Jonathan C. Gibralter, President

Senate Budget and Taxation Committee
Sub-Committee on Health, Education and Human Resources
Thursday, February 26, 2009
Thank you, Chairman Kasemeyer, Vice Chairman Madaleno and members of the subcommittee on Health, Education and Human Resources, for giving me the opportunity to speak to you about the progress that Frostburg State University is making and the challenges that we face in meeting the needs of the State of Maryland. In addition, I would like to offer my gratitude to you, along with Chancellor Kirwan, the University System of Maryland Board of Regents, the General Assembly and the Governor, for the support provided to higher education in Maryland. All of you have allowed the University System of Maryland to retain its preeminence as a national leader and to improve the accessibility to higher education for all Marylanders.

My third year as President of Frostburg State University has been one of continued forward momentum, despite the economic challenges we all face, as we continue to advance in the areas of economic and workforce development, enrollment growth, university advancement and sustainability. I am pleased to report that significant progress has been made in each of these areas, as we continue to position the University strategically for the future.
ECONOMIC AND WORKFORCE DEVELOPMENT

Frostburg State University has long recognized its role as an economic engine for the Western Maryland region. We are one of the largest employers in the region and consider it our mission to focus on workforce development. We have developed new programs and adapted existing ones to be responsive to the needs of businesses and industries both locally and throughout the state of Maryland.

Last year, FSU received approval for three new programs, an R.N. to B.S. in Nursing completion program, developed in collaboration with Allegany College of Maryland; a B.S. in Information Technology; and a B.S. in Engineering, and we are seeking approval for a B.S. in Information Systems. The information technology, information systems and engineering degrees were both developed in response to requests from regional industry leaders. In particular, they were seeking engineers with a more broad-based, liberal arts education. This program allows for concentrations in electrical engineering, materials engineering, industrial engineering and engineering management.

The Higher Education Investment Fund was instrumental in the establishment of the R.N. to B.S.N. program. The program was approved in June of 2008, at which point we were allowed to begin recruiting a Program Director and Faculty. Accreditation standards require that we hire an additional faculty member during the coming year; we hope with the current fiscal crisis that we are able to do so. Our first Nursing students are enrolled in prerequisite courses and scheduled to take their first nursing courses in fall 2009; the current enrollment estimate for the program is 40 students. Because the program was being developed and implemented during the 2008-09 academic year, FSU did not qualify for the Nurse Support Program II grants; however, a grant application for the coming year is under way.

In addition, FSU is committed to the development of allied health programs. The goal is to expand FSU’s nursing program to a Master of Science in Nursing, with a particular emphasis on preparing nursing faculty in collaboration with FSU’s very strong education preparation program. The shortage of qualified nursing faculty is a key reason for the nursing shortage, as nursing education programs cannot expand their capacity without fully qualified faculty members.

Our College of Education is doing its part to serve the needs of the state of Maryland. The number of Frostburg State University education program graduates teaching in Maryland schools increased from 102 in FY 2006 to 114 in FY 2007, and FSU has experienced an increase in the number of initial certification students enrolled in teacher education (from 573 in FY 2007 to 581 in FY 2008). Since its inception in 2000, the Master of Arts in Teaching program, which is designed for career changers or recent college graduates who want to pursue a career in teaching, has graduated 151 elementary teachers and 147 secondary teachers. Most of these 298 candidates held bachelor degrees in another field. At the same time as enrollment in these programs continues to increase, the four-year average PRAXIS pass rates for FSU students remain high at 98 percent.
Moving forward, we are developing a dual-degree program, a B.S. and Master of Arts in Teaching, which we hope to offer in fall of 2009. This program is designed to meet the USM goal of tripling the production of science, technology, engineering and mathematics (STEM) teachers produced by USM institutions by 2014.

**ACADEMIC FACILITIES**

In order for us to continue our workforce development initiatives, it is imperative that we replace and renovate our current academic buildings, and we are grateful that the Department of Budget and Management has approved the funding for construction of our Center for Communications and Information Technology building. An important keystone in our workforce development initiatives, this building will house the technology-intensive communications and computer disciplines, as well as a new television studio for our Mass Communications Program and a new radio studio to host our National Public Radio affiliate, WFWM. Construction is scheduled to be completed in 2013. Again, we thank the General Assembly for supporting this important project. It is interesting to note that our Compton Science Center, which opened in 2003, was the first new academic building designed and built on the Frostburg State University campus since Richard Nixon was in office. Most of our other academic buildings were constructed during the 1960s and early 1970s – and some even earlier – for a student enrollment that was half of what it is today.

