

Exhibit D4

**THE ARKANSAS COMMISSION OF PUBLIC SCHOOL ACADEMIC
FACILITIES AND TRANSPORTATION
TEN YEAR (10) FACILITIES MASTER PLAN
RULE AND REGULATION
November 2005–Proposed July 2007**

1.00 REGULATORY AUTHORITY

- 1.01 This rule is promulgated pursuant to Ark. Code Ann. §§ 6-21-112 et seq. (Act 1327 of 2005), 6-21-801 et seq. (Act 1426 of 2005), 25-15-204, and Act 989 of 2007.

2.00 PURPOSE

- 2.01 The purpose of this rule is to establish a program and process for establishing a format for districts to begin creating ten-year (10) facilities master plans in accordance with State legislation, in an ongoing effort to remediate deficiencies in academic facilities.

3.00 DEFINITIONS

- 3.01 For purposes of this rule, the following terms mean:

3.01.1 Academic facility – a building or space, including related areas such as the physical plant and grounds, where public school students receive instruction that is an integral part of an adequate education as described in Ark. Code Ann. § 6-20-2302.

3.01.1.1 A public school building or space, including related areas such as the physical plant and grounds, used for an extracurricular activity or an organized physical activity course as defined in Ark. Code Ann. § 6-16-137 shall not be considered an academic facility for the purposes of this rule to the extent that the building, space, or related area is used for extracurricular activities or organized physical activities courses, except for physical educational training and instruction under Ark. Code Ann. § 6-16-132;

3.01.1.2 The Division of Public School Academic Facilities and Transportation shall determine the extent to which a building, space, or related area is used for extracurricular activities or organized physical activities courses based on information supplied by the school district and, if necessary, on-site inspection.

- 3.01.1.3 Buildings or spaces, including related areas such as the physical plant and grounds, used for pre-kindergarten education shall not be considered academic facilities for purposes of this rule; and
- 3.01.1.4 District administration buildings and spaces, including related areas such as the physical plant and grounds, shall not be considered academic facilities for the purpose of this rule.
- 3.01.2 Amended Facilities Master Plan - A full, revised Facilities Master Plan, with select components, submitted at any time during the ten-year cycle if a district has encountered one of the following conditions:
 - 3.01.2.1 A major enrollment change; or
 - 3.01.2.2 A major disaster; or
 - 3.01.2.3 A major curriculum change; or
 - 3.01.2.4 An unforeseen occurrence.
- 3.01.3 Annexation – the joining of an affected school district or part of the school district with a receiving district under Ark. Code Ann. §§ 6-13-1401 through 6-13-1411.
- 3.01.4 Appendix – A shortened amendment to an approved Master Plan submitted if a district has begun or completed a self – funded project over which the Division has only review authority, but which was omitted from the Master Plan submittal.
- 3.01.5 Consolidation - the joining of two (2) or more school districts or parts of the districts to create a new single school district under Ark. Code Ann. §§ 6-13-1401 through 6-13-1411.
- 3.01.6 Custodial activities – routine and renovation cleaning activities related to daily operations and upkeep of a public school facility ~~academic facilities~~, including related supervisory and management activities.
- 3.01.7 Facilities distress status – a public school district determined by the ~~Division~~ Commission of Public School Academic Facilities and Transportation as being in academic facilities distress status.
- 3.01.8 Facilities master plan – a ten-year plan developed by a school district that contains current enrollment projections ~~and details~~ the school district’s strategy for maintaining, repairing, renovating, and improving through new construction or otherwise the school

district's academic facilities and equipment, and other information required by law.

- 3.01.9 Foundation funding – shall have the same meaning as in Ark. Code Ann. § 6-20-2303.
- 3.01.10 Local resources – any moneys generated by a school district for the purpose of funding the school district's share of financial participation in any academic facilities project for which a school district is eligible to receive state financial participation under priorities established by the Division of Public School Academic Facilities and Transportation.
- 3.01.11 Maintenance, repair, and renovation – any activity or improvement to ~~an academic~~ a public school facility and, if necessary, related areas, such as the physical plant and grounds, that:
 - 3.01.11.1 Maintains, conserves, or protects the state of condition or efficiency of the academic facility; or
 - 3.01.11.2 Brings the state of condition or efficiency of the academic facility up to the facility's original condition of completeness or efficiency.
- 3.01.12 New construction – any improvement to an academic facility and, if necessary, related areas, such as the physical plant and grounds, that brings the state of condition or efficiency of the academic facility to a state of condition or efficiency better than the academic facility's original condition of completeness or efficiency. New construction also includes ~~additions to existing academic facilities and new academic facilities~~ a new addition to an existing academic facility and construction of a new academic facility.
- 3.01.13 Project – an undertaking in which a school district engages in:
 - 3.01.13.1 Maintenance, repair, and renovation activities with regard to an academic facility;
 - 3.01.13.2 New construction of an academic facility; or
 - 3.01.13.3 Any combination of maintenance, repair, and renovation activities with regard to an academic facility and new construction activities with regard to an academic facility.
- 3.01.14 Public School Facility – Any public school building or space, including related areas such as the physical plant and grounds, this is used for any purpose, including, without limitation:

- 3.01.14.1 An extracurricular activity;
- 3.01.14.2 An organized physical activity course defined in Ark. Code Ann. § 6-16-137;
- 3.01.14.3 Pre-kindergarten education;
- 3.01.14.4 District administration;
- 3.10.14.5 Delivery of instruction to public school students that is an integral part of an adequate education as described in Ark. Code Ann. § 6-20-2302.

