

# DOE - Public School Academic Facilities & Transportation

## Enabling Laws

Act 127 of 2010

A.C.A. § 10-3-2201

A.C.A. § 6-19-101 et seq.

A.C.A. § 6-20-2501 et seq.

A.C.A. § 6-20-2601 et seq.

A.C.A. § 6-21-112 et seq.

## History and Organization

### **STATUTORY AUTHORITY:**

The Division of Public School Academic Facilities and Transportation (Division) was enabled under Act 90 of 2003 which constituted the Division of Public School Academic Facilities and Transportation under the Arkansas Department of Education (ADE). The Division was realigned under Act 1327 of 2005 which realigned the Division during the forming of the Commission for Public School Academic Facilities and Transportation (Commission). The responsibilities of the Division were further defined in Act 1426 and Act 2206, which sets out the programs for which the Division is responsible. The Division activities are detailed in Ark. Code Ann. §§ 6-20-2501 (Arkansas Public School Academic Facilities Funding Act); 6-21-112 (Division of Public School Academic Facilities and Transportation); 6-21-801 (Arkansas Public School Academic Facilities Program Act); 6-19-101 (Transportation).

### **MISSION STATEMENT:**

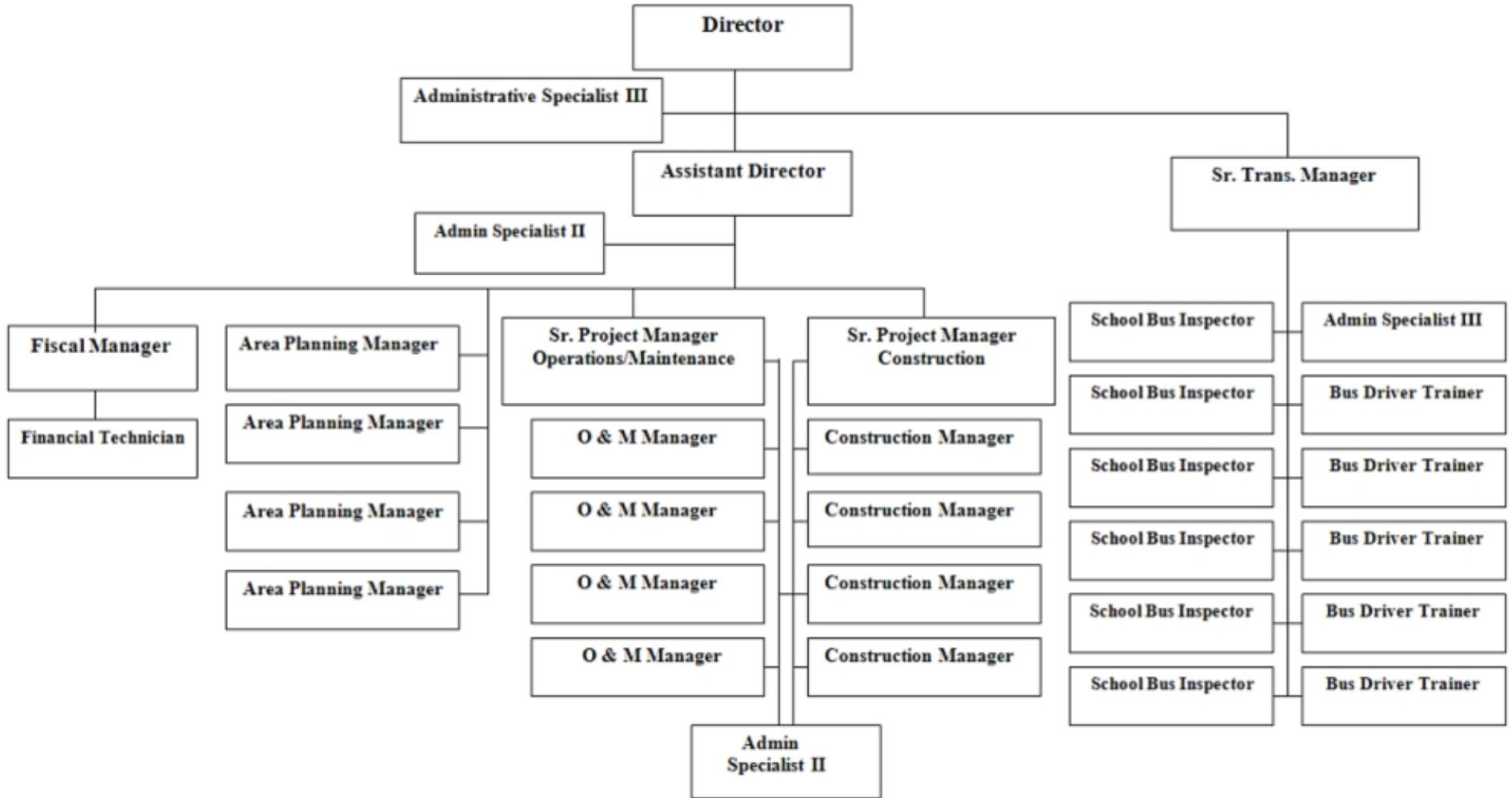
The Division's mission is to direct those activities, under the authorities given to it by law, to assist in ensuring that substantially equal access to adequate educational facilities and educational equipment is provided for all public school students in Arkansas. The Division performs the following functions:

1. Provides information/assistance to Legislative Academic Facilities Oversight Committee;
2. Establishes policies and procedures based on guidance from Academic Facilities Oversight Committee and the General Assembly;
3. Develops and implements the Arkansas Public School Academic Facilities Program Act to include, but is not limited to: development of a statewide Master Plan and legislative reporting requirements; assist school districts in developing school district Master Plans;

establish and maintain an Arkansas School Facility Manual school facility standards; establish and maintain an a Public School Facilities Custodial, Maintenance, Repair and Renovation Manual; a Public School Academic Equipment Manual; administration of the Facilities Distress Program; provide onsite inspection to ensure the adherence to Arkansas laws governing school construction and operations; administer and conduct school bus safety inspections and driver training programs;

4. Administers the programs of state financial participation in support of local academic facilities to include, but is not limited to: the bonded debt assistance program; Academic Facilities Immediate Repair Program; Academic Equipment Program; Transitional Academic Facilities Program; Academic Facilities Partnership Program; Academic Facilities Catastrophic Program; High Growth Loan Program;
5. Develops and implements an ongoing process to track the condition of all public school facilities in the state;
6. Develops a cost index methodology to compare the cost of repairing the condition of school facilities to the replacement of school facilities;
7. Conduct unannounced inspections of public school academic facilities;
8. Enforces, through planning, minimum standards for accessibility to public school academic facilities and programs for individual with disabilities;
9. Develops guidelines for competitive bidding, negotiation and other methods of procurement for public school academic facilities projects;
10. Develops incentive programs to reward school districts for innovative, effective, efficient use of local and state resources with regard to public school academic facilities;
11. Review applicable statutes, rules and regulations for conflicts with or omissions of energy related content;
12. Administers the school transportation program in the various school districts in Arkansas including without limitation, the training of school bus drivers and inspection of school buses;
13. Keeps records showing a description of each school district in the state, maps showing the school districts with current and accurate boundaries, the location of the academic facilities, and the electoral zones into which the school district has been divided;
14. Files reports to the Governor, Legislative committees on the state of condition of academic facilities statewide and the state academic facilities master plan;

- 15. Maintain a public access website dedicated to academic facilities;
- 16. Develop and implement a statewide needs priority list.



## **Agency Commentary**

The Division of Public School Academic Facilities and Transportation is tasked with the responsibility to assist the 239 Arkansas school districts with general academic facilities support to include but not limited to; real property management operations, construction advice, master planning assistance, establishing construction standards, monitoring funding programs, and assisting in school district transportation programs.

The administration of these programs rests with a staff of 33 employees under the Director of the Division. The staff assists in all areas noted above and also conducts inspections of all academic facilities and school buses to insure that school districts are maintaining their facilities in a safe/dry and healthy manner and that the school district buses are maintained to a high level of operational readiness.

To accomplish the construction element of its mission, the Division administers funding programs for new construction, renovation, and conversion projects to ensure that school facilities remain safe, dry and healthy and that they are adapted as necessary to meet the ever changing educational needs of the state. These programs include the Partnership Program, Academic Equipment Program, Catastrophic Program and High-Growth Program.

