The one thing parents expect when they send their kids to school is that they WILL learn to read and that "school" actually knows how to get that done. Right now, that is not happening and the finances are at the heart of the whole thing.

My name is Brooke Payne. I'm the mother of 6 children, four AAA graduates, one 10th grader, and one 5th grader. For 11 years I have always had at least one child on both district campuses. I am and have been an extremely involved parent, Full-Time and Part-time substitute, PTA board member, and active volunteer. AAA has given my children opportunities in the Arts, academics, and leadership that I could never have foreseen and I'm incredibly grateful to every teacher who pours their passion into their teaching and my children's lives. I am appreciative of the school board's willingness to serve our community as volunteer caretakers of the district. Thank you for supporting our fabulous principals, lead teachers, and nurses as they have done a fabulous job organizing staff to bring students back to campus and AAA back to life.

I realize COVID-19 has put an undue strain on all schools and that is a huge focus right now, but I hope it is giving you a reprieve to adjust to a new board grouping and opportunity to have a vision for the future.
I've addressed the board on several occasions over the past 10 years. On many occasions, I specifically talked about the need for reading intervention for children with dyslexia. I've also addressed the board with concerns about over-working our teachers and administrators by expecting them to wear too many hats and not providing them with workers to get the job done. In 2020 I made it a mission to continue to address the board with my concerns regarding our Special Education Department until a *change is enacted*. I'm now convinced that finances and the ability to hire and *retain* efficient, passionate teachers are at the heart of all these concerns.

The most recent school board meeting highlighted the fact that a finance committee needed to be created. It also mentioned that monthly bond repayment and loan repayments will be going up significantly. I've been paying attention to the finances for several years, which is difficult to do as year to year there isn't a way to compare apples to apples because of different accounting procedures. At least one board member asked for more time to review the finances before being asked to vote on things. I've definitely been to school board meetings where voting happened and the finances where not spoken about in numbers, just with "we have it in the budget." Which, of course, begs the question where is the budget? (By budget I mean a prescribed plan for the income expected to be received managed in a conservative manner, which I'm assuming is school board purview.)

I am thankful for the lovely building that the students in 7-12 get to use and the improvements put in place on both campuses over the past 5 years. However, I'm concerned that funds for academics coming from the State of Arkansas are being used to fund building projects and rent instead of curriculum and teacher salaries first. We ask a lot from our teachers and staff and we need more staff to get the job done. But, the cry has always been, "we are a Charter school and we don't get the same funding as the other schools." This begs the question as to why we don't have a written budget/plan prepared before the fiscal school year.

I know money has gone missing from "activity" funds in the recent past (as well as within the past 5 years). When teachers have wanted to access those funds they can not get the money. I understand the fluidity of cash and sometimes emergencies break the bank, but fundraised funds used to pay bills should at least be acknowledged and hopefully paid back before the scheduled event and need for the funds arises.

However, I beat only one drum. I'm looking into funding because I want our school to be in compliance with ADE's dyslexia laws and Special Education Laws*, linked because 80% of SPED kids need Dyslexia therapy or remediation. My dream is AAA not just "in compliance with" on paper, but giving true useful remediation, intervention, and therapy to students who truly need it most. Right now we are not providing the frequency and duration of therapy needed to help kids gain ground on the deficits in their learning (which was allowed to become larger because the intervention was not given in a timely manner.) Do you see the beginning of a vicious cycle?

*The ADE outlined what appropriate intervention looks like in this law.
http://dese.ade.arkansas.gov/public/userfiles/Learning_Services/Dyslexia/Act_1294-AAEA_Aug_2015.pdf

When I asked Mrs. Ley, on many occasions, why our students aren't getting the intervention they need I was told we can't hire anymore teachers or "we can't pay teachers enough to keep them." Which is probably true because we ask them to do a job that is really for 3 teachers for less pay than other districts give one. There is always a reason….and now COVID. But, kids still need help, parents still expect it, and the law is still in place and not waived due to COVID. Let's use COVID as the year we made huge strides to get it right.

I've attached a 2018 SPED funding report. When I ask why SPED students and kids that need intervention for dyslexia, Speech, etc can't get the remediation they need, I'm always told we don't have the same funds as other schools. But, that isn't true if we budgeted accordingly. We aren't appropriating the funds we do receive towards these interventions because other bills are due and must get paid. This needs to change. (See attached 2018 SPED Report)

AAA is equipped to be the best school for reading remediation and Dyslexia intervention in the State*. We have many teachers trained in TakeFlight - the highest-rated dyslexia intervention program, according to the ADE list of approved curriculums. Our trained teachers are slotted to teach general education grade levels and subjects and that needs to be done, but their wealth of knowledge isn't being used most efficiently. We consistently underserve students in our learning disabilities demographic by not having enough staff or by not retaining the staff who are efficient and good at their job. Do you another vicious cycle? We train, make a start, loose staff, start over, and never really reach the top of the plan and then start over. I've been on this roller coaster before and I can't stand to see it happening still, especially when we have the BEST curriculum, the BEST teachers, and volunteers willing to help.

*You can view the ADE 2020 list of appropriate curriculums here:
https://docs.google.com/spreadsheets/d/e/2PACX-1vS0FLGAJ8mRGRobRULpP4bC0exChxD1NlBeFJ_BtuiKtSsSKzPWSKqgejpFJWQV6-ESPLfuvXFejvJ9/pubhtml)

After subbing for over 5 years within the district, I know AAA has many kids that can not read on grade level. They aren't identified as needing services, but they are not independent learners. I truly believe that if we could create strong readers before 4th grade that we could save our teachers, parents, and students a multitude of pain and suffering. This would come by following the ADE Dyslexia laws through to fruition and remediating those we already missed. I beg you to not continue this roller coaster and figure out a way support consistent, intensive, and comprehensive reading program at AAA.

Here is info from ADE and their initiative to help ALL kids learn to read early:
http://dese.ade.arkansas.gov/public/userfiles/Learning_Services/RISE/SCIENCE_OF_READING.pdf

Obviously, my passion stems from the fact that I have 3 children with severe Dyslexia. I have been actively researching, asking questions, begging for assistance, looking for answers for over 10 years. My kids' story is NOT an anomaly. Last year I volunteered my time tutoring Take Flight with a 7th grader because I am now training to be a Dyslexia Therapist. In February 2020 I volunteered to do Take Flight for the weeks before COVID filling in Jackie Hardins' full-time caseload while she was on sick leave. (Full disclosure: I did ask to be compensated for my time). Starting Monday I will be volunteering at the 7-12 with Lori Gladden two days a week I have a passion for teaching kids to read and advocating for those that need help. Dyslexia has a huge impact on our family daily, I don't want another family to go without intervention.
*(My family's story is attached.)

So I beg the question….WHY does it have to be so hard? Let's make a change. Let's do better by our children and our community.

Thank You for reading to the end. You deserve a treat now!

Sincerely and Humbly,
Brooke Payne

Our story is NOT unique except maybe due to the number of humans we created, who happen to be born with Dyslexia: DYSLEXIA BASICS.

In 2010 I enrolled my children in BCSA. We had been actively homeschool and progressing well in our studies, 3 of my children learned to read very easily and progressed as expected. They were independent readers and used this skill to learn about individual interests and were able to be sufficiently independent in their school work after initial lessons. However, one boy had significant trouble getting to the fluency level with reading. It was like a wall that was blocking his progress. I tried several remedial programs with him, but it wasn't breaking down the wall of Dyslexia (which I didn't know or understand well at the time.) Assuming I was a horrible teacher and exhausted by the battle, I brought my children to BCSA hoping that professional teachers and the lure of art and guitar would help my son, Josiah. Of course, the teachers wanted to help and were willing to assist, but he was in 4th grade and supposed to already know how to read. I was told many times, "In 4th grade, we don't teach reading".

We received academic testing and was given a placement in Special Education. I did ask for Dyslexia Intervention, but was told BCSA did not have a specific intervention for reading disabilities, but that they would give Josiah extra help via his SPED placement. Josiah did get extra help by being pulled out of his regular classes for small group work on language skills. There was not a specific method employed, but we took what we could get. Josiah worked incredibly hard to catch on and catch up to his peers, we worked together on all his work from 4th-9th grade. I would often have to read for him or type while he dictated. Soon, after more research, I knew what he needed and knew our school was supposed to supply it, but AAA couldn't provide it and Josiah was already suffering the toll of feeling inadequate. He used his skills in Music, Art, and Sport and could get by with accommodations, but he has never learned to read well and tests at 7th grade reading level at graduation (2019).

He chose to transfer for his senior year to Bentonville High School, he trained hard and made their cross country team, and he got away from the memories of failure he had at AAA. He graduated from BHS with High Honors. He works extremely hard, his teachers worked hard to help him, his siblings sacrificed to help him, but if he had had intervention at 4th grade I believe he would not have had to struggle for 8 years and his teachers and family would not have had to assist him for so long. We took what we could find at school and made it work. But, he still needs intervention and brain plasticity research shows that he could still benefit from intervention.

From the first SPED meeting day I have been to over 20+ SPED meetings and met with over 18+ SPED teachers in the 10 years my students have been with the district. That is a change over rate of almost two teachers per year. Yes, Josiah got extra help, but with a turn over rate of 18 teachers, HOW could this be appropriate intervention?

But, wait, there's more. Josiah wasn't my only kiddo struggling. I brought my sweet, kind, son Seth to BCSA kindergarten. Seth was fully pre-schooled, a kind child, excited to learn. He was sounding out words and reading short books when he entered kindergarten. Since I was extremely challenged with getting assistance for Josiah, I only asked Seth's kindergarten teacher to help me keep an eye on his language learning because I knew that Dyslexia was hereditary and I wanted to head off a problem before it started. I found out that each Kindergarten teacher worked independently of the 1st-grade teachers etc. They were not communicating the same information to each other and thus NOT to the students. Teaching may have been sufficient but wasn't structured and used cumulatively to build year to year class to class. By 2nd grade, my son Seth was behind. By this time we were 3 years into the merry-go-round of SPED with Josiah and I didn't have confidence that it was helping. Administration at BCSA at the time was also in crisis so I felt it best to bring Seth home for the

rest of 2nd grade and really work on reading with him. Seth is a kind, gentle soul, and worked very hard with me to learn to read. He progressed slower than I expected and I saw the signs of dyslexia. His fluency was still lagging, but he wanted to return to school with his siblings and he was reading but not fluently. He went back to school in third grade, but he struggled and we asked for academic testing. He was also placed in SPED. By this time I was exhausted and completely shaken over my inability to help my kiddos.

I finally found and hired David Hanson (working at Lincoln Middle at the time) to work with Seth two times a week and Seth started the Take-Flight Program. During school, Seth had extra assistance and was pulled out to work in small groups. That is a lot of work for an 8-year-old and it was confusing to him because he was asked to read what he could not read in school and started to realize he wasn't learning like the other kids. Again, I was told, "We don't teach reading in 3rd grade," which I don't think would be uttered in a classroom today (Thank God!) He couldn't read directions or what was written on the board. He didn't use written language to get information and ignored signs or notes because he could barely read them.

