Budgeting the resources

A long waiting list hinders not only the rapid processing of subsidies but also discourages prospective builders from submitting subsidy applications. The budget of the investment funds should better dovetail with actual needs. One solution is to simultaneously determine the investment budget and take stock of the funds requested in subsidy applications, when setting the annual budget.

Increasing the return on future investments

The yield of future investments can be increased, thereby procuring savings over time. Workable methods exist, such as providing expert construction advice, master planning (the start-up of a planning activity that can as easily take place at government level as at contractor level), encouraging innovation (e.g. by organising a school building prize) and pursuing flexibility in design.

Bibliography


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SCHOOL CONSTRUCTION IN THE UNITED STATES

The following is taken from the “Annual School Construction Report, January 1999” written by John B. Lyons of the United States Department of Education.

The Department of Education’s 1998 Common Core of Data Survey for public elementary and secondary schools reports an estimated capital outlay of $27.5 billion in the 1995-1996 school year; a 12.6 percent increase over the prior year, and a tripling of outlays over the past decade. The National Education Association (NEA) reported $29.1 billion in capital outlays for 1997-1998, a 12.7 percent increase over the prior year, and a 173 percent increase over the past decade.

School construction outlook

The construction of educational buildings is expected to witness a 7 percent plus growth during calendar year 1999. Although an expected weaker economy in 1999 will no doubt dampen construction in general, the continued increase in student enrollments, especially in the West, coupled with continued successful passage of school construction bond programs, assures school construction and rehabilitation will remain vibrant through 2000.

Of the three categories of kindergarten to year 12 schools, middle schools saw the highest level of construction in 1997-1998 followed closely by elementary schools. Total school construction, including new schools, additions to existing schools, and significant renovation projects completed, required almost $12.7 billion. While new school construction continued to be the most visible element, it amounted to only 49 percent of all school construction, followed by additions at 29 percent and 22 percent for modernization. By the year 2000, additions to school buildings is expected to rank third.

Regional school construction – 1997

While it is difficult to identify and provide solid consistent school construction data, an evaluation of regional activities – using the 10 Federal districts as a model – shows that the two Southwestern regions as a block continued to lead the nation in total school
construction, with a substantial amount of construction (approaching two thirds) going for new schools. This trend follows the expected pattern with expanding populations settling in areas where new housing is being developed. The Northeastern region spent major portions of their school construction budget on new school buildings, perhaps because of their greater portion of older school buildings.

Nationally, concerning features included in the construction of new elementary schools there was an increase in the percentage of art rooms, language labs, and outdoor athletic facilities, and a moderate decrease in middle schools of each of these features. New high schools nationwide witnessed a greater percentage decrease in the availability of music rooms, auditoriums and media centers than prior year construction requirements.

**Financing**

There continues to be a wide range of funding methods and cooperation between the local education agencies and their respective State Agencies. Currently 18 states require local revenues to be the primary base of support for school construction. The most common way of financing school construction at the local level remains the sale of general obligation bonds. Unfortunately, local bond initiatives continue to have an average failure of 30 percent. State bond sales, special and general tax revenues are used by 13 states to provide the majority of school construction aid. In the remaining 19 states local and state agencies share equally in developing the revenues necessary for school facilities.

The full report is available on the Web at http://www.edfacilities.org/ne/news2.html or by contacting John B. Lyons, telephone: 1 202 401 3721.

**MORE FIGURES ON US CONSTRUCTION**

School Planning and Management magazine has published the findings of its third annual construction report, breaking down US spending on various types of construction in 1997 and 1998. It specifies the facilities and equipment provided at the three school levels as well as the amount of space and cost per student. The national median of high schools planned or underway in 1998, for example, counted 762 students and showed a cost of $16,872 per student. See http://www.spmmag.com/construction/Construction1999/index.html.