



Higher Costs, Delays in Amended School Construction Plan

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SUMMARY

SINCE THE DEPARTMENT OF EDUCATION'S 2005–2009 five-year capital plan to add new school seats and repair and upgrade school buildings was adopted in June 2004, it has been amended annually as required under a memorandum of agreement with the City Council. Last month a second draft of the fourth annual amendment to the plan was released.

A comparison of the original plan to this latest proposed amendment finds that construction costs have risen substantially, projects are taking longer to complete than first estimated, and the budget for the five-year plan has grown by \$227.2 million and now totals \$13.4 billion (plus an additional \$440 million added by elected officials for school projects that are not part of the plan). Despite the rising costs, the plan still projects the creation of nearly 65,700 new school seats.

To cover the cost increases, the amendment proposes shifting more than \$800 million from the plan's total budget to constructing new schools, school additions, and related projects; and shifts an additional \$310 million into school repairs and upgrades. Much of the funds come from a more than \$1 billion reduction in the original plan's budget for some of Chancellor Joel Klein's initiatives such as turning large, poorly performing high schools into smaller schools within the same building and technology and other upgrades. Among IBO's other key findings:

- An analysis of 42 projects to add seats by constructing new school buildings or leasing new facilities found that the estimated cost had grown to \$2.4 billion, an increase of \$539.7 million since 2004. The estimated cost per seat grew by \$22,144 to \$83,221.
- The average time to complete the 42 projects grew by six months and now takes about three years and six months.
- An analysis of 839 school repair and renovation projects found that the estimated cost grew to \$842.6 million, an increase of \$134.9 million.
- Nearly 70 percent of the school repair and renovation projects slated to begin in 2005 and 2006 were delayed by anywhere from a couple of months to three years.

The current changes proposed for the education department's capital plan have already been approved by the Panel for Education Policy and must be approved by the City Council before the start of the next fiscal year on July 1.

FIVE-YEAR SCHOOL CAPITAL PLAN

In June 2004, a five-year, \$13.1 billion plan was adopted for building, expanding, maintaining, and upgrading the city's public schools. Each year the plan must be amended and approved by the Panel for Education Policy and the City Council. Last month the School Construction Authority (SCA) released a second draft of the proposed amendment for the current five-year plan. This new version of the plan, which has already been approved by the policy panel, provides \$13.4 billion to reduce overcrowding by adding 65,695 seats; make repairs in the city's roughly 1,300 public school buildings; to close poorly performing schools and create new, smaller schools within existing buildings; create or upgrade science labs; and make technological, safety, and other improvements.

Funding for the amended plan is \$227.2 million higher than the original adopted plan. The draft amendment also reflects the addition of \$440.0 million since 2004 for education capital projects sponsored by elected officials. This brings the total funding for Department of Education (DOE) capital projects to \$13.8 billion for fiscal years 2005 through 2009—a net increase of \$667.2 million or 5.1 percent over the amount originally planned.

The five-year plan groups projects into a variety of categories. The largest category remains System Expansion (\$5.0 billion or 37.7 percent), which includes funds for building new schools, expanding

existing schools, making improvements to leased school sites, and related projects. State of Good Repair projects (\$4.0 billion or 30.1 percent) range from replacing windows to fixing roofs and parapets to removing asbestos. The category called Educational Enhancements (\$2.5 billion or 18.5 percent) largely provides

funds for restructuring schools that are being closed due to poor performance. Safety and Security (\$430.7 million or 3.2 percent) includes projects to bring schools into compliance with building codes and improve safety systems and security. The remaining categories include funds for emergency needs (\$620.4 million or 4.6 percent), to complete projects initiated in the prior five-year plan (\$246.8 million or 1.8 percent), and for miscellaneous purposes (\$530.3 million or 4.0 percent).

