

ST MARY'S COLLEGE *of* MARYLAND

RD14D00

**Fiscal Year 2022 Operating Budget Testimony
January 29, 2021**

**House Committee on Appropriations
Subcommittee on Education and Economic Development
Delegate Ben Barnes, Chair**

~

**Senate Budget & Taxation Committee
Subcommittee on Education, Business, and Administration
Senator Craig J. Zucker, Chair**



**Dr. Tuajuanda C. Jordan, President
Dr. Lawrence E. Leak, Trustee
Mr. Paul A. Pusecker, Vice President for Business and CFO
Mr. Charles C. Jackson, Government Relations Liaison**

Introduction – The Public Honors College

As the State's designated public honors college, St. Mary's College of Maryland (SMCM) provides a **premier liberal arts education** that is both **affordable** and **accessible**. The College awards a

The Nation's 1st Public Honors College

variety of undergraduate degrees as well as a graduate Masters of Arts in Teaching degree. With a faculty of gifted teachers and distinguished scholars, a talented and diverse student body, and a low student/faculty ratio, St. Mary's College provides a challenging curriculum within an academically nurturing environment. In addition, the College fosters a sense of social responsibility and community among its students through its curriculum and campus life.

Supporting the two goals articulated by the State's 1992 mandated mission for the College - the educational requirements of an honors program and the promise of access - sets St. Mary's College uniquely in the State and in the national higher education sector.

As a public college that is both accessible and affordable, St. Mary's College provides the opportunity for academically talented students from a broad socioeconomic, ethnic, and racial spectrum to acquire a liberal arts education. This diversity creates a rich academic and social environment that enhances the education provided by the College.

Maryland's Public Honors College

Mission unique in the Nation

- *Liberal arts college excellence akin to elite privates → curricular innovation and relevance*
- *Public = Accessible + Affordable + Diverse*

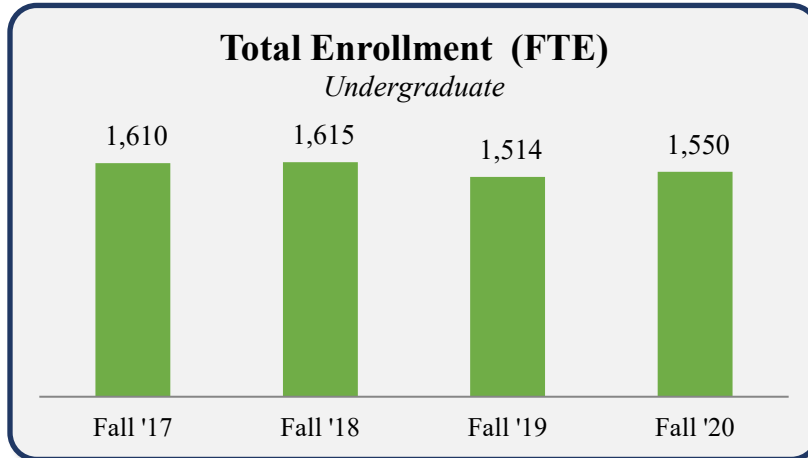
St. Mary's College was established by the Maryland legislature in 1840 as a living memorial to Maryland's founders and their ideals of tolerance and innovation. The school evolved into a four-year institution in 1967. St. Mary's College maintains its identity as a residential liberal arts institution, fostering principles of diversity, civic-mindedness, and intellectual exploration. The College offers academic and extracurricular programs that build upon the rich historical, cultural, and natural environments that come from its affiliation with Historic St. Mary's City and location on the banks of the St. Mary's River within the Chesapeake Tidewater.

Today, St. Mary's College maintains its identity as a residential liberal arts institution, fostering principles of diversity, civic-mindedness, and intellectual exploration. The College offers academic and extracurricular programs that build upon the rich historical, cultural, and natural environments that come from its affiliation with Historic St. Mary's City and its location on the banks of the St. Mary's River within the Chesapeake Tidewater region.

St. Mary's College is grateful to the Governor, the Legislature, and the Maryland Higher Education Commission for their ongoing commitment to higher education, in general, and to St. Mary's College of Maryland specifically.

Enrollment

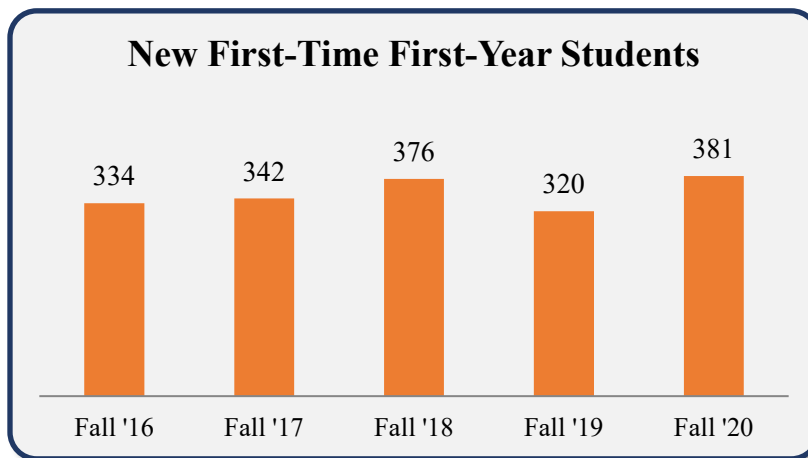
After experiencing declines over the past few years, enrollment at St. Mary's College increased in Fall 2020, despite the pandemic. As shown Exhibit 1 below, overall undergraduate enrollment increased 2.4% over Fall 2019.



Fall '20 Enrollment up 2.4%

Exhibit 1

Increased enrollment this year is primarily the result of recruiting a strong incoming class of new first-year students and new transfer students. As shown below in Exhibit 2, the number of new first-year students for Fall 2020 **increased 19% over the previous year**, and was the highest in the past five years.



