

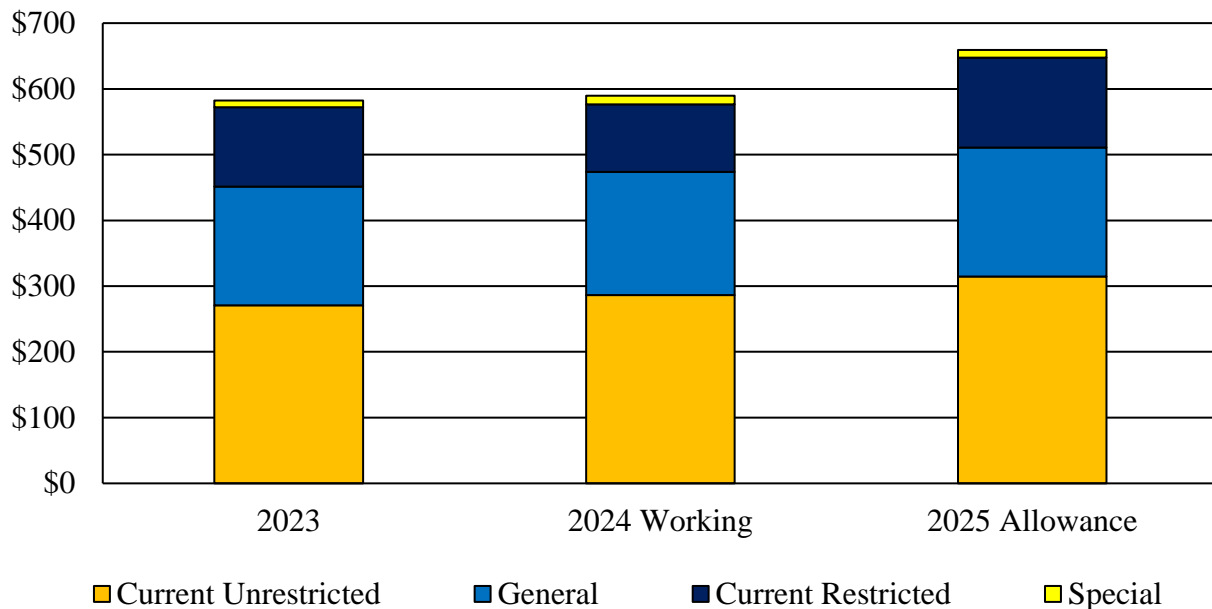
R30B31
University of Maryland Baltimore County
 University of Maryland

Executive Summary

The University of Maryland Baltimore County (UMBC) is a mid-size public research and doctoral university offering undergraduate, master’s, and doctoral programs in arts and sciences and engineering and is also an honors university.

Operating Budget Summary

Fiscal 2025 Budget Increases \$69.5 Million, or 11.8%, to \$659.1 Million
 (\$ in Millions)



Note: The fiscal 2024 working appropriation includes deficiencies. The fiscal 2024 impacts of statewide salary adjustments appear in the Statewide Account in the Department of Budget and Management (DBM), and adjustments are not reflected in this institution’s budget. The fiscal 2025 impacts of the fiscal 2024 statewide salary adjustments appear in this institution’s budget. The fiscal 2025 statewide salary adjustments are centrally budgeted in DBM and are not included in the institution’s budget.

- General funds increase by \$8.9 million, or 4.8%, in the fiscal 2025 allowance after accounting for a proposed deficiency appropriation for fiscal 2024 that would replace \$2.7 million in general funds with Higher Education Investment Fund (HEIF). After adjusting for the deficiency, the HEIF decreases by 13.5%, or \$1.8 million, in fiscal 2025. Overall, State funding increases by 3.6%, or \$7.1 million, in fiscal 2025.

For further information contact: Sara J. Baker

SaraJean.Baker@mlis.state.md.us

- When excluding the fiscal 2024 general salary increases and increments budgeted in the fiscal 2025 allowance for UMBC but not included in the fiscal 2024 working appropriation as the funds remain centrally budgeted, State funds decrease by 1.5%, or \$3.1 million, in fiscal 2025.

Key Observations

- ***Fall Enrollment Declines:*** For a fourth consecutive year, undergraduate enrollment declined by 1.3%, or 135 students, to 10,490 students in fall 2023. The fall 2023 undergraduate enrollment remains 5.1% below the prepandemic (fall 2019) enrollment of 11,055 students.
- ***Second-year Retention Rate Improves:*** After the 2020 cohort achieved the highest second-year retention rate since at least 2011 of 87%, the rate declined to 80% with the subsequent two cohorts but improved to 82% with the fiscal 2023 cohort.
- ***Graduation Rates of Minorities Surpass All Students:*** Since the fiscal 2016 cohort, the six-year graduation rate of minorities has surpassed that for all students, reaching 77% with the 2018 cohort, compared to 74% for all students.

Operating Budget Recommended Actions

1. See the University System of Maryland overview for systemwide recommendations.

R30B31
University of Maryland Baltimore County
University of Maryland

Operating Budget Analysis

Program Description

UMBC is a mid-size public research and doctoral university offering undergraduate, master's, and doctoral programs in the arts and sciences and engineering. It is an honors university, providing academically talented undergraduate students with a strong foundation and preparing them for graduate and professional study, entry into the workforce, community service, and leadership. At the graduate level, emphasis is placed on science, engineering, information technology, human service, and public policy.

While a majority of students are from the Baltimore region, an increasing number are coming from other areas of Maryland, states, and foreign countries. UMBC pays special attention to the needs of nontraditional students. Well qualified students are recruited through special scholarship initiatives, such as the Humanities Scholarship Program and the Meyerhoff Scholarship Program for talented high school graduates interested in science and engineering.

UMBC contributes to the economic development of the State and region through the transference of faculty research to the public and industry through the research park, business incubator, and technology transfer program. UMBC also provides workforce training, K-12 partnerships, and technology commercialization with public agencies and the corporate community.

Carnegie Classification: Doctoral Universities: Very High Research Activity

Fall 2023 Undergraduate Enrollment Headcount Fall 2023 Graduate Enrollment Headcount

Male	5,681	Male	1,923
Female	4,809	Female	1,735
Total	10,490	Total	3,658

Fall 2023 New Students Headcount

First-time	1,977
Transfers/Others	776
Graduate (Masters)	816
Graduate (Doctoral)	125
Total	3,694

Campus (Main Campus)

Acres	517.75
Buildings	78
Average Age	35 years
Oldest	65 years

Programs

Bachelor’s	60
Master’s	38
Doctoral (Research)	25

Degrees Awarded (2022-2023)