The Partnership program is essential to correcting deficiencies on school facilities due to fair/wear and tear and to insure the construction brings the facility up to the state standards of construction. The program is essential in assisting school districts adapt and construct new facilities needed to meet new academic demands and changes in student enrollment.

The division is requesting appropriation in the amount of \$300,000,000 for projects this biennium, \$150,000,000 each fiscal year, to cover anticipated cash flow of Partnership projects previously approved.

The Catastrophic Program is administered with funding generated by cancelled projects in the Partnership Program. It is extremely difficult to forecast financial needs of the Catastrophic Program as the program is only enacted in the event of a catastrophic loss of facilities to school districts. Base Level appropriation in the amount of \$7 million for the biennium, \$3,511,538 each fiscal year, is requested to sustain this program.

## **Performance Audit Findings**

Evaluation of Academic Facilities and Transitional and Immediate Repair Programs Disbursements  
Division of Public School Academic Facilities and Transportation  
(July 1, 2005 – June 30, 2008) - Issued 06-12-2009

### Findings and Conclusions:

- Funds distributed under the Transitional Program were awarded in accordance with requirements of the Arkansas Code. However, the Division could not document review of all required conditions.
- 2 of 30 districts selected for review did not use the proper source code when recording Transitional Program funds in APSCN. Improper coding limits the ability to track program expenditures.

### Recommendations:

- Enhance controls over the awarding of future facility funds to ensure compliance with statutory requirements is documented.
- Enhance controls over the distribution of future facility funds to ensure school districts are properly coding the receipt of program funds.
- The General Assembly consider granting authority to the Division to institute penalties for school districts not in compliance with prescribed reporting requirements.

Evaluation of Academic Facilities Partnership Program Disbursements  
Division of Public School Academic Facilities and Transportation  
(July 1, 2006 – June 30, 2008) - Issued 06-12-2009

### Findings and Conclusions:

- The Division complied with Arkansas Code in awarding, prioritizing, and distributing Program funds.
- 3 of 30 districts selected for review did not use the proper source code when recording Program funds in APSCN. Improper coding limits the ability to track Program fund expenditures.
- 2 of 7 districts reporting self-contracted construction projects did not follow bid procedures prescribed in the Arkansas Code.
- The Arkansas Code currently provides no enforcement mechanism for schools that do not self-report construction activities as required by Ark. Code Ann. § 6-21-806 (a)(6).

### Recommendations:

- Enhance reviews over the distribution of facility funds to ensure school districts are properly coding the receipt of funds and the General Assembly consider giving the Division authority to institute penalties for school districts not in compliance.
- Strengthen oversight of construction funds beyond the initial approval and awarding of Program funds by instituting a post-construction review process to ensure standards and regulations are met.
- The General Assembly consider granting the Division authority to institute penalties for school districts not complying with construction reporting requirements.

## Publications

### A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
State Academic Facilities Master Plan	Act 1327 of 2005 Section 1(f) (14)	Y	Y	4	Statutory
Statewide State of Condition of Academic Facilities	Act 1327 of 2005 Section 1(f) (13)	Y	Y	4	Statutory

# Department Appropriation Summary

## Historical Data

## Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012					2012-2013						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
2WB Public School Academic Facilities	2,379,925	31	2,483,580	32	2,620,212	33	2,492,317	32	2,523,666	33	2,523,666	33	2,492,317	32	2,523,666	33	2,523,666	33
2ZP Academic Facilities Partnership	111,508,049	0	130,000,000	0	130,000,000	0	130,000,000	0	150,000,000	0	150,000,000	0	130,000,000	0	150,000,000	0	150,000,000	0
4HQ Academic Facilities Catastrophic	1,853,137	0	3,511,538	0	7,682,337	0	3,511,538	0	3,511,538	0	3,511,538	0	3,511,538	0	3,511,538	0	3,511,538	0
4HR Academic Facilities ECP	0	0	0	0	2,200,000	0	0	0	0	0	0	0	0	0	0	0	0	0
4KT Academic Equipment	0	0	0	0	7,500,000	0	0	0	0	0	0	0	0	0	0	0	0	0
54Y Academic Facilities High Growth	0	0	0	0	5,000,000	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>NOT REQUESTED FOR THE BIENNIUM</b>																		
2WC Immediate Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2ZN Transitional Academic Facilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>115,741,111</b>	<b>31</b>	<b>135,995,118</b>	<b>32</b>	<b>155,002,549</b>	<b>33</b>	<b>136,003,855</b>	<b>32</b>	<b>156,035,204</b>	<b>33</b>	<b>156,035,204</b>	<b>33</b>	<b>136,003,855</b>	<b>32</b>	<b>156,035,204</b>	<b>33</b>	<b>156,035,204</b>	<b>33</b>

