This report identifies issues in Maryland postsecondary education concerned with quality, effectiveness, access, diversity, and efficiency. It first provides a brief overview of the system, including information on headcount, the number and types of institutions, demographic trends, the labor market, and financing. It then addresses the following areas: (1) quality—as it relates to undergraduate education, teacher education reform, academic preparation and remediation, faculty, information resources, and private career schools; (2) effectiveness—measured by retention and graduation rates, time to degree, success of graduates, rewards for institutional success, adaptability to change, economic impact of sponsored research, and private career schools; (3) access—measured across regions, by affordability, by financial aid, and by articulation and transfer; (4) diversity—under the current system; under three newly proposed principles of comprehensiveness, student-centeredness, and accountability; and gender equity; and (5) efficiency—as it relates to state finances, changing educational needs, redesigning institutions, and using partnerships.

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Trends and Issues in Maryland Postsecondary Education
The Maryland Higher Education Commission

A message from Edward O. Clarke, Jr., Chairman of the Maryland Higher Education Commission, and Patricia S. Florestano, Ph.D., Secretary of Higher Education:

Soon after the Maryland Higher Education Commission was created, it adopted three broad goals for higher education in the state -- quality, access and choice, and accountability. Those goals were the foundation of the Commission's first statewide plan for postsecondary education in Maryland, as well as the basis for the Commission's policies and actions during the first half of this decade.

Now, as the Commission begins its eighth year as the state's coordinating agency, it is preparing to bring the statewide plan up-to-date, as required by statute. The Commission and its staff are examining the condition of higher education in Maryland and asking how public and independent institutions will continue to fulfill their traditional role at the same time that they are being asked to play a new and larger role in economic development. We are exploring the impact of distance learning and its potential to increase access to education. We want to know what kinds of skills students will need in the future. And we are asking how higher education should evolve to meet the needs of students and the state in years to come.

We are asking how the Commission's role can best reflect its Vision Statement -- that the Commission advances and supports a system of postsecondary education recognized for its excellence, accessibility, diversity and affordability, as well as its responsiveness to the changing needs of the state and the nation.

As is appropriate, this assessment of higher education occurs in the context of the Glendening Administration's priorities for higher education: stability of funding for public colleges and universities; support for the best programs on each campus; enhancement of Maryland's historically black institutions; and a commitment to creating regional advanced technology centers that serve economic growth.

In the discussion that follows, we have taken a first step toward identifying the most important issues facing higher education in Maryland. Now we are asking you and other educators, business executives and leaders to review the issues identified in Trends and Issues in Maryland Postsecondary Education consider the questions raised, and respond to those questions. It is only by drawing on the wealth of knowledge and ideas that exist in the academic community and beyond that we will be able to frame a responsive and effective plan.

The outcome of this effort will be crucial to Maryland's future. Today Maryland has a well-educated and well-trained work force; e.g., a greater proportion of Marylanders have bachelor's degrees than in most states. Location and infrastructure give Maryland an advantage over many other states in economic development. But as technology races ahead, as global competition affects more and more businesses and industries in the state, and thus more Marylanders, it is imperative that Maryland higher education not only keep pace, but lead. Our institutions must emphasize quality above all else -- and they must do this in the context of diminishing available public funding.
Both professional literature and the public media currently overflow with questions and suggestions for improvement in higher education. This report, its study and its finalization is the opportunity for Marylanders to study, refine and suggest applications for those improvements they think best. This is the foundation upon which future actions in Maryland higher education will be structured.

Any increased emphasis on higher education's economic role should not be misconstrued. The tradition and worth of college lies in preparing men and women to think critically, communicate effectively, and solve problems, and thus to play an active and effective role in the life of the state. Our planning will not be at the expense of that historic role. Rather, our goal is to maintain the balance that our colleges and universities are achieving, so that Maryland will continue to have both an educated citizenry and a strong and growing economy.

