



VOCATIONAL FACILITIES ASSISTANCE PROGRAM EXPEDITED LOCAL PARTNERSHIP PROGRAM GUIDELINES

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APPLIES TO

Expedited Local Partnership Program (ELPP)

GUIDELINES

A program to allow Joint Vocational School Districts to make facilities improvements by expending local funds prior to receiving assistance from the state.

Program Overview

The Vocational Facilities Assistance Expedited Local Partnership Program (VFAP ELPP) permits vocational school districts, which are estimated to be over two years away from eligibility for state assistance under the Vocational Facilities Assistance Program (VFAP), to participate. The Commission will assess the classroom facilities needs of participating districts and, in collaboration with the district, develop a district-wide master facilities plan. Program participants may spend local resources on a discrete part of their overall master facilities plan (either new construction or major renovation) and later deduct qualifying and approved expenditures from the school district's share of the overall project budget when the district becomes eligible for state assistance under VFAP.

The program is comprised of five phases:

- Phase One - Eligibility/Application
- Phase Two – Facilities Assessment and Master Planning
- Phase Three – Discrete Portion/Identify Funding/Project Agreement
- Phase Four – VFAP ELPP Project
- Phase Five – Project Close-out and future credit

Applicable Standards

All projects under this program must comply with the Ohio Revised Code, the Ohio School Design Manual and Commission policies.

Definition of Terms

VFAP: Vocational Facilities Assistance Program. This program provides a Joint Vocational School District state assistance to improve existing facilities or to build new facilities under Ohio Revised Code (ORC) sections 3318.40 to 3318.45.

VFAP ELPP: Vocational Facilities Assistance Expedited Local Partnership Program. This program allows Joint Vocational School Districts to establish a credit for the expenditure of local resources for major renovations or new construction under ORC section 3318.46.

JVSD: Joint Vocational School District.

Commission: Ohio School Facilities Commission, and independent agency within the Ohio Facilities Construction Commission.

OSFC: Ohio School Facilities Commission.

OFCC: Ohio Facilities Construction Commission

OSDM: Ohio School Design Manual.

Associate district: A school district that is a member of the Joint Vocational School District.

Satellite program: A career path program of the Ohio Department of Education that is located in the facilities of an Associate district.

Facilities Assessment Report: A report outlining the estimated scope and budget for the renovation of existing educational facilities of the school district.

Basic Project Cost: The estimated budget for the design and construction of the classroom facilities, which are eligible for state assistance and included in the master facilities plan.

Master Facilities Plan: The scope of new and/or renovated facilities that will serve the future facilities needs of a district.

Full Time student: A student enrolled in an Ohio Department of Education certified career path program who receives educational programming at the JVSD and the required academic instruction at the JVSD.

Part Time student: A student enrolled in an Ohio Department of Education certified career path program that receives educational programming at the JVSD, but receives the required academic instructional hours at the facility of the school district, which is a member of the JVSD.

Low Bay: Career technical program types 1 to 4 as presented in the Ohio School Design Manual.

High Bay: Career technical program types 5 to 7 as presented in the Ohio School Design Manual.

Locally Funded Initiative (LFI) - Work that is not part of the co-funded master facilities plan, but is designed, bid and constructed concurrently with a VFAP project and is funded solely by the JVSD. Work can also be an enhancement to the materials or systems of the co-funded master facilities plan with the additional or premium cost funded by the JVSD.

Phase One – Eligibility/Application

Any JVSD may participate in the program as long as they are not reasonably expected to receive assistance under VFAP within two fiscal years of the date the school district's Board of Education resolves to apply for VFAP ELPP. Annually, the Commission will establish the equity rank for those JVSDs that it reasonably expects to become eligible for state assistance in VFAP within two fiscal years.

To apply for the program, school districts are required to submit two items to the Commission:

1. A resolution of intent to participate adopted by the JVSD Board of Education

The resolution must specify the following information:

- The JVSD's intent to participate in the program;
- The approximate date the JVSD's Board of Education intends to seek elector approval of any bond or tax measure, or the approximate date the JVSD intends to apply other local resources to use to pay the cost of the classroom facilities improvements and/or construction.

