



Testimony to the House Appropriations Committee
SB 864 Universities at Shady Grove Regional Higher Education Center:
Designation as Community of Innovation

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Executive Director, USG
Associate Vice Chancellor for Academic & Student Affairs, USM

Thank you to Chairman Ben Barnes and Vice Chair Mark Chang, and the other members of the House Appropriations Committee for providing the opportunity to testify in support of the SB864 Designating the University System of Maryland (USM) Universities at Shady Grove (USG) the State of Maryland's Regional Higher Education Community of Innovation. We are especially grateful to Senator Nancy King for her continuing support of the growth and development of USG. Senator King's sponsorship of SB864 demonstrates her continued commitment. A special thanks, as well, to Delegate Sarah Wolek for sponsoring HB1020, the legislation cross-filed in the House.

INTRODUCTION

The Universities at Shady Grove (USG), a Regional Higher Education Center (RHEC) in the University System of Maryland (USM), is requesting a legislative designation to be the State of Maryland's Regional Higher Education *Community of Innovation* (the next generation RHEC), as well as additional operating funding to advance and sustain USG's mission.

The designation would build on more than 20 years of USG working together with USM academic partners to provide accessible and affordable higher education opportunities to traditionally underserved students in Montgomery County and throughout Maryland. This designation would be the natural next step in USG's journey, allowing us to increase the number of young adults who graduate career-ready and debt-free and build even more meaningful connections between students and local/regional employers in key industry sectors. Moreover, it would provide USG with a seamless and

essential connection to the college and career readiness goals outlined in *The Blueprint for Maryland's Future* by supporting and inspiring individual students seeking successful careers in priority fields such as life sciences, biotech, data, cyber, teaching, and healthcare.

The designation is inspired by the vision of the USM Strategic Plan, *Vision 2030: From Excellence to Preeminence* which focuses on greater access, affordability and equity and a more student-centered educational experience. We are grateful that this effort is endorsed by USM Chancellor Jay Perman and members of his Cabinet; the USM Board of Regents, which approved a unanimous resolution supporting this designation on September 22, 2023; and the entire USG Board of Advisors (see list of members in the attachment), who represent various educational and business interests across our state.

WHY A COMMUNITY OF INNOVATION DESIGNATION?

Maryland is poised for economic and educational transformation. Governor Wes Moore has pledged strategic investment in “industries of the future – with funding for life sciences, biotech, data centers, and cyber”¹ to build new growth opportunities, and the State has dedicated billions to the *Blueprint for Maryland's Future*, providing an unprecedented investment in the college and career readiness of every student by the 10th grade. As a State Regional Higher Education *Community of Innovation*, USG would be uniquely positioned to support and enhance these transformations in collaboration with our educational and industry partners. In short, we can and will deliver on these goals.

USG is the ideal choice for a Community of Innovation designation. As an RHEC, we serve students seeking upper level undergraduate degrees and graduate programs who are typically balancing family and workplace responsibilities. Our model provides greater access and affordability for students who would not otherwise have the opportunity to attend traditional four year institutions. In its 20-year history, USG has awarded nearly 15,000 degrees to students attending programs on our campus. With the implementation of *The Blueprint*, there will be more college and career ready high school graduates for whom our model is a perfect fit. In addition, there are approximately 2.4 million individuals in our state with some college and no credentials who are not accessing higher education at all. These gaps in educational achievement and workforce demand leave our state less educated and less prepared to meet the needs of a rapidly changing economy.² USG is primed to fill these gaps.

USG should be designated a State Regional Higher Education Community of Innovation because we:

- Support and serve students from all backgrounds and income levels;
- Set students up for successful careers by developing career competencies and bringing potential employers into their educational experience;
- Drive economic growth in Montgomery County and the State of Maryland.

¹ Governor Wes Moore, [2024 State of the State Address](#).

² Comptroller of Maryland, 2023: [State of the Economy](#)

WHAT IS A COMMUNITY OF INNOVATION?

As a Community of Innovation, USG will be a place where students, educators, and employers work collaboratively to ensure that an individual's academic success leads directly to career success, and the cumulative impact transforms the economy of our county, region, and state. The innovative efforts at USG are focused on developing and delivering academic programs and credentials that are linked directly to meaningful job opportunities; preparing students to be career ready; connecting students directly with local and regional employers to ensure they move seamlessly from classrooms to careers; and meeting every student where they are with the supports needed to succeed and to fully realize their potential. As a community of innovation, this work will be measured and assessed, and lessons and insights will be shared.

