

# The Rec Center is Open: Now What?

*NIRSA Annual Conference  
April 19, 2004  
Albuquerque, NM*



**BRAILSFORD & DUNLAVEY**  
Facility Planning • Project Management

# INTRODUCTION

- Meet the Presenter
  - *Brad Noyes - Vice President*
  - *Brailsford & Dunlavey*
  - *15 years experience with Recreational Sports*
  - *50 recreation planning assignments*
- Overview
  - *Why the topic?*
  - *Who is the session audience?*





# INTRODUCTION

- CEU / CEC Learning Objectives
  - *Obtain a good understanding of long-term planning issues*
  - *Learn next steps to take on their campus to take their department to the next level*
  - *Learn basic facility and financial planning techniques*



# BACKGROUND

- State of the Industry

*“Giving students an opportunity for recreation and fitness is now big business, and colleges and universities are constantly upgrading their programs and facilities to stay competitive in the system of higher education.”*

*Brian Carswell, Recreational Sports & Fitness (May 2003)*





# BACKGROUND

- State of the Industry

*Members of the National Intramural-Recreational Sports Association will spend \$5 billion on construction and renovation over the next five years.*

*Recreational Sports Expenditures Survey (2002)*



# BACKGROUND

- Cause / Effect Relationships

*Mid '80's, the  
supply of baby  
boomers dries up*



Shortage of Students /  
Shortage of Funds

*State & Federal  
budget expansions  
slow*



Quality of Life Focus /  
Self-Supporting Projects





# BACKGROUND

- Cause / Effect Relationships

Shortage of Students /  
Shortage of Funds



Quality of Life Focus /  
Self-Supporting Projects

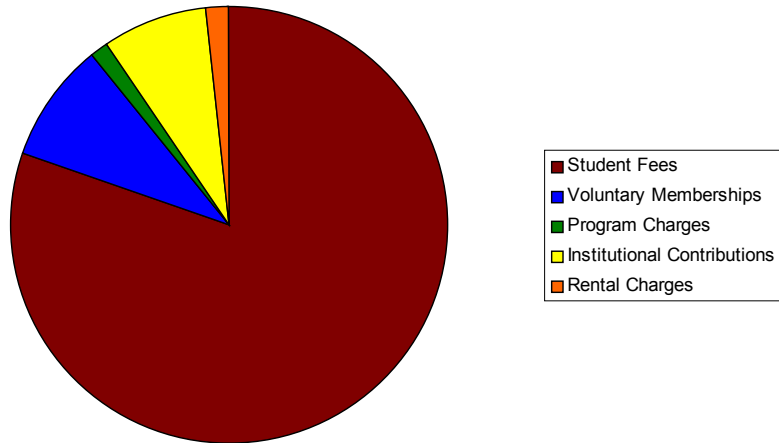
Customer  
Service  
Market Driven  
Forces



