
Higher Education Fiscal 2013 Budget Overview

**Department of Legislative Services
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Analysis of the FY 2013 Maryland Executive Budget, 2012

Higher Education – Fiscal 2013 Budget Overview

**Higher Education
Fiscal 2013 Budget Overview**

**State Funding Changes for Higher Education
(\$ in Thousands)**

	<u>2012 Working Approp.¹</u>	<u>2013 Adjusted²</u>	<u>2012 Working - 2013 Adjusted Change</u>	<u>% Change</u>
Public Four-year Institutions				
USM	\$1,067,834	\$1,068,366	\$532	0.0%
Morgan State University	73,002	73,629	627	0.9%
FY 2013 Tuition Replacement ³		9,130	9,130	
St. Mary's College	17,962	18,154	192	1.1%
Subtotal – Public Four-year	\$1,158,797	\$1,169,279	\$10,481	0.9%
Other Higher Education				
Maryland Higher Education Commission				
Administration	\$5,419	\$5,444	\$25	0.5%
Deficiency Appropriation for One-time Costs	\$2,954		-\$2,954	100.0%
Financial Aid ⁴	102,259	102,900	641	0.6%
Educational Grant	6,284	6,293	9	0.1%
MHEC Regional Higher Education Centers	1,500	1,500		0.0%
Complete College Maryland	250	250		0.0%
Independent Institutions	38,446	38,446		0.0%
Aid to Community Colleges	258,297	258,856	559	0.2%
Keeping MD Community Colleges Affordable	5,000	2,500	-2,500	-50.0%
Baltimore City Community College	40,743	40,638	-105	-0.3%
Subtotal – Other Higher Education	\$461,151	\$456,827	-\$4,325	-0.9%
Total Higher Education	\$1,619,949	\$1,626,105	\$6,156	0.4%
Adjustment for One-time MHEC Costs	-\$2,954			
Adjusted Total	\$1,616,995	\$1,626,105	\$9,110	0.6%

MHEC: Maryland Higher Education Commission

USM: University System of Maryland

¹ 2012 Working Appropriation figures include deficiency appropriations proposed in the Governor's fiscal 2013 budget plan.

² 2013 Adjusted reflects reductions to private, nonprofit colleges, community colleges, and teachers retirement funding contingent on the passage of legislation.

³ Fiscal 2013 tuition replacement represents the part of the allowance allocated to replace a 2.0% tuition increase.

⁴ Fiscal 2012 Working Appropriation does not reflect need-based aid special funds.

Source: Governor's Budget Books, Fiscal 2013; Senate Bill 152 – Budget Reconciliation and Financing Act of 2012

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State support for higher education increases \$21.4 million before accounting for across-the-board and contingent reductions assumed in the Governor's fiscal 2013 budget plan. State support includes general funds and revenue from the Higher Education Investment Fund (HEIF). As shown in this analysis's opening exhibit, that increase becomes \$9.1 million, or 0.6%, after accounting for the reductions contingent on the passage of legislation and one-time Maryland Higher Education Commission (MHEC) costs in fiscal 2012. These actions include level funding the grant to private, nonprofit colleges, shifting a portion of community college retirement costs to county governments, and reductions to the main community college grant, and Baltimore City Community College (BCCC).

The allowance also includes several fiscal 2012 deficiency appropriations:

- \$2,053,970 for relocation costs of MHEC from Annapolis to Baltimore;
- \$1,342,979 for additional funding in the Distinguished Scholar and Charles W. Riley scholarship programs;
- \$1,000,000 to pay down an ongoing liability in the Statewide and Health Manpower Grant Program, a miscellaneous community college grant program;
- \$900,000 for expenses related to a lawsuit with which MHEC is involved; and
- \$150,000 to the University of Maryland Center for Environmental Science Environmental Synthesis Center.

Most of the changes between fiscal 2012 and 2013 are due to cost inflation and contingent reductions. New money is limited to the continuation of a tuition replacement program for institutions in the University System of Maryland (USM) and Morgan State University (MSU) that totals \$9.1 million in general funds. The fiscal 2012 tuition replacement money was built into the institutions' base budgets. In fiscal 2013, the funding is intended to offset greater tuition increases than those for which the allowance currently plans, which is 3% for most colleges.

The Keeping Maryland Community Colleges Affordable Grant is continued in fiscal 2013 at \$2.5 million and is a complement to the State's tuition replacement funding at USM and MSU. The \$2.5 million level is half of the fiscal 2012 grant. The Governor's allowance builds the fiscal 2012 funding into the colleges' main grant, the Senator John A. Cade Funding Formula.

HEIF, which receives 6% of corporate tax revenues, is estimated to receive \$49.3 million in fiscal 2013 and is distributed to USM and MSU. There is also a \$0.6 million fund swap between general funds and HEIF revenue contingent on the passage of legislation that will increase corporate tax revenues. Although the total amount of money available to colleges would not change, total HEIF funding would increase to \$50.0 million.

Exhibit 1 details the contingent actions proposed by the Governor for fiscal 2013. Reductions of \$15 million focus on the formula appropriations made to community colleges and private, nonprofit institutions. As they are contingent reductions, they require passage of legislation before the savings can be realized.

Exhibit 1
Contingent Reductions
State Funds, Fiscal 2013
(\$ in Thousands)

	<u>2013</u> <u>Allowance</u>	<u>2013</u> <u>Contingent</u> <u>on BRFA</u>	<u>2013</u> <u>Adjusted</u>
Total Public Four-year Institutions	\$1,169,279	\$0	\$1,169,279
Maryland Higher Education Commission	5,444	0	5,444
MHEC Scholarship and Grant Programs	110,943	0	110,943
Sellinger Program for Independent Institutions	39,790	-1,344	38,446
Community College Grants	219,013	-2,490	216,523
Community College Retirement Costs	54,284	-9,451	44,833
Baltimore City Community College	42,342	-1,704	40,638
Total Higher Education	\$1,641,095	-\$14,990	\$1,626,105

BRFA: Budget Reconciliation and Financing Act
MHEC: Maryland Higher Education Commission

Source: Senate Bill 150 – Budget Bill; Senate Bill 152 – Budget Reconciliation and Financing Act of 2012

The contingent reductions are:

- \$9,450,801 from community college retirement programs from a proposed 50% cost share with county governments;
- \$2,490,430 from the Senator John A. Cade Funding Formula and English Speakers of Other Language grant;
- \$1,704,285 from the formula appropriation and English Speakers of Other Languages Grant to BCCC; and
- \$1,344,148 from the Joseph A. Sellinger Grant Program to private, nonprofit colleges.

Higher Education – Fiscal 2013 Budget Overview

The underlying growth for institutions and grant programs after accounting for the contingent reductions can be found in **Exhibit 2**. Funding between fiscal 2012 and 2013 grows by \$9.4 million, or 0.6%.

Exhibit 2
Underlying Changes in Budget after Allowance and
Senate Bill 152 – Budget Reconciliation and Financing Act of 2012
(\$ in Thousands)

	<u>Actual</u> <u>2011</u>	<u>Working</u> <u>2012</u>	<u>Adjusted</u> <u>2013</u>	<u>\$</u> <u>Change</u> <u>2012-13</u>	<u>%</u> <u>Change</u> <u>2012-13</u>
Total Public Four-year Institutions	\$1,154,023	\$1,158,797	\$1,169,279	\$10,481	0.9%
Sellinger Program for Independent Institutions	38,446	38,446	38,446	0	0.0%
Aid to Community Colleges	258,114	263,297	261,356	-941	-0.4%
Baltimore City Community College	40,902	40,743	40,638	-105	-0.3%
Total Higher Education	\$1,491,485	\$1,500,283	\$1,509,718	\$9,436	0.6%

Source: Governor’s Budget Books, Fiscal 2013; Senate Bill 152 – Budget Reconciliation and Financing Act of 2012

Exhibit 3 shows funding at the State’s senior public higher education institutions from fiscal 2009 to the 2013 allowance. Funding grows 0.9%, or \$10.2 million, in fiscal 2013. The biggest increase is not to a college or university, but to the University System of Maryland Office, which grows \$4.0 million, or 26.4%. The General Assembly reduced general funds to the System Office by \$4.0 million in fiscal 2012 to reflect administrative charge backs to the institutions; that funding is replaced in the allowance. Of the institutions, the University of Maryland University College (UMUC) grows \$1.6 million, or 5.0%. Only one college receives less in fiscal 2013 than 2012, the University of Maryland, Baltimore (UMB), which declines by \$0.2 million.

Exhibit 3
State Support for Public Universities
Fiscal 2009-2013
(\$ in Thousands)

<u>Institution</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Working 2012</u>	<u>Allowance 2013</u>	<u>Annual % Change 2009-12</u>	<u>\$ Change 2012-13</u>	<u>% Change 2012-13</u>
Univ. of Maryland, Baltimore	\$180,965	\$184,874	\$184,460	\$184,526	\$184,289	0.7%	-\$237	-0.1%
Univ. of Maryland, College Park	372,554	376,899	374,804	375,936	376,623	0.3%	687	0.2%
Univ. of Maryland Baltimore County	89,412	93,030	94,500	95,570	96,470	2.2%	900	0.9%
Morgan State University	72,784	73,855	72,946	73,002	74,051	0.1%	1,049	1.4%
Univ. of Baltimore	30,490	30,461	30,124	30,321	30,363	-0.2%	41	0.1%
Univ. of Maryland University College	28,291	29,805	31,430	32,566	34,187	4.8%	1,620	5.0%
Towson University	89,152	89,299	89,945	90,924	91,676	0.7%	751	0.8%
Bowie State University	35,143	35,349	34,921	35,637	35,860	0.5%	222	0.6%
Salisbury University	38,667	38,662	39,049	39,597	39,920	0.8%	323	0.8%
Frostburg State University	32,765	32,711	32,852	33,322	33,535	0.6%	214	0.6%
Univ. of Maryland Eastern Shore	30,178	30,769	29,503	29,791	29,827	-0.4%	36	0.1%
Coppin State University	34,669	37,899	37,775	37,943	38,049	3.1%	105	0.3%
St. Mary's College	16,925	17,215	17,518	17,962	18,154	2.0%	192	1.1%
Univ. of Maryland Center for Environmental Science ¹	17,721	18,517	18,644	19,299	19,583	2.9%	284	1.5%
Univ. of Maryland Biotechnology Institute ²	20,430							
University System of Maryland Office	19,549	22,136	19,330	15,300	19,345	-7.8%	4,045	26.4%
Total	\$1,109,695	\$1,111,482	\$1,107,801	\$1,111,797	\$1,121,931	0.1%	\$10,234	0.9%

¹ Fiscal 2012 includes a deficiency appropriation of \$150,000 for the Environmental Synthesis Center.

² The University of Maryland Biotechnology Institute (UMBI) was absorbed by the University of Maryland, Baltimore; the University of Maryland, College Park; Towson University; the University of Maryland Baltimore County; and the University of Maryland Center for Environmental Science in fiscal 2010. For comparison purposes, funding associated with UMBI was allocated to each institution starting in fiscal 2010. Administrative funding from UMBI was allocated to the University System of Maryland Office in fiscal 2010 only.

