

**R30B24**  
**Towson University**  
**University System of Maryland**

***Operating Budget Data***

(\$ in Thousands)

	<u>FY 09</u> <u>Actual</u>	<u>FY 10</u> <u>Working</u>	<u>FY 11</u> <u>Allowance</u>	<u>FY 10-11</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Funds	\$82,467	\$85,274	\$91,406	\$6,132	7.2%
Contingent & Back of Bill Reductions	0	0	-1,692	-1,692	
<b>Adjusted General Fund</b>	<b>\$82,467</b>	<b>\$85,274</b>	<b>\$89,714</b>	<b>\$4,440</b>	<b>5.2%</b>
Special Funds	6,685	3,435	0	-3,435	-100.0%
<b>Adjusted Special Fund</b>	<b>\$6,685</b>	<b>\$3,435</b>	<b>\$0</b>	<b>-\$3,435</b>	<b>-100.0%</b>
Other Unrestricted Funds	241,045	248,735	261,180	12,445	5.0%
Contingent & Back of Bill Reductions	0	0	-1,282	-1,282	
<b>Adjusted Other Unrestricted Fund</b>	<b>\$241,045</b>	<b>\$248,735</b>	<b>\$259,898</b>	<b>\$11,163</b>	<b>4.5%</b>
Total Unrestricted Funds	330,197	337,444	352,586	15,141	4.5%
Contingent & Back of Bill Reductions	0	0	-2,974	-2,974	
<b>Adjusted Total Unrestricted Funds</b>	<b>\$330,197</b>	<b>\$337,444</b>	<b>\$349,612</b>	<b>\$12,167</b>	<b>3.6%</b>
Restricted Funds	31,390	40,390	40,390	0	
<b>Adjusted Restricted Fund</b>	<b>\$31,390</b>	<b>\$40,390</b>	<b>\$40,390</b>	<b>\$0</b>	<b>0.0%</b>
<b>Adjusted Grand Total</b>	<b>\$361,587</b>	<b>\$377,834</b>	<b>\$390,002</b>	<b>\$12,167</b>	<b>3.2%</b>

Note: For purposes of illustration, the Department of Legislative Services has estimated the distribution of selected across-the-board budget reductions. The actual allocations are to be developed by the Administration.

- General funds for Towson University increase \$6.1 million, or 7.2%, in the fiscal 2011 allowance. However, after adjusting for \$3.4 million of the Higher Education Investment Fund in fiscal 2010 and \$1.7 million in furlough and health insurance savings, the underlying growth is \$1.0 million, or 1.1%, over fiscal 2010.
- Other unrestricted funds increase \$11.2 million, or 4.5%, after adjusting the fiscal 2011 allowance \$1.3 million to reflect furlough and health insurance savings.

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

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## ***Personnel Data***

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	<b><u>FY 09</u></b>	<b><u>FY 10</u></b>	<b><u>FY 11</u></b>	<b><u>FY 10-11</u></b>
	<b><u>Actual</u></b>	<b><u>Working</u></b>	<b><u>Allowance</u></b>	<b><u>Change</u></b>
Regular Positions	1,881.50	1,941.50	1,941.50	0.00
Contractual FTEs	<u>923.00</u>	<u>923.00</u>	<u>923.00</u>	<u>0.00</u>
<b>Total Personnel</b>	<b>2,804.50</b>	<b>2,864.50</b>	<b>2,864.50</b>	<b>0.00</b>

### ***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions	52.61	2.71%
Positions and Percentage Vacant as of 12/31/09	79.00	4.10%

- The fiscal 2011 allowance does not provide Towson University with any new positions.

## ***Analysis in Brief***

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### **Major Trends**

#### ***Retention Rates Decline Slightly; Graduation Rate Jumps for African American Students:***

Retention rates for African American students continues to exceed that for all students despite a 0.5 percentage point decline compared to a dip of 0.1 percentage point for all students. Meanwhile, the graduation rate for African American students jumped 7.4 percentage points to 69.9% in fiscal 2009.

***Degrees Awarded Continues to Increase with Number of Doctoral Degrees Tripling:*** The number of degrees conferred from 2005 to 2009, increased 14.5%, or 553, with the number of doctoral degrees awarded tripling from 5 to 15.

### **Issues**

***Making College Affordable:*** Students with lower expected family contribution received most of the institutional aid. In general, Towson University met a higher percentage of student needs than other Maryland public four-year institutions.

***Trimester Pilot Program Completes a Second Year:*** Summer 2009 marked the completion of the second year of a three-year pilot summer trimester program. Overall, the number of course sections offered by colleges increased 28.0% while enrollment grew 49.2% from summer 2007 to 2009.

## **Recommended Actions**

1. See the University System of Maryland’s Overview for systemwide recommendations.

## **Updates**

***Baltimore Hebrew Institute at Towson University:*** On July 2, 2009, Towson University, Baltimore Hebrew University, and The Associated Jewish Community Federation of Baltimore (funding partners) signed a Cooperation Agreement establishing the Baltimore Hebrew Institute at Towson.



**R30B24**  
**Towson University**  
**University System of Maryland**

***Operating Budget Analysis***

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**Program Description**

Towson University (Towson) is the largest comprehensive university within the University System of Maryland (USM), serving both residential and commuter students. As the State's metropolitan university, it focuses on providing educational experiences and community service through a broad range of opportunities at the undergraduate and graduate levels. Towson offers a broad range of undergraduate programs in arts and sciences, applied professional fields, applied master's, and doctoral level programs.

Post-baccalaureate certificates, master's, and doctoral programs focus on education, arts and sciences, health professions, information technology, and business. Areas of emphasis include education, theater, human resources development, psychology, computer information and sciences, speech-language pathology, audiology, occupational therapy, and health administration.

Towson contributes to the economic development of the State through a variety of activities and programs. The university continues to provide workforce training targeting nurses, teachers, and health professionals; expanding K-12 partnerships; and establishing partnerships with public agencies and private companies.

