21st Century School Facilities Commission

Martin G. Knott, Jr., Chair

Agenda
July 17, 2017
1:00 p.m.
House Office Building, Room 120
Annapolis, Maryland

I. Call to Order and Chair's Opening Remarks

II. Framework to Fiscally Sustainable School Facilities

- Robert Gorrell, Executive Director, Interagency Committee on School Construction (IAC)

III. School Construction Funding Trends in Maryland

- Michael Rubenstein, Department of Legislative Services (DLS)
- Kyle Siefering, DLS

IV. IAC Process for Capital Improvement Program

- Joan Schaefer, Public School Construction Program (PSCP)
- Kim Spivey, PSCP
- Arabia Davis, PSCP

V. Chair's Closing Remarks and Adjournment

Framework to Fiscally Sustainable School Facilities

Support vs. Regulation

Bob Gorrell, Director

Public School Construction Program

staff to the

Interagency Committee on School Construction

21st Century School Facilities Commission

Martin Knott, Chair

July 17, 2017

Presentation will cover:

- Part 1 – Introduction and a Successful Model
- Part 2 – Maryland's Efforts and Opportunities
- Part 3 – Data Driven Process Management
  Support vs. Regulation

Previously distributed materials:

- Fiscally Sustainable Schools white paper (draft - May 19, 2017)
- Draft IAC Facility Adequacy Standards (draft - June 9, 2017)
- NM's Facilities Database and Ranking Methodology (2011)

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There is a long history of desire to improve efficiencies in the ownership of school facilities.

- The National Council on Schoolhouse Construction began in 1921 with three school plant managers that later became the Council of Educational Facility Planners International (CEFPI).
- In 2006, at the 82nd annual CEFPI convention, five state directors of school facilities met to discuss comparable measures and best practices. This meeting led to the 2012 chartering of The National Council on School Facilities (NCSF).

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NM's Core Focus

- New Mexico's K-12 statewide facilities adequacy standards are limited to space and attributes needed to support education and technology programs and curricula defined and justified as required by the public education department standards and benchmarks, and that are sustainable within the operational budget for staffing, maintenance, and full utilizations of the facilities.
- In application, there are three components used to determine a school facility's ability to best support learning:
  1. Accessible, healthy, and safe environment
  2. Adequate space and appropriate attributes to support its educational programs
  3. The weighting of #1 and #2 to best support expected learning
- From 2001 to 2016, State of New Mexico's investment was $2.3B

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Support with Oversight

- The common measure of a minimum State educational facility adequacy standard allowed a focus on results and the efficiency of statewide scale.
- Required a very skilled and capable staff coupled with statewide facilities management tools to provide assistance, support, and technical guidance to LEAs', as well as transparent accountability to all business partners and our stakeholders.
- State-provided support staff and cloud-based management systems cost pennies on the capital outlay dollar and not only protect direct project investments, but also allow efficient and effective long term facilities ownership through uniform processes and measures, best practices, and continuous improvement.

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NM's K-12 Prioritized Funding

- Funding eligibility is prioritized utilizing the weighted New Mexico Condition Index (wNMCI) that consists of three components:
  - ✓ The primary measure is deviation from facility educational adequacy as defined by State standards;
  - ✓ The secondary measure, that is also the longitudinal how-are-we-doing measure, is the facilities condition index (FCI); and,
  - ✓ The calculated repair cost associated with correction of the primary and secondary deviations are then weighted by uniform factors that provide the utmost access to learning. [e.g. insufficient space (crowding) and unsafe spaces have a higher weighting, and therefore priority, than for example, old lighting or worn flooring]
- Funding allocation is then further prioritized to LEAs with matching share, ability to quickly correct deficiencies, and performance of other ownership expectations such as effective maintenance.

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New Mexico's wNMCI

Top 17 Schools from Preliminary 2017 Ranking

Rank	District	School Name	Gross Area (Sq. Ft.)	wNMCI
Current Statewide Average wNMCI: 16.79% Average FCI: 32.70% Average wNMCI of Top 30: 47.94%				
1	Alamogordo	High Rolls Mountain Park ES	11,858	60.72%
2	State Chartered Schools	(P) La Academia Dolores Huerta Charter Scho	12,483	60.61%
3	Clayton	Clayton HS	104,051	58.76%
4	Alamogordo	Holloman ES - FKA Holloman Primary	68,871	58.15%
5	Raton	Longfellow ES	32,844	55.80%
6	Central Consolidated	Newcomb ES	67,465	54.89%
7	Roswell	Mesa MS	68,543	52.95%
8	Mountainair	Mountainair ES	42,859	51.01%
9	Belen	Jaramillo ES	55,340	46.37%
10	Roswell	Washington Avenue ES	41,991	45.89%
11	Albuquerque	S. Y. Jackson ES	57,265	44.55%
12	Santa Rosa	Santa Rosa HS	113,129	44.48%
13	Gallup McKinley	Rocky View ES	51,768	44.09%
14	Gallup McKinley	Red Rock ES	51,788	43.62%
15	Santa Rosa	Santa Rosa ES	59,276	42.67%
16	Roswell	Roswell HS	248,428	42.43%
17	Albuquerque	Petroglyph ES	78,739	40.27%

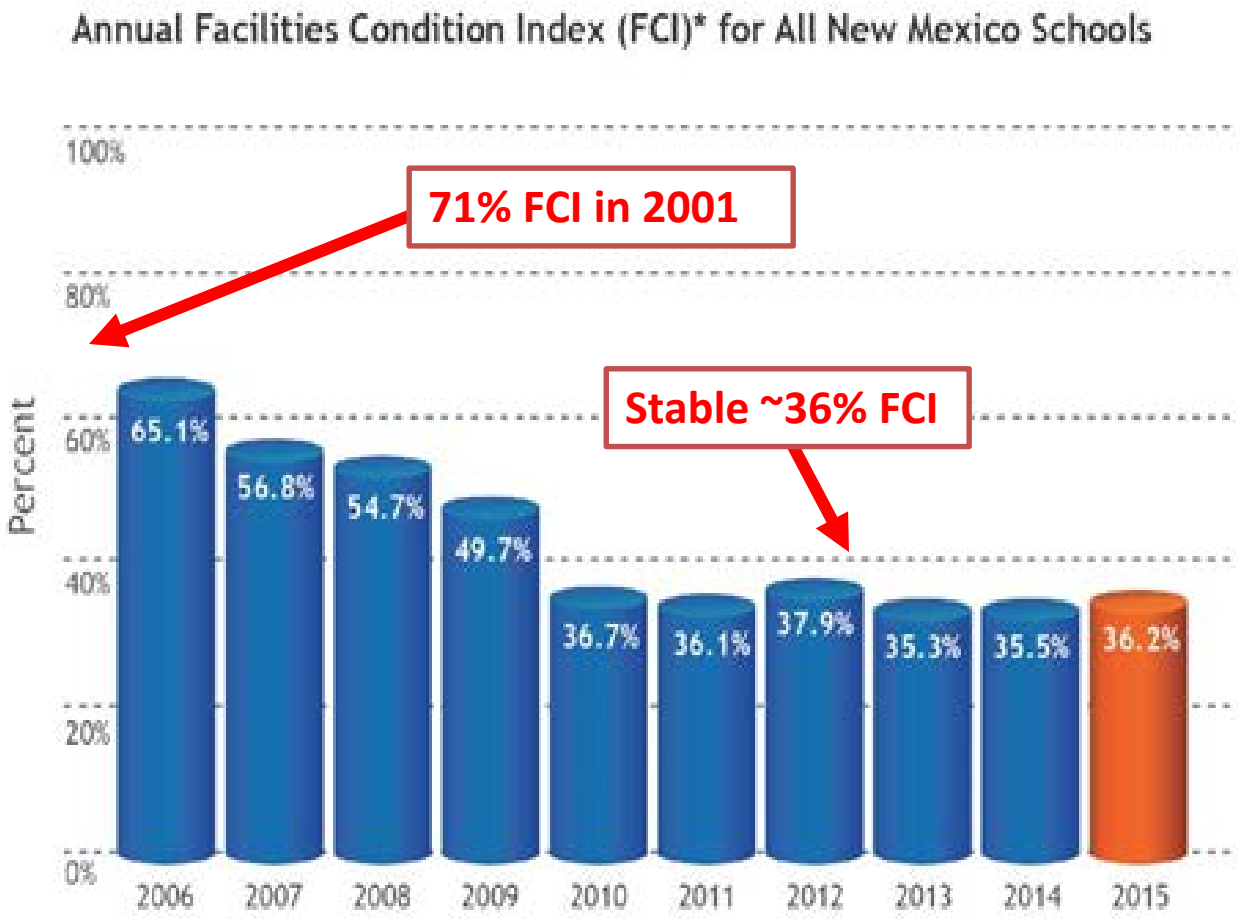
Lower is better

Results

- New Mexico has achieved possibly the most uniformly educationally sufficient K-12 school facilities in the country. This by utilizing very cost effective and transparent management-by-exception processes based upon comparable measures.
  - The primary measure used, and the core of prioritization, is facility educational adequacy.
  - State funding is targeted to the highest need schools that have local match available, are current with facilities ownership requirements such as their Comprehensive Maintenance Plans, and have the ability to quickly deliver their projects.
  - Ranked priorities allow reasonable State funding predictability, making it easier for LEAs to predict timing of project eligibility and to coordinate their planning and local funding obligations.

Measurable Success

NMs Facilities Condition Index (FCI) "Bricks and Mortar"



A key performance measure for public school building condition is the average FCI. The current FCI stands at 36.2 percent — an increase of 0.7 points from FY 2014.

FCI indicates the level of repair needed for a facility. The lower the percentage, the lower amount of money required for repairs. If a building costs $100,000 and has an FCI of 36.2 percent, that building needs $36,200 in repairs. Despite significant progress in the average, many school facilities in small school districts in New Mexico remain in less than ideal conditions.

**FCI= Brick and Mortar Facility Condition Only*

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End of Part 1

Part 2
Maryland's Efforts and Opportunities

Maryland's Facilities Effort

- *Constitutional Article VIII – A thorough and efficient System of Free Public Schools.*
- As with most states, public school capital outlay is financed by, and the responsibility of, local authorities and the State.
- Efficiency in the provision of education is important to building a system of continuous improvement and explains a lot of why Maryland's school facilities program has always been proactive.
- The State participates from 50 to 98% in funding of certain facility-related costs based upon a statutory calculation of relative LEA need for funding assistance.
- Since 1972, State school facilities investment has been $7.8B and will be $4.8B between 2001 and 2018.