Bachelor’s	2,419
Master’s	1,000
Doctoral (Research)	100
Total Degrees	3,519

Proposed Fiscal 2025 In-state Tuition and Fees*

Undergraduate Tuition	\$9,423
Mandatory Fees	\$3,837

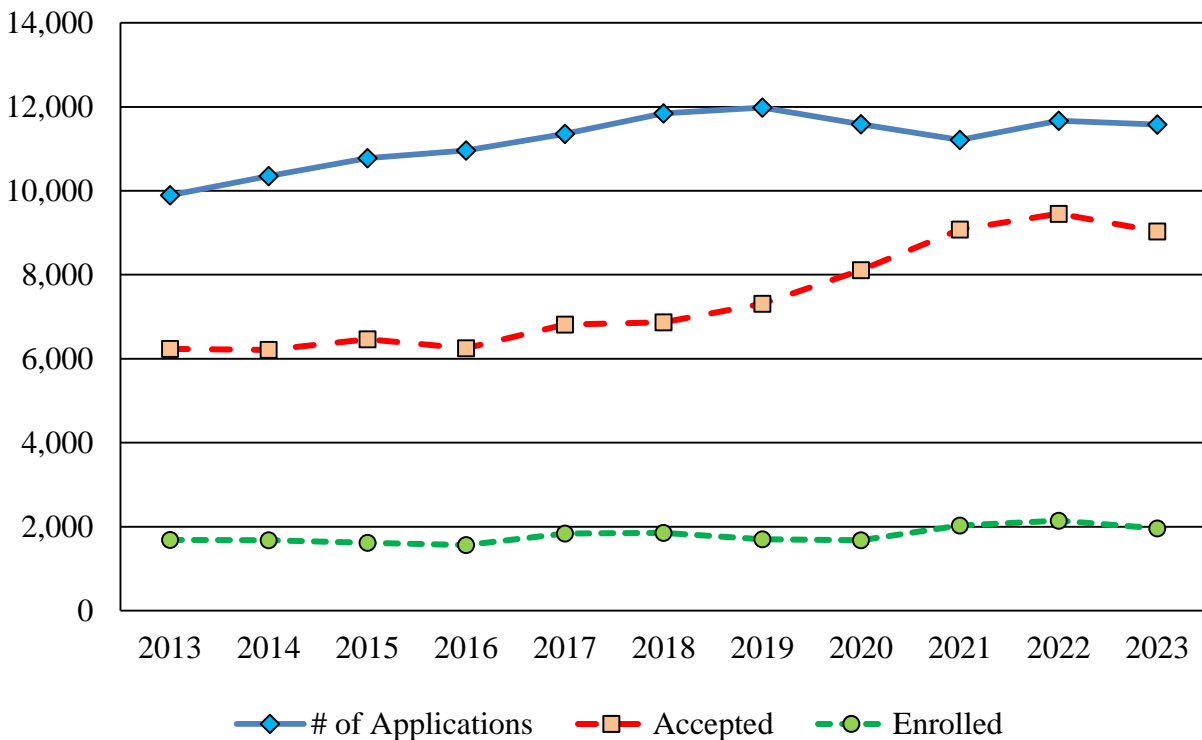
*Contingent on Board of Regents approval.

Performance Analysis

1. First-time Undergraduate Applications

After steadily increasing for six years to a high of 11,981 applications in fall 2019 (prepandemic), as shown in **Exhibit 1**, the number of first-time applicants decreased by 6.4% (770) by fall 2021. Despite the decline in applications, the number of students who enrolled grew by 19.0%, or 324 students, to its highest level of 2,025 students in fall 2021. This is partly due to UMBC further increasing its acceptance rate from 61% in fall 2019 to 81% in fall 2021. It should be noted that, in general, COVID-19 led colleges to expect a decline in their yield rate (the percentage of accepted student who enrolled), therefore resulting in colleges increasing their acceptance rate.

Exhibit 1
First-time Undergraduate Applications, Accepted, and Enrolled
Fall 2013-2023



Note: Number of enrolled in fall 2019 and 2023 are actuals; prior to fall 2019 are based on yield rate.

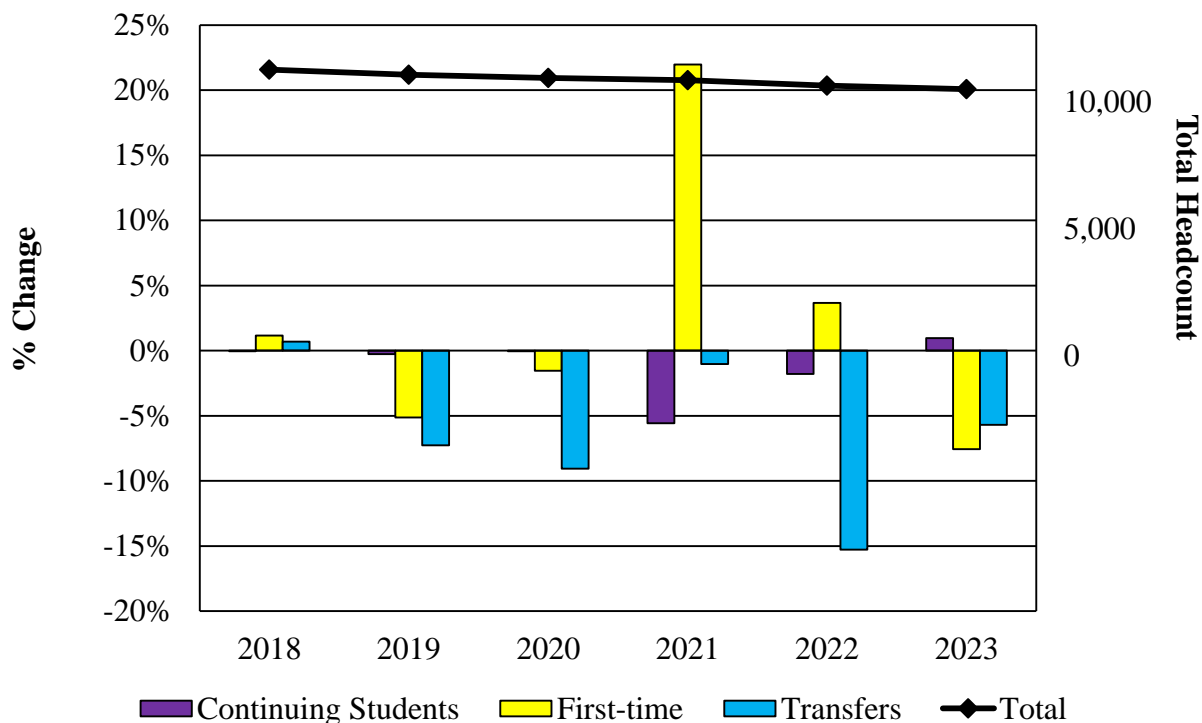
Source: University System of Maryland; University of Maryland Baltimore County; Department of Legislative Services

In fall 2022, the number of applications increased by 4.1% (461), and enrollment increased by 5.9% to 2,144 students, the largest incoming class. While there was a slight downturn (0.8%) in the number of applications in fall 2023, the number of those who enrolled declined by 8.5%, or 183 students. Overall, the yield rate remains below the prepandemic level of 24%.

2. Undergraduate Enrollment

As shown in **Exhibit 2**, for a fourth consecutive year, undergraduate enrollment declined. Between fall 2022 and 2023, the decrease was 1.3%, or 135 students, to 10,490 students. This level of undergraduate enrollment is 5.1% below the prepandemic (fall 2019) enrollment of 11,055 students. After two years of decline, fall 2021 enrollment of first-time students jumped by 22.0%, or 377 students, and increased further to 2,170 in fall 2022, UMBC's largest incoming class. However, enrollment of first-time students declined by 7.6% to 2,006 students in fall 2023. Despite the decline, the level exceeds the prepandemic enrollment of first-time students at 1,743 students. According to UMBC, the increases in fall 2021 and 2022 in first-time enrollments were deliberate adjustments that aligned with their financial aid optimization strategy, resulting in the two largest cohorts in UMBC's history. In fall 2023, UMBC decreased the cohort size in order to ensure that they had the necessary financial and human resources to support these large cohorts and make additional investments in student success initiatives to ensure retention and graduation of the students.

