

**R13M00**  
**Morgan State University**

***Operating Budget Data***

(\$ in Thousands)

	<u>FY 12</u> <u>Actual</u>	<u>FY 13</u> <u>Working</u>	<u>FY 14</u> <u>Allowance</u>	<u>FY 13-14</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Funds	\$69,379	\$67,884	\$74,343	\$6,459	9.5%
Contingent & Back of Bill Reductions	0	0	-87	-87	
<b>Adjusted General Fund</b>	<b>\$69,379</b>	<b>\$67,884</b>	<b>\$74,256</b>	<b>\$6,373</b>	<b>9.4%</b>
Special Funds	3,623	6,314	5,611	-703	-11.1%
<b>Adjusted Special Fund</b>	<b>\$3,623</b>	<b>\$6,314</b>	<b>\$5,611</b>	<b>-\$703</b>	<b>-11.1%</b>
Other Unrestricted Funds	84,645	92,823	98,564	5,741	6.2%
<b>Adjusted Other Unrestricted Fund</b>	<b>\$84,645</b>	<b>\$92,823</b>	<b>\$98,564</b>	<b>\$5,741</b>	<b>6.2%</b>
Total Unrestricted Funds	157,647	167,021	178,519	11,498	6.9%
Contingent & Back of Bill Reductions	0	0	-87	-87	
<b>Adjusted Total Unrestricted Funds</b>	<b>\$157,647</b>	<b>\$167,021</b>	<b>\$178,432</b>	<b>\$11,411</b>	<b>6.8%</b>
Restricted Funds	51,911	56,419	56,539	120	0.2%
<b>Adjusted Restricted Fund</b>	<b>\$51,911</b>	<b>\$56,419</b>	<b>\$56,539</b>	<b>\$120</b>	<b>0.2%</b>
<b>Adjusted Grand Total</b>	<b>\$209,558</b>	<b>\$223,440</b>	<b>\$234,971</b>	<b>\$11,531</b>	<b>5.2%</b>

- General funds increase \$6.4 million, or 9.4%, in fiscal 2014 after adjusting for the \$86,796 across-the-board reduction. However, when accounting for \$3.1 million in Budget Restoration Funds created during the First Special Session of 2012, general funds increase 4.6%, or \$3.3 million.
- The Higher Education Investment Fund increases \$2.4 million. The overall growth in State funds is 7.6%, or \$5.7 million, above fiscal 2013.

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

For further information contact: Sara Baker

Phone: (410) 946-5530

## ***Personnel Data***

---

	<b><u>FY 12</u></b> <b><u>Actual</u></b>	<b><u>FY 13</u></b> <b><u>Working</u></b>	<b><u>FY 14</u></b> <b><u>Allowance</u></b>	<b><u>FY 13-14</u></b> <b><u>Change</u></b>
Regular Positions	1,107.00	1,107.00	1,107.00	0.00
Contractual FTEs	<u>539.00</u>	<u>539.00</u>	<u>560.00</u>	<u>21.00</u>
<b>Total Personnel</b>	<b>1,646.00</b>	<b>1,646.00</b>	<b>1,667.00</b>	<b>21.00</b>

### ***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions	50.37	4.55%
Positions and Percentage Vacant as of 12/01/12	89.5	8.08%

- The fiscal 2014 allowance does not provide for any new regular positions but does provide for 21 contractual full-time equivalents (FTE). However, this does not reflect that the allowance provides funds to specifically convert 24 contractual FTEs – 12 faculty and 12 staff – to regular positions. Therefore, it should reflect a decline of 3.0 contractual FTEs and an increase of 24 regular positions.

## ***Analysis in Brief***

---

### **Major Trends**

***Undergraduate Enrollment:*** Undergraduate enrollment declined 1.8%, from 6,711 in fall 2011 to 6,590 in fall 2012.

***Transfer Students:*** In fall 2011, 899 students transferred to Morgan State University (MSU), of which 221 came from a Maryland community college. While four community colleges accounted for 79.6% of the transfers, Baltimore City Community College students accounted for 36.7% of the transfers in 2012.

***Second- and Third-year Retention Rates:*** The second-year rate jumped 4.8 percentage points to 72.3% with the 2010 cohort which MSU attributed to a combination of new initiatives implemented in fall 2010.

***Four- and Six-year Graduation Rates:*** While MSU's four-year rate has consistently been below the averages of its peers and the State, it has remained stable at 11% over the past two years. After dropping from a high point of 42% in fiscal 2005, the six-year rate has leveled off to 32%.

***Undergraduate Degree Production:*** After remaining fairly stable for five years (fiscal 2005 to 2009), MSU’s degree production dropped from 15.3 to 12.9 degrees per 100 students in fiscal 2010 and continued into fiscal 2011 with the ratio declining to 12.5 degrees per 100 students.

***Education and Related Expenditure Per Degree:*** After increasing for the past four years, spending per degree dropped 7.9% in fiscal 2009; MSU’s expenditures per degree still surpass that of its funding peers by \$24,459.

***Research and Development Expenditures:*** After dropping to a low in 2008, research and development expenditures per FTE steadily climbed 23.7% to \$90,130 in 2012.

## **Issues**

***Affordability:*** Fifty-eight percent of MSU’s undergraduate students receive Pell awards; however, only 32.8% of institutional aid is directed to these students, and while there has been a shift to direct more institutional aid to these students, total amount spent on institutional aid declined in fiscal 2012.

***Reclamation Initiative:*** The Reclamation Initiative was launched during the 2011-2012 academic year to address the need to improve the six-year graduation rate and, thereby, increasing degree production.

***Use of Adjuncts:*** The 2012 *Joint Chairmen’s Report* required MSU to submit a report on the use of contractual personnel, which was submitted on August 29, 2012. In the report, MSU summarized its high usage of contractual faculty, the cost to convert these faculty to regular positions, and comparisons to other research institutions.

## **Recommended Actions**

1. Add language restricting Morgan State University’s appropriation.
2. Add language reducing general fund appropriation.
3. Adopt committee narrative requesting the submission of a report on institutional aid by Expected Family Contribution.
4. Adopt committee narrative requesting the submission of an annual report on loan data by Expected Family Contribution.
5. Adopt committee narrative requesting the submission of a report on faculty workload.

## **Updates**

***Instructional Workload Report:*** For the 2011-2012 academic year, the average instructional workload was 21.51 credit hours (equivalent to an average of 7.3 courses per year), down from 21.72 in the previous year.

***Access and Success Programs:*** A majority of the Access and Success funding supports retention staff who are responsible for coordinating and implementing programs that enhance retention, graduation, and student success.

**R13M00**  
**Morgan State University**

***Operating Budget Analysis***

---

**Program Description**

Morgan State University (MSU), designated as Maryland’s public urban university, is responsible for addressing the needs of the citizens, schools, and organizations within the Baltimore metropolitan area through academic, research, and service programs. One of MSU’s goals is to promote economic development by meeting critical workforce needs by offering programs in professional fields such as engineering, business, teacher education, architecture, and social work.

Based on various socio-economic and academic measures, MSU enrolls and educates a diverse student body, including those among the best prepared and those who might not obtain a baccalaureate degree without extra support of the institution. MSU offers a comprehensive range of academic programs, awarding baccalaureate degrees emphasizing the arts and sciences and specialized master’s and doctoral degrees.

**Carnegie Classification:** DRU: Doctoral/Research University

**Fall 2012 Undergraduate Enrollment Headcount**

Male	2,863
Female	3,728
<b>Total</b>	<b>6,591</b>

**Fall 2012 Graduate Enrollment Headcount**

Male	516
Female	845
<b>Total</b>	<b>1,361</b>

**Fall 2012 New Students Headcount**

First-time	1,037
Transfers/Others	482
Graduate	179
<b>Total</b>	<b>1,698</b>

**Campus (Main Campus)**

Acres	176
Buildings	57
Average Age	30 years
Oldest	Carnegie Hall – 1919

**Programs**

Bachelor’s	44
Master’s	35
Doctoral	15

**Degrees Awarded (2012)**

Bachelor’s	902
Master’s	255
Doctoral	37
<b>Total Degrees</b>	<b>1,194</b>

**Proposed Fiscal 2014 In-state Tuition and Fees\***

Undergraduate Tuition	\$4,816
Mandatory Fees	\$2,336

\*Contingent on Board of Regents approval.

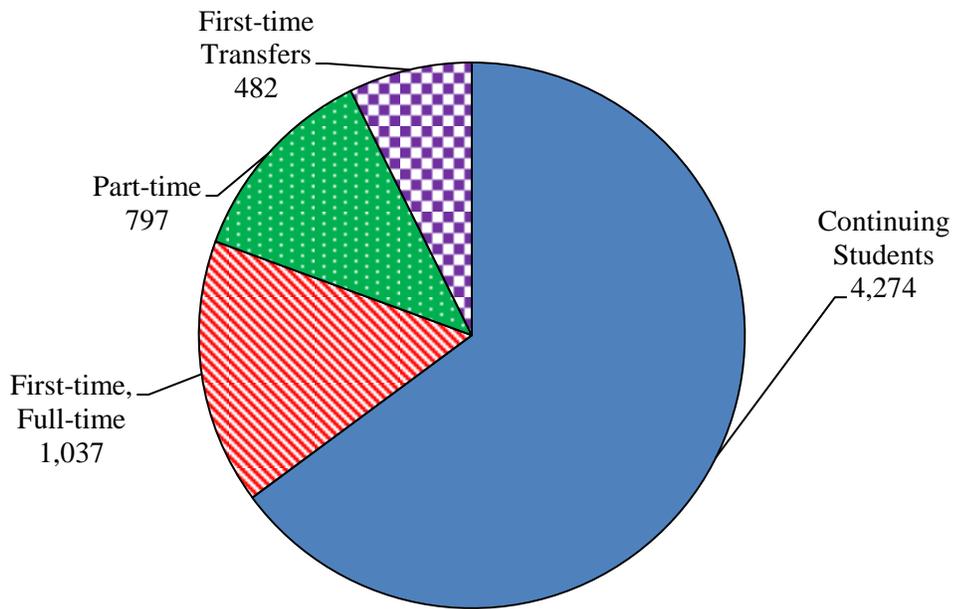
## Performance Measures

### 1. Undergraduate Enrollment

One of MSU’s strategies to increase degree production to help the State achieve its 55.0% completion goal is to increase enrollment beyond projected levels. However, as has happened at some Maryland public institutions, MSU experienced a 1.8% decline in undergraduate enrollment from 6,711 in fall 2011 to 6,590 in fall 2012. As shown in **Exhibit 1**, first-time, full-time students comprise 15.7% of total enrollments, while first-time transfers account for 7.3% of the total. Graduate enrollment increased 4.1%, resulting in an overall 0.8% decline in total enrollment.

