



# UNIVERSITY SYSTEM *of* MARYLAND

Friday, April 21, 2017  
Report to the USM Board of Regents  
Chancellor Robert L. Caret  
(AS DRAFTED)

Thank you, Mr. Chairman. With the faculty awards earlier and the legislative update I will deliver shortly, I will keep my report fairly brief. There were, however, some important achievements across the USM that I would like to highlight.

I begin with our “host” institution, the University of Maryland, College Park (UMCP), and President Wallace Loh. There have been a number of exciting developments here at UMCP since we last met.

- The Center for Research and Exploration in Space Science and Technology—a consortium led by UMCP and the University of Maryland, Baltimore County (UMBC)—will embark on a new era of innovative research and teaching, supported by \$87.5 million from the National Aeronautics and Space Administration (NASA) Goddard Space Flight Center.
- NASA also awarded a five-year, \$64.8 million grant to UMCP’s Earth System Science Interdisciplinary Center, which studies the impact of earth’s systems on environment and climate change.
- UMCP will lead a National Institutes of Health-funded Biomedical Technology Resource Center aimed at advancing techniques to create complex tissues and parts for the body, such as for organs and bone.
- And UMCP was well represented in the most recent *U.S. News & World Report’s* Best **Graduate** School rankings, with more than 60 programs and specialties recognized:
  - The A. James Clark School of Engineering ranked No. 24 overall;
  - The School of Public Policy ranked No. 31 overall;
  - The College of Education ranked No. 32 overall;
  - And the Robert H. Smith School of Business ranked No. 47 overall.

These achievements—and many others—underscore UMCP’s remarkable impact and President Loh’s visionary leadership. The education, research, economic activity, and community service that drive our flagship campus has placed it among the very best educational institutions in the world.

Elsewhere across the USM . . .

The University of Maryland, Baltimore (UMB) was also singled out for praise by *U.S. News*, with two overall top-10 rankings:

- The School of Nursing was ranked 10<sup>th</sup> in the country.
- And the School of Pharmacy was ranked as the nation's 9<sup>th</sup> best.
- In addition, the Medical School, Law School, and School of Social Work were recognized in the rankings for their outstanding programs.

UMB has also received a \$1.5 million gift from alumni couple Richard and Jane Sherman to establish the Center for Health Care Innovation in the Health Sciences & Human Services Library. And President Jay Perman was honored with Port Discovery's 2017 Great Friend to Kids Award at the children's museum's Play It Forward Gala earlier this month.

Late last month, Coppin State University (CSU) kicked off its new Cyber Warrior program. Through the program, Northrop Grumman and Baltimore tech firm Digit All City will offer cybersecurity training to help Coppin students work toward cybersecurity certifications required by the U.S. Department of Defense.

At the University of Baltimore (UB), the School of Law's clinical and part-time programs earned high marks in *U.S. News & World Report's* Best Graduate School rankings. The clinical program is now ranked as the 12<sup>th</sup>-best clinical program in the country, and the part-time J.D. program is now ranked 29<sup>th</sup>.

In other rankings news, *Student Loan Report* issued its 2017 Student Debt Repayment Success Indicator. This ranking uses a formula that calculates student debt repayment success based on average debt incurred, early career pay, loan default rate, and other factors. Six USM campuses were highlighted: UMCP, UMBC, Salisbury University (SU), Towson University (TU), Frostburg State University (FSU), and Bowie State University (BSU).

Frostburg was also singled out by *Student Loan Report* as among the Most Affordable Colleges nationwide for incoming freshmen with financial need. And, staying with Frostburg, I am pleased to note that earlier this month, Board Chairman Jim Brady and I had the great honor of taking part in the inauguration of Ronald Nowaczyk as FSU's 15<sup>th</sup> president.

Five USM institutions were ranked in the upper echelon in *Business First's* latest ranking of the top U.S. four-year public colleges and universities. Using factors such as strong retention and graduation rates, impressive earnings by alumni, affordable tuitions and housing costs, and diversity, the publication recognized UMCP, UMBC, TU, SU, and UB.

