

# Building Rental Annual Report – 2018

## Overview

The Seattle School Board subscribes to the belief that public schools are owned and operated for the benefits of students and citizens. Use of school facilities is covered under Policy 4260 “Use of School Facilities” and Superintendent Procedure 4260SP “Use of School Facilities”. The public is encouraged to use the school facilities. This report only includes data on hourly building rentals and only some information on leased space scheduled in the District’s building use scheduling system.

The use of Memorial Stadium is managed by Seattle Public Schools Athletic Department per Policy 4262 “Community Use of Memorial Stadium.”

Use of school athletic fields and complexes are subject to the Seattle School District / Seattle Parks and Recreation Joint Use Agreement (JUA) and are scheduled by Seattle Parks and Recreation (SPR). SPR collects field rental fees and remits them to SPS per the JUA. The current JUA expires October 2019.

## Use Priority:

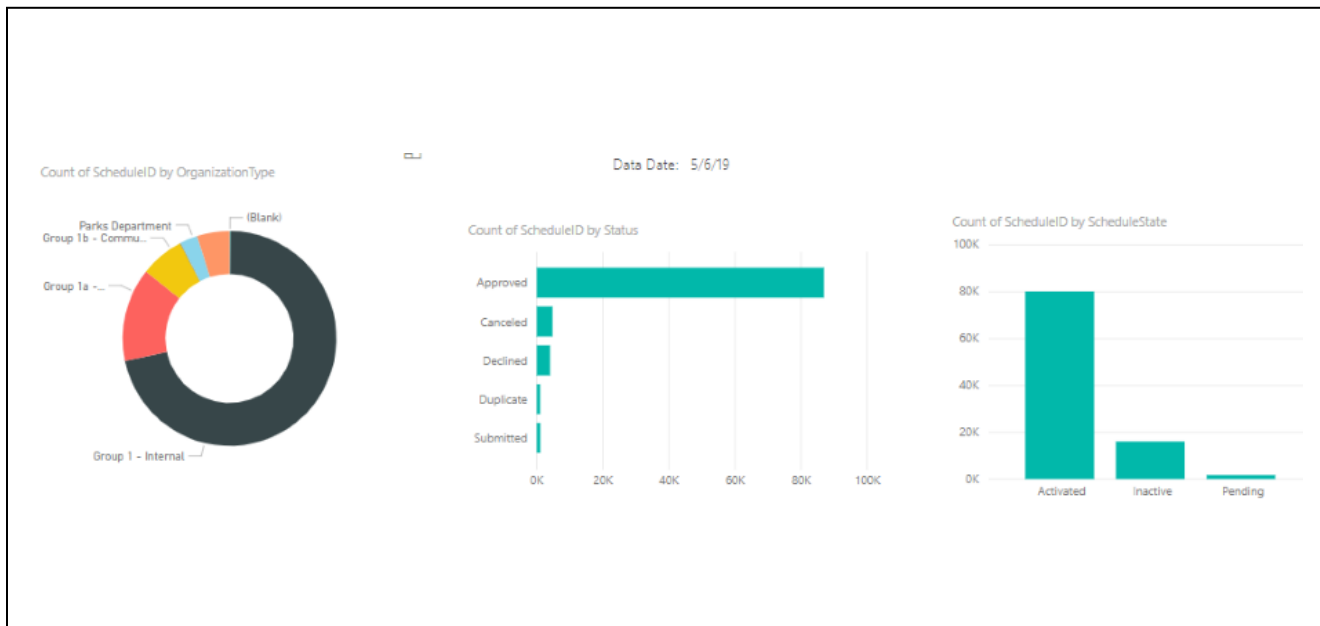
The Building Rental procedure establishes the priority among users and provides direction for the use of school facilities:

1. First Priority – Seattle School District Programs. This is defined as all programs sponsored by the District for instructional and other aspects of the schools’ educational program. School staff must be present for use.
2. Second Priority – Seattle Parks and Recreation programs. After the District needs is met, school building and grounds are made available to the Parks Department. Many partnership programs such as child care, community learning centers as well as the athletics covered under the JUA are used and supervised by the Parks Department.
3. Third Priority – Support Youth Education. As per Policy 4260, the District supports youth education and provided priority over other users. This includes District recognized school programs and services that support or supplement the schools’ mission. This includes programs sponsored by the PTA/PTO’s, Community Alignment partners, enrichment programs and/or other activities that the principals of the schools indicate are supportive of the school’s program.
4. Fourth Priority – All other community uses. Any remaining space can be made available, based on approval of the school, for general community use. This includes the “Community Nights in School Libraries” program youth and adult sports, athletics, religious and political activities, organized group or community activities, and any commercial activities. Schools are responsible for authorizing the use of their building to the public.

## Data Overview

Starting in September 2012, the District's Building Rental Division implemented an on-line system called "School Dude Facilities Scheduling Direct" (SchoolDude - FSD). All user groups have now been trained on the system and are actively using it.

The following tables display data for events, schedules, hours and revenue; each event may have up to 100 dates; each may be for a single or series event(s) if it is at the same location and at the same time. The number of building rental (excluding lease events) event reservations for school year 2017-18 was 189,515 events. The number of hours for 2017-18 was 730,753 hours.



### 2017-18 Building Use Breakdown

71.5% - School Use

14.3% - Rent Waived

6.6% - Community paid use

2.7% - Parks Department

4.9% - SPS Leases

For 2019 Year To Date -the number of events are 80,469. The total number of building hours (excluding lease hours) are 538,697

**High Level Usage Numbers**

Table 1 - The 2017-18 Sum of Hours Used”, which is the total number of hours that all school scheduled, it appears to have decreased for the second consecutive years. The number of total district events decreased slightly. The decrease in events and total hours is likely based on two main issues:

- Bell Times were changed for a second time for the 2017-18 year – this continues to be reflected in the building use data. Moving to a later high school bell schedule has reduced afternoon hours available for public use. Building use should stabilize and grow as the public adjusts to the change in bell times. We will continue to monitor.
- The change in spaces used by child cares and preschool. Previously, before and after care and preschools were limited to the dedicated spaces constructed for their use. In the past few years, with the changes in programs and use of portables, the dedicated space has been converted to classroom use. The before and after care have moved to a pull-out model where they use the library, gym, commons/cafeteria and some classrooms, making these spaces unavailable for rental

Then change in number of events may be accounted for increased use of the “Recurrent Event” feature in the software. One schedule may include up to 100 actual dates by classifying it as recurrent instead of individual events.

**Table 1 – Number of Events by School Year since 2012**

School Year	2012 -2013	2013-2014	2014-2015*	2015-16*	2016-17	2017-18	2018-19 YTD (05/06/19)
Number of Events	118,677	140,219	202,693	190,909	182,796	189,515	80,469
Sum of Hours of Use	505,916.5	579,727.1	1,167,730.75	1,001,799.75	697,698	730,753	538,697

*\*2014-15 and 2015-16 are under investigation – data may have been corrupted*

**Users of School Facilities**

The District, according to the procedure, established four categories of building rental users. When a user creates an account, they are categorized one of the following

- Group 1 – Internal: this is for any District sponsored events including schools, any school activity organizations and clubs, athletics and any division or departments including central office.
- Group 1a – Community Rent Waived: this is for recognized community partners such as Powerful Schools, PTA/PTSA/PTO Boy Scouts Girl Scouts, and Camp Fire that can use school facilities without paying the hourly rental fee. They are not exempt from services fee.

- Group 1b – Community Paid Use: The public that are charged for all use – including rental, staffing, and services fee.
- Group 1c – Community Nights in School Libraries: This is the cooperative program between SPS and the City of Seattle to provide low cost meeting space for community organizations. Recognized organizations can use school libraries Monday – Thursday between 6:00 pm and 9:00 pm by paying only the registration fee.
- Parks Department: These are the reservations by the Seattle Parks Department for their programs and activities. Per the JUA, there are no hourly rental fees to the Parks Department for the use. There are some shared utility systems that Parks reimburses SPS.
- SPS Lease: This is for the leased space for aligned partners which are typically the preschools, child care and health care providers. Leaseholders pay utilities when they operate when school is not in session such as breaks and over the summer.

