

**D25E03**  
**Interagency Committee on School Construction**

***Operating Budget Data***

(\$ in Thousands)

	<b>FY 06</b>	<b>FY 07</b>	<b>FY 08</b>	<b>FY 07-08</b>	<b>% Change</b>
	<b><u>Actual</u></b>	<b><u>Working</u></b>	<b><u>Allowance</u></b>	<b><u>Change</u></b>	<b><u>Prior Year</u></b>
General Fund	\$17,481	\$24,570	\$24,268	-\$303	-1.2%
<b>Total Funds</b>	<b>\$17,481</b>	<b>\$24,570</b>	<b>\$24,268</b>	<b>-\$303</b>	<b>-1.2%</b>

- Funding decreases \$302,526 overall in the fiscal 2008 allowance. A \$2.3 million increase in lease financing payments for the Technology in Maryland Schools program is offset by a \$2.6 million reduction in funding for the Aging Schools program. The allowance reduces the funding enhancement that was included in the 2006 budget bill for the Aging Schools program.
- Health insurance costs decline due to one-time savings. Adjusting for the one-time savings, the proposed budget is \$220,646, or 0.9% less than the fiscal 2007 working appropriation.

***Personnel Data***

	<b>FY 06</b>	<b>FY 07</b>	<b>FY 08</b>	<b>FY 07-08</b>
	<b><u>Actual</u></b>	<b><u>Working</u></b>	<b><u>Allowance</u></b>	<b><u>Change</u></b>
Regular Positions	17.00	19.00	19.00	0.00
Contractual FTEs	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>	<u>-1.00</u>
<b>Total Personnel</b>	<b>18.00</b>	<b>20.00</b>	<b>19.00</b>	<b>-1.00</b>

***Vacancy Data: Regular Positions***

Turnover, Excluding New Positions	0.57	3.00%
Positions Vacant as of 12/31/06	0.00	0.00%

- The allowance eliminates an unfunded contractual employee who assisted in recovering the State share of proceeds from the sale and lease of school facilities. Regular positions are unchanged from fiscal 2007.
- There are no vacancies as of December 31, 2006, making the budgeted turnover of 3.00% higher than the vacancy rate. As of January 1, 2007, there is one vacancy resulting in a vacancy rate of 5.00%.

Note: Numbers may not sum to total due to rounding.

For further information contact: Susan M. Werthan

Phone: (410) 946-5530

## ***Analysis in Brief***

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### **Major Trends**

***Public School Construction Program Inspectors Replace Department of General Services Inspectors in Conducting School Maintenance Surveys:*** The Public School Construction Program (PSCP) received funding in fiscal 2007 to hire two full-time inspectors to conduct public school maintenance surveys, replacing inspectors from the Department of General Services who had been responsible for maintenance surveys along with their other responsibilities. The new PSCP maintenance inspectors began their surveys in September 2006 and will continue through April 2007, with the goal of completing 230 inspections in their first year. **The Interagency Committee on School Construction (IAC) should discuss components of the program as it has evolved during implementation this year, including the possibility of publishing an annual report card to provide impetus for facility improvement.**

***Average Age of School Facilities Improves in Some Counties:*** The average age of the State's public school facilities in fiscal 2006 was 26 years old, with wide fluctuation among the State's 24 school districts. The oldest facilities are located in Baltimore City and the newest in St. Mary's and Talbot counties.

### **Issues**

***Maryland State Department of Education to Conduct Survey Assessing Condition of Public School Facilities:*** In 2003, the Maryland State Department of Education (MSDE) conducted a survey on the condition of public school facilities with the assistance of IAC staff. The survey must be updated in 2007, as required by the Public School Facilities Act of 2004, but no funds are included in the allowance to support the survey. **IAC should comment on the resources needed to conduct a facilities assessment similar to the survey in 2003 and any changes recommended for the design and administration of the survey.**

