



UNIVERSITY OF CENTRAL FLORIDA

**Board of Trustees
April 21, 2020
Virtual Meeting
2 – 4 p.m.**

Conference call in phone number 1-844-992-4726, access code 790 565 321#

AGENDA

HOUSING WORKSHOP

- | | |
|-------------------------|---|
| 1. Welcome | Beverly Seay, <i>Chair, Board of Trustees</i> |
| 2. Overview of Workshop | Joseph Trubacz, <i>Interim Vice President for Financial Affairs and Chief Financial Officer</i> |
| 3. Presentations | |

INFO – 1

Information

UCF Housing Enterprise
Moderator: Joseph Trubacz

Presenters: Maribeth Ehasz, Vice President for Student Development and Enrollment Services

Misty Shepherd, Interim Vice President for Administrative Affairs and Chief Operating Officer

Kathy Mitchell, Associate Vice President, Division of Finance

Bert Francis, Assistant Vice President, Debt Management

Duane Siemen, Interim Assistant Vice President, Facilities and Safety

April Konvalinka, Executive Director, Housing and Residence Life

Peter Mitchell, Director, Housing Administration and Finance

ITEM: INFO-1

**UCF BOARD OF TRUSTEES
April 21, 2020**

Title: UCF Housing Enterprise Workshop

Background:

At the Board of Trustees meeting on March 26, 2020, the Board approved the use of \$5.3 million in E&G carryforward funds to refund students in university-owned housing, Towers, and Rosen facilities for March 30 through April 28, 2020. Following subsequent conversations with the Board of Governors staff, the refund period was revised to start on March 27. The revised cost of the housing refunds was \$6.1 million.

Additionally, an information item was presented to provide background on Housing and Residence Life operations and financial status, in preparation for a planned request for approval of a Housing rate increase at a future Board meeting. Questions raised by the trustees regarding housing operations and cost containment strategies resulted in this subsequent workshop to provide additional information on the operations and financial status of Housing and Residence Life.

On April 1, 2020, the university withdrew its request to the Board for a proposed housing rental rate increase due to fiscal uncertainties related to the impacts of the COVID-19 virus and to allow Housing to provide additional information to the Board. Housing staff are committed to exploring ways to reduce costs in Housing in lieu of a rate increase at this time.

Issues to be Considered:

Housing and Residence Life is committed to keeping costs as low as possible for students and their families, while providing high-quality services to students living in university-owned and university-managed facilities. Issues to be discussed at this workshop include:

- Overview of the Housing enterprise, including the types of owned, managed, and affiliated housing communities and details of Housing's agreements with outside entities.
- Summary of Residence Life and Education programming and student success metrics.
- Cost analysis of the Housing enterprise.
- Summary of Housing financials including current position, analysis of debt, and five-year outlook.
- Comparison of UCF Housing with other state institutions, non-Florida peer institutions, and local apartment complexes.
- Housing's planned cost reductions.

Alternatives to Decision:

N/A – Information Only

Fiscal Impact and Source of Funding:

N/A – Information Only

Recommended Action:

N/A – Information Only

Authority for Board of Trustees Action:

Specific Board of Trustees request for additional information about Housing operations.

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Seay approved adding this item to the agenda.

Submitted by:

Joseph Trubacz, Interim Vice President for Financial Affairs and Chief Financial Officer

Supporting Documentation:

Attachment A: UCF Housing Enterprise Workshop

Facilitators/Presenters:

Joseph Trubacz, Interim Vice President for Financial Affairs and Chief Financial Officer

Maribeth Ehasz, Vice President for Student Development and Enrollment Services

Misty Shepherd, Interim Vice President for Administrative Affairs and Chief Operating Officer

Kathy Mitchell, Associate Vice President, Division of Finance

Bert Francis, Assistant Vice President, Debt Management

Duane Siemen, Interim Assistant Vice President, Facilities and Safety

April Konvalinka, Executive Director, Housing and Residence Life

Peter Mitchell, Director, Housing Administration and Finance

Attachment A

UCF Housing Enterprise Workshop

UCF Board of Trustees
April 21, 2020



Joe Trubacz

Interim Vice President and CFO

GETTING

STARTED

We will discuss:

- **Housing Enterprise**
- **Residence Life and Education**
- **Cost Analysis - UCF**
- **Housing Financials**
- **Cost Comparison - Other Institutions**
- **Cost Reduction Plans**
- **Questions and Discussion**

NEXT

Maribeth Ehasz

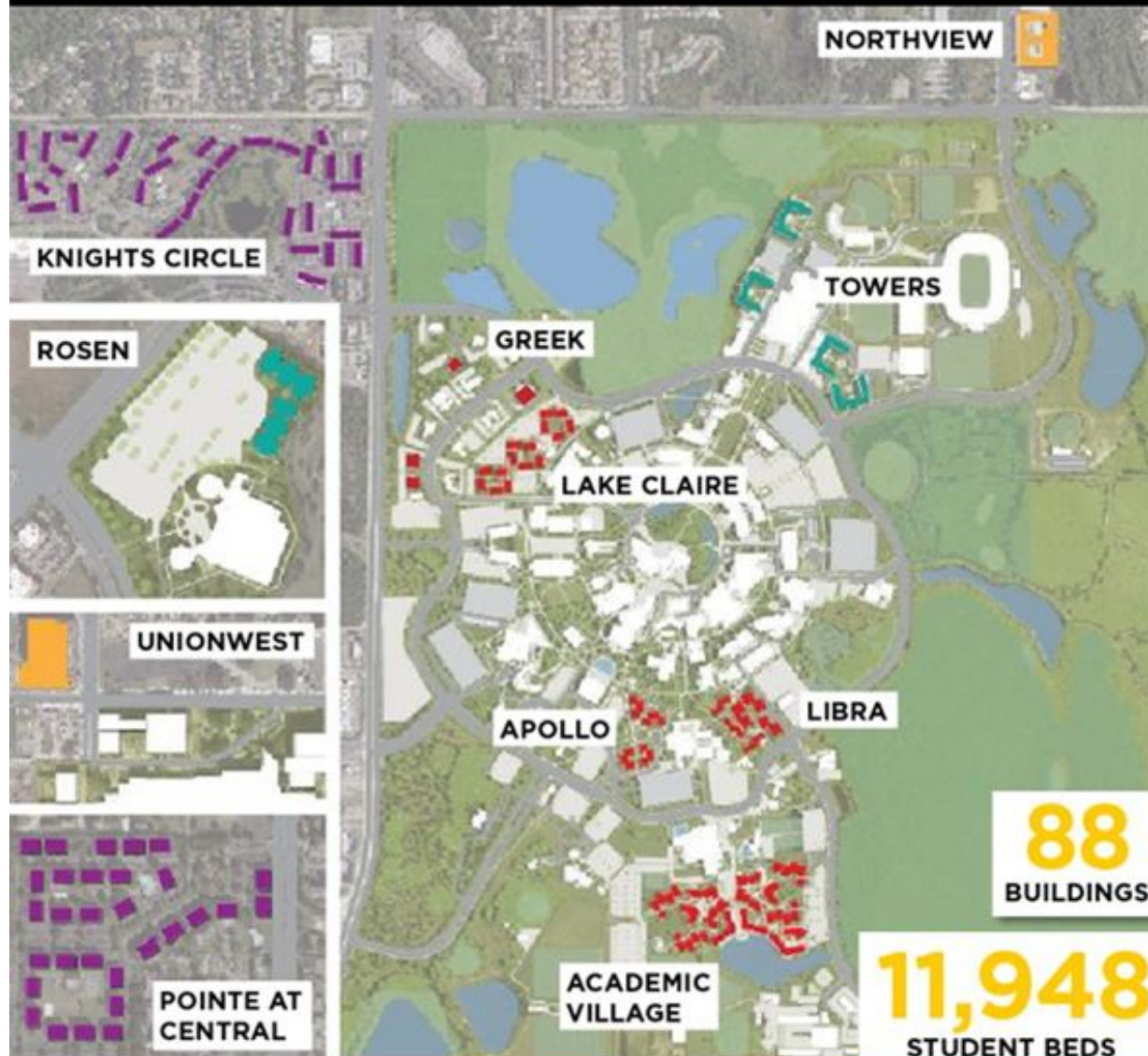
Vice President, Student Development and Enrollment Services



**Live,
Learn,
Belong.**

Housing Inventory

Safe, inclusive, affordable communities



UCF OWNED / DHRL	BEDS	SF/BED	YEAR
Apollo	427	229	1968
Libra 1	439	233	1983
Libra 2	580	268	1998
Lake Claire	701	314	1993
Academic Village			
Hercules	815	299	2002
Neptune	668	326	2013-15
Nike	815	298	2001
Greek (4 houses)	164		2009,13
TOTAL	4,609		

UCF OWNED / DSO			
Towers at Knights Plaza	1992	403	2005
Rosen	388	378	2004
TOTAL	2,380		

UCF MANAGED			
NorthView	597	379	2013
UnionWest	639	375	2019
TOTAL	1,236		

UCF AFFILIATED			
Knights Circle	2,507		
Pointe At Central	1,216		
TOTAL	4,026		



**Live,
Learn,
Belong.**

Occupancy Rates

High demand for campus living experience



UCF OWNED / DHRL

Apollo	98%
Hercules	99%
Lake Claire	100%
Libra	97%
Neptune	99%
Nike	100%
Greek (4 houses)	99%

