
Higher Education Fiscal 2023 Budget Overview

**Department of Legislative Services
Office of Policy Analysis
Annapolis, Maryland**

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Analysis of the FY 2023 Maryland Executive Budget, 2022

Higher Education Fiscal 2023 Budget Overview

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

	<u>Adjusted</u> <u>2021</u> ¹	<u>Working</u> <u>Adjusted</u> <u>2022</u> ²	<u>Allowance</u> <u>2023</u>	<u>Allowance</u> <u>Adjusted</u> <u>2023</u> ³	<u>Adj.</u> <u>Change</u> <u>2022-2023</u>	<u>% Change</u> <u>2022-2023</u>
Public Four-year Institutions						
University System of Maryland	\$1,528,343	\$1,566,658	\$1,642,892	\$1,843,646	\$276,989	17.7%
Chapter 41 of 2021 Funds			22,342	22,342	22,342	
Subtotal – USM	\$1,528,343	\$1,566,658	\$1,665,234	\$1,865,988	\$299,331	19.1%
Morgan State University	\$112,324	\$117,030	\$124,409	\$134,927	\$17,897	15.3%
Chapter 41 of 2021 Funds			15,113	15,113	15,113	
Subtotal – MSU	\$112,324	\$117,030	\$139,522	\$150,040	\$33,011	28.2%
St. Mary's College of Maryland	\$27,762	\$30,511	\$30,787	\$32,238	\$1,727	5.7%
Subtotal – Public Four-year	\$1,668,429	\$1,714,198	\$1,835,543	\$2,048,267	\$334,038	19.5%
Other Higher Education						
Maryland Higher Education Commission						
Administration	\$7,179	\$8,549	\$8,708	\$9,086	\$536	6.3%
Administration Chapter 41 of 2021 Funds			22,032	22,032	22,032	
Subtotal – Administration	\$7,179	\$8,549	\$30,740	\$31,118	\$22,568	264.0%
Financial Aid	\$119,855	\$135,254	\$167,742	\$167,742	\$32,488	24.0%
Education Grants ⁴	3,922	8,345	6,304	6,304	-2,041	-24.5%
College Savings Plan Match	12,466	10,980	10,980	10,980		0.0%
Non-USM Regional Higher Education Centers ⁵	1,410	1,410	1,410	1,410		0.0%
Independent Institutions	59,025	88,810	118,598	118,598	29,788	33.5%
Aid to Community Colleges	347,604	371,523	429,713	429,713	58,190	15.7%
Baltimore City Community College	38,168	41,310	43,735	43,735	2,425	5.9%
Subtotal – Other Higher Education	\$589,629	\$666,181	\$809,222	\$809,600	\$143,419	21.5%
Total Higher Education	\$2,258,058	\$2,380,380	\$2,644,765	\$2,857,487	\$477,875	20.1%
Total State PAYGO⁶	\$4,000	\$234,716	\$103,352	\$103,352		

¹ The 2021 is adjusted to reflect indirect State support funding from the Coronavirus Aid, Relief, and Economic Security Act. The public four-year institutions and BCCC received \$26.7 million in reimbursable funds for public safety personnel costs. The community colleges received \$17.4 million in Governor's Emergency Education Relief grant funding to provide workforce development courses. The public four-year institutions also received \$24.2 million in bond premium funding for capital-related expenditures not included above.

² The 2022 working is adjusted to include the fiscal 2022 general salary increase, the fiscal 2022 merit increase, one-time bonuses totaling \$1,500, and deficiency appropriations.

³ The fiscal 2023 allowance is adjusted to include general salary and merit increases. Of the fiscal 2023 allowance of State funds, \$2.5 million is restricted State funds rather than unrestricted for UMB.

⁴ Fiscal 2022 and 2023 includes funds to be transferred to the UMB Wellmobile.

⁵ Includes funds to be transferred to UMGC to administer the Waldorf Center in fiscal 2022 and 2023 by budget amendment.

⁶ Includes \$4.0 million in general funds in fiscal 2021 for the Maryland Higher Education Commission (MHEC); \$234.7 million in the fiscal 2022 adjusted working appropriation for USM (\$213.2 million) and SMCM (\$21.5 million); and \$103.4 million in the fiscal 2023 adjusted allowance between USM (\$65.0 million), MSU (\$10.0 million), SMCM (\$5.0 million), BCCC (\$5.0 million) and MHEC (\$18.4 million).

Source: Department of Budget and Management; Department of Legislative Services

Executive Summary

The Higher Education Overview provides a summary of the changes in State funding for higher education. These changes include a review of the Maryland public four-year institutions, independent institutions, aid to community colleges, and funding for Baltimore City Community College (BCCC). Additionally, an evaluation of changes in funding for the Maryland Higher Education Commission (MHEC), financial aid and educational grant programs, the College Savings Plan Match, and funding for non-University System of Maryland (USM) regional higher education centers is also provided.

A comparative analysis is also provided to review performance indicators against peer states. These metrics include State funding support, changes in tuition and fee levels, enrollment, outcome measures, and an evaluation of Maryland's 55% degree attainment goal. The Higher Education Overview will also provide an analysis of the impact that the COVID-19 pandemic is having on higher education as well as provide an update on standardized test scores in the college admissions process.

Operating Budget Recommended Actions

1. Adopt narrative requesting a report on faculty workload.

Higher Education

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Operating Budget Overview

Fiscal 2021 Actions

The fiscal 2021 funding is adjusted to include \$26.7 million in reimbursable fund deficiencies for public safety and personal cost reimbursement, including \$0.9 million for BCCC and \$17.4 million in Governor’s Emergency Education Relief (GEER) grant funding for community colleges to provide workforce development courses.

Fiscal 2022 Actions

The fiscal 2022 adjusted working appropriation includes funding to support several salary adjustments including a general salary increase of 1%, a merit increase, and a one-time \$1,500 bonus, per employee, at the public four-year institutions. These increases result from agreements with certain collective bargaining units. Additional information may be found in the Department of Budget and Management – Personnel analysis. It also includes eight proposed deficiency appropriations:

- two general fund appropriation deficiencies within USM totaling \$1.0 million for Bowie State University (BSU) and University of Maryland Baltimore County;
- one general fund deficiency appropriation of \$148,525 for the MHEC program evaluation unit;
- three general fund deficiency appropriations for the MHEC Educational Grants program to fully fund the Maryland 529 program (\$0.9 million), provide an endowment for the Miller Director of Civic Engagement faculty position at Washington College (\$1.0 million), and support the Workforce Readiness Grant Program (\$1.9 million), respectively;
- one special fund deficiency appropriation (\$1.1 million) for the Conroy Memorial Scholarship; and
- a one deficiency appropriation to swap \$45.5 million in general funds with special funds through the Higher Education Investment Fund (HEIF).

The fiscal 2022 adjusted appropriation also includes \$234.7 million in general fund pay-as-you-go (PAYGO) funding for USM and St. Mary’s College of Maryland (SMCM). When excluding PAYGO funding, total higher education in the fiscal 2022 adjusted working appropriation is \$122.3 million, or 5.4%, above the fiscal 2021 adjusted budget.

Fiscal 2023 Allowance

Total State operating support for higher education increases \$477.5 million, or 20.1%, excluding PAYGO, after accounting for the fiscal 2022 1% general salary and merit increment increase, a 3% fiscal 2023 general salary increase and additional merit increment increase, as well as \$2.5 million in restricted funds for the University of Maryland, Baltimore Campus. This increase includes \$37.5 million for the Historically Black Colleges and Universities (HBCU) and \$22 million in MHEC for attorney’s fees, as a result of Chapter 41 of 2021.

Funding for the State’s four-year public higher education institutions, from fiscal 2018 to the fiscal 2023 adjusted allowance is shown in **Exhibit 1**. State fiscal 2023 adjusted funds increase \$334.1 million, or 19.5%, above the fiscal 2022 working adjusted when excluding PAYGO funding. The largest increases are among the State’s HBCUs with increases of 35.9% (BSU), 31.0% (University of Maryland Eastern Shore (UMES)), 28.2% (Morgan State University (MSU)), and 25.6% (Coppin State University). As shown in **Appendix 3**, State funding exceeds tuition and fee revenue in the fiscal 2023 adjusted allowance.

Exhibit 1
State Support for Public Universities
Fiscal 2018-2023
(\$ in Thousands)

<u>Institution</u>	<u>Actual</u> <u>2018</u>	<u>Actual</u> <u>2019</u>	<u>Adjusted</u> <u>2020</u>	<u>Adjusted</u> <u>2021</u>	<u>Adjusted</u> <u>Working</u> <u>2022</u>	<u>Adjusted</u> <u>Allowance</u> <u>2023</u>	<u>Annual %</u> <u>Change</u> <u>2018-23</u>	<u>\$ Change</u> <u>2022-2023</u>	<u>%</u> <u>Change</u> <u>2022-2023</u>
University of Maryland, Baltimore Campus	\$231,774	\$236,403	\$263,294	\$249,176	\$257,931	\$312,584	6.2%	\$54,653	21.2%
University of Maryland, College Park Campus	463,376	488,247	\$531,341	539,635	549,553	\$660,916	7.4%	\$111,363	20.3%
Bowie State University	\$44,813	46,014	49,609	47,803	50,736	68,942	9.0%	\$18,207	35.9%
Towson University	\$118,507	120,317	134,791	139,242	146,558	170,743	7.6%	\$24,186	16.5%
University of Maryland Eastern Shore	\$39,825	40,791	43,137	45,112	43,499	56,992	7.4%	\$13,493	31.0%
Frostburg State University	41,418	42,341	45,500	44,523	45,426	52,079	4.7%	\$6,653	14.6%
Coppin State University	46,878	47,294	49,544	51,055	48,172	60,480	5.2%	\$12,308	25.6%
University of Baltimore	37,018	37,952	41,381	43,562	44,442	53,279	7.6%	\$8,837	19.9%
Salisbury University	54,097	55,095	59,606	62,254	63,046	73,943	6.4%	\$10,898	17.3%
University of Maryland Global Campus	43,518	43,838	44,397	44,566	45,438	52,994	4.0%	\$7,556	16.6%
University of Maryland Baltimore County	122,121	131,479	147,667	152,024	159,750	182,724	8.4%	\$22,974	14.4%
University of Maryland Center for Environmental Science	22,574	22,812	23,696	22,752	22,803	25,697	2.6%	\$2,893	12.7%
University System of Maryland Office	26,672	37,961	41,205	20,402	20,237	23,291	-2.7%	\$3,054	15.1%
Universities at Shady Grove				23,045	22,364	24,503		\$2,139	9.6%
Morgan State University	93,661	97,412	104,890	112,324	117,030	150,040	9.9%	\$33,011	28.2%
St. Mary's College of Maryland	24,535	25,834	28,602	27,762	30,511	32,238	5.6%	\$1,727	5.7%
Total Funding for Public Four-year Institutions	\$1,410,789	\$1,473,790	\$1,608,662	\$1,625,236	\$1,667,496	\$2,001,447	7.2%	\$333,952	20.0%
Total with Other Higher Education Funding*	1,455,928	1,521,320	1,653,581	1,668,429	1,714,198	2,048,267	7.1%	\$334,068	19.5%

*Other higher education funding includes funding for agricultural extension and experimental station programs and the Maryland Fire and Rescue Institute.

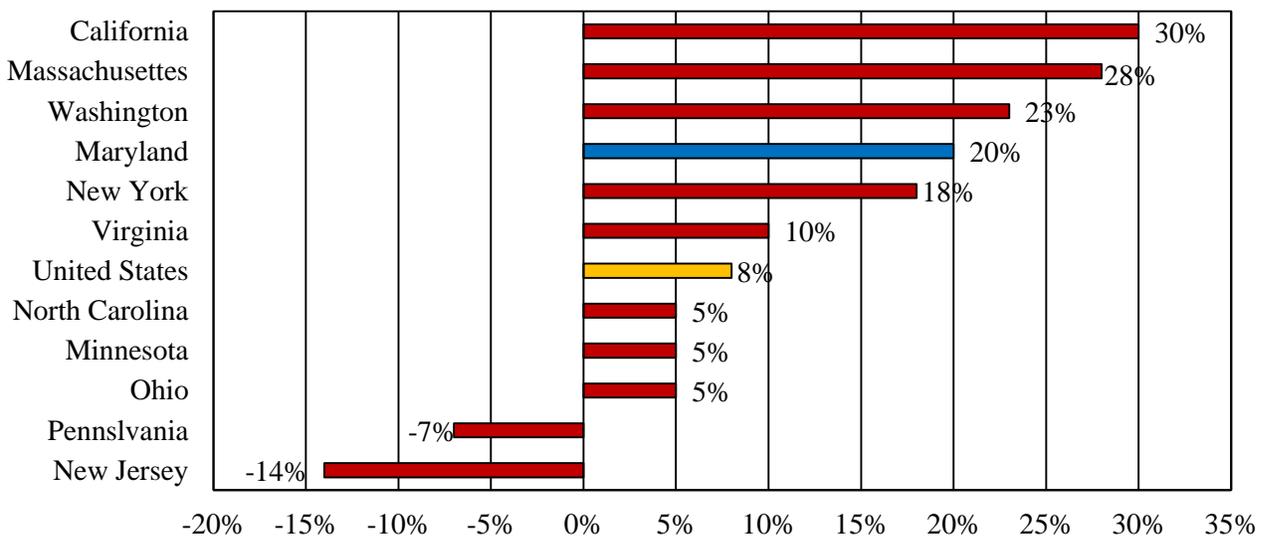
Note: Office for Civil Rights enhancement funds to Historically Black Colleges and Universities are included for those institutions. Excludes pay-as-you-go funding.

Source: Governor's Fiscal 2018-2023 Budget Books; Department of Legislative Services

Comparing Funding of Higher Education

Nationally, from fiscal 2010 to 2020, state and local funding per full-time equivalent student (FTES) on average increased 8% (adjusted for inflation), as shown in **Exhibit 2**. The national increase in funding per FTES in fiscal 2020 marks a second consecutive year where funding per FTES has increased, reversing a trend that began after the Great Recession whereby state and local funding on higher education per FTES had previously generally decreased. Overall, 35 states increased state and local funding per FTES with three competitor states having a larger increase than Maryland; these states were California, Massachusetts, and Washington, which increase funding per FTES by 30%, 28%, and 23%, respectively. Among competitor states, Pennsylvania and New Jersey showed the largest decline in state and local funding per FTES, 7% and 14%, respectively. Maryland public four-year institution funding can be seen in **Appendix 2** and **Appendix 3**. Funding by FTES for Maryland public four-year institutions can be seen in **Appendix 4** and **Appendix 5**, while total FTES enrollment trends can be seen in **Appendix 6**.

