



The State of Public Education in New Orleans: School Facilities

December 2010



Table of Contents

Executive Summary	3
Introduction	4
The School Facilities Master Plan	4
Master Plan Oversight Committee	6
Moving Forward: An Analysis	7
Recommendations	10
Appendices	12

The Scott S. Cowen Institute for Public Education Initiatives at Tulane University

The Cowen Institute is an action oriented think tank that informs and advances research-based policy, legislative, and programmatic solutions to eliminate the challenges impeding the success of K-12 education in New Orleans and beyond. Our work is focused in the following areas:

-  Applied Research
-  Public Policy
-  University-Based Initiatives
-  College Readiness Programs

Applied Research at the Cowen Institute

We serve as an objective voice to education leaders, policymakers, the media, and the public about what is taking place in public education in New Orleans—particularly in the areas of accountability, finance, facilities, and governance—by disseminating relevant data and research. This publication, and others released in the past, can be found at <http://education.tulane.edu>.

Scott S. Cowen Institute for Public
Education Initiatives
Tulane University
200 Broadway Street, Suite 108
New Orleans, Louisiana 70118
504-274-3690
<http://education.tulane.edu>

Since the Scott S. Cowen Institute for Public Education Initiatives opened its doors at Tulane University in 2007, we have published an annual *State of Public Education in New Orleans* report to provide an ongoing chronicle and assessment of education reform efforts in New Orleans. This series aims to provide journalists, policymakers, community leaders, and the public with information, context, and thoughtful analyses about the reform efforts underway in the K-12 public education system in New Orleans.

In the latest report from this series, the Scott S. Cowen Institute for Public Education Initiatives provides background and details about the School Facilities Master Plan for Orleans Parish. Secondly, we present the roles, responsibilities, and challenges of the Master Plan Oversight Committee. The third section of this report considers the road ahead, including potential speed bumps, school building assignments, funding for facility maintenance, and cost estimate adjustments. Finally, we present recommendations for policies and practices to help ensure that every child in New Orleans attends school in a state-of-the-art facility.

Executive Summary

In late 2008, the state Board of Elementary and Secondary Education (BESE), the Recovery School District (RSD), and the Orleans Parish School Board (OPSB) developed the School Facilities Master Plan, a blueprint for renovating existing schools and constructing new schools over the next decade. The multi-phase plan totaled \$2 billion. In August 2010, FEMA awarded the RSD and OPSB a final settlement of \$1.8 billion, a single lump sum payment for K-12 public schools that were damaged by Hurricanes Katrina and Rita. These federal recovery dollars have created a historic opportunity to rebuild public school facilities in New Orleans. A few highlights of where the plan stands today include the following:

- Of the 27 projects included in Phase 1, seven are already complete, nine are under construction or are about to begin construction, and ten are in the design process. Although the initial phase was originally estimated to cost \$633 million, these projects are now predicted to cost \$752 million. This can be attributed to a number of understandable factors that are mentioned in this paper.

- There has been little consideration in the plan for how maintenance of the new and renovated buildings will be funded. It is estimated that the annual maintenance expense of the new and renovated public school buildings in New Orleans would cost between \$30 and \$60 million. Because the state of Louisiana does not provide dedicated funding for facilities, it is critical that RSD and OPSB make budget adjustments for the maintenance of these facilities.
- In late 2010, the RSD outlined specific locations for individual schools, which were not included in the original version of the master plan. However, there are several issues that need to be addressed with the recommendations, and the RSD intends to hold five public meetings in early 2011 in New Orleans to discuss long-term school facility assignments.
- Continued oversight by an independent, well-informed body of professionals is vital for the successful implementation of the plan. This committee must persistently review the plan broadly, focus on efficiency and the maximization of funds, and provide a transparent forum for community engagement.

The State Superintendent of Education, Paul Pastorek, has stated that his vision for the master plan is that it results in world-class facilities that will serve students for generations to come. In order to do so, he acknowledged that it is not clear whether existing funding will be sufficient to provide a world-class facility for every student, noting that the community may have to raise additional revenue if that is what is required to complete the plan and to maintain existing standards for school facilities built under the plan.

Today, hurricane-related insurance proceeds and federal recovery dollars have created an historic opportunity to rebuild New Orleans' public school infrastructure. Diligent planning, management and oversight are critical in every phase of the process in order to ensure that every child in New Orleans has the chance to attend school in a world-class facility. With commitment and collaboration, it can be done.

Introduction

Before Hurricane Katrina, New Orleans schools were housed in some of the oldest and most fragile facilities in the country. The majority of these facilities were built during the 1950s, '60s and '70s, while only three percent of schools were built in the last 20 years. Unlike most other states, Louisiana has no dedicated funding stream for school facilities, so districts are generally left to either use a portion of their Minimum Foundation Program funding or raise funds locally. Due to the state's lack of financial commitment for much-needed school maintenance and repair, New Orleans' decades-old buildings had long suffered from neglect. Furthermore, the portfolio of school buildings was designed and built for an earlier era that was defined by a growing student population and racial segregation policies. The locations and building layouts were no longer suited to the community's needs.

Hurricane Katrina caused enormous physical devastation to school buildings that were already in poor condition. Schools in New Orleans experienced over one billion dollars in damages due to flood, wind, mold, termites, vandalism, and theft as a result of the hurricane and the subsequent levee failures. The storm also served as a catalyst for the state takeover of over 100 low-performing Orleans Parish schools, including the transfer of those school buildings to the state-run Recovery School District, and the creation of a majority charter school district. As a result, New Orleans today has two school governing entities and over 40 independent school operators, with over 70 percent of students attending charter schools. Unlike charter schools in other parts of the country, charter schools in New Orleans are provided with a public school facility and are not required to pay rent. In this new decentralized system, school facility arrangements are often multi-layered and complex, leading to disputes over building assignments and maintenance responsibilities.

