Local Perspectives on Educational Challenges: Focus on *Arkansas*

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Panel on Community Issues

- Ken Dahlstedt, Commissioner, Skagit County, Washington
 - County Perspective
- Otto Loewer, University of Arkansas
 - Regional/State Perspective on Creating New Rural Development Opportunities
- Gary Ritter, Center for Education Policy,
 University of Arkansas
 - Local Perspective on Educational Challenges

Overview: Education in AR

A. School Funding Litigation

- Brief National Background
- Background on Lakeview Case

B. What Challenges Do Arkansans Face?

- Across the State
- Rural Schools

C. What Reforms are Discussed?

- What Have We Done?
- What Could/Should We Do?

A. School Funding Lawsuits

Background in the US and in AR

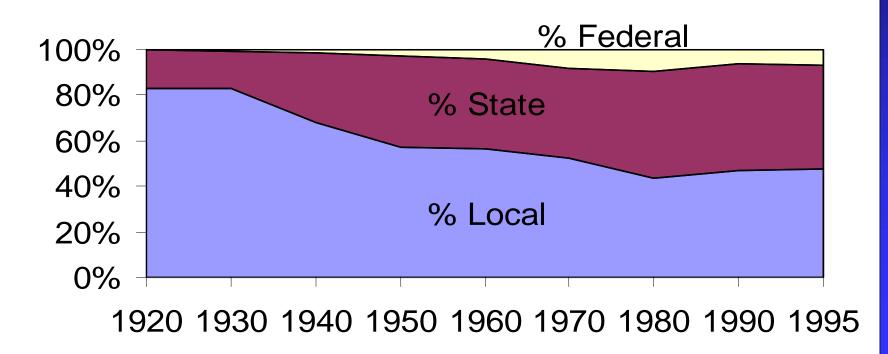
Quick Review

Education is a ...

- > State Responsibility (~ 45%)
- > Local Function (~ 45%)
- > Federal Interest (< 10%)

Funding Sources for US Schools

Percent of Revenue: Various Levels of Government, 1920-1995



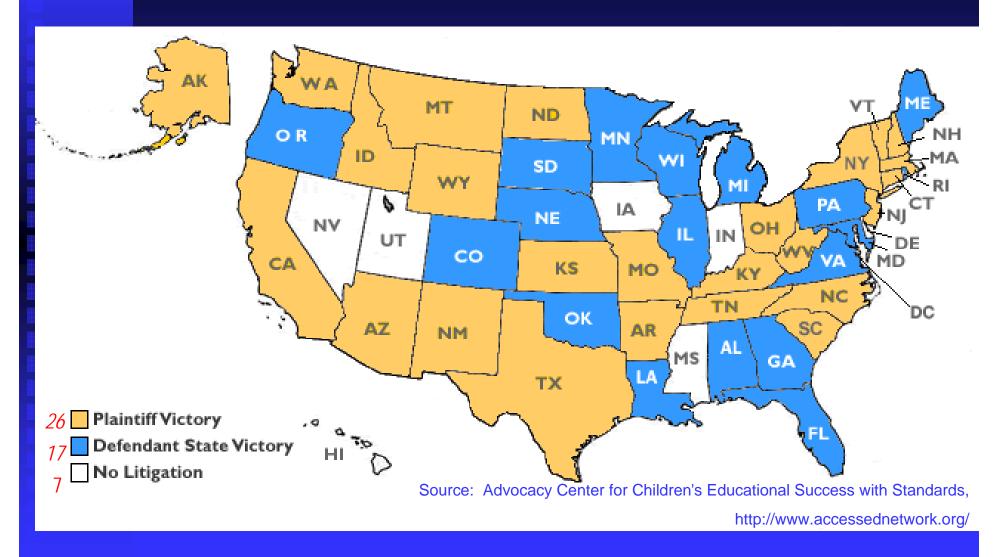
Is Education a National & Fundamental Right?

- At the Federal level No! Education is not a right mentioned in the US Constitution.
- Life, liberty, and property are fundamental rights under the Federal Constitution.
- At the state level, some courts have declared education a fundamental right.
 This has significance in how a court looks at the finance case.

