

# Advocacy through Effective Benchmarking and Communications: Making the Case for Quality School Facilities in OUSD



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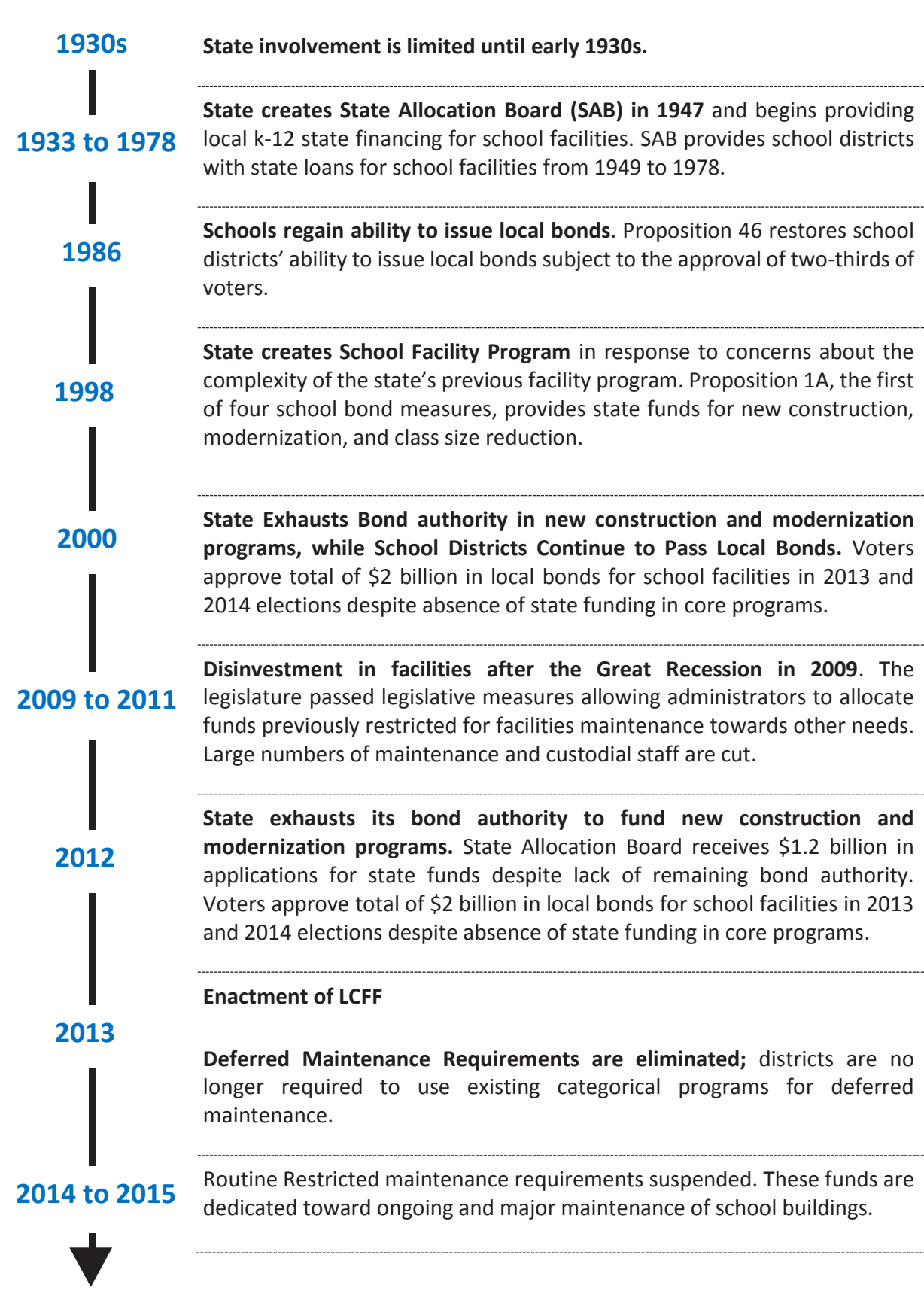
## Issue

The **Oakland Unified School District (Oakland USD)**, like many other districts in California and across the nation, has struggled to adequately fund the maintenance and operations (M&O) of its school facilities. Properly maintaining and operating facilities is essential to ensuring the health and success of students and educators. There are prodigious costs for putting off routine maintenance, with underinvestment in school facilities having a compounding effect on future costs of school repairs, renewal, and replacement.

