

FY 2015-16 Room and Board Rate Recommendation

Recommendation

It is recommended that the Board of Governors approve the FY 2016 room and board rates as shown in the tables below. In summary, the typical freshman resident room and board rate will increase 3.33% from \$8,762 in 2014-15 to \$9,054 in 2015-16. Room rates for a variety of accommodation types are proposed to increase varying amounts ranging from 3.00% to 3.98% and 3.40% to 5.00% for apartment rentals.

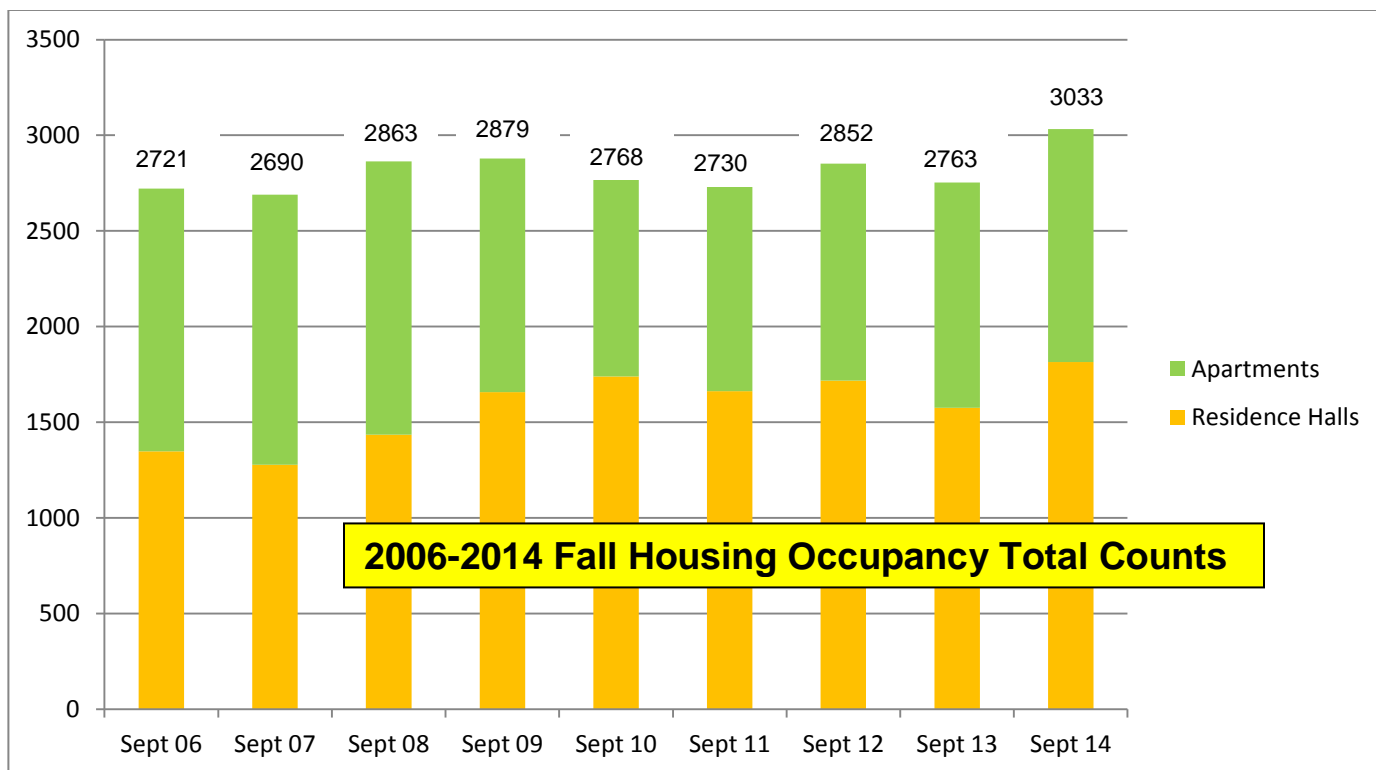
The major changes proposed as part of this room and board rate recommendation are:

- New typical freshman room and board package increase is \$292 (3.33%) to \$9,054.
- The typical returning resident room rate increase is 3.45% which equates to an increase of \$74 - \$157/semester depending on room type.
- The average apartment rate increase is 3.63% which equates to an increase of \$26 - \$75/month/unit depending on apartment type.
- The average Warrior Pass meal plan increase is 4.17% which equates to an increase of \$65 - \$85/semester depending on meal plan selection.

The tables at the end of this document detail the specific rates and changes for the residence halls, apartments, and meal plans for 2015-16.

