IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

THE COALITION FOR EQUITY AND EXCELLENCE IN MARYLAND HIGHER EDUCATION, INC., et al.,	)	Trial Date: June 27, 2011
Plaintiffs,	)	
v.	)	Civil No. 06-2773-CCB
MARYLAND HIGHER EDUCATION COMMISSION, et al.,	)	
Defendants.	)	

PLAINTIFFS' STATEMENT OF THE CASE AND
STATEMENT OF THE ISSUES TO BE CONSIDERED AT TRIAL

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I. Introduction

This case is about whether Maryland has satisfied its obligation to remove the vestiges of its former *de jure* system of racial segregation between black and white students in Maryland higher education. Maryland's obligation in this arena is governed by the seminal higher education desegregation case, *United States v. Fordice*, 505 U.S. 717 (1992), which held that states have an affirmative duty to dismantle the dual school system that its laws once mandated and that a state does not discharge its constitutional obligations until it eradicates policies and practices traceable to its prior *de jure* dual system that continue to foster segregation. As a starting point, both parties agree, and Defendants have already admitted, that Maryland previously operated a *de jure* system of racial segregation between black and white students, in which programs that were broadly similar were duplicated at Maryland's Historically Black Institutions ("HBIs")[1] and Traditionally White Institutions ("TWIs")[2].[3] Both parties also agree, and Defendants also admit, that as part of the *de jure* system there were disparities in funding provided by Maryland to its HBIs and TWIs.[4] As reflected in Maryland's own historic state reports, this *de jure* system provided "an enormous differential in favor of the white race"[5] which continued even after *Brown v. Board of Education.*[6] As part of the *de facto* dual system of racial segregation that emerged after *Brown*, Maryland continued to discriminate against its public HBIs with respect to program offerings, mission expansion, and funding. Maryland's failure to dismantle its

[1] Maryland's four-year colleges and universities that serve largely black student bodies; all of these universities were found to serve black students in the era of *de jure* segregation. These include: Bowie State University, Coppin State University, Morgan State University, and University of Maryland - Eastern Shore.
[2] Maryland's four-year colleges and universities that serve mostly white student bodies; most of these universities were founded in the era of *de jure* segregation with attendance limited at that time to white students. These include: University of Maryland - College Park, University of Maryland - Baltimore County, University of Maryland - University College, Towson University, Salisbury University, University of Baltimore, and University of Maryland - Baltimore.
[3] Defendants' Answers to Plaintiffs First Requests for Admissions (Feb. 12, 2010).
[4] *Id.*
[5] *Report of the Commission on Higher Education of Negroes to the Governor and Legislature of Maryland* (Jan. 15, 1937) ("1937 Report"), CET_00004158 - CET_00004309 at CET-00004305.
[6] 347 U.S. 483 (1954).

former *de jure* system has resulted in vestiges of that system remaining decades after *Brown* -- a fact that even Defendant Maryland Secretary of Higher Education has acknowledged:

> Q. Has Maryland's former *de jure* system of segregation been dismantled entirely?
>
> MS. SHULTZ: Objection.
>
> A. Has it been dismantled entirely ... I would say yes, with maybe a couple of exceptions.
>
> BY MS. HARRIS:
>
> Q. And what are those exceptions?
>
> A. I think that funding the campus physical plants is probably one of the areas that we still have to work very hard on. And again, I think that when you look at -- and I have seen some of the projected capital construction projects and renovation projects, if we can get the resources to deal with those. And I would say that, in a formal sense that would be -- that would conclude it. Now, are there still some challenges in other ways? Yes.
>
> Q. What are the challenges?
>
> A. Well, I think that the [HBI Study] [P]anel identified, again, some things that we need to do to address the Doctoral programs, for example, at UMES and Morgan. And I think we need to talk about the issue of the added funding to try and compensate for the dual mission. And if we can provide the support in two or three of those areas, then I would unequivocally say that it has been done.
>
> Q. Is it correct that you believe Maryland has eliminated vestiges in many areas, but not all areas?
>
> MS. SHULTZ: Objection.
>
> A. Yes.

> BY MS. HARRIS:
>
> Q. And those areas where it has not eliminated vestiges are funding and facilities.
>
> A. Well, I think the facilities piece is probably the biggest challenge remaining.
>
> Q. Is that yes?
>
> A. Yes. The facilities.[7]

But, as evidenced by the deposition testimony and documents in this case, and as described in further detail herein, facilities are not the only area in which Maryland has fallen short. In 2004, counsel from the Office of the Maryland Attorney General warned Defendant Maryland Higher Education Commission ("MHEC"), the Maryland agency responsible for approving university programs and missions, that it was violating the civil rights laws and perpetuating segregation.[8] In addition, as recently as last year, Maryland was still working to address vestiges of the *de jure* system, as also admitted by MHEC's Assistant Secretary of Planning and Academic Affairs, Mr. George Reid.

> Q. Did the 2009 state plan focus on efforts to address Maryland's obligation to remedy past discrimination?
>
> A. Yes.
>
> Q. Did the 2009 state plan focus on efforts to remove any vestiges of the *de jure* system that provided dual and unequal educational experiences to the state's residents?

[7] Mar. 5, 2010 James E. Lyons, Sr. Deposition Transcript at 265:20 - 267:17.

[8] Memorandum from Pace McConkie to John J. Oliver (Apr. 20, 2005) at 2 - 3 ("McConkie Memo") ("Under these circumstances, approval of the proposed program would be a continuation of a policy and practice, at least in this instance, that is a vestige of the prior segregated system. Rather than eliminating a vestige of the dual system, the State would be maintaining a vestige."), MSU-00003650-00003652 at MSU-00003651-MSU-00003652. This document is attached hereto as Exhibit A. To avoid burdening the Court, Plaintiffs have attached a few of the exhibits cited herein, but if so desired by the Court, Plaintiffs would be happy to provide all of the referenced documents and deposition testimony.

A. Yes.[9]

Due to Maryland's prior unsuccessful attempts to eliminate all vestiges of its prior *de jure* system, Plaintiffs are not confident that Defendants will succeed in expeditiously doing so. Accordingly, Plaintiffs have filed this lawsuit[10] with the aim of fulfilling the promise of Maryland's 1980-85 Desegregation Plan. There, Maryland said, "Students of any race who freely choose to attend a[n] [HBI] should have the opportunity for an education equal in quality to students who choose to attend a [TWI] with a similar mission. Enhancement of the [HBI]s to overcome past neglect is therefore critical."[11]

II. Issues for Trial

There are three principal issues for the initial phase of the trial:

1. **Has Maryland satisfied its affirmative obligation to remove the vestiges of its *de jure* system of segregation as manifested in the form of unnecessary program duplication and program inequality?** Plaintiffs contend that the answer is no, and that as Maryland Attorney General's Office has pointed out with respect to the controversial decision to allow duplication of Morgan State's MBA program, Maryland employs the wrong standard in evaluating program duplication.

[9] Mar. 4, 2010 George Reid Deposition Transcript at 85:20 - 86:5.

[10] As part of Plaintiffs' demonstration of Maryland's failure to eliminate vestiges of the prior *de jure* system of racial segregation, Plaintiffs intend to present evidence on Maryland's failure to comply with Commitments 3 (strengthening the recruitment and admissions of African-American students), 4 (strengthening the retention and graduation of African-American students), 5 (improving HBI campus climate and environment), 8 (avoiding unnecessary program duplication) and 9 (ensuring the HBIs and TWIs are comparable and competitive in all facets) from the 2000 Partnership Agreement that Maryland entered into with the U.S. Department of Education Office of Civil Rights. Plaintiffs do not intend to present evidence on the other commitments in this agreement.

[11] Maryland State Board for Higher Education, *A Plan to Assure Equal Postsecondary Educational Opportunity 1980 - 1985* (1980) ("1980 Plan"), MDED_00024488 - MDED_00024601 at MDED_00024532.

2. **Has Maryland satisfied its affirmative obligation to remove the vestiges of its *de jure* system of segregation as manifested in the disparity in facilities between the HBIs and the TWIs?** Plaintiffs contend that the answer is no, as similarly concluded by the Panel on the Comparability and Competitiveness of Historically Black Institutions in Maryland[12] and conceded by the Defendant Maryland Secretary of Higher Education.

3. **Has Maryland satisfied its affirmative obligation to remove the vestiges of its *de jure* system of segregation as manifested by the current funding allocations and financial disparity between the HBIs and the TWIs?** Plaintiffs contend that the answer is no, for reasons that include the conclusions set forth in the HBI Study Panel Report and 2009 State Plan for Postsecondary Education ("2009 State Plan").

III. Plaintiffs' Statement of the Case

For the Court's convenience, Plaintiffs are setting forth in some detail how we arrived at this point— in 2010, addressing unresolved vestiges of the *de jure* period of racial segregation.

A. The Path Not Taken

There would be no need to focus on vestiges of discrimination in 2010 if, after the *Brown* decision in 1954, Maryland had moved quickly to end its dual system of education and undertaken aggressive steps to remove the vestiges of discrimination. But, it did not. Instead, for a long time, Maryland "doubled down" on its separate educational systems, creating a bigger hole out of which it had

[12] The Panel on the Comparability and Competitiveness of Historically Back Institutions in Maryland, *Final Report to the Maryland Commission to Develop the Maryland Model for Funding Higher Education* (Nov. 11, 2008) ("HBI Study Panel Report"), MDED_00115817 - MDED_00115852, attached hereto as Exhibit B.

to dig its HBIs. For example, rather than accept the offer from Morgan State University[13] (an HBI) in 1969 to become Maryland's first truly multiracial university to accommodate the Baltimore region's growing demand for post-secondary education, Maryland spent millions of dollars to start an entirely new institution in Baltimore, the predominately white University of Maryland at Baltimore County ("UMBC"). In making the decision to develop UMBC, Maryland acted against the recommendation of its own higher education study commissions, the Pullen Commission, which had recommended that no new campuses be established in Baltimore because there were already too many in 1955.[14] Nevertheless, Maryland established UMBC as a research institution and proceeded to provide it with better funding, better facilities, and better academic programs than Morgan State, a pre-existing research institution in the same metropolitan area.

Throughout the 1970s, Maryland continued to invest heavily in its TWIs, fueling their growth and widening the gap with Maryland's HBIs. Specifically, Maryland appropriated over twice the amount of funding to Towson and UMBC -- both TWIs -- than it did to the HBIs in the Baltimore area. Maryland's infusions of financial support allowed UMBC and Towson to surpass Morgan State in growth.[15] Specifically, Towson grew from **a third** of Morgan's enrollment in 1953 to **three times** Morgan's enrollment in 2009.

[13] Morgan State University was the first Maryland institution of higher learning open to black students when it was founded in 1867 as private Morgan College. 1937 Report at CET-00004169-70.

[14] Maryland Higher Education Council, *The Needs of Higher Education in Maryland: The Report of the Commission to Study the Needs of Higher Education in Maryland* (1955) ("1955 Report"), CET - 00002460 - CET - 00002779 at CET - 00004267.

[15] During this period, the State appropriated $49 million for new facilities at Towson and $46 million at UMBC, as compared with just $19 million at Morgan, $24 million at Bowie State, $23 million at Coppin State, and $9 million at UMES. Meanwhile, Towson's enrollment grew by 5,475 students during this period and UMBC's grew by 4,854, whereas Morgan's grew by just 1,807, Bowie's by 2,255, Coppin's by 2,145 and UME's by 308. (May 3, 2010 Conrad Report I at ¶ 22, Ex. 5.).

B. Maryland Rejected State Merger Proposals to Avoid Program Duplication

In 1975, the Rosenberg Commission, another commission on higher education convened by Maryland, recommended bringing all of the Baltimore Universities, including the newly created UMBC, into one super-university governed by Morgan State, so that Morgan State could be developed into a first rate urban-oriented, doctoral-granting university.[16] If this recommendation had been implemented, it would have eliminated the program duplication among the Baltimore institutions and attracted students of all races to Morgan State. The Rosenberg Commission similarly recommended merging the University of Maryland Eastern Shore (UMES), an HBI, and Salisbury University, a TWI, in part because the universities are less than 15 miles apart. Maryland did not accept either recommendation. Instead, on the Eastern Shore, Maryland invested more heavily in Salisbury than in UMES and, like Towson and Morgan State, Salisbury grew from being smaller than UMES in 1953 to being **twice** as large in 2009.[17]

[16] *See* Governor's Study Commission on Structure and Governance of Education for Maryland, *Final Report of the Governor's Commission on Education* (1975) CET - 00004472 - CET - 00004557 at CET - 00004509-10.
[17] May 3, 2010 Conrad Report I at Ex. 4.

C. Maryland's Protracted Negotiations with the Office for Civil Rights to Dismantle its Prior *De Jure* System (1969-1999)

In 1969, fifteen years after *Brown* and at the same time that Maryland was funneling new programs and money into its TWIs at the expense of the growth of its HBIs, the Department of Education's Office for Civil Rights ("OCR") informed Maryland that it was one of 10 states that continued to operate a dual educational system.[18]. Joann Boughman, an MHEC Commissioner and the Chair of MHEC's Education and Policy Committee, does not deny this history:

> Q. So as of 1970, there was a system of racial segregation between black and white students in higher education in Maryland?
>
> A. According to the previous document you showed me, OCR notified Maryland that it was one of ten states in 1969, and that Maryland submitted a desegregation plan in 1970 that was ruled insufficient. So according to the OCR definition, in fact, at that point in time Maryland was -- did have a segregated system.
>
> Q. And do you have any reason to doubt the accuracy of those statements?
>
> A. No.[19]

Three years later, OCR informed Maryland that its public higher education system did not comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, *et seq.*)("Title VI").[20] Shortly

[18] Maryland Higher Education Commission, Office for Civil Rights Partnership Agreement, *Presentation to the Commission to Develop the Maryland Model for Funding Higher Education* (June 18, 2007), MDED_00114962 - MDED_00114978 at MDED-00114964, attached hereto as Exhibit C. OCR currently operates as a division of the Department of Education (DOE). However, for part of the history recounted above, OCR was an office within the Department of Health, Education, and Welfare (HEW) prior to the formation of the Department of Education under the Department of Education Organization Act, Pub.L. No. 96-88, 20 USCA §§ 3401-3520. That said, for the balance of Plaintiffs' statement, we will refer to OCR generally without drawing a distinction between its past incorporation within HEW and its present organization under DOE.

[19] Feb. 23, 2010 Joann Boughman Deposition Transcript at 56:1-13.

[20] 1980 Plan at 12, MDED_00024506. *See also*, *Adams v. Richardson*, 351 F. Supp. 636, 637-38 (D.D.C. 1972) (noting that Maryland's proposed desegregation plan to [OCR] was unacceptable in light of the applicable federal regulations); *Mayor of Baltimore v. Matthews*, 562 F.2d 914, 919 n.1 (4th Cir. 1977) ("On December 15, 1975, [the] Acting Director of the [United States Department of Health, Education, and Welfare]'s Office for Civil Rights, [stated] in a letter addressed to [Maryland's governor] . . . the State was continuing to violate Title VI; and . . . he would recommend that administrative hearings be commenced.").

thereafter, OCR threatened to end federal funding of Maryland's public institutions because Maryland was not complying with Title VI. Maryland won an injunction to prevent the cessation of federal funding to its public institutions, but not because Maryland had complied with Title VI. Rather, the Court determined that OCR's standards of evaluation lacked certainty.[21] After obtaining the injunction, Maryland took no steps to end the unnecessary duplication of academic programs at its public HBIs and TWIs for the remainder of the 1970s. Consequently, the considerable gap between Maryland's HBIs and TWIs persisted during this period.

At the beginning of the 1980s, Maryland was again made aware of the disadvantaged position of its HBIs and its failure to fully desegregate its system of higher education. Consultants to the Desegregation Task Force of the State Board for Higher Education issued a report titled "Enhancement of Maryland's Historically Black Collegiate Institutions."[22] The report made several findings, among them were: (i) that financial shortcomings often forced the over-loading of HBI faculty without commensurate pay, in a situation that "seemed to be more serious and more pronounced at historically black institutions;"[23] (ii) "science facilities and equipment at ***neighboring high schools*** were superior to those at the historically black institutions;"[24] and (iii) Maryland's HBIs were generally inferior to geographically-proximate TWIs.[25] The next year, Maryland and OCR officials renewed discussions. Chief on their agenda was Maryland's development and adoption of a "Plan to Assure Equal Postsecondary Educational Opportunity" for the years 1980 through 1985.

After rounds of discussions, OCR accepted Maryland's plan in 1985, which then covered the

[21] *See Mandel v. United States Dep't of Health, Education, & Welfare*, 411 F. Supp. 542, 544 (D. Md. 1976).
[22] Maryland State Board for Higher Education, *Enhancement of Maryland's Predominantly Black Collegiate Institutions: Consultants' Report to the Desegregation Task Force of the State Board for Higher Education* (Nov. 1981), CET - 00001319 - CET - 00001668 ("1981 Report").
[23] *Id.* at CET - 00001558.
[24] *Id*. at CET - 00001559 (emphasis added).
[25] *Id.*

years 1985-1989 (the "1985 Plan"). During Maryland's implementation of the 1985 Plan, Maryland made modest improvements in its funding to the HBIs. At the 1985 Plan's conclusion, Maryland submitted a final report to OCR documenting its compliance with Title VI. By that time, however, the landscape concerning Maryland's civil rights obligations had changed with the Supreme Court's decision in *Fordice*.

The holding in *Fordice* made clear that states with former *de jur*e systems of racial segregation have an affirmative obligation to remove the vestiges of the prior *de jure* system to comply with the U.S. Constitution. Moreover, the Court identified widespread duplication of programs between HBIs and TWIs and limited missions of HBIs as clearly militating against desegregation. For racial desegregation to occur at HBIs (e.g., for HBIs to attract, recruit, and retain white students), HBIs must offer high-demand programs not offered at TWIs. In 1994, OCR issued Maryland a Notice of Application (the "Notice") of the Supreme Court decision in *Fordice*. The Notice informed Maryland that the conclusions of Maryland's expired desegregation plan were pending evaluation in light of *Fordice*. [26] Subsequently, MHEC issued another statewide plan for postsecondary education entitled "Educating for the 21st Century." Although optimistically named, and despite the continuing disparities between Maryland's TWIs and HBIs, the plan did not directly address the specific needs of HBIs or Maryland's obligations under Title VI and *Fordice*.[27] Because of this failing, OCR initiated yet another round of negotiations with Maryland.

In 2000, 31 years after OCR first notified Maryland that it was not in compliance with federal

[26] *See* Notice of Application of Supreme Court Decision, 59 Fed. Reg. 4271 (Jan. 31, 1994).

[27] For example, The University of Maryland at College Park stated in litigation, as recently as 1994, that there were "four present effects of past discrimination exist at the University," including its poor reputation in the African-American community, the under-representation of Black students, low retention and graduation rates of Black students at the University, and a campus atmosphere perceived to be hostile to Black students. *Podeberesky v. Kirwan*, 38 F.3d 147, 152s (4th Cir. 1994).

civil rights mandates, Maryland and OCR entered into a Partnership Agreement (the "Agreement") designed to remove the vestiges of Maryland's former *de jure* system of segregation. According to former OCR official Raymond Pierce, Maryland was considered an "open state." This designation meant that Maryland still had vestiges of its prior *de jure* system of discrimination as late as 2000.

> Q. -- what was its conclusion as to the -- whether Maryland had succeeded in eliminating all vestiges of *de jure* segregation?
>
> A. By the time we finished reviewing Maryland, like all of them -- all of the so-called open states. Maryland -- remember, Maryland was considered an open state. "Open" because it had not been closed out like the other eight states by Secretary Bennett back in 1988. We found vestiges in all of them.[28]

Maryland officials involved with the execution of the Agreement acknowledge that the purpose of the Agreement was to ensure that Maryland had removed the vestiges of its prior system of *de jure* segregation. In particular, Mr. John J. Oliver, the former MHEC Chairman and signatory to the Agreement on MHEC's behalf, testified as follows:

> Q. Did MHEC understand at the time of the initiation of the Partnership Agreement that vestiges of segregation still existed in Maryland?
>
> THE WITNESS: Yes.
>
> Q. How do you know that?
>
> A. We signed an agreement recognizing that there was a need reflected in these commitments to address the vestiges, which were in essence generally articulated in those nine commitments.
>
> Q. Is it fair to say that by signing the Partnership Agreement, MHEC understood there to be vestiges of segregation?
>
> A. Yes.[29]

[28] Apr. 1, 2010 Raymond Pierce Deposition Transcript at 49:14-22.
[29] Mar. 19, 2010 John Oliver Deposition Transcript at 24:23 - 25:14.

D. Maryland made Commitments in the Partnership Agreement with the Federal Government to Remove the Vestiges of its Prior *De Jure* System

The Agreement set forth the commitments that Maryland and OCR envisioned would result in Maryland's full compliance with its obligations under federal law, particularly Title VI and *Fordice.* Under the Agreement, Maryland made two salient commitments consistent with the obligations of *Fordice*. The first commitment, memorialized in Commitment 8 of the Agreement, was to avoid unnecessary program duplication unless there was sound educational justification for the dual operation of broadly similar programs.[30] Dr. Clifton F. Conrad, a former consultant to the OCR and an expert for the plaintiffs in the *Fordice* decision, developed the phrase "unnecessary program duplication." He defines that phrase as (i) the existence of broadly similar academic programs (ii) that are not essential to the provision of general and specialized education in the core liberal arts and sciences (iii) at the undergraduate level (iv) at a TWI and a HBI that are geographically proximate to one another.[31] Commitment 8 was targeted at strengthening and making Maryland's HBIs more distinctive and attractive to Maryland students, as acknowledged by MHEC Commissioner Joann Boughman:

> Q. What was the Partnership Agreement goals with respect to unnecessary program duplication?
>
> A. The goals with respect to unnecessary program duplication were to allow the strengthening and distinctiveness of HBIs by maintaining unique programs in their repertoire that would not be duplicated in the immediate geographic region so that those unique programs could be draws for a variety of Marylanders to that unique program.[32]

The second commitment, as memorialized in Commitment 9 of the Agreement, was to ensure that Maryland's HBIs were "comparable and competitive with the TWIs in all facets of their operations and

[30] Maryland Higher Education Commission, *Maryland's Report and The Partnership Agreement Between the State of Maryland and U.S. Department of Education, Office for Civil Right*s, Annapolis: 2000 ("Partnership Agreement"), MDED_0041504 - MDED_0041552 at MDED-00041539.
[31] June 15, 2010 Conrad Report II at 7.
[32] Feb. 23, 2010 Joann Boughman Deposition Transcript at 68:13-23.

programs, as soon as possible and before the expiration of this Agreement."[33] The deadline for completion of both commitments was December 31, 2005, at which point Maryland was to notify OCR of its fulfillment of the commitments and OCR was to provide confirmation of Maryland's compliance with federal law.

E. Maryland Wrongly Informed OCR That It Had Eliminated All Vestiges of Discrimination

In 2006, Maryland sent a letter to OCR prematurely claiming that it had complied with all of its commitments under the Agreement. Maryland attached as support for the letter the reports of two "blue ribbon committees," identified as "Committee I" and "Committee II." MHEC had charged Committee I with assessing compliance with, *inter alia*, Commitment 8 (Maryland's avoidance of unnecessary program duplication)[34] and had charged Committee II with assessing Maryland's progress made towards Commitment 9 (the comparability and competitiveness in all facets of Maryland's HBIs and TWIs).[35] Mr. Oliver, former MHEC Chair and signatory to the Agreement on MHEC's behalf, has subsequently testified that the letter falsely and incorrectly represented to OCR Maryland's fulfillment of the Agreement.

> Q. Mr. Oliver, is it true that in 2006, at the time of this letter, Maryland had no vestiges of a dual higher education system that once existed in the state?
>
> MS. SHULTZ: Objection.
>
> THE WITNESS: Absolutely not. That's not true.

[33] Partnership Agreement at MDED-00041541.
[34] Feb. 23, 2010 Joann Boughman Deposition Transcript at 94: 20 - 95:12.
[35] Mar. 8, 2010 Geoffrey Newman Deposition Transcript at 157:13-16.

Consistent with Mr. Oliver's testimony, the participants of Committee I have testified in deposition that the "Committee I Report" was generated by MHEC -- not Committee I -- in anticipation of OCR's review of MHEC's activities under the Agreement and was not an independent Committee I report.

> Q. Why was Committee I created?
>
> A. Specifically, to gather information about how, to what extent and in what ways we had addressed Commitments 1 through 8.
>
> Q. Was this committee set up in preparation for the review by OCR of MHEC's activities with respect to the Partnership Agreement?
>
> A. Yes.[36]
>
> ***
>
> Q. So the report that was sent to the Office of Civil Rights titled--
>
> A. Didn't reflect Committee [I].
>
> Q. -- titled a Committee [I] Report --
>
> A. It didn't reflect --
>
> Q. -- was not a Committee [I] report?
>
> A. It was not.[37]

Moreover, participants on Committee I have testified that the report's assertion of compliance with Commitment 8 did not represent the unanimous position of the Committee.

> Q. When did Committee I have a final report?
>
> A Committee I never had a final report. There was never a final report from Committee I. What there was time ran out for the specific work that Committee I was doing, the last meeting on November 10. By January 23, MHEC was presenting what was, in essence, the larger --the report that was going to be forwarded to OCR. Again, I said earlier, this was an MHEC report. So, there was never a point at which Committee I was asked to say or to vote or that they were polled that this is the report

[36] Feb. 23, 2010 Joann Boughman Deposition Transcript at 95:23 - 96:6.
[37] Apr. 6, 2010 Anne Emery Deposition Transcript at 63:11-17.

> of Committee I. That never happened. So, if you ask me, well, when did Committee I finish its report, it never did.[38]

Similarly, Geoffrey Newman, MHEC's Director of Finance and Policy, who was staffed to Committee II, testified in deposition that not only had Committee II identified areas where the HBIs had not reached parity with the TWIs, but that the report itself did not support the conclusion that the HBIs were comparable and competitive with TWIs in all facets as required by Commitment 9:

> Q. Did Committee II determine that there were areas where HB[I]s had not reached parity with TWIs?
>
> A. Yes.[39]
>
> ***
>
> Q. So, does the report's conclusion support that Maryland's HBIs were comparable in all facets with the TWIs?
>
> MS. SHULTZ: Objection.
>
> BY MS. HARRIS:
>
> Q. You may answer.
>
> A. No, it does not conclude that, but it also acknowledges that there are -- that some of the measures that were used to assess the institutions are characteristic measurements versus performance or outcome measurements.
>
> Q. So, it does not support that?
>
> A. Right.[40]

MHEC never shared the above history of the Committee reports and the views of its participants with OCR. In fact, when the current Chairman of MHEC was asked in deposition why he did not inform OCR of these facts, he testified that he had no relationship or responsibility to OCR. When he was

[38] Apr. 5, 2010 Maurice Taylor Deposition Transcript at 56:20 - 57:10.
[39] Mar. 8, 2010 Geoffrey Newman Deposition Transcript at 158:25 - 159:3.
[40] *Id.* at 176:2 - 176:14.

asked if MHEC understood its reporting responsibilities to include providing such information, he implied that MHEC did not have an obligation to provide OCR with "complete information":

> Q. Why didn't you tell OCR that members of Committee I and Committee II did not agree with the conclusions of their respective reports?
>
> A. I have no relationship with OCR nor do I have any responsibility to OCR.[41]
>
> ***
>
> Q Did MHEC understand its responsibilities concerning reporting to OCR to include making sure that OCR was provided with accurate and complete information?
>
> A. You've asked a compound question there. I'll answer it. Accurate information, yes. MHEC recognized that it needed to provide accurate information to OCR. The second part of your question was complete information to OCR. That is a much more difficult question to answer in that there is really no definition of what constitutes complete information.[42]

[41] Mar. 29, 2010 Kevin O'Keefe Deposition Transcript at 196:14 - 18.
[42] *Id.* at 199:23 - 200:9.

F. Maryland Never Stopped Approving Unnecessarily Duplicative Programs

MHEC is the lone Maryland agency responsible for authorizing university programs in Maryland and, accordingly, accepts the metaphor for its agency as the "traffic cop" for program approval.[43] In 2000, MHEC, along with Maryland, committed to avoid unnecessary program duplication in Maryland.[44] Despite this commitment, and Maryland's obligations under federal civil rights law, MHEC has ***never*** considered whether proposed academic programs unnecessarily duplicate programs at existing Maryland public colleges and universities. This startling fact is one that Dr. Sue Blanshan, MHEC's Director of Academic Affairs and 30(b)(6) witness on program duplication, repeatedly stressed in her deposition:

> Q. And then my question is, has MHEC ever used unnecessarily duplicative or unnecessary program duplication in its analysis of program proposals?
>
> A. I don't believe so.[45]

Instead, MHEC has always used "unreasonable program duplication," even during the term of the Agreement, when MHEC and Maryland had expressly committed to avoid ***unnecessary*** program duplication.

> Q. Unnecessary program duplication is what MHEC addressed during the period of the Partnership Agreement; is that correct?
>
> MS. BAINBRIDGE: Objection.
>
> THE WITNESS: Even during the period of the Partnership Agreement, our program review regulations specified unreasonable.[46]
>
> ***

[43] Feb. 23, 2010 Joann Boughman Deposition Transcript at 27:16 - 28:3.
[44] Mar. 18, 2010 Sue Blanshan Deposition Transcript at 59:19 - 60:3.
[45] *Id.* at 62:7 - 11.
[46] *Id.* at 79:24 - 80:5.

> Q. So, is MHEC looking at unreasonable as well as unnecessary program duplication during the period of the Partnership Agreement?
>
> MS. BAINBRIDGE: Objection.
>
> BY MS. HARRIS:
>
> Q. You may answer.
>
> A. On the program review side, we would have been looking at unreasonable program duplication that could cause demonstrable harm.
>
> Q. Not unnecessary program duplication?
>
> MS. BAINBRIDGE: Objection.
>
> THE WITNESS: Correct.[47]

MHEC's "unreasonable program duplication" incorporates the nebulous requirement of "demonstrable harm to another institution." Such a standard not only lowers the bar for justifying unnecessarily duplicative programs, but implies that there is no inherent harm in approving broadly similar, non-core, undergraduate level programs at geographically proximate institutions.

> Q. What does the term unreasonable program duplication refer to?
>
> MS. BAINBRIDGE: Objection.
>
> BY MS. HARRIS:
>
> Q. You may answer.
>
> A. That's not something that we use in program review. Excuse me. We're on unreasonable.[48]
>
> Q. Yes.
>
> A. Okay. Sorry. Unreasonable program duplication is used in the context of unreasonable program duplication that can cause demonstrable harm to an institution. The tandem terms are really important in explaining unreasonable, so that program duplication in and of itself is not

[47] *Id.* at 80:7 - 80:18.
[48] *Id.* at 62:12 - 63:6.

> assessed in program review and analysis as a problem *per se*. But the connection to causing demonstrable harm to another institution is what makes duplication unreasonable.

As a result of MHEC's use of the wrong program assessment standard, MHEC has approved numerous programs at TWIs and HBIs that are unnecessarily duplicative.

1. The Joint MBA Program at Towson University and the University of Baltimore is a Classic Example of Unnecessary Program Duplication

A classic and recent example of MHEC employing the wrong legal standard and consequently approving unnecessary program duplication was MHEC's approval of the Towson and the University of Baltimore joint MBA program. This joint program unnecessarily duplicated an MBA program at nearby Morgan State - a position unanimously shared by Morgan State, OCR, the Office of the Maryland Attorney General, and MHEC's former Chair and signatory to the Agreement.

Morgan informed MHEC of its objection to the proposed, joint MBA Program at the University of Baltimore and Towson, arguing that if Morgan was given the requisite resources for faculty and student fellowships and stipends, "Morgan alone could absorb the projected enrollments in the proposed program."[49]

OCR echoed Morgan's sentiments and informed MHEC that approving the program did not comport with the requirement to avoid unnecessary program duplication under the Agreement, Title VI, and *Fordice*. OCR wrote:

> We are writing to express our concern about the Maryland Higher Education Commission's (MHEC's) March 15, 2005 approval of the joint MBA program at the University of Baltimore and Towson University. Based on our review of the letter granting approval for this program and the related materials, we have serious questions about whether approval of the programs is consistent with Maryland's Commitments in its

[49] Nov. 6, 2004 Letter from E. Richardson to the Maryland Higher Education Commission, MDED_00101155 - MDED_00101557 at MDED_00101156.

