

ST MARY'S COLLEGE *of* MARYLAND

RD14D00

FY2020 Operating Budget Testimony

**House Committee on Appropriations
Subcommittee on Education and Economic Development
February 7, 2019**

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**Senate Budget & Taxation Committee
Subcommittee on Education, Business, and Administration
February 22, 2019**



**Dr. Tuajuanda C. Jordan, President
Dr. Lawrence E. Leak, Trustee
Mr. Charles C. Jackson, Government Relations Liaison**

Introduction – The Public Honors College

As the State's public honors college, St. Mary's College of Maryland (SMCM) provides a premier liberal arts education that is both affordable and accessible awarding a variety of undergraduate degrees as well as a graduate Master of Arts in Teaching degree. With a faculty of gifted teachers and distinguished scholars, a talented and diverse student body, and a low student/faculty ratio, St. Mary's College provides a challenging curriculum within an academically nurturing environment. In addition, the College fosters a sense of social responsibility and community among its students through its curriculum and campus life.

*The Nation's 1st Public
Honors College*

The St. Mary's curriculum stresses both intellectual breadth through broad requirements in the arts, humanities, natural sciences, and social sciences, and depth through rigorous discipline-based major programs. By emphasizing creative expression, the interconnected nature of knowledge, and an understanding of cultures with differing values and institutions in all aspects of the educational experience, the College prepares its students for fulfilling lives and successful professional careers in a world of increasingly rapid technological, political, economic, and social change.

As a public college that is both accessible and affordable, St. Mary's provides the opportunity for academically talented students from a broad socioeconomic, ethnic, and racial spectrum to acquire a liberal arts education. This diversity creates a rich academic and social environment that enhances the education provided by the College.

St. Mary's was established by the Maryland legislature in 1840 as a living memorial to Maryland's colonial founders and their ideals of tolerance and innovation. Today, St. Mary's College maintains its identity as a residential liberal arts institution, fostering principles of diversity, civic-mindedness, and intellectual exploration. The College offers academic and extracurricular programs that build upon the rich historical, cultural, and natural environments that come from its affiliation with Historic St. Mary's City and its location on the banks of the St. Mary's River within the Chesapeake Tidewater.

SMCM Mission

*"We promote scholarship and
creativity by challenging our
students to achieve academic
excellence through close
relationships with faculty..."*

*... within a community dedicated
to diversity and accessibility."*

The College offers Bachelor of Arts (B.A.) degrees in 17 programs and Bachelor of Science (B.S.) degrees in seven programs. The College, while primarily an undergraduate institution, offers a Masters of Arts in Teaching program (M.A.T.), which may be completed by any eligible and admitted individual with an earned bachelor's degree. This one-year, full-time program meets federal and state requirements for highly qualified teachers, and addresses a critical need area

identified in the State Plan. The focus of the institution will continue to reside in undergraduate education, with the graduate program serving fewer than forty students annually.

Supporting the two goals articulated by the State's historical vision for the College - the educational requirements of an honors program and the promise of access - sets St. Mary's College uniquely in the State and in the national higher education sector. St. Mary's College has been highly successful in supporting State-wide goals with one of the highest retention and completion rates among Maryland publics, a commitment to diversity, and in providing resources for students with financial need.

Maryland's Public Honors College

Mission unique in the Nation

- *Liberal arts college excellence akin to elite privates → curricular innovation and relevance*
- *Public = Accessible + Affordable + Diverse*
- *Rigorous standards in every academic discipline*

As always, the College is grateful to the Governor, the Legislature, and the Maryland Higher Education Commission for their ongoing commitment to higher education, in general, and to St. Mary's College of Maryland specifically.

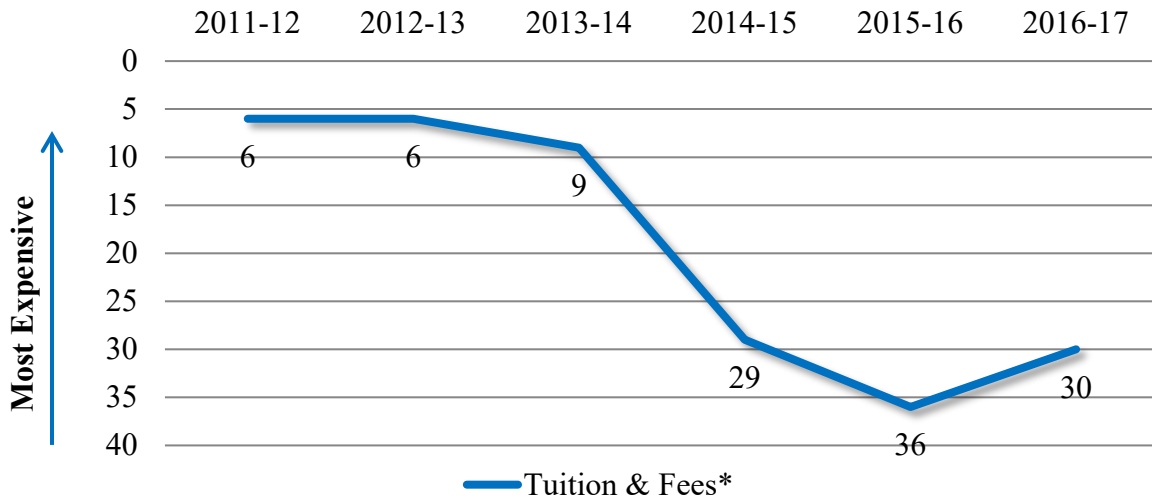
Support for the Maryland State Plan for Postsecondary Education

Access and Affordability: The College's unique mission to provide an honors level liberal arts education that is both accessible and affordable to all Marylanders who can thrive in a rigorous academic environment is challenging. Through a combination of institutional efforts to control expenses and State support, tuition pricing was lowered in FY15 and has since been successfully moderated, making St. Mary's College more affordable for Maryland families. In-state tuition for the 2018-2019 academic year (\$11,878) is less than it was six years ago for the 2011-2012 academic year (\$12,005).

Tuition: The efforts by the College and State to reduce and moderate tuition resulted in St. Mary's College ranking as the most expensive four-year public institution in the nation dropping from the 6th to the 36th as shown in Exhibit 1.

