Testimony Presented To

The Senate Subcommittee on Education, Business and Administration

The House Subcommittee on Education and Economic Development

By Janet Dudley-Eshbach
President
2008
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Good afternoon, Mr. Chairman and members of the Subcommittee. For the record, my name is Janet Dudley-Eshbach, and I am completing my eighth year as the President of Salisbury University. These have been eight years of growth in the size, quality and reputation of Maryland’s University of National Distinction.

I would like to begin by expressing my sincere appreciation to the Chancellor, the Regents, the General Assembly, the Governor and the members of this subcommittee for your hard work on behalf of public higher education. Without your ongoing support, higher education in Maryland would not thrive. As this committee undertakes the hard work of considering the Fiscal Year 2009 operating budget during uncertain fiscal times, I can understand the many difficult decisions you must balance.

I am grateful for this opportunity to share many SU highlights of the previous year. If I had to choose but one definitive statement to make about this University that I serve, I would describe Salisbury University this way: We stand proudly among the University System’s most impressive success stories, but still we struggle as the Maryland public university with the least support allocated in funding per full-time equivalent student, a situation that has persisted over the last decade despite Chancellor Kirwan’s laudable efforts over the past two years to find funding to support enrollment growth.

I offer my testimony out of the personal responsibility I feel as a University President who has a profound desire to sustain and build upon our hard-earned success. We have accomplished more with less. That is the SU story. Moving forward, we would like to do more with more.

It merits repeating: SU has transformed its national reputation, the aesthetics of our campus, the demographics of our students, and the way teaching and learning occur in our classrooms. I am both fortunate and humbled to serve this outstanding university.

**SU at a Glance: 2007-2008**

*Student Profile:*
- from 32 states (including D.C.), 59 foreign countries
- average entering freshman GPA: 3.5

*Faculty Profile:*
- 363 full time
- degrees from 108 institutions, 41 states (including D.C.), 2 foreign countries
- 82% of tenure track with terminal degree

**Total Enrollment:** 7,581

School Undergraduate Enrollment
- Fulton School of Liberal Arts 2,050
- Hanson School of Science & Technology 1,423
- Perdue School of Business 1,682
- Seidel School of Education & Professional Studies 1,300

**Undergraduate Majors:** 42

**Graduate Programs:** 13

**Student:Faculty Ratio:** 16:1
A Maryland University of National Distinction

SU is one of those rare places where individual talents are celebrated and big ideas are encouraged and nurtured. Although the campus of SU is situated miles away from busy urban corridors, SU receives many kudos and is in the national spotlight. Kiplinger’s Personal Finance magazine once again has named Salisbury University one of the Top 100 Best Values in Public Colleges. SU is one of only three Maryland campuses in the top 100.

The accolade is the latest addition to SU’s national rankings for 2008. For the ninth consecutive year, SU is included in The 366 Best Colleges by The Princeton Review, and it is one of “America’s 372 Most Interesting Schools,” according to Newsweek Kaplan’s 2008 How To Get Into College guide. For the 11th consecutive year, SU was named one of U.S. News & World Report’s Top Public Universities—Master’s category (North), maintaining its status as the highest-placing public master’s-level university in Maryland.

This national acclaim is even more remarkable when one considers that Salisbury University receives less State funding than all but one of our national performance peers and ranks last in State funding among USM institutions. This incongruity provides the strongest evidence of the high caliber of SU’s faculty and staff, the extraordinary private gifts that enable SU to withstand challenging times, and the excellent fiscal stewardship that impacts nearly every aspect of this institution and sustains its momentum. I will not belabor this point in my testimony, but the charts that are included herein tell the story. We are hopeful that the Bohanan Commission will find a solution to the dire need to adequately fund the USM’s comprehensive universities, and especially Salisbury and Towson, two of the institutions which the Regents have targeted for enrollment growth.

