



**University System of Maryland  
Board of Regents  
Committee on Education Policy and Student Life**

**University System of Maryland  
Tuesday, March 4, 2014**

**Minutes of the Public Session**

The Committee on Education Policy and Student Life (EPSL) of the University System of Maryland (USM) Board of Regents met in public session on Tuesday, March 4, 2014 in the Chancellor's Conference Room of the University System of Maryland, Adelphi, MD. The meeting was convened at 9:30 a.m. Committee chair, Regent Michaux Gonzales was present. Regents Kinkopf, Manizade, Reid, Slater, and Turner participated via conference call. Chancellor Kirwan was also present.

Also attending in person or via conference call were: Ms. Bainbridge, Mr. Basko, Ms. Bauder, Dr. Boughman, Dr. Chambers, Ms. Doyle, Dr. Foster, Mr. Fox, Dr. Jarrell, Mr. Kellam, Ms. Gill, Dr. Gregory, Ms. Hollander, Mr. Horne, Ms. Hovatter, Dr. Lee, Mr. Lurie, Ms. Moultrie, Mr. Muntz, Ms. Ross, Ms. Scott, Dr. Shapiro, Mr. Slater, Mr. Turner, Mr. Vivona, and Dr. Wolfe.

Regent Gonzales welcomed all to this special meeting dedicated to exploring issues surrounding financial aid as was directed by the Committee of the Whole. She explained that the goal of the meeting is to hear updates on the System's progress towards recommendations outlined in the Report of the Financial Aid Task Force from December 2004. Regents were asked to consider how the recommendations were implemented, the impact they have had, and if the recommendations need to be discontinued, continued, or otherwise altered.

Mr. Chad Muntz, USM's Director of Institutional Research, delivered the presentation. The Financial Aid Data Update FY 2014, Report of the Financial Aid Task Force, Reference Information (including: loan payment schedule, monthly income, average debt by institutions, starting and median salaries by field or institution, and federal loan assistance programs), and Financial Aid Report (FY 2007- FY 2011) provided background for and helped guide Mr. Muntz's presentation and the discussion. These materials can be found on the USM website.

Based on current data, Mr. Muntz shared the following assessments regarding each recommendation from the 2004 Report of the Financial Aid Task Force. The following summary also includes questions, comments, or actions proposed by the regents:

### **Recommendation 1 – Decrease Student Debt Burden**

- Assessment:
  - Freshmen Pell students continue to graduate with lower debt. They graduate with 25.5% less debt than their non-Pell peers.
  - Transfer students have much less debt overall. Transfer Pell students have less debt than transfer non-Pell students, and both sets of transfer students have less debt than freshmen who begin at System institutions.
- Questions for further consideration:
  - Is any debt acceptable? How much?
  - How do the debt levels of in-state and out-of-state students compare?

### **Recommendation 2 – Target Institutional Funds to Need-Based Aid**

- Assessment:
  - Progress is being made, but the System must continue its commitment to need-based.
  - The amount of need-based, institutional aid rose 29% between 2004 and 2013; the amount of non-need, institutional aid decreased 72% between 2004 and 2013.
- Questions for further consideration:
  - Is the balance or proportion of aid right?
  - What proportion of performance-based aid goes to students with need?
  - To what extent is aid to out-of-state students skewing the data?
  - Are data available for in-state students only?

### **Recommendation 3 – Tie Goals for % of Need Met to Peers**

- Assessment:
  - Progress is not as expected. Most USM institutions fell below the 75<sup>th</sup> percentile of peers in percent of need met for undergraduates.
  - However, Mr. Muntz suggested, and Ms. Bauder agreed, that this might not be the right measure. Many institutions include loans in their measurements for percent of need met. If we measured need met that way, we'd be working against recommendation 1.
- Questions and thoughts for further consideration:
  - Are we measuring what's important?
  - To what extent are our peers using loans in their measurement of percent of need met?
  - Consider restating the goal as a comparison to our peers as opposed to meeting the 75<sup>th</sup> percentile criteria.
    - Where do we rank in the amount of unmet need when factoring in cost of attendance? Consider using the Pell COA, as it is more standardized.

### **Recommendation 4 – Target Institutional Funds to Need-Based Aid**

- Assessment
  - Progress has been made, but “balance” may mean different proportions at different institutions.
- Question and thought for further consideration:
  - Is the proportion of need-based aid appropriate?

- This recommendation is similar to recommendation 2; they could be combined.

### **Recommendation 5 – Increase Aid to Maryland Community College Students**

- Assessment:
  - Progress is being made (i.e., the amount of aid is increasing and the number of students receiving aid has increased), but the System needs to continue commitment to MDCC students given that cohorts are increasing in size.
- Question for further consideration:
  - Are aid programs for MDCC transfers adequate?

### **Recommendation 6 – Strengthen Graduate/First Professional Student Aid**

- Assessment:
  - Our impact has been minimal. Mr. Muntz suggests exploring alternative strategies to strengthen aid to these students, as a significant portion of their financial aid is in the form of loans.
  - Graduates continue to get an increasing proportion of low-interest Perkins loans, but overall, graduate loans have increased to nearly \$500M per year.
- Questions and thoughts for further consideration:
  - Better documentation of workforce needs could help make the case for getting more funding from the federal and state governments.
  - There is an increase in the number of students going to graduate school, as there is a push for workers to get terminal degrees for professions that once required master's degrees. To some regents, this push for higher degrees seems unnecessary in many cases.
  - Can the amount of funding be disaggregated by master's, doctoral, and professional?
  - What can be done to lower debt and/or interest rates for these students?

The regents asked the USM staff to explore the aforementioned questions and thoughts and to report back to the Committee during its upcoming meetings.

Regent Gonzales adjourned the meeting at 11:58 a.m.

Respectfully submitted,

Louise Michaux Gonzales  
Chair, Committee on Education Policy and Student Life