***The Baltimore City School System Initiates School Closures:*** In June 2006, the Board of School Commissioners (BOC) voted to close three schools in the fall as the first phase of a planned three-year 15% reduction in operating space. The closures represent a 3.2% reduction in the school system's total square footage, leaving most of the planned reduction to be accomplished in the next two school years. The BOC is scheduled to make decisions on additional school closures in late February 2007. **IAC should comment on the December 2006, 60-Day Report submitted by the Baltimore City Public School System, in particular, on the apparent adjustments to the original plan for closures intended to reduce excess space in the city's schools.**

## **Recommended Actions**

	<u><b>Funds</b></u>
1. Add budget bill language to require that unexpended funds in the Technology in Maryland Schools program revert to the general fund.	
2. Reduce funding for the Aging Schools program by \$1,127,000.	\$ 1,127,000
<b>Total Reductions</b>	<b>\$ 1,127,000</b>

## **Updates**

***Board of Public Works Proposes New Regulations for the Public School Construction Program:*** In December 2006, the Board of Public Works (BPW) proposed regulations to formalize the Administrative Procedures Guide of the Public School Construction Program, as required by the 2004 Public School Facilities Act. The proposals also address procurement options and alternative financing methods available to LEAs under the 2004 legislation. BPW intends to publish the proposed rules in February 2007.

***Aging Schools Funding Enhanced in the 2006 Budget Bill:*** The General Assembly made adjustments to funding for the Aging Schools program in the 2006 budget bill, including the addition of \$3.7 million in PAYGO funds. Separate legislation requiring annual adjustments for inflation also was enacted.

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***Operating Budget Analysis***

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**Program Description**

The Interagency Committee on School Construction (IAC) administers the Public School Construction Program (PSCP) under the authority of the Board of Public Works (BPW). The largest program that IAC administers is the *Capital Improvement Program*, which allocates funding to Local Education Agencies (LEAs) for public school capital improvement projects. Eligible projects include renovations, additions, new schools, and systemic renovations. IAC also administers the Technology in Maryland Schools (TIMS) program, the Aging Schools program, the federal Qualified Zone Academy Bond program, and the Recycled Tire program. Employees of the Maryland State Department of Education (MSDE), the Department of General Services (DGS), and the Maryland Department of Planning support the activities of the PSCP and provide technical assistance to the public school systems.

In administering the PSCP, IAC has established the following goals:

- to promote physical learning environments that support the educational goals of MSDE and LEAs;
- to promote well-maintained, safe physical environments in which to teach and learn; and
- to promote equity in the quality of school facilities throughout the State.

**Performance Analysis: Managing for Results**

**PSCP Inspectors Replace DGS Inspectors in Conducting School Maintenance Surveys**

In fiscal 2007, the PSCP revised its Managing for Results (MFR) report to incorporate a new goal of promoting well-maintained, safe physical environments in schools. The corresponding performance measures reflect a recent focus on the adequacy of maintenance procedures in public school facilities. The new performance measures relate to the number of schools in which PSCP inspectors will conduct annual maintenance surveys, and require submission of an annual report to BPW, IAC, and LEAs on schools rated not adequate or poor, timely remediation plans by those schools, and re-inspection and correction of deficiencies.

The PSCP received funding in fiscal 2007 to hire two full-time inspectors to conduct public school maintenance surveys, replacing inspectors from DGS who had conducted school surveys along

with their other responsibilities. The new PSCP maintenance inspectors began their surveys in September 2006 and will continue through April 2007, at which time the fiscal 2007 performance data will be available. The goal of the PSCP is to expand the number of schools surveyed from 100 in fiscal 2006 to 230 surveyed by the two new PSCP inspectors in fiscal 2007. As of January 1, 2007, 160 schools had been inspected, with inspections planned in 20 to 30% of the schools in each LEA. Maintenance inspections at this rate would permit surveys of individual schools once every 6 years, instead of once every 14 years under the old system.

