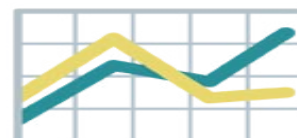


Market Research Report



Overview

This survey explores the methods, processes, policies, and practices of capital planning for educational institutions. Approximately 737 educational professionals participated in the survey primarily from the maintenance/facilities office.

The survey was originally conducted by SchoolDude.com between the dates of February 2, 2004 and May 1, 2004.

Survey Methodology:

The survey was announced to educational professionals who subscribe to SchoolDude's "Weekly Dude" newsletter, free "opt-out" newsletter produced by SchoolDude.com, Inc. The survey was conducted online through SchoolDude.com's survey system and respondents received a free copy of the survey response summary.

This survey explores questions such as:

- What is an educational institution's capital budget planning process?
- Who gathers a list of facility deficiencies for developing a project plan?
- Which month does educational institutions do capital budget planning?
- Are there state or local requirements for a multi-year facility capital plan?
- What tools are used to estimate project cost for repairs/renovations?
- What software is used to develop facility capital budgets?

Who took the survey?

Total responses: 737 participants from the United States, Canada, and Australia

Title	Percent of Responses:
Superintendent	1.7%
Business and Finance Officer	9.4%
Facilities Director	38.6%
Maintenance or facilities secretary	3.2%
Construction Manager	1.1%
Energy Manager	1.0%
Other	15.4%

This survey was sponsored by



11000 Regency Parkway
Suite 200
Cary, NC 27518
877.868.3833
sales@schooldude.com

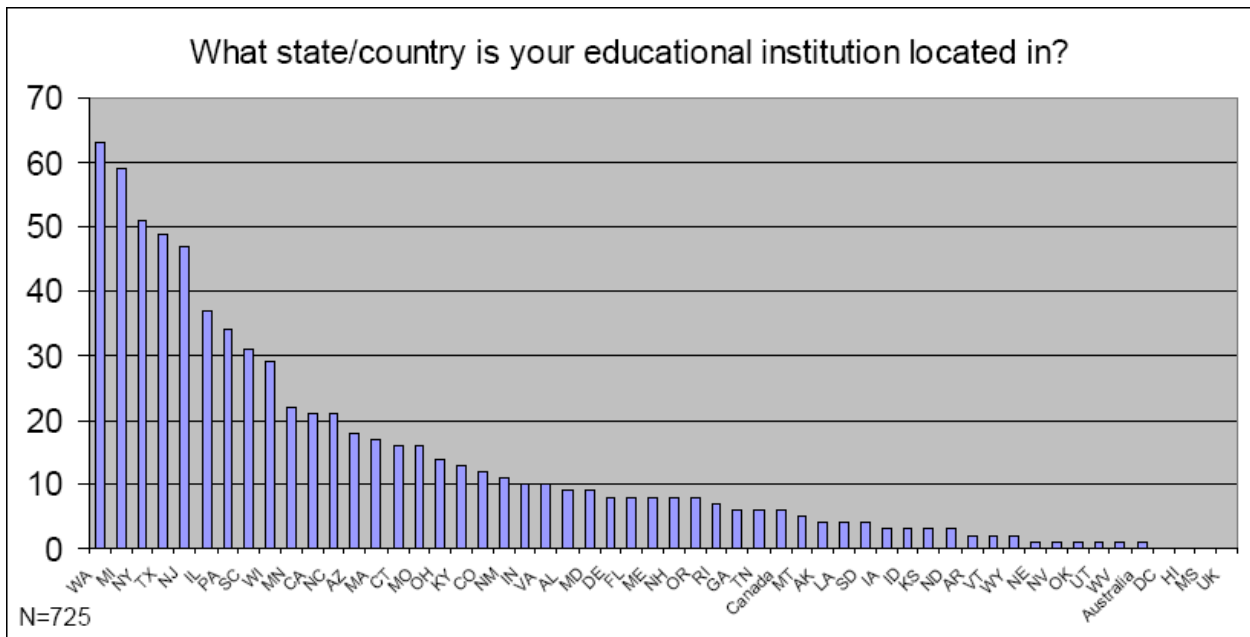
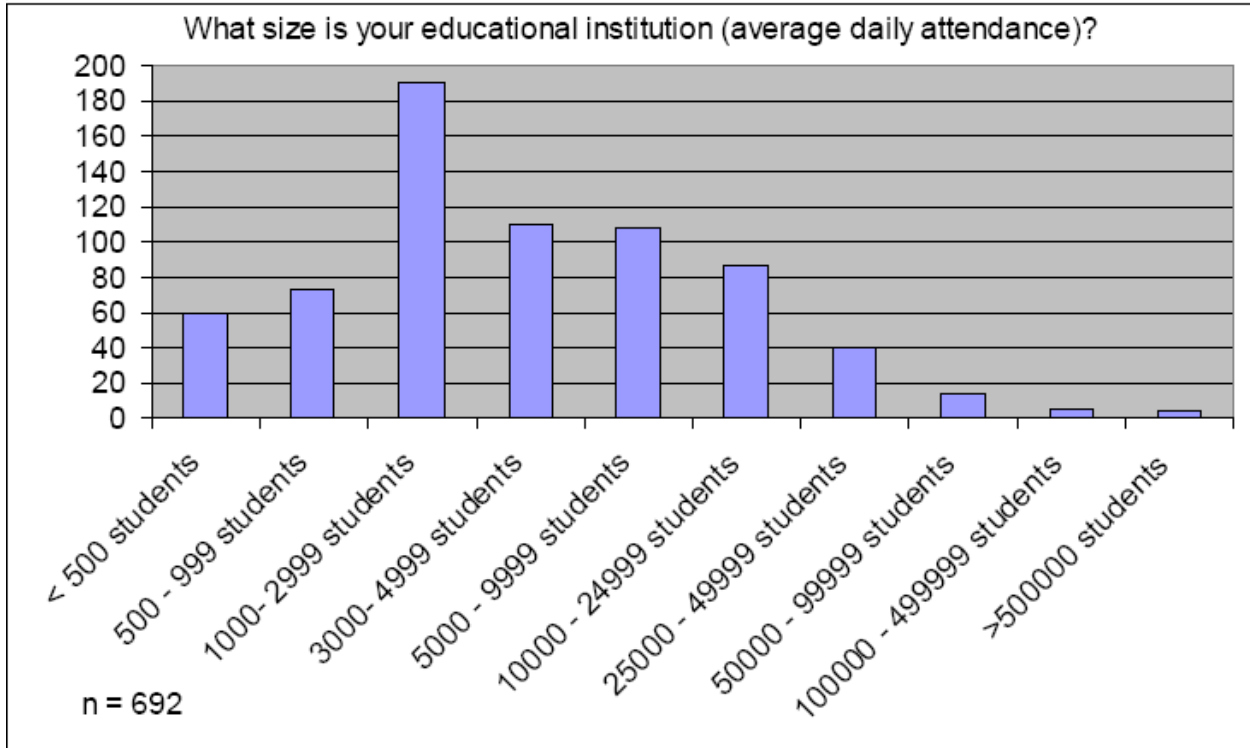
SchoolDude is the #1 provider of on-demand management applications for educational professionals for:

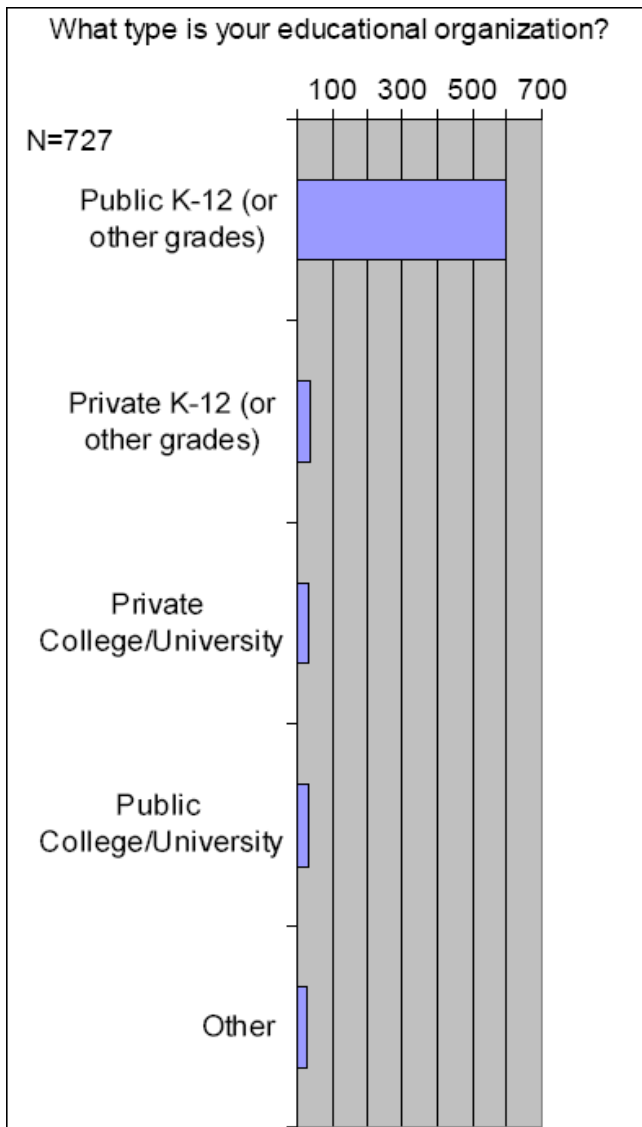
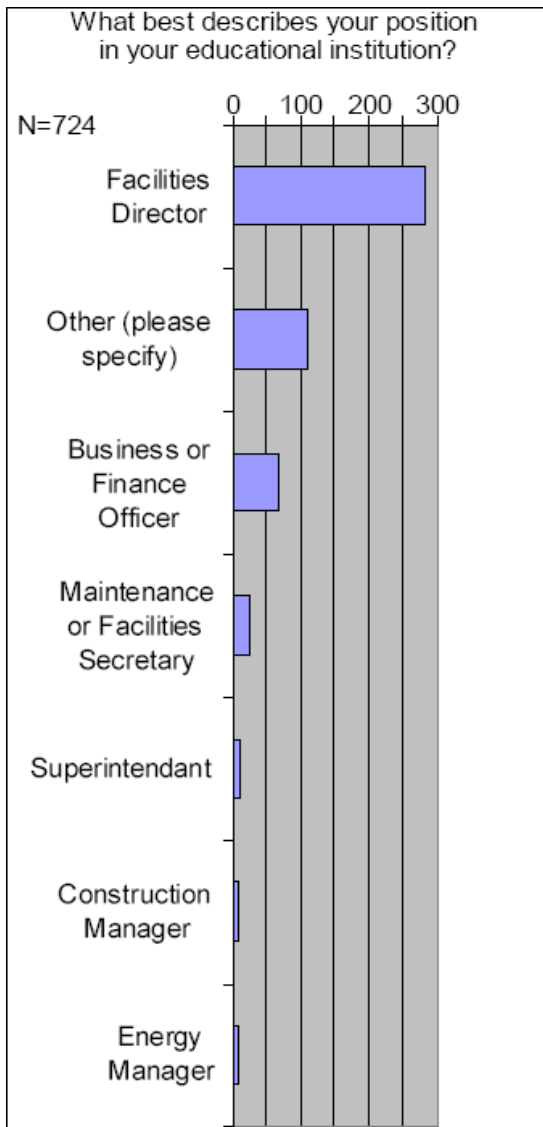
- Facility operations
- Afterhours community use
- Technology operations
- Utility analysis
- And more!

