

Testimony Presented To

The House Subcommittee on Education and Economic Development

The Senate Subcommittee on Education, Business and Administration

By President Janet Dudley Eshbach, Ph.D.

February 2016



I am grateful for the opportunity to testify again before the Maryland General Assembly to discuss Salisbury University's remarkable accomplishments, while shedding light on some of our persistent challenges.

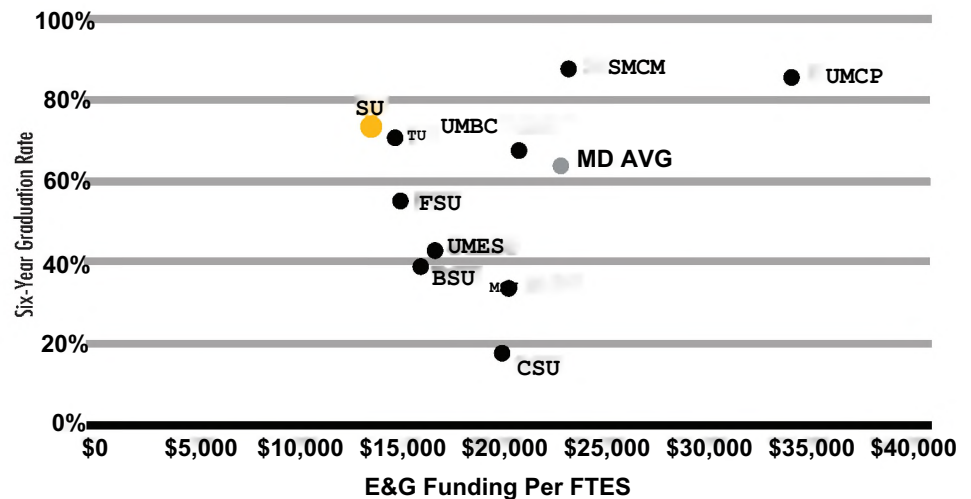
It is clear that budget circumstances have improved dramatically and I publicly thank Governor Hogan and the General Assembly for working diligently to manage the State's fiscal challenges of recent years. Your strong support of the University System of Maryland (USM) speaks to your dedication to ensure that Maryland's workforce is well prepared to compete in the emerging economy of the 21st century.

In order for the USM to meet the State's ambitious degree completion and workforce development goals, while keeping an eye toward efficiency and effectiveness, funds need to be strategically invested at institutions like Salisbury University, which have demonstrated significant progress toward these objectives. SU is proud of the fact that we have consistently achieved strong results at a significantly lower cost to the State of Maryland and our students.

### Efficient, Effective and Excellent

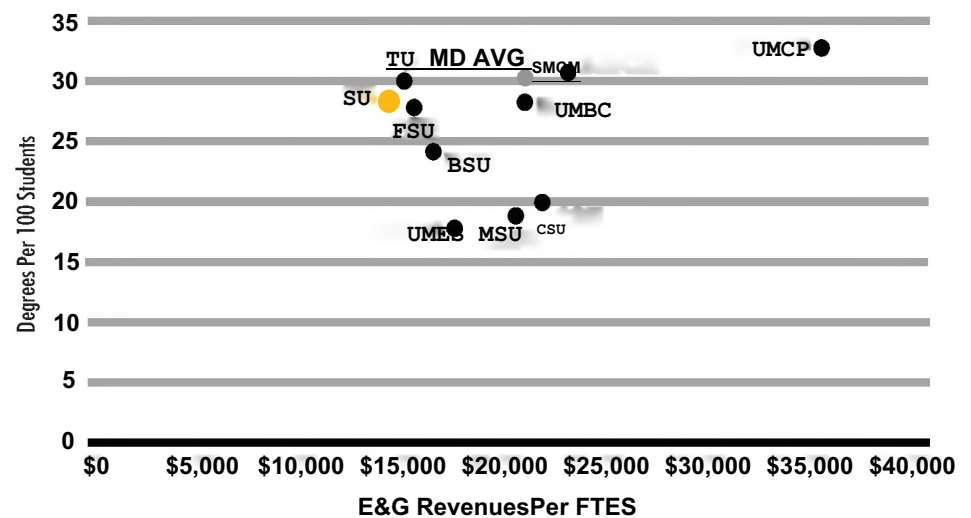
Salisbury University continues to be recognized across the State and nation as an efficient and effective institution. SU has been named a "Model of Efficiency" by *University Business* and, for the fourth year in a row, was highlighted by the Department of Legislative Services (DLS) in their FY2017 *Higher Education Overview*. DLS analysts point out, "SU, in particular, has a graduation rate of 72.9% while receiving the least revenue per FTES [Full Time Equivalent Students] statewide." (Figure 1) Additionally, Salisbury University awards the highest number of degrees per 100 FTES, while receiving the least amount of resources per student (Figure 2).

