

Making Housing and Dining Affordable
Notes from Wednesday, November 30, 2011
Chairman: John Beacon

For the past two weeks we have been discussing nearly a dozen cost containment recommendations received from university employees. These recommendations have proven useful to the committee in helping us better understand and realize that while many ideas seem very feasible at first blush, in truth solutions are compound and complex and often the results would save only pennies on the dollar.

ISU has not made major investments in its residence facilities for several decades. While clean and well maintained they do not provide the amenities found on many peer institution campuses with whom we compete for enrollment. Over the past couple of years and for at least the next decade, the University will nearly be continuously engaged in renovating existing facilities and adding new housing all with features in demand by students. The cost of these upgrades will be substantial leading to a dramatic increase over time in the debt service. Added to the need for new facilities is the expectation that utility costs will likely increase steadily over the same period. While alternative natural resources are being explored and are likely to be employed, they too come at a cost to incorporate into the current matrix, while savings will likely be modest at best for a time. These two items (facilities and utilities) are very big ticket items that need to be taken into consideration when considering ways to make housing more affordable. Because these expenses will be in the millions and consume much of any reserves that may currently exist, they will likely offset most potential savings found elsewhere. Having explored dining services under the same intense magnifying glass, with the need to upgrade equipment and dining spaces, the most feasible way to make dining more affordable is to: (1) require campus units to bear a greater portion of catering costs, and (2) increase the volume of meals served to reduce the per unit costs.

To help make housing more affordable, we have looked at reducing salaries and wages through staff reductions, but with recent cut backs in positions, custodial care is already at the margin. APA staff has been considered as a target, but this year they have been assigned a new more engaged role in helping with retention and time is needed to measure and assess the impact of their work.

That which has not been left on the cutting room floor is the possibility of co-op housing where affordability is made possible because students work in exchange for room and board. This is a model that works at many schools across the country, including Purdue in West Lafayette. Another possibility is to adjust the costs associated with the three housing options (standard, enhanced, and premium), and by increasing the cost for premium housing, perhaps the standard option can be made more affordable.

In the month of December, we are going to consider additional ways in which to make housing affordable and drill deeper into those options we have already discussed.