Balancing Quality, Access and Enrollment Growth

Interacting with students is my favorite presidential perk. The current student body is among the most interesting, diverse and accomplished group in the history of the university. Among our national performance peers, our average SAT range of 1020-1190 ranks second and our 69 percent six-year graduation rate ranks Salisbury first. Incoming students’ high school grade point averages are at 3.5, second among our national peers, and SAT scores have jumped 16 points.
We are competing for Maryland’s best and brightest students, and we are keeping them. Our second-year retention rate of 81 percent ranks second among our national performance peers, and our four, five and six-year graduation rates are the highest of all the comprehensive institutions in the University System.

I am proud of the collective accomplishments of our students. However, access to higher education remains one of the most urgent issues facing our State. Based largely upon our ability to balance affordability, access and quality, the Board of Regents designated SU as one of three “enrollment growth” institutions in 2006.

I am pleased to report that Salisbury University again has met and exceeded our 2007-2008 target for enrollment. The total student enrollment for the fall 2007 semester stood at 7,581, with almost 7,000 of these undergraduate students. We anticipate meeting our 2009 growth target of 150 students, and urge our legislators to support the State’s policy of enrollment growth with the concomitant requisite funding.

Enhancing Campus Diversity

State demographics indicate that the State is in the midst of an enrollment surge that is largely comprised of minority students. Many of these students will be the first in their families to attend college. This trend is in clear evidence at Salisbury, where African-Americans represent the fastest-growing category of minority enrollments, followed by Asians and Hispanics, respectively.

One of the benchmarks of my presidency has been the establishment of a student body that reflects the rich ethnic and racial diversity of our State. I am proud to report that we are meeting and exceeding that goal. The fall 2007 student population is the most racially and ethnically diverse in SU history—minority student enrollment has nearly doubled over the past 10 years and now comprises about 17 percent of SU’s total students. At 835 students, African-American student enrollment is the highest in SU history. Hispanic and Asian-American student enrollments are also at all-time highs and continue to grow.

Significantly, the average African-American graduation rate among our national peers is 38 percent. At 60 percent, SU’s graduation rate far exceeds that peer average. At SU, the achievement gap between African-American students and their white counterparts is the lowest in the USM. SU intends to further reduce the achievement gap by taking steps to implement new support programs and a new Student Achievement Center.

Salisbury University is only a short ride away from the campus of the University of Maryland Eastern Shore (UMES), a historically black institution. Collaborations between the two campuses provide students with exposure to a diverse faculty and broad course offerings. Our academic collaborations include the Master of Arts in Teaching program.

% African-American of All Undergraduates (Fall 2006)

As compared to SU’s performance peers.
with UMES for those who wish to earn a master’s degree and certification in secondary or K-12 teaching fields. We also offer dual-degree programs in Sociology and Social Work and Biology and Environmental Marine Science. A bus service operates between the two campuses allowing students from both institutions to attend classes on either campus. These arrangements are further enhanced by the alignment of class schedules between the two institutions, which allow students adequate commuting time between campuses.

Some 80 years ago, SU was a small teachers college intended primarily for Eastern Shore residents. Since then SU has attracted an increasingly Statewide student body as the national accolades have mounted and our reputation for excellence has grown. Just a decade ago, 39 percent of our total student body came from the Eastern Shore, compared with 38 percent from the rest of Maryland. Today, 54 percent of our students come from “across the pond” and represent every jurisdiction in Maryland.

The primary feeder county aside from our home county of Wicomico is Montgomery County, which more than 10 percent of SU students consider home. Furthermore, the globalization of SU’s student population has continued, with 59 foreign nations now represented within our student body.

Attracting Donor Support

From its birth as a regional teachers college in 1925, Salisbury University has been enriched and sustained by a culture of private giving that is unique among public institutions of our size. For example, all four of our professional schools—the Seidel School of Education and Professional Studies, the Perdue School of Business, the Henson School of Science and Technology, and the Fulton School of Liberal Arts—are privately endowed.

