Sightlines

2012 ROPA & Capital Renewal Presentation
Oregon University System

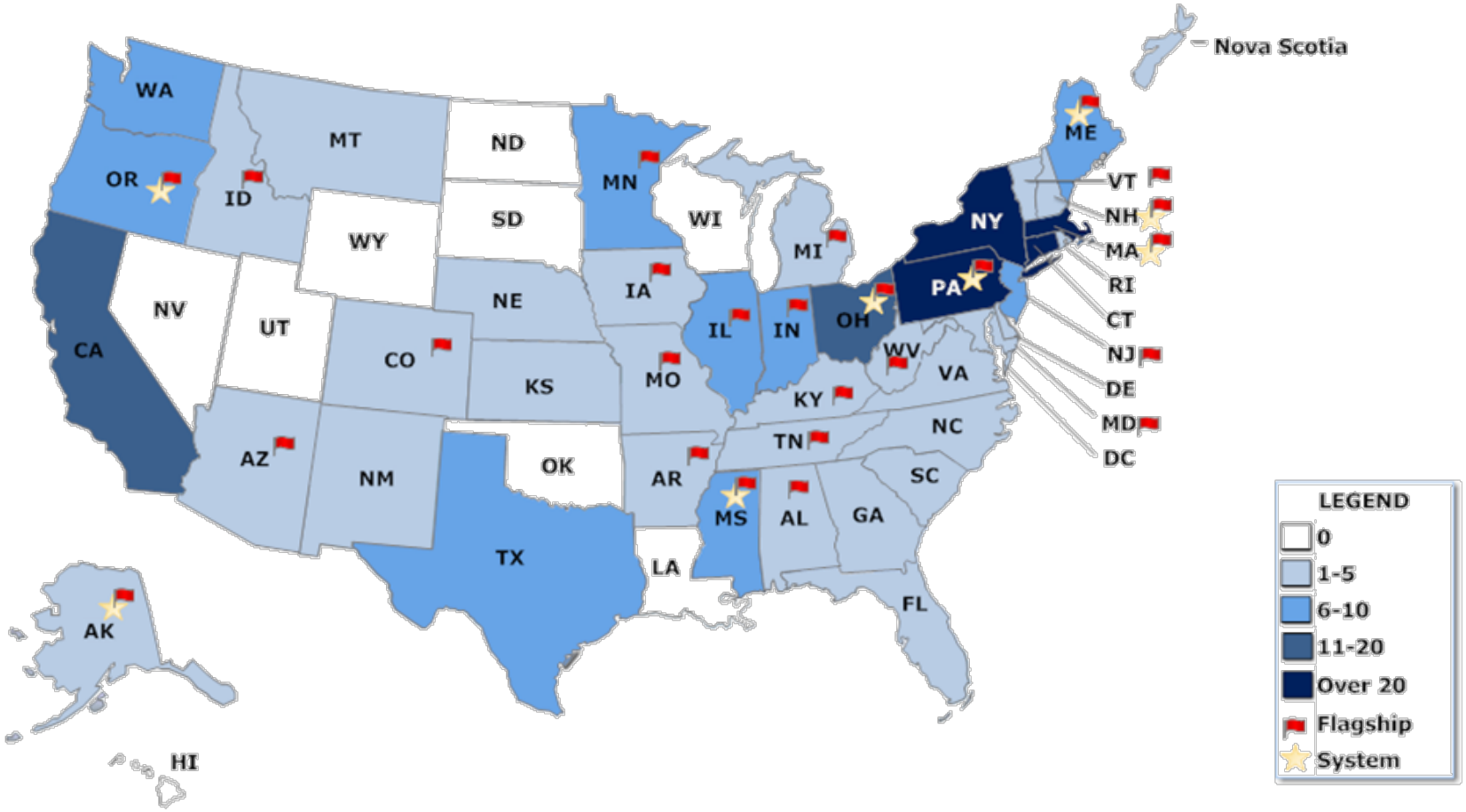
Date: November 15, 2012
Presented by: Gina Matsoukas and Colin Sanders

University of Illinois at Urbana-Champaign
The University of Maine
University of Maine at Augusta
University of Maine at Farmington
University of Maine at Machias
University of Maine at Presque Isle
University of Maine at Fort Kent
University of Maryland
University of Massachusetts Amherst
University of Massachusetts Boston
University of Massachusetts Dartmouth
University of Massachusetts Lowell
University of Michigan
University of Minnesota
University of Missouri
University of Missouri - Kansas City
University of Missouri - St. Louis
University of New Hampshire
University of New Haven
University of Notre Dame
University of Oregon
University of Pennsylvania
University of Portland
University of Redlands
The University of Rhode Island, Narragansett Bay
The University of Rhode Island, Feinstein Providence
The University of Rhode Island, Kingston
University of Rochester
University of San Diego
University of San Francisco
University of St. Thomas (TX)
University of Southern Maine
University of Toledo
University of Vermont
Upper Iowa University
Utica College
Vassar College
Virginia Commonwealth University
Virginia Department of General Services
Wagner College
Wellesley College
Wesleyan University
West Chester University of Pennsylvania
West Virginia University
Western Oregon University
Wheaton College (MA)

Sightlines Profile

Common vocabulary, consistent methodology, credibility through benchmarking

Sightlines



Benchmarked ROPA State Systems	
Mississippi Institutions of Higher Learning	University of Maine System
Pennsylvania State System of Higher Education	University of Missouri System
University of Alaska System	University System of New Hampshire

A vocabulary for measurement

The Return on Physical Assets – ROPA[SM]

Sightlines

The annual investment needed to insure buildings will properly perform and reach their useful life
"Keep-Up Costs"

Annual Stewardship

The accumulated backlog of repair and modernization needs and the definition of resource capacity to correct them.
"Catch-Up Costs"

Asset Reinvestment

The effectiveness of the facilities operating budget, staffing, supervision, and energy management

Operating Effectiveness

The measure of service process, the maintenance quality of space and systems, and the customers opinion of service delivery

Service

Asset Value Change

Operations Success

Oregon University System Core Issues

Sightlines

Measuring the impact of the OUS facilities profile

- ✓ Significantly older than other state systems
- ✓ Complex building systems
- ✓ High volume of people on OUS campuses

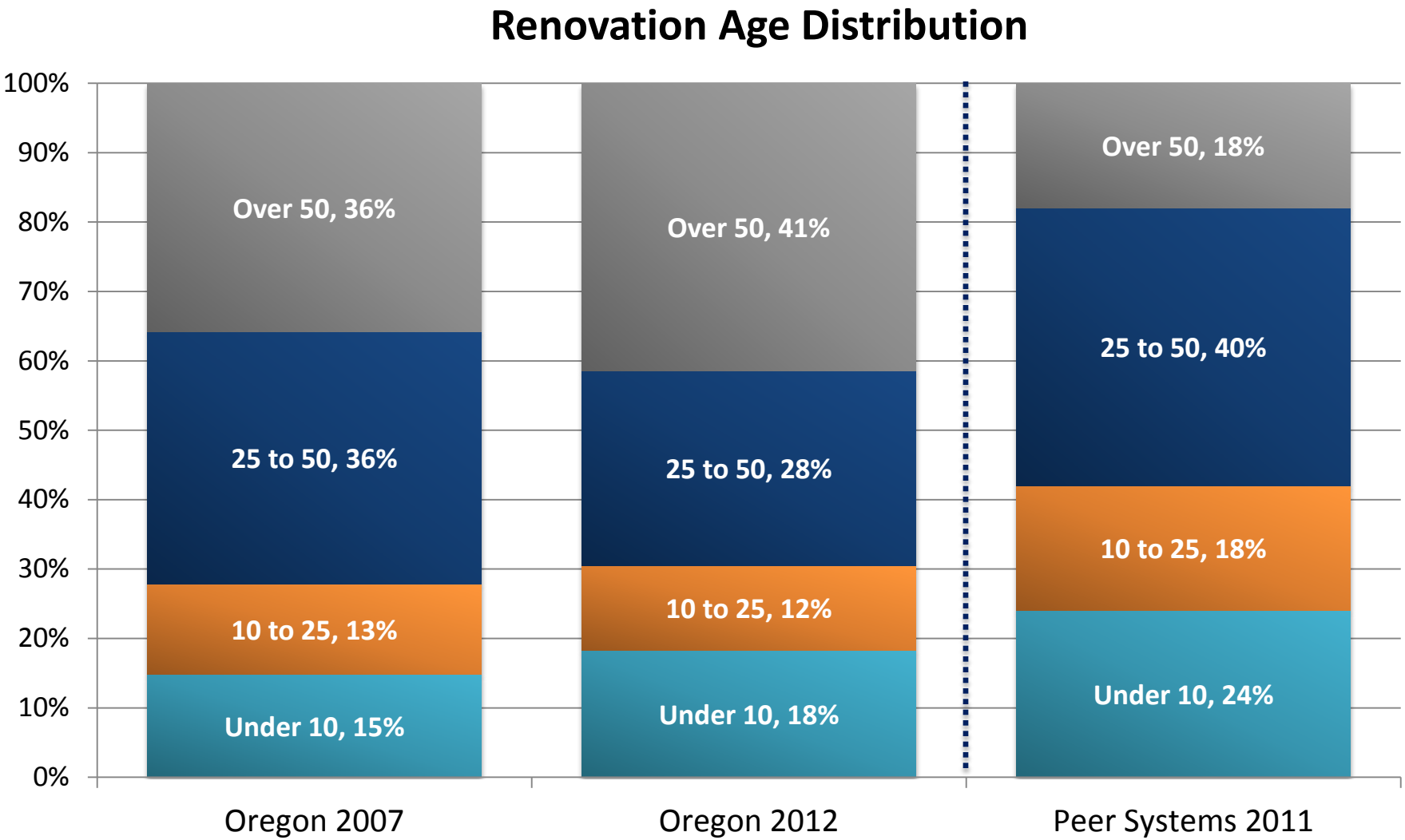
Identifying current and projected capital needs

- ✓ Calculating the current capital needs
- ✓ Predicting the 10 year capital requirement
- ✓ Measuring the backlog of deferred maintenance

Understanding facilities demands and performance

- ✓ Comparing operating costs & staffing to peers
- ✓ Tracking energy performance over time

