FORM APPROVED
OMB NO. 1810-0036
EXPIRATION DATE: 02/29/2012

U.S. DEPARTMENT OF EDUCATION
WASHINGTON, DC 20202-6244

IMPACT AID PROGRAM

INSTRUCTIONS FOR COMPLETING FY 2012 *e*-APPLICATION FOR IMPACT AID UNDER SECTION 8002 OF THE ELEMENTARY AND SECONDARY EDUCATION ACT

Paperwork Burden Statement: According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1810-0036. The time required to complete this information collection is estimated to average 6.5 hour per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington, D.C. 20202-4651. If you have any comments or concerns regarding the status of your individual submission of this form, write directly to: Impact Aid Program, U.S. Department of Education, 400 Maryland Ave., S.W., Washington, D.C. 20202-6244.

Please read these instructions carefully before you complete the application. You may also need to review the authorizing statute (Section 8002 of the Elementary and Secondary Education Act) and regulations (34 CFR Part 222), which provide detailed eligibility requirements, definitions of terms, and the specific requirements of the law. The authorizing legislation and regulations are available on the Impact Aid Program (IAP) Internet web site. The home page for IAP is http://www.ed.gov/about/offices/list/oese/impactaid/index.html. Links to the legislation and regulations are at http://www.ed.gov/programs/8002/legislation.html.

You can prepare and submit this application only by using *e*-Application, the Department of Education's electronic application system, which is available on the Internet at http://e-grants.ed.gov. If you need further assistance in preparing this application, please call the IAP at (202) 260-3858.

WHO MAY APPLY

Any local educational agency (LEA) in which the Federal government has acquired significant amounts of local real property since 1938 may apply for assistance. The term ―LEA" means a board of education or other legally constituted local school authority that has administrative control and direction of free public elementary and secondary education through grade 12 in a county, township, independent or other school district located within a State. An eligible LEA must provide free public elementary and/or secondary education, under public supervision and direction without tuition charge, pursuant to the law of the State in which the LEA is located.

HOW TO APPLY

Prepare and submit this application by using the U.S. Department of Education's electronic grant application system, *e*-Application, available on-line at http://e-grants.ed.gov. If you are not already a registered user, you must register on this web site to begin the electronic grant application process. Whether you are a new user or have used this web site in the past, we urge you to log on to the site and familiarize yourself with it at your earliest convenience, and to complete the application process well before the due date.

After submitting the electronic application, you must **e-mail or fax** to the Impact Aid Program all forms for which signatures are required. Your authorized representative must sign and date the cover page of the application and the Impact Aid Program Assurances and Certifications page. For Table 1, the appropriate official(s) must sign and date those forms according to the instructions on the forms. Fax the pages to the Impact Aid Program at **(866) 799-1272**, our toll-free fax number, or scan the pages to a PDF file and send the file by e-mail to Impact.Aid@ed.gov. If you choose to fax the forms, use the cover sheet from the list of Documents & Instructions on the Application for Grants screen in *e*-Application. Your application is not complete until you have submitted the *e*-Application on-line **and** you have e-mailed or faxed all pages with signatures to the Impact Aid Program.

In addition, you must forward a complete copy of the application to your State educational agency (SEA) at the same time you submit it electronically to the U.S. Department of Education. Use the transmittal form from the list of Documents & Instructions on the Application for Grants screen in *e*-Application. Your SEA

Impact Aid contact is included in a list on our website at http://www.ed.gov/about/offices/list/oese/impactaid/searl.htm.

WHEN TO APPLY

The deadline for submitting this electronic application is 4:30 p.m., Washington, D.C. time, Monday, January 31, 2011.

An application is timely filed if the IAP receives the electronic application on or before the application deadline, **and** the signature pages are received by fax or e-mail no later than three business days following the deadline. The third business day following this year's application deadline is Thursday, February 3, 2011.

Do not wait until the last day to fax or e-mail the signature pages and risk missing the deadline. Also, keep your fax machine's confirmation printout or your e-mail receipt to document your timely submission.

