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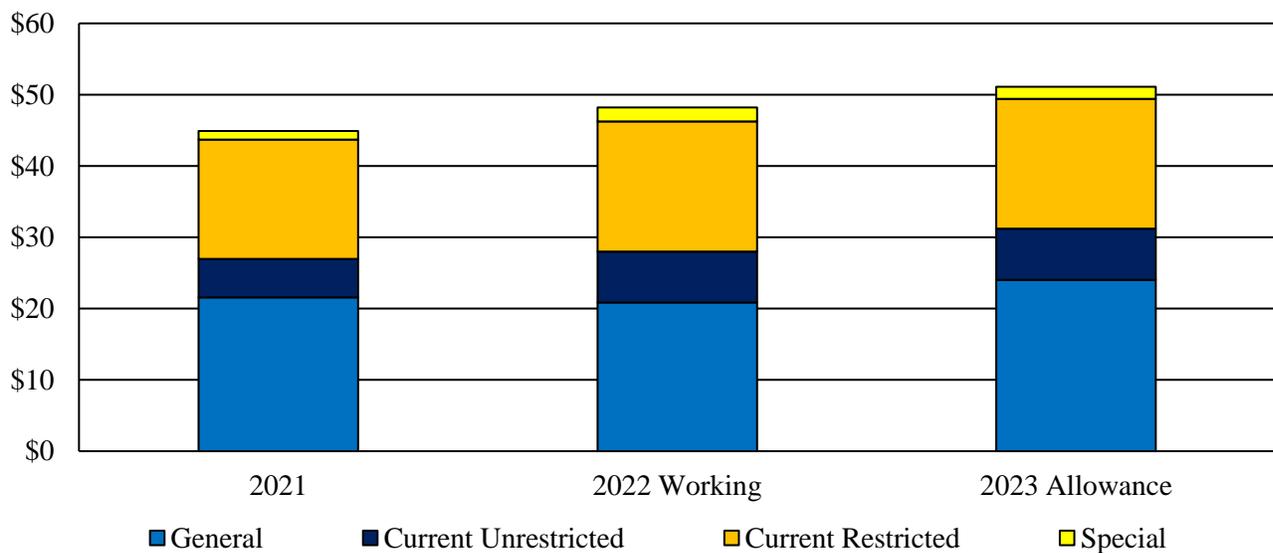
University of Maryland Center for Environmental Science

Program Description

The University of Maryland Center for Environmental Science (UMCES) is a research institution for environmental and natural science studies with a mission to develop a comprehensive program of environmental research, education, and service. Research focuses on the watersheds, estuaries, and coastal areas of Maryland and the greater Chesapeake Bay region and applying knowledge to help predict conditions in Maryland's ecology. UMCES includes four geographically distinct laboratories under a single administration that also serve as regional centers: Appalachian Laboratory in Frostburg; Chesapeake Biological Laboratory on Solomon's Island; Horn Point Laboratory in Cambridge; and the Institute of Marine and Environmental Technology in Baltimore, which is a joint research institute between UMCES; the University of Maryland Baltimore County; and the University of Maryland, Baltimore Campus.

Operating Budget Summary

Fiscal 2023 Budget Increases \$2.9 Million, or 6.0%, to \$51.1 Million



Note: The fiscal 2022 working appropriation is adjusted to reflect general salary increases, increments, one-time bonuses, and deficiency. The fiscal 2023 allowance is adjusted to reflect the annualization of fiscal 2022 general salary increases and increments, and the fiscal 2023 3% general salary increase and increments. These actions are budgeted within the Department of Budget and Management statewide expenses.

- The adjusted State funding increases \$2.9 million, or 12.7%, in fiscal 2023 over the adjusted fiscal 2022 working appropriation. Of this increase, \$3.2 million is general funds, while Higher Education Investment Funds (HEIF) slightly decrease as a proposed deficiency in fiscal 2022 that would replace \$0.7 million in general funds with the HEIF only partially carries forward.

