

QUALITY SCHOOLS GRANT PROGRAM

Project Grant Application Workshop



MONTANA
DEPARTMENT OF COMMERCE

COMMUNITY DEVELOPMENT DIVISION

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commerce.mt.gov/qualityschools

The Quality Schools Grant Program application, Application Guidelines and Administration Manual, and other relevant information and resources are available on the Department of Commerce website shown here.

AGENDA

1. Program Overview
2. Application Discussion
 - Statutory Priorities
 - Statutory Attributes
 - Supplemental Documents
3. Question/Answer Session

Project Grant Application Workshop

- Established by the 61st Legislature in 2009
- Section 90-6-801, Montana Code Annotated (MCA)
- Housed in the Montana Department of Commerce, Community Development Division

Quality Schools Grant Program

•Eligible Applicants:

- K-12 Districts
- Elementary Districts
- High School Districts

•Not Eligible:

- Private Schools
- Public Schools Outside Montana

Quality Schools Grant Program

Quality Schools Grants are available for any public school district located in the State of Montana which serves Montana K-12 students, including elementary school districts, high school districts, and K-12 school districts, as those entities are defined in Title 20, Chapter 6, MCA.

Offers Competitive Grants for:

- Planning
- Emergency
- Facility & Technology Projects

Quality Schools Grant Program

Offers Competitive Grants for:

- Planning
- Emergency
- Facility & Technology Projects

Planning grants: \$900,000 total available for the 2015 biennium. Up to \$25,000 available for each eligible applicant. District must provide match on a 1:4 basis. Planning grants may pay for Preliminary Architectural Reports, Energy Audits, Facility Plans, and the like, as well as the costs for developing a Project Grant Application.

Emergency funds: \$100,000 for the 2015 biennium. Emergency defined as imminent threat or actual occurrence of an event causing immediate peril to life, property or the environment that can be averted. Grants awarded directly through the Department

1. Major repairs & improvements to existing schools
2. Deferred maintenance
3. Construction of a new facility
4. Information Technology infrastructure

Facility & Technology Project Grants

Quality Schools grants are available on a competitive basis for a project that involves construction of a new school facility; major repairs or deferred maintenance to an existing school; major improvements or enhancements to an existing school; or information technology infrastructure, including installations, upgrades, or improvements, to an existing school. (§ 90-6-803(7), MCA.)

The 2013 legislature modified the Quality Schools statute, giving preference to projects involving repairs to existing facilities over projects involving new construction.

- One Grant per Biennium per District
- No Maximum or Minimum
- No Match Requirement
- Project must meet one of Six Statutory Priorities

Facility & Technology Project Grants

**Applying for a Quality
Schools Facility &
Technology Project Grant**

- Deadline: **June 26, 2014**
- Must be postmarked on or before **June 26**
- Applications hand-delivered must be received by 5:00 p.m. that day
- One hardcopy and one electronic copy (email, CD, flash drive, or FTP)

Application Submission

1. Completed Application Form
2. Board Authorization to submit Application
3. Signature by Authorized Official
4. Completed Environmental Review
5. Preliminary Budget
6. Preliminary Implementation Schedule

Applications lacking any one of these items will not be considered

Required Documents

Required Documents

1. Completed Application Form
2. Board Authorization to submit Application:
 - The trustees of an applicant school district must approve the submission of a Quality Schools grant application, either through formal resolution of approval or through delegation of authority to submit the application to an authorized officer or employee of the district.
3. Signature by Authorized Official
4. Completed Environmental Review
5. Preliminary Budget
6. Preliminary Implementation Schedule

Applications lacking any one of these items will not be considered

**APPLICATION FOR
QUALITY SCHOOLS PROJECT GRANTS**

SECTION A – PROJECT INFORMATION
Please review the Instructions and the Application Guidelines and Administration Manual for Quality Schools Project Grants for assistance in completing this application form.

1. **NAME OF SCHOOL DISTRICT:** _____ **LE #:** _____

2. **COUNTY:** _____

3. **STATUTORY PRIORITY (circle all that apply):** #1 #2 #3 #4 #5 #6

4. **TYPE OF PROJECT:** _____

5. **TOTAL PROJECT COST:** _____

6. **QUALITY SCHOOLS GRANT FUNDS REQUESTED:** _____

The Application Form

The Application is available online. It includes instructions. It is available in Word document. Type directly into the document. May be provided in other formats or earlier version of Word upon request.