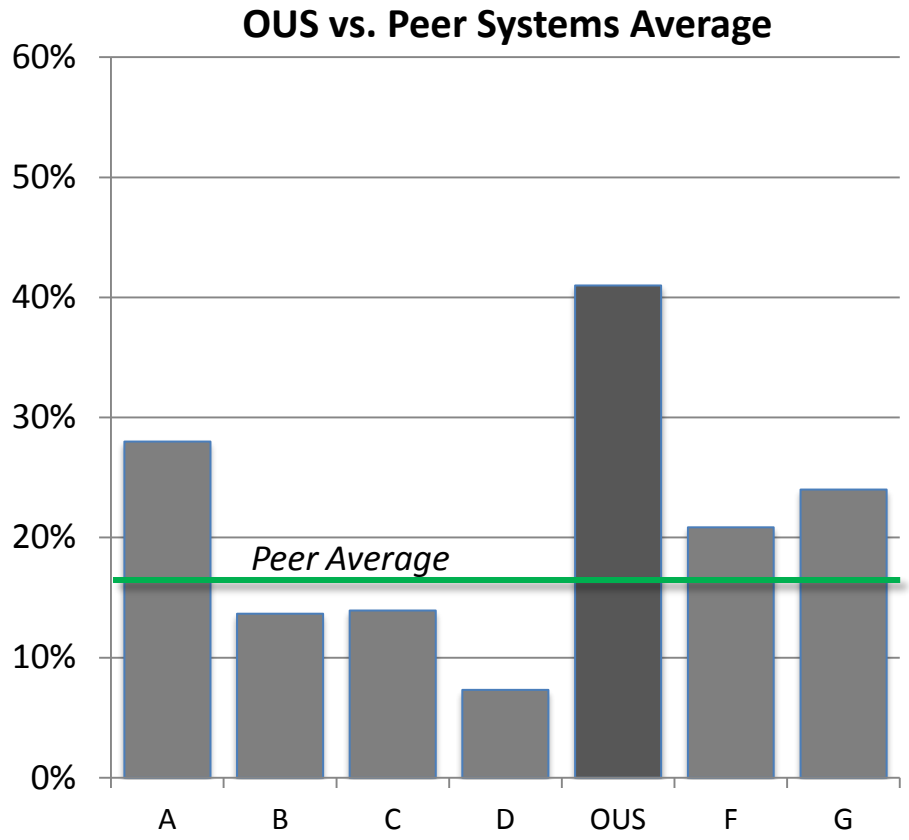
Older space than other state systems

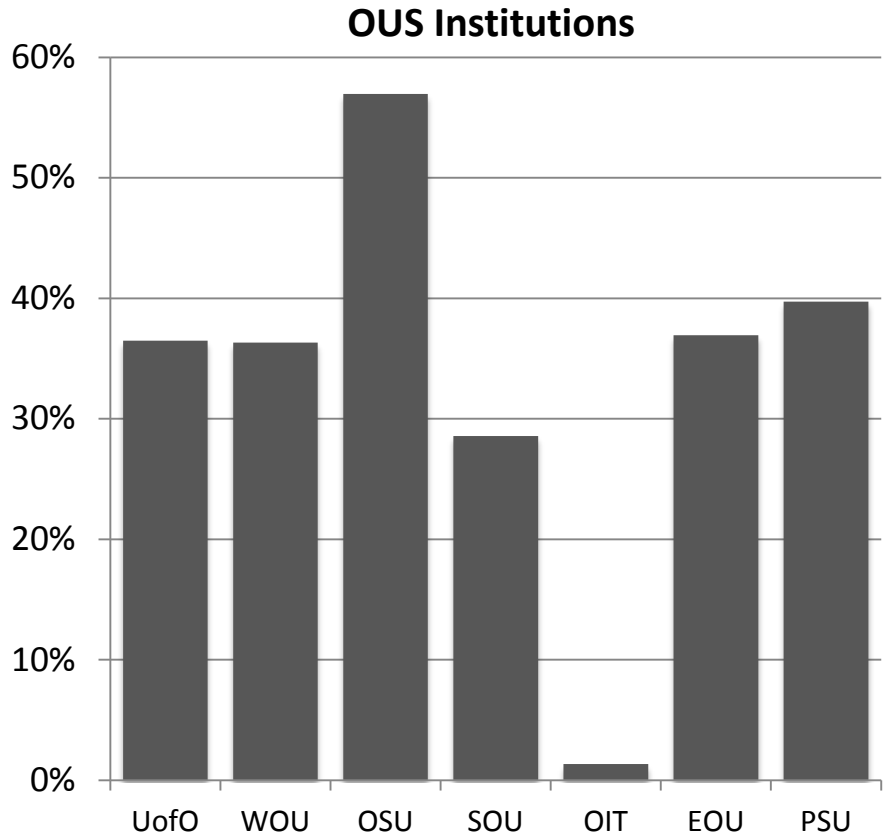


40% of Space is over 50 years of age

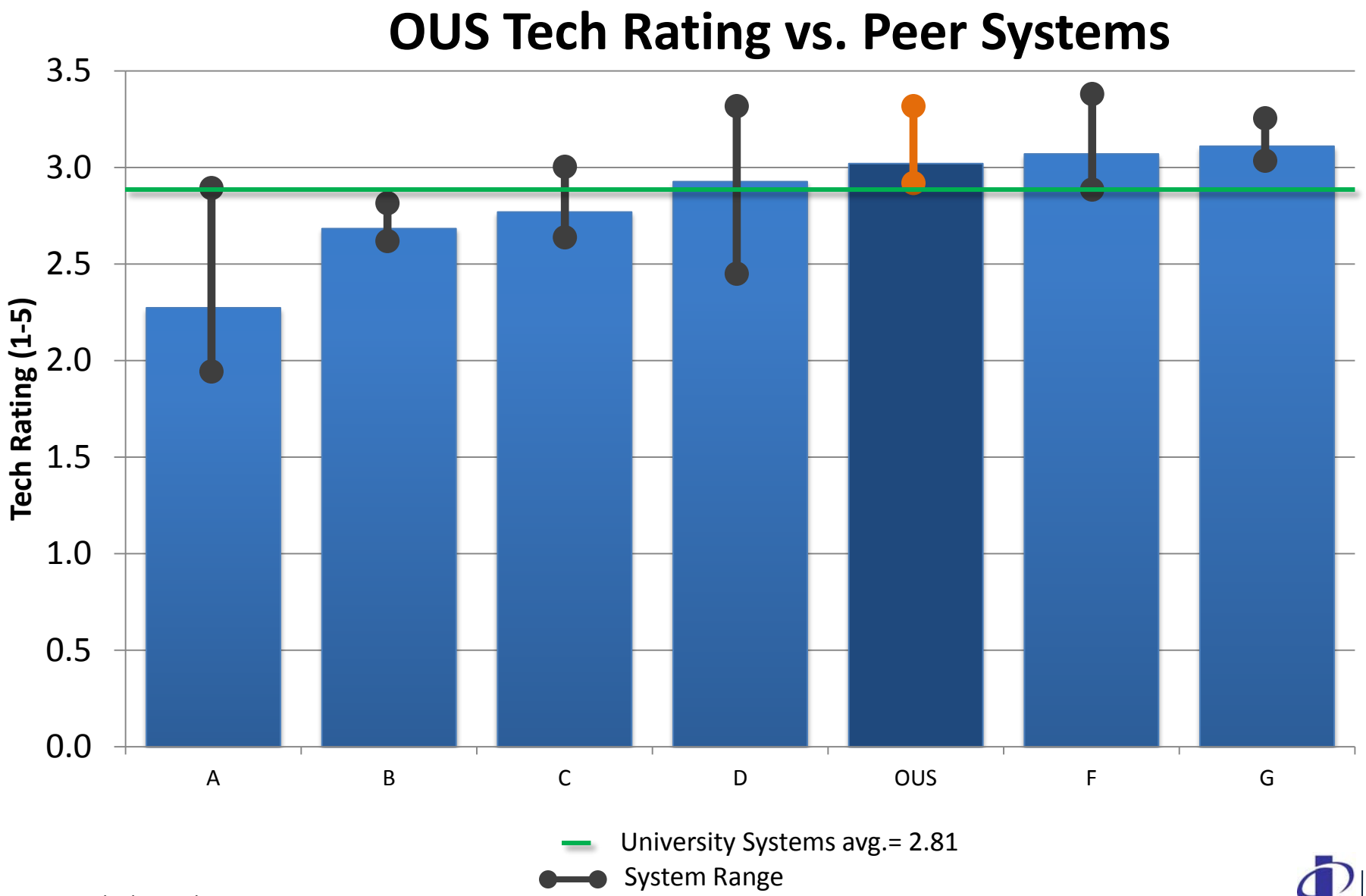
Sightlines

% of Space Over 50 Years Old



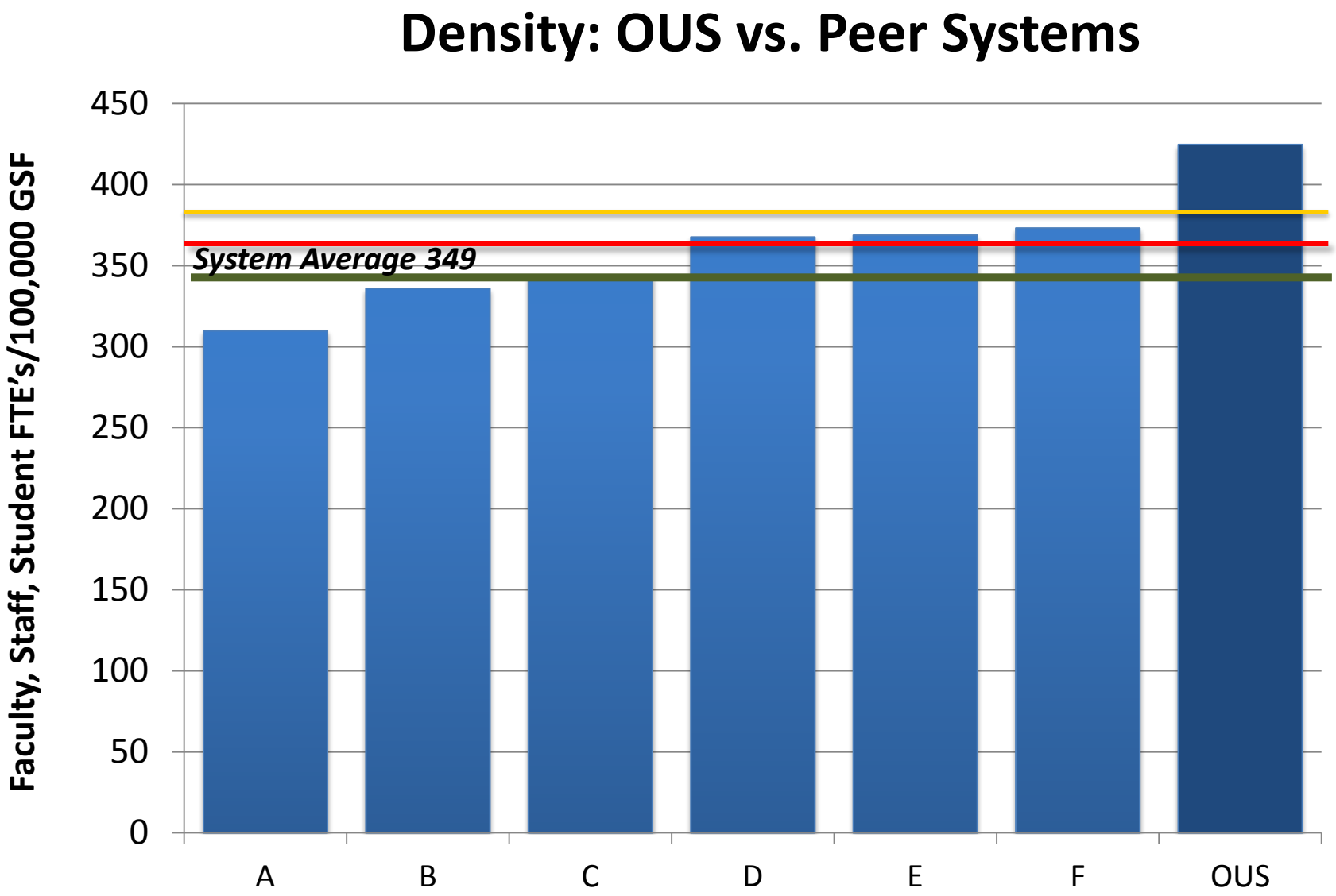


Higher complexity of systems impacts costs



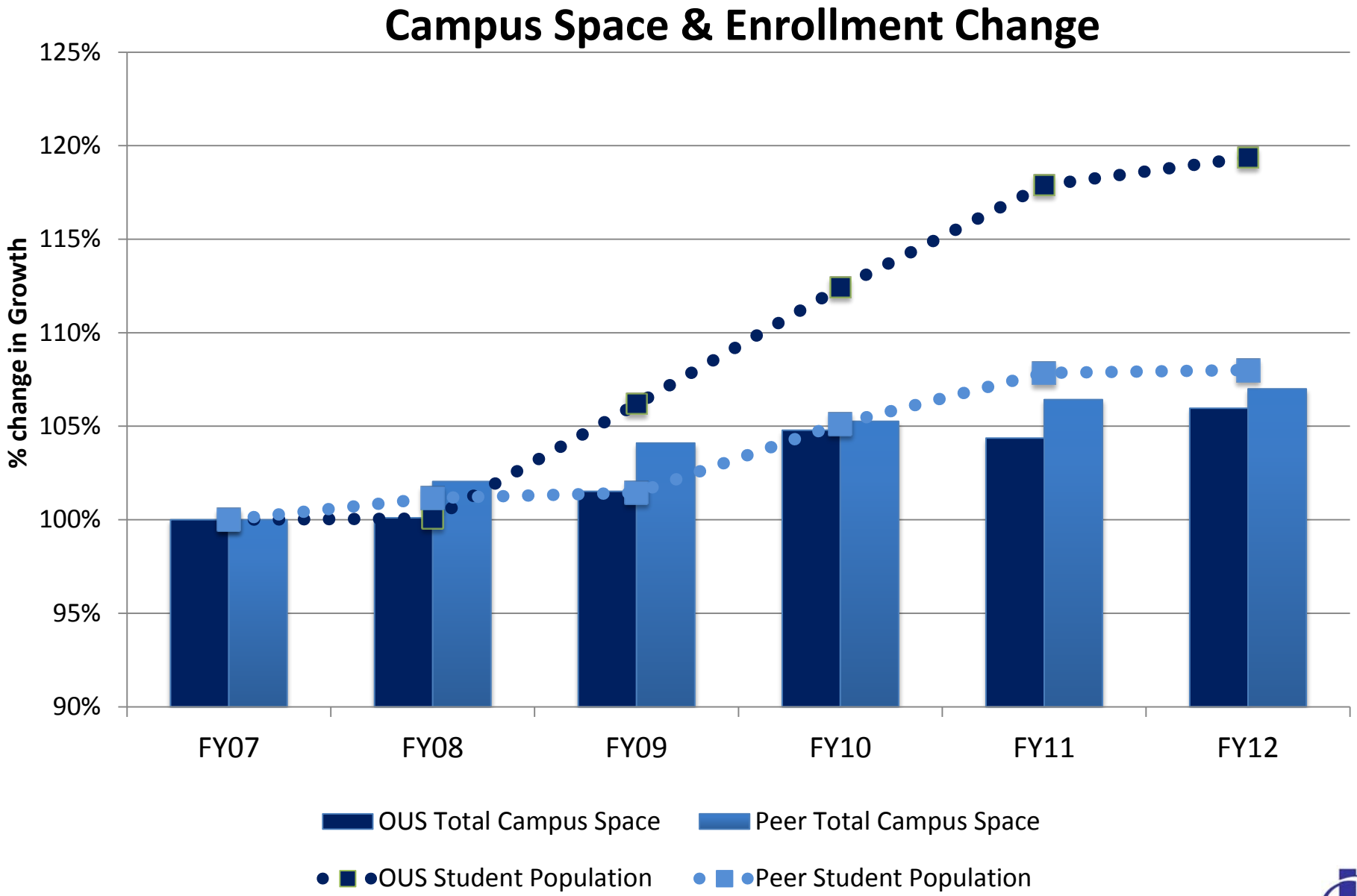
Institutions order by: Tech Rating

More densely populated system than peers



Large Peer Average
Regional Peer Average

Growth in space vs. student population



Oregon University System Core Issues

Sightlines

Measuring the impact of the OUS facilities profile

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Identifying current and projected capital needs

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Understanding facilities demands and performance

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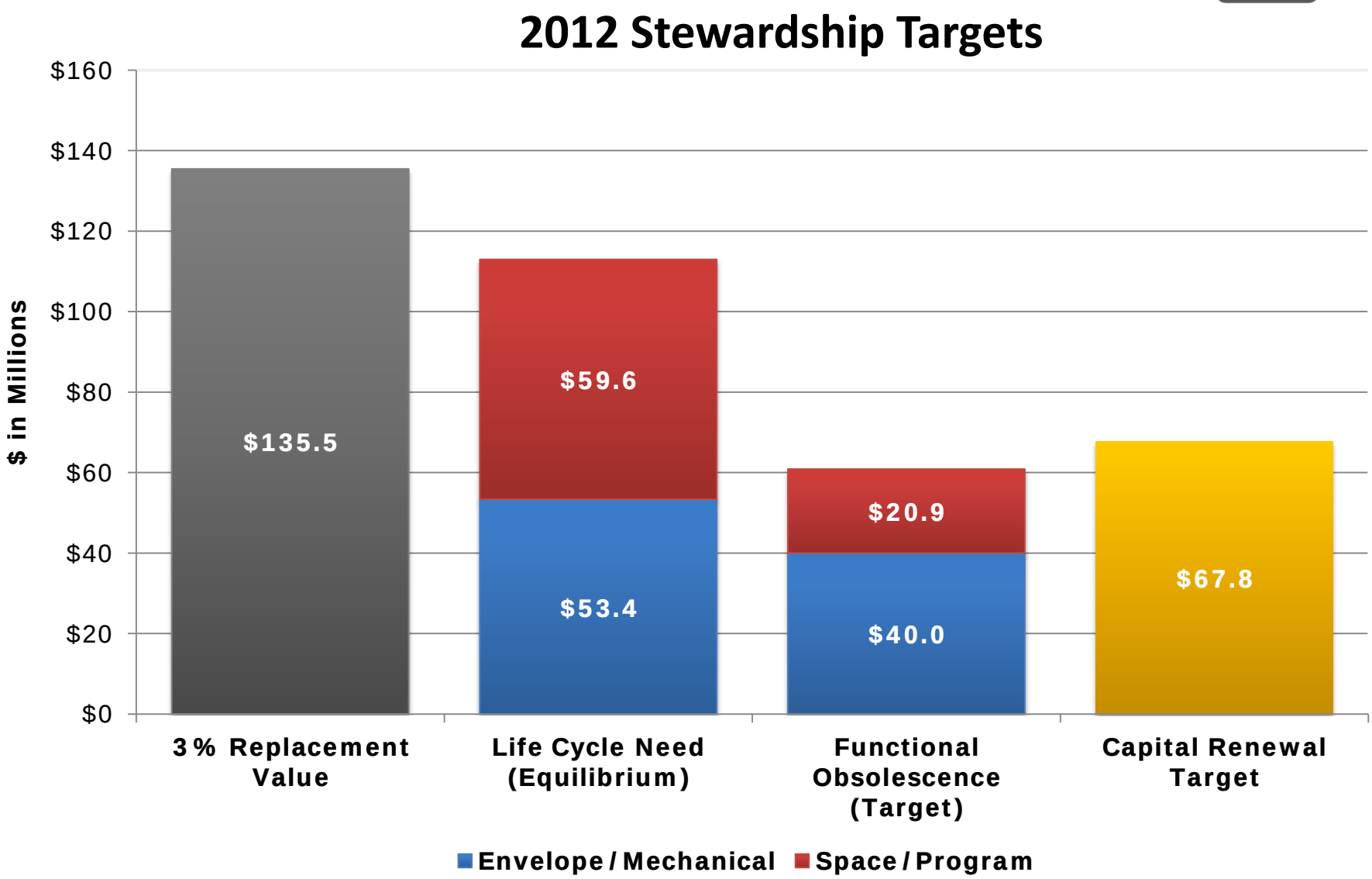
- ✓ Tracking energy performance over time

