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## Educational Adequacy in Arkansas: Facilities

Reed Greenwood

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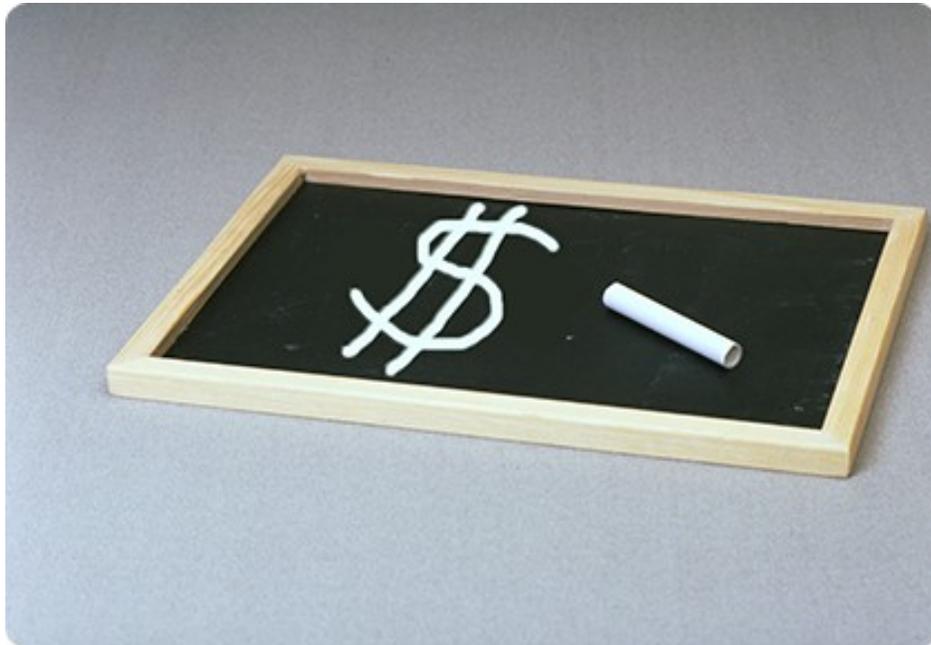
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**ARKANSAS EDUCATION REPORT**  
*Volume 9, Issue 5*

**EDUCATIONAL ADEQUACY IN ARKANSAS:  
FACILITIES**



**By:**

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**November 14, 2012**

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# I. EXECUTIVE SUMMARY

Following the declaration in November 2002 of the state's school funding as inadequate and inequitable by the Arkansas Supreme Court in the decision popularly known as the *Lake View* case (Arkansas Supreme Court, 2002), consultants, policymakers, and legislators in Arkansas came together to establish a funding system that would provide more resources to schools in a more equitable fashion.

Historically, school districts secured local funding through their property taxing authority to support construction, renovation, and maintenance of their facilities. In the wake of *Lake View*, the state's "eye" became more focused on public school facilities after noting the lack of a comprehensive assessment of some 1200 schools in over 250 independent public school districts in Arkansas. Thus, the General Assembly established the Joint Committee on Education Facilities in April 2003. This report covers the work of this committee – which was to assess whether education *facilities* were being funded adequately and equitably. The General Assembly conducted this assessment by reviewing and analyzing reports submitted the Arkansas Division of Public School Academic Facilities & Transportation, a unit of the Arkansas Department of Education, charged with annual assessments of the progress being made in the improvement of school facilities.

As a result, the state has now assumed a long-term role through the Partnership Program to support public school facilities. Although state Partnership funds are conditional on the wealth of local districts, the state requires all districts to participate in the master planning, maintenance, and inspection process. This provides the state with continuing information about the state of the facilities in order to assist districts and meet the adequacy and equity standards.

The steps put in place by the General Assembly provided significant new systems and financial support for public school renovation and new construction. For example:

- Funding mechanisms were overhauled and a major effort was conducted to improve the educational facilities across the state.
- The General Assembly commissioned a comprehensive study of the condition of public school facilities resulting in a comprehensive report published in 2004. This report served the state as a baseline to measure facility improvements.
- Then the state authorized many of the actions recommended in the 2004 comprehensive study of the condition of public school facilities report including:
  - The development of immediate and transitional funding programs to address some of the more critical problems in school facilities.
  - A master planning program requiring each school district to submit comprehensive plans and reports covering new facilities, renovations, and maintenance.
- Future reports were commissioned and released in 2005 and 2007 with additional suggestions for action by the General Assembly.

These reforms have placed the state in more direct control over the entire process of facility development and maintenance. As such, funding has come at a price in terms of local control of the schools. This is not the place to discuss the value of local versus state control; however, the Arkansas Supreme Court essentially found the state to be responsible for public education and required the General Assembly and Governor to develop plans to address the condition and improvement of public school facilities across the state as part of this constitutional obligation. However, since the financial reforms resulting from the *Lake View* shake-up, Arkansas can boast better K-12 education facilities, which is a good thing for our students, educators, and communities.

## II. A NOTE FROM THE AUTHOR

In May 2001, I was appointed Dean of the College of Education and Health Professions at the University of Arkansas, Fayetteville. And, shortly after assuming this position, I was appointed to the Blue Ribbon Commission on Public Education by State Senator David Malone. The Commission was created following the ruling by Judge Collins Kilgore in 2001 of the lack of educational adequacy and equity in the public schools in Arkansas. The Commission members included superintendents, teachers, education advocates, past and present legislators, higher education administrators, state education board members, and leaders from business and industry. The Commission completed its work and filed a report with recommendations to the Governor and General Assembly (Arkansas Blue Ribbon Commission on Public Education, 2002).

This experience had a major impact on my understanding of public education in Arkansas and the variety of factors involved in the court's declaration of the education system as unconstitutional in regard to adequacy and equity. During the years since 2001, I have followed the events surrounding public education and attempted to assess the progress being made to meet the mandates of the courts and the intent of the General Assembly in developing legislation to improve our school districts and schools. Following my retirement as Dean I have continued to examine decisions and actions precipitated by the ruling of the Court in the *Lake View* case. This involved reviewing legislation by the General Assembly and the implementation by Governors Mike Huckabee and Mike Beebe and the executive branch, especially the Arkansas Department of Education under the leadership of Dr. Ken James and Dr. Tom Kimbrell.

This report was made possible by the availability of a number of publications, most of which have been posted on the internet and are available for anyone to review. The documents from the Arkansas Supreme Court and the subsequent reports filed by former Justices and Special Masters Brad Jesson and David Newbern were invaluable to understanding the number and variety of issues involved. The reports from the Arkansas Division of Public School Academic Facilities and Transportation, Commission for Arkansas Public School Academic Facilities and Transportation, and the Task Force to Joint Committee on Education Facilities constituted the major resources for the content of this report. I am especially appreciative of the extensive work that went into the preparation of all of these studies and reports and of the assistance that enabled me to prepare the following review.

Reed Greenwood

August, 2012

### III. INTRODUCTION

This review was prepared to reflect the progress that the public education system has made in advancing public education funding in Arkansas following the declaration in November 2002 of the system as inadequate and inequitable by the Arkansas Supreme Court in the decision popularly known as the *Lake View* case (Arkansas Supreme Court, 2002).

Public school facilities funding was approached somewhat differently from the remainder of the work on public schools resulting from *Lake View*. A primary concern regarding school facilities was the lack of a comprehensive assessment of some 1200 schools in the state in over 250 independent public school districts. Early in the process, the General Assembly created the Joint Committee on Education Facilities in April 2003. This report covers the work of this Committee from the process of assessment through the reports of the Arkansas Division of Public School Academic Facilities & Transportation, a unit of the Arkansas Department of Education, charged with annual assessments of the progress being made in the improvement of school facilities.

