

Public School Capital Construction Assistance Board Meeting Agenda



COLORADO DEPARTMENT of EDUCATION

Vision

All students in Colorado will become educated and productive citizens capable of succeeding in a global society, in the workforce, and in life.

Goals

Every student, every step of the way



Date & Time:
December 12, 2013
12:15 – 5:00 p.m.

Location:
1575 Sherman Street,
Garden Room, Denver, CO 80203

Capital Construction Assistance Board Members:

Lyndon Burnett – Chair
John Conklin
Kathy Gebhardt

Pete Hall – Vice-Chair
Ken Haptonstall
Denise Pearson

Tim Reed
David Tadlock
Matt Throop

- I. Call to order
- II. Pledge of Allegiance
- III. Roll call
- IV. 12:15-1:30 Stakeholder Presentations
- V. Approve agenda
- VI. Approve previous minutes from November 7, 2013 meeting
- VII. Board Report
- VIII. Directors Report
- IX. Action Items
 - a) Audit implementation plan; review and adopt:
 - Targeted outreach plan;
 - Evaluation tool for grant review;
 - Waiver application;
 - Waiver evaluation tool;
 - Policy/form regarding board actions related to conflicts of interest;
 - b) Adopt FY2014-15 BEST Financial Assistance Timeline.
- X. Discussion Items
 - a) New match calculation for districts, BOCES & Colorado School for the Deaf & Blind;
 - b) BEST Rules update: conflict of interest and other updates as necessary;
 - c) Review comments and board discussion regarding stakeholder presentation;
 - d) Procuring a legislative liaison for the Capital Construction Assistance Board.

Public School Capital Construction Assistance Board Meeting Agenda

XI. Future meetings and upcoming events

- December 19 – 1:30 – Legislative Services Building – Joint Budget Committee Hearing with the Department of Education
- January 22 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
- February 26 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
- March 26 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
- April 23 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
- May 20-22 – 8:30 a.m. – 5 p.m. Grant Selection Meetings – Location TBD

XII. Public comment

XIII. Adjournment.

CAPITAL CONSTRUCTION ASSISTANCE BOARD MINUTES OF THE NOVEMBER 7, 2013 MEETING

Meeting held at:
201 East Colfax, Denver, CO 80203
State Board Room, 101

I. Call to Order

- 1:03 p.m. Lyndon Burnett called the meeting to order.

II. Pledge of Allegiance

- Lyndon Burnett began the meeting with the Pledge of Allegiance.

III. Roll Call

▪ Attendees

Lyndon Burnett	Pete Hall	Ken Haptonstall
John Conklin	Kathy Gebhardt	Denise Pearson
David Tadlock	Matt Throop	

▪ Excused

Tim Reed

IV. Approve Agenda

- The CCAB Chair asked for a motion to approve the agenda;
 - So moved by Kathy Gebhardt;
 - Pete Hall 2nd the motion;
 - No discussion;
 - Motion to approve the agenda carried unanimously.

V. Approve Minutes from the May 28 & 29, September 25, & October 7, 2013 Meetings

- The CCAB Chair asked for a motion to approve the previous meeting minutes as presented;
 - So moved by Kathy Gebhardt;
 - Matt Throop 2nd the motion;
 - No discussion;
 - Motion to approve the minutes from the May 28 & 29, September 25, & October 7, 2013 meetings carried. (*Denise Pearson did not vote*)

VI. Board Report

- The CCAB Chair talked about the recent retreat the board had. The CCAB Chair told the CCAB that he had talked to the Deputy State Treasurer, Brett Johnson about the FY2013-14 back-up lease-purchase project for Ft. Morgan and that Brett Johnson wanted to talk to the board about potential options for the project.

VII. Directors Report

- Ted Hughes told the CCAB about the recent BEST ribbon cuttings and groundbreakings. Ted Hughes told the CCAB Rocky Mountain Deaf School was having a groundbreaking ceremony on November 9, 2013 and that Ellicott School District 22 was having a topping off ceremony on November 21, 2013.

- Ted Hughes told the CCAB that Proposition AA passed; the tax on marijuana. Ted Hughes said the first \$40 million in tax revenue would go to the BEST program, but said he did not have any information as to when the money would be coming in.

VIII. Action Items

- Adopt Resolution 13-1 instructing the State Treasurer pursuant to 22-43.7-110(2) C.R.S. to enter into one or more lease-purchase agreements on behalf of the State to provide financial assistance to the BEST Lease-Purchase projects that were approved by the State Board on June 12, 2013 and have met the necessary requirements for financing. Ted Hughes reviewed the grant selection process, noting that the State Board had already approved the BEST cash grants. Ted Hughes reviewed the process for the lease-purchase projects and told the CCAB that seven of the eight projects went out for bond elections. Ted Hughes said Ft Morgan RE-3 and Ross Montessori were back-up projects and that the only way they could be funded, is if one or more of the top six projects failed their election. Ted Hughes reviewed the dates the State Board and Capital Development Committee approved the lease-purchase projects and noted there were six projects on the resolution and that all of the projects that were going for a matching money bond were successful with their elections.

The CCAB Chair asked if the CCAB would like to hear from the Deputy State Treasurer, Brett Johnson regarding the Ft Morgan RE-3 project. The CCAB Chair asked for a motion to amend the agenda.

- Pete Hall made a motion to amend the agenda;
- John Conklin 2nd the motion;
- Discussion: Kathy Gebhardt asked if this was just a discussion. Lyndon Burnett said yes, that it was just a discussion and no action would be taken;
- Motion carried unanimously.

Brett Johnson told the CCAB that Ft. Morgan was in a unique situation and that the statute was very clear; “only if a project fails their bond election could a back-up project move forward”. Brett Johnson said he had talked to a legislative committee and a bill drafter about the new statute that was put in place, which gave the Capital Development Committee oversight of the BEST lease-purchase projects and the \$40 million cap. Brett Johnson said there may not be another round of financing and that Ft. Morgan had an approved bond and suggested that maybe the project could be financed at a later time.

The Board Chair asked the CCAB if they had any questions. Ted Hughes said this was the first time all projects passed their bond elections. A CCAB member talked about the May selection meetings, noting there was a tie between South Conejos and Ft. Morgan and that the CCAB chose the South Conejos project over Ft. Morgan. Brett Johnson said he was not aware of the situation and that he did not want to give up on the project and that it may be possible to fund the project, but that some cash from BEST would be needed. The CCAB Chair explained the grant selection process from May of 2013 and noted that the \$40 million cap should not be exceeded.

Brett Johnson reviewed the options and stated there was capacity to finance the Ft. Morgan project, but that it would require a cash contribution of roughly \$8-10 million. The CCAB discussed the statute language with Brett Johnson and Erica Weston, the CCAB’s attorney general. Brett Johnson noted the only way Ft. Morgan could be approved is with a statute change. The CCAB Chair asked for a motion to approve Resolution 13-1.

- Matt Throop made a motion to approve Resolution 13-1 as presented;
- Ken Haptonstall 2nd the motion;

- Lyndon Burnett read the resolution aloud and asked if any amendments were needed, there were none;
- Motion to pass Resolution 13-1 approved unanimously.

The CCAB Chair called for a short break, 1:58 – 2:12 p.m.

IX. Discussion Items

- Capital renewal for BEST new school / major renovation / addition projects. Ted Hughes read what the statute says regarding capital renewal. Ted Hughes told the CCAB that grantees yearly capital renewal amounts are not consistent and that some are committing to a high dollar amount that they cannot afford to allocate. Ted Hughes reviewed a capital renewal spreadsheet that showed all of the BEST projects who were required to contribute to capital renewal with the CCAB and wanted to generate some ideas on how to create some guidelines to determine an appropriate amount for grantees to provide. The CCAB discussed what capital renewal was and how the money could be used. The CCAB discussed potential options: using a calculation based off a district’s general fund amount or per pupil based off the total project cost. Ted Hughes explained how it could not be used for maintenance, but for building systems that would expire.
- Audit implementation plan; review and discuss the draft evaluation tool for grant review. Ted Hughes discussed the grant selection process from start to finish, mentioning that the CCAB only filled out information for projects that they voted no on. Ted Hughes reviewed the draft evaluation tool for grant review with the CCAB. The CCAB Chair explained how this tool would better document the CCAB’s grant making decisions. Ted Hughes discussed the process the Department of Local Affairs uses.

The CCAB reviewed the sheet and added the “presentation from applicant” to the grant review sheet. A CCAB member asked that draft evaluation tool for grant review go to the stakeholders for review and feedback before it is adopted. The CCAB agreed. The CCAB reviewed each item on the sheet in detail and made changes to some of the language, as well as how each section would be scored.

The CCAB Chair called for a short break 3:50 - 4:02 p.m.

- Audit implementation plan; review and discuss the draft waiver application. Ted Hughes discussed the current waiver submittal process. Ted Hughes read the audit recommendation and reviewed the draft waiver application in detail with the CCAB. Ted Hughes explained why a waiver application was necessary. The CCAB Chair explained previous issues with waivers and noted how it is sometimes hard for applicants to show unique circumstances. Ted Hughes clarified what a statutory waiver was, how it was documented and explained that the CCAB could not ask for more matching funds than the district could bond for. The CCAB agreed to add statutory language to the draft waiver application.
- Audit implementation plan; review and discuss the draft waiver evaluation tool. The CCAB briefly reviewed the draft waiver evaluation tool and suggested adding in some statutory language regarding extenuating circumstances.
- Audit implementation plan; review and discuss the draft policy/form regarding board actions related to conflicts of interest. Ted Hughes discussed the issue with the current conflict of issue policy and said the only documentation is in the meeting minutes and that it is hard to track. Ted Hughes said a more formal policy needed to be put in place with better tracking. Ted Hughes and the CCAB Chair discussed a previous situation that occurred and reviewed the audit

recommendation. A CCAB member asked that some of the language be revised. The CCAB agreed with the changes.

- Audit implementation plan; review and discuss the draft a targeted outreach plan. Ted Hughes reviewed the document with the CCAB and explained the different ways the data could be sorted. The CCAB discussed possible solutions. Ted Hughes discussed the criteria questions, noting that not all of them pertain to health and safety. The CCAB agreed to review the criteria question from the statewide facility assessment and choose the most important ones they wanted to focus on.
- Follow up to the board retreat regarding strategic planning and goals. Ted Hughes said he wanted to follow up with the CCAB regarding the retreat and try to set up a time to discuss the CCAB's duties. A CCAB member suggested having a work session before the next board meeting. The CCAB agreed it would be a good idea to invite stakeholders of the BEST program to the meeting to be involved in the discussions.

