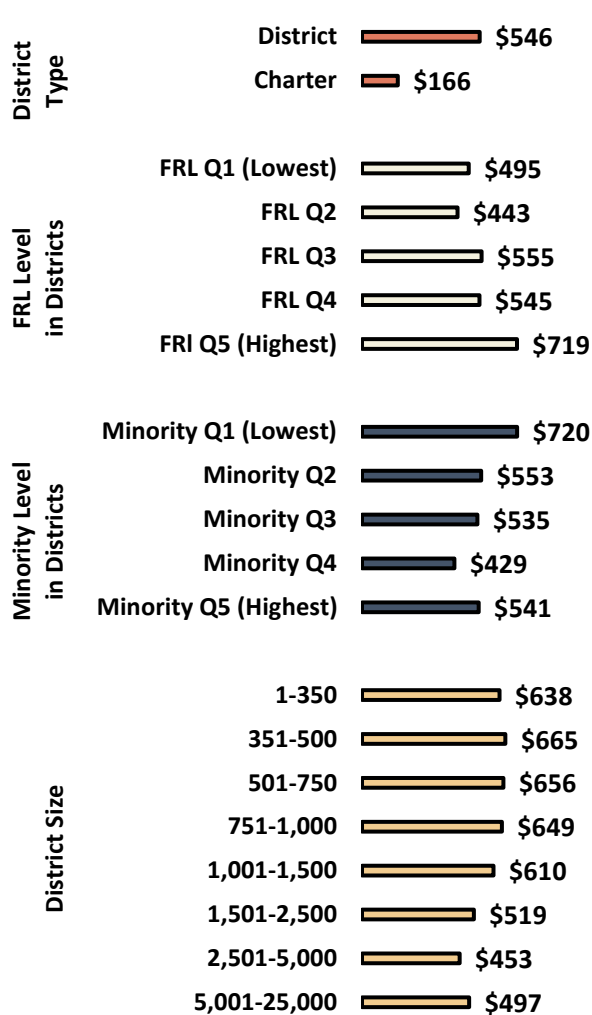
Transportation: Funding vs. Spending



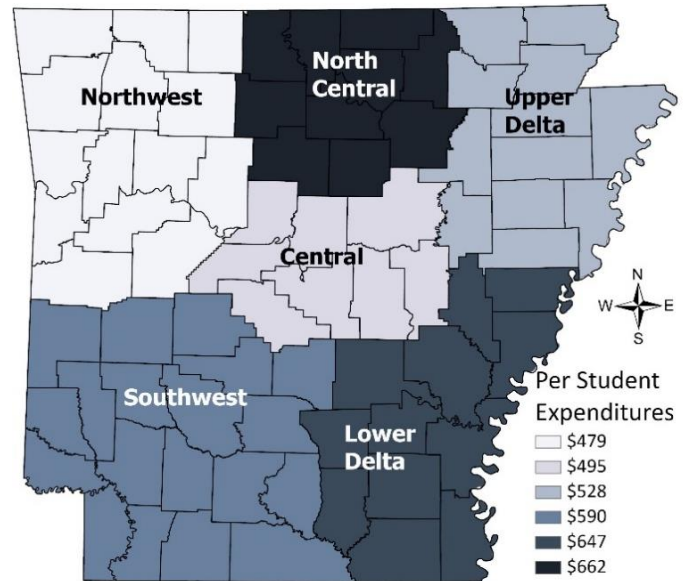
⁷⁷ Odden, A. and Picus, L. (2019), *School finance: a policy perspective*, 6th ed. New York McGraw-Hill.

⁷⁸ The per student expenditure calculation includes the 2023 CY ADM count for five charter systems that did not have any transportation expenditures.

Per-Pupil Spending by District Type: Transportation



Spending was more than three times higher in districts, on average, than it was in charter systems, much of that due to the fact that few charter systems have daily transportation programs.



Map prepared by the Bureau of Legislative Research, Policy Analysis & Research Section School District and County Boundaries from the GIS Office integrated the Arkansas Spatial Data

Research and Best Practices

According to a 2019 research study completed by Bellwether, a non-profit group that studies the American educational system, school districts transport students using three primary service models.

The most common operational model is district-provided where the district controls all elements of school transportation. The second most common is contracting with a private transportation provider for yellow bus service; this model operates largely the same way as district-provided. A much less common model is reliance on existing public transit infrastructure, which is generally only used in large urban districts. They also observe that ridesharing is trying to enter the market of school transportation.⁷⁹ Bellwether further found that states share in the cost of student transportation in one of three ways: actual cost funding; flat rate per student; or funding based on one or more variables such as miles traveled or average miles traveled per student.

National Comparison

Arkansas spent about 2.9% of its total K-12 expenditures on transportation expenses, as compared to the national average of 3.1%. West Virginia spent the highest percentage at 6.3%, and California spent the lowest percentage at 1.4%. Among Arkansas's neighboring states, Louisiana spent the highest percentage at 4.8%, and Texas spent the lowest percentage at about 2%. Arkansas spent \$435 per student on transportation expenses, as compared to the national average of \$528.

⁷⁹ Bellwether, *The Challenges and Opportunities in School Transportation Today*, 2019, pages 16 and 22. Bellwether is a non-profit group that studies the American education system.

Arkansas Educators' Input

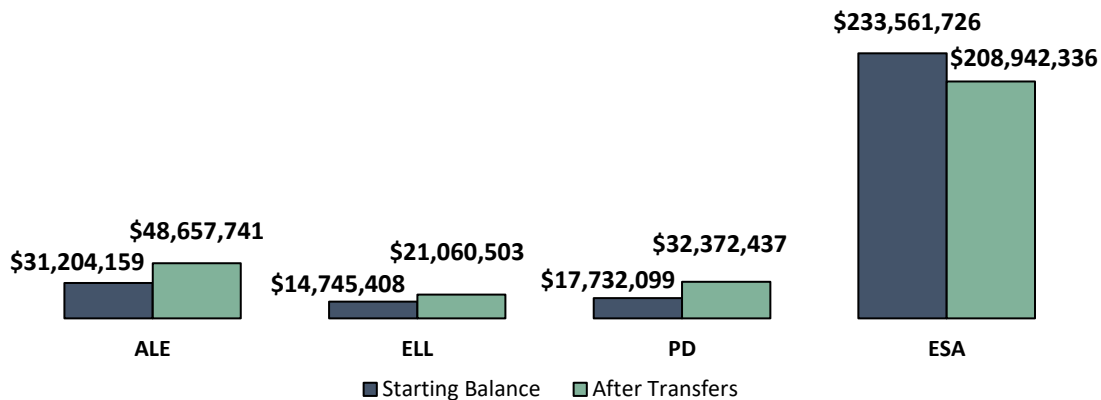


Survey Says: 71% of all superintendents said they had moderate to extreme need for more funding for transportation expenses, while 10% cited no need for additional transportation funding.

Categorical Funds

Four streams of categorical funding – for professional development (PD), Enhanced Student Achievement (ESA), English learners (EL), and alternative learning environment (ALE) students – have supplemented foundation funding since it was first distributed in 2005, mainly to address equity issues. The funding provided through the categorical streams are considered restricted and may be spent only on the intended uses (defined in statute and/or rule). They may also be transferred to spend on other categorical purposes. For instance, it is common for districts to transfer some of their ESA funding to use for EL students or for students in ALE.

2023 Categorical Fund Balances Before and After Transfers



Alternative Learning Environment (ALE)

Act 59 of the Second Extraordinary Session of 2003 created the means to provide funds for ALE. Now codified as Ark. Code Ann. § 6-20-2305(b)(2)(A), ALE funding is to help cover the additional costs involved “to eliminate traditional barriers to learning for students.”⁸⁰

According to Ark. Code Ann. § 6-48-102(a), all school districts in Arkansas are to provide their students with access to ALE by one or more of the following methods:

- Establish and operate an alternative learning environment (this can be a stand-alone school or a school-imbedded program)
- Cooperate with one or more other school districts to establish and operate an alternative learning environment
- Use an alternative learning environment operated by an education service cooperative
- Partner with an institution of higher education or a technical institute to provide concurrent courses or technical education operations for students in grades 8-12

According to Ark. Code Ann. § 6-48-104(d), DESE shall provide to the House Committee on Education and the Senate Committee on Education an annual report on the information reported to it by each school district under Ark. Code Ann. § 6-48-102(b), which includes information on race and gender of the students in each school district's ALE and any other information regarding students' education in each school district's ALE that DESE requires by rule. The statute also calls for the legislative report to include information on the effectiveness of ALEs

⁸⁰ Acts 2003, No. 59.

evaluated under Ark. Code Ann. § 6-48-101 et seq. State law further requires DESE to promulgate rules that, among other things, establish measures of effectiveness of ALE programs.⁸¹

Funding

Per DESE’s Rules Governing Student Special Needs Funding, districts receive ALE funding for FTE ALE students.⁸² Except for a few years, FTEs include only those students who are in ALE for 20 consecutive days.⁸³ While some students may attend alternative learning environments for a full day for the full year, many attend the program for partial days and/or for part of the year. This is accounted for in the FTE calculation:

2023 / 2024 / 2025	2023 Funding Amount
\$4,890 / \$4,987 / \$5,086	\$31,252,162

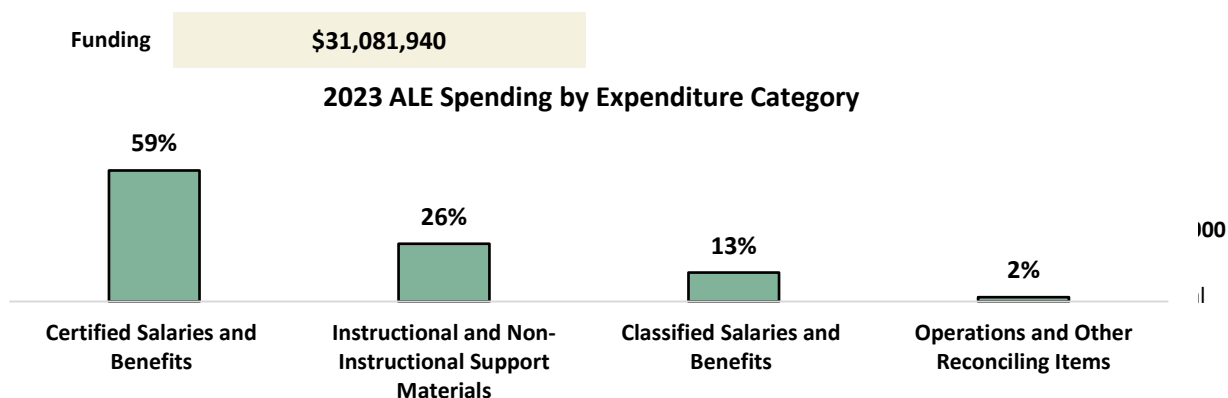
$$FTE = \frac{\text{Total number of days in ALE}}{\text{Total number of school days}} \times \frac{\text{Hours per day in ALE}}{6 \text{ hours}}$$

In 2023, 206 public school districts and two open-enrollment public charters received ALE funding totaling \$31,252,162 for 6,391 FTE students.

Spending

The following chart shows ALE categorical funding for the 2023 school year compared to the expenditures for all ALE programs and services. These figures include expenditures made using money transferred to ALE programs from other categorical funds. The chart also shows the amount of additional funding – beyond ALE categorical funding – that was spent on ALE programs. Total expenditures for ALE amounted to a little more than \$62 million in 2023.

ALE: Funding vs. Spending



As shown in the following chart, most ALE program expenditures for 2023 were for certified and classified salaries and benefits. While ALE program requirements emphasized the need for providing intervention services to address each student’s specific behavioral needs for long-term improvement, findings from the analysis of expenditure data show 0.72% was spent on counselors, and 0.08% on student support.

⁸¹ Ark. Code Ann. § 6-48-104(a)(3).

⁸² DESE "Rules Governing Student Special Needs Funding," Rules §§4.02.4-4.02.6 (July 2020).

⁸³ See Ark. Code Ann. § 6-48-104(a)(1)(B) (providing that DESE rules shall establish criteria that "identifies the characteristics of students who may be counted for the purpose of funding an alternative learning environment program including without limitation that a student is educated in the alternative learning environment for a minimum of twenty (20) consecutive days").

Fund Balances

Despite spending well over the amount of money provided specifically for ALE programs, districts often retain small amounts of funding in their ALE categorical funds. This money rolls over to the following school year to be spent on ALE programs. Act 1220 of 2011 limited the aggregate fund balance of all categorical funds to 20% of the total aggregate categorical funding for the year.⁸⁴ Nine school districts had fund balances of more than \$50,000, 125 had fund balances between \$.01 and \$50,000 and 120 districts had no fund balances.

Research and Best Practices

Research shows that students who need to be enrolled in an ALE require more academic support and other services than a traditionally structured school can provide. These students face challenges that necessitate a wide range of intensive academic and social supports to help them succeed. To ensure that alternative learning students receive the full range of academic and other support services they need to earn their diplomas, Jobs for the Future (JFF)⁸⁵ recommends that states use a formula for alternative education that allocates additional dollars beyond its state and district per-pupil dollar, including adequate funding to provide high-quality leaders and teachers to staff classes and to provide meaningful student support services.⁸⁶

Arkansas Educators' Input



Survey Says: 56% of superintendents reported that ALE funding does not meet their district's needs.⁸⁷ Close to 26% of superintendents reported paying another district or education service cooperative to provide ALE services to their students during the 2023 school year.⁸⁸

English Learners (EL)

Title VI of the Civil Rights Act of 1964 requires school districts to provide an equal educational opportunity to language minority students. Federal law provides that, "[n]o state shall deny equal educational opportunity to an individual on account of his or her race, color, sex, or national origin by ... the failure by an educational agency to take appropriate action to overcome language barriers that impede equal participation by its students in its instructional programs."⁸⁹

Funding

Arkansas provides categorical funds to assist districts and open-enrollment public charter school systems in meeting the federal requirements for English learner (EL) students.

EL funding is provided to districts based on the number of

"students identified as not proficient in the English language based upon the statewide Entrance and Exit Procedures criteria, including an approved English proficiency assessment instrument."⁹⁰ The assessment instrument was the English Language Proficiency Assessment for the 21st Century (ELPA21). Districts received \$366 for 40,288 EL students in 2023 for the purpose of educating these students.⁹¹

2023 / 2024 / 2025	2023 Funding Amount
\$366 / \$366 / \$366	\$ 14,745,408

⁸⁴ Ark. Code Ann. § 6-20-2305(e)(2).

⁸⁵ Jobs for the Future is a national nonprofit that provides consulting and strategy services to promote economic development and college and career readiness.

⁸⁶ [Reinventing Alternative Education](#) (2010)

⁸⁷ See Superintendent Survey Responses, question 6.

⁸⁸ See Superintendent Survey Responses, question 25.

⁸⁹ 20 USC § 1703(f)

⁹⁰ DESE Rules Governing Student Special Needs Funding (June 2022).

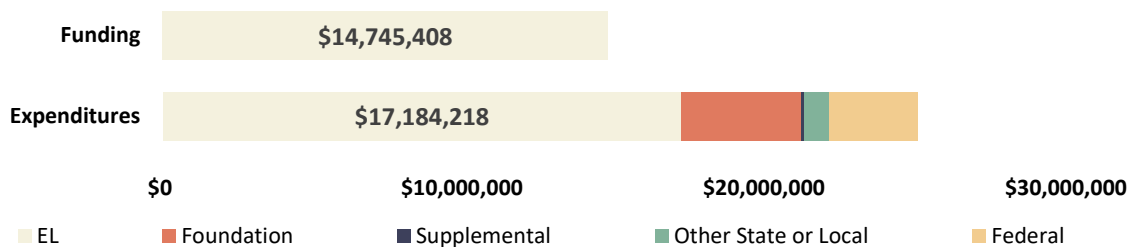
https://dese.ade.arkansas.gov/Files/ade_268_2022_StudentSpecialNeedsFundingRules_Legal.pdf

⁹¹ Ark. Code Ann. § 6-20-2305

Spending

Districts received \$14.7 million in EL categorical funding but spent \$17 million in categorical funding for EL purposes, indicating that other categorical funds were transferred to EL. Total EL spending from all sources equaled \$25 million. After categorical funding, foundation was the next biggest funding source used to cover EL costs.

EL: Funding vs. Spending



The uses to which EL funding is restricted are found in DESE rules⁹² and include salaries for EL-skilled instructional services, relevant trainings for teachers and other providers, released-time for EL program development, instructional materials and services, and assessment and evaluation activities. In FY23, \$25,029,050 was spent for EL purposes. Of these \$25 million expenditures, 93% was spent on salaries and benefits.

Research and Best Practices

In 2021, the ECS⁹³ found that 47 states provided funding for EL students. The most common funding mechanism was a flat or single student weight, which was used in 24 states (including Arkansas) and the District of Columbia.

Arkansas Educators' Input



Survey Says: 71% of superintendents reported that EL categorical funding did meet district needs.⁹⁴

Enhanced Student Achievement

ESA funding was provided to districts for students qualifying for the national FRL program. According to DESE rules, ESA funding “shall be expended for eligible program(s) or purpose(s) that are aligned to the needs of the students in the district based on evidence from the district’s needs assessment.”⁹⁵ The funds must be used for “evidence-based program(s) or purpose(s) for students at risk in order to improve instruction and increase academic achievement” of students who qualify for the national FRL program.⁹⁶ In addition, the rules require that expenditures must “include strategies to increase student achievement, reduce gaps in achievement among student subgroups, or create conditions that support student learning with a direct tie to improved student outcomes.”⁹⁷

From its creation under Act 59 of 2003 until the 2022 school year, ESA funding (originally known as NSL funding) was limited to specific allowable uses aimed at addressing the barriers that FRL students often face. The original allowable uses included but were not limited to: classroom teachers; before- and after-school academic programs;

⁹² https://dese.ade.arkansas.gov/Files/ade_268_2022_StudentSpecialNeedsFundingRules_Legal.pdf

⁹³ ECS is a nonpartisan non-profit organization that tracks and researches educational policy.

⁹⁴ See Superintendents Survey Responses, question 6.

⁹⁵ DESE Governing Student Special Needs Funding, effective June 2022.

⁹⁶ DESE Rules Governing Student Special Needs Funding, effective June 2022.

⁹⁷ DESE Rules Governing Student Special Needs Funding, effective June 2022.

pre-kindergarten programs; tutors, teachers' aides, counselors, social workers, nurses, and curriculum specialists; parent education; summer programs; early intervention programs; and materials, supplies, and equipment including technology used in approved programs or for approved purposes.

Act 322 of 2021 replaced the list of allowable uses and required districts to create a plan for spending ESA funds. Districts were required to submit a three-year plan to DESE by July 1, 2022. Eligible expenditures were to fall under one of six categories listed in statute⁹⁸ and DESE rules:

- 1) hiring of additional teachers for core academic subject areas, or additional teacher salaries in certain circumstances
- 2) academic supports and interventions
- 3) social, emotional, and behavioral supports
- 4) physical and mental health resources
- 5) early intervention resources
- 6) access to post-secondary opportunities

ESA funding cannot be used to “meet, satisfy, or supplant” the state Standards for Accreditation or minimum teacher salary requirements.⁹⁹

The following chart shows allowable expenses in each of the ESA categories.

ESA Categories	
Enhancement of Teacher Salaries	Recruitment and Retention High Priority Bonus Benefits Signing bonus for shortage areas Additional compensation for leadership roles, leading PD, mentoring
Academic Supports and Interventions	Tutors Instructional Facilitators Curriculum Coordinators Instructional Specialists/Interventionists Paraprofessional Supplemental Curriculum materials and resources aligned to programs or initiatives
Additional Teachers (Core)	Core classroom teachers Professional development or coaching to support teaching and learning
Social, Emotional, Mental Health, and Behavioral Supports	Specialists in field of psychology, social work, behavioral health Additional counselors Resources to implement behavioral, mental health and social-emotional programs Therapy Contracted services to provide therapy or counseling Professional development needed to implement programs

⁹⁸ Ark. Code Ann. § 6-20-2305(b)(4)(C)(i)(a).

⁹⁹ DESE Rules Governing Student Special Needs Funding, effective June 2022.

ESA Categories	
Early Intervention Support	<ul style="list-style-type: none"> Teachers Pre-K teachers Academic Coaches Tutors Interventionists Materials and supplies needed for this purpose Professional development or coaching for personnel for early intervention support
Physical Health and Safety	<ul style="list-style-type: none"> Nurses Counselors School Resource Officers Nurse supplies Counseling materials Expansion of student meal programs
Access to Postsecondary Opportunities	<ul style="list-style-type: none"> Teachers Career coaches Textbooks Curriculum or new programs of study Certification exams Tuition/fees for concurrent courses College entrance exam fees

Under DESE rules, districts were required to submit the first three-year ESA plan to DESE by July 1, 2022. Districts were to conduct a needs assessment and use district-specific data to determine areas where ESA funds should be directed. Plans were to include goals and measures of success for any areas where ESA funds would be directed. Districts are to review ESA plans annually and submit any necessary amendments to DESE with the district’s annual budget. Furthermore, DESE is required to monitor the implementation and progress of district ESA plans.

Districts that do not demonstrate progress on ESA plan goals for three consecutive years may be subject to additional monitoring by DESE, an increased level of support under the state’s accountability system, or a corrective action plan developed in collaboration with DESE. In addition, at any time, DESE may review a district’s plan, test data, financial data, and other indicators of compliance with the rules governing ESA plans.

If the Commissioner determines that a district has not met the needs of students that may be served by ESA funds, has provided false or misleading information, or failed to comply with the provisions of the district’s submitted plans without obtaining DESE approval, the Commissioner may require the district to redirect ESA funds to meet other educational needs of the students of the district.

School districts are required to budget 100% of ESA funds each year. Districts must provide justification for any transfer of funds and are also required to spend a minimum of 85% of the district’s current year ESA funding allocation. If a district has a balance over 15% of its ESA funding on June 30, the district must reduce its total ESA funding balance by at least 10% in each year that follows. A district can request a waiver for that requirement for an unusual and limited circumstance. If a district does not comply with the requirement to spend down its ESA fund balance, DESE may in the following school year withhold ESA funding equal to the amount required to be spent by the school district to be compliant.

Analysis of 2023 ESA Plans

As discussed above, districts’ ESA plans are divided into categories. The table below shows the percentage of all districts that included each category in the district ESA plan.

Percentage of Districts and Charters Allocating ESA Funds to ESA Allowable Categories

Enhancement of Teacher Salaries	Academic Supports and Interventions	Additional Teachers (Core Academic Areas)	Social Emotional, Mental Health, and Behavioral Supports	Early Intervention Support	Physical Health and Safety	Access to Postsecondary Opportunities
23%	96%	44%	47%	73%	85%	41%

In addition, 55% of districts included a transfer of ESA funds.

For the 2023 school year, 25 districts budgeted below 100% of ESA funds; the remaining districts budgeted exactly 100% or more than 100% of ESA funds. Districts are required to spend at least 85% of ESA funds each year. For the 2023 school year, 24 districts spent less than 85% of the district’s ESA funds. The remaining districts spent more than 85% of districts ESA funds, with 32 districts spending more than 100% of the district ESA funds (this is possible because ESA funds that are not used roll over to the next year).

Funding

ESA funding is provided to districts on a per-student basis for each student who qualifies for the national FRL program.¹⁰⁰ The per-student amounts are awarded based on the concentration of FRL students in the school population, as shown in the chart to the right. Because funding cliffs occur at the 70% and 90% thresholds, transitional and growth ESA funding are distributed based on enrollment changes to smooth funding changes over several years (growth and transitional funding amounts are included in the total fund amount above. (ESA Matching Grants will be discussed in a later section of this report.)

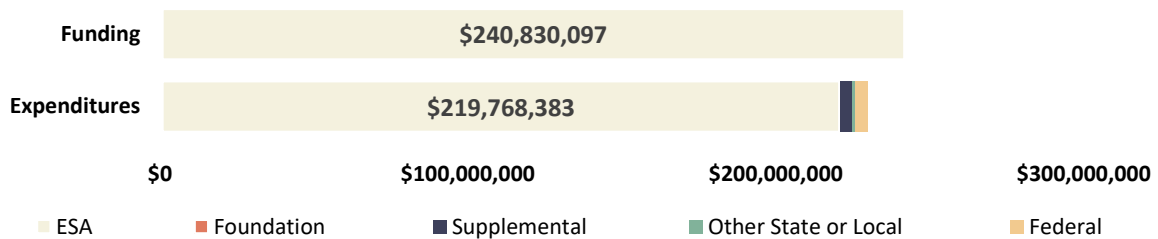
2023 Funding Amount
\$240,830,987

2023 Per Student Amounts

<70% FRL	70% - 90% FRL	>90% FRL
\$538	\$1,076	\$1,613

Spending

ESA: Funding vs. Spending



Research and Best Practices

Research finds that increased funding can have a positive impact on the academic success of poverty students, especially when it is used to reduce class size (15-18 students) for at-risk students and to ensure teacher quality for those students.¹⁰¹ Odden and Picus’ 2018 research offered that one key to helping struggling students (which refers to all EL students first and then to all non-EL poverty students) was to keep standards high for all students but “vary the instructional time so all students have multiple opportunities to achieve proficiency levels.”¹⁰²

The 41 states that provide additional money for poverty students use a number of means for identifying them. The majority, like Arkansas, identify students solely through their eligibility for the NSL program, while others use means of direct certification through federal programs such as the Supplemental Nutritional Assistance Program

¹⁰⁰ For those schools and districts that participate in federal lunch programs (Provision 2 and Community Eligibility Program) that do not require annual documentation of qualifying students, DESE provides guidance for estimating the number of children for which funding is provided in the Rules Governing Student Special Needs Funding.

¹⁰¹ Baker, B. (Learning Policy Institute, July 2018.) “How Money Matters for Schools.”

¹⁰² Odden and Picus, 2018.

(SNAP) to identify low-income students. Several more closely follow the Odden and Picus model for struggling students because they combine other indicators such as English language learners or foster care with NSL eligibility. At least one state relies on indicators such as student mobility without regard for NSL participation.

The manner of determining funding amounts also varies greatly among states. For instance, some states provide a flat amount to districts for each low-income student distinct from their base funding amount, while others weight the base funding amount for each low-income student. In some states, these per-student amounts or weights increase according to the concentration of poverty students in a district. Wyoming provides block grants for an additional .15 staff to serve at-risk students.¹⁰³

In its report provided to the Education Committees in December 2020, APA recommended that Arkansas adopt a per-ESA student weighting system to smooth funding cliffs and to weight students the same regardless of the concentration of poverty within a school.¹⁰⁴

Arkansas Educators' Input



Survey Says: 39% of superintendents reported that ESA categorical funding did not meet district needs.¹⁰⁵ 67% of superintendents responded that their primary goal for ESA expenditures was to raise the achievement of all students, 17% said it was to address basic needs of students from families in poverty, and 12% said the goal was to close the achievement gap between ESA and non-ESA students.¹⁰⁶

Professional Development (PD)

Arkansas law¹⁰⁷ states that the purpose of PD is to “improve teaching and learning in order to facilitate individual, school-wide, and system-wide improvements designed to ensure that all students demonstrate proficiency on state academic standards.”

Ark. Code Ann. § 6-17-704 defines PD as a “set of coordinated planned learning activities for teachers, administrators, and non-licensed school employees” that is required by statute or by DESE, or meets the following criteria:

- Is part of the minimum number of PD hours or professional learning credits as determined by DESE and required by law or by DESE
- Improves the knowledge, skills, and effectiveness of teachers
- Improves the knowledge and skills of administrators and paraprofessionals concerning effective instructional strategies, methods, and skills
- Leads to improved student academic achievement
- Is research-based and standards-based

According to Arkansas law, districts must include no fewer than six PD days out of the 190 required days in educators' basic contracts.¹⁰⁸ Additionally, PD shall comply with DESE's Rules Governing Professional Development and may provide educators with the knowledge and skills needed to teach:

¹⁰³ Data from the ECS state comparison funding charts combined with data from EdBuild found at [EdBuild | Funded - Examining State Policies for Funding Education across all 50 States](#).

¹⁰⁴ Augenblick, Palaich and Associates (Presentation to Senate Committee on Education and House Committee on Education, December 1, 2020.) “Arkansas School Finance Study.”

¹⁰⁵ See Superintendents Survey Responses, question 6.

¹⁰⁶ See Superintendents Survey Responses, question 7.

¹⁰⁷ A.C.A. § 6-17-704(b)

¹⁰⁸ A.C.A. § 6-17-2402(1)(A) (providing further that for teachers employed in the Civilian Student Training Program or the Arkansas National Guard Youth Challenge Program, a basic contract for a teacher includes full-time employment for 190 days, which must include no fewer than 6 days of PD, with all days in excess of the 190 required days paid at a daily rate as established in § 6-17-2403 that is required for full-time annual employment and subject to the policies and guidelines of the Arkansas National Guard).

- Students with disabilities, including without limitation, autism
- Culturally and linguistically diverse students¹⁰⁹

Arkansas law¹¹⁰ also requires districts to annually prepare a PD plan in which “teachers, administrators, and classified school employees shall be involved with in the design, implementation, and evaluation of their respective professional development offerings under the plan.” Additionally, this statute provides that “evaluation results shall be given to each group of employees in the school district and used to improve professional development offerings.”

PD can be earned in the following ways: approved conferences, workshops, institutes, individual learning, mentoring, peer-coaching, study groups, National Board for Professional Teaching Standards certification, distance learning, micro-credentialing approved by DESE, internships, and college or university course work.¹¹¹ Additionally, up to 12 hours of PD credit may be earned by licensed personnel for time required at the beginning of the school year for planning and preparing a curriculum and other instructional materials¹¹² contingent on meeting certain requirements.

Funding

In 2023, PD categorical funds were divided between the Arkansas Educational Television Network (AETN), Solution Tree, and school districts. AETN received PD funds to implement ArkansasIDEAS and Solution Tree received PD funds to implement the Professional Learning Communities (PLC) Program. In 2023, PD funding to districts and charters was required to total \$40.80 per student.¹¹³ After PD funding was allotted for AETN and Solution Tree, the remaining \$37.50 was distributed to districts and charters. In 2023, the amount of PD categorical funding paid to AETN was \$2.5 million. The following discussion focuses on the PD funds for districts, charters, and AETN. Solution Tree’s funding will be discussed later in this section.

ArkansasIDEAS is a partnership between DESE and AETN to provide online PD for Arkansas licensed educators and those wishing to obtain an Arkansas educator license.¹¹⁴ ArkansasIDEAS “connects K-12 educators with quality ADE-approved PD and educational opportunities.”¹¹⁵ It also offers programs of study to assist teachers in “obtaining an Arkansas Educator License or additional grade band endorsements added to an existing license.”¹¹⁶

In 2023, for PD, school districts received \$17.8 million, AETN received \$2.5 million, and Solution Tree received \$16.3 million.

Funding Distribution	Funded Entity	Per-Student Amount 2023/ 2024/ 2025	2023 Funding Amount	Pct. Of Total PD Funds
1 st	Solution Tree	N/A	\$16,266,973	44%
2 nd	AETN	N/A	\$2,532,826	7%
3 rd	School Districts	\$ 37.50/ \$ 37.50 / \$ 37.50	\$17,767,310	49%
Total			\$36,567,109	

¹⁰⁹ A.C.A. § 6-17-704(e).

¹¹⁰ A.C.A. § 6-17-704

¹¹¹ A.C.A. § 6-17-704(d).

¹¹² A.C.A. § 6-17-705(a).

¹¹³ A.C.A § 6-20-2305.

¹¹⁴ See A.C.A. § 6-17-707 (requiring the Commissioner of Elementary and Secondary Education to work with the Director of the Educational Television Division and local school districts "to develop a statewide online professional development program that includes quality professional development courses" that meet certain statutory standards).

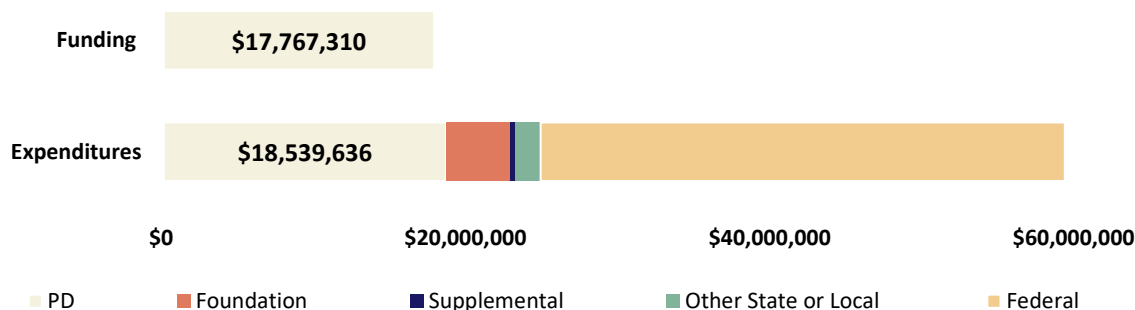
¹¹⁵ <http://ideas.aetn.org/>

¹¹⁶ <http://ideas.aetn.org/>

Spending

In 2023, districts received \$17.8 million in PD categorical funds and spent \$18.5 million, indicating transfers from other categorical funds. Districts spent an additional \$40.1 million for PD purposes, with a majority of that coming from federal funds.

PD: Funding vs. Spending



PD categorical funds are required to be spent on activities and materials that do the following: improve the knowledge, skills, and effectiveness of teachers; address the knowledge and skills of administrators and paraprofessionals concerning effective instructional strategies, methods, and skills; lead to improved student academic achievement; and provide training for school bus drivers.¹¹⁷

In 2023, the largest majority (39%) of professional development spending went toward services supporting the professional development of school district personnel including but not limited to the following: course registration fees, training courses from external vendors, and other expenditures associated with training or PD by third-party vendors.

Research and Best Practices

In their most recent evidence-based model,¹¹⁸ Odden and Picus estimated the cost for effective professional development would be about \$125 per pupil for trainers. This included paying for central office professional development staff, outside consultants, or school turnaround organizations as well as reimbursements for teacher conference registrations or for tuition for teachers who enrolled in appropriate coursework at approved colleges and universities. Costs could also include miscellaneous administrative, materials, supplies, and travel expenses. Odden and Picus also recommended that teachers have ten days dedicated to professional development.

Arkansas Educators' Input



Survey Says: 67% of superintendents reported that professional development categorical funding did meet district needs.¹¹⁹

In the 2024 teacher survey, teachers were asked to report how often different forms of professional development were used and to rate the usefulness of each form. Collaboration with other educators/staff was the most commonly used (43%) and the most often rated as very useful or essential (85%).¹²⁰

¹¹⁷ A.C.A. § 6-20-2305(b)(5)(B)

¹¹⁸ Odden, Allan, & Picus, Lawrence O. (2019). *School finance: A policy perspective*, 6th ed. New York: McGraw-Hill

¹¹⁹ See Superintendents Survey Responses, question 6.

¹²⁰ See Teachers Survey Responses, questions 40-41.

Supplemental Funds

At the time of the initial *Lake View* reforms, several additional or “supplemental” funding streams were either in or put in place to help small schools and districts, as well as districts with fluctuating enrollment trends, provide an adequate education. In subsequent years, a number of other funding streams were added to help address specific adequacy-related expenses: transportation; special education; ESA matching grants (poverty); and teacher salaries.

Isolated

Isolated funding is supplemental funding distributed to districts with low enrollment or geographic challenges, such as rugged road systems and/or low-student density, which can increase costs. There are four types of isolated funding: isolated funding;¹²¹ special needs isolated funding;¹²² special needs isolated funding – small district;¹²³ and special needs isolated – transportation funding.¹²⁴ Varying restrictions are placed on how these funds can be used.

Funding

In 2023, the state distributed almost \$11 million to 29 districts falling in one or more of the four isolated funding categories, with each having different eligibility criteria. Funding was first distributed to districts meeting the eligibility criteria for isolated funding. The remaining amount was then available to districts meeting the criteria for the second funding category, special needs isolated funding, and then to special needs isolated – small district. The full amount remaining then was distributed to districts meeting requirements for special needs isolated – transportation funding.

To be eligible for isolated funding in 2023, a district had to meet four of the following five conditions: long distances; low student density of bus riders; high number of square miles; low proportion of hard-surfaced roads; and geographic obstacles.¹²⁵ Once these four conditions were met, a district had to then meet certain budget and ADM requirements, and also meet the minimum standards for accreditations.¹²⁶ These districts received an amount determined by a formula set in statute and based on ADM.

Funding Type	FY23 Funding Amount
Isolated Funding	\$2,223,176
Special Needs Isolated	\$3,432,953
SNI - Small District	\$2,106,241
SNI - Transportation	\$3,133,625
Total Funding	\$10,895,995

Multiple eligibility criteria existed for special needs isolated funding – the second type – that resulted in districts receiving four different levels of funding in 2023. Depending on which of the requirements districts met, they received funding equal to 20%, 15%, 10%, or 5% of the foundation funding rate for each student in the isolated school area(s) or for the district.¹²⁷ The 5% category is actually the third category of isolated funding —special needs isolated-small district – because districts receiving this funding typically have no isolated schools, but rather are districts with fewer than 500 students.

The fourth type of funding – special needs isolated-transportation – was provided to districts with the sole purpose of helping isolated districts with transportation need.

Spending

In 2023, districts spent approximately \$11 million of the \$10.9 million in isolated funding. Each type of isolated funding came with its own spending restrictions. With the exception of special needs isolated – transportation, the uses were relatively broad. All of these funds were supposed to be used for the specific isolated school area for

¹²¹ A.C.A. § 6-20-603.

¹²² A.C.A. § 6-20-603(c)-(e).

¹²³ *Id.* at (f).

¹²⁴ *Id.* at (h).

¹²⁵ A.C.A. § 6-20-601(a).

¹²⁶ *Id.* at (b).

¹²⁷ A.C.A. § 6-20-604(c)-(e).

which they received the funds. In some districts, these areas make up the majority, if not all, of the district. These restrictions are listed in the table below, alongside the top three uses for each fund type.

Isolated Funding Category	Spending Restrictions	Actual FY23 Spending – Top Uses
Isolated	Operation, maintenance, and support of the isolated school area ¹²⁸	1. Instructional Programs and Services (62%) 2. Operations and Maintenance (18%) 3. District or School Administration (15%)
Special Needs Isolated	Operation of the isolated school area ¹²⁹	1. Operations and Maintenance (46%) 2. Instructional Programs and Services (35%) 3. Transportation (10%)
Special Needs Isolated (Small District)	None	1. Transportation (91%) 2. LEA Indebtedness (6%) 3. Operations and Maintenance (2%)
Special Needs Isolated - Transportation	Transportation costs for the isolated school area ¹³⁰	
Data Source: Arkansas Public School Computer Network (APSCN).		
Note: Expenditures for Isolated and Special Needs Isolated Funding are combined due to coding structure.		

Research and Best Practices

According to ECS, only 33 states used some form of isolated or small school/district funding in 2021, the most recent year data was available. Among those states, the mechanism used to provide districts and schools funding varied, as did the factors used to determine funding. These included location, geographic barriers, sparsity, and/or enrollment size.

In their evidence-based model,¹³¹ Odden and Picus recommended adjustments for school districts that have smaller enrollment numbers. Odden and Picus stated that school districts below 975 students require additional support staff for an adequate program, recommending one assistant principal and one full-time teacher for every seven students. In 2023, 134 Arkansas school districts had fewer than 975 students, or 52.5% of all school districts.

In a 2020 study of New Hampshire’s funding system for public schools, the American Institutes for Research and the New Hampshire Commission to Study School Funding both recommended that small enrollment districts needed more funding. The Commission recommended multiple weights for small districts, varying by enrollment size. The Commission noted that smaller districts “operate at a lower level of cost efficiency than larger districts.”¹³²

Declining Enrollment

Declining enrollment is funding provided to districts that have lost students and therefore have experienced a loss in foundation funding. No restrictions are placed on how declining enrollment funds can be spent.

¹²⁸ A.C.A. § 6-20-603(d).

¹²⁹ A.C.A. § 6-20-604(c)-(e).

¹³⁰ *Id.* at (h).

¹³¹ Odden, Allan, & Picus, Lawrence O. (2019). *School finance: A policy perspective*, 6th ed. New York: McGraw-Hill

¹³² The Commission to Study School Funding. (December 2020). “Our Schools, Our Kids: Achieving Greater Equity for New Hampshire Students and Taxpayers.”

https://carsey.unh.edu/sites/default/files/media/2020/12/final_report_forcommission_v5_12012020.pdf

Funding

Declining enrollment funding is based on yearly ADM (rather than quarterly ADM) and provides a district about half the foundation funding amount for each student lost.

Because of the difference in the declining enrollment and the student growth calculations, a district may be eligible for declining enrollment and student growth funding in the same year, but districts may not receive both types of funding.¹³³ DESE awards the funding type that would result in the most money for the district.¹³⁴ Student growth funding is discussed in the next section.

2023 Funding Amount

\$37,703,387

Funding	# of Districts	Districts	# of Charters	Charters	Total
2021	110	\$14,305,210	3	\$326,337	\$14,631,547
2022	135	\$31,522,589	4	\$771,132	\$32,293,721
2023	85	\$13,708,305	5	\$1,263,324	\$14,971,629

Spending

Districts and charters spent a total of \$18,332,602 in declining enrollment funds in 2023. The top four spending categories were operations and maintenance (34%), regular instruction (29%), transportation (16%), and administration (9%)

Research and Best Practices

Proponents of declining enrollment provisions argue that the provisions serve two goals: 1) allowing time for communities and economics in rural areas to rebound, improve, and adjust to changes in population and revenue; and 2) ensuring that students in rural areas are offered an adequate education.¹³⁵ Opponents of declining enrollment funding argue that declining enrollment funding allows districts to avoid restructuring for smaller enrollments, discourages experimentation, and diverts funding from other uses.¹³⁶ Declining enrollment policies can take several forms: 1) protections against declining enrollment; 2) hold-harmless provisions; 3) small district subsidies; and 4) minimum categorical allocations.¹³⁷

Odden and Picus' evidence-based model recommended funding students based on the school and district where they are actually attending school, and using a rolling three-year average pupil count when students are declining to help districts deal with enrollment decline and the corresponding loss in revenues.¹³⁸ Odden and Picus recognized that this method of funding may have the effect of creating "phantom students," or students who are counted in their new district but still partially funded in their old district until the three-year average cycles through.¹³⁹

In its 2020 Arkansas study, APA offered two alternative approaches to funding declining enrollment: using a three-year average and using a percentage per year. The three-year average would provide districts with the highest ADM of the current year, average of the current year and prior year, or average of the last three years.

¹³³ Ark. Code Ann. § 6-20-2305(a)(3)(C)

¹³⁴ Arkansas Department of Education Rules Governing Declining Enrollment and Student Growth Funding for Public School Districts, effective January 1, 2019, 4.04.

¹³⁵ Jimerson, L. (Rural School and Community Trust Policy Brief, February, 2006.) "Breaking the Fall: Cushioning the Impact of Rural Declining Enrollment."

¹³⁶ Fullerton, J. and Roza Marguerite. (Education Next, May 1, 2013.) "Funding Phantom Students."

¹³⁷ Ibid.

¹³⁸ Odden, A. Picus, L. (2019). *School finance: A policy perspective*, 6th ed. New York: McGraw-Hill.

¹³⁹ Ibid.

A percentage per year model would assign percentages to the prior year, two years back, and three years back ADM, with each year further back receiving smaller percentages of funding. Both methods would increase the overall amount of declining enrollment funding.¹⁴⁰

Student Growth

Student growth funding is additional funding the state provides to growing districts to help support their additional students.¹⁴¹ No restrictions are placed on how these funds can be spent.

Funding

The student growth formula is based on quarterly ADM (rather than yearly ADM) and provides the full foundation amount for each student that a district gains.

2023 Funding Amount
\$37,703,387

As discussed above, because of the difference in the student growth and declining enrollment calculations, it is possible for a district to qualify for student growth funding and declining enrollment funding in the same school year. However, since 2007, state law has prohibited districts from receiving both types of funding.¹⁴² Under DESE rules, when a district qualifies for both, DESE issues the funding type that would result in the most money for the district.¹⁴³

Funding	# of Districts	Districts	# of Charters	Charters	Total
2021	103	\$11,656,792	11	\$17,879,828	\$29,536,620
2022	91	\$22,937,636	8	\$8,925,234	\$31,862,870
2023	127	\$32,808,435	9	\$4,894,952	\$37,703,387

Spending

Districts and charters spent a total of \$30,950,380 from student growth funding in 2023. The top four spending categories were regular instruction (37%), administration (19%), operations and maintenance (14%), and transportation (10%).

Research and Best Practices

Seventeen states have some form of growth funding to provide districts with growing enrollment, though many have no form of student growth funding. This is particularly true in states that use current-year enrollment counts for funding; Arkansas uses prior-year ADM to determine foundation funding.¹⁴⁴

Some states provide high-growth districts additional funding based on the percentage of growth in the current year. In others, the state averages the amount of a district's growth over a period of years and adds the average percent of growth to the district's enrollment count. In still other states, the state adjusts more than once in a school year, with the district receiving all or half of the foundation funding amount for each student gained.¹⁴⁵

Odden and Picus' evidence-based model recommended funding districts based on the full-time average daily membership, using the actual count for schools with stable or rising district counts.¹⁴⁶

¹⁴⁰ Augenblick, Palaich and Associates (Presentation to Senate Committee on Education and House Committee on Education, June 8, 2020.) "Growth Funding and Declining Enrollment."

¹⁴¹ Ark. Code Ann. § 6-20-2305(c)(2).

¹⁴² Act 461 of 2007; Act 272 of 2007; Ark. Code Ann. § 6-20-2305(a)(3)(C).

¹⁴³ Arkansas Department of Education Rules Governing Declining Enrollment and Student Growth Funding for Public School Districts, effective January 1, 2019, 4.04.

¹⁴⁴ Augenblick, Palaich and Associates (Presentation to Senate Committee on Education and House Committee on Education, June 8, 2020.) "Growth Funding and Declining Enrollment."

¹⁴⁵ Ibid.

¹⁴⁶ Odden, Allan, & Picus, Lawrence O. (2019). *School finance: A policy perspective*, 6th ed. New York: McGraw-Hill

In its 2020 Arkansas study, APA recommended funding districts that had at least a 2% growth rate. The change would decrease the number of districts receiving student growth funding, as well as the amount of overall funding.¹⁴⁷

ESA Grants

ESA Matching Grants reimburse schools for three research-based methods for increasing the achievement of low-income students (tutors, preschool, and after-school/summer school programs).¹⁴⁸

Funding

In 2023, 151 districts and 5 charters received a total of \$5,300,000 in ESA matching grant funding.

2023 Funding Amount
\$5,300,000

Spending

Districts and charters spent a total of \$3,420,215 in ESA matching grant funding for 2023. Of that, districts and schools spent a total of \$2,825,542 on the three research-based methods for increasing the achievement of low-income students.

Preschool/early childhood	Summer school/before- and after-school programs	Tutoring/reading
\$1,702,230	\$555,369	\$616,698

Special Education High-Cost Occurrences

Special education high-cost occurrences funding is provided to districts when an individual student’s special education and related services required in his or her IEP are unduly expensive, extraordinary, or beyond the routine and normal costs associated with special education and related services.¹⁴⁹ Districts must submit eligible claims¹⁵⁰ to be reimbursed by DESE. The district is responsible for 100% of the first \$15,000 after being adjusted for offsets. Offsets include Title VI-B (Federal IDEA Part B funding), Medicaid reimbursements, and other funds received (extended school year, third party liability, etc.). After that, districts can be reimbursed 100% of expenses between \$15,000 and \$65,000 and 80% of expenses of \$65,000 to \$100,000. Reimbursements are prorated if total reimbursement requests exceed the amount of funds available in the high-cost occurrences fund.

Funding

In 2023, special education high-cost occurrences funding equaled \$14 million. That year, 157 districts made \$46.9 million in eligible claims for 1,605 students. Of the \$46.9 million in eligible claims, \$21.3 million were considered reimbursable. District received 65.7% of reimbursable claims.

2023
\$14 million

¹⁴⁷ “Growth Funding and Declining Enrollment” by Augenblick, Palaich and Associates, Presentation to Senate Committee on Education and House Committee on Education, June 8, 2020.

¹⁴⁸ See Acts 2023, No. 572, Section 27(a)(1).

¹⁴⁹ Ark. Code Ann. § 6-20-2303(22).

¹⁵⁰ Eligible claims include those for students currently enrolled in the district at the time of submission, when costs exceed \$15,000, and the costs must have incurred solely as a result of the provision of special education and related services to the individual student.

Spending

Other than the restrictions on the types of claims that are eligible to be reimbursed, there are no restrictions on how those reimbursed funds are to be spent. During the 2023 school year, districts spent \$11,802,249 of their special education high-cost occurrences, and 71% of those expenditures were for special education teacher salaries and benefits.

Total Special Education Spending

In 2023, districts spent \$572 million on special education expenditures. Spending for special education teachers (as provided in the matrix) accounted for approximately 46% of that spending. The most common uses of the remainder was for instructional aides and student support (e.g. physical and occupational therapy, speech pathology, and psychological testing). Federal funding accounted for 45% of those expenditures. The other primary fund sources for these expenses came from foundation funding (35%) and other state or local funding (17%).

Additional PD: Professional Learning Communities

As noted earlier, Solution Tree, a private organization specializing in PLCs received a portion of PD categorical funding in 2018 to implement the state's PLC pilot program,¹⁵¹ in a partnership with DESE.¹⁵² DESE defined a PLC as an "ongoing process in which educators work collaboratively in recurring cycles of collective inquiry and action research to achieve better results for the students they serve."¹⁵³ Broadly, a PLC could also refer to some form of structured collaboration between educators within a school in which educators shared experiences, ideas, resources, and strategies for improved student achievement. It could also be a formal program implemented in the school or include informal meetings among educators in a school. Solution Tree's PLC at Work program was a specific way of implementing a PLC.¹⁵⁴

Fiscal Year	Contract Amounts	Actual Paid
2018	\$4,000,000	\$4,000,000
2019	\$8,500,000	\$8,500,000
2020	\$12,500,000	\$12,500,000
2021	\$12,500,000	\$12,124,667
2022	\$14,500,000	\$14,362,185
2023	\$16,500,000	\$16,266,973
Totals	\$68,500,000	\$67,753,825

According to the DESE contract with Solution Tree, the intended outcomes of the pilot project included "increasing student achievement through teacher collaboration, a focus on learning, and a results orientation."

Funding and Spending

In 2023, Solution Tree received \$16.5 million. Since the first cohort began in 2018, Solution Tree has received \$62.5 million. Meanwhile, 73 schools and districts have either completed the program or are in the program now.

Teacher Salary Equalization

To help address disparities in average teacher salaries within the state and when compared to surrounding states, the legislature passed Acts 679 and 680 of 2021, creating the Teacher Salary Equalization Fund to provide public school districts and open-enrollment charter schools with additional restricted funding dedicated to increasing teacher salaries.¹⁵⁵ In 2023, equalization funding was provided to districts and charter schools that had an average annual teacher salary below the statewide target average annual salary of \$51,822 that had been set by the

¹⁵¹ See Ark. Code Ann. § 6-20-2305(b)(5)(C)(i).

¹⁵² See *id.* at (b)(5)(C)(ii)(b) (authorizing the DESE to "partner with or choose a person, firm, corporation, or education service cooperative to provide the knowledge, skills, experience, and expertise for the development of a research-based process for the implementation of professional learning communities").

¹⁵³ Arkansas Department of Education "Rules Governing Professional Learning Communities" (October 2017), Rule 2.01.

¹⁵⁴ <https://www.solutiontree.com/st-states/arkansas-plc>

¹⁵⁵ See Ark. Code Ann. § 6-20-2305(b)(6).

legislature. Funding for eligible districts and open-enrollment charter schools was calculated by multiplying \$185 by the prior year ADM.

Equalization funding continues each year and increases when a district’s ADM increases. Funding never decreases below the amount a district received in the initial year. The legislature may increase the state target average and the amount of per-student funding as part of the adequacy review process, which will increase the amount of funds districts will be eligible to receive.

Funding

In 2023, public school districts and open-enrollment charter schools received \$51,900,715 in Teacher Salary Equalization funding. Twenty-nine public school districts and one open-enrollment charter school did not meet the criteria for the funding.

Spending

After DESE disbursed Teacher Salary Equalization funds to districts and charters, the amount received was transferred to the teacher salary fund, meaning multiple fund sources were comingled. Because these funds were to be spent on teacher salaries, BLR accounted for these funds as “supplemental funds” spent on teacher salaries.

Enhanced Transportation

Funding

Enhanced Transportation funding is distributed to school districts with high transportation costs.¹⁵⁶ While the matrix funding for transportation was \$321.20 per student in 2023, individual districts and charter systems spent between \$3.66 and \$2,363.98 per student on transportation from all funding sources.

2023 Amount
\$7.2 million

To calculate Enhanced Transportation, a complex formula predicts transportation expenditures based on three factors: ADM; average daily number of riders; and average daily route miles. These predicted expenditures are compared to the actual funding provided by the foundation funding matrix and the actual expenditures of each district/charter system to determine transportation funding needs. The funding is distributed based on need on a pro-rata basis until the funding is depleted. In 2023, district and charter system Enhanced Transportation funding amounts ranged from \$702 (Monticello) to \$178,606 (Deer/Mt. Judea).

Spending

School districts and charter systems spent about \$6.9 million of the total \$7.2 million provided in 2023. Of the \$6.9 million spent, \$5.1 million, or 75%, was spent on expense items that were considered to be in the matrix category, academic transportation expenses. The second highest matrix category was operations and maintenance, on which districts spent \$1.1 million or 17% of the total. The remaining expenditures included expense items for non-athletic instructional materials, substitute teachers, athletic supplies and transportation, and Local Education Agency (LEA) indebtedness. Enhanced Transportation is not considered restricted funding.

Spending on Non-Matrix Items

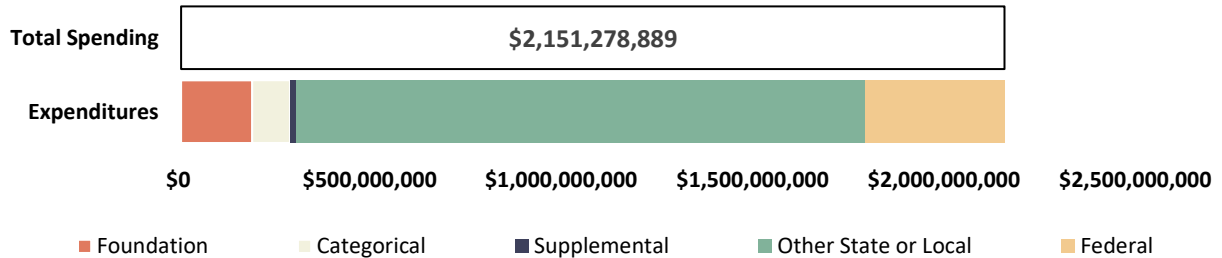
Several items not included specifically in the matrix are frequently purchased by public schools with at least some use of foundation funds. Foundation funding is unrestricted funding, meaning districts are free to use it however best fits their needs. In some cases, expenditures are placed in this category simply because they do not fit within the specific intent of the matrix.

¹⁵⁶ See Ark. Code Ann. § 6-20-2305(b)(6).

Spending

In 2023, schools in Arkansas spent over \$2.1 billion on items not specifically identified in the matrix. Most of this spending was from "Other State or Local" funding.

Non-Matrix Items: Spending by Fund Source



As shown in the table below, close to \$186 million was spent on non-matrix items using foundation dollars. Instructional Aides accounted for the highest percentage (38%) of non-matrix item spending from foundation funds. Facilities Acquisition and Construction Services was the highest expenditure from all fund sources.

Expenditure Category	2023 Foundation Exp. Amt.	2023 Total Exp. Amt.
Instructional Aides	\$71,124,548	\$231,949,187
Athletic Classified, Supplies, and Transportation	\$37,373,904	\$85,799,619
Instructional Supplies and Objects	\$29,881,503	\$145,399,947
Miscellaneous Reconciling Items	\$14,769,293	\$40,794,263
Other Classified Instructional Support	\$13,137,059	\$145,526,938
Classified Guidance Counselor and Library Support Services	\$7,622,494	\$12,179,673
Counselor, Nurse, and Student Support Supplies and Objects	\$3,395,422	\$12,229,780
Facilities Acquisition and Construction Services	\$3,393,654	\$661,760,623
Non-Athletic Extracurricular Classified, Supplies, and Transportation	\$3,035,520	\$54,423,219
LEA Indebtedness	\$1,710,992	\$337,463,967
Pre-School Services	\$439,190	\$47,252,276
Food Service	\$108,037	\$349,512,615
Community Service and Childcare	\$0	\$21,054,411
Adult Education	\$0	\$5,932,731
Total	\$185,991,614	\$2,151,278,889

Arkansas Educators' Input

Since the 2016 adequacy study, in its survey of superintendents, the BLR has asked if there are any resources not included in the matrix they believe are an important part of providing an adequate education.¹⁵⁷

A total of 112 superintendents responded to this question for the 2024 adequacy study. As shown in the summary table to the

Item	# Respondents	%
Safety/SROs	47	42%
Mental Health	36	32%
Additional Staff	31	28%
Dyslexia	18	16%

¹⁵⁷ See Superintendents Survey Responses, question 5.

right, the most frequently cited additional resources superintendents reported included school safety, mental health, additional staff, and dyslexia.

Other funding needs mentioned by superintendents included: special education support staff, career & technical education (CTE) instructors and materials, child nutrition, preschool, rising costs of utilities, inflation, teacher recruitment, and basic needs of impoverished students, among others.

Several superintendents commented that a significant amount of money had to be spent on these resources even though they were not funded in the matrix. Some superintendents indicated that other funding streams were either insufficient or not sustainable. Some superintendents also cited issues with the partial funding of staff by the matrix using decimals rather than whole numbers for staff positions.

The results from the educator surveys conducted by the BLR for the 2024 adequacy study are consistent with the data collected for the 2022 adequacy study, as well as with feedback collected by Augenblick, Palaich, and Associates (APA) as part of its 2020 district-level survey, educator panels, and online forums.¹⁵⁸

Research and Best Practices

Other resources not currently funded in Arkansas's matrix but identified in Odden and Picus' evidence-based model as critical to the core educational program and for student success include core tutors as part of the core instructional program and per-student funding for funding gifted-and-talented education (GTE) and CTE. The matrix does not provide funding for GTE, but pursuant to state law, districts are required to expend state and local revenues on GTE programs in an amount equal to 15% of the foundation funding amount multiplied by 5% of the school district's prior year three-quarter ADM.¹⁵⁹ The matrix does not provide a dollar amount specific for CTE, either; however, the General Assembly currently includes "curriculum and career and technical frameworks" as part of the definition of adequacy."

Additionally, Odden and Picus' evidence-based model identified key resources for at-risk students, which included staffing for additional tutors and pupil support staff, extended-day, summer school, and English as a second language programs based on the number of poverty and EL students.

¹⁵⁸ [Arkansas School Finance Study](#) (APA, 2020)

¹⁵⁹ Ark. Code Ann. § 6-20-2208(c)(6).

5. Equity

Introduction

Equity is a key component of achieving and maintaining a constitutionally sound system of funding education in Arkansas, and it has been since the 1983 case *Dupree v. Alma Sch. Dist. No. 30*. The *Lake View* cases reaffirmed this principle. The Court in *Lake View* stated that it is the State’s responsibility “to determine whether equal educational opportunity for an adequate education is being substantially afforded to Arkansas’ school children”, and that “[d]eference to local control is not an option for the State when inequality prevails”. *Lake View Sch. Dist. No. 25 v. Huckabee*, 351 Ark. 31, 79 (2002). The Court acknowledged that equity is not simply a matter of equal distribution of dollars for each child, but rather the state must take into account disparities that impact a child’s ability to receive an equal opportunity for an adequate education.

In measuring these disparities, the Court noted that the “focus for deciding equality must be on the actual expenditures”, which are “the measuring rod for equality”. *Lake View*, 351 Ark. 31 at 74-75. The Court has relied on the federal range ratio, and to a lesser extent the coefficient of variation and the Gini coefficient to measure disparities and determine equity.¹⁶⁰ This section provides information on the state’s educational equity, using standard statistical measures previously accepted by the Court.

Approaches to Determining Equity

Equity is a multidimensional concept that has been analyzed with various statistics that have different purposes, strengths, and weaknesses¹⁶¹:

- “**Horizontal equity**” analyses examine the degree to which districts receive equal resources on a variable such as foundation funding
- “**Neutrality measures**” are designed to measure inequities among districts that may arise from differences in local property wealth
- “**Vertical equity**” analyses examine per-pupil expenditures within categories (or ranges) of another variable, such as NSL student categories, ADM groups, racial groups, or amounts of property wealth to determine how equitable spending is among the districts when grouped by that variable

The data for this report was obtained from the Arkansas Public School Computer Network (APSCN) for the 2021-2023 school years. The data comprise various revenue and expenditure items as well as student information.

Horizontal Equity Statistics

The sample for the horizontal equity analyses was made up of 258, 255, and 255 school districts and charter school systems in 2021, 2022, and 2023, respectively. Two revenue variables are analyzed.

The first variable, which will be called **Revenue 1**, is foundation funding and property taxes per student. This measure was computed as the sum of four revenue items divided by the current year’s ADM. The four revenue items are Foundation Funding (Excluding URT), Net Property Taxes, 98% of URT adjustment, and Miscellaneous Funds.

The second variable, which will be called **Revenue 2**, is foundation and other adequacy-related funding per student. This revenue consists of all the revenue included in the first variable, plus selected types of state funding. Again, the revenue was divided by each district’s current year ADM. The selected state funds include:

¹⁶⁰ *School Finance A Policy Perspective (Sixth Edition)*, Odden, Allen R. and Picas, Lawrence, O., McGraw Hill Education, 2020.

¹⁶¹ *School Finance A Policy Perspective*.

- Enhanced Student Achievement state categorical funding
- English Learner funding
- Professional Development funding
- Alternative Learning Environment funding
- Student Growth funding
- Declining Enrollment funding
- Isolated and Special Needs Isolated funding
- Special Education Catastrophic Occurrences funding
- ESA Matching Grant
- Enhanced Transportation
- Salary Equalization

The following describe the horizontal equity statistics presented in the accompanying tables:

Mean: The mean is the arithmetic average of the data characterizing the typical or expected funding value.