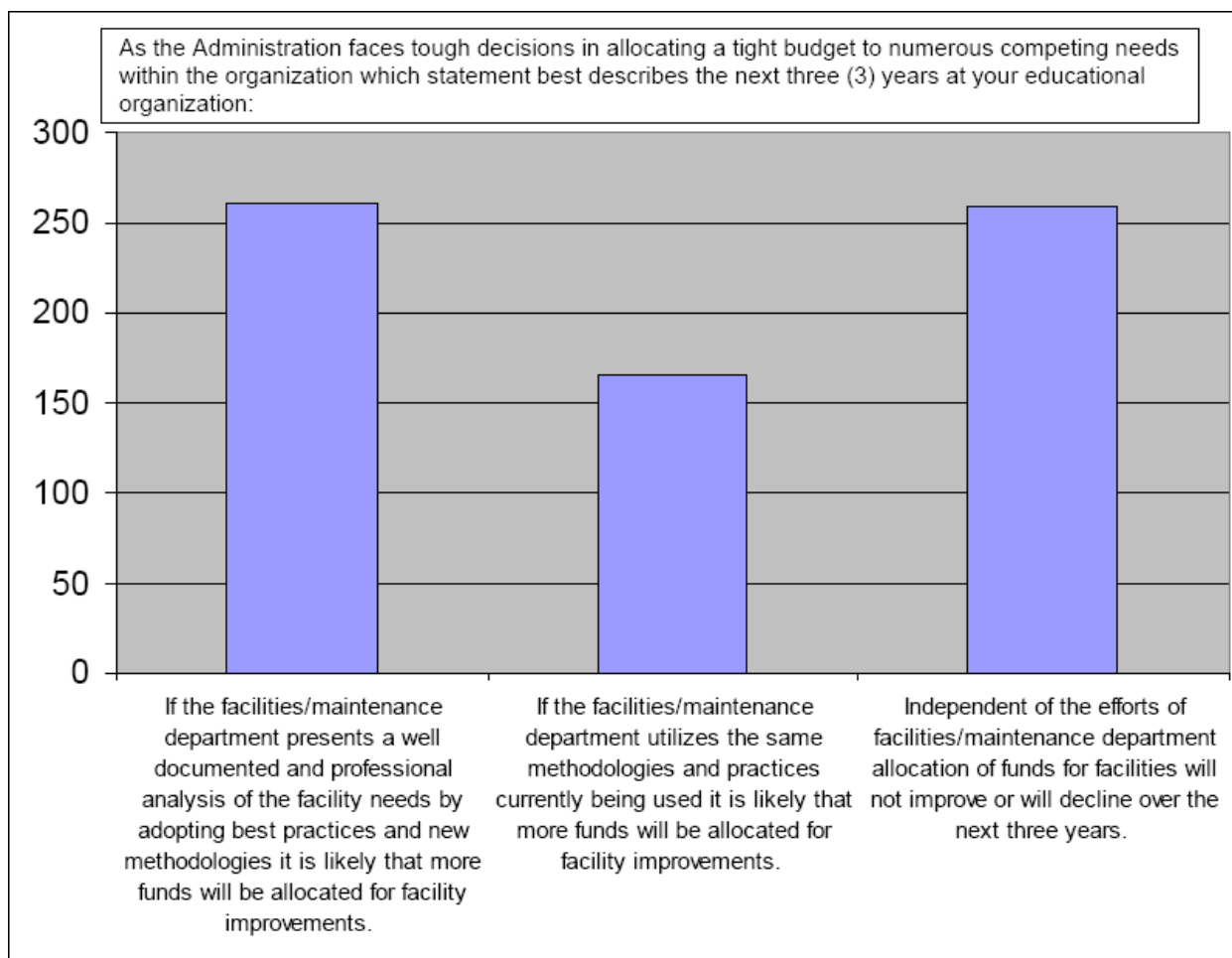
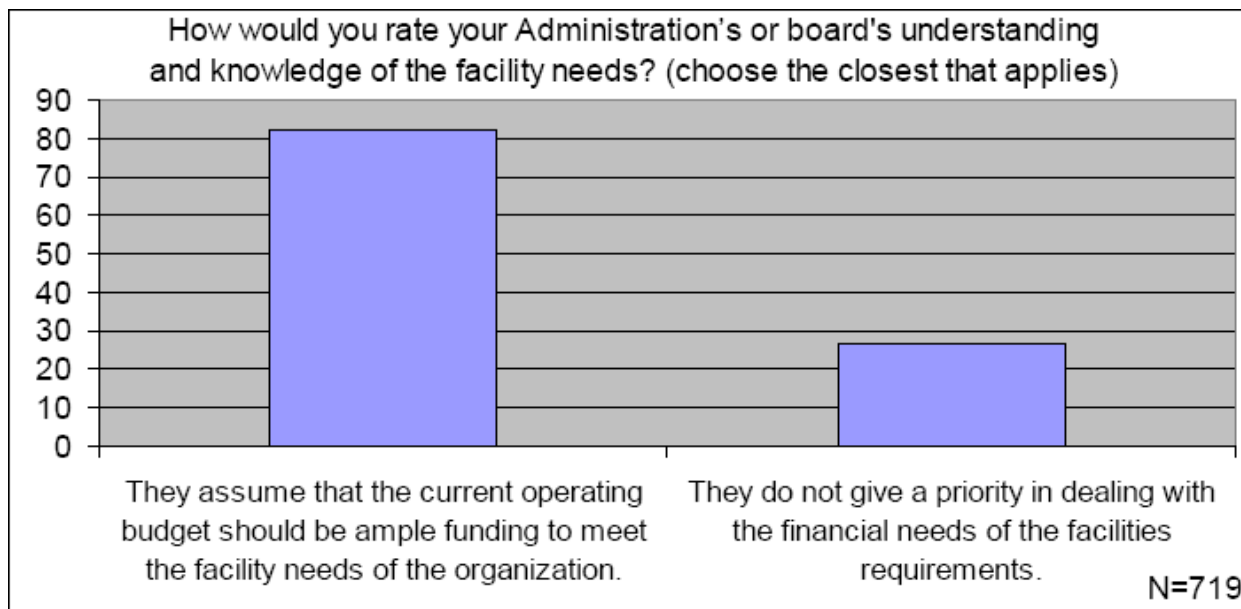
Top Responding States

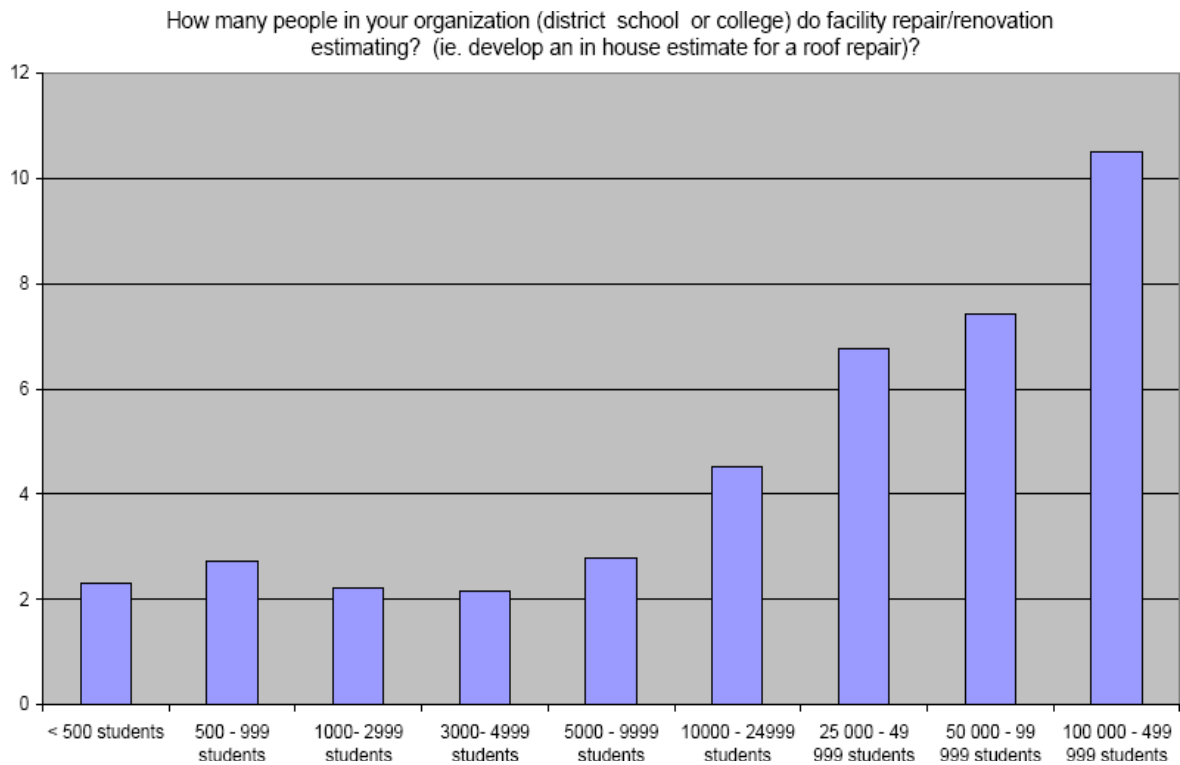
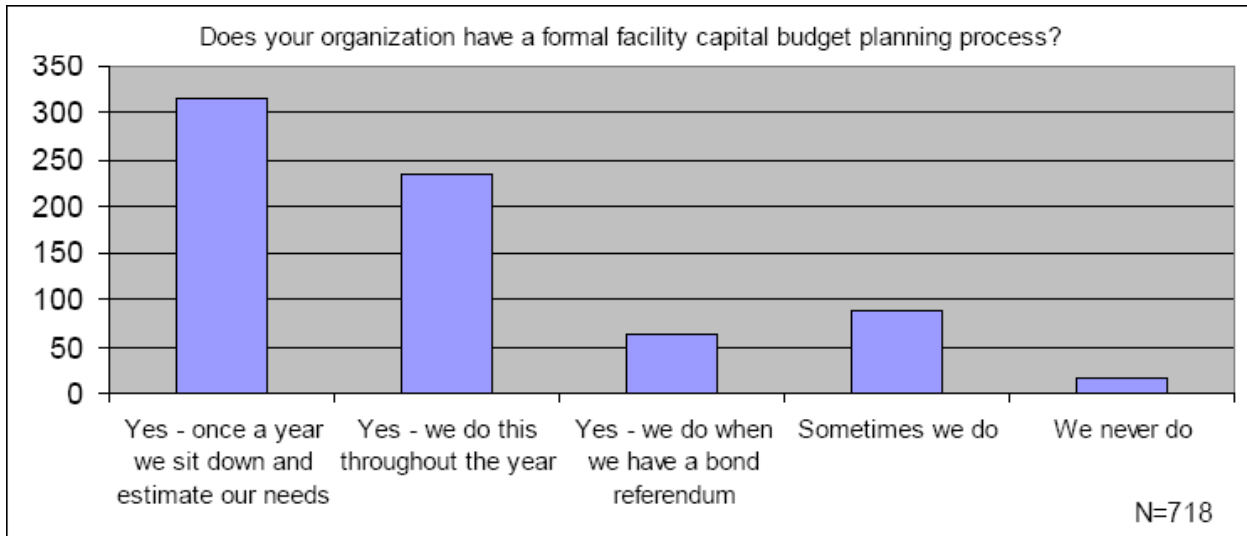
State	Responses
Washington	63
Michigan	59
New York	51
Texas	49
New Jersey	47
Illinois	37
Pennsylvania	34

