

**KANSAS STATE UNIVERSITY
HOUSING AND FOOD SERVICE RATES**

I. PROPOSED RATES (Room and Board)

These rates have been reviewed by staff and supported by the Association of Residence Halls.

<u>Single Students Per Person</u> ³⁾	<u>Regular Semester Effective July 1, 2016</u>		
	<u>2015-2016</u>	<u>Room & Meals</u> ¹⁾ <u>2016-2017</u> ²⁾	<u>% Chg</u>
Residence Halls – Unlimited Access Meal Plan ⁴⁾ Traditional Private Double Room (New Wefald)	New	\$5,425.00	N/A
Residence Halls - 14 Meal Plan (any 14 per week) ⁴⁾ Double Room	\$4,115.00	\$4,260.00	3.5%
Residence Halls - 7 Meal Plan (any 7 per week) ⁴⁾ Double Room- Limited to Living Community at JA	New	\$3,675.00	N/A
Cooperative House - 14 Meal Plan ⁵⁾ Double Room	\$3,605.00	\$3,650.00	1.2%
Suite Options priced by semester			
1 Person Private Apartment	\$1,430.00	\$1,430.00	0.0%
1 Person Private	\$1,210.00	\$1,260.00	4.1%
1 Person by 1 Person (bath between)	\$1,090.00	\$1,135.00	4.1%
1 Person side of a 1 by 2 (bath between)	\$1,035.00	\$1,075.00	3.9%
2 Person side of a 1 by 2 (bath between)	\$910.00	\$945.00	3.8%
2 Person Private	\$995.00	\$1,035.00	4.0%
3 Person Private	\$890.00	\$925.00	3.9%
2 Person by 2 Person (bath between)	\$855.00	\$890.00	4.1%
4 Person Private	\$645.00	\$670.00	3.9%
Unattached Triple	\$400.00	\$415.00	3.8%
1 Person Private Inside Cluster	\$1,030.00	\$1,070.00	3.9%
2 Person Private Inside Cluster	\$945.00	\$985.00	4.2%
3 Person Private Inside Cluster	\$865.00	\$900.00	4.0%
Single room with community bath additional rate	\$230.00	\$240.00	4.3%

¹⁾ Includes housekeeping service other than within rooms. Sunday evening meals are not served.

²⁾ Application fee of \$30 (non-refundable) is assessed each academic year and is due before the contract will be processed. Up to \$25 of each application fee is transferred to the recreational and social use fund. If the full contract amount is not paid prior to July 1 for the Fall semester and December 1 for the Spring semester, all charges will be posted to the University Tuition and Fee account accessible within KSIS. A \$25 KSIS processing fee will then be added each semester. All charges will be billed by the university Cashier's Office and subject to their terms and conditions.

³⁾ For payment due dates, cancellation dates and charges, please refer to "Student Housing Contract Terms".

⁴⁾ Students may deposit funds into Cat Cash to be used in all Housing and Dining Services Retail options, including JPs Restaurant, Cornerstone Coffee Shop, Derby Bakery, All 5 Quick Cats C-Stores, Rec Center C Store Operation and Housing Laundry Facilities. Students will have limited Grab and Go Meals with all meal plans.

⁵⁾ Plus assisting with house and food service operations on an average of one hour per day.

**Salina Polytechnic Campus Regular Semester ^{1), 2), 3)}
Effective July 1, 2016**

Single Students Per Person

	Room & Meals		
	<u>2015-2016</u>	<u>2016-2017</u>	<u>%Chg</u>
Residence Halls - 14 Meal Plan			
Double Room	\$3,147.00	\$3,211.00	2.0%
Single Room	\$5,058.00	\$5,156.00	1.9%
Residence Halls - 19 Meal Plan			
Double Room	\$3,363.00	\$3,432.00	2.1%
Single Room	\$5,274.00	\$5,377.00	2.0%
Other Polytechnic Campus Housing Fees			
Application Fee	\$30.00	\$30.00	0.0%

- 1) Plus a non-refundable application fee of \$30 per contract from which a sum not to exceed \$25 may be used as a recreational and social fee.
- 2) For payment due dates, cancellation dates and charges please refer to "Student Housing Contract Terms".
- 3) Residents may lock-in their starting residence hall rate for a maximum of five years if fall contracts are turned in no later than the first Friday in May each year.