---

**Exhibit 1**  
**Breakdown of Undergraduate Enrollment**  
**Fall 2012**



Source: Morgan State University

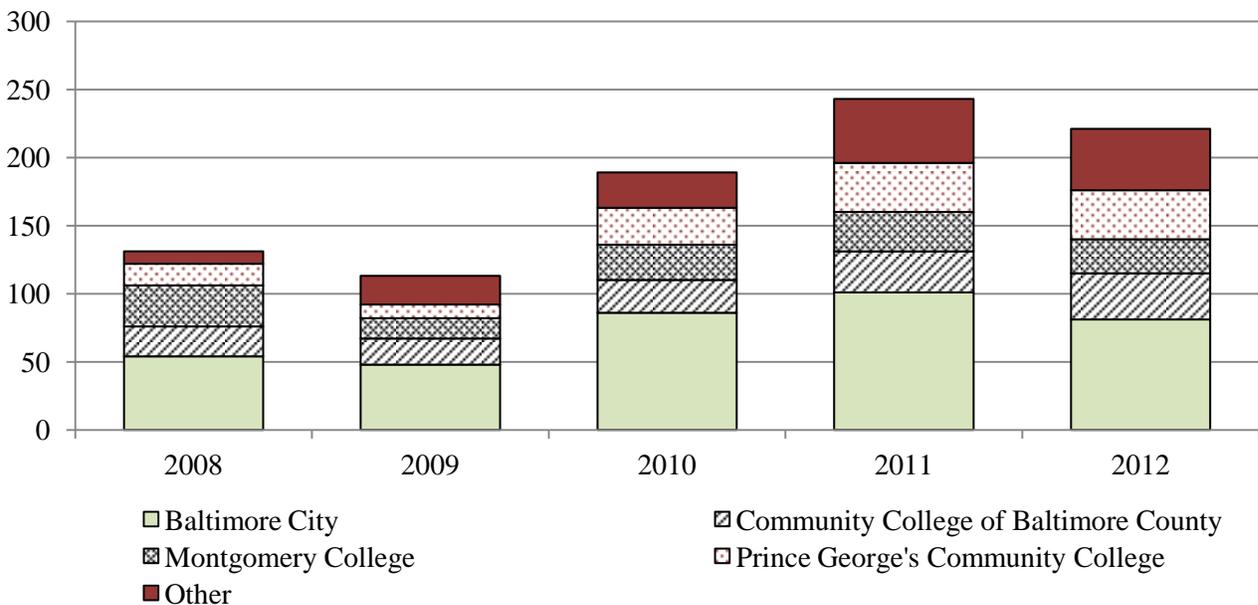
---

## 2. Transfer Students

In fiscal 2012, transfer students totaled 899, representing 13.4% of all undergraduate students. Of these students, 221 came from a Maryland community college. Four community colleges accounted for 79.6%: Baltimore City Community College (BCCC); Community College of Baltimore County; Prince George’s Community College; and Montgomery College.

The number of transfers declined 13.7% in fiscal 2008, as illustrated in **Exhibit 2**, but more than doubled over the next two years, which is due to a more than a doubling of students from BCCC. Students from BCCC are the primary driver behind the trends in transfers and, prior to fiscal 2012, comprised 42.7% of the transfers on average. In fiscal 2012, these students accounted for 36.7% of transfers. Overall, this reflects the relationship and the programs the two institutions have developed over the years, such as the MSU Connect Program, now offered statewide, which provides scholarships and bridge grants based on academic progress. Additionally, both offer similar programs, *e.g.*, business administration and computer information systems, that led to establishment of articulation agreements.

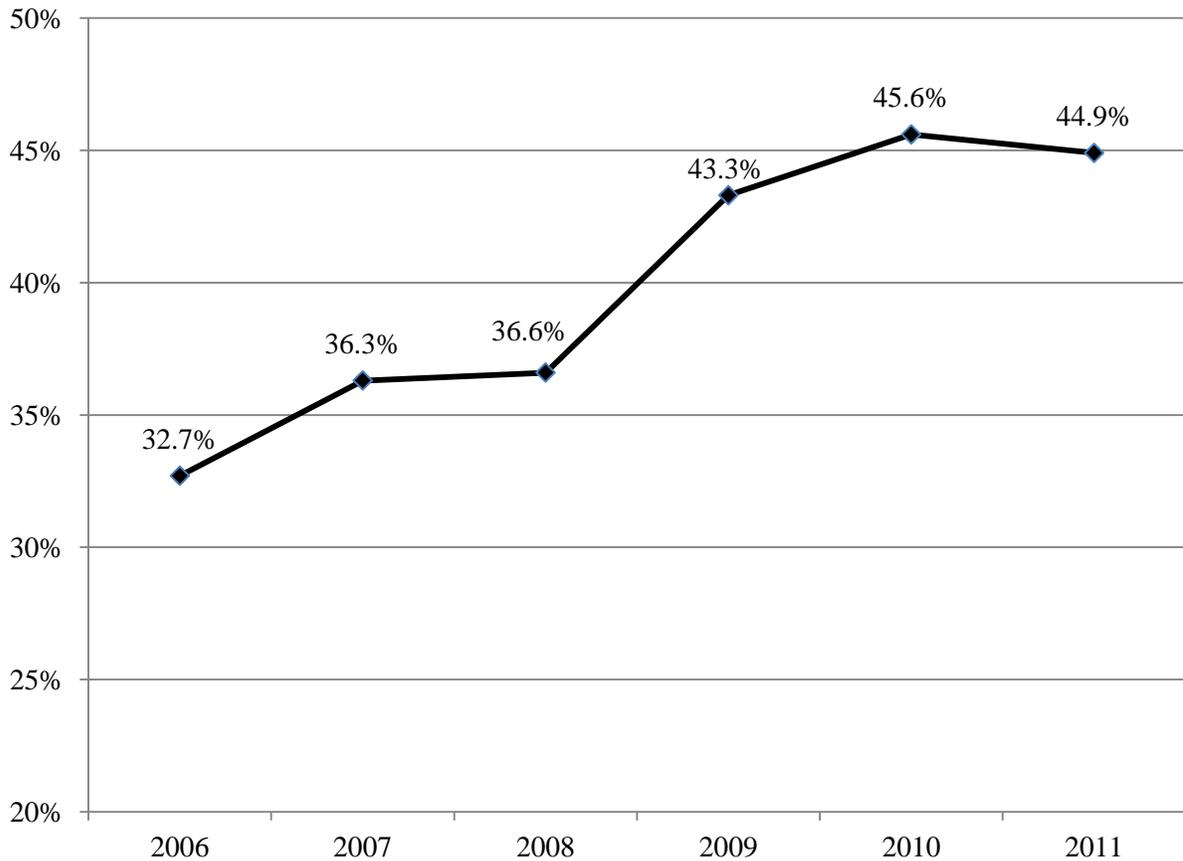
**Exhibit 2**  
**Trends in Maryland Community College Transfers**  
**Fiscal 2008-2012**



Source: Morgan State University

**Exhibit 3** shows the four-year graduation rate of Maryland community college transfer students which is equivalent in concept to the six-year rate of first-time, full-time freshmen. After remaining relatively stable for two years, the graduation rate jumped 6.7 percentage points to 43.3% in fiscal 2009. After increasing for two years, the rate declined to 44.9% in fiscal 2011.

**Exhibit 3**  
**Four-year Graduation Rates of Maryland Community College Transfer Students**  
**Fiscal 2006-2011 (Cohort 2001-2006)**



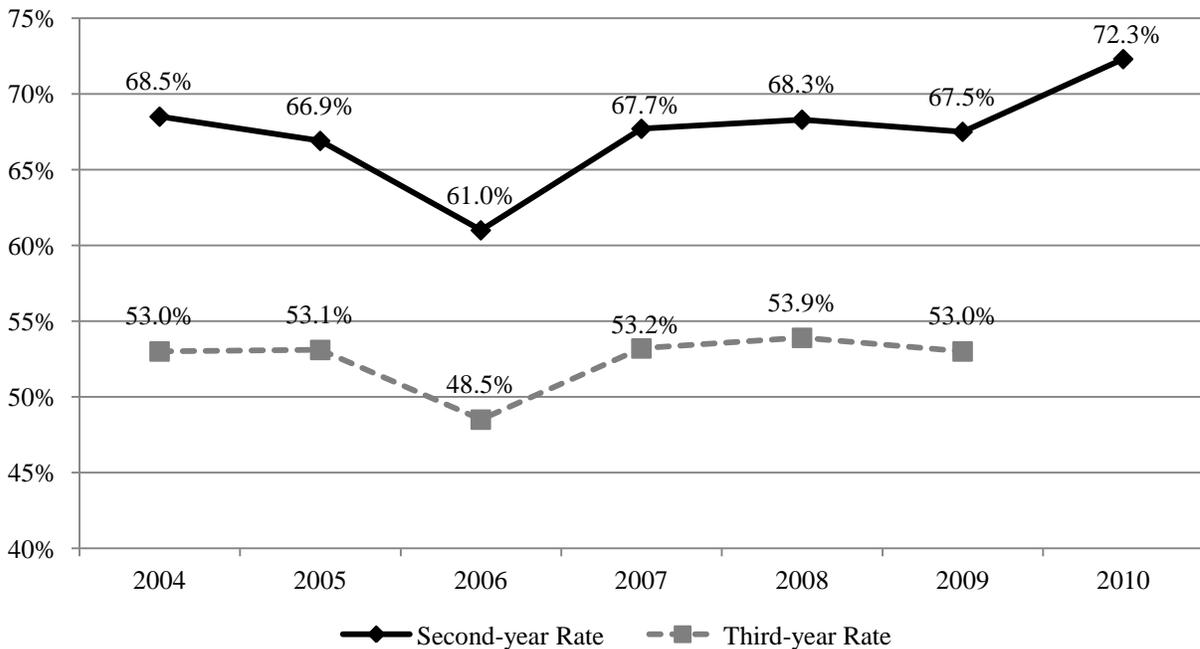
Source: Maryland Higher Education Commission Databook, 2007-2012

### 3. Second- and Third-year Retention Rates

Student persistence, or retention, provides a measure of student progress and an indication of an institution’s performance – the higher the retention rate, the more likely students will persist and graduate. After the 2006 cohort attained the lowest second- and third-year retention rates since the 1990 cohort at 61.0 and 48.5%, respectively, the rates have since rebounded, as shown in **Exhibit 4**. The rates stabilized with the two subsequent cohorts, but then the second-year rate jumped 4.8 percentage points with the 2010 cohort. MSU attributes this to a combination of new initiatives implemented in fall 2010 including:

- piloted block scheduling for first-time freshmen who have not declared a major and tested into developmental courses; more of these students received a 2.0 or better grade point average their first semester compared to those not placed in the pilot;
- launched a financial literacy campaign;

**Exhibit 4**  
**Second- and Third-year Retention Rates**  
**2004-2010 Cohorts**



Source: Maryland Higher Education Commission

- launched a Free Application for Federal Student Aid (FAFSA) campaign increasing the number of students who file FAFSA before leaving for summer break; and
- strengthened the intervention with students who failed to make satisfactory financial arrangements, required retention staff to call every student whose schedule is in danger of or had been dropped for nonpayment and helped these students remain at MSU. This enabled MSU to provide targeted institutional aid to those students in need of financial assistance.

Given the correlation between the second- and third-year rates, a similar increase in the third-year rate is expected for the 2010 cohort.

