

Morgan State
University

Maryland's
Public Urban
University

Legislative Testimony

FY 2017 Capital Budget

Presented to:

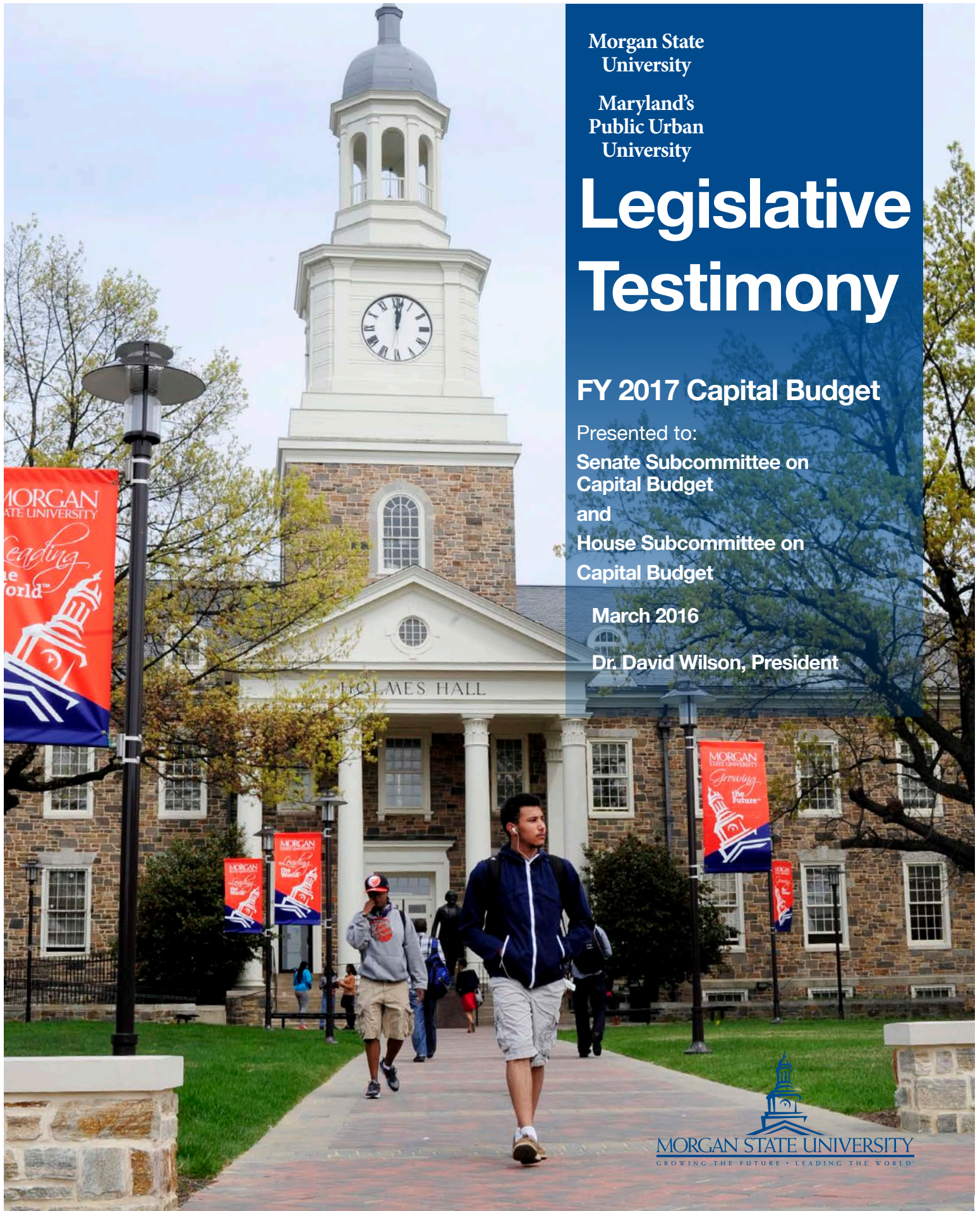
**Senate Subcommittee on
Capital Budget**

and

**House Subcommittee on
Capital Budget**

March 2016

Dr. David Wilson, President



MORGAN STATE UNIVERSITY

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Testimony

Fiscal Year 2017 Capital Budget Morgan State University

David Wilson, President

March 2016



Chair and members of the Committee, I thank you for the opportunity to testify on the Governor's fiscal year 2017 capital budget allowance for Morgan State University and to provide you with an update on the University since last session.