X. Future Meetings

- Ted Hughes reviewed future meeting dates and business items that need to be addressed. The CCAB agreed to extend the December 12, 2013 meeting to allow time for the work session.

XI. Public Comment

- The CCAB Chair asked if there was anyone who had questions or would like to speak from the public. There were none.

XII. Adjournment

- The CCAB Chair asked for a motion to adjourn;
 - So moved by Kathy Gebhardt;
 - Denise Pearson 2nd the motion;
 - No discussion;
 - Motion carried unanimously;
 - Meeting adjourned 5:34 p.m.

PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD AGENDA SHEET

MEETING DATE: December 12, 2013
SUBJECT: Draft a Targeted Outreach Plan
TYPE: Action Information

BACKGROUND (Include any statutory authority):

Recommendation 1 of the audit states the Public School Capital Construction Assistance Board (Assistance Board) with the assistance of the Department of Education's Division of Public School Capital Construction Assistance (Department) should take steps to identify, in a prioritized manner, the critical public school capital construction needs in the state, taking into account all factors required by statute, and use the results as a primary basis for providing financial assistance to school districts in priority order to the extent possible.

Part of this recommendation is to systematically using the Priority Assessment data, in conjunction with other factors as appropriate, to identify school districts that have not applied for funds for their schools with critical needs and that do not have the financial ability to help themselves, and targeting outreach to those districts to help them prepare quality applications for funding.

BEST Board Response:

The Assistance Board will use available data, including the Priority Assessment data, and any future enhancements to the data, to identify and conduct targeted outreach to districts with critical capital construction needs including those that do not have the financial ability to help themselves. The Assistance Board will consider approaches to identify school districts with critical needs based upon currently available data and direct the Department staff to perform targeted outreach to those districts. The Assistance Board will revise the direction to Department staff as additional data, including enhancement to the Priority Assessment data, become available and new approaches are identified.

Department Response:

The Department will support the Assistance Board's efforts to identify districts with critical capital construction needs and conduct targeted outreach. As part of this effort, the Department is developing various approaches to recommend to the Assistance Board in order to identify school districts with critical needs based upon currently available data. The Department will revise these recommended approaches as additional data, including enhancements to the Priority Assessment data, become available.

Division staff has made changes to the proposed outreach plan based on further evaluation of the data used to target potential applicants. Key changes include:

- Adding "School Score" as a data point;
- Specific criteria questions remained the same as the Division received no feedback from the CCAB on the addition/omission of specified data points;
- Removal of "Deficiency Category and Priority" since the generated list did not provide a good group of school needs to target;
- Evaluating "Available Bonding Capacity" differently.

STAFF RECOMMENDATION

Review the changes made to the "Revised Capital Construction Assistance Board Outreach Plan", make any revisions as necessary. Ask the public if there are questions or items that need to be included, then adopt as-is, or

with revisions.

STAFF RECOMMENDED MOTION (If this is an action item)

I move to adopt the Targeted Outreach Plan as presented / or with proposed changes.

ATTACHMENTS:

Draft CCAB Outreach Plan

Capital Construction Assistance Board Outreach Plan

The Capital Construction Assistance Board (CCAB) has developed a formal outreach plan, based on specified assessment data, to target schools with critical health and safety needs to potentially apply for a BEST grant in the FY2014-15 cycle. Collaborations with Parsons could result in assessment modification, so future outreach plans will be reevaluated to target schools most effectively.

The specified assessment data below contains information that the CCAB and Division staff evaluated and determined to relate to health and safety issues to target potential projects for the FY2014-15 cycle.

1. **Facility Condition Index (FCI)** – FCI is an industry-standard measurement of a facility's condition that is the ratio of the cost to correct a facility's deficiencies to the Current Replacement Value of the facilities. The higher the FCI, the poorer the condition of a facility;

The facilities are sorted by FCI from highest to lowest.

2. **Colorado Facility Index (CFI)** – CFI is the ratio of condition needs plus suitability needs plus energy audit needs to Current Replacement Value. The higher the CFI, the poorer the condition of a facility;

The facilities are sorted by CFI from highest to lowest.

3. **School Score** – The School Score reflects how well facilities conforms to the Criteria Questions. The score represent the three main Criteria components of condition, suitability and energy using a weighted scoring methodology: $School\ Score = (70\% \times Condition\ Score) + (30\% \times Suitability\ Score) + (0\% \times Energy\ Score)$, The School Score is then adjusted to a scale of 1 through 5, with 1 being the worst score.

The facilities are sorted by School Score from lowest to highest.

4. **Specific Criteria Questions** – The facility assessment contains multiple criteria questions scored on a scale of 1-5, where 1 is the poorest condition. The Division has determined that these criteria questions relate directly to health and safety:

100.1	Does the foundation or basement walls have any observable cracks?
102.2	Are there any observable cracks or other areas of failure in respect to the walls?
104.2	Describe the condition of the school's structural system.
108.1	Describe the condition of the school's ceiling/roof assembly.
109.1	Describe the condition of the school's ceiling/floor assembly.
114.0	What is the air quality for carbon dioxide?
115.0	At the time of visit, what is the air quality for carbon monoxide in boiler rooms or at air supply ducts?
120.0	Are there any noticeable odors in the school that suggest sewer lines are in poor condition?

A list is generated by filtering the assessment data by all schools which have a noted deficiency in one or more of the criteria listed above. That list is then sorted by school and sorted by the number of level one deficiencies to create a critical need list.

5. **Available Bonding Capacity** – The amount a school district has available to borrow from voter approved tax increases.

Districts with \$50 Million or more in available bonding capacity were removed for the assessment data reports.

Outreach plan implementation:

The CCAB, with the support of the Division, will use these lists to identify the neediest facilities in each category in order to target potential applicants for a BEST grant application.

A standardized communication will be sent to the identified school district, charter school or BOCES informing them that based on the Colorado Department of Education’s statewide facility assessment one of their facilities has been noted with health and safety items which could make them a good candidate for the BEST grant. The communication will also give some background on the BEST grant, what the grant cycle timeline is, contact information for their Division representative and the option to schedule a site visit from one of the Division’s staff members. The Division will document these communications each year and will follow up with phone calls to each school to provide more detail as necessary.

If a prospective applicant is interested, Division staff will visit the site to provide technical assistance by evaluating the identified project and educating the applicant on the BEST grant program. Division staff will continue to be a resource and offer technical assistance throughout the grant application process and through successful project completion (should the project be awarded).

Division of Capital Construction Yearly Grant Communication



PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD AGENDA SHEET

MEETING DATE: December 12, 2013

SUBJECT: Audit implementation plan: Evaluation tool for grant review

TYPE: Action Information

BACKGROUND (Include any statutory authority):

Recommendation #2 of the audit says: The Public School Capital Construction Assistance Board (Assistance Board) should improve its grant decision making processes to ensure that the process is transparent and adheres to statutory direction by:

a) Developing a standardized evaluation tool to evaluate grant applications that includes criteria based on the Priority Assessment data and statutory priorities and requirements. Additionally, the scoring criteria should evaluate the adequacy of the proposed solution to address the school's need and the district's financial capacity to address problems outside of a grant program;

BEST Board Response:

The Public School Capital Construction Assistance Board will develop a standardized evaluation tool to evaluate grant applications that includes criteria based on the Priority Assessment data, statutory priorities and requirements, factors that evaluate the adequacy of the district's proposed solution, the district's financial capacity to address the problems identified, and any other relevant factors. The Assistance Board will document the application evaluation and prioritization processes.

Division staff has received feedback from the CCAB, staff and stakeholders. All comments have been reviewed and recommendations have been incorporated into the revised draft of the evaluation tool.

Stakeholders who provided feedback on the evaluation tool wanted to know how the points were assigned and that the 1-25 scoring system was too broad and vague. Below is a summary of some of the comments from staff and stakeholders:

- The scoring criteria are vague, want to know how and why you scored my project as you did. I would encourage the form have an explanation of how to accumulate points.
- How are the points assigned by the reviewer?
- Does each line item have a value? If not, will some line items carry more weight than others? How will applicants know which?
- My only qualm is the 1-25 point system. In my view, this is a bit of a broad spectrum.
- Consider revising the first criteria from pure FCI/CFI to better reflect the statutory language regarding the board's duty to "consider the condition of the entire public school facility"

Staff has incorporated the comments (*see the attached redline sheet*) and created a revised draft for review. A score for each item has been added back in, considerations were moved & removed and the FCI/CFI category was renamed.

STAFF RECOMMENDATION

Review the changes made to the "Revised Grant Application Evaluation Tool", make any revisions as necessary. Ask the public if there are questions or items that need to be included, then adopt as-is, or with revisions.

STAFF RECOMMENDED MOTION (If this is an action item)

I move to adopt the Grant Application Evaluation Tool as presented / or with proposed changes.

ATTACHMENTS:

Revised Grant Application Evaluation Tool

REDLINED Revised Grant Application Evaluation Tool

FY2014-15 BEST Grant Application Evaluation Tool

Applicant:		Board Member:	
Project Name:		Key: Strongly Disagree: 1 Strongly Agree: 10	
Statutory Need - Pursuant to 22-43.7-109(5) C.R.S., the board shall prioritize applications that describe public school facility capital construction projects deemed eligible for financial assistance based on the following criteria, in descending order of importance: <i>*Please select the highest priority that pertains to the project</i>			
Priority 1	Projects that will address safety hazards or health concerns at existing public school facilities, including concerns relating to public school facility security.		
Priority 2	Projects that will relieve overcrowding in public school facilities, including but not limited to projects that will allow students to move from temporary instructional facilities into permanent facilities.		
Priority 3	Projects that are designed to incorporate technology into the educational environment.		
Priority 4	All other projects;		
<i>(Optional Comments & Notes)</i>			Priority Selected:
Conditions of the Entire Public School Facility			Score 1-10 for Each
The FCI supports the scope of the proposed project.			
The CFI supports the scope of the proposed project.			
The facility assessment supports the scope of the project.			
Total out of 30:			0
<i>(Optional Comments & Notes)</i>			
Financial Capacity			Score 1-10 for Each
The applicant is providing the minimum required match contribution or meets the minimum waiver requirements.			
The applicant has less than three financial warning indicators.			
The applicant is contributing to a capital reserve type fund.			
Total out of 30:			0
<i>(Optional Comments & Notes)</i>			
Project Proposal			Score 1-10 for Each
The application clearly states the deficiencies associated with the facility.			
The solution resolves all deficiencies noted within the application.			
The scope of work proposed appears to be reasonable and well planned.			
The deficiencies are urgent in nature.			
Total out of 40:			0
<i>(Optional Comments & Notes)</i>			
Other Application Considerations			Score 1-10 for Each
The project complies with the BEST Construction Guidelines.			
The cost, cost per SF, and/or cost per pupil seem appropriate and supportable.			
The SF of the project and/or SF per pupil seem reasonable and supportable.			
The applicant is willing to pursue a fair, competitive, transparent selection process for contractors and consultants.			
Total out of 40:			0
<i>(Optional Comments & Notes)</i>			
Grand Total of All Scores:			0
Presentation & Discussion - no score, information only			
<i>(Optional Comments & Notes)</i>			

