

**EXECUTIVE SUMMARY**

In an attempt to gauge the educational progress of the nation and each state, *Education Week* has published state report cards since 1997 in its annual *Quality Counts* series. The 13th annual report — *Quality Counts 2009* — was released in early 2009. As for the overall score, Arkansas was one of only ten states in the United States that received a B. Arkansas got the highest possible grade (A+) for financial equity among districts, and its grade for “Transitions and Alignment” — or how well a state’s educational system is coordinated from elementary school to college — was a B, tied for sixth in the nation. Arkansas’ extremely strong showing has been viewed by many as evidence of the close attention that Arkansas policymakers have paid to education in recent years.

Nonetheless, the *Quality Counts* evaluation system is flawed in at least two ways. In particular, it gives states a higher rating if their student population is deemed easier to educate (whereas the opposite should be the case), and it likewise gives states higher ratings if they spend more on education (whereas a state that spends more might simply be less efficient, particularly if its achievement is lower). If these measures were more appropriately calculated, Arkansas’ score could have been even higher. We focus on the individual components of the *Quality Counts* measures, however, which remain useful. In short, this Policy Brief explains Arkansas’ ranking and critiques *Education Week*’s methodology.

**Table 1: Summary Grades for Arkansas and Border States, 2008<sup>1</sup>**

	<b>AR</b>	<b>LA</b>	<b>MS</b>	<b>MO</b>	<b>OK</b>	<b>TN</b>	<b>TX</b>	<b>US</b>
Chance for Success (2009)	C-	D+	D+	C+	C-	C-	C	C+
Transitions and Alignment (2009)	B	C	C	D+	C+	B+	B	C
School Finance (2009)	C	D	D+	C	D+	D+	D+	C+
K-12 Achievement (2008)	D	D-	F	D	D	D+	C	D+
Standards, Assessments, and Accountability (2008)	B+	A	B	C	A-	A-	B+	B
Teaching Profession (2008)	B+	B	D	C	B-	C	C	C

<sup>1</sup> The EdWeek website notes that “The total score is the average of scores across the six individual categories, not including the English-language learners (ELL) category. Each category receives equal weight in the overall grade.”

## EDUCATION INPUTS

### *School Finance:*

*Arkansas Grade: C (tied for 24<sup>th</sup> nationwide)*

The school finance rating is based on four financial measures: 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 whether a state’s school districts spend an equal amount); restricted range (which looks at the difference in spending between the 5th percentile and the 95th percentile); as well as per-pupil expenditures (weighted by the cost of living) and the percent of state taxable resources dedicated to education.

The school finance measure is problematic, as can be seen in Arkansas’ overall score. Arkansas received a grade of C in the 2009 report, tied with 9 other states for 24<sup>th</sup> in the nation. That grade is quite misleading, however, as it is an average of two disparate measures. Specifically, Arkansas got an A+ for “Equity,” that is, for treating all districts relatively equally in terms of school finance.<sup>2</sup> But that A+ Equity score was averaged together with a D- for “Spending,” which basically means that Arkansas spent less money per pupil than some other states.

It makes little sense to penalize a state merely for spending less money per pupil. For one thing, some states are poorer than others: Arkansas is simply not as rich as Massachusetts. In addition, the cost of living is lower in Arkansas, and there is no reason that Arkansas should have to pay its teachers as much as do the schools in New York City or Boston or San Francisco. Indeed, when state variations are taken into account, it is not clear why Arkansas would get a D- for “Spending”: Arkansas spent 4.2% of its state taxable resources on education, a number that was tied for 8th in the nation, and that was substantially above the national average of 3.7%.

---

<sup>2</sup> Even the Equity measure is problematic. Several components of the Equity measure ask whether the state is spending the same amount everywhere, whereas there is a reasonable argument that states should spend *more* in low-performing districts that need to attract better teachers and to improve generally. But the *Quality Counts* methodology, as far as we can tell, would penalize a state for doing that.

Perhaps worse, to produce each state’s overall grade, the measure for school spending ends up being averaged together with the measure for student achievement. In theory, a state that managed to achieve high results while spending less money would get a score similar to a state that spent more money without achieving any results. But treating those two states equally is nonsensical, as the first state’s education system is clearly more efficient and competent.

