

RB29
Salisbury University
 University System of Maryland

Capital Budget Summary

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

Projects	Prior Auth.	2017 Request	2018 Est.	2019 Est.	2020 Est.	2021 Est.	Beyond CIP
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Athletic Field Replacement	\$0.000	\$0.575	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total	\$0.000	\$0.575	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

Fund Source	Prior Auth.	2017 Request	2018 Est.	2019 Est.	2020 Est.	2021 Est.	Beyond CIP
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GO Bonds	\$0.000	\$0.575	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total	\$0.000	\$0.575	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

CIP: *Capital Improvement Program*
 GO: general obligation

Summary of Issues

Intercollegiate Athletics in the Capital Budget: Salisbury University (SU) would receive \$0.6 million in general obligation (GO) bonds for an intercollegiate athletics (ICA) project in fiscal 2017, despite having spent \$18.9 million on a renovated Sea Gull Stadium out of its own plant funds and recently increasing its per student athletics fee.

Summary of Recommended Bond Actions

	<u>Funds</u>
1. Sea Gull Stadium	\$575,000 GO
Delete funds to begin construction of a new athletic field.	
Total Reductions	\$575,000 GO

Budget Overview

The Sea Gull Stadium turf field replacement project will replace the existing 101,436 square foot synthetic turf field as the binding material has failed and the field has experienced a significant amount of fiber loss. Impact testing of the field indicates the turf has compacted greatly from a measurement of 124 Gmax in 2007 to 171 Gmax in 2013. According to industry standards, a measurement of 200 Gmax or greater is considered unsafe to play on. Consequently, the surface of the field has become uneven and hard, which creates tripping hazards for athletes. A new turf field will be installed that complies with safety standards. The dimensions of the field will not change.

Fiscal 2017 funding would construct these improvements between July and September 2016, with total construction time estimated to be between six and eight weeks. This project is new to the *Capital Improvement Plan* (CIP) of 2017. As the turf is synthetic, there is no operating budget impact from this project.

Issues

1. Intercollegiate Athletics in the Capital Budget

The justification for the new SU turf field project is that it will “support the University’s athletic programs and to make its facilities comparable to other institutions in its athletic conference.” Although ICA projects have been funded by GO bonds in the past, they have historically not been a priority in the State’s CIP. Foremost, the field has a life expectancy of less than 15 years, the benchmark for State funding of capital projects. Furthermore, the State has not funded ICA improvements at a National Collegiate Athletic Association Division III institution and this would create a new precedent for Frostburg State University (FSU) and St. Mary’s College of Maryland (SMCM), and possibly independent institutions, to expect State support for ICA projects in the future. In fiscal 2007, SU utilized ICA funds for the turf field. When FSU last needed a new turf field, FSU also used university funds.

SMCM is in the CIP to relocate its ICA fields to create space for a new academic building in the center of its campus. While SMCM’s project includes GO bonds, it also includes institutional support for that project, and the new building to be constructed has an academic component. SU’s project has neither of those features. Furthermore, SU’s field will be for the exclusive use of its four Division III teams that need a turf field, rather than the general student body, as was the case for track and field improvements at Bowie State University in fiscal 2014.

The new field would complement the rebuilt Sea Gull Stadium, which should be completed in March 2016. The stadium’s cost totaled \$19.4 million, with about \$18.9 million paid by SU’s plant fund and the remaining \$0.5 million from private donations. It is unclear how the \$0.6 million turf field was left out of the \$19.4 million stadium renovations, especially since SU was aware of the field’s poor impact testing in 2013, a year before construction began on the new stadium. In addition, SU reported the life expectancy of this turf field is about eight years, suggesting that the field would need to be replaced in fiscal 2015, regardless of impact testing, so the turf field replacement should be a capital cost the university plans on in its regular ICA budget.

Between fiscal 2012 and 2015, SU’s resident undergraduate tuition increased 6% annually, exceeding the annual 3% increase at the other USM institutions and Morgan State University. This tuition adjustment was approved by the University System of Maryland Board of Regents to bring SU’s tuition in line with peer institutions’ tuition rates. This brought in more funding to spend on financial aid, campus services, and improvements. In addition, the athletics fee increased by \$250, or 54.2%, per student from fiscal 2010 to 2016. This includes a 19.1%, or \$88, increase in just fiscal 2011. This fee is entirely separate from the general student recreation fee. The institution also has an estimated \$57.7 million remaining in the fiscal 2016 closing fund balance.

The Department of Legislative Services recommends that funding for the new turf field be deleted from the fiscal 2017 capital budget as the institution has adequate funds available to replace the field without direct State support. Given the amount of institutional support for a new stadium and the significant increase in athletic fees, the President should comment on why

SU cannot pay for a new turf field out of its ICA budget, as was done in fiscal 2007. If that is not possible, the President should comment on why SU cannot use annual USM facilities renewal funding or fund balance for this purpose.

