State of Washington
Joint Legislative Audit & Review Committee (JLARC)

K-12 Pilot Facility Inventory, Condition & Use System

Report 10-2

January 5, 2010

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The Joint Legislative Audit and Review Committee (JLARC) works to make state government operations more efficient and effective. The Committee is comprised of an equal number of House members and Senators, Democrats and Republicans.

JLARC's non-partisan staff auditors, under the direction of the Legislative Auditor, conduct performance audits, program evaluations, sunset reviews, and other analyses assigned by the Legislature and the Committee.

The statutory authority for JLARC, established in Chapter 44.28 RCW, requires the Legislative Auditor to ensure that JLARC studies are conducted in accordance with Generally Accepted Government Auditing Standards, as applicable to the scope of the audit. This study was conducted in accordance with those applicable standards. Those standards require auditors to plan and perform audits to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on the audit objectives. The evidence obtained for this JLARC report provides a reasonable basis for the enclosed findings and conclusions, and any exceptions to the application of audit standards have been explicitly disclosed in the body of this report.

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REPORT SUMMARY

Washington Lacks a Comprehensive Statewide Data System to Answer Questions About K-12 Facilities

The state currently lacks a comprehensive statewide data system for collecting and reporting information about K-12 facilities. The Office of the Superintendent of Public Instruction (OSPI) receives some information from districts about school facilities, but only for the subset of districts applying for state funding. The Washington Association of Sheriffs and Police Chiefs (WASPC) has gathered some information on all of the state's schools as part of an emergency response system, but this data does not include complete inventory or facility condition information. Districts themselves collect certain information about their own facilities. While these organizations have some valuable information, currently, there is no comprehensive system in place that can serve as a single source for standardized facilities information for all of the schools in the state.

The Legislature is interested in K-12 facilities in part because the Legislature appropriates state funding assistance funds for school construction. The Legislature provided $690 million for school construction in the 2009-11 Capital Budget.

The Legislature Calls for a Pilot of a K-12 Facilities System

The 2008 Supplemental Capital Budget (ESHB 2765, Section 1001) directed the Joint Legislative Audit and Review Committee (JLARC) to define and develop a pilot facility condition and inventory system for K-12 public school facilities. **The overall goal of the pilot was to determine the feasibility and costs of statewide data collection on K-12 facilities.** The study proviso indicated that, if a system were developed, it would be housed in and operated by OSPI. JLARC's pilot project organized K-12 facilities data into three categories to help answer questions such as the following:

- **Inventory Data** – How many school buildings are there? How old are they? How many have been remodeled, and at what cost? How many portables are in use?
- **Condition Data** – What is the physical condition of school buildings? How many buildings have systems that need repair or replacement? What would be the cost of repairs?
- **Use of Space and Functionality Data** – How is school building space being used? Are schools sharing space with the community? Is there space to offer all-day kindergarten? Is classroom space functional?

Results of the Pilot Project

JLARC's pilot project demonstrated that, for the districts participating in the pilot, it was feasible to collect most – but not all – of the K-12 facility data explored in the pilot:

Category of Data	Inventory	Condition	Use of Space and Functionality
Was it Feasible To Collect the Data?	Yes	Yes	No
Comments	It was sometimes difficult for districts to provide all information for older buildings, such as purchase cost. However, districts suggested some workable alternatives for these questions.	Districts were able to conduct condition assessments for 17 building systems. The pilot showed less success for three other elements.	Standardized definitions were difficult to identify, and it was challenging for districts to collect data in a consistent manner.

Other Lessons from the Pilot

- Data already collected by WASPC could form the basis of OSPI's inventory system.

- JLARC compared the usability of a new form for collecting condition data with the form school districts currently use to provide condition information to OSPI when requesting state funding. The pilot showed that the current OSPI form is adequate and could be made more useful if it were linked to a set of industry standard codes.

- School district staff and professional consultants independently conducted condition assessments of the same set of school buildings. The ratings for building condition submitted by district staff were very similar to those provided by the professional consultants.

Issues to Consider Prior to Pursuing a Statewide System for K-12 Facilities Data

With the results of the pilot project now available, it is up to the Legislature to determine whether to pursue a statewide system for K-12 facilities data.

The benefits of such a system would come largely in the form of being able to answer questions on a statewide basis about the inventory of K-12 facilities, and the condition of those facilities. These are questions that the state cannot currently answer.

The costs of such a system would vary depending on factors such as the extent of new condition assessments and whether a new system makes use of the existing OSPI assessment form. This report concludes with cost estimates for four different options using different combinations of these factors. Estimated costs for the four options range from $2.5 million to $5.7 million over three biennia. For details on cost options, see page 27.

PART ONE – WASHINGTON LACKS A STATEWIDE FACILITIES DATA SYSTEM

The State Provides a Portion of School Construction Funding to Districts

K-12 public school facilities are typically funded by local capital levies and state general-obligation bonds, along with timber trust funds, lottery revenues, and other sources. The state makes construction assistance funds available to school districts that demonstrate a need to expand or remodel their facilities. The state assists local districts with capital costs; however, districts must raise revenues to demonstrate local support of the proposed project.

The Office of Superintendent of Public Instruction (OSPI) allocates capital funding appropriated by the state Legislature to school districts through its **school construction assistance program**. The Legislature appropriated $792 million in the capital budget for construction assistance in the 2007-09 Biennium, and $690 million in 2009-11.

The State Lacks a Comprehensive Statewide Data System to Answer Questions About K-12 Facilities

The Legislature currently lacks a statewide source of information to quickly and accurately provide answers to its basic questions about K-12 facilities. Additionally, the Legislature only learns of K-12 capital needs after a district has raised local funds and applied to the state for construction assistance.

The state also has few analytical tools to compare capital needs among different districts. In order for such a tool to work, it would be necessary to have a standardized means of comparing different conditions in different buildings using automated data that could be searched using different criteria. For example, each building would need to be assessed in terms of its condition and given a score, and each of its building systems could also be given a score or some type of standardized rating. This would allow policymakers to see, for example, how many school building roofs are rated "deficient." Currently, no such data source exists.

OSPI Does Not Currently Collect Statewide, Standardized Data About K-12 Facilities

OSPI collects some data on building condition and inventory in support of its capital funding process. However, these data are limited to districts that apply for state funding. About 40 percent (118) of the state's 295 school districts have submitted these types of data to OSPI in the past six years. The data are submitted on paper or on compact disc, and therefore cannot be easily analyzed across districts to answer questions in a timely manner.

WASPC Collects Some Limited Statewide Standardized Inventory Data About K-12 Facilities

The Washington Association of Sheriffs and Police Chiefs (WASPC) manages the Critical Incident Planning and Mapping System. The system was created in statute (RCW 36.28A.060) to provide emergency personnel with the information they need to respond to disasters such as acts of terrorism and criminal acts. Data elements collected for K-12 schools include maps, Geographic Information System (GIS) location coordinates (latitude and longitude), floor plans, fire protection information, evacuation plans, utility information, and known hazards. These data were collected for all schools in the state between 2004 and 2009. Some of the data is considered sensitive, and is not made publicly available due to security concerns.

The Legislature Calls for a Pilot of a K-12 Facilities System

The 2008 Supplemental Capital Budget (ESHB 2765, Section 1001) directed the Joint Legislative Audit and Review Committee (JLARC) to define and develop a pilot facility condition and inventory system for K-12 public school facilities. **The overall goal of the pilot was to determine the feasibility and costs of statewide data collection on K-12 facilities.** The study proviso indicated that, if a system were developed, it would be housed in and operated by OSPI.

JLARC's pilot project organized K-12 facilities data into three categories to help answer questions such as the following:

- **Inventory Data** – How many school buildings are there? How old are they? How many have been remodeled, and at what cost? How many portables are in use?

- **Condition Data** – What is the physical condition of school buildings? How many buildings have systems that need repair or replacement? What would be the cost of repairs?

- **Use of Space and Functionality Data** – How is school building space being used? Are schools sharing space with the community? Is there space to offer all-day kindergarten? Is classroom space functional?

Participants in the Pilot Varied in Size, Location, and Fiscal Capacity

The study mandate required that pilot participants include a cross-section of districts with different sizes, different settings, facilities of varying age and condition, varying fiscal capacity, and at least one district that serves as the host for a skills center. While ten school districts initially volunteered to participate in the pilot, one district (Meridian) withdrew just after the pilot began. The remaining nine districts completed the pilot.

Exhibit 1 lists the ten original school district participants and their locations. More detailed information on participating districts may be found in Appendix 3. For a description of the methodology used during the pilot, see Appendix 4.

Exhibit 1 – Map of Original School District Participants
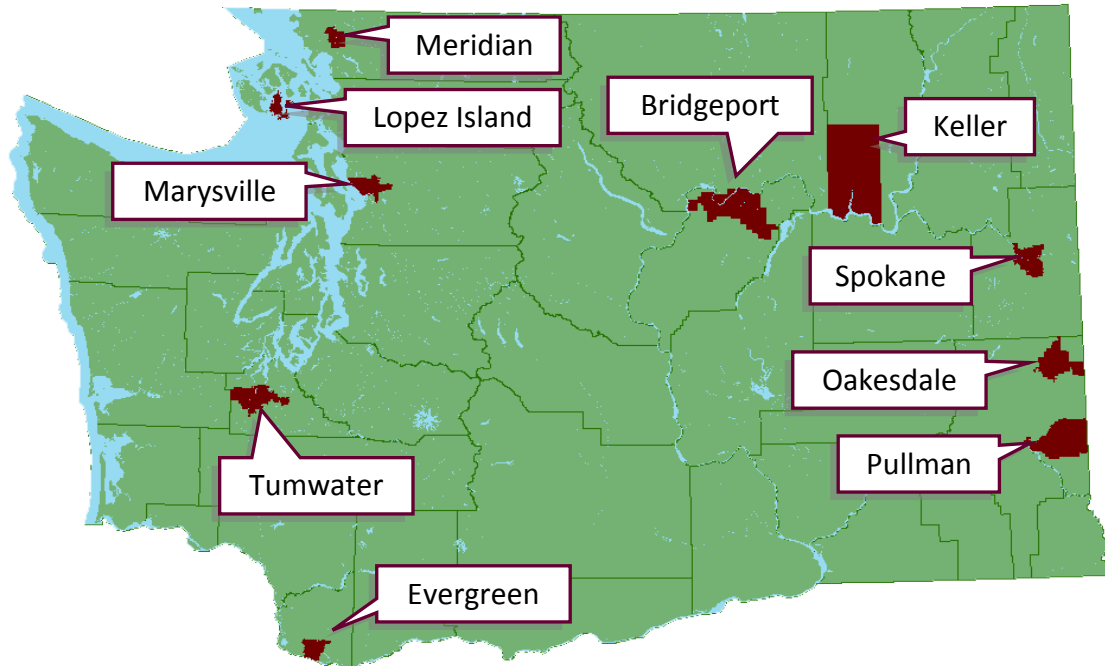
Source: JLARC staff analysis.

