



BOT Housing Workshop

Monday, October 23, 2017

Florida Agricultural and Mechanical University



Welcome

Trustee Kimberly Moore

Florida Agricultural and Mechanical University



Purpose and Logistics

PRESENTED BY

Wanda Ford, D. M.

Interim VP, Finance and Administration

Florida Agricultural and Mechanical University



Alignment with Programmatic Priorities and Strategic Plan

PRESENTED BY

Maurice Edington, Ph.D.

VP for Strategic Planning, Analysis and IE

Florida Agricultural and Mechanical University



Strategic Plan

Strategic Priority 1: Exceptional Student Experience

Goal 1: Enhance Pathways to Degree Attainment

Goal 2: Achieve National Distinction for Success in Retention and Graduation Rates

Goal 5: Strategically Enhance Campus Residence, Athletics, Recreational, Instructional and Research Facilities

Strategies:

- Develop and implement a comprehensive strategic recruitment and enrollment management plan for the University
- Develop a plan for increasing on-campus housing capacity, including graduate housing
- Refresh residence, athletic, instructional and recreational facilities and equipment every three years
- Expand the Living-Learning Communities

Metrics:

- Number of new residence facilities
- Number of residence facilities renovated
- Graduation and retention rates
- Headcount enrollment
- Annual degrees awarded





President's Annual Goals

Goal 2: Enhance Student Life, Growth, and Development

Objective 2.1: Increase Student Enrollment

Objective 2.4: Increase the Number of Baccalaureate Degrees Awarded

Objective 2.5: Enhance Campus Facilities and Infrastructure

Metrics:

- Undergraduate headcount enrollment
- New FTIC enrollment
- Percentage of bachelor's degrees awarded in Programs of Strategic Emphasis





Metrics

Metric	Baseline	2022 Goals
New Residence Facilities	-	TBD
Residence Facilities Renovated	-	TBD
6-Year Graduation Rates	40.7%	60%
Second-Year Retention Rates	83%	88%
Headcount Enrollment	9,614	12,000
New FTIC Enrollment	1,327	1,800
Annual Degrees Awarded	2,279	2,500
Percentage of bachelor's degrees awarded in Programs of Strategic Emphasis	48%	55%





Enrollment Strategy

PRESENTED BY

William Hudson, Jr., Ph.D.

Vice President for Student Affairs

Florida Agricultural and Mechanical University

Strategic Enrollment Management

Keys Goals for 2022

- Increase six-year graduation rate from 40.7% to 60%
- Increase retention rate from 83% to 88%
- Strategically increase enrollment from 9,614 to ~12,000



Key Strategies



Strategic Enrollment Management

Targeted Recruitment

- Increase the academic profile of enrolled FTICs
- Increase enrollment of National Merit Scholars
- Increase enrollment of FCS AA transfers and 2+2 Program Transfers
- Increase enrollment of Graduate and Professional students
- Increase enrollment of International Students
- Increase the diversity of the student body



Strategic Enrollment Management

Table 1. First-to-Second-Year Retention Rates

	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	Projected 2022-2023
Retention Rates	80%	82%	81%	85%	83%	88%

Table 2. Historical New FTIC Enrollment

	Fall 2010	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015	Fall 2016	Projected 2022-2023
NEW FTIC Enrollment	2,739	1,998	1,516	1,282	1,403	1,618	1,327	1,800

Table 3. Historical AA Transfer Enrollment

	Fall 2010	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015	Fall 2016	Fall 2022 Projected
AA Transfers	764	817	836	800	764	740	823	1,400

Table 4. Historical Dual Enrollment

	Fall 2010	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015	Fall 2016	Fall 2022 Projected
Dual Enrolled	16	16	15	7	390	300	298	600

Table 5. Historical Graduate and Professional Enrollment

	Fall 2010	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015	Fall 2016	Fall 2022 Projected
Enrollment	1,958	2,009	1,897	1,733	1,655	1,724	1,775	2,004

Table 6. International Student Enrollment

	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	Projected 2022-2023
Undergraduate International Enrollment	98	98	96	108	80	85	305
Graduate International Enrollment	70	72	74	71	86	115	415
Total	168	170	170	179	166	200	720



