

# Capital Needs for School Facilities

## Senate Finance Committee

Alaska Department of Education and Early Development

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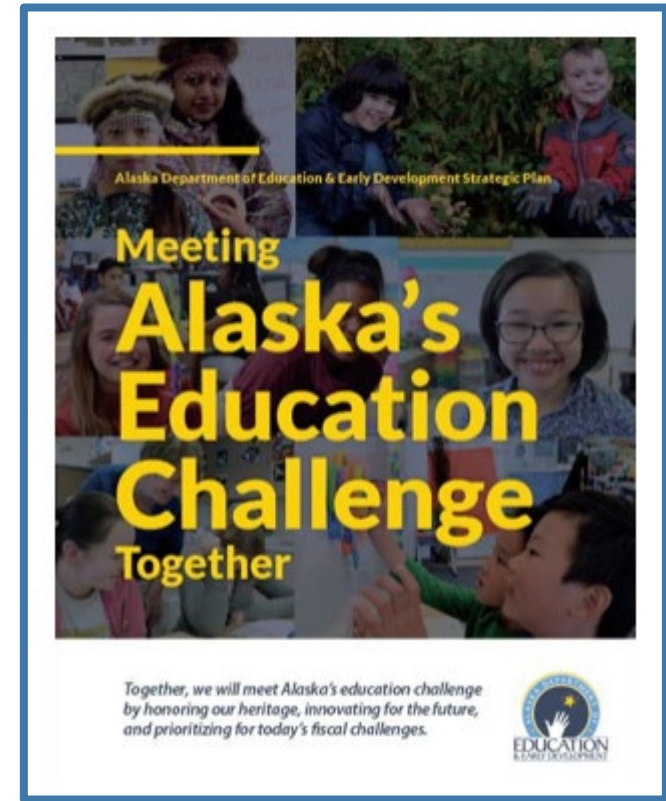
# Mission, Vision, and Purpose

| Mission   | Vision  | Purpose   |
|---|---|---|
| An excellent education for every student every day. | All students will succeed in their education and work, shape worthwhile and satisfying lives for themselves, exemplify the best values of society, and be effective in improving the character and quality of the world about them.<br>- Alaska Statute 14.03.015 | DEED exists to provide <b>information, resources, and leadership</b> to support an excellent education for every student every day. |

# Strategic Priorities: Alaska's Education Challenge

## Five Shared Priorities:

1. Support all students to read at grade level by the end of third grade.
2. Increase career, technical, and culturally relevant education to meet student and workforce needs.
3. Close the achievement gap by ensuring equitable educational rigor and resources.
4. Prepare, attract, and retain effective education professionals.
5. Improve the safety and well-being of students through school partnerships with families, communities, and tribes.



[education.alaska.gov/akedchallenge](http://education.alaska.gov/akedchallenge)

# Current Funding Mechanisms

1. School Construction Grant Fund (1990) *AS 14.11.005*
2. Major Maintenance Grant Fund (1993) *AS 14.11.007*
3. Regional Educational Attendance Area (REAA) and Small Municipal School District School Fund (2010) *AS 14.11.030*
  - Indexed Fund
  - DR Funding divided by percent of municipal schools multiplied by 0.244 *AS 14.11.025*
4. School Debt Reimbursement (DR) Funding *AS 14.11.102*

# Current Project Categories (AS 14.11.013)

(School Construction and Major Maintenance)

- (A) Avert imminent danger or correct life-threatening situations;
- (B) House students who would otherwise be unhoused; for purposes of this subparagraph, students are considered unhoused if the students attend school in temporary facilities;
- (C) Protect the structure of existing school facilities;
- (D) Correct building code deficiencies that require major repair or rehabilitation in order for the facility to continue to be used for the educational program;
- (E) Achieve an operating cost savings;
- (F) Modify or rehabilitate facilities for the purpose of improving the instructional program;
- (G) Meet an educational need not specified in (A) — (F) of this paragraph, identified by the department

# Capital Improvement Project (CIP) Eligibility

1. Six-year capital improvement plan
2. Functioning fixed asset inventory system (FAIS)
3. Proof of required property insurance
4. Certified preventive maintenance and facility management program
5. Capital project and not routine maintenance
6. Participating share

# Grant Participation and Eligibility

- Capital Improvement Project (CIP) Grant Application
  - Due from school districts on or before September 1 (annually)
  - CIP Application materials are posted on our website
  - (<https://education.alaska.gov/facilities/facilitiescip>)
- Project Ranking
  - Ranked in accordance with criteria in AS 14.11 and 4 AAC 31
- Eligibility
  - Districts must have a six-year plan, a fixed asset inventory system, adequate property loss insurance, and a preventive maintenance and facility management program certified by the department
- CIP Priority Lists
  - Initial lists are released on November 5
  - Final lists are released after any appeals for reconsideration are finalized

# What does it take to fill out an application?

**Project Justification:** Clearly articulate the need for the project, including factors like facility age, condition, and enrollment projections.