This philanthropic ethic is a reflection of what SU has meant to the Delmarva Peninsula’s economy, culture and quality of life throughout the past eight decades. It also underscores the confidence that we have earned among our largest and most crucial stakeholders, and validates SU’s increasingly entrepreneurial approach to donor outreach. Without our ability to supplement State appropriations with private support, Salisbury University could not have established its reputation for excellence during times of fiscal and budgetary uncertainty.

In March 2006, SU received a pledge for an $8 million donation from the Arthur W. Perdue Foundation for a new Perdue School of Business Building—the largest private donation for a building in SU history. Two million dollars have been received by the Salisbury University Foundation, and the remaining funds will be paid in full upon completion of the new business school facility.

We have also celebrated a $3.3 million gift from the estate of Ms. Lucy Tull. This award—the largest individual donor gift in SU’s history, as well as our largest planned gift—has been used to establish the Lucy Tull Scholarship Program for Eastern Shore students pursuing nursing careers.

In fact, the Salisbury University Foundation Board has made scholarship fundraising a top priority of Taking Excellence to New Heights: Campaign 2012. Fifty percent of the total campaign goal—$15 million—is dedicated to increasing scholarship funds to ensure that SU remains affordable to needy students. Other examples of private generosity include a $100,000 scholarship fund that was established for legislative interns working in the General Assembly and the gift of a 135-acre family farm, valued at more than $540,000, which was willed to the Foundation with the stipulation that the proceeds be used to establish scholarships. These efforts represent major steps toward meeting our Campaign 2012 goal of $30 million.
Growing the Regional Economy

Colleges and universities represent the best way to invest in our State’s economic development. Not only do we have an enormous impact on our local economy with student tuition and other faculty, staff and student expenditures, but we also create tomorrow’s skilled work force. In 2008, the University’s total regional impact will easily exceed $425 million. This represents a more than ten-fold return on investment on the State’s appropriations and sustains the equivalent of more than 3,000 jobs.

The Business Economic and Community Outreach Network (BEACON) of the Franklin P. Perdue School of Business offers business, economic, workforce and community development, consulting and assistance services to a variety of organizations, including businesses, government agencies and non-profit community-based organizations. BEACON provides our region’s public and private sector decision-makers with the business and economic development data, information, skills and know-how they need to make decisions through outreach, applied research, demand forecasting, strategic planning and a host of other services.

One initiative that is making the Eastern Shore more economically competitive is a new partnership that SU brokered between the USM and the Maryland Broadband Cooperative. This project will enable the NASA space flight facility in Wallops Island, Virginia, to have a northern broadband connection to the Internet over the USM high-speed network. Ultimately, the project will provide broadband connectivity across the Chesapeake Bay Bridge and lower the cost of connectivity for higher education.

Creating Environmental Sustainability

Salisbury University recently joined more than 400 of the 4,200 colleges and universities across the nation in a pledge to fight global warming. By signing the American College and University Presidents’ Climate Commitment, I made the commitment that Salisbury University will work toward climate neutrality. SU will reduce its emissions and accelerate awareness efforts needed to help the local community and our nation re-stabilize the earth’s climate. As part of the commitment, SU has initiated the development of a comprehensive institutional action plan. A study of our “carbon footprint” is already underway. Additionally, SU plans to establish a policy requiring that all new campus construction projects minimally meet the U.S. Green Building Council’s LEED Silver standard or an equivalent, including the new home for the Perdue School of Business.

These efforts build on SU’s ongoing commitment to environmental sustainability, including our partnership with Pepco Energy Services, through which we are achieving campus-wide energy conservation measures that will allow us to realize more than $5.3 million in savings. Moreover, researchers from the Eastern Shore Regional GIS Cooperative at SU have been hired by the State of Maryland to locate and identify some 420,000 septic systems across the State’s 23 counties. The State will use the data to identify failing septic systems in areas that critically impact the Chesapeake Bay.