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Maryland is Proactive

- In 1972, the Public School Construction Program and the Interagency Committee were established to manage a capital grant program that continues today along with 10 other programs and initiatives intended to improve school facilities.
- In 2004, the Kopp Commission introduced the need for "minimum facility standards."
- Public School Facilities Act of 2004 required that facility condition surveys be conducted at least every 4 years.
- The estimated replacement value of PK-12 facilities is $44.5B with an estimated $20B differed maintenance backlog.
- The State's measure of overall school facilities condition utilizes the "Average Age of Square Footage."
- The IAC processes and procedures are primarily regulatory and almost 50 years old. They have worked well over time, yet revision could bring benefits.

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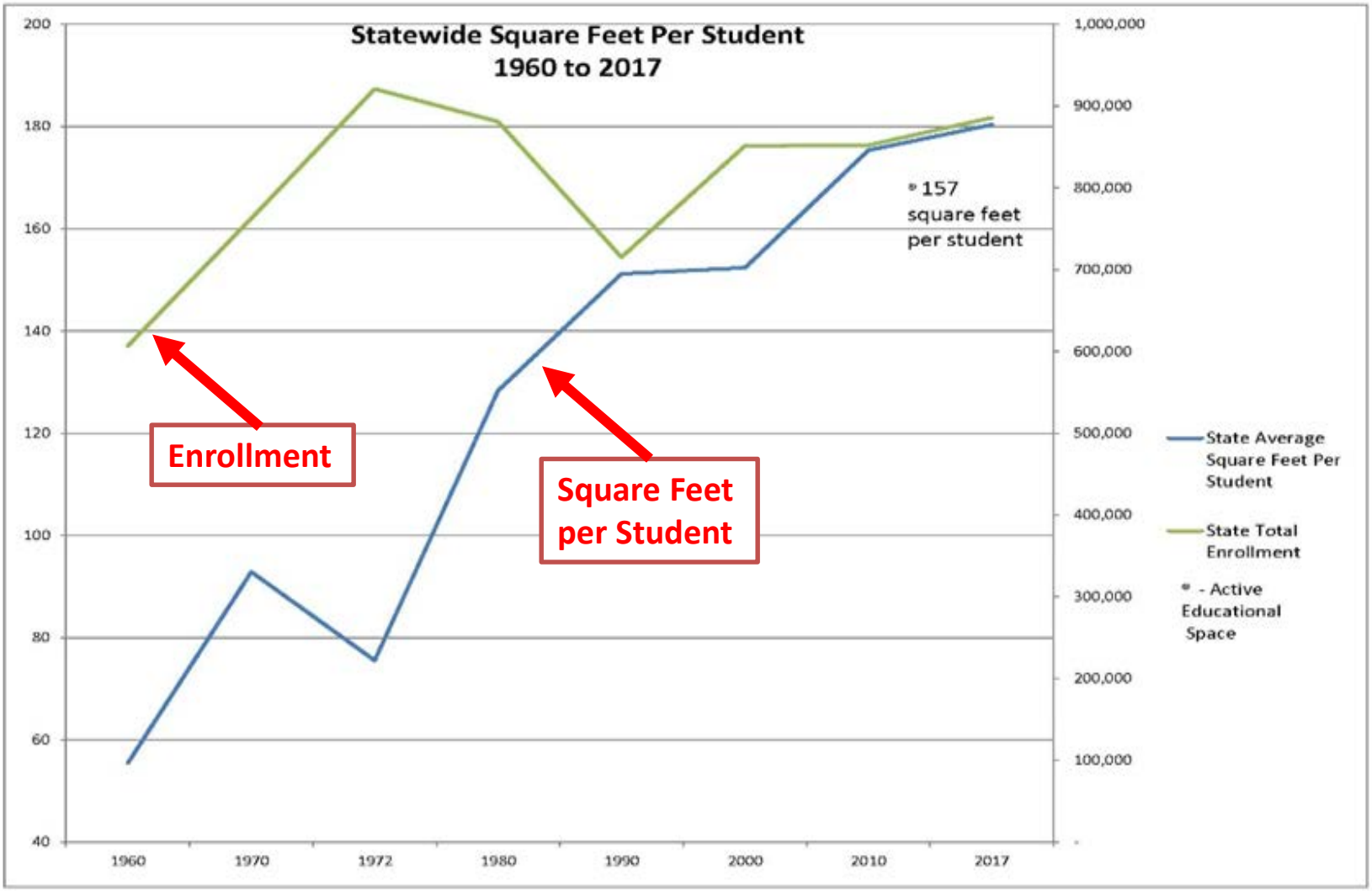
Maryland Perspective



Square feet per student has doubled from 80 to 160 in the 45 years between 1972 and 2017

Fiscally Sustainable School Facilities

- The gross square feet of PK-12 school facilities in Maryland have historically inflated at 1.6% per year.
- Functional sustainability is further threatened by annual construction cost escalation exceeding the Consumer Price Index (CPI) by 1-1.5% (Industry estimates 4-4.5% for CY18). Added to the 1.6% GSF inflation, we can assume a combined 2.85% escalation above the CPI. At this pace, in 25 years, the replacement value (cost) of schools will double.
- The IAC FY2018 Managing for Results reports that the Statewide **Average Age of Square Footage has increased from 24 years for FY2005 to 29 years for FY2016**. This may indicate that there is a need to manage PK-12 school facilities differently.

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Fiscally Sustainable School Facilities

-continued-

- ***A properly functioning school must*** **safely and sufficiently support its educational programs.**
  - ❖ Sustaining safety and functionality over time can be difficult, and measuring allows monitoring and funding adjustments.
- There are three **major factors that impact the functional sustainability** of school facilities that should be measured, projected, and reported:
  1. Available Funding— Combined state, local, and other funding
  2. Replacement Value (RV)— Driven primarily by Gross Square Footage (GSF)
  3. Maintenance Effectiveness— Ability to achieve maximum life of the facilities

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Measure What is Important

- The **Kopp Commission** reported the need for **"minimum facility standards,"** and this is very important to safely, sufficiently, and efficiently support educational programs.
- What is important must be measured and utilized to drive policy and management decisions.
- Statewide PK-12 minimum facilities standards can define expectations of sufficiency that will allow prioritization:
  - ❑ Vital if resources are limited;
  - ❑ For comparable measures allowing focus and team effort of LEAs, educators, counties, State, and building industries; and,
  - ❑ Permitting longitudinal comparisons of information with the scale of state and national metrics, that can best drive continuous improvement and verified best practices.

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Facilities Obligation

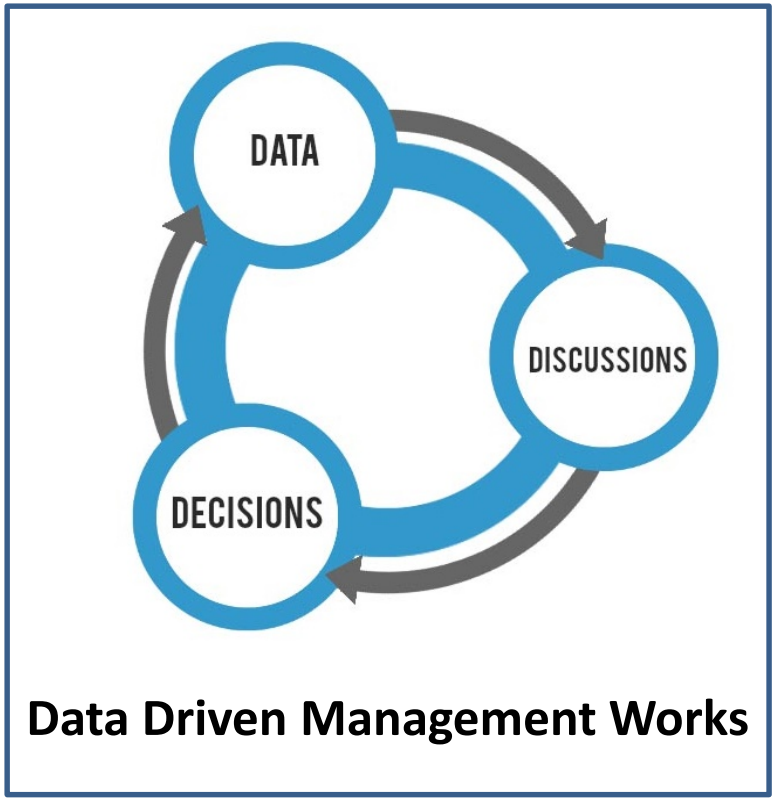
- Statewide PK-12 minimum facilities standards are necessary to define purpose. Educational adequacy must be a school facility's primary measure.
- Standards should provide for what is sustainable within operational budgets for maintenance and operations.
- Standards can protect the State's obligation to efficiently provide public education and every child's access, and in this endeavor support continuous improvement and best practices.
- Standards should be steady but agile to ensure proper support of educational needs, and be the touchstone for policy decisions.

End of Part 2

Part 3
Data Driven Process Management
Support vs. Regulation

Efficient Management Needs Good Data

- Sustaining safety and functionality over time can be difficult.
- Good efficient management does not happen on its own. It requires people, a plan, resources, and expected outcomes that are measurable and comparable.
- Investment in facilities management is a decision that should be based on need and return-on-investment.