Note: Figures exclude funding for cooperative agricultural and extension programs, and the Maryland Fire and Rescue Institute, in every year, and Regional Greenhouse Gas Initiative in fiscal 2010.

Source: SB 150 – Budget Bill; SB 152 – Budget Reconciliation and Financing Act of 2012; Governor's Budget Books, Fiscal 2010-2013

Higher Education Investment Fund Revenues Year-to-year

HEIF was established just before the economic downturn in 2008 and was renewed every year by the General Assembly before it was made permanent in Chapters 192 and 193 of 2010. During those years, corporate tax revenues were routinely lower than projected. Fiscal 2011 was the first year the fund ran a positive balance, with \$7.7 million, as shown in **Exhibit 4**. Revenues were written up to \$49.8 million during the fiscal year, and the extra money was saved for fiscal 2012.

Exhibit 4
Higher Education Investment Fund
Revenues and Expenditures
(\$ in Millions)

<u>Revenues</u>		<u>Expenditures</u>	
Fiscal 2011 Estimated	\$42.1	Fiscal 2011 Appropriation	\$42.1
Fiscal 2011 Actual	49.8	Fiscal 2011 Actual	42.1
Fiscal 2011 Fund Balance	7.7		
Fiscal 2012 Estimated	50.7	Fiscal 2012 Appropriation ¹	58.4
Fiscal 2012 Working Balance	48.0 -2.7	Fiscal 2012 Working ¹	58.4
Fiscal 2013 Estimated	49.3	Fiscal 2013 Allowance	49.3

¹ Figures include \$7,681,980 fund balance.

Source: Department of Legislative Services; Senate Bill 150 – The Budget Bill

During the 2011 legislative session, estimated fiscal 2012 HEIF revenues were not significantly higher than the prior year, but the available \$7.7 million balance was fully appropriated. However, the revenue estimate has been written down by \$2.7 million during fiscal 2012. Colleges have been advised to adjust their fiscal 2012 spending accordingly. HEIF revenues increase slightly for fiscal 2013 from the lower fiscal 2012 estimate, and \$49.3 million is included in the Governor's allowance.

Funding Changes in the Budget Reconciliation and Financing Act of 2012

In addition to contingent reductions to the fiscal 2013 allowance, the Budget Reconciliation and Financing Act (BRFA) of 2012 alters funding in fiscal 2014 through 2017 for community colleges and private, nonprofit institutions. **Exhibit 5** shows the changes compared to current projections.

Exhibit 5
Currently Projected Funding Compared to
the Budget Reconciliation and Financing Act of 2012
Fiscal 2013-2017
(\$ in Thousands)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Fund Appropriations Under Current Law					
Community Colleges	\$196,079	\$209,517	\$222,422	\$248,615	\$270,389
Baltimore City Community College	41,527	43,796	45,952	47,931	50,242
Private, Nonprofit Institutions	39,790	42,556	46,847	50,999	57,312
Total	\$277,396	\$295,868	\$315,221	\$347,545	\$377,943
General Fund Appropriations as a Result of the Budget Reconciliation and Financing Act of 2012					
Community Colleges	\$199,172	\$212,897	\$214,680	\$217,586	\$220,562
Baltimore City Community College	39,868	40,814	41,529	42,129	42,789
Private, Nonprofit Institutions	38,446	39,014	39,599	40,193	40,796
Total	\$277,486	\$292,725	\$295,807	\$299,908	\$304,147
Difference					
Community Colleges	\$3,093	\$3,381	-\$7,742	-\$31,029	-\$49,827
Baltimore City Community College	-1,659	-2,982	-4,424	-5,802	-7,453
Private, Nonprofit Institutions	-1,344	-3,542	-7,248	-10,806	-16,516
Total	\$89	-\$3,144	-\$19,414	-\$47,637	-\$73,796

Note: Figures for community colleges under current statute include hold harmless funding in fiscal 2013-2015. Hold harmless funding is included under the figures for the Budget Reconciliation and Financing Act of 2012 in fiscal 2013 and 2014.

Source: Governor’s Budget Books, Fiscal 2013; Senate Bill 152 – Budget Reconciliation and Financing Act of 2012

Both segments receive statutory funding based on a percentage that is appropriated to selected public four-year institutions. The BRFA of 2012 alters the calculation for fiscal 2014-2017, instead tying community college and private, nonprofit appropriations to a per-student rate. In the case of community colleges, BCCC is to receive \$5,696 per full-time equivalent students (FTES) and the Cade formula receives \$1,839 per FTES in fiscal 2014 through 2017. The Sellinger formula grant for private, nonprofit colleges will receive \$876 per FTES for the four-year period. This allows the appropriation for each segment to grow based on enrollment, although they will not be linked to spending at the public four-year institutions in those years. Beginning in fiscal 2018, the formulas are

tied to per FTES spending at the public four-year institutions, with the formulas reaching current statutory funding levels in fiscal 2021 for the Sellinger formula and fiscal 2023 for community colleges and BCCC.

Driven by increased community college aid, appropriations under the BRFA of 2012 are above current statute in fiscal 2013 but become significantly lower starting in fiscal 2015. Reductions grow to \$73.8 million in fiscal 2017. After that, each formula returns to the percentage rate tied to per FTES spending at select public four-year institutions, reaching full statutory funding levels in fiscal 2021 for the Sellinger formula and fiscal 2023 for community colleges.

Maryland Funding and Tuition Compared Nationally

Maryland’s support for public higher education compares well nationally, as shown in **Exhibit 6**. *Grapevine*, a higher education information resource based at Illinois State University and jointly maintained by the State Higher Education Executive Officers, recently updated its nationwide statistics on state support for higher education. Using *Grapevine*’s figures, Maryland’s spending between fiscal 2011 and 2012 increased 0.1%, compared to a decline of 7.6% nationally. Maryland is one of only eight states that increased State support for higher education in fiscal 2012. Tuition rates also compare favorably to other states. Nationally, Maryland’s average tuition and fee rate at public four-year institutions is now tied for twenty-third with Alabama, an improvement from nineteenth most expensive a year ago and eighth most expensive in fall 2005.

Exhibit 6 Higher Education Support Maryland vs. Nationwide

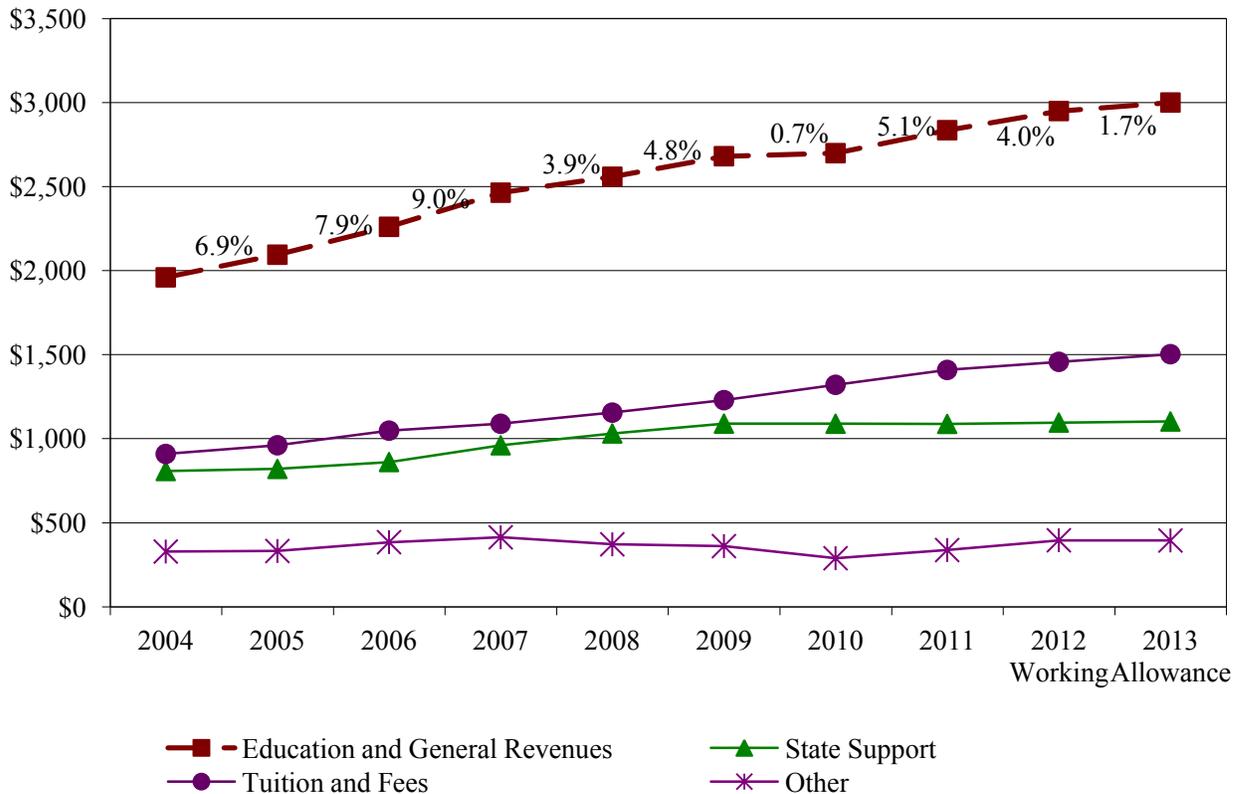
	<u>Fiscal 2011-2012</u>	<u>Fiscal 2007 through 2012</u>
Maryland	0.1%	10.2%
California	-13.5%	-12.5%
North Carolina	-1.0%	13.3%
Ohio	-11.8%	-8.8%
Pennsylvania	-13.4%	-15.2%
Virginia	-14.7%	-12.4%
Nationwide	-7.6%	-3.8%

Source: *Grapevine*, www.grapevine.ilstu.edu

Education and General Revenues

Exhibit 7 shows total education and general (E&G) revenues at public senior higher education institutions from fiscal 2004 through the 2013 allowance. E&G funding is comprised of tuition and fee revenues, State funds, and other education related revenues. Auxiliary income from sources such as dining halls and athletics are excluded, as well as hospital spending, which impacts UMB. Also excluded are agricultural and cooperative extension programs at the State’s two land grant institutions, the University of Maryland, College Park (UMCP) and the University of Maryland Eastern Shore.

Exhibit 7
Education and General Revenues¹
Fiscal 2004-2013
(\$ in Millions)



¹ Education and general revenues represent tuition and fees, State support (general funds and Higher Education Investment Funds), grants and contracts (federal, State, and local), and sales and services of education activities less auxiliary program enterprise revenue. Figures exclude funding for cooperative and agricultural extension programs and the Maryland Fire and Rescue Institute. For the University of Maryland, Baltimore, hospital expenditures are excluded.

Source: Governor’s Budget Books, Fiscal 2013; Department of Legislative Services

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E&G revenues have consistently grown over the entire period with a growth rate above 3.5% every year except fiscal 2010, at 0.7%, and the 2013 allowance, at 1.7%. It should be noted that a year ago, the fiscal 2012 allowance projected only a 1.1% increase, but the working appropriation shows it has grown by 4.0%, driven by significantly higher than budgeted tuition and fee revenues.

