

2018 Budget Briefing

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 2018



Salisbury
UNIVERSITY

I am grateful for the opportunity to appear before the Maryland General Assembly to discuss Salisbury University's remarkable accomplishments, while shedding light on some of our persistent challenges. This will be my final time giving testimony, as I will step down from the presidency effective June 30, 2018.

I am proud of all that we have accomplished at SU, working in partnership with the University System of Maryland, the Governor and the Maryland General Assembly. Maryland's higher education community has enjoyed widespread support from our elected officials, 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.

As we work to create opportunities for our students and support workforce priorities of Maryland and the USM, I focus my remarks on those initiatives that are underway in support of State goals.



The longest-serving female president in the University System of Maryland, Dr. Janet Dudley-Eshbach is stepping down as Salisbury University's leader in June. She has strategically reshaped the campus as a champion of diversity, international education and academic excellence.

Meeting Maryland's Needs

Earlier this month, SU announced the establishment of our new **College of Health and Human Services (CHHS)**. Slated to become the largest academic unit on campus with nearly 2,200 students, the CHHS will house the Schools of Nursing, Social Work and Health Sciences. Given the need for health care professionals across the State, and particularly in the rural areas of the Eastern Shore, this new administrative structure will boost our ability to support students studying in applied health physiology, athletic training, community health, exercise science, fitness and wellness, medical laboratory science, nursing, respiratory therapy, and social work. SU's Respiratory Therapy Program produces the largest number of entry-into-practice baccalaureate graduates in the country. The Maryland Board of Nursing

ranks SU as having the **highest 10-year average pass rate** of all Maryland universities on the National Council Licensure Examination for Registered Nurses. Nursing also launched SU's first doctoral program, the Doctor of Nursing Practice. Since its inception in fall 2012, the program has produced nine graduates; the fall 2017 cohort has 39 students. The Social Work Department has the largest graduate program on campus, with nearly 400 students enrolled. All of these programs **play a key role in addressing State workforce needs** and help the University position itself to further **address the need to expand healthcare and human services resources in rural areas and attend to the crisis in opioid addiction and substance abuse.**



College of Health and Human Services

■ School of Health Sciences

- Applied Health Physiology
- Athletic Training
- Community Health
- Exercise Science
- Fitness and Wellness
- Medical Laboratory Science
- Respiratory Therapy

■ School of Nursing

- Traditional
- 2nd Degree
- RN to B.S.
- M.S. (Nursing)
- Doctor of Nursing Practice

■ School of Social Work

- B.A.S.W.
- M.S.W.



College of Health and Human Services

School of Health Sciences

School of Nursing

School of Social Work



Opioid and Substance Abuse

With regard to the opioid and substance abuse crisis, SU is implementing measures to address the issue and to prepare the wide array of first-responder, healthcare, social services, community health and other professionals who tackle this issue within our communities. Both University Police and Student Health Services have been trained in the administration of Naloxone. In addition, the Social Work Club and the Student Government Association have sponsored sessions for anyone in the University community interested in being trained to administer Naloxone. Supporting these efforts, the Student Counseling Center developed a series of posters and a video targeted at opioid use/abuse. This is a peer-based approach utilizing social work interns who work out of the Counseling Center. University Police is developing a training program for Residence Life staff to help them identify signs of opioid abuse and how to report in the case of an emergency. Faculty, staff and students also



are engaged in the community discussion around this national issue, working with the Governor's Heroin and Opioid Emergency Task Force and the Regional Opioid and Addiction Coalition. The campus community also is engaged in HOPECorps, a State AmeriCorps program funded in part by the Governor's Office on Service and Volunteerism. The mission of HOPECorps is to strengthen the capacity of community organizations tackling the heroin and opioid epidemic on Maryland's Eastern Shore and to increase the number of individuals attending drug-related health education programs. HOPECorps members also will be responsible for increasing capacity for expanded Naloxone trainings and awareness of services for individuals and families.

