

## Summary Points

- ♦ Arkansas receives a **D** for K-12 Student Achievement, a decrease from a D+ in 2015.
- ♦ Arkansas receives a **C** in School Finance, consistent with prior performance.
- ♦ Arkansas receives a **C-** in Chance-for-Success, consistent with prior performance. Chance-for-Success is a category that measures opportunities in the state from birth to adulthood.
- ♦ Arkansas has received an overall grade of **C-** and is ranked 41st in the state.
- ♦ Overall grades and rankings for 2016 are comparable to the 2015 Quality Counts reports, but not prior reports.

## Quality Counts 2016

*Last week, Education Week released their 20th annual Quality Counts report. This year's report discusses school accountability and examines state and federal accountability policies. It also grades the nation and each state on academic performance and outcomes. Overall, Arkansas received a **C-** and was ranked **41st** among the 50 states. This policy brief examines Arkansas' rank in each category of the report as well as the quality of the report itself.*

### Background

Grades and rankings are widespread, easy to understand and sometimes misleading. An "A" in one high school class may be less representative of high academic achievement than a "C" in another. The question we must ask is—what does a **C-** from *Quality Counts* mean for Arkansas?

The overall grade is based on three indicators: Chance-for-Success, School Finance, and K-12 Achievement. The combined rating system remains problematic, and the overall result may not be very meaningful.

This brief focuses on the individual categories of the *Quality Counts* measures that are compiled and ranked by the editorial staff of *Education Week*. While the grading system and methodology are flawed and may not be very useful, the data in several of these individual categories can provide valuable information to policymakers.

This brief examines and evaluates the three categories used in the 2016 report: **Chance-for-Success, School Finance and K-12 Achievement**. We describe how each section was scored, as well as

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Arkansas' grade in each. An overview of Arkansas' grades over the past six years and grades compared to border states is also presented.

### Chance –for–Success: Demographics Matter

*Quality Counts* assigns states a higher grade if their population has lower levels of poverty and higher annual median incomes. The Chance-for-Success index attempts to assess the role of education on a students' life trajectory. Unfortunately, **the less wealthy or educated a state's population is, the lower the grade**. Consequently, Arkansas is penalized for having "at risk" students.

### School Finance: Money Matters

*Quality Counts* gives higher grades to states that spend more on education, regardless of their overall achievement scores. Adequately funding education is important, but more spending does not equal higher student achievement. This measure **penalizes states who use their funding more efficiently**.

### Learning Matters

Student learning should be the **most significant factor in determining educational outcomes**, but the *Quality Counts* methodology diminishes the importance of this indicator by averaging it with the Chance-for-Success and School Finance indicators.

## Are We Improving? Arkansas' Grades over Time

The 2016 *Quality Counts* overall rating includes only three of the original six categories, so it is not directly comparable to earlier years, but it is comparable to 2015 scores. Grades within the remaining categories are comparable over time. Chance-for-Success has remained a C-, and School Finance has received a C for the past several years. Unfortunately, K-12 achievement has decreased from a D+ in 2015 to a D in 2016.

*Table 1: Arkansas Quality Counts Scores over Time, 2011-2016*

CATEGORY	2011	2012	2013	2014	2015	2016
<i>Standards, Assessments,</i>	<i>A</i>	<i>A</i>	<i>A</i>	<i>A</i>	<i>No longer included</i>	<i>No longer included</i>
<i>Teaching Profession</i>	<i>B+</i>	<i>B+</i>	<i>B+</i>	<i>B+</i>	<i>No longer included</i>	<i>No longer included</i>
<i>Transitions and Alignment</i>	<i>A</i>	<i>A</i>	<i>A</i>	<i>A</i>	<i>No longer included</i>	<i>No longer included</i>
<b>Chance-for-Success</b>	<b>C-</b>	<b>C-</b>	<b>C-</b>	<b>C-</b>	<b>C-</b>	<b>C-</b>
<b>School Finance</b>	<b>C-</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>
<b>K-12 Achievement</b>	<b>D</b>	<b>D</b>	<b>D</b>	<b>D+</b>	<b>D+</b>	<b>D</b>
<b>OVERALL</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
	<b>B-</b>	<b>B-</b>	<b>B-</b>	Not provided	<b>C-</b>	<b>C-</b>

*Note:* Shaded cells indicate categories that are no longer used by *Quality Counts*.