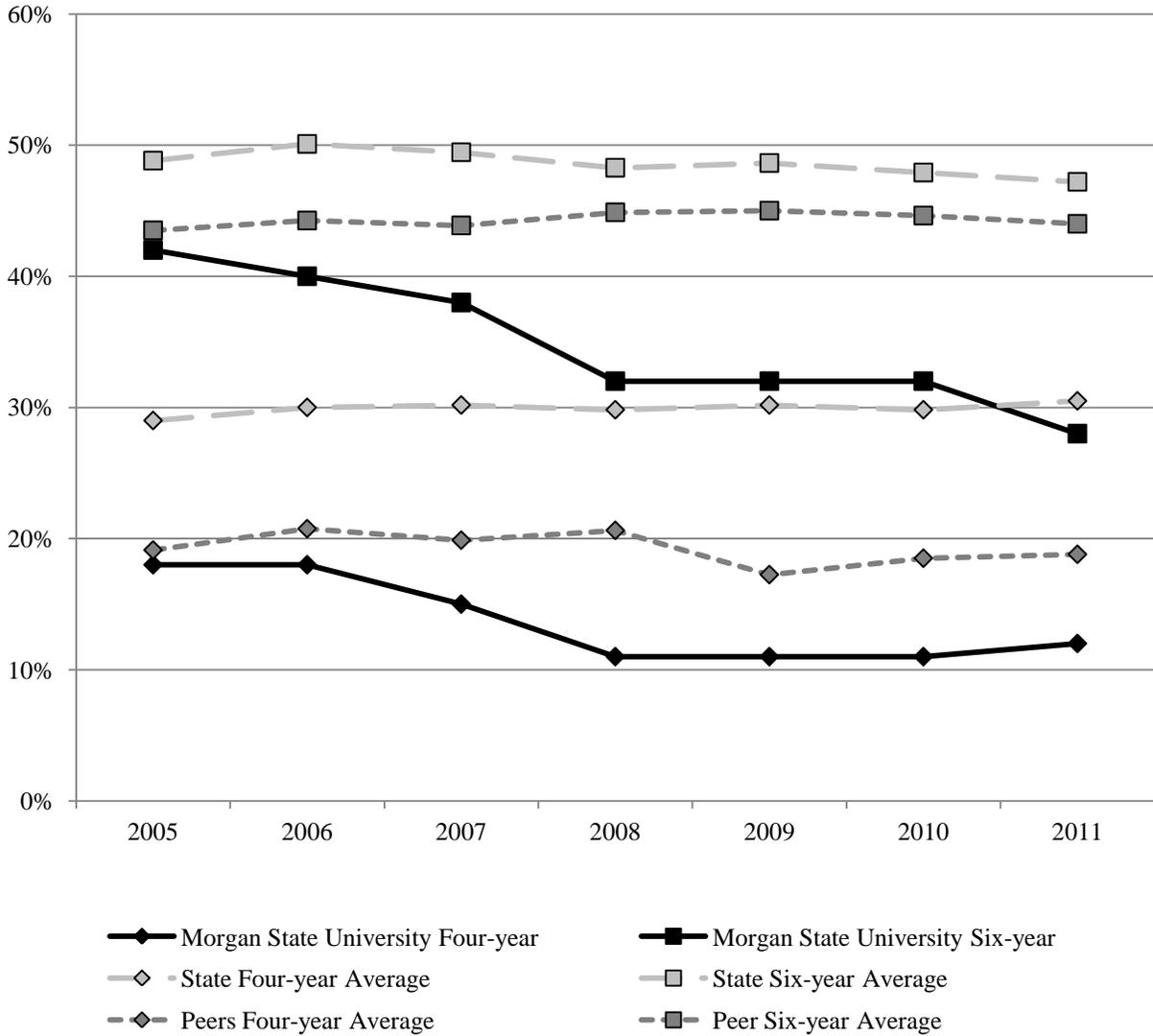
#### **4. Four- and Six-year Graduation Rates**

**Exhibit 5** compares the four- and six-year graduation rates of MSU to the averages of its peer institutions and the State's public four-year institutions. Peer institutions are those similar to MSU on a variety of characteristics and are used as a basis to assess MSU's performance and provide a funding standard. Overall, MSU's four-year rate has consistently been below the averages of its peers and the State. After declining from a high of 18.0%, MSU's four-year graduation rate stabilized at 11.0% from fiscal 2008 to 2010. The rate then increased to 12.0% in fiscal 2011. The six-year rate trends with the four-year rate except in fiscal 2011 when the rate declined 4 percentage points to 28.0%, below the State's four-year average. When accounting for transfer students, MSU's six-year rate, according to the Maryland Higher Education Commission (MHEC), is 30.7% for the 2005 cohort.

#### **5. Undergraduate Degree Production**

Ultimately, how well an institution meets its mission is measured by the number of undergraduate degrees awarded. Trends in the number of undergraduate degrees awarded per 100 undergraduate full-time equivalent students (FTES) shows if an institution is being more or less productive in graduating students. Overall, MSU's degrees per FTES consistently fall below the averages of its peers and the State, as shown in **Exhibit 6**. After remaining relatively stable for five years (fiscal 2005 to 2009), MSU's degree production dropped from 15.3 to 12.9 degrees per 100 FTES in fiscal 2010. This downward trend continued into fiscal 2011, with the ratio declining to 12.5 degrees. The downturn appears to be related to a decline in the number of degrees awarded coinciding with growth in enrollment.

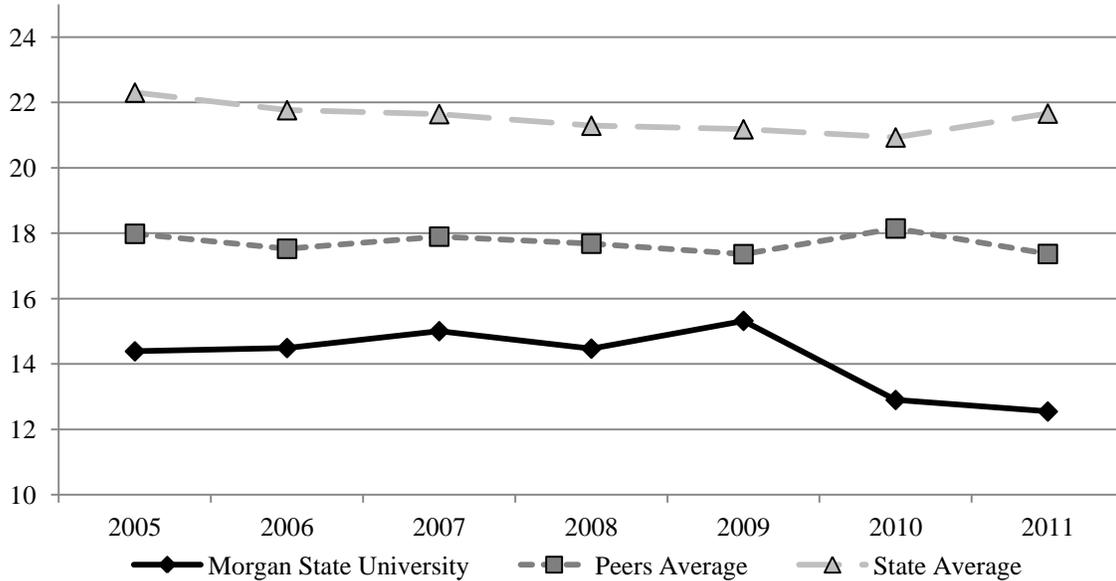
**Exhibit 5  
Four- and Six-year Graduation Rates  
Fiscal 2005-2011**



Note: Rates reflect the progress of the cohort of first-time, full-time degree seeking undergraduate students and does not include transfers in or out of the institution.

Source: Integrated Postsecondary Education System; Department of Legislative Services

**Exhibit 6  
Undergraduate Degrees Per 100 Full-time Equivalent Students  
Fiscal 2005-2011**



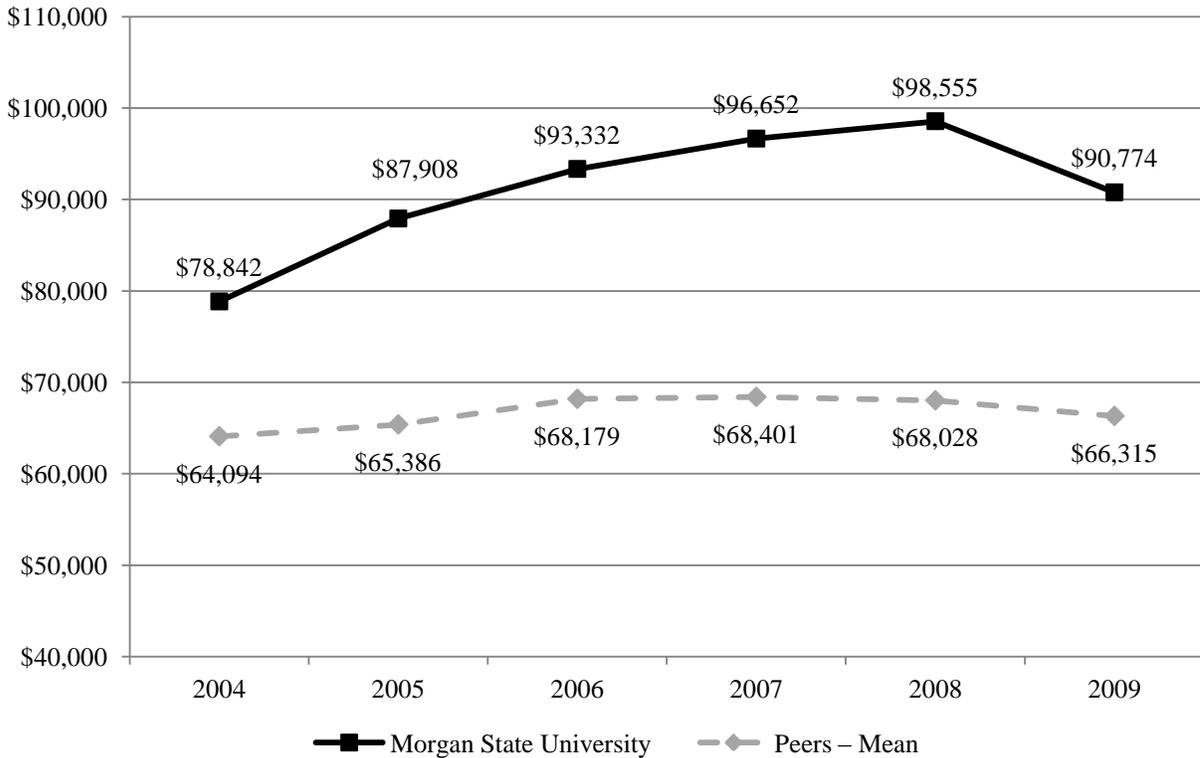
Source: Integrated Postsecondary Education System; Department of Legislative Services

**6. Education and Related Expenditure Per Degree**

Education and related (E&R) expenditures per degree is another means to measure the performance of an institution. This measure shows if an institution is becoming more or less productive in using its resources to produce degrees over time. Since spending per degree would be similar among those institutions that have comparable spending and enrollment patterns, MSU’s E&R expenditures are compared to the mean of its funding peers. As shown in **Exhibit 7**, after increasing for the past four years to a high of \$98,550 per degree in fiscal 2008, expenditures per degree dropped 7.9% in fiscal 2009 (the latest year this data is available), implying resources are being used more efficiently. However, MSU’s expenditures per degree still surpass that of its funding peers by \$24,459.

