Healthy School Facility Fund Administrative Procedures Guide

Interagency Commission on School Construction

Healthy School Facility Fund APG

Record of Changes

Date	Version	Description	IAC Approval Date
5/23/2019	1.0	Initial Publication	06/13/2019

Table of Contents

1 Glossary

Definition of terms and acronyms used in this document:

Acronym or Term	Definition
DGS	Maryland Department of General Services
EPA	United States Environmental Protection Agency
HB	House Bill
HSFF or Fund	Healthy School Facility Fund
IAC	Interagency Commission on School Construction
Immediate Environmental Risk	An environmental condition that has the potential to cause serious physical hardship or illness to occupants in a building
LEA	Local Education Authority
MDE	Maryland Department of the Environment
MDH	Maryland Department of Health
MOSH	Maryland Occupational Safety and Health
MSDE	Maryland State Department of Education
SB	Senate Bill

2 Purpose

The purpose of the Healthy School Facility Fund is to provide grants to public primary and secondary schools for capital projects that will improve the health of school facilities. This includes projects that will improve the conditions related to air conditioning, heating, indoor air quality, mold remediation, temperature regulation, plumbing including the presence of lead in drinking water outlets in school buildings, and windows. Grants will be prioritized to projects that correct issues posing an immediate life, safety, or health threat to occupants of a facility.

3 Background

Established as a new program by legislation in calendar year 2018 through the enactment of SB 611, the HSFF provides grants to LEAs to fund projects that will improve environmental health in school facilities. Education Article §5-322, Annotated Code of Maryland, requires the IAC to administer the HSFF, approve expenditures, and develop administrative procedures for the grant program, and requires the Governor to provide in his budget an annual allocation of $30 million for the program in FY 2020 and FY 2021. Legislation in 2019, HB 1253, modified the program to add remediation of lead in drinking water outlets in school buildings to the list of priority grant projects identified in SB 611. Legislation passed in 2017, HB 270, requires the MDE in consultation with MSDE, DGS, and MOSH to adopt regulations requiring testing for lead in drinking water in schools, to be reported to MDE, MSDE, MDH, and the local health department.

4 Allocations - General

A. General

1. For each fiscal year that funds are available, the IAC will distribute allocations based on a competitive application process.

2. Only eligible project requests submitted in accordance with this Administrative Procedures Guide will be considered for funding.

3. No LEA will receive more than a total of $15 million in funds in a single fiscal year.

4. All approved projects will have a local match requirement, based on the State-local cost share percentage applicable to projects approved in the FY 2020 Capital Improvement Program. See Attachment I, State-Local Cost Share Percentages.

    a. The LEA is required to have local funds available for the payment of cost in excess of the State allocation and ineligible project cost.

    b. State participation will be based on the total estimated cost of the project, less ineligible items.

5. A project allocation remaining after final reimbursement of an approved project will revert to the Fund for re-distribution to other eligible statewide projects.

B. Approval Basis

1. Funding priority will be based first on the severity of an immediate life, safety, or health environmental risk, and secondly on the following defined Categories of work in the order they are listed:

    a. Lead in water, prioritized first to projects related to elementary school age children and secondly, to highest levels of lead. The following help define the projects that will be considered:

        i. A level of lead at sources where water is normally ingested exceeding 5 parts per billion. Levels must be documented through a process administered by MDE.
        Examples:
        i.i. Water Fountains or Bubblers; followed by
        i.ii. Faucets or taps that are used or potentially used for drinking or food preparation;
        i.iii. Ice Makers; or
        i.iv. Hot Drink Machines;

    b. Lack of, unreliable, or insufficient air-conditioning, with priority given to schools that do not have any air conditioning;

    c. Unreliable or insufficient heating;

  d. Temperature regulation;

  e. Indoor air quality

    i. Mold remediation
    ii. Remediation of other indoor pollutants affecting air quality

  f. Windows

2. Additional consideration will be given to projects in elementary schools and special needs schools, followed by middle and high schools.

