

Morgan State  
University

Maryland's  
Public Urban  
University

## Legislative Testimony

Presented to:

**Senate Subcommittee  
on Capital Budget  
and**

**House Subcommittee  
on Capital Budget**

**March 2012**

**Dr. David Wilson  
President**



**MORGAN STATE UNIVERSITY**

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## Testimony

### Morgan State University

David Wilson, President

March 2012



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President

*Thank you for the opportunity to appear before the committee in support of the Governor's capital budget recommendations and to respond to any questions you may have.*

#### Projects in Process

Morgan is very appreciative of the capital investments the State has made in its facilities over the last several years. These ongoing investments are moving us closer to our goal of providing optimal learning environments for our students in key areas of study: environments that will stimulate learning and promote the collaboration necessary to properly prepare our students for tomorrow's workforce. We are pleased to report that we are nearing completion of the

Center for the Built Environment and Infrastructure Studies (CBEIS). This facility, which will house Architecture, Civil Engineering and Transportation, will provide hands-on educational environments for our students, as well as provide

state-of-the-art research space for faculty and students alike. We are equally excited to report that design is nearing completion

for the new School of Business Complex, and we expect to award our first construction contract for this project in November 2012. The facility will include smart classrooms, a trading floor simulator room, demonstration space to include hotel rooms, and a student-run restaurant. A pedestrian bridge will also be constructed across Hillen Road to connect the campus and promote pedestrian safety. Not only are these types of facility investments providing our students with meaningful and competitive learning environments, they also serve to advance our research capacity, thus enhancing our status as a doctoral/ research institution. As our research capacity increases, so does our ability to attract a diverse body of students, well-qualified faculty and additional research dollars.

#### A State and National Leader

Morgan remains committed to educating students from a variety of academic and socioeconomic backgrounds, raising the educational attainment of underrepresented populations and doing so with



*Center for the Built Environment  
and Infrastructure Studies*

excellence. To that end, we continue to rank first in the total number of baccalaureate and doctoral degrees and fifth in the number of master's degrees awarded to African-Americans in the State. Nationally, our rankings are just as noteworthy. In addition, the University is proud that a much larger percentage of its students go on to attend graduate/professional school than the statewide average. Although we are doing well, we believe we can do better and are focusing our energies on improving the delivery of service at all levels.

### **A Strategic Plan for Future Growth**

In conformance with our recently completed Strategic Plan, we are enhancing our focus on improving retention and graduation rates. As a result, our second-year retention rate increased from 67 to 74 percent this school year and we are expecting continued progress. We are also enhancing collaborations with community colleges and, consequently, the number of transfer students is steadily increasing. In addition, we are expanding options for online education as well as planning to use regional higher education centers to extend the availability of our outstanding programs to the citizens of Maryland. Inclusive of these initiatives, as well as many others that are planned, the University plans to grow from 8,000 to 12,000 students over the next decade. Ultimately, we plan to double the number of undergraduate degrees awarded to assist the State in increasing the percentage of the college-

age population earning a college degree to 55 percent by 2025. Critical to attracting, retaining and graduating an increasing number of individuals from diverse backgrounds is offering an attractive array of programs with complementary facilities.

### **Advancing New Student Service Facility Critical to Recruitment and Retention**

Another area of increased focus at Morgan is improving customer service. First-class service is essential to attracting and maintaining students. Despite our best efforts, we are seriously hampered by an old retrofitted hospital (Montebello) where our business and student service functions are now located. Since this facility is the first point of contact for prospective and new students, and where students must return to do business throughout their college career, negative perceptions are formulated that contrast with the outstanding programs and services at the University. Over 55 years old, the facility was transferred to Morgan in 1995 after being vacated by the University of Maryland Medical System when UMMS relocated to a new location in west Baltimore. The building systems have all exceeded their life expectancy and there are acute concerns with its continued safe operation. Just



*Montebello Complex*



*(l-r) MSU President David Wilson  
with Maryland Gov. Martin O'Malley*

recently, offices in the lower level were closed because of a sewage leak that persists on a daily basis due to deteriorating lines, both interior and exterior to the facility. Various services have failed causing the building to be evacuated. There is massive water damage due to the age of the piping which has been continually patched over time. Morgan expends a significant amount from its operating budget to maintain its habitability. The University is anxious to move the student service functions out of this dilapidated facility and into a new building more consistent with facilities found at competing institutions. Our plan is to construct a new building on the site of the old library that has been vacant for approximately four years. It has been confirmed that this facility cannot be cost effectively renovated for other uses.

