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Co-Chair Kotek, Co-Chair Girod and members of the committee, for the record my name is Monica Rimai and I am the Vice President for Finance and Administration at Portland State University. Thank you for allowing me time to talk about Portland State's priority capital construction projects today.

PSU has three project requests totaling \$103 million in state supported bonds to renovate and expand three existing buildings on campus. These requests include the Stott Educational Center and Viking Pavilion, the School of Business renovation and expansion and Neuberger Hall. The Stott Educational Center project will provide critical study and event space for PSU students and much needed space for our community health program. The School of Business and Neuberger Hall projects will completely transform PSU's Graduate School of Education and School of Business Administration.

Our university is planning to match our requests with \$30 million dollars of private funds. This is a significant philanthropic effort for PSU. Many of the private gifts are contingent on PSU securing the state match. We are currently developing our capital campaign for Neuberger Hall.

PSU has an incredible need for these projects. The university has seen significant growth in the past two decades (nearly doubling from 15,000 in 1992 to 29,000 students today) and will continue to grow in the future. Unfortunately, the investment in facilities has not kept pace with this growth and our campus is bursting at the seams.

PSU will carry a disproportionate burden for helping the state meet its 40-40-20 goal to ensure forty percent of Oregonians gain a bachelor's or higher degree. As the state's most diverse campus, PSU educates the most low-income, first-generation, Latino, military veterans and non-traditional students of any of the seven OUS institutions. An investment in PSU is an investment in Oregonians: 23,500 students from Oregon attend PSU, by far the most out of any OUS institution.

To meet the state's challenge, PSU must significantly improve its retention and graduation rates. To do that effectively we must improve class and study space to allow students to focus on their studies and work collaboratively with other students. The campus can no longer accommodate our current student body - much less our projected growth. Not only do we have the lowest square feet of buildings per

student in Oregon, we also are at the low end of our peer urban institutions, with 209 square feet per students compared to an average 268 square feet per student nationally.

When PSU has had the opportunity to grow in the past, it has been a good financial steward of the state's capital dollars. Our projects start on time and stay on budget.

SCHOOL OF BUSINESS ADMINISTRATION REQUEST

XI-G Bonds: \$10 million

XI-Q Bonds: \$30 million

Private Gifts: \$10 million

The School of Business Administration (SBA) at Portland State is the largest business school in the Northwest, with more than 4,500 undergraduates and 200 graduates studying business. The school alone has an economic impact of \$140 million. Recently, the school's MBA program was ranked 14th on a list of the top-100 graduate business programs in the world and first among programs fewer than 100 students by the Aspen Institute's Beyond Grey Pinstripes list.

SBA is PSU's second largest academic unit and the largest supplier of business talent of any business school in the state, graduating on average 700 undergraduate and 200 graduate students each year. The addition of new space and the renovation of the existing building will allow the school to better serve the state by creating classroom, study spaces, and visible, expandable centers that enhance the school's ability to directly contribute to industries such as food, active wear, and real estate. Currently, 50 percent of SBA classes are taught outside the school's building. Creating this new space will allow SBA to hold all their classes under one roof, creating a much needed sense of community. The flexible design will also allow for shifting needs and priorities over time and create space for up to 30 percent more students.

SBA's faculty includes some of the country's leading scholars, including H. Thomas Johnson, whose research in management accounting has had significant impact on the direction of business in the last 20 years. Some of our notable alumni include Greg Ness, CEO of Standard Insurance Company, Rick Miller, CEO of Avamere Health Services and Scott Davis, CEO of UPS.

This renovation and expansion will include 11 new classrooms and a new auditorium style classroom. The project will add 400 classroom seats, bringing the total number of seats to 940. It will also increase the student project rooms from zero to 25.

STOTT EDUCATIONAL CENTER AND VIKING PAVILION REQUEST

XI-G Bonds: \$20 million

XI-F Bonds: \$2 million

XI-Q Bonds: \$2 million

Private Gifts: \$20 million

PSU’s 29,000 student body is in desperate need of additional study and large event space. The renovation and expansion of the Stott Center will address both of these needs by creating a 5,500 seat multi-use event space and 36,000 square feet of student study and lab space. The current Stott Center is in need of \$16 million of deferred maintenance. The leaky roof has forced the cancellation of 73 classes during the past two years. PSU’s generous private donors will commit \$20 million to this project to match the state’s contribution dollar-for-dollar.