**Scope of Work:** Provide a detailed description of the proposed work, including preliminary designs or schematics.

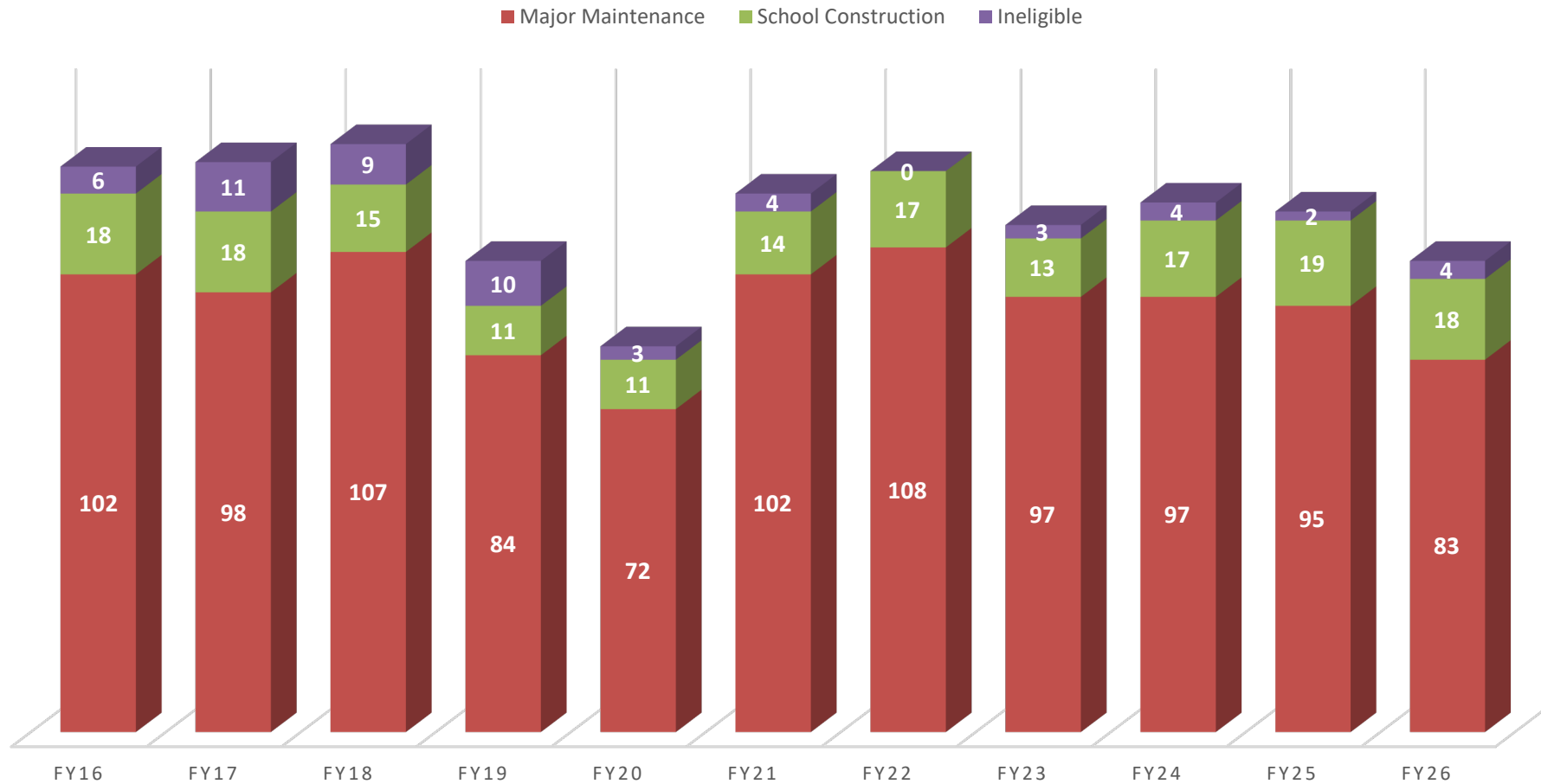
**Budget:** Present a comprehensive budget outlining all project costs and the district's participating share.