Figure 1: E&G Revenues Per FTES and Six-Year Graduation Rates (FY2014)



Source: Maryland Higher Education Commission; Governor's Budget Book, Fiscal 2017

Figure 2: E&G Revenues Per FTES and Degrees (FY2015)



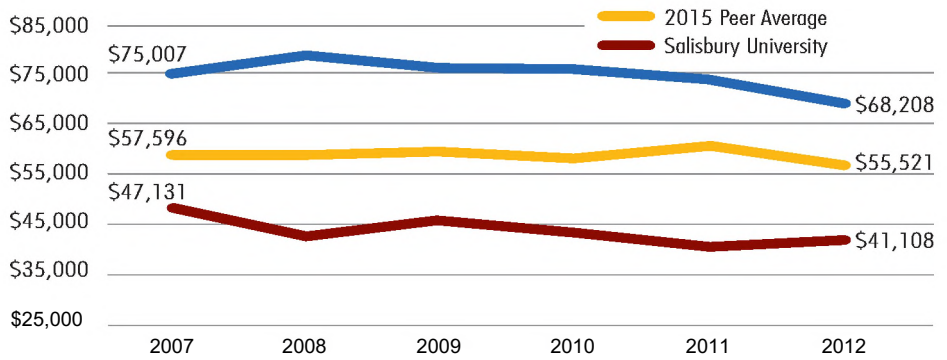
Source: Department of Budget Management; Department of Legislative Services

To this end, if the State is interested in increasing the number of degrees produced annually, then additional resources should be devoted to institutions that have capacity to grow and the demonstrated results to prove that they are a worthy investment. Salisbury University can graduate a student for nearly \$30,000 below the average cost of other USM schools (Figure 3). As Figures 4 through 6 show, SU consistently boasts some of the highest graduation and retention rates, while maintaining the lowest average time-to-degree. Clearly, additional investment at SU will increase the number of graduates in the most efficient and cost-effective manner.

Salisbury University remains among the State's most affordable options for graduating high school seniors compared to our sister USM schools (Figure 7). While institutions across Maryland and the country are experiencing a decline in the number of applications, SU's demand remains strong. For the fall class of 2015, nearly 8,400 students applied to fill a class size of just under 1,200 seats. Additionally, SU maintained its solid academic profile for its incoming students: average SAT scores increased three points from fall 2014 to 1,730, and the average incoming grade point average for all first-time students remains high at 3.69.

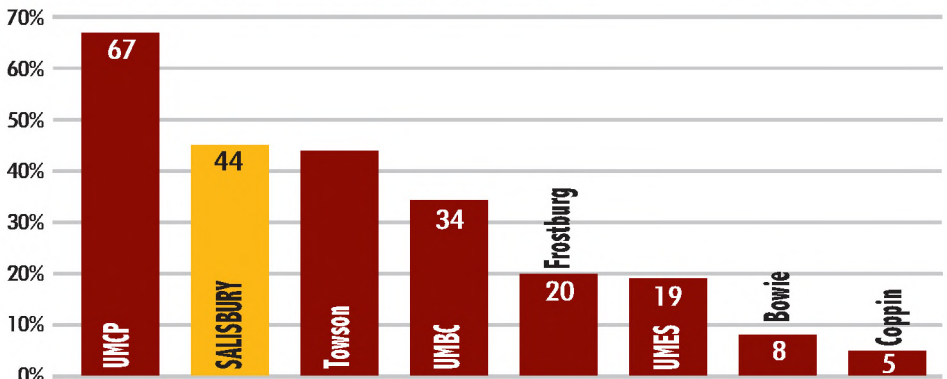
It is important to note that while undergraduate first-time student enrollment increased by 3 percent from fall 2014 to fall 2015, total undergraduate enrollment was down by 2 percent. This is attributable to a number of factors. In spring 2014, SU graduated the largest class in institutional history. At the same time, transfer student enrollment has dropped. As the *Higher Education Overview* points out, not only are there fewer first-time/full-time students entering higher education within the State, but enrollments at community colleges are significantly down. Further, because of Salisbury University's chronic underfunding, compared to that of our sister institutions, we have not been able to carve out the resources necessary to offer sufficient financial aid packages to compete with other Maryland

**Figure 3: 2007-2012 Average Education and Related Costs Per Degree**



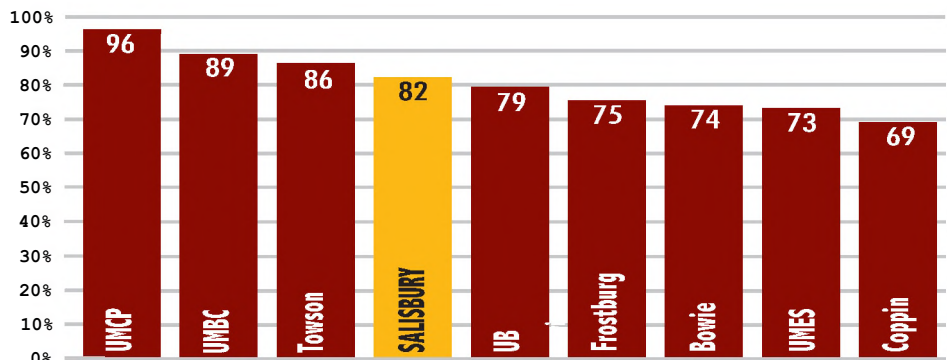
Source: Delta Cost Project - utilizing data from IPEDS Database from 2007 to present