The Commission recommends planning for a schedule of 18 months to complete the assessment and master-planning phase. The process may take less time to complete, but the JVSD should be aware that in no case will expenditures for construction contracts that were executed prior to the VFAP ELPP Project Agreement be considered for credit.

2. VFAP ELPP Application Form

The VFAP ELPP application form requires the JVSD's superintendent's name, phone number, and address information, as well as a commitment of the estimated bond levy date, or expected date to begin using other local resources for the funding of facilities improvements.

A sample resolution and the application form are available on the Commission website at <http://osfc.ohio.gov>

The Commission shall review applications for eligibility and forward notification of receipt to each school district. Eligible JVSDs will be contacted in order to begin the assessment and master planning process.

Phase Two – Facilities Assessment and Master Planning

During Phase Two, the JVSDs and the Commission agree to the following:

- The Commission will conduct an assessment of the JVSD's classroom facilities pursuant to of the Ohio Revised Code Chapter 3318.02;
- The JVSD and the Commission will jointly develop a district-wide master facilities plan, pursuant to Commission requirements, which will accommodate the total student population as calculated by the Commission; and
- The Commission will determine a basic project cost for the entire district-wide master facilities plan.

Facilities Assessment

Once the JVSD board has been notified that they are eligible to participate in the program, the Commission will add the JVSD to the schedule of school districts to be assessed. Commission representatives will coordinate with JVSD personnel and qualified design professionals to arrange the exact dates for their

facilities assessment. Priority for the assessment process will be based on the availability of local funds for major construction and the relative wealth of the JVSD.

- The Commission will obtain the services of qualified professionals to perform on-site evaluations of each of the JVSD's existing classroom facilities. The on-site evaluations will adhere to assessment standards as defined by the Commission. The Commission encourages the JVSD to include the design architect, if already selected, in the review of the draft assessment report.
- The JVSD will provide any information available to assist in the identification of any areas of concern for conditions, which cannot be readily observed throughout the JVSD facilities.
- The scope of services provided by the assessment professional does not include invasive facilities and grounds investigation. Neither the JVSD nor the Commission has control over conditions that are hidden or otherwise unknown and the potential exists for the discovery of undocumented conditions that could result in adjustments to the project budget.
- The completed individual building assessments is compiled into a single report that will be reviewed and discussed with the school district prior to its finalization. The facilities assessment report is used to develop an estimated project budget and scope.
- Once the assessment report is finalized, the JVSD board submits a resolution to the Commission accepting the assessment report, acknowledging the limitations of the assessment and approving the use of the findings outlined in the final facilities assessment report for the purpose of developing a master facilities plan.

Enrollment

For the purpose of calculating student enrollment for career technical programs and joint vocational school districts, OSFC will collect 10 years of historical enrollment for the eleventh and twelfth grade full-time and half-time students and one year of student enrollment by program. Joint vocational school district enrollment projections will be developed using a ten-year associate district projection.

1. The students counted will include only eleventh and twelfth grade students enrolled in a career path technical program funded by the Ohio Department of Education.
2. The student count for the facility will be the sum of the full-time and part-time students in career path programs approved by the Ohio Department of Education.
 - OSFC will differentiate the full-time students from the part-time students for the purpose of appropriate allocation of square foot per student as defined in the Ohio School Design Manual.
 - OSFC will differentiate students enrolled in "low bay" programs from students enrolled in "high bay" programs.
3. The student enrollment for the district will not include students from satellite career technical programs from associate districts if the commission has funded, or intends to fund, space for those students already.

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4. Enrollment will not include students attending career technical programs in facilities other than those of the applying district. If a JVSD and the associate school district which is currently housing the satellite program each adopt school district board resolutions indicating the need to relocate the satellite program to the district and indicate the approximate date of relocation of the program, the Commission may include those identified students in the enrollment.

