

# **~~Rules and Regulations Governing Expenditure Requirements by Arkansas School Districts~~**

## **~~1.00 REGULATORY AUTHORITY~~**

~~1.01 These regulations shall be known as the Arkansas Department of Education's regulations implementing Ark. Code Ann. § 6-20-3-1-0 (Supp. 1995).~~

~~1.02 These regulations are enacted pursuant to the State Board of Education's authority under Arkansas Code Annotated § 6-20-305 (Supp. 1995).~~

## **~~2.00 PURPOSE~~**

~~2.01 The purpose of these regulations is to describe how the Arkansas Department of Education (ADE) will implement Ark. Code Ann. 6-20-3-1-0 (Supp. 1995) regarding expenditure requirements of school districts.~~

~~2.02 These regulations shall establish the general guidelines for expenditure requirements for Arkansas school districts.~~

## **~~3.00 DEFINITIONS~~**

~~3.01 ADM PARTICIPATING IN ALTERNATIVE EDUCATION—The total Program Course/Service Average Daily Membership of the first three quarters of each school year of students enrolled in Alternative Education programs divided by the number of days actually taught in that period of time.~~

~~3.02 ADM PARTICIPATING IN GIFTED AND TALENTED EDUCATION—The total Program Course/ Service Average Daily Membership of the first three quarters of each school year of students enrolled in Gifted and Talented Education programs divided by the number of days actually taught in that period of time.~~

~~3.03 ALTERNATIVE EDUCATION—An intervention program in compliance with Arkansas Code Annotated §§ 6-18-508 and 6-18-509, that seeks to eliminate traditional barriers to learning for students.~~

~~3.04 PROGRAM COURSE/SERVICE AVERAGE DAILY MEMBERSHIP—The number of periods per day a student is enrolled in a program course or receiving special services expressed as a fractional part of the total number of periods in the school day.~~

~~3.05 BASE LOCAL REVENUE PER STUDENT—The Revenue Per Student to which the state equalizes calculated by taking the sum of:~~

- ~~1. The total available state aid for State Equalization Funding per student;~~
- ~~2. Ninety eight percent (98%) of the Base Millage times the total state assessed valuation; and~~
- ~~3. Seventy five percent (75%) of Miscellaneous Funds collected in the previous year; and by dividing the sum by the total state ADM.~~

~~3.06 CLASSROOM TEACHER—An individual required to hold a teaching license issued by the ADE and who is engaged directly in instruction with students in a classroom setting for more than seventy percent (70%) of the individual's contracted time, a guidance counselor, or a library-media specialist.~~

~~3.07 IDEA—Individuals with Disabilities Education Act (federal statute).~~

~~3.08 IEP—Individualized Education Program~~

~~3.09 SPECIAL EDUCATION SERVICES—Services provided to/for eligible students with disabilities, age 3 to 21, under the IDEA, in accordance with their individualized education programs.~~

~~3.10 VOCATIONAL AVERAGE DAILY MEMBERSHIP (VADM)—The total Program Course/Service Average Daily Membership of the first three quarters of each school year of students enrolled in Vocational Program Courses divided by the number of days actually taught in that period of time.~~

#### **4.00 CLASSROOM TEACHER SALARIES**

~~4.01 Arkansas school districts shall expend at least \$1,548.49 per ADM for classroom teacher salaries. Local school districts may not include the cost of substitute teachers, extended contracts for extra-curricular activities or supplementary pay for extra-curricular activities in meeting the expenditure requirement for student classroom teacher salaries.~~

#### **5.00 SPECIAL EDUCATION**

~~5.01 CALCULATING THE EXPENDITURE FOR SERVICES ON BEHALF OF STUDENTS WITH DISABILITIES~~

~~5.01.1 BASIC EXPENDITURE REQUIREMENT TO BENEFIT SPECIAL EDUCATION STUDENTS~~

~~5.01.1.1 The amount to be expended for services and supports that directly and indirectly benefit students evaluated as special education students in accordance with existing federal and state laws and Department of Education regulations is calculated as follows:~~

