

School Facilities Construction Commission (SFCC)

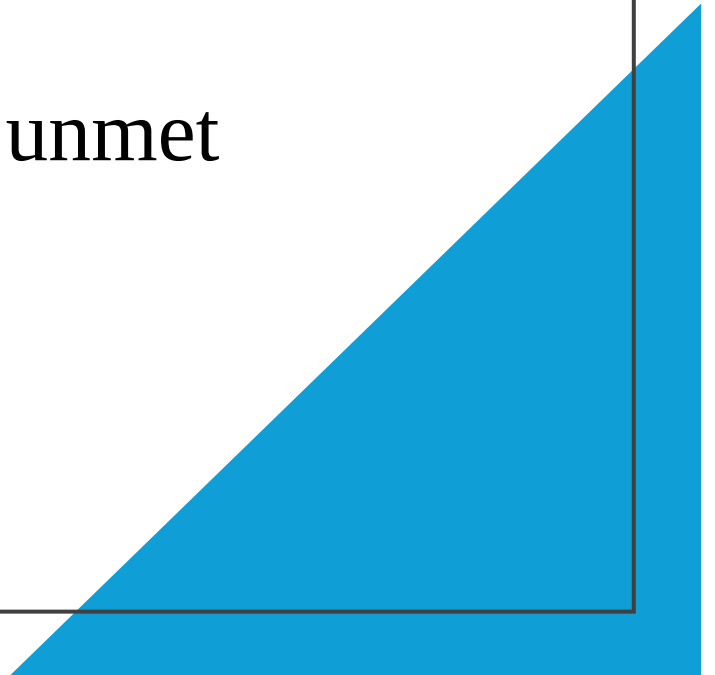
IJC on BR Subcommittee on General Government,
Finance, Personnel & Public Retirement

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The School Facilities Construction Commission was established in 1985 as an independent corporate agency. SFCC provides an equitable distribution of state funding for school construction and technology based on the unmet needs of Kentucky's 171 school districts.





Background

Kentucky School Districts have eight possible sources of restricted funding for construction.

- Four are local
Four are state

Local Funding Resources for School Facilities



1. Facilities Support Program of Kentucky (FSPK) KRS 157.440



2. Additional Nickels levied for facilities prior to April 27, 2016 & authorized through KRS 157.621



3. Recallable Nickels KRS 160.470



4. General Funds restricted for building purpose KRS 160.476

State Funding Resources for School Facilities



1. SEEK Capital Outlay KRS 157.420



2. SEEK State Equalization for Facilities Support Program of Kentucky (FSPK) Nickel KRS 157.440 (1)(b)



3. SEEK State Equalization for all additional Nickels levied for facilities authorized through KRS 157.621 and current budget bill.



4. School Facilities Construction Commission (SFCC) KRS 157.620



School Facilities Construction Commission

Since inception in 1985, the SFCC has participated in nearly 2,700 school bond issues, totaling \$14.4 billion. Of the total par amount \$3.9 billion was supported by SFCC debt service payments and \$10.5 billion was supported by resources of the local school districts.

SFCC Construction Offers of Assistance

SFCC's appropriation takes the form of general funds supported bond funds, which the SFCC converts to a commitment of debt service participation for school districts

General Assembly authorizes the SFCC to make offers of assistance in each fiscal biennium & then funds the offers of assistance in the next

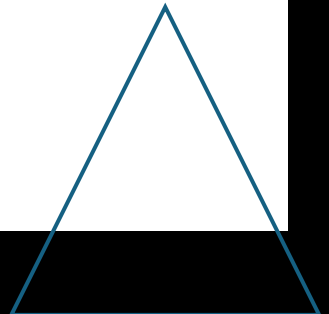
General Assembly has never failed to fund previously authorized offers of assistance



SFCC Construction Offers of Assistance

- SFCC Offers of Assistance are determined by:

$$\text{State Appropriation to SFCC} \quad \times \quad \frac{\text{Unmet Needs of Local District}}{\text{Total State Unmet Need}}$$



SFCC Construction Offers of Assistance

School District A

Student Enrollment = 40,792

Number of School Facilities = 72

2025 Need	Total Available Revenue	2025 Unmet Need	District %	2026 Portion of Allocation	*2026 Offer of Assistance
\$581,024,942	\$92,618,334	\$488,406,608	6.62%	\$2,646,577	\$223,305

Bonding Potential of \$223,305 at 4.5% = \$2,904,737

*Offer of Assistance is based on 40 million dollars currently allocated by the KY General Assembly