Exhibit 1

National Ranking: Highest Tuition
Public, 4-Year

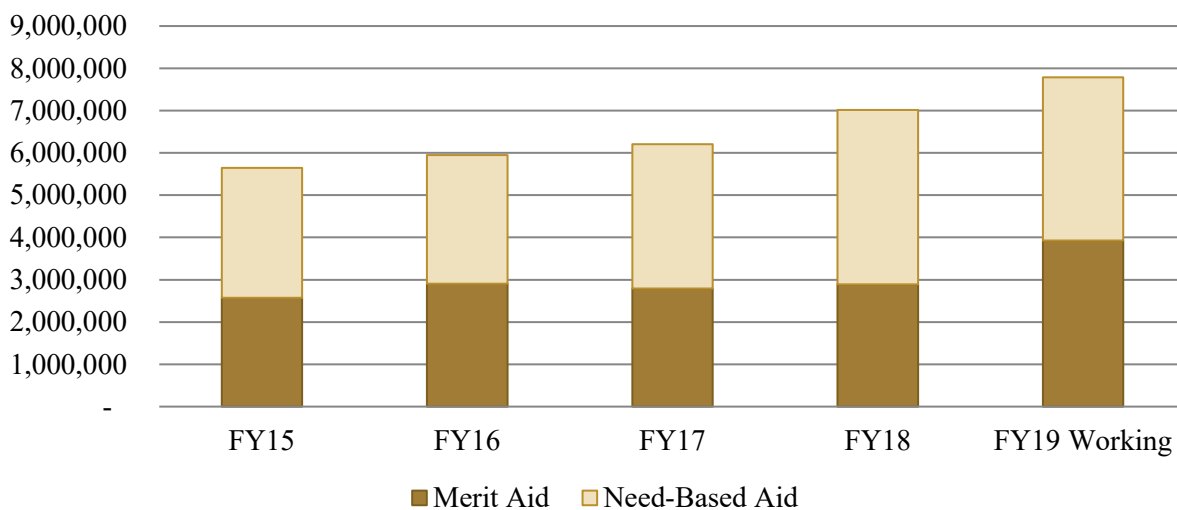


In 2016-2017, the most recent reporting year, the College’s 2% increase in tuition resulted in its ranking rising to the 30th most expensive tuition in the nation.

Financial Aid: The current in-state rate for tuition and fees of \$14,806 requires continued commitment to providing a robust aid program. For the Fall 2018 entering class, 80% of students received institutional financial aid. Over the past five years, St. Mary’s has increased institutional aid by 37%, adding \$2.1 million as shown in Exhibit 2.

Exhibit 2

Institutional Aid



Student Debt: St. Mary’s College’s relatively high four-year graduation rate (67%, five-year average) contributes to the lowest average student indebtedness in Maryland, \$22K versus the Statewide average of \$29K, as shown in Exhibit 3, as students are more likely to graduate on time. The default rate for St. Mary’s College students is 2.3%, as shown in Exhibit 4, compared to the national average of 11.5%. Lower average indebtedness combined with the lower default rate and high four-year graduation rate highly suggests that St. Mary’s College graduates are entering the economy faster, acquiring gainful employment, and have more disposable income.

Exhibit 3

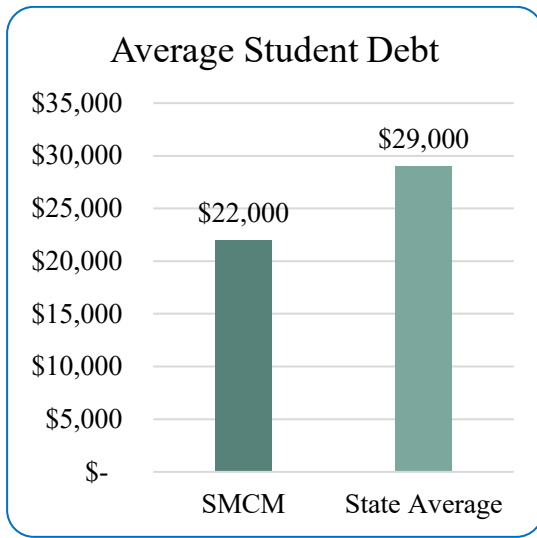
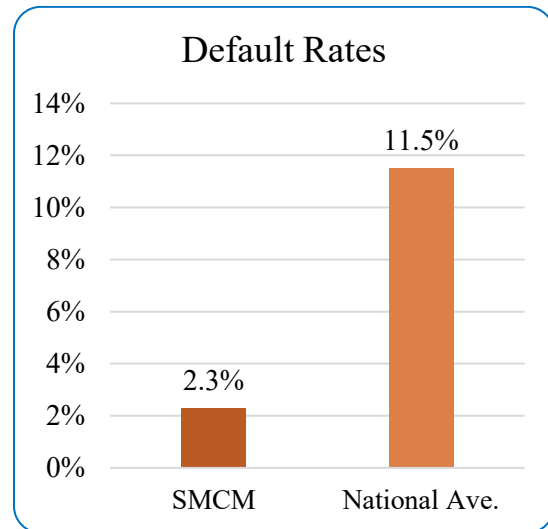


Exhibit 4



Access to Quality Postsecondary Education:

Quality: St. Mary’s College has successfully responded to the charge to provide an outstanding academic program – akin to those offered by some of the best private liberal arts colleges in the nation – to the citizens of Maryland. Over the past 25 years, the College has invested significantly in creating an academic program that is focused on student learning. Major publications continue to highlight St. Mary’s College as one of the top liberal arts colleges nationally, including the recent U.S. News and World Report, which ranked us sixth among public liberal arts colleges. Other laudatory commentaries have come from the Princeton Review, Money Magazine, Kiplinger’s, Washington Monthly, and the Fiske Guide to Colleges.

#6 National Public Liberal Arts College, U.S. News

#28 Best National Liberal Arts College, Washington Monthly

Further, our low student–faculty ratio (10:1) provides for high-impact learning experiences and a vast array of research and creative endeavor opportunities for undergraduate students among our 24 majors and 31 minors. In fact, this student-faculty ratio is the lowest (best) among the traditional four-year public institutions in Maryland and is among the lowest for Council of Public Liberal Arts Colleges (COPLAC) institutions, which averages 16:1.

Our graduates succeed: five years after graduation, over 60% of St. Mary’s College graduates continue their education in pursuit of graduate or professional programs and the employment rates of graduates remain extremely high at 98% (three-year average).

