IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF ARIZONA

MIRIAM FLORES, individually and as) parent of Miriam Flores, a minor child, et) al.,

No. CV 92-596-TUC-RCC

Plaintiffs,

ORDER

VS.

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RE: DISTRIBUTION OF FINES

STATE OF ARIZONA, et al.,

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On January 26, 2006, t he Court held a telephonic conference with the parties' counsel and counsel for the Speaker of the Arizona House of Representatives, James P. Weiers, with regard to the payment of accumulated fines as a result of the State's noncompliance with both the January 2000 J udgment and January 2005 Court Order. In October of 2005 the Court heard Plaintiff's Motion for Sanctions and an Injunction for the State's non-compliance in this matter. In December of 2005, the Court held that the State was in Civil Contempt and granted Plaintiff's Motion for Sanctions. B ecause of the passage of time and the need for the accumulated funds to go to ELL students as soon as possible, the Court has determined that the accumulated fines shall be distributed by the Arizona Department of Education ("ADE") to each school district and charter school on a per-ELL student basis. The Court hereby Grants (Docket Nos. 362 and 367). Defendant's Motion for Disbursement of Funds (Docket No. 385) is Denied.

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The parties having appeared through counsel, along with the Speaker of the Arizona House of Representatives, James P. Weiers, and presented proposals regarding distribution of the monies in the separate fund created by the January 27, 2006, Court Order and good cause appearing,

IT IS HEREBY ORDERED that, as the State agency that distributes State and federal education monies to school districts and charter schools, the Arizona Department of Education ("ADE") shall similarly be responsible for distributing all mo nies that accumulate in the separate fund into which fines must be paid by the State pursuant to the Court's Orders of December 16, 2005 (D ocket No. 335), and January 27, 2006 (D ocket No. 352). ADE shall distribute the fines to each school district and charter school on a per-ELL student basis. In order to determine the number of ELLs tudents in each school district and charter school, ADE shall use the same method of counting ELL Students that is used for the purpose of distributing Group B weight funds under A.R.S. § 15-943.

FURTHER, IT IS ORDERED that the ADE shall calculate each school district's and charter school's share of the accumulated fines at least monthly and on such a date that will allow the ADE to pay each school district and charter school its share of the accumulated fines according to the established calendar for payment of State aid, set forth in A.R.S. § 15-973, be ginning with the February 15, 2006, p ayment. Notwithstanding any statute or rule to the contrary, school districts and charter schools shall be permitted to incorporate these additional monies into their maintenance and operation budgets and to expend such monies for English language acquisition programs in addition to any other monies they may receive or be authorized to spend for such purposes. In addition, monies distributed to school districts and charter schools pursuant to this Order shall not be subject to Legislative appropriation, and if they are not expended in the fiscal year in which they are received, they shall not revert to the State, but shall be budgeted and spent for English language acquisition programs in the next fiscal year.

FURTHER, as set forth in the January 27, 2006, Court Order (Docket No. 352), IT IS **ORDERED** that school districts and charter schools shall spend the additional monies contemplated by this Order only on services for ELL's tudents, and such additional funds shall supplement, not supplant, existing State and local monies that are or could be used for the benefit of ELLs tudents. At the end of each fiscal year in which monies are expended pursuant to this Order, the responsible officer for each school district and charter school shall certify to the ADE compliance with this provision.

FURTHER, to allow the Court and parties to monitor the distribution of the accumulated fines, IT IS ORDERED that, by the last day of each month, the ADE shall report to the Court and all of the parties in this matter:

- 1) the total amount of monies that have been distributed to date pursuant to this Order:
- 2) the total amount of monies that were distributed during the previous month pursuant to this Order:
- 3) the total amount of monies received to date by each school district and charter school pursuant to this Order: and
- 4) the total amount of monies received during the previous month by each school district and charter school pursuant to this Order, and the date(s) on which such monies were distributed.

DATED this 16th day of March, 2006.

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Raner C. Collins United States District Judge