Your thoughts and ideas about higher education are important to us and the members of the Maryland Higher Education Commission, and we look forward to your response.

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**Trends and Issues in Maryland Postsecondary Education**

**I. STATEWIDE OVERVIEW**

The Maryland System of Higher Education consists of six segments. Each segment—the University of Maryland System, Morgan State University, St. Mary's College of Maryland, community colleges, independent colleges and universities, and private career schools—has a distinctive mission, as does each institution within each segment. The entire postsecondary education system is coordinated by the Maryland Higher Education Commission.

The University of Maryland System is comprised of 11 separate degree-granting institutions located throughout the state. Three of these institutions have research and teaching as their primary mission: University of Maryland at College Park (UMCP), University of Maryland at Baltimore County (UMBC), and University of Maryland at Baltimore (UMAB). The remaining eight institutions have teaching as their primary mission. These institutions are governed by a single board of regents. The University of Maryland at College Park is the flagship of the public system. The state is committed to the enhancement of UMCP's programs and faculty resources.

Morgan State University, the designated public urban university, is governed by a separate board of regents. Morgan is one of Maryland's four historically black institutions.

St. Mary's College of Maryland also has its own governing board. As the state's public honors college, St. Mary's is the only "state-related" institution, a distinction that gives it more operational autonomy than the other public four-year institutions in procurement, budget, and personnel administration. This distinction also requires the college to take greater responsibility in the acquisition of operating resources.
Community Colleges - The 18 community colleges are two-year, open-admission institutions with courses and programs leading to certificates and associate degrees. They provide lower-level undergraduate courses to students who plan to transfer to senior institutions and also career-oriented and continuing education courses to students who do not plan to transfer.

Seventeen of the 18 community colleges receive their funding from three sources: 1) state appropriations through a funding formula; 2) local funding through a negotiated budget process; and 3) student tuition and fees.

Baltimore City Community College became a state institution in FY 1991 and receives the majority of its funding from the state.

**Characteristics of Maryland Higher Education 1995-1996**

<table>
<thead>
<tr>
<th>Total headcount enrollment</th>
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<td>Total state support</td>
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<tr>
<td>4-year public institutions</td>
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<tr>
<td>Community colleges</td>
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<tr>
<td>Independent institutions</td>
<td>26</td>
</tr>
<tr>
<td>Private career schools</td>
<td>108</td>
</tr>
</tbody>
</table>

Independent Institutions - To provide a diverse system of higher education, the state provides funding, pursuant to a statutory formula, to 15 independent colleges and universities in Maryland. Eligible institutions must meet specific criteria in order to qualify.

Private Career Schools - Approximately 100 private career schools in Maryland provide job preparatory training for students in a wide variety of fields, including business, computers, travel, truck driving, mechanics, electronics, allied health, cosmetology, and barbering.

**Aggregate Demographic Trends**

Enrollment at public colleges and universities is expected to grow by as much as 34,000 students over the next 10 years. This growth will come from both traditional students and employed adults. The average age of Maryland citizens is increasing, and the number of high school graduates is expected to climb sharply by 2005. The suburban counties surrounding Baltimore and adjoining Washington, D.C., will continue to lead the state in the number of new residents, while the counties in southern Maryland will experience the greatest rate of growth.

**Labor Market**

By the year 2005, Maryland's economy is expected to add an estimated 475,000 new jobs. Much of this growth will be in service industries, where about nine out of every ten new jobs will be created—many in health and business services. Computer and data processing
jobs will be created--many in health and business services. Computer and data processing services also will be leaders in job production. Jobs in computer-related industries will account for nearly one-third of all employment in business services by the year 2005.

As Maryland moves into the 21st century, it will be critical to produce citizens who can compete in a global economy. Maryland companies will compete with companies in neighboring states and with foreign companies around the world. The state's higher education system must prepare personnel at all levels who can compete in the international arena.