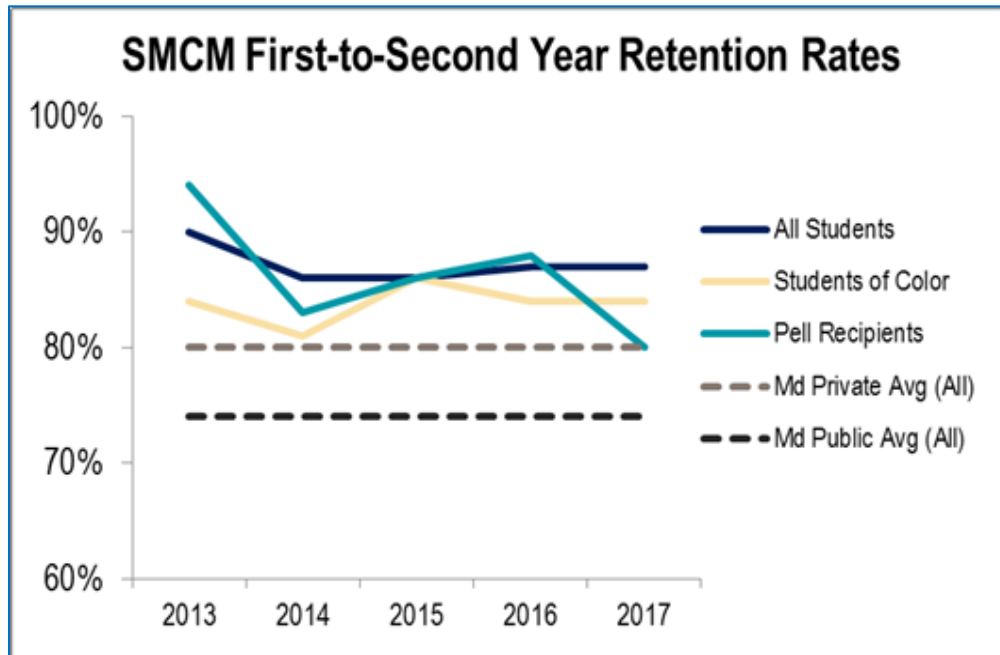
Student-Centered Learning: A hallmark of an excellent liberal education is student-centered learning and St. Mary’s College remains one of the best in the nation. The St. Mary’s College program includes many high-impact educational practices. For the past two graduating classes, **every student** completed at least **two** high-impact practices as compared to the national average of 85%, and many completed more than two (average of 3.5 for the Class of 2018). According to the Spring 2018 senior exit survey, more than half (61%) of our undergraduates engaged in a culminating St. Mary’s Project; at least 41% participated in an internship; 45% performed research with faculty; and 48% participated in study abroad.

High Impact Practices

- *45% performed research with faculty*
- *61% Senior Capstone Project*
- *41% Internships*
- *71% Community Service/ Volunteer work*
- *48% Study Abroad*

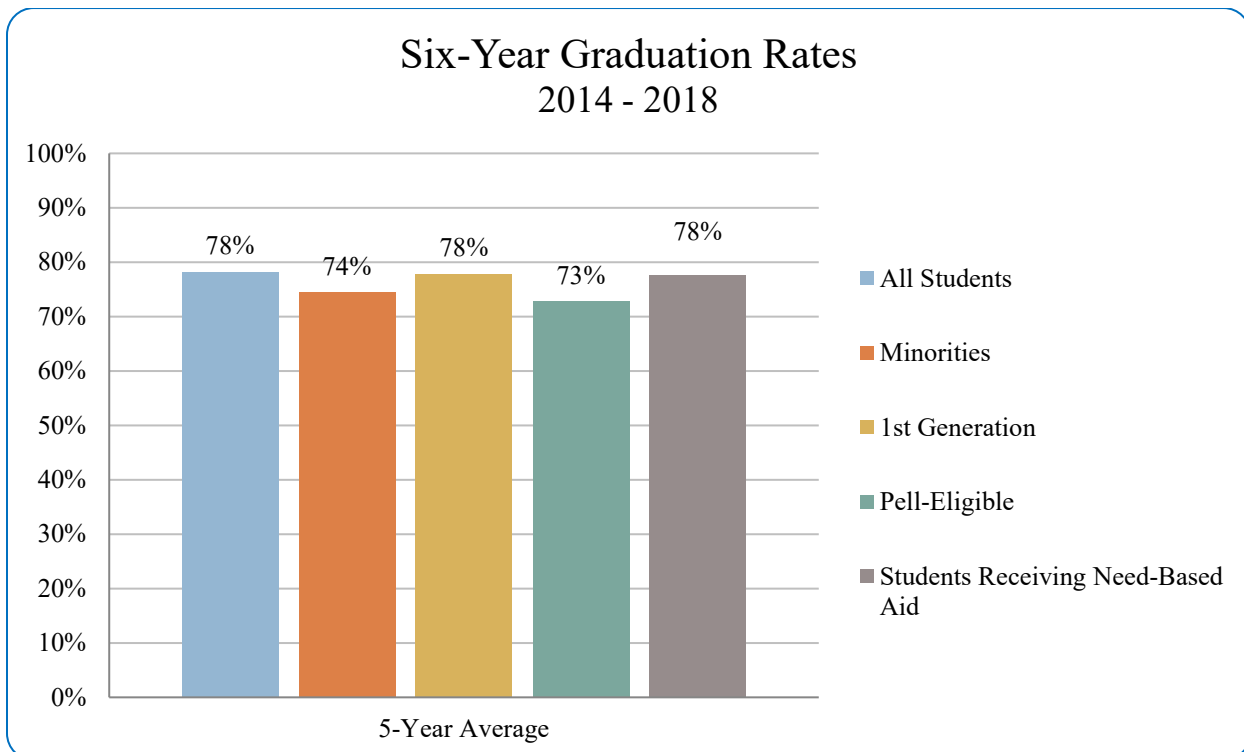
Ensure Equal Opportunity for Maryland’s Diverse Citizenry: St. Mary’s College has made a significant impact in reducing the achievement gap with excellent retention and graduation rates for students from disadvantaged backgrounds. Persistence of first-time students to the second year is strong, with a five-year average of 84% for minority students compared to 87% overall. The first-to-second year retention of Pell recipients is nearly equivalent to that of all students as shown in Exhibit 5.