The steps put in place by the General Assembly provided significant new systems and financial support for public school renovation and new construction. Two programs were initiated to meet immediate needs followed by a transitional program to assist districts that had begun facility improvements. These were followed by a long-term partnership program.

## IV. STUDY OF THE STATE'S PUBLIC SCHOOL FACILITIES

### A. Process and Timetable

The process for the development of a plan for the state's educational facilities involved several steps to move forward with an overall strategy. First, in April 2003, the General Assembly charged the Joint Committee on Education Facilities with establishing an assessment of the state's facilities and a process to secure equitable and adequate facilities. The Joint Committee in turn created the Task Force to the Joint Committee on Educational Facilities to oversee the assessment process. The process leading to the facility report included the following steps and timetable (Task Force to Joint Committee on Educational Facilities, 2004).

*Table 1. Timetable and Steps for Release of Final Facilities Report to General Assembly*

Date	Event
April 2003	Joint Committee on Education Facilities established
June 2003	Task Force to Joint Committee established
July 2003	Task Force Work initiated
December 2003	General Scope of Work approved
April 2004	Specific Scope of Work approved
June 2004	Facility Assessments began
September 2004	83 Million Square Feet Assessments completed
November 2005	Final Report completed
January 2005	Final Report Submitted to General Assembly

### B. Final Report

#### Developmental Process

The Task Force was given eight mandates by the General Assembly through the Joint Committee on Educational Facilities (see below). These mandates were by and large also given to the Arkansas Division of Public School Academic Facilities & Transportation once it was operational.

- **Mandate I:** Review the opinion of the Arkansas Supreme Court in the matter of Lake View School District No. 25 of Phillips County, Arkansas et al. vs. Governor Mike Huckabee, et al. issued on November 21, 2002, and use the opinion and other legal precedent cited by the court in the committee's deliberations.
- **Mandate II:** Recommend what constitutes an adequate school facility, including all necessary components, for: A. Elementary Education B. Middle School Education C. High School Education
- **Mandate III:** Recommend a method of providing substantially equal facilities and equipment for all schools in Arkansas as necessary to ensure equal opportunity for an adequate education.
- **Mandate IV:** Establish a process to conduct a review and assessment of all school facilities in the state to determine which are in compliance with the recommendations of subdivision (f)(2) of this subsection.
- **Mandate V:** Recommend policies and criteria for use in determining renovation, replacement, or discontinuation of inadequate buildings and facilities based upon statewide adequacy standards and other requirements necessary to ensure adequate and substantially equal school buildings and facilities.
- **Mandate VI:** Recommend the cost of an adequate school facility in Arkansas
- **Mandate VII:** Recommend a method of funding the cost of adequate and substantially equal school facilities.
- **Mandate VIII:** Recommend a system or method to assess, evaluate, and monitor the school facilities across the state to ensure that adequate facilities and substantially equal facilities are, and will continue to be provided for Arkansas' school children (Task Force to Joint Committee on Educational Facilities, 2004, pp. 6-9, italics added by author).

As can be seen through the italicized phrases above, the Task Force was asked to review the *Lake View* opinion, identify adequate/equitable facilities, recommend a method of providing such facilities, conduct a review and assessment of existing facilities, recommend policies and procedures to ensure adequacy/equity in facilities, recommend methods of funding, and recommend a continuing system to keep facilities adequate/equitable.

The Task Force began its work in July 2003 and started a study to set a baseline to use to measure funding needs of the state's academic facilities. The services of consulting firms were secured and an executive committee of the Task Force selected to provide oversight for the assessment process. The General Scope of Work and Specific Scope of Work were approved and in June 2004 the facility assessments were started and completed in September of that same year with the final report submitted in November.

### **Facility Assessments**

The assessment process resulted in data on 1,205 schools with 5,766 permanent buildings totaling 85.346 million square feet of space (Task Force to Joint Committee on Education Facilities, 2004). The report indicated that just over 40% of the buildings were built before 1970. The assessments provided information about specific elements of the costs such as roofing and structural repairs/renovations. Using a Facility Condition Index (the higher the percentage, the greater the need for renovation/repair), the assessment revealed that 4,207 of the 5,766 buildings had an index of less than 30% while 566 had an index of 50% or greater indicating that they would require major renovation or replacement. Overall the assessments revealed that relatively few school districts had buildings with a high Facility Condition Index.

The report provided projected life cycle costs for five years and projected enrollment growth for the entire state to be from 453,457 in FY2005 to 480,137 in FY2014. Applying enrollment growth projections to individual districts the report revealed that 130 (52%) of the districts would gain enrollment over ten years while 124 (48%) would lose enrollment within 10 years out of a total of 254 districts (Task Force to Joint Committee on Education Facilities, 2004, p. 44). Projections for every district are provided in the appendix to the Task Force report.

### **Framework for Findings and Recommendations**

In response to their mandates the Task Force presented a comprehensive framework for their findings and recommendations that included the following: 1) standards and guidelines for buildings, 2) delivering and maintaining structures, 3) statistics on the condition of facilities, 4) academic space requirements, 5) priorities for achieving adequacy, 6) costs of repairing, replacing, and adding academic space, 7) accountability measures for monitoring and updating academic facilities, 8) a geographic mapping system and 9) a resource manual for facilities (Task Force to Joint Committee on Educational Facilities, 2004, p. ii). As can be seen from the listing, the Task Force devoted considerable time and energy through its consultants to address the mandates provided by the General Assembly. And, their report included a comprehensive assessment with associated costs and specific recommendations that represent a broad scope of work to improve public education facilities across the state.

### **Recommendations**

The Task Force report based their cost estimates on facility condition, educational suitability and enrollment growth (Task Force to Joint Committee on Educational Facilities, 2004, p. 45). The resulting costs (Table 2) across these three factors totaled \$2.792 billion in current costs for schools only and \$2.864 billion for all buildings. Projections across five years would require \$4.360 billion for project costs for schools only and \$4.504 billion across five years for all buildings (Task Force to Joint Committee on Educational Facilities, 2004, p. 50).

*Table 2. Academic Facilities Cost Estimates*

Factor	Current Costs		Projected Five Years	
	Schools Only	All Buildings	Schools Only	All Buildings
Condition:				
Current	\$2,205,965,261	\$2,278,200,457	\$2,205,965,261	\$2,278,200,457
Year 1-5 Life Cycle	N/A	N/A	\$1,199,764,344	\$1,272,006,367
Stability	\$585,762,681	\$585,762,681	\$585,762,681	\$585,762,681
Growth	N/A	N/A	\$368,260,775	\$368,260,775
Total	\$2,791,727,942	\$2,863,963,138	\$4,359,753,061	\$4,504,230,280

*Source: Task Force on Joint Committee on Educational Facilities, 2004, p. 50*

In addition to the specific information about the state of public school facilities and what it would take in funding to renovate, replace, or add new facilities, the report included a number of recommendations to be considered by the state in advancing the development of adequate/equitable educational facilities. The following represent major classes of the recommendations:

1. Activate the Arkansas Division of Public Schools Academic Facilities to be included within the Arkansas Department of Education
2. Establish a State Educational Facilities Oversight Committee
3. The State of Arkansas establish an ongoing uniform process for collecting, inventorying, and updating facility information
4. Adopt statewide educational facility standards and guidelines
5. Develop a State program for school facility construction
6. Review and Update the Arkansas School Facility Manual on an annual basis
7. The Division of Public School Academic Facilities must report annually on the state of condition of educational facilities statewide.
8. The Division of Public School Academic Facilities must provide an annual report and forecast of ongoing facilities projects.
9. Maintain a public access website (Task Force to Joint Committee on Educational Facilities, 2004, pp. 10-11)

## V. RESPONSE OF THE GENERAL ASSEMBLY

### A. Primary Legislative Acts and Funding

The General Assembly responded to the Task Force report through a number of initiatives creating several programs funded to meet the needs for public school facility improvements. Key legislative acts following the *Lake View* ruling included the following (Jesson & Newbern, 2004, 2005, and 2007. See Appendix A for a more complete listing).