At this time AAA employed Jennifer Pafford as a SPED teacher. Seth's second year in SPED Mrs. Pafford started implementing a true Dyslexia Intervention Curriculum with Seth and many other students. 5th grade was a fabulous year for Seth, even though he was now behind his peers because of his reading, he saw improvement with his work with Mrs. Pafford and it seemed we would overcome this challenge. Because Seth was getting intervention during the school day we gave up our spot in therapy with David Hanson going into 6th grade. Unfortunately, at the exact same time, Mrs. Pafford left employment at AAA to gain better financial stability for her family. The SPED department was basically non-existent for almost a year. Thus,Seth lost intervention services in his 6th-grade year. I again pulled him out of school to work with a therapist named Holly Meehan. The only times she had available to work with Seth was during the school day, so I homeschooled him in Mathematics and got him private therapy every day.

When an after-school therapy slot opened with his therapist, Seth returned to school in the second half of 6th grade. I had a teacher tell me that taking Seth in and out of school to teach him to read was why he couldn't learn to read. Another teacher ridiculed Seth's spelling and writing in front of the entire class the day after he had finished his first chapter book. However, despite their opinions, Seth progressed quickly with therapy and help from home. Although not on grade level at the beginning of 7th grade, he improved over 30 points in Science and 20+ points in all other areas on his MAP assessments. His teachers could see improvement and Seth was empowered to push through the struggles. He was awarded an "Overall Most improved Student" award in 8th grade. This is his 10th-grade year. It is the first year he is scheduled for "Dyslexia Therapy". And he will go to this therapy and practice to help him retain his skills. But, I'm glad I didn't wait on the school to get him the help he needed. (The above-mentioned teachers are no longer employed by AAA, and Seth was very happy to have proved them wrong.)

Therapy for dyslexia impacts more than just reading for Seth, it has changed his organizational skills, his ability to use and understand humor and figurative language, and most importantly his confidence in his ability to overcome a challenge. Overall our family has spent $20,000 on therapy for Seth. We are a one-income family with 6 children, 3 in college, and to us, it was worth every penny.

My youngest daughter, Charlotte, also showed signs of dyslexia. AAA finally had a dyslexia therapist trained and on staff, they even had 3 other staff members doing therapy within their teaching day. Charlotte improved much faster than Seth and she has never felt inadequate in class because the discrepancy in the younger grades isn't so different. Unfortunately, the hours for intervention were cut in half last year.

I hope you can see the insanity of this roller coaster ride just to get the children to learn to read. The up and down provision of help and the inconsistency? This can change. But, we have to give principals the funds to hire humans. Will you help get that done?

Sincerely and humbly,
Brooke Payne

Research Report

Special Education Funding and Expenditures

June 18, 2018

Prepared for

THE HOUSE INTERIM COMMITTEE ON EDUCATION
AND THE SENATE INTERIM COMMITTEE ON EDUCATION

2017-18 Adequacy Study

BUREAU OF LEGISLATIVE RESEARCH
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INTRODUCTION

Arkansas statute § 10-3-2102 requires the House and Senate Committees on Education to evaluate the cost of providing an adequate education. As one part of that responsibility, the law requires the Committees to review the expenditures from special education (SPED) funding. This report is provided in partial fulfillment of that requirement. This document provides information on the number of students with disabilities in Arkansas, data on the performance of these students on state and national assessments, information about districts' use of state and federal funding.

The federal Individuals with Disabilities Education Act (IDEA) and Arkansas Code § 6-41-202 guarantees a free, appropriate public education (FAPE) to each child with a disability in Arkansas.

Every IDEA eligible student with a disability has an individualized education program (IEP), in accordance with IDEA that serves as the students' plan for specialized instruction. The IEP is a plan or program developed to ensure that every child with a disability identified under the law attending an elementary or secondary educational institution receives specialized instruction and related services. IEP team members, including regular education teachers, special education teachers, parents, a representative of the local education agency, an individual who can interpret instructional implications of evaluation results, other individuals who have knowledge or special expertise, and the child whenever appropriate, develop the IEP and determine the goals outlining performance associated with the student's grade level. The IEP is designed to meet a student's needs, be aligned with grade-level standards (academic and functional), and outline what the child should demonstrate in a period of time. It also includes the special education programming and related services that are to be provided to meet each student's unique needs.

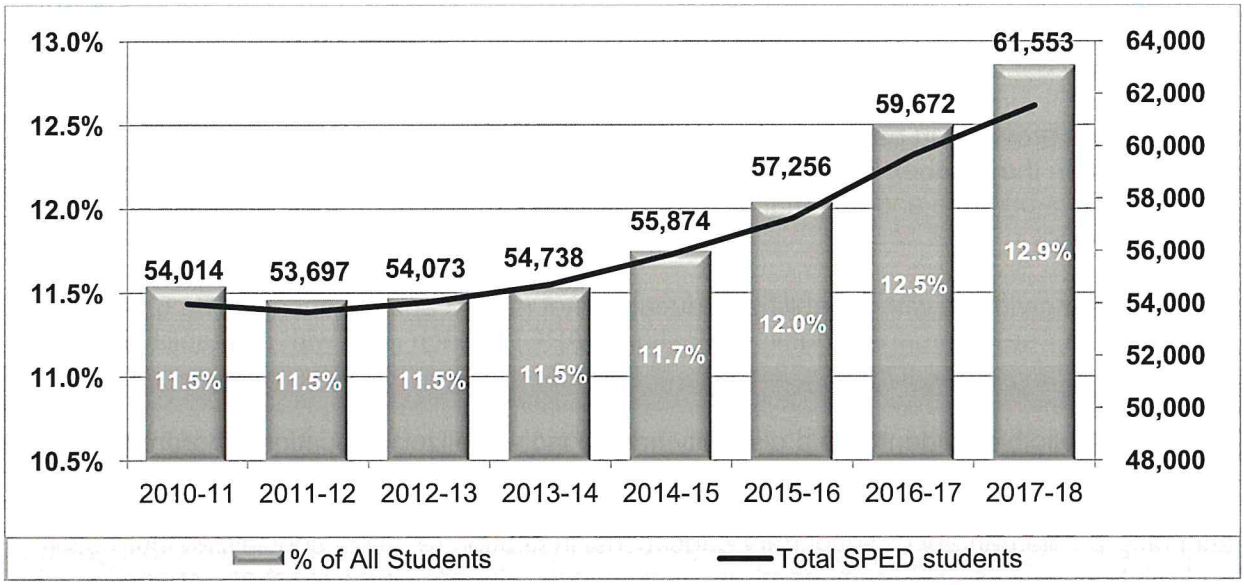
STUDENT COUNT

In the 2017-18 school year, there were 61,553 students with disabilities aged 5-21 in Arkansas public schools or 12.9% of total student enrollment in the state. This does not include students in the Arkansas School for the Deaf, Arkansas School for the Blind, Division of Youth Services, the Department of Corrections, or the Conway Human Development Center. This is up from 55,874 students (11.7% of total student enrollment) in 2014-15.

Fordyce School District had the highest percentage of students with disabilities among districts and charters in 2017-18 with 27.2%. However, a private residential facility is located in the Fordyce district and about half of its students with disabilities spend more than half of their school day there. Excluding the two Haas Hall Academy charter schools, which both had zero students with disabilities, SIATech charter high school had the lowest percentage of students with disabilities of all districts and charters with 2.7%. Among the school districts, Genoa Central School District had the lowest percentage with 6.2%.

Charter schools typically have lower percentages of students with disabilities than traditional school districts. Four charter schools had proportions higher than the state average. Of the ten districts and charter schools with the lowest percentages of students with disabilities, eight were charter schools.

Chart 1: Percentage of students with disabilities (aged 5-21) of total student enrollment, 2011-18



Source: Arkansas Department of Education, Annual December 1 Child Count and Annual Oct. 1 Enrollment Data. Data does not include Arkansas School for the Deaf, Arkansas School for the Blind, Conway Human Development Center, the Division of Youth Services, or the Arkansas Department of Correction.

A comparison of state student counts with the national average is only possible using federally collected data. The U.S. DOE uses data provided by the Arkansas Department of Education (ADE) but counts students with disabilities and the total student enrollment slightly differently from the calculation used in the chart above. First, the U.S. DOE breaks out data for students aged 3-5 and students aged 6-21. Federal data for students aged 6-21 do not include kindergarten students that are included in Chart 1. Second, the federal data includes all of the entities listed above that were excluded in the Bureau of Legislative Research's (BLR) analysis shown in Chart 1. According to data reported by the ADE to the U.S. DOE, Arkansas students with disabilities comprised 12.6% of the total student body among children aged 6-21 in 2014-15, compared with the national average of 13.3%.[1] Chart 1 above shows that the percentage of students with disabilities of all students (aged 5-21) in Arkansas increased from 11.5% in 2011 to 12.9% in 2018.

Chart 1 above does not include students with a 504 plan. Section 504 of the Rehabilitation Act of 1973 prohibits discrimination against individuals with disabilities in any entity that receives federal funds, including public schools."[2] It is similar to IDEA in that it prohibits discrimination based on disability in public schools and requires schools to provide a FAPE to every student with disability. However, Section 504 does not provide any funding as IDEA does. Additionally, Section 504's definition of a disability is much broader than under IDEA. To be eligible under Section 504, a student must have a "physical or mental impairment that substantially limits one or more major life activities." Services provided in a 504 can vary depending on the type of impairment. Accommodations can include allowing a student extra time to finish an assignment, allowing a child to chew gum in class, or using large-print text for handouts. Similar to the number of students with disabilities, the number of students with a 504 plan has also increased over the last five years. The number of students with a 504 plan increased by about 4,600 students from 11,717 in 2013 to 16,371 in 2017.

[1] U.S. Department of Education, Office of Special Education Programs, Part B Data Display: Arkansas, Publication Year 2017, Retrieved at: https://osep.grads360.org/#report/apr/2015B/publicView?state=AR&ispublic=true
[2] 29 § 794

TYPES OF DISABILITIES

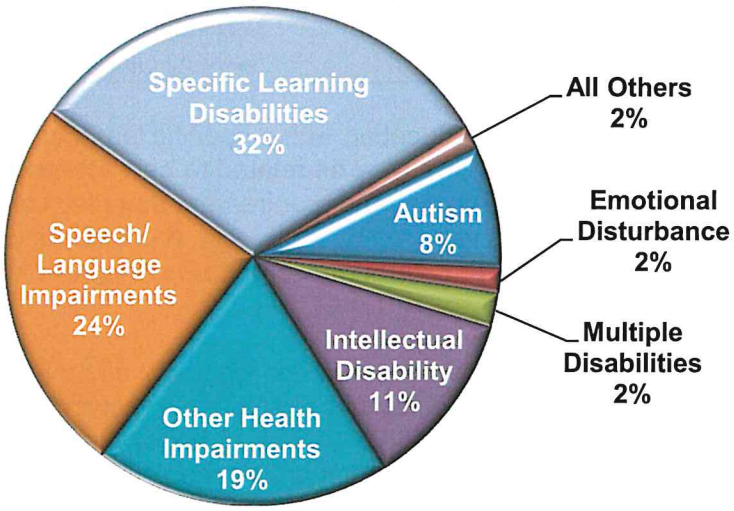
In Arkansas, there are 12 categories of disabilities used to determine students' eligibility for special education:

1. Autism
2. Deaf-blindness
3. Hearing impairment (including deafness)
4. Emotional disturbance
5. Intellectual disability (formerly known as mental retardation)
6. Multiple disabilities
7. Orthopedic Impairment
8. Specific learning disability
9. Speech or language impairment
10. Traumatic brain injury
11. Visual impairment (including blindness)
12. Other health impairment

The "other health impairment" category includes chronic or acute health problems that result in limited strength, vitality or alertness that adversely affects a child's educational performance. These health problems include but are not limited to asthma, attention deficit disorder or attention deficit hyperactivity disorder, diabetes, epilepsy, a heart condition, hemophilia, lead poisoning, leukemia, nephritis, rheumatic fever, Tourette syndrome, and sickle cell anemia.[3] These 12 disabilities that qualify for special education in Arkansas mirror the 13 disabilities named in IDEA, except that Arkansas combines hearing impairment and deafness into one category.

