**Summary of recommendations of the state** **Public School Building Construction and Reconstruction Advisory Committee**

On May 23, 2018, the state Public School Building Construction and Reconstruction Advisory Committee issued its long-awaited final report and recommendations. The committee established under Act 25 of 2016was created to review and recommend to the General Assembly changes to the PlanCon process. PSBA had a seat at the table and provided input in the creation of the report.

Highlights of the recommendations include:

**Administrative process:** The administrative process is reduced to four steps: 1) project justification; 2) construction documentation; 3) project bids; and 4) project completion. All documents and data collection would be submitted electronically via a web-based application system developed by the Pennsylvania Department of Education (PDE).

**High-performance building standards:** The process would recognize LEED and Green Globes as high-performance building standards and allow the secretary of education to recognize other high-performance building standards with the goal to meet or exceed LEED and Green Globes standards. The process provides a 10% incentive in the reimbursement formula for projects that use recognized high-performance building standards. Projects seeking the high-performance building standards reimbursement must provide a projected return on investment utilizing high performance standards versus code construction which must show a positive return on investment over the building’s lifetime.

**Maintenance, repairs and modernization projects:** A small project building maintenance and repair grant program would be created and funded from a 20% set-aside of the funds for the new building reimbursement program. Among the key points:

* Eligible projects include: Roof repairs and replacement; HVAC boilers and controls; plumbing systems; energy savings projects; health, safety and security upgrades; emergencies; and other approved projects.
* The per-project maximum award is $1 million with a 50% local match (no local match for emergencies). A funding rubric would be used to prioritize grant awards which shall consider school district wealth, prior receipt of grant awards, building condition and emergencies. Annual allocation of funds to a district cannot exceed twenty (20%) of annual set-aside funds
* A set-aside of 5% of monies appropriated for the new building reimbursement program would be created and dedicated to school safety projects.
* Guidelines would be developed for voluntary reporting of information by districts related to building safety, inventory and condition. Financial incentives would be given to districts that make reports on a decennial basis.
* The Department of Labor and Industry would be asked to clarify information and definitions regarding maintenance work to help school districts understand which projects are, and are not, subject to the state’s Prevailing Wage Act requirements.
* PDE would be required to create a uniform Facility Condition Assessment (FCA) for all school districts that includes a projection of costs to maintain and renovate the districts’ existing facilities. Each district’s completed FCA would be posted on PDE’s website.

**Reimbursement formula:** A new reimbursement formal would include the following factors:

* Per-pupil amount – the state median structural cost per full-time equivalent (FTE) defined in statute as 5-year average determined by PDE from past projects. The amount will be recalculated every five years.
* Adjustment factor – set by the General Assembly and the governor to determine the state share of the base per FTE amount.
* School building capacity – the lesser of enrollment or FTE per classroom using a new FTE room schedule to better reflect actual room type cost.
* Wealth factor – greater of Market Value Aid Ratio and a new aid ratio which uses factors contained in the Basic Education Funding formula.

**Payment:** The formula calculation would multiply the per-pupil amount by the adjustment factor by the building capacity by the wealth factor to determine the state share. The state share cannot exceed 65% of school building projects structural costs. The formula will be utilized to calculate a total state share owed on the project which will be divided into 20 equal payments made over 20 years.