21st Century School Facilities Commission

Process, Procedure, and Educational Specifications Subcommittee

Dr. Kevin Maxwell, Co-Chair
Dr. Theresa Alban, Co-Chair

Agenda
December 4, 2017
10:00 a.m.
House Office Building, Room 120
Annapolis, Maryland

Work Session

Larry Hogan
Governor

Boyd K. Rutherford
Lt. Governor

Ellington E. Churchill, Jr.
Secretary

MARYLAND DEPARTMENT OF GENERAL SERVICES

FACILITIES OPERATIONS & MAINTENANCE • FACILITIES PLANNING, DESIGN, CONSTRUCTION & ENERGY
PROCUREMENT & LOGISTICS • REAL ESTATE

November 28, 2017

Martin Knott
Chair
21st Century Schools Facilities Commission
c/o Department of Legislative Services
Legislative Services Building
90 State Circle
Annapolis, MD 21401

Chair Knott:

The Department of General Services (DGS) has reviewed the recommendations made by the Funding Subcommittee and the Process, Procedures, and Educational Specifications Subcommittee, dated November 14, 2017. DGS provides the attached responses to the recommendations, related to DGS's functions for the State of Maryland's Public School Construction Program.

Should you have any questions, do not hesitate to contact me at 410-767-4960 or Ellington.Churchill@maryland.gov.

Sincerely,

Ellington Churchill, Jr
Secretary

DGS Responses to the Knott Commission's Subcommittee Recommendations

The Department of General Services (DGS) Secretary is a member of the Inter-Agency Committee (IAC) for school construction. DGS provides technical support to the IAC and Maryland's Public School Construction Program (PSCP). The support for these programs is provided from the DGS Public School and Community College Construction Unit within the Office of Facilities Planning, Design & Construction. This unit also provides technical support for State funded design & construction at Community Colleges. The IAC is also supported by the Department of Planning and the Department of Education. The division of labor between the units is delineated within the PSCP Administrative Procedures Guide, based on requirements within Statute and COMAR. DGS is responsible for the technical review of design documents and an administrative review of contract documents associated with these design documents.

DGS VALUE ADD

DGS provides a consistent, unbiased view of the technical components of design & construction for the PSCP & the State. The team of technical experts understand what building systems are necessary, what building systems are eligible with State funding, and what modifications should be made to ensure these systems are adequately designed per code and State standards. DGS provides a centralization of this review process, thus ensuring errors identified in one design can be recognized in others.

In addition to the technical review, DGS provides an administrative compliance review of State MBE requirements, State Prevailing Wage Rate requirements, solar energy analysis and the Buy American Steel Act. This too provides a centralized, unbiased review of documents to ensure compliance with State standards.

DGS staff work with the Department of Planning during the planning review for new schools, DGS verifies that renovations using State funding are not pending on facilities planed for demolition and replacement. During the IAC approval process for building system renovations, such as roofs and heating systems, DGS provides technical expertise on system prioritization and coordination.

DGS outsources large review projects, roughly 25 projects per year. Outsourcing adds additional time to the process due to procurement requirements. In house, DGS performs roughly 175 reviews annually. If these reviews were outsourced, the division would still be needed to process the outsourcing and ensure compliance of the outsourced reviews.

Over the last 3 years, DGS has been assessing their portion of this program to identify efficiencies and to better align DGS core competencies to add more value to the Local Education Authorities (LEAs). Within the last year, DGS has begun to move the division forward making internal changes, where needed. Additional changes have been identified, both internal and external, including potential regulation or legislative proposals. Finally DGS is working on changing the culture within the public school construction unit. Our end goal remains to reduce overall submission review and response to the LEA's within 2-3weeks. Change is always challenging, but staff accountability is paramount for our collective processes to work effectively.

