State University System Construction Costs Remain Reasonable
February 10, 2015

Replicating a 2006 OPPAGA Study Reveals the State University System Construction Costs by Building Type Remain Lower than Current National Higher Education Data

In March of 2006, the Office of Program Policy Analysis & Government Accountability (OPPAGA) released a report titled Higher Education Facility Construction Costs Are Reasonable (No. 06-311) on higher education facility construction costs. Major findings included the following:

- Educational facilities are more costly to build than other types of construction
- Florida’s higher education construction costs are consistent with national norms
- Florida’s higher education construction costs continue to climb mirroring the national trend of rising construction costs.

These findings were largely based on comparing Florida’s State University System (SUS) and College System’s construction costs to national construction costs using data presented in the College Planning & Management’s annual College Construction Report. OPPAGA found that using this national data and analyzing construction costs by building type provided clear evidence that Florida’s higher education construction costs were reasonable compared with national higher education construction costs.

A recent Legislative data request for construction project cost information for all projects funded and completed since 2006 revealed a need to revisit OPPAGA’s 2006 report. The updated analysis utilized the same methodology and data OPPAGA used. The results of this comparison of recent SUS higher education construction costs to national higher education data costs are that while SUS costs have

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1 Available at [http://www.oppaga.state.fl.us/MonitorDocs/Reports/pdf/0631rpt.pdf](http://www.oppaga.state.fl.us/MonitorDocs/Reports/pdf/0631rpt.pdf)
2 The website for College Planning & Management is [http://webcpm.com/Home.aspx](http://webcpm.com/Home.aspx). This website is an information resource on college and university issues such as facility planning, maintenance and operations, safety and security, technology, business and finance, and the learning environment.
increased, these building costs remain reasonable for the industry. Table A displays the median construction costs by building type for buildings constructed by the SUS with state funding provided between 2006 and 2014. The table also includes national median total costs by building type and quartiles as reported in the 2014 College Construction Report by *College Planning & Management*.

Table A: State University System Construction Costs by Building Type with National Comparison

<table>
<thead>
<tr>
<th>Building Type</th>
<th>National Median Total Cost</th>
<th>National Low Quartile Cost/Square Foot</th>
<th>National Median Cost/Square Foot</th>
<th>National High Quartile Cost/Square Foot</th>
<th>SUS Median Cost/Square Foot FY 2006-Present</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic</td>
<td>$30,000,000</td>
<td>$286.70</td>
<td>$396.67</td>
<td>$556.91</td>
<td>$320.57</td>
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<tr>
<td>Office</td>
<td>$13,245,650</td>
<td>$160.68</td>
<td>$249.86</td>
<td>$449.71</td>
<td>$276.10</td>
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<tr>
<td>Science</td>
<td>$42,750,000</td>
<td>$306.75</td>
<td>$480.10</td>
<td>$666.67</td>
<td>$445.65</td>
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<tr>
<td>Medical</td>
<td>$64,000,000</td>
<td>$298.36</td>
<td>$515.36</td>
<td>$625.00</td>
<td>$481.18</td>
</tr>
<tr>
<td>Student Services</td>
<td>$35,556,212</td>
<td>$261.01</td>
<td>$398.64</td>
<td>$546.67</td>
<td>$276.00</td>
</tr>
</tbody>
</table>

Note: Two projects that were included in the data set are not included in Table A, a performing arts center and a utility building. These projects are special purpose in nature and are not comparable to other projects within the SUS or the national data used.

In conclusion, the 2006 OPPAGA report found that when compared to national data, SUS construction costs were reasonable. The updated analysis replicated the OPPAGA report and likewise demonstrates that the SUS construction costs by building type are well within the national university cost data quartiles and often are lower than the national median cost per square foot. With the same methodology and data sources it is apparent that the SUS construction costs are still reasonable compared to other universities nationally.

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3 Available at [http://webcpm.com/research/2014/02/college-construction-report.aspx](http://webcpm.com/research/2014/02/college-construction-report.aspx) however a login is required to gain access.