PART TWO – FEASIBILITY OF COLLECTING K-12 FACILITIES DATA

Feasibility of Collecting K-12 Facilities Data

JLARC's pilot project demonstrated that, for the districts participating in the pilot, it was feasible to collect most- but not all – of the K-12 facility data explored in the pilot:

Category of Data	Inventory	Condition	Use of Space and Functionality
Was it Feasible To Collect the Data?	Yes	Yes	No
Comments	It was sometimes difficult for districts to provide all information for older buildings, such as purchase cost. However, districts suggested some workable alternatives for these questions.	Districts were able to conduct condition assessments for 17 building systems. The pilot showed less success for three other elements.	Standardized definitions were difficult to identify, and it was challenging for districts to collect data in a consistent manner.

How did JLARC determine whether it was "feasible" to collect the different types of data?

During the pilot, JLARC asked the district participants to report a wide variety of information as well as provide comments on the time and effort required to collect the information. After the pilot, JLARC staff analyzed the data and talked in detail with staff at each of the participating districts. If all or most of the districts involved in the pilot were able to provide the data, and if the school district staff did not report a great deal of time and difficulty providing it, it was determined to be "feasible."

Does "feasible" mean cost-free?

No. The pilot participants reported their time in collecting this data; however, it would be very difficult to determine how much of that time is part of each staff member's regular job, and how much is extra effort.

The state has already set a precedent for funding the work of collecting inventory and condition data

OSPI currently provides funding to districts to collect inventory and condition data every six years. The funding amount is based on a combination of enrollment and square footage, and allows the districts to hire a consultant (usually an architect or engineer) to evaluate the condition of the instructional space within the district. This is known throughout the state as the "**study and survey**" process.

Of the approximately 140 million square feet of K-12 space in the state, OSPI currently maintains study and surveys with completed condition assessments on about 44 percent of the space.

Inventory Data

Inventory Data Was Feasible to Collect, Except for Information About Older Buildings and Sites

Inventory data are usually available from existing records, which would ideally include site and floor plans as well as ownership records. However, for older buildings and sites, district staff reported such documents could be difficult to locate. For example, one participant explained that records were destroyed for all schools in the county in 1935, and the school site was relocated after complete flooding of the town. Another participant described the site history taking some time to research, as it was acquired sometime in the 1930s, but the exact date that the site was acquired was not clear from available documents. **In general, site acquisition date and purchase cost, original construction year and cost(s), and remodeling date(s) and cost(s) were difficult to collect for older buildings and sites.** For those items where historical data collection was difficult, the data collection instrument (if expanded statewide) could accommodate the older items by asking for date spans (e.g., "pre-1930") instead of asking for actual dates. Another alternative suggested by a pilot participant was to discard the request for original cost of a building or site, and instead ask districts for the building replacement cost.

Exhibit 2 lists the inventory data that was generally feasible to collect from the pilot participants.

Exhibit 2 – Inventory Data That Was Feasible to Collect in the Pilot

Site	
• Site name	• Total site acreage*
• Site address*	• Whether the Site is Owned or Leased
• Site Acquisition Date (difficult for older sites)	• Site Purchase Cost (difficult for older sites) or Annual Lease Cost

Building	
• Building name and address*	• Building number of stories*
• Building construction type (including whether a building is a portable)	• Original construction year and cost (difficult for older buildings)*
• Remodeling date(s) and cost(s) (difficult for older buildings) *	• Year building first occupied
• Gross square footage of building*	• Covered play area square footage*
• Name(s) of school(s) located within a building	• Grades taught in a building*

Percentage of use of space within a building in the following categories:

Instructional	Service Center	Maintenance Shop	Gymnasium
Office/Admin	Assembly	Warehouse	Skills Center
Garage	Transportation	Central Kitchen	Vacant/Available
Stadium	Field House	Vacant/Surplus	

*Asterisks indicate data already requested through OSPI's Study & Survey process, with exceptions noted below.

OSPI only collects data on sites and buildings with instructional space. During the pilot, JLARC focused on instructional space as well, except for requesting information on the percentage of building use in non-instructional categories.

OSPI only collects state costs on state-assisted remodeling projects. During the pilot, JLARC collected state and non-state costs for all types of construction.

OSPI only collects recognized state costs on state-assisted construction. During the pilot, JLARC collected state and non-state costs for all types of construction.

JLARC asked the pilot participants to indicate the time and effort required to collect the inventory data. On average, participants reported that collecting the information about sites took about 94 minutes per site for 17 sites, while the building information took about 95 minutes per building for 23 buildings. It is difficult to tell whether the time required is beyond what would normally be required for a facilities staff job; however, most of the data requested is not unusual, as indicated by the asterisks in Exhibit 2, which highlight inventory items that are requested when districts conduct a study and survey.

Condition Data

Physical Condition Data Was Feasible to Collect

Collection of physical condition data, which involves assigning scores or ratings to the physical condition of buildings and building systems, was feasible to collect in the pilot. Exhibit 3 summarizes the types of condition data that was feasible to collect.

Exhibit 3 – Condition Data That Was Feasible to Collect in the Pilot

Ratings for the following 17 Building Systems:

Exterior	Interior
Foundation	Floors
Walls	Walls
Roof	Ceilings
Windows	Miscellaneous (e.g., doors, fixed partitions)
Doors, Trim	
Mechanical Systems	**Other**
Electrical	Safety/Fire: (Sprinklers, Exits, Alarms)
Plumbing	Seismic Conditions
Heating	
Cooling	
Lighting	
Misc. (e.g., Elevators, Rain Water Drainage)	

Source: Summarized from 44 UniFormat Building System Codes, plus additional codes for Safety/Fire and Seismic conditions.

The 17 types of condition data listed in Exhibit 3 are already requested in some form when school districts apply for school construction assistance; therefore, some districts may be familiar with providing condition data, while other districts may not.

During the pilot, JLARC asked both professional consultants and district staff to independently collect physical condition data and to report how long it took to collect the information. The district staff took approximately one and one-half times longer per building on average to conduct condition evaluations than consultants did (109 minutes vs. 74 minutes, or 35 minutes longer on the district's part). This might be expected since consultants conduct condition evaluations as a matter of course as part of their job, while district staff may not.

Three Types of Condition Information Were Not Feasible to Collect

Energy/water use and costs by building, maintenance and operations costs by building, and detailed health and safety information were not feasible to collect in the pilot.

During the pilot, participating districts were asked whether energy use was metered for their individual buildings. Of 27 buildings for which districts responded to this question, only ten were metered at the building level. If the Legislature has an interest in collecting energy use at the building level, the experience of the pilot indicates it would be necessary to retrofit facilities with

building-level utility meters to capture that level of information. Retrofitting facilities would likely incur a cost, although JLARC did not analyze those costs during the pilot.

However, participants did not have a problem reporting what type of energy they relied upon and whether it was renewable or non-renewable. All respondents were able to provide this information.

JLARC also asked participating districts to report maintenance and operations costs by building. Only three of nine districts could report these costs at the building level.

JLARC did not attempt to pilot extensive information on health and safety (such as indoor air quality), because State Board of Health rules for K-12 schools were in transition during the pilot, and because the Department of Health has not developed a standardized reporting format for this information. If a statewide facilities database is funded and developed, it would be prudent for OSPI to maintain it in a flexible format to allow for potential sharing of health and safety data in the future.

Use of Space and Functionality Data

Use of Space Data Was Not Feasible to Collect

JLARC asked the pilot participants to report the use of each room by class period, using room type and use categories developed by the National Center for Education Statistics, as well as the subject or grade taught, the number of students and teachers in each room, and the square footage of each room. This level of detail was requested in order to potentially answer policy questions such as the amount of space for all day kindergarten, or class size.

Room level information on use of space was time consuming for larger districts and some of the data changes rapidly, making it unreliable for policy analysis. For example, in order to understand whether school districts have space for all-day kindergarten, it would be necessary to understand both space in-use and potential space not-in-use, which the pilot participants reported changes over the course of the school year. Even after the information was collected, it was unclear whether the data would be reliable for answering a question related to potential capacity for additional students.

However, although some space use changes, other space use does not. For example, while a generic classroom can be assigned for several uses, specialized space, such as laboratory space, does not change over time.

However, accurately capturing specialized space requires measuring the space. OSPI currently captures "net assignable square footage" as part of its capital assistance process. Fees for measuring square footage, or space, are negotiated as part of architect's fees. OSPI asks for the total square footage of laboratory space, as well as other types of space, from districts that are requesting funds for capital projects. Capturing accurate square footage by type of space in this manner could be a costly process if expanded to the entire state. Rather than ask for the square footage of each building's particular type(s) of space to be collected and maintained in a database, the Legislature could instead consider requesting (or asking OSPI to request) this type of information to be collected in ad hoc surveys as the need arises.