**Carnegie Classification:** Master's L: Master's Colleges and Universities (larger programs)

**Fall 2009 Undergraduate Enrollment Headcount**

Male	6,827
Female	10,321
<b>Total</b>	<b>17,148</b>
	(370 off campus)

**Fall 2009 Graduate Enrollment Headcount**

Male	1,096
Female	2,933
<b>Total</b>	<b>4,029</b>
	(1,340 off campus)

**Fall 2009 New Students Headcount**

First-time	2,405
Transfers/Others	1,539
Graduate	722
<b>Total</b>	<b>4,666</b>

**Campus (Main Campus)**

Acres	328
Buildings	47
Average Age	45
Oldest	Auburn House - 1790

**Programs**

Bachelor's	63
Master's	44
Doctoral	4

**Degrees Awarded (2008-2009)**

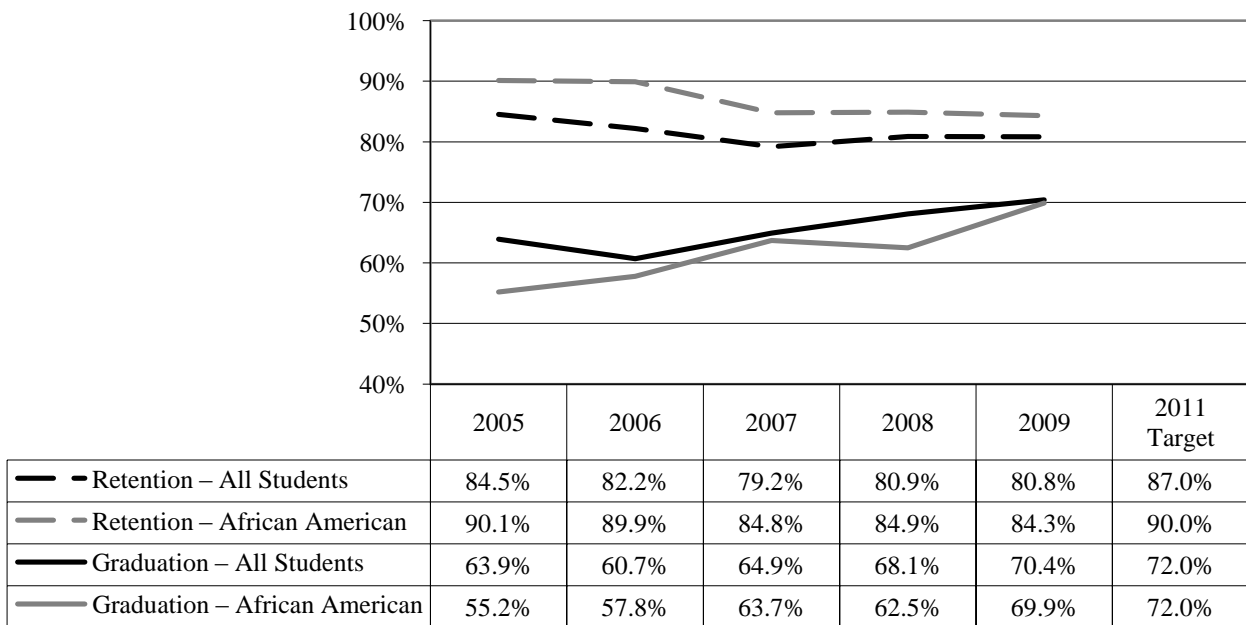
Bachelor's	3,380
Master's	974
Doctoral	15
<b>Total Degrees</b>	<b>4,369</b>

## Performance Analysis

### Retention Rates Decline Slightly; Graduation Rate Jumps for African American Students

Increasing access for economically disadvantaged and minority students is a goal of Towson. **Exhibit 1** shows the two-year retention and six-year graduation rates for all students and African American students. Overall, the retention rate for African American students consistently exceeds that of all students. Between fiscal 2005 and 2007, the retention rates for both groups fell 5.3 percentage points. While the rate for all students increased 1.6 percentage points since fiscal 2007 to 80.8% in fiscal 2009, the rate for African American students declined 0.5 percentage points to 84.3%.

**Exhibit 1**  
**Towson University Graduation and Retention Rates**  
**All Students and African American Students**  
**Fiscal 2005-2011**



Note: Fiscal 2009 two-year retention data reflects 2007 cohort group and six-year graduation rate reflects 2002 cohort group.

Source: Fiscal 2005 to 2009 data from the Maryland Higher Education Commission, *Retention and Graduation Rates at Maryland Public Four-year Institutions*, June 2009; Fiscal 2011 data from Governor's Budget Books, Fiscal 2011

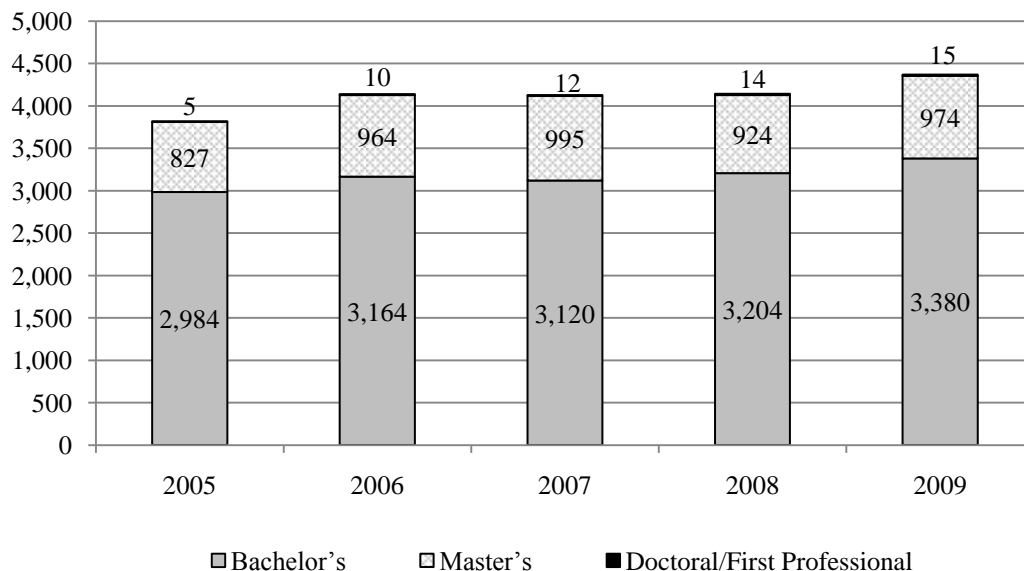
In fiscal 2009, the graduation rate for African American students almost equals that of all students. The rate for African American students jumped 7.4 percentage points in fiscal 2009 peaking at 69.9%, while the rate for all students reached its highest level at 70.4%, 9.7 percentage points above the lowest point of 60.7% in fiscal 2006.

