BOWIE STATE UNIVERSITY
1865

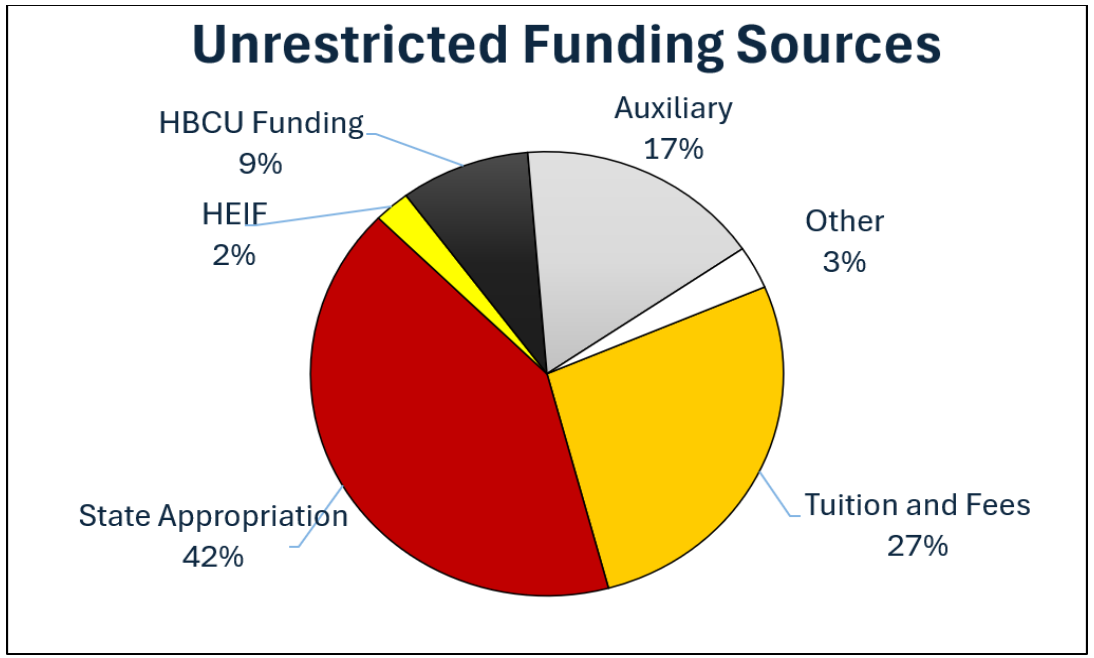
Fall 2026
Town Hall

Definition of Terms

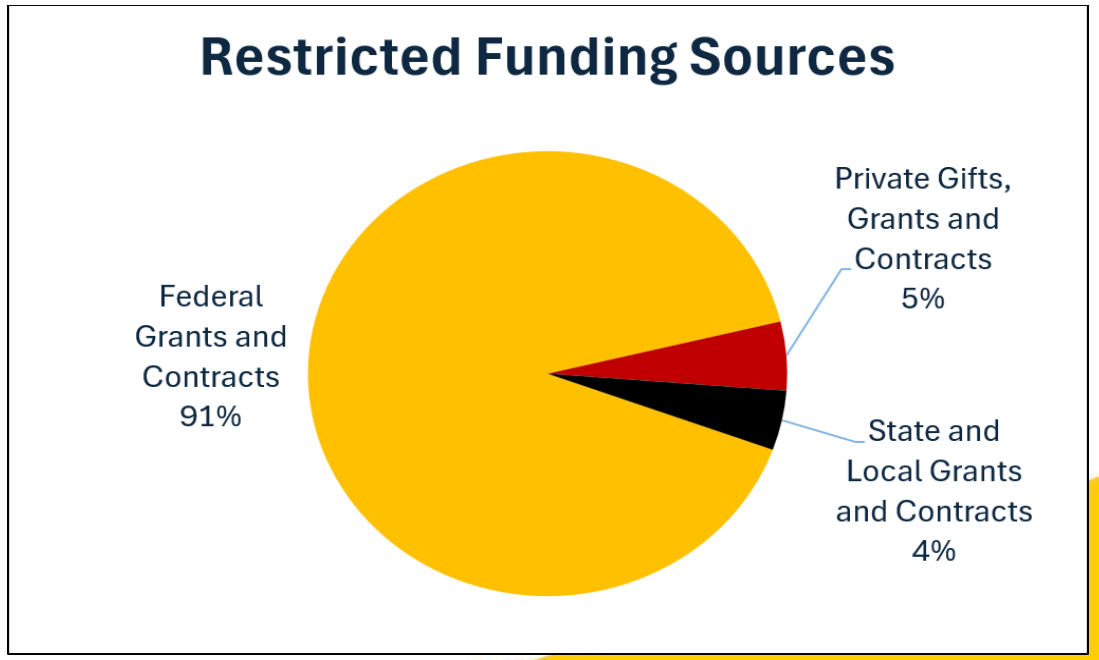
Revenue Source	Description
Tuition and Fees	Payments from students for instruction, enrollment, and other academic services. Includes mandatory fees (e.g., technology, student activities)
State General Funds and Maryland HEIF	Annual funding from the State of Maryland, including the Higher Education Investment Fund (HEIF), a state-designated revenue source for public higher education.
HBCU Settlement Funds	Funds provided under the Maryland HBCU Coalition Settlement to support historically black colleges and universities. The settlement "expires" at the end of the fiscal year 2032.
Federal Grants and Contracts	Funding from U.S. federal government agencies, typically awarded through competitive grants or contracts to support research, academic programs, or institutional initiatives.
Sales and Services - Auxiliary	Revenue from non-academic operations such as housing, dining, bookstores, parking, athletics, and other campus sources.
State, Local, Private Grants	Competitive or formula-based funding from government entities or private organizations to support specific programs or research.
Other Sources	Miscellaneous income such as interest earnings or investments, rental income, or one-time reimbursements.
Unrestricted	Revenue available to support the university's general operations, subject to applicable laws and institutional policies.
Restricted	Revenue that may be used only for purposes specified by the grantor, donor, contract, or funding source.

