

Arkansas Department of Education
Rules Governing Incentives for Teacher Recruitment
And Retention in High Priority Districts with
An Average Daily Membership of 1,000 or Fewer
August 2004

1.00 Regulatory Authority

- 1.01 These rules shall be known as the Arkansas Department of Education Rules Governing Incentives for Teacher Recruitment and Retention in High Priority Districts with an average Daily Membership of 1,000 or fewer.
- 1.02 These rules are enacted pursuant to the Arkansas State Board of Education's authority under A.C.A. §§ 6-11-105 and 6-17-811.

2.00 Purpose

The purpose of these rules is to establish the procedures to provide incentives for teacher recruitment and retention in high priority districts.

3.00 Definitions

Unless otherwise specifically stated herein, the term:

- 3.01 Bonus Pay Period - Means the three-year period in which an eligible employee receives a signing or a retention bonus.
- 3.02 Department - Means the Arkansas Department of Education.
- 3.03 High Priority District - Means a district of one thousand (1000) or fewer students in which eighty percent (80%) or more of public school students are eligible for the free or reduced-price lunch program under the National School Lunch Act and have a three-quarter average daily membership of one thousand (1,000) or fewer for the 2003-2004 school year.
- 3.04 Previous year - Means the school year immediately preceding the current school year.
- 3.05 Retention Bonus - Means beginning in the 2004-2005 school year a one time \$2,000 bonus paid per year for two consecutive years to certified teachers employed by a high priority district during the school year, and who were employed at the high priority district during the previous school year and who have not received or are

currently receiving a signing bonus, pursuant to these rules, from the school district.

- 3.06 Signing Bonus - Means beginning in the 2004-2005 school year, a one time \$4,000 bonus awarded to a teacher not employed by a high priority district for the previous school year, who signs a new contract to teach in a high priority district for the current school year and who has not received a prior signing or retention bonus, pursuant to these rules, from the school district.
- 3.07 Teacher - Means those certified personnel who spend seventy percent (70%) of their time interacting with students in a classroom setting teaching all grade-level or subject matter appropriate classes.

4.00 Incentives

- 4.01 Beginning in the 2004-2005 school year, a certified teacher licensed by the State Board of Education and teaching in a high-priority district shall receive incentive pay.
- 4.02 Beginning in the 2004-2005 school year teachers who sign their initial contract with a high priority district shall receive a one-time signing bonus of \$4,000 at the beginning of the school year.
 - 4.02.1 For each of the next two years, that teacher referred to in Section 4.02 shall receive a \$3,000 bonus at the beginning of the school year while still employed at the same high priority district.
 - 4.02.2 If the teacher has received bonus pay under Section 4.02 of this rule and leaves the high priority district before the end of the three-year bonus pay period, the teacher shall pay back the amount of the bonus received in the previous year.
 - 4.02.3 If the teacher leaves the high priority district during the school year, the teacher shall pay back the previous year's bonus and the current year's bonus.
- 4.03 Beginning in 2004-2005, all currently employed certified teachers who have been employed by the high priority district in the previous school year and who are not receiving a signing bonus, shall receive a \$2,000 retention bonus at the beginning of each of the next two subsequent school years as long as the teacher continues to be employed by the high priority district.

- 4.03.1 If a currently employed teacher receives a retention bonus under Section 4.03 of this rule and then leaves the high priority district before the end of the bonus pay period, the teacher shall pay back the amount of the retention bonus received in the previous year.
- 4.03.2 If a currently employed teacher leaves the high priority district during the school year, that teacher shall pay back the previous year's bonus and the current year's bonus.
- 4.04 No teacher may receive both a signing bonus and a retention bonus in the same year.