The Community of Innovation encompasses the next generation RHEC to serve today's students who will become tomorrow's workforce. This designation will provide focus and clarity on USG's role within the USM and Maryland Higher Education to ensure that we and our university partners receive essential resources over the long term, and inspire a new model of higher education for the state and our country – one which prioritizes equity, access, affordability and great careers.

WHY USG AND WHY NOW?

RHECs provide accessible and affordable higher education for nontraditional students. USG's impact to date is clear:

- 3,000+ students attend programs offered at USG
- 80% of undergraduate students transfer from a community college
- 48% of students who apply for scholarships receive scholarships
- \$1.3 million in scholarships was awarded by USG during the 2022-23 academic year
- 77% of students who transfer to USG graduate within four years, compared to 69% of transfers across the university system.
- 15,000 students have earned degrees from programs offered at USG since 2000.
- 88% of graduates are working in the region or attending graduate school in their intended field

USG: USM ASSET FOR INNOVATION FOR THE STATE

The Universities at Shady Grove (USG), is an innovative partnership of nine University System of Maryland (USM) universities on one campus in Montgomery County. Each of the partner universities provides its most highly sought academic programs and awards its own degrees. USG, in turn, provides centralized on-site student, academic and administrative services.

This unique integrated approach allows USG to offer 80 upper-level undergraduate, graduate degree and certificate programs, in flexible formats that allow students to live, work and study close to home. USG connects students to outstanding career opportunities while providing regional employers with a highly educated, skilled workforce.



15,000+

students have earned degrees from programs offered at USG since its inception in 2000.

3,100+

in undergraduate and graduate programs; all undergraduate are upper-level transfers.

\$8,000

can be saved by completing the 2+2 community college to university pathway versus a 4-year pathway.

79%

of students who transfer to programs at USG graduate within four years. This is higher than the four year graduation rate of 55% for transfers across the system.

80%

of undergraduate students transfer from a community college.

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of graduates are working in the region or attending graduate school in their intended field.



EDUCATING A DIVERSE STUDENT BODY

Age Profile of Students at USG

UNDERGRADUATE

26

Average

23

Median

GRADUATE

34

Average

31

Median

Gender Profile of Students at USG

UNDERGRADUATE

60%

Female or Female Assigned

40%

Male or Male Assigned

GRADUATE

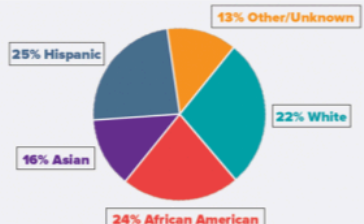
70%

Female or Female Assigned

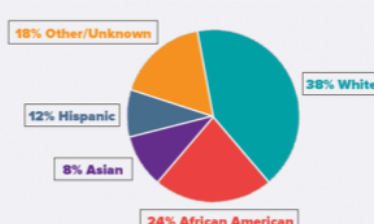
30%

Male or Male Assigned

Undergraduate Students Ethnic Diversity



Graduate Students Ethnic Diversity



USG prioritizes the needs of “fluid” students who balance classes with family and work responsibilities, transfer from community colleges, cannot afford tuition rates at four-year colleges, and/or need more time to graduate. USG is meeting the changing needs and priorities of students and the workforce, strengthening both USM and Maryland’s economy in the process.

Located in the heart of the I -270 life sciences corridor and home to nine USM university partners, USG is uniquely positioned for educational and workforce innovation that supports the future Maryland economy. The Community of Innovation designation would provide USG with additional opportunities to implement and sustain this transformational work for current and future students.

Thanks to an additional state investment of \$10 million over the past two fiscal years, USG has hired additional staff, and built new processes and infrastructure to support career readiness and student services, data analytics, and employer engagement, and the work of our academic partners. It is critical that these changes be supported and have the opportunity to generate impact over the next 3 to 5 years.

By sustaining this funding and related positions, USG anticipates providing a significant return on the state's investments.

