

R14D00
St Mary's College of Maryland

Operating Budget Data

(\$ in Thousands)

	FY 07	FY 08	FY 09	FY 08-09	% Change
	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>Change</u>	<u>Prior Year</u>
General Funds	\$15,906	\$16,367	\$17,123	\$756	4.6%
Other Unrestricted Funds	36,062	42,979	44,126	1,148	2.7%
Total Unrestricted Funds	51,968	59,346	61,249	1,903	3.2%
Restricted Funds	<u>2,587</u>	<u>3,600</u>	<u>3,599</u>	<u>-1</u>	
Total Funds	\$54,554	\$62,946	\$64,848	\$1,902	3.0%

- Total funds increase \$1.9 million, or 3.0%. The underlying fiscal 2009 budget change, absent health insurance and Other Post Employment Benefits funding which distorts year-to-year comparisons is \$1.0 million, or 1.7%.

Personnel Data

	FY 07	FY 08	FY 09	FY 08-09
	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>Change</u>
Regular Positions	426.50	441.50	453.50	12.00
Contractual FTEs	<u>23.83</u>	<u>32.15</u>	<u>28.53</u>	<u>-3.62</u>
Total Personnel	450.33	473.65	482.03	8.38

Vacancy Data: Regular Positions

Turnover, Excluding New Positions	4.48	1.03%
Positions Vacant as of 1/01/08	23.50	5.32%

- As of January 1, 2008, St. Mary's College of Maryland has 23.5 vacancies.
- The allowance reflects an increase of 12 regular positions which includes 4 new faculty positions. The remaining 8 new positions were included in the allowance by error.

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

For further information contact: Keshia E. Cheeks

Phone: (410) 946-5530

Analysis in Brief

Major Trends

Alumni Satisfaction with Job Preparation Expected to Decline: Alumni satisfied with their preparation to enter the workforce increased in fiscal 2007, but satisfaction is expected to slightly decline in fiscal 2008 and remain level in fiscal 2009.

Issues

Institutional Aid: This issue will highlight whether institutional aid adequately addresses the financial aid needs of low- to moderate-income students.

Operation and Maintenance Expenditures: Due to an aging inventory of buildings, a backlog of deferred maintenance, and an increase in utility costs, there is pressure on operation and maintenance budgets. This issue will examine how the university spends money for personnel and related services to maintain and operate buildings on campus.

Recommended Actions

1. Add language to delete eight positions erroneously budgeted.
2. Add language that would reduce current unrestricted (general) funds.
3. Adopt committee narrative concerning faculty workload reports.
4. Adopt committee narrative concerning institutional aid reports.

R14D00
St Mary's College of Maryland

Operating Budget Analysis

Program Description

St. Mary's College of Maryland (SMCM) is Maryland's public, co-educational, liberal arts honors college. The college offers an array of baccalaureate degrees in the arts and sciences and provides a Master of Arts in Teaching. As an honors college, SMCM strives to offer its students an educational experience that goes beyond traditional course-based study to foster independent learning and a link between curricular and extra-curricular activities and interests. SMCM includes civic responsibility as a cornerstone of its academic and extra-curricular programs. The capstone SMCM experience is the St. Mary's Project.

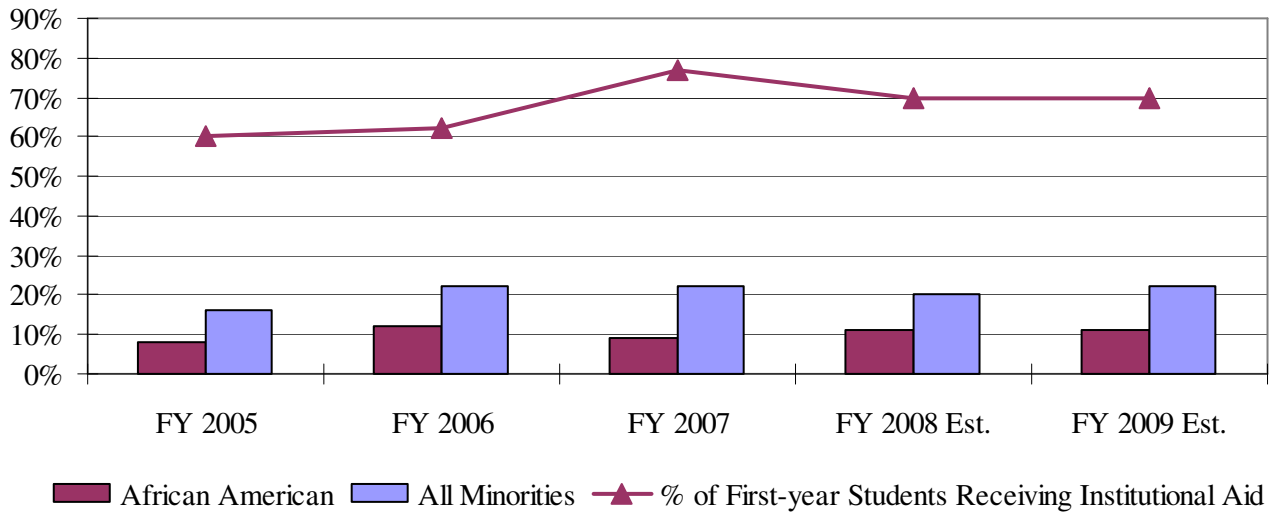
The college aspires to maintain or strengthen the quality of instructional offerings; to increase the effectiveness of academic support resources; to improve the efficiency of, and service provided by administrative units; and to maintain or improve the physical plants facilities to accommodate these goals.

Performance Analysis

As a small public honors institution, it is important that SMCM continue to matriculate a highly qualified, diverse student body while meeting all documented financial need. **Exhibit 1** shows the percent of each entering freshman class that is African American and all minorities, which slightly fluctuated but increased overall from fiscal 2005 to 2009. The percentages of African Americans and all minorities entering the freshman class increased in fiscal 2006, to 12% and 22%, respectively. The percentage of African American students declined by three percentage points while all minorities remained flat in fiscal 2007. The percentage for all minorities is estimated to slightly decline in fiscal 2008 by two percentage points and rebound in 2009, while the percentage increases to 11% in fiscal 2008 and remains level in fiscal 2009 for African American students.