The fiscal 2012 allowance budgeted for 122,978 FTES, an increase of 0.3% over fiscal 2011. The working appropriation shows the institutions currently have 126,693 FTES enrolled, a difference of 3,715 FTES. Recognizing the tuition and fee revenue from these students added \$108.1 million to public four-year institutions budgets. Only Coppin State University (CSU) shows less in the fiscal 2012 working budget than the 2012 allowance.

The fiscal 2013 allowance again shows a projected 0.3% increase in enrollment between the working budget and allowance. To the extent that actual enrollments outpace budgeted enrollments, tuition and fee revenues will grow, and the projected 1.7% increase in E&G revenues will be higher.

State support (general funds and HEIF) grew appreciably between fiscal 2005 and 2009 but has been flat since then, growing 0.6% in the allowance. Tuition and fee revenues have grown consistently due to a combination of increased enrollment and tuition rate increases, even during the in-state undergraduate tuition freeze from fiscal 2007 through 2010, as rates for out-of-state and St. Mary's College of Maryland (SMCM) students continued to grow. Trends in E&G revenues by college can be seen in **Appendices 1** through **3**.

Cost of Admission

The change in in-state and out-of-state tuition rates from fall 2001 to the proposed fall 2012 rates are shown in **Exhibit 8**. Due to the Governor's proposed \$9.1 million tuition replacement funding, most colleges are increasing rates 3.0%. Chapters 192 and 193 of 2010 set a goal that the average increase in resident undergraduate tuition and fees be limited to a percent not to exceed the three-year rolling average increase of the State's median family income. The most recent actual rolling average for median income is an increase of 0.3%, compared to the average tuition increase of 3.3% proposed for fall 2012.

**Exhibit 8
Tuition Rates at Public Four-year Institutions**

In-state Full-time Undergraduate Students

	<u>Fall 2001</u>	<u>Fall 2006</u>	<u>% Change 2001-06</u>	<u>Fall 2011</u>	<u>Proposed Fall 2012</u>	<u>% Change 2011-12</u>	<u>Avg. % Change 2001-12</u>
UM College Park	\$4,334	\$6,566	51.5%	\$6,966	\$7,175	3.0%	4.7%
UM Baltimore County	4,374	6,484	48.2%	6,879	7,085	3.0%	4.5%
Morgan State University	3,150	4,280	35.9%	4,540	4,676	3.0%	3.7%
University of Baltimore	3,684	5,325	44.5%	5,648	5,815	3.0%	4.2%
UM Univ. College*	4,728	5,520	16.8%	5,856	6,024	2.9%	2.2%
Towson University	3,605	5,180	43.7%	5,496	5,660	3.0%	4.2%
Bowie State University	2,941	4,286	45.7%	4,547	4,683	3.0%	4.3%
Salisbury University	3,216	4,814	49.7%	5,260	5,576	6.0%	5.1%
Frostburg State University	3,444	5,000	45.2%	5,304	5,464	3.0%	4.3%
UM Eastern Shore	2,871	4,112	43.2%	4,362	4,493	3.0%	4.2%
Coppin State University	2,727	3,527	29.3%	3,742	3,854	3.0%	3.2%
Average (simple)	3,552	5,009	41.0%	5,327	5,550	3.3%	4.1%
St. Mary's College	6,474	9,498	46.7%	12,005	12,485	4.0%	6.2%

Out-of-State Full-time Undergraduate Students

	<u>Fall 2001</u>	<u>Fall 2006</u>	<u>% Change 2001-06</u>	<u>Fall 2011</u>	<u>Proposed Fall 2012</u>	<u>% Change 2011-12</u>	<u>Avg. % Change 2001-12</u>
UM College Park	\$12,406	\$20,005	61.3%	\$24,337	\$25,554	5.0%	6.8%
UM Baltimore County	9,754	15,216	56.0%	17,282	18,146	5.0%	5.8%
Morgan State University	9,360	12,040	28.6%	13,746	14,020	2.0%	3.7%
University of Baltimore	11,774	17,411	47.9%	15,600	16,380	5.0%	3.0%
UM Univ. College*	8,736	10,656	22.0%	11,976	11,976	0.0%	2.9%
Towson University	10,491	14,538	38.6%	17,008	17,282	1.6%	4.6%
Bowie State University	9,023	13,805	53.0%	15,088	15,239	1.0%	4.9%
Salisbury University	8,672	12,708	46.5%	13,606	13,922	2.3%	4.4%
Frostburg State University	8,942	14,050	57.1%	15,196	15,652	3.0%	5.2%
UM Eastern Shore	7,355	10,679	45.2%	12,143	12,629	4.0%	5.0%
Coppin State University	7,854	10,550	34.3%	8,233	8,645	5.0%	0.9%
Average (simple)	9,488	13,787	45.3%	14,929	15,404	3.2%	4.5%
St. Mary's College	11,459	19,340	68.8%	24,082	25,045	4.0%	7.4%

* Based on 24 credit hours.

UM: University of Maryland

Note: Fall 2012 rates pending governing board approval. Average excludes St. Mary's College of Maryland.

Source: University System of Maryland Schedule of Tuition and Mandatory Fees; St. Mary's College of Maryland; Morgan State University

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Chapters 192 and 193 of 2010 allow for one-time adjustments to align tuition rates with market demand and peer institutions. For the second year in a row, Salisbury University (SU) is increasing rates to more closely align with those charged by peer institutions. The college proposes to increase in-state tuition by 6%. Rates increased 6% in fall 2011 as well. SMCM is not covered by that legislation and is proposing to increase rates 4% in fall 2012.

Changes in tuition rates over the entire period are also shown in Exhibit 8 and range from 2.2% at UMUC to 6.2% at SMCM. SMCM was also not a part of the State's tuition freeze from fall 2006 through 2009 and did not receive tuition replacement funding in fiscal 2011 or 2012. The exhibit also shows out-of-state tuition rates. Coppin State University (CSU) significantly reduced out-of-state tuition rates in fall 2011 from \$12,833 to \$8,233, a decline of 35.8%. The college decided the rates charged were not competitive with peer institutions and were reduced to be more attractive for out-of-state applicants. That rate will increase 5.0% in fall 2012.

Exhibit 8 shows only tuition, but students and families must also pay mandatory fees to support activities or services and room and board charges if they live on campus. **Exhibit 9** shows each college's full cost for full-time on-campus students. SMCM is still the highest at \$26,327 in fall 2012, and the lowest is CSU at \$13,738. Comparable rates from fall 2008 are also shown, and costs have grown the most at SMCM by 20.5%.

Exhibit 9
Tuition, Fees, and Room and Board Rates at Public Four-year Institutions
In-state Full-time Undergraduate Students
Fall 2008 and 2012

	<u>Tuition</u>	<u>Fall 2012 Mandatory Fees</u>	<u>Room & Board</u>	<u>Total Charge</u>	<u>Fall 2008 Total Charge</u>	<u>% Change 2008-12</u>
Univ. of Maryland, College Park*	\$7,175	\$1,743	\$9,678	\$18,596	\$17,113	8.7%
Univ. of Maryland Baltimore County	7,085	2,686	10,521	20,292	17,500	16.0%
Morgan State University	4,676	2,406	8,636	15,718	14,248	10.3%
Towson University*	5,660	2,472	9,942	18,074	15,620	15.7%
Bowie State University	4,683	1,938	7,706	14,327	12,415	15.4%
Salisbury University	5,576	2,124	8,950	16,650	14,120	17.9%
Frostburg State University*	5,464	1,878	7,136	14,478	13,246	9.3%
Univ. of Maryland Eastern Shore	4,493	2,220	8,050	14,763	12,922	14.2%
Coppin State University	3,854	1,866	8,018	13,738	12,279	11.9%
St. Mary's College	12,485	2,538	11,304	26,327	21,844	20.5%

*Indicates fall 2012 room and board rates are not available. Fall 2011 rates were used in their place. The figure is likely understated as a result, and the percent change between fiscal 2008 and 2012 is lower than it will likely be when the college sets this rate.

Note: Fall 2012 rates are those proposed by the University System of Maryland, St. Mary's College of Maryland, and Morgan State University pending approval by their governing boards.

Source: St. Mary's College of Maryland; Morgan State University; University System of Maryland; Department of Budget and Management

Issues

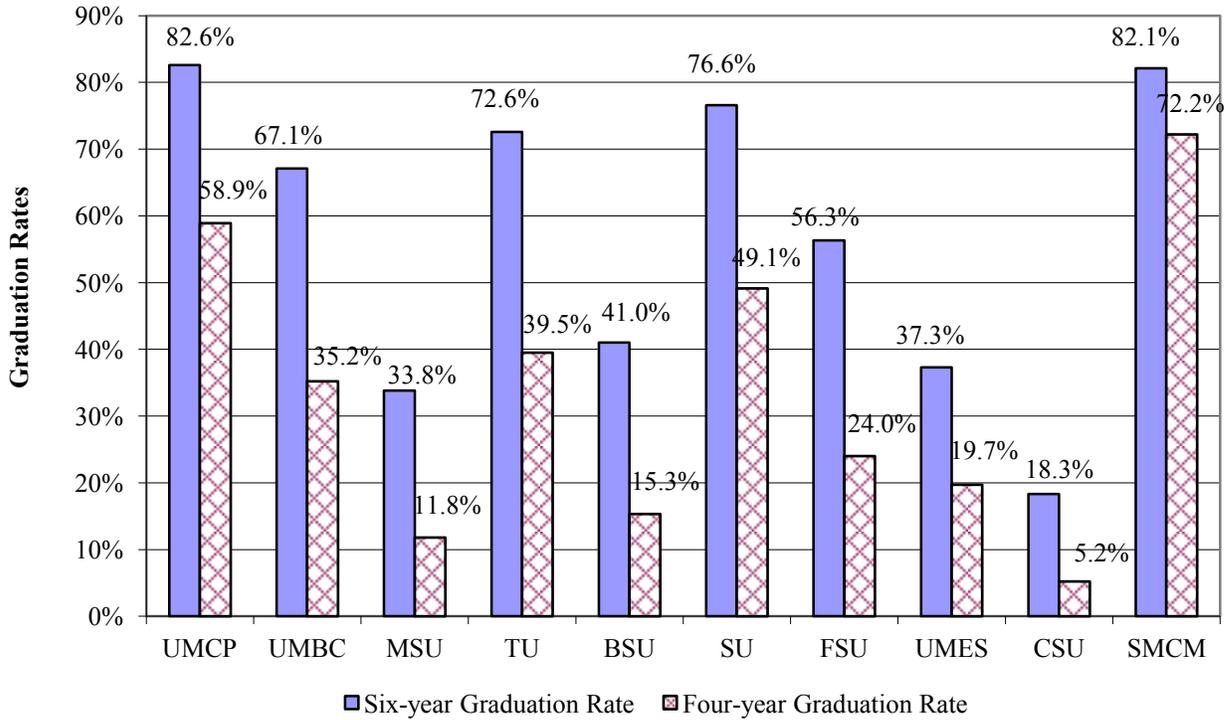
1. Higher Education Productivity

Maryland's graduation and retention rates are high compared to other states, and the State's six-year graduation rate increased from 55.4% for the 1993 cohort to 64.7% for the 2003 cohort. However, the 2004 cohort, the most recent actual available, declined for the first time in 11 years to 64.1%. All colleges experienced declines except SU and CSU, which grew 4.3 and 0.8 percentage points, respectively.