ROI: THE PROMISE

USG's true north is "the Promise" – being accountable not only for academic access, affordability, and completion, but for meaningful employment and successful careers. Delivering on the promise means delivering for:

Students:

- Increase graduation rates for traditionally underrepresented students
- Develop more career-ready graduates
- Help additional students graduate debt-free
- Move more students to meaningful employment

Educators:

- Increase enrollments at a sustainable rate
- Increase retention and graduation rates

Employers:

- Address changing talent demands
- Grow employee retention

Maryland:

- Grow the state tax base over the next two decades
- Extend the work of the Blueprint to the county, region, and state
- Develop talent for the new Maryland economy

HOW?

This request builds on one-time appropriations of \$5 million provided to USG by the General Assembly in FY23 and FY24 that has supported USG in building the next generation model. Continued and additional funding is critical for USG to realize a bold new model for higher education: one in which students, educators, and employers work collaboratively to ensure that students' academic success leads to career success, with the cumulative impact transforming Maryland's economy.

USG, as a community of innovation, will:

- Center the student experience and support the non-traditional student journey
- Better integrate the planning, content and delivery of academic programs with the changes in the economy and the demand for talent
- Set students up for meaningful employment and successful careers

RESOLUTION OF THE BOARD OF REGENTS OF
THE UNIVERSITY SYSTEM OF MARYLAND
CONCERNING

The Universities at Shady Grove

WHEREAS, the Universities at Shady Grove (USG) is a regional higher education center within the University System of Maryland (USM) that offers undergraduate and graduate degree programs in partnership with the System’s universities, and provides pathways to affordable high-quality public higher education to meet the workforce and economic development needs of the region; and

WHEREAS, USG has had over 20 years of success in providing its students—many of whom are nontraditional students—with innovative pathways to degree completion while serving as a driver of talent and workforce development in the Montgomery County region; and

WHEREAS, in 2022, USG unveiled its first strategic plan, *USG 2.0*, wherein it provides a roadmap to scale the center’s highly successful delivery of career pathway programs and identifies four strategic imperatives that include accountability for ensuring students secure meaningful employment, building career pathways, sharpening its focus on career readiness, and building a financial model that supports growth, innovation, and collaboration; and

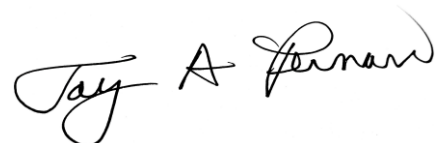
WHEREAS, USG’s new strategic plan and mission positions the center to be an incubator of innovation “to plan, build, measure, assess, and strengthen student-centered pathways for affordable and competitive education, career readiness, and student success,” and scale its student-centered focus;

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Regents of the University System of Maryland fully supports the Universities at Shady Grove’s pursuit of a legislative designation as a Community of Innovation within USM and the state.

September 22, 2023



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Jay A. Perman
Chancellor, University
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The Universities
AT SHADY GROVE

FROM “TRADITIONAL” STUDENT TO “FLUID”

USG: Building a student - centered system to deliver on the promise

February 13, 2024

Office of the Provost, Academic Affairs & Enrollment Management
University of Baltimore



The Universities
AT SHADY GROVE

USG SNAPSHOT



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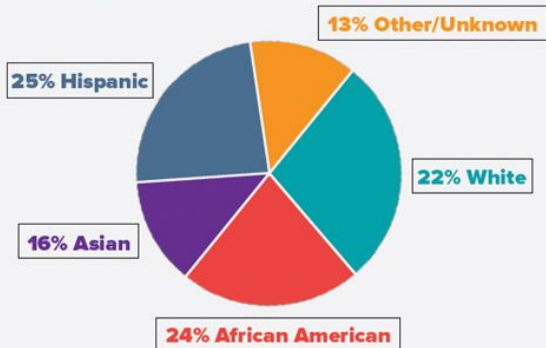
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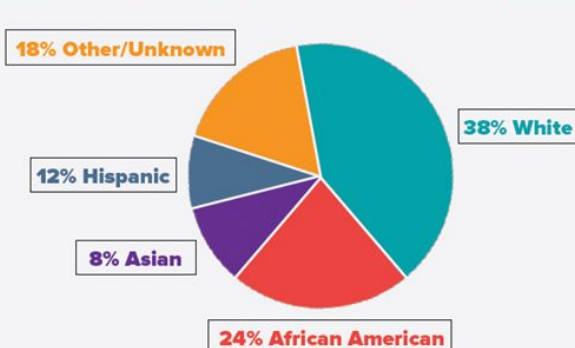
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WHAT WE HAVE HEARD