DGS Responses to the Knott Commission's Subcommittee Recommendations

One year ago, DGS developed plans to improve interactions with the IAC and LEAs	
Process reform	• To reduce timelines, DGS has moved to electronic submissions and has made procurement changes for outsourcing; and staffed technical disciplines (mechanical/electrical/ structural/civil/ architectural). • DGS is simplifying the change order process and identifying times for schools to receive expedited reviews. • Separation of the technical and administrative reviews conducted by DGS, to expedite receipt of DGS comments to the LEAs
Greater transparency	• DGS has increased communication with LEAs and has offered expedited reviews on a case-by-case basis. • DGS is developing an online portal that includes sample documentation of good submissions and the opportunity for LEAs to review the status of their projects.
Regulatory	• DGS is creating a process to make it possible for school systems to conduct their own reviews. DGS agrees that regulatory changes are necessary to eliminate change order reviews.

DGS Responses to the Knott Commission's Subcommittee Recommendations

PP&E Subcommittee Recommendations

Development and State Approval of Projects

Recommendation / Questions	DGS Response
3. Maintain a role for the State to review and approve State funded projects, but streamline the process to minimize unnecessary delays:	
a. Eliminate required Department of General Services (DGS) review and IAC approval of design documents, construction documents, and change orders for both major construction and systemic renovation projects.	Disagree with the recommendation. Voluntary review ultimately will create voluntary compliance with State Requirements. In addition to reviewing the blueprints for compliance with design & construction codes, DGS conducts review of MBE procedures, Prevailing Wage, Buy American Steel and Ineligible items for State Funds. These additional reviews are done with the blueprint review submissions for both major construction and systemic renovation projects.
b. Allow local school systems to request that DGS review and provide feedback on their design and construction documents on a voluntary basis.	Some Local Education Authorities (LEAs) are subject to local government code review authorities, some perform this code review in-house for design & construction and some rely solely on the DGS review. Local Government code reviews do not include the additional reviews of State requirements for MBE, Prevailing Wage, Buy American Steel or Ineligible items. Creating an exemption procedure for certain portions of the review process if the LEA can provide documentation that the process is redundant would reduce the risk to the State by ensuring compliance with State funding requirements and achieve the goal of streamlining the process. DGS agrees with elimination of DGS change order review. The volume of change order requests greatly supersedes the change order funding available.

	At a minimum, once a project has exceeded the available change order funding, the DGS change order reviews should cease. Change Orders are typically submitted by LEAs to DGS in bulk at the conclusion of construction. DGS's review and approval process does not impact the actual construction, the process is for reimbursement to the LEA, if there are items eligible for State funds and if there are funds remaining. Since 2012, DGS has reviewed 10,553 change orders, 99% of these change orders were declined for State Funding.

DGS Responses to the Knott Commission's Subcommittee Recommendations

Funding Subcommittee

Recommendation / Questions	DGS Response
5. Eliminate the 2.5% withholding for contingencies from the State allocation (related to Process Subcommittee recommendation to eliminate DGS review of change orders) but require LEAs to maintain a contingency to address unanticipated construction costs above the State allocation.	DGS agrees that the change order funding is inadequate in comparison to the volume of change orders from LEAs. LEAs currently fund over 99% of change orders for public school construction projects.

IAC Responses to the Knott Commission's PP&E Subcommittee Recommendations

Overall IAC Recommendations:

I. Transform the current grant management with regulatory controls process into a modern facilities portfolio management process that supports best practices to ensure that all PK-12 children are housed in educationally sufficient school facilities for the delivery of State required educational programs in healthy and safe environments.

II. Provide the staffing and management tools necessary for transparent support and administration of all processes deemed prudent for achieving the expected provision and maintenance of PK-12 school facilities.

III. Provide a dedicated funding source for the reliable and consistent administration of facility management programs, which does not compete with the general fund, and that preserves and protects statewide capital investments, including a facilities portfolio of 50-year expected life assets, valued at more than $50 billion, that houses 885,820 children.

IV. Establish a uniform measure of a school facility's educational sufficiency condition and longitudinally compare each school against all others and the statewide average.