Revenue Sources for Bowie State University

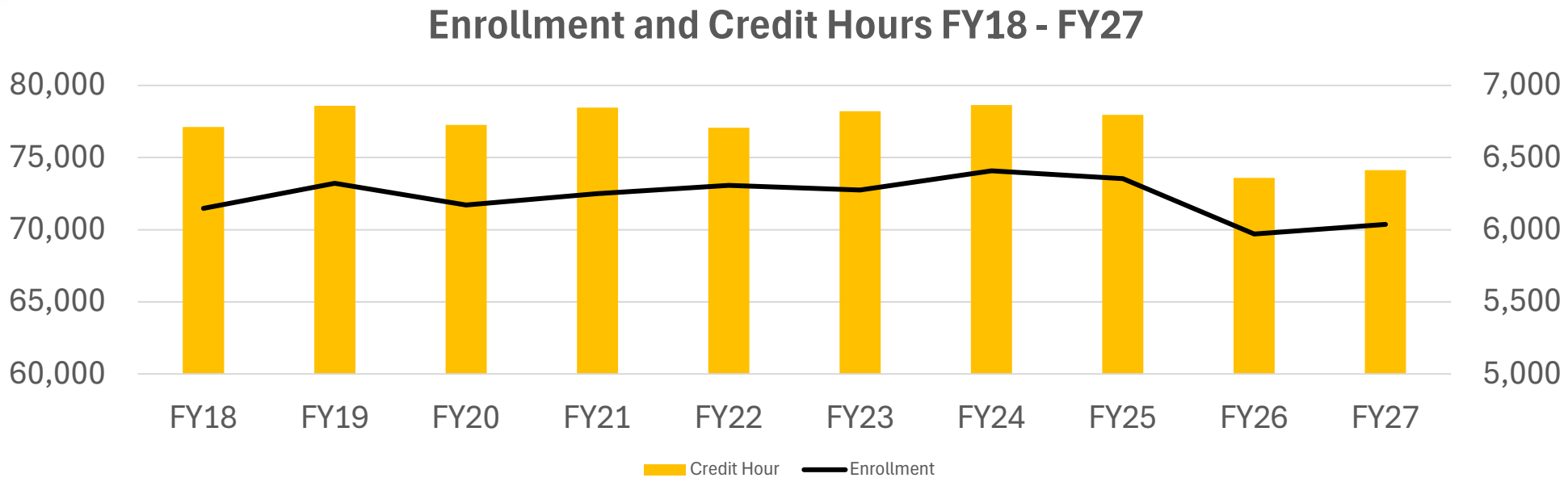
Unrestricted funding reflects revenue from State Appropriations, Tuition and Fees, Auxiliary operations, and other sources that may be used to support BSU's general operations and strategic priorities. **78% of total budget.**



Restricted funding reflects revenue from grants, contracts, gifts, scholarships, and other sources that are limited to specific purposes designated by the funding source.
22% of total budget.



Enrollment Trends



Fiscal Year	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Credit Hour	77,128	78,590	77,260	78,461	77,071	78,206	78,649	77,968	73,589	74,078
Enrollment	6,148	6,321	6,171	6,250	6,308	6,275	6,408	6,353	5,970	6,045

*Per Bowie State University Office of Planning, Analysis, and Accountability

FY27 Tuition Revenue & Fiscal Outlook

The University is experiencing stronger enrollment performance than originally projected. While this improvement is encouraging, revenue gains must be weighed against ongoing expenditure pressures.