Community use of space was a data element listed specifically in the JLARC assignment, which was also piloted. The pilot participants did not have a problem reporting it; however, they had several questions about the definitions. Does the Legislature want to know about community use of any building year round? Or just during the school year? Of all space? **Community use of space may be feasible to collect; however, clear definitions would need to be developed.**

Space Functionality Data Was Not Feasible to Collect

JLARC worked with a consultant to develop criteria for evaluating the functionality of each room. Pilot participants were asked to rate each room on a 1 to 4 scale assessing the room's configuration, space, and aesthetics. **However, the participants remarked that the functionality criteria were confusing and subjective; for example, different staff could interpret "adequate" amounts of space differently.**

Washington does not have statewide standards for space functionality although at least one other state (New Mexico) does. **In the absence of a statewide standard, functionality data may be too subjective for any effective use at the state level.**

Other Lessons Learned From the Pilot Project

### Lesson #1: Data Already Collected by WASPC Could Form the Basis of OSPI's Inventory System

Some additional data elements were not piloted, but are already collected through the WASPC Critical Incident Planning and Mapping System. These data elements could be shared with OSPI, including site plans, building floor plans, and latitude and longitude coordinates for each site.

Sharing this information would allow OSPI to access the floor plans and site plans for all of the K-12 facilities in the state. It could be the basis for OSPI's inventory data system.

Sharing latitude and longitude data would also allow OSPI the flexibility in the future to connect with other GIS-based statewide data sources such as census records or environmental data. Several state agencies, including the Office of Financial Management and the departments of Natural Resources, Ecology, and Transportation, maintain publicly accessible repositories of GIS-based data. These datasets include such information as boundaries for school districts, cities, and counties; geological information such as soil liquefaction and wildfire risk; environmental monitoring data; census information; and transportation features. Some examples of possible uses for this data include better coordination of student transportation routes, to address needs within both OSPI and the Department of Social and Health Services, and better targeting of disease prevention and surveillance.

Exhibit 4 depicts an example of how GIS data could be linked to provide decision makers with information to answer in-depth questions. If the Legislature wanted to know which elementary schools were located near licensed childcare providers, a list of those buildings could be created by comparing location data to information available from the Department of Health. To build the example in Exhibit 4, JLARC layered elementary school buildings, indicated by the large yellow squares, with licensed daycare providers located within one mile (indicated by the small blue dots).

Exhibit 4 – Licensed Childcare Providers Located Near Elementary Schools
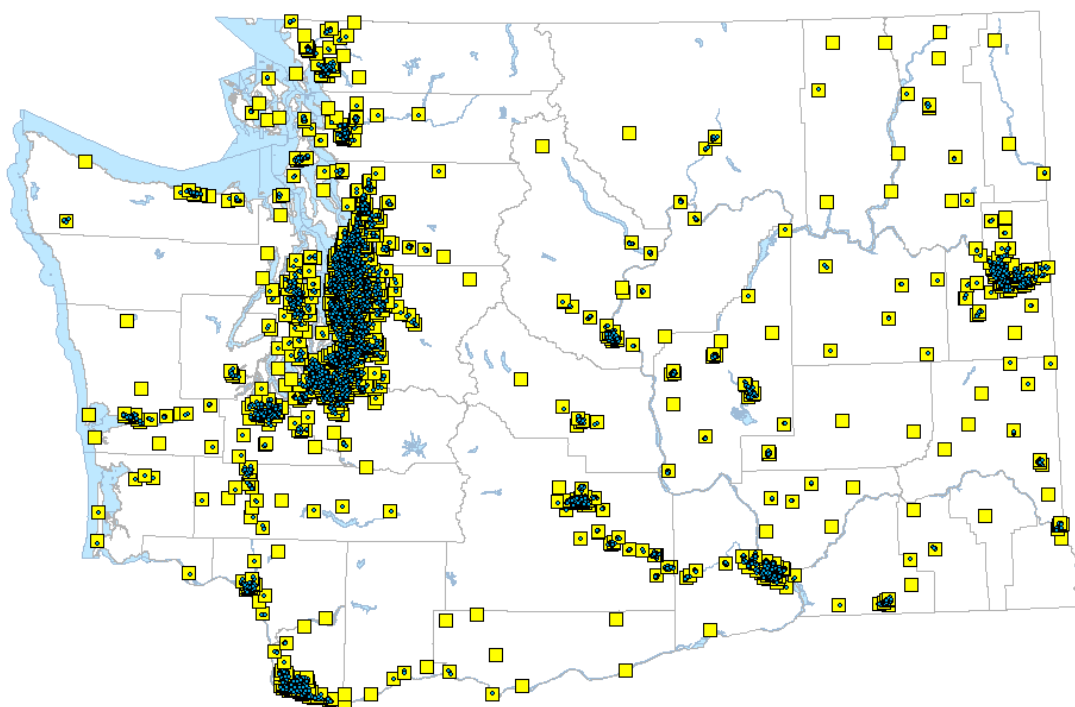
Source: JLARC analysis of WASPC and DOH data. This map is for demonstration purposes only.

Lesson #2: OSPI's Existing Condition Evaluation Form is Adequate, But Would be More Useful if it Were Linked to Industry Standard (UniFormat) Codes

OSPI currently requires school districts to fill out a building condition evaluation form as part of the study and survey process. The form, adopted in 1992, includes 50 pages of questions which are summarized on a single sheet that includes scores for each system, as well as a score for the entire building.

Most consultants and professionals in the construction industry use industry standard codes (called UniFormat codes) in their work. Appendix 5 contains a list of 44 UniFormat codes used to describe all of the major building systems. A benefit of the UniFormat system is that it links to other industry data, such as costing data. For example, if a standard foundation is rated as needing replacement for a particular building, the UniFormat code for a standard foundation can be entered into a database and the database generates a cost estimate for replacing the foundation.

The OSPI study and survey summary form is not currently linked to UniFormat codes, but it could be. It could then be linked to a cost database and used to generate estimates that could be used to develop budgets at the state level. The OSPI summary form is attached as Appendix 6.

Because the OSPI form was considered outdated by some stakeholders, JLARC worked with a consultant during the pilot to experiment with a new building condition evaluation form and asked independent consultants to compare the existing OSPI form and the new form that was used during the pilot. The consultants comparing the two forms rated the pilot form as slightly more current, while the OSPI form was rated as easier to understand with clearer criteria.

This suggests that the existing OSPI form, with some updates suggested by the consultants, could be automated and used to collect building conditions across the state.

However, if OSPI chooses to develop a new form, it could take into account the lessons learned during the pilot to create a format that is both current and clear. Either way, the resulting condition evaluation form, to be optimally useful, should be linked to UniFormat Codes to take advantage of the benefit of costing data.

Lesson #3: Ratings for Building Condition Submitted by School District Staff Were Very Similar to Those Provided by Professional Consultants

The mandate for this study stated that JLARC consider the community and technical college system as a model for a K-12 facilities system. The community and technical colleges rely strictly on consultant evaluations of building condition. During the pilot, JLARC staff compared condition evaluations conducted by district staff to evaluations conducted by consultants, and found that the scores were very close.

In the pilot, district staff and consultants could score building condition for UniFormat-coded building systems on a scale of 1 (good) to 4 (poor). Ratings could be split between scores as well, and were then averaged in the total. For example, if a foundation were scored as 25 percent "good" or a score of "1" and 75 percent "poor" or a score of "4," the result would be a score of "3.25" (25% x "1" + 75% x "4" = score of 3.25).

Since building conditions were assessed on a 1 to 4 scale, the maximum difference between a score marked by a consultant and a district staff was 3 points. As shown in Exhibit 5, 36.4 percent of the 1,016 scores compared between district staff and consultants exactly matched (with a zero point difference), while an additional 41 percent differed by less than 1 point. An additional 14.3 percent of the scores differed by 1 point. About 9 percent of the scores differed by more than 1 point. Only 3 scores out of 1,016 varied by 3 points (for example, the consultant marked a condition score as a "1" (good) while a district marked it as a "4" (poor).

The close scores shown in Exhibit 5 suggest that K-12 building condition evaluations could be conducted by some combination of district staff and consultants. Since OSPI now allows funding for consultants to conduct condition evaluations every six years, it could be possible that independent consultants could conduct condition evaluations the first year in a six-year cycle, with districts providing annual updates in the following five years of the cycle.

Exhibit 5 – District Staff Scores of Condition Vary Little From Consultant Scores

Difference in Condition Scores Between District Staff and Consultants	Number of Scores	Percentage of Scores
0 (scores are the same)	370	36%
Between 0 and 1	417	41%
1	145	14%
Between 1 and 2	60	6%
2	19	2%
Between 2 and 3	2	--
3 (maximum amount of difference between scores)	3	--
Total	**1,016**	**100%**

Source: JLARC analysis.

PART THREE – BENEFITS AND COST ESTIMATES OF A STATEWIDE SYSTEM FOR K-12 FACILITIES DATA

What is the Benefit of Collecting K-12 Facilities Data?

The benefit of collecting comprehensive, standardized data on K-12 facilities would largely come in the form of being able to answer questions on a statewide basis about the inventory of K-12 facilities and the condition of those facilities. These are questions that the state currently cannot answer.

Inventory Data

The main benefit of collecting **inventory data** is its potential use for answering factual questions about buildings and sites. Questions that could be answered include:

- How many portables are now being used by school districts?
- How old are most school buildings in the state?
- How much do districts spend on construction and renovation vs. the state?
- What grades are taught in which buildings?
- How many districts own vs. lease their sites?
- How much are districts spending to purchase or lease sites?
- If latitude and longitude data are linked between agencies: What type of soil conditions exist at school sites? What type of natural hazards are schools located near? What is the availability of family services near schools, such as daycares and primary care clinics?