**State Appropriations and Tuition Revenue**
While the demand for affordable higher education has grown, state support has not kept pace, increasing the burden on students and their parents. Further increases in tuition and fees could seriously jeopardize the accessibility of higher education for those of limited means. This will undoubtedly result in the accumulation of debt from student loans which will take years to repay.

**State Financial Conditions**
The impact of the recession in the early 1990's was particularly severe in Maryland. While the United States lost 1.7 percent of payroll employment between July 1990 and March 1992, Maryland's job loss began earlier and continued longer. In recent years, there have been demands upon the state's general fund to grow faster than revenues allow. Economic forecasts indicate that state revenues will lag behind the national economy through the next decade, in part as a result of shrinkage of the federal workforce, a significant portion of which resides in Maryland.

Nevertheless, the governor has said that he hopes to provide a moderate annual increase in the state appropriation for higher education over the next several years.

**Consider this....**

- Given the state's current and projected economic environment, how could state funding for higher education be made more stable and predictable?
- Should the state adopt policies to moderate tuition increases? If your answer is yes, within which segments and to what extent?
- What type of academic and training programs should be offered to meet the state's education and training needs?
- Considering projected enrollment growth, in what ways can the state best provide additional access to higher education?

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**II. QUALITY**

Quality refers to the capacity of higher education to excel. Clear, concise institutional mission statements provide a mechanism for assuring such quality. The periodic review of mission statements assists the Commission in fulfilling its responsibility for advancing the priorities included in the Maryland Charter for Higher Education. This process encourages the efficient and effective use of the state's higher education resources and serves as a safeguard against the unnecessary duplication of academic programs. Distinct mission statements allow public campuses, independent higher education, and private career schools to develop their respective strengths and to establish priorities for the future.

**Undergraduate Education**
For all citizens and students, undergraduate learning is an important aspect of higher education. The Commission has focused particular attention on improving undergraduate education through the establishment of common general education requirements among the public campuses.
public campuses.

**Teacher Education Reform**
Teacher education reform has also been a priority of the Commission. The goal of this reform is to ensure that teachers possess both the knowledge and skills necessary to assist students in reaching rigorous performance standards. The Commission is now monitoring the implementation of improvements to teacher preparation recommended by two broadly representative task forces. The Commission, in cooperation with the Maryland State Department of Education, has recently funded pilot Professional Development Schools. These schools are centers of practical training for both pre- and in-service teachers, and also provide for the implementation of recommendations related to academic training.

**Academic Preparation of Students and Remedial Education**
Quality also refers to the level of preparation of the students who apply to and enroll in our colleges and universities. A common measure of that quality is the average SAT score of first-time students. Since 1986, the average composite score for students attending Maryland institutions has dropped from 911 to 909 while the national average of college-going students has increased from 906 to 910.

In recent years the University of Maryland System has adopted more demanding entrance requirements regarding courses prospective students should take in high school. Under a grant from the Pew Charitable Trusts, the University of Maryland System, the Commission, and the Maryland State Department of Education are working to develop a closer relationship between the requirements for high school graduation and the skills and knowledge necessary to gain entry into college or the workplace.

Rates of remediation provide another measure of the academic preparation of incoming students. However, variations across campuses regarding the number and type of students who require remedial education, policies and standards used to determine student placement, remedial activities offered, and other factors introduce inconsistencies into remediation rates. The Commission has completed a study to examine these factors and respond to the growing interest in them on the part of higher education administrators and state officials.

Other indicators of the quality of incoming students include measures of first-year performance, which are documented in the Student Outcomes and Achievement Report (SOAR). The Commission has been working with the Maryland State Department of Education and local education agencies to refine SOAR to improve its usefulness in driving curricular changes at the elementary and secondary levels.

**Faculty**
The role and teaching load of faculty members in colleges and universities are being reexamined. Financial pressures have led some colleges and universities to hire contractual or part-time faculty members which may affect the quality of instruction. Permanent faculty members are also subject to conflicting demands upon their time. For promotion and tenure, faculty members are forced to choose between spending their working hours on undergraduate teaching and advising or devoting much of their time to scholarship. The redefined role of faculty members that emerges will have significant impact upon educational quality.