- Current forecasts project $42M in tuition revenue, a $4.1M increase compared to initial projections
- Improved revenue projections strengthen the University's financial position but do not eliminate ongoing budget challenges.
- **Important Consideration:** Additional revenue does not translate directly into available operating funds. Increased enrollment also creates demands for:
  - Institutional aid
  - Technology and technology support
  - Student support services
  - Safety and security
  - Collection risks
  - Other operating costs

Initial Projection	$37.9M
Current Projection	$42.0M
Difference	$4.1M
Additional Costs	?

FY27 Budget Structural Challenges

Multiple years of enrollment, funding, and cost pressures contributed to a projected FY2027 structural budget deficit of $18 million.

FY2027 Structural Budget Challenges
Enrollment revised from 6,208 to 5,320 students
Reduced tuition and auxiliary revenue
Reduced State General funds
Higher benefits, utility, technology and operating costs
Projected FY2027 structural deficit: $18M
Declining enrollment also reduced HBCU coalition funding allocations

Actions Taken to Date
✓ Hiring delays
✓ Vacancy management
✓ Elimination of select vacant positions
✓ Spending controls and limitation of new initiatives
✓ Organizational restructuring and realignment
✓ Elimination of 74+ positions through vacancies, reorganization, and layoffs

- The university first pursued hiring delays, vacancy management, and spending controls, which helped address a $13.6 million FY2026 gap without layoffs.
- To address the larger FY2027 structural deficit, the university implemented organizational restructuring, position eliminations, and workforce reductions.
- These actions are intended to align resources with enrollment levels and preserve the institution's long-term financial stability.

FY 2027 Total Budget

REVENUE CATEGORY	FY26 Budget	FY27 Budget	Variance
Tuition and Fees	52,327,972	44,611,947	(7,716,025)
State General Funds	66,088,351	68,163,198	2,074,847
HEIF	4,544,801	4,045,827	(498,974)
HBCU Settlement	16,318,751	14,540,692	(1,778,059)
Federal Grants and Contracts Indirect	1,224,558	1,777,156	552,598
Federal Grants and Contracts	41,798,397	41,798,397	-
Private, State, Local Grants & Contracts	4,300,000	4,300,000	-
Auxiliary Enterprises	34,234,726	27,515,515	(6,719,211)
Other Sources	1,564,690	3,366,587	1,801,897
	222,402,246	**210,119,319**	**(12,282,927)**

EXPENSE CATEGORY	FY26 Budget	FY27 Budget	Variance
01 Salaries & Wages	89,181,945	84,033,573	(5,148,372)
02 Technical & Special Fees	24,818,362	24,620,988	(197,374)
Operating Expenses	108,401,939	101,464,758	(6,937,181)
	222,402,246	**210,119,319**	**(12,282,927)**

FY27 Budget Changes

- **$12.3M** reduction in total revenue
- $7.7M decline in tuition and fees
- $6.7M decline in auxiliary revenue
- $2.1M increase in State General Funds
- $2.3M decrease in HEIF and HBCU Settlement funds
- $2.3M increase in Other Revenue Sources

Authorized PIN Positions Change

- **FY26 to FY27** - 697 to 633 PIN
- **64** net authorized PIN reductions, including **50** eliminated positions; **24** position layoffs; and the net effect of **10** contingent-to-regular conversions.

Continuing FY27 Budget Pressure

While FY27 revenues outperform initial projections, significant one-time expenses, prior-year adjustments, and ongoing cost pressures continue to impact the University's financial position. **These are in addition to existing budgeted expenses.**

Payment Plan & Bad Debt

Over 2,000 students (<30%) presently have outstanding tuition balances totaling ~$3.47M.

Unpaid tuition increases existing Bad Debt, which directly reduces net tuition revenue.

~$410,000

Operating Expenses

Additional expenses such as contracted services, recruitment activities, and training can exceed budgeted funding levels.

~$1,750,000

Institutional Aid

Additional institutional aid to support various MOU agreements. This includes scholarships and student financial assistance. Greater enrollment creates greater need for these expenses.

~$650,000

Technology and Software

Technology and software needs such as expenses for server replacements, network upgrades, software licensing, or emergency repairs.

~$2,000,000

Campus Safety and Security

Security needs, such as event coverage, overnight monitoring, or increased campus patrols. A larger student population requires more coverage and resources.

~$2,000,000

FY27 Net Financial Impact

Although revenue may increase by $4.1 million, additional expenditure needs total approximately $6.2 million. Tuition revenue growth alone will not fully offset emerging cost pressure.

Additional Items	Projection
Tuition Revenue	4,100,000
Bad Debt	(410,000)
Operating Expenses	(1,750,000)
Institutional Aid (Scholarships)	(650,000)
Technology and Software	(2,000,000)
Safety and Security	(2,000,000)
TOTAL	**(2,710,000)**

- While enrollment trends have improved, projected revenue gains are insufficient to fully offset current and emerging FY27 financial obligations.
- These estimates represent currently identified needs and do not include unanticipated or emergency needs that may arise during FY27.

Thank You