Consistent with the MFR performance measures, the PSCP submitted the fiscal 2006 Maintenance Survey Report for Public School Buildings to BPW in November 2006. Thirteen DGS inspectors surveyed 100 schools during the year, approximately 18% of the schools in each LEA. **Exhibit 1** summarizes the results of the survey. Eight schools were rated superior, 51 good, 40 adequate, and 1 not adequate. No schools received a poor rating. The school rated not adequate has submitted a remediation plan to the PSCP and will be re-inspected. During the first half of fiscal 2007, the PSCP inspectors rated five schools not adequate.

The Maintenance Survey Report contains recommendations for improvements to the inspection program, including the development of a new set of metrics for determining adequate maintenance and a change in the linkage between capital funding and school maintenance plans. **IAC should discuss components of the program as it has evolved during implementation this year, including the possibility of publishing an annual report card to provide impetus for facility improvement.**

### **Average Age of School Facilities Improves in Some Counties**

A second MFR goal established in fiscal 2007 is to promote equity in the quality of school facilities throughout the State. The accompanying objective is to improve or, at a minimum, maintain the deviation for each LEA from the statewide average age of square footage calculated in the fiscal 2005 baseline year.<sup>1</sup> As **Exhibit 2** shows, the average age of public school facilities for fiscal 2006 is 26 years old (construction in 1980), making facilities two years older overall than in fiscal 2005. All LEAs improved their deviation from the statewide average facility age in fiscal 2006. However, since the statewide average age of facilities changed from construction in 1981 to 1980 in fiscal 2006, the 13 LEAs that improved their deviation from the statewide average by one year, in fact, had no improvement in the average age of their facilities. Ten LEAs showed more improvement, ranging from two to five years, with the biggest improvements occurring in St. Mary's, Worcester, Wicomico, and Frederick counties.<sup>2</sup> The oldest facilities in the State are located in Baltimore City where schools are 10 years older on average than schools across the State, and Kent County where facilities are 8 years older. St. Mary's and Talbot counties have the newest facilities in the State, averaging 12 years younger than facilities elsewhere.

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<sup>1</sup> When a portion of a building is renovated, that portion is considered new square footage in calculating the age of the facility.

<sup>2</sup> Although the data shows a significant improvement for Baltimore City, the change is largely due to errors in the data reported by Baltimore City to the PSCP that were corrected during fiscal 2006.

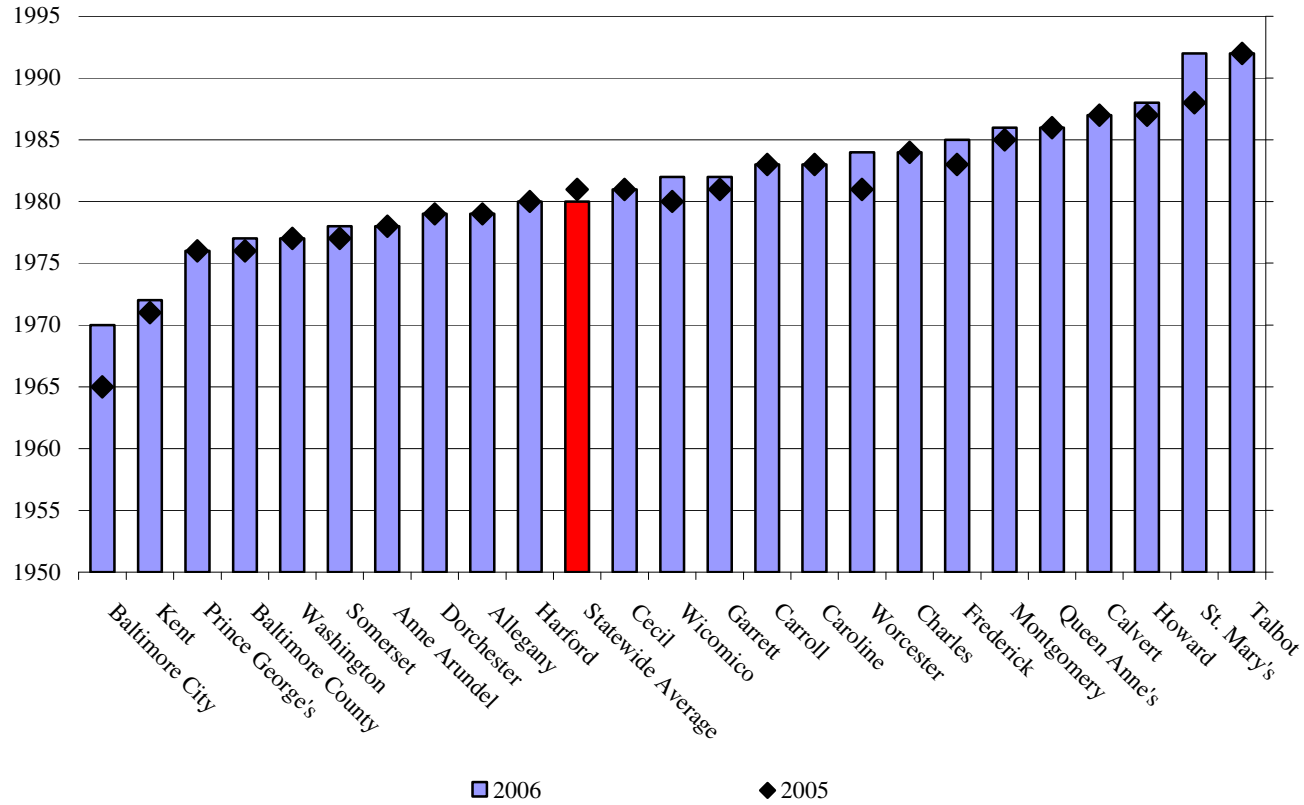
**Exhibit 1**  
**Maintenance Survey Results**  
**Fiscal 2006**

