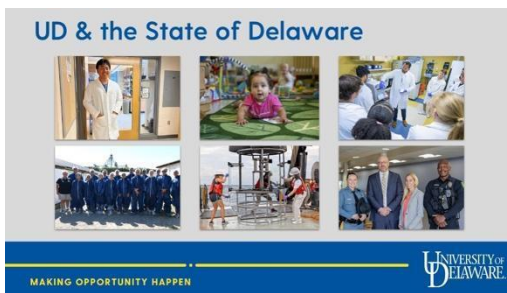


Delaware Joint Finance Committee presentation — Feb. 6, 2025
University of Delaware President Dennis Assanis
As prepared for delivery



Good afternoon, **Representative Williams, Senator Paradee**, and other members of the Joint Finance Committee. I have with me **Provost Laura Carlson and Senior Vice President & Chief Financial Officer Mary Remmler**, as well as others who can help answer any questions you may have.

Thank you for taking the time to talk with us today about how the State and the University of Delaware can continue our great work together to help meet the educational, social and economic needs of the Delawareans of today and those of future generations.



The state's FY26 operating appropriation for the University of Delaware is a key element in achieving this goal. Our requests before you today focus on increased support of four important areas that serve Delaware's interests:

- First, we are seeking additional funds for UD’s First State Promise program, which helps Delawareans afford a high-quality education at the University.
- Second, we need the state’s support to grow our flexible associate-to-bachelor’s-degree initiative, which expands opportunities for Delawareans to earn the degree that best suits their individual needs.
- Third, we are requesting additional funding for UD’s College of Agriculture & Natural Resources, which provides essential services to our state yet has not had a substantial increase from the state in a decade or more.
- And for the same reason, our fourth request is for additional funding for UD’s College of Earth, Ocean & Environment.

Unfortunately, the previous administration did not fund any of these requests in this year’s recommended budget. But this gives this committee and the General Assembly the opportunity to invest in these critical areas for the benefit of all Delawareans.


These investments would build on the great work that UD is already doing every day to support Delaware-resident students and the entire state. As you requested, I want to take a few moments to discuss some of the key performance measures related to ensuring student access and success at UD.

Performance Metrics: Student Access

Performance Metric	Degree Program	FY2024	FY2025	FY2028 (Governor’s Recommended)
Total matriculated students	Undergraduate*	18,812	19,071	19,400
	Graduate	4,449	4,386	4,500
% of Delaware resident students	Undergraduate*	36%	37%	40%
	Graduate	20%	19%	20%
% of domestic underrepresented minority students	Undergraduate*	20%	21%	22%
	Graduate	12%	12%	13%

*Figures include Newark Campus and Associate in Arts Program

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Our most central mission is to provide Delawareans of all ages a lifetime of educational opportunities to learn, explore their interests, grow their skills and contribute to their communities in meaningful ways. We are committed to providing Delawareans with access to an affordable, world-class education right here in their home state.

We offer admission to every qualified Delaware applicant. In fact, the admission rate for Delawareans is 84%, compared to 69% for non-residents. And because of UD’s excellence and affordability, almost half of the students we admit accept our offer, compared to just 11% of non-residents.

Over the past 6 years, we have seen a significant increase in Delaware residents transferring to UD from other universities.

Also, applications for our Associate in Arts Program in Georgetown have more than doubled this year, which is due to growing interest in our Nursing program. As Delaware’s population continues to grow — especially in older adults in southern Delaware — so does the


need for skilled healthcare professionals. We're also seeing an increase in applications for our associate degree program in education, which prepares students for a variety of careers in that field.

And we have more Delawareans in UD's Honors College than ever before. From Fall 2022 to Fall 2024, we saw a 43% increase in Delawarean first-year students enrolled in the Honors College, which means that more of our state's top students are staying here for their education.

This year, to encourage more Delawareans to apply to UD, we have extended our application deadline for in-state residents by two months. If any of your constituent families are still on the fence about applying to UD — maybe worried about being accepted or paying for college — please, encourage them to apply as soon as possible.

Performance Metrics: Student Success

Performance Metric	FY2024	FY2025	FY2026 (Governor's Recommended)
% of student retention Newark Campus freshman to sophomore year	90%	92%	93%
% of Newark Campus students graduating within six years	81%	83%	84%
% of baccalaureate graduates employed or in graduate school	94%	94%	95%


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Of course, it's not enough to just get students in the door. We are committed to ensuring that they have every opportunity to succeed at UD. We provide the academic advising, mentoring, internships, research opportunities and real world experiences our students need to be successful.