> Agreement with the Office for Civil Rights, specifically, those included in commitment #8, *Avoiding Unnecessary Duplication and Expansion of Mission and Program Uniqueness and Institutional Identity at the HB[I]s*. We are concerned that MHEC has misinterpreted the requirements of Title VI of the Civil Rights Act of 1964 and the U.S. Supreme Court's *Fordice* decision, as they relate to unnecessary program duplication during the desegregation of a formerly *de jure* system of higher education.[50]

Likewise, the Office of the Maryland Attorney General informed MHEC that it should not approve the joint MBA Program, that doing so would be against the advice of counsel, and and that approving the program would constitute unnecessary program duplication under federal law:

> Please be advised that the Secretary's decision of March 15th, while within his discretion to act, was made contrary to the advice and counsel rendered him by the Office of the Attorney General. Specifically, the Secretary was advised that approval of this academic program would leave the State in a vulnerable position, legally, with respect to the law governing unnecessary duplication of academic programs. . . . There is little question that the proposed MBA program, if approved, would constitute 'unnecessary program duplication' as that term of art is defined and articulated in federal law. The Secretary accepts this and makes no attempt to refute it. The analysis may also be considered lacking by virtue of its very limited effort to address the impact upon geographically proximate HBIs. Perhaps most alarming is a complete lack of analysis regarding the possibility of accomplishing legitimate educational objectives through less segregative means, particularly in light of existing programs at HBIs that are not at capacity… Under these circumstances, approval of the proposed program would be a continuation of a policy and practice, at least in this instance, that is a vestige of the prior segregated system. Rather than eliminating a vestige of the dual system, the State would be maintaining a vestige.[51]

Even the former Chair of MHEC, Mr. John J. Oliver, refused approval of the program during his tenure at MHEC and has since testified that MHEC's approval of the joint MBA Program after his tenure

[50] Apr. 13, 2005 Letter from Wendella Fox, Director of the Philadelphia Office of OCR, to Calvin Burnett, Secretary of the Maryland Higher Education Commission, MDED_00049074.

[51] McConkie Memo at 2-3. *See also Knight v. Alabama*, 14 F.3d 1534, 1541 (11th Cir. 1994) ("[W]here the state can show that there are no less segregative alternatives which are practicable and educationally sound, then it may permissibly maintain the vestigial practice or policy in place.").

ended was a violation of the Agreement and *Fordice* as well as a missed opportunity to create more integration in the student body at Morgan State.

> Q. Mr. Oliver, why did you disagree with the Towson and UMBC joint MBA program?
>
> A. Because I honestly thought that there was a legal obligation to try and forge a joint effort that would end up having a Morgan degree which existed in the Morgan business school before the Towson proposal arose, and thereby not, in my opinion, violate the stricture of *Fordice*.
>
> Q. Is it fair to say that you believe the joint MBA program between Towson and UMBC duplicates Morgan's MBA program?
>
> A. Yes.[52]

Mr. Oliver noted that the "segregated condition of the program at Morgan State University is particularly a concern."[53] Disturbingly, Mr. Oliver observed ***a present-day trend*** of program duplication by MHEC:

> Q. As of 2010, what is your understanding regarding the status of Maryland's HBIs with respect to program duplication?
>
> A. They have been duplicated and there seems to be a trend where such practices are continuing and, in my opinion, that's wrong.[54]

Similar testimony was provided by the former acting Secretary of MHEC, Dr. John J. Sabatini, who was involved in drafting the Agreement.[55]

> Q. So after 2003 when you left [MHEC], based on your knowledge of programs that have been approved, there have been segregative effects?
>
> MS. WATSON: Objection.
>
> A. In my opinion, with respect to the Towson MBA and the UMUC online program, I would say yes.

[52] Mar. 19, 2010 John J. Oliver Deposition Transcript at 104:19 - 105:1.
[53] Mar. 29, 2010 Kevin O'Keefe Deposition Transcript at 112:13 - 112:15.
[54] Mar. 19, 2010 John J. Oliver Deposition Transcript at 74:21 - 75:1.
[55] Mar. 26, 2010 John J. Sabatini Deposition Transcript at 29:11-12.

> Q. Is it your understanding that those segregative effects would violate the *Fordice* decision by the United States Supreme Court?
>
> A. Yes. In my opinion that's correct.[56]

MHEC's approval of unnecessarily duplicative programs is not a *de minimis* violation of federal civil rights law. As the Supreme Court recognized in *Fordice,* "[program] duplication represents a continuation of the 'separate but equal' treatment required by the prior dual system."[57] In Maryland, the practice of unnecessary program duplication undergirded the *de jure* segregated system between black and white students[58] and fostered racial segregation between these groups, a fact which is acknowledged by MHEC's former Chairman, Mr. John Oliver:

> It is a practice that will perpetuate the separation or the lack of diversity, because when you duplicate, as the Supreme Court, I believe, reflects, you more or less promote separate and too often not equal. And the practical matter is that at least our experience shows when you do have duplication, the [w]hite students go to the [w]hite schools and the African Americans go to the [b]lack schools. And that duplicates your expense, which in this day and age, we can't afford to do that but for a lot of other reasons, we need to be promoting diversity, not discouraging it, which is a direct connection -- result of duplication.[59]

2. Unnecessary Program Duplication is Widespread in Maryland

The MBA Program is but one of many examples of unnecessarily duplicative programs that MHEC has approved. Dr. Clifton F. Conrad, an expert for the plaintiffs in the *Fordice* decision and one of the nation's leading experts on desegregation, has analyzed whether there is unnecessary program duplication of academic programs between Maryland's HBIs and TWIs. Dr. Conrad provides the findings of his analysis in his second report, which evaluates program duplication between 2001 and

[56] *Id.* at 117:20 - 118:8.
[57] *United States v. Fordice*, 505 U.S. 517 (1992).
[58] *Id.* at 738 ("It can hardly be denied that such duplication was part and parcel of the prior dual system of higher education - the whole notion of 'separate but equal' required duplicative programs in two sets of schools - and that the present unnecessary duplication is a continuation of that practice.").
[59] Mar. 19, 2010 John Oliver Deposition Transcript at 75:17 - 76:7.

2009, and his third report, which evaluates program duplication in Maryland for 2010. As set forth more fully in Dr. Conrad's third report, more than 50% of the HBI programs in Maryland are presently, unnecessarily duplicated by programs at public TWIs, when assessed statewide or in the Baltimore/College Park area.[60] Moreover, Dr. Conrad determined that as a result of the continued perpetuation of this dual system of higher education the percentage of white students at HBIs has steadily declined since 1991. As Dr. Conrad explained:

> When Maryland's [H]BIs began offering graduate programs in the 1960s and 1970s, they were able to attract fairly substantial numbers of white graduate students to enroll in their institutions, demonstrating progress in desegregation of the [H]BI campuses. Notably, however, this trend has not been sustained over the past three decades. Although total enrollment of white graduate students at the [H]BIs expanded to a high of 1,254 in 1973, this number declined significantly thereafter and has never regained its 1973 level.[61] The 444 white graduate students enrolled at Morgan State in 1973 was the same number enrolled at all four [H]BIs combined in 2008.[62]

The re-segregation of Maryland's HBIs has, not surprisingly, resulted in their diminished quality. Specifically, Maryland's HBIs have more limited program offerings, more limited program quality, and more limited missions than their TWI counterparts. On these issues, Dr. Conrad has determined that there is "significant program inequality between TWIs and [H]BIs—both with respect to the number of program offerings across degree levels and the quality of programs, with the TWIs offering far more programs and programs of markedly higher quality."[63] He went on to note of the universities' missions that "TWIs in Maryland have distinctive institutional identities based on their program offerings;" whereas, "[H]BIs' missions are clearly not sufficiently inclusive to ensure comparable program

[60] June 15, 2010 Conrad Report III at 12 (stating that there is a modest amount of program duplication between the UMES and Salisbury University on Maryland's Eastern Shore, in part due to the limited course offerings at UMES.)
[61] May 3, 2010 Conrad Report I at 63, Ex. 9.
[62] *Id.*
[63] June 15, 2010 Conrad Report III at ¶ 70.

development with the TWIs."[64] When assessing the existence of the number of unique, high-demand, non-core programs,[65] which the Supreme Court in *Fordice* recognized as essential to promoting desegregation at HBIs,[66] Dr. Conrad found that Maryland's HBIs have only **11** such programs, as compared with **122** at TWIs.[67] Dr. Conrad's findings provide strong evidence of an unequal and dual educational system in existence in Maryland today.

G. Maryland's 2008 HBI Study Panel Determined that HBIs Are Not Comparable with the State's TWIs

In 2008, Maryland appointed a blue ribbon commission to study the condition of its HBIs as compared with its TWIs, the "Panel on the Comparability and Competitiveness of Historically Black Institutions in Maryland" (the "Panel").[68] The Panel's findings provide direct support for the Plaintiffs' claims in this lawsuit; namely, that the conditions of Maryland's HBIs are linked to Maryland's prior discriminatory treatment of the HBIs:

> [T]he panel has no doubt that its deliberations, findings, conclusions and recommendations -- like the current status of the HBIs -- will be closely linked to the continuing effects and vestiges of policies and practices supported by many decades of a dual system of public higher education in Maryland.[69]
>
> ***
>
> There are many indicators that suggest that substantial additional resources must be invested in HBIs to overcome the competitive disadvantages caused by prior discriminatory treatment: the lack of modern "state of the art" science and technology labs, the aging physical plants and lack of consistent funding for maintenance, the poor

[64] *Id.* at ¶¶ 59-60.
[65] Dr. Conrad defines high-demand programs as those programs in which a disproportionately large number of students can be expected to choose as their major field of study and which have broad appeal to students. He defines unique programs as those programs that are not duplicated at a geographically proximate institution.
[66] *Fordice*, 507 U.S. at 738.
[67] June 15, 2010 Conrad Report III at ¶56.
[68] HBI Study Panel Report at MDED-00115819 (Interestingly, MHEC did not include in its mandate to the Panel an instruction to assess whether Maryland had complied with the federal law.)
[69] *Id.* at MDED-00115821.

> retention and graduation rates of students as compared to TWIs, and the large number of low income and educationally underserved students in need of financial assistance.[70]

Moreover, the Panel concluded that there were actions that Maryland needed to take, as late as 2008, to provide the HBIs with adequate funding and facilities, due to the historic deficiencies that the HBIs had suffered:

> HBIs need a different form and level of capacity because unlike the TWIs, the HBIs have a dual mission: (1) to carry out their regular collegiate programs and associated functions to the best of their abilities and (2) to provide strong programs in developmental education to ensure access and success to students, mostly from low-income families, who otherwise would not have an opportunity to pursue a bachelor's degree. The HBIs are not funded at appropriate levels to carry out both parts of this mission at once.[71]
>
> ***
>
> The Panel recognizes the state's substantial efforts to improve the facilities, physical space, and other institution-wide operation and administrative elements of the HBIs. However overall the facilities at the HBIs are not comparable to those of the TWIs. . . . our first hand-findings that the HBIs visibly lag behind the TWIs but also [ ] addressing this deficiency is crucial to achieving the goals of capacity and competitiveness of the HBIs in both undergraduate and graduate education.[72]

One of the Panel members, Dr. Franklyn Jenifer confirmed these findings:

---

[70] The testimony of the President of Bowie State University, which is an HBI, demonstrates the need for modern science labs. Apr. 7, 2010 Deposition Testimony of Mickey Burnim at 73:8 - 74:10.

> Q. Why does Bowie need a new natural sciences building?
>
> A. The one that we currently use was constructed more than 30 years ago. It has inadequate office space for faculty. It has inadequate lab space for students. And it would not be feasible to renovate or modify that building in a way that we could expand its capacity. The labs in that building accommodate only 24 students at a time. And so when you think about a freshman class of 700 or 800 or a thousand, most of whom need to take a lab science, you can see that can lead to all kinds of scheduling problems for students, which can have implications for graduation rates over time. But it's also a building that is so woefully inadequate that high school students often come from schools where they have better facilities than that building represents. And so in an age where there is so much emphasis being placed on the STEM disciplines, science, technology, engineering, and mathematics, we need to have a facility that enhances our teaching and our faculty members' ability to do research in the STEM disciplines. So, that's why it is a very, very high priority for me, for the University.

[71] HBI Study Panel Report at MDED-00115829.
[72] *Id.* at MDED-00115845-46.

> Q. Were you able to determine whether or not the HB[I]'s facilities were comparable to the TWIs facilities?
>
> A. Yes.
>
> Q. How do you think that the HBI facilities compared with the TWI facilities?
>
> A. They were not comparable.[73]

Former MHEC Commissioner Ann O. Emery similarly stated that the facilities of the HBIs were visibly not comparable with those of the TWIs:

> Q. Are the facilities at the HBIs comparable to the TWIs today?
>
> A. No.
>
> MS. SHULTZ: Objection.
>
> THE WITNESS: Take a walk. I suggest you take somebody -- not a court reporter because she types words. You take somebody that can do the visual -- "the visual" -- and you can see the difference.[74]

The Panel also identified substantial deficiencies among the HBIs in the context of the institutional platform required to support quality programs that are comparable and competitive:

> The current result of these longstanding past practices[75] is that there exists a substantial lack of comparability and capacity (as compared [to in state and out of state]) at both MSU and UMES. . . . What is most important at this juncture is for the Commission to remedy both the lack of comparability among the doctoral institutions and restructure the

[73] Mar. 9, 2010 Dr. Franklin Jenifer Deposition Transcrip at 46:25 - 47:3. Dr. Jenifer was a member of the HBI Study Panel.
[74] Apr. 6, 2010 Anne Emery Deposition Transcript at 51:2-10.
[75] *See also* 1937 Report ("The contrast between the amounts of money received by the two racial groups would show, if possible of computation, an enormous differential in favor of the white race."); A Report of a Survey by the American Council on Education with Recommendations of the Maryland Commission on Higher Education (1947) at 137, 253 ("It is difficult to understand why Maryland has neglected so disgracefully its land-grant institutions for Negroes….Some of the conditions in the physical plant at Princess Ann College are a disgrace to the state of Maryland."); June 30, 1950 Report and Recommendations of the Commission to Study the Question of Negro Higher Education to the Governor, the Legislative Counsel and the General Assembly of Maryland (the "1950 Report") at xi ("The continuous uphill struggle on the part of the Negro colleges to secure facilities on a par with white institutions [ ] cannot be overlooked in a survey of this kind."); 1981 Report at 36, MDED_00025810 ("[T]hree notable deficiencies stand out among the Black institutions: 1. The deplorable condition of science laboratories. 2. The pronounced need for improved support for equipment maintenance and replacement. 3. The generally poor condition of the residential space.").

> process that has caused the inequities and lack of competiveness between the HBIs and the traditionally white doctoral institutions.[76]

Meaningfully, the HBI Study Panel Report noted that the identified deficiencies at Maryland's HBIs have left the HBIs unable to compete with the TWIs, particularly in maintaining comparable quality and in the recruitment and support of top faculty and students:

> Whether intentional or not, the past treatment of the [HBIs] in this process in contrast to the treatment of other public institutions in the state has had the effect of substantially marginalizing the [HBIs] and their ability to develop and maintain comparable quality and competitiveness in the state's system of higher education.
>
> ***
>
> Quality doctoral universities required advanced library and information resources specific to the doctoral programs. To recruit and support top doctoral faculty and students in their programs and research, the overall university infrastructure needs to be modern, attractive and conducive to research and scholarship. The latest in university-wide technology and administrative support systems are critical. UMBC and UMCP have the institutional platform or foundation to support these qualities. MSU and UMES do not. UMBC and UMCP had the opportunity and support to develop the elements of quality [ ] doctoral programs. MSU and UMES have not had that opportunity and support to the same or sufficient degree.[77]

Just as Defendant Maryland Secretary of Higher Education has admitted that the conditions of the facilities at the HBIs are a vestige of Maryland's former *de jure* system of segregation, he has likewise admitted that the HBIs are not competitive with TWIs:

> Q. Did the HBI Study Panel make a determination as to whether or not Maryland's HBIs and TWIs are competitive?
>
> A. Yes.
>
> Q. And what was the HBI Study Panel's conclusion?

[76] HBI Study Panel Report at MDED-00115834.
[77] *Id.* at MDED - 00115840.

A. Well, they're generally not competitive.

Q. Do you agree with that conclusion?

A. Based on their -- based on this definition, yes I agree.[78]

The findings in the HBI Study Panel Report and the statements of current and existing representatives of MHEC leave no doubt that absent discrimination by Maryland, Maryland's HBIs would be competitive institutions with Maryland's TWIs.[79]

H. The 2009 State Plan Provides the Latest Evidence of the Disadvantaged Position of Maryland HBIs

Well after this lawsuit was filed, and as recently as last year, Maryland issued another State Plan containing findings supportive of the Plaintiffs' positions here. The 2009 State Plan, attached as Exhibit D, noted that the lack of infrastructure at Maryland's HBIs prevent them competing in the marketplace and effectively delivering administrative services:

> Although not addressed by the . . . Panel, another key aspect of the institutional platform that must be enhanced at public HBIs is the capacity to deliver information technology (IT) services, including distance learning, as well as administrative support, comparable to the IT services at public TWIs. The lack of comparable IT services restricts the capacity of the HBIs to compete in certain markets and to be competitive in the delivery of effective administrative services."[80]

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[78] Mar. 5, 2010 James E. Lyons, Sr. Deposition Transcript at 226:3-16.

[79] *See, e.g.*, HBI Study Panel Report at MDED_00115838 ("[A]bsent its racial character and past treatment, there is every reason to believe that MSU would have been treated differently and would have developed the capacity to attain the status and quality that we describe in our specification of a quality doctoral institution.").

[80] 2009 Maryland State Plan for Postsecondary Education ("2009 State Plan") at 27. *See also* Apr. 7, 2010 Mickey Burnim Deposition Transcript at 81:8-24.

> Q. Are the dormitories that Bowie State has adequate for its students?
>
> A. No.
>
> Q. How are they not adequate?
>
> A We don't have enough spaces, so we need more of them. Some of them are very old and need to be modernized. One of the things that we need to do is provide better computer connections in them, some

Consistent with these findings, the 2009 State Plan made clear the need for substantial additional resources given ***by Maryland*** to its HBIs in order to make them comparable and competitive with the public TWIs:

> In summary, the investments of substantial additional resources by the State needed to ensure that its public HBIs are comparable and competitive to with its public TWIs refers to the sum total of resources needed to deliver on the HBI's dual missions of educating high-achieving students as well as others who may require supplemental support, i.e, students from low-income households and underrepresented minorities.[81]

The 2009 State Plan underscored the urgency with which Maryland should provide these resources to the HBIs when it recommended that Maryland "accelerate funding for public HBI capital priorities that build institutional capacity related to comparability and competitiveness."[82]

It is notable that MHEC has not disputed these findings and has gone so far as to endorse both the 2009 State Plan's findings and recommendations for resolution. Mr. Reid, MHEC's Assistant Secretary of Planning and Academic Affairs and 30(b)(6) witness for the 2009 State Plan, testified as follows:

> Q. The panel also indicated -- well, withdrawn. The 2009 state plan also recognized the panel's recommendation that the State of Maryland needed to provide substantial additional resources to the HBIs. Isn't that correct?
>
> A. Yes, it did.
>
> Q. Okay. And so is it correct that at the time this report was issued MHEC stood by the statement that the state needed to provide additional resources?

> work on bathrooms, and what not. So, we are doing some of that in the summer as we go along, trying to modernize them. But some of them go back to the 1950s. They are just very old, some of them. Now, others, one is only five or six years old and another, eight or ten. And so, the stock varies a bit. But in general, we need more space and higher quality space.

[81] 2009 State Plan at 28.
[82] *Id.* at 30.

> A. Yes. I think that the commission approved it and, therefore, it did.[83]
>
> ***
>
> Q. So as of 2009, MHEC's recommendation to the State of Maryland was that funding over and above what was already being given to HBIs was needed to promote a higher level of academic achievement for all students of public HBIs?
>
> A. It's toward the goal of comparability and competitiveness, correct.[84]

I. Maryland's HBIs Need Substantial Additional Funding to Overcome their Disadvantaged Position

Maryland's historical discrimination in favor of its TWIs fueled their tremendous growth and allowed them to outpace the HBIs and to attract substantial private funding. As a result of the large enrollment gaps that have developed, Maryland's TWIs enjoy substantial economies of scale as compared with the HBIs, which leaves the HBIs with higher per student costs.[85] Maryland's present funding formula does not account for the long history of funding disparities that disfavored HBIs.[86] Nor does it take into account that HBIs have the dual mission of educating a higher proportion of students with remedial education and unmet financial aid needs. Maryland's HBI Study Panel and 2009 State Plan both concluded that the funding provided to HBIs is not sufficient to allow them to serve these missions. Moreover, Defendant Maryland Secretary of Higher Education and MHEC's Assistant Secretary for Planning & Academic Affairs have openly affirmed the HBI Study Panel Report's conclusions in this regard:

[83] Mar. 4, 2010 George Reid Deposition Transcript at 100:15 - 101:4.
[84] *Id.* at 103:12 - 19.
[85] May 3, 2010 Dr. Robert K. Toutkoushian Report at 17.
[86] *Id.* at 16.

> Q. The next paragraph states in the first sentence, 'The HBIs are not funded at appropriate levels to carry out both parts of this mission at once.' Do you question the accuracy of that statement?
>
> A. No. I'm still speaking as myself.[87]
>
> Q. Just so I'm clear, you are also of the belief that Maryland's HBIs have a dual mission.
>
> A. Yes.
>
> Q. And the funding setup provided to the HBIs is not adequate to allow them to meet both missions.
>
> A. The funding formula doesn't take into account that you -- that the -- an HBI has a dual mission, yes.[88]
>
> ***
>
> Q. At several points throughout the 2009 State Plan there were references to the HBI Study Panel Report. Is it correct that MHEC believed that the content of the HBI [S]tudy [P]anel [R]eport was accurate?
>
> A. Yes.[89]

1. Maryland's Recent Efforts to Enhance HBIs are Not Sufficient to Eliminate the Vestiges Created by the Historical Disparities Between HBIs and TWIs.

In light of Maryland's long history of discrimination against the HBIs, Maryland's professed efforts to enhance its HBIs are insufficient. Even if one accounts for enhancement funding recently provided to the HBIs, Plaintiffs' funding expert Dr. Robert Toutkoushian has determined that such funding is insufficient when considering the cumulative deficiency in Maryland's support for HBIs from 1990-2009[90] is: (i) $527,076,700; if one accounts for the enrollment share and mission of these

[87] Mar. 5, 2010 James E. Lyons, Sr., Deposition Transcript at 214:25 - 215:7.
[88] *Id.* at 223:4 - 13.
[89] Mar. 3, 2010 George Reid Deposition Transcript at 181:13-19.
[90] Dr. Toutkoushian focuses on the 1990-2009 timeframe as relevant for three reasons. First, in 1990, during a period of rapidly increasing enrollments at HBIs, Maryland replaced its enrollment-driven funding formula with a mission-based one that favored TWIs with more research-intensive missions. (Oct. 1, 2010 Toutkoushian Report at 23) Second, this period

institutions; and (ii) $2,138,940,038 in total revenues, calculated as the sum of restricted revenues plus unrestricted revenues.

IV. Conclusion

The condition of the Maryland's HBIs was aptly described in a 2005 report from Maryland's Legislative Black Caucus based on input from the Presidents of Maryland's four HBIs. That report concluded that "the position of these four institutions threatens to deteriorate even further as certain TWIs are being targeted as growth institutions and any uniqueness in missions and programs between HBIs and TWIs is being systematically eroded."[91] Maryland must correct the deteriorated condition of its HBIs, or else these universities will remain segregated and the vestiges of Maryland's *de jure* dual system of higher education system will persist. Plaintiffs expect that this, in fact, is what the evidence at trial will show.

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immediately follows the 1985-1989 OCR agreement with the state, a period that was characterized by a spike in funding for Maryland's HBCUs. (*Id.*) Third, after Maryland designated UMCP as its flagship institution in 1988, the state operated under a mandate to "[p]rovide the College Park Campus with the level of operating funding and facilities necessary to place it among the upper echelon of its peer institutions." Md. Code. Educ., 10-209.

[91] Letter from Thelma Thompson to Rudolph Cane regarding Report on the Status of Efforts Under the Partnership Agreement Between the State of Maryland and the U.S. Department of Education, Office of Civil Rights (Mar. 28, 2005), CET_00001159 - CET_00001179 at CET-00001160.

Dated: October 4, 2010

Respectfully submitted,

_____/s/___

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EXHIBIT A

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MARYLAND HIGHER EDUCATION COMMISSION

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April 20, 2005

MEMORANDUM

Privileged and Confidential

TO: John J. Oliver, Jr., Chairman, and Commissioners
Maryland Higher Education Commission

FROM: Pace J. McConkie
Assistant Attorney General

RE: University of Baltimore/Towson University Joint MBA Program Proposal

I am herein providing you with a detailed statement and analysis of the State of Maryland's obligations under federal law regarding the dismantling of its prior *de jure* segregated system of higher education, particularly with respect to the duplication of academic programs at the State's Historically Black Institutions by geographically proximate Traditionally White Institutions. The attached memorandum was prepared for the Maryland Higher Education Commission to guide and inform its decisions with respect to specific program proposals that fall into the category of "unnecessary program duplication" as that term is defined by law. The law remains unchanged since the original submission of this memorandum and, to date, the State's legal obligations remain in full force and effect.

Based upon these legal standards and principles, the State included in its *Partnership Agreement Between the State of Maryland and the U.S. Department of Education, Office for Civil Rights,* a commitment to "developing high-demand academic programs at HBCUs and ensuring that they are not unnecessarily duplicated at nearby institutions," agreeing, in part, that "Maryland will avoid unnecessary program duplication unless there is sound educational justification for the dual operation of broadly similar programs." *Partnership Agreement* at 33-34. The attached memorandum fully develops the State's obligations with respect to these commitments.

On November 22, 2004, the Secretary of Higher Education, acting for and in behalf of the Commission, formally objected to a joint-degree proposal received from the University of Baltimore and Towson University to offer a Master of Business Administration (MBA) degree on grounds that approval of the program would be "a violation of the State's equal educational opportunity obligations under State and federal law." Specifically, the Secretary justified the Commission's objection upon the State's legal obligation "to avoid unnecessary program duplication and to expand institutional mission and program uniqueness at Historically Black Colleges and Universities" and because the "Commission staff determined that the proposed joint-degree MBA program of the University of Baltimore and Towson University meets each criterion [defining unnecessary program duplication] and is unnecessarily duplicative of the MBA programs at Bowie State University and Morgan State University." The Secretary further stated that "the proposal does not set forth a compelling sound educational justification for approving this joint-degree MBA program."

By letter dated March 15, 2005, the Secretary informed the presidents of the University of Baltimore and Towson University that he had further reviewed the matter and, consistent with the delegation of authority given him by the Commission to approve academic program proposals, he approved the joint-degree MBA program. The Secretary's approval acknowledged that the program would, in fact, be an unnecessary duplication of the programs at Morgan State University and Bowie State University, but that he was satisfied that there was an educationally sound justification to proceed with the program as proposed.

Please be advised that the Secretary's decision of March 15th, while within his discretion to act, was made contrary to the advice and counsel rendered him by the Office of the Attorney General. Specifically, the Secretary was advised that approval of this academic program would leave the State in a vulnerable position, legally, with respect to the law governing the unnecessary duplication of academic programs. As the full Commission now exercises it discretion and reviews the Secretary's determination, it is important that you (1) understand the applicable federal law as set forth in the attached memorandum, and (2) consider the basis for concern over the Secretary's decision as it now stands:

1. There is little question that the proposed MBA program, if approved, would constitute "unnecessary program duplication" as that term of art is defined and articulated in federal law. The Secretary accepts this and makes no attempt to refute it. Rather, he has attempted, as he is entitled to do, to justify the "unnecessary program duplication" on grounds that it is educationally sound to do so.

2. Unnecessary program duplication is part and parcel of the prior segregated system of higher education in Maryland. Under these circumstances, approval of the proposed program would be a continuation of a policy and practice, at least in this instance, that is a vestige of the prior segregated system. Rather than eliminating a vestige of the dual system, the State would be maintaining a

vestige. Moreover, because the unnecessary duplication of programs was a means by which Maryland operated a segregated system of higher education, the law will presume that the continuation of this practice will perpetuate conditions indicative of the former dual system and foster segregation or discrimination on the basis of race.

3. The law allows for the continuation of such policies and practices only upon carrying the burden of proof that maintenance of the policy is educationally sound *in the specific context of a desegregating system of higher education.* It is emphasized that the State does, indeed, have the discretion to advance an educationally sound justification, as the Secretary has attempted to do, but that circumstances under which such a policy or practice may be maintained are very narrow. Any proffered justifications for maintaining a remnant of the prior dual system will be carefully scrutinized and where the State can accomplish legitimate and sound educational objectives through less segregative means, the law may infer a lack of good faith.

4. On its face, the Secretary's March 15th determination appears to be deficient in that his analysis primarily addresses sound educational justification in the context of Towson University's capacity to adequately offer the MBA program jointly with the University of Baltimore in the face of an apparent need for the program. It is a matter of concern, however, that the Secretary's analysis does not adequately address "sound educational justification" in the specific context of a desegregating system of higher education with very specific and continuing legal obligations. The analysis may also be considered lacking by virtue of its very limited effort to address the impact upon geographically proximate HBIs. Perhaps most alarming is a complete lack of an analysis regarding the possibility of accomplishing legitimate educational objectives through less segregative means, particularly in light of existing programs at HBIs that are not at capacity.

It is the advice of counsel that the Commission carefully review the Secretary's decision in light of these specific concerns and in the full context of the State's continuing obligations under State and federal law. For this purpose, they are brought to your attention with the full understanding that it is within the discretion of the Commission to act one way or the other.

As always, you may contact me with any comment or question. I hope to assist you in any manner that you might deem necessary or helpful.

EXHIBIT B

FINAL

Report to the Maryland Commission to Develop the Maryland Model for Funding Higher Education

From

The Panel on the Comparability and Competitiveness of Historically Black Institutions in Maryland

Panel members:

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November 11, 2008

I. The Commission's Charge to the HBI Panel

Background

The Commission to Develop the Maryland Model for Funding Higher Education was established during the 2006 legislative session by Senate Bill 959, the Higher Education-Tuition Affordability Act of 2006. The Commission includes senators, delegates, cabinet secretaries, college presidents, higher education association presidents and executive directors, members of the business community and members of the public. The Commission's charge is to review options and make recommendations relating to the establishment of a consistent and stable funding mechanism to ensure accessibility and affordability while promoting policies to achieve national eminence at all of Maryland's public institutions of higher education. Additionally, the Commission is charged with reviewing options and making recommendations relating to the appropriate level of funding for the state's historically black institutions (HBIs) to ensure that they are comparable and competitive with other public institutions.

The Charge

The Commission appointed the Panel on Historically Black Institutions to study the policy and funding issues regarding Maryland's HBIs, to define the terms comparable and competitive, and to identify performance indicators or benchmarks that would compare Maryland's historically black institutions with the traditionally white institutions in the context of the state's Partnership Agreement with the United States Office for Civil Rights.

This report is intended to provide information and policy guidance to the Commission to Develop the Maryland Model for Funding Higher Education as it recommends appropriate levels of funding for Maryland's historically black institutions. It is not intended to assess Maryland's compliance with the legal requirements of *U. S. v Fordice* or Title VI of the Civil Rights Act.

The Commission's charge specifies the following responsibilities: 1) perform a study to define the terms comparability and competitiveness for Maryland's public HBIs with the public TWIs; 2) recommend performance indicators or benchmarks for determining the comparability and competitiveness of the HBIs with the TWIs; 3) examine funding levels of Maryland's HBIs to determine comparability and competitiveness; and 4) assist the legislative Commission to Develop the Maryland Model for Funding Higher Education in meeting its statutory charge to review options and make recommendations on the appropriate level of funding for Maryland's public HBIs to ensure that they are comparable and competitive with other public institutions of higher education based on Carnegie classifications and institutional mission.

In addition the charge outlines the following tasks:

- Consideration of the impact of state key policies; funding, program review, mission.
- An examination of the programs, resources, and facilities at the TWIs and HBIs, including site visits as appropriate.
- An examination of the racial and socioeconomic enrollment patterns at the TWIs and HBIs.
- An examination of the student success trends at the TWIs and HBIs, considering the academic preparation of students.
- An examination of student access at public institutions.

The charge also requests a review of the methods and measures used by other states that could serve as examples for Maryland in determining parity between TWIs and HBIs in funding, academic program offerings, enrollment diversity, campus facilities, student success rate, and any other factors determined to be relevant.

The Commission's charge specifically requests recommendations for:

1. Definitions of the terms "comparable" and "competitive" as they relate to Maryland public education institutions; and
2. Specific measurable performance indicators or benchmarks for determining the comparability and competitiveness of the HBIs with the TWIs.

