

(b) The board shall review all audit reports and working papers filed with the board under this subchapter. The board shall determine whether the report is in general conformity with applicable professional standards and state laws and regulations and shall take appropriate action.

History. Acts 1999, No. 1563, § 3.

6-20-1804. List of ineligible accountants.

(a) The Department of Education shall maintain a list of accountants or accounting firms ineligible to conduct school district audits. Accountants or accounting firms placed on the ineligibility list by the department shall be ineligible to conduct school audits for a period determined by the department but which shall not exceed a five-year period from the end of the fiscal year for which the audit report was contracted to be prepared.

(b) Before entering into contracts for audit services, school districts shall inquire with the department which accountants are ineligible to conduct public school audits.

(c) The department may place accountants or accounting firms on the ineligibility list for any of the following reasons:

(1) If, in the opinion of the department or the Legislative Joint Auditing Committee, a school district audit report is not filed within the nine-month time period or within the time period under any extension granted by the department with the department and the Division of Legislative Audit as required by § 6-20-1801 because of neglect or fault of the certified public accountant or accounting firm;

(2) If the Quality Review Committee of the Arkansas State Board of Public Accountancy reports to the department and the Legislative Joint Auditing Committee that a school district audit report shows evidence of lack of general conformity with applicable professional standards or state laws and regulations or evidence that the report is substandard or seriously questionable; or

(3) Any other compelling reason that the department believes justifies placing the accountant or accounting firm on the ineligibility list.

History. Acts 1999, No. 1563, § 4; Acts 2003 (2nd Ex. Sess.), No. 63, § 3.

6-20-1805. Training requirements for bookkeepers.

(a) The State Board of Education shall establish by rules or regulations appropriate training and continuing education requirements for individuals whose job responsibilities include preparing a budget or classifying, recording, or reporting receipts or expenditures of a school or school district.

(b) The state board shall establish rules or regulations to assure the proficiency of school employees or other individuals to properly classify, record, and report the fiscal transactions of schools or school districts.

(c) If the state board determines that a school or school district is not properly recording or reporting the fiscal transactions or budget of the school district, the superintendent and school district board of directors may be required to appear before the state board to explain why the school or school district has not complied with the fiscal recording and reporting requirements.

History. Acts 2003 (2nd Ex. Sess.), No. 40, § 2.

6-20-1806. Services outside the scope of practice of auditors — Prohibited activities.

A licensed certified public accountant or a licensed accountant in public practice shall not provide the following nonaudit services to a school district, education service cooperative, or open-enrollment public charter school if the licensed certified public accountant or the licensed accountant or his or her firm is also the auditor of the school district, education service cooperative, or open-enrollment public charter school:

- (1) Accounting and bookkeeping services;
- (2) Financial information systems design and implementation;
- (3) Appraisal, valuation, and actuarial services;
- (4) Internal audit outsourcing services;
- (5) Management or human resources functions;
- (6) Broker or dealer, investment advisor, or investment banking services; and
- (7) Legal and expert services unrelated to the audit.

History. Acts 2005, No. 1244, § 1; 2007, No. 617, § 21.

SUBCHAPTER 19 — ARKANSAS FISCAL ASSESSMENT AND ACCOUNTABILITY PROGRAM

- SECTION.
- 6-20-1901. Title.
- 6-20-1902. Purpose.
- 6-20-1903. Definitions.
- 6-20-1904. Indicators of fiscal distress.
- 6-20-1905. Notification and appeal.
- 6-20-1906. Classification of fiscal distress status.

SECTION.

- 6-20-1907. Debt issuance.
- 6-20-1908. Fiscal distress plan.
- 6-20-1909. Department fiscal distress actions.
- 6-20-1910. State board actions.
- 6-20-1911. Rules and regulations.

Effective Dates. Acts 2003, No. 1467, § 23: July 1, 2003. Effective date clause provided: "Unless otherwise provided in this act, this act shall become effective on July 1, 2003."

