
Higher Education Fiscal 2008 Budget Overview

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Annapolis, Maryland**

January 2007

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Analysis of the FY 2008 Maryland Executive Budget, 2007

Higher Education – Fiscal 2008 Budget Overview

Higher Education Fiscal 2008 Budget Overview

Change in General Funds Available for Higher Education

	<u>2007</u> <u>Working Approp.</u>	<u>2008</u> <u>Allowance</u>	<u>Dollar</u> <u>Increase</u>	<u>Percent</u> <u>Increase</u>
Public Four-year Institutions				
University System of Maryland (USM) ¹	\$933,537,277	\$981,754,691	\$48,217,414	5.2%
Morgan State University (MSU) ¹	62,914,721	66,353,343	3,438,622	5.5%
Tuition Freeze for In-state Undergraduates		16,243,964	16,243,964	
One-time Savings from Retiree Health Adjustment	-28,484,352		28,484,352	
2% Cost-of-living Adjustment (COLA) in DBM Allowance		23,017,697	23,017,697	
Subtotal – USM and MSU	\$967,967,646	\$1,087,369,695	\$119,402,049	12.3%
St. Mary's College	15,906,000	16,367,188	461,188	2.9%
Subtotal – Public Four-year	\$983,873,646	\$1,103,736,883	\$119,863,237	12.2%
Other Higher Education				
Maryland Higher Education Commission				
Administration ²	\$4,212,520	\$6,510,132	\$2,297,612	54.5%
Deficiency Appropriation ³	1,750,000		-1,750,000	
Financial Aid ⁴	108,702,897	109,102,270	399,373	0.4%
Educational Grants ⁵	16,099,538	12,599,538	-3,500,000	-21.7%
Private Donation Incentive Program ⁶	2,910,000	2,340,961	-569,039	-19.6%
Independent Institutions	49,964,598	58,551,065	8,586,467	17.2%
Aid to Community Colleges ⁷	205,883,212	243,700,700	37,817,488	18.4%
Baltimore City Community College	35,024,587	40,197,646	5,173,059	14.8%
One-time Savings from Retiree Health Adjustment	-1,103,301		1,103,301	
Subtotal – Other Higher Education	\$423,444,051	\$473,002,312	\$49,558,261	11.7%
Total Higher Education	\$1,407,317,697	\$1,576,739,195	\$169,421,498	12.0%

¹ Fiscal 2007 working appropriation includes general funds for fiscal 2007 tuition freeze and COLA adjustment.

² Fiscal 2007 working appropriation reflects a reduction of \$2,000,000 that was contingent on enactment of SB 998/ HB 1634.

³ Fiscal 2007 deficiency appropriation includes \$1,250,000 for administration and \$500,000 for College Preparation Intervention Program that was expended for administration costs.

⁴ Fiscal 2007 working appropriation includes \$950,000 restricted for regional higher education centers.

⁵ Fiscal 2008 allowance does not include \$3,500,000 for the UMBC School of Aging Studies; the State fulfilled its funding commitment in fiscal 2007. Educational Grants includes funds for College Preparation Intervention Program and Physician Assistant-Nurse Practitioner Training grants.

⁶ Fiscal 2007 working appropriation includes \$433,073 restricted to implement SB 792/HB 799 Child Welfare Accountability Act of 2006.

⁷ Total State aid includes Cade formula funding, other grants, and retirement payments.

Source: Governor's Budget Books, Fiscal 2008; Department of Budget and Management

General Fund Support for Public Universities
Fiscal 2004-2008 Allowance
(\$ in Thousands)

<u>Institution</u>	<u>Actual 2004</u>	<u>Actual 2005</u>	<u>Actual 2006</u>	<u>Working 2007</u>	<u>Allowance 2008</u>	<u>Annual % Change 2004-07</u>	<u>\$ Change 2007-08</u>	<u>% Change 2007-08</u>
Univ. of Maryland Baltimore	\$132,174,751	\$133,497,622	\$145,702,081	\$157,678,766	\$167,356,682	6.1%	\$9,677,916	6.1%
Univ. of Maryland, College Park	306,130,518	310,281,793	328,809,523	370,688,761	392,199,381	6.6%	21,510,620	5.8%
Bowie State University	20,712,299	21,006,128	22,269,547	31,110,537	33,053,157	14.5%	1,942,620	6.2%
Towson University	57,824,041	58,945,915	63,121,550	76,170,647	82,015,437	9.6%	5,844,790	7.7%
Univ. of Maryland Eastern Shore	21,432,854	21,829,549	23,321,709	28,616,142	30,671,304	10.1%	2,055,162	7.2%
Frostburg State University	24,408,849	24,838,529	26,434,454	29,667,299	30,842,567	6.7%	1,175,268	4.0%
Coppin State University	18,693,564	19,068,318	20,802,188	30,427,867	31,682,194	17.6%	1,254,327	4.1%
Univ. of Baltimore	20,904,051	21,297,219	22,709,573	26,241,675	27,335,933	7.9%	1,094,258	4.2%
Salisbury University	25,442,364	25,995,091	27,570,519	32,928,037	34,845,464	9.0%	1,917,427	5.8%
University of Maryland University College	14,469,494	14,633,278	15,191,125	20,069,456	25,142,270	11.5%	5,072,814	25.3%
Univ. of Maryland Baltimore County	65,417,441	66,376,510	70,490,730	79,269,769	83,497,512	6.6%	4,227,743	5.3%
Univ. of Maryland Center for Environmental Science	13,018,726	13,151,931	14,053,768	15,450,329	17,386,559	5.9%	1,936,230	12.5%
Univ. of Maryland Biotechnology Institute	14,896,855	15,028,511	17,400,955	20,771,123	21,745,054	11.7%	973,931	4.7%
University System of Maryland (USM) Office	10,681,242	11,747,293	13,709,996	14,446,869	19,363,763	10.6%	4,916,894	34.0%
Subtotal, USM	\$746,207,049	\$757,697,687	\$811,587,718	\$933,537,277	\$997,137,277	7.8%	\$63,600,000	6.8%
Morgan State University	\$48,187,846	\$48,859,634	\$51,928,549	\$62,914,721	\$67,214,721	9.3%	\$4,300,000	6.8%
St. Mary's College of Maryland	13,682,871	13,977,883	14,592,910	15,906,000	16,367,188	5.1%	461,188	2.9%
Total	\$808,077,766	\$820,535,204	\$878,109,177	\$1,012,357,998	\$1,080,719,186	7.8%	\$68,361,188	6.8%

Source: Governor's Budget Books, Fiscal 2006 and 2008; Department of Budget and Management

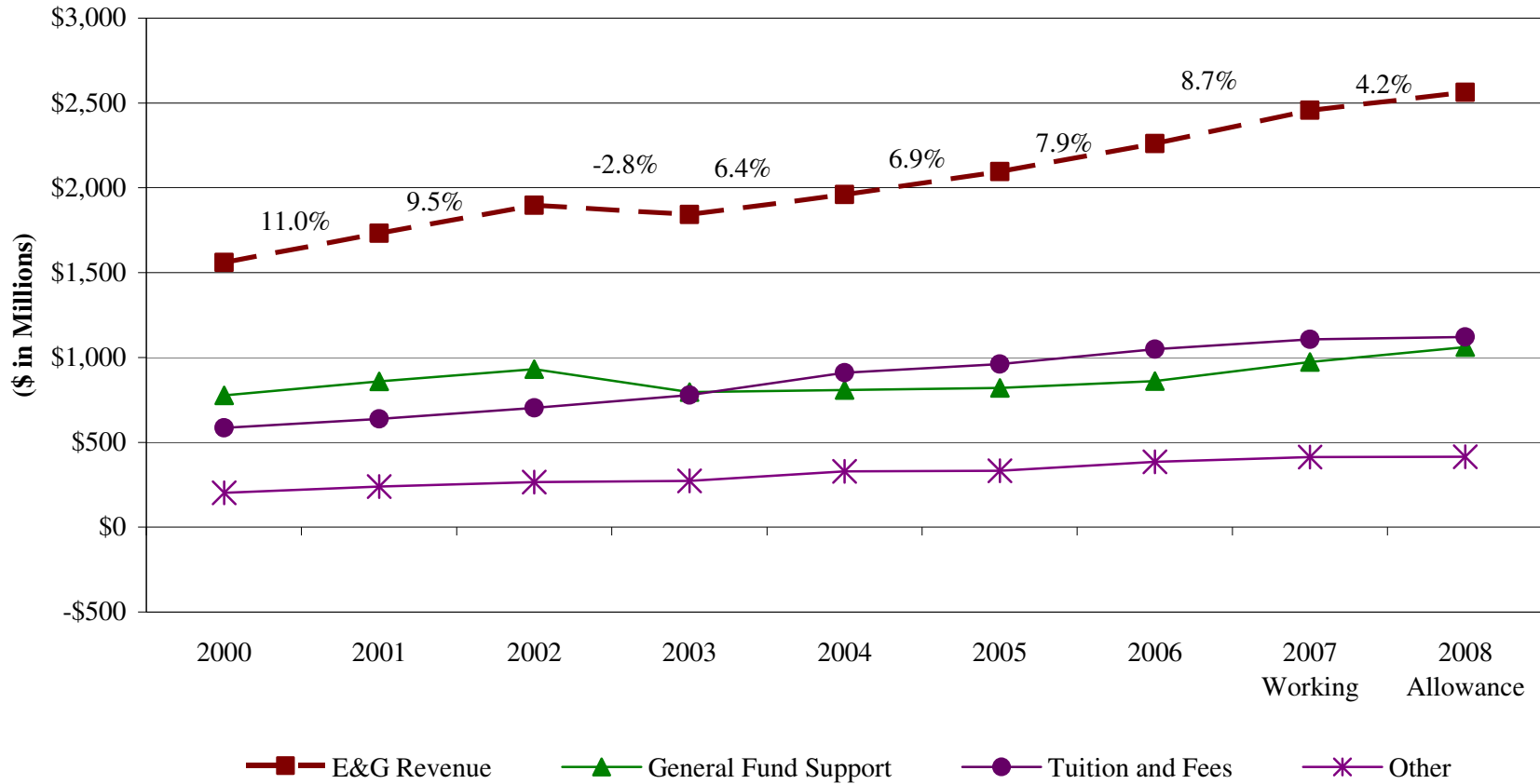
Education and General Revenues

Exhibit 1 shows education and general (E&G) revenues for public four-year institutions from fiscal 2000 to 2008, which are made up of tuition and fees, general funds, and other education-related operating expenses. E&G revenues do not include auxiliary revenues, which derive from functions such as dining halls, bookstores, athletics, and dormitories. E&G revenues also exclude restricted funds over which the institution has little or no discretion. For University of Maryland, Baltimore (UMB) in particular, E&G funds exclude hospital expenditures.

As Exhibit 1 shows, E&G revenues increased from fiscal 2000 to 2002, dipped slightly in fiscal 2003, and increased from fiscal 2004 to 2008. Since fiscal 2004, revenues have steadily grown, primarily due to the continued rise in tuition and fee revenue. In fiscal 2004, tuition and fee revenue exceeded general fund support for the first time in 17 years. General fund support has fluctuated since fiscal 2000, decreasing sharply in fiscal 2003 and remaining relatively stagnant through fiscal 2005. Although general funds have increased since fiscal 2005, general funds continued to lag behind tuition and fee revenue until the fiscal 2008 allowance when the gap has nearly closed, due in part to an in-state tuition rate freeze in fiscal 2007 and proposed in fiscal 2008. Tuition and fee revenue increased gradually from fiscal 2000 to 2003; however, there was a significant increase from fiscal 2003 to 2004, reflecting large tuition rate hikes. The rate of growth accelerated after general fund support declined in fiscal 2003.

E&G revenues also include other revenues, such as unrestricted federal, private, State, and local grants and contracts; educational sales and service revenues; investment income; and transfers from fund balance. The largest source of other revenues is the sales and service of educational activities, but the fastest growing is State and local contracts and grants. Trends in education and general expenditures by institution are presented in **Appendices 1** through **3**.

Exhibit 1
Education and General Revenues
Fiscal 2000-2008 Allowance
(\$ in Millions)



Note: Education and general revenues represent tuition and fees, general funds, grants and contracts (federal, State, and local), and sales and services of educational activities less auxiliary program enterprise revenue.

Source: Governor’s Budget Books, Fiscal 2003-2008; University System of Maryland

Tuition and Mandatory Fee Costs

The fiscal 2008 allowance provides a general fund increase that would allow for a tuition freeze for in-state undergraduates at University System of Maryland (USM) institutions and Morgan State University (MSU). General funds would effectively replace a 4% tuition rate increase in fiscal 2008. The tuition freeze holds fall 2007 tuition at the fall 2005 rate at those institutions for the second straight year, as shown in **Exhibit 2**. Undergraduate tuition at St. Mary’s College of Maryland (SMCM) will increase 2.1% for Maryland residents in fiscal 2008, following an increase of 3.8% in fiscal 2007, which was reduced from a planned 7.8% increase. After significant increases in tuition from fall 2001 through 2005, the tuition policies for fall 2006 and 2007 moderate the average annual tuition increases over the period. As Exhibit 2 shows, the average annual tuition growth from fall 2001 through 2007 ranges from 7.5% for SMCM to 2.6% for the University of Maryland University College (UMUC).

Exhibit 2
Tuition Rates at Four-year Institutions
In-state Full-time Undergraduate Students
Fall 2001 and Fall 2005 to Fall 2007

	<u>2001</u>	<u>2005</u>	<u>% Change 2001-05</u>	<u>2006</u>	<u>Proposed 2007</u>	<u>Average Annual % Change 2001-07</u>
Coppin State University	\$2,727	\$3,527	29.3%	\$3,527	\$3,527	4.4%
Univ. of Maryland Eastern Shore	2,871	4,112	43.2%	4,112	4,112	6.2%
Bowie State University	2,941	4,286	45.7%	4,286	4,286	6.5%
Salisbury University	3,216	4,814	49.7%	4,814	4,814	7.0%
Frostburg State University	3,444	5,000	45.2%	5,000	5,000	6.4%
Towson University	3,605	5,180	43.7%	5,180	5,180	6.2%
University of Baltimore	3,684	5,325	44.5%	5,325	5,325	6.3%
Univ. of Maryland, College Park	4,334	6,566	51.5%	6,566	6,566	7.2%
Univ. of Maryland Baltimore County	4,374	6,484	48.2%	6,484	6,484	6.8%
Univ. of Maryland University College*	4,728	5,520	16.8%	5,520	5,520	2.6%
Morgan State University	3,150	4,280	35.9%	4,494	4,494	6.1%
St. Mary’s College of Maryland	6,474	9,063	40.0%	9,770	9,973	7.5%

*Based on 24 credit hours.

Source: University System of Maryland Schedule of Tuition and Mandatory Fees; Fall 2007 rates pending Board of Regents approval

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However, the addition of mandatory fee increases pushes the total in-state cost at several USM institutions above 3%. **Exhibits 3 and 4** show the increases in tuition and mandatory fee rates for both in-state and out-of-state students at Maryland's four-year public institutions from fall 2002 through fall 2007. Exhibit 3 shows that in fiscal 2008, Coppin State University and St. Mary's College of Maryland will experience the highest increases at 5%. Of the USM institutions, 3 of the 10 institutions will have tuition and fee increases above 3%. From fiscal 2002 to 2005, most institutions raised tuition and fees by 30 to 40%. CSU and the University of Maryland University College have held tuition and fee increases to notably more moderate levels over the same period. Tuition and fee rate increases began to moderate in fiscal 2006 at most institutions.

Exhibit 4 shows the out-of-state tuition rate increases and dollar amounts for the four-year public institutions. From fall 2002 to fall 2003, out-of-state rates rose significantly at most institutions, reaching as high as 20.8% at the University of Maryland, College Park (UMCP). However, the growth in rates decreases in the fall of 2004 and 2005. While most institutions will increase out-of-state tuition and mandatory fees by less than 5%, CSU has the highest increase at 8.4% for fiscal 2008.