The Commission's charge to the Panel was to avoid assessing compliance with the 2000-2005 Partnership Agreement. However, the Commission's charge also requests the Panel to conduct its study and analysis to determine comparability and competitiveness and their benchmarks and indicators "within the context of the state's Partnership Agreement with the U. S. Office of Civil Rights."

The Panel attempted to implement this carefully-drawn distinction by focusing on Commitment 9 of the Partnership Agreement, which contained two major elements:

1. Specific commitments regarding concrete actions to be taken, including the following:

    - Enhance funding in the areas of admissions management, student financial aid administration, and institutional development programs directed toward identification of "best practices" and the development of strategic plans in each of these areas.
    - Increase funding for Access and Success by doubling its current funding of $3 million by FY 2003.

- Provide a 2:1 match for HBIs under the Private Donation Incentive Program.
- Commit to the expeditious completion of the following capital improvements at Bowie State University (BSU), the University of Maryland Eastern Shore (UMES) and Morgan State University (MSU):

  Bowie State
  - Campus Site Development
  - New Science Building

  UMES
  - Food Science and Technology Center
  - Social Science, Education and Health Science Building
  - New Physical Plant Building
  - Renovate Waters/Somerset Halls

  Morgan State
  - New Communications Center
  - Science Research Facility w/Greenhouse
  - Montebello Site Improvements

- Conduct an independent study leading to a comprehensive strategic plan for the revitalization of Coppin State University.
- Enhance Boards of Visitors at the HBIs.

2. The second component of Commitment 9 is concerned with the "broader goal of making certain that the HBIs are comparable and competitive with the state's TWIs in all facets of their operations and programs," including:

   - The distinctiveness of the HBIs' programmatic missions.
   - The uniqueness and mix of quality academic programs that are not unnecessarily duplicated at proximate TWIs.
   - Operational funding consistent with the mix and degree level of academic programs, support for the development of research infrastructure, and support consistent with the academic profile of students.
   - Lower student-faculty ratios appropriate to support their missions.
   - The expanse, functionality and architectural quality of physical facilities;
   - The appearance, attractiveness, and ambiance of the campus and surrounding public infrastructure; including roads, lighting, and public transportation.
   - Funding to support students' quality of campus life.

The Panel focused its reviews and analysis on the second, broader commitment of Commitment 9 related to a clear, more specific definition of comparable/competitive. We did so, mindful of two assertions:

- The official state response to OCR in 2006, stating that the specific actions committed to in Commitment 9 had been accomplished.
- That the Commission charge asked us specifically to address the broader element of the commitment – namely, how the state should more finely address the broader (and less defined) goal of comparability and competitiveness.

II. Putting the Charge in its Proper Context: Past to Present

Defining the terms "comparability" and "competitiveness" in the context of the public institutions that comprise the Maryland system of higher education cannot be accomplished without first understanding the context in which these terms have become relevant to higher education funding. In Maryland, that context is a long history of racial segregation and disparate treatment at both the public post-secondary and elementary/secondary levels of education and decades of attempts to implement fully a federally required desegregation plan designed to eliminate the effects and vestiges of the prior dual system of higher education.

As stated earlier, this panel's mandate does not include the responsibility to determine whether Maryland has met its legal obligations under federal law. However, the panel has no doubt that its deliberations, findings, conclusions and recommendations – like the current status of the HBIs – will be closely linked to the continuing effects and vestiges of policies and practices supported by many decades of a dual system of public higher education in Maryland. The terms "competitiveness" and "comparability" are often used as terms of art in the federal government's evaluation of whether the state has remedied state-sanctioned racial discrimination in its public colleges and universities and eliminated where practicable the vestiges of that discrimination as required by both U. S. Supreme Court decisions in Brown V Board of Education and U. S. V Fordice and Title VI of the 1964 Civil Rights Act.

The federal government first cited Maryland for failure to dismantle its dual system of higher education in 1969. Over the next three decades, Maryland attempted to resolve its compliance status under federal civil rights laws through the submission of a series of desegregation or consent plans. The most recent, the 1999 Partnership Agreement between the State of Maryland and the U. S. Department of Education, committed Maryland to enhance the HBIs by among other things making them "comparable and competitive" with the TWIs. However, while the state identified and implemented several "enhancement" projects and funding commitments, it failed to establish

benchmarks, standards, or indicators to determine how and when the HBIs would be deemed "comparable" to and therefore able to become "competitive" with the state's TWIs. As indicated above, the HBI Panel has been asked to advise the state on the development of such benchmarks, standards, and indicators to assist the state in developing funding guidelines and formulas for supporting HBIs in reaching the goals of comparability and competitiveness.

Specifically, the state indicated in its June 19, 2006 response to the Office for Civil Rights (U. S. Department of Education) that "the task of determining that the HBIs are "comparable and competitive" with the state's TWIs in all facets of their operations and programs resists simple assessment, since the language of the commitment lacks clear and measurable specificity." The state goes on to promise that it will "undertake the development of measurable indicators in areas required to achieve parity among the TWIs and HBIs."

A Note from the Panel

The Panel wishes to make a point that otherwise might go unnoticed in the context of this report's findings and recommendations on making Maryland's HBIs comparable and competitive with other state institutions. The conclusions below outline significant steps the state should take to ensure the HBIs attain such status.

However, what should not be lost and is highly significant is that the state of Maryland has initiated on its own this examination of the specific meaning of the terms comparable and competitive. We know of no other state that has committed to being so explicit about these standards and terms.

We note below how these concepts have tended to be more terms of art than objective criteria as applied heretofore in Maryland and in other states. Without more specific definitions of the goals and standards, it is difficult to gauge where HBIs stand and what is needed to improve their positions.

In taking this initiative, Maryland has become the first state to ask not simply for more specific definitions of comparable capacity, but also what it means to be competitive in terms of outcomes and results. In doing so, Maryland, on its own, has reached for not only a more specific standard — but a higher and more exacting one, which demonstrates its commitment to strengthening the HBIs and the Maryland system of higher education as a whole.

III. The Panel's Approach and Process

The HBI panel recognizes that a "simple assessment" and measurement of "comparability" is both difficult and complex. Moreover, identifying the moment in time when comparability has been achieved is challenging, if not wholly impossible. A better approach, though no less complex and challenging, in the Panel's view, is the development of an analytical process and a series of strategic steps that will enable the HBIs to develop the capacity to compete at all levels with other public institutions of higher education in Maryland. The Commission's charge to the Panel portends its intent to pursue a more strategic approach to the enhancement of HBI programs and facilities to eliminate any vestiges and effects of prior discrimination and the disadvantages created by the cumulative shortfall of funding over many decades. The charge also portends an intent to adopt a strategic funding plan to acknowledge that shortfall and appropriate funds over time that will build the capacity of HBIs and make them comparable in terms of quality and resources to the state's public TWIs. Comparability once achieved will place HBIs in the position they would have been, absent the perpetuation of discriminatory policies and practices, to compete effectively with other public institutions in the state.

There are many indicators that suggest that substantial additional resources must be invested in HBIs to overcome the competitive disadvantages caused by prior discriminatory treatment: the lack of modern "state of the art" science and technology labs, the aging physical plants and lack of consistent funding for maintenance, the poor retention and graduation rates of students as compared to TWIs, and the large number of low income and educationally underserved students in need of financial assistance. Indeed, one can reasonably assume that had the state consistently treated HBIs over their lifespan in a manner comparable to the treatment of TWIs, the HBIs would currently be competitive with other public institutions in these and other aspects of their operations both at the undergraduate and doctoral levels. The goal is to adopt a set of policies and practices that ultimately lead to the achievement of a public higher education system of national eminence in Maryland.

The Panel has attempted to be faithful and responsive to the Commission's charge by developing definitions of the terms "comparable" and "competitive" within the context of Maryland's examination of support for higher education institutions. The Panel then identified a series of indicators, and, in some cases, benchmarks that give meaning and specificity to those terms. In the spirit and intent of the Commission's charge, we went further and attempted to measure how comparable and competitive the HBIs are with respect to the TWIs in Maryland and to identify the level and nature of support needed to address any differences or deficits.

The Panel organized its early work according to the following interpretations of comparable and competitive and their associated benchmarks and indicators:

> We attached the term "comparable" to describe institutional comparisons of capacity, which refers to resources, including various student and faculty inputs, programs, facilities, funding and other factors. In other words, we examined those indicators whose organized and effective interaction enables an institution to generate instructional, research and service outcomes.
>
> We used "competitive" to refer to comparisons across institutions of their outcomes or results, such as degree production, student graduation rates, external funding generated, etc.
>
> We used "indicators" to describe the specific capacity and outcome factors that we used in the comparisons.
>
> "Benchmarks" refer to the levels of capacity and outcome indicators that specify desired levels of capacity that lead to competitive outcomes.

The Panel quickly recognized that a straightforward, traditional comparison of Maryland HBIs and TWIs across a common set of definitions and indicators of institutional capacity and outcomes would not work, owing to some crucial limitations:

- First and most important, the mission of the HBIs in providing an undergraduate degree is substantially different and more challenging than that of the TWIs. HBIs historically and into the future have a dual mission. They are committed to the traditional mission of any institution of higher education to provide a quality educational experience and guide students to the attainment of an undergraduate degree. HBIs in the State of Maryland also have as their mission to address the educational needs of students who come from families with traditionally less education and income and who are often under prepared as a result of their circumstances – not their abilities – for college level work. Helping these under prepared students earn a bachelor's degree is central to the HBI mission. This function for the HBIs is disproportionately more important than in the TWIs. Simply comparing the traditional indicators of capacity (funding levels, student-faculty ratios, etc.) poses the question: What kind of capacity is truly needed to carry out such a challenging mission?

- Second, the Panel's examination of the comparative status of doctoral-level education in the HBIs was limited by Morgan State University

having no Maryland university peers in its Carnegie Classification. The Commission's intent that we focus on Maryland institutions within the same Carnegie class limited the Panel's ability to perform a traditional comparative analysis as intended.

The Panel agreed that, with these limitations, a simple assessment and measure of comparability at one moment would not be possible or accurate. Accordingly, the Panel developed its own approach for determining the HBIs' comparability and competitiveness. This strategy applies separately to undergraduate education and doctoral education in the following ways:

1. A definition of the outcomes or results that will render the HBIs competitive with TWIs. In undergraduate education, we recommend a focus on attaining similar graduation rates as those of the TWIs. In doctoral education, we suggest the traditional outcomes of degree production, external grants generated, and placement of doctoral graduates.

2. A description of a state process for determining the kind and level of capacity needed to produce the competitive outcomes. This process recognizes that simple comparisons of HBI and TWI capacity will not be effective either in undergraduate or doctoral education. For undergraduate education, the task will be to specify the different or greater capacities the HBIs will need to reach the same graduation-rate levels as the TWIs. For doctoral education, in the absence of relevant institutional comparisons within Maryland, the Panel built a strategy and model describing the specific indicators of quality doctoral universities – both in terms of institution-wide and program characteristics.

Below, we outline a process based on the judgments of academic and policy experts to determine the specific nature of the needed capacity. The goal should be to ensure HBI capacity that enables each institution to generate competitive results.

In doctoral education, effective capacity will mean that the institution has both the institution-wide platform and program indicators that are present in quality doctoral universities with similar programs.

In undergraduate education, effective capacity at the HBIs will signify a different and even greater capacity required to achieve similar outcomes as the TWIs.

Organization and Conduct of the Study

The Panel organized its study, analyses, findings and recommendations of the comparability and competitiveness of Maryland's HBIs into four areas:

1. Undergraduate Education: Capacity and outcome indicators were identified and a subset of them was used to compare the four HBIs with three selected TWIs – Salisbury University, Towson University and the University of Maryland, Baltimore County. Recognizing the constraints inherent in this sort of traditional analysis, the Panel outlines and recommends a different approach to determining and moving toward needed capacity and competitive outcomes.

2. Doctoral-Level Education and Research: The Panel identified a series of indicators against which the capacity and outcomes of universities in doctoral education and research can be measured and compared. Morgan State University's doctoral capacity and outcomes are referenced to a model description of the essential indicators of quality doctoral universities and programs. The Panel recommended a strategy for developing the specific enhancements needed to achieve comparable capacity and competitive outcomes. UMES' special status in doctoral education was recognized and a similar strategy recommended.

3. General Institutional Facilities and Operations: Through on-site visits and available data analysis, the Panel attempted to assess the comparability of facilities and related space of the HBIs in relation to selected TWIs.

4. State program Approval and Improvement, Funding and Accountability: The Panel notes the important statewide functions of program approval and improvement, funding and accountability and the need for these procedures to be closely aligned and applied more effectively.

These comparative analyses were conducted through campus visits in which the Panel heard presentations of facts and opinions, interacted with faculty, staff and students, and observed facilities, equipment and space. The Panel visited the following campuses: Bowie State University, Coppin State University, Morgan State University, Salisbury University, Towson University, University of Maryland Baltimore County, and the University of Maryland Eastern Shore.

The Panel also analyzed volumes of reports and analyses provided both by institutions and various state agencies. The Panel took care that any conclusions drawn were based on data and reports that in most cases were confirmed by multiple sources, including universities and government agencies.

IV. Comparability and Competitiveness in Undergraduate Education

Maryland's per-capita income and economic success is directly related to its high rate of bachelor's degree attainment. Historically high, Maryland will be increasingly challenged over the next 15 years to maintain or increase higher education attainment levels. This is because:

- The populations growing the most through 2021 will be from African-American, Hispanic and other minority groups. These groups historically have had lower rates of higher educational attainment, owing in the past to a relative lack of opportunity and more recently to lesser preparation for college related to income and educational background.
- The change and challenge posed by Maryland's population trends can be seen clearly in the proportions of high school graduates: In 2009, 52 percent of the year's graduates will be white, but by 2021, 38 percent will be white.
- Currently, the educational gaps between white and African-American students are large in high school graduation, preparation for college and college-going and degree attainment.
- Maryland's challenge is to find ways to bring the college-going rates and attainment of the faster growing lower income groups to levels commensurate with whites to ensure the state's continued economic success.
- While every public community college and university needs to increase access and help students from lower-income families achieve higher bachelor's degree attainment, HBIs are uniquely positioned to play the largest role owing to their historical mission and effectiveness in meeting the needs of these students.

Effective undergraduate education needs to be the highest priority for HBIs and all of higher education given the fundamental role undergraduate education plays in higher education.

- The bachelor's degree has the highest currency for most students and its economic value is increasing.
- Quality undergraduate education is prerequisite for successful graduate and professional education attainment.
- The gaps in degree attainment between African-Americans and whites are great at both undergraduate and graduate levels. While larger gaps exist in graduate education, the only way is to close them simultaneously.

Analysis and Findings

To determine the comparability and competitiveness of the HBIs with the relevant Maryland TWIs, the Panel identified a set of indicators descriptive of the critical components of institutional capacity, on one hand, and institutional results or outcomes on the other (Table A-1). These indicators reflect many of the performance indicators already being used in the state funding process but also include others.

Using those indicators for which data could be obtained, the Panel compared the four HBIs and three TWIs in both capacity and outcomes. All seven universities were compared to each other because undergraduate education in all universities is expected to share similar outcomes and elements of capacity. The Carnegie Classification applies only to graduate education.

This traditional, routine comparison yielded the following findings (Table A-2):

1. The findings are clear with respect to the very different kinds of students served by all of the HBIs compared to the selected TWIs.
   - SAT scores are lower by 200 to 250 points
   - Much higher percentages of HBI students are lower income and minority.

2. On the more traditional capacity indicators, the HBIs show more similarity with the TWIs.
   - Student-faculty ratios are similar.
   - Funding per student indicators are similar.
   - Percentages of faculty who are full-time vary, but not specific to HBI or TWI status.

3. The comparison of outcome indicators reveals large gaps in performance (competitiveness).
   - HBI graduation rates are 20-30 points lower
   - HBI undergraduate programs yield fewer degrees per 100 students enrolled.
   - HBI second-year retention rates are lower.

These comparisons show more similarities than differences on traditional capacity indicators but do not take into account the fact that HBIs require additional funding in order to successfully carry out their broader missions.

The Panel holds, accordingly, that the Commission should consider a different approach as it seeks to determine the kind and level of HBI capacity needed to be competitive. This approach centers on identifying those institutional actions needed for an HBI to improve graduation rates significantly. The very

different and greater challenges faced by HBIs in terms of student preparation and affordability should determine the specific capacity required by the HBIs, not a strict comparison to that of TWIs.

Moreover, this identification of what HBIs need to do specifically to help students graduate at far higher rates likely will not be assisted by currently identified indicators or benchmarks. This is because there are few or no institutional examples of success in this endeavor. Graduation rates in U. S. higher education remain almost wholly tied to the education preparation and income of beginning students. Few institutions have been able to counter the effects of prior under preparation and low income on graduation rates. In a real way, Maryland will have to construct its own definition of what capacity is needed.

HBIs need a different form and level of capacity because unlike the TWIs, the HBIs have a dual mission: (1) to carry out their regular collegiate programs and associated functions to the best of their abilities and (2) to provide strong programs in developmental education to ensure access and success to students, mostly from low-income families, who otherwise would not have an opportunity to pursue a bachelor's degree.

The HBIs are not funded at appropriate levels to carry out both parts of this mission at once. Given the rapidly changing demographics in the state and the great disparity that continues to exist between bachelor degree attainment levels of white compared with black residents of the state, the HBIs are providing an invaluable service to the state in its commitment to helping underserved students, and in preparing African Americans for the Maryland workforce. In FY 2004, 46.2 percent of all Maryland high school graduates enrolled in a Maryland 4-year college or university. That percentage for African Americans was 38.6. Approximately 60 percent of African Americans enrolled in a public college or university within the state are enrolled at an HBI (excluding UMUC that enrolls students at multiple sites both within and outside the U. S. and enrolls a large percentage of nontraditional students.) In 2006-07, only 19.7 percent of the total number of bachelor's degrees awarded by Maryland campuses went to African Americans. Approximately 40 percent of these were awarded by the HBIs.

The consequences of serving a higher percentage of students from low-income families include the following:

1. HBIs must expend a higher percentage of revenue toward student financial aid;

2. HBIs must charge lower tuition and fees because students cannot afford higher costs. Consequently, in FY 2007, the revenue from tuition and fees for HBIs is on the average $1,500/FTE student less than that of TWIs (this

analysis excludes UMUC and St. Mary's College because of their unique status);

3. The HBIs' graduation rates are less than that of the TWIs because of the challenges associated with graduating students from low-income families at the same rate as that of students from higher income families; and

4. HBIs must expend larger portions of their budgets toward developmental education and academic support than TWIs.

This new approach to determining comparable capacity and competitive outcomes is based on the following principles:

1. Undergraduate education should be the first priority of all state universities and the bachelor's degree should be recognized as the key credential in advancing minority attainment, closing achievement gaps and reversing the cycle of low family income, educational background and college attainment levels. Increasingly, the bachelor's degree is the key to economic and social success.

2. All state universities share this mission and all must have the capacity to help students earn the bachelor's degree at similar, competitive rates.

3. The most significant indicator of undergraduate program outcome and competitiveness is the graduation rate. An institution will be seen as competitive if it can help high percentages of students earn a degree.

4. The capacity of undergraduate programs should be judged by the extent to which the programs help students graduate. We call this "effective capacity." Different programs may have the same levels across the same indicators of capacity (student-faculty ratio, funding, and faculty characteristics) and yet result in highly different graduation rates. In these cases, the Panel holds that capacity is not comparable in that it does not lead to similar graduation rates.

5. In this context, assuring the comparability of a university's undergraduate education capacity requires taking into account the challenge of the task, the differential difficulty faced by different institutions in helping their students earn a bachelor's degree. In other words, universities that enroll students with significantly less educational preparation and readiness for college will require a very different kind of capacity.

6. The HBIs serve a different and higher-need student population. While most of the Maryland TWIs also have students with developmental educational needs, the under prepared student composes a much higher

proportion in the HBIs. In this circumstance, HBIs require greater and different capacity than TWIs to produce similar outcomes.

7. The Panel suggests that HBI capacity be deemed comparable when it has the programs and services it needs to help its higher-need students to graduate.

Strategy for Making HBIs Effective in Capacity and Competitive in Results

With the preceding as background, the Panel recommends the following:

1. The capacity of HBIs in undergraduate education should provide the opportunity to raise graduation rates to levels approaching those of TWIs. Graduation rates should be the primary criterion determining competitiveness in HBI outcome or results. The graduation rate benchmark for Coppin State University may need to recognize its low beginning baseline.

2. The HBIs as a group, coordinated by the Maryland Higher Education Commission and assisted by national experts, should outline in detail those programs and services needed to ensure that lower-income, lesser-prepared students eventually graduate. These programs and services may extend from pre-admission work with feeder high schools to summer bridge programs to first-year freshman programs and through graduation.

   The primary focus of these services should be on academic achievement. The programs should address specifically the improvement of learning skills, especially reading, writing and mathematics.

   These services also should provide for the continuous advising and monitoring of student progress and appropriate intervention. These services should employ the latest effective technology that maximizes the connection of students with needed advising, counseling and individualized learning and learning tutorials.

   The faculty and staff resources needed to implement these services and programs should be identified and the cost estimated. The nature of the professional resources required should be carefully evaluated according to student need. It is most likely that many of these student needs are best met not necessarily through tenure-track faculty but through full-time academic professionals with specialized preparation in learning skills development and subject-based learning.

   These programs should be comprehensive and be planned using criteria shared by all HBIs (and certain TWIs if relevant). The Panel notes that

Towson University has planned a comprehensive and impressive student assistance program. However, HBIs and TWIs in Maryland currently have student bodies with significantly different academic needs and characteristics and the best practices at each may not automatically translate into best practices at another.

Each of the HBIs offers a range of the contemplated services and programs in some form. The Panel recognizes the state-supported "Access and Success" grant program aimed at improving student achievement and graduation. We find an absence of suitably-specific and common criteria that shape these programs. This program also lacks the nature and level of goals and accountability that we have in mind.

3. The dominant focus on learning skills in these programs is reinforced by the knowledge that such skills (reading, writing and math) are the most important predictor of eventual graduation. The Panel estimates, and research data confirm, that at least 80 percent of HBI students need further preparation to succeed in college if reasonable readiness standards are applied. For HBIs to become competitive with TWIs in graduation outcomes, HBI capacity must be able to address the needs of the great majority of their entering students.

4. These programs should be based on a common, statewide definition of college readiness in the form of specific statewide standards in reading, writing and mathematics. These standards should be established statewide and applied through common placement/readiness tests taken by all admitted students. These standards should specifically focus on the developmental programs and be used as the criteria for determining when students have achieved a level of college readiness. Meeting these standards coupled with successful course completion and eventual college graduation should provide the measure of these programs' effectiveness.

5. These student academic assistance programs should be available to any university that enrolls a significant proportion of low-income, under prepared undergraduate students.

6. The Panel believes strongly that increasing the capacity of HBIs in undergraduate education in the above ways to be the first priority for additional state support.

7. The Panel also notes that HBIs serve students who disproportionately have greater unmet financial needs. Compared to students in the TWIs, students attending HBIs find a college education much more difficult to afford. While these more needy students qualify for need-based federal and state aid, it is highly likely that a large number of these students have

The current result of these longstanding past practices is that there exists a substantial lack of comparability and capacity (as compared generally with quality doctoral granting institutions both in and outside of the state, taking scale and composition into account) at both MSU and UMES (whose status as a doctoral granting institution is somewhat different from that of MSU). The substantial lack of comparability, and therefore the inability to be competitive, exists both in terms of the institutional platform upon which doctoral programs must be built and sustained, and with respect to the quality and nature of the specific doctoral programs offered by these two HBIs.

The Panel wishes to comment on one part of this process that has produced serious current consequences and led to confusion and concern about current funding levels of higher education programs in Maryland. This aspect of the higher education coordinating process in Maryland is best characterized by the common refrain from the HBIs, and others well-acquainted with Maryland public higher education, that the programs exist but are not funded, either at all or funded inadequately. This situation could be caused in several ways:

- The institution is receiving funding but chooses not to apply it to a program;
- The institution stated before approval that it could fund the program out of its existing resources; and/or
- The state approved a program without ensuring that funding would be available either through the state, the institution, or a combination thereof.

Each of the two doctoral-level HBIs has multiple graduate programs that have been approved by the state but for which each claims to have received no specifically-designated state support. At this point, it is probably not helpful to "roll back the clock" and review motivation or assign responsibility for this situation. However, as stated in the earlier section of this report on undergraduate programs, we recognize the key and unfortunate role played in the distant past by a legally-enforced dual system in the development of the doctoral programs offered by the two HBIs. What is most important at this juncture is for the Commission to remedy both the lack of comparability among the doctoral institutions and restructure the process that has caused the inequities and lack of competitiveness between the HBIs and the traditionally white doctoral institutions.

Defining and Measuring Comparability Among the Doctoral Granting Institutions

Determining comparability and competitiveness in the graduate area is more complex than for undergraduate education. This is because:

unmet financial need along with unseen greater financial burdens and responsibilities.

In furtherance of its recommendations, the Panel makes the following observations:

- That affordability is a critical factor in students staying in college and eventually graduating.
- That many students at the HBIs (and in the TWIs to a lesser extent proportionately) have unmet financial need that affects their successful attendance.
- That the HBIs, to a greater extent than TWIs, must constrain tuition and fee charges in recognition of the income status of their students.
- That HBIs, to a greater extent than TWIs, need to redirect portions of their tuition and fee revenue to support lower income students.

Accordingly, the Panel further recommends that Maryland consider augmenting its need-based student assistance programs so that affordability is increased for lower income students at all public universities. This, of course, will affect HBI students, and HBIs, disproportionately.

V. Comparability and Competitiveness in Graduate Education: The Doctoral Level

Maryland's Process for Planning, Mission and Program Approval, Funding and Accountability

In carrying out its charge from the Commission to define comparability and competitiveness, the Panel's attention was frequently directed to historical and contemporary situations and circumstances that, while related to funding, were caused or affected by other parts of the state's process for coordinating higher education. Understanding the development and nature of this coordinating process has become particularly relevant to our deliberations over capacity, comparability and competitiveness among Maryland doctoral institutions and the doctoral programs offered at these institutions.

We refer to the process by which a state sets university missions, approves new programs, funds them through some model or process, and then holds universities accountable for results. Whether intentional or not, the past treatment of the historically black institutions in this process in contrast to the treatment of other public institutions in the state has had the effect of substantially marginalizing the HBIs and their ability to develop and maintain comparable quality and competitiveness in the state's system of higher education. This is especially the case with respect to the doctoral granting status of Morgan State University (MSU) and the University of Maryland, Eastern Shore (UMES).

- The number and kind of graduate programs, especially at the doctoral level, depend on defined institutional missions. Most public institutions do not offer doctoral programs; those that do, offer different kinds and numbers by state design.
- Doctoral programs that are research- and academic science-based are relatively lower-demand and higher-cost programs. Consequently, an accepted and key tenet of state coordination and planning policy is that the number and kind of graduate programs in any state must be limited by state needs and available funding. In contrast to undergraduate education, in which all or most institutions are expected to have a full set of basic programs, in graduate education the programs must be assigned and coordinated carefully according to what a state needs and can afford.
- Virtually all states experience a number of public institutions wishing to offer more graduate programs than a state can afford, or truly needs. A constant tension exists between institutional aspiration and state coordination. This has been true in Maryland from at least the 1960s to present.

In its most recent publication, the Carnegie Foundation for the Advancement of Teaching (Carnegie Classifications Data File, June 11, 2008), classifies only three of Maryland's public universities as Doctoral-Granting Universities: Morgan State University (Doctoral/Research University or DRU), the University of Maryland Baltimore County (Research University – High or RU-H), and the University of Maryland College Park (Research University – Very High or RU-VH). Maryland has no public universities within the same Carnegie Classification as Morgan State. UMBC's classification of "Research University – High," is a step above "Doctoral/Research University". The University of Maryland College Park, the state's "flagship" institution of higher education, and one of the select universities in the United States belonging to the prestigious American Association of Universities, is the sole Maryland public university in Carnegie's highest research classification.

Although UMES is not classified by Carnegie as a doctoral level university, it offers programs at the doctoral level. Of these seven programs, three are applied degrees; two are first-professional degrees which, in these instances, are needed to begin practice in pharmacy and physical therapy. Two more of the UMES programs are offered jointly with other Maryland public universities. The doctorates in Food Science and Technology, Marine Estuarine Environmental Sciences, and Organizational Leadership all have a research focus. Nevertheless, UMES is not classified as a doctoral-level university by Carnegie.

The Panel is aware of the fact that Bowie State University also offers two applied doctoral programs, one in Educational Leadership and the other in

Applied Computer Science. As in the case of UMES, Bowie is not included in the Carnegie Classification system. However, because Bowie, unlike UMES, is not a land-grant institution and neither of Bowie's doctoral programs has a research focus, it fell outside of the Panel's focus on comparability and competitiveness at the doctoral level. In considering the status of Bowie in this area of its academic offerings, the State should be guided generally by the indicators, strategies and recommendations following regarding the capacity of specific doctoral programs.

Comparison of Morgan State University to Other Doctoral Universities

As indicated above, Morgan State University is the only HBI in Maryland classified as a DRU doctoral university. MSU, founded in 1867, became a public institution in Maryland in 1939. However, its growth as a graduate institution traces to 1975 when it was authorized by statute to operate as a university that offers professional and graduate education as approved by its Board and relevant state authorities. MSU offers 15 doctoral programs currently.

MSU's first doctorate was in higher education and was approved by the State coordinating board in 1979. The next doctorates were approved in 1994, in engineering and history. Two more education doctorates were approved in 1995. The other ten doctorates were approved in 1999 or after.

UMBC's classification of "Research University—High", is a step above "Doctoral/Research University," and falls closest to MSU among Maryland public universities. UMBC was established as part of the University System of Maryland in 1966. It currently offers 23 doctoral level programs.

However, a direct comparison of MSU's doctoral program status to that of other similar universities in Maryland and outside is complicated in several ways. First, MSU has no Carnegie Classification doctoral university peer in Maryland.

Second, directly comparing MSU to similarly Carnegie-classified universities outside of Maryland, while possible, is not useful because such out-of-state comparisons do not address directly the desired focus on keeping the comparison between Maryland HBIs and TWIs. In addition, the 26 other universities in the U.S. with the same Carnegie classification as MSU, while all technically doctoral universities, represent a wide range of size and programs, funding support and mission, history and quality. The Panel's attempts to compare doctoral-level education and research among possible comparable institutions have been further limited by the lack of comparable financial and facilities data from institutions both inside and outside of Maryland.

It was also impossible to compare funding support for specific programs. Simply comparing current or recent general fund appropriations per student for the entire university cannot yield the kind of program-specific information needed to determine comparable support (i.e., did other program priorities claim disproportional shares of this overall funding leading to inadequate support?).

Moreover, as an historical fact, MSU's ability to develop as a quality doctoral university has been slower than the other doctoral institutions in the state. Specifically, even taking into account scale and uncertainty over intended specific missions, the data show that MSU has been slower to develop as a graduate/doctoral university than UMBC over roughly the same period (from the mid-1970s forward). UMBC gained clear direction by the 1980s in terms of its institutional role within the state and developed its current program cohort at a faster pace. In comparison, MSU's development as a graduate and doctoral university occurred seemingly without the support of a state strategic plan that delineated and directed specific state support of its graduate mission. We have been unable to determine the extent to which the state's approval of MSU's doctoral programs carried with it specific funding commitments or the nature of any state oversight of subsequent program development.

We find a continuing lack of consensus between the state and MSU on how specifically to develop and support MSU's graduate/doctoral role. In 1975, the state statutorily authorized and approved MSU to offer doctoral and professional programs as an "urban-oriented institution." The statute did not define or provide further direction as to the scope of the doctoral level programs authorized at MSU. However, fifteen such programs have been approved since that time and their development has certainly not been within the same trajectory as found in most quality doctoral universities with which we are familiar.

The Panel believes that the doctoral programs at MSU should have the support needed to become quality doctoral programs according to accepted standards of quality for doctoral programs of the kind offered by MSU. Equally important, Morgan should have the resources required to mount the kind of university-wide institutional platform needed, and generally expected in the higher education community, to support quality and competitive doctoral programs and quality doctoral universities.

Conceptual Strategy for Achieving Comparability and Competitiveness at the Doctoral Level

Recognizing these limitations but mindful of our charge to establish a comparative context within which institutional capacity and outcomes could be assessed, we turned to our collective expertise to conceptualize the elements of a quality doctoral-level institution offering the types of doctoral

programs currently offered by MSU. Our conceptualization projects a highly regarded doctoral-level research institution that has implemented a university-wide institutional platform upon which to build and support research and development in thirteen specific Ph.D. granting programs like those that comprise the MSU graduate-level program. We do this having reached consensus that absent its racial character and past treatment, there is every reason to believe that MSU would have been treated differently and would have developed the capacity to attain the status and quality that we describe in our specification of a quality doctoral institution. It would not necessarily have become UMBC or UMCP, each of which is unique in its category within the state. But MSU very likely would be – within the unique category of programmatic offerings it has chosen and been permitted to offer – an institution of comparable quality, resources, reputation and support.