Table 3. Legislative Initiatives in Response to Task Force

Act #, Date	Action
Act 1181, 2003	Created Joint Committee on Educational Facilities that in turn created the Task Force to Joint Committee on Educational Facilities
Act 1284, 2003	Appropriated funds to conduct facilities study
Act 51, 2003	Appropriated \$1.000 million for technology improvements and \$10.000 million for general facilities funding for each year of FY2004 and FY2005
Act 59, 2003	Created Public Schools Funding Act of 2003 providing for number of items including general-facilities funding and Debt-service Funding
Act 50, 2003	Created the Public School Facilities Fund to be used for improvements, construction or repair of facilities
Act 77, 2003	Appropriated \$8.115 million for general facilities funding
Act 84, 2003	Appropriated \$10 million for expenses of the Joint Committee on Educational Facilities to evaluate facilities
Act 90, 2003	Created Division of Public School Academic Facilities under supervision of State Board of Education with annual and biennium reports on academic facilities including technology
Act 1426, 2005	Created Arkansas Public School Academic Facilities Program requiring every district to bear some or all of the cost of repair, renovation or construction of its facilities and district ten-year facilities master plans detailing immediate (next-year: 2007), short-term (next four years: 2007-2009) and long-term (seven to ten years) facilities needs
Act 2206, 2005	Arkansas Public School Academic Facilities Funding Act creating the short-term immediate repair and transitional facilities programs and the long-term partnership facility program
Act 995, 2007	Created Academic Facilities High-Growth School District Loan Program
Act 996, 2007	Established policies for Academic Facilities Distress Program
Act 1031, 2007	Transferred approximately \$456 million to facilities programs
Act 1237, 2007	Appropriated approximately \$531.1 million for FY2008 for academic facilities

## VI. FACILITY IMPROVEMENT REPORTS

### A. Academic Facilities Master Plan Program-State Plan, October 2006

This report (Arkansas Division of Public School Academic Facilities & Transportation, 2006) was the first of the series required by the General Assembly on the development of facility master plans and programs to improve public education facilities (reports on the master planning process are required in October 1 of each even numbered year; reports on completed projects since the last master plan submission are required by February of the odd numbered years). Passed in the Regular Session of the legislature in 2005, Act 1426 mandated a comprehensive state master plan and Act 1327 required that the state report on the master plan process and outcomes. The academic facilities program consisted of five improvement and funding programs.

#### Facility Improvement Programs

Academic Facilities Master Plan Program: This program requires a ten-year facility master plan to be developed by school districts containing enrollment projections and the district's strategy for "maintaining, repairing, renovating, and improving through new construction or otherwise the school district's academic facilities and equipment" (Arkansas Division of Public School Academic Facilities & Transportation, 2006, p. 1).

Academic Facilities Custodial Maintenance Repair and Renovation Manual: This publication presents uniform standards for custodial, maintenance, repair and renovation activities in academic/non-academic facilities at the district level.

Arkansas Public School Academic Facility Manual: This document provides "uniform standards to guide the planning, design, and construction of new academic facilities and additions to schools" (Arkansas Division of Public School Academic Facilities & Transportation, 2006, p. 2).

Public School Academic Equipment Manual: This specifies the levels of equipment at facilities necessary to conduct academic programs. The manual was scheduled to be integrated into the 2008 master plan submitted by each district.

Academic Facilities Distress Program: This will provide intensive state oversight and assistance to districts that "fail to properly maintain their academic facilities in accordance with the academic facility laws and the related rules" (Arkansas Division of Public School Academic Facilities & Transportation, 2006, p. 2).

#### Facility Funding Programs

Academic Facilities Immediate Repair Program: This program provided immediate assistance to districts to correct deficiencies noted on the 2004 assessment.

Transitional Academic Facilities Program: This program provided state facility funding based on a district's Academic Facilities Wealth Index to districts for eligible new construction for which debt was incurred or funds were spent after 1/1/05 and on or before 6/30/06.

Academic Facilities Partnership Program: This program serves as the major funding effort in support of the long-range goals of the districts based on their master plans.

Academic Equipment Program: State funding is available to acquire eligible unattached academic equipment.

Academic Facilities Catastrophic Program: State financing is available for catastrophic repair and construction projects to supplement insurance or other emergency assistance received by a district.

Extraordinary Circumstances Program for Public School Facilities: This program provides state financing to eligible districts that do not have sufficient funds to qualify for state financing through the Partnership Program.

### **Statewide State of Condition of Academic Facilities, October 2006**

This is the annual report prepared by the Commission pursuant to Act 1327 of Regular Session of 2005 using the 12 facility systems from the 2004 assessments: 1) site land and improvements, 2) roofing, 3) exterior, 4) structure, 5) interior, 6) heating ventilation and air conditioning, 7) plumbing and water supply, 8) electrical, 9) technology, 10) fire and safety, 11) specialty items, and 12) space utilization. The report covered the commitments for the three programs (Immediate Repair, Transitional and Partnership) compared to the needs identified in each system from the 2004 assessment study. The authors commented:

Participation in these three programs has been outstanding. The infusion of state funds to augment locally derived funds to improve and enhance the state's academic facilities will prove to be beneficial to students, staff, and faculty, and will most assuredly prolong the life of the school districts' facilities in addition to beginning to bring them up to equitable standards across the state....As may be seen by a comparison to the original assessment, districts are beginning a conscious and earnest endeavor to correct their facilities and to begin to bring their facilities in line with academic standards and needs. The conclusion can be drawn by the statistics provided, that Arkansas school facilities are beginning a slow revival toward becoming more equitable (Commission for Arkansas Public School Academic Facilities & Transportation, 2006, p. 2).

### **Projects and Funding Summary**

Immediate Repair Program: At the time of this report 301 projects totaling approximately \$76 million were approved with \$35 million as the state's part and 178 projects funded.

Transitional Program: Two hundred thirteen projects were approved totaling an estimated \$299 million with approximately \$87 million as the state's part and 106 had been completed.

Partnership Program: The Commission approved \$277 million in FY 2006-2007 for this program.

The report included a projection that about \$123 million was to be spent for all three programs in FY 2006-2007, and that \$403 million was to be spent in the biennium beginning 7/1/07. The report included 24 pages of district projects as an attachment. The report included commitments (see Table 4) for the three programs.

*Table 4. Commitments for Three Facility Improvement Programs*

Facility Program	Total Cost	State Share
Immediate Repair	\$76,635,912	\$35,000,000
Transitional	\$299,841,627	\$86,900,000
Partnership 06-07	\$642,691,025	\$277,000,000
<i>Totals</i>	<i>\$1,019,168,564</i>	
<i>2004 Assessment</i>	<i>\$3,118,042,368</i>	

*Source: Commission for Arkansas Public School Academic Facilities & Transportation, 2006, p.4*

It should be noted that these figures represent commitments rather than expenditures. The Transitional Program consisted of an additional 1,087,625 square feet for suitability and 1,868,051 square feet for growth while the Partnership Program resulted in 1,868,051 square feet for suitability and 2,377,357 square feet for growth. This report also indicated that the Arkansas Division of Academic Facilities & Transportation would have additional staff in the future to conduct onsite inspections that would lead to better service to the districts and more complete reports on facility conditions in the future (Commission on for Arkansas Public School Academic Facilities & Transportation, 2006, p. 3).

