

Examples of Possible Recommendations from School Construction Spending Issues Identified by the Task Force

Potential Administrative or Specific Issue Recommendations

1. The work of the Joint Two Force on School Construction should be divided into two phases. In the first phase, the task force will complete a review of spending issues by January 2008. In the second phase, the task force will complete a final report with recommendations on funding issues by December 2008.

Next Action Steps: *Budget proviso changes*

Fiscal Impact: *None*

2. The current State School Construction Assistance formula should be made more transparent in terms of the assumptions about what is actually funded.

Next Action Steps: *Budget proviso establishing a workgroup to explore the implications and report options through budget*

Fiscal Impact: *Less than \$200K*

3. As part of their feasibility study of establishing a statewide school facility information system, the Office of Superintendent of Public Instruction should ensure that the necessary data elements are included. This should include a focus on comparable information across school districts and needed information regarding the impact of educational reform and other programmatic changes (e.g. all day kindergarten, class size reduction, etc). Consideration should be given to jointly working with planned energy audits conducted by the Construction Services Group and information from the school mapping project.

Next Action Steps: *Conduct a joint legislative capital worksession early in 2008 session to more thoroughly review OSPI's current plan to see if it meets legislative expectations.*

Fiscal Impact: *None*

4. A more robust program to provide regional assistance in school construction management and other kinds of technical assistance should be established. Possible entities to be included: Educational Service Districts; Department of General Administration; architectural services partners with the state's community and

technical college system for project management; and the Construction Services Group. As part of this effort, the feasibility of more standardized contracts for school construction projects should be evaluated.

Next Action Steps: *Possible budget proviso directing OSPI to establish a phase-in of this program.*

Fiscal Impact: *To Be Determined*

5. The Office of Superintendent of Public Instruction should prepare an implementation plan for changing from a July annual release cycle to one that allows school districts to take better advantage of the seasonal nature of the construction bid environment.

Next Action Steps: *Budget proviso directing OSPI to establish the plan.*

Fiscal Impact: *Should be revenue neutral at full implementation, but initially could cost more.*

6. An independent analysis of the current method of projecting enrollment used for determining eligibility should be conducted.

Next Action Steps: *Budget proviso directing the Washington State University Social and Economic Sciences Research Center to conduct the analysis.*

Fiscal Impact: *\$200K*

7. Methods for encouraging/incentivizing cooperative partnerships/joint use of facilities with early learning providers, social service providers, skills centers, community and technical colleges, and public baccalaureate institutions should be implemented. These steps must be taken with appropriate safeguards to ensure that the policy is implemented as intended and it is truly a partnership.

Next Action Steps: *Legislative staff, with the assistance of OSPI and other entities, develop options for implementing. Possible budget proviso.*

Fiscal Impact: *To Be Determined*

8. The Legislature should look at revising the method of determining “instructional space” as it relates to community facilities partnerships and should also review barriers, such as liability and maintenance considerations, in schools being used for this purpose.

Next Action Steps: *OSPI, with the assistance of legislative staff and other entities will develop options and criteria for implementing. Possible budget proviso.*

Fiscal Impact: *To Be Determined*

9. The current statutory six year limit for the expenditure of impact fee revenues should be extended to allow for land acquisition and other possible longer term school construction related needs. Criteria will be developed for extension and this will require an evaluation for each respective school board of the appropriateness of this extension.

Next Action Steps: *Bill allowing this extension with OSPI convening a workgroup to determine appropriate criteria (e.g. school board action, resolution specifying how they will use the resources).*

Fiscal Impact: *No Direct Fiscal Impact*

10. More information needs to be gathered regarding the current bond thresholds and the impact that this has on school construction costs.

Next Action Steps: *The task force will have a presentation by appropriate entities at their first meeting in phase II of their work.*

Fiscal Impact: *None*

11. Methods for promoting and coordinating funding for the improvements of safe walking conditions and sidewalks should be explored.

Next Action Steps: *The task force will have a presentation by appropriate entities at their first meeting in phase II of their work.*

Fiscal Impact: *None*

12. The Office of Superintendent of Public Instruction and the Department of Natural Resources should conduct a feasibility analysis and develop options for using existing state lands or acquire new lands in high growth areas of the states for schools (aka land banking).

Next Action Steps: *Budget proviso directing the establishment of workgroup to conduct the analysis.*

Fiscal Impact: *No Direct Fiscal Impact*

Potential Larger and More Global Recommendations (To Be Dealt With in Phase II)

1. The Office of Superintendent of Public Instruction and Institute for Public Policy should provide the Legislature more information on current school facility conditions in the state and information about the connection to student performance.
2. The funding formula should be revised to better address access to the School Construction Assistance Program for districts with multiple bond levy failures, lack of property tax base, low property tax valuation and/or small school districts.
3. The funding formula should be revised to reflect regional cost differences for school construction.
4. The funding formula should be revised to promote the more timely distribution of funds to fast growing school districts.
5. A determination should be made regarding whether the 20 percent floor used in the state matching ratio should be maintained, increased, or decreased.
6. The current funding formula should be revised to accommodate changes, such as the need for specialized program spaces like special education, science labs and historic school buildings.
7. The funding formula should be evaluated and possibly modified to address hyper inflation, but this should consider bid climate and other factors (example of other factors: project scope, scope creep, public works procurement method, cost estimating, etc) beyond inflation.
8. As part of phase two, the Joint Task Force on School Construction should review the feasibility and desirability of more significant overhaul of the state's method of funding school construction.
 - Does the current system produce the needed type of school facilities? Is this true statewide and for all districts?
 - Are modifications needed to the current funding system based on programmatic changes (eg. education reform, class size reduction, technology, etc)?
 - What is the appropriate role for local control?