

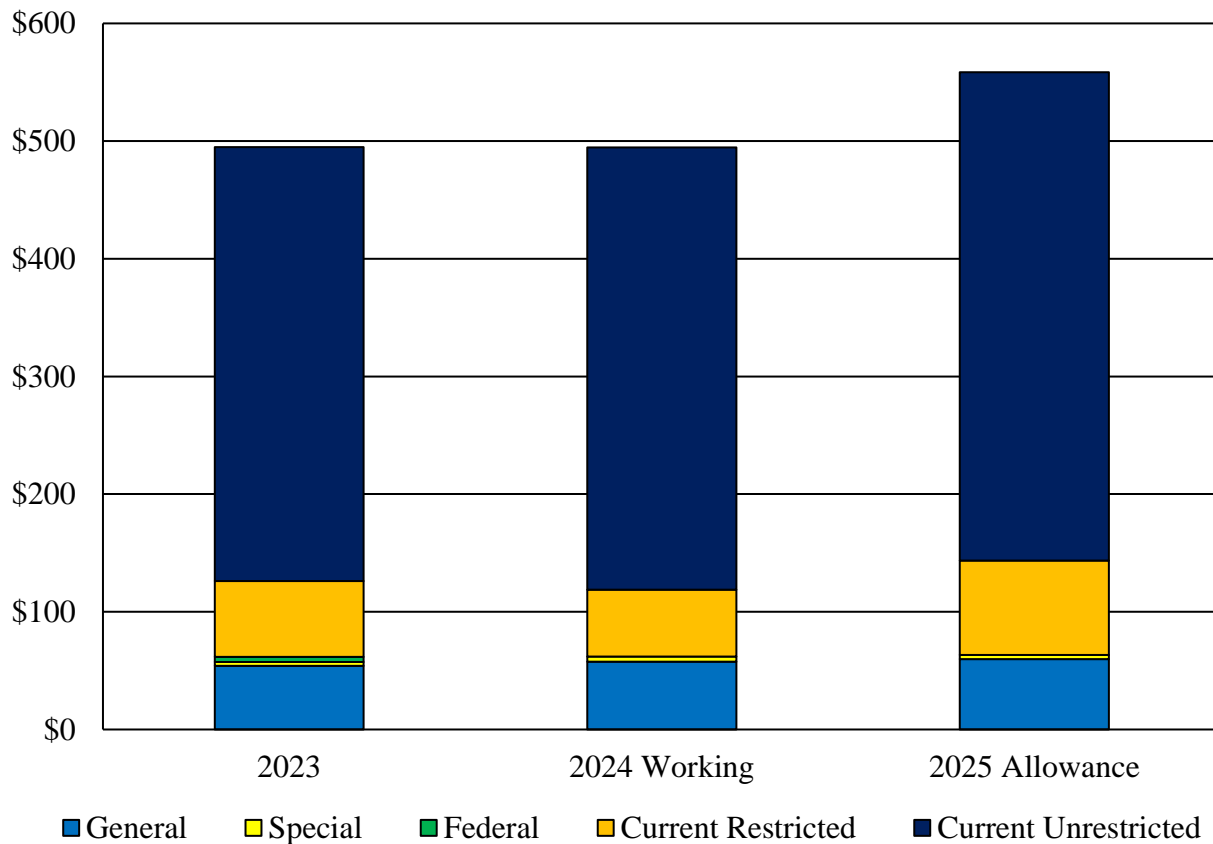
R30B30
University of Maryland Global Campus
University of Maryland

Executive Summary

The University of Maryland Global Campus (UMGC) is an online State university that offers undergraduate and graduate programs. With locations in Maryland and at military installations around the world, UMGC primarily serves working adults and service members.

Operating Budget Summary

**Fiscal 2025 Budget Increases \$64.0 Million, or 12.9%, to \$558.5 Million
(\$ in Millions)**



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

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- Total State support in fiscal 2025 increases by \$1.5 million, or 2.4%, compared to the fiscal 2024 working appropriation. The fiscal 2025 allowance includes costs related to fiscal 2024 salary increases that are centrally budgeted in fiscal 2024. When the salary adjustments are excluded, State funds support decreases by 5.4%, or \$3.4 million.
- The fiscal 2025 budget includes a proposed deficiency of \$32.0 million across higher education institutions, of which the UMGC share is \$883,899, to replace general funds with Higher Education Investment Funds (HEIF) due to available balance.
- General funds in UMGC increase by \$2.1 million, or 3.6%, compared to fiscal 2024 after accounting for the proposed deficiency appropriation. However, when excluding the fiscal 2024 salary increases, general funds in UMGC decrease by \$2.8 million, or 4.8%, in the fiscal 2025 allowance compared to the fiscal 2024. The HEIF decreases by 13.5%, or \$0.6 million, in the fiscal 2025 allowance compared to fiscal 2024 after accounting for the proposed deficiency.

Key Observations

- ***Enrollment:*** Undergraduate enrollment at UMGC in fall 2023 increased by 4,059 students, or 8.7%, compared to fall 2022. This marks the second year of enrollment increases after the 4.2% decline experienced in fall 2021.
- ***Transfer Student Graduation Rates:*** The four-year graduation rate for transfer students has averaged 20.5% from the 2016 cohort to the 2019 cohort, 5 percentage points below the level for the 2015 cohort.
- ***Largo Properties Sale Proceeds:*** In March 2023, UMGC sold three properties in Largo to the Maryland-National Capital Park and Planning Commission (M-NCPPC) for \$75.0 million, netting \$72.0 million. With the passage of Chapter 160 of 2023, UMGC is authorized to use the proceeds for operating expenses but has yet to expend any of the proceeds despite anticipating transfers from the fund balance in fiscal 2024 to support expenses.

Operating Budget Recommended Actions

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

R30B30
University of Maryland Global Campus
University System of Maryland

Operating Budget Analysis

Program Description

UMGC specializes in providing access to higher education for Maryland’s adult learners. Most UMGC students have career and/or family commitments that lead them to study part time. UMGC serves its students through traditional and innovative delivery of undergraduate and graduate degree programs, noncredit professional development programs, and conference services.

UMGC provides onsite instruction and student services at 25 locations throughout the State of Maryland and the Washington, DC metropolitan area and has offered online education programs since 1994. The institution also offers academic programs and student services in other states (California, Colorado, Florida, Georgia, Hawaii, North Carolina, New York, Virginia, and Washington) and programs overseas for U.S. service members and their families, U.S. citizens, and international students. UMGC’s vision is to be the global university of Maryland.

Academic programs offered by UMGC include Bachelor of Arts and Bachelor of Science degrees with 34 majors and 41 minors. UMGC offers 18 master’s degrees as well as master’s degree specializations in fields including biotechnology, information technology, data analytics, business administration, and teacher education. UMGC also offers a Doctor of Business Administration and a Doctor of Management in Community College Policy and Administration. The university has a role in renewing and upgrading the skills of an experienced workforce.