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	370,673,941	91.0	291,808,191	83.1			215,311,459	77.2	215,311,459	77.2	215,311,459	77.2	142,837,300	67.9	122,837,300	64.5	122,837,300	64.5
Ed Fac Ptnrsh Fund Trnsfr	4000057	(17,301,487)	(4.2)	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Div of Acad Fac & Trnsp Fund	4000193	2,379,925	0.6	2,483,580	0.7			2,492,317	0.9	2,492,317	0.9	2,492,317	0.9	2,492,317	1.2	2,492,317	1.3	2,492,317	1.3
Educ Fac Partnership Fund	4000217	33,633,641	8.3	34,828,951	9.9			34,828,951	12.5	34,828,951	12.5	34,828,951	12.5	34,828,951	16.6	34,828,951	18.3	34,828,951	18.3
Trnfr frm DOE Pub School Fund	4000525	18,163,282	4.5	22,185,855	6.3			26,208,428	9.4	26,208,428	9.4	26,208,428	9.4	30,231,001	14.4	30,231,001	15.9	30,231,001	15.9
<b>Total Funds</b>		<b>407,549,302</b>	<b>100.0</b>	<b>351,306,577</b>	<b>100.0</b>			<b>278,841,155</b>	<b>100.0</b>	<b>278,841,155</b>	<b>100.0</b>	<b>278,841,155</b>	<b>100.0</b>	<b>210,389,569</b>	<b>100.0</b>	<b>190,389,569</b>	<b>100.0</b>	<b>190,389,569</b>	<b>100.0</b>
Excess Appropriation/(Funding)		(291,808,191)		(215,311,459)				(142,837,300)		(122,805,951)		(122,805,951)		(74,385,714)		(34,354,365)		(34,354,365)	
<b>Grand Total</b>		<b>115,741,111</b>		<b>135,995,118</b>				<b>136,003,855</b>		<b>156,035,204</b>		<b>156,035,204</b>		<b>136,003,855</b>		<b>156,035,204</b>		<b>156,035,204</b>	

ECP - Extraordinary Circumstances Program

Transfer is from unexpended balances in Debt Services Funding, General Facilities Funding and Supplemental Millage Incentive Funding.

Academic Facilities ECP, Academic Facilities High Growth, Academic Equipment and Academic Facilities Catastrophic are requested to continue, but without appropriation. If there is need for these programs, appropriation will be reallocated utilizing the Department of Education's reallocation special language. Variances in Fund Balances are due to unfunded appropriation.

## Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
33	30	3	33	0	9.09 %	33	30	1	31	2	9.09 %	33	30	2	32	1	9.09 %

## **Analysis of Budget Request**

**Appropriation:** 2WB - Public School Academic Facilities

**Funding Sources:** EFT - Division of Academic Facilities and Transportation Fund

This appropriation provides resources for the operation of the Division of Public School Academic Facilities and Equipment. Act 1327 of 2005 revised the powers and duties of the Division of Public School Academic Facilities and Transportation to include developing and implementing the Arkansas Public School Academic Facilities Partnership Program and overseeing school transportation programs. The Commission for Public School Academic Facilities and Transportation is charged with overseeing the division during the implementation and operation of the Arkansas Public School Academic Facilities Program.

Base Level salaries and matching does not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency is requesting the restoration of one position in appropriation only.

The Executive Recommendation provides for Agency Request.