Chart 2 below provides a breakdown of the types of disabilities affecting Arkansas students with disabilities. Specific learning disabilities – which include perceptual disabilities, brain injury, minimal brain dysfunction, and dyslexia[4] – are the most prevalent impairments among students with disabilities, affecting about 32% of the state's students with disabilities, or 4.1% of all students. Speech and language impairments are the second most common disability, affecting 24% of students with disabilities, or 3.2% of all students.

Chart 2: Students in Special Education by Disability 2017-18

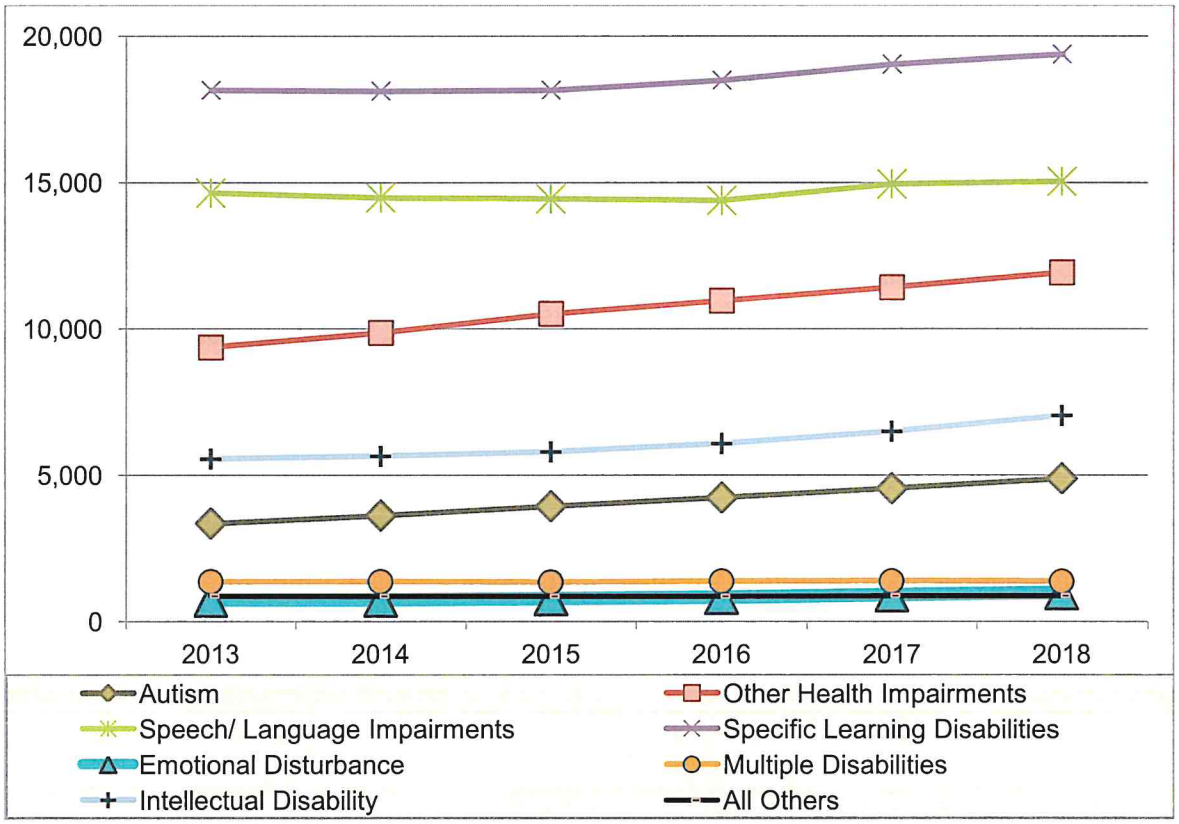


Source: Arkansas Department of Education.
Note: *The category of "all others" includes deaf-blindness, deaf/hearing impairment, orthopedic impairment, traumatic brain injury, and visual impairment. Data does not include Arkansas School for the Deaf, Arkansas School for the Blind, Conway Human Development Center, the Division of Youth Services, or the Arkansas Department of Correction.

[3] Arkansas Department of Education, Special Education and Related Services 6.00 Evaluation-Eligibility Criteria, 6.09.8
[4] Arkansas Department of Education, Special Education and Related Services 6.00 Evaluation-Eligibility Criteria, 6.09.8

Chart 3 below shows the breakdown of the number of students with disabilities in Arkansas by disability category from 2013 through 2018. There have been increases in the number of students among every disability. The biggest increases have been in other health impairments, which increased from 9,372 students to 11,933 in 2018, an increase of just over 2,500 students. The second highest increase over the last five years is in autism, which increased by about 1,500 students.

Chart 3: Breakdown of Arkansas students with disabilities from 2013-2018



The number of students in special education with a specific learning disability increased from 18,158 in 2015 to 19,385 in 2018. This may be related to new screenings districts are required to conduct. Act 1294 of 2013 established the requirement that districts shall screen for dyslexia in each student in K-2 and others required by ADE (e.g., K-2 student who has moved to a new district and has not been screened or students in grade 3 or higher if dyslexia marker has been noted by their classroom teacher).

Since the new dyslexia screening requirement first went into effect for a full school year in 2014-15, there has been an increase in the number of students receiving therapy for dyslexia, which can qualify as a specific learning disability. In 2014-15, 89 districts and one charter reported dyslexia screening results. The districts and charter schools reported that 3,197 students were evaluated and 957 received therapy for dyslexia. In 2016-17, 243 districts and charters reported that 39,040 students were evaluated and 13,685 were currently receiving therapy for dyslexia, including some identified in previous years. Students identified with characteristics of dyslexia may be identified for intervention services, but they may not necessarily be identified for special education.

For a national comparison, 2014-15 is the most recent year for which data is available. **Table 1** below shows the percentage of students with disabilities for each of the 12 categories of disabilities. The numbers in **bold** indicate categories in which Arkansas exceeds the national average.

Table 1: Percentage of children with disabilities by disability category, ages 6-21

2014-15	% of Students with Disabilities		% of All Students	
Disability	Arkansas	Nation	Arkansas	Nation
1. Autism	7.40%	9.30%	0.93%	1.21%
2. Deaf-Blindness	0%	0%	0%	0%
3. Emotional Disturbance	1.50%	5.90%	0.19%	0.76%
4. Hearing Impaired	0.80%	1.10%	0.10%	0.15%
5. Multiple Disabilities	**2.50%**	2.10%	**0.32%**	0.27%
6. Intellectual Disabilities	**10.90%**	7.10%	**1.37%**	0.92%
7. Orthopedic Impairment	0.30%	0.70%	0.04%	0.09%
8. Speech or Language Impairments	**22.70%**	17.70%	**2.87%**	2.29%
9. Specific Learning Disabilities	33.40%	39.80%	4.22%	5.15%
10. Traumatic Brain Injury	0.30%	0.40%	0.03%	0.06%
11. Vision Impairment	0.40%	0.40%	0.05%	0.05%
12. Other Health Impairments	**19.80%**	15.40%	**2.50%**	1.99%

Source: Part B Data Display: Publication Year 2017,

Table 2 below shows the racial breakdown of students with disabilities in Arkansas compared to the statewide total enrollment. In 2018, black students made up 20% of total enrollment but 23% of students with disabilities. Hispanic students made up 13% of total enrollment but 11% of students with disabilities.

Table 2: Racial Breakdown of Arkansas students with disabilities

2017-18	Special Education Enrollment	Total Enrollment
Asian	0.8%	1.6%
Black	23.0%	20.2%
Hispanic	11.3%	13.0%
Native American	0.7%	0.6%
Hawaiian/Pacific Islander	0.5%	0.8%
Two or More Races	2.4%	2.6%
White	61.2%	61.1%

Source: Arkansas Department of Education. Data does not include Arkansas School for the Deaf, Arkansas School for the Blind, Conway Human Development Center, the Division of Youth Services, or the Arkansas Department of Correction.

STUDENT PLACEMENT

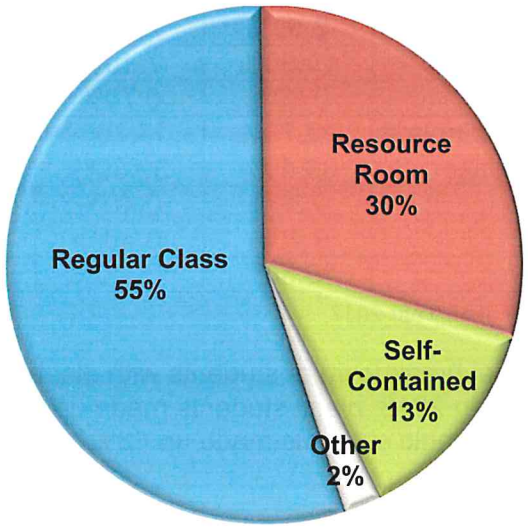
Under IDEA, students with disabilities are to be educated in the "least restrictive environment." According to the law, which means "to the maximum extent appropriate," students with disabilities should be educated with children who are not disabled. Education provided outside the regular educational environment should occur "only when the nature or severity of the disability of a child is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily."[5]

[5] 20 U.S.C. §1412(a)(5)(A)

Chart 4 below shows the educational placement of students in school districts and charter schools. Each placement category is defined as follows[6]:

- Regular class with special education: Students who are in the regular classroom 80% or more the school day.
- Resource room: Students who are in the regular classroom between 40%-79% of the school day.
- Self-contained: Students who are in the regular classroom 40% or less of the school day.
- Other: Students with disabilities who are in publicly funded facilities, private day schools, hospitals, private or public residential facilities, etc.

Chart 4: Student Placement, 2017-18



Source: Arkansas Department of Education.
Note: Chart 4 includes only students for whom school districts and charter schools are responsible and does not include students in the Arkansas School for the Deaf, Arkansas School for the Blind, Conway Human Development Center, the Division of Youth Services, or the Arkansas Department of Correction.

Chart 4 above shows that 55% of students with disabilities in Arkansas spend 80% or more of their time in a regular classroom. Almost a third of students with disabilities spend 40%-49% of their time in a regular classroom, and 13% of students with disabilities spend less than 40% of their time in a regular classroom.

As part of its responsibilities under IDEA, Arkansas is required to provide data on students with disabilities by their educational environment. **Table 3** below shows the percentage of students for each placement description in Arkansas compared to the national average.

