

USM Strategic Plan Briefing Document

Board of Regents Retreat 10/23/15

The following document highlights the USM's progress to date under the five themes of 2020 strategic plan: Degree Completion, Economic Competitiveness, Academic Transformation, Effective Stewardship, and National Eminence. Challenges the USM expects to face in each of these areas over the next half of the plan are also summarized.

Degree Completion

Background & Progress to date:

The USM's strategic goal for degree completion called for increasing baccalaureate degree production to 28,000 annually by 2020 (from a base of just over 19,000). This represents the number of degrees the USM needs to produce to help Maryland achieve its statewide 55% completion goal. Strategies highlighted in the plan include: growing enrollment, particularly among community college transfers and at USM regional centers; increasing financial aid, reducing the achievement gap; and other strategies aimed at boosting student retention and graduation success.

Key accomplishments to date under the Completion theme:

- **Increased transfer student enrollment by 25%** since 2010. Transfers now represent 64% of all new students entering USM institutions each year.
- **Expanded access through the regional centers**, both USM and non-USM. Total enrollment at the USM's regional centers has surpassed 4,500 students, with additional capacity being added in Harford (through TU), at Shady Grove, and in Southern Maryland.
- **Increased institutional need-based aid by \$15 million** since 2009, with much of it targeted at near completers, transfers and other underserved populations
- **Secured state enhancement support for targeted enrollment and degree completion initiatives** in 2014.
- **Implemented new or expanded outreach and academic support service programs** designed to help reduce achievement gaps and improve retention and graduation rates.

Outcomes:

- **Total baccalaureate degree production reached 24,900 in FY 15**, the largest 5-year growth total in USM history, and within 3,000 degrees of the final goal.
- **2nd-year retention is at an all-time high for all population subgroups:** African-American (81% from 75%), Low-Income (82% from 76%), and Hispanic (even at 85%)

Challenges facing the USM over next half of the strategic plan:

- The absence of funding for enrollment growth and budget constraints that have impacted the ability of many USM institutions to grow mean that the USM is likely to top out at roughly 26,000 degrees annually.

Economic Competitiveness

Background & Progress to Date

The System's plan for helping build and sustain Maryland's economic competitiveness was three pronged: 1) upgrade Maryland's workforce by increasing degree production in critical need areas such as STEM (the goal was a 40% increase in STEM degrees by 2020), 2) fuel research-

based innovation and technology transfer by doubling sponsored research to \$2.4B by 2020, and 3) grow jobs and promote entrepreneurship by creating or facilitating 325 new companies by 2020.

Key accomplishments to date under the Competitiveness theme:

- **Revised USM's tenure policy** to recognize and encourage entrepreneurial activity.
- **Approved a USM investment policy** that enables our institutions to invest directly in start-ups that license USM intellectual property.
- **Successfully advocated for RISE Zone legislation and the E-Innovation initiative**, designed to spur capital investment and job creation in designated zones and to attract faculty scholars in targeted disciplines, respectively.
- **Created MPower**, the collaboration between UMCP and UMB.
- **Created UM Ventures**, uniting the USM's technology transfer initiatives under one entity.
- **Adopted "site miners" and other best practice strategies** designed to identify commercially promising research and guide it through technology transfer process.
- **Launched enhancement initiatives in STEM/Health Sciences and MPower.**
- **Successfully competed for high profile R&D projects**, like the bid to operate the nation's first Cyber Security Federally Funded Research and Development Center, a collaboration between UMCP, UMBC, NIST, and MITRE in Montgomery County.

Outcomes:

- **STEM degree production has increased 63% since 2010**, easily exceeding the 40% goal for 2020, and total STEM enrollments now top 41,000.
- **R&D funding is at \$1.2B annually**, after falling due to federal budget cuts, while new patent applications coming out of USM institutions are up over 80% over 2010 levels.
- **New company creation has hit 388 in just 4 years**, easily surpassing the 2020 goal of 325. The USM is now responsible for helping to create or facilitate the start up of over 100 new companies a year.

Challenges facing the USM over next half of the strategic plan:

- How to continue leveraging USM's research strength to enhance R&D success and diversify research funding.
- How to capitalize on the RISE Initiative and other programs to create thriving innovation districts around our institutions and expand the institutions' economic impact.
- Identifying and implementing effective strategies for ensuring start ups stay and grow in Maryland.

Academic Transformation

Background & Progress to Date

The USM's goal in the third theme of the strategic plan was to respond to challenges of a changing world by adapting its academic model, using technology as a powerful tool for rethinking how our institutions teach, do research, and render service.

Key accomplishments to date under Academic Transformation:

- **Launched the Center** for Innovation and Excellence in Learning and Teaching --now the William E. Kirwan Center for Academic Innovation-- in 2013.

- **Academic change leaders appointed** at each of the campuses to coordinate their own institutional work.
- **Co-hosted the *Leading Academic Change Summit*** of academic change leaders from across the country with the Gates Foundation.
- **Secured \$1.5 million in enhancement funding** from the State in 2014 to support academic transformation-focused activities.
- **Garnered \$1.2M in foundation funding to support transformation initiatives** led out of the Kirwan Center.
- **Launched the Maryland Open Source Textbook (MOST) initiative**, a USM Student Council/Kirwan Center collaboration to reduce textbook costs.
- **Received a \$3M First in the World grant** from the Department of Education to explore creation of alternative pathways through developmental mathematics.