#### **Addition to the Governor's Request**

Planning funds are included in the State's Capital Improvement Plan (C.I.P.) for FY 2016 for a new student services facility. This means that reasonable accommodations will not be available until 2020-2021. The longer we postpone this project, the more likely a major investment is going to be required in the Montebello facility (as described in the previous section) to better ensure a major failure does not occur. This would not be an efficient use of the State's resources.

**We respectfully request that you consider appropriating funds in the amount of \$2.9M in FY 2013 to initiate demolition of the old library and design for a new student service facility.**

#### **Governor's FY 2013 Capital Budget Recommendations**

Most important, we ask for your support of the Governor's capital budget recommendation for Jenkins and for the other projects included in the FY 2013 recommendation as summarized below.

| <b><u>Project</u></b>                      | <b><u>Phase</u></b>     | <b><u>Recommendation</u></b> |
|--|-------------------------|------------------------------|
| New Jenkins Building                       | 2nd Phase Planning      | \$ 3,500,000                 |
| New School of Business & Connecting Bridge | Planning & Construction | \$20,865,000                 |
| Facilities Renewal                         | Planning & Construction | \$ 5,000,000                 |
|  |                         | <u>\$29,365,000</u>          |

Provided below for your information is a summary of each project.

#### **Jenkins Replacement**

The balance of the funds required for the design of a new Jenkins building at the Northwood site is being requested. Constructed

in 1974 and never renovated, the building is in poor condition. The need to address the numerous building inadequacies was long ago





- P: Structured Parking
- 1: School of Business
- 2: Jenkins Building
- 3: Health Human Services
- 4: Pedestrian Bridge

recognized by the State. The project was continually in the State's C.I.P. since FY 1991. Conditions have only worsened as the building has continued to age and deteriorate. Many of the building systems are failing and in need of replacement and the building does not meet current-day building codes. There are no smart classrooms and much of the built-in equipment is obsolete. With the growth in programs and research, and changing technologies, it is becoming increasingly difficult to respond to academic needs.

The replacement facility would house the Behavioral and Social Science disciplines to include: Psychology, Sociology, Economics, Geography, History, Political Science and International Studies.

### **New School of Business Complex & Connecting Bridge**

Design is proceeding on the new School of Business Complex. We expect to bid the first contract in July and start construction in November. This request would provide funds to initiate construction and also design funds for a connecting bridge from the Morgan Commons to the new facility, which will be constructed on the Northwood site. The bridge will be constructed by extending the sidewalk in the area of the Richardson Library, Hill Field House and the tennis courts to connect to the new School of Business to the center of the campus. Now in design, the facility will provide modern instructional environments for the School of Business, including Hospitality Management which has never had discipline-specific facilities.

### **Facility Renewal**

The University is especially appreciative of the Governor's inclusion of funds to support facility renewal. The University has an extensive backlog of facility improvement needs as well as a number of aging facilities that need to be renovated or replaced. Building systems have exceeded their life expectancy and we are continually patching to keep our buildings operational. These funds will be used to replace some failing roofs, upgrade elevators, replace a failing utility line, and repair the cast stone wall panels on the Clarence M. Mitchell building.

Your full support of the Governor's FY 2013 capital budget recommendation would be very much appreciated.

Also provided on the following pages are responses to the analyst's questions.