Table 3: Percentage of Time Spent in Regular Classroom, 2014-15

% of Day Spent in Regular Classroom	State	Nation
0-40%	13.6%	13.4%
40-79%	30.7%	18.7%
80%-100%	52.7%	62.7%
Separate Residential Facility	1.8%	3.2%

Source: Part B Data Display: Publication Year 2017.

[6] Arkansas Department of Education, Special Education School Age Dictionary, https://arksped.k12.ar.us/documents/data_n_research/DataDictionaries/dataDictionary_SchoolAge.pdf

Nationally, 62.7% of students with disabilities spend 80% or more of their time in a regular classroom, compared to 52.7% of students with disabilities in Arkansas. Arkansas has a higher percentage of students with disabilities spending 79% or less of their time in a regular classroom compared to the national average. The percentage of Arkansas students with disabilities in a separate residential facility is a little less than half of the national average.

Table 4 below compares the percentage of time that students with disabilities spend in a regular classroom from 2012-13 through 2014-15.

Table 4: Percentage of Time Spent in Regular Classroom in Arkansas

% of Day Spent in Regular Classroom	2012-13	2013-14	2014-15
0-40%	13.40%	13.60%	13.60%
40-79%	30.60%	30.80%	30.70%
80%-100%	52.90%	52.50%	52.70%
Separate Residential Facility	1.80%	1.80%	1.80%

Source: Part B Data Display: Publication Years 2015, 2016, and 2017

STUDENT ASSESSMENT

STATE ASSESSMENTS

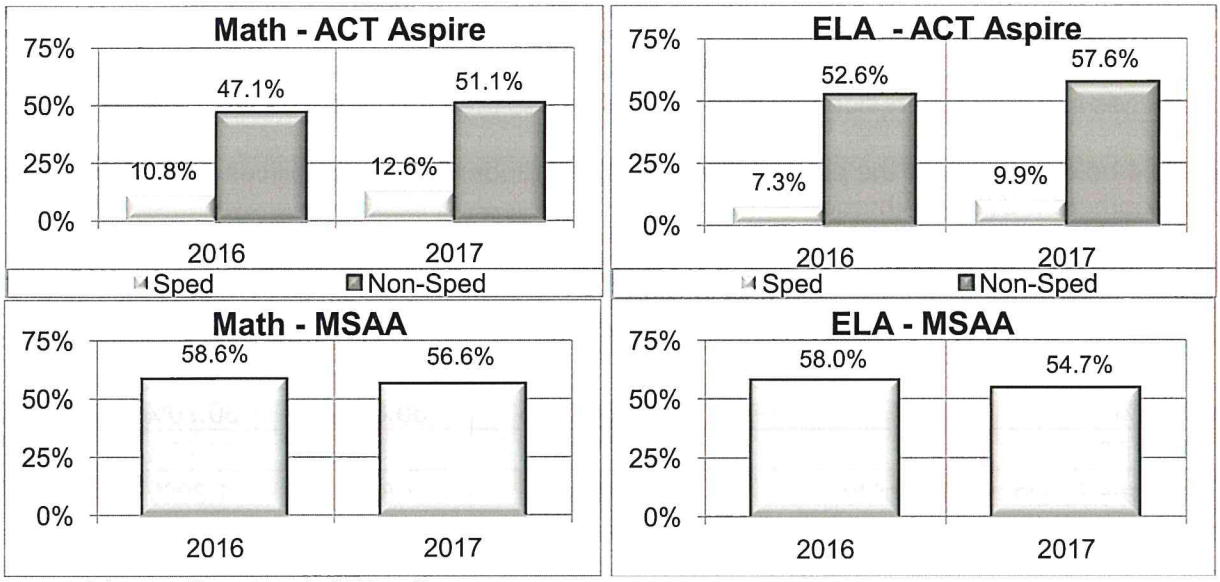
Students with disabilities are required to participate in state assessments. Students' IEP teams must decide whether each special education student will take the regular state assessment, the assessment with accommodations, or, for a very small percentage of students with significant cognitive disabilities, an alternate assessment. For each subject tested using the alternate assessment (math, English language arts (ELA), or science), the total number of students taking it cannot exceed 1% of the total number of students in the state being assessed in that subject (34 CFR §200.6(c)(2)). Prior to Every Student Succeeds Act (ESSA), there was a 1% cap for the number of students who could be counted proficient, but under ESSA, the number of students with disabilities taking the alternate assessment in a state cannot exceed 1%. If states expect to exceed that cap, they must request a waiver through the U.S. DOE. In 2017, Arkansas applied for and received this waiver since Arkansas expects to have 1.37% of students with disabilities taking the alternate assessment in literacy and 1.39% in math.[7]

About 30,000 students with disabilities take the state assessments each year, according to ADE data. **Charts 5a – 5d** on the next page show how performance has varied on the ACT Aspire between 2016 and 2017 and among students with disabilities and students without disabilities as well as compared to the students who took the alternate assessment, the multi-state alternate assessment (MSAA). In 2017, 9.9% of students with disabilities tested ready or exceeding in ELA on the ACT Aspire compared to 57.6% of students without disabilities. In math, 12.6% of students with disabilities tested ready or exceeding on the ACT Aspire, compared to 51.1% of students without disabilities. On the MSAA, 54.7% of students with disabilities scored meets expectations in ELA and 56.6% of students with disabilities scored meets expectations in math.[8] On the ACT Aspire, scores of students with disabilities increased slightly from 2016 to 2017 but decreased among students with disabilities taking the MSAA.

[7] ADE. Public Notice and Comment Period Waiver Request Pursuant to 34 C.F.R. §200.6(c)(4). November 9, 2017. Retrieved from: https://arksped.k12.ar.us/documents/policyAndRegulations/Arkansas%20Alt%20Assessment%20Waiver%20Request.pdf

[8] The MSAA does not use "Ready" or "Exceeding". Instead the MSAA uses "Level 3" and "Level 4". Level 3 and 4 are considered "Meets Expectations".

Charts 5a-d Percentage of Students Scoring Ready or Exceeding or Meets Expectations



Source: Arkansas Department of Education.

About 4,000 students with disabilities took the alternate assessment in 2017. The MSAA is administered to qualifying students with disabilities in the areas of ELA and math in grade 3-8 and 11. The assessment was developed by the National Center and State Collaborative (NCSC), which is a collaborative of 26 states and five national organizations, between 2011 and 2015. The MSAA replaced the Arkansas Portfolio Assessment for ELA and math beginning in the 2014-15 school year. The MSAA is a computer-based test that allows for flexibility for administration of the test (e.g. a student may respond to administrator-presented item stimuli rather than the item stimuli on the computer). The test administrator (typically the student's teacher) can present items via paper or manipulatives as appropriate for the student. The items are presented to the student over the course of multiple testing sessions as needed within a two-month period. The assessment is adaptive to each student's appropriate level of challenge. The Arkansas Alternate Portfolio Assessment (AAPA) is administered to students in grades 5, 7, and 10 for science. The AAPA is a collection of student work given as "evidence of student performance on tasks aligned to the Arkansas Curriculum Framework in Science."[9]

SURVEY RESULTS

As part of the adequacy study, BLR surveyed a sample of teachers in Arkansas schools in 2017-18. The teacher survey was distributed to teachers in 73 randomly selected schools. BLR distributed 2,889 teacher surveys and 1,198 completed the survey. One question asked teachers how prepared they felt to help all of their students succeed on the ACT Aspire assessment. They were also given the option to leave comments regarding that question. Of the 1,198 teacher responses, there were 17 comments pertaining to the state assessment of students with disabilities. Of those 17 comments, 16 commented that students with disabilities should not be tested at their actual grade level because it is not reflective of their actual skill level.

NATIONAL ASSESSMENT

Since each state assesses students using its own test, it is difficult to accurately compare student proficiency from one state to another in the same way that the state compares one school's or one district's student performance with another. The best way to compare the

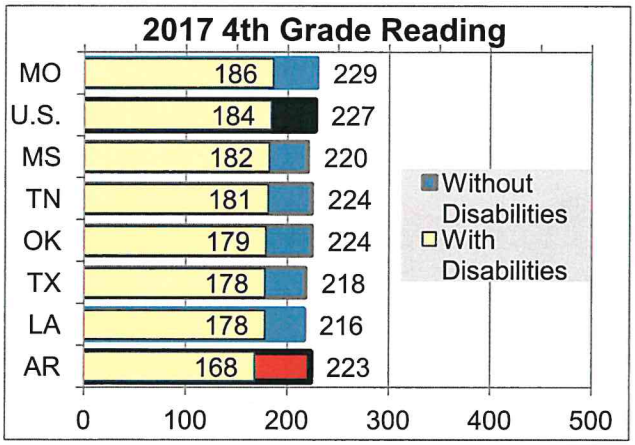
[9] ADE. Guidance for IEP Teams on Alternate Assessment 2017-18. Retrieved from: http://www.arkansased.gov/divisions/learning-services/assessment/assessments-for-students-with-disabilities/multi-state-alternate-assessment

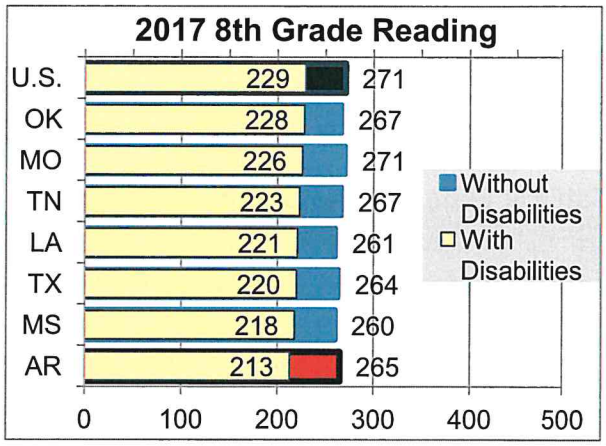
student achievement of students with disabilities in Arkansas with those in other states is with the National Assessment of Educational Progress (NAEP). However, these scores are based on a random sample of students in each state, instead of the entire state student population, which means that if the entire population had been tested, the score may have been different. It is also possible that states may apply federal guidelines a little differently in classifying children with disabilities so caution must be used in making state-to-state NAEP comparisons.

Beginning in 2017, NAEP began transitioning to a digitally based assessment from a paper-based assessment. In 2017, random samples of students took either the paper or digital version of the reading or mathematics assessment in each state. This transition will also allow NAEP to use assistive technology to offer accommodations for all students, including students with special needs. This could include adjusting the font size, having test items read aloud in English (text-to-speech), or using a highlighter tool. NAEP continues to offer accommodations required by students' IEPs and 504 plans, either through the testing system (e.g., additional time) or the test administrator or school (e.g., breaks during the test).[10]

Charts 6 and 7 below show how the average scale score for Arkansas's students with disabilities (excluding those with 504 plans) compares with the average scale scores in surrounding states and nationally.