R30B30 – USM – University of Maryland Global Campus

Carnegie Classification: Masters Colleges and Universities: Larger Programs

Fall 2023 Undergraduate Enrollment Headcount		Fall 2023 Graduate Enrollment Headcount	
Male	28,303	Male	4,441
Female	22,490	Female	4,850
Total	50,793	Total	9,291
Number at Regional Centers	410	Number at Regional Centers	31
Fall 2023 New Students Headcount		Campus (Main Campus)	
First-time	1,366	Acres	12 Acres
Transfers/Others	11,852	Buildings	3 Buildings; 1 Garage
Graduate	1,997	Average Age	38.5 Years
Total	15,215	Oldest	1964 (57 years old)
Programs		Degrees Awarded (2022-2023)	
Bachelor's	34	Bachelor's	7,909
Master's	42	Master's	3,582
Doctoral	2	Doctoral	41
		Total Degrees	11,532

Proposed Fiscal 2025 In-state Tuition and Fees*

Undergraduate Tuition	\$324 per credit hour
Mandatory Fees	\$15 per credit hour

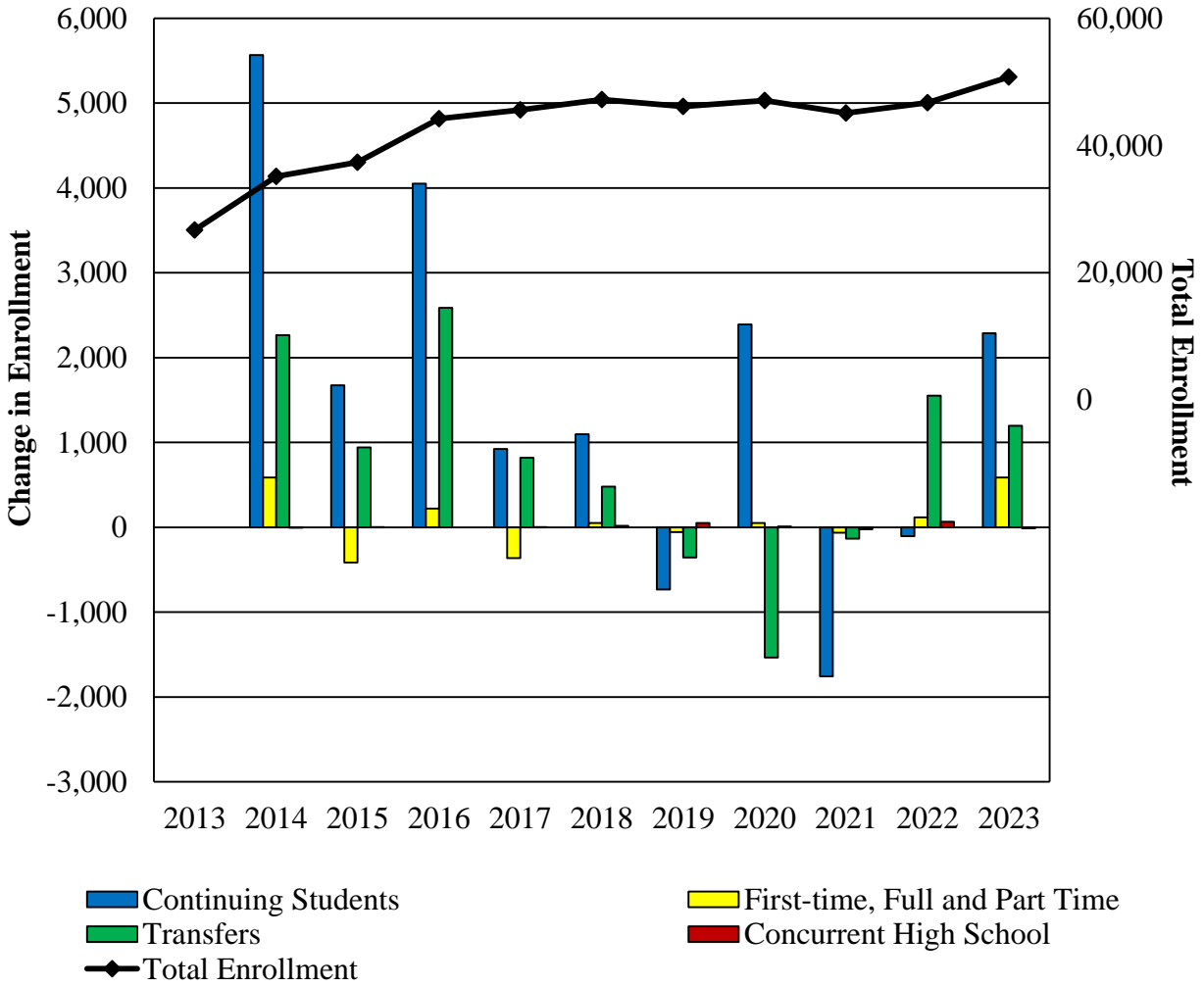
*Contingent on Board of Regents approval.

Performance Analysis: Managing for Results

1. Fall Headcount Enrollment

From fall 2014 through 2018, UMGC experienced steady enrollment growth that reached 47,253 students in fall 2018. As shown in **Exhibit 1**, in fall 2019, enrollment decreased to 46,162 students, a decline of 1,091 students, or 2.3%, as a result of the overall softening of the adult education market. In fall 2020, UMGC again experienced enrollment growth, an increase of 2% compared to fall 2019, which was attributed to the impact of the COVID-19 pandemic and a shift in education modality preferences, especially for students already enrolled at UMGC, to online versus in-person education delivery. However, after that initial increase in fall 2020, enrollment decreased by 4.2% in fall 2021. Since fall 2021, UMGC has experienced two years of undergraduate growth. In fall 2023, enrollment increased by 4,059 students, or 8.7%, compared to fall 2022, resulting in a total enrollment of 50,793 students, which is the highest level in recent history. The growth was primarily driven by an increase in continuing students of 6.5% (2,289 students) and a 11.2%, or 1,196, jump in transfer students. First-time students also grew by 75.4% (587 students). The concurrent high school population decreased by 9.8%, or 13 students. However, that decrease did not have an effect on overall enrollment due to the concurrent high school population comprising of only 0.23% of total enrollment.

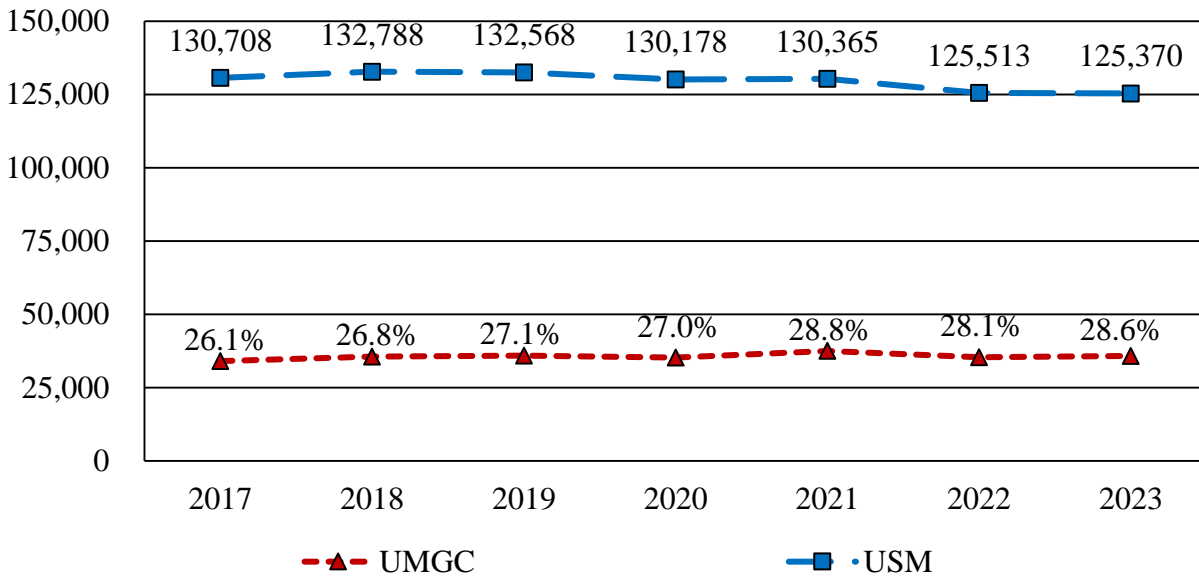
Exhibit 1
Change in Undergraduate Headcount Enrollment
Fall 2018-2023