Background

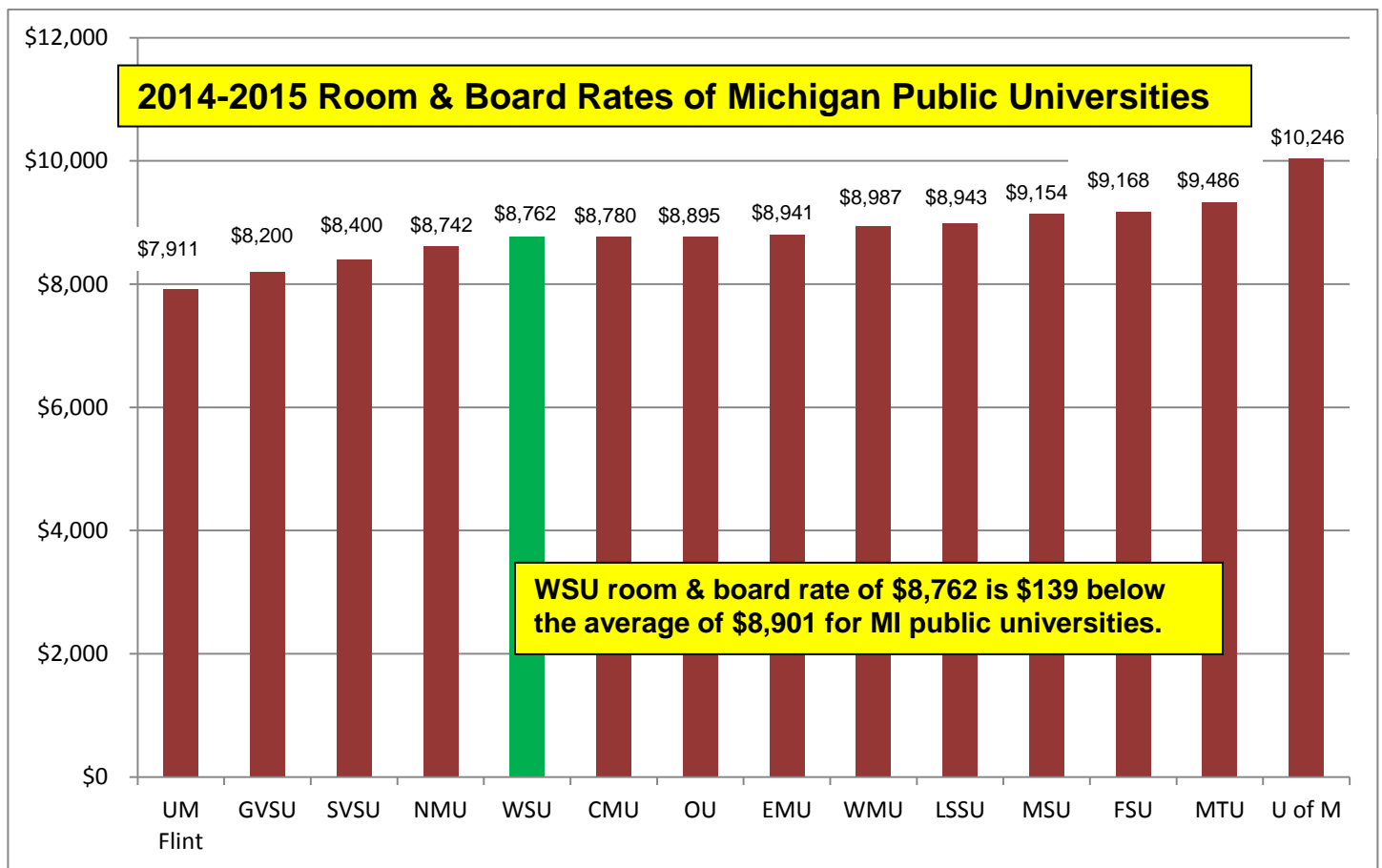
Wayne State University has operated university-owned apartment housing for several decades. In 2001 the university began to build undergraduate residence halls, opening Ghafari Hall and Warrior Dining in 2002, Atchison Hall in 2003, and The Towers Residential Suites and Towers' Café in 2005. Since 2006 the average number of students (and affiliated staff, faculty and families) living on campus has been 2810, as shown by the graph below.



Since The Towers opened in 2005, there has also been a trend of increasing undergraduate resident numbers, and all three residence halls were full for the first time in fall 2009. In fall 2010 a new undergraduate furnished apartment option was added. Since 2001 when the resident population was mostly graduate and professional students, the composition of the resident population has changed so that by fall 2014, 73% of all campus residents are undergraduates. The trend over the last four years has been an increasing demand from undergraduates for apartment-style living which currently surpasses the total number of available units.

Wayne State University Freshman Room and Board Rates vs. Other Michigan Public Universities

Wayne State University campus housing has always been competitively priced relative to the local market and has also been below the average of the other Michigan public universities' campus housing since the residence halls opened in 2002. For fall 2014, our freshman room and board combined rate of \$8,762 was almost \$140 less than the average of those universities.



The rate increases recommended for FY 2016, coupled with continued financial and occupancy management, move Housing and Residential Life forward in continuing to improve our facilities and the educational program in campus housing in support of student success.

Proposed 2015-16 Room Rates:

		2014-15	2015-16	
		Rent/Year	Rent/Year	Change
Ghafari & Atchison Halls				
Single Occupancy rooms with private bath		\$7,004	\$7,250	3.51%
Double Occupancy rooms with private bath		\$5,372	\$5,534	3.02%
Triple Occupancy rooms with private bath		\$4,524	\$4,672	3.27%
The Towers Residential Suites				
	Suite Types			
Double Occupancy room with shared bath	A	\$5,580	\$5,760	3.23%
Single Occupancy room with private bath	E and G	\$7,430	\$7,720	3.90%
Double Occupancy room within a suite	B and C	\$6,216	\$6,410	3.12%
Single Occupancy room within a regular suite	C, D and F	\$6,388	\$6,600	3.32%
Deroy Furnished Apartments (sophomores/juniors/seniors only, per person)				
Efficiency apartment single		\$7,956	\$8,270	3.95%
One bedroom apartment double		\$6,366	\$6,580	3.36%
Two bedroom apartment single		\$7,586	\$7,888	3.98%
APARTMENT RENTALS				
		2014-15	2015-16	
		Rent/Month	Rent/Month	
Deroy Apartments				
Efficiency unfurnished		\$775	\$802	3.48%
One Bedroom unfurnished		\$874	\$880	3.65%
Two Bedroom unfurnished		\$985	\$1,020	3.55%
Chatsworth Apartments				
Efficiency unfurnished		\$734	\$756	3.56%
One Bedroom unfurnished		\$847	\$880	3.90%
Two Bedroom unfurnished		\$1,077	\$1,120	3.99%
University Towers				
One Bedroom unfurnished		\$1,035	\$1,070	3.38%
Two Bedroom unfurnished		\$1,147	\$1,204	4.97%
Three Bedroom unfurnished		\$1,545	\$1,620	4.85%

