

REVISED

BOARD OF REGENTS

Prince George's Room - Stamp Student Union Building University of Maryland, College Park

December 20, 2019

AGENDA FOR PUBLIC SESSION

Call to Order

Welcome from University of Maryland, College Park

Educational Forum: Maryland's Open Meetings Act: Updates and Some

Ann MacNeille Assistant Attorney General and Counsel, Open Meetings **Compliance Board**

Chancellor's Report

Common Pitfalls

- I. Report of Councils
 - a. Council of University System Staff
 - b. University System of Maryland Student Council
 - c. Council of University System Presidents
 - d. Council of University System Faculty

PUBLIC COMMENT

2. Consent Agenda

- a. Committee of the Whole
 - i. Approval of meeting minutes from November 20, 2019 Special Board of Regents Meeting for the Public and Closed Sessions (action)
 - ii. Approval of meeting minutes from November 22, 2019 Public and Closed Sessions (action)
 - iii. Proposed Revisions to 2020 Board of Regents Meeting Schedule (action)
 - iv. BOR Nominating Committee (action)

b. Committee on Governance and Compensation

- i. Approval of meeting minutes from November 19, 2019 Public and Closed Sessions (action)
- c. Committee on Finance
 - i. Approval of meeting minutes from November 19, 2019 Public and Closed Sessions (action)

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Chair Gooden

Chancellor Caret

Dr. Shishineh

Dr. Kauffman

Mr. Forrest

Dr. Breaux

8:30 A.M. Chair Gooden

President Loh

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- ii. The Universities at Shady Grove: 2019 Facilities Master Plan Update (information)
- iii. University of Maryland Center for Environmental Science 2018 Facilities Master Plan (action)
- iv. University of Maryland, Baltimore: Bressler Research Building Exterior Upgrades (action)
- v. University of Maryland, College Park: Development Agreement and Approval of Condominium Ownership and MEDCO Financing for College Park City Hall Block Redevelopment Project (action)
- vi. University of Maryland, College Park: Release of 1913 Deed Setback Requirement (action)
- vii. USM Supplemental 403(b) Plan Amended and Restated Effective January I, 2020 and USM Supplemental 457(b) Plan Amended and Restated Effective January I, 2020 (action)
- viii. Collaborative Planning Activities End of Year Status Report (information)
- ix. University System of Maryland: Report on FY 2019 Procurement Contracts (information)
- x. University of Maryland, Baltimore: School of Nursing Undergraduate Tuition Proposal (action)
- xi. University of Maryland, College Park: NextGen Energy Systems Program (action)
- xii. Proposed Amendment to USM Policy VII 1.22 Policy on Separation of Regular Exempt Staff Employees (action)
- xiii. University of Baltimore: Proposed Voluntary Separation Program (action)
- d. Committee on Advancement
 - i. Approval of meeting minutes from December 4, 2019 Special Committee Meeting for Public and Closed Sessions (action)
 - ii. Quasi-Endowment Recommendations FY20 (action)
- 3. Review of Items Removed from Consent Agenda

4. Committee Reports

a.	Committee on Audit	Regent Fish
	i. Update from the Committee on Audit (information)	

- b. Committee on Finance i. Bowie State University: Public-Private Partnership Student Housing (action)
- 5. Reconvene to Closed Session (action) Chair Gooden



Friday, December 20, 2019 Report to the USM Board of Regents Chancellor Robert Caret AS DRAFTED

Thank you, Chair Gooden. And let me once again thank <u>all of you</u> for last night's board dinner. Your kind words and generous spirit was very much appreciated. I will have a little more to say about that toward the end of my remarks as I share some thoughts about my tenure as USM Chancellor.

My thanks as well to our "host" institution today, the University of Maryland, College Park (UMCP) and President Wallace Loh. Our flagship campus continues to show real leadership:

- Last month, researchers at UMCP's Institute for Bioscience and Biotechnology Research received two awards totaling \$1.1 million from the Food and Drug Administration and the National Institute for Innovation in Manufacturing Biopharmaceuticals to advance the development of analytical methods for characterizing complex drugs and vaccines.
- Just last week, UMCP researchers received a \$1 million award from the Spencer Foundation to investigate the disparities that exist in the resources invested in children from different backgrounds and to develop recommendations that improve outcomes for underserved youth and target long-term achievement gaps.
- Late last month, <u>two</u> University of Maryland scientists were named Fellows of the American Association for the Advancement of Science.
- And earlier this month, <u>two</u> University of Maryland engineers were named 2019 Fellows of the National Academy of Inventors.

I commend and congratulate the entire UMCP "family" on these achievements.

While it has only been a few weeks since we last met, there has been no shortage of notable developments across the system.

I begin with Coppin State University (CSU), which will welcome Anthony Jenkins as its next president on May 26, 2020. Dr. Jenkins has served as president of West Virginia State University (WVSU), an historically black college near Charleston, W.V., since July 2016. His successful record as president features enrollment growth, improved retention, an expanded research portfolio, and enhanced public and private partnerships. He is the right man—at the right time—to lead Coppin. I want to thank Maria Thompson, who stepped down as CSU president at the end of the 2018-19 academic year, and Mickey Burnim, who has been leading the institution as interim president since then. Coppin, the USM, the City of Baltimore, and the state of Maryland, are all stronger for their service.

As I prepare to pass the mantle of USM leadership to Jay Perman on January 6th of next year, the University of Maryland, Baltimore (UMB) will welcome Bruce Jarrell as interim president. Bruce is currently UMB Executive Vice President and Provost, and Dean of the University's interdisciplinary Graduate School. He is an accomplished surgeon, educator, and administrator. UMB could not be in more capable hands. Also at UMB, a team representing the schools of social work, nursing, and medicine has received a three-year, \$1.35 million workforce development grant from the Health Services Resources Administration to help address the opioid crisis.

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At the University of Maryland, Baltimore County (UMBC), the "Cyber Dawgs," who won the Department of Energy's national CyberForce Competition in November, just won the Maryland Cyber Challenge two weekends ago. In addition, UMBC ranked 12th in the *Baltimore Sun's* Top Workplaces rankings for 2019 and UMBC President Freeman Hrabowski was named the top leader of a large business or organization.

I would also note that the Institute of Marine & Environmental Technology (IMET), the research partnership between UMB, UMBC, and University of Maryland Center for Environmental Science (UMCES), was also listed among the *Baltimore Sun's* Top Workplaces rankings for 2019. In addition, I am pleased to report that the National Oceanic and Atmospheric Administration (NOAA) recently announced a \$1.5 million award to UMCES's Sea Grant Program.

