



## SCHOOL BUILDING AUTHORITY FY17 SBA Capital Fund Application Update

The School Building Authority Capital Fund (SBA Capital Fund) is a funding mechanism created in the FY16 State Budget that is designed to provide upfront funding for projects. By doing so, Governor Raimondo and the General Assembly sought to expedite high priority projects while reducing the burden of financing costs from State and municipal budgets.

The FY17 State Budget allocated \$80M in School Construction Aid, of which \$70.9M is for housing aid and \$9.1M for School Building Authority Capital Fund projects. **The objective of FY 2017 School Building Authority Capital Fund is to address high priority projects in communities with limited financial capabilities.** The scoring rubric was designed to award incremental points based on documented level of urgency, number of students impacted, and community wealth as described below.

### Application Changes Overview

- **Application Thresholds**

LEAs seeking SBA Capital Fund support must meet four minimum prerequisites to apply. The LEA must:

- 1) have an active Necessity of School Construction **approval**;
- 2) have submitted an **asset protection plan**;
- 3) have a revolving **Capital Reserve Fund**; and
- 4) commit to completing projects by **December 31, 2017**.

- **Prioritization and Level of Urgency**

The application has several mechanisms to identify and prioritize projects by awarding points based on urgency.

- Signed certification from an architect or professional engineer that identifies a high priority health and safety issue is awarded **10 points**.
- Documentation from an Authorities Having Jurisdiction (AHJ) that cites a school for a building, health, or fire code violation is awarded **10 points**.
- LEA Project Prioritization, in which LEAs are asked to rank their own projects by level of urgency. This is a new metric that awards points based on the LEA's perceived needs, with the top five projects eligible to receive **10, 7, 5, 3 and 1 points** respectively.
- Level of urgency is determined by the deadline that the AHJ has given for the work to be completed, as substantiated by citations and/or variances is awarded up to **25 points**.

Together these categories have been assigned a total of **55 possible points** – compared to 30 in the FY16 application.

- **Housing Aid Share Ratio**

In order to give preference to less affluent communities with less financing capabilities, the scoring rubric assigns **30 points** – increased from 20 points in the FY16 application – to this category. The LEAs FY17 housing aid share ratio is used to calculate the score.

- **Student Impact**

Similar to the FY16 application, the prioritization seeks to maximize the number of students impacted by assigning **15 points** to school enrollment. This year building utilization (enrollment divided by capacity) is being used to align with the SBA statute that asks the SBA and the SBA Advisory Board to encourage the optimization of school building utilization.