Proposed 2015-16 Board Plans and Rates

	2014-15	2015-16	Change
Unlimited Plans (freshmen, upper class residents, non-residence hall students/faculty/staff)			
Warrior Pass 50 (Unlimited + \$50/semester)	\$3,390	\$3,520	3.83%
Warrior Pass 250 (Unlimited + \$225/semester)	\$3,760	\$3,920	4.26%
Warrior Pass 400 (Unlimited + \$400/semester)	\$3,990	\$4,160	4.26%
Weekly Plans (upper class residents, non-residence hall students/faculty/staff)			
Weekly 12 + 350 (Twelve Swipes/week + \$350/semester)	\$3,300	\$3,450	4.55%
Weekly 5 + \$150 (Five Swipes/week + \$150/semester)	\$1,520	\$1,590	4.61%
Block Plans (non-residence hall students/faculty/staff)			
Block 15 (15 Swipes/semester)	\$100	\$105	5.00%
Block 30 (30 Swipes/semester)	\$195	\$200	2.56%
Block 45 (45 Swipes/semester)	\$290	\$295	3.45%

Any WSU community member can buy Warrior Dollars in \$50 increments to use alone or to add to other meal plans.

Please note:

All freshmen must select a Warrior Pass Plan. The default plan is the Warrior Pass 50.

Housing and Residential Life Room & Board Rate Proposal for FY16



Agenda

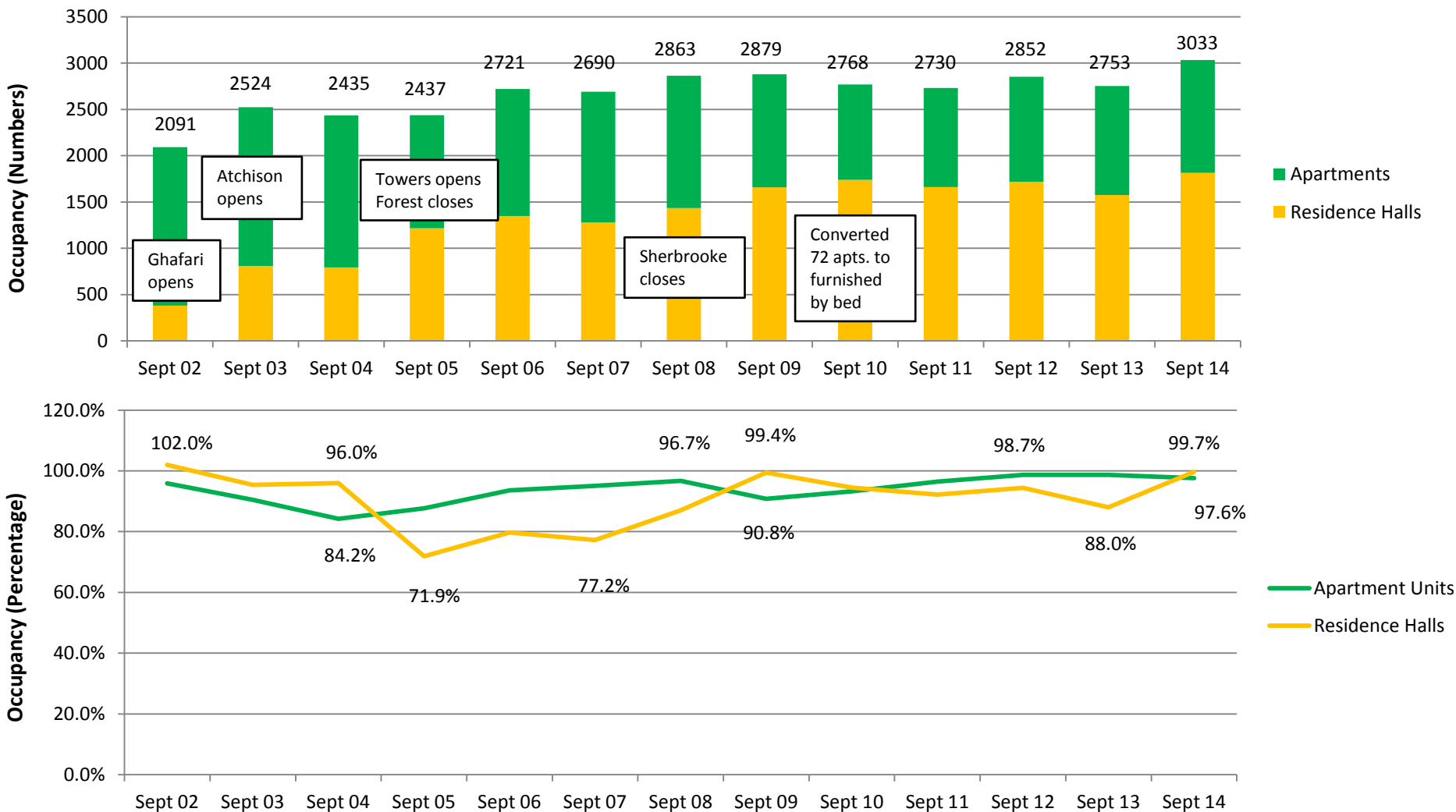
- Review current occupancy, room and board rates
- Review housing and dining activities and highlights for 2014-15
- Review factors affecting the room and board recommendation
- Present recommendation on room and board rates for 2015-2016

