

at the crossroads

school building

OFFICE OF
PUBLIC
SCHOOL
CONSTRUCTION

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STATE OF THE MONEY:

Schools, Jobs, Priorities & Bonds

An honest appraisal of the financial picture of school funding, challenges in getting shovel-ready projects moving, issues with the unfunded list, adjustments to priority, local matches and district limitations.

Remaining Bond Authority

With the State's current financial situation and no future school facilities general obligation bond in sight, there are concerns about whether the State will be able to fulfill school districts' future facilities needs.

Until another statewide general obligation bond is authorized by the voters, School Facility Program (SFP) funding is limited to the remaining bond authority.

Considering the workload currently in process and average rates of funding, bond authority will be exhausted for certain programs in the near future, yet other programs are undersubscribed.

Consideration must be given to most effectively utilizing the remaining bond authority, particularly until negotiations are underway for the next statewide school facilities bond.

Funding Order / Priorities

The current practice for making apportionments allows no consideration for whether school districts are ready to proceed with construction, limiting the ability to prioritize projects, stimulate the economy, and create jobs.

Despite the current availability of cash, many school districts with State Allocation Board (SAB) approved apportionments are not in a position to immediately submit a fund release request, tying up available funds for other projects and potentially jeopardizing future SFP funding availability.

On May 12, 2010, the SAB Priorities in School Construction Funding Subcommittee will further discuss options for modifying the current method of providing apportionments.

It is anticipated that an item to alter the current funding model will be presented at the May 26, 2010 SAB meeting.

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DIVISION OF THE
STATE
ARCHITECT

Kathy Hicks, DSA Acting Deputy Director David Thorman, State Architect



BUILDING THE FUTURE:

Bins, Change Orders, Reviews & Closeouts

A preview of administrative changes proposed to streamline and improve the DSA processes to ensure timely certification of all projects.

DSA Recent Changes

The DSA has been actively engaged in top to bottom re-evaluation of its processes in an effort to streamline plan review and project closeout.

- A new approach to workload distribution provided a reduction in wait time for new project reviews (“bin time”) from 12 to just under five weeks.
- An improved electronic tracking system is under development allowing better tracking of project documents for clients and the DSA.
- A priority system for plan reviews has been in effect for one year; it allows projects that are ready to construction to receive priority review and approval to provide the much needed economic stimulus. To sustain integrity of the process, DSA is reviewing the progress of projects in accordance with certifications made for priority review.

Performance metrics are a means of measuring current and proposed changes to ensure sustainability of the DSA’s improvement efforts.

Proposed New Changes

Any process inefficiencies throughout project plan review and construction contribute to failure of timely closeout for hundreds of projects. Recent dialogues with school and community college districts, architects and construction managers provided valuable solutions to process improvements arising from shared concerns about projects closed without DSA certification.

The DSA is evaluating a variety of changes ranging from operational to regulatory and legislative proposals that could result in long-term sustainable process improvements. In doing so, the DSA recognizes that a bottleneck may occur in any point in the process, ultimately impeding successful certification of safe school building construction. Thus, the solutions require a comprehensive approach including all of the points of project review, construction and post-construction activities.

Some of the proposals under consideration include:

- Streamlining DSA review of change orders by identifying change orders that must be submitted but do not require approval as administrative or cosmetic items;
- Implementing transparent performance metrics to increase accountability for all parties involved in the plan approval and project closeout process;
- Considering additional solutions specific to close out of relocatable buildings.