**Supporting Documentation:** Include educational specifications, facility condition surveys, and any other relevant assessments.



# Grant Participation and Eligibility FY2016 – FY2026

## TOTAL CIP GRANT APPLICATIONS



# Total Eligible Grant Projects and Actual Grant Funding by Fiscal Year (whole dollars)

| Fiscal Year/List    | Requests | Total Eligible State Share (\$) | Requests Funded | Amount Funded (\$) |
|---------------------|----------|---------------------------------|-----------------|--------------------|
| FY2016 Construction | 18       | \$230,920,120                   | 1               | \$43,237,400       |
| FY2017 Construction | 17       | \$206,267,345                   | 4               | \$74,562,588       |
| FY2018 Construction | 15       | \$123,294,419                   | 4               | \$45,815,477       |
| FY2019 Construction | 11       | \$179,214,343                   | 7               | \$42,037,459       |
| FY2020 Construction | 11       | \$190,353,374                   | 2               | \$20,082,467       |
| FY2021 Construction | 14       | \$142,797,809                   | 0               | \$0                |
| FY2022 Construction | 17       | \$162,305,916                   | 2               | \$12,608,008       |
| FY2023 Construction | 13       | \$192,775,088                   | 3               | \$91,745,168       |
| FY2024 Construction | 17       | \$195,666,783                   | 1               | \$50,850,443       |
| FY2025 Construction | 19       | \$260,489,844                   | 3               | \$30,964,499       |
| FY2026 Construction | 17       | \$363,111,771                   | TBD             |                    |

| Fiscal Year/List   | Requests | Total Eligible State Share (\$) | Requests Funded | Amount Funded (\$) |
|--------------------|----------|---------------------------------|-----------------|--------------------|
| FY2016 Maintenance | 102      | \$172,195,526                   | 4               | \$2,623,689        |
| FY2017 Maintenance | 98       | \$181,570,096                   | 0               | \$0                |
| FY2018 Maintenance | 107      | \$164,887,094                   | 16              | \$0                |
| FY2019 Maintenance | 84       | \$142,892,281                   | 17              | \$27,653,300       |
| FY2020 Maintenance | 72       | \$112,247,626                   | 1               | \$7,365,723        |
| FY2021 Maintenance | 102      | \$148,986,253                   | 1               | \$34,277           |
| FY2022 Maintenance | 108      | \$187,285,413                   | 0               | \$0                |
| FY2023 Maintenance | 97       | \$196,637,613                   | 21              | \$47,384,214       |
| FY2024 Maintenance | 97       | \$217,866,788                   | 5               | \$19,566,487       |
| FY2025 Maintenance | 95       | \$249,060,086                   | 26              | \$62,761,729       |
| FY2026 Maintenance | 84       | \$261,526,980                   | TBD             |                    |

“Amount Funded” does not include reappropriation or reallocation of fund balances.

# School Construction and Major Maintenance Requests – FY 2026 (whole dollars)

| Category            | Amount Requested | Eligible Amount | Prior Funding | DEED Recommended Amount | Participating Share | State Share   |
|---------------------|------------------|-----------------|---------------|-------------------------|---------------------|---------------|
| School Construction | \$434,336,804    | \$555,272,862   | \$164,232,308 | \$391,040,554           | \$27,928,783        | \$363,111,771 |
| Major Maintenance   | \$361,833,213    | \$338,236,029   | \$5,107,092   | \$333,128,937           | \$71,601,957        | \$261,526,980 |

# Total Six-Year Plan Requests by FY (whole dollars)

| Fiscal Year | Total Six-Year Plan Requests |
|-------------|------------------------------|
| FY2011      | \$1,414,709,641              |
| FY2012      | \$1,996,553,852              |
| FY2013      | \$1,920,005,961              |
| FY2014      | \$1,800,302,814              |
| FY2015      | \$1,947,268,401              |
| FY2016      | \$1,765,110,357              |
| FY2017      | \$1,789,440,292              |
| FY2018      | \$1,687,522,113              |
| FY2019      | \$1,663,103,027              |
| FY2020      | \$1,389,376,552              |
| FY2021      | \$1,298,785,855              |
| FY2022      | \$1,336,041,672              |
| FY2023      | \$1,429,740,452              |
| FY2024      | \$1,507,086,565              |
| FY2025      | \$1,762,639,760              |
| FY2026      | \$1,846,645,049              |