V. Establish a uniform expected life-span for each major facility building system (e.g. roofs, HVAC, interior finishes, etc.) and longitudinally measure and track actual life that each building system achieves against its expected life.

VI. Revise the maintenance effectiveness assessment program to measure capability of management systems. Considerations include the comprehensiveness of building systems inventory, automatic generation of preventative maintenance work orders, emergent maintenance tracking, work order aging reports, documented prioritization of life-safety, health, and building system issues. Chronic issues should be included in the Educational Facilities Master Plan (EFMP) capital needs for leaderships' knowledge and consideration.

VII. Continuously review the need and value of each IAC administrative process and implement a cloud-based business process management system to monitor expected process performance of each necessary task for accountability and data driven improvement.

VIII. Allocate available resources to maximize equitable access to educationally sufficient facilities for all of Maryland's school-age children and to improve the statewide average school facilities educational sufficiency.

IX. Longitudinally track and report key indicators of program performance and periodically recommend program revisions to the BPW, the General Assembly, and the Governor which will safeguard that each PK-12 school is educationally sufficient.

X. Consider the creation of a permanent intersession PK-12 school facilities task force composed of a balanced membership of educators, legislators, agency secretaries, and public members that meet 2-4 times annually to review IAC program(s) performance and, if necessary, to make recommendations for improvement.

Recommendation / Questions	IAC Response

Development and State Approval of Projects

1. Provide local school systems with flexibility to design schools that meet local needs and programmatic priorities.	Agree. No change from current practice. The State should collect and share best practices for design and facilities construction and ownership. However, the State does not participate in non-eligible costs. See IAC recommendations I, II and III.
Q1. How often should prototype designs be updated? Construction best practices change constantly, but updating designs too frequently undercuts the rationale for their use.	As often as necessary, as building technologies and building codes do change from time to time, and as noted, best practices evolve. Prototype designs are typically tweaked from use-to-use and even more between LEAs with different priorities. See IAC recommendations I, II and III.
2. Review design guidelines to ensure that they are aligned with funding allowances for each type of space (*e.g.*, health suites, classrooms, community use areas, etc.).	Agree. The IAC staff have begun the compilation of all existing space guidelines into a single guideline that will be updated as needed, with more detailed guidelines incorporated by reference. Process and revisions are for the elimination of redundancy and conflicts, and to determine a logical justification for educational space requirements. It is anticipated that educational space requirements will include a baseline specific to all grades and student populations and then additives for varying program requirements. The goal is for a rough draft of the PK-12 school facilities sufficiency guideline to be made available for review and feedback before the end of the year. See IAC recommendations I, VII, and IX.
Q2a. What variations in safety-related features should be allowed, if any, based on local determinations? Some safety features may not be priorities in every community.	State authority of safety-related features should be limited to State adopted building codes and standards that may have different applications related to geography and other factors. Local variations of codes and other building requirements cause confusion and increased costs. See IAC recommendations IV, VIII, and IX.
Q2b. Should the State revisit its square footage standards? Should they be increased or decreased? (Build smaller schools, reduce the square feet per student allocation). Is there an alternative approach to using square	See response to #2. School facilities should be "right-sized" to their average population and not their maximum bubble. Each square foot of facility annually requires expenditures of approximately 2% of replacement cost to sustain good condition and achieve full expected or greater life of the facility. In today's dollars, this is about $8.50 per square foot stewardship cost for required maintenance capital (systemic replacements), routine maintenance, heating, cooling, and cleaning. Right-sizing schools is the most sustainable action for "green" and minimizes the