**The President should comment on efforts to improve the retention rates of all students and African American students and factors contributing to the dramatic increase in the graduation rate of African American students.**

### **Degrees Awarded Continues to Increase with Number of Doctoral Degrees Tripling**

An overall goal of USM is to produce a well-educated workforce, and as such, the system tracks the number of degrees awarded by institution. As shown in **Exhibit 2**, the number of bachelor's degrees comprise, on average, 77.0% of all degrees awarded. The number of degrees conferred from 2005 to 2009 increased 14.5%, or 553, with the growth in graduate degrees exceeding that of undergraduate degrees, 18.9 and 13.3%, respectively. Over the same time period, the number of doctoral degrees awarded tripled from 5 to 15. **The President should comment on the increase in the number of doctoral degrees awarded.**

**Exhibit 2**  
**Degrees Awarded by Towson University**  
**Fiscal 2005-2009**



Source: University System of Maryland, 2009-2010 Data Journal

## Fiscal 2010 Actions

### Impact of Cost Containment

The Board of Public Works (BPW) approved two cost containment measures resulting in a \$2.5 million reduction of Towson's State appropriations. In July 2009, BPW approved the first cost containment measure which resulted in a \$1.6 million, or 1.8%, decrease in Towson's State appropriations. BPW approved a second cost containment measure in August 2009, resulting in a \$0.8 million reduction of federal funds, representing 0.9%, of Towson's State appropriations. **Exhibit 3** shows the actions taken by Towson to accommodate these reductions.

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### Exhibit 3 Towson University Reductions to Operating Budget Fiscal 2010

#### July Cost Containment

Reduce Faculty Release Time	\$108,000
Implement Online Services	115,600
Implement Third Party Credit Processing	350,000
Reduce Student Employees/Eliminate Faculty Summer Fellowships and 1-800 Service	134,549
Reduce Fiscal 2010 Funding	105,442
Reduce Academic Affairs Travel and Operating Budget	812,988

**July Total** **\$1,626,579**

#### August Cost Containment

Eliminate Six Tenure Track Positions	\$485,093
Decrease Financial Aid	360,249

**August Total** **\$845,342**

**Total Cost Containment** **\$2,471,921**

Source: Towson University

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Additionally, Towson reduced its current salary and wage budget by \$2.6 million, \$1.0 million in federal funds, and \$1.6 million in current unrestricted funds, as part of the statewide furlough plan. The President, in consultation with the Chancellor, developed a furlough plan with the number of furlough days, ranging from 1 to 10, based on an employee's position, full-time equivalency (FTE), and salary. Part-time employees' furlough days are calculated on a prorated basis equal to their percentage of employment. Part-time faculty (excluding lecturers), all contingent category I staff (those hired for six months or less), H-1B visa employees, student employees, graduate students, and teaching assistants are exempt from the furlough.

Towson will move \$1.6 million of current unrestricted funds related to the furlough to its fund balance which will then be transferred via the Administration's Budget Reconciliation and Financing Act (BRFA) of 2010 to the general fund. In addition, the BRFA of 2010 includes a \$65.0 million reduction of USM's fund balance of which Towson's portion is \$5.7 million. After the transfer, Towson will have a negative \$3.6 million balance in the State-supported portion of its fund balance. It should be noted Towson expects to transfer an additional \$3.3 million, excluding furlough savings, to the fund balance in fiscal 2010. After the reductions and transfers, the total ending balance in fiscal 2010 from all fund sources is estimated to be \$53.5 million.

### **Federal Stimulus Funds**

Towson was awarded eight American Recovery and Reinvestment Act grants totaling \$2.1 million. Five research-related grants, totaling \$0.7 million, were awarded to the departments of Psychology, Geography and Environmental Planning, Mathematics, and Biology, which received two grants. Towson received two capital awards totaling \$0.5 million to purchase chemistry equipment and one award for \$0.9 million to fund scholarships for science, technology, engineering, and mathematics (STEM) teachers and STEM professionals who would like to teach.

### **Proposed Budget**

The general fund allowance for fiscal 2011 is \$4.4 million above the fiscal 2010 level, an increase of 5.2% after adjusting for furlough and health insurance savings of \$1.4 million and \$0.3 million, respectively, as shown in **Exhibit 4**. When adjusting for the \$3.4 million of Higher Education Investment Funds (HEIF) revenues that replaced general funds in fiscal 2010, the underlying growth in general funds is \$1.0 million, or 1.1%. It should be noted Towson's furlough total of \$2.6 million is comprised of \$1.4 million in general funds and \$1.2 million cash transfer from fund balance.

Other unrestricted funds increased \$11.2 million, or 4.5%, over fiscal 2010 after adjusting for \$1.3 million for health insurance and furlough savings. Tuition and fee revenues grow \$8.5 million, or 5.8%, and auxiliary revenues increase 3.3%, or \$3.0 million.

The fiscal 2011 allowance provides \$2.4 million in other unrestricted funds for equipment and utility expenses related to the opening of the College of Liberal Arts complex and campuswide and safety improvements, and \$1.9 million for increases in contractual services such as housekeeping and grounds keeping. In addition, Towson budgets \$1.4 million of additional expenditures related to enrollment growth in fiscal 2010.

### **Fiscal 2011 Cost Containment**

In addition to the \$11.7 million cash transfer from USM's fund balance related to the furlough, the BRFA of 2010 includes a \$40.0 million reduction of the fund balance of which Towson's portion is \$3.5 million. After the transfer, Towson's negative balance in the State-support portion of the fund balance increases to \$7.1 million. It should be noted that Towson expects to transfer an

**Exhibit 4**  
**Governor’s Proposed Budget**  
**Towson University**  
**(\$ in Thousands)**

	<b>FY 09</b> <b><u>Actual</u></b>	<b>FY 10</b> <b><u>Working</u></b>	<b>FY 11</b> <b><u>Adjusted</u></b>	<b>FY 10-11</b> <b><u>\$ Change</u></b>	<b>% Change</b> <b><u>Prior Year</u></b>
General Funds	\$82,467	\$85,274	\$89,714	\$4,440	5.2%
Higher Education					
Investment Funds*	6,685	3,435	0	-3,435	-100.0%
Total State Funds	89,152	88,709	89,714	1,004	1.1%
Other Unrestricted Funds	241,045	248,735	259,898	11,163	4.5%
Total Unrestricted Funds	330,197	337,444	349,612	12,167	3.6%
Restricted Funds	31,390	40,390	40,390		0.0%
<b>Total Funds</b>	<b>\$361,587</b>	<b>\$377,834</b>	<b>\$390,002</b>	<b>\$12,167</b>	<b>3.2%</b>

\*Fiscal 2010 reflects a reduction of \$0.3 million due to under attainment of HEIF revenues.

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

Source: Governor’s Budget Books, Fiscal 2011

additional \$3.4 million, excluding furlough savings, to the fund balance in fiscal 2011. After the reductions and transfers, the total ending balance for fiscal 2011 from all fund sources is estimated to be \$53.4 million.

