



Friday, February 9, 2018
Report to the USM Board of Regents
Chancellor Robert L. Caret
AS DRAFTED

Thank you, Mr. Chairman. Welcome, all, to our first Board of Regents meeting of 2018. Let me begin my report today by thanking our hosts this morning, the University of Baltimore (UB) and President Kurt Schmoke.

I know UB is facing the twin challenges of declining enrollment and a budget shortfall. I want to commend President Schmoke for proactively taking a series of difficult decisions to tackle these challenges head-on in the short-term and, perhaps more importantly, developing a new strategic plan for the long-term that will position UB for sustained excellence. I particularly admire its continued and unwavering focus on student success. I agree that this is UB's best path forward.

The fact is, UB has a strong foundation upon which to build:

- Last month, in its “Best Law Schools for Diversity” cover story, *PreLaw Magazine* ranked the UB School of Law 13th in the nation for African-American students.
- Shortly thereafter, the website *Value Colleges* ranked UB's Master's in Interaction Design and Information Architecture 33rd nationally, noting the program's high demand and strong showing in the job market.
- UB's Langsdale Library, which holds one of the most extensive collections of materials related to gay life in Baltimore, is receiving new attention as college students explore the idea of “Gayborhoods”—neighborhoods with a history of LGBTQ organizing and community-building that can thrive in an environment of repression.
- And President Schmoke was among the inaugural “Icon Honors” recipients named by *The Daily Record*, in recognition of his long-standing commitment to Maryland.

In addition, I want to express my thanks for UB's efforts as one of the co-leaders—along with Coppin State University (CSU)—of our B-Power initiative.

- You have vastly expanded dual-enrollment efforts, currently reaching hundreds of students in a dozen different high schools.
- You have been aggressive in forging new B-Power partnerships with community-based organizations in the city, including The Urban League, the ABELL Foundation, Next One Up, First Generation College Bound, and others.
- You initiated the “Bee Line” transfer program to assist Baltimore City Community College students who wish to transfer to the University of Baltimore.
- And your efforts continue.

Kurt, I want to thank you for your commitment in support of B-Power, as well as for your strong and impactful leadership of this great institution.

While it has only been two months since our last meeting, I have to say it has been a remarkably busy two months, with impressive news from across the system.

Staying with the theme of commitment to the city, earlier this year the University of Maryland, Baltimore (UMB) announced that it will offer employees a huge incentive to purchase a home in one of seven nearby West Baltimore neighborhoods under an improved Live Near Your Work Program. UMB will contribute \$16,000 toward the purchase of a home and the city will match \$2,500, for a total of \$18,500. Also, at UMB, Dr. Jody Olsen, a visiting professor at the School of Social Work, senior faculty advisor of the Center for Global Education Initiatives, and senior lecturer at the Graduate School, has been nominated to be director of the Peace Corps.

At Bowie State University (BSU), President Aminta Breaux and U.S. Environmental Protection Agency (EPA) Regional Administrator Cosmo Servidio signed a five-year agreement to extend and expand a BSU-EPA partnership, providing educational and practical experiences to BSU students looking to enter careers in the federal government. In another partnership, five BSU students have earned “digital badges” through the USM’s William E. Kirwan Center for Academic Innovation in pilot program to reward students for demonstrated skills in areas like leadership, critical thinking, and problem-solving--the “soft skills” so many employers say are lacking in many job seekers.

Towson University (TU) extended and expanded a national partnership as well, as TU President Kim Schatzel and Maryland Adjutant General Linda Singh signed an MOU that will reinforce TU’s position as a leader in cybersecurity and cyber defense education and training. TU also celebrated the fact that four Maryland schools in TU’s College of Education’s Professional Development School Network—three elementary schools and one middle school—were named state Blue Ribbon honorees.

Chairman Brady and I had the honor of attending a celebration at the University of Maryland, Baltimore County (UMBC), as the ribbon was cut on the impressive new \$85 million Event Center just last week. In addition, UMBC received wonderful recognition earlier this year as the Association of American Medical Colleges announced that UMBC continues to **lead the nation** in producing African-American undergraduates who pursue M.D.-Ph.D.s. Finally, UMBC has launched a Translational Life Science Technology program in partnership with Montgomery College. The program will be offered at Montgomery College and the Universities at Shady Grove (USG) and lead to a Bachelor of Science from UMBC. The program is accepting students now, and courses will begin in fall 2018.