5.00 Documentation

- 5.01 Beginning in 2004-2005, the Department shall issue by September 1 of each year a list of the high priority districts in which eighty (80) percent (80%) or more of the public school students are eligible for free and reduced price meals.
- 5.02 Beginning in 2004-2005, the Free and Reduced Price Meal calculation shall be based on the list of eligible students in a district as verified by the Child Nutrition Unit of the Department based on the October 1 list of eligibles for grades K-12 for the previous school year.
- 5.03 The determination of eligibility for high priority district designation in annexed or consolidated districts is made based on the combining of the enrollment, average daily membership, and free and reduced price meal calculations for the two or more districts that were annexed or consolidated.
- 5.04 Beginning in 2004-2005, high priority districts shall notify the Department on forms provided by the Department, and identify all eligible teachers employed at the high priority district for the current school year. The district shall list teachers who are not employed by the high priority district during the previous school year and teachers employed the previous school year who continue to be employed for the current school year.
- 5.05 Upon receipt of the form from each high priority district, the Department shall distribute the funds to the districts who will distribute the appropriate bonuses to the teachers employed by the high priority districts.

- 5.06 Districts will be responsible for the payment of all matching benefit payments.

6.00 Sanctions

- 6.01 It shall be the responsibility of the high priority district to monitor the incentive bonus distribution in their district.
- 6.02 If a teacher receiving either a signing or a retention bonus leaves the high priority district before the end of the three-year bonus pay period or if the teacher leaves the high priority district during the school year, the district shall require the teacher to pay back the appropriate bonus amount.
- 6.03 Upon receipt of the bonus payback from the teacher, the district shall forward the payment(s) to the Public School Finance Section at the Department.

QUESTIONNAIRE FOR FILING PROPOSED RULES WITH
THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE

DEPARTMENT/AGENCY Arkansas Department of Education
DIVISION Internal Administration
DIVISION DIRECTOR Dr. Bobbie Davis
CONTACT PERSON Dr. Bobbie Davis
ADDRESS #4 Capitol Mall, Room 103-B, Little Rock, AR 72201
PHONE NO. 682-1297 FAX NO. 682-4487 E-MAIL bdavis@arkedu.k12.ar.us

INSTRUCTIONS

- A. Please make copies of this form for future use.
- B. Please answer each question completely using layman terms. You may use additional sheets, if necessary.
- C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
- D. Submit two (2) copies of this questionnaire & financial impact statement attached to the front of two (2) copies of your proposed rule and required documents. Mail or deliver to:

Donna K. Davis
Subcommittee on Administrative Rules and Regulations
Arkansas Legislative Council
Bureau of Legislative Research
Room 315, State Capitol
Little Rock, AR 72201

- 1. What is the short title of this rule?
Rules Governing Incentives for Teacher Recruitment and Retention in High Priority Districts with an ADM of 1,000 or Fewer

- 2. What is the subject of the proposed rule? **The rule outlines process to pay bonus pay and retention bonuses for public school employees in high priority districts of 1,000 or fewer**

- 3. Is this rule required to comply with federal statute or regulations? Yes _____ No X _____
If yes, please provide the federal regulation and/or statute citation.

- 4. Was this rule filed under the emergency provisions of the Administrative Procedures Act?
Yes _____ No X _____
If yes, what is the effective date of the emergency rule?

When does the emergency rule expire?

Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act? Yes _____ No _____

5. Is this a new rule? Yes No _____ If yes, please provide a brief summary explaining the regulation. (See Attached)
- Does this repeal an existing rule? Yes _____ No If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does.
- Is this an amendment to an existing rule? Yes _____ No If yes, please attach a markup showing the changes in the existing rule and a summary of the substantive changes. NOTE: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."
6. Cite the state law that grants the authority for this proposed rule. If codified, please give Arkansas Code citation. A.C.A. § 6-11-105 and Act 101 of the Second Extraordinary Session of 2003
7. What is the purpose of this proposed rule? Why is it necessary? **To encourage certified teachers to contract with small, poor districts and to encourage them to remain**
8. Will a public hearing be held on this proposed rule? Yes No _____
If yes, please complete the following:
- Date: **May 13, 2004**
Time: **2:30 p.m.**
Place: **ADE auditorium**
9. When does the public comment period expire for permanent promulgation? (Must provide a date.) **May 13, 2004**
10. What is the proposed effective date of this proposed rule? (Must provide a date.)
September 2004
11. Do you expect this rule to be controversial? Yes _____ No
If yes, please explain.
12. Please give the names of persons, groups, or organizations that you expect to comment on these rules. Please provide their position (for or against) if known.
Arkansas Education Association
Arkansas Association of School Administrators
Arkansas School Boards Association
All will be for proposed rules.

