

Dear Bobcat Community,

With the end of the Maryland legislative session and as we near the end of the spring 2024 term, I am reviewing enrollment projections to prepare for the FY 2025 budget. I want to communicate with our campus community on the fiscal state of the University. As mentioned in other campus forums, the state budget faced a very significant deficit this year. The human tragedy and financial calamity resulting from the collapse of the Key Bridge and the resulting port closure has also resulted in a significant impact on financial affairs for the state of Maryland. The budget picture for the State of Maryland is projected to be even more severe in the next few years.

As a result of these realities, we are preparing for an approximate shortfall of between \$4 - \$5 million in the coming fiscal year. The troubles with the FAFSA at the federal level, which are resulting in a reduction exceeding 30% over last year at this time in the number of students and families completing this process are very concerning, and how that might negatively affect our enrollment projections is unknown.

Our [operating budget](#) finances the majority of the University's expenses. It includes all the regular unrestricted income (approximately \$80 million) available to the institution plus those restricted funds that are earmarked for instructional activities and departmental support. I want to prepare the campus community for budget reductions that could range between 6-8% given enrollment and the other external unknowns described above.

Additionally, I want to share the impact of our changing enrollment. These changes are largely attributed to external factors such as declining enrollments in our feeder institutions at both Maryland Community Colleges and Western Maryland school districts, as well as the aftermath of the pandemic and the general landscape of higher education nationally.

The following table demonstrates reductions of full-time equivalent (FTE) enrollment data in recent years, which has a direct impact on revenue:

	FY16 FTE	FY23 FTE	Change
Undergraduate	4260.3	2440.6	-1819.7
Graduate	367	430.7	63.7
Doctoral	42.9	38.7	-4.2
Total	4670.1	2909.9	-1760.2
without HUTB			

I have asked the vice presidents to submit budget requests similar to the pilot process implemented by the Budget Advisory Council last year, keeping our strategic priorities for

enrollment growth and campus culture at the forefront. It is critical for our university to convey how we are supporting our mission. Division budget requests should be made cognizant of the anticipated 6-8% reduction in revenue.

I have asked that these requests be those that have the least impact on students. As we near the end of the first year of our Middle States Self-Study, our priorities of enrollment growth and enhancing our campus culture and belongingness need to be at the forefront of our decision-making as we proceed through uncertain times. I ask that we come together and work collaboratively to keep Frostburg State University moving forward.

Please note, the Executive Cabinet and I are committed to transparency regarding the state of our budget and [enrollment](#). I know that we have difficult decisions to make. In that vein, I have commissioned shared governance representatives to form a “Bobcat Budget Team” (***see below**) that will review budgets, data, outcomes, and recommend actions to reduce expenses.

Continued information will be conveyed on a weekly basis as budget plans are developed.

****A Tiger Team, as it is officially known, is a team of specialists in a particular field brought together to work on a specific task. FSU's team will be "Bobcats".***

Sincerely,

Al Delia

Acting President/Vice President for Regional Development and Engagement