UCF OWNED / DSO

Towers	99%
Rosen (Rosen Campus)	100%

UCF MANAGED

NorthView	99%
UnionWest (Downtown Campus)	96%

AVERAGE

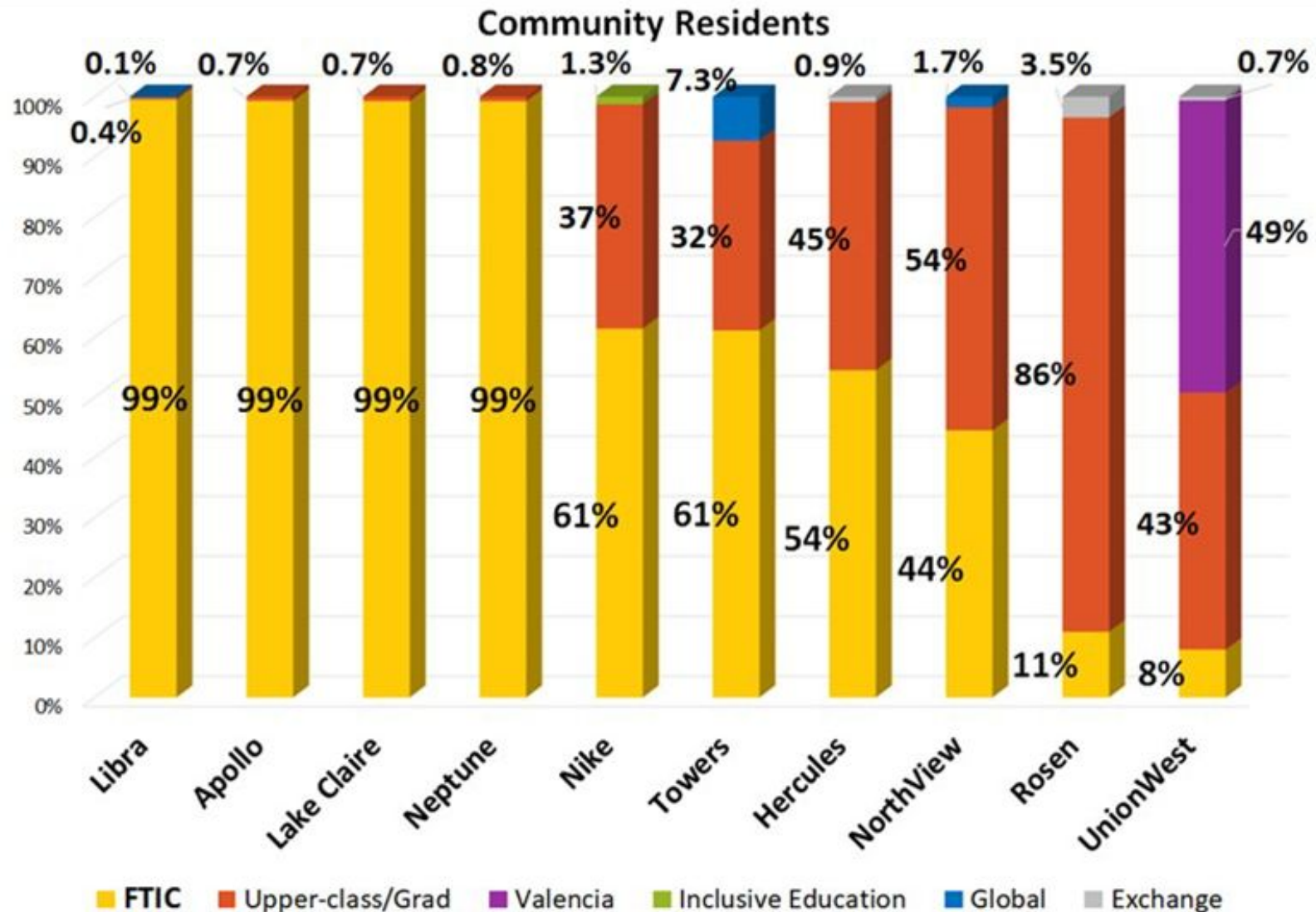
99%



**Live,
Learn,
Belong.**

Who We Serve

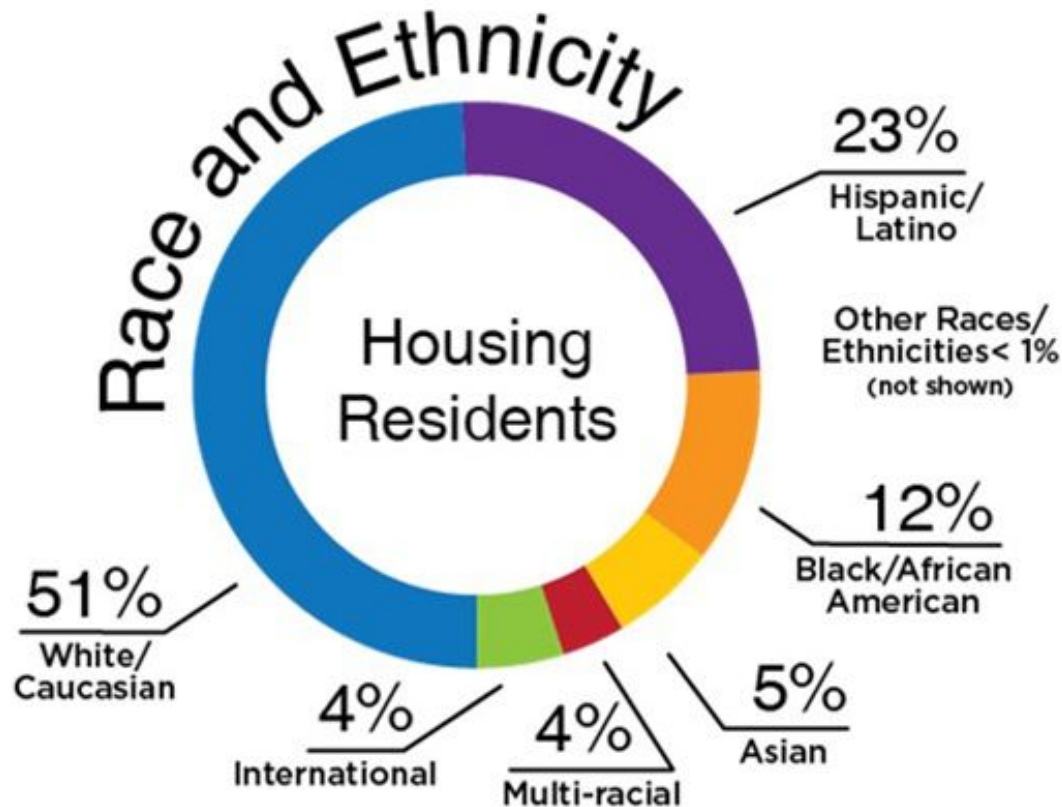
72% of the FTIC cohort lives on campus



Live,
Learn,
Belong.

Who We Serve

Caring for diverse populations



15% of residents identify as "first generation"

73 residents requested gender neutral housing

63 residents approved for assistance animals
(55 ESAs and 8 service dogs)

Fall 2019 demographics describe students living in UCF Housing owned, managed and DSOs. Numbers do not include UCF affiliated.



COMING UP

NEXT

We will discuss:

- Housing Enterprise
- **Residence Life and Education**
- Cost Analysis - UCF
- Housing Financials
- Cost Comparison- Other Institutions
- Cost Reduction Plans
- Questions and Discussion



April Konvalinka

Executive Director, Housing and Residence Life

Residence Life and Education

We are educators.
community builders.
conflict mediators.
24/7 crisis responders.
a network of support.

We create communities where residents
Live, Learn, and Belong.

Live,
Learn,
Belong.

The On-Campus Difference



- Live-in Staff
- Residential Curriculum
- Living Learning Communities
- Resident Assistants
- Outreach and Care
- Student Success

Live,
Learn,
Belong.

Live-in Staff

A network of community support



≈ **12,000**
RESIDENTS

IN **14**
COMMUNITIES



199
RESIDENT ASSISTANTS



21
GRADUATE ASSISTANTS



15
COORDINATORS

Resident Assistants, Graduate Assistants and master's-level professional Coordinators provide a diverse, highly-trained network to support and care for our residents.

These teams of live-in staff provide the on-campus living and learning experience that impacts every resident.



Live,
Learn,
Belong.

Residential Curriculum

Intentional learning focus

Traditional Programming Models

- Program topics did not connect to learning goals
- Program effectiveness measured by attendance
- Focused on social programs (pizza parties, movie nights)

Residential Curriculum Model

- Engagements focus on university educational priorities (student success and retention)
- Program effectiveness measured through student learning outcomes
- Uses learner-centered pedagogy

Live,
Learn,
Belong.

Residential Curriculum

Innovation into practice

Educational Priority: Global Citizenship

"As a result of living on campus, students will become engaged global citizens."

Learning Goals

- Community Engagement
- Self-Awareness
- Equity & Inclusion

Engagement Strategies

- Community Meetings
- Intentional Conversations
- Campus Partnerships
- Self-guided Engagements
- Community Engagements



Live,
Learn,
Belong.

Living Learning Communities

Partnering for high impact practice

Academic experience

EXCEL/COMPASS

Future Educators

LEAD Scholars

L.E.A.R.N. *

Nursing@Nike *

** Includes required class
for LLC members*



LLCs are "cohorts of students intentionally grouped together in a residence hall who have a shared academic experience along with cocurricular learning activities for engagement with their peers." (Inkelas & Soldner, 2011)

Shared experience

UCF First

Healthy Knights

Honors

Out of State



Live,
Learn,
Belong.

Resident Assistant

Making campus home

- Safety and security
- Community building
- Operational support
- Personalized outreach
- Resource and referral



Live,
Learn,
Belong.

RA to resident ratios

UCF RAs go the extra mile



UCF's average
RA to resident
ratio:

1:55

**highest of
SUS institutions**

Average RA to
resident ratio for
other SUS
institutions:

1:35

*Source: 2019 FHO annual survey
(10 of 12 institutions contributed)*

Live,
Learn,
Belong.

Outreach and Care

Connections matter

- **23,328** Residential curriculum engagements logged (8/15/19- 3/6/2020)
- **2,021** Resident conduct cases and care touchpoints (2018-19)
- **399** Student of concern referrals (2018-19)



Retention & Graduation Rates

	FTIC 2018-2019 Retention	FTIC 2015-2016 4-Year Graduation Rate	FTIC 2013-2014 6-Year Graduation Rate
UCF Owned	91.6%	49.4%	74.1%
UCF Owned / DSO	92.3%	53%	73.7%
UCF Managed	89.5%	51%	60%
UCF Affiliated	93.6%	45.1%	61.9%
Off-campus and commuter	90.9%	38.7%	70.1%

Note: Residents typically live in housing for 1 year.