**While progress has been made in some areas, such as retention, there are improvements to be made, particularly in reducing the time to degree and increasing graduation rates. According to the Complete College America data, it takes, on average, 5.07 years for a student to graduate, in which they accumulate, on average, 135 credits. The President should comment on factors impacting student performance and outcomes and what programs or initiatives are being undertaken or are planned to ensure student success.**

**Exhibit 7  
Education and Related Expenditures Per Degree Completed  
Academic Years 2004-2009**



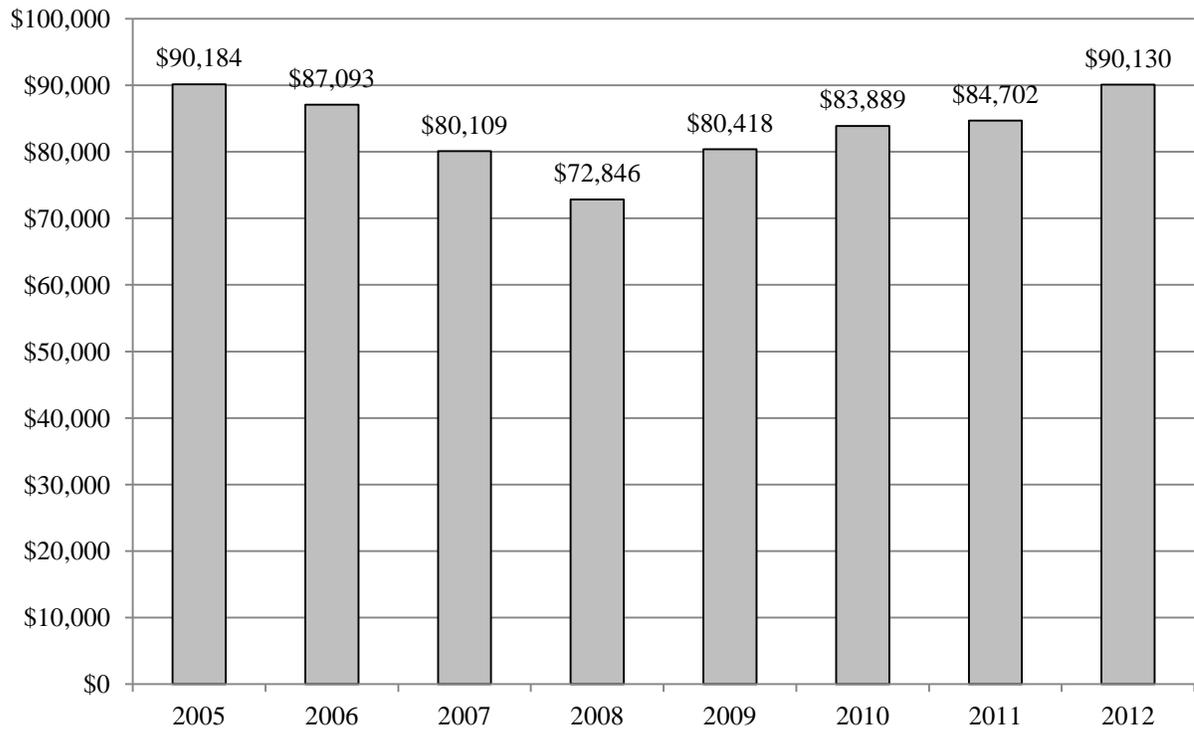
Note: Education and related includes direct spending on instruction, student services; and education share of spending on academic and institutional support, and operations and maintenance.

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

**7. Research and Development Expenditures**

A goal of MSU’s strategic plan is to enhance its status as a doctoral research university with an objective of increasing grants and contracts funding. This not only serves to measure productivity but the capacity to pursue research and attract and retain faculty. As shown in **Exhibit 8**, after dropping to a low of \$72,846 in 2008, research and development expenditures per full-time faculty steadily climbed 23.7% to \$90,130 in 2012.

**Exhibit 8**  
**Research and Development Expenditures Per Full-time Faculty**  
**Fiscal 2005-2012**



Source: Morgan State University

---

## Fiscal 2013 Actions

Section 24 of the Budget Reconciliation and Financing Act of 2012 allowed MSU to increase salaries in order to retain “operationally critical staff.” Four staff were classified as operationally critical: two in the financial area, an associate dean, and an admissions manager. Salary increases totaled \$30,860 with funding coming from State sources.

## Proposed Budget

The general fund allowance for fiscal 2014 is 9.4%, or \$6.4 million, higher than in fiscal 2013, after adjusting for the across-the-board reduction of \$86,796, as shown in **Exhibit 9**. However, when accounting for \$3.1 million in Budget Restoration Funds created during the First Special Session of 2012, the general fund increases \$3.3 million, or 4.6%, over fiscal 2013. The Higher Education Investment Fund (HEIF) increases 74.1%, or \$2.4 million, resulting in an overall growth in State funds of 7.6%, or \$5.7 million, over fiscal 2013.

---

**Exhibit 9**  
**Governor’s Proposed Budget**  
**Morgan State University**  
**(\$ in Thousands)**

	<b>FY 2012</b> <b><u>Actual</u></b>	<b>FY 2013</b> <b><u>Working</u></b>	<b>FY 2014</b> <b><u>Adjusted</u></b>	<b>FY 2013-14</b> <b><u>Change</u></b>	<b>% Change</b> <b><u>Prior Year</u></b>
General Funds	\$69,379	\$67,884	\$74,256	\$6,373	9.4%
Higher Education Investment Fund	3,623	3,223	5,611	2,388	74.1%
Budget Restoration Funds	0	3,091	0	-3,091	
Total State Funds	73,002	74,198	79,868	5,670	7.6%
Other Unrestricted Funds	84,645	92,823	98,564	5,741	6.2%
Total Unrestricted Funds	157,647	167,021	178,432	11,411	6.8%
Restricted Funds	51,911	56,419	56,539	120	0.2%
<b>Total Funds</b>	<b>\$209,558</b>	<b>\$223,440</b>	<b>\$235,057</b>	<b>\$11,618</b>	<b>5.2%</b>

Note: Fiscal 2014 general funds are adjusted by \$86,796 to reflect across-the-board reductions. Numbers may not sum to total due to rounding.

Source: Governor’s Budget Books, Fiscal 2014

---

*R13M00 – Morgan State University*

Other unrestricted funds grow 6.2%, or \$5.7 million, over fiscal 2013 largely due to tuition and fee revenues increasing 7.2%, or \$4.0 million. However, MSU states these revenues are overstated by \$2.5 million because the budget was submitted before the fall 2012 enrollments were finalized, which as previously mentioned, declined 0.8%. Therefore, unrestricted funds are expected to increase 3.3%, or \$3.3 million.

In regards to personnel expenses, the allowance provides \$0.3 million for three months of merit increases (beginning in April 2014). In addition, funds for a 3% cost-of-living adjustment (COLA), effective January 1, 2014, are included in the Department of Budget and Management's budget. The COLA totals \$1.3 million of which the general fund portion is \$1.1 million. The remaining \$0.2 million is to be funded from other current unrestricted revenues.

MSU's current services costs (CSC), typically funded with unrestricted revenues, *e.g.*, general funds, the HEIF, and tuition revenues, are estimated to increase \$4.2 million. MSU's CSC are comprised solely of personnel-related expenditures with retirement and health insurance accounting to 69.3%, or \$2.9 million, of the total. Also included is the annualization of the fiscal 2013 COLA (\$0.6 million) and the fiscal 2014 merit (\$0.3 million).

When accounting for the fiscal 2014 COLA, and after adjusting for the \$86,796 across-the-board reduction, expenditures total \$5.4 million, as shown in **Exhibit 10**. Revenues include \$6.7 million in State funds and \$4.4 million in other unrestricted revenues. The fiscal 2014 allowance provides \$5.8 million to fund enhancements, but when accounting for the projected tuition revenue shortfall of \$2.5 million, funding for enhancements totals \$3.3 million.

The fiscal 2014 allowance provides \$1.5 million in general fund and the HEIF to fund program enhancements. Specifically, the allowance includes \$1.0 million to convert 24 contractual FTEs – 12 faculty and 12 staff – to regular positions and \$0.5 million for faculty for growth that will be used to either convert contractual faculty or hire new regular faculty depending upon enrollment and the budget. **Since the allowance provides \$3.3 million to fund these enhancements totaling \$1.5 million, the Department of Legislative Services (DLS) recommends reducing MSU's general fund appropriation by \$1.0 million, thereby leaving \$2.3 million to fund enhancements.**

Budget changes by program area in the allowance, are shown in **Exhibit 11**. This data includes unrestricted funds only, the majority of which consist of general funds and tuition and fee revenues. In fiscal 2013, operation and maintenance of plant expenditures \$2.6 million, or 15.3%, due to filling vacancies, rising fringe costs, COLA, and increased spending on facilities renewal. Expenditures on scholarship and fellowships are not increasing even though the working budget shows an increase of \$2.5 million. Of this amount, \$1.4 million is overstated due to the budget estimate assuming a 3% enrollment growth and tuition increase of 5%, but enrollment declined and tuition only increased 3%. The remaining \$0.9 million is related to budgeting the Master's of Business Administration scholarships and assistantships in the appropriate program; these previously were budgeted in Instructional and Academic Support program areas. Finally, in fiscal 2013, public service increases 146.8%, or \$0.1 million, which is related to increased funding for the museums which did not materialized.

**Exhibit 10**  
**Morgan State University State-supported Revenues**  
**Available for Program Enhancements**  
**Fiscal 2014**

	<u>\$ Amount</u>
<b>Expenditures</b>	
Current Services Cost Increase <sup>1</sup>	\$4,134,732
Employee Cost-of-living Adjustment (COLA)	1,307,407
<b>Total Expenditures</b>	<b>\$5,442,139</b>
<b>Revenues</b>	
General Funds and the Higher Education Investment Fund (HEIF)	
New General Funds and HEIF <sup>1</sup>	\$5,669,900
COLA Funds Received through DBM Budget	1,066,845
<b>Total New State Funds</b>	<b>\$6,736,745</b>
New Tuition and Fee Revenues <sup>2</sup>	1,498,686
Other New Unrestricted Revenues <sup>3</sup>	487,604
<b>New General Fund, Tuition, and Other Revenues</b>	<b>\$8,723,035</b>
<b>Funds Available for Enhancements/Enrollment Growth</b>	<b>\$3,280,896</b>
(Revenues Less Expenditures)	

<sup>1</sup> Current services costs and general funds are adjusted by \$86,796 to reflect across-the-board reductions due to savings in health insurance costs.

<sup>2</sup> Morgan State University (MSU) indicates tuition and fee revenues of \$4.0 million are overstated by \$2.5 million due to submission of the fiscal 2014 budget prior to finalizing the fall 2012 enrollment. MSU now estimates new tuition and fee revenue will total approximately \$1.5 million.

<sup>3</sup> Does not include auxiliary or restricted revenues.