## **B. Academic Facilities Master Plan Program State Plan, October 2008**

The comprehensive report prepared by the Division in 2008 provided extensive information about the processes that had been put in place since the *Lake View* ruling. In addition, rules were promulgated for some of the programs and some of these are reviewed here as well. As reflected in the 2006 report, the state established policies for *five major facility improvement* programs in accordance with its statutes, policies and rules: (a) The Academic Facilities Master Plan Program, (b) Academic Facilities Custodial, Maintenance, Repair and Renovation Manual, (c) Arkansas Public School Academic Facility Manual, (d) Public School Academic Equipment Manual, and (e) Academic Facilities Distress Program. Legislation also created *facility funding programs* that included the: (a) Academic Facilities Immediate Repair Program, (b) Transitional Academic Facilities Program, (c) Academic Facilities Partnership Program, (d) Academic Equipment Program, (e) Academic Facilities Catastrophic Program, (f) Extraordinary Circumstances Program for Public School Academic Facilities, and (g) Academic Facilities High-Growth School District Loan Program. Each of these programs is described below along with an update based on progress at the time the facilities report was prepared and submitted in October 2008.

### **Facility Improvement Programs**

Academic Facilities Master Plan Program. The state requires the submission of a master plan by each school district with specific information relative to their planning for facility renovation, new construction and maintenance. This planning process was a developmental effort and there were issues that had to be worked through in the process. Until *Lake View* the role of the state in facility development had been minimal primarily focused on assuring that facilities were prepared in keeping with appropriate design and construction criteria. As the 2008 report states:

The state master plan is the structure that provides guidance and funding to local school districts, through Arkansas statutes, that requires school districts to strive, through their individual master plans, toward adequate and equitable facilities. The state's role is to provide definitive guidance through manuals, rules and funding programs to raise the level of the academic facilities in the state of Arkansas through repair and new construction in conformance with those manuals and rules. The compilation of the individual school district master plans, which must be approved by the state, details the state's plan to achieve suitable and adequate facilities. (Arkansas Division of Public School Academic Facilities & Transportation, 2008b, p. 1)

The first master plan submission was in February 2006 and covered three years with the subsequent submission in February of 2007 covering the remaining seven years. The 2008 submission required the coverage of maintenance work as well. Each plan was to include lists of committed projects, estimated cost of each project and amount of state financial participation along with a four-year rolling forecast of planned new construction projects. The state of facility condition annual report includes comparisons to the assessments reported in the 2004 facility study.

The 2008 master plan represented the first complete ten year plan submitted by the school districts (Arkansas Division of Public School Academic Facilities & Transportation, 2008, p. 7). The focus of this plan was on 1) the 2004 assessment, 2) growth indicators, 3) academic suitability standards and 4) custodial and maintenance requirements. In addition the plan was used to identify equipment needs, replacement schedules for major building systems, and issues concerning facility accessibility for persons

with disabilities (Arkansas Division of Public School Academic Facilities & Transportation, 2008, p. 7). Updates provided in the 2008 report included the establishment of a statewide facility priority needs list, clarification of guidelines about amendments/appendices to the master plan, and automation of the submission process. It was also reported that the quality of the facility portions of the plans from the districts was “greatly improved;” that more effort was placed on projects in the “safe, dry and healthy” areas while still addressing the suitability and adequacy standard (Arkansas Division of Public School Academic Facilities & Transportation, 2008, p. 7). For the master planning program, projects were divided into two categories in 2007: “warm, safe and dry” and “new schools, additions and conversions.”

Academic Facilities Custodial, Maintenance, Repair and Renovation Program: Separate from the partnership program is the program focused on maintenance conducted by the districts. This effort is based on the requirement that districts spend a portion of foundation funding for maintenance that includes utilities, custodial, maintenance, repair and renovations. This program is guided by a special manual covering standards for custodial maintenance, repair and renovation as well as preventive maintenance for both academic and non-academic facilities. The manual requires that maintenance be included in the overall master plan for facilities (Arkansas Division of Public School Academic Facilities & Transportation, 2008b, p. 3). This manual was completed and published in June 2006 and will be reviewed periodically.

During 2008 it was reported that there were significant challenges associated with the custodial and maintenance program. For example, the law requires that nine percent of foundation funding be devoted to this category while the average district expenditure represents about eleven percent of their total budget. Although many districts were able to comply with the requirements specified in the manual, others did not have the staff and resources to assure maintenance sufficient to assure adequacy of facilities (Arkansas Division of Public School Academic Facilities & Transportation, 2008, p. 8). The state implemented a statewide automated work-request system to track maintenance activities and initially participation was to be conducted on a voluntary basis.

Arkansas Public School Academic Facility Manual: This manual was published for master plan submissions beginning in February 2006 and covers standards for planning, design and construction of new facilities as well as additions to existing ones. The manual was partially revised in 2007 with the construction standards section reviewed and updated incorporating current codes and construction procedures and distinguishing between standards and guidelines. Revisions were made on the program of requirements to 1) align them with curriculum standards, 2) address school size and required academic areas, and 3) provide the rationale for mandatory and optional space requirements.

Public School Academic Equipment Manual: Districts are required to participate in an academic equipment program that is guided by a manual prepared by the state. Described as “tentatively completed” in 2005, this manual provides standards for “...technology systems, instructional materials, and related academic equipment.” (Arkansas Division of Public School Academic Facilities & Transportation, 2008b, p. 3). A final review of the manual was conducted in 2007, but sections were not completed awaiting the legislative process to finalize policies for the manual (it was not completed nor was the academic equipment program funded). The manual continued to lack a section on the process for accountability of equipment funded by the state (Arkansas Division of Public School Academic Facilities & Transportation, 2008b, p. 10).

Academic Facilities Distress Program: Districts that are in rather dire circumstances when it comes to their facilities may be placed in a distress program as indicated in the 2006 report. The state can take drastic action in situations where districts are placed in this category including taking over the operation of the district. This program was changed in 2007 to require assessments of school districts whose millage failed to support their master plans (Arkansas Division of Public School Academic Facilities & Transportation, 2008b, p. 10). One school district was placed in facility distress by the Commission due

to failure to meet current codes and standards for construction and procurement actions failing to meet state laws (Arkansas Division of Public School Academic Facilities & Transportation, 2008b, p. 11).

### **Facility Funding Programs**

Academic Facilities Immediate Repair Program: This was the one-time repair program designed to correct deficiencies that presented an immediate hazard to health or safety of students or staff or to address extraordinary deteriorations of academic facilities based on the 2004 assessment. Funding was based on the wealth index of the school districts and was subject to other conditions such as the age of the condition needing repair (Arkansas Division of Public School Academic Facilities & Transportation, 2008b, p. 4). The Immediate Repair Program ended in January 2008 after 224 projects covering 481 deficiencies were completed.

Transitional Academic Facilities Program: This program provided reimbursements for projects begun by school districts prior to the start of the Partnership Program and was scheduled to end in June 2009. Funding was made available for projects between January 2005 and June 2006 and included 212 projects.

Academic Facilities Partnership Program: The Partnership Program is the long-term program providing cash payments for facilities to eligible school districts. It began with projects submitted in February 2006 with additional submissions in November 2006 and May 2008 designated as Partnership 2006-2007, 2007-2009 and 2009-2011. Legislation in 2007 resulted in some projects being added to this program. The threshold for projects shifted to a minimum requirement of \$300 per student or \$150,000 whichever is less, and projects were divided as indicated above into “warm, safe and dry” and “new schools, additions and conversions.” The prioritization of projects was separated from the approval process; new project submissions now included analysis of all schools with the same grade structure as a new school submission; districts were given the right to determine by a certain date if their projects met the partnership program tenets; and projects were required to meet new insurance requirements.

Academic Equipment Program: This program was not funded during the prior biennium and thus no report was provided.