The School Facilities Master Plan

Given the drastic need to rehabilitate school facilities in New Orleans after the storm, the state Board of Elementary and Secondary Education (BESE), the Recovery School District (RSD), and the Orleans Parish School Board (OPSB) set out to jointly develop and implement a comprehensive plan to renovate

and rebuild school facilities in Orleans Parish. After an extensive yearlong planning process including a stakeholder survey, community meetings and a public comment period, a demographic analysis of student population projections, and a physical assessment of existing buildings, the OPSB and BESE approved the School Facilities Master Plan (SFMP) in November and December 2008, respectively. Though the RSD is managing the SFMP, both the OPSB and BESE have to sign off on any changes that are made to the plan, making it a joint effort.¹ The SFMP is intended to serve as a blueprint for renovating existing schools and constructing new schools with the goals of bringing all schools up to the same standard and creating a modern, 21st century school system in New Orleans.

The SFMP is slated to cost approximately \$2 billion and proposes six phases of construction and renovation over a period of 10 years, requiring four to ten major projects per year. Construction and renovations are prioritized based on the greatest need; portable or temporary classrooms ("modular" buildings) are to be replaced with permanent construction as soon as feasible. Based on current enrollment projections, the SFMP reduces the number of permanent school facilities from more than 120 (pre-Katrina) to about 84. It includes 67 sites for PK-8 schools and 17 sites for high schools to serve a projected population of approximately 47,000 students by 2017. Because of the reduction in the overall number of school facilities under the master plan, approximately 50 school buildings will no longer be utilized. Nearly one-third of these 50 buildings are scheduled to be (or already have been) demolished; the others will be "landbanked," meaning they will remain vacant pending future sale or re-use. RSD Superintendent Paul Vallas has also suggested that there are at least nine school sites not in the current plan that he would like to see renovated.²

¹ In this unique governance structure, BESE acts as the school board while the RSD acts as the administrative entity.

² Chang, Cindy and Michelle Krupa. "New Orleans schools have chance to become centers of their communities." *Times-Picayune*. September 5, 2010.

http://www.nola.com/education/index.ssf/2010/09/new_orleans_schools_have_chanc.html

Phases of the Facilities Master Plan

In the fall of 2007, before the completion and approval of the SFMP, the federally funded “Quick Start” initiative sparked the first wave of school construction in New Orleans. The RSD released a request for proposals and received responses from community members and nonprofits for 17 school locations, but they could only move forward with five sites. In making this decision, the proposals were ranked according to various criteria such as: the immediate availability of funding for the school site through FEMA; a minimum of one site per City Council district; the proposed site had to be an existing RSD school site; and current or projected student populations. These five schools became part of phase 1 of the SFMP once it was adopted in late 2008.

The initial phase of the SFMP was originally projected to cost a total of \$708 million³ and includes 20 PK-8 schools and seven high schools. The phase is well underway with seven new or completely renovated schools already open:

“Quick Start” Initiative

- Langston Hughes Elementary School
- Andrew Wilson Elementary School
- Lake Area High School (currently occupied by Greater Gentilly High School)
- L.B. Landry High School
- Joseph A. Craig Elementary School

Additional Projects

- William J. Guste Elementary School (currently occupied by KIPP Central City)
- Mahalia Jackson Early Childhood Center

Of the 27 projects included in Phase 1, seven are already complete, nine are under construction or are about to begin construction, and ten are in the design process.

Phase 2 is estimated to cost a total of \$370 million and includes 16 PK-8 schools and six high schools. Phases 3, 4, 5 and 6, collectively, are expected to cost a total of \$565 million and include 31 PK-8 schools and 4 high schools. A detailed outline of each of the six SFMP phases, including preliminary cost estimates and building capacity, can be found in *Appendix A*.

³ Costs not adjusted for inflation.

Funding the Facilities Master Plan

Initially, \$700 million (enough to cover Phase 1) was secured through proceeds from the Federal Emergency Management Agency (FEMA) and the Community Development Block Grant (CDBG) received before the SFMP was approved in 2008. When the SFMP was approved, the remaining phases were unfunded, which was a major point of concern for many in the New Orleans community.

In August 2010, FEMA awarded the RSD and the OPSB a final settlement of \$1.8 billion for projects in the SFMP. This includes \$700 million that was initially awarded based on project worksheets that were submitted prior to the final settlement, and which has been used to pay for Phase 1. The RSD, the OPSB, and FEMA were able to negotiate a “lump sum” settlement for all project worksheets related to the construction of New Orleans schools. This means that the RSD and the OPSB will be able to combine funds from all losses to build a portfolio of school buildings that meets the needs of the city rather than simply replacing what we had before (which is typically how FEMA operates). Furthermore, it greatly reduced the effort that went toward documenting the item-by-item losses (i.e., books, desks, pencils) from Katrina.

The \$1.8 billion settlement was possible as a result of a provision in the fiscal year 2008 Omnibus Appropriations bill written by U.S. Senator Mary Landrieu. This provision specifically authorized FEMA to provide a single payment for the city’s PK-12 schools damaged by Hurricanes Katrina and Rita. The provision also reduced penalties for insufficient flood insurance and alternate projects, which yielded more than \$500 million in savings for Louisiana schools.⁴

The State Superintendent of Education, Paul Pastorek, has stated that his vision for the master plan is that it results in world-class facilities that will serve students for generations to come. In order to do so, he argues that we must adhere to the building standards adopted in the plan, without significant alteration. He also acknowledged that it is not clear whether existing funding will be sufficient to provide

⁴ United State Senate. Subcommittee on Disaster Recovery. Hearing on Progress Made and Challenges Remaining Five Years After Katrina, Louisiana. 111th Congress, 2nd session. Washington: GPO, 2010. Electronic Format.

a world-class facility for every student, noting that the community may have to raise additional revenue if that is what is required to complete the plan and to maintain existing standards for school facilities built under the plan. He does not support the approach advocated by some stakeholders that the scale and scope of projects should be scaled back to allow existing revenues to pay for more projects.