- 3.01.15 Public School Facilities Custodial, Maintenance, Repair and Renovation Manual contains uniform standards to direct custodial, maintenance, repair and renovation activities in public school facilities.

- 3.10.16 Public School Academic Facilities Manual contains uniform standards to guide the planning, design and construction of new academic facilities and additions to existing academic facilities.
 - 3.10.16.1 Variances to the Arkansas Public School Academic Facilities Manual standards may be granted by the Division upon the presentation of evidence of existing conditions that makes compliance with applicable standards impractical or unreasonably burdensome and;
 - 3.10.16.2 Other conditions determined by the Division as warranting a variance from applicable public school academic facility standards.

- 3.01.17 Reconstitution – the reorganization of the administrative unit or the governing school board of a school district, including, but not limited to, the replacement or removal of a current superintendent, the removal or replacement of a current school board, or both.

- 3.01.18 School district – a geographic area with an elected board of directors that qualifies as a taxing unit for purposes of ad valorem property taxes under Title 26 of the Arkansas Code and which board conducts the daily affairs of public schools under the supervisory authority vested in it by the General Assembly and Title 6 of the Arkansas Code.

- 3.01.19 Self Funded Project - means a project that is one hundred percent (100%) raised and funded by the school District, that shall be submitted to and approved by the division upon compliance with state codes and standards

3.01.20 Space utilization – the number of gross square feet per student in an ~~public school~~ academic facility adjusted for academic program, school enrollment, grade configuration, and type of public school in accordance with rules promulgated by the Commission for Public School Academic Facilities and Transportation.

4.00 ACADEMIC FACILITIES MASTER PLAN PROGRAM – PURPOSE

4.01 The purpose of the Academic Facilities Master Plan Program is:

- 4.01.1 Establish a mechanism for state supervision of school district activities impacting academic facilities and equipment;
- 4.01.2 Develop and continually update information critical to identifying academic facilities needs at the local level across the state; and
- 4.01.3 Allow the state to manage state financial participation in eligible local academic facilities projects.

4.02 The Academic Facilities Master Plan Program shall require each school district to develop a ten-year district wide facilities master plan that shall be approved by the school district’s board of directors for submission to and approval by the Division of Public School Academic Facilities and Transportation.

4.03 The districts shall base its facilities master plan on the provisions of the Public School Academic Facility Manual as adopted by the Commission for Public School Academic Facilities and Transportation and on priorities indicated by statewide assessment, on priorities established by the Division’s statewide facility needs priority list and other pertinent data specific to the needs of the school district with regard to academic facilities and equipment.

4.04 The district wide facilities master plan shall include, at a minimum, the following:

~~4.04.1 A current inventory of all academic facilities, technology systems, instructional materials, and related academic equipment in the school district;~~

4.04.1 A schedule of custodial activities for each ~~academic~~ public school facility used by a school district;

4.04.2 A schedule of maintenance, repair, and renovation activities for each ~~academic~~ public school facility used by a school district. The schedule shall distinguish between work associated with academic facilities and work associated with nonacademic public school facilities;

4.04.3 Documentation that describes preventive maintenance work for each public school academic facility and identifies the completion date of the work. The documentation shall distinguish between

preventative maintenance work associated with academic facilities and preventative maintenance work associated with nonacademic public facilities;

4.04.4 Annual expenditures of the school district for all custodial, maintenance, repair, and renovation activities in the school district. The section of the facilities master plan pertaining to annual expenditures shall distinguish between expenditures associated with academic facilities and expenditures associated with non – academic public school facilities;

4.04.5 A projected replacement schedule for major building systems in each ~~academic~~ public school facility;

~~4.04.6 A plan for caring for and maintaining technology systems, instructional materials, and related equipment in each academic facility;~~

~~4.04.7 A projected replacement schedule for technology systems, instructional materials, and related equipment;~~

4.04.7 Identification of issues with regard to public school facility and program access to individuals with disabilities and, if necessary, proposed methods for improving access;

4.04.8 Identification of committed projects within the district that includes, as applicable, a breakdown of the portion of each project between maintenance, repair, and renovation activities and new construction activities. The portion of a committed project pertaining to maintenance, repair and renovation activities shall identify, as applicable, maintenance, repair and renovation activities associated with academic facilities and maintenance, repair and renovation activities associated with nonacademic public school facilities;

4.04.9 Annual expenditures of the school district for capital outlay;

4.04.10 Description of planned new construction projects with cost estimates for each ~~academic~~ public school facility, and needs prioritized as set forth in § 4.05 below and;

4.04.11 Narrative analysis of facility needs and response plans to address the overall district strategy of providing suitable, adequate and maintained public school facilities.