<u>County</u>	<u>Superior</u>	<u>Good</u>	<u>Adequate</u>	<u>Not Adequate</u>	<u>Poor</u>	<u>Total</u>
Allegany		1				1
Anne Arundel	1		7			8
Baltimore City		4	11	1		16
Baltimore County	1	2	11			14
Calvert		1				1
Caroline		1				1
Carroll		2				2
Cecil	1	1				2
Charles		2				2
Dorchester			1			1
Frederick	1	3				4
Garrett		1				1
Harford	2		2			4
Howard	1	4				5
Kent		1				1
Montgomery		13	1			14
Prince George's		9	6			15
Queen Anne's		1				1
Somerset		1				1
St. Mary's		1				1
Talbot	1					1
Washington		1	1			2
Wicomico		1				1
Worcester		1				1
<b>Total</b>	<b>8</b>	<b>51</b>	<b>40</b>	<b>1</b>	<b>0</b>	<b>100</b>

Source: Maintenance Survey Report for Public School Buildings; State of Maryland Public School Construction Program, November 15, 2006

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**Exhibit 2**  
**Average Year of Construction of Public School Facilities**  
 August 2006 and 2005



Source: Governor's Budget Books, Fiscal 2008

## **Governor's Proposed Budget**

As shown in **Exhibit 3**, the Governor's fiscal 2008 proposed budget is \$302,526 less than the fiscal 2007 working appropriation, resulting primarily from a decrease in funding for the Aging Schools program. In fiscal 2007, funding for the program totaled \$15.1 million, which included \$10,370,000 in statutory funding, \$1,127,000 in "hold harmless" grants, and an enhancement of \$3,651,000 in PAYGO funds added by the General Assembly. **Exhibit 4** shows that in the fiscal 2008 allowance, the statutory base amount remains \$10,370,000, while the other components change. A \$447,986 adjustment for inflation is made to the statutory grants, as required by Chapter 252 of 2006. "Hold harmless" grants are reduced to \$564,000, in accordance with the phased-in reductions required in fiscal 2005 budget bill language. These grants are scheduled to end in fiscal 2008. An enhancement of \$1,127,000 also is included in the allowance amount. The enhancement equals the fiscal 2007 total of "hold harmless" grants and is distributed to the LEAs eligible for these grants. The combination of smaller fiscal 2008 "hold harmless" grants and a smaller enhancement than in fiscal 2007 results in a decrease of \$2.6 million in funding for the Aging Schools program.

