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## Testimony to the House Committee on Corrections and Institutions: Emergency School Construction Aid Program February 13, 2019

## Daniel M. French, Ed.D., Secretary of Education Cassandra Ryan, Fiscal and Regulatory Compliance Coordinator

Title 16, V.S.A. §3448: (d) Emergency aid. Notwithstanding any other provision of this section, the Secretary may grant aid pursuant to subdivision (a)(7) of this section for a project the Secretary deems to be an emergency, up to a maximum total project cost of \$100,000.00.

## SBE Rule Series 6000

- 1. Emergency construction aid is
  - a. reserved for projects that are both unanticipated and result in a safety concern for occupants.
  - b. limited to 30% of actual costs up to a maximum eligible project cost of \$100,000.
  - c. applied to eligible project costs after insurance claims and other sources of assistance.
  - d. paid on a first come / first serve based on the completion of a financial audit.
  - e. not for deferred maintenance.
- 2. Currently, there is no emergency construction aid available for costs over \$100,000. If the net project costs exceed \$100,000, the district may still apply for aid, but emergency construction aid will be paid as 30% only on the first eligible \$100,000 expended.
- 3. It is <u>not</u> necessary for a School District to receive approval prior to starting construction.
- 4. The bid law (Title 16, V.S.A. §559) does not apply to emergency situations.
- 5. The AOE requests \$50K/ year for Emergency projects which typically funds 2-4 projects.
- 6. If no emergency construction funds are available at the completion of the financial audit the AOE will delay payment until funding is appropriated.
- 7. Currently, the Agency has four approved emergency projects. A fifth project was identified on Friday 2/8/19. The application for the new project will be received shortly, but all indications are that it will be "approvable".