

**R30B21**  
**University of Maryland, Baltimore**  
**University System of Maryland**

***Operating Budget Data***

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	<u><b>FY 02</b></u>	<u><b>FY 03</b></u>	<u><b>FY 04</b></u>	<u><b>FY 02-04</b></u> <u><b>Change</b></u>	<u><b>FY 05</b></u>	<u><b>FY 04-05</b></u> <u><b>Change</b></u>
Instruction	\$167,245	\$165,925	\$179,328	\$12,083	\$177,736	-\$1,591
Research/Public Service	220,100	241,430	287,354	67,254	291,751	4,397
Administration/Operations	124,757	126,512	131,388	6,630	132,937	1,549
Auxiliary Enterprises	16,232	17,625	16,741	508	16,912	171
Scholarships & Fellowships	12,092	12,355	13,746	1,654	14,082	336
<b>Adjusted Grand Total</b>	<b>540,427</b>	<b>563,846</b>	<b>628,556</b>	<b>88,129</b>	<b>633,418</b>	<b>4,862</b>
General Funds	153,139	141,678	132,175	-20,965	132,175	0
Other Unrestricted Funds	168,793	178,765	198,776	29,983	200,311	1,535
Total Unrestricted Funds	321,932	320,444	330,951	9,019	332,486	1,535
Restricted Funds	218,494	243,403	297,605	79,111	300,932	3,327
<b>Adjusted Grand Total</b>	<b>\$540,427</b>	<b>\$563,846</b>	<b>\$628,556</b>	<b>\$88,129</b>	<b>\$633,418</b>	<b>\$4,862</b>
<b>Annual % Change</b>		<b>4.3%</b>	<b>11.5%</b>		<b>0.8%</b>	

- The fiscal 2005 allowance for the University of Maryland, Baltimore (UMB) provides no increase in general funds from the fiscal 2004 level. Since fiscal 2002, general funds for UMB have declined \$21 million, or 13.7%.
- Other unrestricted funds, including tuition and fee revenues, are budgeted to have a net increase of \$1.5 million.

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

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***Personnel Data***

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	<u>FY 02</u>	<u>FY 03</u>	<u>FY 04</u>	<u>FY 02-04</u> <u>Change</u>	<u>FY 05</u>	<u>FY 04-05</u> <u>Change</u>
Regular Positions	3,587.1	3,553.8	3,553.8	-33.3	3,553.8	0.0
Contractual FTEs	393.4	428.3	494.7	101.3	489.8	-4.9
<b>Total Personnel</b>	<b>3,980.5</b>	<b>3,982.1</b>	<b>4,048.5</b>	<b>68.0</b>	<b>4,043.6</b>	<b>-4.9</b>

***Vacancy Data: Regular Positions***

Turnover Expectancy	55.80	1.57%
Positions Vacant as of 12/31/03	59.21	1.70%

- The fiscal 2005 allowance does not include any additional regular positions.
- The allowance calls for a decrease in 4.9 contractual positions.

## ***Analysis in Brief***

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### **Major Trends**

***Research Measures Exceed Objectives:*** Grant and contract awards already have exceeded the 2004 objective, and total research expenditures continue to increase.

***Nursing Enrollment Expected to Drop:*** UMB reports that, although enrollment in Bachelor of Science nursing programs has increased in recent years, it plans to constrain new student enrollment due to a lack of resources.

***Undergraduate Minority Enrollment Compares Well:*** Due to its status as primarily a graduate student institution, and on the advice of legal counsel, UMB reports only actual undergraduate minority enrollment percentages, not goals. The enrollment measure compares well to the University System of Maryland as a whole and to peers.

### **Issues**

***Number of Personnel Increases During Cost Containment:*** The number of full-time equivalent personnel has increased by 101.3 from fiscal 2002 to 2004. Changes in the composition of personnel cannot be evaluated because data for fiscal 2002 were not provided.

***Faculty Salaries Compare Fairly Well to Peers:*** Full professors rank at the sixty-second percentile, and associate and assistant professors rank at the seventy-fifth percentile as compared to their peers.

### **Recommended Actions**

1. Add budget bill language to prohibit the University of Maryland, Baltimore from spending funds on a separate external affairs office in Annapolis.

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**University of Maryland, Baltimore**  
**University System of Maryland**

***Operating Budget Analysis***

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**Program Description**

The University of Maryland, Baltimore (UMB) is located in downtown Baltimore. It houses a graduate school and professional Schools of Dentistry, Law, Medicine, Nursing, Pharmacy, and Social Work. It offers primarily graduate and professional degrees in health professions, applied health, biomedical science and technology, social work, and law. Less than 20% of its enrollment is in baccalaureate programs. The institution has two clinical partners – the University of Maryland Medical Systems (UMMS) and the Veterans Administration Medical Center – and one research partner, the University of Maryland Biotechnology Institute. UMB aims to:

- continue to evolve and maintain a competitive edge as a center of excellence in the life and health sciences, law, and social work; and
- conduct recognized research and scholarship in the life and health sciences, law, and social work that fosters social and economic development.