Price: \$149 US



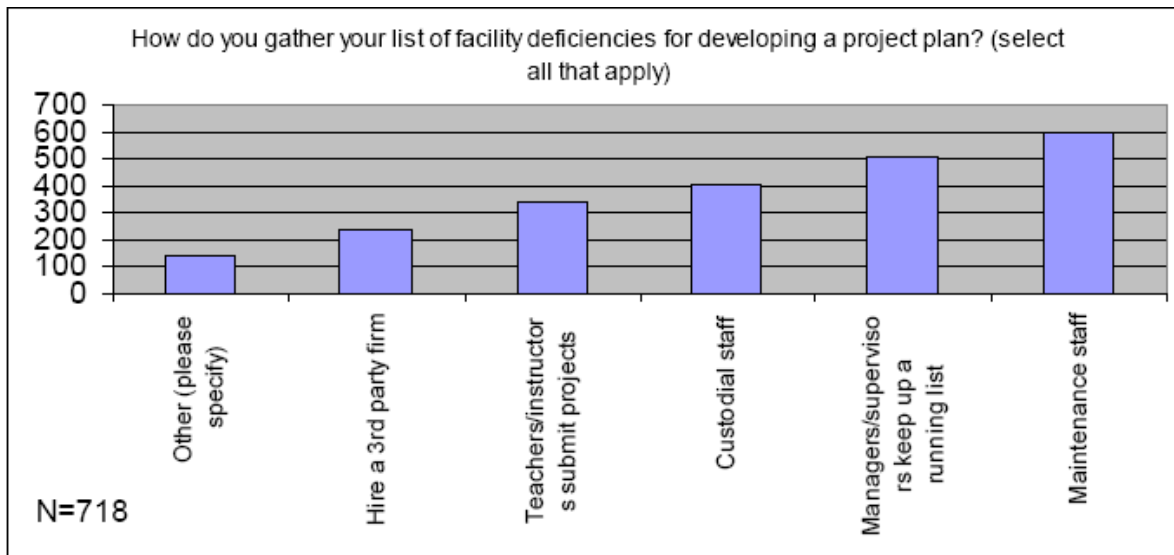




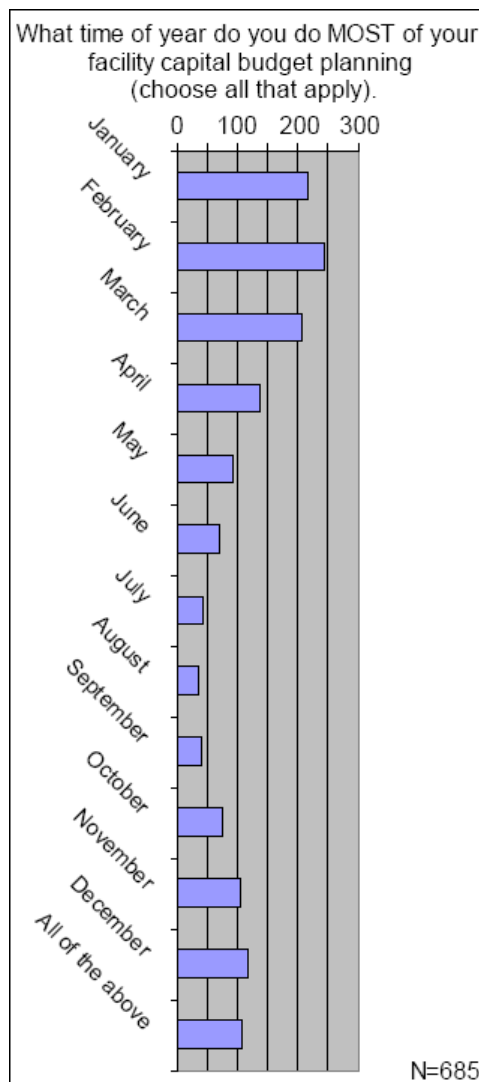
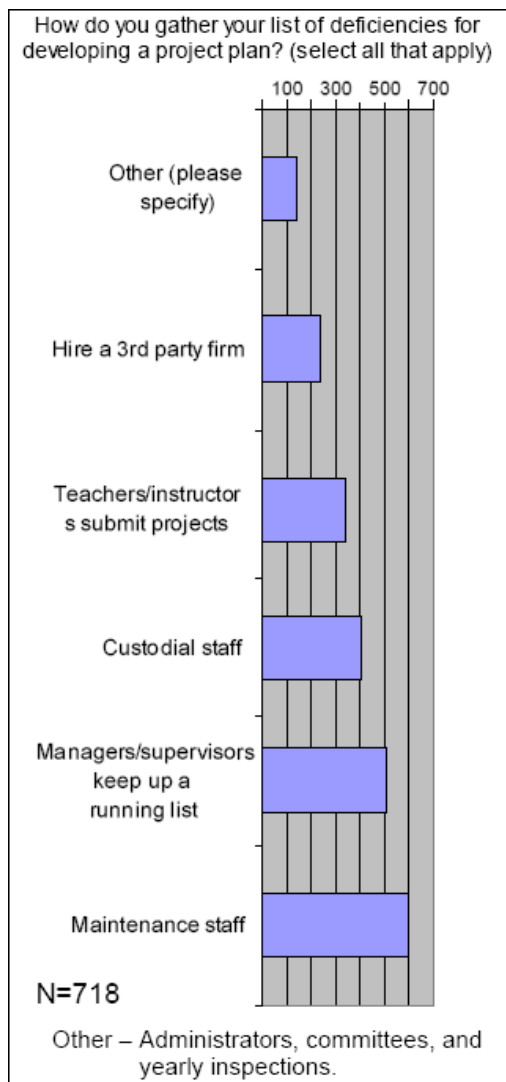