Exhibit 3
Tuition and Mandatory Fee Rates at Public Four-year Institutions
In-state Undergraduate Full-time Tuition and Mandatory Fees
Fall 2001 and Fall 2005 to Fall 2007

	<u>2001</u>	<u>2005</u>	<u>% Change 2001-05</u>	<u>2006</u>	<u>% Change 2005-06</u>	<u>2007</u>	<u>% Change 2006-07</u>
Coppin State University	\$3,477	\$4,714	35.6%	\$4,745	0.7%	\$4,980	5.0%
Univ. of Maryland Eastern Shore	4,128	5,808	40.7%	5,908	1.7%	5,988	1.4%
Bowie State University	3,782	5,481	44.9%	5,730	4.5%	5,939	3.6%
Salisbury University	4,486	6,376	42.1%	6,412	0.6%	6,412	0.0%
Frostburg State University	4,256	6,230	46.4%	6,392	2.6%	6,590	3.1%
Towson University	4,984	7,096	42.4%	7,164	1.0%	7,234	1.0%
Univ. of Baltimore	4,504	6,794	50.8%	6,834	0.6%	6,934	1.5%
Univ. of Maryland, College Park	5,341	7,821	46.4%	7,906	1.1%	7,969	0.8%
Univ. of Maryland Baltimore County	5,910	8,520	44.2%	8,622	1.2%	8,708	1.0%
Univ. of Maryland University College*	4,728	5,640	19.3%	5,640	0.0%	5,640	0.0%
Morgan State University	4,508	6,110	35.5%	6,204	1.5%	6,262	0.9%
St. Mary's College of Maryland	7,609	10,896	43.2%	11,418	4.8%	11,989	5.0%

*Based on 24 credit hours and includes the \$5 per credit technology fee.

Source: University System of Maryland budget requests for fiscal 2002-2007; Governor's Budget Books, Fiscal 2008; Fall 2007 rates pending Board of Regents approval

Exhibit 4
Tuition and Mandatory Fee Rates at Public Four-year Institutions
Out-of-state Undergraduate Full-time Tuition and Mandatory Fees
Fall 2001 and Fall 2005 to Fall 2007

	<u>2001</u>	<u>2005</u>	<u>% Change 2001-05</u>	<u>2006</u>	<u>% Change 2005-06</u>	<u>2007</u>	<u>% Change 2006-07</u>
Coppin State University	\$8,604	\$11,235	30.6%	\$11,768	4.7%	\$12,753	8.4%
Univ. of Maryland Eastern Shore	8,612	11,964	38.9%	12,475	4.3%	12,555	0.6%
Bowie State University	9,864	14,786	49.9%	15,249	3.1%	15,458	1.4%
Salisbury University	9,942	12,492	25.6%	12,708	1.7%	12,902	1.5%
Frostburg State University	9,754	14,480	48.5%	15,442	6.6%	16,202	4.9%
Towson University	11,870	16,030	35.0%	16,522	3.1%	17,174	3.9%
Univ. of Baltimore	12,594	18,373	45.9%	18,920	3.0%	19,716	4.2%
Univ. of Maryland, College Park	13,413	20,145	50.2%	21,345	6.0%	22,208	4.0%
Univ. of Maryland Baltimore County	11,290	16,596	47.0%	17,354	4.6%	17,440	0.5%
Univ. of Maryland University College*	8,736	10,272	17.6%	10,780	4.9%	11,208	4.0%
Morgan State University	10,718	13,520	26.1%	13,964	3.3%	14,383	3.0%
St. Mary's College of Maryland	12,594	19,773	57.0%	21,260	7.5%	22,323	5.0%

*Based on 24 credit hours and includes the \$5 per credit technology fee.

Source: University System of Maryland budget requests for fiscal 2002-2007; Governor's Budget Books, Fiscal 2008

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Exhibit 5 shows the anticipated tuition and fee revenues for fiscal 2008. USM projects a \$28.9 million increase in tuition and fee revenue over fiscal 2007. Total tuition and fee revenue for four-year public institutions in fiscal 2008 is projected to exceed \$1.1 billion.

Exhibit 5
Tuition and Fee Revenue
Public Four-year Institutions

	<u>USM</u>	<u>All Four-year Institutions</u>
Fiscal 2006 Actual	\$960,372,557	\$1,022,749,433
Fiscal 2007 Working	1,022,135,995	1,087,834,919
Fiscal 2008 Allowance	1,051,026,415	1,120,715,620
Increase Fiscal 2007 to 2008	\$28,890,420	\$32,880,701
Growth Rate	2.8%	3.0%

Note: Tuition and fees are pending final USM, Morgan State, and St. Mary’s College Governing Board approval.

Source: Governor’s Budget Books, Fiscal 2008

How Do Maryland Institutions Compare Nationally?

Exhibits 6 and 7 compare UMCP to other public doctoral institutions in “Top Ranking Universities” by *U.S. News and World Report*, including those it considers “aspirational” peers – the institutions that UMCP would most like to emulate. The schools are listed in order of the fall 2006 tuition and fees from highest to lowest. Each school’s *U.S. News and World Report* overall rank among doctoral universities is also shown. UMCP ranks fifth highest for undergraduate in-state tuition and fees. Two of UMCP’s aspirational peers rank higher in fall 2006 while three rank lower. Four of the five listed peer institutions had higher overall increases than UMCP from fiscal 2001 through 2006. For undergraduate out-of-state tuition and fees, UMCP is the twelfth highest out of the 18 listed. All but one of UMCP’s peers increased tuition and fees in fall 2006 at a faster pace. Of note are the University of California schools which place lower on the in-state tuition and fees list and high on the list for out-of-state tuition and fees rates.

Exhibit 6
UMCP Tuition and Mandatory Fees as Compared to the Top Public
Doctoral Universities in the 2007 U.S. News and World Report Ranking
In-state Undergraduate Full-time Tuition and Mandatory Fees
Fall 2001 to Fall 2006

	<u>2001</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>% Change 2005-06</u>	<u>\$ Change 2001-06</u>	<u>% Change 2001-06</u>
Pennsylvania State Univ. – Univ. Park (13)	\$7,376	\$10,856	\$11,508	\$12,164	5.7%	\$4,788	64.9%
Univ. of Illinois – Urbana Champaign* (10)	5,754	7,966	8,688	9,882	13.7%	4,128	71.7%
Univ. of Michigan – Ann Arbor* (2)	6,935	8,202	9,213	9,723	5.5%	2,788	40.2%
College of William and Mary (VA) (6)	4,780	7,096	7,723	8,490	9.9%	3,710	77.6%
UM College Park (18)	5,341	7,410	7,821	7,906	1.1%	2,565	48.0%
Univ. of Virginia (2)	4,248	6,553	7,133	7,845	10.0%	3,597	84.7%
Univ. of Texas – Austin (13)	3,776	6,588	6,972	7,630	9.4%	3,854	102.1%
Univ. of California – Davis (13)	4,601	6,939	7,457	7,593	1.8%	2,992	65.0%
Univ. of California – Santa Barbara (13)	3,841	6,495	6,993	7,010	0.2%	3,169	82.5%
Univ. of California – San Diego (8)	4,358	6,224	6,681	6,888	3.1%	2,530	58.1%
Univ. of California – Irvine (12)	4,556	6,313	6,770	6,794	0.4%	2,238	49.1%
Univ. of Wisconsin – Madison (7)	4,086	5,866	6,280	6,726	7.1%	2,640	64.6%
Univ. of California – Berkeley* (1)	4,091	5,956	6,512	6,654	2.2%	2,563	62.6%
Univ. of California – Los Angeles* (4)	4,230	6,028	6,504	6,522	0.3%	2,292	54.2%
Univ. of Washington (11)	3,984	5,286	5,620	5,985	6.5%	2,001	50.2%
Univ. of North Carolina – Chapel Hill* (5)	3,302	4,450	4,515	5,034	11.5%	1,732	52.5%
Georgia Institute of Technology (8)	3,454	4,278	4,648	4,926	6.0%	1,472	42.6%
Univ. of Florida (13)	2,444	2,955	3,094	3,206	3.6%	762	31.2%
Unweighted Average	4,509	6,415	6,896	7,277	5.5%	2,768	61.4%

*Aspirational peer institution.

Source: The Chronicle of Higher Education web site database,
[http://chronicle.com/stats/tuition; U.S. News & World Report "America's Best Colleges 2006"](http://chronicle.com/stats/tuition; U.S. News & World Report)
<http://www.usnews.com/usnews/edu/college/rankings/rankindex.php>.

Exhibit 7
UMCP Tuition and Mandatory Fees as Compared to the Top Public
Doctoral Universities in the 2007 U.S. News and World Report Ranking
Out-of-state Undergraduate Full-time Tuition and Mandatory Fees
Fall 2001 to Fall 2006

	<u>2001</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>% Change 2005-06</u>	<u>\$ Change 2001-06</u>	<u>% Change 2001-06</u>
Univ. of Michigan – Ann Arbor* (2)	\$21,645	\$26,028	\$27,601	\$29,131	5.5%	\$7,486	34.6%
Univ. of California – Davis (13)	15,674	23,892	25,277	26,277	4.0%	10,603	67.6%
Univ. of Virginia (2)	18,280	22,831	23,877	25,945	8.7%	7,665	41.9%
Univ. of California – Santa Barbara (13)	14,915	23,451	24,813	25,694	3.6%	10,779	72.3%
Univ. of California – Irvine (12)	15,630	23,269	24,590	25,478	3.6%	9,848	63.0%
Univ. of California – San Diego (8)	15,878	23,180	24,501	25,372	3.6%	9,494	59.8%
Univ. of California – Berkeley* (1)	15,163	22,912	24,332	25,338	4.1%	10,175	67.1%
Univ. of California – Los Angeles* (4)	15,303	22,984	24,324	25,206	3.6%	9,903	64.7%
College of William and Mary (VA) (6)	17,778	21,795	22,993	25,048	8.9%	7,270	40.9%
Univ. of Illinois – Urbana Champaign* (10)	13,574	20,886	22,774	23,968	5.2%	10,394	76.6%
Pennsylvania State Univ. – Univ. Park (13)	15,502	20,784	21,744	22,712	4.5%	7,210	46.5%
UM College Park (18)	13,413	18,710	20,145	21,345	6.0%	7,932	59.1%
Univ. of Washington (11)	13,257	17,916	19,917	21,283	6.9%	8,026	60.5%
Univ. of Wisconsin – Madison (7)	15,973	19,866	20,280	20,726	2.2%	4,753	29.8%
Univ. of Texas – Austin (13)	10,106	14,434	16,310	20,364	24.9%	10,258	101.5%
Georgia Institute of Technology (8)	12,350	17,558	18,990	20,272	6.8%	7,922	64.1%
Univ. of North Carolina – Chapel Hill* (5)	13,269	17,548	18,313	19,682	7.5%	6,413	48.3%
Univ. of Florida (13)	9,956	15,827	16,579	17,791	7.3%	7,835	78.7%
Unweighted Average	14,870	20,771	22,076	23,424	6.1%	8,554	57.5%

*Aspirational peer institution.

Source: The Chronicle of Higher Education web site database,
[http://chronicle.com/stats/tuition; U.S. News & World Report "America's Best Colleges 2006"](http://chronicle.com/stats/tuition; U.S. News & World Report)
<http://www.usnews.com/usnews/edu/college/rankings/rankindex.php>.

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Exhibits 8 and 9 compare Towson University (TU) and Salisbury University (SU) to other institutions ranked in the “Top Northern Public Master’s Universities” category by *U.S. News and World Report*. It should be noted that many schools from previous years that were used to compare tuition and fees did not rank in this category by *U.S. News and World Report* this year. However, TU and SU remain among the top ranking public master’s universities this year. The schools are listed in order of the fall 2006 tuition and fees from highest to lowest. Each school’s *U.S. News and World Report* overall rank is also shown. For in-state tuition and fees, TU and SU rank seventh and eighth respectively, out of 11 schools listed. For out-of-state students, TU holds the fourth highest tuition and fee level of those in the group and SU ranks at seventh.

Exhibit 8
TU and SU Tuition and Mandatory Fees as Compared to the Top Northern Public Master’s Universities in the 2007 U.S. News & World Report Ranking and Several Current Peers
In-state Undergraduate Full-time Tuition and Mandatory Fees

	<u>Fall</u> <u>2001</u>	<u>Fall</u> <u>2004</u>	<u>Fall</u> <u>2005</u>	<u>Fall</u> <u>2006</u>	<u>%</u> <u>Change</u> <u>2005-06</u>	<u>\$</u> <u>Change</u> <u>2001-06</u>	<u>%</u> <u>Change</u> <u>2001-06</u>
Penn State – Erie (9)	\$7,376	\$10,026	\$10,626	\$10,958	3.1%	\$3,582	48.6%
College of New Jersey** (1)	6,666	8,988	9,707	10,553	8.7%	3,887	58.3%
Rutgers – Camden (NJ) (4)	6,484	7,756	5,400	9,758	80.7%	3,274	50.5%
Rowan University (NJ)* (3)	5,779	7,970	8,606	9,330	8.4%	3,551	61.4%
Montclair State University* (9)	5,026	7,026	7,570	8,402	11.0%	3,376	67.2%
University of Massachusetts – Dartmouth** (11)	4,129	7,802	8,036	8,309	3.4%	4,180	101.2%
Towson University (6)	4,984	6,672	7,096	7,164	1.0%	2,180	43.7%
Salisbury University (5)	4,486	5,976	6,376	6,412	0.6%	1,926	42.9%
SUNY Col. Arts and Science – Geneseo (2)	4,310	5,435	5,520	5,560	0.7%	1,250	29.0%
SUNY Col. Arts and Science – New Paltz (8)	4,075	5,220	5,260	5,340	1.5%	1,265	31.0%
CUNY – Baruch College (6)	3,350	4,300	4,320	4,320	0.0%	970	29.0%
Unweighted Average	5,151	7,016	7,138	7,828	9.7%	2,676	52.0%

*Towson University current peer institution.

**Salisbury University current peer institution.

Source: The Chronicle of Higher Education web site database,
<http://chronicle.com/stats/tuition>; *U.S. News & World Report "America's Best Colleges 2006"*
<http://www.usnews.com/usnews/edu/college/rankings/rankindex.php>.

Exhibit 9
TU and SU Tuition and Mandatory Fees as Compared to the Top Northern
Public Master’s Universities in the
2007 U.S. News & World Report Ranking and Several Current Peers
Out-of-state Undergraduate Full-time Tuition and Mandatory Fees

	<u>Fall</u> <u>2001</u>	<u>Fall</u> <u>2004</u>	<u>Fall</u> <u>2005</u>	<u>Fall</u> <u>2006</u>	<u>%</u> <u>Change</u> <u>2005-06</u>	<u>\$</u> <u>Change</u> <u>2001-06</u>	<u>%</u> <u>Change</u> <u>2001-06</u>
Rutgers – Camden (NJ) (4)	\$11,922	\$15,424	\$16,626	\$18,263	9.8%	\$6,341	53.2%
University of Massachusetts – Dartmouth** (11)	12,283	14,484	17,638	17,809	1.0%	5,526	45.0%
College of New Jersey** (1)	10,414	13,929	14,970	17,099	14.2%	6,685	64.2%
Towson University (6)	11,870	15,352	16,030	16,522	3.1%	4,652	39.2%
Penn State – Erie (9)	13,856	15,910	16,024	16,506	3.0%	2,650	19.1%
Rowan University (NJ)* (3)	10,279	13,798	14,900	16,128	8.2%	5,849	56.9%
Salisbury University (5)	9,942	13,554	14,054	14,306	1.8%	4,364	43.9%
Montclair State University* (9)	7,418	11,167	12,018	13,758	14.5%	6,340	85.5%
SUNY Col. Arts and Science – New Paltz (8)	8,975	11,480	11,510	11,600	0.8%	2,625	29.2%
SUNY Col. Arts and Science – Geneseo (2)	9,210	11,695	11,780	11,820	0.3%	2,610	28.3%
CUNY – Baruch College (6)	6,950	11,100	11,118	11,120	0.0%	4,170	60.0%
Unweighted Average	10,120	13,247	13,004	14,667	4.7%	4,547	44.9%

*Towson University current peer institution.

**Salisbury University current peer institution.

Source: The Chronicle of Higher Education web site database,
[http://chronicle.com/stats/tuition; U.S. News & World Report "America's Best Colleges 2006"](http://chronicle.com/stats/tuition; U.S. News & World Report)
<http://www.usnews.com/usnews/edu/college/rankings/rankindex.php>.

