Vanderbilt University
Virginia Commonwealth University
Virginia Department of General Services
Wagner College
Wake Forest University
Washburn University
Washington University in St. Louis
Wellesley College
Wesleyan University
West Chester University
West Liberty University
West Virginia Health Science Center
West Virginia Institute of Technology
West Virginia School of Osteopathic Medicine
West Virginia State University
West Virginia University
Western Connecticut State University
Western Oregon University
Westfield State University
Wheaton College
Widener University

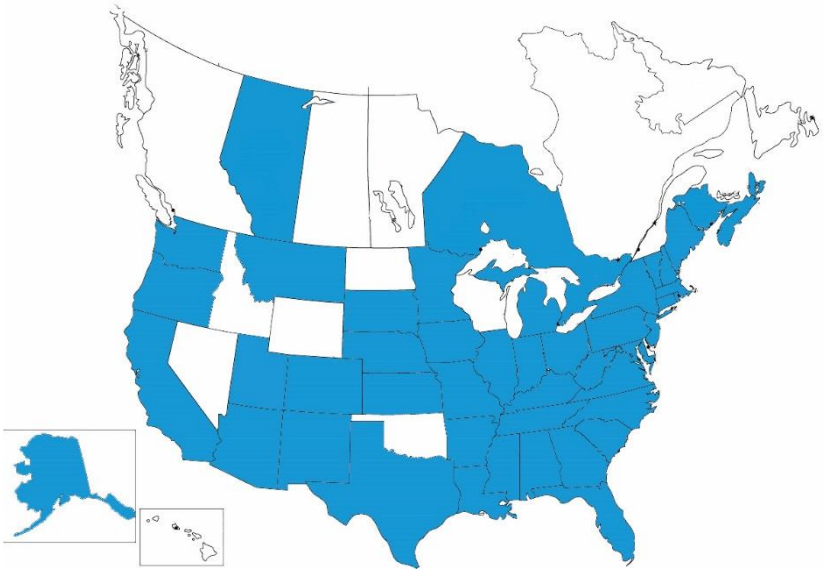
sightlines | ROPA+

Rhode Island School of Design

Presenters: Caroline Johnson December 18, 2015

Who Partners with Sightlines?

Robust membership includes colleges, universities, consortiums and state systems



Serving the Nation's Leading Institutions:

- **70% of the Top 20 Colleges***
- **75% of the Top 20 Universities***
- **34 Flagship State Universities**
- **13 of the 14 Big 10 Institutions**
- **9 of the 12 Ivy Plus Institutions**
- **8 of 13 Selective Liberal Arts Colleges**

* U.S. News Rankings

Sightlines is proud to announce that:

- 450 colleges and universities are Sightlines clients including over 325 ROPA members.
- 93% of ROPA members renewed in 2014
- We have clients in 42 states, the District of Columbia and four Canadian provinces
- More than 100 new institutions became Sightlines members since 2013

Sightlines advises state systems in:

- Alaska
- California
- Connecticut
- Hawaii
- Maine
- Massachusetts
- Minnesota
- Mississippi
- Missouri
- Nebraska
- New Hampshire
- New Jersey
- Pennsylvania
- Texas
- West Virginia

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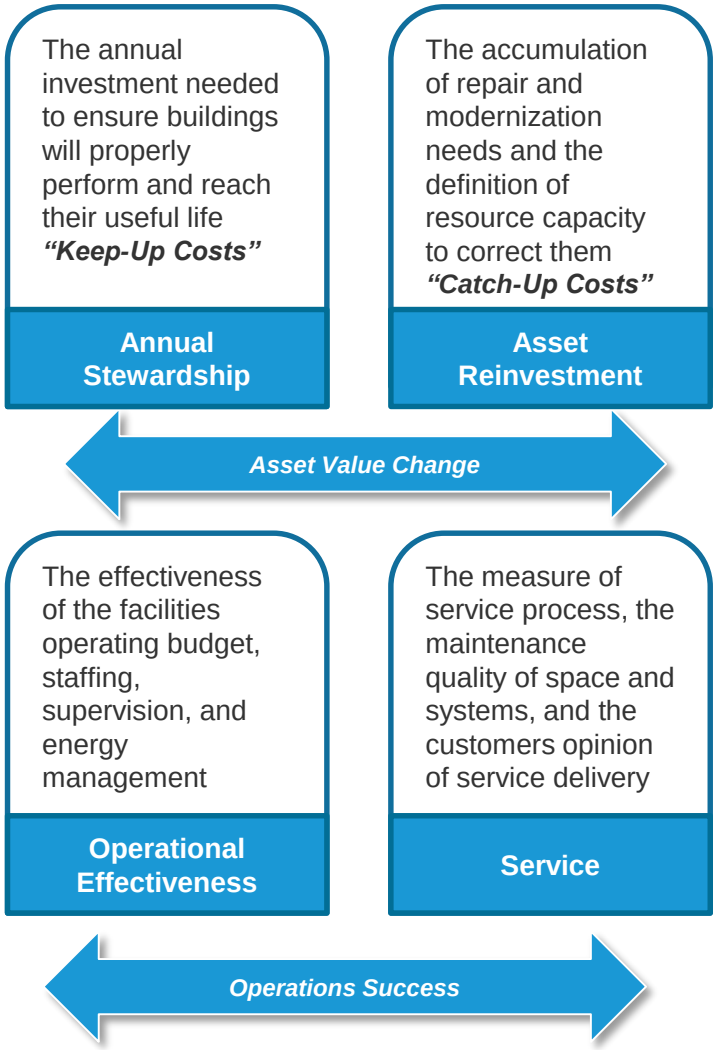
A Vocabulary for Measurement

The Return on Physical Assets – ROPA℠



Institution
Bentley University
Berklee College of Music
Bowdoin College
Brown University
California Institute of the Arts
Connecticut College
Massachusetts College of Art and Design
Mount Holyoke College
Ithaca College
Art Center of Design (in process)

Comparative Considerations

Size, technical complexity, region, geographic location, and setting are all factors included in the selection of peer institutions

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Core Comments

- Campus was built earlier than the Sightlines database
  - Sturdy bones but in need of modernization
  - Smaller, historic buildings place stress on operations
- Campus needs are split between “Keep Up” and “Catch Up”
  - RISD’s current capital strategy puts pressure on “Keep Up” funds
  - Limited funding creates high overall backlog of need
- Peer institutions out invest RISD by over $4/GSF annually
  - FY15 shows a stronger performance but is driven up by the ISB project
- Creation of Portfolios will help prioritize funding

Putting Your Campus Building Age in Context

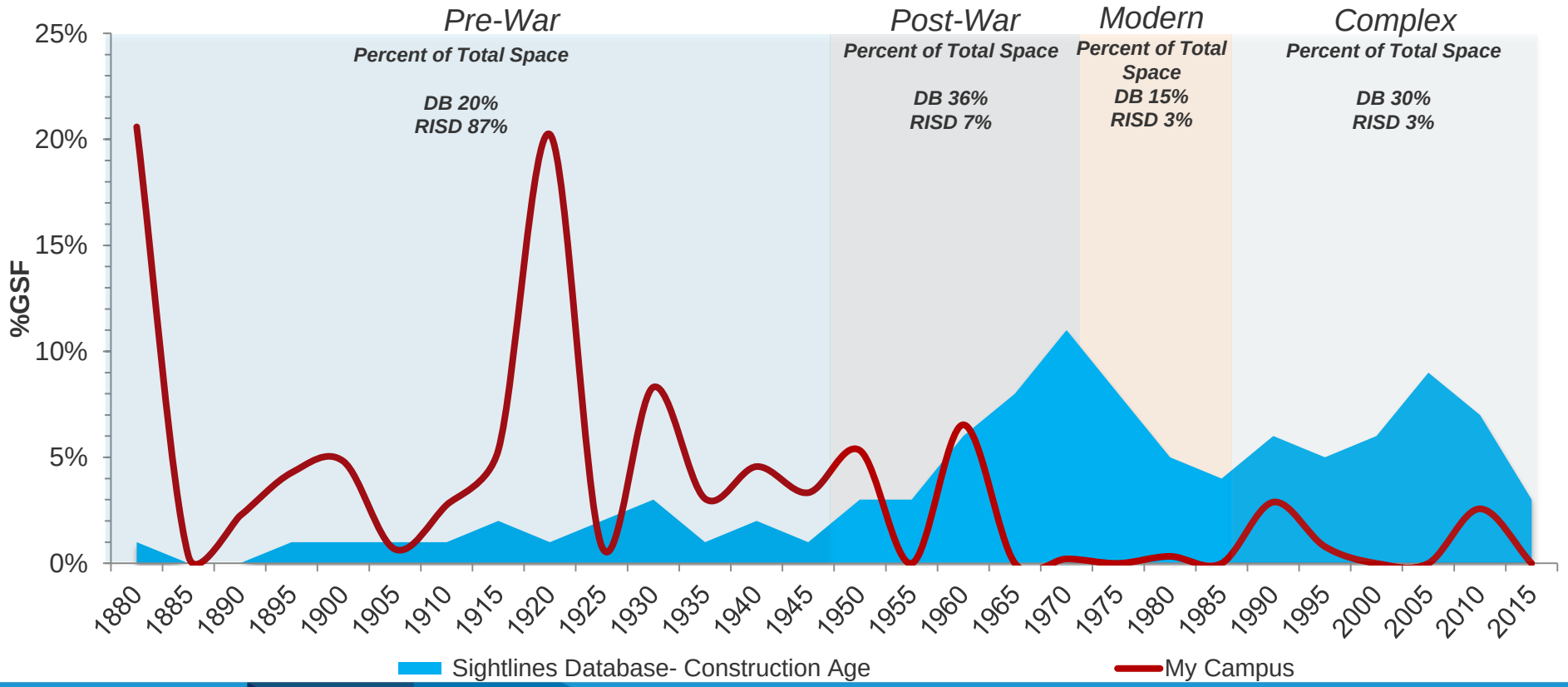
The campus age drives the overall risk profile

Pre-War
- Built before 1951
- Durable construction
- Older but typically lasts longer

Post-War
- Built from 1951 to 1975
- Lower-quality construction
- Already needing more repairs and renovations

