

## POSTSECONDARY EDUCATION STATEWIDE FACILITIES CONDITION ASSESSMENT

In April 2006, the Council on Postsecondary Education (CPE) entered into a contract for a study of the state's postsecondary education facilities. The study was undertaken by Vanderweil Facility Advisors Inc. (VFA) of Boston, Massachusetts as the prime contractor, with Paulien & Associates of Boulder, Colorado completing the condition and fit-for-use and space need analysis. The study's recommendations now serve as the basis for the postsecondary institutions' capital plan submissions.

*Education and general facilities* of the public postsecondary institutions (totaling nearly 30 million SF) were addressed. The study did not address auxiliary enterprise, housing and dining, and intercollegiate athletics facilities. The approximately \$1.8 million cost was financed by the eight four-year institutions and the Kentucky Community and Technical College System.

The 2007 VFA Study identified immediate asset preservation needs for the postsecondary education system of \$5.09 billion. According to study projections, the total need was expected to grow to \$6.30 billion by 2012-16 and to \$7.25 billion by 2017-2021. In 2013, VFA updated the 2007 study to account for expanding construction costs and identified a \$6.09 billion immediate need for asset preservation. Since 2008, the state has funded \$262 million (about 3.6%) of the estimated total \$7.3 billion asset preservation need.

The ***purpose of the study*** was to address three questions related to the institutions' capital infrastructure:

Condition - What is needed to bring the condition of current facilities up to par?

Adequacy - How do we make sure the facilities fit their intended purposes?

Capacity - How much more space do we need between now and 2020 to succeed in reform?

***Findings of the study*** have been summarized as follows:

- Most of Kentucky's buildings are over 30 years old and their current condition is consistent with their age. As good stewards, institutions extended the life of building systems well beyond the expected life cycle.
- Compared to accepted industry standards, Kentucky's facilities are in poor condition with a current facility condition score of 22 percent; but if left unaddressed, it will be twice as high - 36 percent in five years compared to the average of 18 percent for other institutions reviewed by the consultant.
- Many of the systems in these aging buildings have exceeded useful life expectancies but now need attention.
- State investment will be needed over the next several biennia to improve the condition of existing space, to ensure enough new space is available for current and projected student enrollment, and to align existing space with modern educational standards.
- The study developed a long-term funding plan to span the next 15 years that balances needs in the three critical areas: (1) over \$5.3 billion for system renewal or condition, (2) \$860 million for adequacy or fit for use, and (3) \$6.4 billion in capacity building.

***To measure the condition of facilities***, an industry Facility Condition Index (FCI) was used. The FCI is the ratio of the cost of system renewals due compared to the replacement value of the assets. A lower FCI indicates that little renewal investment is needed.

FCI less than 5%	-	good condition
FCI of 5 to 10%	-	fair condition
FCI greater than 10%	-	poor condition