

OCP Cost Benchmarking Sources and Methods

OCP provided benchmarks serve to inform executive decision-making by providing a general comparison to other similar projects while highlighting the project team’s ongoing cost reduction and management efforts. As the Total Project Cost for most projects includes a wide variety of ancillary elements that cannot be compared on an equal basis, OCP’s benchmarks are designed to compare the Building Cost per gross square feet only. Parking benchmarks are shown as cost per parking space, while housing benchmarks are shown as cost per bed.

The Building Cost is defined in accordance with the Texas Higher Education Coordinating Board as the cost of building construction within five feet of the building line. This includes all items normally found in a building, regardless of type. It does not include soft costs, site development, fixed specialty equipment, or furniture and moveable equipment. However, it does include Contractor’s and Owner’s construction contingency.

For presentations to the Board of Regents, each project is first compared to a data set filtered by a general project type. As the type categories in the available data are fairly broad and somewhat subjective, we further refine our selected benchmarks whenever possible to account for unique scope and program requirements, construction type, and other relevant information supplied by the project team. Benchmark costs are then escalated to current costs using the current Engineering News-Record (ENR) Building Cost Index (BCI). These costs are then escalated to the anticipated midpoint of construction based on projections from numerous sources, including ENR, R. S. Means, The Associated General Contractors of America, and our construction and estimating service providers. There are currently no adjustments made for location, specific site conditions, regional market conditions, or other factors noted below due to the inconsistencies and limitation in the data.

While there are few reliable or consistent sources of publicly available information regarding higher education construction costs, OCP is continually searching, expanding, and refining its benchmarking data to better align with external sources. Our current data set includes 1500-2000+ projects from eight major sources.

Figure 1. Current Benchmarking Data Sources

Source	Categories	Projects
University of Texas System	35	359
University of California System	14	406
State University of New York	9	456
State University System of Florida	9	146
Other Peer Institution Systems		617
Texas Higher Education Coordinating Board	17	100s?
Carl Walker (Parking Consultants)	1	100s?

There are notable limitations in the available benchmarking data that should be considered, including limited or inconsistent data regarding:

- Program and scope definition
- Project type categorization
- Breakdown of Total Project Cost vs. Construction Cost vs. Building Costs
- Site conditions or other location specific constraints
- Use of stand-alone vs shared utilities and infrastructure
- Construction type, quality, and methods
- MEP systems
- Etc.