

**STUDENT HOUSING AT VIRGINIA'S  
STATE-SUPPORTED UNIVERSITIES  
PHASE TWO**

**DECEMBER 2010**



## **SUMMARY**

### ***Observations***

- Only Longwood and Radford constitute a significant enough student population to affect the overall housing market in their surrounding communities. Decisions concerning on-campus residency by these two institutions could impact these housing markets. However, based on existing plans, unless both of these institutions significantly change their on-campus residency requirements, increase student populations, or experience some other loss of housing, the surrounding housing market is stable.
- A number of factors affect the demand for on-campus housing other than a university's residency requirement. While the residency requirement is a significant cause for the need of on-campus housing, the quality and quantity of surrounding housing units, ease of access to campus and commercial outlets, student safety, and university-provided resident student programs also have a significant impact on the demand for on-campus housing.

University housing officials have also informed us that there is a growing demand by both students and parents for on-campus housing. Much of this growing demand is the result of concerns over student safety and ability of students to participate in programs specifically designed for students in on-campus housing.

- All of Virginia's state-supported universities prepare master plans of their campus and other facilities and on-going capital plans. Both of these plans are public documents that the Boards of Visitors have discussed and included opportunities for public comment. The documents contain the university's plans for student housing, including the residency requirements, number of housing units, anticipated funding sources and revenues, and needs for available space.
- The Commonwealth provides private organizations a number of ways to assist institutions in meeting their on-campus housing needs. The Public-Private Education Facilities and Infrastructure Act of 2002 is just one of the mechanisms that allow private organizations to participate in the construction and operation of university controlled student housing.

### ***Recommendation***

- If the General Assembly wishes to increase its participation on how institutions set their on-campus residency requirement and how private organizations could help fund these facilities, we would recommend that the General Assembly amend the Code of Virginia concerning universities' six-year capital outlay plans. The General Assembly could require universities to submit all construction or acquisition plans for facilities, including those auxiliary enterprise facilities not requiring Commonwealth resources or university commitments. Additionally, the General Assembly may wish to require that universities allow for more community participation in the development of their master building plans. Universities could also be required to make both their six-year capital outlay plans and their master building plans available for public review on their websites.

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## Student Housing at Virginia's State-Supported Universities Follow-up to our Report of November 2009

### Introduction and Audit Objective

Our review of student housing was a two phase study. In the first phase, we found that since 2000, nearly all of Virginia's state-supported universities have increased on-campus housing, but only about half of the universities have increased on-campus housing at a rate faster than their full-time enrollment growth.

Additionally, nearly all universities plan to add on-campus housing to meet increased demand. The ability of the universities to work with their foundations and other third parties to create financing options allows the universities to expand their on-campus housing. The universities' foundations have been able to leverage their assets and borrow funds without increasing the direct debt on the universities' financial statements.

This second phase of the project will review the impact of on-campus housing and mandatory on-campus residence requirements on the community housing markets. This phase will also include any recommendations that result from this review.

### Scope and Methodology

Determining the impact of on-campus and university-controlled housing on local community housing markets is difficult. Since most students who live in off-campus housing decide to rent apartments, we decided to make the comparison of total off-campus students to community rental units. However, we could not differentiate between commuter students, who are residing in the community with their families, and those students attending full time who may be living on their own or with other students. This relationship does not take into account that students generally rent apartments together and with more individuals in each rental unit than traditional non-student families. This relationship also does not take into account that students often rent houses that may be owned by individuals in the community that are not counted as rental units. However, we believe that this comparison gives a valid relationship of the off-campus student population to the total community housing market.

We also attempted to derive a relationship of the cost of on-campus housing to off-campus housing. The cost of on-campus housing generally includes such amenities as university programming, cleaning service for common areas, utilities, internet and cable access, and security. Students generally only pay for on-campus housing during the traditional nine month academic year and the university may close on-campus housing during academic breaks or use these facilities for other university activities such as summer camps and conferences.

Students normally lease off-campus housing for 12 month periods, whether the student attends classes or lives in the apartment during the summer or not. The cost of off-campus housing may or may not include utilities, common parking areas, swimming pools, common recreation areas, and transportation to campus. Because of these differences, we were unable to develop a common

methodology to compare the price of on-campus and off-campus housing and have not included a discussion of this issue in this report.

In our review of off-campus housing, we found that universities generally provide students, who may be eligible and desire off-campus housing, services to match them with providers of off-campus housing. Universities also generally provide students living off-campus access to university programming to learn about how to have a full off-campus experience, and how to resolve issues that may come up while they are living in off-campus housing. Since this is not an issue for the institutions, we did not further examine this matter in this report.

