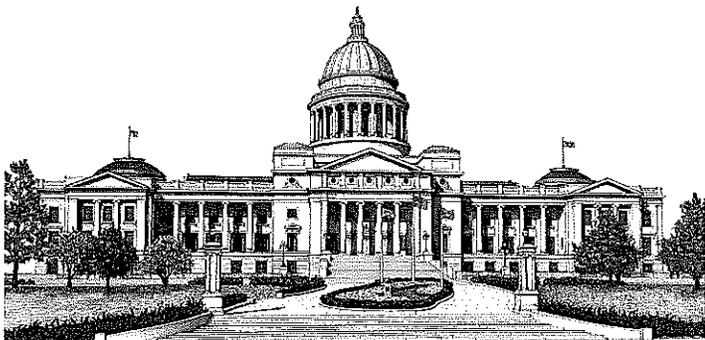


ARKANSAS REGISTER

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Department Legal Division

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Contact Person

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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.)

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Title

June 17, 2016

Date

Arkansas Natural Resources Commission
Rules Governing Conservation Districts
Title 2
(revised July 20, 2016)

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Arkansas Natural Resources Commission
Rules Governing Conservation Districts

Subtitle I. General provisions

Section 201.1 Purpose.

The purpose of these rules is to outline procedures for the establishment and operation of conservation districts.

Section 201.2 Enabling and pertinent legislation.

- A. Ark. Code Ann. §14-125-101, et seq., Conservation District Law.
- B. Ark. Code Ann. §15-20-201, et seq., Arkansas Natural Resources Conservation Commission.

Section 201.3 Definitions.

The following definitions shall apply to all parts of these rules:

- A. Commission: The Arkansas Natural Resources Commission, formerly known as Arkansas Soil and Water Conservation Commission, as defined in Ark. Code Ann. §15-20-201, et seq.
- B. Conservation district or district: A district created under the Conservation District Law, Ark. Code Ann. §14-125-101, et seq.
- C. Conservation Division Chief: The person employed by the Commission to oversee decisions related to conservation programs and conservation districts.
- D. Director: A member of the governing board of a conservation district, as defined by Ark. Code Ann. §14-125-301, et seq.
- E. Executive Director: The person appointed to administer the affairs of the Arkansas Natural Resources Commission, as defined by Ark. Code Ann. §15-20-205.
- F. Local Funds: Funds provided to, or earned by, the district from a source other than the state during the fiscal year of the request.
- G. Operating Plan: A district's proposed budget, goals, and annual report, as defined in Section 217.2 of these rules.
- H. Special Project: A planned undertaking to research, demonstrate, construct or enhance the conservation of land and water resources.
- I. Operating Funds: State funds provided to a conservation district with an operating plan approved by the Executive Director.

Section 201.4 Executive Director and staff assistance.

The Executive Director and Commission staff shall assist the districts in complying with these rules. Guidelines may be developed to assist districts in complying with these rules, but the rules themselves shall be controlling.

Subtitle II. Creation of a district

[Reserved] See Ark. Code Ann. §14-125-201 et seq.

Subtitle III. Division of a district

[Reserved] See Ark. Code Ann. §14-125-401 et seq.

Subtitle IV. Combination of districts

[Reserved] See Ark. Code Ann. §14-125-401 et seq.

Subtitle V. Discontinuance of a district

[Reserved] See Ark. Code Ann. §14-125-901 et seq.

Subtitle VI. Changing the name of a district

[Reserved] See Ark. Code Ann. §14-125-410

[Subtitles VII through VIII reserved]

Subtitle IX. Appointment of Conservation District Directors Emeritus

Section 209.1 Conservation District Directors Emeritus Program. This program recognizes individuals who have served twenty-five (25) or more years of concurrent or intermittent service on a conservation district board or boards, or alternatively, twenty-five (25) or more years of experience deemed equivalent by the Commission. It also provides a mechanism for tapping institutional knowledge attained by these individuals without requiring them to serve as government officials.

Section 209.2 Role of a Director Emeritus. A Director Emeritus serves the district by providing knowledge, experience, and wisdom to the district's elected and appointed directors. A Director Emeritus may continue to commit time, energy, and other resources to the District while serving in an advisory, non-voting capacity without legal or fiduciary responsibilities. A Director Emeritus is appointed for life.

Section 209.3 Process of awarding Director Emeritus title.