Source: Governor's Budget Books, Fiscal 2014; Morgan State University; Department of Legislative Services

---

**Exhibit 11**  
**MSU Budget Changes for Unrestricted Funds by Program**  
**Fiscal 2012-2014**  
**(\$ in Thousands)**

	<u>2012</u>	<u>Working 2013</u>	<u>% Change 2012-13</u>	<u>Adjusted 2014</u>	<u>\$ Change 2013-14</u>	<u>% Change 2013-14</u>
<b>Expenditures</b>						
Instruction	\$46,740	\$47,274	1.1%	\$51,633	\$4,359	9.2%
Research	964	903	-6.3%	977	75	8.3%
Public Service	101	248	146.3%	256	8	3.1%
Academic Support	17,976	18,591	3.4%	20,977	2,385	12.8%
Student Services	6,468	6,615	2.3%	7,204	589	8.9%
Institutional Support	28,310	28,953	2.3%	30,429	1,476	5.1%
Operation and Maintenance of Plant	16,797	19,360	15.3%	20,405	1,044	5.4%
Scholarships and Fellowships	14,088	16,561	17.5%	16,836	275	1.7%
<b>Subtotal Education and General</b>	<b>\$131,443</b>	<b>\$138,505</b>	<b>5.4%</b>	<b>\$148,716</b>	<b>\$10,211</b>	<b>7.4%</b>
Auxiliary Enterprises	\$26,203	\$28,516	8.8%	\$29,716	\$1,200	4.2%
<b>Total</b>	<b>\$157,647</b>	<b>\$167,021</b>	<b>5.9%</b>	<b>\$178,432</b>	<b>\$11,411</b>	<b>6.8%</b>
Funds Specific to HBIs	\$1,450	\$1,518	4.7%	\$1,575	\$57	3.7%
<b>Adjusted Total</b>	<b>\$159,096</b>	<b>\$168,539</b>	<b>5.9%</b>	<b>\$180,007</b>	<b>\$11,468</b>	<b>6.8%</b>
<b>Revenues</b>						
Tuition and Fees	\$56,000	\$55,766	-0.4%	\$59,764	\$3,999	7.2%
General Funds	69,379	67,884	-2.2%	74,256	6,373	9.4%
Higher Education Investment Fund	3,623	3,223	-11.0%	5,611	2,388	74.1%
Budget Restoration Funds		3,091		0	-3,091	
Other Unrestricted Funds	5,545	4,667	-15.8%	5,154	488	10.4%
<b>Subtotal</b>	<b>\$134,546</b>	<b>\$134,630</b>	<b>0.1%</b>	<b>\$144,786</b>	<b>\$10,156</b>	<b>7.5%</b>
Auxiliary Enterprises	\$27,636	\$32,391	17.2%	\$33,646	\$1,255	3.9%
Transfers (to) from Fund Balance	-4,536	0		0		
<b>Total</b>	<b>\$157,647</b>	<b>\$167,021</b>	<b>5.9%</b>	<b>\$178,432</b>	<b>\$11,411</b>	<b>6.8%</b>
Funds Specific to HBIs	\$1,450	\$1,518	4.7%	\$1,575	\$57	3.7%
<b>Adjusted Total</b>	<b>\$159,096</b>	<b>\$168,539</b>	<b>5.9%</b>	<b>\$180,007</b>	<b>\$11,468</b>	<b>6.8%</b>

HBI: historically black institution

MSU: Morgan State University

Note: The fiscal 2014 expenditures and general funds are adjusted to reflect the across-the-board reduction of \$86,796. Unrestricted funds only.

Source: Governor's Budget Books, Fiscal 2014

In fiscal 2014, expenditures for instruction grow \$4.4 million, or 9.2%, mainly due to the conversion of 24 contractual positions, academic program development and increases in personnel costs including fringe benefits, COLA, and merit. Expenditure increases in academic and institutional support of \$2.4 and \$1.5 million, respectively, are related to increased fringe benefits, COLA, and merit.

### **Continual Decline in Instruction Positions**

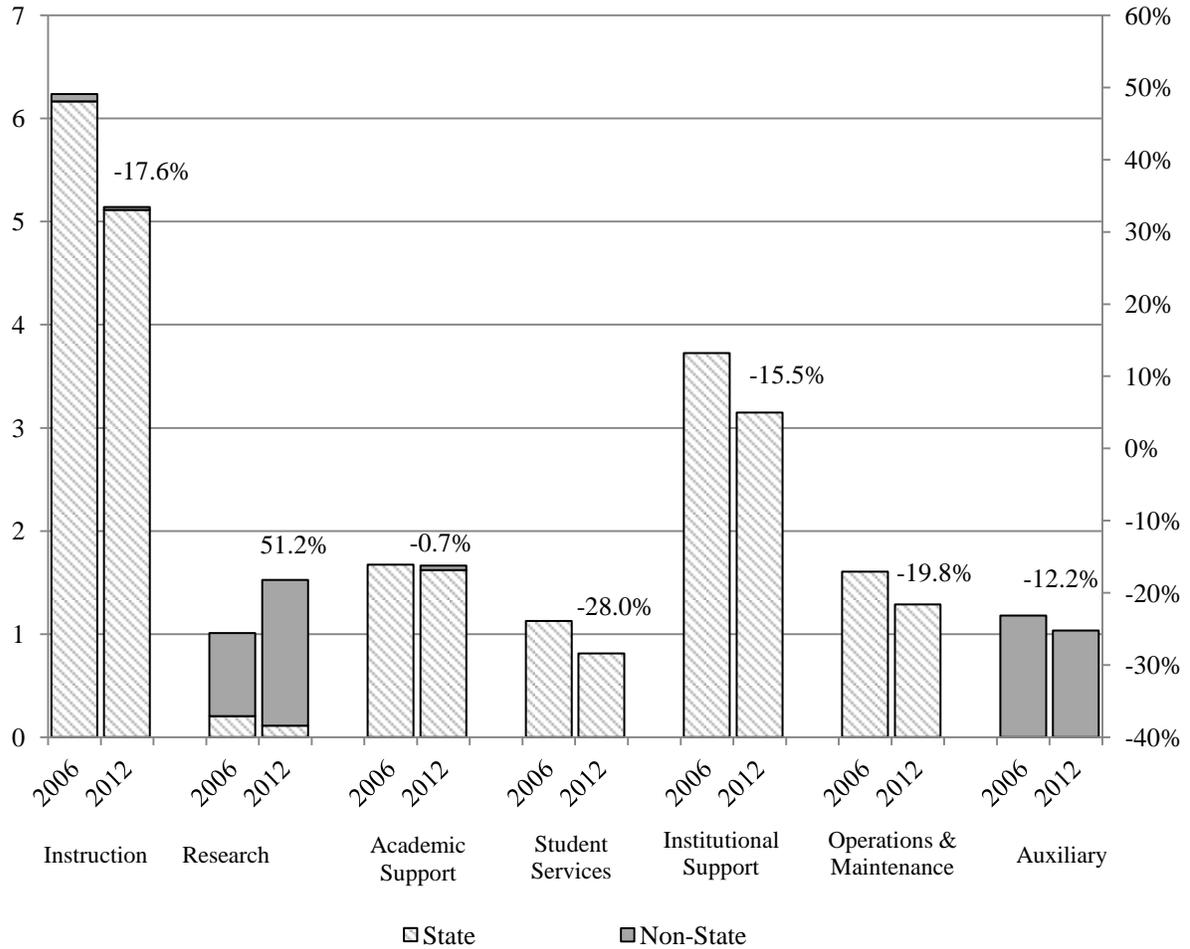
Over the past year, the number of filled positions grew 1.7%, or 17.1 FTEs, as of October 2012, even though the fiscal 2013 allowance did not provide any new regular positions. As with the University System of Maryland, MSU has autonomy in creating new positions as needed within existing funds. Most of the growth is due to the addition of 26.0 instruction positions which partially offsets the loss of 19.6 FTEs in 2011.

**Exhibit 12** shows the changes in positions by program area relative to enrollment, which grew 22.1% between 2006 and 2012 compared to 4.2% growth in positions. In terms of total number of filled positions per 100 FTEs, all program areas experienced a decline, except research. Student services (*e.g.*, admissions and the registrar, counseling, and student health services) declined at the highest rate of 28.0%, followed by operations and maintenance of plant at 19.8%. This decrease raises concerns about facilities up keep and maintenance and the impact on facilities renewal. Instruction, which has the most positions, decreased 17.6%. Research, comprised mainly of non-State-supported positions, grew 51.2%, an indication of the increase in research awards over the past six years.

### **Revenues Per Full-time Equivalent Student**

After peaking at \$11,577 in fiscal 2009, State funds (general fund and HEIF) per FTES declined over the next three years, as shown in **Exhibit 13**. This reflected the impact of the economic recession resulting in State funding remaining relatively flat while enrollment grew at an average rate of 3.9%. Since fiscal 2012, State funds per FTEs increased \$944 to \$11,154 in fiscal 2014. Since fiscal 2009, tuition and fees per FTEs has increased 2.2%, or \$157, totaling \$7,989 in fiscal 2014. Overall, total funds per FTES grow \$577 in fiscal 2014 due to State funds increasing \$555 per FTES.

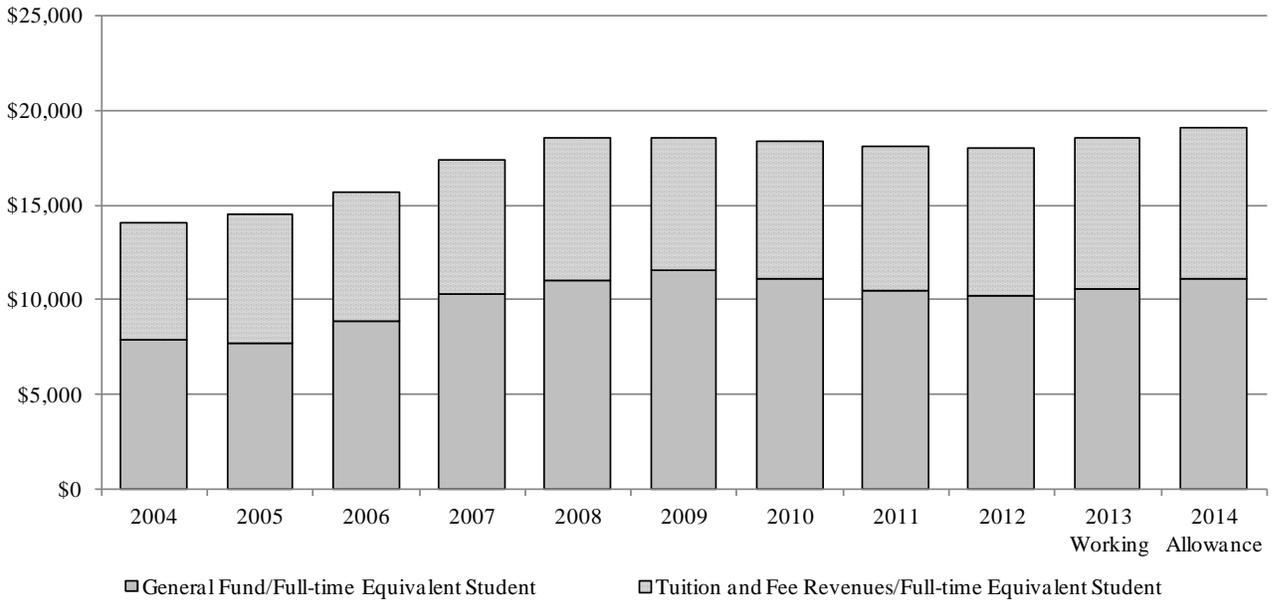
**Exhibit 12**  
**Total State and Non-State Positions Per 100 Full-time Equivalent Students**  
**Fiscal 2006 and 2012**



Note: Reflects positions as of October 2006 and 2012.

