

**SUMMARY MINUTES OF
THE COMMISSION FOR ARKANSAS PUBLIC SCHOOL ACADEMIC
FACILITIES AND TRANSPORTATION**

**MEETING
April 3, 2014**

Place: ADE Auditorium
Time: 9:00 a.m.

Commission Members in Attendance:

Dr. Tom Kimbrell, Commissioner, Arkansas Department of Education
Mr. Richard Weiss, Director, Arkansas Department of Finance and Administration
Mr. Gene Eagle, President, Arkansas Development Authority

Others in Attendance:

Dr. Charles C. Stein, PE, CEFP, Director, DPSAFT
Mr. Terry Granderson, Assistant Director, DPSAFT
Mr. Mike Simmons, Senior Transportation Manager, DPSAFT
Ms. Carol Bowman, Administrative Analyst, DPSAFT

Quorum was met.

Meeting called to order.

Agenda item:

1. Summary Meeting Minutes – November 5, 2013

The Commission approved the meeting minutes for the November 5, 2013, Commission meeting.

Dr. Kimbrell introduced new Commissioner Gene Eagle, President of the Arkansas Development Finance Authority, who replaces Mac Dodson. Dr. Kimbrell welcomed Mr. Eagle, stressed the Commission meetings were productive meetings and open to discussion. Dr. Kimbrell stated the Division is under great leadership, has a great staff, and is one of the best state facilities departments in the country.

2. Academic Facilities Partnership Program

Dr. Stein made the presentation regarding funding the remainder of 2013-2015 approved Partnership Program projects.

a. Funding Status

2a1. Educational Facilities Partnership Fund Through March 12, 2014

Dr. Stein explained the table representing committed funds versus funding to date, and indicated \$10.5 million remains available in carry-over funds.

2a2. Available Funding for Unfunded Year One and Year Two of 2013-2015 Academic Facilities Partnership Program Funding Cycle (*Millions*)

Dr. Stein stated there is currently \$56.1 million available for Partnership Program project funding. This amount contains funds received during the 2014 legislative fiscal session along with the carry-over funds.

2. Academic Facilities Partnership Program - continued

b. 2013-2015 Partnership Program Projects – Year One (Unfunded) and Year Two Funding Approval

Dr. Stein reported that for the first time, last year there were approved projects that were not funded, but will be funded at this time, along with the approved Year Two projects. He indicated the report contains approximately \$29 million of Year One unfunded space projects, and Year Two an additional \$25 million for Space projects and Warm, Safe, and Dry projects. Overall, the funding totals approximately \$54.3 million.

Dr. Stein recommended the Commission provide \$54,541,329.59 state financial participation for 2013-2015 Partnership Program Year One unfunded projects and Year Two projects.

Dr. Kimbrell said in summary, that most Year One projects had been funded last year but that there was not enough available funds at that time to fund them all. This year the General Assembly provided funding which, partnered with the funds returned by school districts, provides the Commission enough funds for all the approved projects.

Dr. Kimbrell stated that in 2007, the legislature provided approximately \$456 million in one-time funding, which has been expended. Approximately \$2 million in catastrophic funds remains available for emergencies.

The Commission voted to fund the approved Year Two and unfunded Year One 2013-2015 projects.

Dr. Stein presented the Commissioners additional information not provided in their books. He reported one billion dollars has been committed in State Financial Participation funds for the school facility projects since the beginning of the program in 2005. For the three funding cycles from 2009 through 2015, all qualified projects have been funded.

Dr. Stein also stated that the current 2013-2015 projects could not all be funded without the \$20 million from the Executive Division of General Improvement Fund (*GIF*) on July 17, 2013, provided by Governor Mike Beebe. Dr. Kimbrell and Mr. Weiss stated they had supported the Governor with the GIF funding and expressed their gratitude to the Governor for the additional funding. Dr. Kimbrell also thanked Mr. Weiss and the Arkansas Department of Finance and Administration for supporting the school districts and their needs, and thanked Dr. Stein for starting the process.

c. 2015-2017 Partnership Program Project Applications

Dr. Stein indicated that as one cycle was completed, districts made submissions during March 2014 for the new cycle. He reported fewer projects were submitted for the 2015-2017 cycle, mainly Warm, Safe, and Dry (Systems) projects. The most recent rule provides \$10 million per year for these projects. This cycle has 261 project applications.

Dr. Kimbrell stated that the school districts, Dr. Stein, and the Division staff have a good understanding of the timelines and the need of providing seats in the school districts for students, and making suitability and space needs a first priority.