The institution also aims to demonstrate responsiveness to the State's critical need for health and human services professionals by increasing access to professional careers. Most of the university's programs are designed for full-time students. However, the Schools of Law, Nursing, and Social Work, and the Graduate School have a significant number of part-time students. The School of Nursing offers programs that enable nurses in educationally underserved areas to earn both undergraduate and graduate degrees in five outreach sites throughout the State.

UMB aims to provide public service to citizens in all sectors and geographic regions of Maryland, especially the community surrounding its urban campus. The institution provides legal and dental clinics, community outreach services, support to the Maryland Poison Control Center, and staff to its clinical partners. The university also strives to increase fundraising to deliver its programs more effectively, and to encourage entrepreneurial activities that generate economic development.

**Performance Analysis: Managing for Results**

The first goal of UMB is to maintain a competitive edge as a center of excellence in the life and health sciences, law, and social work. National rankings are one way the institution measures performance on this goal. Five UMB schools – including dental, medicine, law, nursing, and pharmacy – have achieved top 10 status in various rankings. The social work school has been ranked 25th. Several of these rankings, however, have not been conducted for a number of years, making it difficult to assess current standing and compare data over time.

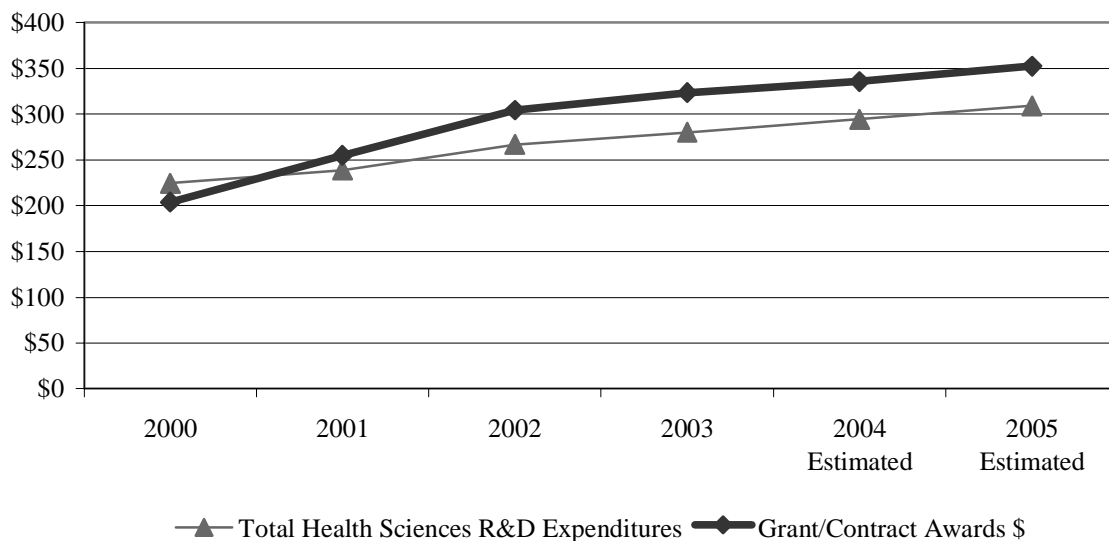
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The number of refereed publications per full-time faculty – also tracked by UMB as an excellence measure – is not expected to meet the 2004 objective of 3.1. The expected number for 2004 is 2.5, which would represent a slight increase from the 2003 number of 2.4. However, these data may not truly reflect publications per faculty because they are based on the number of faculty who respond to a survey, not on the total number of faculty.

**Research Measures Exceed Objectives**

The second goal of UMB is to conduct recognized research and scholarship that fosters social and economic development. UMB is on track to meet or exceed most of its objectives in this area. Grant and contract awards totaled \$323.4 million in 2003, greatly exceeding the 2004 objective of \$254.9 million, as shown in **Exhibit 1**. Likewise, total research expenditures have increased, totaling \$280.1 million in 2003. Similar measures reported in the Maryland Higher Education Commission’s (MHEC) *Peer Performance Analysis* suggest that UMB is performing well compared to its peers in other states, specifically in terms of medical research.

**Exhibit 1**  
**Research Performance Measures**  
**Fiscal 2000 – 2005**  
**(\$ in Millions)**



Notes: Total Health Sciences R&D Expenditures = Total research and development expenditures from federal, State, industry, institutional and other sources only for UMB health sciences programs, excluding training and service expenditures.

