

RB.23
Bowie State University

Operating Budget Data

(\$ in Thousands)

	FY 00	FY 01	FY 02		% Change
	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>Change</u>	<u>Prior Year</u>
General Funds	\$18,604	\$21,311	\$23,692	\$2,381	11.2%
Other Unrestricted Funds	22,052	24,210	24,736	527	2.2%
Total Unrestricted Funds	40,656	45,520	48,428	2,908	6.4%
Restricted Funds	<u>\$8,110</u>	<u>8,402</u>	<u>8,611</u>	<u>209</u>	<u>2.5%</u>
Total Funds	\$48,766	\$53,922	\$57,039	\$3,117	5.8%

- The general fund allocation in the allowance puts the university at 98.6% of its fiscal 2002 funding guideline.
- Bowie State University's (BSU) fiscal 2002 allowance includes funding to provide laptop computers for all incoming freshmen in the fall of 2001.

Personnel Data

	FY 00	FY 01	FY 02	
	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>Change</u>
Regular Positions	406.00	410.00	410.00	0.00
Contractual FTEs	<u>183.76</u>	<u>171.31</u>	<u>171.31</u>	<u>0.00</u>
Total Personnel	589.76	581.31	581.31	0.00

Vacancy Data: Regular

Budgeted Turnover: FY 02	22.51	5.49%
Positions Vacant as of 12/31/00	17.50	4.26%

Note: Numbers may not sum to total due to rounding.

For further information contact: Brent E. Johnson

Phone: (410) 946-5530

Analysis in Brief

Issues

Office for Civil Rights Partnership Agreement Commitments: The Governor's allowance includes funding to increase the Access and Success Program and to study best practices at BSU and the other three historically black institutions. **The President should brief the committees on how the university will be involved in the best practices study and its current enhancement plan.**

BSU Teacher Shortage Strategies: The urban mission and location of the university gives the university a significant role in confronting the anticipated teacher shortage. **The President should discuss how the university's teacher education programs will be effective in confronting the anticipated teacher shortage.**

Recommended Actions

1. Concur with Governor's allowance.

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Operating Budget Analysis

Program Description

Bowie State University (BSU), the oldest historically African-American university in Maryland, is a regional comprehensive university offering a broad array of baccalaureate programs, including business, education, social work, nursing, computer fields, and selected professionally-oriented master's programs. The University System of Maryland (USM) has just approved Bowie State University's request to offer a Doctorate of Education in Educational Leadership. The university serves both commuting and residential students, as well as a large number of adult learners. The university places special emphasis on excellence in teaching, while meeting the educational needs of south-central Maryland.

Bowie's undergraduate programs are designed to serve the top one-half of recent high school graduates from Maryland and nearby states. Selected students who are not in the top one-half of their class who demonstrate leadership qualities, academic potential, and the motivation for learning may be accepted and guided toward the achievement of their goals.

Governor's Proposed Budget

The fiscal 2002 allowance for BSU is \$57 million, a \$3.1 million, or 5.8%, increase over the fiscal 2001 working appropriation. General fund support for the university is \$24.2 million, a \$2.4 million, or 11.2%, increase over the fiscal 2001 general fund appropriation. The general fund increase accounts for 76.4% of the \$3.1 million increase in fiscal 2002. The other unrestricted funds increased by 2.2%. Restricted funds increase by \$209,250 in fiscal 2002 over fiscal 2001. General funds make up 41.5% of BSU's total revenues in fiscal 2002. The general fund portion of the allowance places BSU at 98.6% of its fiscal 2002 funding guideline.

Exhibit 1 highlights the major changes in the fiscal 2002 working appropriation.

Exhibit 1

**Governor's Proposed Budget
Bowie State University
(\$ in Thousands)**

How Much It Grows:	General Funds	Other Unrestricted Funds	Total Unrestricted Fund	Restricted Fund	Total
2001 Working Appropriation	\$21,311	\$24,210	\$45,520	\$8,402	\$53,922
2002 Governor's Allowance	23,692	24,736	48,428	8,611	57,039
Amount Change	\$2,381	\$527	\$2,908	\$209	\$3,117
Percent Change	11.2%	2.2%	6.4%	2.5%	5.8%
Where It Goes:					
Personnel Expenses					
Merit increase					\$495
Fiscal 2002 general salary increase					401
Annualization of COLA					382
Program Enhancements					
e-learning Maryland					655
Increase faculty salaries					330
Workstation renewal					200
Laptop computers for all incoming freshmen for Fall 2001					110
Software license for laptop initiative					80
Student computer lab					25
Information technology training for faculty and staff					15
Other Changes					
Other adjustments, includes inflation					424
Total					\$3,117

Note: Numbers may not sum to total due to rounding.