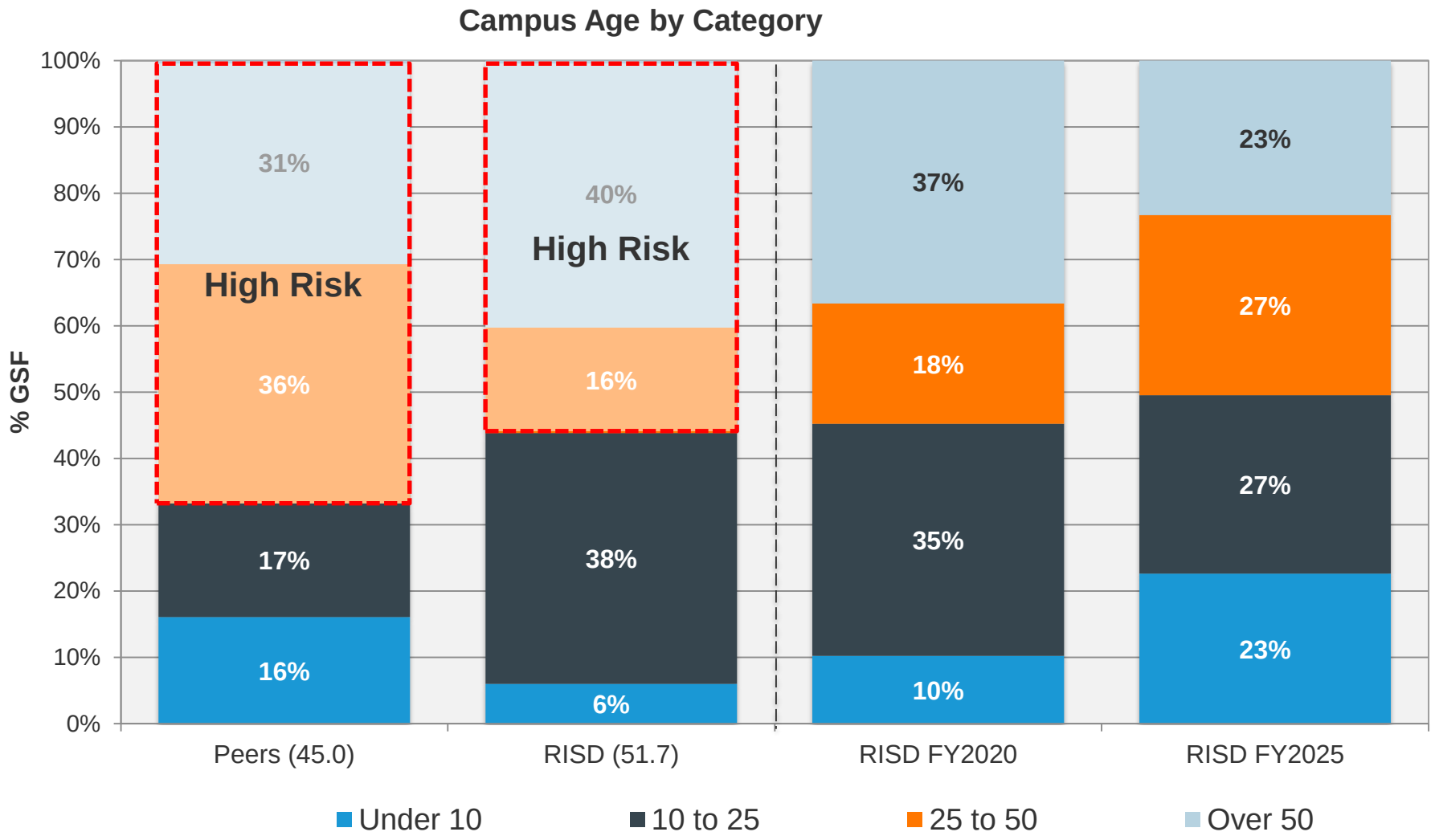
Modern
- Built from 1976 to 1990
- Quick-flash construction
- Low-quality building components

Complex
- Built in 1991 and newer
- Technically complex spaces
- Higher-quality, more expensive to maintain & repair



A Shifting Campus Age Profile

Understanding the Impact of Age on Capital Demands

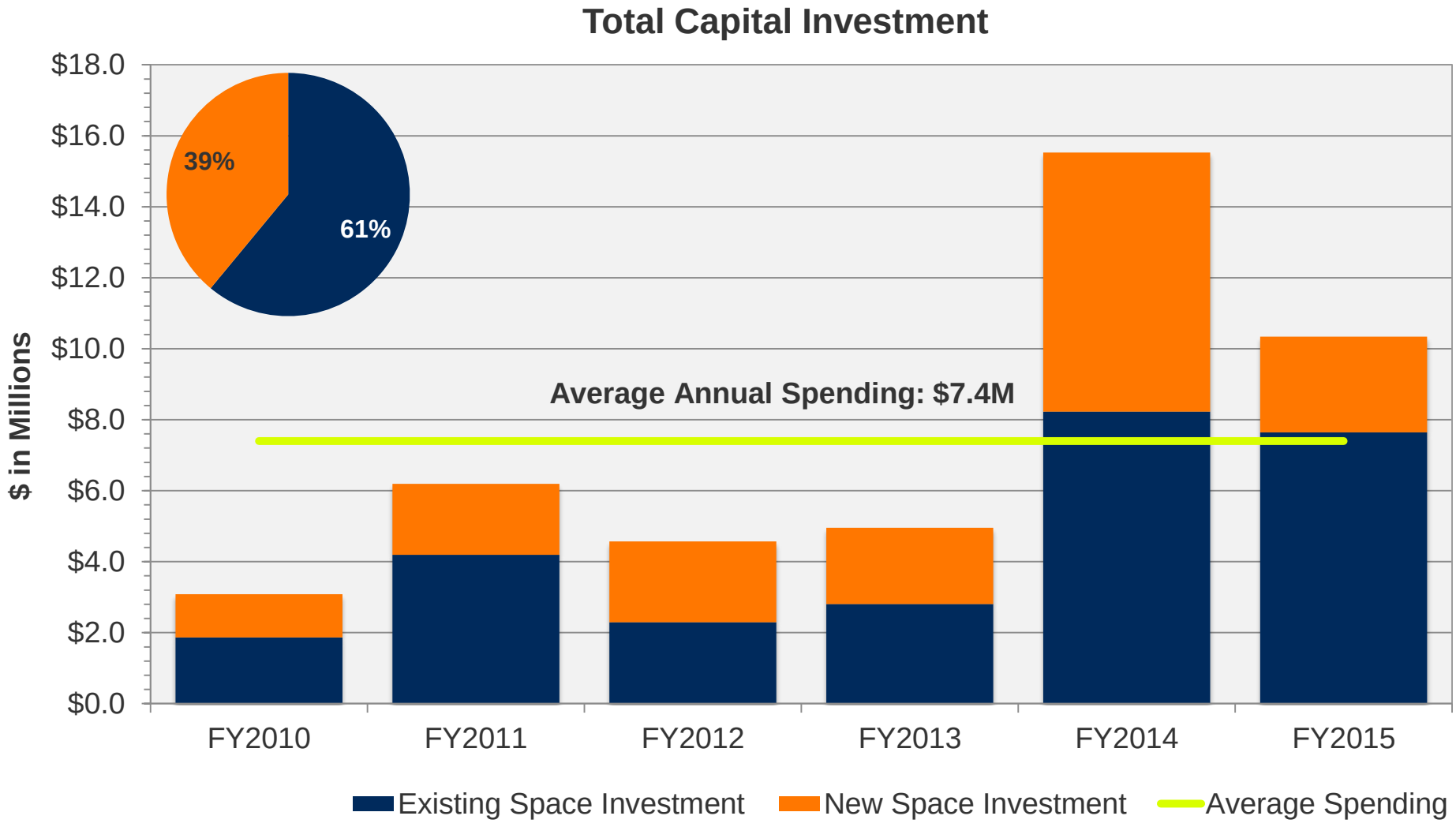


New construction : ~100KGSF studio bldg., ~75K GSF Residential bldg. Renos: College, Metcalf, Homer, Nickerson, Barstow, Larned, Thompson & Alumni