The Master Plan Oversight Committee

During the development of the SFMP, several stakeholders saw a need for an independent oversight body to monitor the implementation of the plan. Such oversight bodies are common around the country when school systems undertake large-scale capital construction projects.⁵ School officials often do not have expertise in capital project management, so oversight bodies are formed to review plans and budgets to ensure efficiency and transparency in school construction, maintenance, and renovation. Typically, these types of oversight committees have the authority to make actionable recommendations to district leaders.⁶

Roles and Responsibilities

The OPSB and BESE passed resolutions in December 2008 and January 2009, respectively, to create the Master Plan Oversight Committee (MPOC). The purpose of the committee, according to the charge approved by BESE, is “to provide assurance to the public that all phases of the School Facilities Master Plan (SFMP) for Orleans Parish will be completed on time and on budget, and to assist the OPSB and BESE in the effective implementation of the SFMP for Orleans Parish.”

The Committee’s specific responsibilities are:

- to review the annual capital budgets as submitted by OPSB and BESE;
- to review the progress of the RSD and OPSB implementation’s of the SFMP and annual capital plans, including expenditures, timelines and internal control procedures to assure that the SFMP is being implemented on time and on budget;

⁵ Citizen Oversight of Public School Construction Programs: In Search of Promising Practices. 21st Century School Fund, Washington, DC, February 12, 2003. <http://www.21csf.org/csf-home/Documents/CitizenOversight.pdf>.

⁶ Ibid.

- to review needed changes to the SFMP, if any; look at building life-cycle costs, sustainability and cost trends; and to suggest ways that capital projects may decrease operating costs; and,
- to review demographic changes in the parish, compare them to projections in the SFMP, and recommend any needed changes to the plan at the end of every two-year cycle.

Membership

The Master Plan Oversight Committee originally had seven members, representing the following organizations and/or areas of expertise:

- A representative nominated by the local chapter of the Associated Builders and Contractors
- A certified public accountant or financial auditor familiar with construction practices nominated by the local chapter of the American Institute of Public Accountants
- An individual experienced in construction management and value engineering nominated by local universities

And one nominee per organization from the following organizations:

- The Urban League of Greater New Orleans
- The Business Council of New Orleans and the River Region
- The Orleans Parish School Board (OPSB)
- The Louisiana Board of Elementary and Secondary Education (BESE)

At the committee’s second meeting, a second representative from BESE was added, bringing MPOC membership to eight. The two BESE representatives now on the committee are both from Orleans Parish. A full list of committee members can be found in *Appendix B*.

Meetings

After the Master Plan Oversight Committee’s creation in early 2009, it took several months for members to be nominated and approved. Its first meeting was in November 2009, and it has met six times in its first year. At meetings, the committee has discussed many key issues around implementation of the SFMP, including project budgets and timelines, facility operating costs and sustainability, and citywide demographic trends. It has considered additional funding streams for school construction and has formed a working group to evaluate

pursuing New Markets Tax Credits⁷. A recurring theme the committee has raised with the RSD is what lessons have been learned from the early projects and how they are being applied to current and future projects. MPOC meetings have been well attended by education stakeholders and the public, and they have provided an arena for extensive public comment on these and other issues.

One major issue raised at recent MPOC meetings has been related to the ability of the \$1.8 billion FEMA settlement to fund the entire master plan. Variability in construction costs and project timelines make it unclear how far this money will go, and how many schools will be constructed or renovated. Additionally some current projects are estimated to cost more than originally projected, as explained later in this brief. With these upcoming challenges, the committee's role is critical to ensure cost effectiveness and the maximum, transparent use of the settlement funding.

Outcomes

The committee has covered a lot of ground in its first year and proven its usefulness, but at times has not been as successful as it could be. Members strive to strike the right balance between considering issues involving individual schools and the needs of the overall plan. The committee has also been hindered at times by a lack of information from the RSD, a lack of clarity by some members on their charge and purpose, and ultimately, a lack of real authority.

The SFMP is still in the early stages of implementation, with several years and hundreds of millions of dollars to go. As more schools are built and the FEMA settlement funds are drawn down, the need for informed, transparent oversight will only grow. Students, families and communities need a robust public forum where they can have a voice and a platform to have their questions answered. The RSD has community meetings for each school project in the plan, and the OPSB and BESE sometimes discuss the SFMP in their regular board meetings,

⁷ The New Markets Tax Credit (NMTC) program allows organizations in economically distressed communities to leverage other funding they receive from other sources. The program provides financial incentives – in the form of federal tax credits – to recipients of the credits to invest in these communities.

but there is not one consistent place to discuss the broad issues that impact all schools.

Moving Forward: An Analysis School Facility Assignments

The School Facilities Master Plan (SFMP) focuses only on matching building designs and locations to enrollment predictions, not on creating buildings for specific schools. As previously mentioned, it also eliminates individual school assignments. This leaves many schools leaders with a great deal of uncertainty about their future location. In addition, school assignments for the 2010-2011 school year were not released until just a few weeks before school started. Furthermore, long-term school facility assignments and recommendations, still in draft form⁸, were not released until August 2010, over a year and a half after the approval of the SFMP. According to the RSD, the August 2010 school location assignments were based on five considerations:

1. Whether the program is located in modulars or temporary facilities;
2. The school's current or planned grade configuration;
3. Students' neighborhood of origin;
4. The school's facility preference; and,
5. Community input.

Recently, State Superintendent Paul Pastorek has committed to holding five public meetings in New Orleans in January 2011 to discuss long-term school facility assignments. He plans to release a final plan for school assignments in March 2011.

Items to Consider

#1: The assignment recommendation states that programs located in modular or temporary locations will be a top consideration; however, some schools that are currently in modular campuses are not included in Phase 1. The following schools are currently in modular buildings and will remain there for several years under the assignment plan:

- Abramson Science & Technology Charter School
- Akili Academy of New Orleans
- Lagniappe Academies Charter School
- New Orleans Charter Science and Math Academy

⁸

http://media.nola.com/education_impact/other/campus%20sites%20final%20draft.pdf

#2: There are inconsistencies in the facilities assignment plan and the SFMP. Some campuses are listed in the wrong phase in the assignment plan. The assignment plan lists the NASA Lab site and the ACRES/Audubon Institute Lab site as Phase 1 schools. These schools are Phase 2 schools in the SFMP, unless external funding has been secured. To date, the RSD has not provided any information about external funding.

