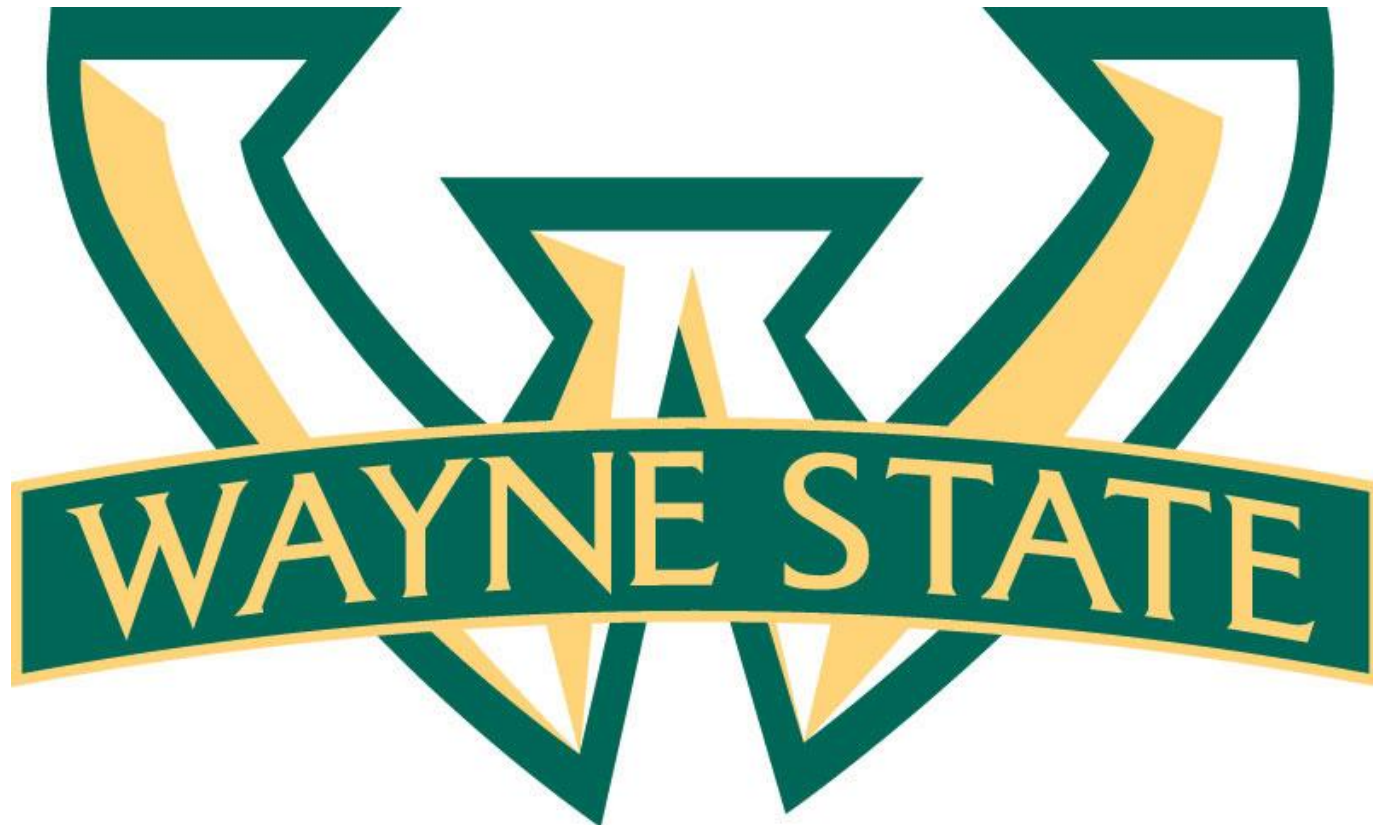


**Housing and Residential Life  
Room & Board Rate Proposal  
for FY17**



## Agenda

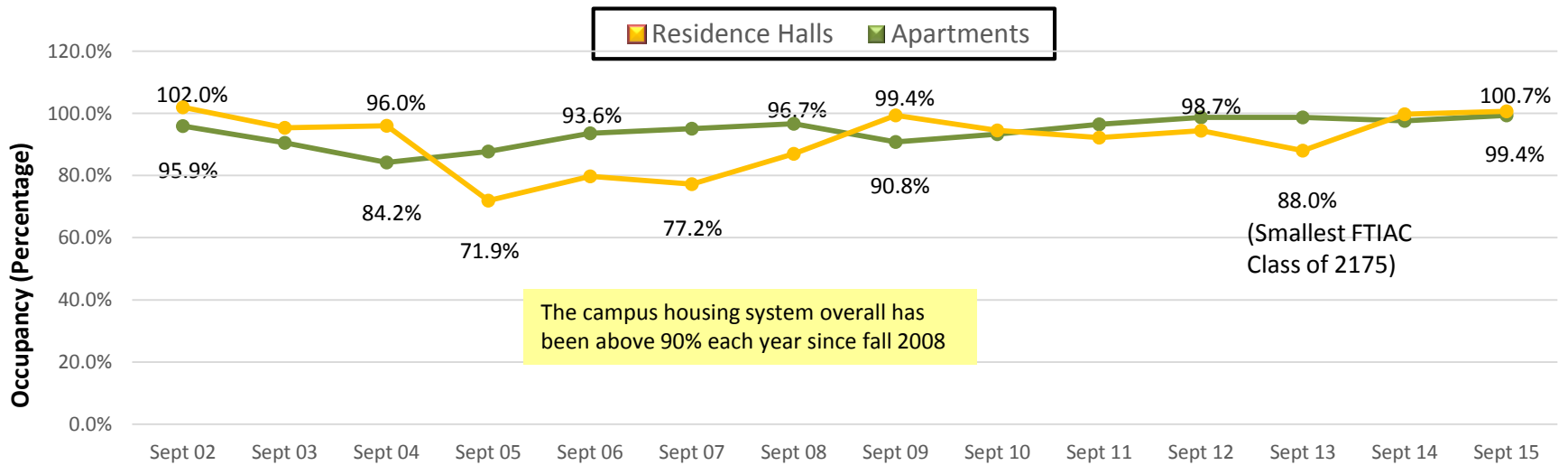
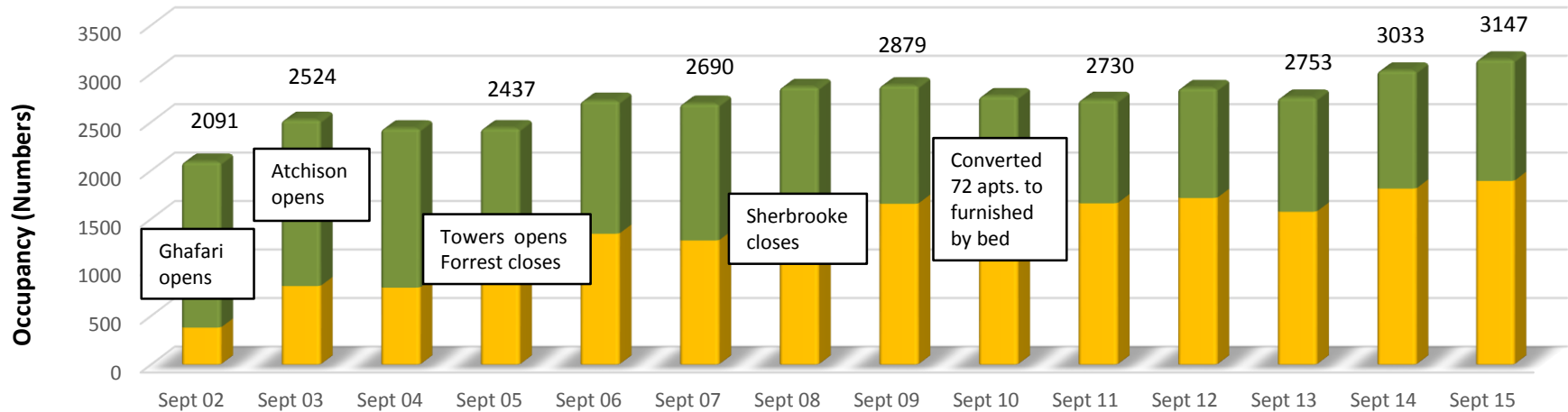
- Review current occupancy, room and board rates, and FY16 budget
- Discuss factors affecting the room and board recommendation