Exhibit 2
Percentage Change and Total Undergraduate Headcount Enrollment
Fall 2018-2023



Source: University System of Maryland

Between fall 2018 and 2022, the number of students coming back to campus decreased by 7.5%, or 622 students. The largest decline of 458 students, or 5.6%, occurred in fall 2021. It should be noted that other institutions also experienced large declines in continuing students, indicating that students may not have had a positive experience during this time when campuses de-densified and most courses were taught remotely. Furthermore, the continual decline in students not returning to campus can also partly be attributed to large graduating classes coupled with smaller incoming classes prior to fall 2021. In fall 2023, continuing student enrollment grew 1.0%, or 73 students.

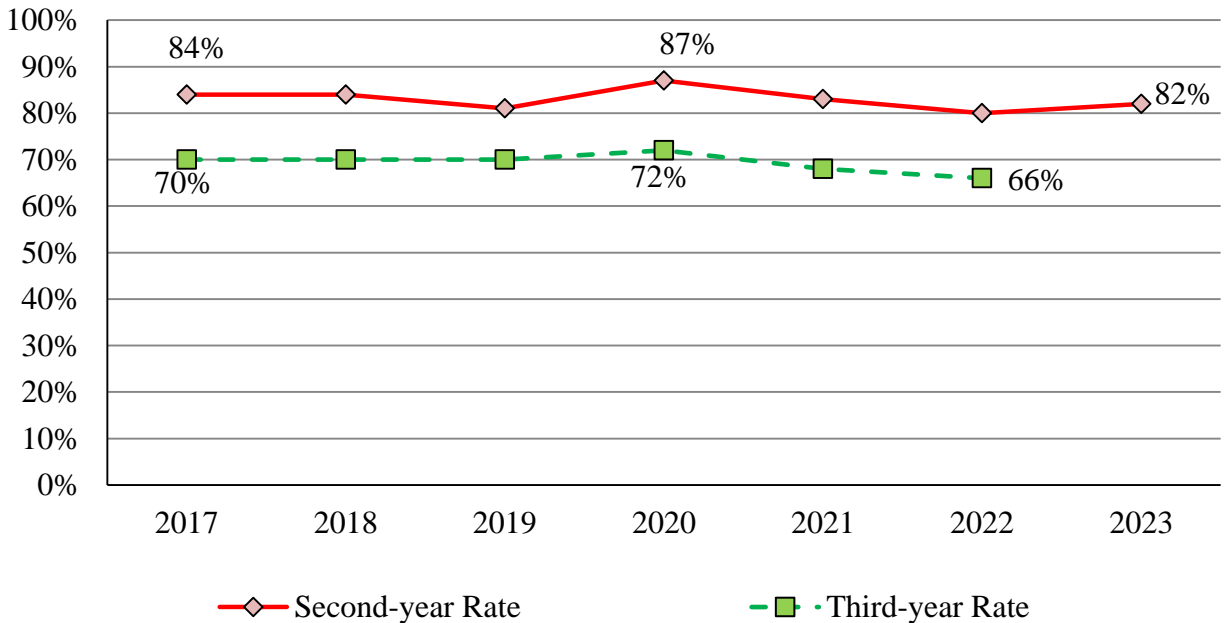
Of concern is the continual decline in the number of transfer students, which decreased by 33.3%, or 389 students, between fall 2018 and fall 2023, since this is critical for upward mobility of most underserved students including low-income and first-generation students. While this decline may reflect the continual declining enrollment at the community colleges, targeting efforts at this population will help to grow enrollment.

3. Retention Rates

Student retention rates provide a measure of student progress but also the ability of an institution to keep students. As students are more likely to drop out during their first year, the second-year rate is an indicator of a number of factors; from students not being prepared for college to institutional support designed to retain students. However, institutions tend to focus efforts on retaining first-year students and provide less support to keep students beyond their second year.

After reaching the highest rate since at least the fiscal 2011 cohort of 87% with the fiscal 2020 cohort, the second-year retention decreased to the lowest rate of 80% with the fiscal 2022 cohort, as shown in **Exhibit 3**. The third-year rate mirrored this trend as it reached the highest rate of 72% and subsequently declined to its lowest rate of 66% with the fiscal 2022 cohort. These declines may reflect the impact of the pandemic and the unique challenges faced by each of the cohorts. The fiscal 2021 cohort completed their first year of college remotely and did not have the typical on-campus experiences, and the fiscal 2022 cohort spent their senior year in high school in a virtual environment and had to adjust to life on campus and in-person classes. The second-year rate improved with the fiscal 2023 cohort to 82% and since the third-year rate parallels second-year rate, it is expected that the rate will also improve with the fiscal 2023 cohort.