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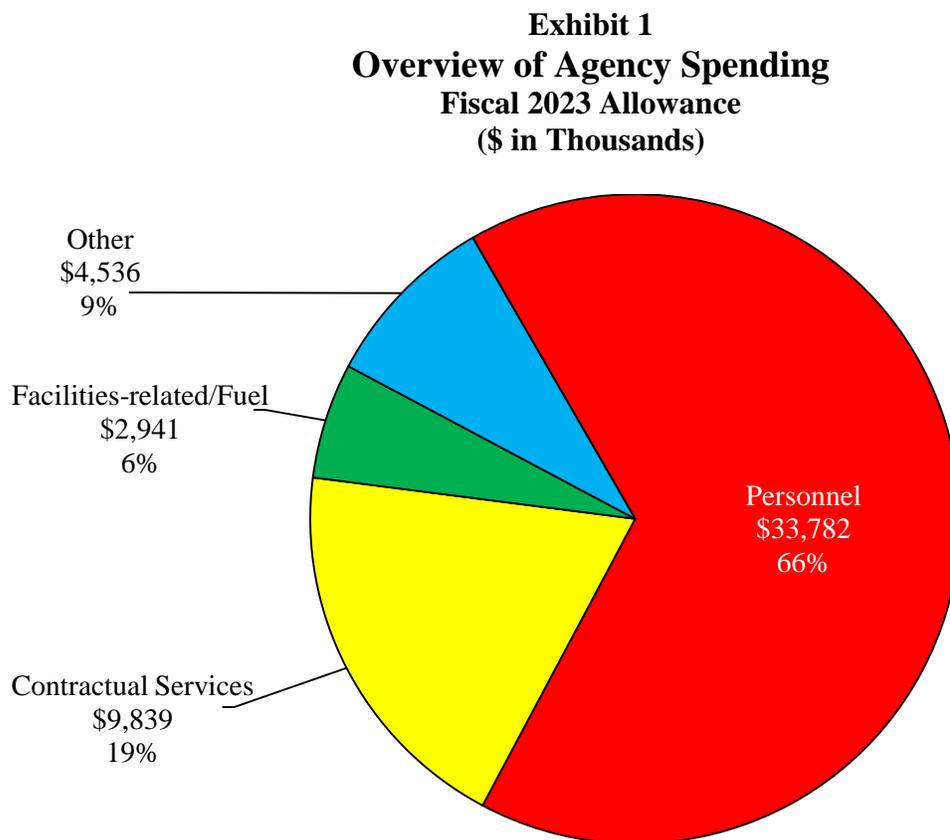
Fiscal 2022

Proposed Deficiency

A proposed deficiency totaling \$45.5 million, of which UMCES' share would be \$0.7 million, would replace general funds with HEIF funds, reflecting the revised HEIF revenue estimate in fiscal 2022 and the use of the HEIF balance.

Fiscal 2023 Overview of Agency Spending

As shown in **Exhibit 1**, the fiscal 2023 allowance for UMCES, after adjusting for the annualization of the fiscal 2022 general salary increase and increments and fiscal 2023 general salary increase and increments, totals \$51.1 million. Personnel expenditures account for 66% of total spending.



Source: Governor's Fiscal 2023 Budget Books

Proposed Budget Change

As shown in **Exhibit 2**, the adjusted fiscal 2023 allowance for State funds is \$2.9 million, or 12.7%, higher than the adjusted fiscal 2022 working appropriation. State funds supported growth in the allowance includes:

- \$1.8 million to restore funding related to the reduction taken by the Board of Public Works in fiscal 2021;
- \$1.0 million for annualization of a fiscal 2022 general salary increase and increments and fiscal 2023 general salary increase and increments; and
- \$0.1 million for increases related to various statewide allocations and rate changes,

