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# **Higher Education Fiscal 2009 Budget Overview**

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**Department of Legislative Services  
Office of Policy Analysis  
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*Analysis of the FY 2009 Maryland Executive Budget, 2008*

*Higher Education – Fiscal 2009 Budget Overview*

## Higher Education Fiscal 2009 Budget Overview

### General and Higher Education Investment Fund Change for Higher Education

	<u>2008</u> <u>Working Approp.</u>	<u>2009</u> <u>Allowance</u>	<u>Dollar</u> <u>Increase</u>	<u>Percent</u> <u>Increase</u>
<b>Public Four-year Institutions</b>				
University System of Maryland (USM)	\$967,637,191	\$1,052,033,295	\$84,396,104	8.7%
Morgan State University (MSU)	65,653,343	71,431,195	5,777,852	8.8%
Tuition freeze for in-state undergraduates <sup>1</sup>	16,243,964	16,308,984	65,020	
Other Post Employment Benefits	0	6,604,304	6,604,304	
2% cost-of-living adjustment in the Department of Budget and Management allowance	23,017,697	24,709,495	1,691,798	
Other Higher Education Investment Fund (HEIF) funds	0	19,506,016	19,506,016	
<b>Subtotal – USM and MSU</b>	<b>\$1,072,552,195</b>	<b>\$1,190,593,289</b>	<b>\$118,041,094</b>	<b>11.0%</b>
St. Mary's College <sup>2,3</sup>	16,367,188	17,123,000	755,812	4.6%
<b>Subtotal – Public Four-year Institutions</b>	<b>\$1,088,919,383</b>	<b>\$1,207,716,289</b>	<b>\$118,796,906</b>	<b>10.9%</b>
<b>Other Higher Education</b>				
Maryland Higher Education Commission				
Administration	\$6,499,536	\$6,406,070	-\$93,466	-1.4%
Other Post Employment Benefits		\$127,529	127,529	
Financial Aid	101,988,157	107,269,245	5,281,088	5.2%
Educational Grants <sup>4</sup>	10,431,347	9,831,347	-600,000	-5.8%
Workforce Initiatives (HEIF)		3,000,000	3,000,000	
Private Donation Incentive Program	2,340,961	2,272,242	-68,719	-2.9%
Independent Institutions <sup>5</sup>	56,051,065	61,675,814	5,624,749	10.0%
Aid to Community Colleges <sup>6</sup>	241,700,700	270,809,234	29,108,534	12.0%
Baltimore City Community College <sup>3</sup>	39,697,646	41,121,295	1,423,649	3.6%
Deficiency Appropriation	750,000	0	-750,000	
<b>Subtotal – Other Higher Education</b>	<b>\$459,459,142</b>	<b>\$502,512,776</b>	<b>\$43,053,364</b>	<b>9.4%</b>
<b>Total Higher Education</b>	<b>\$1,548,378,795</b>	<b>\$1,710,229,065</b>	<b>\$161,850,270</b>	<b>10.5%</b>

<sup>1</sup>The fiscal 2008 tuition freeze was funded with general funds while the fiscal 2009 freeze is funded by the HEIF.

<sup>2</sup>St. Mary's College of Maryland did not participate in the tuition freeze in fiscal 2008 and does not in 2009.

<sup>3</sup>St. Mary's College of Maryland and Baltimore City Community College are both formula funded, which includes their Other Post Employment Benefits contributions.

<sup>4</sup>Educational grants includes funds for Physician Assistant – Nurse Practitioner Training grants. The decrease in Educational Grants is due to the discontinuance of the First Year Experience Program and Professional Development Schools grants.

<sup>5</sup>The Budget Reconciliation and Financing Act (SB 91/HB101) contains a contingent reduction of \$5.6 million, resulting in no increase in fiscal 2009.

<sup>6</sup>Total State aid includes Cade formula funding, other grants, and retirement payments.

## General Fund Support for Public Universities Fiscal 2005-2009 Allowance

<u>Institution</u>	<u>2005 Actual</u>	<u>2006 Actual</u>	<u>2007 Actual</u>	<u>2008 Working</u>	<u>2009 Allowance<sup>1</sup></u>	<u>2005-08 Annual %</u>	<u>2008-09 \$ Change</u>	<u>2008-09 %</u>
Univ. of Maryland, Baltimore <sup>2</sup>	\$133,497,622	\$145,702,081	\$157,678,766	\$170,642,032	\$182,095,218	8.5%	\$11,453,186	6.7%
Univ. of Maryland, College Park <sup>3</sup>	310,281,793	328,809,523	370,688,761	396,173,691	414,551,602	8.5%	\$18,377,911	4.6%
Bowie State University	21,006,128	22,269,547	31,110,537	33,232,339	34,179,334	16.5%	\$946,995	2.8%
Towson University	58,945,915	63,121,550	76,170,648	82,442,411	86,720,185	11.8%	\$4,277,774	5.2%
Univ. of Maryland Eastern Shore	21,829,549	23,321,709	28,616,142	30,876,507	31,908,122	12.3%	\$1,031,615	3.3%
Frostburg State University	24,838,529	26,434,454	29,667,229	31,116,909	32,489,758	7.8%	\$1,372,849	4.4%
Coppin State University	19,068,318	20,802,188	30,427,867	31,813,469	34,800,678	18.6%	\$2,987,209	9.4%
Univ. of Baltimore	21,297,219	22,709,573	26,241,675	27,843,694	29,648,240	9.3%	\$1,804,546	6.5%
Salisbury University	25,995,091	27,570,519	32,928,037	35,018,612	37,671,866	10.4%	\$2,653,254	7.6%
University of Maryland University College	14,633,278	15,191,125	20,069,456	24,691,418	26,142,695	19.1%	\$1,451,277	5.9%
Univ. of Maryland Baltimore County	66,376,510	70,490,730	79,269,769	84,488,263	88,811,818	8.4%	\$4,323,555	5.1%
Univ. of Maryland Center for Env. Science	13,151,931	14,053,768	15,450,329	17,286,306	18,148,293	9.5%	\$861,987	5.0%
Univ. of Maryland Biotechnology Institute <sup>2</sup>	15,028,511	17,400,955	20,771,123	19,959,624	20,942,099	9.9%	\$982,475	4.9%
University System of Maryland Office	11,747,293	13,709,996	14,446,869	19,332,764	20,118,971	18.1%	\$786,207	4.1%
<b>Subtotal, University System of Maryland</b>	<b>\$757,697,687</b>	<b>\$811,587,718</b>	<b>\$933,537,208</b>	<b>\$1,004,918,039</b>	<b>\$1,058,228,879</b>	<b>9.9%</b>	<b>\$53,310,840</b>	<b>5.3%</b>
Morgan State University	\$48,859,634	\$51,928,549	\$62,984,721	\$67,634,160	\$71,839,915	11.4%	\$4,205,755	6.2%
St. Mary's College	13,977,883	14,592,910	15,906,000	16,367,188	17,123,000	5.4%	\$755,812	4.6%
<b>Total</b>	<b>\$820,535,204</b>	<b>\$878,109,177</b>	<b>\$1,012,427,929</b>	<b>\$1,088,919,387</b>	<b>\$1,147,191,794</b>	<b>9.9%</b>	<b>\$58,272,407</b>	<b>5.4%</b>

<sup>1</sup>Does not include Higher Education Investment Funds or cost-of-living adjustment

<sup>2</sup>Fiscal 2008 working appropriation reflects the transfer of the Institute for Human Virology (IHV) from UMBI to UMB; previous year budgets have not been adjusted, *i.e.*, IHV is budgeted in UMBI.

<sup>3</sup>Does not include special funds for the Maryland Fire and Rescue Institute

Source: Governor's Budget Books, Fiscal 2006 and 2009; Department of Budget and Management

## **Higher Education Investment Fund**

One of the actions taken during the 2007 special session was the creation of the Higher Education Investment Fund (HEIF) as part of the Tax Reform Act of 2007. The Act increased the corporate income tax rate from 7.0% to 8.25% with 6% of this new revenue allocated to higher education through the HEIF. Fiscal 2008 revenue is specified in the bill at \$16.0 million and \$54.3 million is estimated for fiscal 2009. **Exhibit 1** shows a breakdown of how the Administration proposes to use the fund in fiscal 2009. The largest share is for tuition replacement, \$16.3 million, to fund an in-state undergraduate tuition freeze at all public four-year institutions except St. Mary's College. Workforce development and enrollment support make up the majority of the other uses, at \$15.2 million and \$11.6 million, respectively. There are also two capital projects, \$4.0 million for a Physical Sciences complex at the University of Maryland, College Park (UMCP), and \$3.1 million for a business school building at Morgan State University (MSU). At the end of the fiscal year, the HEIF is projected to have \$15.4 million remaining.

**Exhibit 1  
Higher Education Investment Fund**

<u>Institution</u>	<u>Tuition Replacement</u>	<u>Enrollment</u>	<u>Capital</u>	<u>Workforce Development</u>	Enhancements		<u>Closing Achievement Gap</u>	<u>Total</u>
					<u>Research</u>			
Univ. of Maryland, Baltimore	\$186,185	\$269,500		\$3,000,000	\$825,333			\$4,281,018
Univ. of Maryland, College Park	4,822,145	2,614,150	\$4,000,000	7,500,000	*	1,500,000	*	20,436,295
Bowie State University	573,158	779,736					\$350,000	1,702,894
Towson University	2,368,676	2,750,000						5,118,676
Univ. of Maryland Eastern Shore	396,761	151,486		650,000				1,198,247
Frostburg State University	721,031	309,548		250,000				1,280,579
Coppin State University	367,022						100,000	467,022
University of Baltimore	346,318	1,390,549						1,736,867
Salisbury University	1,067,535	825,000		325,000				2,217,535
Univ. of Maryland Univ. College	2,681,359	600,000						3,281,359
Univ. of Maryland Baltimore County	1,963,794	865,714		450,000				3,279,508
Morgan State University	815,000	1,000,000	3,100,000			1,000,000	1,000,000	6,915,000
Maryland Higher Education Commission				3,000,000				3,000,000
<b>Total</b>	<b>\$16,308,984</b>	<b>\$11,555,683</b>	<b>\$7,100,000</b>	<b>\$15,175,000</b>	<b>\$3,325,333</b>		<b>\$1,450,000</b>	<b>\$54,915,000</b>
<b>Fiscal 2008 Revenue (SB 2 of the 2007 special session)</b>	<b>\$16,000,000</b>							
<b>Projected FY 2009 Revenue</b>	<b>\$54,300,000</b>							
<b>FY 2009 Total Spending</b>	<b>\$54,915,000</b>							
<b>Projected Balance at End of FY 2009</b>	<b>\$15,385,000</b>							

\*Funded projects include two that are capital in nature and should be budgeted through the Board of Public Works.  
Source: University System of Maryland, Department of Legislative Services

### *Higher Education – Fiscal 2009 Budget Overview*

The HEIF enhancements are to support specific programs or initiatives that would normally be funded out of an institution's operating budget. The uses of enhancements in fiscal 2009 are outlined below.

- UMB: Expand nursing programs at the Universities at Shady Grove and Baltimore campuses (\$3,000,000) and information technology equipment for Institute for Genome Sciences (\$825,333).
- UMCP: Renovate recreational space into classroom, laboratory, and office space (\$7,500,000) and modernize animal research facility (\$1,500,000).
- Bowie State University (BSU): Redesign general education courses that support the nursing program to close the achievement gap (\$350,000).
- University of Maryland Eastern Shore (UMES): Support expanding pharmacy program (\$650,000).
- Frostburg State University (FSU): Laboratory upgrades and personnel support for nursing program (\$250,000).
- Coppin State University (CSU): Course redesign to close achievement gap (\$100,000).
- Salisbury University (SU): Support Respiratory Therapy program at the Universities at Shady Grove (325,000).
- University of Maryland Baltimore County: Support Life Sciences and Materials Microscopy Imaging Facility (\$450,000).
- MSU: Closing achievement gap (\$1,000,000) and advancing as a research institution (\$1,000,000).

**The Department of Legislative Services advises that both of UMCP's projects funded with enhancement money are capital in nature. These projects should be budgeted as pay-as-you-go (PAYGO) capital and processed through the Board of Public Works.**

Combining general funds with non-capital HEIF, State support for higher education grows by \$94.1 million or 8.6% as shown in **Exhibit 2**. The largest percent increase occurs at UMUC, growing 19.2% (\$4.7 million). The largest whole dollar increase is at UMCP, growing \$25.8 million, or 6.5%.

**Exhibit 2**  
**General Fund and Higher Education Investment Fund Support for Public Universities**  
**Fiscal 2008 and 2009 Allowance**

<u>Institution</u>	<u>2008 Working</u>	<u>2009 Allowance</u>	<u>2008-09 \$ Change</u>	<u>2008-09 % Change</u>
Univ. of Maryland, Baltimore	\$170,642,032	\$186,376,236	\$15,734,204	9.2%
Univ. of Maryland, College Park	396,173,691	421,987,897	\$25,814,206	6.5%
Bowie State University	33,232,339	35,882,228	\$2,649,889	8.0%
Towson University	82,442,411	91,838,861	\$9,396,450	11.4%
Univ. of Maryland Eastern Shore	30,876,507	33,106,369	\$2,229,862	7.2%
Frostburg State University	31,116,909	33,770,337	\$2,653,428	8.5%
Coppin State University	31,813,469	35,267,700	\$3,454,231	10.9%
Univ. of Baltimore	27,843,694	31,385,107	\$3,541,413	12.7%
Salisbury University	35,018,612	39,889,401	\$4,870,789	13.9%
University of Maryland University College	24,691,418	29,424,054	\$4,732,636	19.2%
Univ. of Maryland Baltimore County	84,488,263	92,091,326	\$7,603,063	9.0%
Univ. of Maryland Center for Envi. Science	17,286,306	18,148,293	\$861,987	5.0%
Univ. of Maryland Biotechnology Institute	19,959,624	20,942,099	\$982,475	4.9%
University System of Maryland Office	19,332,764	20,118,971	\$786,207	4.1%
<b>Subtotal, University System of Maryland</b>	<b>\$1,004,918,039</b>	<b>\$1,090,228,879</b>	<b>\$85,310,840</b>	<b>8.5%</b>
Morgan State University	\$67,634,160	\$75,654,915	\$4,205,755	11.9%
St. Mary's College	16,367,188	17,123,000	\$755,812	4.6%
<b>Total</b>	<b>\$1,088,919,387</b>	<b>\$1,183,006,794</b>	<b>\$94,087,407</b>	<b>8.6%</b>

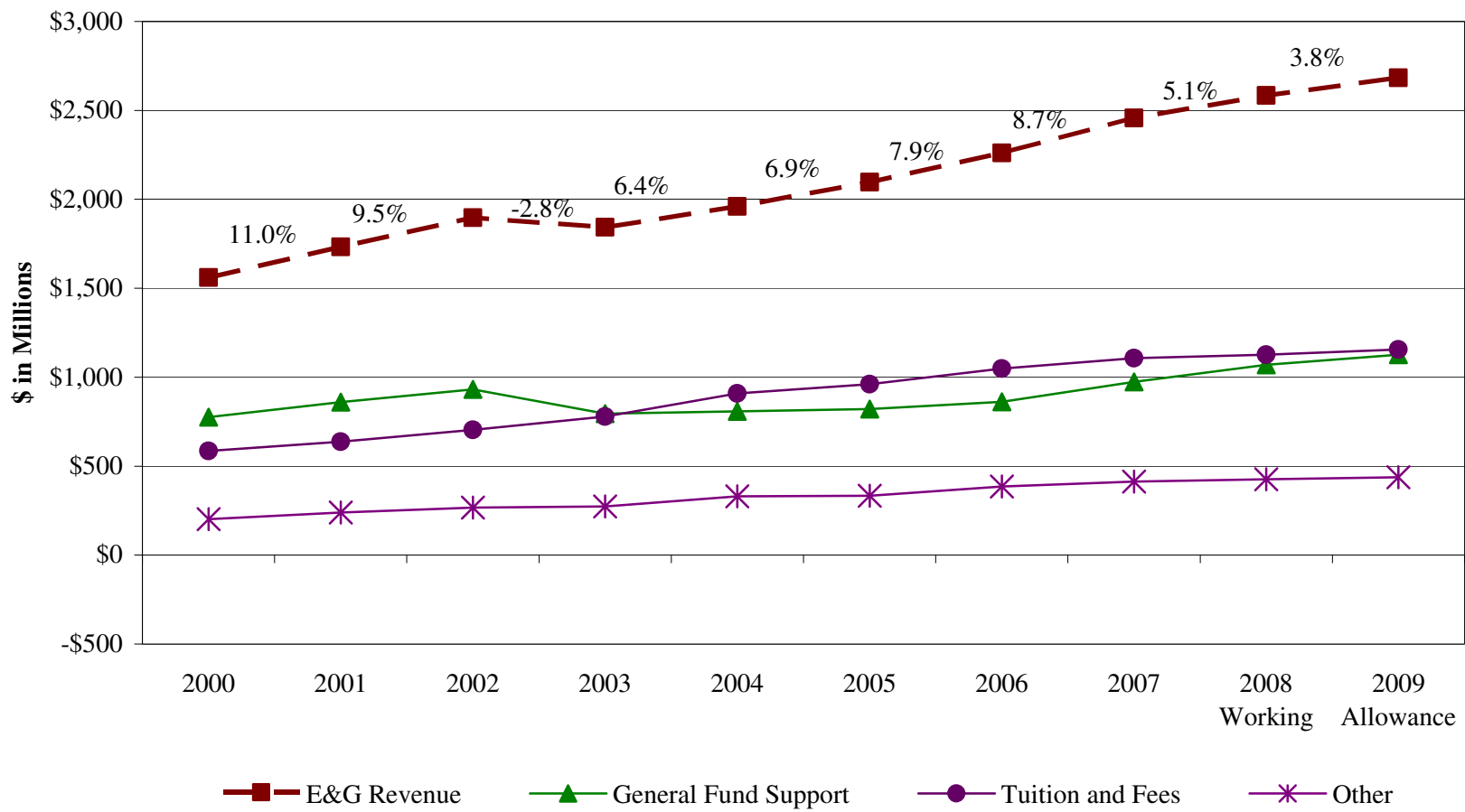
Source: Governor's Budget Books, Fiscal 2009

## Education and General Revenues

**Exhibit 3** shows total education and general (E&G) revenues at public four-year institutions from fiscal 2000 to the 2009 allowance. E&G revenue is made up of tuition and fees, general funds, non-capital HEIF appropriations, and other education-related expenses. Not included is auxiliary income from sources such as dining halls, bookstores, athletics, and dormitories. Hospital related expenditures are also excluded from E&G revenue, affecting the University of Maryland, Baltimore (UMB).