Exhibit 3
Second- and Third-year Retention Rates
Fiscal 2017-2023 Cohorts

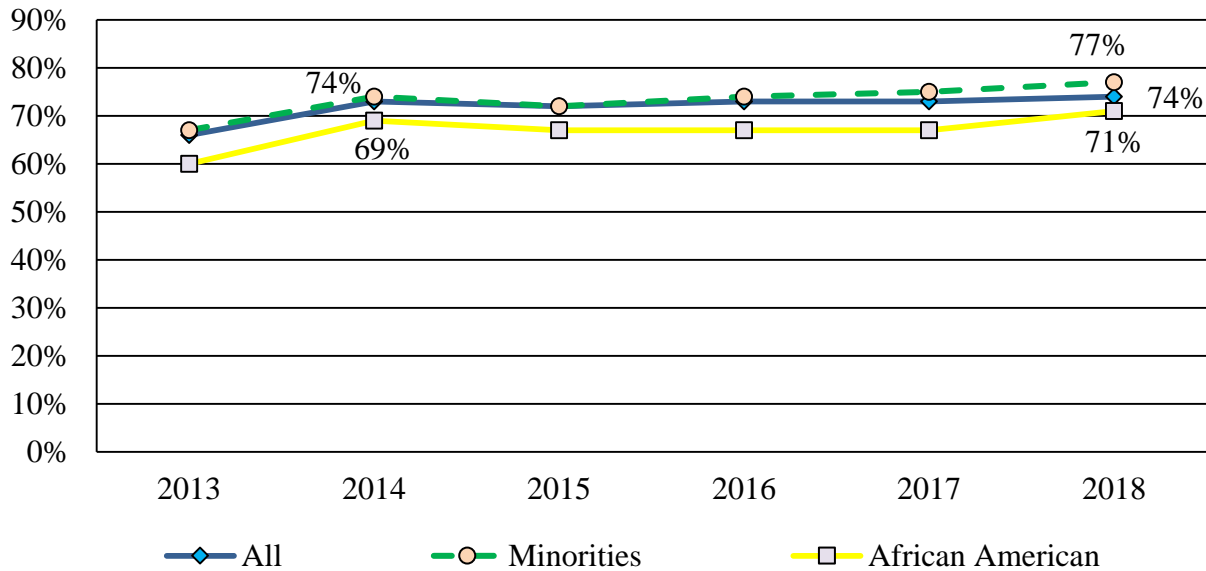


Source: University System of Maryland

4. Graduation Rates

Graduation rates are, in part, another measure of student retention and efficiency – as more students graduate, it frees up more room, allowing an institution to enroll more students. National data shows students of color, low-income, and/or first-generation graduate at a lower rate than their peers, which points to the need to develop strategies and services to support the success of these students and close the achievement gap. **Exhibit 4** shows the six-year graduation rates by ethnicity for the fiscal 2013 through 2018 cohorts. The graduation rate greatly improved for all groups with the fiscal 2014 cohort, which UMBC attributed to its focus on student success and a 2012 Gates Foundation Grant for Science, Technology, Engineering, and Mathematics Transfer Student Success Initiative, that provided transfer students additional mentoring and advising. However, the University of Maryland System Office notes that the graduation rate includes students who started at UMBC but graduated at another University System of Maryland (USM) institution. Due to the limited program mix, UMBC tends to have more students who transfer and graduate from another USM institution than other universities. Starting in fiscal 2014, improvements were made in the data reporting system that better matched the same students between USM institutions thereby leading to the increase in the graduation rate.

Exhibit 4
Six-year Graduation Rates
Fiscal 2013-2018 Cohorts



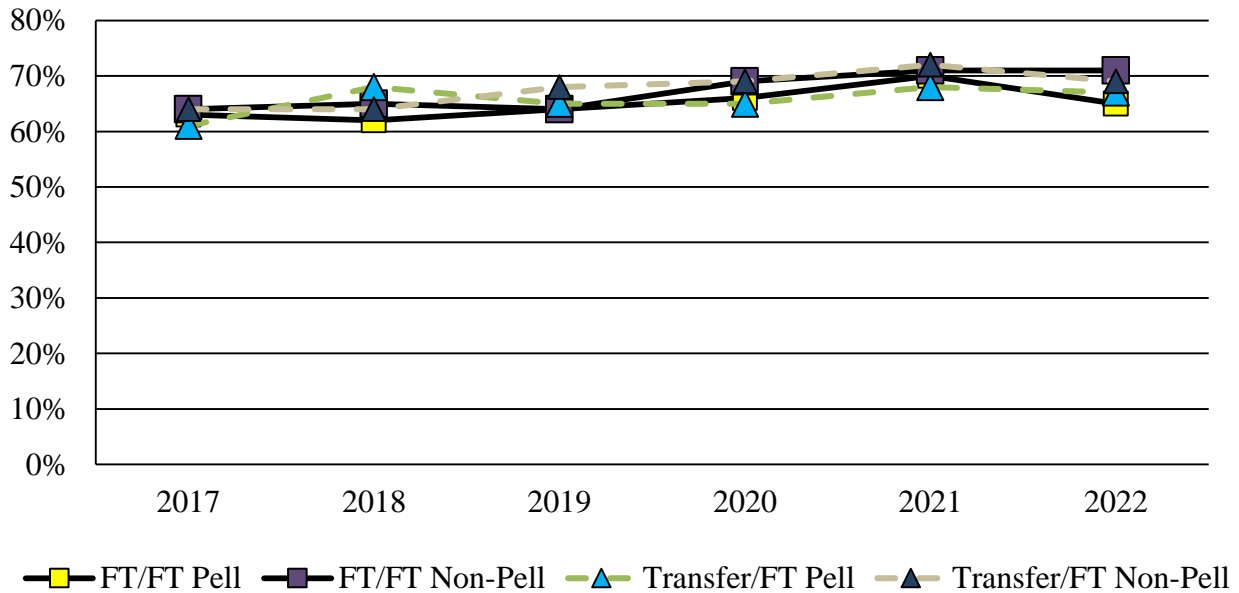
Note: Includes all degree-seeking students (e.g., first-time/full-time, part-time, transfers, and spring admits) who enrolled in the fiscal year.

Source: University System of Maryland

Overall, the graduation rate remained fairly stable for the fiscal 2014 through 2017 cohorts. The rates improved to their highest level with the fiscal 2018 cohorts, with all groups exceeding 70%. Overall, since the fiscal 2016 cohort, the graduation rate of minorities has surpassed that for all students and reached 77% with the fiscal 2018 cohort compared to 74% for all students. The achievement gap between African American students and all students narrowed by 3 percentage points with the fiscal 2018 cohort compared to the prior year.

While much attention has been paid to the achievement gap between the races, increasingly, attention has also turned to the achievement gap between low-income and other students. Nationally, according to the National Center for Education Statistics, the average six-year graduation rate of the fiscal 2016 cohort of Pell students at four-year public institutions was 48%, compared to 66.6% for non-Pell students, and 59.2% for all students. Overall, as shown in **Exhibit 5**, all groups achieved their highest graduation rates in 2021 with only transfer/full-time Pell students not improving to at least 70%. In the subsequent year, the rates for all groups declined, except for first-time/full-time non-Pell students which remained stable at 71%.

Exhibit 5
Six-year Graduation Rates: Pell and Non-Pell Students
2017-2022



FT/FT: first time, full-time

Note: As of August 31, of each year.

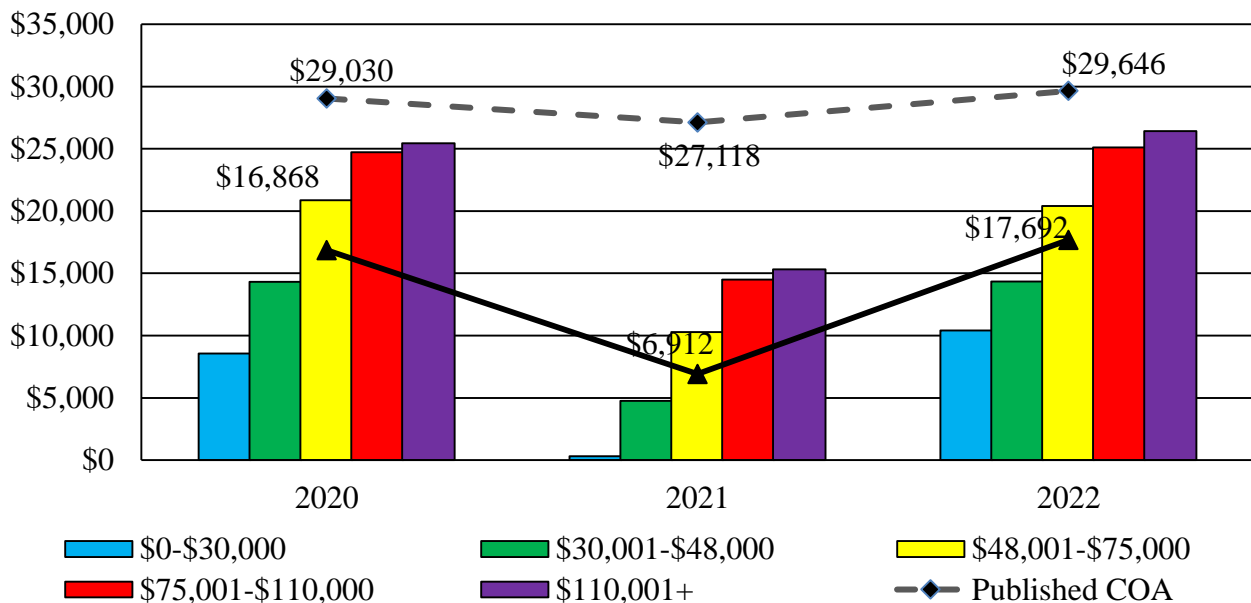
Source: Integrated Postsecondary Education Data System