Data Driven Management Works

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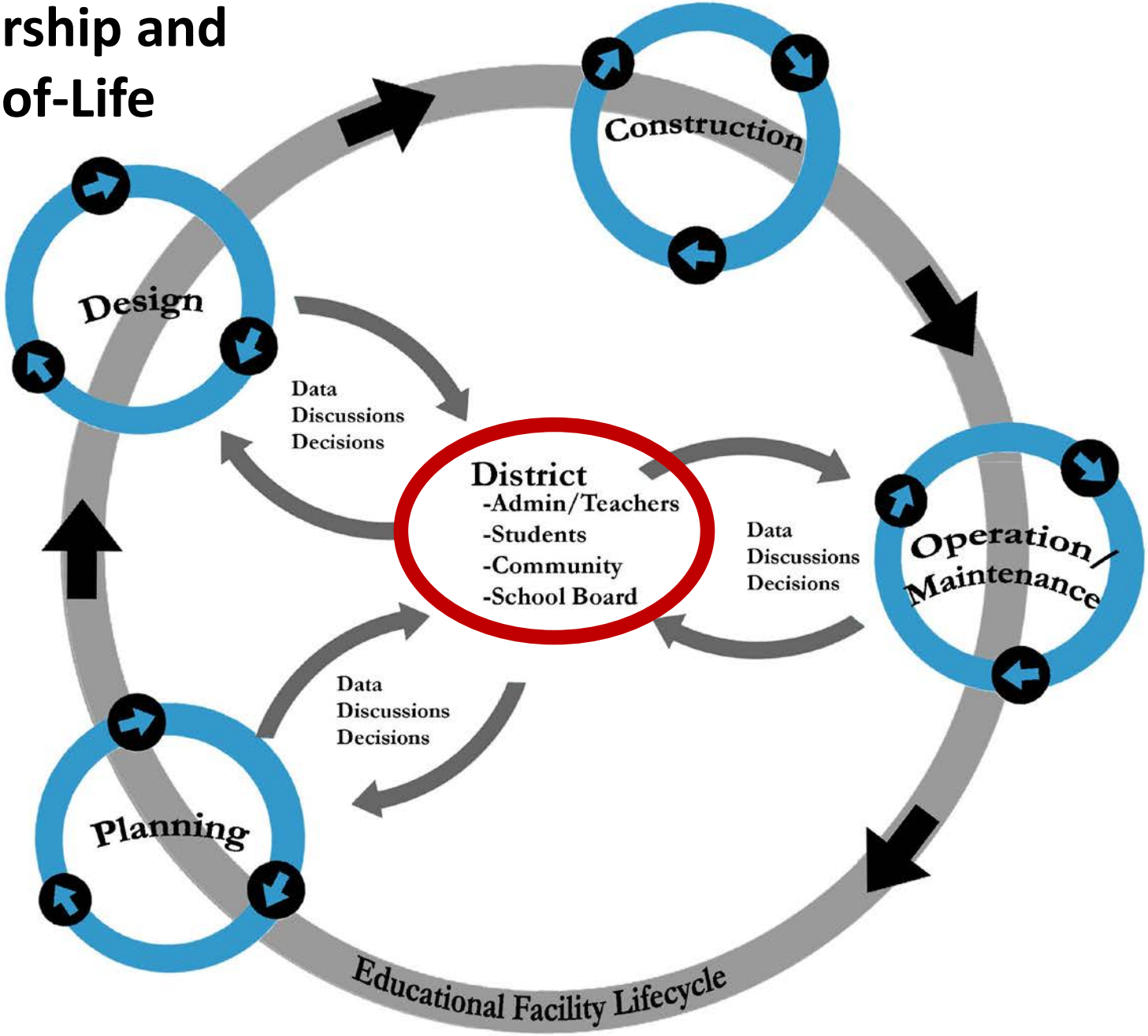
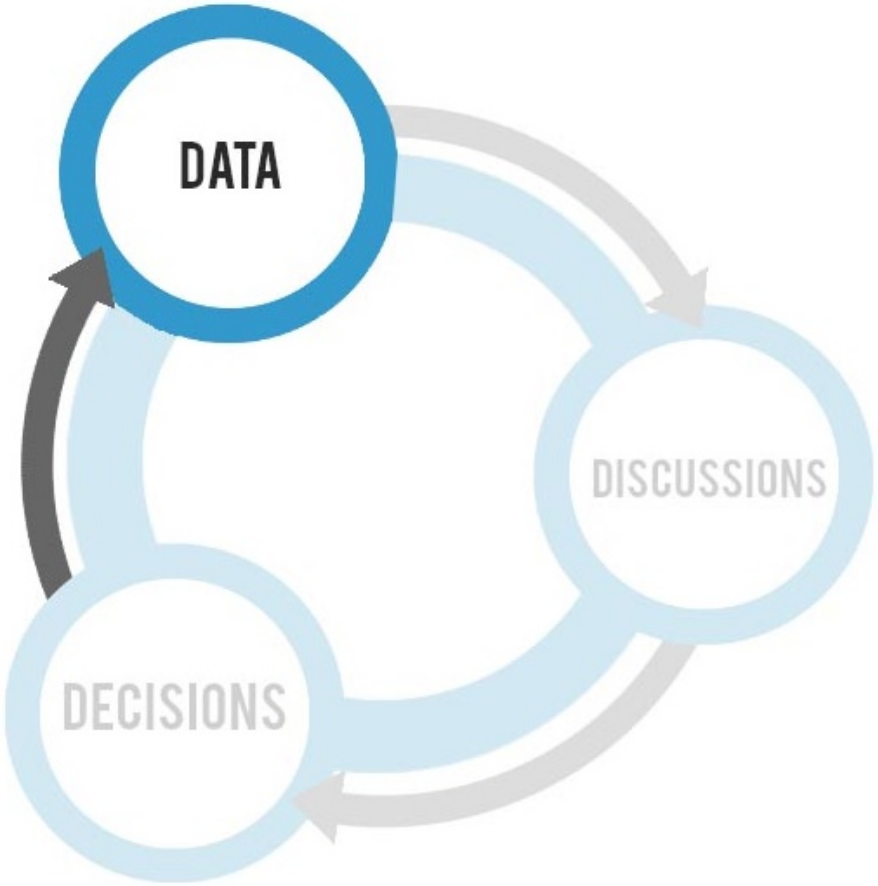
Ownership and Cycle-of-Life



Design



- ✓ Lessons Learned and National Trends
- ✓ Facilities Master Plan
- ✓ Educational Specifications
- ✓ Maintainability
- ✓ **$ Total Cost of Ownership $**
  Will the facility design solution be fiscally sustainable over time?

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Data, Design, and Cost of Ownership

- Paramount are spaces designed to fully and cost effectively support the delivery of educational programs. What follows is the cost-effective operational delivery of environmental quality and the full-life expectancy of the facilities.
- Basis for Lifecycle Cost Analysis (LCCA) is typically 30 years or time to facility replacement or renewal; and, whole-life-cost of ownership is the same (National Institute of Building Science):
  Building Costs – Approximately **2%** of the total
  Operation and Maintenance – Costs equal about **6%**
  Personnel and other costs – Equal about **92%**
- Planning and design for schools is typically around 6% of the building cost and equates to only about **00.12% [12/1000th]** of the whole-life-cost. [0.02 x 0.06 = 0.0012].

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Construction

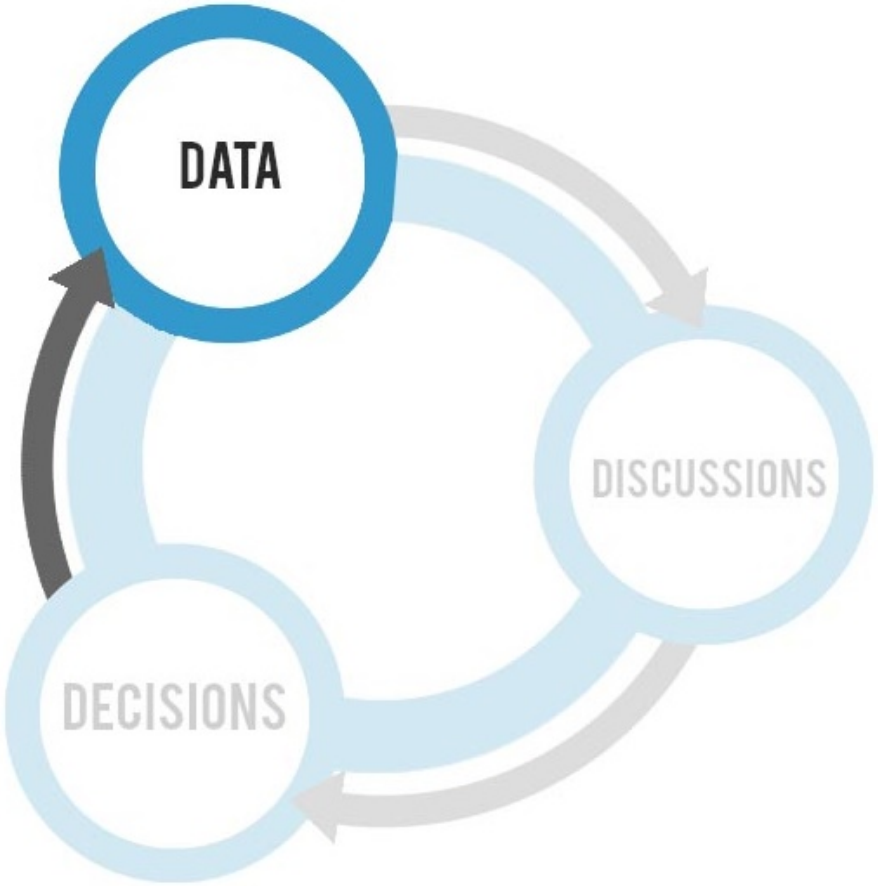
Not the time for decisions

Decisions at this stage could result in:

- Change orders
- Delays

- ❑ For successful execution, effective planning is essential.
- ❑ Completed buildings should function well and be maintainable.

Maintenance and Operations



<u>Should be Data Driven –</u>
Set expectations, measure, report, correct expectations and resources, and repeat:

- ✓ Preventive Maintenance Plan (PMP) part of FMP
- ✓ Computerized Maintenance Management System (CMMS)
- ✓ Facilities Information Management
- ✓ Benchmarks
- ✓ Adequate and Skilled Staff

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Maintenance and Operations Measures

Preventive Maintenance Plan Template

1.0 District Preventive Maintenance Purpose/Objectives/Scope & Missio
2.0 District Maintenance Goals*
3.0 Maintenance Organization Structure and Staffing Responsibilities
4.0 Maintenance Priorities and Procedures*
5.0 Inspection and Maintenance Schedules*
6.0 Scheduled Preventive Maintenance Tasks*
7.0 Established Custodial Duties and Responsibilities*
8.0 District Facilities and Equipment
9.0 Planned Major Maintenance and Repair Projects
10.0 Maintenance Staff Development Plan
11.0 Maintenance Safety Plan
12.0 Service Contract and Vendor Oversight
13.0 Facility Master Plan Assessment
14.0 Facility Safety Assessments
15.0 Maintaining Equipment Records
16.0 Maintenance Reports
17.0 Energy Management Plan – District
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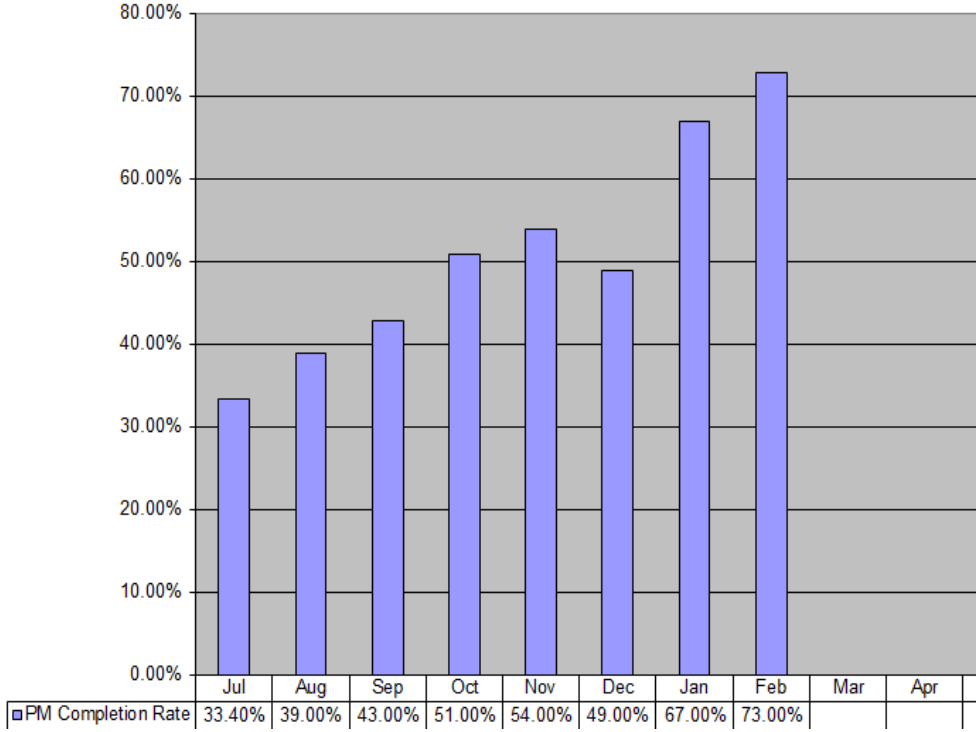
19.0 Grounds Plan - District
20.0 Integrated Pest Management Program