Understanding the link between facilities and California’s new Local Control Funding Formula (LCFF) is critical for effectively promoting well maintained school facilities. Under LCFF, school districts are given increased flexibility and responsibility for local budgeting and decision making. To ensure appropriate local planning and engagement on facilities planning, school districts, school boards and their local communities need simple, useful tools that promote school facilities best practices to ensure educational quality, health and safety, and value in public spending.

## LCFF Context

### Facilities Funding in California Over the Years



In a 2010-2012 survey conducted by the Legislative Analyst’s Office, “70% of Local Educational Agencies (e.g. school districts) reported moving funds from deferred maintenance and 31% shifted all funds from deferred maintenance”.

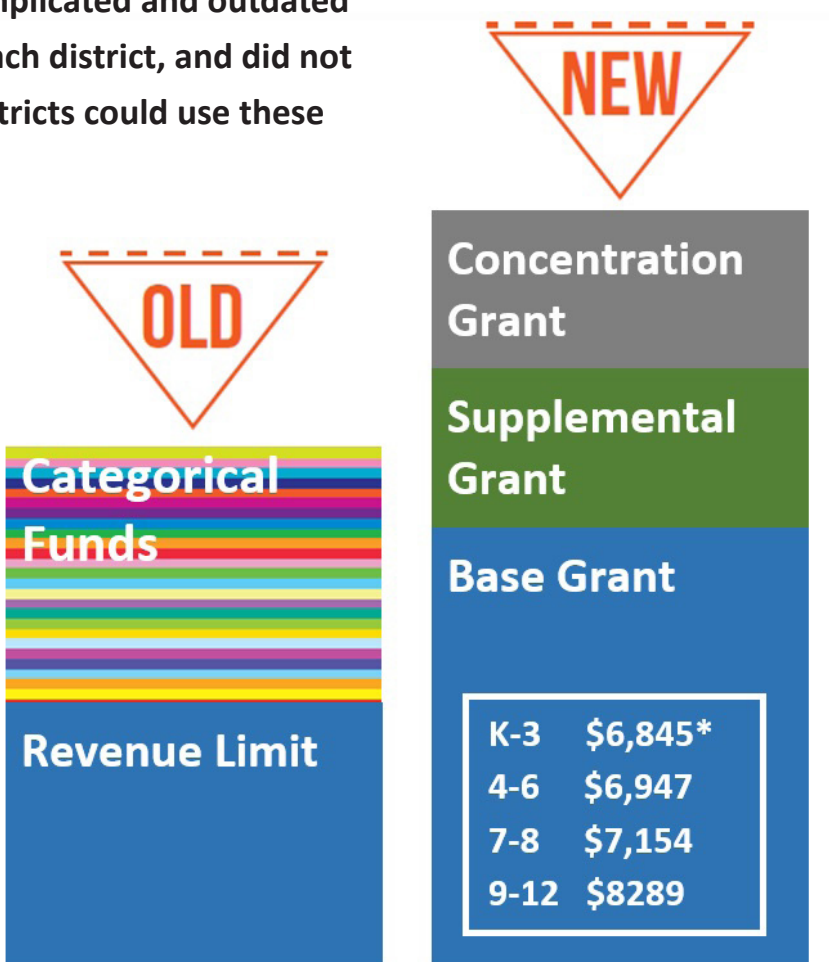
Legislative Analyst’s Office. (May 2, 2012). Year-Three Survey Update on School District Finance in California. Sacramento: LAO. Year-Two Survey Update on School District Finance in California. Sacramento: LAO.

Districts used to receive money through categorical funds that could only be spent on specific programs. The rest of the money, called the revenue limit, was given out using a complicated and outdated formula. The calculation was different for each district, and did not take the needs of students into account. Districts could use these funds at their discretion.

**Base Grant** - Establishes uniform per-student base grants, with different rates for different grade spans, intended to recognize the higher costs of education at higher grade levels.

**Supplemental Grant** - For each English learner, low-income, and foster youth students, districts receive an additional 20% of the adjusted base rate per student.

**Concentration Grant**- districts that have a high proportion (over 55%) of EL/LU/FY students receive an additional 50% of the adjusted base rate per student for each student above 55% of enrollment.



## Project Questions

- What are the current costs of underinvestment in school facilities in Oakland USD? How do Oakland USD’s facilities M&O budget trends compare to other California school districts and industry standards for achieving healthy and educationally adequate facilities?
- How can school districts communicate the importance of funding school facilities maintenance and operations? What tools and resources do districts need to facilitate the participation of parents, students, and communities in facilities planning that promotes educational quality, health and safety, and value in public spending?