The next building in our Master Plan is an Education and Health Sciences building, with planning scheduled to begin in 2014 and construction scheduled for 2016. We again ask the General Assembly to allow us to maintain this schedule, as that will allow us to continue to pursue important workforce initiatives.
Since I arrived at Frostburg State University 2 ½ years ago, much has been done to improve our position in the marketplace and increase our enrollment. Our total enrollment of 5,215 students for fall 2008 is up 305 students from 2006’s enrollment of 4,910. We have had strong, even record numbers of freshmen, and transfers have increased markedly.

Additionally, for the second straight year, we have exceeded our targeted enrollment in full-time equivalent students (exceeded by 43 in FY 2008 and 127 in FY 2009).

Another enrollment success about which we are quite proud is the diversity of our student body. Minority students comprise more than a quarter of our total undergraduate population, with African Americans comprising the largest segment, 21.9 percent.
SERVING THE STATE

Although Frostburg State University is a Western Maryland institution, we often must counter the impression that we serve only Western Maryland. Students attend Frostburg State University from all over the State of Maryland, including a significant portion from the Baltimore metropolitan area and the Washington, D.C., suburbs.

Note: Total University Enrollment includes Graduate and Undergraduate student enrollment.
MIP409 Enrolled Student Population Research File
Our alumni can be found in every county as well.
FINANCING A COLLEGE EDUCATION

Accessibility to higher education continues to be a difficult issue. Even before the current financial crisis, Frostburg State University was committed to helping as many students afford college as possible.

We are working hard to raise funds through philanthropy to provide scholarship opportunities to students who need support. This fall, we launched the public phase of our $15 million campaign, Staking Our Claim: The Campaign for Frostburg. I’m pleased to report that we have already reached $8.6 million, more than halfway to our 2011 goal.

Increasing the amount of scholarship money available will allow us to increase financial aid awards, as we did in the past two years by $580,000 from FY 2007 to FY 2009, a period in which tuition held steady. We intend to increase institutional aid by another $222,000 in FY 2010.

Frostburg State University’s proportion of institutional need-based aid is considerably higher than the average of University System of Maryland institutions (45 percent in FY 2005 compared to 29 percent for the USM overall – University System of Maryland Financial Aid Report, FY 2000-FY 2005, Institutional Need-based Undergraduate Financial Aid by USM Institution FY 2004 and FY 2005). In addition, in awarding aid to individual students, we strive to meet need through applying the full range of sources available to us. A significant portion of our institutional merit scholarships go to students with some demonstrated need. For example, in the 2008-2009 academic year, of the 686 institutional merit scholarships we granted, 472 of those, 69 percent, went to students who demonstrated some level of need.

This is where we see the real need created by the current economic situation. The director of our Financial Aid Office, who received media attention from NBC, CNN and The Washington Post in recognition of her and her staff’s extraordinary efforts to help students, reports that she is seeing more requests than ever before from students seeking re-evaluation of their financial status. Unfortunately, available financial aid resources to help those students have been depleted.

SUSTAINABILITY

FSU is continuing to demonstrate our commitment to the System-wide sustainability initiative. Through the Learning Green/Living Green Committee, our campus is working hard to engage the entire university community in creating a more sustainable future, and we’re developing the framework for Frostburg’s first Climate Action Plan.

We are also combining our efforts toward sustainability with our academic programs and efforts in workforce development. Through state and federal grant funding, students are partnering with faculty and industry to conduct research in areas such as wind and solar energy, ethnobotany, biodiesel fuel generation and electromagnetic pulse protection.

In particular, thanks to a Department of Energy grant of $738,000, FSU is moving forward with the planning and development of a Sustainable Energy Research Facility, which will be built on our campus near the Allegany Business Center at Frostburg.
State University (ABC@FSU) and the University of Maryland Center for Environmental Sciences Appalachian Laboratory. This green building will be supplied by renewable energy sources providing sustainable heating, cooling and electricity. It will accommodate the FSU Renewable Energy Center, which will conduct extended research, education and community outreach programs on renewable energy applications developed by faculty and their project partners. The facility will also serve as an example of a self-sufficient off-grid building.