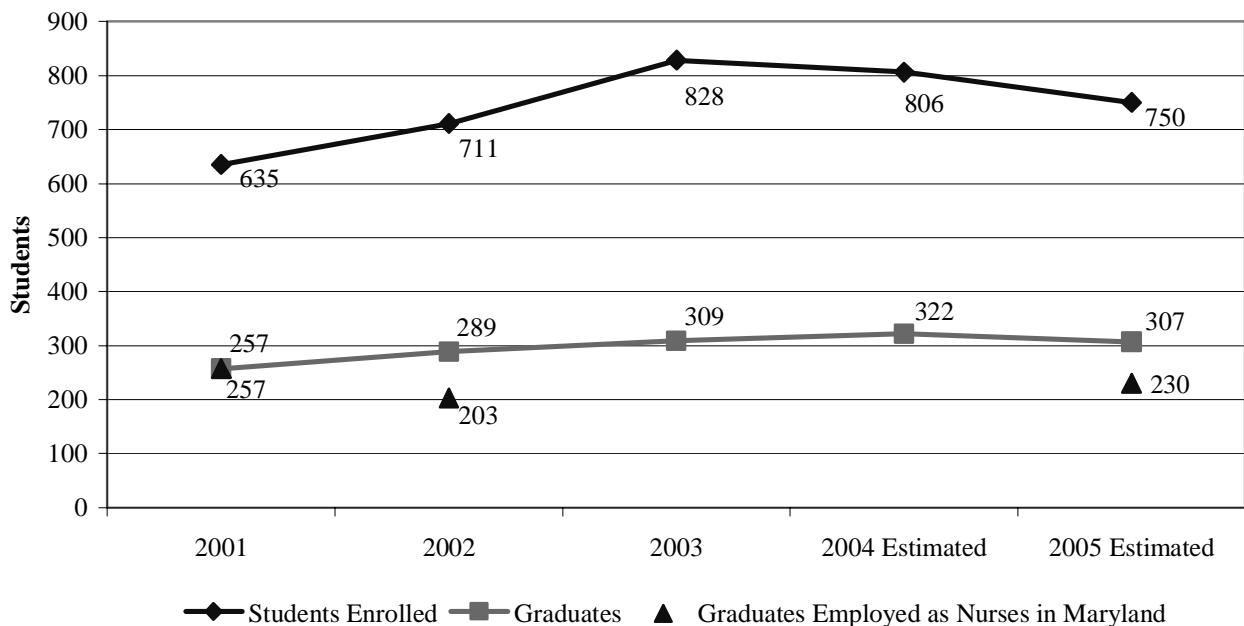
Grant/Contract Awards \$ = Total unduplicated grants and contracts for research, training, and public service for all six of UMB's professional schools, including the School of Law and the School of Social Work.

Source: Maryland State Budget Books

## Nursing Enrollment Expected to Drop

Another UMB goal is to demonstrate responsiveness to the State's critical need for health and human services professionals by increasing access to professional careers. Nursing and pharmacy are UMB's focus for this goal. Enrollment in Bachelor of Science Nursing (BSN) programs has increased in recent years, but it is projected to drop, as shown in **Exhibit 2**.

**Exhibit 2**  
**Students Enrolled in and Graduating from Bachelor of Science in Nursing Program, Employed as Nurses in Maryland**  
**Fiscal 2001 – 2005**



Source: Maryland State Budget Books

UMB reports that the increase in enrollment in 2003 was due to successful recruitment efforts but resulted in more students than the program can reasonably serve. Therefore, enrollment will be constrained, but UMB reports that it still expects to increase the number of BSN graduates employed as nurses in Maryland from the 2002 level. **The UMB President should comment on the constraints limiting UMB's ability to expand the nursing program at a time when there is a shortage in the profession.**

## **Undergraduate Minority Enrollment Compares Well**

Due to its status as primarily a graduate student institution, and on the advice of legal counsel, UMB does not report goals for enrollment of minority students as other University System of Maryland (USM) degree granting institutions do. The institution reports only the actual percent of undergraduate enrollment represented by minority students. Also, UMB does not report minority retention or graduation rates because it does not have any first-time freshmen students.

In 2003, minorities accounted for 40% of undergraduates, and African Americans accounted for 29% of all undergraduates. For USM as a whole, African American students make up 25% of all undergraduates. In the last MHEC *Peer Performance Analysis*, UMB was above its peers in terms of minority and African American undergraduate enrollment.

## **Fiscal 2004 Actions**

### **Impact of Cost Containment**

Considering all revenues, the UMB budget has increased \$88 million, or 16.3%, from fiscal 2002 to the 2004 working appropriation. Growth in restricted funds (primarily grants and contracts), tuition and fees, and other unrestricted funds (primarily sales and services of educational activities) offset a reduction in general funds. Sales and services of educational activities mainly are related to clinical services provided by faculty and payment by companies for use of UMB research services.

UMB expenditures by program from fiscal 2002 to 2004 are shown in **Exhibit 3**. These data are for current unrestricted funds only, reflecting how the institution has prioritized its use of general funds and tuition and fee revenues during recent cost containment. Education and general expenditure growth has been constrained to 2.8%, concurrent with a 13.7% decrease in general fund support.

Among expenditures, institutional support had the highest increase, totaling \$5.9 million. Institutional support includes functions such as executive management, computing support, and public safety. UMB reports that from fiscal 2002 to 2004, \$5.4 million in institutional support has been dedicated to installing the new PeopleSoft computer application. Instruction had the next highest increase among expenditures at \$1.3 million, followed by research at \$1.1 million.