Besides the increase in overall funding for the education department's capital budget, there has also been a shift in how resources are allocated among the five-year capital plan's project categories. The process of annual amendment allows for a reassessment each year based on new needs or priorities which result from revised student enrollment projections, problems revealed in annual building condition surveys, and policy initiatives. Therefore, the reallocation of resources between plan categories is to be expected.

The share of funding for the Educational Enhancements plan category, which includes projects that support the Chancellor's education strategies (e.g. restructuring high school facilities into "small learning communities" and constructing new science labs), has been sharply reduced and a large portion of this reduction has been used to bolster System Expansion—projects that add new seats to the school system. The need to direct more funding to System Expansion reflects not only an increase in the

Category	Original Plan		Current Proposal		Change		
	June 2004	Share of Plan	February 2008	Share of Plan	Dollars	Percent	Pct. Point
Five-Year Plan							
State of Good Repair	\$3,713.3	28.3%	\$4,023.9	30.1%	\$310.6	8.4%	1.8
System Expansion	4,225.0	32.2%	5,029.5	37.7%	804.5	19.0%	5.5
Educational Enhancements	3,840.2	29.3%	2,471.7	18.5%	(1,368.6)	-35.6%	(10.7)
Safety and Security	349.2	2.7%	430.7	3.2%	81.5	23.3%	0.6
Emergency	371.0	2.8%	620.4	4.6%	249.4	67.2%	1.8
Prior Plan Completion	225.0	1.7%	246.8	1.8%	21.8	9.7%	0.1
Miscellaneous	402.3	3.1%	530.3	4.0%	128.0	31.8%	0.9
Subtotal	\$13,126.0	100.0%	13,353.2	100.0%	\$227.2	1.7%	0.0
Add-Ons							
City Council	\$0.0	—	\$336.5	—	\$336.5	—	—
Borough Presidents	0.0	—	46.1	—	46.1	—	—
Mayor and City Council	0.0	—	57.3	—	57.3	—	—
Subtotal	\$0.0	—	\$440.0	—	\$440.0	—	—
TOTAL	\$13,126.0		\$13,793.2		\$667.2	5.1%	0.0

SOURCES: IBO; Department of Education.
NOTE: The figures in this table reflect total dollar amounts that will be obligated over fiscal years 2005-2009; they do not reflect the total cost of carrying out the school capital projects. May not add due to rounding.

total number of projects to be carried out, but also higher costs resulting from an overheated local construction market and the passage of Local Law 86 (the Green Building Law) by New York City. Costs have also increased for school repair and renovation projects which make up most of the projects in the other major categories of the five-year plan.

Funding allocated to System Expansion projects has grown by \$804.5 million since 2004 to reach \$5.0 billion, bringing the System Expansion share of the total plan to 37.7 percent, an increase of 5.5 percentage points over the share in the 2004 original plan. In the draft amendment all of the types of work included under System Expansion except leased facility improvements and site costs saw an increase in funding. Within this category the biggest increase in funding is for the construction of additions—currently up to \$622.6 million from \$72.3 million in 2004, an increase of 4.1 percentage points compared with its share in the original plan. In contrast, fewer funds are allocated to improvements for leased facilities—reduced to \$829.8 million from \$1.1 billion in 2004, down 2.5 percentage points from the original plan. The amendment also includes two subcategories introduced in May 2005 that provide funding for the relocation of schools that have to vacate their current locations—a total of \$286.8 million was included for 15 schools.

CHANGES TO THE SYSTEM EXPANSION PROGRAM

Note that up until now we have been discussing capital commitments that have or will be made during fiscal years 2005 through 2009 by plan category or subcategory. (A capital commitment or obligation reflects the awarding of a contract to construct, replace, renovate, or purchase a capital asset.) The discussion that follows in this section and the following section will focus on the total cost of school capital projects. Total costs can differ from the planned commitments or obligations shown in the summary table on page 2 as they include commitments and obligations that were made before 2005 and will be made after 2009.