Fall '20 Highest New First-Year Class in Five Years

Exhibit 2

As shown above, the number of new first-year students have been increasing over the past five years, with the exception of Fall 2019 which appears to be an anomaly.

The increase in new students is the result of our varied efforts to enhance our position within the higher education market. These include:

- implementation of our new *LEAD* curriculum (Learning through Experiential and Applied Discovery, see page 9 below) that integrates the proven long-term benefits of a traditional liberal arts education with the applied skills demanded in today's economy,
- the launch of our new brand, *The National Public Honors College*, and
- our enhanced marketing efforts.

Together, these initiatives have made St. Mary's College both more relevant and competitive. Illustrating this success, applications for the Fall 2020 semester increased 53% (Exhibit 3).

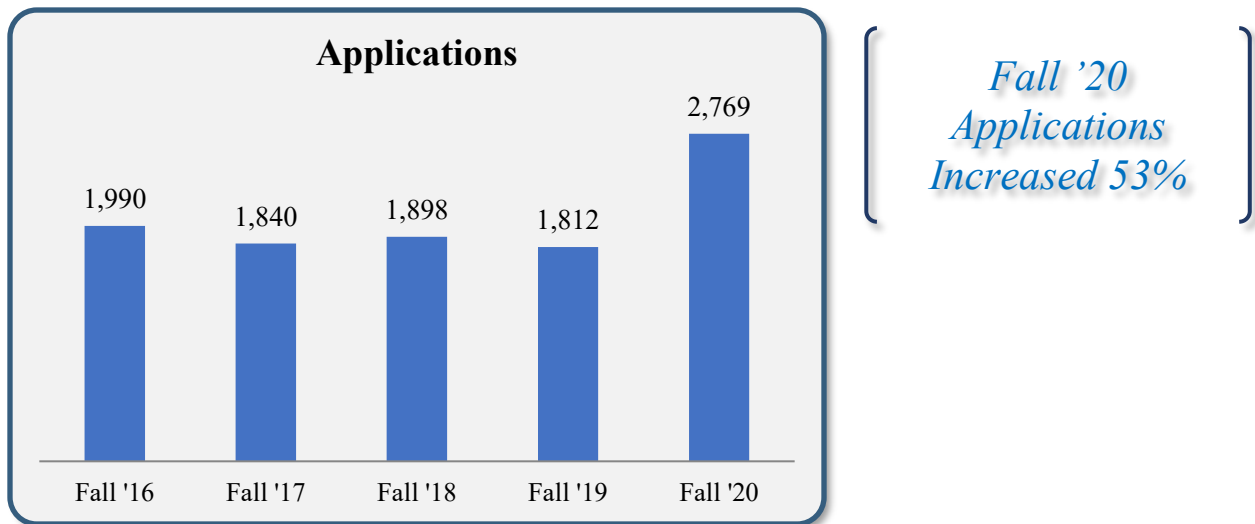
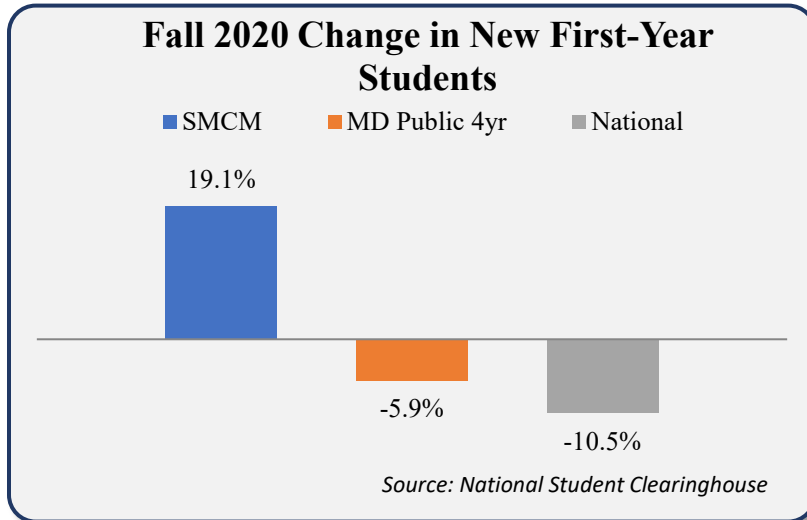


Exhibit 3

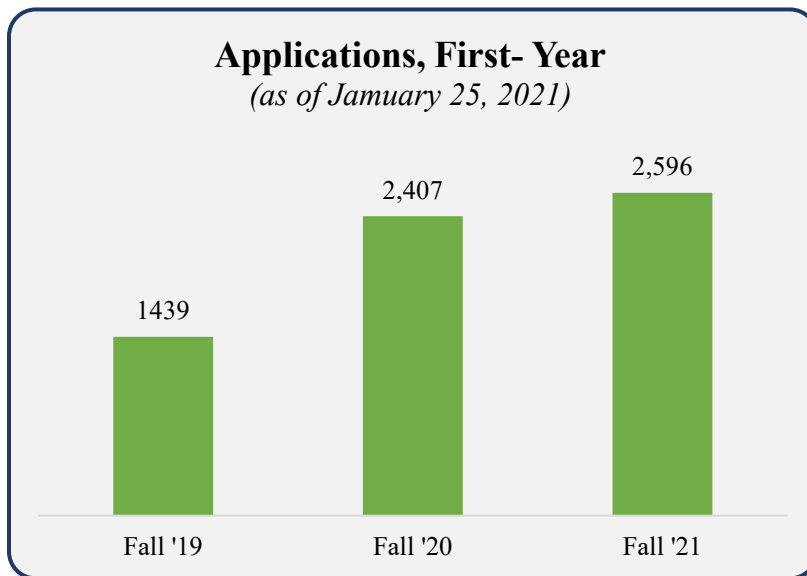
Notably, our success in attracting new students bucked the trend, in Maryland and nationally, both of which have seen recruitment for the Fall 2020 semester decline due primarily to the pandemic. As shown in Exhibit 4 below, our 19% increase in new first-year students compares well to the 6% decline in Maryland public institutions and the 11% decrease nationally.