- Present recommendations on room and board rates for 2016-2017 and the resulting FY17 budget projection

# Current Occupancy, Room & Board Rates, and FY16 Budget



## Campus Housing Occupancy Fall 2002 to Fall 2015

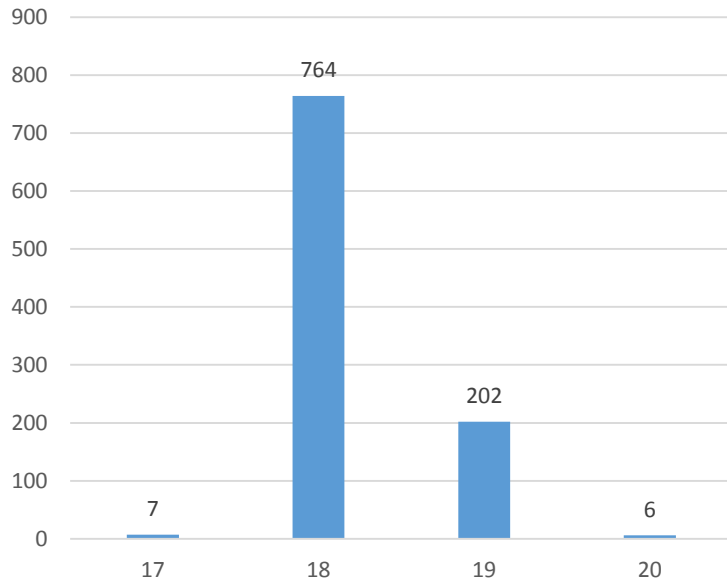
On-campus occupancy has almost doubled since Fall 2001 count of 1604, increasing 96.4%.