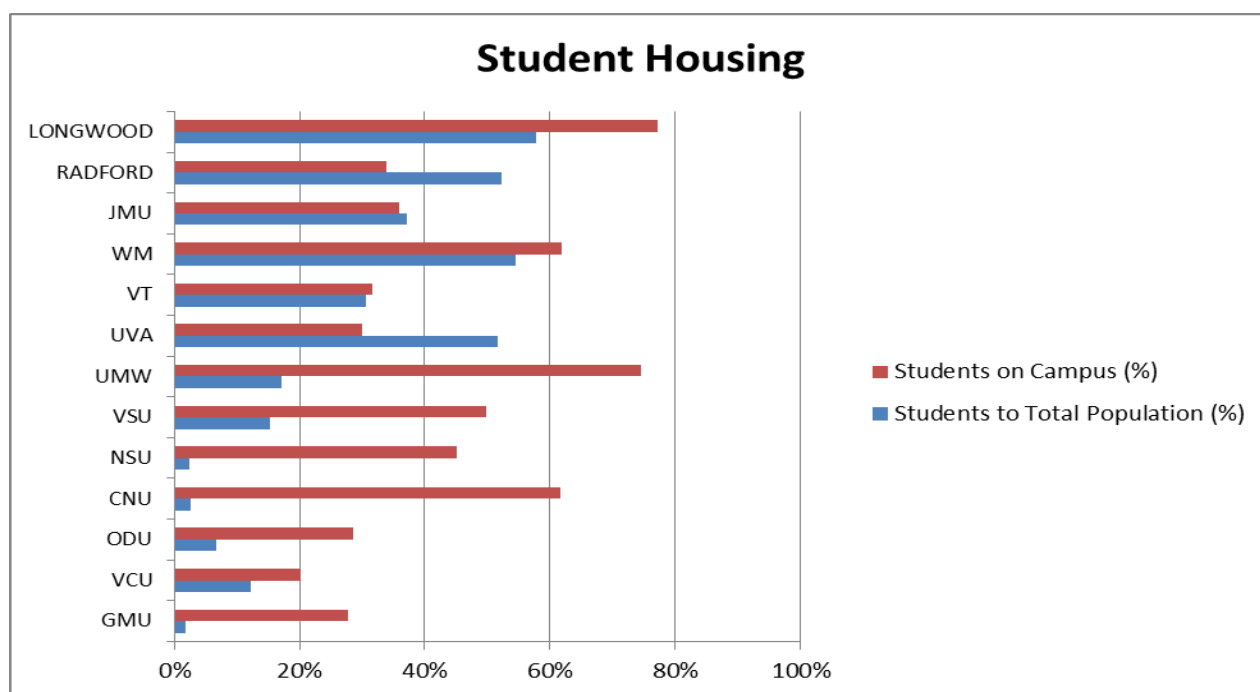
In the section of this report on Planning for On-Campus Housing, we discuss how university strategic planning, student demand, university programming decisions, and the supply of on-campus housing all factor into university decisions on mandatory on-campus housing requirements. Universities make decisions to provide a certain quantity of on-campus housing and to make on-campus housing mandatory for many reasons. These reasons include both financial, for example to ensure that on-campus housing is filled to provide sufficient income to pay the debt service on the dormitories, and strategic, such as to meet the university's vision as to the programs it will provide its students. We did not develop this issue further in this report.

#### Relationship of On-Campus Housing to Local Housing Markets

Virginia's state-supported universities and the impact of their student housing on the local community housing markets appears to result in three distinct groups: urban commuter universities, regional universities in communities with large housing markets, and rural universities. We recognize that in many of these communities, including Farmville, Harrisonburg, and Richmond, not only do the state-supported universities impact the local housing market, but private university students also impact the local housing markets. Note that our analysis does not include Virginia Military Institute where all Cadets must live in Barracks, Richard Bland College where only a small number of students live in their new dormitories, and the University of Virginia's College at Wise due to the size of the college and its unique service to Southwest Virginia.

The following chart and graph demonstrate the three distinct groups and each university's impact on the local housing market.

University	City/County	Population (AS OF 2009)	RENTAL UNITS	Full Time Students	STUDENTS ON CAMPUS	ON CAMPUS %	Students to Total Population	On Campus Requirements
<b>URBAN</b>								
GMU	FAIRFAX	1,036,473	65,571	17,983	4,996	27.78%	1.74%	None
VCU	RICHMOND	198,102	45,539	24,273	4,886	20.13%	12.25%	None
ODU	NORFOLK	237,764	46,939	15,723	4,488	28.54%	6.61%	None
CNU	NEWPORT NEWS	182,591	33,158	4,722	2,912	61.67%	2.59%	2 years
NSU	NORFOLK	237,764	46,939	5,679	2,557	45.03%	2.39%	None
VSU	PETERSBURG	30,513	6,686	4,635	2,312	49.88%	15.19%	1 year
<b>LARGE HOUSING</b>								
UMW	FREDERICKSBURG	22,902	5,226	3,922	2,923	74.53%	17.13%	2 years
UVA	CHARLOTTESVILLE	40,317	9,964	20,854	6,245	29.95%	51.72%	1 year
VT	MONTGOMERY	91,395	13,904	27,887	8,823	31.64%	30.51%	1 year
WM	WILLIAMSBURG	13,572	2,017	7,397	4,573	61.82%	54.50%	1 year
JMU	HARRISONBURG	46,896	8,000	17,462	6,255	35.82%	37.24%	1 year
<b>RURAL</b>								
RADFORD	RADFORD	15,142	3,200	7,927	2,678	33.78%	52.35%	2 years
LONGWOOD	FARMVILLE	6,845	1,112	3,953	3,049	77.13%	57.75%	3 years



\* Student information obtained from SCHEV

\* Population information and rental units obtained by city/county municipal websites and the US CENSUS

### Urban Commuter Universities

The group of urban commuter universities consists of George Mason University, Virginia Commonwealth University, Old Dominion University, Christopher Newport University, Norfolk State University, and Virginia State University. These universities generally started as commuter universities and do not have a long standing tradition of providing on-campus housing to large numbers of their students. Of these universities, only Christopher Newport and Virginia State have a requirement for freshmen to live on-campus and only Christopher Newport has a requirement beyond the freshman year.