1. Food service and food quality
2. IT support in classrooms
3. Wellness and counseling resources
4. On-campus in person services and events
5. Enrollments and Recruitment
6. Library times
7. Faculty support and governance

WHAT WE HAVE DONE

1. RFP, Pop ups, Food Trucks
2. Staffing and plan for all hybrid options
3. Full staffing, new manager position, and director search underway, third party poss.
4. Hire U, double the events, telework limitations
5. Reimagining Recruitment, Jumpstart, laptops, building a recruitment mechanism
6. Data driven times for usage
7. APP Design Team



The Universities
AT SHADY GROVE

DISRUPTION AND HIGHER ED



The Universities
AT SHADY GROVE

www.bluebay.com/Winds of Change

THE EXPERIENCES AND EXPECTATIONS OF LEARNERS – MORE FLUID

- Fluid lifelong learner, employee, entrepreneur
- Work, family responsibilities, financing their own education, first generation, mental health challenges
- Degree seeking, credential seeking, personal learning
- Personalized educational and career journey
- Online, in person, hybrid, different platforms
- Values driven



REGION & STATE'S WORKFORCE NEEDS- CRITICAL TO ECONOMIC DEVELOPMENT



- ▶ **65%** of jobs nationwide require college degrees *
- ▶ **75%** in Montgomery County
- ▶ Skills based hiring
- ▶ **Growth** in health and life sciences, IT and cybersecurity
- ▶ **High demand** for teachers, behavioral health professionals in Montgomery County
- ▶ AI and Quantum impact
- ▶ **Career-ready AND research-ready** employees

* [Source: Recovery: Job Growth and Education Requirements through 2020](#)



OUTCOMES: EQUITY AND ROI

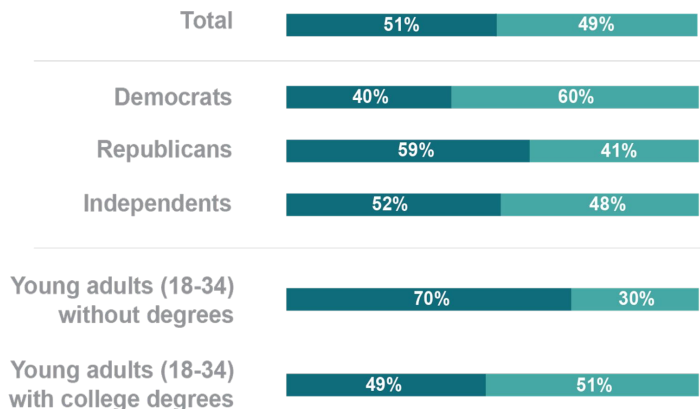
“What we see, more clearly than in previous reports, is a vast divide in outcomes between families with assets and those without,” Laura Perna, Ph.D., vice provost of the University of Pennsylvania and an executive director of PennAHEAD.

The Indicators of Higher Education Equity in the United States: 2022 Historical Trends Report (PennAHEAD)

Americans Perceive Higher Ed as a Questionable Investment

Which of the following statements come closest to their view of a college education?

-  A college education is a questionable investment because of high student loans and limited job opportunities
-  A college education is still the best investment for people who want to get ahead and succeed



Survey conducted May 3-6, 2022 among representative sample of 1,662 U.S. adults, with weighted margin of error of +/-2.9 percentage points



The Universities
AT SHADY GROVE

A group of five diverse students walking along a paved path on a university campus. From left to right: a young man in a maroon shirt pulling a blue suitcase; a young woman in a black sleeveless top and dark pants carrying a black bag; a young woman in a grey top and black pants; a young woman with blonde hair in a black top and light blue jeans carrying a black bag; and a young woman in a black jacket with a white patterned shirt underneath carrying a striped bag. They are all smiling and looking towards the camera. The background shows a modern building with large windows and trees with yellowing leaves, suggesting an autumn setting.

FLIPPING THE NARRATIVE

A NEW MODEL FOR HIGHER EDUCATION: THE PROMISE



- Student - Centered (not institution)
- Alignment and shared responsibility between employers and academic partners
- Alignment with industry sectors
- Accountability beyond completion
- Data informed



IMPLEMENTING USG 2.0 THROUGH A COMMUNITY OF INNOVATION

- *A shared challenge*
- *A shared purpose*
- *A shared framework*
- *A shared benefit*

USG 2.0 - SHARED CHALLENGES

- How can we effectively work with strategically significant industries in our region?
- How can we create seamless engagement opportunities for these industries to work with USM in our region?
- What does it mean to be student-centered and workforce-driven?
- How can we ensure students are aligning education and career choices with their strengths, interests and values?



