

# DEPARTMENT OF EDUCATION

## SCHOOL CONSTRUCTION AUTHORITY

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### WHAT WE DO

The School Construction Authority (SCA) is the agency accountable for new school construction and major renovations to older schools. SCA is responsible for all capital planning, budgeting, design and operations. SCA coordinates the development of the Department of Education's Five-Year Capital Plan, selects and acquires sites for new schools, leases buildings for schools and supervises conversion of administrative space for classroom use.

### FOCUS ON EQUITY

The SCA is committed to designing and constructing safe, attractive and environmentally sound public schools for children throughout all of NYC's communities. The SCA has set its priorities, including reducing overcrowding, upgrading NYC schools and improving access to technology to reflect this commitment. The proposed Fiscal 2015-2019 Capital Plan creates tens of thousands of new seats in areas projected for enrollment growth, directly addressing overcrowding and the goal of creating additional high-quality, full-day pre-kindergarten seats for neighborhoods throughout the City. Furthermore, the Capital Plan calls for much-needed improvements for aging infrastructure throughout the five boroughs.

### OUR SERVICES AND GOALS

#### **SERVICE 1 Design and construct new schools, additions and capital improvement projects authorized by the Department of Education's Five-Year Capital Plan.**

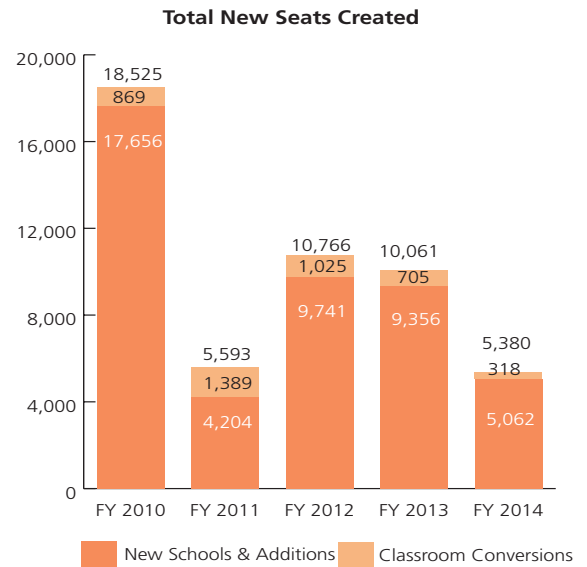
- Goal 1a Produce the number of new school seats authorized by the Department of Education's Five-Year Capital Plan.
- Goal 1b Achieve cost efficiencies in construction.
- Goal 1c Increase the number of capital improvement projects completed on schedule and within budget.
- Goal 1d Ensure project safety and quality.

# HOW WE PERFORMED IN FISCAL 2014

## SERVICE 1 Design and construct new schools, additions and capital improvement projects authorized by the Department of Education's Five-Year Capital Plan.

**Goal 1a** Produce the number of new school seats authorized by the Department of Education's Five-Year Capital Plan.

SCA completed construction of fewer seats in Fiscal 2014 compared to Fiscal 2013 but the number of new seats created surpassed the 2014 target. The number of schools constructed and seats created varies year to year based on the capital plan.



Performance Indicators	Actual					Target		Desired Direction	5yr Trend
	FY10	FY11	FY12	FY13	FY14	FY14	FY15		
Total new seats created	18,525	5,593	10,766	10,061	5,380	3,885	9,579	Neutral	Down
★ New schools and additions constructed	26	10	14	19	11	8	17	Neutral	Down

★ Critical Indicator "NA" - means Not Available in this report ↕ shows desired direction

**Goal 1b** Achieve cost efficiencies in construction.

Construction costs continued to increase in Fiscal 2014. The 8.6 percent increase in cost per sq/ft. at bid from Fiscal 2013 to Fiscal 2014 can be explained by the following: in Fiscal 2014, the SCA awarded more additions as opposed to new schools than in the previous year; additions accounted for 67 percent of projects awarded compared to 57 percent last year. Additions to existing schools are more costly due to the need to coordinate work in an occupied school building. Specifically, work in the existing building must be done after school hours. Additional costs include overtime, custodial fees/permits and site security. Also, since Hurricane Sandy, bid prices have increased because there is a great demand for construction labor (particularly electrical trades), structural steel and concrete foundation work. The increase in cost per sq/ft. at bid from Fiscal 2010 to Fiscal 2014 can be explained mainly by market conditions; demand for materials and labor continues to increase annually.

