

2001 NIRSA Conference

*Responding to Financial
Pressures*

Presented By:

Brad Noyes & Bill Canning

Introduction



Today's Speakers

- **Brad Noyes - Vice President, Brailsford & Dunlavey**
 - Firm Has Worked on Over 100 Sports & Recreation Projects (ranging from 35,000 SF to over 400,000 SF)
 - Architecture / Real Estate Finance / Strategic Planning
- **Bill Canning - Director of Campus Recreation, University of Michigan, President Centers LLC**
 - Over 30 years of University Recreation Experience
 - Guided Financial Planning at Over 10 Schools Including University of Michigan, UCLA, Tulane University and DePaul

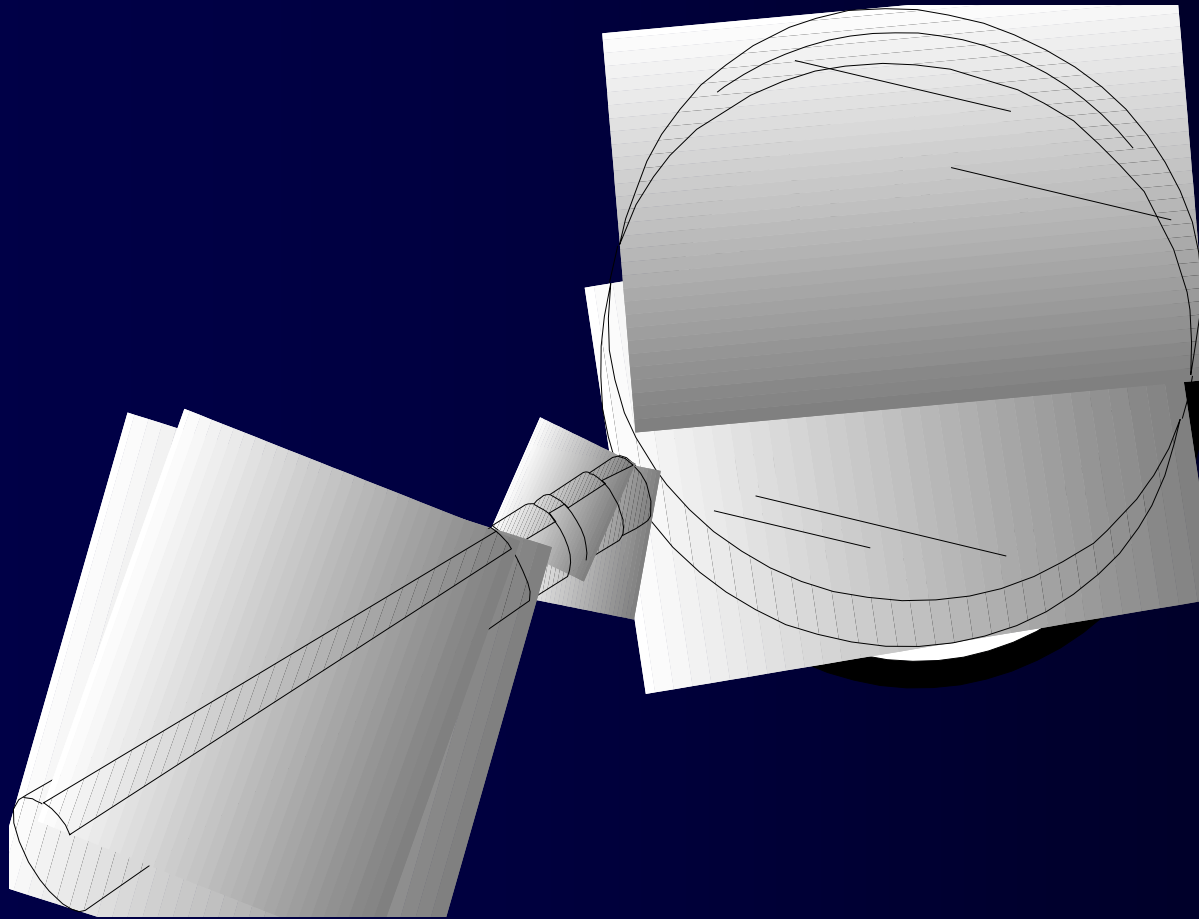


Presentation Outline

- Introduction
- National Context
- Empowering NIRSA Professionals
- What Next?
- Q & A
- Wrap-up