MEAN	2021	2022	2023
Revenue 1	\$ 8,145.26	\$8,226.78	\$8,539.89
Revenue 2	\$ 9,141.65	\$9,323.30	\$9,773.76

Median: The median is the middle funding value if all values were arranged from the lowest to the highest values (or vice versa). The median is also called the 50th percentile. Both the mean and median are measures of central tendency or location, but the median is sometimes more appropriate if there are extreme values in the data.

MEDIAN	2021	2022	2023
Revenue 1	\$ 7,987.77	\$8,000.71	\$8,262.06
Revenue 2	\$ 8,950.38	\$9,005.96	\$9,372.18

Restricted Range: The above measures do not reveal much about the “variability” or “spread” of the data. Measures of dispersion are the set of statistics that provide information on data spread. The restricted range is the difference between the 5th and 95th percentiles, the values indicating the funding values at the 5th and 95th places if the data were ordered and sliced in 100 parts. According to education researchers, “If a range statistic is used, the restricted range is preferred to the unrestricted range, but neither is a good indicator of the equality of the distribution of the object for the entire education system.”¹⁶² The smaller the range, the more equity.

RESTRICTED RANGE	2021	2022	2023
Revenue 1	\$ 2,897.74	\$2,530.44	\$3,349.35
Revenue 2	\$ 3,781.47	\$3,572.00	\$4,029.86

Federal Range Ratio: The federal range ratio divides the restricted range by the 5th percentile, providing a simpler way to interpret the spread of the data. In both sets of funds, the federal range ratio for all years is higher than the preferred 0.25.¹⁶³

2021	2022	2023
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¹⁶² In its 2002 decision, the Arkansas Supreme Court stated that, “Using expenditures in the calculation of the Federal Range Ratio, this court finds that there is more than a 25% difference between the 5th and 95th percentile in amount spent per pupil, which is not in compliance with the 1994 Order. However, using revenues, the State is within the 25% range differential. Using expenditures in the Correlation of Variance, the State is not in compliance. Using expenditures in the calculation of Gini Index of Inequality, the State is in compliance.”

¹⁶³ In the 2021, 2022, and 2023 school years, the five districts considered to be “URT districts” because they raise more in property tax than is mandated for the foundation funding for their districts (Armored, Fountain Lake, Mineral Springs, Eureka Springs, and West Side – Cleburne).

FEDERAL RANGE RATIO			
Revenue 1	0.42	0.35	0.46
Revenue 2	0.50	0.45	0.49

Standard Deviation: The standard deviation is a standardized value measuring the extent to which the funding values deviate from the expected or typical value (i.e., the mean). Small standard deviation values indicate the data tend to be close to their mean (more equitable) and high standard deviation values indicate greater variability (less equitable).

STANDARD DEVIATION	2021	2022	2023
Revenue 1	\$1,223.09	\$1,265.02	\$2,231.16
Revenue 2	\$1,304.59	\$1,428.50	\$2,618.19

Coefficient of Variation: The coefficient of variation is calculated by dividing the standard deviation by the mean. Thus, it shows the extent of variation in the funding values with respect to the mean.

COEFFICIENT OF VARIATION	2021	2022	2023
Revenue 1	0.15	0.15	0.26
Revenue 2	0.14	0.15	0.27

McLoone Index: The McLoone Index compares how much of the funding values are concentrated in the bottom half of the data relative to the median value. To compute the McLoone Index, the sum of all the funding values at or below the median is divided by the product of the number of districts at or below the median and the value of the median. The McLoone Index ranges between zero and one. Higher values of the McLoone Index denote a more equitable funding distribution across districts.

MCLOONE INDEX	2021	2022	2023
Revenue 1	0.929	0.942	0.925
Revenue 2	0.929	0.941	0.928

Gini Coefficient: The Gini coefficient is usually obtained from what is known as the Lorenz curve. To construct the Lorenz curve, all districts are ranked from lowest to highest by per-student funding values. The data is then plotted with the cumulative proportion of the districts on the horizontal (x-axis) and the cumulative proportion of the funding values on the vertical (y-axis). The Gini coefficient is obtained as double the area between the diagonal line (denoting perfect equality) and the Lorenz curve. The Gini coefficient ranges from zero to 1, with zero being perfect equality, and one being if a single district receives all the available funding. With both sets of funding in the table below, the Gini coefficients are extremely small every year, reflecting equitable distribution of funds.

GINI COEFFICIENT	2021	2022	2023
Revenue 1	0.068	0.023	0.024
Revenue 2	0.068	0.014	0.011

Fiscal Neutrality

Fiscal neutrality measures look at the relationship between a school district's property wealth and the per-pupil revenues it receives. For this report, they are computed for two samples of districts -- first, for the full sample of districts, and second, after excluding districts whose URT collections were more than the required foundation funding amounts each year.¹⁶⁴ Picus et al., (2004) clearly stated that large correlations between property wealth and funding are not relevant to policy when wealth elasticity coefficients are small. Statistically, two variables

¹⁶⁴ Versteegen, Deborah A., "On Doing an Analysis of Equity and Closing the Opportunity Gap", Education Policy Analysis Archives, <https://pdfs.semanticscholar.org/f208/bf29d426aca5033c741558c0473c437f8798.pdf>, pages 3 and 4.

(e.g., property wealth and funding) can be highly correlated because correlation only examines the pattern of relationships between variables. However, the wealth elasticity statistic examines the exact amount of increase in one variable that accompanies each dollar increase in the other variable.

The table below shows the fiscal neutrality statistics for the full set of schools using Revenue 1 (foundation funding and property taxes only). The wealth neutrality correlation measures the relationship between property wealth per student (calculated as property assessment divided by current year's ADM) and district per-pupil revenues (i.e., foundation funding and property taxes). The wealth neutrality correlation was fairly strong all three years. The table also reports the wealth elasticity statistics measuring the exact percentage increase in district revenue associated with each percentage increase in property wealth. All wealth elasticities were low.

REVENUE 1 – ALL DISTRICTS	2021	2022	2023
Wealth-Neutrality Correlation	0.801	0.800	0.744
Wealth Elasticity	0.179	0.016	0.024

When the five districts with URT collections that exceed foundation funding needs were excluded in the table below, the wealth neutrality correlations and wealth elasticities were usually, as expected, even smaller. In 2012, the Arkansas Supreme Court ruled that districts that generate more than the foundation funding rate are permitted to keep all of the money generated by their URT. In effect, this means these districts have more revenue than required for their students to meet the foundation funding rate set by the General Assembly, so the districts add both higher property wealth and higher per student revenue into the equations.

REVENUE 1 – NO URT DISTRICTS	2021	2022	2023
Wealth-Neutrality Correlation	0.584	0.652	0.726
Wealth Elasticity	0.122	0.011	0.028

Finally, the fiscal neutrality statistics results for the Revenue 2 category (foundation funding, property taxes, and other adequacy-related funding per student) told a similar story as above for the first revenue variable. These findings further suggested equitable funding distribution across districts.

REVENUE 2 – ALL DISTRICTS	2021	2022	2023
Wealth-Neutrality Correlation	0.762	0.763	0.715
Wealth Elasticity	0.180	0.017	0.028

REVENUE 2 – NO URT DISTRICTS	2021	2022	2023
Wealth-Neutrality Correlation	0.540	0.568	0.718
Wealth Elasticity	0.133	0.012	0.034

Vertical Equity Statistics

Vertical equity statistics are typically calculated using expenditures to assess equity in spending according to key district characteristics. According to educational equity literature by Deborah Verstegen, John Dewey asserted as far back as 1944 that “equal educational opportunity implied governments not only would provide access to learning but also compensate for the differences on [the] basis of environmental inequality,” and also that vertical equity “holds that children in dissimilar circumstances can be treated differently but only for legitimate and justifiable reasons.” Verstegen further cited that in 1971, John Rawls asserted the “Difference Principle,” in which he said, “there should be no differences between individuals unless they favor the less fortunate.”¹⁶⁵

¹⁶⁵ In its 2002 decision, the Arkansas Supreme Court stated that, “Using expenditures in the calculation of the Federal Range Ratio, this court finds that there is more than a 25% difference between the 5th and 95th percentile in amount spent per pupil, which is not in compliance with the 1994 Order. However, using revenues, the State is within the 25% range differential. Using

Two variables were examined in relation to district characteristics to determine vertical equity. The first variable was **per-student expenditures from select state funding**. These expenditures included only spending using foundation funding, property taxes, categorical funds, and supplemental funds. The second variable added in all federal and any other state and local funds. To eliminate the effect of temporary increases or decreases in expenditures due to capital projects, the expenditures did not include any facilities acquisition or construction costs, and they did not include debt service payments. These expenditures were divided by each district’s current year ADM.

In an attempt to evaluate the vertical equity of school district expenditures in Arkansas, as in past adequacy reports, this analysis looked at district expenditures by the following district characteristics: ADM, percent non-white, percent FRL students, and property wealth. Districts with lower ADM and higher percentages of FRL students were found to spend more per student. This could have been due to economies of scale (ADM) as well as the fact that Arkansas provided additional funding for small, isolated schools and for schools with increasing percentages of FRL students, allowing those schools to spend more per student.

Additional Expenditure Equity Measures

A review of the findings of fact and court orders associated with the *Lake View cases* reflects that expenditures, as well as revenues, should meet the measures of equity. The courts further suggest the federal range ratio as a conventional measure to utilize. In addition, as noted earlier, a result of 0.25 or less is considered “acceptable” by the courts in *Lake View*.¹⁶⁶ The lower the index, the lower the variance in spending between the highest and the lowest spending districts.

Funding Source	2021 Federal Range Ratio	2022 Federal Range Ratio	2023 Federal Range Ratio
Per-Student Select State Funding Expenditures	0.29	0.25	0.50
Per-Student Total Expenditures from All Fund Sources	0.39	0.91	0.86

Between 2021 and 2022, the federal range ratio declined for select state fund expenditures, but in 2023, the ratio climbed to 0.50 for expenditures from select state funds. Expenditures from all funds were farther above the 0.25 mark all three years, with a peak of 0.91 in 2022. The higher ratio for expenditures from all funds expenditures was expected due to the additional funding causing the range of fund dispersion to expand. It could also be that the other adequacy-related funding that was provided to address particular student needs also contributed to the higher ratios. These funding sources included ESA, EL, PD, ALE, Enhanced Transportation, Salary Equalization, ESA Matching Grants, and SPED High Cost Occurrences.

expenditures in the Correlation of Variance, the State is not in compliance. Using expenditures in the calculation of Gini Coefficient of Inequality, the State is in compliance.”

^[1] See Ark. Code Ann. § 6-20-2503(b)(3)(B) (providing that the amount of bonded debt assistance provided by the state will decrease “to correlate with reductions in principal and interest payments and increases in property assessments”).

Ark. Code Ann. § 6-20-2507 (creating the Academic Facilities Partnership Program under which the Division of Public School Academic Facilities and Transportation shall “provide state financial participation based on a school district’s academic facilities wealth index in the form of cash payments to a school district for eligible new construction projects”).

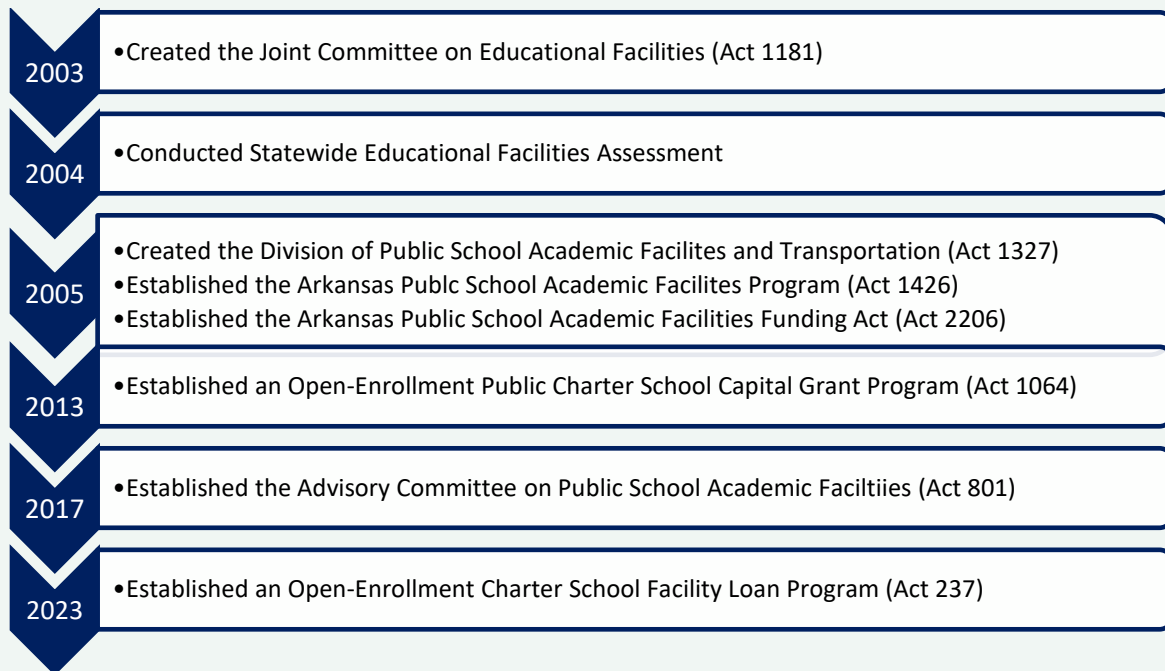
The Educational Facilities Partnership Fund Account has also funded the Immediate Repair Program (remediate immediate hazards) and the Transitional Academic Facilities Program (projects which debt is incurred or funds spent after Jan 1, 2005 thru June 30, 2006) which were created by Act 2206 of 2005 and have now concluded.

6. Facilities Funding

Introduction

According to Ark. Code Annotated § 6-21-802, the General Assembly found that because of the opinions of the Supreme Court in the matter of *Lake View School District No. 25 vs. Huckabee*, it is the duty of the State of Arkansas to provide all public school children with an opportunity for an adequate education, which includes access to adequate academic facilities and equipment. Below is an abbreviated timeline showing the state’s ongoing efforts to satisfy Arkansas’s statutory requirements related to providing adequate academic facilities and equipment to all public school children.

Legislative Response Timeline



This section reviews the funding programs established for Arkansas school district and open-enrollment public charter school academic facilities and information on other state models for funding academic facilities.

School District Facilities Funding

Arkansas public school districts and open-enrollment public charter school systems have access to different state funding sources for building, renovating, and maintaining academic facilities. Upon meeting all program requirements, traditional public school districts can access funding through the following facilities funding programs: Academic Facilities Partnership, Academic Facilities Catastrophic, and Academic Facilities Extraordinary Circumstances. Upon meeting all program requirements, open-enrollment public charter school systems can access funding through the Facilities Funding Aid Program, and beginning in the 2023-25 biennium, through an Open-Enrollment Public Charter School Loan Program.

Academic Facilities Funding

During the 2023 school year, funding for the Educational Facilities Partnership Fund Account used for facilities funding programs was generally drawn from three main funding sources:

1. **General Revenue:** In 2023, the allocation was over \$70 million.
2. **Bonded Debt Assistance Savings:** As Bonded Debt Assistance distributions to districts decrease, the remaining funds are transferred to the Academic Facilities Partnership Program.^[1] The amount for 2023 was almost \$21 million.
3. **Fund Transfers:** The Facilities Partnership Fund has received a number of fund transfers since the inception of the program from the General Revenue Allotment Reserve Fund, General Improvement Fund, Rainy Day Fund, and most recently the Restricted Reserve Fund.

State Academic Facilities Funding FY2020 – FY2023

This table shows the funding amounts provided and estimated to be provided to the Facilities Division to administer facilities funding programs from 2020 to 2023.

Fiscal Year	General Revenue	Bonded Debt Assistance Savings & Fund Transfers	Total Funding
FY2020	\$41,828,951	\$17,940,512	\$59,769,463
FY2021	\$41,828,951	\$18,608,566	\$60,437,517
FY2022	\$41,828,951	\$48,298,908	\$90,127,859
FY2023	\$70,328,951	\$20,841,650	\$91,170,601

The General Assembly provided facilities programs about \$1.7 billion in total funding between 2005 and 2023.

The following table shows actual state **expenditures** for the facilities programs from 2020 through 2023. Since 2005, about \$1.5 billion total was spent for academic facilities.

State Academic Facilities Expenditures FY2020 – FY2023

Fiscal Year	Partnership	Catastrophic	Extraordinary Circumstances	Total
FY2020	\$105,216,970	\$0		\$105,216,970
FY2021	\$79,997,440	\$6,428		\$80,003,868
FY2022	\$61,141,879	\$13,718		\$61,155,597
FY2023	\$40,376,133	\$463,134		\$40,839,267
FY2024 Budget*	\$187,828,951	\$2,600,000	\$24,000,000	\$214,428,951

Academic Facilities Partnership Program

The Academic Facilities Partnership Program is a financial partnership between the state and public school districts to share the cost of academic school facility construction and major renovations. Every two years, school districts may apply for state financial participation for projects that support their facility master plans. For 2023, two primary categories of academic facility projects were eligible for Partnership funding: **Space/Growth** projects, which included construction of new school facilities, conversion of non-academic space into academic space, or additions for districts experiencing growth; and **Warm, Safe, Dry (WSD)** projects, of which there were two types.

^[1] See Ark. Code Ann. § 6-20-2503(b)(3)(B) (providing that the amount of bonded debt assistance provided by the state will decrease "to correlate with reductions in principal and interest payments and increases in property assessments").

Ark. Code Ann. § 6-20-2507 (creating the Academic Facilities Partnership Program under which the Division of Public School Academic Facilities and Transportation shall "provide state financial participation based on a school district's academic facilities wealth index in the form of cash payments to a school district for eligible new construction projects").

The Educational Facilities Partnership Fund Account has also funded the Immediate Repair Program (remediate immediate hazards) and the Transitional Academic Facilities Program (projects which debt is incurred or funds spent after Jan 1, 2005 thru June 30, 2006) which were created by Act 2206 of 2005 and have now concluded.

WSD Space Replacement was for new construction to replace an academic facility deemed by the Division to not provide a warm, safe, and dry educational environment, and WSD Systems Replacement, which was for construction projects to address needs related to fire, safety, roofing, HVAC, and structural issues. Projects could not be for maintenance or repair, and the program did not fund non-academic projects such as district administration offices or athletic facilities.¹⁶⁷

Open-enrollment public charter school systems were not entitled to participate in the Partnership Program because they have no taxing authority and therefore cannot raise millage revenue to provide the local share required by the Partnership Program. (Open-enrollment public charter school facilities funding is explored later in this section.)

Once approved for funding, a district was required to submit a Partnership Program Project Agreement form, which committed the state and district financially to the project. The project was to be under construction within 18 months of the final approval of the project by the Commission, and the full project must be completed within four years of the project approval date.¹⁶⁸

Project Prioritization

All approved construction projects were ranked **within** each of the two project categories, Space/Growth and Warm, Safe, Dry, based on the following and in the following order:

- The district's Facilities Wealth Index (FWI), with the lowest wealth index district ranked first
- The district's Statewide Facilities Needs List ranking
- The district's percentage of expenditures spent on maintenance of academic facilities for the last five fiscal years, with the district with the highest percentage spent on maintenance ranked first¹⁶⁹

Facilities Wealth Index/District Share of Costs

The district's Facilities Wealth Index (FWI) is the percentage of the qualified project cost of an approved Partnership Program project that a school district is required to pay. Beginning with the 2021-23 funding cycle, the Division began phasing in a change to the FWI calculation, in which the value of a mill per student was adjusted by median household income for the purpose of factoring in the poverty level of a district. The new formula also changed the ADM counts used in the calculation of a value per mill from the higher of the prior-year/prior three-year average ADM to the greatest enrollment of the last 10 years. The methodology also provided for an adjustment of the FWI for those districts meeting high growth criteria as defined in statute.¹⁷⁰ This revised way of calculating the FWI was fully implemented for the 2023-25 Partnership funding cycle.

Partnership Program Approved and Funded Projects

Ten Partnership Program funding cycles have occurred since the creation of the program, and approximately \$1.7 billion in State Financial Participation (SFP) has been committed for approved Partnership Program projects, of which about \$1.4 billion in funding has been distributed to districts for 1,756 projects. The following chart provides the total qualifying cost of approved projects for the most recent five cycles, the amount of State Financial Participation committed, and the total cumulative payments to districts since the program's inception.

¹⁶⁷ See Commission for Arkansas Public School Academic Facilities and Transportation Rules Governing the Academic Facilities Partnership Program, Rules 3.00 and 4.00 (May 2023).

¹⁶⁸ See "Commission for Arkansas Public School Academic Facilities and Transportation Rules Governing the Academic Facilities Partnership Program," Rule 7.00 (May, 2023).

¹⁶⁹ See "Commission for Arkansas Public School Academic Facilities and Transportation Rules Governing the Academic Facilities Partnership Program," Rule 5.05 (May, 2023).

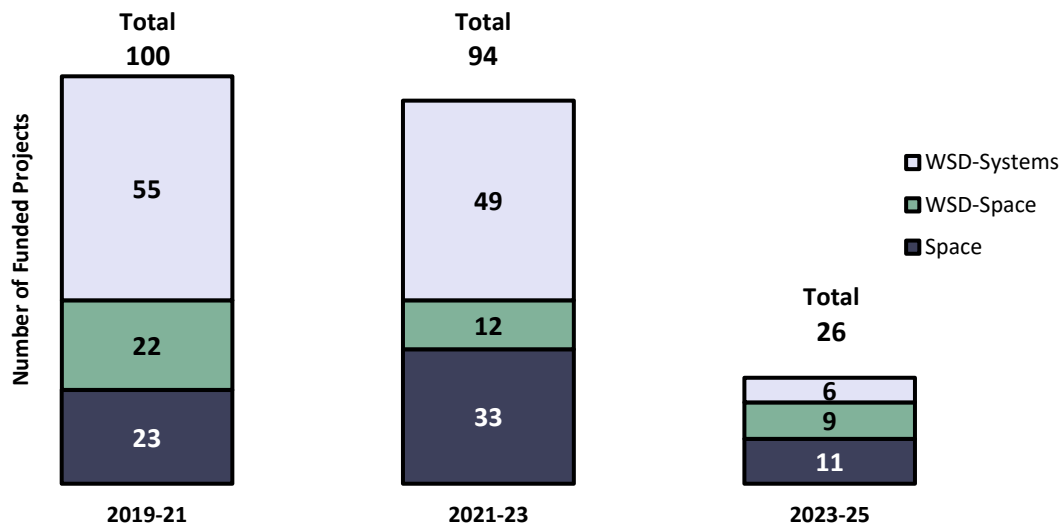
¹⁷⁰ See Ark. Code Ann. §6-20-2502 (1) which defines the Academic Facilities Wealth Index calculations. See Ark. Code Ann. §6-20-2511 which defines a high growth school district as "a public school district in which the average daily membership for the public school district in the present school year is four percent (4%) higher than the school year that is two (2) years before the present school year."

Funding Cycle	Qualifying Project Costs	State Financial Participation	Cumulative Payments
2015-17	\$297,069,071	\$140,250,294	\$140,250,292
2017-19	\$438,348,079	\$225,327,587	\$225,327,587
2019-21	\$276,265,361	\$133,458,339	\$121,918,997
2021-23	\$308,672,978	\$181,009,352	\$49,051,175
2023-25*	\$179,060,612	\$116,414,742	
Total	\$3,349,471,687	\$1,654,605,034	\$1,394,692,772

Currently Active Partnership Program Funding Cycles

Three funding cycles still have active projects: 2019-21, 2021-23, and year-one of 2023-25. The following chart shows the total number of funded projects for each of these three funding cycles and for each of the three project types: Space/Growth, WSD-Space Replacement, and WSD-Systems Replacement.

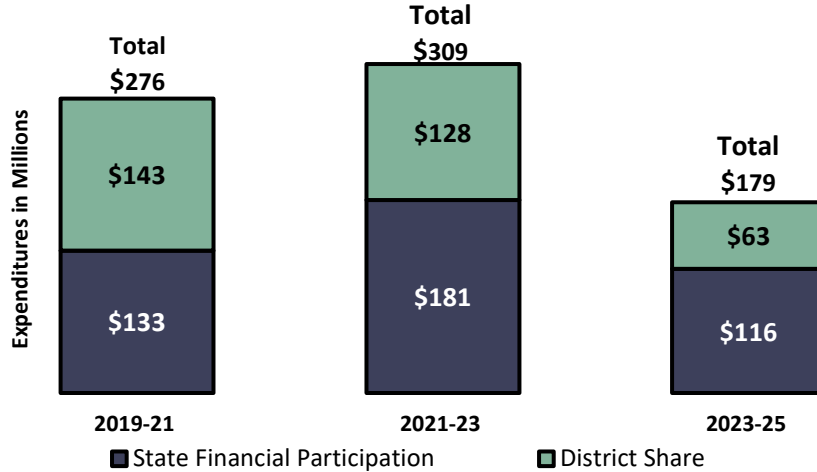
Partnership Program Funded Projects (2019-21 thru 2023-25 (1st year only))



Source: Division of Public School Academic Facilities and Transportation Master Planning Tool, October 31, 2023.

The qualified project cost of approved projects is shared by the state and the district. The following table provides the state's and districts' shares for the 2019-21 through 2023-25 (first year only) Partnership Program funding cycles.

Partnership Program Project Costs (2019-21 thru 2023-25 (1st year))

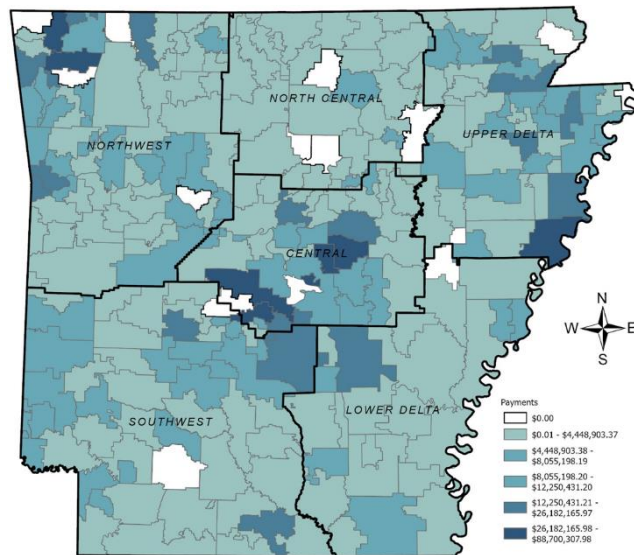


Source: Division of Public School Academic Facilities and Transportation Master Planning Tool, October 31, 2023

Regional Analysis of Partnership Payments

The accompanying map illustrates the distribution of Partnership Program payments by district and by adequacy region since the inception of the program. Fourteen districts (white on the map) have never received Partnership Program payments; 56%, or 131 districts, received payments in the lowest payment category (less than \$4,448,904); and 4% or 9 districts received funding in the top payment category shown on the map (payments of \$26,182,165.98 or above).¹⁷¹

Of the 14 districts that have never received any Partnership Program payments, two districts, Brinkley and Rector, have received approval for projects in the 2023-25 cycle, but have not yet received a payment.



Map prepared by the Bureau of Legislative Research, Policy Analysis & Research Section School District and County Boundaries from the GIS Office integrated the Arkansas Spatial Data.

Millages

To draw down the state share of Partnership funding, districts must contribute their share of local funding. Districts use debt service millage to generate revenue to pay the long-term cost of construction and renovation.¹⁷² According to the 2022 Millage Report (for property tax collection in 2023) published by DESE, all but three districts

¹⁷¹ Springdale, Bryant, Jacksonville, North Pulaski, West Memphis, Cabot Public, Bentonville, Benton, North Little Rock, and Sheridan are the districts that have received payments that place them in the highest payment category shown above.

¹⁷² See Ark. Code Ann. § 6-20-2507(b)(1)(B) (requiring that, in order to apply for state financial participation in a new construction project, school districts shall provide evidence of, among other things, a resolution certifying the school district's dedication of local resources to meet its share of financial participation in the project).

(Gosnell, Mountain View, and Salem) have passed some level of debt service mills.¹⁷³ The number of debt service mills authorized for each district range from 1.3 mills for the Lee County School District to 29.8 mills for the Earle School District. The average number of debt service mills among Arkansas school districts is 13.12 mills.

Facilities and Bonded Indebtedness

Bonded debt is one of the mechanisms districts use to finance school facilities. DESE publishes a debt ratio for each school district each fiscal year. The debt ratio is the **total district indebtedness less energy savings contracts divided by the districts assessed valuation**,¹⁷⁴ and it ranged from 0% for districts that had no debt for 2023 (Gosnell, Mountain View, and Salem) to 31.88% (Southside-Independence County).

Other Academic Facilities Funding Programs

Academic Facilities Catastrophic Funding Program

The Academic Facilities Catastrophic program provides funding to districts for emergency facility projects required “due to an act of God or violence that could not have been prevented by reasonable maintenance, repair, or renovation of the building” (See Ark. Code Ann. § 6-20-2508). The Division is authorized to provide Catastrophic funding to districts for the purpose of supplementing insurance or other public or private emergency assistance. Since the inception of the Catastrophic program, the Division has distributed a total of \$3.3 million in Catastrophic funding to 16 different districts. DESE had been reimbursed \$25,000 for 2023 school year expenditures made from the Catastrophic Funding program due to the March 31, 2023, tornado by the Federal Emergency Management Agency (FEMA), and DESE anticipated receiving additional amounts of reimbursement in the future.

Academic Facilities Extraordinary Circumstances Program

Acts 34 and 35 of 2006 created the Academic Facilities Extraordinary Circumstances Program to provide state financial assistance to districts unable to pass enough millage to raise the local share necessary to qualify for Partnership Program funding.¹⁷⁵ (See Ark. Code Ann. §6-20-2514(b)(1)) Beginning in 2023, the Division requested an appropriation transfer of \$24 million from the Academic Facilities Partnership Program to the Academic Facilities Extraordinary Circumstances Program to fund seven 2021-2023 projects for three school districts through the Extraordinary Circumstances Program. According to DESE, “although these three districts passed an adequate millage increase, before construction could begin, the cost of construction increased significantly which caused the millage increase to be insufficient to raise the local share.”¹⁷⁶ DESE further stated that funding these projects insured “substantially equal access to adequate educational facilities and educational equipment is provided for all public school students in Arkansas.”¹⁷⁷ The \$24 million funding allocation and appropriation were continued into the 2024 school year.

Public School Facilities Condition

In 2004, the Task Force to the Joint Committee on Educational Facilities completed a detailed statewide assessment of all academic and non-academic facilities. The Task Force contracted with consultants who physically

¹⁷³ Arkansas Department of Education – DESE - Division of Fiscal and Administrative Services, *Millage Report 2022 (Voted)*, August 2023.

¹⁷⁴ Department of Education – DESE, Fiscal and Administrative Services, FY2023 Indebtedness Book and Graphs, received via email November 6, 2023.

¹⁷⁵ Summary of General & Fiscal Legislation, 85th General Assembly of the State of Arkansas, May 2006, page 4.

¹⁷⁶ Information received via an email from Greg Rogers on January 31, 2024.

¹⁷⁷ Letter to Mr. Larry Walther, Secretary of the Department of Finance and Administration, subsequently presented to the Joint Budget Committee for approval of an appropriation transfer of \$24 million, March 2023.

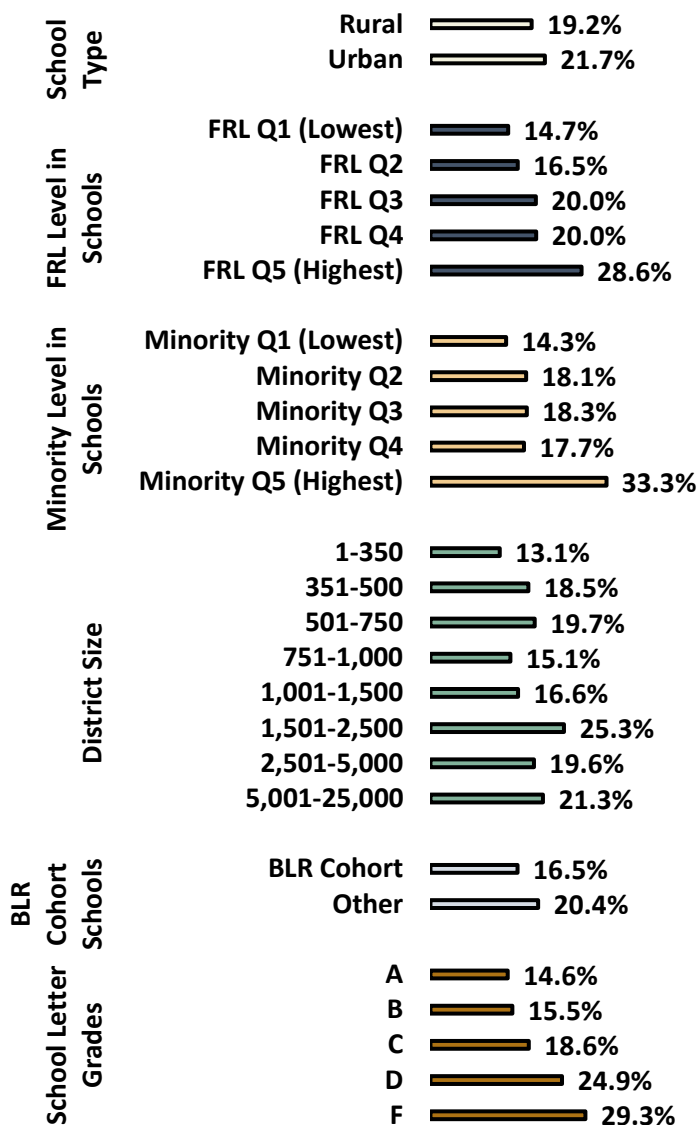
examined and assessed all school buildings in the state at a cost of \$10 million.¹⁷⁸ The state has not completed an additional statewide assessment of all school buildings since the initial assessment was completed in 2004.

One tool for gaining insight regarding the current condition of public school facilities is the Facilities Condition Index (FCI). It was one of the ranking factors used by the Division when compiling the Statewide Needs List for WSD Partnership projects. The FCI was “obtained by dividing the existing condition costs (the cost to bring a public school academic facility up to current standards) by the facility’s replacement cost, using data that the Division has available.”¹⁷⁹ School districts reported on the condition and age of building systems and this data was used to calculate the FCI for 2023. A lower FCI indicated a building was in better condition.

According to the Partnership Program rules, “the facility condition index of each building or addition must be sixty-five percent (65%) or greater at the time of evaluation by the Division” to be eligible for state financial participation. Recent FCI values reported in the Division’s Master Planning Web Tool range from 0 for new facilities to 97.6%. The chart to the right shows average FCI by school types.

The Advisory Committee on Public School Academic Facilities statutorily created to assist the Division and to provide analysis to the Commission on Public School Academic Facilities, used the Facilities Condition Index (FCI) in its 2018 report to assess the state’s progress in improving school facilities. The Committee concluded “there has been measurable progress in the adequacy and equity of Arkansas public school facilities since 2004 when the State’s Public School Academic Facilities Program began.”¹⁸⁰

Average Facility Condition Index by School Type



¹⁷⁸ Final Report to the Joint Committee on Educational Facilities on the Arkansas Statewide Educational Facilities Assessment – 2004, Task Force to Joint Education Committee on Educational Facilities, November 30, 2004, pages 1-3.

¹⁷⁹ Commission for Arkansas Public School Academic Facilities and Transportation Rules Governing the Facilities Master Plan, Section 3.26, effective May 2, 2023.

¹⁸⁰ Advisory Committee on Public School Academic Facilities, “Arkansas Committed to Adequate & Equitable K-12 Academic Facilities”, page 7.

The Advisory Committee is a statutorily created body charged with assisting the Division, and Act 802 of 2017 required the Committee to complete a comprehensive review of the Partnership program and report to the Commission, which they did in July of 2018.

Facilities Funding for Open-Enrollment Public Charter Schools

Open-enrollment public charter school systems are not entitled to participate in the Facilities Partnership Program because they do not have taxing authority and cannot raise millage revenue to provide the local share required by the Partnership Program. Instead, the General Assembly provides the Charter Schools Facilities Funding Aid Program. DESE first distributed funds to charter schools for facilities during the 2016 school year and has continued to do so each succeeding year. In addition, during the most recent session, the General Assembly authorized appropriation and funding for Loans to Open-Enrollment Public Charter Schools.

Charter Facilities Funding Aid Program

The accompanying table illustrates the allocation of appropriation and funding to the Facilities Funding Aid Program, and the actual expenditures by state fiscal year. Through fiscal year 2023, the Department distributed \$53.7 million in state funding to charters for facility expenses.

Eligibility for Funding

According to Ark. Code Ann. §6-23-908, upon completion of the charter application review and approval process, charter systems are eligible to receive funding if they meet the following eligibility criteria:

Fiscal Year	Appropriation	Total Annual Funding	Expenditures
FY2016	\$15,000,000	\$5,000,000	\$4,583,328
FY2017	\$15,000,000	\$5,000,000	\$4,999,985
FY2018*	\$6,500,000	<u>\$6,500,000</u>	\$5,000,000
FY2019	\$6,500,000	\$6,500,000	\$6,370,546
FY2020	\$7,575,000	\$7,575,000	\$7,477,803
FY2021	\$7,575,000	\$7,575,000	\$7,509,218
FY2022	\$9,075,000	\$9,075,000	\$8,906,490
FY2023	\$9,075,000	\$9,075,000	\$8,883,373
Total	\$76,300,000	\$56,300,000	\$53,730,743

- (1) Virtual technology is not the primary method of delivering instruction
- (2) The facility meets all applicable health, fire, and safety codes and all accessibility requirements under the Americans with Disabilities Act of 1990, 42 U.S.C. § 12101 et seq., and the IDEA, 20 U.S.C. § 1400 et seq., as reviewed by the Division of Public School Academic Facilities and Transportation or another appropriate state agency
- (3) The open-enrollment public charter school is not any of the following:
 - A. Classified as in need of Level 5 — Intensive support under § 6-15-2915 or in fiscal distress under the Arkansas Fiscal Assessment and Accountability Program, § 6-20-1901 et seq., and the corresponding rules adopted by the State Board of Education
 - B. In receipt of a rating of “F” under § 6-15-2105
 - C. Placed in probationary status by the state charter school authorizer under § 6-23-105

Funding is distributed pro rata based on each charter system’s previous year three-quarter ADM and on the availability of funding for the program. The funds can be used only for the lease, purchase, renovation, repair, construction, installation, restoration, alteration, modification, or operation and maintenance of an approved facility.

The following table provides the number of charter systems participating in this facilities funding program for 2016 through 2023, the percentage of charter school systems participating out of all operating charter systems, and the funding rate per ADM. Participation has ranged from 64% in the first year to a high of 92% in 2019.

Fiscal Year	# of Charter Systems	# of Charters Receiving Facilities Funding Aid	% Participating	Funding Rate Per ADM
FY2016	22	14	64%	\$562.57
FY2017	24	17	71%	\$533.24
FY2018	24	16	67%	\$455.34
FY2019	26	24	92%	\$473.57
FY2020	22	18	82%	\$514.09
FY2021	23	21	91%	\$465.29
FY2022	23	21	91%	\$546.45
FY2023	21	18	86%	\$554.70

Allowable Uses for the Funds

For those charter systems qualifying for funding, the Charter School Facilities Funding Aid Program funds can be used only for the lease, purchase, renovation, repair, construction, installation, restoration, alteration, modification, or operation and maintenance of an approved facility. The largest expense for each of the last three years was for rental of land and buildings: \$5.7 million, \$6.9 million, and \$6.6 million, respectively.

Loans to Open-Enrollment Public Charter School Systems

Section 50 of Act 237 of 2023 authorized ADE to provide for an open-enrollment public charter school facilities funding program by allowing ADE to grant funds to a third-party administrator to create a revolving loan fund. Section 9 of Act 871 of 2023 appropriated \$10 million for this loan program for the 2024 school year, and ADE has budgeted \$10 million for this program for 2024. Open-enrollment public charter schools must be in academic and financial good standing to be eligible to participate in the program.

Other States’ Models for Funding Academic Facilities

According to a study released in June 2023 by the ECS, 45 states and the District of Columbia offer financial assistance to school districts for construction costs.¹⁸¹ They group state assistance into two categories: Appropriations for grants to school districts for school construction that do not require repayment; and debt assistance/loans for school construction in which the state requires full or partial repayment. In addition to these two categories, 19 states dedicate specific revenue sources such as sales tax, lottery proceeds, and severance taxes for school construction.

Arkansas provides grants for construction of school facilities and bonded debt assistance “for the purpose of retiring outstanding bonded indebtedness in existence as of January 1, 2005” and for those districts that applied prior to July 1, 2005.¹⁸² In addition, Arkansas operates a Revolving Loan Certification Program for loans up to \$500,000 each to school districts for construction and purchase of equipment or buses. Louisiana and Tennessee are the only surrounding states that provide neither type of financial assistance for school construction. Mississippi and Missouri provide debt assistance/loans; Oklahoma provides appropriations for grants; and Texas, like Arkansas, provides both types of financial assistance for school construction.

National Comparison

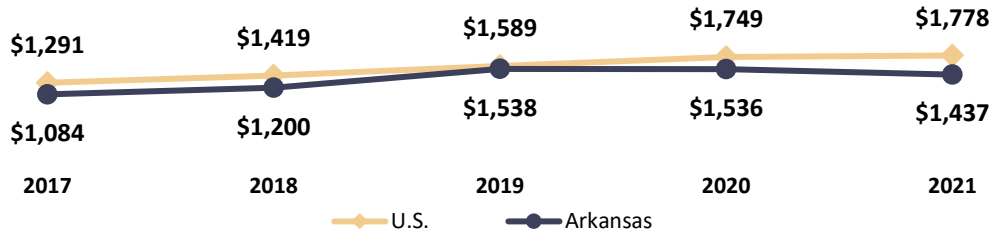
The table below illustrates how Arkansas’s spending on K-12 school district capital outlay between 2017 and 2021 compared to the national average using U.S. Census data collected by state departments of education. For four of

¹⁸¹ ECS, *K-12 School Construction Funding 2023 – Financial Assistance and Revenue*, June 2023.

¹⁸² Ark. Code Ann. §6-20-2503 (Bonded Debt Assistance – Definitions).

the five years, the national capital outlay expenditure per student exceeded Arkansas’s per-student expenditure by at least \$200 per student.

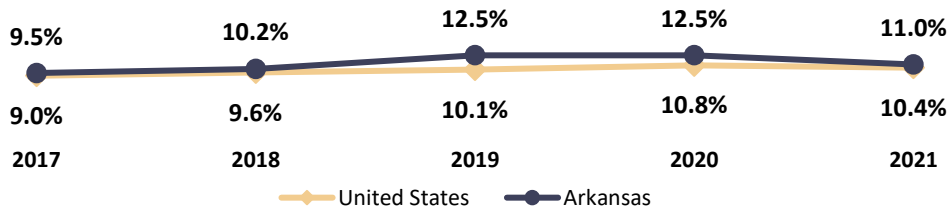
Capital Outlay Expenditures Per Student



Source: U.S. Census, 2021 Public Elementary-Secondary Education Finance Data, Tables 1,9, and 19.

The next table shows Arkansas’s capital outlay spending as a percentage of total spending compared to the national average. Arkansas’s percentage of capital outlay spending as a percentage of total K-12 spending consistently exceeded the national average.

Capital Outlay as % of Total Expenditures



Source: U.S. Census, 2021 Public Elementary-Secondary Education Finance Data, Tables 1,9, and 19.

District and Charter Survey Responses



80% of superintendents responding to the BLR adequacy survey said most or all of the school buildings in their districts created conducive learning environments. Of the 61% saying fewer than *all* buildings created a conducive learning environment, the most frequent reasons negatively affecting the learning environment were that the building was aesthetically unattractive, the plumbing was inadequate, and the heating and air ventilation systems were inadequate.¹⁸³

¹⁸³ See Superintendents Survey Responses, questions 38 and 39.

7. Academic Standards

Introduction

The State of Arkansas has expressed the intent of what public school students should learn in law, rule, and in the definition of adequacy as adopted by the Senate and House Education Committees in the biennial adequacy study process.

Act 930 of 2017, codified in Arkansas Code §6-15-2901 *et seq.*, created the AESAA and directed the ADE to establish “academic standards that define what students shall know and be able to demonstrate in each content area.” Furthermore, instruction in all public schools was to be based on the academic standards “to prepare students to demonstrate the skills and competencies necessary for successful academic growth and high school graduation.” The standards, the law further stated, shall be reviewed periodically “to ensure that the Arkansas academic standards are rigorous and prepare students for college, career, and community engagement.”

The *Arkansas Rules Governing Standards for Accreditation of Arkansas Public Schools and School Districts*, effective July 2020, address curriculum and instruction in Standard 1-A. In addition to specifying that each public school district’s board of directors annually adopt and implement a curriculum aligned to the Arkansas Academic Standards, the courses to be taught at each grade level are listed. These include an overview of the “required 38 units” that are to be offered at the high school (grades 9-12) level.

Finally, the adequacy definition approved by the Senate and House Education Committees in its 2020 Educational Adequacy Study includes this language in its first paragraph:

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.

The “adequacy study statute” – Ark. Code Ann. §10-3-2102 – requires the General Assembly “to assess, evaluate and monitor the entire spectrum of 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... .” In addition, the statute requires an evaluation of what constitutes an adequate education as well as an evaluation of the method of providing equality of educational opportunity. As part of that process, the legislature shall biennially review the academic standards (referred to in the statute as the “curriculum frameworks” before Act 936 of 2017) developed by ADE’s DESE.¹⁸⁴

This section reviews those standards as well as specific educational programs.

Academic Standards

The standards used by public school teachers throughout the state for the 2023 school year were called the Arkansas Academic Standards and were posted on the DESE website. These provided, by grade level and/or by subject area, the specific content to be covered in each course. Standards had been created and were available online for the following areas: Computer Science; ELA; Fine Arts; Health and Physical Education; Library Media; Mathematics; Science; Social Studies; and World Languages.

¹⁸⁴ Ark. Code Ann. § 10-3-2102(f)(2).

Standards are to be reviewed and revised periodically, generally every six years or so. The process involves a committee of educators and stakeholders meeting over a course of weeks to review and update the academic standards, which then must be approved by the State Board of Education.¹⁸⁵

The schedule for upcoming standards revision is noted in the following table:

Academic Standard to Be Revised	Committee Work	State Board Approval	Full Implementation
Mathematics	Summer 2022	Spring 2023	2023-2024
English Language Arts	Summer 2022	Spring 2023	2023-2024
Science	Summer 2024	Spring 2025	2026-2027
Physical Education Health Driver's Education	Summer 2026	Spring 2027	2028-2029
Foreign Language Library Media	Summer 2027	Spring 2028	2029-2030
Fine Arts	Summer 2028	Spring 2029	2030-2031
Science	Summer 2029	Spring 2030	2031-2032
Social Studies Arkansas History	Summer 2030	December 2031	2032-2033
Mathematics	Summer 2031	April 2032	2033-2034
English Language Arts	Summer 2032	April 2033	2034-2035

Required Courses

The courses required to be taught at each grade level can be found in the Standards for Accreditation, Appendix A, Standard 1.

In grades K-4, all students must receive instruction annually in:

- ELA
- Mathematics
- Science
- Social Studies
- Fine Arts
- Health and Safety Education and Physical Education
- 1 unit of **Arkansas history** to be taught at each elementary grade level with an emphasis in 4th grade
- 40 minutes of the instructional day are to be used for **recess**

¹⁸⁵ A.C.A. § 6-15-2906(b) and (c) "Arkansas Academics Standards Revision Cycle" found at https://dese.ade.arkansas.gov/Files/20201209101511_Standards-Revision-Cycle.pdf, and [https://dese.ade.arkansas.gov/admin/Files/ARKANSAS_ACADEMIC_STANDARDS_REVISION_CYCLE_\(1\)_LS.pdf](https://dese.ade.arkansas.gov/admin/Files/ARKANSAS_ACADEMIC_STANDARDS_REVISION_CYCLE_(1)_LS.pdf)

In grades 5-8, all students must receive instruction annually in:

- **ELA**
- **Mathematics**
- **Science**
- **Social Studies**
- **Fine Arts**
- **Health and Safety Education and Physical Education**
- **Career and Technical Education**
- 1 unit of **Arkansas history** to be taught with an emphasis in 5th grade; 1 full semester of Arkansas history to be taught to all students in the 7th, 8th, 9th, 10th, 11th or 12th grades

In grades 9-12, the following content areas were to be offered during the 2023 school year for a total of 38 unique units, or year-long courses (a minimum 120 clock hours over a minimum 178 school days)¹⁸⁶, unless otherwise allowed by law or rule. Within some of these content areas, specific courses were required.

- **ELA** – Six units
- **Oral Communications** – One-half unit
- **Science** – Five units
- **Mathematics** – Six units
- **Computer Science** – One unit
- **World Languages** – Two units of the same language
- **Fine Arts** – Three and one-half units
- **Social Studies** – Four units
- **Health and Safety Education and Physical Education** – One and one-half units
- **Career and Technical Education** – Nine units of sequenced courses representing three occupational areas

In addition, schools were to offer one Advanced Placement (AP) course each in ELA, mathematics, science, and social studies as well as transitional courses in math and literacy. The latter refer to rigorous courses designed to prepare students for college coursework. The AP and transitional courses could account for one of the additional courses from the approved lists within the respective subject areas.

Act 611 of 2021 required Holocaust education to be included as grade-appropriate instruction in grades 5-12, so that students would gain an understanding of the causes, course, and effects of the Holocaust. DESE, working with partner organizations, developed curriculum units as well as other resources and professional development to assist with the implementation of this instruction.

The specific courses within the content areas are updated in a separate document annually, which is approved by the State Board of Education generally during the second semester of the school year preceding the fall of the school year in which they will be required.

Input from Arkansas Educators



In the 2024 Educators Survey, teachers were asked to what extent they agreed with the following statement: “State/district content standards have had a positive influence on my satisfaction with teaching.” Nearly two-thirds of responding teachers agreed or strongly agreed that state and districts content standards had a positive influence on their satisfaction with teaching.

¹⁸⁶ DESE Rules Governing Standards for Accreditation of Arkansas Public Schools and School Districts, Effective May 2, 2022, Appendix A, Standard 1-A.1.3

Graduation Requirements and Smart Core

Graduation requirements for Arkansas public high school students are courses identified within the required 38 units that all schools are to offer. The requirements set by the State Board of Education called for students to successfully complete 22 units before graduation in 2023. Smart Core was the default high school curriculum during the 2023 school year. Smart Core’s 22 units included four ELA, four mathematics, three sciences, three social sciences, one computer science (which could help satisfy the math or science requirements), six career focus and one-half each for health and safety, physical education, fine arts, and oral communications.

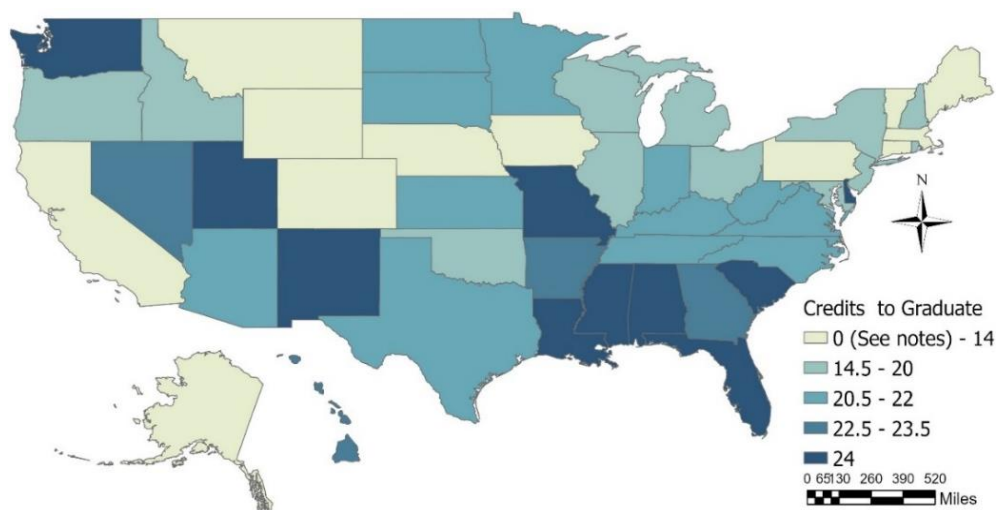
Students, parents, or guardians could request a waiver from the Smart Core curriculum beginning in the students’ middle school or junior high years. Of the students in grades 7- 12, 2.4% were coded as having waivers from Smart Core during the 2023 school year. Over half of those students who opted out were in their junior and senior years. The difference for students who opted out was that they were not required to take Algebra II or a higher-level math beyond Algebra II as two of the four math courses.

In addition to successfully completing the 22 required courses for graduation, students had to earn a credit in a course that included Personal and Family Finance,¹⁸⁷ pass the Arkansas Civics Exam,¹⁸⁸ and complete cardiopulmonary resuscitation (CPR) training.¹⁸⁹ Students graduating in 2026 must earn a unit of computer science, and students graduating in 2027 must complete a minimum of 75-clock hours of documented community service during grades 9-12.¹⁹⁰

Graduation Requirements in Comparison States

Information about graduation requirements for all states is provided in the following map and chart.¹⁹¹

States’ Total Credit Requirements for Graduation



Notes: Colorado, Massachusetts and Pennsylvania allow local districts to set graduation credit requirements. Vermont allows students to demonstrate proficiency in required subjects to graduate.

¹⁸⁷ Ark. Code Ann. § 6-16-135.

¹⁸⁸ Ark. Code Ann. § 6-16-149.

¹⁸⁹ Ark. Code Ann. § 6-16-143.

¹⁹⁰ Ark. Code Ann. § 6-16-1901(a).

¹⁹¹ Information for map and chart retrieved from the 2022 Digest of Education Statistics, Table 234.3” Course credit requirements and exit exam requirements for a standard high school diploma and the use of other high school completion credentials, by state: 2019,” retrieved at https://nces.ed.gov/programs/digest/d22/tables/dt22_234.30.asp?current=yes.

States' Required Credits for Graduation by Subject Areas

STATE	ELA	Social Studies	Science	Mathematics	Other credits
Alabama	4.0	4.0	4.0	4.0	8.0
Alaska	4.0	3.0	2.0	3.0	1.0
Arizona	4.0	3.0	3.0	4.0	8.0
Arkansas	4.0	3.0	3.0	4.0	8.5
California	3.0	3.0	2.0	2.0	3.0
Colorado*	---	0.5	---	---	---
Connecticut	4.0	3.0	2.0	3.0	2.0
Delaware	4.0	3.0	3.0	4.0	10.0
District of Columbia	4.0	4.0	4.0	4.0	8.0
Florida	4.0	3.0	3.0	4.0	10.0
Georgia	4.0	3.0	4.0	4.0	8.0
Hawaii	4.0	4.0	3.0	3.0	9.5
Idaho	4.5	2.5	3.0	3.0	1.5
Illinois	4.0	2.0	2.0	3.0	3.8
Indiana	4.0	3.0	3.0	3.0	7.5
Iowa	4.0	3.0	3.0	3.0	1.0
Kansas	4.0	3.0	3.0	3.0	8.0
Kentucky	4.0	3.0	3.0	3.0	9.0
Louisiana	4.0	4.0	4.0	4.0	8.0
Maine	4.0	2.0	2.0	2.0	1.0
Maryland	4.0	3.0	3.0	3.0	5.0
Massachusetts*	---	---	---	---	---
Michigan	4.0	3.0	3.0	4.0	4.0
Minnesota	4.0	3.5	3.0	3.0	8.0
Mississippi	4.0	4.0	4.0	4.0	8.0
Missouri	4.0	3.0	3.0	3.0	11.0
Montana	4.0	2.0	2.0	2.0	3.0
Nebraska	4.0	3.0	3.0	3.0	---
Nevada	4.0	2.0	2.0	3.0	11.5
New Hampshire	4.0	2.5	2.0	3.0	8.5
New Jersey	4.0	3.0	3.0	3.0	6.5
New Mexico	4.0	3.5	3.0	4.0	9.5
New York	4.0	4.0	3.0	3.0	4.5
North Carolina	4.0	4.0	3.0	4.0	7.0
North Dakota	4.0	3.0	3.0	3.0	9.0
Ohio	4.0	3.0	3.0	4.0	6.0
Oklahoma	4.0	3.0	3.0	3.0	3.0
Oregon	4.0	3.0	3.0	3.0	5.0
Pennsylvania*	---	---	---	---	---
Rhode Island	4.0	3.0	3.0	4.0	6.0
South Carolina	4.0	3.0	3.0	4.0	10.0
South Dakota	4.0	3.0	3.0	3.0	8.5
Tennessee	4.0	3.0	3.0	4.0	8.0
Texas	4.0	3.0	3.0	3.0	9.0
Utah	4.0	3.0	3.0	3.0	11.0
Vermont**	---	---	---	---	---
Virginia	4.0	3.0	3.0	3.0	8.0

STATE	ELA	Social Studies	Science	Mathematics	Other credits
Washington	4.0	3.0	3.0	3.0	11.0
West Virginia	4.0	4.0	3.0	4.0	7.0
Wisconsin	4.0	3.0	3.0	3.0	2.0
Wyoming	4.0	3.0	3.0	3.0	---

*Graduation requirements set at local level.

**Students meet requirements for graduation when they demonstrate proficiency in the curriculum subjects.

In addition, 13 states -- Florida, Indiana, Louisiana, Maryland, Massachusetts, Mississippi, New Jersey, New Mexico, New York, Ohio, Texas, Virginia and Washington – require students to pass exit exams to earn standard diplomas.¹⁹²

Advanced Courses

Most Arkansas high school students have access to advanced coursework either through AP or International Baccalaureate (IB) course offerings or through college-level concurrent courses.

Advanced Placement and International Baccalaureate

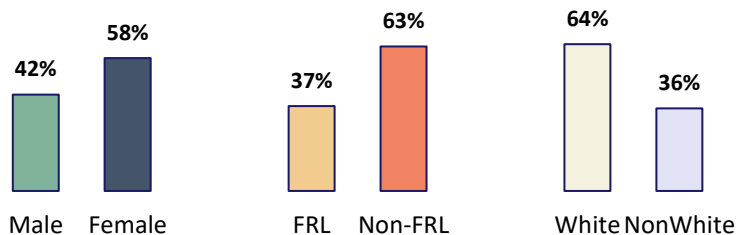
The Rules Governing the Standards for Accreditation call for advanced education courses to be offered in accordance with Arkansas laws and with DESE rules. Ark. Code Ann. §6-16-1204 stipulates that, beginning with the 2009 school year, each Arkansas high school shall offer a minimum of four AP courses, with one each in English, math, science and social studies. State law allows for IB courses to be offered instead of AP courses.¹⁹³ Both AP and IB classes are weighted on a five-point scale rather than a four-point scale (A = 5 points toward grade point average).¹⁹⁴

During the 2023 school year, AP or IB courses were taught in 219¹⁹⁵ – or 94% – of the state’s school districts and in nine¹⁹⁶ of 21 – or 43% – of the state’s open-enrollment public charter school systems. Within those 228 districts and charter school systems, 257 high schools and seven junior highs feeding into high schools offered at least one AP course. Little Rock’s Central High School offered the most AP courses (36), while 10 schools offered one AP course during the 2023 school year. The course with the highest enrollment across the state was AP English Language and Composition.

AP/IB Courses Taught in Arkansas School Districts, 2023

Statewide enrollment in AP and IB courses during the 2023 school year was almost 45,000, which was made up of more than 27,000 unique students, meaning some students were enrolled in more than one AP class during the

AP Enrollment Statistics



¹⁹² Ibid.

¹⁹³ A.C.A. § 6-16-806

¹⁹⁴ DESE “Rules Governing Grading and Course Credit.”

¹⁹⁵ School districts not teaching AP or IB classes during the 2023 school year included Caddo Hills, Calico Rock, Danville, Deer/Mt. Judea, Dermott, Jasper, Kirby, Lead Hill, Omaha, Ozark Mountain, Poyen, Shirley, South Pike County, and Viola.

¹⁹⁶ Charter systems teaching AP or IB classes during the 2023 school year included Arkansas Arts Academy, Founders Classical Academies of Arkansas, Arkansas Connections Academy, Academics Plus Public Charter Schools, LISA Academy, Arkansas Virtual Academy, eStem Public Charter School, Arkansas Lighthouse Academies, and Haas Hall Academy.

school year. Of the 43,142 AP tests taken, 43% received scores of 3, 4 or 5 (the scores many colleges require to grant course credit), compared with 62% nationally. According to DESE, Arkansas is one of a handful of states that pays for students' AP tests, which could result in a lower passing rate because of more students taking the tests¹⁹⁷

Three charter school systems had waivers from AP/IB class requirements for their high schools: Graduate Arkansas Charter, KIPP Delta Public Schools, and Responsive Ed Solutions Premier High School of Springdale.

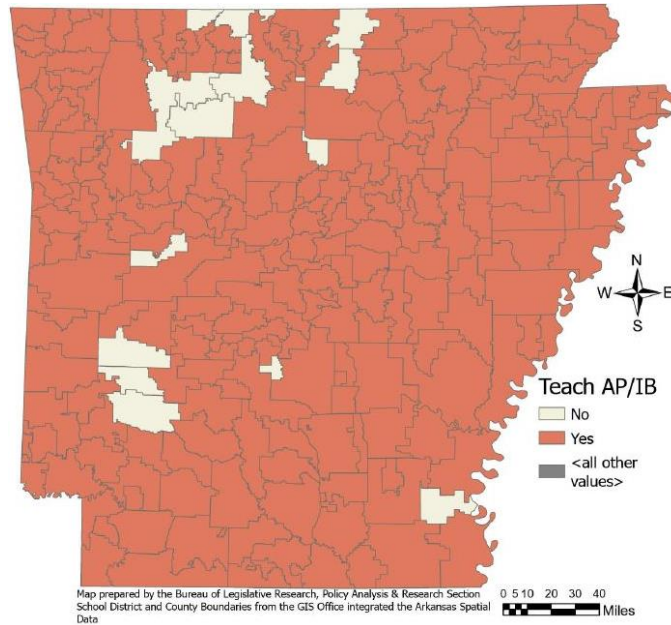
In addition, the North Little Rock School District had a waiver from AP/IB class requirements for North Little Rock Center of Excellence.