Asset Value Change

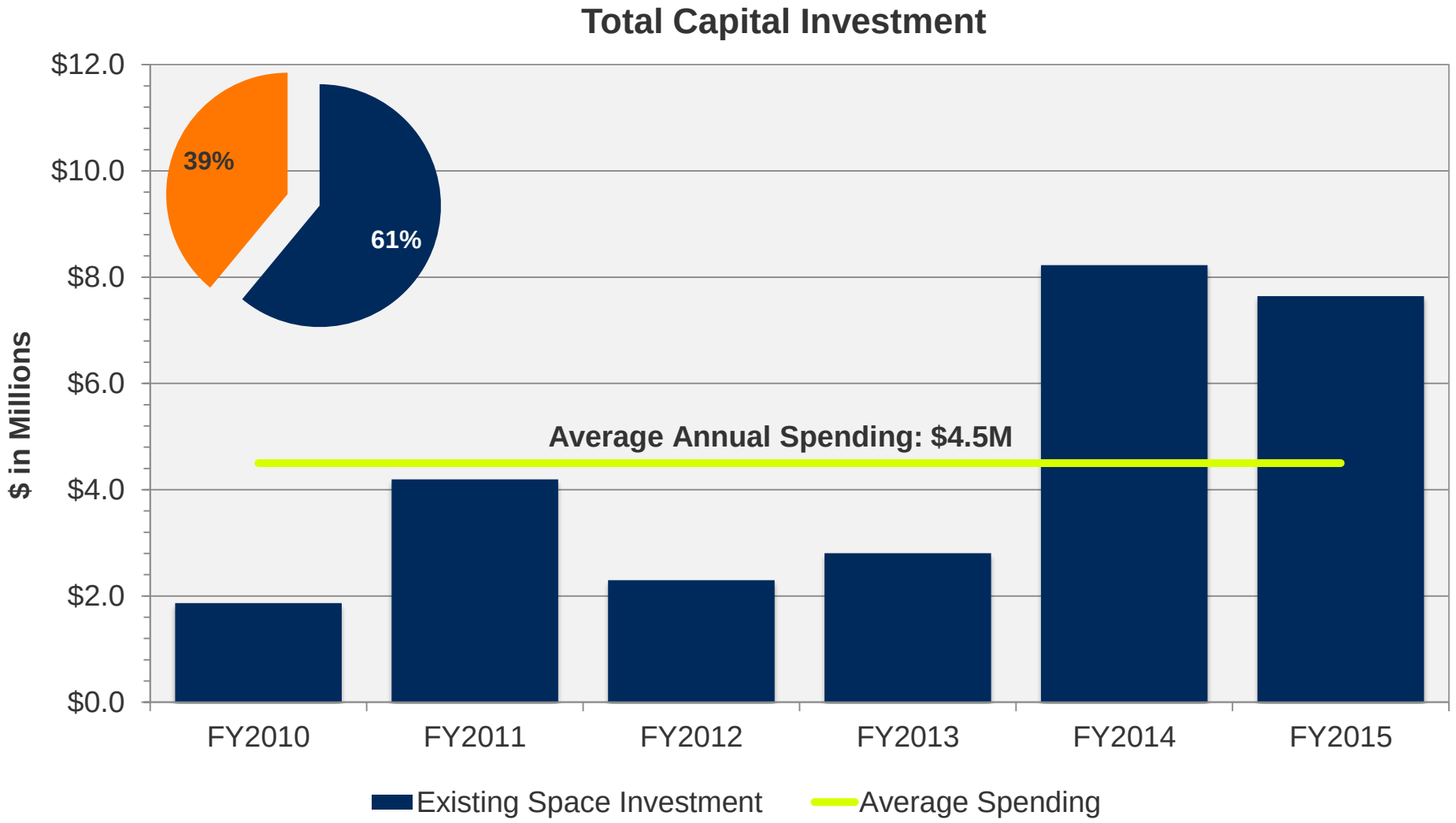
Total Capital Investment Over Time

At RISD, focus has been on existing space

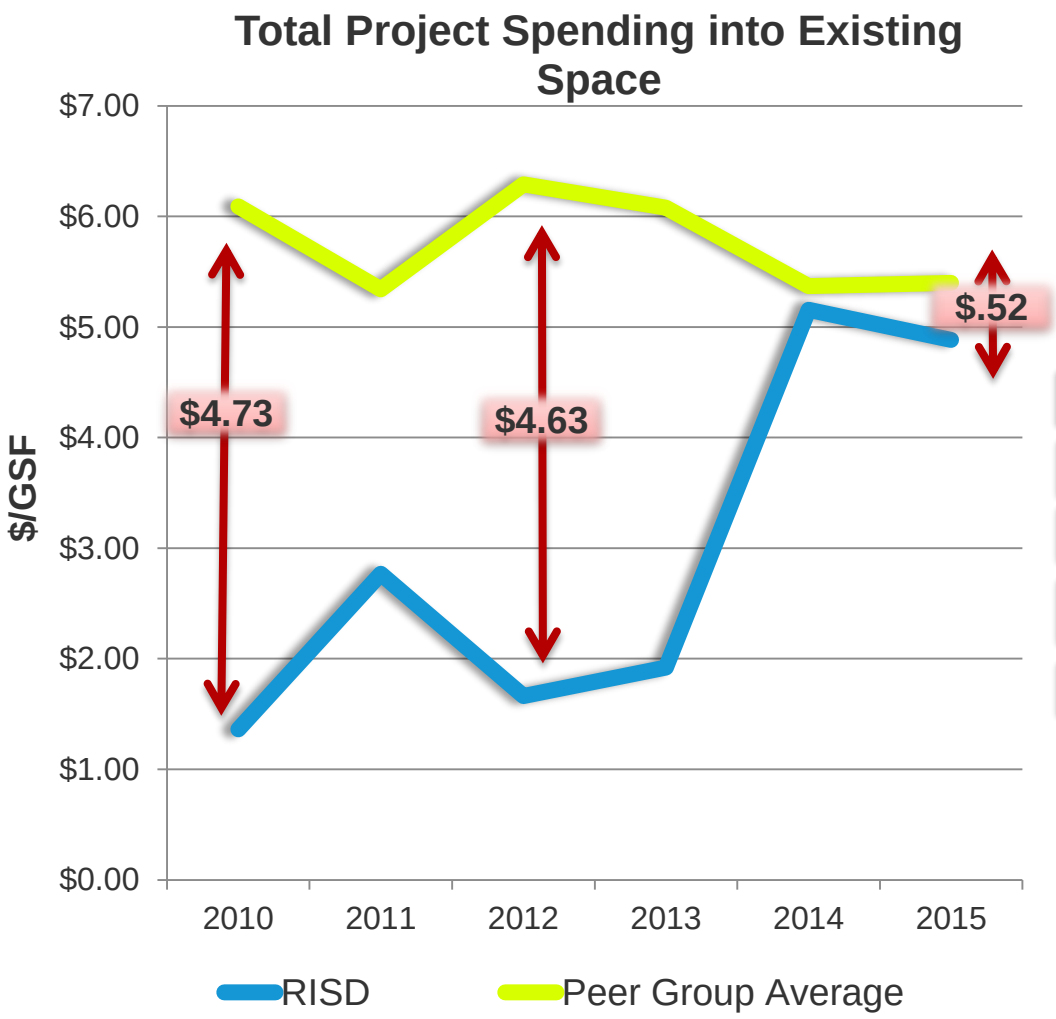


Total Capital Investment- Existing Space

Investment levels rise in FY14-15 due to the ISB project



Peers Out Invest RISD



Building Envelope

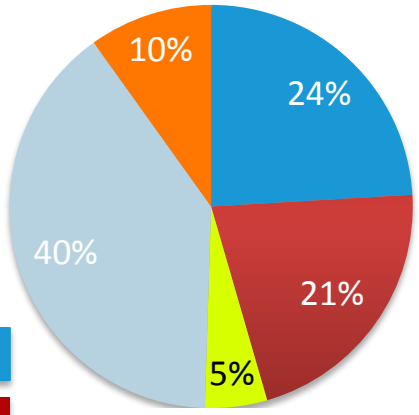
Building Systems

Infrastructure

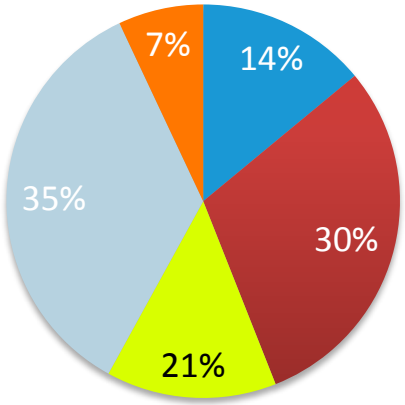
Space Renewal

Safety/Code

RISD FY10-15 Investment Mix



Peer Systems FY10-15 Investment Mix



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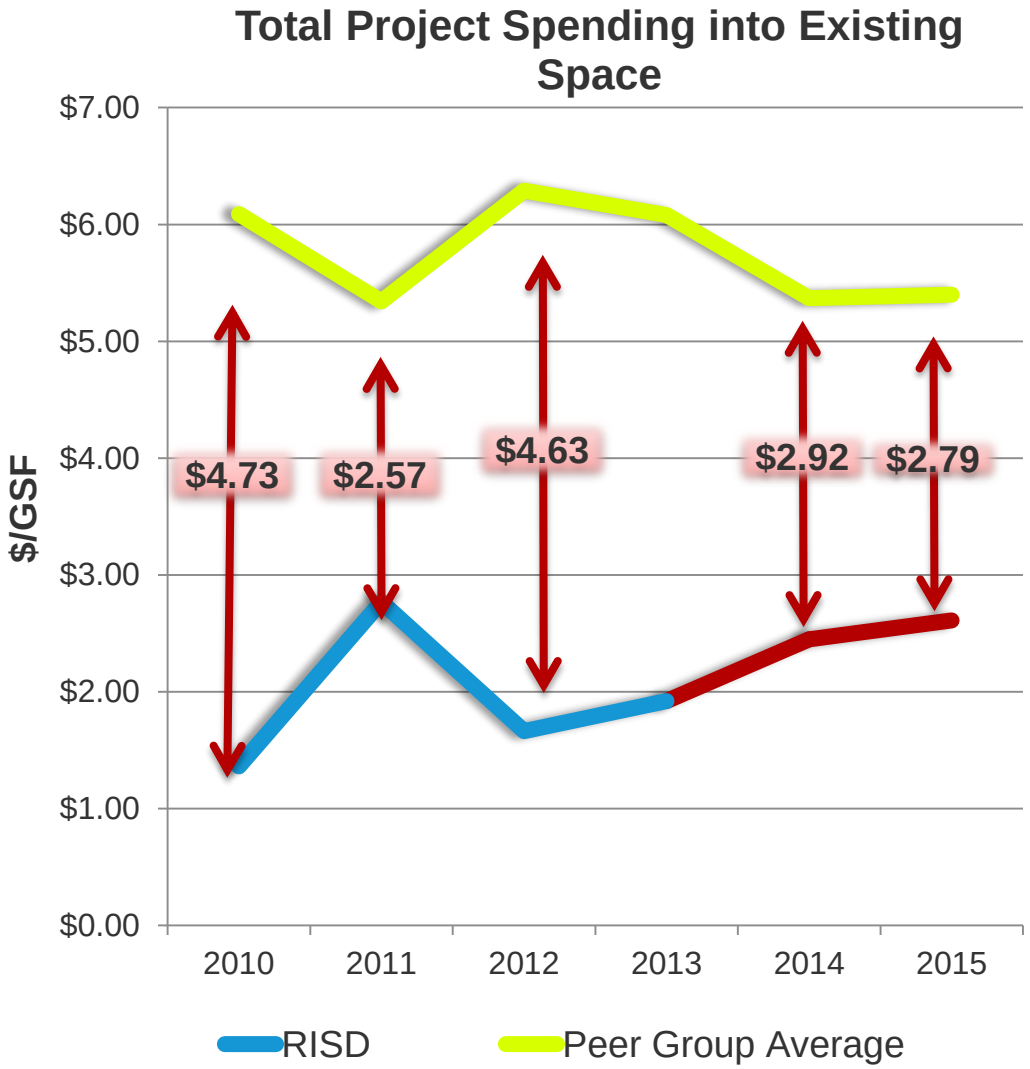
Removing ISB Spending- Gap Widens