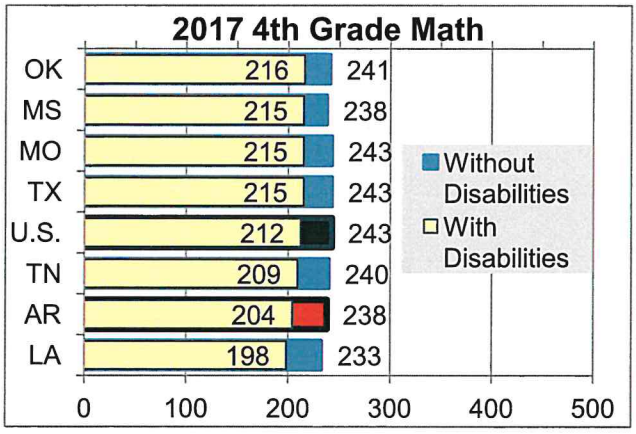
Charts 6a and 6b: 2017 NAEP Reading scores for students with disabilities in surrounding states:

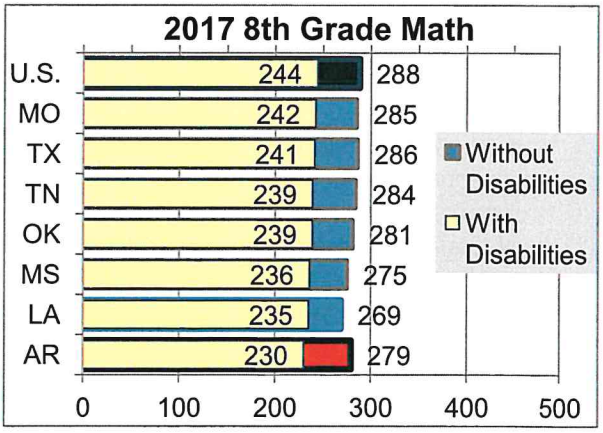




With the exception of 4th graders in math, Arkansas's 4th and 8th graders with disabilities had the lowest NAEP scale scores among surrounding states.

Charts 7a and 7b: NAEP Math scores for students with disabilities in surrounding states:





[10] https://nces.ed.gov/nationsreportcard/dba/

STATE ASSESSMENT OF IDEA

The U.S. DOE annually assesses whether each state meets the requirements of Part B of the IDEA. In 2014, the U.S. DOE changed its methodology for evaluating states' special education programs. Prior to 2014, states were evaluated based on specified compliance measures, like students being evaluated in a timely manner. The new methodology, Results Driven Accountability (RDA) focuses more on educational results and functional outcomes of children with disabilities.

In 2013, Arkansas was one of 38 states considered to have met all requirements of IDEA Part B for FFY 2011. In each year since the methodology change in 2014, Arkansas along with 18 other states that had previously met requirements, has been deemed in need of assistance in implementing the requirements of Part B of the IDEA. Arkansas continues to score 20 out of 20 on the compliance portion of the evaluation but lags behind in the results driven portion. In 2015, Arkansas scored 11 out of 24 in the results driven section, which went up to 12 out of 24 in 2017. Table 6 below shows the percentage of eighth grade children with disabilities participating in regular statewide assessments, for both reading and math, increased from 80% in 2015 to 85% in 2017, resulting in the extra point increase. While scoring a point for the participation of fourth and eighth graders with disabilities taking the regular state assessment for reading and math, Arkansas continues to score zero points on the percentage of those students scoring basic or above.

Table 6 below provides the indicators on which the state's performance was measured. The state received two points for each indicator colored in green, one point for each indicator in yellow, and zero points for each indicator in black.

Table 6: Federal Assessment of IDEA in Arkansas

Indicators for Results-Driven Score			
Reading Assessment Elements (Children with Disabilities)	**Pub Date: 2015**	**Pub Date: 2016**	**Pub Date: 2017**
% of **4th** Grade Participating in Regular Statewide Assessments	82%	88%	87%
% of **8th** Grade Participating in Regular Statewide Assessments	80%	85%	85%
% of **4th** Grade Scoring at Basic or Above on the National Assessment of Educational Progress	23%	23%	23%
% of **4th** Grade Included in Testing on the National Assessment of Educational Progress	92%	87%	87%
% of **8th** Grade Scoring at Basic or Above on the National Assessment of Educational Progress	20%	19%	19%
% of **8th** Grade Included in Testing on the National Assessment of Educational Progress	83%	85%	85%
Math Assessment Elements (Children with Disabilities)			
% of **4th** Grade Participating in Regular Statewide Assessments	82%	88%	87%
% of **8th** Grade Participating in Regular Statewide Assessments	80%	84%	85%
% of **4th** Grade Scoring at Basic or Above on the National Assessment of Educational Progress	53%	38%	38%
% of **4th** Grade Included in Testing on the National Assessment of Educational Progress	90%	90%	90%
% of **8th** Grade Scoring at Basic or Above on the National Assessment of Educational Progress	22%	18%	18%
% of **8th** Grade Included in Testing on the National Assessment of Educational Progress	84%	83%	83%
Exiting Data Elements (Children with Disabilities)			
% of who Dropped Out	13%	12%	13%
% of who Graduated with a Regular High School Diploma	85%	85%	84%

Indicators for Compliance Score			
	Pub Date: 2015	Pub Date: 2016	Pub Date: 2017
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.	0%	0%	0%
Indicator 9: Disproportionate representation of racial and ethnic groups in special education and related services due to inappropriate identification.	0%	0%	0%
Indicator 10: Disproportionate representation of racial and ethnic groups in specific disability categories due to inappropriate identification.	0%	0%	0%
Indicator 11: Timely initial evaluation	99.6%	99.6%	99.6%
Indicator 12: IEP developed and implemented by third birthday	99.9%	98.7%	98.2%
Indicator 13: Secondary transition	98.6%	98.9%	96.4%
Timely and Accurate State-Reported Data	100%	97.6%	100%
Timely State Complaint Decisions	100%	100%	100%
Timely Due Process Hearing Decisions	100%	100%	100%
Longstanding Noncompliance			

Source: 2015, 2016, and 2017 AR-B Results Matrix.[11]

Note: Indicators for results-driven scores relied on statewide assessment scores from 2015-16, NAEP scores from the most recent assessment from 2014-15, and exiting school data from 2014-15. Compliance score indicators relied on 2014-15 data. In 2015, Arkansas switched from the Benchmark assessment to the PARCC assessment and switched to the ACT Aspire in 2016.[12]

SUCCEED SCHOLARSHIPS

In 2015, the General Assembly passed Act 1178 which created the Succeed Scholarship Program. The program was created to provide scholarships in the amount of the foundation funding rate to students who have an IEP to use at a private school of their choice. According to Arkansas statute § 6-41-905, the maximum scholarship amount per student is the foundation funding amount for the current school year. The amount provided will be the lesser of the foundation funding amount or the cost of tuition and fees for the school. Payments are made in monthly installments directly to the school. Scholarships funds do not come from the public school fund or any county, city, or district tax revenue.

Act 894 of 2017 allows for up to 20 students in foster care in a group home or group facility (regardless of whether they have an IEP) to also be eligible for this scholarship. To be eligible for the scholarship, the student must also:

- **Currently be enrolled in a public school and have attended a public school for at least one full academic year** unless the student is a dependent of an active duty member in the U.S. Armed Forces or the superintendent of the student's resident school district waives the requirement.
- **Have been accepted for admission in his/her selected private school.**
- **Notify his/her current district of the request for a scholarship and when accepted into the private school** at least 60 days prior to the date of the first scholarship payment.

[11] Office of Special Education Programs (OSEP). Retrieved at: https://osep.grads360.org/#report/apr/ 2015B /publicView ?state=AR&ispublic=true

[12] Office of Special Education Programs (OSEP). Part B How The Department Made Determinations (July 2017). Retrieved at: https://osep.grads360.org/#report/apr/2015B/publicView?state=AR&ispublic=true

As of Feb. 2018, there were 32 private schools eligible to receive scholarships[13]. According to Arkansas statute § 6-41-903, private schools must:

- Meet the accreditation requirements set forth by the State Board of Education (SBOE), Arkansas Nonpublic School Accrediting Association (or successor), or another accrediting association recognized by the SBOE as providing services to severely disabled individuals; or is an associate member of or has applied for accreditation by the Arkansas Nonpublic School Accrediting Association or its successor, or another accrediting association recognized by the SBOE as providing services to severely disabled individuals.*
- Demonstrate fiscal soundness by being in operation for one school year or provide ADE with a statement by a certified public accountant (CPA) confirming the school is insured and has sufficient capital or credit to operate in the upcoming school year;
- Comply with antidiscrimination provisions of federal law;
- Meet state and local health and safety requirements;
- Is academically accountable to parent or legal guardian for meeting educational needs of the student;
- Employ or contract with teachers who hold baccalaureate or higher degrees;
- Employs or contracts with at least one teacher who hold a current, valid standard license in special education issued by the State Board of Education;
- Comply with all state laws and regulations governing private schools; and
- Adhere to the tenets of their published disciplinary procedures before expulsion of student receiving scholarship.

*Note: A private school will lose eligibility if the school has not received accreditation within four years of being eligible, it becomes impossible to obtain accreditation within four years, or the accrediting association determines that the private school is ineligible or unable to continue the accreditation process. The private school can regain eligibility if it receives accreditation.

Private schools maintain relative autonomy from the state, with the exception of receiving money for each student in the Succeed Scholarship program. Each private school will still be responsible for administering a nationally recognized norm-referenced test as established by SBOE or prepare a portfolio for the student's parent or guardian regarding the student's progress. The school may also be required by the SBOE to confirm semiannually that the student is enrolled and still attending the school (5.04).[14] However, the curriculum and education plans for students with a disability attending the private school are not subject to the regulatory authority of the SBOE.

The first scholarships were awarded in 2016-17. The Reform Alliance, a nonprofit organization that is "dedicated to supporting school choice opportunities for all students"[15] in Arkansas, is responsible for administering the program. The General Assembly appropriated $800,000 to ADE for the 2016-17 school year but only $664,600 was funded. ADE granted this money to The Reform Alliance, which is responsible for disbursing the scholarship payments. During that school year, 27 students received a total amount of $121,526 in Succeed Scholarships. The remaining $543,074 was carried over into the 2017-18 school year. As of March 2018, 168 students have received a Succeed Scholarship for the 2017-18 school year. Of those students, 29 received a scholarship for only the spring 2018 semester. The number of scholarships will likely change once the school year is completed and final payments are distributed.

Act 894 of 2017 allowed for up to 20 students in foster care, living in a group foster home or facility, to be eligible for the scholarship, regardless of whether they had an IEP. The law went

[13] http://www.arkansased.gov/divisions/learning-services/special-education/policy-regulations/succeed-scholarship
[14] ADE. Rules Governing the Succeed Scholarship Program. (Jan. 2016).
[15] The Reform Alliance. (2017). Retrieved from: https://thereformalliance.org/about-us/

into effect April 5, 2017. One foster student received the scholarship in the 2016-17 school year and 20 did in 2017-18. Following Act 894, an additional $600,000 was funded for the 2017-18 school year. Combined with the $543,074 carried over from the previous year, the total funded amount was $1,143,074.

For the 2018-19 school year, the Reform Alliance expects the number of scholarships to increase by 30% to 228 scholarships. Due to this expected growth, $1,542,677 was authorized from the rainy day fund to be used for the Succeed Scholarship. This is combined with $40,000 taken from the remaining balance of ADE's operating account. However, the total funded amount for 2018-19 will depend on the final amount of scholarships paid out for 2017-18.