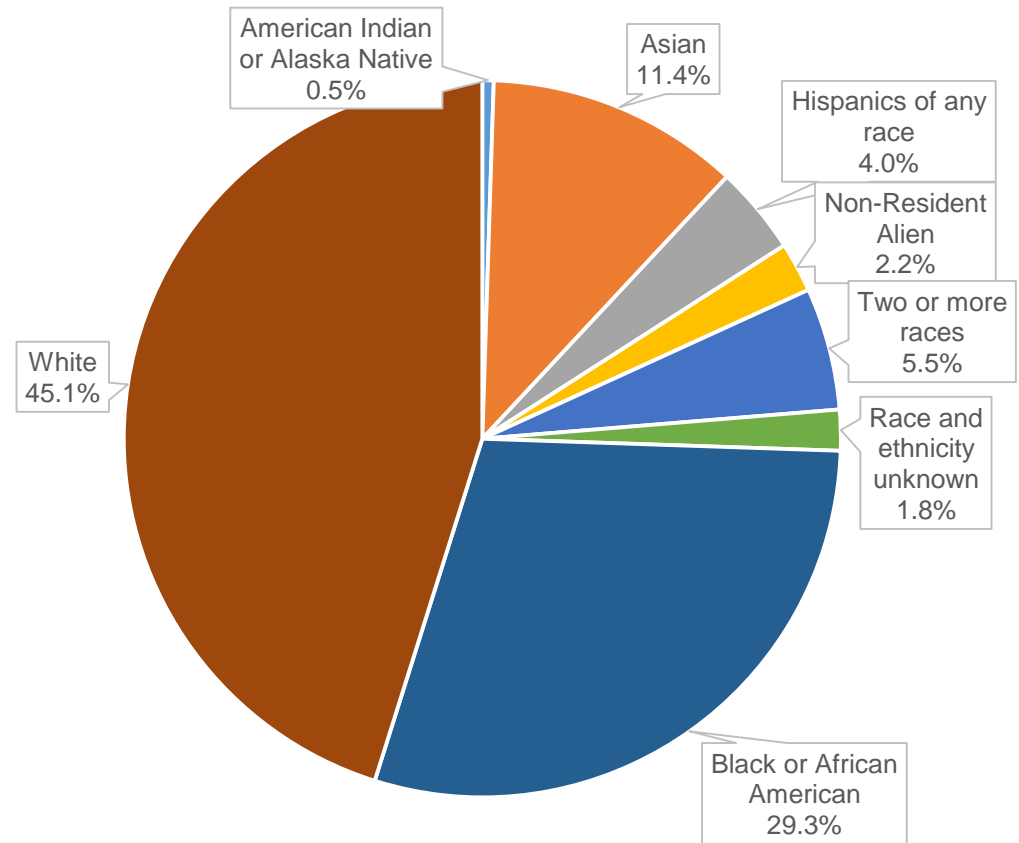
The campus housing system overall has been above 90% each year since fall 2008

88.0%  
(Smallest FTIAC Class of 2175)

## Fall 2015 Housing FTIAC Ages



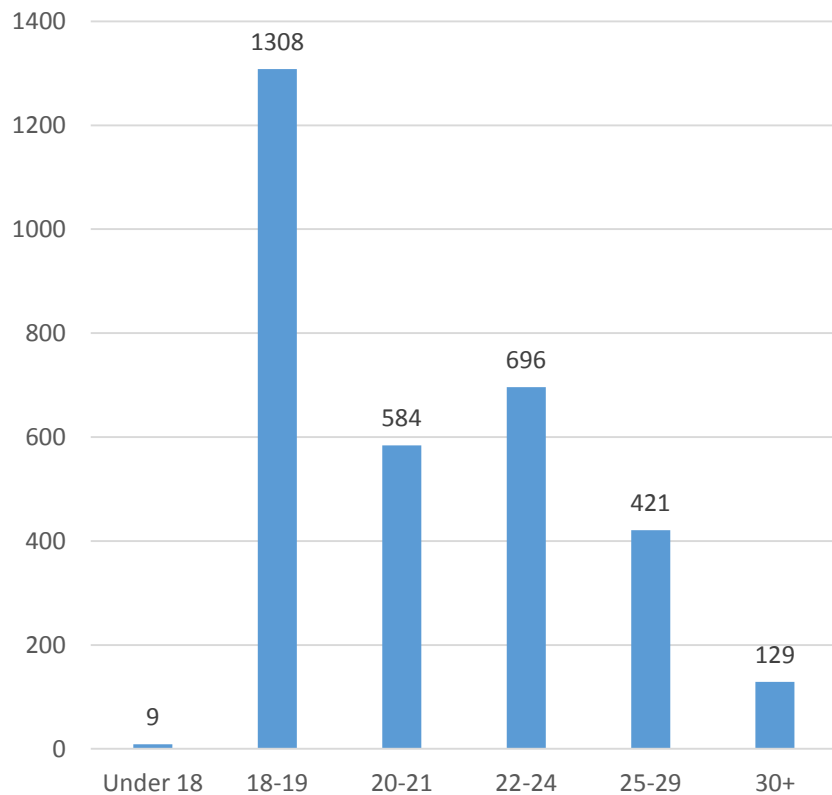
## FTIAC Housing Residents By Race/Ethnicity



- American Indian or Alaska Native
- Asian
- Hispanics of any race
- Non-Resident Alien
- Two or more races
- Race and ethnicity unknown
- Black or African American
- White

