

THE ARKANSAS COMMISSION OF PUBLIC SCHOOL
ACADEMIC FACILITIES AND TRANSPORTATION
RULES GOVERNING THE
ACADEMIC FACILITIES EXTRAORDINARY CIRCUMSTANCES PROGRAM

1.00 REGULATORY AUTHORITY

1.01 These rules are promulgated pursuant to Ark. Code Ann. §§ 6-20-2514 et seq., 6-21-112 et seq., and Act 962 of 2015.

2.00 PURPOSE

2.01 The purpose of these rules is to develop a program through which to provide state financial assistance to eligible school districts that do not have sufficient means to contribute an amount of local resources necessary to qualify for state financial participation.

3.00 DEFINITIONS

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

3.01.1 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 court 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.

3.01.2 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.

3.01.3 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.

3.01.4 District administration buildings and spaces, including related areas such as the physical plant and grounds, shall not be considered academic facilities for the purposes of this Rule.

3.02 “Academic facilities wealth index” means a percentage derived from the following computations:

3.02.1 Determine the value of one (1) mill per student in each school district as follows:

- (a) Multiply the value of one (1) mill by the total assessed valuation of taxable real, personal, and utility property in the school district as shown by the applicable county assessment for the most recent year; and
- (b) Divide the product from Section 3.02.1(a) of this Rule by the greater of the prior year average daily membership of the school district or the prior three-year average of the school district’s average daily membership.

3.02.2 Determine student millage rankings by listing the computation under Section 3.02.1(a) of this Rule for each school district from students with the lowest value per mill to students with the highest value per mill;

3.02.3 Allocate the student millage rankings into percentiles with the first percentile containing the one percent (1%) of students with the lowest value per mill and the one-hundredth percentile containing the one percent (1%) of students with the highest value per mill; and

3.02.4 Divide the value of one (1) mill per student in each school district as computed under Section 3.02.1 of this Rule by the amount corresponding to the ninety-fifth percentile of the student millage rankings under Section 3.02.3 of this Rule.

3.02.5 The percentage derived from the computation under Section 3.02.4 of this Rule is the academic facilities wealth index for a school district, which shall be computed annually and used to determine the amount of the school district’s share of financial participation in a local academic facilities project eligible for state financial participation under priorities established by the Division.

3.02.6 The state’s share of financial participation in a local academic facilities project eligible for state financial participation under priorities established by the Division is the percentage derived

from subtracting the school district's percentage share of financial participation determined under Section 3.02.5 of this Rule from one hundred percent (100%).

3.03 Average daily membership" means the total number of days of school attended plus the total number of days absent by students in grades kindergarten through twelve (K-12) during the first three (3) quarters of each school year divided by the number of school days actually taught in the school district during that period of time rounded up to the nearest hundredth.

3.03.1 As applied to this Rule, students who may be counted for average daily membership are:

3.03.1.1 Students who reside within the boundaries of the school district and who are enrolled in a public school operated by the school district;

3.03.1.2 Legally transferred students living outside the school district but attending a public school in the school district; and

3.03.1.3 Students who are eligible to attend and reside within the boundaries of a school district and who are enrolled in the Arkansas National Guard Youth Challenge Program, so long as the students are participants in the program.

3.04 "Commission" means the Arkansas Commission for Public School Academic Facilities and Transportation.

3.05 "Division" means the Arkansas Division of Public School Academic Facilities and Transportation.

3.06 "Project" means an undertaking in which a school district engages in:

3.06.1 Maintenance, repair and renovation activities with regard to an academic facility;

3.06.2 New construction of an academic facility;

3.06.3 Any combination of maintenance, repair and renovation activities with regard to an academic facility and new construction activities with regard to an academic facility.

4.00 ACADEMIC FACILITIES EXTRAORDINARY CIRCUMSTANCES PROGRAM

4.01 A school district may apply for state financial assistance to adequately repair, renovate, or construct school buildings if the district does not have sufficient means to contribute an amount of local resources necessary to qualify for state financial participation under the Academic Facilities Partnership Program, § 6-20-2507, or the Academic Facilities Catastrophic Program, § 6-20-2508.