A. After obtaining the consent of a qualifying individual who has provided previous service to the district or who currently serves as a district director, a conservation district board may nominate him or her to the Commission for appointment as a Director Emeritus.

B. Upon receipt of a conservation district board's completed nominating petition for a qualifying individual, the Commission will approve the nominated individual.

Section 209.4 Process for filling board vacancy due to acceptance of Director Emeritus position.

If the Commission approves an individual as a Director Emeritus that currently serves as a district director, the Commission shall appoint a director to serve the remainder of the Director Emeritus's term.

Subtitle X. Appointment and reappointment of district directors

Section 210.1 Notification of expiration of term.

Sixty days prior to the expiration of an appointed director's term, the Executive Director shall notify the director and the district board of the date of the expiration of the term.

Section 210.2 Board recommendation.

The Commission shall consider any appointment recommendation which may be made by the remaining members of the local governing board.

Section 210.3 Reappointment of director.

A. Any appointed director seeking reappointment shall provide the Executive Director with a certified statement from the district board summarizing the director's attendance at district board meetings, area, and state meetings for the past three years, and proof of completion of the Commission's approved training program for directors.

B(1). No appointed director shall be reappointed unless that director has attended sixty-five percent (65%) of the district meetings and three state or area meetings within the last three years or has obtained a waiver pursuant to Subtitle XII of these rules.

(2). A director may meet the state or area meeting attendance requirement by attending a meeting or meetings approved by the Executive Director as being of regional or state importance to soil and water conservation.

Section 210.4 Public request for appointment.

Any person owning land within a district who is registered to vote under the election laws of Arkansas may be considered by the Commission for appointment by filing a written request with the Executive Director. The request shall remain on file with the Commission until the district's next board vacancy. If the Commission receives a written request for appointment to a particular conservation district board, the Commission will notify that board of the request.

Title II

Section 210.5 Review of qualifications of prospective appointees. The Executive Director shall review the qualifications of anyone proposed as an appointed director. This review may include an interview with the applicant, or a request for recommendations from persons having knowledge of the applicant's interest and activities in the areas of soil and water conservation.

Section 210.6 Report of the Executive Director. By the first regular meeting of the Commission after the expiration of the appointed director's term, the Executive Director shall provide the Commission with the names and qualifications of all prospective appointees.

Section 210.7 Commission action. Upon presentation by the Executive Director, the Commission may:

- A. Select one of the prospective appointees,
- B. Ask for additional information concerning any of the applicants, or
- C. Ask the Executive Director to seek additional applicants.

Section 210.8 Issuance of certificate of appointment. After a director has taken the oath of office and submitted proof to the Commission, the Executive Director shall issue a certificate of appointment to the district director.

Subtitle XI. Election and reelection of district directors

Section 211.1 Elections. Elections will be held on the first Tuesday in March in districts designated by statute. All polling places shall be open for voting from 8:00 a.m. to 5:00 p.m.

Section 211.2 Notice to district. By December 10, the Executive Director shall notify the districts which have elections scheduled for the following March.

Section 211.3 Appointed directors to serve as election committee. The appointed district directors constitute the District Election Committee, the Commission's representative for conducting elections. The Committee's duties include the following:

1. Publishing notice of the election, availability and qualifications for obtaining an open position on the board, and the deadline for filing the candidate nomination petition;
2. Selecting the polling sites;
3. Appointing a person or persons to oversee polling sites;
4. Conducting the election; and
5. Collecting absentee and regular ballots and counting votes.

Section 211.4 Approval of polling place.

By February 1 of election year, the District Election Committee shall submit, for the Executive Director's approval, the location(s) of polling place(s) for the district election. The number and location of the polling place(s) shall provide adequate coverage of the district.

Section 211.5 Petitions.

A. To qualify as a candidate, a person owning land within the district and registered to vote under the election laws of Arkansas shall submit to the Commission a candidate nomination petition, signed by twenty-five (25) or more qualified electors, stating that each signatory is a registered voter in the State of Arkansas and is an owner of land within the district.

B. All petitions for candidacy shall be submitted to the Commission on or before February 10.

Section 211.6 Reelection of directors.

A. Any elected director seeking re-election shall provide the Executive Director with the following: a certified statement from the district board summarizing the director's attendance at district board meetings, area and state meetings for the past three years; and proof of completion of the Commission's approved training program for directors.

