



Planning for Facilities Needs in Years 5-15 Part II: The SFCP

*Second of two discussions focused on the
“out years” of the capital program, leading
up to the Board Capital Workshop in May*

For 3/27/14



Two Sessions

- **Session I: The State CIP (in January)**
 - A high-level overview of issues affecting the CIP
 - Goal: A strategy for a long-term plan that justifies and inspires expanded State support for facilities
- **Session II: The SFCP (Today)**
 - **A high-level overview of issues affecting the SFCP**
 - **Goal: Overcoming the constraints of the economy by utilizing the financial strength of the USM**

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Intended Purpose of the SFCP

- Meeting demand for housing and more targeted student services
- Attracting and retaining students
- Enhancing convenience and accessibility for students
- Supplementing State investment in academic facilities

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Benefits of On-Campus Communities

Campus data indicate that

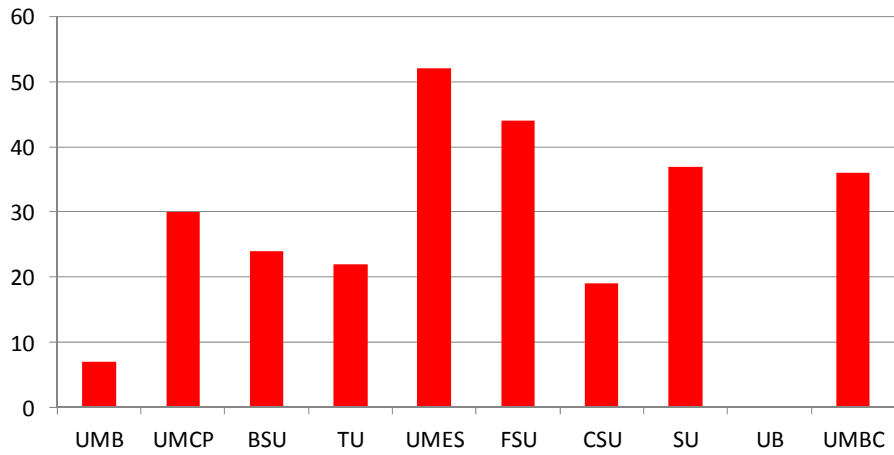
- Students who live on campus for at least freshman year are more likely to graduate within 4 years
- Students who live on campus for even one year are more likely to graduate in 6 years
- Living on campus for the first two years appears to be most critical to graduating in 4 (or 6) years

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Residential Student Populations by Institution

Percentage of HC Enrollment in On-Campus or PPP housing*

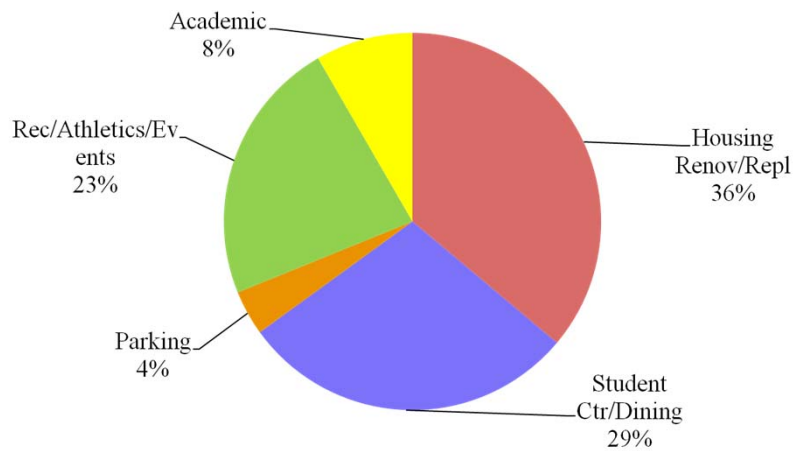


*Does not include off-campus private housing for students

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Where are we today? Board FY2014-18 SFCP (June 2013)