Coppin State University (CSU) has announced that its Center for Nanotechnology is officially a member of the Nanotechnology Professional Development Partnership Project. This is a project hosted by Penn State’s Center for Nanotechnology Education and Utilization and is sponsored by the National Science Foundation. As a partner, Coppin students will be able access and control nanotechnology-based analytical instruments and learn nanotechnology concepts in other participating institutions from their home or classroom, including applications of nanotechnology in industry, nanofabrication processes, and the use of nanotechnology instrumentation. I am also pleased to note that Freeman Hrabowski and his wife Jackie have committed \$100,000 to fund

the Freeman and Jacqueline Hrabowski Endowed Scholarship at Coppin State University, where Freeman worked for ten years prior to UMBC. I commend Freeman and congratulate Coppin.

Last week, the Maryland House of Delegates honored former University of Maryland Center for Environmental Sciences (UMCES) President Don Boesch for his 27 years of leadership in the Chesapeake Bay. Also, at UMCES, the R.V. Truitt Laboratory Building has been awarded the 2017 U.S. Green Building Council (USGBC) Maryland Community Leader Award for Higher Education in recognition of its overall commitment to sustainability and efficiency. The building was lauded as an example of how a highly technical scientific building can be constructed utilizing methods with low environmental impacts and long-term occupant comfort, without compromising scientific integrity.

Salisbury University (SU) also received USGBC recognition, as Sea Gull Stadium earned Leadership in Energy and Environmental Design (LEED) Silver certification, becoming the campus's 11th LEED-certified building. And earlier this week Salisbury announced the creation of a new College of Health and Human Services. The new college will house three schools—Nursing, Social Work, and Health Sciences—and will better support state workforce development initiatives and healthcare needs.

SU and the University of Maryland Eastern Shore (UMES) have forged a new academic partnership capable of producing pharmacists in six years. Chemistry majors at Salisbury who meet the requirements and have strong academic credentials may gain preferential admission to UMES's professional degree program after just three years of undergraduate study. Since UMES's pharmacy program offers year-round instruction, students can earn a doctorate in three years instead of the traditional four. SU students who opt to pursue the UMES pharmacy track and successfully complete the "3 + 3" program will earn two degrees, one from each institution.

Frostburg State University (FSU) has received approval from the Maryland Higher Education Commission to offer concentrations in its online Master of Business Administration program. In addition to a management concentration, which is like FSU's current MBA, approval has been granted to offer concentrations in healthcare management and in business analytics.

The University of Maryland, College Park (UMCP) and Capital One announced a partnership aimed at developing a talented pipeline of students to join the workforce in areas of key national need, such as machine learning, data analytics, and cybersecurity. A cornerstone of the new partnership will be the launch of an innovation lab in the university's Discovery District. UMCP also announced a five-year, \$5 million grant from the National Science Foundation (NSF) to fund scholarships in the Advanced Cybersecurity Experience for Students (ACES) program and secured \$18.3 million from the Maryland Clean Energy Center for the development of a \$21.5 million energy efficiency project.

Earlier this week, USM's Maryland Momentum Fund—a \$25 million fund to support startups formed within the system's 12 institutions and its incubators—announced a \$250,000 contribution to NextStep Robotics, a start-up company that has developed robotic therapy based on research in UMB's School of Medicine and UMCP's Clark College of Engineering.

Finally, there are a number of rankings I would like to highlight:

- The University of Maryland University College (UMUC) was ranked as a “Top School” in the Military Advanced Education & Transition 2018 Guide to Colleges & Universities and was ranked #1 among online and nontraditional schools in the *Military Times Best Colleges 2018*.
- In the Military Friendly Schools survey—a comprehensive review of college and university investments in serving military and veteran students—both Frostburg and Salisbury are again ranked.
- Included in the U.S. *News & World Report Best Online Programs* rankings are:
 - Five FSU programs: Graduate Business, MBA, Bachelor's, Graduate Education, Graduate Nursing
 - SU's MBA program
 - TU's Graduate Education Programs
 - UB's MBA Programs
 - UMBC's Graduate Computer Information Technology Program
 - And two UMCP programs: MBA and Graduate Engineering.
- In the *Kiplinger's Personal Finance 2018 Best College Value* ranking:
 - SU
 - UMBC
 - And ranking 10th in the nation, UMCP.
- In the *Princeton Review* “Colleges That Pay You Back: 200 Schools That Give You the Best Bang for Your Tuition Buck”:
 - UMBC and UMCP
 - Also ranked among the best in the Northeast—SU and TU.

