

**Friday, April 11, 2014**  
**Report to the University System of Maryland Board of Regents**  
**Chancellor William E. Kirwan**

Thank you Mr. Chairman. With the faculty awards earlier, Dr. Gordon's presentation, and the legislative update I will deliver shortly, I will keep my report fairly brief. There were, however, a number of notable achievements across the USM that I would like to highlight, beginning with our host institution, the University of Maryland, Baltimore County (UMBC).

Under the leadership of President Freeman Hrabowski, UMBC is wonderfully active in our ongoing, systemwide efforts to foster greater collaboration and cooperation between our institutions. In February I had the pleasure of joining Freeman and University of Maryland, Baltimore (UMB) President Jay Perma at a reception commemorating the **very first** seed grant recipients from the new UMB-UMBC Research and Innovation Partnership program. And last month I joined leaders from UMBC, UMB, and the University of Maryland, College Park (UMCP) to celebrate the kick-off of a \$1.75 million National Science Foundation Grant to increase significantly the number of students—especially low income, women, and underrepresented minority students—receiving doctoral degrees in the STEM disciplines of science, technology, engineering, and mathematics. As you all know, a few years ago Freeman served as chair of a National Research Council Committee on Underrepresented Groups and the Expansion of the Science and Engineering Workforce Pipeline. The committee's report generated a great deal of attention and recognition and certainly was a contributing factor in the NSF action.

In addition, I would like to note that at the American Council on Education (ACE) annual meeting last month, Freeman was awarded the 2014 Council of Fellows / Fidelity Investments Mentor Award, acknowledging his enormous impact as a mentor in the success of ACE Fellows Program participants. Congratulations, Freeman.

UMCP History Professor Ira Berlin was also recently honored. Dr. Berlin received the W.E.B. Du Bois Medal, Harvard University's highest honor in the field of African and African American Studies. It is awarded to individuals in the U.S. and across the globe in recognition of their contributions to African American culture and the life of the mind.

In a separate "Harvard" honor for a fellow-UMCP faculty member, Dr. Sylvester James Gates Jr., the first African American to hold an endowed chair in physics at a major U.S. research university, was named 2014 Scientist of the Year by the Harvard Foundation.

The USM "family" was also well represented among *The Daily Record's* annual list of Maryland's Top 100 Women. Among the honorees are Dr. Juliette B. Bell, President of the University of Maryland Eastern Shore (UMES), Audrey McFarlane, professor at the University of Baltimore (UB) School of Law, Dr. Beverly O'Bryant, Dean of the School of Professional Studies at Coppin State University (CSU), and Dr. Michelle Giglio from the Institute for Genome Sciences at the University of Maryland School of Medicine.

USM institutions also received national recognitions.

Salisbury University (SU) was once again singled out by *Kiplinger's Personal Finance* magazine as one of the nation's "25 Best College Values Under \$30,000 a year." The honor comes on the heels of Kiplinger's naming SU among the Top 100 "Best Values in Public Colleges" for the past six years. And—in what I would consider to be a related recognition—for the second time, *University Business* magazine has named Salisbury as one of only eight colleges and universities nationwide included among its spring "Models of Efficiency."

UMCP recognized as among the top 100 global universities in *The Times Higher Education World Reputation Rankings 2014*—which employ the world's largest invitation-only academic opinion survey to provide the definitive list of the top 100 most powerful global university brands.

At UB, the John and Frances Angelos Law Center—home of the UB School of Law—has been designated a LEED *Platinum* project by the United States Green Building Council. The rating indicates that the university has made environmental sustainability a high priority throughout the facility, and has met criteria for saving energy, water, and other natural resources in the design, construction, and everyday use of the center.

And in *U.S. News & World Report's* 2015 Best Graduate Schools ranking, UMCP was once again highly ranked with 19 programs and specialties ranked in the top 10. And at UMB, the Law and Health Care Program at the Francis King Carey School of Law was ranked first in the nation.

Elsewhere across the USM . . .

Symone Jordan, an academically outstanding biology major at Bowie State University (BSU) was named one of 75 Historically Black College and University All-Stars to serve as an ambassador for the White House Initiative on HBCUs. This first class of HBCU All-Stars will provide outreach and communication with their fellow students about the value of education. In addition, a team of students from Bowie will be competing against teams from 47 other historically black colleges and universities in the Honda Campus All-Star Challenge, a national academic quiz, taking place this weekend in Los Angeles. Last year's BSU student team fell short of the "sweet 16," but did bring home \$4,000 for Bowie.

