

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 14<sup>th</sup> annual report - *Quality Counts 2010* - was released in January. Four of the six categories (Chance for Success, School Finance, The Teaching Profession, and Standards, Assessment and Accountability) were updated to reflect the most current (2010) data. Arkansas received the highest possible grade (A) in the Standards, Assessments & Accountability category, receiving perfect scores in the subcategories for Standards and School Accountability. Similarly, Arkansas' 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. An overview of Arkansas' grades, as compared to its border states is presented below in Table 1.

Overall, Arkansas ranked 10<sup>th</sup> among the 50 states and was one of only 12 states in the U.S. that received a B. Indeed, Arkansas' strong showing has been viewed by many as evidence of the close attention that Arkansas policymakers have paid to education in recent years.

However, the overall score provided in the *Quality Counts* evaluation system is flawed and thus not very meaningful. 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 for simply spending more on education (whereas a state that spends more might simply be less efficient, particularly if its achievement is lower). Because we are dubious about the scoring methodology used in computing the overall grade, the following policy brief will instead focus on the individual categories of the *Quality Counts* measures that are compiled and ranked by the editorial staff of *Education Week*. Indeed, the ratings in several of these individual categories can provide valuable information to policymakers.

**Table 1: Summary Grades for Arkansas and Border States, 2010<sup>1</sup>**

EDUCATION POLICIES	AR	US	LA	MS	MO	OK	TN	TX
Standards, Assessments, and Accountability (2010)	A	B	A	B+	B-	A	A-	A
Teaching Profession (2010)	B+	C	B	D	C	B-	C+	C
Transitions and Alignment (2009)	B	C	C	C	D+	C+	B+	B
EDUCATION INPUTS	AR	US	LA	MS	MO	OK	TN	TX
Chance for Success (2010)	C-	C+	C-	D+	C+	C-	C-	C
School Finance (2010)	C	C	D+	D	C-	D+	D	D+
EDUCATION OUTPUTS	AR	US	LA	MS	MO	OK	TN	TX
K-12 Achievement (2008)	D	D+	D-	F	D	D	D+	C
OVERALL	AR	US	LA	MS	MO	OK	TN	TX
	B-	C	C	C-	C-	C	C+	C+

The following policy brief will examine the six categories in three separate broad groupings - Education Policies, Education Inputs, and Education Outputs - and describe how each section was scored, as well as Arkansas' grade in each.

<sup>1</sup> The EdWeek website notes that "The total score is the average of scores across the six individual categories. Each category receives equal weight in the overall grade."

## EDUCATION POLICIES

The first two categories updated for 2010 (Standards, Assessments, and Accountability and the Teaching Profession) consist of non-numerical measures showing whether a state has implemented a particular policy or program. Scores in this category are generated using a "policy implementation tally," that is, the policies implemented by a state in each category are tallied as a simple "yes" (the measure exists in the state) or "no" (the measure does not exist in the state) to compute the grade for that state.<sup>2</sup> The third policy category, Transitions and Alignment, was not updated for 2010, and thus the grade for Arkansas in this category remains unchanged from the 2009 *Quality Counts* report.

### Standards, Assessments, and Accountability

*Arkansas Grade: A (tied for 7<sup>th</sup> nationwide)*

Arkansas received the highest grade possible (A) in this category, indicating that a high number of measured policies have been implemented in our state. As one of the longest-standing elements of the *Quality Counts* state-of-the-states framework, the Standards, Assessments, and Accountability score reflects a state's policies in each of the three areas:

*Standards:* Arkansas received a perfect score in this category for receiving a positive ("yes") mark in all six different subcategories; four of which note whether or not the state has academic-content standards for each grade and/or course in elementary, middle, and high school. The remaining two subcategories tally supplementary resources for all core academic subjects (English, math, and science) and for particular student populations (special education, English language learners).

*Assessments:* Twelve subcategories tallying types of test items, whether the tests are aligned to state standards, whether state tests were vertically equated for the 2009-10 school year, and whether the state provides educators with a benchmark assessment are counted in the Assessments category. For example, using the yes/no grading system stated above, Arkansas received a "yes" mark in eight of the twelve subcategories.

