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

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: March 30, 2017

SUMMARY: The University of Maryland, Baltimore (UMB) requests approval to exercise the first of five one-year renewal options with 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 and collecting fees charged to patients for clinical services and operations materials provided by the clinics.

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

The term of the renewal is June 1, 2017 to May 31, 2018. The estimated value of the renewal is $10,201,200.


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 in August of 1985. 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 the required services more economically since FDSP receives no compensation other than transfer funds from the University to support FDSP’s direct costs. The contract renewal will not exceed generated revenues.

FISCAL IMPACT: The contract renewal 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 approve this request to exercise the first one-year renewal option with U.M. FDSP Associates, P.A. as above described.

COMMITTEE RECOMMENDATION: RECOMMEND APPROVAL DATE: 3/30/17

BOARD ACTION: DATE:

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