Research Review

The College Board created the AP program in 1952 as a program for high achieving students to potentially earn college credit by passing a test in the corresponding class.¹⁹⁸ The authors of a 2015 research paper examining the impacts that AP participation has on students point to earlier research that found that students who took AP exams were more likely to enroll in four-year colleges and to earn higher grade point averages while in college, bachelor's degrees, and subsequent higher incomes than students who did not take an AP course. Additional research cited by the authors found that students who successfully completed AP courses were more likely to earn advanced degrees.¹⁹⁹ The same paper also pointed to research that found that earning high grades in AP courses did not reduce students' time to graduate college, with further research explaining that the rapid expansion of the AP program in the last 15 years resulted in students enrolling in AP courses though they were not academically ready for advanced classes. However, the authors performed their own study of data to determine if taking AP courses helped students score higher on the ACT college admissions exam and found that, "We believe our study can be added to the rich body of literature that indicates that the AP program is beneficial for students."²⁰⁰

A 2018 study identified several predictors for success in AP or IB courses, including good mental health, strong educational histories (particularly strong academic skills exhibited in the 8th grade), good family socio-economic status, and student motivation and engagement levels. Risk factors for success in advanced coursework, on the other hand, were found to include higher levels of parent-child stressors and greater tendencies to respond to school-level stress through avoidance.²⁰¹

In 2021, the Center for American Progress, described on its website as a "public policy research and advocacy organization which presents a liberal viewpoint on economic and social issues," looked at gaps among AP participants and found that "Black and Indigenous students are more likely to enroll in schools offering fewer AP courses... ." In addition, regardless of the level of AP offerings in school, the study found that Black, Latino/Latina,



¹⁹⁷ Email from Kiffany Pride, Ed.D, Assistant Commissioner of Learning Services, ADE, DESE, dated May 29, 2024.

¹⁹⁸ "The Impact of Participation in the Advanced Placement Program on Students' College Admissions Test Scores" by Warne, Russel T.; Larsen, Ross; Anderson, Braydon; Odasso, Alyce J. in *The Journal of Educational Research*, 108L 400-416I 2015.

¹⁹⁹ Ibid.

²⁰⁰ Ibid.

²⁰¹ "Predictors of Success Among High School Students in Advanced Placement and International Baccalaureate Programs" by Suldo, Shannon M.; Shaunessy-Dedrick, Elizabeth; Ferron, Joh; Dedrick, Robert F. in *Gifted Child Quarterly*, Volume 62(4) 350-373, 2018.

and Indigenous students were less likely to enroll in an AP course, take an AP test, or receive a passing score on an AP exam.²⁰²

Concurrent Enrollment Courses

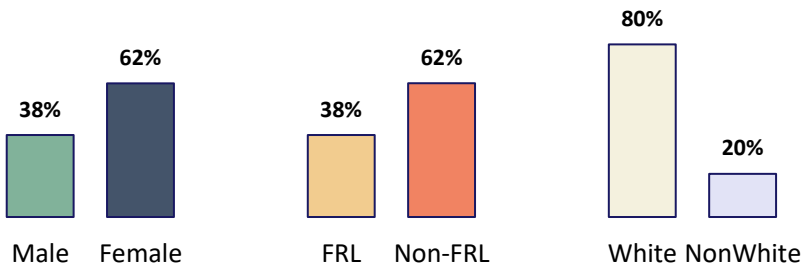
A concurrent enrollment course is one in which students are able to earn both high school credit and college-level credit upon successful completion of the course. Ark. Code Ann. §6-16-1204 provides that schools may offer concurrent enrollment if they do so through an Arkansas institution of higher education that, upon completion, would qualify for academic credit in both the institution and a public high school that "is in one (1) of the four (4) core areas of math, English, science, and social studies; meets the requirements of 6-16-1204(b); and is listed in the Arkansas Course Transfer System of the Division of Higher Education." Districts may decide to offer these courses with a weighted grading scale (A=5 points).²⁰³ To enroll in a concurrent course, students must be admitted by the higher education institution offering the course and must have met all course prerequisites.

Concurrent credit courses may be offered at reduced rates of tuition. In 2017, Act 1118 added that students qualifying for free or reduced-price lunches do not have to pay the costs of qualifying concurrent credit courses for up to six credit hours,²⁰⁴ and Act 456 of 2019 created the Arkansas Concurrent Challenge Scholarship Program,²⁰⁵ which allows any remaining funds after the distribution of Arkansas Academic Challenge Scholarships under Ark. Code Ann. § 6-85-201 *et seq.* and Arkansas Workforce Challenge Scholarships under Ark. Code Ann. § 6-85-301 *et seq.* to be used for \$125 scholarships per concurrent course for college credit up to a maximum \$500 per student. According to the Arkansas Division of Higher Education (ADHE), 13,059 awards totaling \$1,472,062 were provided to 8,467 students in Fall 2022, and another 12,069 awards totaling \$1,374,315 were provided to 8,297 students in Spring 2023. All who applied received the scholarship.²⁰⁶

Total enrollment in concurrent courses during the 2023 school year was almost 22,000, which was made up by 10,540 individual students, meaning that some students were enrolled in more than one concurrent course during the school year. According to the ADHE Education Annual Report on Concurrent Education published in December 2021, 55% of students taking general education concurrent courses in the 2018-2021 fall semesters made A's in the class; 29% made B's, 11% made C's, 1% made D's, and 4% made F's.

During the 2023 school year, concurrent courses were taught in 222²⁰⁷ – or 95% – of the state's school districts and in seven²⁰⁸ of 21 – or 33% – of the state's open-enrollment charter school systems. Within those 230 districts and charter school systems, 253 high schools and three junior highs feeding into high schools offered at least one concurrent credit course. Arkansas Virtual Academy High School offered the most concurrent courses (29), while 12 high schools

Concurrent Enrollment Statistics



²⁰² "Closing Advance Coursework Equity Gaps for All Students" by Chatterji, Roby; Campell, Neil; and Quirk, Abby for the Center for American Progress, July 2021.

²⁰³ See Ark. Code Ann. § 6-15-902(b). See also DESE "Rules Governing Grading and Course Credit."

²⁰⁴ DESE's "Rules Governing Grading and Course Credit."

²⁰⁵ A.C.A. § 6-85-401 *et seq.*

²⁰⁶ Email from Sonia Hazelwood, Chief Data Officer, Assistant Commissioner, Information Systems and Technology and Innovation, Arkansas Division of Higher Education, Arkansas Department of Education, dated February 6, 2024.

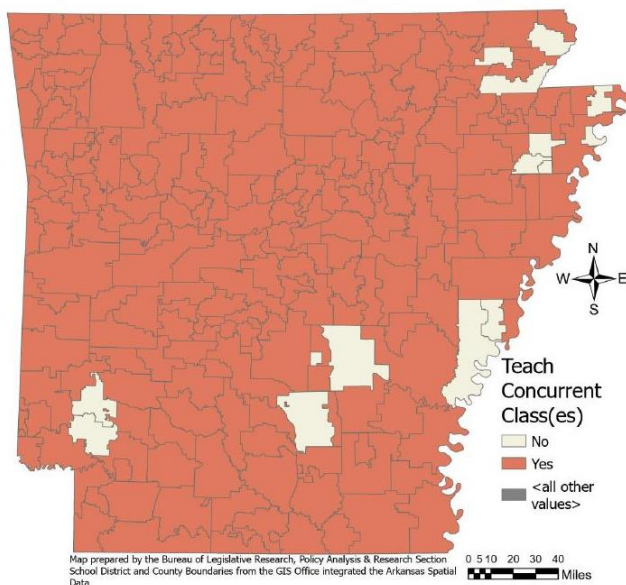
²⁰⁷ School districts not teaching concurrent courses during the 2023 school year included Rector, Cleveland County, Greene County, Mineral Springs, Nashville, Pine Bluff, Blytheville, Osceola, Barton, Marvell-Elaine, Marked Tree, and East Poinsett County.

²⁰⁸ Charter systems teaching concurrent courses during the 2023 school year included Arkansas Arts Academy, Arkansas Connections Academy, Friendship Aspire Academy, KIPP Delta Public Schools, Academic Plus School District, Arkansas Virtual Academy, and Arkansas Lighthouse Charter Schools.

offered one concurrent course during the 2023 school year. The course with the highest enrollment across the state was English Composition.

River Valley Virtual Academy in the Van Buren School District was the only school with a waiver concerning concurrent credit courses in the 2023 school year.

Concurrent Courses Taught in Arkansas School Districts, 2023



Review of Research

In 2017, the U.S. department of Education’s What Works Clearinghouse identified five studies of dual enrollment programs that together support the findings that these programs have “positive effects on students’ degree attainment (college), college access and enrollment, credit accumulation, completing high school, and general academic achievement (high school)...”²⁰⁹

The *Arkansas Concurrent Enrollment Report*, published in January 2024, cited research findings that concurrent students nationally were more likely than their peers who did not participate in concurrent courses “to graduate high school, matriculate, and persist to credential completion, while experiencing lower rates of developmental/remedial placement upon matriculation.”²¹⁰ The study found the Arkansas data show similar results in that “the college-going rates of Arkansas high school graduates who completed concurrent coursework are consistently more than 20 percent higher than the general population of Arkansas high school graduates.” The report also says the data indicate that access to concurrent enrollment opportunities is not equal across regions of the state.

²⁰⁹ *WWC Intervention Report: Dual Enrollment Programs*, Institute of Education Sciences, U.S. Department of Education, February 2017.

²¹⁰ *Arkansas Concurrent Enrollment Report: Landscape Analysis and Recommendations* by Zinth Jennifer with Zinth Consulting, LLC, January 2024.

8. Career and Technical Education

Introduction

Arkansas Code § 10-3-2102 does not explicitly require the House and Senate Committees on Education to include a review and analysis of CTE in the biennial adequacy study. This section is provided in response to Education Committee members' requests and CTE's relevancy to the current educational adequacy definition, which states that Arkansas's "curriculum and career and technical frameworks" include the standards on what must be taught to Arkansas students. CTE is one of the required content areas that must be included in the mandatory 38 Carnegie Units defined by the Arkansas Standards of Accreditation.

Arkansas CTE Policy Background

CTE Oversight

General control and supervision of all programs of vocational, technical, and occupational education in secondary institutions are under the authority and responsibility of the SBOE²¹¹ and the Division of Career and Technical Education (DCTE).²¹² The DCTE, which is part of the ADE,²¹³ approves and oversees public school CTE programs across the state. DCTE is responsible for adopting rules governing CTE programs, prescribing academic standards for CTE programs and teachers, and approving the programs of study and courses that districts can offer based on federal requirements.²¹⁴ In addition, the DCTE is responsible for receiving and distributing federal and state funds intended to support CTE in secondary schools²¹⁵ and for ensuring CTE instructors are appropriately licensed and permitted.²¹⁶

K-12 Public School Requirements

According to the *Rules Governing Arkansas Standards for Accreditation*, school districts are required to provide all students in grades 5-12 with CTE instruction in their curriculum annually.²¹⁷ In collaboration with DESE and the ADHE, DCTE is required to develop the college and career readiness standards for CTE courses and establish a common course numbering system incorporating CTE program-of-study courses at the secondary and postsecondary level.²¹⁸

In 2023, districts offered CTE instruction to students in grades 5-8 through a required KeyCode or Keyboarding course and Career Development course.²¹⁹ Other approved courses connected to CTE subject areas may also be offered to students at this level. For students in grades 9-12, Standard 1-A.1.3 requires that public school districts offer annually a total of 38 units of instruction. Nine of those units are to be "sequenced career and technical education courses representing three (3) occupational areas."²²⁰ Three sequential levels of CTE courses make up a

²¹¹ Ark. Code Ann. § 6-11-203.

²¹² Ark. Code Ann. § 25-30-107.

²¹³ Act 910 of 2019 moved the Department of Career Education under the Arkansas Department of Education

²¹⁴ Ark. Code Ann. § 6-16-140.

²¹⁵ Ark. Code Ann. § 6-11-205.

²¹⁶ Ark. Code Ann. §§ 6-15-102(f)(5) and 6-15-1004(d)(3).

²¹⁷ DESE Rules Governing Standards for Accreditation of Arkansas Public Schools and School Districts, May 2, 2022, Rules 1-A.1.2 and 1-A.1.3.

²¹⁸ Ark. Code Ann. § 6-5-1003.

²¹⁹ DCTE Program Operational Guide: 2022-2023 School Year (July 2022)

²²⁰ DESE Rules Governing Standards for Accreditation of Arkansas Public Schools and School Districts," May 2, 2022, Rule 1-A.1.3.9.

CTE program of study. To comply with state standards, schools must offer at least three different programs of study each year.

The programs are selected from any combination of three of the following occupational areas: agricultural science and technology; business and marketing technology; family and consumer sciences; science, technology, engineering and mathematics (STEM); trade and industry.



Survey Says: High school principals were asked to identify how many CTE programs of study were offered in each occupational area. The top three areas with the most programs were business and marketing technology (438), trade and industry (436), followed by agricultural science and technology (412).

CTE Funding

The matrix does not provide a dollar amount specifically for CTE; however, districts can and do use state foundation funding to provide CTE instruction. Districts are also able to use ESA categorical funds for students' access to postsecondary opportunities, including supporting their participation in the College and Career Coaches Program administered by DCTE.²²¹ Funding sources for CTE programs include Carl D. Perkins federal funding and career education programs within the PSF. Through DCTE, three competitive grant opportunities are available for CTE. All districts are eligible for State Start-Up Grants, but recipients of the Innovation and Non-Traditional Grants must also be eligible for Perkins V funding.

Carl D. Perkins Federal Funds

Perkins V federal funds received through DCTE are used to improve CTE programs and services for students enrolled in CTE programs of study, which may also include other uses as outlined in Perkins V,²²² including support and career preparation courses. Only CTE programs of study or CTE modified programs approved by DCTE are eligible for Perkins funding and student graduation credits.

Fund Source	2023 Funding
Carl D. Perkins	\$17,683,543

Analysis of 2023 expenditure data showed almost \$6.13 million disbursed directly to public school districts in grants and aid for CTE. Less than 2.5% of the total adjusted budget amount was left over after all expenditures.²²³

Arkansas's 2023 allocation of Carl D. Perkins funds was \$14,767,530.²²⁴ Of the total funds that come to the state from the Perkins Act each year, 85% is distributed to local recipients, and the remaining 15% is used at the state level for administration (5%) and leadership (10%).²²⁵ The 85% distributed is then further split between secondary (75%) and post-secondary (25%) recipients.

State Start-Up Grants

DCTE State Start-Up Grants are provided on an annual, competitive basis to assist with the start-up expenses of a new program of study. These grant awards are exclusively for the purchase of equipment including required training, assessments, software, and industry-recognized credentials that support the newly approved programs. The funding is authorized under the PSF for career education, and all public school districts are eligible to apply. Schools receive a maximum of 85% of the cost to implement the program, and the district is responsible for providing 15%.²²⁶

²²¹ DCTE Policies and Procedures for Career and Technical Education, September 2021. See also Ark. Code Ann. § 6-20-2305(b)(4)(C)(i)(1)(a)(6).

²²² Strengthening Career and Technical Education for the 21st Century Act, Pub. Law No. 115-224 (2018).

²²³ ASIS Expenditure Data provided by BLR Fiscal Division, March 2024.

²²⁴ U.S. Department of Education, National Perkins Reporting System 2023

²²⁵ Carl D. Perkins Career and Technical Education Act of 2006, 20 U.S.C. § 2322, Sec. 112(a).

²²⁶ DCTE Policies and Procedures for Career and Technical Education (September 2021), 12

Both approval and the amount of the grant awards are contingent on all of the following determining factors:

- funds available
- state priority
- labor market data
- evaluation and review of application and rubric²²⁷

Fund Source	2023 Funding
Vocational Start-Up Grants	\$2,370,000

Analysis of 2023 expenditure data for Vocational Start-Up Grants showed about 7% remaining from the total amount of funding available.²²⁸

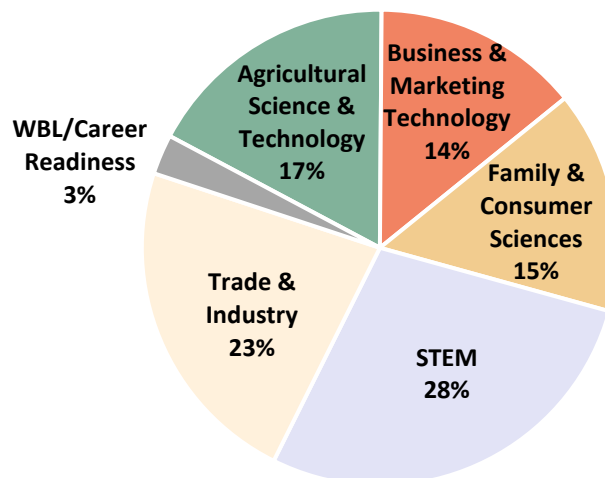
In 2023, 77 schools in 69 school districts and open-enrollment charter systems received funding. Nearly \$3.58 million was awarded for the start-up of 37 different CTE programs.

According to financial records provided by DCTE, 65% of the State Start-Up Grants were awarded from the Vocational Start-Up Grants fund. The remaining 31% was from federal ESSER funds and 4% from leftover computer science funds from the Department of Education’s PSF account.

Schools were granted start-up funding for more STEM programs than any other area. Significantly fewer, but larger individual grants went toward agricultural science programs. The chart below shows percentages of the total award amount by the occupational area assigned to each grant.

Cumulatively, 11 CTE programs of study were awarded more than \$100,000 through multiple start-up grants, with over \$500,000 awarded to new computer science programs.

Percentage of Total Award Amount Represented by Program Area



Programs Awarded Over \$100,000

- Computer Science*
- Plant Systems*
- Pre-Engineering*
- AV/Tech & Film*
- Marketing Business Enterprise*
- Nutrition Science and Dietetics*
- Pre-Educator*
- Advertising and Graphic Design*
- Animal Systems*
- Sports Medicine*
- Biomedical Sciences*

Secondary Technical Centers

Funding to support secondary technical centers (STCs) is to be determined by DCTE, in consultation with the Office of Skills Development, and with approval by the State Board of Education.²²⁹

²²⁷ *Id.* at 11

²²⁸ ASIS Expenditure Data provided by BLR Fiscal Division, March 2024.

²²⁹ Ark. Code Ann. §6-20-2305 (b)(2)(B)(i)(a)

Called “secondary career centers” or “vocational centers” in statute and a variety of names in rules, these centers are typically sponsored by high schools or two-year colleges.

The purpose of these centers as specified in statute is to:

- Support economic, industrial, and employment development efforts
- Provide equity and substantially equal access to quality vocational programs
- Improve school programs to assist schools in meeting accreditation standards



Survey Says: 69% of responding superintendents reported that students in their district attended a state-funded secondary career center or satellite. Of the 31% reporting no students attending STCs, the top two reasons were because the district offered a sufficient array of CTE courses on campus (35%) and because there were no centers or satellites within 25 miles or 30 minutes of the high schools (32%).²³⁰

Thirty STCs with 32 satellite locations operated during the 2023 school year. Approximately two-thirds of the programs offered at STCs were in the trade and industry occupational area. According to 2023 student enrollment data provided by DCTE, nursing services and welding were the top programs in both fall and spring semesters.

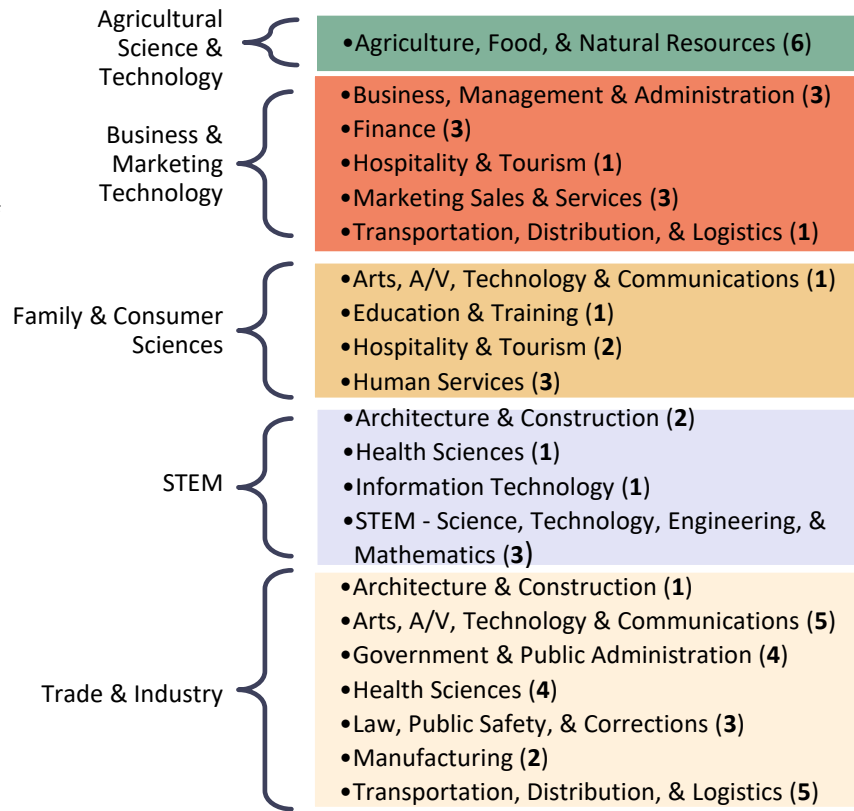
Fund Source	2023 Funding
Vocational Center Aid	\$20,620,498

CTE Program Alignment

Arkansas statute defines a “rigorous career and technical education program of study” as one that “links secondary education and postsecondary education and combines academic and technical education in a structured sequence of courses that progresses from broad foundation skills to occupationally specific courses.”²³¹

In 2023, there were 33 Career Pathways and 55 unique CTE Programs of Study offered. The diagram identifies the career clusters by occupational area.

The number of programs offered in each career cluster during the 2023 school year is shown in parentheses. For the five career clusters that fall under two placements, the available programs of study differ depending on the occupational area.



²³⁰ See Superintendents Survey Responses, questions 28 and 29.

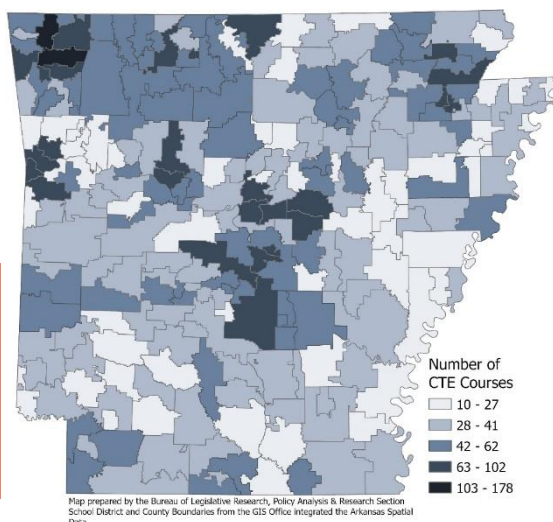
²³¹ Ark. Code Ann. § 6-5-1002(b)

CTE Courses and Students

Students are not required to take career and technical education courses, but they are required to complete six units of “career focus” credits to meet graduation requirements. These credits can be fulfilled by CTE courses. In 2023, there were 1,214 courses coded as “Career Focus.”²³² Of those courses, less than half were identified as CTE course offerings.

A total of 430 distinct CTE courses were taught across the state in all public school districts and open-enrollment charters serving grades 9-12. The number of courses taught varied widely, as depicted by the state map of 2023 courses by district. Every school district taught at least 10 different CTE courses, and each charter taught at least two courses.

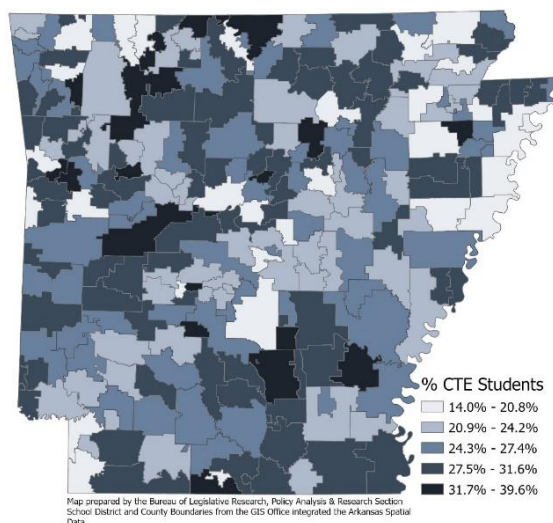
Course Type	Course Count	Student Enrollment	Districts/Charters
CTE (Total)	430	185,769	251
CTE Concurrent	160	11,926	191
CTE WBL & Career Readiness	25	19,173	184
CTE Weighted	9	1,654	62



The above table shows the total number of CTE courses by type of course, student enrollment, and the number of districts and open-enrollment public charters in which they were taught. Overall, 12 courses were taught by more than half of all school districts; 51 courses were taught exclusively at one location in the state.

Based on the courses taught at the district and school levels, most Arkansas public schools are offering programs of study in the business and marketing technology occupational area. The foundational course for all programs of study in that area²³³—Survey of Business—was taught in 237 districts across the state. This course also had the highest student enrollment.

The state map to the right shows the percentage of students enrolled in CTE courses by school districts. On average, CTE students made up about 24% of total statewide enrollment.



Performance Indicators

By the Perkins V federal definition, a CTE concentrator in secondary education has completed at least two courses in a single CTE program or program of study.

The levels of these courses must progress in specificity. DCTE applies this definition to a “CTE Program of Study Concentrator,” and defines a “CTE Modified Program Concentrator” as a student who has completed two courses within a career cluster.²³⁴ Career clusters and pathways are often used interchangeably within DCTE, so these

²³² Credit courses that included a “Career Focus” designation by State Graduation Requirements or Smart Core, DESE’s Course Code Management System

²³³ DCTE Program Operational Guide: 2022-2023 School Year (July 2022)

²³⁴ Policies and Procedures for Career and Technical Education, September 2021.

expanded definitions include students taking sequenced courses within a career pathway.²³⁵ This distinction also applies to completers.

According to DCTE policies and procedures, participants and completers are not federal accountability measures, but they are tracked and recognized at the state level. Once a student has completed three sequenced courses within a single program, they are identified as a completer regardless of grade level.

As required under the federal Perkins Act, DCTE must report to the federal government measures of student performance in career and technical education. The following table provides 2023 CTE concentrator data for the approved Perkins V performance measures.²³⁶

Perkins V Performance Measures	Target	2023 Performance
Graduation Rate (4-YR Adjusted Cohort)	87.18%	97.2%
Academic Performance	ELA: 48.95% MATH: 42.77% SCIENCE: 48.90%	ELA: 65.92% MATH: 58.53% SCIENCE: 66.57%
Post-Secondary Placement	76.75%	82.78%
Non-Traditional Program Enrollment	13.33%	39.14%
Post-Secondary Credentials	33.29%	55.22%

²³⁵ Meeting with DCTE Director, March 2024

²³⁶ Office of Innovation for Education, University of Arkansas, Data Retrieved February 2024

9. Teacher Salaries

Introduction

During the Lake View lawsuit, the courts cited Arkansas’s comparatively low teacher salaries and wide wage disparities among districts in the state as evidence of the lack of an adequate and equitable education. In compliance with adequacy study requirements for the House and Senate Education Committees found in Ark. Code Ann. § 10-3-2101 et seq., this report seeks to examine the following issues regarding Arkansas teacher salaries:

- How Arkansas teacher salaries compare with surrounding states and states of the Southern Regional Education Board (SREB).
- How the cost of living in Arkansas and surrounding states affect the value of Arkansas teacher salaries.
- How teacher salaries in Arkansas compare with the salaries in other professions with similar educational requirements within the state.
- Whether the disparity in teacher salaries within Arkansas has increased or decreased.

This adequacy study is based on the 2023 school year because that is the most recent data available in most instances. However, this section also includes data for the 2024 starting salaries, as that data is available. It reflects the change to the minimum starting salary encompassed in Act 237 (the LEARNS Act) of 2023.

Teacher Salary Comparisons

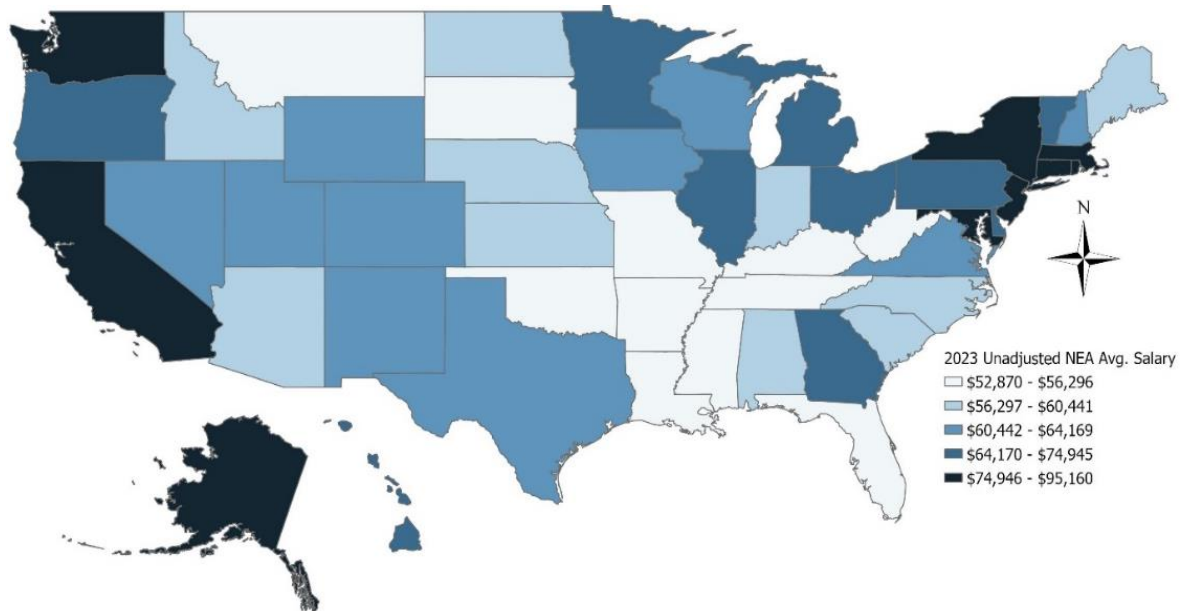
According to the annual statistical report of the National Education Association (NEA), *Rankings of the States 2023 and Estimates of School Statistics 2024*, the national average teacher salary for 2023 was \$69,544, which marked an increase of 4.1% over the 2022 average salary. Arkansas’s average salary of \$54,309 increased by 3.2%. According to NEA, even with the highest percentage increase to the average starting salary in 14 years, average teacher pay hasn’t kept up with inflation, and when adjusted for inflation, teachers are making 5% less, on average, than they did a decade ago.²³⁷

Before considering any differences in cost of living among states, Arkansas’s 2023 average salary (\$54,309) ranked **45th** among the 50 states and the District of Columbia, which was the same as Arkansas’s 2022 ranking. California, New York, and Massachusetts ranked 1st, 2nd, and 3rd, respectively, in 2023 among the 50 states and the District of Columbia. According to the 2023 Missouri Cost of Living Data Series index, these three states are among the states with the highest cost of living in the United States, so it is not unexpected that their teacher salaries would reflect this higher cost of living.²³⁸ For this reason, this report includes salaries both unadjusted and adjusted for cost-of-living differences.

²³⁷ [NEA Rankings & Estimates, April 2024](#)

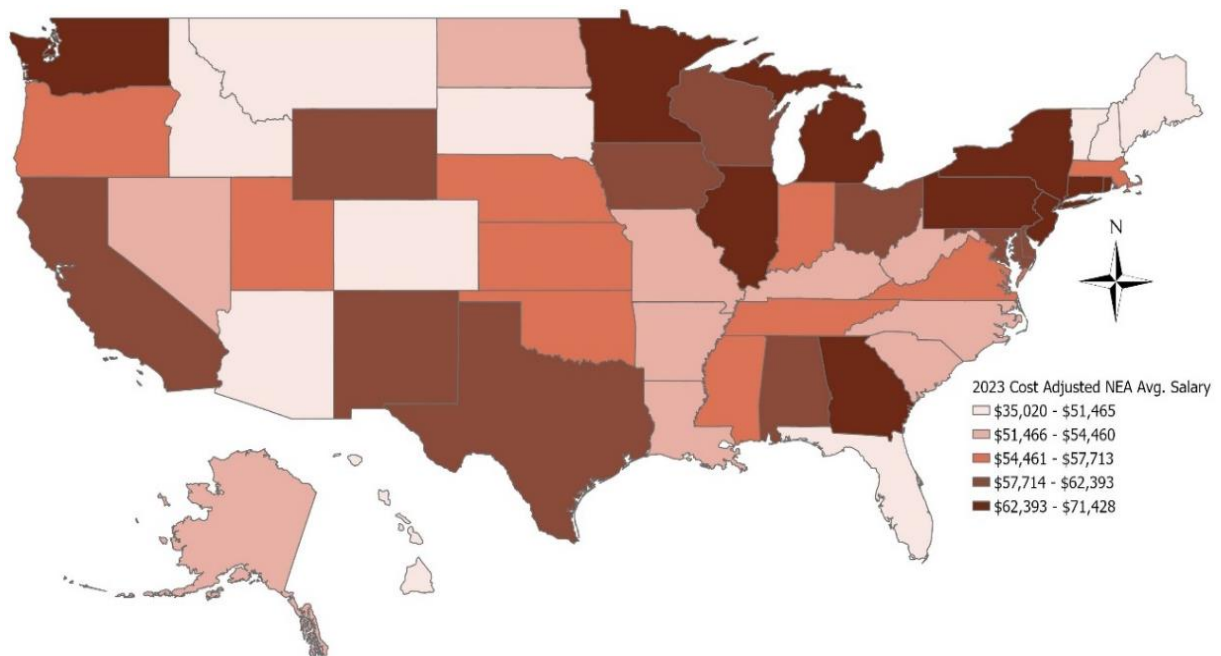
²³⁸ 2023 Missouri Cost of Living Data Series, Missouri Economic Research and Information Center.

2023 Unadjusted NEA Average Teacher Salaries



To provide a better idea of the value of Arkansas's teacher salaries in light of the cost of living in Arkansas, the BLR adjusted the teacher salaries of all 50 states and the District of Columbia using the Missouri Cost of Living Data Series index. Using cost-of-living adjusted (COLA) salaries, Arkansas's national ranking improved to **33rd**. Arkansas's COLA average salary ranking in 2022 was **30th**. Arkansas's average salary ranking, even with the cost-of-living adjustments, has steadily declined in recent years.

2023 Cost-Adjusted NEA Average Teacher Salaries



Southern Regional Education Board (SREB) States

The regional average teacher salary for 2023 was \$59,020, compared to Arkansas’s \$54,309. According to the SREB, the average teacher salary in the South was 15% lower than the national average.²³⁹

Arkansas’s 2023 average teacher salary as reported by the NEA for state-to-state comparisons ranked **12th** among the 16 SREB states. After applying a cost COLA, Arkansas moved up to **11th**, which was a drop from Arkansas’s 2022 ranking of **7th** among the SREB states. The table below provides the 2023 NEA average salary, COLA average salary, and rank using the COLA salary, for each SREB state.

Rank (COLA Salary)	State	2023 COLA Salary	2023 NEA Avg. Salary
1	Georgia	\$63,183	\$64,461
2	Alabama	\$60,920	\$60,441
3	Maryland	\$60,673	\$79,420
4	Delaware	\$60,554	\$68,787
5	Texas	\$58,293	\$60,716
6	Oklahoma	\$57,308	\$55,505
7	Virginia	\$55,114	\$63,103
8	Mississippi	\$55,023	\$53,354
9	Tennessee	\$54,572	\$55,369
10	Kentucky	\$54,460	\$56,296
11	Arkansas	\$54,309	\$54,309
12	West Virginia	\$53,654	\$52,870
13	Louisiana	\$53,056	\$54,248
14	North Carolina	\$52,820	\$56,559
15	South Carolina	\$52,091	\$55,778
16	Florida	\$46,929	\$53,098

Contiguous States

The surrounding states’ average teacher salary for 2023 was \$55,357, also higher than Arkansas’s \$54,309. Among the seven surrounding states, Arkansas’s 2023 unadjusted average salary ranked **4th**, which was an increase from the 2022 ranking of **5th**. When a COLA was applied, Arkansas’s ranking dropped to **5th**, which is a decline from the 2022 ranking of **4th**. The table to the right provides the 2023 NEA average salary, COLA average salary, and rank using the COLA salary, for the surrounding states.

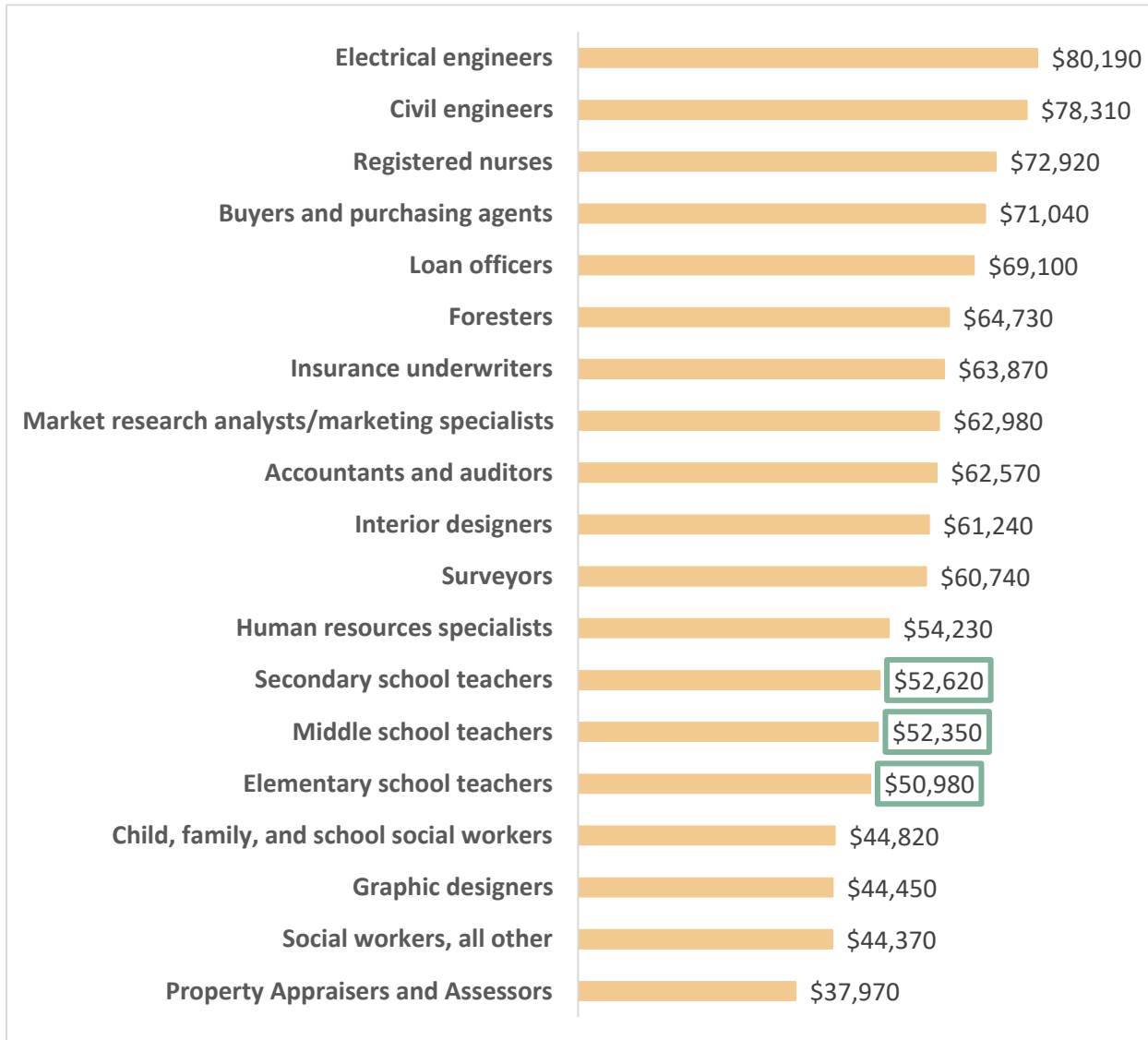
Rank (COLA Salary)	State	2023 COLA Salary	2023 NEA Avg. Salary
1	Texas	\$58,293	\$60,716
2	Oklahoma	\$57,308	\$55,505
3	Mississippi	\$55,023	\$53,354
4	Tennessee	\$54,572	\$55,369
5	Arkansas	\$54,309	\$54,309
6	Missouri	\$54,304	\$53,999
7	Louisiana	\$53,056	\$54,248

²³⁹ SREB Teacher Compensation Dashboard

Average Salary Comparisons of Select Professions

The U.S. Bureau of Labor Statistics (BLS) publishes Occupational Employment and Wage Estimates for major occupational groups in Arkansas and the United States. According to the BLS, these occupational employment and wage estimates “are calculated with data collected from employers in all industry sectors in metropolitan and nonmetropolitan areas in every state and the District of Columbia.”²⁴⁰ The following chart provides the Arkansas annual mean wage or salary for select occupations that require bachelor’s-degree preparation.

Arkansas Annual Mean Salaries - Select Occupations



²⁴⁰ U.S. Bureau of Labor Statistics, "Occupational Employment and Wage Statistics," bls.gov/oes/oes_emp.htm (March 2023).

Teacher Salary Disparity within Arkansas

To assist in the evaluation of whether a disparity existed among teacher salaries in Arkansas, the following sections present information regarding the state-level average teacher salaries and average teacher salaries by district and by open-enrollment public charter school system. The NEA average salary amounts are not available at the district level, so the BLR used data from APSCN to calculate average salaries for this section of the report.²⁴¹ Beginning with the 2018 Adequacy Study, the BLR began using the average salaries from its own methodology for the adequacy study analysis, rather than using the salaries reported in the Annual Statistical Report (ASR).

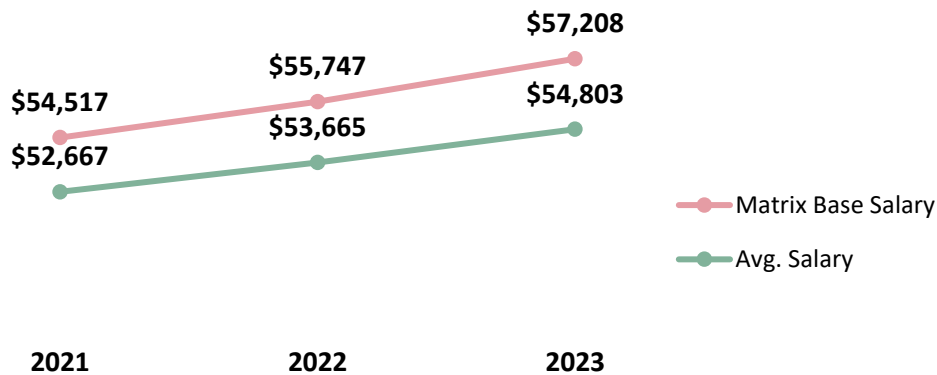
The Arkansas legislature created the Teacher Salary Equalization Fund to assist in addressing the disparities in teacher salaries within the state and when compared to surrounding states.²⁴² These supplemental funds provide public school districts and open-enrollment public charter school systems with additional funding dedicated to increasing teacher salaries.²⁴³ Equalization funding is provided to districts and charters that have an average annual teacher salary below the “statewide target average annual salary” set by the legislature.²⁴⁴ Equalization funding is continuous and will increase if ADM increases. Funding will not decrease below the amount received in the initial base year even if ADM decreases.

The goals of the legislature in providing equalization funding include regular increases in the state average salary, an improved state ranking for average salary among SREB states, a continuous reduction in the gap between the highest and lowest average salary and starting salary in the state, lowering the rates of teacher attrition, and increasing the number of districts with a starting salary above the minimum required by statute.²⁴⁵

Statewide Analysis

In 2023, the average teacher salary for all public school types in Arkansas was \$54,803. The chart below compares the statewide average teacher salary to the base teacher salary amounts used in the matrix between 2021 and 2023. The teacher salary amount used in the matrix to calculate foundation funding has consistently been higher than the average teacher salary paid at the district and open-enrollment public charter level.

Statewide: 3-YR Average Teacher Salary Compared to Matrix Base Salary



²⁴¹ Prior to the 2018 Adequacy Study, the Bureau used the Average Salary – Non-Federal Licensed Classroom FTEs from the DESE’s ASR in its analysis of average teacher salary by school district. BLR has since used its own methodology, which is provided in Appendix A.

²⁴² See Acts 679 and 680 of 2021.

²⁴³ See Ark. Code Ann. § 6-23-501(a)(1) (providing that open-enrollment public charter schools “shall receive funds equal to the amount that a public school would receive under § 6-20-2305(a) and (b) as well as any other funding that a public charter school is entitled to receive under law or under rules promulgated by the State Board of Education).

²⁴⁴ See Ark. Code Ann. § 6-20-2305(b)(6)(A)(ii) (establishing the statewide target average annual salary for the 2021-2022 and 2022-2023 school years as \$51,822).

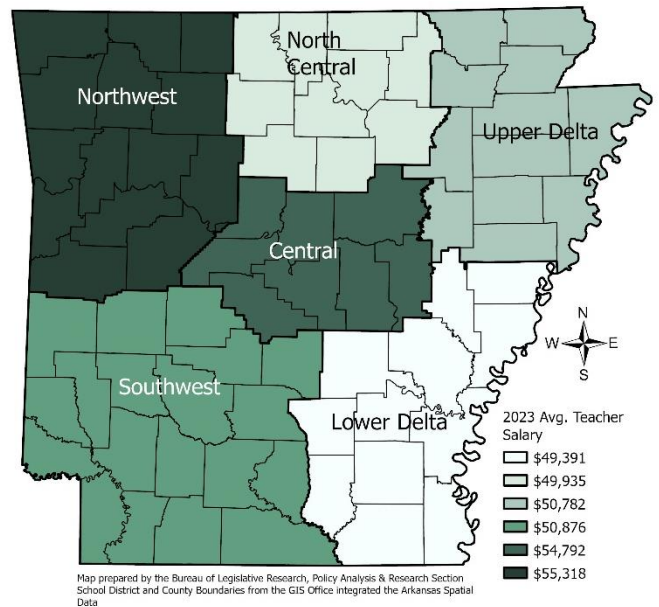
²⁴⁵ See Acts 679 and 680 of 2021.

Statewide: Average Teacher Salaries by School Type

District Type	District	\$53,259
	Charter	\$49,008
School Type	Rural	\$50,783
	Urban	\$56,871
FRL Level in Schools	FRL Q1 (Lowest)	\$56,001
	FRL Q2	\$54,002
	FRL Q3	\$51,412
	FRL Q4	\$50,779
	FRL Q5 (Highest)	\$52,861
Minority Level in Schools	Minority Q1 (Lowest)	\$49,400
	Minority Q2	\$52,595
	Minority Q3	\$54,019
	Minority Q4	\$54,590
	Minority Q5 (Highest)	\$54,408
District Size	1-350	\$47,124
	351-500	\$47,730
	501-750	\$48,664
	751-1,000	\$49,518
	1,001-1,500	\$49,885
	1,501-2,500	\$51,383
	2,501-5,000	\$53,015
	5,001-25,000	\$60,279
BLR Cohort Schools	BLR Cohort	\$52,558
	Other	\$53,112
School Letter Grades	A	\$57,594
	B	\$54,072
	C	\$52,474
	D	\$51,712
	F	\$52,792

When looking at average teacher salaries at the school level statewide, salary levels were generally higher at schools within urban areas. Salary levels generally declined with higher levels of FRL concentrations. Salary levels generally grew at schools within increasingly larger districts. There was little difference between BLR Cohort Schools and Others. Salary levels generally declined with lower school letter grades.

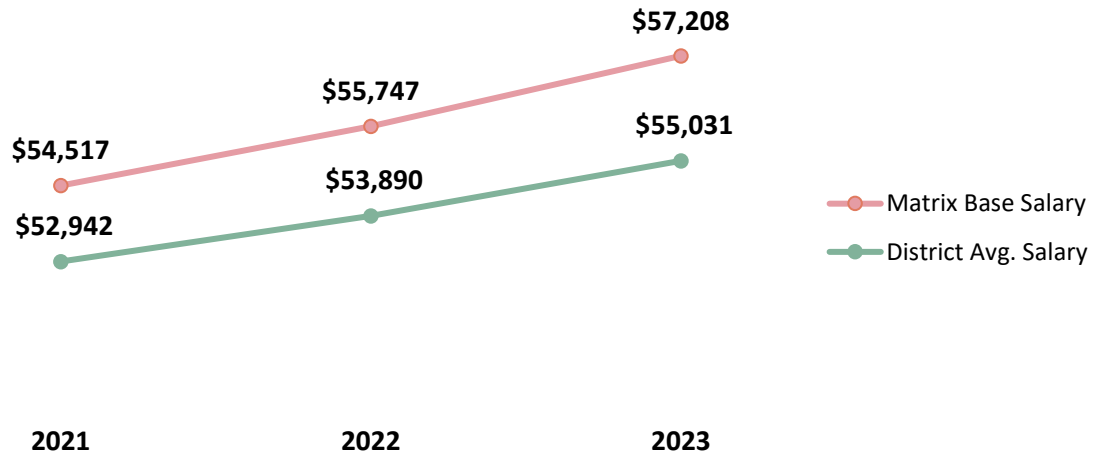
The following map shows that, on average, salaries were higher in the Central and Northwest regions.



Public School Districts

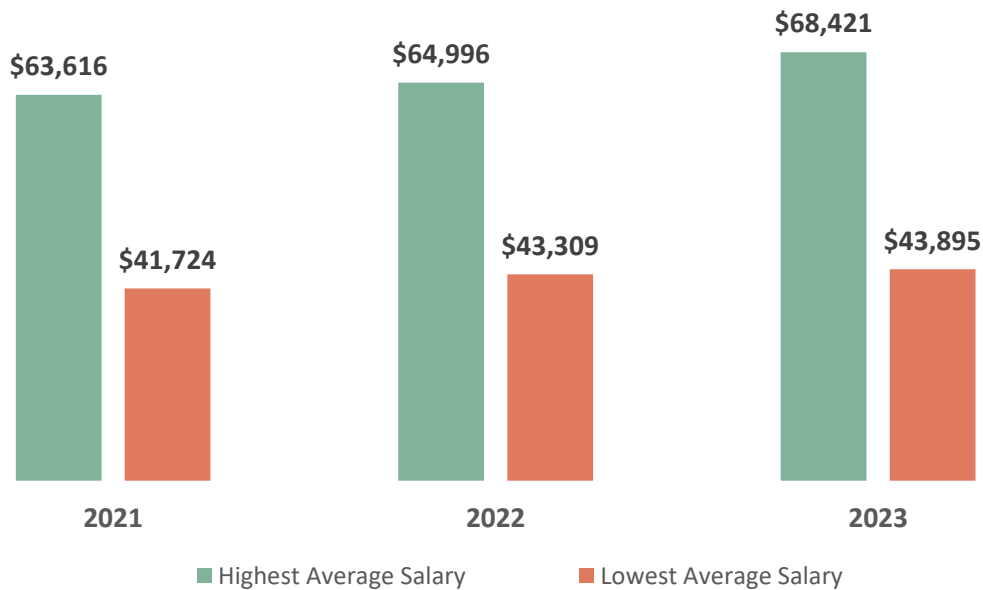
The 2023 average teacher salary for school districts only (excluding open-enrollment public charter school systems) was \$55,031. The chart below compares the average teacher salary for school districts to the base teacher salary amounts used in the matrix between 2021 and 2023.

Public School Districts: 3-YR Avg. Teacher Salary Compared to Matrix Base Salary



The following chart compares the highest and lowest average teacher salaries paid by public school districts between 2021 and 2023. In 2023, average teacher salaries for school districts ranged from \$68,421 for Fayetteville School District to \$43,895 for Bradford School District, a difference of more than \$24,000. The gap between the highest and lowest average teacher salary increased by almost \$3,000 between 2022 and 2023.

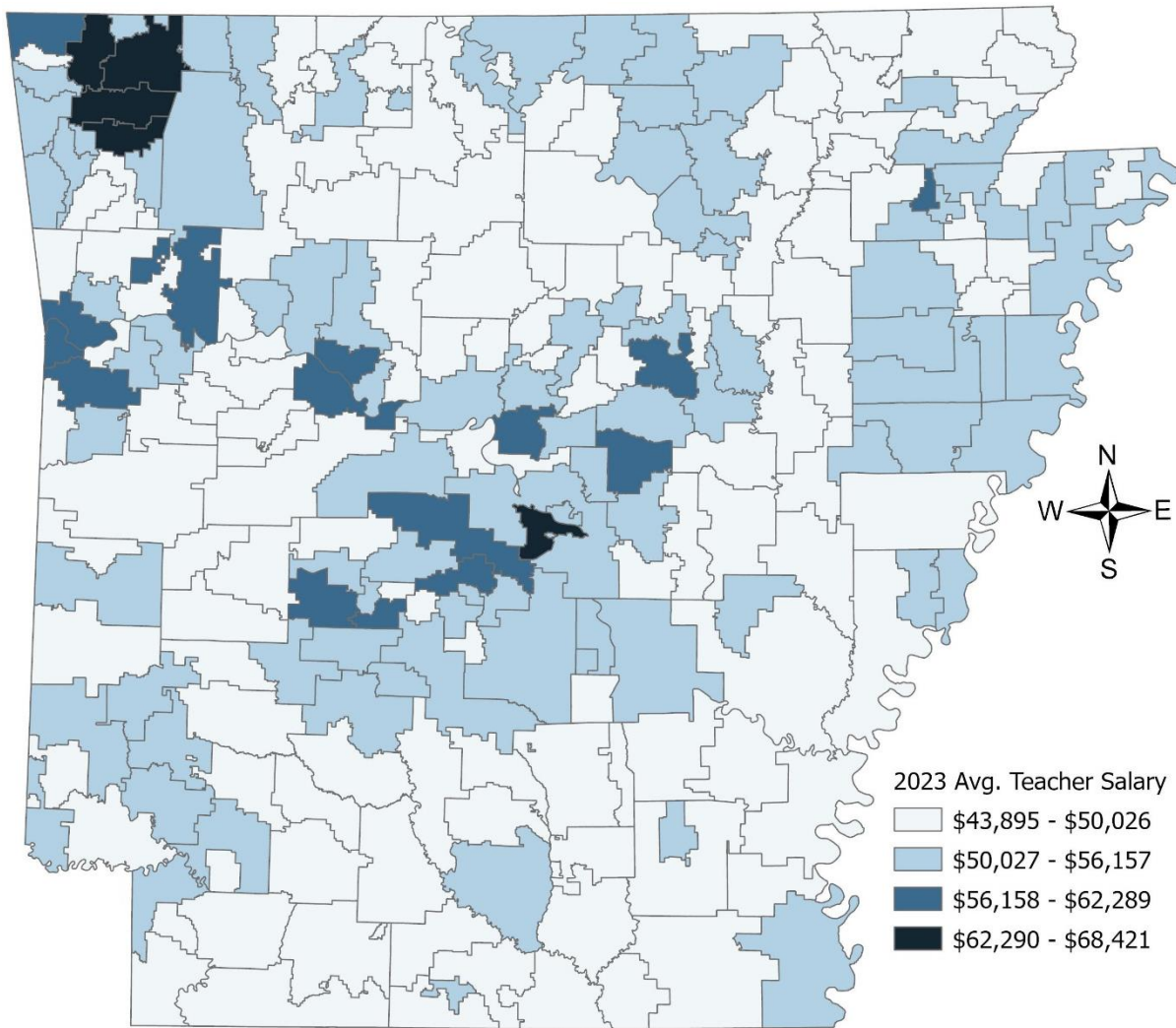
Public School Districts: Highest and Lowest Average Teacher Salaries



Public School Districts: Analysis of Average Teacher Salaries

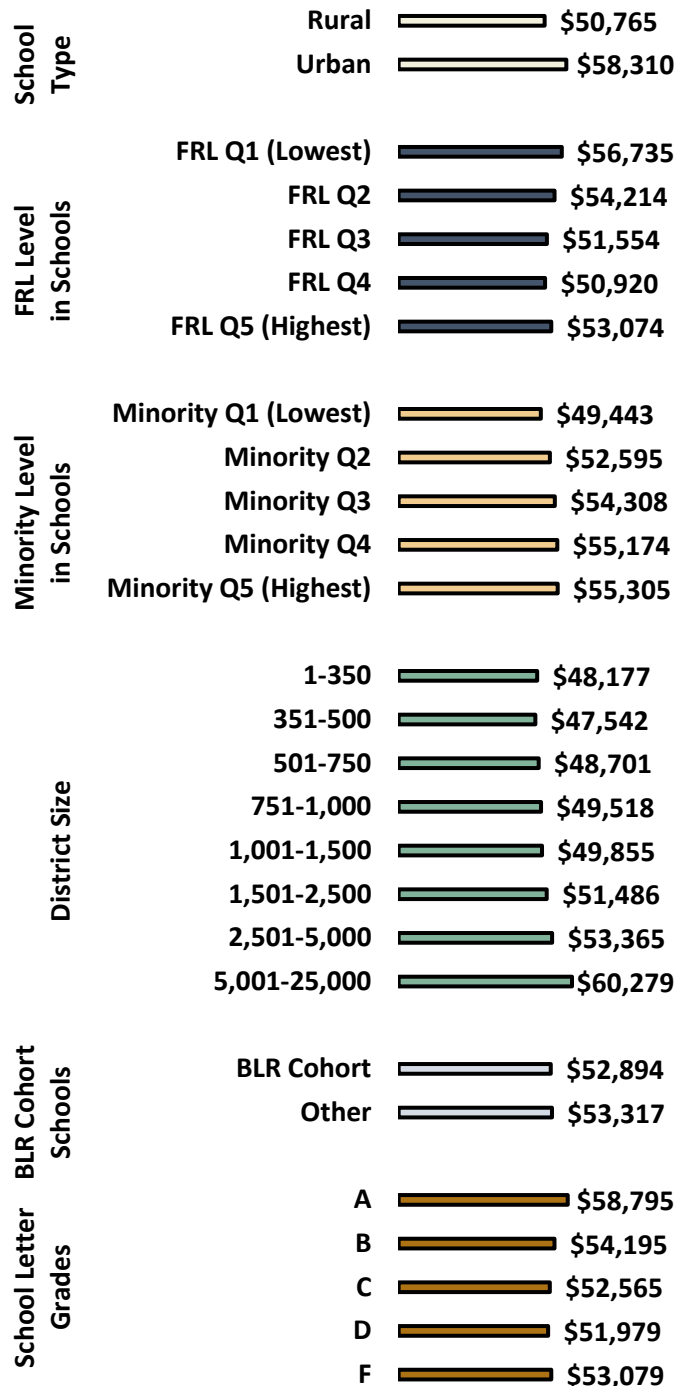
The following map illustrates the 2023 average teacher salaries of all public school districts divided into average salary quartiles.

Average Teacher Salary Range	# of Districts
\$43,895 - \$50,026	124
\$50,027 - \$56,157	90
\$56,158 - \$62,289	15
\$62,290 - \$68,421	5



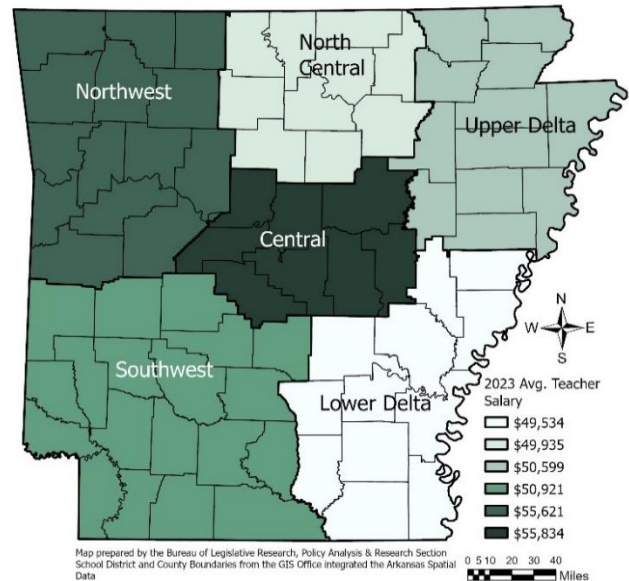
Map prepared by the Bureau of Legislative Research, Policy Analysis & Research Section
 School District and County Boundaries from the GIS Office integrated the Arkansas Spatial Data

Public School Districts: Average Teacher Salaries by School Type



When looking at public school districts' average teacher salaries at the school level, salary levels were generally higher at schools within urban areas.²⁴⁶ Salary levels generally declined with higher levels of FRL populations, and generally increased with higher concentrations of minority students. Salary levels generally grew at schools within increasingly larger districts. There was little difference between BLR Cohort Schools and Others. Salary levels generally declined with lower school letter grades.

The following map shows that, on average, salaries were higher in the Central and Northwest regions.

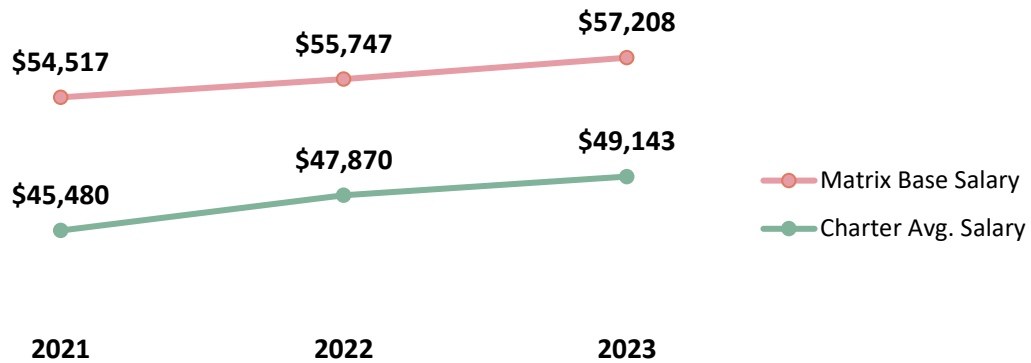


²⁴⁶ Salary information was not available in the Arkansas Public School Computer Network (APSCN) for four schools: Centerpoint Academy of Agriculture (Centerpoint School District), Creative Action Team (Hope School District), Polk Virtual Academy (Mena School District), and Premier High School Online (Premier High Schools of Arkansas).