Exhibit 2
10-year Percentage Change in State and Local Funding Per FTES
Fiscal 2010-2020



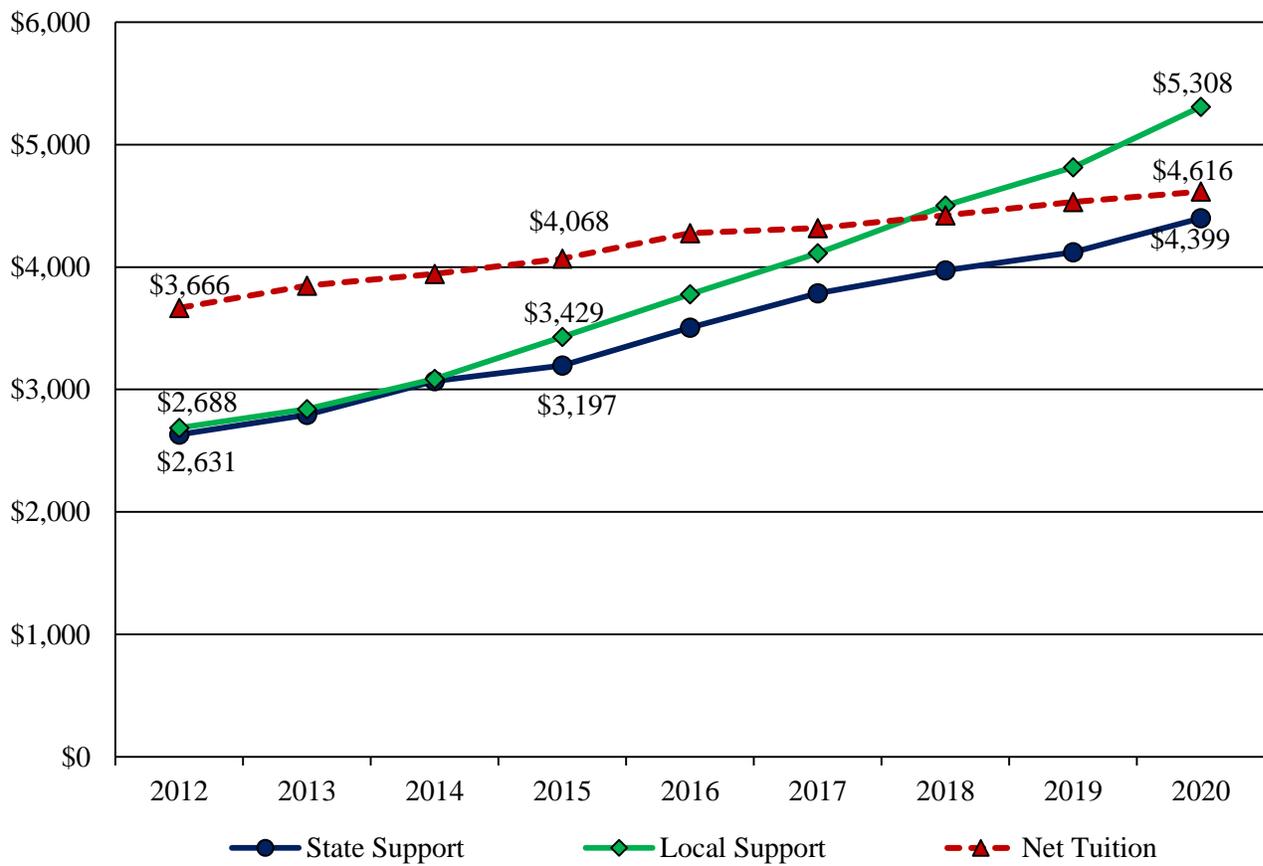
Source: The College Board, *Trends in College Pricing*

State Funding by Segment

Exhibit 3 shows the source of funding per FTES for Maryland’s two-year public institutions. State and local support were nearly equal from fiscal 2012 to 2014. State funding per FTES remained

fairly flat in fiscal 2015 due to cost containment measures but increased 9.6% in fiscal 2016, followed by additional increases of 8.0% in fiscal 2017, 4.9% in fiscal 2018, 3.6% in fiscal 2019, and 6.7% in fiscal 2020. Local support grew 10.3%, exceeding State support by \$909 per FTES in fiscal 2020 when compared to fiscal 2019. The growth in State and local funding per FTES of 37.6% and 54.8%, respectively, between fiscal 2015 and 2020, is mainly due to enrollment falling 18.2%. Tuition increases resulted in revenue per FTES increasing 13.5% from fiscal 2015 to 2020.

Exhibit 3
State and Local Support and Net Tuition Per FTES for
Maryland’s Two-year Public Institutions
Fiscal 2012-2020



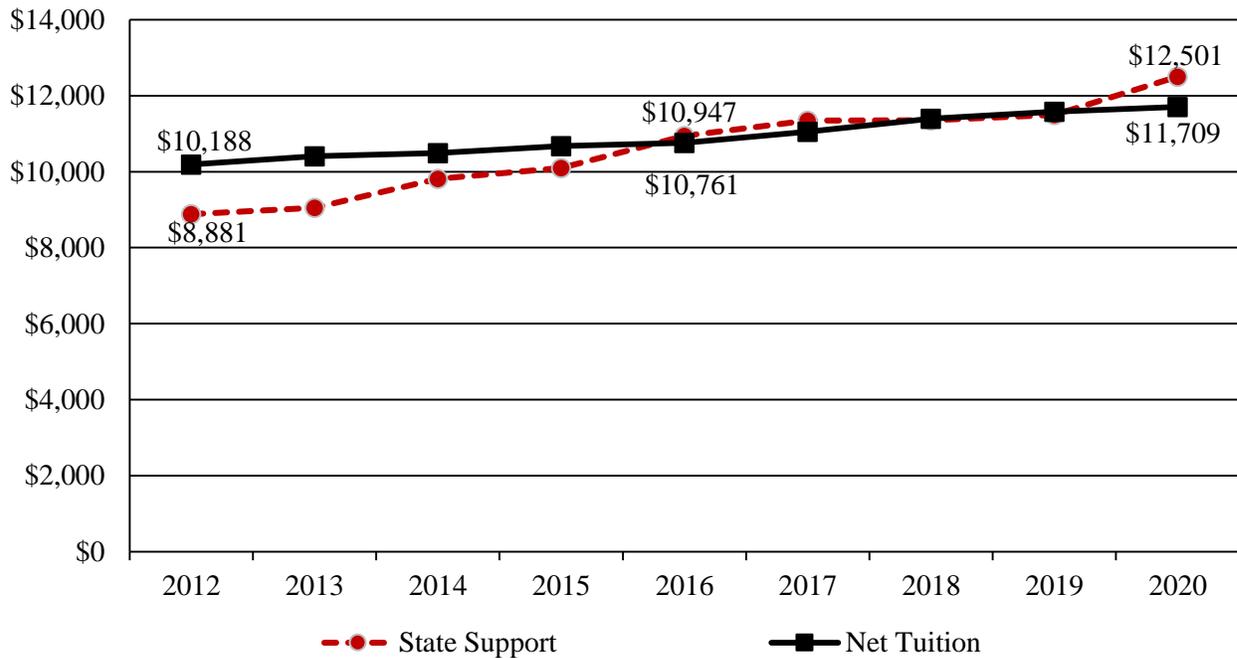
Note: Net tuition includes tuition, required fees, books and supplies, room and board, and other related expenses.

Source: State Higher Education Finance: Fiscal 2020, State Higher Education Executive Officers Association

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State support per FTES in fiscal 2020 exceeded net tuition at Maryland’s public four-year institutions, as shown in **Exhibit 4**. Net tuition per FTES increased to \$11,709 in fiscal 2020, continuing a steady trend. After remaining relatively flat in fiscal 2015 due to cost containment measures, State funding per FTES spiked 8.5%, or \$853 per FTES, in fiscal 2016, exceeding tuition by \$186 per FTES. State funding continued to exceed tuition in fiscal 2017, totaling \$11,342, while net tuition totaled \$11,056. State funding per FTES marginally increased to \$11,357 per FTES in fiscal 2018, while net tuition increased 3.1%, exceeding State support by 0.4%, or \$40 per FTES. Fiscal 2019 continued this position for one year after which State support per FTES spiked in fiscal 2020, increasing 8.6%, or \$1,009 per FTES, as a result of an increase in allocated funds and a steadily decreasing student body FTES population. Overall, State funding per FTES has increased by 40.8% from fiscal 2012 to 2020.

Exhibit 4
State Support and Net Tuition Per FTES for Four-year Public Institutions
Fiscal 2012-2020



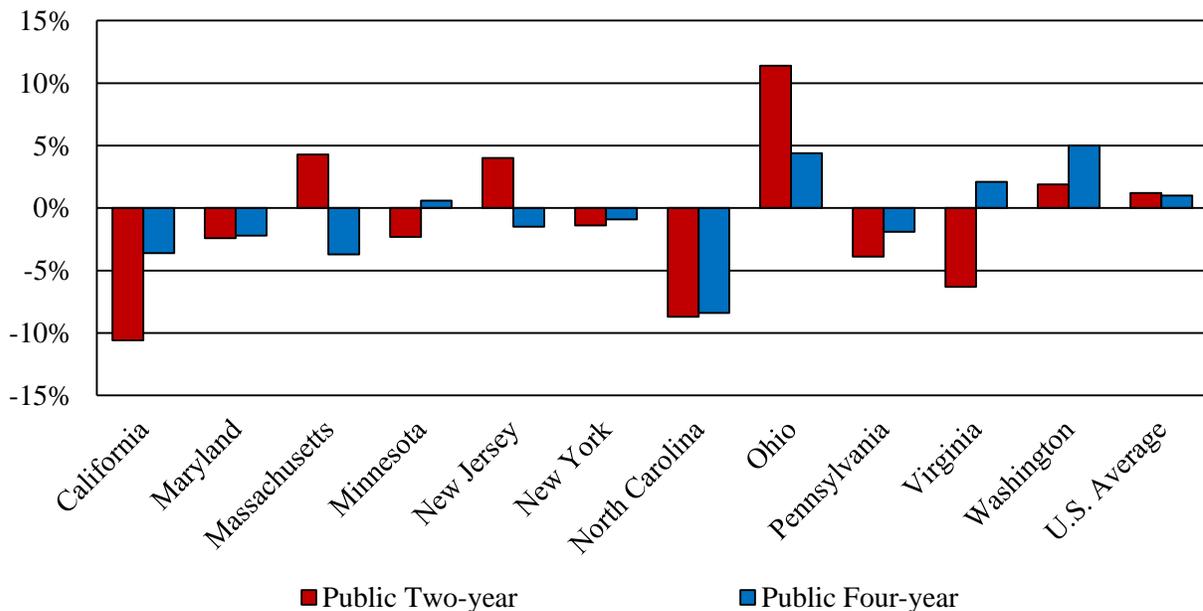
Note: Net tuition includes tuition, required fees, books and supplies, room and board, and other related expenses.

Source: State Higher Education Finance: Fiscal 2020, State Higher Education Executive Officers Association

Tuition and Fees

Exhibit 5 shows the percentage change in in-state tuition and fees at Maryland and its competitor states’ two- and four-year institutions between fiscal 2017 and 2022. On average, nationally, the tuition and fees increased during this time. However, the average tuition and fees at two-year institutions declined in 23 states, including Maryland and 6 competitor states – California, Minnesota, New York, North Carolina, Pennsylvania, and Virginia. Rates at Maryland’s two-year institutions decreased by 2.4% over this period; only 4 competitor states – California, North Carolina, Pennsylvania, and Virginia – experienced a greater average decline between fiscal 2017 and 2022. Despite the slower rate of growth recently, according to the College Board, for the 2021-2022 academic year, the average rate for Maryland was \$4,826, making it the twentieth (excluding Alaska) most expensive in the country with 7 competitor states having higher rates. Except for California and North Carolina, the average tuition and fee rate in Maryland and its competitor states exceeded the national average by at least \$162.

Exhibit 5
Five-year Percentage Change for In-state Tuition and Fees
At Two- and Four-year Public Institutions
Fiscal 2017-2022



Note: Five-year percentage change for in-state tuition and fees at two-and four-year public institutions are the average published tuition and fees in 2021 dollars.

Source: The College Board, Annual Survey of Colleges

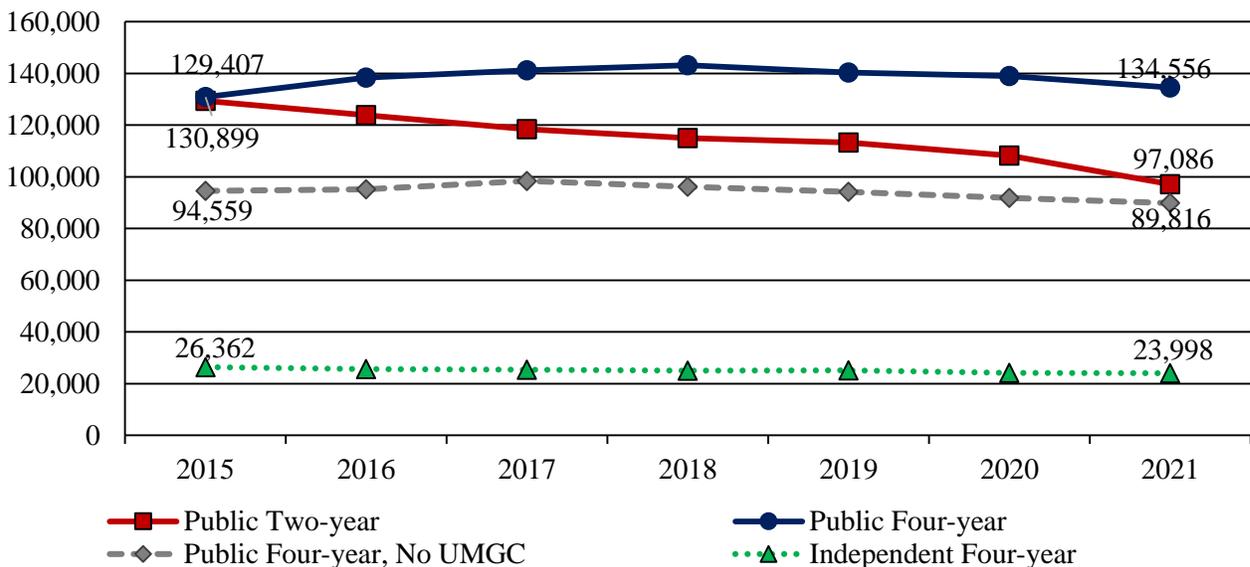
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Over the past five years, average tuition and fees at public four-year institutions decreased in half of Maryland’s competitor states; North Carolina, California, Pennsylvania, New Jersey, and New York rates decreased by 8%, 5%, 2%, 2%, and 1%, respectively. Maryland’s rates decreased 2%, while the national average increased by 1%. According to the College Board, when compared to all states, at \$10,240, Maryland is in the middle of states (twenty-fifth) for the expensiveness of tuition and fee rate. This rate is also below the national average of \$10,816 and that of seven competitor states – Massachusetts, Minnesota, New Jersey, Ohio, Pennsylvania, Virginia, and Washington. **Appendix 7** and **Appendix 8** show the tuition and fee rates at Maryland’s public four- and two-year institutions, respectively.

Undergraduate Enrollment

Total undergraduate enrollment at Maryland’s public institutions and independent institutions decreased across all segments by 5.8% in fall 2021. As shown in **Exhibit 6**, the enrollment decline was most significant at two-year public institutions (10.3%), a decrease of more than 11,000 students. Enrollment at the four-year public institutions also experienced a decrease of 4,386 students, a decline of 3.2%, when compared to the fall 2020 total. While four-year independent institutions also experienced a decline, the rate of decline was less than 1%. Higher education enrollment trends by FTES at Maryland’s public four-year institutions can be seen in Appendix 6.

Exhibit 6
Maryland Total Fall Undergraduate Headcount Enrollment by Segment
Fall 2015-2021



Note: Fall 2021 enrollment reflects opening fall enrollment data and is subject to revision.

Source: Maryland Higher Education Commission

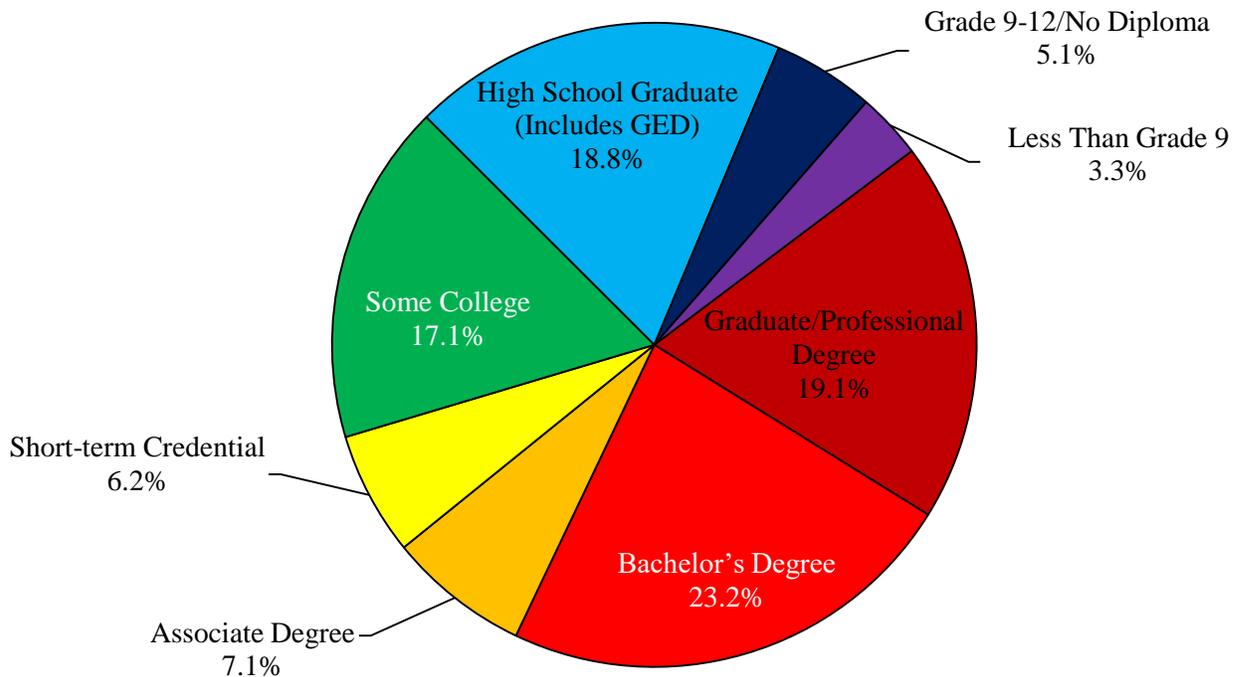
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Nationally, according to the National Student Clearinghouse (NSC), undergraduate enrollment across all segments declined 3.1%, or 465,318 students, in fall 2021. Enrollment at the nation’s public two-year institutions decreased 3.4%, or 161,840 students, while the public four-year institutions decreased by 3.8%, or 251,356 students. Enrollment at the four-year private nonprofit institutions also decreased by 2.2%, or 58,687 students.