There is also wide variability between colleges, as shown in **Exhibit 10**. UMCP and SMCM have the State's highest six-year graduation rates, at 82.6 and 82.1%, respectively. The lowest is CSU, where 18.3% of students graduate after six years. Exhibit 10 also shows each college's four-year graduation rate, which for most are significantly lower than the six-year rate. The average student takes more than four years to graduate from college.

Retention rates, shown in **Exhibit 11**, foreshadow graduation rates. That is, colleges with high retention rates tend to also have high graduation rates. The exhibit shows similar variability as the graduation rates; UMCP and SMCM have the highest second-year retention rates at over 90%. The State average for the 2008 cohort was 80.8%, a 0.2 percentage point decline from the 2007 cohort. Also shown are third-year retention rates. CSU remains the lowest, where less than half (42.6%) of students return after two years.

Exhibit 10
Four- and Six-year Graduation Rates
2004 Cohort

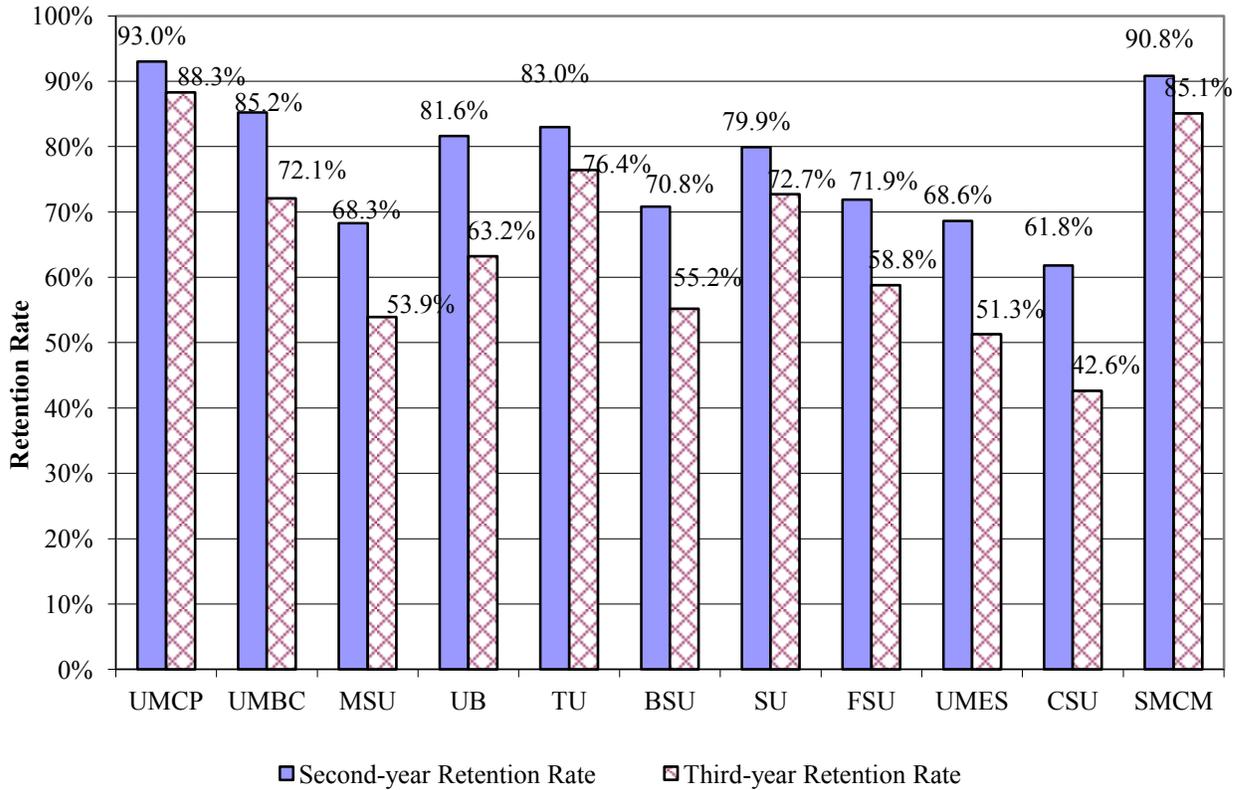


BSU: Bowie State University
 CSU: Coppin State University
 FSU: Frostburg State University
 MSU: Morgan State University
 SMCM: St. Mary’s College of Maryland

SU: Salisbury University
 UMBC: University of Maryland Baltimore County
 UMCP: University of Maryland, College Park
 UMES: University of Maryland Eastern Shore
 TU: Towson University

Source: Maryland Higher Education Commission *Retention and Graduation Rates at Maryland Public Four-year Institutions*, January 2012

Exhibit 11
Second- and Third-year Retention Rates
2008 Cohort



BSU: Bowie State University
 CSU: Coppin State University
 FSU: Frostburg State University
 MSU: Morgan State University
 SMCM: St. Mary's College of Maryland
 SU: Salisbury University

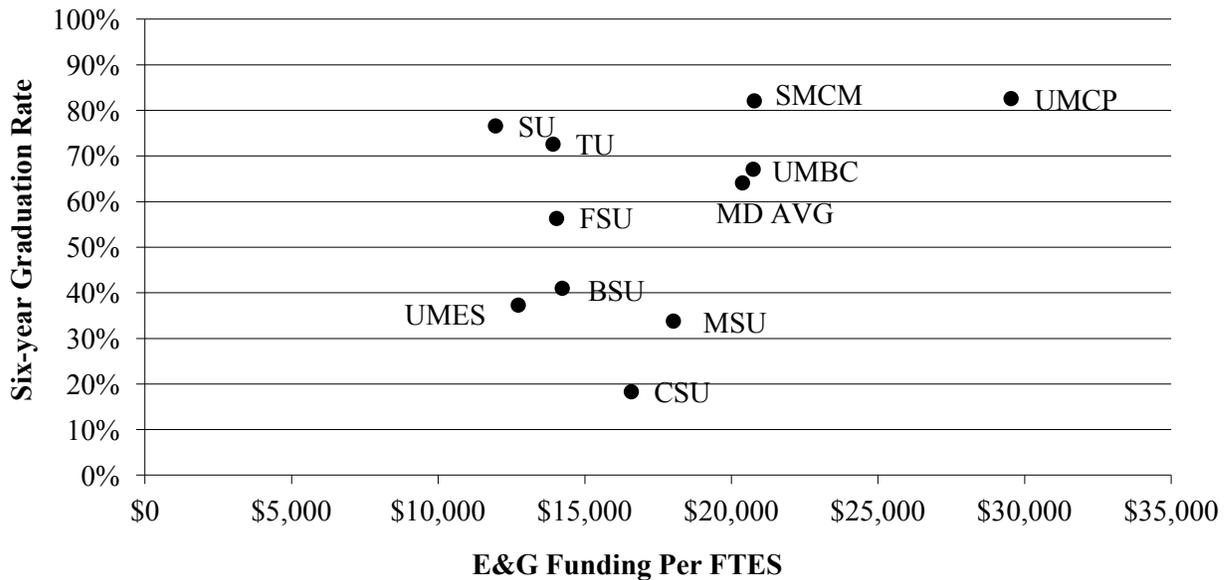
UB: University of Baltimore
 UMBC: University of Maryland Baltimore County
 UMCP: University of Maryland, College Park
 UMES: University of Maryland Eastern Shore
 TU: Towson University

Source: Maryland Higher Education Commission *Retention and Graduation Rates at Maryland Public Four-year Institutions*, January 2012

Productivity on a Per Student Basis

Another way to analyze college success is to examine what is produced for the State’s investment. **Exhibit 12** compares the six-year graduation rate of the 2004 cohort with each college’s E&G revenues per FTES in fiscal 2010. The colleges in the upper left of the exhibit are those that have higher graduation rates while receiving less than average revenue per FTES and are considered more efficient. SU and Towson University (TU) are the State’s most efficient institutions by this measure. SU in particular, has a graduation rate of 76.6% while receiving the least per FTES statewide, \$11,955. UMCP’s E&G revenues per student is the State’s highest, but UMCP also has the State’s highest six-year graduation rate.

**Exhibit 12
E&G Revenues Per FTES and Six-year Graduation Rates
Fiscal 2010**



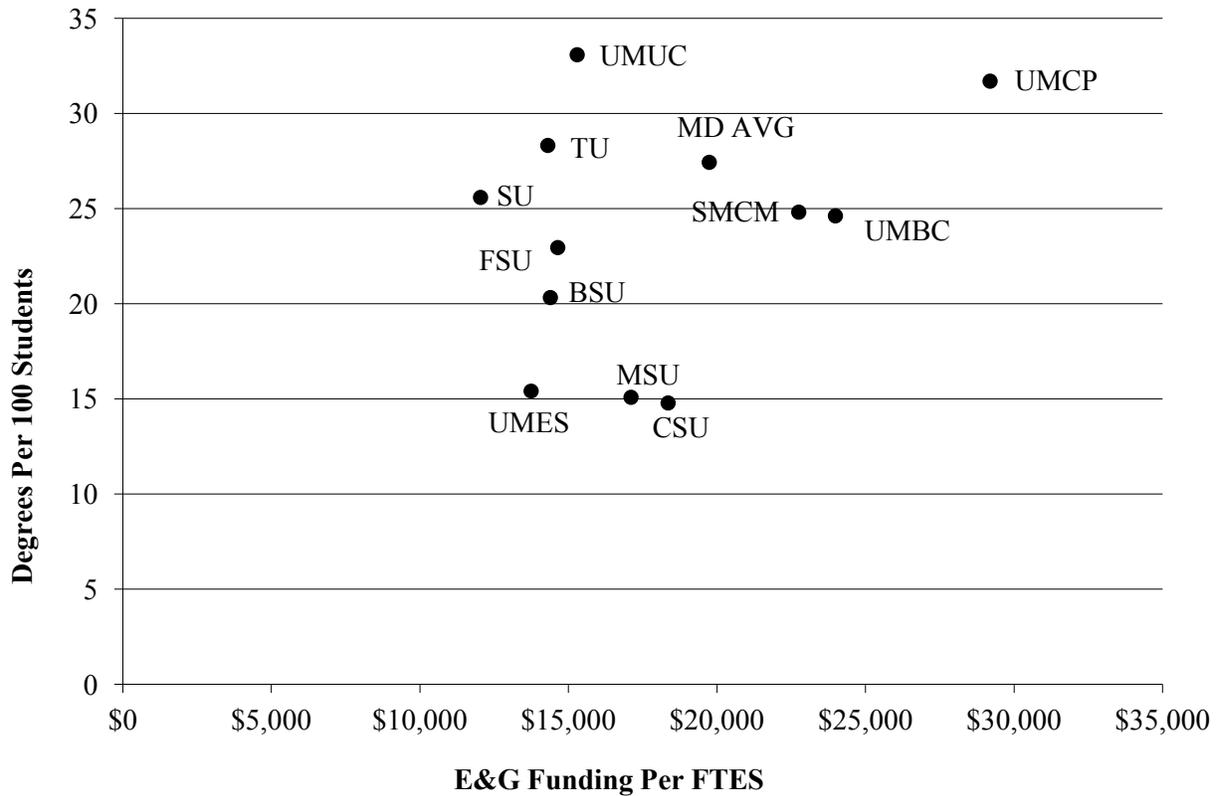
- | | |
|------------------------------------|---|
| BSU: Bowie State University | SMCM: St. Mary’s College of Maryland |
| CSU: Coppin State University | SU: Salisbury University |
| E&G: education and general | UMBC: University of Maryland Baltimore County |
| FSU: Frostburg State University | UMCP: University of Maryland, College Park |
| FTES: full-time equivalent student | UMES: University of Maryland Eastern Shore |
| MSU: Morgan State University | TU: Towson University |

Note: University of Maryland, Baltimore; University of Maryland University College (UMUC) and University of Baltimore are not included. UMUC had an E&G per FTES funding level of \$13,623 in fiscal 2010. UMUC is not displayed, however, because the Maryland Higher Education Commission does not report a six-year graduation rate for the institution. UMUC recently began to track success rates of students comparable to those reported for the other institutions in this exhibit, beginning with the fall 2006 cohort. The data in this exhibit represents the fall 2004 cohort.