One school, Gregory Elementary, is being phased out (and replaced by Pride College Prep, an RSD charter school) but remains in the assignment plan. Gregory should close at the end of the 2014-2015 school year; however, the assignment plan indicates that Gregory will receive a newly constructed school at the Alexander site in Phase 4. (Pride College Prep is scheduled to occupy a newly constructed building at the Osborne location in Phase 1 of the SFMP.)

#3: Several schools that are open this year are not included in the assignment plan. Most of them are currently located in buildings that are scheduled to be landbanked under the SFMP. It should be noted that RSD officials have stated that no schools will be moved out of these buildings without another building being made available to them. Some of these schools may be scheduled to close or to be merged with other schools, but it is not clear which ones are in this category. Schools currently open but not in the assignment plan include:

- Banneker Elementary School
- Capdau Charter School
- Dibert Community School
- Green Charter School
- Henderson Elementary
- Hope Academy at Booker T. Washington
- Lagniappe Academies of New Orleans
- McDonogh City Park Academy
- Sci Tech Academy at Laurel
- O.P. Walker High School
- Sophie B. Wright Charter School
- New Orleans Charter Science & Math High School

#4: OPSB-operated schools and OPSB charter schools are not addressed in the assignment plan. While the two entities responsible for overseeing the SFMP are BESE and the OPSB, the school facility assignment plan was drafted and released by the RSD. The RSD notes that it intentionally did not include the OPSB

schools that are listed in Phase 1 of the SFMP specifically because it is not responsible for them.

Cost Adjustments to the Master Plan

The initial cost projections for the master plan were originally developed in mid- to late-2008. As with any multi-year master plan, the projections for individual projects are only estimates. More accurate cost estimates are determined once the project commences and the site can be assessed at a closer level. This is especially the case in New Orleans where buildings had hurricane damage combined with decades of deferred maintenance. In assessing the feasibility of completing the master plan on time, on budget, and with existing revenues, two things must be considered. First, the actual costs of projects that have been completed or are underway should be compared to estimated costs in the current plan. Second, the assumptions that support projected costs of future projects should be re-evaluated, and the budgets should be revised as necessary.

Assessing Actual Costs

The latest budget estimate for Phase 1 is significantly higher than the original cost projection. For projects already complete or currently underway, the most recent cost projections are \$119 million more than the preliminary cost estimates. According to the project updates⁹, schools that are in design, procurement, or construction or that are complete will cost \$752.2 million. The sum of the individual cost estimates for these schools as presented in the 2008 SFMP is \$632.9 million. The table below shows the current estimates for these projects, and the original cost estimates as included in the SFMP.

Current Cost Projections as Compared to Original Cost Estimates¹⁰

Current cost estimate for Phase 1 schools completed or currently underway	\$752,150,000
November 2008 original cost estimates for the same projects	\$632,920,000
Difference	\$119,230,000

⁹ “2010 3rd Quarterly Report Prepared for Louisiana Department of Education” [on school facility projects]; prepared by Jacobs/CSRS Program Management

¹⁰ These figures include all projects that are currently underway. Not included in these figures are four school projects that are not yet underway. Also, stabilization projects in Phase 1 are not included.

It is not uncommon for the budgets for construction projects, especially renovation projects, to increase throughout the life cycle of the project. There is no indication that the increase is due to any mismanagement of the projects or flaws in the original estimates. Nevertheless, this change will have a major impact on the ability to complete the plan with currently available funds.

Estimating Future Costs

There are two other factors that have the potential to have significant impacts on the project costs in the SFMP over the long-run: changes in construction costs due to market conditions and inflationary pressures on the cost of materials and labor. The costs in the master plan were estimated at a time when construction costs were fairly high. In the two years since the plan was adopted, construction costs per square foot have decreased by approximately 20 percent according to RSD officials. This could change again in the future if construction activity in the city increases or decreases. At the same time, cost estimates in the SFMP are not adjusted for inflation. Over the six to seven years that it will take to complete the master plan, some costs are sure to rise due to inflation.

School Facility Maintenance

Almost 90 percent of school buildings in New Orleans are at least 35 years old; the oldest, the Old Jefferson Parish Courthouse on Carrollton Avenue, is 155 years old. Decades of deferred maintenance left buildings across the city in deplorable condition. Although there is no specific information about the deficiencies that existed in our school facilities at the time of Hurricane Katrina, the total amount of deferred maintenance is estimated to be at least \$750 million.¹¹ The winds, rain, and flooding from the hurricane and the subsequent levee failure only compounded the problem, leaving many buildings completely unusable. While the SFMP provides for dozens of newly constructed or renovated buildings, these buildings will quickly begin to deteriorate without proper maintenance.

¹¹ A report by the American Federation of Teachers, *Building Minds, Minding Buildings: School Infrastructure Funding Need*, completed in 2008 estimates the amount of deferred maintenance in Louisiana schools at \$10,000 per pupil. At the time of Hurricane Katrina, New Orleans Public Schools served 65,000 students; however, the physical infrastructure was sufficient to serve close to double that number.

Calculating Maintenance Costs

Deferred maintenance is a common problem among school districts across the country today. A recent survey found that 55 percent of school districts anticipate deferring maintenance during the 2010-2011 school year.¹² The primary reason that schools defer maintenance is lack of funds, as budgets for facilities are often cut in order to free up funds for instruction and operations. There are many additional reasons that school districts defer maintenance, including not knowing the extent of building needs due to lack of a facilities assessment, not including maintenance in long-range plans, and not being familiar with the maintenance needs of high-tech building systems.