Under the proposed amendment, DOE's 2005–2009 capital plan would create a total of 65,695 new seats by 2012 at a total estimated cost of \$5.1 billion for 112 capacity projects. Most of the new seats (49,671) will come from the construction of new schools and building additions and the balance (16,024) will come from leased facilities which on average are less expensive per seat (about two-thirds less) and per project (about half less) than new construction projects.

DOE has added a total of 22 capacity projects, 17 new construction projects and five leased facility projects, since the

original plan was adopted in 2004. Although there are more capacity projects, the total number of seats has only increased by 89. This net increase in new seats results from an increase of 5,645 seats provided through new construction less 5,556 fewer seats to be provided through leased facilities. At the same time, \$1.3 billion was added to cover the total cost of the new construction projects and \$241.5 million for leased facilities was eliminated—a net increase of \$1.1 billion in total funds for these System Expansion projects, excluding funds for replacement schools, transportable classroom units, and a unspecified portion for site acquisition costs.

RISING COST PROJECTIONS FOR SCHOOL CAPITAL PROJECTS

Construction costs in the city have grown faster than assumed by the School Construction Authority when the plan was developed and land values have been rapidly appreciating. To test whether there has been an impact for projects in the DOE capital program IBO examined how project costs and project schedules have changed since the original five-year capital plan was adopted in 2004. In order to ensure that the comparisons are consistent, IBO focused on projects that were included in the original plan and remained in DOE's five-year capital plan based on the current amendment proposal. The original plan identified capacity projects for all five years of the plan and school repair or renovation projects for the first two years of the plan; therefore, our analysis is based on capacity projects where construction was originally slated to start sometime between 2005 and 2009, and school repair or renovation projects that had been originally identified for start in 2005 and 2006.

It is important to note that some of the cost estimates for System Expansion projects are not directly comparable because the draft amendment does not indicate clearly whether site acquisition costs are included. Cost estimates for some individual capacity projects apparently do include site acquisition costs—land purchase, land appraisals, and some initial site prep (industrial, environmental, and health, or IEH investigations). By definition, lease facility projects do not include land purchase costs but their cost estimates do include land appraisal and IEH costs.

According to the SCA, site costs were not included in the cost estimates for capacity projects in the original plan. In subsequent amendments of the plan, however, site costs were included when a capital commitment or obligation was made to purchase the site. Unfortunately, the city's computerized budget and accounting system (the Financial Management System) does not provide the needed information because capital commitments for the acquisition of individual school sites are not itemized.

Given the lack of certainty as to whether site acquisition is included for a given project in the draft amendment and that the SCA could not provide us with the necessary information, we could not analyze the effect of higher land prices on project costs. In other words, the differences we observed in cost projections for capacity projects in the original plan and the same projects in the draft amendment may be somewhat overstated.

IBO’s measurement of the change in cost projections for school repair or renovation projects is also imperfect because the original scope of work and any changes to the project scope are unknown. That is, the number of units to be replaced, repaired, or added by a capital improvement project is not reported in the plan or in the city’s Financial Management System. In contrast, with the capacity projects, there is a clear unit to track—number of seats to be provided—along with the project cost estimate.

Project completion times are only discussed for capacity projects and not school repair or renovation projects. This is because the draft amendment only provides the fiscal year in which a capital improvement project will start; it does not indicate how long it will take to complete the work. (Note, project completion time can be found for all school capital projects in a separate document, the SCA’s *Quarterly Schedule and Budget Report*. But it follows a different reporting schedule and it is only in the most recent releases of the quarterly report that SCA has begun to use the same project identifier that is reported in the five-year capital plan documents.)

Cost per Seat. Looking first at the entire program to increase school capacity—combining new construction and leased facilities—the average estimated cost per seat in the draft amendment is \$77,718, 26.6 percent higher than in the original plan. On a per project basis, the increase is much less (2.0 percent increase to \$45.6 million). We also found somewhat longer project completion

times on average (up by about one month to 37.2 months), than the original plan.