**Table 2: 2019 Number of Registered Organizations / Users (as of 5/6/2019)**

Internal – schools and school groups	1a – Rent Waived*	1b- Paid Users**	1C Community Nights in Libraries	Parks Department	SPS Leases
230	308	1204	39	45	101

*\*includes preschool and child cares*

*\*\* all community users classified as “paid users” but may also be eligible for rent waiver participation depending on if the event has been granted “rent waived” status by the school*

### **School Uses**

Internal building use by the schools, when measured by number of events schools enter continues to increase. This is expected since additional schools were opened. While the number of events decreased, the number of scheduled hours increased. This may be accounted for by a more efficient use of the “reoccurring schedule” feature. Continual stressing the importance of using the FSD system may also account for changes in numbers.

Activities at schools continue to expand; after school camps, camps during school breaks, Saturday school, weekend athletic tournaments, summer activities, early morning study, additional sports practices, and performing and visual arts activities; these may be sponsored by a host of schools and aligned partners. Principals are authorizing rental waivers for breaks and summer activities. Provider of the activities are still required to pay for services such as HVAC and custodial.

Each August, the upcoming school calendar is controlled for priority scheduling – the all school calendars are closed until the second week in September to allow for the school to enter their event calendar.

Parks and child care providers are also allowed early scheduling. The calendars are opened after mid-September to community scheduling, including the PTA’s and enrichments to minimize conflicts with the priority scheduling. The 15-day window is enforced; This also allows time to process events prior to community scheduling.

**Table 3 – Number of Internal (school) Events and Hours**

Internal	2015	2016	2017	2018	2019 YTD (5/6/2019)
Events	72,035	67,382	88,990	67,095	55,178
Hours	443,880	529,063	245,052	265,433	192, 098

**Community Partners:**

All non-district / non-community partners require a user profile that is categorized 1b because the service provider may be sponsored by the PTA at one school and eligible for a rent waiver, then be an independent for-profit provider at another school, and be required to pay the rental fee.

PTA/PTO/Friends of, community groups, Seattle city departments, municipalities and general users. The registered number does not include all schools, leases and Seattle Parks.

Table 4 shows the number of schedules per organization type over the past 5 years. Each schedule may include up to 100 events if they are repeating the same time and location.

**Table 4 - Number of Schedules\*\* per Organization Type**

Organization type	G1- Internal	G1a- Community rent waived	G1b Community Paid Use	G1C Community nights in Libraries	Parks Department	SPS Leases
2013-14	8,817	1,362	498	7	291	237
2014-15	9,935	1,765	515	9	315	563
2015-16	10,479	1,895	778	10	401	699
2016-17	10,983	2,060	827	3	420	726
2017-18	10,632	2,250	1,082	7	366	1,297

*\*\*Schedules can include up to 100 events*

**Rent Waiver Participation**

With the update of the Superintendent Procedure 4260SP, the use of the rent waiver was instituted to allow for activities that benefit youth through enrichment and/or curriculum alignment programs to be exempt from paying the rental fee for the space at the school. The rent waiver may be for tuition or

tuition-free programs. The program may be PTA/PTO managed enrichment programs, child care managed programs or other programs offered by independent vendors for a fee that are deemed enrichment by the school's principal. Each event schedule requires a signed waiver form by the principal acknowledging the alignment with the school and is eligible for rent waiver and conforms to the District's ethics policy and procedures. Fees for services required such as custodial and heating and cooling are still charged and are not part of the waiver exemption.

### **SY 2018 Investigation of Rental Waiver**

When this report data pull was done for the rent waiver information for 2018, the number of events had increased exponentially over 2017. With recent investigation, it was discovered that many of the PTA, PTSA or "Scheduling Teams" that have the "1a-Community - rent waived" were scheduling fee-based vendor enrichment events. These events should have been listed under the "Community - paid use" and a rental waiver form secured to log in how many hours were waived for the event. There also are some incidences where schools were scheduling vendors under their "Internal" events.