4.05 Districts shall submit ~~an initial~~ a master plan to identify prioritized needs of the district as follows:

4.05.1 The district's ~~initial~~ Master Plan shall be submitted to the Division of Public School Academic Facilities and Transportation Division by February 1, 2006, of each even numbered year with the following needs to be addressed:

- 4.05.1.1 Immediate needs that the school district intends to address within the next year ~~[July 1, 2006 – June 30, 2007]; and~~ three (3) years following the submission of the facilities master plan;
 - ~~4.05.1.2 Immediate needs that the school district intends to address during the 2007-2009 biennium; and~~
 - 4.05.1.3 ~~A general description of the short term~~ Short term needs that the school district intends to address within the four (4) to six (6) years following the submission of the facilities master plan; and
 - 4.05.1.4 ~~A general description of the long term~~ Long term needs that the school district intends to address within the seven (7) to ten (10) years following the submission of the facilities master plan.
- ~~4.06 The initial report shall be submitted to the Division of Public School Academic Facilities and Transportation by February 1, 2007, with the following needs to be addressed, as well as the items listed in § 5.02 below:~~
- ~~4.06.1 Short term needs that the school district intends to address within the four (4) to six (6) years following the submission of the facilities master plan; and~~
 - ~~4.06.2 Long term needs that the school district intends to address within the seven (7) to ten (10) years following the submission of the facilities master plan.~~
- 4.06 In addition, as part of and at the same time of the submission of the facilities master plan, the school district shall provide evidence of the following:
- 4.06.1 Public comments from public hearings regarding the district's facilities master plan; which are to be held in the same locality as the school district.
 - 4.06.2 Evidence of the school district's insurance coverage, including coverage amounts, types of coverage, identification of buildings covered, policy renewal dates, and all riders must be submitted to the Division no later than July 1, 2006, of each even numbered year;
 - 4.06.3 Evidence of current student enrollment projections for a period of ten (10) years beginning with the first year of the master plan submission.
- ~~4.07 Evidence of the school district's insurance coverage, including coverage amounts, identification of buildings covered, policy renewal dates, and all riders must be submitted to the Division no later than July 1, 2006.~~

5.00 SUBMISSION PROCESS

Each school district in the state shall, in accordance with the guidelines published by the division; by the dates listed;

5.01 Submit the district's facilities master plan to the Division by February 1 of each even numbered year;

5.02 Submit a report to the Division by February 1 of each odd-numbered year that includes:

~~5.02.1 A description~~ An automated update of all completed projects since the most recent submission;

5.02.1 Current enrollment projections;

5.02.2 New or continuing needs of the district with regard to academic facilities ~~and equipment;~~ and;

5.02.3 An accounting of any changes to the district's insurance coverage from the most recent submission.

~~5.03 Submit a report to the Division by February 1 of each even numbered year that includes:~~

~~5.03.1 A current accounting of all items listed in § 4.04, above; and~~

~~5.03.2 Summary of comments made at public hearing.~~

5.03 A school district which has encountered one of the conditions listed in section 3.01.2 of these rules may submit an Amended Master Plan to the Division out of the regular even year cycle.

6.00 DIVISION OF PUBLIC SCHOOL ACADEMIC FACILITIES AND TRANSPORTATION RESPONSIBILITIES

6.01 Establish procedures (guidelines) and timelines for submittals of ~~preliminary~~ master plans;

6.02 Hold consultation meetings with districts regarding master plans to assure:

6.02.1 Understanding of the general goals of the master plans and reports, and the criteria by which projects will be evaluated;

6.02.2 Discuss ways the master plan may be structured to meet said goals;

6.02.3 Assist districts in preparing accurate budgets and reasonable projects schedules; and

6.02.4 Provide efficiency and productivity in the approval process as to both local academic facilities projects and state financial participation in local projects.

7.00 APPROVAL PROCESS

The Division shall:

- ~~7.01 Review and approve facilities master plans submitted by February 1, 2006, no later than May 1, 2006; with regard to projects for which the district intends to apply for state financial participation during the fiscal year 2006-2007.~~
- ~~7.02 Notify districts no later than July 1, that the district's application for state financial participation during the fiscal year 2006-2007 in an eligible new construction project has been approved.~~
- ~~7.03~~7.01 Except as provided above, the Division shall Review and approve master plans no later than September 1 of each even numbered year and shall notify a district no later than May 1 of each odd-numbered year that the district's application for state financial participation the upcoming biennium has been approved.