



## Arizona Department of Education School Finance

### School Finance – Initial Guidance on H.B. 2862 for SY 2021-2022 7/12/2021

The guidance below describes School Finance processes to implement [H.B. 2862](#) (Laws 2021, Chapter 299) as amended by H.B. 2898. This guidance is intended to be initial guidance for School Year 2021-2022, additional guidance may be issued for subsequent school years. In addition to this guidance document, the Department will be compiling and posting a Frequently Asked Questions document to address questions related to this guidance.

### Instructional Time Models

H.B. 2862 sets forth the definition of a school year as beginning July 1 and ending June 30 with a school month composed of twenty school days, or four weeks of five days each. In addition to setting forth this definition, H.B. 2862 allows school districts and charter districts to adopt an Instructional Time Model (ITM) to meet the instructional hour requirements in A.R.S. §§ 15-808 and 15-901 which provides flexibility for a school district or charter district to determine the manner in which instructional hours are provided to students, including: remote courses, project-based learning, mastery-based learning, weekend courses, or evening courses. Before a school district adopts an ITM, the school district must hold at least two public hearings. For an ITM, all the following apply:

- To be considered full-time and generate 1.0 average daily membership (ADM), students enrolled in a brick and mortar school district and charter school **MUST** be enrolled in the following minimum number of instructional hours required pursuant to A.R.S. § 15-901:
  - For high school students, 720 hours;
  - For Grade 4-8 students , 890 hours;
  - For Grade 1-3 students , 712 hours; and
  - For Kindergarten students, 356 hours (limited to 0.5 ADM)
- To be considered full-time and generate 1.0 ADM, students enrolled in an Arizona Online Instruction school (AOI) must log the following minimum number of instructional hours required pursuant to A.R.S. § 15-808:
  - For high school students, 900 hours;
  - For Grade 4-8 students, 890 hours;
  - For Grade 1-3 students, 712 hours; and
  - For Kindergarten students, 356 hours (limited to 0.5 ADM)



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- Instructional hours may be delivered in any day, week, and course length increments adopted in the ITM.
- Instructional hours may be delivered through any combination of direct instruction, project-based learning, independent learning, and mastery-based learning.
- Instructional hours may be defined to include any in-person instruction and remote instruction.
- Schools may reallocate any minimum instructional time or hours required per course under A.R.S. §§ 15-808 or 15-901 on a per-student basis to allow students to spend more or less time as needed in an individual course.
- Instructional times and schedules may be staggered for students and courses or other instructional time options may be offered on the weekends or in the evenings to allow students to not attend or complete school days or instructional time at the same time.
- Attendance policies must be aligned to reflect the instructional time and hour policies prescribed in the adopted ITM.

School districts and charter schools intending to adopt an ITM must document how attendance will be tracked and taken for each setting in which a student is provided instructional time for auditing purposes. School districts and charter schools operating through an adopted ITM are still responsible for the identification of English Language Learners and provision of the required minutes in the Structured English Immersion model the school district or charter school has adopted pursuant to Title 15, Chapter 7, Article 3.1, Arizona Revised Statutes.

### **Remote Learning**

Any school district or charter district wishing to offer remote learning must do so through an adopted ITM or through AOI pursuant to A.R.S. §§ 15-808. In addition to authorizing remote learning as part of an ITM, H.B. 2862 establishes the following parameters on offering remote instruction through an ITM:

- For School Year 2021-2022, each school may provide up to 50% of total instructional time in a remote setting without any impact on funding. Beginning in School Year 2022-2023, that threshold is lowered to 40% of the school's total instructional time.
- For instructional time provided over the threshold, the Department is instructed to calculate the additional time at 95% of the Base Support Level that otherwise would



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have been calculated. For example, a school that has provided 60% of its total instructional time in a remote setting for School Year 2021-2022 will receive a 5% Base Support Level (BSL) reduction for 10% of the total weighted student count.

- In addition to receiving a 5% BSL reduction, the Department is additionally directed to annually report any school that provides remote instruction over the prescribed threshold to the State Board of Education or State Board for Charter Schools who will determine whether or not the school must apply to become an AOI provider.

Beginning in School Year 2021-2022, districts and charters will report remote learning through an ITM at the student-level in a manner that is similar to reporting absences. When attendance is taken on any given day, a student may be reported as participating in remote instruction for all or part of the day. Students receiving instruction that is not classroom-based should be reported as receiving remote instruction in most circumstances. The specific process that will be used to report distance learning in the district or charter Student Information System (SIS) will vary by vendor and districts and charters should reach out directly to the SIS vendor for guidance. It is not necessary to aggregate and report remote instruction at the district or charter level. The Department will use the submitted student-level data to calculate and report the total percentage of instructional time spent in a remote setting. At the conclusion of the school year, the Department will provide a report to the State Board of Education or State Board for Charter Schools of any school that provided remote instruction in excess of the thresholds established in H.B. 2862.