4.02 In order to apply, a school district must meet certain eligibility criteria, which include:

4.02.1 Declining enrollment, as determined by average daily membership;

4.02.2 Rapid enrollment growth, as determined by average daily membership;

4.02.3 Insufficient bonding capacity;

4.02.4 Low assessed-property valuations;

4.02.5 Being at or above the ninety-fifth percentile on the academic facilities wealth index; and

4.02.6 Any other circumstance deemed extraordinary by the Division.

4.03 To apply, a school district shall submit a written application on the form herein incorporated as Attachment A and shall provide the division with documented evidence of:

4.03.1 The estimated cost of the project;

4.03.2 The amount of local resources, if any, available to contribute to the project;

4.03.3 The amount and availability of funds from school district fund balances as certified by the Arkansas Department of Education's Assistant Commissioner of Fiscal and Administrative Services;

4.03.4 The amount and availability of other public or private assistance;

4.03.5 Effort made by the school district and the local community to develop and provide local resources; and

4.03.6 How state financial participation, if granted, will support the prudent and resourceful expenditure of state funds and will improve the school district's ability to deliver an adequate and equitable education to public school students in the district.

4.04 The Division shall evaluate a school district's application and may conduct an on-site inspection prior to making a decision on the application as it deems necessary.

5.00 DIVISION AND SCHOOL DISTRICT OBLIGATIONS

5.01 If a school district qualifies for state financial participation under these rules, the Division shall, within thirty (30) calendar days of approval, certify the amount of the state financial participation to the Commission for oversight purposes and the Commission shall, within thirty (30) calendar days written notice of certification, certify the amount to the Arkansas Department of Education.

5.02 School districts shall track and account for the funds received as state financial participation under these Rules as restricted funds and shall account for the funds in accordance with provisions of law and rules established by the Arkansas State Board of Education and the Commission.

5.03 School districts shall use funds received as state financial participation under these Rules to pay only for the cost of that portion of a project that is not covered by local resources, funds from a district fund balance or other public or private assistance.

5.04 School districts shall comply with all local, state, and federal laws and rules related to construction, repair, or renovation projects including, but not limited to, bidding laws and rules, as well as any further guidance provided by the Division.

Attachment A - Draft

**DIVISION OF PUBLIC SCHOOL ACADEMIC FACILITIES and
TRANSPORTATION**

Academic Facilities Extraordinary Circumstances Program

School District Name: _____

School District Address: _____

County: _____

Superintendent Name: _____

Superintendent Phone: (____) ____ - _____ Fax: (____) ____ - _____

Superintendent E-Mail: _____

Please describe which of the following eligibility criteria apply to your district:
(Check all that apply.)

- ☐ Declining enrollment
- ☐ Rapid enrollment growth
- ☐ Insufficient bonding capacity
- ☐ Low assessed-property valuations
- ☐ Being at or above the ninety-fifth percentile on the academic facilities wealth index

Please provide an explanation of the need for the project. Give a general overview of the project as well as the resources available to contribute to the project (Please attach documentation as necessary).

What is the estimated cost of the project? \$ _____
(Attach a copy of an estimate from a licensed architect, engineer, or contractor.)

Describe the local resources, if any, available to contribute to the project, including any amount of available funds from your school district fund balance:

Describe any other public or private assistance available, including any amount(s) of funds. Outline all effort made by your district and the local community to develop and provide local resources:

Specify the amount of your request: \$ _____

Describe how state financial participation, if granted, will support the prudent and resourceful expenditure of state funds and will improve the district's ability to deliver and adequate and equitable education to public school students in the district.

Contact Person:

Name Position

Phone: (____) ____ - _____ Fax: (____) ____ - _____

To the best of his/her knowledge and belief, the undersigned certifies the truth and accuracy of the information provided in this Application Form.

Superintendent Date

Notary My Commission expires _____, 20__