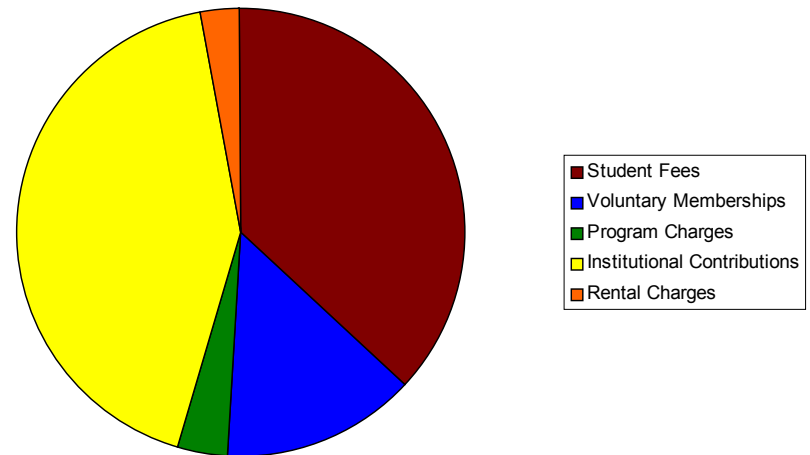
# BACKGROUND

## ■ Revenues

College or University 5,000 to 15,000 Students



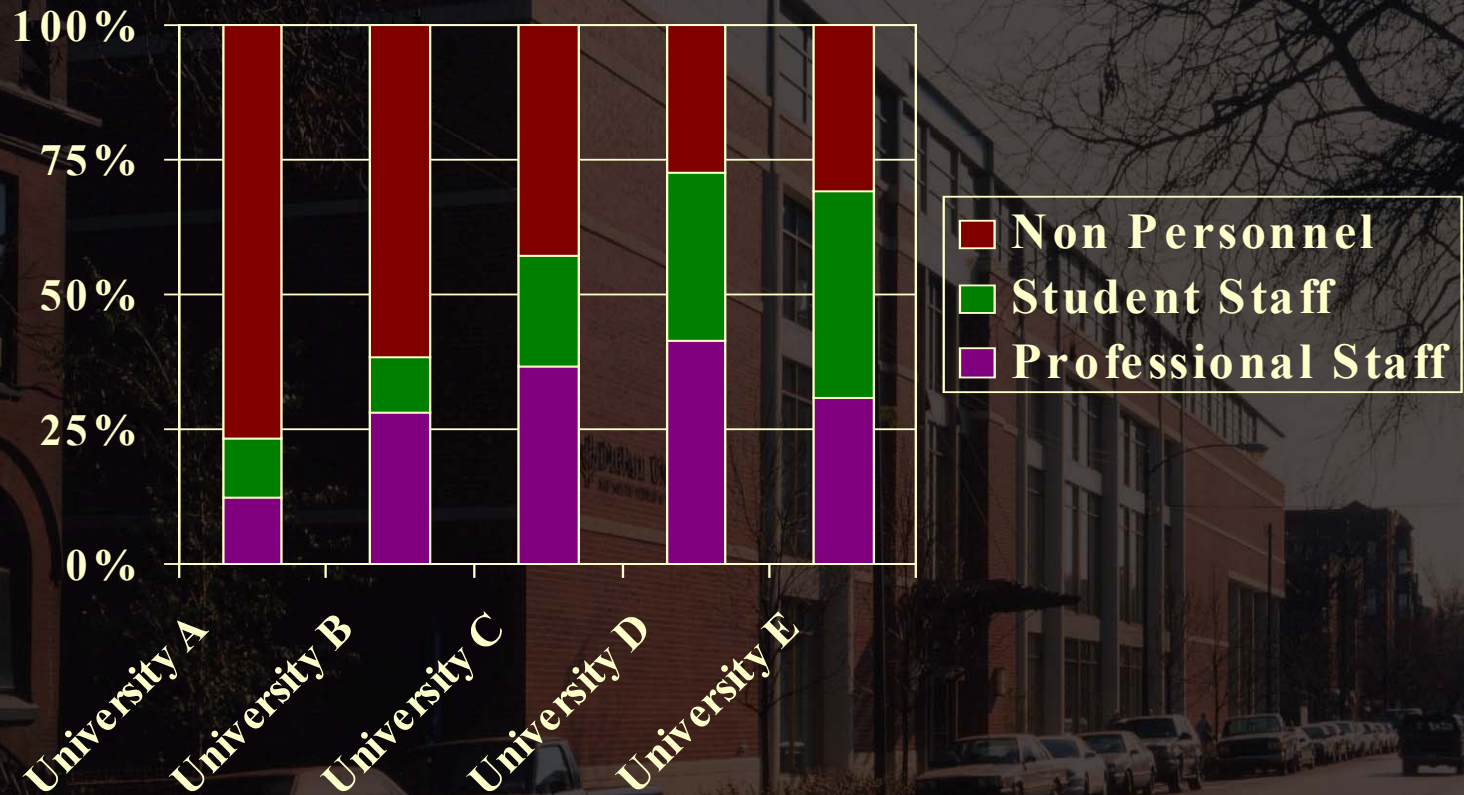
College or University < 5,000 Students





# BACKGROUND

## ■ Expenses



# LOOKING TO THE FUTURE

- High School Graduation Rates

*“According to a new report, in four years, the U.S. will see its largest number of high school graduates in the country’s history, and the numbers are expected to continue growing. By 2008-2009, the number of graduates is expected to peak, with 2.3 million students earning their high school diplomas – and preparing for college.”*

American Council on Education (Jan 2004)

