



VIRGINIA BOARD OF EDUCATION

AGENDA ITEM

Agenda Item: X

Date: April 25, 2024

Title: First and Final Review of Recommended Grant Awards for School Project Applications Submitted to the School Construction Assistance Program for FY 2024

Presenter: Mr. Kent C. Dickey, Deputy Superintendent of Operations
Mr. Vijay Ramnarain, Director, Office of Support Services

Purpose of Presentation

Action required by state or federal law or regulation.

Executive Summary

The 2022 Special Session I General Assembly and Governor Youngkin created the School Construction Assistance Program, providing \$450 million in fiscal year 2023 state funds to support competitive grants for new school construction, additions, and major building renovations. The appropriation act required the Board of Education (“Board”) to develop [guidelines](#) for implementing the program in the 2022-2024 biennium, to include competitive scoring criteria indicating poor building conditions, commitment, and need. The Board’s guidelines were completed in January 2023, and include 11 scoring criteria and associated point values as shown in Attachment 1. The Board, at its May 11, 2023, meeting, awarded \$365,344,910 in grant funding to qualifying school projects, leaving \$84,655,090 in grant funding available for award through a second-round competitive application process in fiscal year 2024. Information on the fiscal year 2024 application process was communicated to school divisions in [#2023-13 Virginia Education Update 28 September 2023](#).

The Virginia Department of Education (“VDOE”) conducted an open application process from September 28 through November 28 for school divisions to apply for grants from the School Construction Assistance Program, with 88 grant applications submitted from 43 school divisions. Following the close of the open application period, VDOE staff reviewed the submitted grant applications and scored all applications against the 11 competitive criteria in the guidelines.

After the submitted grant applications are reviewed and scored against the criteria in the guidelines, the VDOE recommends funding awards to the Board. The Board is required by the appropriation act to approve the grant awards to school divisions.

This item requests the Board to approve the recommended grant awards for school projects which meet the 65-point, minimum qualifying score on the competitive criteria and that can be supported with available funding. These projects, their criteria point total, and their recommended grant award are shown in Attachment 2. The recommended grant awards total \$84,655,090 for 20 approved school projects in 18 school divisions. These awards would use the amount remaining from the original \$450 million appropriation for the program.

At the Work Session on April 24, 2024, the Board expressed its interest to approve the grant awards according [to Option 3](#). Attachment 2 has been subsequently updated to reflect this interest.

This item aligns with Board of Education Goals Priority 1: Provide high-quality, effective learning environments for all students.

Action Requested

Final review: Action requested at this meeting.

Superintendent’s Recommendation

The Superintendent of Public Instruction recommends that the Board of Education waive First Review and approve the recommended grant awards for the school projects as shown in Attachment 2.

Rationale for Action

VDOE staff have reviewed, verified, and scored the criteria data in all submitted grant applications against the competitive scoring criteria, and the rank-ordered scoring totals by school project shown in Attachment 2 are considered final on which to base the grant awards.

Previous Review or Action

No previous review or action.

Background Information and Statutory Authority

The School Construction Assistance Program was created at the 2022 Special Session I of the General Assembly in the 2022 Appropriation Act ("Chapter 2"). Item 137, Paragraph C.43 of Chapter 2 provided fiscal year 2023 appropriations for the program of \$400 million from the

general fund and \$50 million from the Literary Fund to be transferred to the School Construction Fund for the Board of Education to award grants on a competitive basis to local school boards that demonstrate poor building conditions, commitment, and need for such school boards to fund the construction, expansion, or modernization of public school buildings. Unobligated funds from fiscal year 2023 were reappropriated in fiscal year 2024 for the second-round application process.

Under the Board's program guidelines, public school construction, additions, or major renovation projects meeting the following three criteria qualify to be submitted to the VDOE for funding: (i) those projects that are either in the local planning phase or already planned as documented in a currently-approved local Capital Improvement Plan (CIP); (ii) those projects that lack sufficient funding or financing to cover the full cost projected for the project; and (iii) those projects for which construction has not yet started. The Board's guidelines also allow school divisions to submit applications for grant funding for school projects where construction began on or after July 1, 2022.

The Board was required to set a minimum qualifying score for a school project to qualify for a grant award based on the scoring criteria it established, which the Board set in its guidelines at 65 points on a 100-point scale. Under the appropriation act and the Board's program guidelines, grants for awarded public school projects are based on 10, 20, or 30 percent of approved project costs (project costs not to exceed \$100,000,000 for purpose of grant funding), with the percentage determined by the school division's local composite index and the fiscal stress category for the locality that contains the school division (as designated by the Virginia Commission on Local Government). If qualifying grant award requests exceed the amount of funds available, grants are awarded based on ranked-ordered project scores followed by the division Composite Index in the event of tied scores.

The Board of Education directed that the 11 approved competitive application criteria and 65-point minimum qualifying score remain the same for the second application round. School projects that were awarded grant funding in the first round were not eligible to receive another grant in the second round.

Stakeholder Engagement

School divisions were notified of the second-round grant application process via the weekly newsletter to school divisions. VDOE staff provided on-going technical assistance to school divisions on procedural requirements for the online application process to request grant funding.

Implementation and Communication

Contingent on the Board's approval of the recommended grant awards shown in Attachment 2, the VDOE will provide written notification to school divisions awarded grants under the program, at which time the grant funds will be available to pay qualifying project costs for awarded projects. The VDOE will disperse grant funds quarterly to school divisions for qualifying project costs already incurred or due and payable. Divisions will be required to submit documentation on qualifying project costs through an online application prior to the VDOE disbursing grant funds to them.

Impact on Fiscal and Human Resources

Funds for this program have been placed in a non-reverting, non-general fund account as intended by the General Assembly to allow grants to be awarded during the 2022-2024 biennium to qualifying school projects and then expended until depleted on qualifying project costs. The VDOE can absorb the administrative workload for this program with existing staff.