In addition to our charge to determine whether MSU is comparable and competitive with other doctoral institutions in the state, we have been asked to help determine how the state should support MSU to develop its capacity to offer and maintain doctoral programs that are comparable to and therefore competitive with those offered at other quality doctoral universities. We have concluded that the definition of "comparable capacity" should be developed in the context of a set of general indicators. Having come to this conclusion, we acknowledge that the task of definitively benchmarking or identifying the level of quality required within this set of indicators is a complicated and somewhat elusive challenge. Nevertheless, we are recommending an approach that will link MSU's development to that of universities with universally acknowledged and generally accepted levels of quality expected within doctoral institutions and the doctoral programs they offer. The Panel suggests, therefore, that the indicators of quality that are gleaned from these doctoral institutions and doctoral programs will provide the "roadmap" to the doctoral programs of high quality to which MSU would like to aspire and emulate. Once this level of quality is achieved at both the institutional and programmatic level, we believe MSU will have the capacity to be judged comparable as a doctoral institution within Maryland. And, further, we believe the achievement of comparability will give MSU the opportunity to become competitive in its ability to attract to, and graduate students from, its doctoral programs.

UMBC and UMCP may provide a model for defining the level of comparable capacity needed at MSU, at least with respect to the generic indicators of quality (identified on pages 24-25). These generic indicators of quality are those indicators that would be expected to be present in every quality doctoral program. The state should embrace this comparison of capacity among doctoral institutions within the state and support MSU in achieving comparability with respect to these generic indicators (see the discussion following, regarding a university-wide platform and baseline capacity). However, there are some doctoral program-specific indicators of quality that

equipment depends on the success of doctoral faculty in generating external support, a baseline capacity is needed.

Quality doctoral universities require advanced library and information resources specific to the doctoral programs. To recruit and support top doctoral faculty and students in their programs and research, the overall university infrastructure needs to be modern, attractive and conducive to research and scholarship. The latest in university-wide technology and administrative support systems are critical. UMBC and UMCP have the institutional platform or foundation to support these qualities. MSU and UMES do not. UMBC and UMCP had the opportunity and support to develop the elements of quality described above that are the hallmarks of quality doctoral programs. MSU and UMES have not had that opportunity and support to the same or sufficient degree.

Strategy and Recommendations for Moving Forward

The next step involves developing a more specific definition of capacity and comparability in the context of MSU's institution-wide platform of support and its specific doctoral program offerings and a practical but comprehensive plan for building such capacity at MSU. This determination of comparable capacity needs to address both university-wide institutional platform components, particularly facilities and space, administrative support and specific doctoral program development.

University-Wide Capacity Indicators: The Institutional Platform

Operational indicators: In addition to the specific university-wide facility capacity elements discussed below, a quality doctoral institution to become comparable requires the financial resources to provide an efficient and well-staffed research and grants management office and internal audit and compliance office. In addition, the institutional platform must provide students, faculty, and administrative staff with an attractive, safe, and administratively effective environment in which to live and work. This includes an appropriate number of well-equipped and –trained public safety officers; adequate and safe student housing, including separate housing for graduate students and visiting faculty; an appropriately staffed and well-prepared development staff, housed in an attractive and welcoming environment; a well-staffed and trained enrollment management office housed in a central and easily accessible location.

Facility indicators: It is particularly important that the facilities housing the academic departments and interdisciplinary fields offering doctoral programs are modern and comparable to other quality doctoral universities. For graduate institutions offering doctorates in the sciences and engineering, for example, this means having modern science and engineering facilities,

may not lend themselves to a direct comparison between MSU, UMBC, or UMCP because the specific doctoral program is offered at MSU but not the other institutions. For example, Computer Science is offered at UMBC but not MSU. Similarly, Social Work is offered at MSU but not by UMBC. As a result, in some instances because UMBC is not offering the same kind of doctoral programs as MSU, specific determinations of the base-line level of capacity and quality needed at MSU in that particular doctoral program will require a comparison that focuses on comparable doctoral programs at doctoral granting institutions outside of Maryland. The comparability and capacity determination would involve doctoral universities of recognized quality. We outline below the process we recommend to implement the comparability determination for establishing the capacity needed at MSU.

The Panel members agree that there is a baseline capacity needed to develop and maintain quality doctoral-level universities whether in Maryland or elsewhere in the nation. We might add that simply offering doctoral programs does not equate to doctoral university quality. The challenge is to define this baseline capacity for quality MSU doctoral programs. These elements (or indicators) of institutional capacity that – taken together – make all quality doctoral universities comparable include a well-developed university-wide institutional platform that provides a foundation of support to the administration and operation of specific doctoral programs.

For example, quality doctoral universities have a core of doctoral program faculty who are graduates of doctoral universities with significant reputations for excellence in their respective disciplines. They should have teaching loads consistent with the need to afford them time to conduct research. They should have active research programs and publish in respected, refereed academic journals or produce scholarly books using primary sources and published by academic presses or similarly highly regarded publishers. They should teach graduate-level courses in their disciplines and supervise graduate-student dissertation research projects.

These doctoral faculties should have teaching and research assistantships available to provide financial support for their graduate students and to aid them in their teaching and research. They should have attractive and competitive salaries. Ideally, quality programs have a core of faculty with special appointments and support that supplement their state-funded salaries and who are able to generate external grant funding, which can be used to build support for doctoral students and research staff, and in doing so, expand their programs.

Moreover, the focus on program capacity extends to other vital areas. Science doctoral programs and faculty have modern, well-equipped research laboratories. While the ultimate development of these facilities and their

complete with modern laboratories. At quality doctoral institutions that focus on doctoral programs in education (as well as their large undergraduate teacher education programs), the buildings housing these programs need to be state-of-the art. Similarly, quality doctoral programs in business administration require the latest in facilities and technical infrastructure to support faculty and undergraduate, master's and doctoral students and to provide a setting in which the campus and business community can convene comfortably and effectively. Both undergraduate and graduate institutions are placed at a significant competitive disadvantage when they lack a modern administration building that would enable centralization of administrative functions.

Strategy for Achieving a Comparable Institutional Platform

The Panel recommends the following three-pronged approach for providing Morgan as a doctoral institution with the required campus-wide infrastructure (institutional platform) needed to become a competitive doctoral level university.

1. Based on and guided by the Panel's description of what is expected of a quality doctoral university, Morgan State University should provide the Maryland Higher Education Commission (MHEC) and the Secretary of Higher Education with a detailed strategic plan designed to improve its institutional platform to make it comparable to that of a quality doctoral institution. Specifically the plan addressing the institutional platform requirements should include an updated facilities plan complete with time tables for the construction of the new and renovated facilities consistent with the university-wide indicators identified by the Panel. In addition, the plan should include a proposal to address those administrative and operational and facilities elements and other resources identified above by the Panel as necessary for the support of specific doctoral programs.

2. Guided by Morgan State University's strategic plan and the Panel's recommended strategy, MHEC and the Secretary of Higher Education should provide the Governor and Legislature with recommendations to improve the institutional platform of Morgan and make it comparable to that expected of a quality doctoral university, as described by the Panel above.

3. Guided by these recommendations of MHEC and the Secretary of Higher Education and in consultation with them, the Governor and Legislature should establish a comprehensive program and provide the resources designed to make Morgan a quality doctoral research institution.

Specific Doctoral Program Indicators to Achieve Capacity and Comparability

The most effective, practical strategy for determining how to achieve comparable capacity at MSU on a program level, and for building this capacity, is through a program-centered approach. This is how today's universities develop a strong doctoral mission. Increasingly, universities do not spring up full-blown with a large number of quality, well-supported doctoral programs. Over the past 20 years, higher education has discovered that effective research universities do not have to be large and comprehensive in number of programs. The newer top universities such as UMBC have developed by emphasizing stepwise growth and the seeding and careful nurturing of a select and limited number of programs. Through careful planning and priority and selective concentration of institutional and state support, the successful universities have identified and brought to full development a focused, smaller number of programs. As these programs developed more fully, these universities then renewed the cycle for a new set of two to three programs, building on the success of the earlier programs. The best programs follow this cycle. Few programs begin with the overall state and external funding that quality programs eventually develop. This program-based principle emphasizes that the development of capacity and competitive results in doctoral programs takes focus, support, time and priority.

Recommendations for the Development of Capacity and Comparability Within Specific Doctoral Programs

The Panel recommends the following steps to guide MSU's development at the doctoral program level:

1. As an initial step, the state and MSU should identify a few of its existing doctoral programs for the initial priority and targeted development effort.

2. The MHEC and the Secretary for Higher Education should appoint a small panel of experts for each selected program to determine the threshold support and capacity needed for each of these priority targeted programs. On the basis of their knowledge of quality doctoral programs at a range of research universities (including UMBC if relevant), the panel will be asked to specify the capacity needed to enable competitive results in each of the doctoral programs. This panel should consider the following kinds of capacity and outcome indicators in their specifications (in addition to others that they may identify).

Capacity Indicators

Faculty
Instructional Course Load (Non-Thesis, Non-Dissertation) per Year per Doctoral Faculty Member
Released Time for Dissertation/Thesis/Scholarship/Research per Faculty Member
New faculty start-up funding/support
Special faculty appointments per Doctoral Program
(Endowed Chairs, Fellows, Professorships, Special Chairs)
Faculty salary by rank per Doctoral Program
Doctoral Students per FTE Doctoral Faculty
Faculty Awards per Faculty
Grants/Contracts funding per Faculty
Publications per Faculty
Citations per Faculty
Number of non-faculty research staff (including post-Docs)
Students
Student Assistantships (teaching/research) per Doctoral Program
Graduate enrollment per Doctoral Program

Outcomes/Results Indicators

Degrees Awarded per Doctoral Program
Federal R & D Expenditure/FTE Faculty per Doctoral Program
Placement of Graduates in Academic or Research Positions

3. This panel should also identify other elements of needed baseline capacity including office, laboratory and equipment; library and other information resources.

4. This panel should establish outcomes goals for degree production and R&D funding, if appropriate, by field.

5. The state funding (and dedicated institutional funding from other sources) should be earmarked to the specific programs.

6. The state should expect specific accountability for the funding and expected results.

7. Any new funding for doctoral-level programs at MSU and, preferably for other public universities as well, should be targeted and monitored and the university held accountable for expenditures and specific anticipated outcomes.

The Uniqueness of the University of Maryland Eastern Shore (UMES)

Maryland has two land-grant universities: the University of Maryland, College Park (UMCP), and the University of Maryland Eastern Shore (UMES). As land-grant universities, both have the tri-fold mission of teaching, research, and public service or outreach. Both receive formula-based funds for conducting agriculture research, and for extension services, from the U. S. Department of Agriculture. These funds require a minimum of a "dollar-for-dollar" match from the state. It is important for the state to continue to provide matching funds for both the UMCP and the UMES and to increase these funds in accordance with increases in formula-based funds allocated by the USDA.

With regard to the HBI study, UMES does not have a comparable institution within the state because of its land-grant mission. It cannot be compared to UMCP because UMCP is a major research university with very high research activity. For undergraduate education, the Panel used the state's public institutions classified as mater's-level colleges and universities, under the Carnegie Commission descriptions, for comparative purposes. For the research doctoral programs at UMES, a comparison should be made with similar doctoral programs offered at UMCP or other appropriate out-of-state universities. The aim is to ensure that UMES has the resources it needs (faculty, staff, funding, facilities, etc.) to offer high quality doctoral programs that are comparable and competitive with similar doctoral programs at other institutions.

Recommended Strategy: Development of a Comparable Institutional Platform and Comparable Capacity Within Specific Doctoral Programs at UMES

The Panel recommends that the state undertake steps similar to those recommended to guide MSU's development in the previous section of this report with respect to the research doctoral programs offered at UMES taking into account UMES' status as a land-grant university. These steps include providing MHEC and the Secretary of Higher Education with a detailed strategic plan designed to improve its institutional platform and the specific doctoral programs it offers to make them comparable with those of similarly situated quality institutions. As in the case of MSU, MHEC and the Secretary would provide the Governor and Legislature with their recommendations. Guided by these recommendations, the Governor and Legislature should establish a comprehensive program and provide resources to make UMES comparable and competitive within its institutional category. The Panel further recommends that the state use the same process recommended for MSU of appointing a small panel of experts to determine the threshold support and capacity needed for each of the priority targeted programs identified by UMES for development. The appointed panel of experts should identify and

recommend this not only out of our first-hand findings that the HBIs visibly lag behind the TWIs but also because addressing this deficiency is crucial to achieving the goals of capacity and competitiveness of the HBIs in both undergraduate and graduate education.

Undergraduate Education

In concrete terms, to raise undergraduate graduation rates to levels competitive with the TWIs, the HBIs must find ways to improve substantially the levels of teaching and learning currently associated with the preparation and academic levels of student enrolled in their institutions. Accordingly, their campuses must be made attractive and safe not only as a means of attracting well-prepared students but also for students who by necessity will be spending more of their time there than ever before. Students, faculty and staff need an attractive, safe and administratively effective environment in which to live and work. This includes an appropriate number of well-equipped and trained public safety officers; adequate and safe student housing; accessible management and student services offices with sufficient numbers of trained staff; and adequate study and academic counseling space where students, faculty and academic advisors and tutors can meet and work long hours. For students to receive the additional help and instruction needed to graduate, they need a place that makes such academic services directly and effectively accessible.

Graduate Education

The physical environment of a campus, including its facilities and infrastructure such as landscaping, utilities, and data/telecommunications systems, contributes substantially to quality graduate education. To recruit and support top doctoral faculty and students in their programs and research activities, the overall university infrastructure needs to be modern, attractive, safe and conducive to research and scholarship. This is particularly true in doctoral programs in which faculty and their students spend so much time together on campus.

Quality doctoral programs also depend on the latest in university-wide technology and administrative support systems to manage their research and grants and the connections between the researchers on campus and the external scientific and business communities.

The Panel has previously described the facility elements central to a quality doctoral program and made recommendations concerning the institutional platform required to mount quality doctoral programs. (See section V above.) We will not repeat those elements here although they are incorporated into the Recommendations and Strategies we advance immediately below.

consider the capacity and outcome indicators required to establish baseline capacity, outcome goals for degree production and R&D funding if appropriate for the fields and programs targeted at UMES. While recognizing the differences in the tri-fold land grant mission of UMES, the HBI Panel believes that the recommended strategies and process outlined for MSU can be utilized effectively for moving UMES into comparability and competitiveness in its institutional category.

Observations on Doctoral Program Planning in Maryland for All Public Higher Education Institutions

The Panel acknowledges that the baseline infrastructure, faculty and indicators of quality doctoral institutions and programs alluded to above are major investments. Because of this, the programs that are built on the platform need to have synergistic potential. Rather than create Ph.D. programs in widely dispersed areas that would require many different kinds of laboratories and equipment, it is good planning to develop programs that can share certain basic facilities. Without planning for synergy, the labs and faculty are simply too expensive, especially for low graduate enrollment institutions. For a period the graduate enrollment is limited by the institution's limited reputation in this level of education. For example, if it is decided that the life sciences offer a special opportunity, then the faculty and labs could be oriented to related life science doctoral programs, rather than a "one of each" approach. Laboratories, computer facilities, lab administration facilities, and research grant support need to be focused rather than dispersed. There should be some relationship between investment in the platform and an expected outcome in terms of degrees awarded.

In addition, it is understood that programs are more expensive the smaller the graduate program enrollment. To make any program fiscally rational requires the development of a "critical mass" of doctoral students and faculty in cognate fields. Therefore, as MSU achieves greater enrollment density in related graduate fields, the cost per graduate degree awarded will go down and the program will become more cost efficient.

VI. General Institutional Facilities and Operations

The Panel recognizes the state's substantial efforts to improve the facilities, physical space, and other institution-wide operational and administrative elements of the HBIs. However, overall the facilities at the HBIs are not comparable to those of the TWIs.

The Panel also acknowledges that the capital/facilities challenge extends throughout postsecondary education. All institutions have unmet capital needs. However, the Panel wishes to make a special case for addressing the needs of the HBIs both as a priority and as expeditiously as possible. We

Recommendations and Strategies

While asserting the strong need for an institutional platform capacity at the HBIs, the Panel recognizes the large cumulative capital needs of all public higher education. However, while progress has been made, the HBIs currently have further to go than TWIs in meeting their capital needs, particularly in light of the greater outcomes and results expected of them as recommended in this report in both undergraduate and graduate education and research. Against this backdrop, the Panel offers two general recommendations and then describes a strategy for going forward.

These general recommendations stem from the presence of specific HBI capital priorities and requests already being considered as part of the state's FY2009-FY2013 Capital Improvement Program. The institutions also have identified other capital needs that they require and that extend beyond the FY2009-FY2013 period. For example, MSU has the following capital requests either approved or under active consideration by the state: New Center for the Built Environment and Infrastructure Studies; New School of Business Complex; Campus utility and site improvements; Soper Library renovations; Banneker Hall renovation; and the replacement of the Jenkins Behavioral Science Center. Projects identified more in the future include requests for a new Administration Building and Technology Transfer Center.

UMES projects that have been approved or under active consideration by the state include a new Engineering and Aviation Science Building, replacement of the Early Childhood Center, and completion of Somerset Hall. Looking more in the future, UMES has requested a new Pharmacy Building and renovation of several older facilities on campus.

Clearly, substantial deficiencies exist among the HBIs, especially those with doctoral programs and particularly in the context of the institutional platform required to support quality programs that are comparable and competitive. With the foregoing in mind, the Panel recommends the following:

1. Using the strategy recommended above in Sections IV and V and in the context of the strategic planning process, each HBI should review its capital priorities through FY2013 and beyond based on the physical capacity that will be needed to become comparable and competitive both in undergraduate graduation rates and in graduate and doctoral program results expected of quality doctoral programs (as identified above).

   If warranted, priorities should be reordered to align with these goals of comparability and competitiveness and to maximize the synergy that exists or could exist between and among graduate programs.

The panel of experts appointed to identify the elements and resources that a specific doctoral program requires should also factor into this strategic planning process their conclusions about the capital needs they believe are required to achieve an improved and expanded institutional platform. The conclusions about the resources needed to support a quality institutional platform arrived at through the strategic planning process, as well as the conclusions reached about specific doctoral programs, should together form the basis for achieving the capacity the HBIs require to become both comparable and competitive.

2. As indicated previously, the HBIs have already identified some facilities that are needed on their campuses to improve their capacity to become comparable and competitive. The state has acknowledged and approved a number of these requests. This panel recommends that the HBIs be given the flexibility to revise their capital needs request in light of the strategic planning in which they will engage pursuant to the recommendations in this report. The state should expedite its review of any revisions and accelerate the funding for the resulting capital improvement priorities of the HBIs to close as quickly as possible the gaps that exist between the comparability and competitiveness of the state's public HBIs with the state's public TWIs.

Timeframes and On-Going Monitoring of Progress and Quality

Finally, with respect to the foregoing recommendations in Sections IV, V and VI, the Panel suggests that the state develop timeframes that are realistic but also recognize the urgency of completing the tasks ahead in a timely fashion. To this end, the state should consider appointing a monitoring committee that will regularly report to MHEC and the Secretary of Higher Education. This committee should assess progress towards meeting the plan goals and provide for continuous follow-up beyond the completion of the plan to ensure all public institutions of higher education in the state are appropriately progressing within the state's established framework to ensure quality institutional development.

VII. Observations Regarding State Program Approval and Improvement, Funding and Accountability

In introducing the section on doctoral education the Panel noted the crucial way that Maryland's process for coordinating higher education state wide contributed to the current situation regarding the comparability and competitiveness of MSU and UMES.

The Commission expressed its openness to the Panel's observations and suggestions for strengthening the state-wide coordination process so that,

going forward, there is more clarity in the relationship among program approval or improvement, program funding, and program accountability.

Strengthening this process will be particularly relevant as the state considers requests from HBIs for additional funding to reach the goals of comparability and competitiveness. However, stronger linkages between the requests for new or improved programs, funding, and accountability should apply to all public higher education institutions seeking additional funding for new or improved programs.

Some states have strict procedures for connecting programs and funding. Some states will not approve new programs unless a certain funding stream is identified in the forms of new, specifically targeted state support or some kind of institutional-generated revenue: student fees, state enrollment-based funding, or reallocated internal funding from other programs at the institution.

The Panel has recommended a set of strategies with respect to the HBIs for building capacity and achieving comparability and competitiveness. If followed, the limitations imposed on their growth and development by a confused or inconsistently applied coordination process will have been addressed. However, the Panel suggests that going forward, at the very least, the state should begin to build strong links among the mission-designation, program-approval and funding phases involved in coordinating public higher education.

Practically, this would mean that missions are made clearer and more explicit and programs are approved only if an assured, clear funding stream can be identified, whether it is from the state or institutional sources. The Panel further suggests that when the state is asked to approve a new program, its approval should be contingent on the availability of state funding, that the state should earmark an allocation specifically for that program and that the institution should be expected to budget and spend that funding only on that program.

VIII. Conclusion

The Panel has been privileged to play a role in the Commission's efforts to ensure the comparability and competitiveness of Maryland's HBIs. We hope that our study and recommendations will help to determine the kind and level of support and expected results that will bring these campuses to a point at which they are comparable in capacity and competitive in results.

The State of Maryland and this Commission should be recognized for advancing this uncommon initiative to be more specific about what it means to be comparable and competitive and how the HBIs can be supported to realize these goals.

The Panel also expresses its appreciation to the many people on the campuses that we studied and visited and to the Commission and its staff for supporting our work and ensuring the independence with which we developed our findings and recommendations.

Table A-1

Undergraduate Capacity and Outcomes Indicators

Undergraduate Capacity Indicators

A. Students
- Average SAT
- Average GPA
- Percent Eligible for Pell Grants
- Percent Fulltime
- Percent Residential

B. Faculty
- Percent with Terminal Degrees
- Percent of all Faculty Who Are Fulltime and Tenured or on Tenure Track
- Student Faculty Ratio
- Average Salaries by Rank for all Fulltime Faculty

C. Funding
- General Fund/FTE Student
- Tuition + Fee Revenue/FTE Student
- Other Revenue/FTE Student
- Total Educational + General Revenue per FTE student
- Endowment (Restricted and Unrestricted)

Undergraduate Outcomes Indicators

A. Graduation Rate (Six-Year)
- White
- African-American
- Other
- All Students

B. Retention Rate (Second Year)
- White
- African-American
- Other
- All Students

Table A-2

Findings of Comparability of Capacity and Competitiveness of Outcomes in Undergraduate Education – HBIs and TWIs

Comparability (Capacity) and Outcomes (Competitiveness) Indicators for Undergraduate Education

Maryland HBIs and Selected TWIs

Capacity Indicators (2006-7)

	Bowie State	Coppin	UMES	MSU	UMBC	Salisbury	Towson
Students							
2006-2007 SAT scores	884	849	814	907	1190	1104	1072
% African-American	88	92	77	91	14	10	11
% Low Income	36	59	53	47	22	16	16
% Full-Time	82	77	92	90	85	90	88
Faculty							
% Full-Time	59	51	65	75	69	69	54
% Terminal Degrees	75	58	62	80	-	82	-
Student-Faculty Ratio	13.5	18.3	16.9	14	17	15.9	15.6
E&G Funding Per Student	$14,248	$15,661	$14,172	$17,617	$20,247	$11,708	$13,428
GF & TF Per Student	$13,216	$14,689	$13,933	$16,504	$17,154	$11,448	$12,127
General Fund (GF)	$7,486	$9,944	$8,025	$10,300	$8.532	$5.036	$4,963
Tuition & Fees (TF)	$5,730	$4,745	$5,908	$6,204	$8,622	$6,412	$7,164

Outcomes Indicators (2006-7)

	Bowie State	Coppin	UMES	MSU	UMBC	Salisbury	Towson
Graduation Rates (6-year)							
African American	39.5%	20.2%	41.4%	39.9%	62%	62.5%	63.7%
All Students	39.4	20.7	40.9	42.3	63.7	75.1	64.9
Second Year Retention	72	64	65	66	92	83	85
Bachelor's Degrees	621	376	436	821	1,914	1,439	3,120
Bachelor's Degrees per 100 Enrolled	11.7	9.1	10.6	12.2	16.2	19.5	16.5

EXHIBIT C

Maryland Higher Education Commission

Office for Civil Rights Partnership Agreement

Commission to Develop the Maryland Model for Funding Higher Education

June 18, 2007

Maryland Higher Education Commission

Kevin M. O'Keefe, Chairman
Donald J. Slowinski, Sr., Vice Chairman
Victor E. Bernson, Jr.
Joann A. Boughman
Anne Osborn Emery
James G. Morgan
Kurt A. Musser
Emmett Paige, Jr.
Sherman L. Ragland, II
Paul L. Saval
Mario F. VillaSanta

James E. Lyons, Sr.
Secretary of Higher Education

Martin O'Malley
Governor

Anthony G. Brown
Lt. Governor

Maryland's Relationship with the Office for Civil Rights of the U. S. Department of Education, 1969 - 2000

1969 - OCR notified Maryland that was one of 10 states operating a racially segregated higher education system.

1970 - Maryland submitted a desegregation plan to OCR, which ruled it insufficient.

1974 - Maryland and OCR agreed to a new plan, but OCR announced in 1975 that it would bring enforcement proceedings against Maryland.

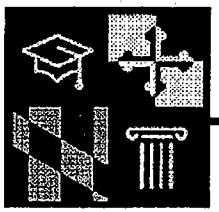
1980 - Maryland adopted *A Plan to Assure Equal Postsecondary Educational Opportunity, 1980 – 1985*. OCR resumed negotiations with Maryland.

1985 - Maryland and OCR agreed on another 5-year statewide desegregation plan.

1991 - Maryland submitted its final report on its efforts 1985 – 1990. OCR did not respond.

1994 - OCR announced U.S. Supreme Court decision in *Fordice* case applied to Maryland.

1999 - Maryland and OCR reached a *Partnership Agreement* to be implemented during 2000 – 2005 which would resolve the case against Maryland.



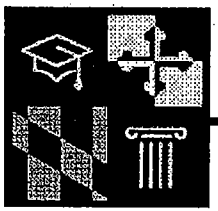
Purpose of Partnership Agreement

- Five-year agreement to ensure that Maryland is in full compliance with its obligations under Title VI of the Civil Rights Act of 1965 and the standards set forth in federal law.

- Agreement required to eliminate any remaining vestiges of segregation in the State's public higher education system.

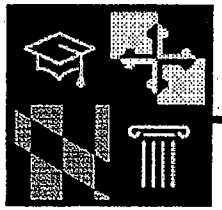
- Improve educational opportunities for African-Americans in Maryland's public institutions of higher education.

- Agreement ended in December 2005.



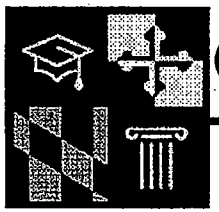
Commitments of Agreement

1. Strengthen Academic & Teacher Preparation.
2. Strengthen K-16 Partnerships.
3. Strengthen Recruitment & Admissions.
   - Increase need-based financial aid and review system for administering financial aid.
   - Consider establishing new graduate/professional scholarships at HBCUs.
   - Monitor other race enrollment.



Commitments of Agreement (Continued)

4. Strengthen Retention & Graduation Rates of African American Students.
5. Improve Campus Climate.
6. Improve Diversity of Faculty/Staff & Governing/Advisory Boards.
7. Expand 2+2 Partnerships & Articulation.
8. Avoid Unnecessary Program Duplication and Expansion of Missions and Program Uniqueness, & Institutional Identity at the HBCUs.



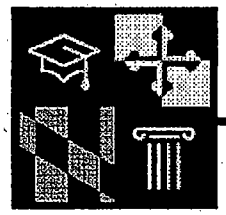
Commitments of Agreement (Continued)

9. Enhance HBCUs
   - Fund 'best practices' study leading to strategic plans to enhance admissions management, financial aid administration, and institutional development.
   - Double funding for *Access and Success.*
   - Increase Private Donor Incentive Program Match.
   - Review annual enhancement proposals.
   - Expeditious completion of capital projects.
   - Enhance Boards of Visitors.
   - Revitalize Coppin State College.

Status of Activities Since Initiation of Agreement

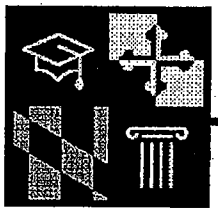
- Doubled the State match from $750,000 to $1.5 million for HBIs under the Private Donation Incentive Program.
- Doubled funding for the *Access and Success* program.
- Completed a comprehensive review of Coppin State College (The Toll Report).
  - An independent review of Coppin's mission, academic programs, student mix, administrative and faculty staffing, institutional advancement, fiscal affairs, and physical plant.

Status of Activities Since Initiation of Agreement (Continued)



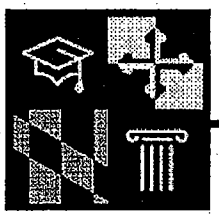
- Completed "Best Practices" studies at each HBI.
  - Independent review of marketing, recruitment, financial aid and institutional development tactics, strategies, and operations at each of the four Historically Black Institutions.
  - Studies provided feedback to institutions on strategies and practices.
  - Included a set of recommendations related to enrollment management, financial aid, and institutional development.

Enhancements of Historically Black Institutions Totaled $66.7 million in Operating Funds Since FY 2002



- The State has provided
  - $30.3 million in OCR enhancement funds.
  - $1.6 million in technology investment funds.
  - $28.5 million in the *Access and Success* program.
  - $4.7 million in matching funds for the Private Donation Incentive Program.
  - $1.6 million in Other funds for best practices studies, master plan development, information technology.
- Fiscal 2007 funding to the HBIs included $2 million in need-based financial aid enhancements.
- Funding for need-based financial aid has doubled since FY 2004 from $42.4 million to $85.4 million.

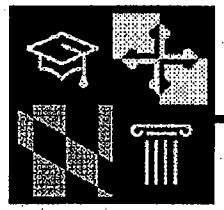
Enhancements of Historically Black Institutions Totaled $456.6 million in Capital Funding Since FY 2002



- In capital funding, the State has provided
  - Bowie State University: $30.5 million.
  - Coppin State College: $207.5 million.
  - University of Maryland Eastern Shore: $63 million.
  - Morgan State University: $155.6 million.
- The State has provided funding for the completion of all projects originally outlined in the OCR agreement.

OCR Report Process

- Blue Ribbon Committee – Legislators, educators, business representatives
- Two Committees—Commitments 1-8: Academic Issues
  Commitment 9: Finance and Facilities
- Four meetings for each committee: August 2005—January 2006
- Final Report: 2 Volumes, 186 pages.
- Submitted to OCR in June 2006



Conclusion

- Maryland's Agreement with the Office for Civil Rights ended in December 2005.

- In June 2006 MHEC and the Secretary of Higher Education submitted a letter to OCR stating that Maryland had met its commitment and pledged to do the following:
  - Develop a set of indicators to track progress made by the HBIs in becoming comparable and competitive with the other Maryland Four-year Public Colleges and Universities, and
  - Report on progress made annually to the Governor and General Assembly.

- MHEC anticipates working with the Commission to Develop the Maryland Model for Funding Higher Education to establish these indicators.

Conclusion

- The development of indicators is consistent with the Maryland Model Commission's charge to review options and make recommendations relating to the appropriate level of funding for the State's Historically Black Institutions to ensure that they are comparable and competitive with other public institutions.
- To meet this charge, the Commission anticipates hiring a consultant to define "comparable and competitive" and provide information to the Commission on measures that can be used to determine progress.
- The HBI consultant's scope of work includes identification of specific, measurable indicators related to comparability and competitiveness.
- MHEC looks forward to working with the consultant to develop appropriate indicators.
- MHEC anticipates submitting its first annual progress report using the HBI indicators in December 2007.

