

Arkansas Department of Education
Rules Governing the Distribution of Student Special Needs Funding and the Determination of
Allowable Expenditures of Those Funds
July 2010

1.00 Authority

1.01 The Arkansas State Board of Education's authority for promulgating these Rules is pursuant to Ark. Code Ann. §§ 6-11-105, 6-18-508, 6-18-509, and 6-20-2301 et seq.

1.02 These Rules shall be known as the Arkansas Department of Education (ADE) Rules Governing the Distribution of Student Special Needs Funding and the Determination of Allowable Expenditures of Those Funds.

2.00 Purpose

2.01 The purpose of these Rules is to distribute student special needs funding and define the allowable expenditures of those funds.

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

3.01 "Alternative Learning Environment (ALE)" is a student intervention program in compliance with Ark. Code Ann. §§ 6-18-508 and 6-18-509 and these Rules that seeks to eliminate traditional barriers to learning for students.

3.02 "Average Daily Membership (ADM)" is the total number of days of school attended plus the total number of days absent by students in grades kindergarten through twelve (K-12) during the first three (3) quarters of each school year divided by the number of school days actually taught in the school district during that period of time rounded up to the nearest hundredth.

3.02.1 In those instances in which the ADM for fewer than three (3) quarters is specified, the number of days used in the calculation shall be the days in the specified period of time.

3.02.2 As applied to these Rules, students who may be counted for ADM are:

3.02.2.1 Students who reside within the boundaries of the school district, are enrolled in a public school operated by the school district, and are enrolled in a curriculum that fulfills the requirements established by the State Board of Education (State Board) under the Standards for Accreditation of Arkansas Public Schools and School Districts;

3.02.2.2 Legally transferred students living outside the school district, but are attending a public school in the school district under a provision of the Arkansas Code and are enrolled in a curriculum that fulfills the requirements established by the State Board under the Standards for Accreditation of Arkansas Public Schools and School Districts.

- 3.02.2.3 Open-enrollment public charter school students who are enrolled in a curriculum that fulfills the requirements established by the State Board under the Standards for Accreditation of Arkansas Public Schools and School Districts;
 - 3.02.2.4 Students who are eligible to attend and who reside within the boundaries of a school district and are enrolled in the Arkansas National Guard Youth Challenge Program, so long as the students are participants in the program; or
 - 3.02.2.5 Any other circumstance allowed by law.
- 3.03 “Bonus” is a non-recurring payment to a school district employee, which shall not be considered an addition to the employee’s contractual salary amount.
- 3.04 “Chronically Underperforming School” is a public school that does not meet adequate yearly progress under the No Child Left Behind Act of 2001, 20 U.S.C. § 6301 et seq., as it existed on July 1, 2009, for three (3) or more consecutive years.
- 3.05 “Classroom Teacher” is an individual who is required to hold a teaching license from the ADE and who is working 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 librarian.
- 3.06 “Coordinated School Health Coordinator” is an individual that coordinates the implementation of the Coordinated School Health model components, facilitates the Wellness Priority within the Arkansas Comprehensive School Improvement Plan (ACSIP) with a minimum of a bachelor’s degree (Master’s preferred) in either the field of education, nursing, health services administration, social services, psychology/mental health services or nutrition. The coordinator will be in addition to other school health staff or positions.
- 3.07 “Coordinated School Health” (CSH) is an effective system designed to connect health (physical, mental/emotional and social) with education. This coordinated approach improves students’ health and their capacity to learn through the support of families, communities and schools working together. The CSH approach consists of eight major components. Although these components are listed separately, it is their composite that allows CSH to have significant impact. The eight components include: health education, physical education/physical activity, health services, nutrition services, health promotion for staff, counseling and psychological services, healthy school environment, and student/parent/community involvement.
- 3.08 “English Language Learners (ELL)” are students identified by the State Board as not proficient in the English language based upon approved English proficiency assessment instruments, which measure oral, reading, writing, speaking, listening proficiency, and comprehension of English.