Late Applications: The IAP will accept an application that is not timely filed, but that is otherwise approvable, if the IAP receives the application within 60 days after the deadline. However, payments for applications received during the 60-day late application period will be reduced by 10 percent of the amount that otherwise would be paid. The late application date for this year's application is Friday, April 1, 2011.

Amendments: After you have submitted your application, you may make corrections by completing and submitting an amendment. Amendments can be submitted through *e*-Application until September 30, 2011.

SPECIAL APPLICATION NOTES

Mandatory Forms: Your application must contain all mandatory forms:

- the Cover Page
- the Section 8002 Assurances
- Table 1 for each taxing jurisdiction
- Section 8002 Table 1 Worksheet for each taxing jurisdiction and each separate section 8002 property in the LEA
- Table 3
- Table 4

Optional Table 2: Complete Table 2 if you have federal revenue from eligible Federal property. Do not include revenue from Impact Aid or any other Department of Education program. Do not enter any data on the form unless you plan to submit it.

Data Entry Screens and Printer-Friendly Forms: In *e*-Application, you can see each form in two versions. Use the data entry screens to complete each form of your application. Open the data entry screen by clicking the name of the form. When you are ready to sign and submit your application, click the printer icon to the left of the name of the form to access a printer-friendly form. When printing forms, remember to change your browser's printer settings to landscape orientation.

COVER PAGE

Pre-populated Information

If your LEA has applied for Impact Aid in previous years, most of the items on the cover page will be "pre-populated," that is, copied from your LEA's application from last year. If any of this information has changed or is missing, make the necessary corrections before submitting this year's application. Also, many LEAs have similar names; please pay careful attention to the name and address displayed to be certain that we have your LEA properly identified.

New applicants must complete the requested information on the cover page. On data entry screens in *e*-Application, items marked with an asterisk are mandatory.

Identification Numbers

Your DUNS number, PR/Award number and Impact Aid number will be pre-populated if you previously have applied for Impact Aid. If your LEA previously has applied for Impact Aid and any of these numbers is blank or the Impact Aid number displayed on the screen begins with "TIA," please contact the Impact Aid Program at (202) 260-3858 before continuing so that we may be certain your *e*-Application has been correctly pre-populated.

If your LEA has not applied for Impact Aid previously, these numbers may be blank and the Impact Aid number will begin with "FIA." The Impact Aid Program will assign these numbers for you after you submit your application.

If you do not know your LEA's DUNS number or if you would like to verify the number displayed on the *e*-Application screen, call Dun and Bradstreet, Inc. at **(800) 333-0505** to obtain or check the number. The DUNS number on the application should be assigned to the same name and address that is printed on this application.

Applicant Name and Address

Your LEA's name and address will be displayed as they are listed in the Impact Aid information system. The name should be your LEA's legal name and the address should be the mailing address of your school district offices. We use this address to mail information to you.

Contact Person

The Contact Person information you provide should be for the person on your LEA's staff who is most knowledgeable about this application. Please be careful to provide an accurate e-mail address. The IAP uses this address to provide applicants with timely information throughout the year.

Changes in Acreage of Eligible Properties and Changes in Boundaries

Check the applicable box on the cover sheet if there has been a change in the number of acres of eligible Federal property that you include on your application. If, for example, ownership of some of the section 8002 property has been transferred from the Federal Government or the Federal Government has acquired additional property in the school district, you should check this box.

Check the applicable box if there have been changes in the geographical boundaries of the LEA, including through a consolidation with one or more other LEAs.

If you check either of these boxes, the IAP will contact you for additional documentation of the changes. You should maintain this information in your application records for submission after the deadline date.

IMPACT AID PROGRAM ASSURANCES AND CERTIFICATIONS

Authorized Representative Certification

Enter the name and title of the LEA's authorized representative. The signature of the LEA's representative commits the applicant to the assurances contained in the application, including the assurance that the applicant meets all statutory, regulatory, and administrative requirements. The authorized representative may be the same as the contact person but must be an individual designated to represent the LEA for official purposes.

