The University of Toledo
Campus Presentation
June, 2010
<table>
<thead>
<tr>
<th>Technical Complexity</th>
<th>Peer Review</th>
<th>Project Spending</th>
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<tr>
<td>Age of Space</td>
<td></td>
<td>Deferred Maintenance</td>
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<th>Operating Budget</th>
<th>Peer Review</th>
<th>Utility Overview</th>
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<tr>
<td>Impression Scores</td>
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<td>Summary</td>
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We Are a Membership Based Organization
95%+ annual retention rate of member campuses

• 260+ member campuses

• 120+ public and 140+ private institutions

• Developed a useful tool based on:
  Common vocabulary
  Consistent analytical methodology
  Credibility through benchmarking
A Vocabulary for Measurement
The Return on Physical Assets – ROPA\textsuperscript{SM}

Toledo’s Data Using Sightlines Terminology

- **Annual Stewardship**
  - State Basic Renovation
  - Local Recurring Funds
  - Operating Budget Planned Maintenance

- **Asset Reinvestment**
  - State Capital Allocation
  - Local One-Time Funds
  - Gifts, Grants, and Bonds

- **Operations Success**
  - Maintenance, Custodial, and Grounds Staffing
  - Operating Budget
  - Energy Cost and Consumption

- **Service**
  - Campus Inspection
  - Service Process
  - Customer Satisfaction Survey

Asset Value Change
Operations Success
Benchmark Institutions

Using peer groups for Total Campus, Main Campus and Health Science Campus

**Total Campus Peers**
- Georgetown University
- Nova Southeastern University
- St. Louis University
- Temple University
- Thomas Jefferson University
- Tufts University
- University of Rochester

**Ohio System Peers**
- Bowling Green State University
- Cleveland State University
- Kent State University
- Miami University of Ohio
- Ohio State University
- Ohio University
- University of Akron
- University of Cincinnati
- Wright State University
- Youngstown State University

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

**Hospital/Medical Peers**
- Georgetown University Medical
- Thomas Jefferson University Hospital
- Tufts University – Boston
- University of Rochester Hospital
- University of Rochester Medical
## Benchmark Institutions

Using peer groups for Total Campus, Main Campus and Health Science Campus

### Total Campus Peers
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## Comparative Considerations

Size, technical complexity, region, geographic location, and setting are all factors included in the selection of peer institutions.
High Tech Rating Influences Campus Needs

Health Sciences- 4.11 and Main Campus- 3.32

Impact of Tech Rating
- The operating cost increase as complexity rises.
- The maintenance demands increase with elevated technical ratings due to the complexity of the systems.
- The trade mix of structural and mechanical staff can also be affected by the complexity of systems.
- The time to maintain the systems is higher on more technically complex campuses.
- Energy consumption increases with more complex systems.
- As tech rating increases so does the annual investment need.
Analyzing Older Space on Campus

75% of space on HSC is over 25 years old

Renovation Age - % of Space Over 25

Composite Peer Group

Ohio and Medical/Hospital Peers

Total

Composite Peer Average = 57%
Defining the Annual Investment Need

Stewarding younger buildings will prevent future costly repairs

<table>
<thead>
<tr>
<th>Age Category</th>
<th>Construction age</th>
<th>Renovation age</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 10 Years</td>
<td>8%</td>
<td>18%</td>
</tr>
<tr>
<td>10-25 Years</td>
<td>19%</td>
<td>23%</td>
</tr>
<tr>
<td>Over 25 Years</td>
<td>73%</td>
<td>59%</td>
</tr>
</tbody>
</table>

Weighted Renovation Age = 30.0 years old
Data Base Histogram
Project Spending – Existing Space

Renovation investment over 5 year time period

Project Spending, excluding New Construction

<table>
<thead>
<tr>
<th>FY</th>
<th>Main Campus</th>
<th>HSC</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY05</td>
<td>$1.19</td>
<td>$2.61</td>
<td>$3.67</td>
</tr>
<tr>
<td>FY06</td>
<td>$0.77</td>
<td>$4.23</td>
<td>$4.94</td>
</tr>
<tr>
<td>FY07</td>
<td>$2.61</td>
<td>$6.61</td>
<td>$9.22</td>
</tr>
<tr>
<td>FY08</td>
<td>$4.40</td>
<td>$5.46</td>
<td>$9.86</td>
</tr>
<tr>
<td>FY09</td>
<td>$4.88</td>
<td>$2.39</td>
<td>$7.27</td>
</tr>
</tbody>
</table>

5-year average $/GSF
- Main Campus: $2.77 /GSF
- HSC: $4.47 /GSF

5-year TOTAL
- Main Campus: $80.2 Million
- HSC: $40.0 Million
Retrofit/Renovation project spending falls below peer averages.