Thanks to these and other efforts, more than 90% of our first-year students return for their second year, which is very high relative to our peers. Also, 73% of our students graduate within four years, which is the ninth-highest rate among public research universities nationwide. We're very proud of that, but we are always working to improve these student outcomes.


One key to academic success is finding the right educational pathway for every student who wants to pursue higher education. For example, our growing academic partnership with Delaware State University is putting many students on that path to success.

DSU-UD Dual Degree Engineering



- Provides DSU students a seamless path to engineering bachelor's or master's degrees in Chemistry or Engineering Physics at UD
- Building a STEM and engineering workforce in Delaware

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It's really a great fit. Delaware needs more engineers, and UD ranks among the nation's best engineering programs. Our dual-degree program with Delaware State provides a flexible, seamless pathway for students to earn a bachelor's degree in a STEM field from DSU and then earn a second bachelor's or a master's degree from UD, depending on their educational needs and career goals.

We currently offer four dual degrees with DSU: Students earn either a Chemistry or Engineering Physics degree at DSU, then pursue either a bachelor's or a master's in Materials Science & Engineering or in Electrical or Computer Engineering. We are developing an additional program with an Engineering Physics degree from DSU to a UD MS in Quantitative Systems Pharmacology, and we hope to offer that in the next academic year. Once the DSU - UD program is fully ramped up, we expect it to serve 60 to 80 students a year.

In 2024, we began offering a DSU/UD summer research program with student participants, who are now serving as paid program ambassadors.

Ultimately, students can complete their degrees more quickly, which reduces costs and gets them into the workforce sooner. Plus, the program has the important benefit of increasing access to educational opportunities for all Delawareans.

UD-Bayhealth Nursing Program

- Final year immersive clinical experience at Bayhealth
- Seamless transition from education to practicing
- Students receive \$10K stipend in turn for a two-year work commitment with Bayhealth
- BSN graduates directly admitted to UD's MSN grad program with 3.0 GPA or better; may defer for 2 years



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Also, we are working with partners throughout the state to build and strengthen Delaware's healthcare workforce. For example, our partnership with Bayhealth is helping to increase the number of qualified nurses in Delaware.

We currently have these four students in the UD/Bayhealth Nursing program who will complete their coursework through UD and, in their final year, complete a year of immersive clinical experience with Bayhealth.

That experience is so valuable, and it helps them make a seamless transition from education to employment upon graduation.

Students participating in the program receive a stipend as part of their commitment to fulfilling a two-year position with Bayhealth after they graduate.

So, they are guaranteed employment, and Bayhealth fills critical roles within their organization. And these new employees are already experienced and ready for these roles.



UD is also committed to working alongside teachers and administrators throughout the state to improve public education, especially as we continue to see the lingering impact of the COVID-19 pandemic on students' learning.

Our UD Lab School and Early Learning Center provide affordable, high-quality childcare and early education.

We host a variety of events and workshops for elementary, middle and high school students, on topics like financial literacy, civics, STEM career exploration and leadership.

In fact, in that top left photo, you see Governor Carney with some of the high school students who attended UD's 45th annual Governor's School for Excellence, where students present their ideas about current social issues. It's a great event.

Also, through our full-time recruiter, we're encouraging high school students to enter UD's teacher preparation programs. And the Teachers of Tomorrow program and the Educators Rising conference bring high school students to the UD campus to learn about our programs and explore the option of teaching in Delaware schools.

Plus, we are providing resources and numerous administrator and teacher-training programs for K-12 educators throughout the year.

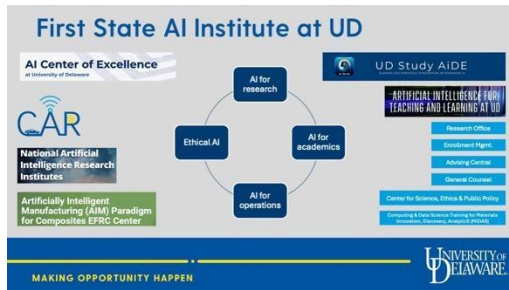


One of the most significant strengths that UD brings to the table is our reach and impact as a top-tier research university. In FY2024, UD had more than \$269 million in sponsored research spending, which is essentially external money invested by federal agencies in our research projects. That puts us among the top 8% of colleges and universities nationwide in spending not connected to a medical school.