These universities are located in communities that have many different private housing options and students living off-campus do not have a large impact on the local housing market. All of these universities have recently completed construction of new student housing and have plans to add additional housing in the near future. However, the goal of adding student housing is to meet the demand for on-campus housing as these universities add additional students from outside their local areas and to make up for difficulties that these students have in finding appropriate housing options in the local community. Typically, these students are demanding more on-campus housing due to the quality and quantity of surrounding housing units, ease of access to campus and commercial outlets, student safety, and university-provided resident student programs. Also, the density of community surrounding the existing campus makes the construction of off-campus housing an issue, because private developers would incur high cost in acquiring property for construction.

The addition of on-campus housing at these universities will not significantly impact the local housing market since students do not make up a significant part of the demand for housing in these communities. Additionally, many students at these universities are already in the local housing market as traditional students remain living with parents and non-traditional students already have housing in the community. As these universities add students from outside the local community, many of these students are deciding to attend these universities because on-campus housing has become more available. Adding on-campus student housing at these universities, will only start to bring the percentages of students housed on-campus closer to an average percentage of on-campus housing.

Other than Christopher Newport, none of these universities has added on-campus residency requirements and there does not seem to be plans to add requirements at these universities. The impact of on-campus housing construction and student residency requirements at these universities would most likely only minimally impact the local community and local housing market.

### Large Housing Market Universities

The group of universities in large housing markets consists of the University of Mary Washington, the University of Virginia, Virginia Tech, the College of William and Mary, and James Madison University. These regional universities already consist almost entirely of students from outside their local community. While the urban commuter universities will add demand for on-campus and off-campus housing as they attract students from outside their local area, these universities will not add to the housing demand unless the university significantly increases the total

student population. Each of these universities is located in an area with a large housing market which includes some private apartment complexes that cater to student off-campus housing, but also where off-campus students are not a dominating part of the local housing market.

These universities generally have only a requirement for freshmen to live on-campus and only Mary Washington added a policy for all sophomores to live on-campus beginning in Fall 2010. At these universities, demand for on-campus housing for upper-class students exceeds availability. Generally, these universities do not plan to add as many new on-campus beds as other universities, which leads to the conclusion that there is equilibrium between the university and the community in providing housing to students. Another conclusion is that these universities may be “built out” in that the current university footprint does not provide space for construction of additional on-campus housing.

Without significant additional on-campus construction of student housing, these universities would not impact their local housing market. Student housing is a significant part of the local housing market, but not dominating, and these universities generally have no plans to change either their supply of on-campus housing or their residency requirements.

### Rural Universities

The group of rural universities is Radford University and Longwood University. Over the past ten years, the number of on-campus housing beds at Radford has slightly decreased and the percentage of students in on-campus housing has also slightly decreased from 40 percent to 34 percent as a result of residence hall renovations that temporarily reduced the number of available beds. Radford has maintained their on-campus housing requirement at two years and currently has no plans to change that requirement.

As noted in our previous report, Longwood has increased the number of on-campus housing beds by about 500 over the past ten years, but has kept its proportion of students housed on-campus relatively steady at about 77 percent. We reported previously that Longwood planned to increase its on-campus housing by approximately 500 beds to on-campus housing. However, since that time, Longwood has revised its plans to add only 262 beds, contingent on proportionate increases in enrollment.

Longwood generally requires most students to live on-campus for their first three years; however, according to the Longwood staff, those juniors who apply to live off-campus normally receive permission to do so. Students may choose to attend universities with a high percentage of on-campus housing because of the residential community created by having the majority of the students close by for programming and extracurricular activities.

At Radford and Longwood, because of their location in smaller towns where the university and its students have a significant impact on every part of the local community, policy decisions by the university will tend to have a significant impact on the local housing market. University policy choices as made by the university’s Boards of Visitors will continue to significantly impact the outcomes of independent decisions by individuals who may choose to construct housing units in the community. Decisions by these universities to construct additional on-campus housing beyond the



extent of their enrollment growth will decrease the number of students who will populate off-campus community housing.

This analysis shows that decisions related to the growth of on-campus housing and mandatory on-campus residence requirements will only have a significant impact on community housing markets at Longwood University. At all the remaining Virginia state-supported universities, these decisions will not impact the community housing market or the university has no plans to make these types of decisions.

### Planning for On-Campus Housing

At every university, the long-term master land and facility planning is the main driver of a university's capital plan. Periodically, as a university strategically plans its future, it develops a vision of how to develop its land and facilities to meet that vision. Strategically, that vision may include growth in on-campus housing to develop certain programs, such as honors or leadership programs where housing those students together is an important part of the programs. Some universities may envision growth in on-campus housing to attract out-of-state students or enhance their reputation as a residential university as opposed to a commuter university. These master plans are subject to approval and implementation by the university's governing Board of Visitors, who also receives public comment on the university's plan.

Several of Virginia's state-supported universities have included in their master plans opportunities for growth in on-campus housing. Growth of on-campus housing results from construction or acquisition of on-campus housing by university foundations or through issuing bonds and construction by the university.

Construction of on-campus housing supported by state issued revenue bonds has the approval of the General Assembly, both in the authorization of the bonds and inclusion of the projects in the Appropriation Act. These approvals primarily depend on whether the university's project has the ability to repay the bonds through student charges for on-campus housing.

