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Arkansas Division of Public School

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Academic Facilities & Transportation

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

**Dr. Ken James, Chair**

**MEETING AGENDA**

**January 29, 2008  
8:30 A.M.**

**Arkansas Department of Education Auditorium**

**Call to Order/Roll Call**

1. Commission meeting minutes September 19, 2007
2. Immediate Repair Program update
3. Transitional Program update
4. Partnership Program update
5. Catastrophic Rules submission
6. Facility Distress Rules submission
7. High Growth Rules submission
8. Facilities Appeal Rules submission
9. Facility Manual revision of Chapter 5 – POR
10. Facility Manual revision of Chapter 7
11. Master Plan Rules submission
12. Partnership Program Rules submission
13. Special Report: Failed Millage School Districts
14. Maintenance Management Contract

ARKANSAS DEPARTMENT OF EDUCATION  
PUBLIC SCHOOL ACADEMIC FACILITIES AND TRANSPORTATION

COMMISSION MEETING

JANUARY 29, 2008

**Tab: 1**

Mr. Doug Eaton opened the meeting with the minutes from the September 19, 2007 Commission Meeting. The minutes were approved.

**Tab: 2 Academic Facilities Immediate Repair Program**

Mr. Eaton gave the Commission an updated list of the Academic Facilities Immediate Repair Program and a recommendation for the transfer of funds to assist school districts in completing their immediate repair projects. This program closed on 31 December 2007. Since the September report we have concluded our survey of every district that had not begun their immediate repair projects. In September we reported that 81 districts had cancelled the projects, 59 districts either had the projects underway or were still planning to accomplish them prior to the 31 December deadline. The status of the program at this stage is there were 440 completed projects that were closed out. Sixty-three school districts cancelled the projects. I think we had a very good success rate with this program. The final cost of this program ended up being approximately 27.9 million dollars versus 35 million dollars of State share that was funded, a difference of about 7 million dollars. At the present time we are not ready to close out the immediate repair program. We expect to do that in March. Our recommendation to the Commission at this time is that the adjustments to project cost be approved.

The motion to accept the Division's recommendations is approved.

**Tab: 3 Transitional Academic Facilities Program**

The purpose of this report is to advise the Commission on the current status of the Transitional Program. The final project completion date of this program is July 1, 2009. The Division will be recommending additional funds be transferred to those projects upon completion of the project. It is anticipated that recommendations will begin in March upon the financial closing of the Academic Facilities Immediate Repair Program. To date there are eight school districts whose projects have been refined that will be recommended for additional funding. I have a status sheet on those projects that are

identified in white and we have contacted the districts, and know exactly where they are and when they intend to start.

In September we reported to you that 169 out of the 222 projects on the Transitional Program were completed, which was 76.1 percent. As of this date 189 of the 222 programs are completed for 85.1 percent. The Division feels right now that there is sufficient funding to complete these projects. At the present time there are no recommendations or actions required by the Commission at this time.

Report will be filed as submitted.

**Tab: 4 Partnership Programs 2006**

The Partnership projects approved by the Commission in May of '06, is progressing quite satisfactorily. We have made some adjustments to the list presented to the Commission in September 2007 and adjusted the estimated State financial participation such that it reflects an increase of approximately 1.9 million dollars. Secondly, the projects identified by the school districts whose millage failed in September 2007, have not been modified pending the outcome of the April millage elections, which I will address later on at the meeting. We reported in September that 172 of the 1,156 projects were completed, which is 11.4 percent. As of this date we have reported that 247 of the 1,156 projects are completed or 21 percent. In September we had distributed 31.7 million dollars out of this program and by January we have distributed 61.6 million dollars out of this program. At the present time against the original appropriation received for 2006, we have a credit of approximately 24 million dollars. The total amount of State financial participation has changed by approximately 7.34 million dollars.