Recommendation / Questions	IAC Response
footage standards that would encourage appropriately sized facilities?	total cost of ownership. Accurate population projections are critical and the use of temporaries (duration ≤ 15 years) or low cost easily disposed additions should be an acceptable strategy for managing student population bubbles. Local only responsibility for all costs of stewardship will incentivize "right sizing" facilities. See IAC recommendations I, II, III, IV, VIII, and IX.
3. Maintain a role for the State to review and approve State funded projects, but streamline the process to minimize unnecessary delays:	
a. Maintain mandatory Maryland State Department of Education (MSDE) review and IAC approval of educational specifications and schematic designs for major construction projects, but explore the possibility of merging the two review processes to save time.	Disagree with recommendation to merge review processes that as it is adds great value when fully utilized. However, value can be improved. Development of educational specifications (ed specs) necessarily precedes and provides direction for the development of the schematic design. Ed specs define the desired facility requirements and essentially delineate the required spaces, orientations, attributes, etc. to be solved within the facility. Architecture is the business of solving these problems with good design. Best practice is that ed specs are prepared by a different firm than the design team and design firms competitively propose why they are the best to solve the problems. Design professionals should also be held accountable for producing a design with the lowest possible total cost of ownership that includes right sizing of schools, and cost effective building systems. It needs to be reiterated that right-sized schools conserve scarce resources with both first costs of construction and then operational costs and are therefore more sustainable and friendlier to the environment than are overly sized school facilities. The IAC and MSDE can provide an even greater role in supporting and sharing cost of ownership information and best practices information that can guide better early planning including the formation of ed specs as well as building design. See IAC recommendations I, II, III, IV, and VIII.

Recommendation / Questions	IAC Response
b. Eliminate required Department of General Services (DGS) review and IAC approval of design documents, construction documents, and change orders for both major construction and systemic renovation projects.	Disagree with recommendation without understanding which reviews. There is not a business management process that connects performance, of the LEAs and DGS, with expectations. The IAC has begun studying the business processes in anticipation of fulfilling a need to provide more transparency. This will provide the information necessary to transform the processes to be more focused on value added. Systemic and minor renovation projects, if locally funded, are not required to have DGS reviews. MSDE Design Development (DD) review adds value in confirming that educational objectives are addressed for major projects. DGS reviews constructability, technical issues, conflicts, and areas of insufficient development. These DD reviews can be very valuable and provide quality assurance that might otherwise be lacking. DD document submission requirements should be well defined. Quality control is not self-regulated. Agree with elimination of change order review. Change order review offers practically no value as funding is nearly always totally local. Construction Document (CD) review should be reevaluated as it may have limited value and is somewhat duplicative if corrections have been made from the DD reviews. The code related portion of CD reviews is duplicative of local permit review. See IAC recommendations I, II, III, and VII.
c. Allow local school systems to request that DGS review and provide feedback on their design and construction documents on a voluntary basis.	Partially agree. Develop process for LEAs in collaboration with DGS, to identify and periodically update capacity for internal review. See IAC recommendations VII, and IX.
d. Eliminate MSDE review of any projects that are funded wholly with local funds unless they substantially alter or expand an existing school built in part with State funds.	Differing opinions: • Agree if projects are systemic in nature. • Disagree. It is possible that the $350,000 threshold is too low, but the State may still have an interest in educational program delivery. See IAC recommendations VII, and IX.

Recommendation / Questions	IAC Response
e. Maintain IAC review and approval of procurement contracts and payments/closeout.	Agree. Standardization of procurement, contracts, and agreements could streamline approval and provide clear business expectations to contractors. Varying contractual requirements from place to place adds cost and time to process. See IAC recommendations II, VII, VIII, and IX.
Q3a. Should the due date for submission of ed specs be moved from July 10 to a date between September 1 and October 1? And combined with schematic submission (currently due Sept 1)? Or could they be submitted on a rolling basis with maximum review time after which it is considered approved?	Yes, submissions on a rolling basis. Every task within the planning, design, and construction process is unique and processing should act within a "pipeline" where time between entry and exit are predictable. The current fixed dates were designed to support a lower volume paper process. Ed specs and all other documents for review should not have fixed submission dates. Electronic submissions should be able to be submitted, received, reviewed, and returned electronically into an IAC business management system. Turnaround times should be predictable, provided that submissions are correct and complete. The process should be transparent with easy access to status, and process reporting should be available for accountability. Approval by default of agreed time could be costly, but accountability would be good. See IAC recommendations II, III, VII, and IX.
Q3b. Any risk to not having DGS reviews?	Yes. DGS reviews constructability, technical issues, conflicts, and areas of insufficient development for systemic projects. These DD reviews can be very valuable and provide quality assurance that might otherwise be lacking.
4. Provide incentives for the use of prototype school designs, including expedited State review of projects that use them, but do not mandate use of prototypes.	Agree with recommendation concerning expedited review. LEAs need to clearly identify the prior uses of the prototype and changes in the current iteration to facilitate comparison by MSDE and DGS.
Q4. Should potential community use of school buildings be reflected in prototype designs?	Yes, but only if the community use is a local decision. The cost of ownership for community use space is the same as all other space and should be a local cost. The IAC can support LEAs and local governance decisions with information supporting

