



MORGAN STATE UNIVERSITY



Capital Budget Testimony

FY 2021 Capital Budget

Presented to:

**Senate Subcommittee on Capital Budget
and
House Subcommittee on Capital Budget**

February 2020 | Dr. David Kwabena Wilson, President

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TESTIMONY

Fiscal Year 2021 Capital Budget

Morgan State University

David Wilson, President
February 2020

Chair and members of the Committee, thank you for the opportunity to testify on the Governor's fiscal year 2021 capital budget allowance for Morgan State University.

First, I thank the Department of Budget and Management, and Governor Hogan, for their support of higher education. I also thank the members of this Committee for your strong and continued support of Morgan State University. Our analyst, Mr. Ian Klein, has done an outstanding job of analyzing our budget, and I will respond to his comments and recommendations as a part of my testimony.

Vision Statement

Morgan State University is the preeminent public urban research university in Maryland, 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.

Mission Statement

Morgan State University serves the community, region, state, nation and world as an intellectual and creative resource by supporting, empowering and preparing high-quality, diverse graduates to lead the world. The University offers innovative, inclusive, and distinctive educational experiences to a broad cross section of the population in a comprehensive range of disciplines at the baccalaureate, master's, doctoral and professional degree levels. Through collaborative pursuits, scholarly research, creative endeavors and dedicated public service, the University gives significant priority to addressing societal problems, particularly those prevalent in urban communities.

STRATEGIC PRIORITIES

Continually guided by the goals articulated in our Strategic Plan, which include a continued emphasis on enhancing student success, increasing our status as a Doctoral Research Institution, improving our infrastructure and operational processes, growing our resources and engaging the Community, Morgan has made significant strides in the advancement of our mission.

Our retention and graduation rates are increasing as a result of the comprehensive programs focused on early intervention implemented by our Office of Student Success and Retention. Retention coordinators are housed in every school to track students' progress,

and programs have been put in place to increase retention and graduation rates. As a result, beginning with the Fall 2010 freshman cohort, Morgan has achieved retention rates above 70% for nine consecutive years. The six-year graduation rate has increased from 33% (2010 cohort) to 43% (2013 cohort) and is projected to be even higher for the fall 2014 cohort that will be graduating in 2020. Our programs have been so successful that we have received national recognition and received a number of awards, including the 2017 Hobsons Education Advances Award for Student Success and Advisement; the 2016 Association of Public and Land-grant Universities Turning Point: From Setback to Student Success Award; and the 2015 Association of Public and Land-grant Universities Project Degree Completion Award.

In addition to our increasing retention and graduation rates, our status as a doctoral research university has risen. In December of 2018, MSU was elevated from R3 (moderate research) to R2 (high research) by the Carnegie Classification of Institutions of Higher Education. MSU is among only 130 universities nationwide to earn the R2 ranking, the second-highest status classification and an indication of “**high research activity**.”

Our high research activity is essential to our providing Morgan students with meaningful learning experiences. Our students are actively engaged in learning experiences in and outside of the classroom that prepare them to *grow the future* and *lead the world*. To that end, we have instituted a Second Year Experience (SYE), wherein we require every returning student to have an experiential learning opportunity. One such opportunity is afforded through the ASCEND Center for Biomedical Research at Morgan. ASCEND is ‘A Student-Centered, **Entrepreneurship Development Training Model** to increase diversity in the Biomedical Research Workforce. ASCEND was initially made possible through a five-year, \$23.3-million cooperative agreement from the National Institutes of Health (NIH) to strengthen Morgan’s biomedical training and research infrastructure with the ultimate goal of training undergraduate students to become outstanding biomedical researchers. In August of 2019, Morgan secured a total of \$35 million in new grant awards from NIH, including \$16.9 million for the ASCEND program. ASCEND is now housed in Key Hall, and space is being made available in the proposed new Science Building to provide for collaborative student research.