The largest change with the modification was the Siloam Springs High School project. Siloam Springs presented us with an opportunity to save quite a bit of money in the long run by modifying their existing project now and meeting their demands. This is a savings to both the State and to the school district because we completely eliminated the construction of a school by modifying the existing project.

The projects identified by the school districts whose millage failed in 2007, have not been modified pending the outcome of the April millage elections. The Division is not recommending any transfer of funds to account for the increase in the 2007 Partnership state financial participation.

In January 2008 we completed six out of 374 projects, or two percent and our financial distribution has only been \$135,000, which is 2.5 percent. As compared to the budget that was established of 361.4 million dollars our present obligations based on the projects that we have is 388.6 million dollars or a deficit of 37. But when you balance that with the carry over from '06, and you take out the projects that have been scoped out of the 13 school districts, the millage or the millage elections will be redone in July we exceed that dollar amount. So financially we're balanced. Our recommendation with regard to both of these is that the Commission accepts the updated Partnership list as was presented to the Commission at this time.

A motion to accept the Partnership program list submitted for '06 and for '07.

**Tab: 5 Rules governing Academic Facilities Catastrophic Program**

Legislation that was enacted during the '07 legislative session, notably Act 989 required changes to be made to the rules administrating the Academic Facilities Catastrophic Program. These suggested rule changes were presented to the Commission in July of 2007, and again in September, 2007. By request of the Commission the rule was again opened for public comment from October 22nd to December 7th, with a public meeting held on November 13th. Today we bring to you the recommended rule with additional changes and/or corrections as a result of the two open comment periods.

A public meeting was conducted on November 13, 2007 in the ADE auditorium. There were six people in attendance and no comments were received on the rule. Written comments were received from two writers. What you have in your tab is the rule essentially as it was presented to you in September with some minor changes and the written comments that we received from legislators and how we answered each of those legislators' comments.

The recommendation is that the Commission approves the Academic Facilities Catastrophic Program rules as presented and authorizes the Division to go forward to the ALC Rules and Regulations Committee.

To be put forward to the Legislative Rule Committee for review.

**Tab 6: Rules governing the Academic Facilities Distress Program**

Legislation that was enacted during the '07 legislative session, notably Acts 989 and 996 of 2007 required changes to be made to the rules administering the Academic Facilities Distress Program. These suggested rule changes were presented to the Commission on July 13, 2007 and again on September, 2007. By request of the Commission the rule was again opened for public comment from October 22, 2007 to December 7, 2007 and a public meeting was held on the November 13, 2007. Today we bring to you the recommended rule with additional changes and/or corrections as a result of the two open comment periods and public meetings. These changes have been staffed; again with the attorney for the Arkansas Department of Education and if so approved by the Commission the Division is prepared to go forward with the required submission to the ALC Rules and Regulations Committee.

A second public meeting was conducted on November 13th in the ADE auditorium. There were five people in attendance and no comments were received on the rule at that meeting. Written comments were received from two legislators. The most notable change in the Academic Facilities Distress Program came about with regard to the inclusion of the requirements to address the issue with school districts whose millage failed and as a result affected their Master Plans. The Division had to confer with these school districts for the prescribed amount of time and that we have the authority to make a recommendation that they conduct a second millage if we found that certain aspects of their Master Plan which resulted in detrimental effects on safe, dry and healthy conditions of buildings. The district could be directed to have a second millage. This is probably the most significant change that came out of those Acts.

The recommendation to the Commission is that the Commission approves the Facilities Distress Program rules, as presented and authorizes the Division to go forward to the ALC Rules and Regulations Committee.

Motion is to take these rules forward to the Rules Committee before the legislature.

**Tab 7: Rules governing the Academic Facilities High-Growth School District Loan Program**

Act 995 of 2007, which was codified as Arkansas Code Annotated 6-25-11, required the Commission to adopt the rules to implement the Academic Facilities High Growth District Loan Program. This program is to assist high growth districts with building new

academic facilities that as a result of high growth would cause the school district to incur indebtedness for academic facilities that exceed the maximum expected millage.