Recommendation / Questions	IAC Response
	a good understanding of necessary educational space and total cost of ownership of that space. See IAC recommendation I, II, III, IV, V, and VI.
5. Repeal the requirement that all schools undergoing renovation qualify as emergency management shelters; designation of schools as emergency shelters should be consistent with local emergency management plans and criteria as well as funding availability.	Two counter opinions to this recommendation: A. Disagree with recommendation but can support on a case-by-case basis. Reasoning - Emergencies do not respect any man-made boundaries and Marylanders will consider every school as a potential resource for emergency management use. B. Agree with recommendation. This should be a local emergency management agency decision. See IAC recommendations I, and VIII.
6. Allow local school systems to bundle (for approval purposes) similar systemic renovation projects at different schools (*e.g.*, roofs at three schools) and interrelated systemic projects at a single school (*e.g.*, windows and HVAC at one school).	Agree with recommendation. Interrelated systemics are already allowed in current CIP process. Approving a total budget for several similar projects could provide for flexibility for shifting funds among projects if needed without rescissions or reversions.
7. Enable and allow secure electronic document submission of all required documents/data to the IAC.	Agree with recommendation. IAC staff will need software and hardware to perform and share electronic review to get the full benefit of this recommendation. See IAC recommendations II, III, VII, and IX.

Procurement

1. Reorient school construction procurement toward obtaining best value rather than lowest price, consistent with State procurement law for State projects.	Agree in principle with recommendation. Best value is not always the best method of construction procurement such as for repeating a prototype school where low-bid can provide the best cost and fastest delivery. Best value design and construction procurement requires a high degree of technical and experiential knowledge as well as strong contractual expectations and process management. Best value must also be defined to mean the lowest total cost of ownership. See IAC recommendations I, II, III, VII, VIII, and IX.

Recommendation / Questions	IAC Response
2. Examine further the effect of prevailing wage requirements on school construction costs.	As with other variables in school construction, this is ultimately a political decision and a value judgement. Requiring higher wages results in higher costs. Reduction in square footage is the greatest opportunity to reduce cost, followed by labor. Sustaining school facilities is contingent primarily on three variables: funding, replacement cost, and maintenance effectiveness. The cost to maintain schools so that they achieve their expected life and performance functions costs annually about 2% of the replacement value. This is the ongoing cost of ownership and is primarily maintenance capital (systemic projects), minor renovations, and small additions. If cost of ownership was entirely a local cost, prevailing wage could be avoided. See IAC recommendations IV and VIII.
Q2. Should LEAs be required to solicit side-by-side bids for major new projects in designated areas of the State so that comparable data on the impact of prevailing wage can be analyzed?	No. If the State requires LEA's to solicit side-by-side bids, the additional costs of bidding should be borne by the State.
3. Provide technical assistance and support to local educational agencies on the use of alternative project delivery methods.	Agree with recommendation. This falls in line with a general goal of being a repository of best practices. Any number of delivery methods are currently allowed, but LEAs have differing levels of capacity. Some methods require more owner involvement than others. See IAC recommendations I, II, III, VII, VIII, and IX.
4. Request that the Green Building Council develop guidelines for achieving the equivalent of LEED Silver standards without requiring LEED certification of new school buildings. Explore providing incentives for "net zero" buildings.	Agree with caution to the recommendation. The Green Building Council should be provided with a clear objective for the creation of new guidelines such as minimized and continuous verifiable energy savings from the project with recommendations for accountability if goals cannot be maintained; Options for performance contracting that resemble public, private, partnership with well-defined expectations of total costs of ownership; measure of capacity for an LEA to keep, operate, and maintain a building system to defined goals; and so forth. The International Green Construction Code and Green Globes have adopted as alternatives to LEED Silver. However, their adoption brought an additional mandatory requirement commissioning that fences off potential savings from alternative procurements. Perhaps a Maryland should create its own resource conservation standard with focus