Meeting Workforce Demands

Nursing

We are working in strategic ways to alleviate the critical nursing shortage. Enrollments are steady in both our traditional and our second-degree programs. In fall 2007, of the 418 nursing undergraduate students, 165 are enrolled at the junior or senior level. We have received a grant from the MHEC to increase access for those students with full-time jobs by putting more courses online.

Through additional funding from the Robert Wood Johnson Foundation, we are decreasing the turnover of new nurses in acute and long-term care institutions. SU faculty members work directly with mentors, who are employed by the health care provider. These mentors are assigned to new
nursing graduates, with the goal of enhancing their professional commitment and interest in staying employed with the healthcare agency. Further, these nursing mentors encourage more students to pursue master’s degrees at SU.

**Teachers**

The completion of the new Teacher Education and Technology Center (TETC) will allow us to attract more students and the nation’s best faculty to our teacher education programs.

The availability of new federally-funded Teacher Education Assistance for College and Higher Education (TEACH) grants will provide a stable and steady source of financial aid for those students entering critical shortage fields. TEACH grants are authorized in the College Cost Reduction and Access Act, which was enacted into law in fall 2007. These are grants to recruit teachers into hard-to-staff fields and low-income schools, and they will help cover the cost of tuition for both undergraduate and graduate students.

SU also will offer stipends to students in critical STEM (science, technology, engineering and math) majors, an incentive to encourage more individuals to pursue teaching careers in math and science areas.

**Embracing the Future**

These are truly exciting times at Salisbury University. Our numbers are growing and student quality continues to increase steadily, along with applications. Last fall the final steel beam was hoisted into place atop the Teacher Education and Technology Center (TETC) building in a ceremony which marked the halfway point of construction on the $54.7 million building, which will open in fall 2008. The profile of the TETC already has transformed the face of campus by virtue of its distinctive design elements and prominent location at the intersection of U.S. Route 13 and College Avenue.

The building’s features include a mega-computer lab, an interactive distance learning center, an integrated and wireless media center, “smart classrooms,” teaching methods labs, a photography center and state-of-the-art broadcast production studios. It will bring our renowned teacher education programs, as well as our Communication and Theatre Arts Department, to the forefront of the “Information Age.”

From bamboo flooring to bike racks, the TETC proves that careful planning can result in environmental friendliness. Some floors will be covered with renewable and recyclable bamboo instead of petroleum-based products. Up to 40 percent of the building’s structural steel frame is made from recycled materials, and the facility will feature an ultra-efficient heating, ventilation and air conditioning system.

This summer we will begin construction of the campus’s first parking garage. A new building for the Perdue School of Business is also in the design phase.

While all of this is great news for SU, the enrollment growth that we have accommodated in recent years has placed considerable strain on SU’s finite supply of classrooms, laboratories, parking lots and living areas.

Recognizing this challenge, and anticipating the effects of additional enrollment growth, SU is implementing a plan to redistribute many of our non-academic facilities and student services to the east side of Route 13. This area—commonly referred to as “East Campus”—already accommodates our athletic fields and houses many of our most popular community resources, including SU’s public access television studio and the Nabb Research Center.

As we make strategic decisions to accommodate growth, the timing is opportune to develop a new strategic plan for SU that will chart the University’s course for the next five years (2009-2013). The strategic planning process is a campus-wide effort that will encompass and incorporate other planning efforts on campus, including those focused on enrollment strategy, facilities master planning, sustainability initiatives, improvements to residence life and long-range academic planning.
Campus security and the safety of our students and employees have become critical issues following the tragic events at Virginia Tech, Delaware State and Northern Illinois universities. SU has implemented an emergency notification system for text and voice messaging in the event of an emergency. Students, faculty and staff register to receive the emergency alerts, and 95 percent of our incoming freshmen have signed up. We do not wish to rely solely on these messaging systems, and we also have purchased and installed a new siren alert system, similar to what is used at fire stations.