The \$35 million in new grant awards from NIH also includes a \$14.2-million grant for a new Center for Urban Health Disparities Research and Innovation (RCMI@Morgan), which will conduct research to develop solutions to enhance health with an emphasis on eliminating health disparities between minority populations throughout the city. RCMI includes four main Cores: Administrative, Research Infrastructure, Investigator Development and Community Engagement. The Community Engagement Core will collaborate with community groups and government agencies to facilitate “Community-Based Participatory Research (CBPR) and will be branded as the Community-Aligned Research Enterprise (CARE). The University seeks to house this component of the program in a University extension building in the Morgan Community Mile. CARE will be a facility for the community and faculty to meet and engage in critical dialogue around challenges in the community and research needs. The administrative functions of CARE will be housed within the Prevention Sciences Research Center, where it will benefit from

established partnerships with the University of Michigan, University of New Mexico, University of Maryland, The Johns Hopkins University and Community-Campus Partnerships for Health.

The Research Infrastructure Core includes three research facilities critical for the success of Morgan faculty conducting both basic and behavioral biomedical research: the Animal Facility in the new Martin B. Jenkins Behavioral and Social Science Building, the Biostatistics and Bioinformatics Support Unit, and the Molecular and Cell Biology Lab in the Dixon Research Center.

The Investigator Development Core will manage a pilot research program in collaboration with The Johns Hopkins University; the University of Maryland, Baltimore; and other organizations, to train early career faculty for state-of-the-art research in health disparities and urban health.

The activities of RCMI@Morgan will be coordinated by the Administrative Core.

CONTINUING STATUS AS A STATE AND NATIONAL LEADER

Our focus on student success and retention, expanding our impact as a doctoral research institution, engaging the community and growing our resources has contributed to our continuing status as a state and national leader. We continue to be a top producer of Fulbright scholars and grantees. Our graduates have received more Fulbright scholarships than have graduates of any other HBCU, and last month we were named a 2018–2019 Fulbright HBCU Institutional Leader: one of 19 schools included on the inaugural list. Morgan also continues to be a leader in the number of degrees awarded to African Americans in critical fields at all degree levels.



Nationally, we are 1st in Civil Engineering, Construction Management, Electrical Engineering, and Public Relations and Advertising at the bachelor's level; 1st in Engineering, Hospitality Management and Landscape Architecture at the master's level; and 1st in Bioenvironmental Sciences, Community College Leadership, Engineering and History at the doctoral level. At the State level, we are

1st in applied Architecture, Actuarial Science, Applied Liberal Studies, Broadcast Journalism, Civil Engineering, Construction Management, Electrical Engineering, Elementary Education, Engineering Physics, Family and Consumer Science, Health Education, Hospitality Management, Industrial Engineering, Journalism, Music, Nutrition Science, Philosophy, Physical Education, Public Relations and Advertising, Screen Writing and Animation, Social Work, Sociology and Transportation Systems at the bachelor's level;

1st in African-American Studies, Bioinformatics, City and Regional Planning, Community College Administration and Instruction, Higher Education Administration, Hospitality



William Donald Schaefer Engineering Building.

