

CATCH UP OR KEEP UP

BALANCE YOUR DEFERRED MAINTENANCE BACKLOG WITH A TWO-PRONGED APPROACH

THE CHALLENGE — Backlogs Escalating

Since 2007, deferred maintenance costs have escalated¹:

- 18% at private nonprofit campuses
- 22% at public universities and colleges
- \$100/GSF to reduce backlog based on cost per square foot
- More than \$1 Trillion estimated in deferred maintenance backlog

THE IMPACT — A Vicious Cycle

Deferred Maintenance can create a vicious cycle of deteriorating assets and enrollment decline.

1. Leaky pipes, peeling paint and spalling facades deter enrollment
2. Poor AC, heating, water pressure and windows reduce retention
3. As buildings deteriorate, applicant pools shrink and revenue falls
4. Funding for repair and maintenance shrinks
5. Buildings continue to deteriorate
6. Reduced reliability of assets and increased risk of entire system failure

THE FIX — A Two-Strategy Solution

Addressing deferred maintenance requires both operating and capital strategies working in unison.



STRATEGY 1

“KEEP UP” WITH OPERATIONS

An underfunded operating budget and undisciplined spending approach are the root causes of deferred maintenance. A well-designed operations strategy that balances priorities across **labor, expenses, and energy**, can avoid future deferrals.



LABOR

Improve productivity and engagement

Goals

- Improve productivity
- Improve service quality
- Elevate staff capabilities
- Retain valued employees

Tactics

- Smart scheduling of staff based on actual maintenance needs
- Smart application of technology and data analytics
- Training programs
- Aligned with campus needs and industry changes

Goals

- Limit unnecessary expenditures
- Invest in areas to avoid future deferrals
- Target areas with highest return

Tactics

- Develop “asset tiers” based on criticality
- Optimize service contracts through strategic partnerships
- Adopt predictive maintenance technology and techniques



EXPENSES

Optimize limited financial resources

Goals

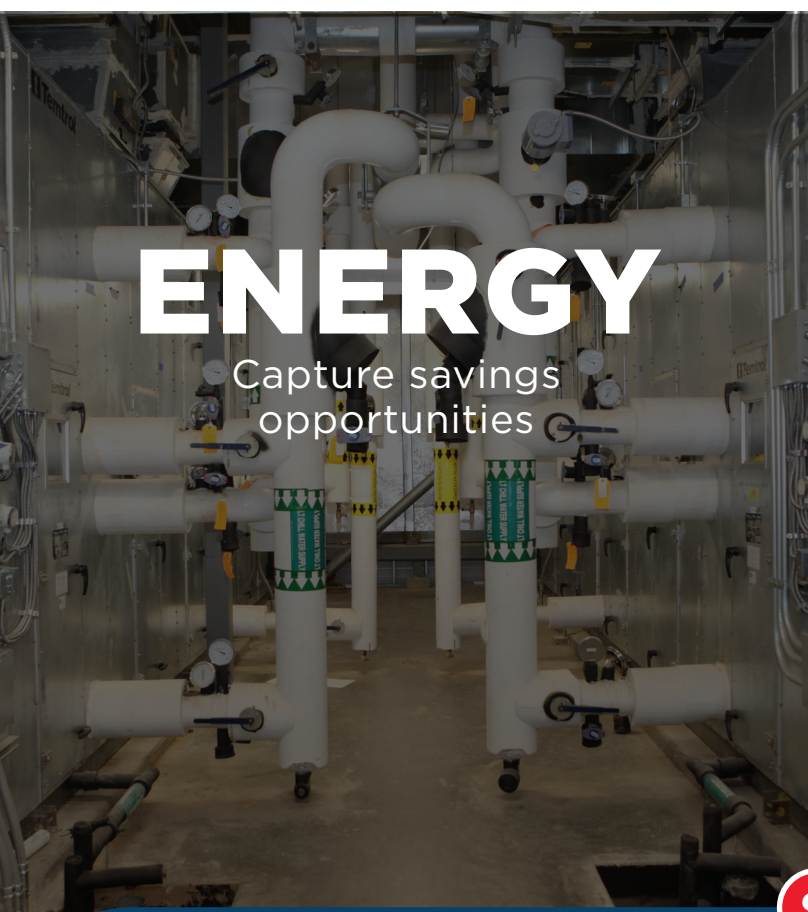
- Reduce energy cost & consumption
- Maintain energy efficiency
- Secure savings for reinvestment

Tactics

- Negotiate better energy rates (supply side)
- Partner for guaranteed energy savings (demand side)
- Retro-commission existing facilities

Results from McDaniel College

In the first 6 months of partnership with Aramark, McDaniel College **achieved \$180,000 in energy savings, as well as \$400,900 in overall annual guaranteed savings** - representing a 13% ROI.



ENERGY

Capture savings opportunities



STRATEGY 2

“CATCH UP” WITH CAPITAL

The size of a deferred maintenance backlog increases rapidly as systems age and funding remains stagnant. Ultimately, new capital funds will be needed to reduce the backlog and “catch-up” to an ideal state. There exist many capital options to achieve funding and provide savings that can be reinvested to restore facilities.



FUNDING & STRATEGY TOOLS

Adopt a holistic approach

Goals

- Quantify needs & investment priorities
- Provide investment rationale
- Match need with funding limits
- Complete projects on time & budget

Tactics

- Facility condition assessment
- Utility master plan
- Strategic financial plan
- Capital program management

Goal

- Secure capital for targeted investments

Tactics

- Energy performance contract (EPC)
- Asset monetization
- A Public Private Partnership (P3)

Results from McDaniel College

With limited access to capital, McDaniel College was able to **eliminate over \$1.6M in deferred needs** by coordinating with Aramark’s Capital Projects Team and strategically monetizing existing infrastructure.



CAPITAL SOLUTIONS

Seek funding options

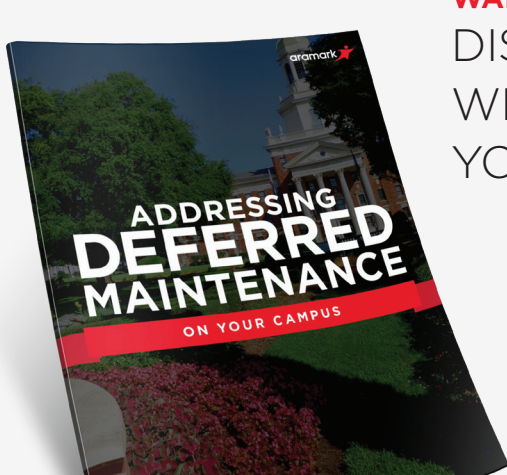
Find the Right Partner

Successfully launching and managing these two deferred maintenance strategies can be daunting when faced with a lack of expertise, budget, resources or time. Aramark brings best practices and a documented portfolio of success in developing and executing “keep-up” and “catch-up” strategies. Our solutions successfully drive protection of assets, minimize future deferrals, and secure capital for reinvestment.

Are you ready to balance your backlog?
[Contact Aramark today.](#)

WANT TO LEARN MORE?

DISCOVER HOW A STRATEGIC PARTNER WITH OPERATIONAL EXPERTISE CAN HELP YOU REDUCE BACKLOGS.



[DOWNLOAD THE COMPLETE GUIDE](#)