

# Saint Louis University

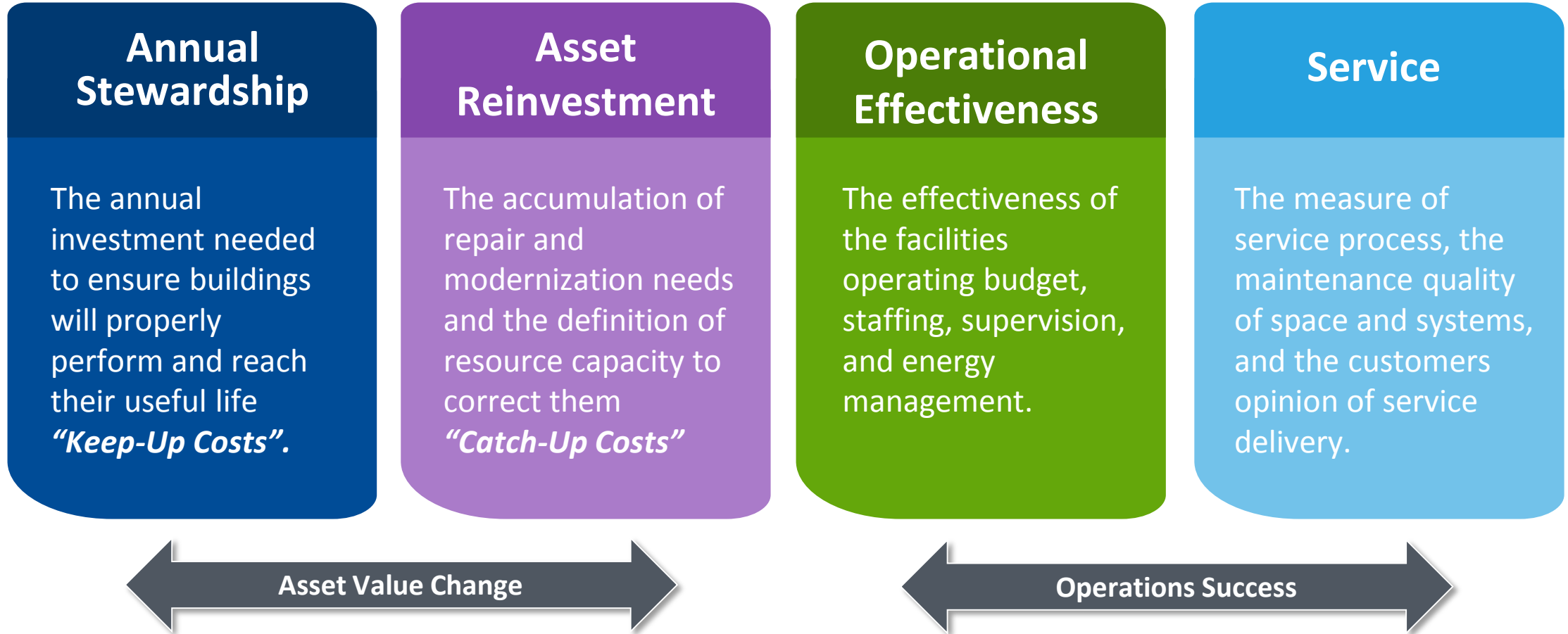
## FY18 ROPA Presentation

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June 2019



# Creating a Common Vocabulary



# Peer Benchmark Group



ROPA Peer Institutions	Location
Loyola University Maryland	Baltimore, Maryland
Boston College	Boston, Massachusetts
Gonzaga University	Spokane, Washington
Seattle University	Seattle, Washington
The University of Chicago	Chicago, Illinois
Washington University in St. Louis	St. Louis, Missouri
Vanderbilt University	Nashville, Tennessee
Creighton University	Omaha, Nebraska
<b>Northwestern University</b>	<b>Evanston, Illinois</b>
<b>Boston University</b>	<b>Boston, Massachusetts</b>

*New for FY19*

Jesuit Peer Institutions	Location
Loyola University Maryland	Baltimore, Maryland
Boston College	Boston, Massachusetts
Gonzaga University	Spokane, Washington
Seattle University	Seattle, Washington
<b>Saint Joseph's University</b>	<b>Philadelphia, Pennsylvania</b>
University of San Francisco	San Francisco, California
<b>Fairfield University</b>	<b>Fairfield, Connecticut</b>
Creighton University	Omaha, Nebraska

### Comparative Considerations

Size, technical complexity, region, geographic location, and setting are all factors included in the selection of peer institutions

Disconnect Between  
Institutional Identity  
and Financial Reality

Allocations to  
Facilities Have Not  
Been a Priority for  
the Institution

Pre-War  
Construction  
Creates Space  
Inefficiencies

Juggling Future &  
Existing Facilities  
Demands:  
Discovering the True  
Cost of Ownership

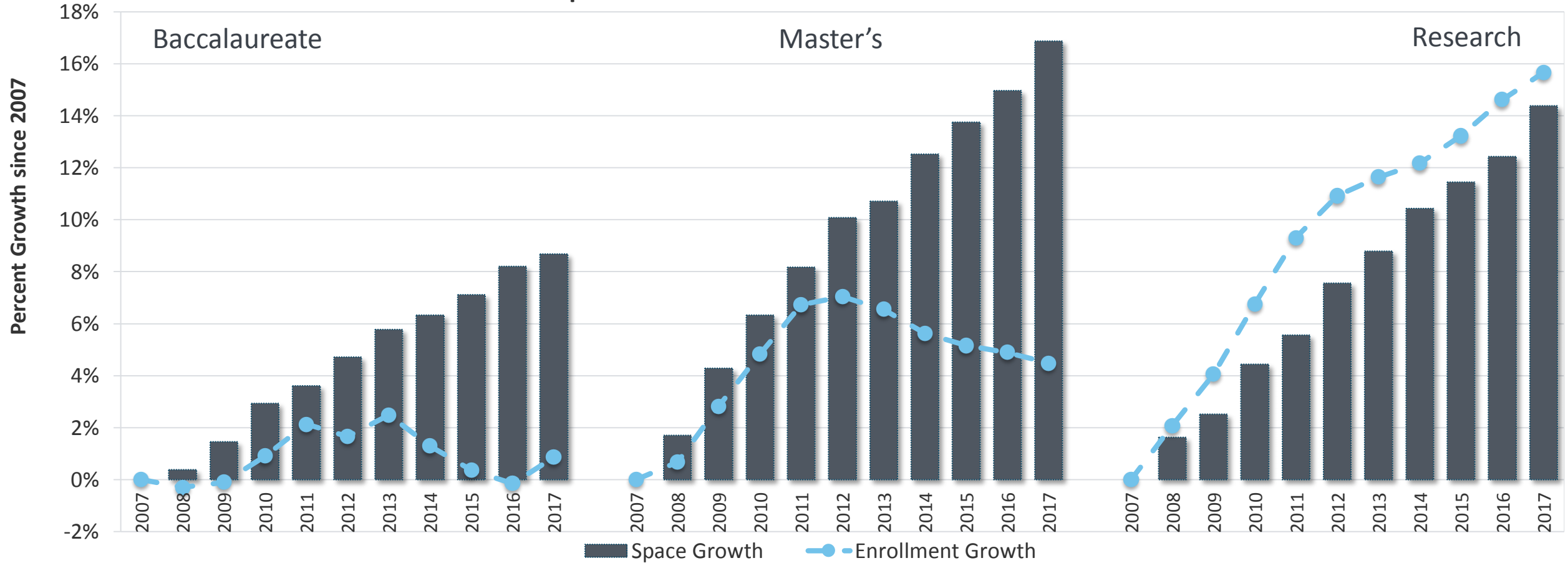
Theme #1:  
Disconnect Between  
Institutional Identity and  
Financial Reality



# Space Growth with Declining Enrollment is an Exposure

Master's universities show the largest divergence

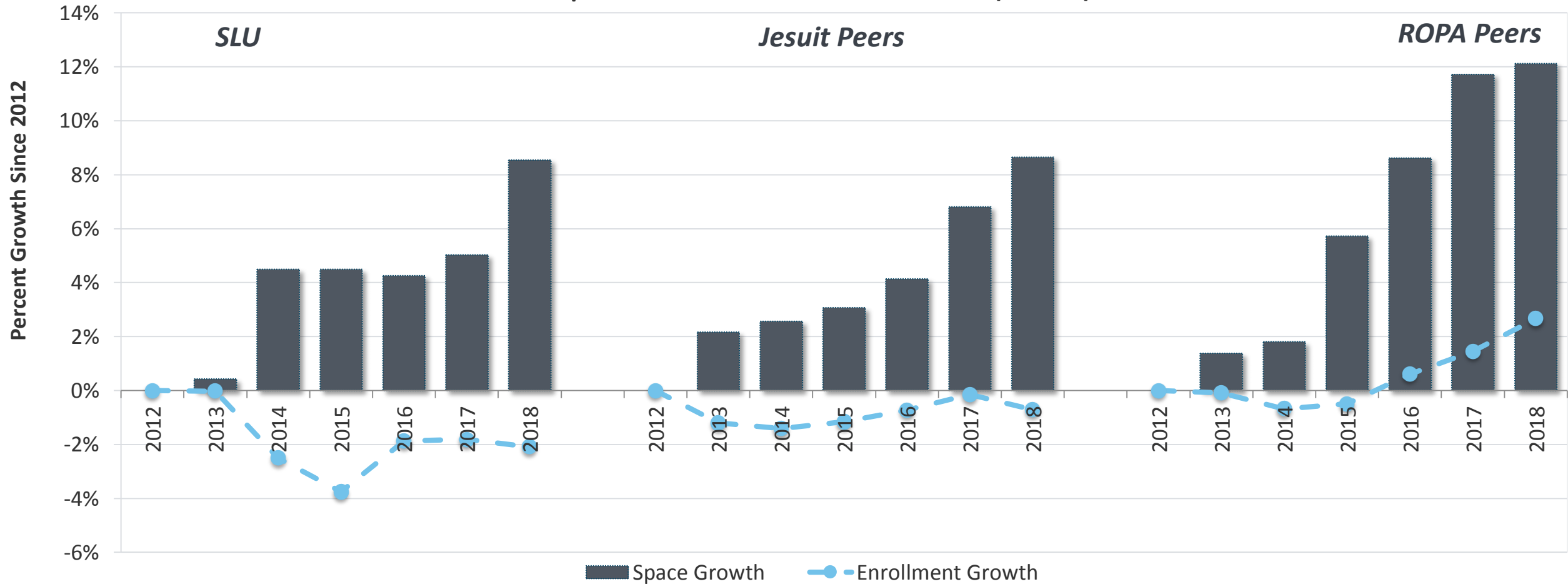
### Space Growth vs. Enrollment Growth



# SLU, Jesuit's Feature Similar Enrollment Trends

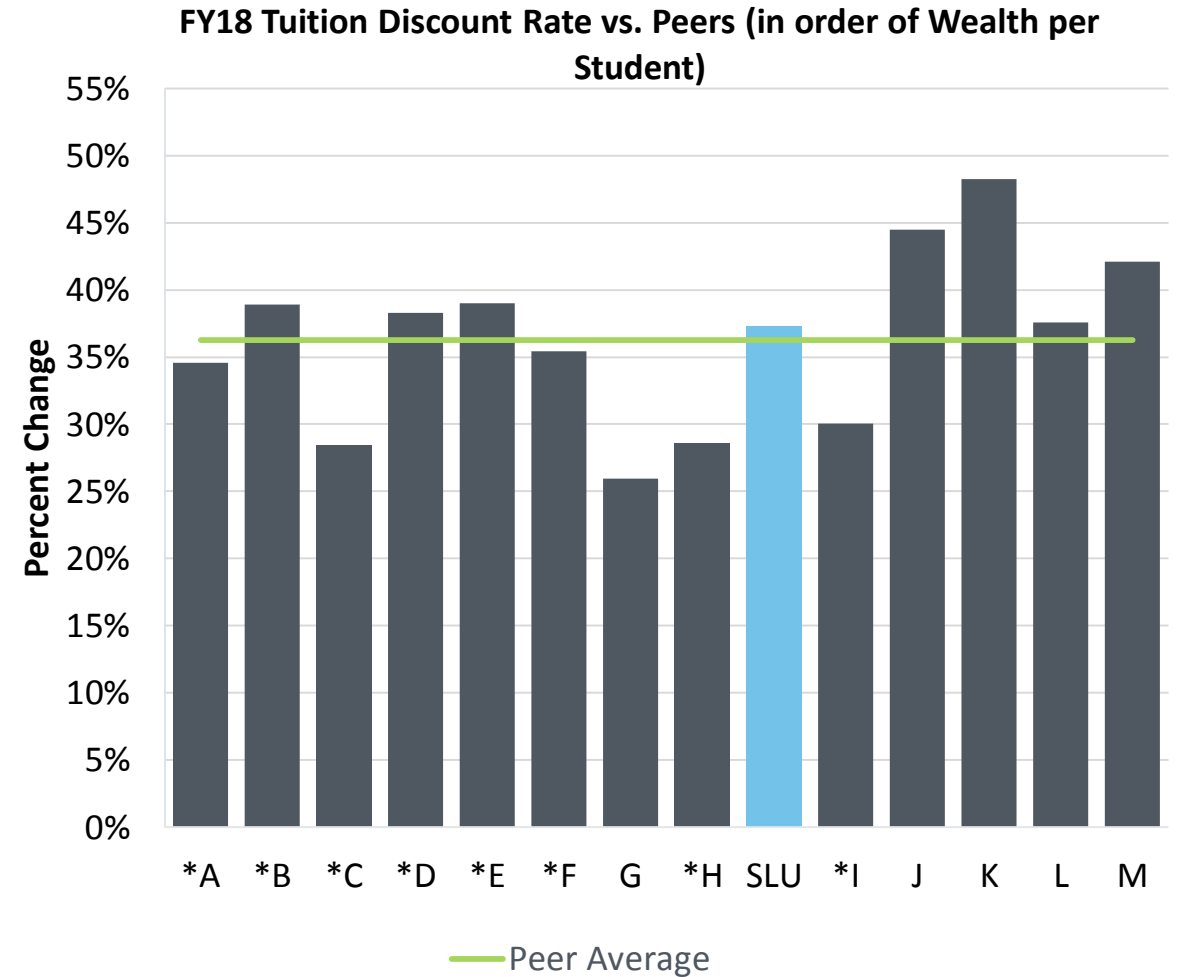
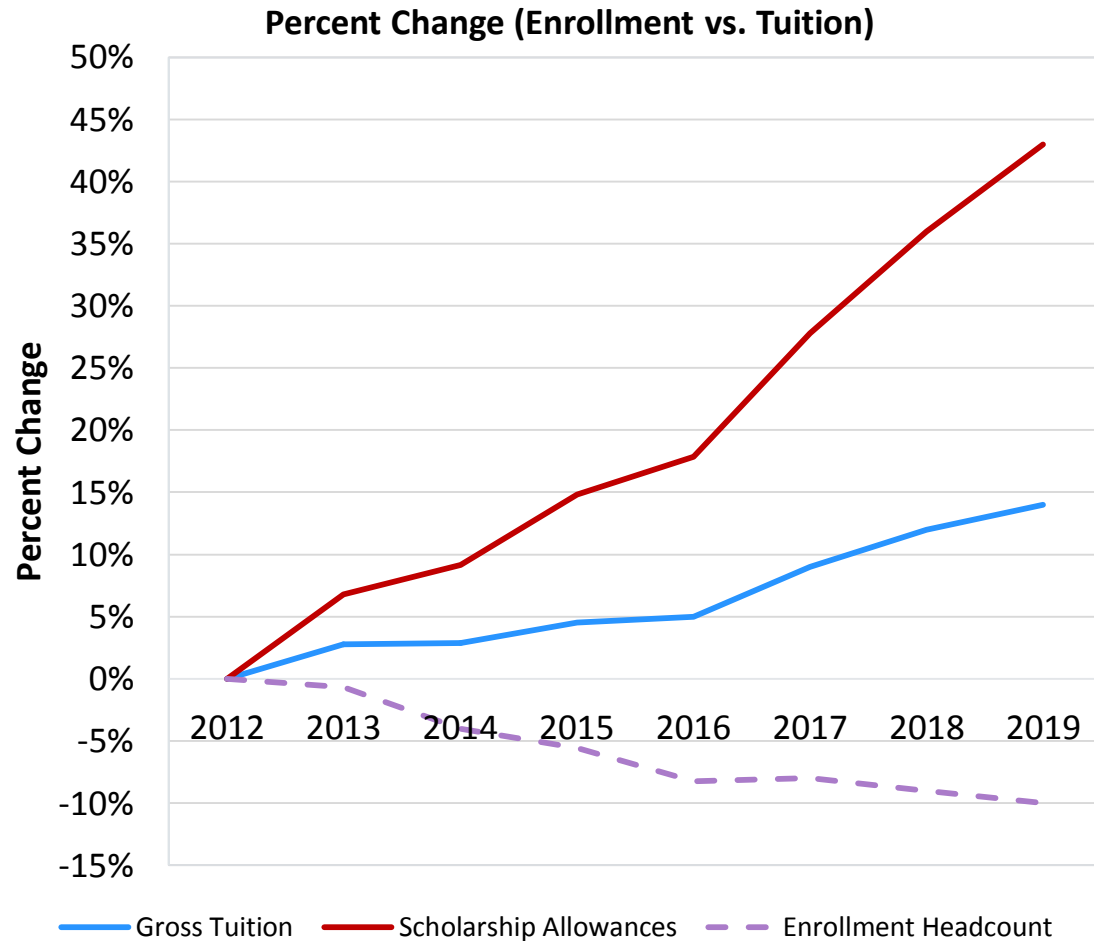
ROPA Peers' enrollment, space growing concurrently