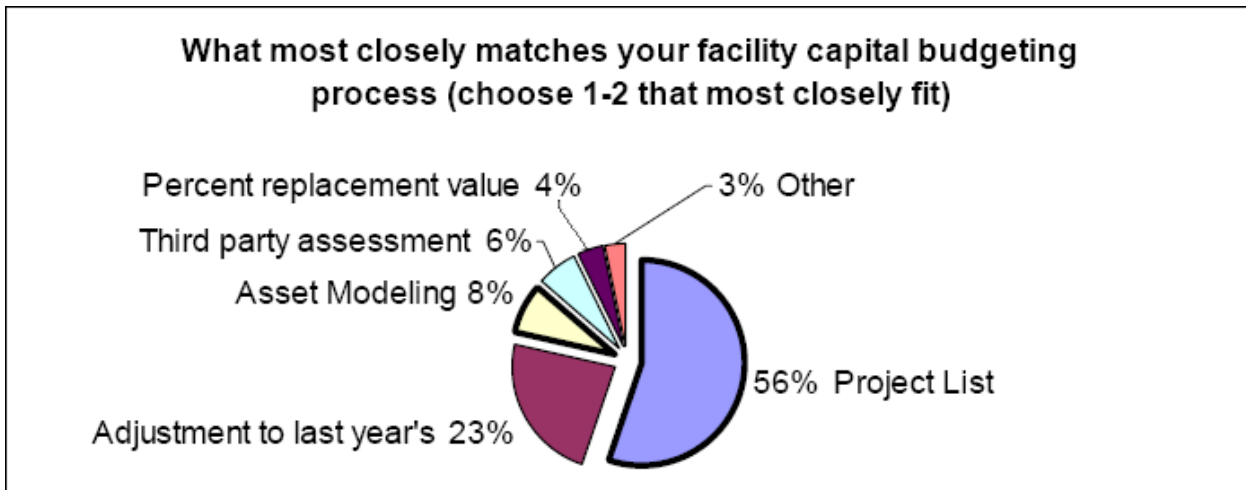
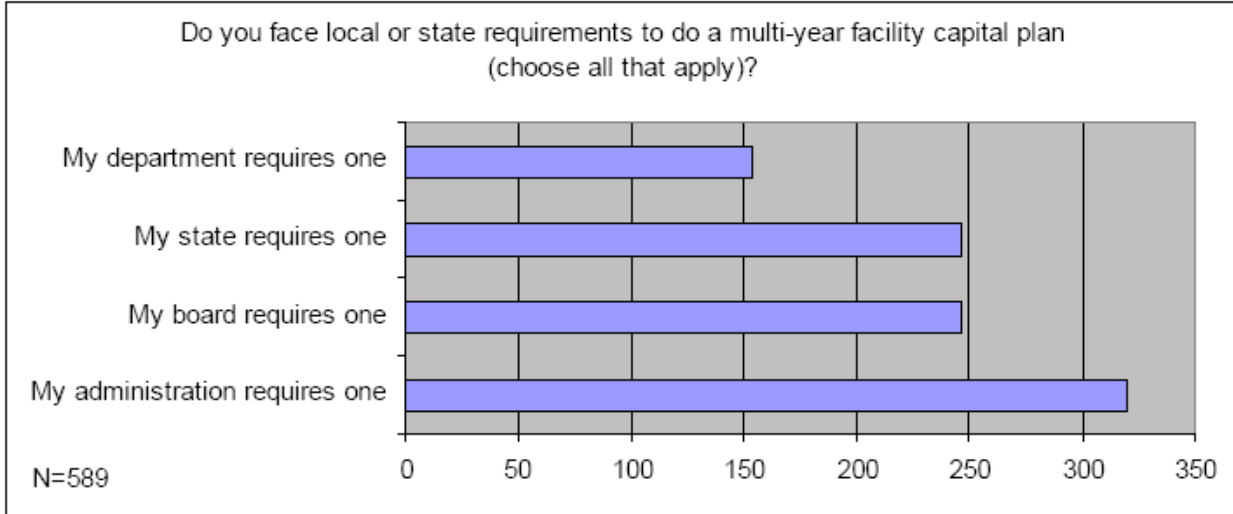
Avg. # People	2.31	2.72	2.23	2.15	2.8	4.53	6.77	7.43	10.5
Min. of People	0	0	0	0	0	0	0	1	10
Max. of People	6	15	24	12	15	45	30	20	11

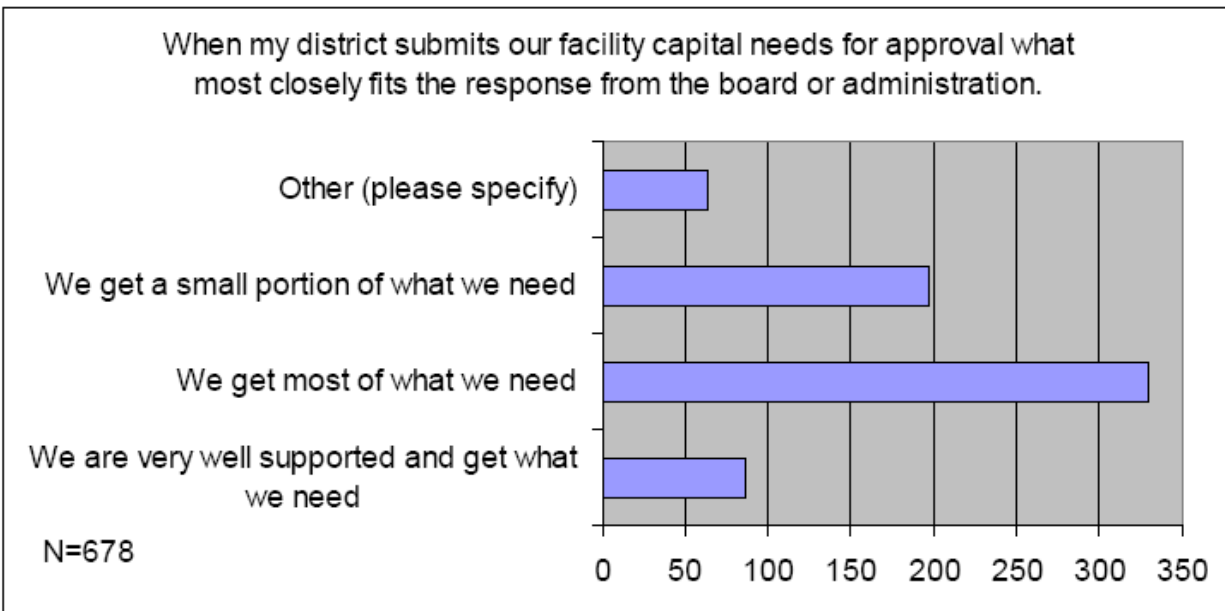
Note: high range for each student size indicates there is a wide range of methodologies including internal as well as outsourced with third parties.



