

BOARD OF TRUSTEES OF THE NEBRASKA STATE COLLEGES
ITEMS FOR DISCUSSION AND ACTION\FISCAL, FACILITIES AND AUDIT

ACTION: **Approve FY24 Room and Board Rates**

Board Policy 9010 requires the maintenance of reasonable rates for room and board charges, subject to the approval of the Board, insuring maximum occupancy and/or an adequate flow of revenue to support the operations of the revenue bond facilities. Board Policy 9016 requires that each College establish student board rates to be approved by the Board of Trustees.

The Colleges have submitted proposed room and board Rates for FY24. The proposals take into consideration the capital needs of the Colleges' revenue bond programs, ongoing debt service needs, as well as operating cost increases. The proposed rates are found in the attached tables, along with a comparison to the prior year's rates. The justification for the requested increases follow for each College.

CSC Justification

Food Service

As of the end of January 2023, the Consumer Price Index for food away from home increased 8.2%; this is for January 2022 to January 2023. Last year as of February 2022 the increase was 8.6% so over the last two years the food away from home has increased almost 17%.

The food management contract increased by 8.6% however this represents a small portion of the cost increase since CSC assumes all risks on food costs and staffing. CSC continues to work with Aladdin to manage food and labor costs, but even with these efforts CSC saw an overall increase in costs of 23.5% in fiscal year 2022, and have seen an increase in costs of another 10% so far in fiscal year 2023. CSC is projecting an overall increase in costs for fiscal year 2023 to be 12% and we anticipate another 5% for fiscal year 2024.

CSC is proposing rate increases of 8-9% on most meal plans. The 280 Meal Block Plan is already at the high-end of competitors and so the increase is being held to 1.8%. The increases will bring the per meal rates between \$8.91 and \$12.25 per meal. All you can eat buffet prices, in our region, range from \$9.89 (breakfast) to \$16.99 (dinner) per meal per person.

The total estimated increase in board revenue for 2023-24 is approximately \$120,000 and this will offset the estimated increase of \$120,000 in food service operation costs.

Residence Halls

As of the end of January 2023, the Consumer Price Index for electricity increased 11.9%, natural gas increased 26.7%; all items less energy and food increased 5.6% from January 2022-January 2023. While working through the proposed room rates Chadron State College took the increases in utilities and supplies into account as well as the support and professional

staff salary and benefit increases into account. CSC has held their room rates as low as possible over the years through expense cutting efforts including closing residence halls.

CSC is proposing an increase of 8% to residence hall rates. The total estimated increase in room revenue for 2023-24 is approximately \$105,000 and this will help offset the estimated increase of approximately \$71,000 in salaries and benefits, \$24,000 in non-personal services, and \$32,000 in utility costs. Additional increases needing additional analyzation is the impact in the minimum wage increase for 2023 and 2024. Minimum wage increased 15.8% from calendar year 2022 to 2023 and it will increase another 13.6% between 2023 and 2024. CSC is looking at ways to minimize the impact to the budget.

CSC also took into consideration the rates of local competitors: Black Hills State, for the 2022-2023 per semester, has room rates ranging from \$1,773 to \$3,797 and board rates ranging from \$1,720 to \$1,924; Western Colorado University, for the 2022-2023 per semester, has room rates ranging from \$2,652 to \$3,120 and board rates ranging from \$2,200.50 to \$2,729.50; and the University of Nebraska at Kearney has, for the 2022-2023 per semester, room rates ranging from \$2,733 to \$3,598 and board rates ranging from \$2,568 to \$2,754.

CSC will continue to research and evaluate cost savings measures and will reduce these rates in the future, if possible.

PSC Justification

Food Service

Most food service rates increased around 5%, the same percentage increase that the food service contract went up that was approved in January. The 75 meal plan increase of 3.09% is to keep the price per meal in this plan lower than if they were to purchase single meals. This is to encourage purchase of the meal plan. The additional revenue generated will be about \$98,212, which will cover the food service contract increase and other costs associated with food service equipment and supplies.

Residence Halls

The increase for double occupancy residence halls went up by 4.03%. Single occupancy room rates in the residence halls increased by 5%. Apartment rental rates increased by 5%.

PSC will receive an estimated increase in revenue of \$98,318. The increase will cover projected cost increases for salaries and benefits (\$36,013), insurance cost (\$11,320), utilities (\$23,746), and the balance to repairs, supplies and materials.

WSC Justification

Food Service

The board rates are increasing from 4.94% to 5.57%. The increase in rates is intended to cover the food service contract rate increases approved in January of 8.0%. Revenue generated from board rates is higher than the food service contract expense in order to cover other food service-related expenses and therefore the percentage increase in the board rate is not as high as the percentage increase of the food service contract increase. The proposed board rate increases are estimated to generate approximately \$252,000 and intended to cover the food service contract rate increases estimated to cost that same amount.

Residence Halls

The rate increases range from 4.54% to 7.08%. The anticipated additional revenue associated with the proposed room rate increases is estimated to generate approximately \$285,000. The revenue generated from the rate increase is planned to offset anticipated increased residence

hall expenses (such as staff salary and benefits, insurance, and utility rates) estimated to cost that same amount.

The System Office recommends approval of the FY24 Room and Board Rates.