Space Growth vs. Enrollment Growth (7 Years)



# Gross Tuition Outpaces Scholarship Allowances

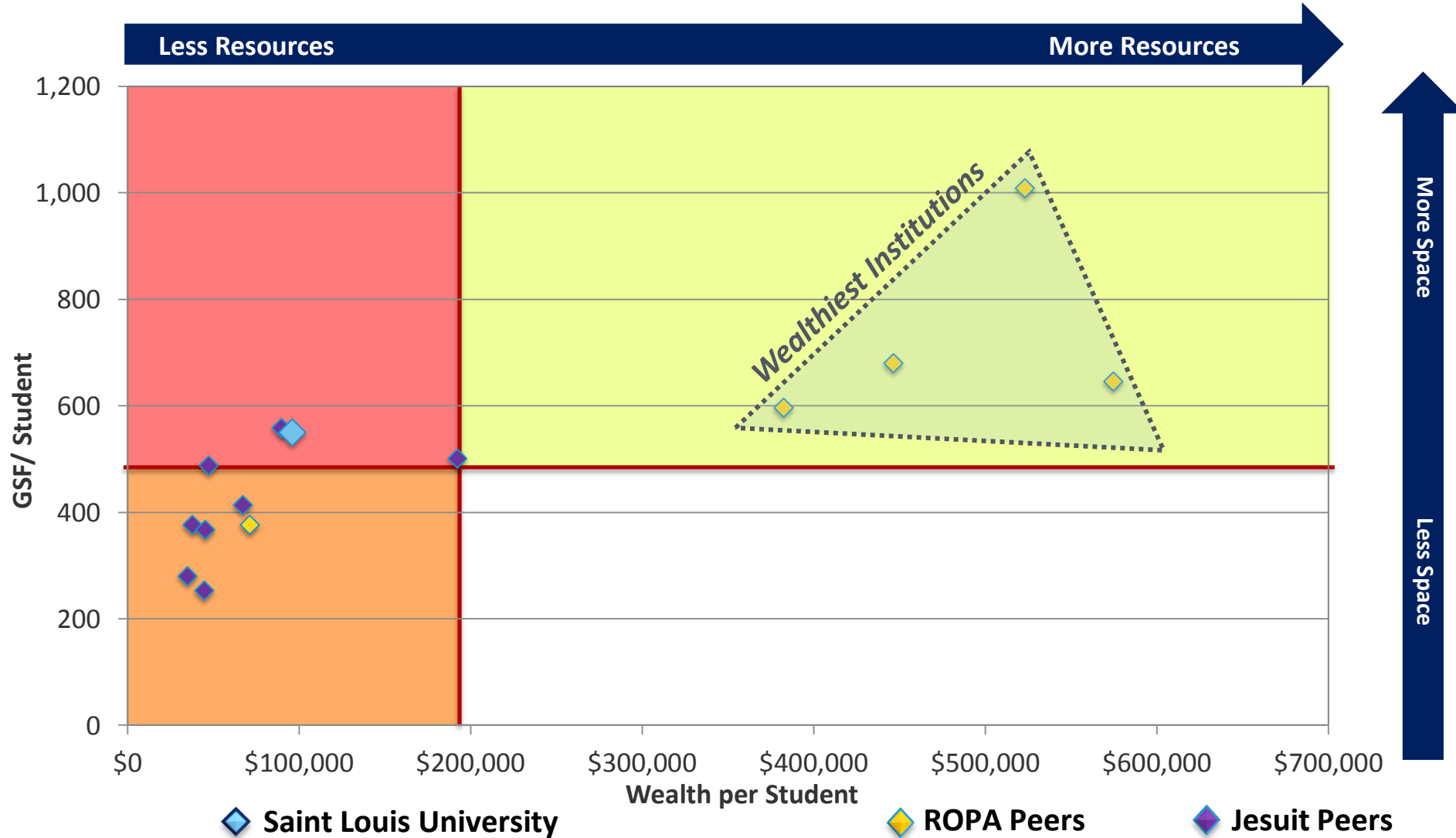
Although in line with peers, SLU's tuition discount continues to rise annually



\*Denotes Jesuit Institution



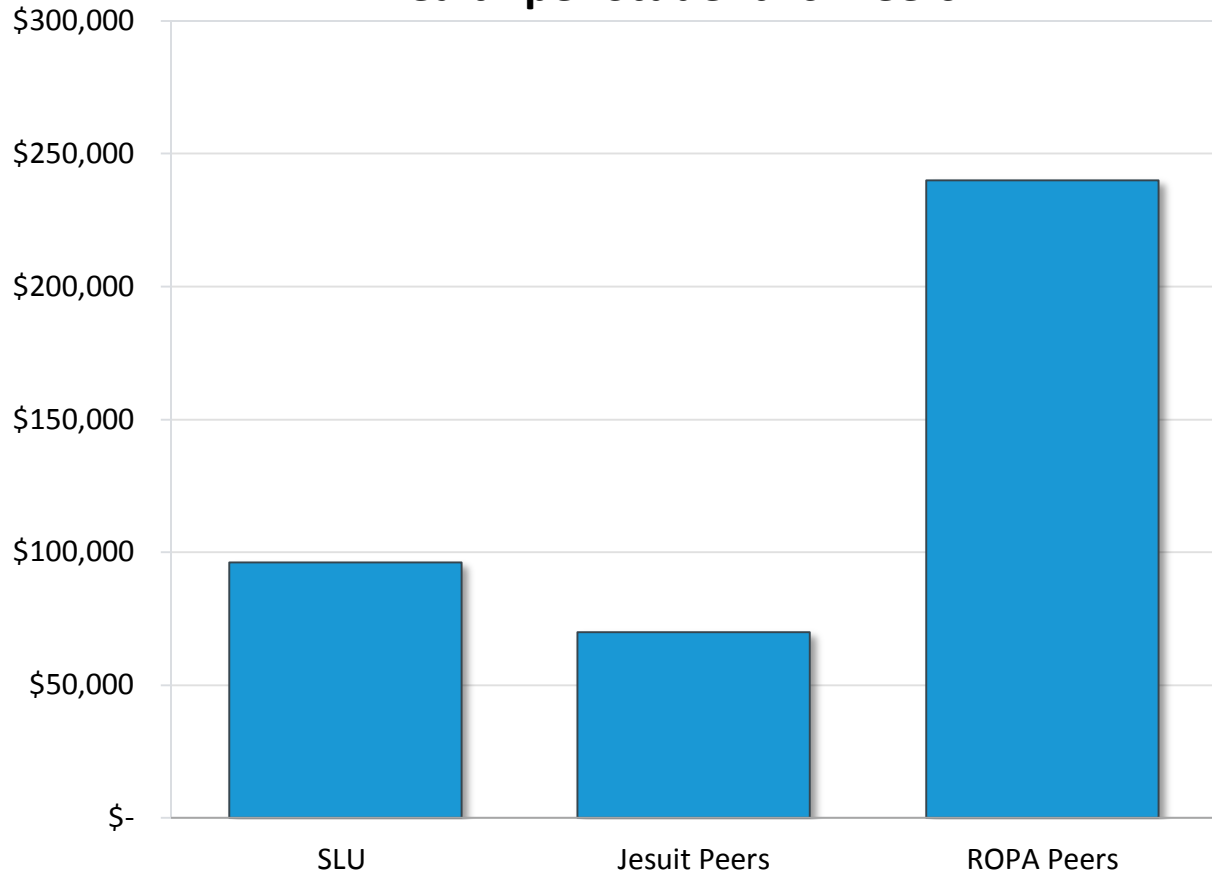
# Additional Space Coupled With Fewer Financial Resources



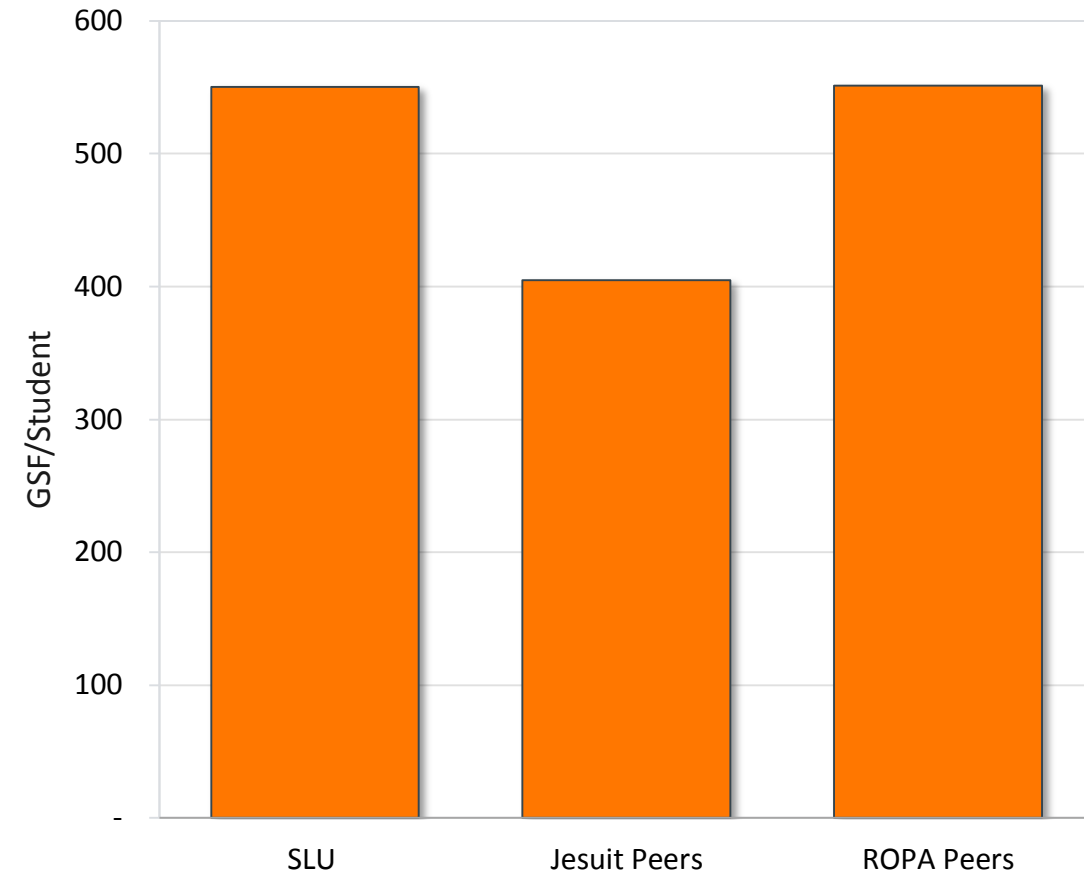
# Misalignment Between Financials, Physical Assets

Although space is on par with ROPA peers, SLU's wealth profile is more in line with Jesuit institutions