Defining a stewardship target

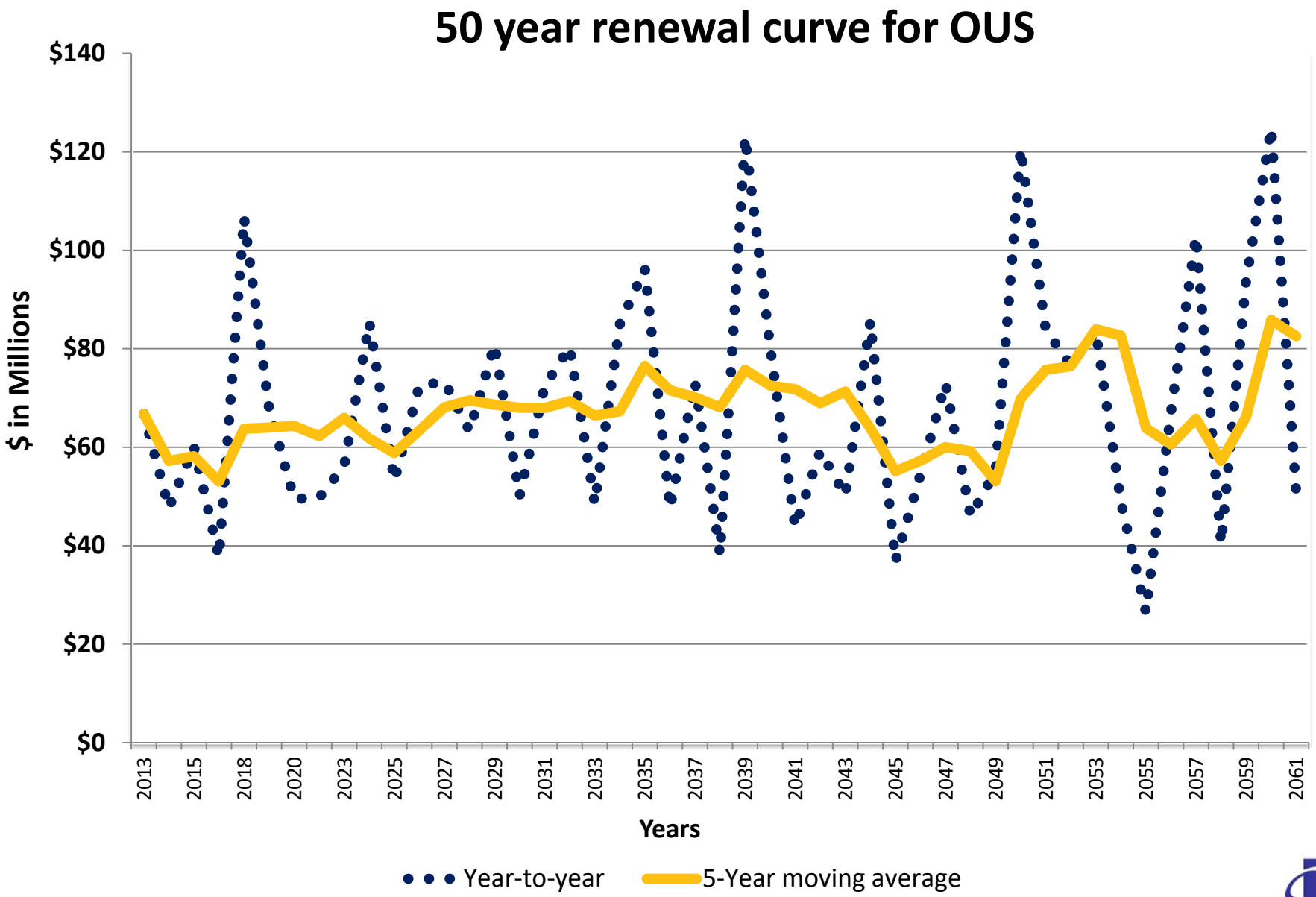


ROPA CRV = $4.5B
Capital Renewal CRV = $4.3B

Stewardship – 50 year renewal curve

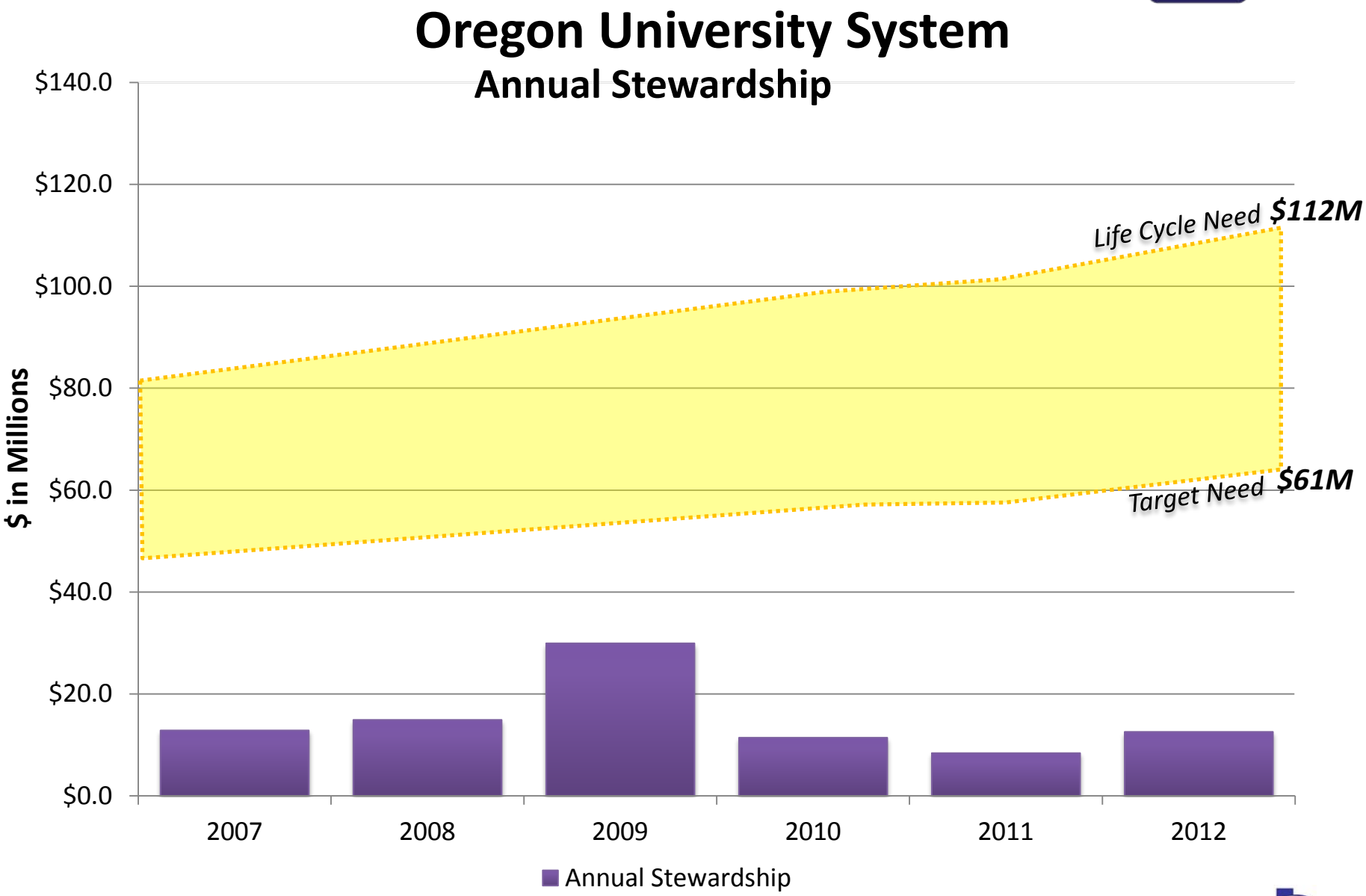
The Capital Renewal Service – Formerly Pacific Partners Consulting Group

Sightlines

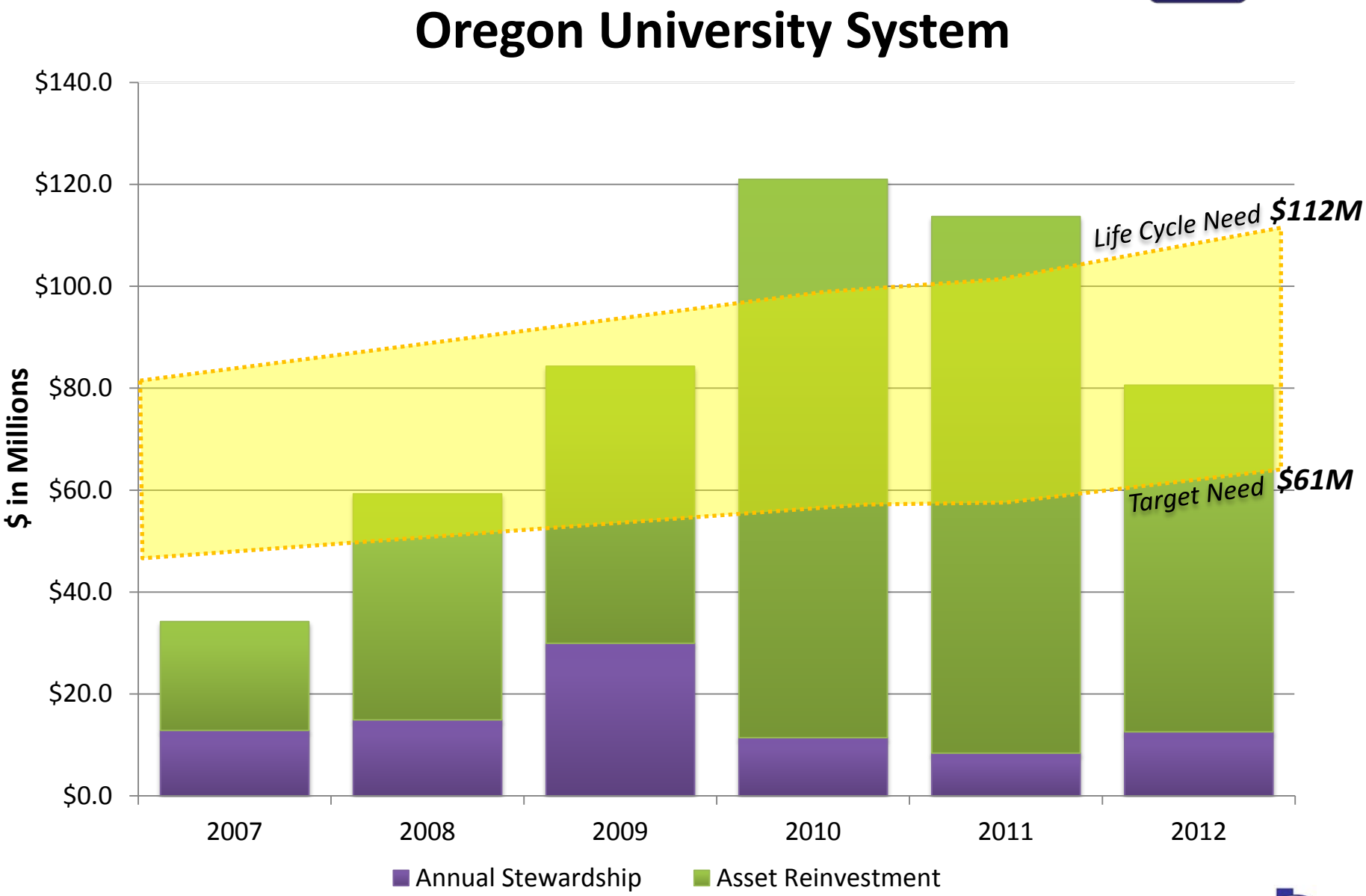


Total capital investment vs. target need

Funding 29% of stewardship target on average



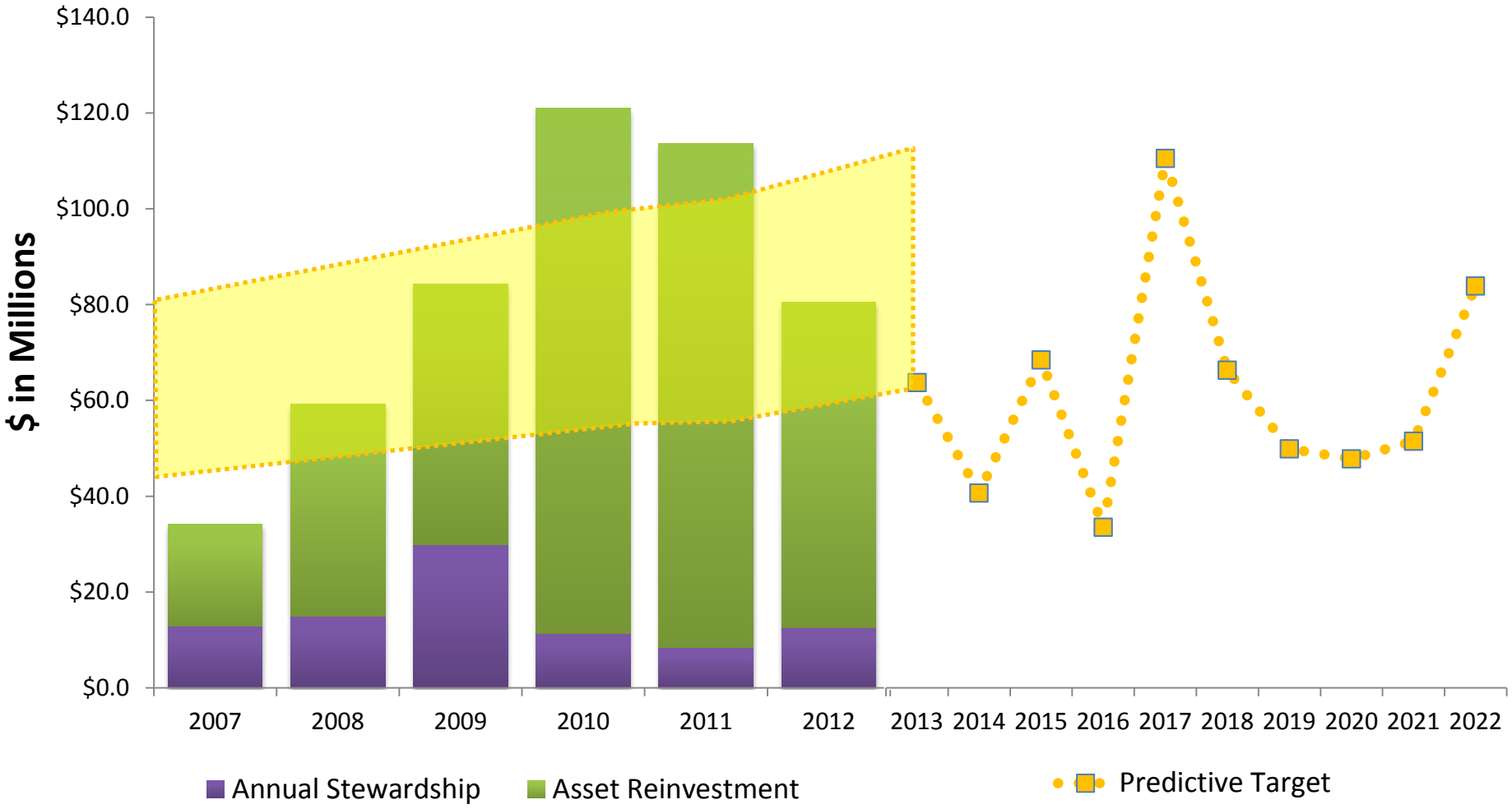
Total capital investment vs. target need