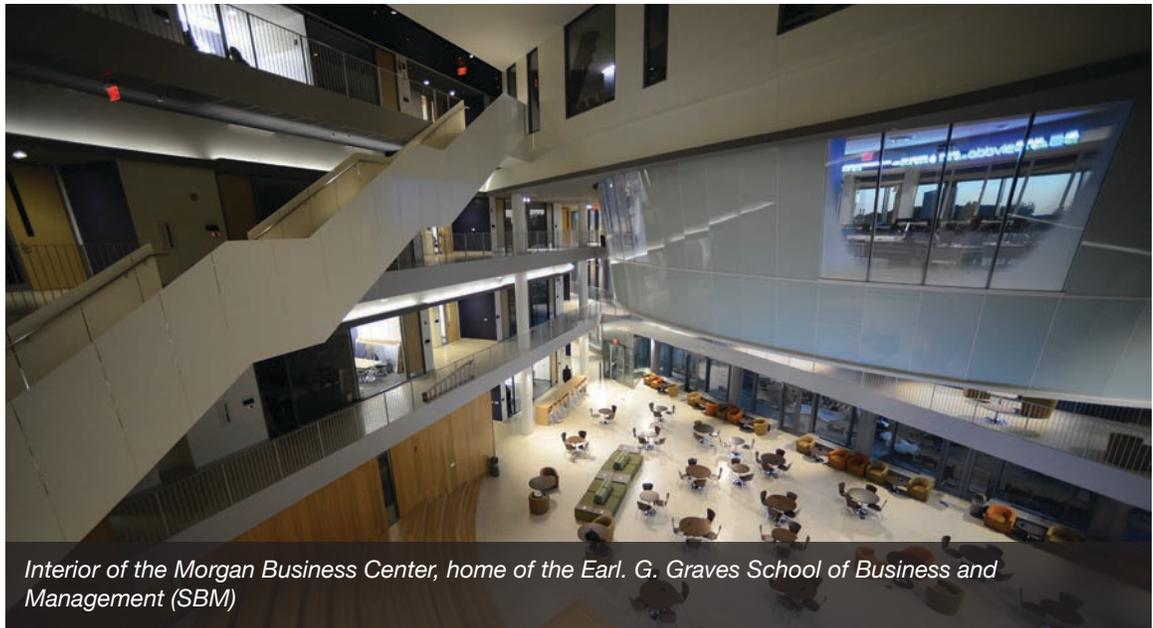
Management, Journalism, Landscape Architecture, Mathematics, Sociology and Urban Transportation at the master's level and 1st in Bioenvironmental Sciences, Community College Leadership, Engineering, English, Higher Education Administration, History, Public Health and Social Work at the doctoral level. Overall, we are 2nd in the number of total doctoral degrees awarded. During our fall 2019 commencement ceremony, the University conferred its 800th doctoral degree.

With continued investment, we will continue to lead the state and nation in the production of minorities in key areas of study.

IMPACT OF RECENT INVESTMENTS

We are extremely grateful for the support of this Committee over the last several years. The ongoing investments are essential to enhancing the competency and competitiveness of our students. 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 prepared for further study in advanced degree programs. The facilities are attracting students such that enrollments are growing in the programs housed there. In addition, the facilities are attracting research and great faculty and are encouraging partnerships with corporations and other institutions.

The Earl G. Graves School of Business and Management (SBM) is the home of The Center for the Study of Blockchain and Financial Technology (“The FinTech Center”). The Center was launched in February 2019 after Morgan received a multiyear, multimillion-dollar



Interior of the Morgan Business Center, home of the Earl. G. Graves School of Business and Management (SBM)

grant from Ripple, a Silicon Valley-based technology company, to engage Morgan's faculty and students in research and education in blockchain, cryptocurrencies, cybersecurity and related fintech areas. The grant enables Morgan to serve as a hub connecting HBCUs and encourage the development of courses and research on blockchain and fintech. The Center convened an HBCU Blockchain Curriculum Development Institute in New Orleans late last year to assist a diverse group of 45 faculty from 30 Historically Black Colleges and

Universities (HBCUs) to develop blockchain and fintech-related content. Faculty members submitted competitive proposals to receive the Institute fellowship, which covered most of their expenses for the event. As a result of the Institute, more than 1,000 students will learn about blockchain and fintech at 30 HBCUs in the spring semester of 2020. Morgan is part of a consortium of 34 universities around the world that form Ripple’s University Blockchain Research Initiative (UBRI).