SMCM bucks State and National trends for new first-year students

Exhibit 4

The enrollment picture continues to look promising. In the current admissions cycle, applications for the Fall 2021 semester are exceeding last year's numbers by 8%, and have increased 80% compared to two years ago as shown in Exhibit 5 below.



Fall '21 Applications to Date

Exhibit 5

Given the strong entering class for Fall 2020 and the increased number of applications for Fall 2021, St. Mary's College believes that its efforts to sustain our record of student success, modernize our curriculum, and market our new brand is resonating well with prospective high school students and their families.

Support for the Maryland State Plan for Postsecondary Education

Access and Affordability: St. Mary's College's unique mission, to provide an honors-level liberal arts education that is both accessible and affordable to all Marylanders, is challenging. Through a combination of institutional efforts to control expenses and State support, tuition pricing was lowered in FY15 and has since been successfully moderated, making St. Mary's College more affordable for Maryland families. In-state tuition for the 2020-2021 academic year (\$12,116) was frozen at the 2019-2020 rates (including all fees, room, and board) and remains less than it was eight years ago for the 2013-2014 academic year (\$12,445). Our decision to freeze tuition and fees for this year was made prior to the pandemic.

In its most recent report, St. Mary's College was ranked 30th among four-year public institutions for highest tuition rates by the U.S. Department of Education's College Affordability and Transparency Center, a significant improvement since 2013 and 2014 when the College was ranked 6th for highest tuition, as shown below in Exhibit 6.

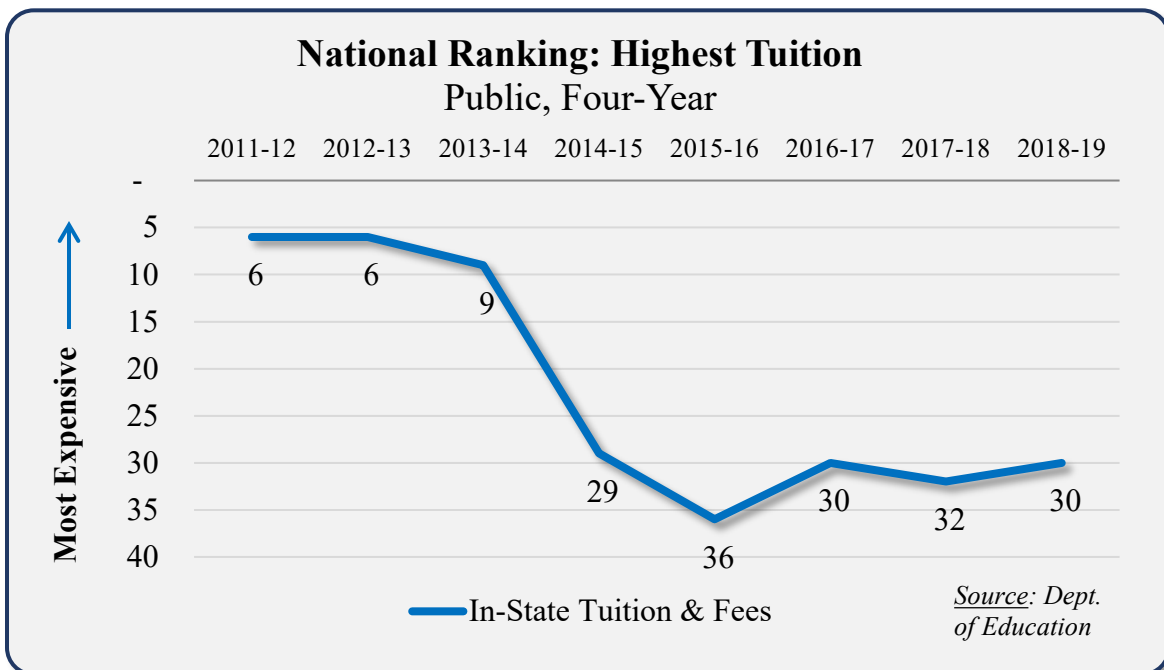


Exhibit 6

Financial Aid: The current in-state tuition price of \$12,116 requires continued commitment to providing a robust financial aid program. For the Fall 2020 entering class, 92% of students received institutional financial aid.

Over the past five years, St. Mary College has increased institutional aid by 38%, adding \$2.3M in direct need and merit-based aid to students. As shown in Exhibit 7, the amount of aid awarded by the College to **support student need** (Total Need-CDS) has increased from \$4.6M in 2016-2017 to \$5.7M, as reported to the national Common Data Set (CDS).

