



HANDOUT F2

Research Report

# Special Education Funding and Expenditures

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2019-2020  
Adequacy  
Study

BUREAU OF LEGISLATIVE RESEARCH

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## INTRODUCTION

The Continuing Adequacy Evaluation Act, Arkansas Code § 10-3-2101, *et seq.*, requires the House and Senate Education Committees to "review and continue to evaluate the costs of an adequate education for all students ..." (Arkansas Code § 10-3-2102(a)(6)). To accomplish that duty, the statute calls for the House and Senate Education Committees to review expenditures from special education funding, among other things (Arkansas Code § 10-3-2102(h)(1)(E)). 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, and 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 student's 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/school district, 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.

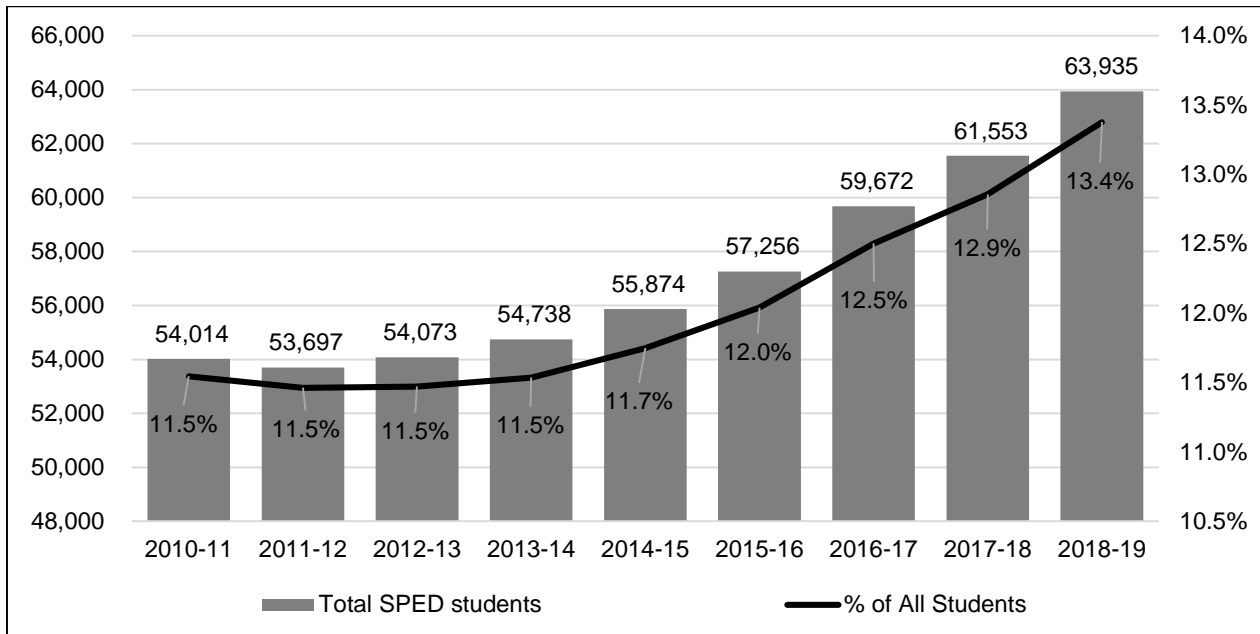
## STUDENT COUNT

In the 2018-19 school year, there were 63,935 students with disabilities aged 5-21 in Arkansas public schools, or 13.4% 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, The Excel Center, or the Conway Human Development Center. This number is up from 61,553 students (12.9% of total student enrollment) in the 2017-18 school year.

The Imboden Charter School had the highest percentage of students with disabilities among districts and charters in the 2018-19 school year with 33.9% of their 59 total students. The Fordyce School District had the second highest percentage with 25.9% of their students having disabilities. Excluding Haas Hall Academy Bentonville, which had zero students with disabilities, Haas Hall Academy (Fayetteville) had the lowest percentage of students with disabilities of all districts and charters with 0.2%. Among the school districts, the Genoa Central School District had the lowest percentage of students with disabilities at 7%.

Charter schools typically have lower percentages of students with disabilities than traditional school districts. Out of the 24 charter schools that had students with disabilities, 20 had proportions lower than the state average. Of the ten districts and charters with the lowest proportions of students with disabilities, nine were charter schools.

**Chart 1: Percentage of Students with Disabilities (Aged 5-21) of Total Student Enrollment, 2012 – 2019**



Source: Division of Elementary and Secondary Education. Annual December 1 Child Count and Annual Oct. enrollment data. Data does not include Arkansas School for the Deaf, Arkansas School for the Blind, Division of Youth Services, the Department of Corrections, The Excel Center, or the Conway Human Development Center.

A comparison of state student counts with the national average is only possible using federally collected data. The United State Department of Education (U.S. DOE) uses data provided by the Arkansas Division of Secondary and Elementary Education (DESE) but counts students with disabilities slightly differently from the calculation used in the chart above.<sup>1</sup> According to data reported by the DESE to the U.S. DOE, Arkansas students with disabilities comprised 13.1% of the total student body among children aged 6-21 in the 2015-16 school year (most recent data available), compared with the national average of 13.2%.<sup>2</sup> Chart 1 above shows that the percentage of students with disabilities of all students (aged 5-21) in Arkansas increased from 11.5% in 2010-11 to 13.4% in 2018-19.

**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.<sup>3</sup> 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 a disability. However, Section 504’s definition of a disability is much broader than under IDEA. Section 504 also does not provide any funding as IDEA does. To be eligible under Section 504, a student must have a “physical or mental impairment that substantially limits one or more major life activities of such individual.”<sup>4</sup> Services provided in a 504 can vary depending on the type of impairment. Students with a 504 plan are entitled to accommodations specified in the plan, and these 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 also has increased over the

<sup>1</sup> 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 above. Also, the federal data includes all of the entities listed above that were also excluded in the Bureau of Legislative Research’s (BLR) analysis in Chart 1 above.

<sup>2</sup> U.S. Department of Education, Office of Special Education Programs, Part B Data Display: Arkansas, Publication Year 2018

<sup>3</sup> 29 USCS § 794

<sup>4</sup> 42 USCS § 12102

last several years. The number of students with a 504 plan increased by about 4,600 students from 11,717 in 2013 to 21,654 in the 2018-19 school year.

The DESE noted a few possible reasons behind the increase in the number of students with a 504 plan. Teachers and parents are developing an improved understanding of the 504 plans, schools are improving their “Child Find” responsibilities (Child Find is a process in which all children in need of early intervention or special education services are located, identified, and referred) and developing 504 plans. Additionally, the federal Americans with Disabilities Act was amended in 2008, which included changes to Section 504. The changes:

- Emphasize a broader definition of “disability”;
- Restore the definition of “substantially” limited instead of “significant” or “severe disability”;
- Broaden the definition of “major life activities” and provide that the impairment only needs to limit one major life activity in order to be considered a disability;
- Require districts to make Section 504 determinations based on the student’s disability as it presents itself without mitigating measures; and
- Provide coverage of health plans not previously covered by Section 504.<sup>5</sup>

## TYPES OF DISABILITIES

In Arkansas, there are 12 categories of disabilities used to determine students’ eligibility for special education<sup>6</sup>:

- |  |   |
|--|---|
| 1. Autism  | 7. Orthopedic impairment                    |
| 2. Deaf-blindness  | 8. Specific learning disability             |
| 3. Hearing impairment (including deafness)                             | 9. Speech or language impairment            |
| 4. Emotional disturbance   | 10. Traumatic brain injury                  |
| 5. Intellectual disability<br>(formerly known as “mental retardation”) | 11. Visual impairment (including blindness) |
| 6. Multiple disabilities   | 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, and sickle cell anemia.<sup>7</sup> The 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** on the next page 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, dyslexia, and developmental aphasia<sup>8</sup> – are the most prevalent impairments among students with disabilities, affecting about 31% of the state’s students with disabilities, or 4.1% of all students. Speech and language impairments are the second most common disability, affecting 25% of students with disabilities, or 3.3% of all students.

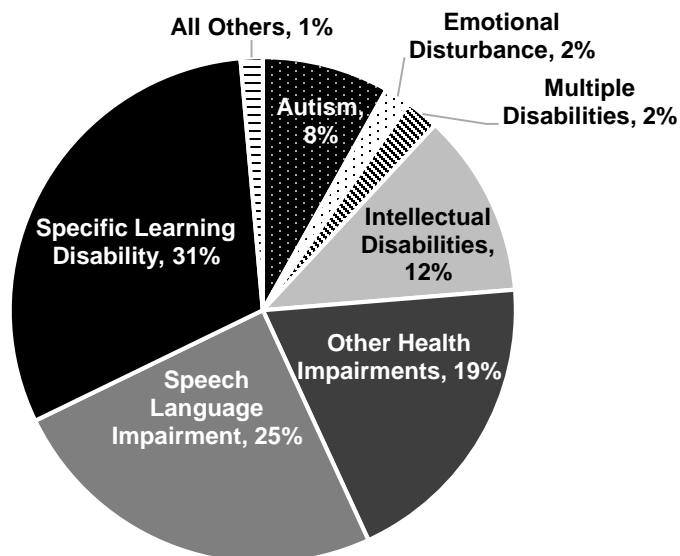
<sup>5</sup> Email from Oliver Dillingham with the DESE dated June 19, 2018.

<sup>6</sup> Arkansas Department of Education, Special Education and Related Services 2.0 Definitions (June 2019)

<sup>7</sup> Division of Secondary and Elementary Education, Special Education School Age Data Dictionary (2019-2020)

<sup>8</sup> Division of Secondary and Elementary Education, Special Education School Age Data Dictionary (2019-2020)

**Chart 2: Breakdown of Types of Disabilities**



Data 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, The Excel Center, or the Arkansas Department of Correction.

**Table 1** on the next page shows the breakdown of the number of students with disabilities in Arkansas by disability category from 2013 and 2019, as well as the percentage of the total number of students with disabilities.

There have been increases in the number of students among every disability, except among students with multiple disabilities since the 2012-13 school year, which decreased by 0.07% (one student). The biggest percentage increase was in autism, which increased by 55%, followed by emotional disturbances (44%) and intellectual disabilities (35%). Another notable increase was among students with other health impairments, which increased by 33%. Statewide, the number of students with disabilities in Arkansas increased by 18% since the 2012-13 school year. In comparison, the total number of students in Arkansas increased by just over 1% during that same time.