The UMB School of Nursing is expanding its Doctor of Nursing Practice Family Nurse Practitioner program to the Universities at Shady Grove (USG) this fall. The program consists of both classroom and fieldwork with healthcare professionals.

Starting this summer, the University System of Maryland at Hagerstown (USMH) will begin offering an English as a Second Language (ESL) Program in collaboration with Global Study Exchange International, targeted to Chinese students interested in applying to American universities who wish to improve their English language skills.

With the help of TU's Athletic Academic Achievement Center, TU's student-athletes now have the **highest** graduation rate of all Division I public institutions in Maryland.

In other impressive athletics news, the women's bowling team at Bowie made an incredible comeback to win their third consecutive Central Intercollegiate Athletic Association (CIAA) championship and the men's basketball team won the CIAA basketball championship. And in a different sort of victory for BSU, English Professor Rion Scott was honored with the prestigious Robert W. Bingham Award for Debut Fiction for his collection "Insurrections: Stories."

UMBC had cause for celebration as well. English Professor Deborah Rudacille received a 2017 Guggenheim Fellowship for science writing. The UMBC Cyber Defense Team took first place at the 2017 National Collegiate Cyber Defense Competition held in San Antonio, Texas this past weekend. The team defeated nine other regional winners from across the country in a contest to protect their networks from cyber attacks and threats efficiently and effectively. In addition, UMBC announced a new five-year initiative to promote diversity and inclusion in the humanities through a \$750,000 grant from The Andrew W. Mellon Foundation.

The University of Maryland Eastern Shore (UMES) has an impressive new roving ambassador: A spacious van—made possible by a gift from Delmarva Power—outfitted as a mobile recruitment office. With the latest wireless technology and sporting the university's logo and school colors, it will allow UMES to reach more students at high schools, community colleges, and recruitment events. Also at UMES, sophomore Axel Bayingana was among an elite group of peers from colleges across the country named Newman Civic Fellows by Campus Compact. Joining Axel in this impressive honor is FSU junior—and President of the USM Student Council—James Kirk.

Last month University of Maryland University College (UMUC) was honored by the Maryland legislature with resolutions recognizing the institution's 70th anniversary. President Javier Miyares attended ceremonies in both chambers to accept the proclamations on behalf of the university.

The University of Maryland Center for Environmental Science (UMCES) signed an agreement with Standard Solar to install a solar field on approximately 10 acres of its Horn Point Laboratory campus. This commitment to generate renewable energy underscores UMCES' commitment to lead by example in sustainability efforts.

*The Daily Record* acknowledged several members of the USM community:

- The list of Influential Marylanders for 2017 included Salisbury President Janet Dudley-Eshbach, Towson President Kim Schatzel, and Dean of the University of Maryland School of Law Donald Tobin.
- And among *The Daily Record's* Top 100 Women of Maryland for 2017 were USM Regent D'Ana Johnson, Kim Schatzel and Shohreh Kaynama from Towson, Kimberly Conway Dumpson from UMES, and Joan Tilghman from CSU.

And—before I move to the legislative update—let me acknowledge our regents and presidents who are celebrating birthdays this month and next:

- Regent Linda Gooden (4/12);
- Regent Bob Rauch (4/12);
- Regent Barry Gossett (4/23);
- And President Juliette Bell (4/15).

Turning now to the just-completed legislative session . . .

### **OPERATING BUDGET**

The final operating budget for fiscal year 2018 for the USM passed both the House and Senate and makes strong bipartisan progress on the USM's top priority: ensuring access to exceptional and affordable academic opportunities.

The General Assembly approved \$1.35 billion in state support for the USM as part of our \$5.3 billion FY 2018 operating budget. This is an increase of \$30.6 million—or approximately 2.3 percent—in state funds over the **adjusted** FY 2017 level.