Issues

1. Maryland Generally Compares Well in Graduation and Retention Rates; Several Institutions Stand Out

During recent fiscal constraints, states have renewed their focus on what higher education institutions produce for the investments they receive. One way to measure the return on investments in higher education is to examine the cost per successful outcome (graduation). As shown in **Exhibit 10**, education and general expenditures per graduate with a bachelor’s degree at Maryland’s public four-year institutions vary significantly. The sharp increase in spending per degree awarded for UMUC from fiscal 2005 to 2006 is due to a decrease in degrees awarded from 3,526 in fiscal 2005 to 2,680 in fiscal 2006.

Exhibit 10
Education and General Revenues Per Student and Degrees Awarded
Fiscal 2000 and 2004-2006

	<u>2000</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>% Change</u> <u>2000-06</u>
Education and General Revenues Per Undergraduate Degree Recipient by Institution					
Univ. of Maryland, College Park	\$111,199	\$115,107	\$118,237	\$125,366	12.7%
Coppin State University	62,322	115,409	107,125	103,898	66.7%
Univ. of Maryland Eastern Shore	75,935	107,566	107,099	99,374	30.9%
Morgan State University	103,432	102,057	177,734	131,284	26.9%
Univ. of Maryland Baltimore County	81,403	90,497	90,665	105,550	29.7%
Average	69,305	83,099	98,164	88,050	27.0%
St. Mary’s College of Maryland	70,357	78,237	65,016	80,019	13.7%
Bowie State University	66,174	85,792	83,219	85,028	28.5%
Univ. of Maryland University College	36,569	53,008	57,606	66,351	81.4%
Frostburg State University	55,084	63,993	63,110	66,296	20.4%
Towson University	54,748	57,517	47,676	56,664	3.5%
Salisbury University	45,135	44,908	45,601	48,724	8.0%

Note: Data by institution include undergraduates only; University of Maryland, Baltimore and University of Baltimore not included.

Source: Data on education and general expenditures, full-time equivalent students, and degrees awarded from Governor’s Budget Books

In fiscal 2000 specifically, statewide spending per graduate averaged \$69,305. That average has increased to \$90,022 in fiscal 2006. MSU had the highest spending per graduate in fiscal 2006, at \$131,284. UMCP consistently spends over \$100,000 per graduate coming in at \$125,366 in fiscal 2006. At the low end of spending per graduate, Salisbury University spent \$48,724 in fiscal 2006.

Higher Education – Fiscal 2008 Budget Overview

Spending per graduate increased significantly from fiscal 2000 to 2006 at some institutions while increasing moderately at others. CSU and UMUC led the way in increasing spending per graduate from fiscal 2000 to 2006, as shown in Exhibit 10. The UMUC increase is due in a large part to a sharp reduction in the percentage of degrees awarded to undergraduates. In fiscal 2005, the undergraduate rate of degrees awarded was 67% while in fiscal 2006 it was 52%. CSU spending per graduate increased significantly from fiscal 2000 to 2004, increasing from \$53,100 to \$115,409. That amount has declined to \$103,898 in 2006. Not including CSU and UMUC, the average increase in spending per graduate from fiscal 2000 to 2006 was 19.4%. The data do not include the University of Maryland, Baltimore or the University of Baltimore (UB), as these institutions have few undergraduate students.

Why Do Costs Vary?

Changes in the cost per graduate from fiscal 2000 to 2006 and variations in the cost per graduate between schools reflect differences in funding levels and in graduation rates. High costs per graduate are found at schools with low graduation rates and/or higher than average education and general funding per student. Funding per student is affected by many factors including the types of programs offered at institutions. Research institutions generally offer higher cost programs, especially in the sciences, than comprehensive institutions. The remainder of this issue focuses on trends in graduation and retention rates at the public four-year institutions.

Maryland Outperforms National Graduation Rates

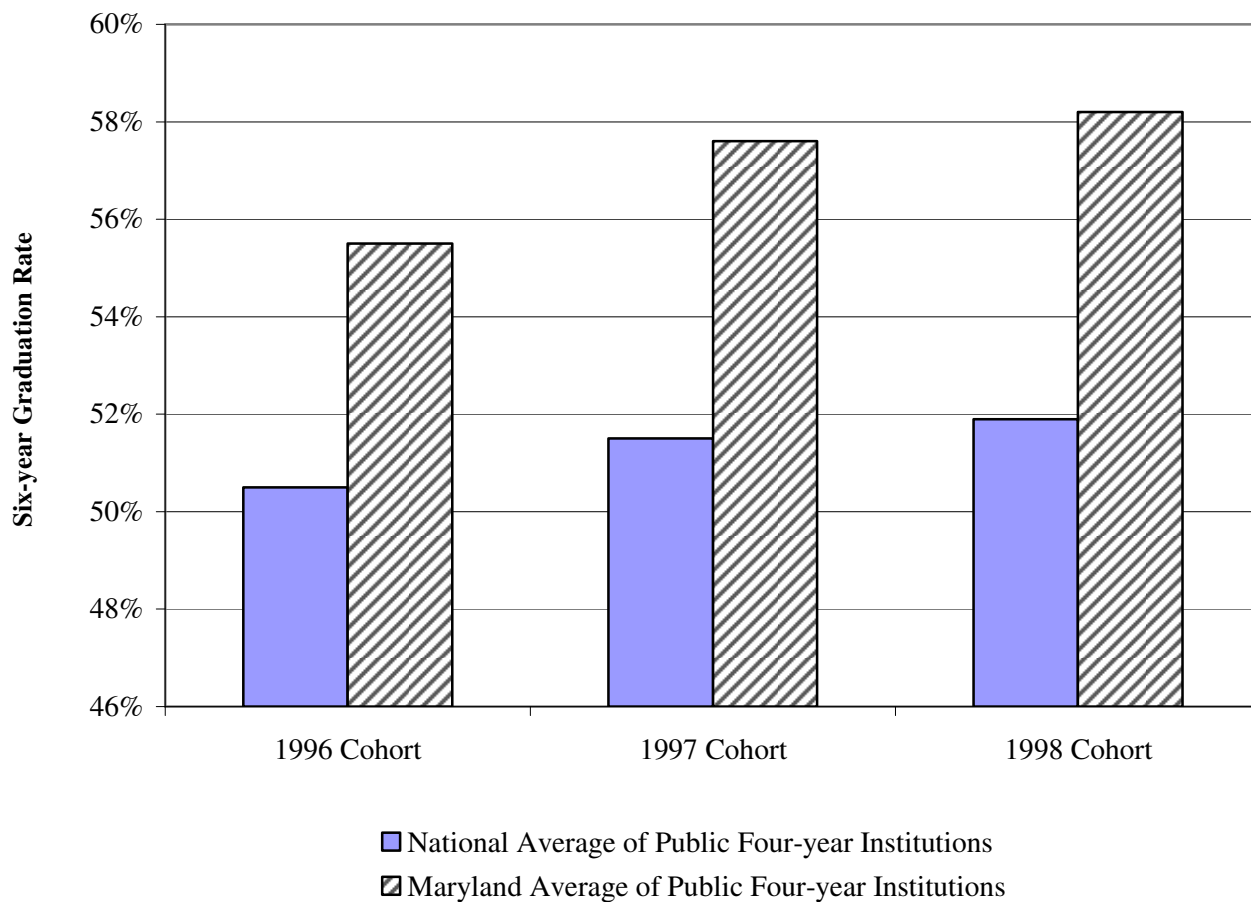
Graduation rates are a crucial outcome for four-year institutions. Each institution may have different types of students with varying educational goals, but the national and individual measure of college success usually is to achieve a degree.

Maryland consistently outperforms the national average for six-year graduation rates at four-year public higher education institutions as shown in **Exhibit 11**. Maryland exceeds the national average by at least five percentage points, and the graduation rate is consistently increasing at a faster rate than the national average.

Graduation Rates Average 74% at State's Best Performing Public Institutions

Three public institutions are performing particularly well in graduation as compared to other public four-year institutions in the State as shown in **Exhibit 12**. At SMCM, 74.9% of students who began in fall 1999 finished their degree within six years, which is a standard measure. At SU the rate was 73%, and at UMCP the rate improved three percentage points to 75.9%. Four-year graduation rates for the 1999 cohort are also included in the exhibit. The four-year graduation rates are much lower than the six-year rates at all institutions. Compared to the other institutions, SMCM has the highest four-year graduation rate. These figures include students who transfer and complete their degree at any Maryland public four-year institution.

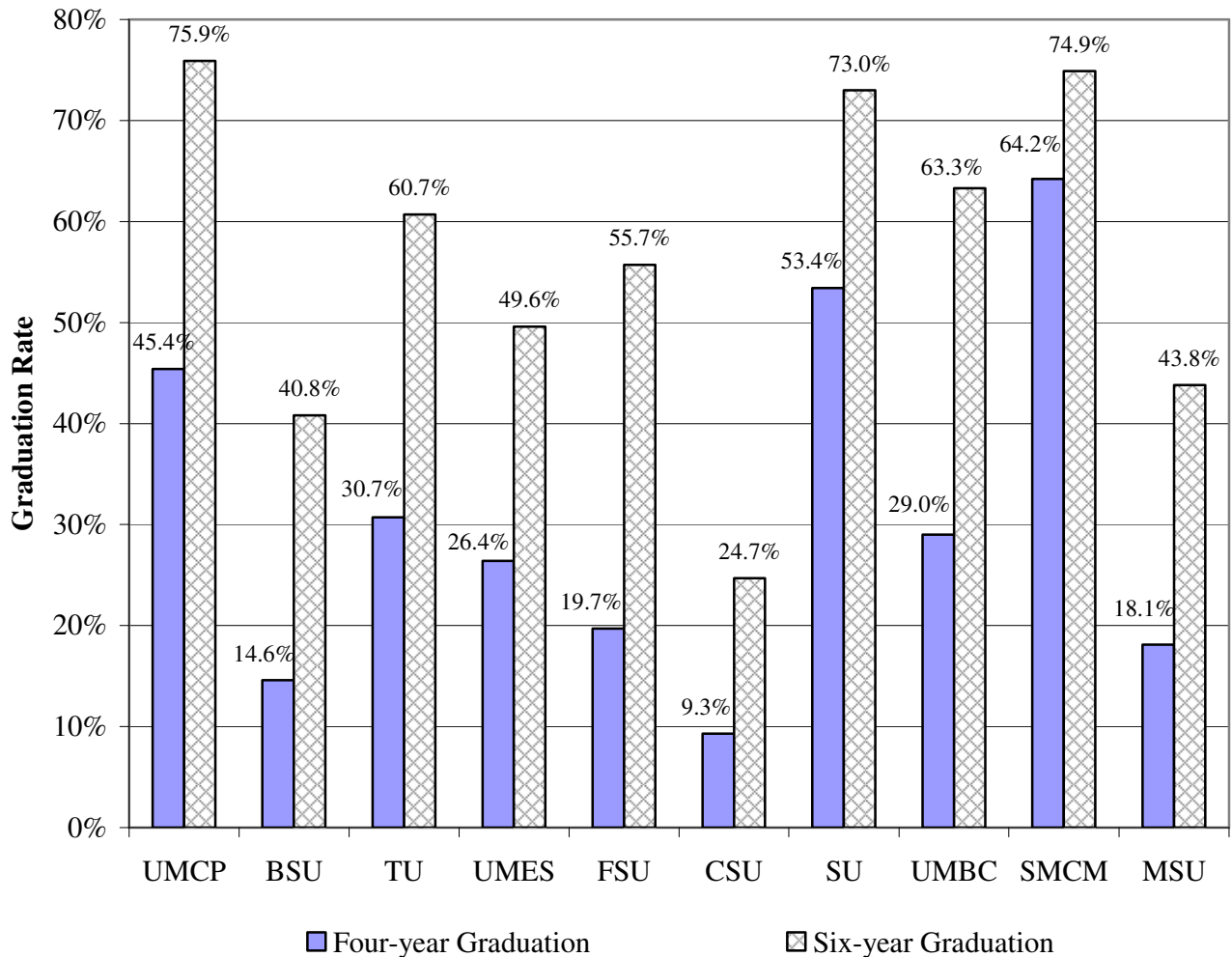
Exhibit 11
Comparison of Six-year Graduation Rates
Maryland vs. National



Note: This average was calculated using the same methodology as the national average.

Source: Maryland Higher Education Commission; National Center for Education Statistics

**Exhibit 12
Four-year and Six-year Graduation Rates
1999 Cohort**



UMCP: University of Maryland, College Park
 BSU: Bowie State University
 TU: Towson University
 UMES: University of Maryland Eastern Shore
 FSU: Frostburg State University

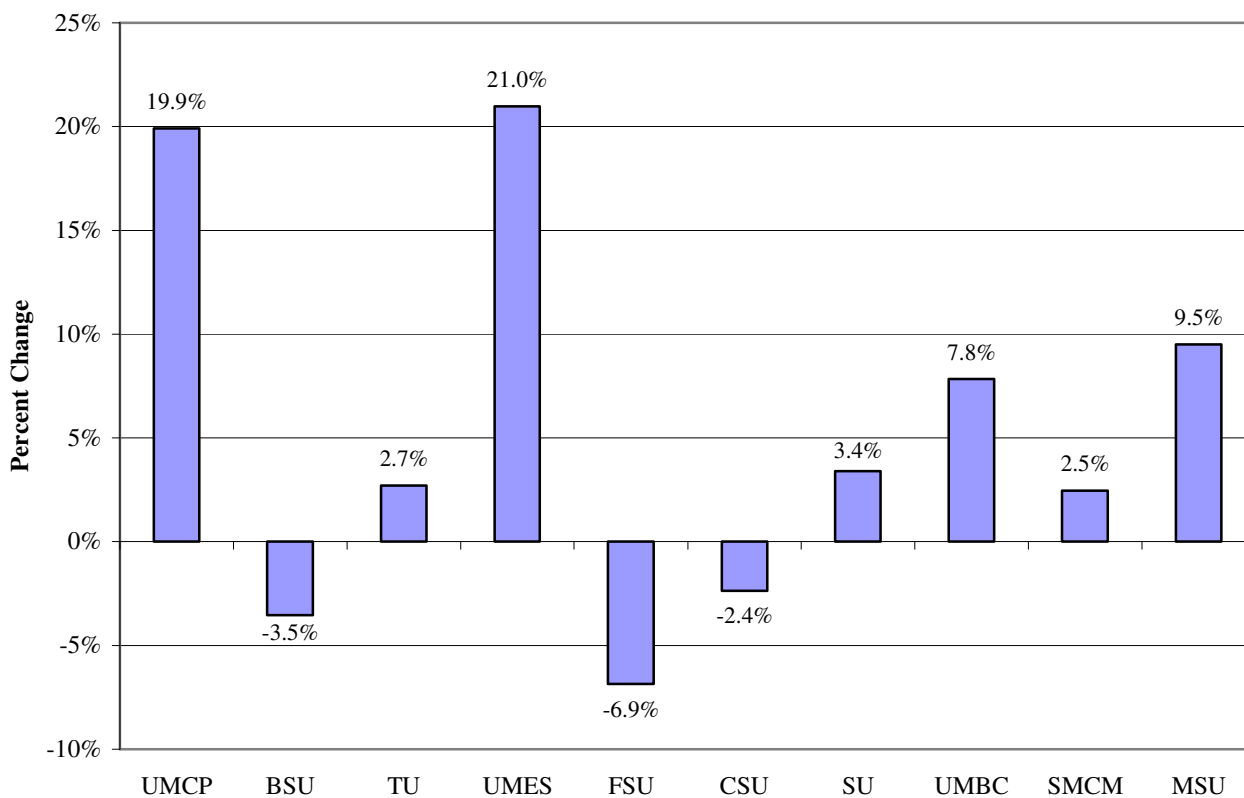
CSU: Coppin State University
 SU: Salisbury University
 UMBC: University of Maryland Baltimore County
 SMCM: St. Mary's College of Maryland
 MSU: Morgan State University

Note: Graduation rates include only first-time, full-time undergraduate students. Graduation rates include students who transfer from any public four-year institution to another to complete their degrees.

Source: Retention and graduation rates – Maryland Higher Education Commission
<http://www.mhec.state.md.us/publications/research/AnnualReports/2006Retention&GradRatesMDPub4-Yr.pdf>

Exhibit 13 shows that all but three institutions improved their graduation rates from fiscal 2000 to 2005. The University of Maryland Eastern Shore (UMES) and UMCP both had remarkable increases of approximately 20% during this time. The University of Maryland Baltimore County (UMBC) and MSU also showed strong increases. Graduation rates declined at Bowie State University (BSU), Frostburg State University (FSU), and CSU.