Academic Facilities Catastrophic Program: The state created a program that would assist districts that have undergone catastrophic situations such as a fire or storm. The state financial participation for catastrophic repair and construction projects supplements insurance or other emergency assistance received by the district. This program went into effect in late 2006 to cover specific losses experienced by some districts due to fires and storms with funding coming from the Partnership Program.

Extraordinary Circumstances Program for Public School Academic Facilities: There are circumstances where school districts may not have the property wealth to generate sufficient revenue to support needed facility improvements to meet educational adequacy. This may be the case when districts are rural and/or poor in nature and the millage required to generate sufficient funds for school construction would be an excessive burden on the tax payers of the district. This program provides financial assistance to such districts that do not have sufficient means to provide local resources to qualify for the state partnership program.

Academic Facilities High-Growth School District Loan Program: There are school districts, especially some located in northwest Arkansas, where high growth rates place a special burden on the district to secure the facilities needed to meet the demands. This program provides interest free loans to such high-growth districts that enable them to meet the adequate and equitable standards established by the state.

## **Facility Improvement and Funding Summary**

Given this review of the facilities improvement and funding programs undertaken by the state, the report for 2008 concluded with the following:

...the state took another large step forward toward establishing a more cohesive and coordinated effort toward providing suitable and adequate facilities. The master plan process, both at the school district and state level, is the key to accomplishing everything the state desires to accomplish in its facility program to support its academic programs. The advancement, through repairs to existing facilities and the construction of new facilities, is essentially in the hands of the school districts to determine at what pace and how far we progress toward suitable and adequate facilities...The rate at which the state progresses, is found in the district's ability to plan and execute its program and not in the availability of state funding. The variables in school district planning such as its academic program, student population, enrollment changes, wealth index, ability to provide its share of funding, the requirement to strive towards the state standard of construction are factors that are considered by the school district in the master plan process. The weighting and prioritization of these factors and the way in which they are managed by the school district determine the rate of advancement toward suitable and adequate facilities. This rate is not determined by the state; therefore, the master plan process at the district level is the absolute key to the success of the state program (Arkansas Division of Public School Academic Facilities & Transportation, 2008b, pp. 13-14).

In summary, the master plan report revealed that many districts continued to struggle to develop coordinated and cohesive master plans. This arose from the varying degrees of experience in districts in planning that resulted in a wide diversity of plans (Commission for Arkansas Public School Academic Facilities and Transportation, 2008, p. 14). Small districts with stable or modest changes in enrollment did not appear to see the need for long range planning and their attention was on solving immediate problems. The requirement that districts match funding through new taxes or existing funds can also present significant issues. There may be a need for major changes in facilities to reach adequacy, but district patrons may not be willing to tax themselves. Maintenance continued as a problem for small districts and the preventive maintenance program was found to be weak across the state and the initiation of a computerized maintenance program expected to help the districts. Finally, it was reported that the Division was developing into a "center of assistance for real property management including facility construction, maintenance, custodial, contracting, insurance, funding, program development and master planning" (Commission on for Arkansas Public School Academic Facilities and Transportation, 2006, p. 14).

The Division reported a continuing steady state of progress that was not without issues. It took some effort to educate districts on the role of the state in facility development. In addition, there were some tensions between districts and the state in moving forward with new regulations and procedures. When a process involves over 250 independent school districts and over 1200 schools, there are likely to be issues and conflicts. A simple review of the 43 pages of committed projects attached to the 2008 report and the 130 pages of the four year rolling forecast of planned new construction projects indicates that this is a broad and complex process requiring considerable cooperation and communications to be successful.

## **C. Statewide State of Condition of Academic Facilities, October 2009**

### **Academic Facilities Construction, Renovation and Conversion**

The 2009 report from the Arkansas Division of Public School Facilities & Transportation stated that this series of reports:

...conveys the progress of actions undertaken by the Arkansas public school districts to construct new public school facilities, renovate and convert existing public school facilities, and correct significant deficiencies to state school facilities toward the goal of providing equitable and

adequate surroundings to support the state's educational program ( Arkansas Division of Public School Academic Facilities & Transportation October 2009, p. 1).

The report provided an overall assessment of the progress that the state was making in its academic facility improvement programs including procedural aspects of the programs along with cost data. As in earlier reports, it compared the projects that have been completed and committed to the 2004 facility assessment.

Immediate Repair Program: This resulted in 481 projects completed at a cost of \$53,134,237 -- this program ended 1/1/08.

Transitional Program: This resulted in 212 projects completed for a total cost of \$208,462,434 -- this program ended 6/30/09.

Partnership Program: At the time of this report the Partnership Program consisted of 1,343 approved projects for an estimated cost of \$1,555,800,000 with estimated state share of \$601,700,000. As indicated in the report:

The total value of the partnership program changes as the program proceeds. Inflation of construction cost, withdrawal of projects, combining projects for efficiencies, projects deleted due to millage failures, re-scoping of projects due to changes in need are all attributable to the fluctuating total dollar value of this program (Arkansas Division of Public School Academic Facilities and Transportation, October 2009, p. 6).

### **Percentage of Assessment Costs from Approved Projects**

The work on school district facilities represents a significant move on the part of the state to both correct past problems and operate the long-term planning and programming that the state has pursued in this matter. The analysis conducted by the state division for facilities in the 2009 report includes Table 5 showing the 2004 assessments by the twelve systems that were assessed, e.g., roofing, plumbing, combined with costs for suitability and enrollment growth for a total of \$4.120 billion. The project costs for immediate repairs were \$53.134 million, \$208.462 million for the transitional program and \$1.430 billion for the partnership program for the periods 2006-2007, 2007-2009 and 2009-2011.

Examining the percentages of assessment costs from approved projects indicates that the following percentages of estimated costs from the 2004 assessment were being met: 23.59% of roofing; 20.50% of HVAC; 12.83% of fire and safety; 78.51% of suitability; and 266.28% of enrollment growth. It should be noted that the 2004 assessment costs are in 2004 dollars and are not inflation adjusted. So the real cost of facility work that is being done currently is likely to be considerably more.

The Division calls attention to comparing the assessments conducted in FY2004 with the facility projects that had been completed/committed by October 2009. Several factors are reported to have an influence on these comparisons: 1) unofficial proposed facilities standards were used in the assessment (later corrected with legislation in 2005); 2) building codes applicable to new construction were used and not those required by law for existing buildings; and 3) it was not possible to track all corrections completed by the districts and some were corrected under the nine percent maintenance required by law (Arkansas Division of Public School Academic Facilities & Transportation, October 2009, p. 7).

Table 5. Academic Facility Total Project Costs

System	2004 Assessment Current Condition and 5-Year Cycle	Percentage of Total Assessment Costs	Immediate Repair	Transitional	Partnership 2006-2007 2007-2009 2009-2011	% of Assessment Costs from Approved Projects
Site	\$290,976,912	7.06%	\$1,498,769	\$4,527,758	\$10,469,600	5.67%
Roofing	\$313,277,404	7.60%	\$19,826,282	\$6,782,095	\$47,278,452	23.59%
Exterior Structure	\$200,282,479	4.86%	\$1,116,031	\$896,602	\$8,869,716	5.43%
Interior	\$45,366,634	1.10%	\$1,369,593	\$717,868	\$2,001,443	9.01%
HVAC	\$779,021,744	18.91%	\$3,644,225	\$2,453,938	\$26,124,461	4.14%
Plumbing	\$519,174,813	12.60%	\$15,221,781	\$1,775,822	\$89,411,722	20.50%
Electrical	\$229,076,007	5.56%	\$1,922,964	\$653,394	\$6,917,561	4.14%
Technology	\$223,810,489	5.43%	\$91,800	\$682,106	\$10,570,828	5.07%
Fire & Safety	\$151,567,110	3.68%	\$1,276,365	\$528,682	\$3,142,464	3.26%
Specialty	\$158,502,486	3.85%	\$5,209,939	\$38,407	\$15,080,575	12.83%
Suitability	\$290,168,877	7.04%	\$1,956,488	\$21,196	\$6,504,223	2.92%
Enrollment Growth	\$556,735,819	13.51%	\$0	\$54,930,669	\$382,153,628	78.51%
Totals	\$361,769,048	8.78%	\$0	\$142,178,942	\$821,125,097	266.28%
<b>Totals</b>	<b>\$4,119,729,822</b>	<b>100.00%</b>	<b>\$53,134,237</b>	<b>\$208,462,434</b>	<b>\$1,429,649,770</b>	

NOTE: Partnership Program projects for 2009-2011 are projects approved and funded on May 1, 2009 list. The FY2004 figures are shown in FY2004 dollars and the others are shown in current dollars as of the fiscal year of the program.