Our WISE (Wind-Solar Energy) Demonstration System continues to provide valuable data – and energy – to our campus. In addition, we are continuing the certification of individuals in the installation of residential-scale wind turbines and solar arrays, with registration for the third class currently under way. The WISE Certified Education Program and Demonstration Project was honored with a Champion Award in December from the Maryland, Washington, D.C., and Virginia section of the Solar Energy Industries Association, a leading national trade association for the solar energy industry.

All of these efforts dovetail with our strong academic focus on the environment. We are in the process of developing an academic concentration in sustainability.

SUPPORT FOR GOVERNOR’S BUDGET PROPOSAL

Before I speak to the questions posed by Department of Legislative Services specifically about FSU, I first would like to join the Chancellor in urging support of Gov. O’Malley’s FY 2010 budget recommendation for the University System of Maryland. Frostburg State University, like other institutions within the System, has absorbed significant cuts, recognizing that current economic conditions require sacrifice from everyone. However, these cuts necessitate that we hold back developing vital programs in anticipation of new reductions, and the time will come much too soon when these cuts have a more direct impact on our students. As I stated earlier, FSU has been increasing the amount of institutional aid to students in order to reduce their debt burden following graduation. As budget cuts grow deeper, we will have less funding to put toward student aid.
In the past two years, FSU has been working on several initiatives intended to increase enrollment in teacher education programs:

- The development of the Early Childhood/Elementary Education program at the University System of Maryland at Hagerstown,
- Intensified recruitment efforts at community colleges that offer the first two years of a teacher preparation program,
- Increased marketing of the Master of Arts in Teaching (MAT) program, which is designed for career changers or recent college graduates who want to pursue a career in teaching,
- The College of Liberal Arts and Sciences and the College of Education are developing a collaborative B.S. to M.A.T. program in science, technology, engineering and mathematics (STEM) fields.

As noted by the Analyst, MSDE data on the number of teacher education graduates employed in Maryland is an approximation and likely underreports the number of FSU graduates employed in the state. The proximity of Western Maryland to the borders of Pennsylvania, West Virginia and Virginia and the ability of teachers to live in one state and work in another further complicates the effort to track where our graduates teach.

We have taken two major steps to help increase the number of students preparing to teach in Maryland after graduating. We have increased recruitment efforts among high school and community college students east of Allegany County, with the hope that these students will return to their home areas to teach.

We are also working to establish urban professional development schools in the central and eastern parts of Maryland where our teacher candidates can do their final internships. This allows the candidates to gain experience in teaching in an urban environment and make connections within the Maryland school systems that offer more teaching opportunities.
The President should comment on causes affecting the decline in retention and graduation rates of African American students and address efforts to increase the retention rates of all students and the graduation rate of African American students.

Frostburg State University often has modest annual fluctuations in retention rates. Our second-year retention rate is projected to increase by more than 3 percent in FY 2009. FSU is pleased that its retention rate for African American students regularly exceeds that of its entire student population. The institution’s greater concern is the gap between retention and graduation rates, especially for African American students. Many of Frostburg’s first-time African American undergraduate students display characteristics that commonly affect the six-year graduation rate of all students at access-oriented institutions. These include varied levels of preparation and experiences among first-generation college students, placement within student support service programs, low levels of financial preparation, varied levels of academic preparation, off-campus family responsibilities and an evolving social support network. These issues are a major part of our ongoing efforts to reduce the achievement gap.

Frostburg will continue its strategies to improve the retention rate of all its students:

- FSU’s expanded Learning Community Program, now accessible to all first-year students;
- The Phoenix Program, which provides intensive support for students who previously faced dismissal following their first semester;
- The Center for Advising and Career Services, which combines services that together provide essential support for undecided and transfer students;
- The University’s academic support services and monitoring programs, including tutoring, math support, writing instruction, study groups, peer mentoring, academic advising, career development and assistance with the financial aid process.

