

NCDPI State of the State

K-12 School Construction

2023 NC A4LE Annual Conference
New Bern, North Carolina

April 17, 2023

Nathan Maune, AIA
Section Chief, NCDPI School Planning



DPI School Planning Section

- **Nathan Maune, AIA**
 - *Section Chief, Legislation, Budget, Publications*
- **Teri Williams**
 - *Office Manager, Review Certificates, Athletic Facility Grants*
- **Jon Long, AIA**
 - *Architectural Reviews, Green Ribbon Schools, Capital Projects*
- **Roger Leeson, AIA**
 - *Architectural Reviews, Publications, Capital Projects*
- **Dennis Hilton, PE**
 - *Structural Reviews, Lottery Capital Funds*
- **Mechanical Engineer (vacant)**
 - *Mechanical Reviews, Plumbing Reviews, Capital Projects*
- **Jonathan Jones, PE**
 - *Electrical Reviews, Capital Projects, HUB Coordinator*



DPI School Planning Updates

- K-12 Design Review Updates
- K-12 Consolidated Facility Database Project
- Capital Funding
 - Lottery Revenue (PSBCF, NBPSCF, PSBRRF)
 - State Capital Infrastructure Fund (SCIF)
 - Federal COVID Relief Funding (ESSER)
- Recent / Pending Legislation
- Questions / Discussion



Design Review Updates

- Electronic Submittals – PDF Format
- Average 224 Reviews / Year 2015-2021
- 484 Reviews Completed in 2022
- 179 Reviews Completed YTD in 2023
- 280 Projects Currently Under Review
- Historic Review Cycle is 2-to-4 Weeks
- Current Backlog is 5-to-7 Weeks

<https://www.dpi.nc.gov/districts-schools/district-operations/school-planning/design-review>



K-12 Facility Database

- Created in SL 2021-180 (State Budget)
- SaaS Contract in Negotiation
- K-12 Facility Data Resource
- Sorting / Filtering / Reporting
- Cooperative Purchasing
- Local Bond Reporting
- RFQ / RFP / Bid Results
- Construction Cost Reporting
- Statute Requires County and District Participation



Lottery Capital Funds

- Public School Building Capital Fund (1987)
 - Original Funding – Corporate Tax Revenue
 - \$100 Million / Year
 - ADM-Based Allotment
- Needs-Based Public School Capital Fund (2017)
 - Joint Application Process
 - Critical Facility Needs
 - Local Matching Funds
- Public School Repair & Renovation Fund (2021)
 - \$50 Million / Year
 - Equal Allocation to 100 Counties
 - Repair, Renovation, Expansion of Classroom Facilities

<https://www.dpi.nc.gov/districts-schools/district-operations/school-planning/capital-funding>



NBPSCF

- Eligibility Criteria
 - Adjusted Market Value of Taxable Real Property
 - NC Department of Revenue (data source)
- Maximum Grants
 - \$30 million – Elementary Schools
 - \$40 million – Middle Schools
 - \$50 million – High Schools
- Eligible Uses
 - New Buildings, Additions, Repairs, and Renovations
- Local Matching Requirement
 - Ranges from 0% to 35%



NBPSCF

- Application Evaluation Criteria
 - Prior recipients applying for an increase.
 - Counties designated as Tier 1 areas.
 - Counties with greater need and less ability to generate tax revenue.
 - Counties with a high debt-to-tax revenue ratio.
 - Projects that address critical deficiencies.
 - Projects with new construction or complete renovation.
 - Projects that consolidate two or more schools.
 - Counties that have not received a grant in three years.
 - Percentage of District Students Served
 - Start Date of Construction