Current Occupancy and Room & Board Rates

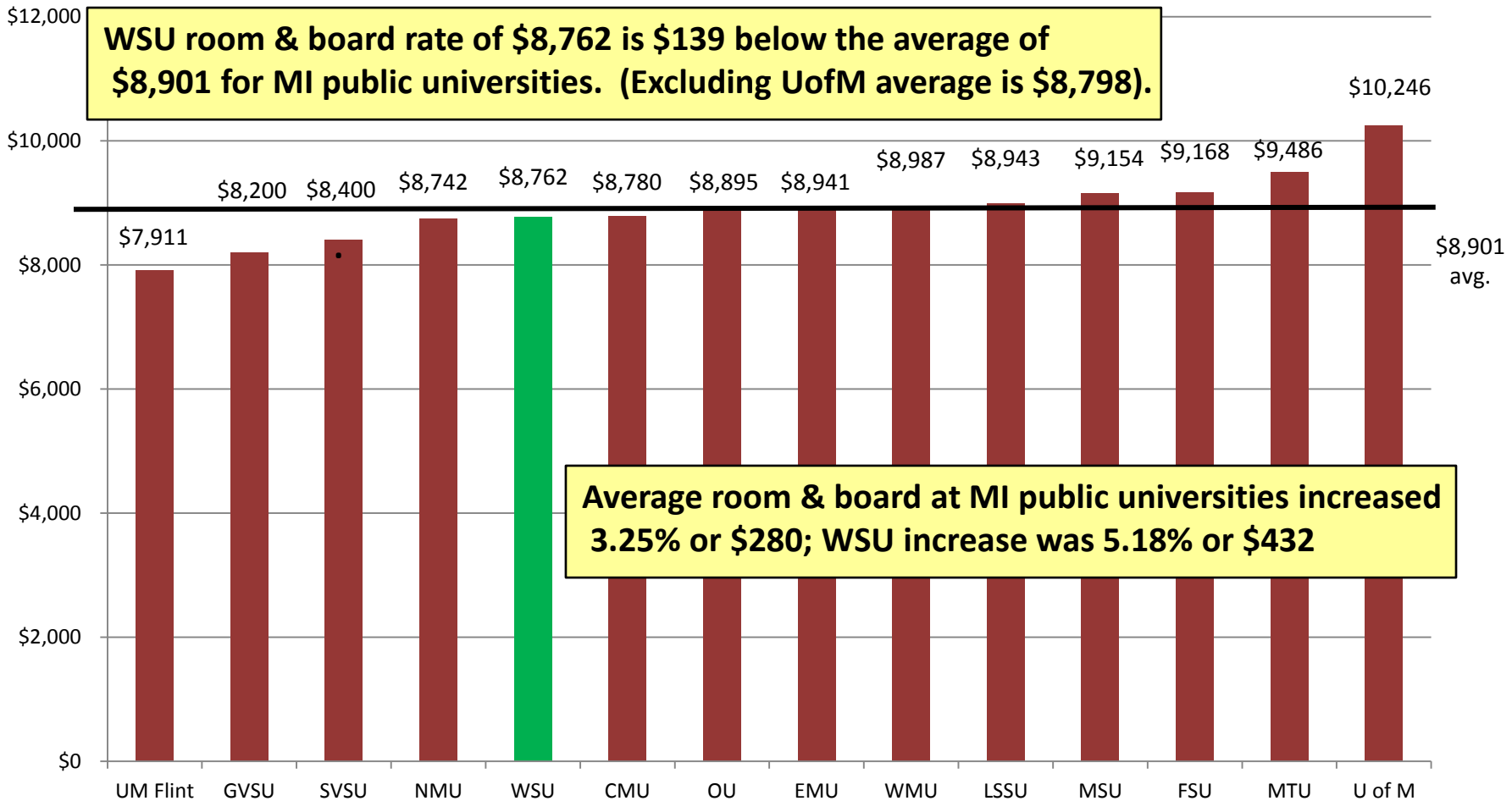


Campus Housing Occupancy

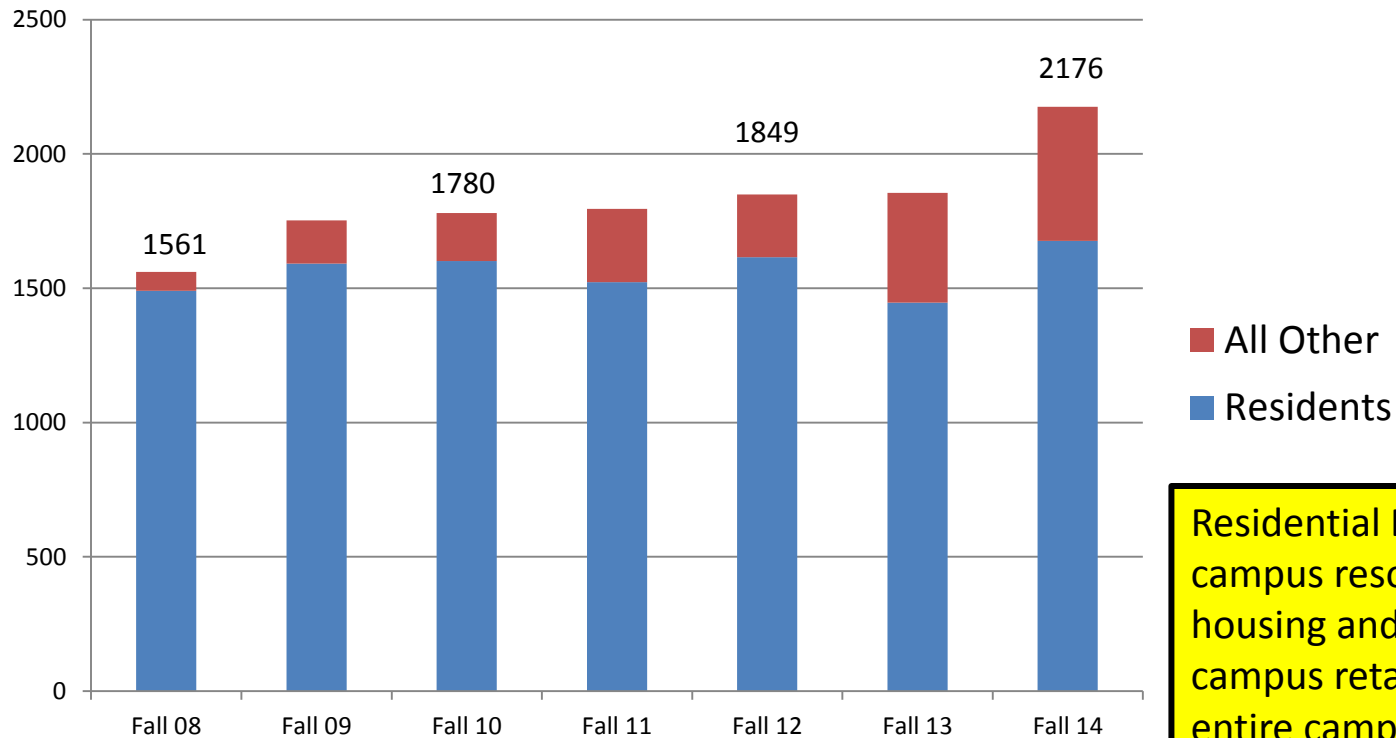
Average Campus Occupancy at Fall census since 2006 = 2810
 Average Residence Hall Occupancy at Fall census since 2006 = 1581 (90.2%)
 Average Campus Apartment Occupancy at Fall census since 2006 = 1229 (95.7%)