FY2014-15 BEST Grant Application Scoring Evaluation

Applicant: _____		Board Member: _____	
Project Name: _____		Key: Strongly Disagree: 1 Strongly Agree: 10	
Statutory Need - Pursuant to 22-43.7-109(5) C.R.S., the board shall prioritize applications that describe public school facility capital construction projects deemed eligible for financial assistance based on the following criteria, in descending order of importance: <i>*Please select the highest priority that pertains to the project</i>			
Priority 1	Projects that will address safety hazards or health concerns at existing public school facilities, including concerns relating to public school facility security.		
Priority 2	Projects that will relieve overcrowding in public school facilities, including but not limited to projects that will allow students to move from temporary instructional facilities into permanent facilities.		
Priority 3	Projects that are designed to incorporate technology into the educational environment.		
Priority 4	All other projects;		
<i>(Optional Comments & Notes)</i>		Priority Selected:	
Facility Condition Index (FCI) / Colorado Facility Index (CFI)			
Conditions of the Entire Public School Facility		Score 1-10 for Each	
The FCI supports the scope of the proposed project.			
The CFI supports the scope of the proposed project.			
The facility assessment supports the scope of the project.			
Total out of 30:			
<i>(Optional Comments & Notes)</i>			
Financial Capacity		Score 1-10 for Each	
The applicant is providing the minimum required match contribution or meets the minimum waiver requirements.			
The applicant has less than three financial warning indicators.			
The applicant is contributing to a capital reserve type fund.			
The applicant is committing to contribute to a capital renewal reserve (new school or major renovation projects only).		In Statute	
Total out of 30:			
<i>(Optional Comments & Notes)</i>			
Project Proposal		Score 1-10 for Each	
The application clearly states the deficiencies associated with the facility.			
The solution resolves all deficiencies noted within the application.			
The scope of work proposed appears to be reasonable and well planned.			
The deficiencies are urgent in nature.			
Total out of 40:			
<i>(Optional Comments & Notes)</i>			
Other Application Considerations		Score 1-10 for Each	
The facility assessment supports the project. (MOVED TO THE TOP SECTION)			
The project complies with the BEST Construction Guidelines.			
The cost, cost per SF, and/or cost per pupil seem appropriate and supportable.			
The SF of the project and/or SF per pupil seem reasonable and supportable.			
The applicant is willing to pursue a fair, competitive, transparent selection process for contractors and consultants.			
Total out of 40:			
<i>(Optional Comments & Notes)</i>			
Grand Total of All Scores:			
Presentation & Discussion - no score, information only			
<i>(Optional Comments & Notes)</i>			

PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD AGENDA SHEET

MEETING DATE: December 12, 2013
SUBJECT: Draft Waiver Application
TYPE: Action X Information

BACKGROUND (Include any statutory authority):

Recommendation #3 of the Audit states the Public School Capital Construction Assistance Board (Assistance Board) should take steps to better ensure that matching funds requirements reflect the financial capacity of the district and to ensure equity in the process.

Looking specifically at the wavier process for matching funds the audit recommends implementing a mechanism for the Assistance Board to obtain documentation that supports each waiver request. This should include the Department providing information it maintains that is relevant to each waiver request to the Assistance Board and the Assistance Board requiring school districts to submit any additional information needed as part of their waiver requests.

BEST Board Response:

The Assistance Board will identify the types of documentation that will be required for waiver requests and will consider the documentation collected by the Department and received from the school districts when evaluating waiver requests.

Division staff has updated the waiver application per the CCAB's recommendations from the November board meeting.

STAFF RECOMMENDATION

Review the revised draft, make any revisions as necessary and adopt as-is or with revisions.

STAFF RECOMMENDED MOTION (If this is an action item)

I move to adopt the Waiver Application as presented / or with proposed changes.

ATTACHMENTS:

Draft Waiver Applications (District & Charter School)

BEST School District and BOCES Grant Waiver Application

The BEST grant is a matching grant and each applicant is assigned a unique minimum matching requirement, pursuant to 22-43.7-109(9) C.R.S., to identify their financial capacity. An applicant may apply to the Capital Construction Assistance Board for a waiver or reduction of the matching moneys requirement for their project if the applicant determines their minimum match is not reflective of their current financial capacity, pursuant to 22-43.7-109(10) C.R.S. The Capital Construction Assistance board shall seek to be as equitable as practicable by considering the total financial capacity of each applicant pursuant to 22-43.7-109(11) C.R.S.

INSTRUCTIONS

Please answer the questions below. Be specific when addressing each question and explain the issues and impacts in detail, including dollar amounts and specific ways in which such issues and impacts make it impossible for the applicant to make its full matching contribution. Please submit meeting minutes, award/non award letters, official communications, budget documents or other relevant documentation to support the responses provided below.

Waiver requests will be reviewed independent of the grant application and upon review of the waiver application the Capital Construction Assistance Board will make a motion to approve or deny the applicants waiver request.

Please describe why a waiver or reduction with the matching contribution would significantly enhance educational opportunity and quality within a school district, charter school or BOCES

Please describe why the cost of complying with the match contribution would significantly limit educational opportunities within your school district, charter school or BOCES

What efforts has the applicant made to coordinate the project with local governmental entities, community based organizations, other available grants or other organizations to more efficiently or effectively leverage the applicant's ability to contribute financial assistance to the project

BEST School District and BOCES Grant Waiver Application

The minimum matching requirement for each applicant is determined by evaluating the following factors: Pupil Assessed Valuation, The districts average median household income (from 2010 census), Percentage of pupils eligible for free or reduced cost lunch, Bond Election failures and successes in the last 10 years and Bond Mill Levy. For each factor please describe why you feel that factor does not accurately reflect the financial capacity of your school district.

Per Pupil Assessed Valuation relative to the statewide average – The higher the Per Pupil Assessed Value the higher the match

The districts median household income (from 2010 census) relative to the statewide average – The higher the median household income the higher the match

Percentage of pupils eligible for free or reduced cost lunch relative to the statewide average – The lower the percentage for free and reduced cost lunch the lower the match

Bond Election failures and successes in the last 10 years – The more attempts the school district has had the lower the match

BEST School District and BOCES Grant Waiver Application

Bond Mill Levy relative to the statewide average – The higher the bond mill levy the lower the match

Please describe any other extenuating circumstances deemed appropriate for a waiver or reduction in the matching contribution

BEST Charter School Grant Waiver Application

The BEST grant is a matching grant and each applicant is assigned a unique minimum matching requirement, pursuant to 22-43.7-109(9) C.R.S., to identify their financial capacity. An applicant may apply to the Capital Construction Assistance Board for a waiver or reduction of the matching moneys requirement for their project if the applicant determines their minimum match is not reflective of their current financial capacity, pursuant to 22-43.7-109(10) C.R.S. The Capital Construction Assistance board shall seek to be as equitable as practicable by considering the total financial capacity of each applicant pursuant to 22-43.7-109(11) C.R.S.

INSTRUCTIONS

Please answer the questions below. Be specific when addressing each question and explain the issues and impacts in detail, including dollar amounts and specific ways in which such issues and impacts make it impossible for the applicant to make its full matching contribution. Please submit meeting minutes, award/non award letters, official communications, budget documents or other relevant documentation to support the responses provided below.

Waiver requests will be reviewed independent of the grant application and upon review of the waiver application the Capital Construction Assistance Board will make a motion to approve or deny the applicants waiver request.

Please describe why a waiver or reduction with the matching contribution would significantly enhance educational opportunity and quality within a school district, charter school or BOCES

Please describe why the cost of complying with the match contribution would significantly limit educational opportunities within your school district, charter school or BOCES

What efforts has the applicant made to coordinate the project with local governmental entities, community based organizations, other available grants or other organizations to more efficiently or effectively leverage the applicant's ability to contribute financial assistance to the project

BEST Charter School Grant Waiver Application

The minimum matching requirement for each applicant is determined by evaluating the following factors: Weighted average of district matches which comprise the student population, does the authorizing district have 10% or less bonding capacity remaining, is the charter school in a district owned facility, how many times has the charter school attempted to or attained bond proceeds from an authorizer's ballot measure for capital needs, how many times has the charter school attempted to do a special mill levy override pursuant to 22-30.5-405 for capital needs, how many times has the charter school attempted or attained grant funding through a non-BEST source for capital needs, how many times has the charter school attempted or obtained funding through CECFA or another type of financing, charter school enrollment as a percent of district enrollment, free/reduced lunch percent in relation to the statewide average charter school free/reduced lunch percent, percentage of PPR spent on non M&O facilities costs, unreserved fund balance as a percent of budget. For each factor please describe why you feel that factor does not accurately reflect the financial capacity of your school district.

Weighted average of district matches which comprise the student population

Does the authorizing district have 10% or less bonding capacity remaining

Is the charter school in a district owned facility

How many times has the charter school attempted to or attained bond proceeds from an Authorizer's ballot measure for capital needs

BEST Charter School Grant Waiver Application

How many times has the charter school attempted to do a special mill levy override pursuant to 22-30.5-405 for capital needs?

How many times has the charter school attempted or attained grant funding through a non-BEST source for capital needs

How many times has the charter school attempted or obtained funding through CECFA or another type of financing

Charter school enrollment as a percent of district enrollment

Free/Reduced lunch percent in relation to the statewide average charter school free/reduced lunch percent

Percentage of PPR spent on non M&O facilities costs

BEST Charter School Grant Waiver Application

Unreserved fund balance as a percent of budget

Please describe any other extenuating circumstances deemed appropriate for a waiver or reduction in the matching contribution

PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD AGENDA SHEET

MEETING DATE: December 12, 2013
SUBJECT: Draft Waiver Application Evaluation Tool
TYPE: Action Information

BACKGROUND (Include any statutory authority):

Recommendation 3 of the Audit states the Public School Capital Construction Assistance Board (Assistance Board) should take steps to better ensure that matching funds requirements reflect the financial capacity of the district and to ensure equity in the process.