The other major change in the fiscal 2008 allowance is an increase of \$2,321,886 in the TIMS program. The funds are applied to lease financing payments for school wiring projects. Although IAC expected all projects in the program to be completed in fiscal 2007, projects remain outstanding in two Baltimore City schools. The projects have been folded into major renovation projects scheduled for these schools.

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**Exhibit 3**  
**Governor’s Proposed Budget**  
**Interagency Committee on School Construction**  
**(\$ in Thousands)**

<b>How Much It Grows:</b>	<b>General Fund</b>	<b>Total</b>
2007 Working Appropriation	\$24,570	\$24,570
2008 Governor’s Allowance	<u>24,268</u>	<u>24,268</u>
Amount Change	-\$303	-\$303
Percent Change	-1.2%	-1.2%

**Where It Goes:**

**Personnel Expenses**

Increments and other compensation.....	\$33
Turnover adjustment.....	26
Employee retirement contribution.....	19
Social Security contribution.....	2
Other fringe benefits.....	1
Employee and retirement health insurance costs decline due to one-time savings.....	-63
Accrued leave payout.....	-20

**Other Changes**

Reduction in enhancement for Aging Schools program grants.....	-2,639
Technology in Maryland Schools program lease financing payments.....	2,322
Computer purchases – phased-in replacement of existing computers.....	13
Cell phone costs – new contracts.....	-2
Other.....	5

**Total** **-\$303**

Note: Numbers may not sum to total due to rounding.

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**Exhibit 4**  
**Aging Schools Program Funding**  
**Fiscal 2008**

<u>County</u>	<u>Base</u>	<u>Inflation Adjustment</u>	<u>Hold Harmless</u>	<u>Enhancement</u>	<u>Total</u>
Allegany	\$166,000	\$7,171	\$47,000	\$95,000	\$315,171
Anne Arundel	859,000	37,109			896,109
Baltimore City	2,356,000	101,779			2,457,779
Baltimore	1,484,000	64,109	364,000	728,000	2,640,109
Calvert	65,000	2,808			67,808
Caroline	85,000	3,672			88,672
Carroll	233,000	10,066	38,000	76,000	357,066
Cecil	163,000	7,042	48,000	96,000	314,042
Charles	85,000	3,672			88,672
Dorchester	65,000	2,808			67,808
Frederick	310,000	13,392			323,392
Garrett	65,000	2,808			67,808
Harford	369,000	15,941			384,941
Howard	149,000	6,437			155,437
Kent	65,000	2,808			67,808
Montgomery	1,023,000	44,194			1,067,194
Prince George's	2,053,000	88,690			2,141,690
Queen Anne's	85,000	3,672			88,672
St. Mary's	85,000	3,672			88,672
Somerset	65,000	2,808			67,808
Talbot	65,000	2,808	23,000	45,000	135,808
Washington	229,000	9,893			238,893
Wicomico	181,000	7,819	44,000	87,000	319,819
Worcester	65,000	2,808			67,808
<b>Total</b>	<b>\$10,370,000</b>	<b>\$447,986</b>	<b>\$564,000</b>	<b>\$1,127,000</b>	<b>\$12,508,986</b>

Source: Governor's Budget Books, Fiscal 2008

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## ***Issues***

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### **1. Maryland State Department of Education to Conduct Survey Assessing Condition of Public School Facilities**

The Public School Facilities Act of 2004 (Chapter 307 of 2004) requires MSDE to survey the condition of public school facilities at least once every four years. MSDE, with the assistance of IAC staff, conducted the original survey for the Task Force to Study Public School Facilities in 2003,<sup>3</sup> and an update to the survey is due in 2007. Regulations proposed by MSDE would require LEAs to survey one-half of their public schools once every two years beginning in fiscal 2008, contingent on a State appropriation for the survey. The Public School Facilities Act requires that the State fund the survey, and MSDE included \$2.7 million to provide grants to LEAs for surveying one-half of their schools in its fiscal 2008 budget request. The Governor's allowance does not fund the request. In 2003 MSDE conducted the original survey within existing resources, and the Department of Legislative Services (DLS) estimated in its fiscal note to the Public School Facilities Act that updating the survey would cost approximately \$500,000 over two years. In 2006, the DLS fiscal analysis of the proposed regulations estimated a cost of approximately \$2 million, or \$1 million every two years. **IAC should comment on the resources needed to conduct a facilities assessment similar to the survey in 2003 and any changes recommended for the design and administration of the survey.**

