• **School environments** have an **effect on students ability to learn**. Quality buildings that are **thermally, acoustically, and visually comfortable** provide important benefits to students, educators, administrators, and the public.
School Building Authority

Rhode Island Department of Elementary and Secondary Education
  Ken Wagner, Ph.D. Commissioner
  Mary Ann Snider, Deputy Commissioner

Office of Statewide Efficiencies
  Cynthia Brown, SFO, Director of Statewide Efficiencies

School Building Authority at the Rhode Island Department of Education
  Joseph da Silva, Ph.D., AIA, School Construction Coordinator
  Manuel Cordero, AIA, LEED AP, Assistant School Construction Coordinator
  Mario Carreno, School Construction Finance Specialists
1960 - Housing Aid program established by statute and overseen by RI Department of Education.

2007 - The Board of Regents adopt **School Construction Regulations** (RIDE SCR 1.00) to ensure statewide uniformity in the quality of school building.

2011 – General Assembly places a moratorium on school construction.

2015 – Moratorium is lifted. School Building Authority Capital Fund provides alternative funding mechanism to Housing Aid.
### Necessity of School Construction

#### Necessity of School Construction Process

<table>
<thead>
<tr>
<th>LOCAL APPROVALS and SIGN OFFS</th>
<th>FUNDING OPTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Letter of Intent/Statement of Interest</strong> – <strong>Stage I</strong> — Signed by Superintendent, School Committee, and Municipal Representative (Mayor/City Council)</td>
<td><strong>SBA Capital Fund</strong> - Projects funded by School Building Authority Capital Fund receive progress payments during design and construction.</td>
</tr>
<tr>
<td><strong>Memorandum of Agreement</strong> – Signed by School Committee and Superintendent</td>
<td></td>
</tr>
<tr>
<td><strong>School Building Committee</strong> – Composed of City and School representatives</td>
<td></td>
</tr>
<tr>
<td><strong>Local Support</strong> – <strong>Stage II</strong> must include School Committee and City Council Approvals</td>
<td></td>
</tr>
</tbody>
</table>

#### Stage I
**Identify Need**

- **SBA Stage I Preliminary Approval** - Authorization to move forward with Stage II

#### Stage II
**Develop Solution**

- **State Agency Reviews** – DOA Planning; RIHPHC; Commission on Disabilities
- **SBA Stage II Preliminary Approval** – Considered by SBA Advisory Board

#### Council Approval

- **CESE Approval** – With recommendation from SBA Advisory Board, Commissioner makes recommendation to CESE

#### MOA

- **Design**
- **Construction**
- **Completion**

#### RIDE and State Approvals and Sign offs

- **Housing Aid Reimbursement** – Projects funded by bonds or local capital reserves receive State reimbursement upon project completion
Necessity of School Construction

- The School Building Authority has two distinct programs to assist LEAs as they fulfill their obligation to provide safe, healthy, and educationally appropriate school facilities for its students: **Fast Track Repair Program & Major Projects Program**
Prioritization of School Projects

Prioritization of school projects pursuant to statute and regulations will include:

• Facility Condition
• Educational Adequacy
• Energy Efficiency
• Capacity/Utilization
• Asset Protection Practices
Funding Overview

[Diagram of School Building Authority and related funding processes]
What is School Housing Aid?

- Housing Aid is a state funded program that reimburses districts for approved school construction projects once they have completed.
- Pursuant to RIGL, School Housing Aid is designed to:
  (1) Guarantee adequate school housing for all public school children in the state, and
  (2) Prevent the cost of school housing from interfering with the effective operation of the schools.
Approval = Board of Education approval, granting eligibility for reimbursement. Approval amount includes both state AND local costs. On average state pays 50% of approval @ $70M/YR.
• Since Fiscal Year 2016 the State Budget has allocated approximately $40M to the SBA Capital Fund, in addition to the $70M annually allocated for Housing Aid.

• Funding is held in a trust at the Rhode Island Health and Educational Building Corporation (RIHEBC)

• The SBA Capital Fund is used to provide progress payments for approved school repair projects.

• Every LEA was eligible to apply and projects are selected on a priority basis.

• The School Building Authority Capital Fund provides two funding mechanisms – a loan and a State share of project cost - both operating as progress funding.

• Reduces the interest burden on the State and our districts, and removes barriers to project completion and minimizes the administrative hurdles to executing urgent improvements.
In the past, applications have been scored to ensure that funding has the greatest impact on facility gaps in the State’s priority areas:

- Priorities (based on statute)
- Shovel Ready
- Project Design
- Local Capital Reserve
- Cost Reducing Measures
- Debt Reducing Initiatives
- Project Leveraging
- Housing Aid Share Ratio
- School Enrollment
The SBA at RIDE has observed limitations and identified the following opportunities to align funding with need, prioritize investments, and prudently allocate State and local funds.

- **Need vs Approvals:** Most years, and particularly during the moratorium, the approved values for LEA school construction approvals was far greater than the identified need.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Approved Immediate Health and Safety</th>
<th>Identified Need</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY12</td>
<td>$26,889,978</td>
<td>$182,785,474</td>
</tr>
<tr>
<td>FY13</td>
<td>$22,323,977</td>
<td>$272,954,272</td>
</tr>
<tr>
<td>FY14</td>
<td>$37,149,275</td>
<td>$108,300,000</td>
</tr>
<tr>
<td>FY15</td>
<td>$122,369,371</td>
<td>$357,700,000</td>
</tr>
<tr>
<td>Moratorium Total</td>
<td>$208,732,601</td>
<td>$921,739,746</td>
</tr>
<tr>
<td>Four Year Average</td>
<td>$52,183,150</td>
<td></td>
</tr>
</tbody>
</table>

- **Prioritization:** With the Jacobs’ assessment now available, the State has an opportunity to better direct funding to priority areas.
• **Maintenance and Operations:** Building systems, including mechanical and electrical technology, has become more complex. In order to achieve the full scale of efficiencies and savings from proposed building systems in school facilities, the State can develop institutional supports and professional development opportunities for district administrators charged with the maintenance and operation of facilities.

• **Project Management:** Many LEAs struggle with the management of large projects, which often cause delays and additional costs. Assistance with project management would help LEAs expedite projects, find time and cost efficiencies, and better ensure the adequate and efficient use of State funding.
Questions?

Rhode Island Department of Elementary and Secondary Education