

State of Maryland

Interagency Commission on School Construction

Fiscal Year 2027

Nancy K. Kopp Public School Facilities Priority Fund Procedures



mdschoolconstruction.org
iac.pscp@maryland.gov
(410) 767-0617

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Please note that these instructions are regularly updated for accuracy, process changes, and streamlining. Users of this document are strongly encouraged to access the most recent version on the IAC's website to ensure that the most updated guidance is used.

Record of Changes

Version	Description	IAC Approval Date
1.0	Initial Adoption	7/16/2026

1. Purpose

The Nancy K. Kopp Public School Facilities Priority Fund (KPF) is governed by [Education Article § 5-326, Annotated Code of Maryland](#). Funding granted under the KPF is used to address the most severe issues in a school facility. For FY 2027, this includes projects that will improve the conditions related to air conditioning, heating, indoor air quality, mold remediation, temperature regulation, plumbing (including the presence of lead in drinking water outlets), roofs, windows, and any additional severe issues in the school that required the school to be closed in the current school year or the previous school year. Please see the IAC's Administrative Procedures Guide (APG) available at iac.mdschoolconstruction.org and the IAC's applicable [COMAR sections](#) for specific information on project execution.

2. Allocations

The FY 2027 Capital Budget bill (2026 Md. Laws, Ch. 05) mandates allocations as follows:

LEA	Allocation
Anne Arundel County	\$3,000,000
Baltimore City	\$16,000,000
Baltimore County	\$5,000,000
Frederick County	\$5,000,000
Howard County	\$6,000,000
Montgomery County	\$15,000,000
Prince George's County	\$19,000,000
All other districts	\$1,000,000

These authorizations are not subject to local match requirements.

The \$1,000,000 available for all other districts will be awarded on a competitive basis, based on the severity of the project. Section 3 below details the order of severity as determined by the IAC of eligible projects.

Unawarded amounts will be rolled over into the next FY of KPF funding as prior-year funds. If the funds were allocated by statute to a specific LEA, the funds will be held in that LEA's reserve account. If the funds were originally awarded as part of the \$1,000,000 for LEAs not named specifically in the allocations, the funds will be held in the Statewide reserve account.

3. Approval Basis and Eligibility funds

Eligible project expenditures within the Priority Fund are for improvements to public Pre-K-12 school buildings used for directly educating students. Each project's cost is to be at least \$500,000, unless otherwise approved by the Executive Director of the IAC.

A single "project" is defined as:

- A single improvement at an individual school;
- Multiple improvements at the same school; or,
 - Individual components within a project may be less than \$500,000 in value, but the total cost of projects at the facility (including related components) must be at least \$500,000 in value, unless otherwise approved by the Executive Director of the IAC.
 - Components must be identified separately in the application, with the estimated cost for each shown.
- Multiple improvements of the same kind at different schools within the LEA, such as remediation of lead at drinking fountains in multiple schools.
 - The cumulative cost of the improvements across multiple schools must total at least \$500,000, unless otherwise approved by the Executive Director of the IAC.
 - Each school must be requested separately via a separate application in the IAC's Business Management System (BMS) and the amount of the requests should be based on specific estimates for each school with the number of requested units, square footage, or some other method.
 - Breakout estimates should be provided if projects include multiple scope components.

Eligible Expenditures

Funds will be awarded based on project severity. Projects that are permitted to be funded under the KPF must address one or more of the following project types, listed here in priority order.

1. Projects that resolve or correct immediate life, safety, or health environmental risks or issues that required the school to be closed in the current school year or the previous school year
 - a. Includes levels of lead that equal or exceed 5 parts per billion (ppb) when documented through a process administered by the Maryland Department of the Environment
2. Roofs
3. Air Conditioning
4. Heating
5. Indoor Air Quality
6. Mold Remediation
7. Temperature Regulation
8. Plumbing, including the presence of lead below 5 ppb in drinking water outlets in school buildings
9. Windows

Other Permitted Expenditures and Funding Restrictions

Design and other planning professional expenses are eligible expenditures. However, please note that projects that have not been designed must be executed based upon the program schedule.

Certain related components or systems that are logically related to the scope of work may be included in the scope, but the majority of the proposed work must be for the types of environmental improvements listed in the Eligible Expenditures section above.

KPF funding may be combined with other State funding programs, such as the Capital Improvement Program (CIP) or Built to Learn, so long as work is clearly divided in both the scope and cost estimate. KPF funding may not replace the local cost share amount of another project funded under the CIP or other State funding program.