Acts 2007, No. 741, § 3: Mar. 30, 2007. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that school districts begin their work far in advance of the academic year; that the coming academic year begins in August, 2007; that the school districts require certainty about the effect on the fiscal health of the school district that might arise from capital outlay for academic facility; and that this act is necessary because any delay might irreparably harm a school district and its students. Therefore, an emergency is declared to exist and this act being necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

Acts 2009, No. 1469, § 32: Apr. 10, 2009. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that it is the state's constitutional obligation to provide a general, suitable, and efficient free system of public schools in the state; that the public school funding distribution changes in this act are needed to ensure that proper funding is provided to the affected public schools and school districts; and that this act is immediately necessary so that the affected public schools and school districts will receive the amount of funding for the current school year. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

Acts 2013, No. 600, § 24: Apr. 4, 2013. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that it is the state's constitutional obligation to provide a general, suitable, and efficient free system of public schools in the state; that state oversight and intervention into distressed school districts is critical to the delivery of a constitutionally adequate education; and that the changes made in this act are immediately necessary for the state to meet this constitutional obligation. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

6-20-1901. Title.

This subchapter shall be known as and may be cited as the "Arkansas Fiscal Assessment and Accountability Program".

History. Acts 2003, No. 1467, § 18.

6-20-1902. Purpose.

The purpose of this subchapter shall be to establish and implement a program by which the Department of Education shall identify, assess, and address school districts in fiscal distress.

History. Acts 2003, No. 1467, § 18.

Cross References. Public School Insurance Trust Fund, § 19-5-1134.

RESEARCH REFERENCES

U. Ark. Little Rock L. Rev. Survey of Legislation, 2003 Arkansas General Assembly, Education Law, Academic Standards, 26 U. Ark. Little Rock L. Rev. 385.

CASE NOTES**Authority.**

Exception to sovereign-immunity was inapplicable, because the complaints failed to state facts sufficient to show that the actions taken by the Arkansas Department of Education when dealing with a fiscally distressed district were in excess of its authority, ultra vires, or in bad faith. *Fitzgiven v. Dorey*, 2013 Ark. 346, 429 S.W.3d 234 (2013).

6-20-1903. Definitions.

As used in this subchapter:

- (1) "Annexation" means the joining of an affected school district or part of the school district with a receiving district pursuant to § 6-13-1401;
- (2) "Consolidation" means the joining of two (2) or more school districts or parts of the districts to create a new single school district pursuant to § 6-13-1401;
- (3) "Department" means the Department of Education;
- (4) "Fiscal distress status" means a public school district determined by the department and classified by the State Board of Education as being placed in fiscal distress status pursuant to this subchapter;
- (5) "Fiscal integrity" means to comply with financial management, accounting, auditing, and reporting procedures and facilities management procedures as required by state and federal laws and regulations in a forthright and timely manner;

- (6) "Reconstitution" means the reorganization of the administrative unit or the governing school district board of directors of a school district, including, but not limited to, the replacement or removal of a current superintendent or the removal or replacement of a current school district board of directors, or both;
- (7) "School district" means a public school district created or established pursuant to this title; and
- (8) "State board" means the State Board of Education.

History. Acts 2003, No. 1467, § 18.

CASE NOTES

Removal of Superintendent.

Summary judgment was proper for a school district in a superintendent's claim for compensation because the district established, as a matter of law, the defense of impossibility of performance based on the Arkansas Department of Education's assumption of fiscal control of the district and removal of the superintendent under subdivision (6) of this section. The Department's recommendations as to staffing and the fiscal practices of the district were binding on the district per § 6-20-1908(f). *Smith v. Decatur Sch. Dist.*, 2011 Ark. App. 126 (2011).

6-20-1904. Indicators of fiscal distress.

(a) A school district meeting any of the following criteria may be identified by the Department of Education to be a school district in fiscal distress upon final approval by the State Board of Education:

(1)(A) A declining balance determined to jeopardize the fiscal integrity of a school district.

