



## FY 2025 Operating Budget

*Testimony & Response to Department of Legislative Services Analysis*

SU President Carolyn R. Lepre

I would like to thank Chair Smith and members of the subcommittee for the opportunity to come before you today to discuss some of Salisbury University's remarkable achievements, along with the many opportunities that we foresee for our institution.

At SU, we work to make a better tomorrow for our students, employees, and community. Today's testimony will focus on initiatives that both support the goals of our great state, but also the people of Salisbury University and the Eastern Shore.

We exist with the dual purpose of ensuring student success and to contribute to the well-being of the Eastern Shore and state. To this end, we recognize that setting students up for success includes keeping our students enrolled for timely graduation.

I am proud to say that SU has the second highest six-year graduation rate among Masters-level institutions in the USM and the highest four-year graduation rate among Masters-level institutions in the USM. Additionally, SU increased our retention rates this year to 80%; up four percentage points from last year. We were one of the few in the USM who saw an increase in our retention rates. That means, when we bring students to Salisbury University, we keep them at Salisbury University!

When students transfer to SU, they are given the same hands-on attention that our first-time college students receive to support their success. At SU we graduate 66% of our Maryland Community College transfer students within four years – and are

proud that we have been recognized as having the highest 4-year graduation rates for transfer students between a single university and community college pairing in the state of Maryland with our partner, Wor-Wic Community College, according to the US Department of Education, and in the top 25 of all university/community college pairings in the United States.

We recognize that student success in and out of the classroom is highly intertwined with mental well-being. We have made a significant investment in TimelyCare, a 24-7, tele-mental health service provider that is free for all SU students. We are committed to making these much needed resources as accessible as possible. This service is a beautiful partner to the traditional, in-person services that we continue to offer.

Our commitment to our students doesn't end with graduation. We are keenly aware of the college debt crisis in our nation and we are committed to making the path to a degree affordable for all. In 2022, 95% of incoming students received scholarships and financial aid to lessen the financial burden of a degree. Additionally, for this current academic year, we increased our merit scholarship funding by 21% and awarded the highest amount of financial aid in SU history – nearly \$13 million.

While timely degree completion and low debt are things for us to celebrate, we know it's the experiences that students have while at Salisbury that truly set them up for success.

Our high-impact practices are a hallmark of the Salisbury University experience, including undergraduate student research, internship pathways, living learning communities, and study abroad. Reinforcing our relationships for study abroad opportunities has been a priority, as providing cultural competence and finding ways to give our students global awareness has perhaps never been more important than it is now. It is our goal to become the Maryland public university with the greatest percentage of students with study abroad experiences.

To do this, we've expanded partnerships with the American Institute of Foreign Study and Anqing Normal University, China, continued strong relationships with the University of Stirling in Scotland and the University of Malaga in Spain, and

celebrated 10-years of partnership with Chonnam National University in South Korea.

Often our students strive to combine their research and professional interests with a study abroad experience. Mentored by our talented faculty, our students have received more than 100 national and international fellowships awarded over the last decade, including Boren, Rangel, and Goldwater Scholarships. Our greatest success during this period has been with the Fulbright Scholarship. For the past seven years, including this one, we have been named a Top Fulbright producer in the country, and had the distinction of being named the number one producer of Fulbright Students at Master's-level Institutions in the nation last year.

Studies show college athletics to be another high impact practice that substantively increases student success and satisfaction. Approximately 10% of our student body is one of our outstanding DIII student athletes. Continuing our legacy of excellence, last spring we celebrated two national championships. Men's lacrosse earned their 13th NCAA DIII national championship in program history and our cheerleading team earned their first national championship in program history. That said, whether they win or lose on the fields and courts, our student athletes win in the classroom. Our student athletes have higher cumulative GPAs and graduate at higher rates than the average SU student, illustrating how significant the athlete experience can be to overall collegiate success.

Since joining Salisbury University, I have learned that Sea Gulls pride themselves on our commitment to the greater Salisbury and Eastern Shore community. Just a few weeks ago SU earned the 2023 Division III NCAA Community Service Award, recognizing our student-athletes' service to the Salisbury community. With 3,062 hours and 74% athlete participation given over a two-and-a-half-month period, athletes gave their time to support causes that included the Special Olympics, the Sea Gull Century bicycle race, Hope and Life Outreach ministry for the homeless, and a holiday food distribution project.