The starting point for ensuring that maintenance needs are met is to budget adequate funds. One method that school districts can use to prepare their maintenance and repair budgets uses the replacement cost of the buildings. As a general guideline, industry experts recommend spending two to four percent of the total replacement cost on maintenance annually to maintain public buildings.¹³ Actual needs will vary depending on the age of the building stock, the amount of wear and tear on the buildings, and the climate, among other things.

The cost of construction and renovation in the SFMP provides a good estimate of the replacement value of school buildings in New Orleans at plan completion. Given a total value of \$1.8 billion, schools in New Orleans would need to budget between \$30 million and \$60 million per year to adequately maintain the new and newly renovated facilities using this guideline. The SFMP is based on an estimated student population of 47,000 at the time that the plan is completed. Given a population of this size, \$30 million is approximately \$625 per pupil. This would represent a significant expense for schools in New Orleans.

¹² American Association of School Administrators. *A Cliff Hanger: How America's Public Schools Continue to Feel the Impact of the Economic Downturn*.

[http://www.aasa.org/uploadedFiles/Policy_and_Advocacy/files/CliffHangerFINAL\(1\).pdf](http://www.aasa.org/uploadedFiles/Policy_and_Advocacy/files/CliffHangerFINAL(1).pdf)

¹³ Committee on Advanced Maintenance Concepts for Buildings, Building Research Board, National Research Council. *Committing to the Cost of Ownership: Maintenance and Repair of Public Buildings*. http://books.nap.edu/catalog.php?record_id=9807

Maintenance Funding in Louisiana

Public schools in New Orleans and throughout Louisiana struggle to find revenue to pay for facilities construction and maintenance. Unlike most other states, Louisiana has no dedicated funding stream for facilities, so districts are generally left to either use a portion of their Minimum Foundation Program funding or to raise funds locally. The Minimum Foundation Program (MFP), the statewide K-12 public education funding mechanism, combines state and local dollars to fund schools. Under state law, 70 percent of MFP funding must be spent on instructional expenses, leaving the remainder to cover everything else (including transportation, utilities, central administration and oversight, and facilities). Regardless of the 70 percent requirement, most school districts in Louisiana struggle to meet all of their operational and instructional needs with the funding they receive; rarely do they have sufficient funding left over for facilities maintenance or improvements. Districts are able to raise funds locally through property taxes, but many lack the necessary tax base or political will to raise enough revenue to adequately fund facilities. Finally, as exemplified by New Orleans and the SFMP, some districts occasionally receive disaster-related federal funding for school repair. However, these allocations are finite and cannot be relied upon as a continued source of funding for ongoing facilities needs.

Dividing Responsibilities

Another question that remains unanswered with respect to facilities is who bears responsibility for building maintenance and routine repairs. For schools that are directly operated by the RSD and the OPSB, the respective district will continue to pay for these items (as funding allows), as is the case today. For charter schools that do not own their buildings, however, there are many options: the school can pay for maintenance and routine repairs; the governing district can pay for these items and charge the schools a fee; or an agreement can be reached where the school and the governing district share responsibility in some way. Many charter school leaders in New Orleans have expressed a preference for being responsible for repairs and maintenance, allowing them to budget for these items based on what they perceive the need to be and in accordance with their own priorities. Most of the newly constructed or renovated buildings, however, have sophisticated building systems with very specific

maintenance requirements. There is concern that schools will not adequately maintain the facilities, either due to lack of funds or to lack of knowledge about what is necessary. If this happens, the buildings would deteriorate faster than they otherwise would; also, warranties may be voided if required maintenance is not performed on time. Because these are publicly owned buildings, they must be maintained in a way that will allow them to be able to adequately serve students for decades to come.

Recommendations

From cracking lead paint to inadequate restrooms to no heat in the winter, students in New Orleans have been forced to learn in deplorable conditions for decades. The \$2 billion School Facilities Master Plan for Orleans Parish establishes a blueprint for renovating and rebuilding crumbling school facilities over a ten-year period. The \$1.8 billion lump sum settlement awarded by FEMA in August 2010 created a historic opportunity to make dramatic changes to school facilities in New Orleans. Nonetheless, it is clear that there remain some critical issues that must be addressed. Based on the issues outlined in this report, the Cowen Institute makes the following recommendations:

#1: Periodically Review School Building Assignments

An analysis of the assignment plan reveals some critical issues that BESE and the OPSB need to address. For example, the building assignment plan should be amended or re-drafted to include assignments for OPSB-controlled buildings and programs. Additionally, all schools that are currently open should be informed where their permanent facility will be as quickly as possible.

#2: Adjust Projections for Future Projects Based on Current Costs

Thus far, Phase 1 has cost significantly more than originally estimated in 2008. Although differences in estimates and actual costs are expected, the variance warrants two actions. First, a “lessons learned” assessment should be conducted to determine whether there were flaws in calculating the original cost estimates. For example, if the estimates for renovation projects were underestimated in a systematic way, the estimates for renovation



projects in later phases of the SFMP may need to be revised. Second, the increased cost of Phase 1 projects needs to be accounted for in any estimates of how far into the master plan the lump sum settlement funds will last. The aggregate budget for all projects currently underway or already completed has already exceeded original estimates by \$119 million. Cost adjustments must be made to the SFMP to have a realistic picture of how many projects in the plan can be completed using existing funding. With the final payment from FEMA settled, now is the appropriate time for a thorough review of future cost estimates in the plan.

#3: Secure a Sustained Revenue Source to Fund Building Maintenance

The high cost of maintenance and the lack of reoccurring facilities funding present hurdles to the sustainability of the physical infrastructure of the New Orleans public school system. Adequate funding for maintenance is essential to preserving the quality of the new and newly renovated buildings that are completed under the SFMP. It is important that

stakeholders begin to think about possible ways to secure this revenue stream in the future, including state investment and levying a dedicated millage.