B. (1) No elected director shall be re-elected unless that director has attended sixty-five percent (65%) of the district meetings and three state or area meetings within the last three years or has obtained a waiver pursuant to Subtitle XII of these rules.

(2) A director may meet the state or area meeting attendance requirement by attending a meeting or meetings approved by the Executive Director as being of regional or state importance to soil and water conservation.

Section 211.7 Certification of candidates.

The Executive Director must certify a person as a candidate prior to the election before that person may be elected to the office of director.

Section 211.8 Notice of election.

A. The Election Committee shall, prior to the election and at district expense, publish a notice of election twice, seven days apart, in a district newspaper of general circulation.

B. The Executive Director shall, prior to the election, publish a notice of election twice, seven days apart, in a newspaper of statewide circulation. The notice shall identify districts holding elections that year.

Section 211.9 Ballots.

A. The Executive Director shall provide the requested number of ballots to the District Election Committee.

B. The names of certified candidates shall be alphabetized, by surname, on the ballots. The ballots shall contain instructions to vote for three by placing an "X" in the appropriate boxes.

Section 211.10 Voting procedure.

A. Any person who is a registered voter of the state and is an owner of real estate within the district is a qualified elector.

B. Prior to obtaining a ballot, a person shall sign a registration of voters, an affirmation that the person is a qualified elector.

C. After obtaining a ballot, the person shall select up to three candidates to serve as district directors by putting an "X" in the appropriate boxes, and then placing the ballot in the ballot box.

Section 211.11 Early voting and absentee ballots.

A. Ballots shall be available at the district office two weeks prior to the election for all qualified voters. No ballot shall be removed from the district office except as provided in Subsection B below. The voting procedure under this subsection shall be the same as the regular procedure contained in Section 211.10 of these rules.

B. An infirmed person, whose physical condition makes it difficult to vote on election day may obtain a ballot by presenting a signed, written statement that the person making the request:

1. Is a registered voter in Arkansas;
2. Owns land within the district;
3. Cannot vote on election day due to health reasons; and
4. Is attaching the name of the person authorized to deliver the ballot to the infirmed person. The person so-named shall present the request to the Election Committee to obtain a ballot and shall return the ballot to the district office by the Monday before election day.

Section 211.12 Write-in candidates.

No write-in candidates shall be allowed. Votes for write-in candidates shall be void and shall not be counted.

Section 211.13 Vote tally.

A. After the polls close, the Election Committee shall collect all ballot boxes and election materials.

B. Both members of the Election Committee shall together open the ballot boxes and count the votes cast.

C. Any ballot with more than three candidates marked shall be disqualified and not be counted. Any ballot with write-in candidates shall be disqualified and not be counted.

D. The Election Committee shall certify to the Commission the results of the election, including the number of voters and the number of votes for each candidate.

E. The Election Committee shall then post results at polling place(s), the district office and other public places in the district.

F. The ballots and other election materials shall be maintained in a secure place until the Executive Director requests that they be sent to the Commission or indicates that they may be destroyed.

Section 211.14 Election challenge.

A. Any person challenging results of the election shall, within three days of the election, notify the Executive Director, in writing, outlining the reasons for the challenge.

B. The Executive Director shall investigate any allegations made, including: taking ballots and other election materials into custody, recounting the vote, or verifying those voting in the election.

C. The Executive Director shall report any findings to the Commission.

D. The Commission may then require a recount of votes, confirm the results as reported, set aside the results and conduct a special election, or take any other appropriate action.

211.15 Issuance of certificate of election.

After a director has taken the oath of office, and submitted proof to the Commission, the Executive Director shall issue a certificate of election to the district director.

Subtitle XII. Waiver of attendance requirement for reappointment or certification as candidate for reelection

Section 212.1 Request for waiver.

Any appointed or elected director failing to meet the attendance requirement and seeking certification as a candidate for reappointment or re-election may request a waiver by submitting a request in writing to the Executive Director. In the request, the director should explain the failure to meet the attendance requirement for the past term.

Section 212.2 Meeting with director making request.

After receipt of a waiver request, a member of the Commission chosen by the Commission Chairman and the Executive Director, or his designee, shall meet with the director making the waiver request. At the meeting, inquiry should be made as to the reason for failure to meet the attendance requirement and the director's ability to meet the attendance requirement in the future. The Executive Director and Commission member shall stress the importance of regular attendance at district board meetings and attendance at area and state meetings.

Section 212.3 Consideration of request.