### Wealth per Student vs. Peers



### Space per Student vs. Peers



## Theme #2:

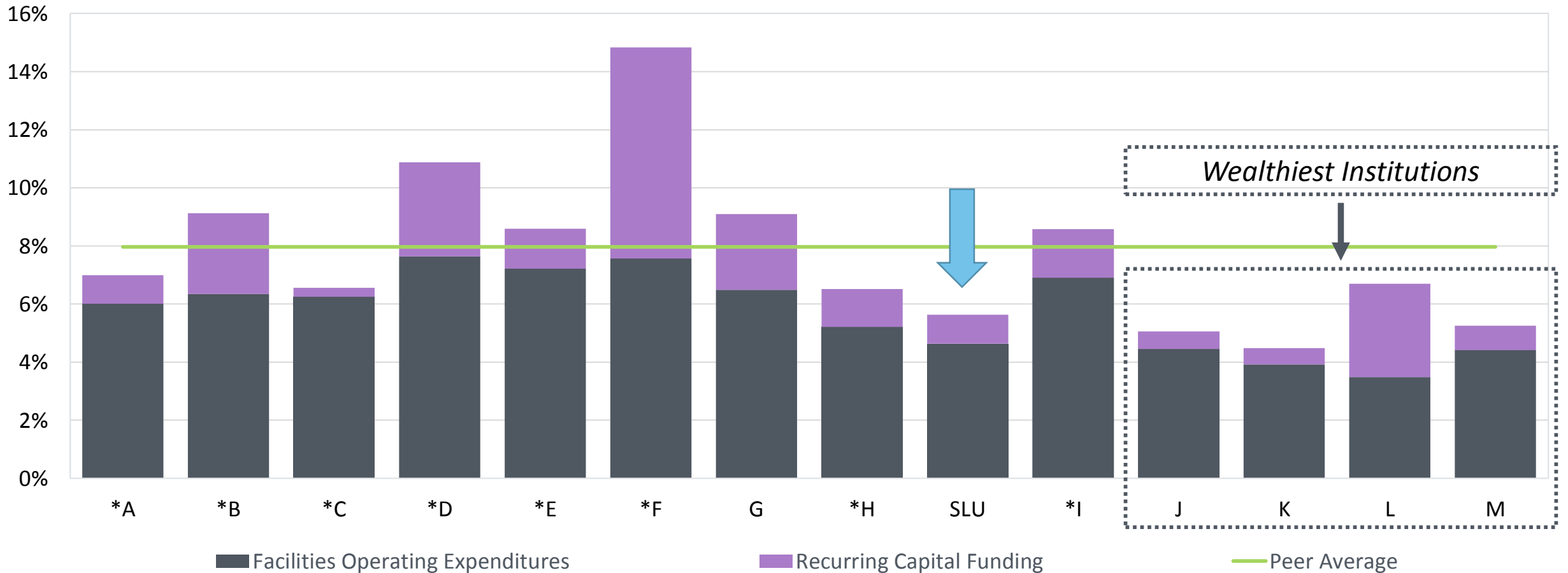
Allocations to Facilities  
Have Not Been a Priority for  
the Institution



# Facilities Resources At A Lower Priority Compared to Peers

SLU is allocated resources at a similar percentage as some of the wealthiest institutions in the country

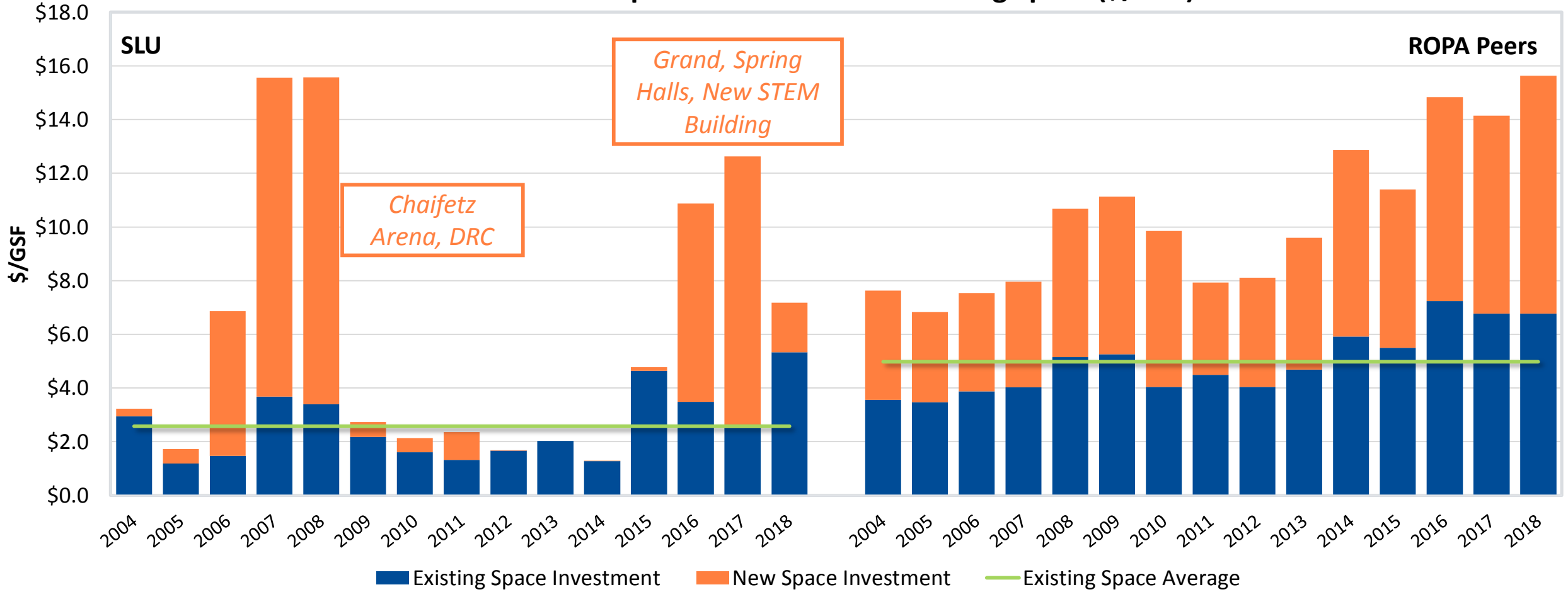
Facilities Expenditures as a Percentage of Total Institutional Operating Expenditures (FY18)



# SLU Shares New Space Commitment, Lags In Existing Space Spending

Recent new space investment brings new Residence Halls, STEM Building online

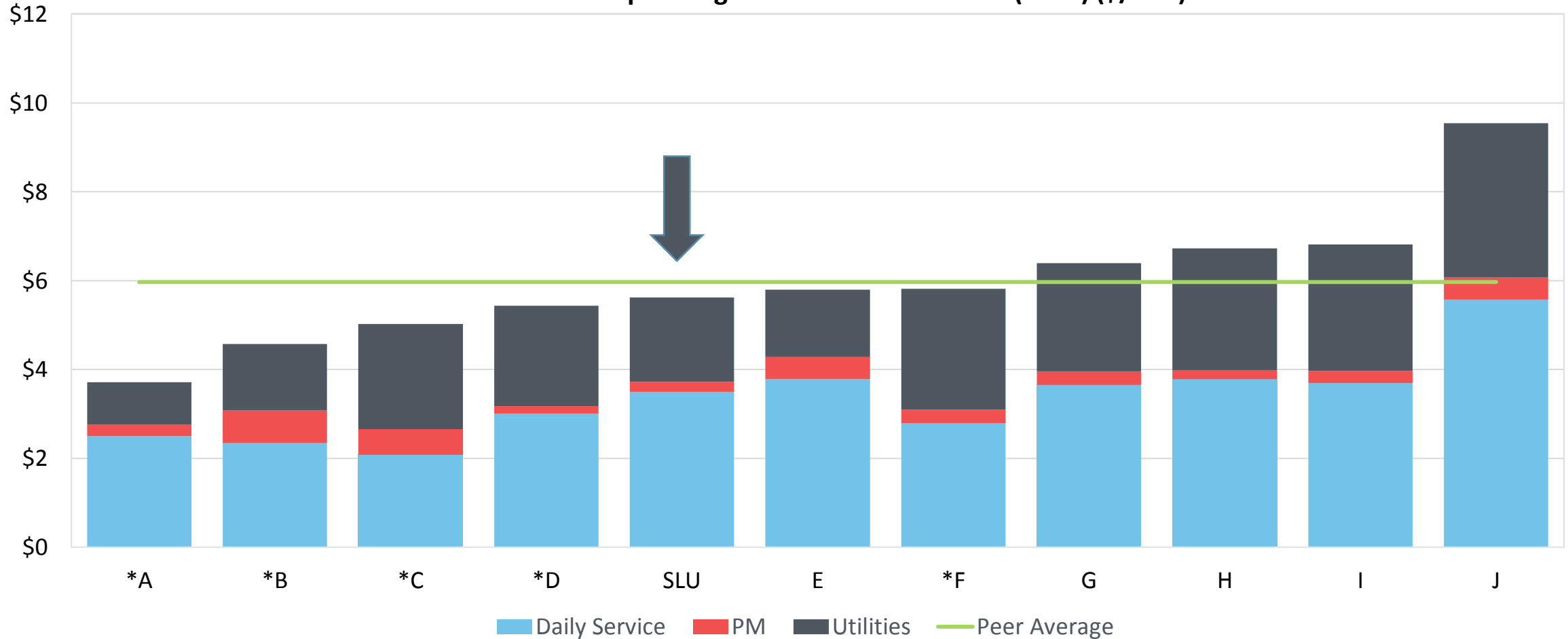
### Total Capital Investment into Existing Space (\$/GSF)



# COLI: Facilities Expenditures At Peer Average

Similar to wealth profile, SLU's facilities expenditures more in line with Jesuit institutions

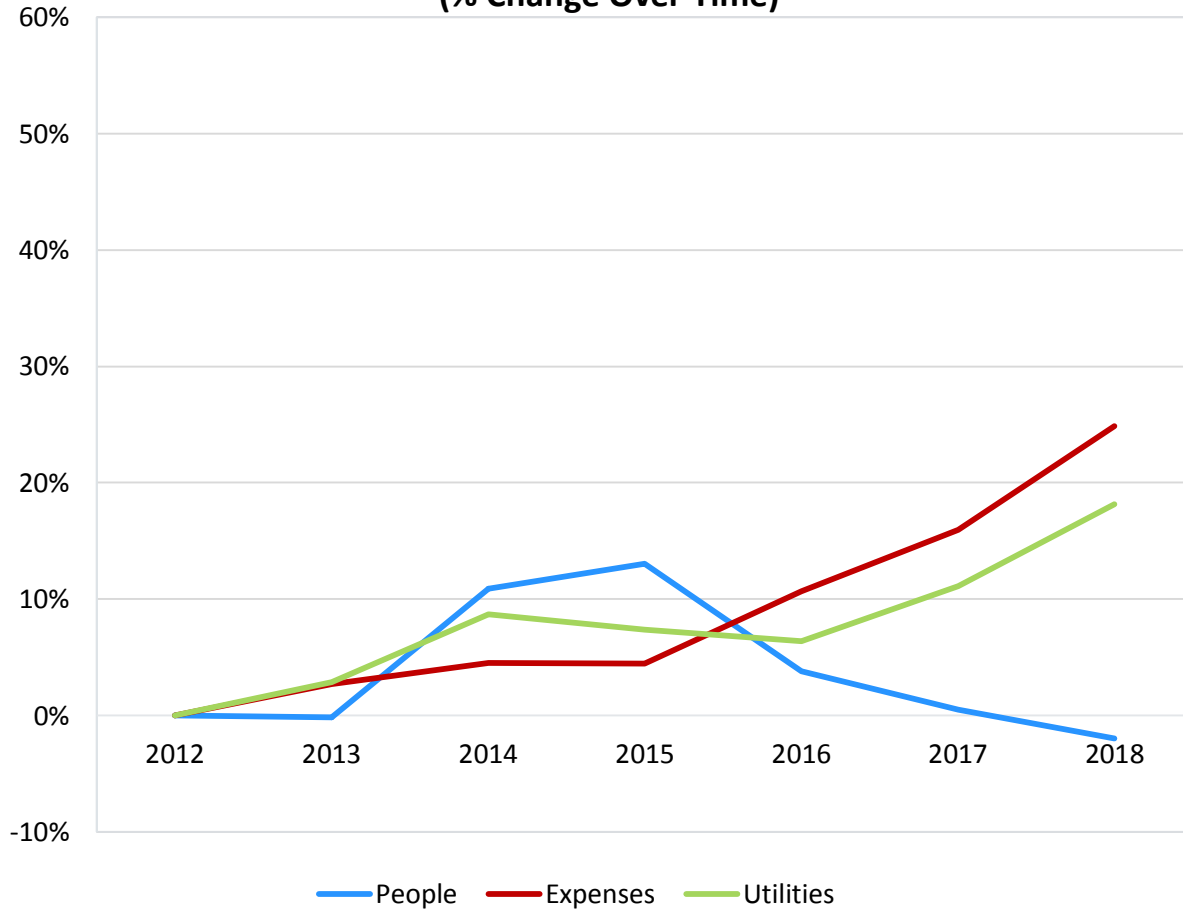
Facilities Operating Actuals vs. ROPA Peers (FY18) (\$/GSF)



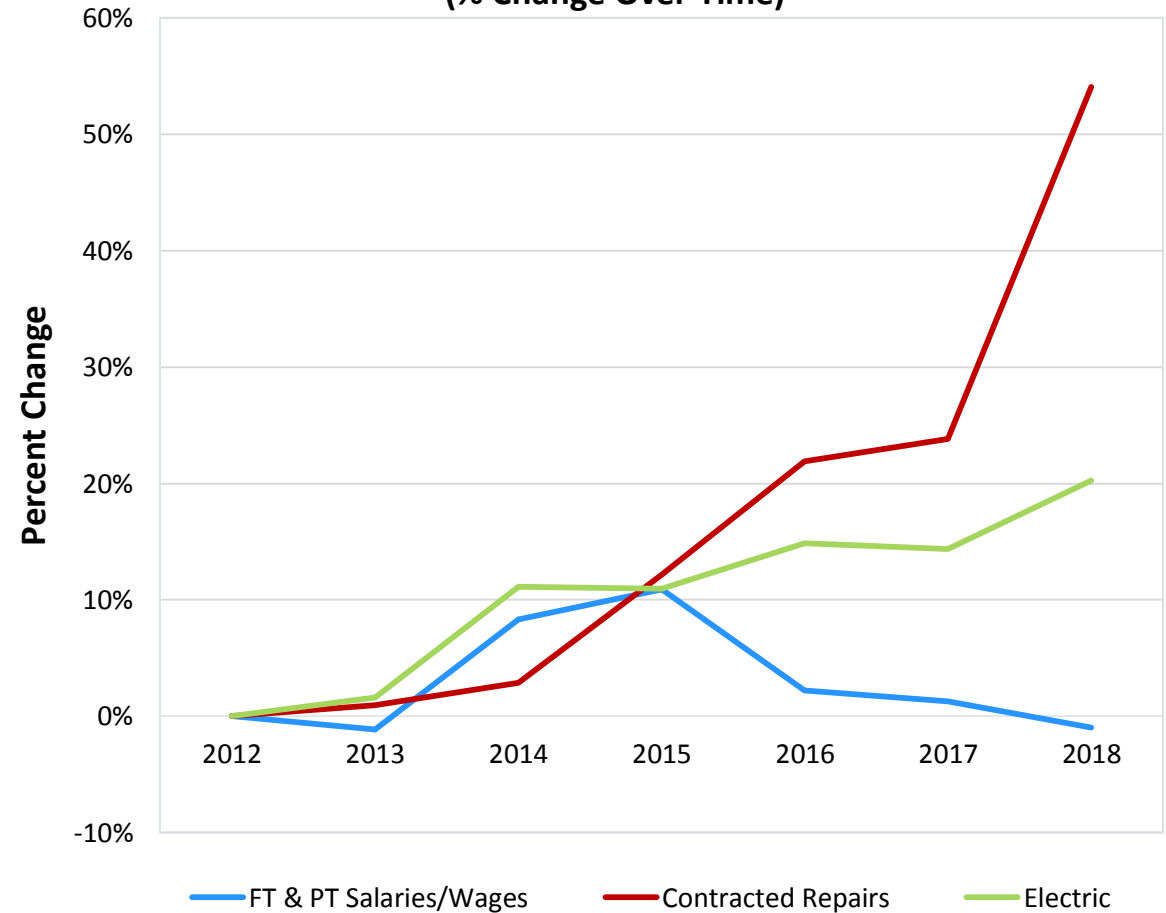
# Further Look: Facilities Operating Resources