Exhibit 1 also shows the percent of first-year students who receive institutional aid. It is SMCM's goal to increase access for students with financial need by increasing the amount of financial aid available. In fiscal 2007, the percent of first-year students that received institutional aid increased to 77%. However, SMCM expects the percent to decline by seven percentage points in fiscal 2008 and remain level in fiscal 2009. **The President should comment on the anticipated decline in first-year students receiving financial aid.**

**Exhibit 1
Diversity of Entering Freshmen Classes
Fiscal 2005-2009 Estimates**

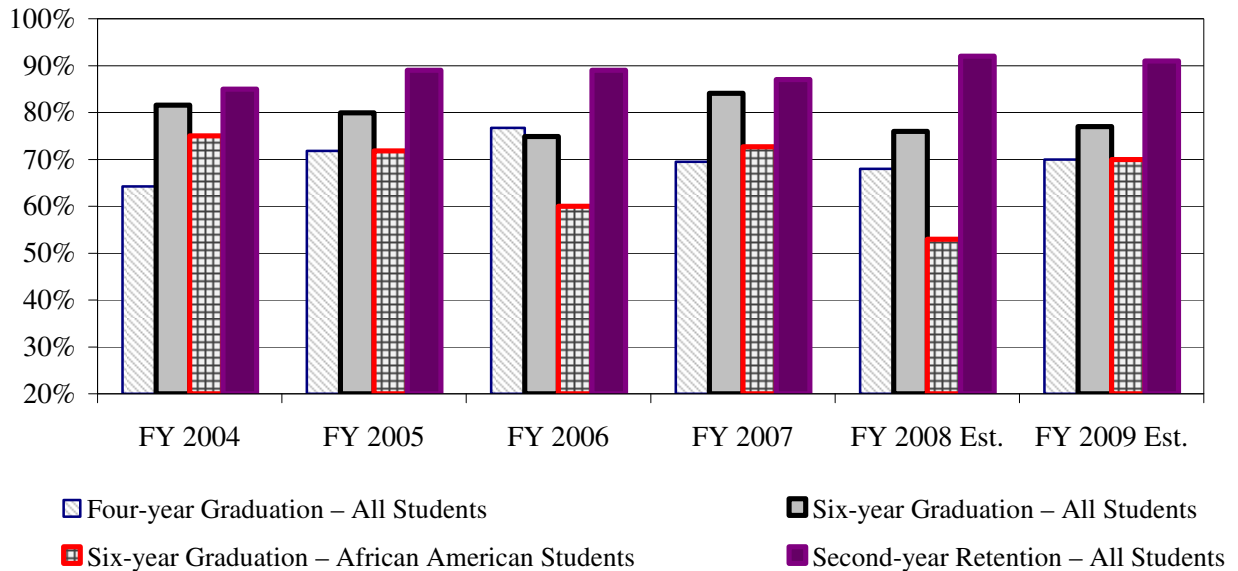


Source: Governor’s Budget Books, 2007 and 2009

SMCM is committed to increasing the effectiveness of the learning environment at the college. Most full-time students graduate from a four-year university in six years. However, the gap between four-year and six-year graduation rates for all students at SMCM is relatively small. The four-year graduation rate for all students is included in **Exhibit 2**, which also shows six-year graduation rates for African American students and all students. The fluctuations in graduation rates are not a result of low retention but can be attributed to students graduating in four, five, or six years from year to year. The six-year graduation rates for each of these categories decreased between fiscal 2004 and 2005 while the four-year rate increased from 64% to 72%. Not surprisingly, the six-year graduation rates declined to 75% for all students and 60% for African American students in fiscal 2006 while the four-year rate for all students increased. The six-year graduation rates increased in fiscal 2007 while the four-year graduation rate declined. The four-year and six-year graduation rates are expected to decrease in fiscal 2008, with a significant decline for African American students. All graduation rates are expected to significantly increase in fiscal 2009. **The President should comment on why the six-year graduation rate for African American students is expected to significantly decrease by 20 percentage points in fiscal 2008.**

SMCM’s goal is to stabilize the second-year retention by fiscal 2007 at a minimum of 90%. However, as Exhibit 2 shows, SMCM did not meet that goal in fiscal 2007 (87%) but is expected to reach 92% and 91% in fiscal 2008 and 2009, respectively.

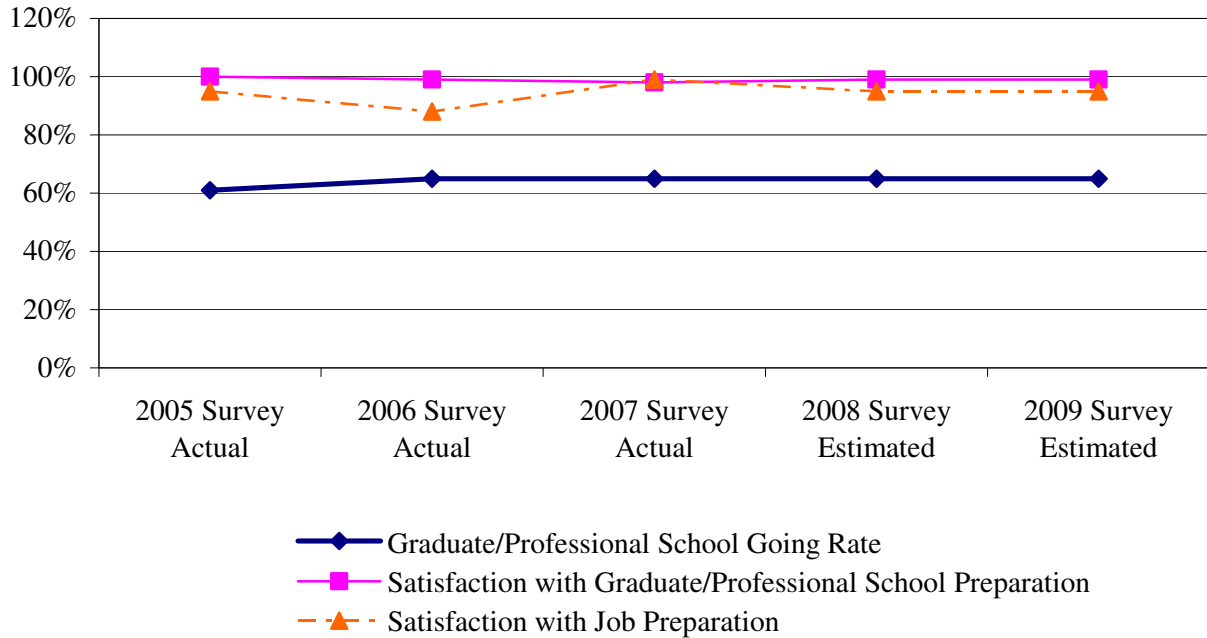
Exhibit 2
Trends in Six-year Graduation and Second-year Retention Rates
Fiscal 2004-2009 Estimates