The picture is quite different when we look separately at estimates for new construction and leases. The cost per seat for new construction in the latest amendment is \$85,052, an increase of 28.9 percent over the 2004 average. There are now more new construction projects—78 up from 61—although the average number of seats in these projects has shrunk. With fewer seats per project, the average cost of a new construction project has grown by less than the cost per seat. It now averages \$54.2 million, up 13.9 percent from the 2004 plan. There has been almost no change in the estimates of completion time.

The amendment includes 34 leased projects—up from 29 in the 2004 plan—and the projects are more than one-third smaller, averaging 471 seats compared to 744 seats for lease projects in the 2004 plan. With smaller leased projects, the cost per project has also fallen by roughly one-third, to \$25.9 million. The cost per seat has changed only slightly, increasing by 5.7 percent to \$54,986. The time to complete lease projects has grown by about three months between the 2004 plan and the new amendment.

OTHER CHANGES TO THE PLAN

In general, the current amendment proposal shows a net total of 179 repair, renovation, and improvement projects being added (814 canceled or removed and 993 added) since 2004. These projects, for the most part, are included in three main categories of the five-year plan—State of Good Repair, Educational

Taking A Closer Look At System Expansion Projects By Project Type						
	No. of Projects	Estimated Total Cost \$ in millions	No. of Seats	Average Estimated Cost/Seat	Average Estimated Cost/Project \$ in millions	Average Project Time months
Plan						
June 2004 Plan						
New Construction	61	\$2,904.4	44,026	\$65,970	\$47.6	43.0
Leased Facility	29	1,122.6	21,580	52,020	38.7	21.5
TOTAL	90	\$4,027.0	65,606	\$61,382	\$44.7	36.1
Feb. 2008 Proposal						
New Construction	78	\$4,224.6	49,671	\$85,052	\$54.2	42.6
Leased Facility	34	881.1	16,024	54,986	25.9	24.6
TOTAL	112	\$5,105.7	65,695	\$77,718	\$45.6	37.2
Change Total						
New Construction	17	\$1,320.2	5,645	\$19,082	\$6.6	(0.4)
Leased Facility	5	(\$241.5)	(5,556)	\$2,966	(\$12.8)	3.1
TOTAL	22	\$1,078.7	89	\$16,336	\$0.8	1.1
SOURCES: IBO; Department of Education.						
NOTES: This table excludes certain subcategories of System Expansion, including replacement schools, transportable classroom units, and some unspecified portion of site acquisition costs.						

Focus on the Rising Cost of Creating New School Seats

To better measure the change in cost projections we matched individual projects to increase the number of school seats in the original plan and in the new proposed amendment. Because some projects have been dropped and others added, not all projects could be matched. We found 42 capacity projects that were included in both plans and for which the type classification (new construction or lease) did not change. Overall, the total estimated cost for the 42 projects increased by \$539.7 million to \$2.4 billion—an increase of 28.5 percent since 2004. On average, this translates into an increase of \$12.9 million per project. Project scope, the number of planned new seats, decreased by 1,754 to 29,210—a decline of 5.7 percent since 2004. On average, this translates into a reduction of about 42 seats per project. The estimated cost per seat grew by \$22,144 to \$83,221—an increase of 36.3 percent since 2004. Over the same period, the time it takes to complete a project from the date project design starts grew by 6.0 months to 42.1 months.

Of these 42 projects, 29 were new construction. The total estimated cost for the new construction projects grew by \$637.5 million to \$2.1 billion—an increase of 44.7 percent since 2004. On average this translates into an increase of \$22.0 million per project. Project scope increased by 607 seats to 22,869—an increase of 2.7 percent since 2004. On average this translates to an increase of about 21 seats per project.

The estimated cost per seat grew by \$26,176 to \$90,218—an increase of 40.9 percent since 2004. Project completion time grew by 6.8 months to 49.6 months since 2004.