The highlights of this program are as follows: Establishes the definition of a high growth school district. Secondly, it establishes that of the actual expected mills, ten mills that a school district is expected to raise to service its bonded indebtedness incurred for academic facilities. Thirdly, it provides for an interest free loan provided the school district has met the requirement of the maximum expected millage and is defined as a high growth district. Fourthly, the proposed rule provides for the Commission to receive the district's loan application and make a determination that the total space available in the high growth district is less than the amount needed to accommodate the growth of students. The loan application materials would then be forwarded to the Department of Education for its review under the revolving loan fund. The Division recommendation is that the Commission approves the Academic Facilities High Growth rules, as presented, and authorizes the Division to go forward with the public hearings and comment period.

Motion is approved to go out for public comment on high growth rules.

**Tab 8: Rules Governing the Arkansas Commission for Public School Academic Facilities and Transportation Appeal Procedures**

The Division is presenting a rule to standardize and clarify the appeal procedure to be used when Division decisions are appealed to the Commission. In order to allow for a seamless transition from the appeal procedures contained in the current Commission rules language has been added to current rules being amended at this time to provide for their appeal provision sections on effective date of these rules. The highlights of these rules are as follows: It establishes a method by which the school districts may appeal decisions made by the Arkansas Division of Public School Academic Facilities and Transportation to the Commission. The rule will be applicable to any final determination made under the provisions of the Arkansas Public School Academic Facilities Funding Act, which is Arkansas Code Annotated 620-25-1 or the Arkansas Public School Academic Facilities Program Act, which is Arkansas Code Annotated 621-80-1. The rule establishes both the appeal process and the appeal hearing procedure. This rule was written by the attorney for the Arkansas Department of Education. It is recommended that the Commission approve the appeal procedure

rule as presented and authorize the Division to go forward with a public hearing and comment period.

Motion approved to go out for public comment.

**Tab 10: Arkansas Public School Facility Manual Review: Chapter 7**

The Commission, at their July 13, 2007 meeting, received a recommendation to begin the review of the program of requirements, its meaning and interpretation. The Division recommended three areas of review for the Facility Manual. One, to review Chapter Seven, which is the construction standards. Secondly, to review grammar and format in the manual. And, thirdly, to review the program of requirements, which is referred to as Chapter Five.

Chapter Seven outlines standards and guidelines and shows examples for clarity of the new construction standards now required in school construction. The Advisory Committee undertook this review beginning in early 2007. Their review with edits from the Division was presented for public comment and public review during September and October of 2007. A public meeting was held on September 28th to solicit comments. Many outstanding verbal and written comments were submitted. The Advisory Committee undertook the task of reviewing all of the comments and making any applicable changes to Chapter Seven. This chapter is now presented to the Commission for consideration as a change to the Arkansas Public School Facility Manual.

The recommendation is that the Commission approves the latest version of Chapter Seven.

Motion approved.

**Tab 11: Rules governing the 10 Year Facilities Master Plan Program**

Legislation that was enacted during the '07 legislative session, notably Act 989 required changes is made to the rules administrating the Academic Facilities Master Plan Program. These suggested rule changes were presented to the Commission in July of 2007, and again September 2007. By request of the Commission the rule was again opened for public comment between September 25th and November 16th, and a public meeting was held on October 16th. The public meeting was conducted here in the ADE auditorium, there were ten people in attendance, and comments were received on the rule at that meeting and acted upon by the Division.

Today we bring to you the recommended rule with additional changes and/or corrections as a result of the two open comment periods and

public meetings. In addition to the comments received at the public hearing a review committee consisting of non-Division personnel has been reviewing the Partnership program and rule which has an impact on the Master Plan rule. Because of the closeness of these two programs it is felt that this proposed change warrants another open comment period and public meeting.