Rise in overall facilities expenditures driven by increased contract work, electricity

**People vs. Expenses vs. Utility Costs**  
(% Change Over Time)



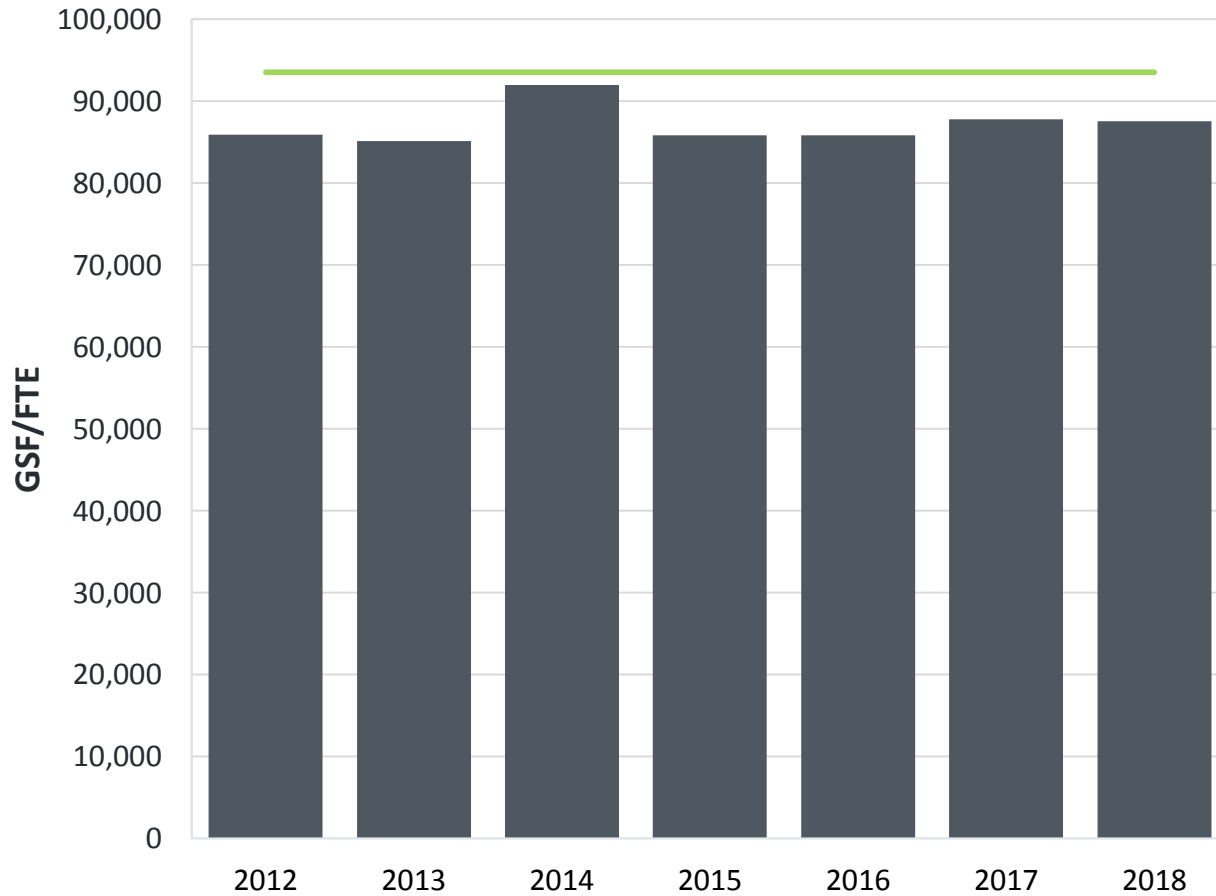
**People vs. Expenses vs. Utility Costs: Further Detail**  
(% Change Over Time)



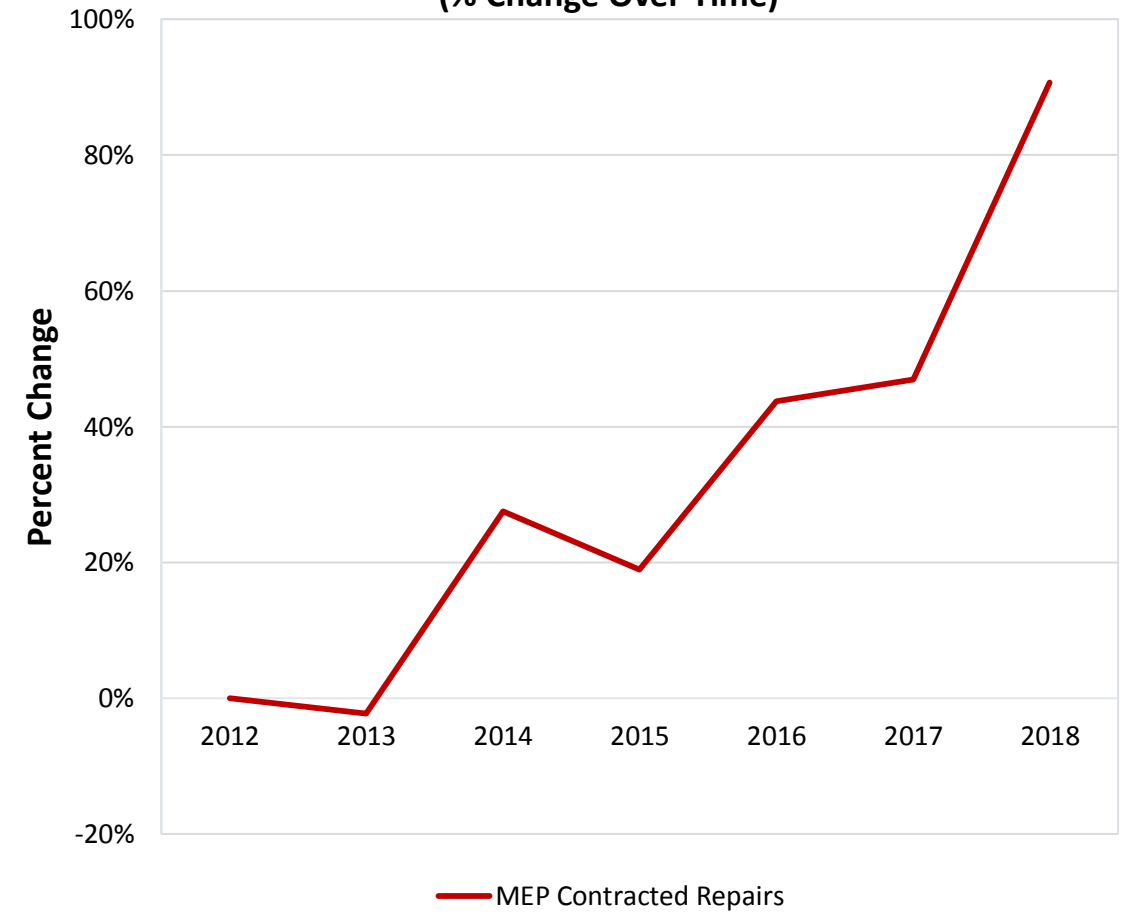
# MEP Contracted Repairs Increasing Significantly

With steady maintenance staffing coverage, MEP repair work is falling more on contractors

**Maintenance Staffing Coverage (GSF/FTE) Over Time**



**MEP Contracted Repairs  
(% Change Over Time)**

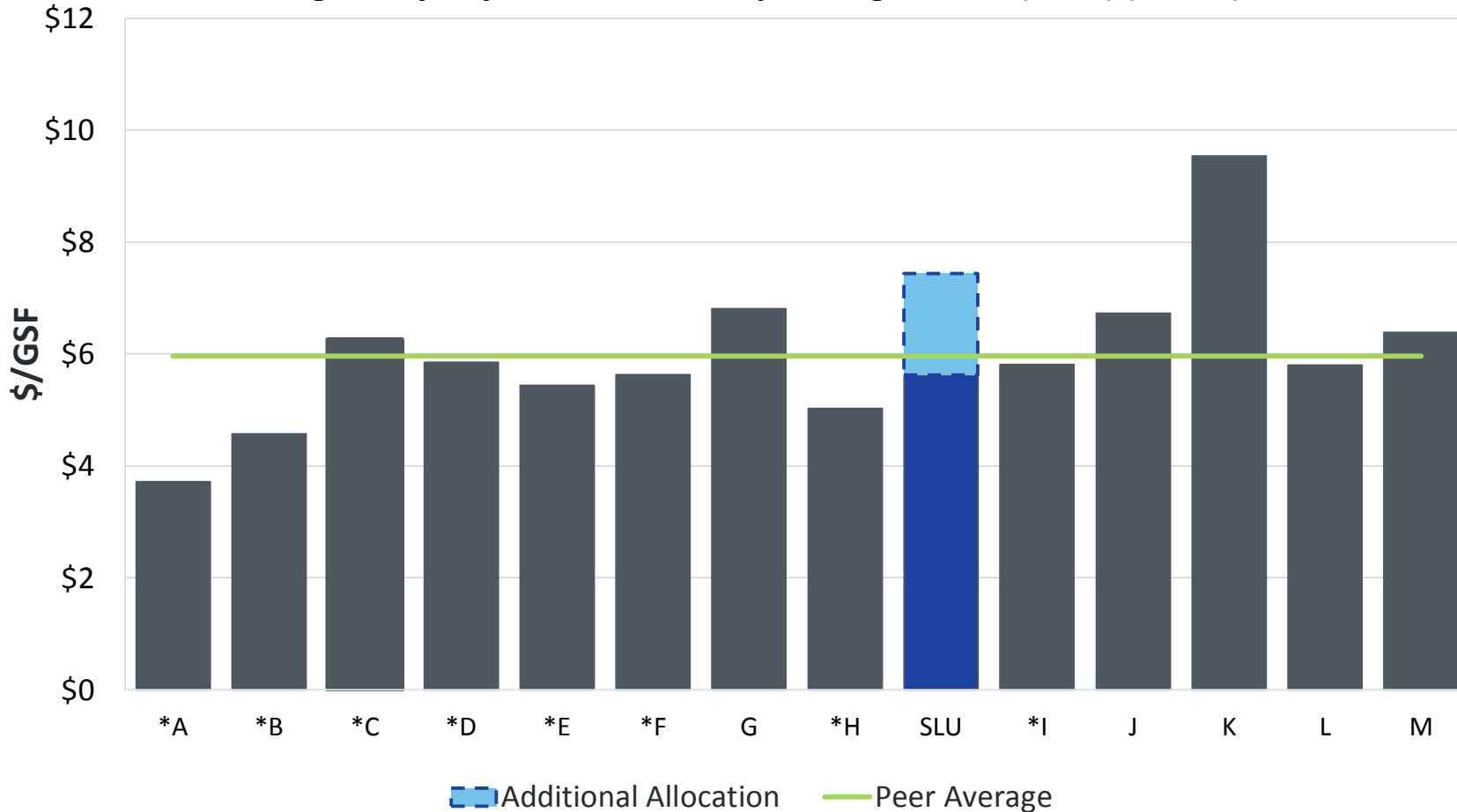




# Adjusting Allocations to Match Peer Institutional Priorities

Allocating resources to Facilities at peer levels would bring operating actuals above the peer average

Regionally Adjusted Facilities Operating Actuals (FY18) (\$/GSF)



The chart on the left displays total regionally adjusted Facilities Operating Expenditures, (inclusive of People, Expenses and Utilities costs), arrayed in order of increasing Wealth per Student. The additional amount for SLU represents what SLU's Facilities Operating Expenditures would be if the department was allocated at the peer average percentage of institution-wide operating expenses (5.84%), equating to just under \$10M.

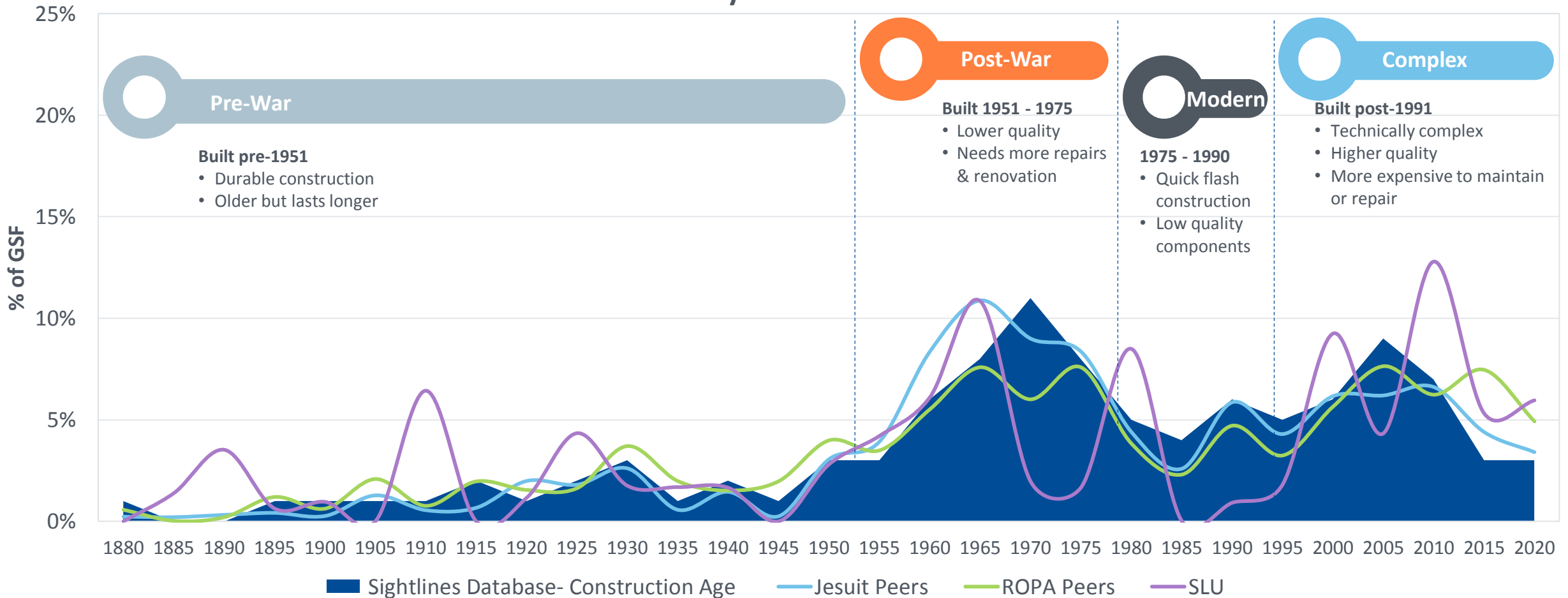
Theme #3:  
Pre-War Construction  
Creates Space Inefficiencies



