

R30B27
Coppin State University
University System of Maryland

Operating Budget Data

(\$ in Thousands)

	<u>FY 11</u> <u>Actual</u>	<u>FY 12</u> <u>Working</u>	<u>FY 13</u> <u>Allowance</u>	<u>FY 12-13</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Funds	\$36,366	\$35,986	\$36,398	\$412	1.1%
Contingent & Back of Bill Reductions	0	0	-21	-21	
Adjusted General Fund	\$36,366	\$35,986	\$36,377	\$391	1.1%
Special Funds	1,409	1,958	1,651	-307	-15.7%
Contingent & Back of Bill Reductions	0	0	21	21	
Adjusted Special Fund	\$1,409	\$1,958	\$1,672	-\$286	-15.7%
Other Unrestricted Funds	28,968	29,083	30,072	989	3.4%
Adjusted Other Unrestricted Fund	\$28,968	\$29,083	\$30,072	\$989	3.4%
Total Unrestricted Funds	66,743	67,026	68,120	1,094	1.6%
Adjusted Total Unrestricted Funds	\$66,743	\$67,026	\$68,120	\$1,094	1.6%
Restricted Funds	22,530	22,760	22,760	0	
Adjusted Restricted Fund	\$22,530	\$22,760	\$22,760	\$0	0.0%
Adjusted Grand Total	\$89,273	\$89,786	\$90,880	\$1,094	1.2%

- General funds increase approximately \$412,000, or 1.1%, in the fiscal 2013 allowance. Overall, funds increase approximately \$1.1 million, or 1.2%.
- Contingent on the enactment of the Budget Reconciliation and Financing Act of 2012, \$21,076 in general funds would be reduced and replaced with the same amount of Higher Education Investment Fund dollars.

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

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Personnel Data

	<u>FY 11 Actual</u>	<u>FY 12 Working</u>	<u>FY 13 Allowance</u>	<u>FY 12-13 Change</u>
Regular Positions	476.50	475.50	475.50	0.00
Contractual FTEs	<u>241.60</u>	<u>219.83</u>	<u>219.83</u>	<u>0.00</u>
Total Personnel	718.10	695.33	695.33	0.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	9.9	2.1%
Positions and Percentage Vacant as of 12/31/11	31.0	6.5%

- As of December 31, 2011, Coppin State University (CSU) had 31 vacant positions, all of which are State-supported.
- The allowance reflects no change in regular or contractual positions.

Analysis in Brief

Major Trends

Second-year Retention Stabilizes After Six Year Decline: Second-year retention rates for students entering college between the 2001 and 2007 cohort declined steadily. While the rate improved in 2008, it decreased 1.4 percentage points in 2009 to 60.4%.

Six-year Graduation Rate Declines: In the most recent federal data, CSU's six-year graduation rate declined 2 percentage points in fiscal 2009 to 14.0%, which represents a significant drop from the rate of 26.0% in fiscal 2004.

Issues

Making College Affordable: This issue examines institutional aid, especially loans, at CSU and looks at whether aid adequately addresses the financial needs of low- to moderate-income students. The University System of Maryland (USM) data shows that the neediest category of students, Pell-eligible students, rely on a higher rate of private loans. On average, Pell-eligible students take about \$7,350 in private loans. The percent of students using unsubsidized loans has risen quickly since 2009.

Ten-year Review of 2001 Recommendations: The 2010 *Joint Chairmen's Report* (JCR) requested that USM, in partnership with MHEC, establish an independent team to assess the implementation of the 2001 independent study team's recommendations to determine which recommendations have been fully, partially, and not yet implemented. As required by the JCR, USM submitted an interim report on December 15, 2010, on the team's progress. A final report was submitted to the budget committees in September 2011.

Summer Academic Success Academy: CSU launched a new summer bridge program called the Summer Academic Success Academy (SASA) in June 2010. The six-week residential program gives students an opportunity to complete required developmental coursework and participate in activities and workshops that promote personal growth, social and cultural enrichment, study strategies, academic advising, financial literacy, and career development. In 2011, CSU began requiring all traditional freshmen to participate in the SASA in the summer before their first fall semester.

Recommended Actions

1. See the University System of Maryland overview for systemwide recommendations.

Updates

Athletic Costs Shifted to State-supported Budget to Address Deficit: In 2008, CSU was one of three USM institutions with a negative fund balance in athletics. While no written policy prohibits this, the USM Board of Regents has expressed an expectation that athletics operate without support from other auxiliary activities. CSU's revised plan to address the deficit shifts \$425,000 in athletic costs to the State-supported budget, of which \$200,000 is supported by general funds. CSU expects the plan to bring the athletic budget into balance by 2013.

R30B27
Coppin State University
University System of Maryland

Operating Budget Analysis

Program Description

Coppin State University (CSU) is an historically black institution (HBI) offering undergraduate and graduate programs in humanities, education, nursing, liberal arts, and sciences. The university is committed to educating and empowering a diverse student body. CSU's mission is to help students become critical, creative, and compassionate citizens of the community and leaders of the world.

CSU helps students from a broad range of academic preparation and abilities fulfill their potential and become successful. The university provides access to students that lack social and financial opportunities. While serving all students in the State, CSU continues to enhance its connection to first-generation students and to meet societal needs, especially those of Baltimore City.

Carnegie Classification: Master's M: Master's Colleges and Universities (medium programs)

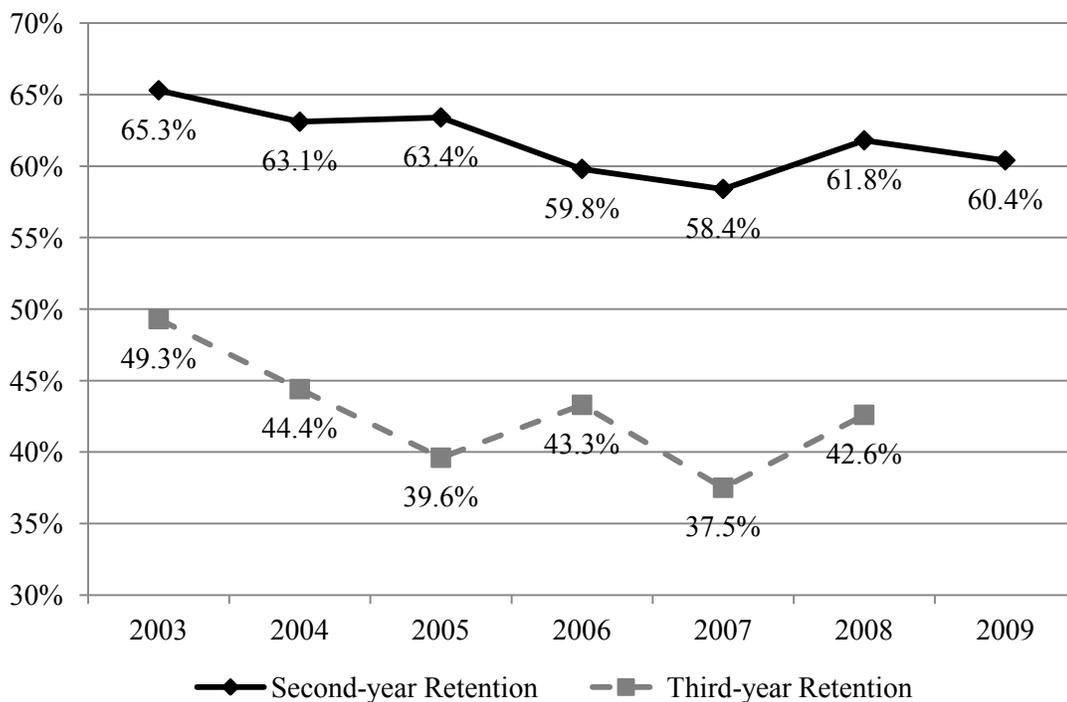
Fall 2011 Undergraduate Enrollment Headcount		Fall 2011 Graduate Enrollment Headcount	
Male	806	Male	141
Female	2,489	Female	377
Total	3,295	Total	518
Fall 2011 New Students Headcount		Campus (Main Campus)	
First-time	571	Acres	56
Transfers/Others	292	Buildings	12
Graduate	132	Average Age	28
Total	995	Oldest	1958
Programs		Degrees Awarded (2010-2011)	
Bachelor's	27	Bachelor's	365
Master's	11	Master's	80
Certificates	8	Certificates	0
Doctoral	1	Doctoral	0
		Total Degrees	445
Proposed Fiscal 2013 In-state Tuition and Fees*		Degrees Awarded (2010-2011)	
Undergraduate Tuition	\$3,854	Bachelor's	365
Mandatory Fees	\$1,866	Master's	80