**Information Resources**
Technology has become an integral part of higher education, affecting the learning process, administrative support, and the library. Higher education administrators have struggled to absorb the cost of acquiring, maintaining, and integrating technology into the life of the college and university. The appropriate use of technology has a significant relationship to the quality of education that an educational institution can deliver to its students. The costs of technology may draw resources away from other critical needs unless careful planning and budgeting occurs.
and budgeting occurs.

Private Career Schools
Maryland's private career schools contribute to the state by providing job preparation training to nearly 20,000 students annually. However, a small number of these schools fail to operate in accordance with sound educational, ethical, and professional practice. These schools harm the public through misleading advertising, poor quality training, and in some instances, precipitous school closings. Regulations adopted by the Commission in 1991 and the implementation of an annual financial review process have done much to reduce these problems and protect student interests.

Consider this....

- How can the Commission encourage the continuing engagement of Maryland's campuses in addressing the issues facing society?
- At what educational level should remediation occur?
- Should students pay all or part of the cost of remedial courses?
- Should the state adopt policies which address the balance between teaching, research, and service for promotion and tenure?

III. EFFECTIVENESS

Increasing competition for limited state funds and public demands for accountability make it necessary for colleges and universities to demonstrate that they are effective in ensuring that students are progressing and performing well. The quality of higher education should ensure that the employment needs of business and industry are satisfied, and that the citizens of the state are educated sufficiently well to enjoy a high quality of life.

Retention and Graduation Rates
Forty of the 50 states, including Maryland, have adopted policies and initiatives related to the assessment of college student learning. Since 1991, each public two- and four-year institution in Maryland has developed a plan for the assessment of undergraduate student learning outcomes and has submitted an annual progress report. Since that time, these colleges and universities have made positive efforts to incorporate assessment findings into their teaching and learning processes.

The results are evident in the improvement of student retention and graduation in Maryland postsecondary institutions. Retention rates after the first year of study at Maryland public four-year campuses have risen from 75 percent to 79 percent since 1980, and six-year graduation rates have increased from 46 percent to 58 percent. At community colleges, the percentage of students who have graduated and/or transferred to a public four-year institution within four years has risen from 32 percent to 37 percent since 1981. Although some progress has been made, retention and graduation rates must be improved.

Time-to-Degree
As an increasing number of college students are taking longer than four years to complete a baccalaureate degree, there is more interest in pursuing strategies to shorten the time it takes to earn a degree. Reducing time-to-degree is viewed as one way to reduce the cost of college, cope with fiscal constraints, provide access to higher education for additional students, and produce more graduates in less time. This issue has attracted attention in Maryland, where the General Assembly has asked the Commission to conduct a study of time-to-degree and make recommendations on ways to accelerate degree progress.

Success of Graduates
Graduates from Maryland institutions have fared satisfactorily in their pursuit of advanced education and employment opportunities. Recently gathered statistics indicate that 80
education and employment opportunities. Recently gathered statistics indicate that 80 percent of the baccalaureate recipients from public campuses, 69 percent of those from independent institutions, and 56 percent of community college graduates held full-time employment a year after graduation. One-fourth of the bachelor's degree recipients from Maryland public campuses, and more than one-third of those graduating from independent institutions, are seeking a graduate or professional degree. More than 40 percent of Maryland community college graduates transferred to a four-year campus.

The unemployment rate of graduates was below both the national and state averages. More than three-fourths of those with full-time jobs were working in fields related to their college major. Graduates have been successful in their performance on licensing and certification examinations.

However, no attempt has been undertaken in Maryland to measure directly the ability of college graduates to think critically, communicate effectively and solve problems, which is a component of the National Education Goals.

Seven states utilize student competency testing with standardized instruments, and other states are considering adopting such testing.