- 3.09 “Eligible ALE Student” is a student who meets the qualifications of Section 4.01, is in a program that meets the qualifications of Section 4.02, has been enrolled in an eligible ALE for a minimum of twenty (20) consecutive days per school year and meets the requirements outlined in Section 4.00.
- 3.10 “Excess National School Lunch State Categorical Funds” are current year National School Lunch State Categorical Funds remaining after a district has met the educational needs of students that are to be used to supplement teacher salaries.
- 3.11 “Experienced-based Field Trip” A student field trip which culminates an academic content unit directly tied to the Arkansas Frameworks that includes research-based activities.
- 3.12 “Human Service Worker” shall collaborate and provide information, resources, services, and referrals, to the district, LEA, parents, and students in a variety of activities, trainings, and assessments concerning the physical, mental/emotional, and social health of the child.
- 3.13 “Licensed Mental Health Counselor,” or L.M.H.C., hold a master’s degree from a graduate program in the field. They may render mental health care services to individuals, families or groups. L.M.H.C.s use therapeutic techniques to define goals and develop treatment plans aimed toward prevention, treatment, and resolution of mental and emotional dysfunction. Mental Health Professionals are licensed by the specific state boards corresponding with their licensure (i.e., Board of Examiners [LPCs, LACs], Board of Psychology [PhDs, LPEs], Social Work Licensing Board [LCSW, LMSW, LSW], which also monitors professional conduct).
- 3.14 “NSLA” – National School Lunch Act.
- 3.15 “National School Lunch Students” are those students from low socioeconomic backgrounds as indicated by eligibility for free or reduced-price meals under the federal NSLA as determined on October 1 of each previous school year and submitted to the ADE, unless the district participates in the federal NSLA Provision 2 Program.
- 3.16 “Open Enrollment Public Charter School” is a public school operating under the terms of a charter granted by the State Board and is a local educational agency under the Elementary and Secondary Education Act of 1965, 20 U.S.C. § 7801, as it existed on April 10, 2009.
- 3.17 “Previous Year” is the school year immediately preceding the school year in which funds are allocated.
- 3.18 “Professional Development” is a coordinated set of professional development activities that improve the knowledge of teachers, administrators, and paraprofessionals concerning effective instructional strategies, methods, and skills for improving teaching practices, and for all employees to improve knowledge, awareness, and resources in physical/mental/emotional/social health-related issues for the purpose of improving student academic achievement. Training activities for school bus drivers may also be included.

- 3.18.1 Professional Development shall result in individual school-wide and district-wide improvement designed to ensure that all students demonstrate proficiency in the state academic standards.
- 3.18.2 Professional Development should be based on research, and be standards-based and continuous.
- 3.19 “Provision 2 district” is a school district participating in the federal National School Lunch Program under 42 U.S.C. § 1759a, as interpreted in 7 C.F.R. § 245.9.
- 3.20 “Provision 2 district base year (base year)” means the last school year for which eligibility determinations were made and meal counts were taken by type.
- 3.21 “Scholastic Audit” is a comprehensive review of the learning environment, organization efficiency, and academic performance of schools and districts.
- 3.22 “School District” or “District” is a geographic area with an elected board of directors that qualifies as a taxing unit for purposes of *ad valorem* property taxes under Title 26 of the Arkansas Code, and whose board conducts the daily affairs of public schools pursuant to the supervisory authority vested in it by the General Assembly and Title 6 of the Arkansas Code. For the purposes of these Rules, all references to “school district” or “district” include open enrollment charter schools.
- 3.23 “School Resource Officer” (SRO) is a sworn law enforcement officer assigned to a school on a long-term basis. The SRO is specifically trained in and performs three main functions, law enforcement officer, law related counselor, and law related educator. In addition the SRO works in collaboration with the school and the community as a resource.
- 3.24 “School Year” is the year beginning July 1 of one calendar year and ending June 30 of the next calendar year.
- 3.25 “Students at Risk” are those students demonstrating an ongoing persistent lack of attaining proficiency levels in literacy and mathematics.
- 3.26 “Social Workers” have an undergraduate or graduate degree in social work or a related mental health field, and are trained in psychotherapy and social work techniques. Family therapists and employee assistance program counselors are often social workers. Social workers who work in private agencies or independent practice must hold state licenses from the Board of Registration of Social Workers. An L.C.S.W (Licensed Certified Social Worker) or a L.S.W. (Licensed Social Worker) may practice in an agency setting under proper supervision. Professional conduct is monitored by the State of Arkansas Social Work Licensing Board.
- 3.27 “Supplement to Teacher Salaries” is the use of excess National School Lunch State Categorical Funds to supplement teacher salaries as either a bonus, as defined at 3.03, or to provide an amount of compensation above the amount required by the minimum teacher salary compensation schedule, as defined at Ark. Code Ann. § 6-17-2403.

3.28 "Technology" is any equipment for instructional purposes that are electronic in nature including, but not limited to, computer hardware, computer software, internet connectivity, and distance learning.

4.00 Special Needs - Alternative Learning Environment (ALE)

4.01 Eligible ALE Students

4.01.1 An eligible ALE student shall exhibit two (2) or more of the characteristics identified in Section 4.01.1.1 and Section 4.01.1.2. Students will not be placed in the ALE based on academic problems alone.

4.01.1.1 Students placed at risk, though intelligent and capable, typically manifest one or more of the following characteristics:

- Disruptive behavior
- Drop out from school
- Personal or family problems or situations
- Recurring absenteeism
- Transition to or from residential programs

4.01.1.2 Situations that negatively affect the student's academic and social progress may include, but are not limited to:

- Ongoing, persistent lack of attaining proficiency levels in literacy and mathematics
- Abuse: physical, mental, or sexual
- Frequent relocation of residency
- Homelessness
- Inadequate emotional support
- Mental/physical health problems
- Pregnancy
- Single parenting

4.02 Eligible ALE Programs

4.02.1 An eligible ALE program shall meet the following guidelines:

4.02.1.1 Have students taught by a currently licensed teacher. If course credit is granted, the teacher must be highly qualified. Newly hired teachers in these designated districts will have three years from the date of hire to become highly qualified as required by the federal No Child Left Behind Act of 2001.