Peer Institutions

University Innovation Alliance

UIA's 11 prestigious member campuses represent 20% of students at larger research universities and include many of the largest student housing programs in the United States.

1. University of Central Florida
2. Oregon State University
3. Arizona State University
4. University of Kansas
5. Georgia State University
6. Purdue University
7. The Ohio State University
8. University of California, Riverside
9. Iowa State University
10. University of Texas at Austin
11. Michigan State University



**All UIA campuses have
exceptional housing programs.**

COMING UP

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- Cost Reduction Plans
- Questions and Discussion



Peter Mitchell

Director, Housing and Residence Life, Administration and Finance

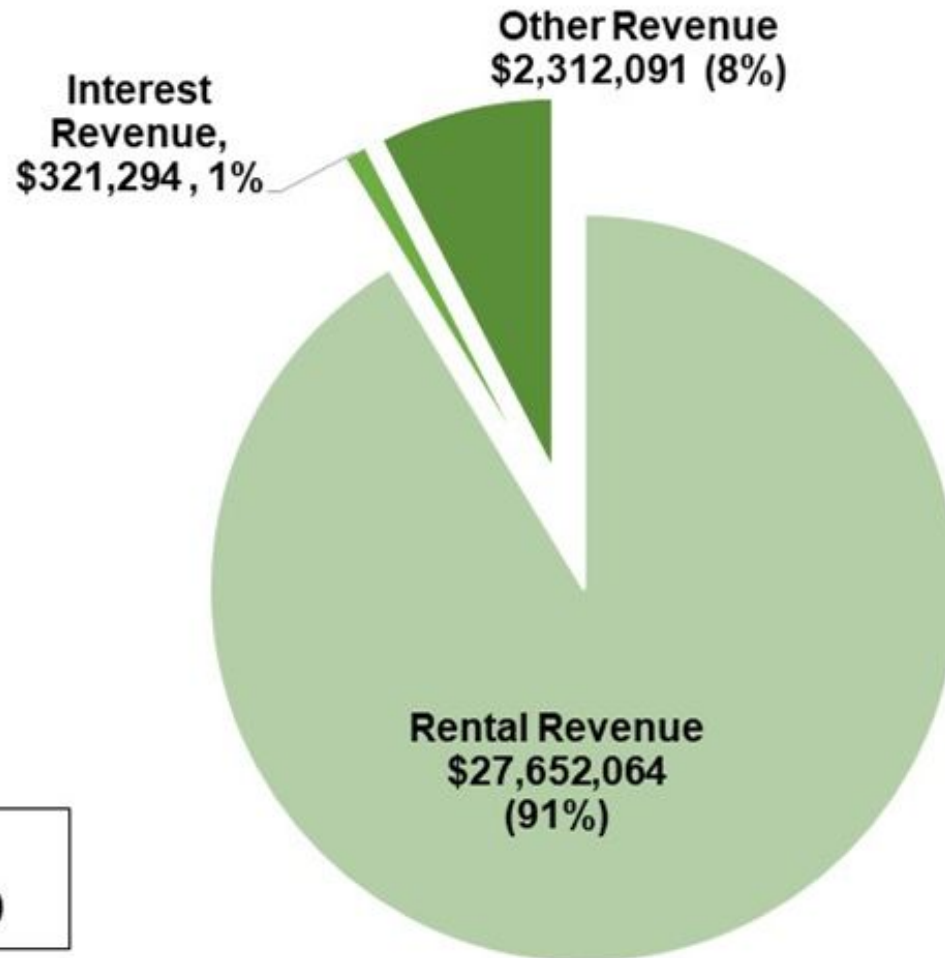
2019 Financial Overview

Revenue and Expenditures

Revenue:	
Rental Revenue	\$ 27,652,064
Other Revenue	2,312,091
Interest and Investment Earnings	321,294
Total Revenue	\$ 30,285,449
Expenditures:	
Salaries and Matching	\$ 7,893,668
Other Personnel Services	1,817,761
Repairs and Maintenance	2,753,551
Utilities	3,306,637
Operating Expenses	2,388,047
Operating Capital Outlay	101,986
Debt Service	8,626,004
Transfers:	
Other	525,987
Auxiliary Overhead	1,958,484
Construction	3,878,702
Replacement Reserve	-
Interest and Investment Transfers	580,946
Total Expenditures	\$ 33,831,773

2019 Revenue

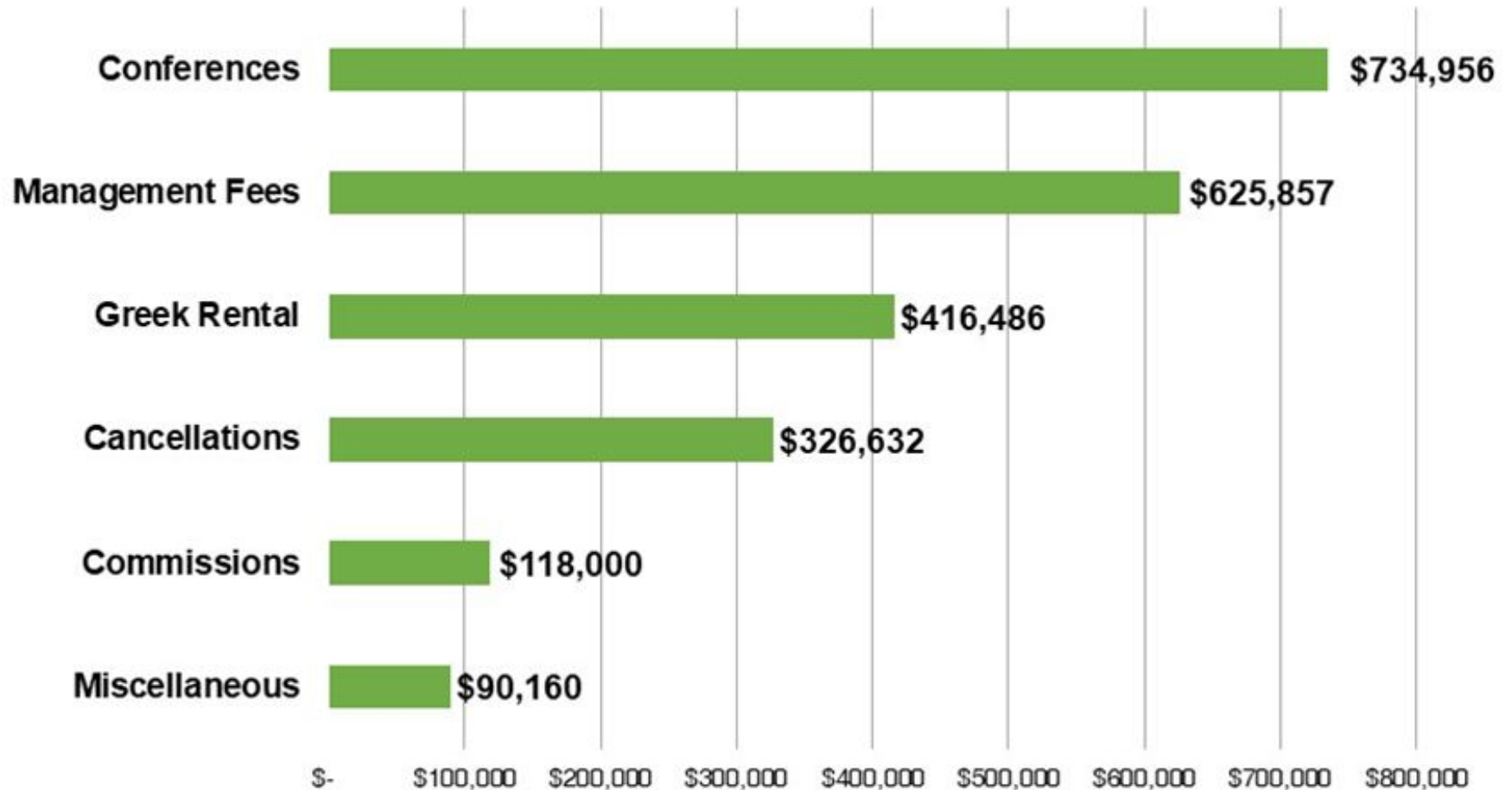
Housing and Residence Life Total Revenue