At the University of Maryland Eastern Shore (UMES), President Heidi Anderson just became the <u>first</u> UMES president to complete the Leadership Maryland civic engagement program. As many of you know, Leadership Maryland is an extensive, hands-on learning program focused on the state's most vital social, economic, and environmental issues, dedicated to building a better Maryland by harnessing the strength of its key leaders.

The University of Baltimore's (UB) Ethics Bowl team has qualified for the National Ethics Bowl, to be held next February in Atlanta, GA. The team's first-place finish at the Southeast Regional Ethics Bowl in Jacksonville, FL, earlier this month qualified them for the national meet. UB was also honored as Maryland House Speaker Adrienne Jones delivered the keynote address at the commencement ceremony earlier this week.

At Frostburg State University (FSU), Calvin Richards, a student in FSU's physician assistant program, was selected from thousands of PA students across the country as one of **only 18** to participate in the American Academy of Physician Assistant (AAPA) House of Delegates National Conference in May 2020.

Towson University's (TU) women's volleyball team completed a <u>perfect</u> Colonial Athletic Association season. The team went 16-0 in conference play and won the 2019 CAA Tournament Championship. They followed that up with the programs **first ever** victory in the NCAA tournament.

Salisbury University (SU) will be welcoming students from throughout the U.S. next March as host of the *inaugural* National Shore Sales Championship. The event is made possible by a \$100,000 gift from Perdue Farms and will be hosted by SU's Mid-Atlantic Sales and Marketing Institute.

The University of Maryland Global Campus (UMGC) will also be welcoming competitors to campus as host of the opening reception and awards presentation for the 4th Biennial Maryland Regional Juried Art Exhibition. The call for entries attracted more than 550 submissions by more than 200 artists from Maryland, the District of Columbia, and Northern Virginia.

The University of Maryland at Southern Maryland (USMSM) Partnership with the College of Southern Maryland (CSM) was recently profiled in the local media. The story highlighted how students in southern Maryland can begin classes at CSM and then, once they have earned their associate degree, take classes at USMSM to complete their junior and senior year classes for a degree from UMCP.

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The USM's other two regional higher education centers—the Universities at Shady Grove (USG) and the University System of Maryland at Hagerstown (USMH)—both recently held successful fundraisers. More than 300 scholarship recipients and donors were honored at USG's Tenth Annual Scholarship and Donor Recognition Luncheon. Close to \$30,000 was raised for scholarship support through USMH's annual Elizabethtowne Feaste and Frolic gala, which saw a record number of ticket sales this year.

Bowie State University's (BSU) new, exclusively **student-run café**—Saxbys—has garnered a great deal of positive media coverage. The café is part of the Saxbys Experiential Learning Program and is the first such café to be located at an HBCU. I would also like to note that I was honored to deliver the address at Bowie's commencement ceremony last week. I thank President Aminta Breaux for the invitation.

In other business, I have the USM's 2019 Annual Report to share with you.

As you recall, last June I delivered a report that focused on the recently concluded academic year, highlighting <u>institutional</u> accomplishments across the system. Today, I have the pleasure of presenting the USM's full Annual Report, outlining our <u>systemwide</u> success.

The progress we have made in priority areas is clearly and concisely conveyed. The report highlights our commitment to access and affordability as well as quality and completion. It also showcases USM's impact on workforce development, company creation, and economic investment. In addition, it outlines our efforts to create a culture of philanthropy, promote sustainability, practice good financial stewardship, and embrace and foster diversity, inclusion, and civic engagement. There is a copy of the report available for each of you.

Finally, today, I would like to share a few thoughts as my time as USM Chancellor comes to a close.

On three separate occasions, Maryland asked an immigrant's son from a mill town in Maine to be part of its remarkable public university system. I have spent the past 45 years—the vast majority of that in Maryland—doing the work I feel I was meant to do. I have always believed that public colleges and universities are the bridge to a more equitable society and am truly grateful to have had the opportunity to serve in ways that have advanced that mission.

Serving as chancellor of the USM has been a distinct honor and privilege for me—in many ways a dream come true. And the vision, commitment, and leadership of the members of this board have been a vital part of my tenure. Our work **together**, in partnership with campus leadership, faculty, staff, and students, USM alumni, state and local government, the business community, and other advocates, has yielded significant results: we have greatly increased system enrollment and maintained affordability; our system has become more diverse and inclusive than ever; we have cemented the USM as an economic powerhouse, thanks to programs such as the Maryland Momentum Fund and Workforce Development Initiative; and we are improving Baltimore City through "B-Power" and other outreach partnerships. The list goes on.

Once again, thank you for your support. I am proud of what we have accomplished together . . . for the state, the system, and—above all else—the students we serve. Farewell.

Madame Chair . . . this concludes my report.

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COUNCIL OF UNIVERSITY SYSTEM STAFF

Bowie State University 14000 Jericho Park Rd Bowie, MD 20715

Coppin State University 2500 W. North Ave Baltimore, MD 21216

Frostburg State University 101 Braddock Rd Frostburg, MD 21532

Salisbury University 1101 Camden Ave Salisbury, MD 21801

Towson University 8000 York Rd Towson, MD 21204

University of Baltimore 1420 North Charles St Baltimore, MD 21201

University of Maryland, Baltimore 520 West Lombard St Baltimore, MD 21202

University of Maryland, Baltimore County 1000 Hilltop Circle Baltimore, MD 21250

University of Maryland Center for Environmental Science P.O. Box 775 Cambridge, MD 21613

University of Maryland, College Park 7950 Baltimore Ave College Park, MD 20742

University of Maryland Eastern Shore 11868 College Backbone Rd Princess Anne, MD 21853

University of Maryland Global Campus 1616 McCormick Drive Largo, MD 20774

University System of Maryland Office 3300 Metzerott Rd Adelphi, MD 20783 Council of University System Staff (CUSS) Report Board of Regents Meeting December 20, 2019

This report serves as an update on the activities of the Council of University System Staff (CUSS) since the last report submitted in November 2019. CUSS has hosted two meetings and updates from each can be found below.