2014-2015 Room & Board Rates of Michigan Public Universities



Fall 2008 – 2014 Residential Dining Meal Plan Sales Growth



Residential Dining is a campus resource beyond housing and compliments campus retail dining for the entire campus and surrounding community.

	Fall 08	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14
Residents	1491	1592	1601	1523	1615	1447	1676
All Other	70	160	179	273	234	408	500
Totals	1561	1752	1780	1796	1849	1855	2176



Housing & Dining Activities and Highlights 2014 - 2015



Housing Activities and Highlights

- **July 2014:** Busiest summer camps and conferences season to date, with 30+ groups and generating \$1.2 Million in housing & dining revenue.
- **August 2014:** Fall opening day welcomed 3000+ residents (a new high) including 260+ residents in the Brazil Scientific Mobility Program.
- **September 2014:** First meeting of RHA, the Residence Halls Association, a new leadership and advisory student group for campus housing.
- **December 2014:** Completed second housing market demand study (first in 2010) to quantify current and future campus housing reputation and demand.
- **February 2015:** Second Annual Aim Higher! Leadership Conference, now sponsored by RHA.
- **May 2015:** New laundry services to be implemented with high-efficiency, high-capacity machines and a web-based notification system for resident convenience.



**Aim Higher! Leadership
Conference sponsored by
RHA**

Fall 2014 Housing Market Demand Study Highlights

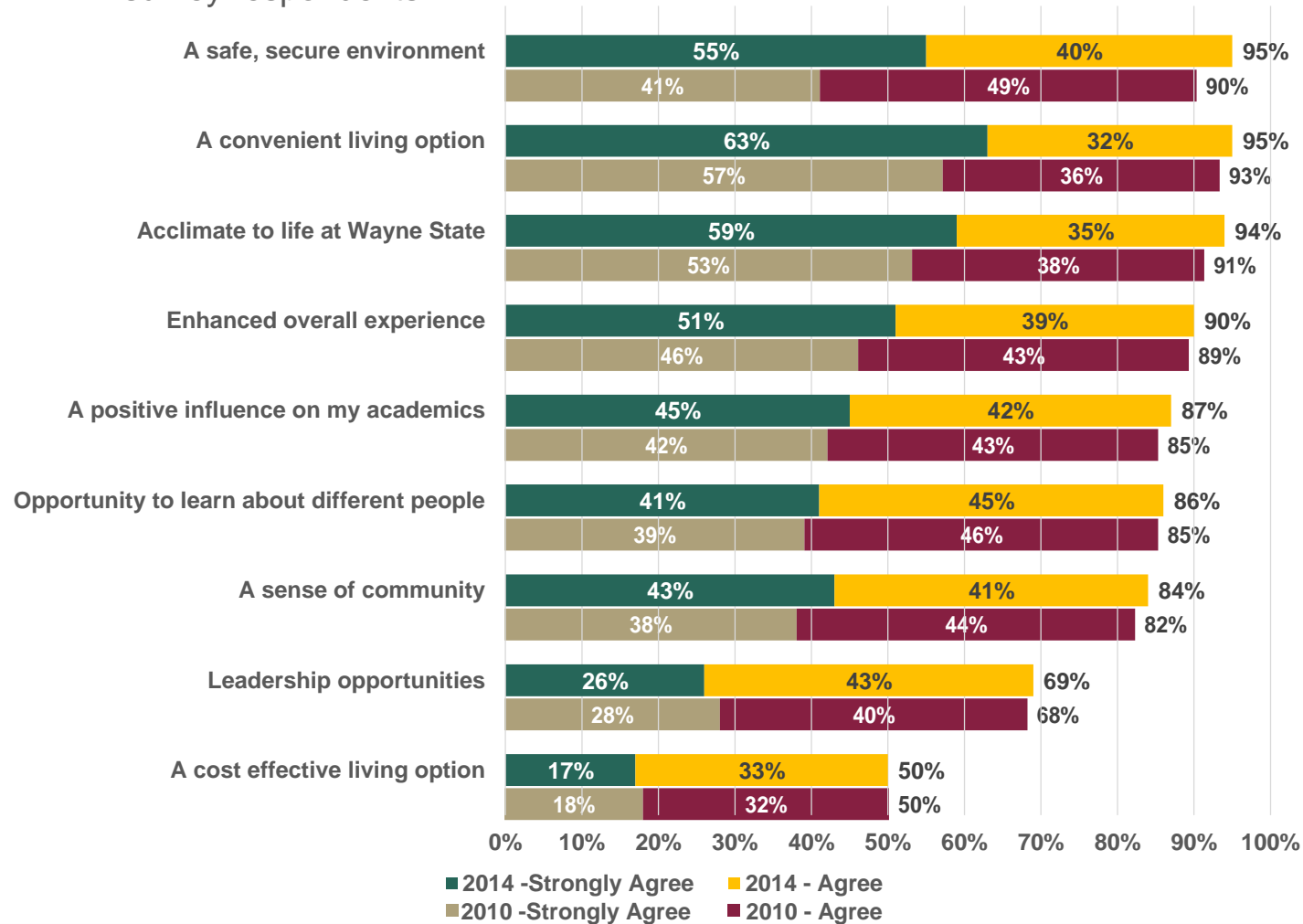
- In October 2014, 300 more students were living on campus than in 2010 even with a 10% enrollment decline between 2010-14. Market penetration by class was higher in 2014 for all levels of students except freshmen.
- Compared to our MPU and other urban peers, WSU houses a smaller percentage of undergraduates and a higher percentage of international and graduate/professional students.
- 99% of survey respondents' #1 recommendation for campus housing was “keep housing costs affordable”.
- 93% of survey respondents indicated quality of campus housing was important to prospective students.