Considering current unrestricted revenues for UMB, general funds have declined \$21 million from fiscal 2002 to the 2004 working appropriation. The Governor's July 2003 cost containment action accounts for \$7.5 million of these reductions. Over this same period, tuition and fee revenues increased \$10.4 million. Significant increases in revolving (self-supporting unrestricted) funds were responsible for a transfer to fund balance of \$1.2 million in fiscal 2002 that covered needs in unrestricted programs and still left a \$103,000 net gain in fund balance. A net \$1.2 million transfer from fund balance is planned for fiscal 2004 that includes a \$2.7 million transfer to State-supported

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programs and a \$1.5 million transfer from auxiliary enterprises. **The UMB president should comment on the impact of constraining education and general expenditure growth to 2.8% since fiscal 2002 and the impact of the fund balance transfers to support education and general expenses.**

**Exhibit 3**  
**Budget Changes for Unrestricted Funds by Program**  
**Fiscal 2002 – 2004**  
**(\$ in Thousands)**

	<u>FY 02</u>	<u>Working FY 04</u>	<u>Change FY 02 - 04</u>	<u>% Change FY 02 – 04</u>
<b><u>Expenditures</u></b>				
Instruction	\$152,182	\$153,453	\$1,271	0.8%
Research	17,853	18,966	1,112	6.2%
Public Service	225	307	82	36.7%
Academic Support	34,157	35,108	951	2.8%
Student Services	2,913	2,623	-291	-10.0%
Institutional Support	42,385	48,324	5,939	14.0%
Operation and Maintenance of Plant	44,897	44,660	-237	-0.5%
Scholarships and Fellowships	6,602	6,556	-46	-0.7%
Hospitals	4,485	4,214	-271	-6.0%
<b>Education and General Total</b>	<b>\$305,700</b>	<b>\$314,210</b>	<b>\$8,510</b>	<b>2.8%</b>
Auxiliary Enterprises	16,232	16,741	508	3.1%
<b>Grand Total</b>	<b>\$321,932</b>	<b>\$330,951</b>	<b>\$9,019</b>	<b>2.8%</b>
<b><u>Revenues</u></b>				
Tuition and Fees	\$47,815	\$58,248	\$10,433	21.8%
General Funds	153,139	132,175	-20,965	-13.7%
Other Unrestricted Funds	105,950	121,403	15,453	14.6%
<b>Subtotal</b>	<b>\$306,905</b>	<b>\$311,825</b>	<b>\$4,921</b>	<b>1.6%</b>
Auxiliary	15,130	17,935	2,805	18.5%
Transfer (to)/from Fund Balance	-103	1,190	1,293	-1253.5%
<b>Grand Total</b>	<b>\$321,932</b>	<b>\$330,951</b>	<b>\$9,019</b>	<b>2.8%</b>

Note: Current unrestricted funds only.

Source: Maryland State Budget

## Governor's Proposed Budget

The allowance for fiscal 2005 provides no increase in general funds for UMB from fiscal 2004. Other unrestricted funds increase \$3 million from tuition and fee revenues and \$1 million from other sources, as shown in **Exhibit 4**. Another \$1.5 million in revenues, mostly from auxiliary programs, is available to support spending increases but is budgeted for a transfer to fund balance. The allowance also includes an increase of \$3.3 million in restricted funds.

**Exhibit 4**  
**Budget Changes for Unrestricted Funds by Program**  
**Fiscal 2004 – 2005**  
**(\$ in Thousands)**

	<u>Working</u> <u>FY 04</u>	<u>FY 05</u>	<u>Change</u> <u>FY 04 – 05</u>	<u>% Change</u> <u>FY 04 - 05</u>
<b><u>Expenditures</u></b>				
Instruction	\$153,453	\$151,917	-\$1,536	-1.0%
Research	18,966	19,428	462	2.4%
Public Service	307	328	21	6.7%
Academic Support	35,108	35,854	746	2.1%
Student Services	2,623	2,680	58	2.2%
Institutional Support	48,324	44,068	-4,256	-8.8%
Operation and Maintenance of Plant	44,660	49,559	4,899	11.0%
Scholarships and Fellowships	6,556	6,792	236	3.6%
Hospitals	4,214	4,948	734	17.4%
<b>Education and General Total</b>	<b>\$314,210</b>	<b>\$315,574</b>	<b>\$1,364</b>	<b>0.4%</b>
Auxiliary Enterprises	16,741	16,912	171	1.0%
<b>Grand Total</b>	<b>\$330,951</b>	<b>\$332,486</b>	<b>\$1,535</b>	<b>0.5%</b>
<b><u>Revenues</u></b>				
Tuition and Fees	58,248	61,338	3,090	5.3%
General Funds	132,175	132,175		0.0%
Other Unrestricted Funds	121,403	122,439	1,037	0.9%
<b>Subtotal</b>	<b>311,825</b>	<b>315,952</b>	<b>4,126</b>	<b>1.3%</b>
Auxiliary	17,935	18,068	132	0.7%
Transfer (to)/from Fund Balance	1,190	-1,534	-2,724	-228.9%
<b>Grand Total</b>	<b>\$330,951</b>	<b>\$332,486</b>	<b>\$1,535</b>	<b>0.5%</b>

Note: Current unrestricted funds only.

