Arkansas Division of Public School

Academic Facilities & Transportation

Education Committee – House
Education Committee – Senate

**ARKANSAS DIVISION OF PUBLIC SCHOOL ACADEMIC
FACILITIES AND TRANSPORTATION**

December 6, 2011

* The following slides have some colorful graphics since the slides are used in training sessions.

Master Plan/Partnership Program
Two-Year Cycle

DATE	MILESTONE	DISTRICT	DIVISION
ODD YEAR			
February 1	Preliminary Master Plan		
May 1	Partnership Program Project List		
EVEN YEAR			
February 1	Final Master Plan		
March 1	Partnership Program Project Applications		
September 1	Final Master Plan Approval / Non-Approval		

- Discuss the two year cycle that address the Master Plan and the Partnership Program
- Dates are established by statute and rule
- In 2011
  - Districts submitted a preliminary master plan
  - Division issued the Partnership Program project list for the 2011-2013 biennium
- In 2012
  - Districts will submit their final master plan
  - Districts will submit Partnership Program project applications for the 2013-2015 biennium
  - Division will review and approve master plans

Master Plan Tabs

			Master Plan Feb 1 Even Year	Master Plan Update Preliminary Master Plan Feb 1 Odd Year
➢	TAB 1	District Information	X	X
➢	TAB 2	School Board Resolution	X	
➢	TAB 3	Public Hearing	X	
➢	TAB 4	District Enrollment Projections	X	X
➢	TAB 5	Community & District Profile (Optional)	X	
➢	TAB 6	Narrative Analysis	X	X
➢	TAB 7	Insurance	X	X
➢	TAB 8	Identification of Access Issues	X	
➢	TAB 9	Custodial Plan	X	X
➢	TAB 10	Maintenance Plan	X	X
➢	TAB 11	Preventative Maintenance Plan	X	X
➢	TAB 12	Projected Replacement Schedule for Life Cycle Systems	X	X
➢	TAB 13	Committed Projects	X	X
➢	TAB 14	Planned New Construction Projects	X	X
➢	TAB 15	Annual Expenditures for Maintenance/Repair & Capital Outlay	X	

- The Master Plan requirements are established by statute
- The division has designated the various requirements as tabs
- All tabs are required for Master Plan
- Not all tabs are required for Preliminary Master Plan
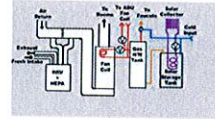
Partnership Program

➢ "New" construction

- Not repair or maintenance

➢ Minimum project cost - $150,000 or $300/student

- Waived for life/safety such as fire alarms

➢ Projects must be on district's Master Plan

- The Partnership Program is the main school facility program
- Projects are "new construction", including renovations, but can not be maintenance or repair
- Projects must be on the district's Master Plan

Warm, Safe, and Dry Projects

➢ Qualified systems

- Roofs
- HVAC
- Fire/Safety
- Plumbing
- Electrical
- Structural

➢ Complete system replacement

- Partial system replacement considered repair *(not eligible for Partnership Program funding)*

Fire Safety

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* By rule, Partnership Program projects are designated as warm, safe, and dry or space.

- Warm, safe, and dry projects by rule address specific primary building systems
- Complete systems must be replaced so that projects are not maintenance or repair
- Warm, safe, and dry needs are dynamic
  - Current needs get repaired or replaced
  - New Needs arise as systems reach end of life

Space Projects

➢ New schools

➢ Additions *(including new buildings)*

➢ Conversions of existing space *(to different use)*
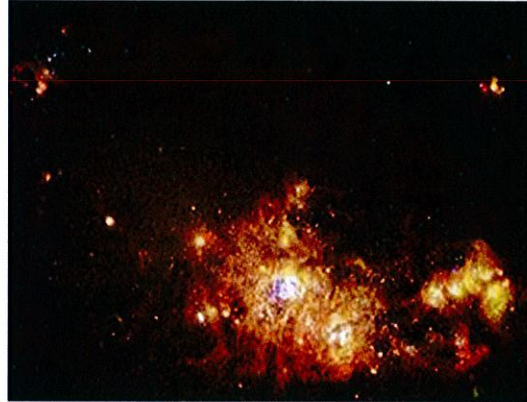
- The second type of Partnership Program projects involve additional spaces
- Projects are for
    - New Schools
    - Additions
    - Conversion of existing space to new use
    - Space needs can change as districts' enrollments increase or decline.

Program of Requirements (POR)

- The primary tool for Partnership Program space projects is the Program of Requirements or POR

- Based on the number of students, the POR provides the overall gross size for a new school and the specific required spaces in the overall size.

- The required spaces are based on adequacy.

- School districts may build larger schools but must meet the requirements of the POR, using district funds

- Another component of the POR is the suitability analysis, or space determination of an existing school.
- Using both the existing spaces in a school and the number of students, the suitability is the amount of space that the state can participate in with the Partnership Program to meet space needs of students.

Partnership Program – State Financial Participation Determination

➢ Qualified project scope in square feet (e.g. 10,000 SF)

➢ Project cost factor (e.g. $130/SF)

➢ Qualifying Project Cost (QPC)
  • Scope x cost factor
  • 10,000 SF x $130/SF = $1,300,000

➢ State Financial Participation = QPC x (1 minus Wealth Index)
  • If Wealth Index = 0.350
  • State Financial Participation = $1,300,000 x 0.65 = $845,000

* This slide demonstrates the process developed in rule to compute the qualifying project cost and the amount of state financial participation.

