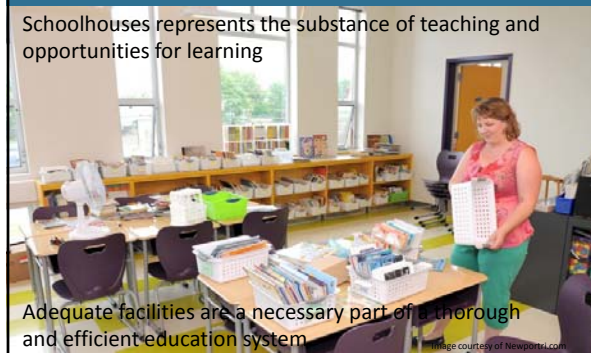


Schoolhouses Matter

Schoolhouses represents the substance of teaching and opportunities for learning



Adequate facilities are a necessary part of a thorough and efficient education system

Image courtesy of Newportri.com

Schoolhouses Reflect

Philosophy of Education

- What are the ideologies of schooling?
- What is the role of schools in our community?

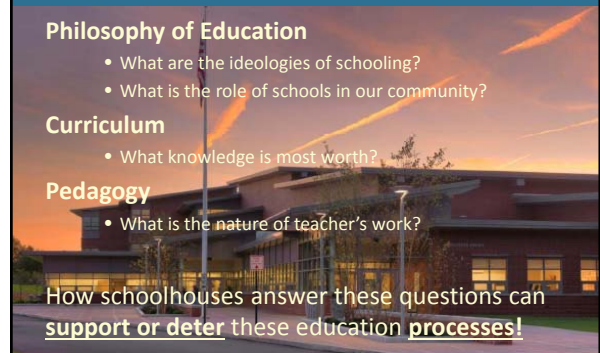
Curriculum

- What knowledge is most worth?

Pedagogy


- What is the nature of teacher's work?

How schoolhouses answer these questions can support or deter these education processes!



Schoolhouses Matter

Schoolhouses are responsive to curriculum and educational philosophy



Play a Unique Role in the Community


Community aspires to foster for its students



Image courtesy of Newportri.com

Schoolhouses & Community

- Represent a schools relationship to its neighborhood
- The Schoolhouse is the capsule of a community's values




Schoolhouses are responsive to its community's culture



Nathan Bishop Middle School

- In space, form and order schoolhouses incorporate culture of the day
- They exhibit school's mission, heritage, and tradition

Schoolhouses Matter

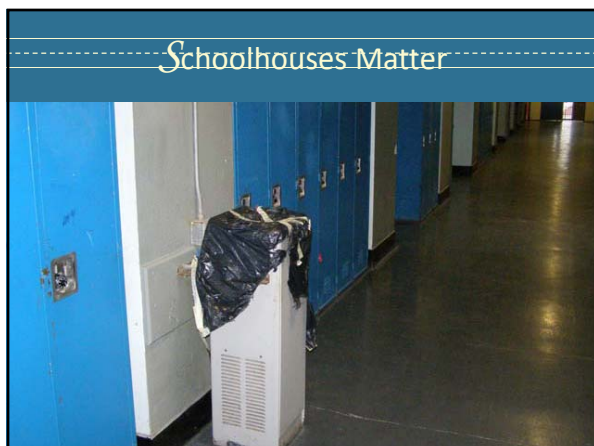
- An appropriate school building is a significant prerequisite for an appropriate learning experience

