Catastrophic Program

- Act of God event
- Apply within 60 days of event
- Repair and new construction
- Supplements full replacement insurance to meet current standards
- State committed about $5.5 million

Partnership Program

- "New" construction
  - Not repair or maintenance
- Minimum project cost - $150,000 or $300/student
  - Generally waived for life/safety such as fire alarms
- Projects must be on district’s Master Plan
- Two-year program cycle
  - Not reimbursement program
- State committed about $1 billion
### Master Plan/Partnership Program
#### Two-Year Timeline

<table>
<thead>
<tr>
<th>DATE</th>
<th>MILESTONE</th>
<th>DISTRICT</th>
<th>DIVISION</th>
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<tbody>
<tr>
<td><strong>ODD YEAR</strong></td>
<td></td>
<td></td>
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<tr>
<td>February 1</td>
<td>Preliminary Master Plan</td>
<td></td>
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<tr>
<td>May 1</td>
<td>Partnership Program Project List</td>
<td></td>
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<tr>
<td><strong>EVEN YEAR</strong></td>
<td></td>
<td></td>
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<tr>
<td>February 1</td>
<td>Final Master Plan</td>
<td></td>
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<tr>
<td>March 1</td>
<td>Partnership Program Project Applications</td>
<td></td>
<td></td>
</tr>
<tr>
<td>September 1</td>
<td>Final Master Plan Approval / Non-Approval</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Planning

- Master Plan
- Partnership Program Applications
- Program of Requirements (POR)
Why is the Master Plan Important

- Fulfill legislative requirements
- Foundation of facilities program
- Assist districts in strategic planning for new buildings *(growth, replacement and suitability)*
- Assist districts in planning for replacement systems *(HVAC, electrical, roofing and other building systems)*
- Assist in district budgeting
- Partnership Program application

Partnership Program Projects

- Rules Governing the Academic Facilities Partnership Program
- Warm, Safe, and Dry Projects
- Space Projects
### Partnership Program Funding Prioritization Process

<table>
<thead>
<tr>
<th></th>
<th></th>
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<tbody>
<tr>
<td>Project Type</td>
<td>WARM, SAFE, DRY (Space Replacement)</td>
<td>SPACE (Growth, Suitability)</td>
</tr>
<tr>
<td></td>
<td>$10M per Year</td>
<td></td>
</tr>
<tr>
<td>Ranking Factors:</td>
<td>Wealth Index</td>
<td>District Student Enrollment (3rd Quarter ADM)</td>
</tr>
<tr>
<td></td>
<td>10-Year Enrollment Growth %</td>
<td></td>
</tr>
</tbody>
</table>

| SECOND PRIORITY |  |  |
|-----------------|------------------|
| Project Type    | SPACE (Growth, Suitability) | WARM, SAFE, DRY (Space Replacement or Total Renovation) |
| Ranking Factors: | Campus Value Ranking | Health Index |
|                 | 10-Year Enrollment Growth % | |

| THIRD PRIORITY |  |  |
|----------------|------------------|
| Project Type   | WARM, SAFE, DRY (Space Replacement or Total Renovation) | WARM, SAFE, DRY (System Replacement) |
| Ranking Factors: | Campus Value Ranking | Wealth Index |
|                 | Wealth Index | District Student Enrollment (3rd Quarter ADM) |

### Warm, Safe Dry Projects

- **System Replacements**
  - Roofs
  - HVAC
  - Fire/Safety
  - Plumbing
  - Electrical

- **Building Replacements**
  - Demolition of existing building

- **Total Renovations**
  - Bringing existing space up to standard
Space Projects

➢ New schools

➢ Additions (including new buildings)

➢ Conversions of existing space (to different use)

Program of Requirements

➢ For new school
  • Uses projected 10-year student enrollment
  • Provides overall school size
  • Provides required spaces by room

➢ For additions
  • Uses projected 10-year student enrollment and existing spaces
  • Provides suitability (space needed)
  • Checks required spaces

➢ Suitability
  • Eligibility for state funding
Partnership Program – State Financial Participation Determination

- Qualified **project scope** in square feet (e.g. 10,000 SF)
- Project cost factor (e.g. $130/SF)
- Qualifying Project Cost (QPC)
  - Scope x cost factor
  - 10,000 SF x $130/SF = $1,300,000
- State Financial Participation = QPC x (1 minus Wealth Index)
  - If Wealth Index = 0.350
  - State Financial Participation = $1,300,000 x 0.65 = $845,000