Source: Maryland Higher Education Commission; Governor’s Budget Books, Fiscal 2012

Exhibit 13 shows each college’s E&G revenues per FTES figure and degrees awarded per 100 FTES in fiscal 2011, the most recent actual available. By this measure, SU, TU, and UMUC are the most efficient. CSU was the least efficient, awarding 14.8 degrees per 100 FTES while receiving \$18,354 per FTES.

**Exhibit 13
E&G Revenues Per FTES and Degrees Awarded Per 100 FTES
Fiscal 2011**



BSU: Bowie State University
 CSU: Coppin State University
 E&G: education and general
 FSU: Frostburg State University
 FTES: full-time equivalent student
 MSU: Morgan State University

SMCM: St. Mary’s College of Maryland
 SU: Salisbury University
 UMBC: University of Maryland Baltimore County
 UMCP: University of Maryland, College Park
 UMES: University of Maryland Eastern Shore
 UMUC: University of Maryland University College
 TU: Towson University

Source: Department of Legislative Services; Governor’s Budget Books, Fiscal 2013

To meet the State’s degree attainment goals, the State’s graduation and retention rates will have to improve over where they are today. There are a number of initiatives underway to help improve course completion and retention that are discussed later in this analysis.

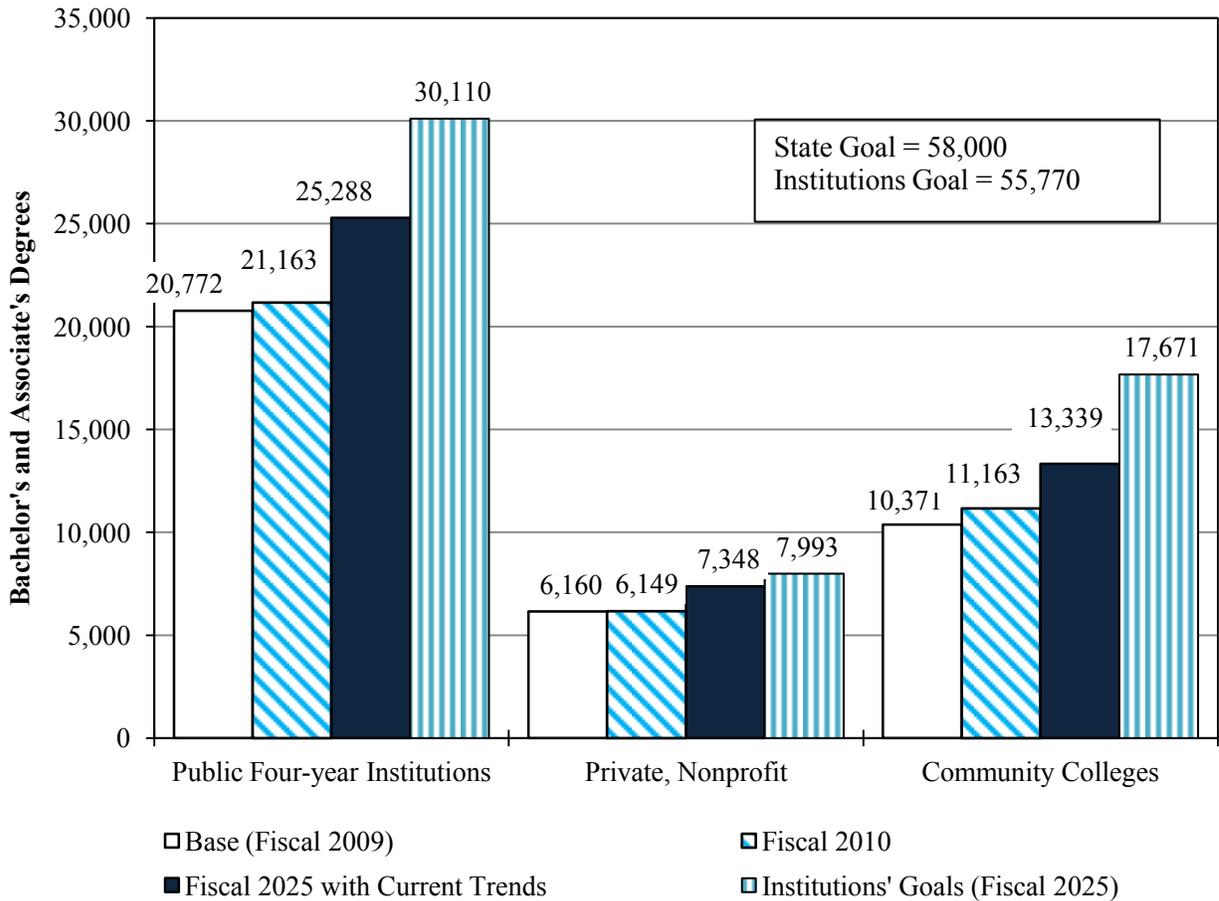
2. Maryland Institutions Set Completion Goals and Estimate Costs

To keep the United States globally competitive, in 2009, President Barack H. Obama set a goal for the United States to have the highest degree completion rate in the world by 2020. Although the United States led the world as recently as the 1980s, it is currently ranked twelfth. Increased degree completion is necessary for the country to remain globally competitive but also for individuals to be competitive in the job market – by 2018, 66% of jobs in Maryland will require at least an associate’s degree. Following the President’s lead, Governor O’Malley announced a College Completion Agenda with the goal that at least 55% of Marylanders ages 25 to 64 hold an associate’s or bachelor’s degree by 2025.

Maryland’s current degree attainment rate is 44%, with the State’s public and private nonprofit colleges awarding 38,475 undergraduate degrees in fiscal 2010. To achieve 55% by 2025, 58,000 degrees must be awarded annually. Current trends show that 45,970 degrees will be awarded annually by 2025, so the State’s colleges must increase annual production by 12,025 degrees or 26.2% above current trends.

Each segment of higher education in Maryland has set goals toward awarding 58,000 degrees in 2025, as shown in **Exhibit 14**. The exhibit shows that the individual segment goals total 55,774 degrees, a little short of the 58,000 degree goal.

Exhibit 14
Annual Degree Production from Maryland Higher Education Segments
Toward 55% Goal



Source: Maryland Higher Education Commission; Governor’s Budget Books, Fiscal 2013; Department of Legislative Services

New Strategic Plans Put Price on Goal

USM and MSU recently implemented new 10-year strategic plans that include initiatives designed to help the State reach the 55% degree completion goal. Both plans have degree and enrollment goals and include cost estimates. **Exhibit 15** summarizes the two institutions’ plans.

Exhibit 15
Strategic Plan Initiatives Focused on 55% Goal
University System of Maryland and Morgan State University

	<u>Undergraduate Degrees</u>	<u>Undergraduate Enrollment Growth</u>	<u>Total Funds Required</u>
University System of Maryland	28,000 awarded by fiscal 2020 <ul style="list-style-type: none"> ● 8,061, or 40.4% growth over fiscal 2010 actual 	133,086 students by fiscal 2020 <ul style="list-style-type: none"> ● 27,382, or 26.0% growth over fiscal 2010 actual ● 50.0% through increased retention ● 50.0% through new freshmen and transfer students 	\$350 million for enrollment growth and program enhancements \$443 million for current services costs growth \$1.8 billion in capital projects
Morgan State University	1,622 degrees by fiscal 2021 <ul style="list-style-type: none"> ● 850, or 110.0% growth over fiscal 2010 actual 	9,765 students by fiscal 2021 <ul style="list-style-type: none"> ● 3,566, or 58.0% growth over fiscal 2010 actual 	\$254 million on operating funds \$908 million in capital projects
Total Increase	8,911 degrees	30,948 students	\$1.05 billion in operating budget \$2.7 billion in capital projects

Source: Degree date from Integrated Postsecondary Education Data System; Enrollment data from Maryland Higher Education Commission; funding figures from University System of Maryland, Morgan State University

University System of Maryland

USM's plan calls to increase the number of undergraduate degrees awarded to 28,000 by fiscal 2020, an increase of 8,061 degrees and 40.4% over fiscal 2010. To achieve this, USM proposes to increase undergraduate headcount enrollment by 26.0% over fiscal 2010 to 133,086, adding 27,382 new students. Roughly half of USM's enrollment growth would come from increased retention rates with the other half from new freshmen and transfer students.

Specific goals have been set at the campus level. UMUC, for example, is expected to double degree production and expand enrollment by about one-third, indicating retention and graduation rates are expected to increase significantly. UMCP, by contrast, is expected to increase degrees by a more modest 8%, reflecting the already high completion rates at the university. The plan also calls for UMCP to grow by 2,000 students, a reversal of its 2009 strategic plan that called for shrinking enrollment.

USM's plan is expected to cost \$350 million for new enrollments and \$443 million for growth in the current services budget, half of which will be covered by general funds and half by tuition and fee revenue, assuming 7% annual increases in tuition and State funds.

Morgan State University

The new strategic plan from MSU calls for increasing undergraduate degrees awarded to 1,622 in fiscal 2020. Using fiscal 2010 actual data, degrees awarded increases by 850 degrees or 117%. The university's plan also calls for doubling total enrollment, growing undergraduate enrollment from 6,199 in fall 2010 to approximately 10,000 by fall 2020, through a mix of increased retention and enrollments from new freshmen and transfer students. Currently, enrollment growth comes from transfer students, but MSU believes with increased funding, it could also grow the number of freshmen admitted. The university believes this plan will cost \$253.5 million and assumes 5% annual tuition increases in addition to \$150 million in State funds.

Other Segments

USM and MSU both instituted new strategic plans to meet the new degree production goals set by the Governor. SMCM also plans to contribute, but has not set specific degree targets. SMCM proposes to focus on increasing the college's four-year graduation rate, graduating students in less time than it currently takes. For their part, the State's community colleges propose to increase associate's degree awards by 4,300 above what natural growth would produce. The segment has not put a dollar figure on how much that would cost, however. This issue will be discussed further in a later analysis.