The President should comment on how FSU will be able to meet the allocation of the $20.0 million (FSU’s portion - $635,469) transfer to general funds, given a zero balance in the State-supported portion of the fund balance.

We concur with the Chancellor’s response in his system overview: Frostburg will temporarily borrow funds from the institution’s self-supported fund balance. As State funding is restored and FSU’s finances recover, this borrowed amount will be repaid and the deficit eliminated.
The President should comment on which programmatic areas will be reduced to meet the expected budget level.

To cover cost containment reductions in the fall of 2008, Frostburg decreased its facility renewal budget by $493,119. While this reduction will not immediately impact the quality of education delivered to students, it will ultimately increase the demand on the facilities renewal budget in future years as budgets improve. Also, Frostburg reduced the current salary and wages budget by $447,475 as part of the statewide furlough plan. We also deferred a number of personnel searches, including a Dean of Graduate Programs and a Director of Sustainability.

The President should comment on efforts undertaken to reduce the debt burden of undergraduate students, particularly those with the greatest need.

Frostburg State University has continued its efforts to lower the amount of loan debt our students incur and to help them explore all the opportunities available to fund their education to reduce their need to borrow.

FSU’s proportion of institutional need-based aid continues to increase; it is expected that as a result, the need for students to borrow will decrease. In addition, the offices of Admissions, Financial Aid and Student Support Services work in concert to encourage students to complete all forms and meet deadlines so that no opportunity is missed.

FSU has launched a comprehensive fundraising campaign to increase the number of scholarships available, which will in turn free up more funding for institutional aid. However, just as everyone else has, FSU’s endowment has suffered investment losses, 22.4 percent in the last year, and if budgets continue to be reduced over time, institutional aid may eventually fall victim to budget cuts.

The President should comment on the efforts undertaken to recruit and retain in- and out-of-state full-time undergraduate students and the strategy for setting out-of-state tuition.

Frostburg State University’s recruitment and retention efforts are coordinated by the Enrollment Management Committee, a group that brings together leaders from across the campus to focus on enrollment-related efforts. As indicated in the DLS analysis, FSU’s share of in-state students has been rising in comparison to the proportion of out-of-state undergraduates.

FSU’s efforts to address the declining proportion of out-of-state undergraduates have included a reconsideration of tuition rates and targeted recruitment in key geographic areas. During the years when in-state tuition was frozen, FSU continued to raise out-of-state tuition rates because we anticipated that the market would bear the increase. Given the current economic downturn, we believe that the cost for out-of-state students has become prohibitive, and this year we are freezing out-of-state tuition rates as well.
Targeted recruitment and marketing efforts include prospect management through the purchase of names of non-Maryland students in our 11 contiguous counties and other selected areas beyond our state borders; recruitment travel to contiguous counties and selected areas of Virginia, New Jersey and Pennsylvania; merit scholarships; and outreach to and communication with high school guidance counselors in these areas.

_The President should comment on efforts to increase graduate enrollment given current constraints on resources._

As noted in the DLS analysis, FSU has postponed its plan to hire a graduate dean due to cost containment; in the meantime, the President’s Enrollment Management Committee has formed a subgroup charged with coordinating strategies for increasing graduate enrollment and addressing the current decline. These strategies are in the areas of new program development, more flexible program delivery, focused marketing efforts and strategies to expand the pool of potential graduate students.

_The President should comment on factors contributing to the gaps in retention and graduation rates and the decline in the retention of students past the second year. The President should also address efforts currently being undertaken to help reduce the achievement gap._

As indicated in our Achievement Gap Plan, we are not satisfied with overall retention and graduation rates that are at the national average for comparable institutions. As an institution that prides itself on personal contact and its support systems for students, we feel we can achieve better-than-average results.

The analysis of the data on the achievement gap is helping us focus our efforts. As noted in the DLS analysis, current efforts to address the achievement gap include the FSU Connections learning community program, the Center for Advising and Career Services’ efforts to assist students who have not declared a major, and the Phoenix Program intervention effort for students with unsatisfactory first semester performance. The DLS presentation also summarizes many of our current efforts to address the achievement gap, including working with the Pell Institute Retention Initiative to develop an analysis of pressure points that help explain differences in student success.

_Thank you for providing me the opportunity to speak to you today._