Total E&G revenue grew from fiscal 2000 to 2002, declined in fiscal 2003, and again increased from fiscal 2004 through 2008. The 2009 allowance continues that trend, although increasing at a slower rate of 3.8%. The primary source of E&G revenue increases since fiscal 2004 has been tuition and fees. General funds have fluctuated since fiscal 2000, dropping in fiscal 2003 and remaining flat through fiscal 2006 until larger increases began again in fiscal 2007. Tuition and fee revenue has grown through the entire period, although the largest increases were between fiscal 2003 and 2006. This growth has flattened since fiscal 2007, however, due to a tuition freeze. Fiscal 2004 saw tuition and fees exceed general fund appropriations for the first time in recent history although that gap has narrowed since fiscal 2007.

**Exhibit 3**  
**Education and General Revenues<sup>1</sup>**  
**Fiscal 2000-2009**  
**(\$ in Millions)**



<sup>1</sup>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 UMB, hospital expenditures are excluded from Educational and General Revenue.  
 Source: Governor’s Budget Books, Fiscal 2008-2009

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E&G revenue also includes other revenue from unrestricted federal, State, local, and private grants and contracts; educational sales and services; investment income; and transfers to and from fund balance. The largest source of income in this category is the sale and service of educational activities. Trends in E&G revenue by institution can be found in **Appendices 1** through **3**.

## Tuition and Mandatory Fee Costs

The fiscal 2009 allowance provides for a tuition freeze for in-state undergraduate students within the University System of Maryland (USM) institutions and MSU. This freeze is funded by the HEIF. The HEIF funds equate to approximately a 4.0% increase at USM schools and a 5.0% increase at MSU. St. Mary's College of Maryland (SMCM) is unaffected by the freeze, and tuition increases by 5.0% in fall 2008. **Exhibit 4** shows tuition rates at the State's public four-year institutions since fall 2001. The average annual increase over the period ranges from 2.2% at UMUC to 7.1% at SMCM.

**Exhibit 4**  
**Tuition Rates at Public Four-year Institutions**  
**In-state Full-time Undergraduate Students**

	<u>Fall</u> <u>2001</u>	<u>Fall</u> <u>2005</u>	<u>%</u> <u>Change</u> <u>2001-05</u>	<u>Fall</u> <u>2006</u>	<u>Fall</u> <u>2007</u>	<u>Proposed</u> <u>Fall</u> <u>2008</u>	<u>Average Annual</u> <u>% Change</u> <u>2001-08</u>
Coppin State University	\$2,727	\$3,527	29.3%	\$3,527	\$3,527	\$3,527	3.7%
Univ. of Maryland Eastern Shore	2,871	4,112	43.2%	4,112	4,112	4,112	5.3%
Bowie State University	2,941	4,286	45.7%	4,286	4,286	4,286	5.5%
Salisbury University	3,216	4,814	49.7%	4,814	4,814	4,814	5.9%
Frostburg State University	3,444	5,000	45.2%	5,000	5,000	5,000	5.5%
Towson University	3,605	5,180	43.7%	5,180	5,180	5,180	5.3%
University of Baltimore	3,684	5,325	44.5%	5,325	5,325	5,325	5.4%
Univ. of Maryland, College Park	4,334	6,566	51.5%	6,566	6,566	6,566	6.1%
Univ. of Maryland Baltimore County	4,374	6,484	48.2%	6,484	6,484	6,484	5.8%
Univ. of Maryland Univ. College*	4,728	5,520	16.8%	5,520	5,520	5,520	2.2%
Morgan State University	3,150	4,280	35.9%	4,280	4,280	4,280	4.5%
St. Mary's College	6,474	9,063	40.0%	9,498	9,973	10,472	7.1%

\*Based on 24 credit hours.

Source: University System of Maryland Schedule of Tuition and Mandatory Fees; Governor's Budget Books, Fiscal 2009; Fall 2008 rates pending governing board approval

*Higher Education – Fiscal 2009 Budget Overview*

Although tuition rates are frozen, mandatory fees are not, and the cost to attend college for in-state residents will increase in fall 2008. **Exhibits 5 and 6** show the growth in tuition and fee rates for both in-state and out-of-state students between fall 2001 and 2008. The highest increase in fall 2008 at a school affected by the tuition freeze is 3.2% at CSU. UMCP and SU are the lowest with a 0.5% increase. Between fall 2001 and 2005, every school saw tuition and fees increase more than 35.0% with the exception of UMUC at 19.3%. With tuition rates frozen, in-state tuition and fee costs have moderated from fall 2005 to 2008, averaging a 5.4% increase over the period.

Exhibit 6 shows tuition and fee rates for out-of-state students at Maryland’s public four-year institutions. The total increase between fall 2001 and 2005 was highest at SMCM at 57.0% and lowest at UMUC with 17.2%. From fall 2007 to 2008, only two schools have increases above 5.0%, St. Mary’s College at 5.1% and UMUC at 6.2%. The lowest is UMBC at 0.4%.

**Exhibit 5**  
**Tuition and Mandatory Fee Rates at Maryland Public Institutions**  
**Fall 2001-2008**  
**In-state Undergraduate Full-time Tuition and Mandatory Fees**

	<u>Fall 2001</u>	<u>Fall 2005</u>	<u>% Change 2001-05</u>	<u>Fall 2007</u>	<u>Fall 2008</u>	<u>% Change 07-08</u>	<u>% Change 2005-08</u>
Coppin State University	\$3,477	\$4,714	35.6%	\$4,980	\$5,140	3.2%	9.0%
Univ. of Maryland Eastern Shore	4,128	5,808	40.7%	5,988	6,042	0.9%	4.0%
Bowie State University	3,782	5,481	44.9%	5,939	6,005	1.1%	9.6%
Salisbury University	4,486	6,376	42.1%	6,412	6,442	0.5%	1.0%
Frostburg State University	4,256	6,230	46.4%	6,550	6,614	1.0%	6.2%
Towson University	4,984	7,096	42.4%	7,234	7,314	1.1%	3.1%
Univ. of Baltimore	4,504	6,795	50.9%	6,934	7,054	1.7%	3.8%
Univ. of Maryland, College Park	5,341	7,821	46.4%	7,969	8,005	0.5%	2.4%
Univ. of Maryland Baltimore County	5,910	8,520	44.2%	8,708	8,780	0.8%	3.1%
Univ. of Maryland Univ. College*	4,728	5,640	19.3%	5,640	5,760	2.1%	2.1%
Morgan State University	4,508	6,110	35.5%	6,262	6,420	2.5%	5.1%
St. Mary’s College of Maryland	7,609	10,896	43.2%	11,989	12,604	5.1%	15.7%

\*Based on 24 credit hours.

Source: University of Maryland budget requests for fiscal 2002-2007; Governor’s Budget Books, Fiscal 2008-2009; Fall 2008 rates pending University System of Maryland Board of Regents approval and St. Mary’s College of Maryland Board of Trustees approval

**Exhibit 6**  
**Out-of-state Undergraduate Full-time Tuition and Mandatory Fees**

	<u>Fall</u> <u>2001</u>	<u>Fall</u> <u>2005</u>	<u>%</u> <u>Change</u> <u>2001-05</u>	<u>Fall</u> <u>2007</u>	<u>Fall</u> <u>2008</u>	<u>%</u> <u>Change</u> <u>07-08</u>	<u>%</u> <u>Change</u> <u>2005-08</u>
Coppin State University	\$8,604	\$11,235	30.6%	\$12,753	\$13,365	4.8%	19.0%
Univ. of Maryland Eastern Shore	8,612	11,964	38.9%	12,555	12,830	2.2%	7.2%
Bowie State University	9,864	14,786	49.9%	15,629	16,226	3.8%	9.7%
Salisbury University	9,942	14,054	48.5%	14,500	14,744	1.7%	4.9%
Frostburg State University	9,754	14,480	48.5%	16,162	16,810	4.0%	16.1%
Towson University	11,870	16,030	35.0%	17,174	17,860	4.0%	11.4%
Univ. of Baltimore	12,594	18,373	45.9%	19,716	20,559	4.3%	11.9%
Univ. of Maryland, College Park	13,413	20,145	50.2%	22,208	23,076	3.9%	14.5%
Univ. of Maryland Baltimore County	11,290	16,596	47.0%	17,439	17,512	0.4%	5.5%
Univ. of Maryland Univ. College*	8,736	10,272	17.6%	11,304	12,000	6.2%	16.8%
Morgan State University	10,718	13,520	26.1%	14,383	14,871	3.4%	10.0%
St. Mary's College of Maryland	12,594	19,773	57.0%	22,323	23,454	5.1%	18.6%

\*Based on 24 credit hours.

Source: University of Maryland budget requests for fiscal 2002-2007; Governor's Budget Books, Fiscal 2008-2009

**Exhibit 7** shows anticipated tuition and fee revenue for fiscal 2009 at the State's four-year public universities. USM tuition and fee revenue is expected to increase \$26.8 million over the 2008 working appropriation. Total tuition and fee revenue for all public four-year institutions is projected to be nearly \$1.2 billion.

**Exhibit 7**  
**Tuition and Fee Revenue**  
**Public Four-year Institutions**

	<u>USM</u>	<u>All Four-year Institutions</u>
Fiscal 2007 Actual	\$1,022,097,179	\$1,103,966,579
Fiscal 2008 Working	1,056,407,794	1,141,659,301
Fiscal 2009 Allowance	1,083,226,871	1,172,445,584
Increase Fiscal 2008 to 2009	\$26,819,077	\$30,786,283
Growth Rate	2.5%	2.7%

Note: Tuition and fees are pending final USM, Morgan State University, and St. Mary's College governing board approval.

Source: Governor's Budget Books, Fiscal 2009

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## How Do Maryland Institutions Compare Nationally?

**Exhibits 8 and 9** compare UMCP to the top 18 public doctoral universities in the “Top National Universities” ranking by *U.S. News and World Report*. Included on this list are UMCP's aspirational peers, or schools that UMCP would most like to emulate. The schools are ordered by most to least expensive in-state tuition and fees. Each school's overall *U.S. News and World Report* ranking is also shown. UMCP ranks as the seventh most expensive school for in-state students, although it is down two spots from fifth most expensive a year ago. Among aspirational peers, two have higher in-state tuition and fee rates and three are lower. In terms of rate increases, UMCP's in-state tuition and fees have been increasing slower than its aspirational peers. For out-of-state students, UMCP ranks fourteenth most expensive among public doctoral universities ranked, compared to twelfth most expensive in 2006-2007.

**Exhibit 8**  
**University of Maryland College Park Tuition and Mandatory Fees as Compared to**  
**the Top Public Doctoral Universities in the *U.S. News and World Report* Ranking**  
**2008**  
**In-State Undergraduate Full-time Tuition and Mandatory Fees**

	<u>Fall</u> <u>2001</u>	<u>Fall</u> <u>2005</u>	<u>Fall</u> <u>2006</u>	<u>Fall</u> <u>2007</u>	<u>%</u> <u>Change</u> <u>2006-07</u>	<u>\$</u> <u>Change</u> <u>2001-07</u>	<u>%</u> <u>Change</u> <u>2001-07</u>
Pennsylvania State Univ. – Univ. Park (48)	\$7,376	\$11,508	12,164	12,844	5.6%	\$5,468	74.1%
Univ. of Illinois – Urbana Champaign* (38)	5,754	8,688	9,882	11,130	12.6%	\$5,376	93.4%
Univ. of Michigan – Ann Arbor* (25)	6,935	9,213	9,723	10,447	7.4%	\$3,512	50.6%
College of William and Mary (VA) (33)	4,780	7,723	8,490	9,210	8.5%	\$4,430	92.7%
Univ. of Virginia (23)	4,248	7,133	7,845	8,500	8.3%	\$4,252	100.1%
Univ. of California – Davis (42)	4,601	7,457	7,593	8,109	6.8%	\$3,508	76.2%
<b>UM College Park (54)<sup>1</sup></b>	<b>5,341</b>	<b>7,821</b>	<b>7,906</b>	<b>7,969</b>	<b>0.8%</b>	<b>\$2,628</b>	<b>49.2%</b>
Univ. of California – Santa Barbara (44)	3,841	6,993	7,010	7,896	12.6%	\$4,055	105.6%
Univ. of Texas – Austin (44)	3,776	6,972	7,630	7,670	0.5%	\$3,894	103.1%
Univ. of California – Irvine (44)	4,556	6,770	6,794	7,555	11.2%	\$2,999	65.8%
Univ. of California – San Diego (38)	4,358	6,681	6,888	7,435	7.9%	\$3,077	70.6%
Univ. of Wisconsin – Madison (38)	4,086	6,280	6,726	7,188	6.9%	\$3,102	75.9%
Univ. of California – Berkeley* (21)	4,091	6,512	6,654	7,164	7.7%	\$3,073	75.1%
Univ. of California – Los Angeles* (25)	4,230	6,504	6,522	7,038	7.9%	\$2,808	66.4%
Univ. of Washington (42)	3,984	5,620	5,985	6,385	6.7%	\$2,401	60.3%
Georgia Institute of Technology (35)	3,454	4,648	4,926	5,642	14.5%	\$2,188	63.3%
Univ. of North Carolina – Chapel Hill* (28)	3,302	4,515	5,034	5,340	6.1%	\$2,038	61.7%
Univ. of Florida (49)	2,444	3,094	3,206	3,256	1.6%	\$812	33.2%
Unweighted average	4,509	6,896	7,277	7,821	7.5%	\$3,312	73.5%

\*Aspirational peer institution.