# Appropriation Summary

**Appropriation:** 2WB - Public School Academic Facilities

**Funding Sources:** EFT - Division of Academic Facilities and Transportation Fund

## Historical Data

## Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	1,418,880	1,472,066	1,489,709	1,469,826	1,491,653	1,491,653	1,469,826	1,491,653	1,491,653
<b>#Positions</b>	<b>31</b>	<b>32</b>	<b>33</b>	<b>32</b>	<b>33</b>	<b>33</b>	<b>32</b>	<b>33</b>	<b>33</b>
Extra Help 5010001	0	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
<b>#Extra Help</b>	<b>0</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
Personal Services Matching 5010003	454,130	464,543	491,209	475,520	485,042	485,042	475,520	485,042	485,042
Operating Expenses 5020002	283,943	323,321	337,171	323,321	323,321	323,321	323,321	323,321	323,321
Conference & Travel Expenses 5050009	2,152	13,650	28,650	13,650	13,650	13,650	13,650	13,650	13,650
Professional Fees 5060010	0	0	20,973	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Safety Training 5900046	220,820	207,500	250,000	207,500	207,500	207,500	207,500	207,500	207,500
<b>Total</b>	<b>2,379,925</b>	<b>2,483,580</b>	<b>2,620,212</b>	<b>2,492,317</b>	<b>2,523,666</b>	<b>2,523,666</b>	<b>2,492,317</b>	<b>2,523,666</b>	<b>2,523,666</b>
<b>Funding Sources</b>									
Div of Acad Fac & Trnsp Fund 4000193	2,379,925	2,483,580		2,492,317	2,492,317	2,492,317	2,492,317	2,492,317	2,492,317
Total Funding	2,379,925	2,483,580		2,492,317	2,492,317	2,492,317	2,492,317	2,492,317	2,492,317
Excess Appropriation/(Funding)	0	0		0	31,349	31,349	0	31,349	31,349
<b>Grand Total</b>	<b>2,379,925</b>	<b>2,483,580</b>		<b>2,492,317</b>	<b>2,523,666</b>	<b>2,523,666</b>	<b>2,492,317</b>	<b>2,523,666</b>	<b>2,523,666</b>

## Change Level by Appropriation

**Appropriation:** 2WB - Public School Academic Facilities

**Funding Sources:** EFT - Division of Academic Facilities and Transportation Fund

### Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>2,492,317</b>	<b>32</b>	<b>2,492,317</b>	<b>100.0</b>	<b>2,492,317</b>	<b>32</b>	<b>2,492,317</b>	<b>100.0</b>
C01	Existing Program	31,349	1	2,523,666	101.3	31,349	1	2,523,666	101.3

### Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>2,492,317</b>	<b>32</b>	<b>2,492,317</b>	<b>100.0</b>	<b>2,492,317</b>	<b>32</b>	<b>2,492,317</b>	<b>100.0</b>
C01	Existing Program	31,349	1	2,523,666	101.3	31,349	1	2,523,666	101.3

### Justification

C01	The Department of Education - Division of Public School Academic Facilities and Transportation is requesting the restoration of one (1) unbudgeted position with unfunded appropriation for flexibility. The position being requested is a C073C Administrative Specialist II, Grade C109. The position was not budgeted in FY2011 due to funding constraints.
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## **Analysis of Budget Request**

**Appropriation:** EFP - Programs of the Public School Academic Facilities & Transportation

**Funding Sources:** EFP - Educational Facilities Partnership Fund

This appropriation provides resources for The Arkansas Public School Academic Facilities Funding Act, which established the programs for the state financial participation in local projects relating to academic facilities and equipment and assisting school districts with transportation programs. The programs are the Academic Facilities Immediate Repair Program, the Transitional Academic Facilities Program, the Academic Facilities Partnership Program, the Academic Equipment Program, Academic Facilities Catastrophic Program and the Academic Facilities Extraordinary Circumstances Program. Additionally, the Academic Facilities High Growth line item was added during the 2009-2011 Biennium.

The Immediate Repair Program and the Transitional Program have been completed and are not requested for the 2011-2013 Biennium.

State participation under any program will be based on an academic facilities wealth index. The Division of Public School Academic Facilities and Transportation establishes the formulas used for determining basic project costs on a per student basis.

The funding sources for these programs comes from Fund Balance, General Revenue and through A.C.A. § 6-20-2503, which authorizes the transfer of savings in the Public School Fund for Debt Service Funding, General Facilities Funding and Supplemental Millage Incentive line item appropriations to the Partnership Fund.

The Agency is requesting an increase of \$20,000,000 in the Partnership Program for both fiscal years of the 2011-2013 Biennium. This request is to provide for anticipated cash flows over the 2011-2013 Biennium.

The Executive Recommendation provides for Agency Request.

