

Arkansas Department of Education
Rules Governing the Final Close of Public School Financial Records
September 2007

1.00 Authority

- 1.01 The Arkansas State Board of Education's authority for promulgating these rules is pursuant to A.C.A. §§ 6-11-105 and 6-20-2202 (d)(1)(B) as amended by Act 858 of the 2007 regular session.
- 1.02 These Rules shall be known as the Arkansas Department of Education Rules Governing the Final Close of Public School Financial Records.

2.00 Purpose

- 2.01 The purpose of these rules is to establish the deadline for any changes made to a district's general ledger database for the immediate previous year.

3.00 Definitions For the purposes of these Rules, the following terms mean:

- 3.01 "APSCN" means the Arkansas Public School Computer Network.
- 3.02 "Final Close" means the last date on which changes to the APSCN general ledger database can be made on previous year data.

4.00 Procedures

- 4.01 For the 2006-2007 annual report, the final date on which all revenues and expenditures must be completed is September 30, 2007.
- 4.02 Closing activities would include any adjusting entries applicable to the previous year, balancing the bank statements, all reconciliations, and journal entries required.
- 4.03 All closing activities for the 2006-2007 school year must be completed by September 30, 2007 and September 15 for each school year thereafter.
- 4.04 APSCN shall ensure that proper controls and edits are in place to prohibit changes to the district's databases after the final close has been performed.
- 4.05 A final close must be performed in each school district, open enrollment charter school, or education service cooperative.

5.00 — Audit Adjustments

- ~~5.01 — After the fiscal year end audit has been completed and errors are identified which require adjusting entries for the previous year data, the district, charter school, or education cooperative will be required to contact APSCN to obtain the appropriate permission to correctly record the audit adjustment required by audit.~~
- ~~5.02 — Recording audit adjustments will be the only adjustments made to previous year data after the September 30 deadline.~~
- ~~5.03 — A report will be maintained by APSCN of all districts granted permission to make audit adjustments to the previous year data as described in Section 5.01 of this rule.~~

DRAFT

QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS
WITH THE ARKANSAS LEGISLATIVE COUNCIL

DEPARTMENT/AGENCY Arkansas Department of Education
DIVISION Fiscal and Administrative Services / Research & Technology
DIVISION DIRECTOR Greg Rogers, Eric Saunders
CONTACT PERSON Mary Claire Hyatt, Staff Attorney
ADDRESS Four Capitol Mall, Little Rock, AR 72201
PHONE NO. (501) 683-0960 FAX NO. None E-MAIL Maryclaire.hyatt@arkansas.gov
NAME OF PRESENTER AT COMMITTEE MEETING Mary Claire Hyatt
PRESENTER E-MAIL Maryclaire.hyatt@arkansas.gov

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 and financial impact statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

Donna K. Davis
Administrative Rules Review Section
Arkansas Legislative Council
Bureau of Legislative Research
One Capitol Mall, 5th Floor
Little Rock, AR 72201

- 1. Proposed ADE Rules Governing the Arkansas Data Reporting, the Arkansas Public School Computer Network, and Information Systems
- 2. REPEAL - Arkansas Department of Education Rules Governing the Processes to Ensure the Quality, Security, Validation and Timeliness of Public School Data in the Arkansas Public School Computer Network
- 3. REPEAL - Arkansas Department of Education Rules Governing the Arkansas Educational Financial Accounting and Reporting System and Annual Training Requirements
- 4. REPEAL - Arkansas Department of Education Rules Governing the Issuance of Local Education Agency Numbers
- 5. REPEAL - Arkansas Department of Education Rules Governing the Final Close of Public School Financial Records

1. What is the short title of this rule?

2. What is the subject of the proposed rule?

Data reporting, financial reporting, APSCN

3. Is this rule required to comply with a federal statute, rule, or regulation?

Yes No

If yes, please provide the federal rule, regulation, and/or statute

N/A

citation.