Joint Councils Meeting at UMCP: Thursday, November 14th

The Councils were greeted by Chancellor Caret via a video message and by President Loh on behalf of UMCP. This annual meeting is a great opportunity for the Councils, as well as staff from the USM Office, to get together to share information and discuss important topics. CUSF Vice-Chair, Elizabeth Brunn, CUSS Chair, Laila Shishineh, and USMSC President, Benjamin Forrest presided over the meeting. The agenda for the day included the following items:

- Board of Regents Panel including Vice-Chair Regent Gossett, Regent Johnson, Regent Leggett, Regent Pope, Regent Schulz, and Regent Wood. The panel shared information about themselves and their roles on the BoR and discussed the announcement of President Jay Perman of UMB as the next appointed Chancellor for the USM.
- Legislative Session Updates with Patrick Hogan and Andy Clark. Mr. Hogan and Mr. Clark shared with the Councils a debrief of the previous legislative session and discussed some things to expect for the upcoming legislative session. Advocacy Day for all three Councils is confirmed for Wednesday, February 19, 2020 and the Councils are working on an inclement weather back-up plan.
- "State of the Councils" Reports with CUSF Vice-Chair, Elizabeth Brunn, CUSS Chair, Laila Shishineh, and USMSC President Benjamin Forrest. New this year, the Councils decided to share a little context about each of their groups, and some action items they are each working on this year. These reports were informative and well received by the over 75 participants at the meeting. After giving each report, everyone in attendance engaged in table discussions around ways that the Councils could collaborate better or more frequently on initiatives. Notes from these discussions have been shared with all three Council Chairs and will be disseminated out to each Council during upcoming December meetings.

The Joint Councils Meeting concluded with each Council having time to meet individually. Overall the Joint Councils Meeting was very productive. We appreciate everyone who took time out of their day to join us for the meeting. And we look forward to identifying more ways for the Councils, along with the USM and BoR to work together and/or collaborate on future initiatives.

December CUSS Meeting at the USM: Tuesday, December 10th

CUSS met most recently at the USM Office on Tuesday, December 10th. Chevonie Oyegoke, the Chancellor's Liaison to CUSS, welcomed the Council to the System Office and Council members had a chance to hear budget updates from Ellen Herbst, Vice Chancellor for Administration and Finance, as well as a chance to meet Tim McDonough, Vice Chancellor for Communications and Marketing. Patrick Hogan and Andy Clark, along with Tim McDonough, met with the Legislative Affairs & Policy Committee to discuss details for Advocacy Day 2020. Additionally, members of the Council brought items to contribute to the Letters to Santa/Toys for Tots drive taking place at the System Office.

In addition to the above action items, the Council recently published the fall edition of the quarterly CUSS newsletter. A copy of the fall edition is attached for review. Lastly, the Council's next meeting will take place in the new year on Tuesday, January 21st at the University of Maryland, Baltimore.

Please do not hesitate to be in touch (via email at <u>lailams@umbc.edu</u> or by phone at 410-455-3737) if you have any questions, suggestions, and/or concerns.

Respectfully submitted,

Dr. Jaile M Schichingh

Dr. Laila M. Shishineh Chair, Council of University System Staff

Attachment: 2019 Fall CUSS Newsletter

Council of University System Staff

Quarterly Newsletter | Fall 2019 Edition



Bowie State University (BSU) 14000 Jericho Park Road

Bowie, MD 20715 Coppin State University (CSU) 2500 W. North Avenue Baltimore, MD 21216

Frostburg State University (FSU) 101 Braddock Road Frostburg, MD 21532

> Salisbury University (SU) 1101 Camden Avenue Salisbury, MD 21801

Towson University (TU) 8000 York Road Towson, MD 21252

University of Baltimore (UB) 1420 North Charles Street Baltimore, MD 21201

University of Maryland, Baltimore (UMB) 520 West Lombard Street Baltimore, MD 21201

University of Maryland Baltimore County (UMBC) 1000 Hilltop Circle Baltimore, MD 21250

University of Maryland Center for Environmental Science (UMCES) P.O. Box 775

Cambridge, MD 21613

University of Maryland, College Park (UMCP) College Park, MD 20742

University of Maryland Eastern Shore (UMES)

Princess Anne, MD 21853

University of Maryland University College (UMUC) 3501 University Boulevard East Adelphi, MD 20783

University System of Maryland Office (USMO) 3300 Metzerott Road Adelphi, MD 20783-1690

> Find us on the web: Website: http://bit.ly/1yc1prc Facebook: @CussMaryland Twitter: @CUSS_USM

Update from the Chair

As Chair of the Council of University System Staff, I would like to take this opportunity to share some updates on behalf of the Council for the current semester. Your representatives on the Council have already had a busy year, and we have much to look forward to in the next several months.

New Chancellor Announced:

Jay A. Perman, M.D., who currently serves as the President of the University of Maryland, Baltimore (UMB), has been named the fifth Chancellor of the University System of Maryland (USM). President Perman will succeed the current chancellor, Dr. Robert L. Caret, at the end of his contract in the summer of 2020. President Perman has been at UMB since 2010, where he has worked to strengthen the campus' ties to and economic development of the city of Baltimore. This announcement comes at the end of a four-month, national search led by a 16-member search committee, co-chaired by Regents Chair Gooden and Vice-Chair Gossett. Witt/Kieffer, an executive search firm, also assisted the search committee in hiring the new Chancellor for USM.

USM Holiday Open House:

Members of the Council, plus one guest, are invited, and encouraged to attend, the USM Holiday Open House, hosted by Chancellor Robert L. Caret and Dr. Elizabeth Zoltan on Sunday, December 8, 2019 from 11:30 AM to 2:30 PM. An invitation was sent via email to all members. Please make sure to RSVP if you plan to attend and see the email for additional details.

Annual Joint Councils Meeting:

On Thursday, November 14th, all three USM Councils will come together for the annual Joint Councils Meeting at the University of Maryland, College Park. Council representatives will include members from: Council of University System Faculty (CUSF), USM Student Council (USMSC), and our own CUSS members. The Councils will be welcomed by the Chancellor and President Loh from UMCP. They will also look forward to hearing from Vice-Chair Regent Gossett from the Board of Regents, regarding updates about the Chancellor's search process, and several Regents regarding changes to the Board over the last year. Additionally, Patrick Hogan and Andy Clark from USM will join to debrief the last legislative session and prepare the Councils for the upcoming session. New this year, each Council will share a "State of the Council" address about their action items for the current academic year and the Councils will brainstorm opportunities for partnership and collaboration. We look forward to sharing updates from this very important meeting in our next newsletter.

Board of Regents Staff Awards:

The Board of Regents Staff Awards and Recognition committee is pleased to announce they have launched the 2019-2020 nomination cycle. The nomination packet can be found on the CUSS website (https://www.usmd.edu/usm/workgroups/SystemStaff/borawards.html) under the link for the "2019-2020 BOR Staff Awards Nomination Packet". Please consider nominating exceptional staff from your home institutions. Nominations are due by Friday, February 7, 2020.

Advocacy Day:

The Legislative Affairs & Policy committee has confirmed Advocacy Day 2020 will take place on Wednesday, February 19, 2020 in Annapolis, MD. The committee looks forward to working with Patrick Hogan and Andy Clark, from USM, in November and December to prepare for Advocacy Day. As a back-up plan, in case of inclement weather, the committee is hoping to put together a short video, and some handouts that could be sent on our behalf if we are not able to attend in person.