Revenue
Total: \$ 30,285,449

2019 Revenue

Other Revenue

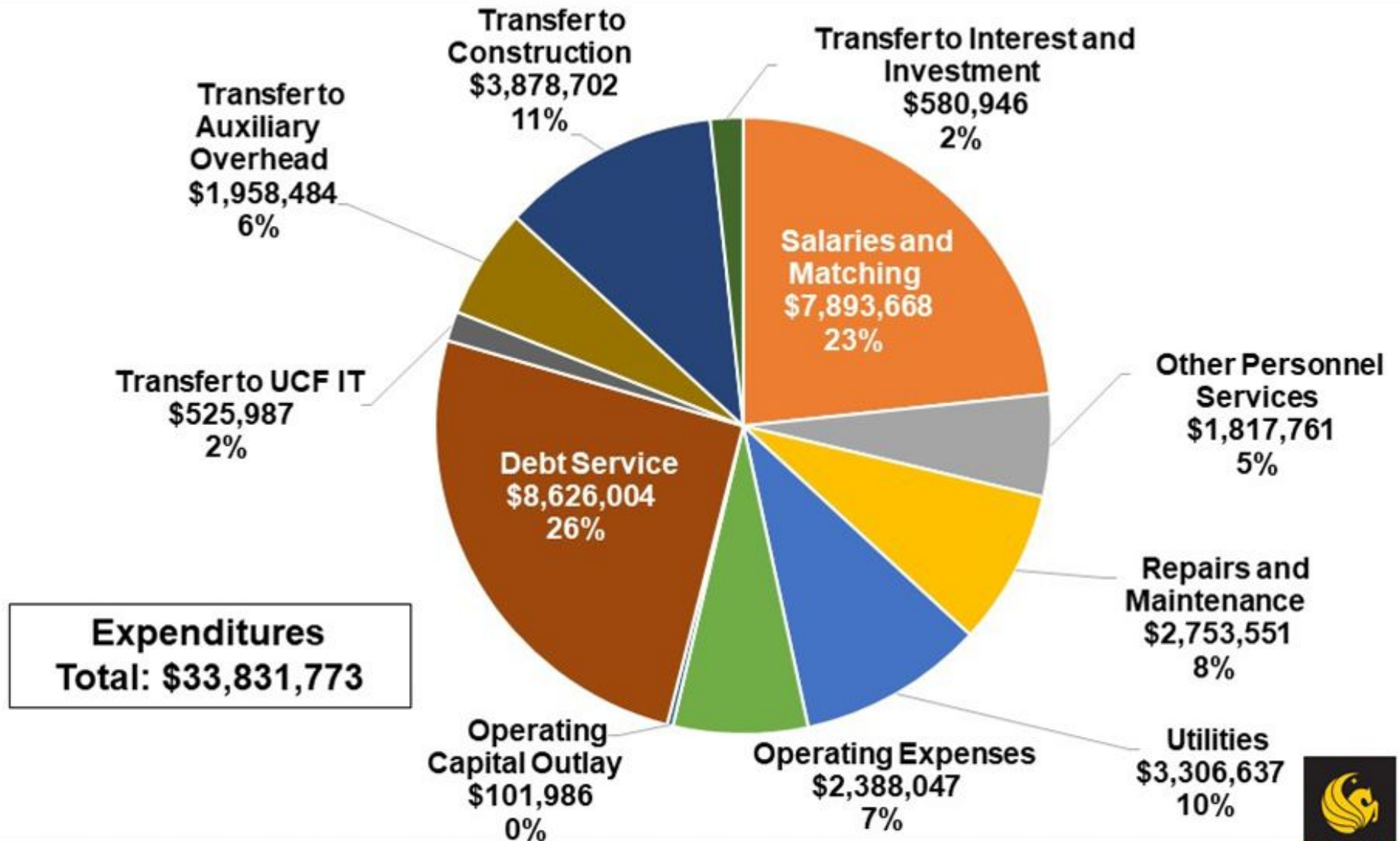


**Other Revenue
Total: \$2,312,091**



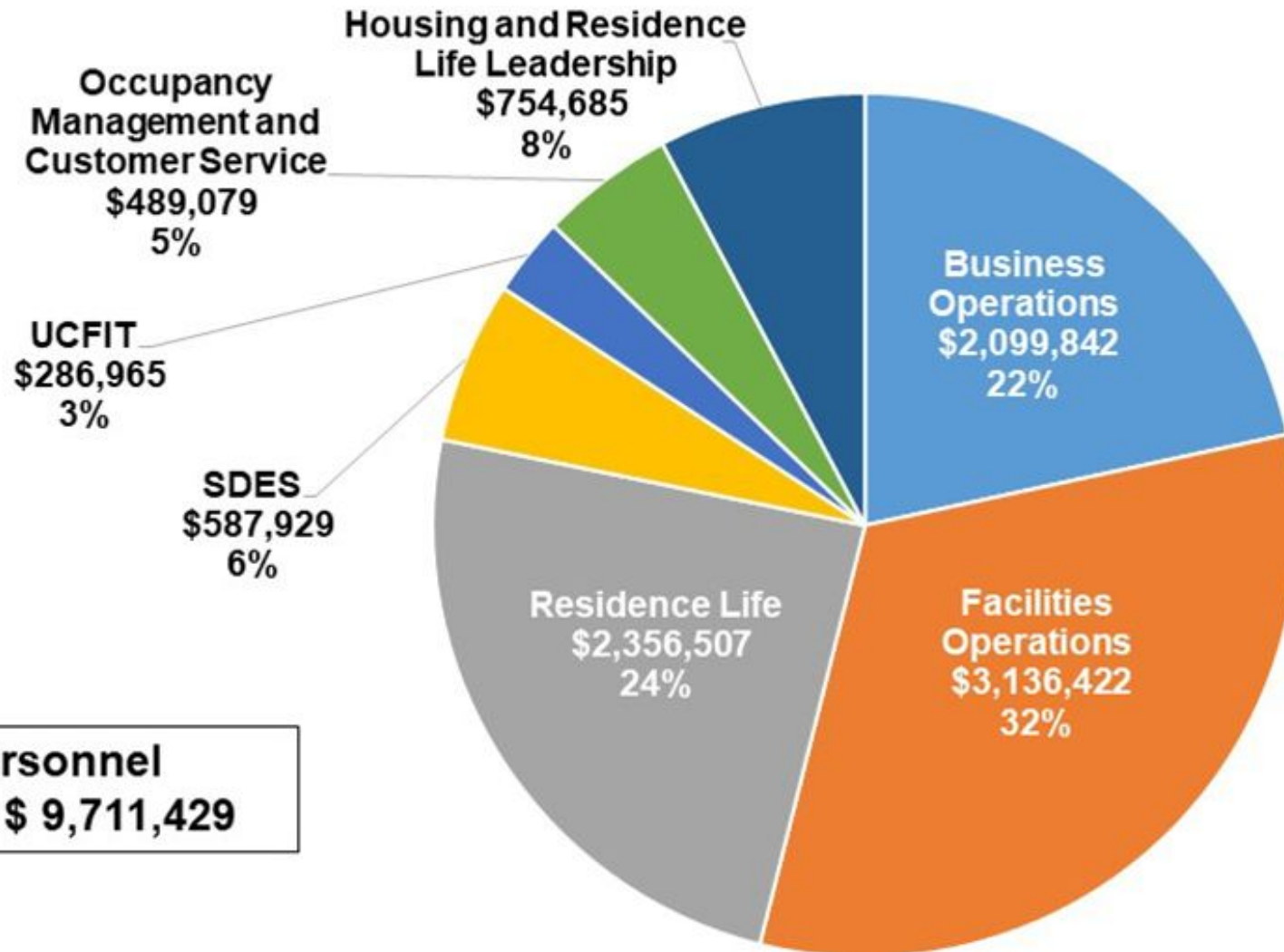
2019 Financial Overview

Expenditures



2019 Personnel Expense

Housing and Residence Life Staff



2019 Financial Overview

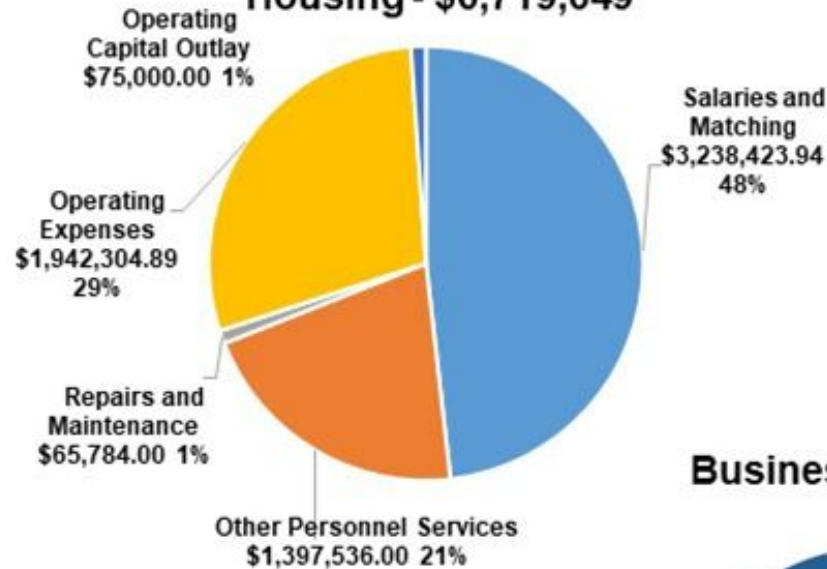
Expenditures

Value Added - University Support - \$6,944,119

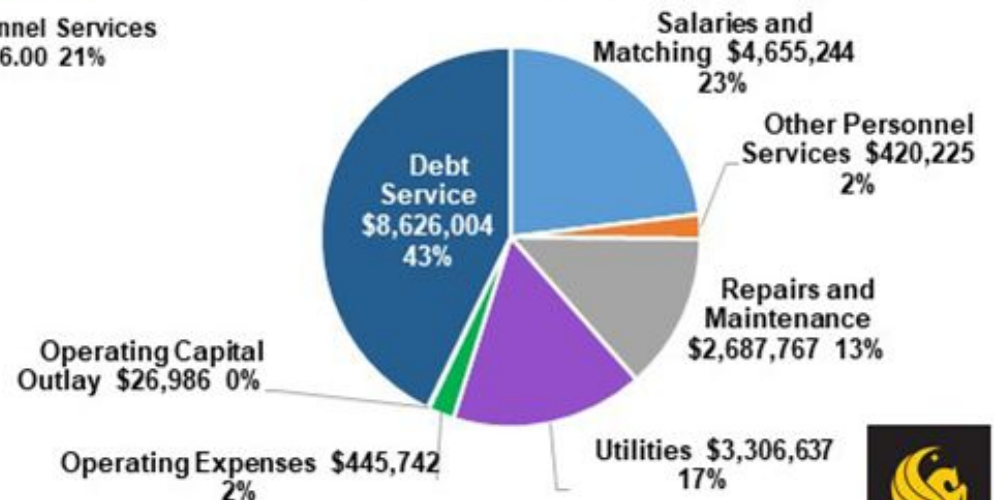


Expenditures
Total: \$33,831,773

Value Added - On Campus Student Housing - \$6,719,049

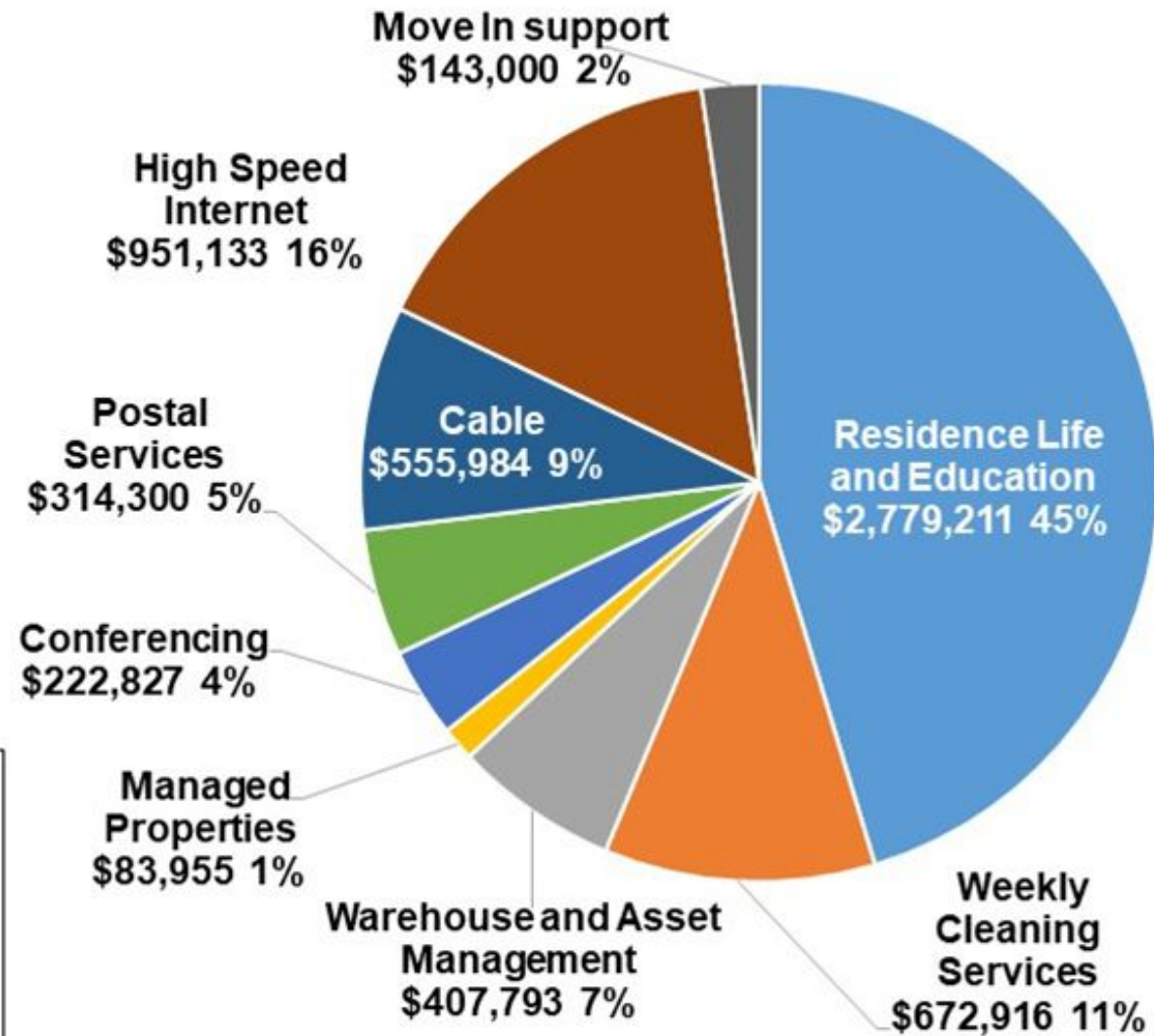


Business Operations - \$20,168,605



2019 DHRL Value Added

Included Services



**DHRL Value Added
Total: \$6,131,119**

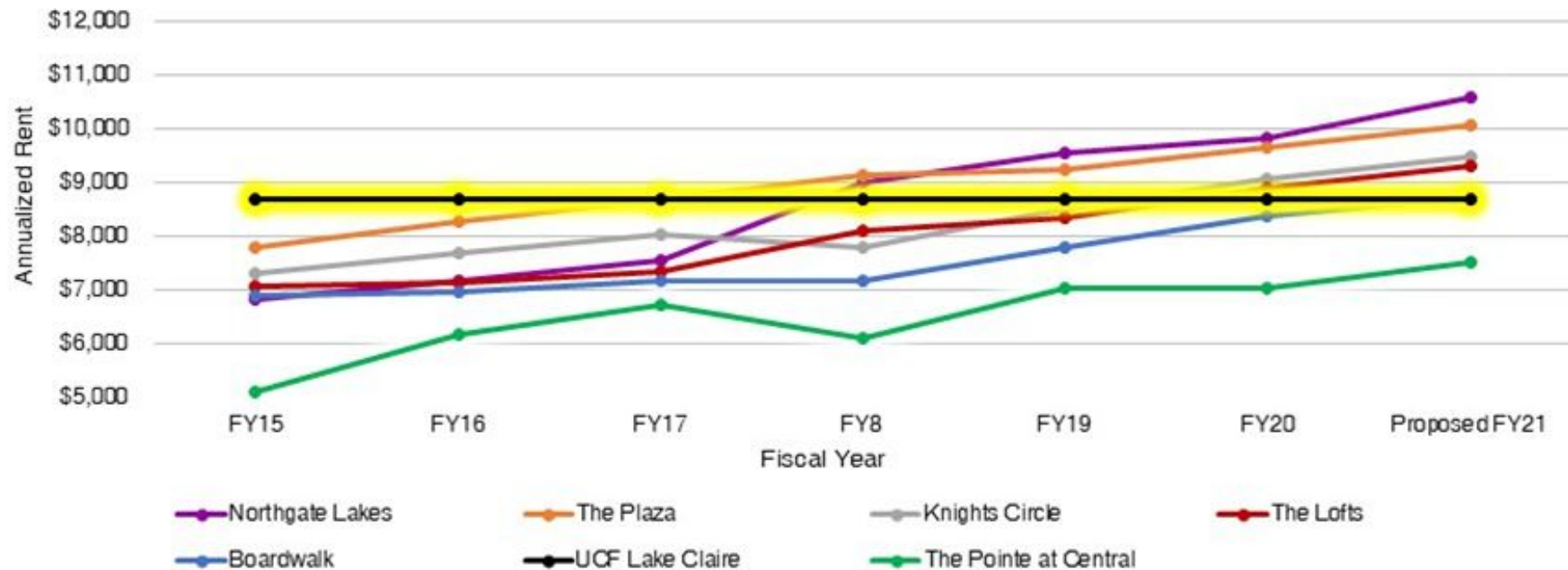
**Added value of \$147.80
per student, per month**



Market Comparison

Privately Owned Housing

Privately Owned Annualized Rent, FY15 to FY20



Annualized Rent (incl some utilities)	FY15	FY16	FY17	FY18	FY19	FY20	Proposed FY21	
Northgate Lakes	\$ 6,840	\$ 7,188	\$ 7,560	\$ 9,000	\$ 9,528	\$ 9,828	\$ 10,581	Additional Utility Fee
The Plaza	\$ 7,788	\$ 8,268	\$ 8,688	\$ 9,132	\$ 9,240	\$ 9,648	\$ 10,072	Additional Utility Fee
Knights Circle	\$ 7,320	\$ 7,680	\$ 8,040	\$ 7,800	\$ 8,520	\$ 9,060	\$ 9,462	Additional Utility Fee
The Lofts	\$ 7,068	\$ 7,140	\$ 7,344	\$ 8,100	\$ 8,340	\$ 8,880	\$ 9,299	Utility Cap of \$1,680
Boardwalk	\$ 6,900	\$ 6,960	\$ 7,188	\$ 7,188	\$ 7,800	\$ 8,388	\$ 8,727	Utility Cap of \$1,800
UCF Lake Claire	\$ 8,689	\$ 8,689	\$ 8,689	\$ 8,689	\$ 8,689	\$ 8,689	\$ 8,689	Utilities Included
The Pointe at Central	\$ 5,120	\$ 6,180	\$ 6,720	\$ 6,120	\$ 7,020	\$ 7,020	\$ 7,514	Additional Utility Fee

COMING UP

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- **Housing Financials**