A. Prior to the meeting in which a director's request for waiver is to be considered, the Executive Director shall invite, but not require, the director to attend the next Commission meeting and make a statement, if he so desires, concerning the waiver request.

B. At the time of consideration of the waiver request the member of the Commission and Executive Director or his designee shall make a report of the meeting held pursuant to Section 212.2.

C. The Commission shall then approve or disapprove on the waiver of attendance requirement request, and the decision shall be duly noted in the Commission's permanent records.

Section 212.4 Criteria in making decision with respect to waiver request.

A. Local meeting requirements. Attendance at local conservation district board meetings is of utmost importance to efficient and effective district activities. Waivers for directors failing to attend more than fifty percent (50%) of the local meetings will not be considered.

B. Area and state meeting requirements. Directors should make every effort to make the appropriate area and state meetings. In determining whether to grant a waiver request, the Commission may consider the other conservation district activities undertaken by the director making the request.

Subtitle XIII. Resignation of district directors and decline of office

Section 213.1 Resignations in writing.

All resignations shall be in writing.

Section 213.2 Resignations filed with Commission.

All resignations shall be filed with the district board and the Commission.

Section 213.3 Resignations effective.

Unless the resignation provides otherwise, a resignation shall be effective upon receipt by the Executive Director.

Section 213.4 No contingent resignations.

No resignation shall be contingent upon another event.

Section 213.5 Decline of office.

An elected or appointed director will be deemed to have declined the office of director if that director fails to take the required oath of office within 60 days of certification of election returns or appointment by the Commission. The Commission shall then appoint a new director pursuant to these rules.

Subtitle XIV. Removal of district directors

Section 214.1 Grounds for removal.

The Commission shall have the power to remove directors for neglect of duty or malfeasance in office, but for no other reason. A director who is absent from three, successive, regular monthly meetings or two, successive, regular quarterly meetings shall be removed for neglect of duty, unless the Commission is presented with a satisfactory written explanation.

Section 214.2 Petition for removal.

Any person seeking a director's removal shall file a petition with the Executive Director, stating specific allegations of the director's alleged neglect of duty or malfeasance in office. The signed petition shall be accompanied by an affidavit stating that the information contained in the petition is true to the best of affiant's knowledge and belief.

Section 214.3 Executive Director to investigate.

Upon receipt of a petition contained in Section 214.2, or on personal initiative, the Executive Director shall investigate whether there are grounds for a district director's removal under Section 214.1. The Executive Director shall then report any findings and recommendations to the Commission.

Section 214.4 Review of Commission.

If, after receiving the Executive Director's report on the allegations, the Commission determines a hearing is warranted, then a hearing by the Commission, or by an appointed hearing officer, shall be conducted as an administrative adjudication under the Administrative Procedure Act.

Section 214.5 Decision of the Commission.

The Commission shall enter a finding of fact and a conclusion of law, and if the Commission determines that a director should be removed, an order authorizing removal. The Commission may, based upon the record presented, remove a director for neglect of duty or malfeasance in office.

Section 214.6 Appointment of successor.

Upon removal of a director under this subtitle, the Commission shall appoint a successor pursuant to these rules.

[Subtitles XV through XVI reserved]

Subtitle XVII. District operations

Section 217.1 Operating plan required.

Each year prior to September 1, the district shall submit to the Executive Director an operating plan for the fiscal year (July 1-June 30).

Section 217.2 Operating plan contents.

The operating plan shall contain as a minimum the following:

- A. A brief statement of existing district program;
- B. The district's long-term and short-term goals in regard to local resource concerns and needs;
- C. Specific activities for the upcoming year, defined in a plan of work, to accomplish the district's goals;
- D. A budget itemizing use of district funds to accomplish the activities.
 - 1. Proposed annual budget due by September 1 each year.
 - 2. The proposed budget must reflect the proposed operating revenue and expenditures and will incorporate any financial goals stated in the annual operating plan.
- E. An assessment of last year's activities and the effectiveness in accomplishing district goals (due by September 1); and
- F. An assessment of the thistle problem, if any, within the district, proposed methods of thistle control and eradication, and an assessment of the effectiveness of the last year's efforts to control and eradicate the thistle.

Section 217.3 Disqualification from Commission funding.

Failure to submit an operating plan acceptable to the Executive Director shall result in the district being disqualified from receiving funds from the Commission.

Section 217.4 District meetings.