Source: Fiscal 2004-2007 data from the Maryland Higher Education Commission; Fiscal 2007 data is 2005 cohort for second-year retention and 2000 cohort for six-year graduation; Fiscal 2008 and 2009 from the Governor’s Budget Books, Fiscal 2009

As the public honors college, SMCM seeks to provide students with an excellent undergraduate liberal arts education that will prepare them to enter the workforce or pursue graduate studies. Alumni from the college are surveyed 5 and 10 years after graduating. **Exhibit 3** shows the results from three surveys that report alumni satisfaction with their preparation for work or graduate studies five years after graduation. The graduate/professional school going rate increased in fiscal 2006 to 65% and remained level in fiscal 2007 and is expected to continue this trend in fiscal 2008 and 2009. Students were 100% satisfied with their preparation for graduate studies in fiscal 2005. The percentage declined by one point in both fiscal 2006 and 2007. The results are expected to return to 99% in fiscal 2008 and remain at 99% in fiscal 2009. Alumni satisfied with the preparation to enter the workforce declined significantly from 95% in fiscal 2005 to 88% in fiscal 2006 but significantly increased to 99% in fiscal 2007. It is expected to decline four percentage points in fiscal 2008 and remain level in 2009. **The President should comment on the anticipated decline in alumni satisfaction with their preparation to enter the workforce and what measures the college is taking to better prepare students to enter the workforce.**

Exhibit 3
Satisfaction of Alumni Five Years After Graduation
Fiscal 2005-2009 Estimates



Source: Governor’s Budget Books, Fiscal 2007 and 2009

Governor’s Proposed Budget

The general fund allowance for fiscal 2009 is \$17.1 million, an increase of 4.6% over fiscal 2008, as shown in **Exhibit 4**. Other unrestricted funds, primarily tuition and fee revenues, increase \$1.1 million, or 2.7%. In total, unrestricted funds grow 3.2% over the fiscal 2008 working appropriation. Restricted funds remain relatively level.

Exhibit 4
Governor’s Proposed Budget
St Mary’s College of Maryland
(\$ in Thousands)

	<u>FY 07</u> <u>Actual</u>	<u>FY 08</u> <u>Working</u>	<u>FY 09</u> <u>Allowance</u>	<u>FY 08-09</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Funds	\$15,906	\$16,367	\$17,123	\$756	4.6%
Other Unrestricted Funds	36,062	42,979	44,126	1,148	2.7%
Total Unrestricted Funds	51,968	59,346	61,249	1,903	3.2%
Restricted Funds	<u>2,587</u>	<u>3,600</u>	<u>3,599</u>	<u>-1</u>	
Total Funds	\$54,554	\$62,946	\$64,848	\$1,902	3.0%

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

Budget changes by program are shown in **Exhibit 5**. Education and general expenditures grew 7.3% between fiscal 2007 and 2008. From fiscal 2007 to 2008, expenditures for public service and institutional support grew the most at 49.4% and 25.1%, respectively. In the fiscal 2009 allowance, operation and maintenance of plant is budgeted to grow the most at 24.9%, but planned expenditures for instruction increase the most by \$2.1 million.

Tuition and fee revenues are expected to generate an additional \$1.0 million, or a 4.2% increase over fiscal 2008. SMCM has not participated in the in-state tuition freeze over the past two years and does not receive any funds specifically to reduce tuition in the allowance. However, the college has held annual in-state tuition increases to 5% in fiscal 2008 and 2009 after receiving State funds for a modest 3.8% increase in fiscal 2006.

Exhibit 5
St. Mary’s College of Maryland
Budget Changes for Current Unrestricted Funds by Program
Fiscal 2007-2009
(\$ in Thousands)

	<u>FY 2007</u>	<u>Working FY 2008</u>	<u>% Change FY 07-08</u>	<u>Allowance FY 2009</u>	<u>\$ Change FY 08-09</u>	<u>% Change FY 08-09</u>
Expenditures						
Instruction	\$16,556	\$16,103	-2.7%	\$18,188	\$2,085	12.9%
Research	-27	0	-100.0%	0	0	0.0%
Public Service	152	227	49.3%	140	-87	-38.2%
Academic Support	2,149	2,119	-1.4%	2,444	325	15.3%
Student Services	4,746	4,794	1.0%	5,446	652	13.6%
Institutional Support	9,958	12,454	25.1%	10,716	-1,738	-14.0%
Operation and Maintenance of Plant	3,676	4,364	18.7%	5,450	1,087	24.9%
Scholarships and Fellowships	4,795	5,013	4.5%	5,157	144	2.9%
Subtotal Education and General	\$42,005	\$45,073	7.3%	\$47,542	\$2,469	5.5%
Auxiliary Enterprises	9,963	14,273	43.3%	13,707	-565	-4.0%
Total	\$51,968	\$59,346	14.2%	\$61,249	\$1,903	3.2%
Revenues						
Tuition and Fees	\$23,377	\$24,933	6.7%	\$25,984	\$1,051	4.2%
General Funds	15,906	16,367	2.9%	17,123	756	4.6%
Other	-2,683	975	-136.3%	1,793	818	83.9%
Subtotal	\$36,600	\$42,275	15.5%	\$44,900	\$2,625	6.2%
Auxiliary Enterprises	15,641	15,977	2.1%	16,349	372	2.3%
Transfers (to)/from fund balance	-274	1,094	-499.1%	0	-1,094	-100.0%
Total	\$51,968	\$59,346	14.2%	\$61,249	\$1,903	3.2%

Source: Governor’s Budget Books, Fiscal 2009

General Fund Allowance

The minimum general fund increase for SMCM is specified in the Education Article, § 14-405(b)(ii), which states that the prior year appropriation be increased by funds required to offset inflation. This involves multiplying the prior year appropriation by the implicit price deflator for State and local government. The fiscal 2009 allowance was calculated based on an estimated 3.8% price deflator in error and would have provided an additional \$133,859 above the formula. However, as **Exhibit 6** shows, for fiscal 2009 the estimated price deflator is 2.7%, and results in a mandated increase of \$435,367 over the fiscal 2008 general fund appropriation. The fiscal 2009 allowance is above the mandated increase by \$320,445. However, the college is liable for \$382,618 in Other Post Employment Benefits in the fiscal 2009 allowance, including \$131,000 attributable to State general funds. Exhibit 6 also demonstrates that during periods of fiscal constraint, the grant to SMCM has been reduced below the amount required by statute. When the State’s fiscal outlook is more favorable, SMCM often receives more than the formula requires.