For fiscal 2011, language in the BRFA does not allow for bonuses related to individual performance, merit increases, or cost-of-living adjustments but allows for salary increases necessary for the retention of faculty members.

### **Budgets for Academic Support and Student Services Show Highest Rates of Increase**

Budget changes by program in the allowance are shown in **Exhibit 5**. The data considers unrestricted funds only, the majority of which consist of general funds and tuition and fee revenues. Expenditures on academic support increase at the highest rate of 15.2%, or \$4.7 million, with costs for student services and institutional support growing 9.7%, or \$1.4 million, and 6.6%, or \$2.1 million, respectively. Increases are primarily related to the restoring cost containment reductions made to salaries in fiscal 2010 and reducing the turnover rate in anticipation of 100.0% employment based upon the economic and job market situation. Inflationary costs for contractual services also contributed to increasing expenditures. Spending for operation and maintenance of plant declines \$0.4 million, or 1.1%, due to budgeting utility costs at the fiscal 2009 level.

**Exhibit 5**  
**Towson Budget Changes for Unrestricted Funds by Program**  
**Fiscal 2009-2011**  
**(\$ in Thousands)**

	<u>2009</u> <u>Actual</u>	<u>2010</u> <u>Working</u>	<u>2009-10</u> <u>% Change</u>	<u>2011</u> <u>Allowance</u>	<u>2010-11</u> <u>\$ Change</u>	<u>2010-11</u> <u>% Change</u>
<b>Expenditures</b>						
Instruction	\$89,803	\$95,879	6.8%	\$98,773	\$2,893	3.0%
Research	1,321	2,649	100.6%	2,738	89	3.4%
Public Service	2,476	4,901	97.9%	5,015	114	2.3%
Academic Support	36,083	30,832	-14.6%	35,524	4,692	15.2%
Student Services	14,619	14,472	-1.0%	15,875	1,402	9.7%
Institutional Support	29,188	31,187	6.8%	33,238	2,051	6.6%
Operation and Maintenance of Plant	42,714	39,582	-7.3%	39,160	-422	-1.1%
Scholarships and Fellowships	26,456	27,797	5.1%	29,156	1,359	4.9%
<b>Education and General Total</b>	<b>\$242,660</b>	<b>\$247,300</b>	<b>1.9%</b>	<b>\$259,479</b>	<b>\$12,179</b>	<b>4.9%</b>
Auxiliary Enterprises	\$87,537	\$90,144	3.0%	\$93,107	\$2,963	3.3%
Across-the-board Reductions				-\$2,974		
<b>Grand Total</b>	<b>\$330,197</b>	<b>\$337,444</b>	<b>2.2%</b>	<b>\$349,612</b>	<b>\$12,168</b>	<b>3.6%</b>
<b>Revenues</b>						
Tuition and Fees	\$143,866	\$147,214	2.3%	\$155,734	\$8,519	5.8%
General Funds	82,467	85,274	3.4%	89,714	4,440	5.2%
HEIF	\$6,685	3,435		0		
Other Unrestricted Funds	11,834	12,929	9.3%	11,057	-1,872	-14.5%
<b>Subtotal</b>	<b>\$244,851</b>	<b>\$248,852</b>	<b>1.6%</b>	<b>\$256,504</b>	<b>\$7,652</b>	<b>3.1%</b>
Auxiliary Enterprises	\$88,634	\$93,435	5.4%	\$96,482	\$3,047	3.3%
Transfer (to)/from Fund Balance	-3,288	-4,843		-3,374		
<b>Grand Total</b>	<b>\$330,197</b>	<b>\$337,444</b>	<b>2.2%</b>	<b>\$349,612</b>	<b>\$12,167</b>	<b>3.6%</b>

HEIF: Higher Education Investment Funds

Note: Revenues are reduced by \$1.7 million in general funds and \$1.3 million in other unrestricted funds to reflect across-the-board reductions. Unrestricted funds only. All programs.

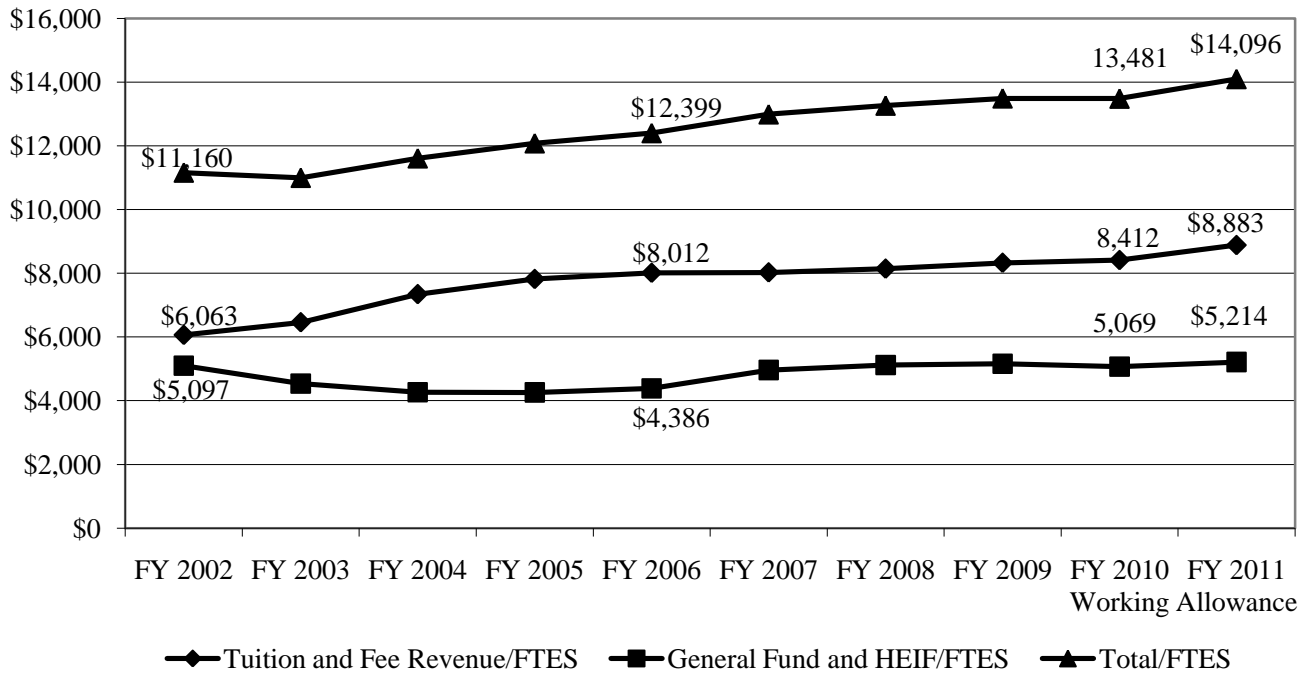
Source: Governor's Budget Books, Fiscal 2011

## Funding Per Full-time Equivalent Student Reaches Highest Levels

General fund and tuition and fee revenues per full-time equivalent student (FTES) are shown in **Exhibit 6**. Unlike other USM institutions, Towson’s tuition and fee revenues per FTES exceeded general fund per FTES since at least fiscal 2002. In fiscal 2011, it is projected that general fund and HEIF per FTES will reach \$5,223, an increase of 19.1%, or \$837, from the low point of \$4,386 per FTES in fiscal 2006.