SUMMARY

The Incentives for Teacher Recruitment and Retention in High Priority Districts provide incentives for maintaining a highly-qualified teaching staff. The process includes Retention Bonuses of \$2,000 paid to certified teachers employed previously in a district. A signing bonus of \$4,000 is awarded to new teachers who are employed on a new contract to teach in a high priority district. The incentives are paid for multiple years.

A list of high priority districts is issued by November 1 of each year based on percentages of free and reduced priced meals submitted by the district and verified by the Department of Education.

FINANCIAL IMPACT STATEMENT

DEPARTMENT Arkansas Department of Education
DIVISION Internal Administration
PERSON COMPLETING THIS STATEMENT Dr. Bobbie Davis
TELEPHONE NO. 682-1297 FAX NO 682-4487 EMAIL bdavis@arkedu.k12.ar.us

To comply with Act 1104 of 1995, please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE Incentives for Teacher Recruitment and Retention in High Priority Dstricts of 1,000 or Fewer

1. Does this proposed, amended, or repealed rule or regulation have a financial impact? Yes X No _____

2. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain. **N/A**

3. If the purpose of this rule or regulation is to implement a federal rule or regulation, please give the incremental cost for implementing the regulation. Please indicate if the cost provided is the cost of the program.

Current Fiscal Year

General Revenue N/A
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total N/A

Next Fiscal Year

General Revenue N/A
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total N/A

4. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule or regulation? Identify the party subject to the proposed regulation and explain how they are affected. School Districts will receive funds to distribute from a special appropriation.

Current Fiscal Year

\$2.1 Million

Next Fiscal Year

\$2.1 Million (Assuming Base Level)

5. What is the total estimated cost by fiscal year to the agency to implement this regulation?

Current Fiscal Year

\$3,000

Next Fiscal Year

\$3,000

Recruitment and Retention of Teachers

Revised Financial Impact

FINANCIAL IMPACT: School districts will receive funds to distribute from a special appropriation as follows: \$2.1 million in the current fiscal year and \$2.1 million in the next fiscal year (assuming base level). Public school districts will receive the funds for the signing or retention bonuses, but districts will be responsible for paying all matching benefit payments related to the bonuses. The total amount estimated statewide for benefits would be \$454,650 at 21.65%.

The impact on the Department is recurring. Implementation will require one person part time to handle the documentation, request distribution, and conduct evaluation. Then one person part-time will do the distribution. Implementation will require approximately four months to identify and distribute the funds based on certified teachers employed by the high priority district. Free and reduced priced meals data is not available until October.

The impact on local districts is recurring. The agency will incur minimal costs regarding the implementation of the rule, and this rule should not require any additional staff or resources. It will take approximately four months to implement this rule due to reporting cycles.

DEPARTMENT OF EDUCATION
FISCAL IMPACT STATEMENT OF PROPOSED REGULATION
(In compliance with Acts 884 and 1253 of 1995)

Regulation Title: **Rules Governing Incentives for Teacher Recruitment and Retention in High Priority Districts With an Average Daily Membership of 1,000 or Fewer.**

Summary Description of Regulatory Proposal: **A.C.A. 6-11-105 and Act 101 of Second Extraordinary Session of 2003**

Cite Statutory Authority for this Regulatory Proposal:

- I. Fiscal Impact on the Department: (include whether impacts are non-recurring or recurring) **The impact on the Department is recurring. Implementation will require one person part time to handle the documentation, request distribution, and conduct evaluation. Then one person part-time will do the distribution. Implementation will require approximately four months to identify and distribute the funds based on certified teachers employed by the high priority district. Free and reduced priced meals data is not available until October. All procedures for identification and distribution for this rule are new.**
- II. Fiscal Impact on Local School District or Others? (Include whether impacts are non-recurring or recurring) **The impact on local districts is recurring. This rule should not require any additional staff or resources. It will take approximately four months to implement this rule due to reporting cycles. All procedures for implementing the rule are new.**
- III. Additional Comments.

Prepared by: (Name) **Dr. Bobbie Davis**
(Title) **Assistant Director, Internal Administration**
(Date) **4/9/04**