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Bert Francis

Assistant Vice President, Debt Management

Housing Financials

Present Picture

	Previous FY 2020 Projections	Revised FY 2020 Projections	Variance Favorable (Unfavorable)
Total Revenue ¹	\$ 32,167,252	\$ 28,312,904	\$ (3,854,348)
Expenditures			
Salaries and Benefits ²	8,156,151	9,004,037	(847,886)
Other Personal Services ³	1,915,053	1,750,645	164,408
Repairs & Maintenance ⁴	3,169,944	1,659,944	1,510,000
Utilities ⁵	2,767,394	3,104,967	(337,573)
Operating Expense	3,688,716	3,743,705	(54,989)
Operating Capital Outlay ⁶	90,000	5,000	85,000
Debt Service	8,337,250	8,337,250	-
Transfers:			-
Auxiliary Overhead	1,990,855	1,990,855	-
Construction ⁷	1,224,000	-	1,224,000
Replacement Reserve ⁸	484,829	-	484,829
Interest and Investment Transfers	1,923,902	1,923,902	-
Total Expenditures	33,748,094	31,520,305	2,227,789
Net increase (decrease) from operations	\$ (1,580,841)	\$ (3,207,401)	\$ (1,626,559)
Beginning Operating Cash	\$ 7,079,182	\$ 5,452,623	-
Projected Ending Operating Cash	7,079,182	5,452,623	(1,626,559)
Ending Replacement Reserves ⁸	9,073,005	8,288,176	(784,829)
Total Cash	\$ 16,152,188	\$ 13,740,799	\$ (2,411,388)

¹ The revised revenue projections have removed all anticipated UCF owned on-campus rental revenues and all other revenues generated from conferences and summer events.

² The revised salary projections are higher than the previous estimates prepared as of Q2. There are no projected decreases in salary costs for A&P and USPS personnel as the majority of these employees are either working remotely or will be utilizing paid leave balances.

³ OPS salaries include costs for part time personnel, RA personnel, and other temporary staffing which will be scaled back during the summer period.