### **LEAs Operating a Traditional Four or Five-Day Instructional Week**

H.B. 2862 repealed A.R.S. § 15-861, which authorized schools to operate on a four-day week after two public governing board hearings. Schools that previously approved and intend to operate on a four-day week without any other changes to the instructional model may provide the Department with a governing board-approved statement indicating that the governing board previously held two public meetings to adopt the four-day week and plans to continue to use a four-day week as an instructional model going forward. The statement should be uploaded through [Help Desk](#) using the Account Analyst Support Request template (please select subcategory "Other").



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If additional changes are made to the ITM pursuant to H.B. 2862, including utilizing remote learning, mastery-based learning or project-based learning, or if a Local Education Agency plans to implement a 4-day week in the future, the governing board must hold two public hearings on the new model.

### **Instructional Calendar**

All schools, with the exception of those providing AOI pursuant to A.R.S. § 15-808, are required to submit an instructional calendar to the Department. The Superintendent, or authorized representative, must certify that the calendar has met the minimum instructional time requirements defined in A.R.S. § 15-901 through traditional in-person instruction or an alternate modality through an ITM. The instructional calendar must be entered into the district or charter SIS and uploaded to AzEDS before students enrolled in the school will generate funding.

Schools that have implemented an ITM and are not providing AOI must submit a school calendar that reflects the days on which instruction will be provided through any learning modality. If an ITM includes asynchronous learning, such as project-based learning or mastery-based instruction, the asynchronous learning time must be designated to replace synchronous instruction that would otherwise be provided on specific instructional days. The ITM model must identify how asynchronous learning is used to replace synchronous instruction. For example, an instructional time model might designate every other Friday as project-based learning time and the ITM will specify that six hours of project-based learning completed during a specified window of time will replace the in-person instruction that day. Schools must link instructional provided through an ITM back to a calendar, this may include providing instructional time on a weekend or evening--but linking instruction back to a Monday through Friday calendar. Calendars must define instructional days for the school year. However, there is flexibility within an ITM to provide instructional time outside of the submitted calendar and link attendance back to calendared instructional days.

H.B 2862 provides the ability to reallocate any minimum instructional time or instructional hours per course required under A.R.S § 15-808 and 15-901 on a per-student basis so that students are able to spend more of their required instructional time on courses of greater depth or courses that require additional learning time to catch up to a grade level or stay on pace. A.R.S. § 15-901 outlines the requirement that for a high school student to generate 1.0 ADM, the



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student must be enrolled in an instructional program that meets for at least 720 hours over a 180 day school year and be enrolled in at least four subjects that count toward graduation that meet at least 123 hours per year. A.R.S. § 15-808 does not establish a per-course instructional hour requirement for funding purposes that may be reallocated, rather funding is based on the total number of instructional hours a student generates and number of subjects enrolled. If a school intends to utilize the ability to reallocate minimum instructional hours per subject on a per-student basis under H.B. 2862, the ITM should describe how reallocation would occur and must ensure that students are still enrolled in at least four courses that count towards graduation and receive a total of 720 hours of instruction to generate 1.0 ADM.

Please keep in mind that ADM, and ultimately funding, for non-AOI students is calculated based on days of enrollment during the first 100 or 200 days of the school year as determined by the submitted calendar. Providing a calendared instructional day outside of the traditional five-day school week will affect ADM and funding calculations by shifting the 100<sup>th</sup> day sooner in the school year. For example, the 100<sup>th</sup> day of instruction for a school operating on a four-day per week calendar typically occurs about two months later than the 100<sup>th</sup> day of instruction for a school operating on a five-day per week calendar. Schools are encouraged to submit a Monday through Friday calendar to not shift ADM calculations. Instruction provided outside of the submitted calendar will still count towards the total instructional time and may be reported through the calendar on a different day than the instructional time was provided.

### **Attendance Tracking**

School districts and charter districts must describe their plan for tracking student attendance in the submitted ITM. The model must establish clear course time expectations for students participating in project-based learning, independent learning, or mastery-based learning. Course time expectations may shift based on the needs of a student or cohort, but to receive a full 1.0 ADM, the student must still receive the required total number of instructional hours over the school year.

- There must be an instructional time value associated with the ITM to ensure the student has received the total number of hours to fulfil statutory requirements for full or part-time status.



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- School districts and charter schools must provide access to a full curriculum with instruction and academic tasks that are determined to meet the minimum instructional hours and number of subject requirements in A.R.S. § 15-901 for full-time or part-time status.
- Coursework provided through an ITM must still provide adequate time for students to receive quality instruction and demonstrate mastery of the grade-level standards.