Project Spending - 5 year Average

The University of Toledo

Peer Averages
Project Spending Mix

Strong investment towards building systems given age of facilities

The University of Toledo 5-Year Spending
- Bldg. Envelope: 6%
- Bldg. Systems: 7%
- Infrastructure: 39%
- Space: 10%
- Code: 38%

Main Campus 5-year Spending
- Bldg. Envelope: 5%
- Bldg. Systems: 4%
- Infrastructure: 43%
- Space: 6%
- Code: 42%

Total Campus Peers 5 Year Spending
- Bldg. Envelope: 9%
- Bldg. Systems: 15%
- Infrastructure: 40%
- Space: 7%
- Code: 29%

Health Science Campus 5-year Spending
- Bldg. Envelope: 9%
- Bldg. Systems: 13%
- Infrastructure: 31%
- Space: 18%
- Code: 29%

Main Campus 5-year Spending
- Bldg. Envelope: 6%
- Bldg. Systems: 4%
- Infrastructure: 43%
- Space: 6%
- Code: 42%
Capital Investment Over Time

One time capital infusions help to offset deferral

Capital Investment

$ in Millions

$90.0
$80.0
$70.0
$60.0
$50.0
$40.0
$30.0
$20.0
$10.0
$0.0

2005 2006 2007 2008 2009

Annual Investment Target

Decreasing Backlog

Increasing Backlog

Basic Renovation
Local Recurring Funds and PM
One-time capital

Total Capital Investment Average
Project Spending Over Time

Reliance on one time capital

Projects vs. Target

% of Target

Composite Peer Group

The University of Toledo – Total Campus

2005 2006 2007 2008 2009

2005 2006 2007 2008 2009

Recurring Capital
Planned Maintenance
One-Time Capital

Composite Peer Average = 88%
The University of Toledo Campus Average = 59%
Projects vs. Target

Medical/Hospital Peer Group
The University of Toledo – Health Science Campus

% of Target

0% 20% 40% 60% 80% 100% 120% 140%

2005 2006 2007 2008 2009

Recurring Capital
Planned Maintenance
One-Time Capital

Medical/Hospital Peer Average = 90%
The University of Toledo Health Science Campus Average = 67%
Asset Reinvestment Backlog

Comparable backlog to Ohio peer average

<table>
<thead>
<tr>
<th></th>
<th>$ / GSF</th>
</tr>
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<tbody>
<tr>
<td>UT - Composite</td>
<td>$102</td>
</tr>
<tr>
<td>Composite Peer Group</td>
<td>$64</td>
</tr>
<tr>
<td>UT - Main Campus</td>
<td>$99</td>
</tr>
<tr>
<td>Ohio Peer Group</td>
<td>$95</td>
</tr>
<tr>
<td>UT - Health Science</td>
<td>$112</td>
</tr>
<tr>
<td>Medical Peer Group</td>
<td>$89</td>
</tr>
</tbody>
</table>

The University of Toledo

Peer Averages
The University of Toledo maintains campus with a lower budget than peers.
Operating Budget Comparisons

Daily Service Budget

Peer Averages

© Sightlines 2001-2010

University of Toledo

16% increase

3% increase

Budget Daily Service - exc. Util Ops /GSF
Average (4.79)
Your Average (2.96)
Campus Inspection

Toledo has the highest campus inspection scores in its peer group.