According to the DESE, “increased awareness of the characteristics of autism and physical and mental health conditions associated with the disability category of other health impairment may have impacted the upturn in the number of students identified in these areas. Mental health services, available through school-based mental health providers located on school campuses for students who have significant social/emotional and behavioral needs, could be impacting the number of students identified as having an emotional disturbance due to greater access to qualified providers. DESE is uncertain as to the cause of the increase of students diagnosed with intellectual disabilities.”<sup>9</sup>

<sup>9</sup> Email from Matt Sewell with the DESE dated January 5, 2020.



**Table 1: Breakdown of Students with Disabilities 2013 – 2019**

Disability	2013		2019		Increase or Decrease in Number of Students with Disabilities	Percentage Increase or Decrease in the Number of Students with Disabilities
	Number of Students with Disabilities	Percent of Students with Disabilities	Number of Students with Disabilities	Percent of Students with Disabilities		
Autism	3,358	6%	5,200	8%	1,842	55%
Other Health Impairments	9,372	17%	12,429	19%	3,057	33%
Speech/ Language Impairments	14,642	27%	15,768	25%	1,126	8%
Specific Learning Disabilities	18,155	34%	19,679	31%	1,524	8%
Emotional Disturbance	738	1%	1,063	2%	325	44%
Multiple Disabilities	1,361	3%	1,360	2%	-1	-0.07%
Intellectual Disability	5,562	10%	7,532	12%	1,970	35%
All Others	885	2%	904	1%	19	2%
<b>Total</b>	<b>54,073</b>	<b>11.5%</b>	<b>63,395</b>	<b>13.4%</b>	<b>9,862</b>	<b>18%</b>

The number of students in special education with a specific learning disability also increased by 8% or 1,524 students. This could be related to dyslexia screenings districts are now required to conduct. Act 1294 of 2013 established the requirement that districts screen every K-2 student for dyslexia, and districts must screen others required by the DESE (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 dyslexia screening requirement first went into effect for a full school year in the 2014-15 school year, there has been an increase in the number of students receiving intervention services for students identified with characteristics of dyslexia, which can qualify as a specific learning disability. In the 2014-15 school year, 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 the 2018-19 school year, 251 districts and charters reported that 30,645 students were evaluated, and 23,149 were currently receiving therapy for dyslexia, including some identified in previous years. The DESE emphasizes that the dyslexia screening program is not a special education program and students with dyslexia characteristics are not necessarily special education students or are usually not considered special education students. Students identified with characteristics of dyslexia may be identified for therapy services, but they may not necessarily be identified for special education. Additionally, students who are eligible for dyslexia interventions may not qualify through testing as dyslexic. They may only show some markers or traits of dyslexia.

Table 2 on the next page shows the breakdown of districts and charters and their percentage of students with disabilities among their total student enrollment. In most districts, students with disabilities make up for more than 10% of their total student population. In twelve districts, they make up more than 20%.

**Table 2: Percentage of Students with Disabilities among of Total Student Population - 2018-2019**

Percentage of Students with Disabilities of Total Student Enrollment	Number of Districts	Number of Charters
25% to 34%	1	1
20% to 24.9%	11	2
15% to 19.9%	85	1
10% to 14.9%	129	8
9.9% or less	9	12

For a national comparison, 2015-16 is the most recent year for which data are available.

**Table 3** 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 3: Percentage of Children with Disabilities by Disability Type, Ages 6-21**

Disability	% of Students with Disabilities		% of All Students	
	Arkansas	Nation	Arkansas	Nation
Autism	7.6%	9.8%	1.00%	1.27%
Deaf-Blindness	0.0%	0.0%	0.00%	0.00%
Emotional Disturbance	1.6%	5.7%	0.21%	0.73%
Hearing Impaired	0.8%	1.1%	0.10%	0.14%
Multiple Disabilities	<b>2.4%</b>	2.1%	<b>0.32%</b>	0.28%
Intellectual Disabilities	<b>11.2%</b>	7.1%	<b>1.46%</b>	0.91%
Orthopedic Impairment	0.3%	0.6%	0.04%	0.08%
Speech or Language Impairments	<b>22.4%</b>	17.2%	<b>2.93%</b>	2.22%
Specific Learning Disabilities	33.1%	39.6%	4.33%	5.11%
Traumatic Brain Injury	0.3%	0.4%	0.03%	0.06%
Vision Impairment	0.4%	0.4%	0.05%	0.05%
Other Health Impairments	<b>19.8%</b>	15.8%	<b>2.59%</b>	2.04%

Source: Part B Data Display: Publication Year 2018

**Table 4** on the next page shows the racial and gender breakdown of students with disabilities in Arkansas compared to the statewide total enrollment. In the 2018-19 school year, black students were over represented among students with disabilities. They made up 20% of total state enrollment but nearly 23% of students with disabilities. Hispanic students were under represented among students with disabilities. They made up about 13% of total state enrollment but just under 12% of students with disabilities. This is also the case at the national level. Table 5 on the next page shows that male students were overrepresented and female students were underrepresented among students with disabilities. Male students make up 51% of students statewide but represent nearly 66% of students with disabilities.

When the IDEA was reauthorized in 1997, it said that states should monitor how their districts identify and serve minority students with disabilities. However, it did not specify how states should do this. According to Education Week, only 3% nation's school districts have ever been identified as having significant disproportionality in the 2016-17 school year. However, Education Week noted a Government Accountability Office (GAO) report that found because there are so many methodologies for monitoring this issue that "significant disproportionality was likely going unaddressed". When districts were found to have significant disproportionality, the district must use 15% of federal special education money to address the issue.

The U.S. DOE recently made changes to this process. The "Equity in IDEA" rule was finalized in December 2016 and was created to address these disparities in special education. It was supposed to go into effect in the 2018-19 school year, but the current administration put a two-year hold on it to study it further. That hold was removed by a federal district judge in March

2019. In May 2019, the U.S. DOE announced that districts should now comply with this rule.<sup>10</sup> The rule requires states to use a “standardized approach to monitoring how their districts identify and serve minority students with disabilities.”<sup>11</sup>

**Table 4: Racial Breakdowns of Arkansas Students with Disabilities**

Race/Ethnicity	Arkansas		National	
	Students with Disabilities	Total Student Enrollment	Students with Disabilities	Total Student Enrollment
Asian	0.8%	1.7%	0.8%	1.6%
Black	<b>22.8%</b>	20.0%	<b>23.4%</b>	20.5%
Hawaiian/Pacific Islander	0.6%	0.9%	0.5%	0.7%
Hispanic	11.6%	<b>13.2%</b>	10.7%	<b>12.1%</b>
Native American	0.7%	0.6%	0.7%	0.6%
Two or more races	2.7%	2.8%	2.3%	2.2%
White	60.8%	60.9%	61.6%	62.3%

Source: Arkansas data is taken from the DESE, 2018-19 school year. National data for race/ethnicity is taken from the Part B Data Display: Publication Year 2018. National data includes students with disabilities aged 6-21.

**Table 5: Gender Breakdowns of Arkansas Students with Disabilities**

Gender	Arkansas	
Female	34.3%	<b>48.7%</b>
Male	<b>65.7%</b>	51.3%

Source: The DESE, 2018-19 school year.

As seen in Table 5 above, male students are overrepresented in special education in Arkansas. This is also happening at the national level as well, though there has not been as much data collection on this at the national level. According to data from the Civil Rights Data Collection, which is a biennial survey required by the U.S. DOE’s Office for Civil Rights, in the 2013-14 school year (the most recent year available), there were nearly 67% of male students in special education nationwide compared to only 51% in the total student population.<sup>12</sup>

## STUDENT PLACEMENT

Under IDEA, students with disabilities are to be educated in the “least restrictive environment.” According to federal law (20 U.S.C. §1412(a)(5)(A)), students with disabilities should be educated with children who are not disabled “to the maximum extent appropriate.” 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.”

**Chart 3** on the next page shows the educational placement of students in school districts and charter schools. Each placement category is defined as follows<sup>13</sup>:

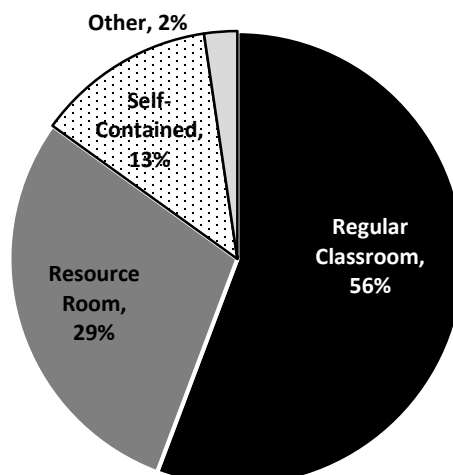
- Regular class with special education: Students who are in the regular classroom 80% or more of the school day.
- Resource room: Students who are in the regular classroom between 40%-79% of the school day.
- Self-contained: Students who are in the regular classroom 40% or less of the school day.
- Other: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

<sup>10</sup> “Ed Dept to Implement Obama-era Equity Rules in IDEA Policy.” (May 2019). *Education Week*. Retrieved from: <https://www.educationdive.com/news/ed-dept-to-implement-obama-era-equity-rules-in-idea-policy/555431/>

<sup>11</sup> “Catching Up on a Federal Rule Involving Bias in Special Education.” (March 2019). *Education Dive*. Retrieved from: <https://www.edweek.org/ew/articles/2019/03/20/catching-up-on-a-federal-rule-involving.html>

<sup>12</sup> Retrieved from: [https://ocrdata.ed.gov/StateNationalEstimations/Estimations\\_2013\\_14](https://ocrdata.ed.gov/StateNationalEstimations/Estimations_2013_14)

<sup>13</sup> Arkansas Department of Education, Special Education School Age Dictionary (2019-20)

**Chart 3: Placement of Students with Disabilities, 2018 – 2019**

**Chart 3** above shows that 56% of students with disabilities in Arkansas spend 80% or more of their time in a regular classroom. Just over a quarter of students with disabilities spend 40%-79% 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 6** below shows the percentage of students for each placement description in Arkansas compared to the national average.

**Table 6: Percentage of Time Spent in Regular Classroom, 2015 – 2016 (Ages 6-21)**

% of Day Spent in Regular Classroom	State	Nation
0-40% (Self-Contained)	13.4%	13.4%
40-79% (Resource Room)	30.4%	18.3%
80%-100% (Regular Classroom)	53.1%	63.1%
Separate Residential Facility	1.8%	3.2%

Source: Part B Data Display: Publication Year 2018

Nationally, 63% of students with disabilities spend 80% or more of their time in a regular classroom, compared to 53% of students with disabilities in Arkansas. Arkansas has nearly double the percentage of students spending between 40% and 79% of their time in a regular classroom compared to the national average. According to the DESE, Arkansas is still traditional in its approach to special education delivery models, which means that large numbers of students are still being pulled out of core instruction to provide special education services. There is a high number of students who are pulled into resource courses for core curriculum and are not in the general classroom. The DESE is currently providing professional development on inclusive practices to try to change this.<sup>14</sup>

**Table 7** below compares the percentage of time that students with disabilities spend in a regular classroom from 2012-13 through 2015-16.