Remainder of this presentation will cover the major sections of the application itself, beginning with...

Summary

- What is your project?
- What components does it involve?
- What part of the building does it serve?
- Are there other parts of the project that will be financed with other funding sources?

Problem Definition

Background

- When was your facility built? Have there been any additions or renovations?
- How old are the facility components involved in the project?

Statement of Need

- Discuss the nature of the problem and its effects on the district. Include documentation, if needed.

Problem Definition, continued

Problem Definition, continued

Do

Clearly describe the problem you propose to solve

Describe why it is a problem.

Provide documentation to support your statements

Don't

Describe your lack of money, since everyone understands you're asking for money in the proposal

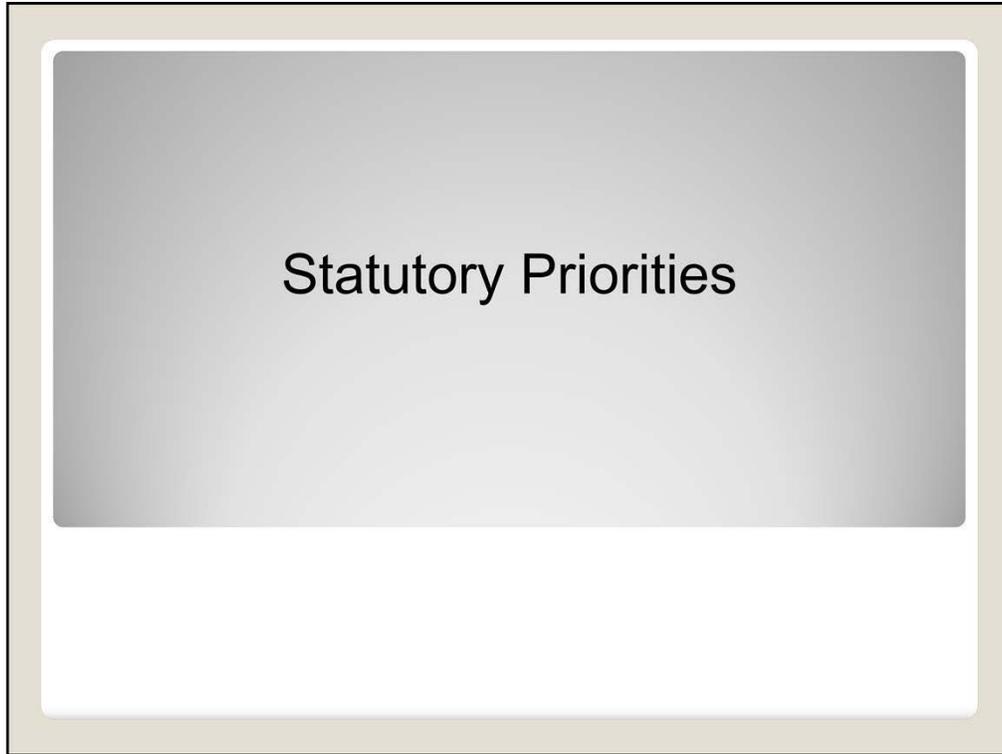
Assume everyone knows your problem is valid

Be unrealistic about your application or the scope of the project

1. All building components must meet the selected Statutory Priority.
2. Components must also;
 - Be functionally related;
 - Be integral to each other such that one can't be addressed without disturbing or requiring substantial work on others, or
 - Involve significant cost efficiencies when addressed together.

EXCEPTION: Energy Efficiency projects, where the function of the proposed work (reduce energy usage) rather than the function of the building components themselves, may define their relationship.

Problem Definition – What is your Project?



Statutory Priorities

Quality Schools grant applications are evaluated first based upon the extent to which the proposed project relates to each of six statutory priorities These are specified in § 90-6-811(1), MCA. and we will discuss each in turn.

Section 90-6-811(1), MCA:

- Six Statutory Priorities
- Project must meet at least one Priority. If more than one fits, respond to each.
- Ranked using the Statutory Priority that provides the highest score.
- All documents cited or used to validate applicability of a Priority must be included with the application.