## Appropriation Summary

**Appropriation:** EFP - Programs of the Public School Academic Facilities & Transportation

**Funding Sources:** EFP - Educational Facilities Partnership Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Academic Facilities Partnership 5100004	111,508,049	130,000,000	130,000,000	130,000,000	150,000,000	150,000,000	130,000,000	150,000,000	150,000,000
Academic Facilities High Growth 5900046	0	0	5,000,000	0	0	0	0	0	0
Immediate Repair 5900046	0	0	0	0	0	0	0	0	0
Transitional Academic Facilities 5900046	0	0	0	0	0	0	0	0	0
Academic Equipment 5900046	0	0	7,500,000	0	0	0	0	0	0
Academic Facilities Catastrophic 5900046	1,853,137	3,511,538	7,682,337	3,511,538	3,511,538	3,511,538	3,511,538	3,511,538	3,511,538
Academic Facilities ECP 5900046	0	0	2,200,000	0	0	0	0	0	0
<b>Total</b>	<b>113,361,186</b>	<b>133,511,538</b>	<b>152,382,337</b>	<b>133,511,538</b>	<b>153,511,538</b>	<b>153,511,538</b>	<b>133,511,538</b>	<b>153,511,538</b>	<b>153,511,538</b>

Funding Sources									
Fund Balance 4000005	370,673,941	291,808,191		215,311,459	215,311,459	215,311,459	142,837,300	122,837,300	122,837,300
Ed Fac Prtnrsh Fund Trnsfr 4000057	(17,301,487)	0		0	0	0	0	0	0
Educ Fac Partnership Fund 4000217	33,633,641	34,828,951		34,828,951	34,828,951	34,828,951	34,828,951	34,828,951	34,828,951
Trnfr frm DOE Pub School Fund 4000525	18,163,282	22,185,855		26,208,428	26,208,428	26,208,428	30,231,001	30,231,001	30,231,001
<b>Total Funding</b>	<b>405,169,377</b>	<b>348,822,997</b>		<b>276,348,838</b>	<b>276,348,838</b>	<b>276,348,838</b>	<b>207,897,252</b>	<b>187,897,252</b>	<b>187,897,252</b>
<b>Excess Appropriation/(Funding)</b>	<b>(291,808,191)</b>	<b>(215,311,459)</b>		<b>(142,837,300)</b>	<b>(122,837,300)</b>	<b>(122,837,300)</b>	<b>(74,385,714)</b>	<b>(34,385,714)</b>	<b>(34,385,714)</b>
<b>Grand Total</b>	<b>113,361,186</b>	<b>133,511,538</b>		<b>133,511,538</b>	<b>153,511,538</b>	<b>153,511,538</b>	<b>133,511,538</b>	<b>153,511,538</b>	<b>153,511,538</b>

ECP - Extraordinary Circumstances Program

Transfer is from unexpended balances in Debt Services Funding, General Facilities Funding and Supplemental Millage Incentive Funding.

Academic Facilities ECP, Academic Facilities High Growth, Academic Equipment and Academic Facilities Catastrophic are requested to continue, but without appropriation. If there is need for these programs, appropriation will be reallocated utilizing the Department of Education's reallocation special language.

Immediate Repair and Transitional Programs are not requested to continue for the 2011-2013 Biennium.

## Change Level by Appropriation

**Appropriation:** 2ZP - Academic Facilities Partnership  
**Funding Sources:** EFP - Educational Facilities Partnership Fund

### Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>130,000,000</b>	<b>0</b>	<b>130,000,000</b>	<b>100.0</b>	<b>130,000,000</b>	<b>0</b>	<b>130,000,000</b>	<b>100.0</b>
C01	Existing Program	20,000,000	0	150,000,000	115.4	20,000,000	0	150,000,000	115.4

### Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>130,000,000</b>	<b>0</b>	<b>130,000,000</b>	<b>100.0</b>	<b>130,000,000</b>	<b>0</b>	<b>130,000,000</b>	<b>100.0</b>
C01	Existing Program	20,000,000	0	150,000,000	115.4	20,000,000	0	150,000,000	115.4

### Justification

C01	The Division of Public School Academic Facilities and Transportation is requesting an additional \$20,000,000 each year for the Academic Facilities Partnership program. Funding for this request will be provided from fund balances. This request is needed to provide for anticipated cash flow needs in the 2011-2013 biennium.								
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