**Figure 4: Four-Year Graduation Rates (2008 Cohort)**



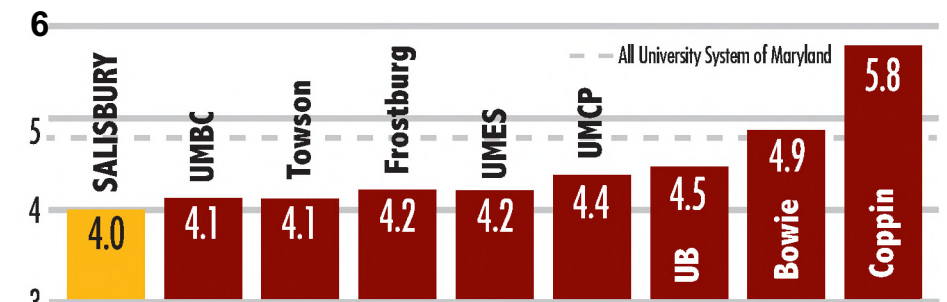
Source: Utilizing data from IPEDS database

**Figure 5: Second-Year Retention Rates (2013 Cohort)**



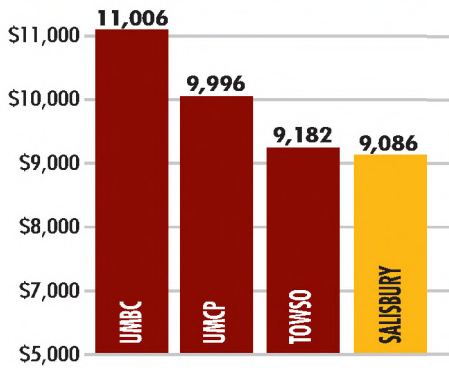
Source: Utilizing data from IPEDS database

**Figure 6: Average Undergraduate Time-to-Degree in Years (FY2015)**



Source: University System of Maryland's Faculty Workload Report, 2015

**Figure 7: Cost of Attendance (FY2016)**



Total cost of attendance includes tuition, technology fee and auxiliary fees.

institutions or attract students from this shrinking pool of transfer applicants. As Figures 8 and 9 demonstrate, **Salisbury University has consistently remained at the bottom of the University System of Maryland as it relates to Education and General Revenue as well as General Fund Appropriation, even despite our outstanding outcomes.**

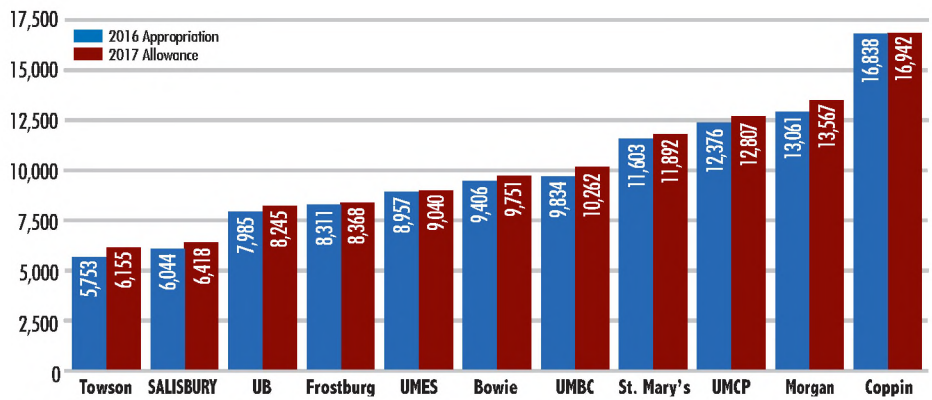
This underfunding has come at a price, namely, increased costs for students without commensurate financial aid resources to offset their impact. Figure 10 highlights that Salisbury University has the highest percentage of student loans compared to the rest of the University System of Maryland. Salisbury University is only able to allocate 11.7 percent of the revenue we generate from tuition and fees to our institutional aid budget (Figure 11); again, a factor of our low State appropriation per FTES. Given SU's excellent performance and student demand, our consistent underfunding is a disservice to our students and the citizens of the State of Maryland, and places a greater burden on out-of-pocket expenses and/or loan debt as compared with students attending other USM institutions. With Salisbury University's lowest time-to-degree and lowest cost-per-degree, why would the State not invest more resources at SU, where we can produce higher numbers of graduates in less time and for a lower cost?