In fiscal 2011, tuition and fee revenues increase 5.6% or \$471 per FTES, from \$8,412 to \$8,883 per FTES. This growth is attributed to a \$237, or 3.2%, increase in tuition (\$155) and fees (\$82). Fees for auxiliary services construction accounts for 63.4%, or \$52, of the fee increase, of which \$34 is related to infrastructure development for West Village and \$18 is to fund a parking garage.

**Exhibit 6**  
**General Fund and Tuition and Fee Revenues Per Full-time Equivalent Student**  
**Fiscal 2002-2011**



FTES: full-time equivalent student

HEIF: Higher Education Investment Funds

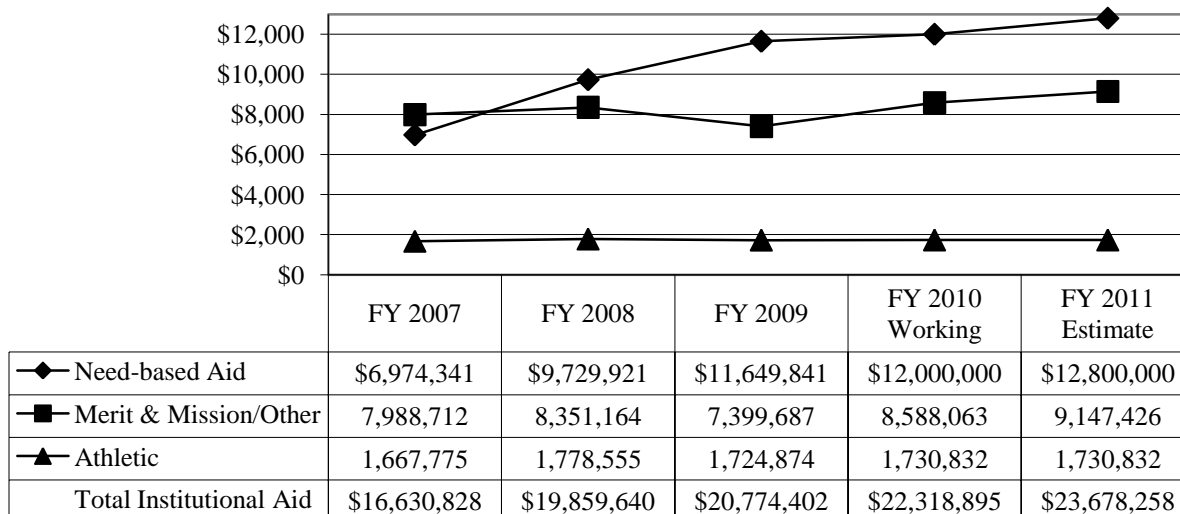
Source: Governor’s Budget Books, Fiscal 2011

## Issues

### 1. Making College Affordable

Institutional financial aid affects affordability and access to higher education. Students may receive institutional aid which includes merit, mission, need-based, and athletic scholarships, in addition to State and federal financial aid. As shown in **Exhibit 7**, in fiscal 2009, Towson was able to increase expenditures on need-based aid 19.7%, or \$1.9 million, through a combination of increasing institutional aid expenditures \$0.9 million and reallocating funds from merit and mission (\$1.0 million) and athletic scholarships (\$53,681). This is consistent with the Board of Regents recommendation for institutions to increase the proportion of institutional aid allocated to need-based aid. In fiscal 2010, Towson plans to increase need-based aid \$0.3 million, or 3.0%, while expenditures for merit and mission grow by 16.1%, or \$1.2 million. In fiscal 2011, Towson expects to increase total expenditures 6.1%, or \$1.4 million, which will be distributed equally between need-based aid and merit and mission.

**Exhibit 7**  
**Institutional Financial Aid**  
**Fiscal 2007-2011**  
**(\$ in Thousands)**



Source: University System of Maryland

The Maryland Higher Education Commission collects annual data for the Financial Aid Information System (FAIS) database, which provides a profile of students receiving financial aid. The 2008 FAIS data has information for institutional aid awarded at Towson to undergraduate students that completed the Free Application for Federal Student Aid (FAFSA) that includes the

student's 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 have the most need. **Exhibit 8** shows the number of Towson students receiving institutional aid who filed a FAFSA by EFC category. Of these students, 55% have an EFC between \$0 and \$3,850. The number of students receiving aid who did not file a FAFSA, 1,056 or approximately 25% of all students receiving Towson aid, is also shown in the exhibit.

**Exhibit 9** shows the percentage of need met from institutional aid and all other financial aid, excluding loans for fiscal 2008. For students with a \$0 EFC, institutional aid met an average of 19% of their need compared to the average of 22% for Maryland four-year public institutions. When factoring in all sources of financial aid, students with \$0 EFC had 56% of their need met. For students with an EFC between \$1 and \$3,850, all sources of aid met, on average, 51% of need with institutional aid meeting 22% of need. Overall, for those with EFCs between \$1 and \$19,999, Towson met a higher percentage of student need than the average of other public four-year institutions. At higher EFC levels, students have less financial need. As a result, small awards can satisfy a very large proportion of a student's need.