5. Affordability

Cost of Attendance

When considering the affordability of college, students and families tend to focus on the published cost of attendance (COA), or sticker price. COA is the total cost of attending college for one year, including tuition and fees, room and board, books, supplies, and other expenses. However, the focus should be on the average net price, which is the cost to the student after accounting for the average amount of federal, State, and institutional aid awarded to all undergraduate UMBC students. As shown in **Exhibit 6**, in fiscal 2021, the average net price for beginning full-time students was \$6,912, a decrease of \$9,956 from the previous year. However, this is an anomaly and not an accurate reflection of the average cost to a student. According to UMBC, due to COVID-19, the campus was closed throughout the 2020-2021 academic year and as a result, UMBC waived several mandatory fees due to students attending classes remotely. In addition, with the closure of campus, on-campus housing and meal plans were not included the COA leading to a significant decline in the COA. The average net price increased 11.9%, or \$824, in fiscal 2022 compared to fiscal 2020. In general, the average net price increased across all income levels during this time period. The average net price for families with an income between \$0 and \$30,000 increased by \$1,854 to \$10,419 in fiscal 2022.

Exhibit 6
Estimated Cost of Attendance vs. Average Net Price by Income Level
Fiscal 2020-2022

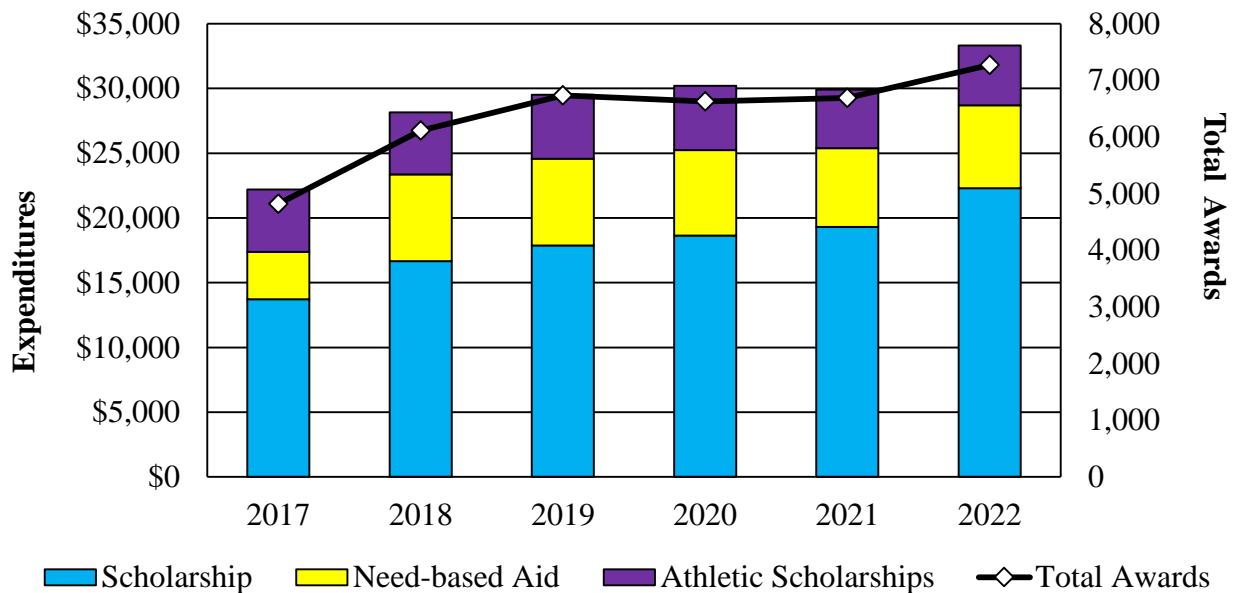


Source: National Center for Education Statistics' College Navigator

Institutional Aid

As shown in **Exhibit 7**, spending on institutional aid increased by 50.1%, or \$11.1 million, to \$33.3 million between fiscal 2017 and 2022. However, 53.5%, or \$6.0 million, of this increase occurred in fiscal 2018, of which \$3.0 million was related to need-based aid. While spending on scholarships grew by \$5.6 million between fiscal 2018 and 2022, expenditures on need-based aid decreased by 4.3%, or \$0.3 million. In fiscal 2021, there was a slight decrease (\$0.3 million) in total expenditures resulting from \$0.5 million less being spent on need-based aid, while spending on scholarships increased. Overall, expenditures on need-based aid have accounted for a smaller share of the total expenditures in recent years, declining from 23.8% of spending in fiscal 2018 to 19.2% in fiscal 2022.

Exhibit 7
Institutional Aid Expenditures and Awards by Category
Fiscal 2017-2022
(\$ in Thousands)



Source: Maryland Higher Education Commission

The decreased spending on need-based aid runs counter to the USM Board of Regents instruction to institutions to use a portion of the tuition revenue increases for institutional aid directed toward those undergraduate students with the highest financial need, offsetting increases in tuition rates, thereby holding harmless those with the greatest need.

The President should comment on the decline in spending on need-based aid.

Impact of Simplification of Free Application for Federal Student Aid

Implementation of the simplified Free Application for Federal Student Aid (FAFSA) for the 2024-2025 academic year will not only increase the number of students eligible to receive a Pell award and the maximum Pell award but will also result in some students seeing a reduction or losing their Pell award due to changes in determining Pell eligibility (See the Higher Education Overview for further discussion on the FAFSA simplification).

UMBC estimates that 77 students will lose their Pell award and 344 students will experience a reduction in their Pell award. Recognizing the financial implications for these students and the negative impact that it could have on retention and graduation, UMBC will keep these students “whole” by offering them institutional awards equivalent to the amount they would have received before a change in their Pell eligibility. UMBC estimates that this will cost \$1.0 million in fiscal 2025 with the amount annually decreasing as students graduate. UMBC is also seeking guidance from the U.S. Department of Education on the use of Professional Judgement appeals (financial aid administrators are given discretion to make adjustments – on a case-by-case basis – to certain elements of a student's FAFSA to account for special circumstances) that may allow the awarding of Pell grants to some of the affected students.

The delay of receiving student data from the complete FAFSA applications until the end of January 2024 will result in UMBC not being able to send out initial financial aid packages until early March 2024. UMBC notes that since all institutions will be experiencing the same delay, it should not significantly affect enrollment.

Fiscal 2024 Working Budget

Proposed Deficiency Appropriation

The fiscal 2025 budget includes a proposed deficiency appropriation of \$32.0 million for USM and Morgan State University that would replace general funds with the HEIF due to the use of higher than anticipated revenue, of which UMBC's share is \$2.7 million.