Knocking at the College Door: Projections of High School Graduates by State, Income and Race/Ethnicity





# LOOKING TO THE FUTURE

- Non-Traditional Students

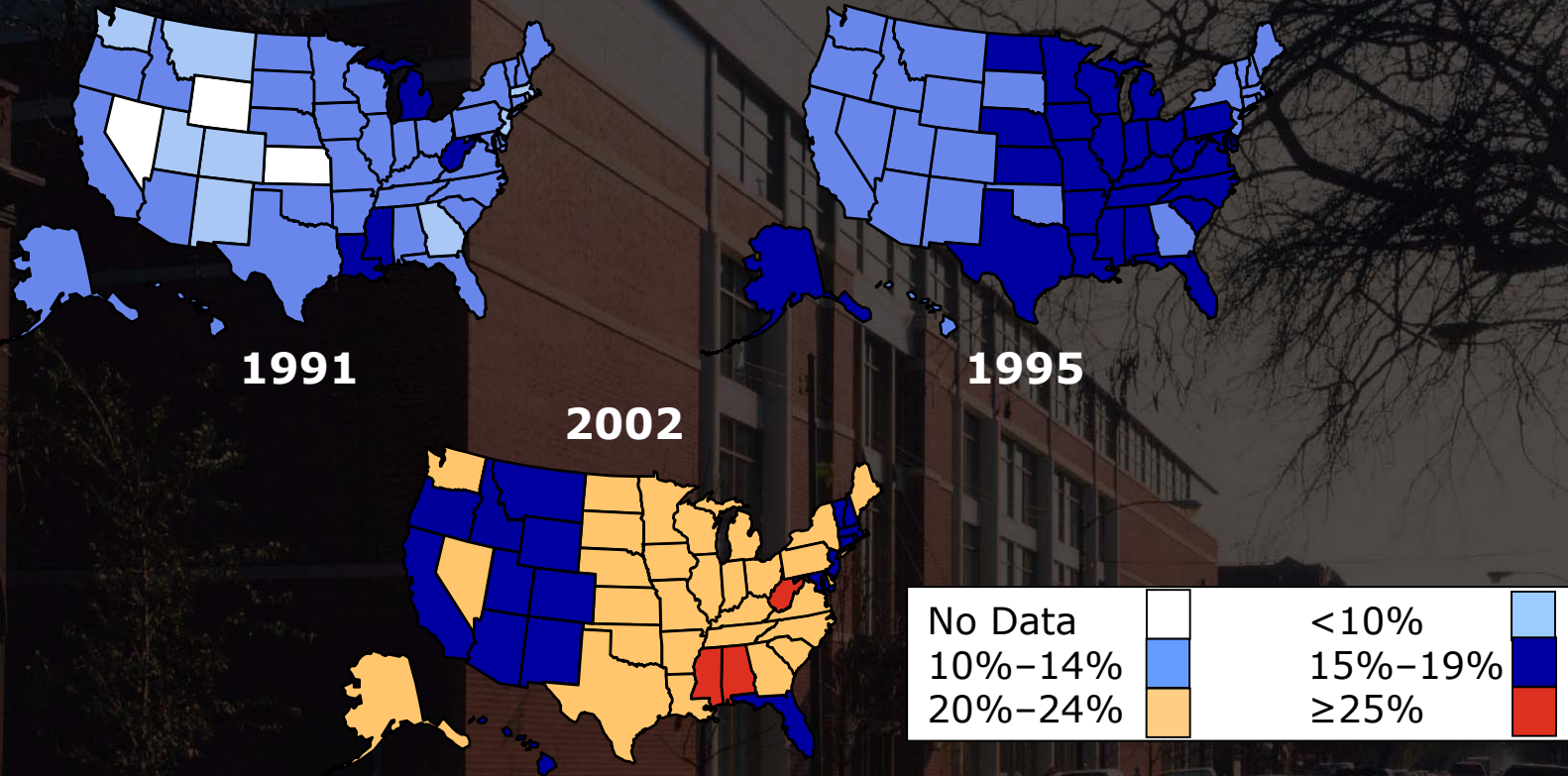
*“The overwhelming majority of students in post-secondary education are considered ‘non-traditional’. Only about one quarter of the undergraduate population in 1999-2000 was classified as ‘traditional’; that is they earned a high school diploma, enrolled full-time after high school, depended on parents for financial support and did little paid work during the school year”*

