



COMMONWEALTH of VIRGINIA

DEPARTMENT OF EDUCATION

DATE: February 24, 2023

TO: Division Superintendents

FROM: Jillian Balow, Superintendent of Public Instruction

SUBJECT: *Guidelines for Implementing the School Construction Assistance Program in the 2022-2024 Biennium and Process to Submit Competitive Grant Applications by the March 31, 2023 Deadline*

This memorandum communicates new Board of Education (“Board”) [Guidelines for Implementing the School Construction Assistance Program in the 2022-2024 Biennium](#) and the process for applying for competitive grants from the School Construction Assistance Program in fiscal year 2023.

The School Construction Assistance Program was created at the 2022 Special Session I of the General Assembly in the 2022 Appropriation Act (i.e., Chapter 2, Item 137, Paragraph C.43). Item 137, Paragraph C.43. provides appropriations for the program in fiscal year 2023 of \$400,000,000 from the general fund and \$50,000,000 from the Literary Fund to be transferred into 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 local school boards to fund the construction, expansion, or modernization of public school buildings. Any unobligated appropriation balance for this program on June 30, 2023, must be reappropriated for expenditure in fiscal year 2024 for the same purpose.

The Board’s guidelines facilitate implementation of the 2022 Appropriation Act language for the School Construction Assistance Program during the 2022-2024 biennium, which ends June 30, 2024. If subsequent legislative action on the state budget during the 2022-2024 biennium results in substantive revisions to the School Construction Assistance Program, the guidelines will be updated accordingly and presented to the Board for review and approval. These guidelines will remain in effect initially for the 2022-2024 biennium, and then for future biennium if the program is continued and funded in future biennial appropriation acts.

Application Requirements and Criteria

Under this program, public school construction, additions, or major modernization/renovation projects meeting the following three criteria qualify to be submitted for funding through an online application: (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.

School divisions may also submit applications for grant funding for public school construction, additions, or major modernization/renovation projects in which construction began on or after July 1, 2022; such project applications are subject to all other competitive criteria, conditions, and requirements contained in the guidelines.

Grants for awarded public school projects will be 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 as designated by the Virginia Commission on Local Government in its most recent "Report on Comparative Revenue Capacity, Revenue Effort, and Fiscal Stress of Virginia's Counties and Cities" for the locality that contains the school division.

For the purpose of this program, "project costs" include reasonable and allowable project construction costs, including planning, design (architectural and engineering), site acquisition, construction phase costs involving the core building structure and related site work, but do not include most financing costs (such as closing costs, legal counsel and financial advisor costs, and annual debt service for principal and interest payments that has already begun to be paid), outdoor facilities predominantly used for extracurricular athletic activities, loose equipment, and furniture. However, the principal-only portion of future debt service payments not yet begun on school projects where construction is pending or just begun is an allowable project cost with grant funding when the school division can document that other allowable project costs were incurred during the construction phase in an amount at least equal to the amount of grant funds that would be applied towards future principal-only payments for the project.

Application Process and Deadline

To apply for these competitive grant funds, grant applications must be submitted online to VDOE **no later than March 31, 2023**. The online grant application and instructions can be accessed through VDOE's Single Sign-On Web Systems (SSWS) portal using the School Construction Assistance Program ("SCAP") application. School division staff who will submit the online application should work with their local SSWS administrator to gain access to the SCAP application in SSWS.

All responses submitted by school divisions in the online application are subject to further verification and approval by VDOE. Applications not submitted by the **March 31** deadline may be disqualified from funding consideration. The information submitted by school divisions in the SCAP application is only for those criteria for which VDOE does not already have information available. In responding to Criterion 1 regarding “project type” and Criteria 3 and 10 regarding “school building condition” in the online application, school divisions should refer to the “Project Type Definitions” and “School Building Condition Definitions” guides. These documents are located on the instruction page of the SCAP application in SSWS.

School divisions applying for funding for a new school in the planning phase, or a new school project in the document preparation phase that have not yet obtained a school number from VDOE, must complete a [Planned School Form](#) so that the project can be identified as an eligible school project in SSWS and be scored using the competitive grant criteria listed in the Board's guidelines.

Please note that all applicable statutory and regulatory requirements for school construction projects must be met for an application to be considered for grant funding. After the submitted applications are reviewed and scored against the criteria in the guidelines, recommendations for funding awards will be made to the Board in an action item presented at a monthly business meeting of the Board. All funding awards are subject to availability of funding.

For more information

If you have questions, please contact Kent Dickey at Kent.Dickey@doe.virginia.gov, Vijay Ramnarain at Vijay.Ramnarain@doe.virginia.gov, or Nancy Hartigan at Nancy.Hartigan@doe.virginia.gov. You may also contact the Office of Support Services at (804) 225-2037.

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