Statewide Bond Approval did TWO things:

1. Activated six (6) temporary bonus incentives – LEAs are eligible for up to 20%

2. Provided for $250M in up front funding to support state share of projects (Pay-Go)
Temporary Bonuses

In order to qualify for the increased share ratio for the temporary bonuses, 25% of the project costs, or a minimum of $500,000, must be specifically directed to these purposes.

Permanent Bonus*

School Safety & Security

If 75% of a project is for the purposes of School Safety & Security, then the project shall receive 5% bonus.

* In addition to the six temporary bonuses, there is one permanent bonus that is not time-limited.
Bonus Descriptions

**Security:** Projects that protect students, teachers, and other building occupants from internal and external threats, including building and site hardening and access control.

*Project Examples: Door hardware; security vestibules; emergency communications infrastructure; and security camera infrastructure.*

**Safety:** Capital improvements that safeguard students, teachers, and other building occupants from harm that may be caused or exacerbated by building conditions, including those that address general physical safety, fire safety, building egress, and accessibility.

*Project Examples: Fire alarm and sprinkler; hazardous materials abatement; structural defects; and building envelope repairs that impact the safety of students.*

**Health:** Building improvements that address deficiencies that impact students, teachers and staff health including indoor air quality, thermal health, water quality, ventilation, and acoustics.

*Project Examples: HVAC (including adding ventilation where it does not exist); lead pipe replacement; and building envelope repairs that impact the health of students (such as leaking roof that is allowing moisture to form mold)*
Bonus Descriptions (Cont.)

Educational Enhancements:
This bonus is limited to projects devoted for purposes of educational enhancements including, early childhood education, career and technical education, common learning spaces, and projects that align with the LEAs approved educational program.

Replacement:
This bonus is limited to projects that replace a facility with an Facility Condition Index (FCI) of 65% or higher.

Decrease Overcrowding:
This bonus is limited to new construction or renovation that decreases the functional utilization of any facility from more than 120% to between 105% and 85%.

Newer & Fewer:
This bonus is limited to consolidation of two or more school buildings into one school building.

Functional Utilization:
This bonus is limited to new construction or renovation that increases functional utilization from less than 60% to more than 80%, including the consolidation of school buildings.
Permanent Bonus

School Safety & Security

If 75% of a project is for the purposes of School Safety & Security, then the project shall receive 5% bonus.

Temporary Bonuses

In order to qualify for the increased share ratio for the temporary bonuses, 25% of the project costs, or a minimum of $500,000, must be specifically directed to these purposes.

Note on Combining Bonuses:
• Safety projects may qualify for either School Safety & Security bonus OR Health & Safety Bonus
• Projects may qualify for Newer & Fewer OR one of the functional utilization bonuses
• Projects may qualify for Replacement OR one of the functional utilization bonuses
### Financial Impact of Bonuses

**LEAs are eligible for up to an additional 20% in state share support**

#### Examples:

<table>
<thead>
<tr>
<th>Base Ratio</th>
<th>Incentives</th>
<th>State Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>35%</td>
<td>17.5%*</td>
<td>52.5%</td>
</tr>
<tr>
<td>40%</td>
<td>20%</td>
<td>60%</td>
</tr>
<tr>
<td>80%</td>
<td>10%*</td>
<td>90%</td>
</tr>
</tbody>
</table>

*State share cannot be increased or decreased by more than half of its base state share ratio*
Pay-as-you-go Funding

$250 Million is to support the state’s share of Foundational Housing Aid

15% of the state share will be offered in up front funding for eligible projects
Example of How up front funding works:

- LEA receives a $50 million approval from RIDE for school construction with a 50% base state share ratio (not including bonuses)
- The state’s share of the approval is $25 million
- 15% of $25 million ($3,750,000) is offered up front as pay-go funding
- LEA submits invoices to RIDE and receives payments as project is being completed
- Once the project is complete:
  - RIDE confirms bonuses and calculates state share ratio w/bonuses
  - The remaining amount of the state share is paid as traditional Housing Aid reimbursement

<table>
<thead>
<tr>
<th>Approved Project Cost</th>
<th>Base State Aid Share Ratio</th>
<th>State Share of Project Cost</th>
<th>15% of State Share offered as up front (Pay-as-you-build)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$50,000,000</td>
<td>50%</td>
<td>$25,000,000</td>
<td>$3,750,000</td>
</tr>
</tbody>
</table>

NOTE: For simplicity, interest was omitted from the example above but will be included in calculations