Post Secondary Education for Non-Traditional Students – The New Majority (Jan 2003)



# LOOKING TO THE FUTURE

## ▪ Obesity



Obesity Trends Among U.S. Adults, CDC's Behavioral Risk Factor Surveillance System (1991-2002)





# LOOKING TO THE FUTURE

- Cause / Effect Relationships

*Late 90's through  
2009, enrollment  
increases*



**Renovation &  
Expansion to Meet  
Demand**

*Critical mass of  
contemporary  
facilities exist*



**Programs are  
Increasingly  
Differentiated**

*Student expectations  
increase*



# LOOKING TO THE FUTURE

- Cause / Effect Relationships

Renovation &  
Expansion to Meet  
Demand

Programs are  
Increasingly  
Differentiated



Serve an  
Expanded  
Population  
  
Self-Supporting  
  
Expanded  
Programs





# LONG-TERM PLANNING

- Strategic Planning
  - *Message to your Campus*
  - *Role within your Campus*
  - *Five Year Plan with Annual Review*
  - *Internal vs. External Process*
  - *Documentation*



# LONG-TERM PLANNING

- Strategic Planning
  - *Educational Objectives*
  - *Campus Community Impact*
  - *Enrollment Management*
  - *Financial Parameters*





# LONG-TERM PLANNING

## ■ Why Campus Recreation?

### RECREATION/WELLNESS CENTER

Strategic Asset Value Analysis Worksheet

April 15, 2004

**Legend:**

College Aspirations / Targeted Asset Value: **X**

Current Asset Value: **O**

Strategic Objectives By Category	High	Moderate	Low	Comments
<b>I. Enhance Educational Outcomes</b>				
a. Stress Mitigation (self-directed fitness)	<b>X</b>		<b>O</b>	Nationally, students cite stress mitigation as the primary reason for their interest in recreation facilities which makes weight & fitness areas the highest priority program elements. Typically, 1 square foot of weight and fitness area is needed per student. Some amount should be added if non-student populations are to be accommodated to a material extent.
b. Leadership Development (intramurals & clubs)	<b>X</b>	<b>O</b>		While male participation in these traditional programs has declined, our Title IX maturing culture is leading to increased participation among females. Gymnasiums and multipurpose rooms support intramural and sport club needs more than other types of spaces, but office space and specialized storage spaces can be valuable assets in leadership development intensive programs.
c. Professional Development (student employment)	<b>X</b>		<b>O</b>	Shifting to a more contemporary "program driven" operating paradigm will require substantially increased utilization of student employees. Opportunities will exist for training students in the areas of personnel management, marketing, customer service, as well as traditional recreational sports skills.
d. Long-term Financial Stability (fundraising)	<b>X</b>		<b>O</b>	A strong / active alumni base is the foundation of a successful annual giving program. Studies have shown that students that are actively engaged in campus activities become alumni that are both a higher capacity and greater predisposition to giving.



# LONG-TERM PLANNING

- Considerations
  - *Customer Service*
  - *Expanded Programs*
  - *Facility Flexibility*
  - *Financial Independence*
  - *External Relationships*





# LONG-TERM PLANNING

- Strategic Planning

*“The goal of our SUNY Buffalo Recreation and Intramural Department is to provide a variety of **recreational and intramural opportunities** that contribute to the physical, emotional and social health of **all members of our college community**. We will continuously develop **programs and activities** for our participants to increase their positive use of leisure time, improve their **quality of life** and **encourage them to commit to a lifetime of fitness and recreational participation.**”*

*SUNY Buffalo Recreation and Intramurals*





# LONG-TERM PLANNING

- Strategic Planning

*“The mission of Campus Recreation is to enhance the quality of life of students and the DePaul community by encouraging healthy, active and balanced lifestyles through participation in Campus Recreation programs, services and facilities.”*

*DePaul University Department of Campus Recreation*





# NOW WHAT?



# OPERATIONS











# OPERATIONS ASSESSMENT

- Process & Timeline
  - *Budget*
  - *Programs*
  - *Marketing*
  - *Staffing*
  - *Involvement & Consensus*
  - *Implementation*