~~A. Calculate a three year average percentage not to exceed twelve and one half (12.5%), based on the three (3) immediately preceding December 1 counts of students in special education (in the district); and~~

~~B. Multiply the three year average percentage not to exceed twelve and one half (12.5%) times the average daily membership (of the district) and multiply the result times sixty four hundredths (.64) times the Base Local Revenue Per Student.~~

~~5.01.2 MINIMUM EXPENDITURE REQUIREMENT ON BEHALF OF SPECIAL EDUCATION STUDENTS~~

~~5.01.2.1 The minimum budgeted expenditure per capita on behalf of special education students must be equal to the expenditure requirement for the most recent fiscal year for which information is available, consistent with maintenance of effort requirements under the federal Individuals with Disabilities Education Act (IDEA).~~

~~5.01.2.2 For local education agencies whose calculation is greater than the most recent fiscal year for which information is available, the local education agency must budget the increased amount or five percent (5%) more than the most recent fiscal year for which information is available, whichever is the lesser amount. Any local education agency may choose to expend more than the minimum required expenditure.~~

~~5.01.2.3 For local education agencies whose calculation in 5.01.1 is less than the expenditures in most recent fiscal year for which information is available, the local education agency must budget an amount equal to the expenditures of the most recent fiscal year for which information is available through any combination of state and local funds.~~

## ~~5.02 ELIGIBLE EXPENDITURES~~

### ~~5.02.1 MEETING THE MINIMUM EXPENDITURE REQUIREMENT ON BEHALF OF STUDENTS WITH DISABILITIES~~

~~5.02.1.1 Any expense incurred by a local education agency as a result of providing special education and related services to eligible individuals with disabilities may be budgeted and counted as meeting the expenditure requirement.~~

~~5.02.1.2 Maintenance and operating costs of a district may be charged as special education expenses on a pro-rated basis consistent with the instructions for completing the consolidated state and federal application for the use of funds under the IDEA.~~

~~5.02.1.3 Costs for building and/or upgrading facilities for special education services may be charged as special education expenses on a pro-rated basis consistent with the instructions for completing the consolidated state and federal application for the use of funds under the IDEA.~~

~~5.02.1.4 A local education agency may count for purposes of meeting the minimum expenditure any expenditures for services/supports which *benefit* students with disabilities including, but not necessarily limited to, the following:~~

~~A. Broad based staff development activities which provide staff with skills and knowledge that will improve instruction for all children.~~

~~B. Instructional materials and supplies, including technology, which will enhance the learning environment and improve instruction for all children.~~

~~C. Trained instructional paraprofessionals to increase the ability of the teacher to address the diverse learning and behavioral needs of all students within the classroom or other instructional setting.~~

~~D. Specialized staff, such as school psychology specialists and licensed social workers, to increase access to specialized services that may be needed to meet the diverse learning and behavioral needs of all students within a building or district.~~

~~E. Specialized services for students with diverse learning and behavioral needs who may not be identified as eligible students under the IDEA.~~

~~F. Special Education and related services to eligible students with disabilities, ages 3 to 5 (or kindergarten), may be counted to meet the minimum expenditure requirement.~~

~~G. Pre-referral interventions for students not yet identified as eligible students with disabilities under the IDEA.~~

~~H. Services for students who are qualified under Section 504 of the Rehabilitation Act of 1973, but who are not eligible under the IDEA.~~

~~I. Services and supports for students exiting special education services who are no longer receiving services in accordance with an IEP.~~

### ~~5.03 PROVISION FOR WAIVER~~

~~5.03.1 Districts may claim an exception from the twelve and one half percent (12.5%) based on the three year average December 1 child counts if the district can provide documentation that (1) the district has high growth in the district including a growth in the number of students receiving special education services, or (2) the average daily membership of the district is so small that using the 12.5% cap will adversely affect the district's budget for special education services.~~

~~5.03.2 A committee will review the requests for waiver and make recommendations to the Arkansas Department of Education for action.~~