In light of the error made in calculating the formula in the fiscal 2009 allowance, the Department of Legislative Services recommends reducing the current unrestricted (general funds) by \$189,445, while retaining general funds for OPEB.

Exhibit 6
St. Mary’s College of Maryland
General Fund Appropriations
Fiscal 2003-2009

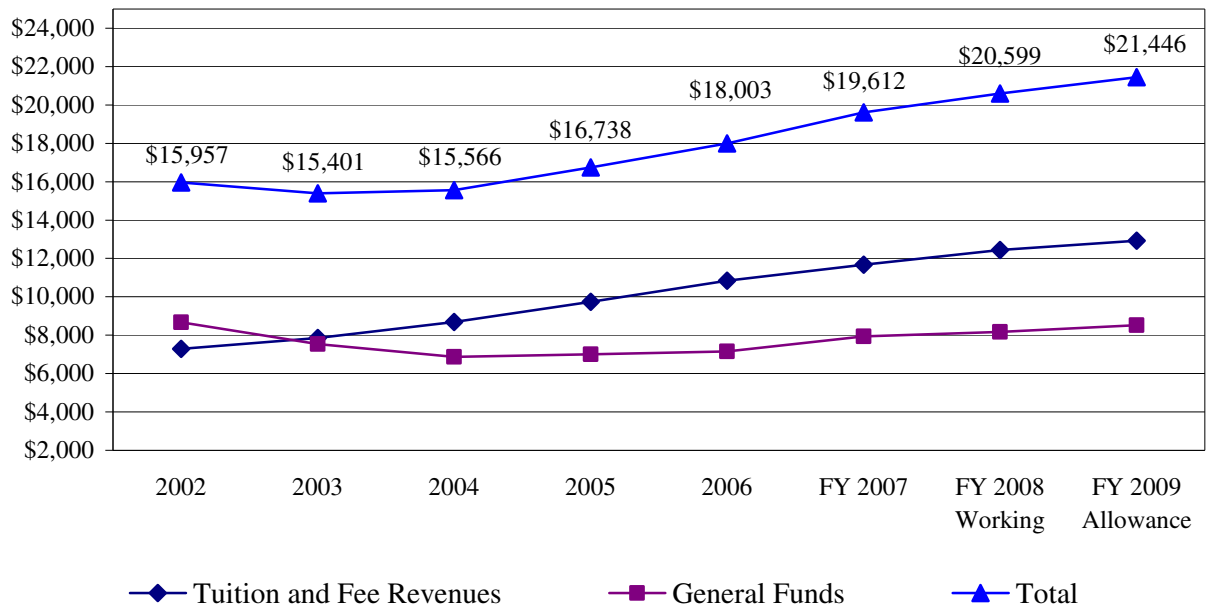
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>Allowance 2009</u>
Price Deflator	2.6%	3.3%	2.2%	3.0%	3.0%	2.9%	2.7%
Formula	\$15,106,161	\$14,315,970	\$13,983,894	\$14,397,219	\$15,030,697	\$16,367,274	\$16,802,555
Appropriation	\$13,853,271	\$13,682,871	\$13,977,883	\$14,592,910	\$15,906,000	\$16,367,188	\$17,123,000
Difference	-\$1,252,890	-633,099	-\$6,011	\$195,691	\$875,303	-\$86	\$320,445
Appropriation % Change	-5.9%	-1.2%	2.2%	4.4%	9.0%	2.9%	4.6%

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

Tuition and Fee and General Fund Revenues

Exhibit 7 shows the tuition and fee and general fund revenues per full-time equivalent student (FTES) from fiscal 2003 through 2009. During the time period enrollment has remained relatively flat, growing about 0.2% annually. Prior to fiscal 2003, general funds accounted for a larger share of SMCM’s revenues than tuition and fees. When State appropriations began to decline in fiscal 2003, tuition and fee revenues eclipsed general funds. General funds per FTES continued declining in fiscal 2004. General funds per FTES increased from \$7,006 in fiscal 2005 to \$8,163 in fiscal 2007, while tuition and fee revenues increased from \$10,846 to \$12,436 during the same period. In fiscal 2009, tuition and fee revenues per FTES are expected to increase to \$12,927, or 3.9%, while general funds are expected to increase to \$8,519, or 4.4%, over fiscal 2008. Excluding OPEB, general funds per FTES increase 3.7% in fiscal 2009.

Exhibit 7
Tuition and Fee and General Fund Revenues Per FTES
Fiscal 2002-2009



FTES: Full-time Equivalent Student

Source: Department of Budget and Management

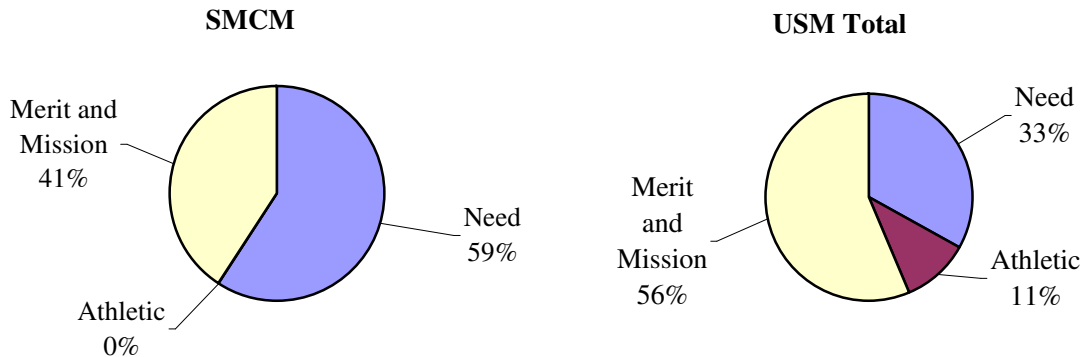
Issues

1. Institutional Aid

Financial aid is important in helping many students achieve their educational goals. The lack of financial support is one of the many factors attributed to students dropping out of school. Along with federal and State financial aid, the college provides financial assistance to students in categories which include need, merit, and mission.