Progress Toward 55% Degree Attainment

To maintain a competitive and productive workforce, Maryland has an educational completion goal that at least 55% of adults 25 to 64 years old will hold at least one degree credential by 2025. As of 2019, according to the Lumina Foundation, Maryland exceeded its goal with 55.6% of Marylanders holding at least one degree credential, as shown in **Exhibit 7**, exceeding the national average of 51.9%. While Maryland exceeded the goal, only four counties had over 50% of adults with at least an associates degree and only two counties exceeded 55%: Howard (70.7%); Montgomery (65.0%); Frederick (52.4%); and Anne Arundel (52.0%).

Exhibit 7
Maryland Education Attainment
Adults 25 to 64 Years Old
2019



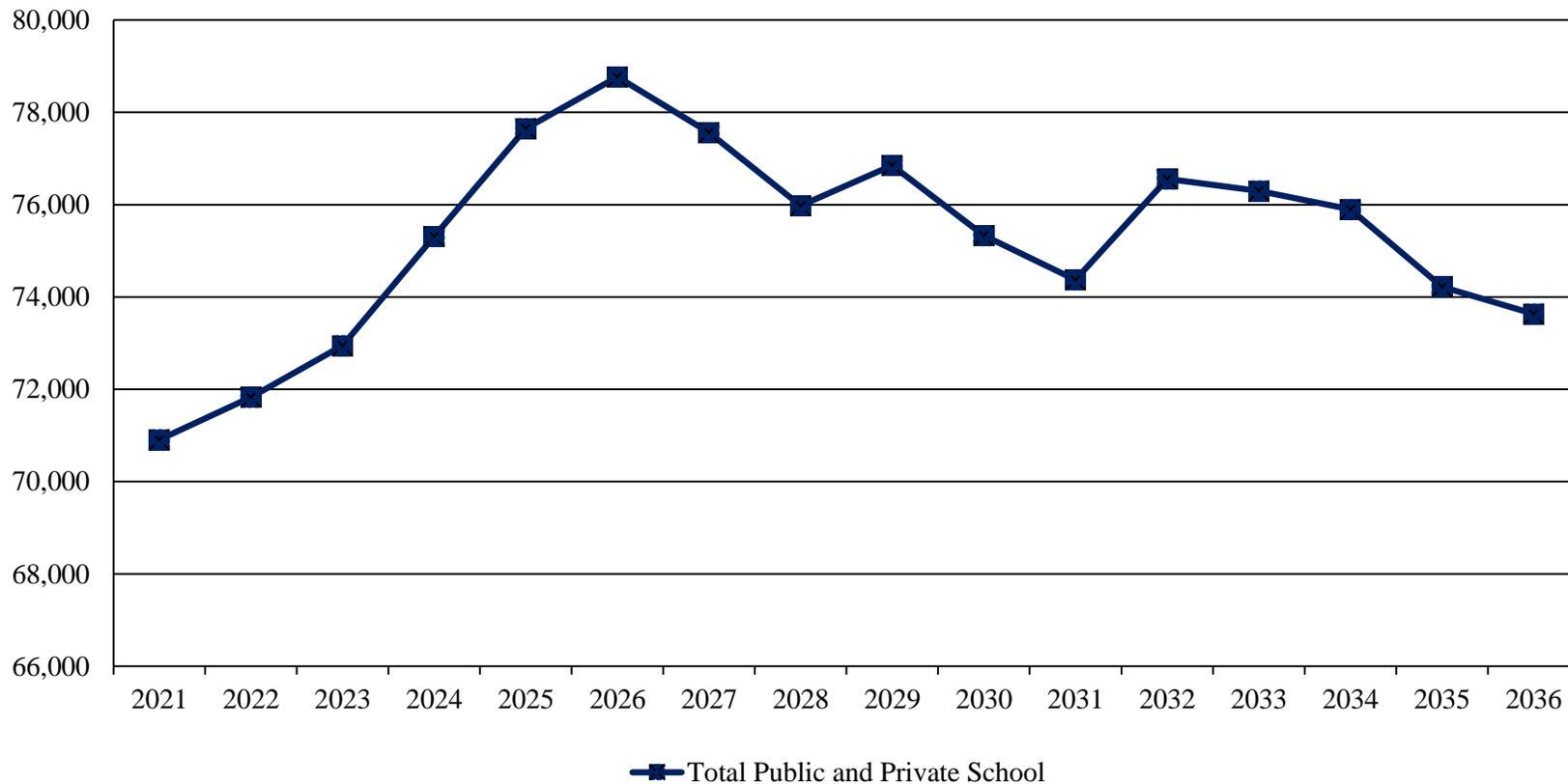
Source: Lumina Foundation: A Stronger Nation

High School Graduates

A critical component to Maryland sustaining and increasing its attainment level are its K-12 students, by improving their progression from high school to postsecondary education. Prior to COVID-19, the number of high school graduates was projected to peak at 78,770 in fiscal 2026, an increase of 11.1% from fiscal 2021, and subsequently decline 6.5% by fiscal 2036, as shown in **Exhibit 8**. Furthermore, public high school graduates are projected to become increasingly diverse with, for example, the portion of Hispanic graduates increasing from 13.8% in fiscal 2021 to 25.0% in fiscal 2036, as illustrated in **Exhibit 9**. However, while the immediate impact of COVID-19 on the number of high school graduate appears to be minimal, according to the Western Interstate Commission for Higher Education (WICHE) there may be effects in later years. Based on an analysis of the class of 2020 of public high school graduates from 19 states, WICHE found:

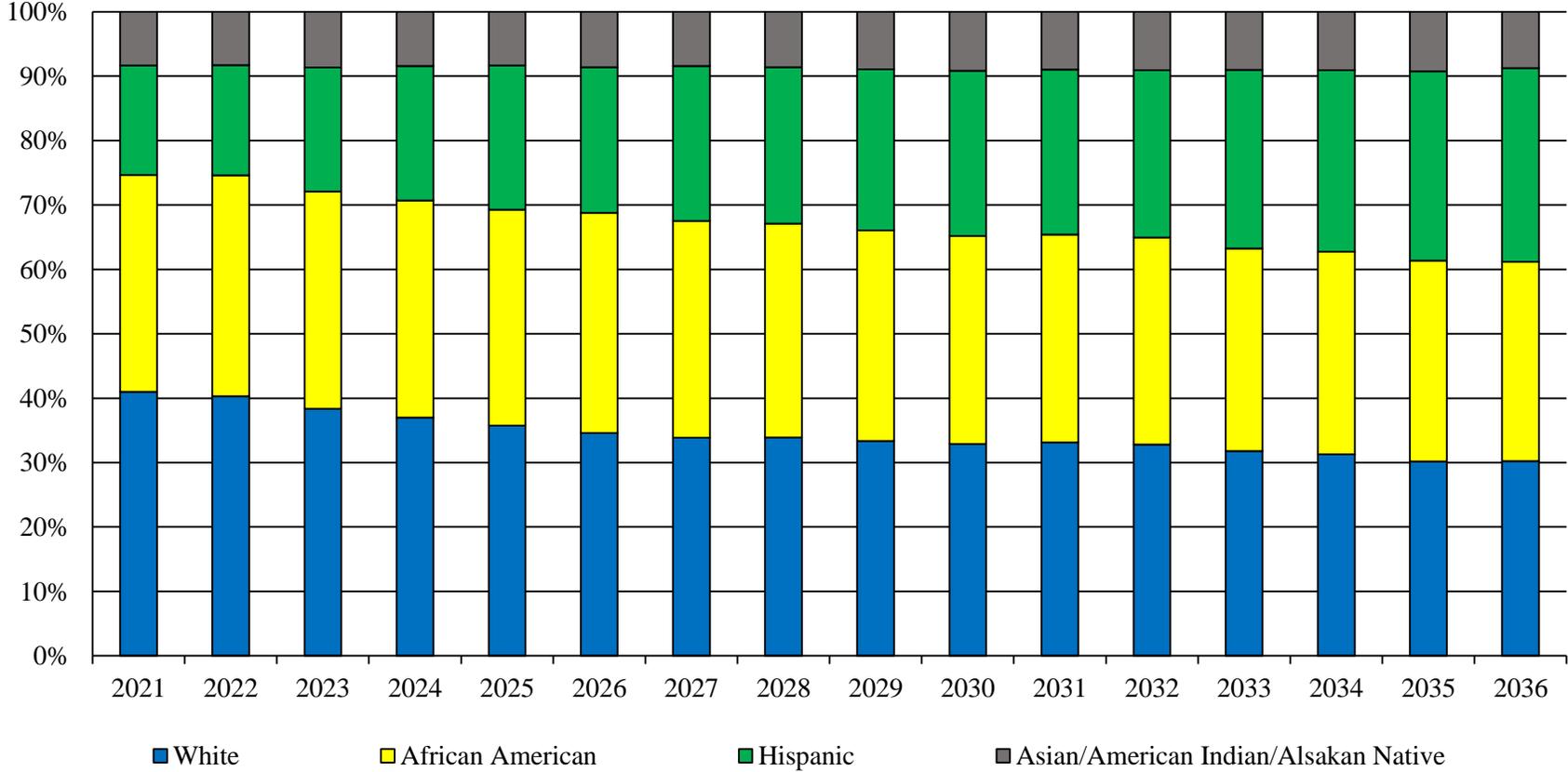
- Data indicates high school graduation numbers continued to be on pace to reach potential all-time highs in 2020 and 2021, but this may reflect some of the graduation flexibilities extended to students in the 2020-2021 school year. For example, students in Florida were able to graduate without passing two state tests typically needed to earn a diploma.
- Public high school population did not show steep enrollment declines seen in primary grades. It is not known if these declines are temporary or permanent but, if it persists, this, along with a decrease in the birth rate, will greatly impact the number of graduates in the outyears.

Exhibit 8
Estimated High School Graduates
Fiscal 2021-2036



Source: Western Interstate Commission for Higher Education

Exhibit 9
Demographic Trends of Maryland High School Graduates
Fiscal 2021-2036

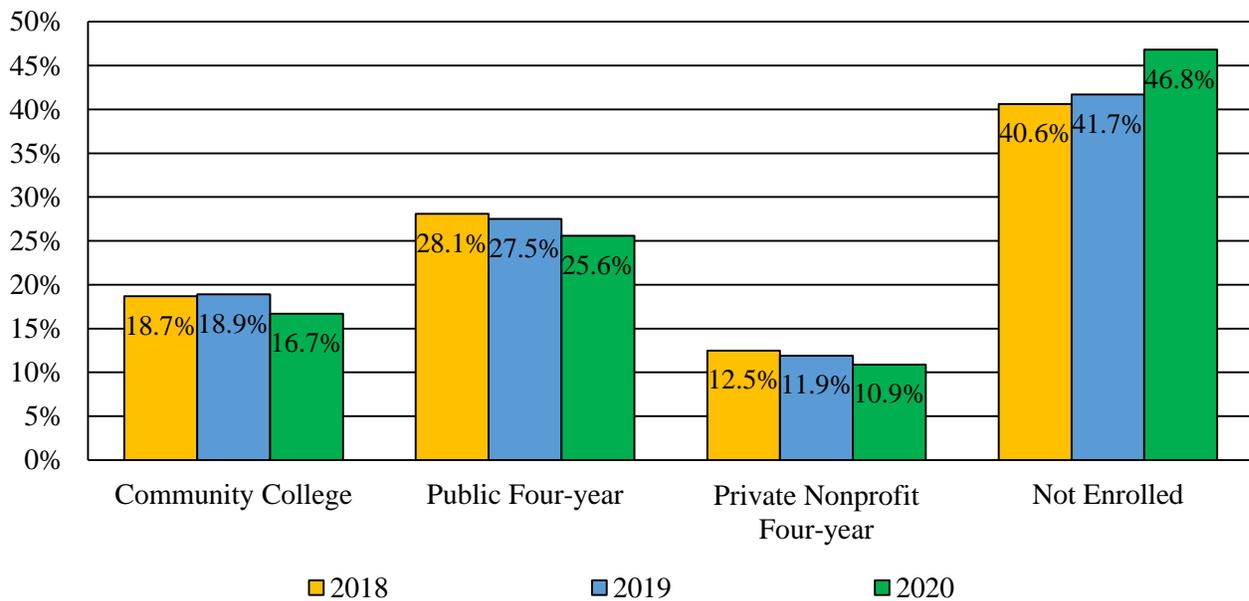


Source: Western Interstate Commission for Higher Education

COVID Impact on Immediate College Enrollment

While it appears that COVID-19 did not impact the number of students graduating from high school, the same cannot be said for those immediately enrolling in college in the fall after graduation. Nationally, as shown in **Exhibit 10**, between the 2018 and 2020 graduating classes, the percentage of graduates not enrolling in college increased 6.2 percentage points to 46.8%. The impact of COVID can be seen with the 2020 cohort in which the rate of those not enrolling in college increased by 5.1 percentage points.

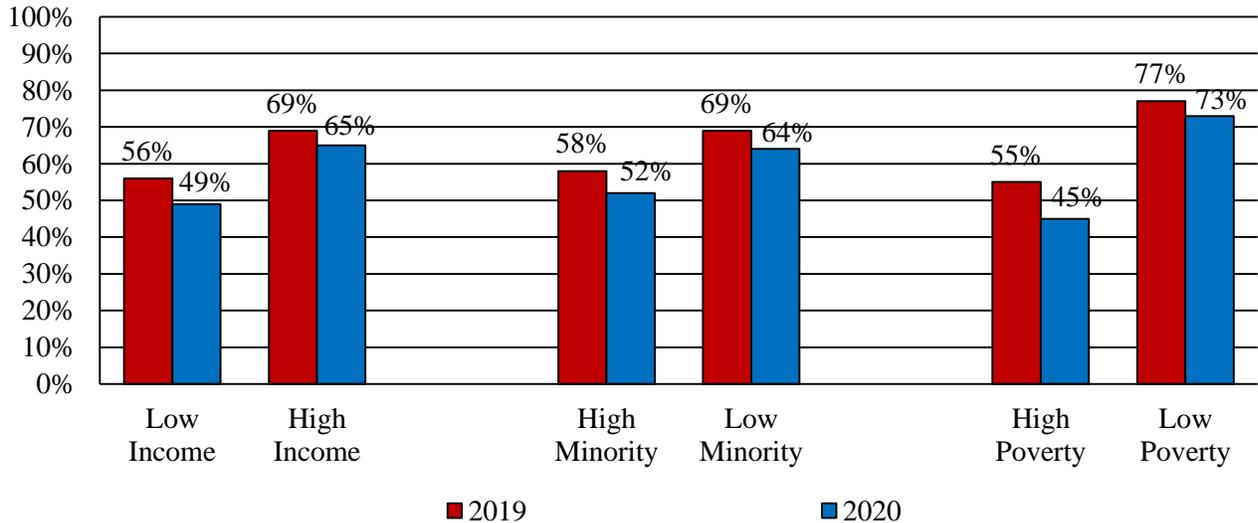
Exhibit 10
National Immediate College Enrollment Rate
Fall 2018-2020 Graduating Cohorts



Source: College Board; College Enrollment and Retention in the Era of COVID, June 2021

When looking at immediate college enrollment by high school category, the declines were greater at low income, high minority, and high poverty schools, as shown in **Exhibit 11**. Enrollment drops at these high schools ranged from 7 to 10 percentage points. These decreases resulted in immediate enrollment rates below 50% for the low income and high poverty school categories.