Strategic Enrollment Management

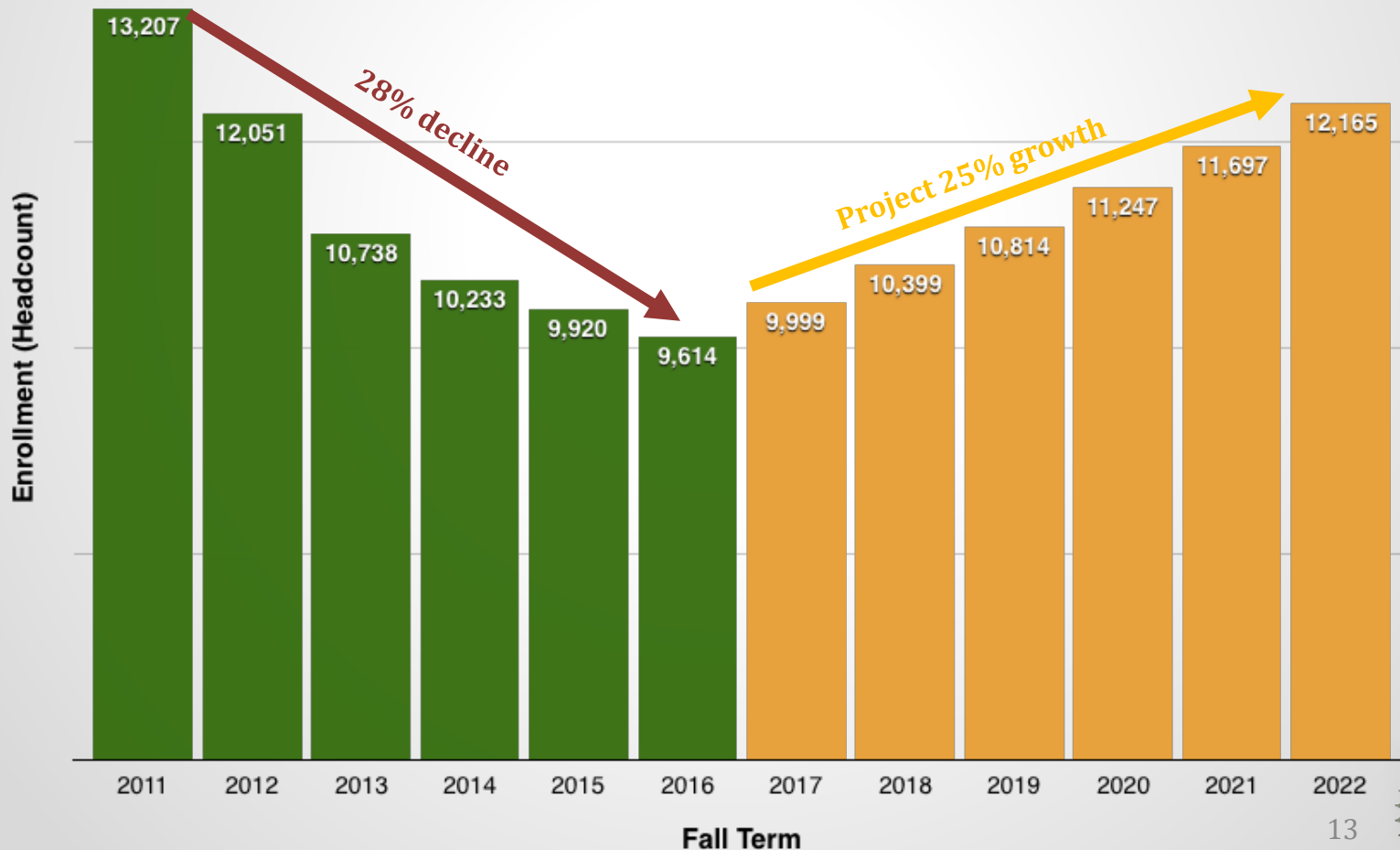
3 year Retention Rate

Term	In 1 Year	In 2 Year	In 3 Year
Fall 2011	80%	66%	60%
Fall 2012	81%	67%	63%
Fall 2013	81%	71%	66%
Fall 2014	84%	73%	68%
Fall 2015	85%	74%	N/A
Fall 2016	82%	N/A	N/A



Enrollment/Size

Recommendation: Strategically grow the enrollment to 12,000 students by 2022.





Housing by Classification

Year	FTC/FCC	Freshman	Sophomore	Junior	Senior	Graduate
2014	1440	511	209	114	48	1
2015	1500	568	161	68	45	0
2016	1246	606	235	92	48	3
2017	1655	422	191	104	28	5



Points Of Awareness

Decision Points

- Student Housing Ratio (FTIC, Returning Students)
- Housing Capacity
- Recruitment
- Retention Rate
- Living Learning Communities
- Off Campus Partnership
- Maintenance Needs
- National Data
- Preparation for 2018





Current Landscape / Short-term Housing Strategy

PRESENTED BY

Jennifer A. Wilder, Ed.D.