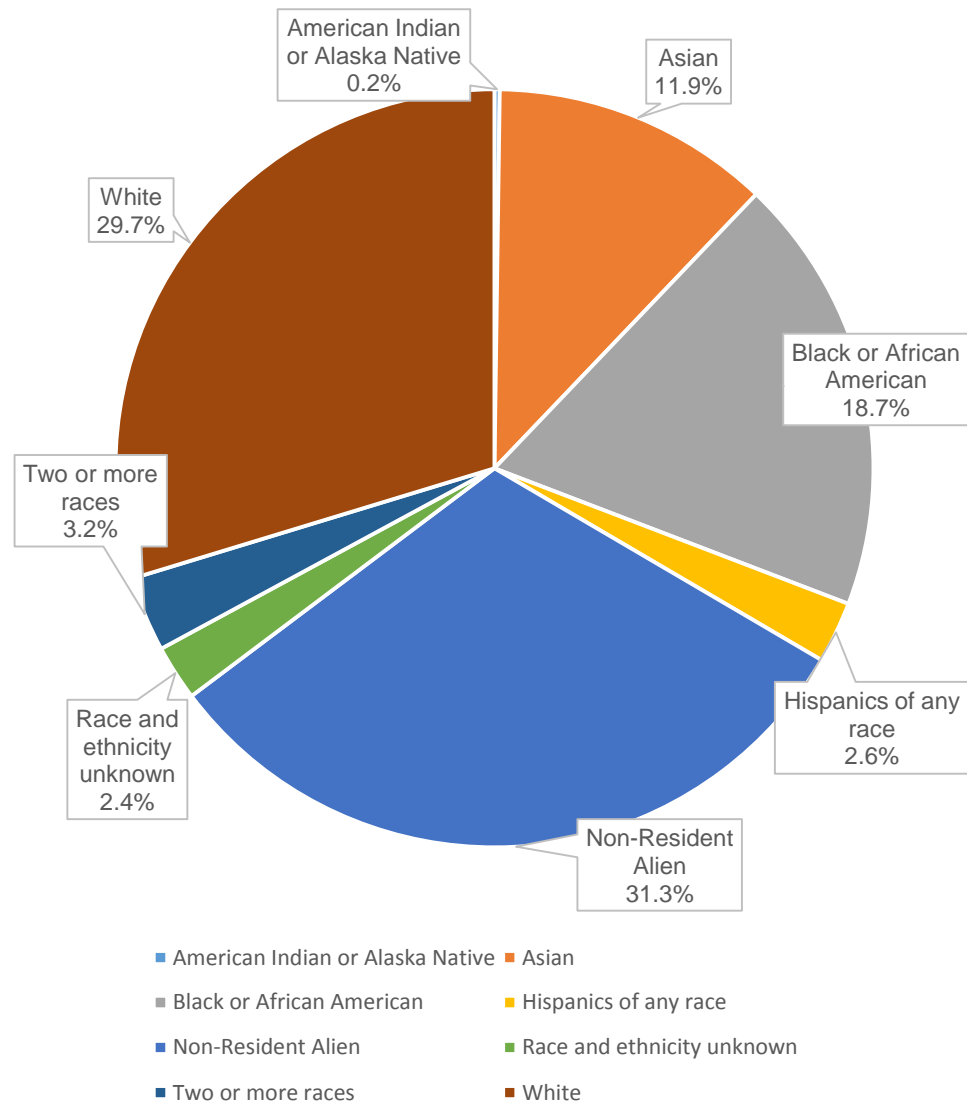
- 979 FTIACs in housing (38.2% of FTIAC class), a new record
- Black or African American FTIACs in housing +12% compared to total FTIAC class
- 2% FTIACs in housing were international students

## Fall 2015 All Housing Resident Ages



- 3147 campus residents at fall 2015 census day, a new record
- 73% residence hall students are 19 years old or younger
- Fall 2015 housing was 31% International students (985/3147)

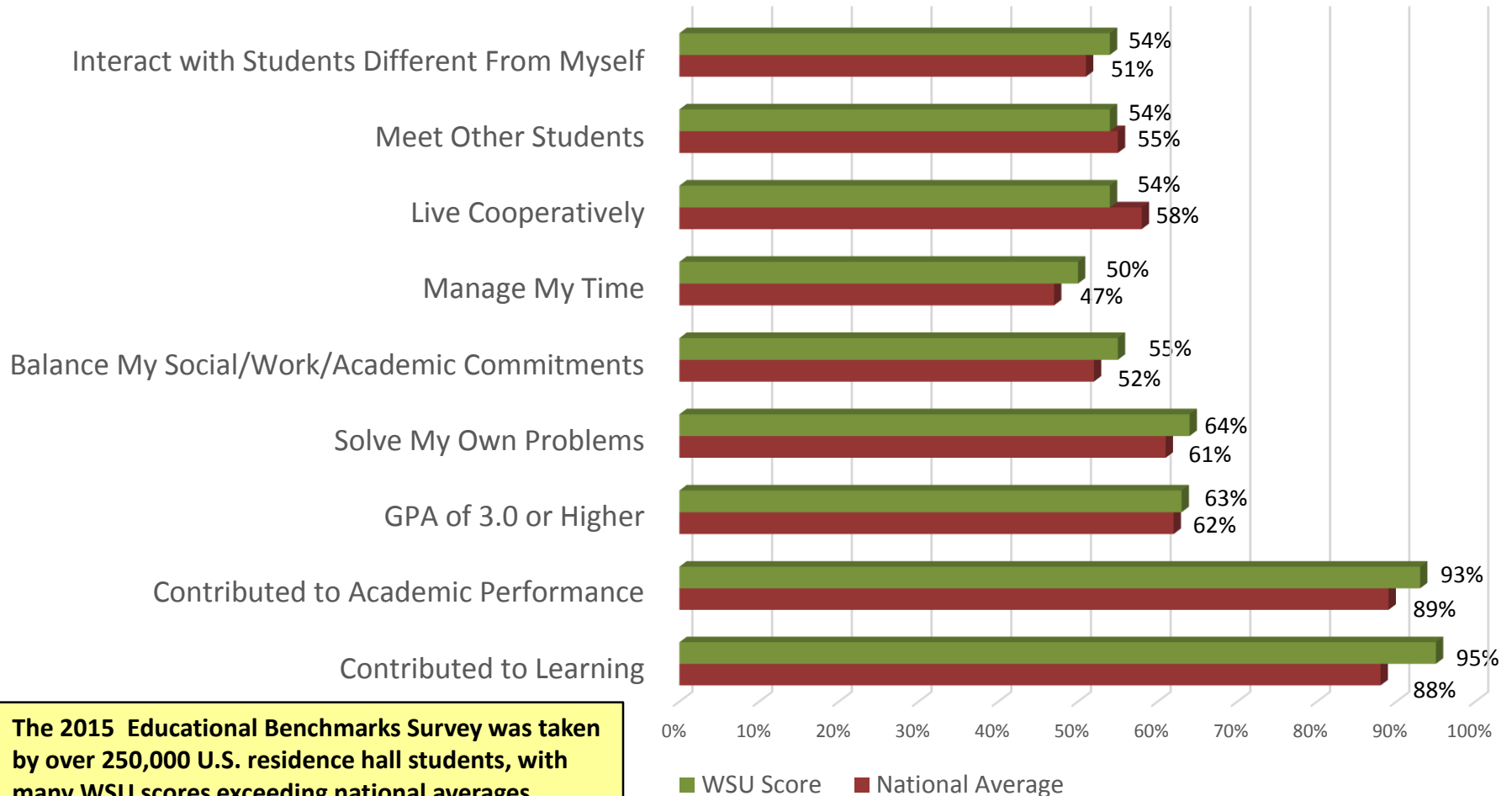
## Fall 2015 All Housing Residents Race/Ethnicity