Source: Arkansas Division of Public School Academic Facilities & Transportation, 2009

### Annual Maintenance

The Annual Maintenance Report (see Table 6) is based on the corrective and preventive work orders created during a given year. For example, there were 20,354 corrective orders created in the electrical area with 95.38% completed and 2,762 preventive maintenance work orders created in the same area with 94.5% complete. Across all work orders in both areas, 258,397 were created and 94.79% were completed (Arkansas Division of Public School Academic Facilities & Transportation, 2009, pp. 1-1). This would appear to be a very high rate of completion, but the report states that inspections revealed that many deficiencies remained, and that all of the deficiencies were not being recorded - only those that the districts planned to correct. The report suggests that a more thorough system of inspections was likely to be required to make sure that accurate reporting is done and that the Division was working to secure the personnel required to complete the inspections. Beginning with the 2008 master plan, a computerized maintenance management system was started by the state to standardize maintenance information collection. It will be used to assess the efforts of districts to maintain their facilities.

Table 6. Statewide Totals Annual Maintenance Report

Systems Per ACA Ann. 6-21-112	Corrective Maintenance		Preventive Maintenance		Composite Totals	
	Total Created	Total % Complete	Total Created	Total % Complete	Total Created	Total % Complete
Site	4,760	93.77%	2,991	92.14%	7,661	93.13%
Roof	38,153	90.96%	2,210	92.99%	6,025	91.70%
Exterior	5,192	92.03%	3,427	97.67%	8,619	94.27%
Structural	1,117	94.99%	1,125	94.76%	2,242	94.87%
Interior	12,892	89.82%	3,061	98.17%	15,953	91.42%
HVAC	17,450	96.39%	10,501	92.86%	27,951	95.06%
Plumbing	17,647	94.36%	5,715	94.23%	23,362	94.33%
Electrical	20,354	95.38%	2,762	94.50%	23,116	95.28%
Technology	14,553	94.81%	1,246	99.35%	15,799	95.17%
Fire & Safety	3,224	93.05%	22,318	95.02%	25,542	94.77%
Specialties	6,318	95.13%	2,666	99.40%	8,984	96.39%
Other Miscellaneous	81,392	95.03%	10,077	99.07%	91,469	95.48%
Space Utilization	1,194	93.97%	480	94.79%	1,674	94.21%
<b>Totals</b>	<b>189,818</b>	<b>94.53%</b>	<b>68,579</b>	<b>95.52%</b>	<b>258,397</b>	<b>94.79%</b>

Source: Arkansas Division of Public School Academic Facilities & Transportation, 2009, Revised 7/31/09

### Summary of Facility Projects

It was reported that there were difficulties in getting school districts to shift their thinking and their actions to a more centralized and focused facility development program. This is indicated in the 2009 report and summarized in the following closing statement in the report:

We are meeting resistance in changing the culture of school districts toward their facility needs not because they do not agree that the need is there but that the state is causing this change and establishing the criteria to formulate the end result. This will be difficult to overcome. But by meeting this challenge with coordinated planning between the state and the school districts, by becoming more cognoscente of each other's position, by stressing that the state's assistance is meant to meet both of our goals, it is possible.

We have made great strides in correcting many of the inequities in the Arkansas school facilities, which is obvious. But we must remember that our facility program consists of over 6,500 buildings on 1,200 campuses and that that number is changing on a yearly basis, and we did not get into this condition in a short period of time and that, that condition was caused by as many facility philosophies as we have school districts. When you couple that with the aging condition of our facilities, the wear and tear on school buildings by their occupants, the damage to facilities by forces beyond the control of the school districts, you clearly see how this is a program in which we are only able to surmise the factors and the corrective actions but not able to accurately forecast when we will be in a position to clearly state that we have arrived at equitable, adequate and suitable facilities (Arkansas Division of Public School Academic Facilities & Transportation, October 2009, p. 15).

## **VII. ARKANSAS ACADEMIC FACILITIES MASTER PLAN PROGRAM- STATE PLAN, OCTOBER 2010**

The 2010 update for the master plan program and briefly covers the programs reviewed in earlier reports. It also notes the role of the Academic Facility Manual in providing information about construction standards for new construction and renovations and the specific academic program requirements associated with educational spaces. The current funding included in the report is for the Partnership, Catastrophic and High Growth programs.

### **A. Statewide State of Condition of Academic Facilities, October 2010**

#### **Partnership Program**

The Partnership Program to the date of this report consisted of 1,218 approved projects with an estimated total program amount of \$1,555,800,000. The estimated state share was about \$634,000,000. Biennium 2011-2013 projects were currently under review and were not included in the above numbers (Arkansas Division of Public School Academic Facilities & Transportation, 2010b, p. 5). The Academic Facility Total Project Costs were the same as for the 2009 Report (shown in Table 4 above) since the 2009 Report covered the last biennium (2009-2011) and the actual cost data for the most recent period were not available until the end of the biennium. Attached to this report is a listing of 46 pages of committed projects along with 22 pages for the four year rolling forecast for 2011-2015.

Comparing the assessment data from 2004 to the financial programs showed that the highest areas based on completion were roofing, HVAC and fire and safety. In the Immediate Repair program it was HVAC and roofing followed by fire and safety and in the transitional program it was roofing, site and interior projects (this program provided funds for new construction and additions). Finally, the Partnership Program saw a rise in electrical and plumbing with continued work in HVAC and roofing with a trend seen in correcting the most serious, warm, safe and dry deficiencies (Arkansas Division of Public School Academic Facilities & Transportation, 2010b, pp. 5-6).

#### **Maintenance Program**

In 2009 the General Assembly required all districts to participate in the computerized maintenance management system. This system allows for a consistent database using the twelve building and design systems. The report revealed that 96% of the maintenance work orders and 82% of the preventative maintenance work-orders created during the year were completed and that although deficiencies remained, improvements were made in the reporting process. A total of 198,264 maintenance work orders were created with 96.47% completed and 170,506 preventive work orders were completed with a 81.58% completion rate. In addition, legislation required reporting of required inspections of academic facilities and the division conducted some 887 site visits for inspections at public school facilities (Arkansas Division of Public School Academic Facilities & Transportation, 2010, p. 7).

#### **Update on Facilities Partnership Program**

Subsequent reports (Arkansas Division of Public School Academic Facilities & Transportation, 2011 and 2012) provided information on the extent of partnership projects planned for these 2011-2013. The report dated April 20, 2011 for 2011-2012 indicated there were 168 projects listed for total state funding of \$156.944 million. Ninety-five (56.5%) were for warm/safe/dry and 73 (43.5%) were for space. The report for the 2012-2013 year called for 51 projects for total state funding of \$31.677 million and the split between the two categories was 31 (60.8%) for warm/safe/dry and 20 (39.2%) for space. The total amount for the two years was projected to be \$188.621 million.