**Rewarding Institutional Success**

Maryland has not linked institutional funding to student success. Tennessee, which tests samples of students in a range of general education areas, ties the results to funding. At least thirteen other states have provided fiscal incentives for successfully meeting performance goals.

**Adapting to Change**

Changes in society demand that higher education be responsive to rapid changes in market demand. These changes will require institutions to constantly re-examine programs, especially professional programs such as law schools, to ensure that sufficient, but not excessive, numbers of graduates are produced in high-demand areas.

**Economic Impact of Sponsored Research**

Maryland is a national leader in total, university, and federal research and development (R&D) expenditures. It is among the top five states in terms of per capita total R&D, university R&D, federal funded R&D, and federally performed R&D. The Johns Hopkins University is first in the country in the amount of federal research dollars awarded, and the University of Maryland campuses at College Park and Baltimore have substantially increased their competitiveness for federal support.

Nevertheless, Maryland is below the national average in commercializing technology. The state, including its higher education institutions, has a weak record of patents, commercialization, and new company spin-offs from its massive research base. A recent study by the Maryland Research Business Partnership found that University of Maryland institutions ranked in the lower end of 16 research universities in terms of success in commercializing technology.

However, many institutions are liberalizing their technology transfer rules, and legislation was passed this year to reduce conflict-of-interest difficulties for faculty. This is important because technology transfer creates investment and jobs when companies manufacture products derived from university research and inventions.

**Private Career Schools**

The objective of private career schools is to provide the training necessary to prepare students for gainful employment. In 1995, private career schools reported that 65 percent of their students successfully completed training and were graduated. Fifty-five percent of these 1995 graduates obtained employment in training-related positions.
Time-in-training or time-to-certification is an issue at private career schools. To minimize the time and money students must invest in training, several measures should be considered. Programs must be appropriate, but not excessive, in length. In addition, the Commission will assure that schools enforce progress and attendance standards to prevent students from continuing their training and incurring additional debt without hope of graduating.

Consider this....

- Should Maryland implement statewide competency testing as a requirement for college and university graduation?
- How should institutions be held accountable for improving graduation and retention rates?
- Should student success be a factor in determining state support to colleges and universities?
- Should the state consider adopting performance standards for students attending private career schools?

IV. ACCESS

Access to higher education has broadened considerably in Maryland during the past decade. Fifty-three percent of Maryland's high school seniors attend college in the fall after their high school graduation.

The educational attainment of Maryland residents 25 years of age or older exceeds the national average. Among Maryland residents, 50.3 percent have earned an associate degree or have attended college, while the national average is 45 percent. Holders of a bachelor's degree are 26.5 percent of the population in Maryland, but only 20.3 percent nationally. While 11 percent of Marylanders hold a graduate or professional degree, seven percent of the national population have earned such degrees.

In spite of these accomplishments, there are three major factors affecting access which must be addressed in statewide planning. These are (1) regional access, (2) the affordability of public higher education together with the availability of financial aid, and (3) the articulation of academic programs and the transferability of course credits between the community colleges and public four-year institutions.

Regional Access

Nearly 40 percent of the residents of the Washington, D.C. suburbs hold a bachelor's degree, more than any other region of the state. In comparison, 17 percent of the population in Southern Maryland, 16 percent in Baltimore City and on the Eastern Shore, and 11 percent in Western Maryland hold a bachelor's degree. The vast majority of Maryland's colleges and universities are located in the Washington-Baltimore corridor. Forty of the state's 57 public and independent degree-granting institutions are located in Baltimore City and the 5 counties of Central Maryland. The citizens of the mountainous counties of Western Maryland, the inhabitants of the Eastern Shore, and the residents of rural Southern Maryland have participated in higher education to a lesser degree than the residents of Central Maryland. Distance Education is one way of improving access. The state is encouraging the development of the interactive fiber optic Maryland Distance Learning Network (MDLN), providing interactive video teleclassrooms that will eventually link all public colleges and universities to all public high schools statewide, providing access to all campuses for all regions.