(B) However, capital outlay expenditures for academic facilities from a school district balance shall not be used to put the school district in fiscal distress;

(2) An act or violation determined to jeopardize the fiscal integrity of a school district, including without limitation:

(A) Material failure to properly maintain school facilities;

(B) Material violation of local, state, or federal fire, health, or safety code provisions or law;

(C) Material violation of local, state, or federal construction code provisions or law;

(D) Material state or federal audit exceptions or violations;

(E) Material failure to provide timely and accurate legally required financial reports to the department, the Division of Legislative Audit, the General Assembly, or the Internal Revenue Service;

(F) Insufficient funds to cover payroll, salary, employment benefits, or legal tax obligations;

(G) Material failure to meet legally binding minimum teacher salary schedule obligations;

(H) Material failure to comply with state law governing purchasing or bid requirements;

(I) Material default on any school district debt obligation;

(J) Material discrepancies between budgeted and actual school district expenditures;

(K) Material failure to comply with audit requirements; or

(L) Material failure to comply with any provision of the Arkansas Code that specifically places a school district in fiscal distress based on noncompliance; or

(3) Any other fiscal condition of a school district deemed to have a detrimental negative impact on the continuation of educational services by that school district.

(b)(1) By August 31 of each year, the department shall report to the superintendent of a school district if the department is aware that the school district has experienced two (2) or more indicators of fiscal distress in one (1) school year that the department deems to be at a nonmaterial level but that without intervention could place the district in fiscal distress.

(2) The superintendent of a school district shall report to the department if the superintendent is aware the school district has experienced two (2) or more indicators of fiscal distress in one (1) school year that the superintendent deems to be at a nonmaterial level but that without intervention could place the district in fiscal distress.

(3)(A) The department and the superintendent shall review all data related to the nonmaterial indicators of fiscal distress.

(B)(i) Within thirty (30) days of the department's determination that the school district may be experiencing fiscal distress at a nonmaterial level, the department shall provide a notice to the school district's superintendent and board of directors that:

(a) Describes the nonmaterial indicators of fiscal distress that could jeopardize the fiscal integrity of the school district if not addressed; and

(b) Identifies the support available from the department to address each nonmaterial indicator of fiscal distress.

(ii) The board of directors shall place on the agenda for the next regularly scheduled meeting of the board of directors a discussion of the notice of nonmaterial indicators of fiscal distress.

History. Acts 2003, No. 1467, § 18; 2007, No. 741, § 1; 2009, No. 798, § 1.

Amendments. The 2009 amendment added (b).

6-20-1905. Notification and appeal.

(a)(1)(A)(i) The Department of Education shall provide written notice, via certified mail, return receipt requested, to the president of the school district board of directors and the superintendent of each school district identified as being in fiscal distress.

(ii) The department shall provide the notice required under this subdivision (a)(1)(A) on or before March 30 of each year.

(B)(i) At any time after March 30, the department may identify a school district as being in fiscal distress if the department discovers that a fiscal condition of a school district negatively impacts the continuation of educational services by the school district.

(ii) The department immediately shall provide the same notice required under subdivision (a)(1)(A)(i) to the school district identified under this subdivision (a)(1)(B).

(b) Any school district identified in fiscal distress status may appeal to the State Board of Education by filing a written appeal with the office of the Commissioner of Education by certified mail, return receipt requested, within thirty (30) days of receipt of notice of identified fiscal distress status from the department.

(c) The state board shall hear the appeal within sixty (60) days of receipt of the written notice of appeal from the school district.

(d) The written appeal shall state in clear terms the reason why the school district should not be classified as in fiscal distress.

(e) Notwithstanding any appeal rights in this subchapter, no appeal shall stay the department's authority to take action to protect the fiscal integrity of any school district identified as in fiscal distress.