Source: Maryland State Budget

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UMB expenditures by program in the 2005 allowance are shown in Exhibit 4. Of the expenditure increases, operation and maintenance of plant increases the most, at \$4.9 million. UMB reports that equipment debt service for the new dental school under construction accounts for the majority of this increase.

Of the two program categories budgeted to decrease, institutional support decreases the most, at \$4.3 million. UMB reports that this decrease results from completing most of the PeopleSoft computer system installation. Instruction programs decrease \$1.5 million in the allowance. The instruction total – \$152 million – is closer to the fiscal 2003 amount of \$150 million because fiscal 2004 included a \$2 million transfer from fund balance.

### **Impact of Cost Containment**

To accommodate mandatory increases related to salaries, benefits, fuel, and utilities, UMB has budgeted less for contractual services and supplies. The institution also has budgeted increased revenues, primarily from tuition and fees and restricted revenues from grants and contracts.

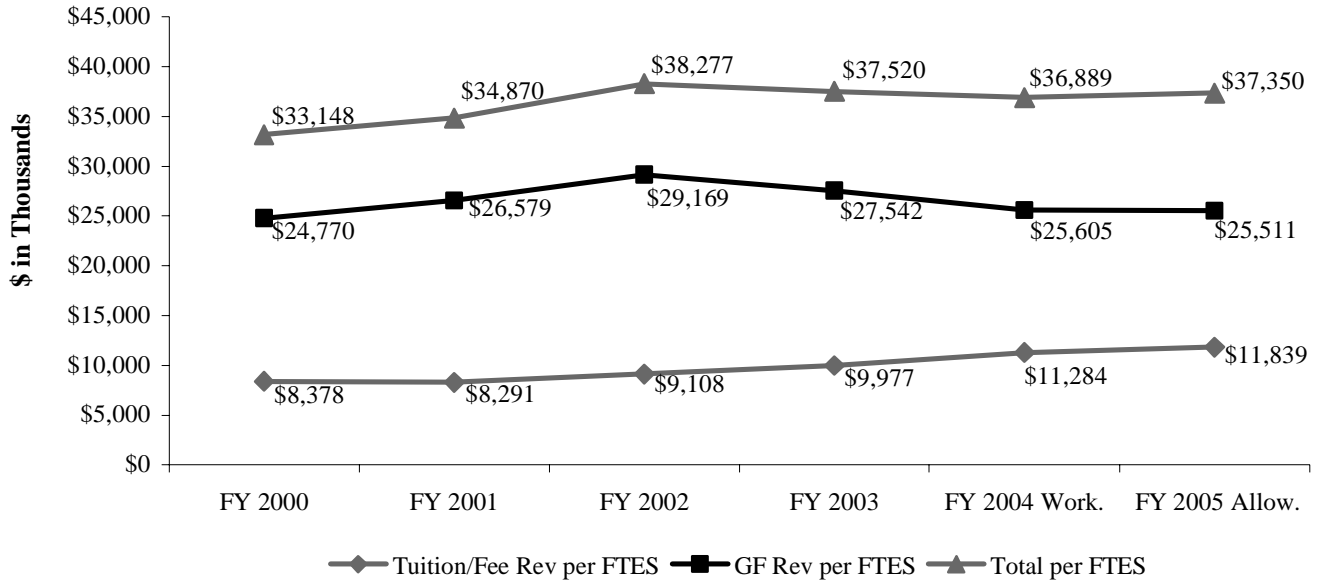
### **Tuition and Fees Continue to Increase Their Share of Funding per Student**

At UMB, unlike other USM institutions, sales and services of educational activities provide more revenue than tuition and fees. Consequently, tuition and fee revenues constitute comparatively less unrestricted funding per full-time equivalent student (FTES). Furthermore, UMB reports that it needs relatively higher general fund support because most instruction is provided in a clinical setting which requires a lower ratio of students to faculty. Therefore, while UMB general fund and tuition and fee revenues per FTES may not be comparable to other USM institutions, **Exhibit 5** shows how the proportions of these revenues have changed during cost containment.

After years of steady growth, general fund revenues per FTES have declined 12.5% at UMB from fiscal 2002 to the 2005 allowance. At the same time, tuition and fee revenues per FTES have increased 30%.

Measuring funds per FTES is a good way to factor in the effect of student enrollment, a primary influence in higher education revenues and costs. The UMB allowance assumes FTES enrollment will remain at the fiscal 2004 level of 5,162. However, UMB has projected that enrollment will grow to 5,181 FTES in fiscal 2005, and it is this number upon which the calculation in Exhibit 5 is based. Therefore, the fiscal 2005 tuition and fee revenues per FTES in Exhibit 5 are understated.

**Exhibit 5**  
**UMB Tuition and Fee and General Fund Revenues per Full-time Equivalent Student (FTES)**



Source: Tuition and fee and general fund revenue data are from Maryland State Budget Books; 2000 to 2003 enrollment data are from the Maryland Higher Education Commission; 2004 to 2005 enrollment data are from UMB.