*Contingent on Board of Regents approval.

Performance Analysis: Managing for Results

Maintaining and strengthening academic excellence and effectiveness to meet the educational needs of the State is a key strategic goal of the University System of Maryland (USM) and CSU. **Exhibit 1** shows the most recent data for second- and third-year retention rates for first-time, full-time undergraduate students at CSU.

Exhibit 1
Second- and Third-year Retention Rates
2003-2009 Cohorts



Source: Maryland Higher Education Commission

Note: Rates are for all first-time, full-time undergraduate students (includes those entering through advanced placement or other early credit-granting means who accumulated enough college credits to enter with a freshmen standing).

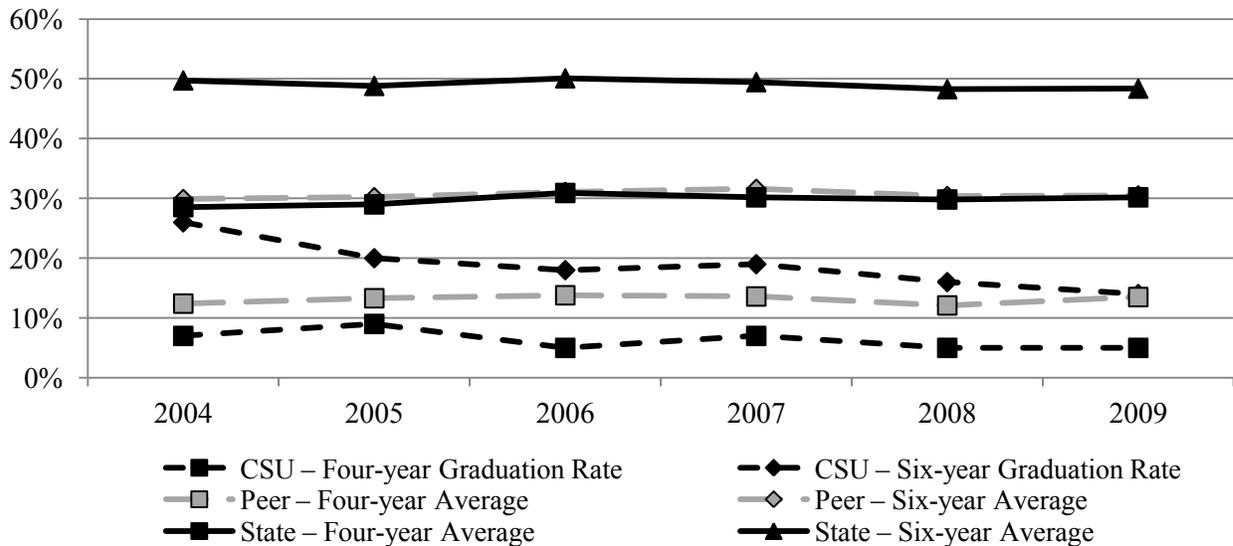
CSU's second-year retention rate declined 1.4 percentage points to 60.4% from the 2008 to 2009 cohort and is now 21.1 percentage points below the average for State schools. The third-year rate increased 5.1 percentage points to 42.6%. It is not clear why retention rates may vary moderately from cohort to cohort. The prior third-year rate in 2007 was the lowest retention rate recorded in Maryland since data reporting began in 1988. Despite the moderate increase in third-year rates, both rates demonstrate a generally downward trend in recent years and reflect the lowest retention rates of

any State school. CSU reports that 50.0% of the students who leave the institution do so between their first and second academic year. As a result, the institution will continue to focus on improving second-year retention, using strategies such as improved academic advising, the Student Success Center, and the Summer Academic Success Academy (SASA). CSU also worked with the CSU Study Team to identify the cause of recent declines in retention and graduation rates and believes that contributing factors may include campus climate, student finances, and student transfers. The efforts are discussed further in the Issues section of this analysis.

The President should comment on recent trends in retention rates and which direction CSU’s rates will trend in the next few years.

Exhibit 2 compares the four- and six-year graduation rates of CSU to the average of its peer institutions and the State’s four-year public institutions using national data from the Integrated Postsecondary Education Data System. Peers are institutions that are similar to CSU on a variety of characteristics and are used as a basis to assess CSU’s performance and are designated by USM as performance peers. CSU’s four-year rate has remained at least 4.0 percentage points below its peers since 2004, and by 2009, the gap reached 8.5 percentage points. This illustrates the correlation with retention rates, as both retention rates (Exhibit 1) fall over the same time period. The trend in the six-year rates is much clearer. CSU’s graduation rate fell by almost 50% from 2004 to 2009. Although the gap between CSU and its peers was less than 4.0 percentage points in 2004, this grew to over 16.0 percentage points in 2009. Overall, CSU increasingly underperformed versus its peers and remained significantly below the State averages.