Ranking of Approved Projects

➤ Projects ranked by three factors

1. Academic Facilities Wealth Index

2. Facility Condition Index (FCI)

   • Cost to renovate facility divided by replacement cost

   • General Rule – facility should be replaced if FCI > 65%

3. Ten-Year Growth Percentage

- The Partnership Program rules provide a three-factor ranking process to rank all qualified projects.

- Since there are annual legislative fiscal sessions, projects are ranked by Year One and Year Two.

- Warm, safe, and dry projects are ranked ahead of space projects.

- In general projects rank higher for –
  - Less wealthy districts
  - Facilities in poorer condition
  - Districts with higher growth

- Although there is a ranking process, to date every qualified project that met the program parameters has been funded. NO PROJECTS HAVE NOT BEEN FUNDED DUE TO A LACK OF AVAILABLE FUNDING.

Educational Facilities Partnership Fund
Committed Projects *(In Dollars)*

Intermediate Repair	28,079,953.32
Transitional	86,000,000.36
Catastrophic	2,448,856.00
Partnership	
2006 - 2007	207,002,324.77
2007 - 2009	268,502,373.34
2009 - 2011	110,267,851.47
*2011 – 2013	190,260,807.00
SUBTOTAL PARTNERSHIP	**776,033,356.58**
TOTAL COMMITTED PROJECTS	**892,562,166.26**

** Includes $31.8M Anticipated Year-Two Projects (2012-2013)*

As of July 12, 2011

- This slide shows the State Financial Participation committed to date for all funding programs.
- The 2011-2013 totals include the anticipated committed costs for Year Two of the biennium.

Educational Facilities Partnership Fund
Ending Fund Balances (In Dollars)

PROGRAM	TOTAL REVENUE	TOTAL EXPENDITURES	ENDING FUND BALANCE
FY2005	20,000,000.00	0.00	20,000,000.00
FY2006	52,442,523.95	30,614,911.76	41,827,612.19
FY2007	89,171,750.00	83,056,280.58	47,943,081.61
FY2008	501,131,925.00	104,995,660.99	444,079,345.62
FY2009	49,140,709.00	122,546,114.07	370,673,940.55
FY2010	34,495,435.60	113,361,185.47	291,808,190.68
FY2011	55,220,716.00	120,811,853.17	226,217,053.51
FY2012 EST	57,449,199.00	100,166,642.00	183,499,610.51
FY2013 EST	59,677,682.00	95,000,000.00	148,177,292.28
FY2014 EST		80,000,000.00	68,177,292.62
FY2015 EST		35,000,000.00	33,177,293.09
FY2016 EST		7,009,518.00	26,167,775.09
TOTAL	918,729,940.55	892,562,166.04	26,167,774.51

As of July 12, 2011

- This slide shows the ending fund balances by year when you compare the expenditures and revenues.
- The projected ending fund balance for all current projects is about $26M.
- The $26 M includes the anticipated 2011-2013 Year Two projects of about $31.8 M and revenues of about $60M.
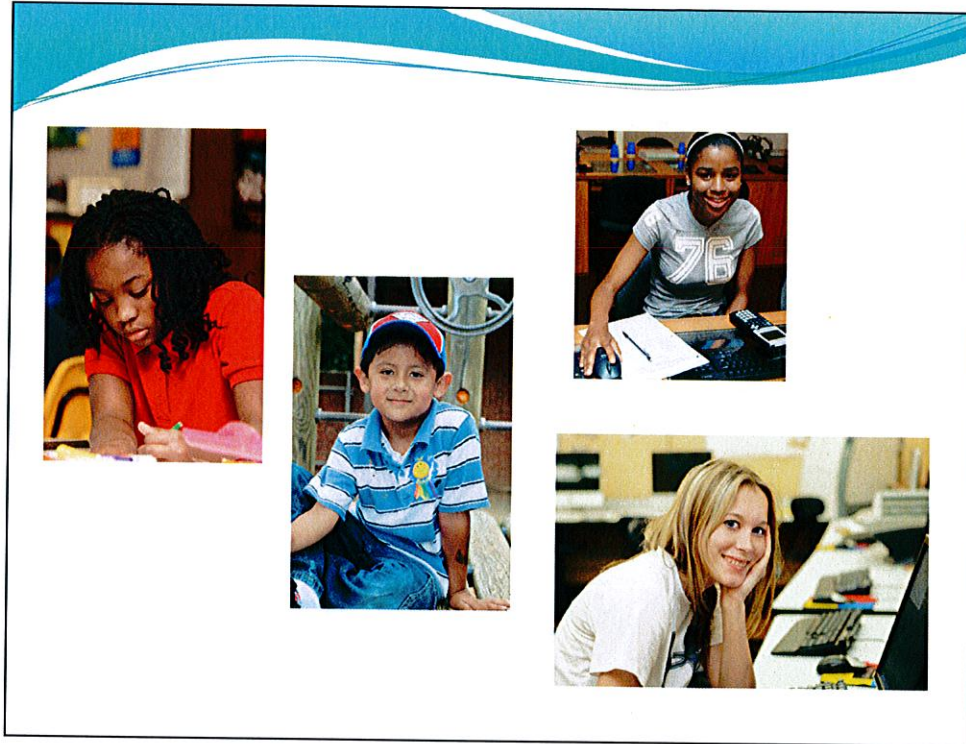
* This concludes the overview of the state's master plan and Partnership Program.