*School Accountability:* In this category, Arkansas also received a perfect score because the state boasts the following: a school ratings system based on state-developed criteria, a statewide student identification system, rewards for high-performing or improving

schools, assistance to low-performing schools, and sanctions for low-performing schools.

As the longest-standing category in the *Quality Counts* report, this category represents a good measure of the educational inputs in education. Indeed, Arkansas' high grade is evidence that the Standards, Assessments, and Accountability in our state are on track with what *Quality Counts* deems important.

### The Teaching Profession

*Arkansas Grade: B+ (ranked 2<sup>nd</sup> nationwide)*

The section on the Teaching Profession was slightly revised since the 2008 *Quality Counts* report. Like Standards, Assessment, and Accountability, scores under these subcategories are generated using the tally system and focuses on a series of indicators that intend to capture three aspects of state teacher policy including:

*Accountability for Quality:* Positive markings in 16 different subcategories such as evaluating a state's policies to evaluate licensure requirements, clinical experience, evaluation of teacher performance, and effectiveness of teacher education programs are tallied to compute the Accountability for Quality grade. Arkansas received a positive mark in ten of the 16 policy measures, and was one of only 13 states that received part of its grade for tying teacher evaluations to student achievement.

*Incentives and Allocation:* Grades are calculated by tallying markings in 13 different subcategories such as evaluating a state's policies including an alternative-route program, license and pension portability, teacher-pay parity, reporting teacher salaries, and pay for performance. Of these 13 subcategories, Arkansas received a positive mark in 11 areas, one being the offer of performance pay for raising student achievement, an area which only nine other states received a positive mark.

*Building and Support Capacity:* Grades in this area are generated by tallying positive markings in 15 different subcategories such as evaluating a state's support for beginning teachers, professional development, school leadership, class size incentives, student-teacher ratio, school facilities and school climate/working conditions. Arkansas earned credit in 13 of these 15 areas including receiving a score for having a low mean student-teacher ratio in primary-level schools - a 13.8 - ranking Arkansas as having the 12<sup>th</sup> lowest student-teacher ratio in this category.

Arkansas received the highest score (A) in the Building and Supporting Capacity subcategory. Scores in Accountability for Quality and Incentives and Allocation

<sup>2</sup> For more information on the how scores were calculated, visit the Methodology section of the Quality Counts website at <http://www.edweek.org/ew/articles/2010/01/14/17method.h29.html>

were also high with Arkansas earning grades of B- and B+, respectively.

### Transitions and Alignment

*Arkansas Grade: B (tied for 4<sup>th</sup> nationwide - 2009)*

The Transitions and Alignment measure is based on an assessment of whether the state has early-learning standards, a formal definition of school readiness, programs for students not ready for school, kindergarten standards aligned with elementary standards, a definition of college readiness, a requirement that all students take a college preparatory curriculum, high school course credits and assessments aligned with the college system, and more.

The *Quality Counts* report did not measure Transitions and Alignment in 2010; instead, the ranking relies on the 2009 information. Thus, just as last year, the *Quality Counts* report reiterated Arkansas' strong ranking of 4<sup>th</sup> nationwide (tied with Georgia, Michigan and Texas). For more information about Transitions and Accountability rankings, see our 2009 Policy Brief *Quality Counts 2009* available at [http://www.uark.edu/ua/oep/policy\\_briefs/2009/Quality-Counts.pdf](http://www.uark.edu/ua/oep/policy_briefs/2009/Quality-Counts.pdf).

Although no new data is available in this category, we still find the Arkansas ranking to be a fair and useful measure of education inputs. Again, the high grade in this section seems to suggest that Arkansas system of education contains components considered important by the *Quality Counts* rating system.

### EDUCATION INPUTS

The Chance for Success and School Finance categories represent inputs to the educational process. These measures consist of numerical indicators and were 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.<sup>3</sup>

### Chance for Success

*Arkansas Grade: C- (ranked 47<sup>th</sup> nationwide)*

The Chance for Success measure represents a strange combination of educational outcomes and community socioeconomic measures. Specifically, the Chance for Success measure ranks states in subcategories covering two areas:

<sup>3</sup> For more information on the how scores were calculated, visit the Methodology section of the *Quality Counts* website at <http://www.edweek.org/ew/articles/2010/01/14/17method.h29.html>

*Education Outcomes:* 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. The educational outcome measures would be more appropriate in the category for - you guessed it - 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.