Source: University of Maryland

UMGC continues to have the highest percentage of the total University System of Maryland (USM) undergraduate full-time equivalent student (FTES) enrollment. As shown in **Exhibit 2**, UMGC’s percentage of the total USM FTES enrollment has, with the exception of fall 2020 and 2022, grown in each year since fiscal 2017. The fall 2023 level of 28.6% of total USM FTES enrollment was the second highest since fiscal 2017.

Exhibit 2
UMGC FTES Undergraduate Enrollment Compared to USM FTES
Undergraduate Enrollment
Fall 2017-2023



FTES: full-time equivalent student

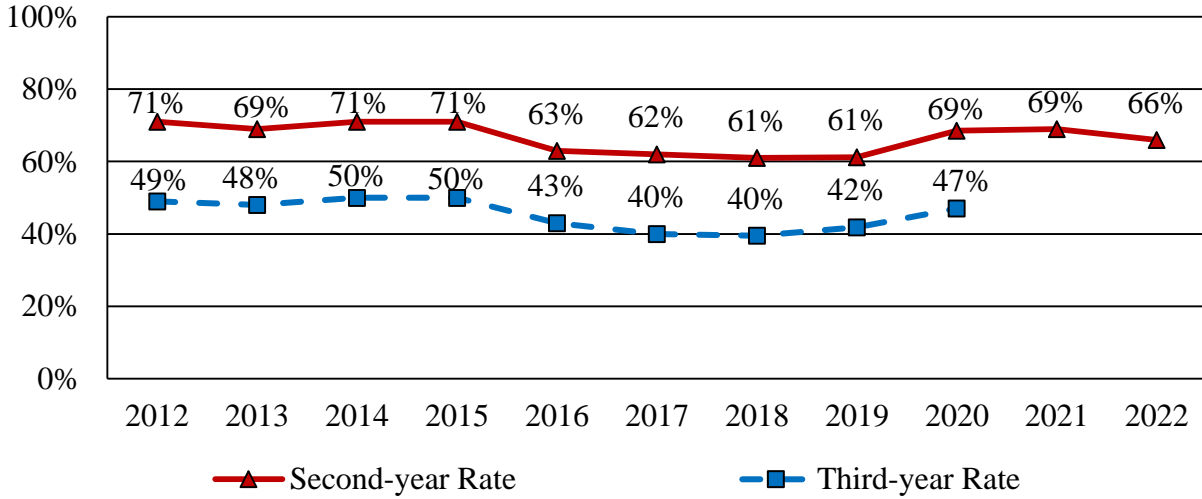
Source: Department of Budget and Management

2. Student Performance

Retention Rates

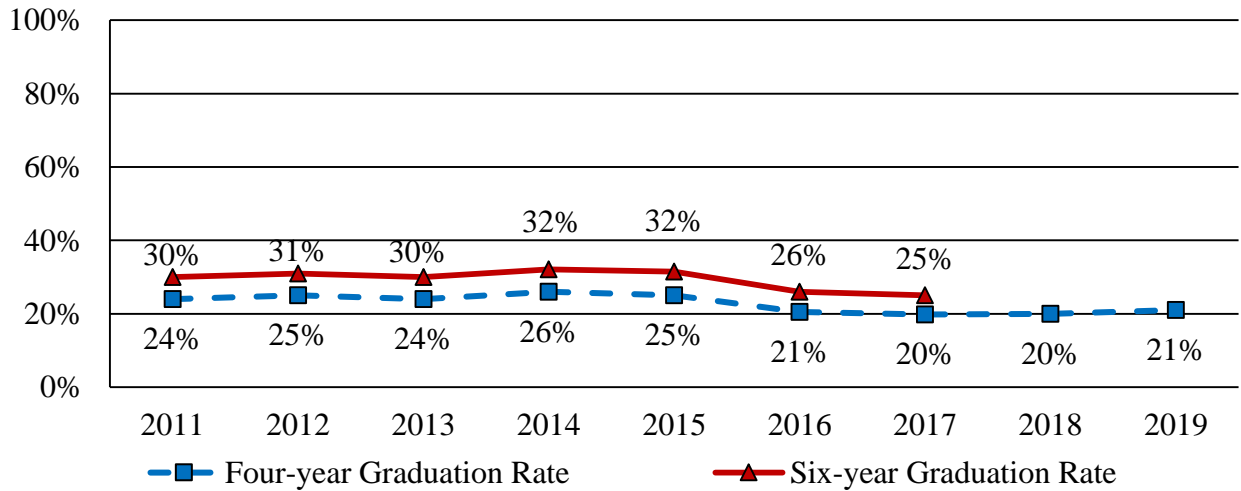
Student persistence, or retention, provides a measure of student progress and an indication of an institution’s performance; the higher the retention rate, the more likely that students will persist and graduate. As students are most likely to drop out during their first year, the second-year retention rate provides an indication if retention strategies are working or if further investigation is needed to identify areas of improvement. Institutions tend to focus efforts on retaining first-time, full-time students, however UMGC’s transfer student population is significantly larger than its first-time student population. For fall 2023, transfer students comprise 23.3% of the student population compared to 2.7% for first-time students. Therefore, **Exhibit 3** and **Exhibit 4** focus on the transfer student population, increasing their chances to graduate.

Exhibit 3
Second- and Third-year Retention Rates for Transfer Students
Fiscal 2012-2022 Cohorts



Source: University of Maryland Global Campus

Exhibit 4
Four- and Six-year Graduation Rates for Transfer Students
Fiscal 2011-2019 Cohorts