Source: Morgan State University

**Exhibit 13**  
**MSU State Funds and Tuition and Fee Revenues Per FTES**  
**Fiscal 2004-2014**



FTES: full-time equivalent student  
MSU: Morgan State University

Note: Fiscal 2013 and 2014 full-time equivalent students are adjusted to reflect revised enrollment and are 7,000 and 7,158, respectively; fiscal 2014 tuition and fee revenues are adjusted to reflect the projected \$2.5 million shortfall in revenues.

Source: Governor’s Budget Books, Fiscal 2014; Morgan State University

## *Issues*

---

### **1. Affordability**

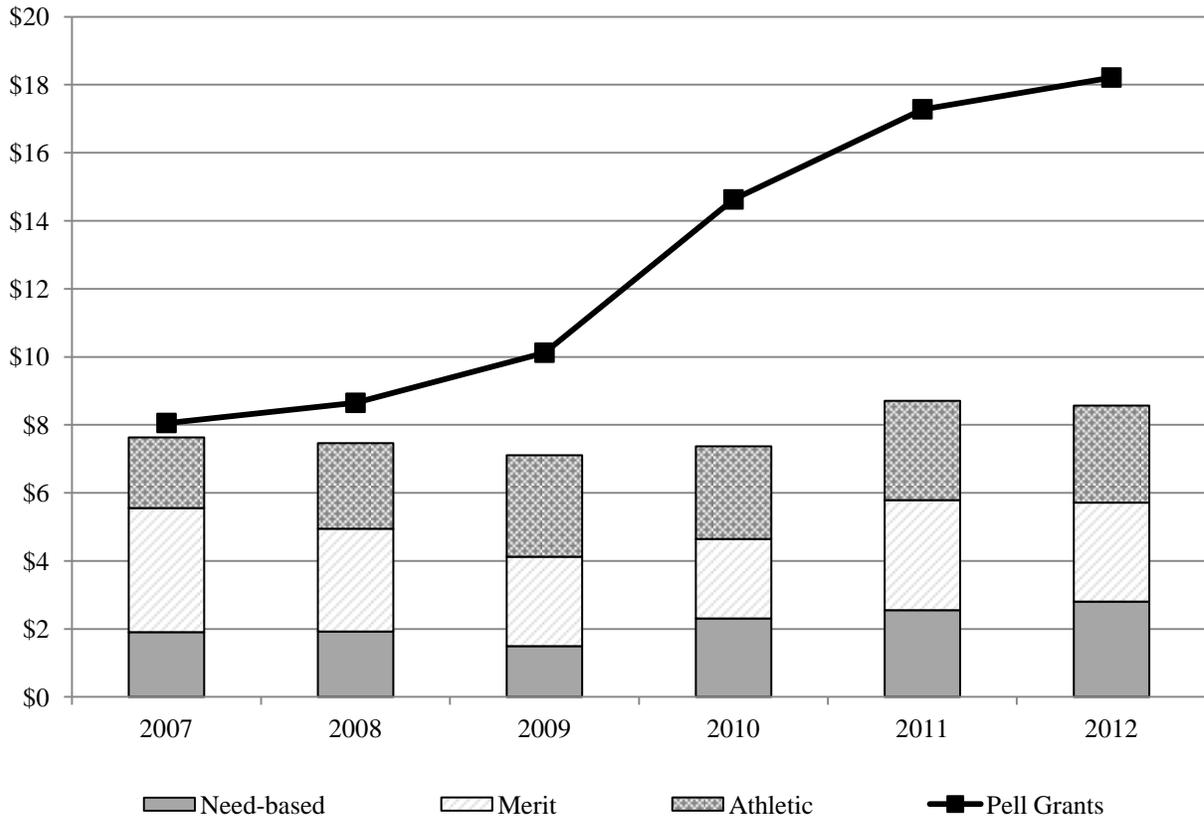
Financial aid is an important component to helping many students succeed in earning a degree. Lack of financial support frequently contributes to a student's decision to stop out or drop out of college. Generally, by combining various types of aid – federal, State, and institutional – students are able to effectively lower the cost of college. According to the National Center for Education Statistic's College Navigator, the total cost for a Maryland student attending MSU in fiscal 2011 was \$20,197 (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 \$13,641, a 32.5% reduction in the net cost of attendance.

#### **Institutional Aid**

Fifty-eight percent of MSU's undergraduate students receive Pell awards which are given to those that could not otherwise afford college and have an Expected Family Contribution (EFC) of less than a specified amount, which was \$5,273 in 2012. 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. As with other institutions across the State, fiscal 2010 is the first year the effects of the recession impacted students' financial situation, as shown in **Exhibit 14**. This is evident from the \$4.5 million jump in Pell awards. In fiscal 2011, total expenditures on institutional aid grew 18.2%, or \$1.3 million, of which 60.1%, or \$0.8 million, went toward need-based aid. This signaled a shift with an increasing portion of aid going toward need-based aid. In fiscal 2009, only 21.0% of institutional aid was directed toward need-based aid, the lowest level in the past five years; by fiscal 2012, need-based represented 32.8%. During the same time period, the portion of expenditures on going toward merit declined from 47.9 to 33.9% while athletic scholarships declined from 42.0 to 33.3%. In fiscal 2012, total expenditures decline \$0.1 million, but the amount spent on need-based aid still increased.

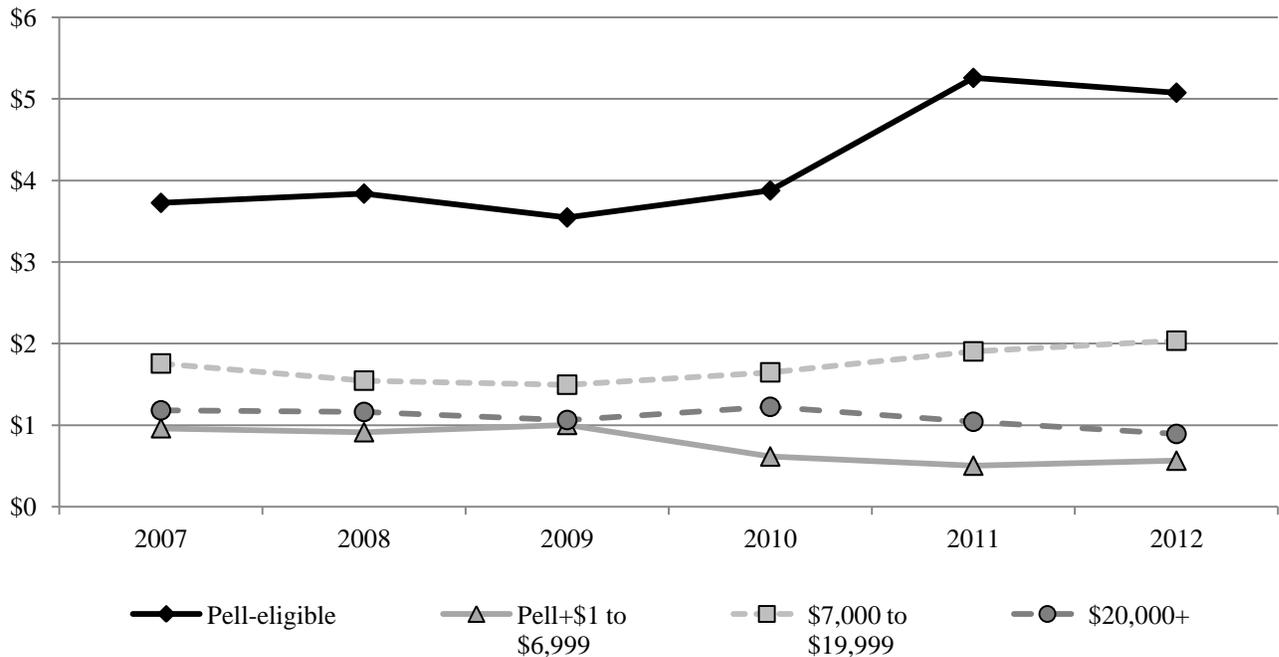
As the expenditures on need-based aid grew, there was a corresponding increase in the amount of institutional aid awarded to Pell-eligible students, as shown in **Exhibit 15**. In fiscal 2012, Pell-eligible students received 59.2% of institutional aid, a significant increase from fiscal 2009 when 49.9% received aid. Since fiscal 2010, aid awarded to Pell-eligible students increased by \$1.4 million by fiscal 2012. Conversely, awards going to those in the Pell+\$1 to \$6,999 EFC declined 43.7%, or \$0.4 million between fiscal 2009 and 2012, while awards to students with an EFC between 6,999 and 20,000 increase 36.0%.

**Exhibit 14**  
**Total Institutional Aid and Pell Grant Expenditures**  
**Fiscal 2007-2012**  
**(\$ in Millions)**



Source: Morgan State University

**Exhibit 15**  
**Total Expenditures on Institutional Aid by Expected Family Contribution**  
**Fiscal 2007-2012**  
**(\$ in Millions)**



Source: Morgan State University

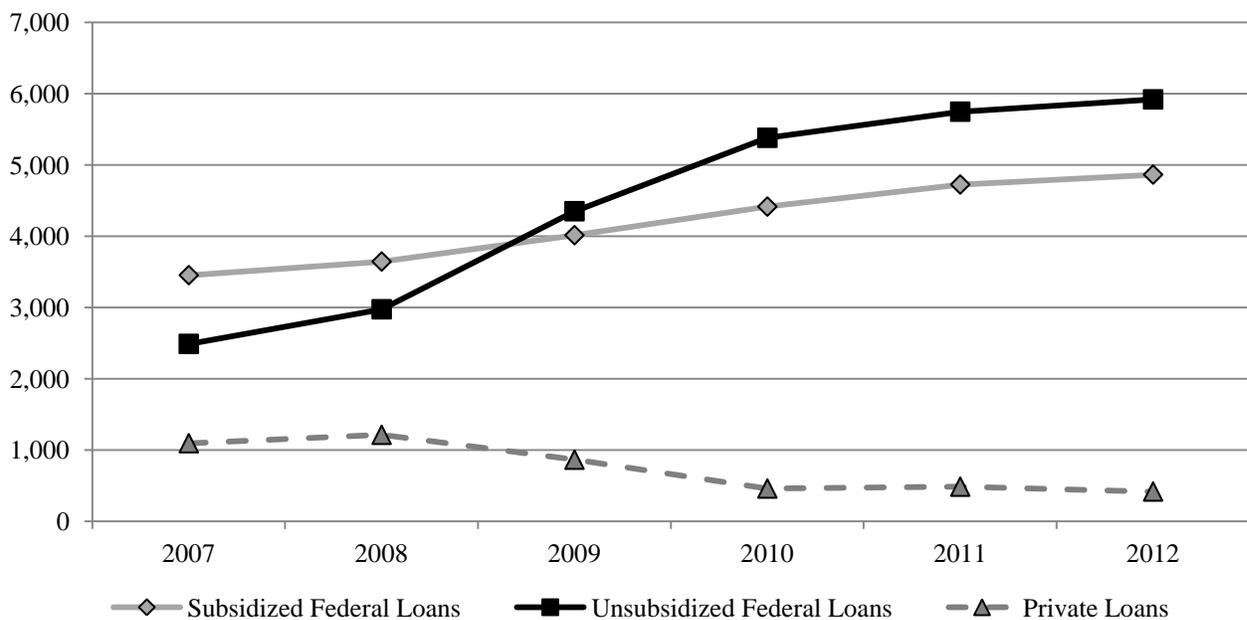
**Financial Aid Does Not Cover All Costs**

In addition to financial aid, students may take out loans to pay for their education. There are three types of loans:

- federal subsidized loans are based on financial need with the government paying the interest while the student is enrolled in school;
- federal unsubsidized loans generally are for those who do not demonstrate financial need with the interest added to the balance of the loan while the student is enrolled in school; and
- private sources.

