A BRIEF HISTORY

As you’re reading this article, the final published 2013 FPI report has just been released. Having been closely connected to FPI since the inception of the Strategic Assessment Model (SAM) in 1995, I’ve seen this product continually improve in many ways. Prior to the development of SAM, members completed a survey of indicators called the Comparative Costs and Staffing Survey. This survey was then joined with the strategic indicators developed as part of SAM to create what is now the Facilities Performance Indicators (FPI).

But, FPI is so much more than a survey! Organized around modules, it is intended to provide the answers to essential questions that every effective facilities manager should know about his or her institution.

Collectively, the modules tell a story about the state of the largest capital asset of any college, university or school: its buildings and infrastructure. The point of a participant completing the survey to collect and use credible data is to educate and inform key campus decision makers about the state of their largest capital asset. Strengths and opportunities can then be identified, and strategic initiatives developed. All of these activities are supported by real and sound data, making the FPI a powerful tool.

EXPLORING SOME MODULES

Given that introduction as a backdrop, let’s explore one of the powerful areas of the 2013 report to see what the data is telling us. Please keep in mind that I am using the data set before it is in the final phase of data scrubbing, and so the numbers being discussed will be slightly different from those in the final published report.

In module 2 (What facilities make up our institution?), we ask for the adjusted average age of your mission critical buildings. Further instructions state that the participant should take the calendar age of the building and adjust for both building size (GSF) and the impact of recapitalization efforts over the years (a spreadsheet has been developed by an APPA member to help with these calculations).

As you can imagine, a campus building could easily have a calendar age of 75 years. But after undergoing three major recapitalization efforts, the adjusted building age could easily be 10 years.

In module 5 (Is my institution making the right investment in our existing buildings, infrastructure, and academic programs?), we ask for the useful lifespan of the buildings. Basically when you build a new campus building, how long will it provide a competitive advantage for the business of education without a major infusion of funding? Over the past five years or so, the building useful life has been about 50 years.

From these two data points, we have created a ratio called the Building Aging Ratio. This ratio is intended to tell us how close the campus buildings are to being fully aged. This ratio ideally should have some correlation with the Needs Index and the Investment percent.

As an example, if the Aging Ratio is 80 percent, one would expect to see a relatively high and growing Needs Index and an investment level significantly less than minimum over time. If that’s not the case, the data set is not consistent with the story it is telling.

BEFORE YOU HIT THE SUBMIT BUTTON...

Once the survey is completed, and all outliers and audits addressed, participants should ensure that the story their data is telling, matches what they know to be their institutional reality—before you hit the final submit button. If there is a conflict, the inconsistent data will need to be revisited. This is the final, but essential, step in ensuring that the data becomes a credible tool supporting your story about the buildings and infrastructure at the institution.

DECIPHERING THE DATA

So now that you understand the theory about FPI, let’s look at the preliminary overall averages of the data points discussed from the 2013 survey as of January 15, 2014. (See inset)

So what does the data mean? The reduction in adjusted average age of buildings from 37 years to 33 years is a reflection of more participants moving from a calendar building age to an...
adjusted average age, thus reflecting the impact of both size and recapitalization of buildings. This is a great trend.

That trend of data refinement is also most visibly reflected in the Building Aging Ratio, which went from 74 percent in 2012 to a more realistic 58.5 percent in 2013. So when we look at the association between data and ratios year to year, in 2013 we’ve established a more accurate Building Aging Ratio that can serve as our baseline moving forward.

Our Needs Index is starting to creep up, which is a reflection of our minimum investment gap percent of CRV at .8 percent. This is telling me that on average we’re investing 1.2 percent of current replacement value (CRV) of a recommended minimum investment of 2 percent CRV per year. Over time that level of investment will increase the Needs Index. These data points and ratios collectively then start to build a compelling picture of cause and effect, and opportunities for the future that can be shared with senior institutional leaders regarding the state of their largest capital asset, buildings and infrastructure.

### TAKE THE CHALLENGE

I encourage each of you to take up the FPI challenge. To be effective in today’s world of facilities management, it is essential that you are well armed with the answers to FPI’s essential questions. Start planning today by reviewing FPI and the approximately 75 questions that make up the essential set of data input amongst the seven modules. Start to collect your data now, so when FPI opens up in July 2014 you’re prepared. Don’t let another year go by where you know you need to participate, but it just doesn’t happen.

As Nike said, “Just Do It.”

Maggie Kinnaman is APPA Emeritus Member, APPA Fellow, and Past APPA President. She can be reached at maggiekinnaman@comcast.net.