FACT SHEET

School Facility Needs And Funding Mechanisms In Kentucky

Office of Education Accountability
Research Report No. ###

Highlighted Conclusions

- Facility funding totaled almost $1.1 billion in SY 2025.
- The ability to meet facility needs varies considerably among districts and depends primarily on whether the district has adopted additional nickel taxes.
- In SY 2025, 82 districts collected one additional nickel tax, 45 districts collected two, 5 districts collected three, and 39 districts lacked additional nickel taxes.
- Efforts to equalize state nickel taxes have not always been time- or project-bound, and some districts may be receiving more than necessary to address disparities or meet needs.
- Offers from the School Facilities Construction Commission to address funding gaps have decreased over time.
- Information provided on the Kentucky Facilities Inventory and Classification System (KFICS) does not necessarily align with the actual condition of buildings.
- To address increasing construction costs, 26% of districts have delayed a project, 11% have cancelled a project, and 40% have reduced the scope or features of a project.

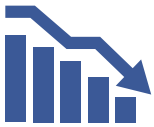
Considerations for the General Assembly

- Link facility funding to project-specific needs, a district's available resources, and local revenue efforts, including transfers of facility funds to the general fund.
- Link facility funding with actions to consolidate severely under-enrolled schools.
- Amend KRS 157.420 to align requirements of the KFICS to meet the General Assembly's expectations.
- Require KDE to implement a school facility data system that integrates and automatically updates all relevant facility information and follows data industry best-practice standards.
- Require KDE to update the Kentucky School Facilities Planning Manual to reflect current practices and legislative action.
- Request information from other states and national organizations about construction-cost reduction efforts, including documented benefits and unintended consequences.

Key Numbers



Facility revenue increases outpaced construction cost increases by **10%** in the last decade



Cost-adjusted per-pupil facility revenue decreased in over one third of districts in the last decade



About ¼ of Kentucky school buildings are under-enrolled at less than 80% capacity

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39% of critical condition buildings in KFICS had no urgent need

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