# 2015 National Educational Benchmarks Survey

## *How Campus Housing Helps Develop Skills and Academic Success*

*“Living in on-campus housing enhanced my ability to...”*



**The 2015 Educational Benchmarks Survey was taken by over 250,000 U.S. residence hall students, with many WSU scores exceeding national averages.**

## 2015 – 16 Room and Board Rates



### Ghafari & Atchison Halls

	Semester	Annual
Single Occupancy rooms with private bath	\$3,625	\$7,250
Double Occupancy rooms with private bath	\$2,767	\$5,534
Triple Occupancy rooms with private bath	\$2,336	\$4,672

### The Towers Residential Suites

#### Suite Types

	Suite Types	Semester	Annual
Double Occupancy room with shared bath	A	\$2,880	\$5,760
Single Occupancy room with private bath	E and G	\$3,860	\$7,720
Double Occupancy room within a suite	B and C	\$3,205	\$6,410
Single Occupancy room within a regular suite	C, D and F	\$3,300	\$6,600

### Deroy Furnished Apartments (sophomores/juniors/seniors only)

Efficiency apartment single	\$4,135	\$8,270
One bedroom apartment double	\$3,290	\$6,580
Two bedroom apartment single per room	\$3,944	\$7,888

**Typical freshman room & board cost for 2015-16 is \$9,054**

### Deroy Apartments

	Monthly
Efficiency unfurnished	\$802
One Bedroom unfurnished	\$880
Two Bedroom unfurnished	\$1,020

### Chatsworth Apartments

Efficiency unfurnished	\$756
One Bedroom unfurnished	\$880
Two Bedroom unfurnished	\$1,120

### University Towers

One Bedroom unfurnished	\$1,070
Two Bedroom unfurnished	\$1,204
Three Bedroom unfurnished	\$1,620

### Meal Plans

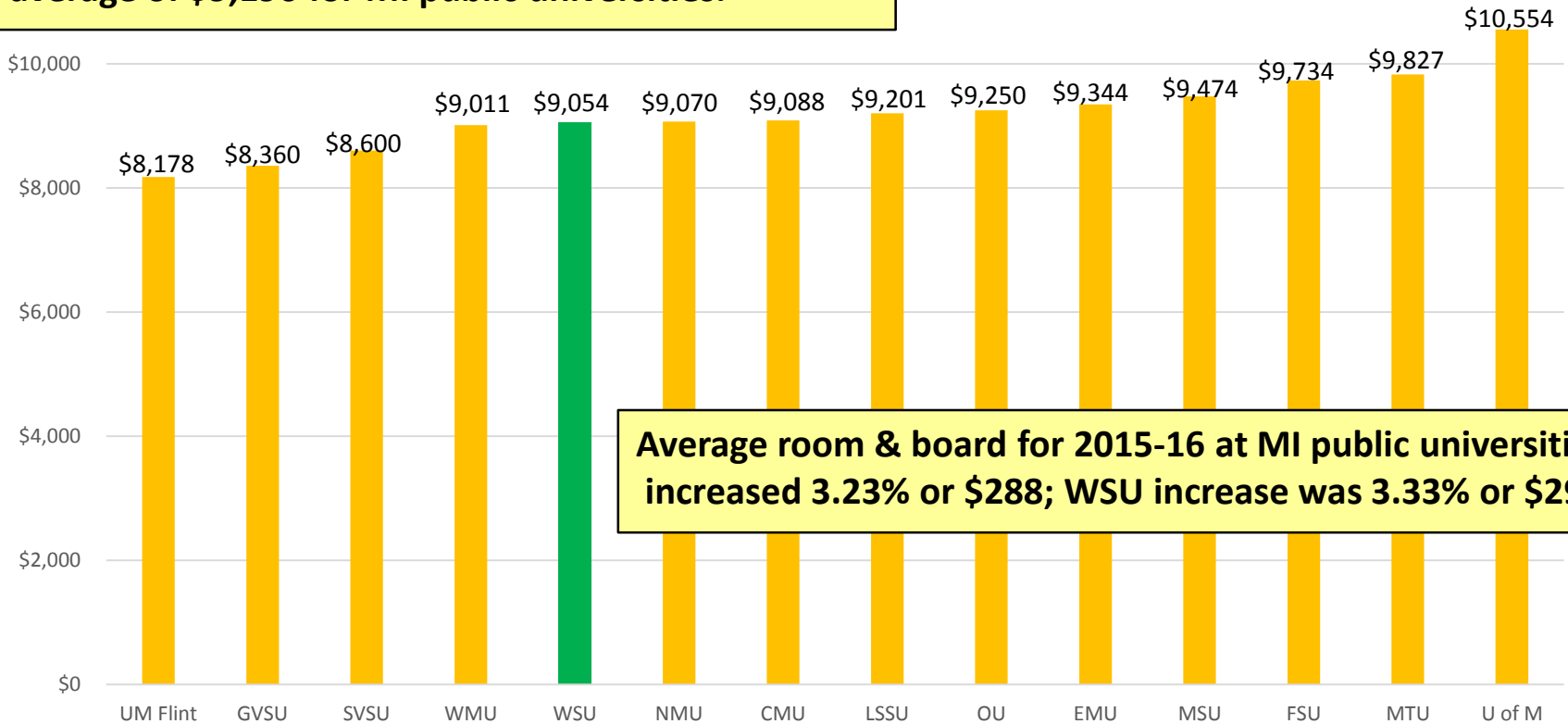
	Semester	Annual
Warrior Pass 50 (Unlimited + \$50/sem)	\$1,760	\$3,510
Warrior Pass 250 (Unlimited + \$250/sem)	\$1,960	\$3,920
Warrior Pass 400 (Unlimited + \$400/sem)	\$2,080	\$4,160
Weekly 12 + 350 (Twelve Swipes/wk + \$350/sem)	\$1,725	\$3,450
Weekly 5 + \$150 (Five Swipes/wk + \$150/sem)	\$795	\$1,590
Block 15 (15 Swipes/sem)	\$105	
Block 30 (30 Swipes/sem)	\$200	
Block 45 (45 Swipes/sem)	\$295	