5   Application and Approval Procedures

A.   General Requirements

1. Projects must be received by the application deadline. Applications may be received within the 30 days preceding the deadline but they will not be reviewed for approval until the date shown in the Attachment II Schedule.

2. Projects will be reviewed, prioritized, and approved by the IAC within 45 days of the submission due date as shown in the Attachment II Schedule.

3. All project requests must be accompanied by supporting documentation, such as the results of lead testing as conducted per the requirements of State and federal regulations, mold testing by licensed industrial hygienists, elevated moisture content testing, Indoor Air Quality Assessments, and work order history.

4. Project requests should identify the following in the description:

  a. All work proposed;

  b. The origin, or source of the issue and the cause;

  c. How the cause will be corrected;

  d. Description of attempts previously made to correct the deficiency; and

  e. Plan for how the issue will be prevented from reoccurring.

  For example, a roof replacement project to address moisture infiltration, caused by system failure due to age, and remediation of the resulting active mold in ceilings as identified through testing, by replacement and cleaning. The roof received routine, proactive and reactive maintenance as best as possible as documented by attached inspection forms and work orders.

B. Eligible Projects/Expenditures

1. Eligible project expenditures within the HSFF are for improvements to public school buildings used for education.

2. Each project's cost is to be not less than $3,000, unless otherwise approved by the Executive Director of the IAC.

3. A single "project" is defined as:

   a. A single improvement at an individual school that costs at least $3,000, unless otherwise approved by the Executive Director of the IAC.

   b. Multiple improvements at the same school that collectively cost at least $3,000, unless otherwise approved by the Executive Director of the IAC:
      i. Individual components within a project may be less than $3,000 in value, but the total cost of a project (including related components) must be at least $3,000 in value, unless otherwise approved by the Executive Director of the IAC.
      ii. Components must be identified separately in the application, with the estimated construction value shown.

   c. Multiple improvements of the same kind at different schools, such as remediation of lead at drinking fountains
      i. The cumulative cost of the improvements across multiple schools that collectively cost at least $3,000, unless otherwise approved by the executive director.
      ii. Each school must be requested separately and the amount of the requests should be based on specific estimates for each school with number of requested units, square footage, or some other method.

4. Certain related components or systems that are logically related to the scope of work may be included in the scope, but the majority of the proposed work must be for environmental improvements.

5. Unlike typical CIP projects, requests may be submitted for projects:

   a. In schools that have been built or fully renovated within the last 15 years;

   b. In which the anticipated life of the system or components is less than 15 years due to anticipated changes in technology; or

   c. In locally owned and State-owned relocatable classrooms.

   d. That were encumbered by a board of education after May 1, 2019 and prior to the effective date of this Administrative Procedure.

C. Ineligible Projects/Expenditures

1. To replace the local share of a project or to supplement an approved State Capital Improvement Program (CIP) allocation;

2. For improvements to property owned by a board of education that is not used by public school students, e.g. garages, central office facilities, staff training quarters, etc., unless approved by the Executive Director;

3. For the movement of relocatable classroom buildings, unless it can be shown that the location of the relocatable classrooms impedes correcting the health of the facility;

4. For ancillary services, e.g. post-completion monitoring;

5. For staff training, post-completion; or

6. For salaries of local employees.

6 Project Approval Process

To be eligible for approval, a requested project must meet all of the following requirements:

1. The project must meet the submittal requirements of this Administrative Procedures;

2. The project schedule should indicate that:

    a. The project funds will be encumbered on or before the date shown in Attachment II Schedule;

    b. All work on the project will be substantially completed and a majority of the project funds will be expended by the date shown in the Attachment II Schedule.

7 Design Review

1. A level of review required will be assigned during the submission approval process. Projects approved in the HSFF are generally subject to design development and/or construction document review as required for similar projects in the CIP.