# Recent Funding (SB 237 Report)

- SB 237 (Chapter 93 SLA 2010) – AS 14.11.035
  - Annual report on school construction and major maintenance funding
  - First report completed in February 2013
- \$1,749,967,541 in project funding 7/1/2010-12/31/2024
  - Total project value for Debt projects
  - State share value for Grant projects
- February 2025 School Capital Project Funding Under SB237 Report
  - Project Funding by District (report Appendix A)
  - Project Listing by District (report Appendix B)

# Recommended & Funded Capital Renewal by FY

(whole dollars)

| Fiscal Year | Insured Value Main School Facilities | Insured Value School-Related Facilities | Recommended 3 Percent Capital Renewal | Total AS 14.11 Funding | Percent of Funded Capital Renewal |
|-------------|--------------------------------------|---|---------------------------------------|------------------------|-----------------------------------|
| FY2011      | \$6,024,558,783                      | \$611,992,436                           | \$199,096,537                         | \$244,938,510          | 123.0%                            |
| FY2012      | \$6,284,565,324                      | \$672,832,563                           | \$208,721,937                         | \$487,746,214          | 233.7%                            |
| FY2013      | \$6,484,708,153                      | \$702,083,591                           | \$215,603,752                         | \$158,734,700          | 73.6%                             |
| FY2014      | \$6,674,414,111                      | \$731,668,516                           | \$222,182,479                         | \$222,622,004          | 100.2%                            |
| FY2015      | \$6,893,678,341                      | \$737,283,808                           | \$228,928,864                         | \$56,633,185           | 24.7%                             |
| FY2016      | \$7,494,373,579                      | \$767,501,801                           | \$247,856,261                         | \$45,861,089           | 18.5%                             |
| FY2017      | \$7,527,851,947                      | \$843,273,351                           | \$251,133,759                         | \$74,562,588           | 29.7%                             |
| FY2018      | \$7,806,679,400                      | \$884,635,956                           | \$260,739,461                         | \$45,815,477           | 17.6%                             |
| FY2019      | \$7,948,009,247                      | \$928,767,221                           | \$266,303,294                         | \$69,690,759           | 26.2%                             |
| FY2020      | \$8,306,164,560                      | \$959,092,600                           | \$277,957,715                         | \$27,448,190           | 9.9%                              |
| FY2021      | \$8,375,372,209                      | \$968,531,369                           | \$280,317,107                         | \$34,277               | 0.0%                              |
| FY2022      | \$8,640,281,425                      | \$971,902,844                           | \$288,365,528                         | \$12,608,008           | 4.4%                              |
| FY2023      | \$9,225,094,162                      | \$1,041,287,466                         | \$307,991,449                         | \$139,129,382          | 45.2%                             |
| FY2024      | \$10,461,130,625                     | \$1,242,840,821                         | \$351,119,143                         | \$70,416,930           | 20.1%                             |
| FY2025      | \$10,567,626,307                     | \$1,208,208,842                         | \$353,275,054                         | \$93,726,228           | 26.5%                             |
| Totals      |                                      |   | \$3,959,592,340                       | \$1,749,967,541        | 44.2%                             |

## Mt. Edgecumbe High School Deferred Maintenance (MEHS) (whole dollars)

- Current projects funded \$11,424,000
- FY2026 deferred maintenance request \$22,842,000



# Additional Resources

- DEED's Facilities website:  
<https://education.alaska.gov/facilities>
  - School Facility Database  
[https://education.alaska.gov/doe\\_roldex/schoolcalendar/facility](https://education.alaska.gov/doe_roldex/schoolcalendar/facility)
  - Preventive Maintenance & Facility Management Program  
<https://education.alaska.gov/facilities/PM>
  - CIP Application and Support  
<https://education.alaska.gov/facilities/facilitiescip>
  - CIP Grant Priority Lists  
<https://education.alaska.gov/facilities/facilitiespl>



# Contact Information

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