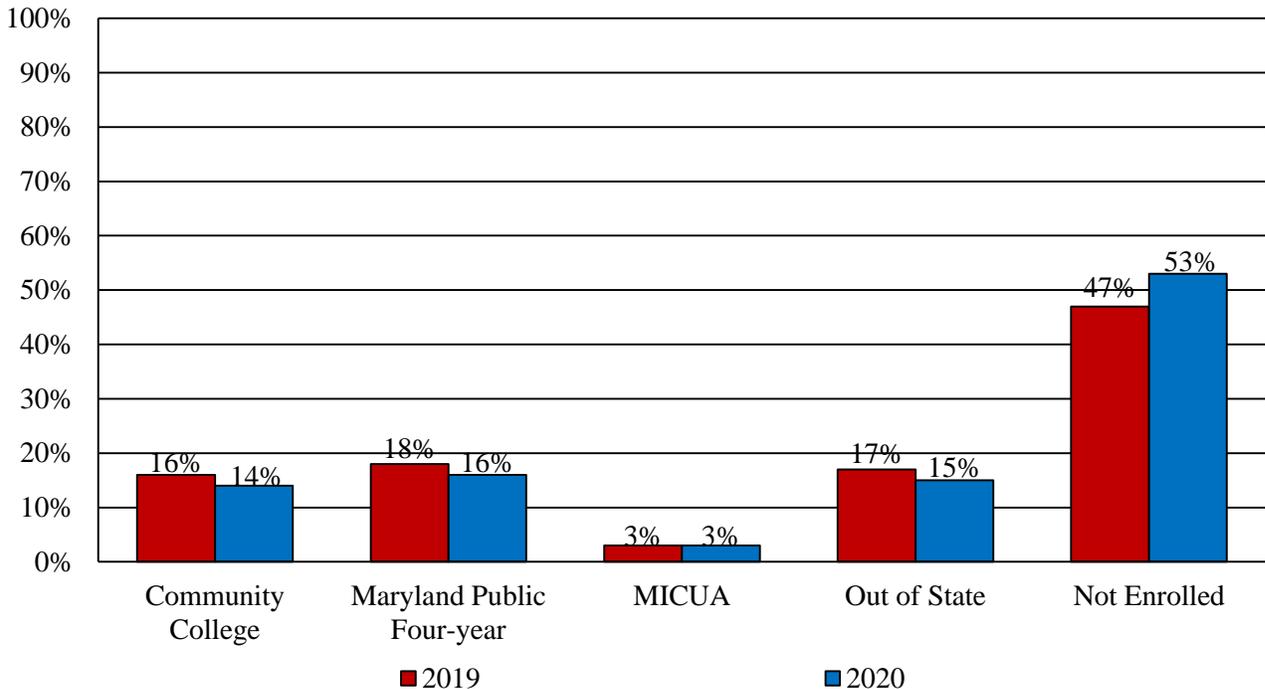
Exhibit 11
National Immediate College Enrollment by High School Category
Fall 2019 and 2020 Cohorts



Source: National Student Clearinghouse Research Center; High School Benchmarks, December 2021

While the number of high school graduates increased 4.5% (2,571 students), in Maryland, over half (53%) of the 2020 graduating class did not immediately enroll in college, as shown in **Exhibit 12**. This reflects an increase of 4,591 graduates that did not immediately enroll in college, which has implications for the ability of Maryland to maintain its educational attainment level. While some may decide to pursue postsecondary education later, including for-credit certificates or certification, many may not complete any college credential. Targeting programs and resources at immediate college enrollment is an “easy” point at which institutions and policy makers can intervene to increase the overall college going rate. Those that do not enroll immediately tend to lose momentum while work, finances, and family tend to keep them from pursuing a postsecondary education. Also of concern, as previously discussed, is the widening gap between those students from well- and low-resourced schools.

Exhibit 12
Immediate College Enrollment – Maryland Public High School Graduates
Fall 2019 and 2020 Cohorts

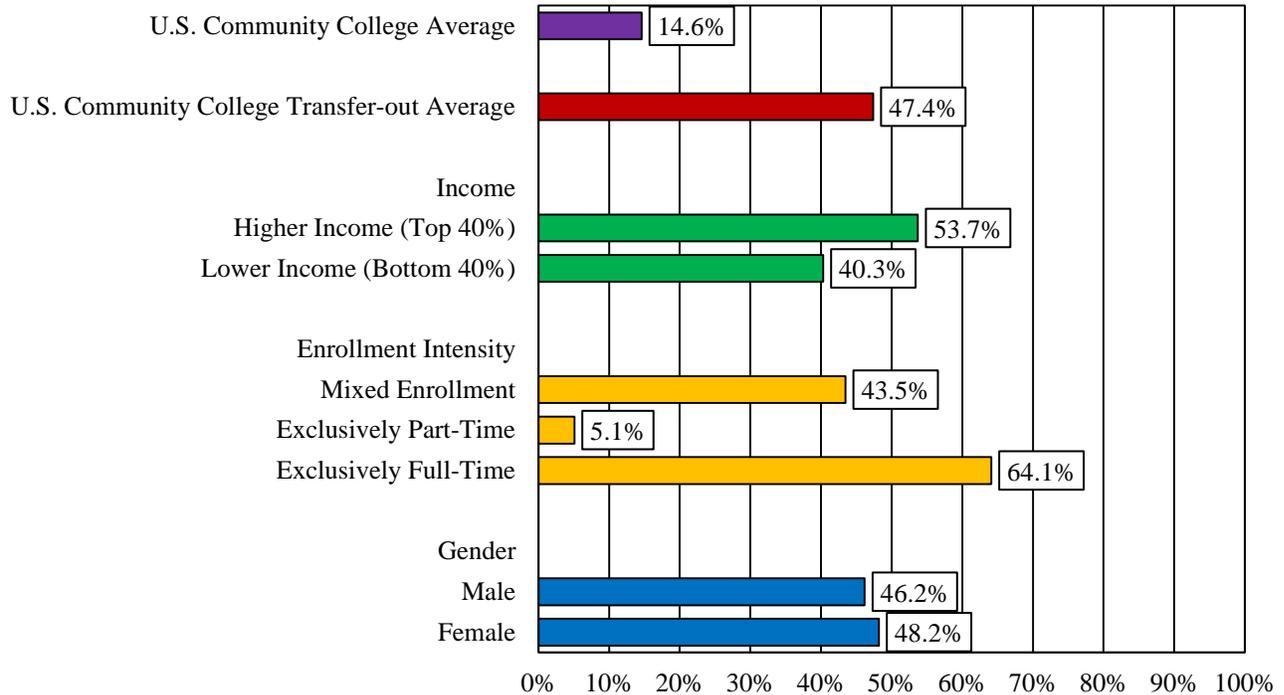


Source: Maryland Longitudinal Data System

Transfer of College Credits in Maryland

According to the Community College Research Center at Columbia University, about 80% of entering community college students nationwide indicate that they want to earn a bachelor’s degree or higher. However, as shown in **Exhibit 13**, within six years of beginning community college, only 14.6% of first-time students who start at a public two-year institution earn a bachelor’s degree, nationally.

Exhibit 13
National Community College Cohort Transfer-out
Bachelor’s Degree Six-year Completion Rate
Fall 2014 Cohort



Source: National Student Clearinghouse

The transfer-out bachelor’s completion rate, also shown in Exhibit 13, documents a much higher six-year bachelor’s completion rate. The transfer-out completion rate provides the number of community college transfer students who earned a bachelor’s degree from any four-year institution within six years of entering a community college compared to the total number of community college transfer students. Of this population, on average, 47.4% from the fall 2014 cohort went on to earn a bachelor’s degree within six years, while 64.1% of those who were enrolled exclusively full-time later transferred and earned a bachelor’s degree.

Research conducted by USM has shown that students who transfer at the sophomore or junior level have an increased chance of finishing a bachelor’s degree within four years of transfer. One reason that students fail to earn a bachelor’s degree is that the college credit transfer process is inefficient and complicated. In general, institutions usually require all students, whether transfer or native (meaning enrolled at the institution as a first-time student), to retake courses that do not meet specific gateway requirements. It is at the discretion of the receiving institution to determine whether course credit will be counted toward graduation and, just as importantly, toward a student’s major. Some reasons for

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rejecting or not applying a course to the major include that (1) the student received a low grade; (2) the course is a technical, repeated, or developmental course; (3) the level of the course is different; (4) the quality of the course is different; (5) the student's major had changed; and (6) there is no course equivalent. Additionally, some laboratory courses may only transfer with a satisfactory grade in a corresponding lecture course. As a result of these courses not transferring, students end up taking longer to earn their bachelor's degree.

The General Assembly has enacted several policy initiatives in recent years to address college readiness, college completion, and college affordability, including the College and Career Readiness and College Completion Act of 2013 (CCRCCA), the College Affordability Act of 2016, and the Transfer with Success Act of 2021. The CCRCCA provided incentives for dual enrollment and also required community colleges and four-year institutions to work together to develop transfer agreements (also called articulation agreements) for college credit transfer in general education and other major academic areas, including a guarantee that students leaving community college with an associate degree would be able to transfer at least 60 credits toward a bachelor's degree. The Transfer with Success Act requires MHEC to require a receiving public institution of higher education that denies the transfer of credit or course to an enrolled student to notify the sending public institution and the enrolled students, including the rationale for denial. The transfer coordinator or institutional designee of the sending institution must conduct a review, in conjunction with the receiving institution's designee, within a time period that MHEC determines to be appropriate.

MHEC is making necessary changes to regulations and has drafted detailed guidance on the protections for students as a result of the Transfer with Success Act of 2021. The new data collection regarding the denial of credit leans heavily on these new regulations and guidance. MHEC expects that the new collection – while not explicitly a transfer collection – will provide micro-level detail on the course transferability between institutions and, more specifically, *why* courses are denied. That information will help both MHEC and the public institutions improve the transfer process through policy (institutional and statewide), articulation agreements, and academic program development. MHEC expects to receive initial data on the denial of credit for fall 2022, with a full academic year of data provided in summer 2023.

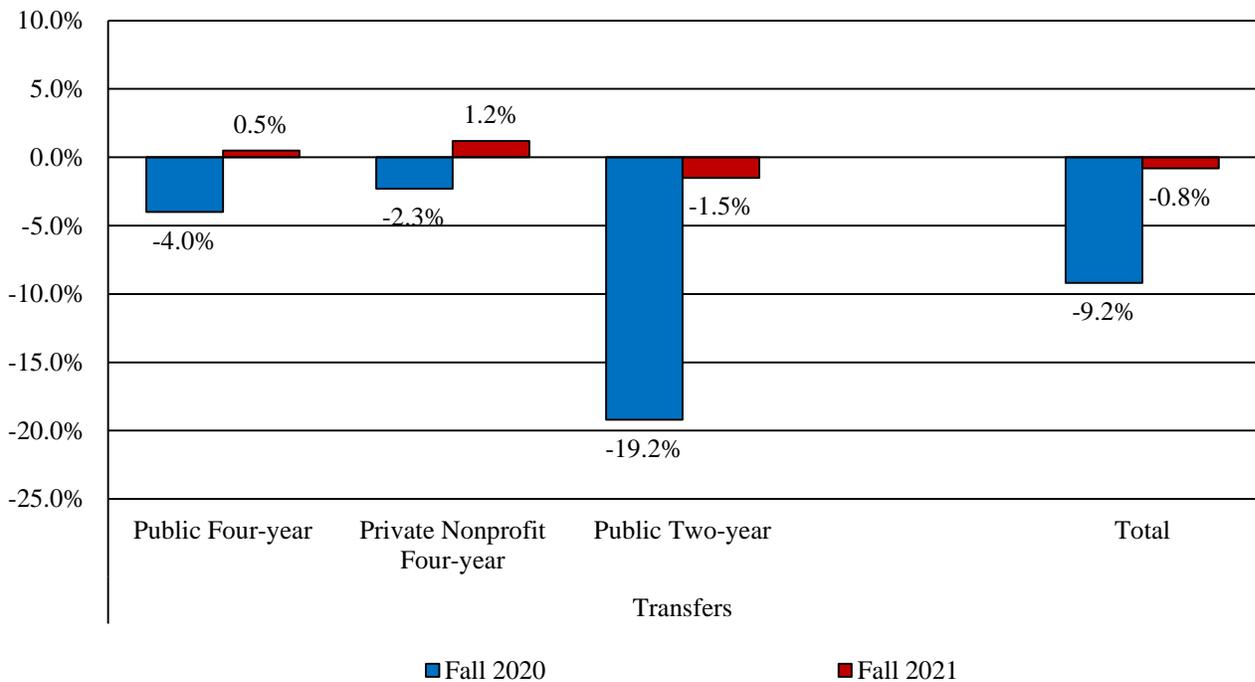
MHEC is also reviewing its current data collections to see how they can help the agency answer specific questions tied to transfer. This includes an analysis of the credit fields in its End of Term Collection as well as how to improve and expand the course-level collections. These efforts, in complement with the denial of credit data mentioned above, can help us advance our work in better understanding the complexities of transfer among Maryland undergraduates.

MHEC, USM, MSU, SMCM, the Maryland Independent College and University Association (MICUA), and the Maryland Association of Community Colleges (MACC) should comment on what steps are being taken to assist the transfer student population, specifically identifying actions that have been taken as a result of the COVID-19 pandemic to more easily facilitate the student transfer process for these students.

The COVID-19 pandemic's impact on the transfer population appears to have stabilized in fall 2021, with an overall transfer student enrollment decrease of less than 1.0%, as shown in

Exhibit 14. Transfers to two-year institutions, which decreased by 1.5% relative to fall 2020, were the lone segment to experience a continued transfer student enrollment drop from fall 2020. Between two- and four-year institutions, total transfers are down 0.8% in fall 2021 when compared to fall 2020.

Exhibit 14
National Transfer Student Enrollment Changes
Fall 2020-2021



Source: National Student Clearinghouse

NSC’s COVID-19 Transfer, Mobility, and Progress January 2022 report found that:

- Transfers increased 2.3% among continuing students, with the most pronounced increase at the private nonprofit four-year institutions, which experienced an increase of 7.7% from this population relative to fall 2020.
- Reversing the gender pattern from fall 2020, transfer enrollment increased 1.2% for men while continuing to decline for women (2.3%).

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- Compared to fall 2020, White, Black, Lantinx, and Native American transfer population enrollments dropped at considerably smaller rates (-2.5%, -1.8%, -2.9%, and -1.0%, respectively). Asian transfer student numbers fell slightly more than last year (-4.4%).
- Younger transfer students aged 18-20 were the only age group to experience growth in fall 2021, more than recovering from their 2020 declines (an increase of 13.6% in fall 2021 when compared to decreasing 8.7% in fall 2020).

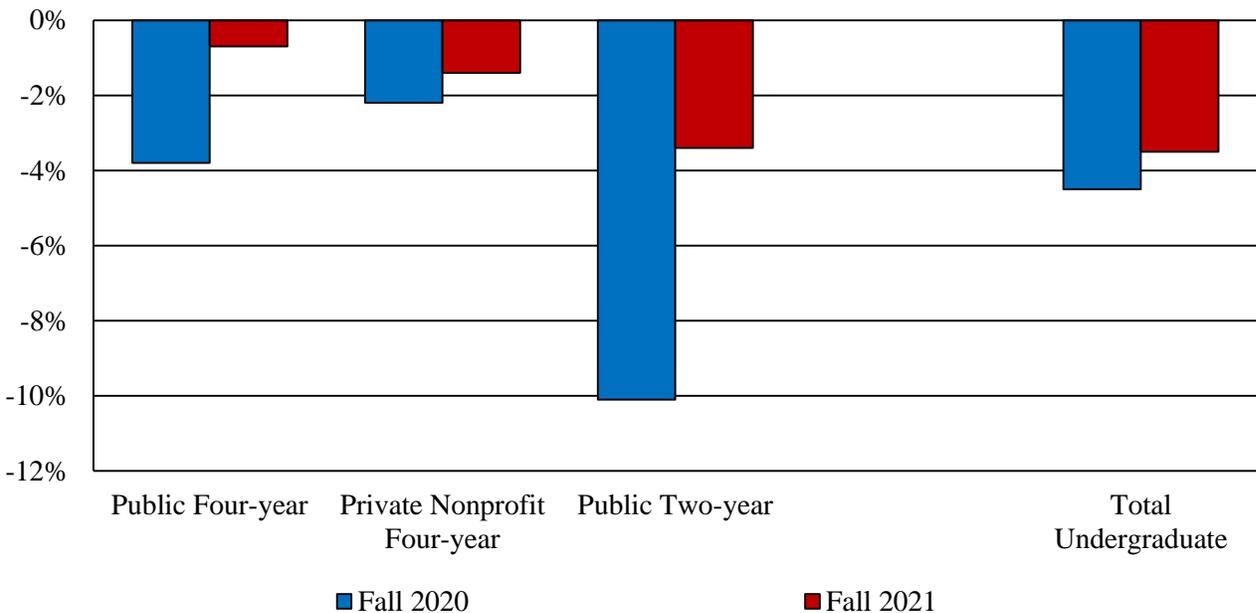
Issues

1. COVID-19 Higher Education Impact

Enrollment

The COVID-19 pandemic continues to reshape how colleges and universities are educating their students, protecting campus communities, and conducting operations. In addition to how higher education institutions are being impacted by the pandemic, graduating high school students are also changing their higher education enrollment preferences. As shown in **Exhibit 15**, postsecondary undergraduate enrollment has continued to fall for all higher education sectors. Undergraduate enrollment decreased cumulatively by 4.5% and 3.6% in the public and private nonprofit four-year institutions, respectively, over fall 2019. However, the greatest decrease occurred among enrollment at public two-year institutions, with a cumulative enrollment decline of 13.5% over fall 2019. Total undergraduate enrollment has fallen 6.7% over this same period.