Exhibit 13
Six-year Graduation Rate Percent Change
Fiscal 2000-2006



UMCP: University of Maryland, College Park
 BSU: Bowie State University
 TU: Towson University
 UMES: University of Maryland Eastern Shore
 FSU: Frostburg State University

CSU: Coppin State University
 SU: Salisbury University
 UMBC: University of Maryland Baltimore County
 SMCM: St. Mary's College of Maryland
 MSU: Morgan State University

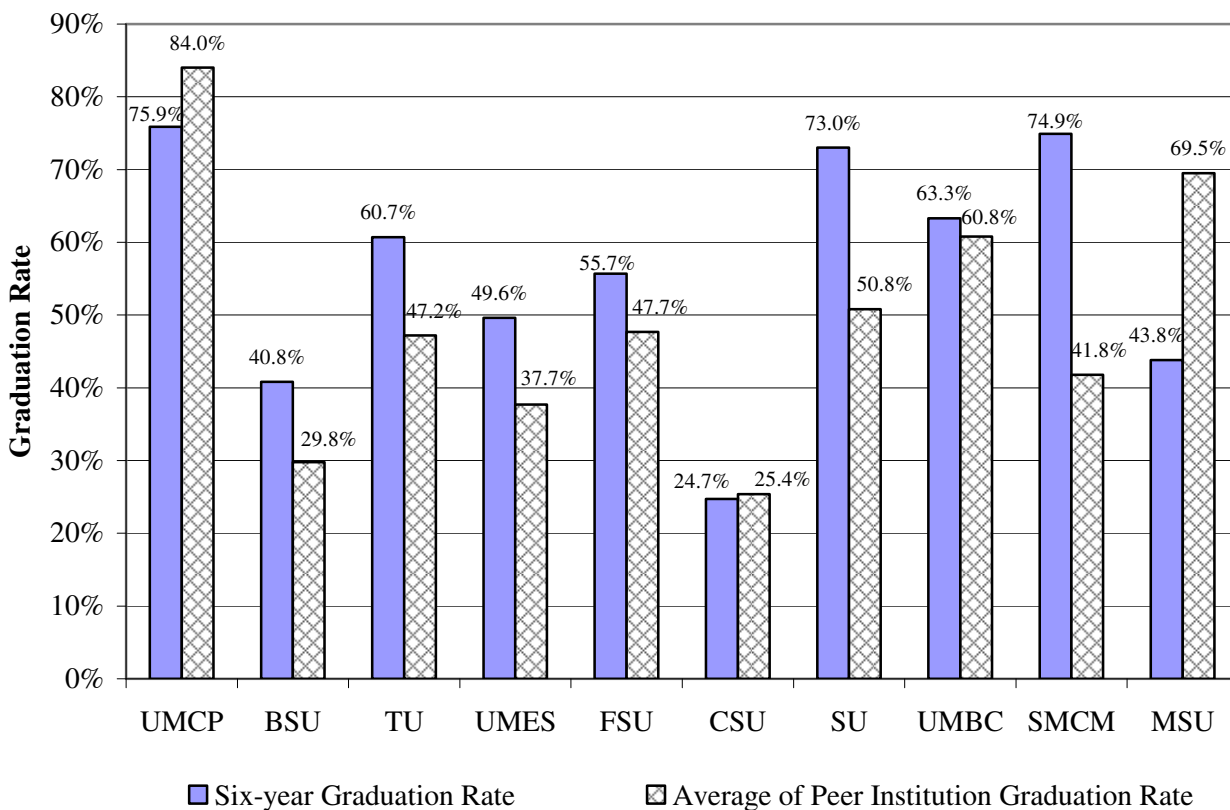
Note: Percent change reflects rounding.

Source: Retention and graduation rates – Maryland Higher Education Commission
<http://www.mhec.state.md.us/publications/research/AnnualReports/2006Retention&GradRatesMDPub4-Yr.pdf>

Higher Education – Fiscal 2008 Budget Overview

Most Maryland institutions rank well compared to their peers on graduation rates, as shown in **Exhibit 14**. All but three institutions were higher than the average rate of their peers in fiscal 2005. While UMCP falls slightly below its aspirant peers, CSU nearly matches its peer six-year graduation rates. Morgan’s six-year graduation rate was approximately 25% below its peers. None of the Maryland or peer graduation rates include transfer students.

Exhibit 14
Six-year Graduation Rates as Compared to Peers
Fiscal 2005*



UMCP: University of Maryland, College Park
 BSU: Bowie State University
 TU: Towson University
 UMES: University of Maryland Eastern Shore
 FSU: Frostburg State University

CSU: Coppin State University
 SU: Salisbury University
 UMBC: University of Maryland Baltimore County
 SMCM: St. Mary’s College of Maryland
 MSU: Morgan State University

*Retention and graduation rates include only first-time, full-time undergraduate students. Graduation rates do not include transfer students.

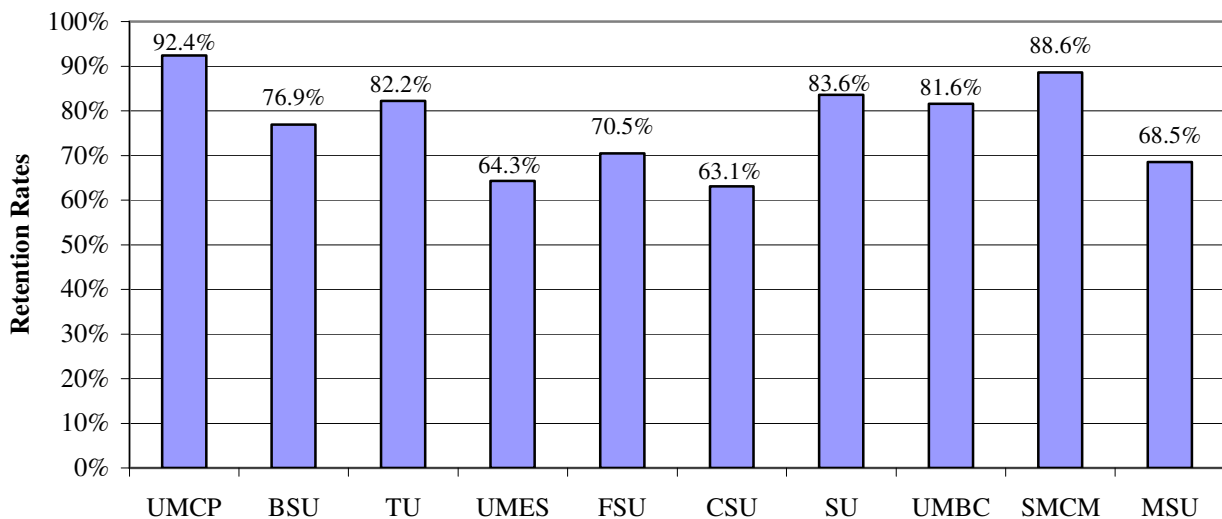
Source: Maryland Higher Education Commission; Funding Guidelines Peer Performance Analysis, March 2005

Most Institutions Retain at Least Three-fourths of Students After the Freshman Year

Retention rates indicate the percentage of first-year freshmen who return to the same institution the following fall. Retention is a key measure because it helps predict how many students will persist until they achieve a degree. The institution rankings in each case are similar, meaning that institutions performing well in retention tended to perform well in graduation.

Exhibits 15 shows second-year retention rate among State institutions. UMCP had the highest second-year retention rate in fiscal 2005 at 92.4%. The average retention rate across institutions was 81%.

Exhibit 15
Second-year Retention Rates
Fiscal 2005



UMCP: University of Maryland, College Park
BSU: Bowie State University
TU: Towson University
UMES: University of Maryland Eastern Shore
FSU: Frostburg State University

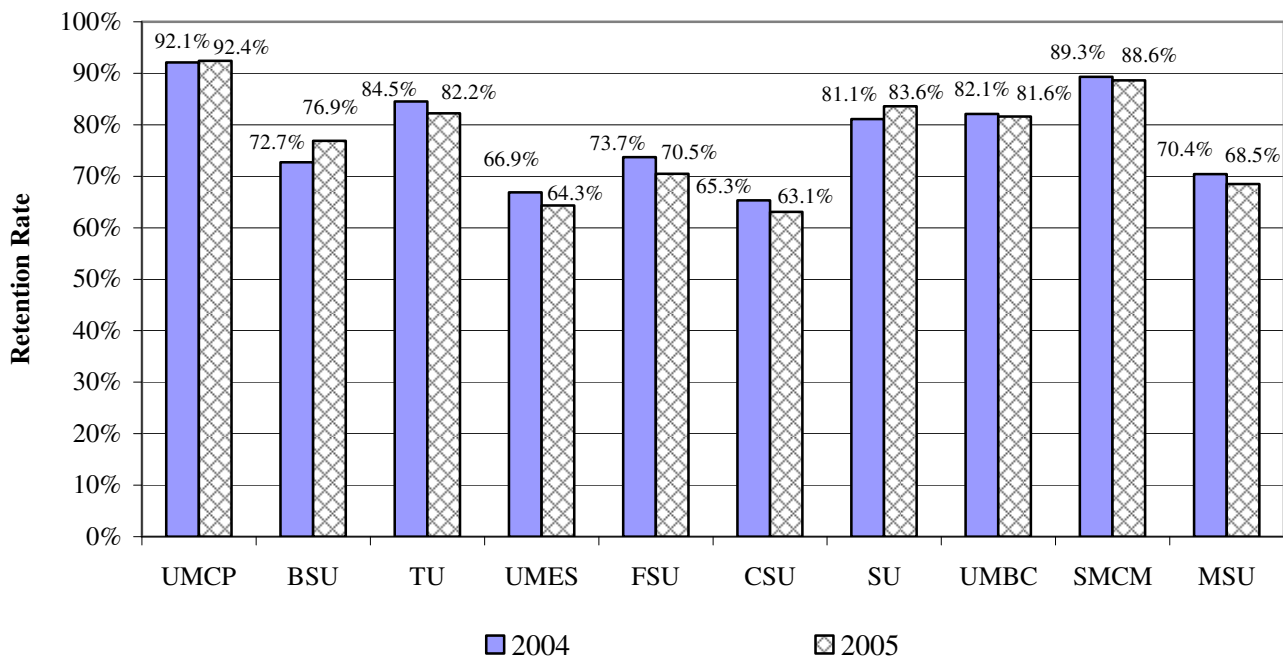
CSU: Coppin State University
SU: Salisbury University
UMBC: University of Maryland Baltimore County
SMCM: St. Mary's College of Maryland
MSU: Morgan State University

Note: Retention and graduation rates include only first-time, full-time undergraduate students. Graduation rates include students who transfer from one USM institution to another to complete their degrees.

Source: Retention and graduation rates – Maryland Higher Education Commission
<http://www.mhec.state.md.us/publications/research/AnnualReports/2006Retention&GradRatesMDPub4-Yr.pdf>

Exhibits 16 and 17 show second-year retention rates from fiscal 2004 to 2005 as well as the percent change in retention rates from fiscal 2000 to 2005. While rates at some institutions fluctuated a few percentage points between fiscal 2004 and 2005, rates shifted dramatically from fiscal 2000 to 2005, mostly shifting negatively. Only three institutions improved their retention rates from fiscal 2000 to 2005. UMCP's retention rate increased 0.9% from fiscal 2000 to 2005, while BSU and SU both increased 2.7%. Retention rates declined at all other institutions with UMES and CSU recording near 10% drops in second-year retention rates as shown in Exhibit 17. **The Secretary should comment on efforts to improve second-year retention across higher education institutions.**

Exhibit 16
Second-year Retention Rate Comparison
Fiscal 2004-2005



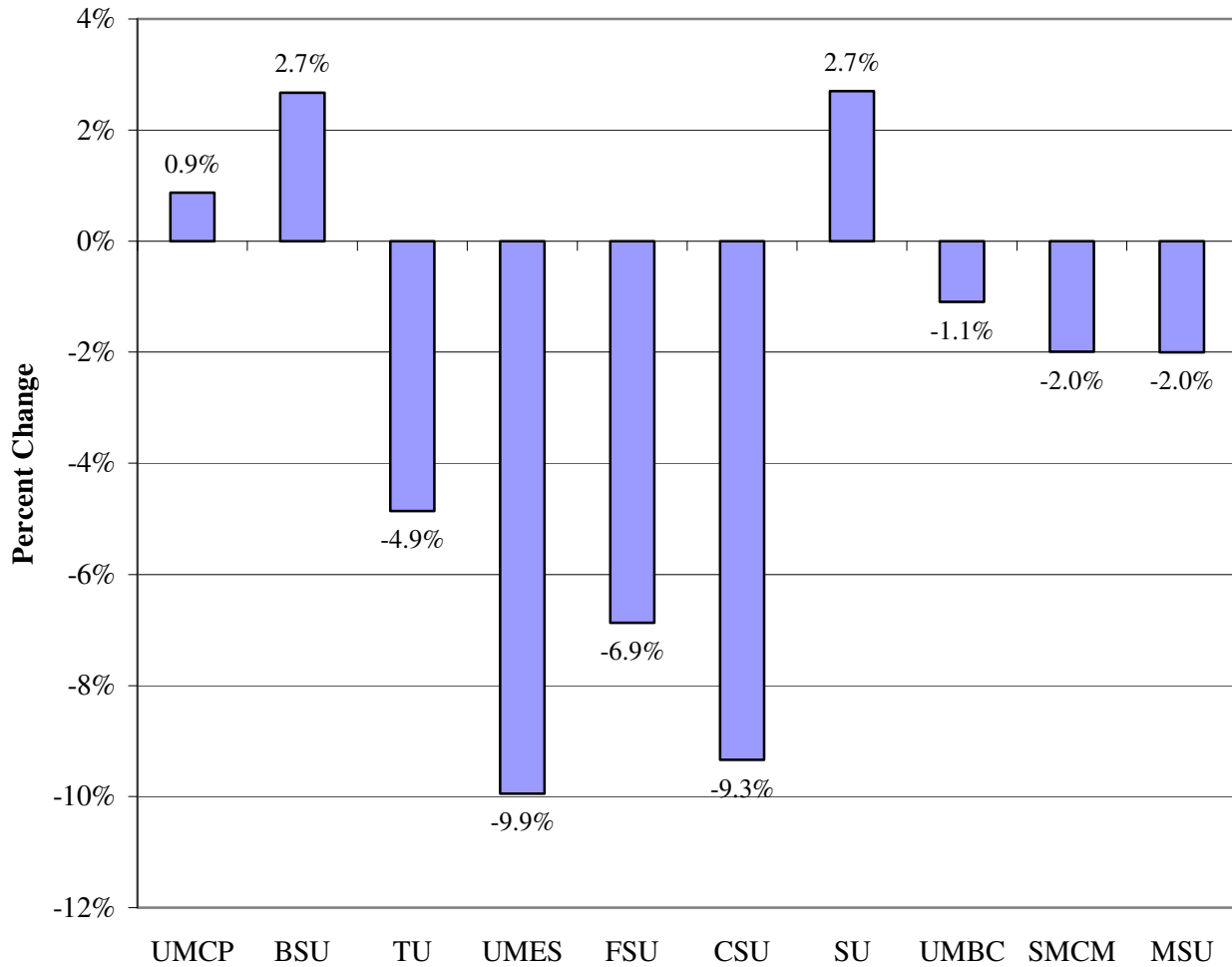
UMCP: University of Maryland, College Park
 BSU: Bowie State University
 TU: Towson University
 UMES: University of Maryland Eastern Shore
 FSU: Frostburg State University

CSU: Coppin State University
 SU: Salisbury University
 UMBC: University of Maryland Baltimore County
 SMCM: St. Mary's College of Maryland
 MSU: Morgan State University

Note: Percent change reflects rounding.

Source: Retention and graduation rates – Maryland Higher Education Commission
<http://www.mhec.state.md.us/publications/research/AnnualReports/2006Retention&GradRatesMDPub4-Yr.pdf>

Exhibit 17
Retention Rate Percent Change
Fiscal 2002-2005



UMCP: University of Maryland, College Park
 BSU: Bowie State University
 TU: Towson University
 UMES: University of Maryland Eastern Shore
 FSU: Frostburg State University

CSU: Coppin State University
 SU: Salisbury University
 UMBC: University of Maryland Baltimore County
 SMCM: St. Mary's College of Maryland
 MSU: Morgan State University

Note: Percent change reflects rounding.