Exhibit 5



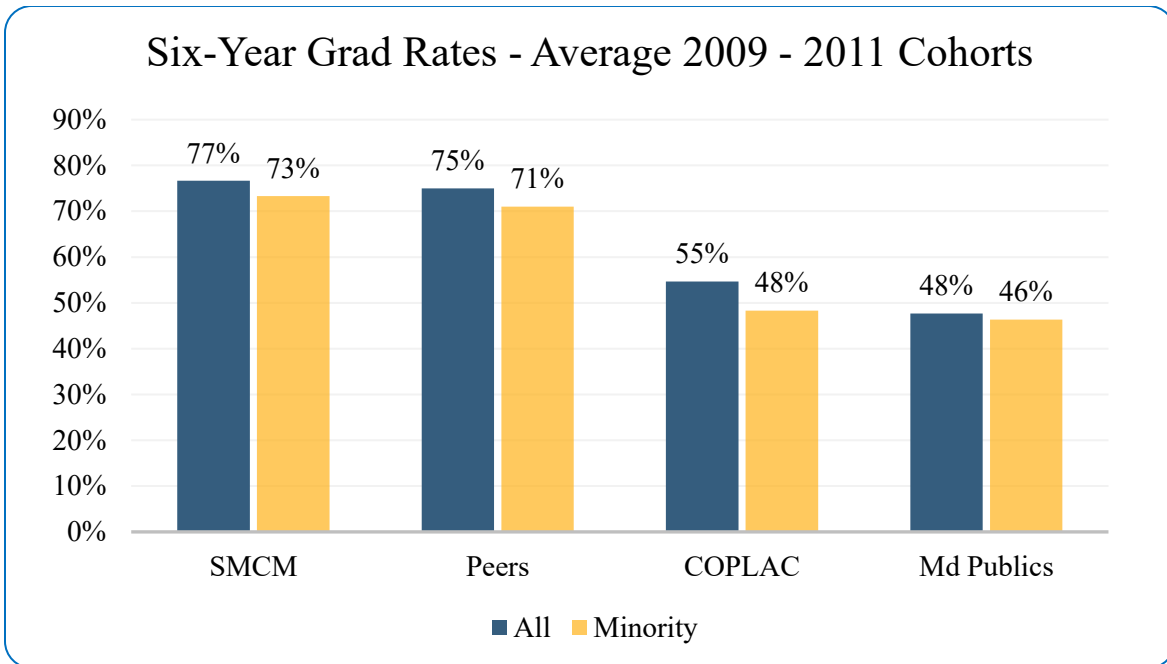
Over the past five years, the average six-year graduation rate for minority students is 74% compared to 78% overall as shown below. Graduation rates for other demographic groups are also outstanding. The six-year graduation rate for Pell eligible students and for students receiving need-based aid is 73% and 78%, respectively, as shown in Exhibit 6.

Exhibit 6



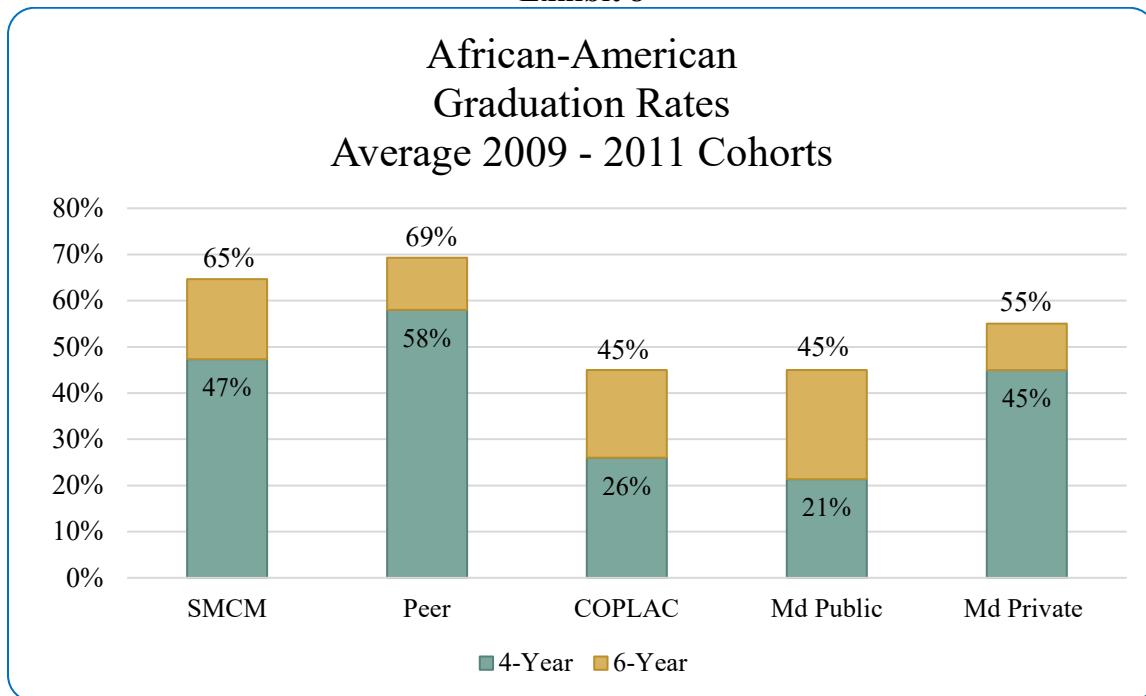
St. Mary's College's six-year graduation rates for minority students also outperform those of our peers, COPLAC and Maryland Public institutions as shown in Exhibit 7 below.