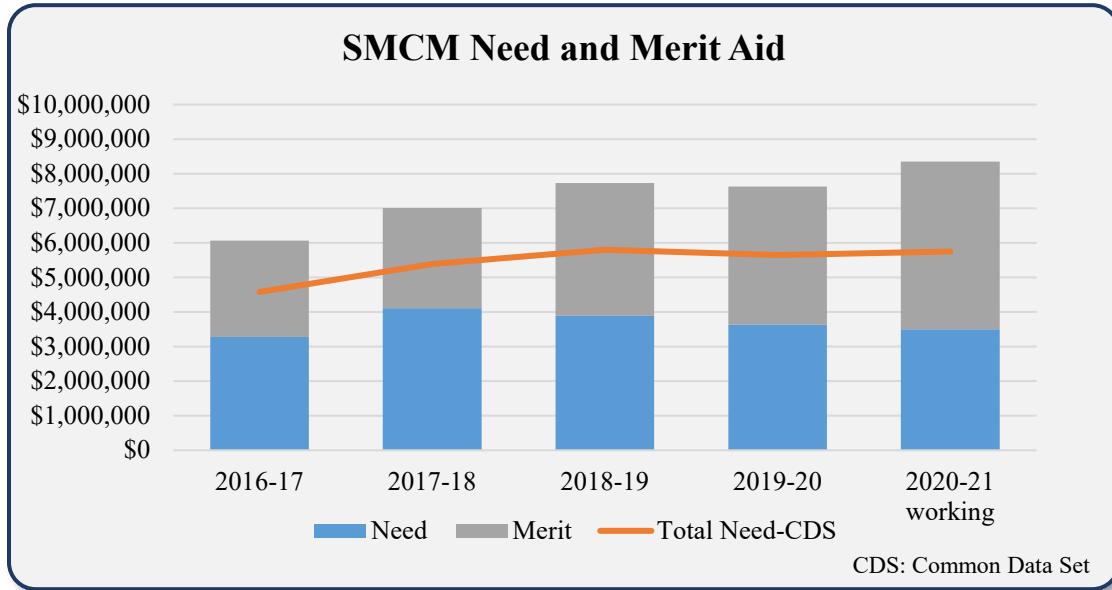


Exhibit 7

To further illustrate this point, for those students receiving aid, the percent of need met by institutional aid (need-based and merit) has increased from 67.5% to 77.0% over the past five years (Exhibit 8). As a result, the amount of aid for students receiving need-based aid has increased, on average, from \$6,526 to \$8,211, or by \$1,685 (26%).

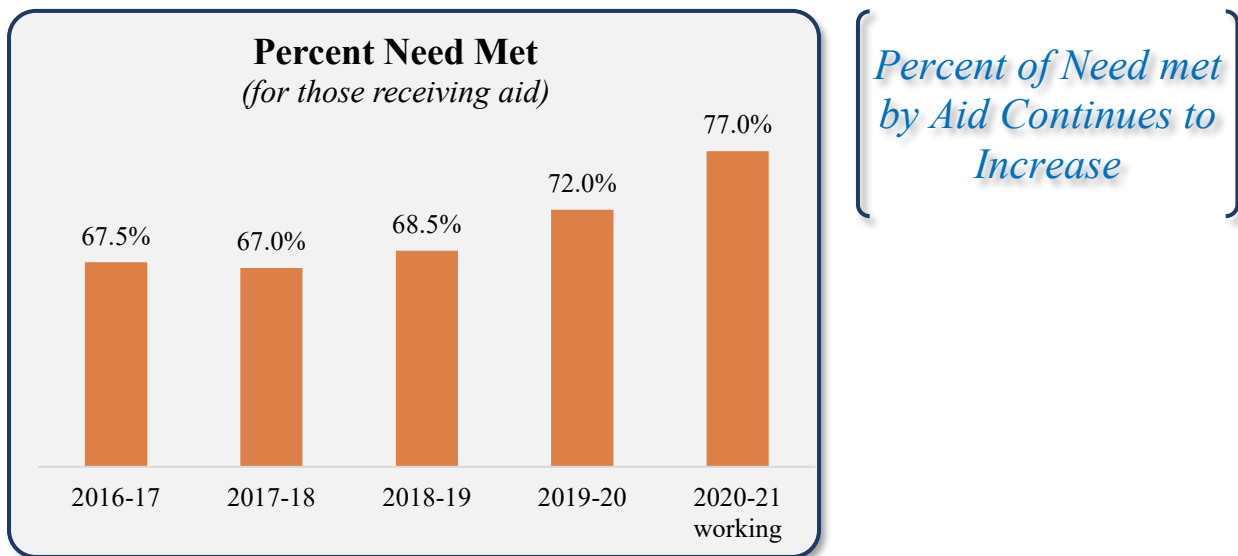


Exhibit 8

Student Debt: St. Mary's College's relatively high four-year graduation rate (65%, five-year average) contributes to the lowest average student indebtedness in Maryland (\$25.6K versus the statewide average of \$32.2K) as students are more likely to graduate on time (Exhibit 9). The default rate for St. Mary's College students is 3.4% compared to the national average of 9.7% (Exhibit 10). Lower average indebtedness combined with the lower default rate and high four-year graduation rate means that St. Mary's College graduates are entering the workforce faster and are gainfully employed with more disposable income.

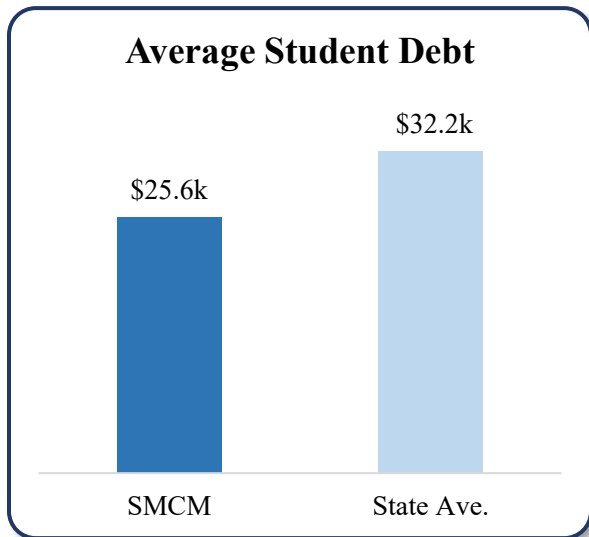


Exhibit 9

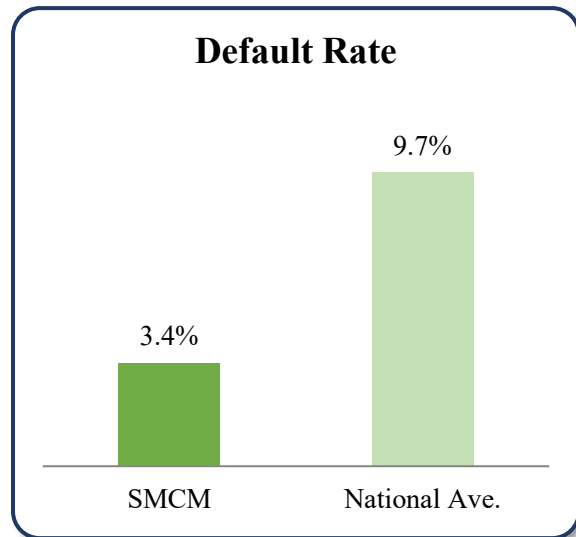


Exhibit 10

Access to Quality Postsecondary Education:

Quality: St. Mary's College has successfully responded to the charge to provide an outstanding academic program – akin to those offered by some of the best private liberal arts colleges in the nation – to the citizens of Maryland. Over the past 25 years, the College has invested significantly in creating an academic program that is focused on student learning. Major publications continue to highlight St. Mary's College as one of the top liberal arts colleges nationally, including the recent U.S. News and World Report (2021) ranking us 5th among public liberal arts colleges. Other laudatory commentaries have come from the Princeton Review, Colleges of Distinction, Money Magazine, Washington Monthly, and the Fiske Guide to Colleges.

#5 National Public Liberal Arts College, U.S. News

Student-Centered Learning: A hallmark of an excellent liberal education is student-centered learning and St. Mary's College remains one of the best in the nation. The St. Mary's College program includes many high-impact educational practices. For the past three graduating classes, virtually **every student** (99.7%) has completed at least **two** high-impact practices, compared to the national average of 86% at baccalaureate arts & sciences institutions, and many have completed more than two (average of 3.4 for the Class of 2020).

High Impact Practices
 99.7% of graduates completed two or more High Impact Practices

High-impact experiences, including internships and faculty/student collaborative research, are central to the new LEAD curriculum (Learning through Experiential and Applied Discovery). This new curriculum provides all students with an integrated academic program that combines deep knowledge of their major with real world experiences to better prepare them for life after graduation. The LEAD core curriculum will integrate into our current liberal arts curriculum and this effort will result in a re-imagined, applied liberal arts program designed to provide students with a distinctive experience that enhances career preparation. We are confident that once fully implemented, the LEAD curriculum will result in significant gains in student participation rates across many of the most impactful high-impact practices.

Ensure Equal Opportunity for Maryland's Diverse Citizenry: St. Mary's College has made a significant impact in reducing the achievement gap. Persistence of first-time students to the second-year is strong, albeit with room for improvement, with a five-year average of 82% for students of color compared to 85% overall. As shown in Exhibit 11, the first-to-second year retention of students receiving Pell grants has historically equaled that of all students. After a brief dip during 2017-2018, the retention rates for Pell students have again paralleled those of the overall student population.

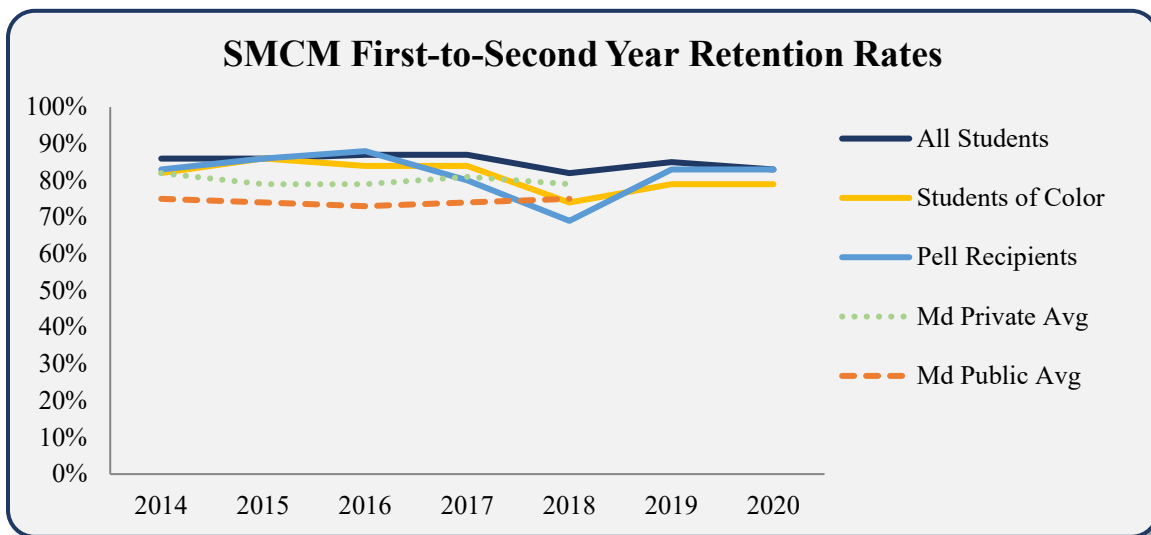


Exhibit 11
 (MD averages not yet available for 2019 and 2020)

Over the past five years, the average six-year graduation rate for students of color is 68% compared to 76% overall as shown below in Exhibit 12. Graduation rates for other demographic groups are high. The six-year graduation rate for students receiving need-based aid is 75% (five-year average).