### ~~5.04 WAIVER OF STATE AND LOCAL EXPENDITURES FOR COMPLIANCE WITH FEDERAL NONSUPPLANT~~

~~5.04.1 Local education agency applications for federal funds under the IDEA must meet the nonsupplanting requirements in 34 Code of Federal Regulations 300.230.~~

~~5.04.2 Allowance is made in 34 CFR 300.230 (b) (1) and (ii) for:~~

~~A. decreases in enrollment of children with disabilities; and~~

~~B. unusually large amounts of funds expended for such long term purposes as the acquisition of equipment and the construction of school facilities.~~

~~5.04.3 Additional allowance will be considered for high costs associated with students in residential or other high cost placements that are no longer receiving such services from the local education agency which incurred the costs the previous year.~~

~~5.04.4 To qualify for an allowance under 5.05.2 (B) a district must incur the cost within a single year rather than amortize the cost against the district's required expenditure as is currently provided within the consolidated application for the use of state and federal funds for special education.~~

### ~~6.00 VOCATIONAL EDUCATION FUNDING~~

~~6.01.1 Local school districts and secondary vocational centers shall expend from state and local revenues not less than the previous year's Vocational ADM (pursuant to regulations 6.01.3, 6.01.4, and 6.01.5) multiplied by thirty four hundredths (.34) times the Base Local Revenue per student.~~

~~6.01.2 The amount generated by the calculation above shall be used for equipment, instructional materials, supplies, teacher travel, teacher salary, and any other costs associated with the vocational programs. Programs not meeting minimum equipment and instructional materials requirements must develop a plan for how they will meet these requirements within a three year~~

~~period. The plan shall be on file at the school district to be checked by the Division's Technical Assistance Team during the on-site review that occurs on a three-year cycle.~~

~~6.01.3 State Board approved Vocational Programs of Study (Career Majors) shall be subject to the calculations and regulations under 6.01.1 and 6.01.2 and any other regulations that refer to Programs of Study (Career Majors).~~

~~6.01.4 Cooperative Education (Co-op Ed.) programs shall be included in the ADM and 34 calculations and requirements as set forth in 6.01.1 6.01.2 of these regulations provided the programs are connected to the Occupational Programs of Study and students have an occupational career objective.~~

~~6.01.5 Foundation courses in Career Orientation, Principles of Technology, Coordinated Compensatory Vocational Education (CCVE), Workplace Readiness, and Personal and Family Life Skills, shall not be subject to Regulations 6.01.1 6.01.2 regarding vocational expenditures.~~

## **6.02 MONITORING OF EXPENDITURES AND PROGRAM QUALITY**

~~6.02.1 School districts shall submit an Annual Financial and Expenditure Report documenting expenditures pursuant to these regulations by August 28 of each year. Reports will be monitored annually to ensure compliance with expenditure regulations.~~

~~6.02.2 The Vocational and Technical Education Division shall provide on-site reviews of each local district on a three-year cycle to insure that program quality and expenditure regulations are in compliance with Arkansas Code Annotated 6-20-310(3) and implementing rules and regulations.~~

## **6.03 LENGTH OF VOCATIONAL TEACHER CONTRACTS**

~~6.03.1 Local school districts' and secondary vocational centers' governing authorities shall have the option of extending the length of vocational teachers' contracts beyond the minimum number of contract days required by the State Standards for Accreditation of Public Schools. Exception: State law requires 12 month contracts for agriculture teachers.~~

## **7.00 ALTERNATIVE EDUCATION**

~~7.01 Local school districts shall expend for alternative education from state and local revenues not less than the previous year's ADM participating in alternative education programs, up to two percent (2%) of the previous year's ADM, multiplied by fifteen hundredths (.15) times the Base Local Revenue Per Student.~~

## **8.00 GIFTED AND TALENTED**

~~8.01 Local school districts shall expend for gifted and talented programs from state and local revenues not less than the previous year's ADM participating in gifted and talented programs, up to five percent (5%) of the previous year's ADM, multiplied by fifteen hundredths (.15) times the Base Local Revenue Per Student.~~