Condition Data

The main benefit of collecting **condition information** statewide is that it will allow state policymakers to more easily answer questions such as:

- How many roofs (or other building systems) need to be replaced in the state?
- What is the average condition of foundations (or plumbing systems, heating systems) across the state?
- How have building conditions improved over time in certain areas?
- If condition assessments are linked to industry-standard UniFormat codes: how much is it estimated to cost statewide to repair K-12 buildings?

Note: Because use of space and functionality data were deemed not feasible to collect, this category of data is not discussed here.

Cost Estimates for a Statewide K-12 Data System

Part of the overall goal of this pilot project was to determine the costs of statewide data collection for K-12 facilities. The first part of this section describes the assumptions underlying the cost estimates developed for this report. The report concludes with cost estimates JLARC developed for four different options the Legislature may wish to consider if it pursues a statewide data system for K-12 facilities.

Assumptions Used in the Cost Estimates

Inventory Data

Exhibit 6 lists the data that was feasible to collect in the pilot, that JLARC assumes OSPI could collect statewide. As stated earlier in this report, part of the inventory data listed in Exhibit 6 and marked by asterisks is already maintained by OSPI for a portion of the districts in the state.

Exhibit 6 – Inventory Data That Was Feasible to Collect in the Pilot

Site	• Site name • Site address* • Site Acquisition Date (difficult for older sites)	• Total site acreage* • Whether the Site is Owned or Leased • Site Purchase Cost (difficult for older sites) or Annual Lease Cost
Building	• Building name and address* • Building construction type (including whether a building is a portable) • Remodeling date(s) and cost(s) (difficult for older buildings) * • Gross square footage of building* • Name(s) of school(s) located within a building	• Building number of stories* • Original construction year and cost (difficult for older buildings)* • Year building first occupied • Covered play area square footage* • Grades taught in a building*

Percentage of use of space within a building in the following categories:			
Instructional Office/Admin Garage Stadium	Service Center Assembly Transportation Field House	Maintenance Shop Warehouse Central Kitchen Vacant/Surplus	Gymnasium Skills Center Vacant/Available

*Asterisks indicate data already requested through OSPI's Study & Survey process, with exceptions noted below.

OSPI only collects data on sites and buildings with instructional space. During the pilot, JLARC focused on instructional space as well, except for requesting information on the percentage of building use in non-instructional categories.

OSPI only collects state costs on state-assisted remodeling projects. During the pilot, JLARC collected state and non-state costs for all types of construction.

OSPI only collects recognized state costs on state-assisted construction. During the pilot, JLARC collected state and non-state costs for all types of construction.

In order to collect and maintain inventory data statewide, JLARC assumes the following:

- Initially, OSPI would make its existing inventory data available in a web-based form, with blank fields where data are missing, and populated fields where data exist. Districts with partial data could verify existing data and fill in missing data, while districts with no data on file with OSPI at all would need to fill in all of the data.
- OSPI would store the data in a database.
- Districts could access the web-based form through OSPI's already existing "Education Data System" portal.
- Each year, district staff would enter, verify, and update the data.

JLARC further assumes the cost for providing the inventory data would be absorbed by the districts.
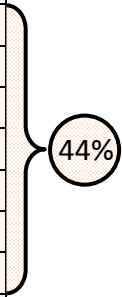
Condition Data

OSPI already has "current" building condition data from existing study and surveys completed within the last six years for 118 (40 percent) of the state's 295 districts, representing 44 percent of the approximately 140 million square feet of K-12 space.

"Current" means that the data have been collected within the last six years. After six years, the study and survey data expires. If a district wishes to apply for construction funding and its study and survey data is over six years old, it must submit new data.

The following is a breakdown of the status of study and surveys for the districts in the state:

Exhibit 7 – 44% of Square Footage in the State Has a Current Study and Survey

Status of Study and Survey	Total Square Footage (in 000's)	% of Square Footage
None on file	911	1%
On file but out of date (conducted prior to August 2003)	77,369	55%
Will expire at the end of 2009	4,661	3%
Will expire at the end of 2010	7,960	6%
Will expire at the end of 2011	7,218	5%
Will expire at the end of 2012	11,049	8%
Will expire at the end of 2013	12,839	9%
Will expire at the end of 2014	7,703	6%
Will expire at the end of 2015	10,164	7%
Total	**140,000***	**100%**

*The sum of individual square footage figures differs slightly from the total due to rounding.
Source: JLARC analysis of OSPI records.

Study and surveys include condition assessments for all of the buildings with instructional space within the districts. The condition assessments include summary sheets with condition scores for the primary building systems, and an overall score for each building with instructional space, that

could be entered into a web-based system. Currently, the data are only available on paper or compact disc. See Appendix 6 for a copy of the OSPI condition evaluation summary sheet.

In 2009-11, OSPI received $1,029,000 for study and survey funds. In the previous three biennia, OSPI granted to school districts, on average, about $723,000 per biennium for study and survey funds.

JLARC's cost analysis assumes the same funding practice continues, where each district is eligible for a study and survey, including a condition evaluation of all of the buildings with instructional space within a district, every six years; however, **every** district would receive study and survey funds every six years. JLARC assumes the districts would verify and update the data annually, with the cost of the annual updates absorbed by the districts. Similar to inventory data, the information would be entered into a web-based form accessed through OSPI's Education Data System portal.

Using the current study and survey funding formula and applying it to all of the districts in the state over six years results in a total cost of $3.8 million. The $3.8 million total divided by the estimated 140 million square feet of K-12 facilities in the state computes to an average cost of 3 cents per square foot. This is comparable to 2.5 cents per square foot now funded for Washington State community and technical college building condition evaluations. As a point of contrast, the state of Montana recently spent 7 cents per square foot for consultant evaluations including a technology survey, energy efficiency, building inventory and condition. Ohio, at 12 cents per square foot, included construction ready documents, environmental surveys, space functionality, building and system conditions, and inventory. If the Legislature chooses to conduct more extensive evaluations (such as evaluations of school *site* conditions, or energy audits), then it may need to fund a greater amount per square foot.

Currently, OSPI requests funding each biennium for its existing study and survey process. The condition assessment costs in JLARC's cost analysis include funding to address the existing study and survey process.

Other Approaches to Collecting Condition Data

This report explores a statewide model to collecting condition data that relies on a consultant evaluation every six years, with annual updates by school district staff. JLARC staff did not analyze other approaches to collecting condition data in detail; however, for informational purposes, two alternative approaches are described below.

Condition Evaluations Performed Solely by State Staff: Some other states, rather than hire consultants, use state staff to conduct building evaluations on a routine basis. These other states include Maryland and Wyoming. Maryland's 132 million square feet of space is somewhat comparable to Washington's estimate 140 million square feet of space. Maryland funds approximately $130,000 per year for two state staff (2.0 FTE) to conduct building condition evaluations, while Wyoming funds approximately $235,000 per year for ten part-time state staff (3.3 FTE) to conduct evaluations on 22 million square feet of space.

Condition Evaluations Performed Solely by Consultants: Another model used by the Washington State community and technical colleges is to evaluate the buildings more often (every two years) and always by a consultant. The community and technical colleges, however, have far less square

footage than the K-12 system (approximately 17.8 million square feet at the community and technical colleges vs. 140 million in the K-12 system). More regular evaluations by consultants are always possible for the K-12 system, but would of course be much more costly than evaluations every six years.

Information Technology (IT) Options

Information could be collected using one of the following methods. JLARC staff worked with OSPI staff to estimate information technology costs for each method. The costs vary depending on the sophistication of each method, particularly the ability of each building condition evaluation form to collect detailed, customized information.

- **Simple, Summary Information:** This option includes web-based screens to collect inventory information, plus a simple web-based screen or screens modeled on OSPI's existing condition evaluation summary form (attached as Appendix 6) to collect condition information. This method collects summary condition information only, and none of the underlying calculations used to create condition scores, or other detailed information such as specific building deficiencies. However, it would have the capability to link to costing models if the form was mapped to industry standard UniFormat codes. Estimated IT Cost: $359,000 over three biennia.

- **Semi-Customized Information Capabilities:** This option includes web-based screens to collect inventory information, plus a new form to collect condition information adapted from an existing form and borrowed from another agency. This form would have the ability to collect detailed information on building deficiencies and condition calculations, as well as the capability to link to costing models. Estimated IT cost: $723,000 over three biennia.

- **Completely Customized Information Capabilities:** A web-based screen to collect inventory information, plus a new form to collect condition information completely customized to meet OSPI's needs. These needs may include collecting detailed information on building materials, life cycle information on building systems, building deficiencies, condition calculations, and other information, as well as the capability to link to costing models. Estimated IT Cost: $1,899,000 over three biennia.

Note: If OSPI's existing condition evaluation summary form is used as described in the "Simple, Summary Information" option, OSPI can take advantage of the data it has already collected on building condition for approximately 44 percent of the square footage in the state. If one of the other two options is used, then the existing data would likely be lost, since the new condition evaluation forms would likely have different scoring methodology that would not be compatible with OSPI's existing form. However, over a period of six years, all of the condition evaluations "expire," including the existing 44 percent of the K-12 square footage that OSPI now has on file.

Four Options for Proceeding with a K-12 Facilities Data System

Below are cost estimates for four different options for developing a new data system for K-12 facilities.

For each option, the following four pages describe in detail the extent of data collection and the assumption about which form is being used. JLARC then provides an estimate of the cost for condition assessments, and an estimate of OSPI IT costs.

A chart summarizing the four cost options can be found on page 27.