Housed in the Center for the Built Environment and Infrastructure Studies, Morgan’s Urban Mobility & Equity Center (UMEC) is federally funded as a Tier 1 research center through the Fixing America’s Surface Transportation (FAST) Act. The U.S. Department of Transportation has awarded a \$1,402,200 grant to the three-university consortium led by Morgan State University. In addition to Morgan, the consortium includes the University of Maryland and Virginia Polytechnic Institute and State University (Virginia Tech). Awarded in 2016, the grant is one of 35 five-year grants awarded under the University Transportation Center (UTC) program. Recently, a team from UMEC presented their findings from the Center’s extensive audit of transit automation at the University Transportation Centers (UTC) Spotlight conference held in Washington, D.C., during Infrastructure Week. Morgan’s study aimed to provide the next generation of demand-responsive transit systems, which would be particularly helpful in suburban and rural areas where people cannot easily access public transit and where first/last-mile travel presents significant challenges. The proposed automated transit system may increase equity, especially in underserved areas, and decrease reliance on private transportation, ultimately saving energy and decreasing emissions.



NEED FOR CONTINUED INVESTMENT

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 Morgan to compete for grants and contracts. The State’s investment is the cornerstone of Morgan’s mission, which encourages research valuable to the City of Baltimore and ultimately spurs economic and community development within the region.

GOVERNOR’S CAPITAL BUDGET RECOMMENDATION

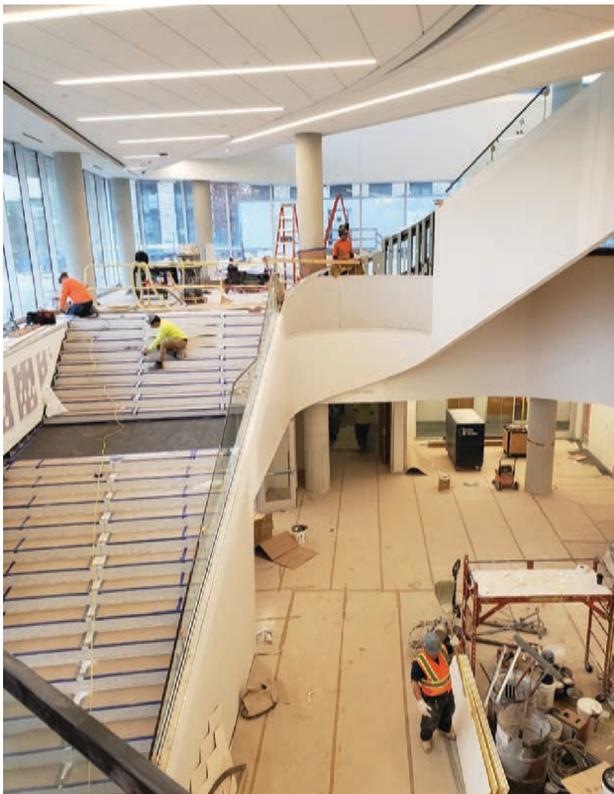
The Governor’s capital budget allowance for Morgan is for \$20,233,000 in GO Bonds for the following projects.

Project	Phase	Amount
New Student Services Support Building	C, E	\$4,851,000
New Health & Human Services, Phase II	P, C	\$5,382,000
Deferred Maintenance	P, C	\$10,000,000
Total		\$20,233,000

Key: C – Construction, E – Equipment, P – Planning

New Student Services Center

This request represents the final phase of funding for the New Student Services Center. The new facility will consolidate student service support functions, the majority of which are now located in retrofitted space in the old Montebello Hospital. In addition, the new facility will provide space for administrative functions, including Information Technology and Human Resources. The final phase of the construction has commenced for this facility, which will be centrally located in the Morgan Commons on the site of the old Soper Library. The building will open this fall.