Statutory Priorities

Quality Schools grant applications are evaluated first based upon the extent to which the proposed project relates to each of six statutory priorities These are specified in § 90-6-811(1), MCA. and we will discuss each in turn.

Projects that solve urgent & serious public health or safety problems, or that enable public school district to meet state or federal health or safety standards.

- Emergency Generator Replacement
- Drinking Water Contamination
- Failing Sewer System
- Failing Roof
- Fire Alarm Systems
- Asbestos Contamination

Statutory Priority 1

Projects that address deferred maintenance by repairing or replacing existing building components that are inoperable or difficult to service or lack minimum integrity.

- Infrastructure repairs or updates such as boiler replacement or roof repairs.

Statutory Priority 2

Projects that enhance a public school district's ability to offer specific services related to the requirements of the accreditation standards provided for in Section 20-7-111, MCA.

- Academic requirements
- Area standards for: communication, arts, health, mathematics, science, social studies, vocational arts, libraries, counseling & world languages.

Statutory Priority 3

Projects that provide long-term, cost effective benefits to school facilities through energy efficient design.

- Boiler Repair/Replacement
- DDC System
- Lighting Upgrade
- HVAC System/Indoor Air Quality
- Wind/Solar Power
- Window Replacement
- Insulation

Statutory Priority 4

Projects that incorporate long-term, cost effective benefits to school facilities including technology needs of school facilities.

- Telephone Service
- Internet Access (Broadband)
- Wireless Networking
- Classroom Video
- Hardware, Software, training or other IT resources

Statutory Priority 5

Projects that enhance educational opportunities for students.

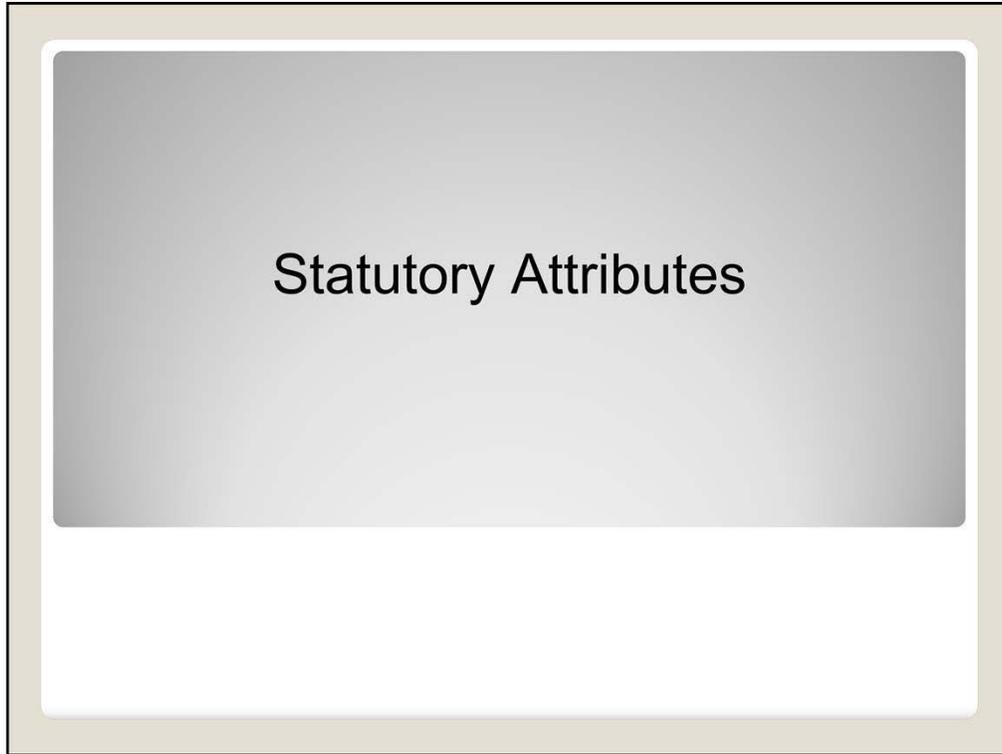
- Classroom Additions
- Music Center
- Vo-Ed Facility
- Physical Education Facility

Statutory Priority 6

- Audit
- FCI Assessment
- Citation Letters
 - Department of Justice
 - Fire Marshal
 - Health Services
 - Administrative Order
- PER's
- PAR's
- Facility Plan
- Energy Audit
- ADA Evaluation
- Code Citations
- Asbestos Reports
- Inspection Reports
- Photos
- Blueprints
 - Current Structure
 - Future/Improvements
- Itemized Cost/Bid Estimates

Documentation

A variety of documents may be used to document the applicability of a given Statutory Priority.