**Any WSU community member can buy Warrior Dollars in \$50 increments. All freshmen must select a Warrior Pass Plan**



# 2015-2016 Room & Board Rates of Michigan Public Universities

**WSU room & board rate of \$9,054 is \$142 below the average of \$9,196 for MI public universities.**



## Housing & Residential Life 5-Year Operating Statements

	FY12 Actual Results	FY13 Actual Results	FY14 Actual Results	FY15 Actual Results	FY16 Approved Budget	FY16 Revised Projected as of 12/31/15
<b>REVENUE</b>						
Apartment Income	(\$5,965,612)	(\$6,362,734)	(\$6,716,984)	(\$6,955,174)	(\$7,058,040)	(\$7,599,343)
Residence Hall Income	(\$7,988,024)	(\$8,474,485)	(\$8,504,677)	(\$10,211,256)	(\$9,631,246)	(\$10,475,948)
Meal Plan Income	(\$4,106,725)	(\$4,398,908)	(\$4,678,621)	(\$6,402,875)	(\$6,146,318)	(\$6,440,784)
Other Income	(\$1,310,041)	(\$1,430,244)	(\$1,420,316)	(\$1,679,719)	(\$1,397,860)	(\$1,665,615)
General Fund Subsidy	(\$900,000)	(\$1,400,000)	(\$1,400,000)	(\$1,400,000)	(\$1,270,000)	(\$1,270,000)
<b>Revenue Total</b>	<b>(\$20,270,402)</b>	<b>(\$22,066,371)</b>	<b>(\$22,720,598)</b>	<b>(\$26,649,024)</b>	<b>(\$25,503,464)</b>	<b>(\$27,451,690)</b>
Personnel	\$3,066,094	\$3,075,486	\$2,975,015	\$3,193,351	\$3,212,605	\$3,448,875
Facilities Maintenance	\$1,272,269	\$951,311	\$901,576	\$952,296	\$1,080,000	\$1,080,000
Utilities	\$1,894,213	\$2,129,479	\$2,173,605	\$1,653,396	\$2,287,717	\$2,308,297
Meal Plan Expense	\$3,182,405	\$3,297,610	\$3,590,405	\$4,905,023	\$4,595,261	\$4,629,184
Operating Expenses	\$1,957,852	\$1,993,769	\$2,471,506	\$2,514,735	\$2,414,200	\$3,389,118
Bad Debt	\$392,378	\$414,661	\$653,617	\$404,349	\$495,000	\$445,000
Debt Service	\$8,084,480	\$8,084,480	\$8,028,241	\$8,028,241	\$8,211,391	\$8,211,391
Projects/Transfers	\$971,590	\$1,306,522	\$1,858,870	\$3,684,090	\$2,954,150	\$3,352,279
<b>Expense Total</b>	<b>\$20,821,280</b>	<b>\$21,253,318</b>	<b>\$22,652,835</b>	<b>\$25,335,482</b>	<b>\$25,250,324</b>	<b>\$26,864,144</b>
<b>Net Income (Loss)</b>	<b>(\$550,878)</b>	<b>\$813,053</b>	<b>\$67,764</b>	<b>\$1,313,542</b>	<b>\$253,140</b>	<b>\$587,546</b>
<b>Fund Balance</b>	<b>(\$7,266,746)</b>	<b>(\$6,453,693)</b>	<b>(\$6,385,930)</b>	<b>(\$5,072,387)</b>	<b>(\$4,819,247)</b>	<b>(\$4,484,841)</b>

38% deficit  
reduction

# Factors Affecting the Room and Board Rate Recommendation

- **Market Analysis**
  - All WSU housing voluntary, no freshman housing requirement
  - Competitive pricing based on comprehensive December 2014 Market Demand Study and annual benchmarking for Midtown Detroit and our peer universities
- **Total Cost of Attendance/Financial Aid**
- **Goals of Draft FY17 Budget**
  - Implement 2016-26 Housing Facilities Master Plan
  - Continue investment in facilities to respond to deferred needs and changing customer demands
  - Maintain positive cash flows
  - Reduce general fund subsidy, and
  - reduce negative fund balance