Source: Retention and graduation rates – Maryland Higher Education Commission
<http://www.mhec.state.md.us/publications/research/AnnualReports/2006Retention&GradRatesMDPub4-Yr.pdf>

2. Funding, Capital Improvement Planning, and Space Guidelines for Higher Education

Commission to Develop the Maryland Model for Funding Higher Education

In response to the escalating cost of tuition, the General Assembly passed the Tuition Affordability Act of 2006 (Chapters 57 and 58). In addition to the one-year freeze on tuition increases, Chapters 57 and 58 establish the Commission to Develop the Maryland Model for Funding Higher Education. The commission is made up of legislators, cabinet secretaries, and presidents of various institutions from all segments of higher education, other representatives of the higher education community, members of the business community, and members of the public. The commission is charged with reviewing options and making recommendations relating to the development of a statewide framework for higher education funding that is consistent and stable and ensures affordability of and accessibility to all of Maryland's institutions of higher education. Legislation was already enacted in 2006 to enhance State funding for community colleges by approximately 20% over the next six years; it is assumed that the additional funding will moderate tuition increases at community colleges and improve access. The commission is also required to review options and make recommendations relating to the appropriate level of funding for the State's historically black institutions to ensure comparability and competitiveness with other public institutions of higher education. The commission held its first meeting on January 22, 2007. The final report is due in December 2007.

Workgroup to Study Maryland's Capital Improvement Planning Process and Capital Facilities Space Guidelines for Higher Education

In the *2004 Maryland State Plan for Postsecondary Education*, the Maryland Higher Education Commission (MHEC) included several recommendations to assess the implications of enrollment growth on capacity at Maryland's colleges and universities. Current MHEC enrollment projections anticipate an increase of almost 56,000 postsecondary education students by 2015. MHEC appointed a workgroup to study how to best meet the needs of the increasing student population, including whether additional facilities are needed and, if so, where they are needed. The workgroup focused on whether Maryland is maximizing utilization of existing higher education facilities and if there are ways other than building space or increasing space usage to accommodate more students.

Through its study, the workgroup made a series of findings regarding the capital improvement process and State guidelines. They found that the State utilizes a capital process that provides sufficient support for the capital development of its colleges and universities. The State's space guidelines as well as utilization and occupancy standards for four-year public institutions were found to be reasonable and within the ranges found nationally. Maryland community college space standards, however, were below the average of other states' guidelines for weekly room hours for classroom and laboratory space as well as occupancy rate and station size for laboratories. Due to projected State capital budget authorizations for higher education, academic space at State colleges and universities will continue to increase. Despite the projected growth in academic space,

projections indicate future space deficits at many institutions for various types of space. **Exhibit 18** illustrates the percentage of space need covered per full-time equivalent student for fiscal 2006 and 2016. Finally, the workgroup found that both community colleges and four-year public institutions have a backlog of facility maintenance projects.

Recommendations were developed to address the impact of enrollment growth on capacity. First, the workgroup recommended that institutions, in coordination with MHEC, ensure the accuracy of space inventory data in order to provide a consistent assessment. It was also recommended that each institution develop and implement strategies to increase utilization and report on those strategies in consultation with MHEC. An alternative measure for evaluating utilization rates was recommended. Current measures are based on full-time day equivalent students with the model that college students attend classes full-time during the week between 8:00 a.m. and 5:00 p.m. A model more inclusive of diversity in institutional mission and changing student demographics is necessary to capture true space utilization. Research laboratory and study and stack space were areas that the workgroup recommended receive further review in order to determine whether State guidelines are valid and comparable to national best practices given the unique nature of the space.

Further recommendations applied to the development of the statewide 10-year growth plan for higher education. The workgroup first recommended evaluating alternatives in scheduling classes and in class delivery such as distance learning and on-line instruction. These alternatives could have a significant impact on the anticipated deficits in academic space by adding capacity without the need for additional space. Finally, in developing the statewide 10-year plan, it was recommended that institutions consider the impact of new facilities on operating budgets. New facilities will potentially require new auxiliary facilities such as parking and housing associated with increased enrollment.

The Secretary should discuss plans for further review of State space guidelines regarding research laboratory and study and stack space in order to develop standards that are comparable to national best practices. The Secretary should also comment on how the commission can improve space standards at State community colleges comparable to national best practices.

3. Enrollment Will Continue to Grow but at Slightly Slower Pace

Public undergraduate headcount enrollment – including the University System of Maryland institutions, Morgan State University, St. Mary’s College of Maryland, and associate degree seekers at community colleges – is expected to increase 15.6%, or a 1.5% average annual increase, from fiscal 2006 to 2016 according to MHEC’s June 2006 projections. These most recent 10-year projections show slightly lower growth rates than MHEC’s June 2005 projections, which showed a 1.7% average annual increase from fiscal 2005 to 2015.

Exhibit 18
Academic Net Square Foot Inventory
Percent of Need Covered Per Full-time Equivalent Student
Fiscal 2006 and 2016

	<u>Classroom</u>	<u>Teaching Lab</u>	<u>Office</u>	<u>2006 Total</u>
UMB				
Inventory 2006	19	19	121	159
Need 2006	22	65	163	250
Surplus/(Deficiency) 2006	-4	-46	-42	-91
% Need Covered 2006	84.2%	29.8%	74.3%	63.5%
% Need Covered 2016	97.7%	28.5%	84.8%	70.7%
UMCP				
Inventory 2006	12	13	59	84
Need 2006	14	14	57	85
Surplus/(Deficiency) 2006	-2	-1	2	-1
% Need Covered 2006	82.7%	95.1%	104.4%	99.2%
% Need Covered 2016	88.5%	96.3%	94.3%	93.7%
All Other USM				
Inventory 2006	87	130	244	460
Need 2006	95	139	243	477
Surplus/(Deficiency) 2006	-8	-9	1	-16
% Need Covered 2006	91.2%	93.7%	100.4%	96.6%
% Need Covered 2016	78.1%	81.3%	85.6%	82.8%
MSU				
Inventory 2006	13	22	45	80
Need 2006	12	25	59	97
Surplus/(Deficiency) 2006	0	-3	-14	-17
% Need Covered 2006	102.2%	86.9%	76.2%	82.3%
% Need Covered 2016	91.9%	93.1%	71.4%	81.6%
SMCM				
Inventory 2006	7	17	30	53
Need 2006	13	27	31	72
Surplus/(Deficiency) 2006	-7	-10	-2	-18
% Need Covered 2006	49.4%	64.2%	94.4%	74.7%
% Need Covered 2016	80.5%	83.1%	97.7%	88.9%

Higher Education – Fiscal 2008 Budget Overview

	<u>Classroom</u>	<u>Teaching Lab</u>	<u>Office</u>	<u>2006 Total</u>
Total				
(Not Including Community Colleges)				
Inventory 2006	137	201	498	836
Need 2006	158	269	553	979
Surplus/(Deficiency) 2006	-21	-68	-54	-143
% Need Covered 2006	86.8%	74.7%	90.2%	85.4%
% Need Covered 2016	83.9%	76.1%	88.1%	84.3%
Community Colleges				
Inventory 2006	12	18	19	49
Need 2006	12	25	23	60
Surplus/(Deficiency) 2006	1	-7	-4	-10
% Need Covered 2006	106.7%	72.1%	81.8%	82.5%
% Need Covered 2016	108.8%	76.9%	79.3%	83.5%

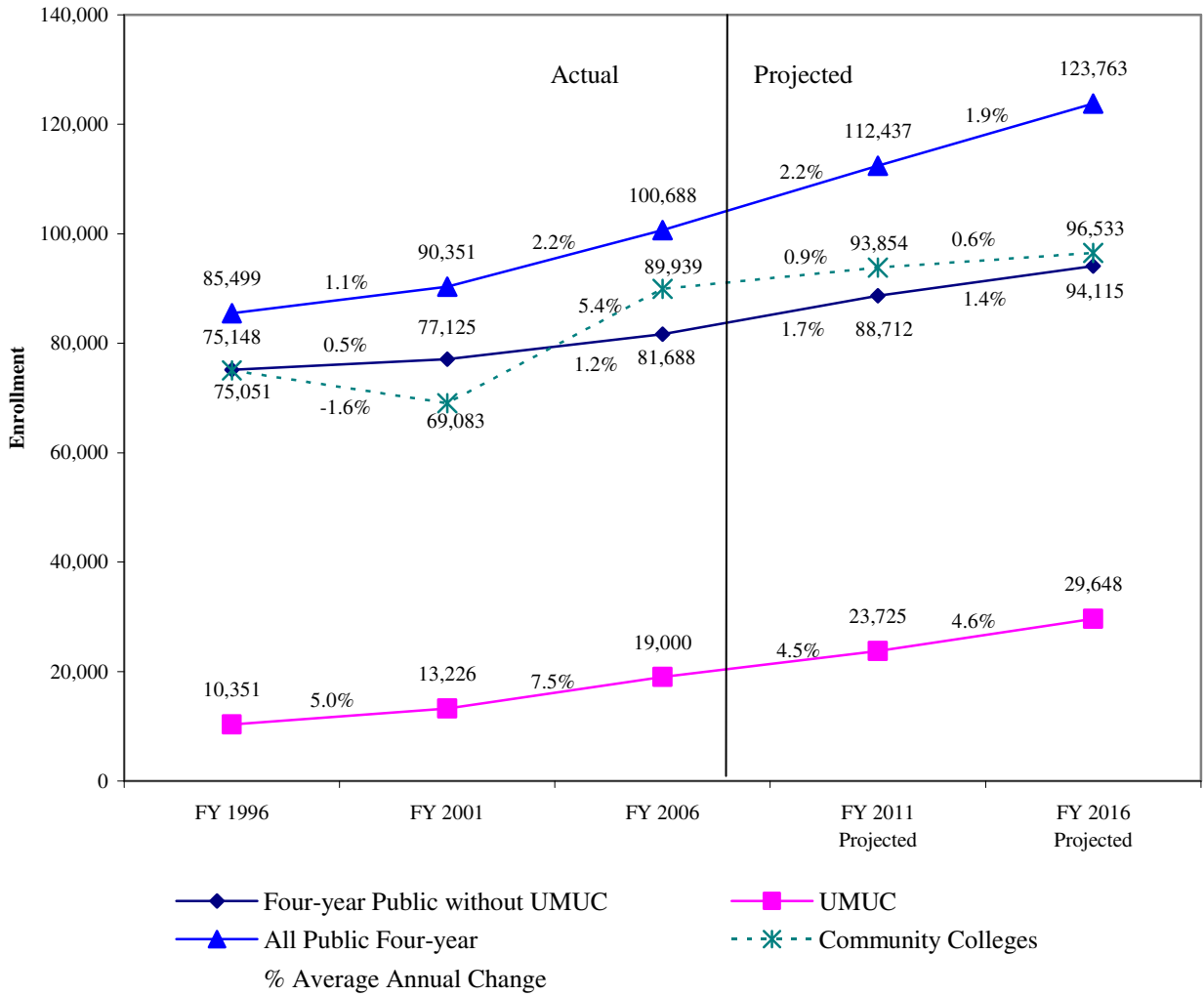
Note: Does not include the University of Maryland University College. Based on undergraduate and graduate full-time equivalent students. Fiscal 2016 data is based on buildings funded for design or construction as of the fiscal 2007 *Capital Improvement Program*.

Source: Maryland Higher Education Commission (net square foot data self-reported by institutions); Maryland Higher Education Commission, June 2006 enrollment projections for fiscal 2016 full-time equivalent students

Exhibit 19 shows the trends in undergraduate headcount enrollment over the past 11 years and the enrollment projections through fiscal 2016 at these institutions. For community colleges, these data include only students pursuing associate’s degrees. For all public four-year institutions, after small increases in enrollment from 1996 to 2001, 5-year average annual growth rates doubled from 1.1 to 2.2% from fiscal 2001 to 2006. Although this same growth rate is expected to continue through fiscal 2011, growth is expected to slow from fiscal 2011 to 2016. The average annual growth rate for all public four-year institutions, not including the University of Maryland University College, is expected to increase slightly from 1.2% in fiscal 2006 to 1.7% in fiscal 2011. UMUC’s average annual growth rate is expected to decline from a high of 7.5% experienced the past 5 years to 4.5% in fiscal 2006 to 2011. The average annual growth rates of community college associate degree seekers are expected to stabilize at less than 1.0% through fiscal 2016.

Overall, UMUC’s share of public undergraduate enrollment has increased. By fiscal 2016, UMUC is projected to enroll 13.5% of all public undergraduate students, up from 6.5% in 1996, while the share of enrollment at other public four-year institutions and community colleges is projected to decline from approximately 47.0% each to 43.0 or 44.0% each over the same period.

**Exhibit 19
Public Undergraduate Headcount Enrollment**



Note: Percents shown are average annual change. Data for community colleges includes only students pursuing associate’s degrees; fiscal 2006 data for community colleges reflects fall 2005 actual headcount enrollment.

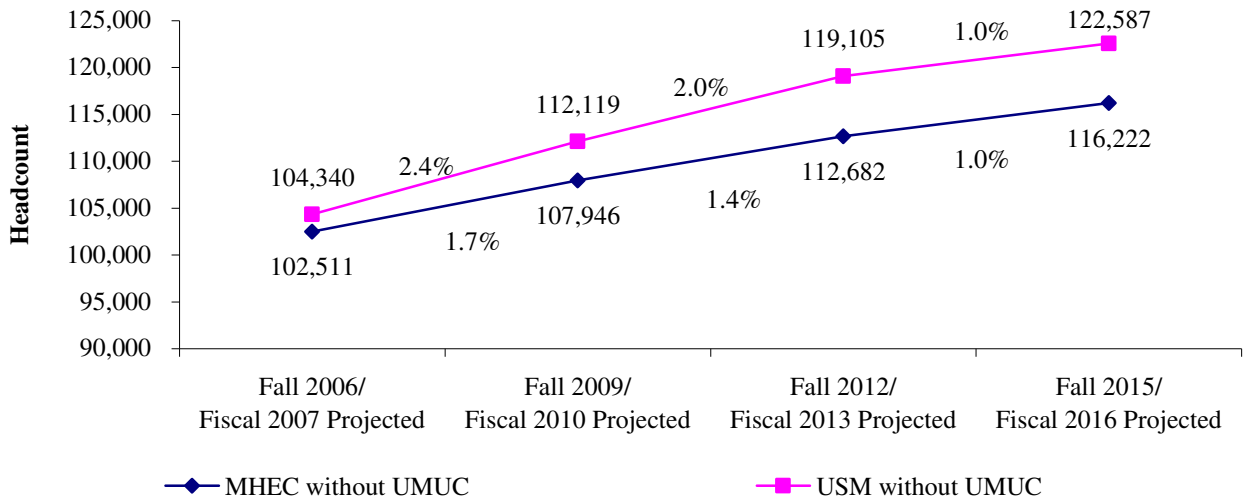
Source: Maryland Higher Education Commission; Maryland Association of Community Colleges; Department of Legislative Services

MHEC and USM Enrollment Projections Still Competing

MHEC provides the State’s official enrollment projections, but USM has a separate model. USM refers to its full demand model as a representation of what could happen if all potential students are enrolled. The MHEC model represents what is likely to happen, given demographic data, budget constraints, and other factors. USM’s model generally projects higher enrollments than MHEC’s model.

Exhibit 20 compares headcount enrollment projections from fiscal 2007 to 2016 at USM institutions, not including UMUC, using the USM and MHEC models. The data include undergraduate and graduate students. MHEC projects a total of 116,222 students in fiscal 2016 while USM’s model projects 122,587, a difference of 6,365 students. In terms of growth rates, USM projects that the average annual growth rate from fiscal 2007 to 2010 will be 2.4%, while MHEC projects a growth rate of 1.7%. For the period from fiscal 2010 to 2013, USM expects an average annual growth rate of 2.0% compared to MHEC’s 1.4%. However, the MHEC and USM models project the same average annual growth rate of 1% from fiscal 2013 to 2016. Overall, USM estimates total enrollment growth of 17.5%, and MHEC projects growth of 13.4% from fiscal 2007 to 2016. However, it is important to note that these growth rates are applied to different baselines; for fiscal 2007 USM projects 104,340 students compared to 102,511 students projected by MHEC.