## Keeping Up With The Neighbors: Arkansas and Border States

Arkansas' scores are comparable to its bordering states. Among its neighbors, Arkansas tied for the top grade in School Finance. Unfortunately, this comparison also shows how low Arkansas and the surrounding states perform in the K-12 Student Achievement category.

*Table 2: Grades by Quality Counts Category for Arkansas and Border States, 2016.*

CATEGORY	AR	US	LA	MS	MO	OK	TN	TX
<b>Chance-for-Success (2015)</b>	<b>C-</b>	<b>C+</b>	<b>C-</b>	<b>C-</b>	<b>C+</b>	<b>C</b>	<b>C</b>	<b>C</b>
<b>School Finance (2015)</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>D+</b>	<b>C-</b>	<b>D</b>	<b>D+</b>	<b>D</b>
<b>K-12 Achievement (2015)</b>	<b>D</b>	<b>C-</b>	<b>D</b>	<b>D-</b>	<b>D+</b>	<b>D</b>	<b>C-</b>	<b>C-</b>

## Chance-for-Success

**Arkansas Grade: C- (ranked 45th)**

The Chance-for-Success index consists of three categories—Early Foundations, School Years, and Adult Outcomes— and 13 indicators. The goal of this index is to provide data on the typical life trajectory from “cradle to career.” Demographic indicators in Early Foundations attempt to measure students’ capital— i.e. what students bring to the classroom. This indicator measures demographic characteristics such as family income and parent education level. Undoubtedly, these factors are important and do influence a student’s “Chance -for-Success,” however they do not tell us how effective a school system is at educating its given student population. Even more problematic is the use of poverty level as a measure for family income, because the federal poverty level does not include variations in cost of living, work supports or tax liabilities.

Unsurprisingly, states with more industry and large cities like Massachusetts and New Jersey and wealthier states like New Hampshire and Connecticut rank near the top of this measure; while, poorer and more rural states—like Arkansas, Mississippi, and West Virginia—rank near the bottom.

What makes the Chance-for-Success measure precarious is the way it is used in the *Quality Counts* results: a higher Chance-for-Success grade is simply averaged in with all the other measures, greatly influencing the overall grade for the state’s education system.

The Chance-for-Success measure consists of numerical indicators and was scored using a “best-in-class” approach. This scoring method awards 100 points to the leading state and ranks the other states according to the points earned in proportion to gaps between themselves and the leader. For more information on the scoring in this category, see the Appendix at the end of this document.

As highlighted in Table 3, **Demographics Matter**, Arkansas is penalized for having lower incomes and higher levels of poverty. Arkansas and Kansas score simi-

larly on both the finance and student achievement measures, and only scored differently on Chance -for-Success. Arkansas ranked 45th in Chance-for-Success with a score of 71, while Kansas ranked 19th with a score of 81. Kansas receives a higher overall grade and ranks 15 positions higher because it has higher incomes. Arkansas is penalized for their students’ backgrounds and lack of “capital.” A more useful index would be one that measured how well states are doing given their demographics.