* Required by Regulation

Monthly Preventive Maintenance Completion Rates



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
PM Completion Rate	33.40%	39.00%	43.00%	51.00%	54.00%	49.00%	67.00%	73.00%		

Benchmarks - American School and University (ASU)

GSF maintained per full-time custodial worker	32,100
GSF maintained per full-time maintenance worker	92,074
Acres maintained per full-time grounds worker	31.0

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Optimize Limited Resources

- Effectively plan and execute Maintenance strategies into both new construction and in day-to-day operations!

More Support and Less Regulation

Provide tools and technical guidance that support LEAs' facilities management tasks adding value through statewide scale, uniformity, and economy:

- ✓ Educational Facilities Database
  - ➢ Uniform and robust adequacy measures
  - ➢ Post-occupancy performance
- ✓ Maintenance System with Support
  - ➢ Uniform and robust effectiveness measures
  - ➢ Budgets, comparable information, and best practices
  - ➢ Building systems support with maintenance and operational information and benchmarks
- ✓ Planning and Construction
  - ➢ Early planning/design collaboration
  - ➢ Standard contract and procurement documents
  - ➢ Life-cycle and whole-life cost information

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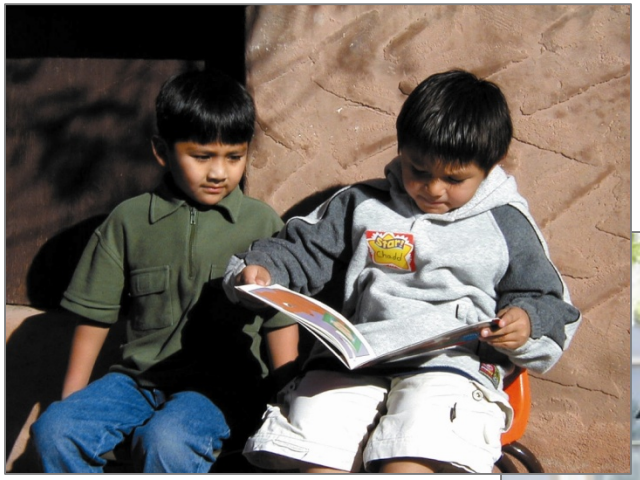
Empowering LEAs

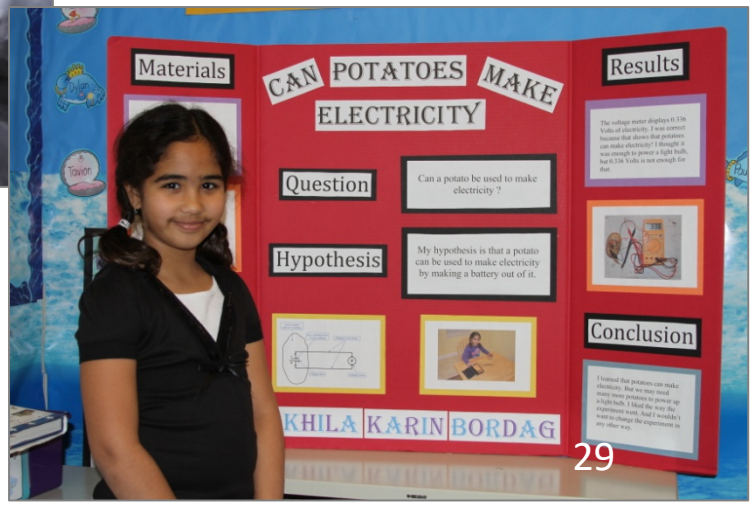
Facilities are a Collaborative Process

- **Community Involvement to Empower**
- **Design to Work**
- **Measure to Improve**

IT'S ALL ABOUT

STUDENT SUCCESS





Thank you!

Bob Gorrell, Executive Director
Public School Construction Program
Ph 401- 767-0617

School Construction Funding Trends in Maryland

Presentation to the
21st Century School Facilities Commission

Department of Legislative Services
Office of Policy Analysis
Annapolis, Maryland
July 17, 2017

Key Points

- School construction is just one of the many demands on State and local capital dollars

- Funding for school construction comes from multiple programs and funding sources that have changed over time

- Total funding for school construction by the State and local governments has dramatically increased over the past decade, but growth has been uneven among local school systems

Key Points (cont.)

- Multiple factors affect the amount of State and local funding for school construction, including:
  - Enrollment growth/loss
  - Age of schools
  - Debt capacity and availability of pay-as-you-go (PAYGO)
  - Original spending levels
  - Local requests and the State/local cost share formula
- The amount and allocation of school construction funding can be assessed against numerous criteria, yielding different conclusions

Total State Allocation for Public School Construction
Fiscal 1972 through 2018 Allocation

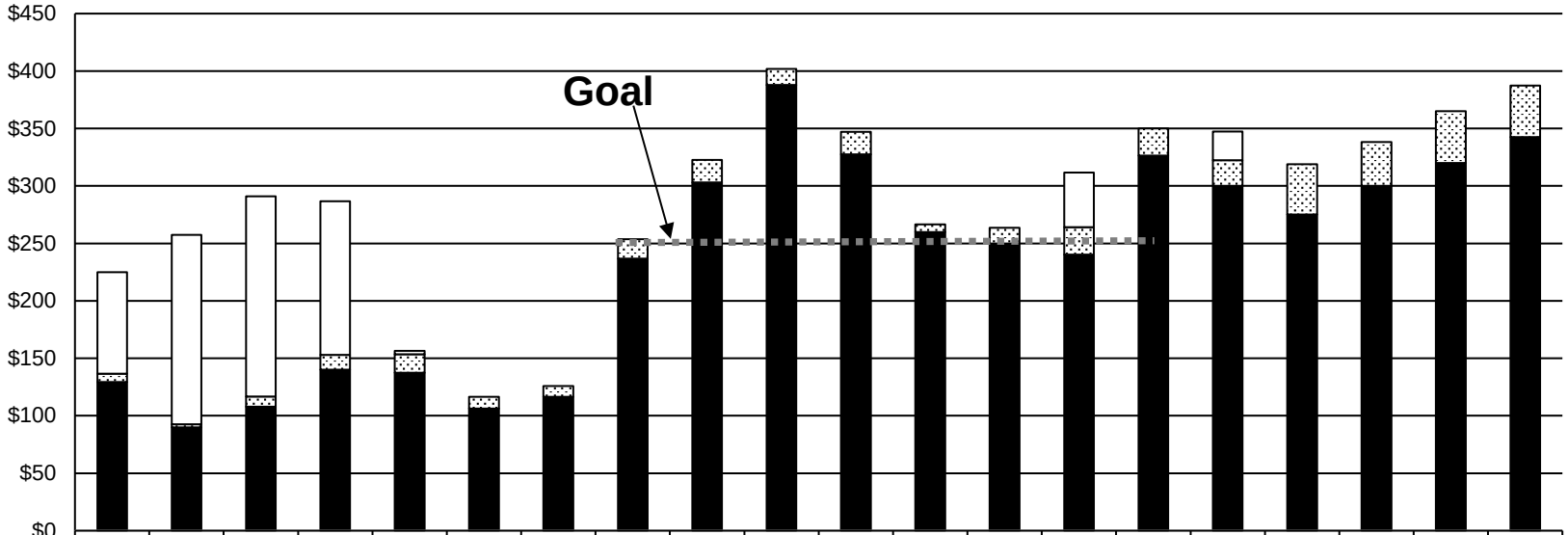
Local Education Agency	Allocation	% of Total
Allegany	$140,740,362	1.8%
Anne Arundel	696,002,378	8.9%
Baltimore City	868,020,340	11.1%
Baltimore	812,837,721	10.4%
Calvert	191,787,380	2.4%
Caroline	79,472,069	1.0%
Carroll	242,060,337	3.1%
Cecil	153,843,852	2.0%
Charles	274,084,493	3.5%
Dorchester	104,614,045	1.3%
Frederick	435,067,993	5.6%
Garrett	53,314,950	0.7%
Harford	353,731,349	4.5%
Howard	527,237,108	6.7%
Kent	20,786,110	0.3%
Montgomery	1,105,838,011	14.1%
Prince George's	868,249,153	11.1%
Queen Anne's	87,746,328	1.1%
St. Mary's	184,622,247	2.4%
Somerset	91,631,073	1.2%
Talbot	29,803,613	0.4%
Washington	180,640,324	2.3%
Wicomico	197,764,228	2.5%
Worcester	68,810,361	0.9%
MD School for the Blind	47,389,781	0.6%
Statewide	18,053,489	0.2%
Total	**$7,834,149,095**	**100.0%**

Source: Public School Construction Capital Improvement Program, Fiscal 2018

Task Force to Study Public School Facilities Funding Goal (Kopp Commission)

- Final report in 2004
- Recommended that the State and local governments provide a minimum of $3.85 billion for public school facilities over an eight-year period from fiscal 2006 through 2013
- Of the total, $2 billion or $250 million annually for eight years was the State funding goal with the remainder to be provided by the counties
- Public School Facilities Act of 2004 (Chapters 306 and 307) – implemented the commission's recommendations, including the funding goal

Funding Authorizations for School Construction
Fiscal 1999-2018
($ in Millions)



	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
PAYGO	$88.5	$165.0	$174.1	$133.5	$3.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$47.5	$0.0	$25.0	$0.0	$0.0	$0.0	$0.0
Recycled	7.0	2.5	9.0	13.0	16.0	10.2	9.3	17.2	19.6	13.9	19.6	6.7	13.7	23.7	23.6	22.3	43.8	38.2	45.0	44.9
GO	129.5	90.0	107.8	140.1	137.5	106.3	116.6	236.6	303.1	387.9	327.4	259.9	250.0	240.4	326.4	300.0	275.0	300.0	320.0	342.5
Total	$225.0	$257.5	$290.9	$286.6	$156.5	$116.5	$125.9	$253.8	$322.7	$401.8	$347.0	$266.6	$263.7	$311.6	$350.0	$347.3	$318.8	$338.2	$365.0	$387.4

GO: general obligation

PAYGO: pay-as-you-go

Note: Figures include new GO bonds (including supplemental programs paid through GO bonds such as Enrollment Growth and Relocatable Classroom funds), PAYGO, and unexpended funds that were previously authorized. Note that $89.0 million in PAYGO from fiscal 1999 to 2002 was deauthorized by Chapter 440 of 2002, and reauthroized in full as GO bonds by Chapter 290 of 2002. Funds for the 21st Century Schools Program in Baltimore City as established by Chapter 647 of 2013, the Aging Schools Program, and Qualified Zone Academy Bonds are not included.