Additionally, SU's ShoreCorps program is the largest AmeriCorps program in the state with more than 200 members. This program also provides \$300,000 in tuition

assistance and approximately 83,000 hours of community service to 30 non-profit agencies across the Eastern Shore.

Salisbury University serves as a vibrant hub for community development, fostering a culture of knowledge-sharing and innovation that extends beyond its campus borders. Through outreach programs, research initiatives, and partnerships with local organizations, the university actively contributes to the well-being of the community by addressing societal challenges and promoting positive change. By educating future leaders, conducting impactful research, and engaging in collaborative projects, the university becomes a catalyst for positive transformation, enhancing the overall quality of life in the surrounding community.

Growing our community to create a place where everyone can work, live and learn will be fundamental to our mission moving forward. I am excited that we are already helping our neighbors do just this, as SU's Business Economic and Community Outreach Network is working with the Town of Berlin in Worcester County to help them develop a new strategic plan.

We also continue to grow our presence in downtown Salisbury with the new Museum of Eastern Shore Culture, which is scheduled to open this summer. The museum will cultivate the preservation and expression of the cultural heritage and traditional arts of Delmarva's various communities. It adds to SU's presence downtown, which already includes SU Galleries and the Entrepreneurship Center, which to date has distributed over \$3 million in cash and in-kind contributions to support student and local small businesses.

Every day we are making a direct impact on our community by meeting vital workforce needs, and by making it a priority to keep our students in Maryland and on the Eastern Shore. SU was founded as a teacher's college, and true to that mission, nearly 100 years later we continue to educate the teachers of tomorrow. We ensure quality field experiences, including student teaching, throughout the education program. The vast majority of our students complete their internships and student teaching experiences in regional school systems, creating connections with the Eastern Shore before graduation. This year, 35 of the 46 Maryland

Teacher of the Year semifinalists in the tri-county area of Wicomico, Worcester, and Somerset counties are SU alumni.

Of course, we educate more than outstanding teachers. Salisbury University is one of the main employers on the shore across a wide range of business and service industries. As we work to contribute highly qualified graduates to other high need workforce areas, like health and human services fields, we strive to create partnerships with local health care organizations, such as TidalHealth, to create more student and post-graduate opportunities.

Thanks to the highest quality teaching, local partnerships and strong pathways to the workforce, Salisbury is a leader in educating some of the best nurses in the state. SU has the highest pass rate on the NCLEX exam of all BSN programs in the state, and has a 10-year history of a 100% pass rate on the nurse practitioner certification exam. Our record of employment is also impressive, and illustrates the difference that SU students are making in our workforce. Based on data collected from the May and December 2023 graduating classes, 86% of all our health science graduates, including those in nursing, medical lab science, public health, and social work, are currently employed in Maryland.

I want to thank you once again for your collective support of all of these initiatives in our community and in Salisbury University.

## **Comment Requested**

***The President should comment on, given the national trend of enrollment declines at regional institutions, how SU will be able to stabilize and grow enrollment.***

In the face of a national trend of declining enrollments, Salisbury University is actively leveraging the unique opportunities within our region to not only stabilize but also foster growth in enrollment. Currently, we are introducing four innovative programs designed to meet workforce needs and student demand: Bachelor's degrees in Coastal Engineering, Geotechnical Engineering, and Music Therapy; and a Master's degree in Public Communication. Additionally, we are continuously evaluating possible new program ideas that are developed through ongoing discussions with local business owners and students, ensuring alignment with both the workforce needs of our community and the diverse interests of our student body.

In our commitment to reaching new and diverse populations of students, SU is reinforcing our mission of providing high-impact practices to all students. Starting in the upcoming fall semester, our Men's and Women's Golf teams will begin competition, broadening our university's appeal to a new population of student. Simultaneously, an SU Marching Band is in its early stages of development, promising an enriched campus experience. Furthermore, we are dedicated to improving student access to study abroad opportunities, with the goal of establishing ourselves as the public university in the State of Maryland with the highest percentage of students having at least one global experience before graduation.