Open-Enrollment Public Charter Systems

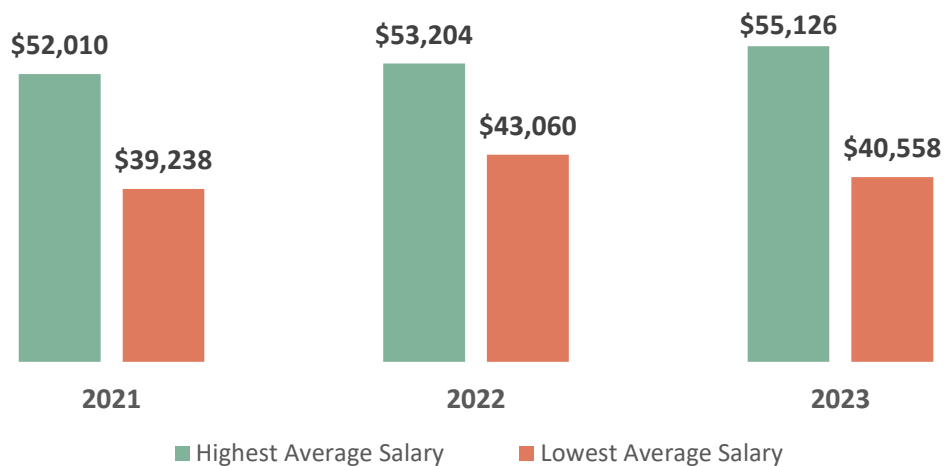
The 2023 average teacher salary for open-enrollment public charter systems only (excluding traditional districts) was \$49,143. The chart below compares the average teacher salary for open-enrollment public charter systems to the base teacher salary amounts used in the matrix between the 2021 and 2023 school years.

Open-Enrollment Public Charters: Average Teacher Salary Compared to Matrix Base Salary

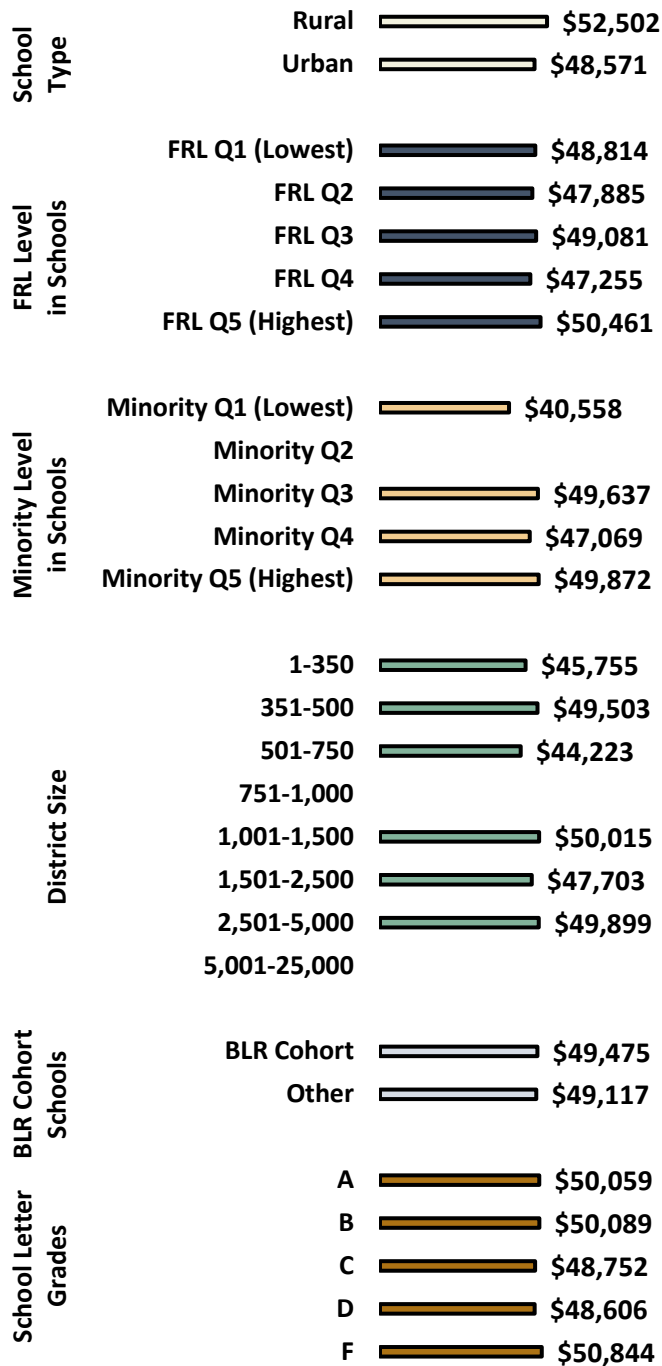


The following chart compares the highest and lowest average teacher salaries paid by open-enrollment public charter systems between 2021 and 2023. In 2023, average teacher salaries ranged from \$55,126 for KIPP Delta Public Schools to \$40,558 for Imboden Charter School District, a difference of more than \$14,000. The gap between the highest and lowest average teacher salary increased by almost \$4,500 between 2022 and 2023.

Open-Enrollment Public Charters: Highest and Lowest Average Teacher Salaries

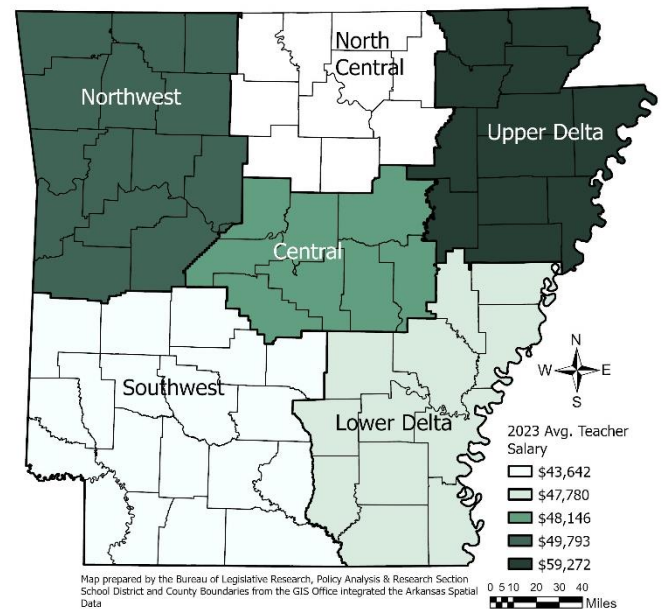


Open-Enrollment Public Charters: Average Teacher Salaries by School Type



When looking at average teacher salaries at the school level²⁴⁷ statewide, salary levels were generally higher at charter schools within rural areas. There were not clear patterns for FRL, minority, or size categories. BLR Cohort Schools had an average salary slightly higher than other schools' average salaries.

The following map shows that, on average, salaries were higher in the Upper Delta region.



²⁴⁷ Salary information was not available in the Arkansas Public School Computer Network (APSCN) for three schools: Founders Classical Academy Elementary Online, Founders Classical Academy High School Online (Founders Classical Academies of Arkansas), and Premier High School Online (Premier High Schools of Arkansas).

Review of Minimum Teacher Salary Schedule

From 2003 through 2023, Arkansas statutorily provided for a minimum teacher compensation schedule through the enactment of the Teacher Salary Enhancement Act.²⁴⁸ For the 2023 school year, the Act²⁴⁹ established minimum salaries for teachers based on years of experience (0-15 years) and on the type of degree earned by the teacher, with one schedule for bachelor-degree-prepared teachers and one for master-degree-prepared teachers.

The minimum salary for 2023 for a bachelor-degree-prepared teacher with zero years of experience was \$36,000, and the minimum salary for a master-degree-prepared teacher with zero years of experience was \$40,650. The minimum salary schedules enacted in Act 170 retained a \$450 increase for each succeeding year of experience through year 15 for bachelor-degree-prepared teachers and a \$500 increase for each additional year of experience for master-degree-prepared teachers. The following table shows the beginning salary rates (zero years of experience) and highest salary rates (15 years of experience) enacted for each school year, 2021 through 2023.

State Mandated Minimum Salary for Teachers with Zero Years of Experience School Years 2021 thru 2023				
School Year	BA Degree 0 Years	BA Degree 15 Years	MA Degree 0 Years	MA Degree 15 Years
2021	\$33,800	\$40,500	\$38,450	\$45,950
2022	\$34,900	\$41,650	\$39,550	\$47,050
2023	\$36,000	\$42,750	\$40,650	\$48,150

Source: Act 170 of 2019

Beginning with the 2024 school year, the LEARNS Act established a minimum teacher salary of \$50,000 for classroom teachers, and removed the minimum salary schedule from Ark. Code Ann. § 6-17-2403.²⁵⁰

Public School Districts

The 2023 average minimum salary for Arkansas school districts was \$37,903. The 2024 average minimum salary for Arkansas school districts was \$50,031. The following chart provides the highest and lowest minimum salaries adopted by school districts between 2022 and 2024.²⁵¹

Public School Districts: 3-YR Minimum Teacher Salaries



²⁴⁸ Act 74 of the 2nd Extraordinary Session of 2003.

²⁴⁹ See Ark. Code Ann. §§ 6-17-2403(b) (codifying Act 170 of 2019).

²⁵⁰ Act 237 of 2023.

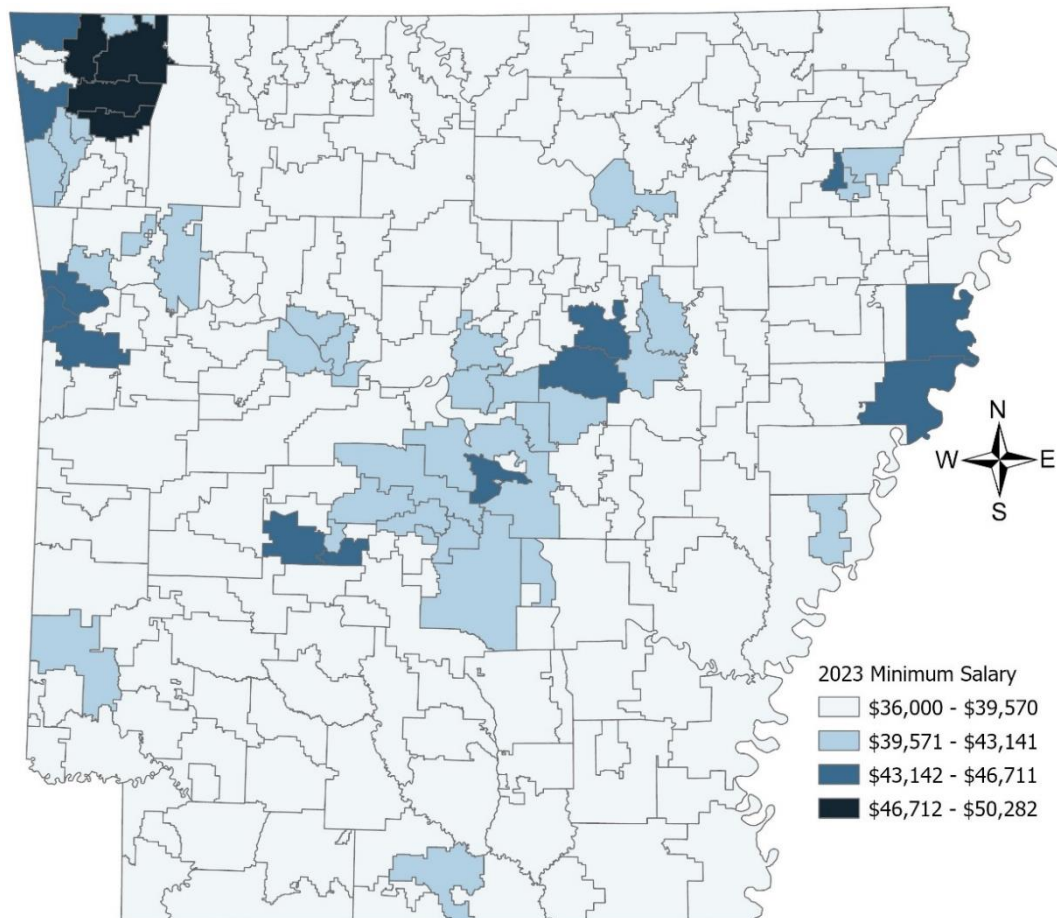
²⁵¹ Data Source: ADE Salary Reports Teacher Salary Schedule Analysis (2022-2024).

Public School Districts: Analysis of Minimum Teacher Salaries

The following map illustrates the 2023 public school districts' minimum teacher salaries for a bachelor-degree-prepared teacher with zero years of experience divided into minimum salary quartiles as shown below.

In 2023, a total of 140 public school districts had minimum teacher salaries higher than the state-mandated minimum, which decreased from 200 paying above the minimum in 2022. The remaining 94 school districts adopted the state-mandated minimum of \$36,000 (as their minimum salary).

2023 Minimum Teacher Salary Range	# of Districts
\$36,000 - \$39,570	186
\$39,571 - \$43,141	31
\$43,142 - \$46,711	13
\$46,712 - \$50,282	4



Map prepared by the Bureau of Legislative Research, Policy Analysis & Research Section
School District and County Boundaries from the GIS Office integrated the Arkansas Spatial Data

A review of 2023 district salary schedules revealed disparities among the minimum starting salaries adopted by school districts within the same county. For example, Springdale School District had the highest minimum salary of \$50,282 in 2023, which was almost \$14,000 higher than the lowest minimum starting salary of \$36,307 adopted by West Fork School District (both in Washington County). Out of the 67 Arkansas counties with more than one school district, 41 had districts with minimum starting salary differences of \$1,000 or more.

In 2024, five public school districts had minimum teacher salaries higher than the state-mandated minimum: Bentonville, Fayetteville, Forrest City, Fort Smith, and Springdale. While the LEARNS Act²⁵² eliminated the state-mandated teacher salary schedule, public school districts still published salary schedules per Ark. Code Ann. § 6-17-201. The following table summarizes the changes between Arkansas public school district’s 2023 and 2024 salary schedules.²⁵³

	2023 Below \$50,000	2023 Above \$50,000	2024 Above \$50,000
Bachelor’s w/ 0 YRS	232	2	5
Bachelor’s w/ 15 YRS	202	32	66
Bachelor’s Top of Chart	145	89	109
Master’s w/ 0 YRS	228	6	39
Master’s w/ 15 YRS	149	85	157
Highest Degree/Top of Schedule	25	209	162

Open-Enrollment Public Charter Systems

While 20 of the 21 open-enrollment public charter school systems operating in 2023 received a waiver from the minimum teacher compensation requirements found in Ark. Code Ann. § 6-17-2403, the BLR was able to obtain the minimum teacher salaries paid in 2023 for most of the charters.²⁵⁴ The 2023 average minimum salary for Arkansas open-enrollment public charter school systems was \$38,625. Eleven open-enrollment public charters had minimum salaries higher than the state-mandated minimum. The 2024 average minimum salary for Arkansas open-enrollment public charter school systems was \$50,147. Three open-enrollment public charters had minimum salaries above the state-mandated minimum in 2024: Academics Plus, e-Stem, and LISA Academy.²⁵⁵

The following chart provides the highest and lowest minimum salaries adopted by Arkansas open-enrollment public charter systems between 2022 and 2024.

Open-Enrollment Public Charters: 3-YR Minimum Teacher Salaries



²⁵² Act 237 of 2023.

²⁵³ Data Source: ADE Salary Reports Teacher Salary Schedule Analysis (2022-2024)

²⁵⁴ Minimum salary information could not be obtained from Hope Academy of Northwest Arkansas.

²⁵⁵ Minimum salary information could not be obtained from Arkansas Lighthouse Academies or KIPP Delta.

10. Teacher Recruitment and Retention

Introduction

For the past several adequacy studies, the BLR has been asked to examine teacher recruitment and retention issues. This section provides information on issues affecting schools' abilities to attract and retain qualified teachers, state efforts to attract teachers to particular districts and disciplines, research-based best practices, and relevant results from the 2024 adequacy study surveys.

Who Are Arkansas Teachers

The table below provides relevant data about teacher education and licensure in Arkansas from the past three school years for various measures collected by DESE. For example, the average years of teaching experience increased from 10.5 in 2021 to 11.8 in 2023, and 92% of teachers in 2023 had at least one year of experience. New for 2023 was the workplace stability index (WSI). The WSI was developed by ADE to "help inform school districts regarding considerations for recruiting, assigning, and retaining a quality educator workforce."²⁵⁶ The WSI is a "measure of workforce quality defined in Arkansas's state plan as required under Every Student Succeeds Act (ESSA)...All of the variables in each domain are positively related to workforce quality, meaning that as a district or school improves on a variable, one would expect to also see improvements in their WSI scores."²⁵⁷

	FY21	FY22	FY23
Average Percentage of Teachers with Bachelor's Only	45%	42%	49%
Average Percentage of Teachers with Master's [WSI]	37%	36%	42%
Average Percentage of Teachers with Advanced Degrees	0.9%	0.9%	1.1%
Average Percentage of Teachers Completely Certified	92%	88%	94%
Average Percentage of Teachers with Emergency/Provisional Credentials	0.9%	2.4%	3%
Average Years of Teacher Experience [WSI]	10.5	10.0	11.8
Average Percentage of Inexperienced Teachers²⁵⁸	35.8%	N/A	
Average Percentage of Teachers Teaching Out-of-Field	2.4%		
Average Percentage Attrition	21.2%		
Average Percentage of Teachers with 1+ years of experience [WSI]	N/A		92%
Average Percentage of Nationally Board-Certified Teachers [WSI]			3%
Average Percentage of Teachers Without Act 1240 Exceptions [WSI]			97%
Average Percentage of Teachers Without Any Exceptions [WSI]			88%
Average Percentage of Retention [WSI]			74%
Average Overall Workforce Stability Index (WSI) Percentile Rank			49%
Data Source: DESE. MySchoolInfo – School Statewide Reports (2021 - 2023) and 2024 Workforce Stability Index (WSI) High Poverty/High-Minority Report for Title I Schools			
Note: [WSI] indicates a measure within the current Workforce Stability Index			

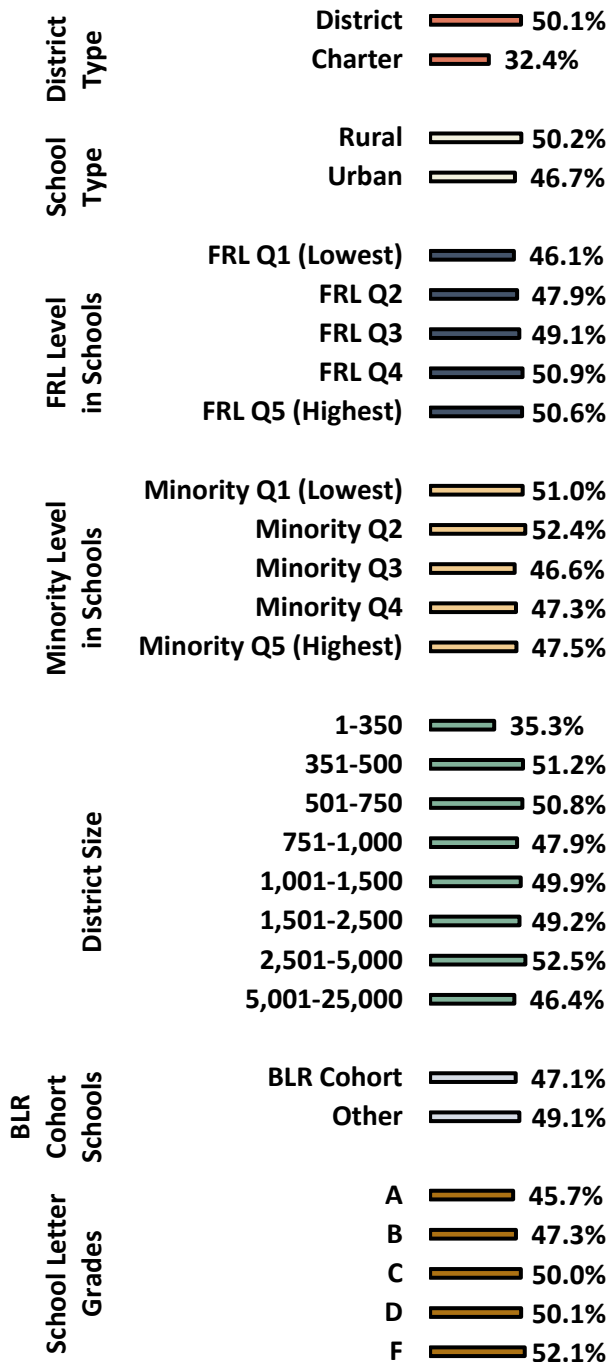
²⁵⁶ <https://myschoolinfo.arkansas.gov/FAQ/Personnel#group-55>

²⁵⁷ https://dese.ade.arkansas.gov/Files/2022_Title_I_HPHM_Report_EEF.pdf

²⁵⁸ "Inexperienced" teachers are defined as teachers in their first three years of teaching. See Arkansas Department of Education "Rules Governing Educator Support and Development," Rule 4.18 (Dec. 2017) (defining "novice teacher").

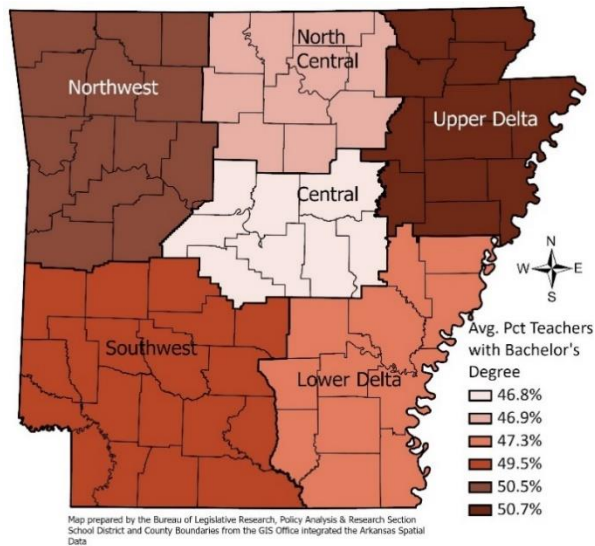
The following graphs show much of the afore-mentioned teacher workforce data by different categories of schools.

Average Percentage of Teachers with a Bachelor’s Degree Only – FY23 (Arkansas)

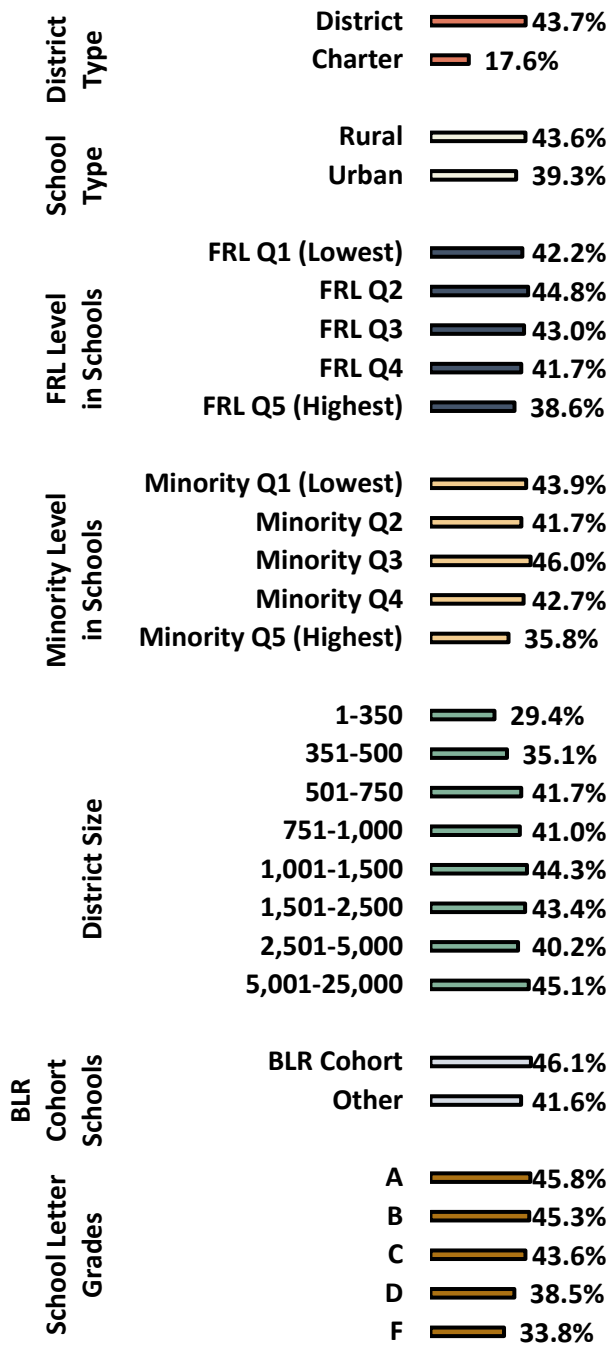


When looking at the average percentage of teachers with a bachelor’s degree only at the school level statewide, schools in districts had more teachers with a bachelor’s degree than schools in charter systems. This average percentage generally increased with higher rates of FRL students and were lowest in schools in the smallest districts. Additionally, the same average percentage increased with lower school letter grades.

The map shows how the average percentage of teachers with bachelor’s degrees varied among regions across the state. Schools in the Central region had the lowest average (46.8%) and schools in the Upper Delta region had the highest average (50.7%).

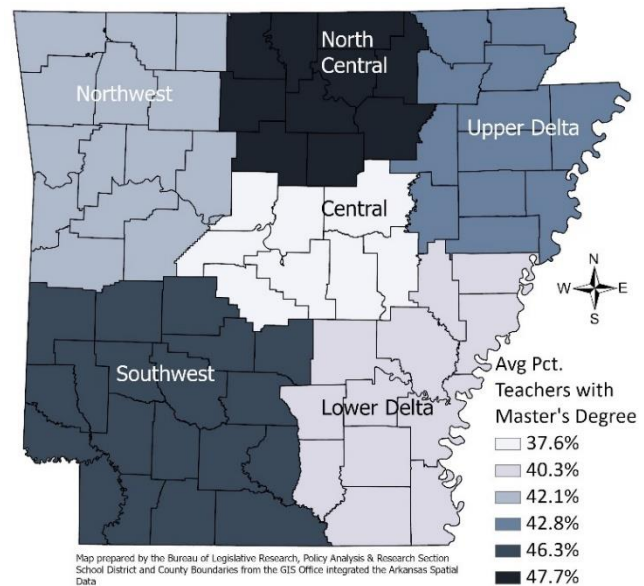


Average Percentage of Teachers with a Master's Degree – FY23 (Arkansas)

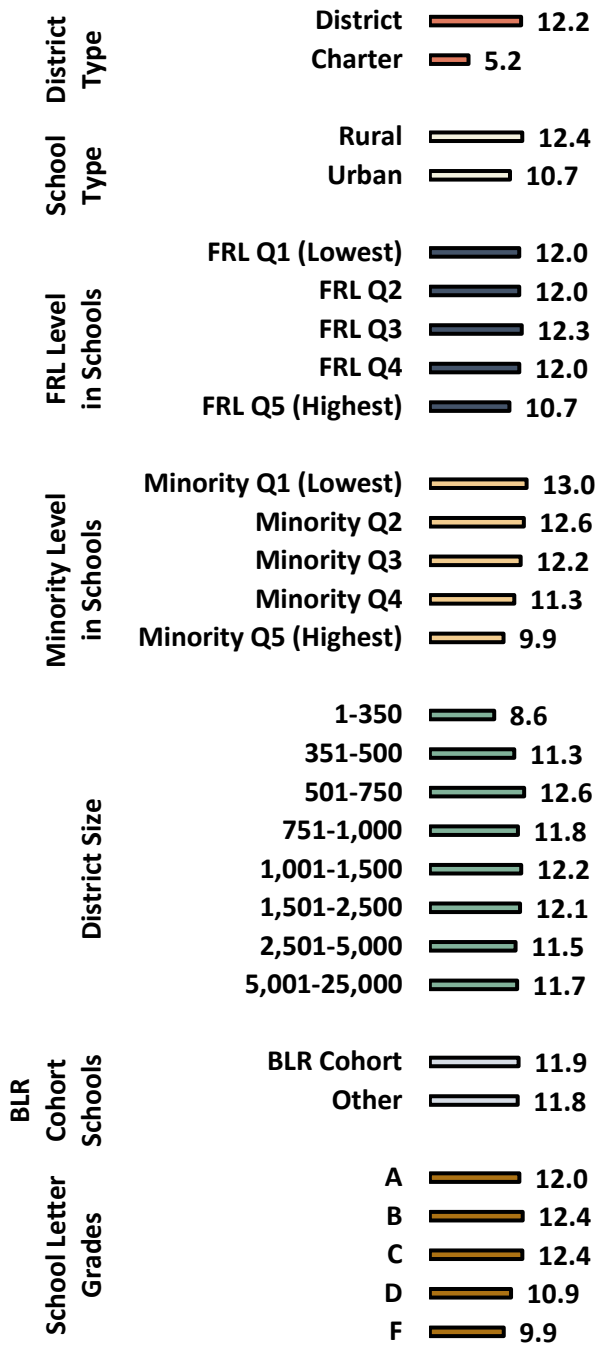


When looking at the average percentage of teachers with a master's degree at the school level statewide, the patterns were often reversed from those when looking at teachers with bachelor's degrees only. Schools in districts had twice as many teachers with a master's degree than schools in charter systems had. This average percentage generally decreased with higher rates of FRL students and were lowest in schools with the highest concentration of minority students. This average percentage also generally increased with larger districts and decreased with lower school letter grades. The average percentage was also higher in BLR Cohort Schools.

The following map shows how the average percentage of teachers with master's degrees varied among regions across the state. Schools in the Central region had the lowest average with 37.6% and schools in the North Central region had the highest average at 47.7%

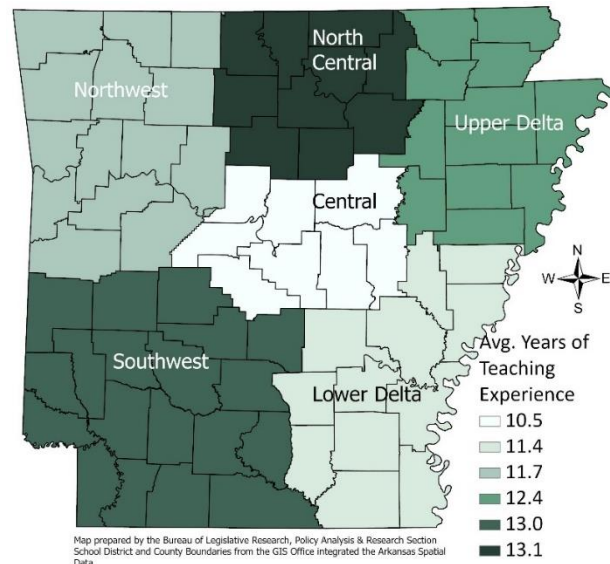


Average Years of Teaching Experience – FY23 (Arkansas)

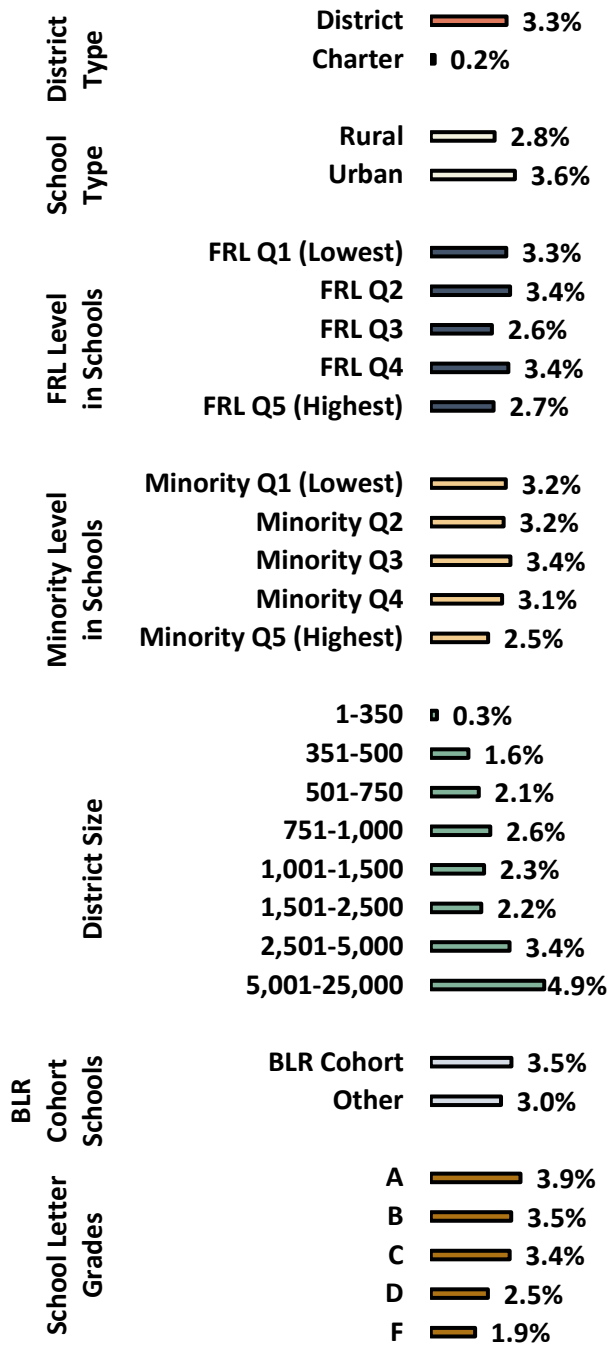


When looking at the average years of teaching experience at the school level, teachers in district schools had twice as many years of teaching experience as teachers in charter schools had. This average generally decreased for schools with higher concentrations of FRL students and minority students. This same average was also lowest among schools in the smallest districts and generally decreased in schools with lower school letter grades.

The following map shows how the average years of teaching experience varied among regions across the state. Schools in the Central region had the lowest average with 10.5 years of experience and schools in the North Central region had the highest average with 13.1 years.

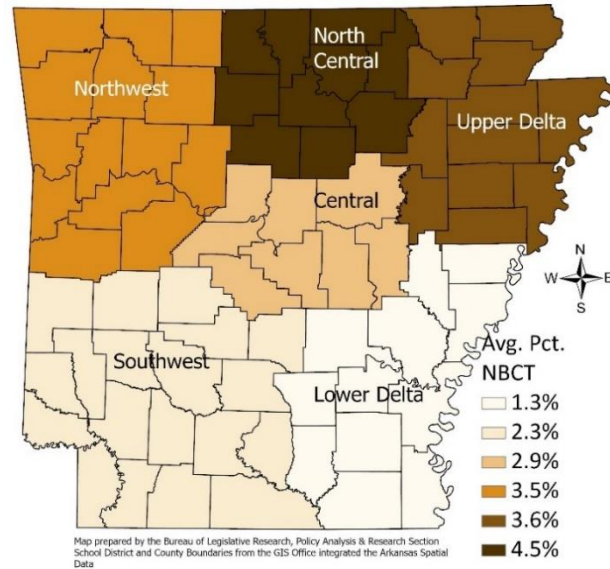


Average Percentage of Nationally Board-Certified Teachers – FY23 (Arkansas)



When looking at the average percentage of nationally board-certified teachers (NBCTs) at the school level statewide, that percentage was more than three times as high in district schools as compared to charter schools. This percentage was also higher in urban schools than in rural schools. That average percentage also generally decreased with in schools with higher concentrations of minority students and was lowest in schools with D and F letter grades. It also increased in schools as the size of their districts increased.

The following map shows how that average percentage of NBCTs varied among regions across the state. Schools in the Lower Delta region had the lowest average percentage of NBCTs with 1.3% and schools in the North Central region had the highest with 4.5%.

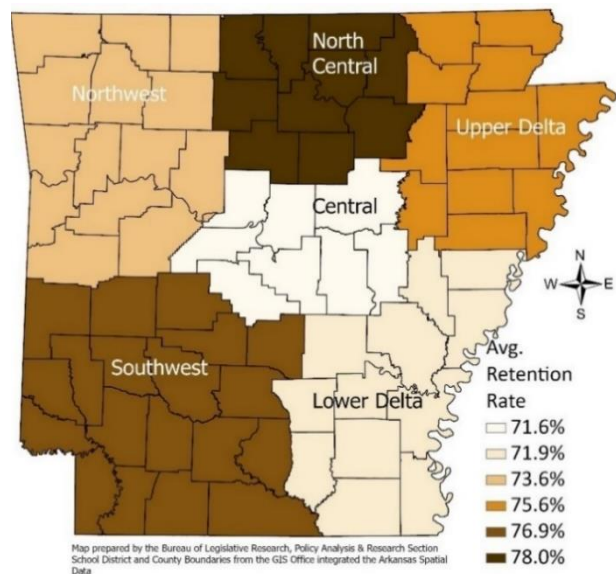


Average Retention Rate – FY23 (Arkansas)

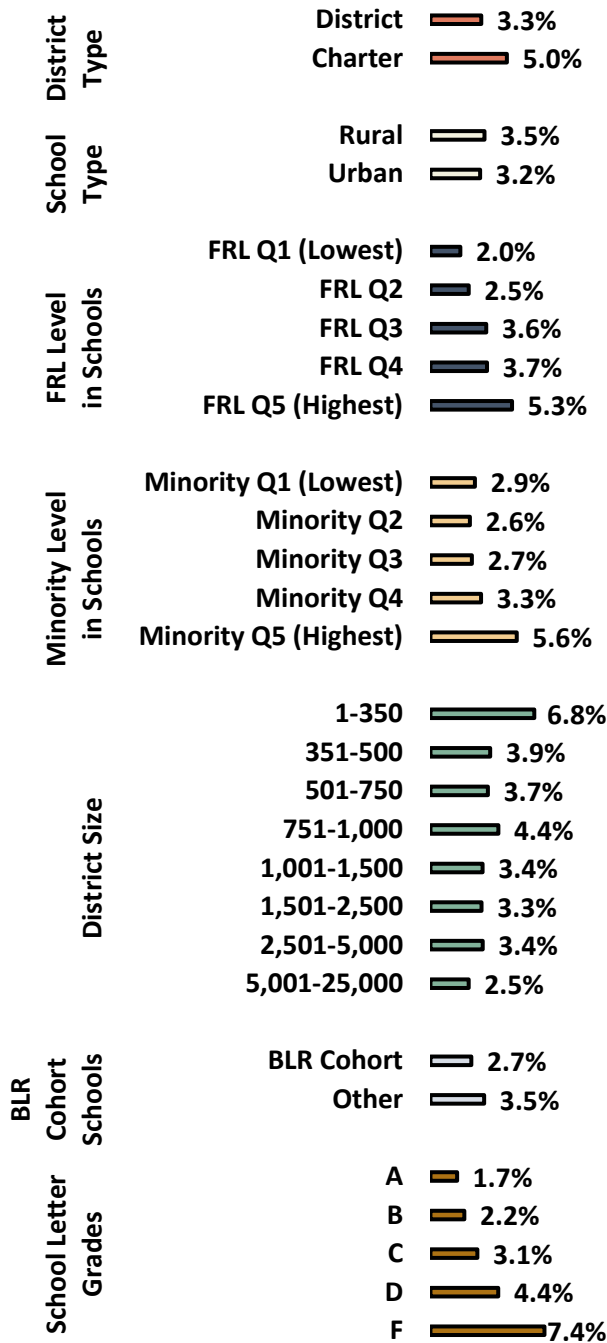
District Type	District	75.3%
	Charter	53.2%
School Type	Rural	76.2%
	Urban	70.3%
FRL Level in Schools	FRL Q1 (Lowest)	75.6%
	FRL Q2	76.7%
	FRL Q3	76.4%
	FRL Q4	74.0%
	FRL Q5 (Highest)	67.7%
Minority Level in Schools	Minority Q1 (Lowest)	78.6%
	Minority Q2	79.1%
	Minority Q3	75.5%
	Minority Q4	72.3%
	Minority Q5 (Highest)	64.8%
District Size	1-350	69.6%
	351-500	73.5%
	501-750	77.2%
	751-1,000	74.4%
	1,001-1,500	76.5%
	1,501-2,500	72.4%
	2,501-5,000	73.9%
5,001-25,000	73.3%	
BLR Cohort Schools	BLR Cohort	75.3%
	Other	73.9%
School Letter Grades	A	76.3%
	B	78.1%
	C	76.4%
	D	69.8%
	F	62.8%

When looking at the average retention rate at the school level statewide, the average was higher among schools in districts as compared to schools in charter systems. This percentage was also higher in rural schools than it was in urban schools. It generally decreased with higher concentrations of FRL students and with higher concentrations of minority students. The average retention rate also was lowest among schools in the smallest districts and in “F” schools. It was also highest among BLR Cohort Schools.

The following map shows how that average retention rate varied among regions across the state. Schools in the Central region had the lowest retention rate at 71.6% and schools in the North Central region had the highest with 78%.

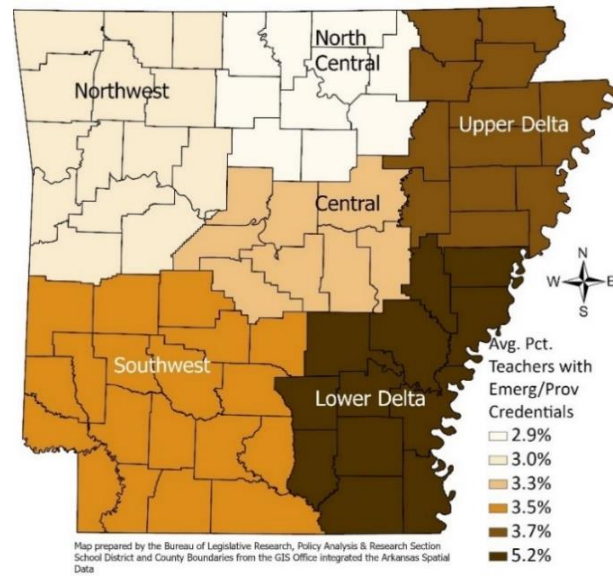


Average Percentage of Teachers with Emergency/Provisional Credentials – FY23 (Arkansas)



When looking at the average percentage of teachers with emergency/provisional credentials at the school level statewide, that average percentage was higher among schools in charter systems as compared to schools in districts. That average percentage generally increased in schools with higher concentrations of FRL students and with higher concentrations of minority students. It also decreased among schools in larger districts and among schools with higher school letter grades.

The following map shows how the average percentage of emergency/provisional credentials varied among regions across the state. Schools in the North Central region had the lowest average percentage of teachers with emergency or provisional credentials (2.9%) and schools in the Lower Delta region had the highest (5.2%).



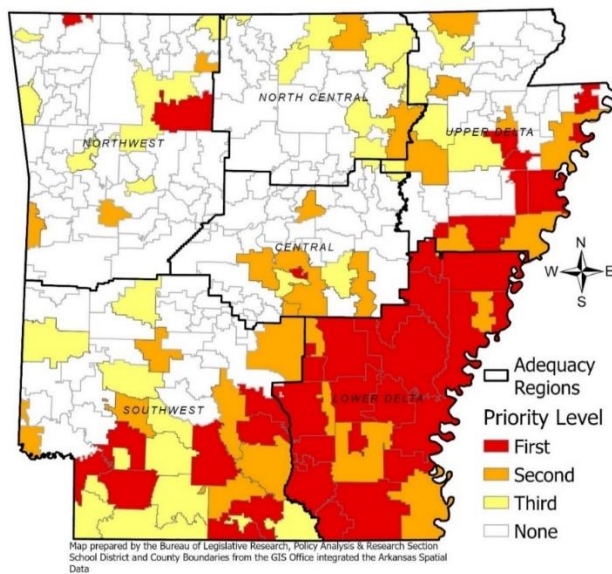
The table below shows the list of core academic subject teacher shortage areas for the last three school years. Per Arkansas code²⁵⁹, teachers in shortage areas may be entitled to financial incentives. These incentives will be discussed later in this section. In 2023, shortage areas were determined by such factors as the numbers of positions held by teachers not licensed in the area, subject area retirement numbers, and fields determined to be high-need by the U.S. Department of Education.

Core Academic Subject Area Teacher Shortage List		
2021	2022	2023
Art (K-12)	Art (K-12)	Art (K-12)
Business (4-12)	Chemistry (7-12)	Computer Science (4-12)
Biology (7-12)	French (K-12)	Foreign Language (K-12)*
Chemistry (7-12)	Library/Media (K-12)	Music (K-12)
French (K-12)	Mathematics (7-12)	Secondary Mathematics (7-12)
Mathematics (7-12)	Physics (7-12)	Secondary Science (7-12)
Physics (7-12)	Special Education (K-12)	Secondary Social Studies (7-12)
Special Education (K-12)		Special Education (K-12)

Data Source: DESE²⁶⁰

*Foreign language shortage area is not limited to French.

Geographic Teacher Shortage Area Districts – FY23



This map shows the geographical teacher shortage districts for the 2023 school year using data from the ADHE. These were developed based on the amount of uncertified teachers filling true vacancies in Arkansas school districts. KIPP Delta Public Schools was considered a first priority district but is not included on this map since they are an open-enrollment public charter school.

The following table shows information for Arkansas students compared to Arkansas teachers. Statewide, 87% of teachers were white compared to 59% of students. White teachers were overrepresented in comparison to white students whereas black/African American and Hispanic/Latino teachers were underrepresented in comparison to

²⁵⁹ Ark. Code Ann. §§6-81-1601 through 6-81-1606

²⁶⁰ “Core Academic Subject Area Teacher Shortage List for the 2022-2023 School Year”.

https://dese.ade.arkansas.gov/Files/2022-2023_Core_Academic_Subject_Area_Teacher_Shortage_List_EEF.pdf

students from each group, respectively.

Additionally, DESE noted that in 2021 (the most recently available data), 21% of enrollment in educator preparation programs were non-white and 18% of completers were non-white. DESE defines completers as “a person who has met all the requirements of a state-approved teacher preparation program.”²⁶¹

Research²⁶² shows that having teachers of color boosts the academic performance of all students, especially students of color who can also experience social-emotional and nonacademic benefits from having teachers of color (e.g. fewer unexcused absences and lower likelihoods of chronic absenteeism and suspension). Other teachers of color are likely to benefit as well as they may experience feelings of isolation, frustration, and fatigue when there are few other teachers of color in their schools.^{263,264}

	2023	
	Students	Teachers
American Indian	0.6%	0.5%
Asian	1.8%	0.5%
Black/ African American	19.2%	10.0%
Hawaiian/ Pacific Islander	1.0%	0.1%
Hispanic/ Latino	14.2%	1.9%
Two or More Races	4.3%	0.3%
White	58.9%	86.7%
Total	476,106	36,175
Data Source: DESE. MySchoolInfo – School Statewide Reports (2023)		

Arkansas’s Recruitment and Retention Efforts

Multiple statutory requirements deal with teacher recruitment and retention in public school districts. Within DESE, the Office for the Purpose of Teacher Recruitment was established to ensure “that the children of our state are taught by highly qualified professionals.”²⁶⁵ Additionally, schools participating in education renewal zones must include in their strategic school-level improvement plans, as relevant to this topic, strategies to recruit and retain highly qualified teachers by “providing opportunities and support for teacher professional growth; and providing opportunities for collaboration.”²⁶⁶ School districts and open-enrollment charter schools are also required to prepare and post to their website by August 1 of each year a three-year Teacher and Administrator Recruitment and Retention Plan.²⁶⁷ Districts are also required to annually review the recruitment and retention plan and the progress at which the district is reaching the above-mentioned goals.

Pathways and Licensure Programs

There were 21 approved traditional preparation providers in Arkansas in 2023.²⁶⁸ “A traditional route to first-time licensure requires program coursework and supervised clinical experiences to be completed before the candidate is allowed to serve as teacher of record. Traditional routes are embedded in a degree (primarily bachelors) and are offered through Institutions of Higher Education (IHE).”²⁶⁹

Alternative routes to first-time licensure, on the other hand, are designed for individuals who have already earned a bachelor’s degree and proven proficiency in the content area in which they are seeking licensure. These programs allow candidates the opportunity to teach under a provisional license while learning the pedagogical

²⁶¹ DESE. “2022 Educator Preparation Provider Quality Report (EPPQR). Retrieved from: <https://eis.ade.arkansas.gov/eppr/docs/State/StatewideReportSeptember2022.pdf>

²⁶² Carver-Thomas, Desiree. “Diversifying the Teaching Profession: How to Recruit and Retain Teachers of Color.” (April 2018). Learning Policy Institute.

²⁶³ Ibid

²⁶⁴ Oakes, J., et. al. (2020). “Improving Education the New Mexico Way.” Learning Policy Institute.

²⁶⁵ Ark. Code Ann. § 6-17-310

²⁶⁶ Ark. Code Ann. § 6-15-2504

²⁶⁷ Ark. Code Ann. § 6-17-1901, et seq

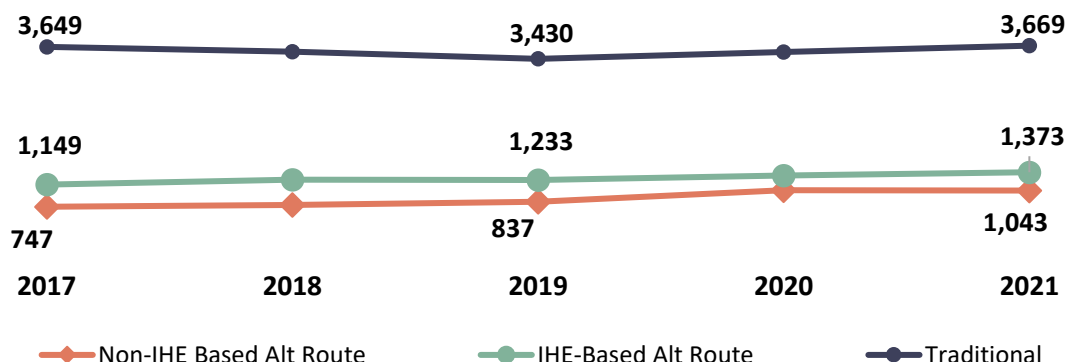
²⁶⁸ <https://dese.ade.arkansas.gov/Offices/educator-effectiveness/pathways-to-licensure>

²⁶⁹ DESE. “2022 Educator Preparation Provider Quality Report (EPPQR). Retrieved from: <https://eis.ade.arkansas.gov/eppr/docs/State/StatewideReportSeptember2022.pdf>

skills necessary to be an effective educator.”²⁷⁰ These alternative routes include those available through an IHE and those outside of an IHE and may “lead to licensure but not graduate credit or a graduate degree.”²⁷¹ Eight non-IHE alternative pathways were available in Arkansas in 2023.²⁷²

Since 2017, enrollment in educator preparation programs has increased 10%. “However, this growth is largely due to the increase in alternative route enrollment, as traditional enrollment numbers have remained consistent. While the traditional routes have the largest total enrollment, alternative route enrollment has increased by 27% between 2017 and 2021.”²⁷³

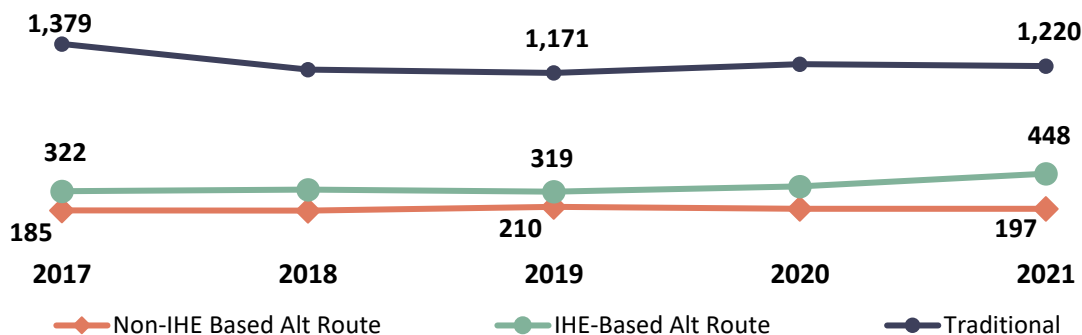
Educator Preparation Program (EPP) Enrollment by Preparation Route



Data Source: DESE²⁷⁴

DESE defines completers as “a person who has met all the requirements of a state-approved teacher preparation program.”²⁷⁵ Across all preparation routes, the number of educator preparation program completers has decreased 1% since 2017. This loss is primarily in traditional programs, whereas completers in alternative programs increased 27% during that time.

Educator Preparation Program (EPP) Completers by Preparation Route



Data Source: DESE²⁷⁶

²⁷⁰ DESE. “2022 Educator Preparation Provider Quality Report (EPPQR). Retrieved from: <https://eis.ade.arkansas.gov/eppr/docs/State/StatewideReportSeptember2022.pdf>

²⁷¹ Ibid

²⁷² <https://dese.ade.arkansas.gov/Offices/educator-effectiveness/pathways-to-licensure>

²⁷³ DESE. “2022 Educator Preparation Provider Quality Report (EPPQR). Retrieved from: <https://eis.ade.arkansas.gov/eppr/docs/State/StatewideReportSeptember2022.pdf>

²⁷⁴ Ibid

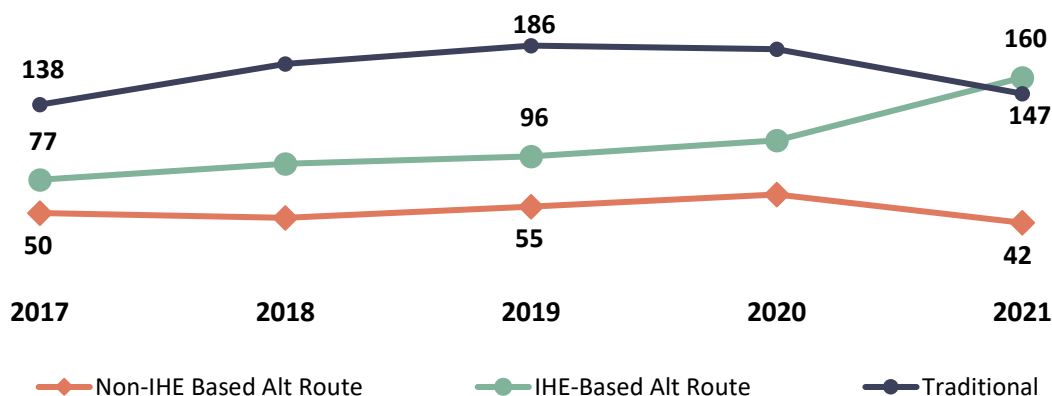
²⁷⁵ Ibid

²⁷⁶ DESE. “2022 Educator Preparation Provider Quality Report (EPPQR). Retrieved from: <https://eis.ade.arkansas.gov/eppr/docs/State/StatewideReportSeptember2022.pdf>

In the BLR’s 2023 adequacy teacher surveys, 83% of the 5,103 responding teachers reported receiving their certification in Arkansas, and 59% of those were obtained through a traditional certification route.²⁷⁷

DESE also looked at EPP completers in subject shortage areas. Subject shortage areas are defined as areas that had been on the Arkansas Core Academic Subject Area Shortage List for the previous five years. Candidates can complete in more than one subject area. Overall, the percentage of completers in subject shortage areas increased by 32%.

Education Preparation Program Completers in Subject Shortage Areas



Data Source: DESE²⁷⁸

ADE, in partnership with Arkansas institutions of higher education, launched the Arkansas Grow Your Own Model in Fall of 2022. In this program, an individual starts by earning a certified teaching assistant credential. This is done either through a pre-educator program of study or following high school graduation with college coursework.

Financial or Monetary Programs

DESE provides several forms of financial aid for teachers, which are shown in the table below along with the amounts awarded in 2022 and F2023.²⁷⁹ This table does not include any federal financial incentives or loan forgiveness programs.

Salary or Financial Incentives			
Program Name	Who Is It For?	What is Provided?	Amount Awarded (FY23)
High-Priority District Recruitment and Retention	Provides teacher bonuses to newly hired teachers working in a high-priority district	Bonus amounts of \$3,000 - \$5,000 depending on years of experience. Amount can be prorated depending on available funds	\$2,096,010
National Board for Professional Teaching Standards	Teachers who become Nationally Board-Certified Teachers	\$2,500 annual bonus for teachers in a low-poverty school for five years; \$5,000 annual bonus for teachers in high-poverty school for five years. Max of 10 years	\$13,732,255

²⁷⁷ BLR Adequacy Teacher Survey Question 7

²⁷⁸ DESE. “2022 Educator Preparation Provider Quality Report (EPPQR). Retrieved from: <https://eis.ade.arkansas.gov/eppr/docs/State/StatewideReportSeptember2022.pdf>

²⁷⁹ For the loan forgiveness programs, FY22 is the most recently available data.

Salary or Financial Incentives

Program Name	Who Is It For?	What is Provided?	Amount Awarded (FY23)
Test Fee Reimbursements	Teachers employed in Arkansas public schools or charter schools who have earned a standard license in a critical shortage or geographical shortage area or in computer science	Licensure test fee reimbursements for various Praxis tests and the Foundations of Reading (\$130 - \$399)	N/A

Loan Forgiveness Programs

Program Name	Who Is It For?	What is Provided?	Amount Awarded (FY22)*
State Teacher Education Program (STEP)	Current educators teaching in a subject or geographical shortage area in an Arkansas public school	Up to \$4,000 per year paid directly to lender	\$1,138,335
Teacher Opportunity Program (TOP)	Current Arkansas teachers and administrators who wish to continue their education	Up to \$3,000 per year reimbursed to applicant	\$1,577,051

Source: DESE²⁸⁰, ADHE²⁸¹

*FY22 was the most available year of data for the loan forgiveness programs.

Adequacy Survey Results

In the BLR’s 2023 adequacy principal survey, principals were asked about how helpful different forms of financial incentives, loan forgiveness programs, and alternative pathways to licensure were in recruiting and retaining teachers. There were 807 principals who responded to the survey, or 77.1% of all principals.

When asked about the options available for recruiting teachers, the Arkansas Professional Pathway to Educator Licensure (APPEL) was rated the most helpful, with 53% of principals rating it very helpful or essential.²⁸² When responses for “somewhat helpful” were included, that percentage increased to 89%. The next most helpful options identified were the State Teacher Education Program (69%) and the National Board of Professional Teaching Standards (66%). The option with the largest number of principals rating it as not helpful was Teach for America, with 32%.

When asked about the options in regard to retaining teachers, the Arkansas Professional Pathway to Educator Licensure (APPEL) was again rated the most helpful, with 49% of principals rating it very helpful or essential.²⁸³ When responses for “somewhat helpful” are included, that percentage increased to 82%. The next most helpful options again were the National Board of Professional Teaching Standards (66%) and State Teacher Education Program (65%). The option with the largest number of principals rating it not helpful was again Teach for America, with 34%.

Teacher Recruitment and Retention Research

Best Practices Research

Research into the relationship between teacher preparation and teacher turnover suggests that educators with little to no pedagogical preparation are two to three times more likely to leave the profession than those with

²⁸⁰ https://dese.ade.arkansas.gov/Files/Financial_Aid_for_Teachers-At_a_Glance_Feb_2024_EEF.pdf

²⁸¹ [https://adhe.edu/File/Copy%20of%20Act1520Report21_22%20\(3\).pdf](https://adhe.edu/File/Copy%20of%20Act1520Report21_22%20(3).pdf)

²⁸² 2024 BLR Adequacy Principal Survey Question 20

²⁸³ 2024 BLR Adequacy Principal Survey Question 22

more comprehensive preparation (including student teaching, formal feedback on their teaching, and multiple courses in student learning). However, some attrition of underprepared teachers could be due to these teachers being hired in schools with the most difficult-to-fill vacancies and with the most challenging teacher conditions.²⁸⁴ An important element of teacher preparation is clinical training or student teaching.

Research on cross-state mobility of the teacher workforce suggests that there are some state-specific barriers, like state licensure requirements and lack of pension portability, that can discourage teachers from staying in the teaching profession when they move to a different state.²⁸⁵ Licensure requirements can include “duplicative testing, coursework requirements, fees, slow administrative processes and requirements, and unclear licensure standards”.²⁸⁶ Teacher residencies, Grow Your Own programs, and teacher license reciprocity are shown to be effective programs.²⁸⁷ Residencies and Grow Your Own Programs are also found to be effective at addressing preparation issues and recruiting and retaining teachers of color.²⁸⁸

The cost of teacher preparation and subsequent lower salaries as teachers is one significant obstacle to entering the teaching profession. Research shows that service scholarships and loan forgiveness programs can be effective methods of attracting teachers into the profession, including teachers of color.²⁸⁹ In a 2023 study²⁹⁰ of student loan debt among teachers, the Learning Policy Institute²⁹¹ found that more than 60% of full-time public-school teachers had taken out student loans to pay for their education. They also found that many teachers were still repaying their student loans and nearly one third still owed their entire balance. They recommended the following: expanding loan forgiveness and scholarship programs, making high-retention preparation pathways more accessible and affordable, providing teachers with tax credits and housing subsidies, and underwriting the costs of pursuing high-need advanced credentials.

Research also shows that stronger training and mentoring for new teachers also supports teacher retention. The first few years of every teacher’s career require a leap from preparation to practice.²⁹² A personalized professional development program also supports teacher retention.²⁹³

Working conditions refer to various aspects of teachers’ work environments. Principal support is often cited as one of the most important factors in teachers’ decisions to stay in a school or in the profession. Research shows that a principal’s ability to create positive working conditions and collaborative learning environments plays a critical role in attracting and retaining qualified teachers.²⁹⁴

²⁸⁴ Espinoza, Daniel, et. al. “Taking the Long View: State Efforts to Solve Teacher Shortages by Strengthening the Profession.” (August 2018).

²⁸⁵ Ibid

²⁸⁶ Ibid

²⁸⁷ Ibid

²⁸⁸ Carver-Thomas, Desiree. “Diversifying the Teaching Profession: How to Recruit and Retain Teachers of Color.” (April 2018). Learning Policy Institute.

²⁸⁹ Carver-Thomas, Desiree. “Diversifying the Teacher Workforce.” (April 2018). Learning Policy Institute.

²⁹⁰ García, E., Wei, W., Patrick, S. K., Leung-Gagné, M., & DiNapoli, M. A., Jr. (2023). In debt: Student loan burdens among teachers. Learning Policy Institute.