(f) The decision of the state board shall be a final order, and there is no further right of appeal except that the school district may appeal to Pulaski County Circuit Court pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

History. Acts 2003, No. 1467, § 18; 2007, No. 741, § 2; 2009, No. 1469, § 11.

Amendments. The 2009 amendment rewrote (a).

6-20-1906. Classification of fiscal distress status.

(a) Those school districts identified by the Department of Education as being in fiscal distress shall be classified as school districts in fiscal distress upon final determination by the State Board of Education.

(b) Any school district classified as in fiscal distress shall be required to publish at least one (1) time for two (2) consecutive weeks in a newspaper of general circulation in the school district the school district's classification as a school district in fiscal distress and the reasons why the school district was classified as being in fiscal distress.

(c) The provisions of subsections (a) and (b) of this section are effective after the school district's appeal rights have been exhausted.

History. Acts 2003, No. 1467, § 18.

6-20-1907. Debt issuance.

No school district identified in fiscal distress may incur any debt without the prior written approval of the Department of Education.

History. Acts 2003, No. 1467, § 18.

6-20-1908. Fiscal distress plan.

(a) Those school districts identified by the Department of Education as being in fiscal distress shall file with the department within ten (10) days after the final classification by the State Board of Education a written fiscal distress improvement plan to address any area in which the school district is experiencing fiscal distress as identified by the department.

(b) Each school district shall seek and obtain approval of its plan from the department and shall describe how the school district will remedy those areas in which the school district is experiencing fiscal distress and shall establish the time period by which the school district will remedy all criteria which placed the school district in fiscal distress status.

(c) A school district in fiscal distress may only petition the state board for removal from fiscal distress status after the department has certified in writing that the school district has corrected all criteria for being classified as in fiscal distress and has complied with all department recommendations and requirements for removal from fiscal distress.

(d) Except under § 6-20-1910(e), a school district shall not be allowed to remain in fiscal distress status for more than five (5) consecutive school years from the date that the school district was classified as being in fiscal distress status.

(e) Any school district classified as being in fiscal distress status shall be required to receive on-site technical evaluation and assistance from the department.

(f)(1) The department shall evaluate and make written recommendations to the district superintendent regarding staffing of the school district and fiscal practices of the school district.

(2) The written recommendations of the department shall be binding on the school district, the superintendent, and the school district board of directors.

(g) Every six (6) months, the department shall submit a written evaluation on the status of each school district in fiscal distress to the state board.

(h)(1) The department may petition the state board at any time for the consolidation, annexation, or reconstitution of a school district in fiscal distress or take other appropriate action as allowed by this subchapter in order to secure and protect the best interest of the educational resources of the state or to provide for the best interests of students in the school district.

(2) The state board may approve the petition or take other appropriate action as allowed by this subchapter.

(i) Except under § 6-20-1910(e), the state board shall consolidate, annex, or reconstitute any school district that fails to remove itself from the classification of a school district in fiscal distress within five (5) consecutive school years of classification of fiscal distress status unless the state board, at its discretion, issues a written finding supported by a majority of the state board, explaining in detail that the school district could not remove itself from fiscal distress due to impossibility caused by external forces beyond the school district's control.

History. Acts 2003, No. 1467, § 18; 2013, No. 600, §§ 13, 14; 2017, No. 745, §§ 28, 29.

Amendments. The 2013 amendment, in (d), substituted "Except under § 6-20-1910(d), a school" for "No school" and "five (5)" for "two (2)"; substituted "written recommendations" for "recommendations" twice in (f); and inserted "district" preceding "board" in (f)(2); and rewrote (i). The 2017 amendment substituted "§ 6-20-1910(e)" for "§ 6-20-1910(d)" in (d) and (i).

CASE NOTES

ANALYSIS

Authority.
Binding Effect of Department Recommendations.