<sup>1</sup>Among public four-year institutions, University of Maryland, College Park is ranked 18

Source: The Chronicle of Higher Education web site database, <http://chronicle.com/premium/stats/tuition/2007>  
*U.S. News and World Report – America’s Best Colleges 2008*

**Exhibit 9  
Out-of-State Undergraduate Full-time Tuition and Mandatory Fees**

	<u>Fall 2001</u>	<u>Fall 2005</u>	<u>Fall 2006</u>	<u>Fall 2007</u>	<u>% Change 2006-07</u>	<u>\$ Change 2001-07</u>	<u>% Change 2001-07</u>
Univ. of Michigan – Ann Arbor* (25)	\$21,645	\$27,601	\$29,131	\$31,301	13.4%	\$9,656	44.6%
Univ. of California – Davis (42)	15,674	25,277	26,277	27,729	9.7%	\$12,055	76.9%
Univ. of Virginia (23)	18,280	23,877	25,945	27,545	15.4%	\$9,265	50.7%
Univ. of California – Santa Barbara (44)	14,915	24,813	25,694	27,516	10.9%	\$12,601	84.5%
College of William and Mary (VA) (33)	17,778	22,993	25,048	27,515	19.7%	\$9,737	54.8%
Univ. of California – Irvine (44)	15,630	24,590	25,478	27,175	10.5%	\$11,545	73.9%
Univ. of California – San Diego (38)	15,878	24,501	25,372	27,019	10.3%	\$11,141	70.2%
Univ. of California – Berkeley* (21)	15,163	24,332	25,338	26,784	10.1%	\$11,621	76.6%
Univ. of California – Los Angeles* (25)	15,303	24,324	25,206	26,658	9.6%	\$11,355	74.2%
Univ. of Illinois – Urbana Champaign* (38)	13,574	22,774	23,968	25,216	10.7%	\$11,642	85.8%
Univ. of Texas – Austin (44)	10,106	16,310	20,364	24,554	50.5%	\$14,448	143.0%
Pennsylvania State Univ. – Univ. Park (48)	15,502	21,744	22,712	23,712	9.1%	\$8,210	53.0%
Georgia Institute of Technology (35)	12,350	18,990	20,272	23,366	23.0%	\$11,016	89.2%
<b>UM College Park (54)<sup>1</sup></b>	<b>13,413</b>	<b>20,145</b>	<b>21,345</b>	<b>22,208</b>	<b>10.2%</b>	<b>\$8,795</b>	<b>65.6%</b>
Univ. of Washington (42)	13,257	19,917	21,283	22,131	11.1%	\$8,874	66.9%
Univ. of Wisconsin – Madison (38)	15,973	20,280	20,726	21,438	5.7%	\$5,465	34.2%
Univ. of North Carolina – Chapel Hill* (28)	13,269	18,313	19,682	20,988	14.6%	\$7,719	58.2%
Univ. of Florida (49)	9,956	16,579	17,791	17,841	7.6%	\$7,885	79.2%
Unweighted average	14,870	22,076	23,424	25,039	6.9%	10,168	68.4%

\*Aspirational peer institution.

<sup>1</sup>Among public four-year institutions, University of Maryland, College Park is ranked 18

Source: The Chronicle of Higher Education web site database, <http://chronicle.com/premium/stats/tuition/2007>  
*U.S. News and World Report – America’s Best Colleges 2008*

**Exhibits 10 and 11** compare Towson University (TU) and SU to the top 11 public schools within *U.S. News and World Report’s* “Top Northern Master’s University” category along with each school’s overall ranking. It is important to note that many schools from previous years that were used to compare tuition and fee rates did not rank in this category this year. Nevertheless, TU and SU remain highly ranked among public master’s universities. In the exhibits, the schools are ranked from most expensive to least expensive in terms of tuition and fee rates. For in-state tuition and fees, TU and SU are ranked sixth and eighth, respectively, out of twelve. In out-of-state tuition, TU is fourth most expensive and SU seventh.

**Exhibit 10**  
**Towson University and Salisbury University Tuition and Mandatory Fees as Compared to the Top Northern Public Master’s Universities in the 2008 *U.S. News and World Report* Ranking and Several Peers**  
**In-state Undergraduate Full-time Tuition and Mandatory Fees**

	<b>Fall 2001</b>	<b>Fall 2005</b>	<b>Fall 2006</b>	<b>Fall 2007</b>	<b>% Change 2006-07</b>	<b>\$ Change 2001-07</b>	<b>% Change 2001-07</b>
College of New Jersey** (5)	\$6,666	\$9,707	\$10,553	\$11,307	7.1%	\$4,641	69.6%
Rutgers – Camden (NJ) (25)	6,484	5,400	9,758	10,532	7.9%	4,048	62.4%
Rowan Univ. (NJ)* (28)	5,779	8,606	9,330	10,068	7.9%	4,289	74.2%
Ramapo College of New Jersey (32)	6,178	8,791	9,545	9,965	4.4%	3,787	61.3%
Montclair State University* (45)	5,026	7,570	8,402	8,895	5.9%	3,869	77.0%
<b>Towson Univ. (45)<sup>1</sup></b>	<b>4,984</b>	<b>7,096</b>	<b>7,164</b>	<b>7,234</b>	<b>1.0%</b>	<b>2,250</b>	<b>45.1%</b>
Millersville University of Pennsylvania* (45)	5,053	6,235	6,398	6,624	3.5%	1,571	31.1%
<b>Salisbury Univ. (38)<sup>1</sup></b>	<b>4,486</b>	<b>6,376</b>	<b>6,412</b>	<b>6,412</b>	<b>0.0%</b>	<b>1,926</b>	<b>42.9%</b>
SUNY Col. Arts and Sci. – Geneseo** (11)	4,310	5,520	5,560	5,616	1.0%	1,306	30.3%
SUNY Col. Arts and Sci. – New Paltz (38)	4,075	5,260	5,340	5,390	0.9%	1,315	32.3%
CUNY – Baruch College (35)	3,350	4,320	4,320	4,320	0.0%	970	29.0%
Unweighted Average	5,223	7,196	7,850	8,186	4.3%	2,964	56.7%

CUNY: City University of New York

SUNY: State University of New York

\* Towson University peer institution

\*\* Salisbury University peer institution

<sup>1</sup> Among public schools, Towson ranks 8 and Salisbury ranks 7.

Source: The Chronicle of Higher Education web site database, <http://chronicle.com/premium/stats/tuition/2006>  
*U.S. News and World Report – America’s Best Colleges 2008*

**Exhibit 11**  
**Out-of-state Undergraduate Full-time Tuition and Mandatory Fees**

	<u>Fall</u> <u>2001</u>	<u>Fall</u> <u>2005</u>	<u>Fall</u> <u>2006</u>	<u>Fall</u> <u>2007</u>	<u>%</u> <u>Change</u> <u>2006-07</u>	<u>\$</u> <u>Change</u> <u>2001-07</u>	<u>%</u> <u>Change</u> <u>2001-07</u>
Rutgers – Camden (NJ) (25)	\$11,922	\$16,626	\$18,263	\$19,700	7.9%	\$7,778	65.2%
College of New Jersey** (5)	10,414	14,970	17,099	18,530	8.4%	8,116	77.9%
Rowan Univ. (NJ)* (28)	10,279	14,900	16,128	17,376	7.7%	7,097	69.0%
<b>Towson Univ. (45)<sup>1</sup></b>	<b>11,870</b>	<b>16,030</b>	<b>16,522</b>	<b>17,174</b>	<b>3.9%</b>	<b>5,304</b>	<b>44.7%</b>
Ramapo College of New Jersey (32)	9,564	13,708	14,805	15,536	4.9%	5,972	62.4%
Montclair State University* (45)	7,418	12,018	13,758	14,798	7.6%	7,380	99.5%
<b>Salisbury Univ. (38)<sup>1</sup></b>	<b>9,942</b>	<b>14,054</b>	<b>14,306</b>	<b>14,500</b>	<b>1.4%</b>	<b>4,558</b>	<b>45.8%</b>
Millersville University of Pennsylvania* (45)	11,077	13,595	14,021	14,391	2.6%	3,314	29.9%
SUNY Col. Arts and Sci. – Geneseo** (11)	9,210	11,780	11,820	11,876	0.5%	2,666	28.9%
SUNY Col. Arts and Sci. – New Paltz (38)	8,975	11,510	11,600	11,650	0.4%	2,675	29.8%
CUNY – Baruch College (35)	6,950	11,118	11,120	11,120	0.0%	4,170	60.0%
Unweighted Average	10,289	14,152	14,904	15,198	2.0%	4,909	47.7%

CUNY: City University of New York

SUNY: State University of New York

\* Towson University peer institution

\*\* Salisbury University peer institution

<sup>1</sup> Among public schools, Towson ranks 8 and Salisbury ranks 7.

Source: The Chronicle of Higher Education web site database, <http://chronicle.com/premium/stats/tuition/2006>  
*U.S. News and World Report – America’s Best Colleges 2008*

Maryland’s top ranked public historically black institution (HBI) rankings in *U.S. News and World Report’s* “Historically Black Colleges and Universities” are shown in **Exhibits 12** and **13**. In Exhibit 12, the top 12 public schools are ordered from most to least expensive in-state tuition and fee rates and by out-of-state rates in Exhibit 13. Each school’s overall *U.S. News and World Report* ranking is also shown. The State’s schools are among the most expensive HBIs in the country. MSU and UMES have the second and third most expensive in-state tuition rates in the country, respectively. In terms of rate increases from fall 2001 to 2007, however, they are more moderate, raising rates the fifth and fourth slowest, respectively. In out-of-state tuition, MSU is ranked as third most expensive and UMES eighth.

**Exhibit 12**  
**Morgan State University and University of Maryland Eastern Shore Tuition and Mandatory Fees as Compared to the Top Historically Black Institutions in the 2008 U.S. News and World Report Ranking and Several Peers**  
**In-state Undergraduate Full-time Tuition and Mandatory Fees**

	<b>Fall 2001</b>	<b>Fall 2005</b>	<b>Fall 2006</b>	<b>Fall 2007</b>	<b>% Change 2006-07</b>	<b>\$ Change 2001-07</b>	<b>% Change 2001-07</b>
South Carolina State University (22) <sup>2</sup>	4,096	6,480	7,161	7,161	0.0%	\$3,065	74.8%
<b>Morgan State University (14)<sup>3</sup></b>	<b>4,508</b>	<b>6,110</b>	<b>6,204</b>	<b>6,318</b>	<b>1.8%</b>	<b>1,810</b>	<b>40.2%</b>
<b>University of Maryland Eastern Shore (22)<sup>3</sup></b>	<b>4,128</b>	<b>5,808</b>	<b>5,908</b>	<b>5,988</b>	<b>1.4%</b>	<b>1,860</b>	<b>45.1%</b>
Virginia State University (15) <sup>2</sup>	3,312	4,834	5,440	5,655	4.0%	2,343	70.7%
Alabama A&M University (26) <sup>2</sup>	3,600	4,420	4,430	4,930	11.3%	1,330	36.9%
Tennessee State University (11) <sup>1</sup>	2,969	4,334	4,534	4,856	7.1%	1,887	63.6%
Alcorn State University (MS) (21) <sup>2</sup>	3,173	3,919	4,152	4,320	4.0%	1,147	36.1%
North Carolina Central University* (16)	2,035	3,146	3,456	3,666	6.1%	1,631	80.1%
North Carolina A&T State University* (18) <sup>1,2</sup>	1,939	3,114	3,414	3,500	2.5%	1,561	80.5%
Winston-Salem State University* (12)	1,805	2,804	3,108	3,299	6.1%	1,494	82.8%
Florida A&M University (13) <sup>1</sup>	2,667	3,171	3,264	3,264	0.0%	597	22.4%
Elizabeth City State University (NC)* (16)	1,686	2,493	2,765	2,898	4.8%	1,212	71.9%
Unweighted Average	2,993	4,219	4,486	4,655	3.8%	\$1,661	55.5%

\*Fall 2001 figure unavailable, figure represents fall 2000 rate.

<sup>1</sup> Morgan State University peer institution

<sup>2</sup> University of Maryland Eastern Shore peer institution

<sup>3</sup> Among public schools, MSU is ranked fourth, UMES is eleventh.

Source: The Chronicle of Higher Education web site database, <http://chronicle.com/premium/stats/tuition/2006>  
*U.S. News and World Report – America’s Best Colleges 2008*

**Exhibit 13**  
**Out-of-state Undergraduate Full-time Tuition and Mandatory Fees**

	<u>Fall</u> <u>2001</u>	<u>Fall</u> <u>2005</u>	<u>Fall</u> <u>2006</u>	<u>Fall</u> <u>2007</u>	<u>%</u> <u>Change</u> <u>2006-07</u>	<u>\$</u> <u>Change</u> <u>2001-06</u>	<u>%</u> <u>Change</u> <u>2001-06</u>
Florida A&M University (13) <sup>1</sup>	10,179	15,177	16,239	15,186	-6.5%	5,007	49.2%
Tennessee State University (4) <sup>1</sup>	9,441	13,646	14,228	15,123	6.3%	5,682	60.2%
<b>Morgan State University (14)<sup>3</sup></b>	<b>10,718</b>	<b>13,520</b>	<b>13,964</b>	<b>14,438</b>	<b>3.4%</b>	<b>3,720</b>	<b>34.7%</b>
South Carolina State University (22) <sup>2</sup>	7,902	13,288	14,322	\$14,322	0.0%	\$6,420	81.2%
North Carolina Central University* (16)	9,457	12,890	13,200	13,411	1.6%	3,954	41.8%
Virginia State University (15) <sup>2</sup>	9,738	9,852	12,570	13,185	4.9%	3,447	35.4%
North Carolina A&T State University* (18) <sup>1,2</sup>	9,209	12,556	12,856	12,942	0.7%	3,733	40.5%
<b>University of Maryland Eastern Shore (21)<sup>3</sup></b>	<b>8,612</b>	<b>11,964</b>	<b>12,475</b>	<b>12,555</b>	<b>0.6%</b>	<b>3,943</b>	<b>45.8%</b>
Winston-Salem State University* (12)	8,351	11,444	11,748	11,940	1.6%	3,589	43.0%
Elizabeth City State University (NC)* (16)	8,104	10,832	11,104	11,779	6.1%	3,675	45.3%
Alcorn State University (MS) (21) <sup>2</sup>	7,345	8,887	9,336	9,816	5.1%	2,471	33.6%
Alabama A&M University (26) <sup>2</sup>	6,400	8,840	8,330	9,220	10.7%	2,820	44.1%
Unweighted Average	8,788	11,908	12,531	12,826	2.4%	4,038	46.0%

\*Fall 2001 figure unavailable, figure represents fall 2000 rate.

<sup>1</sup> Morgan State University peer institution

<sup>2</sup> University of Maryland Eastern Shore peer institution

<sup>3</sup> Among public schools, MSU is ranked fourth, UMES is eleventh.

Source: The Chronicle of Higher Education web site database, <http://chronicle.com/premium/stats/tuition/2006>  
*U.S. News and World Report – America’s Best Colleges 2008*

The rankings of the other four-year colleges and universities in Maryland are shown in **Exhibit 14** as well as their *U.S. News and World Report* category and rank. Johns Hopkins is the only other school in the State to be ranked in the National Universities category, fourteenth. Their tuition and fees are also the most expensive, however, at \$36,400 for fall 2007. Loyola College of Maryland is ranked second in the Top Northern Masters College category, the top for a Maryland school, with a tuition and fee rate of \$34,250. In liberal arts colleges, the United States Naval Academy is highest, ranked twentieth. Villa Julie College is the only Maryland school to be ranked in the Northern Baccalaureate College category, thirteenth.

**Exhibit 14**  
**Other Ranked Public and Private Institutions in 2008 *U.S. News and World Report***  
**In-state Undergraduate Full-time Tuition and Mandatory Fees**

	<u>Ranking</u>	<u>Fall 2007 Tuition</u>
<b>National Universities</b>		
John's Hopkins University	14	\$36,400
<b>Top Northern Master's Universities</b>		
Loyola College of Maryland	2	34,250
Hood College	18	25,076
McDaniel College	22	28,940
Mount St. Mary's University	30	25,890
College of Notre Dame of Maryland	30	24,500
<b>Liberal Arts Colleges</b>		
United States Naval Academy <sup>1</sup>	20	0
St. Mary's College of Maryland <sup>2</sup>	87	11,989
Goucher College	91	31,082
Washington College	97	32,160
<b>Northern Baccalaureate Colleges</b>		
Villa Julie College	13	17,944

<sup>1</sup>There is no tuition and fee cost at United States Military Academies.

<sup>2</sup>Among public schools, St. Mary's College of Maryland is ranked fourth, out-of-state tuition is \$22,323.