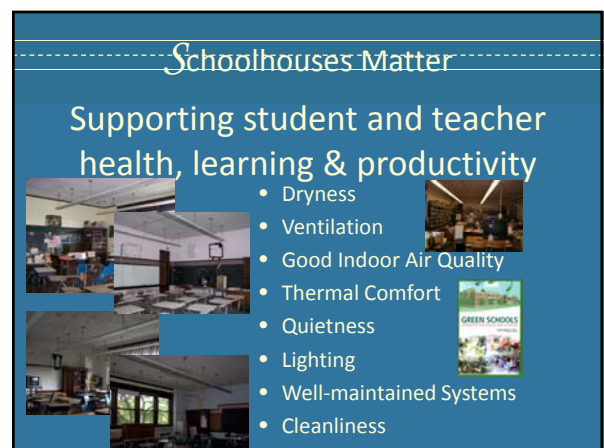
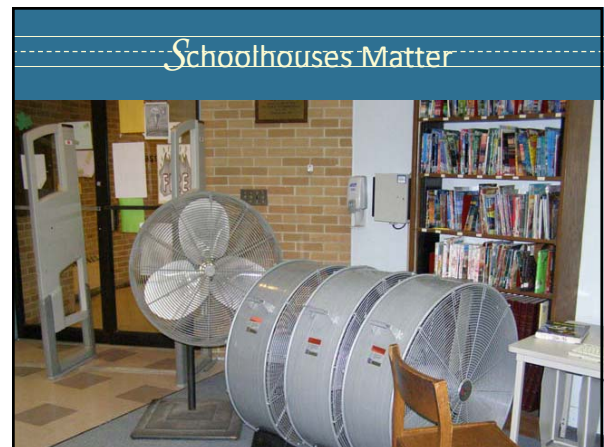
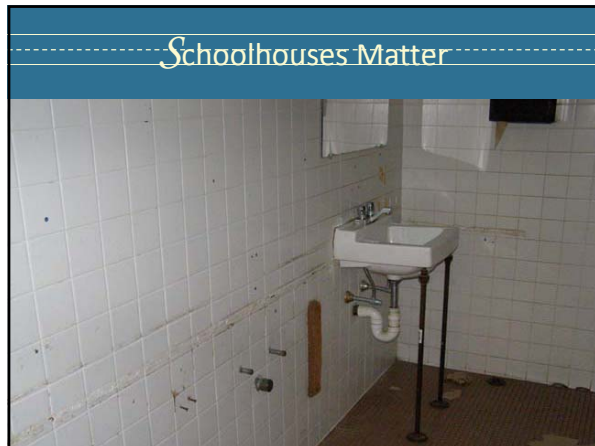
Image courtesy of Newpottri.com

Capital-Outlay Rulings

Equitable and Adequate facilities are a necessary part of a thorough and efficient education system

- Pauley v. Bailey (West Virginia, 1984)
- Abbott v. Burke (New Jersey, 1990-present)
- Roosevelt ES v. Bishop (Arizona, 1994)
- ISEEO v. Idaho (Idaho, 1998)
- New Mexico, (2000)
- DeRolph v. Ohio (Ohio, 2001)
- New York City, (NY, 2006)
- Wyoming v. Campbell, (Wyoming, 2008)





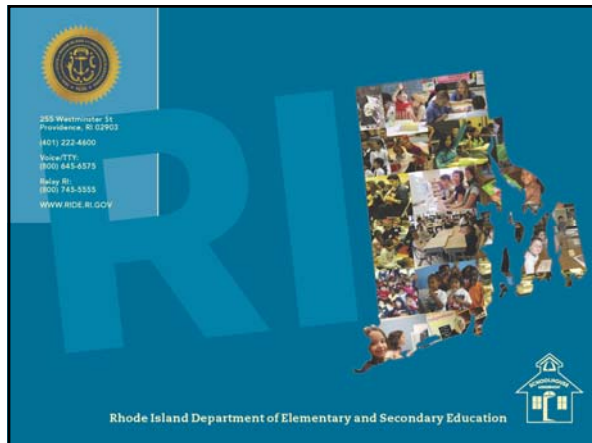
Schoolhouses Matter

Facilities are important to ensure that all students:

- **Achieve** at the high levels needed to lead fulfilling and productive lives
- **Succeed** in:
 - Academics
 - Employment Settings
- **Contribute** to Society
- **Promise** to our students



Schoolhouses Matter



School Construction Overview

- Schoolhouse Equity and Adequacy
- State's Role in School Construction
- School Construction Program Overview
- School Construction Regulations
 - Necessity of School Construction
 - Design Standards
 - Asset Protection
- Moratorium

Schoolhouse Equity & Adequacy

The School Construction Program ensures that approval for school construction will reflect a **statewide perspective**, establish statewide **uniformity** in the quality of school buildings, and **meet the needs** of the district, which will result in **educationally appropriate, safe and healthy** facilities for all students attending our state's **public schools**.



