

**COPPIN STATE UNIVERSITY
RESPONSE TO RECOMMENDED ACTIONS AND ISSUES
2012 GENERAL ASSEMBLY SESSION
MARCH 2012**

RECOMMENDED ACTIONS

DLS Recommended Budget Cuts to the USM

1. **“New State funds, totaling \$33.6 million, include \$11.6 million from the one-time \$750 bonus that was added to USM’s base appropriation and \$12.9 million to fund the State portion of the COLA. The one-time \$750 bonus, totaling \$11.6 million, was not deducted from the fiscal 2013 allowance as it was for other State agencies. Since this was a one-time, temporary increase to salaries in fiscal 2012, it should not have been incorporated into the agency’s base appropriation. Therefore, the Department of Legislative Services (DLS) recommends that USM’s fiscal 2013 general fund appropriation be reduced by \$11,638,639, the amount of the one-time bonus.”**

Response: The University disagrees with this recommendation. According to the Department of Budget and Management the \$11.6 million provided in FY 2012 for one-time bonuses was removed from the USM budget for FY 2013. The Department of Budget and Management constructed the FY 2013 USM budget based on the USM Current Services Budget and to allow for increases in mandatory costs and to minimize tuition increases. A cut of this magnitude would impede severely our efforts to provide support to our academic programs and would severely limit our efforts to fund initiatives that are critical to enhancing student success. The DLS recommendation to reduce the allowance by \$11.6 million will mean further erosion in access and student success as well as slow movement in the University’s, USM, and State strategic goals.

2. **“...The Department of Legislative Services (DLS) recommends USMO’s fiscal 2013 general fund appropriation be reduced by \$4.0 million with some or all of the reduction replaced by transfers from the fund balance, reducing system operations, or assessing system administrative costs to institutions.”**

Response: The University disagrees with this recommendation. The USMO provides valuable strategic direction for all of the Universities within the System and for the State of Maryland. The USMO provides an enormous value to the State, its citizens and its constituent institutions. For the budget dollars invested in the USMO, it returns significant dividends. It provides leadership, coordination, information, and support to the broad array of educational issues, interests and opportunities that we face as a state and a nation. The Chancellor is a leader in the national educational conversation and the lean staff has an enormous impact.

RESPONSE TO COMMENTS

Page 7 - The President should comment on recent trends in retention rates and which direction CSU's rates will trend in the next few years.

Response: Coppin State University appears to have finally reversed the course of declining retention and graduation rates. The second year retention data for the fall 2010 cohort indicates that 64 percent of first-time, full-time students returned for their second year of enrollment; an increase of 3 percent over the fall 2009 cohort. The latest data suggest that the graduation rate for the 2005 cohort (for those students who graduate from CSU within six years) will remain steady as students progress to graduation. As indicated by charts on page 2 of the written testimony, we are projecting retention and graduation rates will begin to trend upward as we continue to implement specific initiatives and programs. The primary driver of this trend will be the Student Academic Success Academy (SASA). SASA's first to second year retention rate for cohort 2010 was 15% higher than students who did not participate in the program which demonstrates the impact of the program.

Page 10 - The President should comment on the level of spending per degree and on CSU's efforts to improve its efficiency in producing degrees.

Response: We are aware and energized by the challenge to graduate an increasing number of our students. The State's capital plan has recently provided a number of major new campus buildings with more to come. Operating these buildings has increased our cost structure immediately, which directly influences our spending per degree, while growth of the student body through retention strategies and improvement in degree yield will occur more slowly. There is broad acceptance in the higher education community of a set of best practices and we are putting them in place. The *Student Academic Success Academy* (SASA), our summer program, and the *First Year Experience*, our University College, are two examples. Additionally, CSU reduced its General Education Requirement program from 47 credits to 40, required all incoming first-year students to follow a prescribed, published degree progression plan (programs of study), and directed academic advisers to require students to complete GER programs within the first four semesters at the University. Each of these efforts will assist the University in achieving efficiency in degree production. Maximum improvement of degree production though, will entail an integrated process that begins with CSU intensifying its collaborations with the high schools that produce many of its undergraduate students - especially in math instruction. We are focusing on placement, advising, quality of student educational experiences, student support services, and student family support infrastructure. We have seen the numbers begin to turn around and are encouraged that we are on the right path

Page 13 - The President should comment on how CSU will adequately support its physical plant including the Physical Education Complex and the maintenance of properties acquired for the new Science and Technology Center, given the 1.75% decline in funding for operation and maintenance of plant. The President should

also comment on progress made to rebuild both the auxiliary and State-supported fund balances.