Do not print the data entry screens of this form for signature. You must sign and date the printer-friendly version of your application and fax or e-mail the signed form to the IAP by the due date.

New applicants must sign and submit the full set of assurances and certifications noted on this form. Contact the Impact Aid Program for additional information if you are a new applicant.

TABLE 1. TAX ASSESSOR'S VALUATION OF SECTION 8002-ELIGIBLE FEDERAL PROPERTY

Table 1 must be completed by the local official responsible for determining the taxable value of real property in the school district, generally the local assessor. The official also completes the Table 1 Worksheet, which supports the data on Table 1 by calculating average values per acre based on the taxable values of comparable taxable properties that the official selects.

Provide copies of Table 1, the Table 1 Worksheet and the Instructions to Tax Assessment Official below to the local official responsible for valuing the Federal property. If the section 8002-eligible Federal property is located in more than one taxing jurisdiction, provide separate copies to the local taxing official for each jurisdiction. Likewise, if there are two or more section 8002-eligible Federal properties within a taxing jurisdiction, provide a separate copy for each section 8002-eligible Federal property to the local taxing official for each property.

Unlike the other application forms and tables, the Table 1 Worksheet is an Excel spreadsheet that you must download to your computer and fill out using Microsoft Office Excel software. You can link to a template for this spreadsheet from your *e*-Application. On the Documents and Instructions tab (to the right of the Application Forms tab), click the name "Table 1 Worksheet Template." On the page that opens, click the link at the top of the page (which will open the template), and save the template to your computer. Send this electronic copy to the local taxing official to be completed. ***PLEASE BE CAREFUL NOT TO OVERRIDE THE FORMULAS IN THE TABLE.***

For the FY 2012 application, you are in the third year of the Three-Year Cycle described in the Final Rule and the application instructions. You should have established an estimated assessed value (EAV) using these procedures for the FY 2010 application. You must complete the Table 1 worksheet using the same adjacent taxable properties that were used for FY 2010 and FY 2011, but you will need to update the values and acreages of those taxable properties if they have changed since the FY 2011 application. If a previously selected taxable adjacent property became unsuitable because it changed assessment classification, became tax-exempt or underwent a change in character, you must substitute a similar taxable property from the same expected use category. ***If you use recent sales for your properties, make sure you follow the instructions for allowable recent sales, and prepare your documentation of recent sales to be submitted to the Impact Aid Program office when requested.***

Once you receive the completed worksheet back from your local taxing official, you are ready to attach your completed worksheet to your *e*-Application. On the Application Forms tab, click the name "Impact Aid, Sec. 8002 Table 1 Worksheet" to open the attachment window. Click the Browse button to open a file selection window that will show you the files on your computer. Locate your completed worksheet among your computer files and double-click its name, which will insert it in the File box on the attachment window. Then, check the Form completed box and click the Save button.

You can upload only one Excel document for your application. If you have multiple worksheets—for multiple properties or multiple taxing jurisdictions—you must combine them into a single Excel document for the uploading process. In this case, you would make each worksheet a separate sheet on a combined Excel workbook.

It will also be helpful if you and the local tax officials review the Impact Aid Section 8002 program regulations, 34 C.F.R. Section 222.23, and the program legislation, Section 8002 of the Elementary and Secondary Education Act, which you can find on our web site, http://www.ed.gov/programs/8002/legislation.html.

TABLE 2. FEDERAL REVENUE FROM ELIGIBLE FEDERAL PROPERTY

Report revenue from other Federal programs, but only for activities associated with the Section 8002-eligible acreage. Do not include Impact Aid or other funds from Department of Education programs on this table.

If this page is pre-populated with information provided by your LEA in last year's application, please update or correct items as needed to display current and accurate information.

If you receive no other Federal revenue for the acreage, leave this form blank.