## Response to Issues and Recommendations Identified in the Department of Legislative Services' Analysis

### NEW SCHOOL OF BUSINESS COMPLEX

#### Recommendations:

1. Approve \$20.7 million in general obligation bond funding to support design of a pedestrian bridge and construction of the new School of Business complex.
2. Approve the pre-authorization of general obligation bond funds for fiscal 2014. This pre-authorization, in addition to the proposed authorizations of \$20.7 million in fiscal 2013 and \$3.1 million in fiscal 2015, is necessary to allow the project to be bid for construction in fiscal 2013.
3. Approve the pre-authorization of general obligation bond funds for fiscal 2015. This pre-authorization, in addition to the proposed authorizations of \$20.7 million in fiscal 2013 and \$43.6 million in fiscal 2014, is necessary to allow the project to be bid for construction in 2013.

**Response:** The University appreciates the favorable recommendation by the Department of Legislative Services (DLS) and would appreciate the committee's approval of funding in fiscal 2013 for design of the pedestrian bridge and to initiate construction of the new School of Business Complex. The University would also appreciate the pre-

authorization of funding for fiscal years 2014 and 2015 to allow the project to be bid in FY 2013.

### FACILITIES RENEWAL PROJECTS

**Issue:** The President should comment upon whether or not the proposed fiscal 2013 projects are the most critical projects and the criteria used to select these projects. The President should also address how facility renewal projects are prioritized and if Morgan has in place a program or policy designed to reduce its backlog which finds a balance between wear-and-tear on facilities and adequate spending to maintain the facilities.

**Response:** As indicated in the testimony, the University is very appreciative of the Governor's support of much needed facility renewal funding. Although our goal is to include facility renewal funding in our operating budget to extend the life and maintain the functionality of our facilities, our constrained budget does not permit adequate funds to be dedicated to this important initiative. As a general standard, two (2) percent of the replacement cost of facilities should be set aside each year, which equates to \$12.1 million per year. Over the next five years, we hope to set aside one (1) percent, which is equivalent to \$6 million per year. Without adequate



funding, the list of deferred maintenance projects continues to increase, thereby accelerating the need for comprehensive facility renovation or replacement projects. Not only is there a \$37 million immediate need, but a \$400M backlog in renovation/replacement projects associated with, among other things, the past inadequacy of facility renewal funding.

Currently, through energy savings, we are setting aside \$1 million per year equating to .2 percent of replacement value. However, this fall, the 131,000-gross-square-foot Center for the Built Environment and Infrastructure Studies (CBEIS) will be opening. Likely, recent energy savings that we were able to reallocate toward deferred maintenance may well have to be reallocated for the operation of this facility.

For funding that is available to the University, to include the recommended \$5M one-time allocation, it is distributed within the following prioritized categories:

- Life/safety and emergencies
- Accessibility
- Addressing deteriorating building conditions
- Protecting the investment
- Reconfigurations

The Committee's support of the Governor's recommendation to assist in some of the most pressing projects would be appreciated.

#### **Recommendations:**

- 1. Approve \$5 million in general obligation bonds to fund facility renewal projects at Morgan State University.**
- 2. Approve language extending the funding authorization for campuswide utilities upgrade beyond June 1, 2013.**
- 3. Approve language extending the funding authorization for campuswide site improvements beyond June 1, 2013.**

#### **Responses:**

1. Already addressed.
2. The University would appreciate the Committee's support of language extending the utility funding beyond 2013 to complete the work necessary to provide appropriate utilities to serve current and future needs in the Morgan Commons.
3. The University would appreciate the Committee's support of language extending the campuswide site improvement funding beyond 2013. The landscaping upgrades are making a significant



difference in the appearance and functionality of our campus and the softball facilities.

**NEW JENKINS BEHAVIORAL  
AND SOCIAL SCIENCES  
CENTER**

**Recommendation:** Approve \$3.5 million in general obligation bond funding to complete the design of the new Jenkins Behavioral and Social Sciences Center.

**Response:** The University would appreciate the Committee's support of the funding to complete design of this project.





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