Virginia's state-supported universities also generally have authority to contract with their affiliated foundations to provide housing to students in facilities owned or operated by their foundations or by third-parties. We discussed many of these arrangements in our phase one report. However, these contracts are not subject to prior approval by either the General Assembly or by central state agencies. The State Council of Higher Education for Virginia reviews the capital plans for educational and general buildings constructed by universities, but not for auxiliary enterprise buildings such as dining halls and on-campus housing.

Virginia's state-supported universities must submit six-year capital outlay plans for their educational and general program construction to the Department of Planning and Budget. The State Council of Higher Education for Virginia then receives these plans and develops their capital outlay recommendations for educational and general building construction. There are no statewide capital outlay guidelines for auxiliary enterprise construction, such as dormitories, and these are not part of the six-year capital outlay plans. Additionally, these capital outlay plans do not cover university

leases of buildings, or those buildings constructed by affiliated foundations or other third-parties and then leased or operated by the university.

Similarly, universities through their governing Boards of Visitors set their on-campus housing policies including the quantity of on-campus and university-controlled housing as well as requirements for students to live in university housing. Student life, student/parent preference, university programming available on-campus, student safety, campus proximity, the availability of on-campus housing, and cost all affect these policy decisions. The university's financial need to fill all available on-campus housing in order to efficiently run its on-campus housing program and meet any contractual or debt service obligations is also a factor in setting on-campus housing policies.

Universities, as approved by their Boards of Visitors, make the decisions to construct, lease, or purchase university-controlled student housing and the decisions to require students to live on-campus. In making these decisions, the Boards consider the types of facilities they need to attract out-of-state students, the programs the university wants to provide their students, the financial needs of the university to fill all current university-operated housing, how to enhance the academic experience for students to improve progression and graduation, and how to provide a good student experience to improve retention. However, the impact of increasing on-campus housing on the local housing market and the impact of their decisions on the local community should be factors university management and Boards of Visitors consider as they make decisions.

#### Timing of Student Housing Decisions

University planners and decision makers, including Boards of Visitors, must develop strategic plans and visions for their University that often take years to develop and incorporate a specific strategic vision for their University. These master plans include the expansion of both student populations and on-campus student housing to meet changing student populations. The most effective time for Commonwealth decision makers, including the General Assembly, to affect those master plans is as the universities are developing these plans. Once universities have started construction of on-campus student housing or have encouraged their affiliated foundations or a private organization to build or purchase facilities for university-controlled student housing, it is too late to change those plans without considerable loss to the university.

The appropriate time for universities to consider alternatives that may meet their goals with different approaches is during the master plan development process. This plan development period allows the university to consider whether its affiliated foundations or private third-party partners would be able to participate in construction of student housing.

Private partners may allow the university to complete construction of its master plan sooner and more efficiently. As the university partners with private entities it may be able to combine its academic and programmatic goals with third-party construction or operation of student housing. Universities could use the Public-Private Education Facilities and Infrastructure Act of 2002 to facilitate private organization participation in its student housing goals.

Universities must prepare a six-year capital outlay plan for submission to the Department of Planning and Budget and subsequent review by the State Council of Higher Education for Virginia.

This plan only encompasses educational and general buildings, such as classrooms and libraries, and not auxiliary enterprise buildings such as dormitories and student centers. The State Council reviews financial feasibility studies for auxiliary enterprise construction, but these studies only transmit this information to the General Assembly as they consider including these capital projects in the Appropriation Act. This review does not consider those off-campus issues that need to be part of a comprehensive review of the impact of additional on-campus student housing on the university community.

### Recommendation

If the General Assembly wishes to increase its participation on how institutions set their on-campus residency requirement and how private organizations could help fund these facilities, we would recommend that the General Assembly amend the Code of Virginia concerning universities' six-year capital outlay plans. The General Assembly could require universities to submit all construction or acquisition plans for facilities, including those auxiliary enterprise facilities not requiring Commonwealth resources or university commitments. Additionally, the General Assembly may wish to require that universities allow for more community participation in the development of their master building plans. Universities could also be required to make both their six-year capital outlay plans and their master building plans available for public review on their websites.

### Conclusion

Virginia's state-supported universities have different goals and visions related to student housing and each is in a different position in its local housing market. Many universities do not have a goal to provide extensive on-campus housing for upper-class students, leaving the local housing market to meet that need; other universities have a vision to provide as much of a residential education experience as possible, leaving few students looking for housing in the local housing market.



# Commonwealth of Virginia

**Walter J. Kucharski, Auditor**

**Auditor of Public Accounts  
P.O. Box 1295  
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December 16, 2010

The Honorable Robert F. McDonnell  
Governor of Virginia

The Honorable Charles J. Colgan  
Chairman, Joint Legislative Audit  
and Review Commission

We have examined student housing at Virginia's state-supported universities and submit our report entitled "**Student Housing at Virginia's State-supported Universities – Phase Two**". In the first phase of our study issued in November 2009, we found that since 2000, nearly all of Virginia's state-supported universities have increased on-campus housing, but only about half of the universities have increased on-campus housing at a rate faster than their full-time enrollment growth. Additionally, nearly all universities plan to add on-campus housing to meet increased demand. The ability of the universities to work with their foundations and other third parties to create financing options allows the universities to expand their on-campus housing. The universities' foundations have been able to leverage their assets and borrow funds without increasing the direct debt on the universities' financial statements.

This second phase of the project reviews the impact of on-campus housing and mandatory on-campus residence requirements on the community housing markets. This phase also includes a recommendation related to possible General Assembly participation in university on-campus housing decisions.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our conclusions based on our audit objectives.

