

R277-125 received final approval by the Utah State Board of Education on June 2, 2022. R277-125 was published in the July 15, 2022, Utah State Bulletin, subject to a 30-day comment period, with a first possible effective date of August 22, 2022.

## **R277. Education, Administration.**

### **R277-125. Small School District Capital Projects.**

#### **R277-125-1. Authority and Purpose.**

(1) This rule is authorized by:

(a) Utah Constitution Article X, Section 3, which vests general control and supervision over public education in the Board;

(b) Subsection 53E-3-401(4), which allows the Board to make rules to execute the Board's duties and responsibilities under the Utah Constitution and state law; and

(c) Section 53F-10-102, which requires the Board to make rules to establish a process for school districts to submit proposals for funding for capital development projects under Title 53F, Chapter 10, State Funding - Capital Projects.

(2) The purpose of this rule is to establish a process for school districts to submit proposals for funding for capital development projects, including:

(a) the Capital Projects Evaluation Panel's review, prioritization, and recommendations to the Board;

(b) the Board's consideration and approval, if applicable, of proposed capital development projects; and

(c) management of Capital Projects Evaluation Panel processes and administration.

#### **R277-125-2. Definitions.**

(1) "Capital development project" or "project" means the same as that term is defined in Section 53F-10-101.

(2) "Capital Projects Evaluation Panel" or "panel" means the same as that term is defined in Section 53F-10-101.

(3) "Eligible school district" means the same as that term is defined in Section 53F-10-101.

#### **R277-125-3. Superintendent Duties and Support for Capital Development Proposal Process.**

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(1)(a) The Superintendent shall prepare an application for an eligible school district to submit a proposal to the Capital Projects Evaluation Panel for funding for a capital development project.

(b) The application described in Subsection (2)(a) shall include a requirement for an eligible school district to provide at least the following information as part of the eligible school district's proposal:

(i) a cost analysis and estimate for the project;

(ii) a proposed timeline for the project;

(iii) if applicable, the source of the eligible school district's matching funds;

(iv) the LEA's capital local levy imposed for the most recent fiscal year; and

(v) narrative describing how the project will meet the eligible school district's capital needs.

(2) As described in Section 53F-10-201, the Superintendent and staff shall participate on the panel and provide staff support.

(3) The Superintendent shall provide the panel's recommendations for any project described in Subsection R277-125-4(3)(b) that is \$2 million or more to the Board by January 10 each year for the Board's evaluation and approval.

(4) For a project described in Subsection R277-125-4(3)(b) that is less than \$2 million, the Superintendent shall:

(a) evaluate the panel's recommendations described in Subsection R277-125-4(3)(b);

(b) approve and notify an eligible school district of an approved capital development project; and

(c) provide a report to the Board of the Superintendent's approvals described in Subsection (4)(b).

(5) Subject to the amounts described in Section 53F-10-301 and approval by the Board if applicable, the Superintendent shall distribute funds to an eligible school district with an approved project by March 1.

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**R277-125-4. Eligible School District Application Requirements -- Panel Review and Consideration of Project Proposals.**

(1) On or before November 1 each year, an eligible school district may submit a capital development project proposal to the Superintendent using the application described in Subsection R277-124-3(1) for the Capital Projects Evaluation Panel's consideration.

(2) To perform the duties described in Section 53F-10-202, the panel shall meet quarterly or as needed.

(3) The panel shall:

(a) use the criteria described in Subsection 53F-10-202(1) to evaluate and prioritize capital development project proposals; and

(b) provide recommendations for proposals that the panel recommends be approved to the Superintendent by December 15.

(4) The panel may recommend funds be distributed to an eligible school district for a loan in lieu of a distribution of capital funding for a project as described in Section 53F-10-302.

**R277-125-5. Eligible School District Use of Funds.**

(1) An eligible school district shall use funds distributed under Section 53F-7-202 and this rule by June 30, 2025.

(2) An LEA shall return any funds distributed under Section 53F-7-202 and this rule on or before October 1, 2025 if the eligible school district does not expend those funds by June 30, 2025.

**KEY: small school district; capital; funding**

**Date of Last Change: 2022**

**Authorizing, and Implemented, or Interpreted Law: Art X Sec 3; 53E-3-401(4); 53F-10-102**