## **Rules Governing Arkansas Public School Facilities**

Rules governing the state's work in public school facilities are promulgated by the Commission for Public School Facilities and Transportation and the Arkansas Division of Public School Academic Facilities & Transportation. These may be found on the website of the Division and a listing and brief purpose of each rule are provided in Appendix B.

## VIII. SUMMARY AND CONCLUSIONS

Arkansas embarked on a series of major initiatives to improve its public education system following the *Lake View* case. Funding mechanisms were overhauled and a major effort was conducted to improve the educational facilities across the state as reviewed in this paper. The General Assembly authorized a comprehensive study of the condition of public school facilities resulting in a comprehensive report published in 2004. This report served the state as a baseline to measure facility improvements. Then the state authorized many of the actions recommended in the 2004 report including the development of immediate and transitional funding programs to address some of the more critical problems in school facilities. The state also established a master planning program requiring each school district to submit comprehensive plans and reports covering new facilities, renovations and maintenance. The assignment for this work was made to the Commission for Arkansas Public School Facilities and Transportation and the Arkansas Division of Public School Academic Facilities & Transportation. These two agencies of state government continue to operate and report on the development of improvements to public school facilities.

The 2004 assessment called for over \$4.119 billion in facility needs based on current conditions and a projected five-year cycle of added costs. From 2006 through 2011 state funding for the immediate repair program was over \$53.1 million in project costs; the transitional program provided over \$208.4 million; and the partnership program provided over \$1.429 billion (about 35% of the assessed project costs in 2004). The total amount for the 2011-12 and 2012-13 cycles was projected to be \$188.621 million. This represents a considerable investment on the part of the state to upgrade public school facilities, even though the spending has not reached the need as defined in 2004. In addition, school districts across the state provided considerable funding for facilities.

It should be noted that these figures do not take into account the inflation associated with the 2004 figure compared to current costs--so it will cost more to meet the assessment needs. Also, some districts were able to secure other sources of funds, including local district and federal stimulus dollars. And since it was first implemented, the state's master planning process has been refined to include regular inspections of school facilities allowing for more accurate means to monitor the facility improvement needs across the state.

The initiatives to improve public school facilities in the state originated as a part of the response to the *Lakeview* case which identified deficient facilities in a number of schools as a problem in assuring equity and adequacy. The 2010 report on the condition of academic facilities across the state indicates the following in regard to the purpose of the comprehensive facilities program:

This report conveys the progress of actions undertaken by the Arkansas public school districts to construct new public school facilities, renovate and convert existing public school facilities, and correct significant deficiencies to state school facilities toward the goal of providing equitable and adequate surroundings to support the state's educational program (Division of Public School Academic Facilities & Transportation, 2010b, p. 1).

This review has sought to identify progress being made in response to the findings of the Supreme Court and again the 2010 facilities report provides a statement in regard to progress toward these results:

Based on the information provided, the Division believes the State of Arkansas is making progress in improving the state of condition of academic facilities by providing funding for new spaces as well as life cycle system replacements, monitoring of maintenance and preventative maintenance of facilities, performing inspections of facilities and monitoring the legally required life safety inspections (Division of Public School Academic Facilities and Transportation, 2010b, p. 7).

The enumeration of facility improvements on a district-by-district or school by school basis is beyond the scope of this paper. However, the information is available on the web and it is possible to study how each district and school have been affected by this new system of planning and funding. One would assume that across the state school districts' facilities are much better than in 2002 based on the careful planning and funding. When local and federal funds in recent years are added to state funding, the districts' facilities are more likely to come closer to what would be considered "adequate and equitable."

Some issues that arise when considering the facilities of the state and the programs designed to improve them include the relative roles that the state and local districts play in developing and funding facilities, the impact of projected declining enrollment in almost half of the state's districts, and the measurement of the realization of adequacy and equity.

Historically, school districts secured local funding through their property taxing authority to support construction, renovation and maintenance of their facilities. With the *Lake View* ruling, the state has now assumed a long-term role through its partnership program to support public school facilities. Although state partnership funds are conditional on the wealth of local districts, the state requires all districts to participate in the master planning, maintenance and inspection process. This provides the state with continuing information about the state of the facilities in order to assist districts and meet the adequacy and equity standards.

This has obviously placed the state in more direct control over the entire process of facility development and maintenance. Funding has come at a price in terms of local control of the schools. This is not the place to discuss the value of local versus state control. However, the Arkansas Supreme Court essentially found the state to be responsible for public education and required the General Assembly and Governor to develop plans to address the condition and improvement of public school facilities across the state.

At the time of the 2004 assessment it was projected that during the ten year period from 2004-05 through 2013-14 that 130 districts would grow and 124 districts would decline in enrollment (projected increase statewide in the time was just over 29,000 (Task Force to Joint Committee on Educational Facilities, 2004, p. 44). Although it is essential to provide adequate facilities to meet the educational requirements of all students, it is also important to consider this demographic projection. It is likely that some schools will be built or improved in areas where enrollments are on the decline and some of these schools may not be needed in the future. This may be more true for secondary schools when districts are consolidated. These trends tend to follow the overall population patterns reflecting shifts of the state's population to central and northwest Arkansas.

Obviously, facilities that are safe, warm, and dry, and provide adequate space, equipment and technologies are important to educational environments that facilitate learning. And the state now requires master plans for all school districts and inspects the facilities to assure that they are meeting the standards for facilities. However, the funding required to be an "adequate" educational environment involves a number of choices beyond just meeting state standards. For example, what should the life expectancy of the exterior materials be? Should they meet standards leading to certification as environmentally suitable? On the other hand "equity" may be a more tangible measure since it is focused on the fairness of the distribution of resources. Regardless, determining adequacy is a complex and challenging task and it will be difficult to determine when the condition of the facilities reaches "adequacy." As cited earlier in this report, the Division reported:

But we must remember that our facility program consists of over 6,500 buildings on 1,200 campuses and that that number is changing on a yearly basis, and we did not get into this condition in a short period of time and that, that condition was caused by as many facility philosophies as we have school districts. When you couple that with the aging condition of our facilities, the wear and tear on school buildings by their occupants, the damage to facilities by forces beyond the control of the school districts, you clearly see how this is a program in which we are only able to surmise the factors and the corrective actions but not able to accurately forecast when we will be in a position to clearly state that we have arrived at equitable, adequate and suitable facilities.

(Arkansas Division of Public School Academic Facilities & Transportation, October 2009, p. 15).

This review was made possible by the reports provided by agencies of the state such as the Commission and Division responsible for public school facilities and transportation and the author is deeply grateful for the availability of these materials. The state has taken bold and dramatic steps to improve the condition of our public school facilities through legislation, funding, regulations and procedures requiring careful facility planning and continuing reports on the conditions of the schools. This has undoubtedly resulted in better school facilities across the state, especially in areas where local property wealth is insufficient to improve the facilities without outside assistance.

The public schools represent the broadest human capital investment of the state for over 460,000 students in 250 districts. The facilities of the schools are used at least nine months of the year and their condition is very important to the overall success of the educational enterprise. We have better facilities, and that is a good thing for our students, educators, and communities. It is another issue to determine how much these improvements have influenced the quality of the educational process and the outcomes we all desire from our schools.