**Figure 8: Education and General Revenue per FTES Public Four-Year Institutions**

	2012	2013	2014	2015	Working 2016	Adjusted 2017
UM, Baltimore	69,143	73,223	74,161	79,932	84,452	86,374
UMCP	31,431	32,303	34,425	35,984	37,165	38,389
St. Mary's	24,874	22,945	23,420	23,611	28,214	27,213
UB	21,422	21,626	22,182	23,509	24,572	24,528
UMBC	19,178	19,764	20,958	21,534	22,981	23,840
Morgan State	18,183	19,740	20,509	21,088	22,197	23,821
Coppin	19,111	19,278	20,185	22,372	22,842	23,331
Bowie	15,316	15,870	16,179	16,832	18,240	18,495
Frostburg	14,657	14,857	15,217	16,036	16,825	17,492
UMES	16,068	16,122	17,001	17,964	17,464	17,211
Towson	14,680	14,531	14,815	15,576	16,253	16,744
Salisbury	12,441	13,181	13,786	14,765	15,332	16,297
UMUC	14,846	14,421	13,843	12,716	12,980	13,302
Average	\$20,033	\$20,658	\$21,450	\$21,881	\$22,742	\$23,431

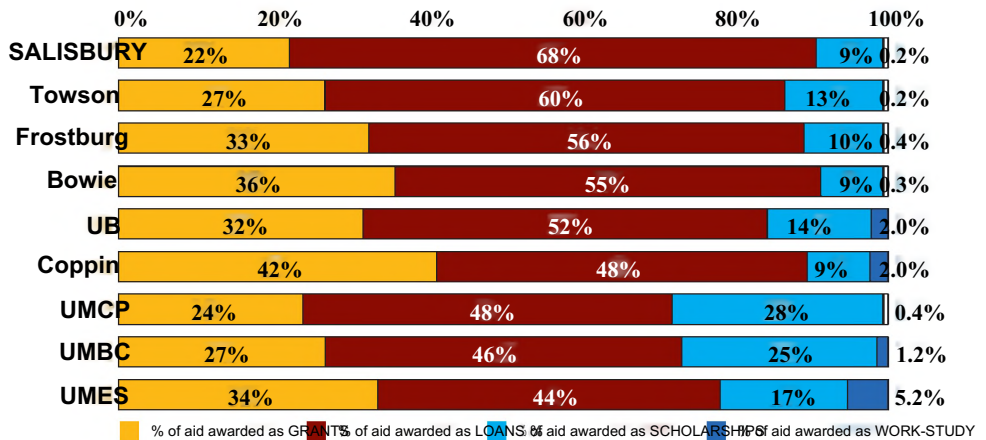
Source: Department of Legislative Services; Higher Education Fiscal 2017 Budget Overview

**Figure 9: State General Fund Appropriation (not including tuition and fees)**



Source: 2017 Governor's Budget Book

**Figure 10: Financial Aid Comparison Among Maryland Public Institution by Type (FY2014)**



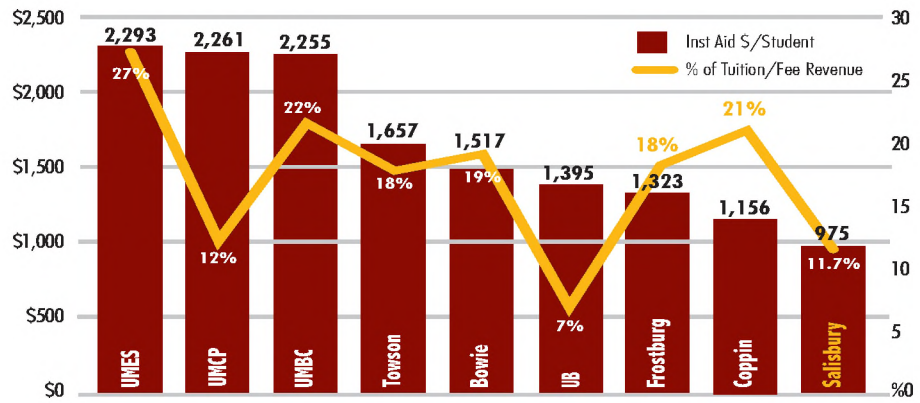
Source: Financial aid data is from MHEC's FAIS Report and is provided by Parris Jackson

**Patricia R. Guerrieri Academic Commons Funding Request**

As I brought to your attention during last year’s budget cycle, an additional challenge that results from our low level of funding is that Salisbury University’s faculty and staff have among the highest workloads in the State. As you can see in Figures 12 through 14, our student-to-faculty and -staff ratios are among the highest in the USM.