Information Technology Enhancements

The largest component of the \$3.1 million increase over the fiscal 2001 appropriation is for the USM information technology (IT) initiative, e-learning Maryland. BSU is requesting approximately \$655,000 in funding for this initiative. The university will use these funds to provide resources to make students become more technologically fluent and to enhance the teaching environment. BSU is also requesting additional IT funding to establish a 24 hour a day, seven days a week computer lab, to upgrade faculty and staff computers, and to provide additional faculty and staff technology training. However, the most notable IT request is to establish BSU as a “laptop” university by providing laptop computers to all incoming freshmen beginning in fall 2001.

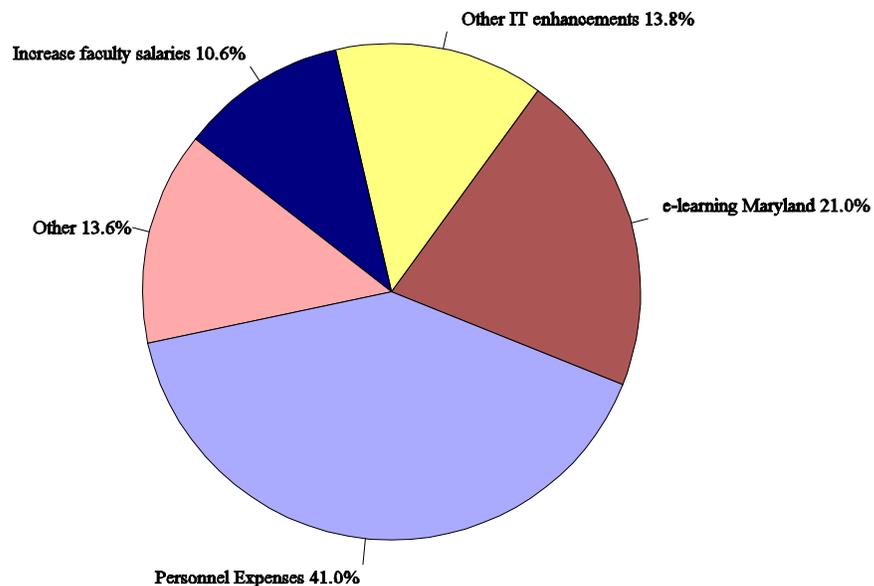
Faculty Salary Increase

The university is also requesting approximately \$330,000 to increase faculty salaries. The university cites the goal of improving the quality and retention of faculty as a justification of this request. The university intends to use this allocation to increase the average salary of full-time faculty to the 85th percentile set by the American Association of University Professors and to increase the percentage of faculty with doctorate degrees.

The distribution of the increase is shown in **Exhibit 2**.

Exhibit 2

**Bowie State University
Distribution of Fiscal 2002 Allowance Increase**



Source: Bowie State University

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The Governor's allowance also includes some Office for Civil Rights-related (OCR) funding for BSU in the Maryland Higher Education Commission's (MHEC) budget for a best practices study, a campus master plan, and for the Access and Success Program. **Exhibit 3** shows the total general fund support for the university, including the Access and Success funding, since fiscal 1999 and for the campus master plan grant.

Exhibit 3

**Total State Support
Bowie State University
Fiscal 1999 through 2002
(\$ in Thousands)**

	<u>FY 1999 Actual</u>	<u>FY 2000 Actual</u>	<u>FY 2001 Working</u>	<u>FY 2002 Allowance</u>	<u>FY 01-02 Change</u>
General Fund Appropriation	16,330	18,604	21,311	23,692	11.2%
Access/Success Grant Funding	500	500	750*	1,125*	50.0%
Campus Master Plan Grant	0	0	0	350	100.0%
Total	\$16,830	\$19,104	\$22,061	\$25,167	14.1%

*Access and Success funding includes general funds and Cigarette Restitution Funds.

Source: Governor's Budget Book

Tuition and Fees

BSU's tuition and fee revenue in fiscal 2002 is projected to be \$17.2 million, a 3.3% increase over fiscal 2001. Tuition and fees constitute 35.4% of BSU's fiscal 2002 unrestricted revenue. In-state tuition rates do not increase. Out-of-state tuition and fees increase by 5.5% from \$9,349 for a full-time undergraduate in fiscal 2001 to \$9,864 in fiscal 2002. **Exhibit 4** shows the in-state tuition and fee increase for fiscal 2002.