Important State Finance Cases

- California *Serrano v. Priest* (1971)
- New Jersey *Abbott v. Burke* (1984, 1985, 1990, 1994, 1997, 1998, ...)
- Kentucky *Rose v. Council for Better Education* (1989)
- Tennessee TN Small School Systems v. McWherter (1993)
- Missouri *Missouri v. Jenkins* (1990)

School Finance Scorecard



Timeline of Arkansas Lake View Lawsuit

- 1983: Arkansas Supreme Court strikes down state's public school-funding formula. (*Alma v. Dupree*)
- 1984: State raises sales tax by 1¢ to help fund public education.
- **1992:** Lake View School District sues state over disparities in school funding.
- 1994: County Court rules finance system violates education adequacy & equity provisions of state constitution.
- May 2001: County Court declares funding system inequitable & inadequate and orders state to fund preschool. (Supreme Court upholds in 2002)
- **Feb. 2004 Special Session:** Legislature increases school funding by more than \$400 million for 2005 & sets new funding formula
- Supreme Court removes itself in 2004, recalled in Fall 2005 and again finds system unconstitutional
- Legislature responds with additional funding in Spring 2006

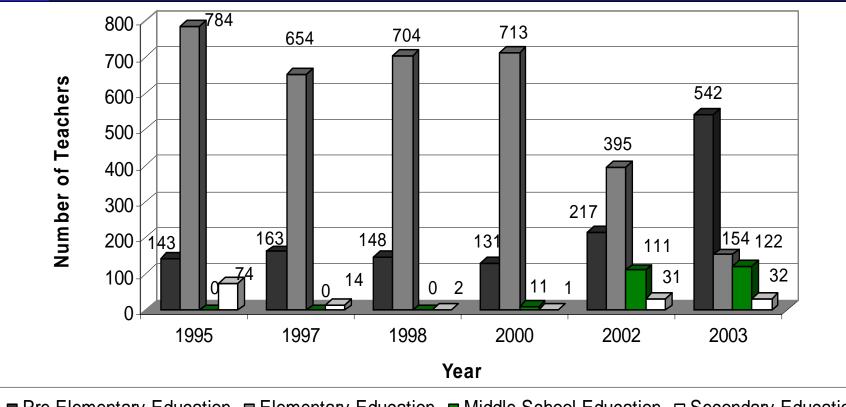
B. What Education Challenges Do Arkansans Face?

- **■**Statewide Issues
- Special District Issues

Key Challenges - Statewide

- Teacher Shortages & Quality
- **■** Student Performance
- No Child Left Behind

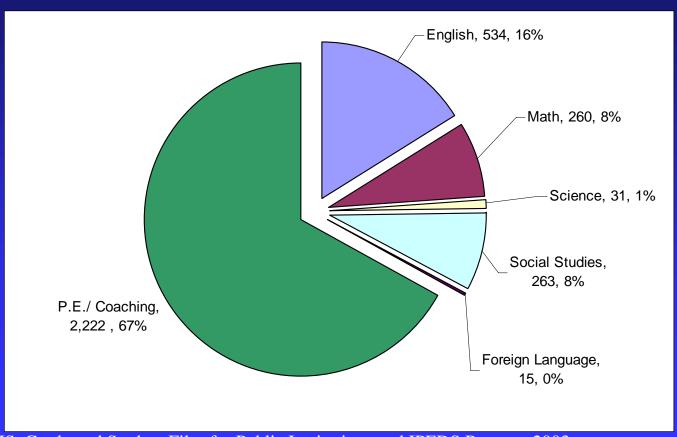
Teacher Shortages?



■ Pre-Elementary Education
■ Elementary Education
■ Middle School Education
□ Secondary Education

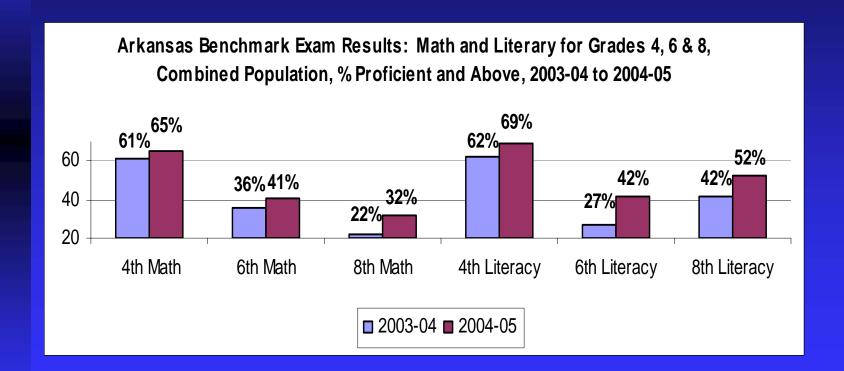
Source: AHEIS, Graduated Student Files for Public Institutions and IPEDS Reports, 2003