We are looking forward to these and other highlights as we continue throughout the upcoming year! Thank you to all the members of our Council for all their hard work! We also hope that everyone successfully wraps up the fall semester and has a wonderful winter break at the end of the year!

Sincerely,

Dr. Jaila MShishineh

Dr. Laila M. Shishineh Council of University System Staff



The Council of University System Staff (CUSS) elects new Executive Committee members each academic year. Those elected to the Executive Committee serve as the leadership group for the entire Council for their one-year appointment. For the 2019-2020 academic year, Executive Committee members include:

Chair: Laila M. Shishineh - UMBC (<u>lailams@umbc.edu</u>) Vice-Chair: Kalia Patricio - UMCP (<u>krp@umd.edu</u>) Past-Chair: Lisa Gray - Salisbury (<u>lggray@salisbury.edu</u>) Co-Secretary: Carol Green-Willis - Towson (<u>cgreen@towson.edu</u>) Co-Secretary: Susan Holt - UMB (<u>sholt@som.umaryland.edu</u>) Member-At-Large: Antoinne Beidleman - UMGC (<u>antoinne.beidleman@umuc.edu</u>) Member-At-Large: Trish Johnson - Bowie (<u>tejohnson@bowiestate.edu</u>)

Once elected, the Executive Committee meets for the first time in August to determine action items and goals for the upcoming year. For this year, the group has several strategic priorities to focus on. For starters, the group wants to showcase shared governance best practices and/or challenges at each of the 12 institutions. This will take place at the host institution during each monthly meeting throughout the year. Another major focus will be on continuity for the Executive Committee. Members will work on creating "role expectations" for each position, as well as "role expectations" for Chair a standing CUSS committee, and for each campus Point of Contact (PoCs). In addition to creating these expectations, the group has created and will implement a shared drive for maintaining and archiving files.

In addition to their work within CUSS, several members of the committee also serve other roles within the USM. Chair, Laila Shishineh, represents the Council at Chancellor Committee meetings (monthly) and at Board of Regent meetings (quarterly). If she is unable to attend, Vice-Chair, Kalia Patricio, or Past-Chair, Lisa Gray, will sub for her at these events. Vice-Chair, Kalia Patricio, serves on the USM Inclusion and Diversity (I & D) Council. The Council also has a wonderful liaison to the Office of the Chancellor, Chevonie Oyegoke. Each month, Chevonie bring updates to the Council meetings on behalf of the USM Office.

Staff interested in learning more about the Council are welcome to reach out to any member of the Executive Committee, or to the Point of Contact for their home institution.



Bowie State University

On Oct. 10, Bowie State University (BSU) hosted a groundbreaking ceremony for its new entrepreneurship center, which is set to open in July 2021.



Bowie State University President Aminta H. Breaux and Baltimore City Community College (BCCC) President Debra L. McCurdy came together yesterday to announce а comprehensive partnership to enable more BCCC students to transfer seamlessly to BSU to earn a four-year degree and receive specialized scholarships, marking the first such agreement between the institutions. For details about this agreement and other transfer admissions partnerships, visit the Transfer Admissions Partnerships page. In a signing ceremony held at BCCC, more than 50 administrators, faculty, staff and students were on hand from both schools to help celebrate the new partnership. Under the agreement, BCCC students will be able to transfer into 12 comparable academic programs at BSU to complete their bachelor's degree in a supportive educational environment.

Education, nursing, psychology, business administration and computer technology are among the 12 programs included in the agreement. In addition, a unique feature of the agreement enables select students in the BCCC Honor's Program to transfer into the BSU Honor's Program and receive a full scholarship covering in-state tuition and fees. Over the past year, teams from both schools worked closely together to map out the agreement, which also includes provisions for reverse transfer, financial aid and a commuter scholarship, demonstrating BSU's commitment to making college more accessible. Plus, the 30-mile commute to BSU can be as easy as a 30-minute MARC train ride from Penn Station to a stop on the university campus.

Coppin State University

Coppin State University has established programs to support the overall development of students. The Career Services Center delivers these programs and services in concert with the university's mission to enable students to develop life-long skills in career planning to enhance their ability to make informed career decisions. The CSC seeks to fulfill this mission through the following program goals:

- To help students identify their values, personality traits, interests and career goals.
- To support students in refining and implementing their career goals.
- To assist students in acquiring information and competencies that enhance their academic success and awareness of varied industries and occupations.
- To provide services and resources that support students in identifying satisfying employment and graduate/professional school opportunities.
- To develop relationships with employers that provide experiential, part-time, summer and full-time professional employment opportunities for students.

Coppin State University has launched the Coppin Family Campaign! This is an opportunity for faculty & staff to further support the mission of Coppin State University by making a contribution in the area of choice. Employee gifts have a powerful effect on the lives of our students. Every donation, no matter the amount, makes a difference. The campaign will run through Friday, December 13, 2019.

Frostburg State University

The Staff Senate developed a plan to appoint retired Faculty and Staff in role as Ombudsmen at FSU.

The new Residence Hall is planning to open in Fall 2020 housing 431 beds. This is the first new residence hall at FSU in 40 years. FSU is also working to do major upgrades to existing residence halls.

FSU is creating a Multicultural Center on campus using historical Lincoln School, which was the last segregated elementary school in Frostburg; serving what was known as Brownsville.

We are finishing up the planning/drawing stage of new Health Science Building. Construction is scheduled to begin next Spring

The FSU Veterans Center is sponsoring a competition to see which department/ organization can collect the most toys for the Allegany County Toys for Tots - Toy Thunder.

Salisbury University

Through an initiative of SU's Staff Senate and in support of Governor Hogan's "Day to Serve" Campaign, SU will provide employees four hours of paid leave to volunteer with a nonprofit in 2019. SU's Day of Service will continue annually to allow employees with this important endeavor to volunteer in the community.

The 13th round of Ratcliffe Shore Hatchery program, a 10-year, \$2 million program to create new jobs through entrepreneurship, took place on October 25th. Participants vied for their share of \$200,000 in business funding from the Ratcliffe Foundation with the goal to have new businesses opening within 6 months and employing 3 or more employees within 3 years.

SU's School of Nursing is launching the campus' first massive open online course (MOOC). This non-credit, free, self-paced course is 5-weeks in duration beginning on Oct. 31st. The content of the course was created by Prof., Dr. DiBartolo.

WE ARE SU - The Campaign for Salisbury University has a \$75 million goal and is the largest fundraising campaign in our nearly 100year history. This campaign focuses on the people who make up Salisbury University including those on our campus, in our region, and around the globe. A top priority is providing scholarships to help recruit and retain outstanding students. "Together, we can ease the burden for students and unlock the potential of an SU diploma for future Sea Gulls."