One of the four-person teams competing against Bowie at the Honda Campus All-Star Challenge will be a team from the University of Maryland Eastern Shore (UMES). And in a different competition, the UMES women's bowling team won its second consecutive Mid-Eastern Athletic Conference championship and today is competing in the NCAA national championship tournament. The Lady Hawks have qualified all 11 years the NCAA has held the tournament.

Congratulations as well to the UMCP women's basketball team on their outstanding run to the NCAA Women's Final Four.

Frostburg State University (FSU) has become the first higher education institution in Maryland approved to offer a dual elementary-middle school teacher certification. The new FSU program, which is relatively rare across the U.S., will enable FSU to better respond to the teacher preparation needs of Maryland's public schools. Also at FSU, the Frostburg Grows Greenhouse Project, a program that is converting a reclaimed strip mine into a greenhouse complex, was recognized with an

award for leadership, community planning, and conservation from the Maryland Sustainable Growth Commission. Frostburg Grows was one of only eight award recipients and it is now a finalist for the national Second Nature climate leadership award.

Last month at the Cross Examination Debate Association national championship, two Towson University (TU) students made history. Towson Debate Team members Ameena Ruffin and Korey Johnson became the first team of two African American women to win a national tournament. And two other TU students—Margaret Kay and Diana Goldsmith from the Honors College students—spent part of their Spring Break in Phoenix at the Clinton Global Initiative University to discuss challenges—and solutions—in areas such as education, poverty, and public health.

And last month UB announced “Finish-4-Free,” an incentive that provides free tuition in the final semester for students who are on track to graduate in four years. Launching with first-time freshmen who enter in fall 2014, the initiative directly addresses two of the most pressing issues facing higher education today: time to degree and student debt. UB President Bob Bogomolny notes that this will be the first program of its kind in the country

Last month the University of Maryland University College (UMUC) celebrated the formal launch of its Center for Innovation in Learning. The center will function as a laboratory for continuous improvements to the university’s curriculum, faculty development model, and student support. As part of the celebration, the Center hosted the spring 2014 Orkand Chair Distinguished Lecture, which featured a fascinating presentation and conversation examining what higher education will look like in the future.

At UMB, President Jay Perman, unveiled “Community Promise,” an initiative to bring meaningful improvement to the quality of life in the West Baltimore community. The university has hundreds of outreach programs, all of which will be managed cooperatively and with greater effectiveness under the Community Promise umbrella.

And finally, I am pleased to note that under the leadership of President Mort Neufville, Coppin State University (CSU) continues to make progress implementing the actions proposed by the Coppin State University Special Review Committee. Again I stress that this is truly a **systemwide** effort, with the USM office, Coppin, and other institutions involved in the plan’s execution and accountability. While there is clearly significant work to be done, I am confident that CSU will be successful in achieving the Review Committee’s recommendations to: Improve Retention and Increase Enrollment; Strengthen Academic Programs; And Improve Administrative Operations.

Turning now to the recently completed legislative session . . . I would have to say that looking back this was another challenging session, that took some interesting turns.

### **OPERATING BUDGET:**

As you know, when Governor O’Malley initially submitted his budget proposal for the USM for FY 2015, it was essentially “flat funding.” The budget included a funding increase for a 2 percent “tuition buy down” to enable us to keep our tuition increase to a modest 3 percent, and it provided additional funds to enable USM to meet our mandatory cost increases in salary, fringe benefits, new facilities, and other areas. Governor’s budget proposal essentially enables the USM to remain “level,” with no additional enhancement funds. So there was no enhancement funding to allow us to continue our momentum in increasing STEM enrollment, supporting academic transformation, and advancing commercialization. And even this maintenance budget required the USM to provide a significant transfer from our fund balance. But, all in all, it was a budget we were able to support.

However, not long after the budget proposal was submitted, Maryland’s financial situation took a bit of a nosedive. Suddenly the state was looking at a projected budget shortfall of \$200 - \$300 million. Obviously revised projections of this magnitude prompted cuts throughout state government and the USM was not immune. And there is no question that the level of cuts that were at one point on the table for the USM would have been seriously detrimental to our progress. In addition to having our fund balance transfer increased by more than \$5 million, the Senate proposed a general fund cut in the area of \$17 million and the House proposed a cut in the area of \$12.5 million.