A. Each district must provide notice of its meetings, regular and special, in compliance with the Arkansas Freedom of Information Act.

B. Each district shall hold at least nine monthly meetings per year.

C. Each district must establish a consistent time and date for its monthly board meetings. If due to unforeseen circumstances there is need to change the time and date, the district must notify the Commission within twenty-four (24) hours of the decision to reschedule the meeting and must provide at least twenty-four (24) hours of notice of the newly scheduled date and time.

D. Each district must submit its minutes to the Commission immediately following approval.

Section 217.5 Hiring practices

A. To avoid all appearance of impropriety, no conservation district shall:

1. Hire an employee to supervise or be supervised by a relative, and
2. Hire an employee who is a relative of a district board member.

B. A relative shall be considered someone related to a supervisory employee or director within the third degree according to civil law.

1. To determine the degree of relationship, begin with one of the individuals and count one degree for each level of the genealogical chart up to the common ancestor, and then count one degree for each level downward until the other individual is reached. For example, brothers or brothers-in-law would be related to each other within the second degree.

C. Any employee hired prior to the effective date of this rule is exempt from the application of this rule.

Section 217.6 District employees.

A. Districts shall adopt employment policies addressing at least the following issues:

1. Rate of pay;
2. Pay periods;
3. Leave accrual, both vacation and sick leave; and
4. Compensation for unused leave.

B. District employees may be paid only upon submission of a timesheet for the applicable pay period signed by the employee and accounting for hours worked during the pay period and leave taken during the pay period.

1. Timesheets must be reviewed and signed by at least one member of the district board before an employee may be paid.

2. District employee paychecks must be signed by two bonded, unrelated persons, one of whom must be a district director.

C. Leave time records must be reviewed by district boards.

Subtitle XVIII. State funding

Section 218.1 State fund requests.

A. As a matter of administrative convenience, workers' compensation premiums, fidelity bond premiums, and membership fees for the Arkansas Association of Conservation Districts and

the National Association of Conservation Districts will be withheld and paid by the Commission from state funds prior to commitment of operating or special project funds. However, the Commission will not withhold dues for payment of membership fees to the Arkansas Association of Conservation Districts or the National Association of Conservation Districts on behalf of any district that objects to dues being withheld for such purpose.

B. Application for operating funds and the corresponding operating plan will be submitted to the Commission office by September 1.

C. The Executive Director's approval of the operating plan is necessary before operating funds are distributed to the district.

Section 218.2 Special project fund requests.

A. Special project fund requests may be submitted at any time after approval of the operating plan.

B. A special project may be funded only if the district does not have sufficient reserve funds to cover the cost of the project.

C. A request for special project funds shall include:

1. A narrative of the proposed project including how the project is beneficial to conservation of land and water resources, and

2. A project budget including sources and uses of funds.

D. Upon completion of the project, an accounting of monies spent on the project shall be submitted to the Commission.

E. Upon completion of the project, all remaining state funds shall be returned to the Commission.

F. Failure to comply with the requirements of this subtitle may result in the district being ineligible for State funds for up to three years.

Section 218.3 Approval of applications.

A. The Executive Director shall report to the Commission the approval or disapproval of each district's operating plan, which shall be duly noted in the Commission minutes.

B. The Executive Director shall recommend to the Commission, at its regular June meeting, a commitment of state funds to each district which is in compliance with these regulations.

C. Requests for operating funds and special project funds shall be prioritized by the Commission based upon the following criteria:

1. The degree of cooperation and assistance from county and municipal government;

2. Nature and extent of resource problems within the district;

3. Adequacy of operating plan in addressing priority problems;

4. Consistency with Commission goals;

5. Furtherance of district's goals; and

6. Whether the district's actual expenditures were consistent with its proposed budget during the previous fiscal year.

D. The Commission shall establish the maximum amount of operating funds available for each district under this subtitle.

Section 218.4 Distribution of operating funds.

After approval of a conservation district's operating plan, operating funds will be distributed as often as quarterly, starting in July. The Commission may withhold operating funds from any district that fails to submit required reports, including the annual operating plan. The Commission may also withhold funds from districts that fail to meet deadlines for administration of Commission programs, including poultry registration and water use reporting.

Section 218.5 Fund limitations and priority.

All funding requests are subject to the availability of state revenues, with operating funds having priority over special project funds.

Subtitle XIX. Financial records

Section 219.1 Accounting.