**Table 7: Percentage of Time Spent in Regular Classroom in Arkansas (Ages 6-21)**

% of Day Spent in Regular Classroom	2012-13	2013-14	2014-15	2015-16
0-40%	13.4%	13.6%	13.6%	13.4%
40-79%	30.6%	30.8%	30.7%	30.4%
80%-100%	52.9%	52.5%	52.7%	53.1%
Separate Residential Facility	1.8%	1.8%	1.8%	1.8%

Source: Part B Data Display: Publication Years 2015, 2016, 2017, and 2018.

<sup>14</sup> Email from Matt Sewell from the DESE dated December 30, 2019.

## 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. The total number of students taking each subject tested using the alternate assessment (math, English language arts [ELA], or science) 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 the federal 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. Arkansas applied for and received this waiver for the 2016-17, 2017-18, and 2018-19 school years. Arkansas applied again for this waiver for the 2019-20 school year because in the 2018-19 school year, Arkansas had 1.32% of students with disabilities taking the alternate assessment in literacy, 1.32% in mathematics, and 1.29% in science. These numbers are an increase from the previous school year because "the alternate assessment data includes one additional grade level assessed for English Language Arts (ELA) and Mathematics, and five additional grade levels assessed in Science."<sup>15</sup>

The DESE also notes that even with the additional grades being tested with the alternate assessment, "Arkansas has made progress in lowering the percentages of students participating in the alternate assessment for each group of students."<sup>16</sup> Beginning in the 2018-19 school year, the Dynamic Learning Maps (DLM) replaced the Multi-State Alternate Assessment (MSAA) as the alternate assessment for students with significant cognitive abilities. The MSAA was administered to qualifying students with disabilities in the areas of ELA and math in grades 3-8 and 11. The DESE noted in its waiver extension that in the 2017-18 school year, the percentage of third grade students taking the ELA alternate assessment was 1.43%. The percentage of that same group of students taking that assessment in the 4<sup>th</sup> grade in the 2018-19 school year decreased to 1.36%.

About 35,000 students with disabilities take the ACT Aspire, according to DESE data. **Charts 4 – 5** on the next page show how performance has varied on the ACT Aspire between 2017 and 2019 among students with disabilities and students without disabilities.

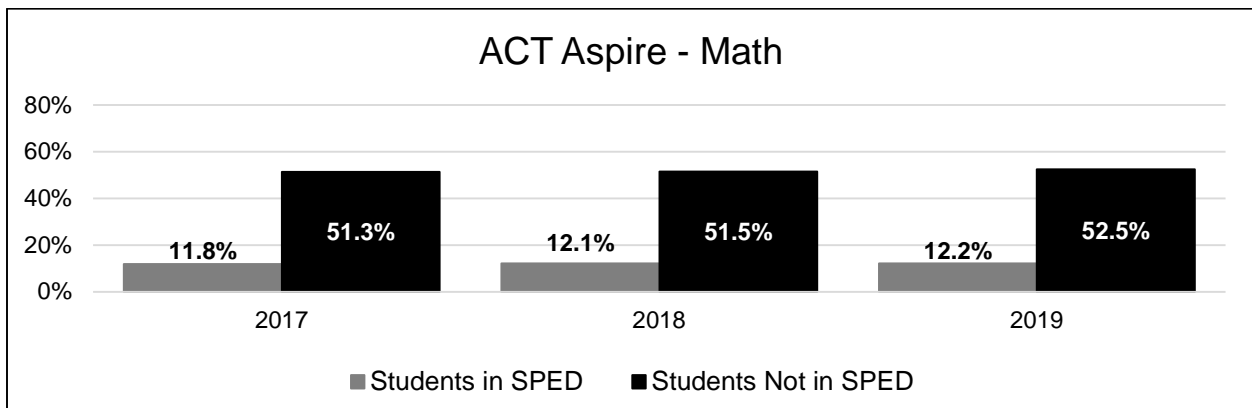
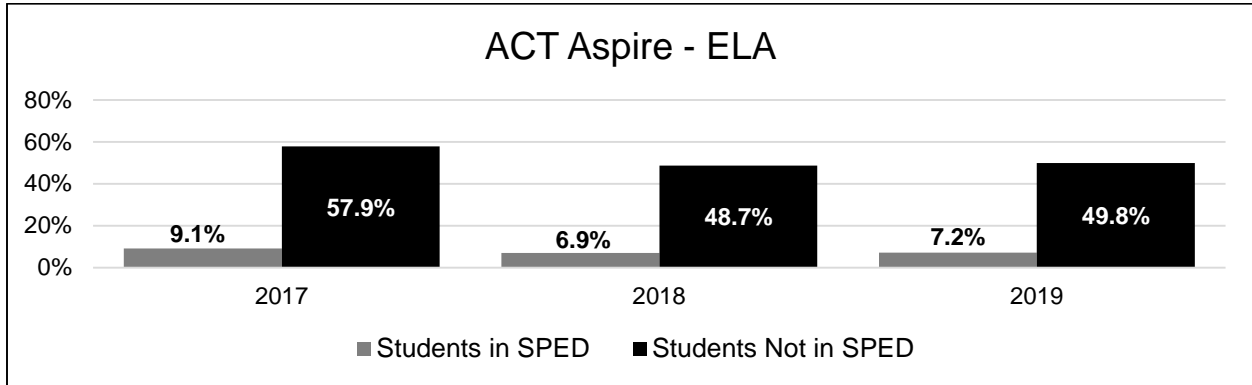
In 2019, 12.2% of students with disabilities scored ready or exceeding in math compared to 52.5% of students without disabilities. This is up from 2017 in which 11.8% of students with disabilities scored ready or exceeding in math, compared to 51.3% of students without disabilities. The overall percentage of students with and without disabilities scoring ready or exceeding has increased since 2019, but the achievement gap between the two groups also increased from 39.5 percentage points in 2017 to 40.3 percentage points in 2019.

In 2019, 7.2% of students with disabilities tested ready or exceeding in ELA on the ACT Aspire compared to 49.8% of students without disabilities. This is down from 2017 in which 9.1% of students with disabilities scored ready or exceeding in ELA and 57.9% of students without disabilities did. While the percentage of both students with and without disabilities scoring ready or exceeding in ELA decreased overall since 2017, the achievement gap in ELA between these students decreased from a 48.8 percentage point difference in 2017 to 42.6 percentage point difference in 2019. The decrease in ELA scores is likely due to the fact that that the ACT raised the ACT Aspire readiness cut scores for the combined ELA score.

<sup>15</sup> Arkansas DESE Waiver Extension Request Pursuant to 34 C.F.R. §200.6(c)(4). (September 18, 2019).

<sup>16</sup> Arkansas DESE Waiver Extension Request Pursuant to 34 C.F.R. §200.6(c)(4). (September 18, 2019).

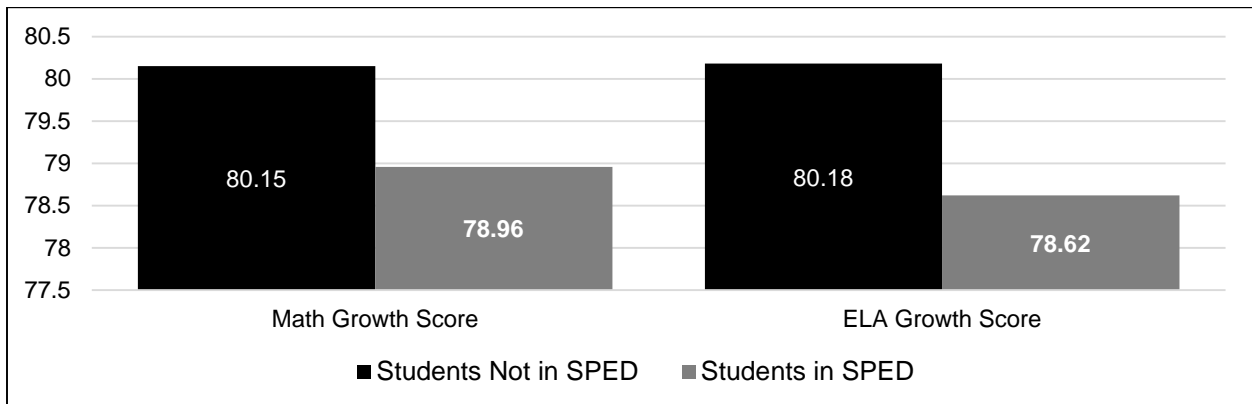
**Charts 4 and 5: ACT Aspire Scores for Students with Disabilities**



Source: Division of Secondary and Elementary Education.

As noted earlier, the DLM replaced the MSAA as the alternate assessment for particular students with disabilities beginning in the 2019-20 school year. According to the waiver extension request, “this change allowed the grades and subjects alternately assessed to align with the grades and subjects assessed on the general assessment [the ACT Aspire].” The DLM included a science component, which the MSAA did not. Additionally, the DLM provides more instructional resources and was moving to an instructionally-embedded assessment instead of a year-end assessment.<sup>17</sup>

**Chart 6: ACT Aspire Growth Scores for Students with Disabilities: 2019**



Source: Division of Secondary and Elementary Education

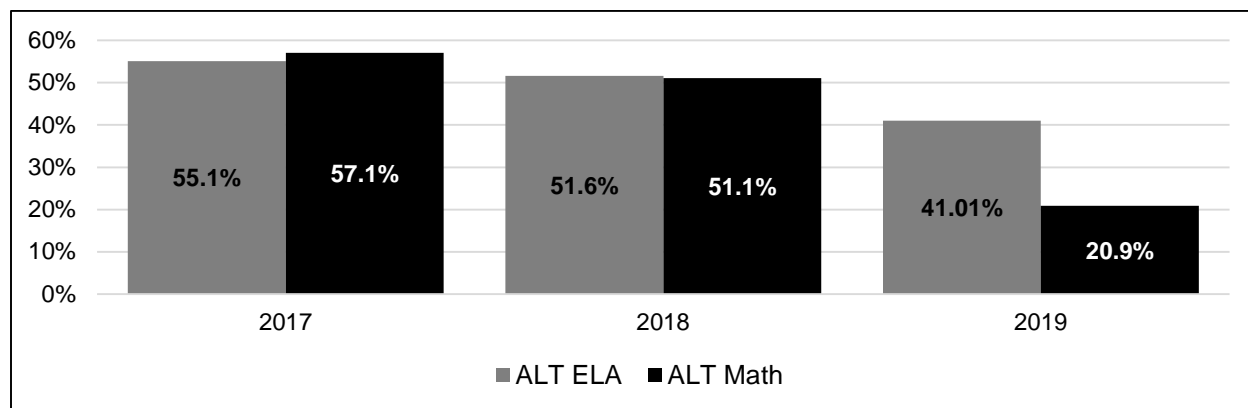
Chart 6 above shows the ACT Aspire ELA and math growth scores for students with disabilities compared to students without disabilities. The growth score is the difference between what the

<sup>17</sup> Email from Matt Sewell with the DESE dated December 30, 2019.

student is expected to achieve, based on prior achievement scores, and what the student achieves in the current year. A score of 80 represents that students are meeting expected growth in the school. Scores above 80 are exceeding and scores below 80 are not. Students without disabilities had higher growth scores than students with disabilities. Additionally, the growth scores for students with disabilities indicate that, on average, these students did not meet their expected performance

Chart 7 below shows the percentage of students with disabilities scoring ready or exceeding on the alternate assessment. These percentages have been decreasing in the last few years with the biggest decreases occurring in the 2018-19 school year, when the DLM was first used. That year the percentage of students with disabilities scoring ready or exceeding in ELA fell from 52% in 2018 to 41% in 2019. In math, the percentage fell from 51% in 2018 to 21% in 2019.