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# OPERATIONS ASSESSMENT

- Tools

- *Cost center audit*
- *Comparable school & national trends research*
- *Financial modeling*
- *Focus groups*
- *Surveys*
- *Articles & Conferences*





# OPERATIONS ASSESSMENT

## ABC College

04/18/04

Recreation and Athletic Facilities Study  
Comparable Institutions

Cross-Applicant University	Enrollment	Total # of Facilities	Total Sq. Ft	Sq. Ft./Stud	Shared Rec/Ath?<	Type of Fee>	Stud Fees per Sem~	Teams	Division	M Basketball Attendance&	# Intramural Sports
<b>NCAC</b>											
Allegheny	1,890	1	70,000	37.04	Yes	None	None	20	III	500	32
Case Western Reserve	9,908	2	135,000	13.63	Yes	NA	\$68	22	III	NA	40
Denison	2,026	1	188,000	92.79	Yes	G	\$370	20	III	179	26
Earlham	1,088	1	NA	NA	Yes	None	None	17	III	300	18
Kenyon	1,551	2	150,000	96.71	Yes	None	T	22	III	500	22
Oberlin	2,918	3	250,000	85.68	Yes	G	\$162	20	III	125	20
Ohio Wesleyan	1,893	3	130,000	68.67	Yes	None	None	22	III	450	34
Wittenberg	2,099	1	130,000	61.93	Yes	G	\$595	22	III	1000	27
Wooster	1,757	1	105,000	59.76	Yes	None	None	21	III	1000	7
<b>UCAA</b>											
Clarkson	2,424	4	65,000	27	Yes	None	NA	17	III	NA	20
Hamilton	1,720	4	55,000	32	Yes	None	T	23	III	500	55
Hobart & William Smith	1,790	3	83,000	46	Yes	None	T	17	III	350	46
Skidmore	2,190	1	130,000	59	Yes	G	\$119	10	III	800	15
University of Rochester	8,870	1	220,000	25	Yes	None	NA	21	III	NA	27
<b>UAA</b>											
Brandeis	4,190	3	130,000	31	Yes	None	T	22	III	800	19
Carnegie Mellon	7,760	2	NA	NA	Yes	None	NA	17	III	NA	38
University of Chicago	12,120	1	110,000	9	Yes	None	NA	20	III	NA	36
Emory University	11,270	1	200,000	18	Yes	None	NA	17	III	NA	90
Johns Hopkins	3,110	1	87,000	28	Yes	None	T	26	III	NA	32
Washington University	11,480	2	215,000	19	Yes	G	\$105	17	III	879	53
University of Rochester	8,870	1	220,000	25	Yes	None	NA	21	III	NA	27