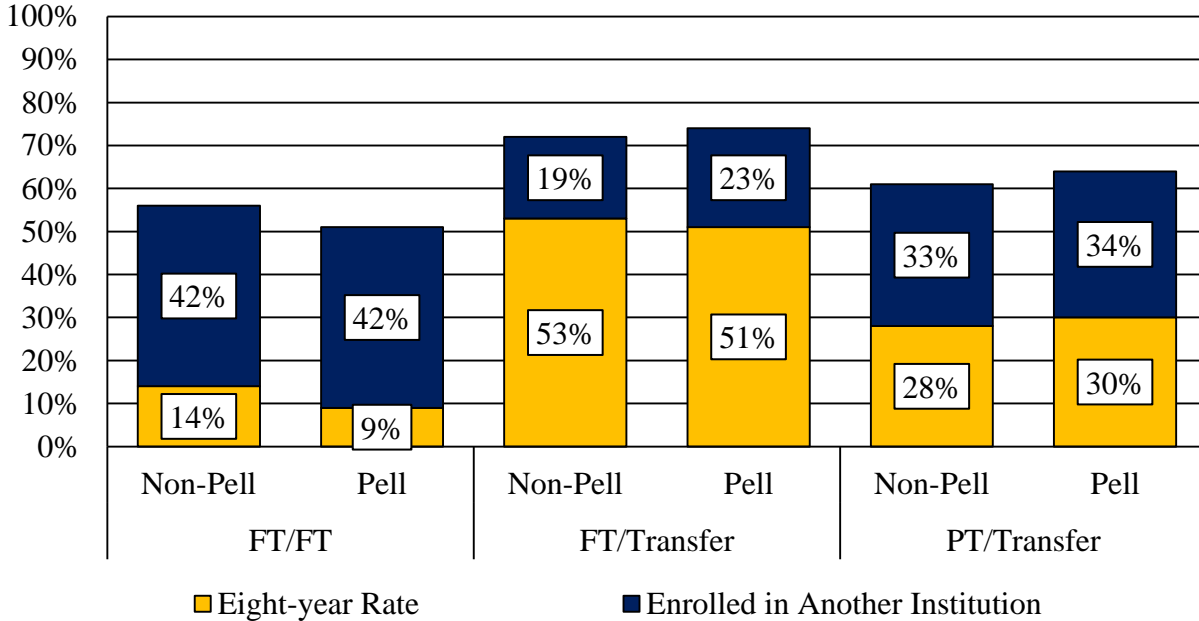
Source: University of Maryland Global Campus

Exhibit 3 provides the most recent retention rates for UMGC. The second-year retention rate remained fairly stable between the fiscal 2012 through 2015 cohorts, ranging between 69% and 71%. However, for the 2016 cohort, the second-year retention rate decreased by 8 percentage points, to 63%. The primary reason for the lower retention rates from the 2016 to 2019 cohorts was the inclusion of overseas military students who tend to move locations or military bases, hampering retention. To address the decline, UMGC adopted several intervention strategies including strengthening math courses with adaptive learning resources. Additionally, in fall 2019, UMGC launched the Professional and Career Exploration for transfer students, a credit-bearing course for a first-term experience that is required for all new students within their first seven credits that provides graded activities to ensure proper mentoring and guidance between faculty and students. These actions have resulted in the increase in retention since the 2020 cohort. The second-year retention rate remained at this lower level through the 2019 cohort, before rebounding with the 2020 cohort to 69%. The second-year retention rate stayed at 69% for the 2021 cohort but decreased to 66% for the 2022 cohort. The third-year retention rate has generally tracked the second-year retention levels and would, therefore, be expected to increase with upcoming cohorts.

Graduation rates are, in part, another measure of student persistence and efficiency. Exhibit 4 shows the four- and six-year graduation rates for the 2011 through 2019 cohorts. The six-year graduation rate hovered around 30% from fiscal 2011 through 2015. Since that time, the six-year graduation rate has decreased 6 percentage points from fiscal 2015 (32%) to fiscal 2017 (25%). The four-year graduation rate has mirrored the six-year graduation rate. The four-year graduation rate was steady from the fiscal 2011 cohort to the 2015 cohort and then decreased 4 percentage points for the fiscal 2016 cohort. Since the fiscal 2016 cohort, the four-year graduation rate has remained steady around 20%. The primary reason for a decline in transfer graduation rates from academic year 2015 to 2016 was the inclusion of overseas military students who tend to move locations/military bases; therefore, experiencing lower retention and graduation rates and tend to come with prior education experience and transfer credits. To combat the overall declining retention for this group, UMGC discovered the largest source of retention challenges for students occur before students earn 15 credits at UMGC. The initiatives described earlier related to retention were also expected to assist in improving graduation rates. Both initiatives have led to documented increases in student success and persistence increases in the 2020 cohort, and UMGC anticipates that higher graduation rates will follow.

In order to have a more inclusive graduation rate that captures the progress of nontraditional students, the Integrated Postsecondary Data System reports on the outcomes of first-time, transfer, and part-time transfer students by Pell and non-Pell recipients. As shown in **Exhibit 5**, full-time transfer students, both Pell and non-Pell eligible, graduate at a higher percentage rate than any other category. Part-time transfer students, both non-Pell- and Pell-eligible, graduate at similar rates, at 28% and 30%, respectively. Non-Pell-eligible students graduate at higher rates than Pell-eligible students in all categories except part-time transfer students.

Exhibit 5
Eight-year Graduation Rates for Students Entering in 2014-2015 Academic Year



