

**North Dakota Department of Public Instruction
Dr. Wayne G. Sanstead, State Superintendent
600 E. Boulevard Ave., Dept. 201
Bismarck, ND 58505-0440**

SUPPLEMENTAL ONE-TIME GRANTS – Improvement, Renovation, Repair, Modernization

Now that the legislature has completed the session, many of you are developing your budgets and planning summer renovation and repair projects. This message is to remind you that the State Superintendent “shall approve the construction, purchase, repair, improvement, modernization or renovation of any public school building or facility before commencement of the project” as provided in NDCC 15.1-36-01, including projects authorized in Section 52 of HB 1400. If your district is planning projects that require approval, please review and complete the documents found at the following websites:

<http://www.dpi.state.nd.us/forms/sfn52301.pdf> - School Construction Approval Request (also available in word format)

<http://www.dpi.state.nd.us/forms/sfn52813.pdf> - School Facility Plan (also available in word format)

These are the same documents as have been previously required by the Department for construction approval requests. The department will review your request in the most expedient manner possible so as to get the approval back to you so that you may begin your projects in a timely fashion.

HB 1400, Section 52 “Supplemental One-Time Grants” describes how districts will receive funding under this section. Section 52 also prescribes how funds may and may not be used.

Essentially, grants under this section may be used only for:

- Improvement, renovation, repair, or modernization of school buildings and facilities, including deferred maintenance; weatherization; heating, ventilation, and cooling projects; asbestos removal and abatement; security improvements; and laboratory improvements;
- Building additions, provided additions do not exceed 25% of the square footage of the building to which they are to be attached;
- Equipment, including technological equipment, career and technical education equipment, vehicles for instructional purposes, and vehicles for student transportation;
- Textbooks, instructional materials, and library media materials;
- Title I expenditures;
- Professional development for teachers and administrators.

Funds may not be used for any other purpose, including:

- Temporary property tax reductions,
- Principal payments on outstanding debts,
- Construction of new buildings,
- Hiring of new personnel,
- Compensation increases.

HB 1400 also requires that any school district receiving a supplemental one-time grant shall file a report with the superintendent of public instruction. The report will be in some detail and will at a minimum

include a description of all expenditures, obligations, or other commitments made as a result of receiving the supplemental grant. More guidance will be provided at a later date.

Lastly, the Department is awaiting guidance regarding the Davis-Bacon provision as is required under the ARRA stimulus regulations. Under Davis-Bacon, laborers and mechanics employed by contractors or subcontractors on construction, modernization, renovation or repair projects assisted in whole or in part with ARRA funds must be paid in accordance with locally prevailing wage requirements. The Department of Labor determines the locally prevailing wage rates. Since our state is disbursing these dollars essentially as “state dollars” it is possible that Davis-Bacon may not apply in North Dakota. However, to be absolutely certain, you may wish to bid contracts with the Davis-Bacon stipulation, thus to avoid any possibility of having to re-bid a project. The Department will try to get a definitive answer to this question as quickly as possible. More information about Davis-Bacon may be found at the links below.

<http://www.gpo.gov/davisbacon> Davis-Bacon Wage Determinations

www.dol.gov/esa/contacts/whd/america2.htm#content Regional Department of Labor (DOL) offices

www.dol.gov/esa/whd/programs/dbra/faqs.htm Davis-Bacon Information

<http://www.nd.gov/labor> North Dakota Department of Labor

DPI Contact

The contact person in the Department of Public Instruction for questions pertaining to Construction, Modernization, Renovation and Repair is Robert Marthaller, who can be reached at 701-328-2267 or rvmarthaller@nd.gov.