# OPERATIONS ASSESSMENT

## PROJECTED BASIC OPERATING PRO FORMA

	First Year										
INCOME	Base Year	Factor	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
User Fee Income	923,000	100.0%	923,000	1,070,000	1,194,000	1,243,000	1,287,000	1,339,000	1,392,000	1,448,000	1,506,000
Credit For Current Budget	350,000	100.0%	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Other Income	116,000	100.0%	116,000	159,000	204,000	251,000	261,000	271,000	282,000	294,000	305,000
TOTAL INCOME	1,389,000		1,389,000	1,579,000	1,748,000	1,844,000	1,898,000	1,960,000	2,024,000	2,092,000	2,161,000
EXPENSES											
Personnel Expense:											
Full-Time Staff Salaries and Fringes	177,000	100.0%	177,000	184,000	191,000	199,000	207,000	215,000	224,000	232,000	242,000
Part-Time Staff Salaries and Fringes	184,000	100.0%	184,000	192,000	200,000	208,000	216,000	224,000	233,000	243,000	252,000
Work Study Return (10% of Student Salaries)	-13,000	100.0%	-13,000	-13,000	-14,000	-14,000	-15,000	-16,000	-16,000	-17,000	-18,000
Subtotal	348,000		348,000	363,000	377,000	393,000	408,000	423,000	441,000	458,000	476,000
Operating Expenses:											
Utilities	89,000	100.0%	89,000	93,000	97,000	101,000	105,000	109,000	113,000	118,000	123,000
University Overhead Charge	0	100.0%	0	0	0	0	0	0	0	0	0
Building Maintenance & Repairs	25,000	100.0%	25,000	26,000	27,000	28,000	29,000	30,000	31,000	32,000	33,000
Custodial	89,000	100.0%	89,000	93,000	97,000	101,000	105,000	109,000	113,000	118,000	123,000
Service Contracts	51,000	100.0%	51,000	53,000	55,000	57,000	59,000	61,000	63,000	66,000	69,000
Miscellaneous Expenses	25,000	100.0%	25,000	26,000	27,000	28,000	29,000	30,000	31,000	32,000	33,000
Sports Equipment Maintenance & Repairs	25,000	0.0%	0	19,000	25,000	26,000	27,000	28,000	29,000	30,000	31,000
Subtotal	304,000		279,000	310,000	328,000	341,000	354,000	367,000	380,000	396,000	412,000
TOTAL EXPENSES	652,000		627,000	673,000	705,000	734,000	762,000	790,000	821,000	854,000	888,000
NET OPERATING INCOME	737,000		762,000	906,000	1,043,000	1,110,000	1,136,000	1,170,000	1,203,000	1,238,000	1,273,000
Debt Service Recreation Center											
	832,058	100.0%	832,058	832,058	832,058	832,058	832,058	832,058	832,058	832,058	832,058
CASH FLOW AFTER DEBT SERVICE			-70,058	73,942	210,942	277,942	303,942	337,942	370,942	405,942	440,942
CUMULATIVE CASH FLOW AFTER DEBT SERVICE			-70,058	3,885	214,827	492,769	796,712	1,134,654	1,505,596	1,911,539	2,352,481





# OPERATIONS ASSESSMENT

- Resulting Business Plan
  - *Case Statement*
  - *Operating Paradigm*
  - *Service Delivery & Pricing Strategy*
  - *Staffing Plan & Organizational Chart*
  - *Marketing Plan & Budget*
  - *Risk Mitigation Plan*
  - *Implementation Schedule*



# OPERATIONS ASSESSMENT

- Benefits
  - *Internal Decisions*
    - *Parameters for facility improvements*
    - *Prioritizing operating investments*
  - *Management Tool*
    - *Blueprint for managers*
    - *Benchmarking annual performance*
  - *External decisions & approvals*





# OPERATIONS ASSESSMENT

## DISCUSSION



# FACILITIES







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# FACILITIES ASSESSMENT

- Process & Timeline
  - *Current facilities*
  - *Demand*
  - *Location*
  - *Financial impact*
  - *Involvement & Approvals*
  - *Implementation*