We have new and aggressive recruitment strategies being utilized this spring, including dedicated VIP events for admitted students both on the Eastern Shore and in other parts of Maryland; faculty calling campaigns; and redesigned Open House events. As we look to the future, as part of our Blackwell Hall renovation, begun this January and scheduled for completion in Fall 2026, we will have all

new and carefully designed admissions auditoriums and spaces that will show off Salisbury University and our unique educational experience.

New students are only part of the enrollment picture. We are also spending time and resources on retention efforts, as we aspire to a goal of improving our retention levels from our current 80% to 85%. To that end, we are launching new campaigns, including faculty doing systematic individual outreach to at-risk students, and better use of midterm grade data and our online systems to engage with students who may need additional help.

These strategic initiatives underscore our proactive approach to adapting to changing enrollment dynamics, while also proactively shaping SU as an institution that meets the evolving needs and aspirations of our students and the broader community.

***The President should comment on why expenditures on need-based aid have declined over the past five years.***

Salisbury University's need-based aid is tied to the percentage of remaining need after merit. As we have increased merit awards to remain competitive in a challenging enrollment landscape, students' remaining net cost has decreased and as a result, the overall amount of need-based aid has declined since 2017.

This does not mean that there is less need. In fact, our increase in total awarded aid demonstrates that the need is increasing. What it does reinforce is that we're recruiting students who have need but are also qualified for merit aid, a population that will continue to be in high demand from recruiters across a variety of institutions. What's even more impressive about these figures is that almost half of our most recent incoming class was comprised of first-generation students.

Salisbury University's first-year students are known for their strong academic profile. Additionally, SU understands the competitive market where our traditional class hails from and the declining population from the Mid-Atlantic and Northeast regions. Given the challenging enrollment environment and shrinking college-going population, the highest achieving students are in more demand in our post-pandemic environment.

As a result of these changes, we have been expanding the eligibility of merit-based aid criteria and the overall institutional amounts have been increasing. In spite of challenges due to the pandemic, the overall amount of institutional aid that SU has awarded students has increased even with declining enrollment.

As our enrollment rebounds from the decline attributed to the global pandemic, we have seen an increase in need-based aid in both 2022 and 2023, as well as with merit aid. We anticipate this period of enrollment growth will continue.

SU is also committed to supporting current students who are negatively impacted by the FAFSA Simplification Act for the 2024-2025 academic year, specifically students who lose Pell eligibility, by working with institutional aid to ensure those students are able to persist toward graduation. We also recognize the opportunity



to target programs and initiatives toward these students to improve their success at SU.

We also plan to offer gap funding to admitted Pell-eligible students who have applied to be a part of our Fall 2024 class, should the amount they receive be less than what the average award was for students in our Fall 2023 class. We hope that these efforts relieve some stress from their college decision making process and for them to see that Salisbury University is committed to their success from the start.

***Given the continuing shortfall in revenue, the President should comment on where SU will find the funds to make students whole.***

While tuition and fee revenue are down, Salisbury University continues to be in a strong fiscal position. We have made internal reallocations to ensure that our students – particularly those with the greatest need as mentioned in the previous question – continue to receive the support that's necessary for them to succeed.

***The President should comment on the reliance on the relatively high auxiliary surpluses to cover E&G spending and on efforts to align E&G expenditures with revenues.***

SU strategically utilizes auxiliary surpluses to bridge the financial gap for educational and general expenses that surpass what can be covered by tuition or state funding. Despite being one of the lowest-funded institutions on a per-student basis within our peer group and the System, SU maintains a commendable record of efficiency and effectiveness in utilizing taxpayer dollars. Our commitment to degree production per FTE student sets us at the forefront among peer institutions and within the USM.

To sustain and enhance the quality of our offerings, including increased institutional aid and essential services, SU relies on the revenue generated from auxiliary services, integral to advancing our mission. We place clear governance structures to manage the costs associated with auxiliary services, ensuring that any price adjustments align with or are below the cost-of-living. Regular tracking of costs at peer institutions and other System entities ensures not only alignment but also competitiveness.

A noteworthy aspect contributing to our typically lower prices is our in-house management of auxiliary services. By doing so, we maximize efficiency and pass on the benefits to our community. An increased level of state support would empower us to either decrease or maintain current auxiliary revenue, enabling a more significant allocation of resources to student aid and support services. This shift would not only fortify our commitment to excellence but also enhance the overall student experience at Salisbury University.



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