Building Envelope

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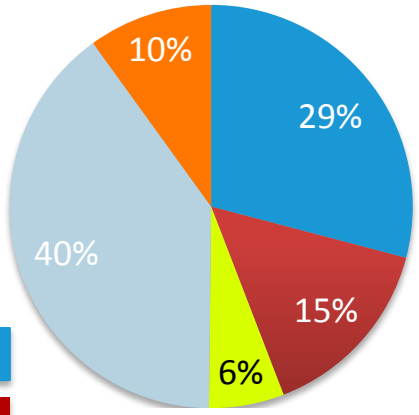
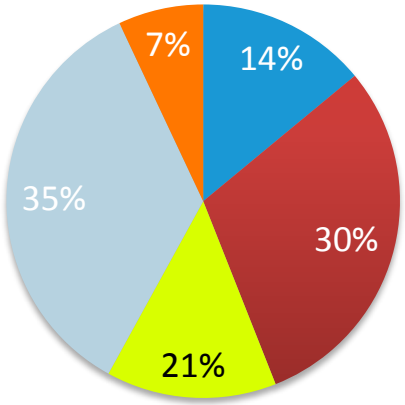
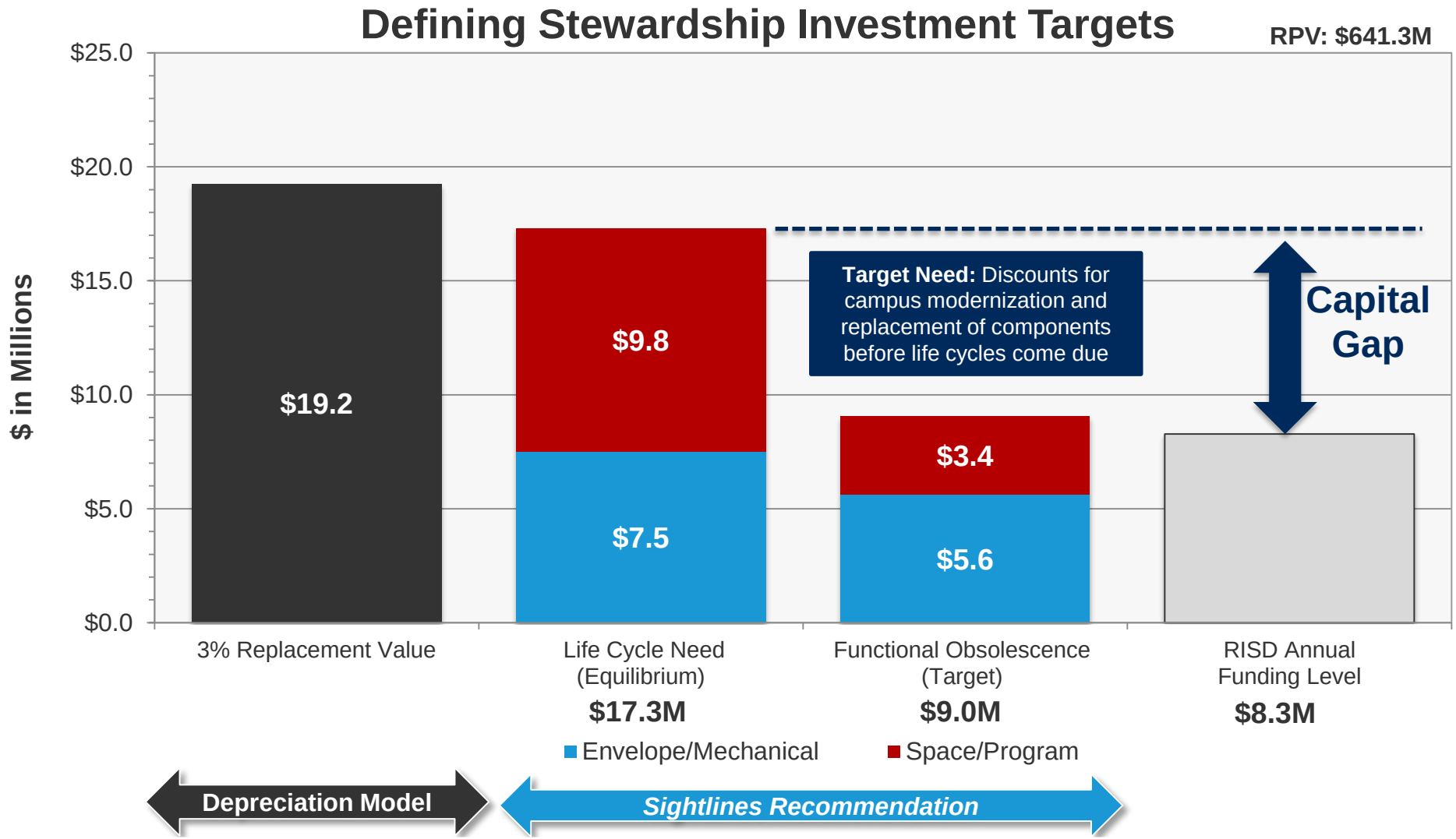
Safety/Code





