

RB29
Salisbury University
 University System of Maryland

Capital Budget Summary

Summary of State-owned Projects Funded in Governor's Request
 (\$ in Millions)

<i>Project Title</i>	<i>Prior Approp.</i>	<i>FY 2014 Request</i>	<i>Future Estimated</i>	<i>Estimated Total</i>	<i>DLS FY 2014 Recommd.</i>
New Academic Commons	\$1.980	\$8.572	\$105.270	\$115.822	\$8.572
Total	\$1.980	\$8.572	\$105.270	\$115.822	\$8.572

<i>Fund Source</i>	<i>Prior Approp.</i>	<i>FY 2014 Request</i>	<i>Future Estimated</i>	<i>Estimated Total</i>	<i>DLS FY 2014 Recommd.</i>
GO Bonds	\$1.900	\$6.572	\$99.350	\$107.822	\$6.572
Nonbudgeted Funds	0.080	2.000	5.920	8.000	2.000
Total	\$1.980	\$8.572	\$105.270	\$115.822	\$8.572

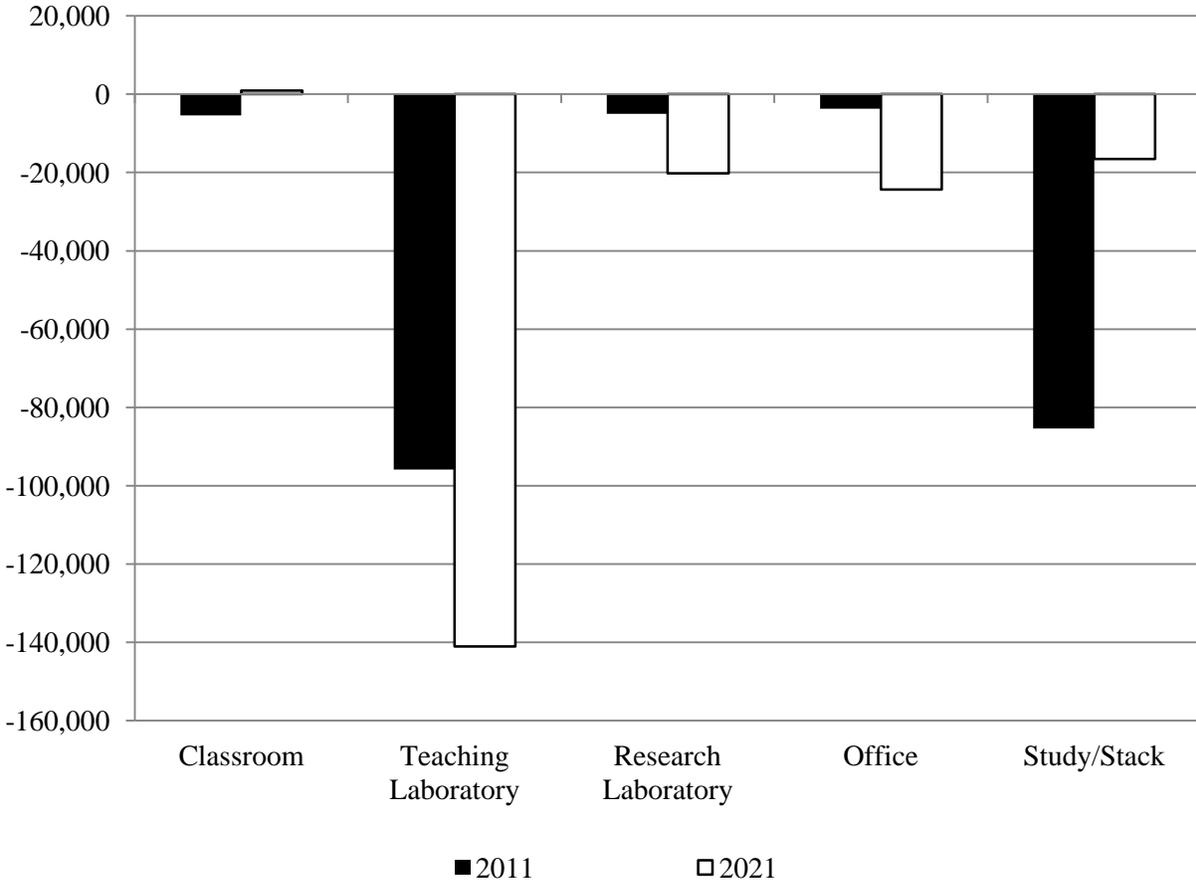
Summary of Recommended Bond Actions

1. New Academic Commons
Approve.
2. Salisbury University Gymnasium Repairs
Approve de-authorization.
3. Section 12 – Salisbury New Academic Commons
Approve the pre-authorization for the 2014 session.
4. Section 13 – Salisbury University New Academic Commons
Approve the pre-authorization for the 2015 session.