The remaining 13 projects were leased facilities. The total estimated cost for these projects was reduced by \$97.7 million to \$367.7 million—a decline of 21.0 percent since 2004. On average, this translates into a decrease of \$7.5 million per project. Project scope decreased by 2,361 seats to 6,341—a decline of 27.1 percent since 2004. On average this results in a decrease of about 182 seats per project. The estimated cost per seat grew by \$4,495 to \$57,988—an increase of 8.4 percent since 2004. Project completion time grew by 4.1 months to 25.3 months since 2004.

According to the SCA the cost estimates for capacity and school repair or renovation projects in the original plan assumed that project costs would grow at an annual rate of 3 percent. In fact, costs for both construction materials and labor have grown substantially faster. The high volume of construction activity in the city and higher prices for building materials have resulted in higher bids for many types of construction work, including school projects. The *Mayor's Management Report for Fiscal Year 2007* indicates that construction bids for capacity projects are coming in higher; the cost per square foot in 2007 was \$440 which represents an increase of 45.7 percent since 2004, far above the estimates when the five-year plan was originally developed.

Tracking Changes to System Expansion Projects in Both Plans By Project Type						
Plan	No. of Projects	Estimated Total Cost \$ in millions	No. of Seats	Average Estimated Cost/Seat	Average Estimated Cost/Project \$ in millions	Average Project Time months
June 2004 Plan						
New Construction	29	\$1,425.7	22,262	\$64,042	\$49.2	42.8
Leased Facility	13	465.5	8,702	53,493	35.8	21.2
TOTAL	42	\$1,891.2	30,964	\$61,077	\$45.0	36.1
Feb. 2008 Proposal						
New Construction	29	\$2,063.2	22,869	\$90,218	\$71.1	49.6
Leased Facility	13	367.7	6,341	57,988	28.3	25.3
TOTAL	42	\$2,430.9	29,210	\$83,221	\$57.9	42.1
Change Between Plans						
New Construction	29	\$637.5	607	\$26,176	\$21.9	6.8
Leased Facility	13	(97.8)	(2,361)	4,495	(\$7.5)	4.1
TOTAL	42	\$539.7	(1,754)	\$22,144	\$12.9	6.0

SOURCES: IBO; Department of Education.

Enhancements, and Safety and Security. This net change in projects was the result of expanding several subcategories of work—such as exterior masonry (172 projects), parapets (118 projects), roofs (90 projects) and windows (82 projects)—and scaling back others—such as lighting fixtures (127 projects), gymnasium upgrades (38 projects), telephone/intercom systems (37 projects), and safety systems (37 projects). The draft amendment also shows 396 projects being deferred, including lighting fixtures, floors, low-voltage electrical systems and climate control projects. The aforementioned changes are cumulative, from the adoption of the original plan in 2004 to February 2008. Changes, on the whole, to the main categories of the five-year plan (other than System Expansion) are discussed below.

State of Good Repair. The State of Good Repair category provides funding for building upgrades (climate control, elevators and escalators), system replacements (exterior masonry, windows, and roofs) and full exterior modernizations, which are required when several exterior components have a rating of “poor” or “fair to poor,” according to the education department’s annual *Building Condition Assessment Survey*. The share of total plan funds allocated to State of Good Repair projects has been increased by \$310.6 million or 1.8 percentage points since 2004.

The type of work that was most sharply cut back within State of Good Repair was lighting fixtures, which was reduced to \$23.9 million in the second draft of the proposed 2008 amendment from \$563.9 million in 2004 (4.1 percentage point decrease in total plan share). In contrast, exterior masonry work was expanded (currently up to \$776.4 million from \$119.9 million in 2004)—an increase of 4.9 percentage points in the share of the total plan. (See [supplemental table](#) on IBO’s Web site tracking changes in all five-year plan categories and subcategories.)