**Table 3: Arkansas and Kansas Quality Counts Overall and Category Scores , 2016**

Demographics Matter		
	AR	KS
Chance-for-Success Score and Rank	71 (45th)	81 (19th)
Finance Score and Rank	73 (26th)	75 (21st)
K-12 Achievement Score and Rank	66 (41st)	66 (40th)
Overall Grade and Rank	C- 41st	C 26th

## School Finance

**Arkansas Grade: C (ranked 26th)**

Arkansas’ school finance score of C is consistent with previous years. Arkansas is doing well in regards to funding equity. The state is ranked 13th on the Coefficient of Variation indicator, which is a measure of the disparity in funding across districts in the state. Arkansas allocates 3.8% of its taxable resources to education, earning a ranking of 14th in the nation for “spending on education.”

Overall, Arkansas spends \$569 less per pupil annually than the national average (adjusted for regional cost differences), however, this negatively impacts Arkansas’ rating in school finance. Several of the measures focus

on a comparison of state to national spending, and as long as Arkansas spends below the national average the rankings will be low.

In short, the School Finance grade for Arkansas places the state in the middle: slightly above average in the equity category and slightly below average in the spending category. For more information regarding how this category, and the sub-categories under this measure are scored, see the Appendix at the end of this document.

Table 4, **Money Matters**, demonstrates how Arkansas is penalized by *Quality Counts* for efficiently utilizing its financial resources. Compared to Arkansas, West Virginia has similar state demographics, but spends **over \$1,500 more than Arkansas per student annually**.

When it comes to student achievement, however, West Virginia is near the bottom of the rankings at 48th. Simply spending more money does not equal higher achievement. A more useful measure would be one that assesses how money is spent and how effectively resources are allocated. Although Arkansas and West Virginia score similarly on Achievement and Chance -for-Success indicators, West Virginia is ranked higher, because according to *Quality Counts*, “the more you spend, the better.”

**Table 4: Arkansas and West Virginia Quality Counts Overall and Category Scores, 2016.**

<b>Money Matters</b>		
	<b>AR</b>	<b>WV</b>
Chance-for-Success Score and Rank	71 (45th)	71 (46th)
Finance Score and Rank	<b>73</b> <b>(26th)</b>	<b>83</b> <b>(13th)</b>
K-12 Achievement Score and Rank	66 (41st)	63 (48th)
Overall Grade and Rank	<b>C-</b> <b>41st</b>	<b>C -</b> <b>33rd</b>

## K-12 Achievement

### *Arkansas Grade: D (ranked 41st)*

Student learning is the focus of only one *Quality Counts* measure: K-12 Achievement. Arkansas received a **D**, which is a decrease from last year’s score of a D+. The state continues to rank below the national average, ranking 41st in the nation.

Student achievement is measured by the National Assessment of Educational Progress (NAEP). Students in 4th and 8th grade complete NAEP in reading and math every two years. The data used for the 2016 *Quality Counts* report were collected in 2015.

Student poverty and parent education level can influence a student’s academic experiences and subsequently his academic performance. Unfortunately, Arkansas students face challenges such as poverty and are more at risk for low performance on standardized test than students in most other states. Thus, Arkansas’ academic performance on NAEP is below the national average. The state ranks 44th for both 4th and 8th grade math achievement level and 38th and 45th for 4th and 8th grade reading levels, respectively. Arkansas’ 4th grade reading scores, however, are not significantly different from the nation’s reading scores.

Arkansas ranked 9th for gains on 8th grade math performance. It also ranked 15th for its relatively small reading gap for scale scores between students eligible for national school lunch program and those not eligible (poverty gap). And although the state’s math poverty gap is currently ranked 19th, the gap increased between 2003 and 2015.

Arkansas saw a slight decline (three points) in mean scale scores for 8th grade math and a five point decline for 4th grade math. In 4th grade reading, Arkansas’ scale score declined by one point and the 8th grade reading scale score declined by three points. It should be noted that Arkansas transitioned to full implementation of the Common Core Standards in the 2014-15 academic year and the NAEP assessment may not be aligned with the Common Core curriculum. This could be a possible explanation for the decline in NAEP scores.