# Putting Your Campus Building Age in Context

ROPA Peers, Jesuit's, Sightlines Database possess similar distribution of constructed space

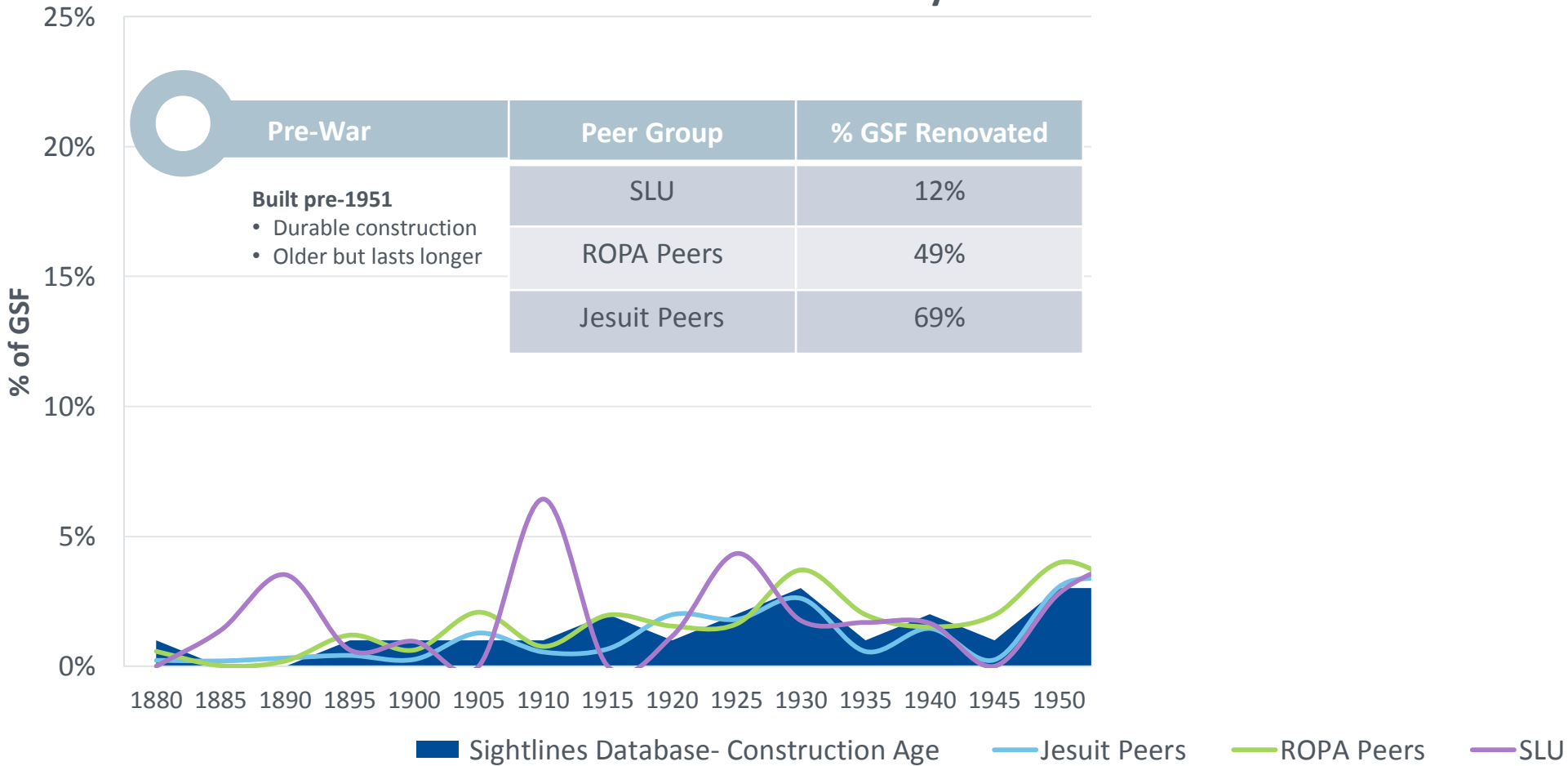
% of GSF by Construction Year



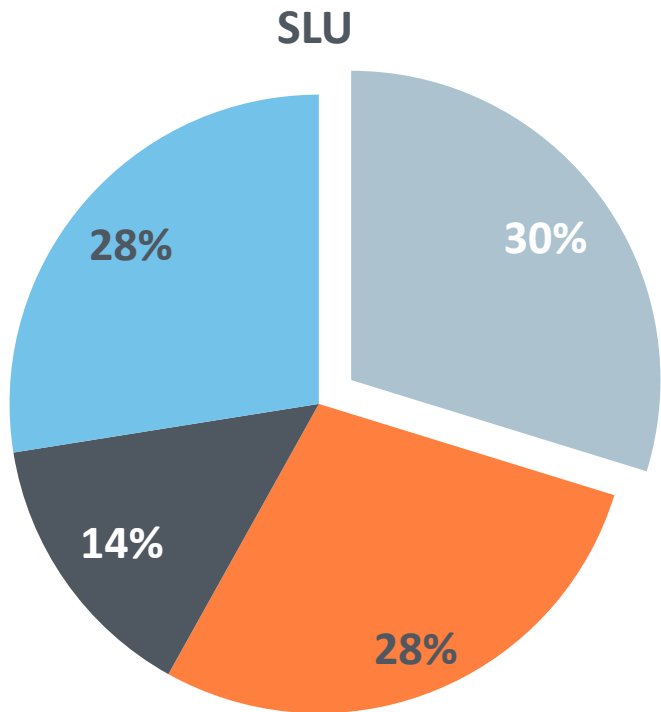
# Putting Your Campus Building Age in Context

Peers able to reset the clock of Pre-War buildings at a faster rate compared to SLU

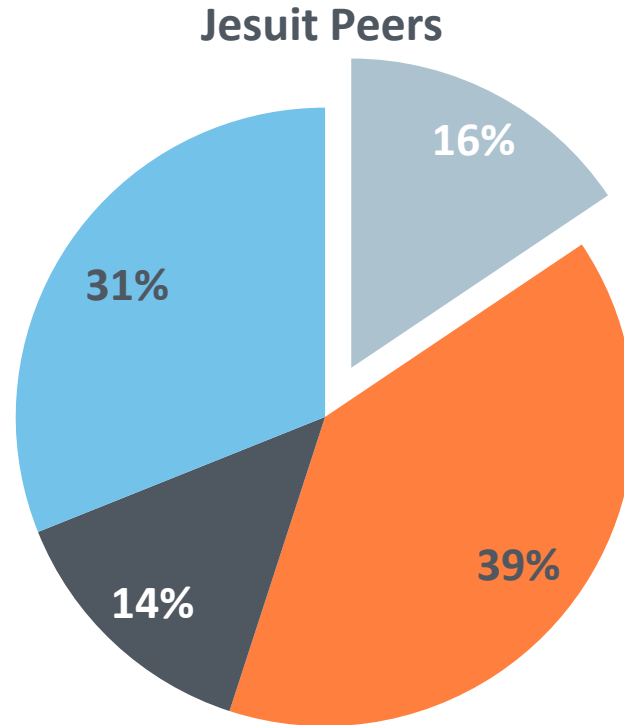
**% of GSF by Construction Year**



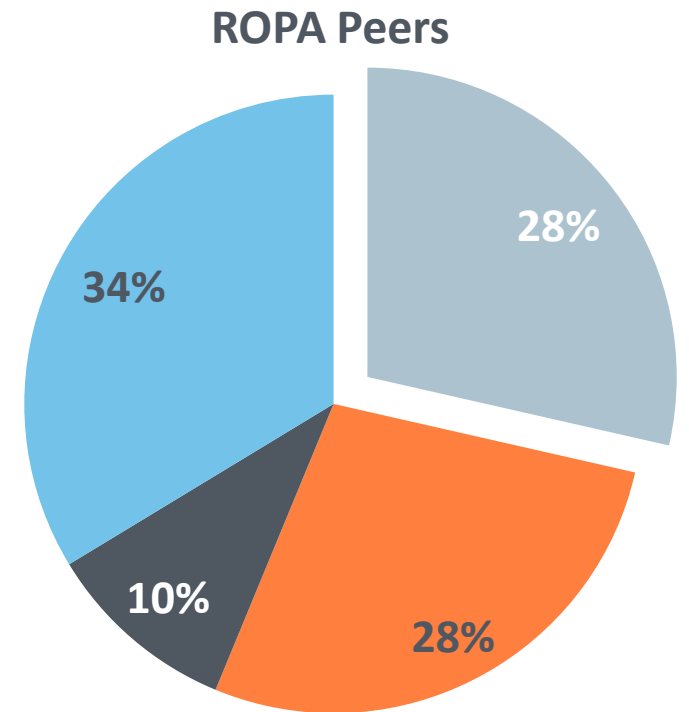
# Pre-War Construction Dominates SLU's Campus Footprint



■ Pre-War ■ Post-War ■ Modern ■ Complex



■ Pre-War ■ Post-War ■ Modern ■ Complex

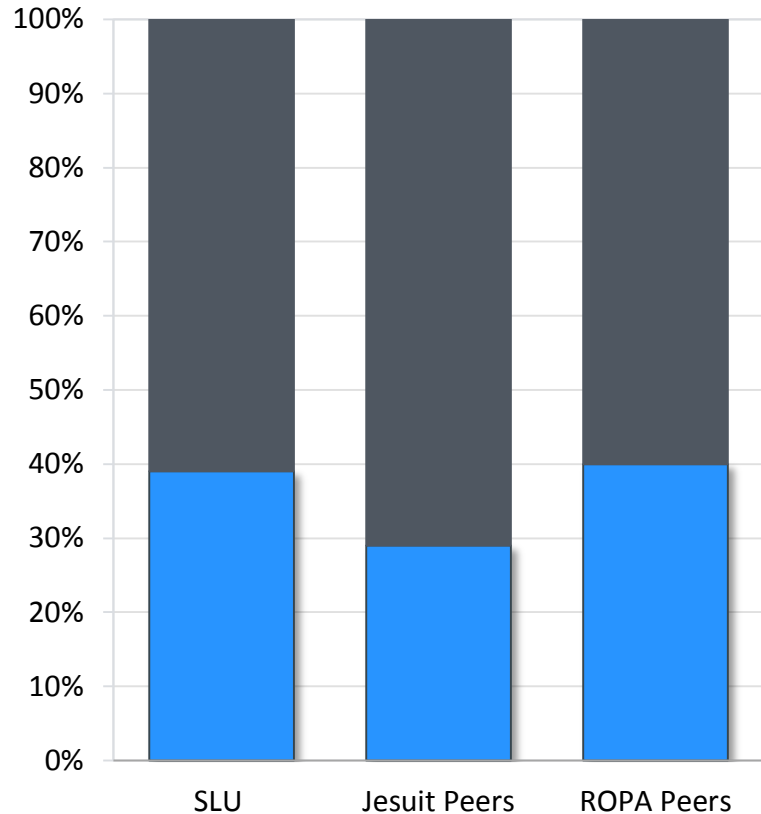


■ Pre-War ■ Post-War ■ Modern ■ Complex

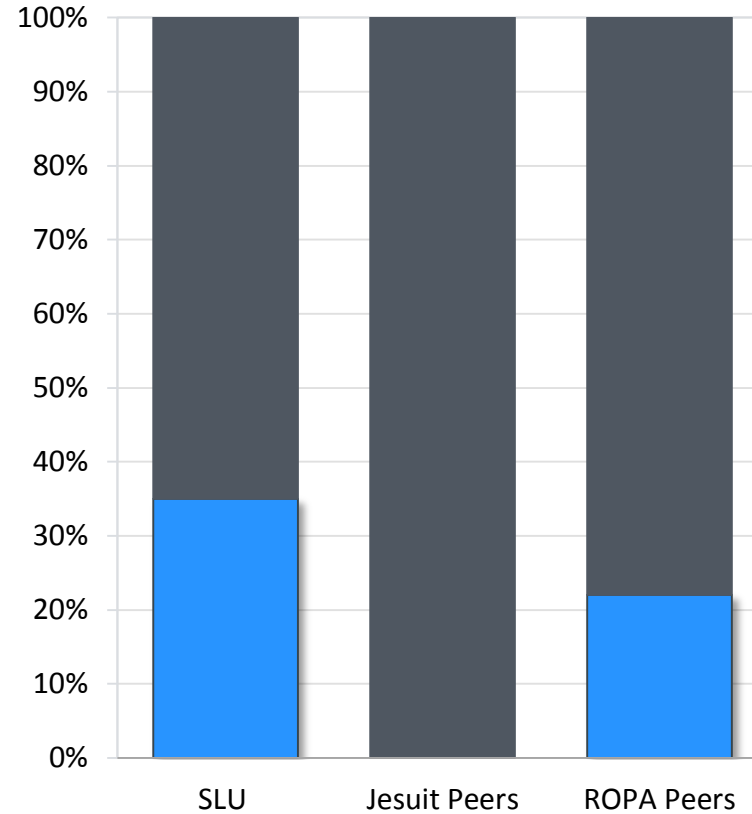
# Further Look: Pre-War Construction by Building Function

Older Construction increases the risk of inefficient space utilization

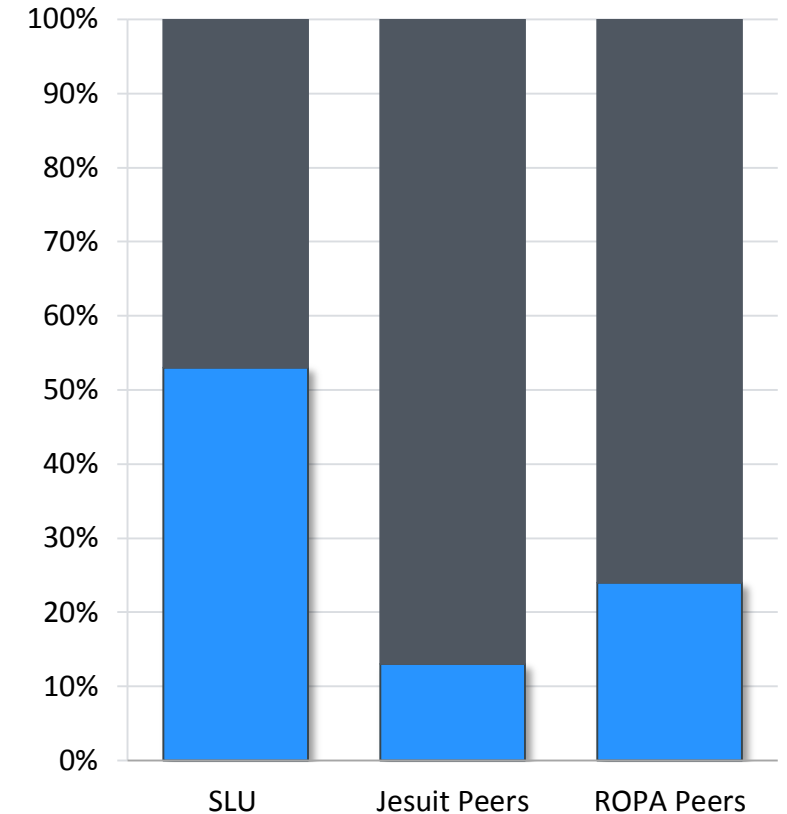
**Program Space:  
Percent Pre-War Construction (FY18)**



