Exhibit 22

Title: Recommendation Discussions Picus Report
Dealing with Standardized School Size

Discussion

The Picus Report dated July 20, 2006, at page 21 suggested "that the state strongly consider constructing schools that are of a sufficient size to maximize efficiencies in building and maintaining buildings as well as staffing them with teachers and administrators."

Further reading of this section indicates that this recommendation was made to support the position that a 500 student school could be used as the basis for determining the cost per pupil. The data went on to explain that in the State of Arkansas approximately 71% of the State's schools have fewer than 500 students. The State allows a district of greater than 350 students total to remain operational.

Act 60 of the Second Extraordinary Session of 2003 codified in part at Ark. Code Ann. § 6-13-1602 states "the Department of Education shall publish a consolidation list that includes all school districts with fewer than 350 students according to the districts average daily membership in each of the two school years immediately proceeding the current school year." It can be interpreted from this statement that the State of Arkansas will not allow school districts to remain operational whose total three-quarter average daily membership for two consecutive years is less than 350 students. The ultimate size of the school district is not determined by the size of the facilities available to support the academic programs. A district drawing down to 350 students may find itself in buildings with capacities far greater than the number of students presently attending the district.

The Division of Public School Academic Facilities and Transportation can determine the required size of a facility to house 350 students grades K through 12, and establish the most efficient building based upon student capacity. The same can be accomplished for any number of students and grade configuration. The point to be made as expounded upon below is the most cost efficient school is one that is operational at or close to its rated capacity.

Brief research closely aligns school size with factors other than optimization to maximize costs. While studies have concluded that the closer to school capacity that a school is with students, the lower cost per student ratio is realized. The basis for school size has not been to maximize the operational cost of the facilities but rather to ensure that the facility provides the community environment and support for the academic program. Recent contact with six state school directors of facilities indicates that each of those states have specifically voted against a prototypical school size for number of students or construction. I list these two together as construction and prototypical schools are closely aligned.

If the issue is to optimize costs of a school of a certain size, then all tenants of the school must be identical. This is how the definition of a prototypical school is derived across the State. In each of the states contacted it was a local school district decision to determine not only the construction of the school but also the size. While construction may follow state standards, none of the states mandated that schools be built a specific way or specific size.

Conclusion

In conclusion I would offer that trying to establish a school size building standard in the State of Arkansas against which future construction would be weighted is not in the best interest of the academic program, social climate, or community environment that is so urgently needed in our schools today. That Arkansas's process of aligning school size to number of students, in new construction, based on academic needs and allowing the local school district to determine grade configuration, while encouraging consideration of cost per student as a building factor is prudent.

References:

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