FY 2019 Budget Proposal

Let me now turn to Governor Larry Hogan's FY 2019 budget proposal for the USM. Earlier this month, I had the opportunity to testify in support of the governor's budget proposal before the House and next week I testify before the Senate.

In brief, the Governor has proposed state support for the USM of \$1.39 billion, coming from the General Fund and the Higher Education Investment Fund.

I am pleased to point out that the funding provided by the Governor's budget will once again allow us to limit our tuition increase to a modest 2 percent. It has become an accepted fact that higher education is more important now than ever before. Working in conjunction with our partners here in Annapolis, the USM is doing our part to advance the cause of excellence and affordability, which I will highlight a little more in a moment.

There are a few specific components of the increase in state funds I want to highlight:

The largest share is \$21.5 million to both **fully fund** operating expenses for new building openings and **partially fund** operating expenses for facilities opened last year. This will benefit the Brendan Iribe Center for Computer Science and Innovation at UMCP, the Center for Natural

Sciences, Mathematics, and Nursing at Bowie, the Interdisciplinary Life Sciences Building at UMBC, USG's Biomedical Sciences and Engineering Education Facility, and other important STEM centers.

The budget also provides \$6 million to support the continued implementation of SB 1052, the University of Maryland Strategic Partnership Act, which went into effect in October of 2016, codifying and expanding the strategic alliance between UMCP and UMB known as *MPowering the State*.

There is also \$2 million to support USM's **Workforce Development Initiative** to address critical workforce shortages that limit economic growth and state revenues. This will be leveraged with \$8 million in internal USM resources, resulting in a \$10 million workforce impact. This represents the first part of Governor Hogan's multi-year, \$33 million commitment to collaborate with the USM to increase the number of workforce-critical credentials issued, including hundreds of new STEM and healthcare degrees. Demand for jobs by companies in the STEM and healthcare industries continues to grow, and USM plans to focus intently on both the cybersecurity sector and the bioscience / health science sectors.

The USM has developed an initiative that will use this \$33 million in collaborative funding to generate **3,000 new high-demand credentials per year**.

Very briefly, here is what that will mean for Maryland.

At current rates of growth, the USM is projected to meet only 35 percent of Maryland's need for workers with a healthcare background through 2023. In fact, **all** Maryland's higher education institutions combined are projected to meet only 53 percent of that need. As the state and the nation face the public health crises of opioid addiction, these shortages will be acutely felt. We will address this shortfall by dramatically increasing the number of healthcare graduates, including physician's assistants, nurses, community health specialists, substance abuse counselors, and social workers.

Similarly, in high-tech STEM occupations, the USM is projected to meet just over half of Maryland's need for workers with an engineering background, and less than half of the needs in other scientific fields, such as chemistry and the geosciences. This initiative will fund graduates with expertise in growing and emerging STEM fields, including neuroscience, mechatronics, translational life sciences, virtual and augmented reality, and data science. We will give special emphasis to targeting success for underrepresented minority students and veterans.

Looking specifically at cybersecurity, the USM is projected to meet only 40 percent of Maryland's need for workers with a computer science background through 2023. This initiative will ensure USM is delivering skills and credentials at every level, from basic certifications to Ph.D.s, and include new or enhanced programs at **half** of USM institutions and our regional centers. With fully one-fifth of all cybersecurity jobs in the U.S. located in Maryland and the DC suburbs, we must act aggressively to meet this growing need.

Lastly, this initiative seeks to respond to local and regional needs and capacity, making sure educational opportunities are accessible throughout the state. In fact, fully half of the programs outlined will be offered by USM universities at our regional higher education centers, which will most likely soon include the Southern Maryland Higher Education Center. Funding in this budget supports the transfer of this center to USM ownership/operation, with the USM assuming administrative and operational leadership.

With centers in Southern Maryland, Shady Grove, and Hagerstown, as well as our 12 institutions across the state, the USM will provide opportunities for all Marylanders and help our state lead in the future.

I thank Vice Chancellor for Government Relations Patrick Hogan and his outstanding “team” in the state relations office in Annapolis for their hard work. In addition, I want to recognize our Vice Chancellor for Administration and Finance, Ellen Herbst and our Senior Vice Chancellor for Academic and Student Affairs, Joann Boughman. Jo, Ellen, and their teams are instrumental in the work getting done in Annapolis. And, of course, I thank our presidents and campuses, especially for the work put in to develop the USM’s Workforce Development Initiative.

Together, we will be working to generate support for this budget. And, of course, I ask all of you to voice your support. I encourage you to talk with your colleagues and associates to support this budget as well.

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

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