NBPSCF

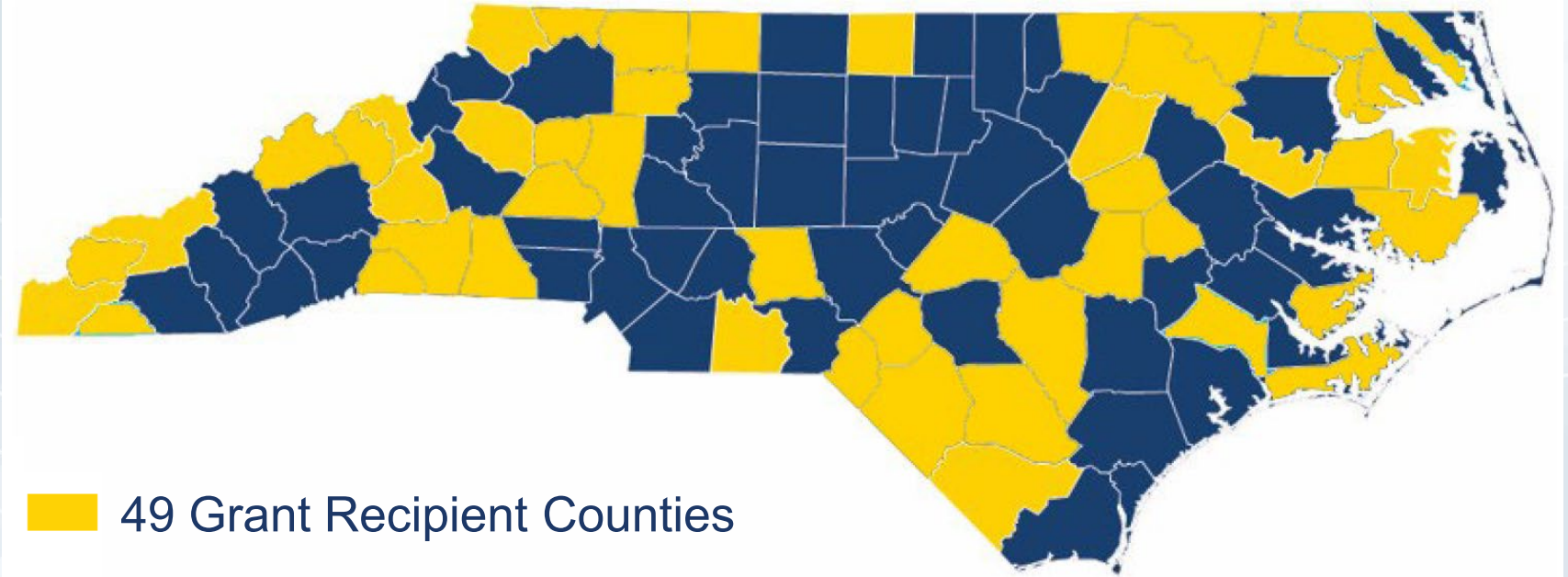
- Funding History

- \$ 30,000,000 FY17-18
- \$ 140,684,581 FY18-19
- \$ 58,200,000 FY19-20
- \$ 115,311,011 FY20-21
- \$ 395,785,890 FY21-22
- \$ 437,068,261 FY22-23
- \$ 1,177,049,743 Total

- 57 Grants
- 49 Counties



NBPSCF



NBPSCF (**H259 House Budget**)

- **Increases Maximum Grants (proposed)**
 - \$40 million – Elementary Schools
 - \$50 million – Middle Schools
 - \$60 million – High Schools
- **Establishes Deadline (proposed)**
 - Begin Construction Within 18 Months of Award
- **Establishes Forfeiture Provisions (proposed)**
 - Failure to Initiate Construction on Schedule
 - Significant Change to Project Scope
 - False Statement or Information in Application
 - Local Funding is Reduced after Award



NBPSCF

- Anticipated Funding – FY2023-24 Grant Cycle
 - \$ 208,252,612 (pending State Budget approval)
 - \$ _____* (excess net lottery rev. per GS 18C-164)
 - \$ 208,252,612+ Total (*excess lottery revenue TBD)
- FY2023-24 Submittal and Award Schedule
 - Jul. '23 – Application & Guidance (anticipated)
 - Aug. '23 – Application Deadline (anticipated)
 - Sept. '23 – Grant Award Announcements (anticipated)

<https://www.dpi.nc.gov/districts-schools/district-operations/school-planning/capital-funding>



PSBRRF

- Public School Repair & Renovation Fund
 - \$50 Million / Year
 - Equal Allotment to 100 Counties
 - Procedures Similar to Annual Lottery (PSBCF)
- Eligible Expenditures
 - Repair, Renovation, Expansion of Classroom Facilities
 - Planning / Design / Construction
- Not Eligible
 - Debt Service Payments
 - Central Administration, Transportation Facilities

<https://www.dpi.nc.gov/districts-schools/district-operations/school-planning/capital-funding>



K-12 Athletic Facility Grants

- Established in SL 2021-180 (State Budget)
 - State Capital Infrastructure Fund (SCIF)
 - \$44 million for K-12 Athletic Facility Grants
- OSBM Administered Grants
 - \$31.376 million
 - Grants to 16 LEAs
 - Specific Amounts for Specific Named Projects
- DPI Administered Grants
 - \$12.624 million
 - Grants to 99 LEAs
 - Repairs & Renovations to Existing Athletic Facilities



K-12 Athletic Facility Grants

- Administrative Requirements
 - LEA-DPI Grant Agreement
 - Project Scope & Budget Statement
 - Quarterly, Annual, and Final Reporting
- SCIF Grant Governance
 - SL 2021-180
 - SL 2021-189
 - GS 143C-6-22
 - 9 NCAC Subchapter 3M.0205
 - SBE Policy

<https://www.dpi.nc.gov/districts-schools/district-operations/school-planning/capital-funding>



ESSER Funding (Federal)

- State Law AND Federal Law Compliance
 - Scope of Work Identified in CCIP Application (NCDPI)
 - Federal Impact Aid Program (EDGAR)
 - Federal Procurement Rules – 2 CFR 200.318 to 200.326
 - NC General Statutes – Design, Construction, Schools
- Funding Expiration
 - ESSER I – 9/30/2022
 - ESSER II – 9/30/2023
 - ESSER III – 9/30/2024
- NCDPI Monitoring and Compliance Manager
 - Shirley McFadden – shirley.mcfadden@dpi.nc.gov



New / Pending Legislation

- Lead and Asbestos Testing in Schools (SL2021-180)
 - DHHS in cooperation with DPI
 - DHHS – Contract w/RTI ([Clean Classrooms](#))
 - Lead in Water Testing
 - Lead Paint and Asbestos-Containing Materials Testing
 - \$150 million for Testing and Mitigation
- [HB 11](#) – Schools for the Deaf and Blind (SL2023-10)
 - Creates Governing Boards for Residential Schools



New / Pending Legislation

- [HB 488](#) – Building Code Omnibus
 - Reorganizes the Building Code Council
 - Creates a Separate Residential Code Council
 - Eliminates any Requirement for Sheathing Inspections
 - Eliminates Appendix B Code Summary
 - Suspends Adoption of the Energy Code
 - Redefines Single-Family (1-2 Units) to include 3-4 Units
- [SB 384](#) – Carbon Monoxide Detectors/Schools
 - SBE to Study Existing Schools / CO Detectors and Alarms
 - SBE to Study Existing Schools to Determine Need and Implementation of Radon Gas Testing
 - SBE Report Findings to JLEOC by Dec. 2023



Questions...?

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