Educational Enhancements. The category called Educational Enhancements provides funds for projects that support the Chancellor’s education strategies. This includes restructuring large campus high schools into smaller learning communities, upgrading science labs in middle schools and high schools, and installing technology infrastructure to support classroom instruction and improve school oversight. The share of total plan funds allocated to these projects was reduced by \$1.4 billion or 10.7 percentage points since 2004 and the reduction was born almost entirely by the School Improvement and Restructuring Allocation subcategory.

In the original plan, only one year of school improvement and restructuring projects were identified. It was expected that new projects would be identified each year as part of the amendment

process. For the first year, \$379.7 million in funding for 738 projects in 189 schools was provided, according to the original plan adopted in 2004. These funds were allocated across several categories of work but the largest portions were set aside for upgrading electrical systems (\$151.2 million for 123 schools), science labs (\$59.7 million for 68 schools), and student toilets (\$49.6 million for 146 schools), and to provide “visual branding” for new school organizations located in restructured buildings (\$21.7 million for 182 schools).

The second draft of the 2008 proposed amendment has reduced the school improvement and restructuring program by \$149.8 million or 38.0 percent to \$229.9 million. The number of schools involved has been reduced to 56 from 189 and the number of projects to 66 from 738. A major portion of the remaining funds (\$189.9 million) are allotted to restructure 21 large high school buildings. No funds are allotted for upgrading electrical systems and a negligible amount is provided for upgrading student toilets—both of which comprised a large share of the 2005 School Improvement and Restructuring Allocation program in the original plan.

Safety and Security. Safety and Security includes funds to improve building security systems and communication systems and ensure that all facilities meet safety-related building regulations. In the second draft of the proposed 2008 amendment, the share of total plan funds allotted to Safety and Security projects was increased by \$81.5 million or 0.6 percentage points compared to the plan as originally adopted. More funds have been directed towards code compliance (up by \$116.5 million or 0.9 percentage points), while safety systems has been cut (down by \$52.2 million or 0.4 percentage points).

Emergency. Under this category we grouped the emergency repair work and emergency stabilization which are both necessary to ensure school safety and keep school buildings open. The second draft of the proposed 2008 amendment provides \$620.4 million, which represents an increase of \$249.4 million or 1.8 percentage points since 2004. Note that the current draft amendment, and the general DOE capital plan, never identify which schools have received emergency repairs since the start of the five-year plan or specify the type of work that has been performed.

Prior Plan Completion. The second draft of the proposed 2008 amendment provides \$246.8 million over five years to complete projects initiated under the prior (2000-2004) five-year capital plan. The share of total plan funds allocated for prior plan projects grew by \$21.8 million or 0.1 percentage points since 2004. Note, similar to the Emergency category, the current draft amendment and in general the DOE capital plan, do not

Focus on the Rising Cost of School Repairs and Renovations

As we did for the capacity projects, we analyzed school repair, renovation, and improvement projects across capital plan categories that could be matched in the original plan and the current amendment. Overall, the estimated cost for these matched projects grew by \$134.9 million or about 20 percent to \$842.6 million. Although project completion time is not provided, we do know that start dates for nearly 70 percent of the projects in the 2005 and 2006 school-based program were delayed by anywhere from a couple of months to three years.

The school-based program does not include all school repairs and renovation work in the plan, but it does reflect a large portion. The original plan, which only identified specific schools for the first two years of the school-based program, included 1,464 repair or renovation projects with a total estimated cost of \$1.3 billion. The draft amendment identifies a total of 2,540 school-based repair or renovation projects with an estimated total cost of \$3.6 billion. We were able to match 839 of these projects that met our criteria (in both plans and with consistent identifying information).

We examined the types of repairs and renovations that individually comprised more than 3 percent of the total share of 839 projects that we matched. Overall, we found that 8 of the 11 subcategories saw increases in total estimated project costs since the adoption of the original plan in 2004 and three experienced declines.