TABLE 3. ASSESSED VALUE OF TAXABLE REAL PROPERTY IN THE LOCAL EDUCATIONAL AGENCY

List each type of taxable real property in the LEA and report the number of acres and the assessed value for tax purposes for each. If the LEA is located in more than one taxing jurisdiction or contains more than one taxing jurisdiction, list the information for each jurisdiction separately.

Do not include the estimated value for non-taxable Federal property reported on Table 1.

If this page is pre-populated with information provided by your LEA in last year's application, please update or correct items as needed to display current and accurate information.

You will need to obtain the information necessary to provide accurate information for Table 3, which will be compared to the values on Table 1. You need to

accurately provide the total number of acres of each taxable type of property and the total taxable value of each type of property. Table 3 will be reviewed in comparison to the information provided on Table 1 to determine reasonableness of your estimated assessed value of the federal property.

TABLE 4. TAX LEVY INFORMATION

Enter the appropriate tax rates for school purposes for fiscal year 2009-2010. If your taxing jurisdiction(s) sets different rates for different types of property, include all rates on this table. There must be a tax rate for school purposes on this table for each type of property listed on Table 1. However, if the same rate is used for all types of property, you only need to list it once on this table.

All tax rates must be verified prior to payments being made. If you will need to submit additional tax rate documentation (e.g., districts in California), please e-mail or fax it to the Impact Aid Program as soon as it is available.

If this page is pre-populated with information provided by your LEA in last year's application, please update or correct items as needed to display current and accurate information.

FORM APPROVED
OMB NO. 1810-0036
EXPIRATION DATE: 02/29/2012

U.S. DEPARTMENT OF EDUCATION
WASHINGTON, DC 20202-6244

IMPACT AID PROGRAM

INSTRUCTIONS TO TAX ASSESSMENT OFFICIAL

The Impact Aid Section 8002 Program makes grant payments to school districts that have lost substantial financial capacity due to the acquisition of previously taxable property by the Federal government. Your participation in preparing this grant application is vital to the financial support of your school district(s).

Eligible school districts must submit applications annually to receive these funds. The applications provide data that the U.S. Department of Education uses to calculate payments according to a formula prescribed by the Impact Aid law. One factor considered in the formula is the "estimated assessed value" (EAV) of the Federal property within the school district's boundaries that is eligible under the Section 8002 Program. The law describes these properties, generally, as real property acquired by the Federal Government during or after 1939. The EAV is a reasonable estimation of the value of the property for taxation for school purposes if the property were on the tax rolls. The Impact Aid law requires these estimates to be certified by you, the tax assessment official.

You are asked to complete two forms, Table 1 and the supporting Table 1 Worksheet, for each section 8002-eligible Federal property within your taxing jurisdiction. The purpose of Table 1 is to:

- identify Federal properties within the boundaries of the school district that are eligible under the Impact Aid Section 8002 Program
- allocate proportions of the acreage of each property to taxable categories that you would normally use (for example, agricultural, residential, and commercial) according to your estimation of how the Federal property could reasonably develop in the near future (i.e., within two years) if it were available as privately owned property in the district
- report an average value per acre for each category based on the values of comparable taxable properties near the Federal property.

The Table 1 worksheet is an Excel 2003 file for you to use to establish the average value per acre for Column 4 of Table 1 based on the values of comparable taxable properties that you select.

The Impact Aid regulations provide a thorough discussion of the estimation procedure.

TABLE 1. TAX ASSESSOR'S VALUATION OF SECTION 8002-ELIGIBLE FEDERAL PROPERTY

Table 1 lists Section 8002-eligible Federal properties and the size in acres of those properties, describes adjacent taxable property, and values the Federal property based on the value of the taxable property. If the school district has previously received section 8002 funds, the eligible Federal property(ies) and verified acres will be provided on Table 1.

Column 1 – Federal properties that were on the previous year's application are pre-populated on the table. Additional properties can be added to blank rows by clicking the drop-down arrow and selecting from the list that is displayed. Each property is listed once for each type of taxable adjacent property in Column 3.