Schoolhouse Equity & Adequacy

- Adequate facilities are a necessary part of a thorough and efficient education system
- School age children spend more time in schools than any other buildings aside from their homes
- The schools our students attend must be safe, clean, and well equipped



State's Role in School Construction

- There are two statutes that govern Board of Education actions on school construction matters, Rhode Island General Law **16-60-4(9)(iv)**, which gives the Board the responsibility for approving the **need** for school construction projects and **16-7-35 to 47**, which govern the **housing aid reimbursement** program.
- The Board through the Department fulfill their obligation under 16-60-4(9)(iv) by operating a necessity of school construction process coordinated by the Department's School Construction Program.



State's Role in School Construction

- Thanks to the General Assembly's mandate (2006) the **School Construction Regulations** (RIDE SCR 1.00) adopted in 2007, establish standards for design and construction of school buildings, approve projects for housing aid reimbursement, and ensure statewide uniformity in the quality of school building.
- In 2007, the Board of Regents adopted the School Construction Regulations. This forward looking policy was modeled after the **Massachusetts School Building Authority** Regulations.



School Construction Program Overview

- Oversees** the school construction process to ensure that districts comply with the provisions of the School Construction Regulations, including the Northeast Collaborative for High Performance Schools protocol requirements.
- These regulations **ensure** high quality schools that conserve energy, are easier to maintain, and provide a healthy and comfortable 21st century learning environment for students.



School Construction Program Overview

- Conformance with the **Northeast Collaborative for High Performing Schools Protocol** ensures that all construction and renovations result in **high quality learning environments that conserve natural resources, consume less energy, and are easier to maintain.**
- The regulations require all LEAs to develop, implement, and maintain an asset protection plan for every school building, not just those for which housing aid is being sought. This preventative maintenance **prolongs buildings and reduces long term costs.**



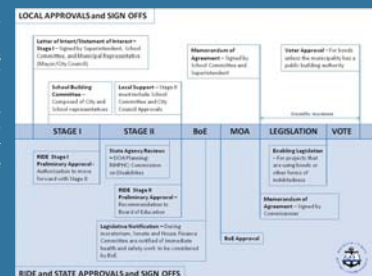
School Construction Program Overview

- The School Construction Regulations result in **high quality learning environments that benefit students** and **provide cost and energy efficient buildings.**
- As a result of the fiscal prudence set in place by the Board of Regent's School Construction Regulations, the approvals for Necessity of School Construction were **reduced from a 10 year average of \$182.7M to an average of \$74.8M in the last three years prior to the moratorium.**



Regulations - Necessity of School Construction

The detailed multi-stage school construction application process confirms the necessity of districts' proposed projects. Through this process, RIDE collaborates with LEAs to ensure that the resulting construction and/or renovations are cost effective and in alignment with verified needs.



Regulations -- Design Standards

- *School Construction Regulations* updated and based on best practices for school design to meet twenty-first century educational needs, set maximum square foot standards, establish maximum allowable cost per square foot, and limit RIDE funding of certain spaces such as fieldhouses, athletic stadiums, swimming pools
- *Design Standards* incorporated for High Performance Green School design based on the Northeast High Performance Schools Protocol to achieve energy savings above the RI state energy code and reduce the building's impact on the environment
- *Plan and Document review* by RIDE (or their representative) throughout the design and construction process –schematic design, design development and construction documents – to ensure compliance and document energy efficiencies if chosen
- Requires LEAs hire a *Commissioning Agent*

Regulations -- Greening our Schoolhouses

- Energy Efficiency - 30-40% Above Code
- Water Efficiency - 20% minimum
- Construction Waste Reduction - 50% minimum
- Incorporating Renewable Energy
- Significant IAQ Improvements
 - ANSI Acoustic Standards
 - Improved ventilation



Regulations are working

\$90 Million in Savings
(Cost Avoidance from initial LEA proposals)

- Nathan Bishop MS
- Providence CTE
- East Greenwich MS
- Newport ES



Asset Protection

Each district is required to develop, implement and maintain a comprehensive asset protection plan for each school. These plans are collected on ERIDE and reviewed annually.