General Fund Enhancement Support for Maryland's Historically Black Institutions: FY 2002 – FY 2008

Institution	HBI Enhancement Grant	Information Technology Investment	Access and Success	PDIP Funds	Other[1]	Total Enhancement Funds
	FY 2002-2008					
Bowie State University	$ 6,188,577	$ 400,000	$ 7,125,000	$ 614,189	$ 785,000	$ 15,112,766
Coppin State University	9,832,196	400,000	7,125,000	1,392,105	748,475	19,497,776
UM Eastern Shore	6,297,142	400,000	7,125,000	1,290,402	50,000	15,162,544
Morgan State University	7,982,084	400,000	7,125,000	1,385,825	50,000	16,942,909
Total	**$ 30,300,000**	**$ 1,600,000**	**$ 28,500,000**	**$ 4,682,521**	**$ 1,633,475**	**$ 66,715,996**

Notes:
1) Other includes:
$350,000 provided to Bowie State University for Master Plan Development in FY 2002,
$385,000 for Bowie State University in FY 2006 for business incubator project at School of Business through DBED,
$198,475 to Coppin State University for Information Technology in FY 2002, and
$500,000 to Coppin State University for Revitalization Recommendations in FY 2005.
$50,000 to each institutions for First-Year Experience funding in FY 2007 and 2008.
Sources: Department of Budget and Management: Maryland Higher Education Commission

General Fund Appropriations to Maryland Four-year Public Colleges and Universities: FY 2002 – FY 2008

Institution	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Legislative Appropriation	FY 2008 Appropriation	FY 2002 - 2008 Average % Change
Historically Black Institutions								
Bowie State University	$ 22,724,961	$ 21,885,449	$ 20,712,299	$ 21,006,128	$ 22,269,547	$ 31,110,537	$ 33,629,175	8.0%
Coppin State University	20,513,150	19,755,345	18,693,564	19,068,318	20,802,188	30,427,867	32,193,361	9.5%
UM Eastern Shore	23,564,429	22,693,902	21,432,854	21,829,549	23,321,709	28,616,142	31,245,211	5.4%
Morgan State University	52,034,605	51,088,274	48,187,846	48,859,634	51,928,549	62,914,721	68,134,160	5.2%
HBI Total	**$ 118,837,145**	**$ 115,422,970**	**$ 109,026,563**	**$ 110,763,629**	**$ 118,321,993**	**$ 153,069,267**	**$ 165,201,907**	**6.5%**
Other Maryland Institutions								
Frostburg State University	28,659,702	26,302,434	24,408,849	24,838,529	26,434,454	29,667,299	31,488,485	1.6%
St. Mary's College of Maryland	$ 14,721,919	$ 13,853,271	$ 13,682,871	$ 13,977,883	$ 14,592,910	$ 15,906,000	$ 16,367,188	1.9%
Salisbury University	29,499,698	27,324,561	25,442,364	25,995,091	27,570,519	32,928,037	35,436,780	3.4%
Towson University	68,062,130	62,464,002	57,824,041	58,945,915	63,121,550	76,170,647	83,426,876	3.8%
University of Baltimore	24,473,622	22,507,996	20,904,051	21,297,219	22,709,573	26,241,675	28,176,184	2.5%
UM, Baltimore	153,139,494	141,678,389	132,174,751	133,497,622	145,702,081	157,678,766	170,871,964	1.9%
UM Baltimore County	75,817,613	70,168,162	65,417,441	66,376,510	70,490,730	79,269,769	85,497,159	2.1%
UM Biotechnology Institute	16,468,109	15,518,305	14,896,855	15,028,511	17,400,955	20,771,123	22,005,716	5.6%
UM Center for Environmental Science	13,478,721	13,165,523	13,018,726	13,151,931	14,053,768	15,450,329	17,492,726	5.0%
UM, College Park	359,338,977	330,499,300	306,130,518	310,281,793	328,809,523	370,688,761	400,904,509	1.9%
UM University College	16,928,490	15,552,233	14,469,494	14,633,278	15,191,125	20,069,456	24,986,265	7.9%
Other Institutions Total	**$ 800,588,475**	**$ 739,034,176**	**$ 688,369,961**	**$ 698,024,282**	**$ 746,077,188**	**$ 844,841,862**	**$ 916,653,852**	**2.4%**
Total	**$ 919,425,620**	**$ 854,457,146**	**$ 797,396,524**	**$ 808,787,911**	**$ 864,399,181**	**$ 997,911,129**	**$ 1,081,855,759**	**2.9%**

Sources: Maryland State Operating Budget Books, FY 2008 Budget Bill, Department of Budget and Management.

State Authorizations for Capital Projects: FY 2002 – FY 2008

Institution	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Historically Black Institutions							
Bowie State University							
Campus Wide Improvements	2,700,000	1,300,000					
Center for Business and Graduate Studies		550,000	949,000	17,550,000	2,000,000		
Fine and Performing Arts Building					1,500,000	2,725,000	
Science Building	1,200,000						
Bowie State Total	**3,900,000**	**1,850,000**	**949,000**	**17,550,000**	**3,500,000**	**2,725,000**	**-**
Coppin State University							
Acquisition of Property	800,000		8,000,000				
Conner Admin Bldg	1,500,000			1,829,000			
Dining Hall	3,500,000	1,500,000					
Grace Jacobs Bldg				3,375,000			
Health and Human Service Bldg		1,100,000	3,750,000		47,587,000	6,370,000	7,270,000
New Physical Education Complex				2,704,000	3,983,000	2,331,000	79,206,000
Telecommunication/Information Technology Upgrade	3,500,000	2,500,000	1,250,000	2,500,000			
Security Upgrade			285,000	9,440,000			
Lutheran Hospital Site Demolition						2,237,000	
Campuswide Safety/Circulation Improvements						10,390,000	588,000
Coppin State Total	**9,300,000**	**5,100,000**	**13,285,000**	**19,848,000**	**51,570,000**	**21,328,000**	**87,064,000**
University of Maryland Eastern Shore							
Food Science and Tech Center	4,450,000	1,300,000					
Physical and Health Education Center							
Physical Plant/Central Receiving Bldg	6,850,000	972,000	458,000				
Temporary Academic Building							
Social Science, Education, and Health Science Bldg	21,600,000	5,365,000	4,729,000	3,063,000			
Utility Upgrades and Site Improvements		390,000	6,100,000				
Waters Dining Hall and Somerset Hall Renovation	7,145,000	587,000					
UMES Total	**40,045,000**	**8,614,000**	**11,287,000**	**3,063,000**	**-**	**-**	**-**
Morgan State University							
Banneker Hall renovations			900,000	1,367,000	23,124,000		1,068,000
Campuswide Site Improvements	2,252,000		2,275,000	696,000	200,000	2,840,000	3,723,000
Campuswide Utilities Upgrades			7,703,000	489,000	510,000	7,010,000	
Communications Center and Pedestrian Bridge	1,192,000	18,414,000	-		718,000		
Library	1,962,000		48,968,000	-	2,952,000		
Montebello E-Wing/Ducthank/Old Power Plant/Morgue Demo					920,000		
Northwood Shopping Center Acquisition and Demolition	300,000			5,700,000		1,800,000	
Science Research Facility and Greenhouse	2,750,000	5,810,000					
Steam Boiler Replacement		4,110,000					
New Center for Built Environmental Studies						1,664,704	3,949,000
Lillie Carroll Jackson Museum Renovation						240,000	
Morgan State Total	**8,456,000**	**28,334,000**	**59,846,000**	**8,252,000**	**28,424,000**	**13,554,704**	**8,740,000**
HBI Total	**61,701,000**	**43,898,000**	**85,367,000**	**48,713,000**	**83,494,000**	**37,607,704**	**95,804,000**
Other Institutions							
Frostburg State University	1,272,000	16,832,000	-	-	-	3,900,000	-
Salisbury University	1,500,000	939,000	1,250,000	3,009,000	655,000	51,289,000	12,509,000
Towson University	33,161,000	4,973,000	24,277,000	7,817,000	2,100,000	45,235,000	13,505,000
University of Baltimore	240,000	1,300,000	5,355,000	-	1,890,000	-	1,211,000
University of Maryland Baltimore County	13,477,000	63,779,000	2,204,000	3,000,000	500,000	4,950,000	2,725,000
University of Maryland Biotechnology Institute	-	500,000	45,990,000	5,000,000	2,500,000	-	-
University of Maryland Center for Environmental Science	5,527,000	17,463,000	-	467,000	3,687,000	391,000	9,200,000
University of Maryland, Baltimore	6,655,000	59,396,000	51,050,000	23,565,000	11,200,000	7,000,000	-
University of Maryland, College Park	31,958,000	20,242,000	6,935,000	58,205,000	4,450,000	20,715,000	28,800,000
University System of Maryland Office	16,095,000	26,394,000	14,150,000	15,000,000	61,940,000	16,000,000	16,200,000
St. Mary's College of Maryland	4,033,000	5,212,000	5,550,000	26,685,000	4,375,000	9,650,000	1,077,000
Total Other	**113,918,000**	**217,030,000**	**156,761,000**	**142,848,000**	**93,297,000**	**159,130,000**	**85,227,000**

EXHIBIT D

2009 Maryland State Plan

for Postsecondary Education

June 2009

Maryland Higher Education Commission

Kevin M. O'Keefe, Chair

Donald J. Slowinski, Sr., Vice Chair

Joshua Ackerman

Joann A. Boughman

Mark R. Frazer

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Leronia A. Josey

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Paul L. Saval

James E. Lyons, Sr.
Secretary of Higher Education

Martin O'Malley
Governor

Anthony G. Brown
Lieutenant Governor

TABLE OF CONTENTS

PREAMBLE

The Maryland Higher Education Commission is a body of twelve members appointed by the Governor and charged by statute to conduct statewide planning for higher education, as well as manage other responsibilities related to the coordination and supervision of postsecondary education in the State. In accordance with these responsibilities, we present the *2009 Maryland State Plan for Postsecondary Education.* This *Plan* reflects the thoughtful work of many, including Commission members and staff, members of the General Assembly, representatives of other government agencies, faculty and administrators from all segments of postsecondary education, business and non-profit leaders, and interested citizens. We are grateful for their efforts.

Education is essential not only for our individual successes, but also for the success of our State. For this reason, we are strong advocates for ensuring that the State invests adequate resources to maintain and enhance our postsecondary education system. We are mindful, however, that this *Plan* has been developed during an economic downturn of significant magnitude, and consequently, some of our recommendations may by necessity require extra time to be implemented.

We believe that every Marylander who can benefit from postsecondary education, and who desires to attend a college, university, or private career school, should have access. We recognize that access to education is illusory, however, unless it is also affordable. The 21st century will require individuals to earn more than a high school diploma in order to earn a sustainable living, so the need to make postsecondary education both accessible and affordable, especially to our State's poorest citizens, is pressing.

One of our state's great strengths is its diversity, and one reflection of that diversity is our Historically Black Institutions (HBIs), which boast a proud history and a continuing mission of providing quality education, including educating low-income students and students who are the first generation in their families to attend college. We join the Commission to Develop a Higher Education Funding Model for Maryland in supporting enhancements to these institutions. Our HBIs are not alone in this service, as all segments of postsecondary education in Maryland are acting to serve those students who have enjoyed fewer advantages in preparing for postsecondary education and have fewer resources to help them succeed. This *Plan* affirms the continuing necessity of broad statewide efforts to close any gaps in achievement between groups of students. Closing these gaps will require effective teachers, both at the preK-12 level and beyond. This *Plan* suggests steps that can be taken to strengthen teacher preparation and to improve instruction in postsecondary education through conscious attention to student-centered learning that smoothes the transitions from one stage of education to the next and addresses students' diverse learning styles and needs.

We offer this *Plan* with an understanding that our postsecondary institutions are already strong. It is our vision that the State will build upon existing strengths and raise the bar still higher, so that Maryland becomes an international model of educational excellence. This effort will require our individual and collective energy, enthusiasm, commitment and collaboration. As a first step toward achieving this goal, we ask that Marylanders join us in making this *Plan* a living, vital document that every day informs our thinking and guides our decisions.

The Maryland Higher Education Commission

INTRODUCTION

State law charges the Maryland Higher Education Commission (MHEC) with producing a statewide plan for postsecondary education every four years. The new plan may be an update or a fully revised document. Its purpose is to articulate State priorities that will give direction to both the State and to institutions offering postsecondary education programs.

The *2004 Maryland State Plan for Postsecondary Education* included five goals for Maryland's postsecondary education system and an overarching recommendation that a study be done to identify a stable and predictable funding model for postsecondary education in Maryland. Gordon Van de Water and Associates completed such a study in 2006, after which legislation introduced to convene the Commission to Develop the Maryland Model for Funding Higher Education (the Funding Commission). The final report of this high-level commission was released in December 2008, and legislation derived from the report's recommendations was introduced in the 2009 General Assembly. Because of the scope and importance of this report, the production of Maryland's next *State Plan* was deferred to allow the report's recommendations to be considered as part of its development. The *2009 Maryland State Plan for Postsecondary Education* includes not just an overarching pair of recommendations related to the report, but also recommendations in other sections influenced by it.

The five goals in the *2004 Maryland State Plan for Postsecondary Education* were found still to be relevant by Maryland postsecondary education constituents. With this support for the existing goals in mind, MHEC convened a diverse statewide group to work on the 2009 *State Plan* and asked that the starting point be the existing five goals. Each group was charged to begin with one existing goal and was granted the flexibility to shift the goal as its members felt appropriate. Accordingly, these groups collaborated with MHEC staff to revise the goals to better reflect the current environment of postsecondary education in Maryland. The topics of the current goals are the same as in the last plan: quality and effectiveness; access and affordability; diversity; student-centered learning; and economic growth and vitality.

MHEC is responsible for assessing the extent to which progress is being made toward achieving the goals of the *State Plan*. Progress will not be tracked at the institutional level, but rather at the level of groups of institutions (e.g., segments of postsecondary education, Historically Black Institutions). Every effort will be made to measure progress in ways that do not increase the reporting burden on institutions; indeed, one of the recommendations in this *State Plan* is that MHEC work with the segments and the institutions of postsecondary education to determine if there are ways to streamline reporting processes.

As a first step in the evaluative process, MHEC will use the Return on Investment (ROI) template developed by the Funding Commission to annually report on the State's progress toward realizing the goals outlined in the *State Plan*. The ROI will serve as a quick reference tool for policy makers, educators, and members of the public at large and will provide useful information on broad, overarching indicators related to Maryland's postsecondary success.

The next step in the evaluation process will be based upon initial implementation measures and/or strategies that have been developed for each of the five goals and that are designed to

build upon the ROI by more closely examining and monitoring key areas in which traction must be gained if the State is to fulfill its postsecondary goals. These measures and strategies should not be considered exhaustive or absolute, but rather a starting place for a process of assessing and reporting on statewide progress related to this plan. The Secretary of Higher Education will appoint an intersegmental workgroup to develop new measures, if they are deemed necessary, and to expand and refine as appropriate the initial set of measures and strategies that are presented in the Plan. This process of evaluating the *State Plan for Postsecondary Education* supplants the narrative reporting process used in the past.

The *2009 State Plan for Postsecondary Education* begins with an overview of some significant issues facing postsecondary education now and over the coming four years. These issues are germane in some way to each of the five goals and point to challenges the State and institutions will have as they work to achieve these goals. The *State Plan* supports the Governor's priorities for the State.

The significant issues section is followed by a pair of overarching recommendations that pertain to implementing the Higher Education Funding Model for Maryland. After that brief section, there are five sections for the goals. Each section begins with a statement of the goal, then provides a description of centrally important issues related to the goal, and ends with a set of four to six action recommendations. One or more implementation measures and/or strategies are suggested for each action recommendation. The document ends with a brief summary of progress made on the last *State Plan*; more detailed documents have previously been published on that topic. An appendix lists the many people involved in creating this document and demonstrates the broad constituencies represented in this effort.

SIGNIFICANT ISSUES IMPACTING POSTSECONDARY EDUCATION, 2009-2013

Many of the same external forces discussed five years ago in developing the *State Plan for Postsecondary Education* continue to have an effect on the current and projected needs of higher education. In this section, some of the major issues are briefly highlighted. During the period that will be covered by the 2009 *State Plan*, all segments of postsecondary education will be impacted by the issues described here.

Changing Demographics

Demographic shifts in Maryland's population will continue to affect the state's postsecondary landscape. The growth trend that the state has experienced in the number of its high school graduates will not continue over the next four years. The high school class of 2008 marked the end of the "baby boom echo," and demographers project a decade of shrinking high school graduate cohorts. While the overall pool of Maryland high school completers is expected to decrease by more than 3,500 students by 2012, certain populations will experience notable gains. From 2008 to 2012, minority students are expected to comprise a larger share of Maryland's high school graduates than white students. Over this four-year period, the number of white high school graduates is projected to decline by nearly 7 percent, but the number of African-American graduates will remain about the same, and the number of Hispanic graduates is projected to increase by 15 percent. At this pace, Maryland will have a "majority-minority" high school graduating class in just two years, by 2011. These demographic changes underscore the importance of closing the persistent retention and graduation rate gaps that exist between African-American and Hispanic students and their white and Asian peers.

The achievement gap that separates some groups of students from others also has adverse long-term economic effects on Maryland and on the nation as a whole. McKinsey and Company's *The Economic Impact of the Achievement Gap in the United States: A Summary Report* (2009) provides much supporting data for this claim, including specific dollar figures on how much the United States has never gained as a result of not closing achievement gaps. As a wake-up call to policymakers, educators, and all citizens, the report concludes that "the persistence of these educational achievement gaps imposes on the United States the economic equivalent of a persistent national recession."

At the same time that Maryland is aiming to close its achievement gap, the State must also focus on meeting the needs of a larger number of students with disabilities and older students. Over the last three decades, Maryland's community colleges alone have experienced a threefold increase in the number of students with disabilities who have enrolled. Additionally, in 2008, individuals 25 years of age and older accounted for 32 percent of undergraduate enrollments. Approximately 3 million Maryland adults in that same age bracket had inadequate or no postsecondary education to secure employment sufficient to support themselves. Maryland will be better positioned to meet its workforce needs if a significant number of students from both of these groups acquire further education and training. Whether to increase the number of G.E.D. or Ph.D. completers, postsecondary institutions will be challenged to provide academic programs, support services, and delivery methods that serve the needs of these students who

often require flexible class schedules, locations, and ways of interacting with their peers and faculty.

Despite the trend toward fewer Maryland high school graduates, enrollments in Maryland's colleges and universities are expected to continue their upward climb. The rate of these increases will vary by institutional type, with community colleges enrolling new full-time students at a higher rate than part-time students, and public four-year institutions enrolling new part-time students at a higher rate than new full-time students. Women account for 60 percent of all students enrolled in college in Maryland in 2008, and this gender gap shows no sign of abating. An increasing number of Maryland postsecondary students will come from households of low to moderate income and where a language other than or in addition to English is spoken. Future enrollments will also include a higher percentage of first-generation college students.

Funding Challenges

Maryland experienced increases in State support for higher education over the four years prior to this State Plan. State General Fund support for higher education increased by almost 34 percent, or $398 million, from fiscal year (FY) 2005 to FY 2008, compared to an average 23 percent increase nationally. In the fall of 2008, the State and national economic picture changed quickly and drastically. State revenues slowed, particularly from sales taxes and individual income taxes, which forced reductions to all State budgets, including those for higher education. This revenue trend is expected to continue for the remainder of FY 2009 and over the next two fiscal years. As a result, the State was forced to reduce appropriations to higher education in FY 2009.

Although it is the largest portion of discretionary spending in the State budget, postsecondary education must compete for a shrinking pool of non-mandated funds. Slightly more than 67 percent of General Fund appropriations were mandated in FY 2008, leaving the remaining one-third, or $4.8 billion, available for non-mandated programs, including postsecondary education, public safety and health, hospitals, and mental health. While obtaining funding for non-mandated programs within the Maryland budget has become increasingly difficult in strong economic circumstances, the challenge to sustain adequate funding is even greater in periods of economic recession.

A prolonged recession may have an impact on access to and affordability for higher education in Maryland. Over the past four years, Maryland has made great strides in the areas of access and affordability. The Governor, with the support of the General Assembly, for the last four years has provided funding to freeze resident undergraduate tuition at the four-year public institutions within the University System of Maryland and at Morgan State University. Maryland's public institutions have consequently moved from the 6th highest in resident undergraduate tuition to 16th. In addition, funding for State need-based aid has more than doubled since FY 2005, rising from $42 million to $85 million. Maryland now ranks 12th in State need-based undergraduate grant dollars per full-time equivalent student, compared to 23rd in FY 2005. In addition, institutional need-based grant aid for all higher education segments has increased by 45 percent to $148 million. Continued reductions in State revenues may erode the progress that has been made in these areas.

College and Career Readiness

College and career readiness means that high school graduates are prepared to succeed when they enter college and to enter and thrive in career-track jobs. Students entering college must be equipped with the skills needed to complete first-year college-level work, and those entering the workforce must be prepared at a comparable level of rigor to those entering college.

College readiness standards focus on enhancing the threshold skills in reading, writing, science, mathematics, and the social sciences that students need to be successful at the postsecondary level. Well-prepared students do not need remediation or developmental courses, and reducing the need for these courses reduces the cost of postsecondary education for both the State and the student. The responsibility for ensuring that students are adequately prepared for college rests with both preK-12 and higher education. While educators at the preK-12 level are primarily charged with ensuring that students are prepared for college and the workplace, educators at the postsecondary level are charged with effectively conveying their expectation about the skills that students need to be successful in higher education. It is also important to advance students beyond threshold readiness whenever possible since some postsecondary admission standards are more competitive than others.

The Southern Regional Education Board's *Getting Students Ready for College and Careers* (2006) makes the case that states will know they are making progress in getting students ready for college and careers when all high school students complete an essential core of rigorous courses, the achievement gaps close between groups of high school students on college admission and on end-of-course exams, high school students enroll and succeed in rigorous bridge-to-college courses and programs, and the number of recent high school graduates needing remedial courses when entering college approaches zero.

Technology, Distance, and Online Education

The infusion of technology into education has occurred with geometric growth over the past twenty years. Advances in hardware and software initially transformed research efforts and then day-to-day operations in postsecondary institutions. After just a short time, these advances were also having an impact on the delivery of educational courses and programs. There are some who believe that within the next two decades, a majority of high school courses will be offered online and that higher education will have as many virtual campuses as it has physical campuses.

Technology has changed the landscape for higher education. With online education, institutions can expand their geographic reach to serve more students outside their normal service areas. Similarly, competition for local students can now come from anywhere in the world.

Several opportunities and challenges are presented by this growth and competition, for the State and for institutions, to ensure quality returns on investments of time and technology. Technology can enhance instruction across a variety of student learning styles, both in the classroom and also through careful translation from real-time, in-class instruction to online instruction. One of the greatest challenges postsecondary education faces is to create and provide sufficient faculty development so faculty creativity can be parlayed into software and

technology-savvy course design that can maximize technology's potential for substantially enhanced student learning.

Accountability

Recently, various stakeholders including parents, policymakers, and members of the public at-large have called for postsecondary institutions to be held more accountable for ensuring that their graduates are equipped with the skills they need for meaningful employment or further study. Colleges and universities have also been charged with demonstrating that the educational experiences they provide are worth the considerable private and public investments made by individuals, states, and the federal government. In its recent report, the national Commission on the Future of Higher Education argued that "higher education must change from a system primarily based on reputation to one based on performance." Within this context, Maryland can support a culture of accountability that is characterized by a commitment to continuous improvement and that includes at the campus level clear and appropriate indicators for measuring student learning. All of the goals outlined in this document are more likely to be realized with a transparent accountability system, to include strengthened cooperation among segments and preK-12 education in developing more integrated data systems that can be used to address critical statewide educational and accountability needs.

Governor's Priorities

The O'Malley-Brown administration is committed to supporting postsecondary education, which benefits the State by providing new knowledge and a well-trained workforce and benefits individuals through pathways to personal and professional goals. The *Maryland State Plan for Postsecondary Education* supports the Governor's priorities in workforce development; in making college more affordable for more Marylanders; in science, technology, engineering, and mathematics (STEM) initiatives; in preparing for the impact of Base Realignment and Closure (BRAC); and in fiscal accountability. Postsecondary education initiatives in STEM and campus efforts to improve energy efficiency support the Governor's efforts to protect the health of the environment. Certain recommendations in the *State Plan* also intersect with the work of the Governor's P-20 Leadership Council of Maryland, which is focusing on STEM initiatives, including the production of more STEM teachers; expanding and enhancing career and technology education; ensuring more students are college- and career-ready; and recruiting, preparing, and retaining quality principals for preK-12 schools. The Governor, in concert with the General Assembly and other State leaders in education and industry, has called for Maryland to raise its sights higher in education, training, and research in recognition that our economic competition is not national but international. Governor O'Malley supports President Obama's goal of the U. S. leading the world again in having the highest proportion of college graduates in the world by 2020. Maryland is fortunate in that it has a relatively high percentage of college graduates in its population, but the state imports many of those graduates. This *State Plan* presents recommendations that will increase the number of students receiving college degrees so Maryland can lead the nation in moving toward our collective international goal.

OVERARCHING RECOMMENDATION

Implement the Higher Education Funding Model for Maryland

The State of Maryland has a basic responsibility to provide postsecondary education adequately and efficiently. In the *2004 State Plan for Postsecondary Education*, an overarching recommendation called for Maryland to develop a postsecondary education model linking tuition policy, State support to institutions, and State and institutional financial aid to address such issues as student access and the particular needs of the State.

Even as there is an ever-greater demand for a highly educated workforce, more students than before have financial need and rely more heavily on student loans to close the gap between cost and available financial aid. The State must work closely and collaboratively with governing boards to effectively implement a strategy that coordinates tuition, financial aid, and State funding policies to make public postsecondary education more affordable. At the same time, it is important to establish goals, or benchmarks, to measure the State progress in achieving its strategy and to clearly communicate that progress to the public. This coordinated strategy will provide adequate State support to colleges and universities and moderate tuition rates for all students while increasing financial aid for lower-income students. Sufficient State investment must be provided to higher education institutions to provide high quality postsecondary education opportunities to Marylanders. An effective tuition policy must identify mechanisms to moderate tuition and fees through economic cycles so students and parents do not experience large fluctuations in tuition levels from year to year. An effective financial aid policy will align Federal, State, and institutional policies to ensure financial aid from all sources effectively reaches the student. It will also adequately address student financial need, especially among low- and moderate-income students, and give serious consideration to the long-term adverse effects that increases in student borrowing and student debt are having on the lives of students.

An outgrowth of the *2004 Maryland State Plan for Postsecondary Education* was the formation of the Commission to Develop the Maryland Model for Funding Higher Education, established by the Tuition Affordability Act of 2006 (Chapter 57). The charge to the 27-member Funding Commission had three main components:

- Develop an effective statewide framework for higher education funding;
- Review options to make recommendations for establishing a consistent and stable funding mechanism for higher education to ensure accessibility and affordability while at the same time promoting policies to achieve national eminence at all of Maryland's public institutions of higher education; and
- Review options to make recommendations relating to the appropriate level of funding for the State's Historically Black Institutions (HBIs) to ensure that the institutions are comparable and competitive with other public institutions.

The Funding Commission's intensive work over a two-year period culminated in a proposed funding model and a framework for funding higher education designed to ensure that Maryland and its citizens remain competitive in today's knowledge-based global economy. Recognizing the evidence that a highly educated citizenry is the key to prosperity of a state, the proposed

funding model seeks to link State support to institutions of higher education, tuition, and levels of institutional and State financial aid to serve student access and the needs of the State. The Funding Commission also developed an accountability process to monitor the State's progress in achieving the funding model.

The Funding Commission's proposed higher education funding model addresses the economic and demographic challenges facing Maryland founded upon the *2004 State Plan* principle of providing a high-quality education to every citizen of Maryland who seeks the opportunity. The Funding Commission's model, to be implemented within a ten-year period, balances quality, affordability, and access to Maryland higher education. The four linked principles of the Funding Commission's model—the "four-legged stool"—include *high* State funding of higher education institutions, *moderate* tuition levels, *high* State need-based financial aid, and accountability. The model also recognized that State investment includes funding for community colleges and eligible private institutions through statutory formulas tied to per-student State funding at selected public institutions.

In addition to this model, the Funding Commission proposed that financial resources be provided for special projects to assist in meeting the goals of the *2009 State Plan for Postsecondary Education* or those set out in individual institutional mission statements.

Action Recommendations

- Maryland should adopt as goals the four primary components of the Funding Commission's Higher Education Funding Model for Maryland:

    - Maryland should set the goal for the per-student investment in the State's four-year traditionally white institutions (TWIs) to match the 75th percentile and in the public Historically Black Institutions (HBIs) to at least the 80th percentile of a set of comparable peer institutions in the 10 states ("competitor states") with which Maryland principally competes to attract employers. Taking this step will also contribute to the strength of community colleges and independent institutions, which are tied by statutory formula to per-student funding at selected public four-year institutions.

      Implementation Measures/Strategies
      - Annual report by MHEC through the proposed Return on Investment on the progress made toward meeting the goal by measuring the State appropriation per full-time equivalent (FTE) student compared to the State appropriation per FTE at comparable institutions in competitor states

    - Maryland should set the goal for tuition and fees at the State's various public higher education institutions at or below the 50th percentile of comparable institutions in the competitor states.

      Implementation Measures/Strategies
      - Annual report by MHEC through the proposed Return on Investment on the

progress made toward meeting the goal by measuring the in-state tuition and fees compared to in-state tuition and fees charged at comparable institutions in competitor states

- Maryland should set the goal for the investment in need-based financial aid per student to match the 75th percentile of such funding provided by the competitor states.

  Implementation Measures/Strategies
  - Annual report by MHEC through the proposed Return on Investment on the progress made toward meeting the goal by measuring the State need-based financial aid compared to need-based financial aid in competitor states

- Maryland should adopt a tool called the Return on Investment that will provide statewide higher education accountability benchmarks to measure its progress in achieving the funding model outlined above and the goals of the *State Plan for Postsecondary Education*. This information will be reported in an online format entitled "Maryland Higher Education's Return on Investment."

  Implementation Measures/Strategies
  - Development of a user-friendly online format for the Return on Investment
  - Annual report by MHEC through the proposed Return on Investment will begin in early summer 2010

- MHEC, the governing boards of the public higher education institutions, and appropriate State agencies should work together to implement agreed-upon strategies to moderate tuition and measure Maryland's progress compared to its competitor states with regard to public higher education.

  Implementation Measures/Strategies
  - Establishment of a goal that limits increases in resident tuition and fees to a percentage not to exceed the increase in the three-year rolling average of the State's median income
  - Establishment of the Tuition Stabilization Account as a part of the Higher Education Investment Fund to be used to stabilize tuition in years of decreasing revenues

- Maryland should allocate annually a specified amount of State funds for higher education to create a special projects fund to meet important State or institutional goals, such as goals outlined in the *State Plan for Postsecondary Education*, to encourage cross-institutional initiatives, and to enhance the competitiveness of Maryland's institutions.

  Implementation Measures/Strategies
  - Determination of initial allocation of State funds for special projects
  - Allocation amount for incentive funding compared to 1 percent of the State funds for higher education

QUALITY AND EFFECTIVENESS

Goal 1: Maintain and strengthen a system of postsecondary education institutions recognized nationally for academic excellence and effectiveness in fulfilling the educational needs of students and the economic and societal development needs of the state and the nation.

Goal One of the *State Plan for Postsecondary Education* is based on the State's desire for an academically excellent and effective postsecondary system. There are a number of important characteristics of a high-quality and effective system, including diversity of educational institutions and strong support for institutions to carry out their respective missions and mandates. Such a system produces graduates who excel in their fields and demonstrate the capacity to think and communicate creatively, critically, and clearly. Key components to an excellent postsecondary system are a faculty and staff who work in collaboration to produce the number and quality not only of graduates, but also of ideas, products, and services necessary to fuel the economic and social development of the state. Faculty and staff contributions are enhanced by appropriate recognition and support for development and sustained professional growth. Such a postsecondary system is also one that partners closely with the preK-12 schools in its state to align and articulate appropriate learning outcomes, competencies, and expectations for all students. Finally, an excellent postsecondary system is one that acknowledges, engages, and contributes to both local and global communities. Achieving an excellent postsecondary system and maintaining it help ensure the intellectual enrichment of individual citizens, the betterment of local communities, and the economic success of the state.

By ensuring a quality education for individual citizens, the State helps them expand their knowledge base and their ability to grapple with difficult issues and provides opportunities for people to hone fundamental communication skills, to acquire an awareness and appreciation of cultural differences, to be prepared for rewarding employment, and to develop into effective, engaged citizens. Quality postsecondary education is the cornerstone of an educated citizenry and so strengthens democracy and public service. The humanities are just as central to this broad endeavor as the study of sciences and professions. Thus, excellence in postsecondary education should be supported not simply for its economic benefits, but also for the personal and intellectual enrichment that the pursuit of learning provides our diverse citizenry.

Pursuing excellence in the 21st century requires higher education to engage in dynamic interaction with both local communities and communities across the globe. Local engagement may include community collaborations with nonprofit organizations and governments, preK-12 schools, industries and businesses, and the public health sector. Service learning and internships offer students opportunities to contribute to their communities while learning. Current concerns such as those for global warming create opportunities for undergraduates and graduates to join in promoting sustainable energy and conservation projects. The rapid dissemination of ideas and global interconnectedness, which was recently underscored by the 2008-2009 worldwide economic distress, encourage students to actively pursue international study. The goals for local

and global engagement are the same: create more aware and committed citizens while contributing to constructive and productive community life.