**Chart 7: Alternate Assessment Scores for Students with Disabilities**



Source: Division of Secondary and Elementary Education.

Note: The alternate switched from the MSAA in the 2017-18 school year to the DLM in the 2018-19 school year. The number of grades tested in also increased with the use of the DLM assessment.

About 4,000 students with disabilities took the alternate assessment in 2019. According to Dynamic Learning Maps (DLM) website, the DLM online assessments are “designed for students with the most significant cognitive disabilities for whom general state assessments are not appropriate, even with accommodations... assessments are built to allow multiple ways for students to demonstrate their knowledge, skills, and understandings.” When the assessment is administered, students have access to accessibility tools and supports to fit each of their needs and preferences. Some may be provided within the online assessment system, and some are provided by the teacher. The IEP team for each student will typically provide input on what these tools and supports should include.<sup>18</sup> The learning map model “helps parents and educators identify a student’s current knowledge and skills, see how the student has developed over time, and look forward to more advanced academic content the student can learn next.”<sup>19</sup>

**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 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.

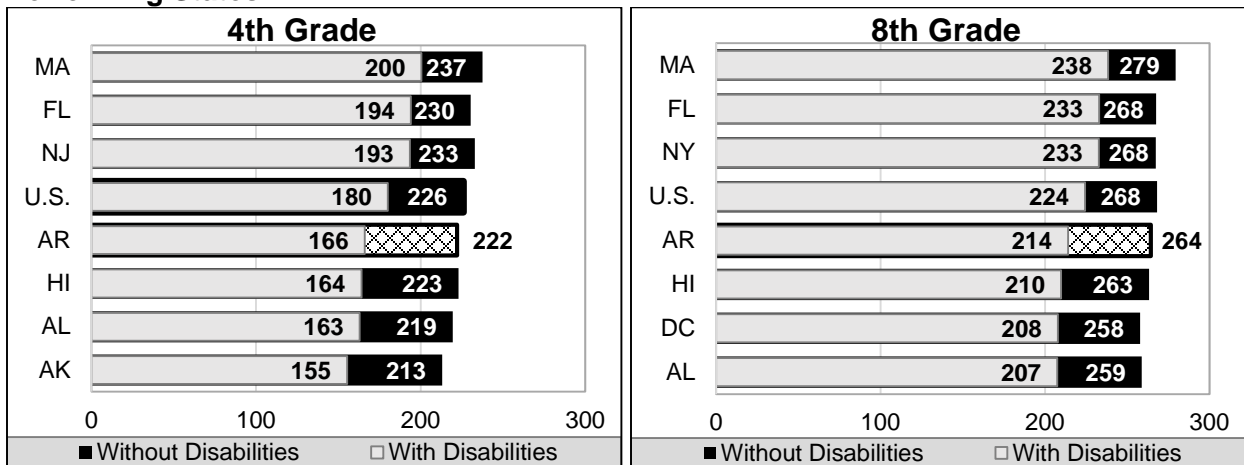
<sup>18</sup> <https://dynamiclearningmaps.org/about/tests>

<sup>19</sup> <https://dynamiclearningmaps.org/about/model>

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 also allows 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).<sup>20</sup>

**Charts 8 – 11** 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 the top and bottom three states along with the national average. Students with disabilities in Arkansas scored among the lowest in the country in both reading and math in 4<sup>th</sup> and 8<sup>th</sup> grades. This is also true for the past NAEP math and reading assessments since 2013. More detail on the higher performing states and their special education funding mechanisms will be provided later in this report in the section on Special Education Funding in Other States.

**Charts 8 and 9: 2019 NAEP Reading Scores for Students with Disabilities in High and Low Performing States**



Source: U.S. Department of Education, Institute of Education Sciences, National Center for Education Statistics, National Assessment of Educational Progress (NAEP), 2019 Reading Assessment.

**Charts 10 and 11: 2019 NAEP Math Scores for Students with Disabilities in High and Low Performing States**



Source: U.S. Department of Education, Institute of Education Sciences, National Center for Education Statistics, National Assessment of Educational Progress (NAEP), 2019 Mathematics Assessment.

<sup>20</sup> <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. Part B of the IDEA relates to the provisions of services and federal funding for states to provide a FAPE in the least restrictive environment for children with disabilities ages three to 21. 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. The indicators shown below are those used in the U.S. DOE's determination of each state. The first part, the results matrix, includes scoring on results elements like test scores for state and national assessments. The second part, the compliance matrix, which is based on whether the data for each of the indicators is valid and reliable and the percentage of compliance.

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 has been deemed in need of assistance in implementing the requirements of Part B of the IDEA. Until the 2019 publication, Arkansas consistently scored 20 out of 20 on the compliance portion of the evaluation. However, that dropped to 15 out of 20, which is likely due to invalid and unreliable data provided by the state for Indicators 4B and 13. Arkansas continues to lag behind in the results-driven portion. Since 2016, Arkansas has scored 12 out of 24 in the results driven section. 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 students with disabilities scoring at basic or above on the NAEP assessment. The percentage of 4<sup>th</sup> grade students scoring basic or above dropped from 38% in 2017 to 35% in 2019, and the percentage of 8<sup>th</sup> graders scoring basic or above dropped from 18% to 14%.

**Table 8** below provides the elements and indicators on which the state's performance was measured. The state received two points for each indicator colored in **dark gray**, one point for each indicator in **white**, and zero points for each indicator in **black**. For two indicators, the result is *Not Valid and Reliable*. This means that the data provided for this indicator by the state was not valid and reliable.

**Table 8: Federal Assessment of IDEA in Arkansas – Part B Results-Driven Accountability Matrix**

Part B Results Matrix			
Reading Assessment Elements (Children with Disabilities)	Pub Date: 2017	Pub Date: 2018	Pub Date: 2019
% of 4 <sup>th</sup> Grade Participating in Regular Statewide Assessments	87%	87%	89%
% of 8 <sup>th</sup> Grade Participating in Regular Statewide Assessments	85%	85%	88%
% of 4 <sup>th</sup> Grade Scoring at Basic or Above on the National Assessment of Educational Progress	23%	16%	16%
% of 4 <sup>th</sup> Grade Included in Testing on the National Assessment of Educational Progress	87%	88%	88%
% of 8 <sup>th</sup> Grade Scoring at Basic or Above on the National Assessment of Educational Progress	19%	21%	21%
% of 8 <sup>th</sup> Grade Included in Testing on the National Assessment of Educational Progress	85%	85%	87%
Math Assessment Elements (Children with Disabilities)			
% of 4 <sup>th</sup> Grade Participating in Regular Statewide Assessments	87%	87%	89%
% of 8 <sup>th</sup> Grade Participating in Regular Statewide Assessments	85%	85%	88%
% of 4 <sup>th</sup> Grade Scoring at Basic or Above on the National Assessment of Educational Progress	38%	35%	35%

<b>Part B Results Matrix</b>			
<b>Reading Assessment Elements (Children with Disabilities)</b>	<b>Pub Date: 2017</b>	<b>Pub Date: 2018</b>	<b>Pub Date: 2019</b>
% of <b>4th</b> Grade Included in Testing on the National Assessment of Educational Progress	90%	89%	89%
% of <b>8th</b> Grade Scoring at Basic or Above on the National Assessment of Educational Progress	18%	14%	14%
% of <b>8th</b> Grade Included in Testing on the National Assessment of Educational Progress	83%	85%	85%
<b>Exiting Data Elements (Children with Disabilities)</b>			
% of who Dropped Out	13%	11%	10%
% of who Graduated with a Regular High School Diploma	84%	86%	87%
<b>Part B Compliance Matrix</b>			
<b>Indicator 4B:</b> 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%	Not Valid and Reliable
<b>Indicator 9:</b> Disproportionate representation of racial and ethnic groups in special education and related services due to inappropriate identification.	0%	0%	0%
<b>Indicator 10:</b> Disproportionate representation of racial and ethnic groups in specific disability categories due to inappropriate identification.	0%	0%	0%
<b>Indicator 11: Timely initial evaluation</b>	99.6%	99.75%	99.54%
<b>Indicator 12: IEP developed and implemented by third birthday</b>	98.2%	100%	100%
<b>Indicator 13: Secondary transition</b> (Percent of youth with IEPs aged 16 and above with an IEP that includes appropriate measurable postsecondary goals that are annually updated and based upon an age appropriate transition assessment, transition services, and annual IEP goals related to the student's transition services needs.	96.4%	98.85%	Not Valid and Reliable
<b>Timely and Accurate State-Reported Data</b>	100%	97.62%	93.75%
<b>Timely State Complaint Decisions</b>	100%	75%	100%
<b>Timely Due Process Hearing Decisions</b>	100%	100%	100%
<b>Longstanding Noncompliance</b>	-	-	-

Source: 2017, 2018, and 2019 AR-B Results Matrix.<sup>21</sup>

Note: Indicators for results-driven scores for 2018-19 relied on statewide assessment scores from 2017-18, NAEP scores from the most recent assessment from 2016-17, and exiting school data from 2016-17. Compliance score indicators relied on 2016-17 data. In 2015, Arkansas switched from the Benchmark assessment to the PARCC assessment and switched to the ACT Aspire in 2016.<sup>22</sup>

## SUCCEED SCHOLARSHIPS

In 2015, the General Assembly passed Act 1178, which created the Succeed Scholarship Program. The program was created to provide scholarships to students who have IEPs to use at a private school of their choice. Other types of students have been deemed statutorily eligible in years since. For students to qualify for the Succeed Scholarship they must meet one of the four criteria:

1. Be in foster care or have been in the foster care system and achieved permanency through adopt, reunification, or permanent guardianship;
2. Have an IEP in accordance with the IDEA or have been medically diagnosed by a licensed physician as a child with a disability;
3. Participated in the Succeed Scholarship Program during the prior school year and has not yet graduated from high school or reached 21 years of age; or
4. Have an individualized service plan in accordance with the IDEA.