During the last several years, PSU has transformed itself from an institution that primarily served the needs of commuter students to a University serving an incredibly diverse student population. Approximately 25 percent of today’s student body lives on or within a mile of campus. PSU’s campus development, however, has not kept pace with the changing characteristics of its student body. Indeed, PSU has the smallest amount square footage per student of any of the OUS institutions.

In addition to having the least square footage per student overall, PSU lags well behind the majority of its sister institutions in its ability to accommodate large meetings, conferences or other events. The Stott Center arena currently has a seating capacity of only 1,500, entirely inadequate for a university its size and the third smallest “large” venue among the OUS universities. As the attached chart shows, only Eastern Oregon University and Southern Oregon University do not have at least one venue that can seat more people. The Stott project addresses this challenge by creating a new 5,500 seat, multi-functional arena.

University	Fall 2012 Enrollment	Name of Arena	Arena Seating Capacity
Oregon Institute of Technology	4001	Danny Miles Court	3000
Eastern Oregon University	4208	Quinn Coliseum	1405
Western Oregon University	6187	Physical Education Building	2473
Southern Oregon University	6481	McNeal Pavilion	1400
University of Oregon	24951	Matthew Knight Arena	12364
Oregon State University	26393	Gill Coliseum	9604
Portland State University	28731	Stott Center	1500

The renovation of the Stott Center will reconfigure a building previously used primarily as an athletic venue, into a facility generally available for use by all students and faculty for educational and educational support activity (including tutoring and study space, classroom and other student activity as well as lecture hall large meeting capabilities). As such, the Stott Center project is critically important

both to meeting current student and faculty needs, as well as meeting demands associated with increased enrollment. Renovations will create a regional destination space on campus while better serving existing students and attracting more students to PSU. The renovation will transform the aging and obsolete facility into a functional and versatile building with a new academic center for student support services, a new computer lab and collaborative study lounges available to all students, and a multi-purpose 5,500 seat meeting space/arena. In addition, the site will help facilitate collaboration with OHSU on STEM pipeline activities and possible health related degrees and programs.

NEUBERGER HALL REQUEST

XI-Q Bonds: \$41.1 million

SELP: \$1.25 million

Other: \$150,000 thousand

One of the most important academic buildings on the PSU campus, the 237,879 square foot Neuberger Hall contains many student services and general pool classrooms. This core building is one of the most heavily utilized on campus, and most students visit Neuberger Hall for administration or education purposes many times during their college career. The building is in very poor condition. The project addresses all of the building's deferred maintenance needs while also creating a new home for the Graduate School of Education (GSE). Currently, GSE occupies almost 40,000 square feet in five buildings across campus, with most of the space located in a building that it shares with the School of Business Administration (SBA). GSE's move to Neuberger Hall will allow for SBA's expansion while also consolidating all of GSE's space into one building and allowing for its growth.

The GSE is the most comprehensive education school in Oregon with more than 52 degree, licensure, and continuing professional development programs. The GSE prepares more teachers than any other institution in Oregon. It also prepares more math and science teachers, as well as teachers of color and school administrators than any other program in Oregon. The consolidation of the GSE into Neuberger Hall will serve students better by aligning teaching and research units and providing improved resources for educators who are seeking higher degrees. The project will improve lab space, create dedicated student collaboration space, develop high tech classrooms for innovative instruction and increase the enrollment capacity of the school.

In addition to becoming the new home for the GSA, the Neuberger project will modernize space for student administration services as well as general classrooms. The project will also address significant deferred maintenance problems including a leaky roof, poorly performing mechanical systems, seismic retrofit needs, deteriorating plumbing, poor indoor air quality, and inadequate ADA accessibility.

Thank-you Co-Chairs Kotek and Girod and members of the committee for your time and consideration of these important projects. I'll be happy to take any questions.