The cost of low-voltage electrical system projects, which comprise the largest share of all matched school-based projects (147 projects or 17.5 percent), increased by almost 40 percent to \$153.5 million. On average, this amounts to an increase of about \$300,000 per

project. The cost of climate control projects, which comprise 6.9 percent (58 projects) of all matched school-based projects, experienced the most change in percentage terms—an increase of 184.5 percent (\$43.1 million) to \$66.5 million. On average, this amounts to an increase of about \$745,000 per project. In contrast, the cost of safety system projects, which comprise 13.3 percent (112 projects) of all matched school-based projects, experienced the greatest decline in percentage terms—down by 29.5 percent to \$41.2 million. This translates into an average decline of about \$155,000 per project.

Green Building Law. Construction costs for school capital projects that begin after 2007 will also be affected by the city's Green Building Law. New York's Local Law 86, which took effect on January 1, 2007, requires that 50 percent of applicable capital projects achieve LEED certification, or the equivalent, and meet stringent energy and water conservation requirements. The education department, which developed its own guideline for schools, proposes exceeding the law's requirements by ensuring that 100 percent of applicable school projects attain LEED certification. According to testimony provided on May 15, 2007 by Deputy Chancellor for Finance and Administration Kathleen Grimm, the requirements of the city's Green Building Law will increase the cost of school capacity, repair, and renovation projects by about 5 percent.

Based on the current amendment proposal, more than one-third (41) of the 112 projects to increase school capacity and about three-quarters (1,892) of the 2,540 repair, renovation, and upgrade projects in DOE's five-year capital plan are scheduled to start after the beginning of 2007 and thus, are likely to be affected by the law's requirements.

Subcategory	No. of Projects	Percent of All Projects	Feb. 2008 Estimated Total Cost \$ in millions	Change Since June 2004		
				Estimated Total Cost \$ in millions	Average Estimated Cost/Project \$ in millions	Percent Change
Low-Voltage Electrical Systems	147	17.5%	\$153.5	\$43.5	\$0.3	39.5%
Safety Systems	112	13.3%	41.2	(17.2)	(0.2)	-29.5%
Flood Elimination	69	8.2%	28.7	8.8	0.1	44.6%
Electrical Systems	67	8.0%	62.3	(17.3)	(0.3)	-21.8%
Climate Control	58	6.9%	66.5	43.1	0.7	184.5%
Windows	50	6.0%	130.4	7.8	0.2	6.3%
Fencing	48	5.7%	13.3	5.0	0.1	60.9%
Auditorium Upgrade	33	3.9%	44.1	(17.2)	(0.5)	-28.1%
Exterior Masonry	33	3.9%	64.5	7.2	0.2	12.5%
Gymnasium Upgrade	28	3.3%	21.9	3.3	0.1	17.9%
Roofs	28	3.3%	42.7	8.5	0.3	24.7%

SOURCES: IBO; Department of Education.

identify which projects from the prior five-year capital plan are being funded in the current plan.

Miscellaneous. The proposed 2008 amendment provides \$530.3 million for miscellaneous expenses. The greater part of the funds (78 percent) is set aside for wrap-up insurance for SCA contractors and subcontractors (workers compensation and employers liability, etc.) while the rest is distributed among ancillary facilities, DOE administration, and annual building condition surveys. The share of total plan funds allocated to miscellaneous expenses grew by \$128.0 million (31.8 percent) since 2004. More funding was needed for wrap-up insurance (up to \$415.4 million from \$330.4 million in 2004) and a new plan subcategory and funds were added for DOE administration

(\$33.7 million) subsequent to the adoption of the original plan in 2004.

Elected Official-Sponsored Projects. The proposed 2008 amendment provides \$440.0 million for projects sponsored by elected officials (Borough Presidents, City Council Members, and jointly by the Mayor and City Council). These projects are outside the scope of the education department's five-year plan. The original plan adopted in 2004 did not include any discretionary funds for elected-official sponsored projects. Note, similar to the Emergency and Prior Plan Completion categories, the current draft amendment and in general the DOE capital plan do not identify the education capital projects supported with elected official-discretionary funds.

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