BENEFITS OF LIVING ON CAMPUS

Living on campus has provided [me]...

– All survey respondents



Dining Activities and Highlights

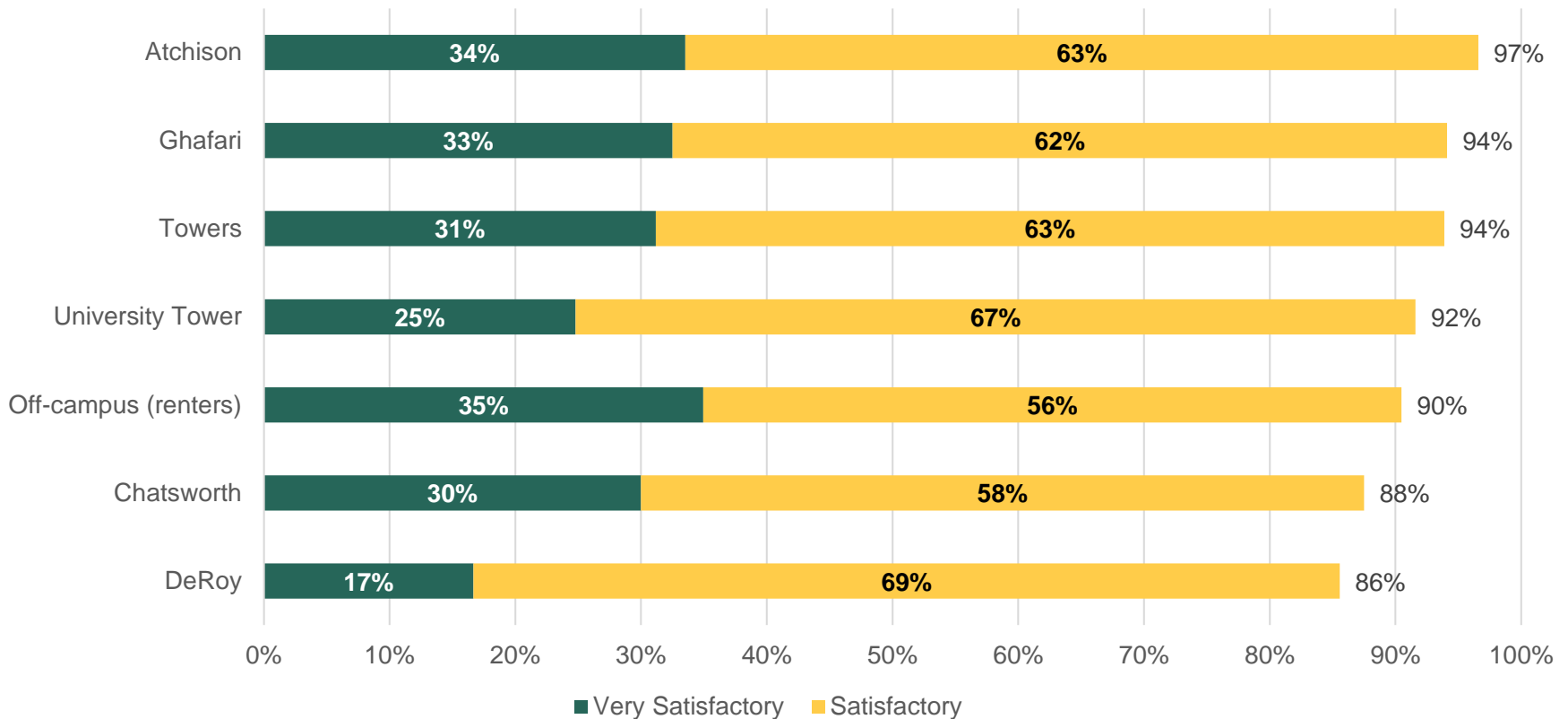
- **July 2014:** Towers Café reopens after \$2.1 Million renovation and includes seven concepts, highlighted by Mongolian Grill and Brick Oven display cooking.
- **January 2015:** New two-level Student Center Food Court opened including Panda Express, Taco Bell, Starbucks, Bene' Grill and Campus Convenience.
- **March 2015:** Wing Stop opened after Spring Break and completes the new Student Center Food Court.
- **April 2015:** Towers Café will receive halal certification from Islamic Food and Nutrition Council of America, in cooperation with Muslim Student Association.