3. State Receives Two \$1 Million Grants to Help Reach Completion Goals

Maryland is the recipient of two major grants that are helping the State to reach its 55% degree completion goal. The first is called Growing by Degrees, a Lumina Foundation for Education grant for which states were able to apply for funding to demonstrate innovative higher education practices. Maryland is one of seven recipients and received over \$1 million. The other major grant was also about \$1 million and is from Complete College America (CCA), a nonprofit organization.

Growing by Degrees

The Growing by Degrees grant is being administered by USM and focuses on three levels.

- **State Leadership Level:** Focusing on coordinating statewide policies promoting the State's degree completion goals, it works on achieving the goals within available resources through the Governor's P20 Council.
- **Campus Level:** Funds meetings and conferences for campus leaders to discuss best practices and cost saving measures to create savings that can be reinvested in other college priorities.
- **Faculty and Student Level:** The majority of the work will be done at this level and focuses on course redesign. This typically takes "bottleneck" courses that students tend to have trouble successfully completing and redesigns the structure to boost student learning. Courses become more online-based, and students are usually learning at their own pace. The grant will fund Course Redesign Fellows who will be able to assist or advise colleges undertaking a redesign project.

Growing by Degrees has funded 17 sub-grants, most valued at \$20,000, with matching funds provided by recipient institutions. Recipients include community colleges; four-year public institutions; and private, nonprofit colleges for a variety of courses, but most involve science or math. Specifically, 5 of the sub-grants support the redesign of basic arithmetic or algebra.

The first round of sub-grants was awarded in fall 2010 with redesign developed during the 2010-2011 academic year. The new courses were piloted during the fall 2011 semester and are being fully implemented in the spring 2012 semester. The second round of sub-grants was awarded in fall 2011 and followed a schedule delayed by one year, with a pilot in fall 2012 and implementation in spring 2013.

Complete College America

The CCA grant is being administered by MHEC and has two parts, one focused on additional course redesign work and another on awarding associate's degrees to transfer students who have satisfied all requirements.

Similar to Growing by Degrees, the CCA grant will support 21 \$30,000 sub-grants to public four-year and community colleges and recruit and train 15 Course Redesign Fellows. These sub-grants are focused on developmental math. As of January 2012, grant applications are being processed by MHEC.

It is possible that if a standard redesigned developmental math class were developed and then implemented by colleges statewide, the student gains seen with redesign so far may continue at a lower cost to the State or available grant funding. **The Secretary should comment on the efficiency of having each college redesign its own courses, and the possibility of creating a redesigned course that can be replicated at colleges throughout the State.**

The other part of the CCA grant funds the Associate Degree Award for Pre-degree Transfer Students (ADAPTS). This work focuses on reverse transfer, or awarding associate's degrees to students who transferred from a community college before completing the degree and subsequently earned enough credits to receive an associate's degree.

Only 18% of Maryland students entering community college as a full-time student earned an associate's degree within four years. That rate is 6% for part-time students. Many transferred to a four-year institution before completing the degree, and although they may not continue on to complete a bachelor's degree, their work at the four-year institution may satisfy the community college's associate's degree requirements. ADAPTS is working to make it easier to transfer those credits back to the community college so that it can award the student an associate's degree.

Before ADAPTS, reverse transfer was happening on a small uncoordinated scale. This program will make reverse transfer a part of Maryland's higher education infrastructure. Beginning with four pilot projects, the initial goal is learn how best to identify students who are eligible or close to being eligible for an associate's degree and then identify the policy and institutional changes that must occur to make the transfer of credits seamless. **The Secretary should update the committees on the status of the ADAPTS program.**

4. Project Win-Win – One Way to Find Adults with Accumulated Credits

In the *2011 Joint Chairmen's Report* the budget committees expressed an interest in finding ways to recapture adults with accumulated college credits but without college degrees. An estimated one in five adults in the United States attended college but left before completing a degree. Many left just shy of meeting the requirements for an associate's or bachelor's degree, and with proper incentives, some may return to complete the degree. Programs focusing on returning adults are relatively new, but some are already showing positive results.

Project Win-Win, which is funded by the Lumina Foundation for Education, works with 64 community colleges and four-year institutions (none in Maryland) to identify former students who are no longer enrolled at any college and are short of an associate's degree by 12 credits or less. The colleges then contact the person with a plan for how to complete the degree and follow-up if he or she indicates an interest in completing the degree.

For Project Win-Win, issues with data compatibility between colleges and degree audit applications make it an intensive, two-year process. However, out of 12,000 degree audits so far, it has identified 6,200 adults that were close to meeting the requirements and an additional 2,800 who already met the requirements and could be awarded a degree automatically.

In addition to the institutional barriers of identifying eligible students, there are challenges for the students as well. Financial aid is the largest issue, as the lack of financial resources may have been the reason the person dropped out of college in the first place and most aid programs are geared toward full-time traditional 18-24 year old students. Reenrollment also presents an issue with respect to understanding the application process and having previously accumulated credits transfer in full. Some colleges offer concierge style services for returning students so that they have one point of contact for the college to guide them through the process of returning.

Most of the projects focusing on adults with some college credits are geared toward awarding associate's degrees and not bachelor's degrees. This is because the number of adults who are near completion of a bachelor's degree are few, and they are already likely to have earned an associate's degree that can be automatically awarded. Although there are concerns about whether awarding associate's degrees automatically or if students earning six or nine additional credits for a degree will significantly impact the educational capital of the population, recognizing the existing educational achievements would help meet the Governor's 55% goal and also allow a better understanding as to the capabilities of the State's workforce. **The Secretary should comment on the estimated number of adults with accumulated credits in the State and Maryland's efforts to address adults with accumulated credits who are without a degree.**

5. Study of Higher Education in Baltimore City Breaks Little New Ground

During the 2011 legislative session, the budget committees became concerned with student success and the cost per degree at public, non-research higher education institutions in Baltimore City. Some of the city's colleges suffer from very low success rates, and this could impact the State's 2025 degree completion goal set by the Governor. CSU, for example, has the State's lowest six-year graduation rate at 18.3%, while nearly all of BCCC's students require developmental education before starting credit-bearing coursework, and few complete it.

A *Joint Chairmen's Report* item requested MHEC to convene a task force to assess the current state of public, non-research higher education in Baltimore City and long term efficiencies that can be created by institutional partnerships, merging resources or institutions, and the impact these actions would have on student success and cost per degree. The task force included two experts, one on degree completion and one on institutional partnerships, including mergers. Finally, the task force was to consider the report of the 2011 CSU Revitalization Study Team in its findings.

The task force's report was submitted in December 2011. The report includes demographic and employment trends for the city and a detailed description of each college covered by the charge: BCCC, CSU, and the University of Baltimore (UB).

Discussion of Merging Institutions

The task force recommended against merging institutions. The report explains that each institution serves a distinct population and purpose, and there is little overlap of programs. BCCC was cited as the only low-cost, open enrollment option for city residents, and home to a large number of workforce development and contract training programs. The task force fears these may disappear if the college is merged with CSU or UB. The report also states that BCCC's current issues with accreditation, which while being fully accredited is on probation with its accrediting body, may impact the accreditation of the institution with which it is merged.

The report also includes a discussion of USM's Effectiveness and Efficiency Initiative (E&E), which resulted from "voluminous" research of institutional consolidation and concludes that growing working relationships between BCCC, CSU, and UB will be the most effective use of State resources.

It should be noted that the task force did not include an outside expert in institutional partnerships or mergers, as requested in the charge, nor did task force consult one. The report does not explain why this occurred. Finally, while the task force discussed a number of "cons," the report does not consider any "pros" from merging institutions.

Discussion of Institutional Partnerships

The task force was also asked to consider long-term efficiencies that can be created through new institutional partnerships and collaborations between colleges. The report lists a number of ways the three institutions are working together, including existing articulation agreements between BCCC and the two four-year universities and the existing joint Masters of Human Services Administration between CSU and UB. The report also discusses USM's course redesign, an existing program to increase completion of developmental education and bottleneck courses.

Task Force Recommendations

The report's recommendations reflect the task force decision against merging resources and its focus on existing institutional partnerships. The task force's main recommendations are:

- There should be no institutional merger.
- The three colleges should continue enhancing student success; reviewing articulation agreements and academic programs for improvement; and recruit transfer students, especially from BCCC and especially with junior status or an associate's degree.
- The three colleges should share information relating to existing programs on course redesign; experiential learning; and science, technology, engineering, and mathematics programs for teachers and students.

Higher Education – Fiscal 2013 Budget Overview

- Explore the feasibility of developing a uniform college preparation program for Baltimore City Public Schools (BCPS).
- The three institutions should assess the cost of implementing these recommendations (which will likely be minimal).

The recommendation relating to BCPS is the only one that did not refer to ongoing programs at BCCC, CSU, or UB and would result in students graduating from the city's high schools better prepared for college level work. **USM and the Maryland Association of Community Colleges (MACC) should comment on the implementation of the task force's recommendations. USM and MACC should additionally comment on new partnerships and collaborations that could be implemented by the three institutions and on positive outcomes that could result from merging institutions.**

Update

1. Voluntary Separation at St. Mary’s College of Maryland

In December 2010, the Governor signed Executive Order 01.01.2010.23 establishing a voluntary separation program for State employees. The goal was to reduce the size of State government and save on personnel expenses. Eligible employees could apply to the Secretary of the Department of Budget and Management to participate, and those approved would receive a one-time cash payment whose amount was based on the length of employment to the State. Once separated, the former employee was not allowed to reapply for work at any State agency or contractor.

A number of agencies were exempt from the executive order, including the State’s public four-year institutions. However, the executive order allowed them to implement their own voluntary separation programs if they chose to do so. SMCM chose to implement a program; USM and MSU did not.

SMCM employees eligible for its voluntary separation program had to have been full-time, tenured faculty working at the college for at least 10 years, a requirement 69 employees met. There were two windows during which employees could apply for separation, between May 16 and May 31, 2011, for separation by June 30, 2011; and August 1 and October 31, 2011, for separation by May 31, 2012. As an incentive, employees who were with the college between 10 and 19 years would receive cash payments over a 3-year period totaling 60% of their final salary. Employees who were with the college 20 or more years would receive payments totaling 70% of their final salary.

The college reports that between the two windows, four employees applied for separation and all were approved. Their salaries and fringe benefits totaled \$373,126. The payouts associated with the program will total \$252,880, although SMCM expects long-term savings as these senior faculty members will be replaced with junior faculty members at a lower salary base.