2008: A Year of Innovation and Possibility

While Salisbury University can look back with justifiable pride upon a productive year of solid achievements, we are not resting on our laurels. Instead, the administration, faculty and staff of SU will continue to approach our unmet challenges with a shared spirit of innovation, energy and possibility.

As part of our effort to compete successfully for the most promising prospective students, for example, we have initiated a five-year pilot study to make submission of SAT and ACT scores optional for SU applicants with high school grade point averages of 3.5 or higher. We believe that undue reliance on standardized tests negatively and disproportionately impacts minorities and economically-disadvantaged students. We are finding that actual performance in high school, indicating motivation, is a better predictor of student success. Students admitted for fall 2007 under the Test-Optional Policy were equally, or more, successful as compared to those admitted with test scores. Consider the following results: test-optional freshmen earned higher GPAs than their test-submitted counterparts; test-optional freshmen earned more credits than their counterparts; fewer test-optional freshmen earned below a 2.0 GPA as compared to their counterparts; and retention after one semester remains constant at 93 percent.

This is but one of SU’s most exciting academic initiatives. Beginning next fall, the Fulton School of Liberal Arts will fully implement a course-based (rather than credit-based) curriculum that will enhance students’ learning experiences with increased course content and higher-level critical thinking exercises.

In partnership with Shady Grove Adventist Hospital and Children’s National Medical Center, we will offer our Respiratory Therapy program at the Universities at Shady Grove (USG), where students will have opportunities to perform their clinical studies. This program represents the first-ever collaboration between SU, Montgomery College and USG. The program addresses a growing workforce shortage of respiratory therapists in the mid-Atlantic region. Moreover, producing more respiratory therapists in Maryland will positively impact the health outcomes of African-American children, who are three times more likely to be hospitalized for asthma than white children.

I am extremely proud that SU is a national leader in the growing field of respiratory therapy. There are only 50 of these programs nationwide, and ours is the only accredited baccalaureate program in Maryland.

The Fiscal Year 2009 Budget

Consistent with the budget requests in past fiscal years, the Governor, the Legislature, the Chancellor, USM and Salisbury University clearly remain committed to providing access to a quality education that is affordable. We urge you to support in full the Governor’s proposed Fiscal Year 2009 operating budget. The State must continue to support enrollment growth, academic excellence, and institutional diversity. We especially commend Chancellor Kirwan for his persistent and effective advocacy for funding to support enrollment growth. The enrollment funding initiative, which has garnered both executive and legislative support, has helped Salisbury University expand access while also providing more institutional aid to keep higher education affordable.

Still, we are concerned that our historical level of State funding—as defined by our State appropriation per student—in combination with inadequate revenue from our tuition, will impede our ability to accommodate a growing student
population, attract and retain quality faculty and staff, dedicate more funds to need-based financial aid, and offer a distinctive, high-quality student experience.

We are encouraged by the recent establishment of the Higher Education Investment Fund (HEIF). Any reduction in the Governor’s proposed budget compromises the goals and purpose of the HEIF. Based on the Fiscal Year 2009 request, total State appropriations to Salisbury University will only cover 47 percent of the total cost of the University’s State-supported operations. While this is an improvement over the past two years, it also underscores SU’s heavy reliance on tuition and fees to cover educational costs, including institutional-based financial aid. Further, it must be noted that Salisbury University brings in far less tuition and fee revenue than do Towson, UMCP and UMBC, the USM universities with which we compete for students. For example, an in-state student at Towson this year will pay $822 more than a SU student, which represents a $5.6 million loss in revenue for SU.

As a growth institution, the University continues to increase the size of its incoming classes and has added core tenure track faculty to meet the demand. However, we are struggling to keep pace with the support systems needed to provide a quality educational experience for these new students. While it is an achievement to recruit and admit these students from across the State, it is a still larger challenge to retain them through graduation. Further compounding the challenges are our efforts to decrease the time to degree, thereby saving the State and students’ time, effort and money. When these factors combine, they create a perfect storm of financial challenges.