At a minimum, each plan must:

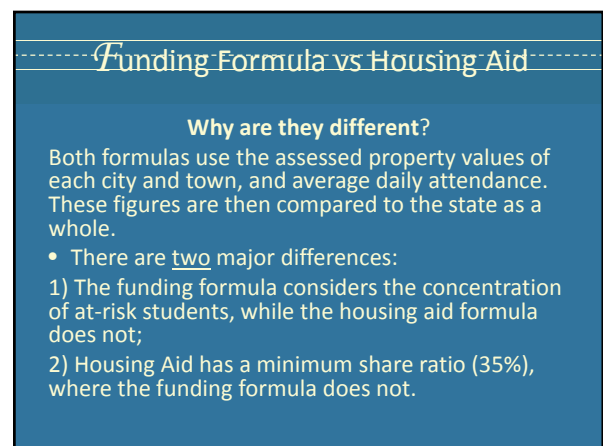
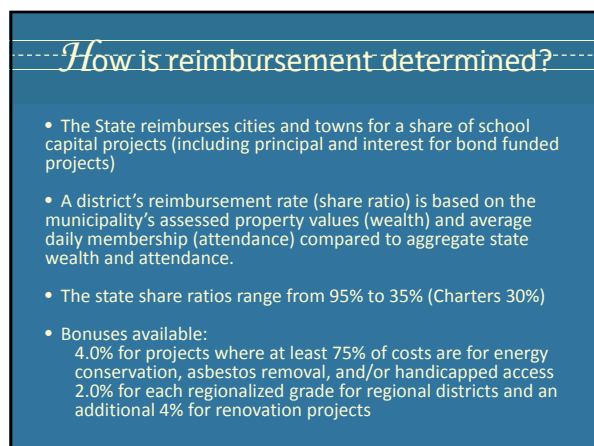
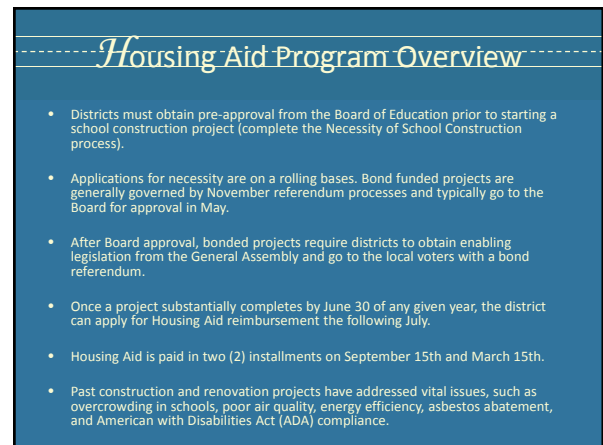
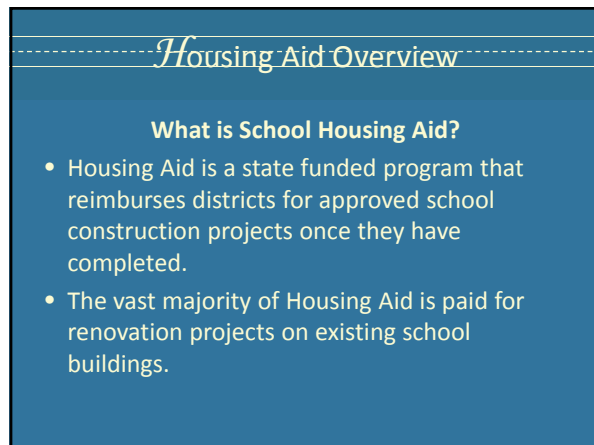
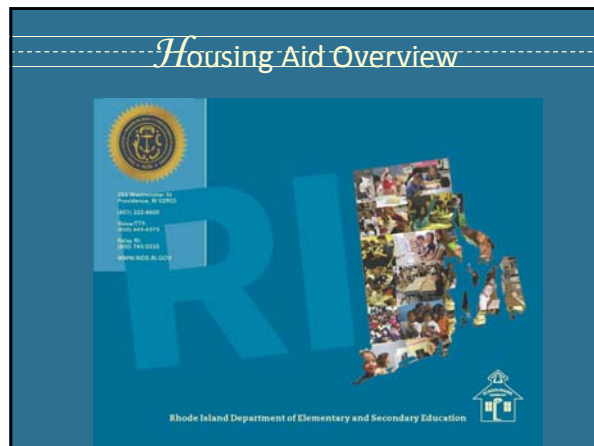
- Ensure that all facilities and structures are maintained in a safe, sound, and energy efficient condition;
- All service equipment, means of egress, devices and safeguards shall be maintained in good working order;
- Itemize anticipated annual expenditures for required maintenance; and
- Capital maintenance expenditures shall be consistent with the district's Board of Education approval
- Districts that seek a Board of Education approval for Housing Aid will not receive approval if they have not spent at least 50% of their asset protection budgets in each of the previous three years prior to application.