Per the Superintendent Procedure 4260, each vendor needs to create a user profile, post their own insurance and are responsible for scheduling their own events. If the vendor seeks a waiver of the rental fee, the vendor is to secure a rental waiver form from the school's principal. The principal is responsible for making the decision the activity is a youth-enrichment activity and meets the criteria for a rental waiver. The signed rental waiver is to be submitted to Building Rentals which is entered into the system. This allows for tracking of the use and benefit of the rental waiver.

With organizations with "1a" status scheduling vendors under their organization, it does not allow for the capture of the rental waiver form and does not register in the building rental system and does not allow for the data collection. It also does not allow for the verification of insurance for the vendor since it would be assumed that the scheduling organization's insurance would cover the event. For the most part, PTA/PTSA insurance would not be valid for a vendor activity.

Since this deviation was just discovered, the FY 2018 sum of rental waived hours is not accurate. Staff will be researching event numbers with the goal of identifying incorrectly scheduled items and correct, if possible. There is no timeline for completion, but the investigation will commence immediately. Correction will continue into the SY 2019 scheduling so that corrective action can be taken, and the data will be accurate going forward.

The issue of the "1a" organizations scheduling for paid use vendors appears to be new; by analyzing past invoice data, vendors that received invoices or submitted rental waivers for previous years were not being invoiced in 2018. Cross referencing these vendors to PTA/PTSA sponsored events, the vendors names appeared on the insurance but were not showing up as needing to be invoiced or having a rental waiver satisfying the invoice field. For 2019 Year To Date -the

**Table 5a- SY2018 Top 10 School event numbers utilizing rental waivers by number of waivers approved by the principal) *this data is under investigation***

Schools	FY Count of Events	FY Sum of Hours
View Ridge Elementary School; 7047 50 <sup>th</sup> Ave NE	1,982	TBD
South Shore School K-8; 4800 S Henderson St 98118	1,465	TBD
Bryant Elementary School; 3311 NE 60 <sup>th</sup> St. 98115	1,195	TBD
McDonald International School (tied) 144 NE 54 <sup>th</sup> St, 98105	1,138	TBD
Lawton Elementary School; 4000 27 <sup>th</sup> Ave W	1,055	TBD
Blaine K-8 School; 2550 34 <sup>th</sup> Ave W 98199	1,032	TBD
BF Day Elementary School; 3921 Linden Ave N	979	TBD
Greenwood Elementary School: 144 NW 80 <sup>th</sup> St	970	TBD
West Woodland Elementary School: 5601 4 <sup>th</sup> Ave NW	945	TBD
Robert Eaglestaff Middle School; 1330 N. 90th	926	TBD

**Table 5b- SY 2017 Top 10 School event numbers utilizing rental waivers by the number of waivers approved by the principal**

Schools	FY Count of Events	FY Sum of Hours
South Shore School K-8; 4800 S Henderson St 98118	123	6526
J. Addams Middle School; 11051 34 <sup>th</sup> Ave NE, 98125	199	3604
McDonald International School (tied) 144 NE 54 <sup>th</sup> St, 98105	275	3118
Graham Hill Elementary School; 5149 S Graham St, 98118	96	2599
Bryant Elementary School; 3311 NE 60 <sup>th</sup> St. 98115	574	2425
Muir Elementary School; 3301 S Horton St. 98144	14	2257
Adams Elementary School; 6110 28 <sup>th</sup> Ave NW, 98107	834	2241
Blaine K-8 School; 2550 34 <sup>th</sup> Ave W 98199	1196	1941
Hawthorn Elementary School; 4100 39 <sup>th</sup> Ave S., 98118	1	1926
Queen Anne Elementary School; 411 Boston St., 98109	79	1594

**Table 6 –Total Number of Community Rent Waived Events and Hours per Year**

Year	Number of Schedule ID's	Number of Events	Sum of Hours
2013	1,533	15,470	48,969
2014	1,693	21,759	44,442
2015	2,020	23,242	50,922
2016	1,895	14,068	50,043
2017	2,294	10,615	57,639
2018	2,250	14,928	44,075