First, I thank Governor Hogan for his support of higher education. I also extend my thanks to the members of the General Assembly, particularly this Committee, for your strong and continued support of Morgan State University. Our analyst, Ms. Sara Baker, has done an excellent job analyzing our budget, and, as part of my testimony, I will address the comments and recommendations she has identified.

VISION STATEMENT

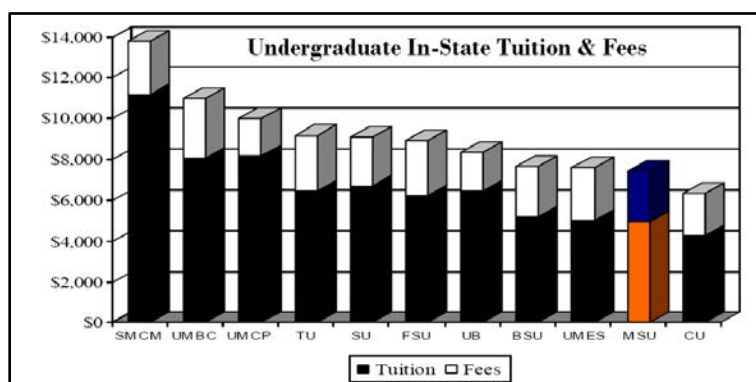
Morgan State University is the state's designated public, urban university, known for its excellence in teaching, intensive research, effective public service and community engagement. Morgan prepares diverse and competitive graduates for success in a global, interdependent society.

STRATEGIC PRIORITIES

The University is operating under its strategic plan, focusing on enhancing student success, growing its standing as a research university, improving infrastructure and operations, increasing grants and contracts activity, expanding online programs and other courses, and establishing educational partnerships with other prestigious institutions throughout the world. Our strategic priorities are in alignment with the state's goals for higher education.



Consistent with its strategic priorities, the University continues to develop its reputation as a premier institution. While we continue to experience enrollment growth, it should be noted that our undergraduate tuition is the second lowest in the state, which makes Morgan accessible to many students in the low socioeconomic status group. Our number of first-time/full-time students has increased by 10% since 2014, retention and persistence rates are on an upward trajectory, and master's and doctoral degree production continues to rise.



As for fundraising, alumni giving is at an all-time high in both percentages and dollars. We are excited to report that Morgan has received the largest individual donation in the institution's history: a \$5-million gift for an endowed scholarship fund, from MSU alumnus and retired UPS senior executive Calvin E. Tyler Jr. and his wife, Tina, nationally known philanthropists. The Calvin and Tina Tyler Endowed Scholarship Fund will provide need-based scholarships that cover full tuition for select Morgan students who reside in Baltimore City, the couple's hometown. The contribution is believed to be the fifth largest from an individual to any Historically Black College or University in the United States.

The University also has positive news regarding the active engagement of faculty in research activities and collaborations. In January of this year, the University established its first endowed professorship, the Endowed Chair in the Internet of Things (IoT) Security. In addition, Morgan received its first-ever patent, earlier this year, for groundbreaking research in the area of technology-assisted treatment of Alzheimer's disease. In 2014, Morgan received a \$23.3-million award, the second-largest competitive award in its history and the highest ever to Morgan from a U.S. agency, the



National Institutes of Health (NIH). The purpose of the award is to develop new approaches that engage researchers, including those from underrepresented backgrounds in the biomedical sciences, in preparing the next generation of researchers and scholars in the biosciences.

CONTINUING STATUS AS A STATE AND NATIONAL LEADER

Although Morgan's contributions generally have been well documented, it is worth reviewing some of them, because the University continues to make large contributions to state and national educational attainment.