## Issues

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### 1. Number of Personnel Increases During Cost Containment

In the 2003 *Joint Chairmen's Report*, the committees stated that their intent for higher education was for USM institutions to seek cost saving measures and efficiencies, rather than passing costs on to students through tuition and fee increases. In this light, the Department of Legislative Services (DLS) reviewed data related to the number and composition of USM personnel, among other budget issues.

The number of full-time equivalent (FTE) personnel at UMB has increased by 101.3 from fiscal 2002 to 2004, as shown in **Exhibit 6** (the data in this exhibit are for filled regular positions only). This mirrors the trend for USM as a whole during the same time, where the net increases and decreases in personnel among USM institutions result in an increase of 75 FTE personnel.

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**Exhibit 6**  
**Full-time Equivalent Personnel by Budget Program**  
**Fiscal 2002 and 2004**

	<b>2002 Total FTEs*</b>	<b>2004 Total FTEs</b>	<b>% of Total 2004 FTEs</b>
Instruction		1,173.4	32.6%
Research		773.6	21.5%
Public Service		171.7	4.8%
Academic Support		347.2	9.6%
Student Services		31.7	0.9%
Institutional Support		464.6	12.9%
Operations, Maintenance of Plant		319.6	8.9%
Auxiliary Enterprises		63.9	1.8%
Scholarships and Fellowships		2.8	0.1%
Hospitals		255.6	7.1%
<b>Total</b>	<b>3,502.7</b>	<b>3,604.0</b>	<b>100.0%</b>

Note: Data are for **filled regular** positions only. Data are self-reported and unaudited as of July 1, 2003.

\* For UMB fiscal 2002, only the total FTEs are known.

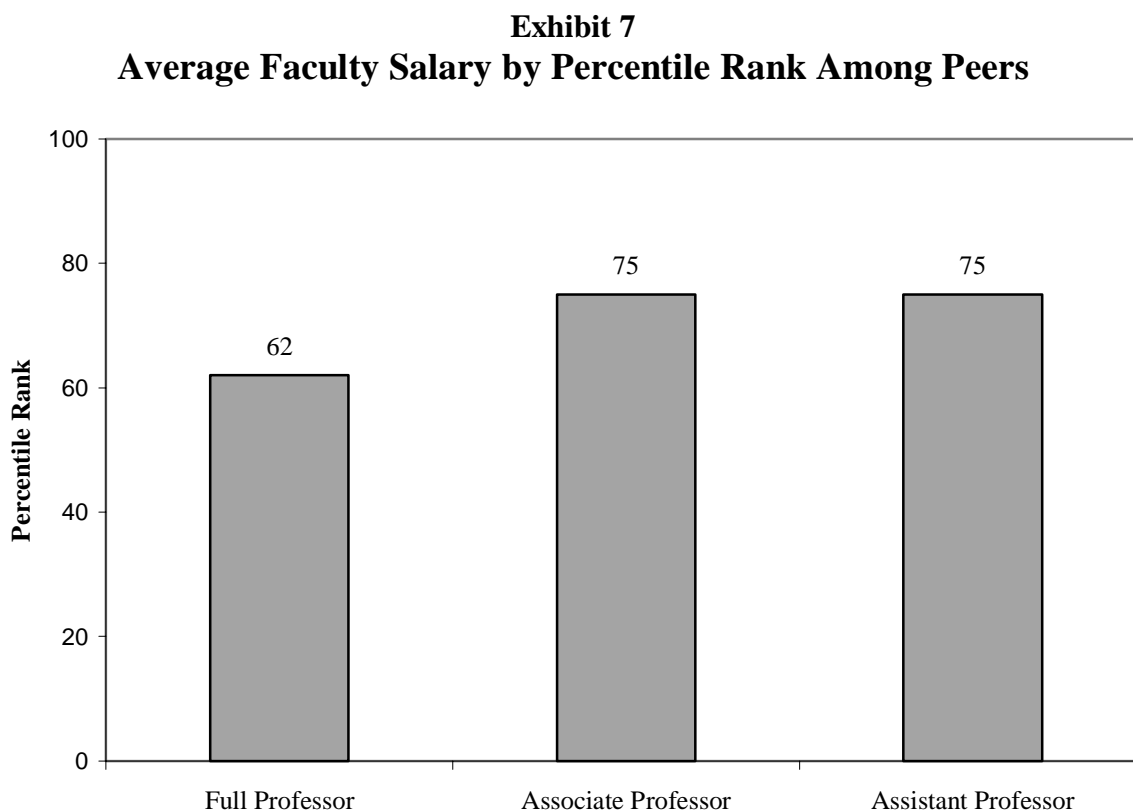
Source: University of Maryland, Baltimore

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Possible changes in the composition of personnel at UMB from fiscal 2002 to 2004 cannot be evaluated because only the total number of FTEs is available for 2002. The proportion of instructional personnel in 2004 is 32.6%, which is close to the 2004 average for all USM institutions of 33.5%. **DLS recommends that the UMB President comment on the programs in which personnel have been added during cost containment, and the effect cost containment has had on the proportion of instructional personnel. Furthermore, DLS recommends that the UMB President comment on why data on the composition of personnel in fiscal 2002 are not available.**

## **2. Faculty Salaries Compare Fairly Well to Peers**

Faculty salary levels are another factor to consider in measuring efficiency. Faculty salaries at UMB compare fairly well to peers, as shown in **Exhibit 7**. Full professors rank at the sixty-second percentile, and associate and assistant professors rank at the seventy-fifth percentile.