Exhibit 2
Four- and Six-year Graduation Rates
Fiscal 2004-2009

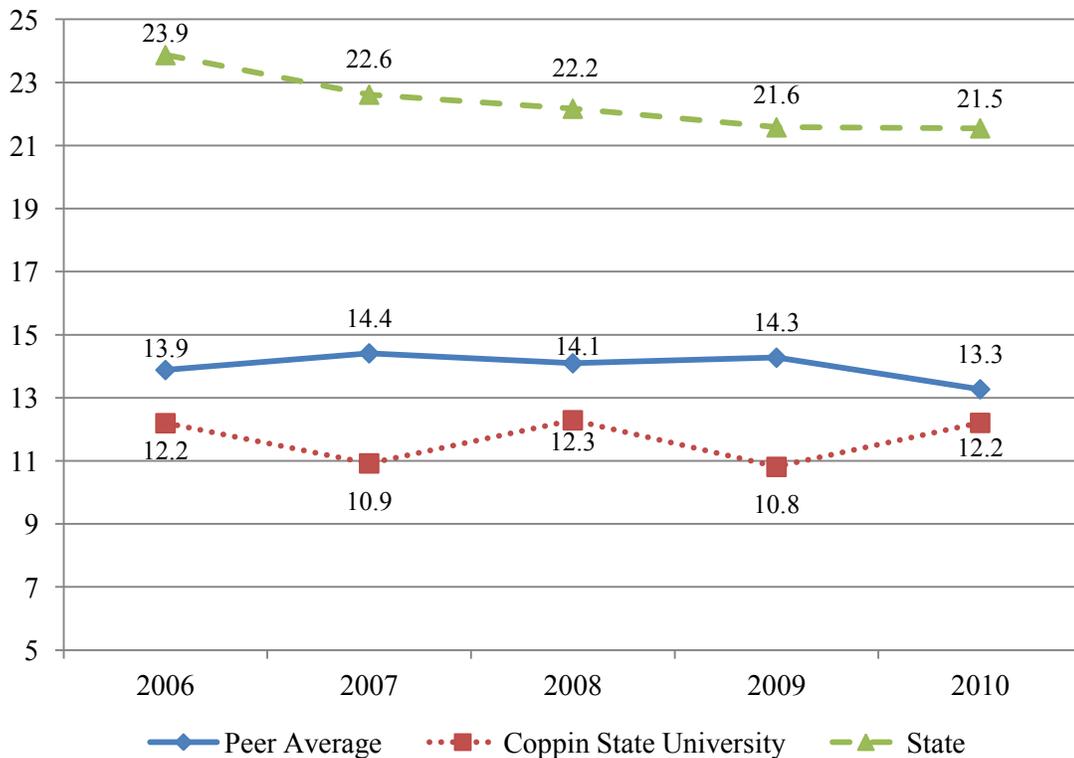


CSU: Coppin State University

Source: Integrated Postsecondary Education Data System; Department of Legislative Services

Another measure of institutional quality is the number of undergraduate degrees awarded per 100 undergraduate full-time equivalent students (FTES). Trends in bachelor’s degrees per 100 FTES provide information regarding whether or not an institution is becoming more effective at translating inputs (undergraduate students) into outputs (bachelor’s degrees). This measure also captures nontraditional students who are not enrolled full-time. **Exhibit 3** shows the number of bachelor’s degrees per 100 undergraduate FTES at CSU compared to its peer institutions and the State average between fiscal 2006 and 2010. Over this period, the number of bachelor’s degrees awarded at CSU is significantly lower than the State average and consistently remains below its peers. However, over the same period the State average declined 2.4 percentage points, while CSU fluctuated but returned to its 2006 rate for no net change. This lower rate may be because of CSU’s mission to serve students who are not always adequately prepared for college and may not follow a traditional four-year path to graduation.

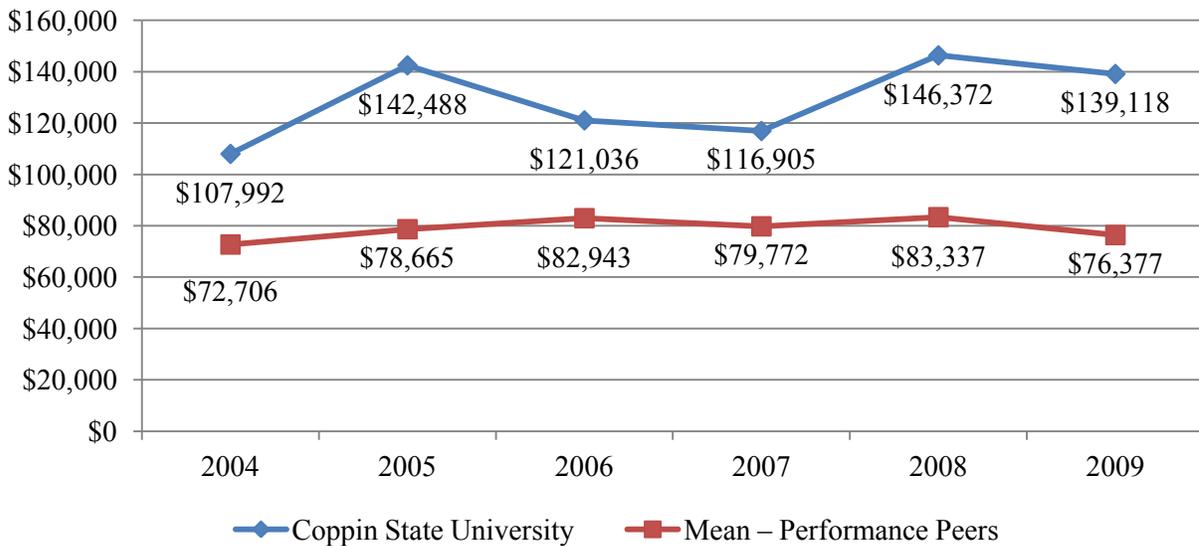
Exhibit 3
Undergraduate Degree Per 100 Full-time Equivalent Students
Fiscal 2006-2010



Source: Integrated Postsecondary Education Data System; Department of Legislative Services

One way to measure how effectively institutions translate resources into degrees is the ratio of education and related (E&R) expenditures per degree (undergraduate and graduate). E&R expenditures include total spending on direct educational costs such as instruction, student services, and the education share of spending on administrative overhead including academic support, institutional support, and operations and maintenance. **Exhibit 4** shows CSU’s E&R expenditures per degree compared to the mean of its performance peers, institutions with similar characteristics and program mix, against which CSU’s performance is assessed by USM on a variety of measures. In 2004, CSU’s E&R expenditures per degree were \$35,000 above those of its peers, at \$107,992. By 2008, however, spending per degree at CSU had increased 35.5% to \$146,372, while spending at CSU’s peer institutions increased 14.6% to \$83,337. Spending per degree decreased 4.95% in the last year, although it still remains significantly above 2004 levels. CSU’s E&R spending per degree exceeds all other USM institutions for which data is available. CSU attributes the increase in spending per degree to increased State investment in the institution following findings of the 2001 CSU Study Team. Expenditures in operation and maintenance of plant have increased more than \$10 million over the past decade for operating costs associated with new capital projects, including the Health and Human Services building and the Physical Education Complex, while graduation and retention rates steadily declined. However, total degrees awarded have increased from 446 degrees in 2001 to 455 in 2011, so total degrees awarded have not substantially changed in ten years.

Exhibit 4
Educational and Related Expenditures Per Degree Completed
Academic Years 2004-2009



Note: Education and related expenditures include direct spending on instruction and student services, and the education share of spending on academic and institutional support, and operations and maintenance. All dollar amounts are reported in 2009 dollars.

Source: Delta Project, Trends in College Spending Online; Department of Legislative Services

The President should comment on the level of spending per degree and on CSU’s efforts to improve its efficiency in producing degrees.