Key Teacher Certification Areas, Totals from 1995 to 2003

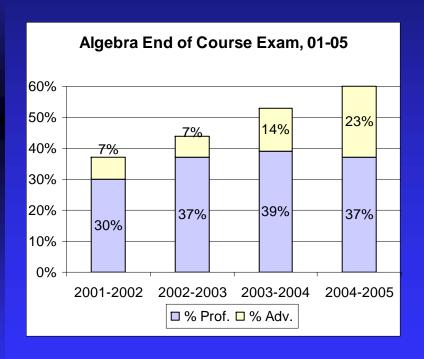


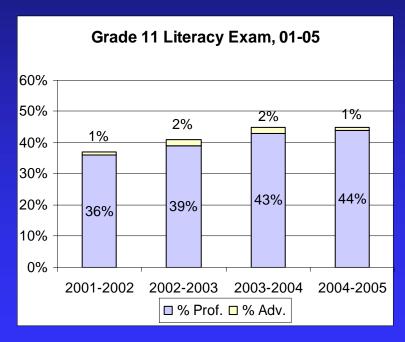
Source: AHEIS, Graduated Student Files for Public Institutions and IPEDS Reports, 2003

Improvements on AR Benchmarks

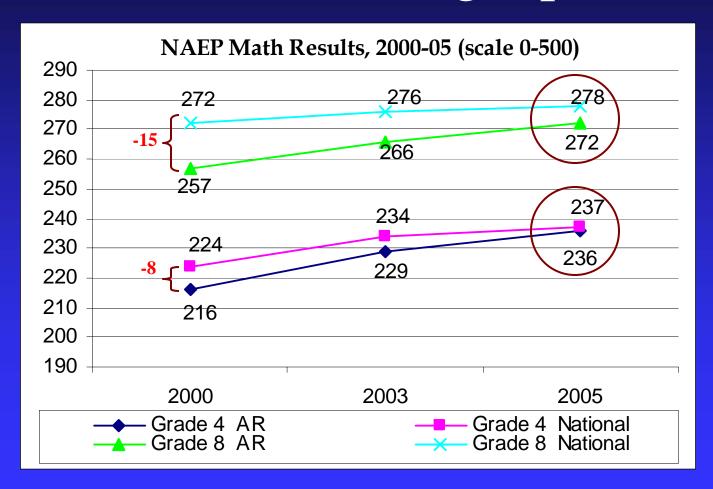


End of Course Scores on the Rise

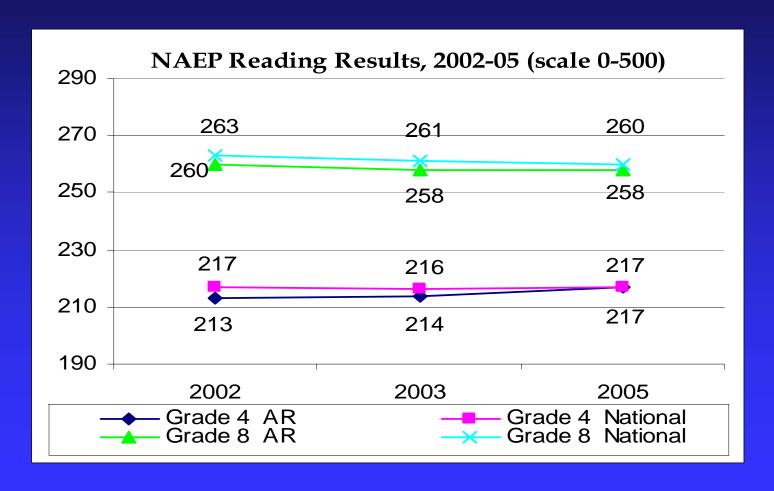




NAEP Math: Catching Up!



NAEP Reading: Just About Par!