Looking specifically at the waiver process for matching funds the audit recommends developing and implementing a formal evaluation tool to guide the evaluation of each matching fund waiver request and document the reasons for approval or denial of each request. As part of this process, the Assistance Board should review supporting documentation provided by the Department and districts to ensure that the need for a waiver is adequately documented.

BEST Board Response:

The Assistance Board will develop a formal evaluation tool for matching fund waiver requests and will review supporting documentation provided by the Department and the school districts in the evaluation of matching fund waiver requests.

Division staff has updated the waiver application evaluation tool per the CCAB's recommendations from the November board meeting.

STAFF RECOMMENDATION

Review the revised draft, make any revisions as necessary and adopt as-is or with revisions.

STAFF RECOMMENDED MOTION (If this is an action item)

I move to adopt the Waiver Application Evaluation Tool as presented / or with proposed changes.

ATTACHMENTS:

Draft Waiver Application Evaluation Tool for School Districts & BOCES
Draft Waiver Application Evaluation Tool for Charter Schools

BEST Grant Waiver Evaluation Tool for School Districts and BOCES

The BEST grant is a matching grant and each applicant is assigned a unique minimum matching requirement, based on the factors outlined in statute, to identify their financial capacity. An applicant may apply to the Capital Construction Assistance Board for a waiver or reduction of the matching moneys requirement for their project if the applicant determines their minimum match is not reflective of their current financial capacity.

Please review the applicant's responses to the questions below and mark each response with a yes or no. Be sure to look at the specifics when reviewing each question and evaluate the applicant's explanation to the issues and impacts that make it impossible for the applicant to make its full matching contribution.

Yes - The response demonstrated a high need for a reduction in their matching contribution

No - The response did not demonstrate sufficient need for a reduction in the applicants matching requirement

Grant Applicant Name _____ Project Name _____

Waiver application questions

Please describe why a waiver or reduction with the matching contribution would significantly enhance educational opportunity and quality within a school district, charter school or BOCES

Does this response support a reduction in the applicants matching contribution? YES or NO

Please describe why the cost of complying with the match contribution would significantly limit educational opportunities within your school district, charter school or BOCES

Does this response support a reduction in the applicants matching contribution? YES or NO

What efforts has the applicant made to coordinate the project with local governmental entities, community based organizations, other available grants or other organizations to more efficiently or effectively leverage the applicant's ability to contribute financial assistance to the project

Does this response support a reduction in the applicants matching contribution? YES or NO

Justification for Per Pupil Assessed Valuation not being representative of their financial capacity

Does this response support a reduction in the applicants matching contribution? YES or NO

Justification for the districts median household income not being representative of their financial capacity

Does this response support a reduction in the applicants matching contribution? YES or NO

Justification for Percentage of pupils eligible for free or reduced cost lunch not being representative of their financial capacity

Does this response support a reduction in the applicants matching contribution? YES or NO

Justification for Bond Election failures and successes in the last 10 years not being representative of their financial capacity

Does this response support a reduction in the applicants matching contribution? YES or NO

BEST Grant Waiver Evaluation Tool for School Districts and BOCES

Justification for Bond Mill Levy not being representative of their financial capacity

Does this response support a reduction in the applicants matching contribution? YES or NO

Please describe any other extenuating circumstances deemed appropriate for a waiver or reduction in the matching contribution

Does this response support a reduction in the applicants matching contribution? YES or NO

Additional Board Member Comments

Overall support based on the total number of yes's versus no's YES or NO
In the event of a tie Robert's Rules will apply and a "no" will be assigned

BEST Grant Waiver Evaluation Tool for Charter Schools

The BEST grant is a matching grant and each applicant is assigned a unique minimum matching requirement, based on the factors outlined in statute, to identify their financial capacity. An applicant may apply to the Capital Construction Assistance Board for a waiver or reduction of the matching moneys requirement for their project if the applicant determines their minimum match is not reflective of their current financial capacity.

Please review the applicant's responses to the questions below and mark each response with a yes or no. Be sure to look at the specifics when reviewing each question and evaluate the applicant's explanation to the issues and impacts that make it impossible for the applicant to make its full matching contribution.

Yes - The response demonstrated a high need for a reduction in their matching contribution

No - The response did not demonstrate sufficient need for a reduction in the applicants matching requirement

Grant Applicant Name _____ Project Name _____

Waiver application questions

Please describe why a waiver or reduction with the matching contribution would significantly enhance educational opportunity and quality within a school district, charter school or BOCES

Does this response support a reduction in the applicants matching contribution? YES or NO

Please describe why the cost of complying with the match contribution would significantly limit educational opportunities within your school district, charter school or BOCES

Does this response support a reduction in the applicants matching contribution? YES or NO

What efforts has the applicant made to coordinate the project with local governmental entities, community based organizations, other available grants or other organizations to more efficiently or effectively leverage the applicant's ability to contribute financial assistance to the project

Does this response support a reduction in the applicants matching contribution? YES or NO

Justification for weighted average of district matches which comprise the student population

Does this response support a reduction in the applicants matching contribution? YES or NO

Justification for the district authorizer having 10% or less bonding capacity remaining

Does this response support a reduction in the applicants matching contribution? YES or NO

Justification for the charter school in a district owned facility

Does this response support a reduction in the applicants matching contribution? YES or NO

Justification for how many times has the charter school attempted to or attained bond proceeds from an Authorizer's ballot measure for capital needs

Does this response support a reduction in the applicants matching contribution? YES or NO

BEST Grant Waiver Evaluation Tool for Charter Schools

Justification for how many times has the charter school attempted to do a special mill levy override pursuant to 22-30.5-405 for capital needs?

Does this response support a reduction in the applicants matching contribution? YES or NO

Justification for how many times has the charter school attempted or attained grant funding through a non-BEST source for capital needs

Does this response support a reduction in the applicants matching contribution? YES or NO

Justification for how many times has the charter school attempted or obtained funding through CECFA or another type of financing

Does this response support a reduction in the applicants matching contribution? YES or NO

Justification for charter school enrollment as a percent of district enrollment

Does this response support a reduction in the applicants matching contribution? YES or NO

Justification for free/reduced lunch percent in relation to the statewide average charter school free/reduced lunch percent

Does this response support a reduction in the applicants matching contribution? YES or NO

Justification for percentage of PPR spent on non M&O facilities costs

Does this response support a reduction in the applicants matching contribution? YES or NO

Justification for unreserved fund balance as a percent of budget

Does this response support a reduction in the applicants matching contribution? YES or NO

Justification for describing any other extenuating circumstances deemed appropriate for a waiver or reduction in the matching contribution

Does this response support a reduction in the applicants matching contribution? YES or NO

Additional Board Member Comments

Overall support based on the total number of yes's versus no's YES or NO

In the event of a tie Robert's Rules will apply and a "no" will be assigned

PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD AGENDA SHEET

MEETING DATE: December 12, 2013

SUBJECT: Draft policy/form regarding board actions related to conflicts of interest

TYPE: Action Information

BACKGROUND (Include any statutory authority):

Recommendation 4 of the audit states the Public School Capital Construction Assistance Board (Assistance Board) should maximize the safeguards in place to prevent the appearance of, or actual conflicts of interest.

Looking specifically at disclosing conflict of interest the audit recommends documenting Assistance Board member disclosures of conflicts of interest, including the date of the disclosure, the Assistance Board member involved, and the nature of the conflict. Documentation should be retained and made available at all Assistance Board meetings in which evaluations of applications or voting occurs to ensure that Assistance Board members comply with rules to recuse themselves from voting on a project if they have prior involvement with the applicant or project.

BEST Board Response:

The Assistance Board will document and retain conflict of interest disclosures and make those disclosures available at Assistance Board meetings to ensure that Assistance Board members recuse themselves appropriately and do not vote on action items related to projects in which the members have a real or apparent conflict of interest. The Assistance Board will immediately begin documenting and publicizing conflict of interest disclosures on the Capital Construction Assistance website and will subsequently develop a formal disclosure statement.

Division staff has updated the conflict of interest disclosure form per the CCAB's recommendations from the November board meeting.

STAFF RECOMMENDATION

Review the revised draft, make any revisions as necessary and adopt as-is or with revisions.

STAFF RECOMMENDED MOTION (If this is an action item)

I move to adopt the Conflict of Interest Disclosure Form as presented / or with proposed changes.

ATTACHMENTS:

CCAB Conflict of Interest Disclosure Form

Capital Construction Assistance Board

-Disclosure of Conflict of Interest-

In accordance with Section 3.1 of the Building Excellent Schools Today Grant Program Rules 1 CCR 303-3 Capital Construction Assistance Board members must exercise caution and notify the Division when potential conflict of interest situations arise.

On _____(date) _____(Board Member Name) disclosed at a public capital construction assistance board meeting their involvement with the _____ (School Name, Project) which has a real or apparent conflict of interest with their role as a Capital Construction Assistance Board Member. The Assistance Board member will recuse themselves appropriately and will not vote on actions items related to the project from this day forward. This document will be retained in the Division office along with any other supporting documentation

Please check all that apply

Pursuant to 1 CCR 303-3 section 3.1.3.2 No Board member shall participate in the Board's evaluation process, including voting, for any Application when the Board member's firm has had prior contact with the Applicant directly related to the Project or Application;

Pursuant to 1 CCR 303-3 section 3.1.4 In cases where a Board member or a Board member's firm has not consulted with an Applicant prior to the evaluation and voting process, and a Board member votes on an Application, if the Application is approved by the State Board the Board member or Board member's firm may respond to a competitive RFP or RFQ, or work on the Project, but must exercise caution to avoid conflicts of interest and/or appearance of impropriety, and he or she should inform the Division staff of the situation, then the CCAB.

Any other conflict of interest that is either actual or gives the appearance of impropriety. Please describe situation and actions I will take:

Assistance Board Member Signature

Date

Assistance Board Chairman Signature

Date

Division Director Signature

Date

PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD AGENDA SHEET

MEETING DATE: December 12, 2013

SUBJECT: Review and Adopt FY2014-15 BEST Financial Assistance Timeline.

TYPE: Action Information

BACKGROUND (Include any statutory authority):

Pursuant to 22-43.7-109(2)(a) C.R.S. the BEST Board is responsible for establishing the timeline for applicants applying for BEST grants. The BEST Timeline is a tool used to show key dates pertaining to the BEST Program. Important dates include: Last date for charter schools to notify authorizer, when the BEST Grant application opens, time needed for summary review, when the summary book will be distributed, and the meeting dates for the grant application approval from the CCAB, State Board and the CDC (Capital Development Committee).