As illustrated in **Exhibit 16**, the number of unsubsidized loans jumped 81.0% between fiscal 2008 and 2010 suggesting the economic downturn coupled with changes in the federal loan limits, started to impact the students in fiscal 2009. In 2008, the annual limit for dependent students increased \$2,000 and by an additional \$1,000 for independent students. Over the past five years, the number of subsidized loans taken out by MSU students and their families climbed steadily, increasing an average of 7.1% annually.

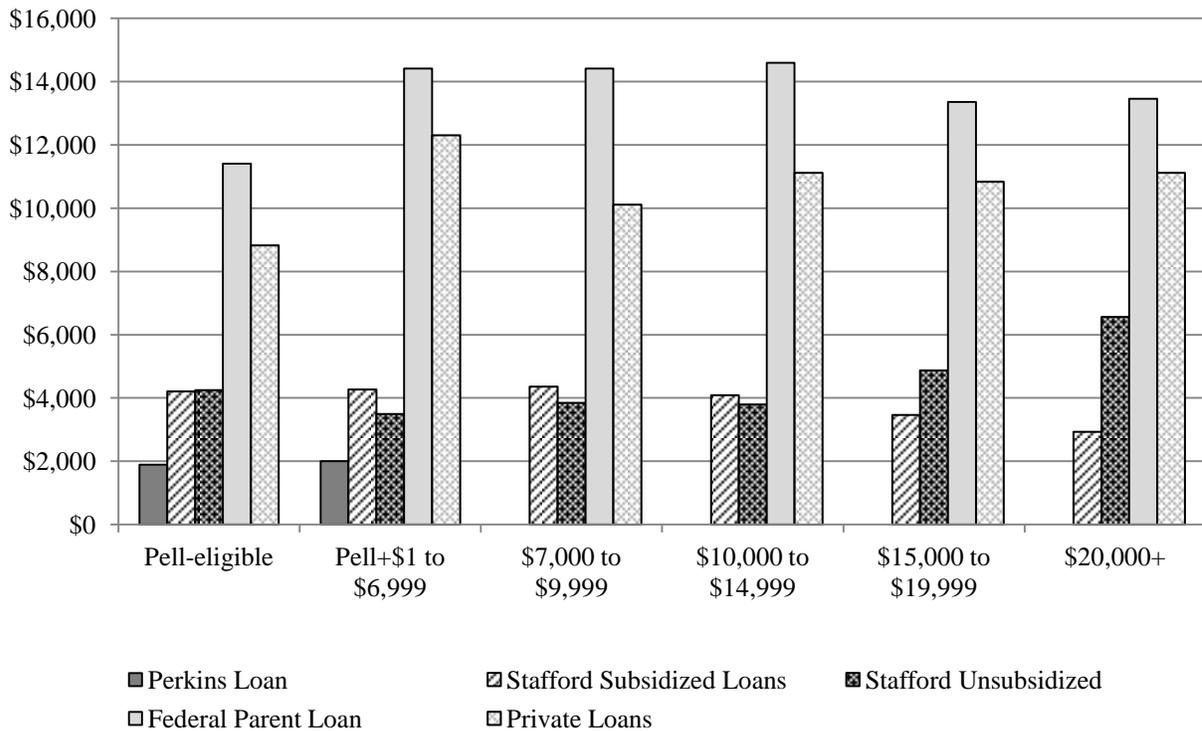
**Exhibit 16**  
**Total Loans**  
**Fiscal 2007-2012**



Source: Morgan State University

While the students with the greatest financial need typically receive Pell awards and institutional aid, it is still not enough to cover the costs of college. As shown in **Exhibit 17**, in fiscal 2012, the average amount of federal subsidized and unsubsidized loans taken out by these students was \$4,224. Additionally, of the 4,258 Pell-eligible students, 183 used the more expensive private loans to finance their education with loans averaging \$8,820. This is less than in fiscal 2011 when 240 students took out loans averaging \$9,276. Students with an EFC \$1 to \$6,999 above Pell, who are also financially needy, took out the largest amount of private loans, averaging \$12,299. For students in all EFC categories, parents took out federal parent loans, with the highest average loan of \$14,593 being taken out by those with an EFC of \$10,000 to \$14,999.

**Exhibit 17  
Mean Loan Amount by Type and Expected Family Contribution  
Fiscal 2012**



Source: Morgan State University

**The President should comment on the overall decline in the expenditures on institutional aid and that even while more aid is being directed toward need-based aid, it only comprises about a third of total aid expenditures.**

**2. Reclamation Initiative**

MSU launched the Reclamation Initiative during the 2011-2012 academic year to address the need to improve its six-year graduation rate and, thereby, increase its degree production. MSU identified those students from the fall 2006 first-time, full-time cohort who were in good academic standing but were no longer enrolled at the university. These students had earned at least 90 credits and had been officially audited by their dean or department for graduation. Forty students were identified as near-completers and were sent letters inviting them to return to MSU to complete their degrees in time to graduate in May 2012. The letters were followed by calls to the students. These

students reported leaving for various reasons including lack of sufficient funds to pay to for college, emergency or personal circumstances, and promotions or offers of full-time employment.

Of the 40 students to be “reclaimed,” 19 accepted the invitation to return to MSU. These students received an average reclamation grant of \$2,626 for the spring 2012 semester with grants totaling \$49,906. According to MSU, many students in their fifth and sixth year of college take out loans ranging from \$42,000 to \$144,000 to pay for college. Many students are likely to “max-out” on financial aid or run out of funds to cover their EFC. This initiative showed that even a relatively modest amount of financial aid created enough of an incentive for students to complete their degrees. On average, the 19 reclaimed students needed 12 credits to graduate. Eleven of the 19 students graduated in May 2012 with the remaining 8 students enrolling either in the summer or in the fall of 2012 semester at their own expense.

This initiative proved to be successful in that MSU increased its six-year graduation rate for the first-time, full-time students. While the rate has yet to be posted for the 2006 cohort, initial indications show the six-year rate of 30.2%, excluding transfers, compared to 28.9% for the 2005 cohort. Without the reclaimed students, who accounted for 0.8% of the cohort, the rate would have continued a decline that started with the 2003 cohort. Building off this success, MSU identified 31 students to be reclaimed from the fall 2007 cohort and invited them to return and finish their degrees by May 2013. Of the 31 students identified, 17 returned to MSU for the fall 2012 semester. MSU plans to continue this program, and to that end, applied for and was awarded a MHEC One Step Away grant for near-completers. MSU will use the funds to expand its academic, financial, and social advising supports that facilitate successful re-enrollment and subsequent degree completion.

**The President should comment on the status of the program and other planned or recently implemented programs, initiatives, or policies designed to increase completions.**

### **3. Use of Adjuncts**

The 2012 *Joint Chairmen’s Report* (JCR) required MSU to submit a report on the use of contractual personnel, which was submitted on August 29, 2012. In the report, MSU summarized its high usage of contractual faculty, the cost to convert these faculty to regular positions, and comparisons to other research institutions. Also discussed was a process MSU would use in deciding which positions to convert. For faculty, the Provost would make recommendations to the President, who will make the final decision on the most critical positions to convert; for staff, consideration would be given based on longevity and past job performance.

Over the past three years, MSU, on average, has had the third highest portion of adjuncts among Maryland public four-year institutions, according to data submitted in response to DLS annual personnel survey. Towson University has the highest portion with adjuncts comprising 40.9% of the faculty while MSU averaged 34.7%. Generally, institutions turn to adjuncts to meet the demands from a growing enrollment while contending with reduced or flat State funding. However, the opposite appears to have occurred at MSU with the portion of adjuncts declining from 33.5% in 2010 to 31.3% in 2011 when enrollment grew 2.7%. The following year, enrollment declined 0.8%, but

the portion of adjuncts increased 8.0 percentage points to 39.3%. This increase is attributed to a decision in fiscal 2012 to use \$1.7 million of \$2.0 million in additional tuition revenue to hire more adjuncts rather than regular tenure-track faculty.

In order to help MSU reduce its reliance on contractual positions, the fiscal 2014 allowance provides \$1.0 million to convert 12 faculty and 12 staff contractual FTEs to regular positions. An additional \$0.5 million is provided for “faculty for growth” which will be used to either convert existing faculty or hire new regular faculty based on the budget and enrollment growth. **In order to ensure that the funds provided to convert positions are used for their intended purpose, DLS recommends restricting \$1.5 million in general funds until MSU submits a report identifying those positions to be converted and the additional regular faculty hires, if necessary, to respond to enrollment growth. Furthermore, since MSU currently does not have a formal policy on converting contractual positions, the report should include a policy adopted by the Board of Regents.**

**The President should comment on recent decisions to hire more adjuncts and if other means have been considered to reduce the number of adjuncts, such as an internal reallocation of resources to fund those priorities of the university.**

## ***Recommended Actions***

---

1. Add the following language to the unrestricted fund appropriation:

, provided that \$1,535,170 of this appropriation made for the purpose of converting contractual positions and adding regular faculty positions may not be expended until Morgan State University submits a report to the budget committees documenting the positions that have been converted and identifying new regular faculty that have been hired in response to enrollment growth. The report shall include a policy, approved by the Board of Regents, on conversion of contractual positions. The report shall be submitted by August 1, 2013, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** The fiscal 2014 budget provides \$1,033,430 specifically designated for the conversion of 12 faculty and 12 staff contractual positions to regular positions. The budget also includes \$501,740 specifically designated for “Faculty for Growth,” which is to be used to either hire additional regular faculty, if needed to meet enrollment demands, or to convert additional contractual faculty to regular positions. This language withholds the expenditure of those funds until Morgan State University (MSU) submits a report documenting the conversion of positions and the hiring of additional regular positions in response to enrollment growth.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on the conversion of contractual positions and hiring of new regular faculty	MSU	August 1, 2013

2. Add the following language to the unrestricted fund appropriation:

, provided that the appropriation herein for Morgan State University shall be reduced by \$1,000,000.

**Explanation:** The language reduces Morgan State University general fund appropriation by \$1.0 million representing approximately one-third of the funds available, after accounting for the \$2.5 million projected shortfall in tuition and fee revenues, to fund enhancements. This would still provide MSU \$2.2 million to fund the conversion of 24 positions totaling \$1.0 million and \$0.5 million for faculty for growth that will be used to either convert contractual faculty or hire new regular faculty depending upon enrollment and the budget.