Source: Public School Construction Program; Department of Legislative Services

Funding Exceeds Goal

- The State exceeded the funding goal and provided $2.4 billion in new funds for school construction from fiscal 2006 through 2013

- The State has continued to exceed the annual goal of $250 million in fiscal 2014 through 2018, and the State's *Capital Improvement Program* (CIP) projects $250 million annually in fiscal 2019 through 2022

- County governments provided $2.1 billion for school construction from fiscal 2006 through 2013

- Kopp Commission had used survey of minimum facility standards to set funding goals. Chapters 306 and 307 required the Maryland State Department of Education (MSDE) to adopt regulations to survey the condition of public school facilities at least every four years, but those regulations have not been implemented due to funding constraints

State Funding for Public School Construction
Fiscal 2014-2018
($ in Thousands)

County	2014	2015	2016	2017	2018
Allegany	$2,496	$6,597	$10,837	$24,242	$12,873
Anne Arundel	34,870	36,200	39,419	42,598	36,829
Baltimore City	40,266	35,329	36,788	37,500	37,303
Baltimore	52,068	34,561	42,177	45,775	45,186
Calvert	5,577	2,653	1,500	9,964	14,575
Caroline	7,788	0	2,902	36	1,646
Carroll	4,874	3,915	6,415	3,418	3,853
Cecil	1,268	8,194	4,723	6,650	6,730
Charles	9,426	8,200	12,817	8,951	10,516
Dorchester	1,590	768	179	5,009	10,975
Frederick	20,163	15,901	21,000	21,295	19,564
Garrett	134	0	0	0	1,567
Harford	13,214	12,791	9,309	8,732	13,592
Howard	25,931	20,772	27,820	31,206	21,066
Kent	95	817	615	0	0
Montgomery	38,592	39,950	45,708	50,128	59,194
Prince George's	39,371	38,539	41,729	44,675	49,625
Queen Anne's	4,371	5,112	0	249	2,455
St. Mary's	7,472	11,876	7,015	1,273	815
Somerset	3,811	2,752	2,222	1,771	14,720
Talbot	634	0	308	0	0
Washington	8,494	7,467	8,404	4,847	2,592
Wicomico	13,327	10,991	7,440	10,373	11,847
Worcester	4,882	0	72	0	0
MD School for the Blind	6,063	14,733	8,616	6,000	9,376
Statewide	500	660	175	300	500
Total	**$347,277**	**$318,778**	**$338,190**	**$364,992**	**$387,399**

Timing of *Capital Improvement Program* Allocation

- The Interagency Committee on School Construction (IAC) must recommend an initial allocation of 75% of the Governor's preliminary allocation before December 31

- Since 2008, IAC is required to recommend by March 1 90% of the allocation submitted by the Governor in the capital budget

- In May, the Board of Public Works allocates remaining school construction funds based on IAC recommendations

Fiscal 2018 *Capital Improvement Program* Funding

Local Education Agency	75% IAC/BPW Approved	90% Recommendation	100% Authorization
Allegany	$7,700	$9,900	$12,845
Anne Arundel	21,278	23,778	25,984
Baltimore City	21,679	22,884	23,320
Baltimore	26,569	30,569	30,397
Calvert	8,000	10,500	14,564
Caroline	1,646	1,646	1,646
Carroll	2,384	2,884	3,038
Cecil	5,014	5,917	6,277
Charles	7,007	8,507	10,507
Dorchester	4,700	7,200	10,797
Frederick	14,750	17,209	19,156
Garrett	1,352	1,377	1,490
Harford	7,000	8,000	13,475
Howard	14,894	14,894	10,701
Kent	0	0	0
Montgomery	26,780	33,321	35,213
Prince George's	20,783	21,783	18,775
Queen Anne's	2,403	2,455	2,455
St. Mary's	815	815	403
Somerset	0	7,000	14,720
Talbot	0	0	0
Washington	1,746	2,446	2,514
Wicomico	7,500	9,719	11,847
Worcester	0	0	0
Maryland School for the Blind	6,000	9,196	9,376
Statewide	0	0	500
Total	**$210,000**	**$252,000**	**$280,000**

BPW: Board of Public Works
IAC: Interagency Committee on School Construction

Note: Does not include contingency or Enrollment Growth and Relocatable Classroom funds.

Source: Public School Construction Program; Interagency Committee on School Construction

Enrollment Growth and Relocatable Classroom Funds

- Enrollment Growth and Relocatable Classroom is a capital grant program that provides supplemental funds to local education agencies (LEA)

- To qualify, LEAs must have enrollment growth that has exceeded 150% of the State average over the past five years, or average at least 300 relocatable classrooms over the last five years

- The program was established by Chapter 355 of 2015 at $20 million in mandated annual funding. Chapters 365 and 366 of 2016 increased the mandate to $40 million annually

- An additional $22.5 million was provided for fiscal 2018

Enrollment Growth and Relocatable Classroom Funds
Fiscal 2016-2018

Local Education Agency	2016	2017	2018
Anne Arundel	$3,019,000	$6,038,000	$9,480,000
Baltimore	4,137,000	8,275,000	12,342,000
Dorchester	179,000	357,000	0
Howard	2,050,000	4,100,000	6,670,000
Montgomery	5,864,000	11,728,000	21,835,000
Prince George's	4,751,000	9,502,000	12,173,000
Total	**$20,000,000**	**$40,000,000**	**$62,500,000**

Note: This exhibit shows years in which funds where allocated.

Source: Public School Construction Program; Department of Legislative Services

Recycled Funds and the Contingency Account

- Authorized funds that are unspent by an LEA are allocated to that LEA's contingency balance

- These funds may be used for projects eligible in the current or following year CIP. Each LEA is notified of this amount twice per year and must submit a request for a valid use of reserved funds

- Funds that are not spent by that LEA within two years are transferred to the Statewide Account where they may be allocated by IAC to a different LEA

Fiscal 2018 Recycled Fund Authorization

($ in Thousands)

Local Education Agency	Total Allocation	Recycled Funds Authorized	% Recycled of Total Allocation
Allegany	$12,873	$28	0.2%
Anne Arundel	36,829	1,365	3.7%
Baltimore City	37,303	13,983	37.5%
Baltimore	45,186	2,448	5.4%
Calvert	14,575	11	0.1%
Caroline	1,646	0	0.0%
Carroll	3,853	815	21.2%
Cecil	6,730	453	6.7%
Charles	10,516	9	0.1%
Dorchester	10,975	178	1.6%
Frederick	19,564	408	2.1%
Garrett	1,567	77	4.9%
Harford	13,592	117	0.9%
Howard	21,066	3,695	17.5%
Kent	0	0	n/a
Montgomery	59,194	2,146	3.6%
Prince George's	49,625	18,677	37.6%
Queen Anne's	2,455	0	0.0%
St. Mary's	815	412	50.6%
Somerset	14,720	0	0.0%
Talbot	0	0	n/a
Washington	2,592	78	3.0%
Wicomico	11,847	0	0.0%
Worcester	0	0	n/a
Maryland School for the Blind	9,376	0	0.0%
Statewide	500	0	0.0%
Total	**$387,400**	**$44,900**	**11.6%**

Source: Public School Construction Program; Interagency Committee on School Construction

Contingency Fund Balance by Local Education Agency
($ in Thousands)

	Contingency Fund Balance as of March 31, 2017	Allocation for CIP (FY 2018)	Reserves for Specific Programs[1]	Increases/ Decreases (April-June)	Contigency Fund Balance as of June 30, 2017
Allegany	$161	-$28	-$133	$0	$0
Anne Arundel	1,385	-1,365	-20	268	268
Baltimore	3,045	-2,203	-620	14	237
Baltimore City	13,410	-10,220	-3,056	31,120	31,255
Calvert	35	-11	-24	0	0
Caroline	0	0	0	0	0
Carroll	1,553	-815	0	44	782
Cecil	474	-453	-21	8	8
Charles	16	-9	-7	0	0
Dorchester	327	-178	-149	0	0
Frederick	520	-408	0	248	360
Garrett	77	-77	0	0	0
Harford	117	-117	0	0	0
Howard	3,803	-3,695	-108	41	41
Kent	133	0	0	-118[2]	14
Montgomery	3,009	-2,146	-330	58	591
Prince George's	18,717	-18,677	-269	1,215	986
Queen Anne's	70	0	-70	2	2
St. Mary's	1,004	-412	-592	0	0
Somerset	138	0	-138	31	31
Talbot	313	0	-5	0	308
Washington	78	-78	0	18	18
Wicomico	0	0	0	0	0
Worcester	126	0	-126	0	0
Maryland School for the Blind	0	0	0	140	140
Total	**$48,511**	**-$40,892**	**-$5,668**	**$33,090**	**$35,042**

[1]Includes Supplemental Appropriation, Energy Efficiency Intiative, Air Conditioning Initiative, and Enrollment Growth and Relocatable Classrooms.

[2]This $118,000 from Kent County expired and was transferred to the Statewide Contingency Account.

CIP: Capital Improvement Program

LEA: local education agency

Note: Does not reflect funds allocated before March 31, 2017, including $3.8 million for Baltimore City.