From Western Maryland to the Eastern Shore, thousands of Marylanders benefit annually from the cultural events and continuing education offered by our postsecondary institutions. Marylanders of all socio-economic levels benefit from the world-class care provided by nurses, physicians, dentists, and other health care professionals trained at Maryland postsecondary institutions; thousands are directly served by the academic health centers connected to Maryland universities. Further, thousands of Marylanders each year learn from highly competent teachers trained at Maryland institutions and depend on first responders trained at Maryland institutions in fire fighting, law enforcement, and emergency medical treatment. These benefits exemplify the direct impact that an array of excellent academic institutions has on the quality of life enjoyed by Marylanders.

In the wake of the financial collapse of 2008 and the ongoing economic crisis, it is important to recognize that education fuels the contemporary knowledge economy, which requires well-educated and highly skilled workers and rewards knowledge creation, entrepreneurship, and innovation. Key to ensuring the State's success in the highly competitive, knowledge-based global economy is the quality and range of its postsecondary institutions and the graduates, research, and outreach services they provide. From career and technical colleges, to community colleges and baccalaureate institutions, to comprehensive and research-intensive institutions, Maryland's postsecondary system produces excellent graduates, forges new knowledge, creates new products and companies, and provides services and partnerships that help Maryland hold a leadership position in the national economy. The state ranks third in the nation, behind only Massachusetts and Colorado, in the percentage of its workforce holding advanced, bachelor's, or associate degrees, or who have completed some college coursework, and it ranks first in the number of scientists and engineers in its workforce (on a percentage basis) and first in terms of federal research dollars coming into the state on a per capita basis. It is this highly educated, highly prepared workforce, combined with one of the nation's leading sets of academic research institutions, that has helped place Maryland in the vanguard of states whose economic futures are tied to the global knowledge economy.

Defining Academic Excellence and Effectiveness

Goal One calls for each of Maryland's postsecondary institutions to strive for academic excellence and effectiveness. What this means in operational terms, however, and how it can be defined and assessed for a postsecondary system that includes public colleges and universities, independent two- and four-year degree-granting institutions, regional higher education centers, community colleges, and career and technical schools is more difficult to say. No single definition of academic excellence is sufficient to capture what it means to all the stakeholders in such a diverse system, just as no individual measure can be used to assess it. Instead, a variety of measures is required to define and assess academic excellence, and the measures selected must account for the various institutional missions and goals inherent in a multi-segment, multi-institutional system.

Though every institution will define excellence in unique and significant ways, there are some general vantage points from which the State should consider the assessment of excellence. First,

from the viewpoint of faculty, students, and their families, excellence can and should be evidenced by the value of the education or training the student receives and the opportunities that result from that education. Effectiveness might be measured by assessing student achievement of learning outcomes, students' mastery of the concepts and content of their academic programs, and the level of challenge in their courses and those programs.

Effectiveness also might be demonstrated by graduation rates, the numbers of students entering the workforce and graduate programs, and alumni support and giving, although all of these measures must take into consideration students' pre-college preparation and their financial circumstances. In addition, students should be able to demonstrate competence in core communication skills, such as written and oral expression, and fluency in the use of complex data and information. At the local, state, national, and international levels, fundamental skills in critical thinking and communication are key. Thus academic excellence goes beyond a particular base of general and specific knowledge and includes the capacity to think and communicate creatively, critically, and clearly.

From the vantage point of institutions, academic excellence might be measurable by the knowledge, skills, and credentials possessed by the faculty they recruit and employ, the impact of the graduates, and, for research institutions especially, contributions to new knowledge. It could also be measured by the reputation their faculty, programs, and graduates hold among peers at like institutions, and the impact that their research has on a particular field. Measures that can be used to assess excellence from this perspective include such indicators as faculty awards and recognition; national rankings of institutions, programs, or specialty areas; sponsored research funds generated; patent and licensing activity generated; incubator companies spun off; the percentage of graduates accepted into top-level graduate programs nationwide; and the numbers who complete their graduate programs. More qualitative measurements, such as positive peer reviews and the quality of publications, would also be appropriate.

Strategies for Achieving Success

In many ways, Goal One serves as the keystone for Maryland's postsecondary plan. It has the potential to affect a wide range of issues touching almost every aspect of the postsecondary education system. Over the next several years, Goal One will be critical in helping the State address the postsecondary education and training needs of a changing population—and the need to improve curriculum alignment between the preK-12 and postsecondary sectors. Goal One also will be essential in helping the State recognize and support the diverse range of institutions and their respective missions that serve postsecondary education, research, and training needs. As a result of the implementation of Goal One, Maryland's postsecondary institutions will be better able to develop, support, and retain high quality faculty and staff, who through their education, research, and service-related efforts, help advance the quality of life in Maryland and provide an excellent education for its citizens.

Action Recommendations

Given the central importance of this goal to Maryland's postsecondary education plan, and based on the characteristics of a high quality and effective system of higher education discussed earlier, the following strategies have been developed to ensure progress under Goal One.

- The State should provide appropriate and sustainable funding levels based on the continued use of funding guidelines, statutory formulas, and funding strategies as currently required by State law and MHEC policies (with appropriate modifications as necessary) to build the highest quality postsecondary system possible.

  Implementation Measures/Strategies
  - The annual progression of funding for each public four-year institution that is not a public Historically Black Institution (HBI) toward attaining the funding guideline at the seventy-fifth percentile of competitor states
  - The annual progression toward restoring full statutory funding of the formula-aided segments of higher education
  - The annual progression toward full implementation of the funding strategy for regional higher education centers

- The State, policymakers, governing boards, and campus leaders must continue to work to ensure that Maryland's public HBIs are comparable and competitive, both in terms of programs and infrastructure, with the State's public traditionally white institutions with comparable missions.

  Implementation Measures/Strategies
  - The annual progression of funding for public HBIs toward attaining the funding guideline at, minimally, the eightieth percentile of competitor states

- Under the auspices of the Governor's P-20 Council, the College Success Task Force will develop recommendations for aligning high school graduation standards with expectations and requirements for successfully entering and completing first-year, credit-bearing college courses.

  Implementation Measures/Strategies
  - A plan that includes measurable, attainable action recommendations and a timeline for increasing college readiness rates developed and forwarded to the Governor within 10 months of the task force's formation
  - If approved by the Governor, implementation of these measurable, attainable action recommendations following the suggested timeline

- MHEC should convene a representative group to examine existing practices, procedures, and requirements to identify those that result in duplication of effort, redundancy of reporting, and bureaucratic barriers, and develop cost-effective methods to achieve needed outcomes and objectives.

  Implementation Measures/Strategies
  - Formation of a workgroup by the end of the 2009 calendar year charged with examining duplicative practices, procedures, and reporting requirements
  - Workgroup recommendations forwarded to the Secretary of Higher Education by May 31, 2010

- Upon approval of the Secretary, implementation of workgroup's recommendations begins in fiscal year FY 2011

- Segments of higher education and their governing boards should continue to encourage students and faculty pursuit of dynamic engagement with their local communities through involvement with local nonprofits, K-12 schools, industries and businesses, and the public health sector, and active participation in international study and projects

  Implementation Measures and/or Strategies
  - Beginning in FY 2011, institutions' Performance Accountability Reports include a section that highlights innovative partnerships that reflect the accomplishment of this recommendation

ACCESS AND AFFORDABILITY

Goal 2: Achieve a system of postsecondary education that promotes accessibility and affordability for all Marylanders.

Two guiding principles have been established for Maryland postsecondary education to further enhance a system that is accessible and affordable:

- All Maryland residents who can benefit from postsecondary education should have a place in postsecondary education and should be able to afford it; and
- To ensure all Maryland residents are aware of and can participate in postsecondary education, support structures should be in place to create both the desire to participate in postsecondary education and the means to achieve it.

These principles frame the discussion below on access and affordability.

Access

Access can be examined from the perspective of postsecondary education entities and from that of the student. Access is the capacity of these entities to provide programs to admit, enroll, and support students to meet educational goals. At the same time, access depends on the responsibility and capability of the student to be an active and engaged participant in the postsecondary education process.

Capacity for Enrollment Growth

To meet the needs of an increasingly diverse student population, efforts to support enrollment growth should continue, and alternative means of delivery, such as regional higher education centers and distance learning, should be considered to expand program offerings. These are approaches that can be used for students who face challenges related to geographic distance, family obligations, or limited mobility because of disability. Higher Education Investment Funds have been used as an incentive to promote enrollment growth.

Regional higher education centers (RHECs) are designed to ensure access to upper-division baccalaureate and graduate education in both unserved and underserved areas of Maryland at a reasonable cost to students and to the State. RHECs provide an opportunity to address workforce needs in high-demand areas, particularly for nontraditional students. They support State, regional, and local economic and workforce development goals and thereby help make Maryland an attractive destination for companies. There are currently eight regional higher education centers in the state, two administered by the University System of Maryland and six for which the Maryland Higher Education Commission has oversight. Existing centers should be supported and, as needed, new ones explored as an effective and efficient way to expand enrollment.

Distance education is also an important tool to help postsecondary institutions become more accessible. The University of Maryland University College (UMUC) is an international leader in distance learning, and other two- and four-year postsecondary institutions are using distance education and related technology to help provide access to postsecondary education for adult students, other non-traditional students, and those in underserved areas of the state. Programs

may be delivered fully online or through hybrid courses that combine face-to-face with online instruction. MarylandOnline (MOL), a consortium of colleges and universities dedicated to pooling their resources and expertise to enhance online educational opportunities, provides faculty training, technical assistance in developing online courses, a seat bank that allows students to take online courses at other member institutions, and a collaborative online general studies degree program. These efforts and others should be supported to provide additional access to education opportunities.

Instructional and Research Space Needs

The State has invested over $1 billion over the last four years to address research and instructional space needs at postsecondary education entities. Even with this funding, academic space deficits persist and are projected to increase as enrollment grows. Aging buildings also present challenges. The public and independent institutions report a combined facilities renewal backlog of over $3.1 billion. Maryland research institutions now have significant deficits in current and projected laboratory research space. Of particular concern is the shortage of research space at Morgan State University; the University of Maryland, Baltimore; the University of Maryland, Baltimore County; the University of Maryland, College Park; and the University of Maryland Eastern Shore.

Construction at community colleges has not improved overall space deficits, especially for colleges located in metropolitan areas. Inadequate space at community colleges is of pressing concern because these institutions play a critical role in local and regional training programs for a wide range of audiences designed to meet workforce needs. More laboratory space in all program areas, especially allied health, is also needed at community colleges.

Overall, Maryland has a strong capital planning program to support higher education. Recent reviews of capital planning guidelines have concluded, however, that certain components should be updated, including enrollment used to project space needs and space-planning factors to account for modern technology needs in both classrooms and labs. Factors impacting space utilization should also be explored and incorporated into the guidelines.

Expanding Postsecondary Participation for Students with Diverse Needs

The changing demographics of the high school population have greatly increased the importance of college awareness and other outreach programs. Such programs can generate the desire for postsecondary education and improve academic success both before and after students enter postsecondary education. Although these programs are offered at some secondary schools across Maryland by postsecondary education institutions and other nonprofit and business entities, they should be expanded, modified, and offered to more students in middle school, or earlier if possible. Programs should clearly send the message that postsecondary education is an option, that there are steps students can take in school to prepare for it, and that financial aid is available to students in postsecondary education. College awareness and outreach programs, which offer services such as mentoring and career exploration and preparation, should follow students through secondary education to ensure students stay on track and are prepared for postsecondary education upon high school graduation. One program that does follow students throughout secondary education is the Maryland Career Development Framework, which has been

implemented in some local jurisdictions in primary and secondary school settings and which provides a structured process to help students plan and prepare for entry into college and careers.

Early college access options such as dual and concurrent enrollment allow high school students to enroll in and earn credit at postsecondary institutions while still in high school and can shorten the time that students need to earn a college degree. Advanced Placement (AP) is also an option for many students to earn college credit. Early college programs promote rigorous academics, eliminate artificial barriers that impede students from moving "seamlessly" between preK-12 and postsecondary systems, align outcomes and expectations in curriculum areas, increase student aspirations to go to college, and build a stronger academic focus by students in their senior year of high school. Efforts to promote and expand early college access initiatives, especially for students with diverse needs, should be supported.

Most postsecondary institutions offer support programs and other services to students as they progress toward completing their courses of study. Still, many students are not graduating from higher education institutions, particularly those among lower-income populations. To improve retention and graduation rates for these students, institutions should offer bridge programs, tutoring, and other student services. Resources will be needed for these programs to be effective, and performance metrics will have to be identified and used to measure their success.

Historically, some populations have greater difficulty accessing postsecondary education in the United States, for example, members of ethnic minorities, low-income individuals, and those whose family members did not earn college degrees. Individuals with disabilities, older individuals, and military veterans also experience difficulties with access. Financial resources should be provided to support structures to integrate all students into the campus environment at both public and independent postsecondary institutions.

Affordability

Affordability is the capacity of any Maryland resident to manage the cost of higher education opportunities while maintaining at least a minimally acceptable standard of living. In addition, affordability means that individuals who wish to pursue a higher education, especially low- and moderate-income students, have the financial means to do so by taking advantage of all forms of financial assistance.

Moderating Student Costs

The Higher Education Funding Model for Maryland identifies recommendations and strategies to coordinate tuition, financial aid, and State funding policies to make postsecondary education more affordable. However, other rising costs, such as for living expenses and textbooks, have generated affordability issues that need urgent attention. Living expenses represent the largest component used in the total cost of attendance for both resident and commuter students. These include room and board, transportation, and personal expenses incurred for attending postsecondary education. Textbooks are not included in living expenses for State financial aid programs, but they are necessary and increasingly expensive. Nationally, textbook prices have tripled between 1986 and 2004, with prices increasing each year at more than twice the inflation rate and at a greater rate than tuition increases. Costs for living expenses and books, like tuition,

must be addressed either through increased financial aid or innovative ideas such as those initiated in other states and institutions. The Maryland Higher Education Commission's Faculty Advisory Council has established a comprehensive list of recommendations for obtaining textbooks at a reasonable cost.

Improving Affordability through State Financial Assistance Programs

The Howard P. Rawlings Educational Excellence Awards program, the State's primary need-based program, has two components, the Guaranteed Access (GA) Grant and the Educational Assistance (EA) Grant. Although these programs have recently received greater funding and have been able to assist more students, the maximum awards available through the EA Grant have not kept pace with increases in tuition and other costs. Furthermore, deadlines prevent the program from reaching certain populations. The GA Grant is reserved for extremely low-income populations and provides much larger awards. Nonetheless, recent data show that aid recipients with the lowest expected family contribution (EFC) had the highest amount of unmet need, even after taking out student loans. This is true for students attending both two- and four-year institutions. To minimize student loan debt, modifications should be considered for need-based programs that direct higher amounts of aid to students with the greatest unmet need.

Recent studies show that the predominant reason students do not accept an EA Grant is that they attend part-time. Part-time students represent one of the fastest growing populations in Maryland public postsecondary education, and represent 62 percent of enrollment at community colleges. Many students with disabilities or developmental needs are often better served by attending part-time, and a large population of working adults finds part-time attendance to fit better with family obligations, time, and cost. Although Maryland offers part-time grants, the majority of State need-based aid programs require full-time attendance. The Maryland Part-Time Grant Program represents only seven percent of the total State grant aid available for students, and institutions report that many more part-time students could benefit if sufficient funding were available. Considering the increasing trend in part-time enrollment, State aid programs should be more flexible to address the needs of this student population.

Many students choose to begin postsecondary education at community colleges because they are less expensive than four-year institutions and offer open-door enrollment. Students may also choose community colleges because they see value added in that environment and can avoid other costs by remaining at home while attending college. Since more than one-third of first-time, full-time community college students continue their education after two years, resources need to be available for them to transfer to Maryland four-year schools. The existing Distinguished Scholar Community College Transfer Scholarship was designed to assist students in paying the higher cost of a four-year college, but funding is not adequate to award all eligible students who apply.

Funding options for graduate and professional students are more limited than for undergraduates, with most aid available through student loans and with little, if any, grant aid. In many areas of Maryland, this population represents one of the fastest growing groups of students. The State, working with the postsecondary institutions, must provide some form of assistance for this population to assure our workforce remains competitive and among the most educated in the world.

Merit aid and workforce scholarship programs help keep postsecondary education affordable while meeting other specific needs of the State. Merit aid programs provide incentive to keep the most talented students in the State. Workforce programs provide opportunities for students to major in programs that are linked to occupations for which trained labor is in short supply or in occupations needed to produce, develop, and expand a knowledge-based economy. Although these financial assistance programs play a role in developing a workforce for tomorrow, a balanced funding approach between these programs and need-based aid is needed to ensure opportunity for all students.

Action Recommendations

- The Maryland Higher Education Commission, working collaboratively with the segments of higher education and appropriate State agencies, should modify the current space planning process and guidelines to address capacity issues at Maryland's institutions. Keeping the guiding principles of Goal Two at the forefront, a multi-pronged approach should be developed to address increasing enrollments through the expansion of initiatives to promote enrollment growth, programs at regional higher education centers, and distance learning. Further, efficiencies should be built into the current capital planning process to incorporate facility renewal policies, flexible schedules, and universal design principles, as well as collection and examination of space utilization data and other measures to account for the condition and functionality of space.

  Implementation Measures/Strategies
  - Increase in the number of programs and enrollments at regional higher education centers
  - Increase in the number of distance education courses and programs
    - Facility space planning guidelines modified to promote efficiencies by 2012
    - Increased use of universal design principles in the initial capital planning stages of campus facilities

- The Maryland Higher Education Commission, working with the segments of higher education, appropriate State agencies, nonprofit organizations, and the business community, should expand college awareness and outreach initiatives to include web-based applications and social marketing techniques. These initiatives should be designed to deliver a focused, branded message to all types of students of all ages, on preparation, careers after high school, college selection and application, financial aid, and other topics. They should also have the goal of familiarizing students with preparing for, entering, paying for, and succeeding in college. Initiatives developed should assist a wide variety of student populations and reflect the diversity of Maryland's students, and information should be available in accessible formats for the blind and print-disabled.

  Implementation Measures/Strategies
  - A public awareness campaign using MDgoforit.org, incorporating web-based applications and social marketing strategies, implemented by 2011

- Progress toward making all web-based applications and social marketing tools compliant with Section 504 and Section 508 of the Rehabilitation Act

- Maryland postsecondary institutions should work with administrators, faculty, students, bookstores, and publishers to establish best practices and other efforts to moderate and lower the cost of textbooks and course materials. Institutions should be encouraged to develop programs that provide the greatest cost-benefit to students, including students with physical and learning disabilities, using approaches that may be compatible across the various sector schools.

  Implementation Measures/Strategies
  - Increase in the number of programs and strategies implemented by institutions to moderate textbook costs
  - Minimum advance notification dates established for spring semester and fall semester by which time information on mandatory textbooks must be made available to students

- The Maryland Higher Education Commission should work collaboratively with the segments of higher education to develop a voluntary program to enable students of certain income and qualifications to complete their undergraduate degree programs 100 percent debt-free. This program should access all sources and types of student financial aid with the goal that the cost of a higher education is not a barrier for Maryland's neediest students.

  Implementation Measures/Strategies
  - Increase in the number of institutions implementing the program
  - Increase in the proportional amount of need-based institutional aid as reported annually to MHEC

- The State should make significant efforts to increase funding to award eligible students for the Howard P. Rawlings Educational Excellence Awards Program, the Part-Time Grant Program, Early College Access Grant, the Graduate and Professional Scholarship, and the Distinguished Scholar Community College Transfer Scholarship.

  Implementation Measures/Strategies
  - Percentage increase in funds provided in the State's budget for these programs from one year to the next

- Revise State need-based aid programs to promote a high level of student access and choice with the flexibility to accommodate students from a variety of circumstances.

  Implementation Measures/Strategies
  - Expansion of income eligibility for the Guaranteed Access Grant program to 150 percent of the federally defined poverty limit by fiscal year 2012
  - Incremental increases in the Educational Assistance Grant maximum award beginning in FY 2013

- Workgroup established to identify the best model for a graduated scale for awards and extension of application deadlines
- Cost of living formulas reviewed and adjusted as necessary to reflect appropriate student costs
- Development of simplified application process for State financial assistance

DIVERSITY

Goal 3: Ensure equal opportunity for Maryland's diverse citizenry.

Maryland's greatest resource is its diverse citizenry. Accordingly, the State is committed to ensuring equal opportunity for and access to high-quality postsecondary education for all regardless of characteristics that have historically narrowed the probability of full participation in Maryland postsecondary education. The definition and discussion of diversity in the *State Plan for Postsecondary Education* focuses on efforts to address Maryland's obligation to remedy past discrimination and to remove any vestiges of the *de jure* system that provided dual and unequal educational experiences to the State's residents. At the same time, the definition of diversity within the context of State planning must also embrace Maryland's varied and changing population. Demographic shifts in Maryland's population will continue to challenge and shape its postsecondary and workforce landscapes, thereby demanding a renewed focus on ensuring that all students in the State, regardless of their backgrounds or personal attributes, have access to a high-quality postsecondary education. Maryland cannot meet its economic or educational goals—to say nothing of its civic and ethical aims—if its postsecondary education system fails to serve students equitably. The State must attend to the following key issues to ensure that all students have the opportunity to take advantage of Maryland's postsecondary education system:

- Address population shifts toward more African-American and Hispanic Marylanders;
- Consider average income of prospective students and their families;
- Account for the particular educational needs of first-generation, first-time college students, non-traditional adult learners, and students with disabilities.

To accomplish Goal Three, the State of Maryland and postsecondary education institutions within Maryland must create and sustain a welcoming and supportive learning setting that promotes a high level of achievement for all students, both inside and outside the classroom. The State can implement the strategies below to ensure that it continues to provide educational opportunities for all that are both exceptional and equitable:

- Regularly evaluate its progress toward this goal;
- Adjust its policies, practices, programs, and services so that they are responsive to and consistent with evaluation findings; and
- Support and hold institutions accountable for a cycle of continuous improvement with regard to diversity.

By following these steps, Maryland will make progress toward achieving a postsecondary education system marked by quality, diversity, and equity. Key to this endeavor as well is the cultivation, education, recruitment, and retention of more minority faculty and professional staff throughout State-supported higher education. Educating and creating pipelines to terminal degrees that will increase the number of "minority" faculty and professional staff is an investment in the State's knowledge economy that is future-wise, cost-effective, and within State and institutional means. Public campuses will continue to update their progress in these areas by submitting their Performance Accountability Reports and Minority Achievement Action Plans to the Maryland Higher Education Commission (MHEC). As a result of 2008 legislation, State-aided independent institutions will also report on plans and activities related to cultural diversity.

As noted in the Significant Issues section, by 2011, a growing majority of Maryland's high school graduates will be African American and Hispanic. At the same time, the upward trend of larger high school graduating classes will decline, and the class of 2012 is estimated to have 3,500 fewer graduates than the class of 2008. Given the persistent retention and graduation rate gaps that separate minority students from others, these trends underscore the importance of promoting high achievement levels for *all* students at all points along the educational pipeline simply to maintain current educational attainment levels. If Maryland is to sustain the capacity of its workforce and the resources of its individual citizens, efforts to eliminate these gaps must be systematically developed and implemented.

While an increasing proportion of traditional age (18-22 years old) college students will be members of underrepresented groups, Maryland must also meet the needs of a growing population of students 25 years of age and older, a significant portion of whom will also be minority. As with the development of faculty and professional staff, it will be necessary to focus on effective ways to recruit, support, and retain older students. To best serve the needs of these individuals who often require flexible class schedules and locations and non-traditional ways of interacting with their peers and faculty, Maryland's postsecondary institutions will need to offer their academic programs and support services using innovative instructional approaches and a variety of delivery formats. Distance education, co-curricular learning, and collaboration among two- and four-year colleges and universities will require new and creative financial and policy support to meet these students' needs.

Closing the Achievement Gap

The gap in academic achievement that divides first-generation, low-income, and under-represented minority college students from their peers is evident across the country, and in some instances, the gap is growing. The achievement gap is reflected in college participation, retention, and graduation rates, and numerous national and local studies have concluded that it has damaging consequences for the State and the nation. Since postsecondary education has almost become a requirement for securing a well-paying job and enjoying a comfortable standard of living, this persistent gap poses a threat to having the highly skilled workforce necessary to sustain Maryland's economic development and competitiveness.

Community colleges are a critical component of Maryland's higher education system, and essential to any significant effort to eliminate the achievement gap. There are two primary reasons for this role: First, community colleges are, by definition, open access, which means that almost any high school completer is admitted without regard to academic preparation, and second, community colleges enroll a significant portion of Maryland's minority student population.

Many community colleges and public and independent colleges and universities have implemented programs in Maryland and across the country that close the achievement gap. There is research that demonstrates what strategies work. What is often missing is a sustained commitment—at the State level, institutional level, or both—to funding and implementing successful best practices. In April 2008, the Education Sector, a Washington, D.C.-based research group, issued *Graduation Rate Watch: Making Minority Student Success a Priority*, a

report on efforts by colleges and universities nationwide to close the achievement gap between white and African-American students. The report concludes, "While more research in this area is certainly needed, the biggest challenge in better serving minority college students is not creating new knowledge about how to help them; it is creating new incentives for institutional leaders to act on the knowledge that already exists." The research literature commonly cites the following areas as being inextricably linked to the achievement gap and underperformance issues that disproportionately and adversely affect first-generation, low-income, under-represented minority students:

- College-preparatory coursework—or lack thereof;
- Adequacy and sustainability of need-based financial aid;
- Participation in educationally purposeful activities;
- Experience with good practices in undergraduate education, including successful performance in gateway courses;
- Sustained academic support through degree completion;
- Focus on changing institutional culture and not just changing the student; and
- Centralization and coordination of resources for retention services and programs.

To eliminate the achievement gap, the State can systematically address four encompassing domains that adversely affect underserved students: *Preparation, Access, Participation,* and *Completion.*

Preparation

Preparation for college begins well before high school. The State must encourage and support efforts to align high school, college, and work expectations and to communicate to the public the dire consequences that have resulted and will result from failing to broadly improve student preparation for college. Key to that successful preparation is sustained progressive exposure and experience in academic programs that enable students to achieve grade-level proficiencies, particularly in reading and math, by the eighth grade. Proficiencies must be rigorously and critically examined and developed further in high school to reasonably assure pre-college academic preparation. Wherever necessary there should be early intervention to address skill weaknesses.

One strategy that has proven effective in increasing the rigor of pre-college preparation, particularly for low-income and minority students, is early college access (including, but not limited to, dual enrollment) programs that encourage high school students to enroll in college courses and take those courses on a college campus. Advanced Placement (AP) courses can increase the rigor of high school-based courses, but do not necessarily result in the student earning college credit. Early college access can both increase the rigor of the high school experience and expose students to the college environment. This is particularly important for under-represented minority and first-generation students who might not otherwise receive such an opportunity or assume college is for them. Coupling early college access programs with effective mentoring typically increases students' desire to attend college after high school. Maryland's community colleges enroll some 3,000 high school students in college-level courses, but there is room for significant expansion involving two- and four-year institutions. Support for early college access has been expressed by the Governor's P-20 Leadership Council and by the Commission to Develop the Maryland Model for Funding Higher Education.

Access

The Study Panel on the Comparability and Competitiveness of Historically Black Institutions, which was a part of the Commission to Develop the Maryland Model for Funding Higher Education, recommended enhanced funding to support the public HBIs' dual missions of educating the most qualified students, as well as those who were not adequately prepared to complete college-level work. Supporting this effort is one means of expanding access in Maryland. The State must also expand postsecondary opportunities for students who have the desire and ability, but not the financial resources, to be successful in college. National data suggest that *high*-achieving, *low*-income students—many of whom are from minority backgrounds—attend college at about the same rate as *low*-achieving, *high*-income students. More than two-thirds of college-ready, college-capable students from low-income families want to attend college, yet only half are able to do so. To increase college participation among high-achieving, low-income students, institutions with the greatest resources and the lowest proportions of first-generation, low-income, and under-represented minority students should be charged with maximizing the enrollment rates of these groups by increasing their efforts to recruit, retain, and graduate individuals from these backgrounds.

Participation

One way to increase the college participation of first-generation college, low-income, and under-represented minority students is to create and or expand family and community support initiatives to raise college awareness and educational aspirations and to reinforce the importance of becoming college prepared and of persisting in college. Early college access described above is one example of such a support initiative. The State should recommend or provide incentives to promote these initiatives. To better understand what helps students stay and succeed in higher education, the State must do a better job of tracking a student from the point of initial enrollment in college through degree completion to initial post-graduate employment. It is not enough for higher education to monitor students closely only through the first and second years of matriculation.

In meeting the needs of all students, the State should encourage and recognize improvements in institutional conditions that contribute to student success and create student-centered learning environments. Examples include programs and activities such as first-year experience/seminars, effective academic advising, counseling, peer mentoring, summer bridge programs, learning communities, living-learning centers, and undergraduate research. Of particular importance is institutional commitment to student success in all general education and introductory courses in majors. Course redesign, which promotes student achievement by implementing innovative instructional strategies, should focus on subject areas that tend to be barriers to first-generation college, low-income, and under-represented minority students.

The second-year retention rates for first-generation college, low-income, and under-represented minority students are far below those of the general student population. The six-year graduation rates for these same students are even lower. More specifically, the retention rate gaps between all first-time freshmen and African-American students ranged from 6 percentage points in 1989 to 8 percentage points in 2007. The six-year graduation rate gap in 1989 was 21 percentage points, and nearly two decades later in 2002 the gap separating these two groups of students had

not narrowed and remained at 21 percentage points. Again, early intervention, adequate academic support services, and effective mentoring are essential to helping students persist and complete their degrees. More effort should be made to systematically track student time-to-degree and to address and remove barriers to progress.

Completion

With sustained, fully engaged effort, Maryland can eliminate its achievement gap and so become significantly stronger—educationally, socially, culturally, and economically. Meeting the educational needs of all students is a starting point in addressing this challenge. At the same time, the State must encourage and support sustainable efforts that target specific segments of the first-generation-college, low-income, and under-represented minority student populations. For example, the six-year graduation rates of African-American males compared with white males in research institutions is 59 percent versus 71 percent. In comprehensive Traditionally White Institutions (TWIs), the rate is 37 percent versus 52 percent. Hispanic males also experience graduation gaps as compared with other population subgroups. This systemic problem demands strategic partnerships involving the State, the Maryland State Department of Education, the University System of Maryland, Morgan State University, St. Mary's College of Maryland, community colleges, and independent postsecondary institutions. Given these gaps, the State should consider associate and baccalaureate degree completion—and/or transfer from community college—as opposed to simply enrollment, as the principal metrics of the success of higher education in meeting the needs of the citizens of the State.

To make major inroads in addressing these four areas (access, preparation, participation, and completion), local school districts and the State need to collect much better data on the performance of low-income students and the programs that contribute to their success, including a significant expansion of data-gathering that captures first-generation college students in the application and admission processes. Sharing the analysis of these data can be useful in identifying and replicating practices that sustain and improve levels of student performance. This analysis can also proceed to the recruitment of increased numbers of high- achieving low-income students who complete associate and/or bachelor's degrees. Other aspects of these four domains that are critical to closing the achievement gap include expanding services to adults and other nontraditional students, increasing need-based financial aid, improving affordability, reducing costs, increasing productivity, and supporting and emphasizing student-learning outcomes.

Enhancing Historically Black Institutions (HBIs)

The State of Maryland has identified as a priority for higher education the goal of providing the funding necessary to ensure that its four public HBIs—Bowie State University, Coppin State University, Morgan State University, and the University of Maryland Eastern Shore—are comparable and competitive with the State's public TWIs. There is and has been ongoing discussion of precise indicators that would determine "comparable" and "competitive." This goal of comparability and competitiveness was included in the *2004 Maryland State Plan for Postsecondary Education* and was an integral part of the State's commitments in its 2000 Partnership Agreements with the Department of Education's Office for Civil Rights (OCR). The Commission to Develop the Maryland Model for Funding Higher Education recommends that

"additional resources are needed" for public HBIs in Maryland to compete with other institutions (15). The Panel on the Comparability and Competitiveness of Historically Black Institutions in Maryland, established by the Funding Commission, notes,

> *HBIs historically and into the future have a dual mission. They are committed to the traditional mission of any institution of higher education to provide a quality educational experience and guide students to the attainment of an undergraduate degree. HBIs in the State of Maryland also have as their mission to address the educational needs of students who come from families with traditionally less education and income and who are often under prepared as a result of their circumstances – not their abilities – for college level work. Helping these under prepared students earn a bachelor's degree is central to the HBI mission. This function for the HBIs is disproportionately more important than in the TWIs. Simply comparing the traditional indicators of capacity (funding levels, student-faculty ratios, etc.) poses the question: What kind of capacity is truly needed to carry out such a challenging mission? (98)*

Substantial additional resources are needed to ensure the State's public HBIs with their dual missions are comparable to Maryland's TWIs in their capacity to be competitive with respect to the following areas:

- Recruiting, retaining, and graduating an academically, racially, culturally, and ethnically diverse student body;
- Attracting and retaining quality faculty able to teach, conduct scholarly activities, and perform services consistent with each institution's mission;
- Generate external revenue by securing contracts and grants from Federal and State agencies that support instructional services and enhance institutional infrastructure and facilities; and
- Form partnerships with businesses and foundations that expand educational opportunities for students and that promote development in the communities proximate to the institutions.