Source: American Association of University Professors, Fiscal 2003

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The data are from the American Association of University Professors (AAUP) 2002 to 2003 faculty compensation survey. At the direction of AAUP, UMB did not include faculty from the School of Medicine in its survey response and so the percentile ranks pertain only to about one-third of UMB faculty.

For this analysis, UMB was compared to its funding peer institutions in other states. Peer-based funding guidelines are used by the Maryland Higher Education Commission to assess the resources and performance of USM institutions and Morgan State University. Comparisons with peers are intended to show how competitive Maryland institutions are on a national scale. For most Maryland institutions, funding at 100% of the MHEC guideline level is designed to enable them to be at the seventy-fifth percentile in terms of total resources available.

To determine how an institution prioritizes faculty salaries in allocating its resources, faculty salary percentile ranks can be compared to funding guideline attainment to see if they are consistent. In the case of UMB, the funding guideline attainment equates to about the fifty-fourth percentile rank as compared to its peers. As mentioned above, UMB faculty salaries range from the sixty-second to the seventy-fifth percentile. Therefore, UMB appears to place emphasis on faculty salaries in allocating its resources.

Salary percentile rankings may be affected by a number of factors, including the number of promotions occurring at an institution, a faculty member's time in service, the length of time served at a particular salary classification, and whether the faculty is in a high-demand, high-paying discipline in the larger marketplace. **DLS recommends that the UMB president comment on the competitiveness of the institution's salary levels.**

## ***Recommended Actions***

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1. Add the following language:

Further provided that the University of Maryland, Baltimore may not expend any current unrestricted funds to purchase or rent commercial office space for an external affairs office in Annapolis.

**Explanation:** The University of Maryland, Baltimore (UMB) has an external affairs office in Annapolis apart from the shared office space used by other University System of Maryland institutions for external affairs. The lease for the separate office space is \$136,760 annually. Currently, the University of Maryland Center for Environmental Science sub-leases part of the space for \$65,224. This language would prohibit UMB from spending funds on a separate office space.

## *Current and Prior Year Budgets*

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### Current and Prior Year Budgets University of Maryland, Baltimore (\$ in Thousands)

	<u>General Fund</u>	<u>Other Unrestricted Fund</u>	<u>Total Unrestricted Fund</u>	<u>Restricted Fund</u>	<u>Total</u>
<b>Fiscal 2003</b>					
Legislative Appropriation	\$153,573	\$178,669	\$332,242	\$216,000	\$548,242
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	0	9,914	9,914	43,260	53,174
Cost Containment	-11,895	0	-11,895	0	-11,895
Reversions and Cancellations	0	-9,818	-9,818	-15,857	-25,676
<b>Actual Expenditures</b>	<b>\$141,678</b>	<b>\$178,765</b>	<b>\$320,444</b>	<b>\$243,403</b>	<b>\$563,846</b>
<b>Fiscal 2004</b>					
Legislative Appropriation	\$139,638	\$191,047	\$330,685	\$297,605	\$628,290
Cost Containment	-7,463	0	-7,463	0	-7,463
Budget Amendments	0	7,729	7,729	0	7,729
<b>Working Appropriation</b>	<b>\$132,175</b>	<b>\$198,776</b>	<b>\$330,951</b>	<b>\$297,605</b>	<b>\$628,556</b>

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

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## **Fiscal 2003**

In fiscal 2003, \$9.9 million in unrestricted funds besides general funds were added to the UMB budget. Of this amount, \$3.8 million was from increased sales and services of educational activities, \$3.9 million was from additional tuition and fee revenue, and \$6.4 million was from increased cost recovery from grants and contracts. Offsetting these increases were an expected \$1.9 million transfer to fund balance, a \$1.2 million decrease in interest income, and a \$1 million decrease in auxiliary enterprise revenues. Restricted funds increased \$43.3 million through budget amendment primarily to accommodate expected contract and grant activity.

Budget cancellations for unrestricted funds in fiscal 2003 totaled \$9.8 million. Of this net amount, \$7.3 million was a cancelled fund balance transfer. The transfer was not needed because of increased indirect cost recovery, elimination of expected employee bonus expenditures, and utilities savings, all of which reduced the total cancellation amount by \$2.9 million. Lower than expected sales and services of education activities accounted for \$5.4 million of the cancellation.

Budget cancellations for restricted funds totaled \$15.8 million. Of this amount, \$14.8 million was from lower than expected contract and grant activity, and \$1 million was from lower than expected sales and services related to physician services.

## **Fiscal 2004**

In fiscal 2004, unrestricted funds besides general funds have increased \$7.7 million through budget amendment. Of this net amount, \$2.9 million is from additional tuition and fee revenues, \$2.8 million is from additional anticipated indirect cost recovery from federal contracts and grants, and \$3.6 million is from anticipated indirect cost recovery from state grants and contracts. Offsetting these increases is a \$1.5 million transfer to fund balance.