3. Facilities Distress Coordination

Terry Granderson, Assistant Director, explained the Facilities Distress process and that the rules provide the authority to direct the process.

a. Indicators of Facilities Distress

3a1. Commissioner's Memo COM-14-037 – Academic Facilities Distress Early Intervention for 2013-2014

Mr. Granderson indicated Commissioner's Memo COM 14-037 released on January 2, 2014, contained the Division's process to monitor Indicators of Academic Facilities Distress. He stated the process is similar to the Arkansas Department of Education's Fiscal Distress process,

and is intended to support school districts so they can maintain compliance with planning, construction, and maintenance requirements outlined in statute and rule. He indicated the Indicators of Academic Facilities Distress Early Intervention Checklist (*Checklist*) is the matrix used by the inspectors and school districts. The main purpose of the Checklist is to support the school districts who often are not aware they are doing things incorrectly. The Checklist is used during the normal inspection process, and Mr. Granderson stressed that the Division is not looking for issues, just recording items seen during an inspection. The Checklist also allows school districts to self-report which the Booneville School District did.

3a2. Indicators of Facilities Distress Status

Mr. Granderson stated there are three school districts that the Division has begun the Facilities Distress Early Intervention process which are the Booneville School District, Forrest City School District, and South Conway County School District. He indicated that the Booneville School District had provided the Division a plan of action that had been accepted by the Division. He also stated that the Forrest City and South Conway County school districts were preparing plans to submit to the Division.

b. Millage Elections, September 2013-February 2014

Mr. Granderson reported that a failed millage election can cause a school district to fall into Facilities Distress. He presented a list of districts with failed millage elections, the status of each, and stressed that the Division follows the code and rules.

Dr. Kimbrell stated there are two pathways for Facilities Distress. One way is material findings from the inspections, and the other is issues mandated by other state agencies.

Mr. Granderson stated one school district had failed to timely complete the tasks issued by the State Fire Marshal. He indicated, however, that the district had a new superintendent who was not aware of the issue, responded favorably when he learned of the situation, and that the district should have the required tasks completed this week.

Dr. Kimbrell stated the Checklist gives school districts an opportunity to review themselves including the situations with a failed millage and other state agency requirements. Mr. Granderson agreed that early intervention is to assist school districts before there is truly an issue, and that the District works with school districts on their next millage elections or for alternative resolutions.

4. Act 1288 Survey

Mike Simmons, Senior Transportation Manager, updated the Commission on the status of Act 1288 of 2013 that requires school districts report school bus transportation data to the Division by July 1, 2014, to assist the General Assembly in determining if it is feasible to establish a maximum student transportation time. The Division issued Commissioner's Memo COM-14-040 on January 15, 2014, with instructions and information for districts to complete the survey.

Mr. Simmons stated the Division is required to report the data submitted by each of the 238 school districts to the Bureau of Legislative Review (*BLR*) so they can in turn prepare the final report for the General Assembly. He indicated that the Commissioner's Memo provided a link to the Division website to facilitate the school districts. He reported Richard Wilson with BLR had recommended the QuestionPro survey package and had been very helpful assisting the Division in wording the survey language.

Mr. Simmons stated the General Assembly is attempting to determine if over the next five years the maximum transportation time can be reduced to 50 minutes. The survey requested data on individual buses and routes, expenses to purchase additional buses, and other associated costs.

Mr. Simmons reported the school districts were sent a reminder in Commissioner's Memo COM-14-063 on April 1, 2014, because only 68 of the 238 school districts had reported the data. He stated the same information was additionally transmitted via the Transportation list serve system, and hoped all the school districts respond as required by July 1, 2014. Both Commissioner's Memos and the list serve announcement were addressed to the attention of the Cooperative Directors, School District Superintendents, and Transportation Managers.

5. Act 1288 Survey - continued

Dr. Kimbrell stated he and Tony Wood will be starting their annual six-week state tour meetings with the cooperatives and that he would remind the superintendents of the survey during the meetings.

Dr. Kimbrell asked Mr. Simmons if an analysis of the data of the 68 reporting school districts had been completed. Mr. Simmons indicated Ronny Brown has contacted any school districts with potential issues with their responses, but presently no analysis had been done of the data of 68 reporting districts. Dr. Kimbrell instructed Mr. Simmons to have Ronny Brown get with Richard Wilson of BLR and do the analysis.

Mr. Weiss recommended that Mr. Simmons include in the report from the Division to BLR to subsequently include in their final report to the General Assembly, the names of the school districts that did not comply with the required survey. Dr. Kimbrell agreed and stated that Mr. Simmons should also telephone the appropriate Representatives to gain assistance gaining the required data from the school districts who were resistant in responding prior to the deadline.

Meeting adjourned.