There are two proposed changes for the FY2014-15 BEST Financial Assistance Timeline.

- 1) Due to the new audit implementation plans that will affect the grant application, it is recommended to open the BEST grant application on December 13, 2013 instead of its original date of December 1, 2013.
- 2) Division staff also recommends extending the date for assessment report comments to be submitted for review from January 31, 2014 to February 28, 2014, to give applicants and districts more time to review their school reports.

STAFF RECOMMENDATION

Review the FY2014-15 BEST Timeline, confirm dates and approve changes as needed.

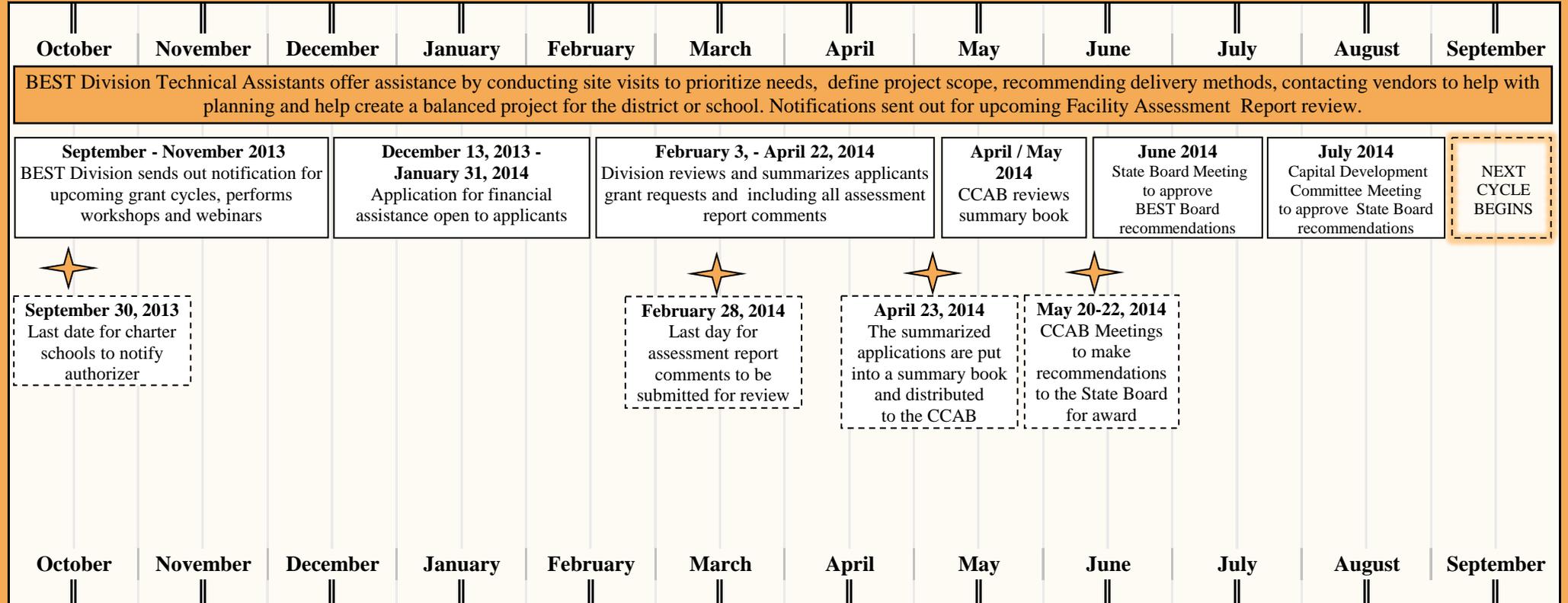
STAFF RECOMMENDED MOTION (If this is an action item)

I move to approve the Updated FY2014-15 BEST Timeline as presented.

ATTACHMENTS:

Updated FY2013-14 BEST Timeline

BEST Financial Assistance Cycle Timeline FY2014-15



PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD AGENDA SHEET

MEETING DATE: December 12, 2013

SUBJECT: New match calculation for districts, BOCES & Colorado School for the Deaf & Blind

TYPE: Action Information X

BACKGROUND (Include any statutory authority):

Recommendation 3 of the audit states The Public School Capital Construction Assistance Board (Assistance Board) should take steps to better ensure that matching funds requirements reflect the financial capacity of the district and to ensure equity in the process.

To accomplish this the audit recommended evaluating whether statutory change is necessary to allow the Assistance Board to use the remaining bonded indebtedness capacity as a factor in determining the match percentage required from each district and whether adjustments are needed to the other statutory factors that should be considered when calculating the matching funds requirements.

Additionally, the audit recommended developing a methodology to determine the matching funds required for each school district that correlates them with school district's financial capacity to provide matching funds.

BEST Board Response:

The Public School Capital Construction Assistance Board believes it is advisable to incorporate bonded indebtedness limits as a factor into the statutory matching funds formula to better assess the financial capacity of applicants. The Board will also evaluate the appropriateness of other statutory factors and work with the General Assembly to make statutory changes.

The Assistance Board will recommend appropriate statutory changes to the factors and/or weighting of those factors in order to ensure the match accurately reflects school district financial capacity.

STAFF RECOMMENDATION

Discuss the Division match calculation spreadsheet to evaluate how district matches are affected by incorporating the new criteria.

STAFF RECOMMENDED MOTION (If this is an action item)

N/A

ATTACHMENTS:

Match Calculation Adjustment Example

Match Calculation Adjustment Example

District	CURRENT BEST FY14-15 ADJUSTED MINIMUM DISTRICT MATCH	MATCH % USING UNRESERVED GENERAL FUND BALANCE FY2011-12	Variance	MATCH % USING REMAINING BOND CAPACITY	Variance	MATCH % USING GENERAL FUND & REMAINING BOND CAPACITY	Variance
BRANSON 82	68%	56%	-12%	57%	-11%	50%	-18%
AGATE 300	62%	50%	-12%	53%	-9%	45%	-17%
DOLORES RE-4A	38%	30%	-8%	39%	1%	32%	-6%
SANGRE DE CRISTO RE-22J	22%	20%	-2%	19%	-3%	18%	-4%
GENOA-HUGO C113	40%	39%	-1%	41%	1%	40%	0%
ASPEN 1	88%	86%	-2%	89%	1%	88%	0%
MIAMI-YODER 60 JT	22%	27%	5%	18%	-4%	23%	1%
ADAMS-ARAPAHOE 28-J	17%	32%	15%	13%	-4%	27%	10%
GREELEY 6	23%	37%	14%	36%	13%	45%	22%
DENVER 1	32%	45%	13%	45%	13%	54%	22%
Statewide Average	48.96%	48.67%	-0.29%	49.16%	0.20%	48.83%	-0.13%
Statewide Minimum	5%	4%	-18%	5%	-12%	4%	-19%
Statewide Maximum	89%	86%	16%	89%	15%	88%	24%

PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD AGENDA SHEET

MEETING DATE: December 12, 2013

SUBJECT: BEST Rules update: Conflict of interest and other updates as necessary

TYPE: Action Information X

BACKGROUND (Include any statutory authority):

Recommendation #4 of the audit states the Public School Capital Construction Assistance Board (Assistance Board) should maximize the safeguards in place to prevent the appearance of, or actual conflicts of interest by establishing in rules a clear process for handling conflicts of interest when they arise, including enforcement measures that can be used should Members not comply with conflict of interest policies.

BEST Board Response:

The Assistance Board will review and update the existing rules related to conflict of interest disclosure and enforcement and will develop a formalized process for documenting and acting upon potential conflicts of interest.

Additionally, other sections of the BEST rules need to be updated or reviewed to reflect current processes or procedures and it makes sense to initiate those changes at the same time.

STAFF RECOMMENDATION

In order to have new rules enacted by the May CCAB grant review meetings a rule change needs to be initiated with the Secretary of State's office by January 31, 2014. Division staff recommends the CCAB review the current BEST Rules for potential changes throughout the document, specifically the conflict of interest section, to propose at the January CCAB meeting.

STAFF RECOMMENDED MOTION (If this is an action item)

N/A

ATTACHMENTS:

BEST Rules 1 CCR 303-3

COLORADO DEPARTMENT OF EDUCATION
DIVISION OF PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE

1 CCR 303-3

BUILDING EXCELLENT SCHOOLS TODAY GRANT PROGRAM

Authority

§ 22-43.7-106(2)(i)(I) C.R.S., the Public School Capital Construction Assistance Board may promulgate rules, in accordance with Article 4 of Title 24, C.R.S., as are necessary and proper for the administration of the BEST Act.

Scope and Purpose

This regulation shall govern the Building Excellent Schools Today (BEST) Public School Capital Construction Assistance Program pursuant to the BEST Act.

1. Definitions

- 1.1. "Applicant" means an entity that submits an Application for Financial Assistance to the Board, including:
 - 1.1.1. A School District;
 - 1.1.2. A District Charter School;
 - 1.1.3. An Institute Charter School;
 - 1.1.4. A Board of Cooperative Educational Services (BOCES);
 - 1.1.5. The Colorado School for the Deaf and Blind.
- 1.2. "Application" means the Application for Financial Assistance submitted by an Applicant.
- 1.3. "Assistance Fund" means the public school capital construction assistance fund created in § 22-43.7-104(1) C.R.S.
- 1.4. "Authorizer" means the School District that authorized the charter contract of a Charter School or, in the case of an Institute Charter School, as defined in § 22-43.7-106(1) C.R.S., the State Charter School Institute created and existing pursuant to § 22-30.5-502(6) C.R.S.
- 1.5. "BEST Act" means § 22-43.7-101 C.R.S. et seq.
- 1.6. "BEST Lease-purchase Funding" means funding from a sublease-purchase agreement entered into between the state and an entity as described in 2.1 pursuant to § 22-43.7-110(2) C.R.S.
- 1.7. "BEST Cash Grant" means cash funding as a matching grant.
- 1.8. "BEST Emergency Grant" means a request for Financial Assistance in connection with a Public School Facility Emergency.