Although SMCM is not part of the University System of Maryland (USM), **Exhibit 8** compares SMCM’s institutional aid in each category to other public four-year institutions in the State (USM institutions). In fiscal 2008, 33.0% of institutional aid across USM was need-based, 56.0% merit and mission, and 11.0% athletic, as shown in Exhibit 8. Overall, in fiscal 2008, 59.0% of SMCM’s institutional aid was awarded based on need, which constitutes a 6.3% increase over fiscal 2007, and 41.0% based on merit and mission. SMCM’s institutional aid policy for the last several years has been to put all new institutional aid money into need-based aid. The college plans to increase need-based aid by 4.0% in fiscal 2009. SMCM devotes a higher percentage of aid to need and merit/mission than the University System of Maryland because SMCM does not provide athletic scholarships.

**Exhibit 8
Institutional Financial Aid
Fiscal 2008 Estimate**



	<u>Need</u>	<u>Athletic</u>	<u>Merit and Mission</u>
St. Mary’s College of Maryland (SMCM)	\$3,035,831	\$0	\$2,102,936
University System of Maryland (USM)Total	\$33,473,322	\$10,774,804	\$57,230,081

Source: St. Mary’s College of Maryland; University System of Maryland

The Maryland Higher Education Commission (MHEC) collects annual data for the Financial Aid Information System (FAIS) database. The FAIS data collected provide a profile of those students receiving financial aid. The FAIS data have information for institutional aid awarded at SMCM for fiscal 2006 for students that completed the Free Application for Federal Student Aid (FAFSA) to determine the students’ expected family contribution (EFC). In general, the lower a student’s EFC, the greater a student’s financial need. Students with an EFC of \$0 to \$3,850 are eligible for the Federal Pell Grant program and are deemed students to have the most need. Certain students with very low family income automatically qualify for a \$0 EFC, *i.e.*, no family contribution.

Exhibit 9 shows the percent of awards made for need-based aid and merit, mission, and other aid at each EFC category for students that filed a FAFSA. A majority of the students receiving non-need-based aid had an EFC of \$20,000 or above. Although students at any EFC category may have unmet financial need, it is apparent that need-based aid directs funds to students at the low to middle EFC range more directly than non-need-based aid. SMCM, like other institutions, contends that by awarding merit-based aid, students that have unmet need according to the federal definition (cost of attendance – expected family contribution = unmet need) are being captured. However, a FAFSA must be filed each year for students to be considered for need-based aid from the college while students receiving merit or other aid are not required to file a FAFSA. Approximately one-third of other aid was awarded to students who did not file a FAFSA. **The President should comment on how a student’s unmet need is determined if a FAFSA has not been filed.**

Exhibit 9
Percent of Institutional Financial Aid Awards by EFC
Fiscal 2006

<u>EFC Category</u>	<u>Need-based</u>	<u>Other</u>
\$0	11.7%	3.5%
\$1 – \$3,850	27.3%	7.5%
\$3,851 – \$6,999	21.7%	7.0%
\$7,000 – \$9,999	16.8%	5.1%
\$10,000 – \$14,999	15.6%	8.6%
\$15,000 – \$19,999	3.4%	5.6%
\$20,000 +	3.0%	29.4%

EFC: Expected Family Contribution

Note: Does not include work study. “Other” includes merit, mission, athletic, and other aid. Data in “Other” category may not sum to 100% due to awards to students who did not file the Free Application for Federal Student Aid.

Source: Maryland Higher Education Commission; Financial Aid Information System 2005-2006

2. Operation and Maintenance Expenditures

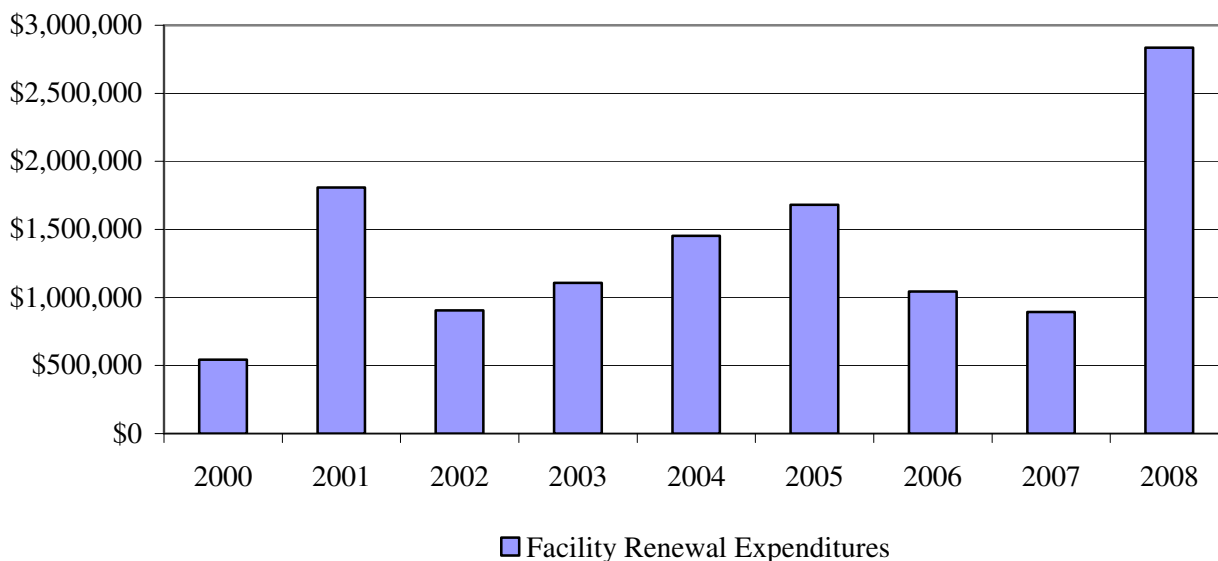
SMCM is located on 319 acres, of which 126 are maintained by the college, and consists of residence halls, academic, student affairs, administrative buildings, and athletic fields. Currently, SMCM’s total student headcount is approximately 1,950. The college’s academic programs depend upon adequate facilities and are affected when systems in the buildings fail. Over the past several years, budget shortfalls, due to cost containment actions and moderate increases in other revenue sources, have limited funding for ongoing building maintenance. The lack of consistent maintenance can create a serious facilities problem. SMCM estimates a maintenance backlog of approximately \$15 million with \$4.6 million related to Anne Arundel and Margaret Brent halls which are scheduled to be demolished in three years and replaced with a new building.