²⁹¹ Nonpartisan non-profit organization that “conducts and communicates independent, high-quality research to improve education policy and practice.” Retrieved from: <https://learningpolicyinstitute.org/about>

²⁹² Ibid

²⁹³ Shuls, V. James and Flores, M. Joshua. “Improving Teacher Retention through Support and Development.” (2020). *Journal of Educational Leadership and Policy Studies* 4(1)

²⁹⁴ Espinoza, Daniel, et. al. “Taking the Long View: State Efforts to Solve Teacher Shortages by Strengthening the Profession.” (August 2018).

National Survey Results

The 2021 National Teacher and Principal Survey (NTPS) from the NCES ²⁹⁵ asked teachers questions about their teaching experiences and changes from the previous school year. The following table shows how Arkansas compared on a variety of teacher measures with the national data. Arkansas’s average years of teaching, teaching at their current school, required contract hours, total hours spent on all teaching and other school-related activities exceeded the national average.

2020-21 School Year	US	AR	Highest	Lowest
Average Years of Teaching	14.5	14.5	16.9	RI
Average Years at Current School	8.2	7.7	10.8	NY
Highest Degree - Bachelor's Degree Only	38.2%	42.9%	68.6%	OK
Highest Degree - Master's Degree	51.2%	48.3%	83.8%	NY
Required Contract Hours	38.4	39.4	40.5	TX
Of contracted hours, total hours spent delivering instruction to students ²⁹⁶	25.2	26.3	27.7	AL
Total hours spent on all teaching and other school-related activities ²⁹⁷	52	52.7	54.7	TX
Calculated Difference Between Contracted Hours and Total Hours Spend on Teaching and School-Related Activities	13.6	13.3	15.6	MD

Data Source: NCES 2021 National Teacher and Principal Survey.

Adequacy Survey Results

In the BLR’s 2023 adequacy survey, principals and teachers were asked questions regarding recruitment and retention of teachers.

Principals (82%) responded that most positive impact on recruiting teachers was school or district-level leadership.²⁹⁸ That was followed closely by retirement benefits (80%). The option with the most negative impact was the scarcity of appropriately licensed teachers (64%), followed by inadequate housing options in the area (60%).

In terms of retention, 81% of principals also responded that school or district-level leadership had a positive impact,²⁹⁹ followed closely again by retirement benefits (78%). The option with the most negative impact was stress/workload (68%), followed by teachers leaving the profession (67%).

²⁹⁵ Taie, S., and Lewis, L. (2023). *Teacher Attrition and Mobility. Results From the 2021–22 Teacher Follow-up Survey to the National Teacher and Principal Survey* (NCES 2024-039). U.S. Department of Education. Washington, DC: NCES. Retrieved from <https://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2024039>

²⁹⁶ Excludes time spent on planning, lunch, break/recess, arrival/dismissal of students, and otherwise not delivering instruction.

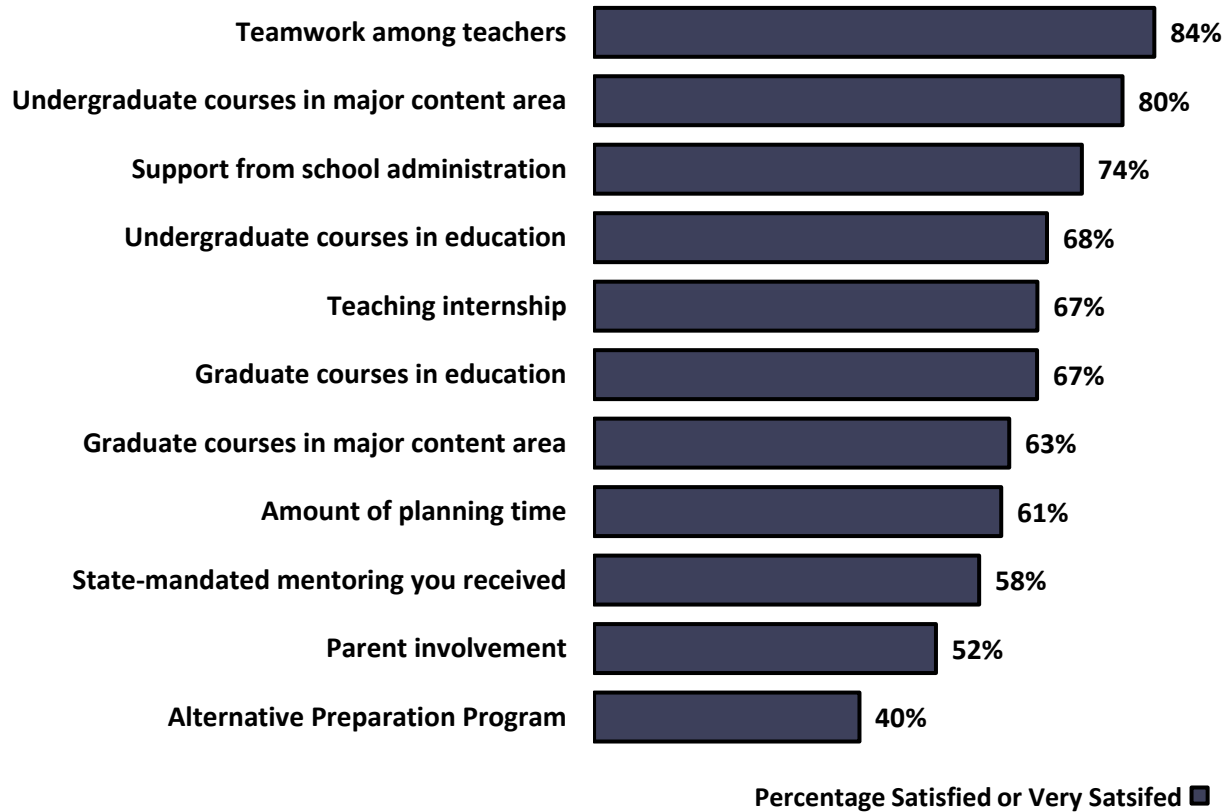
²⁹⁷ Includes hours spent during the school day, before and after school, and on weekends.

²⁹⁸ 2024 BLR Adequacy Principal Survey Question 18

²⁹⁹ 2024 BLR Adequacy Principal Survey Question 19

When teachers were asked about level of satisfaction with the following components of their teacher preparation and current position, teamwork among other teachers was ranked the highest, with 84% responding being satisfied or very satisfied.

Please indicate your satisfaction with the following components of your teacher preparation and current position.



Source: 2024 BLR Adequacy Teacher Survey Question 8

11. Student Achievement

Introduction

This section reviews in detail the 2023 Arkansas public school student achievement data. Student achievement data include results from the National Assessment for Educational Progress (NAEP), Advanced Placement (AP), the ACT college entrance exam, results from the current statewide assessment (ACT Aspire), and high school graduation rates. English learner students and students with disabilities have additional assessments and achievement measures specific to their population that are also included.

The adequacy study statute, Ark. Code Ann. § 10-3-2102, calls for the biennial study to “[a]ssess, evaluate and monitor the entire spectrum of public education” as well as to “[e]valuate the effectiveness of any program implemented by a school, a school district, an education service cooperative, the ADE, or the State Board of Education.” Additionally, the same statute calls for a review of the AESAA, and the state’s standing under the federal ESSA. AESAA mandates Arkansas students participate in the NAEP and statewide student assessment. The state’s ESSA plan³⁰⁰ includes the long-term (12 year) goal of having 80% of Arkansas students achieve grade-level proficiency.³⁰¹ The current definition of adequacy also includes, “The goal is to have all, or all but the most severely disabled, students perform at or above proficiency on these tests,” referring to the state tests.³⁰²

National Assessment for Educational Progress

NAEP is a “congressionally mandated large-scale assessment administered by the NCES that consists of print and digital assessments in various subject areas.”³⁰³ It is administered to a sample of students in every state approximately every two years in 4th and 8th grades across a variety of subjects. Allowable accommodations are provided as necessary for students with disabilities and/or for English learners.³⁰⁴ The most recent assessment available was taken in 2022. The 2021 NAEP was rescheduled for 2022 due to COVID-19.³⁰⁵ Results are reported as scores and as percentages of students reaching NAEP achievement levels – NAEP Basic, NAEP Proficient, and NAEP Advanced.³⁰⁶ These achievement levels are defined below. NAEP results included in this report do not include private schools.

- NAEP Basic – “denotes partial mastery of prerequisite knowledge and skills that are fundamental for Proficient work at each grade.”
- NAEP Proficient — “represents solid academic performance. Students reaching this level have demonstrated competency over challenging subject matter.”
- NAEP Advanced — “represents superior performance.”³⁰⁷

³⁰⁰ Arkansas first received approval for its ESSA plan in 2017. New ELA cut scores occurred in 2018 and an amendment to the plan was approved that reset the 12-year goal to date from 2018.

³⁰¹ “Every Student Succeeds Act Arkansas State Plan,” page 30.

³⁰² “Final Report on the Legislative Hearings of the 2020 Educational Adequacy Study,” Volume 1, page 107.

³⁰³ <https://nces.ed.gov/nationsreportcard/assessments/>

³⁰⁴ https://nces.ed.gov/nationsreportcard/subject/about/pdf/naep_overview_brochure_2021.pdf

³⁰⁵ <https://www.nagb.gov/news-and-events/news-releases/2020/governing-board-statement-on-postponment-of-naep-2021.html>

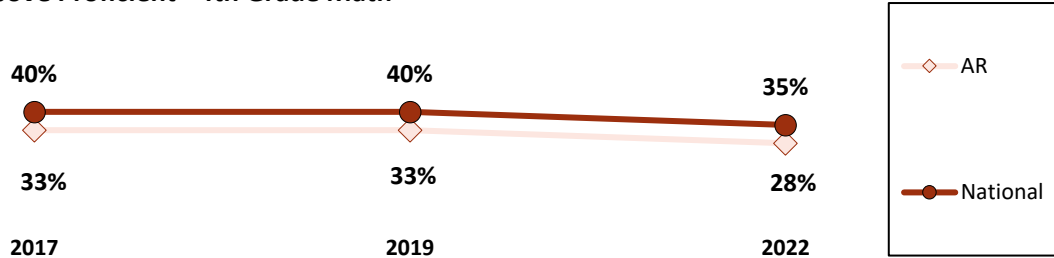
³⁰⁶ Id.

³⁰⁷ NCES. Retrieved from: <https://www.nationsreportcard.gov/ndecore/help#sec38>

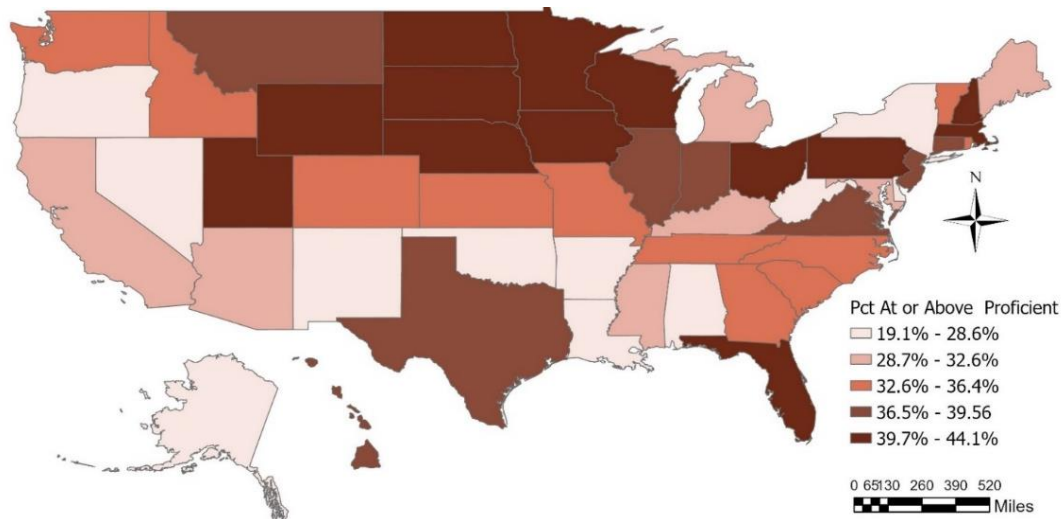
4th Grade Math

In 2022, 28% of Arkansas 4th grade students and 35% of 4th grade students nationally scored proficient or above in math. Both the percentage of students scoring proficient or above in Arkansas and nationally fell from 2017 to 2022.³⁰⁸

Pct. At or Above Proficient - 4th Grade Math



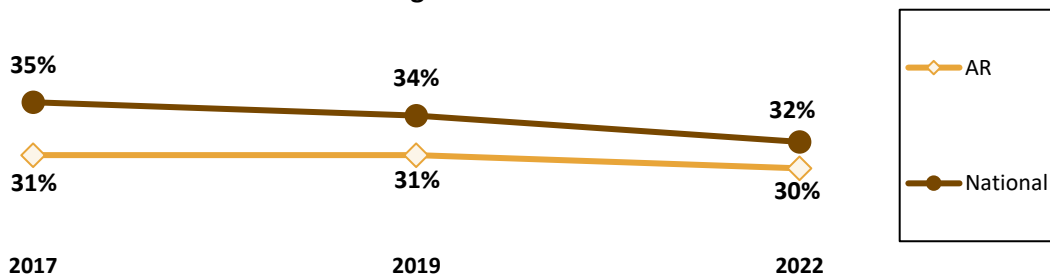
All Students – 4th Grade Math (2022)



4th Grade Reading

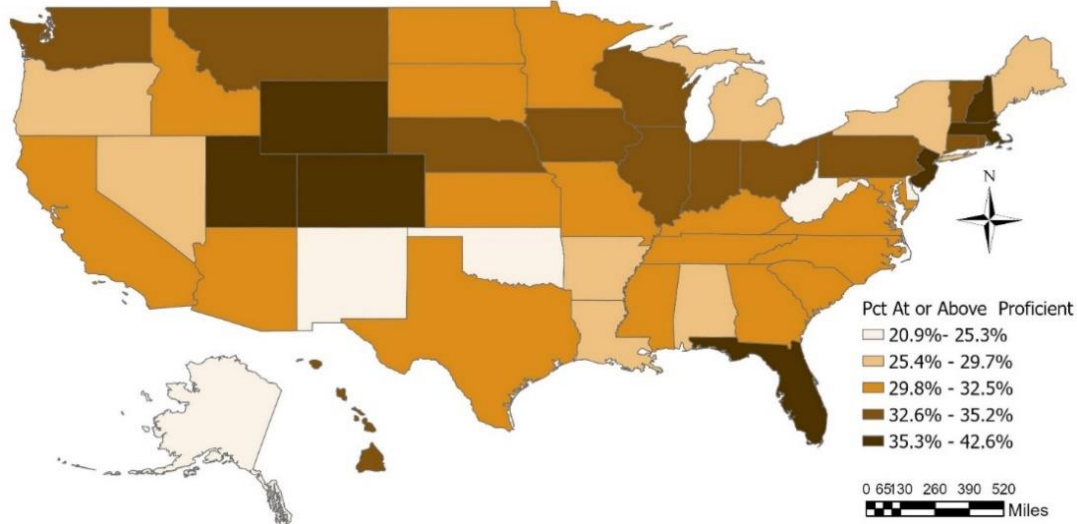
In 2022, 30% of Arkansas 4th grade students scored proficient or above in reading compared to 32% of students nationally. These were both overall decreases from 2017.

Pct. At or Above Proficient - 4th Grade Reading



³⁰⁸ <https://www.nationsreportcard.gov/ndecore/landing>

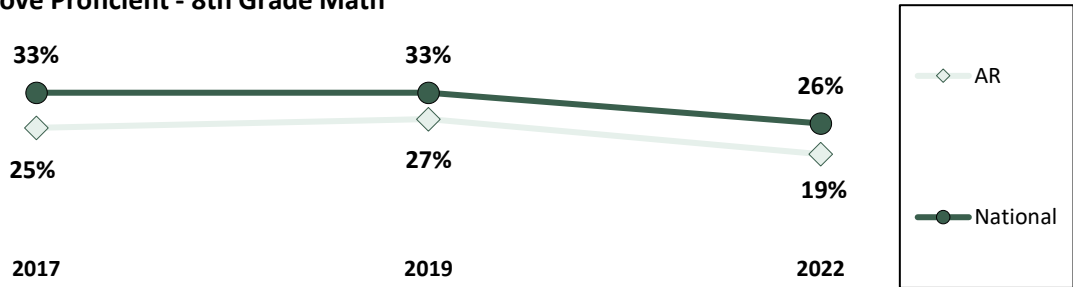
All Students – 4th Grade Reading (2022)



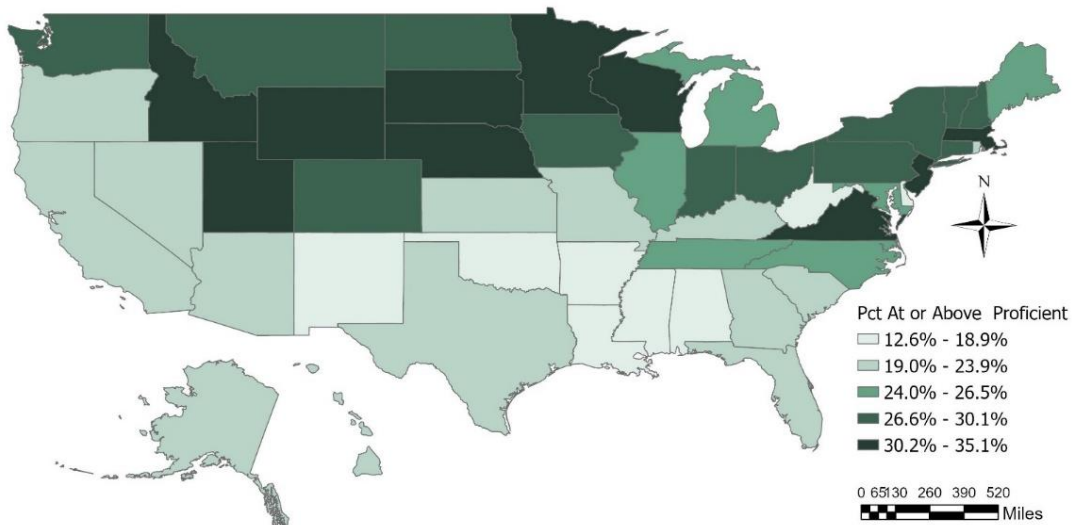
8th Grade Math

In 2022, 19% of Arkansas 8th grade students scored proficient or above in math compared to 26% nationally. For Arkansas, this was an eight-percentage point decrease from 2019 and seven-percentage point decrease nationally.

Pct. At or Above Proficient - 8th Grade Math



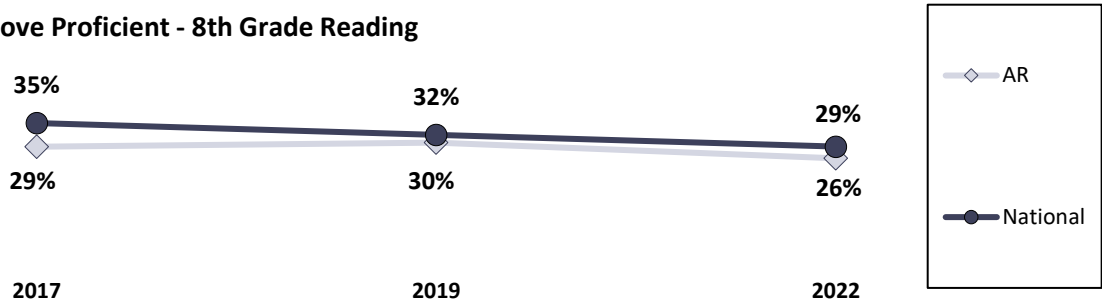
All Students – 8th Grade Math (2022)



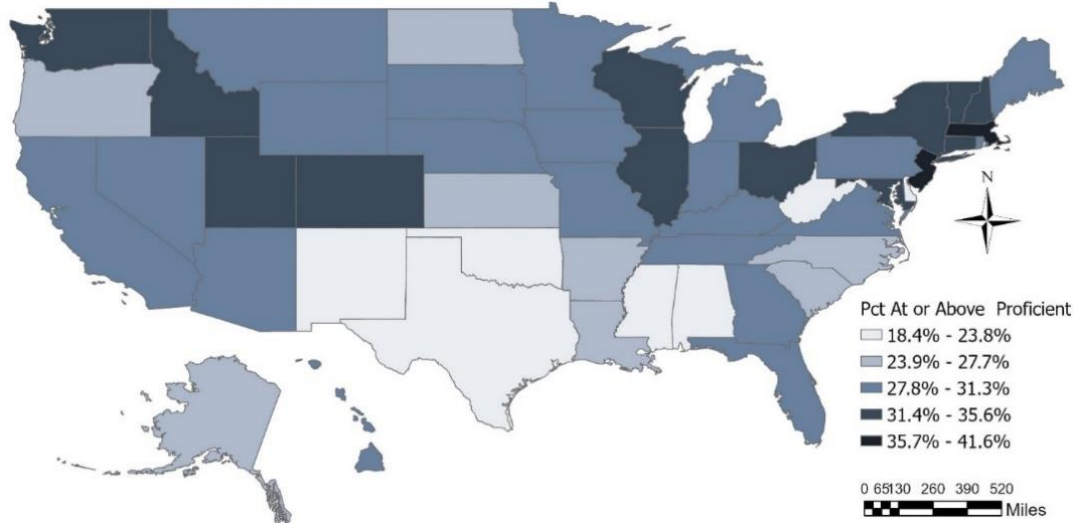
8th Grade Reading

In 2022, 26% of Arkansas 8th grade students scored proficient or above in reading compared to 29% nationally. For Arkansas, this was a three-percentage point decrease from 2017 compared to a six-percentage point decrease nationally.

Pct. At or Above Proficient - 8th Grade Reading



All Students – 8th Grade Reading (2022)



Advanced Placement

The AP program gives students “the opportunity to pursue college-level studies while still in secondary school through a high school preparatory course for a College Board Advanced Placement test that incorporates all topics specified by the College Board and Educational Testing Service on its standard syllabus for a given subject area and is approved by the College Board and Educational Testing Service.”³⁰⁹ AP courses are “offered in each school district in the state in the four core areas of English, math, science, and social studies to provide advanced educational courses that are easily accessible and will prepare students for admission to and success in a postsecondary educational environment.”³¹⁰ The College Board AP test provides students the opportunity to qualify for college/university-level credit. These exams are scored on a scale of 1 to 5. Many U.S. colleges grant credit and/or advanced placement for scores of 3 or above.

³⁰⁹ DESE Rules for Gifted and Talented Program Approval Standards. (2009). https://dese.ade.arkansas.gov/Files/20201102110215_Gifted%20and%20Talented%20Program%20Approval%20Standards%20ADE%20080.pdf

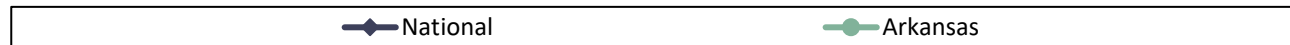
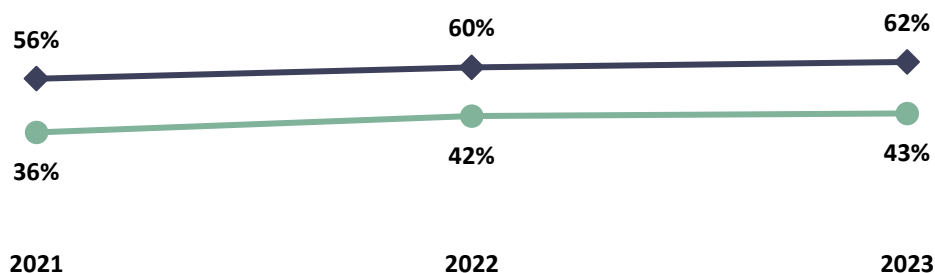
³¹⁰ DESE’s AP/IB Program. <https://dese.ade.arkansas.gov/Offices/learning-services/gt-ap/apib-services>

In 2022, 27,063 Arkansas students took AP courses and 41,265 AP exams were taken. Of those exams taken, 42% received scores of 3 or above. Nationally, 60% of 4.7 million AP exams taken received scores of 3 or above. These percentages are both increases from 2021 but lower than 2020 scores. It is possible that the national numbers and percentage represent a different population of students accessing AP courses.³¹³ AP courses are offered in each AR school district but that may not be true in other states. In addition, Arkansas pays for all students to take the AP exams, which is not the case in most states.

FY 2023	Arkansas	National
Number of Students Taking AP Courses	27,457	2,869,418
Number of AP Exams Taken	43,142	5,197,601
Percentage of Exams That Scores 3 or Above	43%	62%

Data Sources: College Board³¹¹; DESE³¹² - AR data does not include the AR School for the Blind, AR School for the Deaf, and the Division of Youth Services School System.

Percent of AP Exams Scoring 3, 4, or 5



In comparison with other states, Mississippi had the lowest percentage of AP exams scoring 3 or higher with 7.5% and Massachusetts had the highest with 30.5%. Arkansas was in the middle of this group with 18% of graduating seniors scoring 3 or above on an AP exam in 2022.

ACT

The ACT is a national college admissions examination recognized by universities and colleges in the U.S. “All Arkansas 11th grade students enrolled in a public or charter school will be given the opportunity to take the ACT during the spring of their junior year. The exam will be given at each student’s school and can be used for all scholarship and college admittance purposes. The ACT multiple-choice tests are based on what students have learned in English, reading, math, and science.”³¹⁵ The ACT is “designed to measure skills that are most important for success in postsecondary education and that are acquired in secondary education. The score range for each of the four multiple-choice tests is 1-36. The composite score is the average of the four test scores rounded to the nearest whole number.”³¹⁶ In 2023, Arkansas’s average ACT

Students Tested	
2023	28,732

Data Source: DESE³¹⁴

³¹¹ <https://apcentral.collegeboard.org/media/pdf/ap-score-distributions-all-subjects-2003-2023.pdf>

³¹² <https://myschoolinfo.arkansas.gov/Plus/Districts>

³¹³ Email from DESE dated Jan. 4, 2024.

³¹⁴ DESE. Arkansas ACT State Profile Report – Grade 11 (2022); Average Composite Scores (2023). <https://dese.ade.arkansas.gov/Offices/public-school-accountability/assessment-test-scores/2023>

³¹⁵ <https://dese.ade.arkansas.gov/Offices/public-school-accountability/assessment/the-act>

³¹⁶ ACT. <https://www.act.org/content/act/en/products-and-services/the-act-educator/the-act-test.html#order-reg-materials>

composite score for 11th grade students was 18.2, a decrease from 18.3 in 2022. According to DESE, since these scores only represented those from 11th grade students, these “may exclude scores of higher scoring students who take [the] ACT in Grade 10 and do not avail themselves of the opportunity at Grade 11.”³¹⁷ ACT also has the College and Career Readiness System, which “provides a longitudinal approach to educational and career planning through assessment, curriculum support and student evaluation.”³¹⁸ The standards “are empirically derived descriptions of the essential skills and knowledge students need to become ready for college and career giving clear meaning to test scores and serving as a link between what students have learned and what they are ready to learn next.”³¹⁹

The following table shows how Arkansas juniors performed on the ACT in 2023.

Arkansas 11 th Grade -- 2023		
Subject	% Met College Readiness Benchmarks	Average ACT Score
English	46%	17.7
Math	19%	17.6
Reading	30%	18.5
Science	23%	18.6
All Subjects	12%	18.2

³¹⁷ Email from DESE dated Jan. 4, 2024.

³¹⁸ <https://dese.ade.arkansas.gov/Offices/public-school-accountability/assessment/the-act>

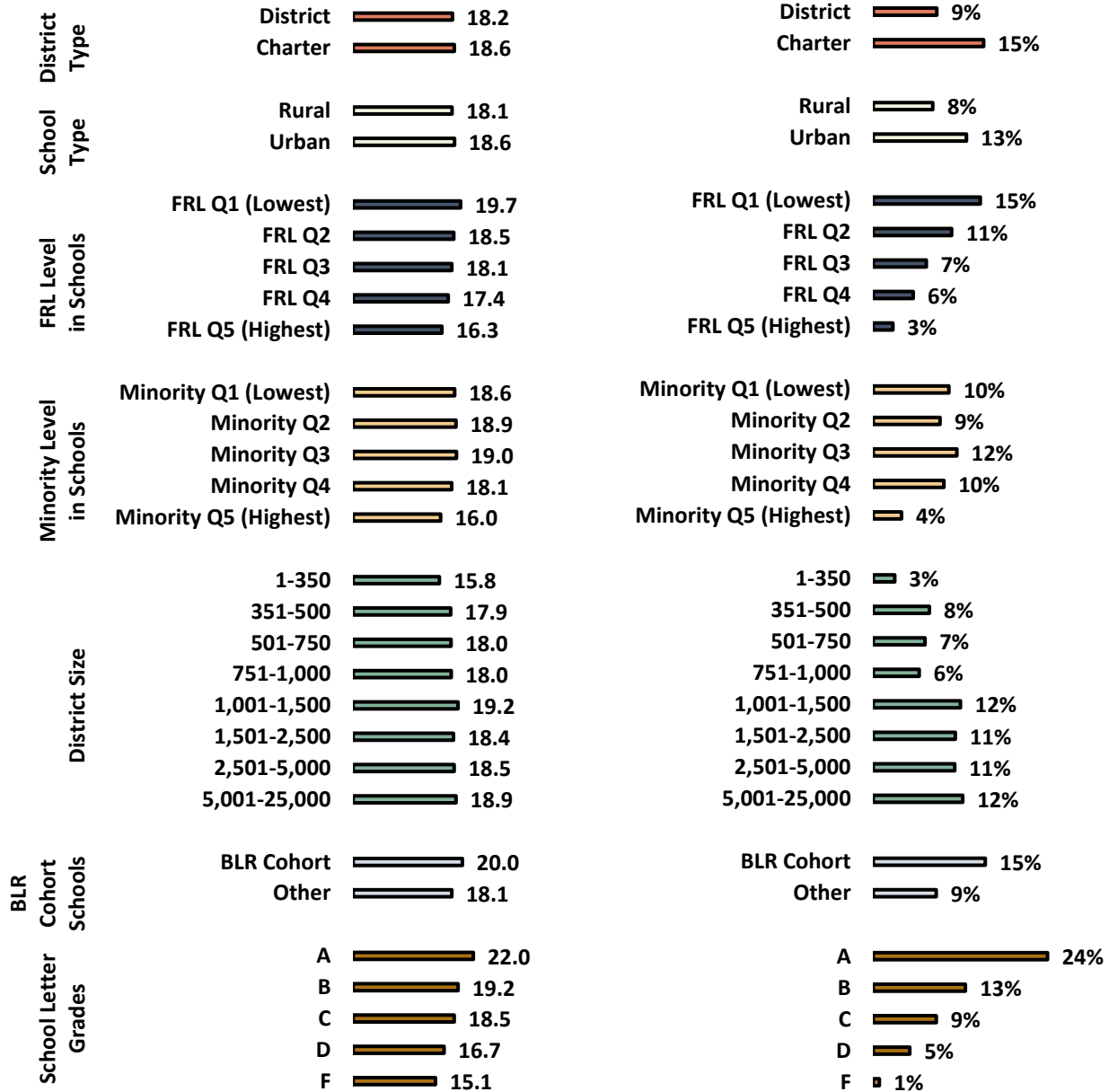
³¹⁹ <https://www.act.org/content/act/en/college-and-career-readiness/standards.html>

The following graphs show how ACT performance varied by types of schools. The scores represent the average of schools' scores within each category.

ACT Performance of Arkansas 11th Grade Test Takers

Average Composite Score (2023)

Pct. Meeting All College Readiness Benchmarks (2023)



For a national comparison, ACT provides results from graduating seniors for each state. To compare Arkansas ACT scores to those in other states, the BLR looked strictly at states with similar rates of students tested, as ACT suggests.³²⁰ In 2023, an estimated 96% of Arkansas graduates were tested. The following table shows the

³²⁰ <https://www.act.org/content/dam/act/unsecured/documents/2023-Average-ACT-Scores-by-State.pdf>

comparable states with more than 90% of students tested. Among these states, the average composite score ranged from 17.2 in Nevada to 19.9 in Utah.

States with >90% Tested (2023)	Estimated Pct. of Graduates Tested	Average Composite Score	Pct. Meeting English Benchmark	Pct. Meeting Math Benchmark	Pct. Meeting Reading Benchmark	Pct. Meeting Science Benchmark
Alabama	100%	18.0	42%	30%	18%	21%
Kentucky	100%	18.7	49%	36%	23%	24%
Louisiana	100%	18.2	47%	32%	19%	22%
Mississippi	100%	17.6	41%	26%	16%	18%
Nevada	100%	17.2	36%	27%	16%	18%
Oklahoma	100%	17.8	42%	30%	16%	19%
Tennessee	100%	18.4	47%	33%	23%	23%
Wyoming	100%	19.0	48%	37%	25%	27%
Arizona	98%	17.7	40%	29%	22%	20%
Montana	98%	18.8	44%	36%	26%	27%
Arkansas	96%	18.6	48%	33%	21%	25%
Nebraska	96%	19.2	50%	36%	29%	30%
Wisconsin	95%	19.4	51%	38%	31%	32%
North Carolina	90%	18.5	41%	36%	25%	26%
Utah	90%	19.9	55%	44%	32%	33%
Group Average	98%	18.5	45%	34%	23%	24%
National Average	37%	19.5	51%	40%	30%	31%

Data Source: ACT.³²¹ "Average ACT Scores by State – Graduating Class of 2023"

ACT Aspire

Arkansas law requires that all public-school students participate in a statewide program of educational assessments, per Ark. Code Ann. §§ 6-15-419, 6-15-433, and 6-15-2009. For the 2016 through the 2023 school years, the SBOE used the ACT Aspire summative assessment.³²² The ACT Aspire end-of-year summative assessment was used to assess all Arkansas public school students in grades 3-10 unless they qualified for an alternate assessment in English, reading, writing, math, and science. Average scores for English, reading, and writing are combined to form ELA scores, which are shown below. Scale scores at each grade are used to determine students' readiness levels for college and workplace readiness. The four readiness levels are: Exceeding, Ready, Close, and In Need of Improvement. Students whose scores fall within the Exceeding or Ready categories are considered on target for college and workplace readiness by the end of high school. The state's long-term goal³²³ is for 80% of students to score proficient for their grade level by 2030.

³²¹ <https://www.act.org/content/dam/act/unsecured/documents/2023-Average-ACT-Scores-by-State.pdf>

³²² DESE. <https://dese.ade.arkansas.gov/Offices/public-school-accountability/assessment/act-aspire>

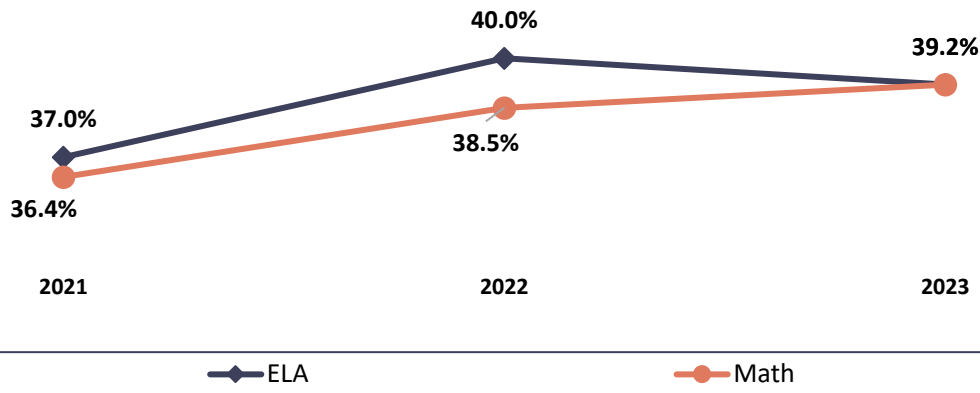
³²³ "Every Student Succeeds Act Arkansas State Plan," page 30.

All Students

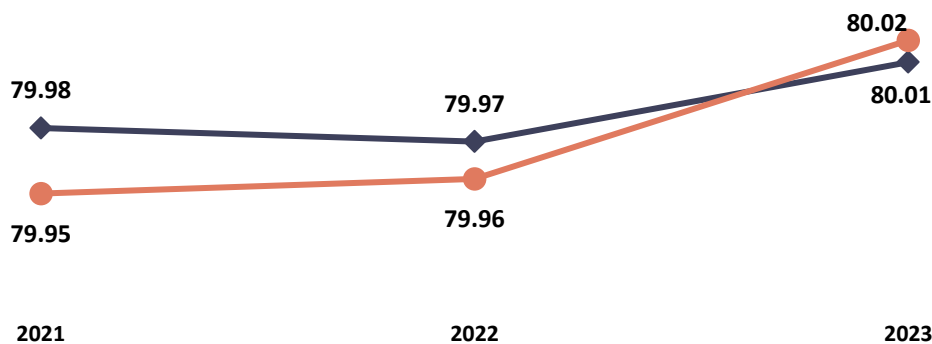
In 2023, almost 292,000 students were tested on the ACT Aspire in grades 3-10 for a 99% testing rate. In both ELA and math, 39.2% of those students scored ready or exceeding. This report also shows average student growth scores. Student growth scores are calculated using a value-added growth model. The student growth score is the difference between what the student is expected to achieve, based on prior achievement scores, and what the student achieves in the current year.³²⁴ Each growth score tells whether each student performed as well as expected, based on how he/she performed in earlier years. Each student is assigned a numerical value between -1 and 1 to indicate the degree to which they met or exceeded their expected growth. Student growth scores are combined to produce a School Level Value added Score which is transformed onto a 100-point scale to be included in the school performance system. A school growth score of 80 indicates students, on average, met expected growth. The higher the score above 80, the more students are exceeding their expected scores. The state average growth scores for both subjects increased from just under 80 in 2021 to just over 80 in 2023. According to DESE, the state average is expected to “be at or around 80 by design. Variation from 80 at the state level may indicate that students are not making the expected progress.”³²⁵

Students Tested		2023
ELA	All Students	291,566
Math	All Students	291,885

Pct. Students Scoring Ready or Exceeding



Average Growth Scores



³²⁴

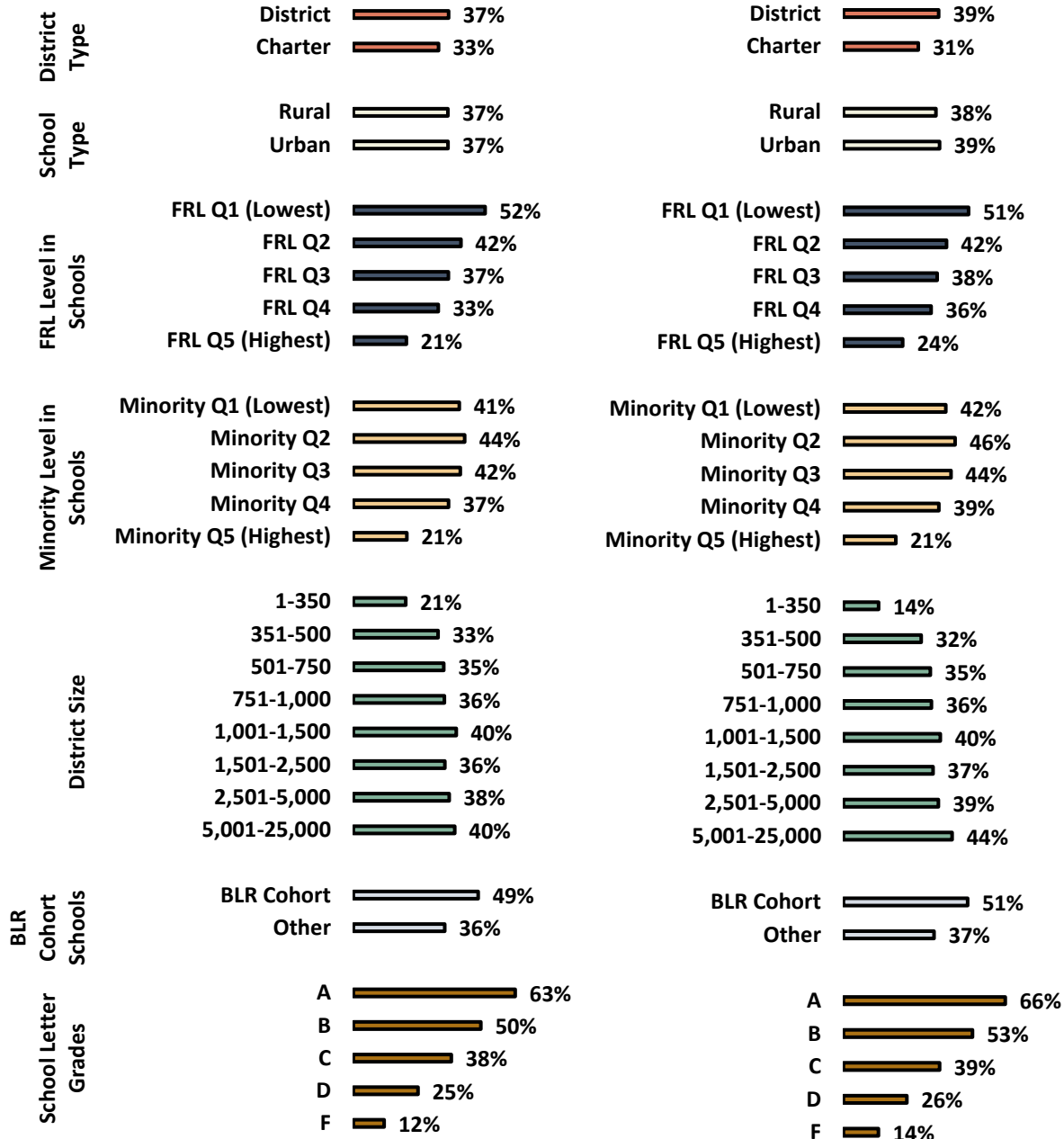
https://dese.ade.arkansas.gov/Files/20201126144918_School%20Growth%20Explanation%20for%20ES%20and%20DC%20111017.pdf

³²⁵ Email from DESE dated Jan. 4, 2024.

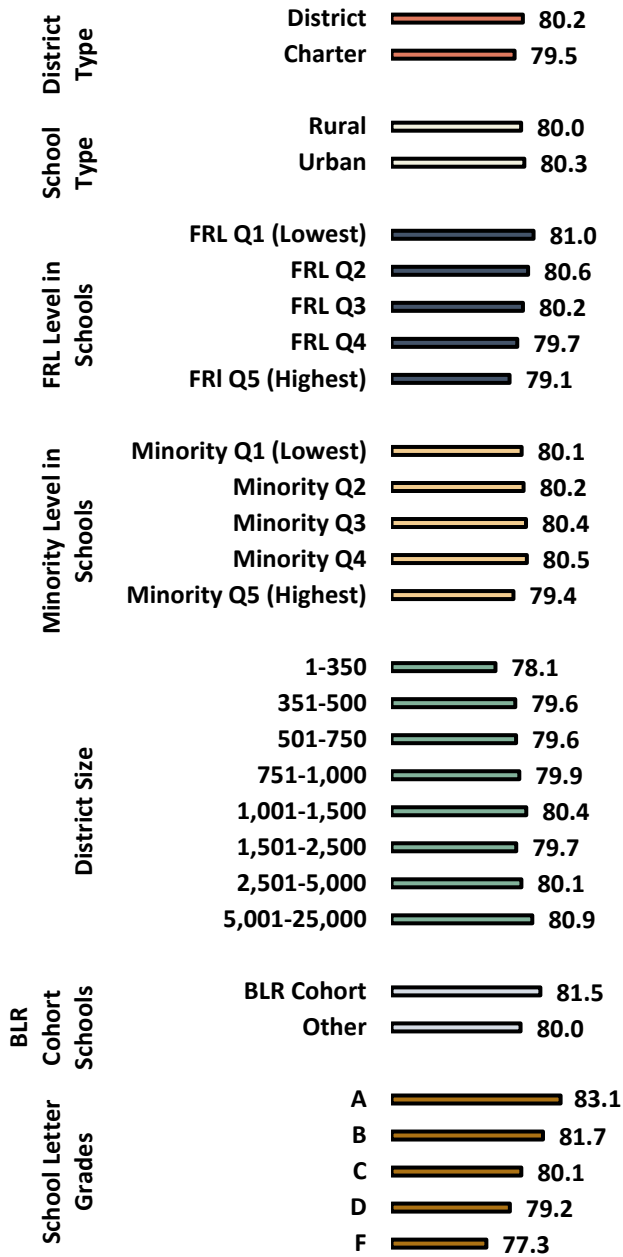
The following charts compare ACT Aspire and Growth scores for all students among types of schools.

Pct. Ready or Exceeding - ELA

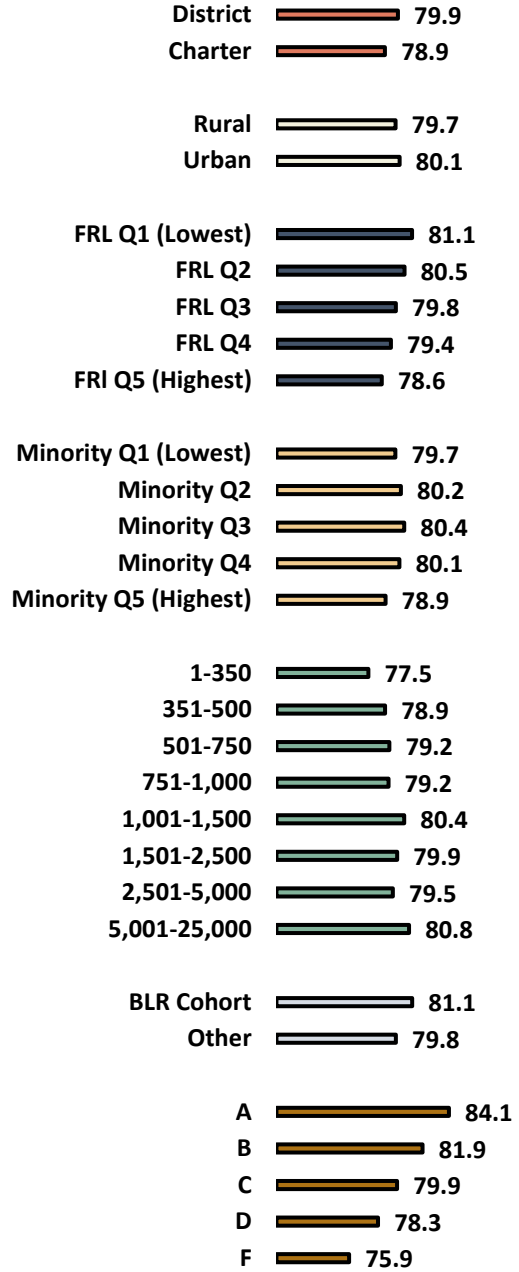
Pct. Ready or Exceeding - Math



Average Growth Scores - ELA



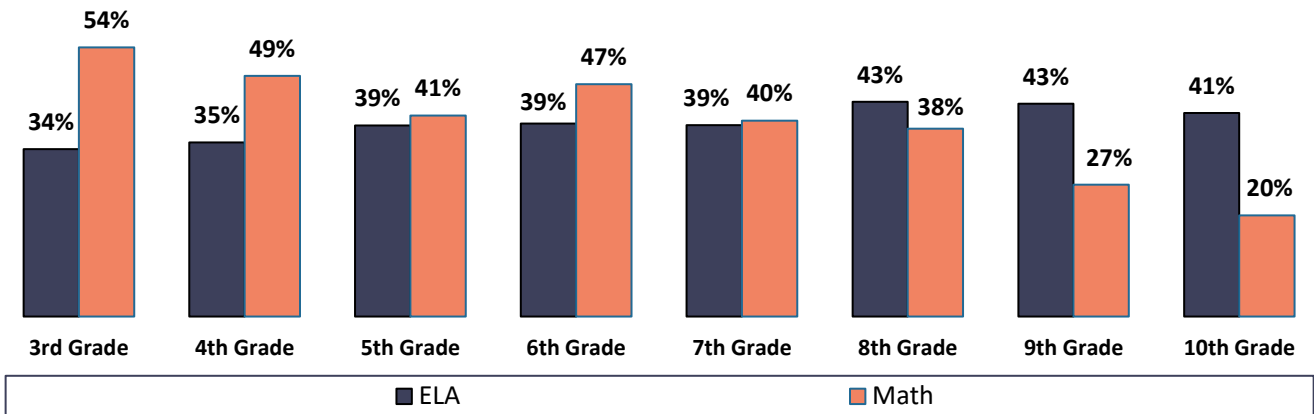
Average Growth Scores - Math



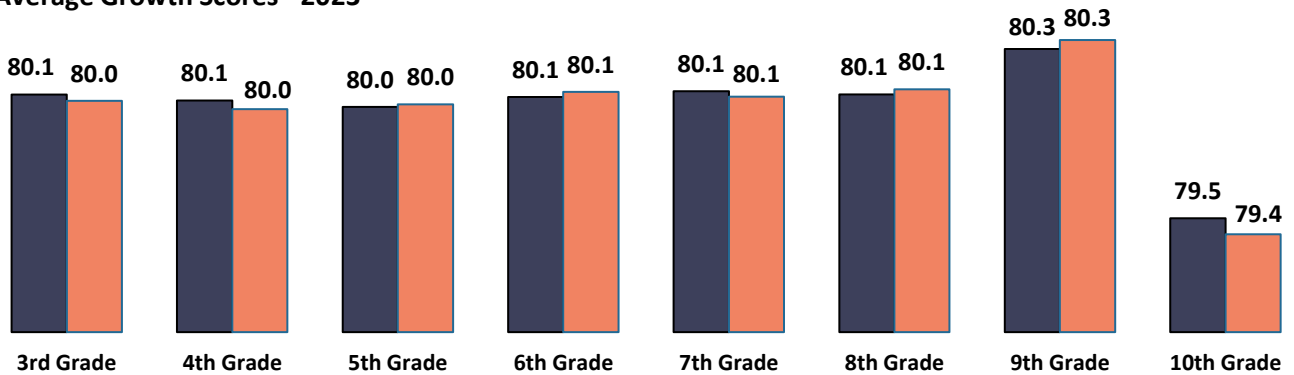
By Grade Level

Charts on the next page show how achievement varied by grade level. In 2023, the percentage of students scoring Ready or Exceeding generally decreased through higher grade levels in math, excluding the 6th grade, and generally increased for higher grade levels in ELA. Average growth scores held steady around 80 for all grades, excluding 10th grade, in which scores were closer to 79.

Pct. Students Scoring Ready or Exceeding - 2023



Average Growth Scores - 2023



Alternative Learning Environment Students

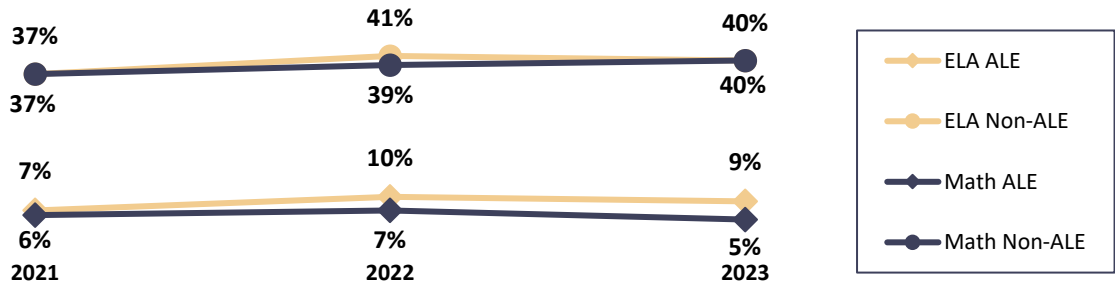
ALEs were designed to provide services to students who do not learn well in traditional classroom environments. Intervention services include those needed to address specific educational and behavioral needs. Charts on the next page show that, in 2023, 9% of ALE students scored Ready or Exceeding and 5% in math. This compares to 40% of non-ALE students for both ELA and math. These percentages are a decrease from 2022 but an overall increase since 2021.

Students Tested		2023
ELA	ALE Students	4,514
	Non-ALE Students	287,052
Math	ALE Students	4,561
	Non-ALE Students	287,324

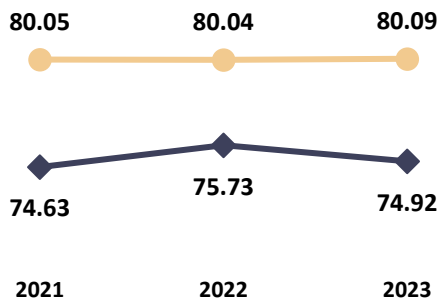
Average growth scores for ALE students have stayed around 75 for the past three years in both ELA and math compared with an average growth score of around 80 for non-ALE students for the same period. According to DESE, “students who attend ALE tend to have been losing ground in the traditional setting and have lower achievement. The growth scores for ALE indicate that these students are not growing in achievement in ALE settings. Rather, the low average growth scores indicate these groups of students are losing ground relative to expectations.”³²⁶

³²⁶ Email from DESE dated Jan. 4, 2024.

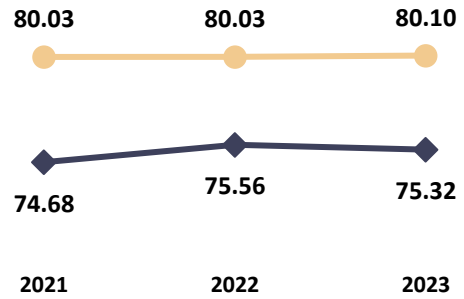
Pct. Ready or Exceeding



Average Growth Scores - ELA



Average Growth Scores - Math



English Learner Students

Arkansas uses a variety of methods of measuring and monitoring EL students' success. This section provides information on three main types: progress toward English language proficiency, student achievement on academic content, and graduation rates. Student achievement is reported on academic content as demonstrated through the ACT Aspire.

EL students are those who have been identified by their school districts as being limited English proficient. EL students receive services until they are able to exit the program due to their progress in acquiring English.

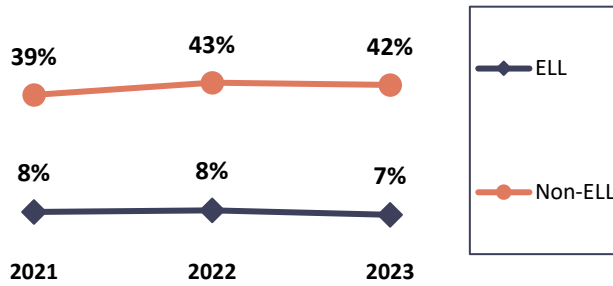
Students Tested		2023
ELA	EL Students	22,384
	Non-EL Students	269,182
Math	EL Students	22,421
	Non-EL Students	269,464

ACT Aspire scores shown in this section will first compare EL students to non-EL students. In this analysis, EL students include current EL students but does not include former EL students that are still being monitored. Scores for former EL students being monitored in 2023 are provided at the end of this section.

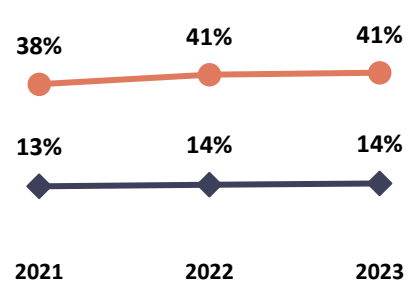
In 2023, 22,384 EL students took the ELA portion of the ACT Aspire and 22,421 took the math portion. Of those students, 7% of EL students scored "ready" or "exceeding" in ELA and 14% in math. Growth scores are shown by type of school and district for EL students beginning on the next page. In both ELA and math, these growth scores slightly increased from 2021 to 2023, but remained under 80.

Pct. Ready or Exceeding – EL Students

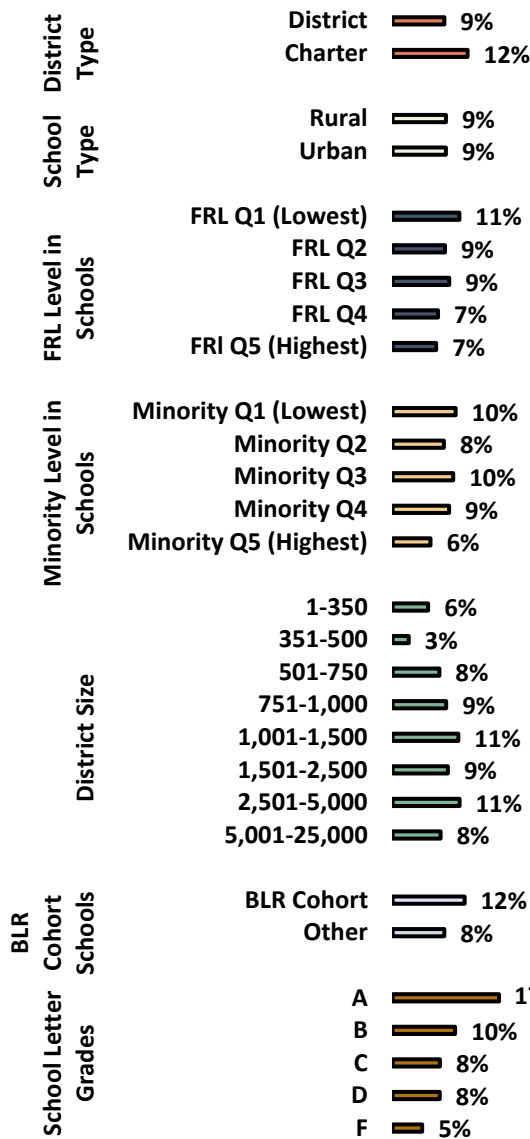
Pct. Ready or Exceeding - ELA



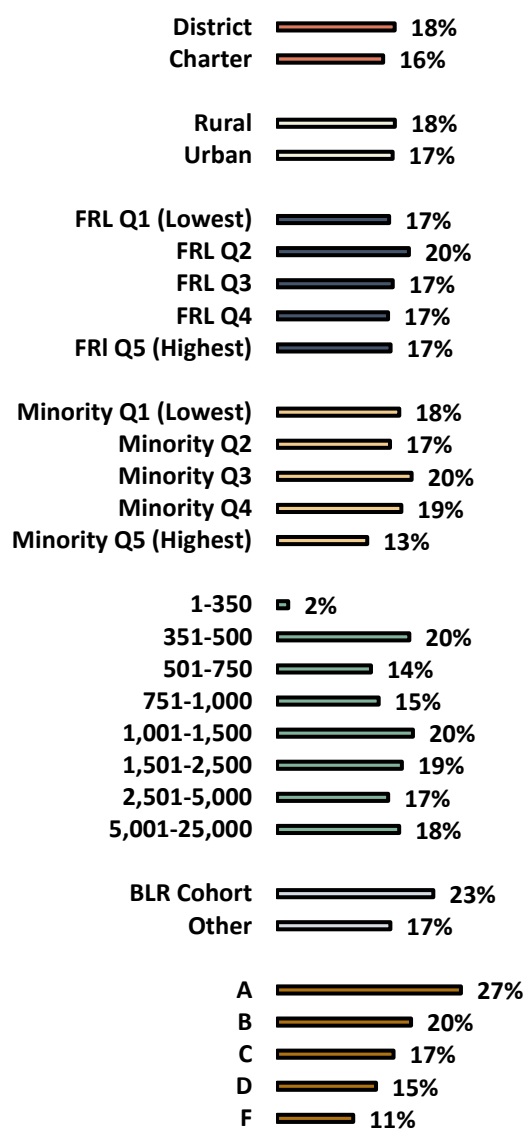
Pct. Ready or Exceeding - Math



Pct. Ready or Exceeding - ELA

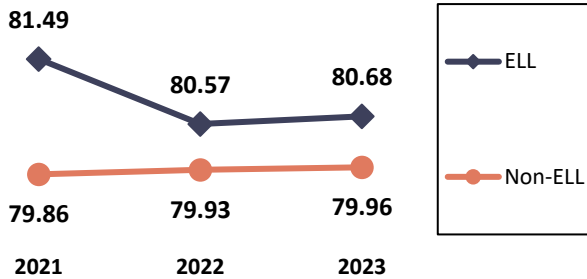


Pct. Ready or Exceeding - Math

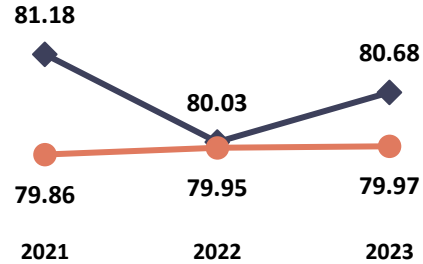


Average Growth Scores – EL Students

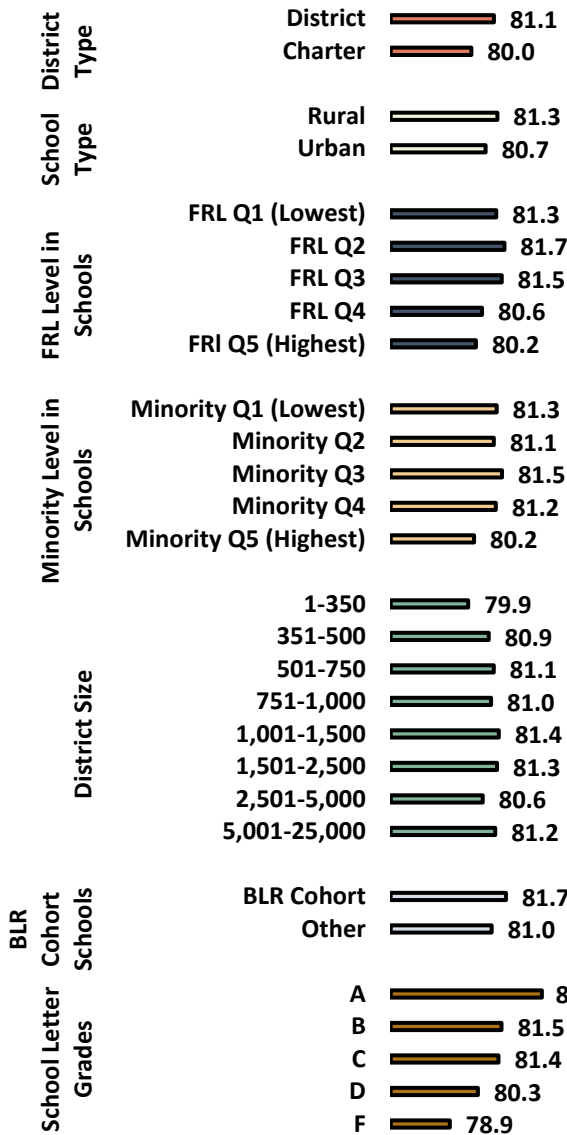
Average ACT Aspire Growth Scores - ELA



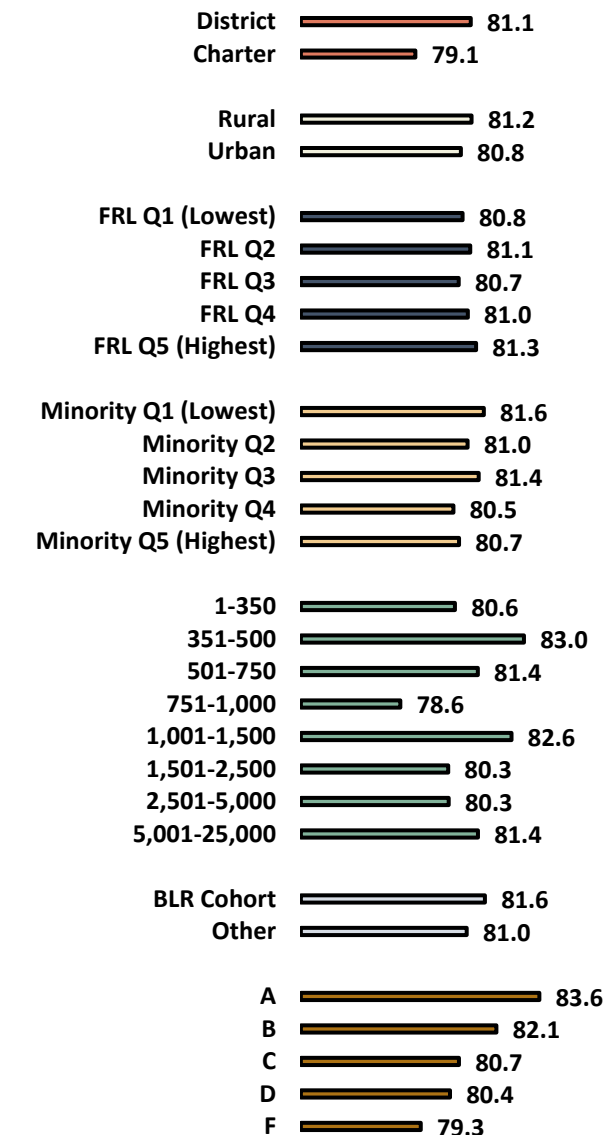
Average ACT Aspire Growth Scores - Math



Average Growth Scores - ELA



Average Growth Scores - Math



Monitored Former EL Students

Once EL students exit an EL program, they must continue to be monitored and receive appropriate academic supports as needed for four years.³²⁷ According to ADE, “[s]tudents are eligible to be released from monitoring if they continue to demonstrate English language proficiency and academic growth/success/grade-level proficiency in reading, writing, and other content areas.”³²⁸

In 2023, approximately 11,700 monitored former EL students took the ACT Aspire assessment. In ELA, 54.5% of these students scored Ready or Exceeding compared to 38.6% of the remaining student population. Similarly, 57.8% of monitored former EL students scored Ready or Exceeding in math compared to 38.4% of the remaining students.