Historical Overview

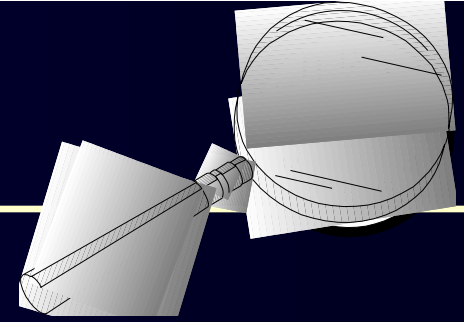


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Historical Overview

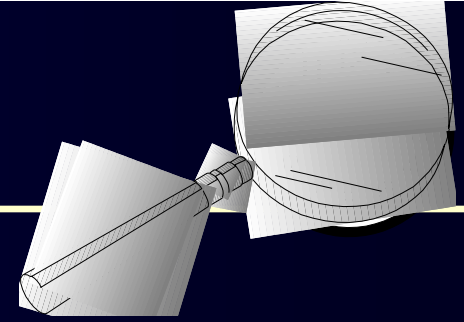


Building Evolution

- Post WWI Period (the 1920's & 30's)
- Post WWII Period (the 1950's)
- The Physical Education Period (the 1970's)
- The Contemporary Era (1985 to Present)



Historical Overview

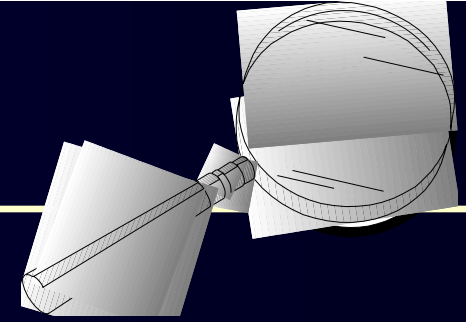


Post WWI Period (the 1920's & 30's)

- Targeted Users
 - Competitive Athletes & Spectators
 - Male Faculty With Acquired Skills
- Architectural Character
 - Traditional Campus Form & Image
 - Collection of Independent Elements
- Location
 - Campus Core



Historical Overview

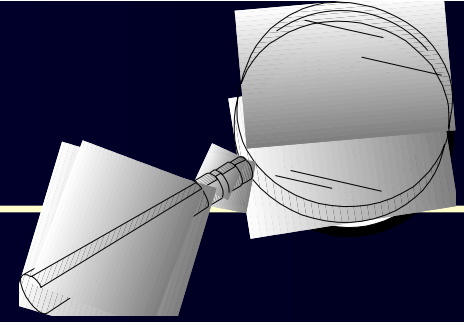


Post WWII Period (the 1950's)

- Targeted Users
 - Varsity Athletes
 - Student Life Sports Instruction
 - NIA Founded
- Architectural Character
 - Quantity Over Quality
 - Gymnasium Fieldhouse Concept
 - Background Buildings
- Location
 - Campus Edge



Historical Overview

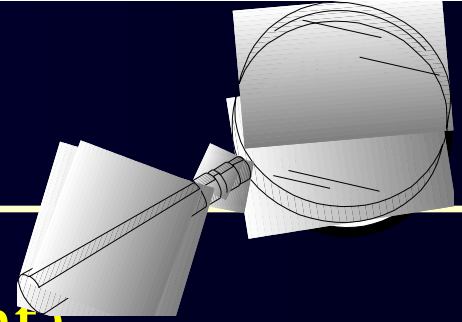


The P.E. Era (the 1970's)

- Targeted Users
 - Physical Education Instruction
 - Exercise Science Research
 - Intramural Sports / Club Sports
 - Women's Participation
- Architectural Character
 - "Modern Buildings"
 - Simple Box Forms
- Location
 - Varied



Historical Overview



The Contemporary Era (1985 to Present)

- Targeted Users
 - General Student Population
 - Fitness & Social Functions
 - Kinesiology
- Architectural Character
 - Importance of Architecture Returns
 - Dramatic Open Interiors / Use of Color
- Location
 - Wherever it Fits!