3. Adopt the following narrative:

**Institutional Aid by Expected Family Contribution Category:** The committees request that Morgan State University (MSU) submit data in an electronic format (Excel file) on undergraduate institutional aid awards. Data should include the number of institutional aid awards and average award size by Expected Family Contribution (EFC) for institutional grants, institutional athletic scholarships, and other institutional scholarships as reported to the Maryland Higher Education Commission (MHEC) for fiscal 2013. Data should also include the number of institutional aid awards and average award size by EFC for tuition waivers/remissions of fees to employees and dependents for fiscal 2013. The report is be submitted either by MSU or MHEC.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on institutional aid by EFC category	MSU or MHEC	December 15, 2013

4. Adopt the following narrative:

**Loan Data by Expected Family Contribution Category:** In order to more fully understand all of the types of aid available to students, the committees request that Morgan State University (MSU) submit undergraduate loan data. Data should include, by Expected Family Contribution (EFC), the number of loans and average loan size of federal subsidized and unsubsidized loans, and loans from private sources as reported to the Maryland Higher Education Commission (MHEC) for fiscal 2013. Additionally, data should be provided on Pell grants including the number and average award size by EFC for fiscal 2013. The report is be submitted in an electronic format (Excel file) either by MSU or MHEC.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on loan data by EFC category	MSU or MHEC	December 15, 2013

5. Adopt the following narrative:

**Faculty Workload Report:** The committees request that Morgan State University (MSU) continue to provide annual instructional workload reports for tenured and tenure-track faculty. By focusing on these faculty, the committees gain a sense of the teaching activities for the regular core faculty at the institution. Additional information may be included in the report at MSU's discretion.

*R13M00 – Morgan State University*

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Annual instructional workload report	MSU	December 1, 2013

## ***Updates***

---

### **1. Instructional Workload Report**

Language in the 2012 JCR required MSU to submit a report on the instructional workload of tenured and tenure-track faculty. For the 2011-2012 academic year, the average instructional workload was 21.51 credit hours (equivalent to an average of 7.3 courses per year), down from 21.72 in the previous year. The goal is for the faculty workload to be approximately five to six courses per year.

### **2. Access and Success Programs**

In fiscal 2012, MSU received \$1.4 million in Access and Success funding which was used to support salaries of the 17 retention staff who coordinate and implement the Access and Success programs. Funding continued for two summer bridge programs: Center for Academic Success and Achievement (CASA) and the Pre-Accelerated Curriculum in Engineering (PACE). Overall, MHEC concluded both programs are making satisfactory progress toward degree completion.

CASA provides an opportunity for those high school graduates who do not meet the regular admissions standard to become eligible for enrollment at MSU. Students who participated in CASA have a high passage rate, near or approaching 100%, in developmental coursework and are nearly as successful as other MSU students. PACE is for those incoming freshman who intend to major in engineering and is designed to prepare students for the math placement examinations. Overall, PACE students continually outperform other first-year students at MSU. MHEC concludes the strategies used in the PACE program may be worthy of extending to other populations within MSU or other universities may want to consider adopting those aspects which have shown to best increase student performance.

## *Current and Prior Year Budgets*

---

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

<b>Fiscal 2012</b>	<b>General Fund</b>	<b>Special Fund</b>	<b>Federal Fund</b>	<b>Other Unrestricted Fund</b>	<b>Total Unrestricted Fund</b>	<b>Restricted Fund</b>	<b>Total</b>
Legislative Appropriation	\$68,668	\$3,623	\$0	\$88,422	\$160,714	\$47,753	\$208,467
Deficiency Appropriation	0	0	0	0	0	0	0
Budget Amendments	710	0	0	3,914	4,624	6,641	11,265
Reversions and Cancellations	0	0	0	-7,692	-7,692	-2,482	-10,174
<b>Actual Expenditures</b>	<b>\$69,379</b>	<b>\$3,623</b>	<b>\$0</b>	<b>\$84,645</b>	<b>\$157,647</b>	<b>\$51,911</b>	<b>\$209,558</b>
<b>Fiscal 2013</b>							
Legislative Appropriation	\$67,884	\$5,611	\$0	\$92,823	\$166,318	\$56,419	\$222,736
Budget Amendments	0	703	0	0	703	0	703
<b>Working Appropriation</b>	<b>\$67,884</b>	<b>\$6,314</b>	<b>\$0</b>	<b>\$92,823</b>	<b>\$167,021</b>	<b>\$56,419</b>	<b>\$223,440</b>

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

---

## **Fiscal 2012**

For fiscal 2012, general funds for MSU increased \$0.7 million through a budget amendment related to the \$750 employee bonus. Other unrestricted funds increased by \$3.9 million through a budget amendment related to an increase in tuition revenue due to higher than expected enrollment.

Cancellations of unrestricted funds amounted to \$7.7 million due to:

- \$3.2 million of encumbrances;
- \$2.2 million less spent on equipment for the new Center for Built Environmental Studies building;
- \$1.2 million less in bookstore revenue; and
- \$1.1 million less spent on deferred maintenance.

Restricted funds increased \$6.6 million through a budget amendment due to a \$4.4 million award of a NASA Goddard Earth Sciences Technology contract and a \$2.2 million increase in Pell grant awards.

Cancellations of restricted funds totaled \$2.5 million was due to lower than anticipated expenditures on grants and contracts (\$1.3 million) and Pell grants (\$1.2 million).

## **Fiscal 2013**

The special fund appropriation, which includes \$2.4 million in Budget Restoration Funds that was created during the First Special Session of 2012, increases \$0.7 million through a budget amendment related to a half year 2% COLA.

**MSU Full-time Equivalent Personnel by Budget Program  
Fiscal 2006, 2012, and 2013**

<b><u>Budget Program</u></b>	<b>2006</b>		<b>2012</b>		<b>2013</b>		<b>2006-2013 Change of Share</b>
	<b><u>FTEs</u></b>	<b><u>% FTEs</u></b>	<b><u>FTEs</u></b>	<b><u>% FTEs</u></b>	<b><u>FTEs</u></b>	<b><u>% FTEs</u></b>	
Instruction	365.0	37.7%	341.4	33.2%	367.4	35.2%	-2.5%
Research	59.0	6.1%	115.9	11.3%	108.9	10.4%	4.3%
Academic Support	98.0	10.1%	117.8	11.5%	118.8	11.4%	1.3%
Student Services	66.0	6.8%	63.0	6.1%	58.0	5.6%	-1.3%
Institutional Support	218.0	22.5%	226.0	22.0%	225.0	21.5%	-1.0%
Operations and Maintenance of Plant	94.0	9.7%	89.0	8.7%	92.0	8.8%	-0.9%
Auxiliary Enterprises	68.0	7.0%	74.0	7.2%	74.0	7.1%	0.1%
<b>Total</b>	<b>968.0</b>		<b>1027.1</b>		<b>1044.1</b>		

Notes: Data are for filled regular positions only. All data are self-reported and unaudited. Numbers may not sum to total due to rounding.

Source: Morgan State University

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

<u>Object/Fund</u>	<u>FY 12 Actual</u>	<u>FY 13 Working Appropriation</u>	<u>FY 14 Allowance</u>	<u>FY 13 - FY 14 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	1,107.00	1,107.00	1,107.00	0.00	0%
02 Contractual	539.00	539.00	560.00	21.00	3.9%
<b>Total Positions</b>	<b>1,646.00</b>	<b>1,646.00</b>	<b>1,667.00</b>	<b>21.00</b>	<b>1.3%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 92,535,024	\$ 97,351,275	\$ 101,223,888	\$ 3,872,613	4.0%
02 Technical and Spec. Fees	29,386,467	30,233,840	32,992,406	2,758,566	9.1%
03 Communication	1,098,752	1,812,898	1,960,889	147,991	8.2%
04 Travel	3,675,370	3,811,636	4,242,639	431,003	11.3%
06 Fuel and Utilities	6,658,439	7,154,788	7,505,761	350,973	4.9%
07 Motor Vehicles	610,338	812,346	1,038,885	226,539	27.9%
08 Contractual Services	21,201,171	19,005,142	21,635,328	2,630,186	13.8%
09 Supplies and Materials	7,282,968	8,699,536	9,201,581	502,045	5.8%
11 Equipment – Additional	5,105,411	6,567,690	7,107,277	539,587	8.2%
12 Grants, Subsidies, and Contributions	35,894,894	40,716,189	40,348,016	-368,173	-0.9%
13 Fixed Charges	4,465,017	3,990,184	4,257,470	267,286	6.7%
14 Land and Structures	1,644,141	3,284,227	3,543,198	258,971	7.9%
<b>Total Objects</b>	<b>\$ 209,557,992</b>	<b>\$ 223,439,751</b>	<b>\$ 235,057,338</b>	<b>\$ 11,617,587</b>	<b>5.2%</b>
<b>Funds</b>					
40 Unrestricted Fund	\$ 157,646,618	\$ 167,021,003	\$ 178,518,803	\$ 11,497,800	6.9%
43 Restricted Fund	51,911,374	56,418,748	56,538,535	119,787	0.2%
<b>Total Funds</b>	<b>\$ 209,557,992</b>	<b>\$ 223,439,751</b>	<b>\$ 235,057,338</b>	<b>\$ 11,617,587</b>	<b>5.2%</b>

Note: The fiscal 2013 appropriation does not include deficiencies. The fiscal 2014 allowance does not include contingent reductions.

**Fiscal Summary**  
**Morgan State University**

<u>Program/Unit</u>	<u>FY 12</u> <u>Actual</u>	<u>FY 13</u> <u>Wrk Approp</u>	<u>FY 14</u> <u>Allowance</u>	<u>Change</u>	<u>FY 13 - FY 14</u> <u>% Change</u>
01 Instruction	\$ 46,840,162	\$ 47,399,614	\$ 51,798,392	\$ 4,398,778	9.3%
02 Research	33,949,008	36,308,467	37,289,595	981,128	2.7%
03 Public Service	100,700	247,989	255,788	7,799	3.1%
04 Academic Support	18,034,978	18,664,040	21,063,689	2,399,649	12.9%
05 Student Services	6,554,312	6,855,495	7,458,090	602,595	8.8%
06 Institutional Support	28,389,888	29,096,595	30,600,053	1,503,458	5.2%
07 Operation and Maintenance of Plant	16,802,626	19,380,878	20,435,041	1,054,163	5.4%
08 Auxiliary Enterprise	26,234,665	28,570,519	29,772,464	1,201,945	4.2%
17 Scholarships and Fellowships	32,651,653	36,916,154	36,384,226	-531,928	-1.4%
<b>Total Expenditures</b>	<b>\$ 209,557,992</b>	<b>\$ 223,439,751</b>	<b>\$ 235,057,338</b>	<b>\$ 11,617,587</b>	<b>5.2%</b>
Unrestricted Fund	\$ 157,646,618	\$ 167,021,003	\$ 178,518,803	\$ 11,497,800	6.9%
Restricted Fund	51,911,374	56,418,748	56,538,535	119,787	0.2%
<b>Total Appropriations</b>	<b>\$ 209,557,992</b>	<b>\$ 223,439,751</b>	<b>\$ 235,057,338</b>	<b>\$ 11,617,587</b>	<b>5.2%</b>

Note: The fiscal 2013 appropriation does not include deficiencies. The fiscal 2014 allowance does not include contingent reductions.