Free or Reduced-Price Lunch Students

In 2023, approximately 189,000 FRL students took the ACT Aspire. Of these students, 30% scored Ready or Exceeding in both ELA and math. This compared to 57% of non-FRL students in ELA and 56% in math. Both groups saw increases since 2021.

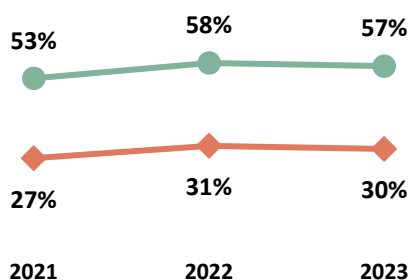
Student growth scores increased in both subjects for FRL students since 2021. In 2023, the average growth score for FRL students in both subjects was just under 80.

The following charts show the recent trend in scores as well as comparisons of scores of FRL students among different types of schools.

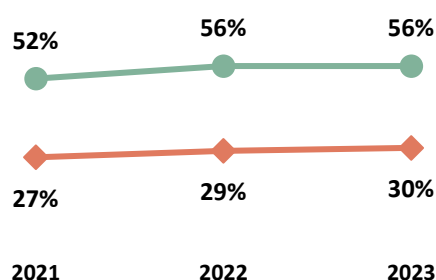
Students Tested		2023
ELA	FRL Students	189,465
	Non-FRL Students	102,101
Math	FRL Students	189,708
	Non-FRL Students	102,177

Pct. Ready or Exceeding – FRL Students

Pct. Ready or Exceeding - ELA



Pct. Ready or Exceeding - Math

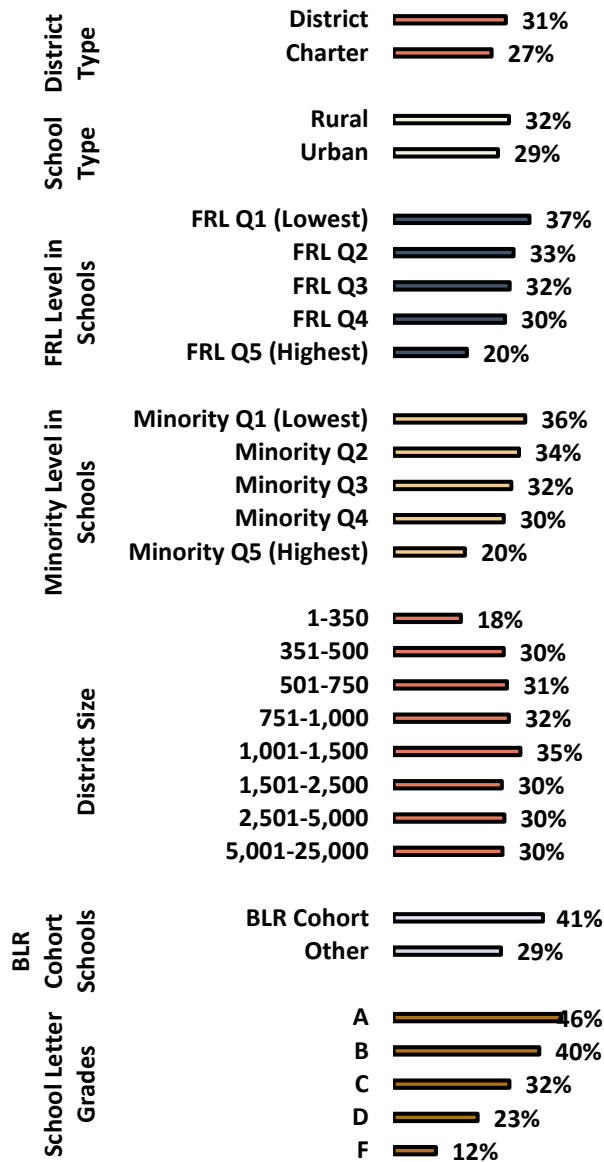


³²⁷ ESSA § 3121(a)(5)

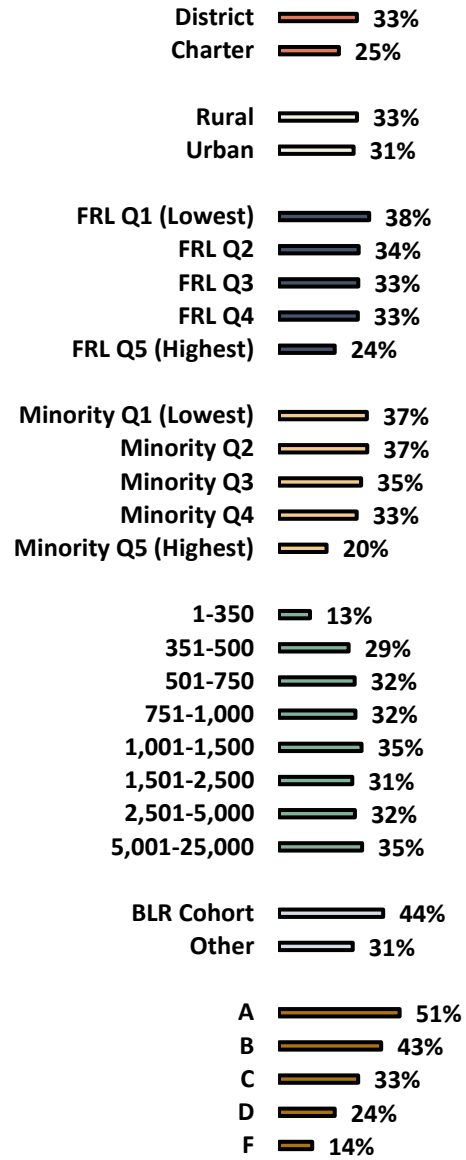
³²⁸ ADE. Professional Judgement Rubric/Exit Criteria Guidance. (2018).

Pct. Ready or Exceeding – FRL Students

Pct. Ready or Exceeding - ELA

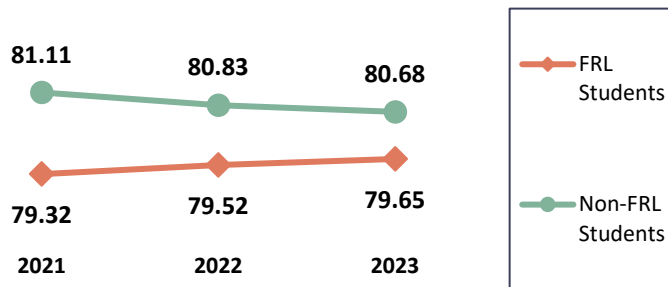


Pct. Ready or Exceeding - Math

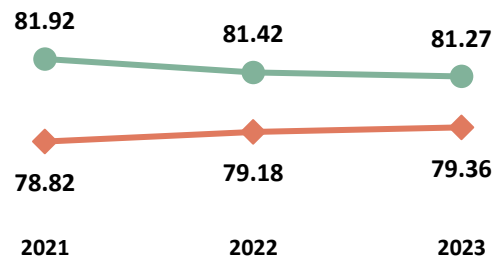


Average Growth Scores – FRL Students

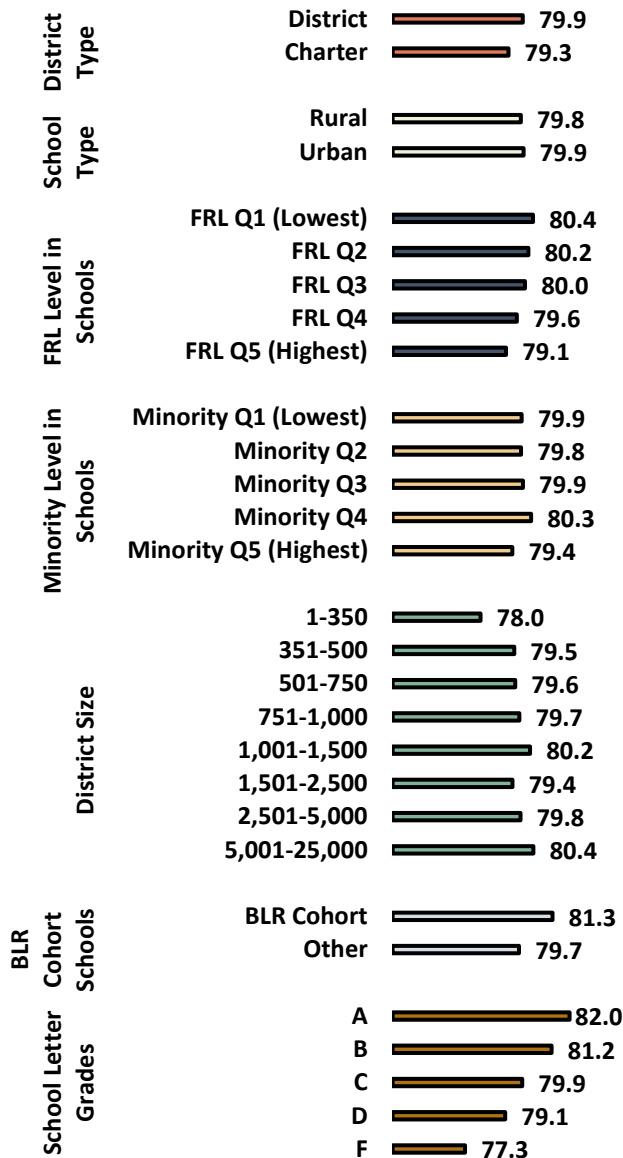
Average ACT Aspire Growth Scores - ELA



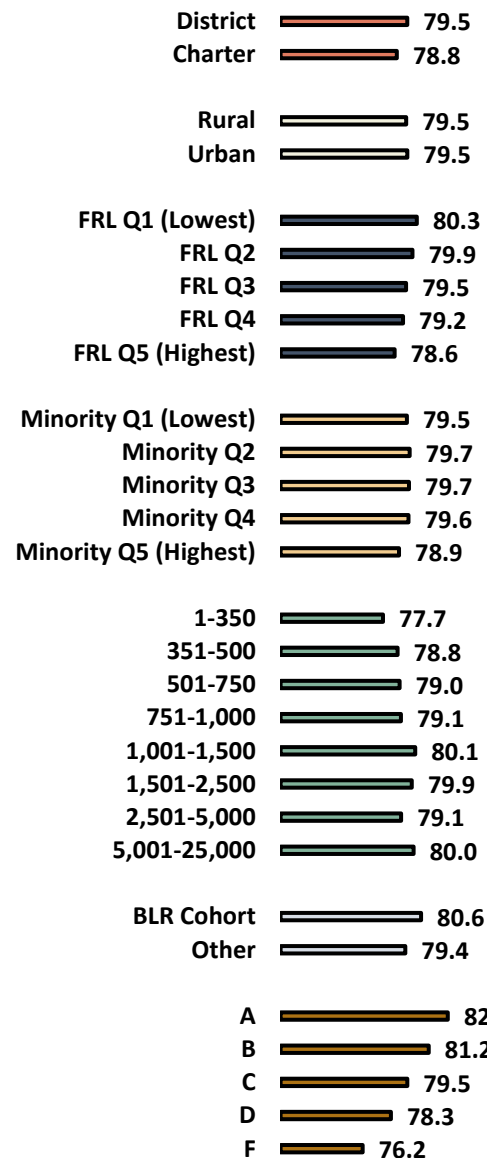
Average ACT Aspire Growth Scores - Math



Average Growth Scores - ELA



Average Growth Scores - Math



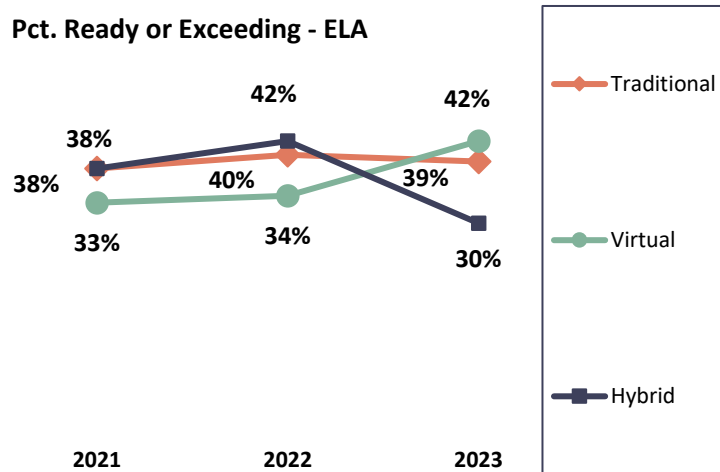
Instructional Methods

Arkansas students can receive instruction in onsite/traditional settings, virtually, or through a hybrid version of the two. The following data shows how students performed on the ACT Aspire based on their form of instruction. In both ELA and math, students in a virtual environment had the lowest percentages scoring Ready or Exceeding. This also held true with average growth scores.

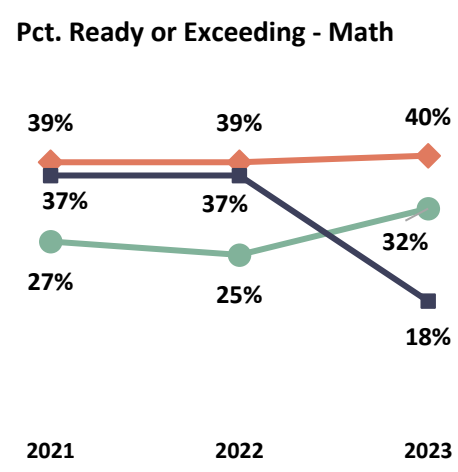
Students Tested		2023
ELA	Onsite/Traditional	283,534
	Virtual	6,728
	Hybrid	845
	N/A	459
Math	Onsite/Traditional	283,827
	Virtual	6,742
	Hybrid	847
	N/A	469

	Pct. Scoring Ready or Exceeding		Average Student Growth Scores	
	ELA	Math	ELA	Math
Onsite/Traditional	39%	40%	80.1	80.1
Virtual	30%	18%	77.5	75.2
Hybrid	42%	32%	80.0	78.4

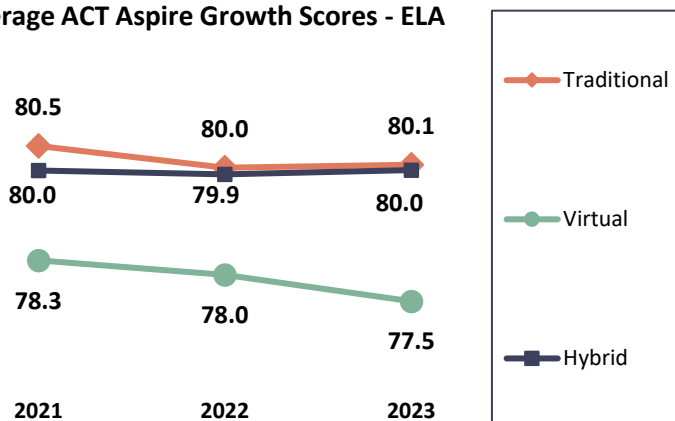
Pct. Ready or Exceeding - ELA



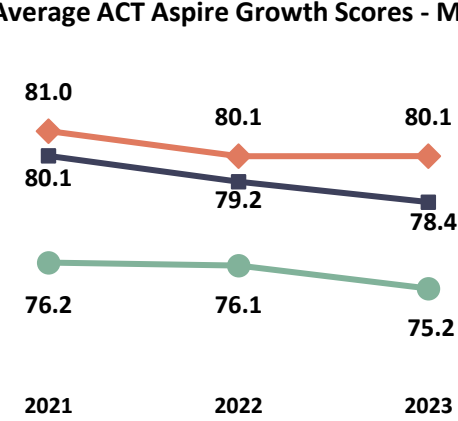
Pct. Ready or Exceeding - Math



Average ACT Aspire Growth Scores - ELA



Average ACT Aspire Growth Scores - Math



Students with Disabilities

Students with disabilities refer to students who are in special education and have an IEP.

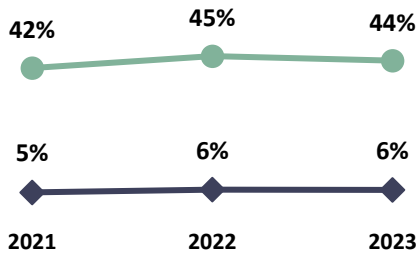
Approximately 39,000 students with disabilities took the ACT Aspire in 2023. Among these students, 6% scored Ready or Exceeding in ELA and 10% did in math.

The average growth scores for students in disabilities were 78.3 in ELA and 79.5 in math.

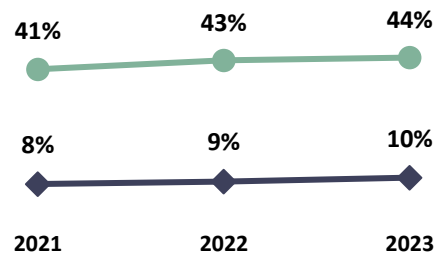
Students Tested		2021	2022	2023
ELA	Students with Disabilities	37,226	39,125	39,840
	Students without Disabilities	247,609	250,626	251,726
Math	Students with Disabilities	37,401	39,268	39,926
	Students without Disabilities	248,206	251,132	251,959

Pct. Ready or Exceeding – Students with Disabilities

Pct. Ready or Exceeding - ELA

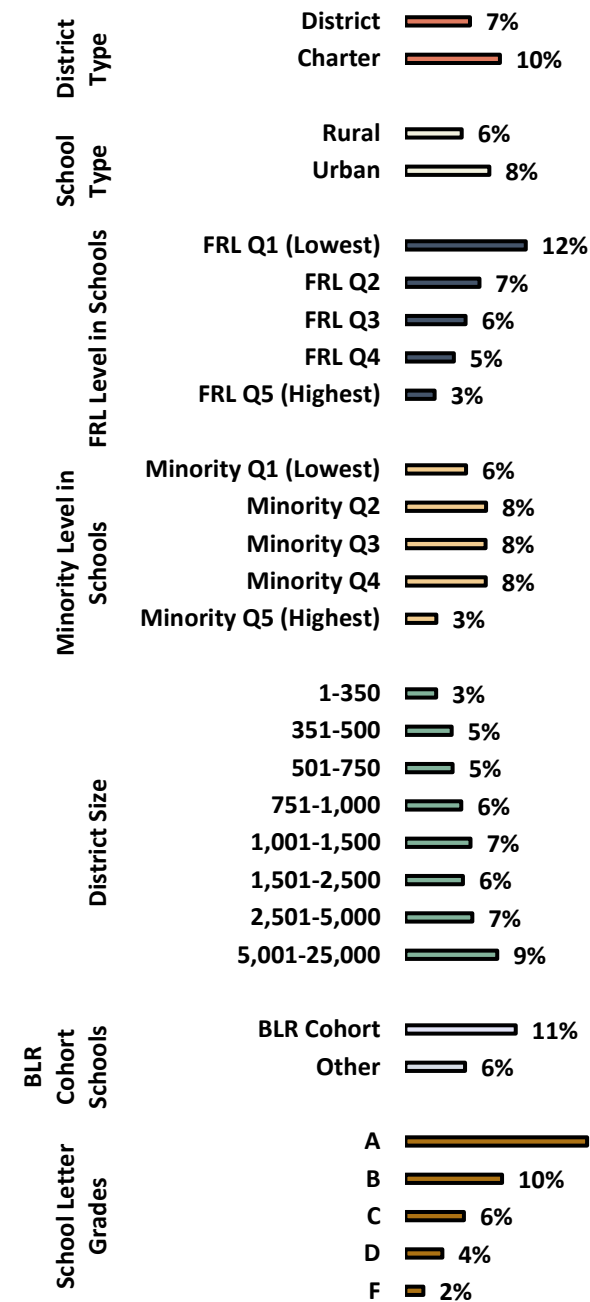


Pct. Ready or Exceeding - Math

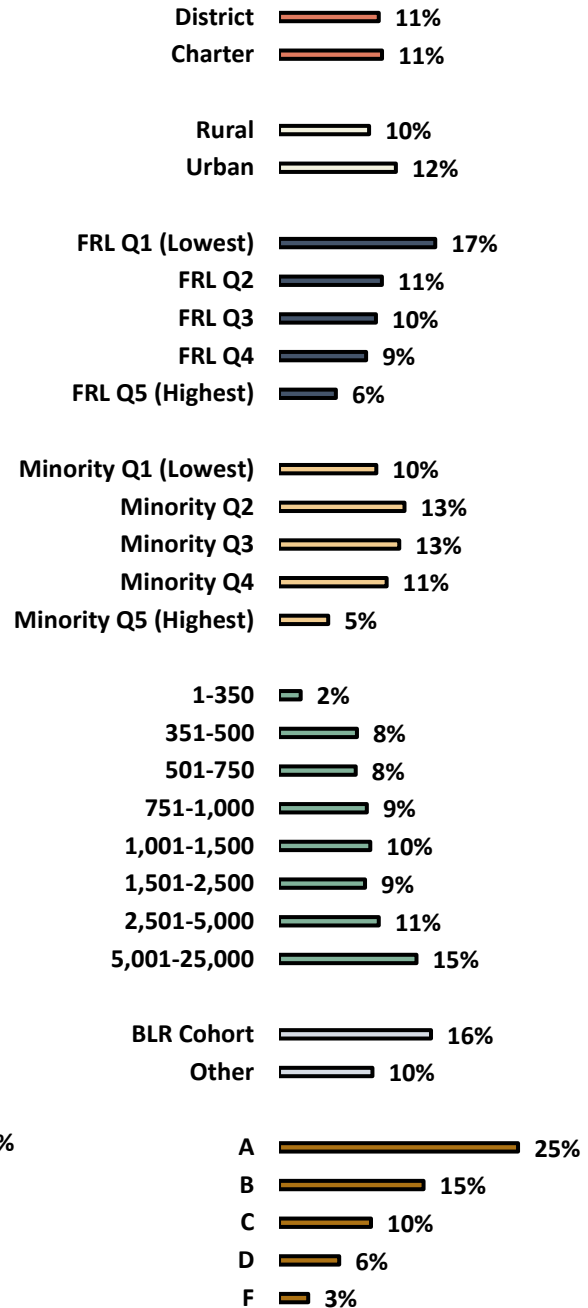


Pct. Ready or Exceeding – Students with Disabilities

Pct. Ready or Exceeding - ELA

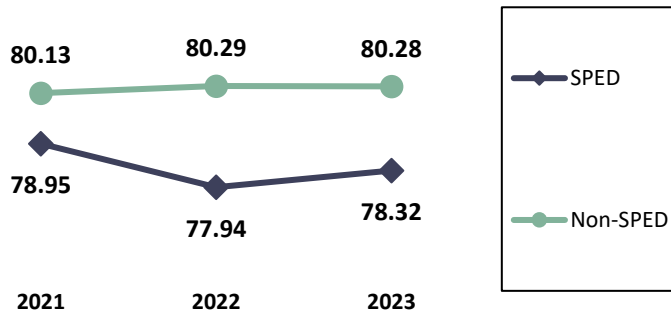


Pct. Ready or Exceeding - Math

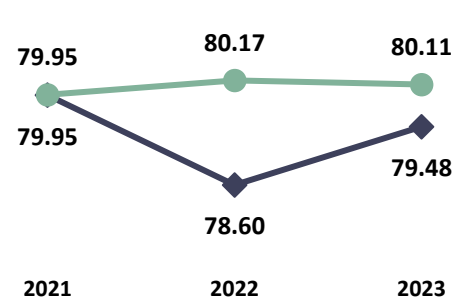


Average Growth Scores – Students with Disabilities

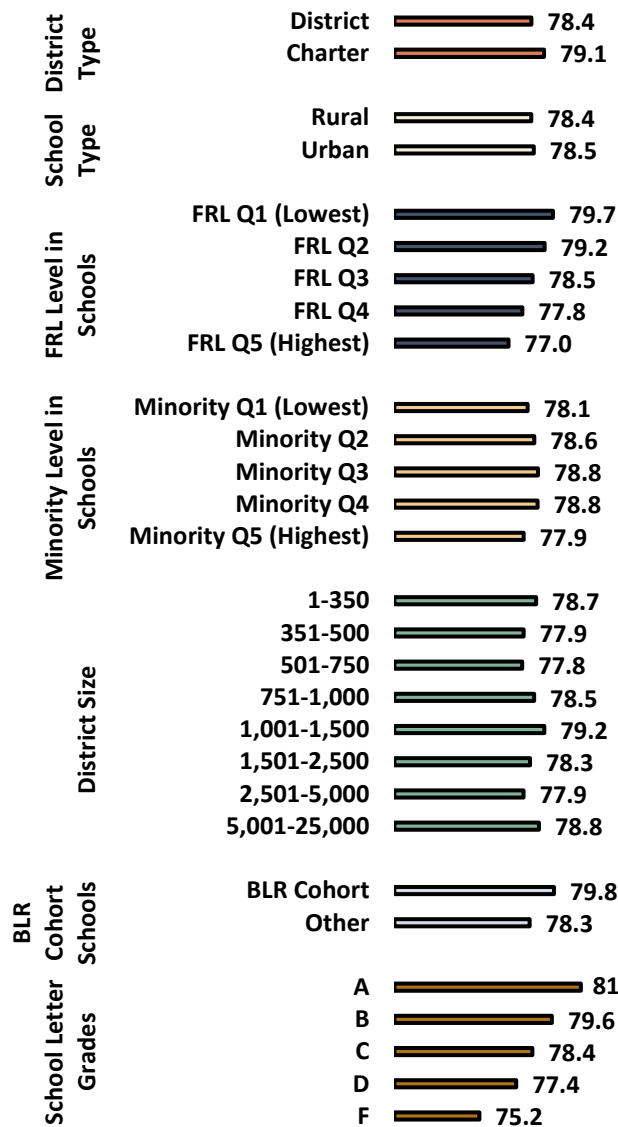
Average ACT Aspire Growth Scores - ELA



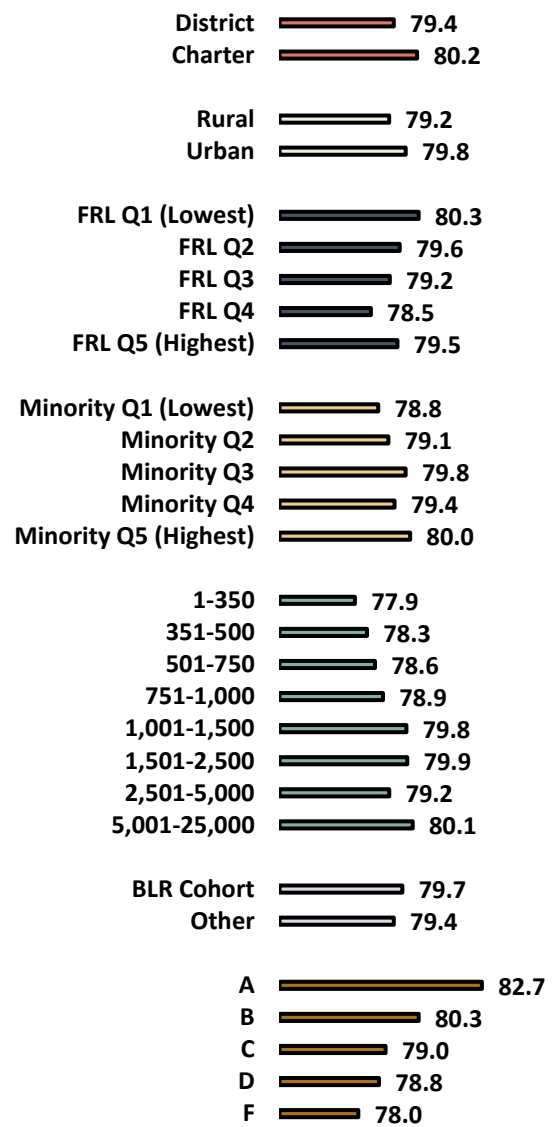
Average ACT Aspire Growth Scores - Math



Average Growth Scores - ELA



Average Growth Scores - Math



Summative Assessments in Other States

In 2019, Education Week, an education news organization, found that 15 states and the District of Columbia, were administering either the PARCC or Smarter Balanced exams as their statewide summative assessment. Three states were mixing PARCC/New Meridian and Smarter Balanced questions with their own questions. The remaining 32 states were using their own tests.³²⁹

Additional Achievement Measures for Special Populations

English Learners (EL)

ELPA21

Schools are annually required to assess EL students to determine whether they have progressed to English language proficiency or need continued services.³³⁰ The ELPA21 summative assessment is used to do this. Developed by a consortium of states, including Arkansas, the test assesses English language proficiency across four domains: listening, speaking, reading, and writing. The ELPA21 assigns each student a proficiency level based on his or her proficiency scores in each domain. In 2023, 39,609 EL students were tested with the ELPA21 summative assessment, and 9% were considered proficient. The table to the right shows the variation of scores by grade level in 2023.

For the English-language proficiency component of the ESSA School Index, DESE calculates an individual growth score for each EL student, using the student’s prior performance on the ELPA21. DESE combines the EL progress indicator with each school’s academic growth indicator (as measured by math and ELA scores of all students on the ACT Aspire) to create a single growth indicator in the total ESSA School Index calculation. The school-level growth scores are calculated with the EL proficiency progress indicator weighted relative to each school’s EL population.

For 2023, the statewide average English language proficiency growth score among EL students was 83.08. A score higher than 80 indicates a higher level of ELP growth than would be expected for that student.

Alt ELPA

According to ADE, the Alt ELPA is a “new alternate assessment of English language proficiency designed specifically for K-12 English learners with the most significant cognitive disabilities who are eligible to participate in Arkansas’ alternate assessment (Dynamic Learning Maps), as determined by a student’s IEP team.”³³¹ Similar to the ELPA21, it also measures students’ English proficiency in four language domains: listening, reading, writing, and speaking. The ALT ELPA was first administered in 2023.

Grade Level	ELPA21 Pct. Proficient	ELPA21 Total Tested	ALT ELPA Pct. Proficient	ALT ELPA Total Tested
K	7%	4,379	5%	77
1	15%	4,499	4%	57
2	26%	3,816	4%	57
3	24%	3,586	4%	45
4	18%	2,974	5%	40
5	12%	2,704	6%	48
6	15%	2,576	7%	36
7	8%	2,558	21%	24
8	6%	2,652	20%	35
HS	16%	9,865		
9			15%	27
10			3%	32
11			23%	26
12			6%	32
FY23	9%	39,609	12.7%	536

Note: Percentage Proficient indicate students eligible for exit consideration.

³²⁹ <https://www.edweek.org/teaching-learning/what-tests-does-each-state-require/2017/02>

³³⁰ U.S. Dept. of Justice and U.S. Dept. of Education. (2015). “Dear Colleague Letter dated January 7, 2015.” Retrieved from: https://dese.ade.arkansas.gov/Files/20201221103913_colleague-el-201501.pdf

³³¹ <https://dese.ade.arkansas.gov/Offices/public-school-accountability/assessment/alt-elpa>

EL Assessment in Other States

Arkansas is part of the ELPA21 consortium with six other states: Iowa, Louisiana, Nebraska, Ohio, Oregon, and West Virginia.³³² Another seven states use their own assessment to test English-language proficiency. The remaining 37 states and the District of Columbia are part of the WIDA consortium that has multiple test options. Nine states in addition to Arkansas administer the Alt ELPA: Arizona, Connecticut, Iowa, Louisiana, Nebraska, New York, Ohio, Oregon, and West Virginia.

Students with Disabilities

Students with disabilities are required to be assessed either through the state assessment or through an alternate assessment. Students' IEP teams must decide whether each student with disabilities will take the regular state assessment, the assessment with accommodations, or, for a very small percentage of students with significant cognitive disabilities, an alternate assessment (Dynamic Learning Maps). The total number of students taking each subject tested using the alternate assessment (math, ELA, or science) cannot exceed 1% of the total number of students in the state being assessed in that subject without a waiver from the U.S. Department of Education.³³³ Arkansas requested and received that waiver from 2018 through 2022. In 2023, approximately 2,400 students with disabilities were tested on the Dynamic Learning Maps (DLM) assessment. Of those students, 13% scored at target or advanced in math and 24% scored at target or advanced in ELA. Both are increases since 2021.

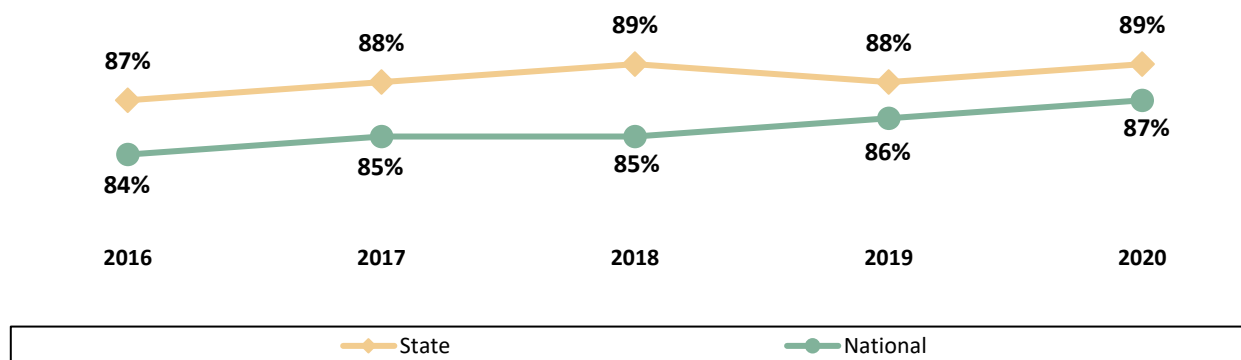
Alternate Assessments in Other States

Nineteen other states and the District of Columbia use the DLM as their alternate assessment for students with significant cognitive disabilities. Five states use the multi-state alternate assessment, and the remaining 25 states use their own form of alternate assessment.

High School Graduation Rates

In 2023, Arkansas had four-year adjusted cohort graduation rates as defined by Elementary and Secondary Education Act of 89.0%, an increase from 88.5% in 2021. Four-year graduation rates varied from 67% to 100% among Arkansas school districts and from 41% to 100% for open-enrollment public charter schools. The NCES³³⁴ collects graduation rates by state. The most recent data is from 2020.

Four-Year Graduation Rates



³³² <https://www.elpa21.org/resources/>

³³³ <https://dese.ade.arkansas.gov/Offices/special-education/curriculum-assessment/assessment>

³³⁴ https://nces.ed.gov/programs/digest/d21/tables/dt21_219.46.asp

12. Accountability Systems

Introduction

This section examines the federal and state structures for holding Arkansas schools accountable, as required by the adequacy statute (Ark. Code Ann. § 10-3-2102). In addition to discussing three state systems (the Arkansas Educational Support and Accountability Program, the Arkansas Fiscal Assessment and Accountability Program, and academic facilities distress), the report addresses two federal accountability measures: the Elementary and Secondary Education Act of 1965 as reauthorized by ESSA of 2015, and state compliance with Part B of the IDEA.

Academic Accountability

Every Student Succeeds Act

ESSA was the 2015 reauthorization of the 1965 Elementary and Secondary Education Act. ESSA replaced the No Child Left Behind Act (2002) and provided states with additional flexibility to design accountability systems tailored to state needs while addressing the needs of low-performing schools.

Each state education agency was required to submit an ESSA plan to the U.S. Department of Education. Plans had to be developed with input from governors and members of the state legislatures and boards of education, as well as teachers, principals, parents, and others. Arkansas's ESSA plan gained federal approval on January 16, 2018, with an amendment changing long-term goals approved on March 11, 2019, and additional addenda relating to COVID-19 approved August 20, 2021, and April 22, 2022. The 2019 amendment was to accommodate for ACT Aspire cut score changes. The 2021 addendum allowed the state to skip the 2020 data reporting requirements, since no assessments were given in 2020 due to the COVID-19 pandemic. The 2022 addendum shifted the years used to identify schools for comprehensive, targeted, and additional targeted support and improvement to the 2022 school year, as well as modified the methodology used to identify schools for targeted support and improvement by excluding the 2020 school year. The 2022 addendum also excluded the 2020 school year when determining whether a school had met the statewide exit criteria for comprehensive and additional targeted support and improvement.

Arkansas's ESSA plan provided more autonomy and flexibility to districts, more support from the state, and multiple measures for districts and schools to prove success with students. Arkansas's ESSA plan was codified in Act 930 of 2017, and it covers several broad areas: standards and assessments, accountability, public reporting, teachers, and school funding.

Standards and Assessment

Under ESSA, states are required to adopt challenging statewide academic content standards and statewide academic achievement standards that apply to all public schools and public school students in the state. States must adopt standards for math, reading or language arts, and science, but may also adopt standards for other subjects. States are allowed to set alternative achievement standards for students with the most significant cognitive disabilities. States must also have standards for English-language proficiency that address speaking, listening, reading, and writing.

States are also required to have statewide, annual assessments aligned with academic standards. States must assess students in reading and math annually in grades 3-8, as well as once in high school. States must assess students in science at least once in grades 3-5, once in grades 6-9, and once in grades 10-12. States may also assess other subjects.

Assessments must involve multiple measures of student achievement, including measures that assess higher-order thinking skills and understanding, which may be partially delivered in the form of portfolios, projects, or extended performance tasks. States may administer alternate assessments for students with the most significant disabilities, but no more than 1% of students across the state may be assessed using the alternate exams. In addition, ESSA sets a requirement that schools test at least 95% of their students each year.

Accountability

Under ESSA, states are required to have a statewide accountability system based on the state's academic standards. The accountability system must establish long-term goals for all students and each subgroup of students in the following areas: proficiency on the annual assessments, high-school graduation rates, and percentage of English learners making progress in achieving English language proficiency.

The accountability system must establish a system for meaningfully differentiating all public schools in the state. ESSA requires several indicators:

- Academic achievement (proficiency on state assessments)
- Another academic indicator (for high schools, four-year graduation rate)
- English proficiency
- At least one other indicator of school quality of student success (must be valid, reliable, comparable, and statewide)

Each of the academic indicators (the first three indicators on the list above) must carry substantial weight.

Arkansas's ESSA plan sets goals over a 12-year time period, based on stakeholder feedback and the recommendation of the Arkansas Technical Advisory Committee for Assessment and Accountability. According to the plan, setting goals over a 12-year period encourages districts and schools to focus on all students, not just those close to achievement level cut points. Goals in the Arkansas ESSA plan are intended to be aspirational.³³⁵

Arkansas's long-term achievement goal is for 80% of students to achieve a test-based grade-level proficiency score by 2030. For graduation rates, the long-term goal for the four-year Adjusted Cohort Graduation Rate is 94%, and the long-term goal for five-year Adjusted Cohort Graduation Rate is 97%. The goal for English language proficiency is 52% of students on track to English language proficiency; English language proficiency is based on several factors, including students' test scores on the ELPA21, when students were identified as English learners, and whether students have exited English learner status.³³⁶

The accountability system must also have a process for identifying Comprehensive Support and Improvement Schools, Targeted Support and Improvement Schools, and Additional Targeted Support Schools.³³⁷ Comprehensive Support and Improvement Schools are Title I schools that are in the lowest performing 5% of Title I schools in the state, and all high schools that fail to graduate one-third or more of their students.³³⁸ Targeted Support and Improvement Schools are schools that are consistently underperforming for one or more student groups. Additional Targeted Support Groups are schools that, for any student subgroup, meet the criteria for the lowest performing 5% of Title I schools in the state for students overall.³³⁹

³³⁵ ESSA, Arkansas Plan, retrieved at https://dese.ade.arkansas.gov/Files/2022.05.13_Arkansas_ESSA_Plan_PSA.pdf.

³³⁶ ESSA, Arkansas Plan, retrieved at https://dese.ade.arkansas.gov/Files/20201126142803_Arkansas_ESSA_Plan_Final_rv_January_30_2018.pdf.

³³⁷ National Conference of State Legislatures, Summary of the Every Student Succeeds Act, retrieved at https://www.ncsl.org/documents/educ/ESSA_summary_NCSL.pdf.

³³⁸ National Conference of State Legislatures, Summary of the Every Student Succeeds Act, retrieved at https://www.ncsl.org/documents/educ/ESSA_summary_NCSL.pdf.

³³⁹ National Conference of State Legislatures, Summary of the Every Student Succeeds Act, retrieved at https://www.ncsl.org/documents/educ/ESSA_summary_NCSL.pdf.

ESSA sets out specific requirements for state education agencies about the kinds of support that must be provided to each category of schools.³⁴⁰

Public Reporting

ESSA requires that states must describe the state’s accountability system, list the schools identified for Comprehensive Support and Targeted Support and Improvement, and include results of assessments, graduation rates, other indicators, progress toward goals, assessment participation rates, and numbers and percentages of English learners achieving English-language proficiency.

These tables show how many schools were in each category in the 2023 school year. In Arkansas, schools are identified as Targeted Support and Improvement, Additional Targeted Support and Improvement, Comprehensive Support and Improvement—Additional Targeted Support and Improvement, Comprehensive Support and Improvement, and More Rigorous Interventions.

The underperforming subgroup in 51 schools was special education students. The other underperforming subgroups were economically disadvantaged students and African-American students.

Targeted Support and Improvement—one or more consistently underperforming subgroups		
	Elementary	26
	Middle	30
	High School	1

All 16 of the Additional Targeted Support and Improvement Schools were identified for the school’s special education subgroup.

Additional Targeted Support and Improvement—schools with a subgroup falling below the 1 st percentile of Title I schools in 2021 and 2022		
	Elementary	3
	Middle	13
	High School	0

Districts in this classification had a consistently underperforming subgroup that did not improve over time, and are now identified as needing comprehensive support.

Comprehensive Support and Improvement—Additional Targeted Support and Improvement—schools that were identified for Additional Targeted Support and Improvement in 2018 that did not exit the program within four years		
	Elementary	89
	Middle	36
	High School	0

In addition, seven schools were identified by not having at least two-thirds of students in the four-year adjusted cohort graduate. Four of the schools were already identified for low performance.

Comprehensive Support and Improvement Schools—Title I schools that are at or below the 5 th percentile value of all Title I schools in the grade span		
	Elementary	13
	Middle	6
	High School	9

Comprehensive Support and Improvement Schools—schools that were identified as in need of Comprehensive Support and Improvement in 2018 and did not sufficiently improve to exit by 2022		
	Elementary	19
	Middle	5
	High School	6

Teachers

State ESSA plans must describe how the state will ensure low-income and minority students are not taught at a disproportionate rate by ineffective, out-of-field, or inexperienced teachers.

³⁴⁰ National Conference of State Legislatures, Summary of the Every Student Succeeds Act, retrieved at https://www.ncsl.org/documents/educ/ESSA_summary_NCSL.pdf.

Arkansas Educational Support and Accountability Act

The AESAA (Act 930 of 2017) repealed the state’s previous accountability system and replaced it with a new accountability system that conformed to ESSA. Under the new system, the state is to provide needed support for school districts so they can assist their schools in improving student performance. DESE is responsible for developing and implementing a comprehensive accountability system that does the following:

- Establishes clear academic standards that are periodically reviewed and revised
- Maintains a statewide student assessment system that includes a variety of assessment measures
- Assesses whether all students have equitable access to excellent educators
- Establishes levels of support for public school districts
- Maintains information systems composed of performance indicators that allow DESE to identify levels of public school district supports and generate reports for the public.

The AESAA has multiple components, which are discussed in further detail below.

Academic Standards

DESE is required to establish academic standards that define what students shall know and be able to demonstrate in each content area. The academic standards are covered in Section 7 of this report.

Student Assessment

The AESAA requires a statewide student assessment system, which must contain all of the following:

- Developmentally appropriate measurements or assessments for kindergarten through grade 2 in literacy and mathematics
- High-quality, evidence-based literacy screeners for kindergarten through grade 3
- Assessments to measure ELA, mathematics, and science as identified by the State Board of Education (SBOE)
- Assessment of English proficiency of all English learners
- Assessments to measure college and career readiness³⁴¹

Arkansas administered the ACT Aspire test as the statewide assessment from 2016 to 2023. Beginning in the 2024 school year, Arkansas schools use the Arkansas Teaching & Learning Assessment System (ATLAS).

Arkansas received a waiver from the U.S. Department of Education for conducting assessments in 2020 due to the COVID-19 pandemic. Arkansas did conduct assessments in the 2020-21 school year, with DESE allowing districts flexibility to reduce the risk of COVID-19 while still meeting the goal of testing at least 95% of students.

On January 11, 2024, the SBOE approved DESE’s request to place seven schools on “Accredited—Cited Status” for violations of standard 1-C.1.1, Testing at Least 95% of All Students.³⁴²

Levels of Support

Ark. Code Ann. § 6-15-2913 sets out the levels of support that DESE is required to provide to districts. The levels are further described in DESE Rules.

In determining levels of support, DESE considers schools’ ESSA designations (which are determined by the ESSA School Index score), fidelity of implementation of school-level improvement plans and district support plans,

³⁴¹ Ark. Code Ann. § 6-15-2907(a).

³⁴² The seven schools were Graduate Arkansas Charter High, Little Rock Southwest High School, Sylvan Hills High School, Founders Classical Academy High School Online, Premier High School of Fort Smith, Premier High School of Texarkana, and Premier High School Online.

school and district level data, and fidelity of implementation of DESE directives. Districts may request a certain level of support.³⁴³

Act 1082 of 2019 added some specific requirements for levels of support beginning with the 2020 school year. DESE must provide Level 3 support to districts in which 40% or more of the district’s students score “in need of support” on the state’s prior year summative assessment for reading. Additionally, DESE must provide Level 4 support to districts in which 50% or more of the district’s students score “in need of support” on the state’s prior year summative assessment for reading. The table shows the number of districts in each level of support for the 2023 school year.

2022-23 Level of Support	Number of Districts	Percentage of Districts
1	127	49%
2	49	19%
3	47	18%
4	31	12%
5	4	2%

In **Level 1**—General support, DESE provides guidance and tools to assist districts; districts have access to contacts at DESE for questions. Schools must have school improvement plans, including a literacy plan. School and district improvement plans are discussed further below.

In **Level 2**—Collaborative support includes minor or temporary technical assistance of a department initiative or state expectations. Level 2 is required if the district is receiving a federal 1003 grant.³⁴⁴ Schools in Level 2 districts must have school improvement plans (including literacy plans) and district support plans.

In **Level 3**—Coordinated support, districts receive technical assistance and monitoring. This level of support requires both school and district improvement plans.

In **Level 4**—Directed support, DESE provides direct guidance on the development and implementation of school-level plans, resource allocation, monitoring, and evaluation. This level of support also requires district and school improvement plans; DESE must approve district improvement plans.

In **Level 5**—Intensive support requires SBOE approval (although districts may request to receive Level 5 supports). Once a district is classified as being in need of Level 5—Intensive support, DESE creates a district improvement/exit plan in collaboration with district leadership and the local school board. Districts in Level 5 make quarterly reports to the SBOE. The SBOE must vote to remove districts from Level 5.

Additionally, if a district is classified as being in need of Level 5—Intensive Support, the SBOE may take other actions, including assuming authority of the public school district (excluding open-enrollment charters).³⁴⁵ Districts under state authority are discussed later in the report. All four districts (Earle, Helena-West Helena, Lee County, and Marvell-Elaine) that were in Level 5 support in the 2023 school year were also in state takeover.

Educator Input

The BLR adequacy superintendent survey asked about district’s level of support. More than a quarter (26%) of superintendents responded that they did not know their district’s assigned level of support. Another quarter (26%) responded that their district is in Level 1. As shown above, almost 50% of districts were in Level 1 in 2023.

Superintendents were asked to select which DESE supports their district used in the 2023 school year. The three most frequently used were electronic trainings, recorded and live (66%); assistance with monitoring and

³⁴³ DESE “Rules Governing the Arkansas Educational Support and Accountability Act (AESAA)” Rule 8.02.

³⁴⁴ 1003 grants are required under Section 1003 of the federal Elementary and Secondary Education Act. State Education Agencies must allocate funds to local education agencies to support Title I schools identified for improvement to close the educational gap through goals in their school improvement, corrective action, and/or restricting plans and thereby improving student performance.

³⁴⁵ If an open-enrollment public charter is identified as being in need of Level 5—Intensive Support, the SBOE may request that the charter authorizer review the school’s charter and determine necessary action. See DESE “Rules Governing the Arkansas Educational Support and Accountability Act (AESAA)” Rule 8.11.3.

implementation of school-level improvement plans (40%), and support in collecting, analyzing, and using relevant data to create a school-level improvement plan (39%). Forty-nine percent of superintendents responded that DESE support is either very useful or essential, while 19% of superintendents responded that their district does not receive support from DESE.

School Improvement Plans and District Support Plans

Each school in the state is required under Act 930 to develop a school-level improvement plan by May 1 of each year. The school-level plan is to be submitted to the district and posted on the district website by August 1 of each year. The law also requires all school districts to continually monitor and assess their schools' improvement efforts.

School districts are to incorporate school improvement plans into their strategic planning for the school year, but not all have to develop an actual support plan. Districts receiving support categorized as Level 2 and higher must develop districts' plans of support by September 1 and post them on their websites within 10 days. Districts in Level 2 must submit plans to DESE at the request of the Secretary. Districts receiving Level 3, 4, or 5 support must submit plans to DESE.

A district in which 40% or more of the students scored "in need of support" on the state's prior year summative assessment for reading shall develop a literacy plan as part of its district support plan. The literacy plan must include goals for improving reading achievement throughout the district and information regarding the prioritization of funding for strategies to improve reading.

Educator Input

The principal survey asked principals two questions about school-improvement plans. Fifty-seven percent of responding principals said that school-improvement plans were very useful or essential in planning strategies to improve student achievement, and 44% of principals responded that school-level improvement plans have been very useful or essential in improving student achievement.

Student Success Plans

Under Act 930 of 2017, DESE "shall collaborate with public school districts to transition to a student-focused learning system to support success for all students." As part of that system, beginning with the 2019 school year, each student, by the end of 8th grade, must have a student success plan, developed by school personnel in collaboration with parents and the student. Success plans must be reviewed and updated annually.

Success plans must: 1) guide the student along pathways to graduation (required coursework, courses of interest, consideration for student's postsecondary plans using multiple measures to inform decisions about a pathway); 2) address accelerated learning opportunities (could include Advanced Placement, International Baccalaureate, concurrent credit, career pathways, apprenticeships, internships, courses based on identified areas of academic strength, extracurricular activities, and other opportunities); 3) address academic deficits and interventions (courses based on identified areas of academic deficit, point-in-time remediation, credit recovery, tutoring, additional learning supports, transitional coursework, and other opportunities); and 4) include college and career planning components (College and Career Readiness Assessment data, interest inventories, college and career planning tools, industry-recognized credentials or technical certifications, and other postsecondary preparations).³⁴⁶

An individualized education program for a student with a disability meets the requirements of a student success plan if it addresses academic deficits and interventions for students not meeting standards-based academic goals at an expected rate or level and includes a transition plan that addresses college and career planning components.³⁴⁷

Changes made to student success plans in the LEARNS Act are discussed in the LEARNS section later in this report.

³⁴⁶ Ark. Code Ann. § 6-15-2911(b)(2).

³⁴⁷ *Id.* at (b)(4).

Educator Input

Principals serving at a high school were asked which elements are included in their schools' student success plans. The three most common elements selected were courses the student will take in high school (96%), four- or two-year college planning (89%), and post-high school jobs (75%). Principals also indicated the parties involved in creating student success plans. The most common parties included were counselors (95%), students (87%), and teachers (73%). Of the responding principals who serve high schools, 51% indicated that all of their students have a student success plan. A third of principals responded that between 75% and 99% of their students have a student success plan. Ninety-three percent of responding principals said that the impact of creating a student success plan on students was somewhat or very positive, and 87% of responding principals said that the impact of creating a student success plan on school personnel was somewhat or very positive.³⁴⁸

Educator Excellence

The AESAA allows the SBOE to promulgate rules that promote the state's goal of providing all Arkansas public school students with qualified and effective educators. Under the current rules, districts are responsible for recruiting, hiring, retaining, and developing effective teachers and leaders by using programs provided by DESE, including the state's teacher evaluation system,³⁴⁹ the state's leader evaluation system,³⁵⁰ and other DESE resources. Districts and schools must report information to DESE, including professional qualifications, teaching assignments, professional development, and performance evaluation information. Districts with data reflecting disproportionality must develop and implement strategies for equitable access in the district's support plan.

Data Reporting

DESE has multiple methods of communicating data to districts, schools, parents, and the public, one being the annual school report cards.³⁵¹ Report cards are published for each district and contain data on achievement, enrollment, college readiness, school environment, accreditation, graduation rates, remediation rates, retention, teacher quality, and school expenditures.

Letter Grade Rating System

Ark. Code Ann. § 6-15-2101 *et seq.* lays out the state's school rating system (also known as the letter grade system). The school rating system must be a multiple-measures approach including:

- academic achievement on the annual statewide student assessment;
- student growth on the annual statewide student assessment;
- school-level graduation rate or rates; and
- English-learner progress or growth in acquiring English.

In addition, the rating system must consider at least one of the following indicators:³⁵²

- closing the achievement gap
- academic growth of student subgroups (economically disadvantaged students, students from major racial and ethnic groups, English learners, and students with disabilities)
- the percentage of grade 9 cohort with on-time completion of credit attainment at the end of grade 9
- equity in resource allocation

³⁴⁸ See 2024 "Principal Survey Responses," questions 35-38.

³⁴⁹ See "Teacher Excellence and Support System," Ark. Code Ann. § 6-17-2801 *et seq.*

³⁵⁰ See Ark. Code Ann. § 6-17-2809 (requiring the DESE to "design a system of administrator leadership support and evaluations," which is done with the DESE "Rules Governing the Leader Excellence and Development System," Rule 5.01, and known as the "Arkansas Leader Excellence and Development System ("LEADS)").

³⁵¹ Ark. Code Ann. § 6-15-2202.

³⁵² *Id.* at § 6-15-2108(b).

- the percentage of students who earn:
 - Advanced Placement credit
 - concurrent credit
 - International Baccalaureate credit, or
 - industry-recognized certification that leads to articulated or concurrent credit at a postsecondary institution
- student access to multiple flexible learning continua
- student access to preschool offered by the public school district
- the proportional percentage of qualified educators who hold a National Board for Professional Teaching Standards certification or have an advanced degree beyond their bachelor’s degree
- public school district and community partnerships

Ark. Code Ann. § 6-15-2106 directs the SBOE to promulgate rules to implement the rating system. Under DESE rules, the School Rating System uses the ESSA School Index, which consists of the following indicators:

- Weighted achievement
- School Mean Growth plus English Learner Growth:
 - Content growth (ELA and math growth scores combined for each student)
 - English Learner progress to English Language Proficiency at a rate that is proportional to number of English Learners
- Adjusted Cohort Graduation Rate:
 - Four-year Adjusted Cohort Graduation Rate
 - Five-year Adjusted Cohort Graduation Rate
- School Quality and Student Success

The School Quality and Student Success indicator is based on the following chart:

Indicator	Grade Level or Cohort for Points Available	Points for Student
Student Engagement	Grades K -11	Point based on Chronic Absence (CA) risk level: CA<5% = 1.0 Point 5<=CA < 10% = 0.5 Point CA >=10% = 0.0 Point
Science Achievement	Grades 3 – 10	Ready or Exceeds = 1.0 Point Close or Not Ready = 0.0 Point
Science Growth	Grades 4 – 10	Using ACT Aspire Science Value-Added Score Percentile Rate VAS PR ≥ 75 = 1.0 Point 25 ≤ VAS PR < 75 = 0.5 Point VAS PR ≤ 25 = 0.0 Point
Reading at Grade Level	Grades 3 – 10	Ready or Exceeds = 1.0 Point Close or Not Ready = 0.0 Point
ACT	Grade 12 Cycle 7 Enrollment	Best ACT Composite Score ≥ 19 = 1.0 Point Use best ACT score from prior 3 years.
ACT Readiness Benchmark	Grade 12 Cycle 7 Enrollment	ACT Reading ≥ 22 = 0.5 point ACT Math ≥ 22 = 0.5 point ACT Science ≥ 23 = 0.5 point Use best ACT score from prior 3 years for ea. subject

Indicator	Grade Level or Cohort for Points Available	Points for Student
GPA 2.8 or better on 4.0 scale	Grade 12 Cycle 7 Enrollment	High school final GPA ≥ 2.8 = 1.0 Point
Community Service Learning Credits Earned	Grade 12 Cycle 7 Enrollment	1 or more SL credits earned = 1.0 Point Act 648 of 1993 course #496010 or other state approved courses Credits earned at any time during grades 9 - 12
On-time Credits	Grades 9 -11	Grade 9 completed ≥ 5.5 credit = 1.0 Point Grade 10 completed ≥ 11.0 credits = 1.0 Point Grade 11 completed ≥ 16.5 credits = 1.0 Point
Computer Science Course Credits Earned	Grade 12 Cycle 7 Enrollment	Credits earned ≥ 1 = 1.0 Point Credits earned at any time during grades 9 - 12
Adv. Placement / Intl. Baccalaureate or Concurrent Credit Courses (ACE included)	Grade 12 Cycle 7 Enrollment	Credits earned ≥ 1 = 1.0 Point Credits earned at any time during grades 9 - 12

After each of the indicators is calculated, they are weighed according to this chart:

Component	Weight of Indicator within Index Grades K – 5 & 6 - 8		Weight of Indicator within Index High Schools
Weighted Achievement Indicator	35%	Weighted Achievement and Academic Growth	70% total with Weighted Achiev. accounting for half (35%) and School Growth Score accounting for half (35%)
Growth Indicator Academic Growth English Language Progress	50%		
Progress to English Language Proficiency	Weight of indicator in School Value-Added Growth Score is proportionate to number of English Learners	Progress to English Language Proficiency	Weight of indicator in School Value-Added Growth Score is proportionate to number of English Learners
Graduation Rate Indicator 4-Year Adjusted Cohort Rate 5-Year Adjusted Cohort Rate	N/A		15% total 4-Yr = 10% 5-Yr = 5%
School Quality and Student Success Indicator	15%		15%

The result is the ESSA School Index for the school. To figure the letter grades, the Department uses the following rankings:

Letter Grade	Elementary	Middle School	High School
A	79.26 <= Score	75.59 <= Score	73.22 <= Score
B	72.17 - 79.25	69.94 - 75.58	67.96 - 73.21
C	64.98 - 72.16	63.73 - 69.93	61.10 - 67.95
D	58.09 - 64.97	53.58 - 63.72	52.95 - 61.09
F	Score < 58.09	Score < 53.58	Score < 52.95

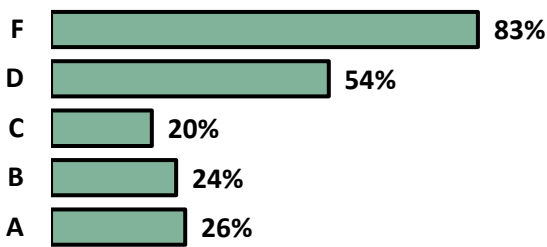
DESE is required to prepare the reports annually.³⁵³ However, because of COVID-19, the U.S. Department of Education granted Arkansas a waiver from the assessment, accountability, and reporting ESSA requirements for the 2020 school year. Because Arkansas did not conduct its annual assessments in the 2020 school year, DESE was unable to calculate ESSA School Index scores. Since the states’ letter grade system is based on the ESSA School Index scores, no school received letter grades for the 2020 school year. In addition, Act 89 of 2021 suspended the public school rating system for the 2021 school year; therefore, DESE did not issue letter grades for the 2021 school year. Arkansas did conduct its annual assessments in the 2021 school year, and calculated and published schools’ ESSA School Index scores, as required under ESSA.