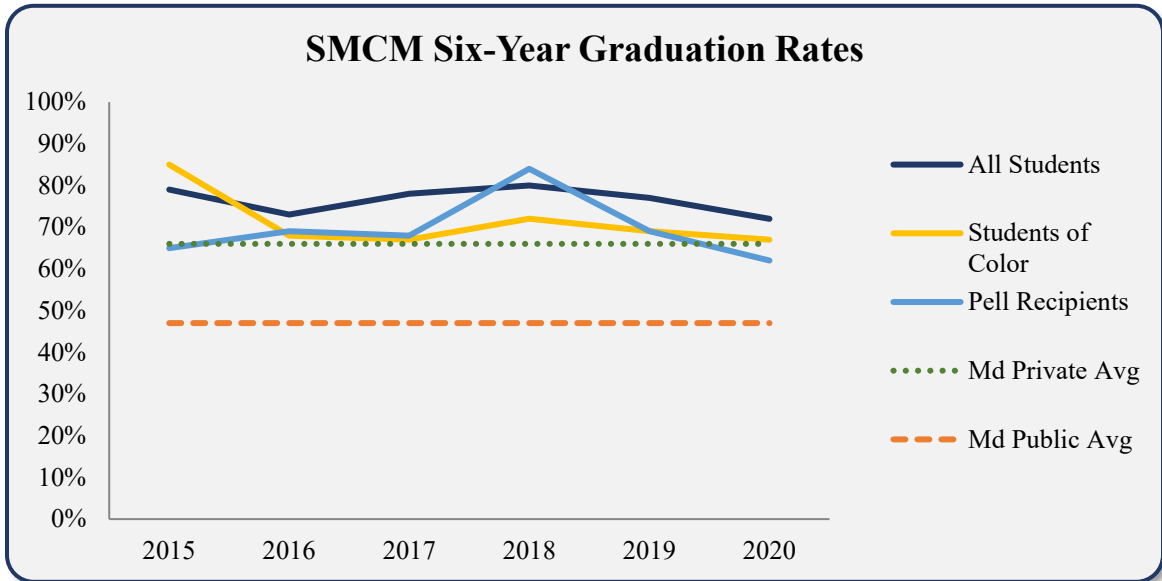
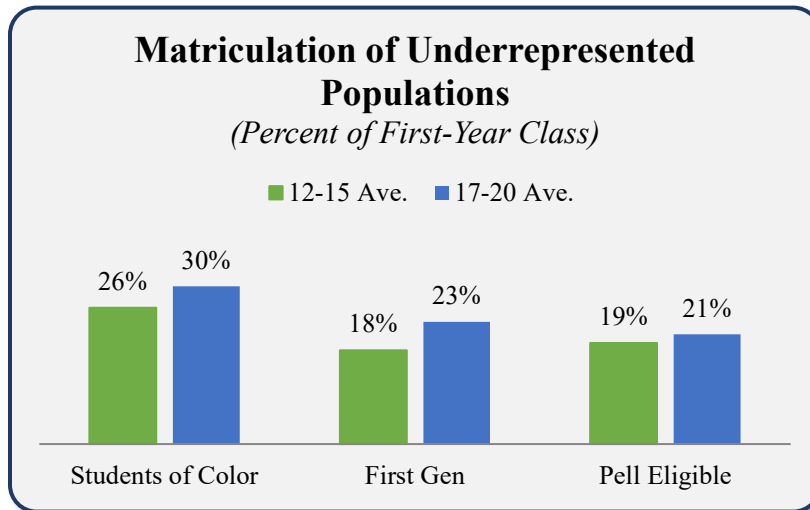


Exhibit 12

(Note that MD averages are three-year average spread across each year)

St. Mary's College is doing well in its efforts to recruit a diverse student body. Students of color represent 26% of the Fall 2020 incoming class compared to 17% just eight years ago. The College has met or exceeded the enrollment target (25%) for the percentage of students of color for the seventh year in a row. Also, the Fall 2020 class consisted of 25% first-generation students, above the target of 20%. Exhibit 13 shows the increases in matriculated students from underrepresented groups over the past five to eight years.



Continued Increase in Matriculation of Students from Disadvantaged Backgrounds

Exhibit 13

President Tuajuanda Jordan established the First-Generation Student Initiative, a program enabling students who are the first in their families to attend college (like President Jordan) to be part of an on-campus support network including other first-generation students and faculty.

A testament to St. Mary's College's commitment to access and diversity is its invited inclusion in the American Talent Initiative (ATI), a consortium consisting of 110 of the nation's highly- and very highly-selective colleges and universities. Member institutions of the ATI are committed to increasing the number of talented low- and moderate-income students who attend and graduate from these institutions by 50,000 by the year 2025. Within this national consortium, there are only two Maryland institutions with St. Mary's College being one of them.

It is worth noting that the LEAD curriculum, with its holistic and intentional inclusion of all students in required credit-bearing professional development and an applied liberal arts approach, will have a disproportionately positive impact on students from diverse backgrounds. Evidence clearly indicates that students from these traditionally underserved populations participated in applied co-curricular experiences at lower rates. In the LEAD curriculum, these experiences are required of all students and all students receive support in gaining these experiences.

Promote Economic Growth, Advancement of Research, and Workforce Development

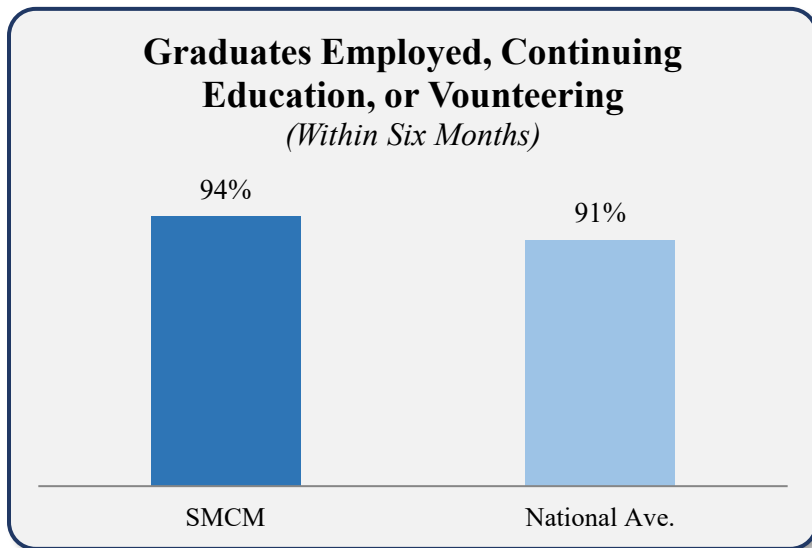
To further enrich learning opportunities, St. Mary's College has continued to increase academic programming aligned with the LEAD approach. Recently, the Board of Trustees approved the development and/or implementation of new majors in neuroscience, marine science, applied data science, and business administration.