- 4.02.1.2 Have a student/teacher ratio in grades Kindergarten through six (K-6) of no more than ten (10) to one (1). If a paraprofessional is employed in addition to a licensed supervisor, the student/teacher ratio shall be no more than twelve (12) to one (1).
- 4.02.1.3 In a middle school where the grade configuration includes grades five (5) and/or six (6), the fifteen (15) to one (1) student/teacher ratio may be utilized.
- 4.02.1.4 Have a student/teacher ratio in grades seven through twelve (7-12) of no more than fifteen (15) to one (1). If a paraprofessional is employed in addition to a licensed supervisor, the student/teacher ratio shall be no more than eighteen (18) to one (1).
- 4.02.1.5 Provide each ALE student with access to the services of a school counselor or a mental health professional, a nurse, and support services provided to other students.
- 4.02.1.6 Coordinate the ALE with state and federal student assistance programs.
- 4.02.1.7 Submit a description of the ALE in the districts' Arkansas Comprehensive School Improvement Plan (ACSIP).
- 4.02.1.8 Have an Alternative Education Placement Team to determine student placement in the ALE. This team shall include the referring school counselor, ALE administrator, building principal, and LEA special education or 504 representative, if applicable. A parent or legal guardian and the student's regular classroom teacher(s) should be included in the student placement determination. The school district shall document efforts of contacting the parent/guardian to schedule a meeting or a phone call for a placement meeting at the parent/guardian's convenience.
- 4.02.1.9 Maintain documentation of the presence of the characteristics listed in the student's plan.
- 4.02.1.10 Provide that the ALE shall not be punitive but should provide the guidance, counseling, and academic support to enable students who are experiencing emotional, social or academic problems to continue to make progress toward educational goals either in the traditional educational system or the General Educational Development (GED) Program.
- 4.02.1.11 Provide that computer programs when used in the ALE setting will supplement teacher instruction.
- 4.02.1.12 Develop an agreement with the parent or guardian, teacher or ALE director, and student outlining the responsibilities of the school, parent, and the student to provide assurance that the plan for each student is successful.

- 4.02.1.13 Provide a curriculum including mathematics, science, social studies, and language arts aligned with the regular classroom instruction or with the standards for the tests of the GED.
- 4.02.1.14 Develop exit criteria on which to base a student's return to the regular program. A positive behavior or transitional plan shall be in place prior to returning an ALE student to the prior classroom placement.
- 4.02.1.15 Require ALE staff to meet the same professional development requirements as other certified staff.
- 4.02.1.16 The ADE shall monitor ALEs as required in compliance with Ark. Code Ann. § 6-18-509.
- 4.02.1.17 All districts within an agreed upon consortium must submit the contract agreement to ADE by October 1 of each school year.
- 4.02.1.18 All students attending a consortium shall follow the lead district's school calendar.
- 4.02.1.19 Meals provided at remote ALE facilities shall follow the Arkansas Child Nutrition guidelines or shall be approved by the Arkansas Department of Education's Child Nutrition Section.

4.03 ALE Funding

- 4.03.1 The ALE funding amount shall be the amount required by law times the district's eligible ALE students' full time equivalent (FTE) in the previous school year as defined in these Rules.
- 4.03.2 An ALE student shall be counted as no more than one student for ALE funding purposes.
- 4.03.3 An eligible ALE student's FTEs shall be determined by the number of hours taught in an eligible ALE each day divided by 6 hours, times the number of days an eligible student attends the ALE, plus the number of days absent, divided by the number of school days actually taught in the school year.
 - 4.03.3.1 Prior to the 2010-2011 school year, an ALE Student is a student who has been enrolled in an eligible ALE for a minimum of twenty (20) days per school year.
 - 4.03.3.2 Beginning with the 2010-2011 school year, an ALE Student is a student who has been enrolled in an eligible ALE for a minimum of twenty (20) consecutive days per school year.
 - 4.03.3.3 Full Time Equivalent (FTE) ALE Student is an ALE student who has at least six (6) hours per day of student/teacher interaction time in the ALE, and attends the ALE for the entire school year.

4.03.4 ALE funding is restricted state aid.4.03.5 ALE funding shall be spent on eligible ALE programs identified in these Rules except as otherwise allowed by law or rule.

4.03.6 ALE funding may be carried over from one fiscal year to the next but these funds shall remain restricted to the priority areas as defined in these Rules.

5.00 Special Needs - English Language Learners (ELL)

5.01 The ELL funding amount shall be the amount required by law times the district's identified ELL students in the current school year.

5.01.1 The number of identified ELL students shall be a total of all students identified by the State Board as not proficient in the English language based upon approved English proficiency assessment instruments.

5.01.2 Documentation to be used for the calculation of the number of identified ELL students must be submitted to the ADE no later than November 30 of each school year.