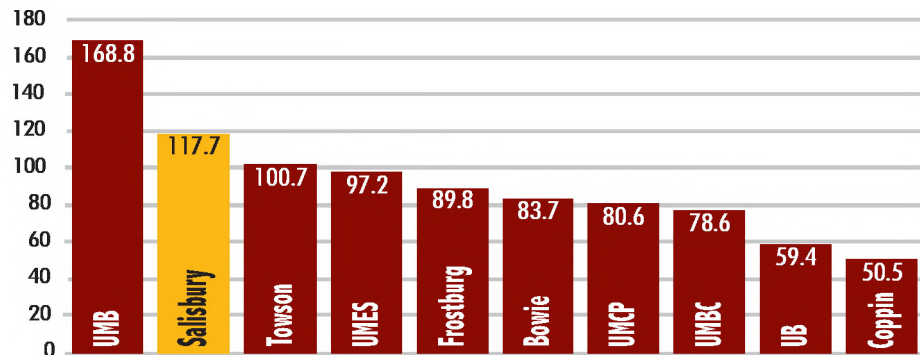
This is particularly alarming as Salisbury University is scheduled to open our 218,000-square-foot Patricia R. Guerrieri Academic Commons facility in August 2016 with no additional operating resources currently allocated to hire new faculty or staff (as is customary when new buildings are brought online). While I am extremely grateful for the State’s work to secure the capital budget resources to fund this much-needed project, I am very concerned about our ability to maintain the State’s investment. Moving from a 57,000-square-foot library built for 2,500 students, to a state-of-the-art building of 218,000 square feet, requires the hiring of new staff to administer the programming and maintain the facility. The Academic Commons will house a number of student support initiatives critical to student retention and success. It simply is not feasible or prudent to open this facility without the proper support staff, maintenance mechanics and housekeepers necessary. My office has been working with the Governor’s Office to draft a supplemental budget to help mitigate some of the calculated \$3 million annual cost to SU; however, we are unsure whether or not this effort will be successful. Any support this committee can provide in those conversations is much appreciated.

**Figure 11: Institutional Aid Per Student (FY2014)**

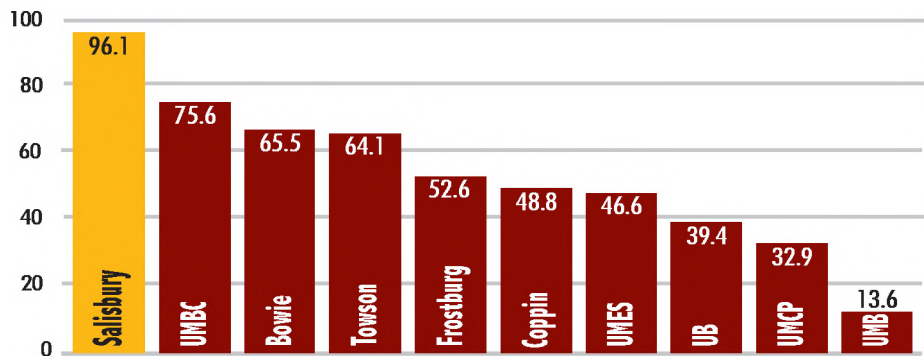


Includes institutional grants, institutional scholarships, athletic scholarships and private scholarships.

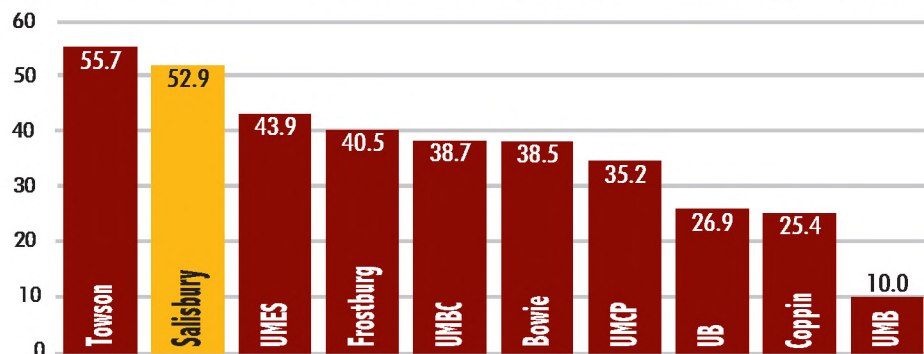
**Figure 12: Number of Students Per Full-Time Staff/Faculty: Student Services (FY2016)**



**Figure 13: Number of Students Per Full-Time Staff/Faculty: Academic Support (FY2016)**



**Figure 14: Number of Students Per Full-Time Staff/Faculty: Institutional Support (FY2016)**



Source (Figures 11-13): Governor’s Budget Books

## Learning, Living, Leading – Working to Change Maryland, and USM, for the Better

Despite SU’s low funding, we continue to lead the way through innovative programming designed to improve our outcomes and to move the State’s economy forward.

### n Economic Development and Entrepreneurship

In his recent State of the State address, Governor Hogan noted that in the aftermath of the Great Recession “we must address chronic unemployment in the hardest hit areas of the State.” Among those areas mentioned, the Governor emphasized the importance of rebuilding the Lower Eastern Shore as a hub for thriving economic activity. A recent economic analysis report<sup>1</sup> notes that Salisbury University contributes some \$480 million dollars to the economy of the Lower Eastern Shore and supports nearly 3,000 jobs (Appendix 1). The report also demonstrates that SU is among the leading economic engines of the entire Eastern Shore. If Salisbury University were given the green light and concomitant funding support to grow in student enrollment, the Lower Eastern Shore would realize increased economic growth.

Additionally, Salisbury University’s much-touted entrepreneurship outreach programs have continued to establish the University as an important partner in revitalizing the businesses and industries of our region. Over the past five years, Salisbury University’s Small Business Development Center has helped launch among the highest number of start-up businesses in the State of Maryland.