Education and General Expenditures

Since tuition and fee revenue in the allowance is based on enrollment projections, increases and decreases in enrollment can have a significant effect on an institution's revenue. Therefore, looking at the changes in expenditures by program area between fiscal 2023 and 2024, when institutions know their fall enrollment, provides a more accurate picture of funding priorities. It should be noted the fiscal 2024 working appropriation does not reflect working budget amendments.

Exhibit 8 shows budget changes for unrestricted funds by program area between fiscal 2023 and 2024. Total unrestricted fund expenditures increase by \$25.4 million, or 5.5%, in

fiscal 2024. In fiscal 2024, E&G expenditures grow by 8.3%, or \$31.7 million. Spending increases include:

- \$17.8 million, or 11.2%, in instruction that includes additional funding for the College of Engineering and Information Technology and the Division of Professional Studies, which have both experienced significant enrollment growth; and \$4.8 million of the growth is related to expenses being inappropriately budgeted under instruction rather than academic support (UMBC is currently working on correcting this issue).
- \$9.0 million, or 19.1%, in institutional support includes additional resources related to the mandate in Chapter 765 of 2019 for the Mpowering initiative; increases in information technology expenses, new positions in the Division of Institutional Equity; and lower expenses for contractual services than in fiscal 2023.
- \$4.7 million, or 8.6%, in operations and maintenance of plant includes additional expenditures on facilities renewal, utilities, housekeeping contracts related to the increase in the minimum wage, and the addition of 3 campus police officers.

Exhibit 8
Budget Changes for Unrestricted Funds by Program
Fiscal 2023-2024
(\$ in Thousands/Millions)

	<u>2023</u> <u>Actual</u>	<u>2024</u> <u>Adjusted</u>	<u>2023-24</u> <u>Change</u>	<u>2023-24</u> <u>% Change</u>
Expenditures				
Instruction	\$158,361	\$176,161	\$17,800	11.2%
Institutional Support	47,171	56,200	9,029	19.1%
Operation and Maintenance of Plant	53,871	58,529	4,658	8.6%
Scholarships and Fellowships	34,895	38,457	3,562	10.2%
Public Service	5,914	7,592	1,677	28.4%
Student Services	26,808	27,511	703	2.6%
Research	23,304	22,171	-1,133	-4.9%
Academic Support	30,021	25,393	-4,628	-15.4%
E&G Total	\$380,346	\$412,014	\$31,668	8.3%
Auxiliary Enterprises	\$81,271	\$74,990	-\$6,282	-7.7%
Total Expenditures	\$461,618	\$487,004	\$25,387	5.5%

R30B31 – USM – University of Maryland Baltimore County

	2023 <u>Actual</u>	2024 <u>Adjusted</u>	2023-24 <u>Change</u>	2023-24 <u>% Change</u>
Revenues				
Tuition and Fees	\$162,185	\$167,018	\$4,833	3.0%
State Funds ¹	190,913	200,729	9,815	5.1%
Other	57,640	45,029	-12,611	-21.9%
Total E&G Revenues	\$410,738	\$412,776	\$2,037	0.5%
Auxiliary Enterprises	\$81,251	\$78,953	-\$2,297	-2.8%
Transfer (to)/from Fund Balance	-30,371	-4,725		
Available Unrestricted Revenues	\$461,618	\$487,004	\$25,387	5.5%

E&G: education and general

¹State funds include general funds and Higher Education Investment Funds. Fiscal 2024 does not reflect budget amendments. Fiscal 2024 includes deficiency appropriations. The fiscal 2024 impacts of statewide salary adjustments appear in the Statewide Account in the Department of Budget and Management, and adjustments are not reflected in this agency’s budget.

Source: Governor's Budget Books, Fiscal 2025, Department of Legislative Services

Academic support decreases by \$4.6 million, or 15.4%, which is related to expenditures being inadvertently budgeted under instruction.

In fiscal 2023, UMBC transferred \$30.4 million to the fund balance which was due to:

- interest earnings exceeding the budgeted amount and that received in prior years, for example, in fiscal 2022 interest earnings totaled \$0.8 million compared to fiscal 2023 interest earnings of \$8.3 million, an increase of 932% in fiscal 2023;
- graduate enrollment exceeded the budget projections resulting in a surplus of tuition and fee revenues;
- research activity exceeded projections leading to a \$3.2 million surplus in indirect recovery; and
- salary expenses were less than budgeted.

Fiscal 2025 Proposed Budget

The adjusted fiscal 2025 general funds for UMBC grow 4.8%, or \$8.9 million, over the adjusted fiscal 2024 working appropriation, as shown in **Exhibit 9**, and the HEIF declines 13.5%, or \$1.8 million. The results in State funds increasing 3.6% or \$7.2 million over fiscal 2024.

Exhibit 9
Proposed Governor’s Budget
Fiscal 2023-2025
(\$ in Thousands)

	2023	2024	2025	2024-2025	% Change
	<u>Actual</u>	<u>Adjusted</u>	<u>Adjusted</u>	<u>Change</u>	<u>Prior Year</u>
General Funds	\$180,624	\$190,183	\$186,174	-\$4,009	-2.1%
Deficiency – HEIF Swap		-2,726			
Adjusted General Funds	\$180,624	\$187,458	\$186,174	-\$1,283	-0.7%
Special Funds					
HEIF	\$10,290	\$10,545	\$11,482	\$937	8.9%
Deficiency – HEIF Swap		2,726			
Total HEIF	10,290	13,271	11,482	-1,789	-13.5%
Adjusted State Operating Funds	\$190,913	\$200,729	\$197,657	-\$3,072	-1.5%
Adjustment – Fiscal 2024					
COLA/Increment			\$10,211		
Total State Operating Funds	\$190,913	\$200,729	\$207,868	\$7,139	3.6%
Other Unrestricted Funds	\$301,076	\$291,000	\$319,868	\$28,867	9.9%
Transfer (to)/from Fund					
Balance	-30,371	-4,725	-5,291		
Net Unrestricted Funds	\$461,618	\$487,004	\$522,444	\$35,440	7.3%
Total Restricted Funds	\$120,537	\$102,644	\$136,667	\$34,023	33.1%
Total Funds	\$582,154	\$589,648	\$659,111	\$69,464	11.8%

COLA: cost of living adjustment

HEIF: Higher Education Investment Fund

Note: Numbers may not sum to total due to rounding. The fiscal 2024 working appropriation includes deficiencies. The fiscal 2024 impacts of statewide salary adjustments appear in the Statewide Account in the Department of Budget and Management (DBM), and adjustments are not reflected in this institution’s budget. The fiscal 2025 impacts of the fiscal 2024 statewide salary adjustments appear in this institution’s budget. The fiscal 2025 statewide salary adjustments are centrally budgeted in DBM and are not included in the institution’s budget.