Source: The Chronicle of Higher Education web site database, <http://chronicle.com/premium/stats/tuition/2007>  
*U.S. News and World Report – America's Best Colleges 2008*

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## ***Issues***

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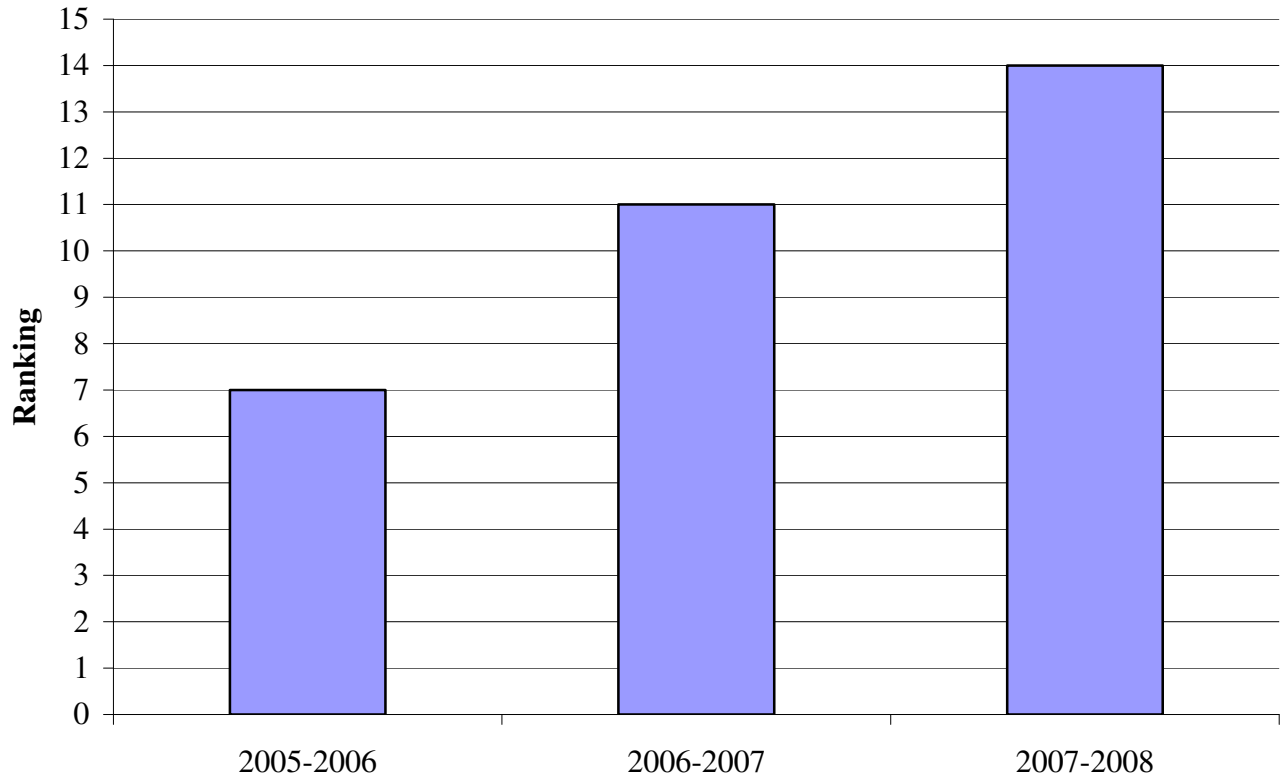
### **1. Tuition Freeze Extends Extra Year**

Tuition and fee rates at Maryland's public four-year colleges and universities are particularly high. The average in-state rate is the fourteenth most expensive in the nation and over \$2,400 more expensive than the national average. For public flagship universities, UMCP ranked thirteenth in 2007, the first year of the tuition freeze, compared to eleventh in 2006. Looking at public comprehensive colleges only, Maryland's universities are the fifth most expensive in the country in 2007, a ranking that has not changed from a year ago. Meanwhile, between fiscal 2002 and 2006, the average in-state tuition increase at all four-year institutions was 40.2%.

In response to these rapid increases, the Tuition Affordability Act of 2006 (Chapters 57 and 58) was enacted for fiscal 2007, holding in-state tuition levels at fiscal 2006 rates for USM institutions and MSU and to only a 4.8% increase at SMCM. The freeze was continued into fiscal 2008, and the Governor has proposed an extension for fiscal 2009. Funds from the Higher Education Investment Fund equates to about a 4.0% rate increase at USM schools and 5.0% increase at MSU. Although not a party to the freeze, SMCM has proposed to hold its tuition increase to 5.0%.

To demonstrate the impact the tuition freeze has had on in-state tuition compared to the rest of the nation, **Exhibit 15** shows the State's national rank in terms of average tuition and fee cost. Before the freeze was enacted, Maryland had the seventh most expensive schools in the country. After just one year of a freeze, the State fell to eleventh. Currently, Maryland's schools are the fourteenth most expensive in the nation.

**Exhibit 15**  
**Maryland’s Rank in Average Tuition and Fee at Public Four-year Institutions**



Source: College Board

**Fee Increases Have Slowed**

In addition to tuition, mandatory fees must also be paid as the price of admission to college. Fee levels increased between fall 2001 and 2005, though not at rates as high as tuition. **Exhibit 16** shows the average fee was \$1,436 in fall 2005, an increase of 8.8% over fall 2001 fees, with UB experiencing the greatest growth at 15.7%. However, between fall 2006 and 2008, after the tuition freeze began, mandatory fee increases slowed on average. Only two schools had fees grow at faster rates between fall 2006 and 2008 than from fall 2001 to 2005, BSU at 12.9% and UMUC at 26.0%, although UMUC has by far the least expensive fees and had no increase between fall 2001 and 2005. On average, fee increases have slowed from 8.8% to 6.1% between fall 2006 and 2008. **The Secretary should comment on the effect the tuition freeze and lower fee increases have had upon four-year institutions as well as upon affordability to students in the State.**

*Higher Education – Fiscal 2009 Budget Overview*

**Exhibit 16**  
**Undergraduate Mandatory Fees**  
**Fall 2001 to 2008**

	<u>Fall</u> <u>2001</u>	<u>Fall</u> <u>2005</u>	<u>Fall</u> <u>2006</u>	<u>Fall</u> <u>2007</u>	<u>Proposed</u> <u>Fall</u> <u>2008</u>	<u>Average Annual</u> <u>% Change</u> <u>2001-05</u>	<u>Average Annual</u> <u>% Change</u> <u>2005-08</u>	<u>Average Annual</u> <u>% Change</u> <u>2001-08</u>
Coppin State University	\$750	\$1,188	\$1,218	\$1,453	\$1,613	12.2%	10.7%	11.6%
Univ. of Maryland Eastern Shore	1,257	1,696	1,796	1,876	1,930	7.8%	4.4%	6.3%
Bowie State University	841	1,195	1,444	1,653	1,719	9.2%	12.9%	10.8%
Salisbury University	1,270	1,462	1,598	1,598	1,598	3.6%	3.0%	3.3%
Frostburg State University	812	1,230	1,392	1,550	1,614	10.9%	9.5%	10.3%
Towson University	1,379	1,916	1,984	2,054	2,134	8.6%	3.7%	6.4%
University of Baltimore	820	1,469	1,509	1,609	1,729	15.7%	5.6%	11.2%
Univ. of Maryland, College Park	1,007	1,255	1,340	1,403	1,439	5.7%	4.7%	5.2%
Univ. of Maryland Baltimore County	1,536	2,036	2,138	2,224	2,296	7.3%	4.1%	5.9%
Univ. of Maryland Univ. College*	120	120	120	120	240	0.0%	26.0%	10.4%
Morgan State University	1,358	1,830	1,924	1,982	2,140	7.7%	5.4%	6.7%
St. Mary's College	1,135	1,833	1,398	2,016	2,132	12.7%	5.2%	9.4%
Average	1,024	1,436	1,488	1,628	1,715	8.8%	6.1%	7.7%

\*Based on 24 credit hours. Technology fee increased from \$5 to \$10 per credit hour.

Source: University System of Maryland; Department of Legislative Services

## 2. Graduation and Retention Rates at Maryland Institutions Compare Well Nationally

In times of fiscal constraint, states tend to renew their focus on higher education institutions and what is produced for their investment. One way to do this is by looking at how much is spent per graduate. **Exhibit 17** shows E&G funding per graduate at the State’s public four-year institutions, excluding UMB due to the exceptional costs of supporting a medical and dental school. The data include all undergraduate and graduate degrees awarded.

**Exhibit 17**  
**Education and General Revenues Per Degree Recipient**  
**Fiscal 2000, 2005-2007**

	<u>2000</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>% Change</u> <u>2000-07</u>	<u>% Change</u> <u>2006-07</u>
Univ. of Maryland Eastern Shore	\$70,368	\$91,128	\$82,417	\$106,694	51.6%	29.5%
Morgan State University	86,396	101,456	110,267	104,193	20.6%	-5.5%
Coppin State University	57,645	86,524	83,020	98,957	71.7%	19.2%
Univ. of Maryland, College Park	78,168	85,134	89,012	96,394	23.3%	8.3%
St. Mary's College of Maryland	70,357	65,016	90,790	83,675	18.9%	-7.8%
Univ. of Maryland Baltimore County	70,139	73,449	84,420	81,768	16.6%	-3.1%
<b>Average</b>	<b>53,783</b>	<b>65,539</b>	<b>71,012</b>	<b>73,551</b>	<b>36.8%</b>	<b>3.6%</b>
Bowie State University	33,841	54,879	56,166	59,769	76.6%	6.4%
Frostburg State University	33,236	47,950	53,036	59,707	79.6%	12.6%
University of Baltimore	35,800	51,222	50,934	55,919	56.2%	9.8%
Towson University	45,932	43,153	43,327	48,793	6.2%	12.6%
Salisbury University	33,409	39,685	42,399	46,844	40.2%	10.5%
Univ. of Maryland Univ. College	30,109	46,877	66,351	39,901	32.5%	-39.9%

Note: Data by institution include baccalaureate, master, law, and doctoral degrees; UMB is not included.

Source: Data on education and general expenditures and 2007 degrees awarded from Maryland State Budget Books, 2000-2006 degrees awarded from Maryland Higher Education Commission

In fiscal 2000, the State’s spending per graduate averaged \$53,783. By fiscal 2007, that figure had risen to \$73,551. UMES had the greatest spending per graduate at \$106,694. Costs increased at different rates between schools from fiscal 2000 to 2007, with FSU experiencing the greatest growth at 79.6%. The least spending per degree is found at UMUC, with \$39,901. It should be noted that while most schools continued to have growing spending per degree awarded, four declined between fiscal 2006 and 2007, UMBC by 3.1%, MSU by 5.5%, SMCM by 7.8%, and UMUC by 39.9%, although for UMUC fiscal 2006

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was a year with a lower than usual number of degrees awarded. Undergraduates make up the great majority of students at the State's colleges, however, and their graduation and retention rates drive the changes in spending per degree. For this reason, the remainder of this discussion focuses on undergraduate graduation and retention.

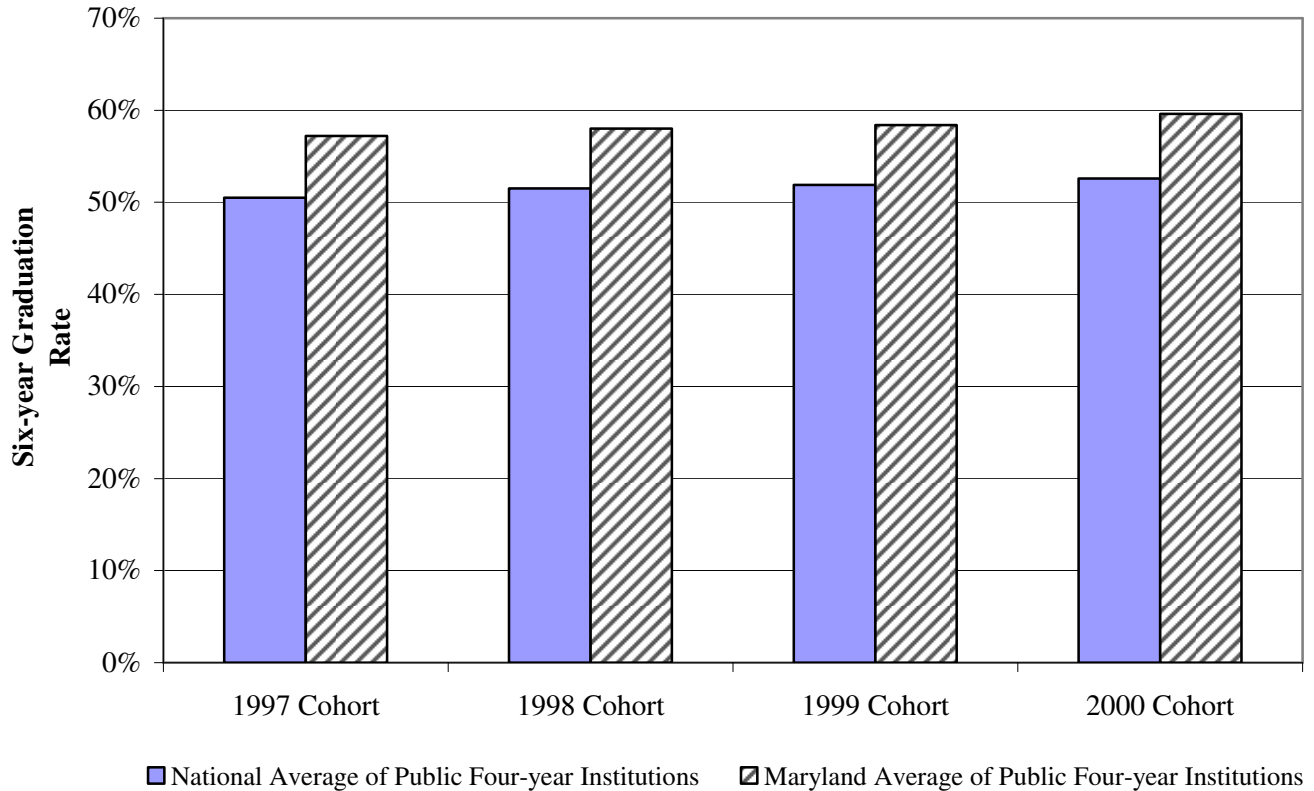
### **Cost per Graduate Depends on Many Factors**

Many different factors can affect how much money is spent per graduate, although the two greatest are school funding and graduation rates. High per graduate spending tends to be found at schools with lower graduation rates or exceptional E&G funding. It can also depend on the kind of programs offered, with science programs being more expensive than humanities based curriculums, and research institutions tend to have greater funding than comprehensive schools. This discussion focuses on graduation and retention because if a school has low graduation rates, the cost for each person who does earn a degree includes the costs associated with those who do not graduate.

### **Maryland Performs Well in National Comparisons**

Graduation rates are a critical outcome by which colleges are measured. Although each institution will have different kinds of students and educational goals, the national and individual measure of success is usually degree achievement. As shown in **Exhibit 18**, Maryland's public four-year institutions continue to perform well nationally. Average six-year graduation rates for the 2000 cohort show Maryland continues to have higher graduation rates, and the rates are increasing faster than the national average. Six-year graduation rates are a standard comparison between schools.