The recommendation to the Commission is that the Commission approves the Academic Facilities Master Plan program rules as presented and authorizes the Division to go forward with an additional public comment period.

Notable changes to the rules are that we have now included the Master Plan Guidelines and, of course, which were not included in the original. These are the guidelines that we give school districts to help fill out the application and answer the questions mandated by law, so that we assure that they submit the correct Master Plan they have to put in there.

The Master Plan rules will again go out for public comment.

**Tab 9: Arkansas Public School Facility Manual Review: Chapter 5 Program of Review (Bracketing)**

Chapter Five outlines the basis for determining the square foot size of new facilities both new schools and new additions. It additionally assists school districts planning by delineating the required academic and academic support spaces and the respective sizes, combined they constitute the minimum State standard for school facilities.

A special presentation will be provided by Mr. Scott Smith, the ADE attorney on the Committee.

MR. SMITH: The way we began this process is in the July meeting of this Commission, the Commission asked the staff to then review the two year old Facilities Manual and the program of requirements. Chapters Five and Seven, which are the re-writes to the Facilities Manual.

There are about five appendices to that rule, the first being the application process, the new application process that would be associated with the rule, the program of requirements and long form agreement.

Mr. Seay and his group did Chapter Seven.

The current PORs are based on a multiple model scheme and based around certain populations and grade configurations. The result of this over the years is it has created some complexity and has created some inability to resolve some issues that we have recently run into. The models were based on five models. Those models were based around K-5, 6-8, 9-12, K-8 and K-12 grade configurations. Furthermore, they were also based around specific student populations, 200, 350, 550, and 700. We began to look at trying to develop a single standard that would allow the exact spaces and the exact square footage associated with those spaces and, thus, the total growth square footage required for any Partnership project submitted to this Commission.

The model is based off two components: the student population you wish to serve with that model and what grade configurations will serve that student population. When you drop those two pieces of information in the hopper, you crank a handle, and it spits out the specific requirements. This model has been cross checked to the standards of accreditations. It's been cross checked with IDEA. It's been cross checked with all other areas that we can think of to try and make sure that if a district develops a facility in compliance with this POR, they are then in compliance with all other areas of the State.

This model is easier to understand, it is a one-page model, and it incorporates the important concepts of suitability and prioritization.

This model is a K-12 model. Again it isn't limited to any particular grade configuration or student population. So whether you want to a kindergarten, a K-5, 4-6, 7-8, or a K-12, it doesn't matter.

I'm going to turn to Mr. Kimbrell and let him address the Commission on how the POR works.

MR. KIMBRELL: What we tried to do is simplify how schools would approach being able to design new schools, make additions to existing facilities and renovate existing facilities. The way this would work is the district with their design team or their architect/engineer firm; they would actually begin to look at this one page and determine what grade level configuration the building was going to hold. With that they would then determine how many students they anticipate being in each of those grade levels utilizing either the model for growth that is student growth or decline as provided by the Division or one other that might be acceptable. But utilizing that over the period of ten years they

would put those numbers into those grade levels. Each grade level then is determined as to how many classrooms would be required based upon the standards.

Moving to the next slide there are two important concepts with this single standard that we've introduced. In effect, there is a change in philosophy from the State offering to pay for any scenario of -- shopping list of scenarios that you come up with, and we've actually gone more in line with Lake View as far as the State is now announcing the adequacy standard with regards to a facility. That's what this POR does.

With that concept the issue then come into play, let's say a district submits a POR and they just want to build a facility. Is the State always obligated to address that need? That brings us to the concept of suitability. I would define suitability in the sense that suitability is determination by the State as to whether the district currently has the necessary facilities to address the adequacy need of that student population it is proposing. To make that determination we propose that we do it based on a gross square footage basis. I want to ask Tony if he'll address those points.

Mr. Woods: I think concept is extremely simple. We're defining suitability and adequacy as being synonymous terms. The components to meet adequacy are clearly identified and they have been addressed already this morning. That in and of itself defines suitability.