2. IAC will consult with MDE and projects that abate lead may be reviewed by MDE.

8 Procurement

1. Procurements shall be in compliance with COMAR 23.03.03 *Construction Procurement Methods*, as well as with State public school procurement law §5-112 of the Education Article, *"Bids."* The following will apply to HSFF projects, including:

    a. Projects which cost less than $50,000 do not require IAC approval of the procurement, and, generally, sealed bids are not required unless local board of education policy or procedures specify a minimum dollar value that requires sealed bids.

    b. Projects that cost at least $50,000 but less than $100,000 are required to be competitively procured, consistent with Section §5-112 Bids of the Education Article. For projects with a total cost of less than $100,000, IAC approval of contracts is not required prior to entering into the contract but the award is subject to State review at the time reimbursement is requested. A copy of the bid tabulation must be submitted with IAC/PSCP Form IAC/PSCP Form 306.2, Request for Reimbursement to LEA for the HSFF project.

    c. Projects that cost $100,000 or more are required to be competitively procured, consistent with Section §5-112 Bids of the Education Article. IAC approval of the contract award is required prior to the board of education entering into the contract. A copy of the bid tabulation with a copy of the low bidder's proposal must be submitted for State review and approval of the contract award.

    d. Competitive procurement requirements;

    e. Minority Business Enterprise requirements;

    f. Prevailing wage rates as applicable;

    g. Maryland Historical Trust (MHT) consultation on applicable projects;

2. If multiple projects are procured under a single contract award where the total contract cost exceeds $100,000, each project will require a submission of IAC/PSCP form 303.3 Approval of Construction Contract Award for review and approval by the IAC.

3. Due to the nature of HSFF projects, a construction sign is not required on site while the work is being performed.

9 Contract Award

1. At the time of contract award, the LEA may request the IAC to approve realignment of the HSFF funds among their approved projects.

10 Processing for Payment/Financial Reporting

1. Payment will be made through reimbursement to the school system, at time of 100% project completion, using IAC/PSCP Form 306.2, Request for Reimbursement to LEA.

2. Recognizing that reimbursement only at the time of project completion may create cash flow difficulties for some jurisdictions with larger projects, the IAC, upon request, will process progress payments on projects of $100,000 or more that received IAC Approval of Contract Award. If the IAC makes progress payments directly to a contractor for a jurisdiction for a specific project, then IAC/PSCP Form 306.1 Request for Payment to Contractor should be utilized.

3. IAC/PSCP Form 306.6 Close-Out Cost Summary package submission will only be required at time of project completion for projects that exceeded $100,000 and utilize the direct payment to contractor option. All projects that were reimbursed at time of project completion do not require submission of the Close-Out Summary package.

11 Step by Step Instructions for Submitting Applications

A. Application Access

1. Contact IAC Staff at iac.msde@maryland.gov or (410) 767-0617 to obtain a username and password for the SharePoint site; (if you do not already have one).