SFCC Construction Offers of Assistance

School District B

Student Enrollment = 783

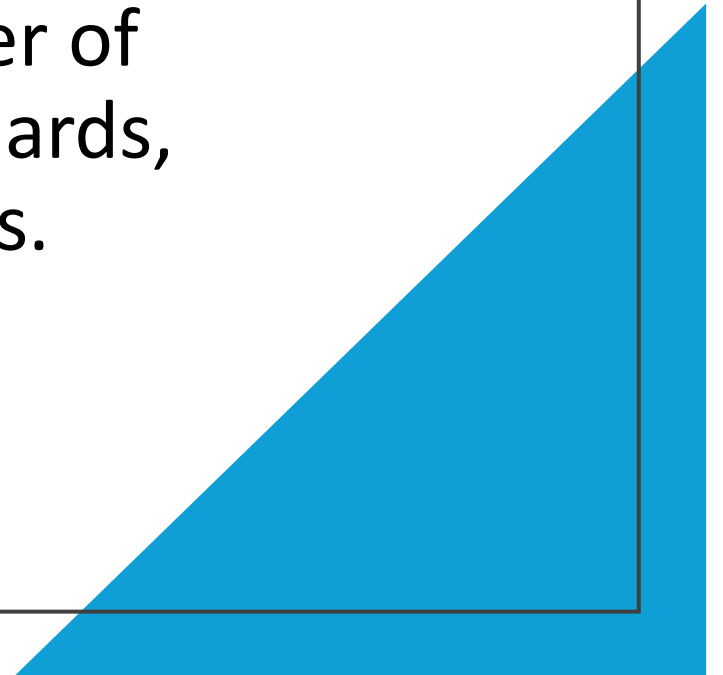
Number of School Facilities = 3

2025 Need	Total Available Revenue	2025 Unmet Need	District %	2026 Portion of Allocation	*2026 Offer of Assistance
\$34,885,527	\$4,491,869	\$30,393,658	0.41%	\$164,697	\$13,896

Bonding Potential of \$13,896 at 4.5% = \$180,758

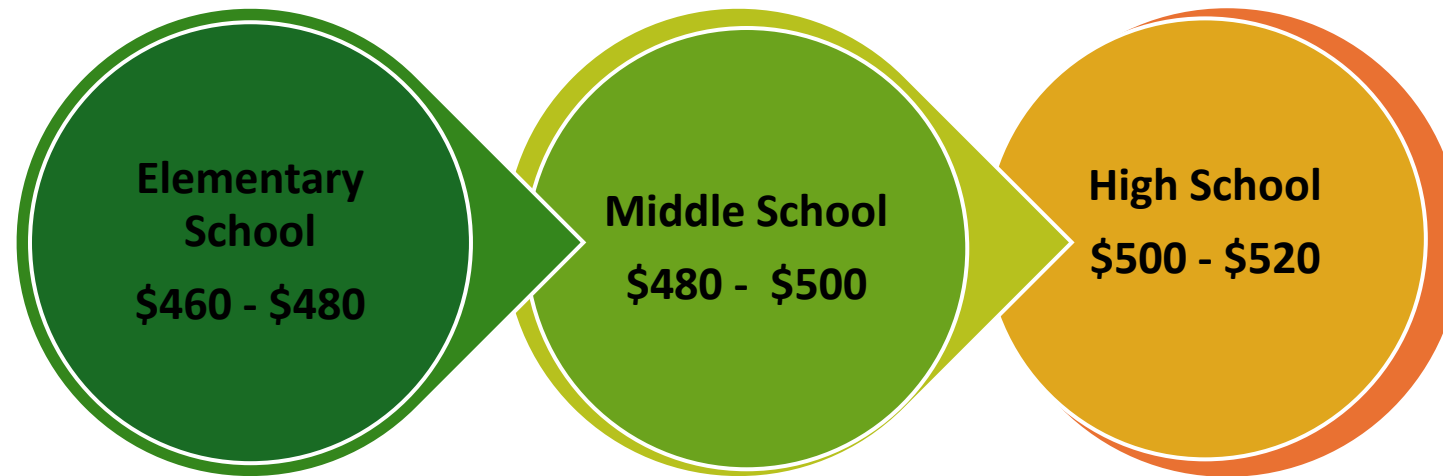
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The cost of constructing a new school building varies significantly depending on factors such as size, location, and design. Primary expenses are driven by site preparation, the number of classrooms, compliance with safety standards, and long-term maintenance requirements.