Option 1: Simple, Summary Information with Partial State Data

Inventory Data:

Under this option, inventory data would be collected for all school districts. For those districts for which OSPI already holds some inventory data collected through the Study and Survey process, districts would be asked to verify the existing data and fill in any blanks. Districts that have never completed the Study and Survey process would be asked to supply all inventory data for their districts. The cost estimate assumes that districts would absorb the cost for these efforts.

Assuming that the GIS data collected by WASPC is incorporated into the OSPI database, it will be possible under this option to link the K-12 facilities inventory information to GIS layers maintained by other agencies as described in Part Two.

Condition Data:

Under this option, condition data would be available for only a portion of school districts. Specifically, the data system would contain condition information for 40 percent of districts representing 44 percent of the total K-12 square footage in the state for which OSPI holds summary condition data less than six years old collected through the Study and Survey process. The districts covered in the database would vary over time as different districts applied for Study and Survey funds each year while the data for other districts lapsed over the six-year expiration date. The condition data collected under this option would be at a summary level rather than at a more detailed level.

Linking this condition data to industry standard UniFormat codes will allow access to cost data for use in developing budgets.

JLARC's cost estimate of $2,169,000 over three biennia for the collection of this information is based on the existing funding formula for study and survey grants. It assumes that the state continues its current practice of allowing districts to apply for funding for consultants to conduct condition assessments once every six years. Based on the experience of the pilot project, the cost estimate assumes that districts would update the condition assessments in the intervening five years between the assessments conducted by consultants. The cost estimate assumes districts would absorb the cost of this effort in the intervening years.

Information Technology:

This option assumes that OSPI would develop web-based screens to collect inventory information as well as web-based screens modeled on OSPI's existing condition evaluation summary form. OSPI has estimated the cost for this effort to be $359,000 over three biennia. This cost estimate includes any effort that would be required for OSPI to enter the existing inventory and condition data into the database using these web-based forms.

Option 2: Simple, Summary Information with Complete State Data

Inventory Data:

Under this option, inventory data would be collected for all school districts. For those districts for which OSPI already holds some inventory data collected through the Study and Survey process, districts would be asked to verify the existing data and fill in any blanks. Districts that have never completed the Study and Survey process would be asked to supply all inventory data for their districts. The cost estimate assumes that districts would absorb the cost for these efforts.

Assuming that the GIS data collected by WASPC is incorporated into the OSPI database, it will be possible under this option to link the K-12 facilities inventory information to GIS layers maintained by other agencies as described in Part Two.

Condition Data:

The major distinction between Option 1 and Option 2 is that condition data would be collected for all school districts. OSPI already holds condition data for a portion of school districts. JLARC's cost estimate of $3,800,000 over three biennia is based on the existing funding formula for study and survey grants. It assumes that, over the course of three biennia, the state would continue to provide funding for the 40 percent of districts for which OSPI already maintains condition data, plus provide funding for consultants to conduct condition assessments for all of the remaining school districts. All assessments would be kept updated so that none would be more than six years old. This condition information collected by OSPI would be at a summary level.

The cost estimate assumes that school districts would update the condition assessments for the intervening five years between assessments by consultants, absorbing the cost for this effort. This series of condition assessments would then need to be repeated every six years. Staggering the new condition assessments over three biennia spreads the costs and avoids having the assessments all expire at the same time.

Linking this condition data to industry standard UniFormat codes will allow access to cost data for use in developing budgets.

Information Technology:

As with Option 1, Option 2 assumes OSPI would develop web-based screens to collect inventory information as well as web-based screens modeled on OSPI's existing condition evaluation summary form. OSPI has estimated the cost for this effort to be $359,000 over three biennia. This cost estimate includes any effort that would be required for OSPI to enter the existing inventory and condition data into the database using these web-based forms.

Option 3: Semi-Customized Information Capabilities with Complete State Data

Inventory Data:

Under this option, inventory data would be collected for all school districts. For those districts for which OSPI already holds some inventory data collected through the Study and Survey process, districts would be asked to verify the existing data and fill in any blanks. Districts that have never completed the Study and Survey process would be asked to supply all inventory data for their districts. The cost estimate assumes that districts would absorb the cost for these efforts.

Assuming that the GIS data collected by WASPC is incorporated into the OSPI database, it will be possible under this option to link the K-12 facilities inventory information to GIS layers maintained by other agencies as described in Part Two.

Condition Data:

Under this option, condition data would be collected for all school districts. As described in the IT discussion below, Option 3 would make use of a form different from the OSPI summary form. The condition evaluation form used under this option would be adapted from an existing form used by another agency. This would allow condition data to be collected at a more detailed level, to include information such as specific building deficiencies and condition score calculations. However, this would also mean that OSPI would likely lose the use of the inventory and condition data already submitted to the agency through the Study and Survey process. This is because the new form would use different condition scoring methodology than the current OSPI condition evaluation form.

JLARC's cost estimate of $3,800,000 over three biennia is based on the existing funding formula for study and survey grants. It assumes that new condition assessments would be conducted for each district. As with Option 2, the new assessments are staggered over three biennia and would need to be repeated on a six-year basis. The state would provide funding for consultants to conduct the condition assessments once every six years. The cost estimate assumes that the districts would update the condition assessments in the intervening five years, absorbing the cost of doing so.

The information collected using the semi-customized form could be linked to industry standard UniFormat codes, linking the condition information to cost data for use in developing budgets.

Information Technology:

Under this option, OSPI would modify an existing form currently used by another agency. It includes more details about buildings than the existing OSPI summary form, such as specific building deficiencies. OSPI estimates that the information technology cost for this effort would be $723,000 over three biennia.

Option 4: Completely Customized Information Capabilities with Complete State Data

Inventory Data:

Under this option, inventory data would be collected for all school districts. For those districts for which OSPI already holds some inventory data collected through the Study and Survey process, districts would be asked to verify the existing data and fill in any blanks. Districts that have never completed the Study and Survey process would be asked to supply all inventory data for their districts. The cost estimate assumes that districts would absorb the cost for these efforts.

Assuming that the GIS data collected by WASPC is incorporated into the OSPI database, it will be possible under this option to link the K-12 facilities inventory information to GIS layers maintained by other agencies as described in Part Two.

Condition Data:

Under this option, condition data would be collected for all school districts. As described in the IT discussion below, Option 4 would use a brand new form that is different from the OSPI summary form. This would allow condition data to be collected at a more detailed level and tailored specifically to OSPI's needs. These needs may include collecting detailed information on building materials, life cycle information on building systems, building deficiencies, condition calculations, and other information. However, this could also mean that OSPI would lose the ability to use the inventory and condition data already submitted to the agency through the Study and Survey process. This is because the new form would likely use different condition scoring methodology than the existing OSPI summary form.

The condition information collected in the new form could be linked to industry standard UniFormat codes, linking the condition information to cost data for use in developing budgets.

JLARC's cost estimate of $3,800,000 over three biennia is based on the existing funding formula for study and survey grants. It assumes that new condition assessments would be conducted for each district. As with Options 2 and 3, the new assessments are staggered over three biennia and would need to be repeated every six years. The state would provide funding for consultants to conduct the condition assessments once every six years. The cost estimate assumes that the districts would update the condition assessments in the intervening five years, absorbing the cost of doing so.

Information Technology:

Under this option, OSPI would develop a brand new form to collect condition information about K-12 facilities to include specific details tailored to OSPI's needs. These needs may include detailed information about building materials, life cycle information on building systems, building deficiencies, condition scores, and other information. OSPI estimates the information technology cost for this effort would be $1,899,000 over three biennia.

Exhibit 8 provides a summary of the costs for each option.

Exhibit 8 – Summarized Cost Options (in $000's)

Option 1: Simple Summary Information; Partial State Data

- Statewide inventory data
- Existing OSPI condition evaluation form
- Automation of existing condition data (44 percent of state square footage)
- Maintain continued collection of approximately 44 percent of state square footage
- IT system with simple, web-based screens

Biennium	IT	Condition Assessments	Total
1st Biennium	$233	$723	$956
2nd Biennium	$63	$723	$786
3rd Biennium	$63	$723	$786
Total	**$359**	**$2,169**	**$2,528**

Option 2: Simple Summary Information; Complete State Data

- Statewide inventory data
- Existing OSPI condition evaluation form
- Automation of existing condition data (44 percent of state square footage)
- Consultant evaluations of remaining 56 percent of state square footage
- IT system with simple, web-based screens

Biennium	IT	Condition Assessments	Total
1st Biennium	$233	$1,267	$1,500
2nd Biennium	$63	$1,267	$1,330
3rd Biennium	$63	$1,267	$1,330
Total	**$359**	**$3,800***	**$4,159***

Option 3: Semi-Customized Information; Complete State Data

- Statewide inventory data
- New condition evaluation form adapted from another agency
- Consultant evaluations of 100 percent of state square footage
- IT system with semi-customized screens with some detailed information such as building deficiencies and condition score calculations

Biennium	IT	Condition Assessments	Total
1st Biennium	$263	$1,267	$1,530
2nd Biennium	$230	$1,267	$1,497
3rd Biennium	$230	$1,267	$1,497
Total	**$723**	**$3,800***	**$4,523***

Option 4: Completely Customized Information; Complete State Data

- Statewide inventory data
- New condition evaluation form completely tailored to OSPI
- Consultant evaluations of 100 percent of state square footage
- IT system with completely customized screens and very detailed information

Biennium	IT	Condition Assessments	Total
1st Biennium	$931	$1,267	$2,198
2nd Biennium	$484	$1,267	$1,751
3rd Biennium	$484	$1,267	$1,751
Total	**$1,899**	**$3,800***	**$5,699***

Source: IT Costs: OSPI; Condition Assessment Costs: JLARC.

*These sums differ slightly from the totals due to rounding.

OSPI received $1,029,000 for study and survey funds in the 2009-11 Biennium. For Option 1, JLARC used an average of $723,000 per biennium based on average funding granted to school districts for the past three biennia.