Agency Performance Measures and Outputs/Population Data

According to the fall 2011 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 fiscal 2011 and projected deficiencies in fiscal 2021. SU currently expects to have space shortages in all five space categories. The Academic Commons would 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.

Exhibit 1
Academic Space Surpluses/Deficiencies
Net Assignable Square Feet



Source: Four-year Public Colleges and Universities Academic Space Surplus/Deficit: Fiscal 2011, Projected 2021, Maryland Higher Education Commission

Capital Improvement Program

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

<i>Projects</i>	<i>Prior Auth.</i>	<i>2014 Request</i>	<i>2015 Est.</i>	<i>2016 Est.</i>	<i>2017 Est.</i>	<i>2018 Est.</i>	<i>Beyond CIP</i>
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Academic Commons	\$1.980	\$8.572	\$61.100	\$44.170	\$0.000	\$0.000	\$0.000
Total	\$1.980	\$8.572	\$61.100	\$44.170	\$0.000	\$0.000	\$0.000

<i>Fund Source</i>	<i>Prior Auth.</i>	<i>2014 Request</i>	<i>2015 Est.</i>	<i>2016 Est.</i>	<i>2017 Est.</i>	<i>2018 Est.</i>	<i>Beyond CIP</i>
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GO Bonds	\$1.900	\$6.572	\$61.100	\$38.250	\$0.000	\$0.000	\$0.000
Nonbudgeted	0.080	2.000	0.000	5.920	0.000	0.000	0.000
Total	\$1.980	\$8.572	\$61.100	\$44.170	\$0.000	\$0.000	\$0.000

Budget Overview

The fiscal 2014 budget programs \$8.57 million to complete design of the new Academic Commons and demolish Caruthers Hall. This project was not originally in the 2012 *Capital Improvement Program* (CIP), although SU received \$1.98 million in fiscal 2013 to begin design of the new Academic Commons. Despite efforts by the General Assembly to accelerate the funding for the SU Academic Commons building in the 2012 session, were it not for the additional new GO bond authorizations recommended by the Capital Debt Affordability Committee, which adds \$150 million of increased authorizations in each of fiscal 2014 through 2018, the construction authorizations would likely remain beyond the scope of the five-year plan. 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. SU has a formal memorandum of understanding with an undisclosed donor for the project's nonbudgeted funds.

The President should comment on whether fundraising already secured over the amount needed in fiscal 2014 can be used prior to fiscal 2016.

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.

The design cost for the demolition phase, about \$80,000, will be paid by SU, whereas total demolition costs will be about \$800,000. 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 total, the Academic Commons will offer about 41,000 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 what to do with this facility at a later date. 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 just over 30% of the total NASF of the building.

The President should comment on why SU is increasing stack space at a time when many libraries are decreasing stack space due to an increased use of electronic media and to repurpose traditional library stack space into study space for students.

Operating Budget Impact Statement

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

		<i>FY 2014</i>	<i>FY 2015</i>	<i>FY 2016</i>	<i>FY 2017</i>	<i>FY 2018</i>
New Academic Commons						
	Estimated Operating Cost	\$0.000	\$0.000	\$0.000	\$2.035	\$2.037
	Estimated Staffing	0	0	0	23	23

According to the fiscal 2014 CIP, the Academic Commons will impact the fiscal 2017 operating budget by \$2.04 million due to general costs for fuel and utilities, supplies and materials, amortized equipment, and 23 new positions.

Pre-authorizations and De-authorizations

One project, repairs to the gymnasium at SU, has funds totaling \$132,000 de-authorized as the project is now complete, as shown in **Exhibit 2**.

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

Pre-authorizations

<u>Project</u>	<u>Fiscal 2015</u>	<u>Fiscal 2016</u>	<u>Fiscal 2017</u>
New Academic Commons	\$59.25	\$37.75	\$0.00

De-authorizations

<u>Project</u>	<u>Amount</u>	<u>Reason</u>
Gymnasium Repairs	\$0.132	Project complete

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

GO Bond Recommended Actions

1. Approve \$8.572 million in general obligation bonds for the new Academic Commons on the campus of Salisbury University.
2. Approve the de-authorization of \$0.132 million for gymnasium repairs at Salisbury University due to the project being complete.
3. Approve pre-authorization of \$59.25 million in general obligation bonds for the 2014 session for the construction of the new Academic Commons on the campus of Salisbury University.
4. Approve pre-authorization of \$37.75 million in general obligation bonds for the 2015 session for the construction of the new Academic Commons on the campus of Salisbury University.