Every day, our faculty and students are pursuing cutting-edge research in biosciences, engineering, quantum physics, business, social science and many other fields. Our research activity is a major contributor to the \$3.2 billion economic impact that UD has in the state, and benefits Delaware in multiple ways. We are advancing the science that helps Delawareans live longer, healthier lives ... makes our coastal communities more resilient ... and makes our agriculture industry more efficient and competitive. Our research leads to new technologies and innovations that drive our economy. And it draws new students, residents, businesses and entrepreneurs to our state, as well as retaining companies that can grow and thrive here.

These successes build upon themselves. Just a few weeks ago, the National Science Foundation announced an \$8 million EPSCoR E-CORE grant to strengthen Delaware’s STEM research infrastructure, with a focus on data and intellectual property, and to bolster workforce development. UD is the lead institution on the project, which also will involve Delaware State University, DelTech, Wilmington University and Goldey-Beacom College.

Also, UD received a nearly \$5 million grant from the NSF to bolster Delaware’s workforce in artificial intelligence and software engineering. In fact, the grant is led by Sunita Chandrasekaran, who is on the state’s AI Commission, along with Rep. Griffith. This collaborative effort with Delaware State University leverages UD’s expertise in AI and will help equip students with the knowledge and abilities demanded by the evolving job market, ensuring Delaware remains at the forefront of AI innovation.



It's these kinds of intersecting interests that are at the heart of the First State AI Institute at UD. It brings together multiple resources and partners. And importantly, the model for the institute strongly emphasizes ethics, focusing on explainable and trustworthy AI, allowing our staff and researchers to work towards understanding and correcting biases and aim for maximizing transparency.

We believe the state could benefit significantly from UD's research and resources.

By working with UD, Delaware could:

- Drive economic growth by fostering AI-powered innovation in key sectors like healthcare, finance, development of new materials, and manufacturing;
- Enhance government services through AI-driven solutions for efficient service delivery, as well as data-driven policy decisions;
- Develop a skilled AI workforce by supporting UD's education and training programs, ensuring Delaware has the talent to thrive in the AI-powered future;
- And address societal challenges through collaborative research on issues like climate change, cybersecurity and equitable access to technology.

The state can support the University through investment in AI hardware and technology to help serve Delawareans.

Several programs serve as models for how this could work. For example, the state provided several years of start-up funding for the Speech-Language-Hearing Pathology program at UD, which is now helping to meet a critical need for skilled workers in this field. Since 2018, UD has graduated a total of 167 students. Another 23 are due to graduate this Spring, and 34 are set to graduate in 2026.

I'm proud to say that our students have close to a 100% pass rate on the national exam for SLP. And more than 50% of graduates from the program choose to stay in Delaware to serve Delawareans. This is critical, since Delaware continues to suffer from a lack of well-trained SLPs required to serve the needs of Delawareans. Top employers for graduates of this program include school districts around the state, as well as Nemours Children's Health System, Bayhealth, Beebe Healthcare and ChristianaCare.

We also worked with the state to create the new master’s program in social work, which is focusing on children and families, mental health and substance use disorders, and gerontology. We recently received approval from the social work accreditation body, so we are now working to admit the first official cohort in fall 2025. We expect between 40 to 50 students to be enrolled, combining the fall and spring semesters.

We have also spoken with House Speaker Melissa Minor-Brown about a possible program to train professional midwives to advance maternal health and wellbeing in the state and enhance the capacity of the healthcare workforce in communities throughout Delaware. We would be happy to explore how UD can support this effort.

There is so much more happening at the University that I would love to share. In the interest of time, we have included additional information in your packets today, so please look through them at your leisure. I know you’ll discover something new about UD.

OPERATING APPROPRIATIONS REQUESTS

The success of all of the initiatives I’ve highlighted so far — as well as many others — depend on collaboration and shared support. So, this brings me to the University’s operating appropriation request for FY26.



The slide titled "First State Promise" features a blue header and a central photograph of graduates in blue caps and gowns. To the left of the photo is a bulleted list of program details. At the bottom, there is a blue footer with the University of Delaware logo and the slogan "MAKING OPPORTUNITY HAPPEN".

- Supports more than one-third of our full-time Delaware students
- **Eligibility:** Students whose family income is \$75,000 or less
- **Coverage:** Total tuition costs
- **Additional needs-based aid:** Support for room, board and fees
- **Incomes above \$75,000:** Partial aid

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The first part of our operating request is for the First State Promise program. Through this program, UD aims to cover tuition and fees for Delaware undergraduate students from families with incomes of \$75,000 or less and with modest assets. Above that level, students may receive partial tuition aid. And students from the neediest families also receive aid for room and board.