# FACILITIES ASSESSMENT

- Tools

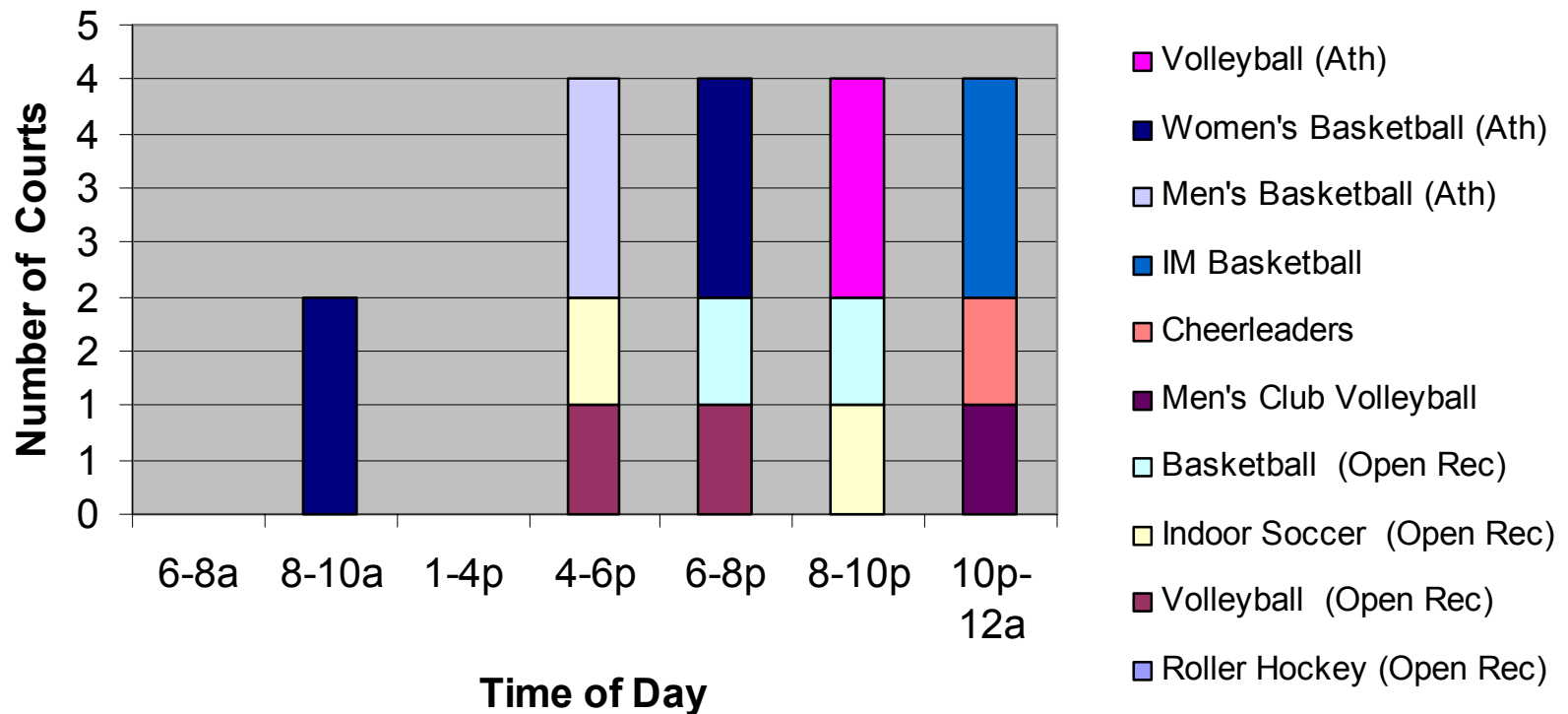
- *Facility conditions & schedule audit*
- *Comparable schools & national trends research*
- *Cost estimate & financial analysis*
- *Focus groups*
- *Surveys*
- *Site analysis*
- *Articles & Conferences*





# OPERATIONS ASSESSMENT

## Gymnasium Projected Usage



# OPERATIONS ASSESSMENT

## CAMPUS RECREATION CENTER

### Hard Costs

1	Construction Contract	
	A. Enclosed Building	\$9,240,000
	B. Outdoor Pool	\$500,000
	C. Parking	\$625,000
	D. Landscape Allowance	\$100,000
2	Furniture, Fixtures & Equipment	\$690,000
3	Inflation Factor to Midpoint of Construction	\$1,390,000

<b>Subtotal - Hard Costs</b>	<b>\$12,545,000</b>
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### Soft Costs

4	Architectural & Engineering Fees	\$852,000
5	Additional Architectural & Engineering Services	\$85,000
6	Testing Fees, Surveys , Etc.	\$100,000
7	Local Fees & Permits	\$100,000
8	Start - Up Expenses	\$135,000
9	Direct Project Expenses	\$25,000
10	Project Contingency	\$1,384,000
11	Project Management	\$484,000

<b>Subtotal - Soft Costs</b>	<b>\$3,165,000</b>
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<b>Total Project Cost</b>	<b>\$15,710,000</b>
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# FACILITIES ASSESSMENT

- Resulting Feasibility Study
  - *Space Requirements*
    - *Research findings*
    - *Current vs. Projected*
  - *Comprehensive Budget*
    - *Hard and soft costs*
  - *Financing Plan*
    - *Operating and capital costs*
  - *Project Schedule*
  - *Consensus*



# FACILITIES ASSESSMENT

- Benefits
  - *Tailored improvements*
    - *Informed decisions*
    - *Highest value*
  - *Comprehensive result*
    - *Probability of success*
    - *Preparation for future needs*
  - *External decisions & approvals*





# FACILITIES ASSESSMENT

## DISCUSSION



# WRAP-UP

- CEU / CEC Learning Objectives
  - *Obtain a good understanding of long-term planning issues*
  - *Learn next steps to take on their campus to take their department to the next level*
  - *Learn basic facility and financial planning techniques*





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