Master Facilities Plan

Using the information provided in the final assessment report and the enrollment calculation, the Commission will work with the district to develop a master facilities plan (MFP). The MFP will define the total classroom facilities scope required to properly house the student population and eligible programs. The MFP may include the renovation of existing facilities as well as additions to existing facilities or the construction of new buildings. The Commission estimates a schedule of 18 months to complete the assessment and master-planning phase. The process may take less time to complete. In addition, as part of the MFP approval process the district must:

- Review the proposed master facilities plan with interested parties from their community. Various plan options, which satisfy the policies and guidelines of the Commission, may be considered.
- Explore the potential for the delivery of career technical programs by sharing the use of facilities at two-year technical schools, community colleges, and other post secondary programs within the geographic area of the district and shall not select career technical programs for inclusion in the co-funded master facilities plan if reasonable opportunities exist for provision of the career technical program at other facilities. Districts will be required to demonstrate that they have worked with local higher education officials to maximize collaboration if the potential exists.
- Comply with the provisions of the Ohio Administrative Code, Rule 3301-61-02 to ensure that the career technical programs the district selects for inclusion in the master facilities plan support workforce development goals. Districts will be required to demonstrate that they have worked with local economic development entities to ensure their program offerings reflect the current and future needs of local business and industry.

In consultation with the Ohio Departments of Development and the Ohio Board of Regents, the Ohio Department of Education shall review and approve the list of planned career technical programs included in the master facilities plan. The Department shall notify the Commission and the JVSD of plan approval.

In accordance with the Ohio School Design Manual, the master plan must comply with the planning standards and guidelines of the Commission unless otherwise waived by the Commission.

Limitations on Co-Funded Scope in the Master Facilities Plan

1. Space allocations for high bay vs. low bay programs

- For students enrolled in high bay programs, a ratio of 30 students to one program will be used to determine the number of programs that will be funded in the master facilities plan. The calculation is based on dividing the number of students by 30. The resulting whole number will be the number of programs co-funded in developing the master facilities plan.

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- For student enrolled in low bay programs, a ratio of 50 students to one program will be used for determining the number of funded low bay programs supported by the student enrollment. The calculation methodology is similar to that used for high bay programs.

2. Space allocation for full vs. part time students

- For full-time students, square footage will be assigned for academic space as well as career technical space.
- For part-time students, square footage will be assigned for career technical space only.

3. Space allocation for adult education

State law prohibits the Commission from providing assistance for any part of a project that will be used exclusively for an adult education program, exclusively for operation of a driver training school for instruction leading to the issuance of a commercial driver's license under ORC Chapter 4506 or other space not used for educational programs of the JVSD. Exemptions can be made for life safety items and basic building components necessary for complete and continuous construction or renovation of a classroom facility as determined by the Commission.

4. Satellite programs

The Commission is prohibited by law from providing assistance under the Vocational Facilities Assistance Program to acquire classroom facilities for vocational educational instruction at a location under the control of a school district that is a member of a JVSD. Any assistance to acquire classroom facilities for vocational educational instruction at such location shall be provided to the school district that is a member of the JVSD through the Classroom Facilities Assistance Program.

5. Equipment and furnishings

The project budget may include funding for the acquisition of vocational equipment and furnishings that would be provided to a district participating in the Vocational School Facilities Assistance Program, or that would be considered integral to the facility in the basic project cost. Examples include:

- Welding booths (but not welders) in welding and Agricultural Education Programs
- Air filtration and specialized HVAC
- Kitchens: walk-in freezers, stoves, other cooking units, and dishwashers

Work in Addition to the Co-Funded Master Facilities Plan Scope

A school district may choose to add or in certain cases be required to include in the project, work which is not part of the master facilities plan. In such cases, the JVSD provides all of the additional funding required for the design and construction of the additional work. Such scope and costs are referred to as “Locally Funded Initiatives (LFI)”. The Commission will work with the JVSD to help determine which portions of its project will be considered LFI. LFI work scope and budget will be presented in a memorandum of understanding, executed between the JVSD and the Commission, for the purpose of tracking this work and associated expenditures. LFI work is funded solely by the JVSD.

An LFI will fall into one of four categories:

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1. Additional square footage in a new facility or addition, such as board offices or additional classrooms.
 2. Improvements associated with a renovation project beyond the scope of work funded by the Commission.
 3. Material or scope upgrade, such as adding additional casework to a classroom, program equipment, or a special feature of the facility or need for the site.
 4. Required LFI to renovate underutilized square footage.