**The President should comment on efforts to meet the needs of those students in the lowest EFC categories and on the increasing rate of expenditures on merit and mission.**

## **2. Trimester Pilot Program Completes a Second Year**

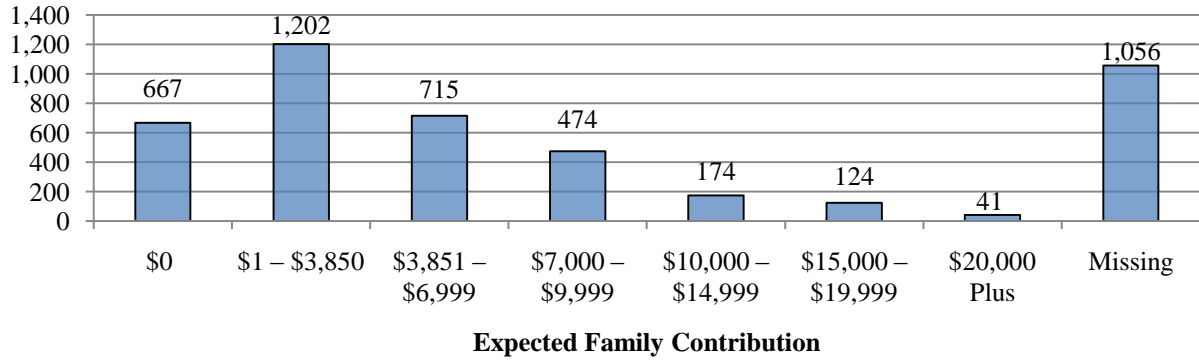
In order to support continued enrollment growth, Towson completed the second of a three-year pilot summer trimester program. Initiated in summer 2008, the trimester program was proposed under USM's efficiency and effectiveness initiative to optimize the use of existing facilities with the goal of increasing enrollment and reducing time-to-degree. The program focuses on increasing capacity in areas of high workforce need including the health professions; science, technology, engineering, and mathematics (STEM) disciplines; information technology; education; and homeland security.

The trimester pilot includes 10-week courses, in addition to the 5- and 7-week summer courses. The program is designed to change a student's scheduling patterns and encourage attendance during a third semester. Students may attend all three semesters (spring, summer, and fall), or utilize the summer as a half of a two-semester year and attend during the traditional fall/spring semesters.

To encourage summer enrollment and increase affordability, tuition and fees are capped at nine undergraduate credit hours, encouraging students to take more courses. Spring and fall semesters tuition is capped at 12 hours. Data on the pilot shows students taking more than nine credits increased 5.8% in summer 2008 and 7.8% in 2009.

An objective of the pilot is to move a portion of the overall annual enrollment growth to the summer. Summer 2009 enrollment comprised 7.0% of the total FTES for the academic year 2008-2009, a slight decline from summer 2008, as shown in **Exhibit 10**, which accounted for 7.1% of the total enrollment for 2007-2008. Given the limited amount of data, it cannot be determined if the trimester program will be successful in moving a portion of the annual enrollment growth to summer.

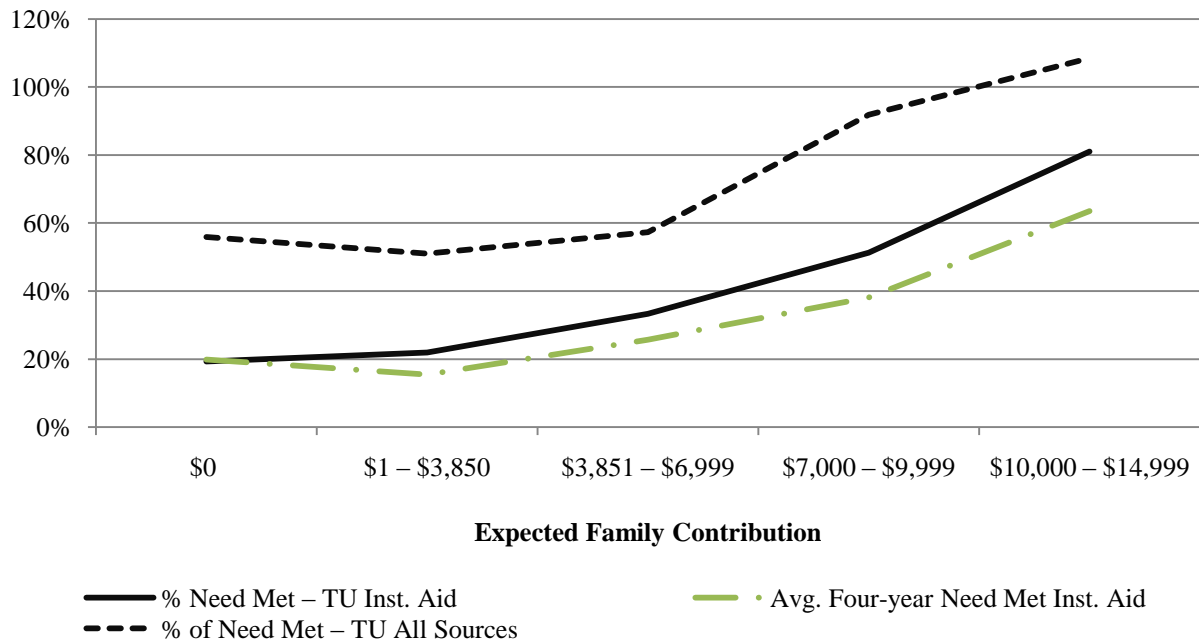
**Exhibit 8  
Institutional Aid Recipients by Expected Family Contribution Category  
Fiscal 2008**



Note: Missing category includes students that did not submit a Free Application for Federal Student Aid.

Source: Maryland Higher Education Commission, Financial Aid Information System, 2007-2008

**Exhibit 9  
Need Met by Institutional Expected Family Contribution  
Fiscal 2008**



Source: Maryland Higher Education Commission, Financial Aid Information System, 2007-2008

**Exhibit 10**  
**Summer and Academic Year Full-time Equivalent Student Enrollment Growth**  
**Academic 2005-2009**

	<u>Annual</u>	<u>Summer</u>	<u>% of Total Enrollment</u>
2005	13,835	1,041	7.5%
2006	14,391	1,019	7.1%
2007	15,347	1,047	6.8%
2008	16,104	1,142	7.1%
2009	17,270	1,215	7.0%

Source: Towson University

As shown in **Exhibit 11**, the College of Education almost tripled its summer course sections from 83 in summer 2007 to 231 sections in summer 2009, an increase of 178.3%. This corresponds with an increase in headcount enrollment of 1,162 students, or 195.0%,. The College of Fine Arts offered 17 fewer sections in summer 2009 compared to 2007 but enrollment grew 23.1%, or 248 students. Overall, the number of course sections offered by colleges increased 28.1% while enrollment grew 49.2% from summer 2007 to 2009.