Facility Renewal

Facilities renewal is the planned renovation, adaptation, replacement, or upgrade of the systems of a capital asset during its life span such that it meets assigned functions in a reliable manner. Currently, the college does not have a specific policy regarding the exact amount of funding for renewals and replacements. SMCM takes into account the deferred maintenance backlog periodically to develop a strategy to address the issue over future periods. The college has a plant fund which is the main fund source used for facility renewal projects. Resources for the plant fund come from three revenue sources. The first source of funding is from a mandatory fee that each full-time student pays. The second source is from a new funding strategy which added a 2% increase on room rates and includes a small portion of the parking fee revenues to address parking lot maintenance. The third source, which is not reliable or predictable, is the occasional transfer of additional surplus funds at year end from the operating budget. Currently, the revenue sources generate a funding stream of approximately \$1.8 million annually.

Exhibit 10 shows the operating expenditures from the college’s budget for facility renewal from fiscal 2000 to 2008. Expenditures fluctuate from year to year. However, expenditures steadily increased from \$1.1 million in fiscal 2003 to \$1.7 million in fiscal 2005. After declining to less than \$1.0 million in fiscal 2007, the college budgets \$2.8 million in expenditures for facility renewal projects in fiscal 2008 but does not believe the entire \$2.8 million will be spent in fiscal 2008. SMCM states the reason the expenditures fluctuate from year to year is due to projects requiring planning, approval, and procurement, which turns them into multiple year projects.

Exhibit 10
Facility Renewal Expenditures
Fiscal 2000-2008

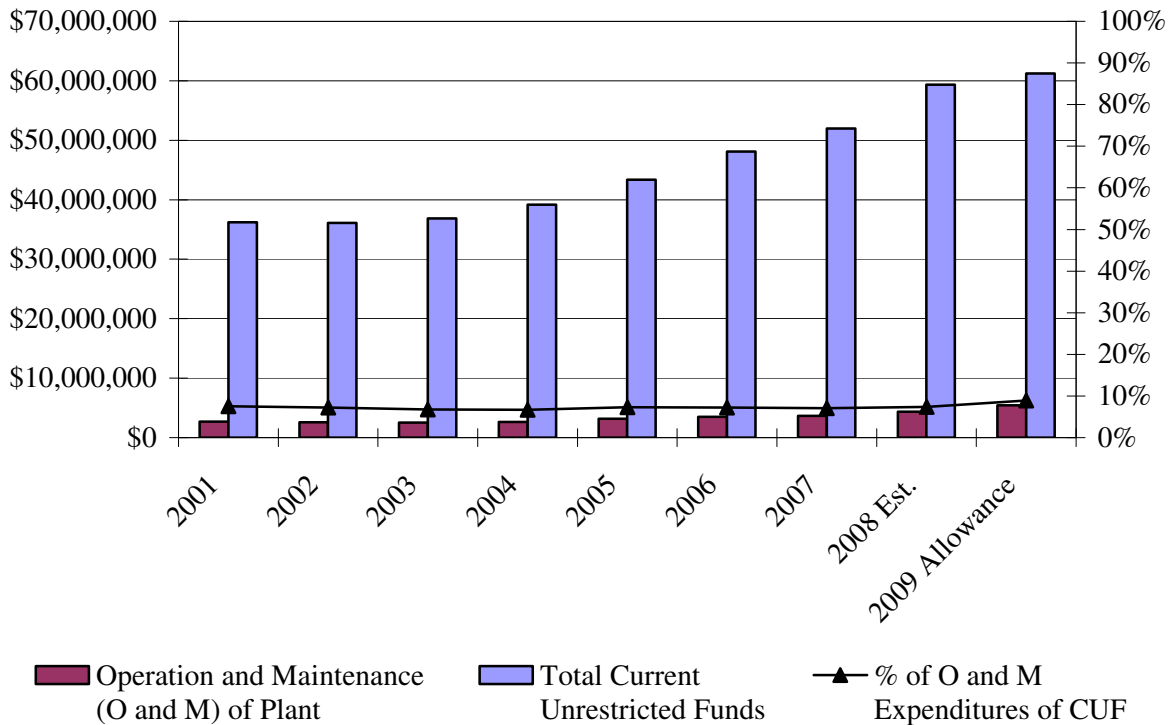


Source: St. Mary’s College of Maryland

Operation and Maintenance of Plant

Aside from facility renewal, institutions have ongoing building maintenance that includes elements such as purchased utilities, building and grounds maintenance, refuse collection, janitorial services, and additional administrative and support services. These costs are typically funded through current unrestricted funds. **Exhibit 11** shows SMCM’s expenditures on operation and maintenance of plant compared to total expenditures. The percentage of operation and maintenance expenditures slightly declined from 7.5% in fiscal 2002 to 6.7% in fiscal 2004. After increasing to 7.3% in fiscal 2005, the percentage once again remains relatively level but is expected to increase to 9.0% in fiscal 2009. This is attributed to the new Student Services building, Good Pasture Hall, and the River Center coming on-line in fiscal 2009.

Exhibit 11
Unrestricted Fund Expenditures on Operation and Maintenance of Plant
Fiscal 2001-2009