Authority.
Exception to sovereign-immunity was inapplicable, because the complaints failed to state facts sufficient to show that the actions taken by the Arkansas Department of Education when dealing with a fiscally distressed district were in excess of its authority, ultra vires, or in bad faith. *Fitzgiver v. Dorey*, 2013 Ark. 346, 429 S.W.3d 234 (2013).

Binding Effect of Department Recommendations.
Summary judgment was proper for a school district in a superintendent's claim for compensation because the district established, as a matter of law, the defense of impossibility of performance based on the Arkansas Department of Education's assumption of fiscal control of the district and removal of the superintendent under § 6-20-1903(6). The Department's recommendations as to staffing and the fiscal practices of the district were binding on the district per subsection (f) of this section. *Smith v. Decatur Sch. Dist.*, 2011 Ark. App. 126 (2011).

6-20-1909. Department fiscal distress actions.

- (a) In addressing school districts in fiscal distress, the Commissioner of Education may:
- (1) Remove permanently, reassign, or suspend on a temporary basis the superintendent of the school district and:
 - (A) Appoint an individual in place of the superintendent to administratively operate the school district under the supervision and approval of the commissioner; and
 - (B) Compensate nondepartment agents operating the school district from school district funding;
 - (2) Suspend or remove some or all of the current board of directors and call for the election of a new board of directors for the school district, in which case the school district shall reimburse the county board of election commissioners for election costs as otherwise recognized by law;
 - (3) Require the school district to operate without a board of directors under the supervision of the local superintendent or an individual or panel appointed by the commissioner;
 - (4) Waive the application of Arkansas law or the corresponding State Board of Education rules, with the exception of:
 - (A) The Teacher Fair Dismissal Act of 1983, § 6-17-1501 et seq.; and
 - (B) The Public School Employee Fair Hearing Act, § 6-17-1701 et seq.;
 - (5) Petition the state board for the annexation, consolidation, or reconstitution of the school district;
 - (6) In the absence of a school district board of directors, assume all authority of the board of directors as designated by the state board as may be necessary for the day-to-day governance of the school district;
 - (7)(A) Return the administration of the school district to the former board of directors or to a newly elected board of directors if:
 - (i) The Department of Education certifies in writing to the state board and to the school district that the school district has corrected all issues that caused the classification of fiscal distress; and
 - (ii) The state board determines the school district has corrected all issues that caused the classification of fiscal distress.
 - (B) If the commissioner calls for an election of a new school district board of directors, the school district shall reimburse the county board of election commissioners for election costs as otherwise required by law;
 - (8) Otherwise reconstitute the school district; or
 - (9) Take any other action allowed by law that is deemed necessary to assist a school district in removing the classification of fiscal distress.
 - (b) The department may impose various reporting requirements on the school district.
 - (c) The department shall monitor the fiscal operations and accounts of the school district.
 - (d) The department shall require school district staff and employees to obtain fiscal instruction or training in areas of fiscal concern for the school district.

History. Acts 2003, No. 1467, § 18; 2013, No. 600, § 15; 2017, No. 275, § 5.

Amendments. The 2013 amendment rewrote (a).
The 2017 amendment, in the introductory language of (a)(4), substituted "Education" for "Eduction".

CASE NOTES

Authority.
Exception to sovereign-immunity was inapplicable, because the complaints failed to state facts sufficient to show that the actions taken by the Arkansas Department of Education when dealing with a fiscally distressed district were in excess of its authority, ultra vires, or in bad faith. *Fitzgiver v. Dorey*, 2013 Ark. 346, 429 S.W.3d 234 (2013).

6-20-1910. State board actions.

- (a) After a public hearing, the State Board of Education shall consolidate, annex, or reconstitute the school district in fiscal distress to another school district or school districts upon a majority vote of a quorum of the members of the state board as permitted or required by this subchapter.

