

SUMMARY MINUTES OF THE COMMISSION FOR ARKANSAS PUBLIC SCHOOL ACADEMIC FACILITIES AND TRANSPORTATION

**Originating from ADE Room 201A
July 20, 2023, at 2:30 p.m.**

Commissioner Members

Jacob Oliva, Secretary, Arkansas Department of Education - *via teleconference*
Larry Walther, Secretary Arkansas Department of Finance and Administration - *via teleconference*
Mark Conine, President, Arkansas Development Finance Authority - *via teleconference*

ADE / Division Staff in Attendance

Tim Cain, Director, DPSAFT – *via teleconference*
Carol Bowman, Administrative Analyst. DPSAFT – *via teleconference*

Quorum was met.

Meeting called to order.

1. Summary Meeting Minutes – May 8, 2023

The Commission approved the minutes for the May 8, 2023, Commission teleconference meeting.

2. Additional Funding of Seven 2021-2023 Partnership Projects

Tim Cain reported that an appropriation transfer of \$24M from Academic Facilities Partnership to Academic Facilities Extraordinary Circumstances by the legislature in the 2023 Legislative Session provided additional funding for seven 2021-2023 Partnership Projects in three school districts. At the May 8 meeting, the Commission approved partial funding for these projects based on current funding factors and a maximum funding factor of \$289 and approved spending the remaining amount of the \$24M at the next Commission meeting.

The Commission approved the remaining amount of Facilities Extraordinary Circumstances funding for these seven 2021-2023 Partnership Projects.

3. Adjustment in SFP for Two Funded 2023-2025 Projects for Brinkley

Tim Cain indicated that two Brinkley Partnership projects were funded by the Commission on 5/8/2023:

Partnership project 2324-4801-001 (Replace HS) with a SFP of \$6,972,919.58
Partnership project 2324-4801-002 (Replace ES) with a SFP of \$6,800,727.60

Mr. Cain stated that after these two projects were funded, the Division became aware of an error in the determination of one of the variables used to calculate the State Financial Participation (SFP). An effective corrective action has been put into place that simplifies the process and ensures that this error is greatly mitigated in the future. Both of these changes resulted in an increased SFP:

Partnership project 2324-4801-001 (Replace HS) with a SFP of \$8,239,882.88
Partnership project 2324-4801-002 (Replace ES) with a SFP of \$7,730,153.52

The Commission funded these two projects with the increase in SFP.

4. Transfer of Remaining Balance in Year-1 Space to Year-1 WSD and Funding of Two Additional Year-1 Warm, Safe, and Dry Partnership Projects

Tim Cain stated that on May 18, 2023, ALC approved the latest Partnership Rule changes. Therefore, the Commission now had the legal authority to transfer the remaining Year-1 Space Projects balance to Year-1 Warm, Safe, and Dry (WSD) Projects. Two more Year-1 WSD Projects could now be funded. One at Arkadelphia School District. and one at North Little Rock School District. Mr. Cain clarified for Secretary Walther that there were no more Space projects to fund.

- **Year-1 2023-2025 Academic Facilities Partnership Program Warm, Safe, and Dry Projects**
- **Year-1 2023-2025 Academic Facilities Partnership Program Space Projects**
- **Year-1 Funding**

The Commission transferred the remaining balance in Year-1 Space to Year-1 WSD and funded the following Year-1 WSD projects.

5. Funding of Remaining Projects for WSD Year-1

Mr. Cain reported that as Partnership projects are rescinded more funding becomes available for funding remaining Year-1 projects. In order to be efficient with the Commission's time, the Division proposed that projects be funded as funding becomes available without having Commission meetings throughout the year to fund. The Division will report to the Commission which projects have been funded at the end of the fiscal year. Mr. Cain clarified for Commissioner Conine that the projects are prioritized order and funding would go down that funding list in said order.

The Commission approved funding for all remaining unfunded Year-1 Partnership projects as funds become available through rescinded projects and reduced scopes with the understanding that the Division will report to the Commission which projects had been funded at the end of the fiscal year.

6. Adjourn