5.01.3 An ELL student shall be counted as no more than one student for ELL funding purposes.

5.02 School districts shall maintain documentation of each student identified as an ELL.

5.03 For ELL funding purposes, State-approved English proficiency assessment instruments include:

5.03.1 LAS (Language Assessment Scales)

5.03.2 Maculaitis Assessment of Competencies

5.03.3 English Language Development Assessment English Language Proficiency Screener

5.04 ELL funding shall be expended for eligible activities including, but not limited to, the following:

5.04.1 Salaries for ELL-skilled instructional services (not supplanting district financial obligations for providing teachers for ELL students).

5.04.2 Funds for teacher training, consultants, workshops, ELL course work including ADE sponsored training programs.

5.04.3 Released-time for ELL program development.

5.04.4 Selection and purchase of language-appropriate instructional and supplemental (enrichment) materials for ELL students (including computer-assisted technology and library materials).

- 5.04.5 Language and cultural skills training for school-based health service providers, counseling service providers, and community liaison staff as needed to serve ELL students.
- 5.04.6 Assessment activities, which include test administration, identification, placement, and review of ELL student academic progress, as well as evaluation activities to determine the effectiveness of the district's ELL program.
- 5.04.7 Funds for the implementation of supplemental instructional services for ELL students.
- 5.05 ELL funding may be carried over from one fiscal year to the next, but these funds shall remain restricted to those priority areas defined in these Rules.
- 5.06 A description of ELL activities and funding shall be included in the district's ACSIP.

6.00 Special Needs - National School Lunch Act

- 6.01 National school lunch state categorical funding under Ark. Code Ann. § 6-20-2305 (b) (4) shall be based on the number of national school lunch students for the immediately preceding school year determined under 3.15 of these Rules, divided by the district's total enrolled students for the immediately preceding school year. If the school district is a Provision 2 district, this funding is based on the school district's percentage of national school lunch students submitted in the base year, multiplied by the number of enrolled students for the immediately preceding school year. For determination of the per student amount of national school lunch state categorical funding, the percentage shall be calculated to one tenth of one percent, and rounded up to the nearest whole number from five tenths or down to the nearest whole number from less than five tenths.
 - 6.01.1 For school districts in which ninety percent (90%) or greater of the previous school year's enrolled students are national school lunch students, per student national school lunch state categorical funding shall be the amount required by Ark. Code Ann. § 6-20-2305(b)(4)(A)(i).
 - 6.01.2 For school districts in which less than ninety percent (90%) but at least seventy percent (70%) of the previous school year's enrolled students are national school lunch students, per student national school lunch state categorical funding shall be the amount required by Ark. Code Ann. § 6-20-2305(b)(4)(A)(ii) .
 - 6.01.3 For school districts in which less than seventy percent (70%) of the previous school year's enrolled students are national school lunch students, per student national school lunch state categorical funding shall be the amount required by Ark. Code Ann. § 6-20-2305(b)(4)(A)(iii).
 - 6.01.4 Districts must participate in the federal NSLA Program to receive national school lunch state categorical funding.
- 6.02 The district percentage of NSLA eligible students shall be determined from the Arkansas Public School Computer Network's Cycle 2 report for the previous school year.
 - 6.02.1 The Child Nutrition Unit of the ADE shall verify the Cycle 2 report for accuracy.

6.02.2 Adjustments to the Cycle 2 report shall be made by the ADE based on documentation provided by the school district.

6.03 National School Lunch State Growth Funding

6.03.1 The ADE shall use the Cycle 2 enrollment data for the previous four years to calculate a three-year trend in district enrollment.

6.03.2 If a district has grown at least one percent for each of the three previous years, it shall qualify for National School Lunch State Growth Funding.

6.03.3 Districts that qualify for funding shall receive National School Lunch State Growth Funding.

6.03.4 The funding shall be calculated as the three year average growth in enrollment multiplied by the district's previous year's percentage of students eligible for the federal NSLA Program multiplied by the per student funding amount determined in 6.01.

6.04 Transitional National School Lunch State Funding Methods

6.04.1 Beginning with the 2009-2010 school year, if a school district receives, in the current school year, national school lunch state categorical funding under Ark. Code Ann. § 6-20-2305(b)(4)(A) that is based on a different per student amount of national school lunch state categorical funding than the school district received in the immediately preceding school year, due to a percentage change in national school lunch students, the ADE shall adjust the funding to the school district in a transitional three-year period.

6.04.2 The amount of national school lunch state categorical funding under Ark. Code Ann. § 6-20-2305(b)(4)(A) shall be increased or decreased in each year of a three-year transition period by one-third (1/3) of the difference between the amount of national school lunch state categorical funding per student for the current year and the amount of national school lunch state categorical funding per student for the immediately preceding year, adjusted for changes to the funding rates in Ark. Code Ann. § 6-20-2305(b)(4)(A).

6.04.3 The method of transition for a school district that experiences a decrease in the amount of national school lunch state categorical funding per student under Ark. Code Ann. § 6-20-2305(b)(4)(A) is detailed using the following example of a decrease in national school lunch state categorical funding per student from \$1,488 in the immediately preceding year to \$992 in the current year:

For illustrative purposes:

- Year one (current year) of transition (decrease 1/3) – the transitioned amount of national school lunch state categorical funding per student is \$1,322.67 (\$1,488 - \$165.33).
- Year two of transition (decrease 1/3) – the transitioned amount of national school lunch state categorical funding per student is \$1,157.34 (\$1,322.67 - \$165.33).