# Housing and Dining Facility Improvement Projects

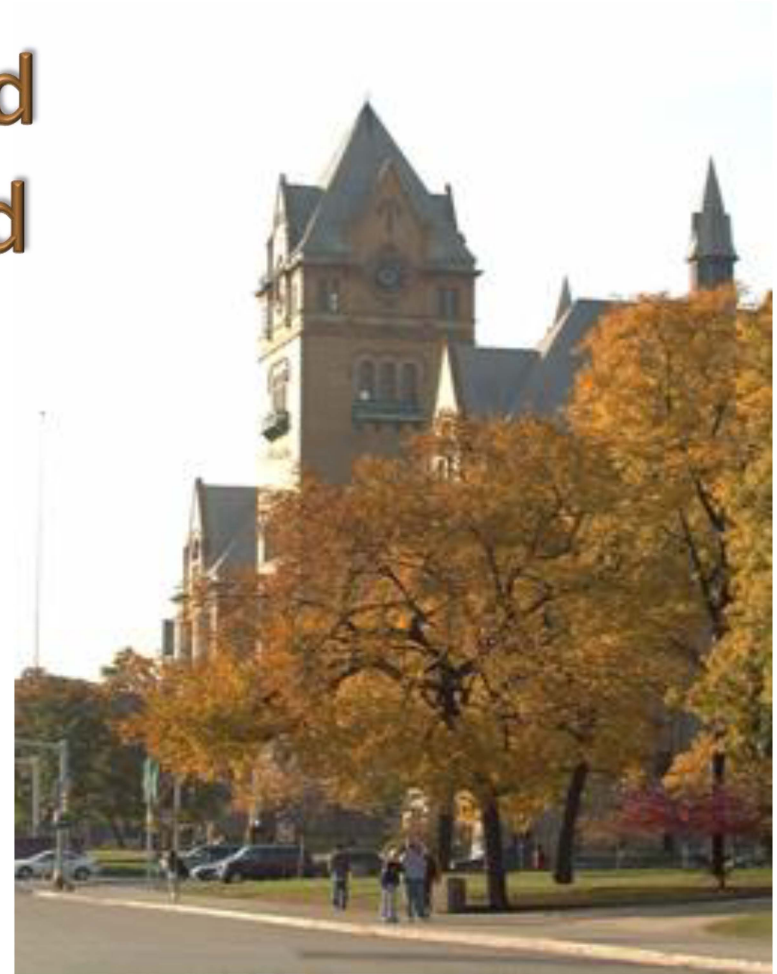
## 2015-16 Housing and Dining Projects

Security camera upgrades - all buildings	\$254,075
Housing facility assessment - all buildings	\$70,000
Chatsworth roof replacement	\$322,229
Chatsworth parapet repairs	\$200,000
Chatsworth public areas' carpeting	\$71,760
University Towers exterior panel repairs	\$50,000
Atchison roof repairs	\$100,000
Anthony Wayne Dr. Starbucks renovation	\$250,000
Anthony Wayne Dr. Einsteins renovation	\$150,000
Ghafari precast sill replacement	\$25,000
Towers Café floor refinishing	\$82,800
Towers Suites exterior panel repairs	<u>\$100,000</u>
 Major Projects' Total	 \$1,675,864
 Thompson Home Conversion	 \$1,200,000

## 2016-17 Housing and Dining Projects

University Towers fire alarm system replacement	\$350,000
University Towers public areas' upgrades	\$100,000
Atchison roof repairs (phase 2)	\$100,000
Atchison precast sill replacement	\$100,000
Chatsworth building exhaust repairs	\$100,000
Chatsworth parapet repairs (phase 2)	\$100,000
Ghafari precast sill replacement (phase 2)	\$150,000
Ghafari public areas' carpeting	\$100,000
Towers Suites exterior panel repairs (phase 2)	\$100,000
Towers Suites public areas' upgrades	\$250,000
 Major Projects' Total	 \$1,450,000
 Thompson Home Conversion	 \$3,600,000

# 2016-17 Room & Board Recommendations and FY17 Draft Budget



## Housing & Residential Life 2016 – 2017 Rate Proposal

(Three pages of detail following this slide)

- Typical freshman room and board package increase is \$296 to \$9,350 (3.27%)
- Typical returning resident room rate increase is 3.0 – 3.51%
- Typical meal plan rate increase 3.83%
- Typical apartment increase is 2.80 – 4.98%

### *Five Year Room and Board Rate History*

2011-12 freshman room and board = \$7786 (+3.81% over FY11 = \$286)  
2012-13 freshman room and board = \$8048 (+3.37% over FY12 = \$262)  
2013-14 freshman room and board = \$8330 (+3.50% over FY13 = \$282)  
2014-15 freshman room and board = \$8762 (+5.19% over FY14 = \$432)  
2015-16 freshman room and board = \$9054 (+3.33% over FY15 = \$292)

## Housing and Residential Life Room Rate Recommendations for 2016-17

### Cost Drivers

- Add leased off-campus beds
- Convert 3 floors of DeRoy to furnished apts.
- Master Plan implementation
- Student wage increases for 170 student workers