**Total Campus Inspection Scores**

- Cleanliness
- General Repair/Impression
- Mechanical Spaces
- Exterior
- Grounds

**Campus Inspection Index**

- Institutions ordered by density factor

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### Campus Operations Overview

**Maintenance, custodial, and grounds metrics**

<table>
<thead>
<tr>
<th></th>
<th>Benchmark</th>
<th>University of Toledo</th>
<th>Ohio Peer Group</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Maintenance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>M Maintenance</td>
<td>GSF/FTE</td>
<td>109,016</td>
<td>81,986</td>
</tr>
<tr>
<td>M Manager</td>
<td>FTE/Manager</td>
<td>30.5</td>
<td>12.6</td>
</tr>
<tr>
<td>M Materials</td>
<td>$/GSF</td>
<td>.16</td>
<td>.18</td>
</tr>
<tr>
<td><strong>General Inspection</strong></td>
<td>Index</td>
<td>4.3</td>
<td>3.8</td>
</tr>
<tr>
<td><strong>Custodial</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>M Custodial</td>
<td>GSF/FTE</td>
<td>35,145</td>
<td>33,386</td>
</tr>
<tr>
<td>H Manager</td>
<td>FTE/Manager</td>
<td>24.7</td>
<td>13.0</td>
</tr>
<tr>
<td>H Materials</td>
<td>$/GSF</td>
<td>.3</td>
<td>.3</td>
</tr>
<tr>
<td><strong>Cleanliness Inspection</strong></td>
<td>Index</td>
<td>4.8</td>
<td>4.1</td>
</tr>
<tr>
<td><strong>Grounds</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H Grounds</td>
<td>Acres/FTE</td>
<td>75.4</td>
<td>11.7</td>
</tr>
<tr>
<td>M Materials</td>
<td>$/Acre</td>
<td>256</td>
<td>671</td>
</tr>
<tr>
<td><strong>Grounds Inspection</strong></td>
<td>Index</td>
<td>4.3</td>
<td>3.8</td>
</tr>
</tbody>
</table>

Inspection Range 1-5

Above average inspection scores show great value obtained with fewer people

Less supervision than peers but superior value

Using more workers to compensate for the growing HSC backlog and lack of capital investment, producing a great inspection

Higher inspection scores despite fewer people and less material dollars

Grounds workers are covering far more space per person
The Ohio peer group has been used for comparison in energy consumption and cost.
Overview

The University of Toledo FY 2009

I. **Age Profile and Technical Complexity impact operational and capital needs**
   - The high technical complexity and program of the Health Science Campus drives operational needs in those spaces.
   - Main campus has a balanced age profile; however, 75% of space on Health Science Campus is over 25 years old, increasing operational and capital demands.

II. **Attempting to control a higher backlog using local funds and an influx of one-time capital**
   - On average, The University of Toledo has funded 19% of its Annual Stewardship target over the past 5 years, resulting in a projected deferred maintenance backlog higher than peer institutions.
   - Local and one-time funds have been critical in supplementing state funds. It is important that the University continues to receive these funds in order to slow the projected deferral rate.
   - The University of Toledo has a good identification of need, (Facilities Condition Analysis) which is key for capital planning especially given the high amount of need on Health Science Campus. Focusing on Asset Reinvestment spending in the future will help rejuvenate the campus and cut into the backlog.

III. **Strong service performance despite a lean operating budget and growing backlog**
   - Toledo operates with a lower facilities budget than peer institutions
   - Operating Budget has not kept pace with peer institutions
   - Space renewal investment and a hardworking operational department have helped Toledo achieve among the highest campus inspection scores in the peer group.
Capital Review
1) The age and complexity of the Health Science Campus influences the total stewardship need of space. A less than optimal annual stewardship and a reliance on one-time capital drives the projected backlog above peer averages.

2) Historical spending shows that when dollars are available, Toledo’s investment mix is appropriate. However, total project spending remains a challenge.

Operations Review
1) The operating budget has not kept pace with age, density and inflation factors, making UT the most cost effective peer. This model may not be sustainable.

2) Toledo’s main campus and Health Science Campus received above average campus inspection scores from Sightlines despite covering more space per person and having less management on average.

3) Toledo continues to take house bill 251 very seriously. Even with a more complex campus, Toledo’s energy consumption remains below peer levels and has decreased over the past 5 years.
Thank you