FT: full time
 FT/FT: first time, full time
 PT: part time

Source: National Center for Education Statistics; College Navigator

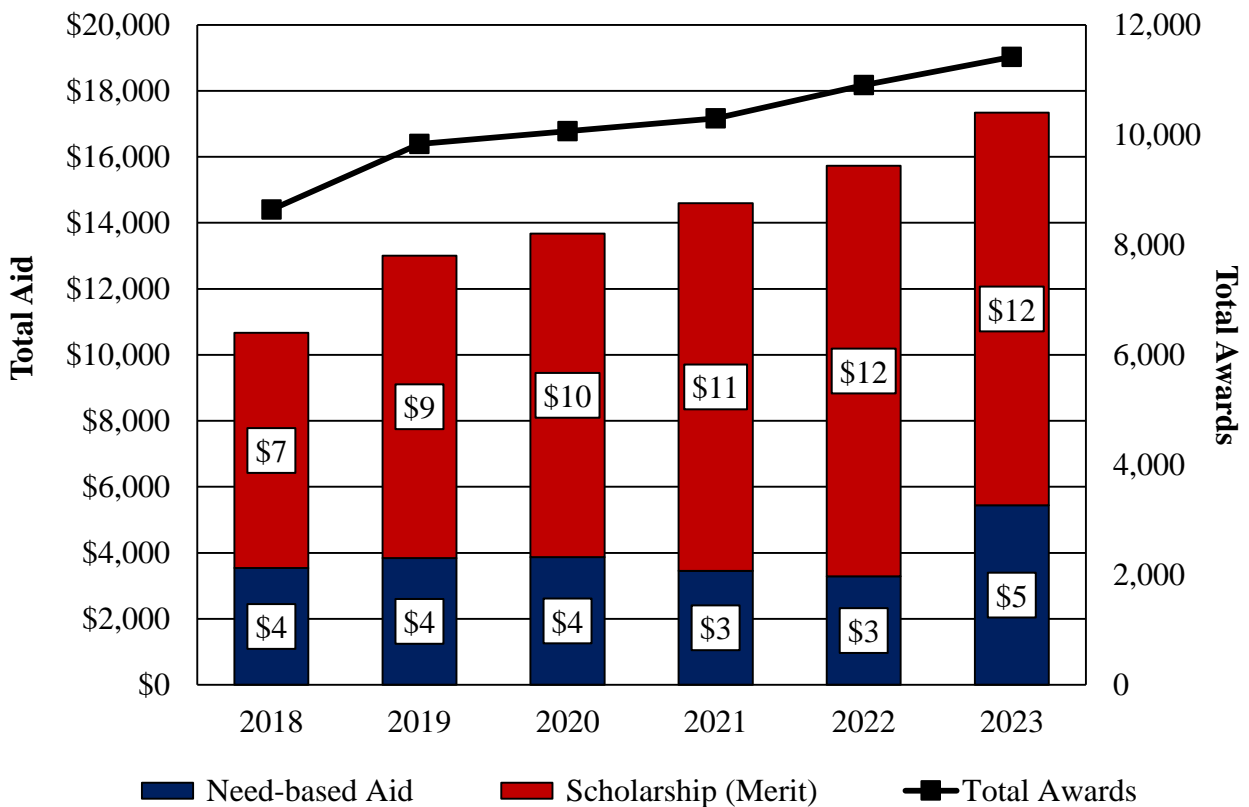
3. Affordability and Accessibility

Financial Aid

As shown in **Exhibit 6**, from fiscal 2018 through 2023, the amount spent on institutional aid has increased by 62.6%, from \$10.7 million to \$17.3 million. Institutional aid increased by \$1.6 million, or 10.2%, in fiscal 2023 compared to fiscal 2022. Since fiscal 2018, spending on need-based aid as a share of all aid decreased, falling from 33.2% of the total aid awarded to 31.4% in fiscal 2023; while spending on institutional scholarships has increased over this same period, growing from 66.9% of spending to 68.6%. UMGC attributes the large percentage of the aid going to merit, rather than need-based aid, to the Maryland Completion Scholarship, which allows Maryland community college graduates to transfer to UMGC to complete a bachelor’s degree for \$12,000 or less, well below the typical cost for in-State students. The Completion Scholarship began as a pilot program in fiscal 2013 and expanded in fiscal 2017, with a partnership with

Prince George’s Community College. This program is not need-based aid and accounts for the large amount of institutional aid dedicated to scholarships. As the aid provided increased, there has been a similar increase in the number of awards provided, an increase of 32.1%, or 2,772 awards, from fiscal 2018 through 2023. Between fiscal 2022 and 2023, there was an increase of 4.7%, or 513, in awards provided.

Exhibit 6
Institutional Aid Expenditures and Total Awards by Category
Fiscal 2018-2023
(\$ in Thousands)



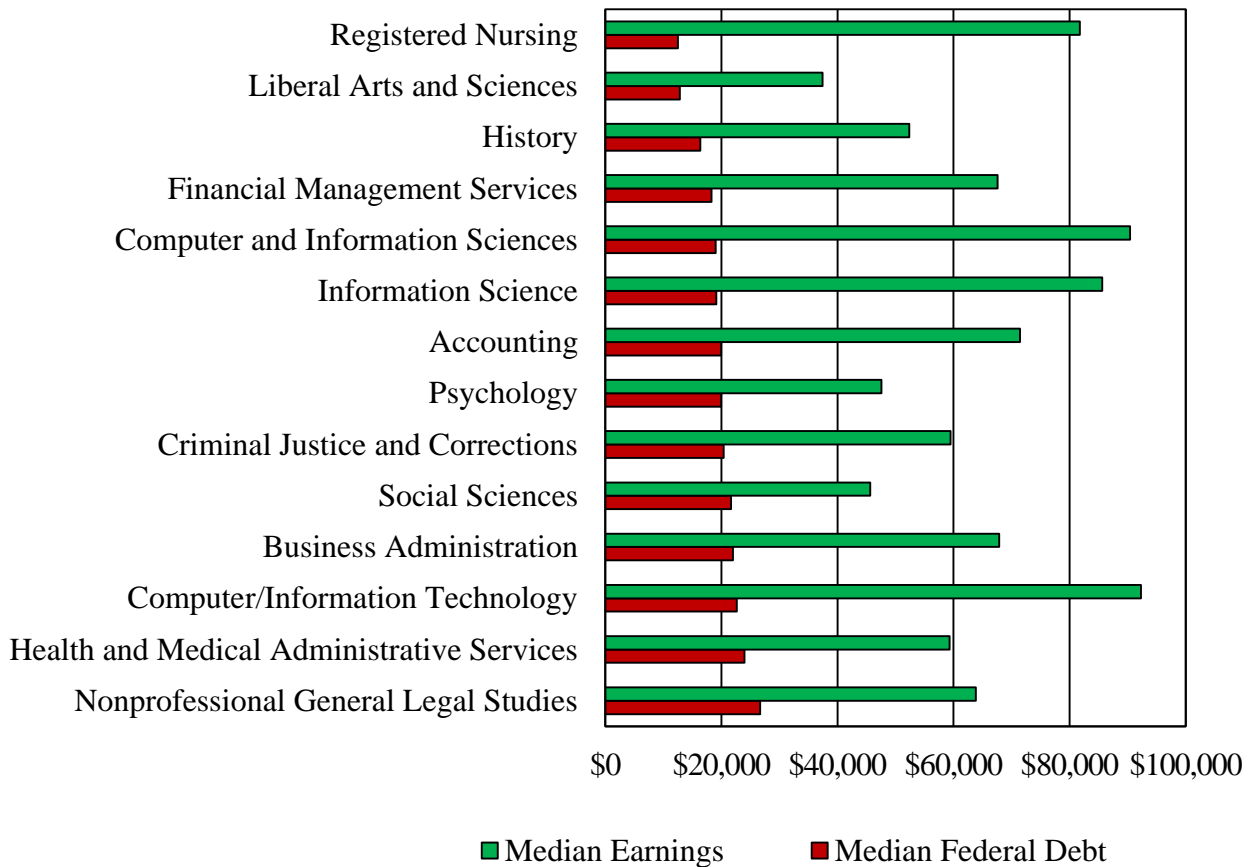
Source: University of Maryland Global Campus, Maryland Higher Education Commission

Student Federal Debt

In an effort to give students a better picture of outcomes at the program rather than the institutional level, the U.S. Department of Education’s College Scorecard reports the median debt (excluding private and Parent PLUS loans) and median earnings two years after graduation, as

reported by the institution. This information helps students consider the amount of federal debt that they may incur and their ability to repay the loan after graduating, since repayments are based on salaries. **Exhibit 7** contains a combination of the fields of study with the highest earnings and the largest fields of study at UMGC. Among this group, graduates from the registered nursing program have the lowest federal debt, totaling \$12,500, while also attaining a median salary of \$81,793. The highest median federal debt is \$26,701, affecting nonprofessional general legal studies, the second highest is among health and medical administrative services graduates (\$24,000).

Exhibit 7
Undergraduate Programs by Median Federal Debt and Median Earnings



Source: U.S. Department of Education; College Scorecard

Fiscal 2024 Working Budget

Proposed Deficiency Appropriation

The fiscal 2025 budget includes one proposed deficiency appropriation impacting UMGC, representing UMGC's share of an \$32 million deficiency across institutions that would replace general funds with the HEIF due higher available funds (\$883,899).

Implementation of Legislative Priorities

In the 2023 session, UMGC was awarded \$1.0 million for its Maryland Completion Scholarship program. UMGC has expended the entire \$1.0 million.

Education and General Expenditures

Since tuition and fee revenue in the allowance is based on enrollment projections, increases and decreases in enrollment can have a significant effect on an institution's revenues. Therefore, looking at the changes in expenditures by program areas between fiscal 2023 and 2024 when institutions know their fall enrollment provides a more accurate picture of funding priorities.