Annual performance reports must be made available in hard copy to parents or guardians upon request, posted on the DESE website, and posted on the local school district’s website.³⁵⁴ Annual reports must also list student performance on statewide student assessments, student academic growth based on statewide student assessments, and the school’s graduation rate (if applicable).³⁵⁵

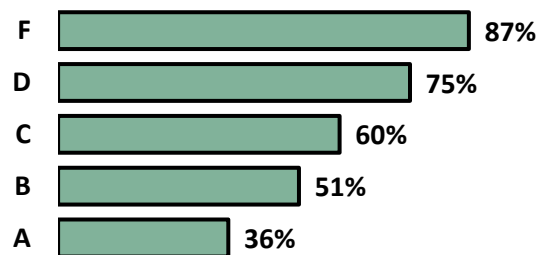
Characteristics of Schools by Letter Grade

The following charts show characteristics of schools by letter grade in 2023.

% Nonwhite



% Free and Reduced Lunch



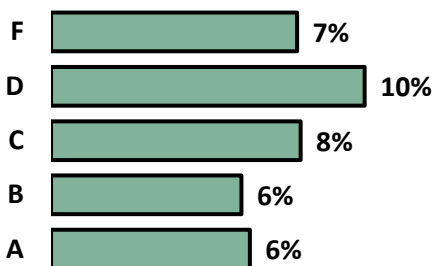
“D” and “F” schools had higher percentages of nonwhite students. The percentage of students eligible for free and reduced lunch trended up as the school’s letter grade trended down.

³⁵³ Ark. Code Ann. § 6-15-2101(a)(1).

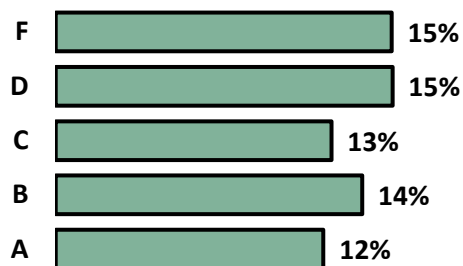
³⁵⁴ *Id.* at § 6-15-2101(a)(3)

³⁵⁵ *Id.* at § 6-15-2101(c).

% English Learner

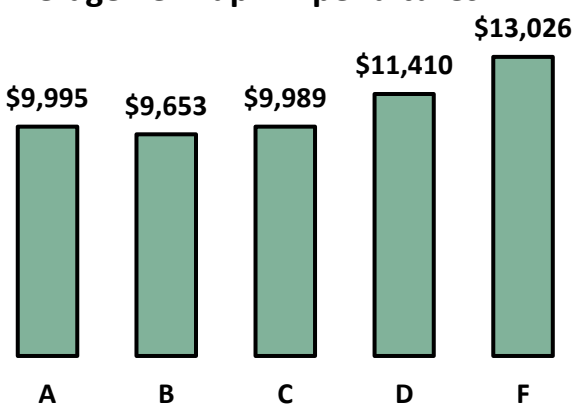


% Special Education

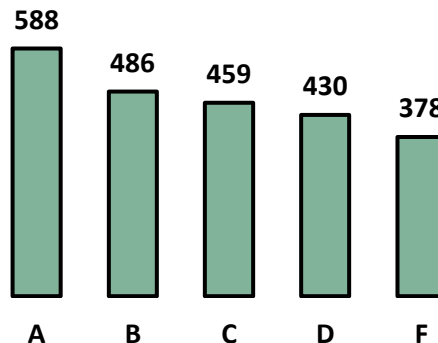


“D” schools had the highest percentage of English learners. The percentage of special education students was similar for each letter grade.

Average Per Pupil Expenditures



Average School Size



“F” schools spent the most on average per pupil. The average school size got smaller as letter grades went down.

Correlations

A correlation is a mathematic calculation that shows how closely two indicators are related. When schools’ 2023 ESSA Indexes are compared to several demographic measures, a few have statistically significant correlations:

- The concentration of white students had a statistically significant positive correlation (.48) with the ESSA School Index (meaning that as the percentage of white students in a school increased, the school’s ESSA School Index increased).
- The concentration of Black students had a statistically significant negative correlation (-.57) with the ESSA School Index (meaning that as the percentage of African-American students in a school increased, the school’s ESSA School Index decreased).
- The concentration of special education students had a statistically significant negative correlation (-.19) with the ESSA School Index (meaning that as the percentage of special education students in a school went up, the school’s ESSA School Index went down). The correlation coefficient’s nearness to 0 indicates the relationship is not strong.
- The concentration of FRL students had a statistically significant negative correlation (-.6) with the ESSA School Index (meaning that as the percentage of FRL students goes up, the school’s ESSA School Index goes down).

No statistically significant relationship between the concentration of Hispanic students or English learners and the ESSA School Indexes appeared.

Letter grades for the 2024 school year and going forward will be calculated differently. DESE’s LEARNS Accountability work group has discussed changes to the ESSA School Index. The new index will be used, along with the 2024 ATLAS results, to calculate grades for the 2024 school year.

Educator Input

When asked about letter grades, 44% of responding principals somewhat or strongly agreed with the statement, “Letter grades are helpful in determining the areas where my school needs to improve.” Eighty-five percent of responding principals somewhat or strongly agreed with the statement, “I know the factors that are used to calculate my school’s letter grade.” Seventy-one percent of responding principals said that they sometimes or often consider letter grades when making budgeting decisions.³⁵⁶

Reward Schools

The Arkansas School Recognition Program³⁵⁷ provides financial awards to public schools that experience high student performance, student academic growth, and, where applicable, high graduation rates. A public school or open-enrollment charter school in the top 5% of all Arkansas public schools in student performance or student academic growth (which includes high school graduation rates for secondary schools) may receive a one-time distribution of up to \$100 per student. A public school or open-enrollment charter school in the top 6% to 10% in student performance or student academic growth may receive a one-time distribution up to \$50 per student.

Schools on the Move

Schools on the Move Toward Excellence is a DESE campaign recognizing schools that uses a continuous cycle of inquiry (plan, do, check) to demonstrate improvement on recent state and federal accountability reports. DESE highlights schools that show significant progress on different indicators, including an increase in letter grade and ESSA School Index score by at least five points, Weighted Achievement score increase by at least 10 points, and Value-Added Growth score higher than 97.5% of schools.

Special Education

The USDOE annually assesses whether each state meets the requirements of Part B of the IDEA. Part B of the IDEA relates to the provisions of services and federal funding for states to provide a free appropriate public education in the least restrictive environment for children with disabilities ages three to 21. This is determined by looking at multiple pieces of information: educational results and functional outcomes of students with disabilities, the validity and reliability of the data provided by the state, and the percentage of the compliance with federal special education requirements.³⁵⁸

The following table shows the indicators used in this assessment. The first part shows indicators used in the Results Matrix, and the second table shows indicators used in the Compliance Matrix. Both use “information related to the participation of children with disabilities (CWD) on regular Statewide assessments; the participation and performance of CWD on the most recently administered (2022) National Assessment of Educational Progress (NAEP); exiting data on CWD who dropped out and CWD who graduated with a regular high school diploma; the State’s Federal fiscal year (FFY) 2021 State Performance Plan/Annual Performance Report (SPP/APR); information from monitoring and other public information, such as Specific Conditions on the State’s grant award under IDEA Part B; and other issues related to State compliance with the IDEA [Individuals with Disabilities Education Act].”³⁵⁹ Part C indicators under the Program for Infants and Toddlers birth through age two are not included.

³⁵⁶ See “2024 Principals Survey Responses,” questions 32-33..

³⁵⁷ Ark. Code Ann. § 6-15-2107.

³⁵⁸ 20 USC Chapter 33 § 1411.

³⁵⁹ U.S. DOE. “How the Department Made Determinations Under Section 616(D) of the IDEA in 2023: Part B.” (June 23, 2023). Retrieved from: <https://sites.ed.gov/idea/files/how-the-department-made-determinations-part-b-2023.pdf>

Part B Results Indicators
Percentage of 4 th Grade and 8 th Grade Students with Disabilities Participating in Regular Statewide Assessments (Math and Reading)
Percentage of 4 th Grade and 8 th Grade Students with Disabilities Included in Testing on the National Assessment of Educational Progress (Math and Reading)
Percentage of 4 th Grade and 8 th Grade Students with Disabilities Scoring at Basic or Above on the National Assessment of Educational Progress (Math and Reading)
Percentage of who Dropped Out
Percentage of who Graduated with a Regular High School Diploma
Part B Compliance Indicators
Indicator 4B: Significant discrepancy, by race and ethnicity, in the rate of suspension and expulsion, and policies, procedures or practices that contribute to the significant discrepancy and do not comply with specified requirements.
Indicator 9: Disproportionate representation of racial and ethnic groups in special education and related services due to inappropriate identification.
Indicator 10: Disproportionate representation of racial and ethnic groups in specific disability categories due to inappropriate identification.
Indicator 11: Timely initial evaluation
Indicator 12: IEP developed and implemented by third birthday
Indicator 13: Secondary transition (Percent of youth with IEPs aged 16 and above with an IEP that includes appropriate measurable postsecondary goals that are annually updated and based upon an age appropriate transition assessment, transition services, and annual IEP goals related to the student’s transition services’ needs.
Timely and Accurate State-Reported Data
Timely State Complaint Decisions
Timely Due Process Hearing Decisions
Longstanding Noncompliance (Special Conditions and Uncorrected identified noncompliance)

Data Source: U.S. DOE³⁶⁰ Note: 2023 Part B Results Matrix relies on performance and participation data from the 2021-22 school year and the Compliance Matrix relies on data from FFY21 and any findings identified in FFY20.

Based on results from the above Part B Results and Compliance Matrices, each state receives one of the following determinations from the USDOE’s Office of Special Education and Rehabilitative Services regarding meeting IDEA requirements:

IDEA Determinations	Technical Assistance or Enforcement Actions Taken by the U.S. DOE
Meets the requirements and purposes of IDEA	N/A
Needs assistance in implementing the requirements of IDEA	For two consecutive years: At least one of the following, but not limited to: Requiring the State to access technical assistance, designating the State as a high-risk grantee, or directing the use of State set-aside funds to the area(s) where the State needs assistance.
Needs intervention in implementing the requirements of IDEA	For three consecutive years: At least one of the following, but not limited to: Requiring a corrective action plan or compliance agreement, or withholding further payments to the State.

³⁶⁰ U.S. Department of Education. “2023 SPP/APR Submission Part B – Arkansas; 2023 Part B - Arkansas.” Retrieved at <https://sites.ed.gov/idea/state/arkansas/>

IDEA Determinations	Technical Assistance or Enforcement Actions Taken by the U.S. DOE
Needs substantial intervention in implementing the requirements of IDEA	Anytime: Must take immediate enforcement action, such as withholding funds or referring the matter to the Department’s inspector general or to the Department of Justice.

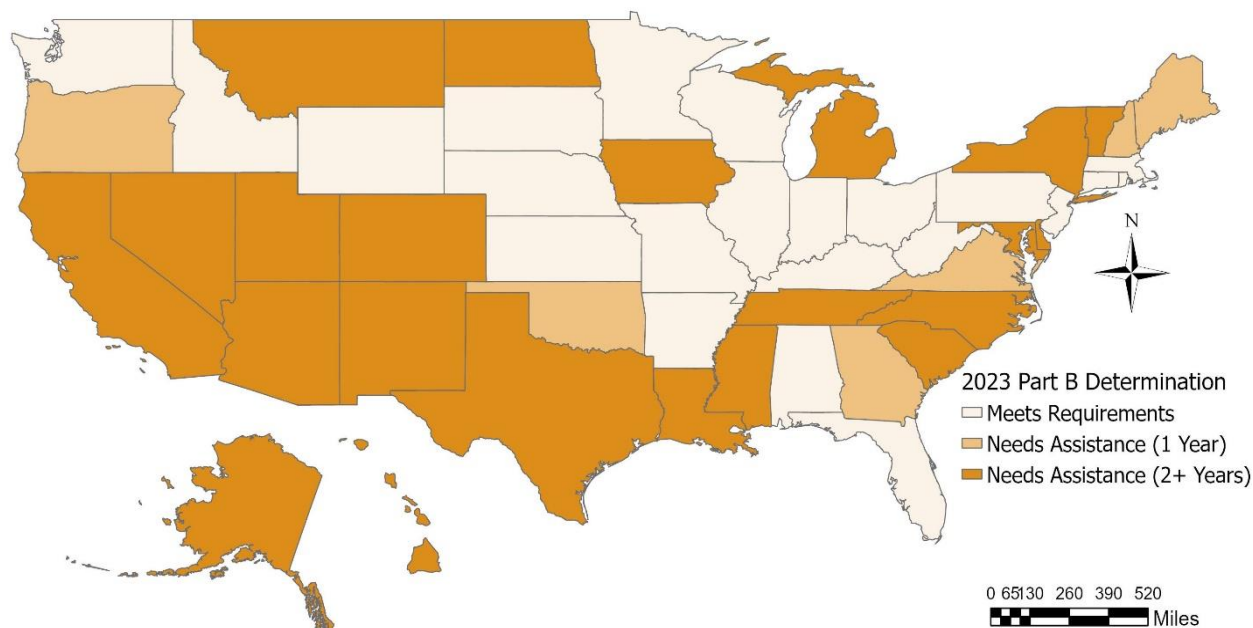
Data Source: U.S. DOE³⁶¹

The last five determinations for Arkansas are shown in the table below, along with a summary of results from the results and compliance matrices. The following map shows how these determinations vary by state.

Year Issued	Results-Driven Accountability Percentage and Determination		Results and Compliance Overall Scoring					
	Percentage	Determination	Results			Compliance		
			Total Points Available	Points Earned	Score	Total Points Available	Points Earned	Score
2019	62.50%	Needs Assistance	24	12	50%	20	15	75%
2020	80.83%	Meets Requirements	24	16	66.67%	20	19	95%
2021	70.00%	Needs Assistance	16	8	50%	20	18	90%
2022	72.5%	Needs Assistance	16	8	50%	20	19	95%
2023	80.83%	Meets Requirements	24	16	66.67%	20	19	95%

Data Sources: U.S. DOE Part B Results-Driven Accountability Matrices from 2019-2023³⁶²

2023 IDEA Part B Determinations



³⁶¹ “2023 SPP/APR Submission Part B – Arkansas; 2023 Part B - Arkansas.”

³⁶² <https://sites.ed.gov/idea/state/arkansas/>

Fiscal Assessment and Accountability

Fiscal Distress Process

The Arkansas Fiscal Assessment and Accountability Program³⁶³, known more commonly as fiscal distress, is the state program used to identify and correct school districts that are struggling to maintain fiscal stability. Under state law, DESE identifies districts in fiscal distress, and the SBOE approves or denies the identification and classifies school districts as being in distress. DESE, the Commissioner of Education, and SBOE have authority to take corrective actions in districts identified and classified in fiscal distress.

The original fiscal distress program began in 1995, but the program has been modified significantly several times since 1995. Most recently, the General Assembly passed Act 929 of 2019, which mirrored the changes Act 930 of 2017 made to the academic distress program (now known as Level 5 – Intensive Support).

The following subsections outline the current fiscal distress process, which includes early warning, identification and classification, possible sanctions and corrective actions, and removal.

Early Warning

Under the early warning system (also known as early intervention), DESE is required to report to school district superintendents by November 1 if DESE is aware that the school district has experienced two or more nonmaterial indicators of fiscal distress that DESE believes could put the district at risk without intervention. Superintendents are required to report the same information about their districts to DESE, also by November 1. Under DESE rules, a nonmaterial violation is something that does not directly jeopardize the fiscal integrity of a school district but has the potential to put the school district in fiscal distress.

Indicators of distress may be the indicators listed in the statute³⁶⁴ or in DESE rules.

To help identify potential problems, DESE provides an early intervention checklist to school districts. This tool helps districts identify issues that could lead to a fiscal distress classification if left unaddressed. Districts are not required to complete the checklist. DESE reviews three years of districts' unrestricted fund balances, audits, and average daily membership records. If DESE has concerns about a district after the review, DESE sends the district the checklist.

A district may move into or out of early intervention at any time in any given school year. The districts in early warning in the 2023 school year were Forrest City, Huntsville, Nevada, and Helena-West Helena.

If a district is experiencing fiscal distress at a nonmaterial level, the district must comply with all requirements of the state board in rules (including review of budget, reporting, and hiring and termination of staff), and receive written approval from DESE before incurring debt.³⁶⁵

DESE may request that Arkansas Legislative Audit conduct an annual audit of a public school district determined to be experiencing fiscal distress at a nonmaterial level. Under DESE rules, school districts must be audited annually; however, Legislative Audit does not conduct all school district audits. Under certain circumstances, districts may request that Legislative Audit conduct the audit, but otherwise, the school district board must select a private auditor.

Identification and Classification

Ark. Code Ann. § 6-20-1904 lists the indicators of fiscal distress. DESE may identify a district in distress if the district has any of the following indicators:

- Declining balance determined to jeopardize the fiscal integrity of the district

³⁶³ Ark. Code Ann. § 6-20-1901 et seq.

³⁶⁴ Ark. Code Ann. § 6-20-1904.

³⁶⁵ Ark. Code Ann. § 6-20-1904(b)(4).

- An act or violation determined to jeopardize the fiscal integrity of the district
- Material failure to comply with Ark. Code Ann. § 6-20-1913, which concerns the minimum qualifications for a general business manager
- Material failure to comply with reporting, debt approval, or other requirements placed on a public school district that has been returned to local control
- Any other fiscal condition of a school district deemed to have a detrimental negative impact on the continuation of educational services by the district

Such acts, violations, and conditions include:

- Material failure to maintain school facilities, provide timely and accurate financial reports to specific state agencies, meet minimum teacher salaries, comply with state purchasing, bid agreements, or audit requirements
- Material violation of local, state, or federal fire, health, safety, or construction codes
- Material default on any school district debt obligation
- Material discrepancy between budgeted and actual expenditures
- Insufficient funds to cover payroll, salary, employment benefits, or legal tax obligations

Once DESE has identified a district in distress, DESE is required to notify the district in writing prior to June 30; however, DESE may identify a district as being in fiscal distress at any time after June 30 if DESE discovers that a fiscal condition of the school district negatively impacts the continuation of educational services by the district.

Once the district receives the notification from DESE, the district has 30 days to appeal to the SBOE. The SBOE must hear the appeal within 60 days after receiving the appeal from the district. If the district chooses not to appeal, the SBOE must still vote to classify the district in distress. While DESE *identifies* districts in distress, only the SBOE may vote to *classify* the district in distress.

Most districts do not appeal the fiscal distress identification. Districts that DESE identifies as being in fiscal distress are prohibited from incurring additional debt without written approval from DESE.

In the 2023 school year, the Pine Bluff and Lee County school districts were in fiscal distress. Both districts will be discussed in further detail later in this section.

Possible Sanctions and Corrective Actions

Once a district is classified in fiscal distress, a district has certain responsibilities. A district in fiscal distress must:

- File an improvement plan with DESE that includes specific ways to correct fiscal deficiencies
- Allow on-site technical evaluations and other assistance conducted by members of the DESE Fiscal Services and Support Unit
- Adhere to recommendations from DESE to improve staffing and fiscal policy practices
- Report the reason for fiscal distress to the newspaper
- Obtain written permission from DESE before incurring additional debt

After a district is classified in fiscal distress, DESE and the SBOE may take actions in the district, including:

- Removing and replacing the superintendent
- Suspending or removing the local school board
- Requiring fiscal training for the district staff or local board
- Monitoring the fiscal operations and accounts of the district
- Petitioning to the SBOE to annex, consolidate, or reconstitute the district
- Imposing additional reporting requirements on the district

- Authorizing an individual appointed to the school district to remove, replace, reassign, or suspend public school district personnel in accordance with state law
- Suspending on a temporary basis some or all of the powers and duties granted to the current public school district board of directors but allowing the board of directors to continue to operate under the direction and approval of the Commissioner (the SBOE defines the powers of the board of directors in this situation)
- Requiring reassignment of some or all of the staff of the district
- Requiring reorganization, closure, or dissolution of one or more of the district’s schools
- Taking any other action allowed by law that is deemed necessary to assist a school district in removing the classification of fiscal distress

Removal

To be removed from fiscal distress, a school district must demonstrate that all causes of fiscal distress have been corrected. In addition, the district must not have experienced any additional indicators of fiscal distress.

The SBOE must vote to remove a district from distress. If a school district is not removed from fiscal distress within five years, the SBOE is required to annex, consolidate, or reconstitute the district. However, if the district is unable to be removed from fiscal distress due to conditions beyond its control, the law allows the SBOE to grant additional time. Ark. Code Ann. § 6-20-1908 does not specify what conditions qualify as “beyond the school district’s control.”

Districts returned to local control or removed from fiscal distress must comply with all monitoring and reporting requirements from DESE and the SBOE, cannot incur additional debt without written approval from DESE, and must use Arkansas Legislative Audit to conduct an annual audit. In addition, DESE must monitor the fiscal operations of the district for three years, provide support to the district, and may impose reporting requirements on the district.

If a district’s board of directors has been removed, the Commissioner may return administration of the school district to the previous board of directors or a newly elected board of directors. DESE must first certify that the district has corrected all issues that led to the classification of fiscal distress and that the school district has not experienced any additional indicators of fiscal distress. The SBOE must also determine that the school district has corrected all issues that caused the classification of fiscal distress.

Facilities Distress

Act 1426 of 2005 established the Academic Facilities Distress Program to provide the state with a mechanism to intervene when districts do not provide adequate academic facilities or comply with facilities rules. The Arkansas Division of Public School Academic Facilities and Transportation administers the facilities distress program. Ark. Code Ann. § 6-21-813 requires random, unannounced on-site inspections of all academic facilities in the state, conducted by the Division. According to the Division, with the Division’s new iPad technology, the maintenance staff will be able to visit every campus and building within a two-year time frame, if they are fully staffed.

Early Indicators of Facilities Distress

State law requires the Division to notify superintendents when they have identified two or more indicators of facilities distress that, while nonmaterial, could place the district in facilities distress if not addressed.³⁶⁶ Superintendents are also required to report to the Division if the superintendent is aware the school district has experienced two or more indicators of facilities distress in one school year that the superintendent deems to be nonmaterial, but that without intervention could place the district in facilities distress.

Within 30 days of the Division determining that a school district may be experiencing facilities distress at a nonmaterial level, the Division must provide notice to the superintendent and board of directors that describes the

³⁶⁶ Ark. Code Ann. § 6-21-811(c).

indicators and identifies support available from the Division to address the indicators. In addition, the board of directors must place a discussion of the indicators on its next regular meeting agenda.

Identification and Classification

Under Ark. Code Ann. § 6-21-811(a)(1), the Commission for Arkansas Public School Academic Facilities and Transportation (Commission) “shall classify a public school or school district as being in academic facilities distress if the Division of Public School Academic Facilities and Transportation recommends and the commission concurs that the school or school districts has engaged in actions or inactions that results in any of the following:

- Material failure to properly maintain academic facilities;
- Material violation of local, state, or federal fire, health or safety code provisions or laws;
- Material violation of applicable building code provisions or law;
- Material failure to provide timely and accurate facilities master plans to the division;
- Material failure to comply with state law governing purchasing, bid requirements or school-construction related laws or rules in relation to academic facilities projects;
- Material default on any school district debt obligation; or
- Material failure to plan and progress satisfactorily toward accomplishing the priorities established by the division and the approved school district’s facilities master plan”

DESE is required to provide written notice to the superintendent and president of the board of directors of a school district identified or containing a school identified by the division as being in facilities distress.

Requirements and Removal

A district in facilities distress is required to submit a facilities improvement plan for Division approval within 30 days from the date of classification.³⁶⁷ The plan must identify and provide a detailed timeframe to remedy all material failures that led to facilities distress. The Division may provide on-site technical evaluation and assistance and make written and binding recommendations to the superintendent regarding the care and maintenance of school facilities.³⁶⁸

If a district or school has immediate needs for urgent repairs, renovations, or construction, it may apply for a loan from the Division³⁶⁹ or other assistance, such as the Academic Facilities Partnership Program. If a loan is provided, it must be repaid from funds not required to provide an adequate education. In addition, a school or district in facilities distress may not incur a new debt obligation without permission from the Division. Besides restriction on debt, the Division can impose other sanctions such as:

- Requiring a special election for a millage increase to support facilities construction or repair
- Requiring the superintendent to step down and appoint a replacement
- Suspending or removing local school board members
- Assuming authority over a district in facilities distress
- Prohibiting the district from spending money on any activity that is not part of providing an adequate education
- Petitioning the SBOE to consolidate, annex, reconstitute, or dissolve the district

During this time, a student may transfer to another district or school that is not in facilities distress.³⁷⁰

To be removed from facilities distress, the Division must certify that the school or district has corrected all issues that caused it to be in facilities distress. Then, the Commission must approve the Division’s recommendation for

³⁶⁷ Ark. Code Ann. § 6-21-811(d)(1).

³⁶⁸ Ark. Code Ann. § 6-21-811(g).

³⁶⁹ Ark. Code Ann. § 6-21-811(k)(1)(A).

³⁷⁰ Ark. Code Ann. § 6-21-812(a).

removal. Schools or districts in facilities distress must correct their academic facility issues within five consecutive school years.³⁷¹ A school district that cannot be removed from facilities distress within five years must be consolidated, annexed, or reconstituted. However, the SBOE may grant more time if it determines that the school or district could not be removed from facilities distress “due to impossibility caused by external forces beyond the control of the public school or school district.”³⁷²

Districts in Facilities Distress

No individual schools have been placed in facilities distress, and, to date, only one school district has received that designation. Hermitage School District was put in facilities distress in 2008 due to building code and procurement law violations. After correction of the violations, Hermitage was removed from facilities distress in 2009.

The Division has a facilities distress indicator tracker. In the 2023 school year, 11 districts had issues placed on the indicator, with only one district having multiple indicators on the tracker. Eleven of the 13 indicators were remediated within the school year. Several of the indicators related to districts not notifying the Division as required before performing maintenance or construction.

Districts under State Authority

In the 2022-23 school year, four districts were under state authority: Earle, Helena-West Helena, Lee County, and Pine Bluff.

Earle

The Earle School District was classified in fiscal distress on October 12, 2017. The SBOE took over the district on November 6, 2017, appointing a new superintendent and suspending the school board (then-Commissioner Key asked the school board to continue to serve in the capacity of an advisory board). On May 9, 2019, the Earle School District was classified as being in need of Level 5—Intensive Support. The district was removed from fiscal distress on June 1, 2023. The SBOE also voted to assume authority over the district due to the district being in Level 5—Intensive Support. The SBOE voted to appoint the members of the school district’s board of directors to a limited authority board that could, following training, make all the decisions of an elected board except selecting the superintendent.

Helena-West Helena

Helena-West Helena was classified as being in need of Level 5—Intensive Services on July 14, 2022. The SBOE also voted to require the Commissioner of Education to provide support to the district and remove the powers and duties of the local board of directors to make all personnel decisions.

Lee County

Lee County School District was originally placed under state authority on March 25, 2019, for violations of the Standards for Accreditation. The SBOE classified the district in fiscal distress on May 9, 2019. The SBOE also classified the district as being in need of Level 5—Intensive Support on May 13, 2021.

Pine Bluff

The Pine Bluff School District was classified in fiscal distress on September 13, 2018, and placed in state takeover. On November 8, 2018, the SBOE voted to classify the district as being in need of Level 5—Intensive Services. On September 15, 2023, the SBOE voted to remove the district from fiscal distress and Level 5 and place the District in Level 4—Directed Support. The SBOE also removed the limits on the Pine Bluff School District Board of Directors.

³⁷¹ Ark. Code Ann. § 6-21-811(g)(11)(C).

³⁷² Ark. Code Ann. § 6-21-811(g)(11)(D).

13. Economic Indices Outlook

Introduction

During each Adequacy Study, the House and Senate Education Committees review the projections for various economic indicators to anticipate inflationary impacts on various educational expenditures.

Consumer Price Index Projections

The Bureau of Legislative Research subscribes to two economic data providers, S&P Global and Moody's Analytics. Those services provide the following two estimates for the Consumer Price Index (CPI); the CPI for All Urban Consumers: All Items (CPI-U), and the CPI for All Urban Consumers : All items Less food and Energy, also known as "Core CPI."

The Core CPI differs from the CPI-U, as the Core CPI excludes the food and energy components due to their volatility. The estimates provided follow a similar approach to the reports previously presented to this committee showing the year-over-year percent change based on Quarter 3 estimates.

During the analysis period, S&P Global and Moody's Analytics expect CPI-U to moderate as it moves towards the end of the estimation period (2029). Moody's Analytics estimated CPI-U change for 2025-2026 is 2.39%, and for 2026-2027 is 2.25% . Estimates from S&P Global for the same time period are 2.59% and 2.05%, respectively. The difference between the estimates is partly associated with labor market and monetary policy assumptions. When combined, the average CPI-U estimates for both data providers are 2.49% for 2025-2026, and 2.15% for 2026-2027.

Medical Consumer Price Projections

Legislative consultant Segal presented recommendations regarding health insurance contributions by school districts and by the DESE to the Arkansas Employees Benefits Divisions during the House and Senate Education Committees' joint adequacy meeting on August 20, 2024. Segal's recommended approach to stabilizing health insurance costs with revenue over future years was to raise the districts' contribution amount for each employee to \$312 a month in calendar year 2025 with 4% increases in each subsequent calendar year. Calendar year 2026 would increase to \$324.48 per month per participating employee and calendar year 2027's rate would increase to \$324.48 a month. Because school districts are funded on a July-June fiscal year, these rates would be blended for the 2025-26 school year and beyond to account for the two different rates in each calendar year.

Meanwhile, the lump sum contribution from DESE would increase by 4% each year starting in fiscal year 2026. This yields a total funding amount of \$144.8M in calendar year 2025 - an increase from the \$142M in calendar year 2024.

14. Stakeholder Feedback

Introduction

For each adequacy study, the House Committee on Education and the Senate Committee on Education request various stakeholder groups to provide their input and recommendations for achieving adequacy for the next biennium. Below are synopses of the written testimony provided to the committees in May 2024.

Arkansas Advocates for Children and Families

Arkansas Advocates for Children and Families (AACF) makes five suggestions.

First, large gaps exist in educational opportunities and outcomes for many students in the state. Reducing those gaps should be a priority. As part of addressing achievement gaps, the adequacy matrix should be changed to stay aligned with the current needs of society and students.

Second, early childhood education funding should be expanded. The state should implement a birth-to-five-year-old system, with an emphasis on quality care for infants and toddlers.

Third, the state should fund out-of-school programs. Such programs improve children's school attendance and achievement, and make children less likely to drop out of school and more likely to pursue higher education.

Fourth, the state should increase mental health supports.

Finally, the state should increase funding for special education. Specifically, the state should consider following Picus and Odden's 2019 recommendation of increasing the current classroom ratio to 8.1 special education teachers per 1,000 special education students. AACF also recommends the state consider other funding models to cover the true cost of providing special education services.

Arkansas Association of Educational Administrators

The Arkansas Association of Educational Administrators (AAEA) testimony included several recommendations, starting with noting that the application of the matrix to the actual needs of schools does not work.

A yearly cost-of-living adjustment should be made for all components in the matrix due to inflation. In addition, it is critical to raise classified staff salaries to meet labor shortages facing schools. Furthermore, maintenance and operations expenditures should be fully funded so that districts can fully fund classified staff salaries.

For categorical funding, cost-of-living adjustments should be applied to all categorical funding. Additionally, ESA funding should remain intact and be enhanced, and additional funding should be provided for English Language Learners and Alternative Learning Environments.

For facilities, Partnership square footage rates should be raised to match current construction costs. The increase in construction costs and mandates for storm shelters has made it difficult for districts to upgrade old facilities or construct new facilities. Storm shelter size should be based on standards for class size to ensure shelters are not built larger than necessary. For property insurance, districts should have adequate funding to pay for facility insurance premiums. Finally, a comparative study of school district facilities is needed; no such study has been conducted for 15 years.

High-cost occurrences funding should be increased to cover eligible expenses.

Another round of safety grants is needed to cover the cost of fully implementing the Arkansas School Safety Commission recommendations.

The state should expand and adequately fund career and technical education programs. The actual start-up cost of certain programs is not covered by state grants. In addition, the certifications encouraged by the state are costly and not properly funded.

Funding for pre-kindergarten programs should be increased.

Finally, districts need additional staff to meet new requirements, including dyslexia interventions, the computer science initiative, and new Standards for Accreditation including financial literacy and computer coding.

Arkansas Public School Resource Center

The Arkansas Public School Resource Center (APSRC) written testimony provides an overview of the state's current school funding system. The APSRC also provided two exhibits. The first is a report from Chris Duncombe of the ECS titled "K-12 Funding 50-State Information." The second is a report from Zahava Stadler, Project Director with the Education Funding Equity Initiative titled "An Evaluation of Arkansas School Funding in National and Regional Context."

The APSRC offers six recommendations.

First, LEARNS Act salary and raise funds should be based on a per-student amount, adjusted each year, to ensure that funding is appropriate for each school's current enrollment and staff.

Second, the state should conduct additional research and analysis on the four-day school week. As more districts in the state begin to utilize the four-day week, the impacts on funding, standards, and student achievement should be examined.

For charter funding, an additional categorical fund or weight for open-enrollment charter schools should be added, since many open-enrollment public charters have below a 500-student enrollment count. Additionally, all open-enrollment public charter schools that deliver instruction in an on-site, face-to-face setting should be eligible for funding through the Open-Enrollment Public Charter Schools Facilities Funding Aid Program.

Funding for Career and Technical Education should be covered in the adequacy process and included in the matrix.

Funding for special education students should use an evidenced-based approach, but should not create incentives to overidentify special education students.

Finally, APSRC provides an example using teacher salary funding in the matrix and the carry forward to illustrate why one area of the matrix may not be fully spent. APSRC also notes that it supports local decision-making and that the local context and student population matter greatly in how districts choose to allocate funding.

Arkansas Rural Ed Association

The Arkansas Rural Ed Association (AREA) identifies seven problems and proposes solutions to each problem.

First, special education funding does not cover all services districts are providing; the state should increase high-cost special education funding to a level that would cover eligible services.

Second, school operational costs are rising due to inflation. The state should add a yearly cost-of-living adjustment to each line in the matrix to allow districts to maintain current standards.

Third, classified personnel salary costs are rising due to inflation and competition with other employers. The state should fully fund the maintenance and operations line in the matrix.

Fourth, the matrix does not fully fund teacher salaries to enable districts to meet required class sizes. The state should fully fund the standards, with emphasis on high-priority and high-needs districts. In addition, flexibility around class size numbers could save school districts teacher positions and enable districts to operate more efficiently.

Fifth, school property insurance costs are rising. Ensuring that districts have adequate funding to pay for insurance premiums is essential, and changes to property insurance should include affordable replacement coverage.

Arkansas School Board Association

The Arkansas School Board Association (ASBA) made several recommendations.

First, additional funding is necessary to meet the 56 requirements of the Arkansas School Safety Commission; some can be met with existing funds but others cannot.

Districts should receive additional support for mental health services. The General Assembly and districts should review Medicaid and other programs to determine what opportunities are available that are not currently being utilized or would be more effective than current programs.

The state should provide additional funding for pre-kindergarten programs to expand pre-kindergarten to every child who is currently eligible and eventually to every child.

For special education, the state should fund special education according to Odden and Picus's recommendation of 3.3 special education teachers for every 500 students.

The General Assembly should ensure that appropriate funds are made available to districts going forward to allow teacher salaries to include cost-of-living adjustments and to be competitive with other states. In addition, the General Assembly should review minimum hourly wages for classified staff and funding levels for staff positions to ensure that districts have sufficient funding to guarantee a competitive hourly wage.

The state should conduct another on-site facility assessment prior to the next biennium, since the last assessment was conducted almost two decades ago. The General Assembly could then develop a long-range plan for funding the Partnership program, including a statewide facilities master plan.

Finally, the General Assembly and DESE should continue meeting with district officials to determine what reports and other paperwork should actually be required and where reports can be eliminated. In addition, the General Assembly and DESE should review all laws, rules, and Standards for Accreditation to determine if they are necessary or if they should be repealed or allowed to receive flexibility in implementation.

Arkansas State Teachers Association

The Arkansas State Teachers Association identifies four problems related to the state's current funding model: 1) extreme lack of understanding; 2) teachers and classified staff do not feel included in the financial decision-making and do not feel that their opinions are valued; 3) costs have risen in all areas due to inflation; and 4) the state's funding formula is too complicated.

ASTA also identified solutions to each problem: 1) explain the funding system in simple terms so that it can be understood easily, with a platform to educate employees, board members, and other stakeholders; 2) administrators should communicate financial information to employees periodically and ask for feedback; 3) each funding category should have an annual cost-of-living adjustment; and 4) the funding process should be revised and simplified with more lenient parameters.

ASTA asked its members to rank categories in terms of greatest importance. Personnel was the most important; while educators appreciate the higher mandated salaries, administrators are concerned about funding the increases, with some districts reducing positions in anticipation of shortfalls in funding. The second ranked item was safety, followed by instructional materials and curriculum (particularly special education, dyslexia, and English language learners), facilities, and technology.

Forward Arkansas

Forward Arkansas identifies four problems and offers solutions to each problem.

First, ESA funding should be shifted to a continuous linear scale to avoid funding cliffs. This funding model would reduce dramatic shifts in funding from year to year and eliminate the need for ESA transitional and growth funding.

Second, a disconnect exists between career and technical education programming in schools and the needs of students and industries. In addition, career and technical education is not currently addressed in the adequacy matrix. Forward Arkansas proposes using a weighted multiplier to be applied to the foundation total for all eligible career and technical education learners. Weighted funding could also be adjusted to reward districts for students meeting performance thresholds.

Third, special education funding is not aligned to the number of students served. The state should create student-centered weights, which would give districts funding for the number of students served based on the severity of the students' disabilities.

Fourth, using FRL data is increasingly an imprecise measure, due to federal programs like the Community Eligibility Provision. The state should actively investigate and make an informed decision on how best to identify students in poverty.

15. 2023 Legislation

Below is a list of legislation passed during the 2023 General Assembly that addresses topics discussed in the 2024 Adequacy Study. While these pieces of legislation were not in effect for the 2023 school year, which was the focus of this report due to it being the most recent data available for analysis, the acts listed below will have implications for future years and are reviewed per the statutory requirement found in Ark. Code Ann. § 10-3-2102. Because Act 237, the LEARNS Act, contains multiple changes to education law, it is listed separately below the other education laws enacted during the 2023 session.

Acts Excluding the LEARNS Act

ACT 48 establishes Holocaust Education Week during the last full week of classes in January in all public schools in order to educate students about the significance and history of the Holocaust.

ACT 100 requires that the receipt of a high school diploma through the passage of a nationally recognized high school equivalency exam, such as the GED test, be treated the same as the receipt of a high school diploma from an accredited secondary school for purposes of employment.

ACT 238 amends the enhanced transportation funding provided to certain public school districts by DESE for the 2024 and 2025 school years. The act declares an emergency and is effective on and after March 10, 2023.

ACT 242 requires that DESE include in the academic standards a means by which a public school student may substitute comparable elective coursework pertaining to career and technical education for core academic classes that are required for graduation. The act creates the Career and Technical Education with Embedded Academics Certification Committee for purposes of approving elective coursework pertaining to career and technical education as a substitute for core academic classes.

ACT 243 authorizes DESE to consult with industry stakeholders to establish a pilot program to provide agricultural education in elementary schools beginning with the 2026 school year. The act also authorizes the division to provide and report on a program evaluation regarding the success and impact of the pilot program.

ACT 290 establishes Mental Health Awareness Week during the first full week of classes in May in Arkansas schools in order to raise awareness of mental illness, remove stigma and misunderstanding associated with mental illness, and provide support for those who experience mental illness.

ACT 372 creates the offense of furnishing harmful items to a minor, eliminates the defense to prosecution for disseminating material that is claimed to be obscene for schools and public libraries, and adds loaning a book from a library to the list of actions that can constitute the offense of possessing, selling, or distributing obscene material. The act also establishes requirements for media centers and public libraries regarding the selection, relocation, and retention of physical materials that are available to the public and provides a process for challenging materials that are available to the public in media centers and public libraries if a person believes the material to be inappropriate. The act also allows libraries to disclose confidential library records to the parent or legal guardian of a library patron who is a minor.

ACT 423 specifies that students who pass a GED test and students in grades 9-12 who transfer from a public school to a home school, private school, or parochial school do not count towards a public school district's dropout rate for purposes of the school performance report.

ACT 425 requires that a report or presentation regarding student academic performance be provided to a school district board of directors during each regular monthly meeting of the board of directors.

ACT 511 prohibits a public school district and open-enrollment public charter school from requiring a school employee to complete or participate in implicit bias training and from taking adverse employment action against a

school employee for the employee's failure or refusal to complete or participate in implicit bias training. The act further permits a school employee to leave a training that he or she is attending if he or she determines that the training addresses implicit bias.

ACT 543 prohibits the SBOE from administratively consolidating a school district that is on the consolidation list and that does not submit a petition to voluntarily consolidate if the school district is currently classified as in need of Level 5 – Intensive support and a public school student enrolled in the school district would have to ride a bus for more than 40 miles in order to arrive at and attend a receiving district. The act requires the state board to assume authority of such a school district and prohibits the state board from closing a public school or public school facility within and removing permanently the superintendent and assistant superintendent of such a school district. The act declares an emergency and is effective on and after April 11, 2023.

ACT 548 amends the requirements under the professional development schedule for licensed teachers as it pertains to certain topics. The act requires that an applicant for an initial teaching license meet certain training requirements unless he or she is eligible for an exception. The act prohibits a public school district from requiring more than four days of professional development in addition to the six days of professional development included in a basic contract for a teacher.

ACT 630 authorizes the disposition of an amount of funding equal to one-sixth of the state foundation funding amount to a public school district that enrolls a homeschooled student for purposes of the homeschooled student's participation in an interscholastic activity for the duration of the homeschooled student's enrollment in the public school district.

ACT 637 requires that, beginning with the 2024 school year, each public school provide instruction on adoption awareness at the beginning of each school year to students enrolled in grades 6-12 for a period of time not to exceed one hour during each school year. The adoption education required by the act may be provided during a regular class period or at a special event organized for purposes of providing the required adoption awareness instruction. The act requires the SBOE to develop curricula, standards, materials, and units relating to required adoption awareness instruction.

ACT 643 permits a public school that operates primarily as a virtual school to administer a statewide student assessment to a student enrolled in the public school in a virtual setting that best meets the educational needs of the student and requires the public school to meet certain requirements in order to administer a statewide student assessment in a virtual setting.

ACT 648 amends the membership of the Career Education and Workforce Development Board, amends the duties of the Office of Skills Development and the Career Education and Workforce Development Board, and amends the law to coordinate various Workforce development programs.

ACT 654 permits a career readiness assessment administered to a student in grades 10-12 to include without limitation the ACT WorkKeys National Career Readiness Certificate and requires that a Platinum, Gold, Silver, or Bronze credential through the ACT WorkKeys be used by an institution of higher education as transcribable credit towards the attainment of a postsecondary technical degree. The act allows a public high school student to meet the requirement to earn one unit of credit in an approved high school computer science course by completing an approved high school computer science course or a computer science-related career and technical education course. The act also requires the Division of Career and Technical Education to review new and existing career and technical pathways to determine which courses within the career and technical pathways meet criteria for weighted credit and to publish a list of all approved career and technical pathways annually by January 1. The act permits weighted credit to be awarded for a career and technical pathway to a student upon the completion of the relevant career and technical pathway and the student's earning of the high-value industry credential aligned with the career and technical pathway.

ACT 662 allows a public school district or an open-enrollment public charter school to award a terminally ill student a high school diploma before the established graduation date if criteria are met. The act declares an emergency and is effective on and after April 11, 2023.

ACT 720 repeals the requirement that the SBOE approve programs and activities in which students participate in order to obtain community service hours and requires that programs and activities approved for purposes of community service satisfy certain criteria.

ACT 723 requires that each health and safety course offered by a public school district or open-enrollment public charter school include information regarding breastfeeding, including without limitation the benefits of breastfeeding as health nutrition for all infants and for lactating mothers.

ACT 744 requires the House Committee on Education and Senate Committee on Education to provide to the General Assembly during its biennial adequacy review process a recommendation for the health insurance contribution rate to be paid by each public school district each month for each eligible employee electing to participate in the public school employees' health insurance program. The act increases the foundation funding amounts for the 2024 school year and the 2025 school year. The act increases alternative learning environment funding for the 2024 school year and the 2025 school year. The act clarifies that funding amounts for English learners and enhanced student achievement remain the same and increases the professional development funding amount. The act declares an emergency and is effective on and after April 12, 2023.

ACT 793 renames references from "English language learners" to "English learners" throughout the Arkansas Code and provides that English learners are identified under the Public School Funding Act of 2003 based upon approved English proficiency assessments administered annually in the spring.

Act 237 “LEARNS Act”

Several components of the LEARNS Act touch on adequacy-related topics. These are detailed below.

Employment Benefits and Procedures repeals the Arkansas Traveling Teacher Program, which permits qualified individuals and school districts to enter into agreements in order to provide traveling teacher services to school districts meeting certain criteria. The act also repeals the Teacher Fair Dismissal Act and the Public School Employees Fair Hearing Act.

Compensation - Salaries, Loan Forgiveness, and Incentives increases the amount of loan repayments under the State Teacher Education Program to \$6,000; establishes the minimum base salary for teachers to be \$50,000; and requires, during the 2024 school year, each teacher to be paid at least \$2,000 more than his or her current salary amount. The act requires each school district to meet certain criteria in order to receive state funds to implement the minimum base salary and salary increases, provides for an annual bonus of up to \$10,000 to qualifying teachers, and establishes the categories into which a teacher may fall to be eligible for the annual bonus. The act creates the Arkansas Teacher Academy Scholarship Program, which provides annual scholarships of the cost of tuition and fees at an institution of higher education or the amount for obtaining a teaching license, including the cost of one required examination, and requires participants to agree to teach for at least one full school year in a school that serves primarily public-school students with disabilities. The act requires institutions of higher education that establish an Arkansas Teacher Academy to develop partnerships with public schools and requires the Division of Higher Education to create an administrative process and distribution criteria in order to implement the program.

Employment Generally repeals the requirement that specific information be included in school district employment contracts. The act requires a public-school district superintendent to consult with teachers employed by the public-school district before making decisions regarding the hiring or placement of a principal at the public school in which the teachers are employed. The act establishes the criteria for public school district hiring decisions, reduction-in-force procedures, and other employment-related decisions. The act establishes paid maternity leave for education.

Transportation Modernization Grant Program creates a Transportation Modernization Grant Program to improve access to transportation for students attending a public school district, an open-enrollment public charter school, or a licensed childcare center serving publicly funded students and to support transportation innovations and efficiency solutions. The act establishes the purposes for which grants under the program shall be used. The act requires the Department of Education to submit an interim report by December 15, 2023, and a final report by

June 30, 2024, that describes the best practices used by grant recipients to transport students, provides a list of grant recipients and the amounts and purposes of the grants, and specifies the number of children impacted per grant recipient.

Unified Early Childhood Care and Education System transfers the Division of Child Care and Early Childhood Education from the Department of Human Services to the Department of Education. The act requires the State Board of Education to use available public and private funds to establish pilot programs administered by local childhood lead organizations. The act requires the Department of Education to establish a locally supported plan for early childhood programs and services and requires the state board to establish kindergarten readiness standards and a uniform accountability system for publicly funded early childhood education programs. The act requires that, by October 1, 2024, and before the cabinet-level transfer, the Secretary of the Department of Education engage with early childhood stakeholders to advise the Office of Early Childhood on recommendations on the transition of functions and funds between the agencies.

School Safety and Safe Schools Initiative requires school districts and open-enrollment public charter schools to collaborate with medical professionals, fire departments, and local law enforcement and emergency management officials when forming emergency protocols; have a school safety expert review and advise on new construction facility plans; form District Safety and Security Teams; train school nurses and staff on emergency medical responses; and update and review cybersecurity policies annually. The act also requires the Department of Education to make crisis training available to school personnel and relevant stakeholders.

Diploma Pathways requires a student's selected diploma pathway to be included in his or her student success plan. The act requires each student, beginning with the ninth- grade class of the 2025 school year, to have the option to earn a high school diploma through a career-ready pathway. The act requires DESE to develop career-ready pathways that include challenging academic courses and modern career and technical studies that are aligned with high-wage, high-growth jobs in the state.

Community Service Diploma Requirements requires each public high school student, beginning with the graduating class of 2027, to complete at least 75 hours of documented community service in grades 9-12 with specific requirements established for each grade.

Indoctrination Section defines “prohibited indoctrination” and requires DESE to review curricular materials for indoctrination purposes, and allows ASBE to promulgate rules to implement the section.

Child Sexual Abuse and Human Trafficking Prevention Program requires public schools to implement a child sexual abuse and human trafficking prevention program, provide training for teachers on child sexual abuse and human trafficking prevention, notify parents and legal guardians when instruction on child sexual abuse and human trafficking prevention occurs, and allow parents and legal guardians to exempt their child from instruction on child sexual abuse and human trafficking prevention. The act requires DESE to enhance or adapt curriculum materials to assist public schools in providing the required instruction on child sexual abuse and human trafficking prevention.

Digital Learning Section repeals the digital course requirement for graduation.

Course Choice Program requires ASBE to establish a program in which students can take courses from outside providers if the course is not offered at their school or they are in a C-, D- or F-graded school.

Teacher Compensation Program of 2003 amends § 6-17-2403 to establish a minimum base salary of \$50,000 for classroom teachers; requires, during the 2024 school year, each teacher to be paid at least \$2,000 above his or her current salary amount for those already at \$50,000; requires each school district to meet certain criteria in order to receive state funds to implement the minimum base salary and salary increases.

Merit Teacher Incentive Fund Program provides for an annual bonus of up to \$10,000 to qualifying teachers, and establishes the categories into which a teacher may fall to be eligible for the annual bonus.

Teacher Minimum Salary and Raise Fund adds § 19-5-1280 Teacher Minimum Salary Fund and § 19-5-1281 Merit Teacher Incentive Fund under Arkansas Title Code 19, Chapter 5-Revenue Stabilization Law.

Transformation Campuses states that a public school with a “D” or “F” school rating or a public school district classified as in need of Level 5 – Intensive support is eligible to partner with an open-enrollment public charter school or other approved entity to operate a public school district transformation campus. The act also prohibits the establishment of a maximum on school choice transfers into or from a public school unless the public school is required to do so according to an enforceable desegregation order or a public school district’s court-approved desegregation plan.

Arkansas Children’s Education Freedom Account Program creates the Arkansas Children’s Education Freedom Account Program, which establishes a phased-in approach whereby qualifying students may attend a participating private school or a participating service provider. The act requires that funds allocated annually to participating student accounts be in an amount equal to 90% of the prior year’s foundation funding amount allocated per student.

16. Recommendations

INTRODUCTION

During the October 7, 2024, meeting, the House Committee on Education and Senate Committee on Education voted to make the following adequacy recommendations for the 2025-2027 biennium, as noted in the following table:

	<i>Topic</i>	<i>FY26</i>	<i>FY27</i>
1.	Definition of Adequacy	<p>No change to current definition.</p> <p>4. 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;</p> <p>5. 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</p> <p>6. Sufficient funding to provide adequate resources as identified by the General Assembly.</p>	
2.	Adequacy Study	No change.	No change.
3.			
	Matrix Calculations	School Size: 500 students No change.	School Size: 500 students No change.
		Kindergarten: No change.	Kindergarten: No change.
		Grades 1-3: No change.	Grades 1-3: No change.
		Grades 1-4: No change.	Grades 4-12: No change.
4.	Staffing Ratios	Kindergarten: 20:1; 2 FTE No change.	Kindergarten: 20:1; 2 FTE No change.
		Grades 1-3: 23:1; 5 FTE No change.	Grades 1-3: 23:1; 5 FTE No change.
		Grades 4-12: 25:1; 13.8 FTE No change.	Grades 4-12: 25:1; 13.8 FTE No change.
		PAM: 4.16 FTE To reflect 20% of above.	PAM: 4.16 FTE To reflect 20% of above.
		Special Ed Teachers: 3.2 FTE to reflect need for more special education instruction funding	Special Ed Teachers: 3.2 FTE
		Instructional Facilitators: 2.5 FTE No change.	Instructional Facilitators: 2.5 FTE No change.
		Librarian/Media Spec.: 0.85 FTE No change.	Librarian/Media Spec.: 0.85 FTE No change.
		Guidance Counselor: 1.61 FTE to reflect need for more mental health services	Guidance Counselor: 1.61 FTE
		Nurse: 0.67 FTE No change.	Nurse: 0.67 FTE No change.
		Other Support Staff: 0.72 FTE No change.	Other Support Staff: 0.72 FTE No change.
		Principal: 1 FTE No change.	Principal: 1 FTE No change.
		Secretary: 1 FTE No change.	Secretary: 1 FTE No change.
5.	Public School Employee Insurance Line Item	\$150.6 million to reflect medical cost of living increases as recommended by consultants.	\$156.7 million to reflect medical cost of living increases as recommended by consultants.