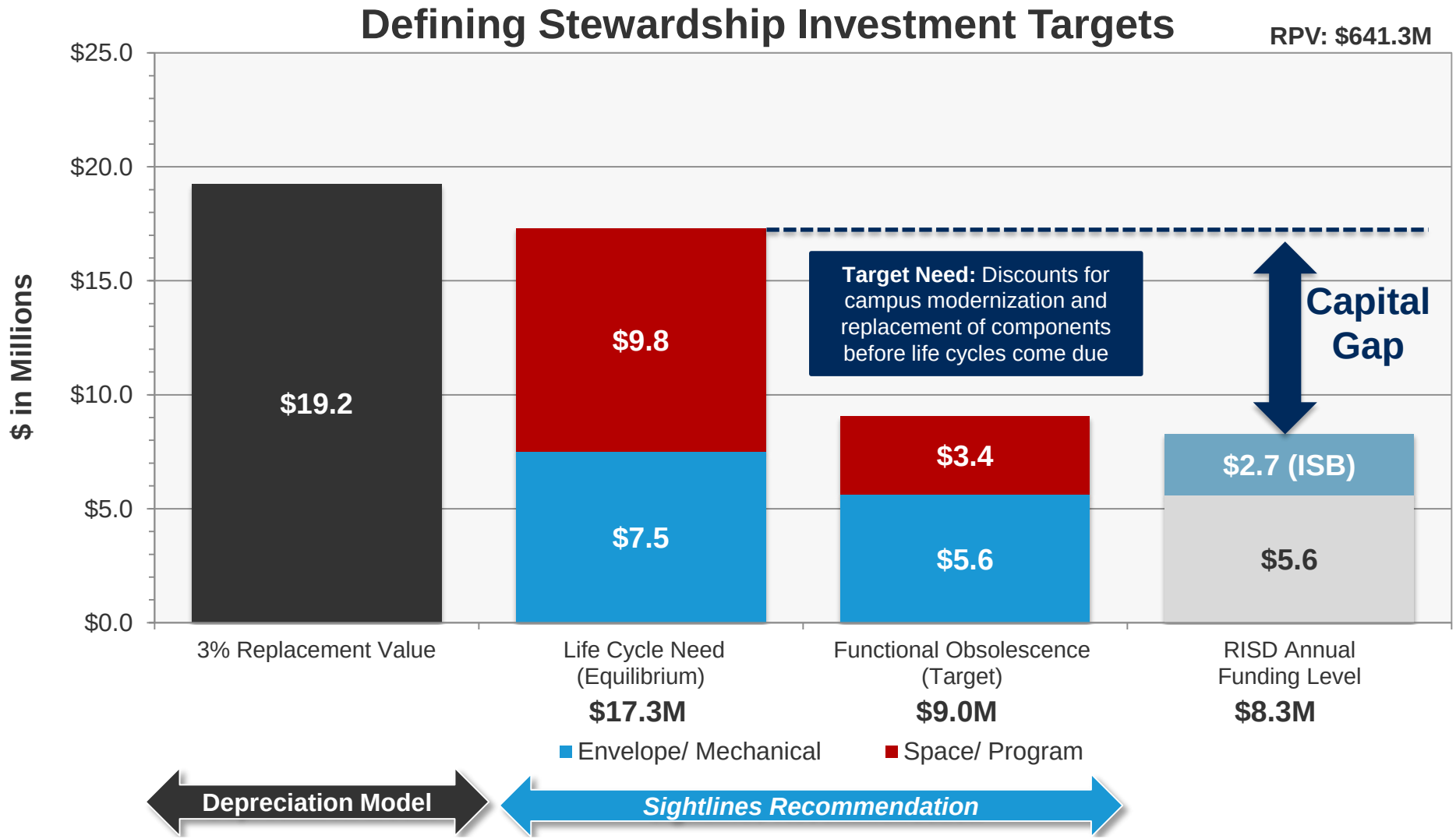
Investment Strategy

Ongoing investment target to maintain "steady state" operations



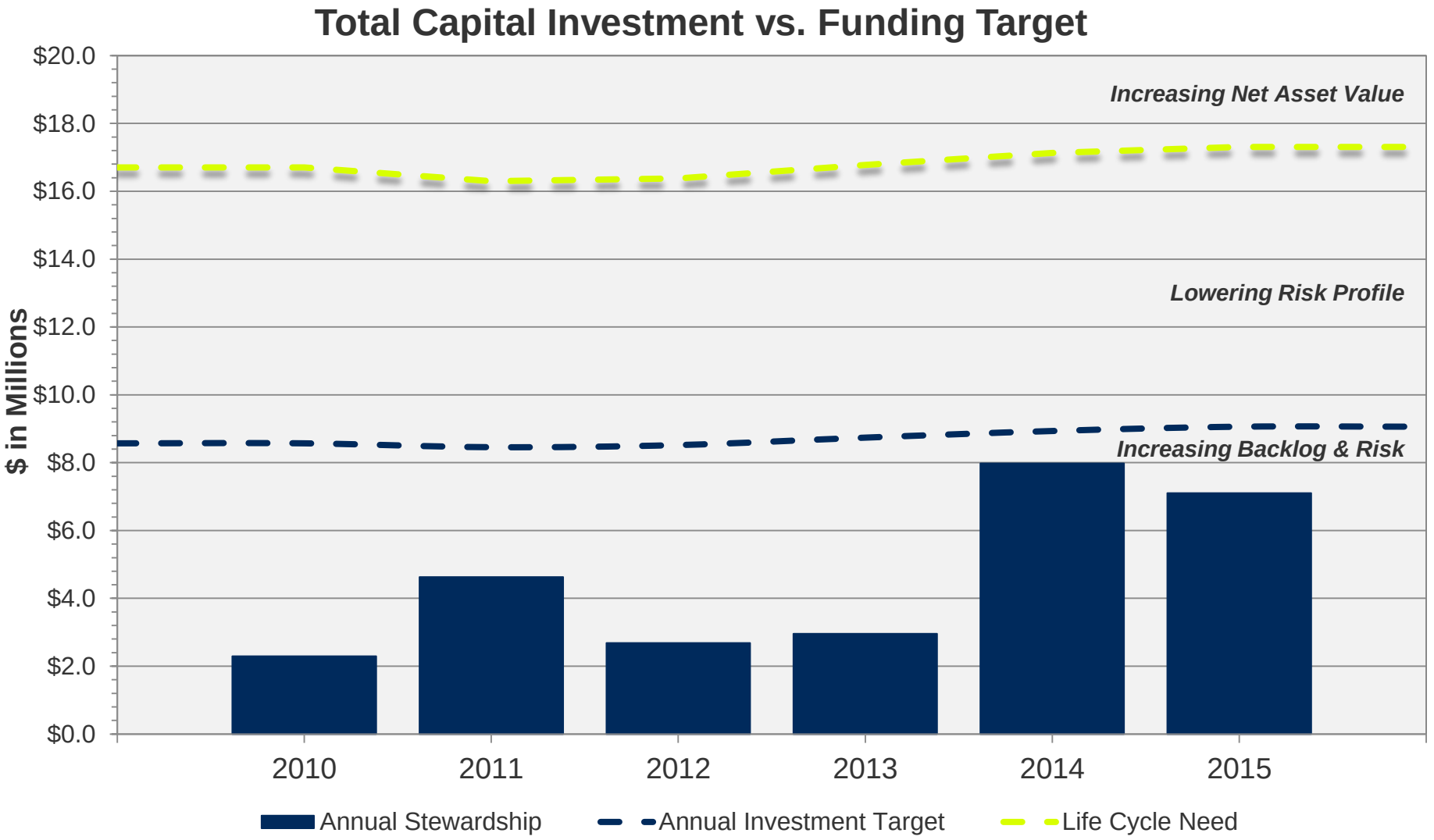
Impact of ISB

Projection of Funding level with ISB



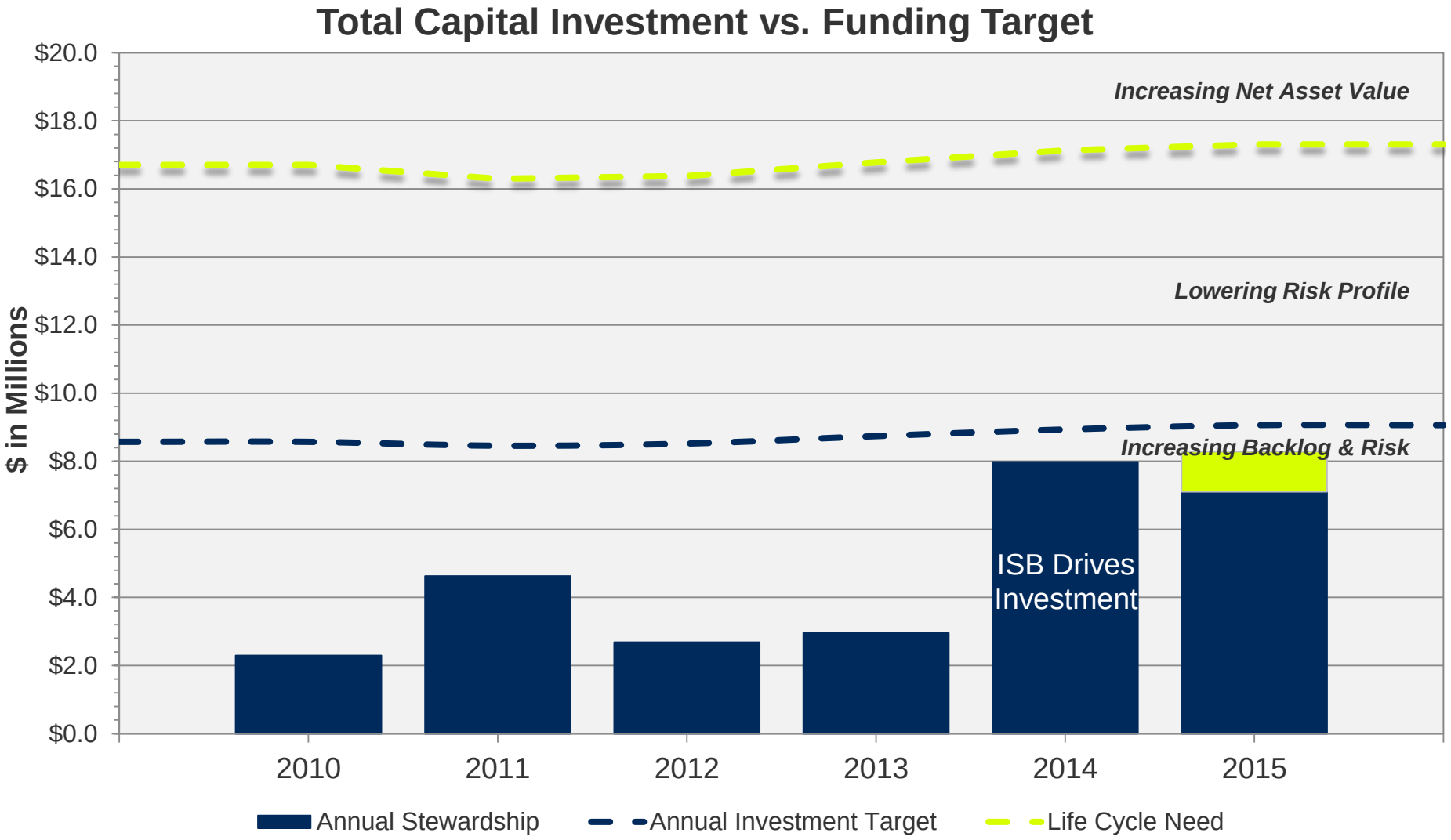
Total Capital Investment vs. Funding Target

Includes only the investment into existing facilities



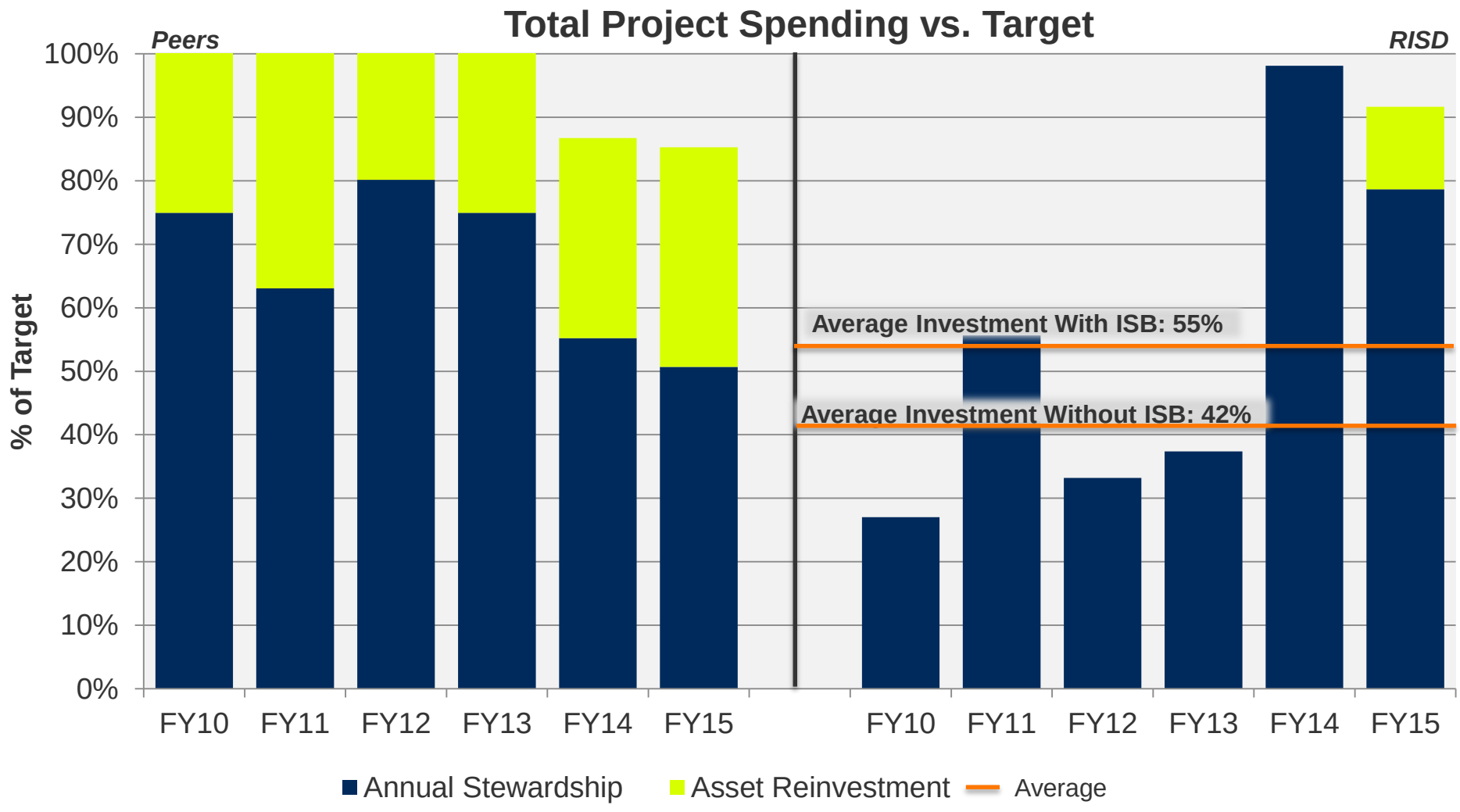
Can One-Time Funds Help Close the Gap?