Exhibit 15
National Undergraduate Enrollment Changes by Sector
Fall 2020-2021

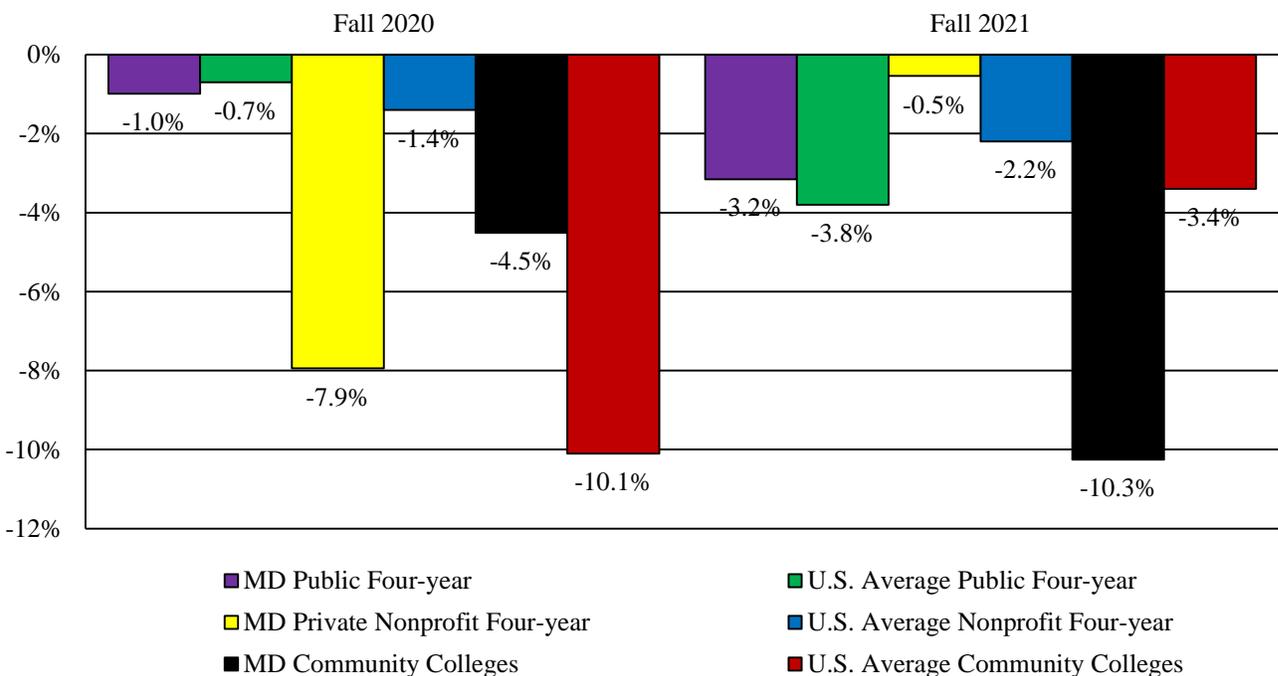


Source: National Student Clearinghouse

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Maryland’s undergraduate enrollment decline at the public four-year institutions of 3.2% is slightly better than the decline experienced nationally for these institutions of 3.8%, as shown in **Exhibit 16**. Maryland’s private nonprofit colleges and universities (MICUA institutions) experienced undergraduate enrollment declines that were nearly two percentage points lower than the national average for fall 2021; however, their cumulative decline of 8.4% exceeded the national average of 3.6% over fall 2019 and 2020. Enrollment at Maryland community colleges decreased the greatest amount, falling by 10.3% in fall 2021. The community college decrease exceeded the national average by roughly 6 percentage points and is more in line with the U.S. community college decrease in enrollment from fall 2020. The cumulative community college enrollment decline of 14.8% over two-year period exceeded the national average of 13.5%. a comprehensive breakdown of the institutional level enrollment trends can be found in the individual institutional analyses.

Exhibit 16
Changes in Undergraduate Enrollments by Higher Education Segment
Fall 2020-2021



MD: Maryland

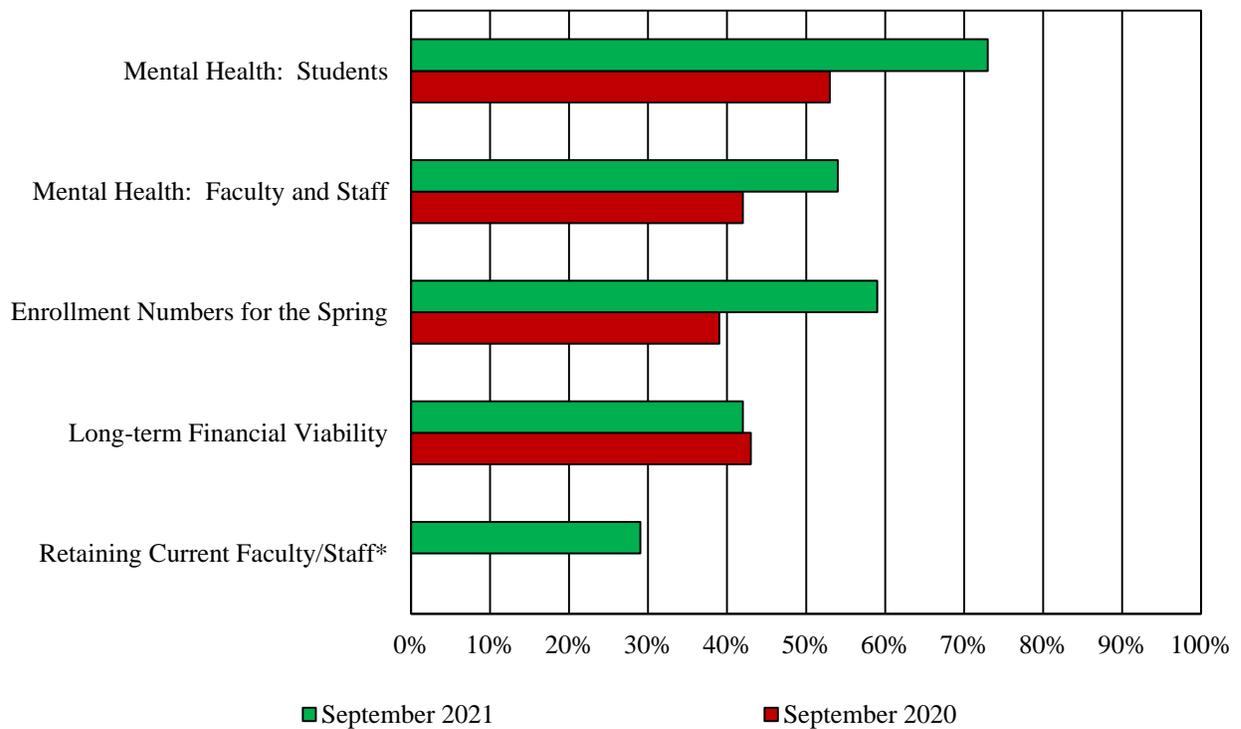
Source: National Student Clearinghouse; Maryland Higher Education Commission

Annually in September, the American Council on Education surveys college and university presidents to capture how they are responding to the challenges presented by the COVID-19 pandemic as well as to better understand the immediate and long-term effects of the pandemic on higher education

more broadly. In the fall 2021 term, 230 presidents responded to share their most pressing concerns: how the pandemic has affected their fall enrollment and financial health; plans for the spring 2022 term; efforts to support student, faculty, and staff mental health; and strategies for internationalization.

As shown in **Exhibit 17**, the top five issues reported by presidents due to COVID-19 included mental health concerns, enrollment, financial viability of their respective institutions, and retaining current faculty and/or staff.

Exhibit 17
Most Pressing Issues Facing Presidents Due to COVID-19
Fall 2020 and Fall 2021



*Retaining current faculty/staff was a new entry for the September 2021 survey

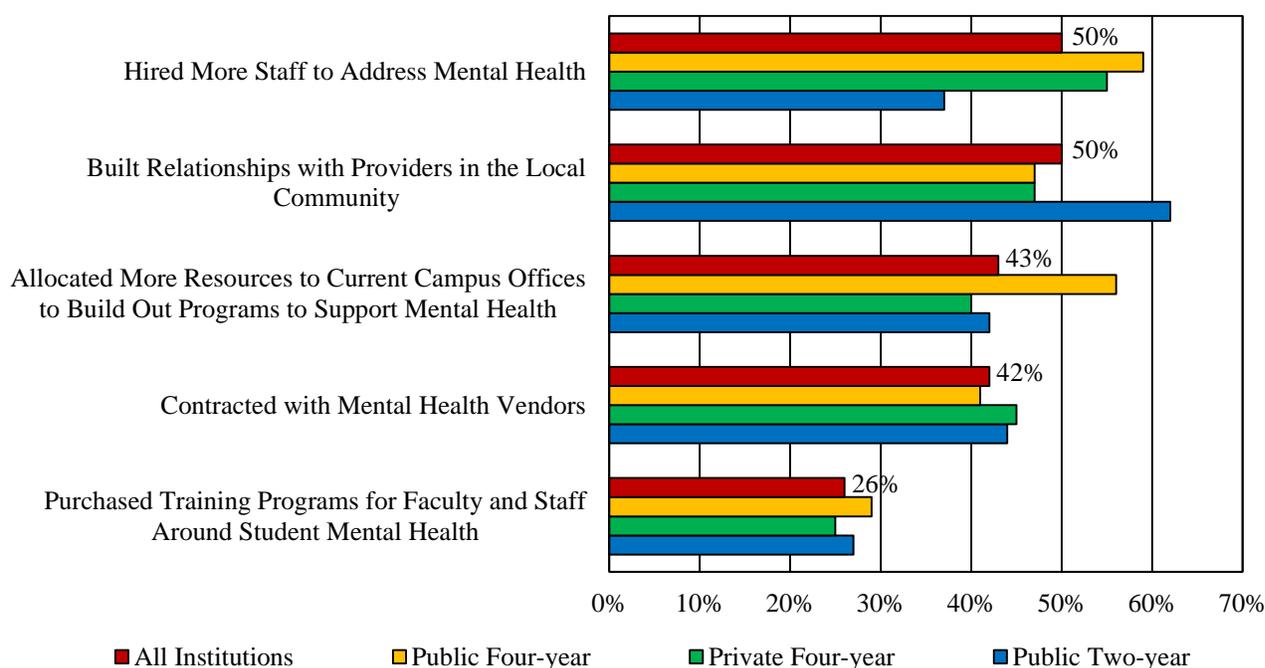
Note: Of the 230 presidents, 102 lead private four-year institutions (44%), 59 lead public four-year institutions (26%), 52 lead public two-year institutions (23%), 7 lead for-profit institutions (3%), 5 lead private graduate-only institutions (2%), 3 lead private two-year institutions (1%), and 2 lead other institutions (1%).

Source: Pulse Point Survey of College and University Presidents on COVID-19: September 2021, American Council on Education.

Mental Health

In response to growing demand for mental health services, university presidents responded in numerous ways for the 2021-2022 academic year. As shown in **Exhibit 18**, half of university presidents indicated that their institution hired additional staff to address mental health as well as built relationships with providers in the local community. Presidents at public two-year institutions were more likely than presidents at public four-year and private four-year institutions to indicate that their institutions built relationships with providers in the local community. Roughly 40% of presidents indicated that their institution allocated more resources to current campus offices to build out programs to support mental health. Roughly one-quarter of presidents indicated that their institution purchased training programs for faculty and staff around student mental health.

Exhibit 18
COVID-19 Pandemic’s Effect on the Utilization of Mental Health Services
Fall 2020 and Fall 2021



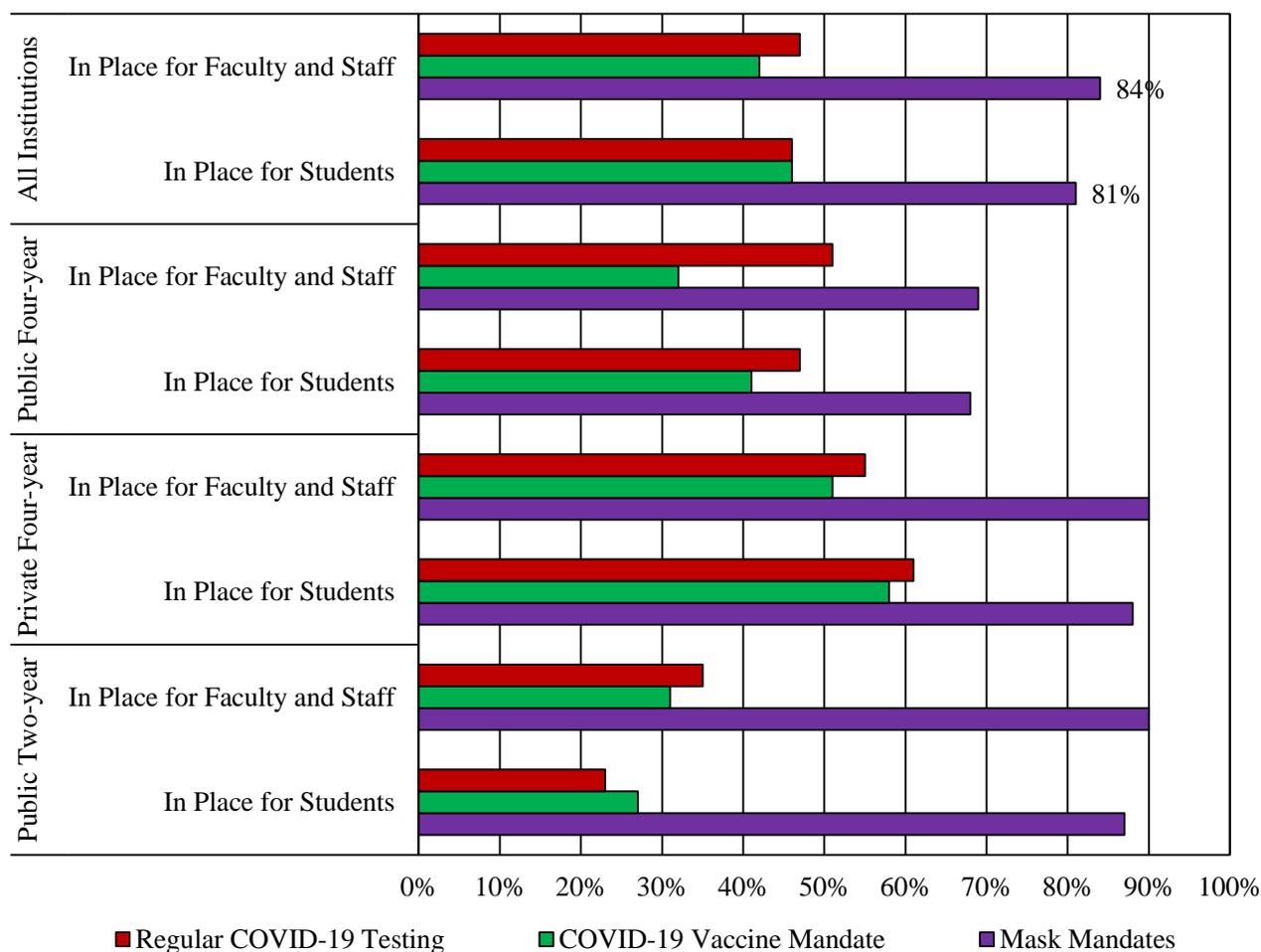
Source: Pulse Point Survey of College and University Presidents on COVID-19: September 2021, American Council on Education.