Outcomes:

- **Redesigned 57 courses** from 2006-14 affecting over 143,000 students as part of the USM initiative. An estimated 10,500 more students have passed these courses who might not have otherwise (based on 7-point improvements on DFW rates).
- **Completed an additional 28 course redesign projects** through institutional initiatives that enrolled over 8,000 more students.
- **Saved over 2700 students more than \$330,000 in textbook costs cumulatively.**
- **Began piloting a variety of other academic innovation initiatives** including learning analytics, competency-based education, and digital badging through the Kirwan Center

Challenges to USM's Academic Transformation goals for next half of the strategic plan:

Scaling academic innovation will require cultural, policy, and organizational changes.

- Shift thinking from “what is taught” to “what is learned.” Focus on student success initiatives across the institution, using data to prioritize programs.
- Address policies, procedures, and structures that disincentivize change.
- Broach the subject of academic “return on investment” –find ways to quantify savings and reallocate for innovations.

Effective Stewardship

Background & Progress to Date

The strategic plan's fourth theme focused on the practice of exemplary stewardship with the resources entrusted to us, finding ways to more effectively leverage all the USM's resources, public and private, to benefit Maryland and its citizens. Strategies outlined in the plan included 1) designing and implementing the next generation of E&E, 2) enhancing the USM's authority to act as a public corporation, 3) promoting environmental sustainability, and 4) building a culture of philanthropy that extends across all our institutions.

Key accomplishments to date under the Stewardship theme:

- **More effectively aligned USM strategic and budget priorities** with the needs and priorities of the state and its leadership.
- **Raised more than \$2B under the federated capital campaign** (exceeding the campaign goal of \$1.7B) and enhanced institutional fundraising capacities.
- **Secured Quasi-Endowment legislation** to build fundraising capacity.
- **Provided statewide leadership in sustainability** initiatives (53 USM facilities either constructed or currently being planned are certified as LEED Silver or higher)

- **Eliminated over 100,000 metric tons of CO2 emissions** to-date in response to the State's Greenhouse Gas Reduction Act.
- **Addressed the USM's deferred maintenance backlog** by disciplined implementation of the Board's capital spending goals. Between 2010 and 2015, the facilities condition index (repair cost over replacement cost) fell from an estimated 27% to 23%.
- **Developed and launched E&E 2.0**, the next generation of the USM's Effectiveness and Efficiency Initiative, with a heavy focus on the use of data and analytics to increase both academic and administrative effectiveness.

Outcomes:

- **\$504M in E&E-related savings has been achieved as of FY 15**, over 50% of which (\$269M) has come since 2010.
- **The USM continues to hold an "Aa1" bonding rating from Moody's**, one of only 20 public higher education institutions in the US to hold an Aa1 or AAA, the top two rating categories, from Moody's.
- **Raised \$300M or more in private support** in two of the last three fiscal years as the USM has continued to build on the fundraising momentum during the post-capital campaign period.

Challenges facing the USM over next half of the strategic plan:

- Continued expansion and implementation of E&E 2.0 will be critical to USM's overall success, and a key to success in maintaining alignment with the Administration's priorities.
- The USM must continue to seek ways to leverage its ability to achieve greater effectiveness and efficiency.
- The USM must continue to focus on building fundraising capacity at institutions with strong potential for growth. Building the alumni donor pipeline (engagement) and building endowment will be paramount.

National Eminence

Background & Progress to Date

Achieving and sustaining national eminence is the fifth theme of the USM's 2020 plan. Recognizing that people and facilities are the key to success under it, the plan focused on strategies designed to attract, retain, build and support high quality faculty, staff, facilities, and students.

Key accomplishments to date under the fourth theme have included:

- **Raised the visibility of the System** through the participation and leadership of the chancellor and presidents on commissions and panels at the state, national, and international level.
- **Retained critical faculty and staff** during the recession by successfully advocating for System-wide budget flexibility.
- **Increased average faculty salaries** by over 7% for comprehensive institutions and 10% for research institutions since 2010.
- **Expanded and enhanced the research complex** by adding over 175,000 square feet of research space since 2010.
- **Improved adjunct and graduate student compensation and working conditions** by developing and implementing new System-wide policies to monitor and improve them.

Outcomes:

- **Funding guideline attainment will reach 72% in FY 16**, down from its FY 15 level of 74%.
- **The USM ranked among the top 5 public university systems/institutions in federal research expenditures and new patents filed** in FY 15 (per the Association of University's Technology Manager's annual survey of institutions in the US and Canada) and among the top 10 public systems/universities in total research expenditures, industrial research expenditures, and invention disclosures.
- **Individual USM institutions have continued to be recognized as among the nation's finest**, relative to their peers, in such publications or ranking systems as *US News*, *Military Times*, *Forbes*, *Princeton Review*, Shanghai Jiao Tao University's Academic Ranking of World Universities, and, most recently, the new U.S. Department of Education's College Scorecard.

Challenges facing the USM over next half of the strategic plan:

- Maintaining quality throughout the System in an era of declining public investment in higher education, fewer high school graduates, and shifting demographic trends.
- Recognizing and adjusting to the state's limited ability to fund additional capital construction by finding new and innovative ways to continue building the USM's research and instruction infrastructure.