Teacher Preparation

SU is launching initiatives to reverse the national and regional trend of enrollment decline in **teacher preparation programs**, and while Elementary Education enrollment is down, our Early Childhood Education, Master in Education and Education Doctorate (Ed.D.) programs are all experiencing increased enrollments. The Ed.D. was established in fall 2014 to meet the needs of educators on the Eastern Shore and beyond for applied education in contemporary curriculum theory and literacy instruction. Since its inception, Ed.D. enrollment has more than doubled from 17 to 40 students last fall.

SU also has established agreements with all Maryland school districts that have Teacher Academy of Maryland (TAM) programs, which provide all students completing TAM with three college credits and a \$500 scholarship. In our home county of Wicomico, SU has hosted all four TAM programs for the day, allowing



those students to attend classes and meet with faculty and Admissions. In addition, we enlisted the efforts of a retired faculty member to travel the State to recruiting fairs and high schools to augment the efforts of our Admissions counselors with a more targeted approach to recruiting future educators. And a full-time faculty member teaches and recruits at the Eastern Shore Higher Education Center to support our Elementary Education Program.

Entrepreneurship

SU continues to build upon our efforts to support **entrepreneurship and small business creation**. Salisbury University's entrepreneurship outreach programs have established the University as an important partner in revitalizing the businesses and industries of our region. Our Small Business Development Center has helped launch among the highest number of start-up businesses in the State of Maryland in recent years.

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. And with the help of 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 as part of our Shore Hatchery competition. During last fall's event, the Ratcliffe Foundation announced a second \$1 million gift to continue the competition through 2023. For two years, we also were 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.

Last year, SU secured a \$5 million gift from Dave and Patsy Rommel. A portion of

With over 30 years of successful entrepreneurship competitions, the Perdue School expanded its resources through the new Innovation, Entrepreneurship and Economic Development Hub.



the Rommel gift will enable SU to establish the **Center for Entrepreneurship** in downtown Salisbury, with the remainder dedicated to other, future **entrepreneurship initiatives**, solidifying our strong partnership with the City of Salisbury while working to improve local economic development beyond our current estimated \$480 million annual impact. Currently in design, the Rommel center will provide accelerator, incubator and co-working space, paired with business support services. In the meantime, the **Innovation, Entrepreneurship and Economic Development Hub** was established on campus in the Perdue School of Business. "The Hub" features the work of budding entrepreneurs while providing educational programming and resources for those who have a business idea to launch.

When it comes to the workforce and other needs of the State of Maryland, Salisbury University is offering our students significant and creative opportunities to excel and is producing graduates who are poised to become the economic drivers and leaders of our State in the future.

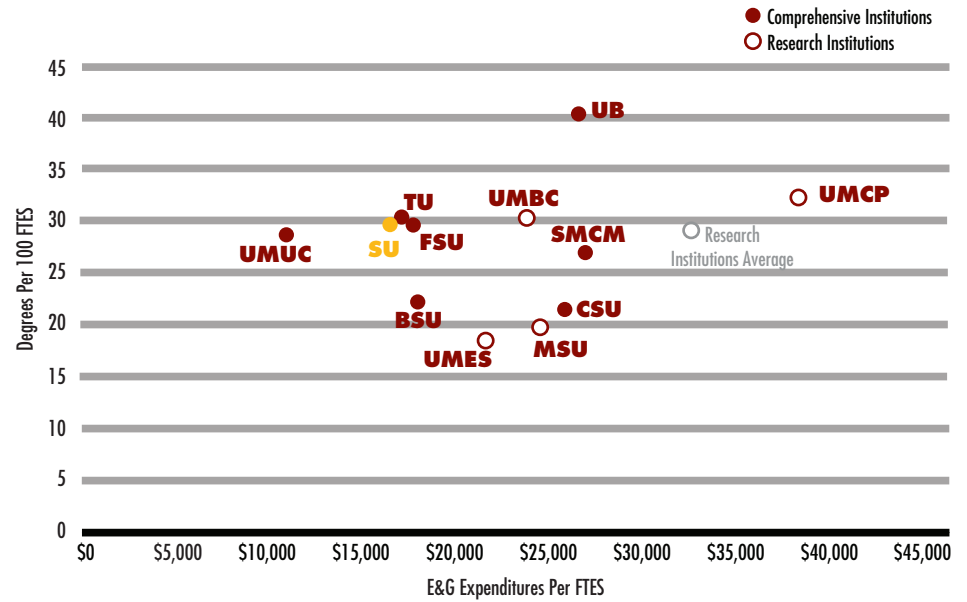


Producing More for Less

Salisbury University is among the 400 or so broad-access “comprehensive” public four-year colleges and universities that are the workhorses of American post-secondary education. Nationally, comprehensives enroll nearly 70% of all undergraduate students who attend four-year institutions. Given the statistics, a national commitment to increase student access and success will require that these institutions be front and center in the effort.