Exhibit 8 shows the changes for unrestricted funds by program area between fiscal 2023 and 2024. Overall, fiscal 2024 spending increases by \$11.7 million, or 2.8%, compared to fiscal 2023. The fiscal 2024 education and general revenues increases by \$1.0 million, or 0.2%.

- Operation and maintenance of plant increases by \$3.2 million, or 31.7%, due to personnel enhancement costs a from general salary increase and merit salary adjustments.
- Instruction increases by \$11.0 million, or 10.4%, primarily driven by adjunct costs due to enrollment growth.
- Scholarships and fellowships increase by \$1.2 million due to an increase in Maryland Completion Scholarship recipients.
- Academic support increases by \$5.2 million, or 11.9%, which is attributed to efforts related to course design, development, and maintenance, as well as personnel costs.

According to UMGC, the fiscal 2024 working appropriation does not reflect final anticipated expenditures. The institution expects increased spending in instruction, academic support, and operation and maintenance of plant but at lower percentages than are currently reflected. The most notable area of difference is the \$9.5 million, or 8.8%, decrease in institutional support due to a modernization of its digital platform.

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

	<u>2023</u> <u>Actual</u>	<u>2024</u> <u>Working</u>	<u>2023-2024</u> <u>\$ Change</u>	<u>2023-2024</u> <u>% Change</u>
Expenditures				
Instruction	\$106,630	\$117,669	\$11,039	10.4%
Public Service	15,067	14,600	-467	-3.1%
Academic Support	43,522	48,691	5,169	11.9%
Student Services	119,589	120,583	994	0.8%
Institutional Support	107,940	98,469	-9,471	-8.8%
Operation and Maintenance of Plant	10,187	13,413	3,226	31.7%
Scholarships and Fellowships	22,920	24,164	1,245	5.4%
E&G Total Expenditures	\$425,855	\$437,589	\$11,734	2.8%
Revenues				
Tuition and Fees	\$353,550	\$362,794	\$9,244	2.6%
State Funds ¹	57,317	61,929	4,612	8.0%
Other	18,022	5,174	-12,865	-71.4%
Total E&G Revenues	\$428,889	\$429,897	\$992	0.2%
Auxiliary Enterprises		\$1	\$1	
Transfer (to)/from Fund Balance	-\$3,034	7,691	10,725	353.5%
Available Unrestricted Revenues	\$425,855	\$437,589	\$11,718	2.8%

E&G: education and general

¹State funds include general funds and Higher Education Investment Funds.

Note: Numbers may not sum due to rounding. The fiscal 2024 working appropriation includes deficiencies. The fiscal 2024 impacts of statewide salary adjustments appear in the Statewide Account in the Department of Budget and Management, and adjustments are not reflected in this agency's budget.

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

Fiscal 2025 Proposed Budget

As shown in **Exhibit 9**, in fiscal 2025, the State funding, when excluding the fiscal 2024 salary increases budgeted within UMGC in fiscal 2025 but still centrally budgeted in fiscal 2024, decreases by 5.4%, or \$3.4 million, compared to the adjusted fiscal 2024 working appropriation. Excluding costs related to the fiscal 2024 salary increases, general funds decrease by \$2.8 million,

or 4.8%, and special funds decrease by \$0.6 million, or 15.6%. An anticipated transfer from the fund balance of \$17.5 million represents spending on efforts to expand into new designated marketing areas, digital transformation, and national advertising; this amount has been approved by the USM Board of Regents (BOR).

Exhibit 9
Proposed Budget
University of Maryland Global Campus
Fiscal 2023-2025
(\$ in Thousands)

	<u>2023</u> <u>Actual</u>	<u>2024</u> <u>Adjusted</u>	<u>2025</u> <u>Adjusted</u>	<u>2024-2025</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Funds	\$53,980	\$58,510	\$54,852	-\$3,658	-6.3%
Deficiency – HEIF Swap		-884			
Adjusted General Funds	\$53,980	\$57,626	\$54,852	-\$2,774	-4.8%
Special Funds					
HEIF	\$3,337	\$3,420	\$3,723		
Deficiency – HEIF Swap		884			
Total HEIF	\$3,337	\$4,303	\$3,723	-\$580	-15.6%
Adjusted State Operating Funds	\$57,317	\$61,929	\$58,575	-\$3,354	-5.4%
Adjustment – Fiscal 2024					
General Salary Increases			\$4,833		
Total State Operating Funds	\$57,317	\$61,929	\$63,408	\$1,479	2.4%
Other Unrestricted Funds	\$371,572	\$367,969	\$397,598	\$29,629	8.1%
Transfer (to)/from Fund Balance	-3,034	7,691	17,472		
Net Unrestricted Funds	\$425,855	\$437,589	\$478,478	\$40,889	9.3%
Total Restricted Funds	\$69,956	\$56,917	\$80,006	\$23,088	40.6%
Total Funds	\$495,811	\$494,506	\$558,484	\$63,977	12.9%

HEIF: Higher Education Investment Funds

Note: Numbers may not sum to total due to rounding. The fiscal 2023 actual restricted funds include \$4,435,425 in federal stimulus funds. The fiscal 2024 working appropriation includes deficiencies. The fiscal 2024 impacts of statewide salary adjustments appear in the Statewide Account in the Department of Budget and Management (DBM), and adjustments are not reflected in this agency’s budget. The fiscal 2025 impacts of the fiscal 2024 statewide salary adjustments appear in this agency’s budget. The fiscal 2025 statewide salary adjustments are centrally budgeted in DBM and are not included in this agency’s budget.

