

Dr. Tom W. Kimbrell Commissioner

March 30, 2011

State Board of Education

Dr. Charles Hopson, Superintendent Pulaski County Special School District Dr. Naccaman Williams P.O. Box 8601

Springdale Chair

Little Rock, AR 72216

Jim Cooper Melbourne Vice Chair

Dear Mr. Hopson:

Sherry Burrow Jonesboro

Brenda Gullett Fayetteville

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Pursuant to Ark. Code Ann. § 6-20-1905, this letter is to provide notice that the Pulaski County Special School District has been identified by the Arkansas Department of Education (Department) as a school district in Fiscal Distress. According to Ark. Code Ann. § 6-20-1904, the Pulaski County Special School District meets one (1) or more of the criteria

necessary to be identified as a school district in Fiscal Distress, including:

Material state or federal audit exceptions or violations.

This identification is also based on acts or violations determined to ieopardize the fiscal integrity of the district including without limitations failure to fully develop and implement adequate corrective actions for previously identified audit findings and deficiencies.

The State Board of Education (SBE) will consider whether to classify the Pulaski County Special School District as being in Fiscal Distress at its meeting on, May 9, 2011. The meeting will begin at 9:00 a.m. in the Auditorium of the Arch Ford Education Building, Four Capitol Mall in Little Rock, Arkansas.

Please find included in this mailing a copy of the Department's Rules on Identifying and Governing the Arkansas Fiscal Assessment and Accountability Program. This document outlines the identification and classification of Fiscal Distress. It also provides the process by which a district may appeal the classification of Fiscal Distress to the SBE. If submitted within 30 days of this notice, an appeal would be heard at the same May 9, 2011, SBE Meeting. Additional information may be found in Arkansas Code Ann. § 6-20-1901 et seq.

Four Capitol Mall Little Rock, AR 72201-1019 (501) 682-4475 ArkansasEd.org

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Ark. Code Ann. §6-20-1907 states that no school district identified by the Department as being in Fiscal Distress may incur any debt without prior written approval from the Department. "Any debt" includes any employment contract, vendor contract, lease, loan, purchase, or any other obligation that will increase the district's financial obligations, accounts payable, or its liabilities. The district is required to obtain prior written approval from the Department, effective with its receipt of this letter. Please retain this notice in your District audit file.

Should the district have questions or comments, please contact the Fiscal Distress Services, at (501) 682-5124.

Sincerely,

Hazel Burnett,

ADE Coordinator Fiscal Distress Accountability and Reporting

HB:ddm

cc: Dr. Tom Kimbrell, Commissioner of Education

Mr. Tony Wood, Deputy Commissioner of Education

Mr. Jeremy Lasiter, General Counsel

Mr. William J. Goff, Assistant Commissioner

Senator Linda Chesterfield

Representative Darrin Williams

Mr. William Vasquez, School Board President