Key elements of this state budget include:

- \$16.4 million in “tuition replacement” funding,
  - Enabling the USM to keep the increase in in-state, undergraduate tuition at a moderate two percent.
- \$8.2 million to offset the cost of new facilities coming on line:
  - \$5.9 million to partially fund new facilities operating costs at UMB;
  - \$2.3 million to fully fund new facilities operating costs at SU.
- However, throughout state government there is an across-the-board reduction to fringe benefits and state-controlled costs.
  - The USM's share of this reduction is \$4.7 million.
- Finally, the state budget includes \$10 million in funding to support the implementation of the University of Maryland Strategic Partnership Act of 2016, or SB 1052:
  - \$4 million for the Center for Maryland Advanced Ventures at UMB;
  - \$2 million for the Center for Economic Entrepreneurship Development at UMCP;
  - \$3.5 million in funding guideline improvement for UMBC;
  - And \$.5 million in funding guideline improvement for TU.

## **CAPITAL BUDGET**

Turning now to the FY 2018 capital budget, the General Assembly allocated approximately \$304 million for capital construction projects across the USM. Critical projects that have been funded or advanced include:

- \$88.6 million for construction of the Biomedical Sciences & Engineering Education facility at USG;
- \$3.6 million to complete construction and equip UMB's Health Sciences III facility;
- \$30.4 million for A. James Clark Hall and \$73.6 million for the Brendan Iribe Center at UMCP;
  - Note that both these projects were made possible by significant private philanthropy.
- \$26 million to commence construction of the new science building at Towson;
- \$3 million for design—and a commitment for a total authorization of \$86.2 million—for the School of Pharmacy and Health Professions Building at UMES;
- \$1 million for continued planning of a new education and health sciences center at FSU;
- \$1.3 million to support the renovation and repurposing of the Percy Julian Science Building to house the newly accredited College of Business at Coppin;
- \$3.75 million to complete the renovation of the Langsdale Library at UB;
- \$40 million for continued construction and equipment outfitting of UMBC's Interdisciplinary Life Sciences Building;
- And \$17 million for facilities renewal projects systemwide.

## **LEGISLATION**

Finally, in terms of legislation, there were more than 75 individual bills considered that would have had varying impacts on the system, the faculty, staff, and students. For the most part, legislation the USM supported passed and legislation the USM opposed did not. There were also several bills on which the USM offered amendments to get them into a more manageable posture. I thank Vice Chancellor for Government Relations Patrick Hogan, Assistant Vice Chancellor for Government Relations Andy Clark, and their colleagues throughout the USM.

There are two particular pieces of legislation I want to highlight. They originated with the USM and were two of the very few bills on which we played offense instead of defense.

The Quasi-Endowment legislation allows USM institutions to transfer up to \$50 million to be invested by the USM Foundation. The invested amount will be held in perpetuity and the investment *income* will be used for the maintenance and upkeep of buildings and facilities. This is currently an expense that is normally funded from state general funds or tuition money.

The Textbook Cost Savings Act provides our William E. Kirwan Center for Academic Innovation with \$100,000 in the FY 2019 state budget to strategically expand the Maryland Open Source Textbook (MOST) initiative to make higher education in Maryland more affordable. The funds may be used to award grants related to openly licensed educational resources or to reimburse MOST initiative expenses. Since its beginning just three years ago, the MOST initiative has supported the replacement of traditional textbooks with Open Educational Resources (OERs) in more than 60 different courses at 14 public higher education institutions across the state, resulting in more than \$1 million in cumulative cost savings for more than 3,500 students.

With their actions, Governor Hogan and our legislative leaders have set Maryland apart from—and in many ways above—our competitors in the knowledge economy.

I want to close by once again commending Vice Chancellor Hogan, Assistant Vice Chancellor Clark, and the entire Annapolis “team,” many in the system office, presidents, and the campus-based government relations members. This was yet another 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.

And finally, let me thank all of you who participated as the USM supported the Light City Festival in Baltimore earlier this month. Through generous financial support and the important participation of USM leaders, faculty, staff, and students, LightCity and the six different Labs—especially the EduLab—were very successful. This certainly bodes well for future collaborative USM marketing efforts that the system might be able to undertake.

Mr. Chairman . . . this concludes my report. I would be happy to respond to any questions the regents may have.

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