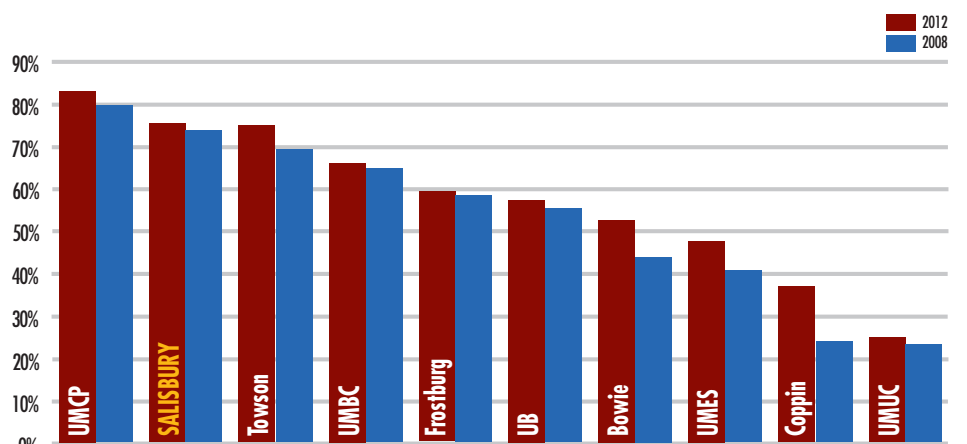
Similarly, Maryland’s comprehensive institutions are critical to the State’s efforts to improve degree attainment for our citizens. Salisbury University continues to be recognized across the State and nation as an efficient and effective institution, graduating more students at lower cost than most other Maryland public institutions (Figure 1). As Figures 2 through 5 show, SU consistently boasts some of the **highest graduation and retention rates**, while maintaining among the **lowest average time-to-degree**; in fact, our four-year graduation rate is second highest in the USM.

Figure 1: E&G Expenditures Per FTES & Degrees Awarded Per 100 FTES (FY 2017)



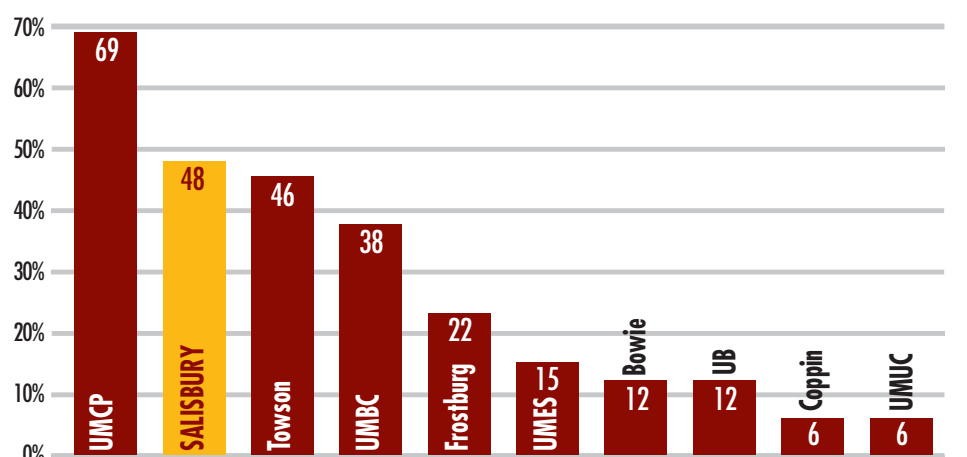
Source: University System of Maryland, Fiscal 2019 Budget Overview

