

ARKANSAS REGISTER

Transmittal Sheet

Use only for **FINAL** and **EMERGENCY RULES**



Secretary of State

John Thurston

500 Woodlane, Suite 026

Little Rock, Arkansas 72201-1094

(501) 682-5070

www.sos.arkansas.gov



For Office

Use Only:

Effective Date _____ Code Number _____

Name of Agency _____

Department _____

Contact _____ E-mail _____ Phone _____

Statutory Authority for Promulgating Rules _____

Rule Title: _____

Intended Effective Date

(Check One)

Date

Emergency (ACA 25-15-204) Legal Notice Published _____

10 Days After Filing (ACA 25-15-204) Final Date for Public Comment _____

Other _____ Reviewed by Legislative Council _____
(Must be more than 10 days after filing date.)

Adopted by State Agency _____

Electronic Copy of Rule e-mailed from: (Required under ACA 25-15-218)

Contact Person

E-mail Address

Date

CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted
In Compliance with the Arkansas Administrative Act. (ACA 25-15-201 et. seq.)

Signature

Phone Number

E-mail Address

Title

Date

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

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT/AGENCY: Division of Elementary and Secondary Education, Arkansas Department of Education

DIVISION: Fiscal and Administrative Services

PERSON COMPLETING THIS STATEMENT: Mary Claire Hyatt

PHONE NO.: 501-683-0960. **FAX NO.:** 501-682-4249 **E-MAIL:** maryclaire.hyatt@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 Rules Governing Data Reporting, the Arkansas Public School Computer Network, and Information Systems

1. Does this proposed, amended, or repealed rule have a financial impact?
Yes _____ No X_____
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 X_____ 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 _____ X_____ 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;
- (b) The reason for adoption of the more costly rule;
- (c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and
- (d) Whether the reason is within the scope of the agency’s statutory authority, and if so, please explain.

3. 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 _____ 0 _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____

General Revenue _____ 0 _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____

Other (Identify) _____

Other (Identify) _____

Total _____ 0 _____

Total _____ 0 _____

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

Current Fiscal Year

Next Fiscal Year

General Revenue _____

General Revenue _____

Federal Funds _____

Federal Funds _____

Cash Funds _____

Cash Funds _____

Special Revenue _____

Special Revenue _____

Other (Identify) _____

Other (Identify) _____

Total _____ 0 _____

Total _____ 0 _____

- 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

\$ _____ 0 _____

\$ _____ 0 _____

- 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

\$ _____ 0 _____

\$ _____ 0 _____

- 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 X _____

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.