Director, University Housing

Florida Agricultural and Mechanical University



Open Buildings

Building	Year Constructed	Last Renovated	Capacity	Revenue @100% occupancy
Gibbs	1959	1989	302	\$826,272
Paddyfote	1967		233	\$1,376,098
Palmetto North	1974		162	\$880,956
Palmetto South	1992		356	\$2,071,552
Phase III	1996		356	\$2,166,464
Sampson	1938	2011	159	\$1,077,152
Truth	1958	1988	103	\$563,616
Village	2014		796	\$5,954,080
Young	1927	2011	79	\$540,704
Total			2546	\$15,456,894





Offline Units in Open Buildings

Facility	Offline Spaces	Lost Revenue 2017-2018	How long Offline	Description of Closure
Gibbs Hall	8		Over 10 years	Spaces converted to file rooms and storage
	6		3 months	Leaks, mildew/mold issues
	2		5 days	Show Room
Gibbs Hall Total	16	\$43,776		
Paddyfote Complex	1		2 years	Converted into an office
	4		5 months	Roof leaks
Paddyfote Total	5	\$14,765		
Palmetto North	42		2 months	Mildew/mold issues
Palmetto N Total	42	\$114,198		
Palmetto South	4		1 month	Mildew/mold issues
Palmetto S Total	4	\$11,312		
Truth Hall	4		1 year	In isolated area
Truth Hall Total	4	\$10,944		
Sampson Hall	2		1 year	Water intrusion from outside, building envelope must be sealed
Sampson Hall Total	2	\$6,612		
Young Hall	1		2 months	Room too small to be a double
Young Hall Total	1	\$3,406		
Grand Total	74	\$205,013		





Offline Buildings

Facility	Year Constructed	Offline Spaces	How Long Offline	Lost Revenue @100% Occupancy (FY 17-18 rates)
Cropper	1947	160	3 Years	\$809,280
Diamond	1947	106	3 Years	\$580,032
McGuinn	1938	212	3 years	\$1,072,296
Wheatley	1947	202	4 years	\$1,021,716
Total		680		\$3,483,324

NOTE: These housing facilities will remain offline permanently as repairs are insurmountable and current deferred maintenance exceeds industry-determined threshold compared to their replacement values.





Housing System Occupancy Analysis

Fiscal year	Total Enrollment	Housing Application Received	Total Capacity	Actual Occupancy as of 10-20-17	Occupancy as %	% Students in University Housing	# of Students on Waiting List
2012-13	12,057	2,615	2,697	2,309	85.61	19.15	0
2013-14	10,743	3,223	2,489	2,158	86.70	20.09	0
2014-15	10,248	4,147	2,387	2,238	93.76	21.84	0
2015-16	9,928	2,568	2,382	2,342	98.32	23.59	146
2016-17	9,623	2,555	2,368	2,250	95.02	23.00	0
2017-18	9,906 preliminary	2,766	2,546	2,405	94.46	24.26	101





Preliminary Proposed Repair Schedule*

Building	Fall 2017	Spring 2018	Summer 2018
Gibbs	*Roof replacement	*Create floor lounge	*Upgrade HVAC systems *Renovate bathrooms *Pressure wash
Paddyfote	*Insulate pumps in the mechanical rooms *Renovate office area		*Replace roofs in buildings B & D *Replace HVAC system *Upgrade bathrooms
Palmetto North	*Roof replacement for select buildings *Install new mirrors		*Replace all windows *Replace all doors *Install aqueduct system for down spouts
Palmetto South	*Roof replacement/repair for select buildings *Repair air handler units	*Install covered bus stop and benches	*Roof replacement on select buildings *Replace air handler units *Enclose building for safety/climate control *Install new underground domestic water lines
Palmetto Phase 3	*Add additional cameras	*Install covered bus stop and benches	*Paint apartments *Upgrade kitchen cabinets *Upgrade bathroom vanities *Upgrade furniture *Renovate RD apartment
Sampson	*Trim orange tree	*Repair erosion at the front of the building *Improve landscaping *Fix the erosion issue on the parking lot side	*Seal the envelope of the building *Paint rooms
Young			*Paint rooms
Truth			*Replace the HVAC system *Upgrade bathrooms *Replace the closets *Paint entire complex
Village	*Replace entry doors with sliding glass doors	*Install bollards in front of the railing on the corner of Perry and Gamble	*Repair sprinkler system *Redesign landscaping *Replace doors in balcony with windows *Paint rooms and hallways