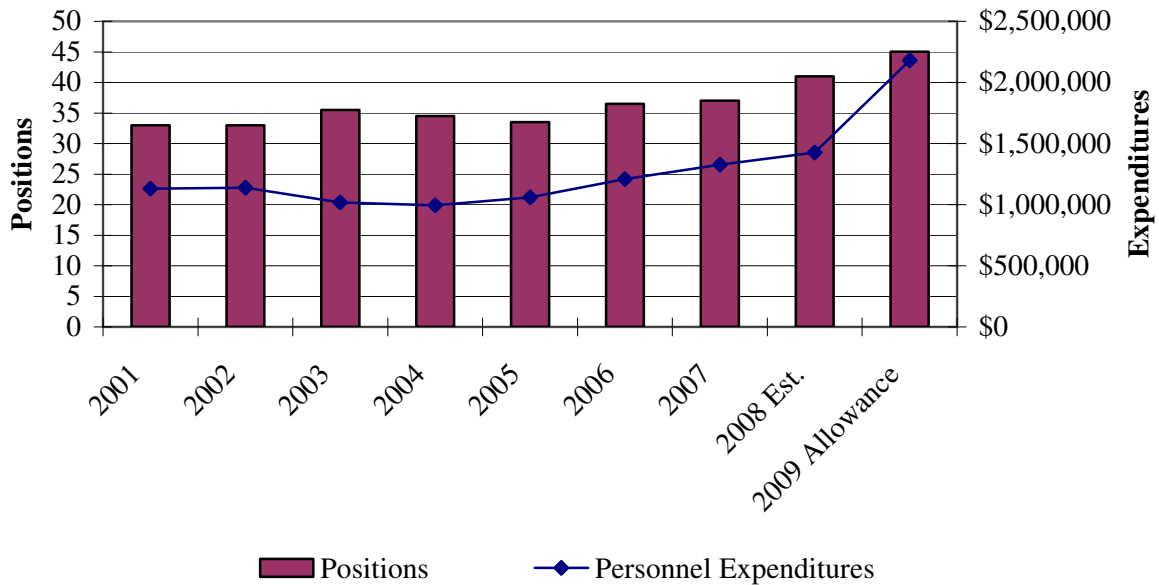
CUF: current unrestricted funds

Source: Department of Budget and Management

Personnel

Salaries and benefits for personnel typically account for 50% of the total operation and maintenance budget at universities. SMCM’s personnel, including contractual employees, account for approximately 40%, which is lower than the average. **Exhibit 12** shows the number of positions in operation and maintenance and the expenditures associated with salaries and benefits from fiscal 2001 to 2009. After declining in fiscal 2003 and 2004, expenditures for personnel (excludes contractual services) increased to \$1.1 million in fiscal 2005 and to \$1.4 million in fiscal 2008; they are expected to significantly increase in fiscal 2009 to \$2.2 million. Personnel slightly declined from 35.5 in fiscal 2004 to 33.5 in fiscal 2005 after increasing in fiscal 2003. However, the number of positions steadily increases from fiscal 2006 to 2009.

Exhibit 12
Operation and Maintenance of Plant Personnel and Expenditures
Fiscal 2001-2009



Source: Department of Budget and Management

The campus consists of approximately 915,000 square feet (sq. ft.) of academic and auxiliary building space. Of the total, 443,268 sq. ft is dedicated to academic and non-auxiliary activities. The university employs approximately 21 housekeepers (regular and contractual), 5 groundskeepers, and 12 general and skilled maintenance workers for non-auxiliary building space. According to American School and University’s *Maintenance and Operations Cost Study*, the median square feet maintained per maintenance employee in the 2006-2007 academic year was 71,479 sq. ft. and 39,391 sq. ft. per custodial staff. On average, for St. Mary’s College 36,939 sq. ft. per maintenance employee and 20,189 sq. ft. per housekeeper is assigned for maintenance upkeep and cleaning for non-auxiliary space which is above the industry standard.

Overall, the college notes that there are challenges in providing sufficient funds for new facilities and deferred maintenance. However, the college believes facility renewal issues are not of great concern for the campus at this time and plans to continue ongoing maintenance efforts to reduce the backlog. **The President should discuss how much the college will spend on facility renewal in fiscal 2009 and the college’s long-term goals for facility renewal and maintenance expenditures.**

Recommended Actions

1. Add the following language:

Provided that eight regular positions shall be deleted.

Explanation: This is a technical amendment deleting eight erroneously budgeted positions.

2. Add the following language to the unrestricted fund appropriation:

Provided that the appropriation for St. Mary’s College of Maryland shall be reduced by \$189,445 in current unrestricted funds.

Explanation: Excluding Other Post Employment Benefits (OPEB), the fiscal 2009 allowance provides a 3.8% increase in general funds based on an incorrect price inflator used in error. The mandated formula should increase by 2.7% and the language reduces the current unrestricted (general) funds by \$189,445. The reduction retains general funds for OPEB and provides an overall 3.5% increase over fiscal 2008.

3. Adopt the following narrative:

Faculty Workload Reports: The committees request that St. Mary’s College of Maryland (SMCM) continue to provide annual instructional workload reports for tenured and tenure-track faculty. By focusing on these faculty, the committees gain a sense of the teaching activities for the regular, core faculty at institutions. Additional information may be included in the report at SMCM’s discretion.

Information Request	Author	Due Date
Annual report on instructional workload for tenured and tenure-track faculty.	SMCM	December 1, 2008

4. Adopt the following narrative:

Institutional Aid Report: The committees request that St. Mary’s College of Maryland (SMCM) submit all categories (need-based, merit, mission, and athletic) of institutional aid data with the budget request and allowance, including prior year actual, current year working and allowance.

Information Request	Author	Due Date
Report on all categories of institutional aid.	SMCM	With request and allowance

Current and Prior Year Budgets

Current and Prior Year Budgets St Mary’s College of Maryland (\$ in Thousands)

	<u>General Fund</u>	<u>Other Unrestricted Fund</u>	<u>Total Unrestricted Fund</u>	<u>Restricted Fund</u>	<u>Total</u>
Fiscal 2007					
Legislative Appropriation	\$15,906	\$37,353	\$53,259	\$3,600	\$56,859
Deficiency Appropriation	0	2,151	2,151	0	2,151
Budget Amendments	0	0	0	0	0
Reversions and Cancellations	0	-552	-552	-341	-893
Actual Expenditures	\$15,906	\$38,952	\$54,858	\$3,259	\$58,117
Fiscal 2008					
Legislative Appropriation	\$16,367	\$42,979	\$59,346	\$3,600	\$62,946
Cost Containment	0	0	0	0	0
Budget Amendments	0	0	0	0	0
Working Appropriation	\$16,367	\$42,979	\$59,346	\$3,600	\$62,946

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

Fiscal 2007

Unrestricted funds increased \$2,150,789 to realign fiscal 2007 funds through a deficiency appropriation.

Unrestricted funds decrease \$551,600 in reversions due to \$206,000 in timing differences in miscellaneous bill payment not due before the fiscal year ended, and the remaining \$345,600 is due to small unexpended amounts throughout various programs.

Restricted funds decrease \$341,344 in reversions due to grant periods not aligned with the fiscal year which results in unexpended budget amounts at the year end.