**Exhibit 18**  
**Comparison of Six-year Graduation Rates, Maryland vs. National**

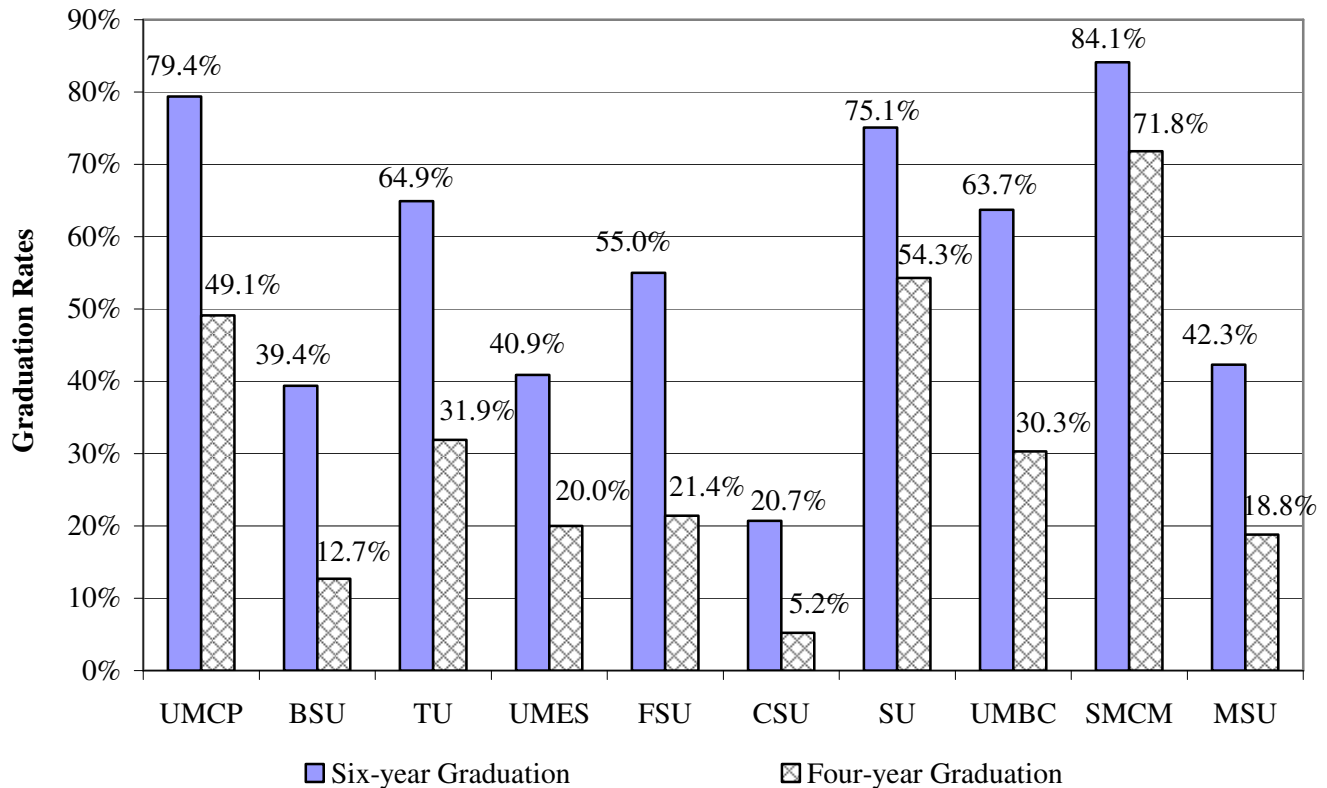


Source: Maryland Higher Education Commission; National Center for Educational Statistics

**Average Graduation Rate at Record High**

Six- and four-year graduation rates for the 2000 cohort are illustrated in **Exhibit 19** showing three public institutions with exceptionally high graduation rates compared to their statewide peers. SMCM has the highest six-year graduation rate growth at 84.1% and over 9 percentage points greater than the 1999 cohort. UMCP grew 3.5 points to 79.4%, and SU was the other high performer, at 75.1%. Four-year graduation rates are significantly lower at all schools except SMCM, which had a 71.8% four-year graduation rate for its 2000 cohort, higher than most schools' six-year rate. These figures include students who transfer and complete a degree at any Maryland public four-year institution. These are also the highest graduation rates in the State's history, averaging 64% and continuing a seven-year trend of year-over-year increases in the graduation rate.

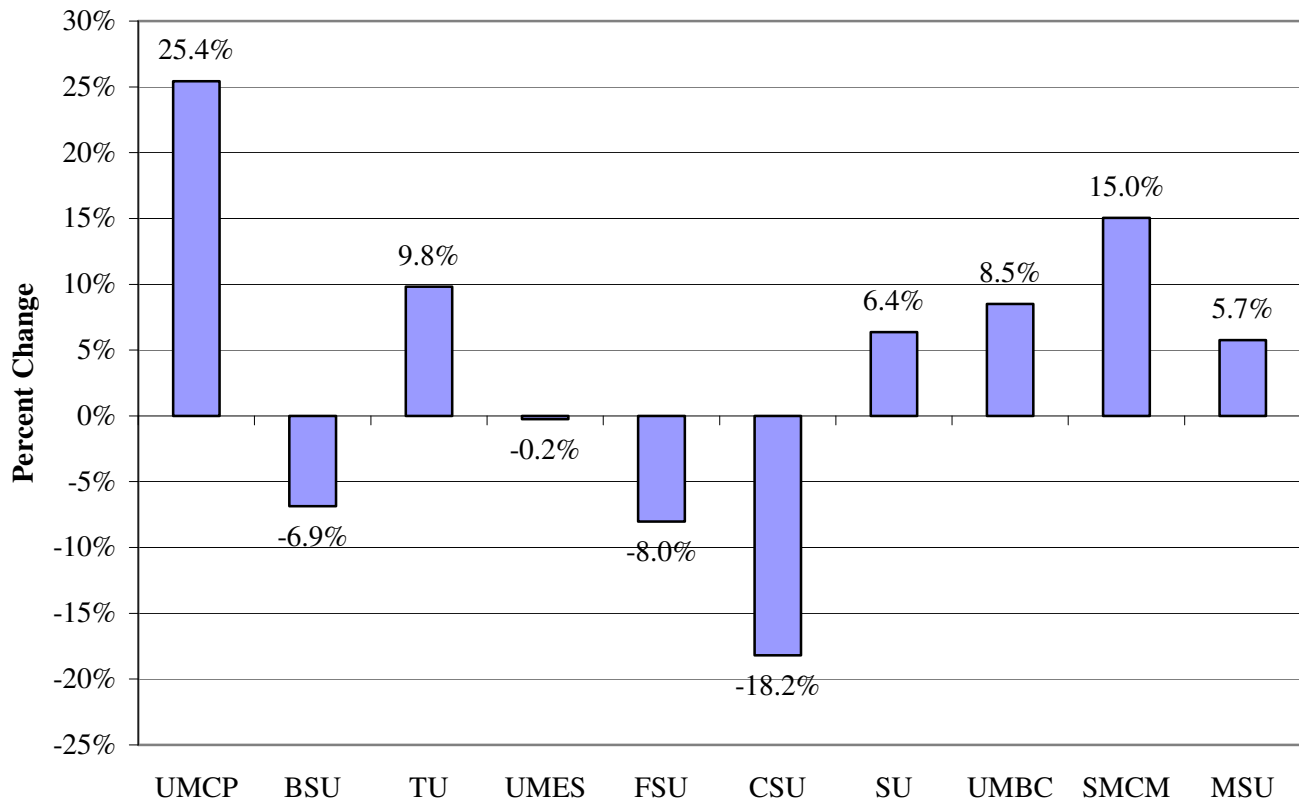
**Exhibit 19**  
**Four- and Six-year Graduation Rates**  
**2000 Cohort**



Source: Maryland Higher Education Commission *Retention and Graduation Rates at Maryland Public Four Year Institutions*, June 2007

**Exhibit 20** shows the change in six-year graduation rates from fiscal 2000 to 2007. UMCP had an exceptional rate increase over that time at 25.4%; SMCM is second highest with 15% growth. Rates declined at four schools over the period. The most notable decrease is CSU, falling by 18.2%. FSU and BSU also had rate decreases over 5.0%.

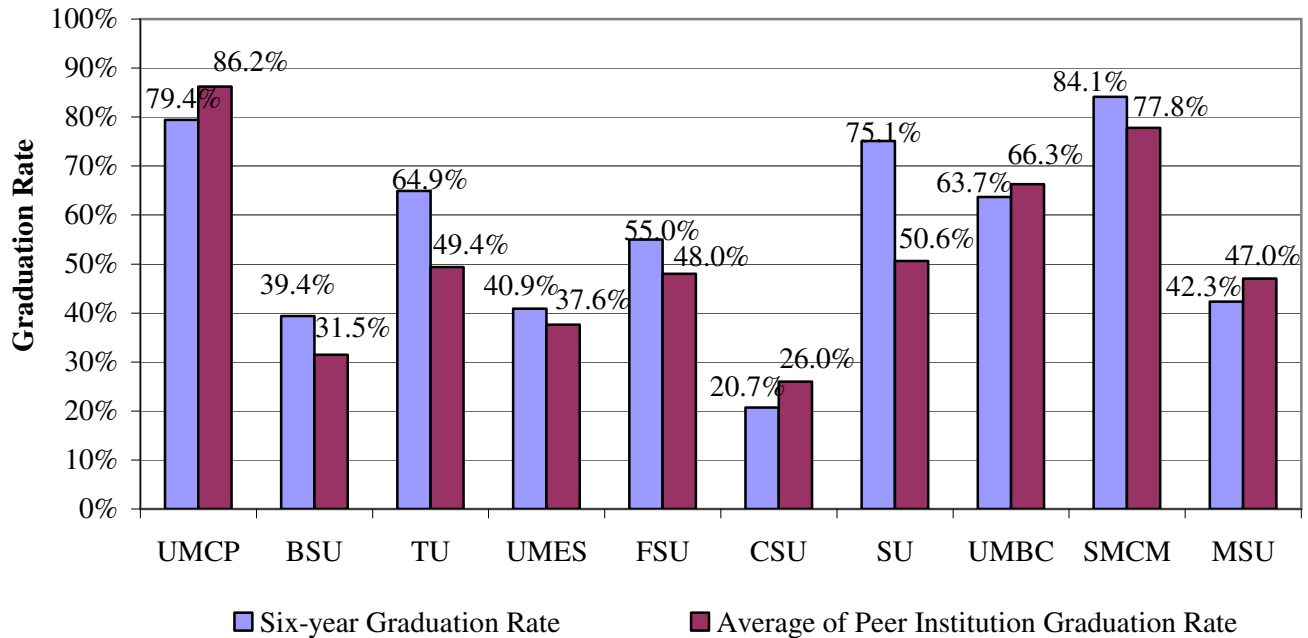
**Exhibit 20**  
**Six-year Graduation Rate Percentage Change**  
**Fiscal 2000-2007**



Source: Maryland Higher Education Commission *Retention and Graduation Rates at Maryland Public Four Year Institutions*, June 2007

A comparison of how Maryland’s four-year institutions compare to their performance peers in six-year graduation rates is shown in **Exhibit 21**. Most schools are higher than their peers although four are lower. Despite UMCP’s improvements, it is still below its peer average. The greatest difference is at SU, which is 24.5 percentage points above its peers.

**Exhibit 21**  
**Six-year Graduation Rate as Compared to Peers**  
**Fiscal 2006**



Source: Maryland Higher Education Commission *Funding Guidelines Peer Performance Analysis*, December 2007; Maryland Higher Education Commission *Retention and Graduation Rates at Maryland Public Four Year Institutions*, June 2007

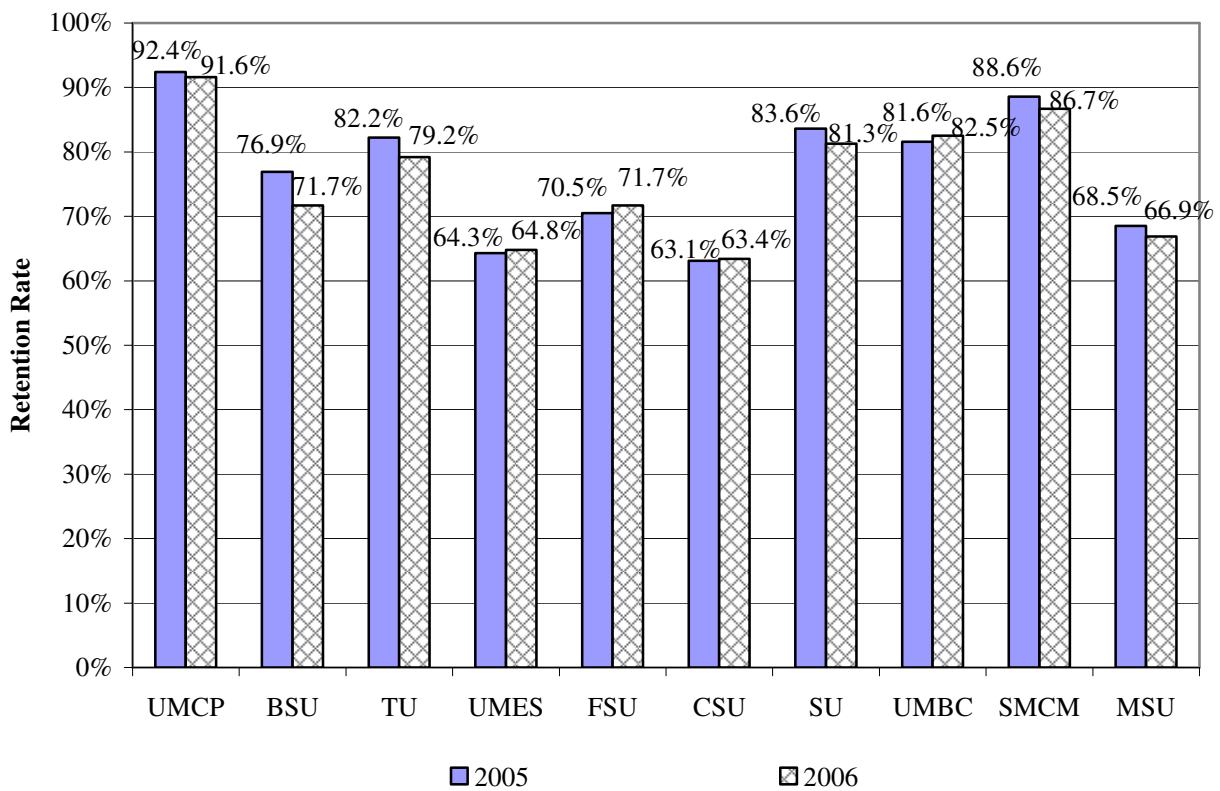
**Change in Second-year Retention Rates Mixed**

Retention rates are an important statistic because they tend to foreshadow graduation rates – the schools with higher retention rates tend to also have higher graduation rates. Retention rates show the percentage of students who enter school and return to the same institution the following fall.

A comparison of fall 2004 and 2005 freshmen retention rates, as well as their percent change from fiscal 2003-2006, are shown in **Exhibits 22** and **23**. On average, 79.8% of all students returned in fiscal 2006. This is the first time the statewide average has fallen below 80% since 1995. UMCP has the highest retention rate at 91.6%, and CSU the lowest, at 63.4%. Change in retention rates from fiscal 2005 to 2006 do not show significant differences for most schools, although only four schools improved. Much more dramatic changes appear compared to fiscal 2003. Five schools improved their retention rates over this period while the other five had declines. At three schools in particular, TU, UMES and CSU, retention rates have fallen over 5.0%, although UMES and CSU’s decreases are smaller than in previous years. BSU had the highest increase in freshmen retention from fiscal 2003 to 2006 at 2.7%, although its rate fell 5.2 percentage points in fiscal 2006.

