

Division of Public School Capital Construction Assistance

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COL
Department of Education

FACT SHEET

Building Excellent Schools Today (BEST) Potential Impact of HB18-1070

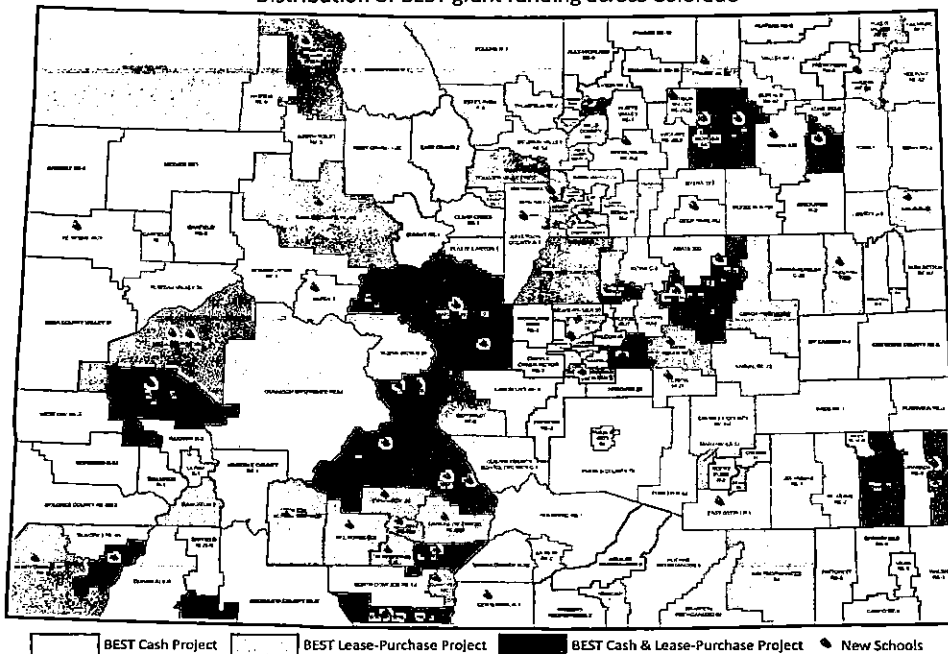
Colorado Department of Education's Division of Public School Capital Construction Assistance manages a series of programs and resources for capital construction funding and technical assistance. The Division primarily administers a competitive grant program known as Building Excellent Schools Today (BEST). Grants are available to all public school districts, charter schools, institute charter schools, boards of cooperative educational services and the Colorado School for the Deaf and Blind.

Applications are reviewed on a yearly cycle and recommended for funding by the Capital Construction Assistance Board—a nine-member appointed board who, in conjunction with staff, review grant applications for the current fiscal year.

BEST funds projects that will address safety hazards or health concerns at existing Public School Facilities, including concerns relating to Public School Facility security, and projects that are designed to incorporate technology into the educational environment.

The Division has eight in-house assessors working to complete condition analyses and adequacy surveys for every facility in the state by 2021, and to reassess every five years to help the state make informed decisions.

