APPROVAL OF MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY
STUDENT ACTIVITY FACILITY PROJECT

MOVED: MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY
CONSTRUCTION OF FITNESS AND RECREATION CENTER
SALEM STATE UNIVERSITY

1. The Commissioner of the System of Public Higher Education (the
"Commissioner") is authorized and directed in the name and on behalf of the
Board of Higher Education (the "Board") to make a written request to the
Massachusetts State College Building Authority (the "Authority") that the
Authority initiate the project described in EXHIBIT A, attached hereto.

2. Bonds issued by the Authority to finance the projects for which a request is
hereby authorized may be issued together with or separately from bonds issued
to carry out other projects of the Authority for which the Board authorizes a
request.

3. The Commissioner and all other officers of the Board, each acting singly,
are authorized to request the Commissioner of Administration to approve in
writing the initiation by the Authority of the projects for which a request is hereby
authorized, and to do such other things and to take such other action as the
officer so acting shall, as conclusively evidenced by the taking of such action,
deem necessary or desirable to be done or taken to carry into effect the matters
hereby authorized.

4. The Board and the Commonwealth of Massachusetts, acting by and through
the Board, declare their official intent under §1.150-2(d)(1) and (e) of the
Treasury Regulations as follows:

The Board reasonably expects that there shall be reimbursed from the proceeds
of bonds issued by the Authority, expenditures (including expenditures made
within the last 60 days) temporarily advanced by the Commonwealth (including
within such term the Board and the State Universities) for the projects for which a
written request is hereby authorized, the maximum principal amount of such
bonds expected to be issued, all or a portion of the proceeds of which are
reasonably expected to be used for such reimbursement purposes, being
$16,350,000.

Authority: Massachusetts General Laws Chapter 15A, Section 6

Contact: Stephen Lenhardt, Deputy Commissioner of Administration and Finance
Fiscal and Administrative Policy
EXHIBIT A
FITNESS AND RECREATION CENTER
SALEM STATE UNIVERSITY
MSCBA PROJECT NO. SAL-0568-10

Description of Project

(a) The carrying out of preliminary work, including obtaining cost estimates, revenue estimates, preliminary design specifications, feasibility studies, surveys, and site analyses to determine the feasibility, approximate size, scope, purposes, location and other characteristics of any building, structure or facility the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide;

(b) The construction of the Fitness and Recreation Center as described herein including building systems and components, furniture, and equipment primarily for the use by students and staff of the University, and their dependents, and which the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide; and

(c) The carrying out of improvements, renovations, and other work on and the provision and installation of furnishings, fixtures and other equipment for other buildings, structures, or facilities the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide.

Project Overview

- Project is construction of the Fitness and Recreation Center at the O’Keefe Center to create a new facility for student recreation and physical well-being. The new facility is to have an identifiable entrance on the north façade of the O’Keefe Center to serve as a “front door” to the entire complex and specifically to the Fitness and Recreation Center.

- The Fitness and Recreation Center is to provide a facility to enhance the student life experience through expanded recreational opportunities and facilities that encourage students to participate in physical activities that support a healthy life style. It will include space for both cardiovascular and weight conditioning, intramural sports, group activities consistent with the purpose of the center, and associated support space such as locker rooms and mechanical space. Entry into and circulation within portions of the O’Keefe Center will be enhanced, improving the overall accessibility of the complex.

- The project revenue source will be an increase in general student fees not to exceed $150. In addition, the University has provided $200,000 as initial funding for the design study and planning phases.

<table>
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<th>INDICATOR:</th>
<th>PRIMARY RESERVE</th>
<th>VIABILITY</th>
<th>RETURN ON NET ASSETS</th>
<th>NET OPERATING REVENUES</th>
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<td>Target:</td>
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<td>&gt;1.0</td>
<td>3.0 – 4.0%</td>
<td>2.0 – 4.0%</td>
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<td>Salem (FY10):</td>
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<td>1.63</td>
<td>5.3%</td>
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Project Budget and Schedule

Budget

Total Project Cost 15,000,000
Cost of Issuance/Reserves $1,350,000
Total $16,350,000

Schedule

Design Start November 2011
Construction Start July 2012
Occupy Completed Facility September 2013