Performance Indicators	Actual					Target		Desired Direction	5yr Trend
	FY10	FY11	FY12	FY13	FY14	FY14	FY15		
★ Construction bid price for school capacity projects per square foot (\$)	\$443	\$475	\$514	\$580	\$630	\$514	\$580	Down	Up
Average new school construction cost per square foot - Early childhood (\$)	\$628	NA	NA	NA	NA	*	*	Down	NA
- Elementary (\$)	\$561	\$581	\$529	\$553	\$552	*	*	Down	Neutral
- Intermediate (\$)	\$515	NA	NA	\$638	\$604	*	*	Down	NA
- High school (\$)	\$586	NA	\$525	\$533	NA	*	*	Down	NA

★ Critical Indicator "NA" - means Not Available in this report ↕ ↑ shows desired direction

### Goal 1c Increase the number of capital improvement projects completed on schedule and within budget.

Capital improvement projects improved overall in terms of timeliness and project completion within budget in Fiscal 2014. The percent of projects constructed on time or early increased by three percentage points. The percent of capital improvement projects constructed within budget increased by nine percentage points.

Performance Indicators	Actual					Target		Desired Direction	5yr Trend
	FY10	FY11	FY12	FY13	FY14	FY14	FY15		
New schools and additions - construction funds committed as a percent of initial authorized budget (%)	94.6%	92.9%	92.9%	95.4%	92.6%	100.0%	100.0%	Up	Neutral
★ Scheduled new seats constructed on time (%)	100%	100%	100%	100%	100%	100%	100%	Up	Neutral
★ Capital improvement projects constructed on time or early (%)	83%	69%	72%	69%	72%	80%	80%	Up	Down
★ Capital improvement projects constructed within budget (%)	88%	73%	77%	71%	80%	80%	80%	Up	Neutral

★ Critical Indicator "NA" - means Not Available in this report ↕ ↑ shows desired direction

### Goal 1d Ensure project safety and quality.

Although the costs of individual claims have grown as a result of the impact of Local Law 240(1), the actual number of claims for construction related accidents has decreased over the same period. Local Law 240(1) imposes strict liability against owners and general contractors for any gravity-related accidents at construction worksites. Growth in local law-related insurance claims has impacted the cost of insurance premiums.

Performance Indicators	Actual					Target		Desired Direction	5yr Trend
	FY10	FY11	FY12	FY13	FY14	FY14	FY15		
Ultimate cost of insurance losses as % of construction value (per calendar year)	4.25%	4.52%	6.49%	6.97%	NA	*	*	Down	NA

★ Critical Indicator "NA" - means Not Available in this report ↕ ↑ shows desired direction

## AGENCY RESOURCES

Resource Indicators	Actual					Plan <sup>1</sup>		5-year Trend
	FY10	FY11	FY12	FY13	FY14	FY14	FY15	
Personnel	690	674	660	661	671	715	715	Neutral
Capital commitments (\$000,000)	\$2,247.1	\$1,726.2	\$2,586.7	\$2,297.6	\$2,086.7	\$3,310.2	\$2,418.3	Neutral
<sup>1</sup> Authorized Budget Level	"NA" - Not Available in this report		<sup>2</sup> Expenditures include all funds.					

## NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS

- SCA revised its Fiscal 2015 target for the indicator 'Construction bid price for school capacity projects per square foot (\$)' from \$514 to \$580.
- Prior-year data for the indicator 'Ultimate cost of insurance losses as % of construction value (per calendar year)' has been revised to reflect the Department's most recent actuarial information.

## ADDITIONAL RESOURCES

For more information on the agency, please visit: [www.nyc.gov/sca](http://www.nyc.gov/sca).