Includes only the investment into existing facilities



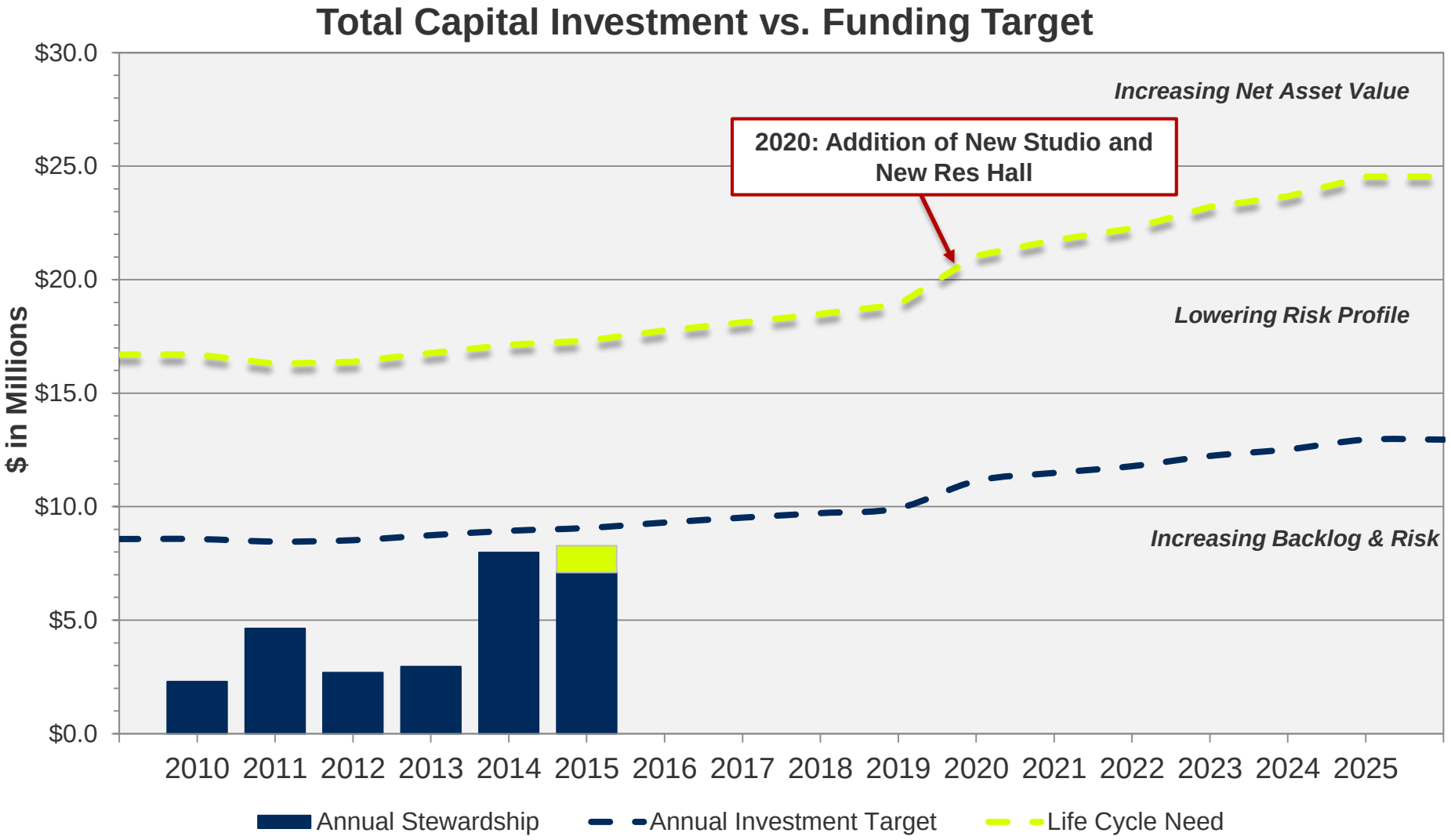
Peers Sustaining Value of Campus

One-Time funds assist peers in reaching target



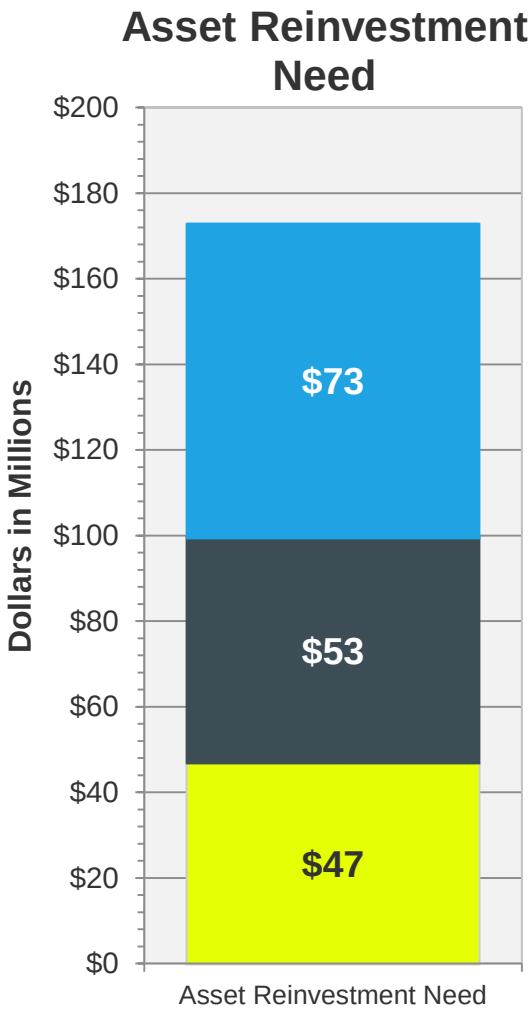
Projected 2025 Target Funding Level

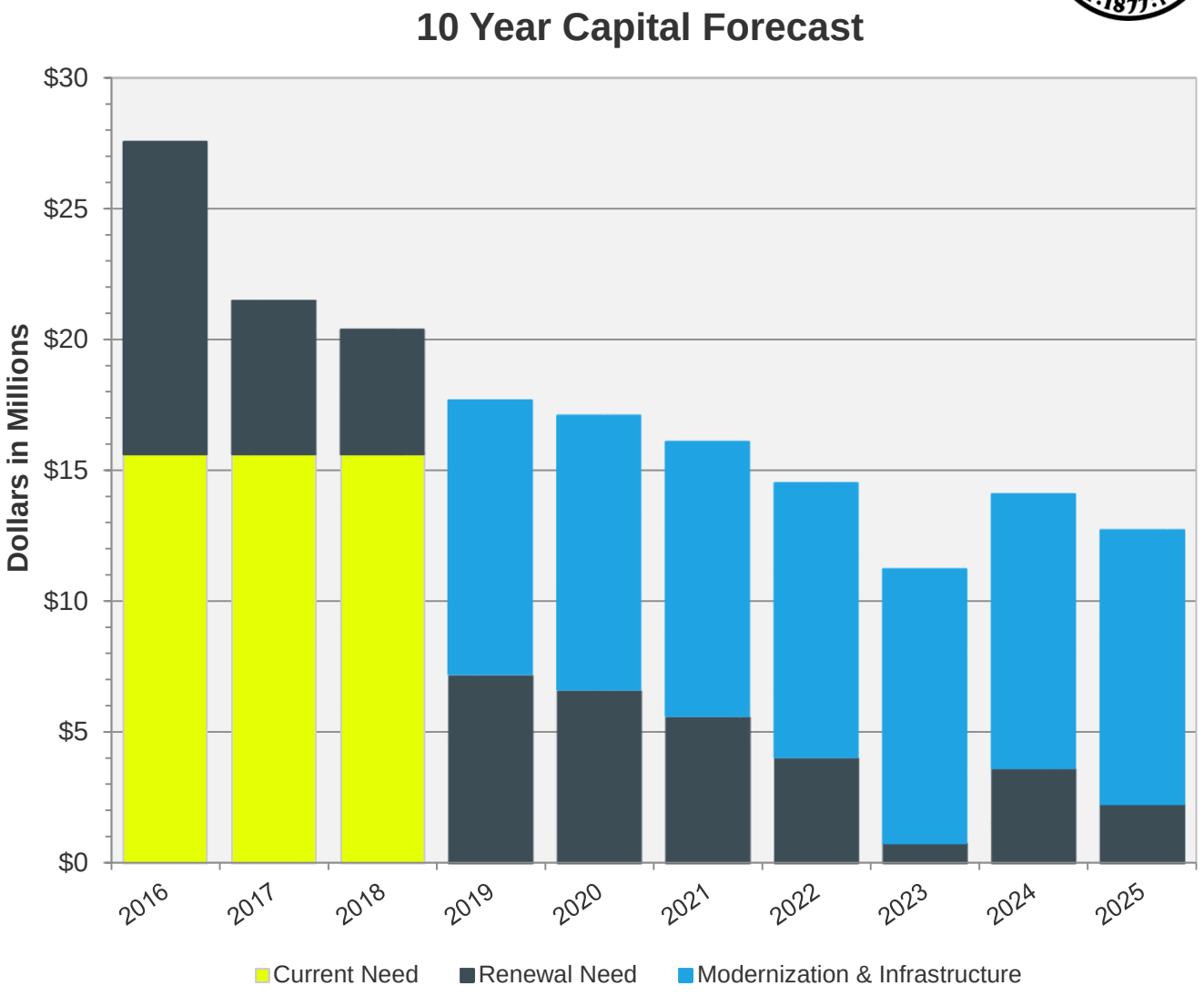
Future target levels continue to rise due to building backlog increase