<sup>21</sup> Office of Special Education Programs (OSEP). Retrieved at: <https://osep.grads360.org/#report/apr/2017B/publicView?state=AR&ispublic=true>

<sup>22</sup> 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>

Students meeting the criteria above must also meet the following requirements:

- **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** at least 60 days prior to the date of the first scholarship payment.

According to Arkansas Code § 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.

As of November 2019, there were 38 private schools eligible to receive scholarships<sup>23</sup>. According to Arkansas Code § 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 the DESE 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;
- Be academically accountable to parent or legal guardian for meeting educational needs of the student;
- Employ or contract with teachers who holds baccalaureate or higher degrees;
- Employ or contract 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 the schools' 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. A private school that is not fully accredited shall report annually to the state board its progress towards 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 is still 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. According to the DESE schools no longer do portfolios – students who do not take the tests take the alternate assessment. The school is also required by the SBOE to confirm

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<sup>23</sup> <http://www.arkansased.gov/divisions/learning-services/special-education/policy-regulations/succeed-scholarship>

semiannually that the student is enrolled and still attending the school (9.03.1).<sup>24</sup> 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.

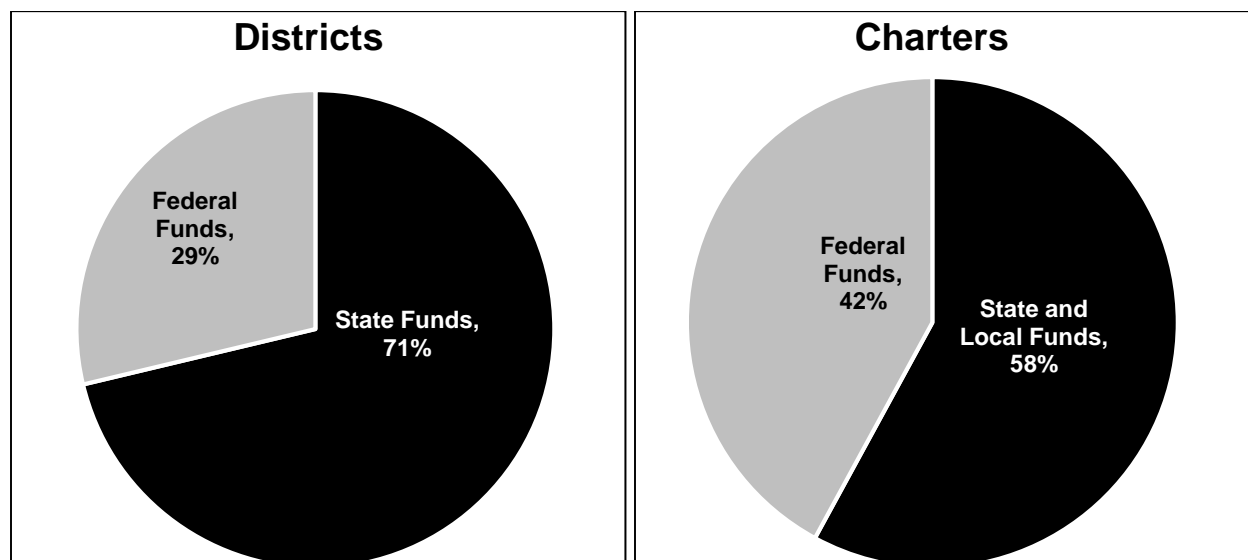
Act 827 of 2019 now requires the House and Senate Committees on Education to conduct a biennial study of the Succeed Scholarship Program. This information will be provided in a separate report.

**COSTS OF SPECIAL EDUCATION**

This section of the report provides information on the cost of providing special education services. In 2018-19, districts spent \$458 million on special education services, or about \$7,382 per student with a disability. Charters spent \$8.8 million on special education services, or about \$4,305 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.

**Charts 12 and 13** below show the districts' and charter schools' total special education expenditures, 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 71% of their special education costs, and federal funds covered the remaining 29%. Charter schools used state and local funds to cover 58% of special education costs and federal funds to cover the remaining 42%. While a larger majority of charters' special education expenditures come from federal funds as compared to districts, they both spend roughly the same amount of federal funds on a per-student basis.

**Charts 12 and 13: Federal and State Special Education Funding Breakdowns**



Note: Charters did not use any local funds to cover special education expenditures.

<sup>24</sup> ADE. Rules Governing the Succeed Scholarship Program. (Jan. 2016).

**Table 9** below 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. Some of these funds are designated specifically for special education, like special education services funds 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. The boxes shaded in **dark gray** indicate the funding sources accounting for the highest percentage of special education expenditures. For both districts and charters, foundation funding, local funds, and activity funds collectively make up the largest funding source for special education expenditures, followed by federal IDEA funding.

**Table 9: Federal and State Special Education Funding Behaviors – 2018-2019**

Funding Type	Description	Expenditures	
		Districts	Charters
<b>State and Local</b>			
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.	<b>65.30%</b>	<b>55.73%</b>
Isolated, Student Growth, Declining Enrollment	State isolated or special needs isolated funding, student growth, and declining enrollment.	0.28%	0.18%
Categorical funds	State National School Lunch, English Language Learner, and Professional Development Categorical Funds.	0.73%	0.19%
Special Education Services	State funding designed to help districts and charters pay for special education supervisors and extended-year services for students with disabilities.	0.64%	0.30%
Residential Treatment and Juvenile Detention Centers	State funding for special education provided to students in residential treatment centers, youth shelters, and juvenile detention centers.	1.19%	0.00%
Early childhood special education	State funding for preschool special education services and educational service centers.	0.63%	0.52%
Catastrophic Loss (or High-Cost Occurrence)	State funding designed to reimburse districts for special education student with unusually high needs.	2.50%	0.78%
Other State Funding	Includes but is not limited to funding from the Arkansas School Recognition Program, Professional Quality Enhancement Teacher & Administrator Induction Program (PATHWISE).	0.01%	0.02%
<b>Federal</b>			
IDEA	Federal funding provided to help state meet the excess costs of providing education and services to students with disabilities.	<b>22.55%</b>	<b>37.79%</b>
IDEA Early-Childhood		0.22%	0.67%
Medicaid	Medicaid reimbursement for services districts provided to Medicaid-eligible students.	5.90%	3.82%
Medicaid Pre-K		0.005%	0.00%
Other federal funding	Includes but is not limited to Title 1 funds, State Improvement Grant, Improving Teach Quality Assessment Grant, Title VI-SRSA- Small Rural School.	0.05%	0.000%
<b>Total</b>		<b>\$458,484,846</b>	<b>\$8,760,229</b>

**Table 10** 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 boxes shaded in **dark gray** indicate the top special education expenditures. The data show that districts spent 33% of their special education expenditures in the resource room compared to charters spending 59%. Districts spent 26% of special education expenditures on self-contained classrooms, compared to charters spending 1.4%. Charters spent 19% of their special education expenditures on speech therapy and audiology services, compared to districts spending 12%. For districts, the resource room and self-contained classrooms have been the top special education expenditures for the past few years. For charters, the resource room and speech therapy and audiology services have been the top special education expenditures.

Table 10: Special Education Expenditures by Type of Expenditure – 2018-2019

Service Type	Description	Expenditures	
		Districts	Charters
<b>Instructional Expenditures</b>			
Itinerant Instruction (excluding itinerant speech pathologist)	Instruction provided by an educator serving more than one school, in their homes or in hospital.	1.84%	0.18%
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.	<b>32.66%</b>	<b>59.48%</b>
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.	<b>25.54%</b>	1.45%
Residential/ Private	Education provided to students in residential facilities, separate day schools or by other private agencies.	2.14%	0.0%
Co-Teaching	Education provided by both a special education teacher and a non-special education teacher in the same class.	1.88%	0.00%
Pre-School	Education provided to preschool students.	1.36%	0.00%
SPED director	Supervisor of special education services	6.83%	4.13%
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.	0.09%	0.00%
Instructional Staff Support Services	Instructional service improvements, academic student assessment, instructional technology, educational media services, and other support services.	1.58%	0.55%
Other Instructional Programs	Regular K-12 instructional programs, career education programs, compensatory education programs, and other instructional programs.	0.10%	0.00%
<b>Health Expenditures</b>			
Student Support Services	Social Work, Guidance Counseling, and other student support services	0.12%	2.63%
Nurses	Activities associated with nursing, such as health inspection, treatment of minor injuries and referrals for other health services	0.43%	0.02%
Psychological testing and other psychological services	Psychological services supervision, psychological counseling, psychological testing, psychotherapy, behavior support specialist, and other psychological services.	3.84%	2.14%
Speech therapy and audiology services (including itinerant speech pathologist)	Activities that identify, assess, and treat children with speech, hearing and language impairments.	11.65%	<b>18.25%</b>
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.	5.74%	9.23%
School-based mental health	Mental health services performed by qualified mental health professionals in the school setting	0.16%	0.00%
Medicaid Match	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.	1.93%	1.64%
Dyslexia interventionist/therapist and specialist	Dyslexia interventionist/therapist works directly with the student, and the specialist does not.	0.05%	0.10%
Other Health Services	Health services supervision, medical, dental, and other health services	0.10%	0.04%
<b>Other Expenditures</b>			
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.	1.81%	0.00%
Other Expenditures	Includes operation of buildings, security services, additional supporting services, and other uses.	0.15%	0.17%
<b>Total</b>		<b>\$458,454,846</b>	<b>\$8,760,229</b>

With the increase in the number of students with disabilities, the amount of money districts and charters are spending is increasing some too. Table 11 below shows that in the 2012-13 school year, districts and charters spent \$412 million on special education. In the 2018-19 school year, that amount increased to \$467 million or a 13.2% increase. That is compared to the number of students with disabilities, which increased by 18.2% during that same time period. While the total special education expenditures have increased some, the per-student special education expenditures have decreased by 4.3%.