Statutory Attributes

After the applications are prioritized, the Department considers, without preference or priority, the following attributes of each proposed project (§ 90-6-811(2), MCA):

The need for financial assistance.

- Bond Information
- Debt Service
- Account Holdings
 - General Fund
 - Flex Fund
 - Deferred Maintenance Fund
 - Building Fund
 - Impact Aid Fund
- Median Household income
- District Mill Value
- Free/Reduced Lunch

Statutory Attribute 1

The fiscal capacity of the public school district to meet grant conditions required by the department.

- Who will administer the grant and what is their prior experience managing grants?
- District's ability to secure & manage other sources of funding
 - Other grants, loans, private funding sources
- Experience filing progress reports on grant-funded projects
- Success with timely completion of past projects?

Statutory Attribute 2

Past efforts to ensure sound, effective, long-term planning and management of the school facility and attempts to address school facility needs with local resources.

- Long term planning & previous efforts at capital improvements
- Project prioritization
- Project alternatives
- Reasonable maintenance budgets & practices
- Previous Quality Schools Grant experience?
- Environmental & technical problems addressed?

Statutory Attribute 3

The ability to obtain funds from sources other than those provided by the Quality Schools Grant Program.

- Serious efforts to seek out & secure alternate funding sources
 - Public
 - Private
- Is Quality Schools participation essential to obtaining alternate funds?
- Does the district receive Oil/Gas, Coal, or Metal Mines tax proceeds?
- Bonding capacity and bond election history

Statutory Attribute 4

The importance of the project and support for the project from the local community.

- Newspaper Articles
- Board Meeting Minutes
- Board Agenda
- Public Survey
 - Prioritization of Projects
 - Needs Assessment
- Letters of Support
- Public Hearing
- School Newspaper
- Website Documents
- Facility Plan
 - Community Committee

Statutory Attribute 5



Educationally Relevant Factors

The total score, taking into account both the priority of the project and its attributes, will establish the Department's preliminary ranking. The Department may then adjust the ranking based on whether and the extent to which a proposed project meets the educationally relevant factors established in Section 20-9-309, MCA (§ 90-6-811(3), MCA):

1. The number of students in a district
2. The needs of isolated schools with low population density
3. The needs of urban schools with high population density
4. The needs of students with special needs, such as a child with a disability, an at-risk student, a student with limited English proficiency, a child who is qualified for services under 29 U.S.C. 794, and gifted and talented children.
5. Ability to attract and retain qualified staff

Educationally Relevant Factors

Supplemental Documents

SECTION D - FINANCIAL INFORMATION

1. Proposed Funding Sources: (List loans and grants from same funding source separately.)

| | Source | Type of Funds | Amount | Status of Commitment | Conditions on Use | Date Available (MM/YYYY) |
|---|-----------------|---------------|--------|-----------------------|---|--------------------------|
| 1 | Quality Schools | Grant | \$ | Application Submitted | Ability to meet requirements set forth in the Quality Schools Application Guidelines and contract | |
| 2 | | | \$ | | | |
| 3 | | | \$ | | | |
| 4 | | | \$ | | | |
| 5 | | | \$ | | | |
| 6 | | | \$ | | | |
| 7 | | | \$ | | | |
| 8 | | | \$ | | | |

Proposed Funding Sources

Proposed Funding Sources

The sources and amounts on this page should match your budget.