2. When using SharePoint, **You must use Internet Explorer****

3. Open Internet Explorer, and navigate to the IAC SharePoint website :
   IAC SharePoint p1.pscp.state.md

4. Enter the username and password provided by IAC Staff.
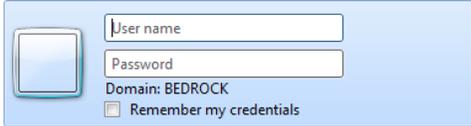
5. Click on the "Programs" tab.
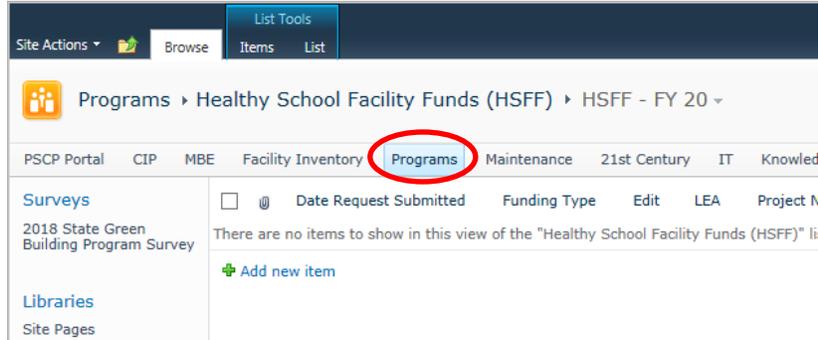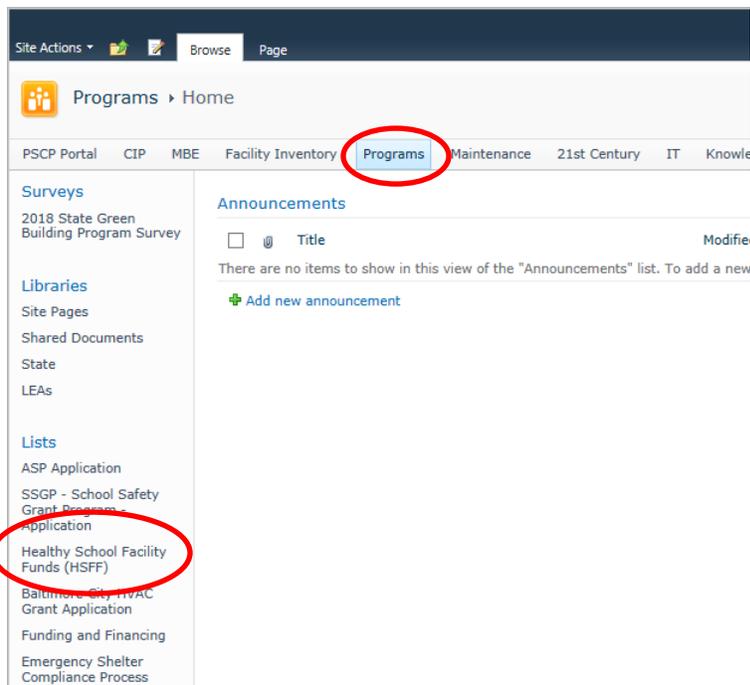

6. Under the Lists sidebar on the left, click Healthy School Facility Fund (HSFF).

7. Click ✚ Add new item

B. Complete Application

1. In the Healthy School Facility Fund (HSFF) – New Item form, complete each field (see Table 1). Complete a new application for **each** project request.

**The LEA is to complete all required fields.**

- Identify project priority order for each project requested.

- LEA completes all fields on LEA application tab for each project request.

- Attach any additional back-up documentation to support request.

LEA Application	IAC/Designees

Funding Type *	Select ∨
Priority	
Funding Year *	Select ∨
LEA *	Select ∨
Project Name	
Description/Justification	
Age (Building Component)	
Anticipated Date Work Begins	
Anticipated Date Work Completed	
Method of Accomplishing Design Services	
Method of Accomplishing Work	
LEA Total Cost Estimate	
LEA HSFF $ Requested	
Local HSFF $ Approved	
State HSFF Dollars Approved	

LEA Notes

Questions to the LEA Requiring a Response	
LEA Response to Designees Questions	

Save	Cancel

Table 1 - LEA APPLICATION TAB

Field Name	Description/Content
1. Funding Type	Select HSFF from the drop-down list.
2. Date Request Submitted	Enter the date of application submission.
3. Priority	Enter project priority order.
4. Funding Year	Enter the HSFF funding year.
5. LEA	Choose from drop-down list.
6. Project Name	Enter the name of the school and indicate Elementary, Middle, High, or other as appropriate. Example: North County High **(Do not use acronyms or abbreviations)**
7. Description/Justification	Enter the type of project (i.e., Water Fountain Replacement, Air Conditioning, Window Replacement, etc.), health issue project will correct, description, and justification
8. Age (Building component)	Enter the date of construction or latest renovation of the building, system, or component.
9. Anticipated Date Work Begins	Enter the anticipated date that the work would begin.
10. Anticipated Date Work Completed	Enter the anticipated date for the completion of the work.
11. Method of Accomplishing Design Services	Enter the method that will be used to accomplish design services (i.e., architect, engineer, in-house staff, architect/engineer, consultants, or describe other method).
12. Method of Accomplishing Work	Enter the procurement method that will be used to accomplish the work (i.e., purchase order, competitive sealed bids, utilize existing time/material contract, utilize existing State/local contract, or other procurement method, per COMAR 23.03.02.03).
13. LEA Total Cost Estimate	Enter total estimated eligible cost for the project
14. LEA HSFF $ Requested	Enter total estimated eligible cost for the project (exclude all ineligible costs including A/E fees) and the HSFF funds proposed to be allocated for this project.
15. Local HSFF $ Approved	Enter total estimated amount of Local funds required for the project and approved by local government.
16. State HSFF Dollars Approval	To be completed by IAC Staff.
17. Questions to the LEA Requiring a Response	This field is used to communicate Designees' questions to the LEA. An answer is required prior to approval.
18. LEA Response to Designees Questions	This field is used to communicate LEA responses to Designees' Questions. An answer is required prior to approval.