6.	Health Insurance All Employees	<i>This is the amount districts pay to EBD on behalf of each participating employee; however, actual funding is calculated using personnel identified in the school staffing section of the matrix (36.51 FTEs in 2026). The first six months of the school year (July-Dec) are to be funded at \$312 per participating employee and the last six months (Jan-June) are to be funded at \$324.48 per participating employee for a total of \$3,818.88 for the school year.</i>	<i>This is the amount districts pay to EBD on behalf of each participating employee; however, actual funding is calculated using personnel identified in the school staffing section of the matrix (36.51 FTEs in 2027). The first six months of the school year (July-Dec) are to be funded at \$324.48 per participating employee and the last six months (Jan-June) are to be funded at \$337.46 per participating employee for a total of \$3,971.64 for the school year.</i>
7.	Teacher School Level Salaries:	Base Salary: \$60,995 includes COLA increase of 2.48% from previous year	Base Salary: \$62,508 includes COLA increase of 2.48% from previous year
		Health Insurance: \$3,819 reflects increases explained above	Health Insurance: \$3,972 reflects increases explained above
		Other Benefits (23% of base salary): \$14,029	Other Benefits (23% of base salary): \$14,377
		Salary + All Benefits: \$78,843	Salary + All Benefits: \$80,856
		Per Student Matrix Amount: \$5,442	Per Student Matrix Amount: \$5,581
8.	Principal School Level Salaries:	Base Salary: \$85,650 includes COLA increase of 2.48% from previous year	Base Salary: \$87,774 includes COLA increase of 2.48% from previous year
		Health Insurance: \$3,819 reflects increases explained above	Health Insurance: \$3,972 reflects increases explained above
		Other Benefits (23% of base salary): \$19,699	Other Benefits (23% of base salary): \$20,188
		Salary + All Benefits: \$109,168	Salary + All Benefits: \$111,933
		Per Student Matrix Amount: \$218	Per Student Matrix Amount: \$224
9.	Secretary School Level Salaries:	Base Salary: \$36,151 includes COLA increase of 2.48% from previous year	Base Salary: \$37,047 includes COLA increase of 2.48% from previous year
		Health Insurance: \$3,819 reflects increases explained above	Health Insurance: \$3,972 reflects increases explained above
		Other Benefits (23% of base salary): \$8,315	Other Benefits (23% of base salary): \$8,521
		Salary + All Benefits: \$48,284	Salary + All Benefits: \$49,540
		Per Student Matrix Amount: \$97	Per Student Matrix Amount: \$99
10.	Technology	\$235 to reflect lower technology costs	\$235 to reflect lower technology costs
11.	Salary Enhancement Other Employees	\$50 to better meet needs of classified staff	\$52 to better meet needs of classified staff
12.	Other Personnel Health Insurance	\$41 to reflect changes in health insurance costs	\$43 to reflect changes in health insurance costs
13.	Instructional Materials	\$210 includes COLA increase of 2.48% from previous year	\$216 includes COLA increase of 2.48% from previous year
14.	Extra Duty Funds	\$74 includes COLA increase of 2.48% from previous year	\$76 includes COLA increase of 2.48% from previous year

15.	Supervisory Aides	<i>\$59 includes COLA increase of 2.48% from previous year</i>	<i>\$61 includes COLA increase of 2.48% from previous year</i>
16.	Substitutes	<i>\$85 to reflect increased need for substitutes</i>	<i>\$90 to reflect increased need for substitutes</i>
17.	Operations and Maintenance	<i>\$809 to reflect 3% increase in operational expenses</i>	<i>\$833 to reflect 3% increase in operational expenses</i>
18.	Central Office	<i>\$495 includes COLA increase of 2.48% from previous year</i>	<i>\$507 includes COLA increase of 2.48% from previous year</i>
19.	Transportation	<i>\$345 includes COLA increase of 2.48% from previous year</i>	<i>\$354 includes COLA increase of 2.48% from previous year</i>
20.	Additional Matrix item(s)	<i>No new matrix items other than FTEs noted above.</i>	<i>No new matrix items.</i>
21.	Total Foundation Funding Rate	\$8,162	\$8,371
22.	Categorical Funding		
23.	Alternative Learning Environment (ALE) Funding	<i>\$5,212 includes COLA increase of 2.48% from previous year</i>	<i>\$5,341 includes COLA increase of 2.48% from previous year</i>
24.	English Learner (EL) Funding	<i>\$375 includes COLA increase of 2.48% from previous year</i>	<i>\$384 includes COLA increase of 2.48% from previous year</i>
25.	Enhanced Student Achievement (ESA) Funding	<i>\$551 per ESA student, <70% ESA concentration; \$1,103 per ESA student, 70%-90% ESA concentration; \$1,653 per ESA student, >90% ESA concentration; includes COLA increase of 2.48% from previous year</i>	<i>\$565 per ESA student, <70% ESA concentration; \$1,130 per ESA student, 70%-90% ESA concentration; \$1,694 per ESA student, >90% ESA concentration; includes COLA increase of 2.48% from previous year</i>
26.	Professional Development (PD) Funding	<i>\$41 No change.</i>	<i>\$41 No change.</i>
27.	Supplemental Funding		
28.	Additional Categorical Funds	<i>No new categorical funds.</i>	<i>No new categorical funds.</i>
29.	ESA Grants	<i>\$5,636,400 includes COLA increase of 2.48% from previous year</i>	<i>\$5,776,183 includes COLA increase of 2.48% from previous year</i>
30.	Additional PD (PLCs)	<i>\$16,500,000 No change.</i>	<i>\$16,500,000 No change.</i>
31.	Enhanced Transportation	<i>\$8 million No change.</i>	<i>\$8 million No change.</i>

32.	Special Education High-Cost Occurrences	<i>\$17,934,000 includes COLA increase of 2.48% from previous year</i>	<i>\$18,378,763 includes COLA increase of 2.48% from previous year</i>
33.	Teacher Salary Equalization	<i>\$60 million No change.</i>	<i>\$60 million No change.</i>
34.	Student Growth Funding	<i>No change.</i> Formula based on per-student foundation funding amount.	<i>No change.</i> Formula based on per-student foundation funding amount.
35.	Declining Enrollment Funding	<i>No change.</i> Formula based on per-student foundation funding amount.	<i>No change.</i> Formula based on per-student foundation funding amount.
36.	Isolated Funding	<i>No change.</i>	<i>No change.</i>
37.	Additional Supplemental Funding Stream(s)	<i>No new supplemental funds streams.</i>	<i>No new supplemental funds streams.</i>

APPENDIX A: 2024 ADEQUACY STUDY PRESENTERS

The following organizations and individuals made presentations of adequacy studies or responded to legislators' questions during the course of the 2024 adequacy study process:

Bureau of Legislative Research

Adrienne Beck, Policy Analysis and Research Analyst
Lori Bowen, Policy Analysis and Research Analyst
Elizabeth Bynum, Policy Analysis and Research Analyst
Leah Headley, Policy Analysis and Research Analyst
Julie Johnson Holt, Policy Analysis and Research Administrator
Taylor Loyd, Legislative Attorney
Jasmine Ray, Policy Analysis and Research Analyst
Carlos Silva, Fiscal Analyst

Arkansas Department of Education, Division of Elementary and Secondary Education

Jared Hogue, Director of Alternative Learning
Dr. Jacob Oliva, Secretary
Greg Rogers, Chief Fiscal Officer
Courtney Sales-Ford, Chief of Staff
Karli Saracini, Assistant Commissioner, Office of Educator Effectiveness and Licensure
Stacy Smith, Deputy Commissioner

Arkansas Department of Transformation and Shared Services

Grant Wallace, Director, Employee Benefits Division

The Segal Group

Patrick Klein, Vice President and Consulting Actuary

Meeting Dates

January 8 and 9
February 5 and 6
March 11
June 4
August 20
October 7

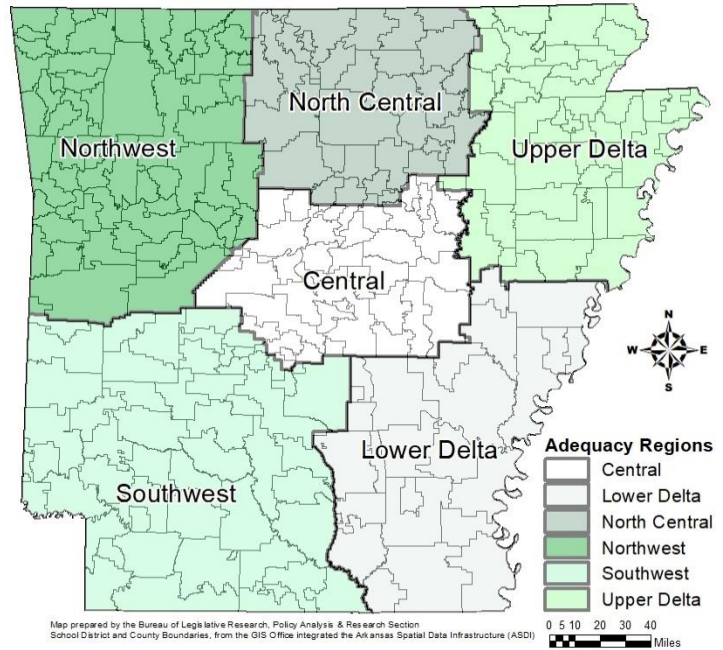
APPENDIX B: DEFINITIONS AND METHODOLOGIES

Adequacy Regions

For the purposes of illustrating expenditure patterns among schools, the state’s school districts were divided into six geographical regions as listed below:

- Northwest Arkansas
- North Central Arkansas
- Upper Delta
- Lower Delta
- Southwest Arkansas
- Central Arkansas

Charter school systems are not bound to a geographic area, therefore they were not included in any of the regions. The following tables provide lists for each region of included counties and school districts:



Counties in Regions

Northwest	North Central	Upper Delta	Lower Delta	Southwest	Central
Benton	Baxter	Clay	Arkansas	Calhoun	Conway
Boone	Cleburne	Craighead	Ashley	Clark	Faulkner
Carroll	Fulton	Crittenden	Bradley	Columbia	Lonoke
Crawford	Independence	Cross	Chicot	Dallas	Perry
Franklin	Izard	Greene	Cleveland	Garland	Prairie
Johnson	Marion	Jackson	Desha	Grant	Pulaski
Logan	Searcy	Lawrence	Drew	Hempstead	Saline
Madison	Sharp	Mississippi	Jefferson	Hot Spring	White
Newton	Stone	Poinsett	Lee	Howard	
Pope	Van Buren	Randolph	Lincoln	Lafayette	
Scott		St. Francis	Monroe	Little River	
Sebastian		Woodruff	Phillips	Miller	
Washington				Montgomery	
Yell				Nevada	
				Ouachita	
				Pike	
				Polk	
				Sevier	
				Union	

School Districts in Regions

Central Arkansas

1.	Bald Knob	12.	England	23.	North Little Rock
2.	Bauxite	13.	Greenbrier	24.	Pangburn
3.	Beebe	14.	Guy-Perkins	25.	Perryville
4.	Benton	15.	Harmony Grove (Saline)	26.	Pulaski CSSD
5.	Bradford	16.	Hazen	27.	Riverview
6.	Bryant	17.	Jacksonville North Pulaski	28.	Rose Bud
7.	Cabot	18.	Little Rock	29.	Searcy
8.	Carlisle	19.	Lonoke	30.	South Conway County
9.	Conway	20.	Mayflower	31.	Vilonia
10.	Des Arc	21.	Mt Vernon/Enola	32.	White County Central
11.	East End	22.	Nemo Vista	33.	Wonderview

Lower Delta

1.	Barton-Lexa	10.	Hamburg	19.	Star City
2.	Brinkley	11.	Helena-West Helena	20.	Stuttgart
3.	Clarendon	12.	Hermitage	21.	Warren
4.	Cleveland County	13.	Lakeside (Chicot County)	22.	Watson Chapel
5.	Crossett	14.	Lee County	23.	White Hall
6.	Dermott	15.	Marvell-Elaine	24.	Woodlawn
7.	Dewitt	16.	McGehee		
8.	Drew Central	17.	Monticello		
9.	Dumas	18.	Pine Bluff		

North Central Arkansas

1.	Batesville	11.	Izard County Consolidated	21.	Searcy County
2.	Calico Rock	12.	Mammoth Spring	22.	Shirley
3.	Cave City	13.	Melbourne	23.	South Side (Van Buren)
4.	Cedar Ridge	14.	Midland	24.	Southside (Ind.)
5.	Clinton	15.	Mountain Home	25.	Viola
6.	Concord	16.	Mountain View	26.	West Side Cleburne
7.	Cotter	17.	Norfork	27.	Yellville-Summit
8.	Flippin	18.	Ozark Mountain		
9.	Heber Springs	19.	Quitman		
10.	Highland	20.	Salem		

Northwest Arkansas

1.	Alma	16.	Dover	30.	Huntsville	44.	Pottsville
2.	Alpena	17.	Elkins	31.	Jasper	45.	Prairie Grove
3.	Atkins	18.	Eureka Springs	32.	Lamar	46.	Rogers
4.	Bentonville	19.	Farmington	33.	Lavaca	47.	Russellville
5.	Bergman	20.	Fayetteville	34.	Lead Hill	48.	Scranton
6.	Berryville	21.	Fort Smith	35.	Lincoln	49.	Siloam Springs

7.	Booneville	22.	Gentry	36.	Magazine	50.	Springdale
8.	Cedarville	23.	Gravette	37.	Mansfield	51.	Two Rivers
9.	Charleston	24.	Green Forest	38.	Mountainburg	52.	Valley Springs
10.	Clarksville	25.	Greenland	39.	Mulberry/Pleasant View Bi-County	53.	Van Buren
11.	County Line	26.	Greenwood	40.	Omaha	54.	Waldron
12.	Danville	27.	Hackett	41.	Ozark	55.	West Fork
13.	Dardanelle	28.	Harrison	42.	Paris	56.	Western Yell Co
14.	Decatur	29.	Hector	43.	Pea Ridge	57.	Westside
15.	Deer/Mt. Judea						

Upper Delta

1.	Armored	15.	Hillcrest	29.	Palestine-Wheatley
2.	Augusta	16.	Hoxie	30.	Paragould
3.	Bay	17.	Jackson County	31.	Piggott
4.	Blytheville	18.	Jonesboro	32.	Pocahontas
5.	Brookland	19.	Lawrence County	33.	Rector
6.	Buffalo Island Central	20.	Manila	34.	Rivercrest
7.	Corning	21.	Marion	35.	Riverside
8.	Cross County	22.	Marked Tree	36.	Sloan-Hendrix
9.	Earle	23.	Marmaduke	37.	Trumann
10.	East Poinsett County	24.	Maynard	38.	Valley View
11.	Forrest City	25.	McCrory	39.	West Memphis
12.	Gosnell	26.	Nettleton	40.	Westside Consolidated
13.	Greene County Tech	27.	Newport	41.	Wynne
14.	Harrisburg	28.	Osceola		

Southwest Region

1.	Arkadelphia	19.	Genoa Central	37.	Mineral Springs
2.	Ashdown	20.	Glen Rose	38.	Mount Ida
3.	Bearden	21.	Gurdon	39.	Mountain Pine
4.	Bismarck	22.	Hampton	40.	Nashville
5.	Blevins	23.	Harmony Grove (Ouachita)	41.	Nevada
6.	Caddo Hills	24.	Hope	42.	Ouachita
7.	Camden-FV	25.	Horatio	43.	Ouachita River
8.	Centerpoint	26.	Hot Springs	44.	Parkers Chapel
9.	Cossatot River	27.	Jessieville	45.	Poyen
10.	Cutter-Morning- Star	28.	Junction City	46.	Prescott
11.	DeQueen	29.	Kirby	47.	Sheridan
12.	Dierks	30.	Lafayette County	48.	Smackover-Norphlet
13.	El Dorado	31.	Lake Hamilton	49.	South Pike County
14.	Emerson-Taylor-Bradley	32.	Lakeside (Garland)	50.	Spring Hill
15.	Fordyce	33.	Magnet Cove	51.	Strong-Huttig
16.	Foreman	34.	Magnolia	52.	Texarkana
17.	Fouke	35.	Malvern		
18.	Fountain Lake	36.	Mena		

Statistical Context

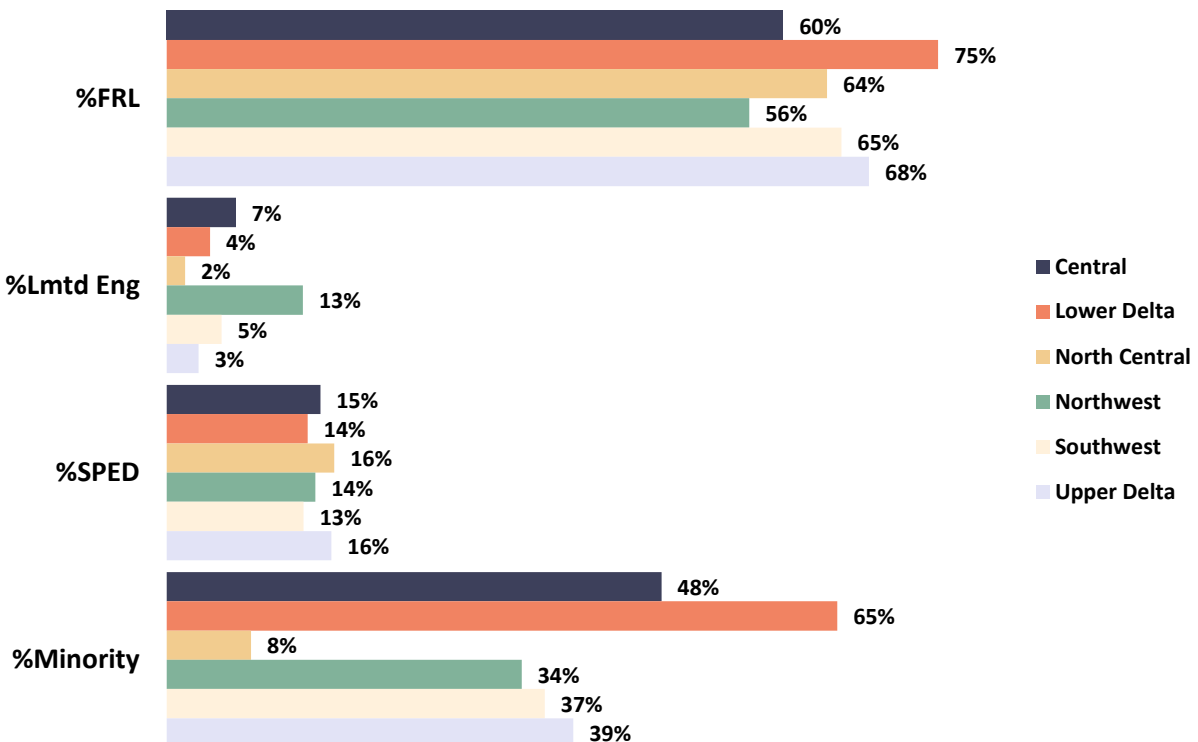
Data show that:

Sixty percent of Arkansas’s public school **enrollment** attended school in either the Central or the Northwest regions of the state. The fewest Arkansas students attended schools in the North Central region. Schools in the Lower Delta and North Central regions tended to have the lowest enrollments while schools in the Central and the Northwest regions tended to have the largest enrollments.

Region	Total Enrollment	Average ADM	Per-Pupil Expenditures
Central	127,744	505	\$14,842
Lower Delta	29,056	331	\$17,525
North Central	27,070	354	\$14,803
Northwest	164,632	501	\$14,407
Southwest	65,577	392	\$14,863
Upper Delta	62,058	441	\$15,146

- Schools in the Lower Delta tended to **spend the most per student** from all fund sources while schools in the Northwest region tended to spend the lowest per student from all fund sources.
- Percentages of students scoring Ready or Exceeding on the **ACT Aspire** tend to be lower in the Southwest and Lower Delta regions.
- Schools in the Lower Delta and Upper Delta regions tended to have the largest percentages of **FRL** students.
- Schools in the Northwest region tended to have the largest percentage of **EL** students.
- Schools in all regions tended to have similar percentages of **SPED** students, ranging from 13% in the Southwest region to 16% in the North Central and Upper Delta regions.
- Schools in the Lower Delta and Upper Delta regions tended to have the largest percentages of **minority** students.

Region Categories



BLR Cohort Schools

BLR Cohort Schools were analyzed as a separate set of schools because they have been found to have students performing at statistically significant higher-than-expected achievement levels. The methodology used to identify the set of BLR Cohort Schools is similar to what is called a “successful school” model frequently used by education researchers. For the analysis, the BLR used a regression formula to predict ESSA School Index **Weighted Achievement** scores based on a wide variety of student variables. All test score and student variables used were from 2022.

Schools were divided into four groups: Elementary, Middle/Junior High School, High School, and Comprehensive K-12. Schools with grade configurations of K-6 were considered elementary schools; schools with grade configurations of 7-12 were considered high schools.

Using the software **Statistical Package for the Social Sciences (SPSS)** and data obtained from the DESE’s My School Information website (<https://myschoolinfo.arkansas.gov>), a number of demographic and income variable statistics³⁷³ were entered into a stepwise regression formula for each of the four sets of schools. This formula identified the variables that added the most predictive value for the weighted achievement scores.

The resulting regression formulas are listed below along with the R value³⁷⁴ and R-square value³⁷⁵ for each equation.

Elementary Schools

Predicted Score = 76.945 + (-.296) %FRL + (-.175) %Black/African American + (-.369) %Special Education + (.321) %Asian

Statistically significant at the <.001 level

R=.738; R Square =.541

Middle/Junior High Schools

Predicted Score = 62.967 + (-.233) %FRL + (-.173) %Black/African American + (.733) %Asian + (-.350) %Hawaiian/Pacific Islander

Statistically significant at the <.001 level

R=.738; R Square=.544

High Schools

Predicted Score = 40.080 + (-.204) %Black/African American + (1.663) %Asian + (-.401) %EL + (.114) Chronic Absence Score + (-.405) %Special Education + (-.085) %FRL

Statistically significant at the <.001 level

R=.692; R Square =.478

K-12 Comprehensive Schools

Predicted Score = 38.205 + (-.215) %Black/African American

³⁷³ Student variables as recorded in the Arkansas Public School Computer Network that were entered in to the regression formula to see if they contributed to the statistically significant prediction of test scores included: % American Indian; % Asian, % Black/African/American; % Hawaiian/Pacific Islander; % Hispanic/Latino; % White; % Two or More Races; % Foster; % Students with Disabilities Section 504; % English Learners; % Migrant; % Special Education; % Male; % Female; % Free and Reduced-Price Lunch; % Immunization Exempt Students; and, % School Choice Students.

³⁷⁴ R value refers to the correlation value. Correlation values range from -1 to 1. Values closer to 0 signify no or very little relationship, while values close to -1 indicate strong negative relations and values close to 1 indicate strong positive relationships.

³⁷⁵ R square values represent the amount of variance explained by the all of the variables in the equation. An R Square of .3, for instance, indicated that 30 percent of the variance in achievement scores is explained by the variables included in the equation.

Statistically significant at the <.001 level
 R=.552; R Square = .305

Summary of BLR Cohort Equation Values

School	Predicted Score	%Free/Reduced Lunch	%Black/African American	%Asian	%Hawaiian/Pacific Islander	%English Learners	%Special Education	Chronic Absence Score	R=	R ² Square =
Elem	76.945	-0.296	-0.175	0.321			-0.369		0.738	0.541
Mid/Jr.	62.967	-0.233	-0.173	0.733	-0.350				0.738	0.544
High	40.080	-0.085	-0.204	1.663		-0.401	-0.405	0.114	0.692	0.478
K-12	38.205		-0.215						0.552	0.305

Statistically significant at the <.001 level

For each set of schools, the Predicted Weighted Achievement Score for each school was subtracted from that school’s actual Weighted Achievement Score. The schools were then sorted by the values of the remainders for each school (the gap between Actual Scores and Predicted) and the 10% with the largest remainders in each group of schools were identified as BLR Cohort Schools.

The BLR Cohort Schools were:

Elementary Schools:

School	District
Armored Elementary School	ARMORED SCHOOL DISTRICT
Bergman Elementary School	BERGMAN SCHOOL DISTRICT
C.B. Partee Elementary School	BRINKLEY SCHOOL DISTRICT
Concord Elementary School	CONCORD SCHOOL DISTRICT
Park Elementary School	CORNING SCHOOL DISTRICT
Wickes Elementary School	COSSATOT RIVER SCHOOL DISTRICT
Cross County Elem Tech Academy	CROSS COUNTY SCHOOL DISTRICT
S.C. Tucker Elementary School	DANVILLE SCHOOL DISTRICT
Des Arc Elementary School	DES ARC SCHOOL DISTRICT
Hugh Goodwin Elementary School	EL DORADO SCHOOL DISTRICT
Yocum Elementary School	EL DORADO SCHOOL DISTRICT
Vandergriff Elementary School	FAYETTEVILLE SCHOOL DISTRICT
Beard Elementary School	FORT SMITH SCHOOL DISTRICT
Euper Lane Elementary School	FORT SMITH SCHOOL DISTRICT
Founders Classical Academies of Arkansas West Little Rock Elementary	FOUNDERS CLASSICAL ACADEMIES OF ARKANSAS
Friendship Aspire Academy	FRIENDSHIP ASPIRE ACADEMY PINE BLUFF
Gary E. Cobb Middle School	GENOA CENTRAL SCHOOL DISTRICT
Genoa Central Elem. School	GENOA CENTRAL SCHOOL DISTRICT
Green Forest Elementary School	GREEN FOREST SCHOOL DISTRICT
Greenbrier Wooster Elementary	GREENBRIER SCHOOL DISTRICT
Greenbrier Westside Elementary	GREENBRIER SCHOOL DISTRICT
Greenbrier Springhill Elementary School	GREENBRIER SCHOOL DISTRICT
Greenbrier Eastside Elementary	GREENBRIER SCHOOL DISTRICT
Weiner Elementary	HARRISBURG SCHOOL DISTRICT

School	District
Forest Heights Stem Academy	LITTLE ROCK SCHOOL DISTRICT
Jefferson Elementary School	LITTLE ROCK SCHOOL DISTRICT
Forest Park Elementary School	LITTLE ROCK SCHOOL DISTRICT
Gibbs Magnet Elementary School	LITTLE ROCK SCHOOL DISTRICT
McCrary Elementary School	MCCRORY SCHOOL DISTRICT
McGehee Elementary School	MCGEHEE SCHOOL DISTRICT
Rural Special Elem. School	MOUNTAIN VIEW SCHOOL DISTRICT
Timbo Elementary School	MOUNTAIN VIEW SCHOOL DISTRICT
Mountain View Elem. School	MOUNTAIN VIEW SCHOOL DISTRICT
Nemo Vista Elementary School	NEMO VISTA SCHOOL DISTRICT
Elgin B Milton Primary School	OZARK SCHOOL DISTRICT
Woodrow Wilson Elem. School	PARAGOULD SCHOOL DISTRICT
Paragould Primary School	PARAGOULD SCHOOL DISTRICT
College Station Elem. School	PULASKI COUNTY SPECIAL SCHOOL DISTRICT
Baker Interdistrict Elem. Sch.	PULASKI COUNTY SPECIAL SCHOOL DISTRICT
Sylvan Hills Elementary School	PULASKI COUNTY SPECIAL SCHOOL DISTRICT
Sherwood Elementary School	PULASKI COUNTY SPECIAL SCHOOL DISTRICT
Oak Grove Elementary School	PULASKI COUNTY SPECIAL SCHOOL DISTRICT
Rivercrest Elementary School	RIVERCREST SCHOOL DISTRICT
Eastside Elementary School	ROGERS SCHOOL DISTRICT
Janie Darr Elementary School	ROGERS SCHOOL DISTRICT
Frank Tillery Elem. School	ROGERS SCHOOL DISTRICT
Salem Elementary School	SALEM SCHOOL DISTRICT
Leslie Intermediate School	SEARCY COUNTY SCHOOL DISTRICT
Murfreesboro Elementary School	SOUTH PIKE COUNTY SCHOOL DISTRICT
John Tyson Elementary School	SPRINGDALE SCHOOL DISTRICT
Vera Kilpatrick Elem. School	TEXARKANA SCHOOL DISTRICT
Valley Springs Elem. School	VALLEY SPRINGS SCHOOL DISTRICT

Middle/Junior High Schools

School	District
Atkins Middle School	ATKINS SCHOOL DISTRICT
Bright Field Middle School	BENTONVILLE SCHOOL DISTRICT
Bergman Middle School	BERGMAN SCHOOL DISTRICT
Bismarck Middle School	BISMARCK SCHOOL DISTRICT
Booneville Jr High School	BOONEVILLE SCHOOL DISTRICT
Clinton Jr High School	CLINTON SCHOOL DISTRICT
Ruth Doyle Middle School	CONWAY SCHOOL DISTRICT
Dequeen Middle School	DEQUEEN SCHOOL DISTRICT
Dover Middle School	DOVER SCHOOL DISTRICT
Estem East Village Jr High Public Charter School	ESTEM PUBLIC CHARTER SCHOOL
Estem Junior High Public Charter School	ESTEM PUBLIC CHARTER SCHOOL

Greenbrier Middle School	GREENBRIER SCHOOL DISTRICT
Heber Springs Middle School	HEBER SPRINGS SCHOOL DISTRICT
Hope Academy of Public Service	HOPE SCHOOL DISTRICT
Swifton Middle School	JACKSON CO. SCHOOL DISTRICT
Kipp: Delta College Prep School	KIPP DELTA PUBLIC SCHOOLS
Nemo Vista Middle School	NEMO VISTA SCHOOL DISTRICT
Hellstern Middle School	SPRINGDALE SCHOOL DISTRICT
Helen Tyson Middle School	SPRINGDALE SCHOOL DISTRICT
Valley Springs Middle School	VALLEY SPRINGS SCHOOL DISTRICT

High Schools

School	District
Alpena High School	ALPENA SCHOOL DISTRICT
Bergman High School	BERGMAN SCHOOL DISTRICT
Bismarck High School	BISMARCK SCHOOL DISTRICT
Booneville Jr High School	BOONEVILLE SCHOOL DISTRICT
Clinton High School	CLINTON SCHOOL DISTRICT
Concord High School	CONCORD SCHOOL DISTRICT
Cross Cnty High A New Tech Sch	CROSS COUNTY SCHOOL DISTRICT
Dequeen High School	DEQUEEN SCHOOL DISTRICT
Bradley High School	EMERSON-TAYLOR-BRADLEY SCH. DISTRICT
Estem High School	ESTEM PUBLIC CHARTER SCHOOL
Eureka Springs High School	EUREKA SPRINGS SCHOOL DISTRICT
Fordyce High School	FORDYCE SCHOOL DISTRICT
Gosnell High School	GOSNELL SCHOOL DISTRICT
Haas Hall Academy	HAAS HALL ACADEMY
Haas Hall Academy Jones Center	HAAS HALL ACADEMY
Haas Hall Academy At the Lane	HAAS HALL ACADEMY
Tuckerman High School	JACKSON CO. SCHOOL DISTRICT
Lead Hill High School	LEAD HILL SCHOOL DISTRICT
Lisa Academy North High School	LISA ACADEMY
Parkview Magnet High School	LITTLE ROCK SCHOOL DISTRICT
Manila High School	MANILA SCHOOL DISTRICT
Marmaduke High School	MARMADUKE SCHOOL DISTRICT
Nemo Vista High School	NEMO VISTA SCHOOL DISTRICT
Palestine-Wheatley Senior High	PALESTINE-WHEATLEY SCH. DIST.
Rogers New Technology High School	ROGERS SCHOOL DISTRICT
Rogers High School	ROGERS SCHOOL DISTRICT
Salem High School	SALEM SCHOOL DISTRICT
Valley Springs High School	VALLEY SPRINGS SCHOOL DISTRICT

Comprehensive K-12 Schools

School	District
Fayetteville Virtual Academy A District Conversion Charter School	FAYETTEVILLE SCHOOL DISTRICT
Don Tyson School of Innovation	SPRINGDALE SCHOOL DISTRICT

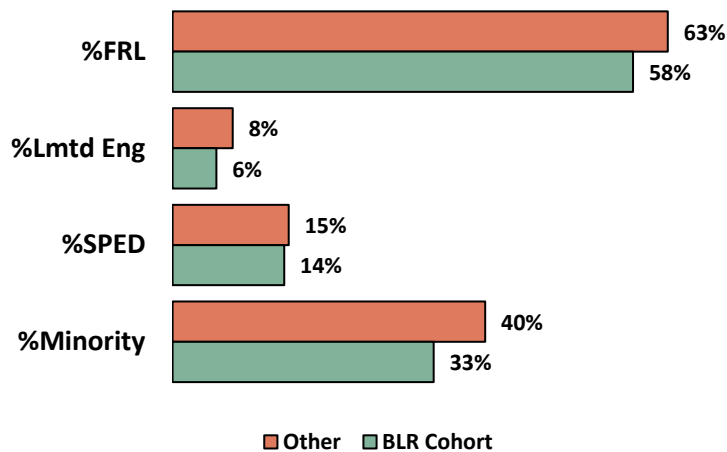
Statistical Context

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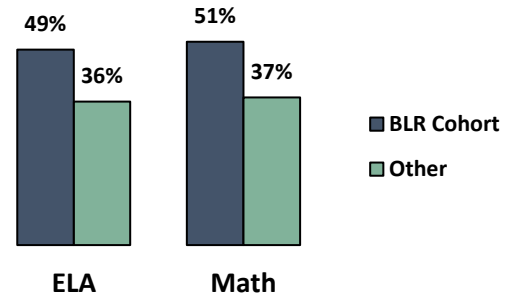
- BLR Cohort schools tended to have smaller **enrollments** than Other schools.
- **Per-student spending** was similar between both groups, with BLR Cohort schools spending, on average, \$250 less per student.
- BLR Cohort schools tended to have, on average, about 13% more student scoring Ready or Exceeding on the **ACT Aspire** than Other (non-BLR Cohort) schools.
- BLR Cohort schools had similar demographics as Other (non-BLR Cohort) schools, though they tended to have slightly lower percentages of **FRL**, **EL**, **SPED** and minority students.

BLR Cohort	Total Enrollment	Average ADM	Per-Pupil Expenditures
Other	432,944	465	\$10,264
BLR Cohort	39,171	381	\$10,014

BLR Cohort Categories



ACT Aspire % Ready and Exceeding



District Type

In 2023, Arkansas had 234 traditional school districts, which were tied to a geographic area and supported by local millage rates. In addition, the state had 21 open-enrollment charter systems (excluding The Excel Center, a charter school for adults), which could enroll students from across school district boundaries.

The 21 charter school systems in 2023 and the schools they encompassed are listed in the following table:

SYSTEM	SCHOOLS
ACADEMICS PLUS	Maumelle Charter Elementary
	Maumelle Charter Middle School
	Maumelle Charter High School
	Scott Charter School
ARKANSAS ARTS ACADEMY	Arkansas Arts Academy Elementary

SYSTEM	SCHOOLS
	Arkansas Arts Academy High
ARKANSAS CONNECTIONS ACADEMY	Arkansas Connections Academy High
ARKANSAS LIGHTHOUSE CHARTER SCHOOLS	Jacksonville Lighthouse Elementary Academy
	Jacksonville Lighthouse Flightline Academy
	Jacksonville Lighthouse High School Academy
ARKANSAS MILITARY AND FIRST RESPONDERS ACADEMY	Arkansas Military and First Responders Academy
ARKANSAS VIRTUAL ACADEMY	Arkansas Virtual Academy Elementary
	Arkansas Virtual Academy Middle
	Arkansas Virtual Academy High
ESTEM	eSTEM Elementary
	eSTEM Jr. High
	eSTEM High
	eSTEM East Village Elementary
	ESTEM East Village Jr. High
EXALT ACADEMY OF SOUTHEAST LITTLE ROCK	Exalt Academy
FOUNDERS CLASSICAL ACADEMIES OF ARKANSAS	Founders Classical Academy of Bentonville
	Founders Classical Academy High School Rogers
	Founders Classical Academy of WEST Little Rock Elementary
	Founders Classical Academy of West Little Rock
	Founders Classical Academy of Arkansas Rogers
	Founders Classical Academy Elementary Online
	Founders Classical Academy High School Online
FRIENDSHIP ASPIRE ACADEMIES OF ARKANSAS	Friendship Aspire Elementary Academy Little Rock
	Friendship Aspire Academy Downtown Pine Bluff
	Friendship Aspire Academy Hazel Street Pine Bluff
	Friendship Aspire Academy Southeast Middle Pine Bluff
	Friendship Aspire Academy Southeast High
	Friendship Aspire Middle Academy Little Rock
	Friendship Aspire Academy North Little Rock
	Friendship Aspire Academy at Pine Bluff
	Friendship Aspire Academy Southeast Pine Bluff
FUTURE SCHOOL OF FORT SMITH	Future School of Fort Smith
GRADUATE ARKANSAS	Graduate Arkansas
HAAS HALL ACADEMY	Hass Hall Academy
	Haas Hall Academy at the Lane
	Haas Hall Academy Jones Center
	Haas Hall Academy Bentonville
	Haas Hall Academy Fort Smith
HOPE ACADEMY OF NORTHWEST ARKANSAS	Hope Academy of NW AR
IMBODEN AREA CHARTER	Imboden Area Charter
LISA ACADEMY	LISA Academy West Elementary
	LISA Academy West Middle
	LISA Academy West High
	LISA Academy North Elementary
	LISA Academy North Middle
	LISA Academy North High
	LISA Academy Springdale
	LISA Academy Arkansas Hybrid School

SYSTEM	SCHOOLS
	LISA Academy Fayetteville
PREMIER HIGH SCHOOLS OF ARKANSAS	Premier High School of Little Rock
	Premier High School of Texarkana
	Premier High School of Fort Smith
	Premier High School Virtual Academy
PREMIER HIGH SCHOOL OF NORTH LITTLE ROCK	Premier High School of North Little Rock
PREMIER HIGH SCHOOL OF SPRINGDALE	Premier High School of Springdale
SCHOLARMADE ACHIEVEMENT PLACE	Ivy Hill Academy
	Nichols Int Academy of Leadership
	Prodigy Preparatory Academy of Service
WESTWIND SCHOOL FOR PERFORMING ARTS	Westwind School for Performing Arts

SOURCE: <https://dese.ade.arkansas.gov/Offices/office-of-school-choice-and-parent-empowerment/charter-schools>

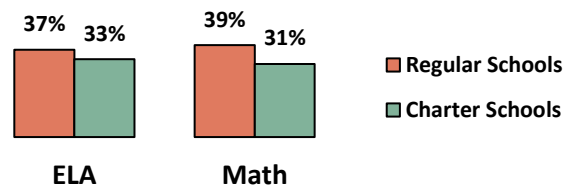
Statistical Context

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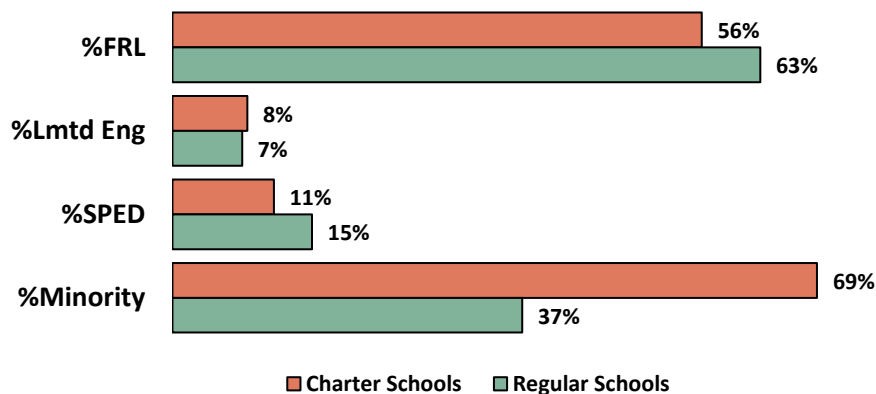
- Regular schools accounted for 95% of the public school **enrollment**.
- Charter schools tended to be **smaller** and to spend less per pupil **than schools in traditional** districts.
- Schools in districts tended to have higher percentages of students scoring Ready or Exceeding on the **ACT Aspire** than charter schools did.
- Charter schools tended to have lower percentages of **FRL** students than schools in traditional districts tended to have.
- Charter schools and schools in regular districts tended to have about the same percentage of **EL** students.
- Charter schools tended to have smaller percentages of **SPED** students than schools in traditional districts had.
- Charter schools tended to have larger percentages of **minority** than schools in traditional districts had.

Governance Category	Total Enrollment	Average ADM	Per-Pupil Expenditure
Charter School	24,772	369	\$11,587
Regular School	451,365	457	\$15,078

ACT Aspire % Ready and Above



Governance Category



Expenditures: District- and School-level

The BLR has access to the Arkansas Public School Computer Network (APSCN) system in which expenditure data is entered by the school districts and public charter school systems and maintained by DESE. The BLR maintained the coding system that is used by DESE and mapped appropriate expenditures to match matrix line usage. The BLR ensured that the expenditure data reported reconciles with DESE's ASR.

Beginning with the 2022 Adequacy Study, the BLR tracked spending to the school level as this data has become more available in the years since the federal ESSA was adopted in 2015. This allows a more granular picture of how state funds are being used by the districts at the school level.

Two caveats occurred in recent years that have small impacts on the analyses.

First, some funds were spent at the district level and are not able to be mapped to the individual school level. In categories of spending, such as technology, where district level spending was significant, no attempt was made to analyze expenditures at the school level. For the quintile analyses, the quintile into which the district fell was used.

The second caveat occurred because of the increasing presence of pre-kindergarten programs (Pre-K) within public elementary schools. Pre-K is not considered an adequacy expense, so those expenditures historically have not been considered in adequacy analyses. In past years, this was easier to do because the state had a handful of stand-alone Pre-K programs with their own LEAs. In 2023, however, 121 schools had preschool programs combined with kindergarten up to grade 6 in their schools. DESE tracked spending but not enrollment for the preschool students; however, the spending for Pre-K purposes was not separated out from the remainder of the schools' spending. Therefore, whenever spending could be pinpointed to Pre-K expenditures, they are noted in the report.

Minority Quintiles

Schools were identified by which quintile (20% of schools) they fell into according to the percentage of minority (all other than white) students enrolled in the 2022 school year. Percent values below were rounded to the nearest tenth percent, which accounts for the occasional overlap.

District Values

Minority Quintile 1 contains schools with minority enrollment levels of **2.0% to 7.4%**

Minority Quintile 2 contains schools with minority enrollment levels of **7.5% to 14.3%**

Minority Quintile 3 contains schools with minority enrollment levels of **14.8% to 29.5%**

Minority Quintile 4 contains schools with minority enrollment levels of **29.6% to 57.6%**

Minority Quintile 5 contains schools with minority enrollment levels of **59.1% to 99.7%**

School Values

Minority Quintile 1 contains schools with minority enrollment levels of **0.04% to 10.2%**

Minority Quintile 2 contains schools with minority enrollment levels of **10.3% to 22.5%**

Minority Quintile 3 contains schools with minority enrollment levels of **22.6% to 43.1%**

Minority Quintile 4 contains schools with minority enrollment levels of **43.1% to 68.7%**

Minority Quintile 5 contains schools with minority enrollment levels of **68.8% to 100%**

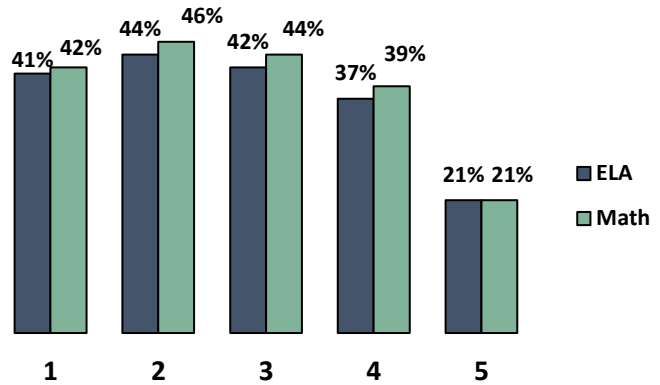
Statistical Context

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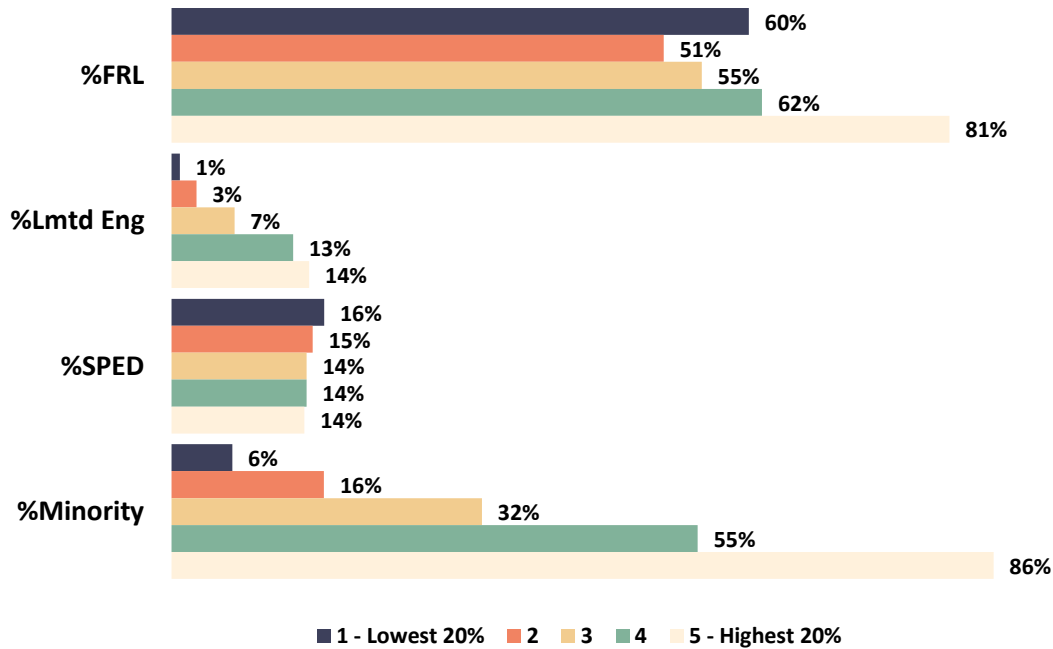
- Schools in Quintiles 1 tended to have the lowest **enrollment** while schools in Quintile 3 tended to have the largest.
- Spending per pupil** tended to increase with each quintile, with schools in Quintile 5, on average, spending nearly \$8,000 more per student than schools in Quintile 1.
- Schools in Quintiles 2 and 3 tended to have the most students scoring Ready or Exceeding on the **ACT Aspire**.
- Schools in Quintile 5 tended to have the largest percentages of **FRL**, **EL** and **minority** students.
- Schools in Quintile 5 tended to have the lowest percentages of **SPED** students, although all quintiles are similar, ranging from 14% to 16% of their student bodies being SPED students.

Minority Quintile	Total Enrollment	Average ADM	Per-Pupil Expenditures
1 - Lowest 20%	68,176	324	\$12,096
2	90,995	433	\$12,203
3	113,044	536	\$13,876
4	108,436	514	\$15,331
5 - Highest 20%	95,486	451	\$19,823

ACT Aspire % Ready and Exceeding



Minority Quintile Categories



Free and Reduced-Price Lunch (FRL) Quintiles

Schools were identified by which quintile (20%) of schools they fell into according to the percentage of FRL students enrolled in the 2022 school year. Percent values below were rounded to the nearest tenth percent, which accounts for the occasional overlap.

District Values

- FRL Quintile 1** contains schools with FRL levels of **8.3% to 50%**
- FRL Quintile 2** contains schools with FRL levels of **50.2% to 61.6%**
- FRL Quintile 3** contains schools with FRL levels of **62.1% to 71.7%**
- FRL Quintile 4** contains schools with FRL levels of **71.7% to 75.4%**
- FRL Quintile 5** contains schools with FRL levels of **75.5% to 89.7%**

School Values

- FRL Quintile 1** contains schools with FRL levels of **none to 45.5%**
- FRL Quintile 2** contains schools with FRL levels of **45.5% to 59.2%**.
- FRL Quintile 3** contains schools with FRL levels of **59.3% to 70.1%**.
- FRL Quintile 4** contains schools with FRL levels of **70.1% to 78.9%**.
- FRL Quintile 5** contains schools with FRL levels of **78.9% to 98.7%**.

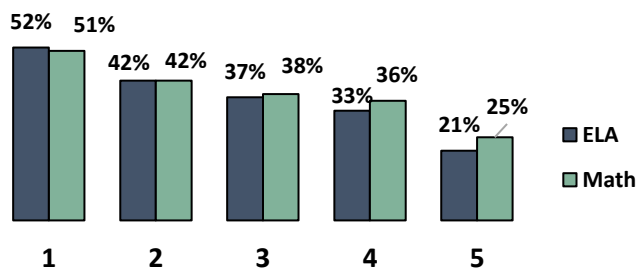
Statistical Context

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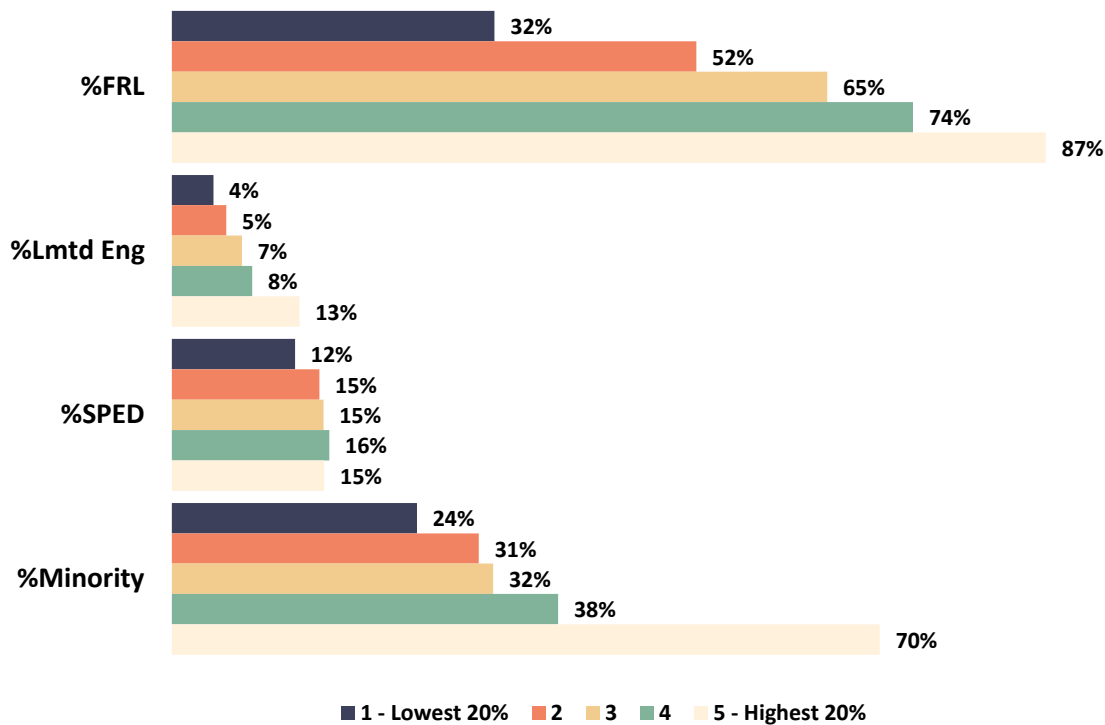
- Schools in Quintile 5 tended to have the smallest **enrollments** while schools in Quintile 1 tended to have the largest enrollments.
- The highest **per-pupil spending** occurred in Quintile 3, where schools averaged a 65% FRL enrollment.
- Schools with the highest percentages of **FRL** students also tended to have higher percentages of **EL** and **minority** students.
- Percentages of schools' **SPED** students were similar in the top four Quintiles and tend to be lowest in schools in Quintile 1.

FRL Quintile	Total Enrollment	Average ADM	Per-Pupil Expenditures
1 - Lowest 20%	122,939	585	\$14,162
2	110,365	524	\$13,350
3	84,315	398	\$16,629
4	83,829	398	\$14,851
5 - Highest 20%	74,689	355	\$15,271

ACT Aspire % Ready and Exceeding



FRL Quintile Categories



School Letter Grade Categories

Ark. Code Ann. § 6-15-2101 *et seq.* lays out the state’s school rating system (also known as the letter grade system). The school rating system must be a multiple-measure approach including the following:

- Academic achievement on the annual statewide student assessment
- student growth on the annual statewide student assessment
- school-level graduation rate or rates
- English-learner progress or growth in acquiring English

In addition, the rating system must consider at least one of the following indicators:

- Closing the achievement gap
- academic growth of student subgroups (economically disadvantaged students, students from major racial and ethnic groups, English learners, and students with disabilities)
- the percentage of grade 9 cohort with on-time completion of credit attainment at the end of grade 9
- equity in resource allocation
- the percentage of students who earn:
 - Advanced Placement credit
 - concurrent credit
 - International Baccalaureate credit, or
 - industry-recognized certification that leads to articulated or concurrent credit at a postsecondary institution
- student access to multiple flexible learning continua
- student access to preschool offered by the public school district

- the proportional percentage of qualified educators who hold a National Board for Professional Teaching Standards certification or have an advanced degree beyond their bachelor’s degree
- public school district and community partnerships

The statute directs DESE to promulgate rules to implement the rating system. Under DESE rules, the School Rating System uses the ESSA School Index, which consists of the following indicators:

- Weighted achievement
- School Mean Growth plus English Learner Growth:
 - Content growth (ELA and math growth scores combined for each student)
 - English Learner progress to English Language Proficiency at a rate that is proportional to number of English Learners
- Adjusted Cohort Graduation Rate:
 - Four-year Adjusted Cohort Graduation Rate
 - Five-year Adjusted Cohort Graduation Rate
- School Quality and Student Success

The **School Quality and Student Success indicator** is based on the following chart:

Indicator	Grade Level or Cohort for Points Available	Points for Student
Student Engagement	Grades K -11	Point based on Chronic Absence (CA) risk level: CA<5% = 1.0 Point 5<=CA < 10% = 0.5 Point CA >=10% = 0.0 Point
Science Achievement	Grades 3 – 10	Ready or Exceeds = 1.0 Point Close or Not Ready = 0.0 Point
Science Growth	Grades 4 – 10	Using ACT Aspire Science Value-Added Score Percentile Rate VAS PR ≥ 75 = 1.0 Point 25 ≤ VAS PR < 75 = 0.5 Point VAS PR ≤ 25 = 0.0 Point
Reading at Grade Level	Grades 3 – 10	Ready or Exceeds = 1.0 Point Close or Not Ready = 0.0 Point
ACT	Grade 12 Cycle 7 Enrollment	Best ACT Composite Score ≥ 19 = 1.0 Point Use best ACT score from prior 3 years.
ACT Readiness Benchmark	Grade 12 Cycle 7 Enrollment	ACT Reading ≥ 22 = 0.5 point ACT Math ≥ 22 = 0.5 point ACT Science ≥ 23 = 0.5 point Use best ACT score from prior 3 years for each subject
GPA 2.8 or better on 4.0 scale	Grade 12 Cycle 7 Enrollment	High school final GPA ≥ 2.8 = 1.0 Point
Community Service Learning Credits Earned	Grade 12 Cycle 7 Enrollment	1 or more SL credits earned = 1.0 Point Act 648 of 1993 course #496010 or other state approved courses Credits earned at any time during grades 9 - 12
On-time Credits	Grades 9 -11	Grade 9 completed ≥ 5.5 credit = 1.0 Point Grade 10 completed ≥ 11.0 credits = 1.0 Point Grade 11 completed ≥ 16.5 credits = 1.0 Point
Computer Science Course Credits Earned	Grade 12 Cycle 7 Enrollment	Credits earned ≥ 1 = 1.0 Point Credits earned at any time during grades 9 - 12
Adv. Placement / Intl. Baccalaureate or Concurrent Credit	Grade 12 Cycle 7 Enrollment	Credits earned ≥ 1 = 1.0 Point Credits earned at any time during grades 9 - 12

Indicator	Grade Level or Cohort for Points Available	Points for Student
Courses (ACE included)		

After each of the indicators is calculated, they are weighed according to this chart:

Component	Weight of Indicator within Index Grades K – 5 & 6 - 8	Weighted Achievement and Academic Growth	Weight of Indicator within Index High Schools
Weighted Achievement Indicator	35%	Weighted Achievement and Academic Growth	70% total with Weighted Achievement accounting for half (35%) and School Growth Score accounting for half (35%)
Growth Indicator Academic Growth English Language Progress	50%		
Progress to English Language Proficiency	Weight of indicator in School Value-Added Growth Score is proportionate to number of English Learners	Progress to English Language Proficiency	Weight of indicator in School Value-Added Growth Score is proportionate to number of English Learners
Graduation Rate Indicator 4-Year Adjusted Cohort Rate 5-Year Adjusted Cohort Rate	NA		15% total 4-Yr = 10% 5-Yr = 5%
School Quality and Student Success Indicator	15%		15%

The result is the ESSA School Index for the school. To figure the letter grades, the Department uses the rankings listed in the table to the right.

Letter Grade	Elementary	Middle School	High School
A	79.26 <= Score	75.59 <= Score	73.22 <= Score
B	72.17 - 79.25	69.94 - 75.58	67.96 - 73.21
C	64.98 - 72.16	63.73 - 69.93	61.10 - 67.95
D	58.09 - 64.97	53.58 - 63.72	52.95 - 61.09
F	Score < 58.09	Score < 53.58	Score < 52.95

Statistical Context

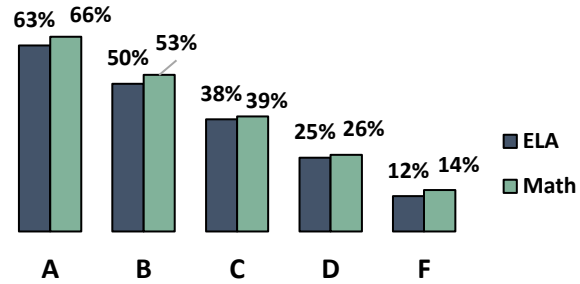
The data show that:

- F-graded schools tended to be smallest in **enrollment**, while A-graded schools tended to be largest in enrollment.
- Spending per student** was highest, on average, among F-graded schools and lowest, on average, for A-graded schools.
- The percentages of students scoring Ready or Exceeding on the **ACT Aspire** were highest for F-graded schools and declined with each subsequent letter grade.
- The percentages of **FRL** and students tended to be largest in F-graded schools and lowest in A-graded schools, with a gap of about 50 percentage points between the two averages.

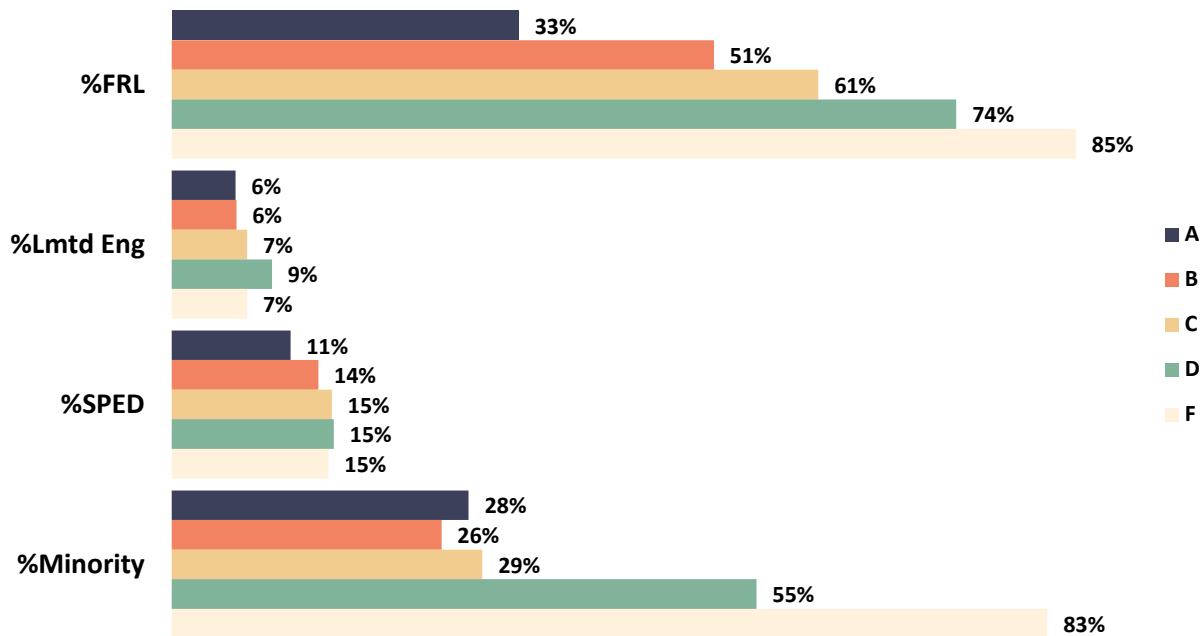
School Letter Grade	Total Enrollment	Average ADM	Per Pupil Expenditure
A	45,145	561	\$9,393
B	97,979	481	\$9,501
C	190,551	452	\$9,982
D	112,474	437	\$11,234
F	28,341	357	\$11,967

- The highest percentages of **EL** students were found in D-graded schools, followed by C-graded schools, although the overall range was narrow, 6% to 9%.
- Percentages of **SPED** students were very similar among the grade categories, but tended to be smallest in A-graded schools.
- D-graded and F-graded schools had the largest percentages of **minority** students, while A-graded, B-graded and C-graded schools had about 50 percentage points fewer minority students on average.

Scores by School Letter Grade



Letter Grade Categories



Size Categories

Several factors influenced the grouping of school districts and charter systems by size. Because school districts with enrollments of 350 must have received a minimum school size waiver to operate in 2023, districts and charter systems with enrollments of 350 or less became the first category. The next category of 351-500 was selected since the matrix funds districts and charter systems based on a prototypical single-school district of 500 students. Subsequent enrollment categories were chosen to group similar numbers of districts together.

Size Category 1 contains districts with **0 to 350 students**.

Size Category 2 contains districts with **351 to 500 students**.

Size Category 3 contains districts with **501 to 750 students**.

Size Category 4 contains districts with **751 to 1,000 students**.

Size Category 5 contains districts with **1,001 to 1,500 students**.

Size Category 6 contains districts with **1,501 to 2,500** students.

Size Category 7 contains districts with **2,501 to 5,000** students.

Size Category 8 contains districts with **5,001 to 25,000** students.

Statistical Context

The data show that:

- School **enrollment** in the smallest sized districts and charter systems tended to be about 500 students smaller than schools in the largest-sized districts.

- Schools in the two smallest district-size categories **spent at least \$1,600 more per student** than schools in the largest district-size category. The lowest per-pupil spending, on average, occurred in school districts with 751 to 1,000 students, followed by schools in districts with 1,501 to 2,500 students.

Size Category	Total Enrollment	Average ADM	Per-Pupil Expenditure
1-350	3,504	139	\$17,123
351-500	14,093	207	\$17,548
501-750	31,036	284	\$16,852
751-1000	34,219	285	\$12,777
1001-1500	40,525	362	\$16,065
1501-2500	64,963	422	\$13,771
2501-5000	114,439	599	\$13,916
5001-25000	173,358	631	\$15,550

- The percentages of a school's students scoring Ready and Exceeding on the **ACT Aspire** tended to increase with the size of the district.

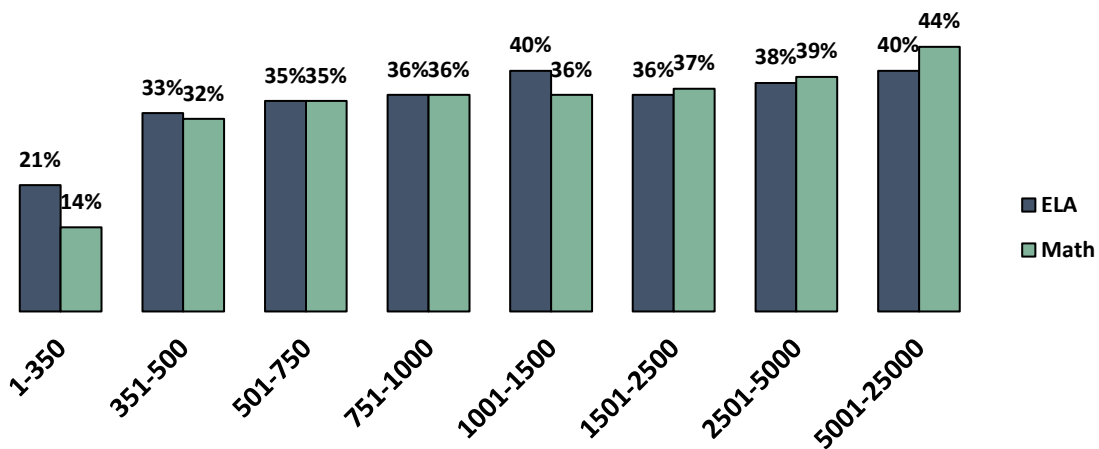
- The percentages of **FRL** students tended to be largest in schools that were in the smallest districts and trended lower as district-size increased.

- Schools in the largest district-size category tended to have the highest percentages of **EL** students.

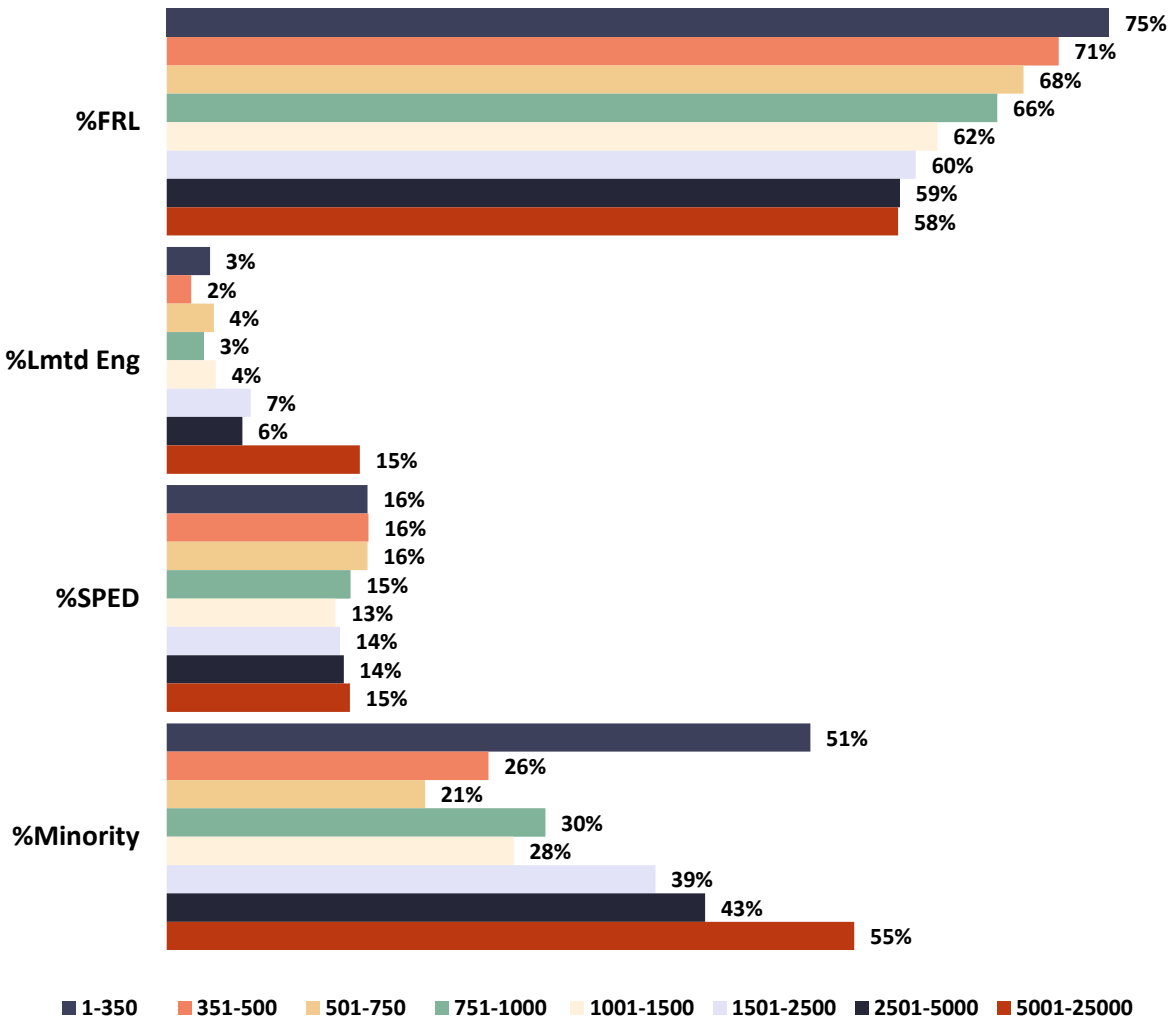
- Percentages of **SPED** students were similar, but tended to be highest in schools in the three smallest district-size categories.

- Schools in the smallest and in the highest district-size categories tended to have the highest percentages of **minority** students.

ACT Aspire % Ready and Exceeding



Distict Size Categories



Urban/Rural Categories

Schools were identified as urban or rural using the classification and criteria established by the National Center for Educational Statistics (NCES). The NCES locale framework is composed of four basic types (City, Suburban, Town, and Rural), and each contains three subtypes. The framework relies on standard urban and rural definitions developed by the U.S. Census Bureau.

The NCES locales can be fully collapsed into a basic urban–rural dichotomy, or expanded into a more detailed collection of 12 distinct categories. These subtypes are differentiated by size (in the case of City and Suburban assignments) and proximity (in the case of Town and Rural assignments).

Locale Code	Locale	Urban/Rural
12	City: Midsize	Urban
13	City: Small	Urban
21	Suburb: Large	Urban
22	Suburb: Midsize	Urban
23	Suburb: Small	Urban
31	Town: Fringe	Urban
32	Town: Distant	Rural
33	Town: Remote	Rural
41	Rural: Fringe	Rural
42	Rural: Distant	Rural
43	Rural: Remote	Rural

Schools in Arkansas were assigned to 11 of the 12 NCES locale codes. None of the schools within the state were assigned a locale code of City- Large (11), because the population must be 250,000 or more to receive that code.

The table to the right provides the locale codes assigned to schools in Arkansas and urban/rural designation mapped to each one.

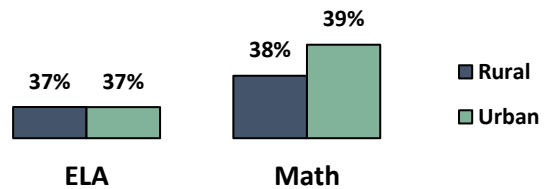
Statistical Context:

The data show that:

- Just over half – 54% -- of Arkansas’s public school **enrollment** attended Rural schools; the rest attended Urban schools. However, Urban schools tended to have larger enrollments.
- Urban schools tended to **spend more per student** from all fund sources.
- Rural schools tended to have larger percentages of **FRL** students.
- Urban schools tended to have higher percentages of **ELL** students and of **minority** students.
- Rural schools and Urban schools had similar percentages of **SPED** enrollments.

Urban-Rural	Total Enrollment	Average ADM	Per-Pupil Expenditures
Rural	254,937	381	\$10,087
Urban	221,200	574	\$10,412

ACT Aspire % Ready and Above



Urban-Rural Categories