### **2. The Baltimore City School System Initiates School Closures**

In 1990, Baltimore City had 108,663 students. By 2004, the city's enrollment had dropped to 90,677. Since the 1997 State law establishing the City-State Partnership was enacted, the State has recommended that the Baltimore City Public School System (BCPSS) consolidate schools and close unneeded school space due to declining enrollment and aging facilities in order to achieve cost savings and operating efficiencies. In October 2005, the BCPSS Board of School Commissioners (BOC) voted to reduce its school space by 2.7 million square feet, about 15% of total operating space, over three years. By June 2006, the BOC voted to close three schools in the 2006-2007 school year, which were closed in the fall. The closures represent a 3.2% reduction in the school system's operating space, leaving most of the 15% reduction to be accomplished during the next two school years.

BCPSS provides updates on facility issues in periodic reports submitted to IAC. In April 2006, IAC changed the reporting period from 45 to 60 days in light of progress that had been made in addressing facility issues. The latest BCPSS 60-Day Report submitted to IAC in December 2006, raises questions about slippage in the original school closure goal and intended reductions in

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<sup>3</sup> The 2003 survey concluded that \$3.85 billion (in fiscal 2005 dollars) would be needed to bring public school facilities up to minimum standards by fiscal 2013, leading to the stated goal in the legislation to provide an additional \$2.0 billion in State funding and \$1.85 billion in local funding by fiscal 2013.

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the next two years. The BOC is scheduled to make decisions on additional school closures in late February 2007 after receiving further community input.

IAC noted in its response to the October 60-Day Report that BCPSS had reached a milestone by submitting a Comprehensive Educational Facilities Master Plan in July 2006 and is now providing clear, responsive reports. However, IAC expressed concern about the slow pace of school closures, the uneven progress and delays in approved projects, and the lack of an adequate preventive maintenance program. IAC concludes that it will continue to monitor these areas in considering final recommendations for the State's fiscal 2008 *Capital Improvement Program*. **IAC should comment on the December 2006, 60-Day Report submitted by BCPSS and, in particular, on the apparent adjustments to the original plan for closures intended to reduce excess space in the city's schools.**

## ***Recommended Actions***

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1. Add the following language to the general fund appropriation:

, provided that \$10,291,590 of this appropriation for the Technology in Maryland Schools program may only be expended for lease financing requirements. Funds restricted herein for the Technology in Maryland Schools program but not expended shall revert to the general fund.

**Explanation:** In fiscal 2006, the Technology in Maryland Schools program reverted approximately \$426,000 in general funds. Estimating the funding level required for payments on the lease financing agreement has proven difficult, resulting in excess funds appropriated to the program in some years.

	<b><u>Amount Reduction</u></b>
2. Reduce funding for the Aging Schools program by \$1,127,000. Local education agencies will still receive \$10,370,000 in statutory grants, an upward adjustment for inflation, and “hold harmless” grants in six counties for total funding of \$11,381,986. The reduction applies only to the enhancement that six counties would receive in the allowance. In aggregate, these six counties will be receiving an estimated \$119 million in additional education aid in fiscal 2008, most of which could be used for the same purposes as the Aging Schools program.	\$ 1,127,000 GF
<b>Total General Fund Reductions</b>	<b>\$ 1,127,000</b>

## ***Updates***

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### **1. Board of Public Works Proposes New Regulations for the Public School Construction Program**

In December 2006, BPW proposed regulations formalizing the Administrative Procedures Guide of the Public School Construction Program, which governs the program's operation and administration. The regulations were required by the Public School Facilities Act of 2004 and also implement other provisions of the Act. The proposed regulations detail factors in the evaluation and approval of school construction and renovation projects by IAC, formalize the State and local cost share formula, require the submission of annual comprehensive maintenance plans by LEAs and the completion of annual maintenance surveys by IAC, establish procurement and project delivery options, and permit new alternative financing methods for LEAs in approved projects. BPW intends to publish the proposed regulations in the February 2, 2007 issue of the *Maryland Register*.