PRELIMINARY PROJECT BUDGET

Completed by: _____ For: _____

| QUALITY SCHOOLS ELIGIBLE COSTS: | SOURCE: | SOURCE: | SOURCE: | SOURCE: |
|-----------------------------------|--|---------------|---------------|---------------|
| | <i>Quality Schools Grant Program</i> | | | |
| Land Acquisition | | | | |
| Engineering/Architectural Design | | | | |
| Construction Engineering Services | | | | |
| Construction | | | | |
| Materials | | | | |
| Contingency | | | | |
| TOTAL ELIGIBLE COSTS | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| OTHER (INELIGIBLE) COSTS: | | | | |
| Personnel Costs | NA | | | |
| Office Costs | NA | | | |
| Project Administration | NA | | | |

Budget

Budget

Here is what the form looks like.

| EXPENSE CATEGORY | QS Project Grant | QS Planning Grant | District Funds | Community Grant | In-Kind | Private Donations | TOTAL |
|--|------------------|-------------------|------------------|-----------------|----------------|-------------------|------------------|
| Preliminary Engineering/Architectural Design | | \$25,000 | \$6,250 | | | | \$31,250 |
| Engineering/Architectural Design | \$760 | | \$5,000 | | | | \$5,760 |
| Construction Engineering Services | \$51,850 | | \$93,750 | | | | \$145,600 |
| Construction (Hard Costs) | \$355,500 | | | \$10,000 | | \$4,500 | \$370,000 |
| Permits & Fees | \$1,976 | | | | | | \$1,976 |
| Contingency | \$37,000 | | | | | | \$37,000 |
| Grant Administration | | | | | \$3,328 | | \$3,328 |
| Legal Costs | | | | | \$320 | | \$320 |
| TOTAL EXPENSES | \$447,086 | | \$105,000 | \$10,000 | \$3,648 | \$4,500 | \$595,234 |

Budget

Budget

Here is an example of projects costs as they would be entered into the Budget form.

Ensure the row and columns total up, and the grand total equals the amount shown on the Funding Sources form.

The cost of the total project should be reflected on this sheet, not just the portion proposed for funding from a Quality Schools grant.

Chapter 3, Application Guidelines:

- Grant administration expenses
- Operation & maintenance costs
- Costs of acquiring debt or refinancing existing debt
- Costs resulting from “cost-plus” contracts, “profit and overhead”, or markups
- Costs for Preliminary Engineering/Architectural Design
- Any costs incurred prior to Notice of Award

Ineligible QS Project Grant Expenses

| PROJECT BUDGET NARRATIVE - please provide an explanation of all costs. | |
|--|-----------|
| QUALITY SCHOOLS ELIGIBLE COSTS | |
| Land Acquisition | \$ \$0.00 |
| Preliminary Engineering | \$ \$0.00 |
| Engineering/Architectural Design | \$ \$0.00 |
| Construction Engineering Services | \$ \$0.00 |
| Construction | \$ \$0.00 |
| Materials | \$ \$0.00 |
| Contingency | \$ \$0.00 |
| Total ELIGIBLE Costs | \$ \$0.00 |
| OTHER (INELIGIBLE) COSTS | |
| Personal Services | \$ \$0.00 |

| OTHER COSTS cont'd | |
|--------------------------------------|-----------|
| Office Costs | \$ \$0.00 |
| Project Administration | \$ \$0.00 |
| Legal Costs (including Bond Counsel) | \$ \$0.00 |
| Audit Fees | \$ \$0.00 |
| Travel & Training | \$ \$0.00 |
| Love Fees & Reserves | \$ \$0.00 |
| Other Judgable Costs | \$ \$0.00 |
| Total OTHER Costs | \$ \$0.00 |

Project Budget Narrative

Project Budget Narrative

Here is what the form looks like.

| Expense Category | Narrative | Total |
|--|---|-----------|
| Preliminary Engineering/Architectural Design | Cost associated with hiring Engineer to prepare a preliminary engineering report. This portion was completed in summer/fall 2012 with a Quality Schools Planning Grant. | \$31,250 |
| Engineering/Architectural Design | Expense associated with preparation of final design documents in order to bid the project. | \$5,760 |
| Construction Engineering Services | Hired Engineer as Construction Manager for duration of the project. | \$145,600 |
| Construction (Hard Costs) | Based on preliminary bids. Cost itemization provided in Attachment C. | \$370,000 |
| Permits & Fees | Asbestos Permit, \$150; City Building Permit, \$915; Plan Check Fee, \$595; Plumbing Fees and Inspection, \$120; Mechanical Fee, \$196 | \$1,976 |
| Contingency | 10% of hard construction costs. | \$37,000 |
| Grant Administration | District Clerk is donating her time to manage the grant, including all progress reporting and submission of requests for reimbursement. Clerk @ \$16/hour for 208 hours, \$3,328. | \$3,328 |
| Legal Costs | Consulted with local attorney regarding bid opening and contracts. | \$320 |