Ineligible Projects and Expenditures

Expenditures ineligible for State funding include:

- Any system or system component that has been replaced or renovated in the last 16 years, unless explicitly approved by the IAC because the LEA demonstrates that failure of the system or system component resulted in the school being closed and demonstrates that the system or system component is not under warranty;
- Utilizing funds to replace the local share of a project;
- For improvements to property owned by a Board of Education that is not used by public school students, e.g. garages, central office facilities, staff training quarters, etc., unless approved by the Executive Director of the IAC;
- For the movement of relocatable classroom units, unless it can be shown that the location of the relocatable classrooms impedes correcting the health of the facility;
- For ancillary services, e.g. post-completion monitoring;
- For staff training, post-completion;
- For salaries of local employees;
- Heating, ventilation, and air conditioning (HVAC) projects in gymnasiums and auditoriums, except when approved by the Executive Director in instances where the space serves as a teaching station for students with critical special needs or has direct impact on education services such that the school has to be closed;
- Any contract for an eligible project that is approved by the Local Board of Education more than 18 months prior to the IAC approval date identified in the Deadlines section of this APG;
- For items that have a median expected lifespan of less than 15 years;
- For project contingencies;
- For generators sized to support more than only the emergency functions in the educational facility, including operation of the emergency systems (such as lighting, food storage, and water purification), communication systems (including broadband), and security systems; or
- For allowances, with the exception of those for which the IAC Executive Director has granted an exception on a case-by-case basis and either 1) was recommended by the project architect or

engineer of record or 2) that specifies a unit cost to establish a price for a known product where the number of units cannot be identified in advance.

4. Application Submission

Project-funding requests must be submitted in the BMS by the application deadline. Applications may be received within the 30 days preceding the deadline but they will not be reviewed until the date provided by the IAC in its annual publication of the schedule.

All project requests must be accompanied by supporting documentation, such as the results of lead testing as conducted per the requirements of State and federal regulations, mold testing reports by licensed industrial hygienists, elevated moisture content testing reports, indoor air quality assessment reports, and work order history. Detailed budget estimates are encouraged, if available.

Project requests should identify the following in the description:

- All work proposed;
- The origin or source of the issue and the cause;
- How the cause will be corrected;
- Description of attempts previously made to correct the issue; and
- Plan for how the issue will be prevented from reoccurring.

The project schedule should indicate that the project funds will be encumbered on or before the date shown in the program schedule. All work on the project must be substantially completed and a majority of the project funds expended by the date shown in the program schedule.

5. Communication Requirements

All application submission-related documents must be submitted via the BMS. Emails or other methods of communication will not be accepted in lieu of official BMS process submissions. In order to facilitate timely review, it is imperative that LEAs respond to requests for information from the IAC in a timely manner. Requests for comments or requests for information sent via the LEA's "Initiator Revise" step must be responded to within three business days. Responses required in the LEA's "LEA Issues Response" step must be responded to within five business days. Failure to respond within these timeframes may result in a project being determined to be ineligible for funding.

6. Project Evaluation

Projects will be reviewed, prioritized, and approved by the IAC within the timeline shown in the schedule published annually by the IAC. Upon approval, IAC staff will provide to the LEAs a final accounting of approved project awards.

7. Procurement and Contract Award

Procurements

Procurements shall be in compliance with COMAR 14.39.03 as well as with State public school procurement law, Md. Code, Education Article §5-112, “Bids.” Project Delivery Methods other than General Contracting will require approval by the IAC in accordance with COMAR 14.39.04.

Procurements should be in line with all requirements within Section 3.T. Procurement Requirements of the IAC’s Administrative Procedures Guide.

Additionally, Maryland Historical Trust (MHT) consultation is required on applicable projects. LEAs should review the MHT Schools by Category list for projects receiving State funding to determine if consultation with MHT is applicable to the requested project. The project review submission form is available on the MHT website.

Contract Award

IAC approval is required for all KPF contracts, regardless of value. Contracts should be submitted via the Contract Approval Process in the IAC’s BMS for review. When all anticipated project contracts are submitted and evaluated, the IAC will revert any remaining project funding to the appropriate reserve account.

Project Closeout

All projects receiving funding through the program are subject to closeout requirements as provided in the IAC’s APG Section 3.Y.

FY 2027 Program Schedule

7/16/2026	IAC approval of the <i>Nancy K. Kopp Public School Facilities Priority Fund Administrative Procedures Guide</i>
10/1/2026 - 11/30/2026	Application submission period
12/1/2026 - 3/1/2027	IAC staff review period
4/8/2027	IAC approval of projects and awards
6/1/2028	All project funds must be obligated via contract
6/1/2029	Last day to submit requests for reimbursement