**Table 11: Special Education Expenditures – 2012-13 through 2018-19**

School Year	District and Charter SPED Expenditures	Number of Students with Disabilities	District and Charter Average Per-Student SPED Expenditures
2012-13	\$412,907,622	54,073	\$7,636
2013-14	\$419,033,025	54,738	\$7,655
2014-15	\$427,901,182	55,761	\$7,658
2015-16	\$434,371,075	57,256	\$7,586
2016-17	\$442,602,797	59,672	\$7,417
2017-18	\$453,599,836	61,553	\$7,369
2018-19	\$467,245,075	63,935	\$7,308
<b>Total Change</b>	<b>13.2%</b>	<b>18.2%</b>	<b>-4.3%</b>

Additionally, special education per-student expenditures were compared with ACT Aspire ELA and math growth and readiness scores for students with disabilities. Growth scores did not correlate with per-student special education expenditures. However, per-student special education expenditures did moderately correlate with the percentage of students with disabilities that scored ready or exceeding on the ACT Aspire in math and ELA. This means that even though special education spending is not associated with higher growth, higher special education spending is associated with higher achievement. However, the correlations do not mean that higher special education spending causes higher achievement, only that the two are associated.

## 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 \$381.70 per student in the 2018-19 school year. To calculate this as a per-student amount, the following formula is used:

$$(2.9 \text{ teachers} \times \text{the salary and benefit amount in the matrix}) / 500 \text{ students}$$

**Table 12: Foundation Funding for Special Education**

	2014	2015	2016	2017	2018	2019
Number of special education teachers	2.9	2.9	2.9	2.9	2.9	2.9
Salary and benefits	\$61,839	\$63,130	\$63,663	\$64,196	\$64,998	\$65,811
Per-student amount	\$358.67	\$366.15	\$369.25	\$372.34	\$376.99	\$381.70

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 and 2014, 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 13: Comparison of Special Education funding received and spent by districts and charters, 2018 – 2019**

	Foundation Funding Received for SPED Teachers	Foundation Funding Spent on SPED Teachers	Number of SPED Teachers Funded in Matrix	Number of SPED Teachers from Foundation Funding	Number of SPED Teachers from All Funding Sources
Districts	\$175,597,027	\$176,694,252	2.9	3.05	4.01
Charters	\$4,580,446	\$2,889,456	2.9	1.74	2.63
<b>Total</b>	<b>\$180,177,473</b>	<b>\$179,586,707</b>	<b>2.9</b>	<b>2.99</b>	<b>3.97</b>

Note: Number of Teachers are the amount per 500 students as indicated in the matrix. Friendship Aspire Academy Little Rock and Covenant Keeper's are not included in this analysis due to Friendship Aspire Academy Little Rock absorbing Covenant Keeper's mid-year in the 2018-19 school year.

In the 2018-19 school year, districts received \$175.6 million in foundation funding for special education teachers and spent \$176.7 million. Of the 235 districts operating in the 2018-19 school year, 116 districts employed more than 2.9 special education teachers using foundation funding while 120 districts employed 2.9 or less special education teachers using foundation funding. Charters received \$6.7 million in foundation funding for special education teachers and spent \$2.9 million of those funds on special education teachers. One of the charters receiving foundation funding did not have any students with disabilities. Of the 24 charters operating in the 2018-19 school year (excluding the Friendship Aspire Academy Little Rock and Covenant Keepers), five employed more than 2.9 special education teachers using foundation funding and 12 employed 2.9 or less. Five charters did not use any foundation funding for special education teachers but instead used federal funds for their special education teachers. The remaining charter did not have any students with disabilities but received the same amount of foundation funding for special education teachers.

Including all funding sources, districts had 4.01 special education teachers per 500 students and charters had 2.63. Nearly 76% of the districts' special education teachers were funded with foundation funding, and 66% of special education teachers in charters were.

#### Special Education Funding In Other States

One other state provides special education funding like Arkansas does, which includes funding through a base education/per-student funding amount and a fund designed for only high-cost or atypical special needs students.<sup>25</sup> The most common method of funding for special education is a multiple weight system found in 15 states, which provides different levels of funding for different types of students with disabilities. Twelve states have a single student weight system in which the same amount of funding is provided for each student with a disability, regardless of

<sup>25</sup> "FundEd: Special Education Funding – Policies in Each State." (2019). Retrieved from: <http://funded.edbuild.org/reports/issue/special-ed/in-depth>



the severity of those disabilities, either with a flat rate or multiplier. For example, Maryland provides the same amount of state funding for each student with a disability, regardless of the severity of the disability. They apply a multiplier of 1.74 to the per-student base amount for students with disabilities. Eight states use a census-based system which assumes a percentage of students in each district will require special education services and uses each district's enrollment count to determine the amount of special education funding required. Seven states use either a reimbursement system in which the districts report their special education expenses to the state and receive reimbursement for certain special education related expenses. One state, Utah, uses a block grant to distribute their special education funding. Seven states use a resource allocation system in which the state distributes resources – not dollars – based on the number of identified students who require special education services. Eight states provide additional funds for high-cost students with disabilities, though the multiple student weight systems often account for higher-needs students. In 13 states, multiple mechanisms are in place. For example, Minnesota uses a combination of multiple student weights alongside partial reimbursement for certain expenses.<sup>26</sup>

Table 14 below shows the special education funding mechanisms among the states whose students with disabilities scored high on the NAEP math and reading assessments in 2019. The table compares these states' funding mechanisms with Arkansas's.

**Table 14: Special Education Funding Mechanisms in Higher Performing States and Arkansas**

<b>Massachusetts</b>	<b>Census-based system</b> – assumes that a set percentage of students in each district will require special education services and using each district's full enrollment count to determine the amount of special education funding required; <b>High Cost</b> – remainder of special education funds are distributed in multiple ways, including to certain students with higher than normal costs.
<b>New Jersey</b>	<b>Census-based system</b> – assumes that a set percentage of students in each district will require special education services and using each district's full enrollment count to determine the amount of special education funding required; <b>High Cost</b> – partial reimbursement for students with high-cost special education services.
<b>Florida</b>	<b>Multiple student weights system</b> – provides different levels of funding for different categories of students.
<b>New Hampshire</b>	<b>Single student weight system</b> – provided the same amount of state funding for each student with disabilities, regardless of the severity of those disabilities; <b>High Cost</b> – extra funding is provided for high-cost students.
<b>Indiana</b>	<b>Multiple student weights system</b> – provides different levels of funding for different categories of students.
<b>Virginia</b>	<b>Resource-based system</b> determining the cost of delivering special education services in a district based on the cost of the resources required to do so (i.e. teachers and aides).
<b>Arkansas</b>	<b>Base Amount</b> – funding for special education is included in the per-student foundation funding amount; <b>High cost</b> – additional funds are provided to students with disabilities with high costs.

Source: EdBuild (2019) and Education Commission on the States (2019)

<sup>26</sup> "50-State Comparison: K-12 Special Education Funding." (2019). Retrieved from: <https://www.ecs.org/50-state-comparison-k-12-special-education-funding/>

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## Special Education High-Cost Occurrences

Another form of state funding comes in the form of special education high-cost occurrences funding. State statute defines special education high-cost occurrences (previously known as 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”<sup>27</sup>. Act 757 of 2019 changed the name of special education catastrophic funding to special education high-cost occurrences funding. Prior to the 2019-20 school year, districts qualified 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 could receive was 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 special education high-cost occurrence was 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.

Beginning in the 2019-20 school year, the DESE changed how special education high-cost occurrences would be calculated. The formula in the new rules calls for districts to receive 0% for the first \$15,000, 100% of the expenditures between \$15,000 and \$65,000 and 80% of expenditures above \$65,000 (with a reimbursement cap of \$100,000). According to the DESE, this change was made to “promote the equitable distribution of resources for students with the most unduly expensive and extraordinary costs associated with the special education services they need, regardless of the school they attend.”<sup>28</sup> As seen in Table 16 on page 25 of the \$33.9 million of special education high-cost occurrences eligible for reimbursement, only \$13.02 million was appropriated and funded. This meant that districts and charters each received 38.4568% of their special education high-cost occurrences claims.

The new calculation could result in higher reimbursements for the highest cost students, as shown in Table 15 below. The formula will also eliminate much of the funding for districts with students just over \$15,000. That could result in districts with the highest cost students receiving a greater pro rata share of their eligible reimbursement. Districts with higher cost students could potentially receive a greater share of their eligible reimbursement instead of districts that may have more students with disabilities that incur no more than \$15,000 in special education expenses.

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<sup>27</sup> A.C.A. § 6-20-2303

<sup>28</sup> ADE-DESE Proposed Changes to Catastrophic Occurrence Fund Rule. (September 19, 2019)

Table 15 shows the differences in the two formulas as applied to a student with \$100,000 in costs and a student with \$16,000 costs (after other available revenue is applied). Reimbursement is still capped at \$100,000. The percent eligible for reimbursement is still dependent on the amount funded.

**Table 15: New Special Education High-Cost Occurrences Funding Calculation**

	Previous Rules		New Rules		
	\$100,000 cost	\$16,000 cost		\$100,000 cost	\$16,000 cost
First \$15,000	100% of \$15,000 = \$15,000	100% of \$15,000 = \$15,000	First \$15,000	\$0	\$0
\$15,000 - \$50,000	80% of \$35,000 = \$28,000	80% of \$1,000 = \$800	\$15,000 - \$65,000	100% of \$50,000 = \$50,000	100% of \$1,000 = \$1,000
\$50,000 - \$100,000	50% of \$50,000 = \$25,000		\$65,000 - \$100,000	80% of \$35,000 = \$28,000	
<b>Total Amount Eligible</b>	<b>\$68,000</b>	<b>\$15,800</b>	<b>Total Amount Eligible</b>	<b>\$78,000</b>	<b>\$1,000</b>
<b>Percentage Eligible</b>	<b>68%</b>	<b>98.80%</b>	<b>Percentage Eligible</b>	<b>78%</b>	<b>0.06%</b>

The new rules went into effect in the 2019-20 school year, so it is still too early to determine the financial impact. However, the DESE has projected potential impacts based on past funding numbers.