**Science Research Space:  
Percent Pre-War Construction (FY18)**



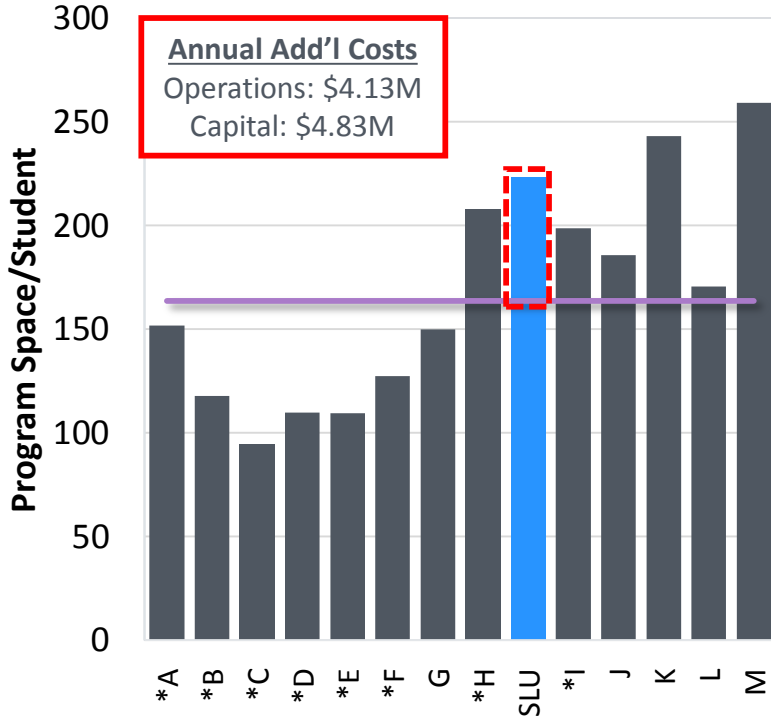
**Student Life Space:  
Percent Pre-War Construction (FY18)**



■ Pre-War Construction ■ Other

# Excess Space Leads to Additional Operating Costs

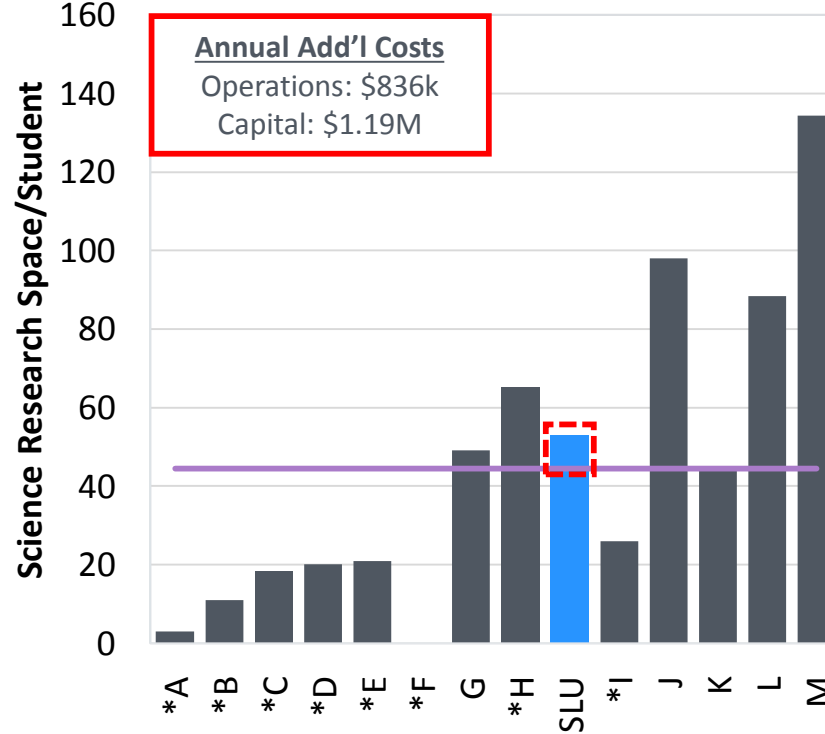
Program Space/Student FTE



**More Program Space**

*(Academic, Administrative functions) Strong correlation between program space and wealth*

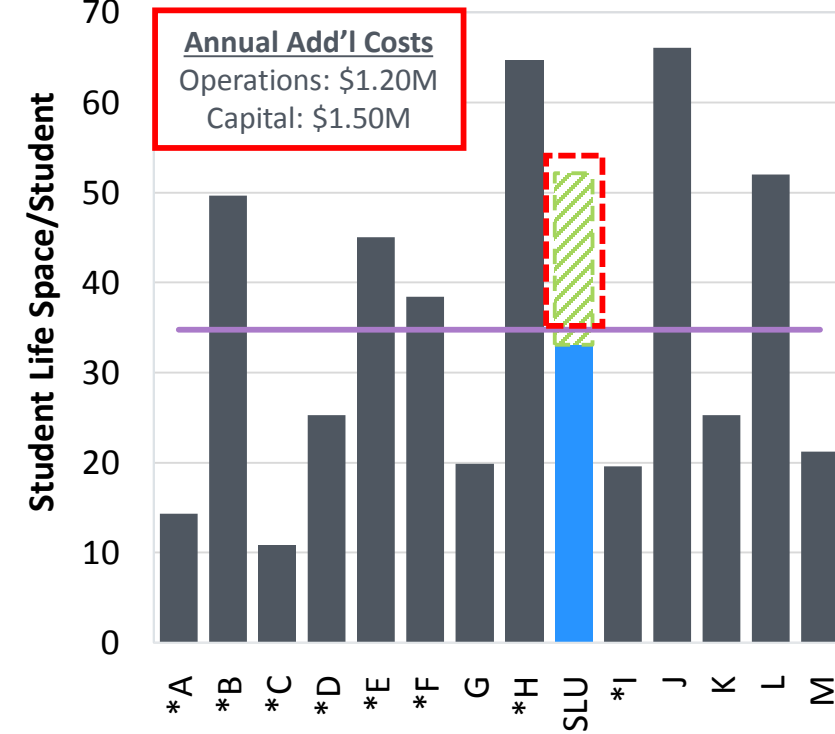
Science Research Space/Student FTE



**More Science Research Space**

*Strong correlation between Science Research space and wealth*

Student Life Space/Student FTE



**More Student Life Space**

*SLU more in line with peer average when removing Manresa, museum space. Excludes Athletic Space.*

\*Denotes Jesuit Institution

All graphs are arranged in order of increasing Wealth/Student FTE

Theme #4:  
Juggling Future & Existing  
Facilities Demands:  
Discovering True Cost of  
Ownership

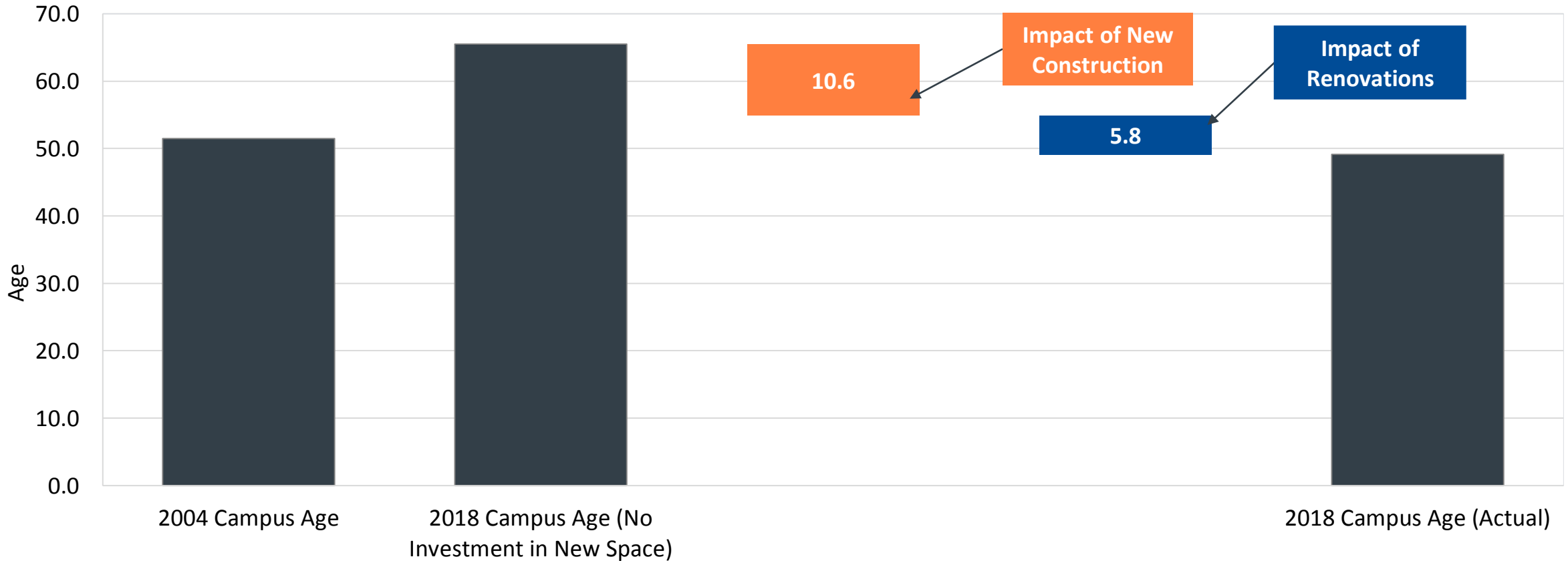




# New Construction Drives Decreasing Campus Age

New space and gut renovations together lower the overall age of campus

Campus Age Over Time

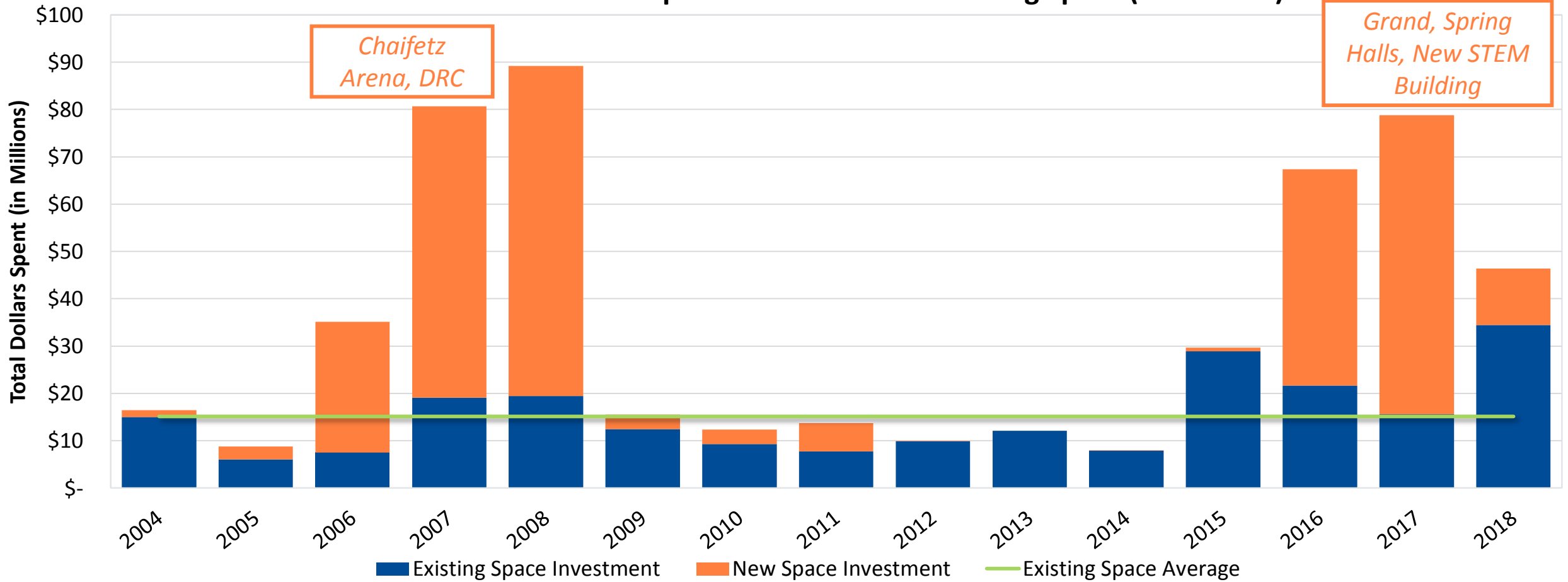


# Residence Halls, Athletics Focus of New Space Spend



Recent new space investment brings new Residence Halls online

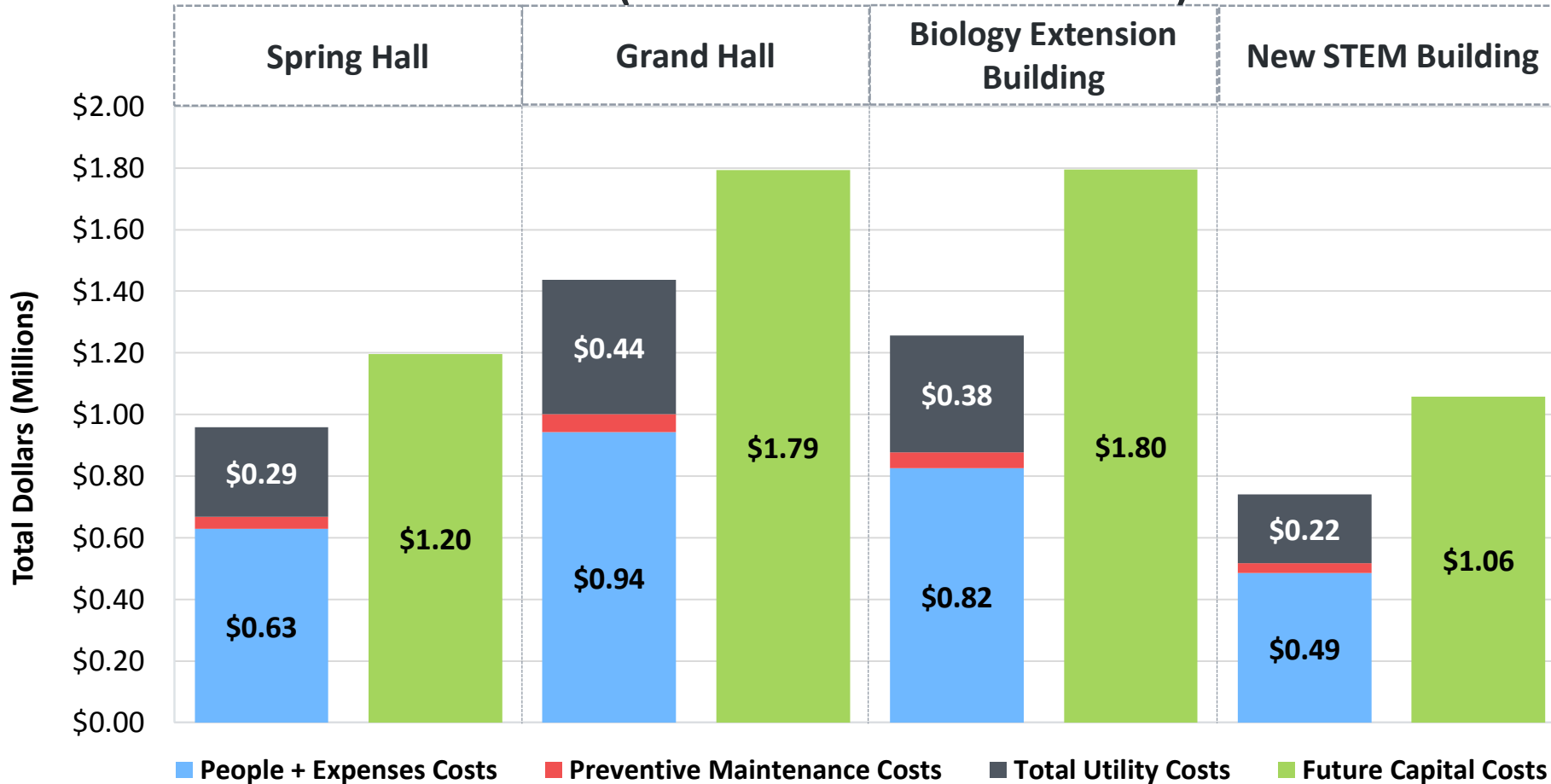
**Total Capital Investment into Existing Space (in Millions)**