Housing & Dining Performance Review

The 2014-15 evaluation plan included October intercept surveys of dining customers, a dining contract performance review by an outside consultant in December/January, participation in a national campus housing satisfaction survey in February, and monthly meetings of the food service advisory and RHA housing advisory groups. Highlights:

- Since 2010, **Overall Program Effectiveness** in the residence halls and apartments has shown statistically-significant improvement to 5.28/7.0. For the two components of program effectiveness, the average of **Overall Satisfaction** was 5.44/7.0, and the average of **Overall Learning** was 5.24/7.0.
- Notably, the **Overall Satisfaction** of residents who are members of learning communities (Honors, Engineering) is higher (5.78 v 5.24/7.0) than regular residents.
- **Overall Satisfaction** of international students mirrors the overall satisfaction of domestic students in all residences where they live.
- The average dining intercept survey score was 4.1/5.0. The dining contract compliance score for catering and residential dining was 97%.
- Since 2013, **Overall Satisfaction** with dining services has improved to 4.3/7.0. Largest increases are in improved dining environment and dining hours. Continued improvement to be focused on staff services and perception of food quality.

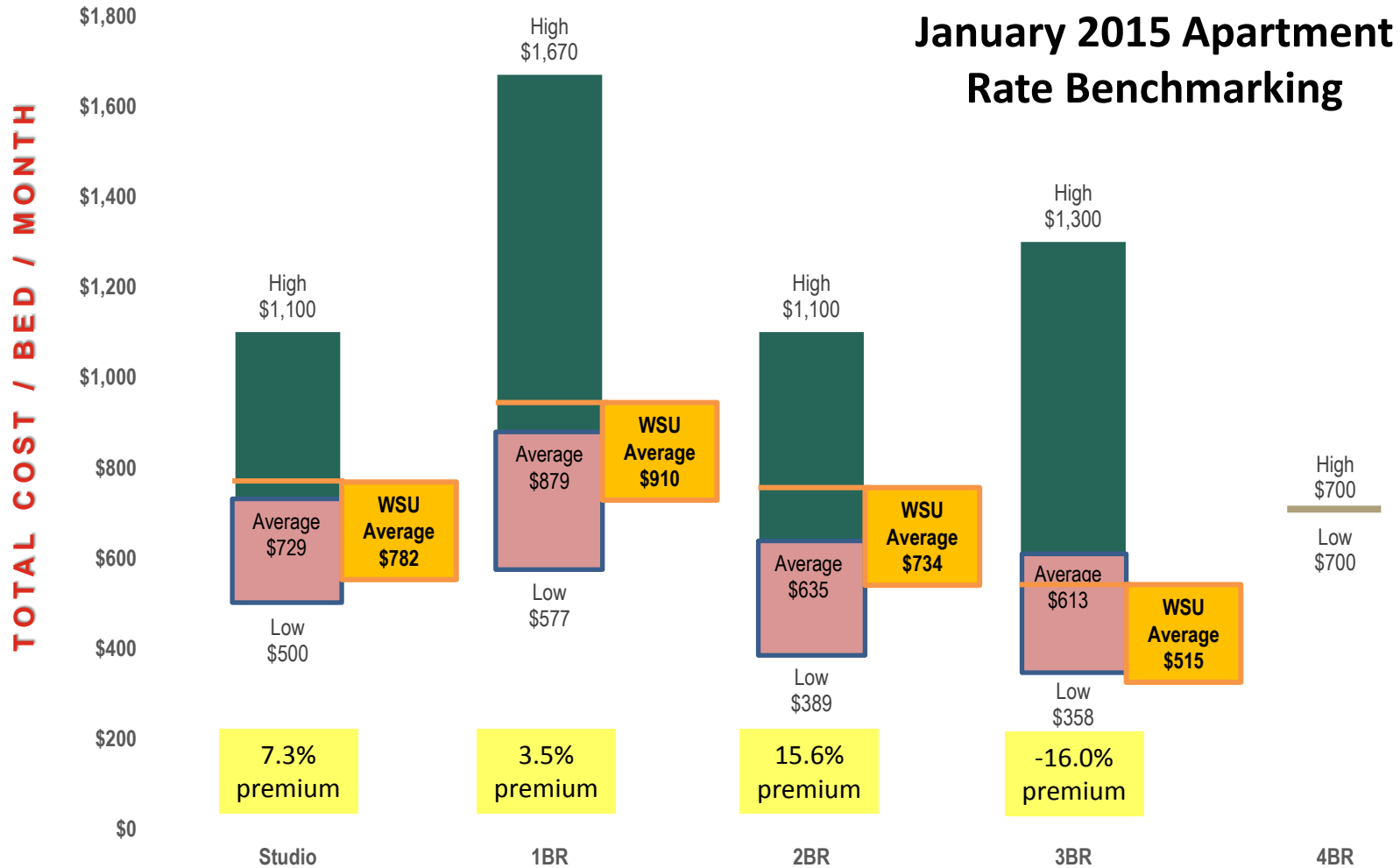
- ◆ How would you rate your current residence?
 - Very satisfactory + satisfactory ONLY
 - Current on-campus residents plus respondents indicating they rent off-campus