In short, we do not see a good reason for Arkansas to have been given such a middling grade for “School Finance,” even though Arkansas has the highest possible grade for equitable financing of education and ranks 8th in the USA for spending as a percentage of taxable resources. As far as we can tell, Arkansas’ overall “School Finance” grade of C reflects little more than the fact that Arkansas is poorer and has a lower cost of living than many other states. The A+ grade for “Equity” is a far more meaningful achievement.

### *Chance for Success:*

*Arkansas Grade: C- (tied for 42<sup>nd</sup>)*

The “Chance for Success” measure is especially problematic, and is actually used in a counterproductive way. “Chance for Success,” in the lingo of *Education Week*, ranks states based on numerous demographic characteristics, including 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.

Unsurprisingly, rich states like Massachusetts and Connecticut rank near the top of the “Chance for Success” measure, while poorer states like Arkansas, Mississippi, and West Virginia, rank near the bottom.

What makes the “Chance for Success” measure perverse, however, is the way that it is used in the *Quality Counts* results: a higher “Chance for Success” grade is simply averaged in with all the other measures, producing a higher overall grade for the state’s education system. Thus, part of the reason that Massachusetts gets a higher overall

grade than Arkansas is because Massachusetts has richer parents and a more privileged body of students. If anything, the opposite should be the case: States whose students are poorer and less advantaged should receive some sort of bonus for whatever achievement results they manage to achieve, rather than being penalized even further in the overall rankings. Indeed, under the *Quality Counts* system, a state that had high-achieving impoverished students would be ranked similarly to a state that had low-achieving rich students. Such a result simply does not add up.

## EDUCATION POLICIES

### *Transitions and Alignment:*

*Arkansas rank: B (tied for 6<sup>th</sup> nationwide)*

This measure is based on numerous facts, such as a state's early-learning standards, a state's formal definition of school readiness, whether a state has programs for students not ready for school, whether kindergarten standards are aligned with elementary standards, whether a state has defined college readiness, whether a state requires all students to take a college preparatory curriculum, whether high school course credits and assessments are aligned with the college system, and more.

Just like last year, Arkansas scored extremely well in this category because it responded "Yes" to all the questions in both the early childhood education and workforce readiness sections. The only area where Arkansas could possibly improve is under college readiness, specifically the questions about whether state high school assessments are aligned with the college system, and whether the high school assessment tests are used for "admission, placement, or scholarship decisions" in the collegiate system. This is consistent with the concern shared by many over the large number of Arkansas high school graduates requiring remediation in college.

### *Standards, Assessments, and Accountability*

The *Quality Counts* report did not measure "Standards, Assessments, and Accountability" anew in 2009; instead, the ranking relies on the 2008 information. Thus, just as last year, the *Quality Counts* report reiterated Arkansas' strong ranking of 18 nationwide, based on the state's clear academic

standards and well-designed assessments. For more information about accountability rankings, see our 2008 Policy Brief "Comparing Arkansas Students to Their National Peers," available at <http://www.uark.edu/ua/oep/publications.php>.

## EDUCATION OUTPUTS

### *Student Achievement*

Just as with the accountability rating, the *Quality Counts* achievement score is taken from the 2008 report. For more information on the achievement ranking, see our 2008 Policy Brief mentioned above.

## ARKANSAS' POSITION COMPARED TO SURROUNDING STATES

Compared to its bordering states, Arkansas has relatively high rankings (see Table 1).<sup>3</sup> In 2009, Arkansas had the highest overall score with a B-, while all the other surrounding states scored between D+ and C+. Arkansas tied for the top grade in two of the five categories – transitions and alignment and school finance (although that measure, as explained above, is flawed). This comparison also shows how poorly the surrounding states, compared to the national average, perform with regard to student achievement.

## CONCLUSION

Based on the 2009 report, Arkansas scored extremely well in the "Equity" portion of the school finance measure (an A+), and its "Transitions and Alignment" score was tied for sixth nationwide. It did less well in the "Spending" portion of the school finance measure, as well as in the "Chances for Success" measure, but both measures are relatively meaningless and/or misleading as used in the *Quality Counts* report. Thus, as an overall matter, Arkansas' placement in the *Quality Counts* report is highly respectable, and indicates that Arkansas policymakers are moving toward improving education more quickly than their peers in surrounding states.

---

<sup>3</sup> The following website allows you to compare the rankings of selected states: [http://www.edweek.org/apps/qc2009/state\\_compare.html](http://www.edweek.org/apps/qc2009/state_compare.html).