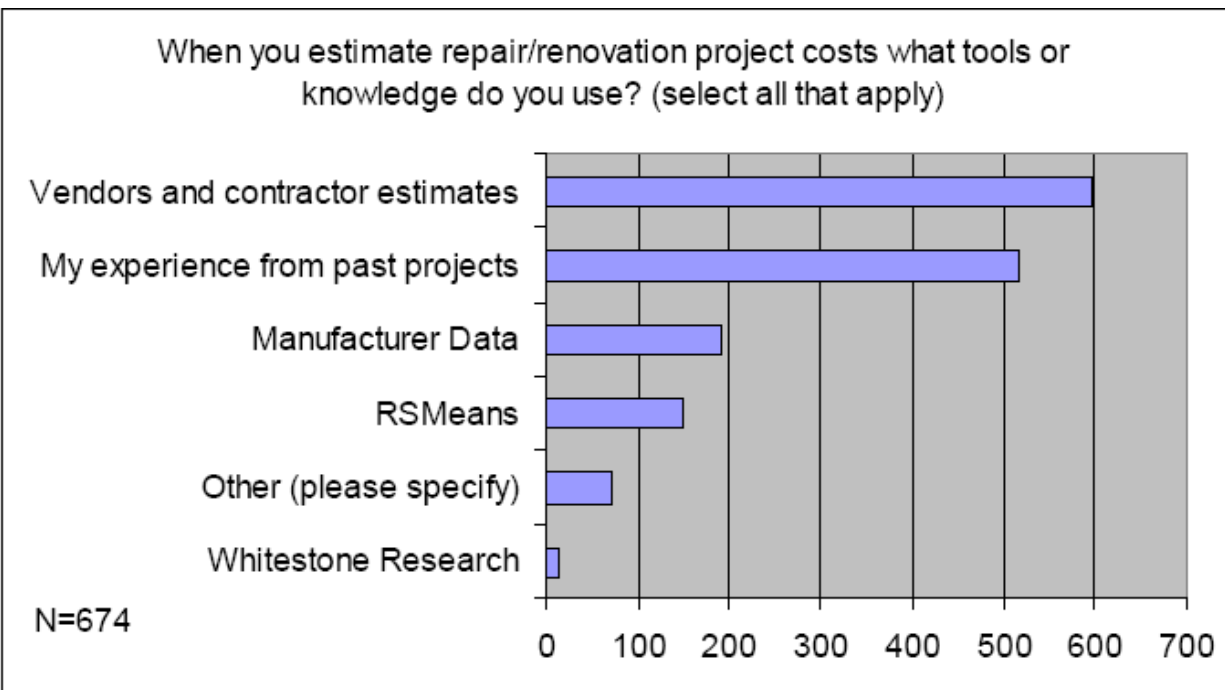
Other – Administrators, committees, and yearly inspections.



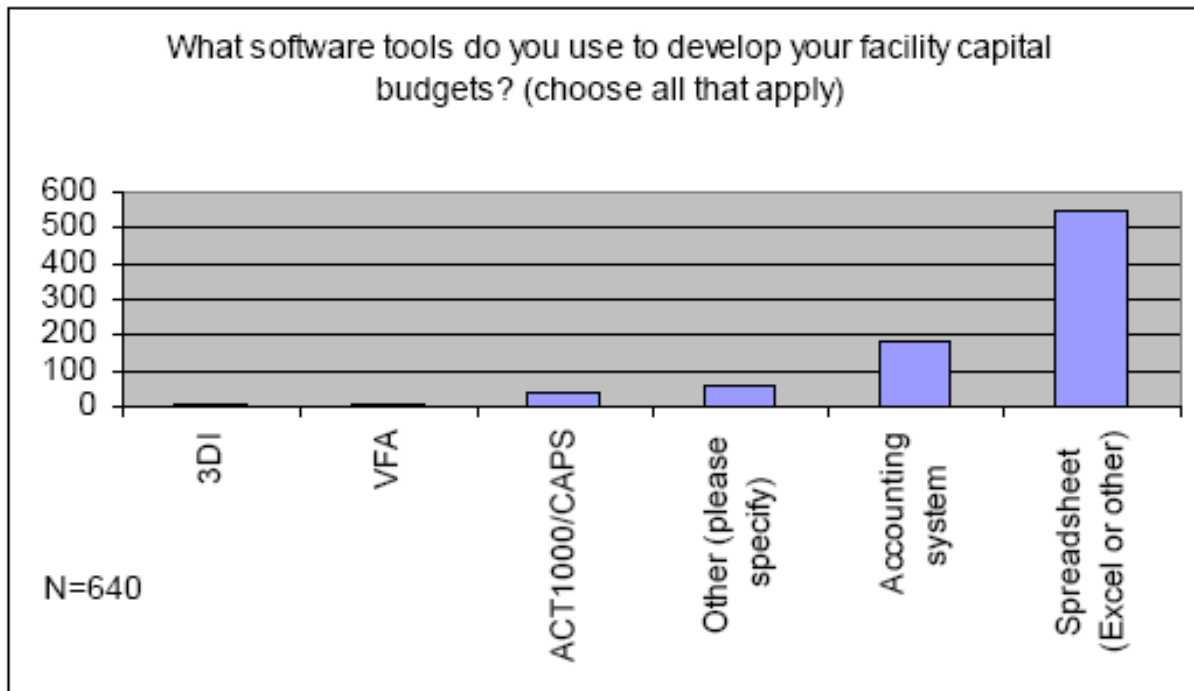




Other - We get what we need based on effect to educating and supporting the education process.
 -We get some or half of what we need due to budget constraints.