The Memorandum of Understanding for the Locally Funded Initiative

The memorandum includes:

- A detailed description of the scope of the LFI.
- The budget for the LFI and accompanying documentation detailing the proposed method of funding.
- The means for allocating the cost of the LFI and change orders if the LFI is integral to the co-funded project.

The memorandum may be amended by the Commission and the district throughout the project to add or delete scope to accommodate changes in available funding or the decision of the JVSD to add or delete LFI scope.

School Board Acceptance of the Master Facilities Plan

Once the JVSD and the Commission have agreed to a final master facilities plan, and the Ohio Department of Education has confirmed compliance with Ohio Administrative Code, Rule 3301-61-02, the JVSD Board of Education will be required to approve the plan by formal resolution.

OSFC Approval of the Master Facilities Plan

Once accepted by the JVSD board, both the Commission and Ohio State Controlling Board must approve the master plan for the plan to be finalized, however, no state funds will be encumbered under this program.

Phase Three – Discrete Portion/Funding/Project Agreement

Discrete portion

After having received the necessary master plan approvals, the school district may identify a discrete portion of the master facilities plan to fund using local resources, which shall include only new construction of, additions to, or major renovation of facilities, in which a single facility project is at least \$1 million, unless otherwise approved by the Commission. The Commission will work with the JVSD to identify qualifying scopes of work to be considered as the discrete portion. The discrete portion will reflect the total scope of work that the district intends to pursue as a part of their VFAP ELPP project, including any locally funded initiatives and is subject to Commission approval.

Funding

The Commission shall not approve a project agreement unless the JVSD treasurer certifies the availability of funds sufficient to cover the estimated cost of the discrete project scope and required maintenance fund.

The entire amount of the local resources for the discrete project scope must be deposited in the appropriate JVSD fund as a condition precedent to Commission approval of a project agreement.

VFAP ELPP projects are funded in full by the JVSD. The state does not commit any funds at the time of the VFAP ELPP project. Qualifying expenditures are recorded for future credit against the required local share of the master plan at the time of VFAP participation. A JVSD's VFAP ELPP project may contain both qualifying and non-qualifying expenditures. Non-qualifying expenditures are referred to as Locally Funded Initiatives (LFI). The Commission will work with JVSDs to help determine which portions of their project will qualify as creditable expenditures as well as those portions that will be considered LFI.

JVSDs may fund their VFAP ELPP project through a variety of options that include:

- Bond levy
- Permanent Improvement Tax
- Local donated contribution, including an irrevocable letter of credit and cash-on-hand

The method of funding is a local decision but must comply with all applicable laws. For this reason the OSFC recommends that JVSDs seek the counsel of a qualified bond attorney in determining the most appropriate way to fund their VFAP ELPP project.

All local resources used for VFAP ELPP must first be deposited in the appropriate fund. JVSDs will be required to provide a full accounting of the fund upon request by the Commission. The JVSD Board of Education will provide the Commission a copy of any audit report received from the Auditor of State.

For audit purposes, the Commission requires evidence of the local share. The Commission will accept a deposit statement certified by the banking institution and a certification of local funds by the school district treasurer as acceptable evidence.

Project agreement

In order for a vocational school district to participate in VFAP ELPP the JVSD's Board of Education and the Commission must enter into an agreement containing terms and conditions that included, but are not limited to, the following:

- Scope of the Project (discrete portion)
- Local Project Phase requirements
- Locally Funded Initiative requirements
- Reporting requirements
- Eligibility for State Assistance requirements
- Contract Administration requirements
- General Provisions
- Discrete Portion description
- Budget for the discrete portion
- Locally Funded Initiatives description
- Certification of funding
- Provisions for the determination of the Conditional Credit
- Provisions for the determination of the Adjusted Credit

Provisions that credit or reimburse the JVSD are contingent upon eventual participation by the district in VFAP and the execution of the entire master facilities plan.