A. A district shall use an accounting system approved by the Executive Director. A district may use either the cash or accrual basis for accounting.

B. All district checks must bear authorized signatures of two, bonded, unrelated persons, including at least one district director.

C. No district check may be signed with a blank payee line or amount.

D. Signature stamps shall not be used on district checks.

E. Debit cards shall not be obtained or used by districts.

F. Each district shall instruct its financial institution to mail statements for all district bank accounts to a member of the district board.

G. A current comparative balance sheet, comparative profit and loss report, bank reconciliation and copies of the most recent bank statements for all district accounts must be signed by the district treasurer and attached to and made part of the minutes of each regular district board meeting.

219.2 Financial report.

By September 1 of each year, the district shall submit to the Commission a financial report including a comparative balance sheet and comparative income statement for the previous fiscal year, signed by the district board members and the employee who prepared the report.

Section 219.3 Annual review of financial records.

A. The Commission shall provide a Certified Public Accountant to perform agreed-upon procedures established by the Commission.

B. All district books are subject to review by Commission staff.

Section 219.4 Report of difficulties.

Districts shall immediately report any financial difficulty or irregularity to the Executive Director, who shall investigate and offer assistance. The Executive Director may also require additional financial reports or request an audit of the district books and accounts by the Division of Legislative Audit.

Section 219.5 Inventory.

- A. Districts shall maintain an inventory of district owned equipment, listing date of purchase and serial number of each item.
- B. Each item of equipment shall be given a number and the number placed permanently upon the equipment.
- C. Prior to disposal or sale of any equipment listed in the district's inventory, the district must contact the Commission in advance of the sale to obtain approval.
- D. Upon disposal of any equipment on the inventory, the date and method of disposal shall be noted in the inventory records.

Section 219.6 Equipment rental and sale of goods.

- A. A district shall maintain an inventory of goods owned by the district that are made available to the public for rental or sale.
- B. A district shall establish accounts as necessary to track equipment rental and sales and maintain those accounts using the method approved by the Executive Director.
- C. All money received for equipment rental and the sale of goods shall be credited to the applicable accounts.

Section 219.7 Program accounting.

- A. A district shall follow the standardized chart of accounts established by the Commission. All money received by the district shall be credited to the applicable accounts.
- B. Districts shall issue all required Internal Revenue Service forms to contractors and cooperators.

Section 219.8 District travel.

Districts should substantially comply with the State of Arkansas Travel Regulation as promulgated by the Chief Fiscal Officer of the State pursuant to Ark. Code Ann. § 19-4-901, et seq.

Section 219.9 Penalty for noncompliance.

Failure to comply with requirements of this Subtitle may disqualify a district from operating funds for up to three years pursuant to Ark. Code Ann. § 14-125-109(d).

Subtitle XX. Conservation district beaver control program

Section 220.1 Purpose.

- A. The Conservation District Beaver Control Program enables the Commission to help control Arkansas's beaver population by reimbursing conservation districts ten dollars per beaver for payments districts make to beaver harvesters under these rules.
- B. Reimbursements shall be made for beaver only, though district plans may offer incentives for the control of other nuisance animals.
- C. The Commission shall not be liable for reimbursements requested after the money available for the program is expended.

Section 220.2 District participation.

To receive money under the Conservation District Beaver Control Program, conservation districts must submit a written beaver control plan to the Executive Director by January 1 of the applicable calendar year. The district plan must be approved by the Executive Director before reimbursable harvesting may begin. The Executive Director may allocate a portion of the appropriation available in the applicable fiscal year to each district which submits an approved plan. The district plan must comply with the following provisions:

- A. The district board shall designate a beaver control officer.
- B. To receive payments, beaver harvesters shall present beaver tails to the beaver control officer, who shall cut a "V" notch in the rounded end.
- C. The beaver control officer shall certify to the district board, at intervals to be set in the district plan, the number of beavers presented by each certified harvester.
- D. The district may then apply to the Commission for reimbursements by submitting the Reimbursement Form to the Executive Director at reasonable intervals.
- E. The plan shall specify the anticipated number of beavers for which reimbursement will be requested during the fiscal year.
- F. Each district must also provide the Commission with quarterly reports and proof of payment to trappers.

Section 220.3 Funding.