Figure 2: Comparison of Six-Year Graduation Rates (FY 2008 and FY 2012 Cohort)



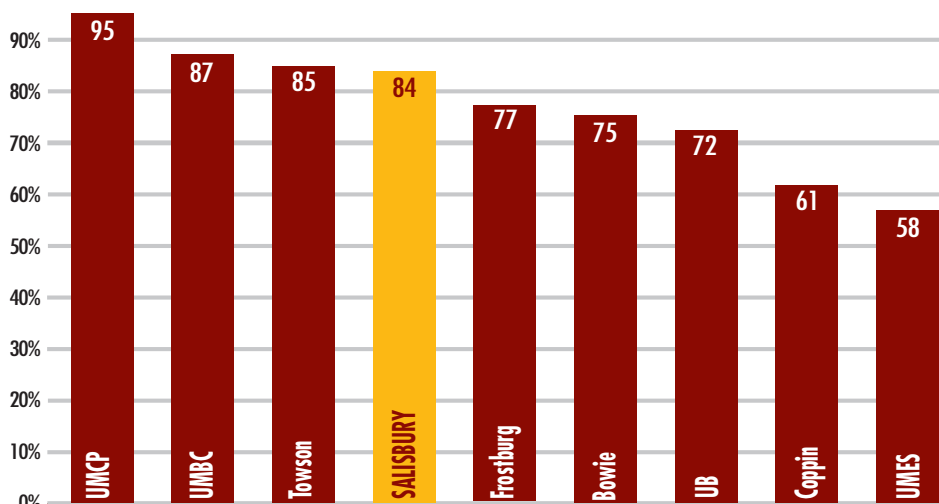
Source: University System of Maryland, Fiscal 2019 Budget Overview

Figure 3: Four-Year Graduation Rates (2010 Cohort)



Source: Utilizing data from IPEDS database

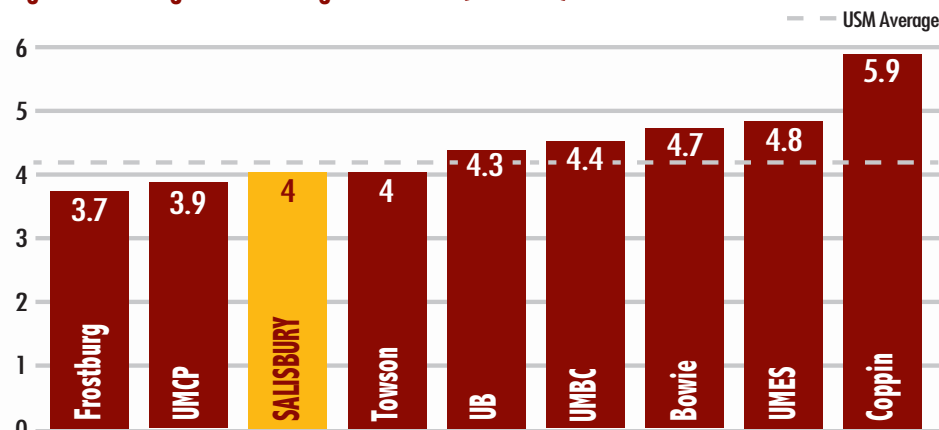
Figure 4: Second-Year Retention Rates (2015 Cohort)



Source: Utilizing data from IPEDS database

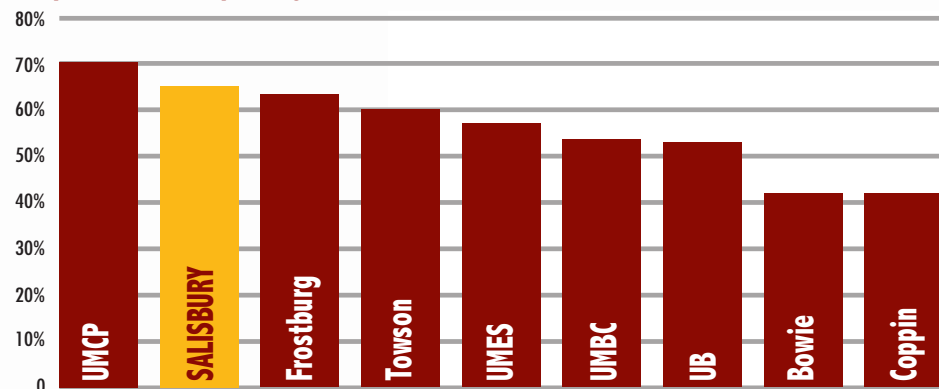
SU also produces the second highest four-year graduation rate of Maryland’s community college transfer students among the USM institutions (Figure 6). Clearly, **additional investment at SU will increase the number of graduates in the most efficient and cost-effective manner.**