Since 1987, SU’s Franklin P. Perdue School of Business has awarded nearly \$1,000,000 in total prize money to student and community start-ups as a part of its annual entrepreneurship competitions. Thanks in large part to a \$1 million gift by the Baltimore-based Philip E. and Carole R. Ratcliffe Foundation, since 2013, SU has been able to award up to \$200,000 annually to entrepreneurs from across the mid-Atlantic region seeking startup funding and business mentorship (Appendix 2).

For the past two years, we also have been proud to serve as the first small-market site for the hit ABC show *Shark Tank*, drawing hundreds of businesses from across the United States to audition on the campus of Salisbury University.

Additionally, SU is in the process of working with a donor to potentially establish a Center for Entrepreneurship, making use of the recently donated Gallery Building, located in downtown Salisbury. It is our hope that by providing accelerator, incubator and co-working space, paired with business support services, we will be able to continue the great work that our Perdue School of Business is doing, while supporting downtown development and job creation in Salisbury.

### n Degree Completion: The Strategic Use of Performance Analytics

In 2014, Salisbury University made the decision to partner with the Education Advisory Board’s (EAB) Student Success Collaborative to utilize performance analytics to improve the effectiveness and quality of SU’s student advising experience. Analysis of previous SU students’ academic patterns created a predictive model that was used to develop an indicator mechanism for the degree completion potential of currently enrolled students. Through the creation of a dashboard system, campus advisors are now able to monitor student progress toward degree goals and receive periodic updates regarding potentially risky patterns of behavior. This tool has been enormously helpful in counseling students into degree programs that maximize their personal strengths and ensure success post-graduation. Additionally, this tool has been used to facilitate targeted outreach campaigns to potential at-risk students to ensure that they are receiving the proper academic support in their chosen fields.

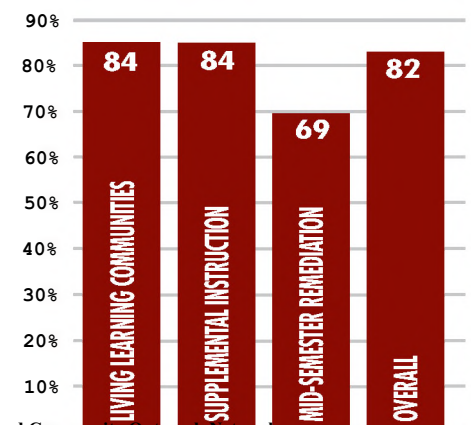
In 2015, SU joined EAB’s Academic Performance Solutions program, which will mine data from our student records, institutional financial information, past space allocation archives and human resources statistics to develop a series of reports on cost, critical capacity, enrollment and student outcomes at the university, school and department levels. These analytics will inform our resource

allocation decisions and help to further create a culture of data-driven decision making at Salisbury University. This will help us ensure that we are further effectively utilizing all of the resources with which we have been entrusted by the State.

### n Student Success Initiatives

Over the past several years, SU has worked hard to implement low-cost programs to sustain and improve our high retention and graduation rates. We have continued to increase the number and scope of our Living Learning Communities (LLCs) on campus (each LLC brings students with similar interests together to live and study) and, in 2014, implemented our Sophomore Year Experience (SYE) program, which offers experiences and support opportunities for sophomore students. Additionally, as a result of demand, we have increased our supplemental instruction offerings for some of our most difficult courses through the Center for Student Achievement (CSA). When the CSA began in fall 2009, it only served 231 students; today, the CSA serves nearly 3,700 students per semester and demand continues to rise. Our research shows that students who utilized CSA’s services not only received a higher grade in those courses compared to other students, they also had a 10 percent higher retention rate. Additionally, we have worked diligently to integrate targeted mid-semester remediation interventions. As Figure 15 highlights, these three initiatives have resulted in great success. We are excited that our CSA will be able

**Figure 15: Retention Rates for Freshman to Sophomore Participants in Initiatives (2014 Cohort)**



<sup>1</sup> *Economic Impact of Salisbury University On the Eastern Shore of Maryland*, February 2016, BEACON Business Economic and Community Outreach Network at Salisbury University.

to have more space once it moves into our new Academic Commons building; however, as mentioned previously, we are hoping that we will be able to secure additional operating resources to hire the staff needed to strengthen this successful program.

Salisbury University also was selected as one of 44 institutions nationwide to participate in the Association of American State Colleges and Universities (AASCU) “Reimagining the First-Year of College” program. This is a new project that is designed to ensure success for all students, particularly those who have been underserved by higher education: low-income, first-generation and students of color. This program was developed through the support of the Bill and Melinda Gates Foundation and will feature work group sessions, national meetings, expert mentorship and resources to create a robust collection of integrated strategies and programs to maximize student success for traditionally vulnerable populations.

### n Diversity and Inclusion

In the wake of a national outcry for greater attention to diversity, equity and inclusion in higher education, I provide the General Assembly with information related to SU’s commitment to addressing these issues (Appendix 3). While I recognize that there is much work still to be done, I am hopeful that SU is moving in the right direction as we continue to work with our diverse campus leaders.