Institutional Platform

The HBI Panel notes that the "institutional platform" includes university-wide operational as well as facility capacity indicators. According to the HBI Panel, the institutional platform "must provide students, faculty, and administrative staff with an attractive, safe, and administratively effective environment in which to live and work" (113). Strengthening the institutional platform is also a critical element in enhancing targeted doctoral programs at the public HBIs so that they achieve a very high level of excellence.

Although not addressed by the HBI Panel, another key aspect of the institutional platform that must be enhanced at public HBIs is the capacity to deliver information technology (IT) services, including distance learning, as well as administrative support, comparable to the IT services delivered at public TWIs. The lack of comparable IT services restricts the capacity of HBIs to compete in certain markets for students and to be competitive in the delivery of effective and efficient administrative services.

Access to Opportunity

The majority of instructional resources at HBIs are used to educate students who meet the regular admissions criteria established by the institutions, and who are educated consistent with their respective missions. Therefore, funding for HBIs must include resources necessary to enhance instructional services for regularly admitted, academically prepared students regardless of race and/or socioeconomic status. This fact notwithstanding, HBIs also enroll a disproportionate share of low-income students who are not academically prepared to successfully matriculate in college, and adequate funding is also required to enhance the access and success rates of these students.

In summary, the investment of substantial additional resources by the State needed to ensure that its public HBIs are comparable and competitive with its public TWIs refers to the sum total of resources needed to deliver on the HBIs' dual missions of educating high-achieving students as well as others who may require supplemental support, i.e., students from low-income households and underrepresented minorities.

Cultural Competence

Institutional and programmatic effectiveness in a diverse academic environment requires responsiveness to the dynamics of cultural difference. This is true not only in a diverse academic environment, but also in the workplace and communities. A culturally competent institution within the meaning of this goal is one that engages in a set of measurable activities designed to assist everyone at the institution in learning about and responding effectively to all the people it serves. Postsecondary educators also have a responsibility to prepare students to be culturally competent in settings beyond the campus. The operative terms in cultural competence are inclusivity and responsiveness. Being intentionally inclusive and responsive to cultural differences requires that institutions design well-planned and measurable strategies, with accountability components, to ensure that institutional programs and activities are operated in ways that are inclusive and equitable for the various cultural groups served.

Leadership at an institution of higher learning cannot achieve cultural inclusivity and responsiveness merely by ensuring that students, staff, and faculty on campus are culturally diverse. Institutions that are culturally inclusive and responsive go beyond hiring and training efforts and treat cultural diversity as a value-added resource. They create well-designed measurable goals and outcomes that ensure there are ways the daily activities of the institution promote cultural inclusivity and responsiveness at all levels--administration, faculty, and students. Some of the goals and activities that can be used to create and sustain a culturally inclusive and responsive institution include the following:

- Being intentional in recruitment, hiring, promotion and retention of diverse administrators and faculty (this must include ensuring that cultural diversity is reflected at executive and other decision-making levels of the institution);
- Being intentional in recruiting a culturally diverse student body;
- Investing in professional development about issues of culture, cultural competence, diversity, and equity;
- Ensuring attention to cultural issues in outreach, programming, and service delivery;

- Setting measurable expectations (with accountability factors included) to ensure that practices will be adapted to address the needs of the institution's diverse population;
- Institutionalizing the institution's commitment to cultural inclusivity and responsiveness by expressing its perspective in its mission statement, policies, and goals;
- Weaving or integrating cultural knowledge throughout the organization's work into every facet of the institution's daily operations; and
- Ensuring equitable respect for all cultures throughout the institution.

Given that the State anticipates significant growth in its non-traditional and minority student populations, its faculty and institutional administrators will need to achieve new levels of inclusivity and responsiveness. Similarly, the State's public colleges and universities are experiencing an increase in the number of students who possess a variety of physical and mental disabilities, which may be hidden or not properly diagnosed, and that challenge their successful academic achievement. Administrators and faculty will need to achieve new levels of inclusivity and responsiveness to accommodate students with disabilities, including fostering awareness of campus services and programs. Faculty and institutions will need to cultivate and adopt best practices continuously to maintain currency with a changing student population throughout the state.

Action Recommendations

- To promote the comparability and competitiveness of its public Historically Black Institutions (HBIs) with its public Traditionally White Institutions (TWIs), the State of Maryland should adopt the following primary recommendations of the HBI Study Panel of the Commission to Develop the Maryland Model for Funding Higher Education:

    - The State should provide supplemental funding for initiatives to promote a higher level of academic achievement for all students at public HBIs.

      Implementation Measures/Strategies
      - By September 2009, report developed by MHEC in collaboration with the public HBIs that identifies best practices to improve the success rates of students at public HBIs
      - Increases in year-to-year retention and graduation rates of students attending public HBIs.
      - Increases in year-to-year retention and graduation rates of public HBI students who are required to take developmental courses upon entry.

    - The State of Maryland should develop the institutional platform at the public HBIs and identify doctoral programs for targeted development.

      Implementation Measures/Strategies
      - Development and submission to MHEC of strategic plans consistent with their mission and Carnegie classification by public HBIs designed to improve institutional platforms to make them comparable to a quality institution of the same Carnegie classification

- MHEC, in collaboration with the public HBIs, should develop capacity and outcome indicators to measure comparability and competitiveness of identified doctoral programs

- Accelerate funding for public HBI capital priorities that build institutional capacity related to comparability and competitiveness.

  Implementation Measures/Strategies
  - Increase in funding in the annual capital budget for HBI capital projects

- The State, working with the segments of postsecondary education, should focus further attention on closing achievement gaps where they occur and monitor progress on a regular basis.

  Implementation Measures/Strategies
  - Year-to-year reduction in the statewide graduation, retention, and remediation rate gaps that separate low-income, African-American, and Hispanic (where applicable) students from their peers, based on data availability

- The State should consider associate and baccalaureate degree completion—and/or transfer from community college—as opposed to simply enrollment, as the principal metrics of the success of higher education in meeting the needs of the citizens of Maryland.

  Implementation Measures/Strategies
  - Development and reporting of a statewide degree completion metric
  - Year-to-year increases in the statewide degree completion rate as measured by this metric

STUDENT-CENTERED LEARNING

Goal 4: Achieve a system of postsecondary education that promotes student-centered learning to meet the needs of all Marylanders.

Goal Four addresses "student-centered learning," defined here as educational practices focused on the learner and on learning, with faculty and institutions directing attention to the most effective ways to facilitate and maximize learning for each student. To be successful in delivering student-centered learning, faculty and institutions must direct attention and resources to student learning processes and how instruction and other services can most effectively respond to those processes. Within this context, postsecondary education must determine the best avenues for the delivery of expanding fields of knowledge in rapidly changing professions, including the profession of teaching itself.

A person's ability to learn increasingly complex knowledge is built on a solid foundation. Consequently, the teachers of this foundation, and those who teach the teachers, are vitally important in creating successful schools and students. Teachers of primary and secondary education are charged in this country with the creation of an educated citizenry, and such education itself is itself required by law. Postsecondary education is voluntary and yet crucial for individual and family opportunity, and for economic development as a State and nation. The solid foundation provided in the first years of higher education creates crucial building blocks for increasingly complex learning. Core competencies in such areas as critical reading, effective written and oral communication, and quantitative, visual, and information literacy make possible advanced undergraduate learning, which in turn paves the way not only to graduate study for an increasing number of Marylanders, but also to the workforce of a knowledge-based economy.

Student-Centered Learning System

Creating a student-centered learning system is an essential means of addressing differences among learners in manageable and effective ways. Faculty members want to address the learning needs of very different students and are to be applauded for their hard and creative work across the disciplines to advance and transmit knowledge. But all too often faculty have been left with only minimal public or institutional support for the pedagogical, student service, and faculty development tools they need to secure students' academic success and degree completion. A student-centered learning system should provide resources for teacher education and faculty development by sharing best practices among all Maryland institutions. Student-centered learning systems are developed when the following occur:

- Students are engaged as active participants in their learning;
- Overall learning goals and objectives (standards) are established while multiple paths to achieving these are facilitated;
- Learning can be/is individualized in pace, pedagogy/curricular design and content modules, and all learning styles are included and available;
- Learning is assessed in ongoing feedback loops that identify learning gaps as they occur;
- Because learning gaps are addressed as they occur, student achievement and success are maximized;

- There is a willingness to adapt and be flexible in addressing changes in student lives; and
- Attention is paid to lifelong learning.

A systematic approach to student-centered learning emphasizes core educational competencies for all students. These competencies become increasingly complex as students progress. Regular assessment during a course (i.e., formative assessment) helps identify learning gaps and weaknesses so adjustments can be made to ensure that a student's educational foundation is solid as he or she progresses. End-of-course or summative assessment is a foundation for determining the outcomes of student-centered learning and identifying adjustments at the student, faculty, or institution levels that can be made as needed. Such ongoing feedback for learners is essential to eliminate learning gaps that may result in subsequent and significant educational roadblocks.

In creating a systematic approach to student-centered learning in Maryland, there are opportunities and challenges:

- College and career readiness encompass both opportunity and challenge. Maryland has the opportunity to articulate clearly what is required of students entering higher education so secondary institutions know the benchmarks for college preparation, readiness, and success. Higher education professionals have the challenge to work collaboratively with secondary education colleagues on alignment and articulation.

- Maryland educators have the opportunity to focus more clearly on core competencies necessary for student engagement and success. The challenge is to define and measure these core competencies so as to develop curricula around them to capture and keep student interest in learning. An additional challenge is to develop these curricula and programs so that they address and quickly close learning gaps where the alignment between secondary and postsecondary education has not been achieved or where student learning has lagged.

- There is great opportunity to utilize national best practices and successful models to strengthen core competencies for all undergraduate students. Maryland is challenged to provide sufficient resources for faculty development, curricular design, and national leadership in educational accountability and workforce development. The State, like the nation, is challenged to add rigor to its educational systems to be competitive in the global economy.

- Finally, Maryland has the opportunity to align core competencies within higher education for the transitions of students from general study in the first years of higher education to their major fields of study in their subsequent years of undergraduate work. A strengthening of core competencies for all students affords them more opportunities with regard to choices of major and career and presents an opportunity to strengthen the preparation of workforce candidates in all fields, as well as helping to increase the numbers of people entering high-need fields. The challenge is to create curricula that lend themselves to addressing all learning styles. Knowing that students' cognitive abilities follow different paths to comprehension of educational material, it is important to address alternative cognitive approaches to keep all students on course to mastering the necessary core competencies for higher education.

Educational Transitions

Alignment

Maryland's preK-12 schools were recognized by *Education Week* (January 7, 2009) as first in the nation and received high marks for college preparation relative to other states. Even with this outstanding record, approximately 40 percent of Maryland high school students enter college without taking a college preparatory curriculum. Additionally, the percentage of students who take a college preparatory curriculum in high school but still need remedial assistance is rising. This situation is placing great pressure on postsecondary institutions, especially community colleges, to provide developmental education that will ensure academic success. Efforts of the Governor's P-20 Leadership Council to encourage alignment of high school curricula and postsecondary entrance requirements should be supported to decrease the need for developmental education of recent high school graduates. Alignment with workforce demands—a key element of P-20 Leadership Council efforts—also calls for students across the P-20 curriculum to engage in challenging and rigorous study. National efforts like the American Diploma Project and local efforts like the Maryland Scholars program of the Maryland Business Roundtable for Education call upon educators to recognize that to be career-ready after high school, students need preparation comparable to that required for being college-ready.

Alignment P-20 means that the educational system is structured and conducted to ease students' movement from one level of education to the next. Successful alignment work already done within the Maryland P-20 educational community since 1995 includes developing common community college placement tests and cut scores, English composition scoring ("C-paper" standards), bridge planning in mathematics, the development of the Associate of Arts in Teaching (AAT) degree, the development of the Associate of Science in Engineering degree (ASE), which adopted the same type of outcomes-based approach to articulation. These programs can be the model for other articulation agreements; both the AAT and the ASE were the first agreements of their kind in the nation. Higher education alignment efforts can also be informed by the expertise of the Career Clusters model of MSDE's Division for Career Technology and Adult Learning and the work of industry clusters through the Governor's Workforce Investment Board.

College- and career-ready students depend on high-quality teachers, and teacher education is a linchpin in the Maryland educational system to ensure that effective teachers are preparing high-quality preK-12 students for their postsecondary education. Maryland's teacher preparation policy known as the *Redesign of Teacher Education* emphasizes strong academic background, extensive preparation in clinical internships, ongoing performance assessment, and linkage with Maryland's preK-12 priorities. To expand upon the nationally recognized success of this policy, higher education, in collaboration with MSDE and MHEC, should review and update the *Redesign* to better reflect new research on multiple pathways to teacher certification and the importance of streamlined models for career-changers and others who did not major in teacher education as undergraduates. Other important areas for consideration in a 21st-century teacher preparation policy would be STEM-specific concerns and issues pertaining to global learning. Maryland's nationally acclaimed work with professional development schools (PDS) should continue to be supported for its effectiveness in preparing highly qualified and effective teachers

who—Towson research shows—are retained in teaching at higher rates than those not prepared in PDS.

Many prospective teachers, many other prospective baccalaureate holders, and many people seeking a technical career begin their work in Maryland community colleges. In fall 2007, enrollment at community colleges represented more than 50 percent of undergraduate enrollment in postsecondary education. In 2008, more than 8,600 Maryland community college students transferred to four-year colleges. Since more than a third of first-time, full-time Maryland community college students continue their education after two years, resources need to be available for the many students who choose to transfer to Maryland four-year schools.

Transfer

Many disadvantaged and lower-income students begin their college careers at community colleges because they are less expensive than four-year institutions. Students may also choose community colleges because they see value added in that environment, and they can remain living at home while attending college prior to transferring or taking jobs. One of Maryland's strengths in terms of access is its strong record of successfully articulated programs and its online transfer tools, including ARTSYS, which help students understand and make effective transitions when moving between colleges. Using its capacity as a P-20 educational community, Maryland should seek opportunities to develop additional articulated programs following the model of the AAT, and now the ASE, in which representatives from preK-12, community colleges, and four-year institutions agreed upon core content in a number of areas. These efforts should be continued and expanded to enhance articulation laterally and vertically across all higher education segments to create a seamless network that enhances student success.

Educational Longitudinal Data System

Measuring the attainment of a student-centered learning system will require data on individual students over time, from pre-K through postsecondary education. Better data can help in understanding student pathways, student preparation, and a host of other issues with strong policy implications. Such data might identify, for example, when students enter teacher preparation pathways and other career and technology pathways in high school and determine if those students follow those pathways past high school. The development of effective policies to eliminate the barriers to educational transitions, to ensure student persistence and success, to assist students in degree completion in a timely manner, and other policy areas require the examination of data from all aspects of the educational system. Accomplishing this task of developing a statewide educational longitudinal data system requires a serious commitment as the Data Quality Campaign reports that Maryland currently (as of January 2009) meets only three of ten essential elements of a K-12 longitudinal data system. For this and other reasons, the Commission to Develop a Maryland Model for Funding Higher Education recommended the construction of a P-20 educational longitudinal data system.

One way to track the college readiness of students is through such a longitudinal data system. In the higher education community, the longitudinal tracking of students is well established, both nationally and within the State. Maryland higher education institutions began developing enrollment and degree-tracking systems that collect data on individual students in the mid-1970's and have used similar systems to calculate retention and graduation rates since 1980. These data

systems were expanded during subsequent years to calculate performance data on recent high school graduates and community college transfer students, as well as to examine student financial aid information. Any future effort to create a longitudinal data system should take advantage of these higher education systems: Enrollment Information System (EIS), Degree Information System (DIS), and Financial Aid Enrollment System (FAIS). These systems use Social Security Numbers to identify and track students, and the data produced by them are currently used as basis for much of MHEC reporting, research, and accountability measures. In 2007, MHEC began an initial evaluation of the issue of linking preK-12 and higher education longitudinal data systems as part of an inter-segmental work group established to address data reporting changes required by the U.S. Department of Education for 2010.

Education leaders within Maryland recognize the need for the linkage and/or integration of data between preK-12 and higher education communities. Looking toward the future, tracking student performance across the State, P-20, will require the expansion of accountability throughout the entire education spectrum. The development of meaningful and useable accountability measures and the need to analyze student performance from those measures requires the use of detailed student-level data. These data need to be collected in a format that is useable and accessible across Maryland's education segments.

Student-Centered Education

General Education and Student-Centered Learning

The commitment to expanded college access needs to be anchored in an equally strong commitment to educational excellence in Maryland higher education. Student success in college cannot be defined only in terms of enrollment, persistence, and degree completion. While these metrics are necessary, they are not sufficient to ensure that students are actually achieving the kind of learning they need to be successful in the 21st century.

General education establishes an important foundation for students to succeed in higher education and in the workplace. The general education framework of an institution of higher education should define a set of educational learning outcomes that provide a sense of purpose and direction to guide student progress across the many different parts of the academic system. Clear communication between two-year and four-year institutions regarding competencies and expectations of core knowledge and skills is necessary to ensure that students receive the guidance they need. Defining and communicating benchmarks for critical reading, writing fluency, quantitative literacy, critical thinking, and problem-solving will help institutions ensure that their students are well prepared to be successful throughout their college experience and into the workforce. Students should have multiple opportunities within their college experience to acquire core competencies and appropriate academic support to work toward the intended outcomes so they can reach high levels of success.

Upper-level Education and Student-Centered Learning

Upper-level education provides students opportunity to move from basic, general study to the in-depth study of a limited number of topics that can move them into the workforce or graduate study. To meet the needs of educating students in the liberal arts and in professions, colleges and universities must appropriately staff and support high-needs employment areas, such as teacher

education, STEM fields, and nursing, while continuing to provide a solid core foundation of skills. Rigorous study in an environment of discussion and exploration helps students become both consumers and producers of research, a skill necessary for lifelong learning. Senior theses and portfolios are two examples of venues for critical thinking and problem-solving that require the use of writing, technology literacy, and often mathematics; furthermore, these culminating projects require synthesis and reflection, skills needed throughout one's personal and professional life.

As students progress from the core curriculum to more focused attention on their major areas of study, supports must remain in place for those who continue to struggle. Learning requires a change in behavior—one's knowledge base expands and one interacts with information in different ways at higher levels. These changes do not always occur in a linear fashion, nor do the changes happen the same in each area of study. The basic skills developed in the early college experience serve as a foundation for continued study of subjects of interest to the student. Some students continue to be challenged and require a continuum of support.

Additionally, opportunities should be available for students to become intentional learners in diverse learning environments. An intentional learner is purposeful and sets clear goals. Intentional learners understand the reasons for learning and their own learning processes and use many sources when making decisions. They have reasons for their actions and often make the hard choices as they apply the skills they learn in the classroom to solve problems in their own lives and in the larger community. Diverse learning environments include service learning, study abroad, and internships and externships that help bridge classroom lessons and real-life applications. Positive experiences in the broader community create opportunities to develop skills and relationships in settings where critical thinking and writing fluency, media and technological literacy, and quantitative literacy take place in authentic settings. Internships and service learning allow students to connect with society at large to apply their knowledge and skills for the common good. These opportunities allow students to take personal responsibility for workplace tasks, expand upon their knowledge of their topic of study, and learn more about themselves.

Upper-level education is the gateway to the workforce as a lifelong learner who has the skills to excel in jobs that have not yet even been invented. Beyond the core curriculum, advanced courses of study place students in an environment of content expertise, professional learning, and the quest for knowledge beyond their grasp—all needed for success in the work world. The transition from college to workforce can be supported through internships, mentoring of students by industry, case-studies, capstone projects, and industry-based research projects which place students in professional situations prior to graduation.

Support for Faculty Professional Development

For academic institutions, the core accomplishments are fostered by the faculty. Graduate education that prepares people to become leaders in their fields rarely provides much preparation addressed specifically to becoming an effective teacher, but effective teaching is critical to increasing graduation rates and achieving other student-centered goals. Increasingly, institutions are creating centers for faculty professional development that focus on teaching improvement

and excellence, and there are also a few professional associations and conferences that focus on teaching. However, none of this is yet sufficient to provide an appropriate level of professional development support for faculty to be maximally successful in creating and maintaining a student-centered learning system.

Maryland higher education could create a national model of collaboration by bringing together all of its leaders in teaching improvement and excellence from all segments to design and deliver ongoing professional development programs for faculty at regional locations such as the regional higher education centers. Comprehensive programs can be created by calling upon the substantial expertise within Maryland higher education. The important thing is to determine what professional development needs are primary for the creation and maintenance of a statewide student-centered learning system, and then to deliver high quality supportive programs on a regular basis at convenient locations.

To strengthen student-centered learning, faculty should be encouraged to develop classes that engage students with content in ways that address their learning needs, so they will need access to cutting-edge tools of industry, but also cutting-edge tools of instruction. Using current resources such as streaming technology and high-tech access to almost unlimited information, faculty will be able to meet the students where they are. Faculty can use these tools not only to improve instruction, but also to spark students' interest in the material and its applications.

Discussions of faculty professional development should be interpreted to include adjunct faculty in all activities. While the majority of faculty members at Maryland institutions are full-time, most institutions have a substantial minority of adjunct faculty who need this support and are as open as full-time faculty to expanding their knowledge and skills to become more effective in their ability to reach students and excel as educators.

Campus-based teaching and learning centers can provide support for planning, teaching, and assessing student success. Such centers encourage a culture in which faculty share successful strategies with each other to the improvement of all. Through course development workshops, faculty forums, brown bag lunches, and other means, centers can provide instruction, support, and dialogue around improving teaching and learning. Topics that may be addressed include syllabus development, learning and teaching styles, technology integration, mentoring students with various needs, differentiation of instruction and assessment, alignment of curriculum and assessments, using data to inform instruction, peer coaching, observations and site-visits to best practice locations, and managing internships in the community.

Resources will be needed to improve instruction, differentiate instructional materials, purchase state- of-the-art lab equipment, and innovative technology applications. By modeling lifelong learning, accessing and using current research on teaching and learning, and focusing on real life issues, faculty will become the 21st-century teachers needed by 21st-century students.

Professional Development Schools (PDS)

Another arena for improving teaching and learning involves collaboration between higher education and preK-12 education professionals. Professional development schools (PDS) utilize a partnership similar to that in a teaching hospital where interns and their mentors work together

to solve medical problems and improve the teaching and learning for all. Faculty and administrators from higher education and preK-12 schools expand their knowledge and skills as educators while participating in the learning of preK-12 students, the teacher interns, and the certified teachers in the PDS. PDS serve as sites to develop pre-service teachers, support the continual professional development of secondary and postsecondary faculty, and address school improvement needs of each site. PDS work is built on the alignment of teacher preparation with the reality of public schools.

Outcomes

Assessment for Continuous Improvement

Goals are created to provide guideposts for academic progress and achievement; they should be measured. Measured goals and objectives link general education, majors, and overall learning outcomes. Measuring provides information on individual students, on courses, on majors, on faculty, on student cohorts, and on institutions. Measurement is undertaken to provide crucial information about which teaching and learning endeavors work and which endeavors need to be improved. Assessment is conducted to facilitate continuous improvement in higher education's knowledge of curricular development and pedagogy. Assessment for continuous improvement is integral to a student-centered learning system. With the information gained from assessment, changes can be made to improve student learning.

Formative and summative assessment should both be used for systemic improvement. While individual student performance assessment is important, it is the institutional application that makes possible continuous improvement. Additionally, implementation of the longitudinal data system will help the State to collect, analyze, and utilize information to improve both instruction and learning. Such a system can facilitate for institutions and for the State measuring for accountability.

Time-to-Degree, Retention, and Graduation

The traditional thinking that a student will earn a degree in four years is not reflective of current practice. According to the May 2009 *Retention and Graduation Rates at Maryland Public Four-Year Institutions* report by the Maryland Higher Education Commission, of new first-time undergraduates who enrolled at Maryland four-year public institutions in 2002, 38 percent graduated in four years, 59 percent in five years, and 64 percent in six years. Independent institutions also have significant percentages of students who need more than four years to complete a baccalaureate degree, and community college students who earn associate degrees commonly take more than two years to do so. Barriers to earning an associate degree in two years or a bachelor's degree in four years include weak student preparation, changes of and/or delay in selecting a major, transfer between schools, and dropping or repeating courses. Institutional factors that can contribute to extended time to degree include student-advising problems, cost and/or availability of financial aid, and course availability.

In a student-centered learning system, the focus should be on creating an educational environment that facilitates as timely a degree as possible given a student's unique circumstances. The policies created to address time-to-degree should promote efficient use of

resources while not penalizing those students who may not fit the traditional time frame of enrollment.

While the graduation rate of students at Maryland's four-year colleges reached a historic high in 2006, the percent of first-year college students who returned for their second year dipped below 80 percent for the first time in ten years and could signal the end of the positive trend. The second-year retention rate for all full-time, first-time undergraduates at Maryland public institutions dropped from a high of 82.6 percent for the cohort of 2001 to 79.8 percent for the 2005 cohort. The second-year retention rate for African-American students, 72.2 percent, was its lowest in eighteen years (MHEC, June 2007). Clearly, retention is a significant issue for Maryland.

Vincent Tinto, a scholar known for his work on student retention, argues in "Taking Student Retention Seriously, Rethinking the First Year of College" *(NACADA Journal,*19[2]) that students are most likely to persist and graduate in settings that take advising seriously, that provide support—academic, social, and personal—and that involve them as valued members of the institution. The University System of Maryland has received national recognition for shortening time to degree through the Effectiveness and Efficiency Initiative. According to the USM *Report on the Fiscal Effects and Implementation Strategies for Efficiency Initiatives*, "in FY 2007, student time-to-degree was shorter (8.9 semesters) and 4-year graduation rates were higher (39%) than at any time since the numbers were first systematically tracked in the early 1980's."

Maryland has come far in its endeavor to give students the opportunity to accelerate their time to degree and to increase the postsecondary system's capacity to accommodate more students. Work should continue to develop policies and programs that facilitate student degree completion in a timely manner, particularly for minority and first-generation college students. Further effort should be expended in developing and systematizing alternative modes of course delivery that will allow students more choices and flexibility, e.g., distance education, trimester programs, summer bridge programs for remedial work, freshmen connection programs, and online courses.

Action Recommendations

- In support of alignment issues, a partnership of the Maryland Higher Education Commission, the Maryland State Department of Education, Maryland four-year and two-year public institutions of higher education, school districts, and other parties as deemed appropriate will work over the next year to develop a plan for linking and/or integrating postsecondary institutional data with preK-12 data at the student level.

  Implementation Measures/Strategies
  - A workgroup charged with developing a plan for creating a longitudinal data system will be formed in FY 2010, with final report and recommendations forwarded to policymakers within 9-12 months of the workgroup's formation

- As the coordinating body for higher education in Maryland, MHEC will work with all higher education segments to support and disseminate best practices in the formative

assessment of general education competencies with particular attention to the critical areas of reading, writing, mathematics, and the sciences.

Implementation Measures/Strategies

- An intersegmental workgroup with institutional representatives will create an inventory of best-practice models in formative assessment of general education competencies to be shared and disseminated to institutions via the higher education segments

- MHEC will work with the higher education segments to launch a collaborative statewide initiative focused on creating and enhancing faculty development efforts for full-time and adjunct faculty in support of a student-centered learning system.

Implementation Measures/Strategies

- Creation of an inventory of best-practice models, including professional development schools (PDS) for teacher education and centers for teaching and learning excellence, that support the development of effective pedagogical techniques and emphasize formative assessment of student learning

- MHEC, in collaboration with MSDE, will coordinate the review and appropriate revision of the *Redesign of Teacher Education* to meet the needs of a diverse population.

Implementation Measures/Strategies

- Create a task force with higher education and MSDE representatives to coordinate the review and appropriate revisions of the State's teacher education policy
- Task force to be charged with paying special attention to the skills needed to prepare all students for college, especially those student populations underrepresented in higher education, and to increasing the flexibility of teacher education programs to expand the pipeline into teaching
- Task force recommendations for the development of a stable, predictable funding strategy to support PDS appropriate to role of PDS within State policy

- Institutions of higher education should work collaboratively with MSDE, the Maryland Department of Disabilities (MDOD), and other appropriate organizations to establish programs and services to assist students transitioning from high school to postsecondary education. Programs and services should foster an environment that encourages students with hidden disabilities to more readily utilize available resources and encourage students to obtain appropriate documentation to receive services.

Implementation Measures/Strategies

- Increase in the number of students seeking and receiving assistance as reported by the institutions' student services offices

ECONOMIC GROWTH AND VITALITY

Goal 5: Promote economic growth and vitality through the advancement of research and the development of a highly qualified workforce.

The advancement of knowledge, the development and implementation of technology, and the expansion of a highly trained workforce are essential to Maryland's economic vitality, especially in times of economic and environmental change. An educated citizenry that has the ability to adapt to the changes in the global market has become the number one resource in attracting new businesses and in maintaining a healthy economy. Maryland has been fortunate in that its proximity to the nation's capital and numerous federal agencies has resulted in a workforce that is among the most highly educated in the world. But as other industrialized nations are now raising the educational levels of their citizens beyond the educational attainment levels of U.S. citizens (*Education at a Glance*, OECD 2007), Maryland needs to take action to retain this competitive advantage. Maryland relies upon universities, colleges, community colleges, and private career schools across the state to meet changing workforce needs.

The Advancement of Research

Attracting research funding and commercializing research are vital activities for Maryland's growth in the global economy. Innovation, invention, and the commercialization of intellectual properties are important products of university research. Maryland universities collaborate with Federal research centers and private industry to develop, evaluate, and transfer technology into economy-building industries. Through such efforts, Maryland has become internationally renowned for research and development in areas such as genomics, biotechnology, aerospace engineering, the physical and environmental sciences, medicine, and software engineering. According to the Milken Institute's 2008 *State Technology and Science Index*[1],Maryland ranks second overall, behind only Massachusetts, in its technology and science capabilities (up from fourth place in the 2004 *Index*). Because Maryland increasingly competes not only with other states, but also with other regions of the world for jobs and workers, the State cannot afford to let its focus drift from efforts to enhance research and development.

Maryland's challenges in the advancement of research are to build on existing research and development success, expand this success by attracting more individuals with the ability and interest to pursue advanced research, and promote entrepreneurial activity to enhance economic vitality. For example, opportunities exist to expand international trade through further collaborations among Maryland's higher education institutions, the Maryland Department of Business and Economic Development (DBED), and the Maryland Technology Development Corporation (TEDCO). Internationally, nationally, and regionally, Maryland universities advance science and technology through work on their campuses, in research centers, and at permanent instructional sites abroad, as well as through foreign faculty exchange agreements and the recruitment of highly qualified graduate students. Research and technology transfer such as that conducted by the University System of Maryland, Morgan State University, and the Johns

[1] The *State Technology and Science Index* takes inventory of the technology and science assets that can be leveraged to promote economic development in each state. It factors in 77 individual indicators that comprise five equally weighted major composites.

Hopkins University invite worldwide interest and collaboration. Still, according to the National Science Foundation (NSF), technology transfer from Maryland research institutions has been less robust than their overall research leadership.

Stimulating Growth

One means of stimulating economic growth in Maryland is for the State and higher education institutions to sustain and build upon their success in securing Federal and private funding for research and development. Increased sponsored research funding translates into a broader knowledge base, greater innovation, and more jobs, both at the research stage and as research leads to industry development. According to the NSF Division of Science Resources Statistics (FY 2005 data), Federal obligations for research and development at Maryland universities and colleges totaled approximately $1.4 billion, fourth highest in the U.S. Additionally, NSF found that the Maryland science and engineering industry supports close to 5.6 million jobs worldwide. For maximum impact, current resources need to be leveraged and increased. Maryland can do this through continuing to develop university-based technology research parks and expanding its Maryland Industrial Partnerships (MIPS) program, which jointly funds collaborative research and development projects between companies and University System of Maryland faculty. The State should continue to encourage, promote, and support cooperation among campuses, industry, and government research laboratories in developing products and providing services that have commercial, environmental, and social utility. Multi-institutional collaboration is necessary to successfully compete for large-scale scientific projects such as those identified by the President's Council on Science and Technology in areas including life sciences, renewable and sustainable energy and the environment, nanotechnology, and information technology.

