



PUBLIC SCHOOLS FACILITIES FUNDING – HIGH LEVEL OVERVIEW

At the request of Co-Chair Senator Lent, this issue brief provides a high-level overview of the funding in the Facilities Division of the Public School Support Program.

The Facilities Division includes moneys from the General Fund and funding provided from Idaho Lottery proceeds for both public school facility maintenance costs and for support of the Bond Levy Equalization Support Program. There are three statutory-based programs, however for transparency, moneys are appropriated and tracked as four separate programs and in FY 2022 the appropriation was \$61,331,900:

1. Bond Levy Equalization Support Program
2. Charter School Facilities Funding
3. Facilities Match
 - a. Lottery Funds
 - b. General Fund (when a shortfall of lottery funds exists)¹

Bond Levy Equalization Support Program

Bond Levy Equalization Support Program (BLESP) is founded in §33-906, §33-906A, & §33-906B, Idaho Code to subsidize the interest-cost portion of school bonds passed after September 15, 2002. Subsidies range from 0% to 100% of interest costs, depending on the relative wealth and economic vitality of each school district for bonds passed on or after September 15, 2002. A calculated index is used to determine eligibility and includes three factors of per capita income, unemployment, and property market values.

In 2022, 55 of the 74 school districts with an approved bond were eligible to receive funding from the BLESP. For the 2021-2022 school year, \$20,474,809 was distributed to eligible school districts. For the 2022-2023 school year, \$25,461,900 was appropriated for this purpose. A separate issue brief was provided to the committee on November 10, 2022, with the details on the program and the calculations needed to determine eligibility and payments.

Charter School Facilities

Section 33-5208(5), Idaho Code provides that the state shall distribute facilities funds to public charter schools for each enrolled student in which a majority of the student's instruction is received at a facility that is owned or leased by the charter school. Funds shall be used to defray the purchase, fee, loan, or least costs associated with payments for real property used by the charter school for administrative and educational purposes. The amount provided to each charter is calculated by first identifying the statewide totals for bond plant facilities levies and dividing that by the total enrollment for school districts to get a district level per pupil amount. That amount is then multiplied by a statute based percentage which is currently at the statutory cap of 50%.

In the 2021-2022 school year, 69 charter schools received funding through this program with a per-student distribution of \$397.89, or half of the school district per student calculated amount of \$795.77. The total amount distributed to charter schools was \$9,641,732.

¹ Public Education Stabilization Fund (PESF) can be used if additional funds are needed (33-1019(2)(c) and 33-1018B, Idaho Code)



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Facilities Match – Lottery and General Fund

Section 33-1019, Idaho Code requires the allocation of funding for facility maintenance for school districts, charter schools, and the state. This section states that school districts shall annually allocate moneys for school building maintenance from any source available to the district equal to at least 2% of the replacement value of school buildings, less the receipt of state funds as provided in this section.² For the state, funding is first provided from distributions received from the Lottery dividends and if needed, additional funds are provided from the General Fund. Moneys shall be used for maintenance and repair of school buildings or any serious or imminent safety hazard on school property. Provided are calculations for state and local funds with three FY 2022 examples of this funding: 1) district with sufficient lottery funds; 2) district without sufficient lottery funds; and 3) a charter school.

State Funds:

- Step 1 – Identify the student-occupied building values by identifying the allowable square feet of all buildings and multiply that space by \$81.45;
- Step 2 – Divide 1 by the Bond Levy Equalization (BLE) Index and then multiply by 0.5%. Charter schools use an index of 1.0 for the BLE portion;
- Step 3 – Calculate 2% of the replacement value of buildings by multiplying step 1 and step 2;
- Step 4 – Calculate the Lottery distribution provided by Section 33-905 Idaho Code using student counts (average daily attendance (ADA) or enrollment) as a proportion of the state counts.
- Step 5 – If the lottery amount in step 4 is more than the calculated result in step 3, then the distribution is identified. However, if the lottery amount is less than the calculation in step 3, calculate the difference, and this amount will come from the State General Fund.

Local Funds:

- Step 6 – Multiply the student occupied building value in step 1 with 2%, then remove the state funds identified in steps 4 and 5, and account for any allowable adjustments.

Examples:

STEPS →	1		2		3	4	5	[4+5]	6	[4+5+6]
	(a) FY 2022 Building Square Footage (Student Occupied)	(b) Replacement Value of Buildings @ \$81.45/Sq Ft (a) x \$81.45	(c) FY 2022 BLESP Value Index	(d) State Match 1/(c) x 0.5%	(e) Replacement Value of Buildings multiplied by State Match (b) x (d)	(f) Lottery Funds ¹	(g) Additional State Funds to be Distributed if (e) > (f), then take (e) - (f), otherwise 0	(h) Total State Funds Distributed (Lottery + Additional State Funds, if any) (f) + (g)	(i) Local Funds required to be expended or designated for School Building Maintenance in FY 2022 (b) x 2% - (h)	(j) FY 2022 School Building Maintenance Requirement (b) x 2%
SCHOOL DISTRICT / CHARTER SCHOOL										
Bonneville Joint	1,804,848	\$147,004,870	0.8409	0.59%	\$874,044	909,817	\$0	\$909,817	\$2,030,280	\$2,940,097
Nampa	2,258,065	\$183,919,394	0.8157	0.61%	\$1,127,427	896,796	\$230,631	\$1,127,427	\$2,550,961	\$3,678,388
Victory Charter School	41,715	\$3,397,687	1.0000	0.50%	\$16,988	24,856	\$0	\$24,856	\$43,098	\$67,954
Statewide Totals	46,488,612	\$3,786,497,452			\$19,955,388	\$20,992,332	\$3,000,483	\$23,992,815	\$52,863,229	\$75,729,949

² If a school district expends more than 4% of the replacement value in a single year, then a credit of the amount above 2% can be applied in future years but within a 15-year time frame. Conversely, if a school district or charter school fails to meet the 2% requirement, the difference is carried forward into future years.