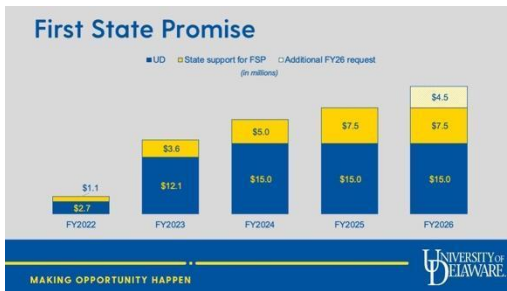
First State Promise supports more than a third of our full-time Delaware students on the Newark Campus.

A portion of First State Promise funds also supported fourth-year students who are transitioning from our Associate in Arts Program to the Newark Campus. We expect that population to grow, as well as the number of Delawareans who transfer to UD from DelTech or out-of-state schools.

Also, about two-thirds of students who receive First State Promise funding also qualify for federal Pell grants, which are for the lowest-income students.

This means that First State Promise is successfully reaching the Delaware students and families who need financial support to pursue academic opportunities.

And we need your support to continue this critical assistance.



In our presentation to the Office of Management and Budget in November, we requested a \$4.5 million increase in our FY26 appropriation for First State Promise. This would help us cover transfer students, as well as the increased costs associated with students’ greater financial need.

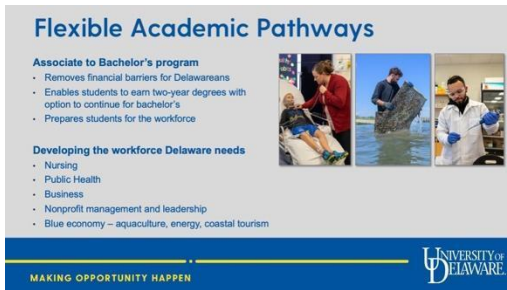
It would also continue to move the state toward a more equitable investment with UD in the total cost of the program.

Because of the growing financial needs and interest in enrollment of Delawareans, present state funding has not been adequate to cover First State Promise costs.

However, the governor’s recommended budget does not indicate an increase in our appropriation for First State Promise this year.

It is important to point out that, in the face of rising costs, a flat state appropriation lessens the program’s impact. First State Promise is entirely focused on helping thousands of Delawareans afford higher education and setting them on the path to success in their careers. If state funding does not keep pace with the needs of Delawareans, students might have to take on more debt or might choose to attend college in another state.

We would ask the Joint Finance Committee to provide the full appropriation request of \$4.5 million to continue supporting the First State Promise program that serves our state.



The second part of our request is also related to our commitment to ensuring educational access for Delawareans.

Most of our students follow a traditional pathway to higher education by entering a bachelor's degree program directly from high school. But that doesn't work for everyone, so we're expanding and strengthening a variety of alternative pathways to meet the educational needs of more students.

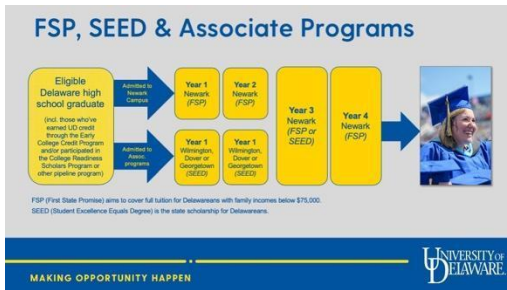
We have had great success with our Associate in Arts Program. About 60% of AAP students earn their associate degrees within three years, which is twice the national average. And 32% of students who start that program go on to earn a bachelor's degree, compared to just 4% nationwide.

We would like to expand those opportunities to more Delawareans, so we are developing associate degree programs to focus on areas that are growing in Delaware. This year, we are working to add programs in Business, Nonprofit Management & Leadership, and Health Science. We also plan to grow the existing associate program in Nursing, especially in southern Delaware, and we expect to launch additional programs next year, as well.

Classes will be offered at UD's locations around the state, as well as in online or hybrid formats. Some students will earn their two-year associate degree and enter the workforce immediately, while others will continue their education to earn a bachelor's degree. Some may even go on to earn a master's or doctoral degree, depending on their long-term career goals.

We saw a 34% decline in enrollment in the AAP between 2020 and 2022 because of the pandemic and the economy

However, we have seen a 23% enrollment increase since 2022, and we expect it will eventually exceed our pre-pandemic enrollment. We are working toward expanding the program and options so that more students have access to quality education that they may otherwise not be able to afford.



