

K. Arizona Online Instruction

K-1. Enrollment

Students participating in the AOI program must be residents of Arizona. The Arizona State Board of Education (SBE) and the Arizona State Board for Charter Schools (ASBCS) have the authority to approve school districts and charter schools offering online instruction. When a new school wants to offer online instruction, it must initially provide instruction on a probationary basis. The school must demonstrate academic integrity in its instruction for a specific period outlined in [A.R.S. § 15-808](#).

Students enrolled in an AOI school must follow Arizona public school assessment standards as outlined in [A.R.S. § 15-741](#). Upon enrollment, the school must inform the parents or guardians of the state testing requirements for their student. If a student does not meet the testing requirements and the school administers the tests to less than ninety-five percent of the students in the AOI, that student will not be allowed to participate in the AOI. [A.R.S. § 15-808](#)

Enrollment data must be submitted to the Arizona Education Data Standards (AzEDS) system, and attendance must be submitted in minutes. Students do not accrue absences when enrolled in an AOI. The withdrawal code of W4 (Status unknown or attendance record showing ten consecutive days of unexcused absence), as defined by [Accountability](#), does not apply to students in an AOI. The school district or charter governing board must adopt policies and procedures to ensure continued student participation in the AOI and define the outcomes of not participating in instruction.

AOI schools do not submit AzEDS Instructional Calendars; an AOI calendar is defined as days in session from July 1 to June 30 per [A.R.S. § 15-808](#).

K-2. Full-Time Student Equivalency for Funding (FTE)

Full-time students enrolled in an AOI will generate funding for online instruction at 95% of the Base Support Level (BSL), while part-time students receive 85% of BSL. Every AOI must maintain a document from the parent or guardian showing their students' intended course load for the school year. This document, formally known as the "Intended Full-Time Equivalency Enrollment Statement," is a form that can be maintained by the school in the Student Information System (SIS), such as the student's schedule, a digital form or printed document created by the AOI. The school must demonstrate that the parent or guardian was notified of the student's intended schedule or have a systematic method to access the student's course schedule and schedule changes. The form should indicate the number of courses the student intends to enroll in over the school year, which is used by the school to determine the initial reported FTE (Full-Time Equivalent). This document must be available in case of an audit, and a list of the specific AOI classes taken by each AOI student. The school should maintain these documents per Arizona General Retention Schedule ([GS-1074](#)) for at least four years.

K-2a.Redetermining FTE at Student Withdrawal

After a student withdraws or at the end of the school year, FTE must be recalculated for each student enrolled in the AOI based on the actual number of courses the student participated in. This recalculation will only affect the funding level for the student, which will be set at 85% or 95% of the BSL. The Average Daily Membership (ADM) is calculated by dividing the instructional hours logged and the required instructional hours. Any FTE corrections must be submitted by the AzEDS data submission deadline in July, as specified by School Finance.

K-2b. Required Annual Instructional Hours

The following table illustrates the FTE requirements for full-time and part-time students in AOI:

Kindergarten Programs: 346 hours				
Grade	1.0 FTE	.75 FTE	.50 FTE	.25 FTE
Grades 1-3	≥712 hours and 4 subjects	≥534 and <712 hours and 3 subjects	≥356 and <534 hours and 2 subjects	≥178 and <356 hours and 1 subject
Grades 4-6	≥890 hours and 4 subjects	≥668 and <890 hours and 3 subjects	≥445 and <668 hours and 2 subjects	≥223 and <445 hours and 1 subject
Grade 7-8	≥1068 hours and 4 subjects	≥801 and <1068 hours and 3 subjects	≥534 and <801 hours and 2 subjects	≥267 and < 534 hours and 1 subject
Grades 9-12	≥900 hours and 4 subjects	≥675 and < 900 hours and 3 subjects	≥450 and < 675 hours and 2 subjects	≥225 and < 450 hours and 1 subject

Students must be enrolled in an instructional program as required under [R7-2-301](#) (K-8), and [R7-2-302](#) (9-12).

K-3. Average Daily Membership (ADM)

The ADM of a student enrolled in a school or charter district and participating in AOI may not exceed 1.000. However, if a student is enrolled in a Career Technology Education District (CTED), they may have a combined ADM of up to 1.750. ([A.R.S. §§ 15-808](#) and [15-901](#))

Required Annual Instructional Time

For Kindergarten programs and grades 1-12

Grade Range	Annual Instructional Hours Required	Annual Instructional Minutes Required	Average Daily Required Minutes
KG Programs	346	21,360	119
1-3	712	42,720	238
4-6	890	53,400	297
7-8	1068	64,080	356
9-12	900	54,000	300

AOI ADM is calculated by the ADM Calculation Engine (ACE) in one of the following two methods:

- ADM for AOI students still enrolled and receiving instruction is calculated using [Method 1](#).
- Once withdrawn or at the end of the school year, AOI student ADM is calculated using [Method 2](#).

K-3a.Method 1: Still Enrolled - Projected Minutes

This method applies to students still receiving instruction from an AOI school. AzEDS calculates ADM based on reported minutes and will project a year-to-date average. ADM is not to exceed the reported FTE.

ADM is calculated following these steps:

Step 1: Calculate **Average Year to Date Instructional Minutes Received** as:

$$\frac{\text{Total submitted attendance minutes}}{\text{Number of days enrolled year to date}}$$

Step 2: Calculate **ADM** as:

$$\frac{\text{Average year-to-date instructional minutes received}}{\text{Average daily required minutes}}$$

K-3b. Method 2: Completed Instruction – Actual Minutes

This method applies to a student no longer receiving instruction from the AOI school due to withdrawal or the completion of the school year. ADM is not to exceed the reported FTE.

ADM is calculated by dividing the total instructional time in the daily log and submitted to AzEDS by the required annual instructional time per [A.R.S. § 15-901](#) as:

$$\frac{\text{Total instructional minutes received}}{\text{Annual required instructional minutes}}$$

K-4. Daily Log

Each student should record their daily time on academic tasks within the AOI, showing the minutes allocated to each enrolled course where minutes are logged. The SIS should submit the minutes of attendance to AzEDS using the unique Entity ID number assigned to the AOI.

The log should include identifying information with the school’s name and entity ID and include the following student data:

- **Student Information:** State Student ID, Student ID, Name, Grade Level
- **Enrollment Information:** Entry Date, Exit Date
- **Instructional Time:** Total instructional minutes of participation for each course
- **Course Information:** Course name, total number of courses with participation and FTE status

The school must establish a process and maintain an internal audit trail to demonstrate how daily log minutes are reported to AzEDS for ADM calculations. The school can systematically track a student's instructional minutes and produce a report instead of a log completed by a parent or guardian. If this approach is chosen, the school must develop and implement procedures to ensure and document the accuracy and reliability of the reported time.

K-5. Documentation to Maintain

Student records for AOI participation should be well-organized and readily available electronically or on paper. The school should be able to demonstrate its procedures for collecting student logs in case of an audit or inspection by authorized state or other officials. In addition to the daily logs, auditors may request samples of the students' schedules and how FTE was determined and reported to AzEDS for ADM calculations. The AOI should also have a master program schedule list for all AOI-specific classes offered to the students and indicate the course duration (semester, yearlong). The school should maintain these documents per the Arizona General Retention Schedule ([GS-1074](#)) for at least four years.

K-6. Contact

If you have any questions about this policy, please contact the School Finance Account Analyst via a [HelpDesk](#) ticket.