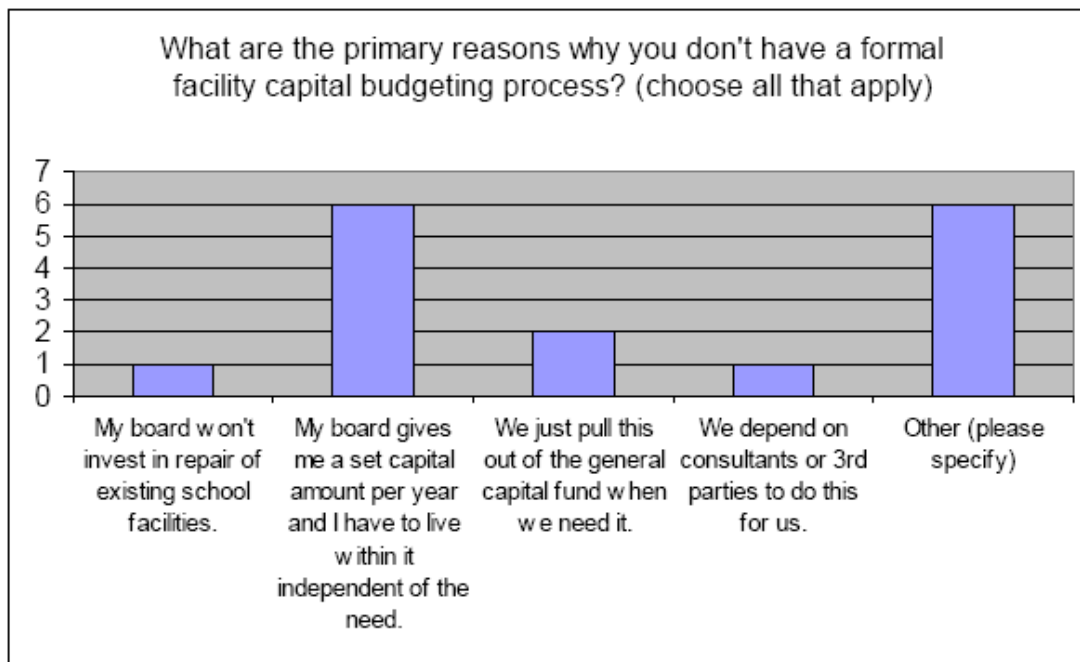


Other – Architect estimates, cost model for Alaskan Schools, and in-house database.



Other – Provincial maintenance program, databases from past projects, and various project management software.

Responses from those that indicated they do not have a formal budgeting process:



Other – Our district is too small, lack of knowledge of the process, and not enough funds.

General Comments:

- I am a new employee in the organization. The current capital planning process is severely flawed as is the estimating effort. I look for significant changes in the next 2 years to improve the

current effort which only looks 5 years out (because that's all the state mandates). We have yet to put a cost on our 20-year outlook.

- Possible questions: What tools do you use to track your capital planning budgets through the year? How accurate or how current do you feel these tools are in helping you know where your budget is today?
- I have been using Act 1000 over ten years. I have just signed on with SchoolDude. We are about to enter the world with you guy's @ SchoolDude.com
- It's been a challenging budget year!
- The State of Maine has an agreement with VFA and a mandate to have a Capital Plan. I find the VFA software somewhat cumbersome. Does the SchoolDude software cover the same bases?
- Some consideration should be given to limited budgets for M&O and Preventive Maintenance. Proper use and emphasis of PM will reduce the need or extend the time on capital improvement projects.
- We're new and just implementing SchoolDude. I am interested in quality reports suitable for sending up the administrative chain to our President/Provost and perhaps Board of Trustees. Ability to have clear concise data that can be manipulated into a College required format is a must.
- The town that I work for has experienced large growth over the past many years. We have been able to keep up with most capitol needs do to the fact growth has brought new sources of revenue. My fear is that when the growth slows so will the new revenue sources.
- Some of the possible answers to the questions were not complete enough. For example in question 5, the real situation is that the Administration/Board is aware of current needs but can't/won't provide the funds.
- The best plans need to be funded. We have excellent methods in place to assess our current and future needs but tax caps and other funding declines and constraints force BOE's to make tough decision on what work is to be performed. Eventually your time runs out and you have to go to an over-taxed constituent to try and pass a much needed referendum. Funding formulas must change!
- I am in the process of planning a long- range Repair/ Replacement Schedule
- DUE TO PAST PERFORMANCES FROM RESTRUCTURING AND ONGOING BUDGET WOES NO ONE LIKES TO TALK ABOUT SPENDING OR PLANNING TO SPEND FUNDS. BEFORE THEN WE HAD REALISTIC 1 2 3 4 &5 BUSINESS PLANS THAT INCLUDED CAPITOL PROJECTS AND EVEN LONGER VISIONS TO FACILITATE THE NEEDS OF THE PUBLIC IN REGARDS TO LAW ENFORCEMENT TRAINING. WE ANTICIPATE WITH THE NEXT WAVE OF STATE RESTRUCTURING THAT MGNT WILL HAVE THE INSITE TO ALLOW FUTURISTIC PLANNING.
- Would be good to see recommended industry standards for facility capital planning and/or specific standards used by other school districts.
- Life Cycle Study (facilities assessment) is the best investment we have made in years. Opened a lot of peoples eyes to our real needs in updateing equipment and processes.
- In 1990 the District formed a facilities committee which consisted of a citizen from each of the four towns as well as three board members. Meetings are held in each school with principal present with their request(s) for the committee to look at.

- We are currently working to put a package together to inform and persuade the board on adopting School Dude information systems.
- Facility and capital improvement is most limited because of inadequate state/federal funding! We can develop a great plan but finding the needed funds is very difficult.
- Thanks for the survey
- We are currently in the referendum process. (Education). If not successful we will need to clip 3mil this year. Things are really throttled back right now in all areas.
- It is very slow process especially when funds have to be raised to pay for it
- We have completed the online demonstration and have received the price quote. I am ready to move forward.
- Pricing and availability WITH conversion of existing data cost included for this next year's M&O budget. To include conversion of existing ACT CAPS data. This may go into our next bond package as a long range planning tool.
- Kentucky is blessed with a unique capital funding system. Five cents of all property tax along with annual per student capital dollars has been established. We use \$ 5 million for annual small scale pay as you go projects and also sell bonds almost annually. These bonds are sold by the Board of Education and do not require a public vote. The State is looking at increasing the annual five cents to ten cents. This would generate \$290 million over the next 20 years. There is also State construction money available this year we got \$24 million this comes along every few years!
- We need to do a better job of planning capital allocation and projects. If you have a system that will do that we need to look very closely at it.
- I already have planning direct and looking forward to your university to learn everything I can on how to make it work for me. Thanks Schooldude for everything
- I would love to have school dude but my business administrator thinks it's a waste of money. I have tried to talk her into it.
- We have become more sophisticated with our reporting methods since we have been on SchoolDude. We are still very under-budgeted but things are improving slowly. With PM Direct in the next few years we should have even more accurate numbers.
- I have already participated in one on-line seminar on Planning Direct.
- Since we are a private school we get no public funding. The board of trustees is very aware of our needs but the needs are great. There is just not enough money to do all that is needed and the prices just keep going up and up and up.
- In the state of New Jersey we are an Abbott District which means that we can have almost everything done and paid by the state if it meets the required criteria. They really do take care of the vast majority of needs we have.
- Funding within the state of Texas is a very difficult matter at this time. It makes it very hard to establish a budget because you do not know what the state is going to do with funding.
- Not an educational institution. This survey did not apply to my agency which is a state agency.
- If Planning Direct works as well as MD. And PM Direct. You probably have a winner.