Fall 2021

In an attempt to resume academic instruction to a format that existed prior to the COVID-19 pandemic, higher education institutions nationwide adopted a range of actions meant to mitigate the

impact of the pandemic. As shown in **Exhibit 19**, institutions primarily adopted three main strategies to resume in-person instruction: mask mandates; COVID-19 vaccine mandates; and/or regular COVID-19 testing. The mandate that experienced the greatest adoption was mask mandates for students and faculty/staff, with 81% and 84%, respectively, adopting this strategy.

Exhibit 19
Mandates Adopted by Higher Education Institutions
 2021-2022 Academic Year

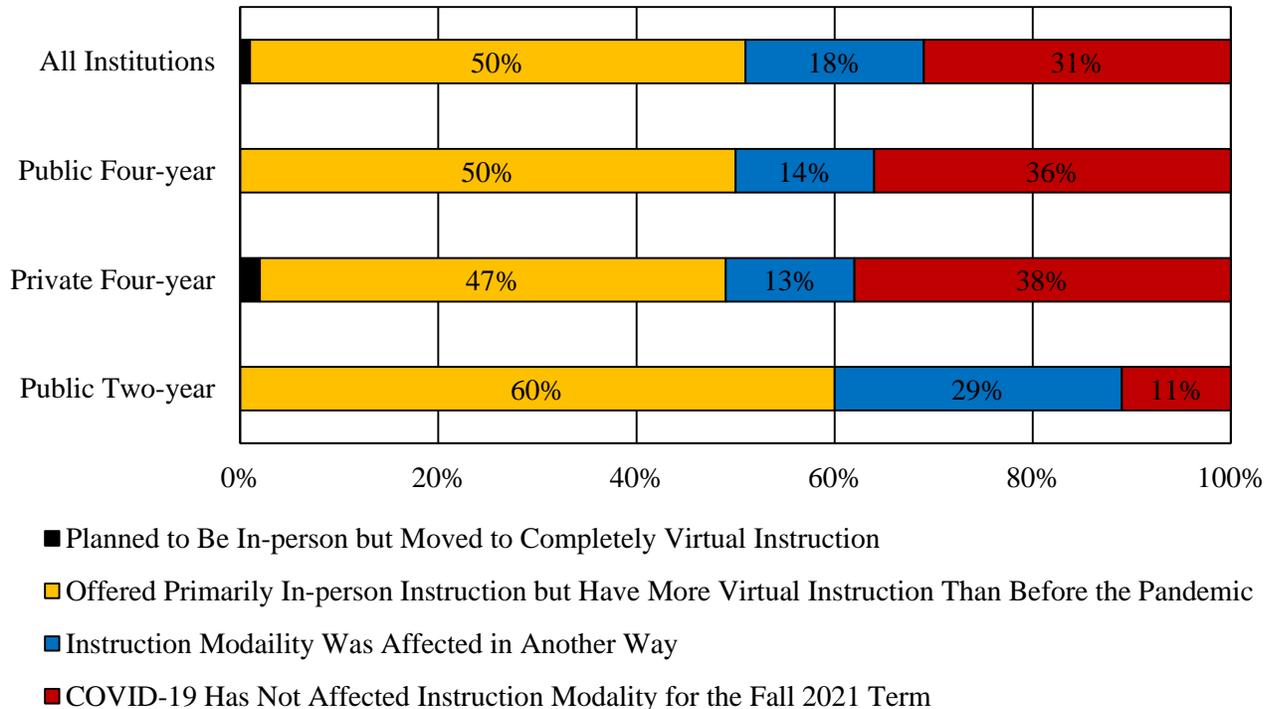


Source: Pulse Point Survey of College and University Presidents on COVID-19: September 2021, American Council on Education.

While protective measures were adopted by many institutions, unsurprisingly, practices that were adopted during the 2020-2021 academic year concerning remote learning continued into the 2021-2022 academic year. As shown in **Exhibit 20**, 50% of all institutions, including 60% of public

two-year institutions, indicated that they are offering primarily in-person instruction but now have more virtual instruction than before the pandemic. Just under one-third of respondents indicated that the COVID-19 pandemic did not affect instruction modality for the fall 2021 term.

**Exhibit 20
Fall 2021 Instruction Modality**



Source: Source: Pulse Point Survey of College and University Presidents on COVID-19: September 2021, American Council on Education.

The USM Chancellor, presidents of SMCM and MSU, MICUA, and the Executive Director of MACC should comment on steps that have been taken to address education delivery and access for their students and spring 2022 instruction plans.

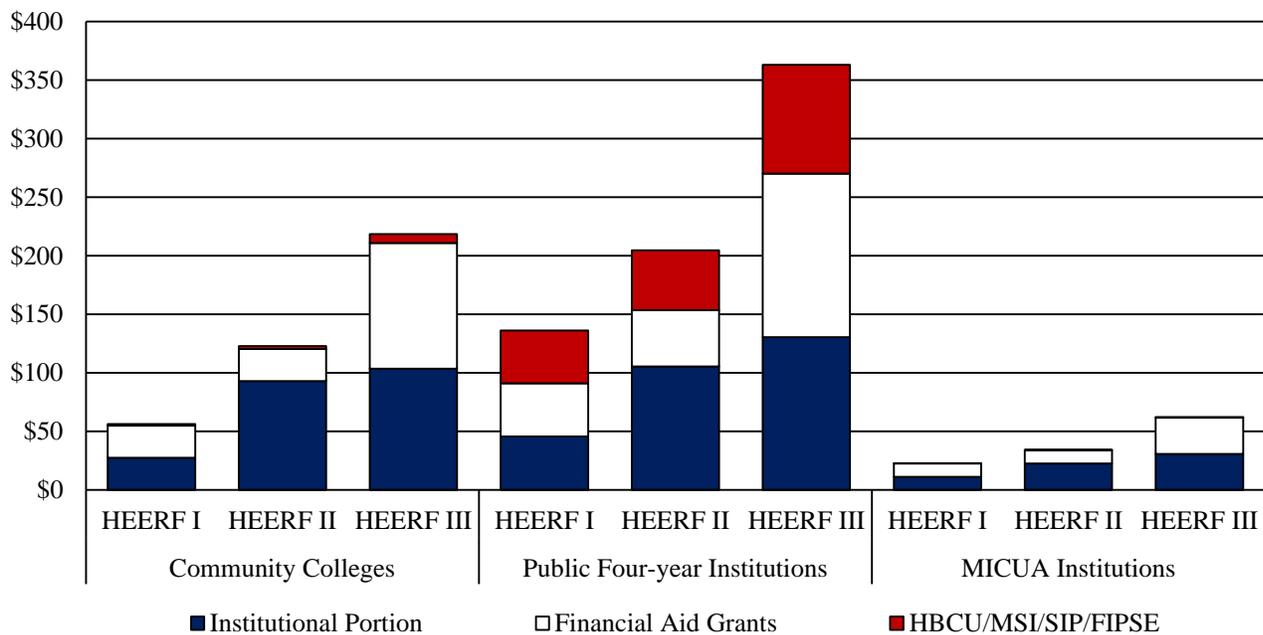
Financial Health and Stability

The COVID-19 pandemic continues to create financial challenges for many colleges and universities, including lost revenue from auxiliary enterprises; refunds provided to students for tuition, room, and board; and declines in revenue from out-of-state enrollment, to name a few. Additionally, these institutions have also incurred additional costs associated with the pandemic including, but not limited to, ensuring that personal protective equipment is available to students as well as faculty and

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staff, enhancing technology to be able to provide remote learning modalities, and undertaking modifications to classrooms. To address these budget shortfalls and additional costs, the federal government provided stimulus payments via Higher Education Emergency Relief Funds (HEERF) directly to higher education institutions as well as emergency financial assistance payments to students. Allocations occurred in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which included the HEERF I payments; the Coronavirus Response and Relief Supplemental Appropriations Act, which included the HEERF II payments; and the American Rescue Plan Act, which included the HEERF III payments. From fiscal 2020 through 2022, over \$1.2 billion has been provided to the public and private not for profit four-year institutions as well as the two-year community colleges in Maryland through these HEERF allocations, as shown in **Exhibit 21**. The breakdown of HEERF funding by higher education institution is discussed in the respective institutional analyses.

Exhibit 21
HEERF Funding Allocations
Fiscal 2020-2022
(\$ in Millions)



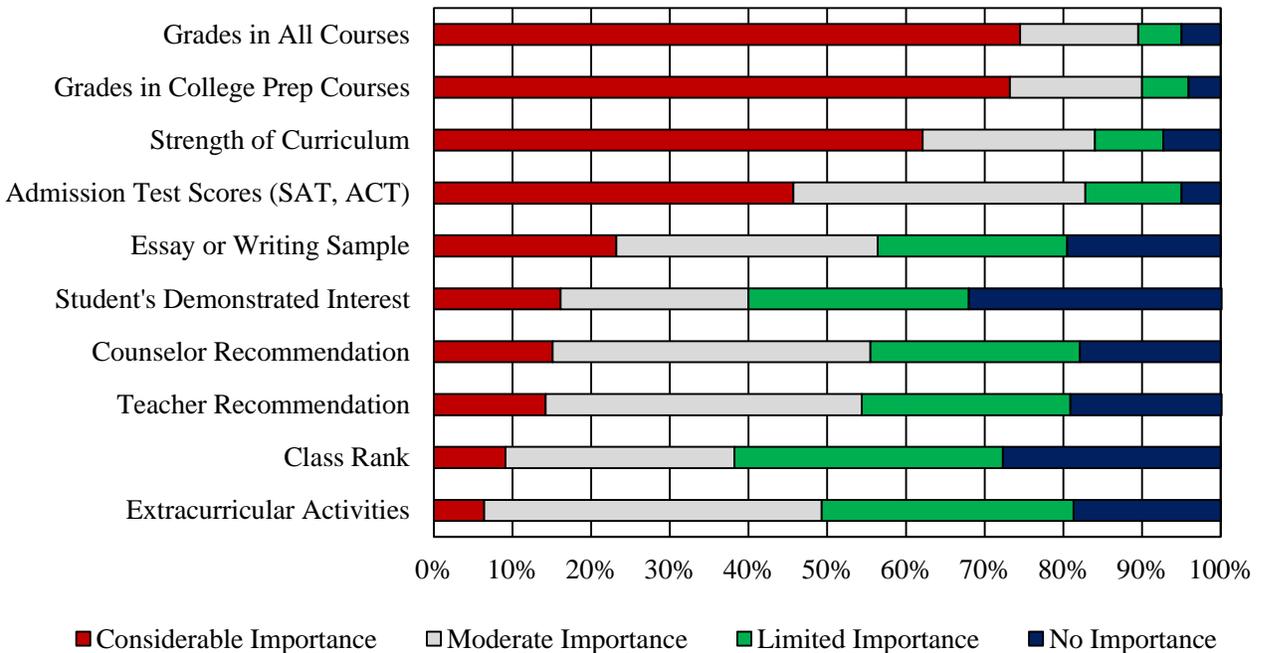
HBCU: Historically Black Colleges and Universities
 HEERF: Higher Education Emergency Relief Funds
 MICUA: Maryland Independent College and University Association
 MSI: Minority Serving Institution
 SIP: Strengthening Institutions Program
 FIPSE: Fund For The Improvement of Postsecondary Education

Source: U.S. Department of Education; Department of Legislative Services

2. Standardized Testing and College Admissions

The COVID-19 pandemic has upended many aspects of traditional postsecondary education and accelerated some trends that were emerging before 2020; one such item is making standardized testing requirements optional for incoming students. According to the National Association for College Admission Counseling, as recently as 2017, of the top 10 criteria listed by higher education institutions, standardized admissions test scores, including the SAT and ACT, were the fourth highest ranked criteria for factors in admission decisions. As shown in **Exhibit 22**, at that time, 47% of higher education institutions rated these scores of considerable importance in the admission process. This benchmark fell behind only grades in all courses, grades in college prep courses, and strength of curriculum in terms of admission significance.

Exhibit 22
Percentage of Colleges Attributing Different Levels of Importance to Factors in Admission Decisions: First-time Freshmen
Fall 2017



Source: National Association for College Admission Counseling Admission Trends Survey, 2018-2019

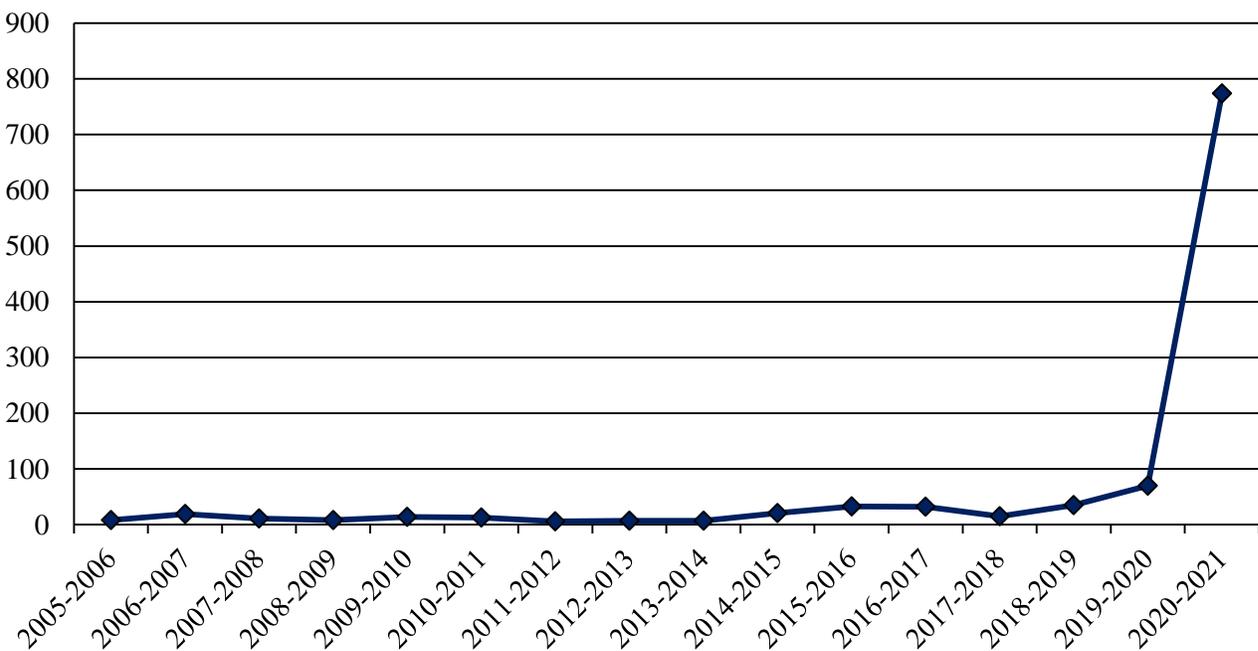
The ongoing pandemic, however, has made it difficult for many high school students to take the SAT or ACT for reasons, including limited testing days available, travel required to complete the test, testing being too costly, limits on the number of spaces available for a student to take the test, and test dates being canceled due to the pandemic. Furthermore, in recent years, many colleges and

universities have begun to make standardized test scores an optional part of their institution’s admissions process, although at many institutions students may still choose to take the tests and add their scores to their applications if they choose to do so.

Advocates of test-optional admissions have argued that standardized tests unfairly disadvantage low-income and minority students and that eliminating test mandates can improve the diversity of the student body. Furthermore, researchers have found insignificant differences in colleges grades and graduation rates of students who did not disclose their SAT status during the application process when compared to their peers who did submit SAT scores. Organizations that administer these tests, such as the College Board and ACT, contend that the tests are fair and provide an objective measure of applicants’ academic readiness for postsecondary education.

As shown in **Exhibit 23**, the acceleration of institutions choosing a standardized test-optional admission format exploded for the 2020-2021 academic year, increasing from an average of 20 schools from the 2005-2006 through 2019-2020 academic years, to 774 for the 2020-2021 academic year.