Proposed Budget

As shown in **Exhibit 5**, CSU’s total State allowance for fiscal 2013, including general funds and Higher Education Investment Funds (HEIF), is \$38.05 million, a 0.3% increase over fiscal 2012. Other unrestricted funds increase almost \$1.0 million, or 3.4%, due primarily to the proposed 3.0% increase in undergraduate resident tuition, for fiscal 2013. Restricted funds are level funded.

Exhibit 5
Proposed Budget
USM – Coppin State University
(\$ in Thousands)

	<u>2011</u> <u>Actual</u>	<u>2012</u> <u>Working</u>	<u>2013</u> <u>Adjusted</u> <u>Allowance</u>	<u>2012-13</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Funds	\$36,366	\$35,986	\$36,377	\$391	1.1%
HEIF	1,409	1,958	1,672	-286	-14.6%
Total State Funds	37,775	37,943	38,049	105	0.3%
Other Unrestricted Funds	28,968	29,083	30,072	989	3.4%
Total Unrestricted Funds	66,743	67,026	68,120	1,094	1.6%
Restricted Funds	22,530	22,760	22,760	0	0.0%
Total Funds	\$89,273	\$89,786	\$90,880	\$1,094	1.2%

HEIF: Higher Education Investment Fund
USM: University System of Maryland

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

Unrestricted budget changes in the allowance by program are shown in **Exhibit 6**. This exhibit considers only unrestricted funds, which are comprised mostly of State funds and tuition and fee revenues.

Exhibit 6
Unrestricted Budget Changes by Program
(\$ in Thousands)

	<u>2011</u>	<u>Working</u> <u>2012</u>	<u>%</u> <u>Change</u> <u>2011-12</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>
Expenditures						
Instruction	\$18,142	\$18,185	0.2%	\$18,685	\$501	2.8%
Academic Support	6,312	5,800	-8.1%	5,971	171	3.0%
Student Services	5,370	6,538	21.7%	6,758	220	3.4%
Institutional Support	13,689	13,261	-3.1%	13,840	580	4.4%
Operation and Maintenance of Plant	12,623	12,623	0.0%	12,401	-221	-1.8%
Scholarships and Fellowships	1,425	900	-36.9%	1,014	114	12.7%
Subtotal Education and General	\$57,707	\$57,452	-0.4%	\$58,816	\$1,364	2.4%
Auxiliary Enterprises	9,182	9,721	5.9%	9,451	-270	-2.8%
Total	\$66,889	\$67,173	0.4%	\$68,267	\$1,094	1.6%
HBI Enhancement Funds	\$818	\$682	-16.6%	\$671	-\$11	-1.5%
Adjusted Total	\$67,560	\$67,708	0.2%	\$68,792	\$1,084	1.6%
Revenues						
Tuition and Fees	\$17,154	\$16,274	-5.1%	\$16,982	708	4.4%
General Funds	36,366	35,986	-1.1%	36,377	391	1.1%
Higher Education Investment Fund	1,409	1,958	38.9%	1,672	-286	-14.6%
Other	514	386	-24.9%	667	281	72.9%
Subtotal	\$55,443	\$54,603	-1.5%	\$55,698	\$1,094	2.0%
Auxiliary Enterprises	11,478	12,423	8.2%	12,423	0	0.0%
Transfers (to) from Fund Balance	-178	0	-100.0%	0	0	0.0%
Total	\$66,743	\$67,026	7.7%	\$68,120	\$1,094	1.6%
HBI Enhancement Funds	\$818	\$682	-16.6%	\$671	-\$11	-1.5%
Adjusted Total	\$67,560	\$67,708	0.2%	\$68,792	\$1,084	1.6%

HBI: historically black institutions

Note: Fiscal 2013 reflects adjustments to general fund and the Higher Education Investment Fund of \$21,076.

Source: Governor's Budget Books, Fiscal 2013

In fiscal 2013, all categories show increases except research and operation and maintenance of plant. Operation and maintenance of plant decreases \$220,000, or 1.75%, due to an internal reallocation of funds to support other institutional priorities. Instruction, the largest category, increases about \$500,000, or 2.75%, due primarily to an increase in part-time contractual adjunct faculty. Scholarships and fellowships increase 12.67% in 2013 due to funding for a new performance scholarship and a number of Dean's scholarship programs and because the fiscal 2012 appropriation was unusually low. Instruction, academic support, student services, and institutional support all grow moderately at about 3.0 to 4.0%. Research, not a focus at CSU, remains level.

Since fiscal 2011, no funds have been transferred to the fund balance. Some revenues from auxiliary activities that might have gone into the auxiliary fund balance have been used, since at least fiscal 2005, to support deficits run by the athletic department. Institutions often use fund balance to support new academic initiatives and programs, purchase new facilities, support deferred maintenance, and make improvements to existing auxiliary facilities such as residence halls and student centers.

The President should comment on how CSU will adequately support its physical plant including the Physical Education Complex and the maintenance of properties acquired for the new Science and Technology Center, given the 1.75% decline in funding for operation and maintenance of plant. The President should also comment on progress made to rebuild both the auxiliary and State-supported fund balances.

HBI Enhancement Funds

In fiscal 2012, CSU received \$681,973 in HBI enhancement funds, which were established as part of Maryland's partnership with the U.S. Department of Education Office for Civil Rights to eliminate the vestiges of segregation in Maryland public institutions. The funds are intended for one-time expenditures to enhance educational and support services. CSU's fiscal 2012 appropriation is being used to:

- upgrading residence halls wireless networks;
- planning and implementing a Center for Entrepreneurship and Leadership;
- initiating an Undergraduate Research Center;
- constructing a students' digital gaming room;
- implementing a new CSU website;
- upgrading the Business Intelligent model for financial administration;
- implementing a Smart Classroom for the Nursing Living and Learning Community; and

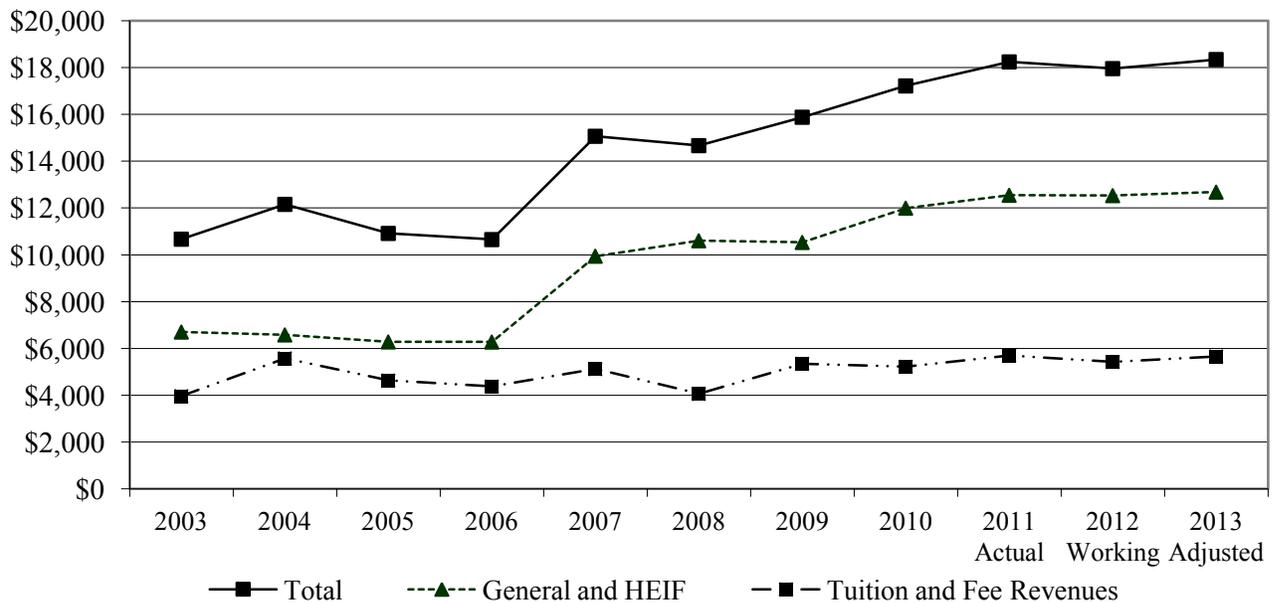
- other items related to emergency resources, human resources, office administration, and bursar administration.

