

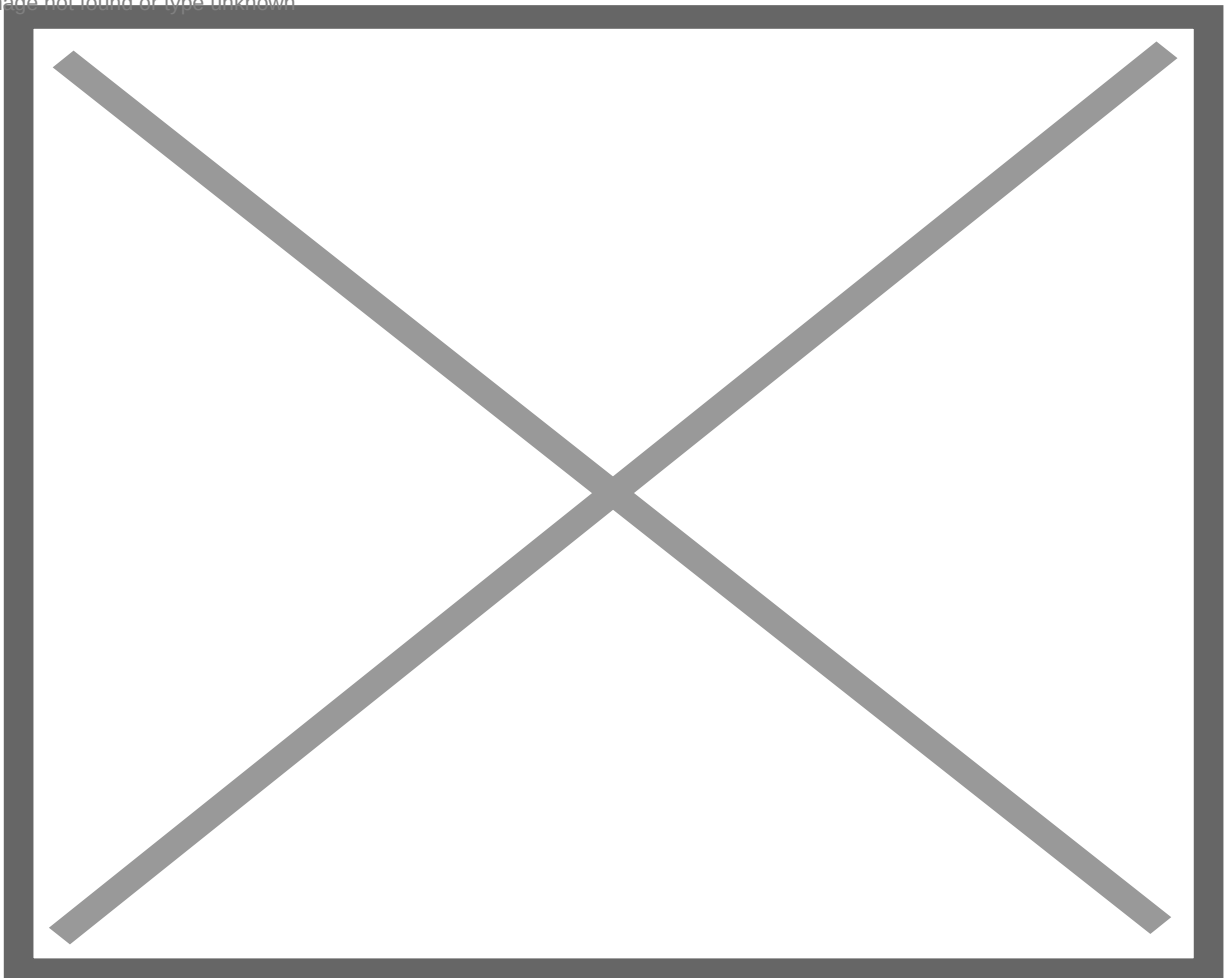
Dept. of Education Warns New School Construction Projects Could Face Cuts After FEMA Stops Covering Rising Costs in 2028

VIDE says FEMA's \$3.68 billion school reconstruction grant will not increase after coverage for rising costs ends in 2028, meaning projects completed later may require design cuts as four campuses are built and 12 others remain in planning territorywide.

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Nelcia Charlemagne **July 15, 2026**

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The V.I. Department of Education is scaling back portions of its school designs as officials confront a fixed \$3.68 billion federal reconstruction award and a 2028 limit on the escalation costs the Federal Emergency Management Agency will cover.

Projects that extend beyond that period will not require additional money from the Government of the Virgin Islands, officials said, but any added expenses will have to be absorbed within the existing FEMA grant. That could force VIDE to remove or reduce elements of the projects.

Senator Kurt Vialet, chairman of the Senate Committee on Education and Workforce Development, urged the department to make clear to architects and contractors that the new schools must be designed and constructed within the available funding.

VIDE appeared before the committee Tuesday to provide an update on the territory's school reconstruction program.

In November 2023, FEMA awarded the territory \$3.68 billion, described by Education Commissioner Dionne Wells-Hedrington as "one of the largest educational recovery investments ever awarded in the territory,"

By 2030, 11 major projects representing "approximately 65 % of the \$3.68 billion investment are expected to be completed," Ms. Wells-Hedrington said.

Four school sites are currently under active construction, while another 12 are in the design phase.

Responding to Senator Dwayne DeGraff, VIDE architect Channel Callwood explained that the federal grants for rebuilding the schools are capped but include "some escalation costs."

The department negotiated with FEMA for as many as five years to complete the projects, she said, but the "highest they would go is five."

"The longer we take to build, the more escalation costs we're going to incur," Ms. Callwood warned.

FEMA will cover those escalation costs for only a little more than another year.

"Anything that we don't complete by 2028, we are into that zone," she said.

Ms. Callwood later clarified to Mr. Vialet that cost increases after the covered period would not have to be paid directly by the territorial government. Instead, they would "come from the FEMA grant, but the grant is not going to increase."

Mr. Vialet observed that the department would therefore have to "cut something", which Ms. Callwood confirmed.

With the federal allocation fixed, the senator urged VIDE to caution those responsible for planning and building the schools.

"You need to put it out there that contractors need to work within the confines," he said. "They need to really stick within the monies that we have and stop with these outlandish designs... You can't be designing something that's outside the scope of the monies that we have, and I think that's very important," Mr. Vialet added.

He recommended retaining flexibility in the designs "so that if anything occurs, we'll have the extra money."

Ms. Wells-Hedrington said the department had already begun making adjustments.

“We've scaled back on certain aspects of the design, and those conversations will definitely continue,” she told the committee.

Maintenance Costs Raise Additional Concerns

Construction expenses are only one part of the long-term financial challenge. The new schools will also require continued maintenance to prevent them from developing the same problems affecting existing facilities.

VIDE estimates that maintaining the newly constructed Arthur A. Richards school could cost approximately \$5 per square foot, producing an annual maintenance bill of about \$700,000.

Mr. Violet noted that several schools are being constructed at the same time and warned that those expenses will grow as additional projects are completed.

“By the time we hit 10 schools, it'll be \$10 million. We know we don't have the capacity...” he said.

“By the time you're done, we're gonna be what? 40 new buildings? We got \$40 million in maintenance. That's impossible. So we got to come up with a new mechanism as to how we're going to be able to achieve this,” Senator Violet continued.

He urged the Department of Education to hire personnel with the “requisite skills in order to keep these facilities open.”