COSTS OF SPECIAL EDUCATION

This section of the report provides information on the cost of providing special education services. Financial data for the 2017-18 school year is not available in time for inclusion in this report. In 2016-17, districts spent $436.8 million on special education services, or about $7,481 per student with a disability. Charters spent $5.8 million on special education services, or about $4,523 per student with a disability. Those figures should not be mistaken for the total cost of educating students with disabilities, because they do not include expenditures that districts make on behalf of all students, such as the cost of principal salaries or utilities. These figures represent only the expenditures that are specific to special education services or students.

Charts 8a and 8b below show the districts' and charter schools' total special education expenditures. The expenditures are broken down by the type of funding they used to make the expenditures. The numbers do not represent the total amount spent from each funding category, only the total amount from each funding category spent on special education. According to expenditures reported in the Arkansas Public School Computer Network, (APSCN), districts used state and local funds to cover 69% of their special education costs, and federal funds covered the remaining 31%. Charter schools used state and local funds to cover 55% of special education costs and federal funds to cover the remaining 45%.

Charts 8a and 8b: Federal and State Special Education Funding Breakdowns

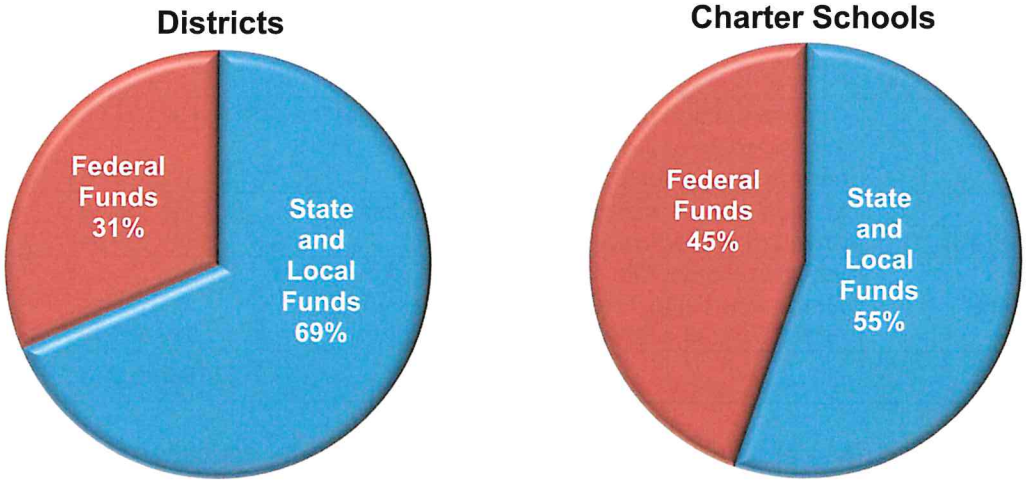


Table 7 on the next page provides a breakdown of the special education expenditures based on the funding source that districts and charter schools used. The numbers do not represent the total amount spent from each funding category, only the total amount from each funding category spent on special education. Table 7 shows the different types of state and local funds used for special education. Some of these funds are designated specifically for special education, like special education services and catastrophic funds. Other funds, like state

categorical funding and student growth funding are not. Federal funding comes from IDEA, Medicaid, and other federal sources.

Table 7: Special Education Expenditures by Funding Type

Funding Type	Description	Expenditures	
		Districts	Charters
State and Local			
Foundation funding, local funds, and activity funds	Foundation funding, additional local millage transferred for salaries or operations, and local funds raised by event ticket sales, concessions, etc.	$270,476,393	$3,091,394
Isolated, Student Growth, Declining Enrollment	State isolated or special needs isolated funding, student growth, and declining enrollment	$870,360	$13,462
Categorical funds	State National School Lunch, English Language Learner, and Professional Development Categorical Funds	$3,031,885	$38,810
Desegregation	State payment to three Pulaski County school districts for desegregation lawsuit	$2,065,749	$0
Special Education Services	State funding designed to help districts and charters pay for special education supervisors and extended-year services for students with disabilities.	$2,656,613	$15,420
Residential Treatment	State funding for special education provided to students in residential treatment centers, youth shelters, and juvenile detention centers.	$5,675,123	$0
Early childhood special education	State funding for preschool special education services and educational service centers.	$3,264,783	$11,519
Catastrophic Loss	State funding designed to reimburse districts for special education student with unusually high needs.	$11,506,253	$34,201
Other State Special Ed Funding	Includes funding from the Arkansas School Recognition Program and Professional Quality Enhancement Teacher & Administrator Induction Program (PATHWISE)	$23,577	$0
Federal			
IDEA	Federal funding provided to help state meet the excess costs of providing education and services to students with disabilities	$106,639,084.88	$2,259,333
IDEA Early-Childhood		$1,412,523.66	$31,583
Medicaid	Medicaid reimbursement for services districts provided to Medicaid-eligible students	$29,145,858.35	$298,052
Medicaid Pre-K		$21,260.94	$0
Other federal funding	Includes ESEA Title 1 funds, State Improvement Grant, Improving Teach Quality Assessment Grant, Title VI-SRSA- Small Rural School	$19,559.18	$0
Total		**$436,809,023**	**$5,793,774**

Table 8 on the next page provides information on the same special education expenditures. However, this time the expenditures are broken down by the type of service provided. The data show that districts spent 34% of their special education expenditures in the resource room compared to charters spending 57%. Districts spent 25% of special education expenditures on self-contained classrooms, compared to charters spending 0.2%. Charters spent 24% of their special education expenditures on speech therapy and audiology services, compared to districts spending 11%.

Table 8: Special Education Expenditures by Type of Expenditure

Service Type	Description	Expenditures	
		Districts	Charters
Instructional Expenditures			
Itinerant Instruction (excluding itinerant speech pathologist)	Instruction provided by an educator serving more than one school, in their homes or in hospital.	$9,192,349	$1,334
Resource Room	Education provided by a resource teacher who works with students who are assigned to regular classrooms more than half of the school day.	$146,679,086	$3,320,333
Special Class (Self-Contained Class)	Education provided to students assigned to a special class for at least half of the school day. Student to teacher ratios range from 1:15 to 1:6.	$109,384,781	$9,408
Residential/Private	Education provided to students in residential facilities, separate day schools or by other private agencies.	$10,010,151	$105
Co-Teaching	Education provided by both a special education teacher and a non-special education teacher in the same class.	$4,672,286	$0
Pre-School	Education provided to preschool students.	$6,136,591	$0
Sped director	Supervisor of special education services	$29,574,784	$368,966
Co-Ordinated early intervening services	For students in K-12, with a particular emphasis on K-3, who have not been identified as needing special education or related services but who need additional academic and behavioral support to succeed in a general education environment.	$544,424	$0
Instructional Staff Support Services	Instructional service improvements, academic student assessment, instructional technology, educational media services, and other support services.	$7,047,763	$11,033
Other Instructional Programs	Regular K-12 instructional programs, career education programs, compensatory education programs, other instructional programs.	$485,702	$50,905
Health Expenditures			
Student Support Services	Social Work, Guidance Counseling, and other student support services	$479,074	$19,000
Nurses	Activities associated with nursing, such as health inspection, treatment of minor injuries and referrals for other health services	$2,133,184	$1,348
Psychological testing and other psychological services	Psychological services supervision, psychological counseling, psychological testing, psychotherapy, behavior support specialist, and other psychological services.	$17,341,692	$55,065
Speech therapy and audiology services (including itinerant speech pathologist)	Activities that identify, assess, and treat children with speech, hearing and language impairments.	$49,618,450	$1,380,942
Physical and occupational therapy	Services provided by a qualified physical therapist directed toward improving, developing or restoring function impaired or loss through illness, injury or deprivation.	$24,336,915	$498,712
School-based mental health	Mental health services performed by qualified mental health professionals in the school setting	$637,763	$0
Medicaid Match		$8,264,400	$75,979
Dyslexia interventionist/ therapist and specialist	Dyslexia interventionist/therapist works directly with the student and the specialist does not.	$265,466	$0
Other Health Services	Health services supervision, medical, dental, and other health services	$515,835	$0
Other Expenditures			
Transportation	Activities concerned with conveying students to and from school, as provided by state and federal law. This includes trips between home and school and trips to school activities.	$8,344,219	$0
Other Expenditures	Includes operation of buildings, security services, additional supporting services, and other uses.	$1,144,108	$645
Total		**$436,809,023**	**$5,793,774**

STATE FUNDING

FOUNDATION FUNDING

Arkansas funds special education primarily through the foundation funding matrix, which provides funding for 2.9 special education teachers for every 500 students, or $372.34 per student in 2016-17. To calculate this as a per-student amount, the following formula is used:

(2.9 teachers X the salary and benefit amount in the matrix)/500 students

Table 9: Foundation Funding for Special Education

	2013	2014	2015	2016	2017	2018
Number of special education teachers	2.9	2.9	2.9	2.9	2.9	2.9
Salary and benefits	60,566	61,839	63,130	63,663	64,196	64,998
Per-student amount	351.28	358.67	366.15	369.25	372.34	376.99

Under this foundation funding methodology, the state funds special education based on each district's or charter's total number of students, rather than on the total number of students with disabilities. Districts' use of foundation funding including the special education portion is unrestricted, meaning they can spend the money however they choose. This differs from the way funding is distributed for English language learners (ELL), students in alternative learning environment (ALE) programs, and students who are economically disadvantaged (those who qualify for a free or reduced price lunch). That categorical funding is based on the number of ELL, ALE and economically disadvantaged students, respectively, and its use is limited to certain types of expenditures.

The Joint Committee on Educational Adequacy set the special education funding rate in the foundation funding matrix in 2003. The Committee determined that the matrix would fund 2.9 special education teachers for every 500 students. The Committee's consultants, Lawrence O. Picus & Associates, had originally proposed funding 2.0 special education teachers, but after receiving input from panels of Arkansas educators, the Joint Committee opted to increase the number to 2.9 teachers. Hired again in 2006, Picus & Associates affirmed the state's methodology of funding special education using a "census" approach — funding based on total enrollment rather than on the number of students with disabilities. They affirmed the state's funding of 2.9 special education teachers for "high-incidence, lower cost students with disabilities."

Table 10: Comparison of foundation funding received and spent by districts and charters, 2016-17

Foundation Funding Received for Special Ed	Foundation Funding Spent on Special Ed	Number of Special Ed Teachers in Matrix	Number of Special Ed Teachers From Foundation Funds
$175.98 million	$170.78 million	2.9	2.98

Of the 235 districts operating in 2017, 120 employed fewer than 2.9 special education teachers using foundation funding, while 115 employed more than 2.9 special education teachers. These numbers include only the teachers employed using foundation funds, not of all special education teachers. Of the 24 charters, 19 employed less than 2.9 special education teachers per 500 students and 5 charters employed more than 2.9. Among those 19 charters, two charters had zero students with disabilities so they did not need a special education teacher. However, they still received the same amount of foundation funding.