Moratorium

- There is currently a 3 year moratorium on school construction approvals except for projects necessitated by immediate health and safety reasons
- The expiration date is June 30, 2014
- Because the moratorium only provides savings at the expense of building conditions, the State must explore other cost containment measures

Moratorium

- Most LEAs have postponed work that is not eligible for reimbursement during the moratorium, including energy savings projects, educational program improvements, and other general repairs that were not eligible under the moratorium
- This has created a back log of projects as building conditions worsen as a result of deferred capital improvements
- During the moratorium, eleven LEAs have received approvals totaling approximately \$50M in immediate health and safety work. This is as compared to a need of approximately \$600M identified by LEAs that have deferred work during the moratorium and/or are in the pipeline for approvals



Housing Aid R.I.G.I. Overview

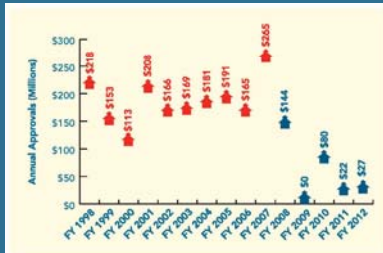
- Established in 1960, Foundation Program for School Housing (RIGL 16-7-35 to 16-7-47) are designed to:
 - (1) Guarantee adequate school housing for all public school children in the state, and
 - (2) Prevent the cost of school housing from interfering with the effective operation of the schools.

Recent Legislative Actions

- 2003 Assembly**
Limits bond interest reimbursement to those financed through RIHEBC
- 2005 Assembly**
Restructures reimbursement to be based on debt service payments
- 2007 Assembly**
Requires every bond funded project to receive Assembly approval
School Construction Regulations adopted by the Board of Regents in May 2007
- 2008 Assembly**
Mandates bonds be refunded when savings are at least \$100,000
- 2010 Assembly**
Increased the minimum from 30% to 35% for projects completed after July 1, 2010 and 40% for projects completed after July 1, 2011.
- 2011 Assembly**
Imposed a 3-year moratorium on approval of new projects with the exception for those necessitated by health and safety reasons
- 2012 Assembly**
Assembly rolled back minimum to 35%
- 2013 Assembly**
Changes bond refunding savings allocation to 80% community and 20% state

Fiscal Prudence

Board of Education (formerly Regents) school construction approvals were reduced from a 10 year average of \$182M to an average of \$54.7M since the adoption of the School Construction Regulations (SCR)



Housing Aid Projections

As a result, housing aid annual commitments are projected to begin a moderate decrease as pre-SCR approved projects are phased out and a larger percentage of housing aid goes towards projects approved under the more fiscally responsible SCR guidance