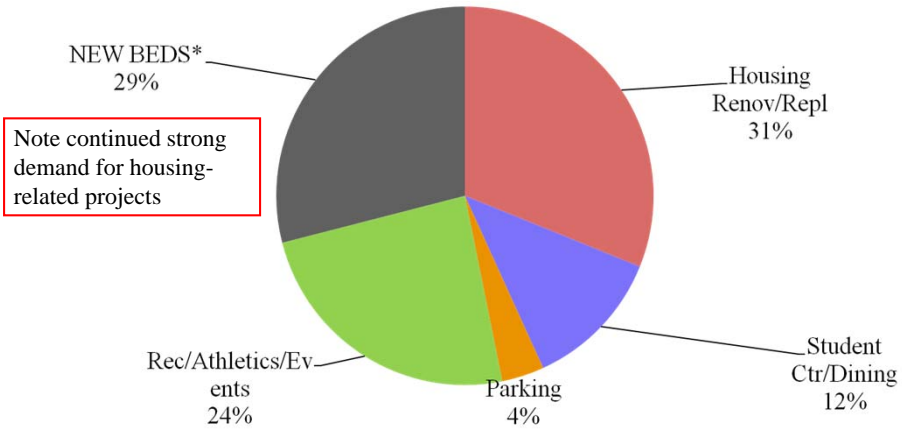
Total Program: \$625M (Bonds Only: \$493M)

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SFCP Program Funding Gap

\$330M in requests for use of USM Bonds remain unfunded



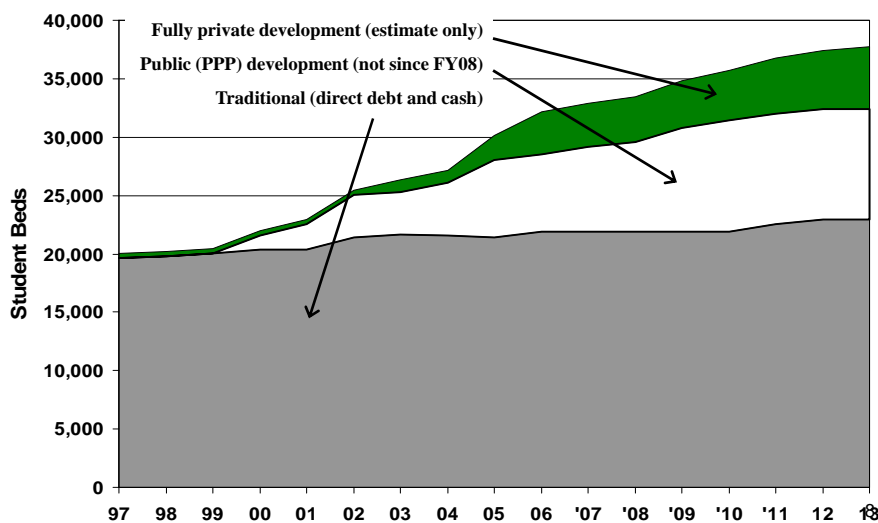
Note continued strong demand for housing-related projects

*Construction of 1,287 New Beds; Planning for another 1,200

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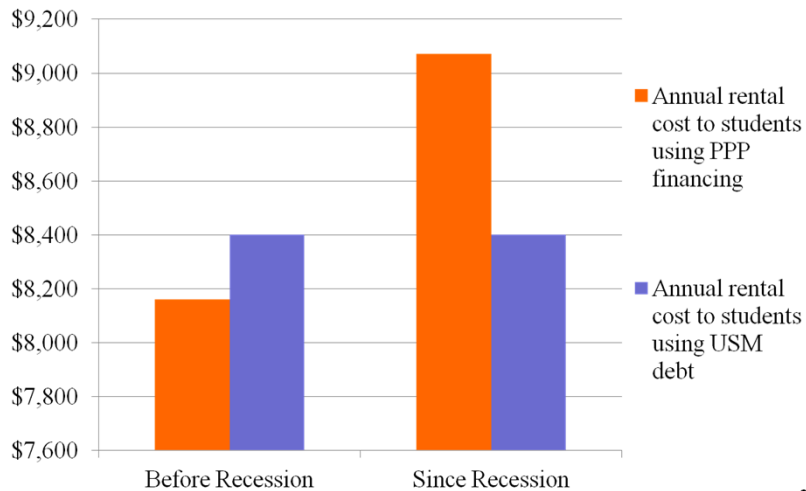
Trends in Privatized Development



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Private Development Now Less Affordable



99



Considerations for the Workshop

Demand

- The effect of the completion goal on overall demand for student facilities
- Recognizing significant housing demand in the SFCP
- Focus on financial viability of projects

Financing

- Maintaining bond rating
- Use of cash
- Use of direct debt (USM bonds)
- Focus on financial viability
- Extending debt/Assistance to all institutions

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Discussion