

## Testimony Presented To

The House Capital Budget Subcommittee

By President Janet Dudley Eshbach, Ph.D.

March 2014

Salisbury  
UNIVERSITY



Good afternoon Madame Chair and members of the Subcommittee. Thank you for the opportunity to provide testimony in support of the Governor's proposed Fiscal Year 2015 Capital Budget and to share with you Salisbury University's most pressing capital needs. I do so while fully appreciating the fiscal challenges Maryland currently faces and hope that, despite those challenges, you will continue to regard Salisbury University, *A Maryland University of National – and increasingly international – Distinction*, as an exceptional investment toward the education of Maryland's citizens.

### The Academic Commons

As you know, I had, for years, been informing you about the inadequacies of Blackwell Library and, with your generous support, the new Academic Commons is finally becoming a reality. We are now beginning to demolish Caruthers Hall and plan to start the construction of this state-of-the-art 200,000+ square-foot facility this summer, with a completion date of summer 2016. Beyond the numerous challenges one would expect to experience in a project that will have the variety of uses under one roof that will make it "the hub of student learning," we are now confronted with an unanticipated fiscal challenge. To sufficiently fund the planning and design process and, in line with phased construction funding in year one of a project expected to take two years to complete, the University requested \$61 million in planning, construction and equipment funds for FY 2015. The FY 2015 allocation in the Governor's Capital Improvement Program (CIP), however, was reduced by \$26 million to a total FY 2015 allocation of \$35 million. The University has consulted with the UMCP Service Center and has been advised that, to keep this project on schedule, the University will need \$45 million in FY 2015, \$10 million more than was allocated in the Governor's CIP.

**I am respectfully requesting that there be a \$10 million reallocation from FY 2016 to FY 2015.** While construction costs, in general, appear to be on the rise, there also has been a \$4.45 million reduction in the overall allocation for the project. At this time, however, I am most concerned about keeping the Academic Commons on schedule.

### Future Campus Capital Needs

With the support of the Governor and the Legislature, Salisbury University has made much-needed improvements in its capital infrastructure in recent years; I appreciate that support. The University prides itself upon its results and, as I mentioned above, I hope you see that the State of Maryland is getting the "biggest bang for its buck" when investing in SU. The University continues to be in high demand and also maintains the second highest graduation rate in the University System of Maryland (USM), just behind the University of Maryland College Park, while producing degrees at the lowest cost in the State in terms of state support revenue and time-to-degree. Ongoing capital investments are critical if we are to continue to provide the optimal learning environment for our students. The construction of the Academic Commons is most assuredly a major step in providing the capital infrastructure needed on my campus, but, as President, I must look beyond such an exciting project to other capital priorities. Three of these that will surface in future capital improvement program requests are as follows:

#### Fine and Performing Arts Complex

Other than the Maggs Physical Activities Center, which can seat approximately 2,000 on bench seating in the main gym, the largest gathering space on campus is the recently renovated Holloway Hall Auditorium that seats 711. As the cultural center for the region, the University continues to be severely limited

in the types of events it can handle for a student body of more than 8,600 and for its surrounding community. The Fine and Performing Arts Complex will provide opportunities to expand the cultural offerings to the University's students and to the greater community.

#### Maggs Physical Activities Center Renovation

The Maggs Physical Activities Center, built in 1977, serves academic, athletic and campus recreational needs. While we were able to install air conditioning in our main gym in 2011 as a result of your generous support, with the exception of a few offices, the building is still not air conditioned. Of greater concern is the fact that its HVAC systems are at the end of their life-cycle and the building does not comply with current building codes. Planning funds for this project have been requested for FY 2019, but they have not been included in the Governor's CIP.

#### Dresser Property Purchase

The University has patiently been waiting for years for environmental concerns to be resolved on this former manufacturing site so we might acquire the 11 acres adjacent to the University's East Campus. Expected to accommodate future campus growth, potentially to include the new Fine and Performing Arts Complex, the University will take steps necessary to acquire this key property.

Thank you again for the opportunity to speak to you today and for your ongoing support of Salisbury University's capital improvement program. These capital projects have been, and will continue to be, essential to the success of Salisbury University as a premier comprehensive Maryland public university.

A handwritten signature in black ink that reads "Janet Dudley Eshbach".

President Janet Dudley-Eshbach, Ph.D.

## ADDENDUM TO CAPITAL BUDGET TESTIMONY

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**Upon review of the DLS Budget Overview of Salisbury University's FY 2015 Capital Budget, we wish to address two areas of concern:**

### **Construction Schedule**

There is a statement in the analysis reflecting that the Academic Commons will not be completed until December 2016. However, consistent with the 2013 legislative pre-authorization, the expected summer 2016 completion date is unchanged. Neither the delayed start of the design phase nor the demolition of Caruthers Hall having been moved to March 2014 will have an impact upon the critical path for the scheduled start of construction in June 2014. The earlier demolition date was intended to minimize disruption during a regular academic term. Caruthers demolition is beginning this week during Spring Break and will be completed in early April.

### **Net Impact on Operating Budget**

As noted above, the building will be fully operational by the start of fall semester, 2016. The University, therefore, will need the majority of its requested operating funds for FY 2017, inclusive of the twenty-three (23) positions listed in last year's CIP. These positions are essential to the operation and maintenance of a building that is nearly four times the size of the existing library. As is customary when new academic facilities come on line, the University is requesting an appropriate General Fund amount to cover a portion of these costs.