Distribution of BEST grant funding across Colorado



BEST Accomplishments

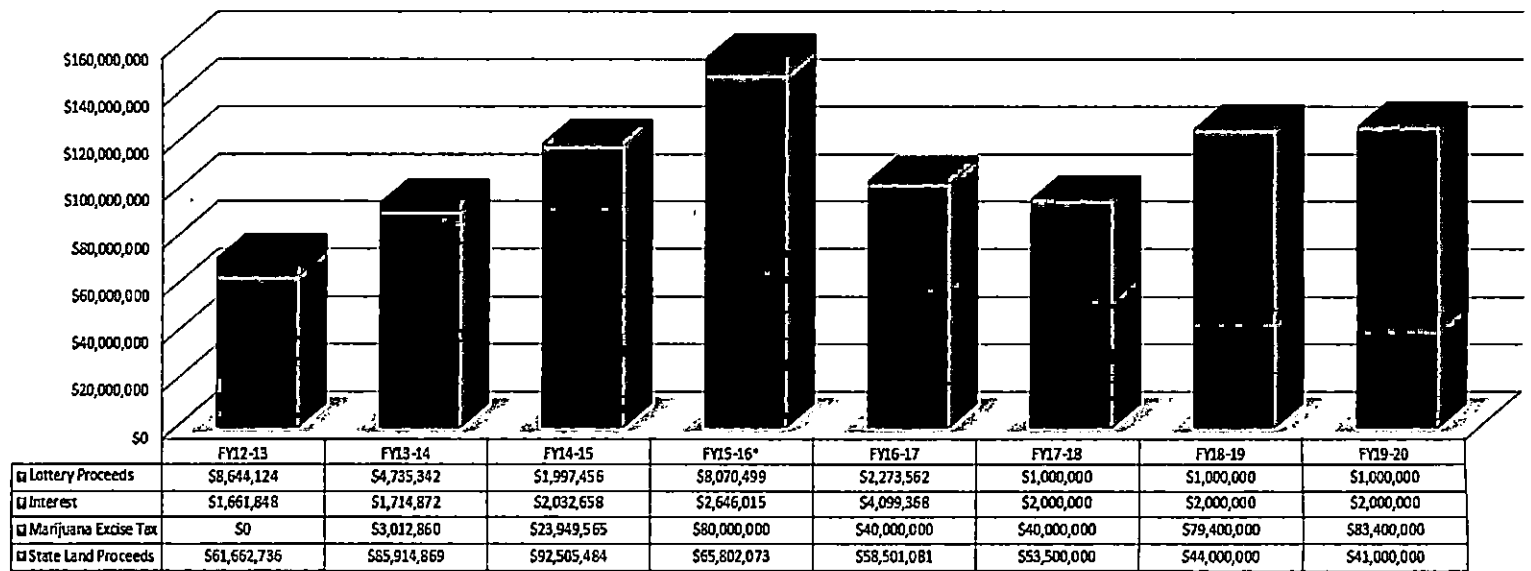
- Awarded 319 grants in 135 school districts.
- Funded \$1.7 billion in capital construction projects from \$3.7 billion in requests.
- Improved health, safety and security in 409 schools.
- Improved the learning environment for nearly 180,000 students.
- Created and supported roughly 28,824 jobs as of Dec. 2017 (direct, indirect and induced jobs per the Colorado Department of Local Affairs).
- In 2009, over 8,000 facilities were inventoried and more than 123 million square feet assessed, revealing \$13.9 billion in capital construction needs.
- Facility assessment revisions began in 2017. Results from the first 121 schools assessed (7% of total schools in Colorado), show a 28% increase in capital construction needs.



Funding programs managed by the Division of Public School Capital Construction Assistance:

- **Cash Grants** are typically used to fund smaller projects, such as roofs, boiler replacements and fire alarms.
- **Lease-Purchase Grants** are typically used to fund larger projects, such as new schools, major renovations and additions. These grants are financed and repaid with future assistance fund revenues.
- **Emergency Grants** are used for an unanticipated event that threatens the health or safety of a building’s occupants or renders all or a significant portion of a building unusable for educational purposes.
- **Charter School Capital Construction** program funding can be used to pay for school construction, renovation, maintaining, financing, or the purchasing or leasing of facilities. Funds are distributed to qualified charter schools based on pupil count. \$20 million is distributed annually from the State Education fund and \$5 million from the BEST program (12.5% of the \$40 million cap in marijuana excise taxes received annually).

Revenue Sources



*FY15-16 revenues included a one-time disbursement of \$10M from Proposition 85 (Nov. 2015)

- To date, BEST has received more than \$807 million in revenue. State Land Proceeds account for more than 70 percent of the funding and marijuana excise tax accounts for 18 percent, with Colorado Lottery spillover funds at 4.5 percent and interest at 2.2 percent.
- With the addition of district matching dollars and the ability to issue Certificates of Participation (COP), BEST has increased the total amount of projects funded to about \$1.7 billion. More than doubling the impact.
- Marijuana Excise Tax revenue projections above provided by Legislative Council staff. State Land Proceeds provided by the State Land Board.
- At current interest rates, and with a 25-year debt service, a \$5 million increase in COP cap coupled with an assumed district match of 25%, BEST could fund approximately \$105 million in additional projects.
- Projections suggest an additional \$4,925,000 and \$5,425,000 into the Charter School Capital Construction program in Fiscal Year 19 and Fiscal Year 20.