Other priorities of the campaign are to support our dedicated faculty and staff and to create more opportunities for civic engagement with collaborations that serve our Eastern Shore neighbors and meet the needs of our state.

Towson University



TU honors Chapman with new Bust, Quad

Hundreds of people gathered outside TU's Media Center October 19 for an unveiling of a bronze bust in the likeness of Dr. Julius Chapman, the University's first Dean of Minority Affairs. The bust was funded through the generosity of the brothers of Omega Psi Phi Fraternity Inc., Iota Epsilon Chapter. Chapman was the father of the group during his 1969-1981 tenure at what was then-Towson State. The bust is located just feet from a bench designated for Chapman last year. During his 12-year career, Chapman recruited and mentored African American students while helping to establish the Black Student Union, the Black Faculty and Administrators Association and the Black Cultural Center. Several of those groups are celebrating their 50th anniversary. President Schatzel also made a surprise announcement during in the ceremony. She pointed to the nearby Stephens Annex, which is scheduled to be torn down this year, and said "It's going to be a park/quad that's going to be right across from the bust. This is going to be the Dr. Chapman Quad." https://www.towson.edu/news



TU Tigers Stellar Homecoming Win

What began with a dedication and a 5K and included a number of gatherings, tailgates and celebrations along the way, culminated with a dominating win at TU's Homecoming! The Tigers capped homecoming Saturday with a 56-7 win against Bucknell, setting some records in the process. All six touchdowns in the first half were thrown by Tom Flacco, who set a program record for passing touchdowns in a game. Five of those touchdowns were to Shane Leatherbury, who tied a program single game record for receiving touchdowns by a Towson player. https://www.towson.edu/news

University of Baltimore

The UB School of Law is celebrating the growing success of its nationally lauded Fannie Angelos Program, which represents a revolutionary approach in addressing the lack of diversity in legal education and the legal profession. Recognized by the American Bar Association for promoting equal opportunity, the program is unique for the wrap-around services it provides and its collaboration between the school and Maryland's four historically black colleges and universities: Bowie State, the University of Maryland Eastern Shore, Coppin State and Morgan State. It's an attempt to add to the disproportionately small number of black lawyers in the U.S. The number, as low as 2.3% of law partners in Baltimore and 7.5% of associates, affects the way black Americans interact with the justice system, corporations shape their products and young people envision their future.



2019 Angelos Scholars with Kurt Schmoke

University of Maryland, Baltimore (UMB)



Carl Jackson, Analyst for the School of Social Work and a former Staff Senate Vice President, was appointed by Governor Hogan to the Maryland House of Delegates for District 8. Staff Senate President, Kristy Novak, along with Faculty Senate Vice President, Oksana Mishler, RDH, MS presented: "Exploring How UMB Can Embody Its Core Values" at the President's Symposium and White Paper Project on Oct. 9th. They presented examples of how to bring UMB's Core Values of accountability, civility, collaboration, diversity, excellence, knowledge, and leadership into everyday work life.

University of Maryland, Baltimore County (UMBC)

UMBC's Homecoming occurred from October 4-12. The festivities included Governor Larry Hogan attending the UMBC ribbon-cutting ceremony for the new Interdisciplinary Life Sciences Building and comedian Trevor Noah performing at the Events Center.

UMBC hosted their annual "Welcome to UMBC" event for new faculty/staff at the end of September. This event provided an opportunity for new personnel to meet each other and to learn about the opportunities to become more involved and connected.



OCA Mocha, "a shared, multi-purpose space that fosters ongoing engagement between UMBC and its neighboring communities and promotes economic development in southwestern Baltimore County" opened on November 4th. OCA, which stands for Opportunities for Community Alliances, will connect UMBC's resources to neighboring communities. Mocha- the coffee shop- will "promote opportunity, collaboration, and innovation by attracting members of the UMBC and local communities". The office includes a community meeting/event space behind the coffee shop which is staffed by student interns and personnel from UMBC's Office of Institutional Advancement. Check out OCA Mocha's Facebook page.



University of Maryland Center for Environmental Science (UMCES)

Over the summer, the UMCES Board of Visitors challenged faculty, students, and staff to create brief descriptions of UMCES, and the work the institution does. One of the winners of the challenge was an UMCES staff member, who received \$1,250 toward professional development.

UMCES celebrated its second annual Staff Appreciation Day on Tuesday, September 24th. During this event, former CUSS member Amy Griffin was the recipient of the second annual Staff Excellence award, receiving a \$500 gift in recognition.

University of Maryland College Park (UMCP)

The University of Maryland has joined 164 colleges and universities across the nation to urge the U.S. Supreme Court to protect the Deferred Action for Childhood Arrivals (DACA) program.

With a blast of streamers and a hearty rendition of the Victory Song, the University of Maryland officially broke ground for a new School of Public Policy building that will take Terps into the next frontier of government, nonprofit and philanthropic education. University, state and local officials gathered at The Hotel at the University of Maryland to celebrate the planned 70,000-square-foot academic building that will for the first time bring together the school's 90 faculty members, more than 1,000 undergraduate and graduate students, and 5 centers and institutes.

President Wallace D. Loh announced recently that an alumna will serve as Vice President of Student Affairs beginning in January. Patricia "Patty" A. Perillo Ph.D. '02 will partner with campus leadership, students and internal and external stakeholders on creative initiatives that elevate the student experience. She will be a member of the President's Cabinet and will work closely with the Provost, and Academic Affairs and faculty colleagues to enhance all students' time at Maryland, both in the classroom and beyond. The University of Maryland Title IX Office will now report to Diversity Vice President Georgina Dodge, a Former Title IX Coordinator who will seek to evaluate and strengthen services. Dr. Dodge expects this change to ultimately have beneficial impacts for all responsibilities of the office, including a further review of compliance as it relates to the civil rights of all protected classes in the community.

University of Maryland Eastern Shore (UMES)

George Owings, Maryland's Secretary of Veterans Affairs, and Anthony S. Sarbanes, a Salisbury native who served three decades in the U.S. Army, are the featured speakers at the University of Maryland Eastern Shore's 2019 Veterans' Day banquet. The Friday, Nov. 8, event gets underway with a 6 p.m. cocktail reception at the Richard A. Henson Center on the UMES campus. The university is partnering with the Salisbury Area Chamber of Commerce to salute military veterans with a gourmet meal prepared by UMES hospitality and tourism management students under the supervision of chef Ralston Whittingham. Chef Jose Andres visited UMES' Marriott Teaching Kitchen at Shady Grove on Thursday, October 31, 2019. It's not every day a chef with a rock star resume stops by your kitchen to talk shop and samples your mother's recipe for empanadas. But that's what Mario A. Sep and his classmates experienced when World Central Kitchen founder Jose Andres visited the University of Maryland Eastern Shore's hospitality and tourism management program at the Universities at Shady Grove in Rockville. Andres' appearance at UMES' satellite program at Shady Grove was more than a year in the making, thanks to chef instructor Susan Callahan's perseverance. He was the driving force behind a mobile kitchen that fed thousands of displaced Puerto Ricans when Hurricane Maria destroyed much of that U.S. territory in 2017. When Hurricane Dorian this fall wreaked the same devastation on the Bahamas, Andres and his army of volunteers were there, too, to provide meals.