**Object/Fund Difference Report  
USM - University of Maryland, Baltimore**

<u>Object/Fund</u>	<u>FY03 Actual</u>	<u>FY04 Working Appropriation</u>	<u>FY05 Allowance</u>	<u>FY04 - FY05 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	3553.84	3553.84	3553.84	0	0%
02 Contractual	428.34	494.66	489.78	-4.88	-1.0%
<b>Total Positions</b>	<b>3982.18</b>	<b>4048.50</b>	<b>4043.62</b>	<b>-4.88</b>	<b>-0.1%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 381,929,189	\$ 396,103,861	\$ 413,173,823	\$ 17,069,962	4.3%
02 Technical & Spec Fees	1,706,880	1,823,526	1,823,493	-33	0%
03 Communication	3,992,102	3,996,898	3,951,073	-45,825	-1.1%
04 Travel	4,582,614	4,434,021	4,634,021	200,000	4.5%
06 Fuel & Utilities	11,710,698	13,967,252	14,543,252	576,000	4.1%
07 Motor Vehicles	1,256,674	1,301,945	1,291,155	-10,790	-0.8%
08 Contractual Services	81,069,554	114,482,608	100,271,528	-14,211,080	-12.4%
09 Supplies & Materials	32,997,915	44,262,720	40,793,785	-3,468,935	-7.8%
10 Equip - Replacement	451,608	563,958	563,958	0	0%
11 Equip - Additional	9,515,100	10,611,872	11,328,096	716,224	6.7%
12 Grants, Subsidies, Contracts	17,133,271	18,831,896	19,168,050	336,154	1.8%
13 Fixed Charges	15,548,933	17,094,774	20,574,111	3,479,337	20.4%
14 Land & Structures	1,951,776	1,080,315	1,301,315	221,000	20.5%
<b>Total Objects</b>	<b>\$ 563,846,314</b>	<b>\$ 628,555,646</b>	<b>\$ 633,417,660</b>	<b>\$ 4,862,014</b>	<b>0.8%</b>
<b>Funds</b>					
40 Unrestricted Fund	\$ 320,443,586	\$ 330,950,646	\$ 332,485,589	\$ 1,534,943	0.5%
43 Restricted Fund	243,402,728	297,605,000	300,932,071	3,327,071	1.1%
<b>Total Funds</b>	<b>\$ 563,846,314</b>	<b>\$ 628,555,646</b>	<b>\$ 633,417,660</b>	<b>\$ 4,862,014</b>	<b>0.8%</b>

Note: The fiscal 2004 appropriation does not include deficiencies, and the fiscal 2005 allowance does not reflect contingent reductions.

**Fiscal Summary**  
**USM - University of Maryland, Baltimore**

<u>Unit/Program</u>	<u>FY03 Actual</u>	<u>FY04 Legislative Appropriation</u>	<u>FY04 Working Appropriation</u>	<u>FY03 - FY04 % Change</u>	<u>FY05 Allowance</u>	<u>FY04 - FY05 % Change</u>
01 Instruction	\$ 165,924,785	\$ 176,286,886	\$ 179,327,598	8.1%	\$ 177,736,474	-0.9%
02 Research	150,734,619	199,725,792	186,716,201	23.9%	186,718,889	0%
03 Public Service	45,340,531	43,055,612	51,957,512	14.6%	54,533,275	5.0%
04 Academic Support	35,294,459	34,798,077	35,622,526	0.9%	36,368,660	2.1%
05 Student Services	2,851,955	2,820,959	2,672,618	-6.3%	2,730,169	2.2%
06 Institutional Support	43,852,368	45,315,431	48,432,139	10.4%	44,278,583	-8.6%
07 Operation And Maintenance Of Plant	44,513,322	45,340,697	44,660,233	0.3%	49,559,089	11.0%
08 Auxiliary Enterprises	17,624,843	17,688,955	16,740,716	-5.0%	16,911,505	1.0%
17 Scholarships And Fellowships	12,354,568	13,485,491	13,746,168	11.3%	14,082,322	2.4%
18 Hospitals	45,354,864	49,772,197	48,679,935	7.3%	50,498,694	3.7%
<b>Total Expenditures</b>	<b>\$ 563,846,314</b>	<b>\$ 628,290,097</b>	<b>\$ 628,555,646</b>	<b>11.5%</b>	<b>\$ 633,417,660</b>	<b>0.8%</b>
Unrestricted Fund	\$ 320,443,586	\$ 330,685,097	\$ 330,950,646	3.3%	\$ 332,485,589	0.5%
Restricted Fund	243,402,728	297,605,000	297,605,000	22.3%	300,932,071	1.1%
<b>Total Appropriations</b>	<b>\$ 563,846,314</b>	<b>\$ 628,290,097</b>	<b>\$ 628,555,646</b>	<b>11.5%</b>	<b>\$ 633,417,660</b>	<b>0.8%</b>

Note: The fiscal 2004 appropriation does not include deficiencies, and the fiscal 2005 allowance does not reflect contingent reductions.