
OFFICE OF GOVERNOR RONNIE MUSGROVE
INTEROFFICE MEMORANDUM

TO: GOVERNOR
FROM: RILEY
SUBJECT: 2 MATTERS DISCUSSED BY STATE BOARD OF EDUCATION LAST WEEK
DATE 9/15/03
CC: RENICK

Report on School Facility Needs: Robert Campbell briefed the Board on the results of his survey of school districts as to the districts' capital improvement needs. Campbell conducted this survey at the request of Chairman Deaton to identify districts' needs October 1, 2001, through June 30, 2006. Campbell's results reflect info received from all 152 districts as of August 14, 2002. Campbell's survey found that although MAEP and the Public School Building Fund provided over \$660 million for capital improvements in FYs 98-02, districts reported over \$1.2 billion in capital improvement needs. Two of the greatest needs are for classrooms and roofing work.

MAEP funds provided for the construction of 2,495 new classrooms and the repair or renovation of another 6,567. However, the survey showed districts need another \$443 million to meet their classroom needs (new classrooms and renovations).

The Public School Building Fund provided over \$24.7 million to repair and/or replace roofs in FYs 98-02, but districts reported needing an anticipated \$78 million for roof work by mid-2006. Campbell stated that the roofing situation could become critical since the FY 03 Public School Building Funds were used to fund the MAEP budget.

Campbell told the Board that districts need \$60 million/year to meet their capital improvement needs.

Contract with consultant to update MAEP base figure cost: The Board approved the staff's recommendation to enter into contract with Augenblick, Palaich and Associates to conduct research, collect data, undertake fiscal analysis and make recommendations as to updating the MAEP base figure cost. The consultants will recommend whether or not the base figure should include costs for components such as transportation and capital improvements that are now separate. According to Judy Rhodes, these consultants were involved in the original development of the MAEP formula. She told the Board that it would take at least 2 years to get any legislation passed to make such changes if the changes are recommended. *She also mentioned that she had already discussed this with Senator Gordon and he said he thought the Legislature would be interested in the consultants' results.* I told Rhodes that I would appreciate her involving me in any workgroup that is developed around this project. She said she had briefly mentioned it to you prior to the press conference Friday morning.

I'll keep you posted.