- (b) The state board has exclusive jurisdiction to determine the boundary lines of the receiving or resulting school district and to allocate assets and liabilities of the school district.
- (c) The decision of the state board shall be final with no further right of appeal except that a school district may appeal to Pulaski County Circuit Court pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.
- (d) If the Commissioner of Education assumes authority over a public school district in fiscal distress under § 6-20-1909, the state board may pursue the following process for returning a public school district to the local control of its residents:
- (1) During the second full school year following the assumption of authority, the state board shall determine the extent of the school district's progress toward correcting all issues that caused the classification of fiscal distress;
- (2)(A) If the state board determines that sufficient progress has been made by a school district toward correcting all issues that caused the classification of fiscal distress, but the school district has not yet resolved all issues that caused the classification of fiscal distress, the commissioner, with the approval of the state board, may appoint a community advisory board of either five (5) or seven (7) members to serve under the supervision and direction of the commissioner.
- (B) The members of the community advisory board shall be residents of the school district and shall serve on a voluntary basis without compensation.
- (C) The Department of Education shall cause to be provided to the community advisory board technical assistance and training in, at a minimum, the areas required in § 6-13-629.
- (D) The duties of the community advisory board include without limitation:
- (i) Meeting monthly during a regularly scheduled public meeting with the state-appointed administrator regarding the progress of the public school or school district toward correcting all issues that caused the classification of fiscal distress;
- (ii) Seeking community input from the patrons of the school district regarding the progress of the public school or school district toward correcting all issues that caused the classification of fiscal distress;
- (iii) Conducting hearings and making recommendations to the commissioner regarding personnel and student discipline matters under the appropriate district policies;
- (iv) Working to build community capacity for the continued support of the school district; and
- (v) Submitting quarterly reports to the commissioner and the state board regarding the progress of the public school or school district toward correcting all issues that caused the classification of fiscal distress.
- (E) The members of the community advisory board shall serve at the pleasure of the commissioner until:
- (i) The school district is returned to local control and a permanent board of directors is elected and qualified; or
- (ii) The state board annexes, consolidates, or reconstitutes the school district under this section or under another provision of law;
- (3)(A) By April 1 of each year following the appointment of a community advisory board under subdivision (d)(2) of this section, the state board shall determine the extent of the school district's progress toward correcting all issues that caused the classification of fiscal distress and shall:
- (i) Allow the community advisory board to remain in place for one (1) additional year;
- (ii) Return the school district to local control by calling for the election of a newly elected board of directors if:
- (a) The department certifies in writing to the state board and to the school district that the school district has corrected all criteria for being placed into fiscal distress; and
- (b) The state board determines the school district has corrected all criteria for being placed into fiscal distress; or
- (iii) Annex, consolidate, or reconstitute the school district pursuant to this title.
- (B) If the state board or commissioner calls for an election of a new school district board of directors, the school district shall reimburse the county board of election commissioners for election costs as otherwise required by law;
- (4)(A) If the state board calls for an election of a new school district board of directors pursuant to subdivision (d)(3)(A)(ii) of this section, the commissioner, with the approval of the state board, may appoint an interim board of directors to govern the school district until a permanent school district board of directors is elected and qualified.
- (B) The interim board of directors shall consist of either five (5) or seven (7) members.
- (C) The members of the interim board of directors shall be residents of the school district and otherwise eligible to serve as school district board members under applicable law.
- (D) The members of the interim board of directors shall serve on a voluntary basis without compensation.
- (e)(1) If, by the end of the fifth school year following the school district's classification of fiscal distress status, the school district in fiscal distress has not corrected all issues that caused the classification of fiscal distress, the state board, after a public hearing, shall consolidate, annex, or reconstitute the school district under this section.
- (2) The state board may grant additional time for a public school or school district to remove itself from fiscal distress by issuing a written finding supported by a majority of the state board explaining in detail that the public school or school district could not remove itself from fiscal distress during the relevant time period due to impossibility caused by external forces beyond the control of the public school or school district.
- (f) Nothing in this section shall be construed to prevent the department or the state board from taking any of the actions listed in § 6-20-1909 or this section at any time to address a school district in fiscal distress.