The school district or charter district shall describe in its ITM the criteria for being marked as present or absent for each day. If a student does not meet the criteria laid out in the ITM, they should be marked absent. Just as with in-person instruction, attendance does not impact basic state aid funding until a student has been withdrawn for more than ten consecutive unexcused absences or has generated absences in excess of 10% of the school year ([School Finance Absence Guidance](#)).

School districts and charter districts have flexibility to design attendance tracking procedures to connect their ITM to existing attendance systems. In designing attendance tracking procedures, districts and charters should consider which activities best represent student participation/engagement in remote instruction, independent learning, mastery-based learning, or project-based learning. Additionally, districts and charters should consider the ability of staff to track and record this information, and the extent to which chosen activities demonstrate the appropriate amount of instructional time for the day.

School districts and charter districts are not required to report minutes logged for students participating in an ITM. However, documentation must be maintained for students participating in an ITM to support the reported attendance. Student attendance should be reported to the Department through the student information system used to report attendance for traditional in-person instruction and each school district and charter district must maintain records for audit purposes that demonstrate student attendance based on meeting the criteria established in the ITM. Student attendance documentation maintained for audit purposes will vary based on the adopted ITM and the manner in which instruction is provided. The tracking of the percentage of time spent on remote instruction will be done through an SIS vendor by marking a student as present for in-person or remote instruction for a given day.

- Attendance tracking MAY include methods such as:



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- Communication with a teacher, such as via telephone, ZOOM, MS Teams, or other digital meeting software;
- Student participation in a virtual meeting or classroom session (ZOOM, MS TEAMS, Google Meets, etc.);
- Daily assignments completed and submitted by the student; or
- Time spent working on projects with a method for reporting participation during a given timeframe.
- Completion of a project.
- Each method of taking attendance through an ITM must outline the number of instructional hours associated with each day of education and be maintained by the school district or charter district. For example, this may include associating a certain number of minutes per project. To be considered full-time, a student should be enrolled in sufficient instructional hours to meet the total instructional hour requirement for full-time status pursuant to A.R.S. § 15-901 by the end of the year.
  - LEAs must maintain attendance records for students in alignment with attendance tracking procedures outlined in an ITM.
  - This does NOT require school districts and charter districts to report minutes logged for each student participating in remote, project-based, or mastery-based learning.
- Absences shall be reported for each day or portion of each day that a student does not meet the requirements in the identified method for tracking attendance in the school's ITM.
  - Schools should look to existing procedures on tracking absences to determine how to map absence tracking for remote, mastery-based, or project-based learning.
- Attendance and absences must be recorded by day and shall be reported to the Department at least monthly. School districts and charter schools with an ITM that does not call for student contact each day must still disaggregate attendance data by day in reports to the Department for computing the percentage of time spent in a remote setting.

### Submitting an ITM to ADE



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The Department will be providing a template for school districts and charter districts to complete and provide information to the Department on adopted ITMs. The template will contain fields indicating which components of an ITM apply to each school within the school district or charter district. The Department intends for school districts and charter districts to submit one document per district or charter that contains all the ITM components that the district or charter will be utilizing to operationalize the flexibility authorized in H.B. 2862. The submission may indicate differing components of the ITM that each school within the district intends to utilize and does not limit all schools to the same model of instruction. Additionally, there will be a narrative component to describe how each district and charter intends to operationalize its ITM. Submitted ITMs should describe, to the greatest extent, the deviations to traditional in-person instruction the school district or charter school intends to operationalize for the upcoming year. ITMs should also describe any way the school district or charter district intends to provide instructional hours outside of traditional in-person instruction to ensure those instructional hours count towards ADM calculations. It will be crucial for the ITM to fully describe the types of procedures a district or charter will be utilizing to offer instruction outside of a traditional in-person schedule and the associated types of attendance tracking procedures. The submitted ITM will be utilized for audit purposes when future audits occur.

The Department intends to collect ITMs at the same time as calendar submissions for the upcoming school year. The date for submission will be by August 31, 2021 for School Year 2021-2022.

### **Approved AOI**

- If a school district or charter district operates an approved AOI and submits an ITM, students may participate in remote instruction under either, subject to the provisions of A.R.S § 15-808 and H.B. 2862.
  - AOI students should be reported as enrolled in the AOI and meet the requirements of A.R.S. § 15-808.
  - Time logged in an AOI may not also be reported as remote learning in an ITM.
- If a student is participating in AOI part-time with a different school district or charter district than the student will attend in person, the student should be enrolled in an AOI school with its own CTDS number.



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- Minutes of instruction must be logged and submitted for students enrolled in AOI schools in accordance with A.R.S. § 15-808.
- Students enrolled in AOI should be reported as specified in A.R.S. § 15-808. Please contact School Finance through the Help Desk ([Help desk ticket](#)) with questions. .
- School Finance will update ADM to reflect full-time and part-time AOI periodically throughout the year.