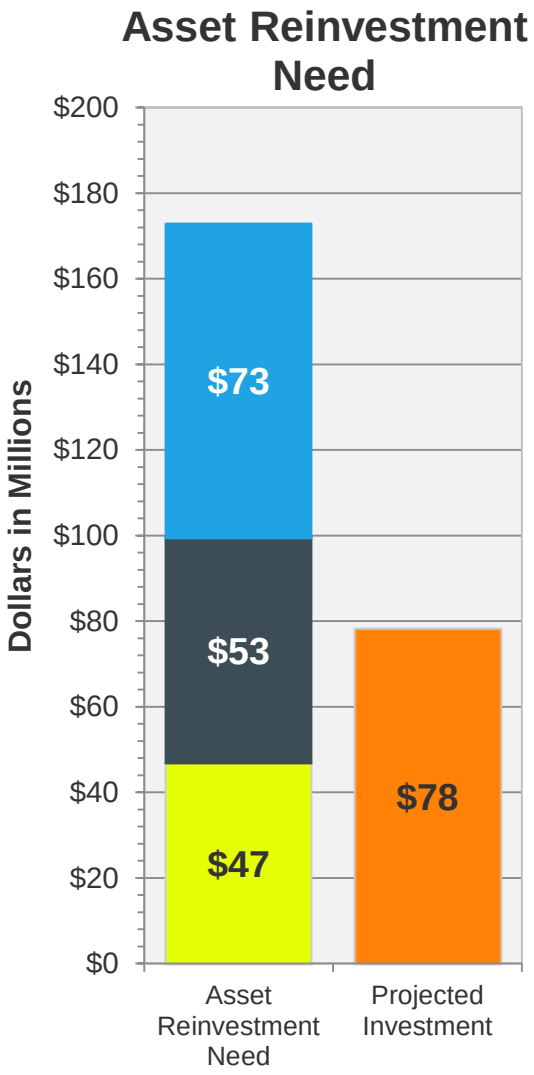
ROPA+ Prediction Slides

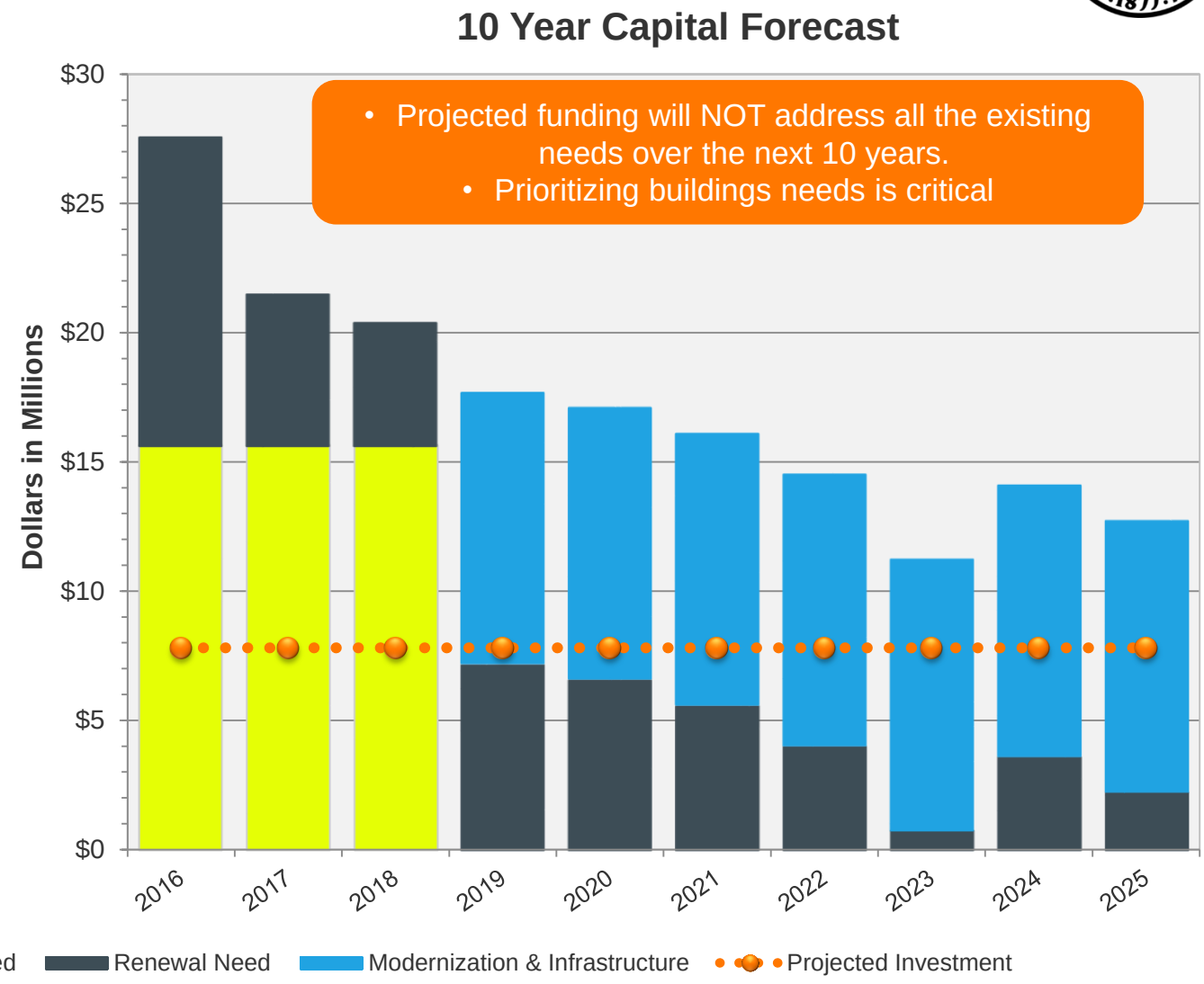
ROPA+ Prediction: Predictive Investment Model





