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MARYLAND HIGHER EDUCATION COMMISSION
ADMINISTRATION BUDGET HEARING

House Appropriations Subcommittee on Education and Economic Development

February 11, 2004

Secretary's response to recommended actions

1. Add budget bill language to restrict the expenditure of enhancement funds for Historically Black Institutions until the agency reports to the budget committees on how the funds will be spent.

   The Commission concurs with the analyst's recommendation and will provide a report to the budget committees which detail how the fiscal 2005 enhancement funds will be spent. To assist the Commission in determining the distribution of these funds, the Commission will require the HBIs to submit an enhancement plan for fiscal 2005. The Commission will ask the institutions to include a detailed description of how the institutions plan to spend the funds designated for enhancement and the objectives that they plan to achieve. Based on these submissions, the Commission will determine the appropriate distribution of these funds.

2. Delete funding for the Higher Education Heritage Action Committee.

   The Commission does not accept the analyst's recommendation to delete funding for the Higher Education Heritage Action Committee. Funding for this program is part of a collaborative effort to address a shortage of qualified personnel in heritage tourism (the fastest growing segment of an $8 billion industry in Maryland), increasing interest in the rehabilitation of historic structures, as well as expanding cultural resource management for the State of Maryland.

3. Adopt narrative requesting the agency examine the regional higher education centers in Maryland, specifically including revenue and expenditure history, number and type of programs offered, and the number of students served. The report should also include limitations on the regional centers that may preclude their financial independence.

The Commission concurs with the analyst's recommendation and will provide a report to the budget committees by July 1, 2004.

Secretary's comments to issues raised in the Department of Legislative Services Analysis

4. Request for comment on the decrease in nursing graduates from nonpublic institutions and the reason the FY 2006 goal is lower than the FY 2002 number.

   The Johns Hopkins University accounted for approximately three-quarters of the nursing graduates from state-aided independent institutions in FY 2002 and FY 2003. The number of nursing graduates from this campus was 253 in FY 2002 and 228 in FY 2003, explaining most of the year-to-year drop. The number of graduates in FY 2002 was unusually high for Johns Hopkins, since that year included a very large accelerated class that was, in fact, an over-capacity of students for the institution. Johns Hopkins is currently at-capacity for its nursing program, is exploring alternative academic program delivery modes, and is planning on a capital improvement project for additional space for its School of Nursing.

   Nursing graduates from state-aided independent institutions jumped to 394 in FY 2004 -- far above the Commission's estimate as well as the actual number for FY 2002. There were increases in the number of students earning a degree in this field at all of the state-aided independent colleges and universities whose figures were used in FY 2002 and FY 2003 (Johns Hopkins, Villa Julie, and College of Notre Dame), plus nursing graduates from Columbia Union were added to this total for the first time.

   The state-aided independent colleges and universities are working hard to meet the workforce demands in nursing. In addition to already-existing program, the independent institutions are introducing several new initiatives. The College of Notre Dame has launched an Accelerated RN-BSN program and its nursing enrollments have now increased close to 200% as a result. In addition to a dual enrollment program with College of Notre Dame in the traditional nursing program, Washington College and Mount St. Mary's now have dual enrollment nursing programs with Johns Hopkins University. Villa Julie College has initiated a 3 plus 1 program in nursing with Chesapeake College.

5. Request for comment on the large increases estimated in FY 2004 and FY 2005 in teacher graduates.

   The figures reported as representing teacher graduates from the public campuses in Exhibit 2 are really the *total* number of graduates from both public and independent institutions. The correct statistics, which are drawn from MSDE's *Maryland Teacher Staffing Report* and represent newly eligible teacher candidates produced (or projected to be produced) by colleges and universities in the State in each year, are below:

FY 2002 - 2,332
FY 2003 - 2,300
FY 2004 - 2,525 (est)
FY 2005 - 2,772 (est)

The correct figures still show a sharp rise in the projected number of teacher graduates for FY 2004 and 2005. These numbers are based on projections, which MSDE receives from the teacher preparation programs at the respective colleges and universities. In addition, it is likely that the ranks of newly prepared Maryland teachers will be swelled further by University of Maryland University College, where the first set of students scheduled to complete the teacher education program established in 2001 will be graduating.

6. **Request for comment on the Secretary's assessment of the State's progress in the OCR agreement and his expectations for the 2005 review.**

Although there were no specific dollar amounts specified in the OCR agreement, the State has provided considerable funding to the historically black colleges and universities for both capital and operating enhancements with a significant portion of these funds targeted to Coppin State College. Beginning in FY 2003, the State entered a difficult fiscal time, however enhancement funding has been increased. Further, while funding was reduced for all of higher education starting in FY 2003, reductions experienced by HBCUs were lower than at the Traditionally White Institutions.

For the final review, the Commission will provide an extensive report, which will evaluate the progress made on all of the commitments and activities identified in the OCR agreement. Furthermore, the Commission expects to engage in dialogue with OCR to determine whether the commitments were implemented, thus concluding the agreement.