Historical Overview



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Current Trends

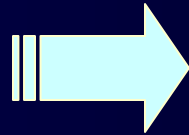


Current Trends



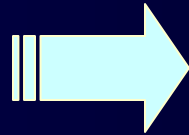
Cause / Effect Relationships

- 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

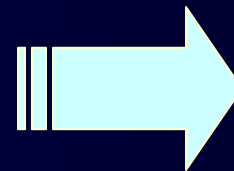


Current Trends



Cause / Effect Relationships

Shortage of Students /
Shortage of Funds



Quality of Life Focus /
Self-Supporting Projects

Customer
Service
Market Driven
Forces

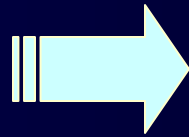


Current Trends



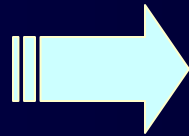
Market Forces - Common Responses

P.E. & Athletics Focus



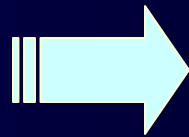
Fitness & Recreation Focus

Utilitarian Function



Dynamic Social Space

Limited Audience



Maximize Participation

Shared Use Facilities

Dedicated Buildings

Directed Programs

Market Driven Services

Free Employee Use

Fee Based Memberships



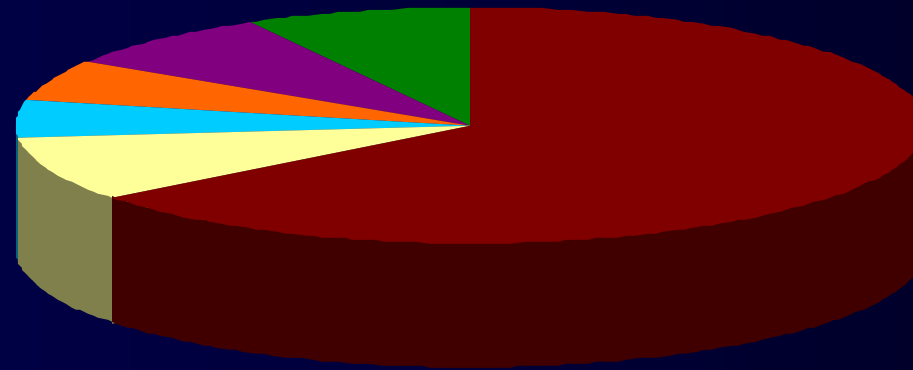
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Current Trends



Sources of Revenues



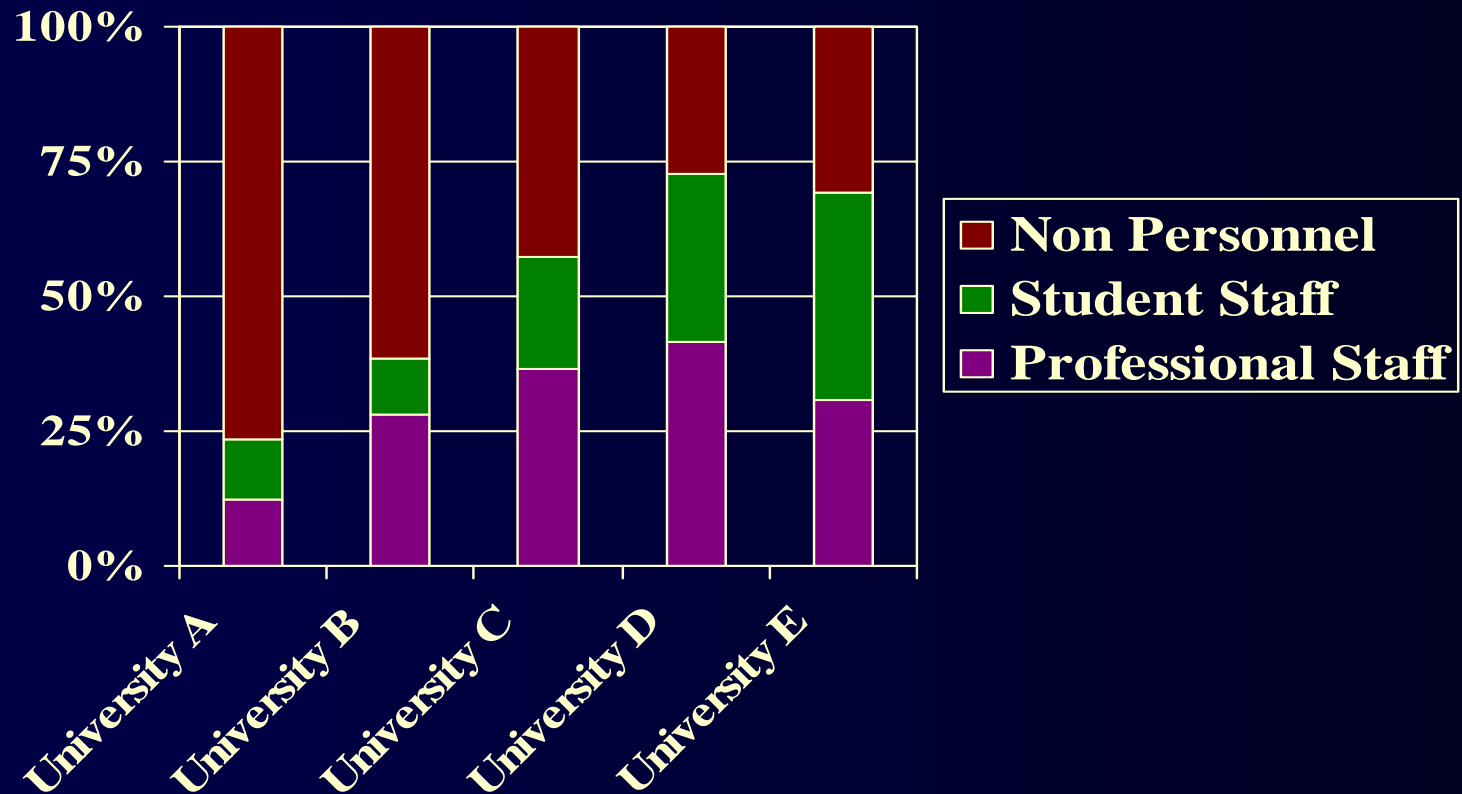
- **FT Student Fees**
- **PT Student Fees**
- **Faculty & Staff Memberships**
- **Outside Memberships**
- **Programs**
- **Institutional Contribution**