Exhibit 23
Higher Education Institutions Adopting Test-optional Policies
2005-2006 through 2020-2021 Academic Years



Source: The National Center for Fair and Open Testing

According to the National Center for Open and Fair Testing (FairTest), which tracks university standardized testing admissions policies, as of December 2021, more than 1,815 colleges and

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universities now practice standardized test-optional or standardized test-blind admissions, an all-time high. As a result of the COVID-19 pandemic, all USM institutions, MSU, SMCM, and all MICUA institutions temporarily fall under this category. However, some USM institutions previously adopted this policy; Salisbury University, after receiving an exemption from the Board of Regents, was the first USM institution to adopt a standardized test-optional format, implementing this process for the 2006-2007 academic year for students who attained a cumulative weighted 3.5 grade point average during their high school careers. UMES was also provided an exemption from the USM Board of Regents for the 2020-2021 academic year, that would use standardized tests as an optional criterion for admission for first-year students with overall high school grade point averages of at least 3.4. UMES' internal student-performance tracking documented that admitted students with a high school GPA of 3.4 or higher demonstrated higher persistence and six-year graduation rates than their peers.

Nationwide, more than half of bachelor's degree-granting schools have announced that they will not require an ACT or SAT score through at least fall 2022, according to FairTest, and more than three-fifths of all colleges and universities have committed to remaining standardized test-optional or standardized test-blind for the fall 2023 applicant pool.

In addition to actions at individual institutions and systems, several states are reevaluating the role of standardized tests for college admission. In 2020, Colorado passed legislation that temporarily allows institutions of higher education to forego assessment test scores as admission criteria for first time students. The University of California system recently decided it will no longer consider SAT or ACT scores in admissions even if students send them.

MHEC has historically provided the SAT scores of first-year students for Maryland public four-year institutions. Due to the temporary policy changes at the Maryland public four-year institutions regarding optional standardized test-taking, MHEC did not collect this data for the fall 2021 class.

The Chancellor of USM and the Presidents of MSU, SMCM, and MICUA should comment on future plans concerning the usage of standardized test in the admissions process and how institutions determine the preparedness of entering freshmen.

Operating Budget Recommended Actions

1. Adopt the following narrative:

Instructional Faculty Workload Report: The committees request that the University System of Maryland (USM), Morgan State University (MSU), and St. Mary’s College of Maryland (SMCM) continue to provide annual instructional workload reports for tenured/tenure-track faculty and all types of faculty. Additional information may be included at the institution’s discretion. Furthermore, the USM report should include the percent of faculty meeting or exceeding teaching standards for tenured/tenure-track faculty for the University of Maryland, Baltimore Campus.

Information Request	Author	Due Date
Annual report on faculty workload	USM MSU SMCM	December 5, 2022

Appendix 1
2020 Joint Chairmen’s Report Responses from Agencies

The 2021 *Joint Chairmen’s Report* (JCR) requested that the public four-year institutions prepare five reports. Electronic copies of the full JCR responses can be found on the Department of Legislative Services Library website.

- ***Instructional Faculty Workload Report:*** MSU’s tenure and tenure-track faculty taught 106% of expected course units, full-time contractual faculty taught 103% of expected course units, and department chairs taught 166% of expected course units. SMCM’s full-time tenure-track faculty taught an average of 21.3 credits, while part-time faculty taught an average of 5.4 credits. Tenured/tenure track faculty at USM produced 42% of the total credit hours, full-time nontenure-track instructional faculty produced 28% of the total credit hours produced, and part-time faculty produced 27% of the total credit hours produced; others produced 3%.
- ***Standardized Tests and Alternatives:*** USM and SMCM were asked to submit a report on how the institutions account for racial bias in standardized tests used to determine admissions and identify alternatives to these tests. USM and SMCM recognized the potential for racial and socioeconomic bias in standardized tests; however, these institutions indicated that they have designed and use robust admission processes that weigh a myriad of factors when evaluating students for admissions, which can include high school grade point average; high school courses; progression of course rigor throughout high school; rigor in the context of the high school environment; early college and dual enrollment assessments; class rank; recommendations; extra- and co-curricular activities; essays or personal statements; personal qualities in the context of the home or community environment; work experience; and interviews. In addition, as of fall 2021, all USM institutions and SMCM are now test-optional institutions as a result of the COVID-19 pandemic.

Appendix 2
Trends in Education and General Revenues¹
Public Four-year Institutions
Fiscal 2018-2023
(\$ in Thousands)

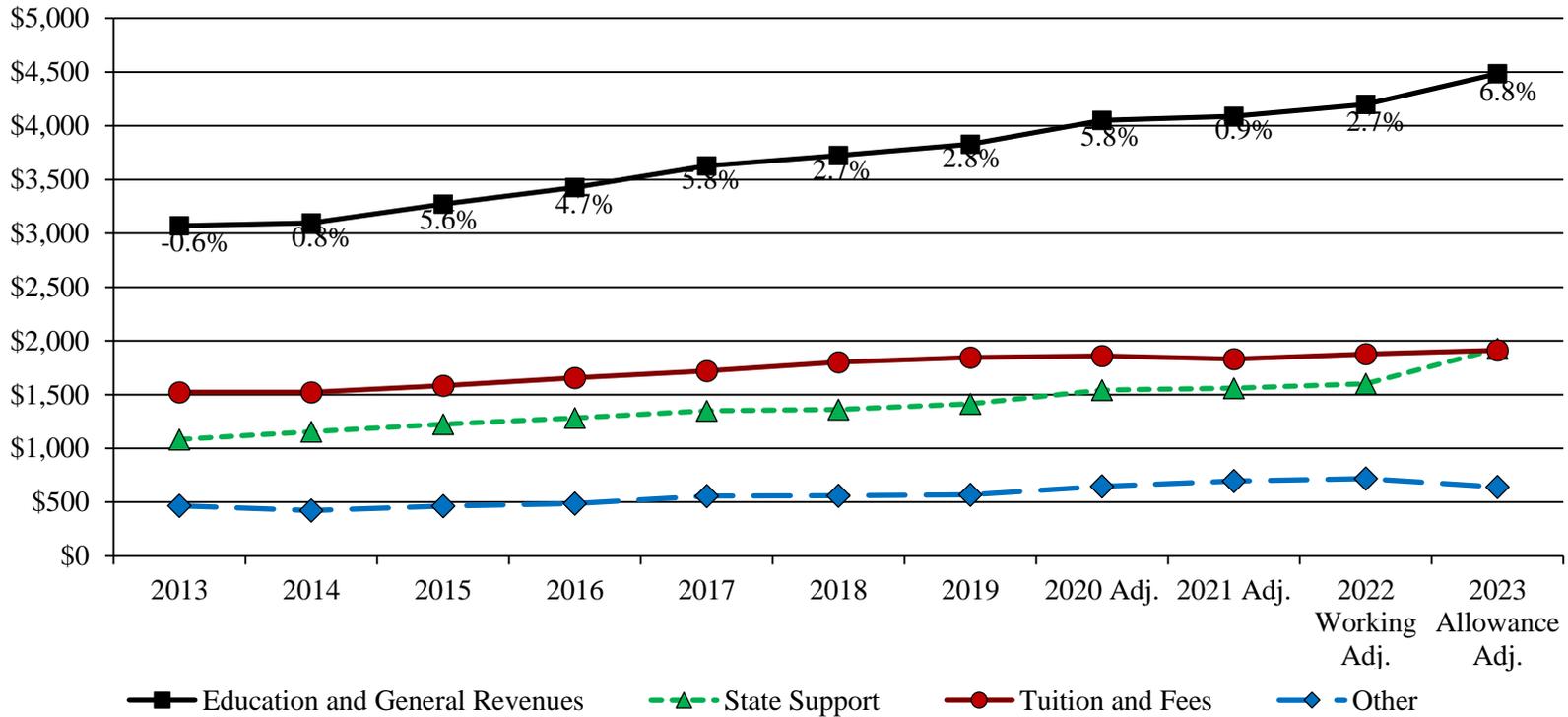
<u>Institution</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Adjusted 2021</u>	<u>Working 2022</u>	<u>Allowance 2023</u>	<u>Annual % 2018-2023</u>	<u>% Change 2022-2023</u>
University of Maryland, Baltimore Campus	\$582,599	\$594,979	\$670,794	\$687,105	\$707,958	\$758,398	5.4%	7.1%
University of Maryland, College Park Campus	1,367,157	1,422,222	1,465,386	1,433,881	1,509,531	1,603,461	3.2%	6.2%
Bowie State University	91,486	94,915	99,766	100,281	104,536	130,820	7.4%	25.1%
Towson University	326,266	334,685	358,731	377,977	366,749	382,606	3.2%	4.3%
University of Maryland Eastern Shore	72,968	72,732	77,506	81,136	74,336	92,637	4.9%	24.6%
Frostburg State University	81,251	83,477	86,117	85,647	88,854	88,973	1.8%	0.1%
Coppin State University	61,950	63,311	65,748	73,899	63,812	80,751	5.4%	26.5%
University of Baltimore	103,084	100,038	99,674	100,618	105,471	112,089	1.7%	6.3%
Salisbury University	130,602	134,898	142,338	145,365	147,260	146,180	2.3%	-0.7%
University of Maryland Global Campus	414,475	415,624	417,153	416,101	411,028	424,133	0.5%	3.2%
University of Maryland Baltimore County	280,769	293,180	335,403	339,716	362,906	368,839	5.6%	1.6%
University of Maryland Center for Environmental Science	31,524	30,290	29,889	30,484	30,882	33,296	1.1%	7.8%
Universities at Shady Grove				29,008	28,425	30,479		7.2%
Morgan State University	166,579	170,567	178,705	186,257	200,786	237,193	7.3%	18.1%
St. Mary's College of Maryland	44,923	47,606	53,873	59,647	55,725	57,784	5.2%	3.7%
Total	\$3,724,110	\$3,828,234	\$4,051,192	\$4,116,638	\$4,227,375	\$4,514,344	3.9%	6.8%

¹ Education and General (E&G) revenues represent tuition and fees, State funds (general funds and HEIF funds), grants and contracts (federal, State, and local), and sales and services of educational activities less auxiliary program enterprise revenue. For UMB, hospital revenues were excluded prior to fiscal 2020 but, due to a change in accounting procedures, those revenues are no longer excluded. For UMCP and UMES, agriculture experimental station and cooperative extension programs are excluded. Fiscal 2020 adjusted and fiscal 2021 working adjusted include CARES Act State support.

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

Source: Governor's Fiscal 2018-2023 Budget Books

Appendix 3
Education and General Revenues at Four-year Institutions¹
Fiscal 2013-2023
(\$ in Millions)



¹ State support for the University System of Maryland Office and the University of Maryland Center for Environmental Science are not included. Figures also exclude funding for agriculture experimental station and cooperative extension programs and the Maryland Fire and Rescue Institute. For UMB, hospital expenditures are excluded prior to fiscal 2020 but, due to a change in accounting procedures, those revenues are no longer excluded.

² E&G revenues represent tuition and fees, State support (general funds and HEIF funds), grants and contracts (federal, State, and local), and sales and services of educational activities less auxiliary enterprise revenue.

Note: Fiscal 2020 and 2021 adjusted includes CARES Act State support. The fiscal 2022 working includes a general salary increase, merit increase, and a one-time \$1,500 bonus. The fiscal 2023 adjusted allowance includes general salary and merit increases and annualization of fiscal 2022 increases.

Source: Governor’s Fiscal 2013-2023 Budget Books; Department of Legislative Services

Appendix 4
Education and General Revenues¹
Per Full-time Equivalent Student
Public Four-year Institutions
Fiscal 2018-2023

<u>Institution</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Working 2022</u>	<u>Allowance 2023</u>	<u>Annual % 2018-2023</u>	<u>% Change 2022-2023</u>
University of Maryland, Baltimore Campus	\$84,631	\$86,129	\$97,798	\$96,368	\$100,008	\$104,766	4.4%	4.8%
University of Maryland, College Park Campus	40,603	41,808	43,385	42,188	44,793	47,580	3.2%	6.2%
Bowie State University	17,949	18,647	19,623	19,949	20,762	25,081	6.9%	20.8%
Towson University	17,373	17,664	19,151	21,133	21,601	22,535	5.3%	4.3%
University of Maryland Eastern Shore	21,998	24,755	29,050	33,638	29,312	36,158	10.4%	23.4%
Frostburg State University	18,730	19,843	21,465	23,305	25,755	25,789	6.6%	0.1%
Coppin State University	25,802	29,571	30,940	38,529	32,131	40,175	9.3%	25.0%
University of Baltimore	27,920	30,105	34,007	36,615	41,870	44,497	9.8%	6.3%
Salisbury University	16,675	17,456	18,461	20,162	21,271	21,328	5.0%	0.3%
University of Maryland Global Campus	11,658	11,563	11,847	11,097	11,535	11,767	0.2%	2.0%
University of Maryland Baltimore County	25,018	25,890	30,304	31,238	33,203	33,746	6.2%	1.6%
Morgan State University	23,396	23,963	25,195	26,696	27,972	32,577	6.8%	16.5%
St. Mary's College of Maryland	27,276	28,835	35,005	37,919	34,612	35,735	5.6%	3.2%
Average (Weighted)	\$26,309	\$27,086	\$29,185	\$29,425	\$30,976	\$32,873	4.6%	6.1%

¹ E&G revenues represent tuition and fees, general funds, HEIF funds, grants and contracts (federal, State, and local), and sales and services of educational activities less auxiliary program enterprise revenue. For UMB, hospital revenues were excluded prior to fiscal 2020 but, due to a change in accounting procedures, those revenues are no longer excluded. For UMCP and UMES, agriculture experimental station and cooperative extension programs are excluded.

Note: Fiscal 2020 and 2021 adjusted includes CARES Act State support. The fiscal 2022 working includes a general salary increase, merit increase, and a one-time \$1,500 bonus. The fiscal 2023 adjusted allowance includes general salary and merit increases and annualization of fiscal 2022 increases.

Source: Department of Budget and Management; Department of Legislative Services

Appendix 5
Fiscal 2023 Revenues Per FTES by Revenue Source¹
Public Four-year Institutions

<u>Institution</u>	<u>Total E&G Revenues</u>	<u>State Funds²</u>	<u>Tuition and Fees</u>	<u>FTES</u>	<u>E&G Revenues Per FTES</u>	<u>State Funds Per FTES</u>	<u>Tuition and Fees Per FTES</u>	<u>State as % of E&G</u>	<u>Tuition and Fees as % of E&G</u>
University of Maryland, Baltimore Campus	\$758,397,822	\$312,583,826	\$181,393,857	7,239	\$104,766	\$43,181	\$25,058	41%	24%
University of Maryland, College Park Campus	1,603,461,102	\$660,915,798	\$678,966,677	33,700	47,580	19,612	20,147	41%	42%
Bowie State University	130,820,447	68,942,466	\$48,906,281	5,216	25,081	13,217	9,376	53%	37%
Towson University	382,606,340	170,743,300	\$195,702,628	16,978	22,535	10,057	11,527	45%	51%
University of Maryland Eastern Shore	92,637,177	56,992,336	\$22,584,808	2,562	36,158	22,245	8,815	62%	24%
Frostburg State University	88,973,028	52,079,327	\$34,503,580	3,450	25,789	15,095	10,001	59%	39%
Coppin State University	80,750,890	60,480,162	\$14,184,000	2,010	40,175	30,090	7,057	75%	18%
University of Baltimore	112,088,757	53,279,154	\$53,981,958	2,519	44,497	21,151	21,430	48%	48%
Salisbury University	146,179,998	73,943,310	\$70,210,188	6,854	21,328	10,788	10,244	51%	48%
University of Maryland University College	424,133,214	52,993,843	\$364,674,835	36,043	11,767	1,470	10,118	12%	86%
University of Maryland Baltimore County	368,839,098	182,724,304	\$145,553,490	10,930	33,746	16,718	13,317	50%	39%
Morgan State University	237,193,001	150,040,274	\$78,461,868	7,281	32,577	20,607	10,776	63%	33%
St. Mary's College of Maryland	57,783,845	32,238,183	\$24,224,587	1,617	35,735	19,937	14,981	56%	42%
Total Higher Education	\$4,483,864,719	\$1,927,956,283	\$1,913,348,757	136,399	\$32,873	\$14,135	\$14,028	43%	43%

¹ E&G revenues include tuition and fees, general funds, HEIF funds, grants and contracts (federal, State, and local), and the sales and services of educational activities minus auxiliary program enterprise revenue. For UMB, hospital revenues were excluded prior to fiscal 2020 but, due to a change in accounting procedures, those revenues are no longer excluded. For UMCP and UMES, agriculture experimental station and cooperative extension programs are excluded.