Column 2 – The Number of Eligible Acres is the total verified acreage of each Section 8002-eligible Federal property within the taxing jurisdiction. For each property within a taxing jurisdiction, the same number of acres is repeated on each row on which that property is listed. The number of eligible acres cannot be increased or decreased unless appropriate documentation is provided and verified by the Impact Aid Program.

Column 3 – The types and proportions data describe the property adjacent to the Federal property and indicate how you think the section 8002 property could and would be used if it were available to private owners. For instance, if the taxable property surrounding the Federal property is half forest and half residential with a small amount of commercial land, the proportions in Column 3(b) for those types might be 45%, 45% and 10%, respectively if the section 8002 property is also adaptable for those purposes and there would be a need or demand for that type of use in the near future if the section 8002 property were available.

Column 3(c) – The taxable percentage represents the proportion of the acreage that would be taxable if it were not federally owned. For instance, if 15% of residential acreage consists of non-taxable roadways, parks, churches, green spaces and schools, the taxable percentage would be 85%. The taxable percentage must be no greater than 99%. The taxable percentage may be different for each category of use. To continue the example above, the taxable percentage of forest land may be 98% while the taxable percentage of commercial areas may be 95%.

Column 4 – The average value per acre for each type of property comes from Column 9 of the Table 1 Worksheet.

Column 5 – The adjustment factor is any assessment percentage, ratio, index or other factor that your taxing jurisdiction uses to determine the taxable value of the adjacent property.

Column 6 – The average assessed value per acre is the product of the values in columns 4 and 5.

Certifying Official Name – Enter the name of the taxing jurisdiction and the name, title and telephone number of the tax assessment official who will sign the final printed copy of this document. This information will be shown on the print version of the form, which the tax assessment official must sign and date.

TABLE 1 WORKSHEET

The Table 1 Worksheet is an Excel 2003 file for you to use to establish the average value per acre to enter in Column 4 of Table 1. The worksheet uses the assessed values and acreages of comparable taxable properties to calculate a value for the related types and proportions of the section 8002-eligible federal property.

For each property category, select a minimum of ten such properties representative of the type of development that has occurred adjacent to the section 8002 property and that could be expected on the Federal property, and list them along with their assessed values. For each, use the recorded value on assessment records before any adjustment, ratio, percentage or other factor is applied.

Identification – From Table 1, enter the taxing jurisdiction, the name of the section 8002 property, the number of acres of that property within that taxing jurisdiction, the name of the local educational agency (LEA) and the LEA's Impact Aid application number.

Column 1 – From Table 1 Column 3(a), enter each type of property adjacent to the Federal property, such as residential, commercial or agricultural. The pre-populated data on Table 1 show the types of properties used on your application from last year.

Use as many types of property as you need to describe the adjacent property. For instance, you may elect to use separate categories for single-family homes and for apartment buildings. Make sure that the same types are on both the worksheet and Table 1.

Column 2 – From Table 1 Column 3(b), enter the proportion of the property in the category.

Column 3 – The worksheet calculates the product of the total acreage from the identification section and the proportion in Column 2.

Column 4 – Enter the identifying information, such as parcel numbers or owner names, of the comparable taxable properties that you have selected. You must select at least ten properties, so the worksheet is designed for that number. If you choose to use more than ten properties, you will have to insert additional rows in the worksheet for additional properties.

You can use fewer than ten properties for any single category only in limited circumstances. Generally, if you identify fewer than ten adjacent properties, you must replicate the property with the lowest value per acre to increase the sample size to ten. Any use of fewer than ten adjacent properties must be approved by IAP staff.

Column 5 – For each comparable property, enter ~~I~~" if the property is improved or ~~U~~" if the property is unimproved.

Column 6 – Enter the year of the last sale or transfer of each comparable property.