Recommendation / Questions	IAC Response
	on return on investment (ROI) and total cost of ownership. See IAC recommendations I, V, and VIII.
Q4. How will local school systems be held accountable for using green building strategies in the absence of external certification?	If the primary goal is energy and water conservation, only one alternative that allow ensures long-term success is real-time utilities measurement and verification system(s) and today this is not difficult as there are many IP connected metering systems. This allows contractual agreements to guide required performance thereby maximizing the ROI through competitive bidding. Modern and complex HVAC and electrical systems notorious underperform due to alleged "improper" owner maintenance. At least one State requires installing contractors of such systems to provide three-years of full maintenance and at costs similar to commissioning. This approach fully protects the owner purchase and also provides a few years of free training for the LEA's maintenance staff. See IAC recommendations I, V, and VIII.
5. Encourage bulk purchasing, bundling, and intergovernmental purchasing for common items (*e.g.* HVAC, windows).	Agree with recommendation. Intergovernmental purchasing is already used. Coordination with opportunities requires technical expertise and thoughtful procurement. See IAC recommendations I, II, III, VIII, and IX
Q5. What effect does bundling have on minority business enterprise (MBE) access to school construction projects? MBEs often do not have the capacity to participate on large-scale projects or intergovernmental purchasing arrangements.	Unknown.
6. Require site approval only within three years of local planning submittal instead of at the time of new land purchase.	Disagree with recommendation but understand the concept of it. The principle at the core of the PSCP relative to property ownership is that public school sites be on land owned by the local Board of Education. The transfer of property to the Board of Education triggers IAC review, and this is the proper time for it, as it enables PSCP to compile and maintain accurate property information in the facility database. Moving forward with the development of a site triggers a more detailed level of review, including the review of a site plan and educational specifications, and thus additional site considerations may be reviewed by the IAC and PSCP at the

Recommendation / Questions	IAC Response
	time a school is being developed. Given the number of school sites (whether developed as schools or banked for future use) in the state, there is a need to refine the property transfer procedures to make them more efficient. The IAC began mapping the current processes against COMAR several months back in order to recommend improvements but has been hampered by capacity. Any considerations should be made in consultation with the LEAs. See IAC recommendations I, II, III, VIII, and IX.
Q6. Are local governments willing to buy land for school construction projects without reassurance and verification that the site will be approved for that use?	Unknown, but likely if value of property is expected to increase against current investment.
7. Continue to allow LEAs choice in construction materials but provide incentives for energy efficient or other preferred materials.	There is benefit in that ROI could be very high, although this will require capacity for building materials and assemblies research. Post-occupancy evaluations of facility performance are quite valuable if they are performed professionally and with uniform and comparable measures so that what works and what does not is easily discernable. A PSCP Library of facility operational and management information such as key performance indicators (KPIs), benchmarks, systems performance, and best practices would be valuable. See IAC recommendations I, II, III, IV, and VII.