Exhibit 2					
Proposed Budget					
University Maryland Center for Environment Science					
Fiscal 2021-2023					
(\$ in Thousands)					
	2021	2022	2023	2022-2023	% Change
	<u>Actual</u>	<u>Adjusted</u>	<u>Adjusted</u>	<u>Change</u>	<u>Prior Year</u>
General Funds	\$21,557	\$20,887	\$22,423	1,536	7.4%
Deficiency – HEIF Swap		-674			
Statewide Employee Compensation		622	1,603	981	
Total General Funds	\$21,557	\$20,835	\$24,025	3,190	15.3%
Special Funds					
HEIF	\$1,195	\$1,294	\$1,671		
Deficiency – HEIF Swap		674			
Total HEIF	1,195	1,968	1,671	-\$297	-17.8%
Total State Funds	\$22,752	\$22,803	\$25,697	\$2,893	12.7%
Other Unrestricted Funds	\$7,733	\$7,457	\$7,464	\$7	0.1%
Transfer (to)/from Fund Balance	-2,312	-287	-294	-7	2.4%
Net Unrestricted Funds	\$28,173	\$29,974	\$32,867	\$2,893	9.7%
Total Restricted Funds	\$16,722	\$18,230	\$18,230		0.0%
Total Funds	\$44,895	\$48,204	\$51,097	2,893	6.0%

HEIF: Higher Education Investment Fund

Note: The fiscal 2022 working appropriation is adjusted to reflect general salary increases, increments, one-time bonuses, and deficiency. The fiscal 2023 allowance is adjusted to reflect the annualization of fiscal 2022 general salary increases and increments and fiscal 2023 3% general salary increase and increments. These actions are budgeted within the Department of Budget and Management Statewide Expenses.

Source: Governor’s Fiscal 2023 Budget Books

Personnel Data

	<u>FY 21</u> <u>Actual</u>	<u>FY 22</u> <u>Working</u>	<u>FY 23</u> <u>Allowance</u>	<u>FY 22-23</u> <u>Change</u>
Regular Positions	276.86	276.86	276.86	0.00
Contractual FTEs	<u>66.00</u>	<u>66.00</u>	<u>66.00</u>	<u>0.00</u>
Total Personnel	342.86	342.86	342.86	0.00

Vacancy Data: Regular Positions

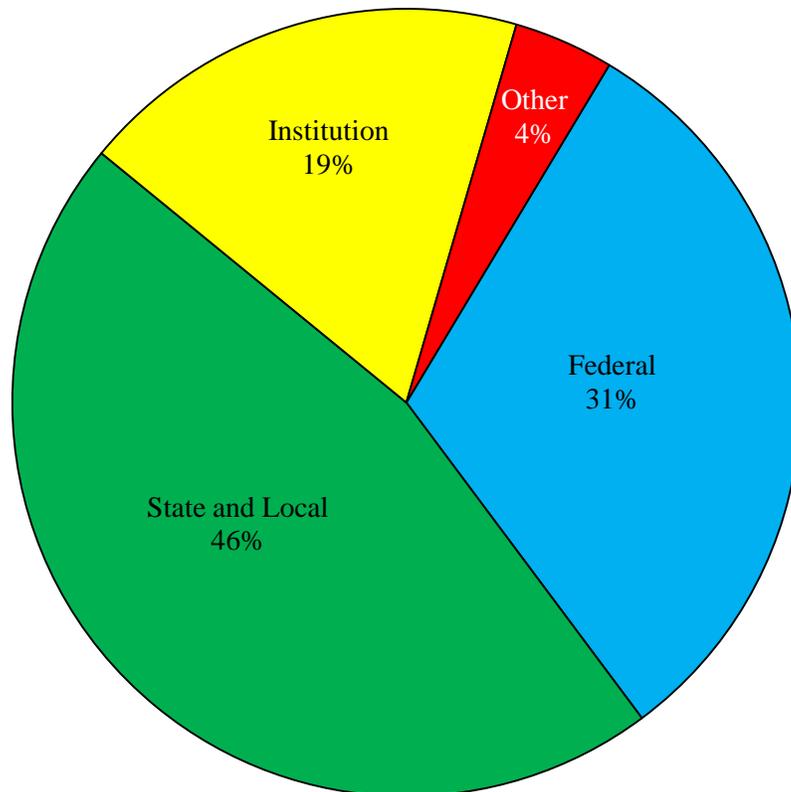
Turnover and Necessary Vacancies, Excluding New Positions	7.20	2.60%
Positions and Percentage Vacant as of 12/31/21	19.45	7.03%
Vacancies Above Turnover	12.25	