- Year three (final year) of transition (decrease 1/3) – the transitioned amount of national school lunch state categorical funding per student is \$992 (\$1,157.34 - \$165.34).

6.04.4 The method of transition for a school district that experiences an increase in the amount of national school lunch state categorical funding per student under Ark. Code Ann. § 6-20-2305(b)(4)(A) is detailed using the following example of an increase in national school lunch state categorical funding per student from \$992 in the immediately preceding year to \$1,488 in the current year:

For illustrative purposes:

- Year one (current year) of transition (increase 1/3) – the transitioned amount of national school lunch state categorical funding per student is \$1,157.33 (\$992 + \$165.33).
- Year two of transition (increase 1/3) – the transitioned amount of national school lunch state categorical funding per student is \$1,322.66 (\$1,157.33 + \$165.33).
- Year three (final year) of transition (increase 1/3) – the transitioned amount of national school lunch state categorical funding per student is \$1,488 (\$1,322.66 + \$165.34).

6.04.5 The method of transition for a school district that, within a three-year period, experiences both a decrease and an increase in the amount of national school lunch state categorical funding per student under Ark. Code Ann. § 6-20-2305(b)(4)(A) is detailed using the following two examples:

6.04.5.1 In the first example, a school district experiences an *increase* in national school lunch state categorical funding per student from \$992 in the immediately preceding year to \$1,488 in the current year, and a *decrease* to \$992 in the following year. In this instance, the transition is completed in two years rather than three.

For illustrative purposes:

- Year one (current year) of transition (increase 1/3) – the transitioned amount of national school lunch state categorical funding per student is \$1,157.33 (\$992 + \$165.33).
- Year two (final year) of transition (decrease 1/3) – the transitioned amount of national school lunch state categorical funding per student is \$992 (\$1,157.33 - \$165.33).

6.04.5.2 In the second example, a school district experiences a decrease in national school lunch state categorical funding per student from \$992 in the immediately preceding year to \$496 in the current year, no change in the second year, and an increase to \$992 in the third year. In this instance, the transition is completed in four years rather than three.

For illustrative purposes:

- Year one (current year) of transition (decrease 1/3) – the transitioned amount of national school lunch state categorical funding per student is \$826.67 (\$992 - \$165.33).
- Year two of transition (decrease 1/3) – the transitioned amount of national school lunch state categorical funding per student is \$661.34 (\$826.67 - \$165.33).

- Year three of transition (increase 1/3) – the transitioned amount of national school lunch state categorical funding per student is \$826.67 (\$661.34 + \$165.33).
- Year four (final year) of transition (increase 1/3) – the transitioned amount of national school lunch state categorical funding per student is \$992 (\$826.67 + \$165.33).

6.05 Each school district receiving national school lunch state categorical funds shall provide a research-based program(s) or purpose(s) for students scoring below proficiency in order to improve instruction and increase academic achievement of those students. This does not prohibit use of funds in performing schools to continue doing those strategies that are sustaining that performance.

6.05.1 Effective July 1, 2010, chronically underperforming schools shall develop and implement its ACSIP plan and shall use national school lunch state categorical funding to include, but not limited to:

6.05.1.1 Use of an Arkansas Scholastic Audit in school not meeting adequate yearly progress for three (3) or more consecutive years of School Improvement.

6.05.1.2 Use disaggregated school data to set academic targets in reading, writing, mathematics, and science.

6.05.1.3 Use improvement targets to define professional development needs related to content, instruction, differentiation, and best practices in educating student subgroups as identified in need.

6.05.1.4 Develop interim building-level assessment to monitor student progress toward proficiency on the state benchmark assessments.

6.05.1.5 Develop a plan to immediately address gaps in learning.

6.05.1.6 Examine and realign, as needed, school scheduling, academic support systems, and assignments of personnel to improve student achievement.

6.05.1.7 Design a plan for increasing parental knowledge and skill to support academic objectives.

6.05.1.8 Evaluate the impact of the before mentioned educational strategies on student achievement.

6.06 National school lunch state categorical funding shall not be used to meet or satisfy the Arkansas Standards for Accreditation required by Ark. Code Ann. § 6-15-201 et seq. the Arkansas Minimum Teacher Salaries required by Ark. Code Ann. § 6-17-2403 except as otherwise allowed herein this section.

6.06.1 National school lunch state categorical funding shall not be used to augment, replace, or supplement the mandatory requirements of the Arkansas Standards for Accreditation required by Ark. Code Ann. § 6-15-201 et seq. unless the expenditure is for the purposes outlined under Section 6.07 of these Rules .