The project agreement will be contingent upon the school district successfully raising the total amount of funding necessary to complete the school district's discrete portion. If, after one year from the date of Controlling Board approval of the school district's master plan, the school district has failed to secure the required funding, the ELPP Project Agreement shall become null and void. If the school district wants to continue its participation in ELPP, the master facilities plan cost estimates will be updated and subsequent approvals by the school district Board of Education, the Commission, and the state Controlling Board will be required. Until the school district secures the required funding, continued participation in ELPP will adhere to the one-year cycle as outlined above.

Phase Four – VFAP ELPP Project

Local Administration and Project Delivery

VFAP ELPP projects are locally administered projects. The design, bidding, construction contract award, construction management, construction claims management, and project closeout are the responsibility of the JVSD. The Commission is not a party to design professional contracts, construction manager contracts, construction contracts, construction manager at risk contracts, design-build contracts or other consultant contracts engaged by the school district to facilitate their VFAP ELPP project, however the Commission requires the school district to use the contract forms developed by the Ohio Facilities Construction Commission that are consistent with the selected method of construction delivery. Supplemental Conditions can be used with these forms. The Commission does not prescribe the project delivery model for the school district. However, all projects associated with the co-fundable portion of the JVSD's ELPP project are required to have the design bid documents prepared by a design professional licensed to practice in Ohio.

Because public school construction involves a large number of "stakeholders" and because the failure to have consensus of direction can be costly, the Commission recommends the development of a "partnering" arrangement to facilitate the strategic planning of work processes and dispute resolution protocol.

A reasonable fee structure for design professionals, construction managers, and partnering facilitation has been included in the development of the basic project cost.

Reporting Requirements

JVSDs participating in VFAP ELPP must agree to submit to the Commission conceptual plans, design development drawings, and statements of probable cost or cost estimates for each project during the project design phase to verify compliance with the Ohio School Facilities Design Manual.

JVSDs will be required to submit documentation and financial reporting for VFAP ELPP project bidding and construction phases, as specified by the Commission, to allow for accurate calculation of qualifying expenditures.

Maintenance

JVSDs participating in VFAP ELPP are required to establish a maintenance fund and agree to a schedule of deposits based on the value of the discrete portion of the project. Districts are required to provide an amount equal to one and one half percent of the current insurance value of the facilities acquired under the project, for a period of 23 years, for the purpose of maintaining the completed school facilities. Each year, for twenty-three successive years after the commencement of a district's project, the board of education of that district

shall deposit into a separate maintenance account or into the district's capital and maintenance fund established under ORC section 3315.18, JVSD moneys dedicated to maintenance of the classroom facilities. The value shall be subject to the approval of the Commission.

The OSFC will require a maintenance plan, including a proposed method of funding, for the maintenance of the completed VFAP project(s).

Project Design Requirements

New construction projects under this program must comply with the Ohio School Design Manual. Renovation projects are required to satisfy the scope outlined in the Assessment Report as identified in the Master Facilities Plan. Renovation designs should comply, as is practical to do so, with the concepts, materials, and systems prescribed in the OSDM. For the purpose of ensuring compliance with those standards, four separate design phase submittals/approvals are required for each building project: Program of Requirements (POR), Schematic Design (SD), Design Development (DD), and Construction Documents (CD). The OSFC will work with a JVSD and their consultants to develop a project design schedule that will incorporate scheduled submittal dates as well as adequate review time. The JVSD Board of Education will be required to approve each phase by resolution. The Commission will review each phase for compliance with program requirements and shall approve compliant submittals. The Commission may grant conditional approval, which is contingent upon specified changes being incorporated into the next phase review submittal.

Phase 5 – Project Closeout and Future Credit

Project Closure

Within six months of occupancy of a completed VFAP ELPP project the JVSD and the Commission will develop a Project Closeout Credit Report. The Project Closeout Credit Report will reflect all creditable expenditures made by the JVSD and will show a conditional total credit amount. In the event that the JVSD has multiple VFAP ELPP projects, a Project Credit Closeout Report will be developed for each project. Each Project Credit Closeout Report will require approval from the JVSD Board of Education, and the Commission. Final determination of any amount to be credited against the local share of the basic project cost will be made by the Commission upon the JVSD's participation in the Vocational Facilities Assistance Program. The project(s) executed by the JVSD in VFAP ELPP will be evaluated at the time of participation in VFAP based on the assessment and master plan prepared at the time of participating in VFAP. Any work executed under the VFAP ELPP program that is abandoned or replaced under the VFAP project will not be credited.