University of Maryland Global Campus (UMGC)

The National Cryptologic Museum Foundation's Cyber Center for Education and Innovation (CCEI) and University of Maryland Global Campus (UMGC) are pleased to announce the signing of a trilateral Agreement. An innovative endeavor, this trilateral agreement brings together the unique specialties and expertise of the three organizations. CCEI brings the history, experience and externallyfacing presence from its National Cryptologic Museum Foundation roots. UMGC is a recognized leader in cybersecurity education and brings its decades of experience in meeting workforce needs at scale. NSA's National Cryptologic School brings knowledge and practical experience in cybersecurity education and operational experience to both military and civilian affiliates across the globe. NSA is looking to explore this partnership for the sustainment of its cyber curriculum project and its GenCyber program.



University of Maryland Global Campus observes National Cybersecurity Awareness

Month 2019 with a video series throughout the month featuring UMGC cyber faculty, students and recent alumni, who will share their tips and insights to help you understand and secure your digital profile at home and at work.

Celebrated every October, National Cybersecurity Awareness Month (NCSAM) is a collaborative effort between government and industry to raise awareness about the importance of cybersecurity and ensure that all Americans have the resources they need to be safer and more secure online.



2019 - 2020 CUSS REPRESENTATIVES

Bowie State University (BSU) Trenita Johnson Trish Johnson LaVel Jones

Coppin State University (CSU) Sheila Chase Anthony Littlejohn Yvonne Oliver

Frostburg State University (FSU) Amy Nightengale Lacey Shillingburg Rubin Stevenson Sara Wilhelm

Salisbury University (SU)

Vanessa Collins Paul Gasior Lisa Gray Teri Herberger

Towson University (TU)

Ashley Arnold LaVern Chapman Mary Cowles Deniz Erman Carol Green-Willis **University of Baltimore (UB)** Keiver Jordan Suzanne Tabor

University of Maryland, Baltimore (UMB)

Ayamba Ayuk-Brown Colette Beaulieu Susan Holt Casey Jackson LaToya Lewis Jenn Volberding

University of Maryland, Baltimore County (UMBC) Sheryl Gibbs

Kevin Joseph Thomas Penniston Laila Shishineh, Chair Dawn Stoute Michael Walsh

University of Maryland, Center for Environmental Sciences (UMCES) Julia Bliss April Lewis Michelle Prentice Lori Stepp University of Maryland, College Park (UMCP) Darrell Claiborne Sarah Goff Elizabeth Hinson Kalia Patricio Sister Maureen Schrimpe Sarah Goff

University of Maryland Eastern Shore (UMES) Chenita Reddick

University of Maryland Global Campus (UMGC) Melanie Barner Antoinne Beidleman Francesca Kerby Chantelle Smith

University System of Maryland Office (USMO) Chevonie Ovegoke

For a full listing of all minutes regarding the USM Council of University System Staff (CUSS), institution photographs, and other pertinent information, visit <u>http://www.usmd.edu/usm/workgroups/SystemStaff/</u>.

The Council of University System Staff (CUSS) was established in 1992 by request of the Board of Regents to advise on matters relating to the development and maintenance of a new USM Pay Program for Staff employees. CUSS is comprised of System-wide Staff employees with representatives from each of its 12 institutions and the System office.





USMSC Report to the Board of Regents

December 20, 2019

The University System of Maryland Student Council met on December 15 at the University of Baltimore. This meeting had a lighter agenda than in past months due to its proximity to finals and the holidays. The Council began to prepare for the 2020 Maryland Legislative Session, discussing possible priorities for advocacy and outreach.

The Council had a brief discussion surrounding the role of the USMSC and our Executive Team as a resource for the Student Governments of the System institutions and regional centers. In addition, the Council also discussed recent leadership changes across the institutions and the University System of Maryland as well as the role of institutional Student Governments in the selection, transition, and onboarding processes on campuses. Finally, the Council had a robust discussion surrounding the Emeritus Faculty Regent resolution being discussed by the Council of University System Faculty.

If the Board has any input for items to be brought to or being considered by the Student Council, please communicate with me so that I can ensure they are given time on our agenda and addressed in my next report to this Board.

Respectfully,

Bijni houst

Benjamin Forrest 2019-2020 USMSC President bcforrest0@frostburg.edu 240.818.5518



COUNCIL OF UNIVERSITY SYSTEM PRESIDENTS December 2, 2019

Meeting Notes

The Council of University System Presidents met on December 2nd with Chancellor Caret and USM senior staff.

CUSP welcomed President Breaux as the Council's new chair. President Perman shared communication related to the Next Generation 911 Commission and how 911 emergency calls are handled on campuses. Chancellor Caret gave an update on the Maryland E-Nnovation Initiative Fund Update.

Chancellor Caret discussed the B-Power initiative and opportunities to expand the initiative. President Perman and Vice Chancellor Herbst provided an update on the Healthcare Workforce Report and next steps. She also reviewed a summary report on collaborative business processes and shared the development of a roadmap for future activities.

Associate Vice Chancellor Skolnik shared information about the USM's new online-tuition remission system and its usage to date. She also discussed changes to VII-1.22 Policy on Employee Separation and amendments to the USM Supplemental 403(b) and 457(b) Retirement Plans.

Vice Chancellor Herbst discussed the implementation of the new Enterprise Risk Management and Crisis Risk Policy Management policies and shared that each campus should be developing their plans according to the policies.

Assistant Vice Chancellor Clark gave an update on leadership changes in the General Assembly.



Report by the Council of University System Faculty (CUSF) to the USM BOR Meeting at the University of Maryland College Park (UMCP)

Friday December 20, 2019

This report reports the activities of CUSF since the submission of the last report in November. Two Council meetings are reported upon in this report. The next Council meeting is scheduled for January at Adelphi.

MEETINGS AND ACTIVITIES: The following are the meetings and other activities conducted by CUSF since the last report.

