

**RB29**  
**Salisbury University**  
 University System of Maryland

***Capital Budget Summary***

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**State-owned Capital Improvement Program**  
 (\$ in Millions)

<i>Projects</i>	<i>Prior Auth.</i>	<i>2015 Request</i>	<i>2016 Est.</i>	<i>2017 Est.</i>	<i>2018 Est.</i>	<i>2019 Est.</i>	<i>Beyond CIP</i>
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Academic Commons	\$10.552	\$35.000	\$65.820	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total</b>	<b>\$10.552</b>	<b>\$35.000</b>	<b>\$65.820</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

<i>Fund Source</i>	<i>Prior Auth.</i>	<i>2015 Request</i>	<i>2016 Est.</i>	<i>2017 Est.</i>	<i>2018 Est.</i>	<i>2019 Est.</i>	<i>Beyond CIP</i>
GO Bonds	\$8.472	\$35.000	\$59.900	\$0.000	\$0.000	\$0.000	\$0.000
Nonbudgeted Funds	2.080	0.000	5.920	0.000	0.000	0.000	0.000
<b>Total</b>	<b>\$10.552</b>	<b>\$35.000</b>	<b>\$65.820</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

CIP: *Capital Improvement Program*  
 GO: general obligation

***Summary of Recommended Bond Actions***

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1. New Academic Commons  
 Approve.
2. SECTION 2 – Salisbury University – New Perdue School of Business  
 Approve de-authorization.
3. SECTION 12 – Salisbury University – New Academic Commons  
 Approve the pre-authorization for the 2015 session.

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## ***Performance Measures and Outputs***

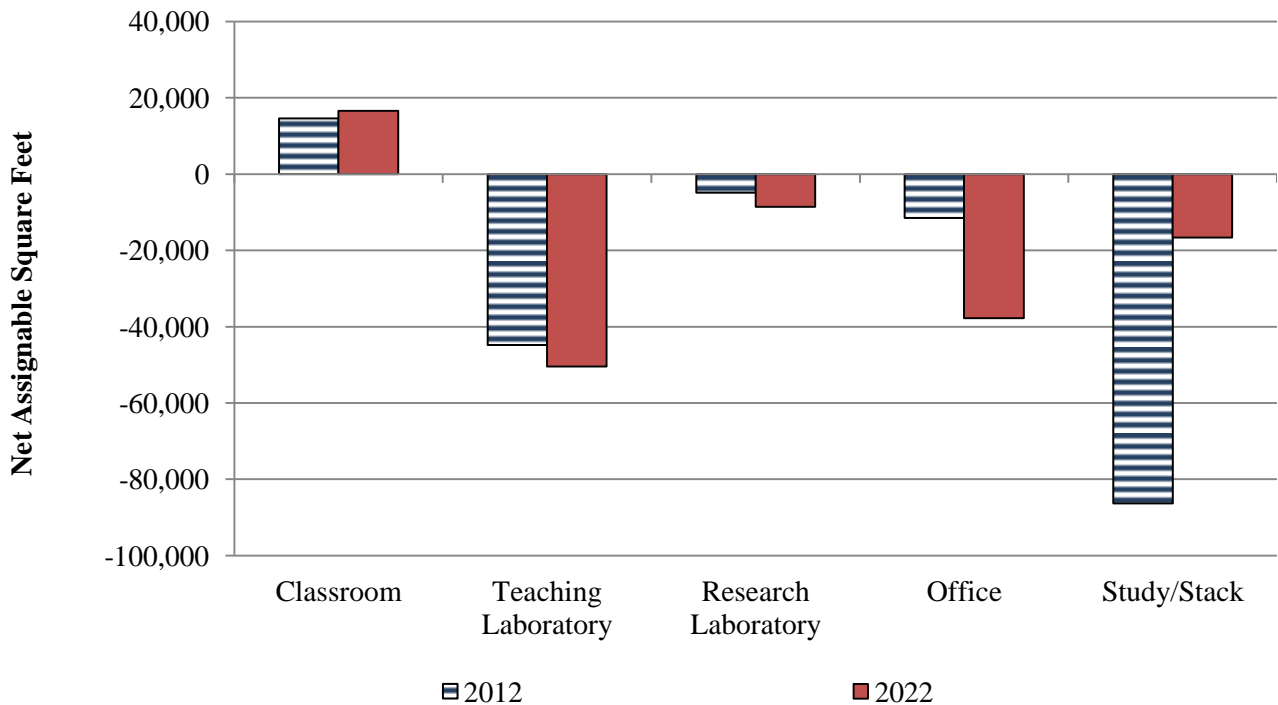
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According to the fall 2012 facilities inventory, Salisbury University’s (SU) academic space totals 441,465 net assignable square feet (NASF), which includes 87,588 NASF of classroom space; 112,468 NASF of teaching laboratory space; and 194,438 NASF of office space. **Exhibit 1** shows SU’s self-reported space deficiencies in fall 2012 and projected deficiencies in fiscal 2022. SU currently expects to have space shortages in four of five space categories. In fiscal 2022, SU expects to have 99,767 more NASF, or 22.6%, than it did in 2012, compared to a statewide public four-year institution average increase of only 13.2%. Almost all of that growth comes from study/stack space, increasing from about 35,000 NASF to about 118,000 NASF. As shown in Exhibit 1, SU still expects a study/stack space deficiency of almost 17,000 NASF in fiscal 2022.