- Morgan ranked 15th among all traditional campuses nationwide last year in the number of bachelor's degrees it awarded to African Americans.
- In key fields, Morgan also ranks in the top 15: 3rd – engineering, 3rd – architecture, 10th marketing, 12th – accounting, and 13th – finance.
- At the master's level, Morgan ranks in the top 10 universities awarding degrees to African Americans in architecture and engineering.
- The University ranks ninth nationally in doctorates awarded to African Americans in engineering.
- Its graduates have received more Fulbright scholarships than graduates of any other HBCU.
- Over the past 10 years, Morgan ranks 3rd nationally in the number of its engineering graduates who subsequently receive doctorates in engineering from a U.S. university.

Top Baccalaureate Institutions of Black S&E Doctorate Recipients: 2008 - 2012	
Rank	Institution
1	Howard U.
2	Spelman C.
3	Xavier U. of LA
4	FL A&M U.
5	Morgan State U.
6	Hampton U.
7	NC Agricultural & Technical State U.
8	Morehouse C.
9	U. of Maryland, Baltimore County
10	Southern U. & A&M C., Baton Rouge

Top Baccalaureate Institutions of Black Engineering Doctorate Recipients, by Sex (Females): 2008 - 2012	
Rank	Institution
1	Morgan State U.
2	NC Agricultural & Technical State U.
3	U. FL
4	GA Institute of Technology
5	MA Institute of Technology
6	FL State U.
7	Howard U.
8	U. MI, Ann Arbor
9	Clemson U.
10	Princeton U.

Top Baccalaureate Institutions of Black Engineering Doctorate Recipients, by Sex (Males): 2008 - 2012	
Rank	Institution
1	NC Agricultural & Technical State U.
2	Morgan State U.
3	FL A&M U.
4	Howard U.
5	GA Institute of Technology
6	MA Institute of Technology
7	Morehouse C.
8	Southern U. and A&M C., Baton Rouge
9	U. FL
10	U. MD, Baltimore County

Source: National Science Foundation

In addition, Morgan ranks among the top 10 baccalaureate institutions awarding engineering doctoral degrees to African Americans: 1st among females, 2nd among males and 5th overall for science and engineering degrees.



PROJECTS IN PROCESS

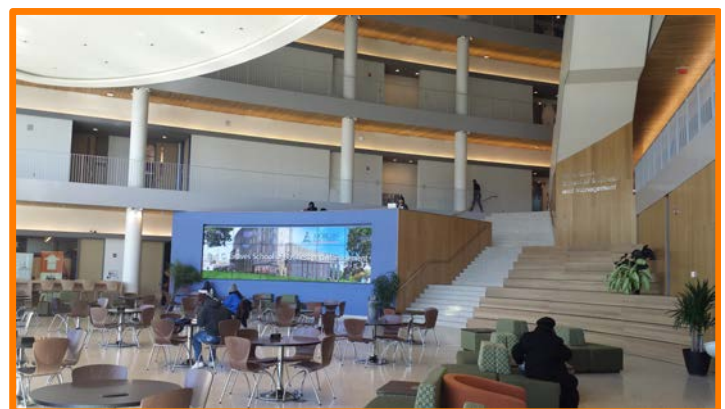
We are extremely grateful for the continued support of this Committee. The state's capital investment in Morgan is immeasurable. The value added to the educational experience of our students cannot be overstated, and the ongoing investments are moving us closer to the elimination of aging, obsolete facilities that cannot accommodate current-day pedagogy. It has been proven that educational quality and graduation success are enhanced with state-of-the-art facilities. The new School of Business and Management opened in the Fall of 2015, expanding our campus to the West. Equipped with state-of-the-art learning environments that simulate real-life work environments, our students are receiving hands-on instruction that make them more marketable and better prepare them for success in their careers. Included are a Market Mediation Room, Trading and Investment Simulation Lab and Demonstration Hotel space. These facilities are essential to enhancing the competency and competitiveness of our students. Commensurate with our focus on economic and community development, this project is serving as a catalyst for further development that could revitalize the entire shopping center that is contiguous to the new building.