2. To add attachments, click the "Attach File" button at the top of the *Healthy School Facility Fund (HSFF) - New Item*" form.
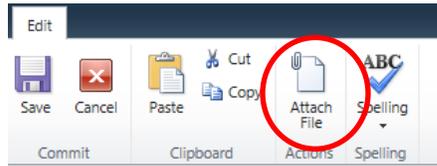

3. Click "Save" to submit your *HSFF* project request to the IAC Staff for IAC Designee review and approval.

A new item will now be visible in the Application List with a Request Status of Pending.

4. IAC Staff receives an alert indicating a request has been submitted and begins the review for eligibility process for the IAC Designee approval within two days of application submission.

5. After IAC Staff initial review for eligibility is complete, the IAC Staff enters the "Date Ready for Designees Review" on the *IAC/Designees* tab.
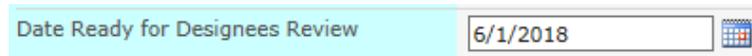
6. IAC Designees will review the request and any questions are entered into SharePoint. A notification email is sent to the LEA indicating that there have been changes made to the application that need attention and and/or response. The LEA enters their response in the *LEA Response to Designees Questions* field.

7. Once Designees review and decisions are complete, the "Request Status" field is changed from "Pending" to "Approved" or "Denied".

8. The LEA is sent an email approval notification including an Approved HSFF Projects report. Each project application will be maintained in SharePoint.

9. Revisions will be made by the LEA/IAC Staff to the application in SharePoint. Remarks can be added to the *LEA Response to Designees* field to explain the reason for the revision.

10. If an application has been submitted in error, please notify the IAC via email at iac.msde@maryland.gov and the request will be deleted; "Cancelled" status indicates the project was previously "Approved" then later "Cancelled".

END Step by Step Instructions for Submitting Applications

END OF DOCUMENT

Procedures prepared by:

Interagency Commission on School Construction

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Attachment I

FY 2020 State Cost Share Percentages[1]

County

Allegany	85%
Anne Arundel	50%
Baltimore City	91%
Baltimore County	56%
Calvert	53%
Caroline	81%
Carroll	55%
Cecil	66%
Charles	61%
Dorchester	75%
Frederick	60%
Garrett	50%
Harford	60%
Howard	54%
Kent	50%
Montgomery	50%
Prince George's	70%
Queen Anne's	51%
St. Mary's	57%
Somerset	96%
Talbot	50%
Washington	71%
Wicomico	95%
Worcester	50%
Maryland School for the Blind	93%

[1] The FY 2020 State Cost Share Percentages were approved by the IAC on January 10, 2019. Additional information can be accessed at: www.pscp.state.md.us/Minutes/2019

Attachment II
Schedule for Application and Approval of Project Funding

FY 2020 Healthy School Facility Fund (FY20-HSFF)

06/13/2019	IAC Approval of the *Healthy School Facility Fund(HSFF) Administrative Procedures Guide*
06/17/2019	Application and Administrative Procedures posted at iac.maryland.gov/programs/HSFF
8/1/2019	Application Submissions Due
8/1/2019 – 08/29/2020	IAC Staff Review Period
9/12/2019	IAC Approval of Projects and Allocations
6/01/2020	All project funds to be encumbered
10/01/2021	Deadline for Funds to be substantially expended
05/01/2022	Last day to submit requests for reimbursement