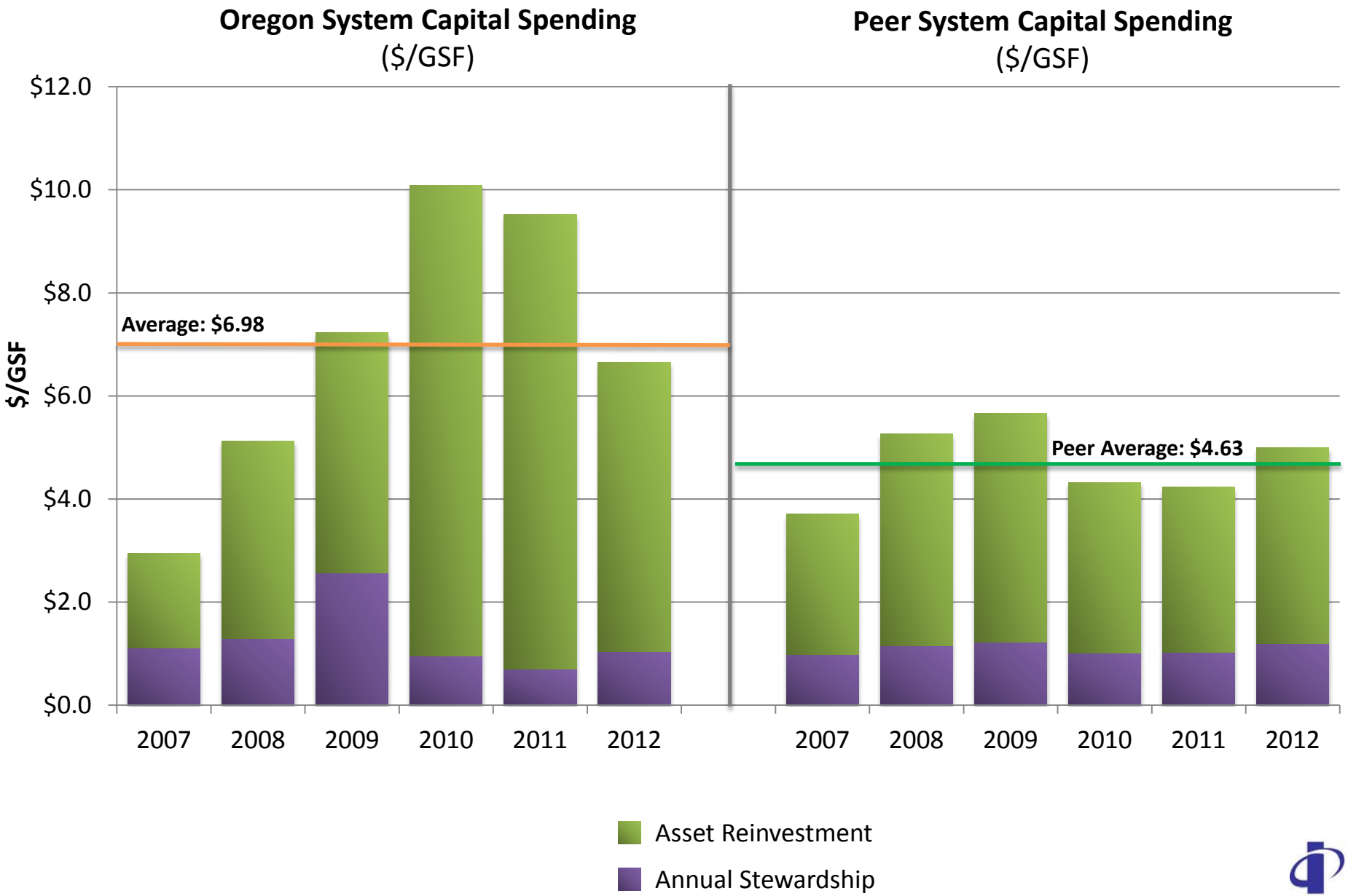
Predictive 2013-2022 annual capital cash flow

Sightlines

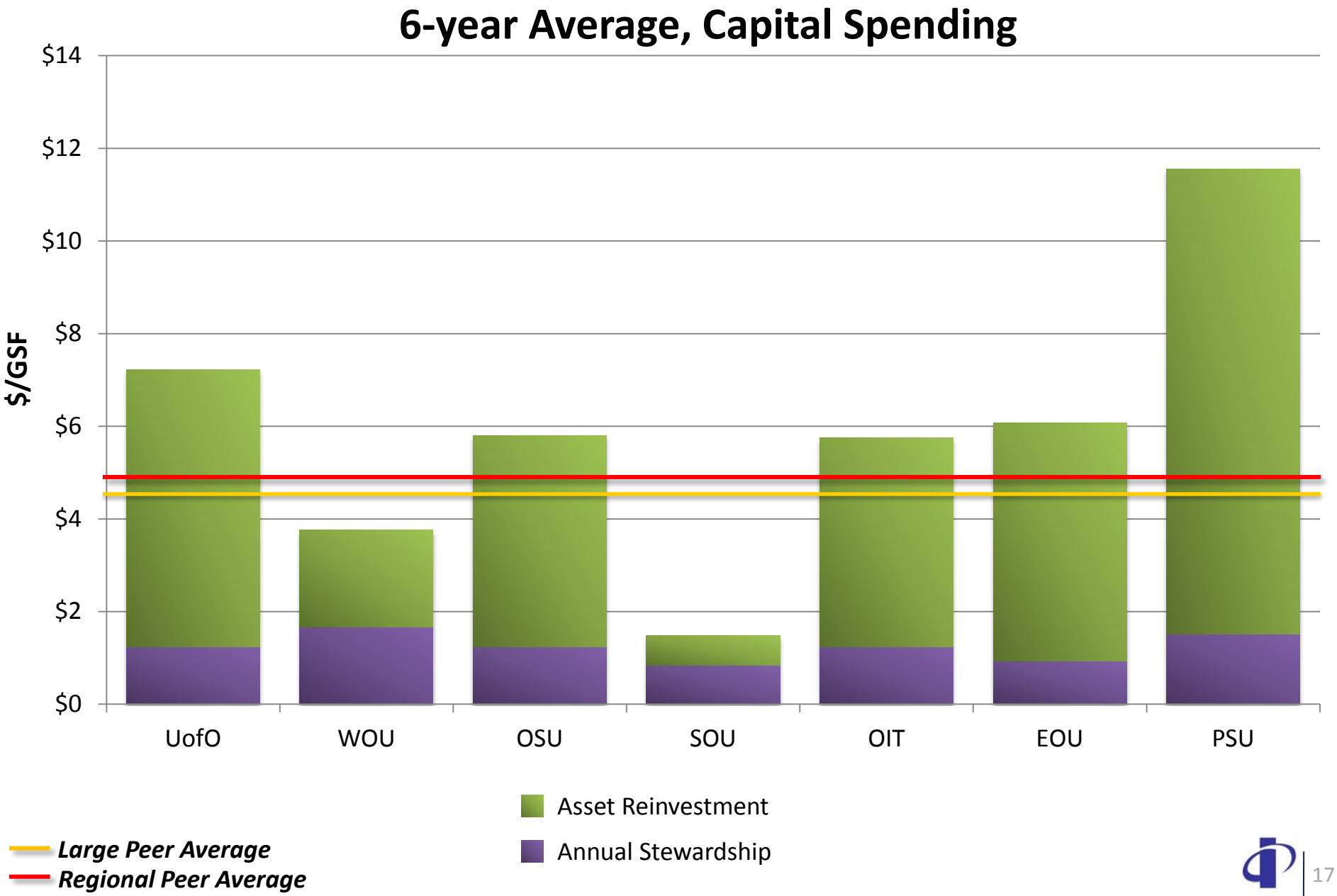
Oregon University System



Total investment in existing facilities above peers



6 Year average campus investment levels

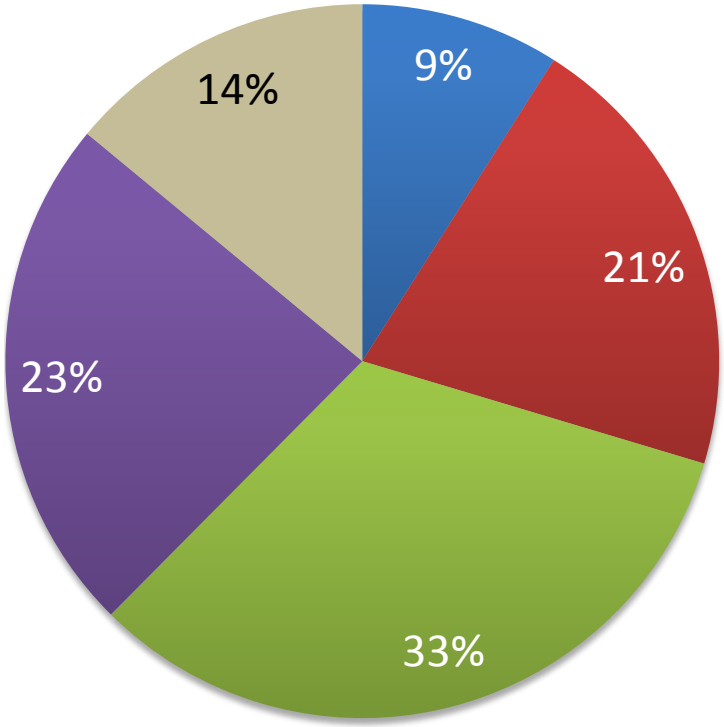


Capital investment mix profile for OUS

Sightlines

Oregon System last 6 years:

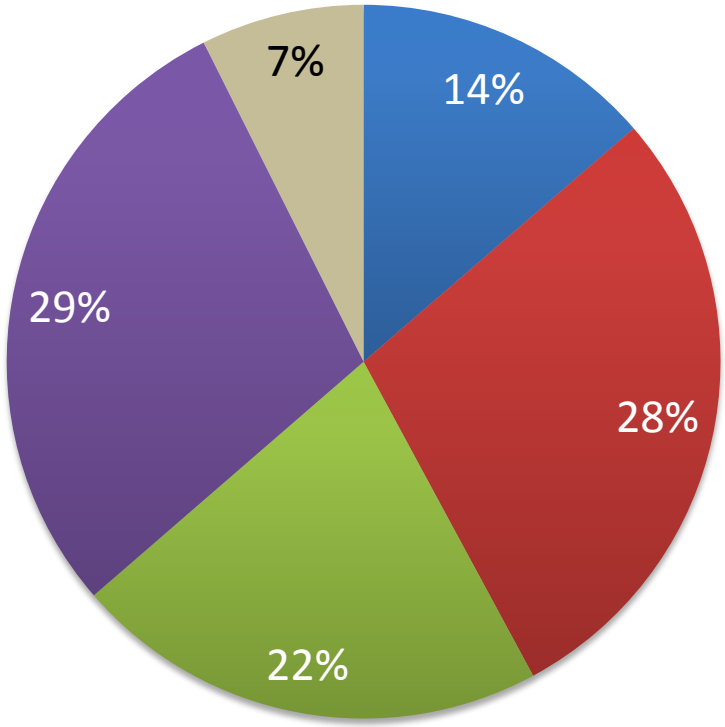
Mix of Spending



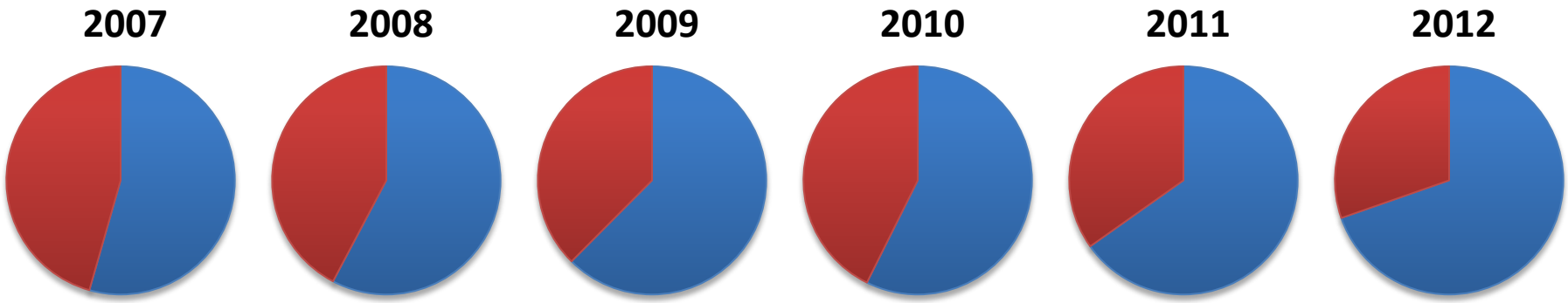
Bldg. Envelope
Bldg. Systems
Infrastructure
Space
Code

Peer Systems last 6 Years:

Mix of Spending



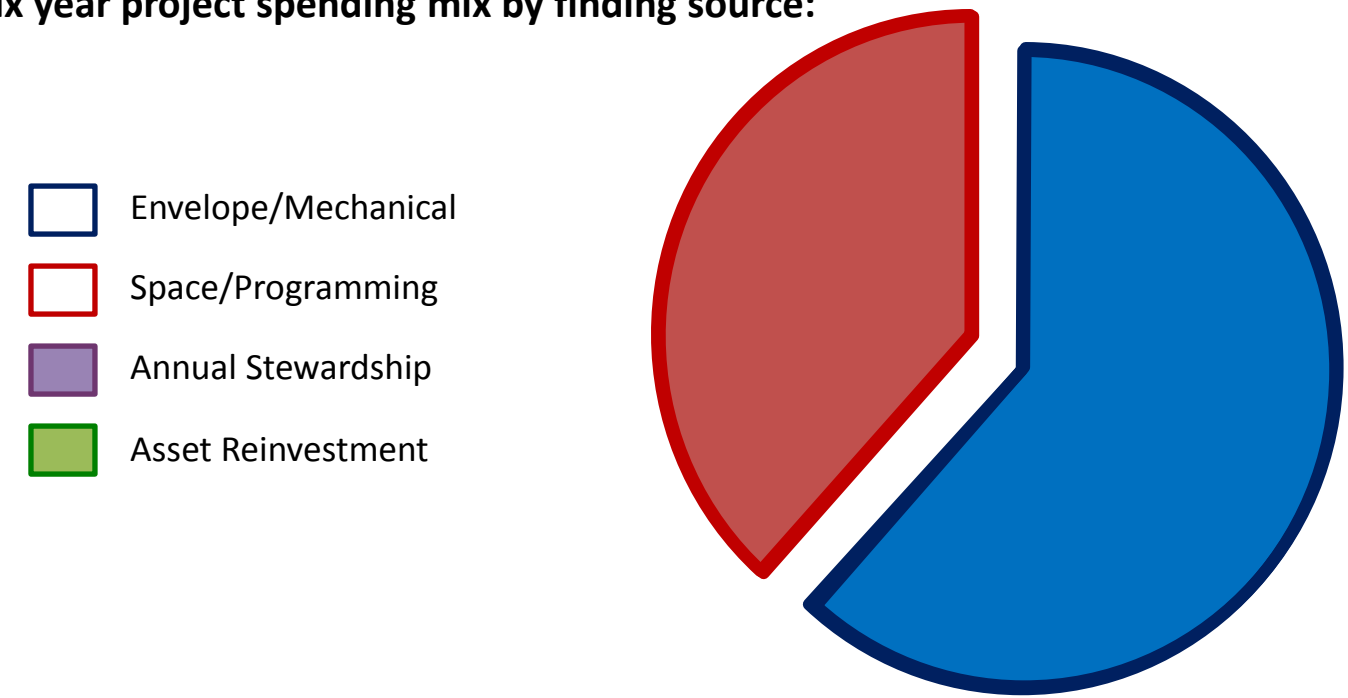
What types of projects have been funded recently?