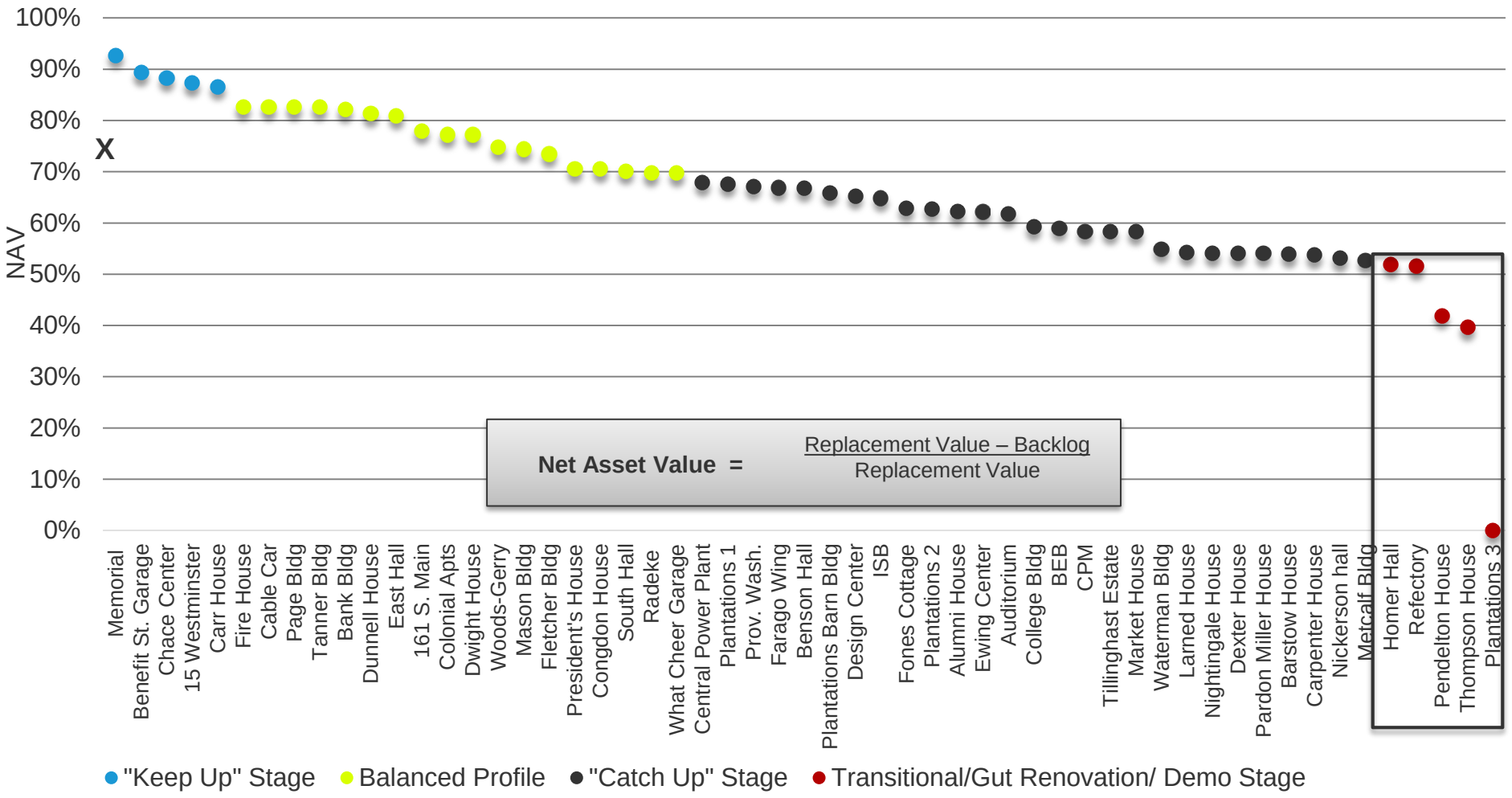
Projected Investment vs. 10 Year Needs





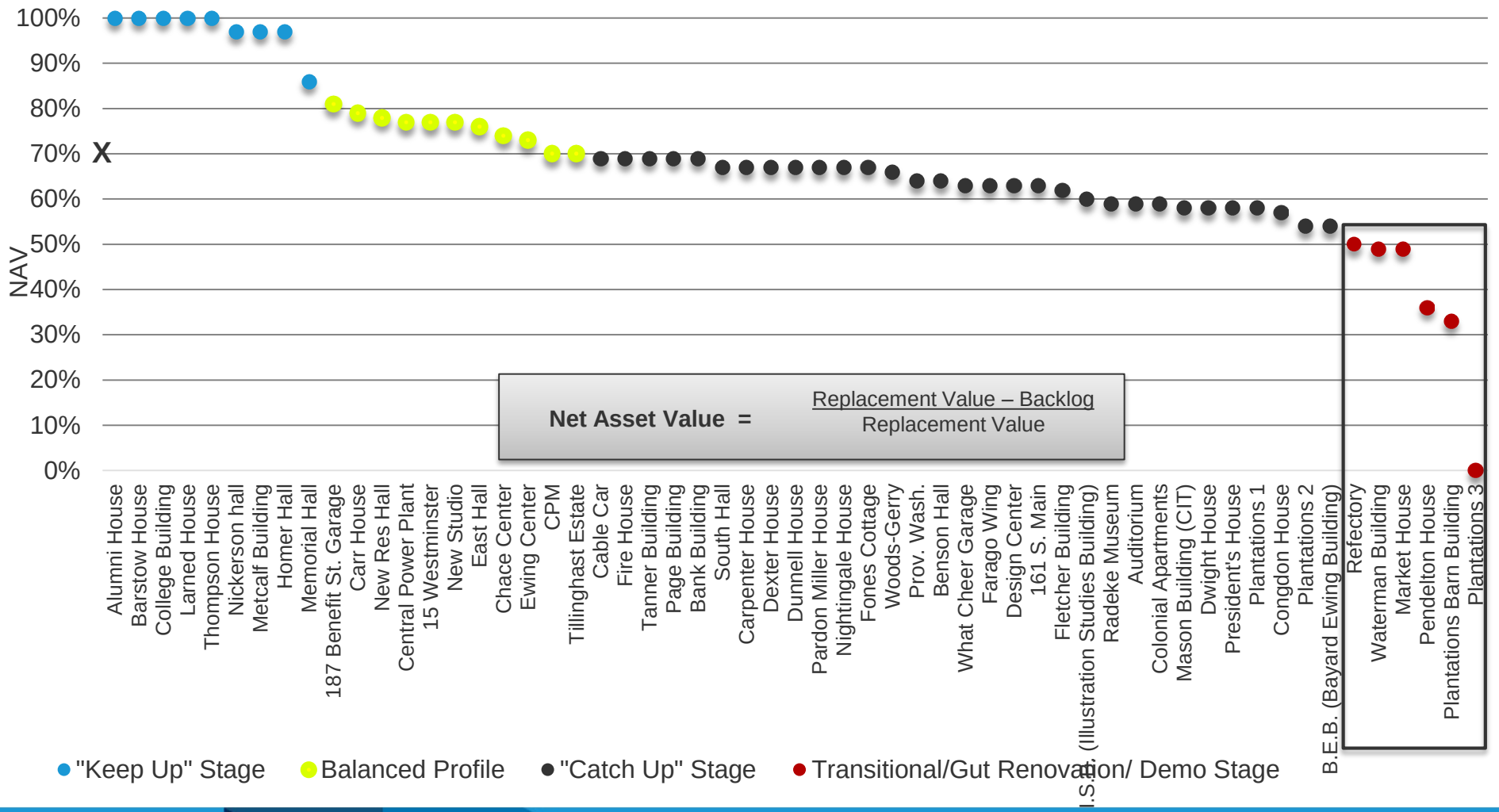
RISD Buildings Are Not Created Equal

Defining Funding Strategies



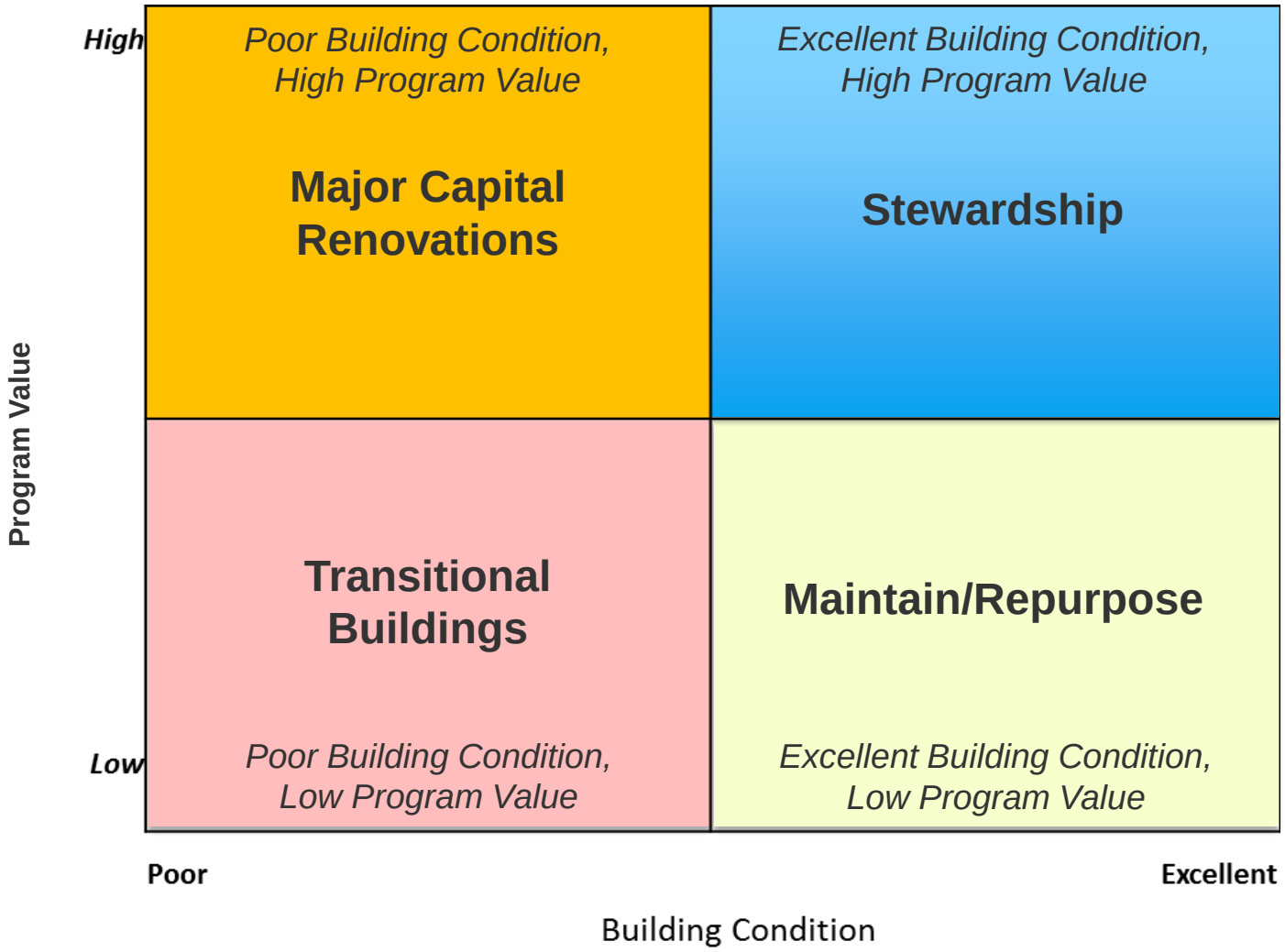
RISD NAV 2025 Projections

Do renovations offset campus NAV?

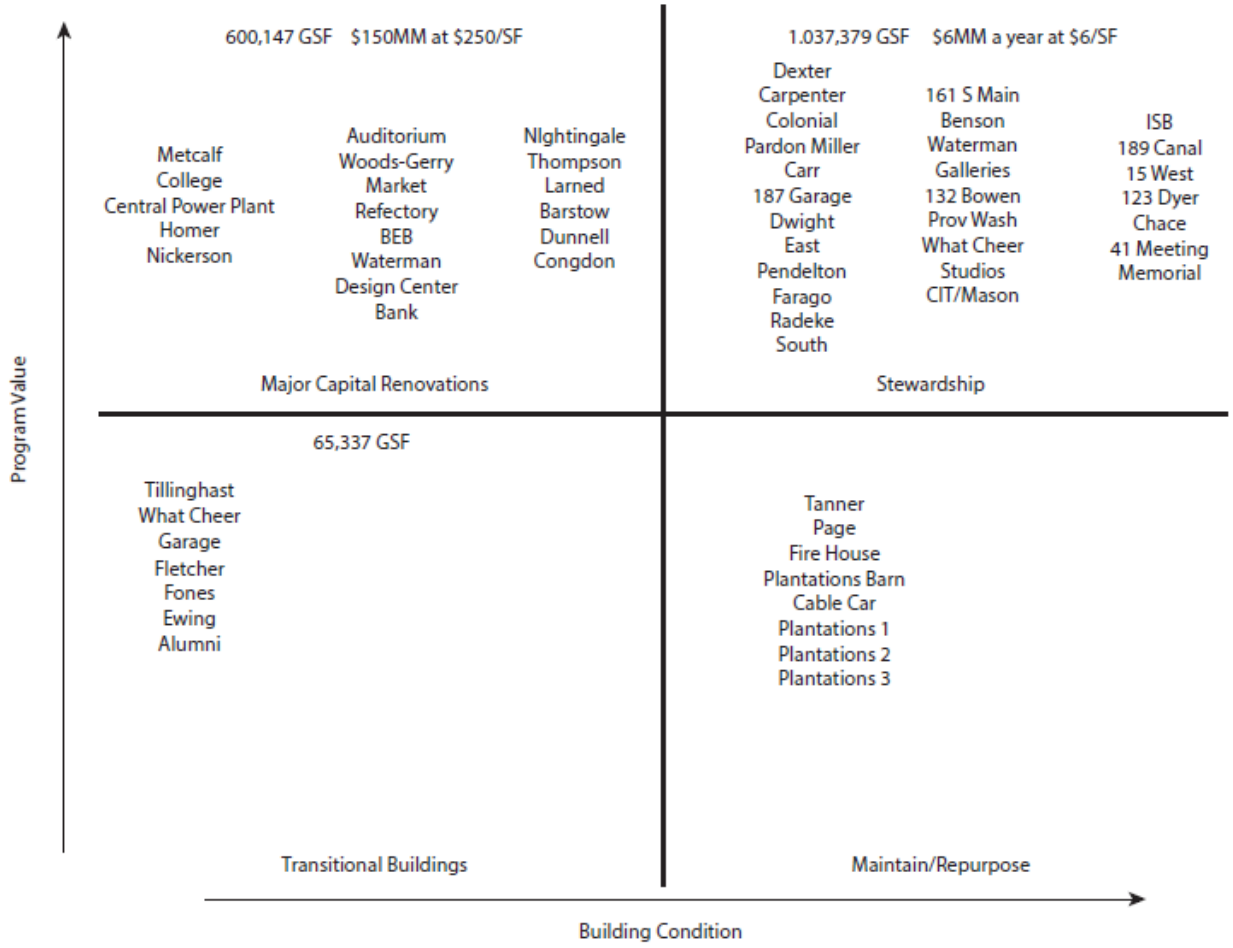


Match Program Value to Campus Need

Not all buildings on campus are created equal



RISD Program Value & Building Condition



Concluding Recommendations

- Ideally RISD would increase internal funding OR focus the existing resources to “keep up” initiatives only, while securing external “catch up” funding (bonds, fundraising) to tackle deferred maintenance across campus

- Given the limited resources at RISD, focusing on the highest ROI projects by matching building need with program value will help to drive the Net Asset Value of campus in a positive direction

- As RISD looks to reset the (age) clock on various buildings, strong Preventative Maintenance initiatives will help to secure building systems while promoting good building health, which ultimately will free up daily resources to be reinvested back into the capital/operational budget