Calvin and Tina Tyler Hall

New Health & Human Services, Phase II

This request provides additional design funds for the construction of a New Health and Human Services (HHS) Building to house the School of Community Health and Policy which includes Public Health, Nutrition Sciences, Nursing, Pre-Professional Physical Therapy and Health Education; the School of Social Work; the Department of Family and Consumer Sciences; and Medical Technology. The University Counseling Center will also be housed in this facility. The academic programs to be located in the new HHS are now located in Jenkins, which is to be demolished; off-campus in the Portage Avenue Facility, which is unsafe; and in Hurt Gym. These locations offer limited or substandard teaching, research and clinical space for the preparation of our students. The Counseling Center is located in Carter-Grant-Wilson, an outdated building that lacks sufficient and appropriate space to properly service our students. The co-location of these related academic and health service programs will promote collaboration, optimize space through the provision of shared resources and enhance students' learning experience. The New Health and Human Services Building will be located at the corner of Argonne Drive and Hillen Road at the site of the Turner's Armory and Motor Pool. The first phase of design funding was authorized this past legislative session, and design is now underway.



Turner's Armory and Motor Pool

DEFERRED MAINTENANCE

The University is extremely grateful for the State's commitment to address deferred maintenance needs. This funding is being used to address a growing backlog of deferred maintenance issues plaguing our campus. As you may recall, Morgan commissioned a campus facilities assessment that found that the deterioration of campus infrastructure, utilities and building systems created unsuitable conditions for students, faculty and staff. Further, such conditions impact the delivery of educational programs and services. The report identified deferred maintenance needs of \$300 million. The most recent State commitment to address this huge backlog of deferred maintenance has enabled incredible progress in reducing these deficiencies and improving the physical plant assets of the University. The Capital Deferred Maintenance funding for FY 2020 is being used to address the deferred maintenance with a systematic approach through a comprehensive plan. The following are key projects from the plan: replacing an air handling unit in Key Hall, replacing steam traps in manholes, upgrading our obsolete fire alarm system, upgrading our direct digital control automation system, design of the West Campus parking lot replacement, building a new road, replacing the perimeter walls around West Campus, restoring the windows in the Chapel pending a matching federal grant, and ADA improvements. Many of these projects are in the process of being awarded or placed out to bid.

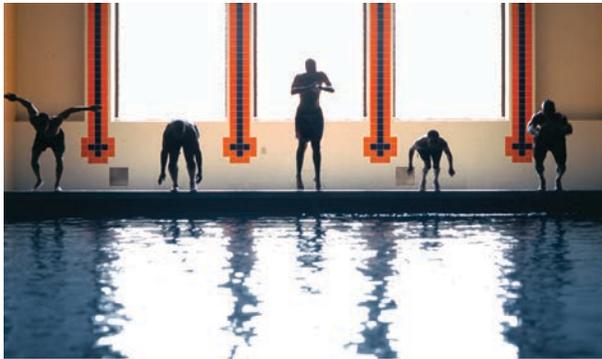
The University has also dedicated operating funds and funds borrowed from the HBCU Capital Financing Program to address this backlog of needs. Work funded by these sources includes: the replacement of roofs, room heating systems and restroom cabinets, and repair of exhaust fans in residential buildings. These funds have also been used to address issues in academic and athletic facilities to include: upgrading the research labs in the Dixon Science Research Center and relocating the mechanical systems from the roof to stop the vibrations; changing and repairing the lighting systems in Murphy Fine Arts Center; purchasing air handling and heating units for several buildings, repairing the pool in Hurt Gym; repairing lab fume hoods; changing the flooring in Engineering; modifying engineering labs; and replacing the track and field of Hughes Stadium.



Baldwin Hall Roof



Upgrading the research labs in the Dixon Science Research Center



Repairing the pool in Hurt Gymnasium



Relocating the mechanical systems from the roof of Dixon Science Research Center to stop the vibrations



Replacing the track and field of Hughes Stadium





Patuxent Environmental and Aquatic Research Laboratory (PEARL)

The FY 2021 funding will be used to continue work on the West Campus site improvements; upgrade various building security, fire and safety and utility systems; address water infiltration issues in Truth Hall; and insulate the attic at the Patuxent Environmental and Aquatic Research Laboratory (PEARL). We are committed to our deferred maintenance plan to ensure the University adequately protects and effectively utilizes State-funded building assets.