Source: Governor's Budget Books, Fiscal 2025, Department of Legislative Services

When excluding the impact of the fiscal 2024 general salary increases budgeted within UMBC in fiscal 2025 that are not included in the fiscal 2024 working appropriation but are budgeted centrally in the Statewide Account in the Department of Budget and Management, State funds decrease by \$3.1 million. The decrease in the fiscal 2025 allowance is mainly due to \$5.7 million related to increasing the turnover rate to 6%. This decrease is partly offset by increases:

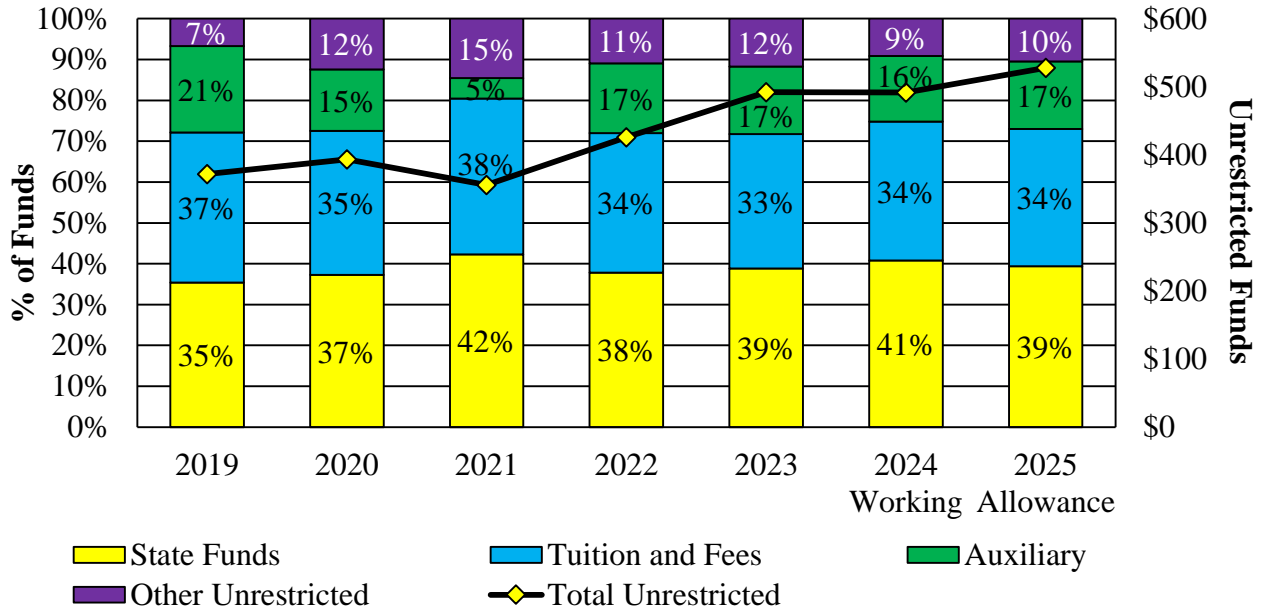
- \$0.9 million for statewide control costs;
- \$0.7 million to increase funding for the Maryland Technology Internship Program bringing total funding to \$1.1 million; and
- \$0.4 million as mandated in Chapter 765 to further help with UMBC’s research and economic development activities.

Other unrestricted funds grow by 9.9%, or \$28.9 million, primarily due to auxiliary revenues increasing by 10.5%, or \$8.3 million, and tuition and fee revenue growing by 6.2%, or \$10.3 million, in fiscal 2025 compared to the prior year. However, with no change in enrollment, this seems unlikely.

Unrestricted Revenues

The impact of COVID-19 on revenues can be seen in the composition of revenues starting in fiscal 2020, as shown in **Exhibit 10**. Prior to the pandemic, total revenues steadily increased, while the proportion of sources of funds for this total remained fairly stable. In fiscal 2020, when UMBC closed its campus in the spring and refunds were provided to students, auxiliary revenues declined by \$19.5 million, resulting in these revenues comprising 15% of revenues compared to 21% in prior years. In fiscal 2021, these revenues declined further to \$17.7 million, reflecting the de-densification of campus and reduced occupancy at residence halls,. In fiscal 2022, with the resumption of in-person classes and activities, auxiliary revenues increase to \$72.7 million, accounting for 17% of revenues.

Exhibit 10
Unrestricted Revenues by Fund Source
Fiscal 2019-2025
(\$ in Thousands)



Note: State funds include general funds and the Higher Education Investment Fund. Fiscal 2024 does not reflect budget amendments.

Source: Governor’s Fiscal Budget Books

The use of federal relief funds, which were mainly used to offset revenue loss from fiscal 2020 to 2022, resulted in other revenues accounting for an increasing portion of the budget, increasing from 7% in fiscal 2019 (prepandemic) to 15% in fiscal 2021. Overall, total revenues grew by 38.2%, or \$136.1 million, from fiscal 2021 to 2023 due to increases of \$63.5 million and \$40.4 million in auxiliary revenue and State funds, respectively. State funds comprised a greater portion of unrestricted revenues since the pandemic, accounting for around 38% of revenues in fiscal 2022 and 2023 compared to about 35% before the pandemic.

Since the return to normal operations, tuition and fee revenue comprise about 34% of total unrestricted revenues compared to 37% prior to the pandemic reflecting the decline in enrollment. As a result, State funds comprise a greater portion of revenues increasing from 35% in fiscal 2019 to an average of 39% from fiscal 2022 to 2025. While total revenues increase by 7.3% in fiscal 2025, as previously discussed, a comparison cannot be made between fiscal 2024 and 2025 due the impact of the fiscal 2024 general salary increase being budgeted within UMBC in fiscal 2025 but are not included in the fiscal 2024 working appropriation.

Personnel Data

	<u>FY 23 Actual</u>	<u>FY 24 Working</u>	<u>FY 25 Allowance</u>	<u>FY 24-25 Change</u>
Regular Positions	2,224.01	2,298.29	2,298.29	0.00
Contractual FTEs	463.89	494.08	494.08	0.00
Total Personnel	2,687.90	2,792.37	2,792.37	0.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	108.02	4.70%
Positions and Percentage Vacant as of 12/31/23	212.70	9.25%