Factors Affecting Room and Board Rate Recommendation

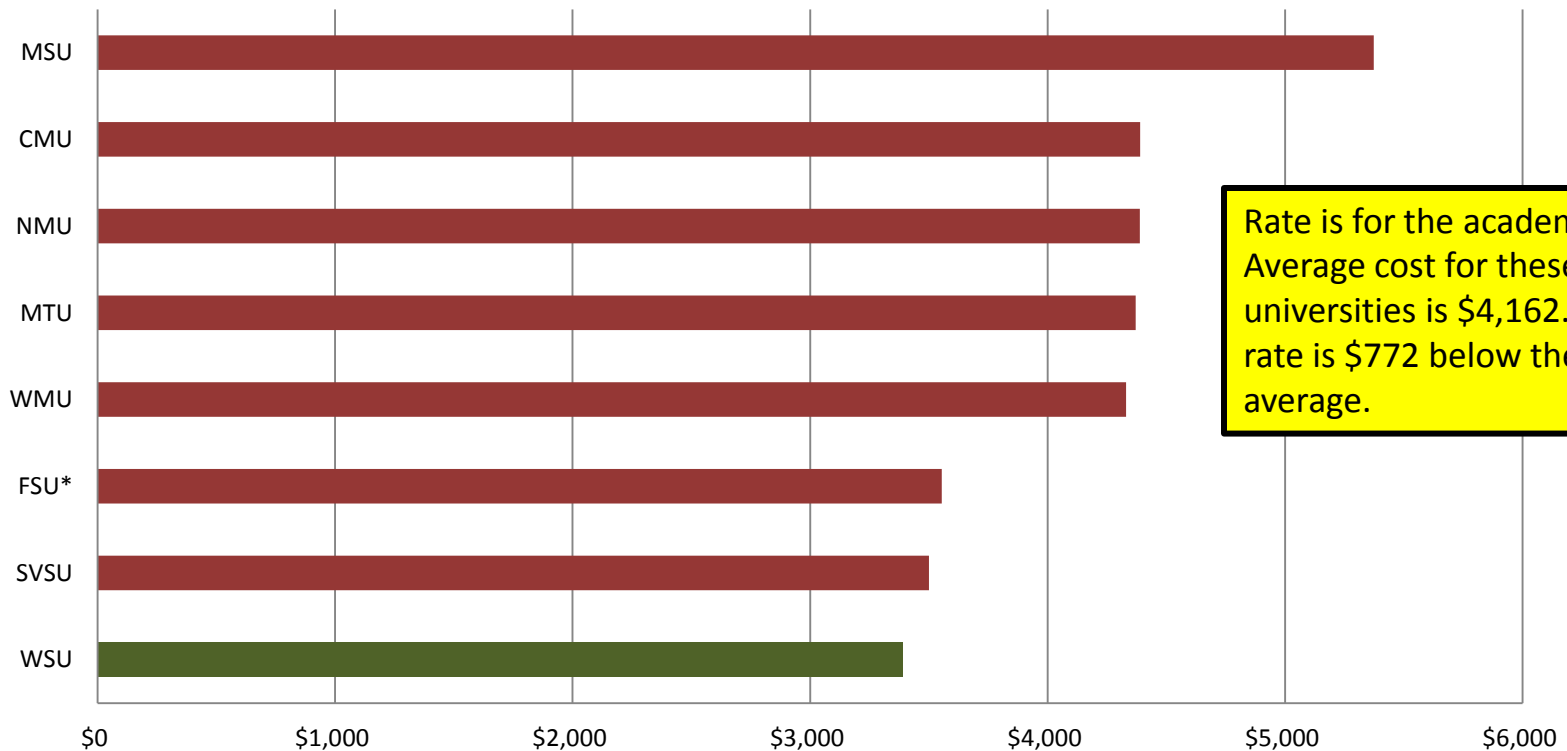
- **Competitive Rental Rates**
 - All WSU housing voluntary, no freshman or upperclass housing requirement
 - Market Rate apartment rates
 - Approach average rates with our peers for residence halls of our quality
- **Sensitivity to Total Cost of Attendance and Financial Aid**
- **Budget and project goals supported by room and board revenue**
 - Annual balanced budget
 - Reinvest in facilities to address deferred needs and changing customer demands
 - New student leadership initiatives
 - New dining paradigm with significant new investments





- ◆ Average Wayne State on-campus rates in **orange** (assuming nine month academic year)
- ◆ Off-campus rates include \$100 / bed / month for utilities (except 4BR – Union @ Midtown)

2014-2015 Michigan Public Universities Offering Unlimited Access Meal Plans*



Rate is for the academic year. Average cost for these eight universities is \$4,162. WSU rate is \$772 below the average.

	WSU	SVSU	FSU*	WMU	MTU	NMU	CMU	MSU
Rate	\$3,390	\$3,500	\$3,554	\$4,330	\$4,371	\$4,388	\$4,390	\$5,374

*List excludes U of M who does not publish separate meal plan pricing.

Proposal: 2015 – 2016 Meal Plan Rates

WSU Dining Services (per person)	Annual 2015-16	Fall 2015	Winter 2016
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Unlimited Plans (freshmen, returning residents, non-residence hall students/faculty/staff)

Warrior Pass 50 (Unlimited access + \$50/semester)	\$3,520	\$1,760	\$1,760
Warrior Pass 225 (Unlimited access + \$225/semester)	\$3,920	\$1,960	\$1,960
Warrior Pass 400 (Unlimited access + \$400/semester)	\$4,160	\$2,080	\$2,080

Weekly Plans (returning residents, non-residence hall students/faculty/staff)

Weekly 12 + 350 (Twelve Swipes/week + \$350/semester)	\$3,450	\$1,725	\$1,725
Weekly 5 + \$150 (Five Swipes/week + \$150/semester)	\$1,590	\$795	\$795

Block Plans (non-residence hall students/faculty/staff)

Block 15 (Fifteen Swipes/semester)		\$105	\$105
Block 30 (Thirty Swipes/semester)		\$200	\$200
Block 45 (Forty five Swipes/semester)		\$295	\$295

Note:

All freshmen must select a Warrior Pass Plan.

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

Average meal plan increase of 4.2% primarily driven by salary/benefit increases, meat inflation, and utility costs.

Summary Proposal 2015 – 2016

Housing & Dining Rates

- Typical freshman room and board package increase is \$302 to \$9,054 (3.33%) = \$9.73 more per week
- Returning resident room rate increases range from 3.00% to 3.98%
- Apartment increases range from 3.4% to 5.0%
- Average meal plan increase is 4.2%