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## X. APPENDICES

### A. Legislative Acts Affecting Academic Facilities

#### *Appendix A1. Legislative Acts, 2003*

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Act #, Date	Action
Act 57, 2003	Directs House and Senate Interim Committees on Education to assess and evaluate entire spectrum of public education related to adequate and equitable education
Act 58, 2003	Amended Act 1754 to allow acquisition of energy conservation measures for facilities
Act 69, 2003	Provided for debt service and facilities funding and supplemental millage
Act 1181, 2003	Created Joint Committee on Educational Facilities that in turn created the Task Force to Joint Committee on Educational Facilities
Act 1284, 2003	Appropriated funds to conduct facilities study
Act 1467, 2003	Created Omnibus Quality Education that included compliance with facilities management procedures, including facilities distress provisions
Act 1754, 2003	Allowed districts to enter long-term lease-purchase agreements for building
Act 1786, 2003	Created Public School Library Media and Technology policies
Act 51, 2003	Appropriated \$1.000 million for technology improvements and \$10.000 million for general facilities funding for each year of FY2004 and FY2005
Act 59, 2003	Created Public Schools Funding Act of 2003 providing for number of items including general--facilities funding and Debt-service Funding
Act 50, 2003	Created the Public School Facilities Fund to be used for improvements, construction or repair of facilities
Act 77, 2003	Appropriated \$8.115 million for general facilities funding
Act 84, 2003	Appropriated \$10.000 million for expenses of the Joint Committee on Educational Facilities to evaluate facilities
Act 87, 2003	Provided for custodial and maintenance care, and criteria for school-facilities care
Act 90, 2003	Created Division of Public School Academic Facilities under supervision of state board of education with annual and biennium reports on academic facilities including technology

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*Source: Jesson & Newbern (2004)*

### Appendix A2. Legislative Acts 2005

Act #, Date	Action
Act 2206, 2005	Repealed Act 69 of 2003 in favor of new facilities funding plan that amended the three facilities programs and defined academic facilities wealth index
Act 1327 of 2005	Created Commission on Public School Academic Facilities and Transportation under the Division of Public School Academic Facilities and Transportation (Commission included Commissioner of Department of Education, Director of Department of Finance and Administration, and President of Arkansas Development Finance Authority and expired on 7/1/07 and responsibilities transferred to State Board of Education)
Act 1424, 2005	Academic Facilities Oversight Committee & Advisory Committee on Public School Academic Facilities
Act 1426, 2005	Created Arkansas Public School Academic Facilities Program requiring every district to bear some or all of the cost of repair, renovation or construction of its facilities and district ten-year facilities master plans detailing immediate (next-year: 2007), short-term (next four years: 2007-2009) and long-term (seven to ten years) facilities needs
Act 2206, 2005	Arkansas Public School Academic Facilities Funding Act creating the short-term immediate repair and transitional facilities programs and the long-term partnership facility program

Source: Jesson & Newbern (2005)

### Appendix A3. Legislative Acts, 2007

Act #, Date	Action
Act 625, 2007	Mandated rules and regulations on insurance requirements for districts
Act 727, 2007	Redefined wealth index used in determining state support for facilities
Act 741, 2007	Allows districts to build new buildings without placing them in fiscal distress
Act 989, 2007	Prescribes process for new facility construction
Act 995, 2007	Created Academic Facilities High-Growth School District Loan Program
Act 996, 2007	Established policies for Academic Facilities Distress Program
Act 1021, 2007	Created Arkansas Public School Academic Facilities Financing Act allowing Governor to call for statewide bond election to finance facilities
Act 1031, 2007	Transferred approximately \$456 million to facilities programs
Act 1237, 2007	Appropriated approximately \$531.1 million for FY2008 for academic facilities

Source: Jesson & Newbern (2007)

## **B. Rules Governing Public School Facilities**

### **The Arkansas Commission of Public School Academic Facilities and Transportation**

Rules Governing the Academic Facilities Immediate Repair Program, May 2005: The purpose of these rules is to establish a program and process of providing state financial participation on a qualified basis for the correction of deficiencies in academic facilities that present an immediate hazard to the health and safety of students and staff, for meeting minimum health and safety building standards, or for addressing the extraordinary deterioration of the academic facility.

Rules and Regulations Governing the Use of Construction Management as a Project Management Delivery Method, Undated: The purpose of this rule is to clarify the Arkansas laws governing the use of construction management as a project delivery method for public school districts.

Rules Governing the Use of Design-Build Construction by Public School Districts, November 2005: The purpose of this Rule is to establish a process and procedure in which the school district acquires both design and construction services in the same contract from a single legal entity, referred to as the design-builder, without competitive bidding.

Rule Governing the Acquisition of Energy Conservation Measures for Public Schools, November 2005: The purpose of this rule is to establish procedures for school districts to acquire energy conservation measures using energy savings contracts and short-term debt instruments.

Rules Governing the Transitional Academic Facilities Program, March 2006: The purpose of this rule is to establish the process and procedures governing the Transitional Academic Facilities Program under which the Division of Public School Academic Facilities and Transportation shall provide state financial participation based on an eligible school district's academic facilities wealth index in the form of reimbursement to a school district for eligible new construction projects for which the debt is incurred or funds are spent after January 1, 2005, and on or before June 30, 2006.

Rules Governing the Transitional Academic Facilities Program, March 2006: The purpose of this rule is to establish the process and procedures governing the Transitional Academic Facilities Program under which the Division of Public School Academic Facilities and Transportation shall provide state financial participation based on an eligible school district's academic facilities wealth index in the form of reimbursement to a school district for eligible new construction projects for which the debt is incurred or funds are spent after January 1, 2005, and on or before June 30, 2006.

Rules Governing Property Insurance Requirements, July 2007: The purpose of these Rules is to establish the process, guidelines, and minimum recommended property, boiler, machinery, and extended coverage insurance requirements for all buildings, structures, facilities and business personal property owned by a school district.

Rules Governing the Academic Facilities Catastrophic Program, January 2008: The purpose of these rules is to establish the rules governing a program and process of providing state financial participation to a school district based on a school district's academic facilities wealth index for eligible catastrophic repair and new construction projects to supplement insurance or other public or private emergency assistance received by or payable to the school district.

Rules Governing Commission Appeals, March 2008: The purpose of these Rules is to implement the requirements of Ark. Code Ann. §§ 6-20-2513 and 6-21-814 and to provide for a method by which school districts may appeal decisions made by the Arkansas Division of Public School Academic Facilities and Transportation to the Commission (Division). These Rules shall govern the appeals from decisions of the Division to the Commission as provided for in Ark. Code Ann. §§ 6-20-2513 and 6-20-814.

Rules Governing the Academic Facilities Partnership Program, March 2008: The purpose of these Rules is to establish a process whereby the Arkansas Division of Public School Academic Facilities and Transportation shall provide state financial participation based upon a school district's academic facilities wealth index in the form of cash payments to a school district for eligible new construction projects.

Rules Governing the Academic Facilities High-Growth School District Loan Program, June 2008: The purpose of these rules is to implement the requirements of Ark. Code Ann. § 6-20-2511 (Act 995 of 2007) to provide for an Academic Facilities High-Growth School District Loan Program (HGLP).

Rules Governing the Ten (10) Year Facilities Master Plan, March 2010: The purpose of these Rules 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.

Rules Governing Self Construction Projects by Public Education Entities, March 2010: The purpose of these rules is to establish how the Arkansas Division of Public School Academic Facilities and Transportation (Division) will assess, identify, assist, monitor, and address public educational entities that self-construct.

Rules Governing the Academic Facilities Distress Program, March 2010: The purpose of these Rules is to establish how the Arkansas Division of Public School Academic Facilities and Transportation (Division) will evaluate, assess, identify and address those school districts in academic facilities distress.

### **The Arkansas Division of Public School Academic Facilities and Transportation**

Rules Governing the Use of Public-Public Partnerships by School Districts, November 2005: The purpose of these Rules is to establish the process and procedures for any school district to use public-public partnerships as a project delivery method for the building, altering, repairing, improving, maintaining, or demolishing of any structure, or any improvement to real property owned by the district.

Rule Governing the Retirement and Termination of Bonded Debt Assistance, General Facilities Funding and Supplemental Millage Incentive Funding, March 2010: In accordance with the requirements and limitations set forth in this rule, the Division shall provide eligible school districts with financial assistance for the purpose of retiring outstanding indebtedness in existence as of January 1, 2005.