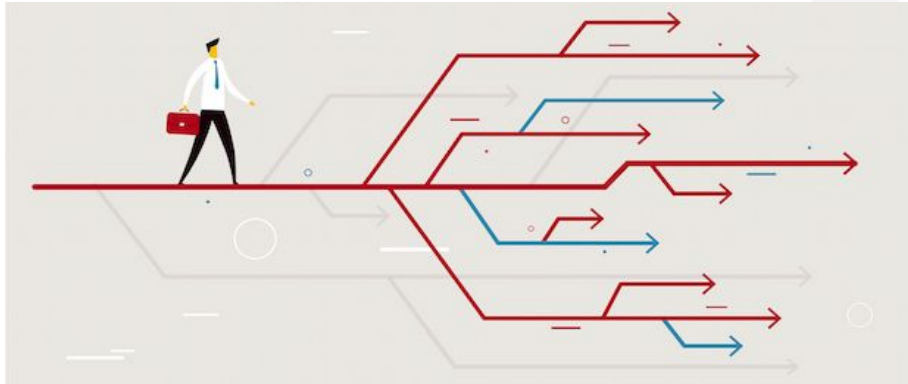
The Universities
AT SHADY GROVE



UNIVERSITY SYSTEM
of **MARYLAND**

USG 2.0 – SHARED PURPOSE

- Harmonizing USM programs to provide opportunities for students and faculty at all levels
- Developing and supporting data-informed career pathways
- Creating seamless engagement with industry and broader ecosystem by building place based innovation



USG 2.0: DELIVERING ON THE PROMISE



- Student Agency and Support
- Academic Content
- Career
- Competencies
- Employer engagement for Experiential Learning
- Gateway, Launch

THE PROMISE

THE PROMISE

FOCUS	ROI (metrics?) (Shared responsibility metrics)
Our Students	Increase graduation rates for traditionally underrepresented students
	Develop more career-ready graduates
	Help additional students graduate debt-free
	Move more students to meaningful employment
Our academic partners	Increase enrollments at a sustainable rate
	Increase retention and graduation rates
Our employer partners	Address changing talent demands
	Grow employee retention
Our Community/State	Grow the state tax base over the next two decades Extend the work of the Blueprint to the county, region, and state Develop talent for the new Maryland economy

A group of five diverse young adults are walking on a paved path outdoors. From left to right: a young man in a maroon shirt and khaki pants pulling a blue rolling suitcase; a young woman in a black sleeveless top and dark jeans carrying a black handbag; a young woman in a light-colored top and dark pants; a young woman with blonde hair in a black top and light blue jeans carrying a black jacket and a striped bag; and a young woman in a black jacket over a patterned shirt and dark pants carrying a black bag. They are all smiling and looking towards the camera. The background features a modern building with large glass windows and some greenery with yellow leaves.

**WHAT CHANGES AND WHAT IS
THE ROI FOR OUR PARTNERS?**

HOW DOES USG SCALE?

- **USG as an Institution is Poised for Growth:**
 - USG Designated RHEC in Statute (SB553 became law Chapter 448 of the 2020 Session - Education Article 12-101)
 - USG Specific State Budget Code (SB588 of the 2021 session was the operating budget bill)
- **USG 2.0: Creating a Community of Innovation-Sustainable & At Scale:**
 - One-time Funds in FY23 & FY24: \$5million each year
- **USG 2.0: Aligns with USM, MHEC, Moore/Miller Administration Strategic Goals**

USG 2.0 – SHARED BENEFITS, IMPACTS AND OUTCOMES

- **Qualified students** through Pathway development
- **Sustained enrollment growth for both existing and new programs**
- **Meet student demand to be career ready:** Competencies and Sustainable Employer engagement
- **Innovation:** Spreading the risk, Joint planning, joint curriculum and joint expertise, Focus on pathways, Analytics, behavioral research, Open source partnering, Seed funding
- **Developing a new model of faculty support and engagement**
- **Fiscal model that works for USG and partners**
- **Clarity on partnership roles, responsibilities and expectation**