Grand opening and ribbon-cutting ceremony on November 13, 2015



Quad entrance to the Earl G. Graves School of Business and Management



Atrium in the Earl G. Graves School of Business and Management



In addition, construction on the West Campus for the new Jenkins Behavioral and Social Sciences building is now underway and is expected to be completed in the Fall of 2017. Like the Center for the Built Environment and Infrastructure Studies (CBEIS) and the new School of Business and Management, this facility will provide modern educational environments that will enable our students to gain hands-on experience. Labs include but are not limited to a Forensic Anthropology Lab, Human Factors Research Lab, Neuropsychology Lab and a Vivarium. These types of experiential learning facilities are essential to giving our students the skills to compete and excel in the workforce and to advancing our research mission. As our research capacity increases, so does our ability to attract a diverse body of students, qualified faculty and additional research dollars, which, in turn, will enhance the University's status as a doctoral/research institution.



North side view of Behavioral and Social Sciences Building



New Behavioral and Social Sciences atrium

Morgan believes exceptional service to students is essential to attracting and retaining students. We are extremely excited that the architectural design contract for the new Student Services Center was awarded in February and that design will commence shortly. This facility will provide a high-quality environment for the student service functions, now located in the old Montebello Hospital. The Montebello Complex is more than 60 years old and is still serviced by original building systems. There are constant service interruptions, and the University is concerned about the continued safe operation of the building.



NEED FOR CONTINUED INVESTMENT

Certainly, facilities have and will continue to play a critical role in the rate of advancement at the University. Continued investment in the University's facilities will further enhance the quality of education while also enabling the University to compete for research grants and contracts. The state's investment is the cornerstone of Morgan's mission, which encourages research valuable to the City and, ultimately, spurs economic and community development within the state and the region.

GOVERNOR'S CAPITAL BUDGET RECOMMENDATION

The Governor's capital budget allowance for Morgan is for \$35.7 million in GO Bonds to provide for the second phase of construction and equipment funding for the new Jenkins Behavioral and Social Sciences building on the West Campus. The recommended amount represents the projected cash flow required to keep the project on schedule. The new building will replace obsolete academic space and provide modern instructional and research space and animal facilities that meet national accreditation standards. The disciplines to be housed in this facility include Psychology, Sociology, Economics, Geography, History, Political Science and International Studies.

REQUEST FOR CONTINUED SUPPORT OF THE NEW STUDENT SERVICES FACILITY

Our ability to maintain and increase our market share of the most talented students is severely impacted by the quality of our facilities. Unfortunately, the housing of student functions (i.e., admissions, recruitment, registrar, bursar, financial aid, etc.) in an old, retrofitted hospital severely constrains our ability to attract and appropriately service our students. Given the age and condition of the old Montebello Hospital, we are concerned that a major catastrophic break could occur at any time in one of the major building systems, which would result in a shutdown of the entire building and associated services.

Funding in the amount of \$1.6 million was appropriated to initiate design in 2014. The design contract is for \$6.8 million, and the University's FY 2017 request was for \$7 million to complete design and hire the construction manager (CM). Unfortunately, the Governor's FY 2017 allowance did not include funding for this



project. We are requesting \$4.5 million be authorized so the design process will not be stalled after the completion of schematics.

CLOSING

I again express my appreciation for your ongoing support of our capital improvement program. Much progress has been made over the last several years, but much remains to be accomplished if we are to achieve our goal of providing up-to-date, meaningful learning environments for our students in every area of study. I, therefore, request your support of the Governor's recommendation for FY 2017 and of the additional priorities outlined above.

I will respond to the issues presented by the analyst, and I will be happy to respond to any additional questions you may have.



Response to Comments and Recommendations in the Department of Legislative Services' Analysis

Comment #1 (Page 4): *The President should comment on why a design contract was put out to bid before knowing if funding to continue design would be included in the capital budget.*

Response: The University appreciates the state's continued support of Morgan and of its capital projects. Your support has allowed the University to replace several old, decrepit and outdated facilities that should have been demolished years ago. The state's investment, to date, has been commendable; however, additional funding is still required to continue the transformation of our campus.

