

Trends in Higher Education Construction

Billions Spent Annually on School Construction



U.S. school districts spent [\\$12.2 billion](#) in 2011 on PK-12 school construction, and Americas colleges and universities spent another [\\$11 billion](#) in 2011 on new buildings, additions and campus retrofits. These levels of school construction spending are expected to remain about the same in 2013.

While significant, school construction spending is down about a third from record high spending in 2008 and 2009. Why?

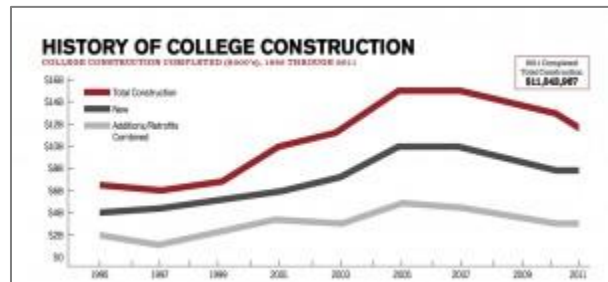
The Economy In the aftermath of the financial crisis that started in September 2008, school construction volumes persisted for a while due to the relative stability of public sector capital budgets, which were boosted in part by the 2009 American Recovery and Reinvestment Act. (Source: Construction Executive, September 2012)

Demographics Beginning in the early 2000s, the so-called baby boomlet slowed, and national K-12 student enrollment

numbers stagnated. Projections from 2006 to 2016 show enrollment increasing only 4.3 percent, with some variations depending on the region. (Source: American School & University, May 1, 2011)

Reduced State Revenues School construction funding is increasingly a local responsibility as states cut support. Local spending initiatives require approval of bonds and/or property tax increases.

Rise in Distance Learning Online degrees, Massively Open Online Courses (MOOCs) and distance learning continue to gain market share as it is offered by more of the nation's prestigious institutions. The spread of online education is likely to negatively impact the pace of construction spending growth going forward. (Source: Construction Executive, September 2012)



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According to Building Design + Construction: Institutions of higher learning are investing heavily in new facilities student unions, dining facilities, residence halls, and the like that address the non-academic side of campus life. The new facilities often combine multiple uses and emphasize the out-of-the-classroom, social experience of campus learning.

By emphasizing social interaction in campus design, colleges and universities can enrich the campus experience, boost enrollment and offer cost effective benefits not available through online learning.

Building Design + Construction observes the following trends in college construction.

- Large multi-use, university center facilities that may include areas for dining, lounging, recreation, retail, exercise, studying and social interaction.
- Bringing dining areas out of the basement, and adding variety to food options.
- Emphasizing health and wellness, including healthy dining options, fitness and recreational activities.
- Adding lounging areas and study areas with whiteboards, projectors and presentation tools to dormitories.
- Sustainable design and construction integrated in ways that are visible to students.
- State-of-the-art computer and audio-visual technology.