The condition assessment costs in JLARC's cost analysis include funding to address the existing study and survey process.

Note: Condition assessment costs do not include assessment of portables since portable square footage is unknown.

APPENDIX 1 – SCOPE AND OBJECTIVES

Why a JLARC Pilot Study of K-12 Facilities and Condition?

The 2008 Supplemental Capital Budget (ESHB 2765, Sec. 1001) requires JLARC to define and develop a pilot facility condition and inventory system for K-12 public school facilities. This pilot may include data elements such as facility location, facility condition, enrollment and space by grade level, specialized educational spaces, energy efficiency, functionality, original construction, and remodeling information. The pilot will identify data that could inform policymakers on a variety of topics, including classroom capacity and energy efficiency.

Background

K-12 public school facilities are funded by local capital levies and state general-obligation bonds, along with timber trust funds, lottery revenues, and other sources. The state makes construction assistance funds available to school districts that demonstrate a need to expand or remodel their facilities. The state assists local districts with capital costs; however, districts must match the funds through local bonds.

School districts receive an allocated amount of space per student. Remodeling funds may be made available based on the age of the facilities. Over 70 percent of the school facilities in the state were built or remodeled before 1990. However, there is no consistent source of statewide data available to track the number or condition of school facilities. Neither is there a reliable source of data available to calculate the capital costs associated with K-12 education policy initiatives, such as expanding kindergarten programs or reducing class sizes.

Study Scope

The goal of this study is to develop a pilot facility condition and inventory system for K-12 public school facilities in the state. The pilot will include at least ten public school districts, including large and small districts, urban and rural locations, facilities of varying age and condition, diversity in fiscal capacity, and at least one district that hosts a skills center.

The condition and inventory pilot system will include information necessary for facility assessment and maintenance, as well as information about policy options including class size, all-day kindergarten, specialized space (e.g., math and science classrooms and labs), environmental health and safety improvements, joint use of school facilities, high performance buildings, and the use of portables.

In conducting this work JLARC will rely on experience gained from its past studies of higher education facilities as well as input from a variety of stakeholders.

Study Objectives

The study will be divided into two phases.

Phase I: By January 1, 2009, JLARC staff will provide a report to the Legislature about the following questions:

- What is the scope of data to be collected for this pilot?
- What current sources of school district facility information already exist, and where do they reside?
- What criteria can be used to evaluate school facilities?
- Which school districts will participate in the pilot project?
- What is the implementation plan for the pilot?
- How have other states developed and used public school facility condition and inventory information?

Phase II: By January 1, 2010, JLARC staff will provide the following information to the Legislature:

- A summary of the pilot data collected and analyzed for each participating school district and how these data can be used to inform K-12 policy options;
- A comparison of the data reported by school districts to other independent facility assessment(s) and criteria;
- Proposed methods and frequency for collecting, maintaining and sharing facility information and ensuring its efficient transfer, timeliness, and accuracy;
- A model for connecting school facility information to other relevant data sources; and
- A cost/benefit analysis and potential timeline for expanding the pilot statewide.

JLARC may refine or revisit the objectives related to Phase II following the completion of Phase I. A more specific list of objectives related to Phase II will be presented to JLARC in December 2008.
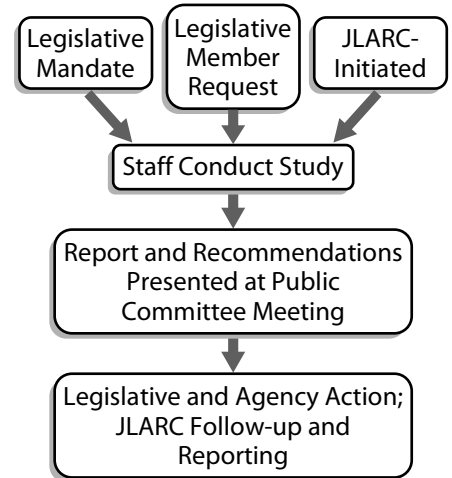
Timeframe for the Study

Staff will present its preliminary report and final reports on Phase I of the study at the JLARC meetings in October and December 2008.

JLARC Staff Contact for the Study

Nina Oman, PhD	(360) 786-5186	oman.nina@leg.wa.gov
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JLARC Study Process

Legislative Mandate

Legislative Member Request

JLARC-Initiated

Staff Conduct Study

Report and Recommendations Presented at Public Committee Meeting

Legislative and Agency Action; JLARC Follow-up and Reporting

Criteria for Establishing JLARC Work Program Priorities

➤ Is study consistent with JLARC mission? Is it mandated?

➤ Is this an area of significant fiscal or program impact, a major policy issue facing the state, or otherwise of compelling public interest?

➤ Will there likely be substantive findings and recommendations?

➤ Is this the best use of JLARC resources? For example:

- Is JLARC the most appropriate agency to perform the work?
- Would the study be nonduplicating?
- Would this study be cost-effective compared to other projects (e.g., larger, more substantive studies take longer and cost more, but might also yield more useful results)?

➤ Is funding available to carry out the project?

APPENDIX 2 – AGENCY RESPONSES

- Office of Superintendent of Public Instruction
- Spokane Public Schools
- Office of Financial Management

SUPERINTENDENT OF PUBLIC INSTRUCTION

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December 8, 2009

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DEC – 8 2009

JLARC

Ruta Fanning, Legislative Auditor
Joint Legislative Audit and Review Committee
1300 Quince Street SE
PO Box 40910
Olympia, WA 98504-0910

Dear Ms. Fanning:

Thank you for providing the Office of Superintendent of Public Instruction (OSPI) an opportunity for formal response on the K-12 Facility, Inventory, Condition and Use System – Preliminary Report. I appreciate the time your staff dedicated to completing the report and offer the following comments.

General Observations
This report provides good, fundamental information on the current status of and the future prospects for collecting, analyzing and reporting K-12 school facility data. It is an important, independent report which policy makers can use to make decisions about investing in a data system which would fill a huge information gap about one of Washington's largest public assets – its school buildings. Four alternatives were prepared for consideration. They ranged from collecting simple, summary information on a partial state data set to a completely customized system with a complete data set.

My preference would be Cost Option #3, a semi-customized system with a complete data set.

Public money, time and effort have been invested in a couple of systems. We should take what we have learned, be prudent with the public resources and develop a system that is both functional and cost effective.

Development of a new system would provide an opportunity to not only fill the information gap, but also make wise use of resources for the state and school districts by using existing data sources, by streamlining data collection from school districts, by sharing information with and between agencies, by borrowing existing and developed technology and by offering new tools and capabilities. From cost estimating on individual school district projects to informing statewide program and policy decisions, there are many potential benefits to a statewide K-12 school facility system.

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The remainder of this response follows the JLARC report on lessons learned, highlights the systems applicability to basic education reform and addresses my preference for Cost Option #3 in more detail.

Specific Comments on Lessons Learned
OSPI is pleased that the lessons learned confirm that major sources of data currently exist, are reliable and can be built upon. The following comments offer more information about how OSPI views possible links for and multiple uses of the data.

Lesson #1 - Washington Association of Sheriffs and Police Chiefs (WASPC) Critical Incident Planning and Mapping System – The report states that this data could be the basis of a new K-12 inventory system housed at OSPI. Included in the report for each cost option are Information Technology (IT) costs which assume that WASPC's inventory data would be used and, once the K-12 system is operational, any inventory data updates made by school districts would be shared to update WASPC's system for inventory data.

The Committee asked many questions during the December 1, 2009 hearing on the Preliminary Report about why a new system would be developed instead of considering an option to build on to the WASPC system. OSPI offers the following perspectives and clarifications on the WASPC system and how OSPI views its relationship to a new K-12 Facility Inventory and Condition System.

1. Only 25% of the Data is Common Between the 2 Systems
   Based on participation in the JLARC pilot and on technical coordination with WASPC staff, OSPI's understanding is that there are three major data components in the two systems – inventory data, condition data and safety or first responder data. Inventory data is the only component common to both organizations' core business needs. OSPI has a need for developing statewide condition data. WASPC has a need to maintain the safety or first responder data it has already collected. OSPI information technology staff estimates the common inventory data to be a relatively small portion of both systems – approximately 25% of the data.

2. OSPI, the State Education Agency, Should Have Responsibility for K-12 Facility Inventory and Condition Data
   Regarding the ultimate oversight of a statewide K-12 Facility Inventory and Condition System, the 2008 Supplemental Capital Budget proviso authorizing the pilot study stated that:
   > ..."It is also the intent of the Legislature that once developed, a facility condition and inventory system must be housed in and operated by the Office of the Superintendent of Public Instruction for school districts statewide..."

   JLARC's report was directed by and focused on this assignment given by the Legislature. However, Committee members questioned whether a viable alternative could be expanding the current WASPC system. OSPI believes the options outlined by JLARC are better approaches and that a data system dedicated to K-12 school facility data should ultimately reside within the state education agency for the following reasons.

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a. OSPI as the Clearinghouse for Educational Data – OSPI is currently the keeper of all major educational data – student, educator, assessment, financial. These data sets have been or are being developed into one, contemporary data warehouse. There will be added benefits when the school facility data can be blended with the other educational data to answer policy and research questions.

In OSPI's view, building an automated system for managing school facility inventory and condition is the next logical step. For school facilities data, OSPI currently keeps a significant amount of information and has processes in place to collect it. The primary hurdle has been that most of it is specific to the School Construction Assistance Program and is collected and kept in outdated ways. JLARC identified these in the report as paper files, CDs and an older, VAX database.