Funding Subcommittee Overlap

1. Examine/update the State Rated Capacity process to address special programs/adjacent schools/etc. utilizing enrollment projects provided by the Maryland Department of Planning.	Agree that the State Rated Capacity process and calculation should be reviewed for clarity and refinement as necessary, especially as it relates to the process of evaluating adjacent schools. This process can be more clearly articulated. The Maryland Department of Planning's enrollment projections are a separate action undertaken by the State that feeds into the determination of "need" relative to the existing enrollment of individual schools, as determined by the LEAs. Planning

Recommendation / Questions	IAC Response
	does not prepare enrollment projections for individual schools. See IAC recommendations I, II, III, VIII, and IX.
2. Local school systems with declining enrollment should be encouraged to consolidate buildings and/or find alternative uses for undersubscribed school buildings. However, final authority for redistricting should remain with local governments.	Agree with recommendation. The IAC's primary interest is understanding how LEAs define catchment areas for individual schools as we evaluate individual facility projects. The authority to redraw these boundaries lies within the LEA; however, as part of the State's fiduciary responsibility for ensuring that State funds are used most efficiently and effectively, the IAC may weigh in on the potential need and benefit of redrawing boundaries as necessary to ensure the most effective allocation of resources. See IAC recommendations I, II, III, IV, VIII, and IX.
3. The State should continue to provide increased support to local school systems with increasing enrollment.	Agree with recommendation. Better planning results in more cost effective spending. The MDP and the IAC have considered methods to increase predictability of student populations. GIS modeling could be used to better track and analyze student migrations within and between district boundaries, counties, and into and out of the state. Managing the right-size of school facilities necessitates developing the best student population information possible. See IAC recommendations I, II, III, IV, VIII, and IX.
Q3a. To what extent should State funding policies protect local school systems with declining enrollments from dramatic decreases in State support?	The State should endeavor to help as the cost of ownership for underutilized space will dilute available resources and greatly affect the overall condition of an LEA's portfolio. This said, the first step before disposition of unneeded property is administrative and very political. The authority to redraw boundaries lies within the LEA. The IAC should support the LEA with sufficient, practical, and easy-to-understand information to assist these hard decisions. See IAC recommendations I, II, III, IV, V, VI, VIII, and IX.
Q3b. What incentives could the State provide to encourage school consolidation?	Provide good credible information to support good policy. See IAC recommendation I, II, III, IV, V, VI, VIII, and IX.
4. Use the IAC as a central repository for information on the use of pre-fab options.	Agree, as part of overall goal of being a repository for information, methods, and best practices. See IAC recommendations I, II, III, IV, V, VI, and VIII.

Recommendation / Questions	IAC Response
Q4. Should the State incorporate a growth factor to school buildings that are built in communities anticipated to experience enrollment growth? Lower levels of occupancy in the short-term may be worth the long-term savings.	The IAC already does this and should continue. For funding calculations the population of a school is projected 7 years into the future. The same 7 year projection should be used in facilities assessment for existing facilities educational sufficiency. There should be continuing effort to improve population prediction. See IAC recommendations I, II, III, IV, and VIII.
5. Provide incentives for local school systems to prioritize preventive maintenance.	Agree to the point of accountability through accurate measures and reporting. There is a need and opportunity have a current facilities conditions assessment which could be joined with a centralized maintenance management system. With the assessment and maintenance data, if an LEA maintains existing facilities and extends the average life of building systems past expected, each percentage point average extension could be matched with an additional percentage of State participation in new, renewal, and replacement projects. This incentivizes good stewardship. The State paying for these systems and the accountability this will provide is an incentive to provide good preventive maintenance performance. See IAC recommendations I, II, III, IV, V, VI, VIII, and IX.
Q5. How can the maintenance program be more responsive to LEAs, specifically in those needing more guidance?	With provision of a centralized common system with training on proper use and sharing of best practices. Additionally, DGS has technical expertise that could be utilized to directly support LEAs with difficult systemic and operational issues. See IAC recommendations I, II, III, IV, V, VI, VIII, and IX.

Structure and Process

1. Final project proposals should be subject to review and approval by the IAC.	Agree. No change from current practice. The IAC's prioritization of allocation recommendations should be such that available funding will maximize the statewide average school facilities educational sufficiency condition and minimize the total cost of ownership including operations. IAC recommendation I, and VIII.