ATTACHMENTS:

- CSC FY24 Room and Board Rates (PDF)
- PSC FY24 Room and Board Rates (PDF)
- WSC FY24 Room and Board Rates (PDF)

**Chadron State College
 Room and Board Rate Proposal (Per Semester)
 FY24**

Board Rates				
	Actual FY23	Proposed FY24	Dollar Change	Percent Change
280 Meal Block Plan + \$200	\$2,450	\$2,495	\$45	1.84%
200 Meal Block Plan + \$200	\$2,100	\$2,280	\$180	8.57%
150 Meal Block Plan + \$200	\$1,650	\$1,795	\$145	8.79%
80 Meal Block Plan + \$50 (1)	\$875	\$945	\$70	8.00%
40 Meal Block Plan (2)	\$445	\$480	\$35	7.87%
20 Meal Block Plan (2)	\$225	\$245	\$20	8.89%

(1) Only commuter students can purchase this plan

(2) Commuter students can purchase these plans or Resident (on campus) students can purchase these as an additional plan

Room Rates				
	Actual FY23	Proposed FY24	Dollar Change	Percent Change
Double Occupancy	\$2,180	\$2,355	\$175	8.03%
Single Occupancy	\$2,995	\$3,235	\$240	8.01%
Eagle Ridge Private Room	\$2,895	\$3,145	\$250	8.64%

Note: All room rates include laundry, wi-fi, and computer network access.

Peru State College
Room and Board Rate Proposal (Per Semester)
FY24

Board Rates				
	Actual FY23	Proposed FY24	Dollar Change	Percent Change
Meal Plan (1) - 75 Meal Block	\$620	\$639	\$19	3.06%
Meal Plan (2) - 130 Meal Block + \$100	\$1,250	\$1,317	\$67	5.36%
Meal Plan - 210 Meal Block + \$125	\$1,895	\$1,996	\$101	5.33%
Meal Plan - 265 Meal Block + \$150	\$2,245	\$2,357	\$112	4.99%
Meal Plan - Unlimited Meals + \$50	\$2,340	\$2,455	\$115	4.91%
(1) Commuters				
(2) Nicholas, Pate, and commuters only				

Room Rates				
	Actual FY23	Proposed FY24	Dollar Change	Percent Change
Residence Halls				
MORGAN/DELZELL				
Double Occupancy	\$2,455	\$2,554	\$99	4.03%
Single Occupancy	\$3,100	\$3,255	\$155	5.00%
CENTENNIAL COMPLEX/NICHOLAS-PATE				
Double Occupancy	\$2,455	\$2,554	\$99	4.03%
Double Occupancy with Kitchen	\$2,505	\$2,606	\$101	4.03%
Single Occupancy	\$3,100	\$3,255	\$155	5.00%
Single Occupancy with Kitchen	\$3,150	\$3,308	\$158	5.02%
CENTENNIAL COMPLEX/CLAYBURN-MATHEWS				
Double Occupancy	\$2,455	\$2,554	\$99	4.03%
Single Occupancy	\$3,100	\$3,255	\$155	5.00%
APARTMENTS/MONTH (Unrenovated)				
One Bedroom	\$640	\$672	\$32	5.00%
Two Bedroom	\$740	\$777	\$37	5.00%
Three Bedroom	\$800	\$840	\$40	5.00%
APARTMENTS/MONTH (Renovated)				
One Bedroom	\$690	\$725	\$35	5.07%
Two Bedroom	\$790	\$830	\$40	5.06%
Three Bedroom	\$850	\$893	\$43	5.06%

Wayne State College
Room and Board Rate Proposal (Per Semester)
FY24

Board Rates				
	Actual FY23	Proposed FY24	Dollar Change	Percent Change
Unlimited Meals + \$150 Flex Dollars (2)	\$2,270	\$2,395	\$125	5.51%
225 Meal Block Plan + \$350 Flex Dollars (2)	\$2,155	\$2,275	\$120	5.57%
190 Meal Block Plan + \$250 Flex Dollars (2)	\$1,740	\$1,835	\$95	5.46%
100 Meal Block Plan + \$300 Flex Dollars (1) (2)	\$1,120	\$1,180	\$60	5.36%
Commuter Plans				
75 Meal Block Plan + \$150 Flex Dollars (3)	\$825	\$870	\$45	5.45%
50 Meal Block Plan (3)	\$405	\$425	\$20	4.94%

(1) Available only to returning & new transfer students

(2) Two meal transfers/week

(3) One meal transfer/week

Room Rates				
	Actual FY23	Proposed FY24	Dollar Change	Percent Change
Residence Halls				
Berry				
Double Occupancy	\$2,065	\$2,165	\$100	4.84%
Single Occupancy	\$2,625	\$2,760	\$135	5.14%
Per Bed Buy-Up	\$560	\$595	\$35	6.25%
Morey				
Double Occupancy	\$2,165	\$2,275	\$110	5.08%
Single Occupancy	\$2,765	\$2,905	\$140	5.06%
Per Bed Buy-Up	\$600	\$630	\$30	5.00%
Anderson/Neihardt/Terrace (1)				
Double Occupancy	\$2,350	\$2,460	\$110	4.68%
Single Occupancy	\$2,995	\$3,135	\$140	4.67%
Single Room (per design)	\$2,975	\$3,110	\$135	4.54%
Per Bed Buy-Up	\$645	\$675	\$30	4.65%
Bowen/Pile (1)				
Double Occupancy	\$2,400	\$2,570	\$170	7.08%
Single Occupancy	\$3,045	\$3,200	\$155	5.09%
Single Room (per design)	\$3,005	\$3,155	\$150	4.99%
Per Bed Buy-Up	\$645	\$630	-\$15	-2.33%

(1) Rooms include air conditioning.

Notes:

- Single Occupancy Rooms, Bed Buy-Up and Single Rooms are only available if space allows.

- All room rates include laundry, residence hall activity fee, common area tv service, wi-fi, and computer network access.