One of the first steps that a district will have to take is the application of this model, so they can do a comparison of footage and children being served in that facility. If you make projections in regard to the future, the same comparison has got to come into play. If you say over the ten years that the high number of students to be served reflects X, if that number is 700, and you're currently serving 500 students in that district and you want to look at an expansion then you go in and apply the refined POR for the 700 students and see what the programs requirements would be and the actual gross square footage that's required to serve that 700 students.

Mr. Smith: The state is required by law to prioritize how it's going to address its funding of these needs. We have decided to base that on three factors: the growth of the district, the facility condition index, and the wealth index.

To look at growth, we're looking at growth on a ten year basis in prior years. We're going back ten years and comparing the third quarter average daily membership of the district at that point in time to the latest third quarter average daily membership that we have available. Now, if you're a district that didn't exist ten years because of consolidation, or annexation, or something of that nature, then we simply go back to the districts that made up that now-existing district and on a composite basis compare those third quarter ADMs to the current third quarter ADM of the new district. We take the district with the highest growth and it gets a number, and then we rank everyone in descending order from that perspective. We take the district with the worst FCI and it gets a ranking of number one, and ranks everyone else in descending order based on its FCI index. And the same thing with the wealth index. We then take a composite score, either raw or average, of those three rankings and come up with a ranking of our proposed partnership projects for that year. So once you've been ranked you know where you fall in the categories of State funding that particular year. The State has recognized your need, they have now ranked you, and based on your ranking you will receive funding. If you fall in such a low priority to not receive funding in a particular cycle, the State, according to Lake View, has still recognized your need and the State will still address that need. Warm, safe and dry projects are going to receive first place ranking.

This is how the ranking would work. The district or the project, with the lowest ranking is actually the higher priority when you add the composite scores. In order to accomplish these proposed changes it is necessary that we change the timelines. Currently applications are due to the Commission, or to the Division by March 3 of this year. What we are proposing by way of changes in the rule is that the timeline be backed up to May 1 of this year, in order that the Commission have an opportunity to put this out for public comment, that we allow members of the public to see this and vet their comments with regards to these proposals, and that we would hope to bring this back to the Commission sometime in February seeking your final approval based on whatever comes out of public comment, and then seek to go to the legislature sometime in early March, if possible, and seek their approval. So that we could have a complete rule with all proposed changes in place. In addition to some other changes that we've noticed there were no timelines with regards to construction. That presented certain issues that we thought needed to be dealt with both from a practical and a legal end. As a result we have proposed that all construction on approved projects has to begin within 18 months of

approval and that all construction must be completed within three years of approved partnership funding out there.

Finally, you'll notice that this really is a change of philosophy in the State's role but I think it's actually more in keeping with the State statute and what it requires.

Once the Commission has given its approval and looked at this project, in essence the district is then free to move and start working on the project. The one thing that they will need to do before they actually begin construction is make sure the State has seen the blueprints and received the State approval, so that we can be assured that what they told us they were going to do is, in fact, what they're actually doing. To the extent the district has changed any of that then the State will also adjust funding in accordance with what it actually approved and what the district is seeking to do. In addition, we have also changed the appeals process. Section Eight of the rule is the old section dealing with appeals. As was mentioned previously we have established a specific rules on appeals out there. That rule will apply across the board to all Partnership areas and programs. Districts have the right to appeal any decision to the Commission that the Division makes out there and as a result we have tried to create a comprehensive appeal process that would address all of those issues. The rule has additional changes. The rule has been out there for quite some time for public comment already. You have seen many of those changes. What we're proposing to you today is to go forward and ask for your permission to put this back out for public comment for an addition 30 to 35 days, let the public see what we're proposing and hopefully come back to you in February, late February asking for your final approval in this area.

So at this time, Mr. Chair, I would open ourselves up to any questions or comments from the Commission.