4. Was this rule filed under the emergency provisions of the Administrative Procedure Act?

Yes No

If yes, what is the effective date of the emergency rule?

N/A

When does the emergency rule expire?

N/A

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. _____

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. Four rules are being repealed as they are being combined into one new rule.

Is this an amendment to an existing rule?

Yes No

If yes, please attach a mark-up 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."** See attached summary.

6. Cite the state law that grants the authority for this proposed rule? If codified, please give the Arkansas Code citation. Ark. Code Ann. § 6-11-105, 6-11-128, 6-13-620, 6-15-2918, 6-17-410, 6-18-213, 6-20-1805, 6-20-1904, 6-20-2001 et seq., 6-20-2100 et seq., 6-20-2201 et seq., 6-23-105, 6-80-107, 25-6-107, 25-15-204, 26-26-1907, 26-80-101, and Acts 741, 745 and 930 of 2017

7. What is the purpose of this proposed rule? Why is it necessary? To incorporate provisions of Act 741 of 2017.

8. Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code § 25-19-108(b). <http://www.arkansased.gov/divisions/legal/rules>

9. Will a public hearing be held on this proposed rule? Yes No

If yes, please complete the following:

Date: August 29, 2018

Time: 1:30pm

Arkansas Department of Education,
Auditorium
Four Capitol Mall

Place: Little Rock, AR 72201

10. When does the public comment period expire for permanent promulgation? (Must provide a date.)

September 17, 2018

11. What is the proposed effective date of this proposed rule? (Must provide a date.)

Estimated November 2018

12. Please provide a copy of the notice required under Ark. Code Ann. § 25-15-204(a), and proof of the publication of said notice.

13. Please provide proof of filing the rule with the Secretary of State and the Arkansas State Library as required pursuant to Ark. Code Ann. § 25-15-204(e).

14. 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. School districts, AAEA, APSRC

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Arkansas Department of Education

DIVISION Greg Rogers, Eric Saunders

PERSON COMPLETING THIS STATEMENT Jennifer Davis, staff attorney

TELEPHONE 501-682-1958 **FAX** 501-682-4247 **EMAIL:** Jennifer.davis@arkansas.gov

To comply with Ark. Code Ann. § 25-15-204(e), please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE

1. Proposed ADE Rules Governing the Arkansas Data Reporting, the Arkansas Public School Computer Network, and Information Systems
2. REPEAL - Arkansas Department of Education Rules Governing the Processes to Ensure the Quality, Security, Validation and Timeliness of Public School Data in the Arkansas Public School Computer Network
3. REPEAL - Arkansas Department of Education Rules Governing the Arkansas Educational Financial Accounting and Reporting System and Annual Training Requirements
4. REPEAL - Arkansas Department of Education Rules Governing the Issuance of Local Education Agency Numbers
5. REPEAL - Arkansas Department of Education Rules Governing the Final Close of Public School Financial Records

1. Does this proposed, amended, or repealed rule have a financial impact? Yes No
2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule? Yes No
3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes No

If an agency is proposing a more costly rule, please state the following:

(a) How the additional benefits of the more costly rule justify its additional cost;

N/A

(b) The reason for adoption of the more costly rule;

N/A

(c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and;

N/A

(d) Whether the reason is within the scope of the agency's statutory authority; and if so, please explain.

N/A

4. If the purpose of this rule is to implement a federal rule or regulation, please state the following:

(a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year

Next Fiscal Year

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

Total N/A

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

Total N/A

(b) What is the additional cost of the state rule?

Current Fiscal Year

Next Fiscal Year

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

Total N/A

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

Total N/A

5. What is the total estimated cost by fiscal year to any private individual, entity and business subject to the proposed, amended, or repealed rule? Identify the entity(ies) subject to the proposed rule and explain how they are affected.

Current Fiscal Year

Next Fiscal Year

\$ Zero

\$ Zero

6. What is the total estimated cost by fiscal year to state, county, and municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

Next Fiscal Year

\$ _____
Zero

\$ _____

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes No

If YES, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.