

4 AAC 33.090 is amended to read:

4 AAC 33.090. District-operated statewide and district-wide residential schools [EDUCATIONAL PROGRAMS]. (a) A district must obtain approval from the department before operating a statewide or district-wide residential school [EDUCATIONAL PROGRAM]. A district may apply to establish and operate a new school [PROGRAM] only during a period of open applications established by the department under (c) of this section. [THE DEPARTMENT WILL APPROVE AN INITIAL APPLICATION FROM A DISTRICT THAT OPERATED A STATEWIDE RESIDENTIAL EDUCATIONAL PROGRAM DURING SCHOOL YEAR 2005 - 2006, UNLESS THE DEPARTMENT HAS SUBSTANTIAL EVIDENCE THAT CONTINUATION OF THE PROGRAM IS NOT IN THE PUBLIC INTEREST.] Applications must include

(1) designation of the facilities that will house the residential school [PROGRAM], including any proposal to build or renovate a facility, and the revenue sources that will support the construction or renovation;

(2) a five-year budget for the operation of the residential component of the school [PROGRAM]; the budget must specify the revenue sources that will support the proposed budget, including a provision for charging student tuition;

(3) a tuition waiver policy for families that can demonstrate financial hardship, including a definition of "hardship";

(4) an enrollment and selection policy for students applying to attend the residential school [PROGRAM];

(5) a list of course offerings;

(6) a plan to assist students in crisis; and

(7) a staffing plan for the school [PROGRAM].

(b) The department may require that a district supplement its application with additional information. The department may require a district to change its policies or proposed practices before approving an application. A district must operate the residential school [PROGRAM] in conformance with its approved application. A district that wishes to change any of the requirements of an approved application must submit a revised application. In determining whether to grant or deny an application, the department will consider

(1) whether the community in which the school [PROGRAM] is located has sufficient infrastructure to support the residential school [PROGRAM];

(2) demand, current capacity, and regional needs for residential schools [PROGRAMS];

(3) the cost to provide a residential school [PROGRAM] in the applying district;

(4) the district's ability to offer a high-quality academic program to students;

(5) the health and welfare of students housed in the residential school [PROGRAM], including the ability of the district to offer a high-quality residential school [PROGRAM];

(6) for a revised application, whether the school [PROGRAM] has complied with the policies and practices that the district identified in its current application; and

(7) the public interest.

(c) The department will establish a period of open applications and solicit proposals from districts to establish additional statewide or district-wide residential schools [EDUCATIONAL

PROGRAMS] when the department determines that establishment of additional **schools** [PROGRAMS] is warranted. The department may require that applications be targeted to provide a particular program to meet specific needs of students in the state. A period of open application and solicitation does not imply that the department will approve the establishment of any new **schools** [PROGRAMS]. In determining whether to establish a period of open applications, the department will consider the

(1) demand for residential **schools** [PROGRAMS], including the demand and needs in different regions of the state;

(2) capacity of existing **schools** [PROGRAMS]; and

(3) public interest.

(d) This section does not prevent a governing body from establishing an in-district residential **school** [EDUCATIONAL PROGRAM] that is not eligible for state support for the operation of the residential aspects of the **school** [PROGRAM].

(e) A district that operates an approved statewide **or district-wide** residential **school** [EDUCATIONAL PROGRAM] shall submit an annual report to the department. The report must include the

(1) number of applications received by the **school** [PROGRAM];

(2) number of students accepted into the **school** [PROGRAM];

(3) students' communities and districts of residence at the time of application for enrollment;

(4) students' academic achievement results;

(5) date of, reason for, and number of withdrawals from the **school** [PROGRAM]

during the school year;

(6) number of expulsions from the **school** [PROGRAM] during the school year;

(7) number of students receiving a tuition waiver; and

(8) other information requested by the department with respect to the **school**

[PROGRAM].

(f) On December 1 of each school year, a district that operates an approved statewide **or district-wide** residential **school** [EDUCATIONAL PROGRAM] shall submit to the department an application, on a form provided by the department, for payment of a stipend under AS 14.16.200(b)(2). The district is eligible for payment of the lesser of actual cost to house the student or the amount allowed in AS 14.16.200(b)(2) for each residential student who is housed by the district on the last day of the student count period under AS 14.17.600, and whose parents or guardians do not reside in the community in which the **school** [PROGRAM] is located. If appropriations are insufficient for the residential component of approved statewide **or district-wide** residential **schools** [EDUCATIONAL PROGRAMS], the department will reduce each district's entitlement by a pro rata amount as determined by the department.

(g) The department may withdraw its approval for a district to operate a statewide **or district-wide** residential **school** [EDUCATIONAL PROGRAM] if the department determines that continued operation of the **school** [PROGRAM] is not in the public interest. In making this determination, the department will consider

(1) the health and safety of the students in the residential **school** [PROGRAM];

(2) whether students at the **school** [PROGRAM] have demonstrated sufficient academic achievement; in making this determination, the department will consider all evidence

of student academic achievement and improvement, including evidence of

(A) students' scores and improvement of students' scores on statewide student assessments under 4 AAC 06.710; and

(B) the program's record of demonstrating progress in accordance with 4 AAC 06.800 - 4 AAC 06.899 (school and district accountability), and the reasons for its success or failure to demonstrate progress;

(3) the demand for the school [PROGRAM];

(4) the cost of operating the school [PROGRAM];

(5) whether the school [PROGRAM] has complied with the policies and practices that the district identified in its application; and

(6) the existence of alternative methods of meeting the needs of students.

(h) A district may apply during a period of open application under (c) of this section for approval to operate a variable-term statewide or district-wide residential school [EDUCATIONAL PROGRAM] that will house students for the entire school calendar. The minimum term for each student must be at least two weeks. A variable-term school [PROGRAM] is eligible for reimbursement for a monthly stipend for up to nine months of the school year under (f) of this section for the number of students that it housed on the last day of the student count period under AS 14.17.600 if the district will continue to house at least the same number of students throughout the entire school term. A variable-term school [PROGRAM] is eligible for a one-time air fare reimbursement under AS 14.16.200(b)(1) for the number of students housed by the school [PROGRAM] on the last day of the student count period, based on the average cost of round-trip air fare for all statewide or district-wide

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residential **schools** [EDUCATIONAL PROGRAMS]. A district may not include students housed by a variable-term **school** [PROGRAM] in the **school's** [PROGRAM'S] student count submitted to the department for foundation funding under AS 14.17; a student being housed by a variable-term **school** [PROGRAM] during the student count period may be included in the count of the student's district of residence. In this subsection, "variable-term statewide **or district-wide** residential **school** [EDUCATIONAL PROGRAM]" means a statewide **or district-wide** residential **school** [EDUCATIONAL PROGRAM] that rotates students in and out of the **school** [PROGRAM] during the school year for the entire school term as defined under AS 14.03.030. (Eff. 10/22/2006, Register 180; am 6/8/2013, Register 206; am 10/16/2013, Register 208; am 2/21/2014, Register 209)

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