CHAIRMAN JAMES: Commission members, you have heard the presentation that's before you, so we, at this point are open for questions from Commission members. Before we do that let me also ask Senator Broadway and/or Representative Cook if there's anything that you want to say, since you've been engaged in some of these conversations as well to the Commission.

SENATOR BROADWAY: I don't know if Representative Cook heard you but I'll say a few things rather quickly. Obviously as one who has been involved in this process from day one, and I've thought about this often. A lot of us have had a lot of long days and sleepless night since 2002, in terms of giving birth to something

from scratch that the State has never participated in and the districts have never done in partnership with the State to this degree. You're always going to have, when you start something like that the need to go back and revisit it. And I'm glad and I appreciate the Commission's leadership in that we've had time since the '03 and '05 sessions, once we put these programs in place and we saw some of the results from the immediate program. We have obviously made great strides over the last several years.

It's been, you know, a give and take in terms of all of us, in terms of working with districts and the challenges that they face and the challenges that Doug and his staff, past and present, have faced. But I think over the last several months and thanks to the work of Scott especially, Scott has given a lot of his time, nights, and weekends. We even visited about it at the car wash the other day when he was headed into the office. And so -- but Dr. Kimbrell and Tony and with David, and Dr. Julian and Dr. Stein, a lot of nights. I think the only day they took off was probably Christmas Day and New Year's Day. Other than that, a lot of meetings in the meantime. So I think this has been a very good process to really go back and analyze the whole program, the entire program with the experiences that we've had over the last several years since its beginning, and I think that we are moving forward in the right direction and I appreciate the work that this group has done and everyone has done to get us to this point. There will obviously be, when you have rules go out, comments to be made, and we will hold a hearing, we'll have Scott come make a -- perform a command performance on February 12th, and we'll review these with all the member of the Facilities Oversight Committee. I met with the Advisory Committee the other day and Dr. Stein kind of gave an overview. I know that Mr. Seay and his committee will take a look at these as well and give any thoughts or opinion but I believe this is the right direction to move forward in. And I appreciate your leadership.

CHAIRMAN JAMES: Representative Cook.

REPRESENTATIVE COOK: Just wanted to say that we've come a long way, baby, to get here. I mean if you'll remember the original survey and the figures that were out there and the conditions of our school facilities here in the state of Arkansas, and look where we are now, we've -- happily the legislature has done their part as far as funding through the immediate and the transitional program getting into the Partnership program and now through this, with the new models and looking at this, we're really spearheading and really getting down to the nitty gritty on what really is needed out there as far as adequate facilities to meet all of our

standards, including federal standards. So I think it's a good model, we're going to review this like the Senator said on the 12th, in our Oversight Committee but I'm looking forward to the rules going and getting the comments back from the public. Thank you.

CHAIRMAN JAMES: Hearing none, we will put out the Facility Manual revisions for Chapter Five appeal or for public comment, and that motion has been approved. Okay. We will now move to item number 12, the Partnership Program Rules submission.

MR. SMITH: Really what you're approving is the Partnership rule which includes as the appendix those portions of the Facilities Manual and, so we're just recommending that you put the Partnership Program rule out for public comment, again, along with this POR which is now being made incorporated into the rule, as a part of the rule, by way of the Facilities Manual. So if you just approve the rule for public comment it will take care of all the rest of it.

CHAIRMAN JAMES: None. Motion is approved to put the Partnership Program rules out again for public comment.

**Tab 13: Special Report Failed Millage Districts**

The Division is required to take action pursuant to Act 996 of 2007, regarding school districts who have sustained millage election failures to support their Master Plan. The Division is responsible to notify the school district and meet with them within ten days of the date of the failed election.