- 1.9. "Board" means the Public School Capital Construction Assistance Board created in § 22-43.7-106 (1) C.R.S.
- 1.10. "Board of Cooperative Educational Services" or "BOCES" means a Board of Cooperative Services created and existing pursuant to § 22-5-104 C.R.S. that is eligible to receive State moneys pursuant to § 22-5-114 C.R.S.
- 1.11. "Capital Construction" means, pursuant to § 24-75-301 (1) C.R.S.:
- 1.11.1. Purchase of land, regardless of the value thereof;
 - 1.11.2. Purchase, construction, or demolition of buildings or other physical facilities, including utilities and state highways or remodeling or renovation of existing buildings or other physical facilities, including utilities and state highways to make physical changes necessitated by changes in the program, to meet standards required by applicable codes, to correct other conditions hazardous to the health and safety of persons which are not covered by codes, to effect conservation of energy resources, to effect cost savings for staffing, operations, or maintenance of the facility, or to improve appearance;
 - 1.11.3. Site improvement or development;
 - 1.11.4. Purchase and installation of the fixed and movable equipment necessary for the operation of new, remodeled, or renovated buildings and other physical facilities and for the conduct of programs initially housed therein upon completion of the new construction, remodeling, or renovation;
 - 1.11.5. Purchase of the services of architects, engineers, and other consultants to prepare plans, program documents, life-cycle cost studies, energy analyses, and other studies associated with any Capital Construction project and to supervise construction or execution of such Capital Construction projects;
 - 1.11.6. Any item of instructional or scientific equipment if the cost will exceed fifty thousand dollars.
- 1.12. "Capital Renewal Reserve" means moneys set aside by an Applicant that has received an award for a project for the specific purpose of replacing major Public School Facility systems with projected life cycles such as, but not limited to, roofs, interior finishes, electrical systems and heating, ventilating, and air conditioning systems.
- 1.13. "Charter School" means a Charter School as described in § 22-54-124 (1)(f.6)(I)(A) or (1)(f.6)(I)(B) C.R.S., that has been chartered for at least five years on the date its Authorizer forwards an Application for Financial Assistance to the Board on the Charter School's behalf pursuant to § 22-43.7-103(7) C.R.S.
- 1.14. "Eligible Charter School" means a qualified charter school that is eligible for the Loan Program as defined in section 22-30.5-408(1)(c) C.R.S. and authorized to receive financial assistance pursuant to 22-43.7-109(7) C.R.S.
- 1.15. "Division" means the Division of Public School Capital Construction Assistance created in § 22-43.7-105 C.R.S.
- 1.16. "Financial Assistance" means BEST Cash Grants; BEST Lease-purchase Funding; BEST Emergency Grants; funding provided as matching grants by the Board from the Assistance Fund to an Applicant; or any other expenditure made from the Assistance Fund for the purpose of financing Public School Facility Capital Construction as authorized by the BEST Act.

- 1.17. "Grantee" means a School District, Charter School, Institute Charter School, BOCES or the Colorado School for the Deaf and Blind that has applied for Financial Assistance and received an award.
- 1.18. "Institute Charter School" means a Charter School chartered by the Colorado State Charter School Institute pursuant to § 22-30.5-507 C.R.S.
- 1.19. "Loan Program" means the charter school matching moneys loan program pursuant to 22-43.7-110.5 C.R.S.
- 1.20. "Matching Moneys" means moneys required to be used directly to pay a portion of the costs of a Public School Facility Capital Construction project by an Applicant as a condition of an award of Financial Assistance to the Applicant pursuant to § 22-43.7-109 (9) C.R.S and/or 22-43.7-110(2) C.R.S.
- 1.21. "Project" means the Capital Construction Project for which Financial Assistance is being requested.
- 1.22. "Public School Facility" means a building or portion of a building used for educational purposes by a School District, Charter School, Institute Charter School, a Board of Cooperative Education Services, the Colorado School for the Deaf and Blind created and existing pursuant to § 22-80-102(1)(a) C.R.S., including but not limited to school sites, classrooms, data centers, libraries and media centers, cafeterias and kitchens, auditoriums, multipurpose rooms, and other multi-use spaces; except that "Public School Facility" does not include a learning center, as defined in § 22-30.7-102(4) C.R.S., that is not used for any other public school purpose and is not part of a building otherwise owned, or leased in its entirety, by a School District, a Board of Cooperative Education Services, a Charter School, Institute Charter School, or the Colorado School for the Deaf and Blind for educational purposes.
- 1.23. "Public School Facility Construction Guidelines" means Public School Facility Construction Guidelines as established in § 22-43.7-107 C.R.S.
- 1.24. "Public School Facility Emergency" means an unanticipated event that makes all or a significant portion of a Public School Facility unusable for educational purposes or poses an imminent threat to the health or safety of persons using the Public School Facility.
- 1.25. "School District" means a School District, other than a junior or community college district, organized and existing pursuant to law in Colorado pursuant to § 22-43.7-103 (14) C.R.S.
- 1.26. "State Board" means the State Board of Education created and existing pursuant to section 1 of article IX of the State Constitution.
- 1.27. "Statewide Assessment" means the Financial Assistance priority assessment conducted pursuant to § 22-43.7-108 C.R.S.

2. Eligibility

2.1. The following entities are eligible to apply for Financial Assistance:

2.1.1. A School District;

2.1.2. A District Charter School or individual school of a School District if the school applies through the School District in which the school is located. The School District shall forward the Application from a Charter School or individual school of a School District to the Division with its comments;

- 2.1.3. An Institute Charter School;
 - 2.1.4. A Board of Cooperative Educational Services (BOCES);
 - 2.1.5. The Colorado School for the Deaf and Blind.
- 2.2. The Board may only provide Financial Assistance for a Project for a Public School Facility that the Applicant owns or will have the right to own in the future under the terms of a lease-purchase agreement with the owner of the facility or a sublease-purchase agreement with the state entered into pursuant to § 22-43.7-110(2) C.R.S.
- 2.3. The Board may provide Financial Assistance to a Charter School that first occupies a Public School Facility on or after May 22, 2008, only if the Public School Facility occupied by the Charter School complied with all Public School Facilities Construction Guidelines addressing health and safety issues when the Charter School first occupied the facility.
- 2.4. For a BEST Emergency Grant, the Applicant shall be operating in the Public School Facility for which Financial Assistance is requested.

3. Assistance Board

3.1. Conflict of Interest

3.1.1. In regard to Board members providing information to potential Applicants:

3.1.1.1. Board members shall exercise caution when responding to requests for information regarding potential Applications, especially in regard to questions that may increase the chances that the Board would give a favorable recommendation on an Application or Project.

3.1.2. Board members, and their firms, shall not present their position on the Board to School Districts, Charter Schools, Institute Charter Schools, BOCES, or the Colorado School for the Deaf and Blind as an advantage for using their firm over other firms in a competition.

3.1.3. In regard to Board members avoiding potential conflicts of interest in evaluation of and voting on Applications:

3.1.3.1. If a Board member's firm has no prior contact regarding the Project included in an Application, the Board member may appropriately vote on the Application;

3.1.3.2. No Board member shall participate in the Board's evaluation process, including voting, for any Application when the Board member's firm has had prior contact with the Applicant directly related to the Project or Application;

3.1.3.3. At all times Board members must exercise judgment and caution to avoid conflicts of interest and/or appearance of impropriety, and should inform the Division staff of any questionable situation that may arise. A Board member may recuse himself or herself from any vote.

3.1.4. In cases where a Board member or a Board member's firm has not consulted with an Applicant prior to the evaluation and voting process, and a Board member votes on an Application, if the Application is approved by the State Board the Board member or Board member's firm may respond to a competitive RFP or RFQ, or work on the Project, but must exercise caution to avoid conflicts of interest and/or appearance of impropriety, and he or she should inform the Division staff of the situation, then the CCAB.



4. Matching Requirement

4.1. Except as provided below in section 4.2, Financial Assistance may be provided only if the Applicant provides Matching Moneys in an amount equal to a percentage of the total cost of the Project determined by the Board after consideration of the Applicant's financial capacity, based on the following factors:

4.1.1. With respect to a School District's Application for Financial Assistance:

4.1.1.1. The School District's assessed value per pupil relative to the state average;

4.1.1.2. The School District's median household income relative to the state average;

4.1.1.3. The School District's bond redemption fund mill levy relative to the statewide average;

4.1.1.4. The percentage of pupils enrolled in the School District who are eligible for free or reduced-cost lunch; and

4.1.1.5. The amount of effort put forth by the School District to obtain voter approval for a ballot question for bonded indebtedness, including but not limited to, a ballot question for entry by the district into a sublease-purchase agreement of the type that constitutes an indebtedness of the district pursuant to § 22-32-127 C.R.S., during the ten years preceding the year in which the district submitted the Application, which factor may be used only to reduce the percentage of Matching Moneys required from a district that has put forth such effort and not to increase the amount of Matching Moneys required from any district;

4.1.1.6. A School District shall not be required to provide any amount of Matching Moneys in excess of the difference between the School District's limit of bonded indebtedness, as calculated pursuant to § 22-42-104 C.R.S., and the total amount of outstanding bonded indebtedness already incurred by the School District.

4.1.2. With respect to a Board of Cooperative Education Services' Application for Financial Assistance:

4.1.2.1. The average assessed value per pupil of all members of the Board of Cooperative Education Services participating in the Project relative to the state average;

4.1.2.2. The average median household income of all members of the Board of Cooperative Education Services participating in the Project relative to the state average;

4.1.2.3. The average bond redemption fund mill levy of all members of the Board of Cooperative Education Services participating in the Project relative to the statewide average;

4.1.2.4. The percentage of pupils enrolled in the member schools within the Board of Cooperative Education Services that are participating in the Project who are eligible for free or reduced-cost lunch; and

4.1.2.5. The amount of effort put forth by the members of the Board of Cooperative Education Services to obtain voter approval for a ballot question for bonded indebtedness, including but not limited to a ballot question for entry by any member into a sublease-purchase agreement of the type that constitutes an indebtedness of the member pursuant to § 22-32-127 C.R.S., during the ten years preceding the year in which the Board of Cooperative Education Services submitted the Application, which factor may be used only to reduce the percentage of Matching Moneys required from a Board of Cooperative Education

Services whose members, or any of them, have put forth such effort and not to increase the amount of Matching Moneys required from any Board of Cooperative Education Services.