The Auditor of Public Accounts conducted this performance audit by building upon the research and analysis performed as a part of phase one of our review of student housing. Additionally, we reviewed available information regarding local housing markets and information regarding nationwide trends related to student housing. We discussed this information with individuals at both the Commonwealth and university levels and solicited comments to our draft

report. Managements' response to the findings identified in our audit is included in the section titled "Responses." We did not audit these responses and, accordingly, we express no opinion on them.

This report is intended for the information and use of the Governor and General Assembly, management, and the citizens of the Commonwealth of Virginia and is a public record.

AUDITOR OF PUBLIC ACCOUNTS

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December 13, 2010

Mr. Walter J. Kucharski  
Auditor of Public Accounts  
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Dear Mr. Kucharski:

Thank you for the opportunity for Longwood University to provide an official response to your "Student Housing at Virginia's State-Supported Universities Follow-up to our Report of November 2009" Report.

Summary of Our Response

We appreciate that several of the suggested data revisions previously recommended were included in the final document; however, Longwood University strongly believes that this Report does not address several significant issues concerning our housing policies.

- The Report does not acknowledge or discuss the authority of the Boards of Visitors of the public colleges and universities to set policies and regulations regarding all aspects of the college or university, including academics and student life.
- Longwood University strongly believes that this Report does not adequately reflect our housing policies, which are tied in large part to the University's mission of educating citizen leaders. The fact that the University has been a residential campus for 171 years and has always provided housing for juniors and seniors who choose to live on campus or in University managed housing is not recognized.
- The Report does not adequately reflect the uniqueness of a small institution, such as Longwood, that offers housing to all students.
- The Report does not recognize national data that shows the connection between students living in University owned or managed housing with their success in graduating, and graduating on time.
- In the aftermath of the April 16, 2007 Virginia Tech incident, the Report does not recognize the pressures that have been placed on colleges and universities to identify students who may have academic, physical, or psychological problems. These can be more readily identified when students are living in university owned or managed housing where there are trained professionals also living in the residence halls who can identify these characteristics. There is no such safety net in off-campus housing.

We also believe the Report does not provide sufficient evidence or support to justify its observations and conclusion.

- Longwood University disagrees with the Report's observation statement that "Only Longwood and Radford constitute a significant enough student population to affect the overall housing market in their surrounding communities." In part because no housing market experts are cited in the Report analysis, it is difficult to determine the basis for the Report's conclusions on that issue.



- There was no contact with the University or multiple landlords and apartment owners in developing the Report; it appears that the Report is the result of issues with one property developer.
- Methodology did not appear to be consistently applied throughout the Report.
- Longwood University's plan for future enrollment growth and need for additional housing are not stated correctly.

### Longwood's Response

The Commonwealth of Virginia has always valued the diversity of its public colleges and universities. That diversity provides a wide array of opportunities that allow students to choose between a large research institution, a mid-size institution or a smaller, more intimate, residential institution – each is a separate and distinct institution, offering a variety of academic and student life programs and options.

Each public college and university in the Commonwealth has an autonomous Board of Visitors appointed by the Governor. The Boards of Visitors of the public institutions of higher education in Virginia are charged with setting the policies and regulations that govern all aspects of the university. The Board of Visitors carefully considers all relevant factors in determining what is best for the university in meeting its mission. Longwood University's Board of Visitors has often discussed the importance of maintaining a residential campus, which has been a critical component of the University for 171 years.

Longwood has been a residential campus since its founding in 1839. For the past 20 years, we have averaged housing more than 75 percent of Longwood's students in University housing. During open houses and orientations, the University informs potential students, accepted students and parents that the University will not deny housing to any student wishing to live in on-campus or campus managed housing. Offering the opportunity to live in housing on campus or in nearby University-managed apartments to our students for all four years of their education is a hallmark and a strength of our school. We are unique among Virginia public universities in this regard, setting us apart from other institutions. This opportunity is also one that many parents and students want. The criteria governing students living in residence halls on the main campus are the same criteria that govern students living in University-managed housing. Residence Education Coordinators (Master's level professional staff) live in the residence halls in all locations and Campus Police security is provided.

Because Longwood is a residential institution featuring residence life education that focuses on student learning and personal development as part of its distinct academic mission, the Board of Visitors has determined that Longwood will provide housing for any junior or senior who wishes to live on campus or in Longwood University managed housing. All freshmen and sophomores (excluding local commuter students and married students who live at home) are required to live on campus. Students who have earned 56 credit hours (juniors) and are in good standing at the University may apply to live off-campus in non-University managed housing. We must ensure that Longwood's beds are filled so that the University can meet its financial obligations, thus the need for juniors to apply to move off-campus until we can determine if there are significant spaces to fill after housing all freshmen and sophomores, as well as the many juniors and seniors who want to live in University housing. Based on data over the past four years, virtually every upper class student request to live off-campus has been approved. For Fall 2010, juniors occupy 22.1 percent and seniors occupy 15.7 percent of University housing, indicating that a number of our students are **choosing** to live in University housing even if they are eligible to move off campus. Those upperclass students serve as both informal and formal mentors for freshmen and sophomores who live in the same University housing, thus helping fulfill our mission of developing citizen leaders.