Key Observations

1. Research and Development Expenditures

Being a research institution, UMCES relies on federal, State, and local contracts and awards for over half of its budget. Total research and development expenditures, as reported to the National Science Foundation (NSF), increased from \$52.2 million in fiscal 2015 to \$56.0 million in fiscal 2019. It should be noted that total expenditures exceed UMCES’s budget by approximately \$7.0 million in fiscal 2019 due to NSF including matching funds and facility and personnel funds that may be budgeted elsewhere. As shown in **Exhibit 3**, State and local government contracts and awards comprise 46% of total expenditures in fiscal 2019 with the federal government accounting for 31%.

Exhibit 3
Research and Development Expenditures by Source
Fiscal 2019

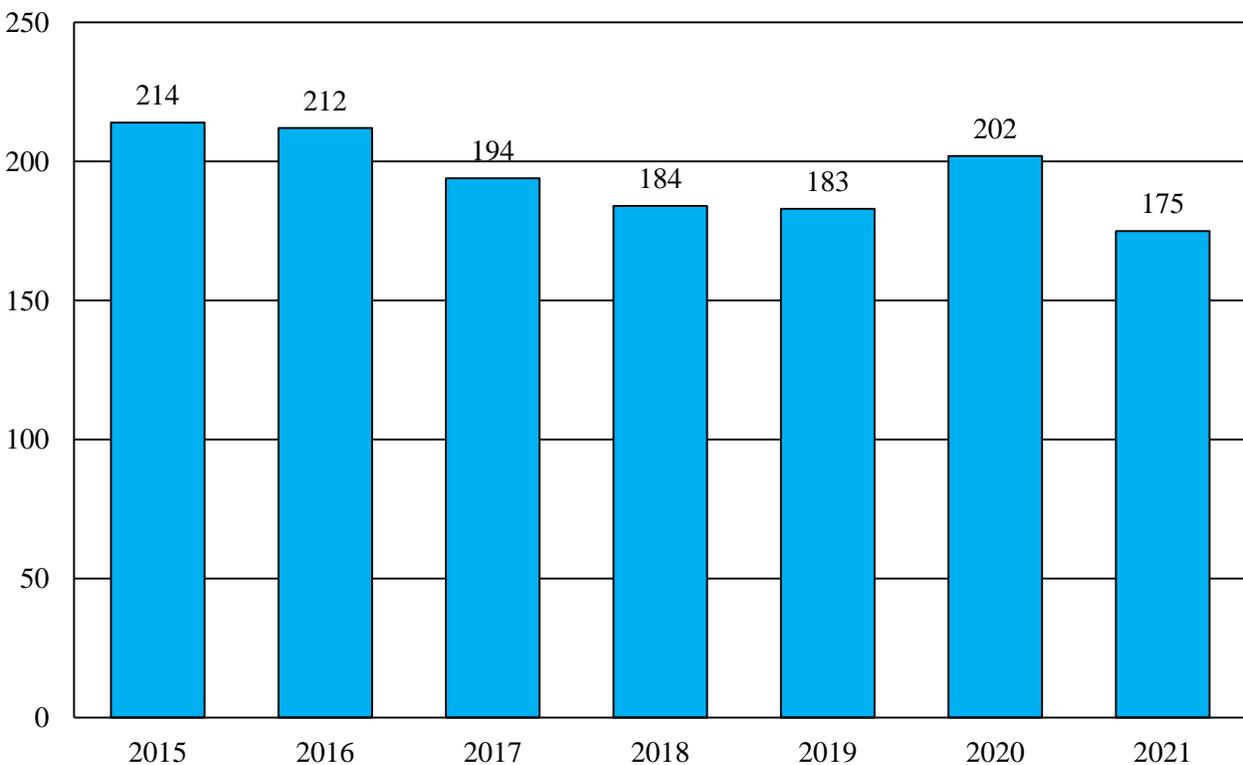


Source: National Science Foundation

2. Chesapeake Bay Restoration Projects

UMCES tracks the number of Chesapeake Bay restoration projects that it participated in as a measure of strengthening its predictive ecology for Maryland, which is predicting how ecological populations, communities, or ecosystems will change in the future in response to various environmental factors, such as climate warming. Projects focus on the Chesapeake Bay generally and specific aspects of bay restoration ranging from research concerning the overall health of the bay to specific organisms, such as conducting the annual blue crab survey. The total number of projects is driven primarily by grant funding. As shown in **Exhibit 4**, the total number of projects has ranged from 214 in fiscal 2015 to 175 in fiscal 2021. Although fiscal 2021 represented a decrease compared to the recent years, it was in line with the levels from fiscal 2018 and 2019.

Exhibit 4
Chesapeake Bay Restoration Projects
Fiscal 2015-2021



Source: Governor’s Fiscal 2023 Budget Books