## Methods for Creating Effective Benchmarking

**Current Replacement Value:** The current dollar cost of replacing a facility with one of similar capacity and function. Oakland USD’s CRV was calculated by multiplying the district’s total square footage (assessed in 2011-2012) by a new construction cost estimate (\$400 per square foot):

$$CRV = \text{Total Facilities Square Footage (actual Oakland USD SQFT)} \times \$400 \text{ per square foot new construction cost}$$

**Cost of Facility M&O:** According to the Association for Physical Plant Administrators (APPA), 2 -4% of the current replacement value (CRV) of a building should be spent on maintenance every year. Our calculation used 3% of CRV:

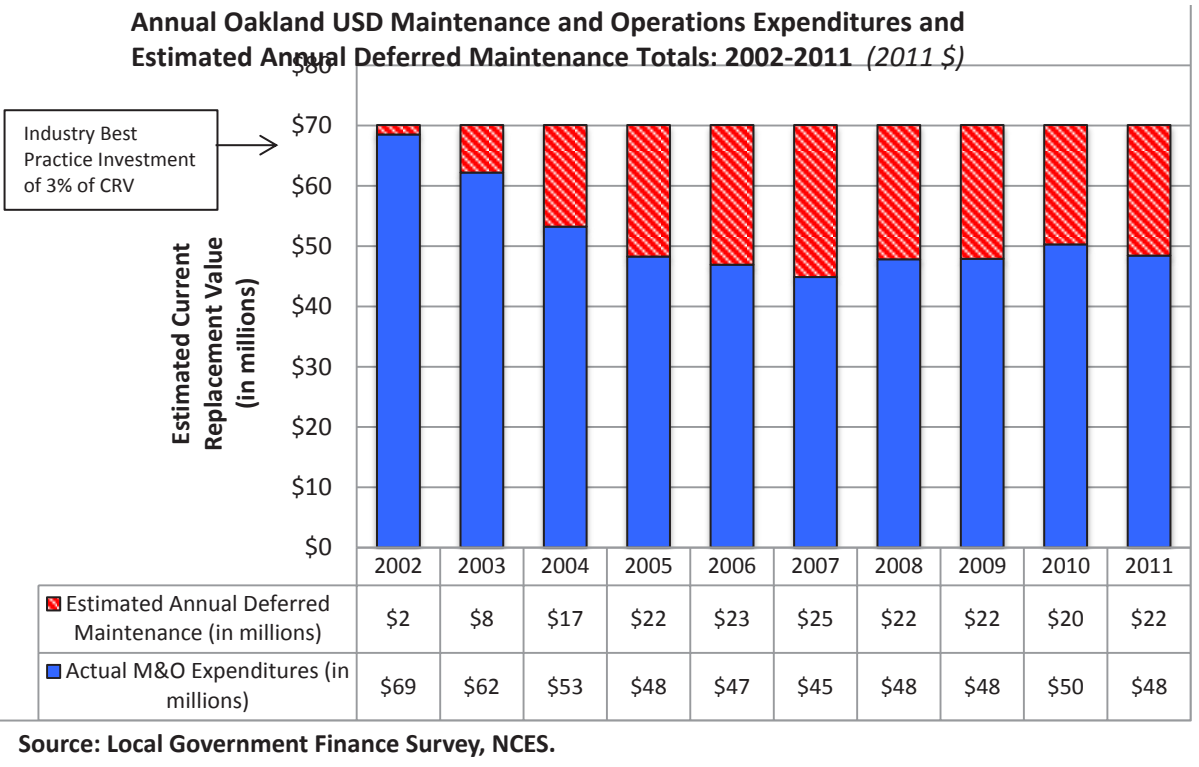
$$APPA \text{ Best Practice Yearly Maintenance and Operation Expenditures (actual Oakland USD expenses)} = CRV \times 3\%$$

**Deferred Maintenance:** The difference between Oakland USD’s annual M&O expenditures and the amount required to maintain a school facility in *good repair* according to APPA:

$$\text{Deferred Maintenance Estimate (for selected years)} = \text{APPA Best Practice Yearly Maintenance Expenditures} - \text{Actual M\&O Expenditures}$$

## Benchmarking Oakland USD M&O Against Industry Best Practices

Figure 3 depicts the annual expenditures Oakland USD made between 2002 and 2011 on facility operations and maintenance and the resulting deferred maintenance totals. Over the ten years of analyzed data, Oakland USD’s annual M&O district expenditures trended downward and the annual deferred maintenance totals increased. During this time span, deferred maintenance total grew at a yearly rate of \$18 million. During this same 10-year period, the estimated accumulated deferred maintenance totaled over \$183,000,000.



