



September 7, 2005

Ms. Jean Avnet Morse, Executive Director
Middle States Commission on Higher Education
3624 Market Street
Philadelphia, PA 19104

Dear Ms. Morse:

Temple University was pleased to receive the thorough and thoughtful reports of the external reviewers (Provost Rich and Provost Matthews) and the financial associate (Mr. Hollowell) regarding our 2005 Periodic Review Report. The reviewers' analysis provides a succinct overview of the changes that have occurred at Temple since the 2000 site visit, as well as a comprehensive summary of the challenges and opportunities the University will confront in the next five years.

Temple University accepts both reports as written. We find no major inaccuracies, nor are we in disagreement. However, we would like to clarify two minor issues as well as provide additional information on one area (deferred maintenance) that the reviewers commented was not clearly addressed in the PRR.

Items for Clarification

- On page 4, **Improving Obsolete Administrative Data Systems:** Temple has performed an extensive review of its administrative systems. This included a committee of over 200 internal participants and an external consulting firm. We determined after that review that the functionality of the present administrative systems—for student records, finance, and human resources—did not warrant the additional cost (estimated at approximately \$35 million) and risk of adopting a new ERP system. While our current systems have been in place for some time, they remain functional. Computer Services has also built many front-end interfaces that have given our students, faculty and staff much of the web-based functionality of newer ERP systems. Most recently, Computer Services received additional funding to build a data warehouse which will allow us to put all critical data from all three major systems in one database for ease of reporting. The process of building a comprehensive data warehouse will also require the correction of anomalies between the three major data systems. Temple will continually review the ability and capacity of our

administrative systems and when it is determined that it is cost beneficial to implement a new system, we will do so.

- On page 6, **Faculty**: In 2004, Temple's Board of Trustees approved a new program of general education that will replace its existing Core Curriculum in 2007. The new program is called "*a program of general education*," and will not be referred to as the core curriculum.

Additional Information: Deferred Maintenance

The reviewers noted that although Temple has committed \$400 million to facility construction and renovation, the PRR did not clearly address the state of deferred maintenance. To clarify Temple's deferred maintenance planning, we would like to provide the following information along four lines: (1) building assessment and deferred maintenance planning and monitoring; (2) the Plant Development Fund and deferred maintenance projects; (3) major renewal of research facilities; and (4) total replacement of some outdated facilities.

1. Building Assessments and Deferred Maintenance Planning and Monitoring

Four years ago, Temple contracted with an architectural and engineering firm to initiate a condition assessments for all buildings on all campuses. Completed in 2004, this needs assessment resulted in a report and database that included a list of all deferred maintenance, capital renewal, and capital improvement projects across the University. The report prioritized the projects by need and recommended a schedule for improvement. This report became the basis for a five-year plan. The University continues to maintain this database that tracks all deferred maintenance and capital projects. All major capital projects, including deferred maintenance, are outlined in regular reports prepared by the Office of Facilities Management. A copy of the April 2005 report was included as an appendix to Temple's PRR submission (Appendix H).

2. Plant Development Fund and Deferred Maintenance Projects

It should be noted that Temple automatically sets aside 4.75 % of its tuition revenue annually for its Plant Development Fund, which is used primarily to address deferred maintenance issues. For example, last year (2004-05) a gross total of \$20.4 million was added to this fund. Several hundred deferred maintenance and upgrading projects have been undertaken from the Plant Development Fund in the past five years, and Temple will continue to make such expenditures for the five years ahead. A full listing of the projects undertaken can be found in the regular reports issued by the Office of Facilities Management, which are referred to above.

3. Major Renewal of Research Facilities

Integral to its goal of improving its research infrastructure, the University has specifically embarked on several major projects in buildings that have very high deferred maintenance. The first is a five-year plan for a total facility rehabilitation for Beury Hall,

the prime location for chemistry and geology. Temple has completed phase two of the five-year plan, which is proceeding floor by floor in this five-story building so that work can be completed in the summer to avoid disrupting classes during the regular school year. The second is a \$4 million project (funded 50% by NIH and 50% by the University) to create a new Bio-Safety Level Three laboratory in the Bio-Life Building. The third is a plan to upgrade Barton Hall, the other major science building on campus. Although Temple has presently received approval from the Commonwealth for \$9 million in renewal funds, we are considering reallocating additional Commonwealth funds available to us to undertake a full renovation of this building at a cost preliminarily estimated at \$25 million to \$30 million. The Board of Trustees is being asked this fall to approve an architectural plan for complete building renewal. The fourth is a commitment of \$3 million to allow the Medical School to create new laboratory space in Kresge Hall. This will eventually allow phasing out of obsolete space with substantial deferred maintenance elsewhere in the Health Sciences Center. (See discussion that follows.)

4. Total Replacement of Outdated Facilities

A substantial part of Temple's present deferred maintenance is currently found in three older University facilities. First, the Tyler School of Art Campus will be entirely replaced by a new, state-of-the art facility on the Main Campus, with construction expected to be completed by December, 2007. This replacement will cost approximately \$75 million, and about 75 percent of the funding is already in hand. Second, deferred maintenance conditions in Medical School facilities constructed in 1930 and 1963 on the Health Sciences Campus will be addressed by construction of a new Medical School facility, for which design and construction is estimated to take approximately five years. The new Medical School will cost about \$150 million, of which the University already has commitments for approximately \$120 million. Third, Curtis Hall, a classroom and student support facility which was constructed in 1956, is due to be demolished after the Fall 2005 semester to make room for a new building for the Fox School of Business and Management, which should be completed by January, 2008. The new Fox School building will include classrooms for general University use as well as those for business classes. This project is estimated to cost \$75 million, and about \$65 million is currently in hand. In addition, a new \$18 million building to house some of the advising and student support services presently located in Curtis Hall, as well as other services for students, is scheduled to open in January, 2006. These four projects will either renew or replace five major buildings marked by very significant deferred maintenance, thus greatly reducing Temple's deferred maintenance backlog.

Thank you for affording us the opportunity to respond to the reviewers' report. Please do not hesitate to contact us further if we can provide more information about Temple University.

We are most grateful to Provosts Rich and Matthews for acknowledging the significant steps Temple has taken towards continuous improvement and excellence and for outlining the

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important questions Temple will be addressing in the period leading up to our 2009-2010 self-study and visit. Their input will be most helpful as we move forward.

Sincerely,

A large, cursive handwritten signature in black ink, appearing to read "David Adamany".

David Adamany
President

Handwritten initials "HD" in black ink, written in a stylized, cursive font.

Howard Gittis
Chairman, Board of Trustees

cc: Ira M. Schwartz, Provost