⁴ Housing has reviewed it's budgeted repair and maintenance expenditure plans for the year and has revised their estimated expenditures shown in the table below. All projects that were removed below would be deferred until the next fiscal year with the exception of the Fresh Air Increase Project which we plan to cover using R&R funds.



Housing Financials

Repairs and Maintenance

Projected Repair and Maintenance Projects	Previous FY 2020 Projections	Revised FY 2020 Projections
General repairs & maintenance	\$ 1,659,944	\$ 1,659,944
Replace chill water HVAC units-Nike & Hercules Communit	500,000	
Renovation of showers in Hercules Community	430,000	
Fresh Air Increase Project (Will now fund from R&R)	300,000	
Replacement of Brevard, Orange, and Seminole Stairwells	280,000	
Total Repair and Maintenance	\$ 3,169,944	\$ 1,659,944

Housing Transfer to Repair & Replacement Reserve	Previous FY 2020 Projections	Revised FY 2020 Projections
Operating revenue (Does Not Include Interest Income)	\$ 30,243,350	\$ 26,389,002
30% reserve requirement	9,073,005	7,916,701
Fresh Air Increase Project	-	(300,000)
Estimated R&R balance end of prior year	8,588,176	8,288,176
Additional transfer necessary	\$ 484,829	\$ -

⁵ Utilities are trending higher than the initial expectations. UCF Housing is working with the Utility and Energy Services department to determine the levels of anticipated utility savings if certain dormitories, apartments, and other housing facilities are closed during the summer period.

⁶ Other Capital Outlay projections originally included the cost of 4 new vehicle purchases. These purchases will be deferred to the next fiscal year.

⁷ Construction transfers previously included a \$1.2M transfer to the University's telecommunications department for the ongoing ResNet upgrade project. It was determined that all future planned transfers can be deferred by 1 year.

⁸ The R&R fund must maintain a cash balance equal to 30% of projected operating revenues. Due to the projected decrease in Summer revenues, a transfer would no longer be required for FY 2020.

Housing Financials

Actuals

	FY 2012		FY 2013		FY 2014		FY 2015		FY 2016		FY 2017		FY 2018		FY 2019	
	Actual	0%	Actual	0%	Actual	0%	Actual	0%	Actual	0%	Actual	0%	Actual	0%	Actual	0%
Revenue: (rental rate increase)																
Rental Revenue	\$ 24,562,355		\$ 24,506,870		\$ 27,383,818		\$ 26,664,970		\$ 27,632,217		\$ 27,970,009		\$ 28,004,345		\$ 27,652,064	
Other Revenue	58,462		8,192		1,777,057		1,998,284		2,265,920		2,444,736		2,343,426		2,312,091	
Interest and Investment Earnings	288,059		891,505		252,886		372,089		425,147		521,794		496,319		321,294	
Total Revenue	24,908,876		25,406,567		29,413,761		29,035,343		30,323,284		30,936,539		30,844,090		30,285,449	
Expenditures:																
Salaries and Matching	5,050,464		5,301,089		5,449,336		6,072,230		6,581,862		6,963,358		7,551,406		7,893,668	
Other Personnel Services	1,123,332		1,330,363		1,537,009		1,543,840		1,654,243		1,635,411		1,548,718		1,817,761	
Repairs and Maintenance	1,096,244		529,161		1,807,198		2,264,715		3,316,394		4,440,102		4,692,727		1,068,760	
Utilities	2,523,561		2,215,039		2,466,898		2,766,886		2,798,550		2,917,917		3,177,584		3,306,637	
Operating Expenses	1,742,735		3,022,451		2,930,923		2,240,988		2,440,872		2,952,468		2,540,156		2,388,047	
Operating Capital Outlay	313,137		122,883		378,691		38,232		82,446		138,500		80,960		101,986	
Debt Service	6,372,588		8,255,859		7,981,912		8,799,887		8,804,418		8,798,733		8,780,273		8,626,004	
Transfers:																
Other	489,876		1,054,961		580,145		568,543		537,761		537,118		525,987		525,987	
Auxiliary Overhead	946,868		1,128,106		1,048,986		1,160,237		1,339,562		1,671,014		1,888,516		1,958,484	
Construction	1,615,960		1,689,203		(121,859)		513,244		(1,350,897)		2,550,000		2,765,286		3,878,702	
Renewal and Replacement	-		-		-		-		-		-		-		1,411,630	
Planned Maintenance and Improvements	-		-		-		-		-		-		-		273,161	
Replacement Reserve	735,677		1,500,000		2,174,637		704,145		-		-		-		-	
Interest and Investment Transfers	-		-		-		325,422		425,147		521,794		496,319		580,946	
Total Expenditures	22,010,442		26,149,115		26,233,876		26,998,369		26,630,359		33,126,415		34,047,932		33,831,773	
Net Increase (decrease) to operating fund cash	\$ 2,898,434		\$ (742,548)		\$ 3,179,885		\$ 2,036,974		\$ 3,692,925		\$ (2,189,876)		\$ (3,203,842)		\$ (3,546,324)	
Ending Operating Cash	\$ 9,432,831		\$ 8,690,283		\$ 11,870,168		\$ 13,907,142		\$ 17,600,067		\$ 15,410,191		\$ 12,206,348		\$ 8,660,024	
Projected Debt Service Coverage Ratio	2.10		1.58		1.91		1.61		1.54		1.37		1.29		1.59	
Ending Replacement Reserves	\$ 4,092,463		\$ 5,661,130		\$ 7,875,136		\$ 8,588,176		\$ 8,588,176		\$ 8,588,176		\$ 8,588,176		\$ 8,588,176	

Housing Financials

Debt Q&As

1. Is there a required year end debt service coverage ratio?

No, the debt service coverage ratio is tested only when additional bonds are being issued.

2. Is there a required debt service coverage ratio when we set the budget each year?

Yes, the debt service coverage ratio is 1x. The covenants set forth in the original authorizing resolution require that in preparing and adopting a budget, rental charges be set in amounts sufficient to pay 100% of the current expenses and the administrative expenses, so that the pledged revenues will be sufficient to pay 100% of the annual debt service requirement and 100% of all other payments required by the resolution.

3. What happens if the debt service coverage ratio at year end falls below 1.20x, what is the impact to our ability to issue additional bonds.

The debt service coverage ratio will be tested when additional bonds are being issued. The test looks back at the two immediately preceding fiscal years.