Exhibit 7



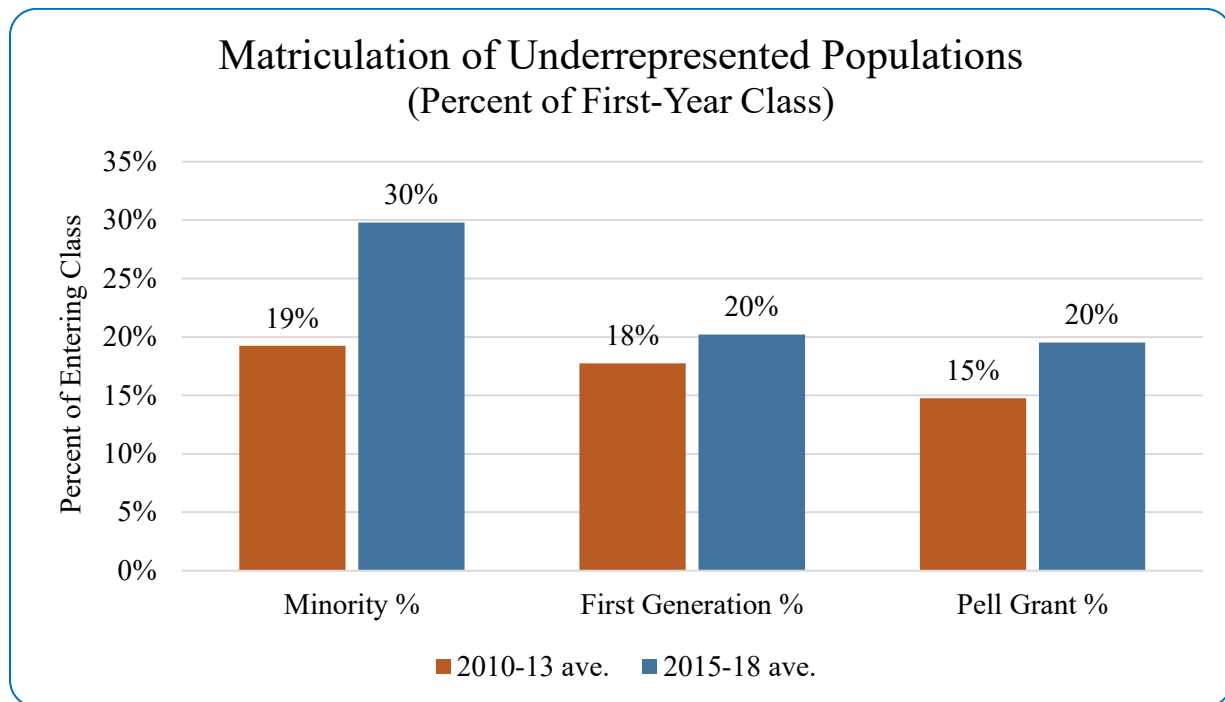
African-American students at St. Mary's College also graduate at rates comparable to our peers and at higher rates than other comparison groups, including COPLAC as well as in Maryland as shown in Exhibit 8 below:

Exhibit 8



St. Mary's College is also doing well recruiting a diverse student body. Minority students represent 25% of the Fall 2018 incoming class compared to 17% as little as six years ago. The College has met or exceeded the target for the percentage of minority students for the sixth year in a row. Also, the Fall 2018 class consisted of 21% first-generation students, slightly above the target of 20%. Exhibit 9 shows the increases in matriculation of students from underrepresented groups over the past five to eight years.

Exhibit 9



President Tuajuanda Jordan established the First-Generation Student Initiative, a program enabling students who are the first in their families to attend college (like President Jordan) to be part of an on-campus support network including other first-generation students and faculty.

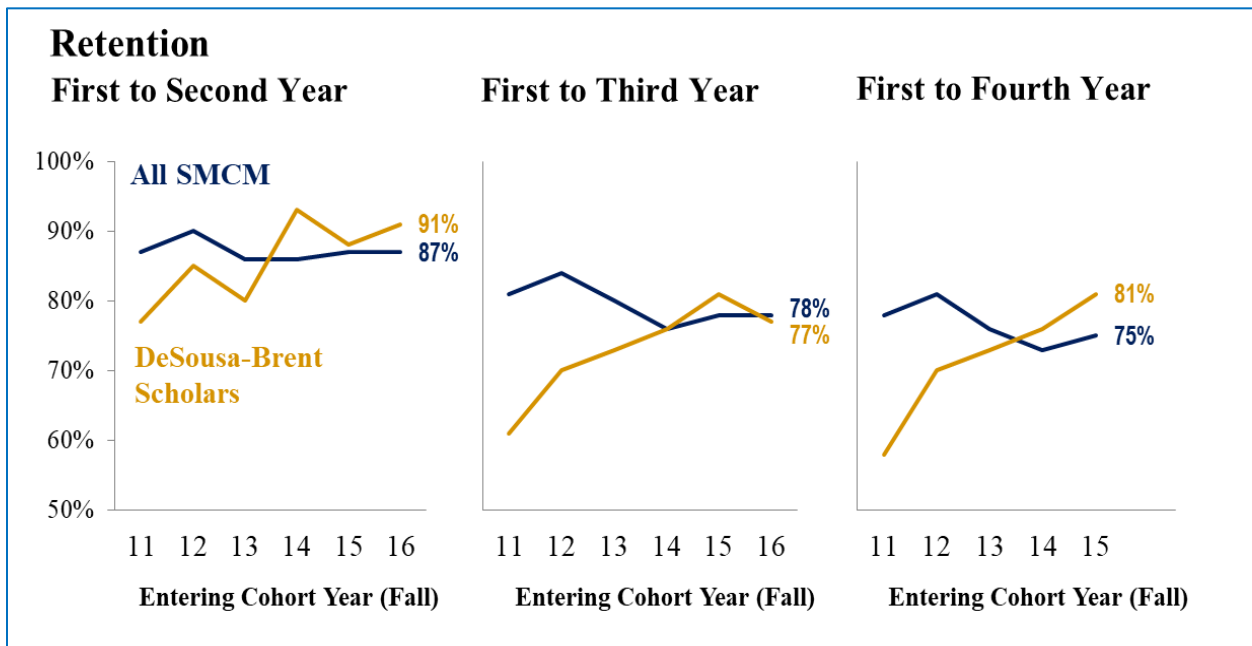
A testament to the College's commitment to access and diversity is its invited inclusion in the American Talent Initiative (ATI), a consortium consisting of 110 of the nation's highly- and very highly-selective colleges and universities. Member institutions of the ATI are committed to increasing the number of talented low- and moderate-income students who attend and graduate from these institutions by 50,000 by the year 2025. Within this national consortium, there are only two Maryland institutions with St. Mary's College being one of them.

DeSousa Brent Scholars Program

The expansion of the DeSousa Brent Scholars Program, made possible by State funds, has strengthened the College's ability to support traditionally at-risk students. This enhanced support, expected to positively affect the completion rate of participating students, includes the implementation of an intrusive advising program in addition to leadership development activities.