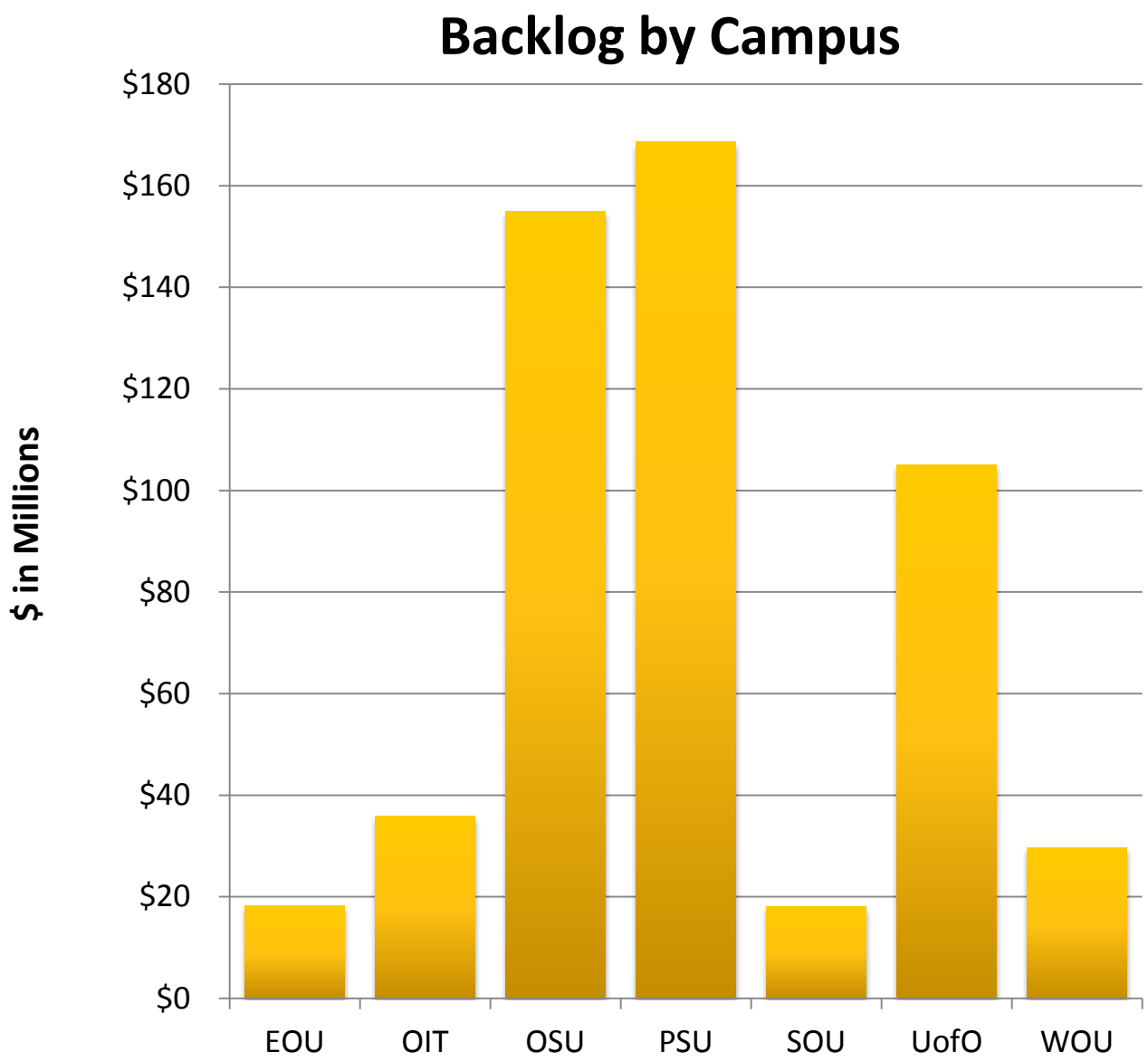
Envelope/Mechanical = infrastructure, building systems, and envelope

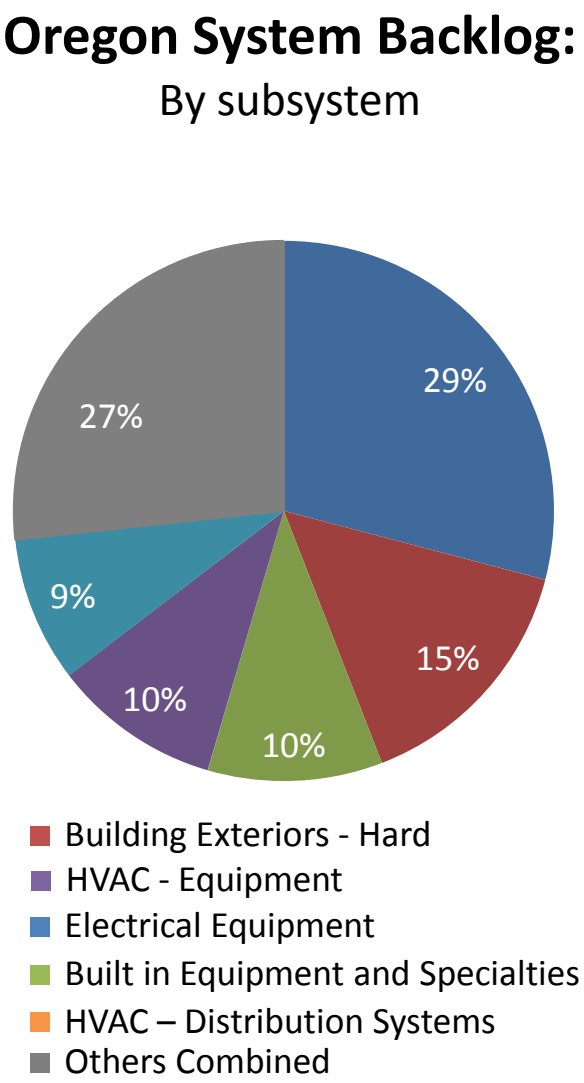
Space/Program = space renewal and safety/code

Six year project spending mix by finding source:

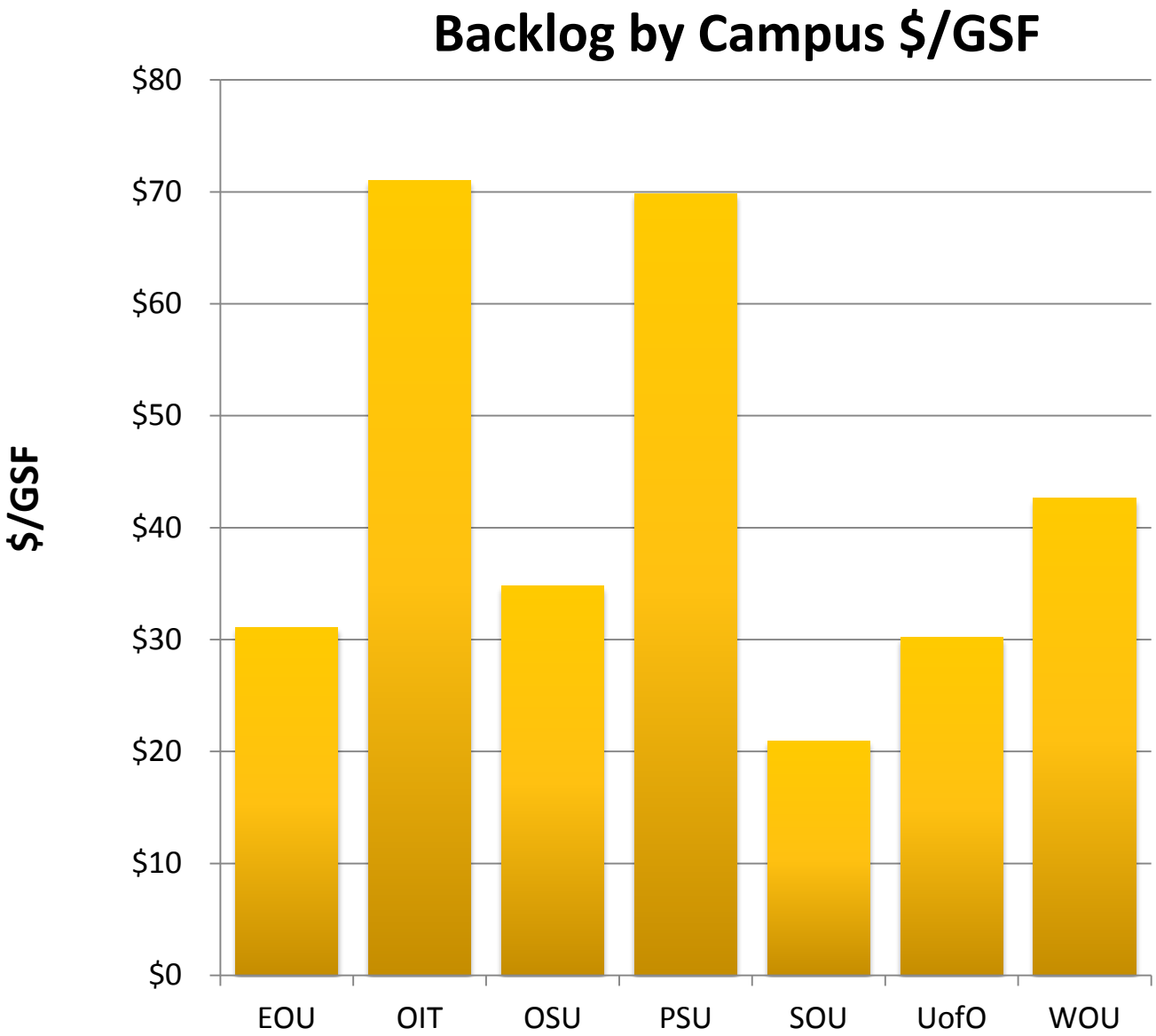


Backlog by campus: Total Need $530.4M



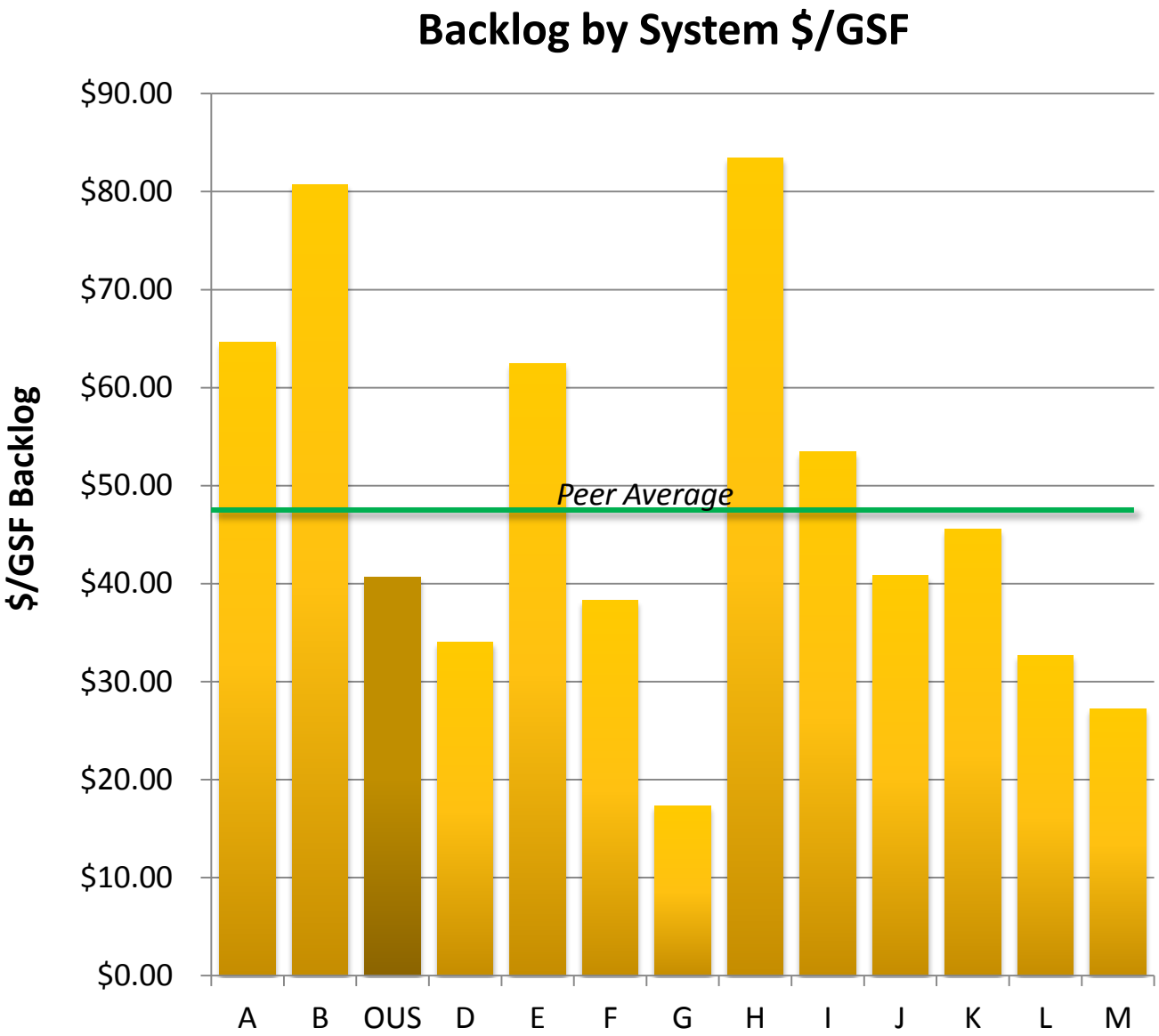


Backlog by campus



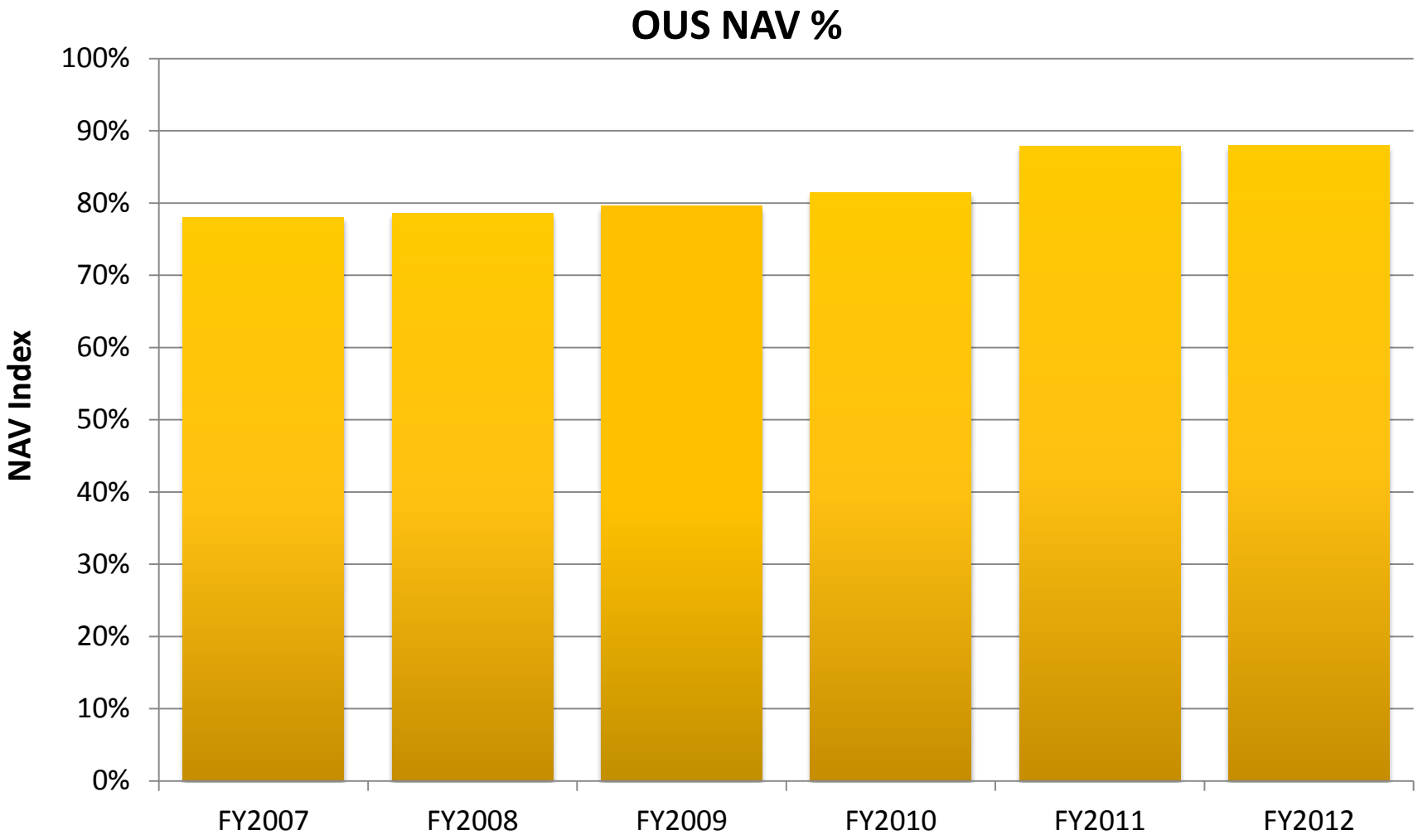
Campus	FCI
EOU	0.10
OIT	0.27
OSU	0.10
PSU	0.22
SOU	0.08
UofO	0.09
WOU	0.15
System	**0.13**