- When I attended the on-line training for the PlanningDirect it was not clear to me whether the software allowed for beginning from a summary sheet (of all proposed projects) and then drill down to the finer details of the project.
- As the 10th largest district in the state we are 176th out of 178 in per-pupil funding. Needless to say the focus in a school district is on education and very little money remains for not just Maintenance but all support services. We are in the final stages of a comprehensive master planning process involving teams of architects and engineers that physically assessed each of our separate 39 school sites. The first numbers generated by their report places us in the neighborhood of \$230M of maintenance code and program deficiencies in our district. Our Board is poised to announce our pursuing a bond election next November to try and fund at least a portion of the \$230M. It's interesting to note that as an outcome of a prioritizing process involving school staff member of the community and other interested parties maintenance and code issues won out over program deficiencies. This at least shows that people are aware of the needs of the physical plant(s) and would be willing to pay for the upgrades to put our schools in a condition conducive to education.
- Administration prefers to build new rather than invest in existing facilities. Facility issues from the facilities department rarely reach the board.
- Much of the needs for school facilities is determined by the state budget regardless of the need of the school.
- I typed no thanks above but would really like a brochure on this program if it is available.
- I think it would be difficult to calculate costs because of regional costs.
- I could not answer #11 - there was no choice for other. We are required to submit a multi-year plan to our local jurisdiction (county).
- You could have asked about our opinion regarding the extent of deferred maintenance and projects that we have in our districts. For example I get a substantial amount of money each year and feel well-supported but because of the backlog of projects and deferred maintenance in the big scheme of things I don't get nearly what I need to catch up on these projects. Because of that we may be addressing things ten years from now that we should have taken care of 5 years ago provided that there is no emergency that forces the Board of Ed to deal with the crisis whether they have the money or not! Also the last time I looked renovations only had one N. Sorry to be so picky but.....
- Staffing for the entire maintenance buildings and grounds. The number of buildings along with square footage and the grounds covered. Such as fields stadiums parking lots etc. Thank You.
- I think School Dude is great! Very practical info. Do you folks have any plans to categorize members and then publish info for that category? We are a proprietary college with an enrollment of just over 600 students. Since we are privately owned we don't answer to a school district board etc. (which makes things easier) but at the same time our funding is our tuition income with is always a challenge for line items such as deferred maintenance. We are trying to become pro-active about planning for R&M. Your web site has been a great help.
- I find it funny that you would ask me to fill out a survey for your gathering of information but not to allow me access to certain areas of your website to check for reference items or articles

while sampling your site map before spending the funds to become a member. Just a comment and observation on my part.

- I think a computerized system is the only way to develop a plan that can be updated as situations change. Being tied to work orders will keep the information current. I would also like for SchoolDude to develop a financial package that will work with CSI to manage work orders and budgets. This would help our district better manage our assets.
- I THOUGHT A COUPLE OF THE QUESTIONS NEEDED DIFFERENT OPTIONS IN ORDER TO ANSWER CORRECTLY. WHEN DEALING WITH ENROLLMENT AND DISTRICT COMPARISONS YOU SHOULD ASK HOW MANY HIGH SCHOOLS ARE IN THE DISTRICT.
- Facility capital planning also requires knowing how much the State is willing to help with financing such as small interest loans for lighting retro-fits HVAC improvement or is Federal money available for School districts.
- good survey!
- I am a state agency administrator responsible for code review and building permits safety etc for all NY state public schools. We do not perform estimating or scheduling on an building level basis so some of my survey answers don't fit well. i will be interested in the results as funding for schools will get tighter in the near future.
- We are currently using Maintenance Direct. We feel that it is a wonderful tool to assist us in the operation of [deleted] School District.
- With rising staffing cost fuel cost utility cost you find yourself trying to cut other areas to meet the cost you have no control over. Our state is also in a budget crunch and they are not offering any extra funding but cutting funding. It always seems when our district needs extra money they want to take more of your annual maintenance and capital out lay funding.
- Every year we compile our list with estimates. The total is around \$15 000 000.00 but we only have about \$5000 000.00 to work with so there is a huge backlog. Therefore we are forced to adjust our plan throughout the year as systems fail that did not make the cut.
- In my opinion the only way schools will receive the funding they need is to prove through an in depth credited study that shows a direct correlation between student performance and facility conditions. If you can prove that then legislators will listen.
- We have a state mandated budget cap which limits spending despite Board support for projects. That means that most large capital projects need voter approval either as a referendum or special question. Planning is one thing - financing the plan is a whole different ball game!
- How does a Facilities Audit apply to your PlanningDirect system. The Facilities Audit will identify school by systems and their condition and a estimated time for replacement.
- Great Survey! Couple questions that I thought of that you might want to consider are: Does your approving body (administration / state) Require a life cycle analysis when submitting for capital improvements? Does your approving body (administration / state) Require a preventive maintenance plan to be implemented in order to receive capital funding?
- Will we be able to see planning Direct in Myrtle Beach next month
- We have a Facility Advisory Committee which meets and gives a proposal to the school board for capital improvements for present facilities and any new buildings. All of these projects are

dependent on passing a bond measure to fund the projects. We are starting this process this next month with a proposal going to the board in October of 2004.

- no additional comments @ this time
- We currently have a 10 year and 20 year physical plant and campus plan which takes to 2020. While this plan is in a rendered state only it does provide overall guidance for the direction we are currently headed in. Adjustments to the plan are required as needs and wants become more focused on the reality of desired outcomes. In our plan we had a 20 000 sq. ft. Math and Science building which now turns out to require 40 000 sq. ft. bldg. to house the Technology Dept. as well as provide a better office/work space for individual faculty. Out of the chaos order does eventually come.
- I will take a look at it while I am at School Dude U.
- I'm attending your college and plan to sit in on your capital planning session.
- I'm convinced it is absolutely required to relate facilities capital improvement needs to the benefit of the classroom teacher and to students before budget success will be realized.
- dollar needs per year - many states & Districts have needs multi-needs but can only do so much per year based on contractors available staff and/or architects. what is the amount if you had can you handle per year for Capital Projects - Currently [deleted] is spending \$1.7 million per week for Capital projects. this has been this for the past 6 years and we are planned and funded for this for the next 3 years till 2008.
- Going Downhill quickly.

Survey Notes and Clarifications:

1. This survey was posted on February 2, 2004 and May 1, 2004.
2. This survey was conducted online. No responses were recorded except through the SchoolDude.com website. Through market research and other analysis, we have drawn conclusions that SchoolDude.com survey participants are comfortable with computers and the Internet and are more likely to be progressive in their school district, private school, college or university and their approach to school maintenance. For example, it is more likely that SchoolDude survey respondents use computerized tracking systems for maintenance activities than industry averages.
3. There were a total of 737 survey respondents. We present each question in the following summary along with the results. We also show the response to the actual question as some questions were skipped by respondents (e.g. n = # of respondents).

Thank you!