Exhibit 4

**Bowie State University
Undergraduate Tuition and Fees Increase
Fiscal 2001 through 2002**

	<u>Fiscal 2001</u>	<u>Fiscal 2002</u>	<u>\$ Change</u>	<u>% Change</u>
In-state Tuition	\$2,941	\$2,941	\$0	0.0%
Out-of-state Tuition	8,512	9,023	511	6.0%
Auxiliary Fees				
Athletic Fees	265	265	0	0.0%
Health Services Fee	110	114	4	3.6%
University Construction Fee	138	138	0	0.0%
Student Union Fee	270	270	0	0.0%
Student Activity Fee	54	54	0	0.0%
Total Auxiliary Fees	\$837	\$841	\$4	0.5%
Total In-state Cost	\$3,778	\$3,782	\$4	0.1%
Total Out-of-state Cost	\$9,349	\$9,864	\$515	5.5%

Source: Bowie State University

Performance Analysis: Managing for Results

Several of BSU's enrollment and Managing for Results (MFR) performance indicators are shown in **Exhibit 5**. Some of the university's MFR goals include: 1) improving student retention and graduation rates; 2) servicing the State's need for a qualified workforce in the areas of computer and information technology, teaching, and healthcare; 3) increasing the number of students from under-represented minorities who earn advanced degrees in computer science, mathematics, information technology, and education; and 4) increasing access to and use of technology university-wide for students and staff.

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Exhibit 5

**Program Measurement Data
Bowie State University
Fiscal Years 1998 through 2002**

	Actual 1998	Actual 1999	Actual 2000	Est. 2001	Est. 2002	Ann. Chg. 98-00	Ann. Chg. 00-02
Student Headcount	5,167	5,024	4,770	4,844	4,914	-3.9%	1.5%
Full-Time Equivalent Students (FTES)	3,336	3,326	3,283	3,266	3,314	-0.8%	0.5%
% Maryland Resident (headcount)	91	91	92	92	92	0.5%	0.0%
% Non-African American (headcount)	23	22*	19	19	19	-9.1%	0.0%
% Financial Aid	50	50	54	54	54	3.9%	0.0%
FTE Faculty/student ratio	16	15	14	14	14	-6.5%	0.0%
Six year graduation rate	39%	34%	38%	40%	43%	-1.3%	6.4%
Second-year retention rate	74%	73%	71%	75%	76%	-2.0%	3.5%
Number of undergraduate degrees awarded in elementary and early education	n/a	37	33	45	50	n/a	23.1%
Number of degrees awarded in computer science (undergraduate and graduate)	n/a	34	44	52	60	n/a	16.8%
% of students with access to online services/e-mail	n/a	n/a	n/a	100	100	n/a	n/a

* Actual data different from actual data submitted in previous year.

Source: Governor's Budget Book

Between fiscal 1998 and fiscal 2000, BSU's student headcount decreased by an average of 3.9%. The number of FTE students reflected this decrease to a smaller degree for the same time period. BSU has reported in the past that these decreases were related to the strength of economy, lack of administrative resources, stronger admission standards, and the cost of attendance. One of the initiatives of the new administration is to increase enrollment to about 14,000 over the next five years. BSU has been designated by USM as one of the universities that will absorb increased enrollment as a result of the "baby boom echo." The university is expecting a slight increase in both headcount and FTE enrollment in fiscal

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2002. The university also anticipates additional enrollment growth due to new recruitment strategies which include training faculty and staff to recruit prospective students.

BSU shows improvement in the six-year graduation rate of first full-time students in fiscal 2000 over fiscal 1999. The university is expecting the rate to increase to 43% in fiscal 2002. The university wants to increase this rate to 50% in fiscal 2004. Under the "servicing Maryland workforce needs" goal, the university shows a steady increase since fiscal 1999 in the number of degrees awarded in elementary and early education and computer science degrees. BSU is anticipating awarding 50 degrees in elementary and early education and 60 degrees in computer science in fiscal 2002. The fiscal 2004 target numbers for these indicators are 74 and 78, respectively. Another notable indicator is the percentage of students with access to online services and e-mail. The university has achieved 100% for this indicator due to all BSU students receiving an e-mail account and having services such as grade reporting and other class information online for students. BSU intends to provide laptop computers to all incoming freshmen in the fall.

