



STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

OFFICE OF THE SUPERINTENDENT

June 17, 2021

TO The Honorable Bruce Voss
Chairperson, Finance and Infrastructure Committee

FROM Dr. Christina M. Kishimoto
Superintendent

SUBJECT: **Presentation on Department of Education's Repair and Maintenance and Capital Improvement Project Programs: How Projects are Funded, Categorized, and Prioritized; Legislative Appropriations for Fiscal Biennium 2021-2023; Quarterly Reporting Timeline**

1. EXECUTIVE SUMMARY

Over the past 15 months, Hawaii's economy and its residents have borne the brunt of the COVID-19 pandemic. Despite the shutdown and restrictions on travel to the state, our "essential" construction and related trade industries have continued to experience job growth. The Hawaii State Department of Education (Department) is positioned as a key catalyst for our economy in these sectors. As such, the Governor and the Legislature have invested and committed millions of dollars towards the repair and maintenance (also known as deferred maintenance projects or DMP) and capital improvement project (CIP) programs to ensure safe, accessible, and supportive school facilities.

2. PRESENTATION

The Department will share summarized data and information regarding its DMP and CIP programs specific to project funding, categorization and prioritization including Fiscal Biennium 2021-23 legislative appropriations and reporting timelines. Further, in alignment with Board policy, the Department will share how it has proactively prioritized projects and accounted for the socioeconomic and academic needs of students at identified schools with Title I and Comprehensive Support and Improvement (CSI) populations.

With an inventory of over 4400 school buildings with an average age of 44 years and 50-plus buildings over a 100 years of age, the Department is committed to the responsible investment and expansion of our facilities portfolio. Over the next year, the Department will report on our DMP and CIP progress, and efforts to ensure the equitable, effective and transparent management of our allocated facilities resources.

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Attachment

c: Office of Facilities and Operations



OFFICE OF

Facilities and Operations

Repair and Maintenance and Capital Improvement Project Programs: How Projects are Funded, Categorized, and Prioritized; Legislative Appropriations for Fiscal Biennium 2021-2023; Quarterly Reporting Timeline

**Board of Education
Finance and Infrastructure Committee
Meeting
June 17, 2021**

Presenter Name:

Randall M. Tanaka, Assistant Superintendent



Repair and Maintenance and Capital Improvement Project Programs

Deferred Maintenance Projects

- Repair and maintenance of existing facilities, that are above \$15,000 and beyond the scope of the Facilities Maintenance Branch and the Department of Accounting and General Services
- Funded with bonds

Capital Improvement Projects

- New construction or major modernization or renovation of existing facilities which increases capacity or changes the function of the facility
- Funded with bonds



How Projects are Funded

Funding is through the state legislature based on a biennial budget request.

Board of Education

The Office of Facilities and Operations (OFO) submits the biennial budget to the Board of Education (BOE) in the fall of even years for approval.

Governor

Approved projects are forwarded to the Governor for insertion into the Governor's Executive budget submitted to the Legislators in December.

House and Senate

The House and Senate reviews the budget and appropriates funds for the program.

Governor

The Governor releases the funds for the projects.





Legislative Appropriations for Fiscal Biennium 2021-2023

House Bill 200

Operating and capital improvement budget for state departments for fiscal years (FY) 2021-22 and 2022-23

- Appropriates \$1,674,745,046 for FY21-22 and \$1,684,301,307 for FY22-23 in general funds for operating budget.
- Federal maintenance of effort requirements mandate the state to provide proportional funding in fiscal years 2022 and 2023 to K-12 education relative to overall state funding over fiscal years 2017, 2018 and 2019.

Capital Improvement Project Program

Fiscal Year 2021-22

- Increases Governor's request by \$18.87M.
- Legislators added \$227M in line item appropriations.
- Legislators added \$29.7M in line item appropriations funded with federal American Rescue Plan funds.