Our experience shows that students who live on-campus or in University-managed housing are more likely to graduate and to graduate on-time than those who move into off-campus, non-University managed housing. This is substantiated through national longitudinal studies (200,000 students over 10 years) conducted by Alexander Astin [**Astin's Involvement Model** (1975, 1993)] involving student involvement. Types of involvement include academic involvement, involvement with faculty members, involvement with student peers, etc., and living on campus was shown to be positively correlated with persistence. According to Mr. Astin's involvement theory, living in a campus residence hall affords more opportunities for students to experience all aspects of campus life, thereby promoting stronger identification with and attachment to the college. Involvement increases learning and decreases the probability of dropping out (Astin, 1984). An involved student is one who devotes considerable time and energy to his or her studies, spends a good deal of time on campus, participates in campus activities, and regularly interacts with other students and faculty members (Astin, 1984). Both the quality and the quantity of a student's involvement will influence the type of learning and development that occurs. There are numerous other studies that also reflect the importance of campus residential housing to academic performance.

Since the Virginia Tech, April 16, 2007 incident, colleges and universities have been under tremendous pressure to ensure the physical and mental well-being of students to the degree possible with Longwood professional staff living in University managed housing, as well as in on-campus housing, it is much easier to identify students with problems – whether academic, social or psychological – and provide assistance to these students through the University's Learning Center or CARE Team.

The Longwood CARE Team is composed of representatives from academic and student affairs who meet weekly to discuss and develop interventions for individual student behavior before it escalates and becomes detrimental to the individual student or the Longwood community. The Longwood CARE Team is chaired by the Associate Dean of Students and is comprised of representatives from Academic Affairs, Campus Police, Counseling Center, Disability Resources, First Year Experience, Health Center, Honor and Judicial Programs, Learning Center, Residential and Commuter Life, and each of the academic colleges. For the academic year, 2009-2010, there were a total of 138 students brought to the CARE Team. For the fall semester 2010, we have had 230 names brought to the team. We have much greater success in reaching and assisting those students who live in university managed housing because they all live in a community monitored by a Residence Education Coordinator (REC).

Other Virginia public colleges are beginning to see the importance of on-campus housing availability. As a result, Christopher Newport University, George Mason University, the University of Mary Washington, and James Madison University are moving toward housing more upper class students as well.

Until approximately eight years ago, only a limited quality and quantity of off-campus housing options were available. With some of the off-campus housing that existed, there was friction between local homeowners and student renters related to issues such as noise and trash. The Town of Farmville wanted the University to be more directly involved with our students to try to curb their impact on local residential areas. Additionally, Longwood's residence halls were aging (some dating back as far as 1927), with little renovation or updating. The estimated cost to renovate the residence halls and replace deteriorated pipes and electrical wiring, bringing them up to today's standards (including air conditioning) was over \$59 million (in 2002 dollars), a cost the University could not afford. With pressures from the local community and the Town of Farmville mounting and with the need to replace existing older residence halls, the Longwood University Real Estate Foundation was founded to assist in providing more housing opportunities, much as similar foundations do at many of Virginia's public universities.



The Real Estate Foundation has purchased two apartment complex properties that have become University-managed housing. One, Lancer Park, is located less than a mile from campus. Longwood Village is located approximately two miles from the campus. In both of these instances, properties that may have otherwise sat vacant for years were purchased by the Longwood Real Estate Foundation just before foreclosure or at foreclosure auction and today are fully utilized, well kept and maintained, and help to preserve the aesthetics of the local community while providing quality housing for Longwood students.

The third University-managed housing property that the Real Estate Foundation owns is "The Mid-Town Landings," which is across Main Street from the Campus. This was formerly a rundown strip mall, which included vacant buildings. The Foundation purchased the property and worked with a private developer in a public-private format to construct four buildings that include student housing on the top three floors and 45,000 square feet of taxable retail space on the ground level, which houses businesses such as the Virginia Credit Union, Longwood's Barnes & Noble Bookstore (a hybrid store that carries books/items for the general public as well as serving as the University's bookstore) restaurants, a ladies' boutique, and private and professional offices. The manner in which the Real Estate Foundation developed this property also ensured that additional tax revenues would accrue to Farmville and Prince Edward County. The renaissance of this area was the impetus for the Town of Farmville to initiate a Downtown Revitalization project.

Students living in University-managed housing in one of the three villages (as well as the parents of those students), appreciate the convenience of one bill for housing for an academic year. This bill covers a furnished apartment with all utilities including internet and TV cable, as well as the ability to store belongings over the summer months. With very few exceptions, since 2006, upperclass Longwood students and their families have been free to decide whether they want to live on campus, in University-managed housing, or in off-campus housing.

While we at Longwood feel strongly about housing students in University-managed housing, we also understand that economic constraints will limit our ability to maintain our current percentages. We have accounted for this in our 2020 master plan and believe our community can provide us with valuable assistance in housing the students that choose to live off campus as well as those in our future that may not have an option. We have worked diligently in strengthening relationships with our local community and continue to explore ways to ensure our student's academic, social, and psychological needs are met regardless of whether they live in campus owned or managed housing or out in our local community. Because we will be releasing more and more students into the local community as our enrollment grows, we feel it is important to exemplify the qualities of good citizen leader ourselves.