Prior Repair Investment

Year	Amount (All Buildings)
FY 2013-14	\$586,054
FY 2014-15	\$503,987
FY 2015-16*	\$1,163,003
FY 2016-17*	\$1,848,068
Total	\$4,101,112

* The amounts for FY 2015-16 and 2016-17 are based on estimates





Preliminary* Schedule of Repairs and Estimated Costs

Building	Repairs 2009-2014	FY 17-18	FY 18-19	FY 19-20	FY 20-21
Gibbs	\$615,193	\$424,382	\$200,000	\$310,000	
Paddyfote	\$745,227	\$27,984	\$685,264	\$188,000	
Palmetto North	\$967,677	\$1,139,030	\$47,311	\$146,000	
Palmetto South	\$1,307,826	\$45,000	\$886,000	\$190,000	\$300,000
Palmetto Phase III	\$824,728	\$478,437	\$482,000	\$300,000	\$280,000
Sampson	\$18,018	\$30,900	\$158,000		\$96,000
Truth	\$286,974	\$0	\$180,000		\$81,600
Village	N/A	\$22,862	\$826,000		\$811,920
Young	\$27,087	\$12,500	\$25,000		\$45,000
Total	\$4,792,730	\$2,181,095	3,489,575	\$1,134,000	\$1,614,520

*Based on in-house preliminary reviews; an extensive external assessment of building needs is planned for the near future.





Student Housing Demand Study

PRESENTED BY

Emily Crutcher, JLL

Florida Agricultural and Mechanical University



Purpose of the Demand Study

Novogradac & Company LLP conducted a student housing market demand study in 2016 to assist in “determining how to move forward with student housing plans at FAMU.”

*Source: A Student Housing Study for Florida A&M University,
Effective Date: May 18, 2016; Report Date: June 16, 2016*





Summary of Student Surveys

See Supplemental Material:

***Addendum C :
Online and Intercept Student Survey Findings
and Conclusions***

*Source: A Student Housing Study for Florida A&M University,
Effective Date: May 18, 2016; Report Date: June 16, 2016*





External Funding Options

PRESENTED BY

George Cotton, Sr.

Vice President, University Advancement /
Executive Director, FAMU Foundation, Inc.

Florida Agricultural and Mechanical University



Fundraising Considerations

- A. Less than 3% of all FAMU fundraising dollars have historically gone to support housing and or residence hall related support.
- B. Nation-wide, residence hall funding, housing, and facility upgrades are typically linked to stand alones, or broader Capital Campaigns.
- C. Housing and residence hall related funding support should be tied to innovation, learning enhancement, and technology improvement opportunities.
- D. Due to the significant cost of any renovation or facility upgrade, full funding should be phased in as a matter of implementation.
- E. An initiative to fund Housing should be part of an aggressive strategy that speaks to the broader mission of the University, not facility repairs or improvements alone.





\$4M Four-Phase Funding for Residence Hall Enhancements

National Appeal to address residence facility innovations **\$1,500,000**

FAMU Foundation and the National Alumni Association will activate a nation-wide campaign to secure \$1.5 Million in gap-funding that upgrades and enhances the quality and capacity of FAMU Residence facilities.

Corporate Naming/ Space Allocation of Residence Halls **\$2,000,000**

150 corporate and business partners will be identified to provide \$10,000 - \$25,000 in Partnership grants to support facility upgrades of FAMU residence halls. Partnerships will fund space improvements, technology upgrades, and next generation learning needs. \$2 million is the targeted objective. (Not designed to rename entire buildings)

Student/ Faculty Count-Me-In Campaign **\$50,000**

Joint Student-Faculty initiative will generate \$50,000 in targeted housing support funding to support upgrades and discretionary housing repair needs.

Community Stakeholder Engagement **\$450,000**

50 local stakeholders and community partners will be identified to provide \$5,000 each towards facility upgrades of student space and Living Learning Communities.





12 month Implementation Timeline

Proposed Timeline	Activity
November 2017	Housing Development Sub-Committee Meets
January 2018	Marketing/Outreach Plan Developed and Resourced
Spring 2018	Corporate/Business Prospects Identified
Spring 2018	National Alumni Appeal Begins
Fall 2018	Student/Faculty Campaign Launches
Fall/Winter 2018	Corporate/Business Prospects Solicited





Financial Implications / Considerations

PRESENTED BY

Tiffany Holmes

Associate Vice President & University Controller

Florida Agricultural and Mechanical University



Funding Restrictions

- Housing revenues are generated from student rental fees
- General revenue funds (including PECO) cannot be used to support auxiliaries (housing)