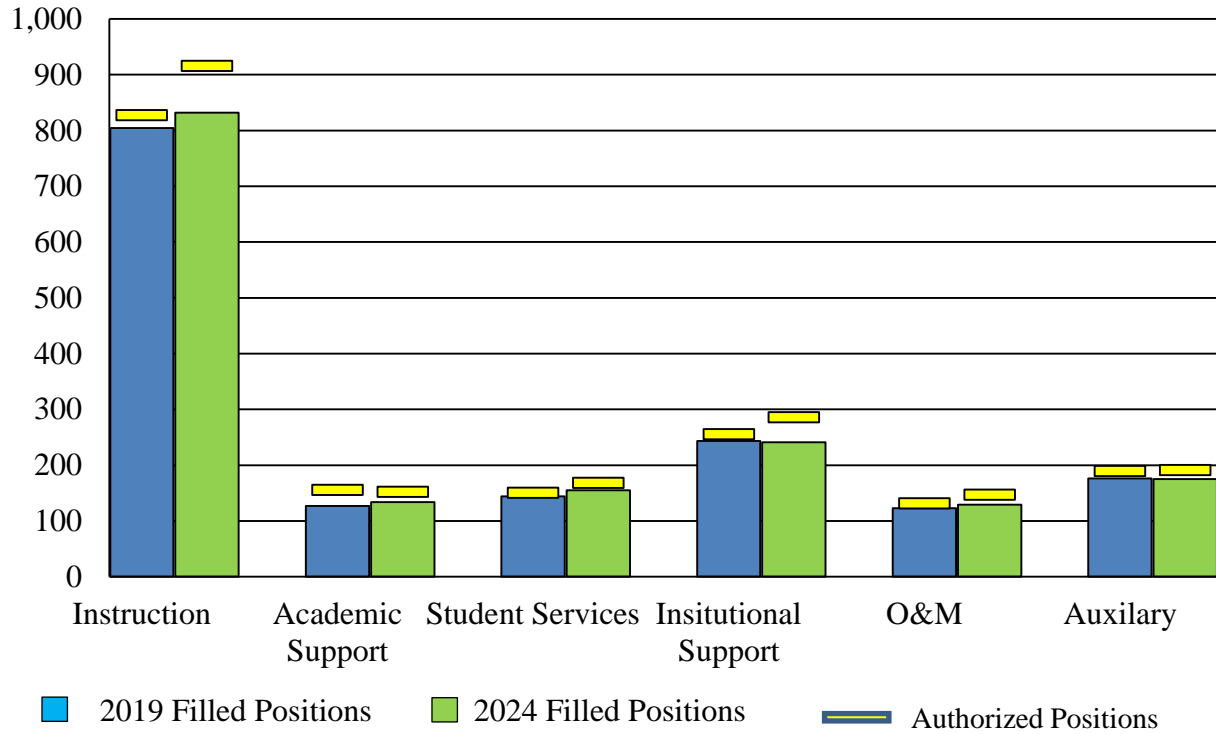
Vacancies Above Turnover 104.68

- The fiscal 2025 allowance does not provide for any new regular positions. However, USM institutions have personnel autonomy and may create or eliminate positions during the fiscal year. In fiscal 2024 year to date, UMBC added 196.28 full-time equivalents (FTE) and abolished 121.99 FTE resulting in a net increase of 74.28 FTE.
- UMBC added a net total of 38.54 and 35.75 State-supported and non-State-supported FTEs, respectively in fiscal 2024.

When excluding research and public service, the vacancy rate increased from 5.4% in fiscal 2019 to 10.4% in fiscal 2024. As shown in **Exhibit 11**, four program areas (instruction, academic support, institutional support, and operations and maintenance) experienced double digit increases in the percent of unfilled positions. While 88 instructional positions were added between fiscal 2019 and 2024, a total of 84 positions were unfilled in fiscal 2024. A total of 31 positions were added to institutional support since fiscal 2019, but 45 positions were unfilled in fiscal 2024. Overall, the increase in the number of unfilled positions since fiscal 2019 indicates the continuing challenge institutions face in hiring and retaining personnel in since the end of the pandemic.

The president should comment on the challenges of hiring and retaining personnel.

Exhibit 11
Authorized and Filled Positions
Fiscal 2019 and 2024



Note: Filled positions as of October 15

Source: Governor’s Fiscal Budget Book; University of Maryland Baltimore County

Operating Budget Recommended Actions

1. See the University System of Maryland overview for systemwide recommendations.

**Appendix 1
Object/Fund Difference Report
University of Maryland Baltimore County**

<u>Object/Fund</u>	<u>FY 23 Actual</u>	<u>FY 24 Working Appropriation</u>	<u>FY 25 Allowance</u>	<u>FY 24 - FY 25 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	2,224.01	2,298.29	2,298.29	0.00	0%
02 Contractual	463.89	494.08	494.08	0.00	0%
Total Positions	2,687.90	2,792.37	2,792.37	0.00	0%
Objects					
01 Salaries and Wages	\$ 326,243,638	\$ 342,735,114	\$ 371,708,118	\$ 28,973,004	8.5%
02 Technical and Special Fees	3,064,630	3,442,041	3,091,887	-350,154	-10.2%
03 Communication	867,603	669,029	812,875	143,846	21.5%
04 Travel	6,798,113	4,902,483	6,775,017	1,872,534	38.2%
06 Fuel and Utilities	14,114,633	15,935,163	18,606,699	2,671,536	16.8%
07 Motor Vehicles	1,203,783	929,537	1,687,873	758,336	81.6%
08 Contractual Services	82,335,837	76,908,824	90,393,748	13,484,924	17.5%
09 Supplies and Materials	17,729,794	16,129,051	28,138,766	12,009,715	74.5%
11 Equipment – Additional	9,838,389	7,672,810	9,283,268	1,610,458	21.0%
12 Grants, Subsidies, and Contributions	70,897,836	73,457,197	82,377,249	8,920,052	12.1%
13 Fixed Charges	22,061,756	24,089,696	25,125,800	1,036,104	4.3%
14 Land and Structures	26,998,097	22,776,818	21,110,038	-1,666,780	-7.3%
Total Objects	\$ 582,154,109	\$ 589,647,763	\$ 659,111,338	\$ 69,463,575	11.8%
Funds					
40 Unrestricted Fund	\$ 461,617,507	\$ 487,004,116	\$ 522,444,489	\$ 35,440,373	7.3%
43 Restricted Fund	120,536,602	102,643,647	136,666,849	34,023,202	33.1%
Total Funds	\$ 582,154,109	\$ 589,647,763	\$ 659,111,338	\$ 69,463,575	11.8%

Note: The fiscal 2024 appropriation does not include deficiencies. The fiscal 2025 allowance does not include statewide salary adjustments budgeted within the Department of Budget and Management.

Appendix 2
Fiscal Summary
University of Maryland Baltimore County

<u>Program/Unit</u>	<u>FY 23</u> <u>Actual</u>	<u>FY 24</u> <u>Wrk Approp</u>	<u>FY 25</u> <u>Allowance</u>	<u>Change</u>	<u>FY 24 - FY 25</u> <u>% Change</u>
01 Instruction	\$ 161,149,960	\$ 176,367,162	\$ 189,215,579	\$ 12,848,417	7.3%
02 Research	90,300,752	77,452,843	90,674,065	13,221,222	17.1%
03 Public Service	25,451,771	24,301,547	42,177,121	17,875,574	73.6%
04 Academic Support	30,020,853	25,392,712	24,575,951	-816,761	-3.2%
05 Student Services	26,807,806	27,511,247	30,369,327	2,858,080	10.4%
06 Institutional Support	47,171,153	56,200,105	65,121,029	8,920,924	15.9%
07 Operation and Maintenance of Plant	53,871,400	58,528,974	58,922,398	393,424	0.7%
08 Auxiliary Enterprises	81,271,377	74,989,629	80,254,351	5,264,722	7.0%
17 Scholarships and Fellowships	66,109,037	68,903,544	77,801,517	8,897,973	12.9%
Total Expenditures	\$ 582,154,109	\$ 589,647,763	\$ 659,111,338	\$ 69,463,575	11.8%
Unrestricted Fund	\$ 461,617,507	\$ 487,004,116	\$ 522,444,489	\$ 35,440,373	7.3%
Restricted Fund	120,536,602	102,643,647	136,666,849	34,023,202	33.1%
Total Appropriations	\$ 582,154,109	\$ 589,647,763	\$ 659,111,338	\$ 69,463,575	11.8%

Note: The fiscal 2024 appropriation does not include deficiencies. The fiscal 2025 allowance does not include statewide salary adjustments budgeted within the Department of Budget and Management.