Project Budget Narrative

Project Budget Narrative

Here is an example of projects costs as they would be entered into the Budget Narrative form.

| TASK | 2015 | | | | | | | | | | | | 2016 | | | | |
|-------------------------------------|------|-----|-------|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|--|--|
| | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | | |
| START-UP | | | | | | | | | | | | | | | | | |
| Receive Notice of Award (estimated) | | | - X - | | | | | | | | | | | | | | |
| Secure Approval of Other Funding | | | | | | | | | | | | | | | | | |
| Finalize Project Budget | | | | | | | | | | | | | | | | | |
| Execute Quality Schools Contract | | | | | | | | | | | | | | | | | |
| PROJECT DESIGN | | | | | | | | | | | | | | | | | |
| Advertise for and Select Engineer | | | | | | | | | | | | | | | | | |
| Begin Project Design | | | | | | | | | | | | | | | | | |
| Complete Project Design | | | | | | | | | | | | | | | | | |
| Prepare Bid Documents | | | | | | | | | | | | | | | | | |
| BID ADVERTISEMENT | | | | | | | | | | | | | | | | | |
| Public Bid Advertisement | | | | | | | | | | | | | | | | | |
| Open Bids and Examine Proposals | | | | | | | | | | | | | | | | | |
| Select Contractor, Award Bid | | | | | | | | | | | | | | | | | |
| PROJECT CONSTRUCTION | | | | | | | | | | | | | | | | | |
| Begin Construction | | | | | | | | | | | | | | | | | |

Implementation Schedule

Implementation Schedule

Here is what the form looks like. The form is fairly self-explanatory.

1. Complete the Environmental Checklist
 - *MUST include signature*
2. Make a Determination
 - Cate Ex
 - FONSI
 - Further review needed (incl. EIS)
3. Include a Public Process
4. Obtain Board Approval

Environmental Review

All Quality Schools applicants are required to complete MEPA environmental review prior to submitting their application, which may alert them to issues that may have to be addressed in the location, design, or construction of a public facilities project to avoid potential adverse environmental effects or expensive mitigation or construction costs.

Refer to the Application Guidelines and Grant Administration Manual for further information on the environmental review process, and for direction on how to obtain additional guidance.

An Environmental Checklist (available for download on the Quality Schools website) must be completed and submitted with the project application.

District personnel may complete the environmental checklist, or a District may have a third-party consultant complete the checklist on its behalf

The environmental checklist includes an analysis of project alternatives. This portion must be completed, and a preferred design alternative selected. The MEPA analysis informs the Department regarding potential environmental impacts before projects are ranked by the Department and approved by the Legislature and the Governor.

The checklist must be signed by the person who completed it, and include a Determination. Again, refer to the Application Guidelines and Grant Administration Manual for further information.

Determinations may include:

- Categorical Exclusion
- Finding of No significant impact
- Need for further environmental review

The public must be given an opportunity to comment on the finding of the environmental review prior to final adoption by the School Board. A school board hearing would suffice.

Finally, the environmental review must be approved by the School Board. A copy of the board resolution or minutes documenting the board's action on the environmental review must accompany the application.

National Clearinghouse for Educational Facilities:
http://www.edfacilities.org/rl/facilities_guides.cfm

Council of Educational Facility Planners International (CEFPI):
<http://www.cefpi.org/i4a/pages/index.cfm?pageid=1>

Leveraging & Funding Sources:
<http://commerce.mt.gov/QualitySchools/funding.mcp>

Montana School Facility Condition Assessment:
http://opi.mt.gov/PDF/Facilities/Final_Report_7-1-08.pdf

Additional Resources

These and other resources are also listed on the Resources page of the Quality Schools website.

1. Scoring/Ranking by Department
2. Recommendations to Governor
3. Legislature (*Spring 2015*)
4. Award (*April/May 2015*)

After Applications are Received...

Questions?

Quality Schools Grant Program

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