Source: Public School Construction Program

Fiscal 2018 Request Funded

($ in Thousands)

Local Education Agency	Total Allocation	LEA Request	A/B Request	% A/B Request Funded
Allegany	$12,873	$12,873	$12,873	100.0%
Anne Arundel	36,829	71,070	69,879	52.7%
Baltimore City	37,303	75,232	75,232	49.6%
Baltimore	45,186	120,730	104,010	43.4%
Calvert	14,575	14,575	14,575	100.0%
Caroline	1,646	1,646	1,646	100.0%
Carroll	3,853	3,853	3,853	100.0%
Cecil	6,730	6,733	6,733	100.0%
Charles	10,516	16,995	16,995	61.9%
Dorchester	10,975	10,975	10,975	100.0%
Frederick	19,564	38,714	38,714	50.5%
Garrett	1,567	1,567	1,567	100.0%
Harford	13,592	19,200	19,200	70.8%
Howard	21,066	39,083	21,066	100.0%
Kent	0	0	0	n/a
Montgomery	59,194	119,094	116,762	50.7%
Prince George's	49,625	91,479	69,799	71.1%
Queen Anne's	2,455	2,455	2,455	100.0%
St. Mary's	815	815	815	100.0%
Somerset	14,720	14,720	14,720	100.0%
Talbot	0	0	0	n/a
Washington	2,592	2,592	2,592	100.0%
Wicomico	11,847	17,731	17,731	66.8%
Worcester	0	0	0	n/a
Maryland School for the Blind	9,376	11,726	11,726	80.0%
Statewide	500	n/a	n/a	n/a
Total	**$387,400**	**$693,858**	**$633,919**	**61.1%**

LEA: local education agency

Note: A/B projects are those that are eligible to receive funding.

Source: Public School Construction Program; Interagency Committee on School Construction

Qualified Zone Academy Bonds

- Qualified Zone Academy Bonds (QZAB) were first authorized by the federal government in 1997 and have been reauthorized multiple times since then. Each state receives an allocation specified in the federal authorization

- QZAB holders receive federal tax credits in lieu of interest, so State debt service only needs to cover the principal

- QZAB funds may be used only in schools located in a federal Enterprise or Empowerment Zone or in schools in which at least 35% of the student population qualifies for free or reduced-price meals

- School systems must have a 10% private-sector match and funds issued must be encumbered within six months and spent within three years of issuance

QZABs (cont.)

- Federal guidelines authorize the use of QZABs for multiple purposes, but not for new construction. Maryland allows QZABs to be used only for renovation, repair, and capital improvements to eligible buildings

- QZAB proceeds are split between competitive awards by IAC to local school systems and targeted awards by MSDE under the Breakthrough Center program

- Charter schools are eligible for QZAB funds

Qualified Zone Academy Bond Proceeds

Calendar 2001-2017

Year of Sale	Proceeds
2001	$18,097,984
2004	9,043,000
2006	4,378,000
2007	4,986,000
2008	5,563,000
2009	5,563,000
2010	4,543,000
2011	15,731,348
2012	15,166,643
2013	4,546,100
2014	4,622,100
2015	4,621,000
2016	4,680,000
2017*	4,823,000
Total	**$106,364,175**

*2017 sale was authorized by Chapter 32 of 2017, but the sale has not yet occurred.

Aging Schools Program

- The Aging Schools program began as a five-year program in 1997; it was extended for two years and then made permanent by the Public School Facilities Act of 2004

- Allocations to local school systems are formula-based using their relative share of school building square footage constructed before 1970 (the original program was based on pre-1960 square footage)

- The program began as a PAYGO program, but is now funded almost exclusively with general obligation (GO) bonds

- The Aging Schools program is funded at $6.1 million in GO bond funds for fiscal 2018, but the General Assembly has provided additional funds in some years

Aging School Program Funding
Fiscal 2006-2018

Fiscal Year	General Fund	GO Bonds	QZAB	Total
2006*	$10,461,000	$1,600,000		$12,061,000
2007*	15,148,000			15,148,000
2008*	7,008,985		$5,500,000	12,508,985
2009	11,108,986			11,108,986
2010		6,108,990		6,108,990
2011		5,108,990	1,000,000	6,108,990
2012		8,609,000		8,609,000
2013		31,109,000		31,109,000
2014		8,109,000		8,109,000
2015		6,108,990		6,108,990
2016		6,108,990		6,108,990
2017**	0	0	0	0
2018		6,108,990		6,108,990
Total	**$43,726,971**	**$78,971,950**	**$6,500,000**	**$129,198,921**

GO: general obligation

QZAB: Qualified Zone Academy Bonds

*All three years include "hold harmless" allocations to five local school systems affected by the reformulation of the Aging Schools allocation during the 2004 session.

**For fiscal 2017, the General Assembly restricted $6.1 million in general funds for Aging Schools, but the Governor elected not to spend the funds.

Source: Public School Construction Program; Department of Legislative Services

State Funding for School Construction with Enrollment
Fiscal 2006-2018
($ in Thousands)

County	FY 2006-2018	% of State Funding	% of Student Enrollment (FY 2018)	Enrollment Growth FY 2006-2016
Allegany	$91,675	2.1%	1.0%	-12.2%
Anne Arundel	404,264	9.5%	9.2%	10.0%
Baltimore City	485,204	11.4%	9.0%	-10.5%
Baltimore	516,667	12.1%	12.7%	5.5%
Calvert	91,974	2.2%	1.8%	-8.2%
Caroline	41,290	1.0%	0.6%	5.5%
Carroll	101,405	2.4%	2.9%	-11.9%
Cecil	64,726	1.5%	1.8%	-5.3%
Charles	132,144	3.1%	3.0%	2.2%
Dorchester	53,109	1.2%	0.5%	1.6%
Frederick	227,274	5.3%	4.7%	4.7%
Garrett	15,073	0.4%	0.4%	-20.3%
Harford	171,710	4.0%	4.3%	-5.7%
Howard	297,646	7.0%	6.4%	15.5%
Kent	8,956	0.2%	0.2%	-19.8%
Montgomery	553,980	13.0%	18.1%	15.0%
Prince George's	514,687	12.0%	14.6%	-3.5%
Queen Anne's	46,680	1.1%	0.9%	3.3%
St. Mary's	71,443	1.7%	2.0%	9.6%
Somerset	72,411	1.7%	0.3%	0.5%
Talbot	8,757	0.2%	0.5%	1.0%
Washington	94,674	2.2%	2.6%	9.3%
Wicomico	123,174	2.9%	1.7%	5.5%
Worcester	28,497	0.7%	0.7%	-1.1%
MD School for the Blind	47,588	1.1%	n/a	n/a
Other	8,835	0.2%	n/a	n/a
Total	**$4,273,842**	**100.0%**	**100.0%**	**2.8%**

State Funding for School Construction with Facility Condition
Fiscal 2006-2018
($ in Thousands)

County	2006-2018	% of State Funding	2006 Average Age of Schools (years)	2016 Average Age of Schools (years)	% of 2004 Cost of Improvement
Allegany	$91,675	2.1%	27	33	1.9%
Anne Arundel	404,264	9.5%	28	30	8.7%
Baltimore City	485,204	11.4%	36	41	14.8%
Baltimore	516,667	12.1%	29	31	10.6%
Calvert	91,974	2.2%	19	22	2.7%
Caroline	41,290	1.0%	23	24	0.1%
Carroll	101,405	2.4%	23	26	3.5%
Cecil	64,726	1.5%	25	26	1.2%
Charles	132,144	3.1%	22	25	4.6%
Dorchester	53,109	1.2%	27	28	0.9%
Frederick	227,274	5.3%	21	26	5.3%
Garrett	15,073	0.4%	24	28	0.5%
Harford	171,710	4.0%	26	28	5.3%
Howard	297,646	7.0%	18	16	4.4%
Kent	8,956	0.2%	34	39	0.0%
Montgomery	553,980	13.0%	20	22	7.2%
Prince George's	514,687	12.0%	30	35	20.2%
Queen Anne's	46,680	1.1%	20	17	0.3%
St. Mary's	71,443	1.7%	28	28	1.4%
Somerset	72,411	1.7%	14	21	0.2%
Talbot	8,757	0.2%	14	16	0.5%
Washington	94,674	2.2%	29	31	2.4%
Wicomico	123,174	2.9%	24	25	1.8%
Worcester	28,497	0.7%	22	26	1.4%
MD School for the Blind	47,588	1.1%	n/a	n/a	n/a
Other	8,835	0.2%	n/a	n/a	n/a
Total	**$4,273,842**	**100.0%**	**26**	**29**	**100.0%**

Local Funding for School Construction
Fiscal 2006-2014

	Outstanding School Construction Debt As of June 30, 2014	Total School Construction PAYGO FY 2006-2014
Allegany	$8,369,943	$9,589,981
Anne Arundel	525,537,775	123,357,308
Baltimore City	176,329,704	40,900,799
Baltimore	428,423,000	137,505,476
Calvert	46,890,405	12,039,428
Caroline	13,454,059	3,022,000
Carroll	106,885,269	144,064,518
Cecil	73,914,418	8,083,386
Charles	68,350,288	10,150,258
Dorchester	20,312,300	1,797,414
Frederick	212,782,321	35,753,548
Garrett	0	1,316,103
Harford	273,915,434	69,614,505
Howard	457,807,033	66,965,235
Kent	4,500,721	179,725
Montgomery	1,044,496,665	92,719,000
Prince George's	522,702,914	53,919,000
Queen Anne's	67,651,486	11,003,373
St. Mary's	46,083,010	63,660,735
Somerset	10,294,923	12,870,485
Talbot	27,730,277	2,064,761
Washington	48,846,221	33,269,273
Wicomico	87,159,459	8,083,098
Worcester	95,200,000	7,536,796
Total/Statewide	**$4,367,637,625**	**$949,466,205**

PAYGO: pay-as-you-go

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Interagency Committee on School Construction Process for Capital Improvement Program

21ST CENTURY SCHOOL FACILITIES COMMISSION

July 17, 2017

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Capital Funding and the Capital Need

- Since FY 2006, the State of Maryland has allocated an average of $323 million each fiscal year to public school construction through the capital improvement program.
- The continuity of Maryland's school funding over many years has allowed local boards of education to develop very comprehensive, multi-year capital improvement plans. The effects of this approach are visible in new and renovated facilities throughout the state.
- The available funds by source are shown in the chart below.

FY	Bond	EGRC	Paygo	Contingency Reserves	Total CIP Allocations	% CIP Allocation from Bonds	% CIP Allocation from Paygo	% CIP Allocation from Contingency Reserves
FY 2006	234,400		2,400	15,000	251,800	93.09%	0.95%	5.96%
FY 2007	300,669		2,400	19,603	322,672	93.18%	0.74%	6.08%
FY 2008	385,800		2,400	13,628	401,828	96.01%	0.60%	3.39%
FY 2009	327,400			19,582	346,982	94.36%	0.00%	5.64%
FY 2010	260,000			6,653	266,653	97.50%	0.00%	2.50%
FY 2011	250,000			13,724	263,724	94.80%	0.00%	5.20%
FY 2012	240,344			23,739	264,083	91.01%	0.00%	8.99%
FY 2013	326,393			22,775	349,168	93.48%	0.00%	6.52%
FY 2014	300,000			21,876	321,876	93.20%	0.00%	6.80%
FY 2015	275,000			50,255	325,255	84.55%	0.00%	15.45%
FY 2016	280,000	20,000		38,189	338,189	88.71%	0.00%	11.29%
FY 2017	280,000	40,000		44,993	364,993	87.67%	0.00%	12.33%
FY 2018	280,000	63,866		43,534	387,400	88.76%	0.00%	11.24%
Totals	**3,740,006**	**123,866**	**7,200**	**333,551**	**4,204,623**	**91.90%**	**0.17%**	**7.93%**

EGRC – Capital Grant Program for Local School Systems with Significant Enrollment Growth or Relocatable Classrooms. Six LEAs were eligible for these funds in FY 16 and FY 17. Five LEAS were eligible in FY 2018 and FY 2019.