Exhibit 20
MHEC and USM Total Headcount Enrollment Projections at USM Institutions*
Fiscal 2007-2016



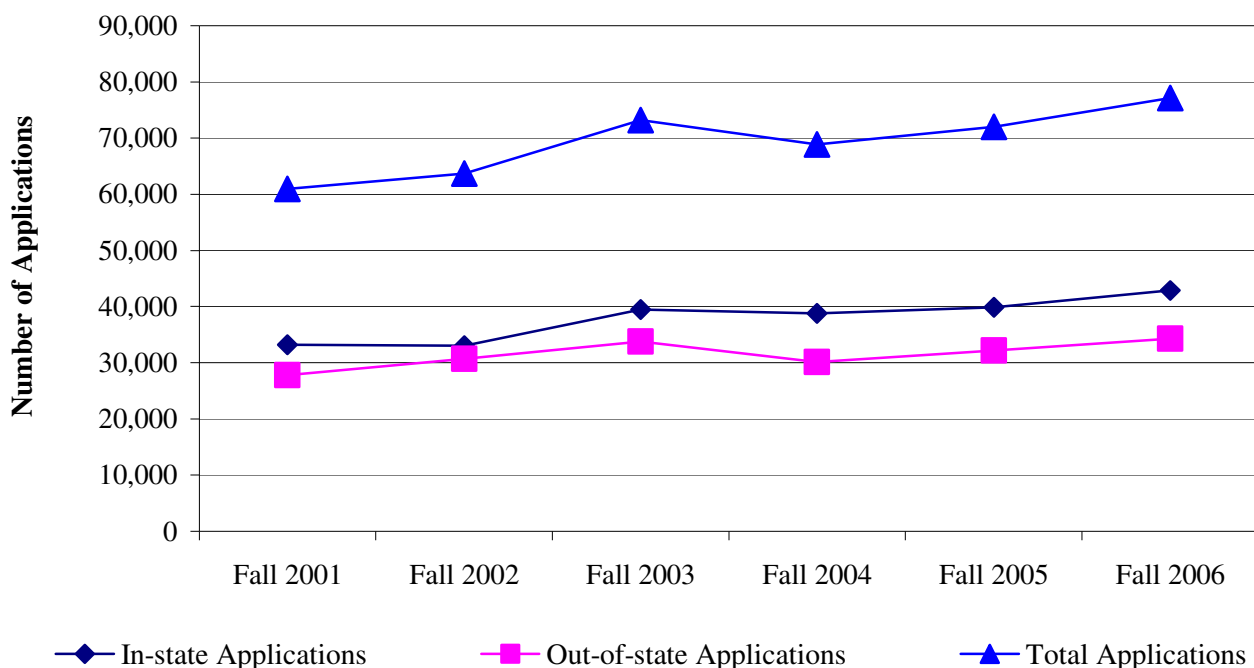
*Data do not include University of Maryland University College.

Sources: Maryland Higher Education Commission; University System of Maryland

Enough Students to Meet Projected Demand?

One way to measure the “demand” for an education at a Maryland public four-year institution, is to examine the number of applications received by these institutions. **Exhibit 21** shows the number of applications for first-time freshmen received by USM institutions and Morgan State University from fall 2001 through 2006. (These data do not reflect UMB and UB.) The total number of applications received by these institutions increased nearly 20% from fall 2001 through 2003. This period of increase was followed by a 6% decrease in fall 2004. Overall, the number of total applications received increased nearly 27% since fall 2001, reaching the highest level in at least six years in fall 2006. The exhibit also shows the breakdown of these applications by in-state and out-of-state applicants. The number of in-state applications increased through fall 2003 and then leveled off to approximately 40,000. However, for fall 2006 admission, in-state applications increased to nearly 43,000. Out-of-state applications also rose for fall 2006 to approximately 34,300 applicants. These data are not unduplicated.

Exhibit 21
First-time Freshman Applications
USM Institutions and MSU
Fall 2001 to Fall 2006



Data do not include the University of Maryland, Baltimore and University of Baltimore

Source: University System of Maryland, Morgan State University

Higher Education – Fiscal 2008 Budget Overview

In order to better understand how many of these applicants actually enrolled in a USM institution or MSU, the Department of Legislative Services (DLS) surveyed USM institutions and MSU in 2006 regarding their application and acceptance practices for admitting undergraduate students. Seven institutions generally accepted all students that were determined to be “qualified” for admission. These included BSU, TU, UMES, FSU, CSU, UMBC, and MSU. For USM institutions, the percent of applicants that were accepted has remained fairly steady, while the percent of accepted students that decided to attend that particular institution (known as the yield rate), has decreased over time. However, the actual number of students deciding to attend an institution has increased. The percent of applicants to MSU that were accepted has recently declined in an effort to become more selective, and the number of students that decided to attend has also decreased.

Since the seven institutions accept all qualified applicants, more qualified students must apply in order for the institutions to grow. However, many of the institutions that DLS studied were not able to provide data as to the number of qualified applications that have been received. **In order for DLS to continue this study, it is recommended that all four-year public institutions of higher education track the number of qualified applications and that the Maryland Higher Education Commission collect these data as part of the annual S-3 report.**

4. Measuring the Affordability of Higher Education in Maryland

In *Measuring Up 2006*, the national report card for higher education, for the second time in a row, Maryland received an “F” for the affordability of a college degree. The affordability category measures whether students and families can afford to pay for a postsecondary education given income levels, financial aid, and the types of colleges and universities in the State. The category also examines the amount of need-based aid students receive to offset expenses and the loan burden associated with their higher education expenses. Overall, the report notes that since the early 1990s, higher education in the United States has become less affordable, when college costs are considered relative to family income. In the 2006 report, no State received an “A.” Maryland is 1 of 43 states that received an “F.”

Exhibit 22 shows the indicators from the 2004 and 2006 report for Maryland and the two states with the highest grade received in the 2006 report (C-). The 2006 report notes that Maryland does not offer low priced college opportunities, and that State investment in need-based aid is very low compared with top performing states.¹ Although low compared to other states, Maryland has nearly doubled its need-based financial aid since 1992, increasing from 27 to 53% of federal Pell Grant funding. The 2006 report determined that, after financial aid, Maryland families of all income groups devoted a large share of their income to pay for college expenses in academic 2005-2006: 24% at community colleges; 32% at public four-year institutions; and 66% at private four-year institutions. In addition, the financial burden to pay for college varies widely among different income families in the State. Low- and middle-income Marylanders (40% of the population with the lowest incomes) devoted 36% of their income at community colleges and 47% of their income to the payment of college expenses at public four-year institutions.

¹ *Measuring Up 2006*, National Center for Higher Education and Public Policy, Maryland State Profile, p. 8.

Exhibit 22
Measuring Up 2006 Report Card on Affordability

<u>Affordability</u>	Maryland			California			Utah		
	<u>1992</u>	<u>2004</u>	<u>2006</u>	<u>1992</u>	<u>2004</u>	<u>2006</u>	<u>1992</u>	<u>2004</u>	<u>2006</u>
Family Ability to Pay (50%)									
Percent of income (average of all income groups) needed to pay for colleges expenses minus financial aid:									
at community colleges	24%	22%	24%	31%	25%	26%	16%	17%	18%
at public four-year colleges/universities	27%	29%	32%	37%	32%	33%	16%	18%	18%
at private four-year colleges/universities	61%	59%	66%	70%	71%	76%	17%	21%	22%
Strategies for Affordability (40%)									
State investment in need-based financial aid as compared to the federal investment									
	27%	33%	53%	27%	48%	53%	1%	5%	6%
At lowest-priced colleges, the share of income that the poorest families need to pay for tuition									
	17%	16%	19%	2%	4%	6%	12%	13%	14%
Reliance on Loans (10%)									
Average loan amount that undergraduate students borrow each year									
	\$3,178	\$3,810	\$4,037	\$3,280	\$3,710	\$4,089	\$3,131	\$3,019	\$3,100

Note: In the affordability category, the lower the figures, the better the performance for all indicators except for “State investment in need-based financial aid.”

Source: *Measuring Up 2004, 2006 Report*

California and Utah were the only states to receive a C- in the 2006 *Measuring Up* national report card. The 2006 report attributes California's overall grade in affordability to the low price of its community colleges which enroll 70% of all students in California.² California students and families currently pay less to attend community college and public four-year institutions than they did in the early 1990s. Although this amount has increased since 2004, after factoring in financial aid, low- and middle-income families devoted 51% of their income to the payment of college expenses at public four-year institutions and 41% of their income at community colleges. Utah, the report notes, has kept the share of family income needed to attend its community colleges and its public and private four-year institutions relatively low.³ The percentage of income remains relatively low for low- and middle-income families as well. After factoring in financial aid, a student's net cost to attend a community college would represent 25% of their income and 26% if they were to attend a public four-year college.

Pell Grants and Expected Family Contribution Are Indicators of Financial Need

A key component that impacts the affordability of Maryland's higher education institutions is the level of financial assistance awarded to students with financial need. There are various financial aid options available to the student. The federal government offers many programs to financially assist students. The Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Perkins and Federal Stafford Loans, and Federal Work Study are examples. The State of Maryland has scholarship and grant programs based on a student's financial need, academic achievement, and career choice. Colleges and universities also provide financial assistance to students based on need, merit, and other abilities.

The federal government provides the most student financial aid. The Pell Grant program, created by Congress in 1972, provides grants to low-income undergraduates ranging from \$400 to \$4,050. Students must submit the Free Application for Federal Student Aid to determine Pell Grant eligibility. Eligibility is based upon family income. The percentage of students at an institution receiving Pell grants is one indicator of the degree of financial need of students. The greater the percentage of Pell eligible recipients on a campus, the more financial aid, particularly need-based aid, may be needed so that students can attend the institution. **Exhibit 23** shows Pell awards as a percent of the total headcount enrollment and the total Pell grant dollars awarded for two-year and four-year public institutions in fiscal 2005. All the historically black institutions (BSU, CSU, UMES, and MSU), have a high percentage of Pell Grant recipients – 37, 59, 46 and 49%, respectively – compared to traditionally white institutions. Overall, 23% of total students enrolled at public four-year institutions receive Pell grants. Compared to the four-year institutions, community colleges have a higher proportion of students enrolled with financial need at 28% of students on average. Baltimore City Community College has the highest percentage of Pell recipients at 75%.

² *Measuring Up 2006*, National Center for Higher Education and Public Policy, California State Profile, p. 8.

³ *Measuring Up 2006*, National Center for Higher Education and Public Policy, Utah State Profile, p. 8

Exhibit 23
Pell Grant Recipients at Maryland Public Higher Education Institutions
Academic 2004-2005

	<u>Number of Pell Recipients</u>	<u>Total Pell Grant Dollars Awarded</u>	<u>Fall 2004 Undergraduate Student Enrollments (Headcount)</u>	<u>Pell Recipients as a Percentage of Undergraduate Enrollments</u>
Community Colleges				
Allegany	1,587	\$3,672,231	3,705	43%
Anne Arundel	2,457	4,687,399	14,421	17%
Baltimore City Community College	5,503	12,180,163	7,318	75%
Carroll	407	729,225	3,073	13%
Cecil	405	854,143	1,781	23%
Chesapeake College	824	1,535,319	2,557	32%
College of Southern Maryland	1,002	1,821,921	7,411	14%
Comm. College of Baltimore County	7,211	14,662,889	19,968	36%
Frederick	588	1,072,872	4,648	13%
Garrett	292	679,145	613	48%
Hagerstown	954	1,992,797	3,528	27%
Harford	931	1,811,440	5,390	17%
Howard	1,118	2,201,413	6,711	17%
Montgomery	4,755	10,901,400	22,254	21%
Prince George's	3,400	7,082,370	12,459	27%
Wor-Wic	1,555	2,696,725	3,110	50%
Two-year Total	32,989	\$68,581,452	118,947	28%
Public Four-years				
Bowie State University	1,507	\$4,066,243	4,027	37%
Coppin State University	1,948	5,538,760	3,290	59%
Frostburg State University	1,133	2,927,768	4,522	25%
Salisbury University	1,026	2,540,794	6,366	16%
Towson University	2,308	5,781,537	14,311	16%
Univ. of Baltimore	727	1,473,364	2,117	34%
Univ. of Maryland, Baltimore	223	585,741	946	24%
Univ. of Maryland Baltimore County	2,528	5,322,398	9,668	26%
Univ. of Maryland, College Park	4,204	10,885,027	25,140	17%
Univ. of Maryland Eastern Shore	1,547	4,287,280	3,346	46%
Univ. of Maryland University College	3,315	5,318,163	19,857	17%
Morgan State University	3,066	8,497,200	6,244	49%
St. Mary's College of Maryland	240	640,057	1,935	12%
Four-year Total	23,772	\$57,864,332	101,769	23%

Source: S5 Report, 2006 Data Book, Maryland Higher Education Commission

New Data Show That, After Financial Aid, the Most Financially Needy Students Have the Greatest Unmet Need

A student's need for financial assistance is calculated by comparing the "cost of attendance" (COA) at the student's institution to the amount that the student's family can afford to pay toward that cost (Expected Family Contribution (EFC)). If the COA exceeds the EFC, the student has a financial need for further assistance. Although not all student aid programs are targeted to students with financial needs, all financial aid can be used to fill gaps between the COA and EFC. The MHEC Financial Aid Information System (FAIS) provides valuable data that help to explain how well financial aid is working to enhance access to higher education in Maryland.

Cost of Attendance

As an integral first step in determining student financial aid packages, institutions of higher education calculate a COA for each student who applies for aid. Following broad federal guidelines for the calculation of COA, institutions sum school-related expenses, such as tuition and mandatory fees, room and board, and books, as well as transportation costs and even some individual expenses, like child care costs, that have an impact on a student's ability to afford college. COA differs according to each student's situation, including whether the student attends college full- or part-time, whether the student qualifies for in-state or out-of-state tuition, and whether the student plans to live on campus, off campus, or with parents.

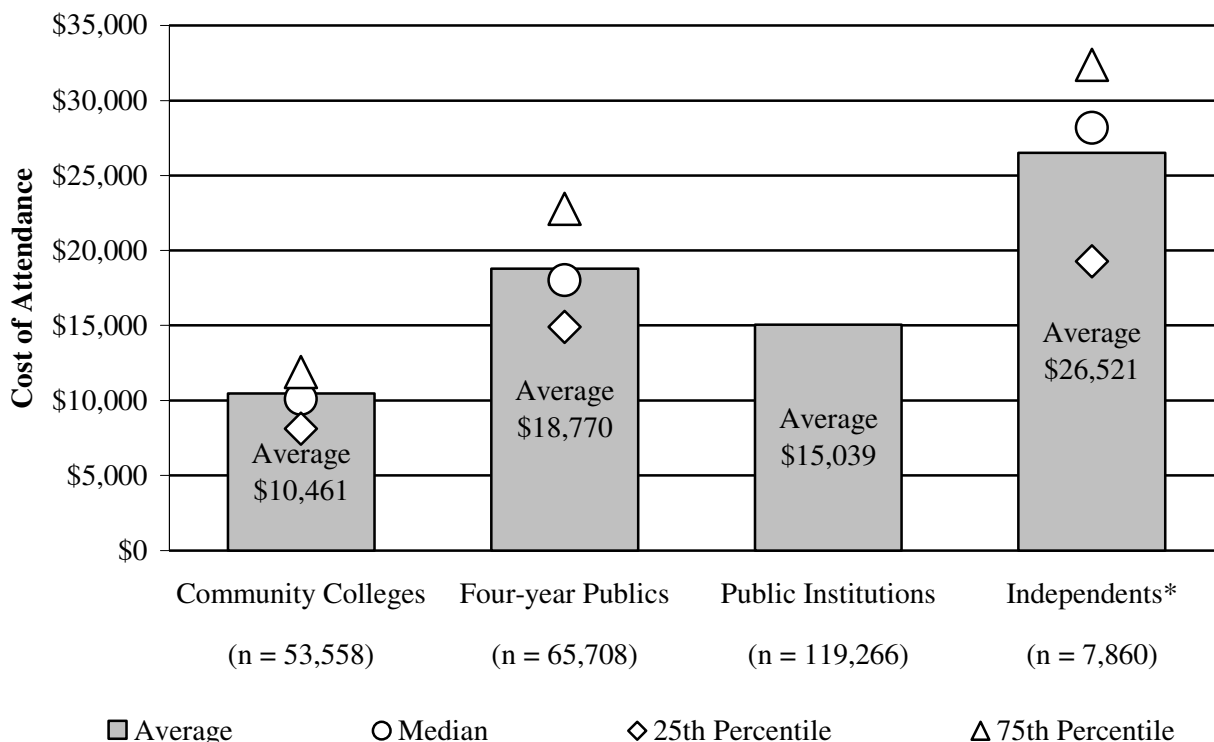
FAIS data contain COAs for nearly 120,000 undergraduate students at public institutions of higher education who received financial support in the 2004-2005 academic year. COAs at public institutions had a wide range, from a low of \$111 to a high of \$50,008. **Exhibit 24** shows that the statewide average COA at public institutions, among the students who received assistance, was \$15,039, and not surprisingly, average COA was higher at four-year institutions (\$18,770) than it was at community colleges (\$10,461). Although the range in COAs was wide at both community colleges and public four-year institutions, many of the COA values clustered around the averages, as demonstrated by the median and twenty-fifth and seventy-fifth percentiles shown on the chart.