Issues

1. Office for Civil Rights Partnership Agreement Commitments

In December, MHEC signed an agreement with the U.S. Department of Education's OCR to remove the remaining vestiges of segregation from the State's public colleges. The agreement includes proposals in nine general areas to bolster the four public historically black institutions (HBI) and to improve college opportunities for African-American students. The agreement is set to end in fiscal 2005. The full budgetary impact of the agreement is not known.

The ninth commitment of the agreement provides for the State to design measures which ensure that HBIs are comparable and competitive with the State's traditionally white institutions in all facets of their operations and programs before the expiration of the agreement. Under this commitment area, the State agrees to enhance BSU and the other HBIs in the areas of admissions management, administration of student financial aid, and public and governmental relations. The State also commits to increase the match for the private donation incentive program to a \$2 State match for every \$1 raised by the HBIs up to a certain level for the next five years.

The fiscal 2002 allowance includes two enhancements that are directly related to the OCR Partnership Agreement which impact the university. Both enhancements are funded through MHEC. The first OCR-related budget change is an increase in funding for the Access and Success Program. This is a multi-year grant program funded through MHEC for the State's four HBIs. The fiscal 2002 allowance increases the program by \$1.5 million for the four HBIs. BSU has used these funds to improve the retention and on-time graduation rates of its "at risk" students. The university has specifically focused its Access and Success dollars in three areas: 1) enhancement of the delivery of services via technology; 2) enhancement of academic support services; and 3) transformation of the teaching and learning process and customer services. BSU will receive approximately \$1.125 million for its program in fiscal 2002, an increase of \$375,000.

The second OCR-related enhancement is funding to study "best practices" at BSU and the other HBIs. MHEC has received \$250,000 in the allowance to conduct this activity at all four HBIs. MHEC's budget also includes a \$350,000 grant for a campus master plan for the university. **The President should brief the committees on how BSU will be involved in the best practices study conducted by MHEC; the development of a campus master plan; and the current status of the university's OCR enhancement plans.**

2. BSU Teacher Shortage Strategies

The projected teacher shortage in the State of Maryland continues to be a great concern to many stakeholders within K-12, higher education, and the General Assembly. The main concern involves what the State is doing to prepare for this anticipated crisis and how such efforts will be measured to ensure that the goal of increasing the number of certified teachers in shortage areas around the State is attained. As one of the designated teaching institutions, BSU is currently engaging in several activities in response to this issue. Some notable activities include collaborating with Prince George's County Public Schools in

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a NASA-funded program which prepares teachers in the areas of math and science. BSU reports that 99 individuals are participating in this program which leads to certification in math or science. BSU's Department of Education has also created partnerships with six professional development schools to provide professional development opportunities for pre-service candidates and in-service teachers. BSU is currently developing, in conjunction with the College of Southern Maryland, an elementary education degree and certification program with potential teachers in the Southern Maryland area. **The President should discuss how the university's teacher education programs will be effective in confronting the anticipated teacher shortage.**

Recommended Actions

1. Concur with Governor's allowance.

Current and Prior Year Budgets

Current and Prior Year Budgets

Bowie State University

(\$ in Thousands)

	General Fund	Other Unrestricted Fund	Total Unrestricted Fund	Restricted Fund	Total
Fiscal 2000					
Legislative Appropriation	\$18,539	\$24,548	\$43,087	\$6,774	\$49,861
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	64	1,749	1,814	1,512	3,326
Reversions and Cancellations	0	(3,682)	(3,682)	(176)	(3,858)
DBM adjustment/ DBC transfer	0	(563)	(563)	0	(563)
Actual Expenditures	\$18,604	\$22,052	\$40,656	\$8,110	\$48,766
Fiscal 2001					
Legislative Appropriation	\$21,625	\$26,689	\$48,314	\$7,343	\$55,657
Budget Amendments	(314)	(2,479)	(2,793)	1,058	(1,735)
Working Appropriation	\$21,311	\$24,210	\$45,521	\$8,401	\$53,922

Note: Numbers may not sum to total due to rounding.

Explanation of Fiscal 2000 Budget Amendments and Cancellations

The fiscal 2000 budget amendments included the transfer of the Downtown Baltimore Center (DBC) to BSU from the University of Baltimore which increased unrestricted revenues. Some of the increase was offset by a decrease in tuition and fee revenue due to a decline in enrollment. Restricted funds increased due to additional grant activities. The cancellation includes a DBM adjustment for the transfer of the DBC in fiscal 2001. The cancellations were also due to various appropriation sources not being realized.