CSU’s budgeted fiscal 2013 enhancement fund appropriation is \$671,458, a \$10,515 decline from fiscal 2012.

Funding Increases Per Full-time Equivalent Student

Exhibit 7 shows tuition and fees and State funding per FTES between fiscal 2003 and 2013. FTES enrollment at the institution reached a high of 3,302 in fiscal 2006, and fluctuated between fiscal 2007 and 2009 before leveling in fiscal 2011 to present. State funding per FTES declined from fiscal 2003 to 2006, significantly increased in fiscal 2007 with the tuition freeze, and grew steadily through fiscal 2010. State funding has remained relatively level since 2010. Since fiscal 2003, State funding has represented a larger proportion of per student revenues than tuition and fees, though State funding per student grew significantly relative to tuition and fee revenue between fiscal 2006 and 2010. In fiscal 2013, State funds represent 69.8% of total funding per FTES. Tuition and fee revenue fluctuated between fiscal 2003 and 2010 before leveling off from 2011 onward.

Exhibit 7
Tuition and Fees and State Revenues Per Full-time Equivalent Student
Fiscal 2003-2013



HEIF: Higher Education Investment Fund

Source: Governor’s Budget Books, Fiscal 2013

Issues

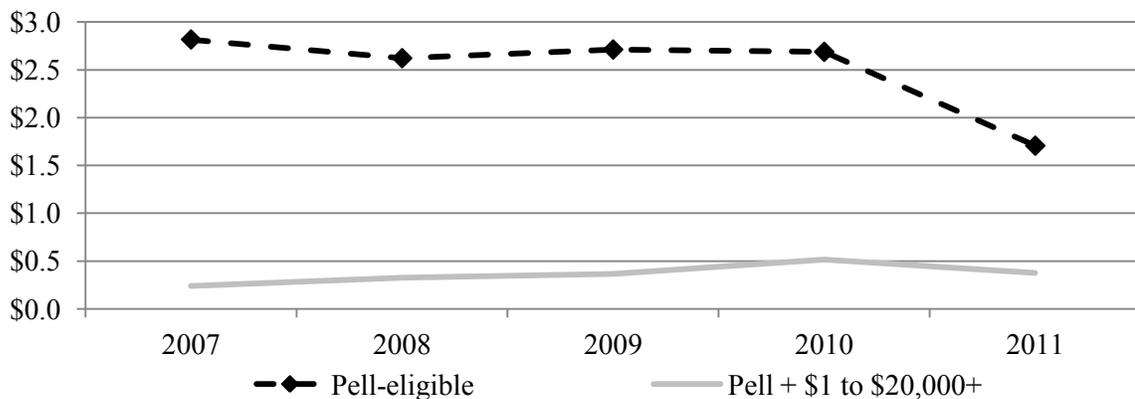
1. Making College Affordable

Financial aid is an important component to helping many students succeed in earning a degree. Lack of financial support frequently contributes to a student’s decision to stop out or drop out of college. Generally, by combining various types of aid – federal, State, and institutional – students are able to effectively lower the cost of college. According the National Center for Education Statistics’ *College Navigator*, the total cost for a Maryland student attending CSU in fiscal 2010 was \$17,123 (total cost was based on tuition, mandatory fees, books and supplies, other expenses, and the weighted average of room and board). However, when accounting for the average amount of federal, State, and institutional aid, the average net cost of attendance was \$8,497.

Institutional Aid and Pell Awards

Exhibit 8 shows the total amount of institutional aid (grants and scholarships) and federal Pell grants that CSU appropriates to students with and without expected family contribution (EFC). In fiscal 2011, CSU directs a majority, 82.0%, of its institutional aid to its neediest students. Pell awards are given to students that could not otherwise afford college and have an EFC of less than a specified amount, which was \$5,273 in fiscal 2011. EFC is an indicator of the amount a family is required to contribute to pay for a student’s college education; therefore, the lower the EFC, the greater the financial need. From fiscal 2007 to 2010, aid remained fairly level; however, from 2007 to 2011, aid to Pell-eligible students decreased 39.5%, or \$1.11 million. Total institutional aid declined 31.9%, from about \$3.05 million to \$2.08 million. **The President should comment on why aid to Pell-eligible students fell dramatically in fiscal 2011.**

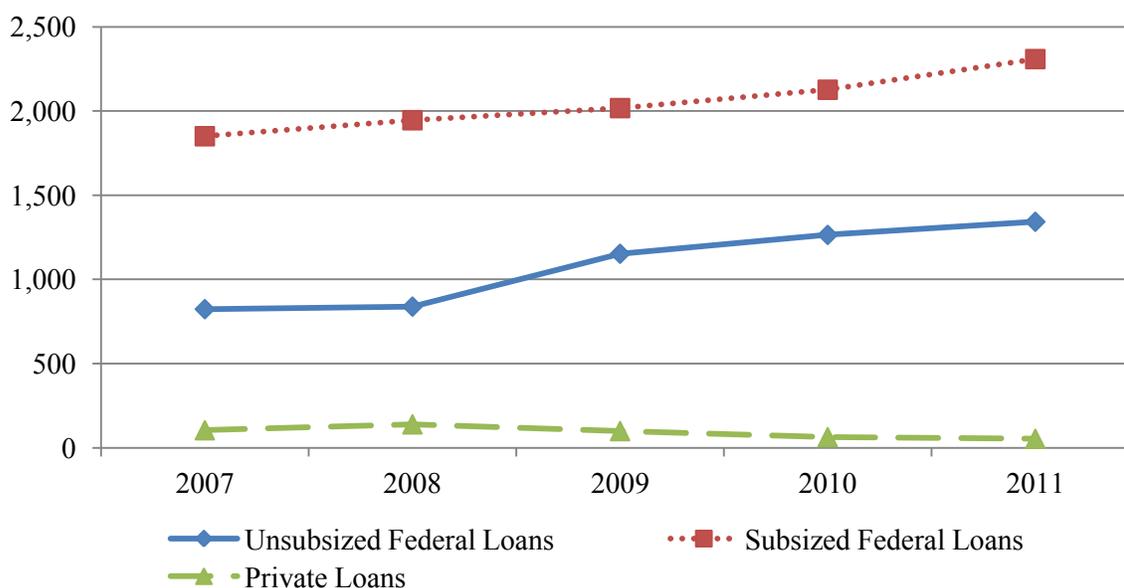
Exhibit 8
Total Institutional Aid Plus Pell Grants
Fiscal 2007-2011
(\$ in Millions)