I also briefly highlight the increasing diversity of our student population, which has been a significant priority of mine over the past 16 years (Figure 16). Ensuring that our campus is comprised of diverse students, faculty and staff is important so that all members of our campus community have the rich and marketable experience of learning, working and growing alongside individuals from a variety of backgrounds. Our students must be equipped to operate efficiently and successfully in an increasingly diverse world; we must begin that work and education here on our campus.

### n General Education Review

This past year, a work group comprised of faculty members from across the University has been working to update Salisbury University’s General Education curriculum. SU’s General Education program has not been reviewed for several decades, and we are excited about the potential changes that will likely come as a result of this process. SU is committed to ensuring that our graduates are prepared to enter the workforce with important competencies that all students must utilize in our increasing globalized marketplace.

### n STEM (Science, Technology, Engineering, Mathematics)/ Allied Health

As mentioned last year, SU was named to the inaugural list of STEM Jobs Approved Colleges for 2015. We were highlighted for our work in “leading the way in connecting education with high-demand, high-growth STEM occupations.” This past spring, SU graduated its first cohort of students from our Doctor of Nursing Practice (D.N.P.) program, which is filling a critical workforce need on the Lower Eastern Shore and beyond.

SU recently established a pathway for local high school students to access high-quality STEM courses through a specialized dual enrollment agreement with the Worcester County Public School system. This program will allow students

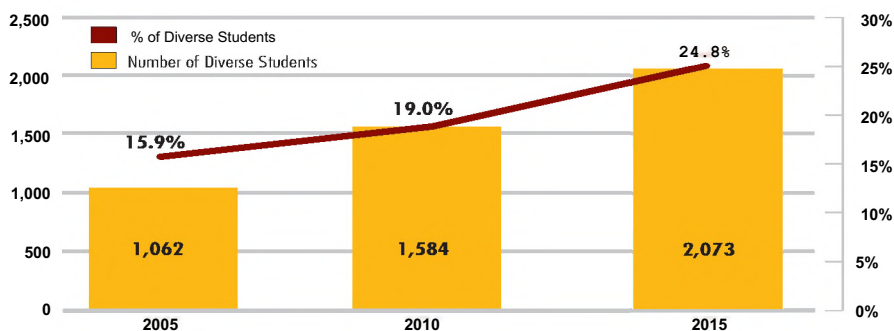
to earn up to 19 credits at SU in Physics, Engineering and Computer Science courses; we hope to expand this opportunity to other local school districts in the future. It is important to note that these are only a few recent examples of the myriad STEM activities happening on SU’s campus (Appendix 4).

### n Teacher Education

Salisbury University is proud of its history as a former State Teachers College. SU continues to graduate Maryland teachers of the highest caliber. Since 2011, 21 SU graduates have been named Teachers of the Year by the counties in which they teach throughout Maryland. SU’s Department of Teacher Education is accredited by the National Council for Accreditation of Teacher Education (NCATE) and the Maryland State Department of Education. Also, SU’s Early Childhood and Elementary Education Program is accredited by the National Association of Education for Young Children (NAEYC).

Additionally, SU’s Provost, Dr. Diane Allen, was named to the Governor’s P-20 Council and the Teacher Education Workgroup because of her innovative work in the elementary and secondary education field. Notably, SU has enrolled its first cohort in our second doctoral program, the Doctor of Education (Ed.D.) in Contemporary Curriculum Theory and Instruction in Literacy, which was developed in response to a critical local workforce need.

**Figure 16: No. of Undergraduate Minority Students and Undergraduate Minority as a Percentage of Known Students**



Note: Minority students include Black or African-American, American Indian/Alaska Native, Asian, Hispanic, Hawaiian/Pacific Island students who report two or more of the above races.

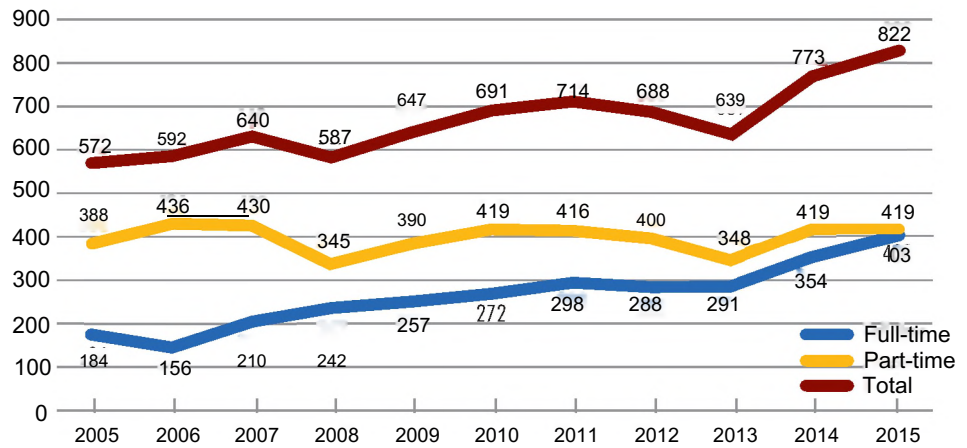
### *SU Among Hispanic Outlook Top 50*

In its annual “Publisher’s Picks,” *The Hispanic Outlook in Higher Education* named SU one of the Top 50 colleges and universities in the U.S., offering “outstanding opportunities to Hispanic students.” Factors applauded include the availability of financial aid and scholarships; tutoring, mentoring and English language programs; multicultural organizations; and other services to help Hispanic students succeed.