- 6.06.2 A district may use national school lunch state categorical funds as a bonus or to supplement salaries above the minimum salary schedule required by Ark. Code Ann. § 6-17-2403 provided the school district is in compliance with and meets the eligibility provision of these Rules.
- 6.06.3 School districts may use national school lunch state categorical funds to pay the salaries of those teachers which are used to reduce the pupil to teacher ratio below the mandates required by the Arkansas Standards of Accreditation under the following conditions:
- 6.06.3.1 In its ACSIP, the district designates the specific teacher(s) used to reduce the pupil-to-teacher ratios required by the Standards of Accreditation; explain how the district will use national school lunch state categorical funds to only pay the salaries of those class-size-reduction teachers or other teachers designated by the ADE as bona fide national school lunch state categorical program or purpose expenditures as allowed by Section 6.07 of these Rules; explains how the district will use class-size-reduction teachers(s) pursuant to a recognized published research-based program to specifically target an identified academic deficiency or need of the district which aligns with and supports the district's ACSIP;
- 6.06.3.2 Any district which did not use national school lunch state categorical funds to support the salaries of the class-size-reduction teachers by June 30 in the 2006-2007 school year is limited to using national school lunch state categorical funds to support the salaries of only those class-size-reduction teachers in kindergarten through the eighth (8th) grade of the school district starting in the 2007-2008 school year and each school year thereafter, provided the district submits a detailed written plan as required in § 6.06.3.1 which is approved by the ADE; and
- 6.06.3.3 Along with any request to expand or increase the use of national school lunch state categorical funds to pay for or support the salaries of class-size-reduction teachers from a previous school year, the district shall submit a written justification showing how the funds are being used to support an increased academic deficiency or need of the district and is not an attempt to avoid or circumvent the general purpose of reducing the amount of national school lunch state categorical funds used to increase teacher salaries as required and mandated by Ark. Code Ann. § 6-20-2305.
- 6.06.3.4 National school lunch state categorical funds to support the salaries of the class-size reduction teachers shall only be used to reduce the pupil-to-teacher ratios required by the Standards of Accreditation for each single grade level.
- 6.07 National school lunch state categorical funding shall be expended for eligible program(s) or purpose(s) that are research-based and aligned to the Arkansas Content Standards for improving instruction and increasing achievement of students at risk of not meeting challenging academic standards. These programs or purposes include:

6.07.1 Employing Literacy and/or Mathematics and/or Science Specialists/Coaches (K-12) and/or instructional facilitators that meet the following requirements:

6.07.1.1 The Specialists/Coaches and/or instructional facilitators are educators who assist in curriculum alignment with state curriculum documents; alignment of classroom assessment with statewide exams; instructional strategies; professional development and implementation of training; choosing standards-based instructional materials; understanding of current research; advantageous arrangement of the instructional day; and integrating technology into instruction.

6.07.1.2 Qualifications for Specialists/Coaches (K-12 and/or Instructional Facilitators):

- At least four years of recent teaching experience in appropriate content areas within grades K-12
- Knowledge of Arkansas Curriculum Framework
- Knowledge of current research and effective practices in standards-based curriculum, instruction, and assessment
- Experience in adult learning situations and in team problem solving
- A bachelor's degree (a master's degree would be preferred)
- Or completion of the required two-year training and teaching components of the Teach for America Program

6.07.2 Providing research-based professional development in the areas of literacy and/or mathematics and/or science in grades Kindergarten through twelfth grade (K-12) as defined in the Arkansas Department of Education Regulations Governing Attendance at Certified Instructional Professional Development Sessions (Ark. Code Ann. § 6-17-702).

6.07.3 Employing highly qualified classroom teachers in grades Kindergarten through twelfth grade (K-12) pursuant to the restrictions set forth in Section 6.06 of this Rule.

6.07.4 Providing research-based before and after-school academic programs, including transportation to and from the programs.

6.07.5 Providing research-based pre-kindergarten programs that meet the program standards as outlined in the Rules Governing the Arkansas Better Chance program.

6.07.6 Employing Tutors:

6.07.6.1 Tutors must be able to demonstrate competency (as determined locally) in each area where instruction is provided.

6.07.6.2 Tutors must work under the supervision of highly qualified classroom teachers.

6.07.7 Employing Teacher's Aides:

6.07.7.1 Teacher's aides must be highly qualified.

- 6.07.7.2 Teacher's aides must work under the direct supervision of highly qualified teachers.
- 6.07.8 Employing licensed counselors and nurses above standard mandates.
- 6.07.9 Employing coordinated school health coordinator
- 6.07.10 Employing human service workers
- 6.07.11 Employing licensed mental health counselors
- 6.07.12 Employing licensed certified social workers or licensed social workers
- 6.07.13 Employing Curriculum Specialists:
 - 6.07.13.1 The Curriculum Specialists shall meet current licensure requirements that are outlined in the Rules Governing Initial and Standard Administrator Licensure.
- 6.07.14 Employing School Resource Officers (SRO) whose job duties include research-based methods and strategies tied to improving achievement of students at risk.
- 6.07.15 Providing experience-based field trips
- 6.07.16 Providing parent education that addresses the whole child.
- 6.07.17 Providing summer programs that implement research-based methods and strategies.
- 6.07.18 Providing early intervention programs:
 - 6.07.18.1 Early intervention means short-term, intensive, focused, individualized instruction developed from ongoing, daily, systematic diagnosis that occurs while a child is beginning in the initial, kindergarten through grade one (K-1), stages of learning social skills, early reading, writing, and mathematical strategies to ensure acquisition of the basic skills and to prevent the child from developing poor behavior and problem-solving habits which become difficult to change.
- 6.07.19 Obtaining materials, supplies, and equipment, including technology, used in approved instructional programs or for approved purposes. The approved programs and or purposes support the local educational agency's ACSIP.
- 6.07.20 Other activities approved by the ADE that will further the purposes of this Section. Such activities include, but are not limited to, research-based activities and activities directed at chronically under-performing schools.
- 6.08 Use of national school lunch state categorical funds shall be included within the school and/or school district's ACSIP. The ACSIP will include how the funds will be spent, the person(s) responsible, a timeline, and budget.