The Commission has been designated the state project manager for the MDLN. As of spring 1996, there are 77 sites on the MDLN, of which 22 are public higher education sites, seven are at independent colleges, 41 are at public schools, and seven are at medical centers.
are at independent colleges, 41 are at public schools, and seven are at medical centers.

**Affordability**
Tuition and fees at Maryland's state colleges and universities have increased 108 percent since 1985. At the community colleges, the increase has been 104 percent. Both of these increases have far outstripped the Maryland Consumer Price Index (CPI), which has risen 38 percent during the same period. In the past five years alone, average annual in-state tuition and fees at the public four-year institutions have risen from $2,539 to $3,588. At the community colleges, the change over the same period was from $1,335 to $2,041.

On the average, community colleges charge the lowest tuition and fees in Maryland public higher education. Over half of all public undergraduate students attend community colleges.

**Financial Aid**
The state's new Educational Excellence Award program was designed to address the issue of access. It is comprised of two financial aid programs, one of which is the Guaranteed Access Grant Program, created to assist the state's neediest students by providing 100 percent of a student's need up to $8,000.

Although the total amount distributed through state financial aid programs has increased by over 260 percent within the last decade, the funding has not kept pace with students' needs. The reasons for this problem are (1) the number of students seeking higher education has multiplied, (2) a higher percentage of those students require financial assistance, and (3) the amount of financial aid needed by those students has increased due to rising costs of college. Thus, even with the substantial enlargement in support for state financial aid programs, financial need continues to threaten access for Maryland's college-bound students.

**Articulation and Transfer**
Educational policy can no longer be based on the assumption that a student enrolling at one campus will graduate from that same campus two or four years later. Of all new students enrolling in the University of Maryland System in fall 1993, 52 percent were transfer students and only 48 percent were new freshmen.

Over the past two years, Maryland has enacted a sweeping reform of general education requirements at the public colleges and universities. This has greatly improved the chances for the smooth and easy transfer of course credits from community colleges to senior institutions. The academic year 1996-97 will see the full implementation of the agreed-upon core curriculum. There remains a need to develop better articulation of individual majors among the public colleges and universities. Statewide agreements are needed for the lower-division requirements in popular majors such as business and engineering. Students need quick electronic access to information about transfer policies and procedures, and they should easily be able to retrieve information about their personal academic progress.

**Consider this....**

- Should the state increase regional access by building more regional higher education centers or by increased use of distance learning?
- Should state financial aid be need-based or merit-based or a combination of both?
- Should the state encourage the development of three-year bachelor's degrees? Should the state offer students financial incentives to lessen their time-to-degree?
- Should the state mandate the transferability of all courses among the public colleges and universities?
V. DIVERSITY

In 1985, the United States Department of Education Office of Civil Rights (OCR) and the State of Maryland reached an agreement on a comprehensive, five-year plan to foster equal educational opportunity in public higher education. OCR agreed that the plan met the requirements of Title VI of the Civil Rights Act of 1964.

While the state has made considerable progress toward realizing the promise of equal educational opportunity in higher education, a gap persists between minority and majority students in retention and graduation rates. Additionally, the gap in graduation and transfer rates of community college minority and majority students was basically the same for the class entering in 1990 as it was for the class entering four years earlier in 1986. Furthermore, the number of minority faculty members and administrators hired and retained on college campuses remains low. Finally, a climate of acceptance of African Americans at historically white campuses should be cultivated.

Current System
Maryland has a diverse higher educational system in terms of the racial and ethnic composition of its campuses. Four of the state's public four-year institutions (Bowie State University, Coppin State College, Morgan State University, and the University of Maryland - Eastern Shore) are historically black. The majority of students at Baltimore City Community College and Prince George's Community College are African American. At all other two-year and four-year public institutions, the current student population is predominantly white.