Source: University System of Maryland

In addition to financial aid, students may take out loans to pay for their education. There are three types of loans: federal subsidized (based on financial need; the government pays the interest while the student is enrolled in school); federal unsubsidized (generally for those students who do not demonstrate financial need; interest is added to the balance of the loan while the student is enrolled in school); and private sources such as banking institutions whose interest rates and repayment policies vary. As illustrated in **Exhibit 9**, the number of unsubsidized loans grew 50.8%, or 426, between fiscal 2008 and 2010 suggesting the economic downturn started to impact students in fiscal 2009. This may be due to the change in the federal loan limits. In 2008 the annual loan limit for dependent students increased \$2,000 and by an additional \$2,000 for independent students.

Exhibit 9
Loans at Coppin State University
Academic Years 2007-2011



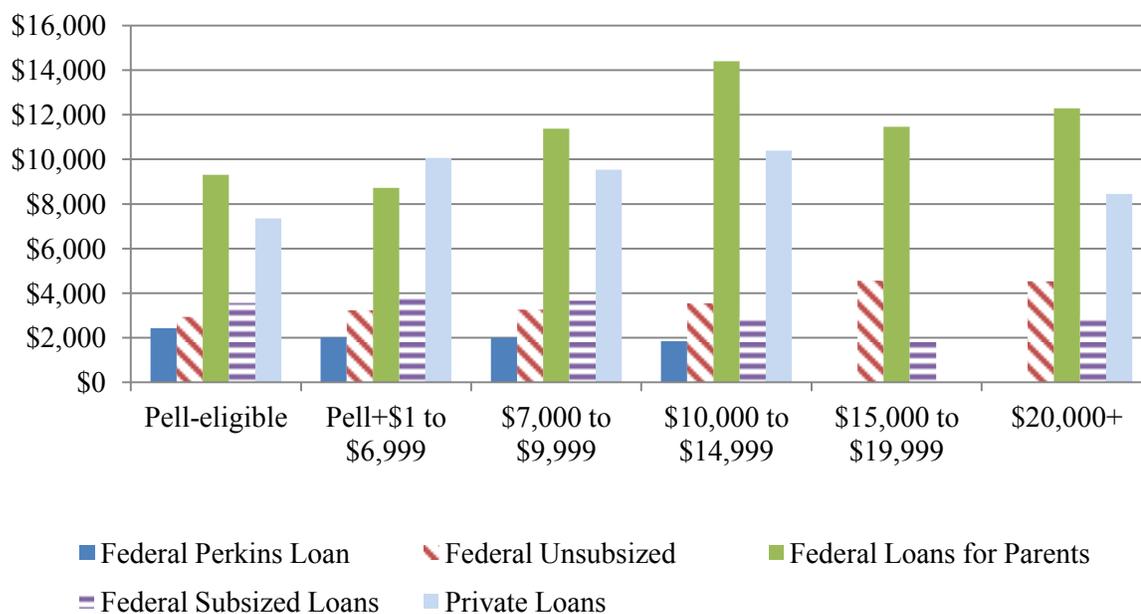
Source: University System of Maryland

Over the past four years, the number of subsidized loans taken out by CSU students and their families annually increased, on average, 6.2%. It should be noted in 2009 the Federal Family Educational Loan program was eliminated, and in addition, borrowers were no longer able to consolidate multiple federal loans into one loan. Meanwhile, the number of private loans taken out by students fell by almost half, from 105 to 54 loans per year. This trend, coupled with the growth in unsubsidized loans, may indicate, with the continual economic downturn, that families with higher incomes are filing the Free Application for Federal Student Aid to receive unsubsidized federal loans rather than take out a typically more expensive private loan, as well as the decreased availability of private loans. **The President should comment on whether the increasing use of unsubsidized**

loans may be a concern for students after graduation. The President should also comment on what CSU is doing to educate students on loan issues and what can be done to promote alternatives to increasing student loan burdens.

Finally, **Exhibit 10** shows the average loan amount by the student’s EFC and the type of loan. Perkins loans are special low-interest loans from the federal government to needy students. A Parent PLUS loan is taken out on behalf of the student by the student’s parent or legal guardian, if the parent or guardian meets certain credit-worthiness criteria. Unsubsidized Stafford loans and Parent PLUS loans constitute the unsubsidized loan category. In fiscal 2011, the EFC group with the highest loan averages is the \$10,000 to \$14,999 EFC category. This may reflect students who have some family support but not enough to meet the cost of attending CSU after institutional aid. The second highest group is the \$7,000 to \$9,999 group, who also take out considerably higher average loans despite the benefit of moderate family support. **The President should comment on why Parent PLUS loans and private loans are so high across all EFC categories. Also, the President should comment on why federal loans to students remain relatively low for CSU students.**

Exhibit 10
Average Loan by EFC and Type
Coppin State University
Fiscal 2011



EFC: expected family contribution

Source: University System of Maryland

2. Ten-year Review of 2001 Recommendations

In the fall of 2001, the CSU Study Report was developed to serve as a long-term strategic plan for CSU. In 2010, *The Joint Chairman's Report* required an evaluation of the 2001 goals. A workgroup composed of twelve members with a varied background in higher education and HBIs submitted an interim report in December 2010 and a final report in September 2011. The authors were to determine whether 2001's recommendations were fully, partially, or not yet implemented for six imperatives and an added category on accountability. As caveats, the team noted two important limitations on CSU's ten-year performance. First, the economic downturn drastically reduced the ability of the State to meet 2001 recommendations. Second, CSU had three presidents and one acting president over the past ten years, so there was limited ability to sustain institutional priorities over time. **The President should comment on steps taken to preserve leadership at CSU and how relations have changed between leadership, faculty, and students.**

Over the past ten years, the campus has changed dramatically. CSU's faculty increased by 85 and staff by 162, the total square footage on campus increased over 92.0%, and total funding for CSU more than doubled. Total funding per FTES from the State rose from almost \$7,000 to over \$12,500, an increase of 79.9%; however, total FTES only increased from 2,804 to 3,012, or 7.4%.

The 2011 report reached the following conclusions.