Longwood University is located in the center of town, but Farmville is not a typical "college town" with shops, amenities, and activities that cater to the student population. The University does play a vital role in the economic vibrancy of Farmville and the surrounding communities. Based on a 2008 Economic Impact Study, Longwood University added \$135.6 million to the Farmville and local region economies, with \$73.7 million – or 54.3 percent – occurring in Farmville and Prince Edward County. These are annual expenditures by Longwood and its employees, students, and visitors. Longwood University is located in the heart of the Town of Farmville – we are entwined, and as Longwood prospers and grows, so too does Farmville, Prince Edward County and the other surrounding counties. Growth in the local region greatly benefits Longwood University faculty, staff and students. It is in the best interests of the University to support the economic vitality of the region, and we do that in many ways.

Longwood University serves a 7,000 square mile area of rural Southside Virginia (very similar to the Southwest Virginia region served by UVA-Wise, which was not included in this report). Longwood offers

programs at off-campus sites in the region, including Martinsville, South Boston, Emporia, and Ft. Lee. Also, Longwood University's Small Business Development Center, with offices in Martinsville, Danville, South Boston, Petersburg and Farmville offers business assistance to start-up companies, as well as existing companies wanting to expand, thus helping the region with economic development initiatives.

Longwood University reaches out to local landlords on many levels and we pride ourselves on the communications we have with the major landlords. The Residential and Commuter Life Office holds an annual breakfast meeting with local landlords to discuss housing plans and issues. Over the past several years, no attendee has raised any issues or concerns regarding Longwood University's housing policies and practices in these public forums. The office also organizes an on-campus annual RENTAL FAIR for off campus landlords to advertise their properties and encourage upperclass students to apply to move off campus.

We also seek interaction with the entire community through a number of venues, including a "Town/Gown Committee" and an annual community breakfast hosted by the President annually to provide information on Longwood's goals and initiatives and to seek input from the attendees. Additionally, Longwood University's Center for Visual Arts was purposefully located on Main Street in downtown Farmville to foster community involvement in the visual arts. This provides exposure for many residents and school divisions that might not otherwise have this opportunity. In 2008, Longwood University completed its Comprehensive Master Plan, Vision 2020, which is available on Longwood's website. Throughout the master planning process, a number of public forums and meetings were held in an effort to ensure the involvement of key stakeholders. In addition to meeting with on campus constituents, there were forums for the following off-campus groups:

Farmville Town Council	Farmville Chamber of Commerce
Local Community	Local Landlords
Moton Museum Board	Prince Edward County Board of Supervisors
Prince Edward County School Board	Cumberland County Board of Supervisors
Cumberland County School Board	Town of Farmville Police Chief

These provided an opportunity for local groups to hear what the University was thinking as it was going through the process and to provide appropriate feedback for consideration as the plan was developed.

The Vision 2020 Master Plan, finalized in 2008, was predicated on Longwood University growing its enrollment to 5600 undergraduate students by 2020, with the University providing campus housing for a minimum of 60 percent of those students. The development of those numbers took place in 2007, before the beginning of the largest recession the nation and Virginia has seen since the Great Depression of 1929-30. With the downfall of the economy, greater competition from other Virginia institutions of higher education, and budget reductions which have hampered our recruiting ability, Longwood University has not met its yearly enrollment growth rate needed to reach the 5600 goal and our future ability to do so is very uncertain at this time. It is unfortunate if entrepreneurs used this data to make commitments; however, by the very nature of their name, entrepreneurs assume the risk of their business ventures and none of us could have predicted the fall of the economy and the many effects across a wide variety of businesses, as well as institutions of higher education.

There are a few items in the Report that we do not believe are fully discussed or addressed. These include analysis deficiencies and misstatements of fact, which are discussed in the following paragraphs.

The Report does not define what the triggering values are for classification as having a “significant impact” on local housing markets. The chart provided in the report showing the impact of each university on its local housing market lists four schools (UVA, William and Mary, Radford, and Longwood) with more than a 50 percent “student to total population” ratio and four schools (CNU, Mary Washington, William and Mary, and Longwood) with more than 60 percent of the FTE students reside in University-managed

housing. Discussion provided for each category of school (Urban Commuter Universities, Large Housing Market Universities, Rural Universities) does not provide any additional insight into the “significant impact” classification either. Without discussion and quantification of these triggering values, it is impossible to see justification for the conclusion that only Longwood and Radford constitute a “significant impact” on their respective local housing markets.

In the first Report issued in 2009 by the APA for this housing review, all schools except Virginia Tech were listed as adding on-campus beds. As shown in the first Report, Longwood is one of the schools whose addition of campus controlled beds has not kept pace with our enrollment growth, and as a result, our on-campus/University-managed housing ratio has dropped in the last 10 years, and will continue to drop as our enrollment increases. Longwood’s enrollment has increased by 40 percent in the last decade while campus owned/University-managed beds have only increased by 26 percent. There has been a 1 percent drop in on-campus/University-managed housing in that decade, and as enrollment grows, the master plan provides for a planned decrease in on-campus housing as a percent of FTE student population to approximately 60 percent. Included in this follow-up Report is a statement “that Longwood planned to increase its on-campus housing by approximately 500 beds to on-campus housing.” However, since that time, Longwood has revised its plans to add only 262 beds, contingent on proportionate increases in enrollment.” There are two errors in this statement. The University’s Master Plan was officially released in September 2008, prior to the APA collecting their housing data in 2009; therefore, the 262 additional beds was the number available at the time of the first Report – Longwood University has not revised its data or its plans since the issuance of that Report. Additionally, these beds will not be added “in proportion” to enrollment growth, but as a lump sum when enrollment reaches a predefined level.

