

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

**ADE Commissioner's Conference Room
Teleconference Meeting
August 3, 2016**

Commission Member in Attendance:

Johnny Key, Commissioner, Arkansas Department of Education

Commission Members in Attendance via Telephone:

Aaron Burkes, President, Arkansas Development Finance Authority
Duncan Baird, Administrator for Fiscal and Budget, on behalf of Larry Walther, Director, Arkansas Department of Finance and Administration

Others in Attendance:

Dr. Mark Gotcher, Deputy Commissioner, Arkansas Department of Education
Brad Montgomery, Director, DPSAFT
Lori Freno, General Counsel, Arkansas Department of Education
Carol Bowman, Administrative Analyst, DPSAFT

Quorum was met.

Meeting called to order.

Agenda item:

Commissioner Key recognized Duncan Baird, Administrator for Fiscal and Budget of the Arkansas Department of Finance and Administration, attending on behalf of Larry Walther, Director.

1. Summary Meeting Minutes – May 25, 2016

The Commission approved the meeting summary minutes for the May 25, 2016, Commission teleconference meeting.

2. 2017-2019 Partnership Program – Division Notification of Project Approval/Disapproval

Brad Montgomery reported that school districts submitted Partnership Program project applications for the 2017-2019 project funding cycle by March 1, 2016. The state financial participation will be reported no later than May 1, 2017.

Mr. Montgomery indicated the 2017-2019 biennium may be unique and State funding may fall short due to the number of project applications submitted. The Division will send the school districts certified letters with the written determination(s) on 2017-2019 approved or disapproved projects by August 15, 2016. If a project is disapproved, the determination will explain the reasons for disapproval. No state financial participation information will be provided.

The "early" notification of the project determinations will provide time for appeals prior to the Legislative session. It will also allow school districts to possibly choose to self-fund the disapproved projects and gain eight months to complete the self-funded projects.

Status Report – No Commission action required.

3. Partnership Program Funding

Brad Montgomery reviewed the Partnership Program funding and summarized the 2015-2017 State funding and the Educational Facilities Partnership Fund from 2006 through 2017. He reported that the 2017-2019 preliminary project totals reflect 157 projects in Year 1 and 103 projects in Year 2, totaling 260 projects. There are 163 Warm, Safe, Dry System Replacement projects which is a large increase over previous years. 51 projects were disapproved. The percentage of project disapprovals dropped from 47% in 2015-2017 to 19.6% for the 2017-2019 biennium which, in large part, is a result of Act 962 of 2015.

The Educational Facilities Partnership Fund from the 2005 to present has had \$1,201,654,225 committed to projects. Mr. Montgomery stated that as of July 28, 2016, the Partnership Program fund has \$44.9 million in carryover as a result of rescinded projects and projects that came in under budget.

Mr. Montgomery reminded the Commission that starting with the 2019-2021 biennium, Warm, Safe, Dry System Replacement will move from first priority with a \$10 million funding cap to the third priority without a funding limit.

Commissioner Burkes and Mr. Baird stated the information provided was very helpful.

Lori Freno reviewed the appeals process and timeline, and indicated that if there are appeals, the appeal process should be completed by early 2017.

Status Report – No Commission action required.

4. Adjourn