Backlog versus other systems



Peer Systems
California State University System
City University of New York System
University of Hawai'i System
University of Maine System
Minnesota State Colleges and Universities
Mississippi Institutions of Higher Learning
University of Missouri System
State University of New York System
University of Texas System
Pennsylvania State System of Higher Education
The University System of Ohio
The University System of New Hampshire

Oregon University System Net Asset Value (NAV)



$$NAV = \frac{\text{(Replacement Value- Buildings Needs)}}{\text{Replacement Value}}$$

Oregon University System Core Issues

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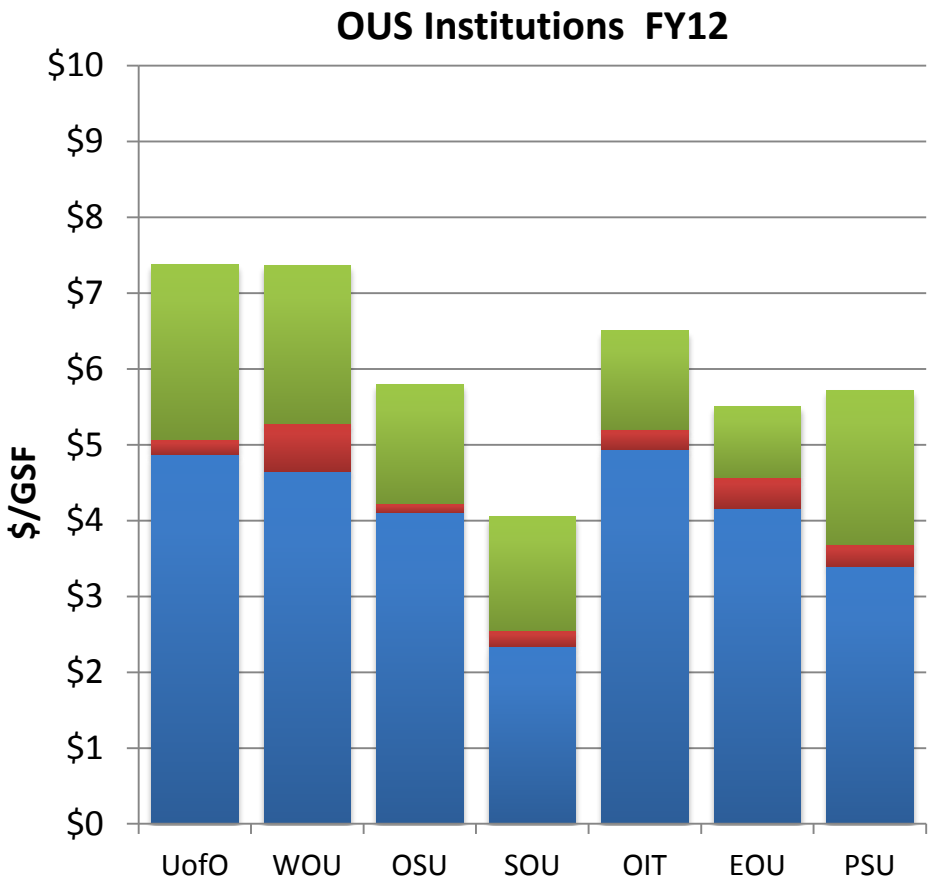
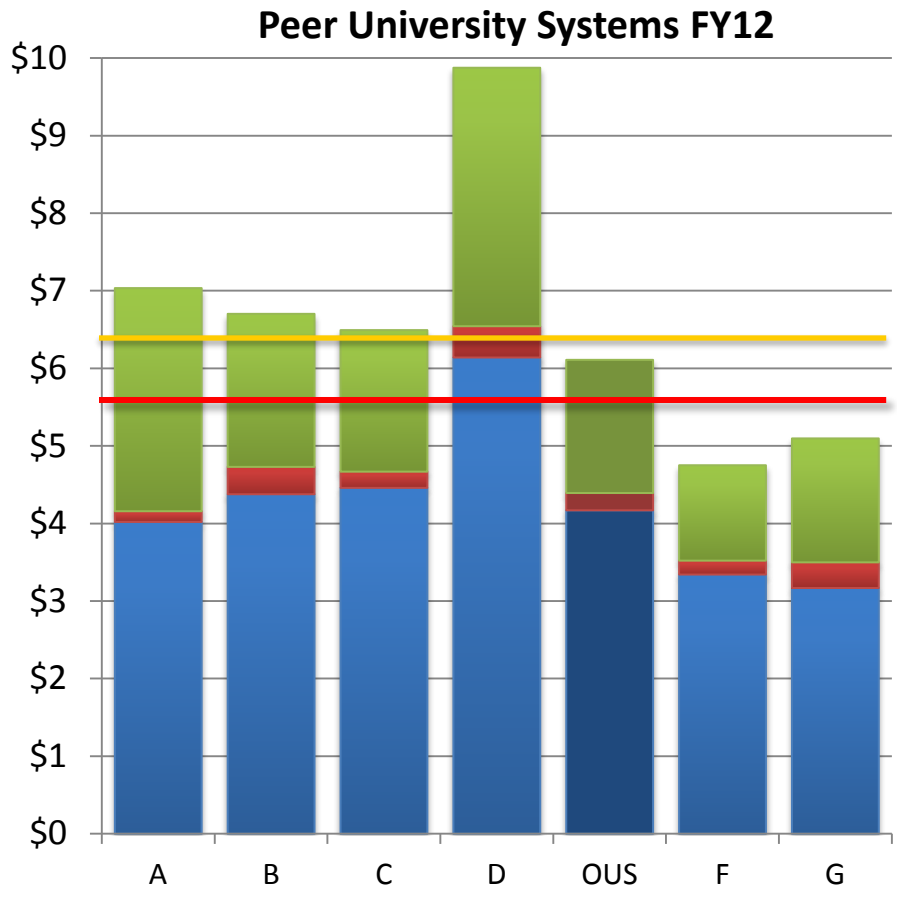
Facilities operating budget FY12





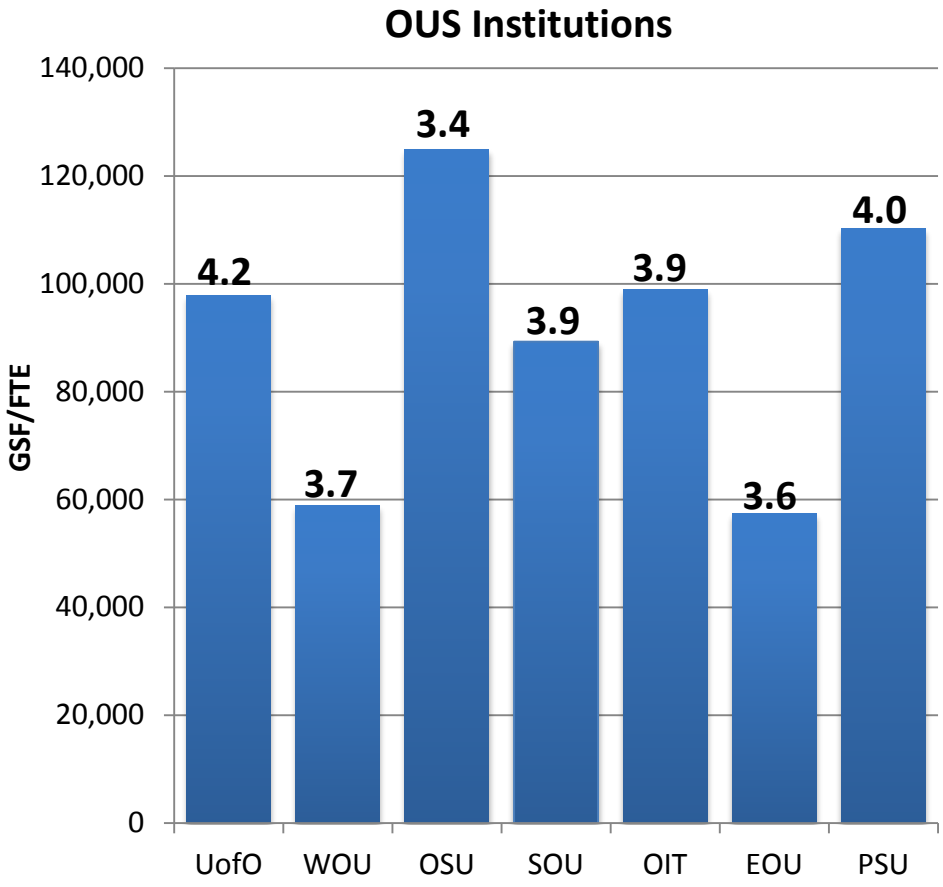
Daily Service Planned Maintenance Utilities

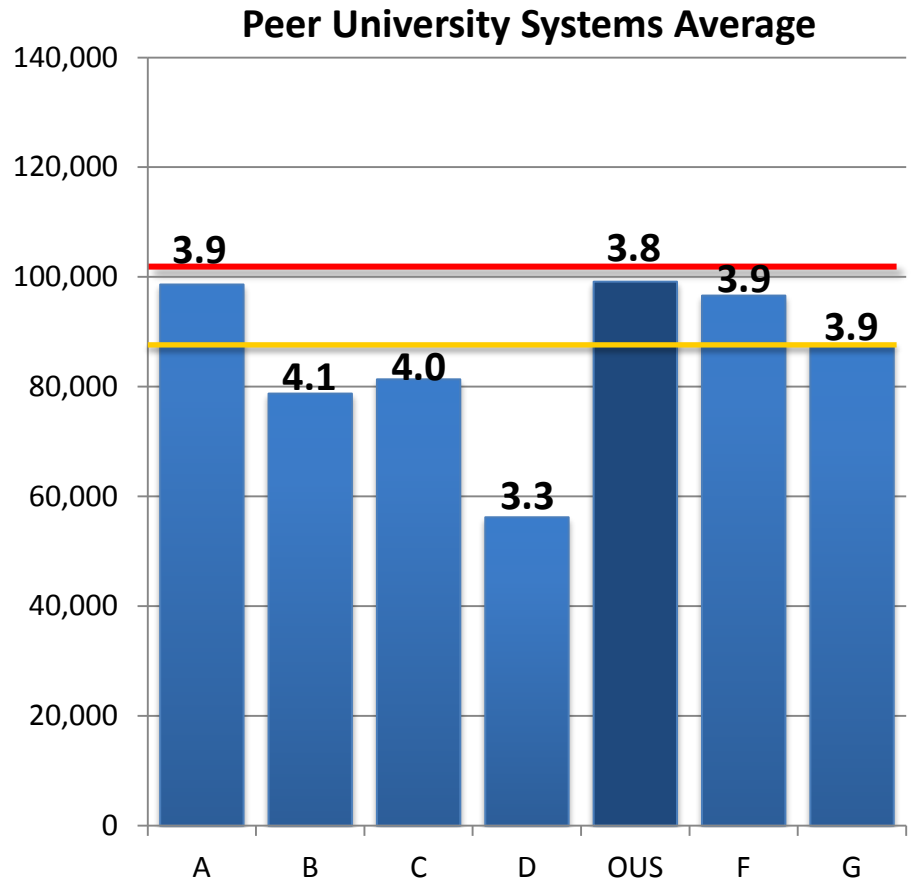
Large Peer Average
Regional Peer Average

Maintenance performance

Sightlines

Maintenance Staffing Coverage





OUS average General Repair Score: **3.8**

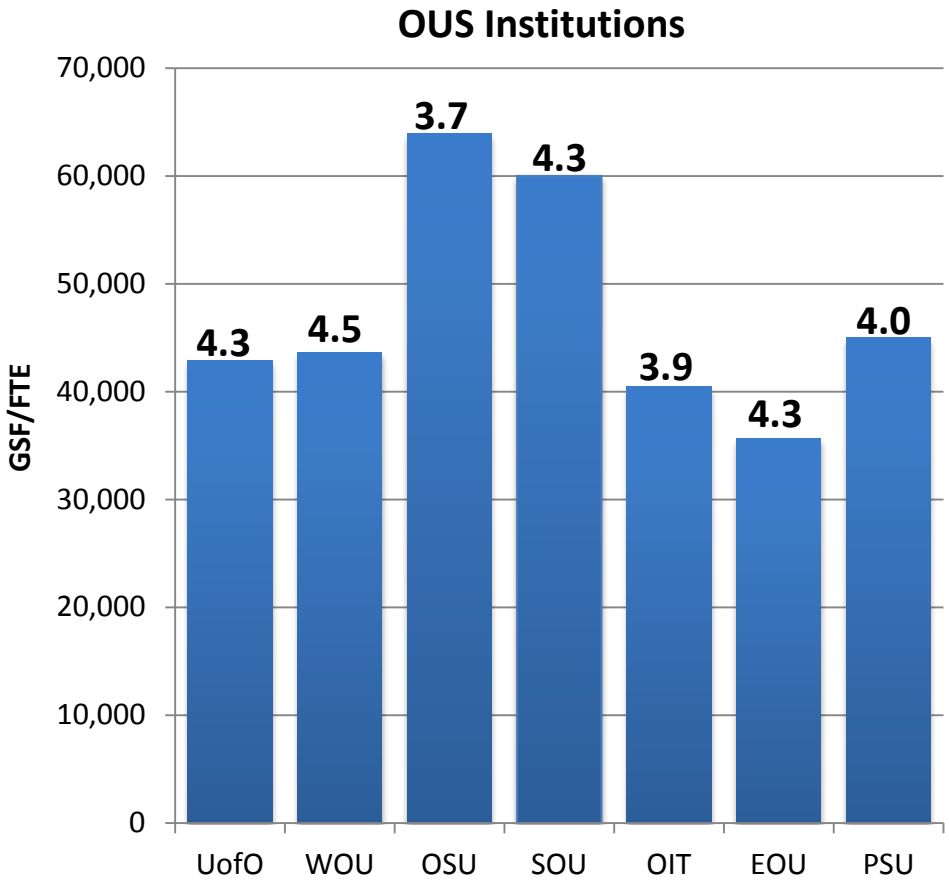
Large Peer Average
Regional Peer Average