Current Trends



Operating Differences



Operating Paradigms



Range of Approaches

- Traditional
 - Student Demand Focus
 - Limited Speculative Revenues & Financial Risk
 - Limited Staff
- Facility Driven
 - Moderate Speculative Revenues & Risk
 - Moderate Staffing
- Program Driven
 - Highest Revenue Potential & Risk
 - Staff Intensive



Operating Paradigms



Campus Housing Analogy

- Traditional Residence Halls
 - Single Product
 - Maximize Number of Beds
- Changing Demographics and Expectations
 - Varied Facilities
 - Customer Service
- Range of Housing Approaches
 - Campus Specific
 - Increased Fiscal Responsibility



Empower NIRSA Professionals



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Empower NIRSA Professionals



Available Tools

- Existing Conditions Assessment
- Research
- Financial Analysis
- Consensus Building



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Existing Conditions Assessment

- Facilities
 - Current Usage Patterns
 - Facility Inventory
- Programs
 - Range of Offerings
 - What is included?
- Staffing
 - Number of FTE
 - FT, PT, or independent contractors



Empower NIRSA Professionals



Research

- Surveys
 - Customer Service
 - Future Needs
- Focus Groups
 - Innovative Ideas
 - Qualitative Feedback
- Comparable Institutions
 - Benchmarking
 - Advice



Empower NIRSA Professionals



Financial Analysis

- Revenues
- Personnel Expenses
- Non-Personnel Expenses
- Debt Service
- Reserves



Empower NIRSA Professionals



Consensus Building

- Clear & Consistent Objectives
- Involve Key Campus Players
- Broad & Open Processes
- Written Documentation



What's Next

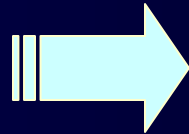


What's Next



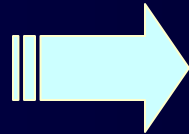
Cause / Effect Relationships

- Late 90's through 2012, enrollment increases



Renovation &
Expansion to Meet
Demand

- Critical mass of contemporary facilities exist



Programs are
Increasingly
Differentiated

- Student expectations increase



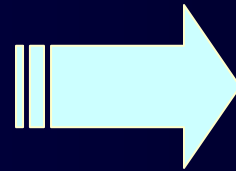
What's Next



Cause / Effect Relationships

Renovation &
Expansion to Meet
Demand

Programs are
Increasingly
Differentiated



Serve an
Expanded
Population
Self-Supporting
Strong Themes



Wrap-up



Wrap-up



Key Points

- National Context
 - Constant Evolution
 - Customer Service
 - Range of Operating Paradigms
- Available Tools
 - Research & Analysis
 - Clarity of Objectives
 - Campus Constituents Involvement



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