

School Construction Grant Fund and Major Maintenance Grant Fund Priority List Primer

Source Documents:

AS 14.11.005 – established the School Construction Grant Fund (SLA 1990).

AS 14.11.11.007 – established the Major Maintenance Grant Fund (SLA 1993).

AS 14.11.013(a)(1)(A-G) establishes the type of work (i.e., project scope) eligible for state aid under these funds in seven categories.

4 ACC 31.022(b)(1) and (2) – designates school capital projects as school construction or major maintenance based on the primary purpose of the project relative to the statutory categories of work.

School Construction projects are those in which the primary purpose is:

1. To avert imminent danger or correct life-threatening situations;
2. House students who would otherwise be unhoused; or
3. Meet an educational need not otherwise specified

Any project adding or replacing education related space is a school construction project. Primarily, this will include new schools, replacement of schools, or projects adding space to an existing school or school support building. Project's whose primary purpose is to correct health and life safety issues and projects whose primary purpose is to improve an educational program are also school construction projects. School construction projects may also include work in the major maintenance categories listed in statute as long as that work is not the primary purpose of the project. Examples would include replacing a roof on an existing portion of the building that will remain, or correcting a code deficiency in an existing electrical system.

Replacement of an existing facility is allowed if a cost analysis indicates that the cost of capital renewal is equal to, or more expensive than replacement.

Districts are only eligible to add space under the School Construction Grant Fund if a determination of need is confirmed and approved by the Department, using formulas based on square footage per students. These formulas are established in regulation.

Major Maintenance projects there are those in which the primary purpose either:

1. Protects the structure of an existing school facility;
- 2) Corrects code deficiencies requiring major repair or rehabilitation; or
- 3) Achieves an operating cost savings.

A project that is renewing an existing building system that has reached its service life span is a major maintenance project. A project that modifies an existing building system in order to meet a required code or standard is a major maintenance project. In each of these cases, the work may be accomplished by either, repair, replacement or consolidation of existing building systems.

Projects eligible for this category must be major projects that are not required as a result of inadequate preventative, routine and/or custodial maintenance. In addition, major maintenance projects may not include construction of any additional space as part of their scope of work.

Important Notes:

1. These two lists are comprised of applications to the Department for Capital Improvement Projects (CIP) that have been deemed eligible for consideration of funding award. Based on various criteria, eligible projects are sorted into either one of the funding categories, not both
2. The School Construction Grant Fund list and Major Maintenance Grant Fund list are not a summary of statewide need for school capital projects. Participation in the CIP application process which creates these list are voluntary. For FY20, only 51% of the state's school districts participated.
3. Major Maintenance, as used in the statute, is a term very specific to the state's program for state aid under AS 14.11. It does not necessarily equate with other specific industry terms. It is not, for instance, equivalent to Deferred Maintenance.