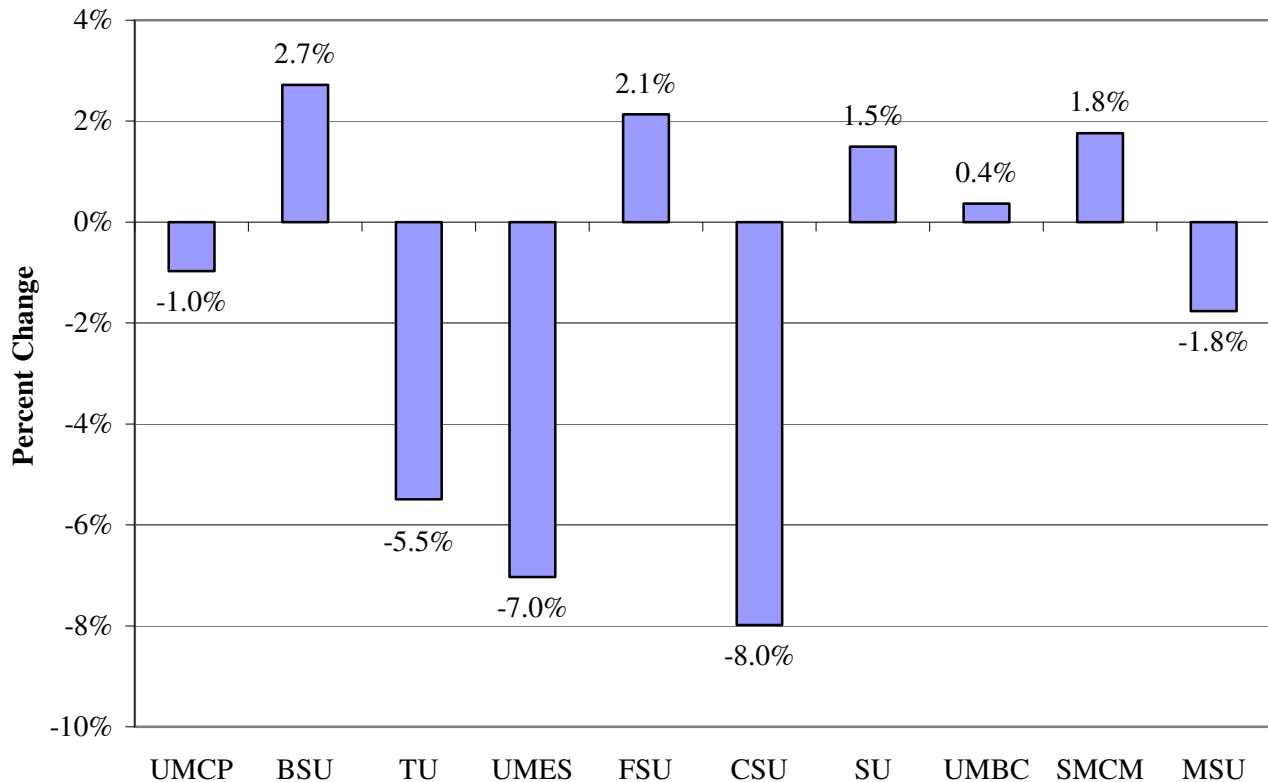
As graduation rates have been rising to record highs, retention rates are the lowest in 10 years. It is possible that the foreshadowing effect of retention rates will be reflected in graduation rates in the coming years. **The Secretary should comment on continued efforts to improve second-year retention across higher education institutions as well as on efforts to continue increasing graduation rates at the State’s public colleges and universities.**

**Exhibit 22**  
**Second-year Retention Rate Comparison**  
**Fiscal 2005-2006**



Source: Maryland Higher Education Commission *Retention and Graduation Rates at Maryland Public Four Year Institutions*, June 2007

**Exhibit 23**  
**Retention Rate Percent Change**  
**Fiscal 2003-2006**



Source: Maryland Higher Education Commission *Retention and Graduation Rates at Maryland Public Four Year Institutions*, June 2007

### 3. Undergraduate Headcount Projections Predict Smaller Increase Than Last Year

Public undergraduate headcount enrollment growth from fiscal 2008 to 2017 is expected to be 14.6%, or an average of 1.4% per year according to the Maryland Higher Education Commission’s (MHEC) June 2007 projections. This 10-year projection is one percentage point lower than last year’s projected growth of 15.6% for fiscal 2007 to 2016. Public undergraduate enrollment counts include the USM institutions, Morgan State University, St. Mary’s College of Maryland, and community colleges.

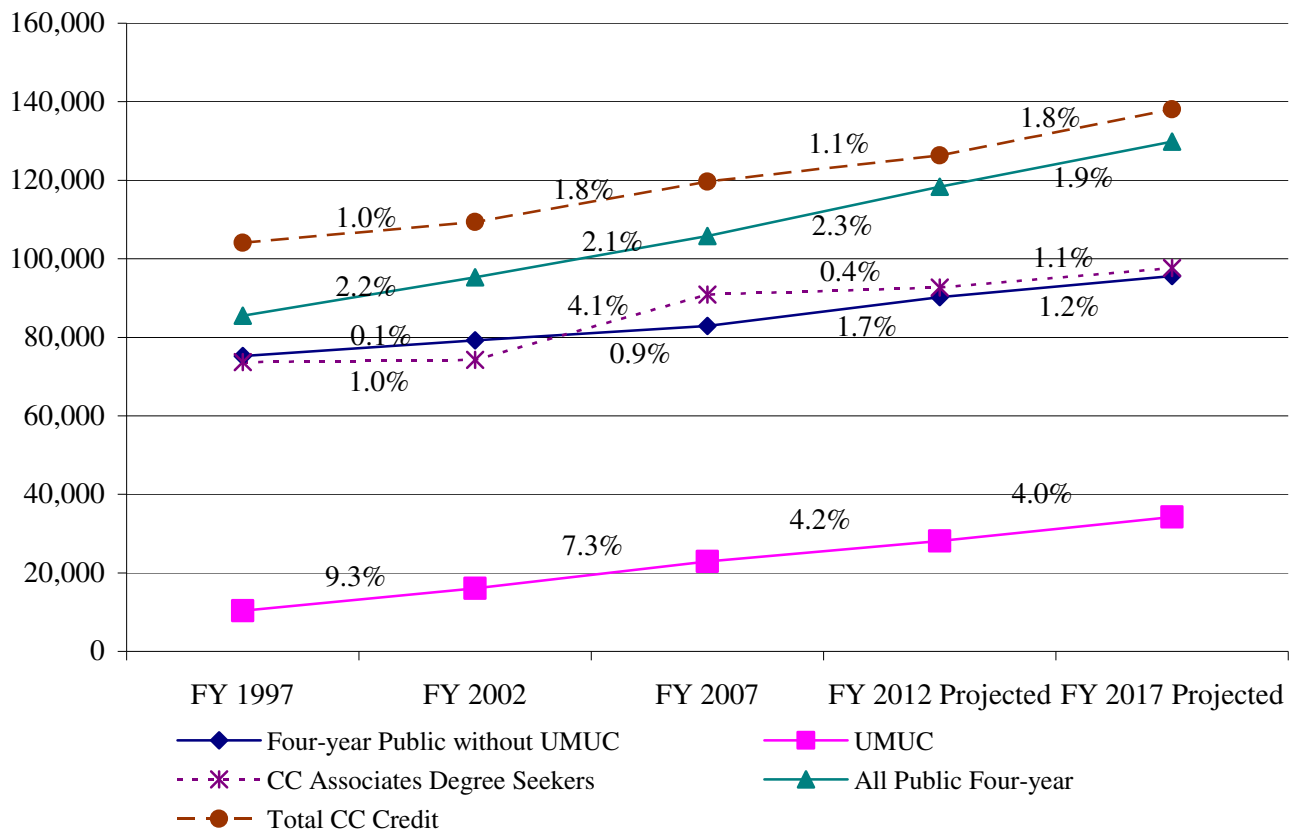
**Exhibit 24** shows undergraduate headcount enrollment growth over the past 10 years and projections through fiscal 2017. For community colleges, the data shows all credit enrollments and also

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breaks out students pursuing an associate’s degree, as these are the students most likely to transfer to a four-year institution. At public four-year institutions, enrollment from fiscal 2007 to 2012 is expected to grow 2.3% per year and slow to 1.9% per year by fiscal 2017, over the 10-year period. For all community college credit enrollments, growth is expected to continue at about the same rate for fiscal 1997-2002, at 1.1% from fiscal 2007-2012 and 1.8% per year from then until fiscal 2017. Community college associate’s degree seekers, after 4.1% growth between fiscal 2002 and 2007, are expecting fiscal 2007 to 2012 growth to slow to a modest 0.4% before increasing to 1.1% between fiscal 2012 and 2017.

UMUC continues to grow faster than the rest of the public four-year institutions combined, although its growth is expected to slow over the next 10 years. Having experienced 7.3% growth from fiscal 2002 to 2007, UMUC’s fiscal 2007 to 2012 projection is 4.2% and 4.0% for fiscal 2012 to 2017. Although its growth rates may be slowing, UMUC’s share of all public undergraduate students is expected to continue growing, comprising 10.2% in fiscal 2007 and growing to 12.8% in fiscal 2017.

**Exhibit 24  
Public Undergraduate Headcount Enrollment**

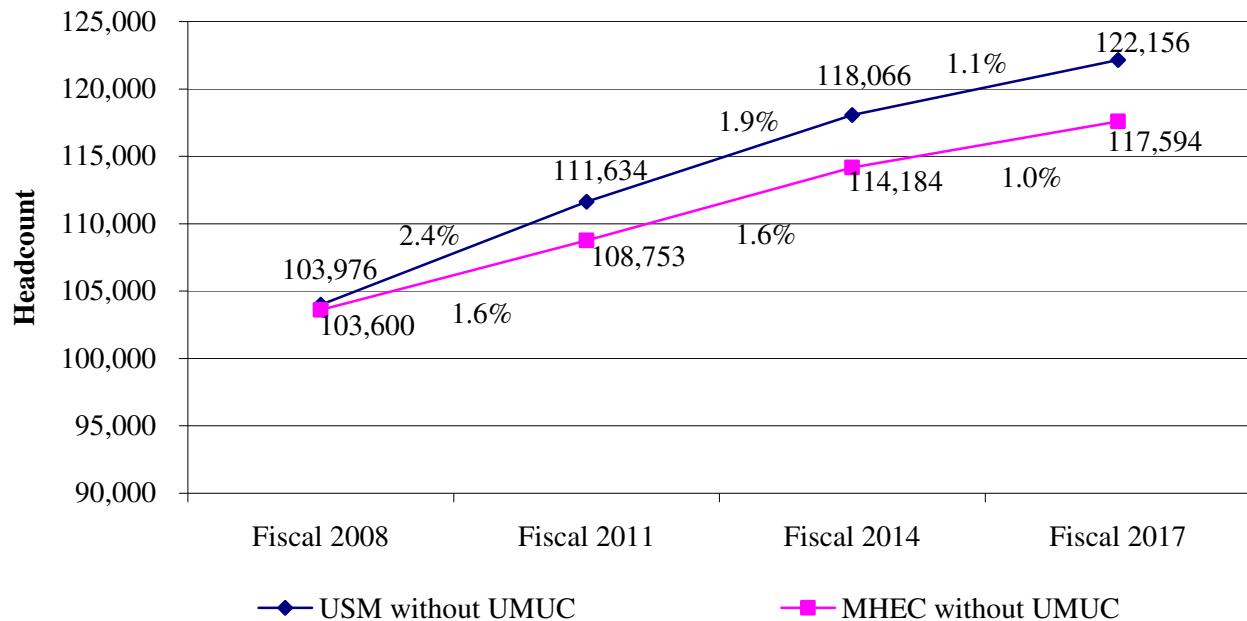


Source: Maryland Higher Education Commission; Maryland Association of Community Colleges; Department of Legislative Services

## USM Projections Consistently Higher Than MHEC Projections

The State’s official enrollment projections are set by MHEC. USM prefers to use a different model, however. Its model is based on all potential in-state students enrolling at a USM institution while MHEC’s is based on a more realistic projection taking into account demographics and budget constraints, among other factors. As such, USM’s projections are consistently higher than MHEC’s. **Exhibit 25** compares both USM and MHEC enrollment projections at USM institutions without UMUC.

**Exhibit 25**  
**MHEC and USM Total Headcount Enrollment Projections at USM Institutions**



Source: Maryland Higher Education Commission; University System of Maryland

The two agencies are estimating slowing growth through fiscal 2017. However, from fiscal 2008 to 2011, MHEC projects 1.6% annual growth to USM’s 2.4%. Between fiscal 2011 and 2014, MHEC’s projection remains 1.6% per year while USM’s slows to 1.9% per year. The two estimates are closest together from fiscal 2014 to 2017, where MHEC projects annual growth of 1.0% and USM 1.1%. Overall, MHEC projects growth from fiscal 2008 to 2017 to be 13.5% compared to USM’s 17.5%. It should be noted that the two projections start at different points based on a fiscal 2008 projection.

Overall, USM estimates 122,156 students in fiscal 2017 while MHEC predicts 117,594, or 4,562 fewer. This difference is 1,803 students closer than a year ago, when the gap was 6,365. Generally, MHEC's projection has increased while USM's has declined. **MHEC and USM should comment on the changes to their enrollment projections and why their 10-year projection has been reduced in USM's case and, conversely, increased for MHEC.**

#### **4. What Is College Remediation?**

Remedial education, known also as developmental education or basic skills training, is provided to students who enter college without the necessary reading, writing, or math skills to compete with their college peers. Remediation can take several forms – from testing to determine where the gaps are, to modifying curriculum, to providing tutoring and other support services and evaluating success upon completion of remedial work. Remedial education at the college level is considered an inefficient use of college resources since the skills being developed should have been learned earlier in the educational process.

Students requiring extra support will inevitably bear the cost and not just financially. Remedial courses extend a student's academic career and delay their quest for a degree. Students, their families, and taxpayers pay to get students "up to speed" for postsecondary education. A recent study conducted by ACT of high school juniors and seniors taking the ACT college entrance exam confirms that only half of the students were ready for college-level reading assignments in core subjects like math, history, science, and English. Despite these daunting statistics, a significant number of high school graduates apply and enroll in college every year.

#### **National Trends and Policies**

Data collected in 2004 from the National Center for Education Statistics shows that across the nation, 42% of community college freshmen and 20% of freshmen in four-year institutions enroll in at least one remedial course. Community colleges bear the greatest share of the remediation burden, and national trends indicate that their responsibilities in this arena are likely to grow. For instance, 11 states have passed laws preventing or discouraging public four-year institutions from offering remedial courses. These states are Arizona, Colorado, Georgia, Florida, Indiana, Kansas, Louisiana, New Mexico, South Carolina, Utah, and Virginia. In three of these states – Colorado, New Mexico, and Utah – four-year institutions receive no state funding for remedial instruction.

There have been other policies implemented in localities, such as New York City, that are requiring community colleges to take on an even greater share of remedial instruction. The Board of Trustees of the City University of New York (CUNY) voted to phase out all remedial instruction at its four-year colleges in fall 1999 and to deny admission to any student who has not passed three skills assessment tests – assessment tests measuring competency in reading, writing, and mathematics. Currently, CUNY does not offer remedial education at its top tier four-year institutions and only offers refresher courses at its master comprehensive institutions. Students requiring remedial help are directed to community colleges.

## **Maryland Trends**

### **Community Colleges**

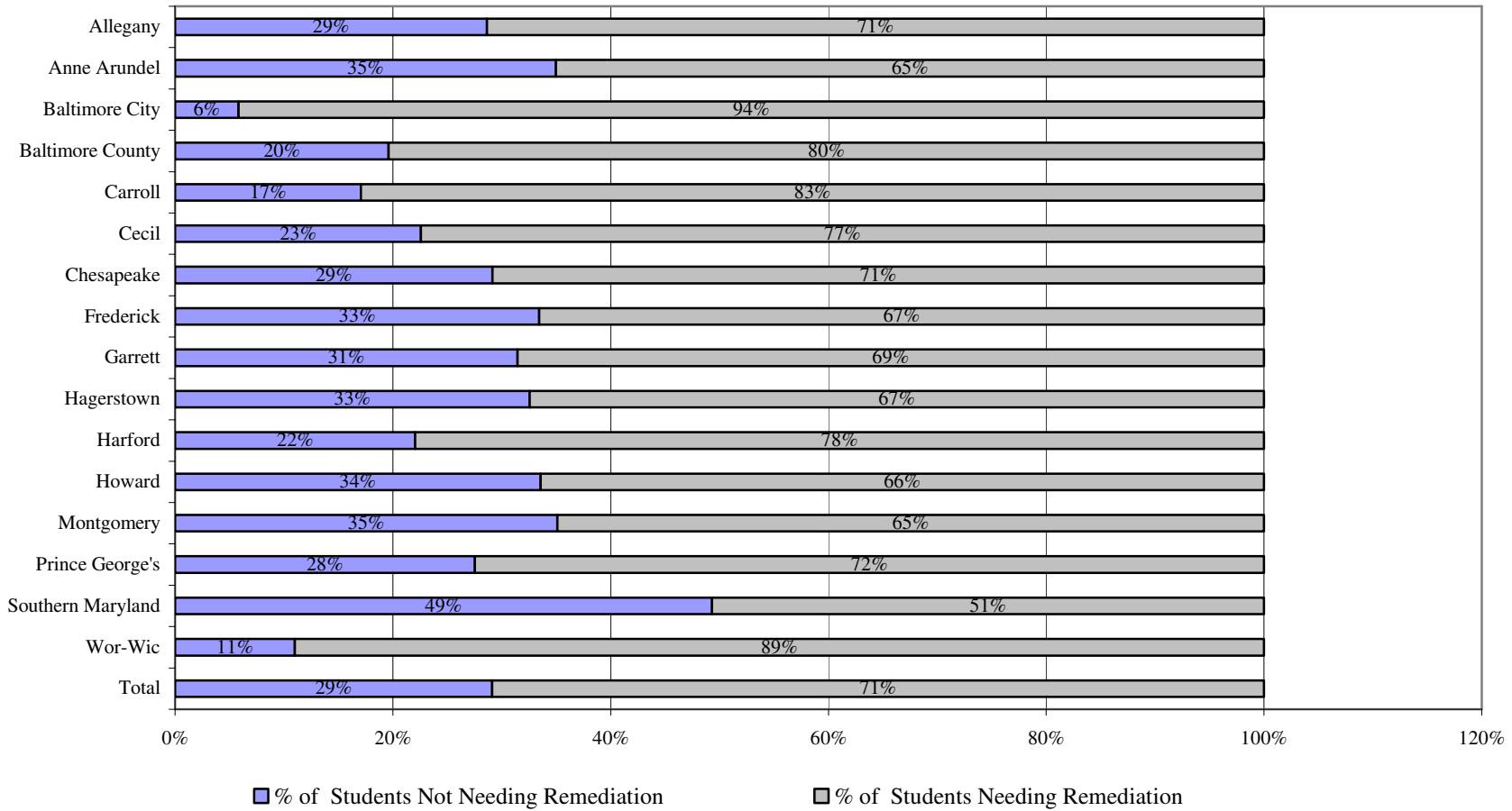
Every public community college in the State offers remedial courses, programs, and other remedial activities, including skills labs, learning centers, and tutoring. The community colleges in Maryland have agreed on common placement exams and cut-off scores to determine whether students should be referred to remedial instruction. MHEC annually tracks students assessed as needing remedial courses in their first year of study at a Maryland public or private campus and reports the data biennially in the Student Outcome and Achievement Report (SOAR). As shown in **Exhibit 26**, in the 2005-2006 academic year, 12,570, or 71%, of all incoming first-time community college freshmen who graduated from a Maryland high school needed some form of remediation at community colleges. The number of students requiring remediation remains consistent over the last several years with the average being 11,000, or 68%, since fall 1999.