**Manhattan Campus Apartments ^{1), 2)}
Effective July 1, 2016
Rate Per Month**

	<u>2015-2016</u>	<u>2016-2017</u>	<u>% Chg</u>
<u>Traditional Rate Per Apartment ^{1), 2)}</u>			
One Bedroom Unfurnished	\$455.00	\$475.00	4.4%
Two Bedroom Unfurnished	\$535.00	\$555.00	3.7%
<u>Renovated Rate Per Apartment ^{1), 2)}</u>			
One Bedroom Unfurnished	\$525.00	\$545.00	3.8%
Two Bedroom Unfurnished	\$600.00	\$625.00	4.2%
<u>Highly Renovated Rate Per Apartment ^{1), 2)}</u>			
One Bedroom Unfurnished	\$565.00	\$585.00	3.5%
Two Bedroom Unfurnished	\$680.00	\$705.00	3.7%
Three Bedroom Unfurnished	\$785.00	\$790.00	0.6%
<u>New Construction Rate Per Person ^{1), 2)}</u>			
One Bedroom Unfurnished	\$655.00	\$680.00	3.8%
Two Bedroom Unfurnished	\$555.00	\$575.00	3.6%
Three Bedroom Unfurnished	\$490.00	\$495.00	1.0%
Four Bedroom Unfurnished	\$450.00	\$450.00	0.0%
Studio Unfurnished	\$600.00	\$620.00	3.3%
Town House Unfurnished	\$998.00	\$998.00	0.0%
Studio Loft Unfurnished	\$650.00	\$675.00	3.8%

- 1) In addition to the monthly rates, a refundable deposit of \$400 is required at time of application and a non-refundable application fee of \$30 is assessed each academic year and is due before the contract will be processed. Up to \$25 of each application fee is transferred to the recreational and social use fund. If the full contract amount is not paid prior to July 1 for the Fall semester and December 1 for the Spring semester, all charges will be posted to the University Tuition and Fee account accessible within KSIS. A \$25 KSIS processing fee will then be added each semester. All charges will be billed by the university Cashier's Office and subject to their terms and conditions. Students provide linen, dishes, telephone and electricity.
- 2) Furniture is available for rent on a limited basis.

**Summer Session
Effective May, 2016**

	Double Room as Single		Double Room	
	<u>2015-2016</u>	<u>2016-2017</u>	<u>2015-2016</u>	<u>2016-2017</u>
Room and 20 Meals Weekly	\$385.00	\$385.00	\$255.00	\$255.00
Room and 15 Meals Weekly	\$380.00	\$380.00	\$250.00	\$250.00
Room and 10 Meals Weekly	\$376.00	\$376.00	\$249.00	\$249.00

Salina Polytechnic Campus

	Single Room		Double Room	
	<u>2015-2016</u>	<u>2016-2017</u>	<u>2015-2016</u>	<u>2016-2017</u>
Room and 15 Meals Weekly	\$227.00	\$229.00	\$185.00	\$187.00
Room and 10 Meals Weekly	\$204.00	\$206.00	\$162.00	\$164.00

Optional Meal Plans For Manhattan Residents of Housing and Dining Services Apartments, Faculty/Staff and Off-Campus Students Per Semester

	<u>2015-2016</u>	<u>2016-2017</u>
Optional Jardine Resident 50 Meal Plan (50 Entrances)	New	\$585.00
Optional Jardine Resident 100 Meal Plan (100 Entrances)	New	\$1,105.00
Optional Faculty/Staff 50 Lunch/Breakfast Meal Plan (50 Entrances)	New	\$520.00
Optional Faculty/Staff 100 Any Meal Plan (100 Entrances)	New	\$1,170.00
Optional Off Campus Student 100 Meal Plan (100 Entrances)	New	\$1,230.00
Optional Off Campus Student 150 Meal Plan (150 Entrances)	New	\$1,755.00

Polytechnic Campus

Optional 5 Meal Plan (Lunch, M-F)	\$428.00	\$428.00
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II. Expenditure Impact of Proposal.

The proposed rates are recommended to cover increased operational costs. Expenditures for salaries and benefits in the new residence hall and dining center, facility maintenance, food, utilities, and other operational categories such as technology are expected to rise about 5.5% collectively. Normal capital improvement projects are expected to be \$3.8 million including self-funded/reserve improvements as part of the Goodnow and Marlatt Hall renovations. Debt service also increases by \$1.25 million in FY 2017 as full debt service payments begin for the new residence hall and dining center being constructed for occupancy by August 2016.

Because K-State does not require any student to live in university owned residence halls or apartments, we provide excellent facilities and exemplary service to maintain the optimal number of residents. (All numbers listed below include additional expenses attributable to the opening of the new 540-bed Wefald Hall and enlarged Kramer Dining Facility.)