**Exhibit 11**  
**Summer Course Sections Offered by College and Headcount Enrollment**  
**Summer 2007-2009**

<u>College</u>	<u>2007</u>		<u>2008</u>		<u>2009</u>		<u>% Change 2007-09</u>	
	<u>Sections</u>	<u>Enrollment</u>	<u>Sections</u>	<u>Enrollment</u>	<u>Sections</u>	<u>Enrollment</u>	<u>Sections</u>	<u>Enrollment</u>
Business and Economics	78	1,302	100	1,684	111	1,927	42.3%	48.0%
Fine Arts	250	1,074	219	1,132	233	1,322	-6.8%	23.1%
Health Profession	160	856	198	1,210	190	1,408	18.8%	64.5%
Liberal Arts	269	1,959	272	2,233	277	2,200	3.0%	12.3%
Education	83	595	210	1,803	231	1,757	178.3%	195.3%
Science and Math	167	1,382	225	1,844	248	2,082	48.5%	50.7%
<b>Total</b>	<b>1,007</b>	<b>7,168</b>	<b>1,224</b>	<b>9,906</b>	<b>1,290</b>	<b>10,696</b>	<b>28.1%</b>	<b>49.2%</b>

Source: Towson University

**The President should comment on the potential of the trimester program to increase the distribution of annual enrollment growth to the summer given the slight decrease in summer 2009 and plans to continue the program after the third year of the pilot.**

## ***Recommended Actions***

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

## ***Updates***

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### **1. Baltimore Hebrew Institute at Towson University**

On July 2, 2009, Towson, Baltimore Hebrew University (BHU), and The Associated Jewish Community Federation of Baltimore (funding partners) signed a Cooperation Agreement establishing the Baltimore Hebrew Institute at Towson. The agreement also formalized the transfer of seven faculty members; three master's level programs (Jewish Studies, Jewish Communal Services, and Jewish Education); one PhD program; 54 continuing students (41 Master students and 13 PhD candidates); and BHU's 80,000 volume Judaic library collection. Language in the fiscal 2010 appropriation provides for a one-time transfer of Sellinger funds appropriated to BHU, totaling \$62,137. The Baltimore Hebrew Institute will be supported through tuition revenue, guaranteed funds from The Associated Jewish Community Federation of Baltimore, and the BHU Endowment.

Towson now offers three new programs and related certification programs through the College of Liberal Arts (Masters of Arts in Jewish Studies and Jewish Communal Service) and the College of Education (Masters of Arts in Jewish Education). BHU's programs were adopted, providing for a seamless transition of BHU students to Towson and allowing them to complete their degrees in the normal time frame. BHU also offered a PhD in Jewish Studies. Towson requested special permission to grant the PhD for up to six years when candidates already in the program will complete their requirements. Towson does not intend to offer the PhD program after six years.

***Current and Prior Year Budgets***

<b>Current and Prior Year Budgets</b>							
<b>Towson University</b>							
<b>(\$ in Thousands)</b>							
	<b>General</b>	<b>Special</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Restricted</b>	
	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>Unrestricted</b>	<b>Unrestricted</b>	<b>Fund</b>	<b>Total</b>
	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>
<b>Fiscal 2009</b>							
Legislative							
Appropriation	\$83,423	\$5,119	\$0	\$230,101	\$318,643	\$29,394	\$348,037
Deficiency							
Appropriation	0	0	0	2,975	2,975	0	2,975
Budget							
Amendments	2,185	1,566	0	9,736	13,487	3,706	17,193
Cost							
Containment	-3,141	0	0	0	-3,141	0	-3,141
Reversions and							
Cancellations	0	0	0	-1,766	-1,766	-1,710	-3,476
<b>Actual</b>							
<b>Expenditures</b>	<b>\$82,467</b>	<b>\$6,685</b>	<b>\$0</b>	<b>\$241,046</b>	<b>\$330,198</b>	<b>\$31,390</b>	<b>\$361,588</b>
<b>Fiscal 2010</b>							
Legislative							
Appropriation	\$86,152	\$0	\$2,600	\$248,741	\$337,493	\$40,390	\$377,883
Cost							
Containment	-1,627	0	-2,600	-1,553	-5,780	0	-5,780
Budget							
Amendments	749	3,435	0	1,547	5,731	0	5,731
<b>Working</b>							
<b>Appropriation</b>	<b>\$85,274</b>	<b>\$3,435</b>	<b>\$0</b>	<b>\$248,735</b>	<b>\$337,444</b>	<b>\$40,390</b>	<b>\$377,834</b>

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

## **Fiscal 2009**

For fiscal 2009, general funds for Towson University declined a net \$0.9 million through budget amendments and cost containment. This included a \$2.2 million increase for State employee cost-of-living adjustments and a decrease of \$3.1 million for cost containment, accomplished through a reduction of expenditure in facilities management and student services. Special funds, comprised of the HEIF used in-lieu of general funds, increased \$1.6 million by budget amendment as authorized by the General Assembly to offset a general fund reduction. Other unrestricted funds increased by a total of \$12.7 million through a deficiency appropriation and budget amendments. Increases included:

- \$4.9 million from tuition and fee revenue due to enrollment growth;
- \$3.0 million deficiency appropriation associated with increase auxiliary services and support attributable to increased enrollment;
- \$2.6 million from the sales and services of auxiliary enterprises due to an increase in room and board fees related to additional enrollment;
- \$1.5 million from investment income;
- \$0.5 million from federal and private gifts and grants; and
- \$0.2 million from miscellaneous income.

Restricted funds increased \$3.7 million through a budget amendment from contract and grant activity.

Cancellations of unrestricted funds totaled \$1.8 million due to lower than anticipated expenditures. Cancellations of restricted funds totaled \$1.7 million due to lower than anticipated expenditures for federal contracts and grants.

## **Fiscal 2010**

For fiscal 2010, general funds declined by a total of \$0.9 million through budget amendments and cost containment. This included a decrease of \$1.6 million for cost containment measures and an increase of \$0.7 million from a USM reallocation of general funds among USM institutions. Special funds, or HEIF, increased \$3.4 million through a budget amendment as authorized in the fiscal 2010 budget bill. Federal funds decreased \$2.6 million through cost containment thereby cancelling the appropriation. Other unrestricted funds decreased a net \$6,038 through a budget amendment and cost containment measure. This included increases of \$0.9 million from private gifts and contracts related to the merger with the Baltimore Hebrew Institute and \$0.6 million from new laboratory and class fees, and a decrease of \$1.6 million related to furlough savings.

## ***Audit Findings***

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Audit Period for Last Audit:	March 16, 2006 – February 8, 2009
Issue Date:	December 2009
Number of Findings:	8
Number of Repeat Findings:	4
% of Repeat Findings:	50%
Rating: (if applicable)	n/a

***Finding 1:*** Towson lacked adequate controls over certain critical purchase and disbursement transactions processed on its automated system.