No Child Left Behind: AYP

Arkansas State Baseline Scores for Proficiency and Targets for Increasing Proficiency Levels

Baseline Scores	Yearly Targets for Increasing Proficiency Levels
31.8%	5.68
28.2%	5.98
18.1%	6.83
15.3%	7.06
19.0%	6.75
10.4%	7.47
	31.8% 28.2% 18.1% 15.3% 19.0%

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Key Challenges – Rural Schools

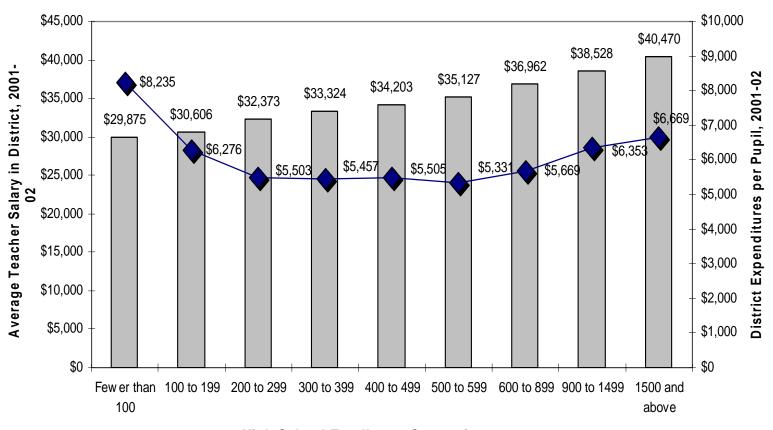
- Delivering Core Classes
- Declining Enrollments / Funding

Core Classes

- 38 Units <u>MUST</u> be taught annually
 - ◆ Language Arts 6 units
 - ♦ Science 5 units
 - ◆ Mathematics 6 units
 - ◆ Foreign Language 2 units
 - → Fine Arts 3.5 units
 - ◆ Computer Applications 1 unit
 - ◆ Social Studies 4 units
 - ♦ Health and Safety/P.E. 1.5 units
 - ◆ Career and Technical Education 9 units

Source: Arkansas Accreditation of Schools, 23.04

Rural Schools: High Spending Low Salaries



High School Enrollment Categories, 2002-03

C. Key Reforms

- What Have We Done?
 - ◆Funding Changes
 - ◆Reorganization
- ■What Should We Do?

Funding Changes

Revenue Source	2003-04 Revenue Per Pupil	2003-04 Total Revenue (thousands)	2004-05 Revenue Per Pupil	2004-05 Total Revenue (thousands)	% Change in Total
State Revenue (foundation)	\$3,237	\$1,450,000	\$3,834	\$1,728,000	19.2%
Local Revenue (required 25 mills)	\$1,518	\$680,000	\$1,591	\$717,000	5.5%
Total Foundation Revenue	\$4,755	\$2,129,000	\$5,424	\$2,445,000	14.9%
State Revenue (categorical)	\$49	\$22,000	\$422	\$190,000	761.4%
State Rev. (other)	\$442	\$198,000	\$440	\$198,000	0.2%
State Rev. (capital)	\$82	\$37,000	\$39	\$17,000	-52.1%
Local Rev (local tax > 25 mills)	\$727	\$326,000	\$845	\$381,000	17.0%
Federal Revenue	\$1,000	\$448,000	\$1,049	\$473,000	5.7%
Other Revenue	\$642	\$28,0007	\$684	\$308,000	7.3%
Total Revenue	\$7,696	\$3,447,000	\$8,902	\$4,014,000	16.5%

Reorganization

- Act 60 of the 2003 Special Legislative Session
 - consolidated districts with enrollments for 2 consecutive years of less than 350 students
- Compared to the rest of the state, districts consolidated had:
 - higher rates of poverty (by more than 10 percentage points),
 - higher spending per pupil (by more than \$1,500), more students of color,
 - ◆ lower teacher salaries (by nearly \$5,000), and
 - lower test scores

Consolidation Effects

	2003-04			2004-05		
NAEP Test	Districts Involved in Consolidation (n = 99)	Rest of the State (n =209)	Difference	Districts Involved in Consolidation (n = 46)	Rest of the State (n = 208)	Difference
Grade 4 Math	63.7%	65.0%	1.3	50.5%	50.0%	-0.5
Grade 4 Literacy	64.7%	70.1%	5.4	49.4%	51.2%	1.8
Grade 8 Math	30.9%	30.5%	-0.4	31.7%	31.6%	-0.1
Grade 8 Literacy	49.3%	52.7%	3.4	55.0%	56.6%	1.6

Rural Reforms in Other States

- What strategies are being used around the country to address school funding / equity issues?
- Is Arkansas following national trends in addressing rural issues?
- Are there unique tools that can be used to address rural education issues and funding equity issues?

What should be done next?

- More research to understand changes
- Other ideas being negotiated:
 - ◆ More funding reform
 - ◆ More reorganization
 - ◆ More charter schools
 - More accountability of schools / teachers
 - ◆ Pre-packaged programs (e.g. Success for All)

Any Questions?

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