For students at independent institutions, FAIS only contains data on students who qualified as Maryland residents and received State financial assistance. For this sample of 7,860 students, the average COA was \$26,521, and the median COA was slightly higher, at \$28,173. COAs for the sample ranged from a low of \$2,520 to a high of \$63,625.

Expected Family Contribution

Expected Family Contribution is a measure of the amount a student's family can reasonably be expected to spend in support of a college education. EFC is a calculation established in federal law that is determined by information provided on the Free Application for Federal Student Aid. Factors such as family income and available assets are obviously used to calculate EFC, but other factors, such as the number of children in a family and the number who are attending college, also influence the computation. Certain students with very low family income automatically qualify for a \$0 EFC, *i.e.*, no family contribution.

Exhibit 24
Cost of Attendance of Students Receiving Financial Assistance
During the 2004-2005 Academic Year



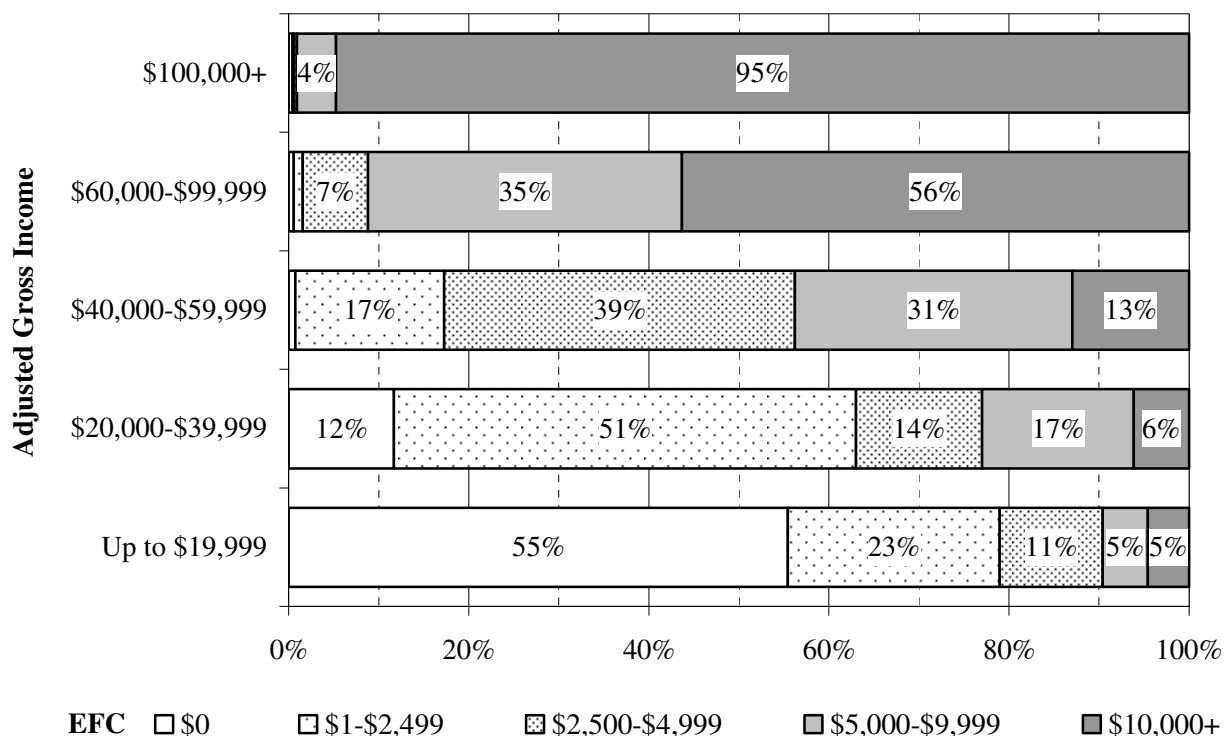
* Data for independent institutions only includes Maryland students who received State financial assistance.

Note: Determining a median, twenty-fifth percentile and seventy-fifth percentile for all public institutions was not possible using data that were provided to the Department of Legislative Services.

Source: Financial Aid Information System, Maryland Higher Education Commission

Using FAIS data, **Exhibit 25** demonstrates the strong correlation between adjusted gross income and EFC. Of those students who received financial aid and whose families have incomes in excess of \$100,000, 95% had an EFC of \$10,000 or more, compared with 5 to 6% of students whose families have incomes less than \$40,000. For students whose family incomes were less than \$20,000, more than half, 55%, had an EFC of \$0, meaning the family is not expected to be able to contribute any money toward the student’s education. The high EFCs among a small proportion of the lower-income families in the FAIS database may indicate that adjusted gross income is not always an

Exhibit 25
Expected Family Contribution for Higher Education Costs, by
Adjusted Gross Income Among Students Who Received
Financial Aid in 2004-2005 Academic Year



Note: The chart includes data on 54,119 students who received financial aid in the 2004-2005 academic year.

Source: Financial Aid Information System, Maryland Higher Education Commission

accurate measure of a family’s available assets. Because it accounts for more factors than the income level from a given year, EFC is considered the best measure of a family’s actual ability to contribute to college costs. In addition, the EFC calculation results in an amount that can be compared with COA to determine if a student needs further financial assistance after accounting for the portion of COA that can be paid by the family.

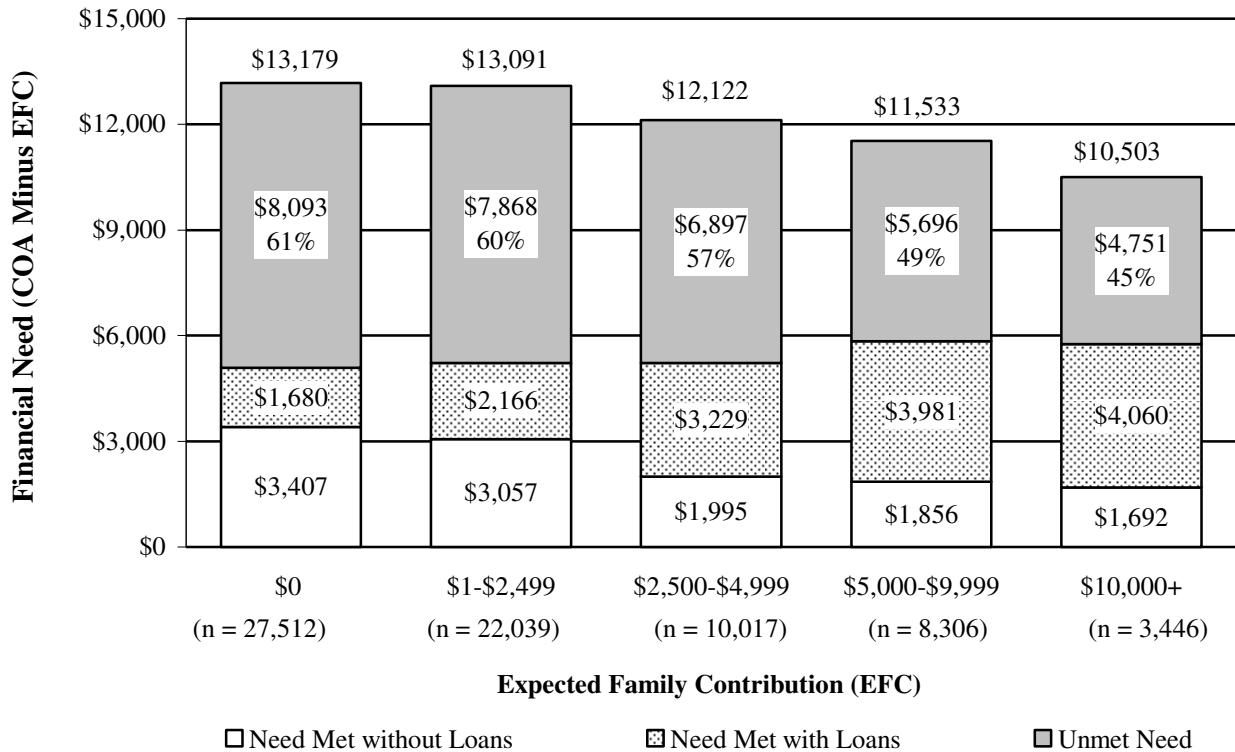
Financial Need

Finally, a student’s financial need can be calculated by subtracting EFC from COA. A student with a high COA and a low EFC would obviously have a greater need than a student with a lower COA or a higher EFC.

Higher Education – Fiscal 2008 Budget Overview

According to FAIS data, more than 86,000 students with a financial need received aid in the 2004-2005 academic year to attend public institutions of higher education in Maryland, including just over 15,000 students (17%) who had their financial needs fully met with scholarships, grants, and loans. For the remaining 71,000 students who still had a financial need after receiving aid, **Exhibit 26** shows the average need and the amount of that need that was met through the provision of financial aid awarded to these students. On average, students with higher EFCs had lower overall needs, which are expected since the families of these students were able to contribute more toward the COA.

Exhibit 26
Average Met and Unmet Need by Expected Family Contribution
Among Students Who Had Unmet Needs
Public Institutions, 2004-2005



Note: The chart includes data on 38,093 community college students and 33,227 students at public four-year institutions who received financial aid but still had unmet needs. The data do not include private loans.

Source: Financial Aid Information System, Maryland Higher Education Commission

Higher Education – Fiscal 2008 Budget Overview

The exhibit also shows that students with EFCs less than \$5,000 had, on average, approximately 40% of their needs met by financial aid (and 60% unmet), while students with EFCs of \$5,000 or more had just over 50% of their needs met. However, the students with higher EFCs also had higher student loans that helped to lower their unmet need. Still, students with \$0 EFCs, presumably the most needy students, had the highest average unmet need, at \$8,093 per student. The chart shows that unmet needs decreased as EFC increased, meaning that, on average, wealthier students needed to come up with less additional money to meet the COA after accounting for EFC and financial aid packages.

The Secretary should comment on the unmet financial need of Maryland students and the role of the State and higher education institutions in addressing the gap between students' ability to pay and the cost of college.

Recommended Actions

1. Adopt the following narrative:

Institutional Aid Reports: The committees request that public four-year higher education institutions submit all categories (need-based, merit, mission, and athletic) of institutional aid data in the same format that it is submitted to Maryland Higher Education Commission with the budget request and allowance, including prior year actual, current year working, and allowance.

Information Request	Author	Due Date
Reports on all categories of institutional aid provided in the same format submitted to the Maryland Higher Education Commission	Institutions of Higher Education	With request and allowance

Trends in Education and General Revenues⁽¹⁾
Public Four-year Institutions
Fiscal 2004-2008 Allowance
(\$ in Thousands)

<u>Institution</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>Working 2007</u>	<u>Allowance 2008</u>	<u>\$ Change 2004-08</u>	<u>Annual % 2004-08</u>
Univ. of Maryland, Baltimore	\$313,069	\$332,799	\$343,646	\$375,568	\$393,030	\$79,961	5.9%
Univ. of Maryland, College Park	689,033	741,347	792,561	849,520	886,416	197,383	6.5%
Bowie State University	47,557	48,184	52,122	59,515	61,934	14,377	6.8%
Towson University	162,992	164,673	179,286	198,461	215,205	52,213	7.2%
Univ. of Maryland Eastern Shore	40,765	41,554	44,917	50,282	52,201	11,436	6.4%
Frostburg State University	50,622	52,697	56,484	59,281	61,045	10,423	4.8%
Coppin State University	34,867	33,744	35,117	46,083	48,272	13,405	8.5%
University of Baltimore	56,844	61,452	66,828	72,044	74,216	17,372	6.9%
Salisbury University	60,898	59,646	68,263	77,479	80,540	19,642	7.2%
Univ. of Maryland University College	183,439	203,118	235,945	248,742	273,040	89,601	10.5%
Univ. of Maryland Baltimore County	154,376	167,095	180,490	190,417	195,120	40,744	6.0%
Univ. of Maryland Center for Environmental Science	18,250	18,724	18,445	19,901	22,593	4,343	5.5%
Univ. of Maryland Biotechnology Institute	24,629	29,942	35,609	36,109	38,857	14,228	12.1%
Subtotal, USM	\$1,837,341	\$1,954,975	\$2,109,713	\$2,283,402	\$2,402,469	\$565,128	6.9%
St. Mary's College of Maryland	32,044	30,232	37,769	39,884	43,525	11,481	8.0%
Morgan State University	90,775	96,687	100,563	109,743	116,022	25,247	6.3%
Total	\$1,960,160	\$2,081,894	\$2,248,045	\$2,433,029	\$2,562,016	\$601,856	6.9%

(1) Education and general revenues represent tuition and fees, general funds, grants and contracts (federal, State, and local), and sales and services of educational activities less auxiliary program enterprise revenue. For the University of Maryland, Baltimore, hospital expenditures are excluded from educational and general revenue.

Note: Numbers may not sum due to rounding.

Source: Governor's Budget Books, Fiscal 2008

Education and General Revenues⁽¹⁾
Per Full-time Equivalent Student
Public Four-year Institutions
Fiscal 2004-2008 Allowance

<u>Institution</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>Working</u> <u>2007</u>	<u>Allowance</u> <u>2008</u>	<u>%</u> <u>Change</u> <u>2004-07</u>	<u>%</u> <u>Change</u> <u>2007-08</u>
Univ. of Maryland, Baltimore	\$60,908	\$63,487	\$63,462	\$68,722	\$71,395	12.8%	3.9%
Univ. of Maryland, College Park	24,387	26,394	27,328	29,196	30,148	19.7%	3.3%
Bowie State University	11,979	11,871	12,201	14,265	14,845	19.1%	4.1%
Towson University	12,020	11,903	12,458	12,957	13,799	7.8%	6.5%
Univ. of Maryland Eastern Shore	12,501	12,681	13,440	13,905	14,504	11.2%	4.3%
Frostburg State University	11,523	11,974	13,429	14,041	14,459	21.9%	3.0%
Coppin State University	12,279	11,118	10,635	14,620	15,305	19.1%	4.7%
University of Baltimore	16,943	18,349	20,233	21,384	21,809	26.2%	2.0%
Salisbury University	10,235	9,814	11,032	11,847	12,091	15.7%	2.1%
Univ. of Maryland University College ⁽²⁾	18,215	18,664	21,243	19,474	19,826	6.9%	1.8%
Univ. of Maryland Baltimore County	16,651	17,908	19,678	20,539	20,826	23.3%	1.4%
Average, USM	18,876	19,469	20,467	21,905	22,637	16.0%	3.3%
St. Mary's College of Maryland	16,103	15,154	18,523	19,551	21,336	21.4%	9.1%
Morgan State University	14,905	15,318	17,173	18,145	18,599	21.7%	2.5%
Average	\$16,628	\$16,647	\$18,721	\$19,867	\$20,857	19.5%	5.0%

⁽¹⁾ Education and general revenues represent tuition and fees, general funds, grants and contracts (federal, State, and local), and sales and services of educational activities less auxiliary program enterprise revenue. For the University of Maryland, Baltimore, hospital expenditures are excluded from educational and general revenue.

⁽²⁾ University of Maryland University College full-time equivalent students exclude non-resident on-line students.