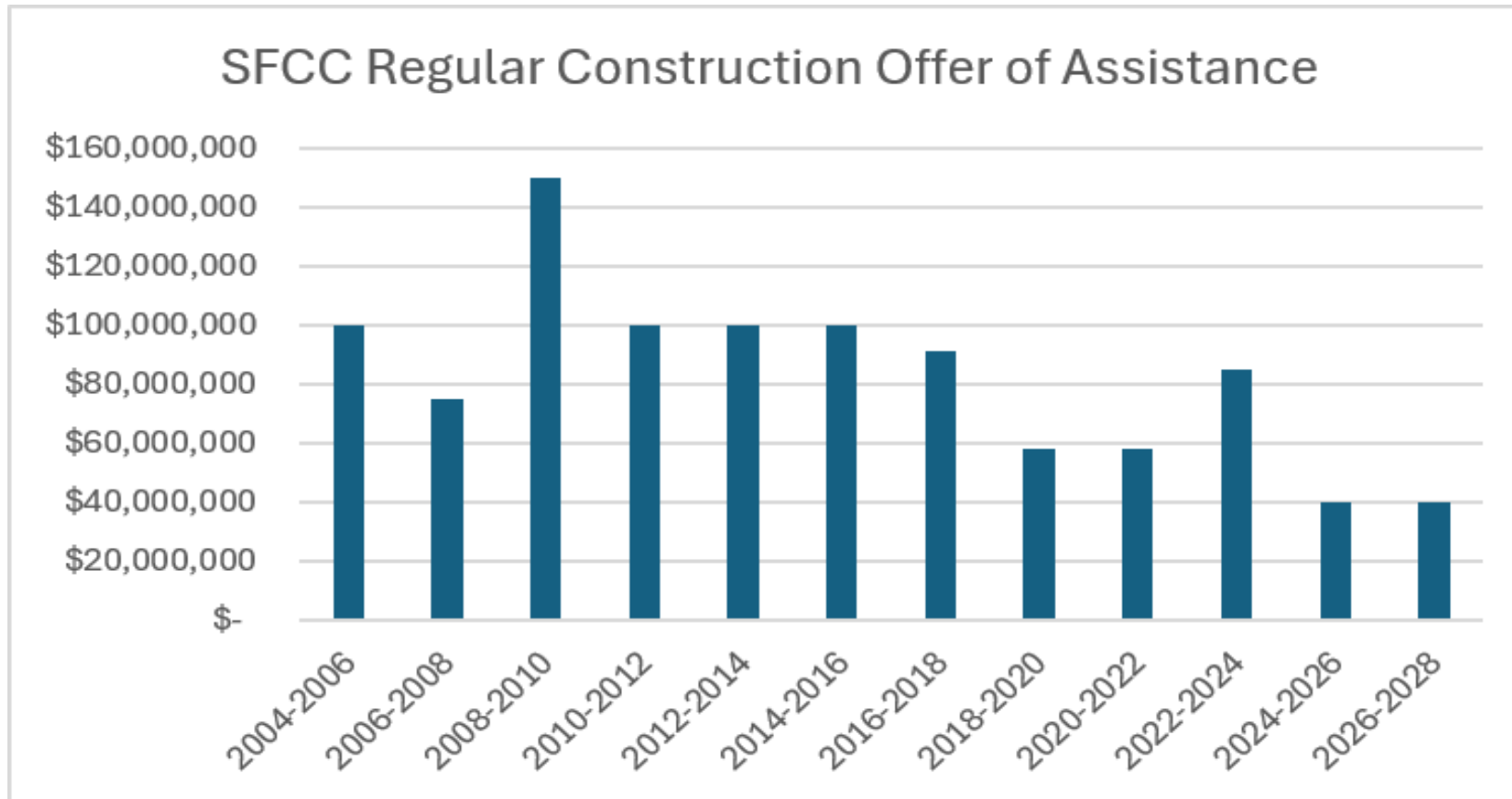
Kentucky K-12 Construction

Average Construction Cost Per Square Foot For New Builds FY 2026



Price dependent on land topography

Offers of Assistance Over the Years



SFCC Technology Offers of Assistance

The General Assembly allocates funds for the Kentucky Technology System (KETS) each fiscal biennium, these funds are authorized in the Kentucky Department of Education's budget, but the program is administered by SFCC

Funds are distributed to districts based on their adjusted average daily attendance (AADA)

From 2001 through the current fiscal year, the state has distributed \$293,283,281 in KETS Offers of Assistance to local school districts; these funds are then matched by school districts on a dollar-for-dollar basis. This investment ultimately equates to \$586,566,562 spent on education technology expenditures for students across the Commonwealth.



Contact us!

[SFCC Website](#)

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