Column 7 – Enter the assessed value of each comparable property. Use the value for each comparable property that is recorded on assessment records before any

adjustment, ratio, percentage, or other factor is applied. For improved properties, the value should include both land and improvements. The worksheet calculates the sum of the values for each category.

Column 8 – Enter the acreage of each comparable property. Use the size for each comparable property that is recorded on assessment records. The worksheet calculates the sum of the acres for each category.

Column 9 – The worksheet calculates the average assessed value per acre by dividing the sum of the assessed values by the sum of the acreage of the comparable taxable properties.

ADDITIONAL INFORMATION

Adjacent – ―Adjacent" means next to or close to the section 8002-eligible Federal property. In most cases this will be the closest taxable parcels within the school district, but may be no more than two miles away from the section 8002 property. You may select properties further than two miles from the section 8002-eligible Federal property only where the Department of Education determines that it is necessary and reasonable for determining the aggregate assessed value of eligible Federal property. Only in extremely rare circumstances will the Department approve values based on taxable parcels further than two miles from the Federal perimeter or outside the school district.

Highest and Best Use –Base your determination of the estimated assessed value of the section 8002-eligible Federal property upon the ―highest and best use" of the comparable taxable properties adjacent to the section 8002-eligible Federal property. Highest and best use of adjacent comparable properties is determined based upon a highest and best use standard under State or local law or guidelines, if available. In the absence of State or local law or guidelines, highest and best use is generally based upon the current use of the adjacent properties including any improvements. Any standard used may not be exclusively for Section 8002-eligible Federal property and must include any improvements on that property, consistent with State or local laws or guidelines.

Highest and best use may not be based upon potential uses that are speculative or remote. You must take into consideration the extent to which the Federal property

is physically adaptable for those uses and for which there would be a need or demand in the near future if the property were not owned by the Federal Government. Within those considerations, you may consider the most developed and profitable uses of the property.

Recent Sales – ~~"~~Recent sales" or ~~"~~recently sold" means taxable properties that have transferred ownership within the three most recent years for which data is available. When selecting adjacent properties as the basis for establishing the value of the eligible Federal property, you may include adjacent properties that are recent sales as described below:

Calculate the following proportion (percentage):

The number of sales in each expected use category
for the three most recent years for which data are available

divided by

the total number of taxable properties in that category
for the most recent year for which data are available.

Determine the number of recent sales that may be included with other selected taxable adjacent properties in that expected use category by multiplying the proportion obtained above by the total number of taxable adjacent properties selected for that assessment classification. If the resulting number is a fraction, round down to the nearest whole number to determine the maximum number of recent sales you may include for that assessment classification.

Significant Change in Value – If the reported estimated assessed value for the Federal property has changed by more than 20 percent (up or down) from the value reported on last year's application, you must provide an explanation for this change. In the past, applicants have informed us that this was caused by reassessments in the district or resulted from a more thorough analysis of the Federal property and the properties adjacent to it. Whatever the reason, please provide a brief explanation.

Three-Year Cycle – You should have established an EAV using these procedures for the FY 2010 application. For FY 2012, you should be using the selected adjacent taxable properties that you have used for preceding two application years (FY2010 and FY 2011). For the FY 2012 application, you must use the same allocation of expected uses of the federal property and the same selected taxable

properties, but you will need to update the values and acreages of those taxable properties if they have changed since the FY 2010 application. If a previously selected taxable adjacent property becomes unsuitable because it changes assessment classification, becomes tax-exempt or undergoes a change in character, you must substitute a similar taxable property from the same expected use category.

Examples – The Section 8002 program regulations contain examples of replicating a property value to reach a sample size of 10. Other examples include allocating a proportion to non-assessed or tax exempt uses, inclusion of recent sales and calculation of the base values, 8002 estimated assessed values and aggregate assessed value.

Further Information – The Impact Aid regulations at 34 C.F.R. section 222.23 provide more information about this process and also provide examples. You can find that document on the Internet at http://www.ed.gov/programs/8002/legislation.html.