Trends in Education and General Revenues¹
Public Four-year Institutions
(\$ in Thousands)

<u>Institution</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Working 2012</u>	<u>Allowance 2013</u>	<u>Annual % 2009-12</u>	<u>% Change 2012-13</u>
Univ. of Maryland, Baltimore	\$427,741	\$440,744	\$453,625	\$458,668	\$463,123	2.4%	1.0%
Univ. of Maryland, College Park	919,967	925,434	920,514	999,702	1,017,959	2.8%	1.8%
Univ. of Maryland Baltimore County	207,409	212,254	251,863	214,215	219,701	1.1%	2.6%
Morgan State University	118,395	119,500	119,251	129,385	134,483	3.0%	3.9%
University of Baltimore	85,190	86,683	92,045	95,946	97,532	4.0%	1.7%
Univ. of Maryland Univ. College	270,990	280,651	337,837	360,087	363,984	9.9%	1.1%
Towson University	241,563	244,792	255,622	264,769	272,639	3.1%	3.0%
Bowie State University	66,433	64,495	65,237	70,259	69,162	1.9%	-1.6%
Salisbury University	80,635	88,739	91,416	97,717	100,479	6.6%	2.8%
Frostburg State University	65,272	65,221	68,018	67,833	69,205	1.3%	2.0%
Univ. of Maryland Eastern Shore ²	52,726	50,684	56,283	60,622	60,616	4.8%	0.0%
Coppin State University	51,597	52,397	55,265	54,603	55,698	1.9%	2.0%
St. Mary's College of Maryland	41,005	45,513	46,597	50,480	50,424	7.2%	-0.1%
Univ. of Maryland Ctr. for Env. Science	21,620	22,095	22,144	25,529	25,325	5.7%	-0.8%
Univ. of Maryland Biotechnology Institute	30,467						
Total	\$2,681,010	\$2,699,202	\$2,835,717	\$2,949,814	\$3,000,328	3.2%	1.7%

¹ Education and general revenues represent tuition and fees, State funds (general and Higher Education Investment Funds), grants and contracts (federal, State, and local), and sales and services of education activities less auxiliary program enterprise revenue. For the University of Maryland, Baltimore, hospital expenditures are excluded from educational and general revenue. Agricultural and cooperative extension programs at the University of Maryland, College Park (UMCP) and University of Maryland Eastern Shore are also excluded. Funding for the Maryland Fire and Rescue Institute is excluded from UMCP.

² Fiscal 2012 includes a deficiency appropriation of \$150,000 for the Environmental Synthesis Center.

Note: Numbers may not sum due to rounding.

Source: Governor's Budget Books, Fiscal 2010-2013

**Education and General Revenues¹
Per Full-time Equivalent Student
Public Four-year Institutions**

<u>Institution</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Working 2012</u>	<u>Allowance 2013</u>	<u>Annual % Change 2009-12</u>	<u>% Change 2012-13</u>
Univ. of Maryland, Baltimore	\$71,600	\$69,071	\$70,439	\$75,130	\$75,860	1.6%	1.0%
Univ. of Maryland, College Park	29,939	29,540	29,193	32,248	32,811	2.5%	1.7%
Univ. of Maryland Baltimore County	21,275	20,744	23,987	20,401	20,924	-1.4%	2.6%
Morgan State University	18,832	18,021	17,107	18,020	18,183	-1.5%	0.9%
University of Baltimore	21,378	20,286	20,782	21,580	21,937	0.3%	1.7%
Univ. of Maryland Univ. College	14,753	13,623	15,294	15,656	15,825	2.0%	1.1%
Towson University	13,983	13,917	14,305	14,624	15,059	1.5%	3.0%
Bowie State University	14,776	14,231	14,392	15,384	15,144	1.4%	-1.6%
Salisbury University	11,170	11,955	12,041	12,499	12,852	3.8%	2.8%
Frostburg State University	14,721	14,038	14,640	14,332	14,622	-0.9%	2.0%
Univ. of Maryland Eastern Shore	13,799	12,731	13,744	14,304	13,817	1.2%	-3.4%
Coppin State University	16,251	16,586	18,354	18,201	18,566	3.9%	2.0%
St. Mary's College of Maryland	19,573	20,782	22,753	25,227	25,200	8.8%	-0.1%
Average²	\$19,718	\$19,182	\$19,779	\$20,447	\$20,763	1.8%	1.1%

¹ Education and general revenues represent tuition and fees, State funds (general and Higher Education Investment Funds), grants and contracts (federal, State, and local), and sales and services of education activities less auxiliary program enterprise revenue. For the University of Maryland, Baltimore, hospital expenditures are excluded from educational and general revenue. Agricultural and cooperative extension programs at the University of Maryland, College Park (UMCP) and University of Maryland Eastern Shore are also excluded. Funding for the Maryland Fire and Rescue Institute is excluded from UMCP.

² The weighted average, excluding the University of Maryland, Baltimore, whose education and general revenue includes medical research funding.

Source: Department of Legislative Services; Governor's Budget Books, Fiscal 2013

**Fiscal 2013 Revenues Per Full-time Equivalent Student¹
By Revenue Source
Public Four-year Institutions**

<u>Institution</u>	<u>E&G Revenues</u>	<u>State Funds</u>	<u>Tuition and Fees</u>	<u>FTES</u>	<u>E&G Revenues Per FTES</u>	<u>State Funds Per FTES</u>	<u>Tuition and Fees Per FTES</u>	<u>ST as % of E&G</u>	<u>T&F as % of E&G</u>
Univ. of Maryland, Baltimore	\$463,122,525	\$184,288,723	\$113,717,057	6,105	\$75,860	\$30,187	\$18,627	40%	25%
Univ. of Maryland, College Park	1,017,959,214	376,623,245	469,538,283	31,025	32,811	12,139	15,134	37%	46%
Univ. of Maryland Baltimore County	219,700,915	96,469,956	101,719,868	10,500	20,924	9,188	9,688	44%	46%
Morgan State University	134,482,977	74,050,695	55,765,779	7,396	18,183	10,012	7,540	55%	41%
University of Baltimore	97,531,712	30,362,899	66,170,322	4,446	21,937	6,829	14,883	31%	68%
Univ. of Maryland Univ. College	363,983,912	34,186,520	319,176,836	23,000	15,825	1,486	13,877	9%	88%
Towson University	272,639,166	91,675,703	171,212,937	18,105	15,059	5,064	9,457	34%	63%
Bowie State University	69,161,635	35,859,684	33,175,732	4,567	15,144	7,852	7,264	52%	48%
Salisbury University	100,478,629	39,920,108	60,544,308	7,818	12,852	5,106	7,744	40%	60%
Frostburg State University	69,204,741	33,535,449	33,795,897	4,733	14,622	7,085	7,140	48%	49%
Univ. of Maryland Eastern Shore	60,615,889	29,827,168	30,242,429	4,387	13,817	6,799	6,894	49%	50%
Coppin State University	55,697,577	38,048,588	16,981,567	3,000	18,566	12,683	5,661	68%	30%
St. Mary's College of Maryland	50,424,412	18,154,113	31,029,420	2,001	25,200	9,073	15,507	36%	62%
Total Higher Ed	\$2,975,003,304	\$1,083,002,851	\$1,503,070,435	127,083	\$23,410	\$9,500	\$10,724	36%	51%

E&G: educational and general
 FTES: full-time equivalent student
 ST: State funds
 T&F: tuition and fees

¹ Agricultural and cooperative extension programs at the University of Maryland, College Park (UMCP) and University of Maryland Eastern Shore are also excluded. Funding for the Maryland Fire and Rescue Institute is excluded from UMCP.

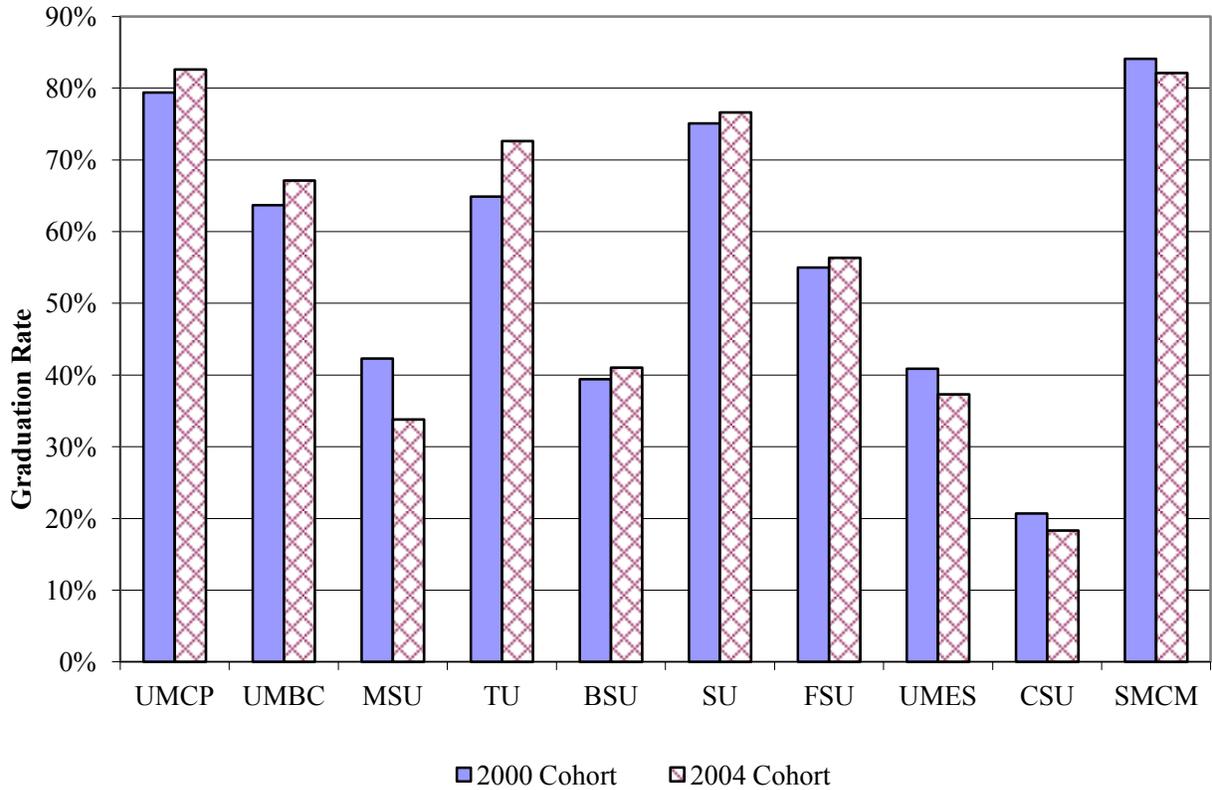
Source: Department of Legislative Services; Governor's Budget Books, Fiscal 2013

Higher Education Enrollment Trends
Full-time Equivalent Student
Public Four-year Institutions