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 more remains to be done if we are to achieve our goal of providing up-to-date, meaningful learning environments for our students in every area of study and to continue to advance our research and outreach missions. I, therefore, request your support of the Governor's recommendation for FY 2021.





RESPONSE TO ISSUES & RECOMMENDED ACTIONS

Department of Legislative Services' Analysis

Page 4 – *The Department of Legislative Services (DLS) requests that in the annual December JCR concerning deferred maintenance project updates, MSU identify how much was spent on deferred maintenance projects from operating funds toward academic buildings in the preceding fiscal year as well as provide an updated total deferred maintenance for academic buildings, as of each November 1.*

Response: The University will provide the requested information.

Page 7 – *The President should comment on why there is projected to be such a large deficit in office space in fiscal 2028 given the addition of 92,882 office NASF upon completion of the new Student Services Support Building (56,642 office NASF) and the New Health and Human Services Building (36,240 office NASF).*

Response: New office space will be added as a result of the construction of these new facilities; however, office and other space will also be deleted. These two projects will empty out significant portions of the Montebello Complex, Portage, and Carter-Grant-Wilson, which are in poor condition. Montebello Complex, which alone has close to 70,000 NASF of office space, is to be demolished. Carter-Grant-Wilson and Portage will be eventually re-purposed, and until this programming is completed, the exact distribution of space is unknown. Also contributing to the decrease in office space is the planned demolition of Jenkins, Washington Service Center and Turner's Armory, which collectively comprise 115,360 NASF of office space.

Page 9 – *The President of MSU should comment on why there is projected to be such a large increase in the total estimated cost of this project and what actions could be taken by MSU to decrease this total cost.*

Response: The New Science Center will replace existing, inadequate buildings dating back 100 years. It will provide modern classrooms, laboratories and research facilities for Chemistry and Biology. Improved science facilities are necessary to attract the quality of faculty and students and the amount of research grants and contracts needed for Morgan to achieve its academic mission. Several factors contribute to the estimated cost increase

for the New Science Center. First, the cost per square foot for the building has been increased to better match actual costs of comparable projects at other universities. Second, the Department of Budget of Management (DBM) increased its escalation rate based on market conditions, resulting in higher cost estimates for many projects in the Governor’s Capital Improvement Plan (CIP), including the New Science Center. Third, DBM adjusted the project’s cost estimate after further analysis of the New Science Center’s part I facility program. DBM was in the process of reviewing the program at the time the project was included in the FY 2020–2024 CIP, therefore the \$175 million estimate was based on DBM’s preliminary program analysis. Since last year, the University has worked closely with DBM and the academic departments that will be moving into the new building to identify the appropriate scope. In the FY 2021–2025 CIP, DBM adjusted the cost estimate to reflect the most updated information and a more refined project scope. At this time, the part I program is nearing approval: MSU and DBM are in the final stages of refining the scope of the project for DBM approval. The cost estimate is subject to change to reflect the approved part I facility program and any other updated information that will affect the project cost.

GO Bond Recommended Actions

1. Approve the \$10,000,000 general obligation bond authorization for Deferred Maintenance and Site Improvements.

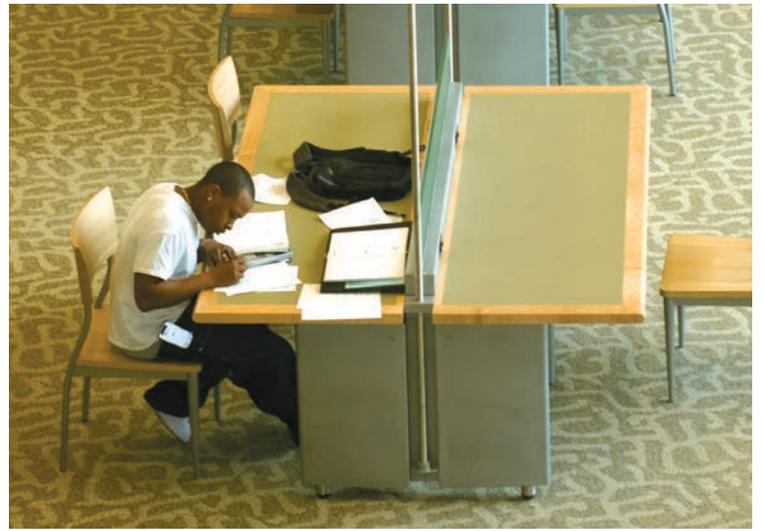
Response: The University agrees with the recommendation.