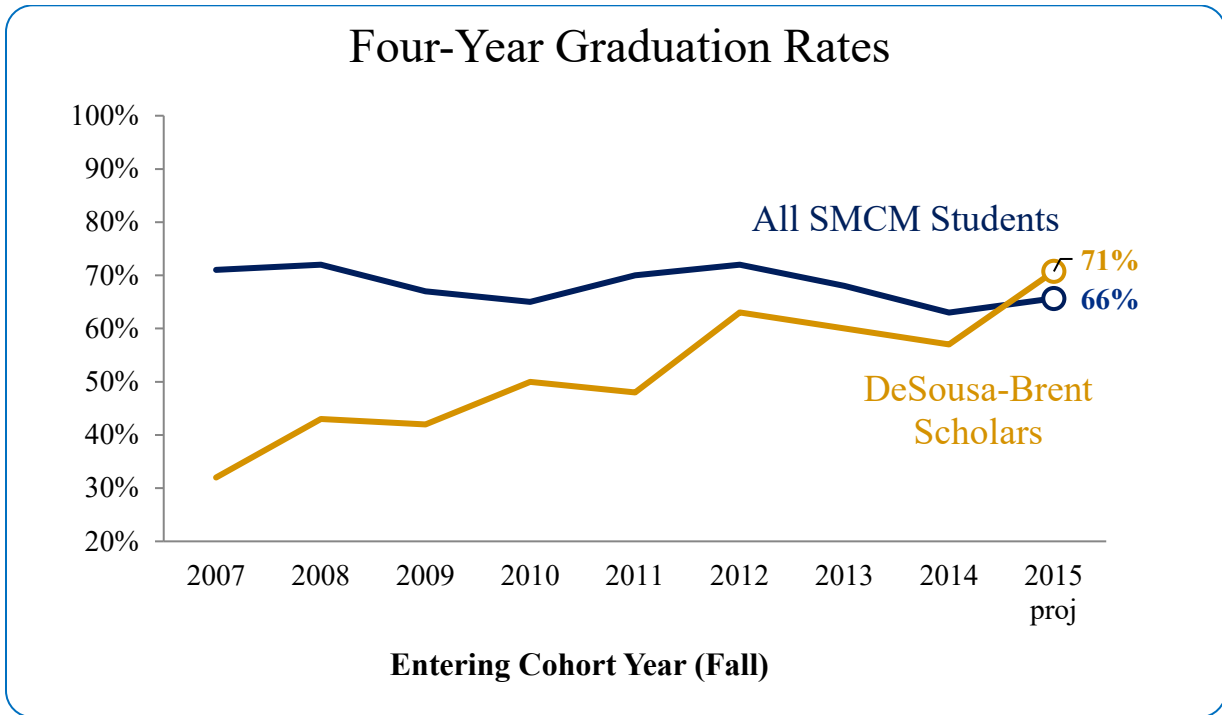
Overall, retention and graduation rates of students in the DeSousa Brent Scholars Program have increased substantially. Retention for DeSousa Brent Scholars has improved to the extent that it now equals or exceeds that of the overall student population as illustrated in Exhibit 10.

Exhibit 10



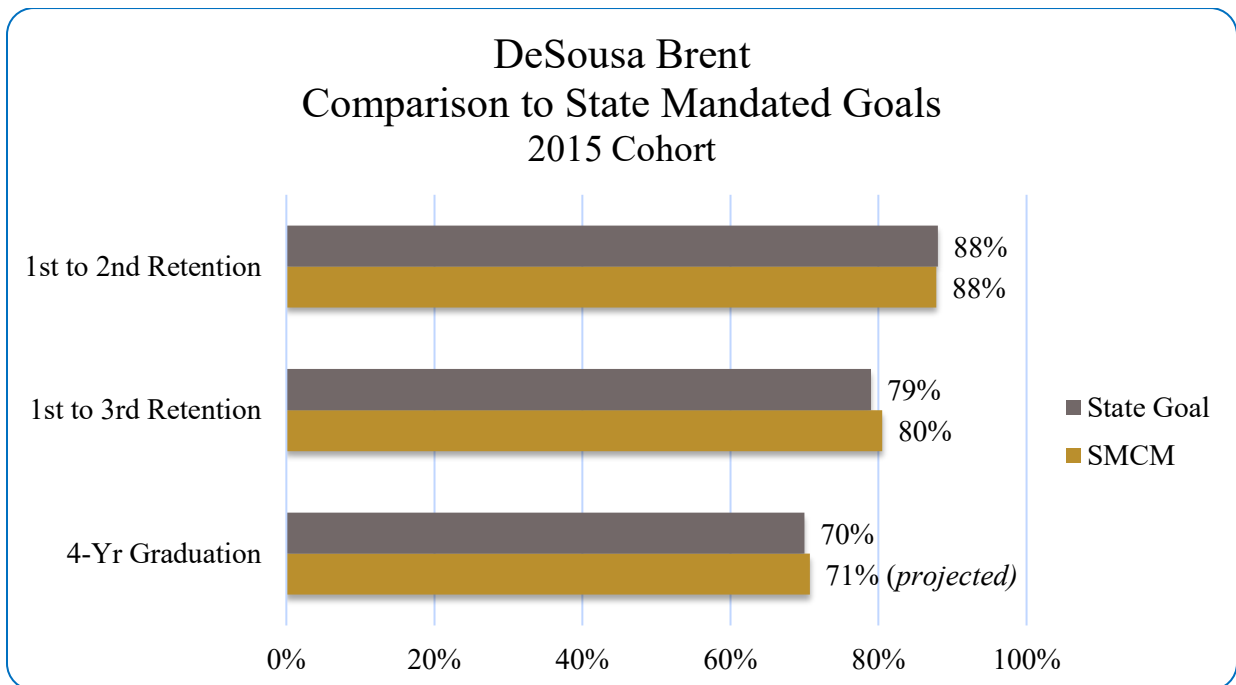
Four-year graduation rates for DeSousa Brent Scholars has also increased substantially, from 30% for the program's first cohort in 2007, to 57% in the most recent graduating class (2014 cohort) as shown in Exhibit 11 below. For the 2015 cohort, on which the College's performance-based funding from the State is based, 98% of the initial 41 students in the program are still enrolled at St. Mary's (33) or elsewhere (7).

Exhibit 11



The State funding provided to support the DeSousa Brent Scholars Program will continue into FY20 and beyond if the 2015 cohort meets the defined milestones. As shown in Exhibit 12, the College has met the required retention metrics and anticipates that it will meet the four-year graduation rate.

Exhibit 12



Promote Economic Growth, Advancement of Research, and Workforce Development

The College’s academic program includes highly rigorous and relevant curriculum. To enrich learning opportunities, the College has continued to increase academic programming. In the last year, new programs include minors in business, applied mathematics, materials science, and astrophysics; a major in Women, Gender, and Sexuality Studies; and, a concentration in archaeology.