Response: Since FY 2009, Coppin has increased its funding for operation and maintenance of plant from \$10,305,551 (FY 2009) to \$12,819,250 (FY 2011); more than a 25% increase. The budget numbers for FY 2012 and FY 2013 on page 12 of the Analysis and Appendix 4 are budget projections. We expect the actual expenditures to increase each of these years as we identify other funds to invest in the operation and maintenance of our physical infrastructure. We place a high priority on maintaining the physical endowment that we hold in trust for the State.

There is no question that we need to build fund balances. The fund balance from our recent past was inflated by carrying student accounts that were uncollectible. We have identified a process that will accurately trace those accounts. Our GAAP fund balance includes an internal loan for two necessary campus construction projects that is being repaid over ten years and was approved by USM. We are committed to meeting the USM requirement to add at least 1% of the operating budget each year to fund balance. The Auxiliary fund balance is positive and will increase naturally once its support for the Intercollegiate Athletic Program ends in FY 2013.

Page 15 - The President should comment on why aid to Pell eligible students fell dramatically in fiscal 2011.

Response: Aid to Pell eligible students did not fall dramatically in FY 2011. However the institutional aid contribution was smaller than in prior years. Institutional financial aid has been restored to the level funded in previous years.

Page 17 - The President should comment on whether the increasing use of unsubsidized loans may be a concern for students after graduation. The President should also comment on what CSU is doing to educate students on loan issues and what can be done to promote alternatives to increasing student loan burdens.

Response: The increasing use of unsubsidized loans is a national concern as well as a concern for CSU students. Our students are provided information about loan indebtedness, options and issues of repayment related to unsubsidized and subsidized loan borrowing. Students are required to take loan entrance and exit counseling as a loan borrower. Counseling provides an overview of their rights and responsibilities as student borrowers. It explains what steps and options are available to students as they move into repayment based on changes in enrollment. In addition, counseling provides requirement information for students who may have financial difficulties in repayment.

Page 17 - The President should comment on why Parent PLUS loans and private loans are so high across all EFC categories. Also, the President should comment on why federal loans to students remain relatively low for CSU students.

Response: Private Loan rates and benefits are controlled by various lenders. CSU's Financial Aid office reviews rates and benefits to create a private/alternative loan lender list that offers the best benefits for students, paying close attention to repayment options. Parent Plus loans interest rates of 8.5% fixed (which are better than private/alternative loans for long term repayment) are only offered to students who are identified as dependent students. Dependent students and parents are counseled to obtain a Parent Plus before looking at alternative loan options. Parents are also required to attend loan counseling in order to obtain a Plus Loan.

Page 18 - The President should comment on steps taken to preserve leadership at CSU and how relations have changed between leadership, faculty, and students.

Response: I stand firmly committed to ensure that the educational process at CSU maintains its integrity, commitment and dedication to excellence in teaching, research, and community engagement. I am committed to advancing the mission of CSU and moving the University forward.

Page 20 - The President should comment on whether CSU will follow the final recommendation of the 2011 report. The President should also comment on what nonbudgetary support CSU needs to fulfill any further recommendations from the 2001 report.

Response: I have had the opportunity to review the study and I embrace the recommendations. Before the end of this academic year, and consistent with our governance processes and commitments, we will have developed a plan "that sets priorities and includes accountability measures." This plan will be submitted to the Chancellor and the Board of Regents, and will be reported on annually. I intend to make sure that we are inclusive and involve faculty and staff in the development of this plan.

Page 21 - The President should comment on why SASA students' completion rates are still low, despite the SASA support network. The President should also comment on if the SASA/FYE model may be useful for reaching the other two segments of its full-time student body (freshman mature and adult learners) or any part-time students. Finally, the President should comment on how lessons learned from the SASA will be integrated into campus decision-making and what CSU has learned from other programs at HBIs in Maryland.

Response: I firmly believe that we must continue to make an investment in the SASA program. This program has many benefits for our students. One such benefit that should be considered a great 'take-away' for any institution is its use of the Supplemental Instruction model. Our SASA program uses tutors who actually attend classes with the students and work with those same students during student sessions outside of the classroom. If we applied such a model to the freshman experience or the freshman core, it could take the following form:

- All freshman gateway courses (English, Math, History, etc.) would have a supplemental instruction component;
- Supplemental instruction sessions would appear on a students' regular class schedule like any other course;
- Supplemental instruction sessions are NOT credit bearing;
- Attendance is required and;
- Supplemental instruction should be linked to a web-based component.

It would require a very 'structured' first year which is very different from the current model. It would also shorten the time to degree attainment, reduce the number of repeated courses that a student takes, and create a richer learning experience.