Operating Budget Recommended Actions

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

Appendix 1
Object/Fund Difference Report
University of Maryland Center for Environmental Science

<u>Object/Fund</u>	<u>FY 21</u> <u>Actual</u>	<u>FY 22</u> <u>Working</u> <u>Appropriation</u>	<u>FY 23</u> <u>Allowance</u>	<u>FY 22 - FY 23</u> <u>Amount Change</u>	<u>Percent</u> <u>Change</u>
Positions					
01 Regular	276.86	276.86	276.86	0.00	0%
02 Contractual	66.00	66.00	66.00	0.00	0%
Total Positions	342.86	342.86	342.86	0.00	0%
Objects					
01 Salaries and Wages	\$ 32,458,823	\$ 31,986,693	\$ 32,179,246	\$ 192,553	0.6%
02 Technical and Special Fees	205,028	166,013	175,570	9,557	5.8%
03 Communication	325,131	264,968	264,968	0	0%
04 Travel	102,826	609,177	609,177	0	0%
06 Fuel and Utilities	1,824,139	1,937,945	1,924,514	-13,431	-0.7%
07 Motor Vehicles	214,829	836,971	836,345	-626	-0.1%
08 Contractual Services	7,125,259	8,109,622	9,838,617	1,728,995	21.3%
09 Supplies and Materials	862,169	1,028,742	1,028,742	0	0%
11 Equipment – Additional	479,643	613,395	613,395	0	0%
12 Grants, Subsidies, and Contributions	93,884	105,250	105,250	0	0%
13 Fixed Charges	1,109,587	906,766	902,499	-4,267	-0.5%
14 Land and Structures	93,788	1,016,135	1,016,135	0	0%
Total Objects	\$ 44,895,106	\$ 47,581,677	\$ 49,494,458	\$ 1,912,781	4.0%
Funds					
40 Unrestricted Fund	\$ 28,172,622	\$ 29,351,674	\$ 31,264,455	\$ 1,912,781	6.5%
43 Restricted Fund	16,722,484	18,230,003	18,230,003	0	0%
Total Funds	\$ 44,895,106	\$ 47,581,677	\$ 49,494,458	\$ 1,912,781	4.0%

Note: The fiscal 2022 working appropriation includes deficiency appropriations. The fiscal 2022 working appropriation and fiscal 2023 allowance does not reflect funding for statewide personnel actions budgeted in the Department of Budget and Management, which include cost-of-living adjustments, increments, bonuses, and may include annual salary review adjustments.