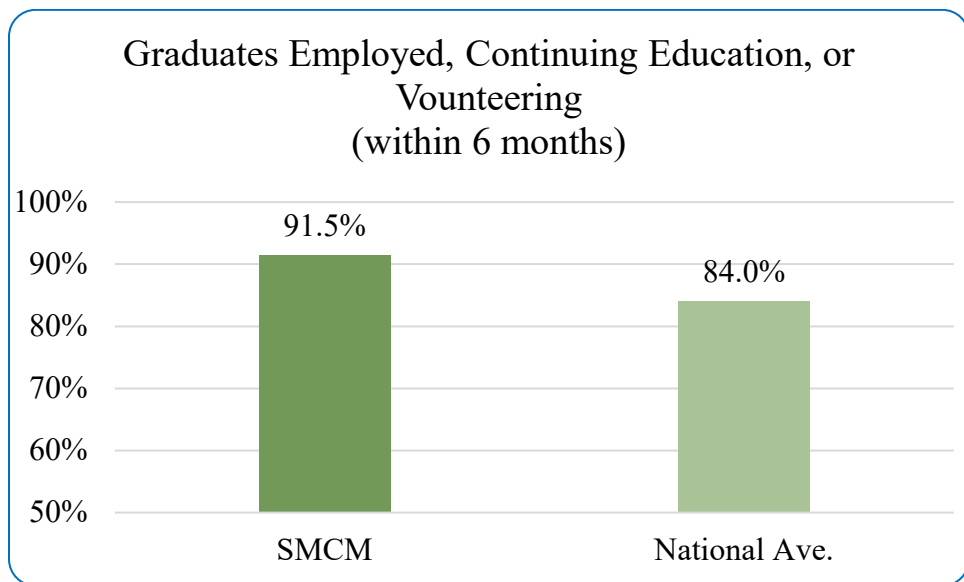
St. Mary’s College’s offers B.A. as well as B.S. degrees for students majoring in STEM disciplines. Over the past three years, the College has awarded 27% of its degrees in STEM-related fields. Recently, the College was selected as one of 12 partnering institutions for the Council on Undergraduate Research (CUR) Transformation Project, a project to revise traditional four-year undergraduate curricula in biology, chemistry, physics, and psychology by focusing on high-quality undergraduate research throughout the four years of a student’s major. We anticipate that this endeavor will enhance the quality of and expand student participation (currently at 48%) in research at the College.

27% of students graduate with STEM degrees

The College has expanded its agreement with the Patuxent River Naval Air Station and the Patuxent Partnership and have initiated an agreement with the Naval Support Facility at Indian Head, all designed to enhance research and internship opportunities for students and faculty.

St. Mary’s College students are very successful after graduation. Within six months, 91.5% of undergraduates are employed, continuing education, or engaged in volunteer service (e.g., Peace Corp). As shown in Exhibit 13, this exceeds the national average of 84%. In addition, within five years of graduation, 64% of graduates are accepted into graduate or professional school.

Exhibit 13



St. Mary's College works closely with the regional public school systems and the nearby Patuxent River Naval Air Station to promote economic development and growth of a highly qualified workforce. The majority (over 90%) of the College's graduates from the Master of Arts in Teaching program work in Maryland schools, with many remaining in the Southern Maryland region.

90% of Masters in Teaching Graduates teaching in Maryland

Operating Budget for FY 2020

For FY20, the College requests \$27.175 million in State funds as shown below in Exhibit 14. The funding is consistent with the College's unique funding formula, revised in 2017 under HB556.

Exhibit 14

SMCM Operating Budget Summary	
<i>(\$ in Thousands)</i>	
	FY2020
GFG	23,324
HEIF	<u>2,550</u>
Sub-Total	25,874
DeSousa Brent Funds at MHEC	800
COLA Contribution	<u>502</u>
Total State Funds	27,176

Responses to Questions in the Analysts Report

Page 5: The President of SMCM should comment on the financial impact faced by the college as a result of the decline in out-of-state students.

The decline in out-of-state enrollment has had an impact on the College's revenues. Since FY15, the number of out-of-state students enrolled at the College has decreased from 150 to 97. The 53 student drop represents \$1.05M in lost net revenue. As enrollment declined over the past five years, the College reduced expenses to address the loss in revenue.

The College is working to improve enrollment, both in-state and out-of-state, in order to stabilize revenues. Overall, enrollment in Fall 2018 increased slightly compared to the previous fall, due

largely to increases in new first-time/first-year and new transfer students. As the College continues efforts to increase recruitment, it is adding resources to improve out-of-state enrollment including hiring additional staff to allow us to spend more time in out-of-state regions during the normal recruiting season. We also increased marketing and other outreach efforts in targeted out-of-state markets.

Page 5: The President of SMCM should comment on their communication with MHEC regarding reporting changes and confirming the accuracy of publicly provided data.

The College did report the error to MHEC. While acknowledging the corrected data (2013 cohort third-year retention of 80%, not 71%), MHEC indicated that they would not revise their reports due to the time and complexity that would be required to do so.

Page 20: The President should comment on whether SMCM can grow enrollment if it focuses on enrolling only FT/FT students and how many students that SMCM needs to enroll to stay solvent. The President should comment on whether there has been a fundamental shift in student preferences away from liberal arts colleges toward more applied academic programs.

Non-Traditional Student Enrollment: The College agrees that liberal arts colleges must extend their enrollments beyond the traditional FT/FT student population. We recognize that it is essential to grow both traditional and non-traditional enrollments – the latter of which includes transfer students. In fact, in recent years, enrollment of transfer students now represents 20% to 22% of the entering class, a significant increase from six years ago. The College plans to continue to grow this population.

