**[4 AAC 33.090. District-operated statewide residential educational programs](http://www.legis.state.ak.us/basis/aac.asp#4.33.090)**

 (a) A district must obtain approval from the department before operating a statewide residential educational program. A district may apply to establish and operate a new 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 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 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 program;

 (5) a list of course offerings;

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

 (7) a staffing plan for the 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 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 program is located has sufficient infrastructure to support the residential program;

 (2) demand, current capacity, and regional needs for residential programs;

 (3) the cost to provide a residential 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 program, including the ability of the district to offer a high-quality residential program;

 (6) for a revised application, whether the 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 residential educational programs when the department determines that establishment of additional 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 programs. In determining whether to establish a period of open applications, the department will consider the

 (1) demand for residential programs, including the demand and needs in different regions of the state;

 (2) capacity of existing programs; and

 (3) public interest.

 (d) This section does not prevent a governing body from establishing an in-district residential educational program that is not eligible for state support for the operation of the residential aspects of the program.

 (e) A district that operates an approved statewide residential educational program shall submit an annual report to the department. The report must include the

 (1) number of applications received by the program;

 (2) number of students accepted into the 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 program during the school year;

 (6) number of expulsions from the 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 program.

 (f) On December 1 of each school year, a district that operates an approved statewide residential 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](http://www.legis.state.ak.us/basis/statutes.asp#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](http://www.legis.state.ak.us/basis/statutes.asp#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](http://www.legis.state.ak.us/basis/statutes.asp#14.17.600), and whose parents or guardians do not reside in the community in which the program is located. If appropriations are insufficient for the residential component of approved statewide residential 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 residential educational program if the department determines that continued operation of the 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 program;

 (2) whether students at the 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](http://www.legis.state.ak.us/basis/aac.asp#4.06.710); and

 (B) the program's record of demonstrating adequate yearly progress under [4 AAC 06.805](http://www.legis.state.ak.us/basis/aac.asp#4.06.805), and the reasons for its success or failure to demonstrate adequate yearly progress;

 (3) the demand for the program;

 (4) the cost of operating the program;

 (5) whether the 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.