Students who begin their studies in our Associate in Arts Program may receive SEED funding for up to three years, plus First State Promise funds to help them complete their bachelor’s degree. In this way, First State Promise and SEED work together to provide multiple affordable pathways for Delawareans to earn their degrees.

UD receives about \$558,000 from the state and \$1.5 million as a passthrough from Del Tech. These line items have remained unchanged for years although the costs of instruction, student support and space have increased. So, while state SEED funding is a critical component to our programming, we need additional support to make this a reality.

Our request to the OMB this year was for \$1.7 million to help provide faculty and teaching assistants, programming for students, marketing support so we can tell Delawareans about these new opportunities, and — most important — scholarships to help remove financial barriers for Delaware resident students.

We appreciate the Governor’s recommendation to move SEED funding historically allocated from the state Department of Education to UD and Del Tech to support students in our Associate in Arts Program.

However, this move does not represent an increase to our budget. We are concerned that the allocation represents a potential cap to the number of Delaware resident students we can support or otherwise limits scholarship funding so that full tuition costs are not covered for resident students.

The governor’s recommended budget did not designate any funds to support this critical initiative. We would ask this committee to consider providing the \$1.7 million we need so that Delawareans can fully realize the benefits of this pathway program.



The final two elements of our operating request this year are for much-needed increases for the College of Agriculture & Natural Resources and the College of Earth, Ocean & Environment.

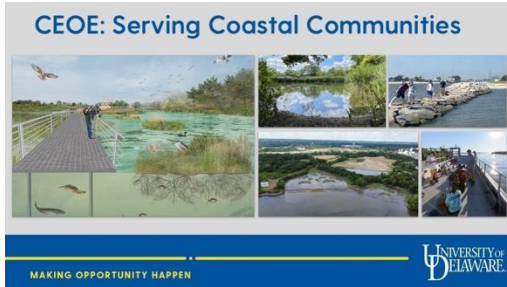
Through Cooperative Extension, Delaware Sea Grant and many other programs, these colleges provide Delaware with:

- essential agriculture research
- poultry diagnostics and surveillance
- soil and water conservation efforts
- workforce development
- critical environmental and weather data, and much more.

These are essential services that benefit virtually all state residents, farmers, businesses and community leaders.



As one specific example of these services, the College of Agriculture & Natural Resources provides research and data on waterfowl and poultry health for the nearly \$7 billion poultry industry in Delaware. This is a tremendous benefit for Delaware as our nation works to cope with a resurgence of avian flu.



Also, our College of Earth, Ocean & Environment has a \$17 million impact on the state through research and innovations in aquaculture, energy and coastal resilience.

An example of this important work is our Coastal Resilience Design Studio. Students working for the studio help coastal communities address challenges from development, shifting economies, and changing environmental conditions.

Resources developed by the studio include community land use plans, designs for infrastructure projects, and strategies to promote economic growth. Since 2018, 11 communities have benefited from CRDS work, including the towns of Claymont, Bowers Beach, Pickering Beach, and Fenwick Island State Park. Most recently they have been doing work in Milton.

Of course, both colleges also provide excellent opportunities for Delaware students, who are the next workforce in a variety of essential fields.

State funding for these colleges has been virtually flat for a decade or more. To continue to provide these essential services to Delawareans, we need a significant increase in sustained support.

Our request to the OMB was for a \$1.325 million increase for the College of Agriculture & Natural Resources and a \$615,000 increase for the College of Earth, Ocean & Environment.

Though the governor did not include this additional funding in the recommended budget, we believe these are necessary increases that should be part of the University's operating appropriation for FY26.

Without this funding, multiple programs that serve Delawareans will be affected. These include poultry disease research, food safety training, career preparation and weather information that the state uses to protect residents and their communities.

In making all of these requests, we ask you to remember that the University is under significant financial pressure from *multiple* sources this year. High inflation rates over the past few years have driven up prices on all the goods and services that the University needs to continue operating.

We have taken a variety of steps over the past year to cope with the impact of these financial pressures, including cutting costs and developing alternative sources of revenue.

Still, we continue to need the state’s partnership in providing access to an affordable, high-quality education that’s close to home for Delawareans, as well as the extensive economic impact of the University that benefits the entire state.



In conclusion, I want to reiterate the importance of advancing academic opportunities and vital resources for Delawareans.

UD’s First State Promise program and our associate degree Pathways program help ensure that Delawareans have access to the opportunities they need to succeed through quality education. And to continue to provide these opportunities, we need state assistance to manage the ongoing budget challenges we are facing.

Thank you for your time today, and we would be happy to answer any questions you may have.

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