# Add'l Annual Investment Will Be Required to Maintain New Space

New buildings will require annual operational and capital attention to keep up to the demand of the space

## Total Cost of Ownership (New Construction since FY17)



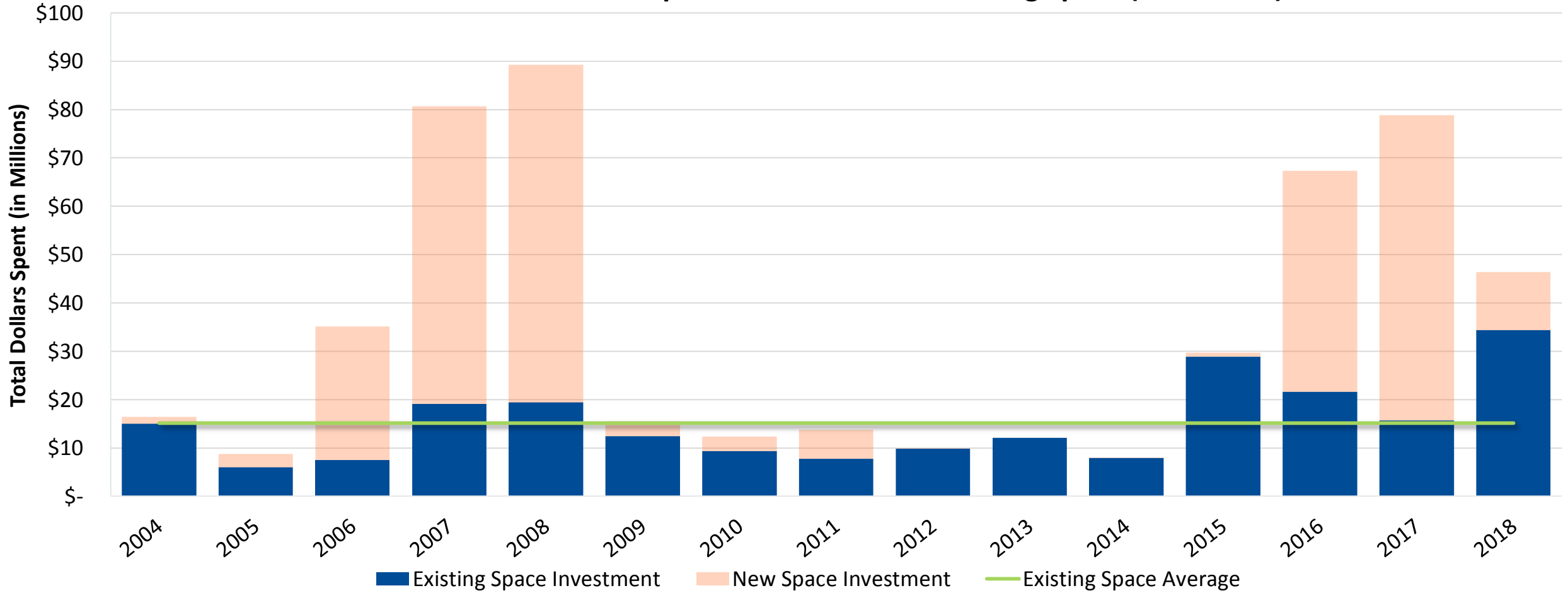
**Total Cost of Ownership**

Adding 4 new buildings to the existing campus footprint demands an additional **\$4.4M** operationally, **\$5.8M** capittally on an annual basis.

# Focusing On Investment Into Existing Facilities

Existing space investment projected to fall in near future

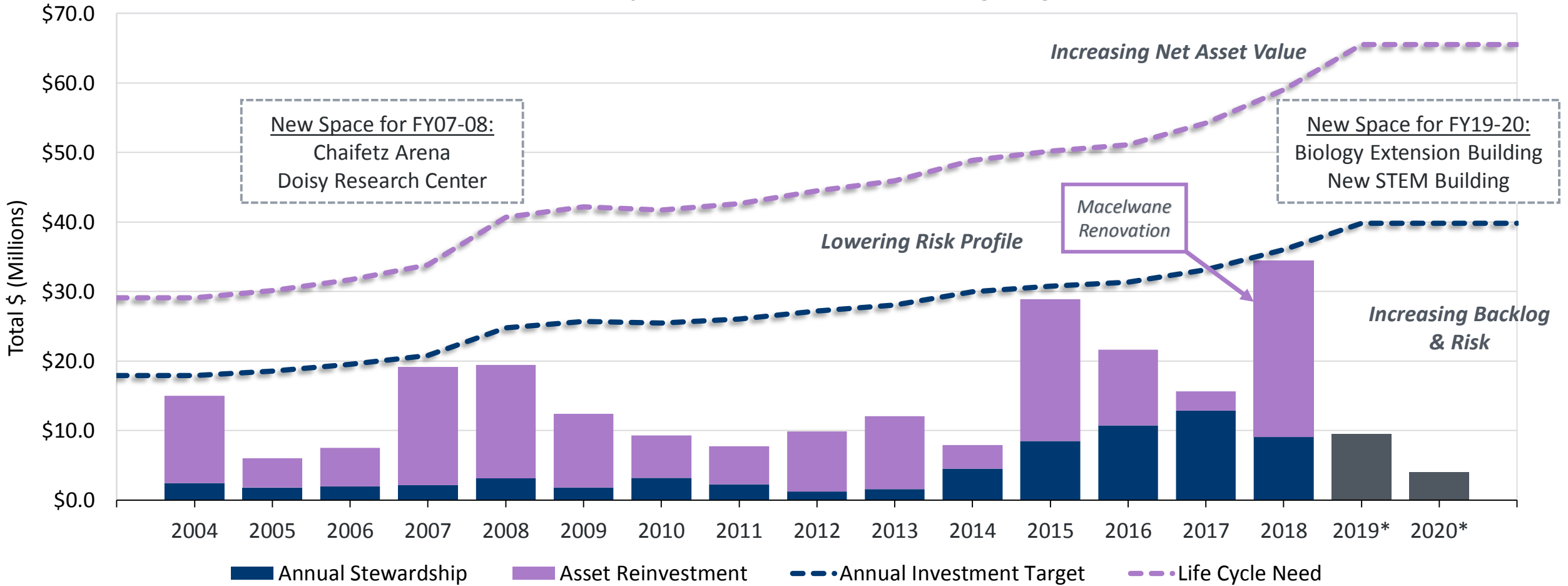
### Total Capital Investment into Existing Space (in Millions)



# Deferral Remains Despite Increased Investment

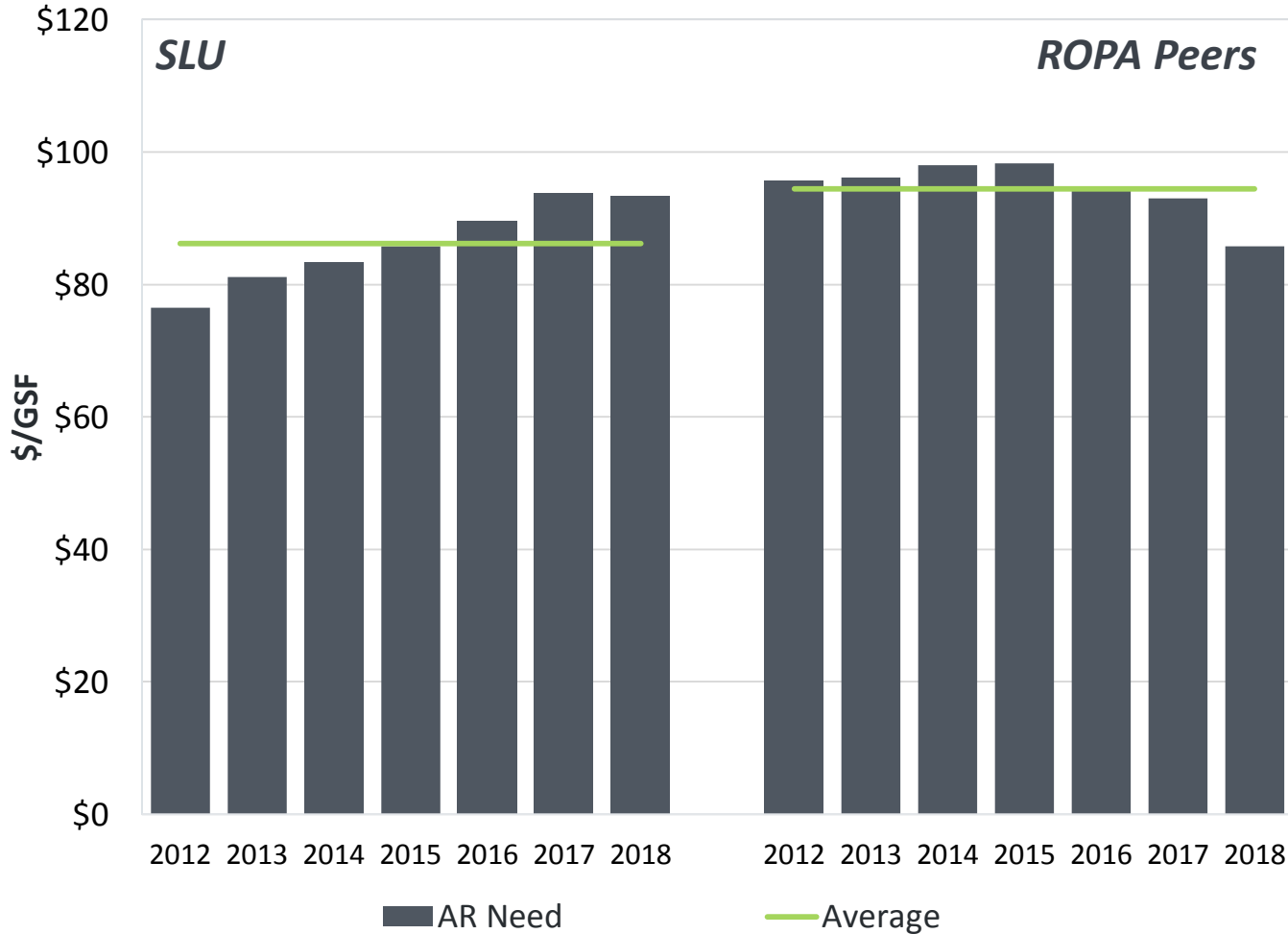
Increased commitment to existing space limits deferral and reaches towards target levels