Figure 5: Average Time-to-Degree in Years (FY 2016)



Source: University System of Maryland’s Faculty Workload Report, 2016

Figure 6: Four-Year Graduation Rates of Maryland Community College Transfers (2013 Cohort)

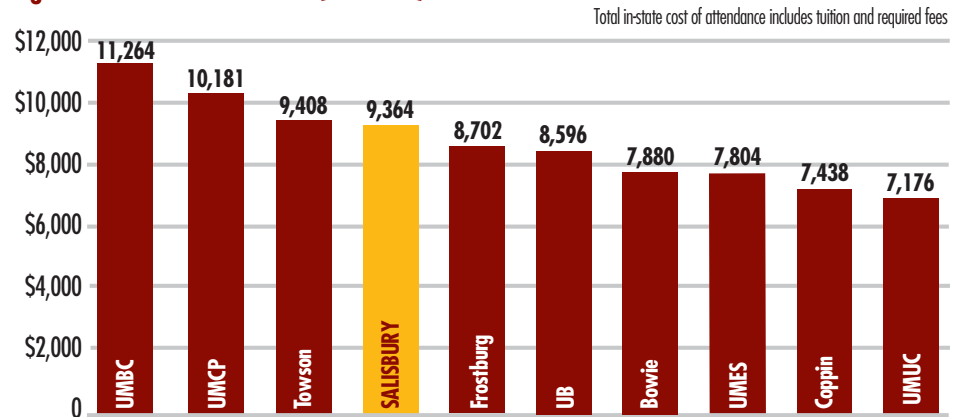


Source: Department of Budget and Management; Department of Legislative Services, Fiscal 2019 Budget Overview

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 2018, we anticipate over 8,500 applications for approximately 1,300 seats. Additionally, SU expects to maintain its solid academic profile for its incoming students: to date, the admitted student SAT is up 19 points from last year, and the average grade point average is 3.84. We also continue to successfully attract a **diverse pool of new students, including more than 25% non-majority first-time students** as well as students from 32 states and 66 foreign countries last fall. These students add to the richness of SU's academic community and make for a diverse and robust pool of graduates. As Figure 8 demonstrates, however, Salisbury University consistently receives among the lowest State funds per FTES, despite our outstanding outcomes.

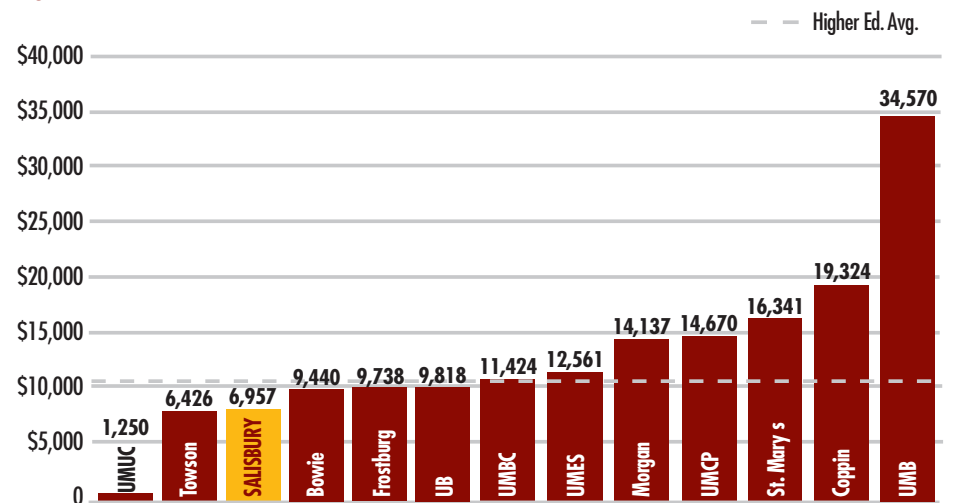
This underfunding has come at a price, namely, increased costs for students without commensurate financial aid resources to offset their impact. Figure 9 highlights that Salisbury University has the highest percentage of student loan debt compared to the rest of the University System of Maryland. And, we know anecdotally that we lose many capable students to other institutions in our State that can offer richer packages of financial support.