Of the 13 total categories that comprise the Chance for Success Index, eight are demographic measures. These measures, such as poverty statistics on the student body, do influence the "chances for success" of the students as they represent outside forces from the community that affect the lives of students. *However, these community demographic measures do not belong anywhere in a ranking of the state's quality of schooling.*

Unsurprisingly, because their residents experience fewer challenges associated with poverty, rich states like New Hampshire and Connecticut rank near the top of the Chance for Success measure; at the same time, 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 New Hampshire gets a higher overall grade than Arkansas is because New Hampshire has more affluent 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 a bonus for whatever achievement results they manage to accomplish, 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 an outcome simply does not make sense. As a result we do not put much credence into this ranking as a measure of the quality of education in Arkansas.

### School Finance

*Arkansas Grade: C (Ranked 25<sup>th</sup> nationwide)*

The School Finance rating is broken down into two sub-categories: equity and spending, with each sub-category

evaluated on four financial measures. 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).

The **spending** sub-category includes:

- Adjusted per-pupil expenditures (adjusted for variations in regional costs using the NCES Comparable Wage Index 2005);
- 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.

Arkansas received a grade of C in the 2010 report. However, that grade is misleading as it is an average of two disparate measures. Specifically, Arkansas got an A- for equity, as a result of treating all districts relatively equally in terms of school finance.<sup>4</sup> But that A- equity score was averaged together with an F for spending, which means that Arkansas spent less money per pupil than some other states.

While individual results under the four subcategories in spending result in a grade of F for the category, it should be noted that Arkansas spent 4.2% of its state taxable resources on education, a number that was tied for 8<sup>th</sup> in the nation, substantially above the national average of 3.8%. Moreover, the per-pupil expenditure amount

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<sup>4</sup> Even the Equity measure is problematic. Several components of the Equity measure ask whether the state is spending the same amount everywhere. However, a reasonable argument can be made 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.

(adjusted for regional cost differences) for Arkansas is only \$363 less than the national average, ranking the state 28<sup>th</sup> in the nation on this measure. Thus, the Arkansas score is being depressed by low rankings on the final two measures, which focus on the percentage of students in districts not spending below the national average.

In short, it is surprising that the School Finance grade for Arkansas is so low. Arkansas has a high grade for equitable financing of education and spends at just below the national average. As far as we can tell, Arkansas’ overall School Finance grade of C reflects little more than the fact that many Arkansas students live in districts that are poorer and have a lower cost of living than many other states. In our view, the A- grade for equity is a far more meaningful indicator.

## EDUCATION OUTPUTS

Finally, only one measure focuses on the key area of educational outputs.

### Student Achievement

*Arkansas Grade: D (ranked 35<sup>th</sup> nationwide)*

Like the Transitions and Alignment rating, the *Quality Counts* achievement score is taken from an earlier (2008) report. The Student Achievement measure includes comparisons between current status, change, and equity. The current status comparisons are based on the 2007 National Assessment of Educational Progress (NAEP) scores administered to grade 4 and grade 8 students in math and reading, as well as high school graduation rates and advanced placement test scores.

For more information on the achievement ranking, see our 2008 Policy Brief *Comparing Arkansas Students to their National Peers* available at [http://www.uark.edu/ua/oep/policy\\_briefs/2008/Comparing\\_Arkansas\\_Students\\_to\\_their\\_National\\_Peers.pdf](http://www.uark.edu/ua/oep/policy_briefs/2008/Comparing_Arkansas_Students_to_their_National_Peers.pdf).

It is unfortunate that the only measure focused solely on student achievement is two years old. However, we hope that Arkansas strong performance in the areas of the Teaching Profession, Transitions and Alignment and Standards, Assessments and Accountability may influence future scores in the Student Achievement category.