- <u>Council Meeting at the UMCP</u>: The Council had its November meeting at the University of Maryland College Park (UMCP). We thank President Loh and his staff for their hospitality. The meeting was a joint meeting of the three Councils and we thank Laila Shishineh, CUSS Chair, for doing the primary organizational work for the meeting. Several Regents were in attendance and there were good discussions at the tables. Regents included Vice-Chair Regent Barry P. Gossett and Regents Johnson, Leggett, Pope, & Schulz.
- <u>December Council Meeting at the UB</u>: The Council had its December 9th meeting at the University of Baltimore. We thank President Schmoke and his staff for their hospitality. One resolution was passed which authorized the Chair to write a letter of appreciation to the Chancellor for his service and support of the faculty. (Note: *A copy of the letter is attached to the report.*) MJ Bishop spoke to the group on incorporating OERs, credentialing, and badging throughout the System. The consensus of the CUSF Council was to pursue the emeritus faculty BOR member and to circulate the draft as presented. (Note: *See attached proposal and commentary.*) The faculty had a discussion of student aggression toward faculty members. (Note: *See the separate item below.*)
- <u>Academic Integrity Initiative</u>: The Educational Policy Committee of CUSF has been working on BOR policy recommendations to the BOR regarding BOR Policy III-1.00 and 1.02. More on this in January. Second, the EdPolicy members of CUSF invited key members of the administration (e.g. associate provost, Student Council Chair, Student Services) to discuss what steps are being taken at UB and what additional steps CUSF can take to assist the implementation of academic integrity on the campus. The two-way dialogue was most informative for all parties.
- <u>Code of Civility</u>: An outgrowth of the State of Shared Governance Report by the Senate Chair Stephanie Gibson was a robust discussion regarding an alliance between Student Affairs and students which enables students to take aggressive behavior and aggression toward faculty. The discussion quickly revealed that there is an issue, that it is a system-wide issue, and that it is not an isolated matter on campuses. Possible solutions were discussed including developing a Code of Civility. The issue was delegated to the Faculty Concerns Committee for further action.

CUSF: BOR Report December 20, 2019 page / 1

• <u>Emeritus Faculty BOR Member Resolution</u>: A draft of the Emeritus Faculty BOR Member resolution is attached. It has been informally shared with the Student and Staff Councils. It is expected that the resolution will continue to evolve. In addition, the Legislative Committee of CUSF has done some research regarding what other states have done regarding student, faculty, and staff representation on the BOR. That research is presented in the attached commentary.

COMMENTARIES: Attached with this report there is the emeritus proposal, one commentary, and a letter of appreciation.

Respectfully Submitted: December 11, 2019 Robert B. Kauffman, Ph.D. Chair, Council of University System Faculty

Council of University System Faculty (CUSF) Resolution

Emeritus Faculty BOR Member

DRAFT

BACKGROUND: Last year the Legislature passed changes to the USM BOR. In an effort to increase transparency and responsiveness, one of those changes was to increase the student representatives on the BOR from one to two representatives. Along with the students, faculty are the backbone of higher education and they can provide valuable input in the decision making process. Because of transparency and their valuable contribution in higher education, CUSF recommends that one of the positions on the BOR be reserved for an emeritus faculty member. Two avenues of approach have been identified. The first would recommend that the Governor strongly consider dedicating one of the Regent appointments to an emeritus faculty member. The second approach would seek legislative action. Either or both approaches can be pursued at the same time.

Suggested criteria for the emeritus faculty would include but not be limited to the following:

- 1) Emeritus faculty are retired faculty. This reduces or eliminates the potential conflict of interest that arises from when a state employee is appointed to the BOR.
- 2) Emeritus faculty represent the quality and longevity of the faculty. Normally, emeritus faculty have a minimum of ten years of experience as a full-time tenure-track faculty member. They have achieved the rank of associate or full-professor status, and they have demonstrated excellence in their field.
- 3) Although it is suggested that preference be given to USM emeritus faculty, out-of-state emeritus faculty and emeritus faculty from non-USM institutions may be considered also.

A process similar to the selection of the student regents can be used. A call-out to the campuses and CUSF for nominations would initiate the process. Nominees would be reviewed by a committee composed of CUSF members and USM staff. The nominee would be interviewed by representatives of the Governor's office regarding suitability. The nominee would be advanced to the Governor's Office by the Chancellor on behalf of USM.

RESOLUTION: Be it resolved that the Council of University System Faculty (CUSF) recommends that one of the BOR members be dedicated to an emeritus faculty members. This may be achieved administrative by the Governor dedicating one of the USM Board of Regents appointment as an emeritus faculty member or legislatively with an act or amendment to an existing law by the Legislature.

CUSF: BOR Report December 20, 2019

Commentary 1912.1: Faculty Representation on the BOR – A Brief Summary

The following summary was provided to me by Jason Geary (UMCP) and the Legislative Committee of CUSF. Its purpose is to provide a summary and background of what other state have done regarding this issue. Faculty representation on the BOR provides valuable input to the board. The following summary is not meant to be comprehensive at this time, but to show that other states have addressed the issue.

Exploring faculty representation on university system boards of regents (or their equivalent) nationwide revealed that 11 states have at least one faculty representative to the board. Those states include Arizona, California, Connecticut, Florida, Kentucky, New Jersey, New York, North Dakota, Oregon, Pennsylvania, and Virginia. Models vary considerably from one state to the other. In the case of Arizona, for instance, whose Board of Regents governs the state's three public universities (Arizona State University, Northern Arizona University, and the University of Arizona), it is the chair of the Arizona Faculty Councils-the coordinating body for the faculty governments of the three universities-who provides representation to the board in a non-voting capacity and who is not a fully fledged member of the board. By contrast, at the University of Kentucky, which has a separate Board of Trustees for each of the universities comprising its system, the faculty representative to the board is a fully fledged voting member. At the State University of New York (SUNY) system, the largest system of colleges, universities, and community colleges in the country, the Board of Trustees includes as ex officio members the President of the Faculty Senate as well as the President of the Faculty Council of Community Colleges. In most cases where faculty representation to the system board is present, such members are non-voting, and in at least seven of the eleven states mentioned above, the representative is the president of the system-wide faculty senate or some equivalent body.

My take-away is that there justification for faculty representation and input on the BOR. At least 11 states have embraced this approach. The issue is how to do so while maintaining the autonomy of the board. Although we didn't research the issue further at this time, I would suspect that the different approaches (e.g. ex officio members, non-voting member, etc.) are attempts to provide valuable input while maintaining the autonomy of the board. It should be noted that the current emeritus faculty BOR member proposal being suggested by CUSF addresses this issue. As has often been noted, the composition of USM's institutions is unique and diverse. As the emeritus faculty proposal evolves and moves forward, it may be necessary to modify the proposal to the specific needs of USM and the State. Regardless, there is a need for faculty representation on the BOR while maintaining the autonomy of the board.