#4: Improve Oversight of the Master Plan

Because there are and will continue to be revisions needed to the master plan, independent expert oversight will remain vital throughout execution. Whether it is through the Master Plan Oversight Committee or some other entity, there must be a body (independent from BESE, the RSD, and the OPSB) to scrutinize projects and advise on best practices. This entity must look at the plan broadly, focus on efficiency and maximizing the impact of the funding, and provide a transparent forum for community engagement. School districts and stakeholders should renew their commitment to bring all schools up to the same high standard and to create a world-class school system in New Orleans.

Appendix A: School Facilities Master Plan Details

The following tables are from “The Superintendents’ Amendments: Recommendations to the Louisiana Board of Elementary and Secondary Education (BESE),” as presented on November 6, 2008. “Site size” refers to acreage.

New Orleans Planning Districts

1	French Quarter/Warehouse/Central Business District	8	Lower Ninth Ward
2	Garden District	9	New Orleans East
3	Uptown	10	Village de l’Est
4	Mid-City	11	Venetian Isles
5	Lakeview	12	Algiers
6	Gentilly	13	New Aurora/English Turn
7	Bywater		

SFMP Phase 1, Grades PK-8

Total Cost: \$428,844,743

Total Seats, 20 students per classroom: 9,845

Total Seats, 25 students per classroom: 11,205

Planning District	School Name	Action	Preliminary Cost Estimate	Starting Status	Starting Capacity	Capacity, 20 students per classroom	Capacity, 25 students per classroom	Site Size
2	Crocker	Renovation	\$12,000,000	Vacant	0	450	530	1.8
2	Guste	Renovation	\$14,700,000	Vacant	600	600	720	1.5
2	Woodson	New School	\$19,800,000	Vacant	0	450	530	3
2	Jackson, Mahalia	Renovation	\$14,700,000	Vacant	340	0	0	3.3
3	Wilson	Renovation /Addition	\$27,960,000	Vacant	350	450	530	1.9
3	Audubon	Renovation	\$11,517,743	Occupied	334	300	300	1.7
4	Craig	Renovation	\$14,500,000	Vacant	627	627	627	1.5
4	Hughes	New School	\$30,000,000	Vacant	0	550	550	7.4
4	Wheatley	New School	\$19,800,000	Vacant	0	450	530	2.2
5	Hynes	New School	\$26,400,000	Vacant	0	600	720	9
6	Bienville	New School	\$19,800,000	Vacant	0	450	530	4.9
6	Parkview	New School	\$19,800,000	Vacant	0	450	530	5.7
7	Colton Multiplex	Renovation	\$15,567,000	Vacant	868	868	868	2.2
7	Frantz	Renovation /Addition	\$28,700,000	Vacant	334	450	530	1.9
7	Edwards/Moton	New School	\$19,800,000	Vacant	0	450	530	7
9	Little Woods	New School	\$19,800,000	Vacant	0	450	530	6.5
9	Osborne	New School	\$19,800,000	Vacant	0	450	530	5.1
9	Williams Fannie C.	New School	\$19,800,000	Vacant	0	450	530	20
9	Lake Forest (TBD Site)	New School	\$19,800,000	Vacant	0	450	530	5
12	Harte	New School	\$19,800,000	Occupied	385	450	530	9.7
12	New School (site TBD)	New School	\$19,800,000	Vacant	0	450	530	N/A
	PK-8 Stabilization Fund	Maintenance	\$15,000,000	Occupied	N/A	N/A	N/A	

SFMP Phase 1, High Schools

Total Cost: \$279,174,663

Total Seats, 20 students per classroom: 7,656

Total Seats, 25 students per classroom: 9,181

Planning District	School Name	Action	Preliminary Estimate	Starting Status	Starting Capacity	Capacity, 20 students per classroom	Capacity, 25 students per classroom	Site Size
1	Open Enrollment International Baccalaureate School	New School	\$4,500,000	Vacant	0	400	400	0
3	McMain	Stabilization /Add gym	\$12,000,000	Occupied	956	956	956	4
4	New School*	New School	\$49,500,000	Vacant	0	1,000	1,300	10
4	Washington, Booker T.	Renovation	\$25,374,663	Occupied	0	1,100	1,350	4.2
6	Lake Area (Greater Gentilly)	New School	\$38,600,000	Vacant	0	800	1,025	4.1
8	9th Ward HS (Carver Site)	New School	\$39,600,000	N/A	0	800	1,025	65
9	High School Multiplex at Livingston	New School	\$39,600,000	Vacant	0	800	1,025	21.4
12	Landry	New School	\$54,000,000	Vacant	0	1,000	1,300	6
12	Open Enrollment Maritime/Military Academy - Federal City	New School	\$4,000,000	Vacant	0	400	400	-
	Easton, Reed, and Fortier (Lusher HS) Stabilization Funds	Maintenance	\$12,000,000	Occupied	0	N/A	N/A	

*Amendment 1 adopted by the OPSB on 11/6/08 - Designating the New High School [Phillips/Waters site] as the new site for McDonogh #35.

SFMP Phase 2, Grades PK-8

Total Cost: \$303,795,145

Total Seats, 20 students per classroom: 8,266

Total Seats, 25 students per classroom: 9,421

Planning District	School Name	Action	Preliminary Estimate	Starting Status	Starting Capacity	Capacity, 20 students per classroom	Capacity, 25 students per classroom	Site Size
1	McDonogh 15	Renovation	\$10,308,623	Occupied	391	391	391	0.9
2	Hoffman	New School	\$19,800,000	Vacant	0	450	530	3.2
2	Live Oak	Renovation	\$14,500,000	Occupied	552	552	552	1.8
3	Lafayette	Renovation	\$19,710,000	Occupied	575	500	575	1.9
3	Dunbar	New School	\$19,800,000	Vacant	0	450	530	4.5
3	New School at Priestley	New School	\$20,600,000	Vacant	0	450	530	2.1
4	Clark	Renovation	\$14,700,000	Occupied	510	600	600	1.7
4	New Jeff site TBD	New School	\$19,800,000	Vacant	0	450	530	2.2
6	Capdau/Bradley	New School	\$19,800,000	Vacant	0	450	530	
7	Drew	Renovation	\$17,659,523	Occupied	673	673	673	1.3
7	Lockett	New School	\$19,800,000	Vacant	0	450	530	1.9
9	Morial	New School	\$26,400,000	Vacant	0	600	730	11
9	Gaudet	Renovation	\$7,517,000	Occupied	600	600	730	5.5
9	Abrams	New School	\$26,400,000	Vacant	0	600	730	4.2
12	Henderson/Fischer	New School	\$20,600,000	Occupied	437	450	530	3.1
12	Tubman	New School	\$26,400,000	Occupied	0	600	730	2.6