Capital Improvement Project Program

Fiscal Year 2022-23

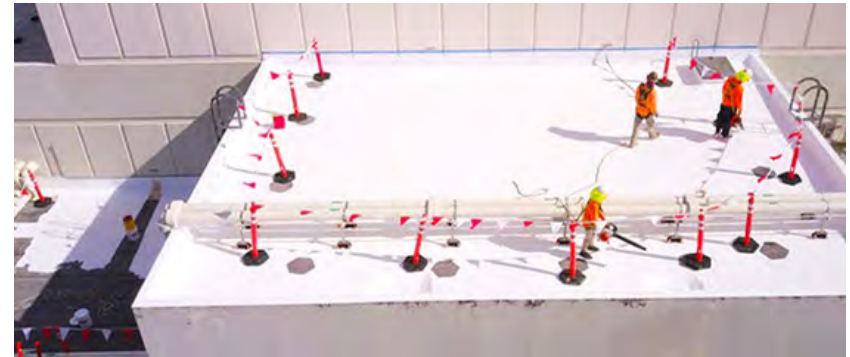
- Reduced Governor's request to \$0.
- Legislators added \$26M in line item appropriations.



How Projects are Categorized

When the budget is requested, we ask for funding in the following eight categories:

1. Deferred Maintenance Projects
2. Capacity
3. Instructional
4. Support
5. Compliance
6. Health & Safety
7. Project Completion
8. OITS Bells & Paging Replacements



- **Deferred Maintenance Projects** generally involve an existing structure.
 - Re-roofing an entire building
 - Replacing water/sewer line
 - A/C replacements
- **Deferred Maintenance Projects** on occasion can include new work such as when replacements are needed that also require upgrades.
 - Electrical system upgrades
 - Installation of ceiling fans
 - Installation of safety railings and security screens



How Projects are Prioritized

Deferred Maintenance Project Prioritization

School-level priorities are compiled into an overall statewide list. Projects are assessed using:

- Hawaii Facilities Inspection Tool (HIFIT) school assessments
- Infrastructure assessments

Findings are incorporated into a list that is vetted against a weighted score metric and Board Policy 301-10, Equitable Allocation of Resources.

Based on school-level consultation, a prioritized list is developed and submitted for budget consideration.



Capital Improvement Project Prioritization

The needs of existing buildings are balanced against program priorities and Board directives. Projects are vetted using the following weighted-score metrics:

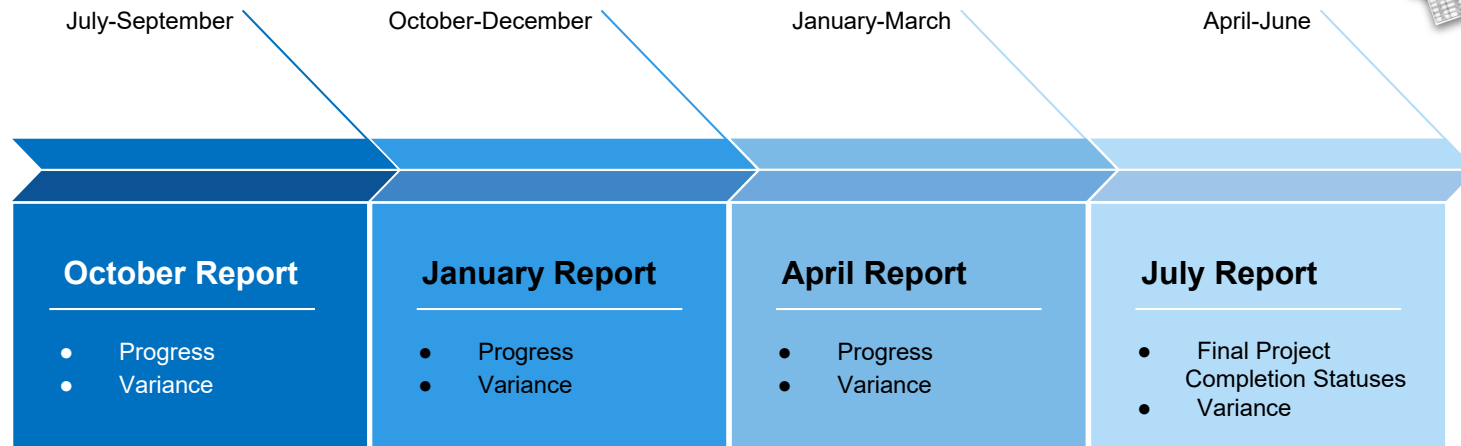
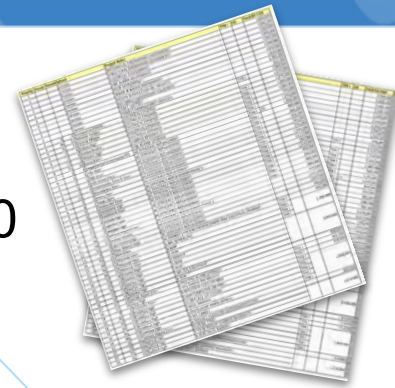
- Health and safety
- Condition
- Compliance
- Building capacity
- Instructional impact
- Title 1
- Comprehensive Support & Improvement (CSI)
- Shared use