History. Acts 2003, No. 1467, § 18; 2013, No. 600, § 16; 2017, No. 745, § 30.

Amendments. The 2013 amendment added (d) through (f).

The 2017 amendment substituted "§ 6-20-1909" for "subsection (a) of this section" in the introductory language of (d); and substituted "second full school year following the assumption of authority" for "second school year following a school district's classification as being in fiscal distress status" in (d)(1).

6-20-1911. Rules and regulations.

(a) The Department of Education shall promulgate rules and regulations as necessary to identify, evaluate, assist, and address school districts in fiscal distress.

(b) The department may promulgate rules and regulations as necessary to administer this subchapter.

History. Acts 2003, No. 1467, § 18.

SUBCHAPTER 20 — TRACKING AND ACCOUNTING OF INTERSCHOOL ATHLETIC PROGRAM FUNDS

SECTION.

6-20-2001. Purpose.

6-20-2002. Definitions.

6-20-2003. Reporting by local school districts.

6-20-2004. Regulations.

6-20-2001. Purpose.

The purpose of this subchapter is to track and account for the amount of state funds that is used to support interschool athletic programs in public schools.

History. Acts 2003 (2nd Ex. Sess.), No. 52, § 1.

RESEARCH REFERENCES

Ark. L. Rev. Amy L. Boler, Comment: Put Them In, Coach! They're Ready to Play: Providing Students with Intellectual Disabilities the Right to Participate in School Sports, 69 Ark. L. Rev. 579 (2016).

6-20-2002. Definitions.

As used in this subchapter:

(1) "Athletic expenditures" means all direct expenses related to interschool athletic programs, including without limitation:

(A) The proportion of salaries or supplemental pay for staff for or related to interschool athletic programs or organized physical activity courses as provided under § 6-16-137, or both;

(B) All fringe benefits, including without limitation medical and dental insurance, workers' compensation, pension plans, and any other costs associated with employment of staff for interschool athletic programs;

(C) Travel, including bus-related operation and maintenance, to and from any interschool athletic program event for students, faculty, spirit groups, band, or patrons of the school district;

(D) Equipment;

(E) Meals;

(F) Supplies; and

(G) Medical expenses;

(2) "Classroom teacher" means an individual who is required to hold a teaching license from the Department of Education and who is engaged directly in instruction with students in a classroom setting for more than seventy percent (70%) of the individual's contracted time;

(3) "Interschool athletic program" means:

(A) Any athletic program that is organized primarily for the purpose of competing with other schools, public or private; or

(B) Any athletic program that is subject to regulation by the Arkansas Activities Association; and

(4) "State funds" means all money derived from state revenues, specifically including, but not limited to, distributions from the Department of Education Public School Fund Account and ad valorem property taxes distributed to a public school or school district.

History. Acts 2003 (2nd Ex. Sess.), No. 52, § 1; 2005, No. 2151, § 19; 2005, No. 2256, § 1; 2007, No. 255, § 1; 2013, No. 1358, § 1.

Amendments. The 2013 amendment substituted "including without limitation" for "prorated if necessary, including, but not limited to" in (1); substituted "without limitation" for "but not limited to" in (1)(B); deleted subdivisions (1)(G), (1)(I) and (1)(J); and redesignated former subdivision (1)(H) as present subdivision (1)(G).

6-20-2003. Reporting by local school districts.

(a) During the appropriate Arkansas Public School Computer Network reporting cycle each year, a school district shall submit appropriate data to the Department of Education documenting the school district's total athletic expenditures paid from state funds.

(b) Annually, each school district shall submit as part of the budget of expenditures and receipts required under § 6-20-2202 a budget for the total athletic expenditures to be paid from state funds for the budgeted year.

History. Acts 2003 (2nd Ex. Sess.), No. 52, § 1; 2007, No. 255, § 2; 2013, No. 1358, § 2.

Amendments. The 2013 amendment rewrote this section.