Proposed Principles
There are three major principles under consideration which may provide the foundation for achieving institutional diversity and educational opportunity. In part, the state's success in living up to these principles can be measured through the successful integration and enhancement of historically black institutions and through the integration of traditionally white institutions. Further, this success may be manifested through the actual number of academic degrees conferred upon minority students. The principles are:

Comprehensiveness -- The state should consider adopting a comprehensive, deliberate, and systemwide approach to the elimination of racial disparity and the cultivation of equal educational opportunity for all students from kindergarten through college.

Student-Centeredness -- The state's education system should be organized, shaped, and attuned to the needs and interests of students. Envisioned as a continuum from pre-school through postsecondary, education should become more student-centered and client-based. Policy discussions should focus on student needs.

Accountability -- The state's education system should be accountable academically and fiscally to the needs of its various constituencies. As such, the education system should simultaneously provide for the education and training of students while recognizing present and future fiscal realities.

Strategies for Achieving Principles
Access to Financial Assistance -- Student financial assistance is critical to the success of economically disadvantaged students. Affordability largely dictates whether or not a student will pursue higher education. With the increased cost of college and with reductions in federal financial assistance programs, new avenues for financial support will be essential in assuring economically disadvantaged students access to higher education.

Academic and Financial Advisement -- The pursuit of higher education requires academic as well as financial planning. Given the financial realities cited above, academic preparation must go hand in hand with financial preparation. To this end, a coordinated student
must go hand in hand with financial preparation. To this end, a coordinated student advisement system encompassing elementary, secondary, and postsecondary educational institutions is essential. Such a coordinated student advisement system, especially critical for first-generation college students in their pursuit of a college education, is being established. Through the Education Coordinating Committee (ECC), the Maryland Partnership for Teaching and Learning, K-16, and the reforms in teacher education, close collaborative relationships are being generated between schools and universities.

To assure maintenance of diverse populations, the availability of strong academic support programs is necessary for all students. Research shows that the first-year college student faces many challenges in adapting to the social and academic demands that he or she faces. Strong counseling, mentoring, and tutoring services are important components of a system that assures success in college.

Climate - A campus climate conducive to a racially and ethnically diverse population is essential to the success of all students. This includes the presence of minority faculty, administrators, and staff on traditionally white campuses as well as the presence of other-race faculty, administrators, and staff at historically black institutions.

Diverse Full-Time Faculty -- Consistent with a conducive campus climate, institutions need to attract and retain an adequate number of diverse full-time faculty members whose presence provides support for all students. Minority students, not unlike majority students, are likely to seek out faculty members to serve as role models. The presence of a diverse faculty tends to reduce feelings of alienation and isolation and create a sense of pride among minority students. A diverse faculty also demonstrates concretely to students and to other members of the campus community the institution's commitment to equal educational opportunity. These changes in the composition of the faculty have a significant impact on the quality of the academic program and upon student success.

Gender Equity
Equal opportunity issues encompass both gender and race. Studies by the Commission suggest that, while progress has been made in the number of women in faculty and administrative positions in some instances, the salaries of women continue to lag behind those of men.

Consider this....

- What steps should the state and historically black institutions take to increase retention and graduation rates?
- To what extent should diversity continue to be a goal of all public higher education institutions in Maryland?
- Given recent court decisions, how can we achieve diversity among students, faculty, and administrators?
- Should the state set benchmarks for measuring success of diversity goals? What should they be?
- How can the climate of acceptance of minority race students at traditionally white and historically black campuses be improved?

VI. EFFICIENCY

Efficiency in higher education refers to the degree to which institutions are able to maximize returns on expended resources, particularly as they seek to fulfill their respective missions. Many institutions have sought to increase efficiency through the adoption of proactive management practices. Using tools developed in the fields of business, finance, and economics, financial management on many campuses now includes the active
and economics, financial management on many campuses now includes the active
generation and management of new resources in support of institutional priorities.