SFMP Phase 2, High Schools

Total Cost: \$74,600,000

Total Seats, 20 students per classroom: 2,100

Total Seats, 25 students per classroom: 2,506

Planning District	School Name	Action	Preliminary Estimate	Starting Status	Starting Capacity	Capacity, 20 students per classroom	Capacity, 25 students per classroom	Site Size
4	Open Enrollment Medical Laboratory - NOCHC Site (McDonogh 11)	New School	\$4,000,000	Vacant	0	250	250	0.74
4	McDonogh 35	Renovation	\$18,000,000	Occupied	956	800	956	3.25
8	Lower 9th Ward HS	Addition	\$5,000,000	Vacant	0	250	275	3.9
10	Open Enrollment NASA Laboratory Site*	New School	\$4,000,000	Vacant	0	200	200	-
12-13	New High School (Karr Site)	New School	\$39,600,000	Occupied	870	800	1025	10.1
13	Open Enrollment ACRES/Audubon Inst. Laboratory Site*	New School	\$4,000,000	Vacant	0	200	200	-

*Amendment 2 adopted by the OPSB on 11/6/08 - Moving New (open enrollment) High School at the NASA site in Phase One and the New (open enrollment) High School at Audubon Institute/ACRES site in Phase 1 to Phase 2 (until the external funding is identified).

SFMP Phase 3, Grades PK-8

Total Cost: \$159,870,990

Total Seats, 20 students per classroom: 4,465

Total Seats, 25 students per classroom: 5,312

Planning District	School Name	Action	Preliminary Estimate	Starting Status	Starting Capacity	Capacity, 20 students per classroom	Capacity, 25 students per classroom	Site Size
3	Allen	Renovation	\$12,273,965	Occupied	552	500	552	3.2
3	Bethune	Renovation	\$4,725,669	Occupied	288	250	288	2.1
4	Jones	New School	\$19,800,000	Vacant	0	450	530	2.2
4	Wicker	New School	\$19,800,000	Occupied	437	450	600	2.1
6	Gentilly Terrace	Renovation /Addition	\$17,306,700	Occupied	385	600	730	3.3
7	Shaw/Hansberry	New School	\$19,800,000	Vacant	0	450	530	1.5
8	New School (Site TBD)	New School	\$19,800,000	Vacant	0	450	530	
10	Village de l'Est	New School	\$26,400,000	Occupied	0	600	730	4.1
12	Behrman	Renovation	\$19,964,656	Occupied	822	715	822	3.5

SFMP Phase 3, High Schools

Total Cost: \$18,974,875

Total Seats, 20 students per classroom: 800

Total Seats, 25 students per classroom: 956

Planning District	School Name	Action	Preliminary Estimate	Starting Status	Starting Capacity	Capacity, 20 students per classroom	Capacity, 25 students per classroom	Site Size
4	Easton	Renovation	\$18,974,875	Occupied	956	800	956	2.1

SFMP Phase 4, Grades PK-8

Total Cost: \$124,039,850

Total Seats, 20 students per classroom: 3,820

Total Seats, 25 students per classroom: 4,394

Planning District	School Name	Action	Preliminary Estimate	Starting Status	Starting Capacity	Capacity, 20 students per classroom	Capacity, 25 students per classroom	Site Size
2	Jackson, Andrew	Renovation	\$9,422,463	Occupied	483	420	483	2.2
3	Lusher	Renovation	\$8,000,163	Occupied	311	300	311	1.6
4	Nelson	Renovation /Addition	\$11,749,650	Occupied	483	600	730	5.2
4	Marshall	Renovation	\$2,467,575	Occupied	550	550	550	2.4
6	Alexander	New School	\$26,400,000	Vacant	0	450	530	7.4
9	Sherwood Forest	New School	\$26,400,000	Vacant	0	600	730	5.7
12	New School Multiplex (Site TBD)	New School	\$39,600,000	Vacant	0	900	1,060	N/A

SFMP Phase 4, High Schools

Total Cost: \$44,982,275

Total Seats, 20 students per classroom: 2,200

Total Seats, 25 students per classroom: 2,593

Planning District	School Name	Action	Preliminary Estimate	Starting Status	Starting Capacity	Capacity, 20 students per classroom	Capacity, 25 students per classroom	Site Size
3	Fortier (Lusher HS)	Renovation	\$22,856,188	Occupied	1,339	1,100	1,339	6
10	Reed	Renovation	\$22,126,088	Occupied	1,254	1,100	1,254	20.5

SFMP Phase 5, Grades PK-8

Total Cost: \$86,908,778

Total Seats, 20 students per classroom: 3,050

Total Seats, 25 students per classroom: 3,409

Planning District	School Name	Action	Preliminary Estimate	Starting Status	Starting Capacity	Capacity, 20 students per classroom	Capacity, 25 students per classroom	Site Size
3	Wright	Renovation	\$24,220,350	Occupied	529	460	529	2.1
3	McNair	Renovation	\$4,468,992	Occupied	250	250	250	1.5
3	Franklin	Renovation	\$13,911,260	Occupied	335	335	335	1.6
4	McDonogh 42	Renovation /Addition	\$8,855,138	Occupied	552	600	730	2.3
8	King	Addition	\$2,520,000	Occupied	0	505	505	3.9
9	Jordan	New School	\$19,800,000	Vacant	0	450	530	3.9
12	Habans	New School	\$13,133,038	Occupied	391	450	530	2.1

