

# **State Aid for School Construction Working Group**

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**Background, Review, and Group Deliverables**

# Compensation

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- Members of the Working Group are entitled to per diem compensation and reimbursement of expenses (mileage and lodging) pursuant to 2 V.S.A. § 23.
- Limited to six meetings unless authorized by, both, the Speaker and Pro Temp.
- Daily compensation at the standard rate in effect for members of the General Assumbly during a special season.
- All per diem and expense claims must be submitted with the approval of the Working Group co-chairs.

# Background

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- [Act 72, 2021](#) addressed the needs and conditions of public-school facilities in Vermont and highlighted the need for baseline data. The AOE conducted a facilities assessment completed in October 2023 and began the steps towards identifying quality system standards.
- [Act 127 of 2022, Section 13](#) called for the AOE to set rules relating to district facilities and governance; [District Quality Standards](#) will go into effect on July 1, 2025.
- [Act 78, 2023 Section E.131.1](#) created the School Construction Aid Task Force to examine, evaluate, and report on issues relating to school construction aid, resulting in the [report submitted Feb 1, 2024](#).
- [Act 149, 2024](#) calls for the creation of the State Aid for School Construction Working Group to study and design a plan for statewide school construction aid program.

# Act 72 & School Facilities Assessment

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- School Facilities Assessment was created to establish a baseline database of the overall condition of public school facilities
- The database would also help LEAs when developing a 5-year Capital Improvement Plan
- Allow for long-term planning for replacement reserve capital expenditures and proactive and preventative maintenance initiatives

# Act 72 & School Facilities Assessment Cont.

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- Assessed the overall condition of 384 school buildings by measuring maintenance needs, energy audits, PCB cost estimates, capacity, size verification, an ADA high-level review, a STEM/STEAM evaluation, and a long-range Capital Plan.
- Categorized maintenance plans into categories of safety, performance/integrity, accessibility, environmental, retrofit/adaption, and lifecycle/renewal.
- Estimated cost and spending projections for school facilities and maintenance to a total of \$6,352,324,952 over a 21-year period at the time of the report.

# School Facilities Assessment Key Findings

## Facility Condition Index (FCI)

One of the major goals of the FCA is to calculate each building's Facility Condition Index (FCI), which provides a theoretical objective indication of a building's overall condition. By definition, the FCI is defined as the ratio of the cost of current needs divided by current replacement value (CRV) of the facility. The chart below presents the industry standard ranges and cut-off points.

FCI Ranges and Descriptions	
0 – 5%	In new or well-maintained condition, with little or no visual evidence of wear or deficiencies.
5 – 10%	Subjected to wear but is still in a serviceable and functioning condition.
10 – 30%	Subjected to hard or long-term wear. Nearing the end of its useful or serviceable life.
30% and above	Has reached the end of its useful or serviceable life. Renewal is now necessary.

- FCI measurements compare the relative health of buildings, informing a prioritization schema.

# District Quality Standards

**16 V.S.A. § 165(g)**

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Rule Series 100

- Created to enable schools to achieve or exceed the education quality standards approved by the State Board of Education
- The standards highlight core elements of a quality education system including business operations, facilities management and safety, governance, and quality assurance.
- Goes into effect July 1, 2025

# School Construction Aid Taskforce

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Informed by the results and recommendations by the SFA, the Taskforce discussed:

- Programmatic and health and safety needs of school construction projects
- Funding options for a statewide school construction program
- Governance structure for oversight of a statewide school construction program
- Prioritization criteria and incentive plans
- State level response to the PCB contamination in school



# Taskforce Recommendations

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Taskforce made recommendations for the development of a new state program to assist LEAs with funding and planning for facilities upgrades. Their recommendations were focused on:

- Programmatic and Health and Safety Needs
- Funding/Financing Options
- Governance
- School PCB Program
- Prioritization Criteria

# Taskforce

## Recommendations Cont.

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The working group should:

- a) Build from the recommendations made in this report and any additional priorities identified by the Legislature;
- b) Review and make recommendations on existing statute and regulation that might be impacted by or better aligned to a future school construction aid program (e.g. Act 154);
- c) Identify areas where economizations or efficiencies might be gained (e.g. prequalifying consultants with experience in the planning, renovation and construction of schools or consideration of cost containment strategies like the use of building plan templates for new construction);
- d) Align with and result from the fiscal modeling produced by the Joint Fiscal Office.

# Act 149 of 2024

## The Working Group

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- "Study and create a recommended plan for a statewide school construction aid program, including recommendations on implementation."
- "The Working Group shall address the following topics, building from the recommendations contained in the report of the School Construction Aid Task Force..."

# Working Group shall address...

- Governance
- Prioritization criteria
- Eligibility criteria
- State base share
- Incentives
- Environmental performance
- Assurance and certification process
- Environmental hazards and contaminants
- Pre-program construction aid
- Current law
- Efficiencies; prequalification's, cost containments
- Fiscal models
- School construction planning guide
- Population considerations
- Grant opportunities
- Utilization of renewable energy

# Requirements and Deliverables

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- Final findings and recommendations shall be submitted to the General Assembly on or before December 15, 2024, in the form of proposed legislation.
- Cease to exist on December 31, 2024.