***Finding 2:*** **Towson did not properly verify student residency status.**

***Finding 3:*** Internal controls were inadequate over electronic wire transfers for federal financial aid.

***Finding 4:*** **Towson did not timely account for student loan, scholarship, and third party checks received.**

***Finding 5:*** **Towson did not adequately control certain cash receipts.**

***Finding 6:*** Access controls over the student administration, human resources, and financial information systems were not adequate.

***Finding 7:*** Monitoring of security-related activity was inadequate for critical systems, and proper controls were not established over program changes.

***Finding 8:*** **Towson’s computer network was not adequately secured.**

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

**Towson University Full-time Equivalent Personnel by Budget Program  
Fiscal 2002, 2009, and 2010**

	<u>Fiscal 2002</u>		<u>Fiscal 2009</u>		<u>Fiscal 2010</u>		<u>Fiscal 2002-2010</u>
	<u>FTEs</u>	<u>% of Total FTEs</u>	<u>FTEs</u>	<u>% of Total FTEs</u>	<u>FTEs</u>	<u>% of Total FTEs</u>	<u>Change of Share</u>
Instruction	584	38.8%	746.5	40.9%	737.5	40.4%	1.6
Research	3	0.2%	3	0.2%	5.3	0.3%	0.1
Public Service	15	1.0%	15.5	0.8%	13.5	0.7%	-0.2
Academic Support	191	12.7%	216.5	11.9%	242.0	13.3%	0.6
Student Services	152	10.1%	150.5	8.2%	149.5	8.2%	-1.9
Institutional Support	272	18.1%	300.5	16.5%	295.6	16.2%	-1.9
Operations, Maintenance of Plant	114	7.6%	115	6.3%	115.7	6.3%	-1.2
Auxiliary Enterprises	174	11.6%	262.5	14.4%	265.5	14.6%	3.0
<b>Total</b>	<b>1,503</b>		<b>1,810.0</b>		<b>1,824.5</b>		

FTEs: full-time equivalents

Note: Data are for filled regular positions only. All data is self-reported and unaudited. Numbers may not sum to total due to rounding.

Source: Towson University

**Object/Fund Difference Report  
USM – Towson University**

<u>Object/Fund</u>	<u>FY09 Actual</u>	<u>FY10 Working Appropriation</u>	<u>FY11 Allowance</u>	<u>FY10 - FY11 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	1,881.50	1,941.50	1,941.50	0	0%
02 Contractual	923.00	923.00	923.00	0	0%
<b>Total Positions</b>	<b>2804.50</b>	<b>2864.50</b>	<b>2864.50</b>	<b>0</b>	<b>0%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 145,308,472	\$ 150,575,951	\$ 158,991,303	\$ 8,415,352	5.6%
02 Technical and Spec. Fees	37,810,058	41,742,748	42,679,882	937,134	2.2%
03 Communication	1,827,650	3,122,364	2,481,407	-640,957	-20.5%
04 Travel	4,592,640	4,398,903	4,662,891	263,988	6.0%
06 Fuel and Utilities	11,144,926	13,597,724	11,711,880	-1,885,844	-13.9%
07 Motor Vehicles	899,132	1,219,960	1,242,129	22,169	1.8%
08 Contractual Services	38,487,772	44,389,071	48,044,690	3,655,619	8.2%
09 Supplies and Materials	17,651,893	20,768,848	20,626,973	-141,875	-0.7%
10 Equipment – Replacement	1,485,416	2,957,097	2,476,904	-480,193	-16.2%
11 Equipment – Additional	8,758,990	9,550,620	11,087,711	1,537,091	16.1%
12 Grants, Subsidies, and Contributions	42,874,974	47,064,397	48,543,301	1,478,904	3.1%
13 Fixed Charges	22,452,004	25,635,786	27,400,760	1,764,974	6.9%
14 Land and Structures	28,293,305	12,811,030	13,026,061	215,031	1.7%
<b>Total Objects</b>	<b>\$ 361,587,232</b>	<b>\$ 377,834,499</b>	<b>\$ 392,975,892</b>	<b>\$ 15,141,393</b>	<b>4.0%</b>
<b>Funds</b>					
40 Unrestricted Fund	\$ 330,197,293	\$ 337,444,492	\$ 352,585,885	\$ 15,141,393	4.5%
43 Restricted Fund	31,389,939	40,390,007	40,390,007	0	0%
<b>Total Funds</b>	<b>\$ 361,587,232</b>	<b>\$ 377,834,499</b>	<b>\$ 392,975,892</b>	<b>\$ 15,141,393</b>	<b>4.0%</b>

Note: The fiscal 2010 appropriation does not include deficiencies.

**Fiscal Summary  
USM – Towson University**

<u>Program/Unit</u>	<u>FY09 Actual</u>	<u>FY10 Wrk Approp</u>	<u>FY11 Allowance</u>	<u>Change</u>	<u>FY10 - FY11 % Change</u>
01 Instruction	\$ 89,802,774	\$ 95,879,317	\$ 98,772,602	\$ 2,893,285	3.0%
02 Research	3,401,993	10,299,301	10,388,279	88,978	0.9%
03 Public Service	17,275,649	21,066,251	21,180,228	113,977	0.5%
04 Academic Support	36,132,261	30,832,424	35,523,950	4,691,526	15.2%
05 Student Services	14,664,740	14,533,065	15,935,515	1,402,450	9.7%
06 Institutional Support	29,188,308	31,187,032	33,238,404	2,051,372	6.6%
07 Operation and Maintenance of Plant	42,713,863	39,581,536	39,159,583	-421,953	-1.1%
08 Auxiliary Enterprises	87,558,534	90,244,902	93,207,297	2,962,395	3.3%
17 Scholarships and Fellowships	40,849,110	44,210,671	45,570,034	1,359,363	3.1%
<b>Total Expenditures</b>	<b>\$ 361,587,232</b>	<b>\$ 377,834,499</b>	<b>\$ 392,975,892</b>	<b>\$ 15,141,393</b>	<b>4.0%</b>
Unrestricted Fund	\$ 330,197,293	\$ 337,444,492	\$ 352,585,885	\$ 15,141,393	4.5%
Restricted Fund	31,389,939	40,390,007	40,390,007	0	0%
<b>Total Appropriations</b>	<b>\$ 361,587,232</b>	<b>\$ 377,834,499</b>	<b>\$ 392,975,892</b>	<b>\$ 15,141,393</b>	<b>4.0%</b>

Note: The fiscal 2010 appropriation does not include deficiencies.