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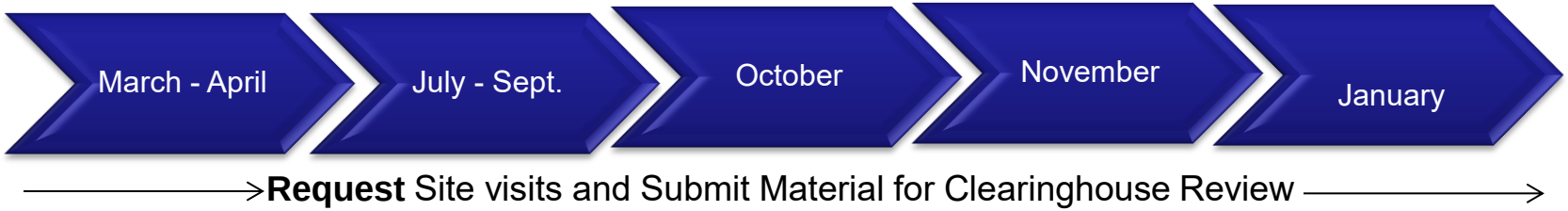
Local Education Agency Annual CIP Process



March - April

- Submission of Annual Enrollment Projections to Maryland Department of planning

July - Sept.

- Submission of Education Facilities Master Plans (7/1)
- Schematic Design Submission (9/1)
- Complete Facility Inventory Updates (Form 101.4)

October

- Meet with IAC Staff
- Submission of CIP Request including (SE, CUS and CTE letters)
- Submission of Comprehensive Maintenance Plan (CMP)

November

- Submission of Design Development Documents
- Provide response to CIP Issue Letter and Finance Issue Letter
- Local Support Letter
- Submission of LEA Appeal to IAC
- Submission of LEA CIP amendments
- Submission of Assurance Form - Federal Tax Consequences

January

- For Planning Approval eligibility, provide site material to Clearinghouse for review by early January at the latest

CUS – Cooperative Use Space
EFMP – Educational Facilities Master Plan
SE – Special Education
CTE – Career Technology Education

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IAC Internal Annual CIP Process

JULY

- Review the Education Facilities Master Plans (7/1)
- Distribute CIP Instructions

October

- Review CIP Request (SE, CUS and CTE letters)
- Meet with LEA Staff
- Review of Comprehensive Maintenance Plan

November

- Governor announces preliminary capital budget funding
- 1st round of IAC/PSCP Staff recommendations to IAC
- LEAs are notified of initial recommendations
- Amendments to CIP can be submitted

December

- IAC holds hearing on CIP requests
- LEAS are notified of IAC recommendations to the BPW
- IAC recommendations are submitted to the BPW for approval

January

- BPW acts on the IAC 75% CIP recommendations
- LEAs may present testimony in support of the CIP requests

March

- By March 1 the 1AC makes 90% recommendations for the capital budget and distributes notification of these recommendations to Board of Public Works, legislative leaders, and others

April

- The IAC prepares the final recommendations to the BPW based on the total appropriation for public school construction, as passed by Legislature and approved by the Governor

May

- BPW acts on the final CIP
- LEAs are notified of final approval

June

- PSCP publishes the final CIP

General Principles for CIP Project Approval

The annual Capital Improvement Program (CIP) submission from LEAs consists of three types of requests: Planning, Funding or Future. Each request provides a detailed description, justification and cost estimate.

The IAC Staff evaluates the current budget year Planning (Form 102.1) and Funding (Form 102.2) project requests:

- ✓ Is LEA Priority order in alignment with the EFMP?
- ✓ Has the requested funding project progressed through the design phase and is construction funding appropriate this year?
- ✓ Are the project budget and requests for State funds within State parameters?
- ✓ Is there a commitment of local funds? (Local match and ineligible items)
- ✓ Do enrollment projections and trends for the LEA support the project? At what level?
- ✓ Is the description of work complete, is the age of facility or components eligible, is the cost estimate appropriate?
- ✓ Are State policies and requirements adhered to: MBE, Smart Growth, Emergency Sheltering, Prevailing Wage, etc.?

Evaluation of Eligibility Status

Projects are evaluated and assigned a project status code of "A," "B," "C," or "D" based upon an evaluation of project merit and a number of technical factors specific to the project type, as follows:

"A" - Approved for planning or construction funding. All PSCP and LEA staff questions, concerns, and State requirements, or comments are currently resolved and the project is approved.

"B" - Deferred but eligible for planning or construction funding. All PSCP and LEA staff questions, problems, or comments are resolved; the project is eligible for funding but is deferred due to fiscal constraints only.

Evaluation of Eligibility Status – cont'd

"C" - Deferred based on issues yet to be resolved. The project as currently proposed or as it currently stands in the planning process is not eligible for approval until outstanding technical questions or concerns have been resolved. Problem areas differ for different types of projects, and may include but are not necessarily limited to: site approval, capacity/enrollment, scope, estimated cost, availability of local funds, alternative solutions available, master plan inconsistency, other agency approvals, and progress of educational specifications or design documents.

"D" - Denied: Ineligible project. The Project does not meet PSCP funding guidelines and is therefore ineligible for State approval of planning or funding. Typical causes for denial include but are not limited to:

1) Systemic Renovation project has a total construction value less than the required minimum of $200,000.

2)Project type does not correspond to a CIP category.

3) The project may be eligible through another State funding program.

4) School was renovated or system was installed within 15 years.

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CALCULATION OF STATE FUNDING PARTICIPATION

- **Major Projects: Renovation, Replacement, New, Addition**
  - Tentative State participation is established at approval of planning
  - Maximum State participation is established at approval of funding
  - For Major projects, the following is taken into account:
    - Student enrollment projections to the 7th year (subject and adjacent schools)
    - State cost factor ($ / s.f., adjusted annually per school bids for new construction; same $ - square foot LEAs, industry input, and DBM and DGS cost figures; one figure applicable statewide; 19% sitework and 2.5% contingency percentages are added)
    - Age of existing square footage (for renovations)
    - Deductions for previously approved State work (renovations only)
    - State-local cost share percentage
    - Add-ons for cooperative use space (up to 3,000 s.f.)
- **Systemic Renovations and Smaller Renovation & Addition Projects:**
  - State-local cost share is applied to estimated or actual cost
- **Adjustments to Allocations:**
  - After project bids
  - Final adjustment at close out
- **State-Local Cost Share Percentage:**
  - Adjusted every three years

REQUEST FOR APPROVAL OF FUNDING

FY: 2018 | Date Submitted 10/5/16

LEA: Warfield | PRIORITY 1 | Revised Date

SCHOOL NAME Warfield | ADDRESS Warfield Lane

PROJECT TYPE: NEW X | ADDITION ____ | REPLACEMENT ____ | RENOVATION ____ | LIMITED RENOVATION ____

SYSTEMIC RENOVATIONS ____ | STATE-OWNED RELOCATABLES ____

COOPERATIVE USE ____ | PROTOTYPE DESIGN X | COST SHARE % STATE 55% LOCAL 45%

HIGH PERFORMANCE X | ELECTRICAL UPGRADE/REPLACEMENT X

SCHOOL NUMBER 001 | GRADES K-5 | SRC 915 | PSC NO 40.999

Request For Current FY: 2,910,000

Total Prior Approved State Funds: $12,000,000

1. SITE Acreage 8.3 | Date IAC Approved 8/15/13 | In PFA X | Water X | Sewer X

2. PROPOSED SCOPE:

State Scope Previously Approved:	**FY**	2017	Enrollment	915				
Square Footage:	New	96,680	Addition		Renovation		Demolition	
Cooperative Use Space SF: **WITHIN** above sf	New		Addition		Renovation			
State Scope Currently Proposed:	**FY**	2018	Proposed Enrollment	915				
Square Footage:	New	96,680	Addition		Renovation		Demolition	
Cooperative Use Space SF: **WITHIN** above sf	New		Addition		Renovation			
LEA Scope:			Proposed Enrollment	915				
Square Footage:	New	117,222	Addition		Renovation		Demolition	
Cooperative Use Space SF: **WITHIN** above sf	New		Addition		Renovation			

3

A ... e overcrowding in the northeastern region. The region will exceed

1 ... onal seats. The recently completed comprehensive zoning increased

t ... East. The sc

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State Scope and Proposed Enrollment is the square footage and number of students that are justifiable in the 7th year when the enrollment projection of the subject school is combined with the projections of the adjacent schools and the total is compared with the total current State Rated Capacity (SRC) of the subject school and the adjacent schools.

LEA Scope and Proposed Enrollment is the square footage and number of students the school is designed to house per board policy or other factors not reflected in the enrollment projections.

4. ENROLLMENT PROJECTIONS (Requested and Adjacent Schools)	Year→	2016	2017	2018	2019	2020	2021	2022	2023	Difference
	SRC	Current Enrollment	FTE	FTE	FTE	FTE	FTE	FTE	FTE	SRC-FTE
Requested School:										0
Starbridge E.	819	790	815	817	816	833	840	854	866	-47
Star Lane E.	709	754	854	989	1,121	1,224	1,354	1,441	1,531	-822
Star Spring E.	820	668	688	733	801	844	886	915	918	-98
Star Run E.	840	708	773	831	879	884	903	911	905	-65
										0
										0
TOTAL:	3,188	2,920	3,130	3,370	3,617	3,785	3,983	4,121	4,220	-1,032

5. TRANSPORTATION MODAL SPLIT (for information purposes only):

6. EMERGENCY ELECTRICAL POWER:

Entering an X in the Electrical Upgrade/replacement field above indicates that this project involves replacement of the electrical system or upgrade to the electrical capacity. Explain the status of the Shelter Compliance process.