Academic Facilities Wealth Index

- School district share of project
- Complex computation of value of one mill per student
- Each district compared to the 95th percentile district
- Wealth Index goes up (*becomes wealthier*) if you lose students or gain assessment
- Wealth Index goes down (*becomes poorer*) if you gain students or lose assessment
Millage Elections

- Generally September of odd-year after May 1 list
- If millage fails, Facilities Distress rules apply
  - Division and district meet to discuss
    - District facilities needs
    - Sanctions that could apply
    - District’s strategy to address needs

**It Takes A Millage**

*To Educate A Child*

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Partnership Program Project Agreement

- Contract between the school district and the state
- Defines
  - Project scope
    - Overall scope
    - Funded scope
  - Overall project estimated cost
    - School district share of project
    - State financial participation
  - Roles and responsibilities
  - Process to request payments
  - Construction timelines
Partnership Program Project Timelines

After Commission approval and funding

- **60 Days**  
  Sign project agreement

- **18 Months**  
  Start construction  
  *(signed construction contract)*

- **4 Years**  
  Complete construction

---

Construction Approval

- State law requires all new construction above $20,000 to be approved by division

- Includes self-funded projects

- Includes new schools or buildings, additions, and renovations

- Does not include maintenance and repair

- Other state agency review, as applicable
  - State or local Fire Marshal
  - Health Department
  - Arkansas Building Authority
State Procurement Law – Project Costs

➢ Below $20,000 – Follow school board policy
➢ Above $20,000 - Follow state procurement law
➢ Above $25,000 – Engineer must design if project involves engineering
➢ Above $100,000 - Architect must design if project involves architecture

Maintenance / Preventative Maintenance

➢ Focus on preventative maintenance (PM)
➢ Schools/colleges with strong PM programs
  - Reduce emergency work by 50% - 65%
  - Reduce cost of maintenance work orders by 28% - 39%
  - Average savings of $25/student per year for PM on roofs and HVAC
  - Reduce number of insurance claims by 70%
SchoolDude – Maintenance Direct – Tab 10

- Users *(teachers and qualified personnel)* have ability to input work requests
- Maintenance administrator establishes work order
  - Includes correct work category by building system
- District documents completing work order
  - Recommended to track costs
- Documentation provides proof of need for Warm, Safe, & Dry projects

SchoolDude – Preventative Maintenance Direct – Tab 11

- District enters PM schedules by building for building systems *(roof, HVAC, etc.)*
  - One time task
- PM Direct produces scheduled work orders
- District documents completing work orders
- Documentation proves District's good faith efforts to maximize the life of the system
- District loads state-mandated inspections *(one per system per district)*
### State Mandated Inspections

<table>
<thead>
<tr>
<th>Inspections</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire Extinguishers</td>
<td>Annual</td>
</tr>
<tr>
<td>Food Service Inspection</td>
<td>Annual</td>
</tr>
<tr>
<td>Asbestos Re-inspection</td>
<td>Every 3 years</td>
</tr>
<tr>
<td>Back-Flow Prevention</td>
<td>Annual</td>
</tr>
<tr>
<td>Elevator / Lift Operational Inspection</td>
<td>Semi-Annual</td>
</tr>
<tr>
<td>Fire Alarm Inspection</td>
<td>Annual</td>
</tr>
<tr>
<td>Fire Sprinkler Test</td>
<td>Annual</td>
</tr>
<tr>
<td>Hot Water Boilers and Heaters</td>
<td>Annual</td>
</tr>
<tr>
<td>Kitchen Hood Fire Suppression Inspection</td>
<td>Semi-Annual</td>
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<tr>
<td>Fire Extinguisher Check</td>
<td>Monthly</td>
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<tr>
<td>Natural Gas System Test</td>
<td>Annual</td>
</tr>
<tr>
<td>Asbestos Inspection</td>
<td>Semi-Annual</td>
</tr>
<tr>
<td>Fire Safety Inspections</td>
<td>Semi-Annual</td>
</tr>
<tr>
<td>Sewage System Operational</td>
<td>Daily by district, Every 5 years by ADEQ</td>
</tr>
<tr>
<td>Storage Tank Compliance Inspection</td>
<td>Every 3 years by EPA, Annual recommended</td>
</tr>
</tbody>
</table>

### District's Use of Facilities Consultants

- Can be beneficial to district
- Requires district oversight and management
- District must send in delegation form
Facility Consultant Questions

➢ How many districts do you serve?
➢ What is your education and experience?
➢ What is your history of disapproved Partnership Program projects?
➢ What is your quality control process to produce quality Master Plans that present the district's needs and strategies?
➢ What is your quality control process to ensure that Partnership Program project applications are correct and complete?
➢ Have you ever been terminated or not renewed by a district or cooperative? Why?