In terms of affordability, the University has made a commitment to increase the amount of institutional-based aid it provides. Still, we lag behind the aid offered by our USM peers. Although the freeze in tuition during the past couple of years has made USM institutions more appealing to in-state students, we remain at a competitive disadvantage in recruiting for these students, as lost tuition revenues mean fewer dollars can be directed toward financial aid. Salisbury University desperately needs a structural adjustment in the in-state tuition we charge. Given our reputation and performance, there is no logical reason for our tuition to be less than what is charged at Frostburg and Towson.

We remain hopeful that these funding equity issues will be addressed in the coming months by the Commission to Develop the Maryland Model for Funding Education.

Thank you.
SU’s USM Recruitment Peer Institutions

These charts include data from the USM institutions with the most cross-applications with Salisbury University.

**Total State Support per FTES**

- $6,573,519 additional revenue if SU were funded at the average for SU, FSU and TU.
- $29,101,143 additional revenue if SU were funded at the average of USM recruitment peers.

**Tuition and Technology Fee**

- $2,573,124 additional tuition revenue if SU’s tuition were equal to Towson’s.
- $6,588,442 additional tuition revenue if SU’s tuition were at the average of USM recruitment peers.

**State Appropriation per FTES**

- $5,286,957 additional state appropriation if SU were funded at the average for SU, FSU and TU.
- $22,512,701 additional state appropriation if SU were funded at the average of USM recruitment peers.

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The President should comment on measures the University is taking to increase the capacity of the Nursing Program:

For this current year, the University had designated an additional full-time faculty position to help address the growth in demand for our Nursing Program. Unfortunately, we were unable to fill the position as competition from other universities and area hospitals makes recruiting qualified professionals very difficult. Given the high demand and short supply, the University is in tough competition not only to recruit new qualified Nursing faculty, but also to retain our existing faculty members.

The President should comment on the decrease in the Nursing Program capacity in 2007 and what efforts the University are taking to improve the in-state employment rate as projected:

As a good number of our Nursing students are from out-of-state, they are successfully being recruited to return to their home state after graduation. Although the University has little control over the market for Nursing graduates, we do encourage all of our out-of-state Nursing students to consider applying for the MHEC Non-Resident Nursing Student Tuition Reduction and State Aid Program. This scholarship provides the students with financial aid to cover costs while requiring them to stay in Maryland and work after graduation.

The President should comment on what measures the University is taking to increase enrollments of students from diverse backgrounds:

As mentioned in my testimony, enrollments of students from under-represented backgrounds are at an all time high. Increasing the enrollment of students from diverse backgrounds continues to be an initiative at SU. The main reason the percentage of growth has stabilized is that the University is growing rather significantly. While our overall student population is increasing, our minority populations are as well. Having additional funding for institutional need-based aid would allow us to be more competitive in recruiting students from these diverse backgrounds. Although 67 percent of our institutional aid is awarded to students with need, we cannot offer as attractive a package as some of our sister institutions. Note that we are developing new recruitment and financial aid strategies with enrollment management consultants from Noel-Levitz.

The President should comment on the anticipated 1.2 percent increase in tuition and fee revenue in fiscal year 2008 despite the enrollment growth in Fall 2007:

The institution has significantly exceeded its enrollment target for Fiscal Year 2008. While this will increase the total tuition and fee revenue expected, the budget submission and original working budget amendment were submitted on a deadline well in advance of the enrollment numbers. There will most certainly be a working budget amendment to reflect not only the additional revenue but also the educational costs incurred to provide instruction to these students.

The President should comment on the increase in aid awarded to students without a demonstrated financial need:

When I arrived at Salisbury University, only 5 percent of our financial aid was need-based. This situation has changed dramatically. As stated earlier, the University has allocated 67 percent of its institutional aid, both need-based and merit, to students with demonstrated need. As we do offer merit and mission scholarships to students of high achievement, there will be students in that category without financial need. The estimated total of institutional aid in this category is some 3.3 percent.