- 6.08.1 The district shall evaluate programs supported by national school lunch state categorical funds annually to ensure that the programs are providing intervention/prevention services designed to increase student achievement.
- 6.08.2 The district shall maintain documentation that supports gains in student achievement as measured by the state assessment system.
- 6.09 National school lunch state categorical funding may be carried over from one fiscal year to the next, but these funds shall remain restricted to priority areas as defined in these Rules or law.
- 6.10 National school lunch state categorical funding is restricted state aid, except as otherwise allowed by law or Rule.
- 6.11 Use of excess national school lunch state categorical funds to supplement teacher salaries
 - 6.11.1 School districts that have met the needs of students for whom the national school lunch state categorical funds are provided, and that have excess national school lunch state categorical funds, may request to use the excess national school lunch state categorical funds to supplement teacher salaries under the following conditions:
 - 6.11.1.1 The school district shall not use any portion of the national school lunch state categorical funds that are carry forward or reserve funds as a supplement to classroom teacher salaries;
 - 6.11.1.2 The school district is meeting the minimum teacher salary schedule under Ark. Code Ann. § 6-17-2403 without using national school lunch state categorical funds;
 - 6.11.1.3 The school district is in full compliance with the rules and laws governing the Standards for Accreditation of Arkansas Public Schools under Ark. Code Ann. § 6-15-201 et seq. and the rules and laws governing the Arkansas Fiscal and Accountability Program under Ark. Code Ann. § 6-20-1901 et seq. without using current year, carry forward or reserve national school lunch state categorical funds.
 - 6.11.1.4 The school district shall not allocate or use any excess national school lunch state categorical funds in any manner except to supplement teacher salaries, unless in accordance with the transfer provisions stated in section 8.00 of this rule.
 - 6.11.1.5 Excess national school lunch state categorical funds used as a bonus to supplement teacher salaries shall not be considered a permanent obligation under the school district's teacher salary schedule.
 - 6.11.1.6 The school district will include the amount and uses of excess national school lunch state categorical funds in its ACSIP.
 - 6.11.1.7 The district has met or is meeting the adequate educational needs of students.

- 6.11.1.8 The district has prudently managed its resources
 - 6.11.1.9 The district has met all requirements of Section 6.11 of this Rule
 - 6.11.1.10 If the district used excess national school lunch state categorical funds in the prior year to supplement teacher salaries, the district has submitted the required report on prior year expenditures as required by Section 6.11.5.
 - 6.11.1.11 The district has submitted the portion of its ACSIP that described the uses of national school lunch state categorical funds.
 - 6.11.1.12 The district has complied with the mandatory 20% reduction of actual amount of prior year national school lunch state categorical funds used to supplement teacher salaries above the minimum teacher salary schedule until the district has no more than 20% of the total of current year national school lunch state categorical funds used as a supplement to teacher salaries above the minimum teacher salary schedule.
- 6.11.2 A school district requesting to use excess national school lunch state categorical funds as a supplement to the minimum teacher salary schedule under Ark. Code Ann. § 6-17-2403 shall provide the following information to the Commissioner of Education, or designee, by February 15 of the school year for which approval is requested:
- 6.11.2.1 A statement of assurance attesting to compliance with sections 6.11.1 of these Rules
 - 6.11.2.2 The actual amount of excess national school lunch state categorical funds used to supplement salaries above the required minimum salary schedule in the previous school year, the actual amount of total national school lunch state categorical funds received in the previous school year, and the actual percentage of national school lunch state categorical funds used as a supplement above the required minimum salary schedule to total national school state categorical funds received.
 - 6.11.2.3 The budgeted amount of excess national school lunch state categorical funds used to supplement salaries above the required minimum salary schedule in the current school year, the budgeted amount of total national school lunch state categorical funds received in the current school year, and the calculated percentage of national school lunch state categorical funds used as a supplement above the required minimum salary schedule to total national school lunch state categorical funds received in the current year.
 - 6.11.2.4 If the percent of excess national school lunch state categorical funds used as a supplement above the required minimum salary schedule to total national school lunch state categorical funds received is greater than twenty percent (20%), the district shall reduce by twenty percent (20%) the actual amount of prior year national school lunch state categorical funds used to supplement teacher salaries above the minimum teacher salary schedule until the district has no more than twenty percent (20%) of the total of current year national school lunch state categorical funds used as a supplement to teacher salaries above the minimum teacher salary schedule.