SFMP Phase 5, High Schools

Total Cost: \$14,174,944

Total Seats, 20 students per classroom: 800

Total Seats, 25 students per classroom: 871

Planning District	School Name	Action	Preliminary Estimate	Starting Status	Starting Capacity	Capacity, 20 students per classroom	Capacity, 25 students per classroom	Site Size
6	Franklin HS	Renovation	\$14,174,944	Occupied	871	800	871	6.5

Total High School Budget	\$431,906,756		Total High School Seats	13,556	16,107
---------------------------------	----------------------	--	--------------------------------	---------------	---------------

SFMP Phase 6, Grades PK-8

Total Cost: \$117,589,725

Total Seats, 20 students per classroom: 4,495

Total Seats, 25 students per classroom: 5,042

Planning District	School Name	Action	Preliminary Estimate	Starting Status	Starting Capacity	Capacity, 20 students per classroom	Capacity, 25 students per classroom	Site Size
2	Harney	Maintenance	\$2,519,825	Occupied	515	515	515	1.7
4	Fisk-Howard	New School	\$19,800,000	Vacant	0	45	530	2.3
4	Williams, Sylvania	Reno	\$2,520,375	Occupied	483	483	530	1.7
4	Crossman	Maintenance	\$2,519,825	Occupied	362	362	362	1.8
9	Schaumburg	Reno	\$6,165,913	Occupied	585	585	585	6.6
9	New School	New School	\$26,400,000	Vacant	0	600	730	3
12	Eisenhower	Reno/add	\$18,063,788	Occupied	483	600	730	4.1
12	Rosenwald Multiplex	New School	\$39,600,000	Occupied	0	900	1,060	8.1

Total PK-8 Budget	\$1,221,049,230		Total PK-8 Seats	39,941	38,783
--------------------------	------------------------	--	-------------------------	---------------	---------------

SFMP Schools to be Landbanked or Demolished, Grades PK-8

Planning District	School Name	Action	Starting Status	Starting Capacity	Year
2	McDonogh 07	Landbank	Occupied	270	2012
2	NO Free School	Landbank	Occupied	185	2012
2	Bauduit	Landbank	Occupied	270	2016
2	Laurel	Landbank	Occupied	983	2016
3	Ashe	Landbank	Occupied	185	2012
3	Banneker	Landbank	Occupied	414	2016
3	LaSalle	Landbank	Vacant	185	2008
3	Johnson	Landbank	Occupied	565	2014
3	Audubon Extension	Landbank	Occupied	185	2010
4	Old Jeff	Landbank	Vacant	0	2008
4	Augustine	Landbank	Vacant	400	2008
4	Terrell	Landbank	Vacant	205	2008

4	McDonogh 28	Landbank	Occupied	360	2016
4	Tureaud	Landbank	Occupied	282	2016
4	Bell	Landbank	Vacant	0	2008
5	Dibert	Landbank	Occupied	250	2016
6	Capdau	Landbank	Occupied	380	2016
7	Moton	Landbank	Vacant	590	2008
8	Armstrong	Landbank	Vacant	335	2008
12	Fink Site	Landbank	Vacant	0	2008
12	Fischer	Landbank	Occupied	545	2015
12	McDonogh 32	Landbank	Occupied	627	2016
3	Green	Landbank-Review Options at End of Phase 1	Occupied	335	N/A
2	Banks	To Demolish	Vacant	270	2009
2	Lafon	To Demolish	Vacant	500	2009
4	Chester	To Demolish	Vacant	295	2009
4	Mondy	To Demolish	Vacant	165	2009
4	Phillips	To Demolish	Vacant	525	2009
4	Waters	To Demolish	Vacant	360	2009
6	Bradley	To Demolish	Vacant	340	2009
6	Gordon	To Demolish	Vacant	335	2009
6	Gregory	To Demolish	Vacant	650	2009
7	Haley	To Demolish	Vacant	460	2009
7	Shaw	To Demolish	Vacant	250	2009
8	Edison	To Demolish	Vacant	0	2009
6	Coghill	Demolished	Vacant	270	2008
8	Hardin	Demolished	Vacant	420	2008

SFMP Schools to be Landbanked or Demolished, High Schools

Planning District	School Name	Action	Starting Status	Starting Capacity	Year
1	Rabouin	Landbank	Occupied	638	2012
4	John McDonogh	Landbank	Occupied	978	2014
12	Schwarz Alternative School	Landbank	Occupied	190	2014
2	Cohen	Landbank-Review Options at End of Phase 1	Occupied	1,100	N/A
7	Douglass	Landbank-Review Options at End of Phase 1	Occupied	800	N/A
12	Walker	Landbank-Review Options at End of Phase 1	Occupied	1,232	N/A
2	Derham	To Demolish	Unoccupied	0	2009
5	Kennedy	To Demolish	Unoccupied	0	2009
7	NO Center for Education of Adults	To Demolish	Unoccupied	0	2009
8	Lawless HS	Demolished	Unoccupied	0	2008
9	Abramson	Demolished	Unoccupied	0	2008



Appendix B: Master Plan Oversight Committee Membership & Meeting History

Members

As currently comprised, the Master Plan Oversight Committee has eight members, as follows:

- Karl Clifford, appointed by Construction Masters which is linked to the Associated Builders and Contractors
- Karen Dwyer, appointed by the local chapter of the American Institute of Public Accountants
- Jim Garvey, appointed by the Board of Elementary and Secondary Education
- Louella Givens Harding, appointed by the Board of Elementary and Secondary Education
- Paul Flower, appointed by the Business Council of New Orleans and the River Region
- Rick Jones, appointed by the local university presidents
- Lourdes Moran, appointed by the Orleans Parish School Board
- Nolan Rollins, appointed by the Urban League of Greater New Orleans

Meeting Dates

November 3, 2009

February 10, 2010

April 27, 2010

May 24, 2010

August 30, 2010

October 25, 2010

Cancelled Meetings:

June 22, 2010

June 30, 2010

September 28, 2010

November 30, 2010