Facility Demands

As noted above, Maryland currently has research space deficits. Increasing the number, size, and quality of research facilities in the state would foster interdisciplinary research and intra- and inter-institutional collaboration. Research institutions and faculty should continue to be supported to pursue patents, licenses, and start-up businesses, benefiting from guidance and funding from organizations like TEDCO. While Maryland is currently home to 21 business incubators, more technology incubator space and research park space for companies and allied research efforts are needed to maximize the potential of academic research to impact the State economy. With the support of TEDCO, these 21 incubators are offered shared resources, access to state-of-the-art equipment and facilities, and business assistance. Although most of these incubators are technology-based, some offer general business assistance and opportunities for growth. Continued State investment of infrastructure dollars and other resources can expand the growth of all business incubators and assist with the infrastructure needs of existing incubators.

Attracting Researchers

Maryland cannot grow its research and development efforts without people who have the science, technology, engineering, and mathematics (STEM) proficiencies necessary to conduct complex research at the university level. Universities planning to expand these efforts need to enhance their means of attracting, cultivating, and retaining these individuals. The State, industry, and higher education are challenged with the need to wage an aggressive campaign to encourage more Maryland students to prepare for rewarding careers in research by pursuing STEM fields from elementary school through graduate school. Simultaneously, colleges and

universities should continue to recruit and retain foreign students, even while competition for these students intensifies internationally, both as they enter baccalaureate and graduate programs and as they enter the workforce upon graduation. Analyses should be performed to identify barriers to recruitment of out-of-state students and employees, such as residency status or tax responsibilities that may dissuade them from living in Maryland. According to MHEC trend data, in 2007 there were more than 13,000 foreign students attending undergraduate and graduate programs in Maryland, a 33 percent increase since 1999. This compares to a 22 percent increase in overall enrollment for the same period.

The Development of a Highly Qualified Workforce

Maryland postsecondary education should be poised to meet changing basic workforce needs to assure a vigorous and competitive State economy. It is not enough to have more students entering Maryland's postsecondary institutions, however. According to the Bureau of Labor Statistics, by 2014, seven out of ten jobs will not have existed in 2004, while 90 percent of all new jobs will require some type of postsecondary education or training beyond high school. Today's graduates will have an average of five different occupations in their lifetime and will need to be able to adapt and take on new training. To be able to address critical qualified worker shortages with appropriate training, such shortages must be accurately anticipated. The challenges are to proactively identify projected high-demand fields and qualified worker shortage areas and then to develop effective, flexible strategies to meet the identified needs. Strategies should be implemented to ensure ongoing alignment of educational and business needs to meet the demand for qualified graduates at all educational and training levels, from middle-skills technician training to post-doctoral education and research. Resources of varying kinds will be needed to implement strategies and to provide broad access to programs for all Marylanders, including untapped workforce populations such as the unemployed, underemployed, disabled and ex-offenders. According to the 2008 Maryland's Workforce Indicators published by the Governor's Workforce Investment Board, these populations account for approximately 286,000 potential employees.

Changing Workforce

To enable broad access to postsecondary education and workforce readiness, the State must effectively address Maryland's changing demographic makeup and the impact of these shifts on workforce needs. Several important workforce changes are occurring: the influx of Base Realignment and Closure (BRAC)-related personnel and positions will alter the type and distribution of occupations within the State; an aging workforce will either retire and leave hard-to-fill positions or re-enter the workforce and potentially require substantial re-training; and a growing immigrant population with diverse skill and education levels will increasingly hold important positions in the economy. Maryland's economy is based on its highly educated workforce, but substantial portions of this workforce have migrated from out-of-state to take advantage of professional opportunities. According to a 2008 Annie E. Casey Foundation report, *The Integration of Immigrants and Their Families in Maryland: The Contributions of Immigrant Workers to the Economy*, 35 percent of native-born Marylanders hold at least a bachelor's degree compared to 43 percent of individuals who have moved to Maryland from another state or country. For Maryland to have the workforce it needs, higher education must more effectively educate more in-state students. Furthermore, with a population that is increasingly minority, and with STEM industry opportunities stretching to more areas of the state, Maryland must ensure

that under-represented demographic groups have access to high-quality educational opportunities and participate in much greater numbers in STEM fields. Unfortunately, the costs for education and training that provide the appropriate preparation to address many workforce needs are significantly higher than other college-level courses and programs; financial aid strategies must be thought of as economic development tools.

Qualified Worker Shortages

Workforce needs are acute for a number of occupations, and the demand for well-trained instructors to adequately prepare the emerging workforce is a high priority. Only through an increase in the quantity and preparedness of Maryland's teachers can a workforce be grown and stimulated to meet current and emerging workforce needs. Although August 2008 saw half as many unfilled public education teacher positions as in August 2007, there were still over 400 unfilled slots, a gap that reflects national challenges of recruiting and retaining people in teaching and the State challenge of graduating enough Maryland-trained teachers to meet demand. The Maryland Teacher Shortage Task Force Report (2008) and the Governor's Workforce Investment Board Education Industry Sector Report (2008) recommend steps that can be taken to increase the number of individuals entering teaching, especially in shortage areas. Non-competitive compensation packages along with working conditions issues do not help with teacher recruitment into much-needed STEM disciplines when STEM discipline graduates can choose more highly paid careers in the private sector. As a result, there are critical shortages in STEM fields, as well as in special education, English for speakers of other languages, and career and technology education.

Additional critical workforce needs occur throughout STEM-related occupations, including the health care industry. These occupations include nursing, physicians (general practice and many specialties), information technology, aerospace, bioscience, and numerous allied health fields. Considerable demands continue to exist in hospitality/tourism, construction, and manufacturing with additional fields being identified in public service and electronics. It is essential that newly emerging fields like energy/renewable energy and green technology also be addressed. Postsecondary education in Maryland should continue to strive to mitigate and adapt to changing environmental and energy needs, maintain the State's leadership role in healthcare, prepare for BRAC, and support STEM workforce initiatives. Capacity in training programs is an issue for some fields, including nursing. Although nursing enrollments have increased, according to the 2005 *Nursing Faculty Shortage Report* of the Maryland Statewide Commission on the Crisis in Nursing, 1,850 *qualified* candidates were not admitted to Maryland's colleges and universities in 2004 because the nursing programs were full. Projections show that in the next 10 years, there will be a 40 percent increase in the need for nurses compared to a six percent growth in the supply of nurses.

Collaborative Efforts

To respond effectively to changing workforce needs, educational institutions need to continuously monitor the data landscape of existing qualified worker shortage areas and emerging high-demand occupational fields and industries. The continued development of timely and accurate State and regional workforce data would support this effort. Collaborative data collection and reporting efforts between education, business, and government should continue to be fostered, reinforced and improved. All postsecondary education segments should be included

in these efforts, along with Maryland Higher Education Commission, the Maryland State Department of Education, the Department of Labor, Licensing and Regulation, and private sector research and data collection entities. Additionally, the State must continue to adopt effective strategies to increase the supply of qualified graduates in high-demand fields and qualified worker shortage areas, such as is currently being done by the Advisory Council on Workforce Shortage. This should be done while taking into consideration the demographic changes occurring in Maryland.

To maximize the effectiveness of limited available resources, instructor availabilities, equipment, and laboratory and clinical facilities, it is critical that Maryland address workforce needs in a coordinated manner that fully engages employers, postsecondary education institutions, and State, local, and regional agencies. Continued high-level participation is imperative in coordinated efforts such as the Governor's Workforce Investment Board, the BRAC Subcabinet, the Governor's P-20 Leadership Council of Maryland, and the Maryland Business Roundtable for Education. High-level boards and councils such as the aforementioned provide a forum for education, business, and government to bring together all the required elements for success. Active involvement of all postsecondary institutions in coordinated efforts is to be encouraged.

The Maryland Higher Education Commission and postsecondary institutions must provide leadership and active participation in State and regional efforts to prepare a highly qualified workforce in Maryland. It is important that all segments of postsecondary education contribute to provide skills-based experiential learning through internships and global engagement to help meet this need. Segments should collaborate on developing more coordinated movement from secondary to all levels of postsecondary education. Clear, articulated pathways are extremely important for students to move from secondary education to, through, and between levels of postsecondary education, including career and technical education that addresses middle-skills workforce needs and "2+2+2" models. The Maryland State Department of Education's career clusters and suggested career pathway models, particularly regarding Career and Technical Education (CTE), serve as examples of career-related education that may align and articulate to postsecondary programs. Examples include Project Lead the Way (PLTW) Engineering, PLTW Biomedical Sciences, Homeland Security, the Academy of Information Technology, the Teacher Academy of Maryland, and the Cisco and Oracle programs.

Increased employer participation in joint efforts with postsecondary education is essential for Maryland to meet shifting workforce needs. Employer support should be encouraged in education, research, and workforce training to increase experiential learning through internships and other hands-on job-related activities. Strong employer participation is also necessary to provide valuable insight to GWIB advisory counsels, to understand and address the workforce requirements of BRAC, and to aid in the identification of employer needs linked to an aging workforce and increased reliance on an immigrant population.

The BRAC process occurring at Fort Meade, Fort Detrick, and Aberdeen Proving Grounds (APG) greatly impacts Maryland's postsecondary education and workforce systems. Personnel who are relocating are highly educated but also will continue to require training and education for upgrading skills. It is therefore anticipated that to support the BRAC influx, more middle- and high-level technically skilled workers must be recruited or trained. Additionally, Federal agencies located within Maryland, such as the National Security Agency (NSA), are anticipating

active growth. To meet current and anticipated demands related to these changes, Maryland postsecondary education should take proactive steps now to provide an adequate delivery system at or near these facilities. An example underway is the effort by the Higher Education and Training Center (HEAT) in Aberdeen to initiate capital investment in the purchase of land and construction of facilities.

Action Recommendations

- The Maryland Higher Education Commission, working collaboratively with research segments of higher education and appropriate State agencies, should develop a plan to leverage additional resources to promote public policies that support and enhance academic research and development efforts, including recruiting and retaining qualified researchers and research students. Such a plan should include a concerted and coordinated State effort to publicize and advocate for the role of university research and development in innovation and economic development.

  Implementation Measures/Strategies
  - Benchmarks developed for measuring the expansion of the amount of research and development performed at Maryland institutions
  - Increase in the amount of academic research space
  - Increase in the number of university-based business start-ups
  - Increase in the development and implementation of effective virtual online centers of excellence or industry portals for in-demand and emerging areas

- MHEC, working collaboratively with the segments of higher education, the Department of Labor, Licensing and Regulation (DLLR), the Governor's Workforce Investment Board (GWIB), and others as needed, should continue to provide and improve quality and access to centralized collaborative data required by State postsecondary institutions, government agencies, and industry clusters to respond effectively to shifting workforce needs.

  Implementation Measures/Strategies
  - By FY 2011, standardized annual collection and reporting of GWIB Industry Cluster enrollment and graduate/completer data for biennial comparison against DLLR occupational demand data
  - By FY 2012, implementation of institutional triennial graduate surveys to assess preparedness for employment and further education
  - By FY 2011, incorporation of out-of-state and continuing education graduate data in MHEC annual data collections

- To meet workforce training demands, the number of highly qualified instructors in STEM-, emerging-, and in demand-related fields must be increased at all levels of education. To this end, all segments of secondary and postsecondary education, MHEC, the Maryland State Department of Education (MSDE), and other agencies and private sectors as needed should investigate and adopt additional professional development strategies for incumbent tenured and adjunct instructors, as well as current and retired

industry professionals who are transitioning into teaching. Such professional development should include skills training for teaching untapped and at-risk populations.

Implementation Measures/Strategies

- Increase in the number of STEM-qualified teachers transitioning from retirement and current industry professionals
- Increase in the number of higher education graduates in STEM fields with teaching credentials who are prepared to teach on the postsecondary level
- Increase in funding available for professional development for instructors who teach in high-demand fields, for those who teach English language learners and untapped populations, and for those current or retired workforce professionals who are entering education to become instructors

- In collaboration with all segments of postsecondary education, MHEC, DLLR, GWIB, MSDE, MDOD, and other agencies and private sectors as needed, should develop and adopt occupation-specific strategies to increase the supply of qualified graduates and completers in identified high-demand fields and qualified worker shortage areas. Areas on which to focus should include developing strategies to address increased costs associated with career and technical education programs, and allocations into the BRAC Higher Education Investment Fund for programmatic initiatives that meet the educational needs of BRAC.

  Implementation Measures/Strategies

  - Increase in the number of fast-track training programs
  - Increase in the number of Maryland residents who return to work in Maryland in high-demand fields after completing an out-of-state postsecondary educational program, as data availability and data-mining costs allow
  - Increase in the number of non-Maryland residents working in high-demand fields who remain in Maryland after completing a Maryland postsecondary educational program, as data availability and data-mining costs allow
  - Increase in the funding percentage provided in the State budget from one fiscal year to the next for career and technical education programs
  - Increase in BRAC Higher Education Investment Fund allocations

- MHEC should work to increase postsecondary education's participation in and support of Maryland's workforce development initiatives. This should include efforts such as increasing participation in State and regional workforce programs, promoting utilization of the GWIB industry clusters and MSDE career clusters as common frameworks and nomenclature for workforce development throughout the State, expanding current communications between military installations and postsecondary education institutions to ensure educational needs of BRAC installations are identified, and encouraging and coordinating the development of more aligned statewide articulation programs, and multi-institution articulation agreements and consortia, to make movement from secondary education to and through postsecondary programs or institutions more seamless and less expensive.

Implementation Measures/Strategies

- Increase in representation of postsecondary institutions on GWIB and other statewide workforce development initiatives
- Increase in the number of articulation agreements and consortia between secondary and postsecondary institutions to include the development of additional Statewide articulation agreements
- Development of a statewide template for articulation agreements between or among secondary and postsecondary institutions
- Increase in percent of joint educational initiatives between BRAC installations and postsecondary institutions.

SUMMARY OF PROGRESS
on the
2004 Maryland State Plan for Postsecondary Education

To develop the *2004 State Plan*, the Maryland Higher Education Commission (MHEC) worked collaboratively with the six segments of postsecondary education and with various stakeholders in the community to study current and future demographic changes, ongoing and emerging workforce needs, and how Maryland postsecondary institutions can best serve the needs of the state and the nation in an efficient and effective manner. As a result of this collaborative process, five goals were determined to be of paramount importance. The *2004 State Plan* also offered an overarching goal that a framework be developed to guide decisions related to postsecondary education in Maryland. This overarching goal was framed as preface and umbrella to the ensuing five goals, and it was accompanied by two recommendations: (1) MHEC should initiate a comprehensive process to develop a postsecondary education model to address the linkage of tuition policy, State support for institutions, and State and institutional student financial assistance with regard to access and the needs of the State and (2) this model should be the foundation for a ten-year growth plan for Maryland postsecondary education.

To address the *2004 State Plan* recommendations, MHEC selected a consultant group led by Gordon Van de Water to study how higher education is funded in Maryland and in several peer states and to make recommendations for consideration by Maryland policy makers. As a next step to develop appropriate funding levels for higher education, Senate Bill 959 was passed in the 2006 General Assembly Session and established the Commission to Develop the Maryland Model for Funding Higher Education. One element of the Funding Commission was a panel to study the comparability and competitiveness of Maryland's four historically black institutions (HBIs), which are all public institutions, as compared with the State's public traditionally white institutions. The Funding Commission released its final report in December 2008.

The remainder of this progress report briefly summarizes activities undertaken by Maryland postsecondary education to act on the other recommendations in the *2004 Maryland State Plan for Postsecondary Education.* During the past four years, information was solicited from all segments of postsecondary education about their steps to implement the *State Plan* goals. More detailed reports of actions taken to implement the *State Plan* were made available by the Commission in 2006. This summary progress report is divided by the goals laid out in the *2004 Plan,* and each section identifies progress made and challenges that remain.

Goal 1: Quality and Effectiveness

Maintain and strengthen a preeminent statewide array of postsecondary education institutions recognized nationally for academic excellence and effectiveness in fulfilling the educational needs of students, the State, and the nation.

Progress Made

Maryland continues to enjoy the benefits of an outstanding set of complementary postsecondary education institutions. More than 325,000 students who attend higher education institutions in

Maryland are fortunate to be able to choose from an array of public and independent colleges and universities, each of which makes a unique contribution to higher education. Thousands of additional students are enrolled in Maryland's 175 accredited private career schools, which prepare students to enter the workforce and which provide job placement assistance. Regional higher education centers (RHECs) offer high-demand programs and convenient access for students who might not otherwise be adequately served. RHECs coordinated by MHEC are now supported through a State funding formula, although they have not yet been fully funded under this formula. The two RHECs administered by the University of Maryland (USM) continue to be funded through the USM budget.

Despite a prolonged period of economic constraints, the State's commitment to postsecondary education remains strong, and the Governor and General Assembly created the Higher Education Investment Fund to provide dedicated funding for higher education into the future. Appropriation to higher education for FY 2008 was $1.5 billion. Funding guideline attainment for four-year public institutions was 81 percent overall, with four institutions at or above 90 percent and three or more institutions at 80 percent or higher. In FY 2008, independent institutions received slightly over $56 million through the Joseph A. Sellinger program, and community colleges received over $241 million. Baltimore City Community College saw a 7.5% increase over FY 2007. Private Donation Incentive Program funding continued for FY 2007 (at $2.5 million) and FY 2008 ($2.3 million appropriated). The Final Report of the Commission to Develop the Maryland Model for Funding Higher Education, and legislation introduced in 2009 to support it, point the way for Maryland to meet its higher education goals through a ten-year funding plan that uses a peer states model.

To make the most of precious funding resources, postsecondary institutions have used several strategies to identify and implement best practices that provide cost-effectiveness. Both public and independent institutions use cooperative purchasing agreements that cut costs for such items as technology, insurance, and energy. Institutions are also using technology to improve both administrative processes and pedagogy.

Challenges

Some of the key challenges facing higher education over the past four years have been budget constraints, rising costs, and expanding enrollment. These challenges are expected to persist through the next four years. As with other institutions across the country, Maryland institutions are being tested now and into the foreseeable future to provide a quality education despite economic challenges. Measures such as cost cutting, cost containment, and increased accountability will be used as institutions focus on fulfilling their missions. Finding creative solutions that maximize institutions' strengths will be necessary to ensure excellence in all segments of postsecondary education. Maryland postsecondary education will be reviewing and addressing the recommendations of the Commission to Develop the Maryland Model for Funding Higher Education, as well as responding to any legislation that develops from the work of the Commission.

Goal 2: Access and Affordability

Achieve a system of postsecondary education that promotes accessibility and affordability for all Marylanders.

Progress Made

Over the past four years, the State has made significant progress in the areas of access and affordability. MHEC, working closely with postsecondary institutions and the Department of Budget and Management, examined the capital planning process and implemented recommendations to improve the process and utilization of space at two- and four-year institutions. Working specifically with the community colleges, best practices for space utilization were examined and recommended, and utilization data were collected to calculate actual utilization rates rather than applying "space standards." This approach will also be applied to the four-year public institutions.

Delivery of instruction by alternative methods and new and revised use of technology to supplement classroom instruction were reviewed. The funding strategy for the six regional higher education centers was adopted and implemented. To achieve efficiencies, institutions improved recycling programs, decreased energy use, increased faculty workload, and collaborated with other institutions on joint procurements and partnerships in the licensing of software and hardware.

To address affordability and thereby increase access, Maryland provided funds to freeze tuition for in-state undergraduate students at the University System of Maryland institutions and Morgan State University for the period 2006-07 through 2009-2010. Institutions reported increases in available institutional need-based aid, and some have set specific goals to set aside a fixed percentage of tuition revenue for need-based student financial aid. At the State level, need-based aid has more than doubled, which in turn increases award funds for all students. Maximum student financial assistance awards and the percentage of need covered by programs increased, and the amount of living expenses used in the formulas has increased to treat students more equitably.

Challenges

Maryland continues to face challenges pertaining to higher education facilities, regional higher education centers, use of technology, tuition policy, and financial aid programs. Consistent and reliable data collection and analysis systems are needed to accurately determine institutional space utilization, including room-hour usage and occupancy. Ongoing revisions to space guidelines and facility planning policies are needed.

Although a funding strategy was developed for the six regional higher education centers, they have not been fully funded by the State, which affects their operations. Freezing undergraduate resident tuition at public institutions has made college more affordable, an approach that cannot be continued indefinitely. Steps need to be taken to moderate tuition over the longer term, especially as the number of students needing assistance and the amount of unmet need is increasing. The challenge will be to increase the need-based aid available and to change

awarding criteria to assure that the neediest Marylanders will have access to quality and affordable education without incurring debt.

Goal 3: Diversity

Ensure equal educational opportunity for Maryland's diverse citizenry.

Progress Made

Maryland postsecondary institutions continue to address the importance of diversity and ensuring equal opportunity through coordinated activities and events to attract, enroll, retain, and graduate a diverse pool of students. Institutions have developed retention programs designed to maximize opportunity for multicultural students to be successful, including through mentoring and through increased financial aid for students who are academically talented or have financial need. At the University System of Maryland, need-based financial assistance increased to $31 million in FY 2008 from $19 million in 2006. Within member institutions of the Maryland Independent College and University Association, more than 95 percent of first-time degree seeking students applied for and received financial assistance in fall 2006. Underscoring the commitment to diversity, some institutions require all students to complete course work on that subject.

Because Historically Black Institutions (HBIs) award a high percentage (45 percent) of the degrees earned by Maryland minority students and a relatively high percentage of their graduates are first-generation college students, one important aspect of ensuring equal opportunity for a diverse Maryland student population is to provide enhancement funding to HBIs. As part of their dual missions, HBIs are charged with providing access to academically well-qualified students and also a significant percentage of under-prepared students. Responding to the needs of poor and under-prepared students, requires academic and support services tailored to their needs. Enhancement funding through Access and Success grants ($6 million per year) have helped support such services at Maryland HBIs. At the same time, State matching contributions through the Private Donation Incentive Program have helped support broader needs of HBIs.

In addition to funding, the State has provided legislation to support equal opportunity. Legislation passed in 2008 requires the Office of Minority Health and Health Disparities to work collaboratively with universities, colleges, and health care professional training programs to develop courses with cultural competency, sensitivity, and health literacy, designed to address the problem of racial and ethnic disparities in health care access, utilization, treatment decisions, quality, and outcomes. State legislation from 2008 also requires each non-public institution of higher education eligible for State aid to submit a report to MICUA, which in turn reports annually to MHEC. The reporting is to identify programs to promote and enhance cultural diversity and to provide an analysis of best practices used by non-public institutions of higher education for the purposes of promoting and enhancing cultural diversity on their campuses. This legislation requires public institutions of higher education to develop and implement a plan for a program of cultural diversity with a timeline for meeting the goals within the plan. MHEC is required to submit a report on the extent to which colleges and universities have complied with the diversity goals of the *State Plan for Postsecondary Education.*

Challenges

While MHEC concluded in its final report to the United States Office for Civil Rights that the State met its commitment in providing enhancement funding to HBIs, MHEC found it extremely difficult to determine whether the funding provided to HBIs made them "comparable and competitive" to traditionally white institutions. One difficulty has been that the terms of the December 2000 *Partnership Agreement between the State of Maryland and the U. S. Department of Education Office for Civil Rights* did not provide sufficient benchmarks for this particular assessment. One recommendation was for the Commission to develop measurable indicators on key areas to achieve parity among the institutions based on recommendations from the Commission to Develop the Model for Funding Higher Education (the Funding Commission). The Funding Commission appointed and charged an HBI Study Panel to define "comparable" and "competitive" and to identify performance indicators or benchmarks that would compare Maryland's HBIs with the State's Traditionally White Institutions (TWIs).

The Report of the Panel on the Comparability and Competitiveness of Historically Black Institutions in Maryland, which is included in the Final Report of the Funding Commission, identifies a number of challenges to ensuring that the State's four public HBIs are comparable to and competitive with TWIs. Among the challenges cited by the HBI Panel that the State must address to meet the needs facing its HBIs are the following:

- Lack of state-of-the-art science and technology laboratories;
- Aging physical plants and lack of consistent funding for maintenance;
- Poor retention and graduation rates as compared to TWIs; and
- A large number of low-income and educationally underserved students in need of financial assistance and other support services.

The Panel also indicated that the State will need to provide "substantial additional resources" to create a comparable institutional platform to support doctoral and graduate education at the HBIs, in particular at Morgan State University and the University of Maryland Eastern Shore.

To ensure equal opportunity for all students, continued attention to providing appropriate services and resources for all students will be needed so historically underserved students have access to and succeed in postsecondary education. Changes in the demographics of high school graduates over the next 10-15 years in Maryland present challenges to the State and institutions of postsecondary education as the fastest-growing groups of students are the ones that traditionally have been the least advantaged educationally and economically. African-American enrollment is expected to be stable, but white enrollments are expected to decline, while Hispanic enrollments grow. Population changes also mean Maryland will need to educate more students with limited English proficiency.

Goal 4: A Student-Centered Learning System

Strengthen and expand teacher preparation programs and support student-centered, preK-16 education to promote student success at all levels.

Progress Made

In 2002, Maryland made a renewed commitment to educational reform when the Maryland General Assembly passed the *Bridge to Excellence in Public Schools Act* to ensure adequacy and

equity in Maryland's public schools. The Act increased funding to local school systems in exchange for improved student performance. Maryland colleges and universities are beginning to feel the impact of this additional funding. Despite the decrease in high school enrollment that began in fiscal 2007, the growth in full-time, first-time college-going students increased last year. The number of Maryland high school graduates enrolling in postsecondary education is at an historic high and is projected to continue to increase through the decade.

Student-centered learning has been supported through efforts to improve articulation and transfer processes, expanded outreach for college and financial assistance information, and continued work on alignment through such PreK-20 initiatives as the English Composition Task Force and the American Diploma Project. According to the 2007 USM-MACC report on transfer policies, *Effective Transitions and Efficient Systems,* the number of students transferring from community colleges to four-year USM institutions has increased. The State and individual colleges continue to expand outreach efforts to improve college readiness among middle and high school students and to help them and their families become aware of financial assistance programs. As part of this effort, MHEC provides information for parents in English and Spanish. Mentoring programs have been implemented by many colleges and universities with the common purpose of enhancing student success. At some colleges, access to online programs has been expanded, and technology is being used in innovative ways to improve instruction so students have more ways to receive the assistance they need to succeed.

Student–centered learning within the context of teacher education has been addressed through scholarships and loan-forgiveness programs, increased mentoring for beginning teachers, the development of new certificate and degree programs and regulations, and programs specifically designed to address the middle school learner. Through statewide cooperation, the number and type of Associate of Arts in Teaching (AAT) degrees offered have expanded; the AAT allows the transfer of the degree, rather than courses, into a teacher preparation bachelor's degree. Since 2006, AAT degrees have been approved in English and in the critical shortage areas of Spanish, mathematics, physics, and chemistry. Degree numbers are still small, but enrollments are growing. To help students who are career-changers become teachers, MSDE, local school systems, and higher education have partnered to develop more Maryland Approved Alternative Preparation Programs. USM and MSDE have worked with school districts to develop teacher academies, which offer introductory teacher preparation to students in high schools. Despite funding challenges, since 2004 Maryland teacher preparation programs have received national acclaim for the quality of their work, including for internships and professional development provided through professional development schools (PDS).

Challenges

Student success at secondary and postsecondary levels remains challenged by alignment and articulation issues, despite considerable work done on both fronts. Outreach efforts have consistently grown at the State and postsecondary institution level, but nearly a third of students entering Maryland colleges from Maryland high schools are still enrolling in remedial or developmental courses in mathematics, with many students not taking as challenging a curriculum as is needed to be college and career-ready. In addition to working on alignment to address this problem, postsecondary education must respond more proactively to students' needs. Maryland's goal of increasing access to postsecondary education must be paired with adequate

student-centered strategies to ensure success for all students. Improving retention and completion rates is a critical part of building a strong postsecondary education network. For this reason, the Goal Four working group for the *2009 State Plan* has revised the wording of this goal to reflect the broader goal of addressing student learning.

It has been difficult in Maryland to evaluate the effectiveness of different pathways into postsecondary education because of data gaps. Maryland faces the challenges associated with linking a higher education data system with a new K12 data system. A few states now have P-20 educational longitudinal database systems, and many others are engaged in developing one. Data gaps also impede the evaluation of pathways into teaching.

The most pressing challenge with regard to teachers is that Maryland, like other states, still experiences staff shortages of principals, special educators, specialists in English language acquisition, and of teachers in most STEM fields, technology, and certain foreign languages. Shortages are most common in high-poverty schools. Maryland preparation programs graduate slightly more students than they did in 2004, but more first-time hires are brought in from out of state than are hired out of Maryland colleges, and more teachers voluntarily leave teaching every year than are hired from out of state. Joint efforts to improve preparation and retention must continue because recruiting alone will not resolve the shortages.

Goal 5: Economic Growth and Vitality

Promote economic growth and vitality through the advancement of research and the development of a highly qualified workforce.

Progress Made

Maryland's advancement in research, workforce, and economic development over the past four years can be attributed to collaboration and implementation of best practices among postsecondary education institutions and various organizations like the Department of Business and Economic Development (DBED), Maryland Technology Development Corporation (TEDCO), and the Governor's Workforce Investment Board (GWIB). Significant initiatives have been reported to support the transfer of technology from universities to commercial applications. For example, TEDCO is bringing innovations from universities and federal labs into the State's economy, and Research Parks Maryland (RPM) has been formed to help the State realize its full potential.

Since 2005, MHEC, the Department of Labor, Licensing, and Regulation (DLLR) and GWIB have worked together to provide industry-led, sector-based workforce reports and data on the industries of healthcare (in conjunction with DHMH), aerospace, hospitality and tourism, education, manufacturing, construction, bioscience, energy, information technology, transportation-warehousing, and on supply and demand in STEM areas. The Advisory Council on Workforce Shortage has developed a data-driven model to identify workforce shortages to direct State workforce scholarship programs. Also, the Maryland State Department of Education, Division of Career Technology and Adult Learning's (MSDE/DCTAL) Career Cluster Framework and over 50 career schools and technology programs of study were designed to ensure a systematic approach to providing employers with a well prepared workforce in high demand fields.

Challenges

While significant progress has been made in research advancement and meeting demands for a qualified workforce, the gap between the output of graduates and occupational demand remains a concern. Expanded competition limits funds for research and job-readiness training while stretching available resources. Maryland has several outstanding public and independent universities that favorably compare with institutions in competitor states in garnering external support for research; however, Maryland's institutions have historically been less successful in transferring research discoveries to the marketplace. Current Maryland programs to encourage and support the creation of startup companies do not provide sufficiently for the technology transfer efforts of Maryland's research-intensive public and independent universities.

In Maryland and across the country, there is a growing realization that an insufficient number of students, teachers, and practitioners are being prepared in the areas of science, technology, engineering, and mathematics. Maryland is challenged to (1) ensure that rigorous STEM teaching and learning is accessible to all learners at all levels of education; (2) increase the number of degree-holders and program- completers trained in STEM fields; (3) include strategies to synergistically link education, workforce creation, research, and economic development; and (4) include measurable goals, benchmarks, and the resources required to implement actions in this Plan.

Finally, Maryland has increasingly become a bi-modal State with a well-to-do populace at one end of the spectrum and a relatively large and growing underclass, primarily minority and/or immigrant, whose members do not or cannot participate in the technology economy or the State's economic mainstream. More must be done to reach out to and train underprepared residents for entry-level employment within in-demand occupations and to enhance the skills of technicians currently in the workforce.

APPENDIX

STATE PLAN WORKGROUP MEMBERSHIP

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Jody Kallis, Maryland Association of Community Colleges
Yesheva Kelly, Department of Disabilities
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Nancy King, State of Maryland Senate
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The Honorable Nancy Kopp, Office of the Treasurer
The Honorable Gloria G. Lawlah, Department of Aging
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James E. Lyons, Sr., Maryland Higher Education Commission
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William Meagher, Maryland Chamber of Commerce
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Teri Morris, Higher Education and Conference Center, Aberdeen
Gareth Murray, Maryland Higher Education Commission
Kristen Neville, Maryland Higher Education Commission
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Kevin M. O'Keefe, Maryland Higher Education Commission
John A. Olszewski, Jr., State of Maryland House of Delegates
Emmett Paige, Jr., Maryland Higher Education Commission
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Ben Passmore, University System of Maryland
George Payne, Montgomery College
Thomas E. Perez, Department of Labor, Licensing, and Regulation
Acres Ricardo Perry, Morgan State University
Brad Phillips, Maryland Association of Community Colleges
Virginia Pilato, Maryland State Department of Education
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Sandra Ugol, TESST College
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