

Board of Regents 2015 Fall Retreat – Equity in Campus Funding

Total appropriations as well as per student funding vary widely between our campuses. Perpetually, questions or concerns arise regarding the adequacy of campus appropriations. Similarly, the matter of funding equity among our institutions is an ongoing subject of debate. This topic concerns the status of both funding adequacy and equity. It should serve as an introduction to a longer term effort to improve both the adequacy of funds and the internal budget allocation process.

State legislation that was enacted in 1999 articulated an overall framework for considering matters of funding adequacy and equity. The legislation was the result of the work of a legislative commission – the Larson Commission. Nearly a decade later a set of policy changes that further refined the framework were recommended and ultimately implemented. These policy changes were the result of a legislative commission – the Bohannon Commission.

One outcome of the legislation was the development of a higher education funding guideline that was placed under the auspices of the Maryland Higher Education Commission. Over its 15 year existence, the funding guideline has evolved but its most fundamental components remain in place. It measures each of our institutions against the competition defined as:

- Public universities within the appropriate higher education Carnegie Classification (e.g. Research High, Research Very High, Masters Large, etc.)
- Public universities located in Maryland's 10 peer states (CA, NY, MN, NC, PA, WA, OH, MA, NJ, & VA).
 - Example: BSU, FSU, SU, UB and UMUC are measured against Public Masters Large Universities located in the above mentioned states. Thus, these five institutions have the same peers. Very different peer sets cover UMCP, UMB, UMBC, UMES and CSU.
- The key metric is funding per student at USM campuses versus their respective peer institutions.

To be sure, there are degrees of funding adequacy as measured by the funding guideline. All but one institution fall below the funding guideline goal. However, a number of these campuses are keeping pace with the competition or surpassing the field; in this context, funding is considered adequate. However, there are a number of additional factors and analyses that are necessary to more fully inform judgements about funding adequacy.

Regarding funding equity among our campuses, the guideline was built to control for the relevant differences between institutions – mission, legislative priority, populations served and so on. To a large extent the guideline does “normalize the data” and it can be used to compare the funding levels between campuses. However, there are different views about what constitutes equity. The legislature did wrestle with equity issues and the USM continues to do so in the allocation process.

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Discussion –

1. Current status of funding adequacy and equity.
2. The connection between State funding and tuition and fee revenue.
3. Conditions necessary to improve both adequacy and equity.
4. Next steps.

**University System of Maryland
FY 2015 Operating Budget
Funding per FTES Enrollment**

	<u>State Funds</u>	<u>Tuition & Fees</u>	<u>Total Funding</u>
UMB	\$32,531	\$18,592	\$51,123
UMCP	14,655	16,340	30,996
BSU	8,803	8,011	16,814
TU	5,573	9,504	15,077
UMES	8,996	8,146	17,143
FSU	8,112	7,990	16,102
CSU	17,003	6,373	23,376
UB	7,670	15,196	22,866
SU	5,716	8,902	14,618
UMUC-stateside	1,409	10,199	11,608
UMBC	\$9,511	\$10,822	\$20,334

**University System of Maryland
Funding Guideline Attainment Levels**

	<u>FY 2015</u>	<u>FY 2016</u>
UMB	70%	68%
UMCP	78%	75%
BSU	92%	89%
TU	63%	60%
UMES	83%	78%
FSU	83%	85%
CSU	122%	128%
UB	65%	64%
SU	68%	71%
UMUC	52%	53%
UMBC	60%	59%
UMCES	80%	81%
USM	74%	72%