## **Revenue**

Building Rentals operates on a cost recovery basis. Building rentals does not generate a profit and seeks to keep rates as low so that the space is available to as many community users as possible. Fees are charged for administration, changes to reservations, late fees, building rental rates and services. The rates are reviewed annually and typically increased by the King County Cost of Living and matched as close as possible to the Seattle Parks Department for similar facilities. Deposits are charged on a case-by-case basis. Revenue is up slightly; despite the increases, the revenue is below the 2015 and 2016 years

The District reserves the right to determine the number of custodians, the number of custodial hours and if security is necessary for any event. Typically, custodians and their supervisors review the reservation and the number of participants and determine the need. Schools may require use of technicians to operate equipment such as lights and sound equipment. Fees are charged customer per the fee table and the technician is paid through our regular payroll system.

The user typically is notified in advance of the anticipated cost for these services. Customers have a 60-day appeal period once they receive the invoice to appeal any charges. Once the 60 days have passed, SPS proceeds as all charges are valid.

Once an invoice has reached the 180-day overdue status, it is sent to Accounting for follow up with the client and potentially sent to collections if Accounting was unable to resolve the outstanding balance. By utilizing collections, Building Rentals has been successful in reducing the number of delinquent and unpaid invoices. Building Rentals clears the invoice once it goes to Accounting, so the recovery statistics are not included. Successful clearing of old invoices in previous years may contribute to decreased revenue. Due to staffing turn-over the number of invoices on the delinquency report has increased and is scheduled to be a focus once invoicing has been brought current.

**Table 7 – Rental Fee Revenue Invoiced by Year (does not include services)**

Year	Total Building Rental Revenue
2014	\$504,287.94
2015	\$629,505.47
2016	\$519,616.82
2017	\$414,139.81
2018	\$486,385.53

## **Work Orders**

When services are ordered and the online schedule is activated, our integrated FSD system generates task notifications to security, the mechanical coordinators for heat, and custodial supervisors for custodial and grounds needs. The supervisors create work orders in our Maintenance Direct system



(MD). The work order notifies the custodian of the event and their needed services for the event. As the number of rentals increase, the need for services increases as well. Fees for services are also on a cost recovery basis and not intended to generate a profit. In 2016, Grounds work orders are included in the custodial work orders. In 2017, Grounds were broken out separately.

**Table 8a – 2018 Work Order Summaries**

Row Labels	Count of Work Orders	Sum of total Costs
Building Automation	263	\$50,389***
Custodial	3,276	\$579,316
Heating / Ventilation/ Air Conditioning	474	\$99,450***
Other	2	\$148
<i>Total</i>	<i>4,015</i>	<i>\$729,303</i>

\*\*\* accounting process review has changed some charges between the Building Automation and the HVAC

**Table 8b – 2017 Work Order Summaries**

Row Labels	Count of Work Orders	Sum of total Costs
Building Automation	195	\$94,149.198
Custodial	3536	\$558,434.32
Heating / Ventilation/ Air Conditioning	616	\$152,762.89
Other -grounds	13	117,144.40
<i>Total</i>	<i>4360</i>	<i>\$922,490.80</i>

## **Summary**

We continue to add users to all categories. The number of events utilizing rental waiver continues to increase. General public use of the buildings is declining due most likely to change in bell times, more use by the child cares and preschools and the internal events increase. Parks use remains constant and is covered under the JUA.

The deviation by Internal and Community rent waived organizations scheduling Community-Paid enrichment needs immediate investigation. This will be an on-going effort.

## **Looking Forward**

The District will need to determine if credit and debit cards will be accepted. There continues to be considerable demand for this service. FSD has updated portions of their platform which we use, and SPS have migrated to new platforms when available. One of the features will be the ability to use credit and debit cards. By offering electronic transactions it would increase productivity and increase cost recovery. Customer service would be improved since less time would be devoted to manual data entry and could be reinvested into transaction handling.

## **Attachments:**

- 2016-17 Table of use by schools
- Rental Waiver Form (updated 09/2017)
- Building Rental Rules (updated 12/2015)
- Building Rental Rates (updated 02/2018)