Source: Governor's Budget Books, Fiscal 2008

**Fiscal 2008 Revenues Per Full-time Equivalent Student
By Revenue Source
Public Four-year Institutions**

<u>Institution</u>	<u>E&G Revenues</u>	<u>General Funds</u>	<u>Tuition and Fees</u>	<u>FTES</u>	<u>E&G Revenues Per FTES</u>	<u>General Funds Per FTES</u>	<u>Tuition and Fees Per FTES</u>	<u>GF as % of E&G</u>	<u>T&F as % of E&G</u>
Univ. of Maryland, Baltimore	\$393,030,023	\$167,356,682	\$79,726,398	5,505	\$71,395	\$30,401	\$14,483	43%	20%
Univ. of Maryland, College Park	886,415,580	392,199,381	351,136,884	29,402	30,148	13,339	11,943	44%	40%
Bowie State University	61,934,026	33,053,157	28,911,390	4,172	14,845	7,923	6,930	53%	47%
Towson University	215,204,608	82,015,437	128,785,154	15,596	13,799	5,259	8,258	38%	60%
Univ. of Maryland Eastern Shore	52,200,513	30,671,304	21,005,867	3,599	14,504	8,522	5,837	59%	40%
Frostburg State University	61,045,133	30,842,567	28,611,096	4,222	14,459	7,305	6,777	51%	47%
Coppin State University	48,272,079	31,682,194	16,670,436	3,154	15,305	10,045	5,285	66%	35%
University of Baltimore	74,216,124	27,335,933	44,349,950	3,403	21,809	8,033	13,033	37%	60%
Salisbury University	80,540,224	34,845,464	44,320,276	6,661	12,091	5,231	6,654	43%	55%
Univ. of Maryland University College	273,040,524	25,142,270	222,457,982	13,772	19,826	1,826	16,153	9%	82%
Univ. of Maryland Baltimore County	195,120,306	83,497,512	85,050,982	9,369	20,826	8,912	9,078	43%	44%
Total University System of Maryland	\$2,341,019,140	\$938,641,901	\$1,051,026,415	98,855	\$22,637	\$9,709	\$9,493	40%	45%
St. Mary's College of Maryland	43,524,987	16,367,188	25,194,726	2,040	21,336	21,336	12,350	38%	58%
Morgan State University	116,022,044	67,214,721	44,494,479	6,238	18,599	18,599	7,133	58%	38%
Average	\$2,500,566,171	\$1,022,223,810	\$1,120,715,620	107,133	\$20,857	\$16,548	\$9,659	41%	45%

Source: Governor's Budget Books, Fiscal 2008

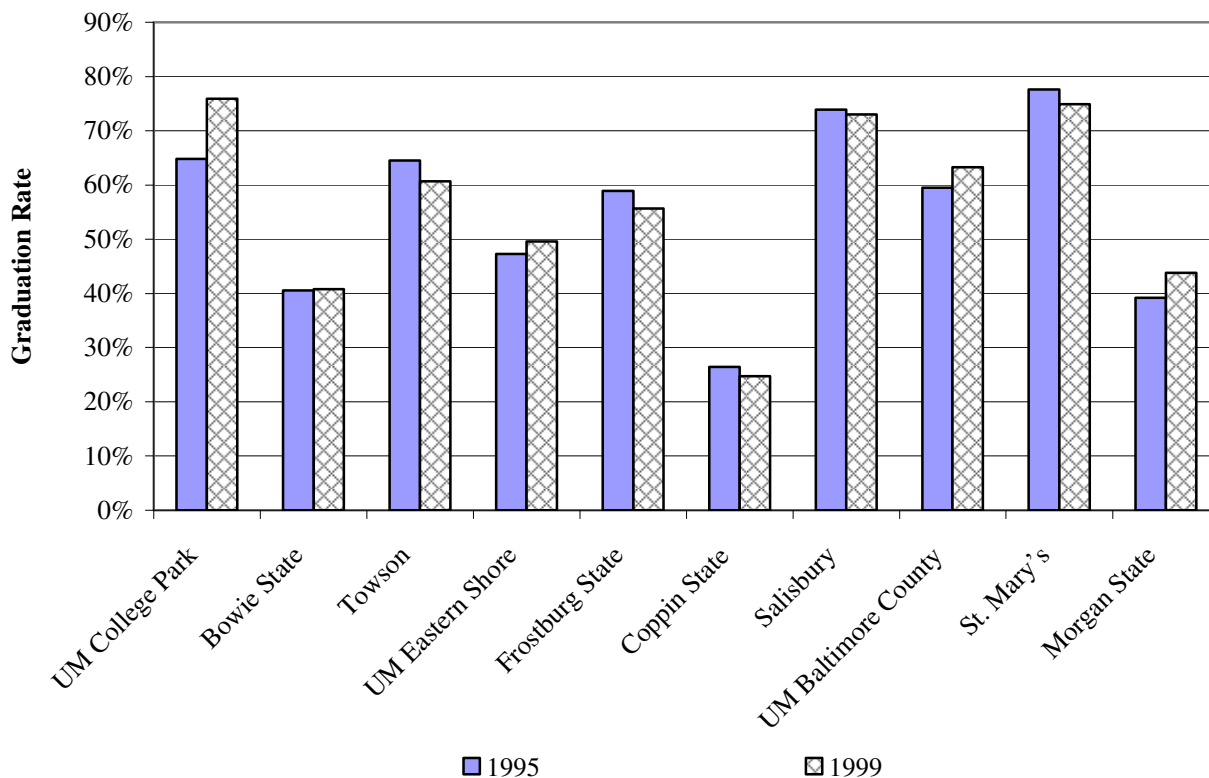
Higher Education Enrollment Trends
Public Four-year Institutions
Full-time Equivalent Students
Fall 2004 to Fall 2008

<u>Institution</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>Annual % 2004-07</u>	<u>% Change 2007-08</u>
Univ. of Maryland, Baltimore	5,140	5,242	5,335	5,465	5,505	1.5%	0.7%
Univ. of Maryland, College Park	28,254	28,088	27,991	28,241	29,402	0.0%	4.1%
Bowie State University	3,970	4,059	4,262	4,476	4,172	3.0%	-6.8%
Towson State University	13,561	14,021	14,150	14,955	15,596	2.5%	4.3%
Univ. of Maryland Eastern Shore	3,261	3,277	3,349	3,641	3,599	2.8%	-1.2%
Frostburg State University	4,503	4,401	4,433	4,449	4,222	-0.3%	-5.1%
Coppin State University	2,840	3,035	2,992	3,094	3,154	2.2%	1.9%
University of Baltimore	3,355	3,349	3,560	3,650	3,403	2.1%	-6.8%
Salisbury University	5,950	6,078	6,200	6,523	6,661	2.3%	2.1%
Univ. of Maryland University College	10,028	11,411	12,458	13,404	13,772	7.5%	2.7%
Univ. of Maryland Baltimore County	9,271	9,331	9,350	9,569	9,369	0.8%	-2.1%
Subtotal, USM	90,133	92,292	94,080	97,467	98,855	2.0%	1.4%
St. Mary's College of Maryland	1,990	1,995	1,995	1,995	2,040	0.1%	2.3%
Morgan State University	6,092	6,312	5,783	5,951	6,238	-0.6%	4.8%
Total	98,215	100,599	101,858	105,413	107,133	1.8%	1.6%

Note: The University of Maryland University College enrollment excludes non-Maryland on-line. Enrollment for 2007 and 2008 represents current institutional projections.

Source: Governor's Budget Books, Fiscal 2008

Six-year Graduation Rate for First-time Full-time Students

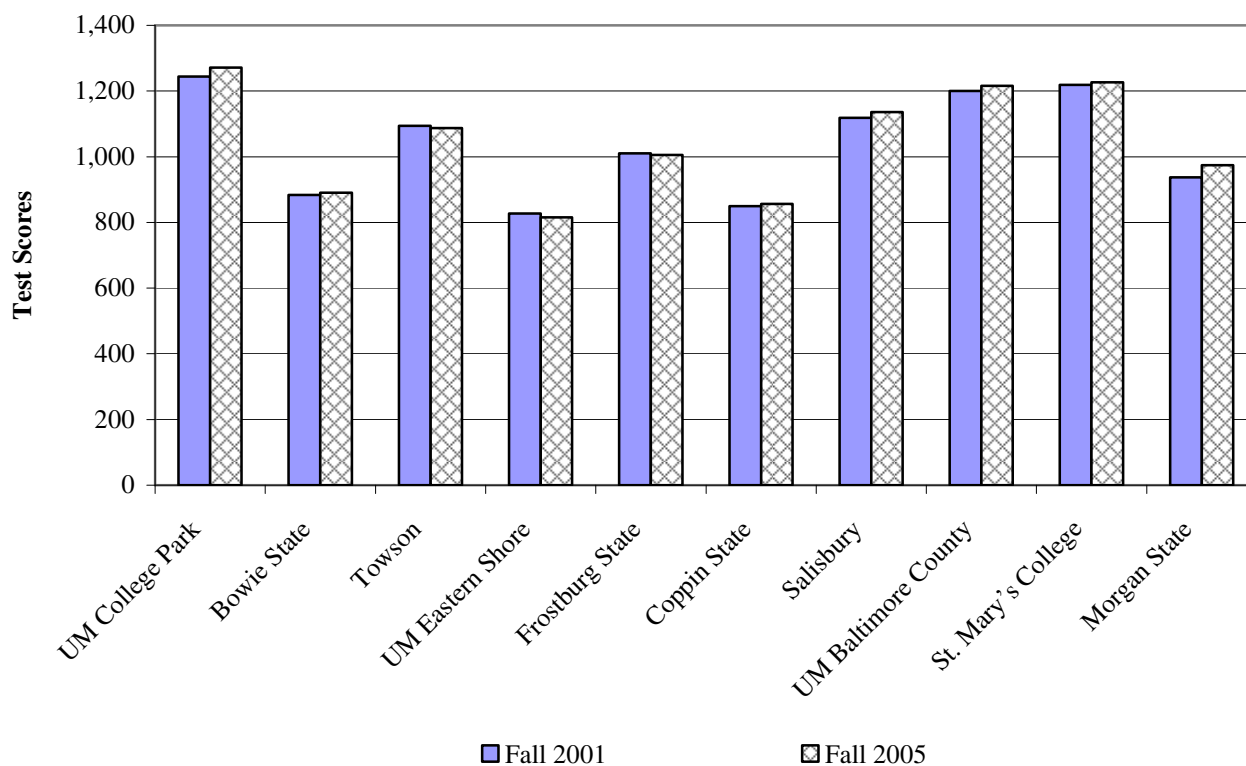


	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
Univ. of Maryland, College Park	64.8%	68.9%	70.8%	72.9%	75.9%
Bowie State University	40.6%	39.4%	39.4%	41.1%	40.8%
Towson University	64.5%	60.3%	59.8%	63.9%	60.7%
Univ. of Maryland Eastern Shore	47.3%	49.7%	52.6%	49.5%	49.6%
Frostburg State University	58.9%	56.5%	58.3%	57.1%	55.7%
Coppin State University	26.4%	29.3%	23.5%	26.5%	24.7%
Salisbury University	73.9%	70.8%	73.1%	72.8%	73.0%
Univ. of Maryland Baltimore County	59.5%	58.4%	61.1%	61.8%	63.3%
St. Mary's College of Maryland	77.6%	84.0%	81.6%	79.9%	74.9%
Morgan State University	39.2%	40.0%	40.9%	41.2%	43.8%
All Students Average	58.4%	59.3%	61.1%	62.1%	62.6%

Note: The data show the percentage of students who had graduated from any campus within six years after starting in the year and institution indicated.

Source: Maryland Higher Education Commission

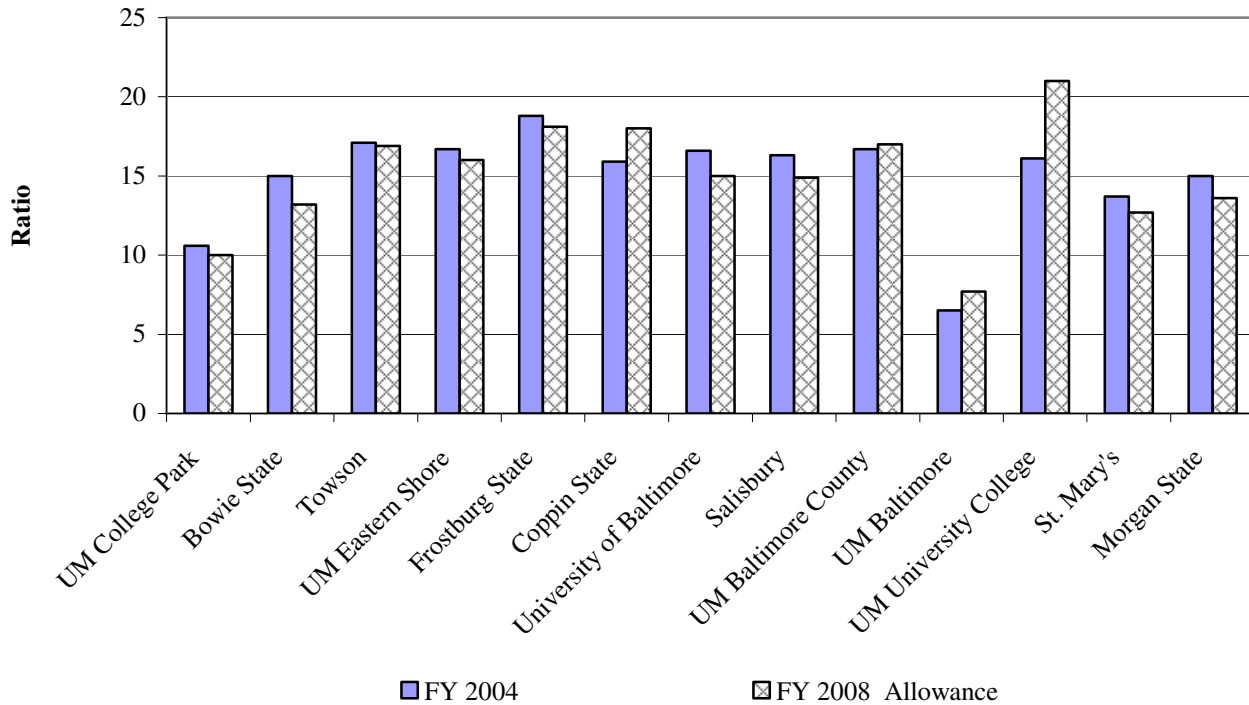
**Scholastic Aptitude Test Scores of First-year Students
Fall 2001 to Fall 2005**



	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Univ. of Maryland, College Park	1,244	1,263	1,259	1,254	1,271
Bowie State University	884	900	887	892	890
Towson University	1,094	1,094	1,096	1,078	1,087
Univ. of Maryland Eastern Shore	827	836	848	838	815
Frostburg State University	1,010	1,019	1,031	1,016	1,005
Coppin State University	850	850	850	858	856
Salisbury University	1,118	1,126	1,134	1,121	1,136
Univ. of Maryland Baltimore County	1,200	1,213	1,219	1,221	1,216
St. Mary's College of Maryland	1,219	1,232	1,252	1,248	1,227
Morgan State University	937	898	915	904	974
Average (not weighted)	1,038	1,043	1,049	1,043	1,048

Source: Maryland Higher Education Commission

Student-to-Faculty Ratio



	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>Working 2007</u>	<u>Allowance 2008</u>
Univ. of Maryland, College Park	10.6	10.0	11.0	11.0	10.0
Bowie State University	15.0	17.5	16.4	14.1	13.2
Towson University	17.1	17.4	18.6	18.6	16.9
Univ. of Maryland Eastern Shore	16.7	16.1	16.1	16.9	16.0
Frostburg State University	18.8	18.6	17.9	18.0	18.1
Coppin State University	15.9	17.3	19.0	18.0	18.0
University of Baltimore	16.6	16.2	14.9	14.8	15.0
Salisbury University	16.3	16.3	15.9	15.0	14.9
Univ. of Maryland Baltimore County	16.7	17.2	16.2	17.0	17.0
System Average	16.0	16.3	16.2	15.9	15.5
St. Mary's College of Maryland	13.7	13.5	13.2	13.0	12.7
Morgan State University	15.0	15.1	13.5	13.9	13.6
Four-year Average	15.7	15.9	15.7	15.5	15.0
Univ. of Maryland, Baltimore	6.5	6.6	8.0	7.7	7.7
Univ. of Maryland University College	16.1	20.0	21.0	23.0	21.0

Note: University of Maryland University College reflects stateside enrollment and faculty only.

Source: Department of Budget and Management; University of Maryland University College