The University continues to be proactive in completing its projects on time. Prior authorization of the \$1.6 million in FY 2015 allowed for Morgan to commence the design phase for the new Student Services Support project. The selection of design services began in January of 2015. At that juncture, we were not aware that continuous funding would not be authorized. In the past, our projects were continually funded, and we anticipated the same for the new Student Services Support building, as it is a critical project for the University. Although the University has selected the design team, we do not anticipate starting the design process until we are confident of the project's continued funding. To maintain progress of the project, with an anticipated opening at the end of calendar year 2020, funds would be required as follows: \$4.5 million for design in FY 2017, \$11 million for design/construction in FY 2018, and \$36.5 million and \$26.3 million for construction and equipment in FY 2019 and FY 2020, respectively.

Based on what we heard, the Governor has suspended the funding of a \$480-million jail in Baltimore City to enable the Student Services Support project, among others in the state, to move forward.



GO BOND RECOMMENDED ACTIONS

1. **Approve \$35.7 million in general obligation bonds to continue and equip the New Behavioral and Social Sciences Center.**

Response: The University agrees with the recommendation.

2. **Approve the de-authorization of \$0.4 million in general obligation bonds for campuswide site improvements.**

Response: The University agrees with the recommendation.

3. **Approve language amending campuswide site improvements.**

Response: The University does not agree with the recommendation to amend language for campuswide site improvements *due to the cancellation of Phases 2 through 4*, because the project was never phased. The de-authorization of the \$417,853 is based on the fact that the funds were appropriated in 2007 and, thus, are not eligible for further extension. The only portion of the project that was cancelled was the portion related to the Softball Field, because that project cannot proceed until the Murray School vacates the property. That de-authorization occurred in 2014.

4. **Approve the de-authorization of \$250,000 in general obligation bonds for the New Center for the Built Environment and Infrastructure Studies.**

Response: The University agrees with the recommendation.

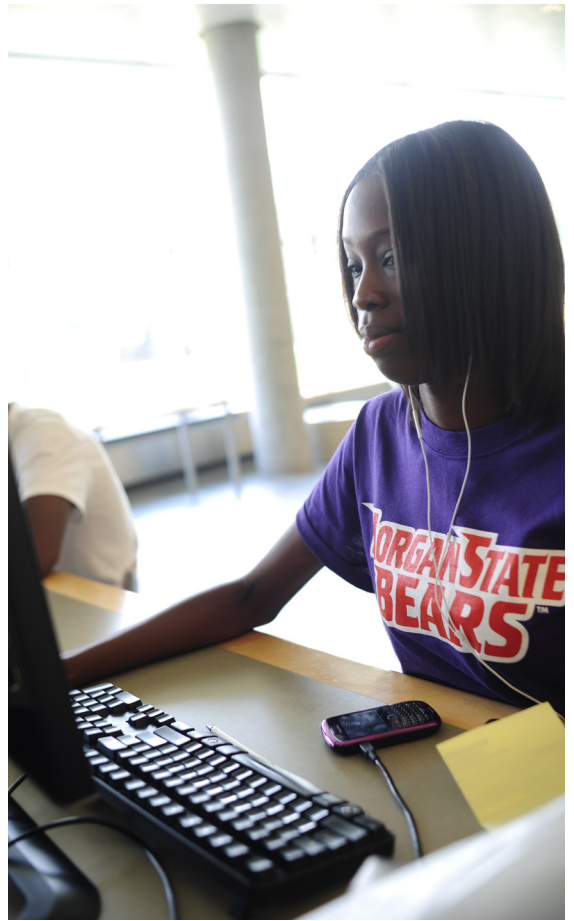
5. **Approve de-authorization of \$128,238 of general obligation bonds for the Soper Library Demolition.**

Response: The University agrees with the recommendation.

6. **Approve pre-authorization of \$2.8 million in general obligation bond funds for fiscal 2018 to complete construction and equip the New Behavioral and Social Sciences Center.**



Response: The University agrees with the recommendation.





MORGAN STATE UNIVERSITY

GROWING THE FUTURE
LEADING THE WORLD™





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