CONDENSED STATEMENT OF NET POSITION

6/30/2017, UNAUDITED

	<u>Housing Facility</u>	<u>Parking Facility</u>
Assets		
Current Assets	\$ 13,774,891	\$ 2,590,255
Capital Assets, Net	<u>77,849,774</u>	<u>2,171,446</u>
Total Assets	<u>91,624,665</u>	<u>4,761,701</u>
Deferred Outflow of Resources	<u>97,887</u>	<u>-</u>
Liabilities		
Current Liabilities	5,774,237	318,247
Noncurrent Liabilities	<u>56,598,945</u>	<u>37,910</u>
Total Liabilities	<u>62,373,182</u>	<u>356,157</u>
Net Position		
Net Investment in Capital Assets	19,517,790	1,952,873
Restricted - Expendable	5,222,738	914,637
Unrestricted	<u>4,608,843</u>	<u>1,538,034</u>
Total Net Position	<u>\$ 29,349,371</u>	<u>\$ 4,405,544</u>



CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION 6/30/2017, UNAUDITED



	Housing Facility	Parking Facility
Operating Revenues	\$ 14,524,115	\$ 1,876,514
Depreciation Expense	(2,081,910)	(91,121)
Other Operating Expenses	(6,608,100)	(1,410,552)
Operating Income	5,834,105	374,841
Nonoperating Revenues (Expenses):		
Nonoperating Revenue	514,590	174
Interest Expense	(2,811,140)	(22,790)
Other Nonoperating Expense	(66,027)	(83,078)
Net Nonoperating Expenses	(2,362,578)	(105,694)
Increase (Decrease) in Net Position	3,471,527	269,147
Net Position, Beginning of Year	25,877,844	4,136,397
Net Position, End of Year	\$ 29,349,371	\$ 4,405,544





CONDENSED STATEMENT OF CASH FLOWS

6/30/2017, UNAUDITED

	<u>Housing Facility</u>	<u>Parking Facility</u>
Net Cash Provided (Used) by:		
Operating Activities	\$ 8,295,086	\$ 472,763
Noncapital Financing Activities	-	-
Capital and Related Financing Activities	(5,990,813)	(325,687)
Investing Activities	(588,063)	174
	<u>1,716,210</u>	<u>147,250</u>
Net Increase in Cash and Cash Equivalents	1,716,210	147,250
Cash and Cash Equivalents, Beginning of Year	<u>2,041,968</u>	<u>2,340,291</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 3,758,178</u></u>	<u><u>\$ 2,487,541</u></u>





HOUSING SYSTEM

HISTORICAL DEBT SERVICE COVERAGE

Fiscal Year Ended June 30,

	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Operating Revenues ²	\$11,600,052	\$11,145,846	\$14,067,751	\$14,909,918	\$14,524,115
Less Current Expense ³	<u>6,855,911</u>	<u>7,296,757</u>	<u>7,498,676</u>	<u>7,605,430</u>	<u>6,608,100</u>
Pledged Revenues	\$4,744,141	\$3,849,089	\$6,569,075	\$7,304,488	\$7,916,015
Annual Debt Service Parity Bonds	\$4,361,302	\$5,912,358	\$5,915,999	\$5,916,067	\$5,921,140
Revenues Available After Debt Service	\$382,839	(\$2,063,269)	\$653,076	\$1,518,172	\$1,994,875
Maximum Annual Debt Service	\$5,936,908	\$5,936,908	\$5,936,908	\$5,936,908	\$5,936,908
Debt Service Coverage Ratios					
Annual Debt Service	1.09x	0.65x ⁴	1.11x	1.23x	1.34x
Maximum annual Debt Service	0.80x	0.65x ⁴	1.10x	1.23x	1.33x





Next Steps / Wrap-Up

PRESENTED BY

VP Hudson

VP Ford

Florida Agricultural and Mechanical University



Preliminary Action Items

Action Items	Estimated Timeline
Initiate Quarterly Housing Team Meetings	Fall 2017
Track Repair Costs by Building	Monthly
Monitor Debt-Coverage Ratio	Per semester
Monitor Enrollment/Retention	Per semester
Survey Students for Continuous Improvement	Per semester
Professional Housing Facility Assessment	Spring 2018
Technology Implementation	Spring 2018
Fundraising Strategy Launch	Spring 2018
Transition of Housing Maintenance	Summer 2018
P3 Construction Completion	Fall 2019
Repairs/Renovations*	(See slide #21)

*Subject to change based on professional housing facility assessment.





Housing Tour

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VP Hudson

Dr. Wilder

Florida Agricultural and Mechanical University



“At FAMU, Great Things Are Happening Every Day.”

established 1887