4.1.3. With respect to a Charter School's Application for Financial Assistance:

4.1.3.1. The weighted average of the match percentages for the school districts of residence for the students enrolled in a district charter school or fifty percent of the average of the match percentages for all school districts in the state for an institute charter school;

4.1.3.2. Whether the charter school's authorizer retains no more than ten percent of its capacity to issue bonds;

4.1.3.3. Whether the charter school is operating in a district-owned facility at the time it submits its application;

4.1.3.4. In the ten years preceding the year in which the charter school submits the application, the number of times the charter school has attempted to obtain or has obtained:

4.1.3.4.1. Bond proceeds pursuant to 22-30.5-404 C.R.S through inclusion in a ballot measure submitted by the charter school's authorizer to the registered electors of the school district:

4.1.3.4.2. Proceeds from a special mill levy for capital needs pursuant to 22-30.5-405 C.R.S.;

4.1.3.4.3. Grant funding for capital needs from a source other than the assistance fund; and

4.1.3.4.4. Funding for capital construction from bonds issued on its behalf by the Colorado Educational and Cultural Facilities authority created and existing pursuant to 23-15-104(1)(a), C.R.S., or from some other source of financing.

4.1.3.5. If the charter school is a district charter school, the student enrollment of the charter school as a percentage of the student enrollment of the charter school's authorizing school district.

4.1.3.6. The percentage of students enrolled in the charter school who are eligible for the federal free and reduced-cost lunch program in relation to the overall percentage of students enrolled in the public schools in the State who are eligible for the federal free and reduced-cost lunch program.

4.1.3.7. The percentage of the per pupil revenue received by the charter school that the charter school spends on facility costs other than facilities operations and maintenance.

4.1.3.8. The charter school's unreserved fund balance as a percentage of its annual budget

4.1.3.9. The match percentage for a charter school calculated based on the above criteria shall not be higher than the highest match percentage for a school district, or lower than the lowest match percentage for a school district, in the same grant cycle.

4.2. Waiver or reduction of Matching Moneys

4.2.1. An Applicant may apply to the Board for a waiver or reduction of the Matching Moneys requirement. Such application shall discuss unique issues demonstrating why the percentage

is not representative of the Applicant's current financial state. The Board may grant a waiver or reduction if it determines:

4.2.1.1. That the waiver or reduction would significantly enhance educational opportunity and quality within a School District, Board of Cooperative Education Services, or Applicant school,

4.2.1.2. That the cost of complying with the Matching Moneys requirement would significantly limit educational opportunities within a School District, Board of Cooperative Education Services, or Applicant school, or

4.2.1.3. That extenuating circumstances deemed significant by the Board make a waiver appropriate.

4.2.2. Waiver requests shall not list the issues and impacts in general terms. A waiver request shall explain issues and impacts in detail, including dollar amounts of the issues and impacts and specific ways in which such issues and impacts make it impossible for the Applicant to make its full Matching Moneys contribution. The Board will determine the merit of the request based on the following issues or impacts:

4.2.2.1. The general fund and capital reserve fund balance if applicable, and an explanation of why it is at that level (do not include TABOR Reserves);

4.2.2.2. Commitments to the capital reserve fund, showing why the capital reserve fund cannot be used to fund the matching contribution;

4.2.2.3. Bond history including an explanation of factors contributing to the decision to pursue or not pursue a bond issue, and factors contributing to past bond issue failures and successes;

4.2.2.4. Changes in insurance costs;

4.2.2.5. Changes in salaries;

4.2.2.6. Other increased expenses;

4.2.2.7. Changes in enrollment;

4.2.2.8. Changes in revenues;

4.2.2.9. Additional projects undertaken or additional projects which are budgeted or are being saved for;

4.2.2.10. Upgrades to technology, textbooks, facilities or other upgrades being contemplated or undertaken beyond the submitted projects;

4.2.2.11. Recent unexpected maintenance to facilities or equipment;

4.2.2.12. Planned maintenance or equipment replacement;

4.2.2.13. Busses and other capital purchases;

4.2.2.14. Additional circumstances that make it financially impractical or impossible to provide the matching contribution.

4.3. Charter School matching moneys Loan Program.

- 4.3.1. The Charter School matching moneys Loan Program will assist Eligible Charter Schools in obtaining the Matching Moneys requirement for an award of Financial Assistance pursuant to 22-43.7-109 C.R.S.
- 4.3.2. An Eligible Charter School that chooses to seek a loan through the Loan Program shall apply to the Board to receive a loan.
- 4.3.3. To be an Eligible Charter School for the Loan Program means a Charter School that is described in [section 22-30.5-104](#) or an Institute Charter School as that term is defined in [section 22-30.5-502](#) has a stand-alone credit assessment or rating of at least investment grade by a nationally recognized rating agency at the time of issuance of any qualified Charter School bonds on behalf of the Charter School by the Colorado educational and cultural facilities authority pursuant to the "Colorado Educational and Cultural Facilities Authority Act", article 15 of title 23, C.R.S., and that has been certified as a qualified Charter School by the State Treasurer.
- 4.3.4. The Board may approve a loan for an Eligible Charter School in an amount that does not exceed fifty percent of the amount of Matching Moneys calculated for the Eligible Charter School pursuant to 22-43.7-109(9)(c) C.R.S.
- 4.3.5. If a loan is approved by the Board the project will be considered as a BEST Lease-Purchase project pursuant to 22-43.7-110.5(2)(b)C.R.S., and the proposed project must be one that is financeable.
- 4.3.6. The Board shall direct the State Treasurer to include the amount of a loan approved pursuant to the terms in the Lease-Purchase agreement entered into pursuant to 22-43.7-110 (2) C.R.S. to provide Financial Assistance to the Eligible Charter School for which the loan is approved.
- 4.3.7. Charter School Loan Program application
 - 4.3.7.1. An application for a loan shall include:
 - 4.3.7.1.1. Basic contact information, justification for seeking a BEST loan and documentation of a stand-alone credit assessment or rating of at least investment grade by a nationally recognized rating agency for the Charter School;
 - 4.3.7.1.2. Identify the Charter Schools current facilities and indicate if those facilities are owned, leased or in a lease-purchase agreement;
 - 4.3.7.1.3. A current credit disclosure statement along, any business notes payable or reviews, notices or warnings from the Charter Schools authorizer;
 - 4.3.7.1.4. Financial information to include internal financial statements, CPA Audits and IRS 990's for the previous three years. Detailed operating budget for the current and next year. The Charter School's projected operating budget for the next five years. Enrollment figures for the previous three years, the current year and the following three years;
 - 4.3.7.1.5. CDE listed minimum match requirement for the BEST grant;
 - 4.3.7.1.6. Amount of total match provided by the Charter School for the BEST grant;

- 4.3.7.1.7. Amount of the loan request for the BEST grant;
 - 4.3.7.1.8. A loan application from a Charter School shall include signatures of the District Superintendent, School Board Officer, and the Charter School Director;
 - 4.3.7.1.9. A loan application from an Institute Charter School shall include signatures of the Charter School Institute Director and the Institute Charter School Director;
 - 4.3.7.1.10. Applications that are incomplete may be rejected without further review.
- 4.3.8. Charter School Loan Program deadline for submission
- 4.3.8.1. The loan application, along with any supporting material, shall be submitted with the BEST grant application on or before the BEST grant application due date.
 - 4.3.8.2. An application will not be accepted unless it is received in the Board office by 4:30 p.m. on or before the deadline date determined by the board.
 - 4.3.8.3. The Board may, in its sole discretion and upon a showing of good cause in written request from an Applicant, extend the deadline for filing an Application.
- 4.3.9. To receive a loan through the Loan Program, an Eligible Charter School shall:
- 4.3.9.1. Authorize the State Treasurer to withhold moneys payable to the Eligible Charter School in the amount of the loan payments pursuant to 22-30.5-406 C.R.S.;
 - 4.3.9.2. Pay an interest rate on the loan that is equal to the interest rate paid by the State Treasurer on the Lease-Purchase agreement entered into pursuant to 22-43.7-110 C.R.S. to provide Financial Assistance to the Eligible Charter School for which the loan is approved;
 - 4.3.9.3. Amortize the loan payments over the same period in years as the Lease-Purchase agreement entered into pursuant to 22-43.7-110 C.R.S. to provide Financial Assistance to the Eligible Charter School for which the loan is approved; except that the Eligible Charter School may pay the full amount of the loan early without incurring a prepayment penalty; and
 - 4.3.9.4. Create an escrow account for the benefit of the state with a balance in the amount of six months of loan payments.

5. Applications

5.1. Deadline for submission

- 5.1.1. Except as provided below, Applications shall be filed with the Board on or before a date determined by the Board.
- 5.1.2. An Application will not be accepted unless it is received in the Board office by 4:30 p.m. on or before the deadline date determined by the Board. This does not apply to an Application in connection with a Public School Facility Emergency;
- 5.1.3. The Board may, in its sole discretion and upon a showing of good cause in a written request from an Applicant, extend the deadline for filing an Application.

- 5.2. The Board prefers Applications to be in electronic form, but one hard copy to the Board office is acceptable. Each Application shall be in a form prescribed by the Board and shall include, but not be limited to, the following (with supporting documentation):
- 5.2.1. A description of the scope and nature of the Project;
 - 5.2.2. A description of the architectural, functional, and construction standards that are to be applied to the Project that indicates whether the standards are consistent with the Construction Guidelines and provides an explanation for the use of any standard that is not consistent with the Construction Guidelines;
 - 5.2.3. The estimated amount of Financial Assistance needed for the Project and the form and amount of Matching Moneys that the Applicant will provide for the Project;
 - 5.2.4. If the Project involves the construction of a new Public School Facility or a major renovation of an existing Public School Facility, a demonstration of the ability and willingness of the Applicant to renew the Project over time that includes, at a minimum, the establishment of a capital renewal budget and a commitment to make annual contributions to a Capital Renewal Reserve within a School District's capital reserve fund or any functionally similar reserve fund separately maintained by an Applicant that is not a School District;
 - 5.2.5. If the Application is for Financial Assistance for the renovation, reconstruction, expansion, or replacement of an existing Public School Facility, a description of the condition of the Public School Facility at the time the Applicant purchased or completed the construction of the Public School Facility and, if the Public School Facility was not new or was not adequate at that time, the rationale of the Applicant for purchasing the Public School Facility or constructing it in the manner in which it did;
 - 5.2.6. A statement regarding the means by which the Applicant intends to provide Matching Moneys required for the Project, including but not limited to voter-approved multiple-fiscal year debt or other financial obligations, gifts, grants, donations, or any other means of financing permitted by law, or the intent of the Applicant to seek a waiver of the Matching Moneys requirement. If an Applicant that is a School District or a Board of Cooperative Educational Services with a participating School District intends to raise Matching Moneys by obtaining voter approval to enter into a sublease-purchase agreement that constitutes an indebtedness of the district as pursuant to § 22-32-127 C.R.S., it shall indicate whether it has received the required voter approval or, if the election has not already been held, the anticipated date of the election;
 - 5.2.7. A description of any efforts by the Applicant to coordinate Capital Construction projects with local governmental entities or community-based or other organizations that provide facilities or services that benefit the community in order to more efficiently or effectively provide such facilities or services, including but not limited to a description of any financial commitment received from any such entity or organization that will allow better leveraging of any Financial Assistance awarded;
 - 5.2.8. A copy of any existing Master Plan or facility assessment relating to the facility(ies) for which Financial Assistance is sought;
 - 5.2.9. A signed declaration acknowledging the assurances and certifications; and
 - 5.2.10. Any other information that the Board may require for the evaluation of the project;
 - 5.2.11. An Application from a School District shall include signatures of the Superintendent and a District Board Officer;

- 5.2.12. An Application from a Charter School shall include signatures of the District Superintendent, School Board Officer, and the Charter School Director;
- 5.2.13. An Application from an Institute Charter School shall include signatures of the Charter School Institute Director and the Institute Charter School Director;
- 5.2.14. An Application from a Board of Cooperative Educational Services shall include signatures of the BOCES Director and a BOCES Board Officer;
- 5.2.15. An Application from the Colorado School for the Deaf and Blind shall include signatures of the Colorado School for the Deaf and Blind Director and a Colorado School for the Deaf and Blind Board Officer.