### **2. Aging Schools Funding Enhanced in the 2006 Budget Bill**

The General Assembly made adjustments to the Aging Schools program in the 2006 budget bill. First, funding for the program was increased by \$3.7 million in PAYGO funds. Projects that receive grants from these funds are subject to the local participation requirements that apply to other school construction projects, unlike other Aging Schools projects. Second, Chapter 252 of 2006, was enacted mandating annual adjustments for inflation to the \$10.4 million statutory funding portion of the Aging Schools program. Total funding for the program in fiscal 2007 was \$15.1 million, including \$10.4 million in statutory funding, \$1.1 million in "hold harmless" grants, and \$3.7 million in new PAYGO funds added by the General Assembly.

The 2006 capital budget bill allows LEAs to use funding that cannot be allocated to eligible school construction projects for Aging Schools projects. If LEAs decide to use unallocated construction funds for Aging Schools projects, LEAs must satisfy the local participation requirements that apply to other school construction projects.

## *Current and Prior Year Budgets*

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### Current and Prior Year Budgets Public School Construction (\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
<b>Fiscal 2006</b>					
Legislative Appropriation	\$18,196	\$0	\$0	\$0	\$18,196
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	25	0	0	0	25
Reversions and Cancellations	-741	0	0	0	-741
<b>Actual Expenditures</b>	<b>\$17,480</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,480</b>
<b>Fiscal 2007</b>					
Legislative Appropriation	\$19,303	\$0	\$0	\$0	\$19,303
Budget Amendments	5,267	0	0	0	5,267
<b>Working Appropriation</b>	<b>\$24,570</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$24,570</b>

Note: Numbers may not sum to total due to rounding.

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## **Fiscal 2006**

The general fund appropriation increased by \$25,370. Budget amendments transferred funds from the Department of Budget and Management for covering the IAC's share of a cost-of-living adjustment (COLA) for State employees, amounting to \$13,370, and the distribution of the health insurance allocation in the 2006 budget bill, amounting to \$12,000.

The appropriation was reduced by \$740,774 in reversions, which included \$425,836 in unexpended funds for projects in the Technology in Maryland Schools program and \$265,503 for Aging Schools projects.

## **Fiscal 2007**

The general fund appropriation has increased by \$5.3 million, reflecting a \$5,251,000 transfer from the Board of Public Works to provide grants through the Aging Schools program, as directed by 2006 budget bill language. The remaining \$16,567 represents a COLA for State employees.

## ***Audit Findings***

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Audit Period for Last Audit:	January 1, 2003 – January 31, 2006
Issue Date:	September 2006
Number of Findings:	7
Number of Repeat Findings:	2
% of Repeat Findings:	28%
Rating: (if applicable)	n/a

***Finding 1:*** IAC had not pursued recovery of the State’s financial interest in former school properties that were subsequently sold or leased, including at least \$3.2 million identified in a preceding audit report. In addition, IAC still had not submitted a recovery plan for these properties that was due by November 15, 2001, as required by the April 2001 *Joint Chairmen’s Report*.

***Finding 2:*** IAC did not cancel funding for school construction projects as required by State law when contracts had not been awarded within two years of the project approval dates.

***Finding 3:*** IAC did not ensure that LEAs submitted the required closeout documentation upon completion of each project and was not completing project closeout procedures, such as the identification of potential funds owed to the State, in a timely manner. Five projects, with \$31.6 million in State funding, were identified for which closeout summaries had not been submitted although the final State disbursements had occurred up to 10 years earlier.