Additionally, housing the data at OSPI keeps it closest to its most frequent users – the school districts (owners of the facilities) and OSPI (administrators of the School Construction Assistance Program). Separating the data from the offices where daily management and decisions about school facilities are made does not seem like the best approach. Instead, the inventory data is more static and can serve the needs of WASPC to support its first responder needs on a scheduled, versus real time, update cycle.

b. Safety or First Responder Data Collection Represented Most of the State Investment into WASPC System – State investment in a new, OSPI system which shares K-12 inventory data with WASPC and focuses on building condition information would not be redundant of the investments made into the WASPC system. OSPI understands that the largest portion of state investment into the WASPC system was for the collection of the safety or first responder data. This required a significant amount of time to visit each school site and complete on-site data gathering and mapping. The system itself and the K-12 inventory data is a relatively small portion of the work they completed.

c. OSPI Study and Survey Process in Place to Collect Inventory and Condition Data – JLARC's report identifies that there is an existing Study and Survey process institutionalized between OSPI and school districts for collecting inventory and condition information. This data is critical to and cannot be separated from the operation of the state's School Construction Assistance Program administered by OSPI. This project would systematize, and possibly expand, the work already being completed.

d. OSPI is Part of the K-20 Educational Network – More than a decade ago, OSPI chose to join an educational network, the K-20 Network, versus joining the State Governmental Network (SGN). This decision put OSPI technologically closer to its clients – the school districts. All of OSPI's other important data sets (student,

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educator, assessment and financial) and the school districts' data reside on the K-20 Network. WASPC is on the SGN.

While a very technical matter, there are practical reasons to highlight this difference. A "bridge" does not exist between these networks and building one has been estimated in the millions to build both the "bridge" and provide the proper security. This option is not supported by the Department of Information Services and would require extensive work for SGN and K-20 administrators. Because there is not an existing "bridge" and building one is not practical, developing a "shared" system with WASPC is not feasible. Sharing data between the systems on a routine basis is feasible and is a basic assumption JLARC included in each cost option outlined the report.

Further, the need to update building inventory data for WASPC's purposes is infrequent. WASPC and OSPI conservatively estimate that updated inventory would only need to be shared each month. Sharing on that frequency does not require a bridged and shared system between the two parties.

OSPI supports the most cost effective use of state resources and of school district time. For this reason, the fundamental assumption in JLARC's report and cost options is that data sharing between WASPC and OSPI will happen initially and continue over the long term.

Lesson #2 OSPI's Building Condition Evaluation Process and Form (BCE) – The report's independent review finds that OSPI's existing BCE performed comparably to a more current model developed for the pilot study. OSPI supports the suggestion to update the current form and to incorporate the UniFormat coding. OSPI has been coordinating with JLARC throughout the pilot on the BCE both to understand the independent analysis conducted during the pilot and to incorporate that information into the development of OSPI's Asset Preservation Program (APP). Under the APP, school districts commit to maintain school facilities which receive state funding assistance, adopt a maintenance program, conduct annual condition assessments and report to the school board annually and to OSPI every six years. The BCE, either the current version or an updated one, can serve multiple purposes – condition data in a statewide system, School Construction Assistance Program project prioritization and the condition assessment requirements of the APP.

Lesson #3 School District and Independent Consultant Condition Ratings – The report finds school district staff rate buildings comparably to independent consultants. As school district staff prepare information for their annual school board reports under the APP, there would be an opportunity in a new system for them to make annual updates to a statewide inventory and condition system. Engaging school district personnel in this process supports the long-term sustainability of the system and the consolidation of data collection efforts.

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Link to Basic Education Reform
The JLARC report does not specifically address the benefit an investment in a new K-12 Facility Inventory and Condition System would give to the current basic education reform efforts. In 2009, basic education reform legislation passed (ESHB 2261). Two requirements will involve K-12 facility information and more tightly link state operating and capital budget considerations.

First, the legislation created a data governance group within OSPI to assist in the design and implementation of a K-12 education data improvement system for financial, student and educator data. This system is to serve the reporting requirements of a variety of stakeholders – including school administrators, school boards, OSPI and the Legislature. The development of a new K-12 Facility Inventory and Condition System is expected to seamlessly fit within the requirements established by the data governance group.

Additionally, the legislation requires OSPI to report each biennium on the capacity of the K-12 system to accommodate increased resources. That capacity report includes an assessment of the ability of school districts to provide the facilities necessary to support the educational program. OSPI expects that the K-12 Facility Inventory and Condition System will be critical to completing the capacity report.

Preferred Cost Option
OSPI recommends that Cost Option 3: Semi-Customized Information; Complete Data Set be pursued as the preferred alternative. OSPI believes this option offers the most cost effective benefits to the state and the school districts.

Benefits to the State
- Makes use of and will sustain the existing and ongoing facility inventory data collection by WASPC and OSPI.
- Maintains all major K-12 educational data sets within OSPI, the state education agency.
- Provides the ability to collect, update and share statewide, comprehensive inventory and condition data in a system that will test and ensure the data's reliability.
- Offers an IT solution that makes use of an existing state agency investment which contains the foundation of a building inventory and condition system what can be altered for K-12 facility needs.
- Gives options for school districts to streamline information submittal to the state in support of various programs (School Construction Assistance – currently, Asset Preservation and Washington Sustainable Schools – future) and in support of multi-agency requests and needs (OSPI, WASPC, Department of Health, etc.).

It should also be noted that the costs represented on each cost option in the report should be reviewed understanding that OSPI receives funding for and makes Study and Survey grants each biennium to school districts through the School Construction Assistance Program. The report states the average grant amount has been $723,000 per biennium; for a six-year period the current level of condition assessments is estimated at $2,169,000. Therefore, the new or incremental resource level needed to develop a K-12 Facility Inventory and Condition System over three biennia is as follows:

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Option 1: Simple Summary Information; Partial State Data = $359,000
Option 2: Simple Summary Information; Complete State Data = $1,990,000
Option 3: Semi-Customized Information; Complete State Data = $2,354,000
Option 4: Completely Customized Information; Complete State Data = $3,530,000
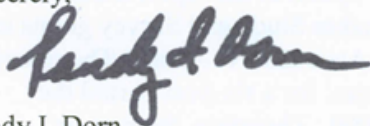
Cost and Benefit to School Districts
This system should be developed with school district costs and benefits in mind. JLARC's report identifies that K-12 Facility Inventory and Condition data is feasible to collect and notes the time it took school district personnel to complete the data collections for both inventory and condition. OSPI recognizes school districts will need to invest this time if meaningful, statewide information is to be developed and maintained.

This investment of time comes with some of the following benefits to school districts if Cost Option 3 is pursued.
- Automates the Study and Survey process for school districts participating in the School Construction Assistance Program.
- Provides import/export capability for school districts that have existing systems and do not want to spend time re-keying data.
- Offers a project costing model based on condition assessment data would be available for use by school districts as they plan for upcoming facility investments.
- Allows for development of school facility operation and maintenance budget estimates based on school district condition assessments.
- Provides tools allowing for comparative analysis of projects or costs in other, similar school districts across the state.
- Keeps systematic records and provides continuity of information to school districts, particularly within smaller school districts where knowledge may not be institutional, where turnover can be high and which may only reside with one staff person.
- Potentially, streamlines the process to one school facility data submittal being made to the state for dissemination to other state agencies and stakeholders.

Again, this report can serve as a basis for future decisions about investment in a K-12 Facility Inventory and Condition System. The idea has been considered for a long time and now is the time to move this effort forward. I included a placeholder request for development of a K-12 school facility data system in my 2010 Supplemental Capital Budget Proposal. Now that this report is complete, my staff will prepare a budget request for consideration by the Legislature this session.

Sincerely,

Randy I. Dorn
State Superintendent of Public Instruction

Superintendent's Office
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Spokane Public Schools
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December 8, 2009

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JLARC

Joint Legislative Audit and Review Committee
P.O. Box 40910
Olympia, WA 98504
Attn: Ruta Fanning, Legislative Auditor

Subject: Comments on Preliminary Report
            K-12 Pilot Facility Inventory, Condition and Use System

Dear Ms. Fanning:

Spokane Public Schools was pleased to be one of the school districts that participated in gathering information for the Joint Legislative Audit and Review Committee's (JLARC) preliminary report on the K-12 Facility Inventory, Condition and Use System. We believe this information will be a valuable tool for OSPI and the State Legislature to have in order to accurately establish the magnitude and condition of school facilities statewide. We have recently received the preliminary report dated December 1, 2009 and have been asked to provide comments.

Spokane Public Schools is the largest school district that participated in the pilot. We were asked to collect data on 3 of our 60 facilities. Our staff had a combined effort of 134 hours to gather the information for this limited sampling. In order to meet the required deadlines, we also had to hire a consultant to assist us in gathering the information.

After reviewing the preliminary report in detail, we have the following comments:

The JLARC Preliminary Report recommends that the school districts be reimbursed using the formula on OSPI's D-1 Study and Survey Form.

OSPI currently uses a formula, based on enrollment and cost per square foot of school district inventory, to calculate the reimbursement amount for the inventory and condition study. The amount of the reimbursement from the State for this required study and survey is substantially less than what the actual data costs a school district to gather the required information. Due to the size and scope of this task, our district must outsource this effort by hiring a consultant. In 2009, the cost of our D-1 Study and Survey was $104,920 compared to a reimbursement of $66,770 from OSPI, based on the D-1 form formula. A similar study was done in 2003 using the same consultant, with a similar cost and similar reimbursement rate. In addition, the report recommends that all district facilities, including administrative and support facilities, be evaluated while OSPI's D-1 only reimburses for facilities that are occupied by students.

Our cost to participate in the pilot resulted in a very similar cost to conducting the D-1 Study and Survey.

As stated above, our effort to collect data for a 3-school sample was 134 hours. The effort included costs to assess the condition of the facilities, as well as room function and use, and space inventory.

