



March 14, 2016

VIA EMAIL
Ref: 186571

To: All Secretary-Treasurers
All School Districts

Re: 2016/17 Annual Facility Grant

The Ministry of Education will provide an Annual Facility Grant (AFG) allocation of \$114.496 million in 2016/17 to fund maintenance and repairs of capital infrastructure in school districts. This year, the AFG funding allocation will be made up of \$25.196 million from the Ministry's operating budget and \$89.300 million from Government's capital funding allocation. (Please see attached 2016/17 Annual Facility Grant Allocation table.)

In 2016/17, \$2.0 million will again be allotted from the operating portion of the AFG funding allocation to support Capital Asset Management Services (CAMS). School districts are expected to utilize the facility condition assessment information for their facilities in the CAMS database to help guide their AFG spending decisions.

A further \$4.0 million from the operating portion will be used by the Ministry to fund start-up costs of upgrades, which began in 2014/15, to the Provincial Learning Network (PLNet) for the Next Generation Network (NGN).

Each school district must provide the Ministry with an AFG Expenditure Plan for 2016/17 using the AFG template provided.

The template requires all work using AFG funds planned between April 1, 2016, and March 31, 2017, to be identified by facility. (Please note that work using any AFG funds carried over from 2014/15 should not be included in the AFG Expenditure Plan for 2016/17.) School districts must again indicate whether the planned AFG work will specifically address a VFA requirement as identified in the most recent Facility Condition Assessment (FCA) undertaken by a VFA Canada assessment team. However, those VFA requirements must be further attributed with a VFA Uniformat Code, as may be chosen from the pull-down menu provided. A separate tab has also been included that provides additional detail regarding the sub-categories of Uniformat codes used for an FCA and should help to make the most appropriate selection from the pull-down menu.

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Notably, the Actual Cost column, coloured in blue, is not to be used in the initial submission of the AFG Expenditure Plan. School districts must submit this additional information after March 31, 2017, when the value of completed AFG work for individual facilities is fully known.

This year's net AFG operating allocation of \$19.196 million (\$25.196 million less the CAMS and PLNet contributions) will be paid to school districts in one installment in July 2016. Each school district will be granted a single Certificate of Approval (COA) for its portion of the \$89.300 million capital allocation. A standard capital bylaw adopted by the board of education, using the project numbers provided in the attached table will be required prior to the issue of the COA. In accordance with Provincial Treasury policy, draws against the COA should not occur until capital project expenditures have been made.

School districts are requested to submit their AFG Expenditure Plan to their Planning Officer as soon as possible. School districts will receive their COA for AFG as soon as they have submitted the required capital bylaw and spending plan. Please contact your Planning Officer if you have any questions regarding the new AFG Expenditure Plan template.

School districts are encouraged to maximize all AFG spending for capital-related maintenance work that meets the criteria for capitalization and to follow the AFG policy, which can be found at the following link:

<http://www2.gov.bc.ca/gov/topic.page?id=478C400B42B14DCBAC27CBA0E659863F>

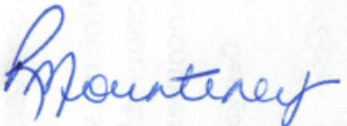
Please be reminded that all such planned AFG work must be completed by March 31, 2017, when the COA will expire.

For your reference, the 2016/17 Annual Facility Grant Allocation table is also posted on the Ministry's capital planning website, at:

<http://www2.gov.bc.ca/gov/topic.page?id=DEDC8587EAC34EEB96A41583B7C0BB2D>

Thank you for your attention to the requirements around the allocation and use of AFG funding.

Sincerely,



Renée Mounteney, MBA
Executive Director, Capital Delivery

Attachments: 2016-17 AFG Spending Plan Template
2016-17 AFG Allocation

pc: All Superintendents of Schools
All Regional Directors, Capital Management Branch
All Planning Officers, Capital Management Branch