Explanation of Fiscal 2001 Budget Amendments

The fiscal 2001 budget amendment decreased unrestricted fund because of the removal of the DBC to the USM Office. This transfer included general funds. Other decreases are attributable to revised enrollment adjustments. Restricted funds increased due to additional grant activity.

**Object/Fund Difference Report
Bowie State University**

Object/Fund	FY00 Actual	FY01		FY02 Allowance	FY01 - FY02 Amount Change	Percent Change
		Working Appropriation				
Positions						
01 Regular	406.00	410.00	410.00	0	0%	
02 Contractual	183.76	171.31	171.31	0	0%	
Total Positions	589.76	581.31	581.31	0	0%	
Objects						
01 Salaries and Wages	\$ 21,450,753	\$ 24,117,019	\$ 25,395,265	\$ 1,278,246	5.3%	
02 Technical & Spec Fees	8,179,969	7,678,724	7,766,514	87,790	1.1%	
03 Communication	835,750	750,777	958,876	208,099	27.7%	
04 Travel	504,859	474,422	489,609	15,187	3.2%	
06 Fuel & Utilities	2,096,415	2,100,203	2,151,694	51,491	2.5%	
07 Motor Vehicles	103,598	129,438	131,883	2,445	1.9%	
08 Contractual Services	5,950,141	6,647,791	6,762,124	114,333	1.7%	
09 Supplies & Materials	932,526	753,926	866,882	112,956	15.0%	
10 Equip - Replacement	244,789	352,205	356,195	3,990	1.1%	
11 Equip - Additional	914,275	1,072,127	2,168,099	1,095,972	102.2%	
12 Grants,Subsidies,Contr	5,042,888	5,591,789	5,748,008	156,219	2.8%	
13 Fixed Charges	1,830,313	3,124,504	3,219,909	95,405	3.1%	
14 Land & Structures	679,942	1,128,822	1,023,961	(104,861)	(9.3%)	
Total Objects	\$ 48,766,218	\$ 53,921,747	\$ 57,039,019	\$ 3,117,272	5.8%	
Funds						
40 Unrestricted Fund	\$ 40,655,726	\$ 45,520,077	\$ 48,428,099	\$ 2,908,022	6.4%	
43 Restricted Fund	8,110,492	8,401,670	8,610,920	209,250	2.5%	
Total Funds	\$ 48,766,218	\$ 53,921,747	\$ 57,039,019	\$ 3,117,272	5.8%	

Note: Full-time and contractual positions and salaries are reflected for operating budget programs only.

**Fiscal Summary
Bowie State University**

Unit/Program	FY00	FY01	FY01	FY00 - FY01	FY02	FY01 - FY02
	Actual	Legislative Appropriation	Working Appropriation	% Change	Allowance	% Change
01 Instruction	\$ 16,505,632	\$ 17,021,937	\$ 17,006,055	3.0%	\$ 17,805,397	4.7%
02 Research	2,404,666	2,281,342	2,001,606	(16.8%)	2,049,382	2.4%
03 Public Service	166,157	35,808	6,970	(95.8%)	7,116	2.1%
04 Academic Support	4,525,632	6,780,522	4,369,807	(3.4%)	5,761,641	31.9%
05 Student Services	2,985,356	3,228,410	3,210,001	7.5%	3,453,309	7.6%
06 Institutional Support	7,280,491	8,369,328	9,249,471	27.0%	9,361,884	1.2%
07 Operation And Maintenance Of Plant	5,505,537	7,135,442	7,063,006	28.3%	7,479,119	5.9%
08 Auxiliary Enterprises	5,497,784	6,478,862	6,501,163	18.3%	6,480,489	(0.3%)
17 Scholarships And Fellowships	3,894,963	4,325,567	4,513,668	15.9%	4,640,682	2.8%
Total Expenditures	\$ 48,766,218	\$ 55,657,218	\$ 53,921,747	10.6%	\$ 57,039,019	5.8%
Unrestricted Fund	\$ 40,655,726	\$ 48,313,986	\$ 45,520,077	12.0%	\$ 48,428,099	6.4%
Restricted Fund	8,110,492	7,343,232	8,401,670	3.6%	8,610,920	2.5%
Total Appropriations	\$ 48,766,218	\$ 55,657,218	\$ 53,921,747	10.6%	\$ 57,039,019	5.8%

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