5.3. BEST Lease-Purchase Funding

- 5.3.1. In addition to the information required in section 5.2 above, the Applicant shall agree to provide any necessary documentation related to securing the lease-purchase agreement.

5.4. BEST Emergency Grants

- 5.4.1. Applicant shall contact the Division by phone, fax, or email. Appropriate follow up documentation will be determined based on type and severity of emergency, including financial need.

5.5. Applications that are incomplete may be rejected without further review.

5.6. The Board may request supplementation of an Application with additional information or supporting documentation.

6. Application Review

6.1. Time for Review

- 6.1.1. The Board, with the support of the Division, will review the Applications;
- 6.1.2. The Board will submit the prioritized list of Projects to the State Board for which the Board is recommending Financial Assistance according to the timeline established by the Board;
- 6.1.3. The Board may, in its discretion, extend these deadlines;
- 6.1.4. The Board shall meet within fifteen days of receiving the Application for a BEST Emergency Grant to determine whether to recommend to the State Board that emergency Financial Assistance be provided, the amount of any assistance recommended to be provided, and any conditions that the Applicant shall meet to receive the assistance.

6.2. The Board, taking into consideration the Statewide Assessment, shall prioritize and determine the type and amount of the grant or matching grant for Applications for Projects deemed eligible for Financial Assistance based on the following criteria, in descending order of importance:

~~6.2.1. For FY2008-09 only, priority consideration will be given to the following:~~

~~6.2.1.1. Previous Applicants that received awards in the previous program and that require supplemental funding;~~

~~6.2.1.2. New BEST project sublease purchase agreements for projects that have matching funds not contingent on future elections and for which the Division has worked with the Applicant on project planning prior to submission of the Application.~~

6.2.2. Projects that will address safety hazards or health concerns at existing Public School Facilities, including concerns relating to Public School Facility security;

6.2.2.1. In prioritizing an Application for a Public School Facility renovation project that will address safety hazards or health concerns, the Board shall consider the condition of the entire Public School Facility for which the project is proposed and determine whether it would be more fiscally prudent to replace the entire facility than to provide Financial Assistance for the renovation project.

6.2.3. Projects that will relieve overcrowding in Public School Facilities, including but not limited to projects that will allow students to move from temporary instructional facilities into permanent facilities.

6.2.4. Projects that are designed to incorporate technology into the educational environment; and

6.2.5. All other projects.

6.2.6. Among other considerations, the Board may take into account the following in reviewing Applications:

6.2.6.1. The amount of the matching contribution being provided in excess of or less than the minimum;

6.2.6.2. Whether the Applicant has been placed on financial watch by the Colorado Department of Education;

6.2.6.3. Overall condition of the Applicant's existing facilities;

6.2.6.4. The project cost per pupil based on number of pupils affected by the proposed Project;

6.2.6.5. The project life cycle.

6.2.6.6. The Public School Facility's Facility Condition Index (FCI), Colorado Facility Index (CFI), school priority score and construction guidelines score.

6.2.6.7. The Applicants ability to help itself, including available bonding capacity, planning and criteria in sections 4.1.1 or 4.1.2 or 4.1.3.

6.3. Additional actions the Board may take when reviewing an Application:

6.3.1. The Board may modify the amount of Financial Assistance requested or modify the amount of Matching Moneys required;

6.3.2. The Board may recommend funding a project in its entirety or recommend a partial award to the project;

6.3.2.1. If a project is partially funded a written explanation will be provided.

6.4. The Board shall submit to the State Board the prioritized list of Projects. The prioritized list shall include:

6.4.1. The Board's recommendation to the State Board as to the amount of Financial Assistance to be provided to each Applicant approved by the Board to receive funding and whether the assistance should be in the form of a BEST Cash Grant, BEST Lease-purchase Funding or a BEST Emergency Grant.

6.5. In considering the amount of each recommended award of Financial Assistance, the Board shall seek to be as equitable as practical in considering the total financial capacity of each Applicant.

7. BEST Lease-purchase Funding

7.1. Subject to the following limitations, the Board may instruct the State Treasurer to enter into lease-purchase agreements on behalf of the state to provide Lease-purchase Funding for Projects for which the State Board has authorized provision of Financial Assistance.

7.2. Whenever the State Treasurer enters into a lease-purchase agreement pursuant to § 22-43.7-110 C.R.S., the Applicant that will use the facility funded with the Lease-purchase Funding shall enter into a sublease-purchase agreement with the state that includes, but is not limited to, the following requirements:

7.2.1. The Applicant shall perform all the duties of the state to maintain and operate the Public School Facility that are required by the lease-purchase agreement;

7.2.2. The Applicant shall make periodic rental payments to the state, which payments shall be credited to the Assistance Fund as Matching Moneys of the Applicant;

7.2.3. Ownership of the Public School Facility shall be transferred by the state to the Applicant upon fulfillment of both the state's obligations under the lease-purchase agreement and the Applicant's obligations under the sublease-purchase agreement.

8. Payment and Oversight

8.1. Payment.

8.1.1. All Financial Assistance awarded is expressly conditioned on the availability of funds.

8.1.2. Payment of Financial Assistance will be on a draw basis. As a Grantee expends funds on a Project, the Grantee may submit a request for funds to the Division on a fund request form provided by the Division. The fund request shall be accompanied by copies of invoices from the vendors for which reimbursement is being requested and any other documentation requested by the Division.

8.1.2.1. The Division will review the fund request and make payment. Payments will only be made for work that is included in the Project scope of work defined in the Application.

8.1.2.2. If the Grantee is a School District, request for payment shall come from the School District. Requests will not be accepted from individual School District schools.

8.1.2.3. If the Grantee is a District Charter School, request for payment shall come from the School District. Payment shall be made to the School District and the School District shall make payment to the charter school. The School District may not retain any portion of the moneys for any reason.

8.1.2.4. If the Grantee is an Institute Charter School, request for payment shall come from the Charter School Institute and the Charter School Institute shall make payment to the Institute Charter School. Payment shall be made directly to the Charter School Institute.

8.1.2.5. If the Grantee is a Board of Cooperative Educational Services, request for payment shall come from the Board of Cooperative Educational Services. Requests will not be accepted from individual Board of Cooperative Educational Services schools.

8.1.2.6. If the Grantee is the Colorado School for the Deaf and Blind, request for payment shall come from the Colorado School for the Deaf and Blind.

8.1.3. Payment of BEST Lease-purchase Funding will be determined by the terms of the lease-purchase agreement and any subsequent sublease-purchase agreements.

8.1.4. A grant reserve shall automatically be added to the cost of the Project: 5% for new construction Projects and 10% for renovation Projects.

8.1.4.1. Grant reserve requests shall be submitted on a Division provided form;

8.1.4.2. Grant reserve draws shall be limited to issues that could not have been known about or planned for at the time the Application was submitted.

8.2. Oversight

~~8.2.1. A Grantee currently receiving Financial Assistance shall submit a written progress report to the Division by July 31, of each year on a Division provided form.~~

8.2.2. When a Grantee completes Project, it shall submit a final report to the Division on a Division provided form before final payment will be made. Once the final report is submitted and final payment is made, the Project shall be considered closed.

8.2.3. If a Grantee has not used all Financial Assistance on a closed out BEST Cash Grant, the unused balance will be returned to the Assistance Fund.

8.2.4. If a Grantee has not used all Financial Assistance on a closed out Lease-Purchase Grant, some or all of the unused balance, as determined by the State Treasurer, may be refunded upon consent of the Board.

8.2.5. The Division may make site visits to review Project progress or to review a completed Project;

8.2.6. The Division may require a Grantee to hire additional independent professional construction management to represent the Applicant's interests, if the Division deems it necessary due to the size of the Project, the complexity of the Project, or the Grantee's ability to manage the Project with Grantee personnel.

8.2.7. Upon completion of a new school, major renovation or addition Project, the Grantee shall affix a permanent sign that reads: "Funding for this school was provided through the Building Excellent Schools Today Program from School Trust Lands," unless waived in writing by the Division.

9. Technical Consultation

9.1. The Division will provide technical consultation and administrative services to School Districts, Charter Schools, Institute Charter Schools, BOCES and the Colorado School for the Deaf and Blind.

Discussion Items

- c) Review comments and board discussion regarding stakeholder presentation; *(no agenda sheet)*
- d) Procuring a legislative liaison for the Capital Construction Assistance Board. *(no agenda sheet)*

Future meetings and upcoming events

- December 9 – 9:00 a.m. – Capitol Room TBD – SMART Act Legislative Briefing with House and Senate Education Committee and CDE
- December 9 – 3:00 p.m. – Legislative Services Building - Legislative Audit Committee – consideration of legislation the committee will sponsor in 2014 Legislative Session
- December 11 – 1:30 – Legislative Services Building - Joint Budget Committee Staff Briefing on Department of Education – no CDE Staff presenting
- December 19 – 1:30 – Legislative Services Building – Joint Budget Committee Hearing with the Department of Education
- January 22 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
- February 26 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
- March 26 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
- April 23 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
- May 20-22 – 8:30 a.m. – 5 p.m. Grant Selection Meetings – Location TBD