



# Interagency Commission on School Construction

## Fiscal Year 2024 Operating Budget

### Response to Department of Legislative Services Analysis

**House Appropriations Committee**  
**Education and Economic Development**  
**Delegate Stephanie Smith, Chair**  
**Thursday, March 2, 2023**

**Senate Budget and Taxation Committee**  
**Education, Business, and Administration**  
**Senator Nancy J. King, Chair**  
**Friday, March 3, 2023**

#### Presenters:

Edward Kasemeyer, IAC Chair  
Alex Donahue, IAC Executive Director  
Cassandra Viscarra, IAC Deputy Director for Administration  
Tom Lockman, IAC Chief Financial Officer  
Arabia Davis, IAC Funding Programs Manager

Thank you for your continuing support for public school construction in Maryland, and for the opportunity to report today on the operating budget for the Interagency Commission on School Construction (IAC). The Commission and their staff are tasked with a significant mission to provide leadership and resources to local education agencies (LEAs) to develop and sustain school facilities so that all Maryland public school students, teachers, administrators, and staff have safe and educationally sufficient environments in which to teach and learn.

In this report we will respond to the analyst's questions, and will provide additional information that may be of interest to the members of the committee.

#### 1. **IAC should comment on the status of agency actions in process to meet Chapter 32 requirements.**

##### Actions currently in process:

- **Align square foot allowances with new requirements in the Blueprint for Maryland's Future Program.**

The IAC convened in February 2023 a Facilities Workgroup (FWG) including representatives from the Accountability & Implementation Board (AIB), the Maryland State Department of Education (MSDE), Local Education Agencies (LEAs), and county governments to provide input and recommendations on potential adjustments to the IAC's square-foot allowances to support the delivery of the programs and services mandated by the Blueprint. The FWG is

expected to operate through June 2023 and IAC staff intend to bring resulting proposed changes to the IAC for approval no later than August 2023 in order to comply with Ch. 32's October 1, 2023 deadline.

- **Study of local fiscal and debt capacity for the purpose of implementing the revolving loan fund and other calculations to align with Blueprint for Maryland's Future formulas.**

Because IAC staff do not have the expertise in public-finance analysis required for making adjustments to IAC funding approaches in order to develop the revolving loan fund, the IAC is working to contract with the University of Maryland (UMD) to obtain critical information about and analyses of local fiscal and debt capacity. This information may also support IAC and the LEAs in implementing the Blueprint and in developing potential adjustments to the State-Local Cost Share. If the IAC is able to complete an interagency MOU with UMD in March, the IAC expects that it will receive the needed information by August 2023.

- **Establish an appeal process specifically for approved enrollment projections for individual projects.**

Under COMAR 14.39.02.28, LEAs currently are able to appeal any decision by IAC staff, including decisions regarding eligible enrollments and related adjacencies. An LEA that is dissatisfied with an IAC decision has 45 days to request an appeal. An LEA must provide a written statement outlining their argument with the option to orally present their argument to the IAC. The IAC will issue their final decision afterwards. Ch. 32 mandated that the IAC establish an appeal process specific to approved enrollment projections for individual projects. IAC staff are presently developing a process to propose to the IAC by June for their approval and subsequent incorporation into regulation.

- **Determine minimum equipment needed for food preparation to be used for the survey of school buildings.**

Ch. 32 required that the IAC and the Maryland Department of Health (MDH) together determine the minimum equipment needed in each school for food preparation. IAC staff have reached out to MDH staff to obtain MDH's input and have found that 1) the regulation of food service in general historically has been performed by county departments of health, not by MDH; 2) which food services an LEA provides in a school has been the purview of that LEA and changes over time; and 3) the extent of food preparation taking place at schools varies

significantly, from full cooking and serving in some, to warming of food prepared in and delivered from remote locations in others, to distribution of boxed meals that are not warmed in yet others. Additionally, the level at a given school does not remain static over time but can change from year to year as the LEA's food-service approach changes. Because the "minimum" equipment needed differs significantly for these varied levels of food service, IAC staff have found that no single standard or set of requirements would be applicable or appropriate. As a result, IAC staff have not yet identified a viable path to complying with Ch. 32's mandate that would not unreasonably constrain LEAs' flexibility in selecting food-service modalities that meet their changing needs. The IAC will continue to work with our LEA partners to identify what, if any, equipment is standard or nearly standard in all LEAs and could be considered a minimum standard regardless of the LEA's individual food preparation approach.

**2. Due to delays in IMFAL procurement and continued implementation of Chapters 14 and 32 requirements, the Department of Legislative Services (DLS) recommends that IAC submit a status update on these tasks.**

As described in previous budget responses and selected JCR responses, the IAC's IMFAL is comprised of multiple online systems. The first is the Business Management System (BMS), which is the core of the IMFAL and will manage a large portion of the information relating to the IAC's business processes, as noted in the budget analysis. The IAC contracted in mid-2022 with e-Builder, Inc. to implement its primary product as the IAC's IMFAL and began in August 2022 what will be a nearly 18-month implementation that is proceeding pursuant to the IAC's schedule.

The second is the IAC's proposed Facilities Data System (FDS). This is a new online system that will house the facilities-inventory data currently housed in the IAC's legacy SQL Server and the SFA data currently housed in the cloud-based systems being provided through Sept. 2023 by the IAC's SFA contractor Bureau Veritas. IAC staff have been working since mid-2022 with DoIT to obtain access to a contractor under DoIT's standing master contract for data management analytics. In Dec. 2022, DoIT released to its master-contract vendors a Task Order RFP; DoIT and IAC staff will be evaluating in March the proposal(s) received; and, if a proposal appears to meet the IAC's requirements within the available budget, IAC staff expect to engage a contractor to configure an FDS pursuant to the requirements specified in the Task Order RFP by early 2024. With these two systems in place, the bulk of the IAC's

IMFAL will be operative and is expected to meet the requirements for the IMFAL stated in Ch. 20 (2018) and Ch. 32 (2022).

3. **Status Update on Chapter 32 of 2022 Requirements:** As required in the 21st Century Schools School Facilities Act of 2018 (Chapter 14) and as amended in Chapter 32, the Interagency Commission on School Construction (IAC) has requirements related to the implementation of the Statewide Facilities Assessment (SFA), the Integrated Master Facility Asset Library, and recommendations from the Workgroup on the Assessment and Funding of School Facilities. The budget committees request that by January 15, 2024, IAC submit a status update on the agency's progress to meet these requirements in calendar 2023. This update should include the following information:
  - a. alignment of the sufficiency standards and square foot allowances with gross area baselines;
  - b. State and local-cost share formulas and incentives;
  - c. verification of the second round of SFA data with the Department of Legislative Services;
  - d. establishment of an appeals process for local education agencies for individual school construction projects with specifically approved enrollment projections; and
  - e. determination of the minimum equipment needed for food preparation to be used for the survey of school buildings.

The IAC will provide the report as requested.