Normally where there are competing budget reduction proposals like this, the two chambers meet somewhere in the middle. Well, I am happy to tell you, that at this point in the story a minor miracle occurred—I think of it as the Statehouse version of the Loaves and Fishes. The House and Senate got together and while the final details remain to be worked out, it looks like our ultimate cut will end up being in the \$5 - \$6 million range or so. As far as we are able to determine, it is unprecedented for the two chambers to come together and agree on a budget cut **lower** than either chamber had proposed. This is one of the best examples of the extent to which leaders in Annapolis have come to fully recognize the importance of higher education in general—and the USM in particular—to building a strong and prosperous future for Maryland.

When all was said and done, between the state general fund and Higher Education Investment Fund (HEIF), support for USM increases by just over \$76 million in FY 2015, to approximately \$1.246 billion – an increase of 6.5 percent over FY 2014. This is below the Governor’s original proposal, but certainly above what it could have been.

I will have more words of thanks for our “team” in Annapolis at the conclusion of my report, but I would like to make one point right here. This was my 11<sup>th</sup> legislative session as Chancellor of USM. I would say that most of them have ended up as successful, some more so than others. But with the presidents making critical calls, the Government Relations staff pulling together, the USM Councils going to Annapolis, the level of advocacy from across the USM, and the remarkable leadership of our Vice Chancellor for Government Relations PJ Hogan . . . this may well have been the USM finest hour. I thank you all for your tremendous efforts.

## **CAPITAL BUDGET**

Once again the USM received strong support to help us achieve the strategic campus development goals we've discussed at our Capital Budget Workshops in recent years. With a commitment of more than \$283 million in FY 2015 in general obligation and academic revenue bonds, the General Assembly approved all of the USM projects included in the Governor's Capital Budget as well as additional funding for projects not in the budget.

A sample of the critical projects that have been funded or advanced includes:

- At UMCP, \$10 million for campus-wide infrastructure improvements, more than \$18 million to design and construct the new Edward St. John Learning and Teaching Center, including design and construction of the addition for chemistry instruction. And \$2.5 million to plan and begin construction on a new Bioengineering Building.
- At Bowie, more than \$23 million to design and construct a new Natural Sciences Center.
- At Salisbury, \$45 million to construct a new Academic Commons (Library).
- At UMES, almost \$61 million to construct and equip a new Engineering and Aviation Science Building.
- At Frostburg, \$400,000 to plan and design a new University Public Safety Facility.
- At UMBC, \$4.1 million to design a new building for interdisciplinary and life sciences research.
- At Coppin, \$10.3 million to construct and equip the new Science and Technology Center.
- At UB, nearly \$3 million to design and construct the renovation of the Langsdale Library.
- At UMCES, \$10.6 million to construct the New Environmental Sustainability Research Laboratory.
- And for the USM Office:
  - \$4.3 million to plan and design a Biomedical Sciences and Engineering Education Facility at the Shady Grove Educational Center
  - \$1 million for planning and design of the Southern Maryland Regional Higher Education Center New Phase III Facility
  - \$17 million for the Capital Facilities Renewal Program

## **LEGISLATION**

Finally, in terms of legislation, there were more than 25 bills impacting the USM. And with only a few minor exceptions, bills the USM supported were passed and bills the USM opposed did not pass. There were two pieces of legislation that represent huge victories for us; one has the potential to directly increase the economic impact of our campuses; the other has the potential to elevate the quality and stature of our institutions in the innovation arena.

First is the Regional Institution Strategic Enterprise Zone—or RISE Zone—Program. Through this program, our institutions will be able to partner with state, county, or municipal entities in designated “RISE Zones” to provide businesses with tax credits, access to assistance, and other incentives. By recognizing—and taking better advantage of—the potential for economic growth coming out of the state’s universities, we will see more businesses grow, innovate, and prosper in partnership with our institutions.

The second piece of legislation I want to highlight creates the Maryland E-Innovation Initiative Program and E-Innovation Fund. Through this initiative, the state will **match** a university’s fundraising efforts to fund professorships, create an endowed chair, or support related private-public partnerships in specific areas, such as cybersecurity, quantum computing, nanotechnology, neurosciences, and other cutting-edge STEM disciplines. I—and others—have talked about wanting to make Maryland the “Silicon Valley” of cybersecurity. Well, it is precisely this kind of initiative that will enhance Maryland’s science and technology “ecosystem” by drawing some of the best and the brightest educators and researchers to our campuses.

Finally, I want to close by once again commending PJ Hogan, our Assistant Vice Chancellor for Government Relations Andy Clark, and the entire Annapolis “team,” which includes the presidents and the campus-based government relations members. This was yet another difficult and challenging legislative session. But thanks to your leadership and hard work, the USM once again emerged as a genuine funding priority, with strong support from the Governor’s office and both the House and the Senate.

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