- A. After expiration of the time for submission of beaver control plans, the Executive Director shall review the state funds available for the program in the current fiscal year and determine the funds available for the beaver control program.
- B. The Executive Director shall allocate the available funds to each district desiring to participate in the program. This allocation shall be based upon the district's demonstrated need for beaver control and the probable success of the district's beaver control program. In making the allocation, the Executive Director may consider the following: the beaver control plan, the estimated number of beavers within the district, the type and severity of damage, the number of beavers harvested in the past under this or similar programs, and other factors to ensure equity in allocation.
- C. After allocation, the Executive Director shall provide each participating district the amount of its allocation.
- D. Each district may request reimbursement as provided in this subtitle up to the amount of its allocation.
- E. The Executive Director shall review the allocation of funds on or about April 1 of each year or as otherwise necessary to assure that the funds are used as effectively as possible. No reduction in any participating district's allocation shall occur without prior notification to the district.

[Subtitle XXI reserved]

Subtitle XXII. Conservation district grant program

Section 222.1 Purposes.

- A. The purpose of this program is to enhance the capability of conservation districts to carry out conservation within their respective district.
- B. The purpose of the subtitle is to establish a procedure to administer the program.

Section 222.2 Availability of funds.

- A. Upon review of the Commission's annual appropriation for conservation districts and other funds available for the district program, the Commission may allocate a portion of available funds for the grant program.
- B. Funds provided under this subtitle are limited to those funds actually made available by the Commission for this purpose. The Commission is not required to provide funds under this subtitle if the funds are not appropriated or otherwise not available.

Section 222.3 Application period and notification of application period.

- A. Upon allocation of funds for this program by the Commission, the Executive Director shall establish a period in which he shall accept applications for funds available under this program. The application period shall be at least thirty (30) days.
- B. The Executive Director shall notify each conservation district that applications are being accepted for the program and the last day that applications will be accepted.

Section 222.4 Projects for which grants may be obtained and applicants.

- A. Projects eligible for grant funds must carry out resource enhancement, restoration or protection and must be new or in addition to those in which a district is currently involved.
- B. Projects intended to replace existing programs are not eligible for grant funding.
- C. Only conservation districts may make application for assistance under this subtitle.

Section 222.5 Application procedure.

Applications shall be in writing and submitted in a form acceptable to the Executive Director. The following information shall be submitted:

- A. The name, address, telephone and facsimile number of the conservation district making application.
- B. The name, address and telephone number of a contact person with knowledge of the application.
- C. A brief narrative of the project including benefits to be gained for the project.
- D. Project budget, including funds requested under this subtitle and amounts and sources of other funds. Budget shall be of such detail to allow review of application for financial feasibility.
- E. List of other governmental agencies, groups, associations, corporations or individuals that have agreed to assist with the project, including any in-kind resources that they will provide. Monetary contributions should be listed in Subsection D above.
- F. Any additional information requested by the Executive Director.
- G. Application shall be authorized by the district board and signed by the district chairman.

Section 222.6 Review of applications.

- A. All applications received during application period shall be reviewed by the Conservation Division Chief and field staff.
- B. The Conservation Division Chief and field staff shall:
 - 1. Review the applications for feasibility, practicability, and potential benefits to the applying district;
 - 2. Rank the applications; and
 - 3. Make recommendations to the Executive Director as to award of grants.
- C. After review of the rankings and recommendations, the Executive Director shall make a recommendation of projects to be funded to the Commission, based upon the review and the project's potential to further the goals of the Arkansas Water Plan, the Nonpoint Source Pollution Abatement Program, the Arkansas Conservation Partnership Strategic Plan, or other identifiable conservation goal.

Section 222.7 Award of grants.

After review of the applications and the recommendations of the Executive Director, the Commission may make grant awards based upon the potential benefits to conservation in the applying district, region or the State as a whole.

Section 222.8 Grant agreement and reports.

- A. Prior to providing funds, the Executive Director and conservation district awarded a grant under this subchapter shall enter into a grant agreement.
- B. The grant agreement shall incorporate the application by reference and establish the terms and conditions of the grant. No funds shall be disbursed prior to execution of the grant agreement.
- C. At the completion of the project for which grant funds have been provided, the conservation district shall provide to the Executive Director a review of the project including, but not limited to the following:
 - 1. actual benefits of the project;
 - 2. how actual benefits differed from what was expected; and
 - 3. summary of project receipts and project expenditures.
- D. On multiple year projects, this review shall be done annually.
- E. Funds provided for under this subtitle shall be accounted for as part of a conservation district's financial operation as contained in Subtitle XIX of these rules. The Executive Director may require additional accounting of funds as the Executive Director deems necessary.