Housing Financials

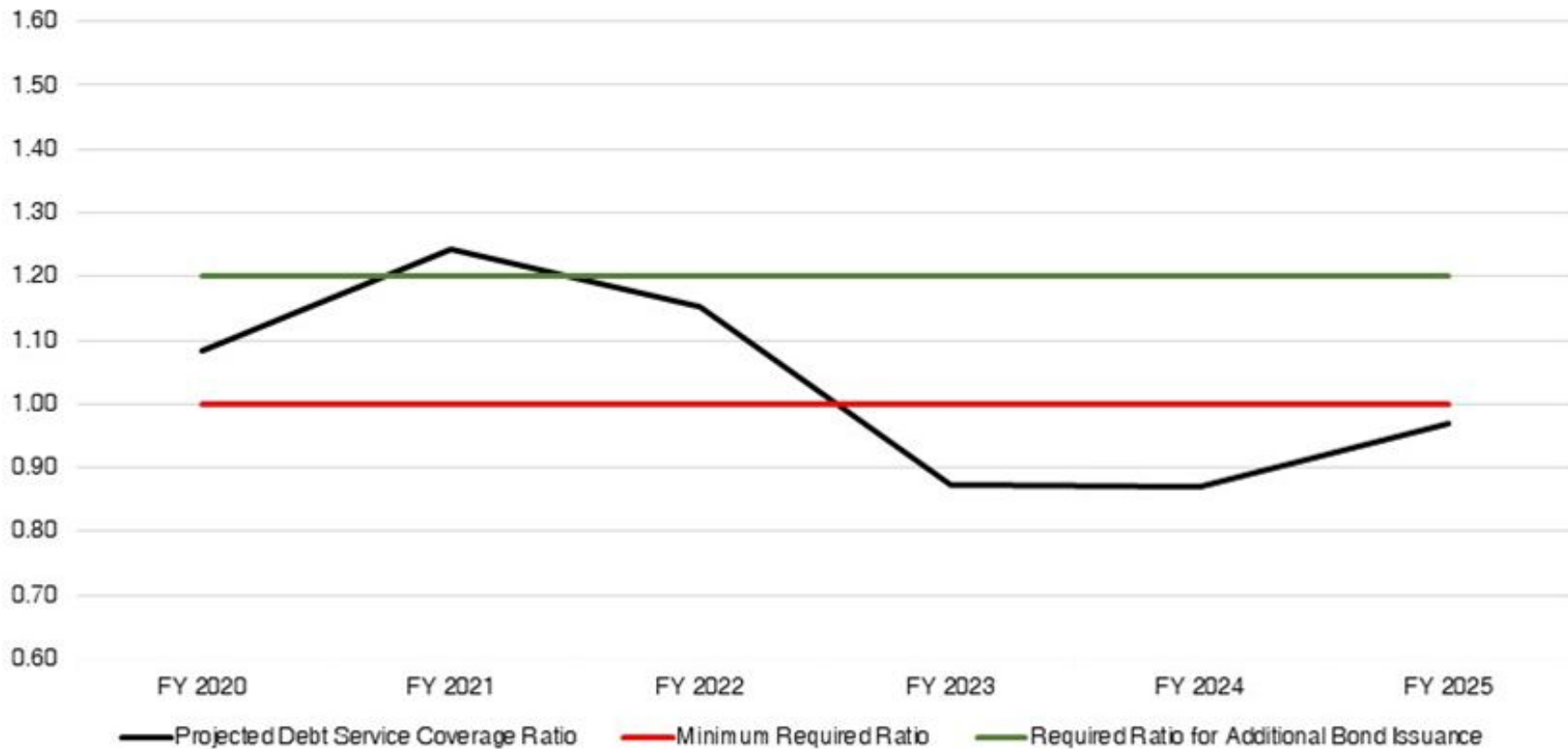
5 Year Outlook

	FY 2020 Estimated	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected	FY 2024 Projected	FY 2025 Projected
Revenue: (rental rate increase)	0%	0%	0%	0%	0%	0%
Rental Revenue	\$ 25,724,564	\$ 27,723,350	\$ 27,723,350	\$ 27,723,350	\$ 27,723,350	\$ 27,723,350
Other Revenue	664,438	2,520,000	2,520,000	2,520,000	2,520,000	2,520,000
Interest and Investment Earnings	1,923,902	525,480	525,480	525,480	525,480	525,480
Total Revenue	28,312,904	30,768,830	30,768,830	30,768,830	30,768,830	30,768,830
Expenditures:						
Salaries and Matching	9,004,037	8,686,381	8,946,973	9,215,382	9,491,843	9,776,598
Other Personnel Services (OPS)	1,750,645	1,721,463	1,773,107	1,826,300	1,881,089	1,937,522
Repairs and Maintenance	1,659,944	3,320,000	4,942,600	6,406,928	5,878,036	4,615,977
Utilities	3,104,967	2,850,416	2,935,928	3,024,006	3,114,727	3,208,168
Operating Expenses	3,743,705	3,747,928	3,860,366	3,976,177	4,095,462	4,218,326
Operating Capital Outlay (OCO)	5,000	92,700	95,481	98,345	101,296	104,335
Debt Service	8,337,250	8,334,025	7,129,650	7,128,900	7,126,900	7,131,400
Transfers:						
Auxiliary Overhead	1,990,855	2,000,000	2,119,513	2,246,078	2,480,990	2,700,185
Construction	-	1,350,000	1,350,000	1,350,000	-	-
Replacement Reserve	-	-	-	-	-	-
Interest and Investment Transfers	1,923,902	525,480	525,480	525,480	525,480	525,480
Total Expenditures	31,520,305	32,628,393	33,679,097	35,797,596	34,695,822	34,217,991
Net Increase (decrease) to operating fund cash	\$ (3,207,401)	\$ (1,859,563)	\$ (2,910,267)	\$ (5,028,766)	\$ (3,926,992)	\$ (3,449,161)
Ending Operating Cash	\$ 5,452,623	\$ 3,593,060	\$ 682,793	\$ (4,345,973)	\$ (8,272,966)	\$ (11,722,127)
Projected Debt Service Coverage Ratio	1.08	1.24	1.15	0.87	0.87	0.97
Ending Replacement Reserves	\$ 8,288,176	\$ 8,288,176	\$ 8,288,176	\$ 8,288,176	\$ 8,288,176	\$ 8,288,176

Housing Financials

5 Year Outlook

**Projected Debt Service Coverage Ratio With No Rate Increases
or Expense Reductions**



COMING UP

NEXT

We will discuss:

- Housing Enterprise
- Residence Life and Education
- Cost Analysis - UCF
- Housing Financials
- **Cost Comparison - Other Institutions**
- Cost Reduction Plans
- Questions and Discussion

Frances Lengowski and David Oakley
VMDO

Kevin Mura and Joe Winters
Brailsford & Dunleavy

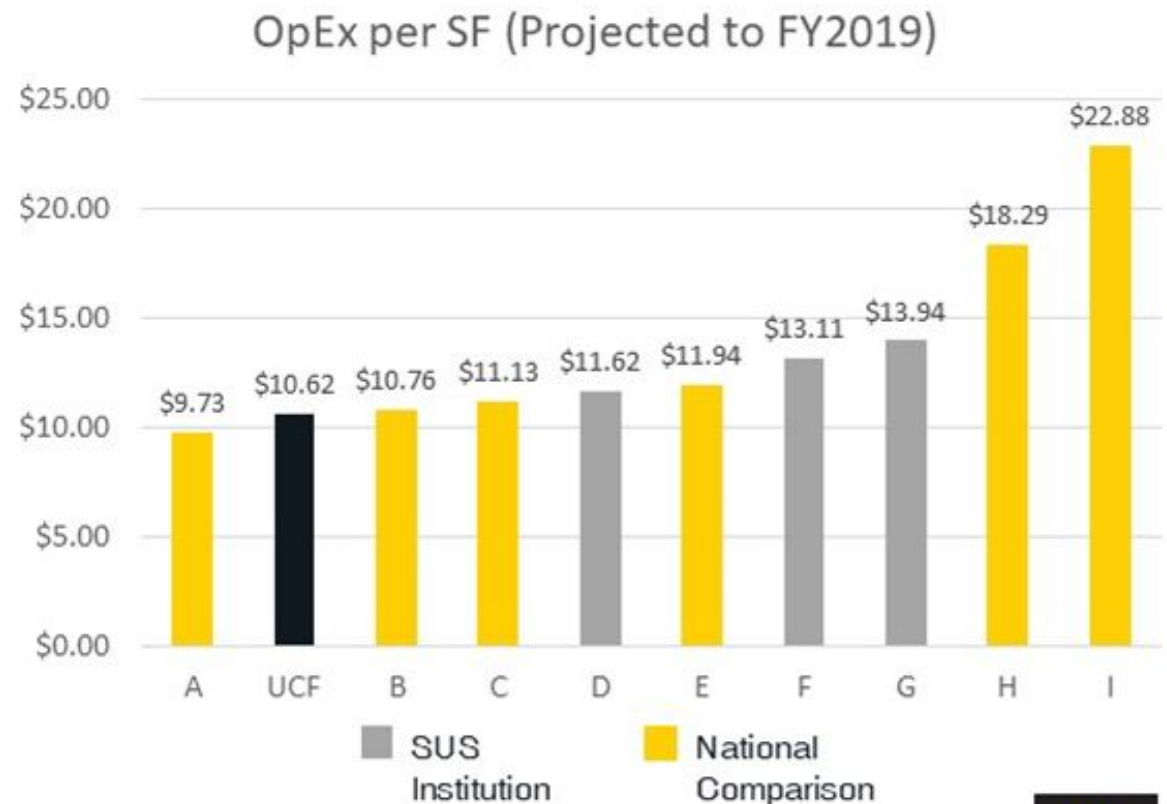


Operating Expense Comparison

Per square foot

Operating expenses sample includes the following institutions:

Category	Institution	Fiscal Year of Analysis
SUS Institutions	UCF	2019
	UF	2019
	FAU	2017
	USF	2014
National Comparisons	South Carolina	2019
	VCU	2018
	Houston	2017
	George Mason	2017
	Rutgers	2017
	NC State	2017



Excludes debt service and non-operating transfers

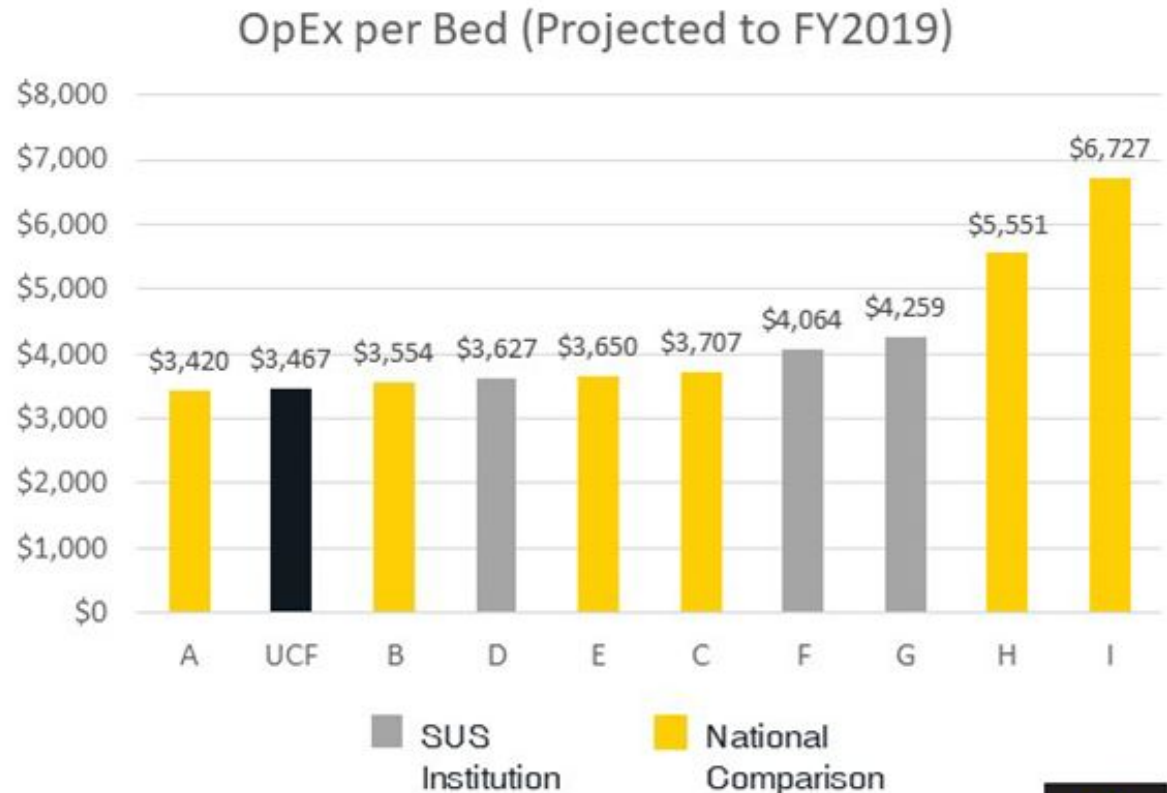


Operating Expense Comparison

Per bed

Operating expenses sample includes the following institutions:

Category	Institution	Fiscal Year of Analysis
SUS Institutions	UCF	2019
	UF	2019
	FAU	2017
	USF	2014
National Comparisons	South Carolina	2019
	VCU	2018
	Houston	2017
	George Mason	2017
	Rutgers	2017
	NC State	2017



Excludes debt service and non-operating transfers



COMING UP

NEXT

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- **Cost Reduction Plans**
- Questions and Discussion

Maribeth Ehasz

Vice President, Student Development and Enrollment Services

Misty Shepherd

Interim Vice President and COO



Cost Reduction Plan

Personnel

Eliminate Residence Hall & Apartment Patrol (RHAP) Positions

Impact:

- Loss in student employment
- RA's would take on additional responsibilities, such as rounds and responding to evening calls
- Community offices would close at 8 pm

FY20: \$69,481
FY21-25: \$416,887/yr

Delay Filling Vacancies/Cancel Searches for 2020-2021

Impact:

- Reduction in the level of service
- Potential overtime implications
- Additional stress on staff

FY20: \$77,595
FY21: \$465,569

Reduce Summer Resident Assistant Staff

Impact:

- Minimal impact, no summer housing due to COVID-19

FY20: \$70,663
FY21: \$35,331

Personnel cont. next slide



Cost Reduction Plan

Personnel cont.