State Finances
In July 1991, the United States entered its first recession since the early 1980's. As a result,
total state general fund appropriations for public two- and four-year institutions declined
from $731.7 million in FY 1991 to $708.6 million in FY 1996, a decrease of three percent.
During the same period, all public higher education institutions experienced a dramatic
increase in tuition and fee revenue, attributable to both growth in enrollment and higher
fees.

Changing Educational Needs
The impact of the recession has lingered in Maryland, where there has been a move away
from manufacturing to service-based industries. Increased demands for job training and
retraining programs have resulted from the permanent displacement of thousands of
highly-paid, unskilled or semi-skilled laborers and the elimination of jobs that once
provided many Marylanders with access to a middle-class standard of living without
postsecondary education. Furthermore, there has been growth in high technology industries
(telecommunications, information technology, electronics, computer and data processing
services), which rely heavily on a skilled labor force. Thus, it has become increasingly true
that individuals have a better chance of success in today's economy if they have an
education beyond high school.

Colleges and universities are being asked to respond to the increased demands for retraining
displaced workers and to train students for future highly specialized work needs. However,
these institutions must cope with fiscal constraints, making support for new programs, the
purchase of new equipment, and the maintenance of their current equipment and physical
plants more difficult. As colleges and universities have looked for ways to do more with
less, restructuring and re-engineering have become important methods of planning.

In spite of growing endowments, alumni gifts, and other sources of revenue, tuition has
risen rapidly in the last decade. Colleges and universities are being asked to demonstrate
that they are making efficient use of these revenues. Unless they can do so, Maryland's
citizens - legislators, alumni, contributors, and students - may seek to impose fiscal controls,
such as caps on tuition rates.

The community colleges provide higher education in a highly cost-effective manner. State
funding per student is considerably less at a community college than at a public four-year
institution. A policy that encourages students to attend community colleges for their lower
division course work would be less expensive for the state while assuring accessible higher
education for its citizens.

Redesigned Institutions
Institutions must adapt to change because (1) more adult students are seeking higher
education; 2) more students are employed while attending college; (3) students increasingly
attend more than one institution in pursuit of their degrees; and (4) the cost of higher
education is escalating. These changes mandate a redesign in the delivery of campus
educational services. This redesign requires the consideration of changes in the academic
structure, what and when courses and programs are offered, and how the costs can be met.

Information technology is continuing to have a significant impact on higher education. The
use of this technology has the potential to reduce costs and improve management.
Technology, through the use of multi-media presentation and distance education, will make
lasting differences in the way education is delivered to students.

Partnerships
Resource-sharing among institutions is an effective means of reducing costs. Sharing
administrative costs, library collections, and support services should be explored and
encouraged. Collaborative arrangements with business can not only help Maryland's economy, but can add resources to the educational enterprise.

Partnerships can also improve services and reduce their costs. A number of partnerships involving elementary, secondary, and higher education, as well as business and other state agencies, are already in place. For example, the Commission has joined with the Maryland State Department of Education, University of Maryland System, and other education, business, and community leaders to form the Maryland Partnership for Teaching and Learning, K-16. The partnership provides a mechanism for looking at education issues in the context of a continuum from kindergarten through higher education and encourages collaboration. Additional partnership models should be explored to determine their usefulness in meeting citizen needs.

Consider this....

- How can the state provide incentives to encourage inter-institutional partnerships for administrative functions and academic programs?
- In what new ways can education institutions work with state agencies to further economic development?
- How can higher education best meet the state's workforce requirements?
- How can the state provide incentives for institutions to increase productivity?
- Should the state encourage public higher education institutions to privatize services as a means to encourage efficiencies?

- What partnerships might higher education undertake with the business community?

The Maryland Higher Education Commission invites your comments on Trends and Issues in Maryland Postsecondary Education, in particular to the questions at the end of each section. Please address your comments to

Trends and Issues
Attn: Secretary Patricia S. Florestano
The Maryland Higher Education Commission
16 Francis Street
Annapolis, MD 21401

Please respond no later than October 15, 1996.
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