Project is justified for LEA scope and State scope

7. BUDGET:		Total Estimated Project Budget	Non-PSCP Funds	Tentative Maximum State Allocation
Construction		$ 37,667,000	$ 22,140,000	$ 15,527,000
Site Development		$ 7,156,730	$ 4,206,730	$ 2,950,000
Contingency	2.5%	$ 1,666,000	$ 1,204,000	$ 462,000
High Performance Costs (Administrative only)		$ 896,000	$ 896,000	N/A
Other		$ 2,807,000	$ 2,807,000	N/A
Total		$ 50,192,730	$ 31,253,730	$ 18,939,000

ANTICIPATED: Construction Funding Request(s) FY(s) 2018,2019,2020 Bid Date: 7/1/16 Occupancy Date: 8/1/20

Square Foot Per Student Allowance for an Elementary School

- The maximum gross area allowance is the product of the approved student enrollment and the maximum gross area allowance per student.

Elementary Schools - Prekindergarten through grade 6, or as defined by LEA

	Population	GSF
General Education	Up to 350	131
	351 to 399	47,080
	400 to 500	118
	501 to 549	59,290
	550 to 720	108
	721 to 749	77,900
	750 and up	104
Special Education*	per pupil	180

COMPUTATION SUPPLEMENT WORKSHEET - FOR ESTIMATING THE STATE ALLOCATION FOR FY 2018

Amounts rounded to the nearest 1,000

- PSC NO. 40.999 | Project Priority #

Warfield - New

MAXIMUM GROSS AREA ALLOWANCE

Educ. Type	Estimated Approved Projected Enrollment		s.f. per student		Total s.f.
Elementary	895	x	104	=	93,080
Middle		x	145	=	0
High		x	170	=	0
Special ED E/M	20	x	180	=	3,600
Special Ed HIGH		x	200	=	0
CTE		x	210	=	0
					96,680

		Construction Cost	State Share 55%
Existing Facility SF	-		
Demolition of Existing SF	-		
Revised Existing Facility SF	-		
Eligible New SF	96,680		

The maximum gross area allowance is the product of the approved projected enrollment and the square foot per student.

ADDITION

New s.f.	96,680	x	292.00		28,231,000	15,527,000
Cooperative Arrangement	0	x	292.00		0	0
Site Development		x	19%		5,364,000	2,950,000
					33,595,000	**18,477,000**

New square footage is multiplied by the Statewide cost per SF.

RENOVATION

Age of Structure	Construction Year	s.f. to be Renovated		Cost per s.f.		Percentage to be Covered		Cost
40 & older		0	x	292.00	x	100%	=	0
31-39		0	x	292.00	x	85%	=	0
26-30		0	x	292.00	x	75%	=	0
21-25		0	x	292.00	x	65%	=	0
16-20		0	x	292.00	x	50%	=	0
0-15		0	x	292.00	x	0%	=	0
		0						0

For renovation the percentage of building cost is based upon the age of the existing spaces in which renovation work is to take place.

Cooperative Arrangement	0	x	292.00	0	0
Site Development			5%	0	0
				0	**0**
Contingency			2.5%	840,000	**462,000**
TOTAL COST				34,435,000	**18,939,000**

Less Prior State Funds for Related Projects

MAX. STATE FUNDING		**18,939,000**
Less CIP Allocations for the Project	1/16 - FY '17	(2,050,000)
	5/16 - FY '17	(6,805,000)
	5/16 - FY '17	(334,000)
	5/16 - FY '17	(2,811,000)
	1/17 - FY '18	(2,908,167)
BALANCE		**4,030,833**

Additional Notes:

The "Net State Funding" on this worksheet is an estimate of the maximum State allocation for this project, but may be reduced based on the costs of the approved contract(s), ineligible items, and change orders.

Date Planning Approved:	5/15 - FY '16
Date Revised:	5/2/17
Date of State Approval:	5/2/17

Factors Considered for Distribution of Annual Appropriation

- Governor's anticipated and final appropriation
- LEA priority
- State priorities
- Project eligibility
- LEA backlog or State commitment to previously approved projects
- LEA capacity to move projects forward
- Large episodic needs in small jurisdictions
- Dependency on State funding is essential to proceed
- Identified future year requests
- Student enrollments and trends
- Maintenance inspection results
- Educational impact
- Appropriate distribution by LEA, reasonably scaled to number of school facilities, students and projected enrollments

Process for a State Funded Project

- MBE – Procurement Review Group (PRG) Goal Setting Analysis
- Construction document submission to DGS
- Solicitation of Bid – Procurement Review
- Submission of IAC/PSCP Form 303.3 - Approval of Construction Contract Award
- IAC Approval of Contract Award
- Submission of IAC/PSCP Form 303.4 – Owner Contractor Agreement
- Submission of Request for Payment
- Submission of IAC/PSCP Form 305.1 – Change Orders
- Submission of IAC/PSCP Form 306.6 – Closeout Cost Summary
- Audits

Public School Construction Program
Computation Worksheet of Contract Award

Date Prepared:	August 30, 2016
Project Type:	C - New
Scope of Work:	Contract #1 (11 Contracts)
IAC Approval Date(s):	09/15/16

If an LEA builds larger than the maximum gross area allowance the State develops a percentage for eligibility.

CIP Project Allocation

Maximum Gross Area Allowances	96,680	**Eligible Sq. Ft. %**	**0.8268**
Gross Square Feet	116,944		

Net State Allocation is the amount approved in CIP. Incremental allocation amounts reflect partial State fund over multiple fiscal years and sources.

Net State Allocation		**$ 18,290,000**
Available Project Allocations:	CIP/Fiscal Year 2016 EGRC	2,050,000
	CIP/Fiscal Year 2017	7,139,000
	CIP/Fiscal Year 2017 EGRC	2,811,000
	CIP/Fiscal Year 2018	4,000,000
Current Approved Allocation		**$ 16,000,000**
Allocation Balance due in future Fiscal Year		**$ 2,290,000**

Calculation of State Participation in Contracts

		Actual Bid Amounts
Total Contract(s)		$ 31,734,840
Less items Ineligible for State participation	-	$ (225,000)
Less Ineligible Allowances	-	$ (100,000)
Adjusted Eligible Total Contract(s) after deducting for items ineligible for State participation		$ 31,409,840
Eligible Sq. Ft. %	x	0.8268
Adjusted Eligible Total Contract(s)		$ 25,969,656
State Cost Share % for LEA	x	0.55
State Participation in the Total Contract(s)		$ 14,283,311
Calculation of Contingency @ 2.5%	x	2.5%
Contingency eligible for State Participation **within available Net State Allocation**		357,083
Total Eligible State Participation in contract(s), plus Contingency for change orders **within available Net State Allocation**		**$ 14,640,394**
	Allocation Reduction	$ 1,359,606
Amount to be retained for future contracts **within Net State Allocation**		$ -

Summary for IAC Approval of State Participation in Contract(s) and State Allocation Reduction

Local Funds:	17,451,529	**Decrease Project Budget**	**$ 1,359,606**
State Funds:	**14,283,311**	**Increase LEA Contingency**	**$ (1,359,606)**
Total Contract	$ 31,734,840		

State Project Contingency for Change Orders: $ 357,083

Amount to be retained for future contracts within Net State Allocation $ -

Date to MBE Manager: _____ **Date MBE Approved/Initials** _____

End of Presentation

Reference materials on the following pages

SIGNIFICANT DATES IN PROPOSED SCHEDULE FOR IAC/PSCP STAFF REVIEW AND PREPARATION OF FY 2019 CIP

- 7/3/2017 Submission of Educational Facilities Master Plan (EFMP) due to PSCP/MDP
- 10/5/2017 Submission of FY 2019 CIP requests due to PSCP
- **10/11 to 10/31/2017** PSCP/MSDE/MDP/DGS staffs meets with individual LEAs as scheduled (approximate)
- 10/13/2017 Comprehensive Maintenance Plan due to PSCP
- 11/1/2017 Governor announces preliminary FY 2019 capital budget, including public school construction funding
- 11/10/2017 PSCP recommends projects to IAC for first round preliminary funding consideration; LEAs are subsequently Notified of Designees' recommendations
- **11/17/2017** IAC Meeting to receive first round recommendations
- 11/28/2017 Last date for the receipt of LEA CIP amendments and local government assurances of support for CIP
- **12/7/2017** IAC hearing on CIP requests; LEAs present an appeal to the IAC; LEAs are subsequently notified of IAC post-hearing actions on LEA requests
- 12/29/2017 IAC recommendations on 75% of preliminary FY 2019 capital budget submitted to Board of Public Works
- **1/24/2018** BPW acts on IAC's 75% CIP recommendations at regularly scheduled meeting
- **2/21/2018** IAC meeting to approve recommendations for 90% of the FY 2019 capital budget to be submitted the Board of Public Works, legislative leaders, and others by March 1
- **Mid-April 2018** PSCP recommends projects to IAC approximately 1 week prior to their meeting for recommendations of 100% of FY 2019 capital budget, and LEAs are subsequently notified of IAC's 100% recommendations to BPW
- **May 2018** Board of Public Works approves projects in the FY 2019 Capital Improvement Program
- June 2018 PSCP releases final FY 2019 Capital Improvement Program

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Public School Construction Program - *RESOURCES*

- **PSCP Website:** www.pscp.state.md.us:
  - FY 2001 – FY 2018 Capital Improvement Programs
  - Administrative Procedure Guides
  - Report Repository
  - Facility Inventory Database
  - SharePoint

- **Code of Maryland Regulation (COMAR):**
  - Chapter 23.03.01 – Terminology
  - Chapter 23.03.02 – Administration of the Public School Construction Program
  - Chapter 23.03.03 – Construction Procurement Methods
  - Chapter 23.03.04 – Project Delivery Methods
  - Chapter 23.03.05 – Alternative Financing
  - Chapter 23.03.06 – Relocatable Classroom Indoor Environmental Quality Standards Authority
  - Website: http://www.dsd.state.md.us/COMAR/ComarHome.html

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Public School Construction Program Contacts

- **Public School Construction Program:**
  - Robert Gorrell, Executive Director – 410-767-0610, robert.gorrell@maryland.gov
  - Joan Schaefer, Deputy Director – 410-767-0096; joan.schaefer@maryland.gov
  - Kim Spivey, Director of Fiscal Services – 410-767-0742; kim.spivey@maryland.gov
  - Arabia Davis, Asst. Programs Manager – 410-767-2153; arabia.davis1@maryland.gov
  - Helen McCall, Executive Associate – 410-767-0611; helen.mccall@maryland.gov
- **Maryland State Department of Education, Facilities Branch**:
  - Gloria Mikolajczyk, Acting Branch Chief– 410-767-0101 gloria.mikolajczyk@maryland.gov
  - Jillian Storms, Architect – 410-767-0615
- **Maryland State Department of Planning, Infrastructure Planning**:
  - Michael Bayer, Manager – 410-767-7179; michael.bayer1@maryland.gov
- **Department of General Services:**
  - Fred Mason, III Program Manager – 410-767-4378; fred.mason@maryland.gov