***Finding 4:*** The method used by IAC to quantify the public school inspections reported to the Governor and to the Maryland General Assembly did not accurately depict the results. In addition, IAC did not follow up on certain schools that had unsatisfactory inspection results.

***Finding 5:*** Certain vendor payments for the State’s share of school construction projects were not subject to the State’s intercept program for unpaid debts.

***Finding 6:*** IAC did not properly reconcile its public school construction accounting records with the related records of the State Comptroller in a timely manner. In addition, there was no documentation that change orders recorded in the internal accounting system had been reviewed and approved.

***Finding 7:*** IAC did not promulgate regulations governing the public school construction process as required by State law.

\*Bold denotes item repeated in full or part from preceding audit report.

**Object/Fund Difference Report  
Interagency Committee on School Construction**

<u>Object/Fund</u>	<u>FY06 Actual</u>	<u>FY07 Working Appropriation</u>	<u>FY08 Allowance</u>	<u>FY07-FY08 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	17.00	19.00	19.00	0	0%
02 Contractual	1.00	1.00	0	-1.00	-100.0%
<b>Total Positions</b>	<b>18.00</b>	<b>20.00</b>	<b>19.00</b>	<b>-1.00</b>	<b>-5.0%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 1,106,671	\$ 1,343,961	\$ 1,341,937	-\$ 2,024	-0.2%
02 Technical and Spec. Fees	21,445	480	480	0	0%
03 Communication	10,227	18,193	16,860	-1,333	-7.3%
04 Travel	5,770	17,640	18,220	580	3.3%
07 Motor Vehicles	10,549	11,508	11,508	0	0%
08 Contractual Services	10,166	26,877	28,822	1,945	7.2%
09 Supplies and Materials	32,472	11,743	13,088	1,345	11.5%
10 Equip – Replacement	0	591	591	0	0%
11 Equip – Additional	5,817,526	7,986,309	10,322,195	2,335,886	29.2%
12 Grants, Subsidies, and Contributions	10,461,000	15,148,000	12,508,986	-2,639,014	-17.4%
13 Fixed Charges	5,161	5,037	5,126	89	1.8%
<b>Total Objects</b>	<b>\$ 17,480,987</b>	<b>\$ 24,570,339</b>	<b>\$ 24,267,813</b>	<b>-\$ 302,526</b>	<b>-1.2%</b>
<b>Funds</b>					
01 General Fund	\$ 17,480,987	\$ 24,570,339	\$ 24,267,813	-\$ 302,526	-1.2%
<b>Total Funds</b>	<b>\$ 17,480,987</b>	<b>\$ 24,570,339</b>	<b>\$ 24,267,813</b>	<b>-\$ 302,526</b>	<b>-1.2%</b>

Note: The fiscal 2007 appropriation does not include deficiencies, and the fiscal 2008 allowance does not reflect contingent reductions.

**Fiscal Summary**  
**Interagency Committee on School Construction**

<u>Program/Unit</u>	<u>FY06 Actual</u>	<u>FY07 Wrk Approp</u>	<u>FY08 Allowance</u>	<u>Change</u>	<u>FY07-FY08 % Change</u>
01 General Administration	\$ 1,231,186	\$ 1,452,635	\$ 1,467,237	\$ 14,602	1.0%
02 School Facilities Program	16,249,801	23,117,704	22,800,576	-317,128	-1.4%
<b>Total Expenditures</b>	<b>\$ 17,480,987</b>	<b>\$ 24,570,339</b>	<b>\$ 24,267,813</b>	<b>-\$ 302,526</b>	<b>-1.2%</b>
General Fund	\$ 17,480,987	\$ 24,570,339	\$ 24,267,813	-\$ 302,526	-1.2%
<b>Total Appropriations</b>	<b>\$ 17,480,987</b>	<b>\$ 24,570,339</b>	<b>\$ 24,267,813</b>	<b>-\$ 302,526</b>	<b>-1.2%</b>

Note: The fiscal 2007 appropriation does not include deficiencies, and the fiscal 2008 allowance does not reflect contingent reductions.