St. Mary's College offers B.A. degrees in most fields, with B.S. degrees offered to students majoring in STEM disciplines. Over the past three years, the College has awarded 28% of its degrees in STEM-related fields. Recently, the College was selected as one of 12 partnering institutions for the Council on Undergraduate Research (CUR) Transformation Project, a project to revise traditional four-year undergraduate curricula in biology, chemistry, physics, and psychology, by focusing on high-quality undergraduate research throughout the four years of a student's major. We anticipate that this endeavor will enhance the quality of, and expand student participation (currently at 50%) in, research at the College.

28% of Students Graduate with STEM Degrees

St. Mary's College has expanded its agreement with the Patuxent River Naval Air Station and The Patuxent Partnership, and has initiated an agreement with the Naval Support Facility at Indian Head, all of which were designed to enhance research and internship opportunities for students and faculty.

Our graduates demonstrably succeed. The Career Outcome Rate for Graduates, reflecting employment, public service, or continued education within six months of graduating, is 94%, compared with the national benchmark of 91% for baccalaureate arts & sciences institutions, as shown in Exhibit 14. The applied and highly marketable skills acquired through our LEAD curriculum have already shown their positive influence on the six-month Career Outcome Rate (94% this year compared to 92% in the FY21 report).



Student Success after Graduation Exceeds National Average

Exhibit 14

In addition, within five years of graduation, 60% of graduates are accepted into graduate or professional school.

St. Mary's College works closely with the regional public school systems and the nearby Patuxent River Naval Air Station to promote economic development and growth of a highly qualified workforce. The majority (over 90%) of the College's graduates from the Masters of Arts in Teaching (MAT) program work in Maryland schools, with many remaining in the Southern Maryland region.

*90% of MAT
Graduates Teaching in
Maryland*

Operating Budget for FY 2022

For FY22, the Governor's allowance for St. Mary's College totals \$29.188M in State funds consistent with the College's funding formula, revised in 2017 under HB556.

Excluded from the FY22 allowance are funds to support the operating impact of the College's New Academic Building and Auditorium. With a projected opening in Spring 2022, the operating impact for the last three months of FY22 is \$65K, which the College will absorb within its resources. For FY23, the full year impact is estimated at \$775K for which the College will seek State support.

Response to Questions in DLS Analysis

Page 6. The President should comment on retention at SMCM, focusing on fourth-year retention, and address what actions are in place to retain the continuing student population.

Retention and persistence of all students at SMCM is an issue of primary importance. Multiple groups are engaged in coordinated efforts to improve retention and persistence, including the Division of Inclusive Diversity, Equity, Access, & Accountability (IDE(A)2); the Center for Inclusive Teaching and Learning (CITL); the Retention Strategies Committee; the Faculty Senate; the Office of Student Support Services (OS3); the DeSousa-Brent Scholars Program; and the Department of Athletics and Recreation. (Note: The efforts of IDE(A)2 are discussed in more detail in the section related to question on page 8 of the Analysis. Other actions are described below.)

The Retention Strategies Committee at SMCM monitors retention rates closely and has taken the following recent actions.

- Using past data, we have identified several early academic milestones that predict students' successful retention and graduation, particularly among students from underrepresented groups.

- We have communicated the existence and importance of these milestones to faculty and staff via a variety of methods (Town Hall meetings, email reminders, infographics). Information about the milestones will be added to orientation programs beginning in Summer 2021, thus adding students and parents to the targeted audiences.
- We monitor the achievement of these milestones in our current students and regularly (each semester) identify at-risk students who have not met (or are in danger of not meeting) one or more milestones.
- We reach out to at-risk students and their faculty advisors at strategic time points in the semester, e.g., when advance registration is about to open, to encourage students to strive to meet the milestones and make timely progress toward graduation. These suggestions are tailored to students' class standing; for example, the Provost's recent email to current juniors (the Fall 2017 cohort with 68% fourth year retention) suggested registering for winter or summer courses, registering for a small overload during fall or spring, and/or taking an online course from another institution.
- Each semester, we provide ALL faculty advisors with a full report on their advisees and their progress on meeting the milestones.

For the first time, SMCM offered a Winter term during December 2020 and January 2021 to assist students in catching up with credits, at minimal cost. A total of 282 students registered for winter courses, 55 of whom (20%) were juniors in the Fall 2017 cohort. (For comparison, Fall 2017 cohort students make up 15.6% of the current undergraduate student body.)

The Office of Student Support Services (OS3) coordinates several programs to promote student success. Staff in OS3, aided by athletic coaches and DeSousa-Brent program staff, contact students with midterm deficiencies, with incomplete grades, and those on academic probation to offer support and provide academic coaching. OS3 also coordinates use of the Beacon early alert system, regularly encouraging faculty and staff to provide updates and note areas of concern for their students. A recent campaign to utilize the Beacon system earlier in the semester, to allow for earlier intervention with students at risk, resulted in a 144% increase in submitted alerts during Fall 2020 compared to the same time period in Fall 2019.

Finally, although the four-year retention rate of the Fall 2017 cohort is low, as noted in the analysis, the predicted four-year graduation rate for this cohort is currently 64%, which represents an increase from the Fall 2016 rate of 60%. This suggests that the dip in four-year retention will not necessarily lead to a low graduation rate for this cohort.

page 8: The President should comment on the gap between African American six-year graduation rates and the rates for the entire student population at SMCM.

Many of the strategies and approaches discussed in the previous answer also apply here, particularly the academic milestone approach. With regard to persistence gaps, we have found that the academic milestones identified as predictive of student success are particularly impactful for students from underrepresented groups, including African American students. In fact, the academic milestones that we have chosen to track and advertise were selected specifically because achievement of them should contribute to reducing equity gaps.