<u>Institution</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Annual % 2008-12</u>	<u>% Change 2012-13</u>
Univ. of Maryland, Baltimore	5,767	5,974	6,381	6,440	6,105	6,105	1.4%	0.0%
Univ. of Maryland, College Park	30,179	30,728	31,328	31,532	31,000	31,025	0.7%	0.1%
Univ. of Maryland Baltimore County	9,411	9,749	10,232	10,500	10,500	10,500	2.8%	0.0%
Morgan State University	6,136	6,287	6,631	6,971	7,180	7,396	4.0%	3.0%
University of Baltimore	3,725	3,985	4,273	4,429	4,446	4,446	4.5%	0.0%
Univ. of Maryland Univ. College	17,054	18,368	20,602	22,089	23,000	23,000	7.8%	0.0%
Towson University	16,104	17,275	17,590	17,869	18,105	18,105	3.0%	0.0%
Bowie State University	4,317	4,496	4,532	4,533	4,567	4,567	1.4%	0.0%
Salisbury University	6,828	7,219	7,423	7,592	7,818	7,818	3.4%	0.0%
Frostburg State University	4,265	4,434	4,646	4,646	4,733	4,733	2.6%	0.0%
Univ. of Maryland Eastern Shore	3,448	3,821	3,981	4,095	4,238	4,387	5.3%	3.5%
Coppin State University	3,000	3,175	3,159	3,011	3,000	3,000	0.0%	0.0%
St. Mary's College of Maryland	2,036	2,095	2,190	2,048	2,001	2,001	-0.4%	0.0%
Total	112,270	117,606	122,968	125,755	126,693	127,083	3.1%	0.3%

Source: Governor's Budget Books, Fiscal 2010-2013

Six-year Graduation Rate for First-time, Full-time Students

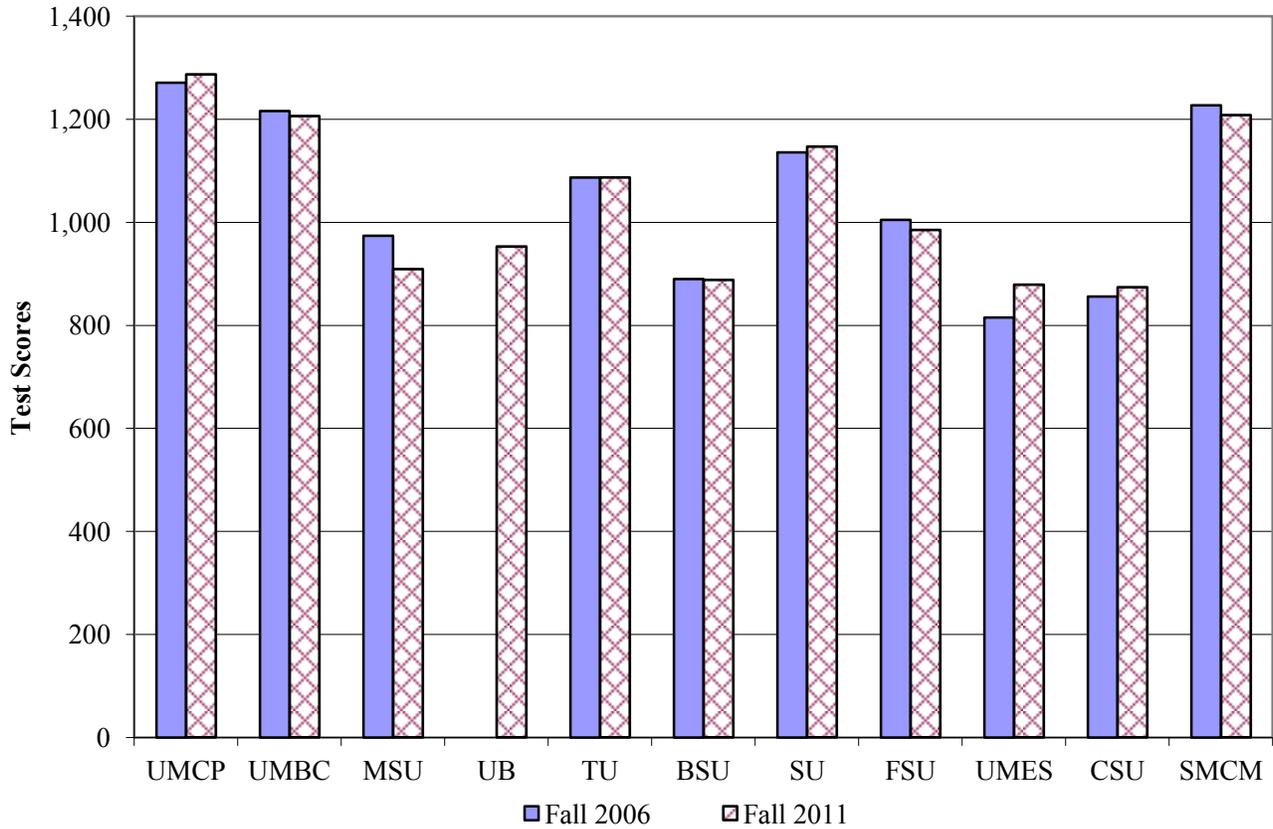


	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Univ. of Maryland, College Park (UMCP)	79.4	79.8	82.1	82.7	82.6
Univ. of Maryland Baltimore County (UMBC)	63.7	65.0	66.3	67.9	67.1
Morgan State University (MSU)	42.3	39.3	34.1	34.8	33.8
Towson University (TU)	64.9	68.1	70.4	75.1	72.6
Bowie State University (BSU)	39.4	40.2	45.0	43.2	41.0
Salisbury University (SU)	75.1	74.5	74.9	72.3	76.6
Frostburg State University (FSU)	55.0	58.9	57.2	60.4	56.3
Univ. of Maryland Eastern Shore (UMES)	40.9	45.1	45.6	38.7	37.3
Coppin State University (CSU)	20.7	22.0	18.3	17.5	18.3
St. Mary’s College of Maryland (SMCM)	84.1	85.5	80.9	85.5	82.1
All Students Average	64.0	64.2	64.3	64.7	64.1

Note: Data shows the percentage of first-time students who had graduated from any campus within six years after starting in the fall of the year at the institution indicated.

Source: Maryland Higher Education Commission

Scholastic Aptitude Test Scores of First-year Students

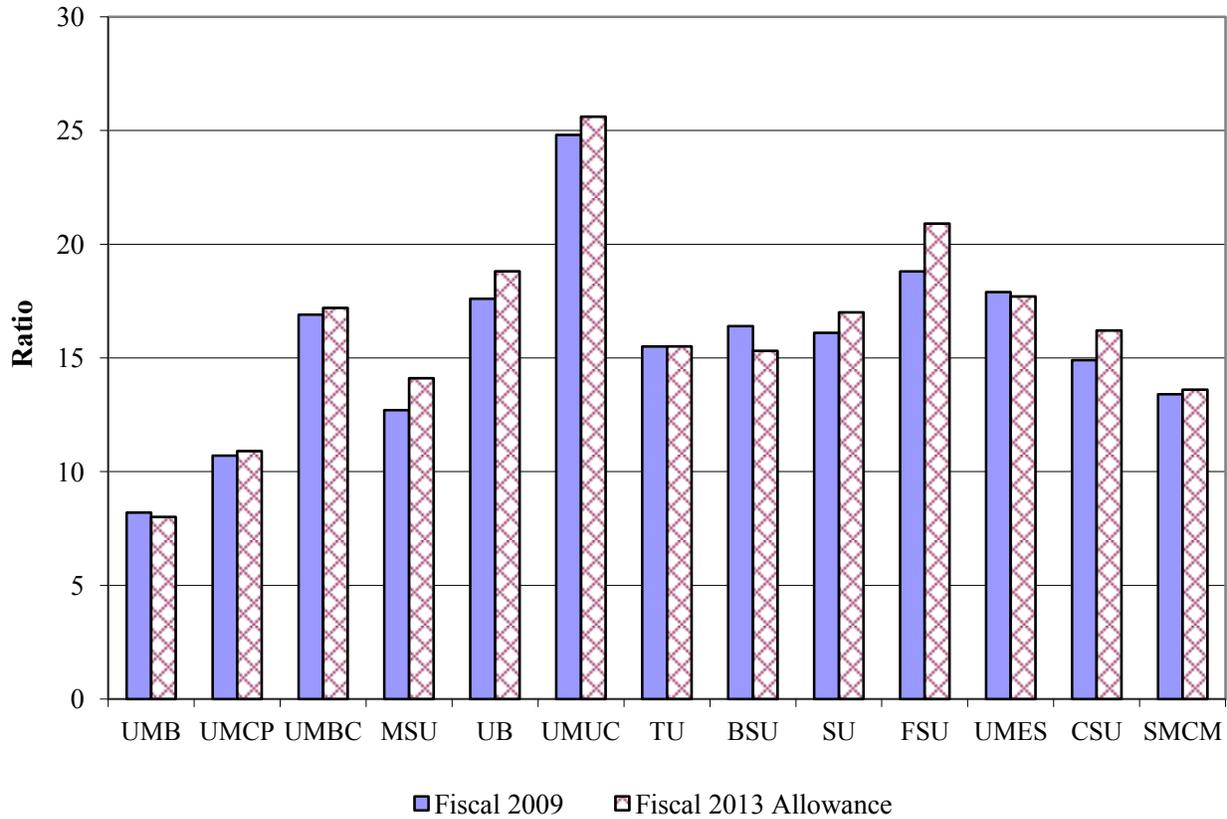


	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Univ. of Maryland, College Park (UMCP)	1,271	1,263	1,268	1,285	1,283	1,287
Univ. of Maryland Baltimore County(UMBC)	1,216	1,191	1,190	1,184	1,204	1,206
Morgan State University(MSU)	974	909	899	904	904	909
University of Baltimore (UB)			949	958	949	953
Towson University (TU)	1,087	1,084	1,074	1,080	1,081	1,087
Bowie State University (BSU)	890	870	882	880	892	888
Salisbury University (SU)	1,136	1,120	1,126	1,129	1,138	1,147
Frostburg State University (FSU)	1,005	967	974	963	982	985
Univ. of Maryland Eastern Shore (UMES)	815	818	828	847	857	879
Coppin State University (CSU)	856	850	853	875	861	874
St. Mary’s College of Maryland (SMCM)	1,227	1,221	1,230	1,229	1,213	1,208
Average (Unweighted)	1,048	1,029	1,025	1,030	1,033	1,038

Note: Reflects verbal (maximum 800) and math (maximum 800) scores.

Source: Maryland Higher Education Commission

Student-to-faculty Ratio



	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Univ. of Maryland, Baltimore (UMB)	8.2	8.9	8.9	8.0	8.0
Univ. of Maryland, College Park (UMCP)	10.7	11.2	11.2	10.8	10.9
Univ. of Maryland Baltimore County (UMBC)	16.9	17.8	17.6	17.3	17.2
Morgan State University (MSU)	12.7	13.6	13.5	13.7	14.1
University of Baltimore (UB)	17.6	20.4	20.8	19.8	18.8
Univ. of Maryland Univ. College (UMUC)	24.8	25.6	25.3	25.6	25.6
Towson University (TU)	15.5	15.3	15.3	15.5	15.5
Bowie State University (BSU)	16.4	15.2	15.8	15.3	15.3
Salisbury University (SU)	16.1	16.7	16.6	17.0	17.0
Frostburg State University (FSU)	18.8	20.6	20.6	20.9	20.9
Univ. of Maryland Eastern Shore (UMES)	17.9	18.3	17.7	17.1	17.7
Coppin State University (CSU)	14.9	14.8	15.2	16.2	16.2
St. Mary's College of Maryland (SMCM)	13.4	13.4	13.3	13.6	13.6

Source: Department of Budget and Management