## n Graduate Education

Over the past several years, Salisbury University has made the strategic decision to not only further enhance, but grow our graduate school program offerings. As demonstrated in Figure 17, SU's graduate student enrollment continues to rise. SU began offering a new online Master of Business Administration (M.B.A.) program this past year, which has been met with great interest and demand. Additionally, this spring Salisbury University will graduate its first international cohort from our collaborative University of Maryland University College (UMUC) Master of Social Work (M.S.W.) program in Germany.

Figure 17: 2015 Graduate Headcount by Status



## Support for Governor Hogan's Budget SU's National Rankings

Salisbury University, along with our colleagues from across the University System of Maryland, urges your support for Governor Hogan's proposed FY2017 budget. We appreciate the Governor's decision to fund the University System of Maryland's mandatory cost increases, attributed to rising insurance premiums and retirement benefit expenses; this relieves a tremendous burden for institutions like SU. We also are grateful that Governor Hogan included an estimated 2.5 percent merit increase for USM employees, while also providing enhancement funding to increase college completion and student success. Salisbury University will use our \$400,000 portion to fund a transfer scholarship initiative targeted toward Pell-eligible students. We anticipate that this infusion of funds will help us increase our Pell-eligible transfer yield. **While these resources will help SU move the needle on some of our most pressing priorities, we do urge your support for additional General Funds so that we may effectively operate the Academic Commons, which is scheduled to open summer 2016.**

Additionally, Salisbury University joins the other USM institutions in asking the General Assembly to reject the DLS' recommended health deficiency and personnel cost reductions.

(Rankings as of February 17, 2016)

- n *Kiplinger's Personal Finance* magazine's Top 100 "Best Values in Public Colleges" for 2016 (February 2016 issue) – 9th consecutive year. Also, *Kiplinger's* "24 Best College Values Under \$30,000 a Year" in 2015.
- n *The Economist's* "First-Ever College Rankings" (October 2015). SU was in the top 15 percent (157th out of 1,275) of four-year U.S. colleges on the inaugural list. Measuring "economic value" of institutions, it compared actual alumni earnings to expected earnings.
- n *The Hispanic Outlook in Higher Education's* "Publisher's Picks" as one of the top 50 colleges in the U.S. offering "outstanding opportunities to Hispanic students."
- n *U.S. News & World Report's Best Colleges* for 2015-2016 (September 2015 issue) – 19th consecutive year. SU is among the Best Regional Universities in the North. SU also is on the "A-plus Schools for B Students" list. For three consecutive years, SU also was spotlighted on the *U.S. News* website as a university that operates most efficiently.
- n *The Princeton Review's The Best 380 Colleges* and *The Best Northeastern Colleges* for 2015-2016 (August 2015 editions) – 17th consecutive year.
- n *The Princeton Review's Guide to 353 Green Colleges: 2015 Edition* (April 2015) – 6th consecutive year. Published with the U.S. Green Building Council.
- n *Washington Monthly* magazine's "America's Best Bang-For-The-Buck Colleges" (September/October 2015 edition) – 3rd consecutive year.
- n *Forbes* magazine's "America's Top Colleges" for 2015 (August 2015 edition) – 2nd consecutive year.
- n *Money* magazine's "The Best Colleges for Your Money" for 2015 (August 2015 edition) – 2nd consecutive year.
- n *Consumers Digest's* "Top 100 College Values", in June 2015.
- n Named one of the "50 Most Beautiful College Arboretums" by Best College [Reviews.com](http://Reviews.com) and the "50 Most Amazing University Botanical Gardens and Arboretums in the U.S." by Best Colleges [Online.org](http://Online.org), both in 2015.
- n A *University Business* magazine "Model of Efficiency" for spring 2014. Applauded for innovative approaches to streamlining operations, SU was the only Maryland campus honored and one of only 8 recognized nationwide. SU also honored in spring 2012.



**Conclusion**

It is clear that Salisbury University is a leader in efficient and effective higher education resource management. As the State looks to boost college completion rates while maximizing resources, it is important to recognize and reward the achievements of those institutions that consistently show strong results while managing wisely the State's limited resources. As we look for ways to expand access for Marylanders and improve economic development throughout the region, Salisbury University needs additional resources to grow. This will enable Maryland to better prepare the workforce of the future while ensuring the State's strong and growing economy.

Again, thank you for your continued support and for your service to the Great State of Maryland.

*Janet Dudley-Eshbach*

President Janet Dudley-Eshbach, Ph.D.

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