Based on the industry assumption that every \$1 of deferred maintenance is estimated to result in an additional \$4 of future needed capital improvements , the district’s estimated accumulated deferred maintenance between 2002-2011 will result in estimated additional capital outlays of \$732,000,000.

## Benchmarking Oakland USD M&O Expenditures Against Comparable School Districts

Table 2 shows that Oakland USD spends \$8.29 on maintenance per square foot, which is more than Fresno Unified and Sacramento City Unified but less than Long Beach Unified. Table 2 also shows maintenance spending per student enrolled in the 2010-2011 calendar year. Oakland USD spends more per student than Long Beach, Sacramento City, or Fresno USD.

Oakland USD M&O data indicators are not outliers, with comparable districts M&O expenditure and staffing indicators falling both above and below Oakland USD’s. This suggests that districts across the state may be collectively struggling to adequately maintain and operate their facilities. Exogenous factors, irrespective of local district environments, may be affecting local districts’ ability to achieve *good repair*.

Comparable District and State Maintenance and Operation’s Expenditures (2011 \$)						
School District	Annual Average M&O Expenditures 2007-2011 (Source: NCEs)	Total District Facilities sq ft (Source: LEAs)	Annual Average Enrollment 2007-2011 (Source: CDE)	Annual Average M&O \$ per sq ft (2007-2011) (Sources: NCEs and LEAs)	Annual Average M&O \$ per Pupil (2007-2011) (Sources: NCEs and CDE)	Annual Average M&O Expenditure as % of District Total Operating Budgets 2007-2011 (Source: NCEs)
Fresno USD	\$81,611,064	10,132,031	75,523	\$8.05	\$1,080.61	10.20%
Garden Grove USD	\$47,341,330	3,717,812	48,363	\$12.73	\$978.87	10.60%
Long Beach USD	\$97,086,664	7,629,591	86,097	\$9.58	\$1,127.64	11.10%
Oakland USD	\$47,866,085	5,841,891	46,524	\$8.19	\$1,028.85	7.90%
Pajaro Valley USD	\$16,518,487	2,304,129	19,549	\$7.17	\$844.97	6.30%
Piedmont USD	\$3,311,482	347,422	2,550	\$9.53	\$1,298.82	7.60%
Sacramento City USD	\$47,777,657	6,467,907	47,755	\$7.39	\$994.02	8.60%
State Total	N/A	529,453,528*	6,231,523	\$11.32*	\$961.90	8.7%

Notes: Shaded cells indicate lowest M&O expenditures  
M&O Expenditures: Covers buildings services (heating, electricity, air conditioning, property insurance), care and upkeep of grounds and equipment (e.g. custodial services), nonstudent transportation vehicle operation and maintenance, and security services. It does not include direct expenditure for construction of buildings, roads, and other improvements, and for purchases of equipment, land, and existing structures, nor does it include amounts for additions, replacements, and major alterations to fixed works and structures  
\*Estimated by Center for Cities and Schools at the University of California, Berkeley

## Strategic Advocacy: Communications Toolkit

To increase support for facilities on behalf of parents and district leaders, we designed a toolkit of resources intended convey the importance of facilities in context of the new accountability landscape under LCFF.

### Vision for the Toolkit

The toolkit is designed as a resource for individuals who are interested in making the case for appropriate investment in facilities in their school district. Each resource seeks to educate a diverse range of audiences on key issues in facilities and what they could do to support school facilities in their district in context of LCFF.



### Inside the Toolkit

The toolkit starts with a primer giving a “crash course” on promoting facilities in light of LCFF, followed by a series of stand-alone resources that can be shared to that end.