This report is an Executive Summary of the actions taken with regard to those school district and the determination as to the agreed upon course of action to correct any deficiencies identified as a result of the conference. To assist the commission the following documents were presented:

1. Sample notification letter to the school district dated 26 September.
2. Facilities Distress discussion.
3. An executive summary of each school district.
4. Huntsville School District special reports I and II.
5. Harmony Grove School District special report.
6. Strong Huttig School District special report.
7. Quitman School District special reports I and II.
8. Sheridan School District special report.
9. Clarendon School District of special report.
10. Mansfield School District special report.
11. Clinton School District special report.

12. Hermitage School District special report.
13. Mena School District special report I and II.
14. Green Forest School District special report I and II.
15. Bryant School District special reports I, II and III.
16. Mountain Home School District special report I and II.

Recommendation: The division has no recommendation with regard to these special reports.

CHAIRMAN JAMES: There is not a recommendation on the millage report. We do appreciate the update. We would ask that you also keep us up to date with respect to further dialogue on these districts that you have and if there's any things that we need to know a Commission members, as that continues to go forward. So we do not need a motion on that particular item, so we'll move to item number fourteen.

**Tab 14: Special Report: Computerized Maintenance Management System**

The Division has the requirement to develop and implement an ongoing process for collecting inventory and updating information on the stated condition of all public school academic facilities in the state. That is the exact wording in Arkansas Code Annotated 621-112(f)(5). In addition Arkansas Code Annotated 621-808(c)(2)(a) and (b) requires the Division within in the context of the Public Schools Facilities Custodial Maintenance and Repair and Renovation Manual to establish the standards for school districts to implement a work order request system and a preventive maintenance system. The Division plans to implement a statewide computerized maintenance management system. The system would be put in place and managed by the Division and districts would be users on the system to develop and implement a work order request or preventive maintenance program. The information collected under these programs would serve to meet the needs of the State for collecting and updating information on the state and condition of public school facilities.

Under the guidance of the Office of State Procurement, Department of Finance and Accounting, which I will tell you they were tremendously helpful, we would not have been able to pull this off because this was a very complex RFP; the Division prepared and solicited a request for proposals for the maintenance management system. The bids were open on 27 November. Nine qualified vendors were referred to the Division for consideration of this contract.

The Division formed a committee consisting of the following individuals, and I have listed the names there. And I will tell you they were chaired by Mr. Bill Goodman. Mr. Bill Goodman is the past president of the National (Inaudible) Association and the president owner of Goodman Chinsley Engineering Firm before he retired. Mr. Jared Cleveland, who is the superintendent of the Lavaca School District; Ms. Belinda Schuck, the Superintendent of the Beebe School District; Mr. Steve Hays, who is the Maintenance Supervisor for the Little Rock School District; Mr. Jerry Lynn, the Director of Maintenance for the Wynne School District; Mr. Seth Wynne, who is the Maintenance Director of the Pine Bluff School District; and Mr. Bill Goff, who is a member or the Director of ABSCAM of ADE. Three of those members were not able to attend the presentations and by direction of the DFA, they could not hear the presentations. And because all of the presentations were for out of state, and in one case out of country applicants, we were unable to change those dates, so we went forward with five members on that board. The presentations were made to the committee members, which evaluated the firms and their abilities to meet the State requirements of the RFP. The Department of Finance and Accounting is presently assessing that portion of the RFP, detailing the basis of that cost proposal. Additional information has been requested from each of the vendors, and once received the analysis will be completed and a recommendation made on the firm that met the requirements to include costs of the proposal, of their request for proposal. It is expected that this recommendation will be brought forward to the Commission in the next monthly Commission meeting. These nine vendors -- we knew this was going to be a problem and so to head off part of that problem, at the direction of Mr. Giddis, we took the financial portion of the RFP and we put it separately. So there were actually two submittals made by these vendors. One was dealing with the products that we had asked for; the second was dealing with the financial portion of it. And the reason we did that is because these vendors came to us and the multiple ways in which they present their fees. Some of them do it by components of the program, like you have Microsoft, and you've got Outlook, and Word, and Excel and whatever. So they charge you based on what you buy. Some vendors come to you by the number of users. Some vendor's price based on the size of the school district. Some vendors based on other criteria. Well, it was very difficult for DF&A to match those together, so what they did is they went back, and I believe that information was due back to Mr. Weiss' office on Friday. We were levelizing it and saying, fine, take your method of payment and equate it to this, and equate being the user, the user being a school district, so we levelized the playing field. Once we do that we will analyze those prices, give