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

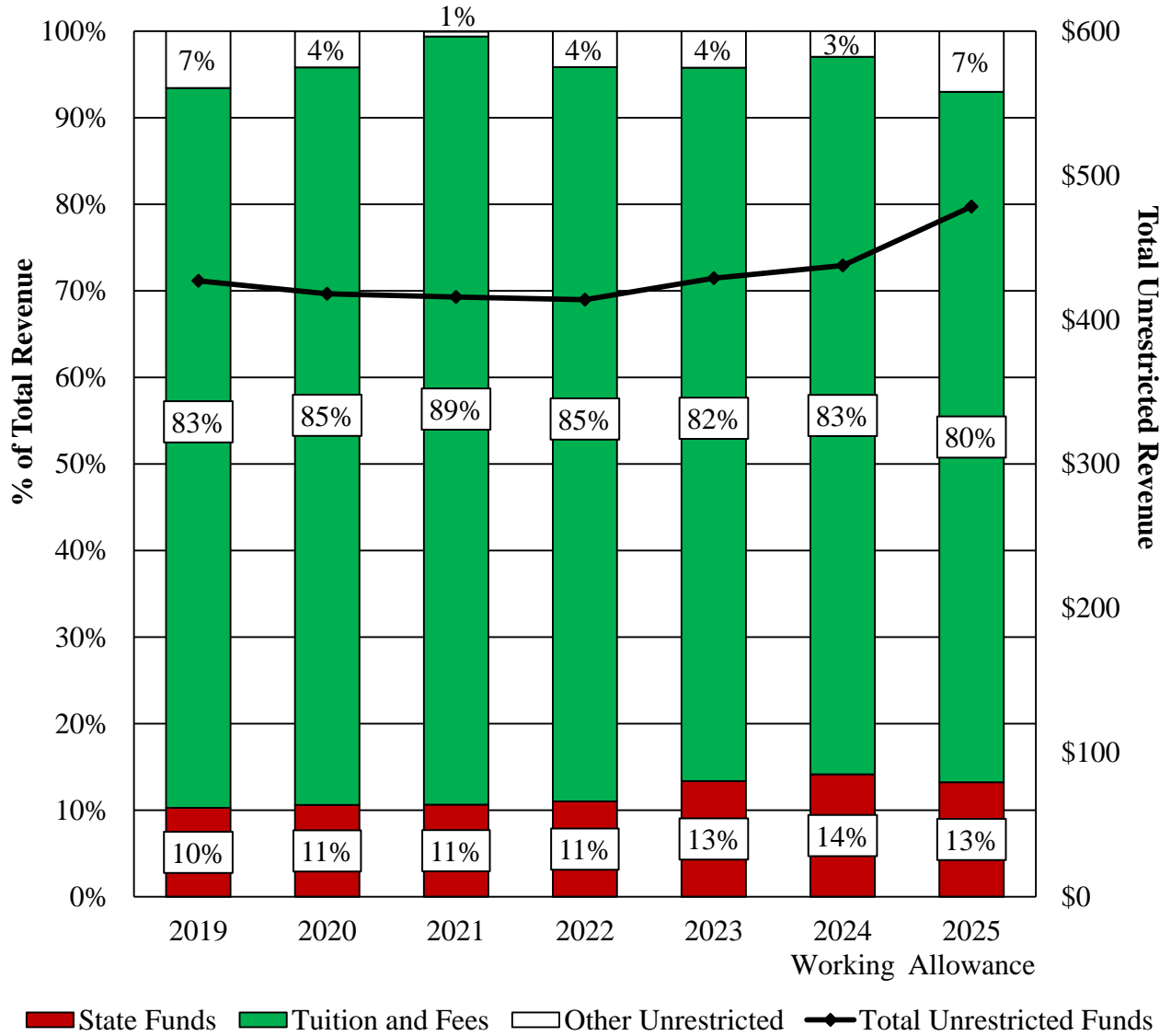
Proposed Increases

State funds decrease by \$3.4 million when excluding the impact of the fiscal 2024 general salary increases in fiscal 2025, which are not included in the fiscal 2024 working appropriation but are budgeted centrally in the Statewide Account in the Department of Budget and Management. Part of the decrease in State funds is the \$1.0 million from the 2023 session legislative addition for the Maryland Completion Scholarship program. **The President should comment on other areas of decrease related to State funding.**

Revenue Sources

In the fiscal 2025 allowance, State funds (general funds and the HEIF) comprise 13% of UMGC’s unrestricted revenues, while tuition and fee revenue comprises 80%, as shown in **Exhibit 10**. Tuition and fees have recovered from the decline in fiscal 2022 caused by the pandemic. The fiscal 2024 working appropriation anticipates tuition and fee revenue to total \$362.8 million, which would be \$9.2 million, or 2.6%, more than fiscal 2023. The fiscal 2025 allowance anticipates tuition and fee revenue of \$381.5 million, an increase of 5.2%, or \$18.7 million, compared to fiscal 2024.

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



Source: Governor’s 2019-2025 Budget Books; Department of Legislative Services

Personnel Data

	<u>FY 23 Actual</u>	<u>FY 24 Working</u>	<u>FY 25 Allowance</u>	<u>FY 24-25 Change</u>
Regular Positions	1,012.71	974.71	974.71	0.00
Contractual FTEs	<u>2,369.89</u>	<u>2,318.37</u>	<u>2,362.51</u>	<u>44.14</u>
Total Personnel	3,382.60	3,293.08	3,337.22	44.14

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	55.95	5.74%
Positions and Percentage Vacant as of 12/31/23	43.00	4.41%
Vacancies Below Turnover	12.95	1.33%

- In fiscal 2025, the number of contractual full-time equivalents (FTE) increase by 44.14. **The President should provide a reason for the increase in contractual FTEs for fiscal 2025 after the decrease in fiscal 2024.**
- UMGC made reductions to expenditures and reallocated resources by eliminating 38 FTE in September/October 2022 due to declining enrollment trends. UMGC reduced 43 positions in fiscal 2024; however, during the fiscal 2024 budget planning process, 5 FTEs were reallocated to support strategic plans. Also, with this enrollment decline, UMGC reduced the number of contractual FTE for fiscal 2024 compared to fiscal 2023, specifically related to instructional costs (adjuncts).

Issues

1. Sale Proceeds of the Largo Properties

Prior to the enactment of legislation in the 2023 session, money received from the sale of university property could only be used to purchase or improve property and facilities with the approval of the Board of Public Works (BPW). The sale proceeds could not be applied to the Annuity Bond Fund Account. With the enactment of Chapter 160, sale proceeds from a nonresidential campus can be used for operating expenses at the nonresidential campus with the approval of USM BOR. Chapter 160 went into effect June 1, 2023.

The timing of the change was pertinent because it coincided with UMGC's sale of its Largo properties to M-NCPPC for \$75.0 million. Those properties included a 232,038 square-foot (SF) building at 1616 McCormick Drive, a 63,500 SF building at 1601 McCormick Drive, and a 6.8-acre vacant parcel at 1440 McCormick Drive in Prince George's County. USM BOR and BPW approved this real estate transaction in December 2022. The sale was completed in March 2023. UMGC has netted \$72.0 million after broker fees and can use the proceeds toward operating costs. The institution has yet to expend any funds from the sale. The plan is to use the proceeds toward future strategic initiatives. Despite the \$72.0 million windfall, UMGC expects to transfer \$17.5 million from its fund balance in fiscal 2025. The proceeds are restricted to capital expenses until USM BOR approves requests for operating expenses. **The President should provide details on the intended use of the sale proceeds and if it could be used to alleviate the need for the anticipated transfer from the fund balance.**

Operating Budget Recommended Actions

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

Updates

1. National Marketing Campaign

In calendar 2019, UMGC was authorized by USM BOR and approved by BPW to spend up to \$500 million in advertising costs over six years, beginning in fiscal 2019. At the time, UMGC felt constrained by its reliance on the Washington, DC; Maryland; and Virginia (DMV) region and the military. According to UMGC, the market share of adult students in the DMV region had reached near maximum levels. In contrast, competing institutions have made inroads into the region. At the time, UMGC felt that the market saturation in the DMV region had made it prohibitively expensive to continue relying heavily on this location to enroll students. **Exhibit 11** shows the expenses and budget for the national campaign.