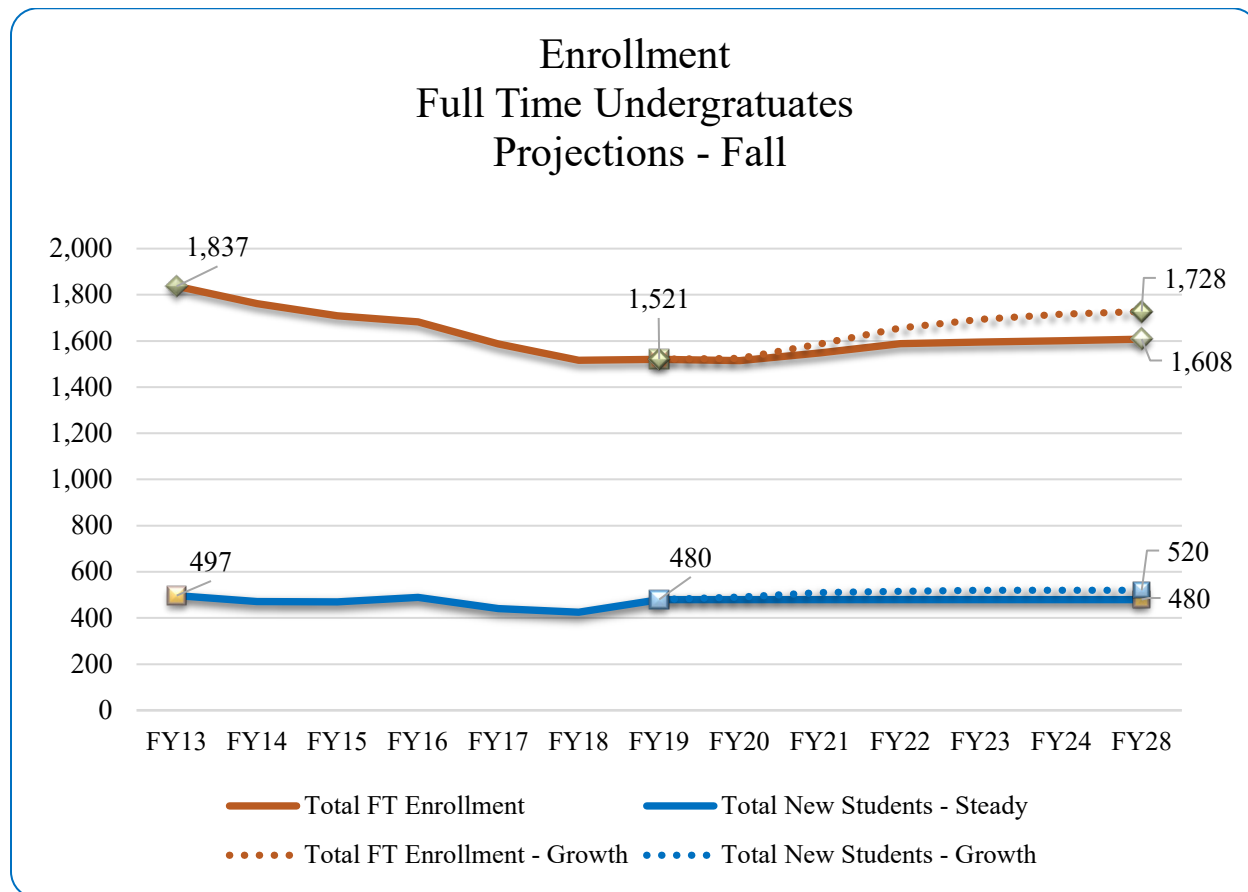
In order to enhance the enrollment of non-traditional students, we have increased resources within admissions and the office of the registrar to recruit and matriculate transfer students. The College also continues to develop program-to-program articulation agreements with community colleges. Many of these agreements articulate smooth pathways from admission to community college, to an associate's degree, and into and through specific majors at St. Mary's College facilitating reduced time-to-degree and therefore student indebtedness. Currently, the College is reviewing 30 specific program articulation agreements and anticipates continued development of additional agreements this year.

Lastly, the College continues to support veterans who seek to pursue a four-year degree.

Minimum Number of Students: The College does not believe that its current enrollment is approaching a minimal number of students to remain solvent. The stabilized enrollment realized for FY19 is promising. As the number of traditional and non-traditional students in future years

stabilizes and replace smaller classes in FY17 and FY18, enrollments will increase as shown in Exhibit 14.

Exhibit 14



Brand Identity: The College continues to enhance its marketing and recruitment activities in order to increase enrollment. In addition to increasing resources in these areas, the College has introduced a new brand identity to reflect our standing not only in Maryland, but within the national higher education landscape. St. Mary’s College’s overall success in achieving its core mission of excellence while addressing access and diversity issues illustrates its unique identity within the national higher education landscape. St. Mary’s College is the National Public Honors College.

Student Preferences:

The College is keenly aware of regional and national trends in student demand for academic programs and carefully heeds these trends in all academic operations. According to the 2016 student interest survey by College Board, St. Mary’s College offers academic programs in six of the top 10 areas of interest among college-bound high school students in Maryland (not represented are *health sciences, engineering, business, and communication*). It should be noted that a minor

in business has been added (Fall 2018) within the context of liberal arts, which is a significant draw for many students. More importantly, consistent with our mission as a public honors college, St. Mary's College offers nine of the top 10 areas of interest among high-achieving Maryland high school graduates (not represented is *engineering*).

While the College's academic program array is attractive to graduating high school seniors in Maryland, the curriculum that realizes that program array can and should undergo continual quality improvement.

Curricular Innovation:

The College is engaged in designing and implementing a new Core Curriculum that includes a four-year, scaffolded curriculum on professional literacy and practical skills. As envisioned, the professional literacy curriculum will be required of all students, offer stand-alone training courses, and integrate with every major offered by the College. The capstone professional experience, called the Honors College Promise, guarantees an internship or research experience for every St. Mary's College student. Also, the Career Development Center develops custom recruitment plans for employment partners that work to satisfy immediate needs and build brand recognition among students.

The new curriculum has been developed in collaboration with businesses, alumni and other external stakeholders to ensure it is relevant and prepares students for employment after graduation from St. Mary's College. Integrating career preparation with traditional liberal arts education, this new curriculum will make the College more attractive to students who seek the rigor and breadth of a liberal arts education, while wanting to be prepared for their first job. Importantly, the new curriculum will be required of all students.

Overall, the College believes the State and Nation benefit from the continued availability of liberal arts institutions. Liberal arts programs continue to be recognized as the best education to prepare students for life. While national market trends are drawing more students towards comprehensive institutions, there remains within the higher education landscape the need for high quality liberal arts institutions - provided they evolve to remain relevant. St. Mary's College will continue to serve the State as an important option for students that choose to pursue a rigorous education that is broad, focused on students, and relevant to their needs to prepare for a lifetime of learning.

ST MARY'S COLLEGE of MARYLAND

The Public Honors College



#1 Best Liberal Arts Colleges in Maryland
St. Mary's College of Maryland