

**Senate Education Committee
2024-2025 Biennial Budget – House Bill 33**

**Ohio Facilities Construction Commission
Cheryl J. Lyman, Executive Director
April 26, 2023**

Good afternoon Chairman Brenner, Vice Chair O'Brien, Ranking Member Ingram, and members of the Committee. My name is Cheryl Lyman and I am the Executive Director of the Ohio Facilities Construction Commission. Thank you for the opportunity to speak to you today in support of Governor DeWine's budget recommendations for our Commission.

The Ohio Facilities Construction Commission oversees capital projects for agencies and higher education institutions supported by the state in addition to administering school facility programs and community-based funding for cultural and sports projects. As an agency focused on capital projects, most of OFCC's funding is appropriated in the capital budget. Many of you are aware of our work rebuilding Ohio's schools. You may not be as familiar with our relationship with community-based cultural facilities or how we support state agencies with their facilities improvements. It is my pleasure to highlight the work that we do and to discuss the initiatives included in our request.

Rebuilding Ohio's Schools

Ohio's public K-12 school renovation and building program, which started in 1997, changed the landscape of school facilities in Ohio. As of the end of FY 2022, two thirds of Ohio's public school districts have been reached in whole or in part with OFCC's construction programs. A total of 307 of 609 districts (50 percent) are fully completed. There are 64 districts actively participating in the Classroom Facilities Assistance Program. But we know that more work is left to do.

I would like to point out that 89 percent of our General Revenue Fund request supports the debt service for the school facilities program. Our budget proposal will also fund the staff, technology and professional services that enable us to continue building modern learning environments that make a positive impact on students and their communities.

Career-Technical Construction Grant Program

OFCC's budget request includes \$200 million in one-time funding for capital improvements and equipment available to joint vocational school districts, plus compact and comprehensive career technical schools. This is in addition to the \$100 million for career tech equipment grants proposed for Department of Education and the Commission's existing Vocational Facilities Assistance Program.

The career-technical construction grant initiative aims to address waiting lists for career-technical education programs and meet the demand for education and training programs for critically needed occupations. This program will fund design and construction costs to expand education and training programs that support Ohio's Top Jobs list or qualify for ODE's Innovative Workforce Incentive program.

Community Based Cultural Grants

The Commission manages capital improvement funds appropriated by the General Assembly for the design, renovation, and construction of Ohio's cultural facilities throughout the state. Cultural facilities include science-technology centers, nonprofit theaters, museums, art education facilities, historical sites, and professional sports venues.

OFCC staff administered more than \$33 million in community-based cultural facility grants in FY 2022. The current capital bill included appropriations for 198 cultural projects valued at \$73.7 million. These community projects are funded with tax-exempt state bond proceeds. This means the projects must meet the standards associated with bond funds and remain in compliance over the life of the bond issue. Our budget request includes funding for both the debt service to support the bonds and the staff who administer this program.

Supporting State Agencies

The Commission partners with state agencies in the planning, renovation and construction of projects that are appropriated to them in the capital bill. Our staff provide planning and construction management services to build quality facilities that meet the needs of the owners, allowing the agencies to focus on their core missions of providing services to the citizens of Ohio and those who visit. OFCC's budget request reflects the operating funding to support the state's historic investment in Ohio's brick and mortar infrastructure.

OFCC staff assist state agencies in the development of facility master plans, enabling agencies and institutions to develop more accurate scopes of work for their projects. A significant amount of our work involves project administration services for capital projects costing \$3 million or more. These services include procurement of professional services and public bidding, along with oversight of design and construction through closeout of projects. OFCC staff work with agency owners to oversee the budget, schedule, and overall progress of a construction project. OFCC also administers energy savings performance contracts that enable state agencies and higher education facilities to save on utility costs. Our request includes additional staffing and services to support the level of agency construction that is underway.

Conclusion

At any given time, the Ohio Facilities Construction Commission oversees more than 200 projects in design or in construction. The value of these projects is well over \$2 billion, representing more than 12,000 jobs for Ohioans and their families. Even in a challenging environment of volatile construction costs, supply chain delays, and tight labor availability, OFCC is committed to building high quality facilities that reflect the best practices in construction while serving the diverse needs of our partners.

Chairman Brenner and members of the Committee, thank you for the opportunity to present the Commission's budget proposal. I am happy to answer any questions you may have.