For more information about this policy brief and other education issues in Arkansas, contact us:

Office for Education Policy  
211 Grad Ed Building  
Fayetteville, AR 72701  
Phone: (479) 575-3773  
Fax: (479) 575-3196  
oep@uark.edu

Visit Us Online:

officeforeducationpolicy.org  
officefordpolicy.com

## FACULTY

### DIRECTOR:

Gary W. Ritter, Ph.D.

### EXECUTIVE

### DIRECTOR:

Sarah C. McKenzie, Ph.D.

### RESEARCH STAFF:

Joy Benton, Ph.D.

Leesa Foreman

Charlene A. Reid

Evan T. Rhinesmith

Elise Swanson

Elain Wootten, Ed.D.

On a more positive note, Arkansas' graduation rate continues to improve and even more encouraging is the state's score for high AP test scores.

The state ranked 27th in the nation for scores of 3 or higher on an AP exam per 100 students. Furthermore, more students are performing well on the AP exam, the state ranked 21st in the nation for change in high scores per 100 students and The high achievement of students taking Advanced Placement exams is encouraging because it means more Arkansas students are being prepared to not only enroll in college but to be successful, and earn a college degree. Thus, Arkansas can hope to see higher levels of overall educational attainment and family incomes which in turn will increase all students' "Chance-for-Success."

## Conclusion

Arkansas' students face several challenges such as low family income and high rates of poverty. Although the grades presented by *Quality Counts 2016* may seem grim, they do not adequately reflect Arkansas' commitment to improving student learning in spite of these challenges.

If policymakers and education leaders utilize meaningful data, like growth and efficiency, the state can continue to provide students with opportunities for academic success.

## Appendix

The front-end of this document contained brief descriptions of the *Quality Counts* categories, as well as Arkansas' grade and rank in each of those categories. The purpose of this Appendix is to provide more detail on the components of each category graded above. For more information on the 2016 *Quality Counts* report, [click here](#).

*Quality Counts* looks at three areas in determining a state's overall rank: Chance –for– Success, School

Finance, and K-12 Student Achievement.

### Chance-for-Success

The Chance-for-Success measure represents a combination of educational outcomes and community socioeconomic measures. Specifically, the Chance –for–Success measure ranks states in subcategories covering two education outcomes and demographic measures. [Click here](#) for a PDF of this section of the 2016 *Quality Counts* report.

**Education Outcomes:** This measure includes state data such as 4<sup>th</sup> grade literacy scores on the NAEP, 8<sup>th</sup> grade math scores on the NAEP, and high school graduation rate. These outcome measures are essentially "double-counted" as they are also included in the category of student achievement.

**Demographic Measures:** Includes state data such as percent of children above 200% of the poverty line, percent of children who have a college-educated parent, percent of children with at least one parent who is employed, percent of children whose parents speak English, percent of children enrolled in preschool or kindergarten, and more.

### School Finance

Updated in 2013, the **equity** sub-category is calculated using:

- The wealth neutrality score (which looks at the relationship between district funding and local property taxes)
  - The "McLoone Index" (which looks at how much each school district spends compared to the median)
  - The coefficient of variation (which looks at the extent to which a state's school districts spend an equal amount)
  - Restricted range (which looks at the difference in spending between the 5<sup>th</sup> percentile and the 95<sup>th</sup> percentile)
- Adjusted per-pupil expenditures (adjusted for variations in regional costs)

The **spending** sub-category includes:

- Percent of students in districts with per-pupil expenditures at or above the US average (expenditures adjusted for regional cost differences and student needs)
- A spending index focusing on the percent of students served by districts spending at or above the national average as well as the degree to which lower-spending districts fall short of that national benchmark
- Percent of total taxable resources spent on education

[Click here](#) for a PDF of this section of the 2016 *Quality Counts* report.

### Student Achievement

Student Achievement represents 18 categories including student achievement on the National Assessment of Educational Progress (NAEP). [Click here](#) for a PDF of this section of the 2016 *Quality Counts* report.



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