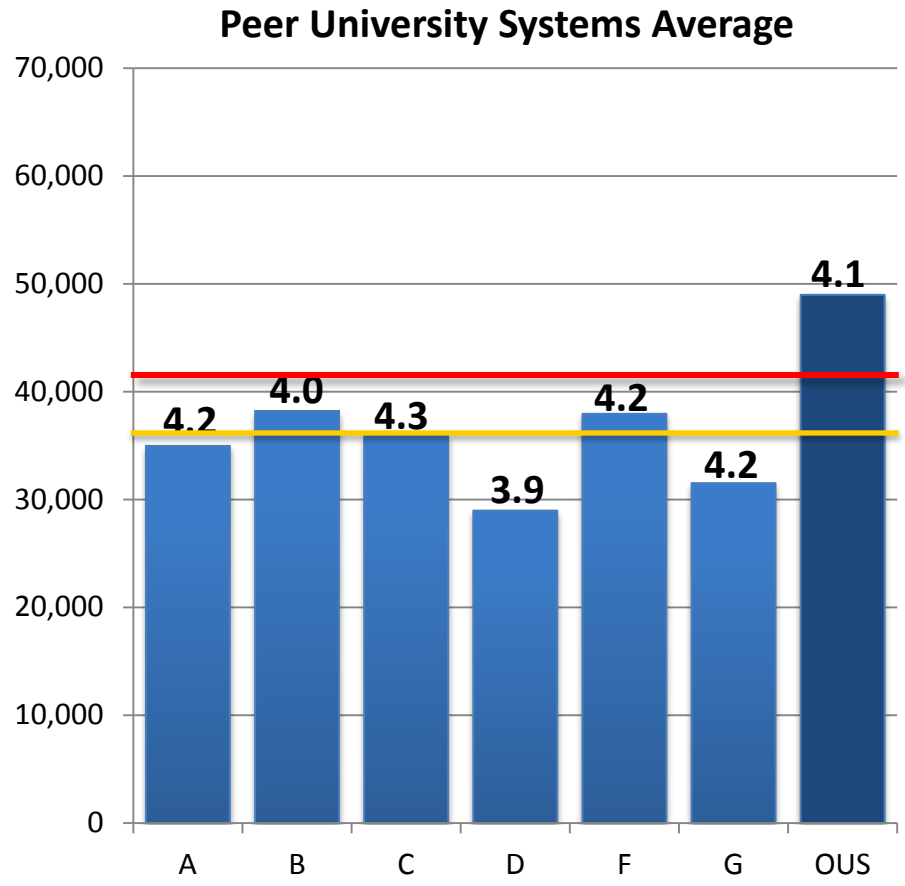
OUS Avg. Supervisor Ratio: **8.6**
Peer System Average Supervisor Ratio: **12.6**

Custodial performance

Sightlines

Custodial Staffing Coverage





OUS average Cleanliness Score: **4.1**

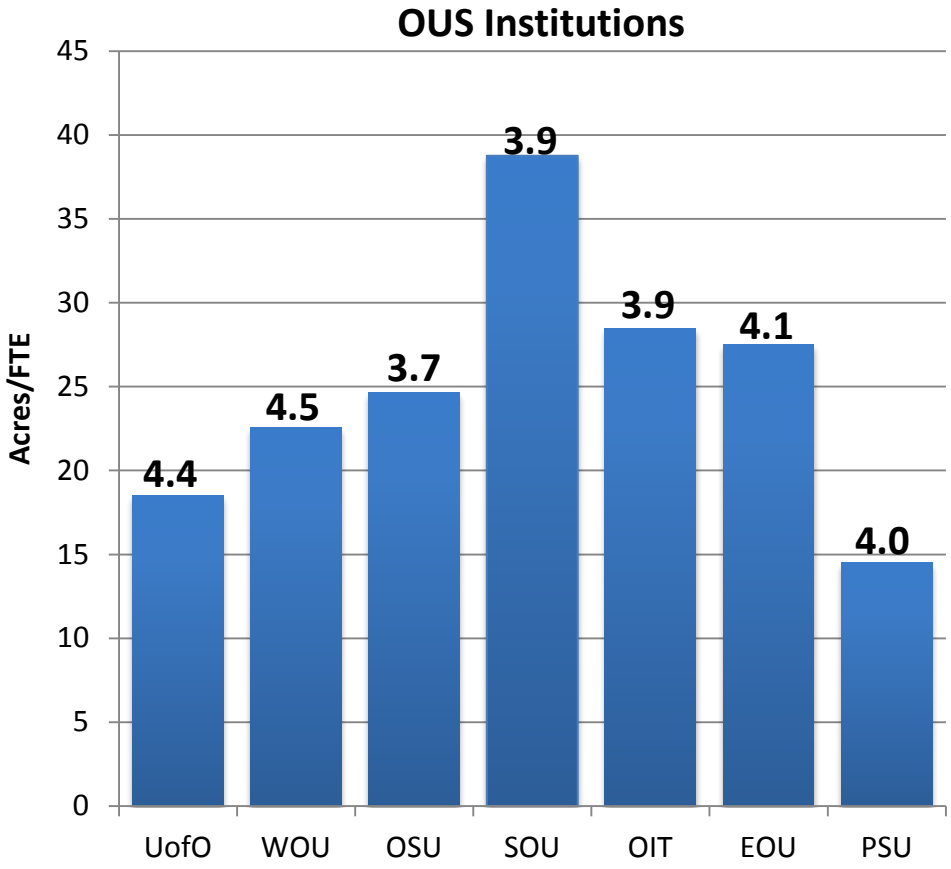
Large Peer Average
Regional Peer Average

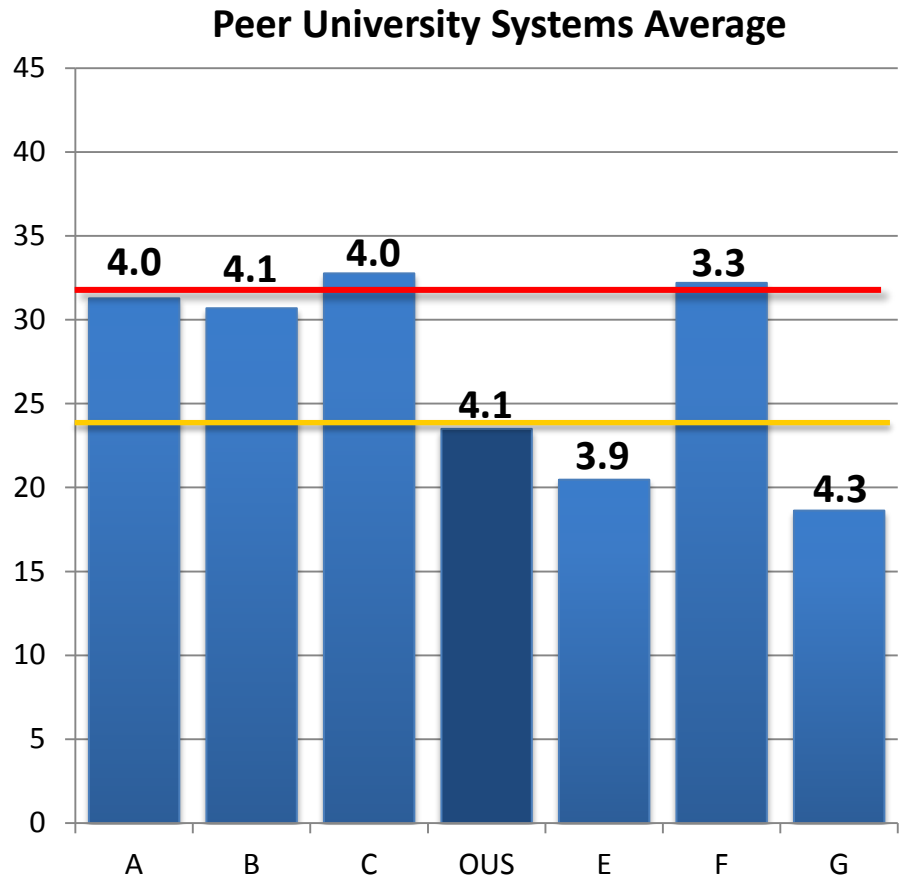
OUS Avg. Supervisor Ratio: **14.3**
Peer System Average Supervisor Ratio: **23**

Ground performance

Sightlines

Grounds Staffing Coverage





OUS average Grounds Score: **4.1**

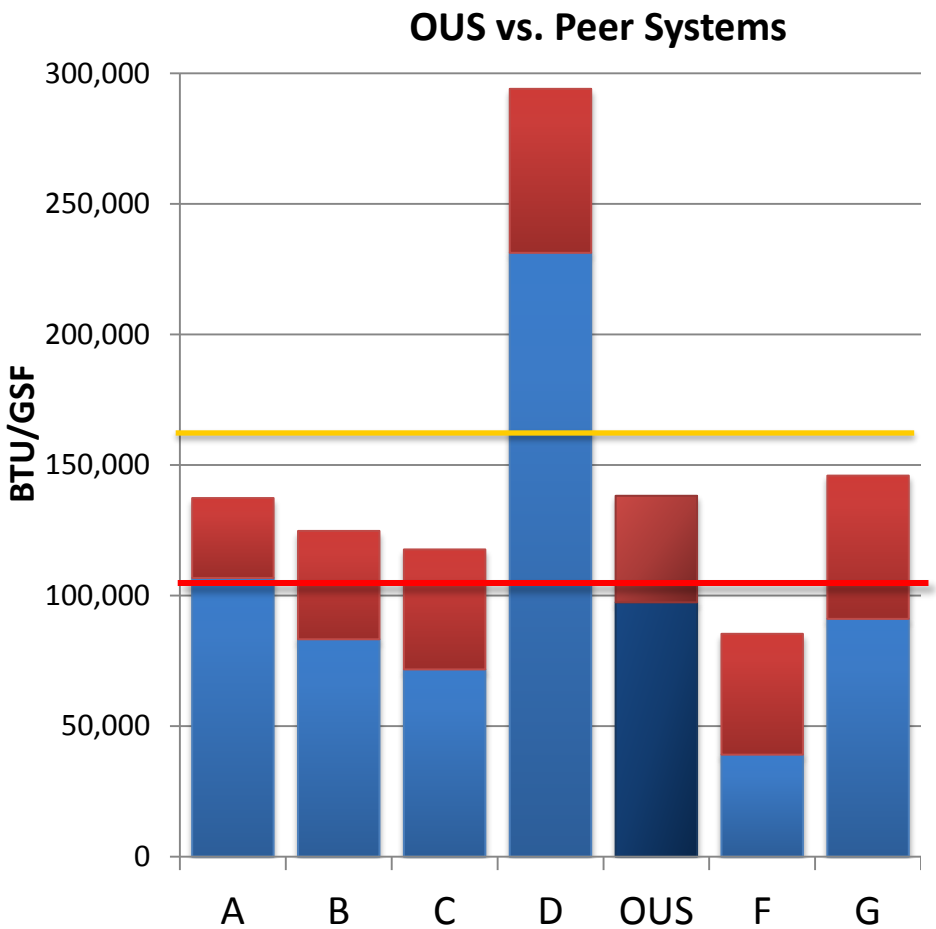
Large Peer Average

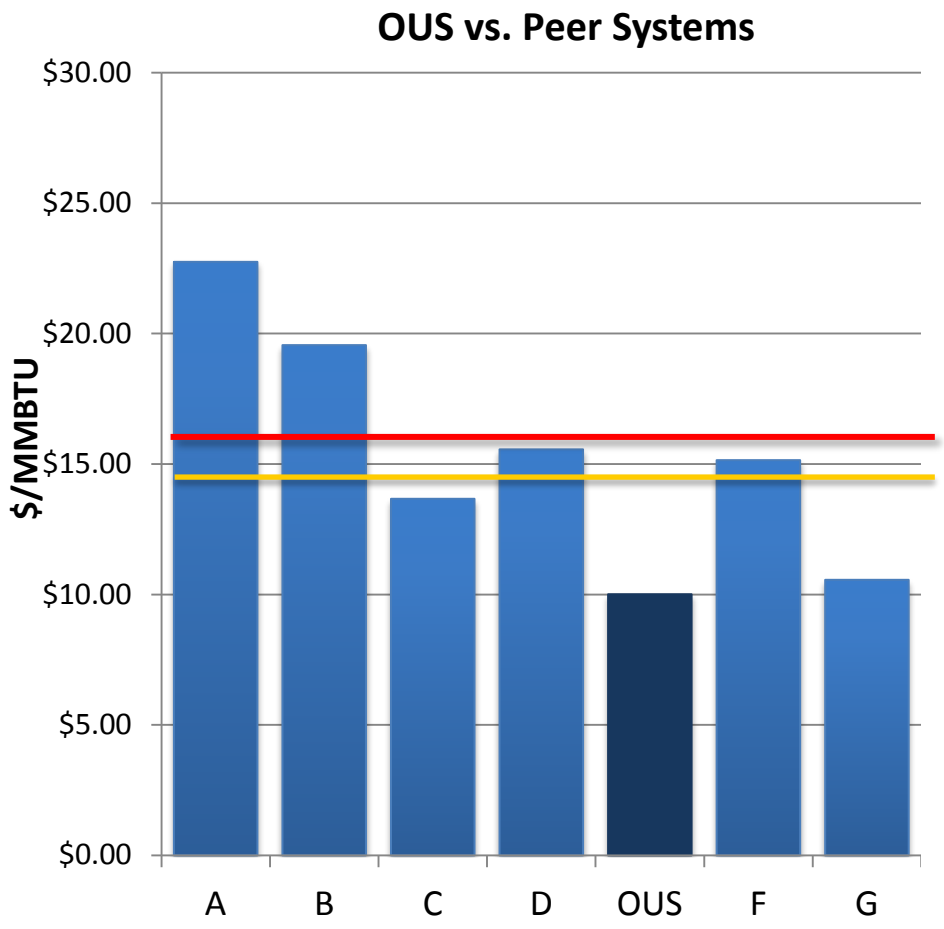
Regional Peer Average

OUS Avg. Supervisor Ratio: **23.5**

Peer System Average Supervisor Ratio: **15.6**

Total energy consumption and unit cost





Large Peer Average
Regional Peer Average

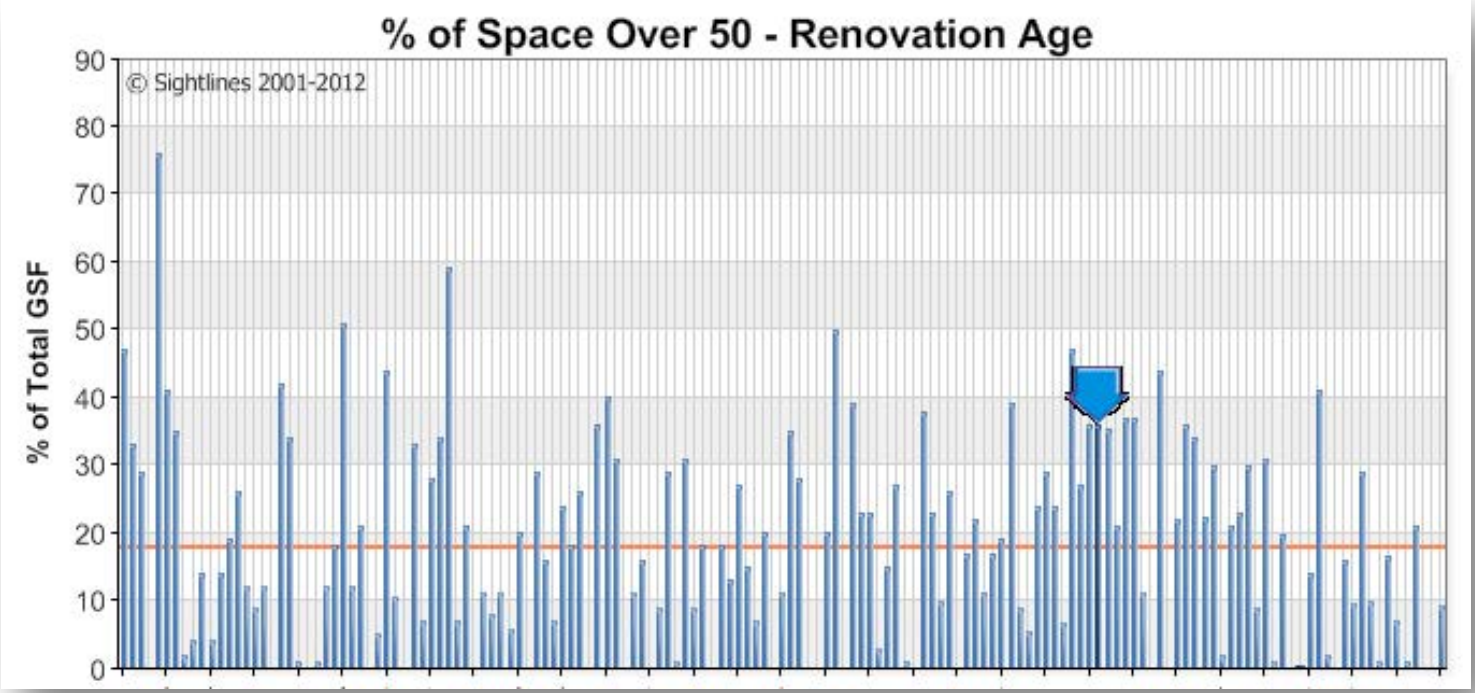
Concluding Comment: Core Issue #1

Sightlines

Core Issue #1

Measuring the impact of the OUS facilities profile

Continue to monitor how the age, density and technical complexity impacts operational and capital demands. For example, analyze the building energy consumption based upon the age and complexity to highlight potential investment savings opportunities.