## ARKANSAS’ POSITION COMPARED TO SURROUNDING STATES

Compared to its bordering states, Arkansas has relatively high rankings (highlighted earlier in Table 1).<sup>5</sup> Although

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<sup>5</sup> For detailed information on other state scores, visit: <http://www.edweek.org/ew/qc/2010/17src.h29.html?intc=ml>.

we focused less on overall scores, it is worth noting that in 2010, Arkansas had the highest overall score with a B-, while all the other surrounding states scored between C- and C+. Arkansas received or tied for the top grade in four of the six graded categories – Transitions and Alignment (although, these data have not changed since the 2009 report), School Finance (although that measure, as explained above, is flawed), Standards, Assessments and Accountability, and the Teaching Profession. Although based on 2008 data, this comparison also shows how poorly the surrounding states, compared to the national average, perform with regard to student achievement.

#### ARKANSAS GRADES OVER TIME

Finally, just as students work to improve their grades, we also wanted to examine the extent to which Arkansas' *Quality Counts* grades have changed over time. As mentioned previously, four of the six categories evaluated have been updated to include the most recently available data (2010). Since 2008, the overall *Quality Counts* grade, as well as the grade for the Standards, Assessments, and Accountability has increased. Additionally, Arkansas grades for Chance for Success, Transitions and Alignment, and Teaching Profession have remained stable. Arkansas has only regressed in one category, School Finance, and we have made our case above as to why we believe the scoring in this category is flawed. A detailed picture of Arkansas' *Quality Counts* grades can be found in Table 2 below.

**Table 2: Grades for Arkansas 2008-2010**

EDUCATION POLICIES	2008	2009	2010
Standards, Assessments, and Accountability (2010)	B+	B+	A
Teaching Profession (2010)	B+	B+	B+
Transitions and Alignment (2009)	B	B	*
EDUCATION INPUTS	2008	2009	2010
Chance for Success (2010)	C-	C-	C-
School Finance (2010)	B-	C	C
EDUCATION OUTPUTS	2008	2009	2010
K-12 Achievement (2008)	D	*	*
OVERALL	2008	2009	2010
	C	B-	B-

\* Indicates no new data from the previous year; thus the grades for these years remain the same as in the previous year.

#### CONCLUSION

Media outlets and state press releases tend to focus on Arkansas' overall *Quality Counts* scores; however, we do not view the overall *Quality Counts* score as meaningful. It seems nonsensical that a state's overall grade is based on the simple average of disparate measures. For example, the measure for School Finance 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. As a result of this flawed methodology, we do not focus on Arkansas' overall *Quality Counts* score, but rather on the individual measures and grades.

In the 2010 report, Arkansas scored extremely well in Education Policies, average in Education Inputs (though we have noted our reservations with this ranking), and low in Education Outputs (though again, these data are more than two years old, and we hope that future grades in Student Achievement will increase as a function of recent high grades in other measures).

Specifically, Arkansas ranks among the top ten states in measures of Education Policies, receiving an A in Standards, Assessments, and Accountability (ranking 7<sup>th</sup> nationwide), a B+ in the Teaching Profession (ranking 2<sup>nd</sup> nationwide), and a B from the 2009 scoring of the Transitions and Alignment measure (remaining tied for 4<sup>th</sup> nationwide). In measures of Education Inputs, Arkansas received a grade of C in the School Finance measure (ranking 25<sup>th</sup> nationwide). Arkansas' score in the Chances for Success measure was very low, ranking 47<sup>th</sup> nationwide. However, both of these input measures are relatively misleading and we do not put much stock in them. Finally, Arkansas grade of D in Student Achievement, the lone category in the all-important area of Education Outputs, has not been updated since 2007.

Thus, Arkansas' scores in the components of the *Quality Counts* report are generally positive. Hopefully, Arkansas' high marks in the *Quality Counts* categories focused on Education Policies are truly indicative of sound policy. If so, we expect to see better results in the future scores for the category of primary importance - Student Achievement.

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Note: Stay tuned for press releases and e-blasts about Arkansas performance on these and other educational measures in our upcoming February release of the 2010 Arkansas Report Card available on the OEP Website: <http://www.uark.edu/ua/oep>