

School Construction During a Novel Coronavirus Outbreak

Revised April 20, 2020

Guidance Rescinded

This guidance was issued/updated April 20, 2020 and is rescinded as of May 11, 2021. It is no longer in effect. Please see [COVID-19 Guidance for Vermont Schools](#) for current guidance related to the COVID-19 pandemic emergency.

This guidance outlines requirements for school construction during the Governor's [Stay Home, Stay Safe Order](#) and potential approaches to mitigate financial impacts of delayed projects.

Construction Projects Allowed Under the Governor's Stay Home, Stay Safe Order

Governor Scott's ["Stay Home, Stay Safe" order](#) of March 24, 2020, ordered the construction sector to suspend most in-person operations. The only construction allowed under the original order were projects needed to support the COVID-19 response, maintain critical infrastructure, or for the safety, sanitation and operations of residences or businesses. This order applies to most school construction and maintenance projects; aside from maintenance or repair needed to keep critical functions such as school meals operations functional.

However, the [Governor's Addendum 10 to Executive Order 01-20](#) envisions a phased restart to the economy, allowing some outdoor construction projects and projects in unoccupied buildings to restart, effective April 20, 2020. The Agency of Commerce and Community Development (ACCD)'s April 17, 2020, memo: [Update on New Work Safe Additions to the Stay Home, Stay Safe Order](#) outlines requirements for these projects:

- Outdoor work may resume operations with a maximum of two workers per location/job.
- Interior construction may occur in unoccupied structures, with no more than two workers, following social distancing standards.

School construction projects that meet the guidelines outlined in the memo above will be able to recommence effective Monday, April 20, 2020. Additional guidance, updated to reflect the Governor's April 17, 2020 order and the memo above, can be found on the [ACCD Sector Specific Guidance webpage](#):

"The construction sector may operate limited in-person operations in accordance with the April 17th guidance, including restricting work crews to two people per location/job and following mandatory health safety recommendations. Only construction needed to support the COVID-19 response, maintain critical infrastructure, or for the safety, sanitation and operations of residences or businesses

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is allowed to operate beyond this scope. As an example, replacing a failing roof, failed electrical system, or broken waterline would be acceptable. Additionally, jobsites should be left in a safe and secure manner before ceasing in-person construction. Providing services to a hospital or healthcare facility would be acceptable.”

Guidance for Budgeted School Construction Projects that Cannot be Completed in FY20.

The Agency has received questions about what to do if a project cannot be completed in FY2020 as originally scheduled due to the COVID-19 emergency, and whether those funds can be carried forward to the next year, FY2021, and used for the project. How districts choose to deal with this situation is dependent on the size of the project and how it is budgeted.

School construction projects can generally be thought of as falling into one of two categories: (1) large projects that require bonding and (2) smaller projects included in a district's annual operating budget for 1-2 years.

For large projects requiring bonding:

1. Capital Project funds are used to account for and report on money borrowed and expended for these projects.
2. Principal and interest payments to pay down the bond are included in the annual operating budget of a school district.
3. If money is not used this year due to the Governor's directive, it should be available for use in the following year, FY2021.
4. Districts should check with their lending institution for specific information on if there are any time constraints on when the money can be used.

For small projects included in the annual budget:

1. If the budgeted money is not used this year due to the Governor's directive, the district will end FY2020 with a surplus.
2. Good fiscal practice allows the district's financial records to be audited the following year, FY2021.
 - a. After the audit, the exact amount of the surplus is known
 - b. The surplus can be used in the following year, FY2022.
3. While not good fiscal practice, a district could use the unaudited surplus in FY2021 to complete the project.
 - a. The magnitude and a close approximation of the actual cost is known.
 - b. The money to cover the project is on-hand as an unaudited surplus.
 - c. If a district chooses to use the unaudited surplus, it should carefully monitor the costs of the project as it progresses and the available funds from the unaudited surplus to cover those costs.
 - d. Using fiscal practices that are not best practice may raise questions with auditors.

Projects Funded by School Safety Grants

Many school districts and independent schools have received school safety grants from the Department of Public Safety. While these grants are also not overseen by AOE, construction associated with these grants is not considered essential to COVID-19 response or essential for the safe operations of schools at this time. Projects undertaken using these funds would need to be compliant with the requirements of the Governor's Addendum 10 and guidance from ACCD. These funds expire with the sunset of the program on June 30, 2020. However, the AOE and DPS are monitoring this program and will provide updates should that change.