### Total Capital Investment vs. Funding Target

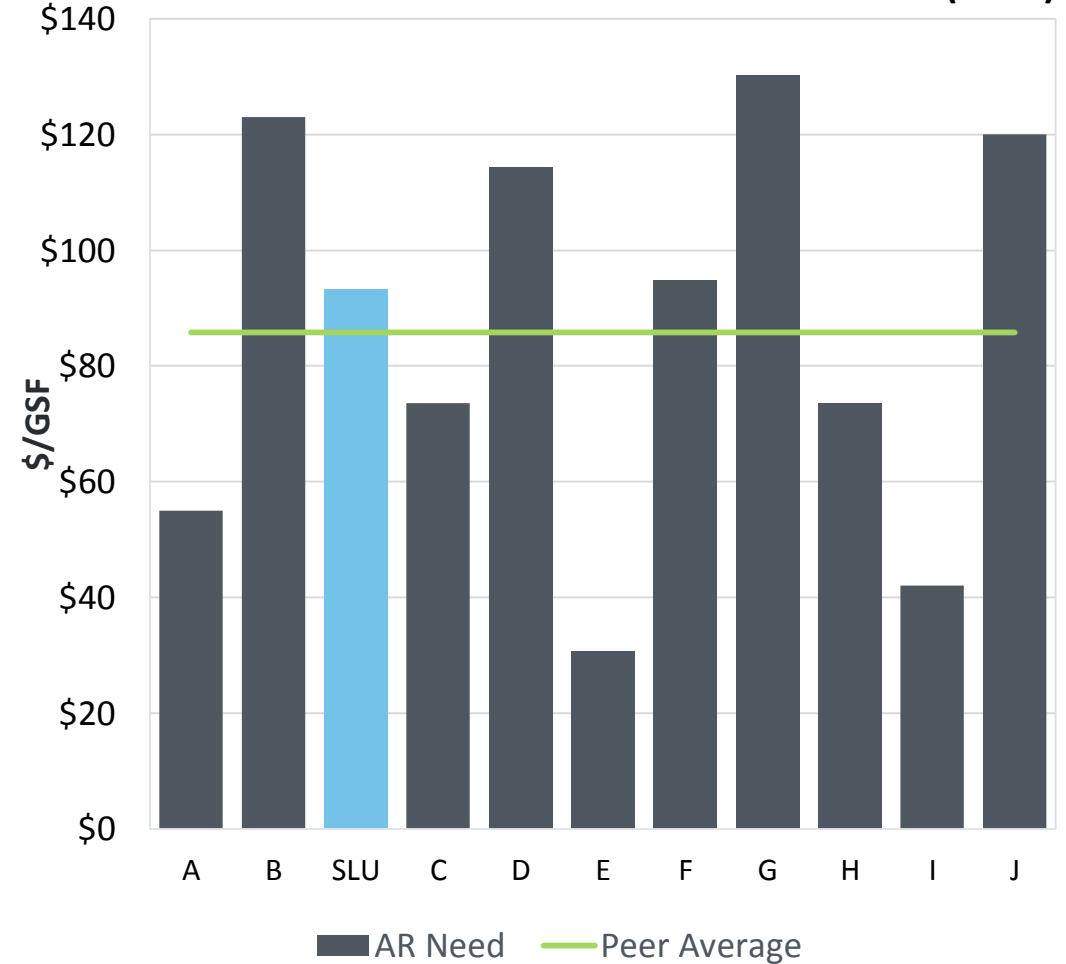


# With Changing Campus Landscape, Existing Building Needs Remain

Asset Reinvestment Need vs. ROPA Peers Over Time



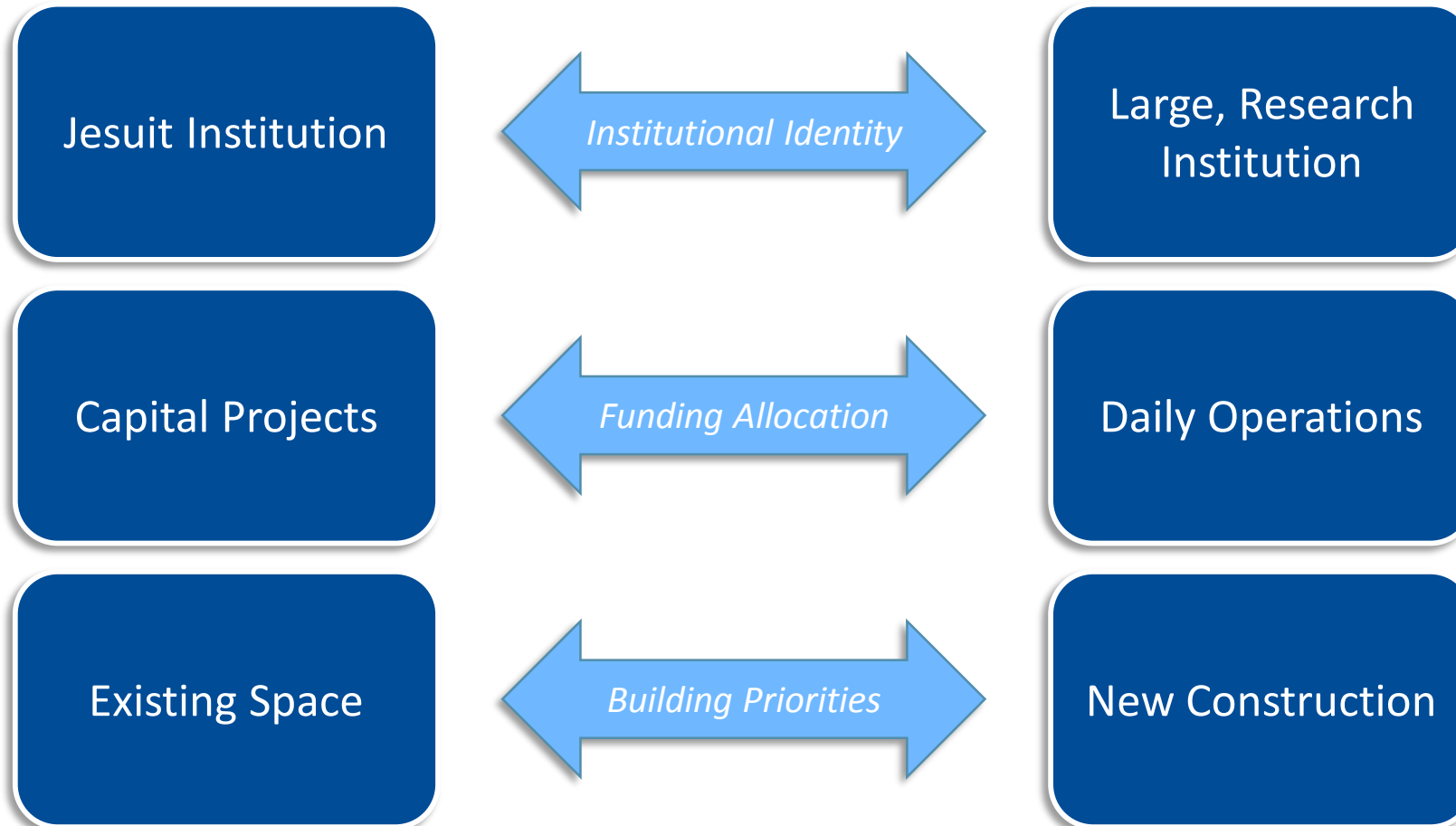
Asset Reinvestment Need vs. ROPA Peers (FY18)



# Key Takeaways



# Hanging In The Balance



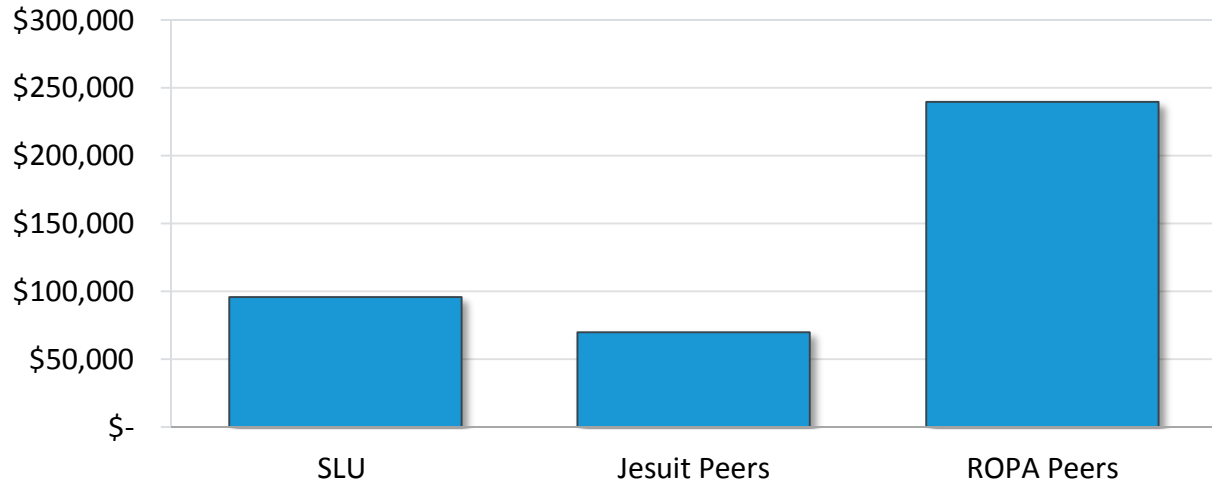


# Key Takeaway: Institutional Identity

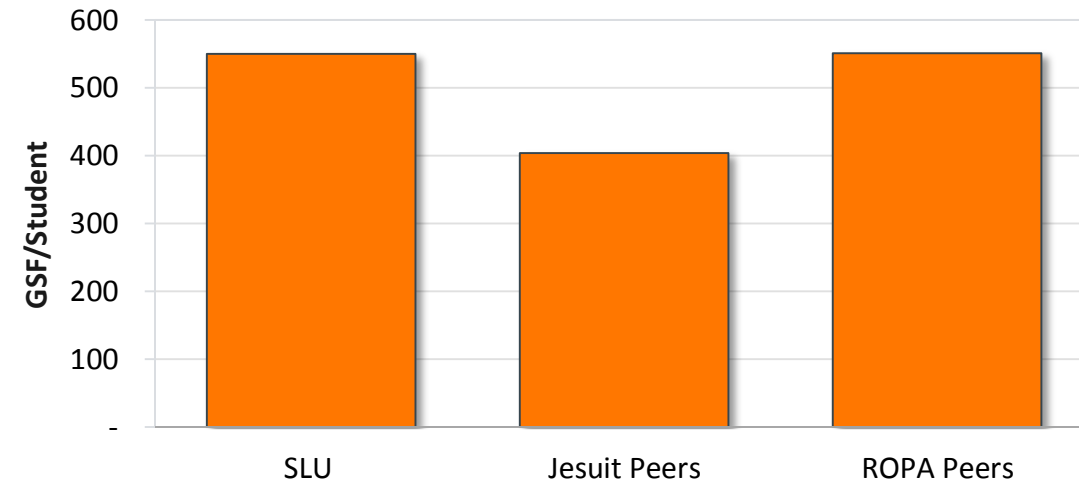


- SLU’s Space vs. Wealth relationship, in conjunction with daily operating and capital expenditure data, shows an institution more in line with other Jesuit institutions compared to the larger research institutions.

**Wealth per Student vs. Peers**



**Space per Student vs. Peers**

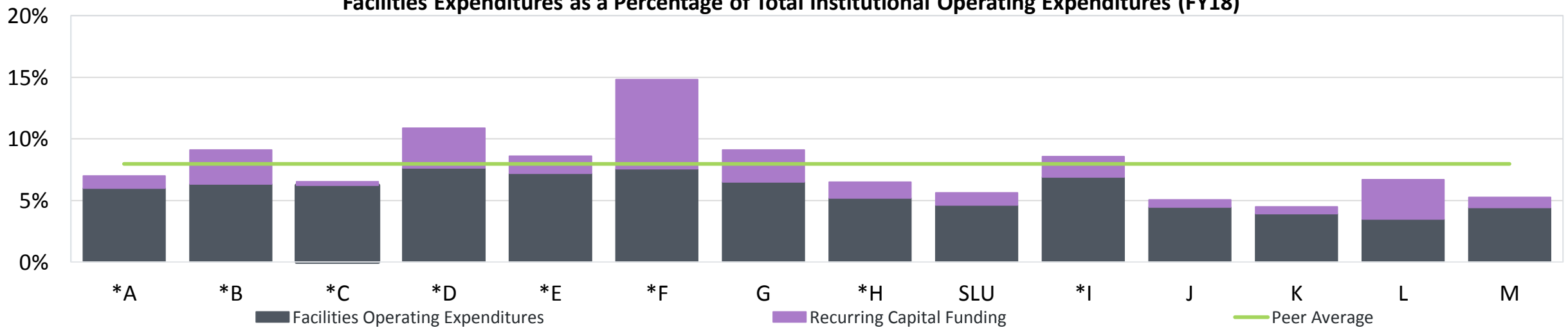


# Key Takeaway: Funding Allocation



- A disconnect between Institutional Identity and Financial Reality leads to misaligned funding allocation. Increases to either Recurring Capital Funding or Facilities Daily Operating Allocations will be necessary in order to meet the current and future building demands of campus.
- Cutting money from Facilities within either funding stream can create short term Institutional savings, but will end up being more costly in the long run.

**Facilities Expenditures as a Percentage of Total Institutional Operating Expenditures (FY18)**

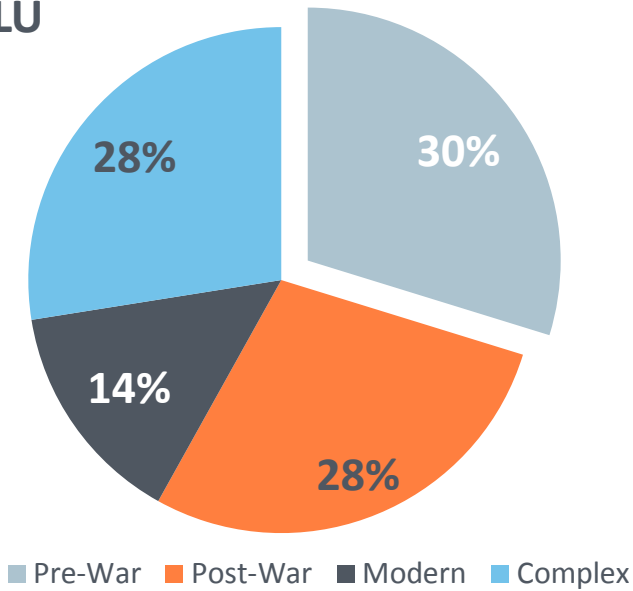


# Key Takeaway: Building Priorities

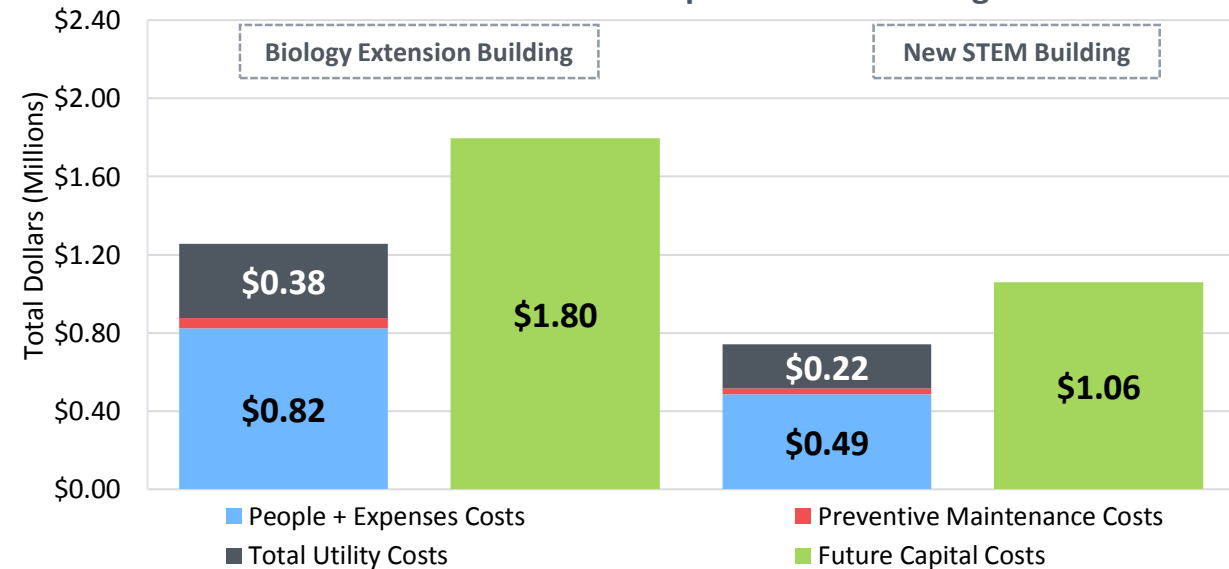


- Pre-War constructed space dominates campus footprint, driving up operational and capital demands. This space places strain on campus utilization and does not support current and future programmatic aspirations. New costly and complex buildings are then brought on line to offset these space inefficiencies and to meet Institutional goals.

SLU



Total Cost of Ownership of Added Buildings





Questions & Discussion