Based on the 2017 funding applications, 164 districts were approved for special education high-cost occurrence funding. Using the current allocation of \$13 million:

- 74 districts would receive more funding under the proposed rule change (total average increase for districts would be \$20,292)
- 90 districts would receive less funding (total average decrease for districts would be \$16,980)

Using the previous rules for funding special education high-cost occurrence funding, Table 16 on the next page provides details on this funding from 2015-2019. In 2019, 164 districts and charters requested reimbursement for \$37 million in eligible special education high-cost occurrence expenditures. Of these funds, \$33.9 million was calculated as the total amount of reimbursement. However, the General Assembly funded only \$13 million. According to the DESE, some districts that would potentially lose money under these new rules had higher proportions of claims in the lower range of \$15,000 to \$17,000, so special education high-cost occurrence funding was being used more for supplementing routine special education expenses like self-contained classrooms instead of for students with more unusually high costs.

Until the 2017-18 school year, the General Assembly had funded roughly \$11 million in special education high-cost occurrence funding annually. During 2016 Adequacy Study, both the House and Senate Education Committees recommended increasing funding for catastrophic occurrences by \$2 million in FY18 and \$2.02 million in FY19. The appropriated and funded amount increased to \$13 million in 2017-18 and up to \$13.02 million in 2018-19.

In the 2018 final Adequacy report, the House and Senate Education Committees made two different recommendations. The House Education Committee recommended adding \$4 million to special education high-cost occurrences funding for a total of \$17.02 million in FY20 and leaving funding at \$17.02 million in FY21 with the understanding that this amount could be changed during the budget hearings. The Senate Education Committee recommended making no funding changes and keeping special education high-cost occurrence funding flat at \$13.02 million for both FY20 and FY21. Act 877 of 2019 appropriated \$13.02 million for special education high-cost occurrences.

The number of students for whom catastrophic funds were requested more than doubled from 599 in 2013 to 1,303 in 2014, and the number of districts/charters requesting these funds increased from 135 to 164 since then. According to the DESE, 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 significant disabilities who needed extensive occupational, physical, and speech therapy. It did not 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.

**Table 16: Special Education High-Cost Occurrence Funding**

	Number of Students	Number of Districts/Charters	Funding Per Student	Total Eligible Amount	Maximum Amt. of Reimbursement	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
2018	1,357	168	\$9,579	\$34.2 million	\$31.3 million	\$13 million	41.5097%	\$21.2 million
2019	1,442	164	\$9,029	\$37.0 million	\$33.9 million	\$13.02 million	38.4568%	\$24.0 million

Note: 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).

## FEDERAL FUNDING

### IDEA Funding

Another major source of special education 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: technical assistance and personnel preparation; assistance to districts and charters in providing positive behavioral interventions and supports; and to monitor, enforce, and investigate complaints.<sup>29</sup> In 2018-19, districts received \$103 million in IDEA funding or \$1,664 per student. Charter schools received \$3.3 million or \$1,815 per student.

As noted earlier, one of the requirements to receive the Part B funding is “maintenance of effort”. This means that districts 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.

<sup>29</sup>Guidance on IDEA Part B Funds under ARRA. September 2009. Retrieved from: <https://www2.ed.gov/policy/gen/leg/recovery/guidance/idea-b.pdf>

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

- 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.<sup>30</sup>

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### Medicaid Funding

As shown in Table 9 on page 17, 5.9% of district expenditures for special education were spent using Medicaid and 3.8% 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<sup>31</sup>. 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 was a 90-minute a week cap on occupational (OT), physical (PT), and speech therapy (ST). Any services that exceed that amount will need prior authorization. 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 exceed the 90-minute

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<sup>30</sup> 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>

<sup>31</sup> <http://www.arimits.org/images/docs/pc%20fact%20sheet.pdf>

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, 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. This creates a competitive environment for providers and districts to bill first. Additionally, schools are required to seek authorization from the primary care provider (PCP) prior to offering and billing for services regardless of the minutes provided for PASSE beneficiaries. However, PASSE beneficiaries are not required to have a PCP assigned – any provider member in the PASSE may act as the child's PCP. This creates a huge barrier for schools in seeking the information necessary to get approval for billing a PASSE beneficiary. ADE expressed this concern to the Department of Human Services (DHS) Division of Developmental Disabilities Services (DDS). The DESE and the DHS have discussed implementing a joint private agreement between private providers and schools. However, there has been no movement on that issue and the DESE is working with DHS to discuss that further.

The second change includes the transition of the responsibility of providing a FAPE from the early intervention day treatment (EIDT) facilities to the LEAs. Effective July 1, 2019, the EIDT centers stopped accepting federal Title VI-B funds for the provision of special education services to IDEA-eligible preschool age children. This means that local educational agencies (LEAs), instead of EIDT facilities, are now responsible for providing a FAPE to preschool age children enrolled in DDTCS facilities. Prior to this change, preschool age children who were eligible for special education services under IDEA received those from EIDT facilities (formerly DDTCS facilities), district-run preschools, or educational service cooperatives on behalf of districts. EIDT facilities were created effective July 1, 2018, as a result of the merger between Child Health Management Services (CHMS) facilities and Developmental Day Treatment Clinic Services (DDCTS) facilities. CHMS services were intended for children with the most significant medical and/or developmental diagnoses who require multidisciplinary treatment. DDTCS was primarily focused on working with children with developmental disabilities. Prior to the merger, DDTCS facilities were responsible for providing special education services to children in their facilities as part of a memorandum of understanding (MOE) between the DESE and the DHS.

The districts and educational service cooperatives (ESC) that operate early childhood special education programs on behalf of districts must work with EIDT centers within their attendance areas to ensure a seamless transfer of services for IDEA-eligible children whose families elect to continue special education services provided through the IEP. LEA personnel were required to hold conferences with parent(s)/ guardian(s) of eligible preschool children prior to July 1, 2019 to:

- Review/revise the current IEP;
- Provide a copy of the "Your Rights Under the IDEA";
- Inform them of their rights under IDEA and all available options for receiving special education services through the district or cooperative, that any decision to decline special education services from the LEA will result in a revocation of all special education services (parents must then sign a Revocation of Consent form), and that the parent or guardian has the right to make a new referral at any time.

LEAs and the EIDT centers can create their own agreements as to what the arrangement will be for IDEA-eligible students. In most cases, children did not physically move from the EIDT facilities to LEAs, but the responsibility of special education services transferred from EIDT centers to resident LEAs. DHS/DDS reported on Dec. 1, 2018, 2,682 children were receiving

early childhood special education while enrolled at an EIDT center. During the transfer period, 2,305 conferences were held. The results of those conferences include the following:

- 35% of children are receiving all of their special education services from the LEA in the EIDT center.
- 23% of children are receiving their special education services from the LEA and EIDT center as a shared responsibility through an MOU.
- 17% of children are receiving all of their special education services from the EIDT staff at the EIDT center through a MOU between the LEA and the EIDT.
- 5% of children are receiving all of their special education services from the LEA early childhood program located in the child's resident LEA.
- 8% of children transitioned to kindergarten.
- 4% of children are receiving no special education services due to the parents' decision to revoke consent for special education services.
- 8% of students listed other reasons for no services provided.

Since the responsibility of providing special education services transitioned from the EIDT facilities to the LEAs, there has been an increased workload on early childhood programs due to the increase in the number of children the LEAs are now responsible for. While some LEAs did not receive any new preschool students, many did. Based on the preliminary child count on December 1, 2019, the number of preschoolers receiving special education services from LEAs increased by 2,232 children. This is mostly due to the transition in responsibility of FAPE to the LEAs.<sup>32</sup>

## SPECIAL EDUCATION TEACHERS

According to the DESE, there were 24 different types of special education licenses (excluding the dyslexia endorsement and dyslexia ancillary<sup>33</sup>), and 12,504 special education licenses that are current.<sup>34</sup> Of the 24 special education licenses currently held, only 11 of those are granted to new licensees. The remaining licenses were discontinued. However, some individuals may hold multiple licenses or may not be currently teaching. In addition to the 12,504 special education licenses, there are 239 K-12 dyslexia endorsements and 50 dyslexia ancillaries (as of October 2019). Based on numbers in APSCN, there were nearly 3,788 full-time employees (FTEs) working as special education teachers in Arkansas school districts in the 2018-19 school year. On average, special education teachers earned an annual salary (not including benefits) of \$50,300, which is about \$2,000 less than the base salary included in the foundation funding matrix.

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 2<sup>nd</sup> and 3<sup>rd</sup> years will be based on whether the educator has made progress toward completing their education.<sup>35</sup> In 2018-19, 151 districts requested 396 ALPs for special education. In fall

<sup>32</sup> Email from Matt Sewell with the DESE dated December 30, 2019.

<sup>33</sup> The dyslexia ancillary license is for individuals who do not hold a teaching license but have completed an approved program. The dyslexia endorsement is provided through a university program of study.

<sup>34</sup> As of November 2019

<sup>35</sup> <http://www.arkansased.gov/divisions/educator%20effectiveness/educator-licensure/licensure-exceptionalpalcp>

2018, 46 districts requested 85 LTSs and in spring 2019, 39 districts requested a total of 74 LTSs for special education. These numbers do not include teachers working at entities that are not schools, such as DDS facilities or behavioral health clinics.

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, the DESE recently changed the special education licensure creating more pathways to getting certified. Until 2014, DESE 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 were required to 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, the DESE has changed some of its licensure rules to make it easier and faster for teachers to become certified in special education.