		15-16 Annual	16-17 Annual	Increase	
<b>Ghafari &amp; Atchison Halls</b>					
	Single Occupancy rooms with private bath	\$7,250	\$7,504	3.50%	
	Double Occupancy rooms with private bath	\$5,534	\$5,680	2.64%	
	Triple Occupancy rooms with private bath	\$4,672	\$4,836	3.51%	
<b>The Towers Residential Suites</b>					
	Double Occupancy room with shared bath	A	\$5,760	\$5,948	3.26%
	Single Occupancy room with private bath	E and G	\$7,720	\$7,990	3.50%
	Double Occupancy room within a suite	B and C	\$6,410	\$6,602	3.00%
	Single Occupancy room within a regular suite	C, D and F	\$6,600	\$6,814	3.24%
<b>Deroy Furnished Apartments (sophomores/juniors/seniors only)</b>					
	Efficiency apartment single	\$8,270	\$8,560	3.51%	
	One bedroom apartment double	\$6,580	\$6,794	3.25%	
	Two bedroom apartment single per room	\$7,888	\$8,164	3.50%	
<b>Deroy Apartments</b>					
	Efficiency unfurnished	\$802	\$825	2.87%	
	One Bedroom unfurnished	\$880	\$908	3.18%	
	Two Bedroom unfurnished	\$1,020	\$1,070	4.90%	
<b>Chatsworth Apartments</b>					
	Efficiency unfurnished	\$756	\$780	3.17%	
	One Bedroom unfurnished	\$880	\$910	3.41%	
	Two Bedroom unfurnished	\$1,120	\$1,175	4.91%	
<b>University Towers</b>					
	One Bedroom unfurnished	\$1,070	\$1,100	2.80%	
	Two Bedroom unfurnished	\$1,204	\$1,264	4.98%	
	Three Bedroom unfurnished	\$1,620	\$1,700	4.94%	

# Housing and Residential Life

## Board Rate Recommendations for 2016-17

	15-16 Annual	16-17 Annual	Increase
Meal Plans			
Warrior Pass 50 (Unlimited + \$50/sem)	\$3,520	\$3,670	4.26%
Warrior Pass 250 (Unlimited + \$250/sem)	\$3,920	\$4,050	3.32%
Warrior Pass 400 (Unlimited + \$400/sem)	\$4,160	\$4,300	3.37%
Weekly 12 + 350 (Twelve Swipes/wk + \$350/sem)	\$3,450	\$3,590	4.06%
Weekly 5 + \$150 (Five Swipes/wk + \$150/sem)	\$1,590	\$1,660	4.40%
Block 15 (15 Swipes/sem)	\$105	\$110	4.76%
Block 30 (30 Swipes/sem)	\$200	\$208	4.00%
Block 45 (45 Swipes/sem)	\$295	\$308	4.41%

**Any WSU community member can buy Warrior Dollars in \$50 increments.**

**All freshmen must select a Warrior Pass Plan**

### Cost Drivers

- Food costs projected to increase 2.5-3.5% (*USDA, Dept. Labor, CPI*)
- Continuing upward pressure on prices of beef, milk and eggs
- Average wages increased 8.8% from \$8.50 to \$9.25/hour for 260 student employees. (*~\$80,000*)



## Housing & Residential Life FY16 & FY17 Projected Operating Statements

	2015 Actual Results	2016 Approved Budget	2016 Revised Projected as of 12/31/15	2017 Draft Budget
<b>REVENUE</b>				
Apartment Income	(\$6,955,174)	(\$7,058,040)	(\$7,599,343)	(\$7,964,468)
Residence Hall Income	(\$10,211,256)	(\$9,631,246)	(\$10,475,948)	(\$10,493,946)
Meal Plan Income	(\$6,402,875)	(\$6,146,318)	(\$6,440,784)	(\$6,693,907)
Other Income	(\$1,679,719)	(\$1,397,860)	(\$1,665,615)	(\$1,664,416)
General Fund Subsidy	(\$1,400,000)	(\$1,270,000)	(\$1,270,000)	(\$1,000,000)
<b>Revenue Total</b>	<b>(\$26,649,024)</b>	<b>(\$25,503,464)</b>	<b>(\$27,451,690)</b>	<b>(\$27,816,737)</b>
<b>EXPENSES</b>				
Personnel	\$3,193,351	\$3,212,605	\$3,448,875	\$3,525,437
Facilities Maintenance	\$952,296	\$1,080,000	\$1,080,000	\$1,107,000
Utilities	\$1,653,396	\$2,287,717	\$2,308,297	\$2,377,546
Meal Plan Expense	\$4,905,023	\$4,595,261	\$4,629,184	\$4,839,812
Operating Expenses	\$2,514,735	\$2,414,200	\$3,389,118	\$3,466,436
Bad Debt	\$404,349	\$495,000	\$445,000	\$453,000
Debt Service	\$8,028,241	\$8,211,391	\$8,211,391	\$8,211,391
Projects/Transfers	\$3,684,090	\$2,954,150	\$3,352,279	\$2,982,000
<b>Expense Total</b>	<b>\$25,335,482</b>	<b>\$25,250,324</b>	<b>\$26,864,144</b>	<b>\$26,962,622</b>
<b>Net Income (Loss)</b>	<b>\$1,313,542</b>	<b>\$253,140</b>	<b>\$587,546</b>	<b>\$854,115</b>
<b>Fund Balance</b>	<b>(\$5,072,387)</b>	<b>(\$4,819,247)</b>	<b>(\$4,484,841)</b>	<b>(\$3,630,727)</b>

50% deficit  
Reduction  
from FY12

## In Summary

### Housing & Residential Life 2016–17 Rate Proposal

- *Typical freshman room and board increase of 3.27% to \$9,350 (\$296)*
- *Typical returning resident room rate increases of 3.0 – 3.51%*
- *Typical meal plan rate increases of 3.83%*
- *Typical unfurnished apartment increases of 2.80 – 4.98%*

#### ***This room & board rate proposal and resulting draft FY17 budget supports***

- Reasonable rate increases for room and board services
- Reduction in general fund subsidy
- Reduction in deficit fund balance for housing system
- Continued facility investments to maintain housing and dining facilities
- Start-up costs of 2016-26 Housing Facilities' Master Plan activities

➤ ***2016-2017 Room and Board Resolution for Adoption***