St. Mary’s College of Maryland
Full-time Equivalent Personnel by Budget Program
Fiscal 2006-2008

<u>Budget Program</u>	<u>FY 2006 FTEs</u>	<u>% of Total FTEs</u>	<u>FY 2007 FTEs</u>	<u>% of Total FTEs</u>	<u>FY 2008 FTEs</u>	<u>% of Total FTEs</u>	<u>FY 06-08 Change in Share of Total</u>
Instruction	156.00	38.9%	176.00	38.9%	184.00	43.9%	5.0%
Research	0.00	0.0%	11.00	0.0%	1.00	2.7%	2.7%
Public Service	0.00	0.0%	6.00	0.0%	2.00	1.5%	1.5%
Academic Support	19.00	4.7%	6.00	4.7%	15.00	1.5%	-3.3%
Student Services	58.00	14.5%	57.00	14.5%	49.00	13.9%	-0.5%
Institutional Support	89.50	22.3%	81.00	22.3%	93.50	19.8%	-2.5%
Operations/Plant Maintenance	37.50	9.4%	36.00	9.4%	30.00	8.8%	-0.5%
Auxiliary Enterprises	41.00	10.2%	36.00	10.2%	45.00	8.8%	-1.4%
Total	401.00	100%	409.00	100%	419.50	100%	

Source: St. Mary’s College of Maryland

Audit Findings

Audit Period for Last Audit:	May 5, 2003 – June 30, 2006
Issue Date:	March 2007
Number of Findings:	9
Number of Repeat Findings:	3
% of Repeat Findings:	33%
Rating: (if applicable)	n/a

- Finding 1:** The college did not ensure that all purchases and disbursements were properly approved and did not have adequate support for certain purchases made with the college’s corporate purchasing cards.
- Finding 2:** Controls over the college’s collections were inadequate.
- Finding 3:** The college did not reconcile its accounting records with the related records of the State Comptroller in a timely manner and did not resolve certain reconciling items.
- Finding 4:** Certain critical transactions recorded in the college’s computer system were not independently verified.
- Finding 5:** Logging and monitoring of significant security related events were not adequate.
- Finding 6:** **Controls over passwords and program changes need improvement.**
- Finding 7:** **The college did not have adequate information systems disaster recovery and backup plans and procedures.**
- Finding 8:** Administrative access to critical network devices needs improvement.
- Finding 9:** **The college’s internal network was not adequately secured.**

*Bold denotes item repeated in full or part from preceding audit report.

**Object/Fund Difference Report
St Mary's College of Maryland**

<u>Object/Fund</u>	<u>FY07 Actual</u>	<u>FY08 Working Appropriation</u>	<u>FY09 Allowance</u>	<u>FY08-FY09 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	426.50	441.50	453.50	12.00	2.7%
02 Contractual	23.83	32.15	28.53	-3.62	-11.3%
Total Positions	450.33	473.65	482.03	8.38	1.8%
Objects					
01 Salaries and Wages	\$ 28,644,502	\$ 29,576,233	\$ 32,143,381	\$ 2,567,148	8.7%
02 Technical and Spec. Fees	2,783,252	3,770,650	3,556,889	-213,761	-5.7%
03 Communication	424,294	425,010	425,010	0	0%
04 Travel	1,747,128	1,372,222	1,723,542	351,320	25.6%
06 Fuel and Utilities	2,040,215	2,532,566	2,894,009	361,443	14.3%
07 Motor Vehicles	212,245	246,729	244,960	-1,769	-0.7%
08 Contractual Services	7,689,691	7,289,875	7,610,841	320,966	4.4%
09 Supplies and Materials	2,588,477	3,531,293	3,265,202	-266,091	-7.5%
10 Equip. – Replacement	69,119	56,691	50,702	-5,989	-10.6%
11 Equip. – Additional	1,575,950	1,999,451	1,707,950	-291,501	-14.6%
12 Grants, Subsidies, and Contributions	6,197,073	7,288,445	7,432,863	144,418	2.0%
13 Fixed Charges	502,562	4,301,114	3,032,261	-1,268,853	-29.5%
14 Land and Structures	79,840	555,733	760,528	204,795	36.9%
Total Objects	\$ 54,554,348	\$ 62,946,012	\$ 64,848,138	\$ 1,902,126	3.0%
Funds					
40 Unrestricted Fund	\$ 51,967,539	\$ 59,346,012	\$ 61,249,367	\$ 1,903,355	3.2%
43 Restricted Fund	2,586,809	3,600,000	3,598,771	-1,229	0%
Total Funds	\$ 54,554,348	\$ 62,946,012	\$ 64,848,138	\$ 1,902,126	3.0%

Note: The fiscal 2008 appropriation does not include deficiencies.

**Fiscal Summary
St Mary's College of Maryland**

<u>Program/Unit</u>	<u>FY07 Actual</u>	<u>FY08 Wrk Approp</u>	<u>FY09 Allowance</u>	<u>Change</u>	<u>FY08-FY09 % Change</u>
01 Instruction	\$ 16,856,875	\$ 16,537,728	\$ 18,622,672	\$ 2,084,944	12.6%
02 Research	389,664	601,054	599,825	-1,229	-0.2%
03 Public Service	184,972	274,486	187,795	-86,691	-31.6%
04 Academic Support	2,349,204	2,408,140	2,733,233	325,093	13.5%
05 Student Services	4,793,783	4,862,637	5,514,809	652,172	13.4%
06 Institutional Support	9,958,099	12,454,220	10,716,191	-1,738,029	-14.0%
07 Operation and Maintenance of Plant	3,690,195	4,383,462	5,470,347	1,086,885	24.8%
08 Auxiliary Enterprises	9,962,818	14,272,869	13,707,432	-565,437	-4.0%
17 Scholarships and Fellowships	6,368,738	7,151,416	7,295,834	144,418	2.0%
Total Expenditures	\$ 54,554,348	\$ 62,946,012	\$ 64,848,138	\$ 1,902,126	3.0%
Unrestricted Fund	\$ 51,967,539	\$ 59,346,012	\$ 61,249,367	\$ 1,903,355	3.2%
Restricted Fund	2,586,809	3,600,000	3,598,771	-1,229	0%
Total Appropriations	\$ 54,554,348	\$ 62,946,012	\$ 64,848,138	\$ 1,902,126	3.0%

Note: The fiscal 2008 appropriation does not include deficiencies.