- **Broaden the Mission and Vision:** Three recommendations were fully implemented (to be technologically competitive; to broaden CSU's worldview; achieve higher standards of leadership) and one partially (increased external funding). The report believes CSU would require \$295,000 to fully fund an Office of Sponsored Programs that would secure recommended levels of extramural funding.
- **Increase and Enhance Academic Programs:** Five recommendations were partially implemented (enhance existing strengths; establish new graduate programs; bolster the nursing program; increase library holdings; encourage a "culminating" undergraduate project) and three were not implemented (the Institute for Urban Teacher Education; increase financial support for Honors College; offer 30 additional merit scholarships). Of the 19 academic programs recommended in 2001, only one (dance) was actually introduced due to limited resources and changing priorities. The lack of additional scholarship funds to attract high achieving high school graduates was flagged by the workgroup as particularly discouraging. In fact, over the decade, Scholastic Aptitude Test scores dropped from 871 to 861, indicating students may be less prepared for college than before and fewer higher achieving students are choosing to attend CSU.
- **Enhance Student Success:** Four recommendations were partially implemented (increase counselors; implement financial aid study recommendations; develop a first-year experience; construct additional residence and dining facilities) and one fully implemented (expand learning assistance center). Retention and graduation rates are recognized as an "imperative" that must be addressed. Second-year retention rates fell from 71 to 61%. Six-year graduation

rates fell from 24 to 15%. The report identified a lack of funding as the prime reason these efforts have been limited.

- **Connect the Campus:** Four of five recommendations were implemented (upgrade fiber optics; connect Information Technology (IT) to classrooms; upgrade telephone system; eliminate IT-related debt). CSU has been very successful in embracing and developing campus IT. Increasing IT staff remains partially completed, and the increases heretofore are only sustained through grant money totaling nearly \$700,000. CSU also needs additional data connections to campus and additional funding support for online class development.
- **Strengthen the Financial Base:** Three recommendations were implemented (building telecommunications infrastructure; generating new forms of revenue; acquiring PeopleSoft for computers), two partially implemented (increase baseline budget; diversify revenue further), and one not at all implemented (increase IT budget). Hampering some revenue growth is the fact that 2001 estimates of student body growth proved to be much higher than reality. Additionally, despite CSU being at 101% of its USM funding guideline which was part of the 2001 recommendations, the campus had to redirect funds to cover operating costs of new facilities because CSU did not receive additional funding expressly for the operations of the new buildings. What has not been met at all is to fund CSU using aspirational peers, which may better reflect CSU's "unique" and "more expensive" mission.
- **Rebuild the Campus:** Three recommendations were partially implemented (being Phase I of capital program; pursue remainder of capital program; hire additional capital staff) and one recommendation was not implemented (construct Center for Urban Education). From 2001 to 2011, the State invested \$304 million in campus upgrades resulting in two new buildings and a third is in the design phase, but the report finds an additional \$522 million would be needed to meet the 2001 goals.
- **Accountability:** Although not an imperative, the 2011 report analyzed data on CSU's performance and found the results were "mixed." While signature programs in teaching and nursing performed very well, overall statistics, such as graduation rates, "continue to be a challenge."

The report concludes by stressing the need for continued State support for CSU's work. It quotes the 2001 report: "[CSU] is the bulwark for an especially challenging sector of [Baltimore]. CSU serves that part of society where increased service is especially needed and increased investment is especially justified." Finally, the 2011 report recommends CSU develop a "detailed plan that sets priorities and accountability measures [and that] this plan would be submitted, along with annual progress reports, to the Chancellor and the Board of Regents." **The President should comment on whether CSU will follow the final recommendation of the 2011 report. The President should also comment on what nonbudgetary support CSU needs to fulfill any further recommendations from the 2001 report.**

3. Summer Academic Success Academy

Access and Success funds have been provided annually since fiscal 2001 to improve student retention and graduation rates at Maryland’s HBIs and can be used to develop new or enhance existing programs. The fiscal 2011 JCR required a report on Outcomes of Students Participating in Access and Success Programs by Cohort to review efforts at all HBIs. CSU summarized information on its First-year Experience (FYE) and the SASA for the report. These two programs are designed to use best practices to target needs of CSU students, specifically retention rates and college readiness.

The SASA was piloted in summer 2010 for freshmen needing developmental courses. It was fully implemented in summer 2011 and now all new, direct from high school students are required to participate in the six-week residential summer program before the fall semester when students traditionally begin college coursework. The program aims to provide academic progress, personal growth, social enrichment, and career advising through supplemental instruction, specialized workshops, and educational and cultural events. Overall, the initial cohort had better grade point averages and retention rates than the general first-time, full-time freshmen body. CSU used feedback and assessments from the pilot phase to tailor the launch of the 2011 SASA.

The SASA directly feeds into FYE, which began in fall 2011. FYE serves as an “academic home” for young students to receive supplementary instruction and guidance through their first year of college. Through “intrusive” advising and service learning, CSU aims to have a more direct involvement with all first-time, full-time freshmen. CSU identifies two other groups of full-time freshmen, those who take at least one year off before entering college and those that are 25 or older.

Exhibit 11 shows several developmental education indicators CSU reported on SASA’s 2011 cohort. As the 2010 cohort is not directly comparable to 2011, it is omitted here. Two concerns arise from this data. First, completion rates for developmental courses remain low. SASA’s completion rate in summer mathematics is only 57.1%. It is unclear from the report why over 40% of students are unable to complete developmental classes when significant additional academic support is available. The second, and more difficult hurdle, is getting students to enroll in and perform well in credit bearing courses in core classes. While SASA students perform better in mathematics, those who enroll in credit-bearing English classes have a completion rate 7.6 percentage points worse than the general student body.

The President should comment on why SASA students’ completion rates are still low, despite the SASA support network. The President should also comment on if the SASA/FYE model may be useful for reaching the other two segments of its full-time student body (mature freshman and adult learners) or any part-time students. Finally, the President should comment on how lessons learned from the SASA will be integrated into campus decisionmaking and what CSU has learned from other programs at HBIs in Maryland.

Exhibit 11
Selected Developmental Education Indicators
SASA Summer 2011 Cohort

<u>Indicators</u>	<u>SASA</u>	<u>All Freshmen</u>	<u>Difference</u>
Overall participation rate in developmental education	68.4%	63.0%	5.4%
Participation rate in developmental math	97.2%	90.0%	7.1%
Participation rate in developmental English	2.8%	9.8%	-7.0%
Successful completion rate in developmental math	57.1%	42.9%	14.2%
Successful completion rate in developmental English	66.7%	30.0%	36.7%
Successful completion rate in credit-bearing math and English courses	47.6%	49.0%	-1.4%
Successful completion rate in credit-bearing math courses	75.0%	61.5%	13.5%
Successful completion rate in credit-bearing English courses	36.7%	44.3%	-7.6%

SASA: Summer Academic Success Academy

Source: Coppin State University

Recommended Actions

1. See the University System of Maryland overview for systemwide recommendations.

Updates

1. Athletic Costs Shifted to State-supported Budget to Address Deficit

On August 18, 2011, USM submitted a report summarizing, by institution, funding sources for administration and team operation expenses and athletic scholarships. Eight USM institutions participate in intercollegiate athletics (ICA); five have Division I programs including CSU.

USM Office gathered funding information on each institution's ICA program including administration, personnel, teams operating expenditures, and athletic scholarships. After analyzing the data and meeting with institutional representatives to further discuss and clarify issues, USM stated that "...institutions report that there were no general funds allocated for teams, ICA administrative or scholarship costs in FY 2011." However, the Department of Legislative Services requested additional information and found instances in which State funds, which include general funds and HEIF, may have been used to fund campus athletic programs.