This number does not include older students that return to school or transfer from another school. Since the community colleges have an open door policy, the percentage of students receiving remedial education may be slightly higher at these schools than shown in Exhibit 26. However, according to a national survey<sup>1</sup> done by the Education Commission of the States in 2002, students who are 19 years or younger are more likely to take remedial courses than older students because higher percentages of them are pursuing degrees, which require specified levels of preparation.

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<sup>1</sup> Jenkins, D., & Boswell, K. (2002). *State policies on community college remedial education: Findings from a national survey*. Denver, CO: Education Commission of the States.

**Exhibit 26**  
**First-time Students Requiring Remediation at Community Colleges**  
**Academic Year 2005-2006**

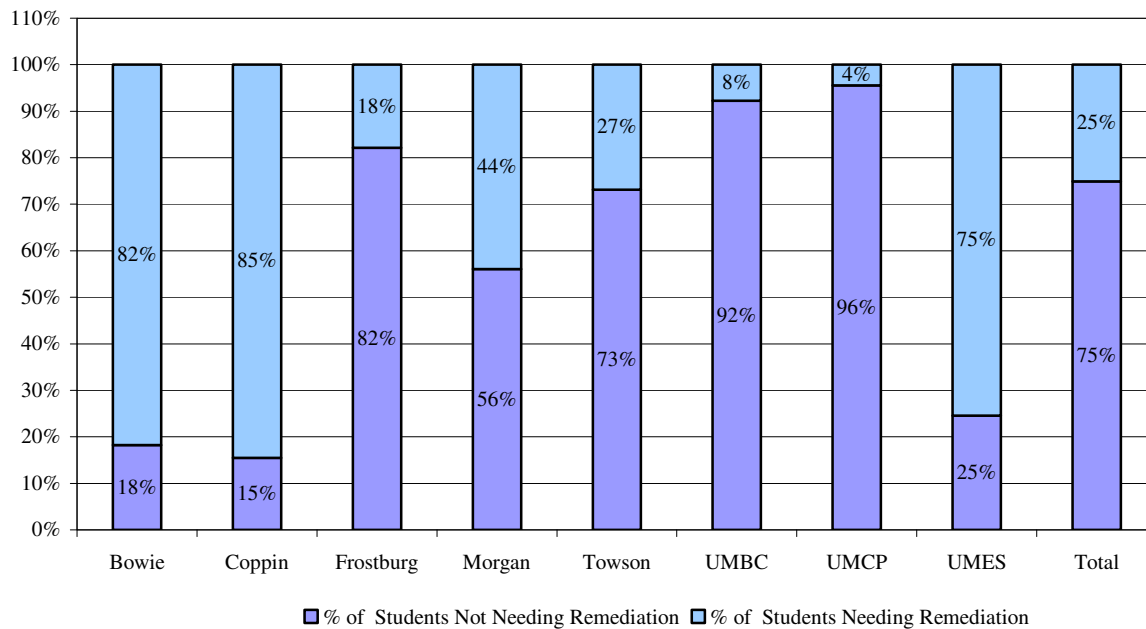


Note: Total number of students only includes students that graduated from a Maryland Public High School.  
 Source: Maryland Higher Education Commission

**Public Four-year Institutions**

Unlike the community colleges, not all public four-year institutions offer remedial education. Salisbury University and St. Mary’s College of Maryland offer no remedial courses. University of Baltimore, which admitted its first freshman class as a public four-year institution in fall 2007 does not offer remedial education for incoming freshmen. There are several schools that offer limited remedial education. University of Maryland, College Park and Frostburg State University do not offer remediation in English and reading, while Coppin State University does not offer remedial programs in English. As shown in **Exhibit 27**, 2,118 or 25% of all incoming first-time freshmen who graduated from a Maryland high school and enrolled at a public four-year institution required remedial assistance in the 2005-2006 academic year. The number of students requiring remediation remains consistent over the last several years with the average being 1,800 or 23% since fall 1999. The percentage of students requiring remediation is significantly higher at historically black institutions. This can be attributed to the mission of HBIs, which is to provide access to students who might require additional support in acquiring a baccalaureate degree.

**Exhibit 27**  
**First-time Students Requiring Remediation at Public Four-year Institutions**  
**Academic Year 2005-2006**



Note: Only includes public-four year institutions that offer remedial courses.  
 Total number of students only includes students that graduated from a Maryland high school the year before.  
 Source: Maryland Higher Education Commission

## **The Cost of Remediation**

The cost associated with college remediation can be hard to calculate. The standards remain unclear about which particular expenses colleges and universities should consider. The actual cost of remedial education is probably higher than figures reported by states. Remedial coursework does not provide academic credit toward a degree, but students must pay tuition for the courses. State appropriations to higher education are fungible and may be used to support remedial education costs in Maryland.

According to a recent report by the Alliance for Excellent Education, the nation spends roughly \$1.4 billion a year to provide remedial education to students who have recently completed high school. The report also provides a number of components to consider when calculating the cost of remedial education for the student, taxpayers and the institutions. Colleges must pay faculty to teach remedial courses; provide classroom space, support services, facilities maintenance, etc. The report also estimates that tuition and fees from students cover about one-fifth of the overall cost of remediation while the state and institutions pay the remaining cost.

Applying this methodology to Maryland, the components cited in the report were used to determine the cost for a three-credit-hour remedial course in the 2005-2006 academic school year for incoming first time freshmen at public community colleges and four-year institutions that required remedial assistance. The total cost for 12,570 students attending community colleges is approximately \$10.7 million with the average cost totaling \$672,838 at each college. It is assumed tuition and fee revenue from students at Maryland community colleges cover \$4.3 million, or 40%, while the State and localities cover \$6.4 million, or 60%, of the overall cost. The total cost for 2,118 students at public four-year institution enrolled in a three-credit-hour course is \$7.1 million with the average cost totaling \$889,112 at each institution. Tuition and fee revenue from students at public four-year institutions also covers 40%, or \$2.8 million, while the State pays \$3.3 million, or approximately 50%, of the total cost. The remaining 10% is picked up by the institution. Based on these calculations, State and local government provided \$9.7 million to cover the direct and indirect cost for one three-credit-hour remedial course taken at community colleges and public four-years for almost 15,000 students.

The figures calculated only represent a conservative estimate of what it costs to remediate first-time students taking one class. The State is not only paying to academically remediate thousands of young adults, but it is also facing financial loss because students that need remediation are more likely to leave college without a degree. The last statewide comprehensive study on remedial education (excluding the Student Outcome and Achievement Report) that provided an estimate on remedial education expenditures at Maryland's public campuses was done in May 1996. **The Secretary should comment on when another comprehensive remedial education cost study will be done.**

**The Department of Legislative Services recommends that MHEC develop measures to describe remedial education and the expenses associated with it to assist State universities and colleges in reporting standardized data on expenditures related to remedial education.**

**Trends in Education and General Revenues<sup>1</sup>**  
**Public Four-year Institutions**  
**(\$ in Thousands)**

<u>Institution</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>Working 2008</u>	<u>Allowance 2009</u>	<u>Annual % 2005-08</u>	<u>% Change 2008-09</u>
Univ. of Maryland, Baltimore <sup>2</sup>	\$332,799	\$358,759	\$364,782	\$403,865	\$422,598	6.7%	4.6%
Univ. of Maryland, College Park <sup>3</sup>	741,347	788,298	832,663	901,451	942,874	6.7%	4.6%
Bowie State University	48,184	50,951	59,217	62,152	66,713	8.9%	7.3%
Towson University	164,673	182,447	206,080	218,971	235,715	10.0%	7.6%
Univ. of Maryland Eastern Shore	41,554	45,811	50,537	53,344	55,803	8.7%	4.6%
Frostburg State University	52,697	55,742	60,053	61,390	64,832	5.2%	5.6%
Coppin State University	33,744	36,937	47,922	46,991	51,710	11.7%	10.0%
University of Baltimore	61,452	66,284	72,244	78,949	85,417	8.7%	8.2%
Salisbury University	59,646	60,390	76,545	81,767	87,492	11.1%	7.0%
Univ. of Maryland Univ. College	203,118	220,245	234,336	302,590	274,296	14.2%	-9.4%
Univ. of Maryland Baltimore County	167,096	179,935	188,116	196,838	205,184	5.6%	4.2%
Univ. of Maryland Ctr. for Env. Science	18,724	19,932	20,805	22,993	23,844	7.1%	3.7%
Univ. of Maryland Biotechnology Institute <sup>2</sup>	29,942	32,933	36,228	31,030	31,574	1.2%	1.8%
<b>Subtotal, USM</b>	<b>\$1,954,977</b>	<b>\$2,098,662</b>	<b>\$2,249,526</b>	<b>\$2,462,332</b>	<b>\$2,548,051</b>	<b>8.0%</b>	<b>3.5%</b>
St. Mary's College of Maryland	30,232	33,512	36,326	43,369	44,900	12.8%	3.5%
Morgan State University	96,687	97,934	107,731	116,441	127,903	6.4%	9.8%
<b>Total</b>	<b>\$2,081,897</b>	<b>\$2,230,108</b>	<b>\$2,393,583</b>	<b>\$2,622,143</b>	<b>\$2,720,854</b>	<b>8.0%</b>	<b>3.8%</b>

<sup>1</sup>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 UMB, hospital expenditures are excluded from Educational and General Revenue.

<sup>2</sup>Transfer of the Institute for Human Virology from the University of Maryland Biotechnology Institute accounted for \$8.4 million of the increase between fiscal 2007 and 2008 in the University of Maryland, Baltimore and a decrease of that amount in the University of Maryland Biotechnology Institute.

<sup>3</sup>Excludes \$9.0 million in capital-related Higher Education Investment Fund funds in fiscal 2009.

Numbers may not sum due to rounding.

Source: Governor's Budget Books, Fiscal 2008-2009

**Education and General Revenues<sup>1</sup>**  
**Per Full-time Equivalent Student**  
**Public Four-year Institutions**

<u>Institution</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>Allowance 2009</u>	<u>Annual % Change 2005-08</u>	<u>% Change 2008-09</u>
Univ. of Maryland, Baltimore	\$63,487	\$66,253	\$65,833	\$72,364	\$74,915	4.5%	3.5%
Univ. of Maryland, College Park	26,394	27,181	28,476	30,655	31,854	5.1%	3.9%
Bowie State University	11,871	11,927	14,248	14,583	15,294	7.1%	4.9%
Towson University	11,745	12,678	13,428	13,929	14,532	5.9%	4.3%
Univ. of Maryland Eastern Shore	12,681	13,708	14,172	14,955	15,570	5.7%	4.1%
Frostburg State University	11,974	13,253	14,429	14,541	15,204	6.7%	4.6%
Coppin State University	11,118	11,186	15,661	14,870	16,364	10.2%	10.0%
University of Baltimore	18,349	20,068	21,242	21,448	22,181	5.3%	3.4%
Salisbury University	9,814	9,759	11,708	11,821	12,380	6.4%	4.7%
Univ. of Maryland Univ. College <sup>(2)</sup>	17,800	19,829	18,836	23,742	21,124	10.1%	-11.0%
Univ. of Maryland Baltimore County	17,908	19,616	20,247	21,010	21,678	5.5%	3.2%
<b>Average, USM</b>	<b>19,376</b>	<b>20,496</b>	<b>21,662</b>	<b>23,083</b>	<b>23,736</b>	<b>6.0%</b>	<b>2.8%</b>
St. Mary's College of Maryland	15,154	16,435	18,136	21,630	\$22,338	12.6%	3.3%
Morgan State University	15,318	16,724	17,617	18,666	19,870	6.8%	3.2%
<b>Average</b>	<b>\$18,739</b>	<b>\$19,894</b>	<b>\$20,079</b>	<b>\$22,632</b>	<b>\$23,331</b>	<b>6.5%</b>	<b>3.1%</b>

<sup>1</sup>Education and General revenues represent tuition and fees, general funds, non-capital Higher Education Investment Fund, 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.

<sup>2</sup>UM University College FTES exclude non-resident online students.

Source: Department of Budget and Management

**Fiscal 2009 Revenues Per Full-time Equivalent Student  
By Revenue Source  
Public Four-year Institutions**

<u>Institution</u>	<u>E&amp;G Revenues</u>	<u>General &amp; HEIF<sup>1</sup> Funds</u>	<u>Tuition and Fees</u>	<u>FTES</u>	<u>E&amp;G Revenues Per FTES</u>	<u>General &amp; HEIF<sup>1</sup> Funds Per FTES</u>	<u>Tuition and Fees Per FTES</u>	<u>GF as % of E&amp;G</u>	<u>T&amp;F as % of E&amp;G</u>
Univ. of Maryland, Baltimore	\$422,598,074	\$186,376,236	\$85,778,100	5,641	\$74,915	\$33,040	\$15,206	44%	20%
Univ. of Maryland, College Park	942,873,749	421,987,897	361,511,433	29,600	31,854	14,256	12,213	45%	38%
Bowie State University	66,658,190	35,882,228	30,854,939	4,362	15,282	8,226	7,074	54%	46%
Towson University	238,612,642	91,838,861	136,408,592	16,220	14,711	5,662	8,410	38%	57%
Univ. of Maryland Eastern Shore	56,581,340	33,106,369	21,751,611	3,584	15,787	9,237	6,069	59%	38%
Frostburg State University	67,602,213	33,770,337	29,230,465	4,264	15,854	7,920	6,855	50%	43%
Coppin State University	51,709,943	35,267,700	15,304,527	3,160	16,364	11,161	4,843	68%	30%
University of Baltimore	86,933,256	31,385,107	49,085,542	3,851	22,574	8,150	12,746	36%	56%
Salisbury University	87,596,097	39,889,401	46,457,733	7,067	12,395	5,644	6,574	46%	53%
Univ. of Maryland Univ. College	276,859,735	29,424,054	219,194,268	12,985	21,322	2,266	16,881	11%	79%
Univ. of Maryland Baltimore County	211,896,722	92,091,326	87,649,661	9,465	22,387	9,730	9,260	43%	41%
<b>Total USM</b>	<b>\$2,509,921,961</b>	<b>\$1,031,019,516</b>	<b>\$1,083,226,871</b>	<b>100,199</b>	<b>\$23,950</b>	<b>\$10,481</b>	<b>\$9,648</b>	<b>41%</b>	<b>43%</b>
St. Mary's College of Maryland	47,541,935	\$17,123,000	\$25,983,845	2,010	\$23,653	\$8,519	\$12,927	36%	55%
Morgan State University	131,352,481	75,655,897	46,933,973	6,437	20,406	11,753	7,291	58%	36%
<b>Average</b>	<b>\$2,688,816,377</b>	<b>\$1,123,798,413</b>	<b>\$1,156,144,689</b>	<b>108,646</b>	<b>\$22,669</b>	<b>\$10,251</b>	<b>\$9,956</b>	<b>42%</b>	<b>43%</b>

<sup>1</sup>Includes non-capital Higher Education Investment Fund funds.

