
Arkansas Division of Public School



Academic Facilities & Transportation

**COMMISSION FOR PUBLIC SCHOOL ACADEMIC FACILITIES
AND TRANSPORTATION**

Dr. Ken James, Chair

MEETING AGENDA

**October 13, 2006
8:00 a.m.**

Arkansas Department of Education Auditorium

Call to Order/Roll Call

1. Approval of August 30, 2006 Meeting Minutes
2. Siloam Springs School District Transitional Program Appeal

MINUTES OF
COMMISSION FOR PUBLIC SCHOOL ACADEMIC
FACILITIES AND TRANSPORTATION

Date: October 13, 2006
Place: ADE Auditorium
Attendees: Dr. Ken James, Director, Arkansas Department of Education
Richard Weiss, Director, Arkansas Department of Finance and
Administration
Mac Dodson, President, Arkansas Development Authority

Call to Order/Roll Call: Dr. Ken James called the fourteenth meeting of the Commission for Public School Academic Facilities and Transportation to order. All Commission members were present.

1. **Approval of August 30, 2006 Commission Meeting Minutes.** Dr. Ken James entertained a motion to approve the minutes. Mr. Richard Weiss made a motion which was seconded by Mac Dodson. **Minutes of the August 30, 2006 Commission meeting were approved unanimously.**

2. **Siloam Springs School District Transitional Program Appeal.** Mr. Doug Eaton introduced Mr. Scott Smith as the person that would expound upon item #2 on the Commission Meeting Agenda. Mr. Scott Smith approached the podium. He asked if everyone had a copy of the prepared agenda item. After a response of "yes" from all parties he began to address the issues of the Siloam Springs School District Transitional Appeal. He advised that "we needed to resolve it so that Siloam Springs would be willing to give up the Bonded Debt funding that they had received from the state" that's all that amounts to this order. In exchange for facility funding in the amount of \$4,746,574.49. In essence that is the term of the agreement. The projects are listed in order. If you have any questions either I or Mr. Eaton will be happy to try to answer those questions. I recommend that you approve the order." Mr. Richard Weiss "you have indicated that there was an attorney general's opinion?" Mr. Smith "there was an opinion issued" Mr. Richard Weiss "what did it state?" Mr. Smith "the opinion dealt with several issues, one of the issues was whether it was theoretically possible to have double funding in this area. The attorney general found that it may be theoretically possible but refused to address the specifics of the issue since this matter is before the Commission. We believe that this order preserves a good precedent for the state on this matter in addition Siloam Springs School District also applied for Partnership funding which would be a possible three hit. They are willing to give up all those pots of money except Transitional."

Mr. Mac Dodson posed a question regarding Debt Bonded. Mr. Doug Eaton replied "let me recap real fast. They had applied for Bonded Debt Assistance against, which they were going to do these projects and the applied Debt interpretation was that they could

apply under both programs so they had requested and been approved by the Commission to receive reimbursement for 10% of the Bonded debt then they turned around and applied under Transitional. We denied it because the Debt had been incurred prior to that date. Some of it was incurred after that date. That's why some projects were approved and some were not. So our recommendation was that they not be funded. They applied under next program at the same time. (which Scott mentioned) The interpretation was that since it did not specifically say you could not apply, that you could apply. So subsequently the basis of the settlement is I understand it, I will have to refer to Dr. Stewart and Mr. Smith to see exactly how it was done.

They went to the district and asked under which program you wish to apply. It ended up being Transitional. They promised to give back the funds that had been received under Bonded Debt and we would settle it under Transitional. It did not affect the Bonds if that is the basis of your question." Mr. Scott Smith "they had counsel in this matter Mr. David Matthews. The district secured themselves in the issues.

Dr. Ken James asked for any further questions. "Mr. Chairman in your opinion does put us consistent with our earlier findings? Is this a good precedent for going forward? Mr. Eaton " I think we're comfortable with what's been drafted, we've talked with some key legislators involving this process, how we got here and the purpose behind what was drawn forth originally for Siloam Springs and in fact that there was some confusion from what they could do and what they thought they could do. We felt after talking through this process with some key legislators as well that the best resolution had been accomplished at this point and time.

Mr. Scott Smith "we have also shared this order with the attorney general's office and after being reviewed by this office everything seems to be consistent with their perspective opinion." Dr. Ken James will this be accepted as presented today? Mr. Richard Weiss "I motion that accept Siloam Springs as presented." Mr. Mac Dodson "second" Dr. Ken James "is there any further questions" Mr. Doug Eaton "there is nothing else unless the Commission has some additional questions." Dr. Ken James "the meeting is adjourned."