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Our cost to complete this data on 3 schools is estimated at $10,050 or $0.044 per square foot. To perform this work for our entire district, the amount would be $165,633. It is our understanding that the final recommendations may not include the room function and use components; however, it is difficult to predict what our costs will be until we know which methods will be required to fulfill the requirements of the survey. Our experience is that the D-1 report is two times that of what OSPI reimburses.

The JLARC Preliminary Report recommends gathering this data annually, but will only reimburse the district for one report every six years.

All four recommended options in the report require annual data gathering. However, the cost of collecting the data is based on the legislature funding the study only once every six years using a formula that does not cover the cost of performing this study. As an example, our district will pay approximately $110,200 every year, and in six years, that total will be $661,200 of general fund dollars, with only $66,770 of that amount being reimbursed by OSPI. This puts another burden on already cash-strapped districts and would add to the list of unfunded mandates by the State, in our opinion.

Options 3 and 4 require new and perhaps more complicated data gathering methods.

Options 1 and 2 recommend using similar data collecting methods that are currently being used by OSPI in the D-1 Study and Survey. Options 3 and 4 may require a more detailed method using new forms and data collection methods. Having served as a pilot district for this study, we know that a more detailed method will be more costly than the D-1 method. It is important to note that districts already have to collect data for the D-1 and the Asset Preservation Program (formerly known as the "2% rule"). There is considerable redundancy with respect to the information-gathering tasks; however, each version has a separate reporting requirement. It would be beneficial to districts if these three facilities reports could be combined into one effort.

In summary, Spokane Public Schools believes that this information is important and should be gathered. However, the gathering and reporting of this data is costly to school districts, and they should be reimbursed adequately for the true costs of providing such facility data to the State.

Sincerely,

Nancy Stowell

Nancy J. Stowell, Ph.D.
Superintendent

c.   Dr. Mark Anderson, Associate Superintendent, School Support Services
        Mr. Greg Brown, Director, Capital Projects

STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555

December 18, 2009

TO: Ruta Fanning, Legislative Auditor
            Joint Legislative Audit and Review Committee

FROM: Victor A. Moore
            Director

**SUBJECT: JLARC PRELIMINARY REPORT ON K-12 FACILITY
            INVENTORY, CONDITION AND USE SYSTEM**

Thank you for giving the Office of Financial Management the opportunity to review and comment on the Joint Legislative Audit and Review Committee's preliminary report on K-12 Facility Inventory, Condition and Use System.

We have no specific comments to include in your final report that is scheduled for presentation to the Committee on January 5, 2009.

If you have any questions, please contact Alicia Dunkin at (360) 902-0582.

cc: Tom Saelid, Senior Budget Assistant, Office of Financial Management
        Alicia Dunkin, Budget Assistant, Office of Financial Management

APPENDIX 2A – AUDITOR'S COMMENTS

We appreciate the representation of the Spokane Public Schools in the pilot as an urban district, and as the largest district in the pilot. We want to clarify a few issues raised in their response to the study.

The JLARC report did not include any recommendations, as indicated in the response from the Spokane Public Schools. Rather, the report included options and information for the Legislature to consider if it undertook an expansion of the pilot statewide.

If the pilot were to be expanded statewide, several options for the Legislature to consider included a full condition evaluation to be conducted by a professional consultant every six years, with funding based on the existing "study and survey" model. Our assumption was that the districts would update inventory and condition data in the intervening years, but that this would not necessarily require a full condition evaluation every intervening year. The response from Spokane Public Schools indicates costs based on assuming this full evaluation would be performed every year, and this cost is likely higher than the cost anticipated by our options.

APPENDIX 3 – DISTRICT PARTICIPANT DETAIL

District Participants Vary in Size, Setting, and Fiscal Capacity

District Name	County	Size Student Enrollment (Headcount 2008-09)	Setting	Fiscal Capacity: 2008 State Match Ratio	Year Most Recent Local Construction Bond Passed	Number of Buildings (excluding portables)	Skills Center?
Bridgeport	Douglas	763	Rural	91.40%	1990	7	No
Evergreen	Clark	26,433	Urban	68.52%	2002	41	Yes
Keller	Ferry	35	Rural	85.43%	Before 1990/unknown	1	No
Lopez Island	San Juan	222	Rural	20.00%	2008	3	No
Marysville	Snohomish	11,662	Suburban	63.89%	2006	19	No
Meridian	Whatcom	1,835	Urban	58.40%	2001	21	No
Oakesdale	Whitman	116	Large Town	58.87%	Before 1990/unknown	2	No
Pullman	Whitman	2,344	Large Town	61.99%	2002	8	No
Spokane	Spokane	29,609	Urban	67.70%	2003	59	Yes
Tumwater	Thurston	6,620	Suburban	59.48%	2003	13	Yes

Sources: Enrollment – OSPI Report 1049 for headcount. State Match Ratio and location of skills centers – OSPI. All other information supplied by districts/JLARC staff analysis.

APPENDIX 4 – PILOT METHODOLOGY

Methodology

The pilot was approached as a case study, with comments and other feedback on time and effort collected from the nine pilot participants to give a sense of the feasibility of expanding the pilot statewide.

JLARC staff worked with independent consultants to design a format for collecting the different types of facilities data, and contracted with the Washington Association of Sheriffs and Police Chiefs to develop web-based forms to collect the information from the pilot participants.

JLARC staff provided the pilot participants with a training videoconference at the beginning of the pilot, and assistance with questions via phone calls and a web-based message board throughout the pilot.

At the conclusion of the pilot, JLARC staff conducted a debriefing phone call with the participants from each district, and sent the participants a copy of their condition evaluations to check for accuracy and completeness.

Independent consultants were hired to conduct condition evaluations on the same buildings that the district staff evaluated. JLARC compared the evaluation scores and found little difference between the two groups. The independent consultants were also asked to compare two condition evaluation forms: the existing OSPI form, and another form that was created for the pilot.

APPENDIX 5 – BUILDING SYSTEMS

UniFormat Code	Building System
A1010	Substructure - standard foundations
A1020	Substructure - special foundations
A1030	Substructure - slab on grade
A2020	Substructure - basement walls
B1010	Shell - floor construction
B1020	Shell- roof construction
B2010	Shell - exterior walls
B2020	Shell - exterior windows
B2030	Shell - exterior doors
B3010	Shell - roof coverings
B3020	Shell - roof openings
B3030	Shell – roof projections
C1010	Interiors - fixed and moveable partitions
C1020	Interiors - doors (includes door, frame, and hardware)
C1030	Interiors - specialties
C2010	Interiors - stair construction (treads, risers, and handrails)
C2020	Interiors - stair finishes (stair steps)
C3010	Interiors - wall finishes
C3020	Interiors - floor finishes
C3030	Interiors - ceiling finishes
D1010	Service systems - elevators & lifts
D2010	Service systems - plumbing fixtures
D2020	Service systems - water distribution
D2030	Service systems - sanitary waste
D2040	Service systems - rain water drainage
D2090	Service systems - special plumbing systems
D3010	Service systems - HVAC - energy supply (gas piping to boiler)
D3020	Service systems - HVAC - heat generating systems (boiler)
D3030	Service systems - HVAC - cooling generating systems
D3040	Service systems - HVAC - distribution systems
D3050	Service systems - HVAC - terminal & package units
D3060	Service systems - HVAC - controls & instrumentation
D3090	Service systems - HVAC - special systems and equipment
D4010	Fire protection - sprinkler systems
D4020	Fire protection - stand-pipe and hose systems
D4030	Fire protection - specialties (extinguishers)
D4090	Fire protection - special systems

UniFormat Code	Building System
D5010	Electrical - service & distribution (e.g., electrical-fired boiler)
D5020	Electrical - lighting and branch wiring
D5030	Electrical - communication and security
D5090	Electrical - special systems
E1010	Equipment - fixed furnishings & equipment (e.g., lockers, telescoping bleachers)
F1010	Integrated and special construction systems
F1050	Special controls and instrumentation

BUILDING CONDITION EVALUATION FORM

County/School District		School Name				Building Name/#	

		RATINGS					
COMPONENTS	SYSTEMS	GOOD (1)	FAIR (2)	POOR (3)	UNSAT. (4)	COMBINED	COMMENTS
1.0 Exterior Building Condition	1.1 Foundation/Structure	+12	+8	+6	+4		
	1.2 Walls	+8	+5	+3	+1		
	1.3 Roof	+7	+5	+2	0		
Component Score	1.4 Windows/Doors	+2	+1	0	0		
	1.5 Trim	+2	+1	0	0		
2.0 Interior Building Condition	2.1 Floors	+8	+5	+2	0		
	2.2 Walls	+8	+5	+1	0		
Component Score	2.3 Ceilings	+5	+3	+1	0		
	2.4 Fixed Equipment	+2	+1	0	0		
3.0 Mechanical Systems Condition	3.1 Electrical	+6	+4	+2	0		
	3.2 Plumbing	+4	+2	+1	0		
	3.3 Heating	+6	+4	+2	+1		
Component Score	3.4 Cooling	+6	+4	+2	+1		
	3.5 Lighting	+4	+3	+2	0		
4.0 Safety/Building Code	4.1 Means of Exit	+6	+4	+2	0		
	4.2 Fire Control Capability	+4	+3	+2	+1		
	4.3 Fire Alarm System	+4	+3	+2	+1		
Component Score	4.4 Emergency Lighting	+2	+1	0	0		
	4.5 Fire Resistance	+4	+3	+2	+1		
	TOTALS						
5.0 Provisions for Handicapped		X	X	X	X		

Suitability Code and Definition (Circle Appropriate Code)	4 Building makes positive contribution to educational environment 3 Building suitable 2 Current use of space is compatible with intended use but needs remodeling 1 Current use of space is not compatible with intended use or design

Significant Location Factors / Overall Conclusions

		Date	Unadjusted Score	Adjusted Score
Evaluator Signature	_____			
School Official Signature	_____			

(BCEF 6/26/01)