The College's successful DeSousa Brent Scholars program, with its focus on closing the equity gaps for historically underserved populations, continues to be a key component of our overall strategy for reducing the six-year graduation rate gap. The milestones mentioned above are explicitly included in each DB Scholar's academic plan. Program advisors, both professional and peer mentors, engage students with the importance of these milestones during each academic registration period.

The Division of Inclusive Diversity, Equity, Access, and Accountability (IDE(A)2) was established by President Jordan in Fall 2020 as an outgrowth and expansion of the existing Inclusive, Diversity, and Equity efforts at SMCM. The new division takes a broader and more ambitious approach to improving accessibility and support for students, faculty, and staff who have diverse needs. One critical goal of IDE(A)2 is to increase retention of students from underrepresented groups, particularly BIPOC and first-generation students, by creating and sustaining policies, initiatives and resources to ensure that the College is a welcoming, transformative and empowering institution where all students can thrive.

In the short time since its inception, IDE(A)2 has accomplished the following:

- Supported the creation of an IDE Faculty Senate committee.
- Implemented a Bias Prevention and Support Team.
- Offered responsive programming including, for example, films series and town hall meetings in response to local and national events.
- Partnered with the Center for Inclusive Teaching and Learning (CITL) to research, create and disperse equitable pedagogical practices with the goal of leveling the academic playing field for BIPOC and first generation students.

- Created local and regional partnerships to offer collaborative programming that responds to the needs and aspirations of institutional, local, and regional BIPOC populations.

Finally, the six-year graduation rates for all students are predicted to hold steady for the next two years, and to improve substantially for African American students (69% and 70%, respectively, for 2021 and 2022). If these predictions are borne out, we will continue working to analyze and capitalize on these efforts toward reducing and eliminating equity gaps.

Page 13. The President should comment on the increase in spending and number of awards for merit scholarship aid relative to need-based aid and if that best meets the needs of the student applicant pool.

As discussed on page 7, the College has made significant increases to merit and need-based aid over the past five years. The appearance that merit aid has gone up at the expense of need-based aid is misleading due to the fact that much merit aid also supports need. In order to be responsive to the market where many students and their families prefer to receive merit awards rather than need-based awards to recognize their accomplishments, the College has intentionally packaged aid accordingly. By no means does this represent a reduction in the College's commitment to need-based aid. As addressed on page 7, the total amount of need-based aid has increased substantially as well as the percent of need met for those students who receive aid.

Contributing to the changes in need-based aid for the current year is the effect of the pandemic. As the College de-densified this year, the cost of attendance for students living off campus declined significantly as they are not participating in room and board programs. Reducing their cost of attendance reduces their need which also lowers the amount of their need-based aid whereas their merit aid is fixed.

Page 17: The President should comment on additional actions that will be taken to address the budget deficit.

In order to mitigate the current projected deficit, the College will continue to aggressively manage expenses such as delaying large purchases, reducing sponsored travel, and delaying filling vacant positions. Any deficit that remains would require use of the \$8.4M unrestricted fund balance.

Page 20: The President should comment on the expected increase in auxiliary revenue, indicating why such a large increase is expected. Overall, unrestricted funds increase \$1.0 million, or 1.5%.

The primary reason for the expected increase in auxiliary revenue is an anticipated increase in the number of students living on campus and participating in a board program. Room and board

revenue is down this year due to the pandemic. We do expect on-campus residential and board counts to recover to some extent for FY22.

Page 25: The President should further comment on efforts to provide mental health services remotely.

Transitioning to counseling services via a HIPAA-compliant zoom platform was challenging and took time to fully implement. Early in the pandemic, while transitioning to remote work and learning, the focus was on setting up the remote services infrastructure and connecting with students. As services continued to be offered remotely, updated technology and best practices for video counseling have been incorporated. Students now have access to ongoing, traditional counseling, short term or urgent same day/next day appointments and medication management appointments with the Psychiatric Nurse Practitioner. Counseling services continue to be well-attended and both on-campus and fully remote student learners utilize counseling services.

Currently, about 25% of our student population is regularly seen by the Wellness Center (health and counseling). Key mental health issues are: anxiety, depression, adjustment to college, and trauma. The Wellness Center has taken the following steps to meet the growing need for mental health services to the greatest extent possible:

- Continued to offer several points of access for counseling services including traditional intake and ongoing therapy, same-day urgent appointments any time the Wellness Center is open, and a 24/7 confidential helpline staffed by professional counselors. (ProtoCall set up complete in October, 2019).
- Consulted with faculty members, staff members, and parents when concerned about student mental health and created plans for immediate intervention and/or long-term support as needed.
- Hosted Mental Health First Aid training for faculty and other members of the campus community.
- Supported two student groups contributing education and support to the community. Peer Health Educators (PHEs) provided ongoing programming about mental health, reducing stigma, smoking cessation, and other issues, and the Sexual Misconduct Advocacy and Resource Team (SMART) provided a 24/7 student staffed phone line and provided programming to increase knowledge of sexual misconduct and healthy relationships.

Page 25: The President should also comment on how the shift to providing courses and services online provided new opportunities and what impact it will have on SMCM's future business model.

The rapid shift to remote operations, including instruction and student support services, provided significant opportunities to increase access. Online student services allowed more intentional scheduling of appointments rather than simply relying on drop-ins while still maintaining the ability for students to obtain service quickly. Online instruction, particularly between standard academic terms, allowed the College to aid students in making timely degree progression. For example, in a pilot Winterim term, students were able to return home, work if so desired, and still make academic progress toward their degrees. Entering the pilot, 57% of the students registered for Winterim were “on-track” for four-year graduation. After earning credits during Winterim, now 70% of the students registered during Winterim are “on-track” for four-year graduation. The College anticipates increased enrollment (and therefore increased revenue) from regularly offering remotely off-session terms (Winterim and Summer). These extra terms will undoubtedly also allow more students to graduate in four years.