Graph represents all of Sightlines public institutions (160+ campuses)

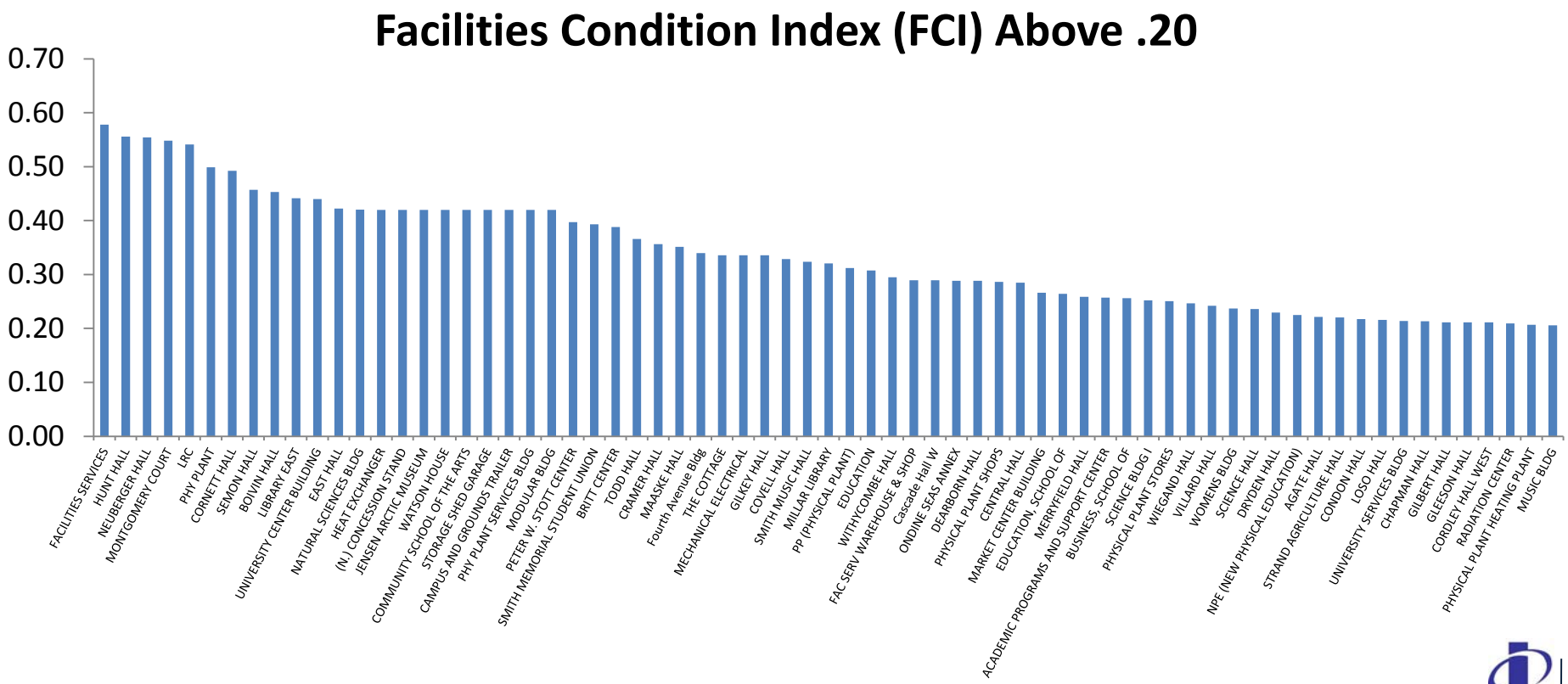
Concluding Comment: Core Issue #2

Sightlines

Core Issue #2

Identifying current and projected capital needs

Utilize the Capital Renewal and ROPA database to identify capital project investments that decrease the backlog of need and reduce reactive operational costs.



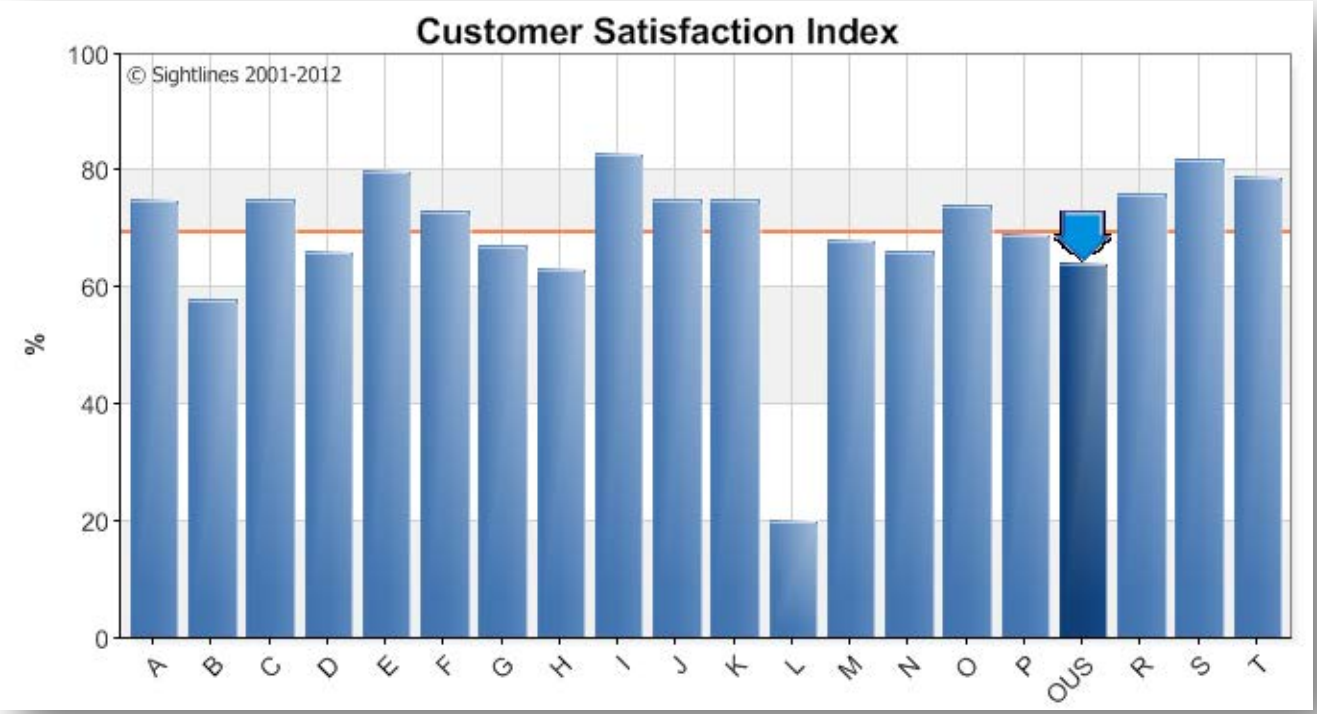
Concluding Comment: Core Issue #3

Sightlines

Core Issue #3

Understanding facilities demands and performance

Evaluate planned maintenance and work order production by building to ensure operational resources are being effectively utilized. Also, update a customer satisfaction survey to understand the quality of service delivery.



Graph represents customer satisfaction survey results for the OUS system in 2010 vs. other large public institutions in the Western part of the U.S.

Comparison Institutions

Sightlines

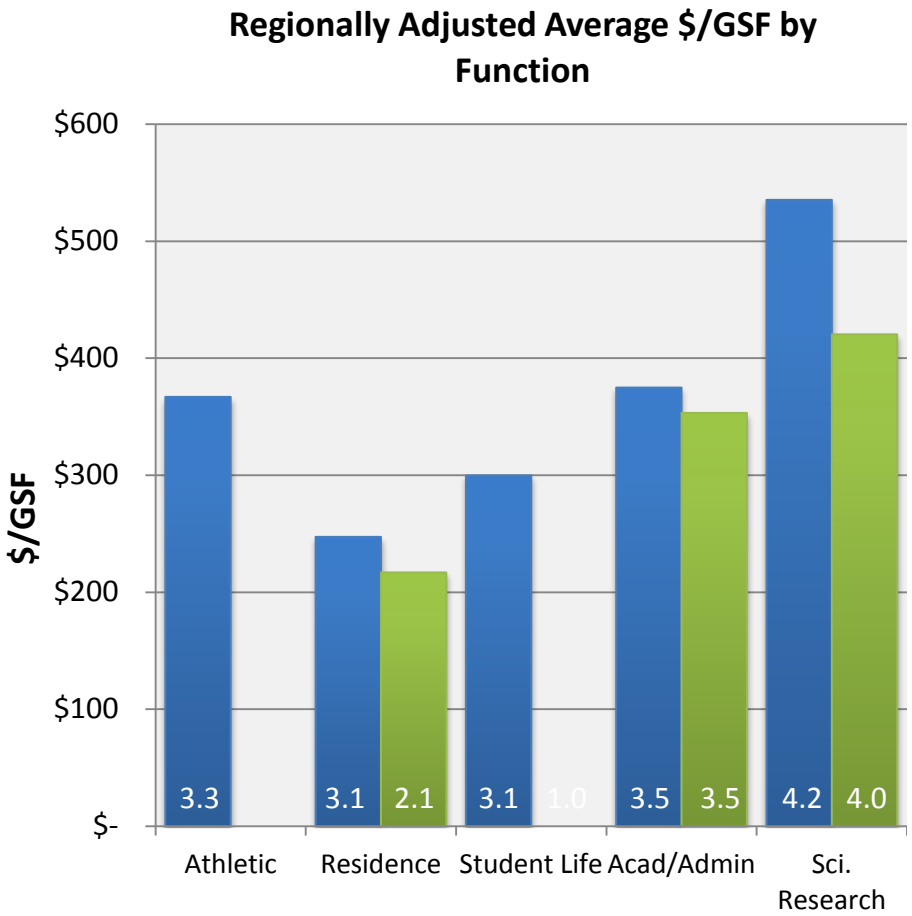
Small Peers	
Alcorn State University	Massachusetts College of Art and Design
Bowling Green State University	Millersville University of PA
California University of PA	Mississippi Valley State University
Cheyney University of PA	Missouri University of Science and Technology
Clarion University of PA	Plymouth State Univeristy
Clemson University	Shippensburg University of PA
Cleveland State University	Slippery Rock University of PA
Delta State University	Temple University
East Stroudsburg University of PA	The Richard Stockton College of New Jersey
Edinboro University of PA	University of Maine at Farmington
Framingham State University	University of Rhode Island
George Mason University	University of Southern Mississippi
Jackson State University	Virginia State University
Kansas State University	Washburn University
Keene State College	West Virginia University
Lock Haven University of PA	Westfield State University
Mansfield University of PA	Worcester State University

Sample Size
94 facilities

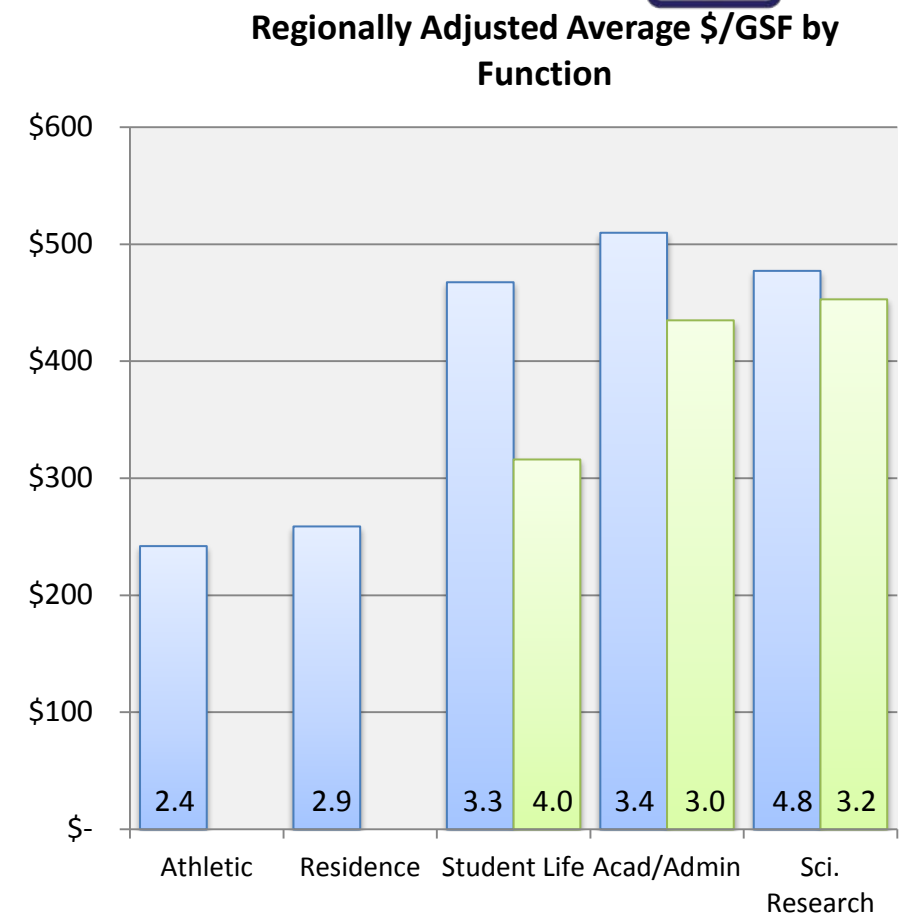
Large Peers
Indiana University
Iowa State University
New Mexico State University
Penn State University
University of California - Davis
University of California - Irvine
University of Colorado - Boulder
University of Illinois - U/C
University of Minnesota

Sample Size
66 facilities

Construction cost comparison



	Athletic	Residence	Student Life	Acad/Admin	Sci. Research
Peers:	3	19	7	45	16
OUS:	-	7	-	4	2



	Athletic	Residence	Student Life	Acad/Admin	Sci. Research
Peers:	7	11	3	33	9
OUS:	-	-	1	9	5

Regional Peers OUS Regional Campuses Large Peers OUS Large Campuses

Numbers in bars represent average technical complexity of newly constructed buildings (scale of 1-5)
Costs shown represent Total Project Cost (construction + soft costs)
All costs are shown in 2012 dollars and have been normalized to Portland's regional adjuster as reported by *Engineering News-Record*

Questions and discussion