Projects are also measured against Board Policy 301-10, which considers socioeconomic and academic needs before developing a prioritized Capital Improvement Project list. A similar Deferred Maintenance Projects process of school-level engagement and vetting will be implemented for Capital Improvement Project.



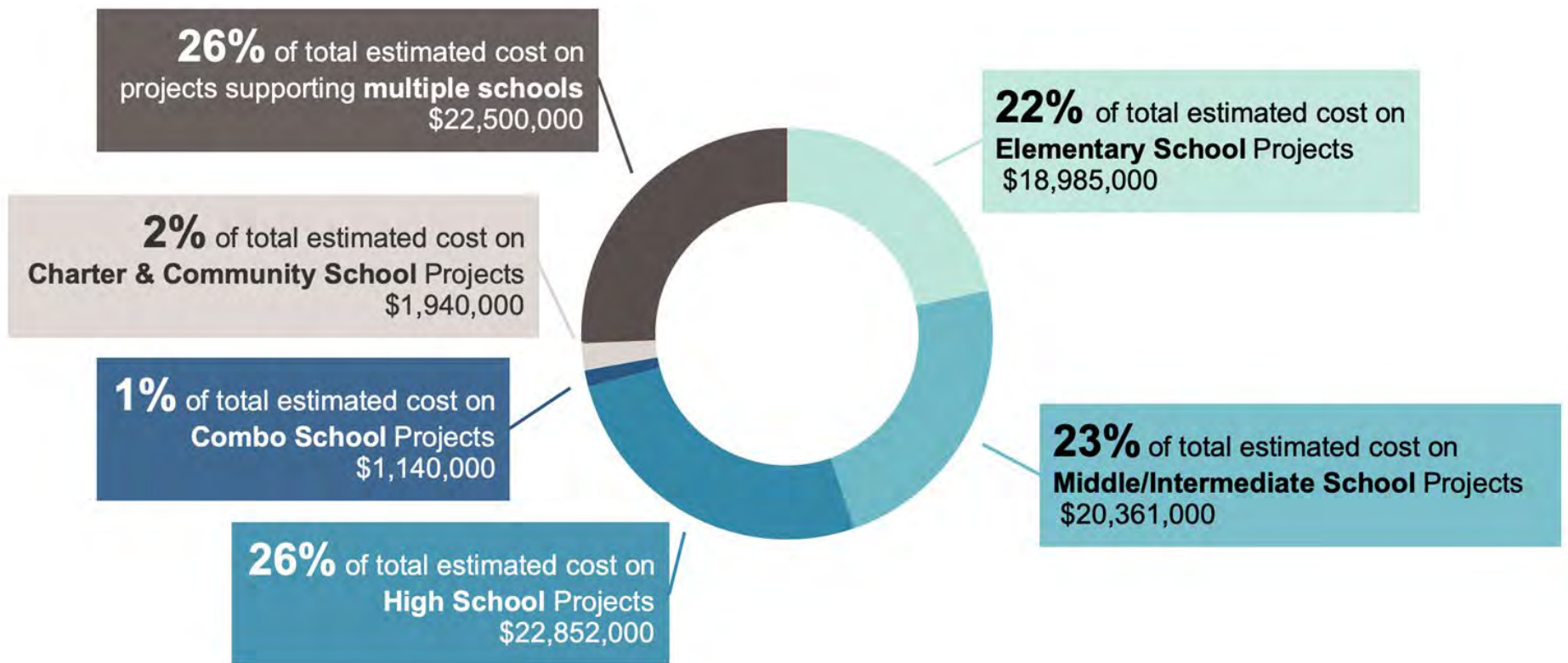
Quarterly Reporting Timeline

Fiscal Quarters based on fiscal year July 1 through June 30



Deferred Maintenance Projects

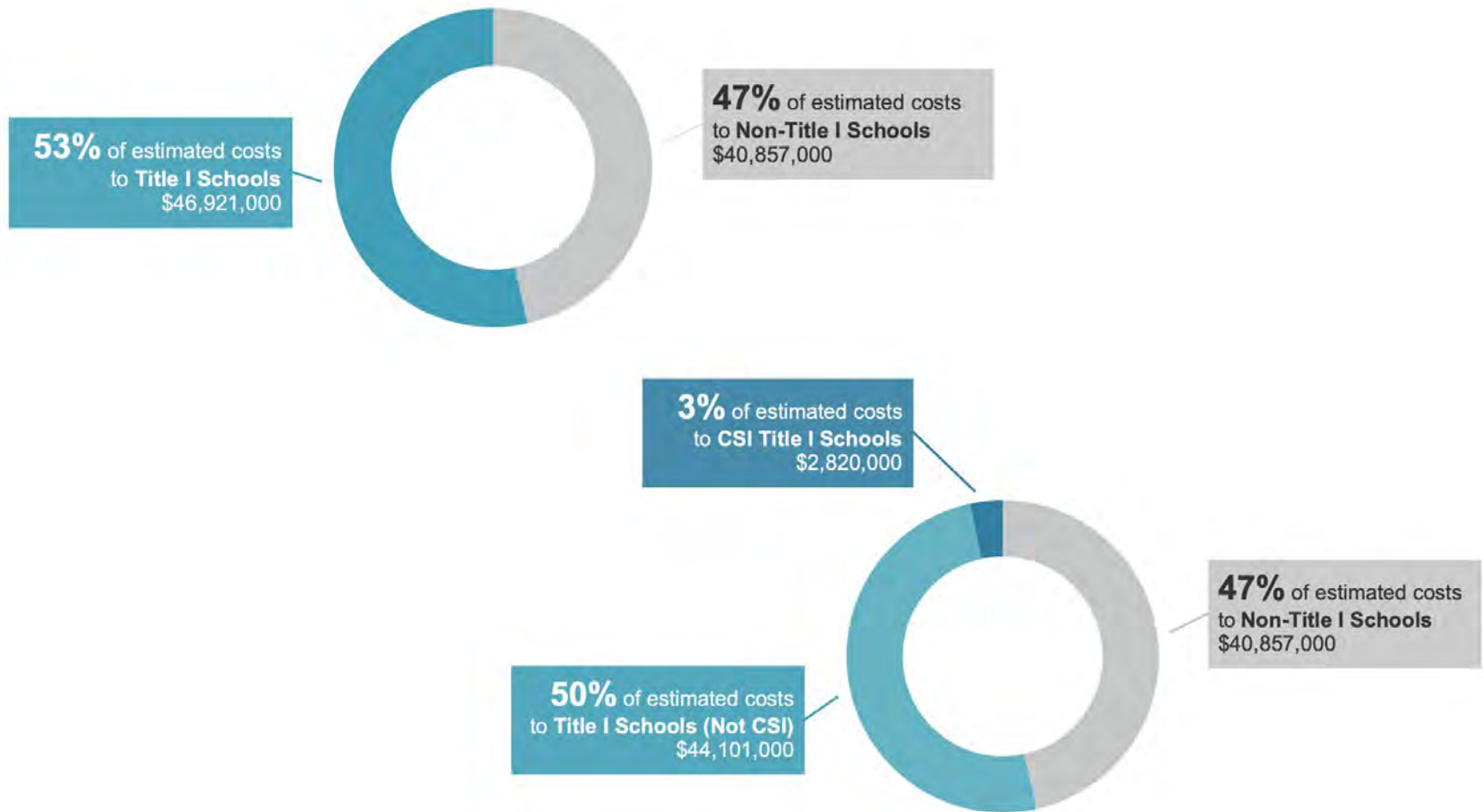
Estimated Costs by School Grade Span/Type





Deferred Maintenance Projects

Estimated Costs by Title I & CSI Status





Mahalo for your support!