The Academic Commons will provide large amounts of space dedicated to classrooms, offices, and study/stack areas that SU needs and assist SU in meeting expected enrollment growth over the next decade.

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**Exhibit 1**  
**Academic Space Surpluses/Deficiencies**  
**Net Assignable Square Feet**  
**Fall 2012 and Fiscal 2022**



Source: Four-year Public Colleges and Universities Academic Space Surplus/Deficit: Fall 2012, Projected Fiscal 2022, Maryland Higher Education Commission

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## ***Budget Overview***

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While the fiscal 2014 budget bill had pre-authorized \$59.25 million for construction of the Academic Commons in fiscal 2015, the fiscal 2015 budget bill programs only \$35.0 million to construct the Academic Commons. Additionally, while the 2014 budget bill programmed \$38.25 million in general obligation (GO) bonds in fiscal 2016, the 2015 budget bill increases that amount to \$59.9 million. This is due to changes in redesign and the construction schedule.

The design phase was to begin in January 2013 but did not start until April. The project is currently in the design development phase. Additionally, demolition was to begin in June 2013 but will begin in March 2014. The overall construction completion date is three months later than planned one year ago, as it now finishes in December 2016. This also contributed to the redistribution of construction and equipping funds. Because of the new project schedule, no equipping is programmed to occur in fiscal 2015. Overall the total project cost decreased from \$107.8 million in GO bonds to \$103.4 million. Nonbudgeted funds remain at \$8.0 million. SU reports it has a signed memorandum of understanding for the \$8.0 million, with a donor to fulfill SU's portion of the project cost.

When completed, the Academic Commons will provide a central hub for campus needs, including stack space, study space, assembly rooms, exhibit space, food areas, merchandising, and meeting rooms. This will free up space in the existing Blackwell Library and the Nabb Center, as current collections are transferred to the Academic Commons.

The Academic Commons project includes the following components:

- demolish Caruthers Hall in fiscal 2014 to create space on campus for construction of the Academic Commons;
- construct the Academic Commons; and
- at a later date, demolish or repurpose Blackwell Library and the Nabb Center.

When complete, the Academic Commons will create new classroom and class laboratory space, as well as significantly increasing stack and study space on campus. More than a traditional library, the Academic Commons will feature exhibition space, food services, and a lounge. While the current library, built in 1956 and expanded in 1974, has no public restrooms on the ground floor and offers only five study rooms, the Academic Commons will offer about 38,000 NASF for study space and modern amenities for students, faculty, and staff. Due to structural design issues, renovation of Blackwell Library was considered cost prohibitive, and the university will explore options for this facility at a later date. The historical archives currently in the Nabb Center, which is not close to the other academic buildings on campus, as well as other governmental and historical materials that cannot readily be found in electronic format, will be transferred to a modern preservation facility in the new Academic Commons. SU also would like to expand its traditional library collections in the

future, which is why stack space accounts for over 42,000 NASF in the Academic Commons, or 30.7% of total NASF.

***Operating Budget Impact Statement***

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**Executive’s Operating Budget Impact Statement  
(\$ in Millions)**

	<i>FY 2015</i>	<i>FY 2016</i>	<i>FY 2017</i>	<i>FY 2018</i>	<i>FY 2019</i>
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<b>Academic Commons</b>						
	Estimated Operating Cost	\$0.00	\$0.00	\$0.465	\$0.830	\$0.618
	Estimated Staffing	0	0	1	1	1

According to the 2014 CIP, the Academic Commons will impact the fiscal 2017 operating budget by \$0.47 million due to general costs for fuel and utilities, supplies and materials, and amortized equipment. The delay in the project has reduced the operating budget impact in fiscal 2017, which had been about \$2.0 million in the prior CIP. Additionally, the last CIP had included 23 new positions to support the Academic Commons in fiscal 2017 and beyond, whereas the current CIP adds only 1 position.

## ***Pre-authorizations and De-authorizations***

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One project, the completion of the Perdue School of Business at SU, has funds totaling \$175,180 de-authorized, as the project is now complete, as shown in **Exhibit 2**. There is one pre-authorization for \$57.55 million in GO bonds for the Academic Commons in fiscal 2016 to finish construction and equip the facility.

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**Exhibit 2**  
**Pre-authorization and De-authorization**  
(\$ in Millions)

**Pre-authorization**

<b>Project</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>Reason</b>
Academic Commons	\$57.55	0.00	0.00	To complete the project.

**De-authorization**

<b>Project</b>	<b>De-authorized Amount</b>	<b>Reason</b>
Perdue School of Business	\$0.175	Project complete.

Source: Department of Budget and Management, 2014 *Capital Improvement Program*

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## ***GO Bond Recommended Actions***

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1. Approve the \$35.0 million in general obligation bonds for the construction of the Academic Commons on the campus of Salisbury University.
2. Approve the de-authorization of \$0.2 million in general obligation bonds for the Perdue School of Business at Salisbury University due to the project being complete.
3. Approve the pre-authorization of \$57.55 million in general obligation bonds for the 2015 session for the construction of the Academic Commons on the campus of Salisbury University.