a score to that, tie it to the scores that were recommended by the Committee and we will be able to come up with hopefully the ranking of those vendors, one, two, and three. From that we will make this decision or recommendation of which one we go forward with.

I feel very confident that we will have that by our meeting of February 19th. We probably will include that as an agenda item because we would like to get that in place to allow the districts, hopefully, to be able to start making the changeover to the system. There are a couple of things about that RFP that I will mention to you. First of all, is that the districts are not going to be required to participate in this program. That's entirely up to them. The reason we did that is there's about 60 or 65 school districts right now in the state that have some version of computerized maintenance management system and so we're leaving it up to the school district. When the State selects its vendor the school districts will have the option to make the changeover. If they do then they will become a user on our program and the State will take that up. The State, and this question has been asked and I have said, no, I'm not going to pay for your contract, I'm only going to pay for my contract and you will be included if you're a user. The second thing is we have to work out with the districts, what is the best way to extract that information. Can be done automatically by the Division, does it have to be a series of reports? We don't know. But there's only really about 13 or 14 specific items that we are concerned about. And they are the ones that are listed in law that compose the basic elements of the report to the legislature in September of both the even and odd years, and that's all I'm interested in. I'm not in anyway -- the Division is not interested in thousands of work orders that the school district does, we're simply interested in do they have a preventive maintenance program, and is it progressing satisfactorily. Do they have their needs identified and are they taking care if it, not the numbers. And the work request system is it in place, do they have a way to track what their needs are, do they have a way to analyze and prioritize what they have. And then from that we would ask specific questions only about certain areas. Those areas would be projects that would normally be funded by the State over \$300 a person, over \$150,000. A new facility, I am not interested and there's no way we can do it, we're simply not interested in the district's business with regard to its work order system because it runs tremendously. Little Rock School District runs 14 or 15,000 work orders a year. Some of these other big district six or 7,000 work orders and they cover everything. We're only interested in a very specific number of projects and we'll be able to work that out with the districts.

So, hopefully, in February, and I have to get back with Mr. Giddis' staff, we'll be able to come and say this is how it played out, this is the one that we would like to go by and this is what our cost is. I will also tell you that our cost is going to be far less than we had originally anticipated.

So what I wanted to do is just give you an update on where we are with the computerized maintenance management system.

CHAIRMAN JAMES: All right. Thanks for that report. One question, on those districts that are already using a system out there in place right now, do we know that the systems that they have in place, will those systems be able to give you the information that you're talking about on these 13 items?

DIRECTOR EATON: Yes. Most all of these vendors that came in, now the ones that are in place are compatible with some element of Microsoft. So there is a way to take that information and put it in an Excel file and just send it to the Division, and then we're able to take it and meld it with our file. And the reason we want to be able to do that is because we get asked questions. Well, I'd like to know how our districts are doing. Well, like my Congressional district or whatever, and we're sitting in front of (Inaudible). So when they give it to us in some file, we have to be (Inaudible) to just do that for just those items. We can't answer the question on what's everything the district is doing. The answer to that question that is, let me give you the superintendent's phone number. We can only answer on those things that the law says we need to be concerned with.

CHAIRMAN JAMES: Any other questions on this particular item by Commission members?

CHAIRMAN JAMES: Hearing none, we'll file that report and then look to review this again possibly in February. And that's the last item on our agenda.

CAIRMAN JAMES: Thank you, we're adjourned.