Eventual Participation in VFAP

Once a JVSD becomes eligible under ORC sections 3318.40 to 3318.45, the Commission will assess the facility needs of the district and develop a district-wide master plan taking into account the following:

- If work executed in the discrete portion constitutes a complete building, building addition or complete renovation of a building, the Commission shall not include this work in the reassessment.
- If work executed in the discrete portion must be replaced pursuant to the reassessment, the Commission may require that a JVSD pay the full cost of replacement. In no case shall the Commission both credit work in the discrete portion and also provide funding for replacement of the same work in the co-funded master plan.
- The Commission may, for good cause, waive its standards for replacement of facilities.

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- State and local percentages of the basic project cost shall be determined based on the JVSD's three-year average valuation per pupil under section 3318.42 of the revised code in the fiscal year immediately preceding the year in which they become eligible to be served under ORC sections 3318.40 to 3318.45..
 - The Commission shall deduct the JVSD's allowable expenditures under ORC 3318.46 from the districts portion of the overall project cost.
 - If the expenditures are less than the total amount of the JVSD's share required for state assistance under ORC sections 3318.40 to 3318.45, the district shall pay any additional amount required.
 - If the JVSD has spent more than the required local share on approved expenditures, the Commission may reimburse the JVSD for the amount spent above the required local share. The Commission shall not expend any state funds on a project in an amount greater than the state's portion of the basic project cost. Any monies reimbursed to the JVSD shall be used to pay debt the district owes for facilities constructed under its project before such monies are applied to any other purpose.

Reimbursement/Credit towards Future Funding from the State

Reimbursement from the Commission or credit towards a school district's local share will only occur if construction cost expenditures for the classroom facilities have been approved by the Commission. By law, the state will not reimburse a JVSD for any financing costs associated with acquiring funding for that construction.

The Commission's funds are contingent upon the availability of lawful appropriations by the Ohio General Assembly. If the General Assembly fails at any time to continue funding for the Commission or its building assistance programs, including the payments and other obligations that will become due hereunder when the JVSD becomes eligible for state building assistance under ORC sections 3318.40 to 3318.45, the Commission's obligations are terminated as of the date that the funding expires without further obligation of the Commission.

Correction and Funding of Defective Work on VFAP ELPP Projects

All work completed within the scope of a project must be completed to the standards and specifications of the contract and in compliance with state building codes and the Ohio School Design Manual. Work that does not comply with or is non-conforming to the standards and specifications (Defective Work) should be addressed by a JVSD as part of the VFAP ELPP project. The desired practice is for the responsible parties to return to correct the Defective Work at no additional cost to the JVSD. If the responsible parties do not return, then a JVSD may need to take legal action to address correction of the Defective Work.

Costs incurred to address the Defective Work that is done prior to an offer of funding for a VFAP project, including soft costs (legal services, forensic investigation, and expert witness fees in support of cost recovery) is not eligible for credit but any cost recovery from the responsible parties would return to the JVSD.

For a completed VFAP ELPP project with an established VFAP ELPP credit and an offer of funding for VFAP, Defective Work shall be evaluated during the planning stage to determine the extent of the Defective Work as well as a potential budget and scope for any corrective work. If the corrective work is included in the master facilities plan, then the JVSD may either elect to reduce the JVSD's VFAP ELPP credit to offset the co-funding

of the corrective work or leave the VFAP ELPP credit unchanged and include corrective work as a Locally Funded Initiative (LFI). Aesthetic improvements or corrections will not be considered as part of the VFAP ELPP credit evaluation

Costs incurred for legal services, forensic investigation, and expert witnesses in support of recovery are not eligible for co-funding consideration but may be offset first from recovered funds. Any remaining recovered funds would next be deposited into the project construction fund to reimburse the JVSD's LFI fund.