



**BOARD OF REGENTS**  
**COMMITTEE ON FINANCE**  
Minutes of the Public Session  
November 17, 2011  
UMBC

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Senator Kelly called the meeting of the Finance Committee of the University System of Maryland Board of Regents to order in public session at 10:10 a.m. Senator Kelly moved and Regent Attman seconded to convene in closed session. At 10:10 a.m., the Committee voted unanimously to go into closed session under State Government Article Section 10-508(a) to discuss and make recommendations on institutional real estate transactions; the consideration of a contract(s) not yet awarded; and the investment of public funds.

The committee was unable to take action because of a lack of a quorum. Together with Senator Kelly, regents Attman, Kinkopf, and Wojciechowski were present and took the opportunity to discuss among themselves and with the members of the USM community the matters on the respective agendas. No action of the committee was taken on the agenda items. The matters on the respective agendas will be brought before the Board of Regents meeting in closed and executive session and in public session, as appropriate. There is no recommendation of the Finance Committee on those matters. However, in lieu of a recommendation, the sense of the discussion among the Regents is inserted in the "Committee Recommendation" portion of the agenda items. The closed session adjourned at 12:15 p.m.

Senator Kelly reconvened the meeting of the Finance Committee of the University System of Maryland Board of Regents in public session at 12:20 p.m.

Also present were: Dr. Kirwan, Mr. Vivona, Dr. Bogomolny, Dr. Burnim, Dr. Loh, Mr. Behm, Ms. Crockett, Ms. Schaefer, Mr. Schuckel, Mr. Lockett, Mr. Shoenberger, Ms. Rolandelli, Mr. Specter, Mr. Brewer, Mr. Evans, Ms. Voith, Ms. Doyle, Ms. Moultrie, Mr. Faulk, Mr. Short, Ms. Motsko, Dr. Muntz, Mr. Salt, Mr. Page, Ms. McMann, and other members of the USM community and the public.

1. Opening Fall 2011 Enrollment and FY 2012 Estimated FTE Report (information)

Dr. Muntz gave a presentation on the opening fall enrollment. The USM has reached yet another record high of 155,607 students, an increase of 3,026 over last year. While total enrollment increased, the rate at which that growth occurred actually slowed down for the third straight year. This also marks the third year in a row that first-time full-time undergraduate enrollment has fallen. This decline means that this type of enrollment is now near the fall of 2005, which is the level prior to the Enrollment Funding Initiative (EFI). Dr. Muntz pointed out that nearly all (98%) of the headcount enrollment growth is at UMUC.

Looking ahead, the USM anticipates growing by about 2,800 FTE over the FY 2011 actual enrollment figures. Most of that growth will occur at UMUC. The rest of the campuses are projected to grow by a combined 143 FTE. Dr. Muntz added that the lack of EFI funding continues to have an effect on the student pipeline. The USM has likely lost out on 1,300 graduates and this trend will continue. The lack of enrollment funding also impacts the best chance of getting the right degree mix through first-time full-time freshmen, who are more likely to be STEM majors.

(A copy of the slide presentation is on file with the official copy of the meeting minutes in the Office of the Chancellor.)

2. Bowie State University: Facilities Master Plan Update (action)

Vice Chancellor Vivona reminded everyone that President Burnim gave an overview presentation on the update to the facilities master plan at the October 6th meeting of the committee. He added that this is the second of a two-step process.

***It was the sense of the committee members present that the Bowie State University Master Plan Update should be recommended for approval by the Board of Regents.***

3. Proposed Amendments to Board Policy VIII-1.30 – Policy on Withdrawal of Funds from Bank Accounts (action)

Mr. Page summarized the item. By law, the USM and its institutions are required to maintain cash balances with the State Treasurer, with the exception of certain proceeds of debt, endowment funds, and working fund “checking” accounts. These accounts are held at banks that have been approved by the Maryland Comptroller. The current Board policy, approved in June 1990, requires two signatures for any check disbursement exceeding \$5,000. Since that time, institutions have expanded the use of the working fund to process student financial aid and more significant business operations. There are controls in place for these processes that minimize the value and necessity of the current dollar limits with regard to the two signature requirement. The proposed policy would increase that threshold to \$25,000. Disbursements from proceeds of debt and endowment fund disbursements would also become exempt from the requirements. Mr. Page added that institutions would be required to ensure that adequate checks and balances are adopted that would mitigate the risks associated with the use of the bank accounts.

***It was the sense of the committee members present that the proposed policy amendments should be recommended for approval by the Board of Regents.***

4. Towson University: Construction of a Public Safety Building (action)

Mr. Beck explained that Towson University was requesting authorization to build a Public Safety Building on campus. The facility will house the Office of Public Safety, the Environmental Health and Safety Department, and the Access Control Department. These activities are currently dispersed throughout the campus and it is important to consolidate their operations into a single

site. The building program addresses the needs of a campus that is projected to serve 25,000 students by the end of the decade. Mr. Beck noted that a project of this kind would normally be handled through the capital budget process; however, given the critical nature of the need and the availability of institutional funds, the institution would like to move forward with the project at this time. He added that the project is consistent with the priorities and needs of the campus as outlined in its facilities master plan.

***It was the sense of the committee members present that the construction of the proposed Public Safety Building for Towson University should be recommended for approval by the Board of Regents.***

5. University of Maryland, Baltimore: Renewal of System-wide Scientific Supplies Contract  
(action)

Mr. Vivona introduced the item and called on Mr. Evans, Director of Procurement Services at UMB, to address the committee. Mr. Evans explained that the contract is the result of the efforts of a group of procurement officers from UMB, UMCP and UMBC that combines the needs into one competitive solicitation. HE added that any institution within the USM may purchase scientific supplies from these contracts. The estimated annual expenditure is \$7 million.

***It was the sense of the committee members that UMB's execution of the first renewal option of the scientific supplies and equipment contract should be recommended for approval by the Board of Regents.***

The session was adjourned at 12:57 p.m.

Respectfully submitted,

Senator Frank X. Kelly  
Chairman, Committee on Finance