Section 222.9 Additional conditions.

The following conditions shall apply to grants provided under this subtitle:

- A. Maximum total grant available per district is \$25,000 per year. For multiple district applications, grants of up to \$25,000 per project per district per year may be approved.
- B. Grants shall be awarded for only two years for the same or similar projects.
- C. Grant funds must be matched by local cash funds or cash equivalents on a ratio of \$1 local to \$2 grant. Local funds may be used only once for any matching requirement.
- D. At the time the grant application is submitted under Section 222.5, the conservation district must ask the Executive Director for a determination that its proposed cash equivalents be eligible for the matching requirement. The request must concisely describe the type and the source

of the proposed non-cash matching. Prior to or at the time of grant award, the Executive Director will notify the requesting district of the acceptability of non-cash matching as cash equivalents for Subsection C requirements.

E. In cases where the grant is used to fund personnel, it must be used for newly hired personnel or additional hours of existing employees.

[Subtitle XXIII through Subtitle XXIV reserved]

Subtitle XXV. Rules governing the delegation and operation of the water conservation education and information program by conservation districts

Section 225.1 Purpose.

A. The Commission pursuant to Ark. Code Ann. §15-22-907 is required to develop and implement an education and information program to encourage water conservation. This program should increase the public's awareness of the need for and techniques available for water conservation.

B. The Commission has determined that for this program to be most effective, a portion of the effort should be on a local basis. Conservation districts are well qualified to undertake the local water conservation education and information program and are the most logical organizations to operate the program on a local basis. This subtitle establishes the procedure for delegation and operation of a local water conservation education information program by a conservation district.

Section 225.2 Request for delegation of local program.

Upon request by a conservation district and determination by the Executive Director that the district has the ability to successfully undertake the program, the local portion of the education and information program may be delegated to the requesting district under the terms of these rules.

Section 225.3 Memorandum of understanding.

Any district wishing to obtain delegation of the local portion of the education and information program within its boundaries shall enter into a memorandum of understanding with the Commission agreeing to abide by the rules of the Commission.

Section 225.4 Available funding.

The Commission will from time to time make funds available for the education and information program to the districts operating the local program. The source of the funds may be, but is not limited to, water use reporting fees collected pursuant to Ark. Code. Ann. §15-22-913 and Titles III and IV of the Commission's rules.

Section 225.5 Local program contents.

Each local program shall contain the following elements:

A. Education,

- B. Training,
- C. Technology transfer,
- D. Technical assistance, and
- E. Demonstration projects.

Section 225.6 Specific local program activities.

The scope of the program must be tailored to meet local water conservation needs and available funding. It may consist of any or all of the following activities:

- A. Making presentations to civic groups, schools, and professional organizations;
- B. Producing newsletters to be sent to all water users and other interested groups;
- C. Setting up displays at meetings, symposiums, and the county fair;
- D. Attending water conservation training provided by the Commission, USDA, Natural Resources Conservation Service, or other agency or group and utilizing that information within the district;
- E. Conducting or making presentations at irrigation or conservation field days;
- F. Assisting volunteer groups in developing water education programs;
- G. Establishing a one-on-one training program for the water user;
- H. Utilizing the local media, including radio and television, to inform residents of water use reporting and water conservation information;
- I. Using educational videos dealing with water use reporting and water resources conservation information; or
- J. Any other activity that the Executive Director may approve.

Section 225.7 Specific local plan and review.

- A. As a part of the district's operating plan submitted pursuant to Section 217.2(C) of the Commission rules, the district shall outline the specific goals and activities that it will undertake to accomplish these goals as part of its local education and information water conservation plan.
- B. A budget for the education and information plan shall be prepared and submitted as part of the district's proposed budget within the operating plan prepared pursuant to Section 217.2(D) of the Commission rules.
- C. An assessment of last year's water conservation education and information activities and its effectiveness in obtaining those goals shall be included in the operating plan assessment required under Section 217.2(E) of the Commission's rules.

Section 225.8 District transfer of funds.

A district obtaining delegation of the local water conservation education and information program under this subtitle may, by appropriate resolution of the district board, transfer funds held for use under this title to the Arkansas Water Resource Agricultural Cost-Share Program fund created under Title X of the Commission rules. Notice of this transfer shall be properly noted in the district's permanent records and accounting records.