CATASTROPHIC FUNDING

State statute defines special education catastrophic occurrences as "individual cases in which special education and related services required by the individualized education program of a particular student with disabilities are unduly expensive, extraordinary, or beyond the routine and normal costs associated with special education and related services provided by a school district and funding is pursuant to rules promulgated by the state board" (A.C.A. § 6-20-2303). Districts qualify for funding for any student who needs more than $15,000 worth of services, after Medicaid, federal IDEA Part B funding, and available third-party funding is applied. The maximum amount of reimbursement a district/charter can receive is 100% of the first $15,000, 80% of the amount between $15,000 and $50,000, and 50% of the costs between $50,000 and $100,000. No catastrophic occurrence is eligible for more than $100,000 each year.

Because districts receive the same rate of foundation funding regardless of the severity of students' disabilities, the state's consultants in 2003, Picus & Associates, noted the need to provide supplemental funding. "The small category of students with severe and multiple disabilities, i.e., the low incidence and very high disabled students, are not found in equal percentages in all districts and their excess costs need to be fully funded by the state," they wrote in their 2003 report. At the time, the state provided additional state aid, known as Catastrophic Occurrences funding, when the cost of educating a student exceeded $30,000 of district expenditures. "Because this expenditure threshold is far above what any district receives in state equalization aid, a considerable financial burden is placed on districts for these students," the consultants wrote. They recommended the state reduce the expenditure threshold. In 2004, the State Board of Education approved new rules that established the threshold at $15,000, in effect making more students' costs eligible for reimbursement. To support the change, the General Assembly increased the Catastrophic Occurrences funding appropriation from $1 million for FY2004 to $9.8 million for FY2005. In 2006, the consultants recommended continuing the Catastrophic Occurrences funding, and they affirmed the new $15,000 threshold and the cap on funding at $100,000 per child.

Table 11: Catastrophic Funding for Special Education

	Number of Students	Number of Districts/ Charters	Funding Per Student	Total Eligible Amount	Maximum Amt. of Reimburse-ment	Total Funding Provided	Percent of Approved Funds Received	Total Eligible Amt. Not Funded
2015	1,005	153	$10,816	$30.4 million	$22.7 million	$10.9 million	47.894%	$19.5 million
2016	1,142	159	$9,632	$29.2 million	$26.7 million	$11 million	41.1917%	$18.2 million
2017	1,303	164	$8,442	$32.5 million	$29.9 million	$11 million	36.8183%	$21.5 million

*The maximum amount of reimbursement is the amount as calculated using the formula ($15,000+80% of the amount between $15,000 and $50,000+50% of any additional costs).

In 2017, districts and charters requested just over $32.5 million in catastrophic funds. Of these funds, $29.9 million was calculated as the total amount of reimbursement and only $11 million was actually funded. Table 11 does not show that the number of students for whom catastrophic funds were requested more than doubled from 599 to 1,303 in 2013, and the number of districts/charters requesting these funds increased from 135 to 164 since then. According to ADE, that the spike resulted from a change in the rubric the Department uses to identify students whose expenses qualify as catastrophic. The previous rubric focused on students with students with significant disabilities who needed extensive occupational, physical, and speech therapy. It did not adequately adjust for students with autism or other disabilities who may have average or above cognitive ability and good mobility skills, but still require extensive services.

Until recently, the General Assembly has appropriated roughly $11 million in Catastrophic Occurrences funding since 2008. In the 2013-14 and 2014-15 school year, the General Assembly appropriated $12.9 million but only about $11 million was funded. In the 2015-16 school year, the appropriation for catastrophic funding dropped back to $11 million.

During 2016 Adequacy Study, both the House and Senate Education Committees recommended to increase funding for catastrophic occurrences by $2 million in FY18 and $2.02 million in FY19. The appropriated amount increased to $13 million in 2017-18 and up to $13.02 million in 2018-19. The final funding amount for the 2017-18 school year has not been finalized in time for this report.

FEDERAL FUNDING

IDEA FUNDING

A major source of funding is the federal IDEA Part B funding (also known as Title VI-B). Part B funding is provided to the states, and subsequently to the districts and charters to meet the excess costs of providing special education and related services to children with disabilities. Funding is distributed based on historic funding levels, the number of children in the state, and the number of children living in poverty in the state. States are required to distribute most of the Part B funding to the districts and charters but are able to keep a small portion to use for a variety of reasons including but not limited to: technical assistance and personnel preparation; assistance to districts and charters in providing positive behavioral interventions and supports; and to monitor, enforce, and investigate complaints.[16] In 2016-17, districts received $106.6 million in IDEA funding or $1,826 per student. Charter schools spent $2.3 million or $1,764 per student.

One of the requirements to receive the Part B funding is "maintenance of effort". This means that LEAs must maintain their total state and local contributions for special education from one year to the next. To receive Part B funding, a district or charter cannot reduce the amount of state and local funds it spent in the preceding fiscal year. There are some exceptions to this including:

- Departure of a special education teacher or related personnel;
- Decrease of enrollment in students with disabilities;
- Termination of "exceptionally costly program for a particular child" (under certain circumstances);
- Termination of costly expenditures for long term purchases (like facilities); or
- State educational agency (ADE) assumes costs by using the high cost fund.

Districts and charters must use Part B funds to pay for the excess costs of providing FAPE to children with disabilities. This includes:

- Special education teachers and administrators
- Related service providers (speech therapists, psychologists, etc.)
- Materials and supplies for use with children with disabilities
- Professional development for special education personnel and regular classroom teachers who teach children with disabilities
- Specialized equipment or devices to assist children with disabilities.

In addition to paying for the excess costs of providing FAPE to children with disabilities, a portion of Part B funds can be used for coordinated early intervening services (CEIS) to assist students in grades K-12 (with an emphasis on K-3) who are not currently identified as needing special education and related services but still need additional academic and behavioral support to be successful in a general classroom environment.[17]

[16] Guidance on IDEA Part B Funds under ARRA. September 2009. Retrieved from: https://www2.ed.gov/policy/gen/leg/recovery/guidance/idea-b.pdf

[17] Uses of Funds Guidance: Part B of the Individuals with Disabilities Education Act (IDEA). September 2009. Retrieved from: https://www2.ed.gov/policy/gen/leg/recovery/guidance/idea-b-reform.pdf

MEDICAID FUNDING

As shown in Table 7 on page 14, 6.7% of district expenditures for special education came from Medicaid and 5.1% of charters' expenditures. Districts and charters can submit claims to Medicaid for reimbursement for the following services (included in the IEP) provided by district employees, contracted employees, or contracted agencies[18]. However, these services are not limited to only students receiving special education services.

- Physical therapy
- Occupational therapy
- Speech-language pathology therapy
- Personal care assistant services (services that assist with a child's physical dependency needs related to the following routines and activities of daily living):
    - Bathing, bladder and bowel requirements, dressing, eating, personal hygiene, mobility and ambulation, incidental housekeeping, laundry, and shopping.

Claims also can be submitted for services and administrative duties for general education and students with disabilities. These include:

- Early periodic screening, diagnosis and treatment (EPSDT) – vision and hearing screenings
- School-based mental health services
- Audiology services
- Arkansas Medicaid administrative claiming (ARMAC)

To be reimbursed by Medicaid for these services, districts and charters agree to pay a Medicaid match payment, or a percentage of the services, in order to keep the state Medicaid budget neutral. Typically, this match is about 30% of the total reimbursement.

Beginning in the 2016-17 school year, the state Medicaid behavioral health and developmental disability systems began undergoing multiple changes and some of these changes will potentially impact special education services.

The first change is the 90 minute a week cap on occupational (OT), physical (PT), and speech therapy (ST). Any services that exceed that amount will need prior authorization. However, while ADE remains generally supportive of the therapy cap, the cap has presented Medicaid billing concerns for some districts. Since the new requirement went into effect July 2017, some districts have come across an issue in which districts have to obtain prior authorizations for services they provide that do not exceed the 90-minute cap. That is because some students receive OT, PT, and ST outside of school with a provider for medical purposes but also receive the same services in school for educational purposes as part of their federally required IEP. When a student receives the same therapy in an outside provider's facility and in the school, both entities will bill Medicaid. The outside providers typically bill more frequently than a district will so the outside provider will likely bill for services first. When a district later bills for that same service, its therapy is combined with the outside provider's therapy. Typically, the therapy provided by the district does not exceed the 90-minute cap, but when combined with the provider's, it does exceed that cap. This creates a competitive environment for providers and districts to bill first. ADE expressed this concern to the Department of Developmental Disability Services (DDS) and recommended action to streamline this process to prevent this from happening.

[18] http://www.armits.org/images/docs/pc%20fact%20sheet.pdf

The second change includes the merger of Child Health Management Services (CHMS) and Developmental Day Treatment Clinic Services (DDTCS) into Early Intervention Day Treatment (EIDT) that will go into effect July 1, 2018. Both programs provide day treatment services to children. CHMS services are intended for children with the most significant medical and/or developmental diagnoses who require multidisciplinary treatment and DDTCS is primarily focused on working with children with developmental disabilities. Currently, CHMS requires beneficiaries to receive at least one kind of therapy (OT, PT, ST), and DDTCS does not. Through this merger, children receiving DDTCS will be required to need one of these therapies to be eligible. This means that some children in DDTCS will no longer be eligible for EIDT and may enter public schools needing special education services. However, this will primarily impact preschools.

SPECIAL EDUCATION TEACHERS

According to ADE, as of March 2018, there are 23 different types of special education licenses (excluding the dyslexia endorsement) and 11,921 special education licenses that are current. Of the 23 special education licenses currently held, only ten of those are available to receive. The remaining licenses were discontinued. However, some individuals may hold multiple licenses or not be currently teaching. In addition to the 11,921 special education licenses, there are 115 K-12 dyslexia endorsements (as of April 2018). Based on numbers in APSCN, there were nearly 3,610 full-time employees (FTEs) working as special education teachers in Arkansas school districts in 2016-17. On average, special education teachers earned an annual salary of $49,278 in 2016-17.

One issue districts have faced in providing special education is an inadequate supply of appropriately licensed special education teachers who want to teach in the field. If it is an undue hardship for a district or charter school to fill a vacant position with a qualified individual licensed in the required licensure content area and level of licensure, the district or charter can apply for an exception from that requirement under Ark. Code Ann. § 6-15-1004. The exceptions include additional licensure plans (ALP) for teachers or a long-term substitute teacher (LTS). An ALP is given to an educator to become certified in a particular subject/class while teaching that particular class. Educators can be employed out of their licensure area for up to three consecutive school years as long as the SBOE approves their ALP each year. Approvals for the 2nd and 3rd years will be based on whether the educator has made progress toward completing their education.[19] In 2017-18, 154 districts requested 401 ALPs for special education. In fall 2017, 46 districts requested 77 LTSs and in spring 2018, 29 districts requested a total of 36 LTSs for special education.

In an effort to increase the number of people who are certified to teach special education and to reduce the number of waivers districts need, ADE recently changed the special education licensure creating more pathways to getting certified. Until 2014, ADE regulations required individuals who wanted to teach special education to get an initial license and then add a special education endorsement to their license. This meant that in addition to the undergraduate degree required for their initial teaching license, they also must take an additional 21 credit hours of a master's level special education program for the endorsement. There was a concern that many aspiring teachers chose not to get special education certification because it required additional training but offered no increase in salary.

