



# OLR Backgrounder: Reimbursable School Construction Project Costs

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#### Issue

Describe the school construction project costs in Connecticut that are eligible and ineligible for school construction reimbursement grants from the state.

## Summary

School construction grants are based on eligible project costs, and state regulations specify most eligible and ineligible costs. Towns are reimbursed for a percentage of those costs, depending on town wealth (i.e., the town's reimbursement rate). Regional school districts are reimbursed based on a weighted average of the wealth of their component towns.

## Reimbursable Project Costs

## Eligible Costs

School construction grants reimburse eligible project costs. Eligible costs include the reasonable cost of construction; alterations or renovations; site acquisition, preparation, and development; equipment and furnishing for the site or building; architectural, engineering, or construction management charges; ordinary and reasonable legal fees; and bond issue costs related to financing the above costs (Conn. Agencies Regs. § 10-287c-15(c)(1)).

State regulations further specify that reimbursable site acquisition costs include the actual cost of acquiring a site for a school project, plus legal fees and other incidental costs. The regulations cap the amount of eligible site acquisition costs at the greater amount of two independent site



appraisals. Additionally, they prohibit including the cost of the site or a portion of a site that causes the total site to exceed the following:

- 1. the number of acres equal to the highest projected enrollment for the eight-year period from the application date, divided by 100, plus
- 2. (a) 10 additional acres if the project is an elementary school, (b) 15 if the project is a middle school, or (c) 20 if the project is a high school (Conn. Agencies Regs. §10-287c-15(c)(2)).

Furthermore, conditions apply to some of these cost categories. Additionally, any federal or other state grants received for the project must be deducted from the total project costs before the grant is calculated ( $CGS \ 10-286(b)(2)$ ).

#### Ineligible Costs

Table 1 lists costs that are ineligible for school construction grant reimbursement.

**Table 1: Ineligible Costs for School Construction Grant Reimbursement** 

#### Ineligible Items

- Feasibility studies
- Textbooks and supplies
- Computer software (except operating systems)
- Lease of facilities (except for projects to remedy indoor air quality emergencies)
- Service, equipment, or maintenance contracts
- Salaries of "in house" administration or educational staff employed by the local board or municipality
- Site regrading, ordinary resurfacing, or reseeding
- · Relocation of facilities within site
- · Repair of site improvements
- Athletic facility lighting and parking
- Artificial turf

- Off-site town improvements and utility extensions
- Moving of existing facilities on-site or to another site (except where necessary for a new school plant or extension)
- Ordinary building and built-in equipment maintenance, repair, painting, redecoration
- Repair to movable equipment and furniture
- Ordinary repairs to or replacements of boilers, combustion equipment, or fuel storage equipment
- Ordinary roof repairs not specifically eligible under state statute
- Ordinary window or glass replacements
- Other ordinary repairs and replacements

Source: Conn. Agencies Regs., § 10-287c-15(d)

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