Up to five of the coaches' salaries at CSU are partially funded by the Health and Human Performance Department (HHP), an academic program, for overseeing and mentoring students who participate in intramural and club sports which is managed by HHP. However, this arrangement is questionable for it appears an academic program is funding extracurricular activities that are typically funded from the student activity fee.

All Division I institutions supported a portion of their athletic scholarships with institutional aid. CSU refers to their athletic awards as performance or talent scholarships. These awards are based on tryouts. The Board of Regents policy (VIII-2.41 Policy on Institutional Student Financial Aid for Undergraduate Students) allows institutions to set criteria for awarding institutional aid to in- and out-of-state students based on merit which includes "special talent" defined as academic, artistic, musical, and/or athletic. USM stated that in fiscal 2010, unlike the other Division I programs, CSU fully funded its athletic scholarships through the ICA program even though the program was, and still is, operating in a deficit. Starting in fiscal 2011, CSU is funding 28% of its athletic scholarships from institutional aid. CSU's revised plan to address the deficit shifts \$425,000 in athletic costs to the State-supported budget, \$200,000 supported by general funds. Although it began fiscal 2011 with a deficit of \$6.29 million, CSU expects the plan to bring the athletic budget into balance by 2013 by utilizing auxiliary cash revenue and by working with the USM office on a deficit reduction plan.

Current and Prior Year Budgets

Current and Prior Year Budgets Coppin State University (\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Other Unrestricted Fund</u>	<u>Total Unrestricted Fund</u>	<u>Restricted Fund</u>	<u>Total</u>
Fiscal 2011							
Legislative Appropriation	\$36,365	\$0	\$0	\$29,533	\$65,898	\$22,826	\$88,724
Deficiency Appropriation	0	0	0	0	0	0	0
Budget Amendments	0	1,409	0	\$1,328	\$2,737	0	\$2,737
Reversions and Cancellations	0	0	0	-1,892	-1,892	-296	-2,188
Actual Expenditures	\$36,365	\$1,409	\$0	\$28,968	\$66,743	\$22,530	\$89,273
Fiscal 2012							
Legislative Appropriation	\$35,643	\$1,958	\$0	\$29,789	\$67,389	\$22,760	\$90,150
Budget Amendments	343	0	0	-706	-363	0	-363
Working Appropriation	\$35,986	\$1,958	\$0	\$29,083	\$67,026	\$22,760	\$89,786

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

Fiscal 2011

Special funds increased \$1,409,319 from HEIFs authorized by the General Assembly to replace general funds reduced during the 2010 legislative session.

Other unrestricted funds decreased \$564,602 overall due to an increase of \$1,327,573 in tuition, fees, and auxiliary operations from a summer session and fund balance transfer. A cancellation of \$1,892,175 decreased the appropriation to account for anticipated additional revenue that did not materialize during the fiscal year.

Restricted funds decreased from a reversion of \$295,537 to account for overestimation of grants and contracts.

Fiscal 2012

General funds increased \$342,905 to allocate funds for the \$750 bonus appropriated in the Department of Budget and Management statewide expenses to the various State agencies.

Other unrestricted funds decreased \$706,134 due to an overall decrease in tuition, fees, and other revenue sources.

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

<u>Object/Fund</u>	<u>FY 11 Actual</u>	<u>FY 12 Working Appropriation</u>	<u>FY 13 Allowance</u>	<u>FY 12 - FY 13 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	476.50	475.50	475.50	0.00	0%
02 Contractual	241.60	219.83	219.83	0.00	0%
Total Positions	718.10	695.33	695.33	0.00	0%
Objects					
01 Salaries and Wages	\$ 38,281,932	\$ 42,125,367	\$ 42,636,391	\$ 511,024	1.2%
02 Technical and Spec. Fees	11,587,954	10,376,278	10,465,428	89,150	0.9%
03 Communication	401,334	401,519	401,359	-160	0%
04 Travel	1,294,724	1,133,066	1,294,919	161,853	14.3%
06 Fuel and Utilities	3,251,052	3,348,584	3,393,924	45,340	1.4%
07 Motor Vehicles	167,382	145,589	147,345	1,756	1.2%
08 Contractual Services	11,317,706	9,800,455	10,783,519	983,064	10.0%
09 Supplies and Materials	2,408,385	2,589,722	2,465,930	-123,792	-4.8%
10 Equipment – Replacement	116,943	0	0	0	0.0%
11 Equipment – Additional	869,245	373,454	543,607	170,153	45.6%
12 Grants, Subsidies, and Contributions	14,376,576	14,502,753	14,616,753	114,000	0.8%
13 Fixed Charges	4,801,845	4,628,869	3,770,564	-858,305	-18.5%
14 Land and Structures	398,257	360,717	360,717	0	0%
Total Objects	\$ 89,273,335	\$ 89,786,373	\$ 90,880,456	\$ 1,094,083	1.2%
Funds					
40 Unrestricted Fund	\$ 66,742,862	\$ 67,026,083	\$ 68,120,166	\$ 1,094,083	1.6%
43 Restricted Fund	22,530,473	22,760,290	22,760,290	0	0%
Total Funds	\$ 89,273,335	\$ 89,786,373	\$ 90,880,456	\$ 1,094,083	1.2%

Note: The fiscal 2012 appropriation does not include deficiencies.

**Fiscal Summary
Coppin State University**

<u>Program/Unit</u>	<u>FY 11 Actual</u>	<u>FY 12 Wrk Approp</u>	<u>FY 13 Allowance</u>	<u>Change</u>	<u>FY 12 - FY 13 % Change</u>
01 Instruction	\$ 23,157,665	\$ 23,249,128	\$ 23,749,658	\$ 500,530	2.2%
02 Research	145,914	146,689	146,691	2	0%
03 Public Service	580,714	603,089	603,087	-2	0%
04 Academic Support	8,011,982	7,499,923	7,670,795	170,872	2.3%
05 Student Services	6,698,000	7,866,062	8,086,216	220,154	2.8%
06 Institutional Support	16,568,653	16,298,699	16,878,490	579,791	3.6%
07 Operation And Maintenance Of Plant	12,819,250	12,818,392	12,597,172	-221,220	-1.7%
08 Auxiliary Enterprises	9,445,611	9,984,092	9,714,048	-270,044	-2.7%
17 Scholarships And Fellowships	11,845,546	11,320,299	11,434,299	114,000	1.0%
Total Expenditures	\$ 89,273,335	\$ 89,786,373	\$ 90,880,456	\$ 1,094,083	1.2%
Unrestricted Fund	\$ 66,742,862	\$ 67,026,083	\$ 68,120,166	\$ 1,094,083	1.6%
Restricted Fund	22,530,473	22,760,290	22,760,290	0	0%
Total Appropriations	\$ 89,273,335	\$ 89,786,373	\$ 90,880,456	\$ 1,094,083	1.2%

Note: The fiscal 2012 appropriation does not include deficiencies.