

**Arkansas Department of Education
Rules Governing the Calculation of Miscellaneous Funds
November 14, 2011**

1.00 Authority

1.01 The Arkansas State Board of Education's authority for promulgating these Rules is pursuant to Ark. Code Ann. §§ 6-20-2301 et seq., 6-20-2503, and Act 266 of 2011.

1.02 These Rules shall be known as the Arkansas Department of Education Rules Governing the Calculations of Miscellaneous Funds (Rules).

2.00 Purpose

2.01 The purpose of these Rules is to define the procedures for the calculation of miscellaneous funds to be used in calculating both state foundation funding aid and bonded debt assistance.

3.00 Definitions

For purposes of these Rules, the following terms mean:

3.01 "Miscellaneous funds" as used in calculating state foundation funding and bonded debt assistance for public school districts is the average of funds collected in the five (5) school years immediately preceding the previous school year, that were received by a school district from federal forest reserves, federal grazing rights, federal mineral rights, federal impact aid, federal flood control, wildlife refuge funds, severance taxes in lieu of taxes, and from local sales and use taxes for capital improvements dedicated to education under § 26-74-201 et seq., § 26-74-301 et seq., § 26-75-301 et seq., and the Local Government Bond Act of 1985, § 14-164-301 et seq., and multiplied by the ratio of the uniform rate of tax to the school district's total millage rate in effect as of January 1 of the fiscal year prior to the current funding year.

3.02 "School year" is the year beginning July 1 of one calendar year and ending June 30 of the next calendar year.

3.03 "State foundation funding aid" is the amount of state financial aid provided to each school district and computed as the difference between the foundation funding amount established by the General Assembly and the sum of ninety-eight percent (98%) of the uniform rate of tax multiplied by the property assessment of the school district plus the miscellaneous funds of the school district.

4.00 Procedures for the Calculation of Miscellaneous Funds

- 4.01 The calculation of state foundation funding aid for public school districts uses miscellaneous funds listed in 3.02~~1~~ of these Rules calculated pursuant to § 6-20-2303 (11).
- 4.02 The calculation of bonded debt assistance for public school districts uses miscellaneous funds listed in 3.01 of these Rules calculated pursuant to § 6-20-2503(4) as amended by Act 266 of 2011.
- 4.03 If a school district did not receive funds from a category of miscellaneous funds listed in 3.01 of these Rules during the most recent school year used to calculate the five-year average, then previous collections from that category of miscellaneous funds shall not be included in the five-year average calculation of miscellaneous funds used in the calculation of state foundation funding aid and bonded debt assistance.
- 4.04 The calculation of miscellaneous funds shall be an annual calculation.