The scope of this Report did not include any analysis of Longwood’s relationships and interactions with our local community, real estate developers, and landlords and as such, no discussion was had or information provided on this subject. We do not believe the Report provides an accurate picture of Longwood’s position with regards to our on-campus and off-campus housing intentions nor does it reflect the great amount of success we have had in establishing strong working relationships with our local community. It appears that the Report is the result of issues with one property developer.

There are important comments in the Report provided as support of various conclusions drawn, or offered as a conclusion for a specific group of universities, that apply to Longwood as well. Specifically:

#### Urban Commuter Universities

“...the goal of adding student housing is to meet the demand for on-campus housing as these universities add additional students from outside their local areas and to make up for difficulties that these students have in finding appropriate housing options in the local community. Typically, these students are demanding more on-campus housing due to the quality and quantity of surrounding housing units, ease of access to campus and commercial outlets, student safety, and university-provided resident student programs.”

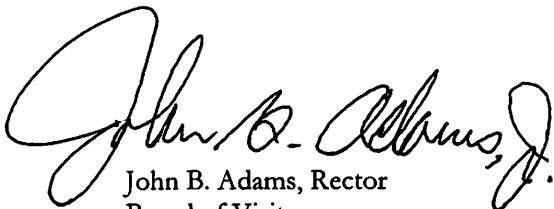
#### Large Housing Market Universities

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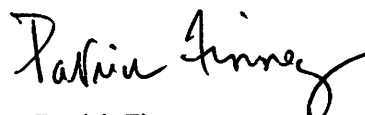
“Without significant additional on-campus construction of student housing, these universities would not impact their local housing market.”

We appreciate the opportunity to respond to your second housing Report and hope the information provided will give readers a clearer picture of Longwood University’s housing policies and its involvement in the local community.

Sincerely,



John B. Adams, Rector  
Board of Visitors



Patrick Finnegan  
President



Andrew B. Fogarty  
Interim Director

**COMMONWEALTH of VIRGINIA**  
**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA**  
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December 9, 2010

Mr. Walter J. Kucharski  
Auditor of Public Accounts  
101 N. 14<sup>th</sup> Street, 8<sup>th</sup> floor  
Richmond, Virginia 23219

Dear Mr. Kucharski:

Thank you for the opportunity to comment on your report entitled "Student Housing at Virginia's State-supported Universities – Phase Two." When combined with the first phase of your study, issued in November 2009, these reports provide a comprehensive and timely overview of the dynamics which have recently shaped the growth of student housing at public colleges and universities throughout the Commonwealth.

We fully concur with your conclusion that state-supported institutions have different goals and visions related to student housing. We would add that the diversity of these goals has been, and will continue to be, critical in maintaining a wide range of choices for Virginia students.

We also believe that your reports demonstrate that our colleges and universities have done an excellent job over the past decade in responding to the increased demand for student housing. Please note that this excellent systemic response was accomplished, in the aggregate, by each Board of Visitors determining individually how its respective institution can best serve the needs of its students. This result required no additional central oversight, nor in our judgment should such additional oversight be required, unless or until problems emerge that warrant legislative intervention.

Consequently, I would like to offer an observation relative to the Recommendation in the report pertaining to the possibility of the General Assembly increasing its participation in (1) how institutions set their on-campus residency requirements and (2) how private organizations could help fund these facilities.

Your note in this Recommendation is that the General Assembly could require universities to submit all construction or acquisition plans for facilities, including those auxiliary enterprise facilities not requiring Commonwealth resources or university commitments (emphasis added). Let me first agree, without reservation, that the General Assembly may choose at any time to increase or decrease its involvement in any area of higher education policy in the Commonwealth. I would respectfully suggest, however, that the necessary next question is what

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the cost versus the benefit of such a decision would be – particularly during a period of exceptional financial challenges.

In this instance, as noted above, we are not aware of a level of concern expressed by the General Assembly that would merit either (1) micro-managing how institutions set their on-campus residency requirements, or (2) requiring a massive additional systemic data submission and very significant unbudgeted monitoring resources. On the contrary, the thrust of these reports appears to confirm that Boards of Visitors are now responding to their respective institutional missions precisely as the Code of Virginia contemplates.

Specifically, recent legislation, in the form of the 2005 Restructuring Act, is a framework established by the General Assembly to grant significantly greater autonomy to the institutions in return for accountability to achieve pre-established performance measures. The Governor's Commission on Higher Education Reform, Investment, and Innovation is now focusing intently on refinements of the Restructuring Act, including the necessity of forming "an executive-legislative-institutional working group to identify additional ways to reduce costs and enhance efficiency by increasing managerial autonomy with accountability at the institutional level."

If, however, particular problems do emerge in the minds of one or more Assembly members, it would appear more efficient to respond in kind, i.e., to focus an inquiry into the specific situation in question, and to resolve that situation on an as-needed basis. In our judgment, ample and knowledgeable resources already exist to respond to such specific concerns, given the potential involvement of the Secretary's office, SCHEV, or the staffs of the money committees.

In summary, we strongly urge that such an expansive additional reporting requirement not be recommended to, or adopted by, the General Assembly in the absence of a clear, unavoidable need to do so. We respectfully suggest that your reports indicate that quite the opposite is true at this time.

We stand ready to discuss this matter in greater detail if that would be helpful.

With kind regards,

Andrew B. Fogarty

c: The Honorable Gerard Robinson  
The Honorable Charles Colgan  
The Honorable Lacey Putney  
Council Members  
GPAC Members