- 6.11.2.5 No school district shall use national school lunch state categorical funds to supplement salaries above the required minimum salary schedule without first obtaining the express written approval of the Commissioner of Education of his/her designee.
- 6.11.3 A school district requesting to use excess national school lunch state categorical funds as a supplement in the form of a bonus, shall provide the following information to the Commissioner of Education, or designee, by February 15 of the school year for which approval is requested.
 - 6.11.3.1 A statement of assurance attesting to compliance with sections 6.11.1 of this Rule
 - 6.11.3.2 The information required in Section 6.11.2, and any other information requested by the ADE,
 - 6.11.3.3 The amount of funds to be used as a bonus.
 - 6.11.3.4 The total amount of national school lunch state categorical funds the district will receive in that year.
 - 6.11.3.5 In response to the district's request, the Commissioner shall evaluate the district's test scores against the state averages as one indicator of how the district has met the educational needs of students. Tests may include, but not be limited to, grades three (3) through eight (8) state required benchmark exams in math and literacy and state required end-of-course exams for algebra, biology, geometry, and literacy.
 - 6.11.3.6 As additional assessment data becomes available, it may also be included in the Commissioner's review
 - 6.11.3.7 No school district shall use national school lunch state categorical funds as a bonus without first obtaining the express written approval of the Commissioner of Education or his/her designee.
- 6.11.4 Upon review of the information required in Section 6.11.2, 6.11.3, and any other information requested by the ADE, if the Commissioner of Education, or designee, determines the school district has met the needs of students, has prudently managed its resources, and has complied with these Rules and the law, the Commissioner shall give written approval of the use of excess national school lunch state categorical funds to supplement teacher salaries.
 - 6.11.4.1 Such approval is limited to one school year.
- 6.11.5 By September 15 of each school year, any school district that received written approval to use national school lunch state categorical funds as a supplement to teacher salaries in the previous school year shall issue a written report to the Commissioner of Education listing:
 - 6.11.5.1 Each program upon which national school lunch state categorical funds were expended.
 - 6.11.5.2 The actual amount of national school lunch state categorical funds expended on each program.

- 6.11.5.3 Information required in Section 6.11.2 and 6.11.3, and any other information requested by the ADE.
- 6.11.6 Upon review, at any time during a school year, of a school district's Arkansas Comprehensive School Improvement Plan, those reports and information required by these Rules, test or financial data or other indicators of a school district, if the Commissioner of Education or his/her designee determines a school district has not met the needs of students that may be served by national school lunch state categorical funds, has provided false or misleading information or has failed to comply with the provisions of the district's submitted plans without obtaining ADE approval to change the submitted plans required by this rule, the Commissioner of Education may require that any and all national school lunch state categorical funds dedicated for use or application as a bonus shall be removed from and not used as a bonus and may require the school district to redirect the national school lunch state categorical funds to meet other educational needs of the students of that district.
- 6.11.7 Only those school districts which previously used or applied excess national school lunch state categorical funds to supplement the teacher salary schedule for all classroom teachers in the district as part of a salary obligation may continue to use national school lunch state categorical funds as a salary obligation to the extent the district has received approval from the Commissioner of Education under Section 6.12 and the district is in full compliance with these Rules.

7.00 Special Needs - Professional Development

- 7.01 The Professional Development funding amount shall be an amount up to the amount required by law times the district's ADM of the previous school year.
- 7.02 Professional Development funding shall be expended for approved programs and purposes identified in the Rules Governing Professional Development and employing literacy, mathematics, or science coaches as described in these Rules.
- 7.03 Districts may expend state Professional Development funding to provide the requisite hours of professional development required by Rule or law.
- 7.04 Professional Development funding is restricted state aid. Professional Development funding shall be spent on activities identified in these Rules, except as otherwise allowed by law or Rule.
- 7.05 Professional Development funding may be carried over from one fiscal year to the next, but these funds shall remain restricted to priority areas as defined in these Rules.
- 7.06 Professional Development activities and funding shall be included in the district's ACSIP.

8.00 Financial Accounting for Special Needs State Funding for ALE, ELL, National School Lunch Students, and Professional Development

- 8.01 After having provided programs designed to meet the needs of students in the respective categorical funding areas, a school district may transfer and expend funds on any of the special needs categories allowed for in these Rules.
- 8.02 Special needs state funding of ALE, ELL, National School Lunch students, and Professional Development may be used for any of the expenditures identified in these Rules.
- 8.03 Districts shall report the funds received under each special needs state funding category.
- 8.04 Districts shall report the expenditures of all special needs state funds as required by law, including, but not limited to, fund balances remaining on June 30 of each year.
- 8.05 The funds received, transferred, expended, and/or carried over shall balance.
- 8.06 If the ADE determines that a district would lose any federal funding due to these explicated expenditure requirements, the special needs state funds may be expended for other academic programs or salaries, as permitted by the ADE.