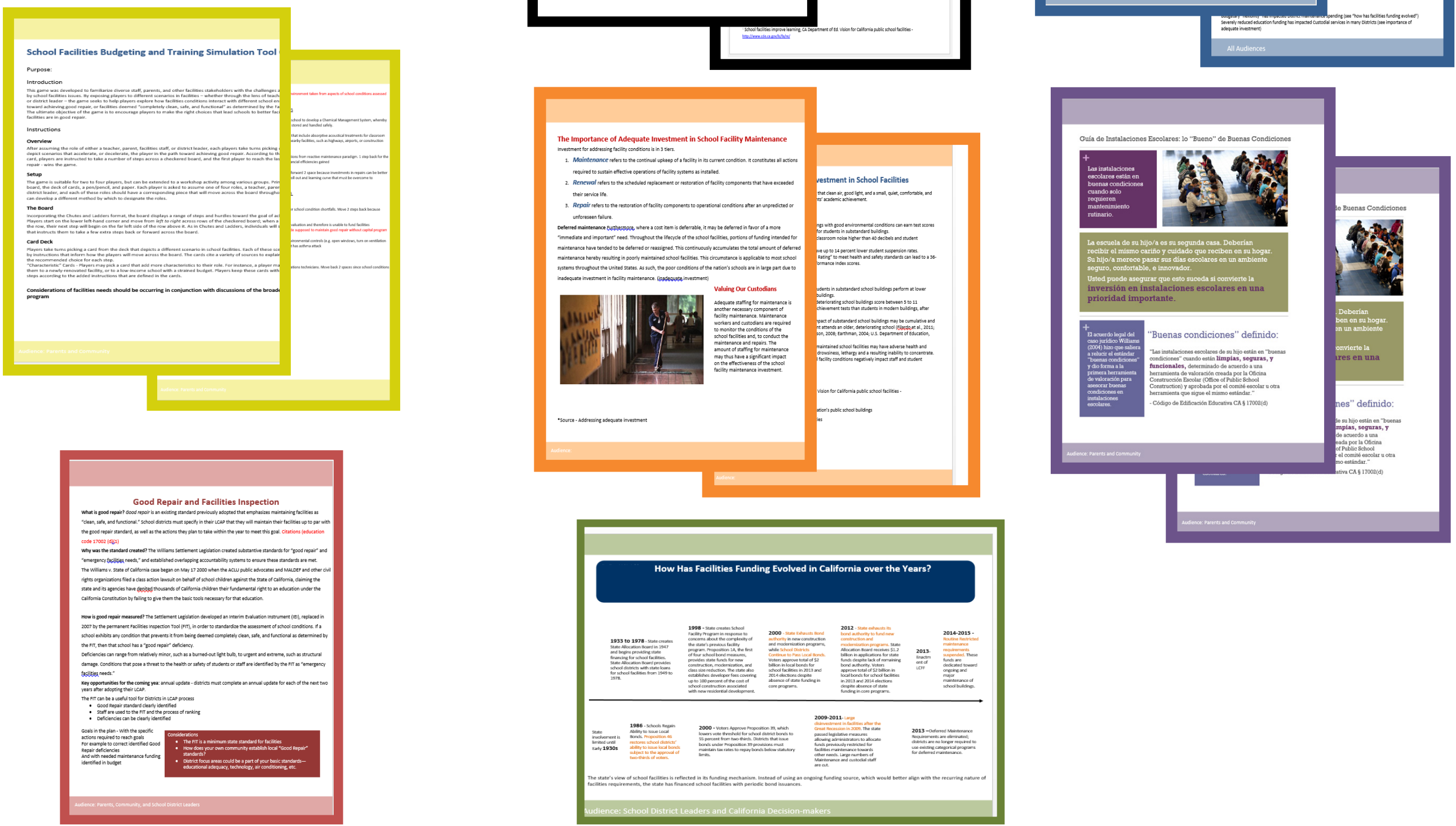
Primer: School Facilities in the Era of LCFF
Facilities Funding in California over the Years
Good Repair and Facilities Inspection
The Importance of Adequate Investment in School Facility Maintenance
School facilities 101: The Good in Good Repair
School Facilities Budgeting and Training Simulation Tool

- Use the toolkit’s primer to understand how changes at the state level are impacting your school district.
- Explore and share the resources within this document to promote facilities in your district.
- Use the toolkit as a training tool for parents participating in LCAP engagement committees.

### Sample Resources

The content of each of these resources corresponds to the color of the titles listed above.

\*note - School Facilities 101 available in Spanish and



### Data Sources

Our analysis used secondary data on maintenance and operations expenditures, staffing, facilities square footage and acreage, and district wide enrollment. District level M&O expenditures data were obtained from the National Center for Education Statistics (NCEs) Local Government Finance Survey. All dollars on expenditures in this report are adjusted for inflation using the Consumer Price Index (CPI) calculated by the United States Bureau of Labor Statistics and presented in 2011 dollars. Enrollment data for each district (averaged enrollment for 2007-2011) were obtained from Ed Data: Fiscal, Demographic, and Performance Data on California’s K-12 Schools. Oakland USD provided district level data on M&O staffing, work order requests, and square footage for years between 2009 and 2014. Comparable district staffing and square footage levels for years between 2009 and 2014 were obtained either directly through respective facilities department directors or publicly available Facilities Master Plans.