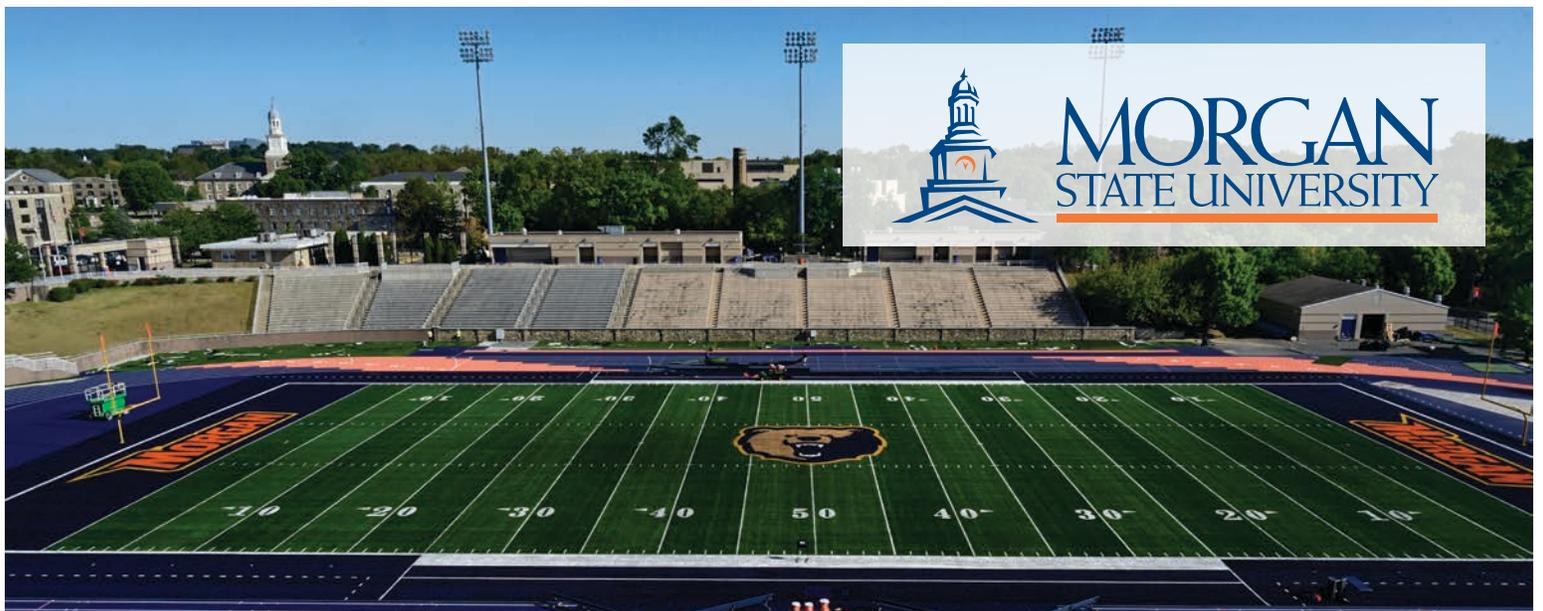
2. Approve the \$5,382,000 general obligation bond authorization for the new Health and Human Services Building, Phase II.

Response: The University agrees with the recommendation.

3. Approve the \$4,851,000 general obligation bond authorization for the new Student Services Support Building.

Response: The University agrees with the recommendation.







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Office of the President

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