1. The DESE 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 November 2019, 246 individuals were enrolled in this program, and there are 1,368 of these K-12 licenses. However, this license can also be received as an added endorsement to an existing license. While it is not clear exactly how many of the 1,368 licenses are first time licenses or added endorsements or what kinds of teachers are obtaining the endorsements, the DESE believes most of these K-12 licenses are added endorsements. However, the number of individuals applying for the K-12 added endorsement is decreasing as more teachers are utilizing the initial K-12 special education license option. Act 416 of 2017 now requires that applicants applying for the special education K-12 license, beginning in fall 2017, must also pass the Foundations of Reading Test.
2. The DESE 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 the DESE, 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 October 2019, 61 individuals had received this endorsement.
3. The DESE created the **Early Childhood (EC) Special Education Birth through Kindergarten (B-K) license**. This license provides an option for individuals interested in working with children in the birth to kindergarten age range. It is available as an initial license, add-on license, and through the MAT program, as discussed below. Two universities currently offer the initial license and three offer the add-on license. In the fall of 2019, 63 individuals had this license. Of the 63 individuals, most came through the initial licensure

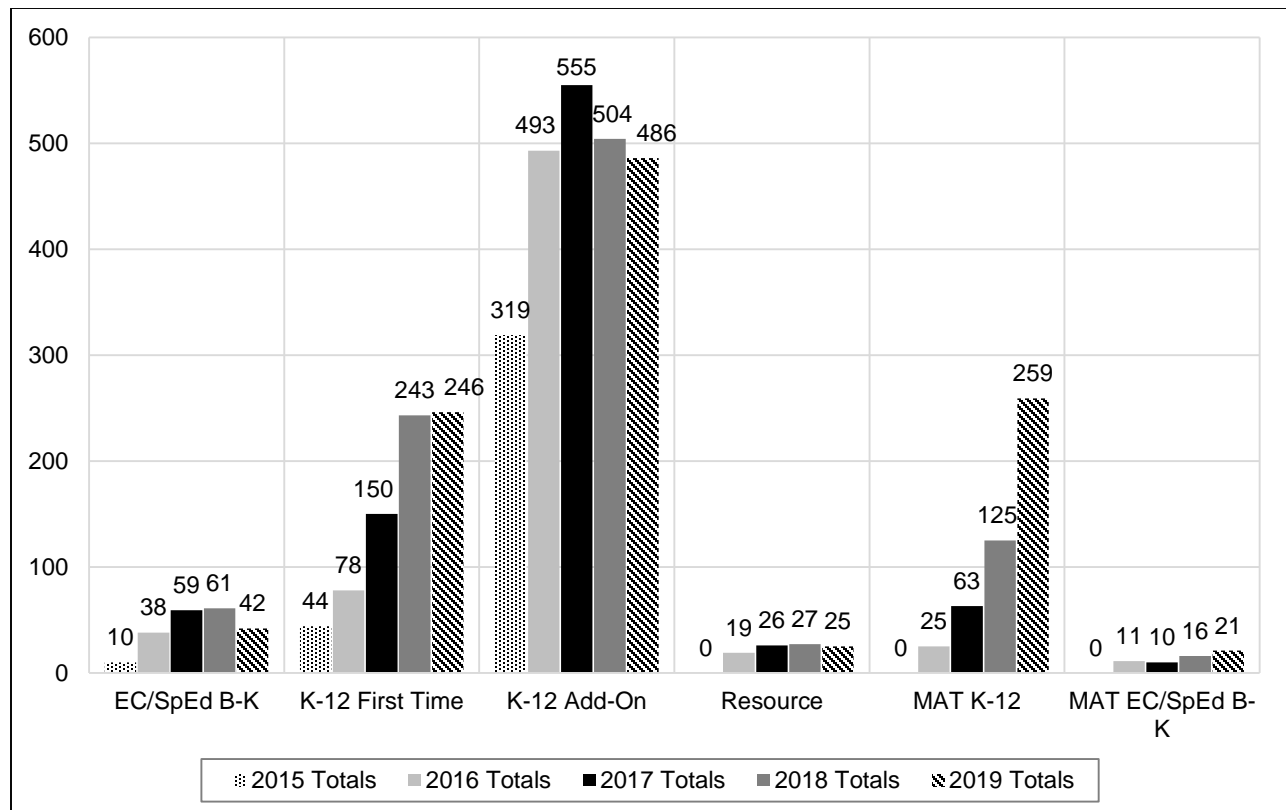


program, the add-on licensure program, or the MAT program. The DESE is unable to provide the number of individuals licensed via each program. Chart 13 on the next page shows the number of individuals enrolled in each program. The EC special education B-K license category includes both the initial license and add-on, with a majority coming through the initial licensure route.

- The DESE 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 as of October 2019, six universities now offer this program. As of October 2019, there are now 259 individuals enrolled in the program. Two of these universities also offer a MAT program for an integrated special education and early childhood (EC) degree, as seen in the following chart. There are currently 21 individuals enrolled in this program. The DESE is unable to provide the number of students that have completed the program or whether an individual was licensed through the MAT program or through the initial licensure program.

Chart 14 below shows enrollment numbers across the available special education programs. In a presentation made to the Arkansas SBOE in October 2019, the DESE also noted that the number of individuals enrolled in higher education special education licensure programs increased from 630 in 2015 to 1,079 in 2019.

**Chart 14: Special Education Fall Enrollment by Program**



Source: The DESE (October 2019). Presented to the SBOE on October 11, 2019.

**Table 17** below shows the numbers of each special education license from 2016 through 2019, including discontinued licenses that are highlighted in grey. The total number of special education licenses increased from 12,410 in 2017 to 12,793 in 2019.

**Table 17: Number of Special Education Licenses, 2016-2019**

All Special Education Licenses	2016	2017	2018	2019
Emotionally Disturbed (K-12)	50	46	43	2
Learning Disabilities (K-12)	7	8	8	0
Mentally Retarded (K-12)	18	16	15	1
Physically Handicapped (K-12)	24	24	21	0
Visually Impaired (7-12)	1	1	-	1
Special Ed Inst Specialist (4-12)	5,563	5,394	5,193	5,093
Special Ed Ech Inst Specialist (P-4)	5,948	5,753	5,549	5,447
Special Ed Visual Specialist (P-4)	88	84	79	77
Special Ed Visual Specialist (4-12)	111	107	103	101
Early Childhood Spec Edu (PK-4)	4	3	1	1
Special Ed Hearing Specialist (P-4)	130	125	119	119
Special Ed Hearing Specialist (4-12)	129	124	118	118
Severely/Emotionally Disturbed (K-12)	1	1	1	0
Mod/Prof Handicapped K-12 (K-12)	1	1	1	0
Mildly Handicapped K-12 (K-12)	14	14	14	0
Early Childhood/Special Ed Integrated (B-K)	4	18	36	63
Special Education (K-12)	355	565	931	1,368
Sp Ed Visual (K-12)	14	15	16	21
Sp Ed Hearing (K-12)	11	16	16	16
Age 3-4 Special Ed Endorsement (age 3-4)	2	8	11	14
Dyslexia Ancillary	N/A	N/A	4	50
Dyslexia Endorsement (K-12)	N/A	80	159	239
Special Education Resource ELA (7-12)	0	1	11	16
Special Education Resource Math (7-12)	0	1	4	8
Special Education Resource Science (7-12)	0	1	4	6
Special Education Resource Elementary (K-6)	0	4	19	31
<b>Total</b>	<b>12,459</b>	<b>12,410</b>	<b>12,476</b>	<b>12,793</b>

Source: Division of Secondary and Elementary Education.

## SURVEY RESULTS

### Principal Survey Results

As part of the 2020 Adequacy Study, the BLR conducted online surveys of superintendents and principals in Arkansas. The BLR also visited a randomly selected, representative sample of 74 schools and interviewed their principals. Teachers in the 74 randomly selected schools were also invited to complete an online survey. The online surveys allowed the BLR to collect specific, quantitative data from districts, while the principal interviews asked more open-ended qualitative questions. The school visits and principal interviews began October 29, 2019, with the final visits on December 18, 2019. The BLR visited a total of 74 schools and interviewed the principals of those schools. Some schools invited other staff members to the interviews, and some included their superintendents in the conversation.

When principals were asked about staffing challenges for classroom and non-classroom teachers during the site visit interviews, 14 noted that special education staffing, teachers and/or other kinds of staff were among the most challenging. When asked to provide general comments for the General Assembly, three principals said that more special education funding is needed. One principal noted that the special education population is rising, and their school has exhausted their special education dollars from the federal government and are now

supplementing that with state dollars that are supposed to take care of the non-special education population.

In the BLR's interviews with the 74 randomly selected principals, one principal discussed the need for special education professional development opportunities for general education/non-special education teachers. There is rarely a class that does not have at least one special needs student. Special education professional development should be provided to keep the teachers current and give them extra tools and ways to modify to keep those students successful.

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### Teacher Survey Results

The BLR invited certified teachers in the 74 randomly selected schools to complete an online teacher survey. Each principal was asked to provide the name of a teacher or staff member who would distribute the teacher survey instructions and individual access codes to his/her colleagues. Generally only certified teachers assigned to teach a class were invited to complete the survey (i.e., not administrators), but the survey pool also included guidance counselors, English as a second language teachers, alternative education teachers, library/media specialists and instructional facilitators, regardless of whether they were assigned to teach a class. Teachers accessed the survey online using an individual code that was distributed to them by the teacher representative assigned by the principal.

A total of 2,504 surveys were distributed and 1,236 responded by December 20, 2019 for a response rate of 49%. To elicit the most candid responses, district and school staff were assured their answers would not be individually identified, therefore responses are provided only in aggregate. Quotes used from the surveys and site visits are provided only where the respondent and school cannot be identified.

Among the 1,236 teachers that have responded to BLR's teacher survey, 116 were special education teachers. Of those special education teachers, 29% noted they are considering quitting teaching and leaving the K-12 education profession. The most common reason why was stress/work load (which was the most common reason for all teachers considering leaving the profession). Paperwork and bureaucratic issues also were the next most common reasons.

For this question, several special education teachers added additional comments that further discussed their high caseloads, high stress levels, and increased paperwork. One noted that their paperwork and duties increased a lot but not their pay. One special education teacher noted that "special education is under-staffed. My stress level has gone from high to dangerously high. My caseload is higher and keeping up with the demands of my RTI [Response to Intervention] responsibilities to screen students with academic concerns has made every day a race against the clock...When the caseloads are high, it makes scheduling students in appropriate groups even more difficult. I have some students whose behavior is so disruptive that I need to see them alone but that is not possible."

Of all the 1,236 teachers surveyed, 25 made comments relating to special education. Just over half came from non-special education teachers. The most common responses addressed how students with disabilities are tested. **Five teachers commented that the testing system needs to be adjusted.** One special education teacher noted that there "should be some difference in testing between regular and special ed. students. My students struggle with learning grade level material, but they are tested that way every year. It sets them up for failure and makes them less willing to try because they feel they can't do it anyway." The remaining comments noted that students with disabilities should be tested at their actual level and/or be tested by their level of growth.

Other common responses included **schools being understaffed in special education, the paperwork and/or workload for special education teachers is too high, and the combination of students with varying skill and functional levels.** Four teachers, two special education and two non-special education teachers, noted that it was challenging to teach so

many students at once with skill levels that were vastly different. For example, one special education teacher said, “special education has gone in a direction of combining students with vastly different needs. It has made teaching the span of skills (reading/writing vs. eye gaze/tracking) very challenging. Parents are unhappy with their child being the only student or one of two students in the class that can speak. It hinders the language and self-help skills of some students while taking away valuable time the other students need.” Another special education teacher noted that special education was understaffed, which “impairs the ability of the teachers to teach to the need of each student. If a classroom has a mix of students with IQ's ranging from 40 to 90 then someone is going to miss out on the social-emotional and educational tools needed to succeed.”

Several other comments were also received regarding special education. Some of these included **special education teachers noting the high work demand negatively impacting their personal health and/or family quality of life, low salary and/or other financial burdens associated with being a special education teacher, and that more planning time is needed for special education teachers.**