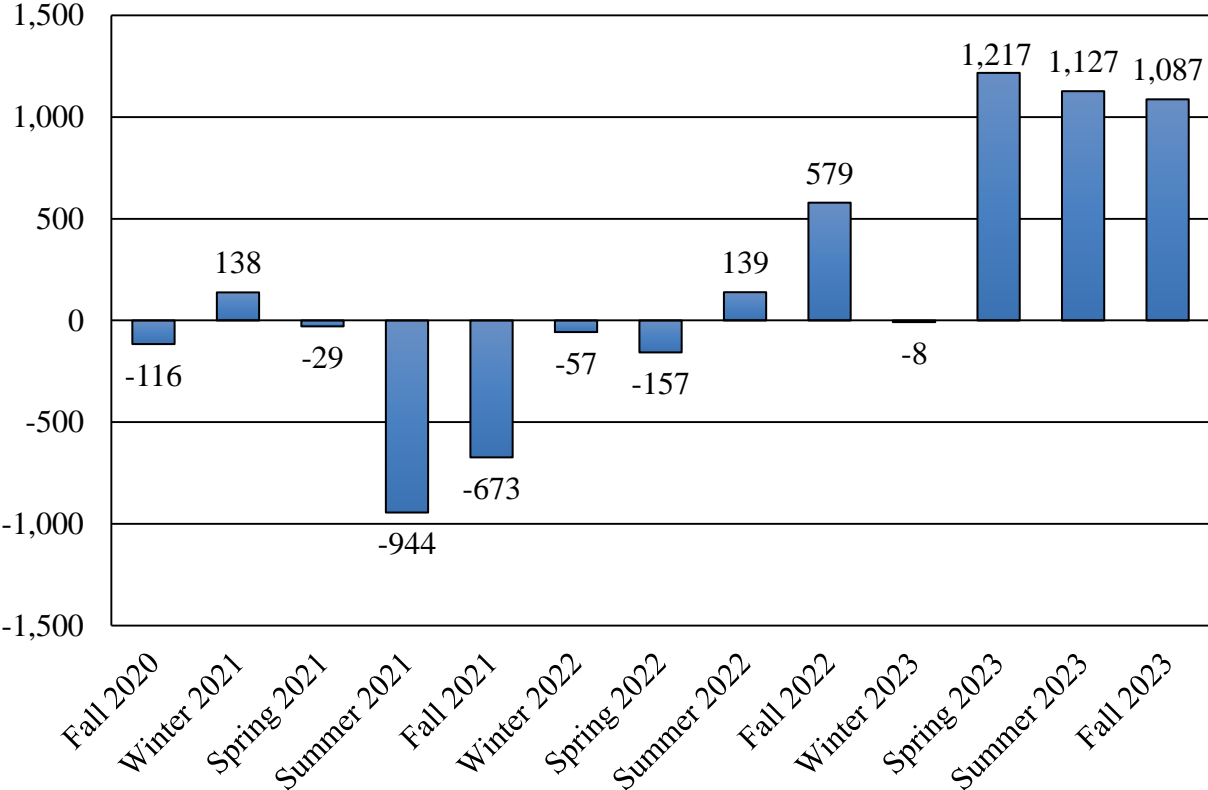
Exhibit 11
Advertising Spend
Fiscal 2019-2025
(\$ in Millions)

	<u>Regional Spend</u>	<u>National Spend</u>
2019	\$38.0	\$17.4
2020	34.3	12.5
2021	34.3	13.1
2022	34.3	13.7
2023	34.3	16.9
2024	34.3	21.0
2025	34.3	22.9

Source: University of Maryland Global Campus

In the first year of the marketing campaign, the test market of Philadelphia only resulted in 212 students after an \$18 million campaign. UMGC has acknowledged that its marketing approach was poorly planned and has made modifications. Since that first year, UMGC has changed its approach to regional marketing. UMGC has continued to revamp its marketing strategy and is reporting positive early results from regional market expansion and target-area pilots. As shown in **Exhibit 12**, UMGC has attained steady gains of new students each academic session since summer 2022, with the exception of the 2023 winter session.

Exhibit 12
New Students Compared to Previous Academic Year
Fall 2020-2023



Source: University of Maryland Global Campus

Appendix 1
Object/Fund Difference Report
University of Maryland Global Campus

<u>Object/Fund</u>	<u>FY 23</u> <u>Actual</u>	<u>FY 24</u> <u>Working</u> <u>Appropriation</u>	<u>FY 25</u> <u>Allowance</u>	<u>FY 24 - FY 25</u> <u>Amount Change</u>	<u>Percent</u> <u>Change</u>
Positions					
01 Regular	1,012.71	974.71	974.71	0.00	0%
02 Contractual	2,369.89	2,318.37	2,362.51	44.14	1.9%
Total Positions	3,382.60	3,293.08	3,337.22	44.14	1.3%
Objects					
01 Salaries and Wages	\$ 243,619,397	\$ 259,360,710	\$ 263,817,593	\$ 4,456,883	1.7%
02 Technical and Special Fees	2,255,917	1,349,588	2,037,961	688,373	51.0%
03 Communication	803,072	1,126,085	823,313	-302,772	-26.9%
04 Travel	1,457,128	2,114,780	2,030,194	-84,586	-4.0%
06 Fuel and Utilities	1,901,715	1,677,570	1,700,566	22,996	1.4%
07 Motor Vehicles	55,743	112,380	112,380	0	0%
08 Contractual Services	147,027,315	132,036,739	170,094,807	38,058,068	28.8%
09 Supplies and Materials	2,933,777	3,986,653	5,519,259	1,532,606	38.4%
11 Equipment – Additional	409,662	145,589	470,589	325,000	223.2%
12 Grants, Subsidies, and Contributions	87,203,089	80,372,916	103,679,368	23,306,452	29.0%
13 Fixed Charges	7,143,920	6,806,796	8,197,664	1,390,868	20.4%
14 Land and Structures	0	5,416,626	0	-5,416,626	-100.0%
Total Objects	\$ 494,810,735	\$ 494,506,432	\$ 558,483,694	\$ 63,977,262	12.9%
Funds					
40 Unrestricted Fund	\$ 425,855,038	\$ 437,589,054	\$ 478,477,847	\$ 40,888,793	9.3%
43 Restricted Fund	68,955,697	56,917,378	80,005,847	23,088,469	40.6%
Total Funds	\$ 494,810,735	\$ 494,506,432	\$ 558,483,694	\$ 63,977,262	12.9%

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

Appendix 2
Fiscal Summary
University of Maryland Global Campus

<u>Program/Unit</u>	<u>FY 23</u> <u>Actual</u>	<u>FY 24</u> <u>Wrk Approp</u>	<u>FY 25</u> <u>Allowance</u>	<u>Change</u>	<u>FY 24 - FY 25</u> <u>% Change</u>
01 Instruction	\$ 107,061,697	\$ 117,902,908	\$ 115,150,991	-\$ 2,751,917	-2.3%
03 Public Service	15,066,979	14,600,000	15,071,309	471,309	3.2%
04 Academic Support	43,522,375	48,691,007	47,965,179	-725,828	-1.5%
05 Student Services	119,589,444	120,834,986	142,589,141	21,754,155	18.0%
06 Institutional Support	108,378,798	98,727,936	124,037,572	25,309,636	25.6%
07 Operation and Maintenance of Plant	10,186,652	13,412,775	10,360,134	-3,052,641	-22.8%
17 Scholarships and Fellowships	91,004,790	80,336,820	103,309,368	22,972,548	28.6%
Total Expenditures	\$ 494,810,735	\$ 494,506,432	\$ 558,483,694	\$ 63,977,262	12.9%
Unrestricted Fund	\$ 425,855,038	\$ 437,589,054	\$ 478,477,847	\$ 40,888,793	9.3%
Restricted Fund	68,955,697	56,917,378	80,005,847	23,088,469	40.6%
Total Appropriations	\$ 494,810,735	\$ 494,506,432	\$ 558,483,694	\$ 63,977,262	12.9%

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