² The fiscal 2023 adjusted allowance includes general salary and merit increases and annualization of the fiscal 2022 increases.

Note: State Funds include Chapter 41 of 2021 funds for HBCUs, which are excluded from the FTES calculation used in funding formulas.

Source: Governor's Fiscal 2023 Budget Books

Appendix 6
Higher Education Enrollment Trends
Full-time Equivalent Student
Public Four-year Institutions
Fiscal 2018-2023

<u>Institution</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Working 2022</u>	<u>Allowance 2023</u>	<u>Annual % 2018-2023</u>	<u>% Change 2022-2023</u>
University of Maryland, Baltimore Campus	6,884	6,908	6,859	7,130	7,079	7,239	1.0%	2.3%
University of Maryland, College Park Campus	33,671	34,018	33,776	33,988	33,700	33,700	0.0%	0.0%
Bowie State University	5,097	5,090	5,084	5,027	5,035	5,216	0.5%	3.6%
Towson University	18,780	18,947	18,732	17,886	16,978	16,978	-2.0%	0.0%
University of Maryland Eastern Shore	3,317	2,938	2,668	2,412	2,536	2,562	-5.0%	1.0%
Frostburg State University	4,338	4,207	4,012	3,675	3,450	3,450	-4.5%	0.0%
Coppin State University	2,401	2,141	2,125	1,918	1,986	2,010	-3.5%	1.2%
University of Baltimore	3,692	3,323	2,931	2,748	2,519	2,519	-7.4%	0.0%
Salisbury University	7,832	7,728	7,710	7,210	6,923	6,854	-2.6%	-1.0%
University of Maryland Global Campus	35,553	35,944	35,213	37,496	35,632	36,043	0.3%	1.2%
University of Maryland Baltimore County	11,223	11,324	11,068	10,875	10,930	10,930	-0.5%	0.0%
Morgan State University	7,120	7,118	7,093	6,977	7,178	7,281	0.4%	1.4%
St. Mary's College of Maryland	1,647	1,651	1,539	1,573	1,610	1,617	-0.4%	0.4%
Total	141,555	141,337	138,810	138,915	135,556	136,399	-0.7%	0.6%

Higher Education – Fiscal 2023 Budget Overview

Analysis of the FY 2023 Maryland Executive Budget, 2022
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Source: Department of Budget and Management

Appendix 7
Tuition and Fee Rates at Public Four-year Institutions
Fiscal 2022-2023

	<u>2022</u>	<u>2022</u>	<u>Total</u>	<u>2023</u>	<u>2023</u>	<u>Total</u>	<u>% Tuition</u>	<u>% Fee</u>	<u>% Total</u>
	<u>Tuition</u>	<u>Fee</u>	<u>Total</u>	<u>Tuition</u>	<u>Fee</u>	<u>Total</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
In-state Full-time Undergraduate									
University of Maryland, College Park Campus	\$9,000	\$1,955	\$10,955	\$9,180	\$1,976	\$11,156	2.0%	1.1%	1.8%
Bowie State University	5,760	2,803	8,563	5,875	2,852	8,727	2.0%	1.7%	1.9%
Towson University	7,100	3,362	10,462	7,238	3,492	10,730	1.9%	3.9%	2.6%
University of Maryland Eastern Shore	5,526	3,203	8,729	5,637	3,262	8,899	2.0%	1.8%	1.9%
Frostburg State University	6,834	2,760	9,594	6,974	2,830	9,804	2.0%	2.5%	2.2%
Coppin State University	4,741	2,068	6,809	4,836	2,068	6,904	2.0%	0.0%	1.4%
University of Baltimore	7,154	2,210	9,364	7,296	2,226	9,522	2.0%	0.7%	1.7%
Salisbury University	7,408	2,850	10,258	7,556	2,840	10,396	2.0%	-0.4%	1.3%
University of Maryland Global Campus ¹	9,180	450	9,630	9,360	450	9,810	2.0%	0.0%	1.9%
University of Maryland Baltimore County	8,878	3,424	12,302	9,056	3,504	12,560	2.0%	2.3%	2.1%
Morgan State University	5,477	2,531	8,008	5,696	2,632	8,328	4.0%	4.0%	4.0%
St. Mary's College of Maryland	12,116	3,008	15,124	12,116	3,008	15,124	0.0%	0.0%	0.0%
Out-of-state Full-time Undergraduate									
University of Maryland, College Park Campus	\$34,936	\$1,955	\$36,891	\$37,784	\$1,976	\$39,760	8.2%	1.1%	7.8%
Bowie State University	16,501	2,803	19,304	16,666	2,852	19,518	1.0%	1.7%	1.1%
Towson University ²	22,152	3,362	25,514	23,240	3,492	26,732	4.9%	3.9%	4.8%
University of Maryland Eastern Shore ³	16,145	3,203	19,348	16,468	3,262	19,730	2.0%	1.8%	2.0%
Frostburg State University ⁴	21,320	2,760	24,080	21,854	2,830	24,684	2.5%	2.5%	2.5%
Coppin State University	11,266	2,068	13,334	11,491	2,068	13,559	2.0%	0.0%	1.7%
University of Baltimore	19,762	2,210	21,972	20,748	2,226	22,974	5.0%	0.7%	4.6%
Salisbury University ²	17,678	2,850	20,528	18,032	2,840	20,872	2.0%	-0.4%	1.7%
University of Maryland Global Campus ^{1,2}	14,970	450	15,420	14,970	450	15,420	0.0%	0.0%	0.0%
University of Maryland Baltimore County	25,555	3,424	28,979	25,820	3,504	29,324	1.0%	2.3%	1.2%
Morgan State University	15,949	2,531	18,480	16,587	2,632	19,219	4.0%	4.0%	4.0%
St. Mary's College of Maryland ⁵	28,193	3,008	31,201	28,193	3,008	31,201	0.0%	0.0%	0.0%

¹ Based on 30 credit hours.

² TU, SU, and UMGC have separate, lower out-of-state rates for students enrolled at USM at Hagerstown.

³ UMES has a separate, lower regional rate for non-Maryland students residing in Delaware and the eastern shore of Virginia.

⁴ FSU has a separate, lower out-of-state rate for non-Maryland students residing within 120 miles of campus.

⁵ SMCM has a separate, lower out-of-state rate for District of Columbia residents.

Note: All rates are pending approval by the institution or system's governing boards.

Source: Morgan State University; St. Mary's College of Maryland; University System of Maryland

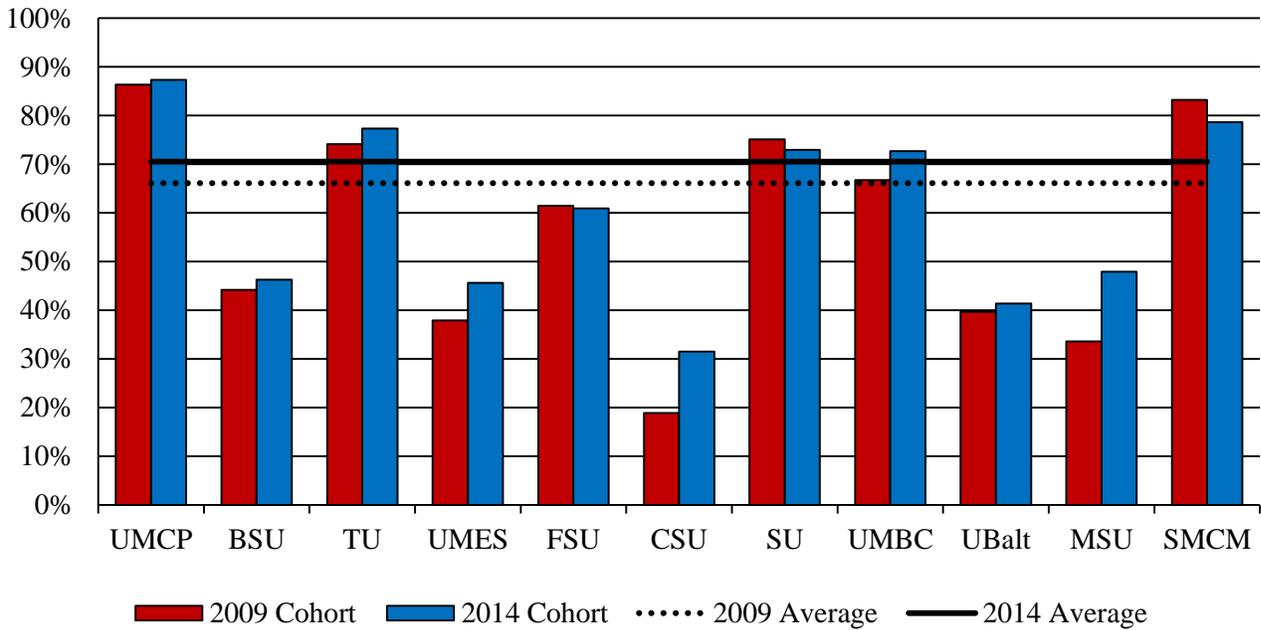
Appendix 8
Tuition and Fee Rates at Public Two-year Institutions
Fall 2021

<u>Community College</u>	Resident of Service Area			Outside Service Area			Out-of-state Resident		
	<u>Tuition</u>	<u>Fees</u>	<u>Total</u>	<u>Tuition</u>	<u>Fees</u>	<u>Total</u>	<u>Tuition</u>	<u>Fees</u>	<u>Total</u>
Allegany College of Maryland	\$3,870	\$1,042	\$4,912	\$7,410	\$1,042	\$8,452	\$9,420	\$1,042	\$10,462
Anne Arundel Community College	3,600	1,310	4,910	7,590	1,310	8,900	12,240	1,310	13,550
Baltimore City Community College	2,640	674	3,314	2,640	674	3,314	6,720	674	7,394
Community College of Baltimore County	3,660	1,356	5,016	7,230	1,356	8,586	11,160	1,356	12,516
Carroll Community College	4,080	1,080	5,160	6,750	1,747	8,498	8,640	2,220	10,860
Cecil College	3,750	1,020	4,770	7,050	1,020	8,070	8,490	1,020	9,510
Chesapeake College	3,750	1,100	4,850	5,790	1,130	6,920	8,100	1,130	9,230
College of Southern Maryland	4,020	1,005	5,025	7,050	1,763	8,813	9,030	2,258	11,288
Frederick Community College	3,870	847	4,717	8,460	847	9,307	11,460	847	12,307
Garrett College	2,970	1,290	4,260	8,550	1,290	9,840	10,470	1,290	11,760
Hagerstown Community College	3,690	480	4,170	5,760	480	6,240	7,560	480	8,040
Harford Community College	3,986	797	4,783	6,783	797	7,580	9,580	797	10,377
Howard Community College	4,260	850	5,110	7,350	850	8,200	9,120	850	9,970
Montgomery College	3,960	1,362	5,322	8,070	2,184	10,254	11,220	2,814	14,034
Prince George's Community College	2,568	1,178	3,746	4,848	1,178	6,026	7,296	1,178	8,474
Wor-Wic Community College	3,870	660	4,530	7,740	660	8,400	9,690	660	10,350
Average	\$3,659	\$1,003	\$4,662	\$6,817	\$1,145	\$7,962	\$9,387	\$1,245	\$10,633

Note: This assumes a student enrolls in 30 credits per academic year.

Source: Maryland Association of Community Colleges

Appendix 9
Six-year Graduation Rate for First-time, Full-time Students
2009 and 2014 Cohort

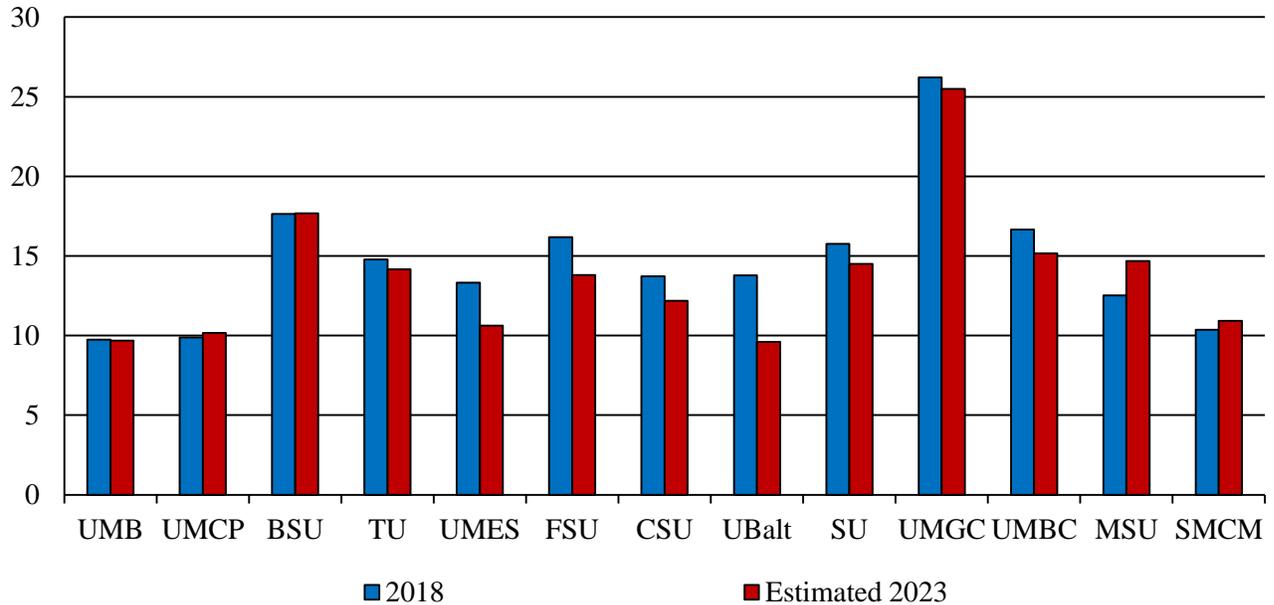


	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
UMCP	86.3%	86.2%	85.0%	86.1%	87.4%	87.3%
BSU	44.2%	41.4%	42.1%	47.6%	46.7%	46.3%
TU	74.1%	74.1%	75.8%	77.1%	74.9%	77.3%
UMES	37.9%	42.8%	44.3%	45.7%	47.7%	45.6%
FSU	61.4%	55.2%	57.3%	58.0%	59.2%	60.9%
CSU	18.9%	20.0%	25.1%	24.0%	26.5%	31.5%
SU	75.1%	74.5%	76.2%	72.0%	75.0%	72.9%
UMBC	66.7%	67.4%	65.9%	70.3%	73.8%	72.7%
UBalt	39.7%	39.3%	34.8%	43.3%	43.6%	41.4%
MSU	33.6%	34.7%	38.7%	41.9%	46.4%	47.9%
SMCM	83.2%	79.9%	81.3%	85.2%	80.9%	78.6%
State-wide Rate	66.1%	65.5%	67.4%	68.8%	71.1%	70.5%

Note: The data includes first-time, full-time students enrolled at an institution at the start of the academic year. Institution rates include those who graduated from the institution or those who transferred and graduated from any Maryland public four-year institution. University of Maryland Global Campus is included in the State-wide rate although not included in the institutional list.

Source: Maryland Higher Education Commission

Appendix 10
Student-to-faculty Ratio
Fiscal 2018 and 2023



	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>Est. 2023</u>
UMB	9.8	9.8	9.7	10.5	9.9	9.7
UMCP	9.9	9.7	9.3	10.2	10.2	10.2
BSU	17.6	18.6	18.6	18.0	17.1	17.7
TU	14.8	14.9	15.0	14.5	14.3	14.2
UMES	13.3	12.3	11.4	10.0	10.5	10.6
FSU	16.2	16.6	15.3	14.7	13.8	13.8
CSU	13.7	13.2	13.0	11.8	12.2	12.2
UBalt	13.8	12.2	11.1	10.9	9.6	9.6
SU	15.8	15.2	15.2	14.6	14.5	14.5
UMGC	26.2	25.5	25.4	26.5	25.2	25.5
UMBC	16.7	16.8	15.9	16.0	15.4	15.2
MSU	12.5	13.3	13.6	15.0	14.5	14.7
SMCM	10.4	10.7	9.8	10.2	10.9	10.9

Note: Full-time equivalent.

Source: Department of Budget and Management