

# Deferred Maintenance

Plan and Prioritize the Backlog of Campus Projects

## CHALLENGE

According to a recent article in the *Chronicle of Higher Education*, schools have a total of

**\$36B** of Deferred Maintenance Costs, with  **\$7B** of that being considered **URGENT**<sup>3</sup>


Schools around the country are facing a backlog of deferred maintenance projects to address their aging campuses. Unfortunately, the longer they defer these projects, the worse (and more expensive) they get.

## GROWING TREND

Proactively investing in campus improvements and maintenance, not only eliminates the backlog of projects, but also significantly reduces the amount of money needed for campus repairs in the long-term.

When schools put a proactive strategy in place to keep up with building repairs and maintenance, not only do they reduce their backlog of deferred projects but they also reduce the total cost of repairs. For schools that don't have capital budgeted, financing such projects can be a great alternative to deferring.

According to a recent report from *Sightlines*,

every **\$1** spent on the annual maintenance budget avoids **\$3** in capital reinvestment.<sup>4</sup> 

Visit [www.FAEducationFinance.com/ProjectFinancing](http://www.FAEducationFinance.com/ProjectFinancing) to learn more.

Source<sup>3</sup>: Carlson, S. (2012, May 20). How the Campus Crumbles. The Chronicle of Higher Education. Retrieved April 6, 2015, from <http://chronicle.com/article/How-the-Campus-Crumbles/131920/>

Source<sup>4</sup>: State of Facilities in Higher Education 2014 Benchmarks, Best Practices & Trends. (2014). Sightlines.