However, ADE has changed some of its licensure rules to make it easier and faster for teachers to become certified in special education.

[19] http://www.arkansased.gov/divisions/educator%20effectiveness/educator-licensure/licensure-exceptionsalpalcp

1. ADE created a new **K-12 initial license** for special education that allows teachers to get their standard license in special education. This change allows them to teach special education after obtaining their bachelor's degree without having to add an endorsement to their license. Arkansas universities launched preparation programs for the K-12 special education license in the fall of 2014 and individuals could begin applying for the program during the 2014-15 school year. Seven Arkansas higher education institutions currently offer a bachelor's degree in K-12 special education. As of September 2017, 150 individuals were enrolled in this program. As of March 2018, there are 710 of these K-12 licenses. However, this license can also be received as an added endorsement to an existing license, similar to other teaching licenses. While it is not clear exactly how many of the 710 licenses are first time licenses or added endorsements or what kinds of teachers are obtaining the endorsements, ADE believes most of these K-12 licenses are added endorsements. ADE also noted that while some added endorsements are coming from existing special education teachers changing their license, most of these are coming from brand new K-12 licensed educators. This means many teachers are becoming licensed in special education with an added endorsement. This new license gives the teachers the additional option to obtain a standard license in special education instead of only the added endorsement option. Act 416 of 2017 now requires that applicants applying for the special education K-12 license, beginning in fall 2017, will need to also pass the Foundations of Reading Test.

2. ADE created a **K-12 special education resource endorsement** option. This is an expedited special education endorsement for individuals who are already licensed to teach elementary grades (K-6) or English, math, or science (4-8 or 7-12). Previously, teachers who wanted to add a special education endorsement were required to complete at least 21 hours of graduate-level coursework in special education. The new expedited resource endorsement, which received final approval in October 2015, requires teachers to complete just 12 credit hours of additional coursework. Three of those hours must be obtained through an expedited course called "SPED 101 Academy," which has been developed by ADE, higher education institutions and other special education stakeholders. Applicants who completed a special education survey course as part of their undergraduate degree can count up to three credits toward the 12 required for this endorsement. Teachers with this certification will be limited to teaching special education in a resource room setting in their area of certification. As of September 2017, 14 individuals had received this endorsement.

3. ADE created a route to credential special education teachers through a **Masters of Arts in Teaching (MAT) program**. This avenue allows people who are not certified teachers to obtain a master's degree in teaching to become certified. Individuals can teach under a provisional license (six hours of coursework, including SPED 101 Academy, and passing approved content assessment) while completing the program. Previously, this option was not available to individuals who wanted to teach special education. This certification was approved in May 2016, and three universities now offer this program. As of April 2018, there are 88 individuals in the process of completing that program.

Table 12 on the next page shows the numbers of each special education license from 2015 through 2018, including discontinued licenses that are highlighted in gray. The total number of special education licenses decreased from 12,532 in 2017 to 11,921 in 2018. According to ADE, this is likely due to individuals who are no longer teaching and let their licenses expire. However, the number of current licenses has increased over the last four years. The number of K-12 special education licenses more than doubled from 2015 to 2017. As stated earlier, most of this increase is likely coming from teachers new to special education.

Table 12: Number of Special Education Licenses, 2015-2018

All Special Education Licenses	2015	2016	2017	2018
Emotionally Disturbed (K-12)	53	50	46	43
Learning Disabilities c (K-12)	9	7	8	8
Mentally Retarded c (K-12)	19	18	16	15
Physically Handicapped (K-12)	28	24	24	21
Visually Impaired (7-12)	1	1	1	-
Special Education Inst Specialist (4-12)	5,709	5,563	5,429	5,125
Special Education ECH Inst Specialist (P-4)	6,097	5,948	5,789	5,479
Special Education Visual Specialist (P-4)	95	88	85	81
Special Education Visual Specialist (4-12)	122	111	107	104
Severely/Emotionally Disturbed (K-12)	1	1	1	1
Mod/Prof Handicapped K-12 (K-12)	1	1	1	1
Mildly Handicapped K-12 (K-12)	14	14	14	14
Early Childhood Special Education (PK-4)	3	4	3	1
Early Childhood/Special Ed Integrated (B-K)	3	4	21	24
Special Education (K-12)	233	355	600	710
Special Education Visual (K-12)	8	14	15	17
Special Education Hearing (K-12)	4	11	16	15
Special Education Hearing Specialist (P-4)	129	130	125	115
Special Education Hearing Specialist (4-12)	128	129	124	114
Age 3-4 Special Ed Endorsement (age 3-4)	0	2	8	11
Dyslexia Endorsement (K-12)	N/A	N/A	85	115**
Special Education Resource ELA (7-12)	N/A	-	6	6
Special Education Resource Math (7-12)	N/A	-	2	2
Special Education Resource Science (7-12)	N/A	-	2	2
Special Education Resource Elementary (K-6)	N/A	-	4	12
Totals	**12,657**	**12,475**	**12,532**	**11,921**

Source: ADE.
*Licenses highlighted in gray are discontinued licenses. 2015-2017 counts were taken in fall of each year. The 2018 count was taken March 2018.
** Dyslexia endorsement count taken as of April 2018.

SURVEY RESULTS

As part of the Adequacy study surveys, BLR distributed surveys to all superintendents. In this survey, superintendents had the option to leave general comments unrelated to any specific question. Two superintendents left comments pertaining to special education. One superintendent noted their district has students with special needs who need intensive interventions that a public school district is not equipped to provide which hurts the students with special needs as well as the other students. The second superintendent noted the high need for more special education and dyslexia funding.

In addition to the superintendent surveys, BLR visited 73 randomly selected schools to interview the principals and distribute surveys to teachers. During the interviews, principals had the option to convey any message to the General Assembly. Among those surveys, multiple principals made comments pertaining to special education needs. Three principals said that more funding for special education funding was needed. The remaining comments included needing to

improve state assessments to better reflect the actual skill level of students with disabilities, re-evaluate special education policies pertaining to discipline, and more training and time to better meet the varied individual needs of students with disabilities.

In the Adequacy teacher survey, teachers surveyed also had the option to leave general comments unrelated to any specific question. Of the 1,198 teachers who completed the survey, 52 left comments pertaining to special education that are included below in Table 13. The two most common responses included special education teachers not having enough time to plan and complete all of their paperwork and having too many students with disabilities or students needing modifications (students with 504 plans) in regular classrooms. As noted earlier in this report, the number of students with a 504 plan has increased by almost 40% in the last five years.

Table 13: Teacher Survey Comments Pertaining to Special Education

Not enough time to plan and complete paperwork/too much paperwork	9	More mental health services	5
Too high of rate of students with disabilities or modifications in regular classrooms	8	More funds/resource for dyslexia staff and training to adequately implement dyslexia laws	4
Miscellaneous complaints (Teachers under pressure to pass students with accommodations; response to intervention isn't working; discipline for SPED students too lenient; too much dyslexia testing; oppose private school vouchers; update SPED requirements for lottery scholarships)	7	Special education teachers are underpaid	4
More SPED teachers are needed to create more self-contained/ alternative learning classrooms that have smaller student teacher ratios	6	Improved curriculum options to support SPED kids and help teachers more easily accommodate for students with modifications and/or disabilities (regular, self-contained, and resource classes)	4
Other SPED needs (Improved facilities, improved/diverse training for SPED teachers and paraprofessionals, and increased number of paraprofessional)	5	Not enough resources to buy classroom materials	3
State testing for SPED students should test at student's skill level, not actual grade level (should be tested on what they are learning in classroom)	5	More adequate SPED prep needed in college	3

*Many teachers made multiple comments within one response so the numbers in this table will not equal the total number of responses.

CONCLUSION

Since 2013, the number of students with disabilities in Arkansas has increased from 54,738 to 61,553. While the largest majority of students with disabilities (32%) have a specific learning disability, the biggest increases over the last five years are among students with autism and other health impairments.

Students with disabilities are required to participate in either the regular state assessments or the alternate assessments designed for students with significant cognitive disabilities. Due to new ESSA requirements, only 1% of students with disabilities statewide are able to take the alternate assessment, unless a state receives a waiver from U.S. DOE. In 2017, Arkansas received a waiver since the state expects to have 1.37% of students with disabilities taking the alternate assessment in literacy and 1.39% in math.

The newly created Succeed Scholarship Program provides scholarships in the amount of the foundation funding rate to students with disabilities who have an IEP and up to 20 foster students who live in a group home or group facility to use at a private school of their choice. As of March 2018, 168 students received a Succeed Scholarship. A nonprofit organization, the Reform Alliance, is responsible for administering and distributing the scholarships. As of May 2018, a total of $1,143,074 has been funded for the 2017-18 school year. The number of scholarships is expected to grow, and the amount needed to fund that in 2018-19 will increase to $1,542,677

In 2016-17, districts and charters spent a combined $442.6 million on special education services, or about $7,417.26 per student with a disability. For districts, nearly 70% of their special education expenditures come from state and local funds compared to 55% of charter schools' special education expenditures. For both districts and charters, foundation funding was the biggest source of state and local funds and IDEA funding was the biggest source of their federal funding. Additionally, both districts' and charters' largest expenditures went towards instructional expenditures like the resource room.

Since districts receive the same rate of foundation funding regardless of the severity of students' disabilities, the state provides catastrophic funding to districts for students whose annual special education needs exceeds $15,000. Due to a change in the rubric used to determine how expenses are qualified as catastrophic, the number of students incurring catastrophic funding jumped from 599 in 2013 to 1,303 in 2017. In 2017, districts and charters requested just over $32.53 million in catastrophic funds. Of these funds, $29.8 million was calculated as the total amount of reimbursement but only $11 million was actually funded.

One issue districts have faced in providing special education is an inadequate supply of appropriately licensed special education teachers who want to teach in the field. In 2017-18, 154 districts requested 401 ALPs for special education teachers and 75 districts requested 113 long-term substitute teachers. In an effort to increase the number of people who are certified to teach special education and to reduce the number of waivers districts need, ADE recently changed special education licensure to create more pathways to getting certified. One change was a new K-12 license for special education created by ADE, which allows teachers to get their standard license in special education without having to add an endorsement to their license. As of September 2017, 150 individuals were enrolled in this program. Another change included a new K-12 special education resource endorsement which is an expedited special education endorsement for individuals who are already licensed to teach elementary grades (K-6) or English, math, or science (4-8 or 7-12). As of September 2017, 14 individuals had received this endorsement. The next change included the Master of Arts in teaching degree, which is a nontraditional licensure program that allows candidates to teach under a provisional license while completing a program of study towards a master's degree. As of April 2018, 88 individuals were in the process of completing this program.

In surveys that BLR conducted with 73 randomly selected principals, three principals commented that additional funding for special education was needed. Other principals noted the need to improve state assessments to better reflect the actual skill level of students with disabilities, special education policies pertaining to discipline needed to re-evaluated, and more time and training was needed to better meet the varied individual needs of students with disabilities. Some of these comments were also reflected in the survey distributed to teachers. The biggest complaint from teachers regarding special education was there was too much paperwork for special education teachers.