Source: Governor's Budget Books, Fiscal 2009

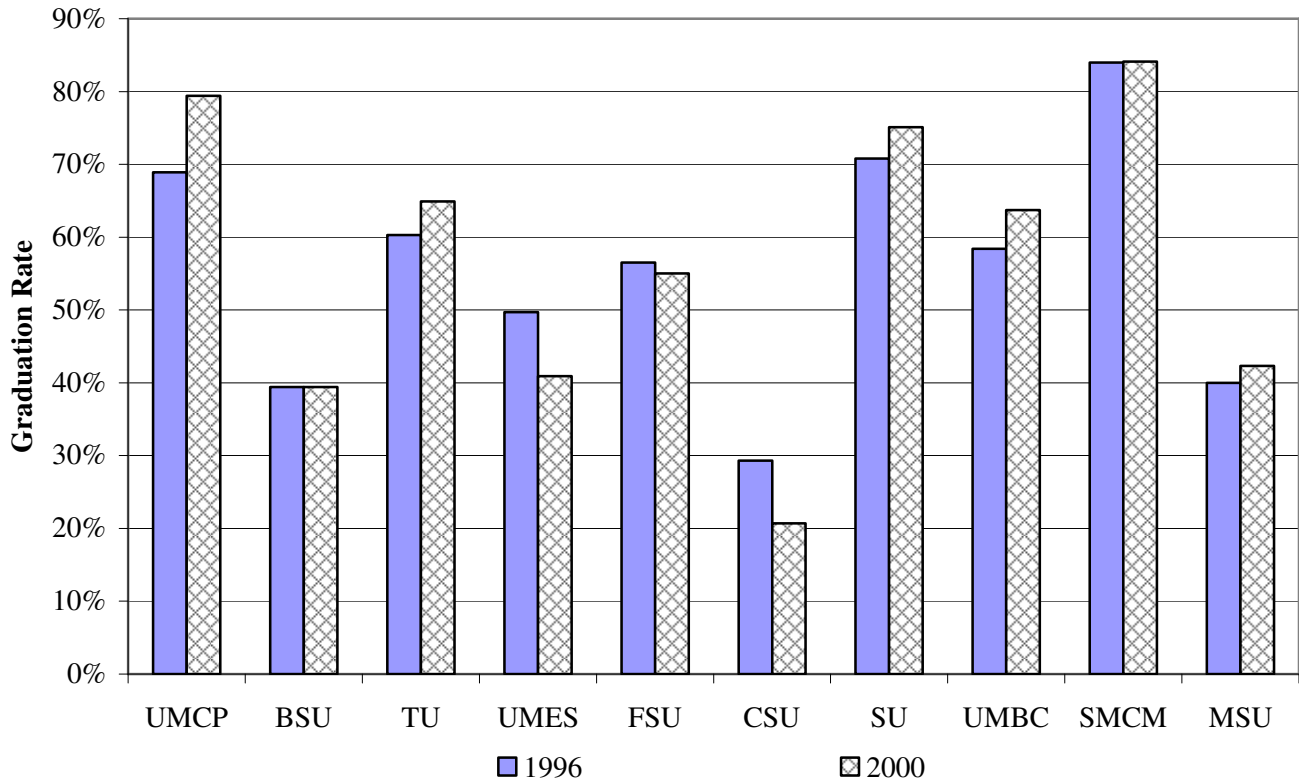
**Higher Education Enrollment Trends**  
**Public Four-year Institutions**  
**Full-time Equivalent Students**

<u>Institution</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>Annual % 2004-08</u>	<u>% Change 2008-09</u>
Univ. of Maryland, Baltimore	5,140	5,242	5,415	5,541	5,581	5,641	2.1%	1.1%
Univ. of Maryland, College Park	28,254	28,088	29,002	29,241	29,406	29,600	1.5%	0.7%
Bowie State University	3,970	4,059	4,272	4,156	4,262	4,362	1.6%	2.3%
Towson State University	13,561	14,021	14,391	15,347	15,720	16,220	3.9%	3.2%
Univ. of Maryland Eastern Shore	3,261	3,277	3,342	3,566	3,567	3,584	2.9%	0.5%
Frostburg State University	4,503	4,401	4,206	4,162	4,222	4,264	-1.4%	1.0%
Coppin State University	2,840	3,035	3,302	3,060	3,160	3,160	1.4%	0.0%
University of Baltimore	3,355	3,349	3,303	3,401	3,681	3,851	3.2%	4.6%
Salisbury University	5,950	6,078	6,188	6,538	6,917	7,067	4.4%	2.2%
Univ. of Maryland Univ. College	10,028	11,411	11,107	12,441	12,745	12,985	3.8%	1.9%
Univ. of Maryland Baltimore County	9,271	9,331	9,173	9,291	9,369	9,465	0.1%	1.0%
<b>Subtotal, USM</b>	<b>90,133</b>	<b>92,292</b>	<b>93,701</b>	<b>96,744</b>	<b>98,630</b>	<b>100,199</b>	<b>2.2%</b>	<b>1.6%</b>
St. Mary's College of Maryland	1,990	1,995	2,039	2,003	2,005	2,010	0.2%	0.2%
Morgan State University	6,092	6,312	5,856	6,115	6,238	6,437	-0.4%	6.4%
<b>Total</b>	<b>98,215</b>	<b>100,599</b>	<b>101,596</b>	<b>104,862</b>	<b>106,873</b>	<b>108,646</b>	<b>2.0%</b>	<b>1.8%</b>

Note: University of Maryland University College enrollment excludes non-Maryland on-line.

Source: Governor's Budget Books, Fiscal 2007-2009

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

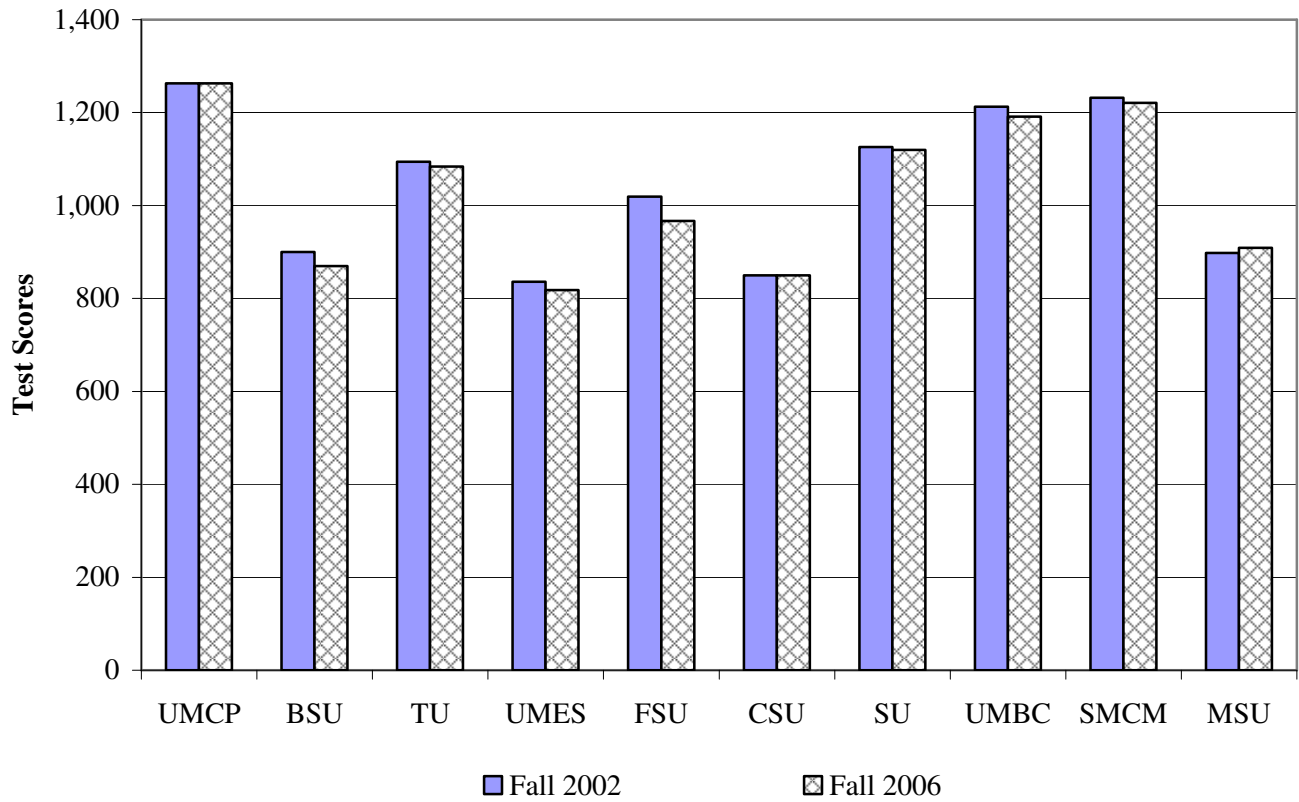


	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Univ. of Maryland, College Park (UMCP)	68.9%	70.8%	72.9%	75.9%	79.4%
Bowie State University (BSU)	39.4%	39.4%	41.1%	40.8%	39.4%
Towson University (TU)	60.3%	59.8%	63.9%	60.7%	64.9%
Univ. of Maryland Eastern Shore (UMES)	49.7%	52.6%	49.5%	49.6%	40.9%
Frostburg State University (FSU)	56.5%	58.3%	57.1%	55.7%	55.0%
Coppin State University (CSU)	29.3%	23.5%	26.5%	24.7%	20.7%
Salisbury University (SU)	70.8%	73.1%	72.8%	73.0%	75.1%
Univ. of Maryland Baltimore County (UMBC)	58.4%	61.1%	61.8%	63.3%	63.7%
St. Mary’s College of Maryland (SMCM)	84.0%	81.6%	79.9%	74.9%	84.1%
Morgan State University (MSU)	40.0%	40.9%	41.2%	43.8%	42.3%
All Students Average	59.3%	61.1%	62.1%	62.6%	64.0%

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

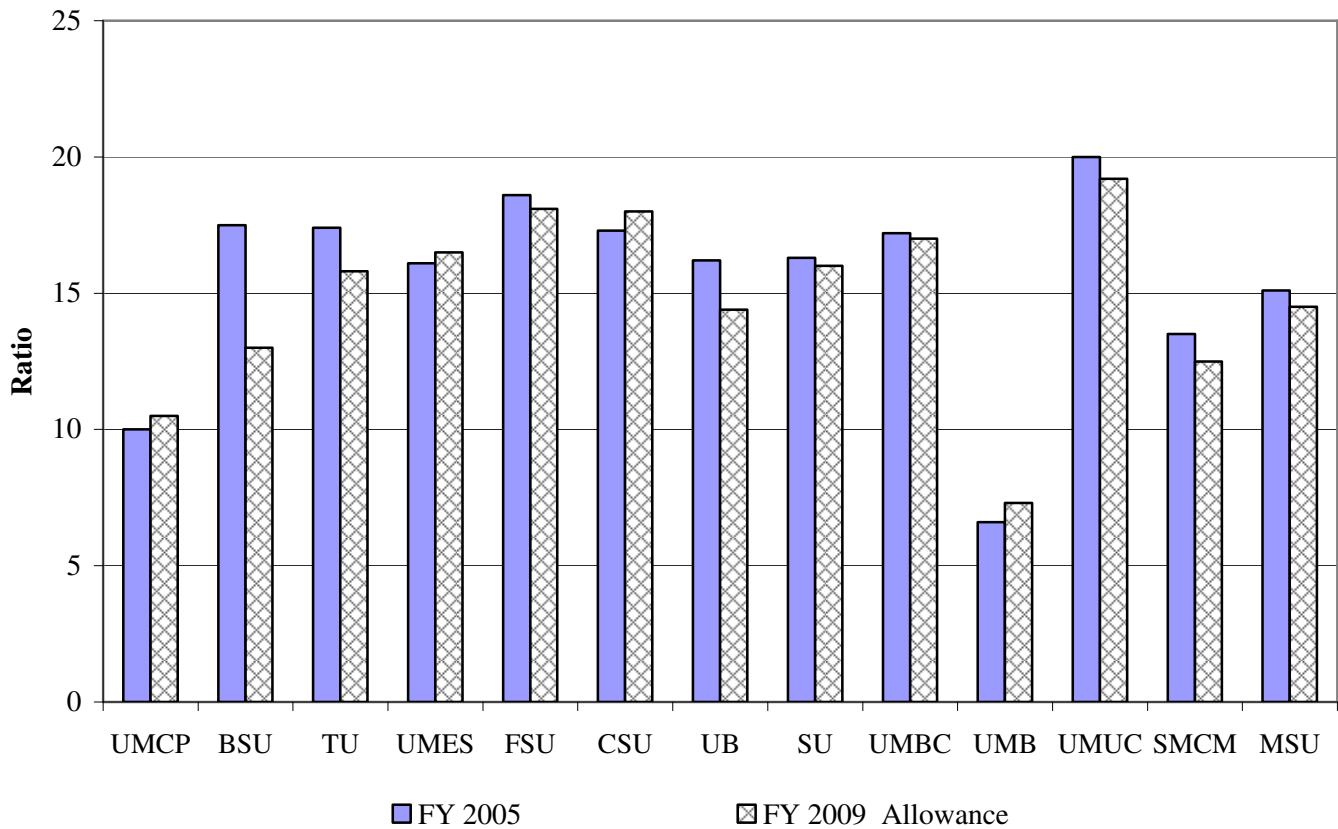
**Scholastic Aptitude Test Scores of First-year Students**



	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Univ. of Maryland, College Park (UMCP)	1,263	1,259	1,254	1,271	1,263
Bowie State University (BSU)	900	887	892	890	870
Towson University (TU)	1,094	1,096	1,078	1,087	1,084
Univ. of Maryland Eastern Shore (UMES)	836	848	838	815	818
Frostburg State University (FSU)	1,019	1,031	1,016	1,005	967
Coppin State University (CSU)	850	850	858	856	850
Salisbury University (SU)	1,126	1,134	1,121	1,136	1,120
Univ. of Maryland Baltimore County (UMBC)	1,213	1,219	1,221	1,216	1,191
St. Mary’s College of Maryland (SMCM)	1,232	1,252	1,248	1,227	1,221
Morgan State University (MSU)	898	915	904	974	909
Average (not weighted)	1,043	1,049	1,043	1,048	1,029

Source: Maryland Higher Education Commission

**Student-to-faculty Ratio**



	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008 Working</u>	<u>2009 Allowance</u>
Univ. of Maryland, College Park (UMCP)	10.0	10.9	10.5	10.5	10.5
Bowie State University (BSU)	17.5	16.4	14.1	13.5	13.0
Towson University (TU)	17.4	18.6	51.5	15.6	15.8
Univ. of Maryland Eastern Shore (UMES)	16.1	16.1	16.9	16.9	16.5
Frostburg State University (FSU)	18.6	17.9	17.7	18.0	18.1
Coppin State University (CSU)	17.3	19.2	17.1	18.3	18.0
University of Baltimore (UB)	16.2	14.9	13.4	13.7	14.4
Salisbury University (SU)	16.3	15.9	16.0	15.9	16.0
Univ. of Maryland Baltimore County (UUBC)	17.2	16.2	17.0	17.0	17.0
<b>System Average</b>	<b>16.3</b>	<b>16.2</b>	<b>19.4</b>	<b>15.5</b>	<b>15.5</b>
St. Mary’s College of Maryland (SMCM)	13.5	13.2	12.9	12.7	12.5
Morgan State University (MSU)	15.1	13.5	14.1	14.0	14.5
<b>Four-year Average</b>	<b>15.9</b>	<b>15.7</b>	<b>18.3</b>	<b>15.1</b>	<b>15.1</b>
Univ. of Maryland, Baltimore (UMB)	6.6	8.0	7.7	7.1	7.3
Univ. of Maryland Univ. College (UMUC)	20.0	20.5	17.9	19.0	19.2

Note: University of Maryland University College reflects stateside enrollment and faculty only.  
 Source: Department of Budget and Management and University of Maryland University College