ADE Legislative Update

May 7, 2019
Cynthia Smith
Donna Adkins
Public School Funding

- **Foundation Funding FY 20** $6,899
  - **FY 21** $7,018

- FY 20 and FY 21 amounts incorporate $1,000 increase each year to the teacher salary amount in the matrix.

  - FY20 - $67,127 (increase of $1,316 over FY 19)
  - FY21 - $68,470 (increase of $1,343 over FY 20)

- Other matrix adjustments included in per-student increase
  - **Instructional materials**
    - FY 20 - $ 184.20 (increase for $1.10 per student over FY 19)
    - FY 21 - $ 187.90 (increase for $3.70 per student over FY 20)

- **Operations and Maintenance**
  - FY 20 - $697.50 (increase of $12.50 per student over FY 19)
  - FY 21 - $705.70 (increase of $8.20 per student over FY 20)
• **Alternative Learning Environment** (categorical):
  - FY 20 - $4,700 per student (increase of $60 over FY 19)
  - FY 21 - $4,700 per student (no increase over FY 20)

• **English Language Learner** (categorical):
  - FY 20 - $345 per EL student (increase of $7 over FY 19)
  - FY 21 - $352 per EL student (increase of $7 over FY 20)

• **Professional Development**
  - FY 20 - $32.40 per ADM (no change over FY 19)
  - FY 21 - $40.80 per ADM (increase of $8.40 over FY 20)
• Enhanced Transportation
  - FY 20 $5,000,000 statewide (increase of $2M over FY 19)
  - FY 21 $5,000,000 statewide (no increase over FY 20)
  - Disbursement can be found in § 6-20-2309

• Professional Learning Communities
  - FY 20 $12,500,000 (increase of $4M over FY 19)
  - FY 21 $12,500,000 (no increase over FY 20)
Enhanced Student Achievement Funding

ACT 532

- Enhanced Student Achievement Funding (categorical)  Formerly NSL
- Amounts unchanged
- $526 / $1,051 / $1,576
- Arkansas Code § 6-20-2305
ESA Matching Grant

- Formerly NSL Matching Grant

- Increase from $4,300,000 to $5,300,000 for FY 20 and FY 21
An ACT to allow certain part-time employees to participate in the state and public school life and health insurance program

- A public school employee who is in a position that requires on average at least 30 hours per week of actual performance of duty during the annual school year

- A full-time school bus driver who is employed by a public school district to drive regular routes during the annual school year.
  - Full-time driver: operates a school bus at least 720 hours during a school year
  - Primary source of income during the school year is obtained by operating a school bus
  - Operates a school bus and is designated as full-time school bus driver by the superintendent, regardless of the number of hours

- Arkansas Code § 21-5-410
- Emergency Rules are on the Governor’s desk and should be out late this month
- Commissioner’s Memo will be released once approval of the emergency rules is received
- Interactive worksheet will be on the ADE website to help districts determine how they will receive the funding allocated to the district over the 4 years. This is a working document and can be changed.
- Calculations are base on Non-Federal FTEs for FY 18 and will not change
- One time funding
- Questions:
  - Greg Rogers
  - greg.rogers@arkansas.gov
ACT 929

Fiscal Accountability And Reporting

• Fiscal Distress law Amended to:

• add Early Intervention

• Fiscal Monitoring once the district is removed from Fiscal Distress for a period of 3 years
  • Same laws apply to monitoring as Fiscal Distress

• Arkansas Code § 6-20-1902
ACT 170
Teacher Salary Enhancement

- Arkansas Code § 6-5-307

- Any increase in Educational Excellence Trust funds allocated for teacher salaries shall be used by school districts to provide salary increases for current licensed personnel positions and for no other purpose, except that required Social Security and teacher retirement matching required to be paid by the school districts for licensed personnel positions may be paid from the funds.
• Educational Excellence Trust Fund funds allocated for teacher salaries shall be distributed by the Department of Education to a school district in accordance with the foundation funding amount under § 6-20-2305.

• In determining whether a school district has had an increase in EETF funds allocated for teacher salaries, any annual increase in the EETF funds must exceed the level of the prior fiscal year to be classified as an increase.

• Salary increase, as used in this section includes increments for experience or advanced hours or degrees.
Arkansas Code § 6-17-2403

Minimum Teacher Compensation Schedule

- 2019-2020
  - BA $32,800
  - MA $37,450

- 2020-2021
  - BA $33,800
  - MA $38,450

- 2021-2022
  - BA $34,900
  - MA $39,550

- 2022-2023
  - BA $36,000
  - MA $40,650
20% Net Legal Revenue Balance

• Arkansas Code § 6-20-2210
  • A school district’s net legal balance cannot exceed 20% of the public school district’s current year net legal balance revenues.

• If the net legal balance exceeds 20%, then the district shall within 5 years reduce its net legal balance to no more than 20% of the public school district’s current year net legal balance revenues.
ACT 1105 of 2017

20% Net Legal Revenue Balance

- If your district did not transfer the total amount to reduce the net legal balance to 20% or less of the district’s net legal revenues:

- The district will need to do a transfer of at least 20% of the amount the district was over the allowable ending balance to be in compliance for FY 18 AND will be required to do a transfer to be in compliance for FY 19.

- The district will be required to do multiple transfers each year until each fiscal year is satisfied.
Additional Information

- Insurance contribution rate beginning January 1, 2020 will be $161.87 per month. FIN-19-037

- Teacher Retirement contribution rate beginning July 1, 2019
  - Employee 6.25%
  - Employer 14.25%
  - Outsourcing 2.00%

- Arkansas Minimum Wage
  - $ 9.25 January 1 – December 31, 2019
  - $10.00 January 1 – December 31, 2020
Contact information

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