Figure 7: Cost of Attendance (FY 2017)



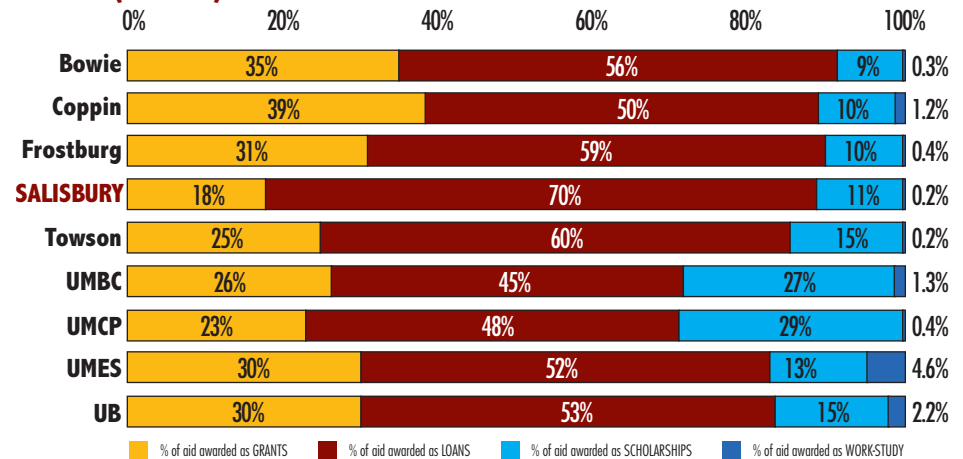
Source: Utilizing data from IPEDS database

Figure 8: State Funds Per FTES (FY 2019)



Source: University System of Maryland, Fiscal 2019 Budget Overview

Figure 9: Financial Aid Comparison Among Maryland Public Institutions by Type of Aid (FY 2016)



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

Our traditionally low State appropriation per FTES also means that we run an extremely lean operation and all of our faculty and staff carry heavy workloads. With little undesignated funds for new initiatives and unfunded mandates, our budget is significantly and immediately impacted by increased demands such as Title IX regulations without commensurate funding to implement them or even a slight downturn in enrollment. We have to manage our limited resources very carefully to keep the lights on, and increasingly, we are worried about the impacts of our funding on education and critical student services like counseling and career-planning support.

SU continues to invest in initiatives to increase student success and decrease costs. Our partnership with the Education Advisory Board's (EAB) Student Success Collaborative and its Academic Performance Solutions program is beginning to produce reports on cost, critical capacity, enrollment and student outcomes at the University, school and department levels. For example, these analytics allowed our Academic Advising Center staff to identify and quickly reach out to students who were not registered for courses, resulting in a dramatic increase in student registration and retention. Similarly, the advising staff use this software to identify at-risk students in need of academic coaching. Nearly 80% of students receiving academic coaching increased their GPAs. These analytics also will inform our resource allocation decisions and help to further create a culture of data-driven decision making at Salisbury University.



Conclusion

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 critical to implement a more **equitable and outcomes-based funding model for the allocation of State general funds** among Maryland's public institutions of higher education. Institutions that consistently show strong results while managing wisely the State's limited resources should be recognized and funded accordingly and appropriately.

It has been my privilege and pleasure to serve as the president of this fine institution for 18 years. With the benefit of 40 years in higher education and 18 at the helm of Salisbury University, above all, I come away with the belief that a funding formula such as those used in the majority of public university systems across our nation – and perhaps System reform overall – are desperately overdue.

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



President Janet Dudley-Eshbach, Ph.D.

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