



PROPOSED DORMITORY RATE

INTRODUCTION

With an approved budget of 89 M, works on the CSUCCC – Ladies and Gents Dormitory began in March 2021 for the Ladies Dormitory. The Ladies Dormitory is undergoing its final touches and should be available for occupancy and operation in August 2024.

RATIONALE

The proposed rates for Ladies and Gents Dormitory of CSU Cabadbaran Campus following the guidelines set forth in Commission on Higher Education (CHED) Memorandum Order (CMO) No. 21 series of 2006, "Guidelines on Student Affairs and Services Program."

CMO 21 series of 2006 emphasizes providing student-centered services to support holistic student development. Dormitory services fall under this purview, and the proposed rates aim to achieve a balance between affordability and quality of service.

Key Considerations from CMO 21 series of 2006:

- **Student Needs:** The rates should consider the financial capacity of students and ensure essential services are accessible.
- **Quality of Service:** The rates should allow for the maintenance and improvement of dormitory facilities and services like security, utilities, and upkeep.

METHODOLOGY OF THE PROPOSAL

This proposal will follow a three-step approach to establish fair and sustainable dormitory rates and vis-à-vis Procedure Manual with Document No. PR-RGE-001 Section No. 20 Page

1. Cost Analysis

- **Data Collection:** Gather historical data on all dormitory operational expenses, including:
 - Personnel costs (salaries, benefits)
 - Utilities (electricity, water, waste disposal)
 - Maintenance and repair costs (contractors, materials)
 - Security services
 - Furniture and equipment replacement needs

2. Rate Structure Development

- **Market Research:** Consider prevailing dormitory rates in the surrounding area to ensure competitiveness while maintaining financial viability.

3. Implementation and Communication

- **Transparency:** Clearly communicate the methodology used to determine the proposed rates. This includes providing breakdowns of operational costs and justifications for adjustments.

- Crafting of Committee: Reconstitution of the Committee for Drafting the University Housing Services Policy and Guidelines
- Approval Process: Seek formal approval for the proposed rates from the appropriate university governing body.

Proposed Rental Rates

The proposed rental rates are based on computed and benchmarked data. It is expected to have a 5% increase of rental rates annually to cope up with the inflation of operational expenses.

No. of Rooms	No. of Occupants / room	Rate/student	Room Inclusion
42	4	Php 1,000/month	• 1 bunked bed (each occupant) with storage cabinet, study table and chair • Internet Connection • Common CR and shower in every floor • Security Guard • Electricity and Water

Financial Analysis

Income Statement

Shown is the financial projection of the project in 25-year period with 5% annual increment for the rates as well as the operating capital.

	YEAR 0	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
A. Benefits						
Imputed benefits of graduate (5 students/year)(250,000/student)		1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00
Dormitory Fee (10 months/student)	-	1,680,000.00	1,764,000.00	1,852,200.00	1,944,810.00	2,042,050.50
A Total	-	2,930,000.00	3,014,000.00	3,102,200.00	3,194,810.00	3,292,050.50
B. Operating Capital						
Building Depreciation		1,780,000.00	1,780,000.00	1,780,000.00	1,780,001.00	1,780,000.00
Dorm Manager	-	384,000.00	384,000.00	384,000.00	384,000.00	384,000.00
Other Maintenance Supplies and Materials		30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
Office Supplies	-	5,000.00	5,250.00	5,512.50	5,788.13	6,077.53
Janitorial Supplies		10,000.00	10,500.00	11,025.00	11,576.25	12,155.06
Fire extinguisher	-	10,000.00	10,500.00	11,025.00	11,576.25	12,155.06
WiFi	-	20,000.00	21,000.00	22,050.00	23,152.50	24,310.13
Electricity and Water Bill	-	600,000.00	630,000.00	661,500.00	694,575.00	729,303.75
B Total	-	2,839,000.00	2,871,250.00	2,905,112.50	2,940,669.13	3,008,001.53
C. Establishment Cost						
Building/Construction Cost	89,000,000.00	-	-	-	-	-
Furniture and Fixtures	400,000.00	-	-	-	-	-
Waste/garbage disposal facility	10,000.00	-	-	-	-	-
Miscellaneous	10,000.00	-	-	-	-	-
C. Total	89,420,000.00	-	-	-	-	-
C. Total Cost (B+C)	89,420,000.00	2,839,000.00	2,871,250.00	2,905,112.50	2,940,669.13	3,008,001.53
Net Benefit after Financial Expenses	(89,420,000.00)	91,000.00	142,750.00	197,087.50	254,140.88	284,048.97

NPV (50 years)	8,730,466.11
IRR	1.64%
PV @ 10% (Benefit)	42,711,280.84
PV @ 10% (Cost)	33,980,814.72

Benchmarked Rental Rates

The benchmarked rates are essentially reference points used to determine the interest rates or prices for various financial products and services. They act like a standard against which other rates are compared. Here's a breakdown of the rates of the SUCs and neighbouring boarding houses:

BENCHMARKED RATES			
SCHOOL	DETAILS / CAPACITY	RATE PER STUDENT	ROOM INCLUSION
ASSCAT	4-6 OCCUPANTS PER ROOM	700/MONTH	Dormitory Type
UP	4 OCCUPANTS PER ROOM	900/MONTH	
CAVITE STATE UNIVERSITY	3 OCCUPANTS PER ROOM	925/MONTH	
BOARDING HOUSES	DETAILS / CAPACITY	RATE PER STUDENT	ROOM INCLUSION
BUMBLE BEE BOARDING HOUSE	2 OCCUPANTS PER ROOM	1,100/PAX	- Beds only - communal CR/floor
SANDRO BOARDING HOUSE	4 OCCUPANTS PER ROOM	1,000/PAX	Beds (double decks)
BOARDING HOUSE NI OFEL	8 OCCUPABTS PER ROOM	800/PAX	- No provision of water and electricity (add 100 each) 1 common CR - common study area

BALDIVINO BUILDING	2 OCCUPANTS PER ROOM	1800/PAX	• Bed only (Double Decks) • With CR inside the rooms

Prepared by:



KIMBERLY C. FONG, MM.

Head, Resource Generation Management Services