Housing Aid Projections

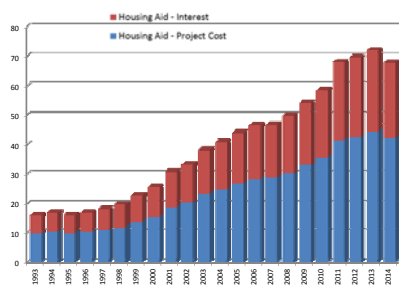
- The School Construction Regulations have prevented Housing Aid from reaching \$83.6M in FY 18.
- Housing Aid decreased for the first time in FY 14 and is expected to stabilize for the next few years.
- Many non-School Construction Regulation projects continue to receive reimbursement, and many minimum share districts receive 40% for projects approved prior to July 1, 2012.
- The School Construction Regulations **will have a greater impact** on Housing Aid in the future, once old projects are removed from the books.

Why the Moderate Decrease?

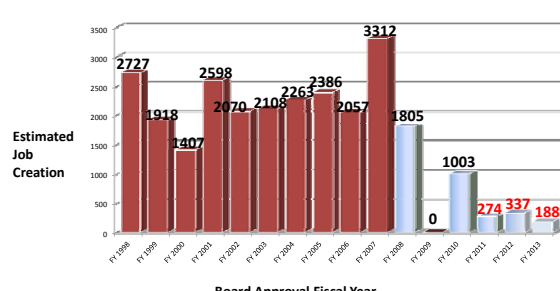
- Larger projects can take 3 to 5 years after Board of Education approval to complete.
- Districts typically bond for larger projects, which receive reimbursement for the life of the bond (typically 20 years).
- Minimum Share Ratios were increased from 30% to 40% in 2011. The minimum was then lowered to 35% for any new project approved after July 1, 2012. Districts with approvals prior to this date receive 40% on those projects.

Housing Aid Funding History (in millions)

- This chart highlights the financing costs incurred by the State over the past 20 years.
- Municipalities also incur financing costs that are not reflected in this chart.
- On average approximately **40% of housing aid** in support of school construction projects goes to **pay interest** incurred on bonds.



Job Creation & Board Approvals



* Based on one fulltime job creation is equivalent to \$80K of Board of education Construction Approvals (QSCB based convention)

RIHEBC

Legislation enacted in 2003 designated the Rhode Island Health and Educational Building Corporation ("RIHEBC") as the issuer of tax exempt debt for municipal school projects.

- RIHEBC bonds receive A1 programmatic rating from Moody's, helping lower rated communities obtain better interest rates.
- Effective 2003, interest is only reimbursed to communities that bond through RIHEBC.
- Since 2003, RIHEBC has issued \$896 million in bonds for 27 communities and regional school districts.
- Applicable Housing Aid paid directly to RIHEBC.

Refinancing Opportunities

In 2013, legislation was enacted to allow communities to retain 80% of savings resulting from the refunding of their school bonds.

Recently Refunded Bonds

Providence –	Savings: \$1,601,006 ;	City: \$1,280,805,	State: \$320,201
Central Falls –	Savings: \$607,112 ;	City: \$485,690,	State: \$121,422
Pawtucket –	Savings: \$55,117 ;	City: \$44,093,	State: \$11,024
North Providence –	Savings: \$615,487 ;	City: \$492,390,	State: \$123,097
Total –	Savings: \$2,878,722		

Potential Refundings*

2014 – Total Par Amount* \$45 million: West Warwick, Woonsocket, East Providence (\$400K), Cumberland (\$600K), Lincoln, & Jamestown

2015 – Total Par Amount* 22 million: Cranston, Johnston, New Shoreham, & Westerly
* Subject to verification and market conditions

FY 14 Projected Projects

- Ten districts** are projected to seek Immediate Health and Safety Approvals in FY 14 totaling approximately \$50 Million.
- These Immediate Health and Safety projects include: Failed Boiler Replacement, Roof Repair, Emergency HVAC Work, ADA Compliance, Fire Code Compliance and Other Code Related Issues.

