



TOPIC: University of Maryland, Baltimore: Dental Student Clinics Management Contract

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: March 31, 2016

SUMMARY: The University of Maryland, Baltimore (UMB) requests approval to award a contract to U.M. FDSP Associates, P.A. (FDSP) for the day-to-day operations of the student dental clinics at the Dental School at UMB. Daily operations include activities such as providing non-faculty support, scheduling patient visits, collecting fees charged to patients for clinical services and operations material provided by the clinics. It is requested that the contract authorize five additional one-year renewal terms at UMB's sole option.

This request for approval is made pursuant to University System of Maryland Procurement Policies and Procedures: Section VII.C.2 for procurements exceeding \$5 million.

The term of the contract is June 1, 2016 to May 31, 2017 with five one-year renewal options. The estimated value of the contract for the coming year is \$10,762,900.

VENDOR(S): U.M. FDSP Associates, P.A.

ALTERNATIVE(S): FDSP was organized as a tax exempt Maryland Corporation in order to implement a Faculty Dental Service Plan approved by the USM Board of Regents. The University undertook a study of private sector dental clinics and practices to determine if the costs for management and operation of the dental clinics by FDSP were competitive. The University found that a for-profit commercial entity could not perform these required services more economically since FDSP receives no compensation other than transfer of funds from the University to support FDSP's direct costs. The contract will not exceed generated revenues.

FISCAL IMPACT: This contract provides a positive fiscal impact in that FDSP receives no compensation other than reimbursement for personnel expenses and reasonable out-of-pocket expenses that are documented in periodic statements of income and expense to the Dental School.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents authorize the University of Maryland, Baltimore to enter into a contract with U.M. FDSP Associates, P.A. as above described.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Joseph F. Vivona (301) 445-1923