Eliminate ACUHO-I Interns

Impact:

- Less opportunity to bring someone from another university to learn what and how we do things at UCF
- Reduction in service and new knowledge brought to UCF

FY20: \$24,264
FY21-25: \$36,396/yr

Reduce Weekly Cleaning in Campus Housing Communities

Impact if reduce cleaning to once a semester:

- Decrease lifecycle of certain building infrastructure such as furniture and carpet
- Reduction in reporting of issues in a student space
- Less contact with students and their living space
- Increased cleaning issues/concerns at end of year
- Potential student complaint as this would be a significant shift; but this is manageable and education can be provided.
- Moves existing housekeeping staff to E&G payroll by reducing housing auxiliary payroll. Moves money but no overall savings to university not to mention union related logistical challenges.

FY20: \$112,153
FY21-25: \$672,916

Personnel Totals:

FY20: \$987,156	FY23: \$1,126,199
FY21: \$1,627,099	FY24: \$1,126,199
FY22: \$1,126,199	FY25: \$1,126,199



Cost Reduction Plan

Operations

Eliminate Cable Service to Residence Halls on Main Campus

Impact:

- Minimal impact, many students already use online providers including Hulu and Netflix

FY20: \$92,664
FY21-25: \$555,984/yr

Conference Expense Savings

Impact:

- Not having revenue is a huge impact on our budget
- Not hosting conference this summer, impact the budget therefore need to suspend due to COVID-19

FY20: \$95,337
FY21: \$71,503

Reduce Residential Education Training Funds

Impact:

- Partial and temporary reduction in funds available for training staff
- No student leadership conference travel
- Reduction in funds available for Living Learning Communities

FY21-25: \$135,690

Reduce Landscape and Natural Resource Work Around Residential Communities

Impact:

- Minimal impact on walk-up appeal to buildings

FY21-25: \$40,000

Operations cont. next slide



Cost Reduction Plan

Operations cont.

Delay Replacement of Vehicle Fleet

Impact:

- Minimal impact

FY20: \$85,000

FY21: \$75,000

Restrict Travel for One Year

Impact:

- Limited opportunity to tell the UCF DHRL story and learn from other universities

FY20: \$12,000

FY21: \$65,000

Reduce Marketing Budget

Impact:

- Reduction of marketing collateral (i.e. printed material, video tours, video production, and promo items)
- Minimal impact on availability of promo items and physical presence

FY21-25: \$57,880/yr

Move Residential Network (Resnet) costs from Operations to R&R

Would require R&R contributions to be made from the operating fund at a rate of 3% of operating revenues until the 30% R&R funding goal is met.

FY21-23: \$450,000/yr net

Operations Totals:

FY20: \$285,001

FY23: \$2,139,554

FY21: \$2,494,057

FY24: \$789,554

FY22: \$2,139,554

FY25: \$789,554



Housing Financials

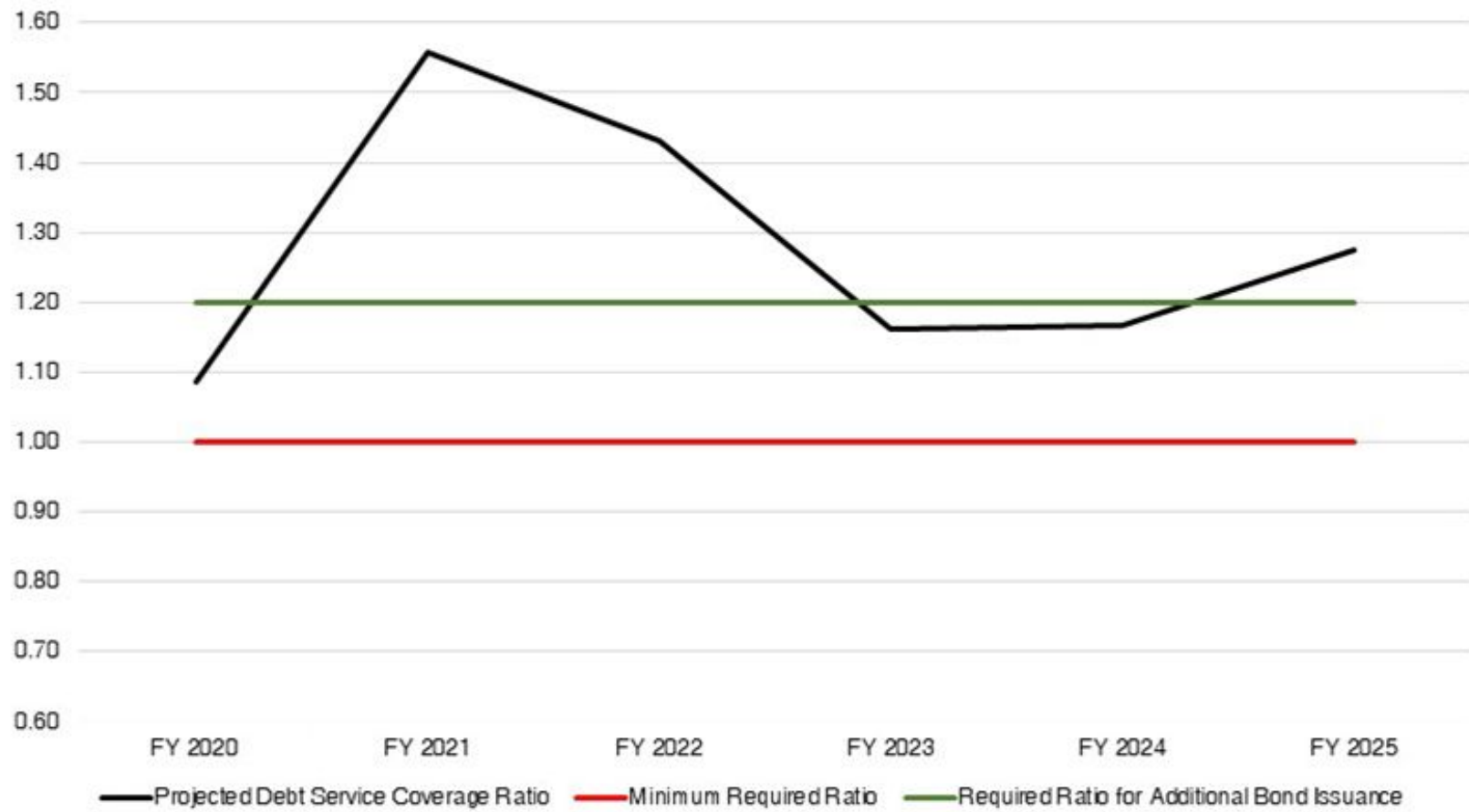
5 Year Outlook- after cost cut

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
	Estimated	Projected	Projected	Projected	Projected	Projected
Revenue: (rental rate increase)	0%	0%	0%	0%	0%	0%
Rental Revenue	\$ 25,724,564	\$ 27,723,350	\$ 27,723,350	\$ 27,723,350	\$ 27,723,350	\$ 27,723,350
Other Revenue	664,438	2,520,000	2,520,000	2,520,000	2,520,000	2,520,000
Interest and Investment Earnings	1,923,902	525,480	525,480	525,480	525,480	525,480
Total Revenue	28,312,904	30,768,830	30,768,830	30,768,830	30,768,830	30,768,830
Expenditures:						
Salaries and Matching	9,004,037	8,220,812	8,933,005	9,200,996	9,477,025	9,761,336
Other Personnel Services (OPS)	1,750,645	1,232,849	1,305,165	1,344,320	1,384,650	1,426,189
Repairs and Maintenance	1,659,944	3,320,000	4,942,600	6,406,928	5,878,036	4,615,977
Utilities	3,104,967	2,850,416	2,935,928	3,024,006	3,114,727	3,208,168
Operating Expenses	3,743,705	2,148,955	2,349,927	2,420,424	2,493,037	2,567,828
Operating Capital Outlay (OCO)	5,000	17,700	95,481	98,345	101,296	104,335
Debt Service	8,337,250	8,334,025	7,129,650	7,128,900	7,126,900	7,131,400
Transfers:						
Auxiliary Overhead	1,990,855	2,000,000	2,119,513	1,956,981	2,261,832	2,474,452
Construction	-	-	-	-	-	-
Replacement Reserve	-	907,301	907,301	907,301	907,301	907,301
Interest and Investment Transfers	1,923,902	525,480	525,480	525,480	525,480	525,480
Total Expenditures	31,520,305	29,557,538	31,244,050	33,013,681	33,270,283	32,722,467
Net Increase (decrease) to operating fund cash	\$ (3,207,401)	\$ 1,211,292	\$ (475,220)	\$ (2,244,851)	\$ (2,501,453)	\$ (1,953,637)
Ending Operating Cash	\$ 5,452,623	\$ 6,663,916	\$ 6,188,695	\$ 3,943,844	\$ 1,442,391	\$ (511,246)
Projected Debt Service Coverage Ratio	1.08	1.56	1.43	1.16	1.17	1.27
Ending Replacement Reserves	\$ 8,288,176	\$ 5,145,477	\$ 6,052,777	\$ 6,960,078	\$ 7,867,378	\$ 8,774,679

Housing Financials

5 Year Outlook- after cost cut

Projected Debt Service Coverage Ratio After Expense Reductions



**Everything we do
starts and ends
with student success.**

Our residents succeed when they
Live, Learn, and Belong.



Questions?