Salaries and Benefits	\$959,000	Student Labor	\$162,000
Utilities Increase	\$500,000	Debt Service (additional debt service)	\$1,248,000
Food and Supplies	\$502,000		

III. Revenue Impact of Proposal

K-State’s housing system operates as an auxiliary unit, so all projected revenue is deposited in auxiliary funds. The estimated additional revenue is an increase of about 6.27% over estimated FY 2016 income from the Residence Halls and Apartments, due largely to the addition of 540 beds in Wefald Hall.

IV. Estimated Benefits from Proposal

Approximately 5,700 students living in residence halls, cooperative house, honors house and apartments will be affected by the rate increase. The proposed increases are primarily driven by inflationary increases in costs for labor, utilities, food, facility maintenance as well as increased debt service and operating costs for the new dining center and residential hall. Additionally, planned upgrades to the Derby roof, Marlatt and Goodnow elevators, Marlatt heating and cooling systems, dining service facilities and academic support facilities require resources. Even though it’s a challenge, we successfully maintain room and board rates that are below national and Big XII averages. Within the Big XII, we continue to remain in the lower one-third.

V. Alternatives to Proposal

None Identified. Because Housing and Dining is entirely self-supporting, user fees must cover costs.

VI. Impact of Not Implementing Proposal

The Housing and Dining Services annual operating budget is approximately \$49 million. The insured replacement value of the housing facilities is about \$411 million. Housing and Dining Services is a self-supporting auxiliary unit. Prudent management require a fiscally stable budget and a properly maintained physical plant with sufficient revenue to cover operating expenditures and facilities maintenance and renovations. Failure to properly plan, budget and operate would compromise our ability to meet core responsibilities to students. Additionally it is prudent to have adequate reserves to fund debt service and finance future capital improvements during times of enrollment fluctuations. The rate proposal submitted was developed over the past year with input from the K-State Association of Residence Halls student leadership.

Supplemental Financial Information**Polytechnic and Manhattan
Campuses**

	Projected FY 2017	Projected FY 2016	Actual FY 2015	Actual FY 2014	Actual FY 2013
Gross Operating Revenue	\$49,839,000	\$46,898,000	\$46,165,000	\$43,997,000	\$43,038,000
Salaries and Wages	\$19,413,000	\$18,292,000	\$15,235,000	\$17,994,000	\$17,490,000
Other Operating Expenditures	<u>\$21,283,000</u>	<u>\$20,281,000</u>	<u>\$17,780,000</u>	<u>\$15,193,000</u>	<u>\$15,950,000</u>
Total Gross Operating Expense	\$40,696,000	\$38,573,000	\$33,015,000	\$33,187,000	\$33,440,000
Gross Operating Revenue (Loss) ⁽¹⁾	\$9,143,000	\$8,325,000	\$13,150,000	\$10,810,000	\$9,598,000
Capital Improvements Expense *	\$3,360,000	\$11,280,000	\$3,268,000	\$2,549,000	\$1,597,000
Annual Debt Service	\$8,731,000	\$7,483,000	\$7,047,000	\$5,310,000	\$5,920,000
Other Capital Expenditures	<u>\$391,000</u>	<u>\$327,000</u>	<u>\$238,000</u>	<u>\$118,000</u>	<u>\$188,000</u>
Net Revenue (Loss)	(\$3,339,000)	(\$10,765,000)	\$2,597,000	\$2,833,000	\$1,893,000
Occupancy Rate	95.5%	93.9%	98.5%	97.6%	100.0%
Housing System Earned Fund Balance⁽²⁾	\$9,798,000	\$13,137,000	\$23,902,000	\$21,305,000	\$18,472,000
L/T Debt Outstanding	\$128,465,000	\$131,895,000	\$133,980,000	\$137,080,000	\$74,470,000

***Capital Improvements Planned:**

FY 2016 - \$11,119,842 (Rehab and Repair Renovations including 1/2 Derby and all of Goodnow roof replacement, major infrastructure replacement at West Hall [\$5 million], Marlatt Hall fire system, ceilings and lighting, Kramer Dining and Wefald self-funded finish)

FY 2017 - \$3,200,000 (Marlatt-Goodnow infrastructure renovations, Derby roof, old Kramer rehabilitation, start Moore fire alarm), Union-dining

⁽¹⁾ The university continues to maintain the best practice of maintaining cash reserves equal to 1.25 times annual debt service even though the bond covenants no longer require it.

⁽²⁾ Fund Balance includes unearned advance payments that have been collected for the upcoming academic year. The remaining fund balance is primarily in place for cash flow needs such as those associated with KSU's self-operated dining services, employment protection issues, reserves for capital projects (as noted above), and emergency equipment and building repairs. KSU's housing operations have buildings with replacement values in excess of \$411 million. Long term fiscal stability requires a properly maintained physical plant.