CUSF: BOR Report December 20, 2019 page / 4



Council of University System Faculty (CUSF) 3300 Metzerott Road Adelphi, MD 20783 December 10, 2019

Dr. Robert Caret Chancellor University System of Maryland 701 E. Pratt Street Baltimore, MD 21202

Dear Chancellor Caret:

I am writing this letter on behalf of the Council of University System Faculty (CUSF). At its December 9th meeting at the University of Baltimore, the Council passed a resolution instructing me to write a letter of appreciation to you on behalf of the Council. You have been a friend of the faculty and have been supportive of their interests in strengthening higher education through shared governance.

There are many examples that could be noted. However, I will focus on the State of Shared Governance Report. Although the report was in place prior to your term as Chancellor, you championed it and took it to a new level in your yearly evaluation of the presidents regarding shared governance. Your efforts have essentially "closed the loop" by providing valuable feedback from the campuses to you in the evaluation process. Closing the loop strengthens shared governance and the educational process on the campuses.

However, your efforts didn't end there. You requested the student and staff Councils to implement similar reports, and they have done so. In addition, early in your administration, you sent a copy of the survey instrument and report to the AGB (Association of Governing Boards of Universities and Colleges). It demonstrates your leadership both within the System and nationally. You have strengthened higher education both within the System and nationally. You were out front in what you were doing and what others should be doing.

Our purpose is to serve our students. As Chancellor, you work with the Presidents, the BOR, and advisory councils to strengthen higher education. CUSF recognizes that you have worked on behalf of higher education to better serve our students. We thank you for being a friend of the faculty and for strengthening higher education in Maryland.

Sincerely,

Robert B. Kauffman, Ph.D. Chair, Council of University System Faculty

cc: CUSF ExCom and Council Board of Regents Dr. Joann Boughman Dr. Zakiya Lee



USM Board of Regents Special Board Meeting Minutes from Public Session November 20, 2019 Columbus Center Baltimore, MD/ Conference Call

Minutes of the Public Session

Chair Gooden called the meeting of the special meeting of the University System of Maryland Board of Regents to order in public session at 4:02 p.m. on Wednesday November 20, 2019.

Those in attendance: Chair Gooden; Regents Bartenfelder, Gossett, Gourdine, Johnson, Leggett, Neall, Needham, Pope, Wallace, and Wood; Chancellor Caret; Vice Chancellor McDonough; Ms. Wilkerson; and AAGs Bainbridge and Langrill.

Convene to closed session.

Chair Gooden discussed the purpose of the conference call and read the statement to close the meeting. The Regents voted unanimously to move to closed session (moved by Regent Pope; second Regent Wallace).

The Board convene to closed session at 4:05 p.m.



USM Board of Regents Special Board Meeting Minutes from Closed Session November 20, 2019 Columbus Center Baltimore, MD/ Conference Call

Minutes of the Closed Session

Chair Gooden called the meeting of the special meeting of the University System of Maryland Board of Regents to order in public session at 4:05 p.m. on Wednesday November 20, 2019.

Those in attendance: Chair Gooden; Regents Bartenfelder, Gossett, Gourdine, Johnson, Leggett, Neall, Needham, Pope, Wallace, and Wood; Chancellor Caret; Vice Chancellor McDonough; Ms. Wilkerson; and AAGs Bainbridge and Langrill.

1. Update on a Candidate's Appointment Negotiation

Chancellor Caret provided an update on personnel and administrative matters related to the appointment of a candidate. (§3-305(b)(1)(i) and (ii) and §3-103(a)(1)(i));

2. Communication Strategy Related to an Investigation

The Board discussed an administrative matter and consulted with legal counsel on communications related to potential litigation. (\$3-305(b)(7) and \$3-103(a)(1)(i)).

The meeting adjourned at 4:53 p.m.



DRAFT

University System of Maryland Board of Regents Universities at Shady Grove November 22, 2019

Minutes of the Public Session

Call to Order. Chair Linda Gooden called the meeting of the University System of Maryland Board of Regents to order at 8:30 a.m. on Friday, November 22, 2019 at the Universities at Shady Grove. Those in attendance were: Chair Gooden; Regents Attman, Fish, Gonella, Gossett, Gourdine, Holzapfel, Johnson, Leggett, Malhotra, Neall, Pope, Rauch, Schulz, Wallace, and Wood; Presidents Anderson, Breaux, Burnim (Interim), Goodwin, Hrabowski, Loh, Miyares, Nowaczyk, Perman, Schatzel, Dr. Darlene B. Smith (for Schmoke), and Wight; Chancellor Caret, Vice Chancellors Boughman, Herbst, McDonough, Raley, and Sadowski; Ms. Wilkerson, and AAG Bainbridge.

Welcome from the Universities at Shady Grove (USG). Executive Director Stew Edelstein welcomed the regents and presidents and highlighted accomplishments of USG.

Educational Forum – USM and MHEC: Cooperation and Challenges in Higher Education. Secretary James Fielder from the Maryland Higher Education Commission (MHEC) presented an overview of the structure of the Commission, as well as discussed MHEC's responsibilities, members, advisory councils and partners. He then provided information on the 2017-2021 State Plan in reference to increasing student success with less debt; challenges that are faced with declining production of teachers; and, the challenge of Maryland students going out-of-state when pursuing a secondary education.

Chancellor's Report. Chancellor Caret started by introducing new Regents Geoff Gonella and Sam Malhotra.

Chancellor Caret thanked the Universities at Shady Grove and Executive Director Edelstein for hosting. He noted accomplishments both at USG and other USM institutions. He provided updates on the UMCP and CSU searches—expecting recommendations in the near future. He also acknowledged Dr. Jay Perman as the new Chancellor-elect; and, mentioned that soon a new presidential search committee for the University of Maryland, Baltimore would be initiated. He indicated that preliminary discussions with the governor and his team were underway concerning the budget; but that everything was still very early in the process. He closed by sharing that the expert panel report had been released concerning the adenovirus at the University of Maryland, College Park—indicating that it was comprehensive in scope, detailed in observations, and proactive in recommendations. He expressed appreciation to Governor Hogan for his request to undertake a review of the process that was followed; and, expressed sympathy and condolences to the friends and family of Olivia Paregol.

- I. Report of Councils
 - a. Council of University System Faculty (CUSF). Dr. Kauffman presented the report. CUSF met on October 24, 2019 where several resolutions were passed (e.g., Regent's Awards Committee, support for sharing the technical support in academic integrity with System campuses, and approval of their 2019-2020 action plan. They also discussed the development of an Emeritus Faculty BOR member. Lastly, there was discussion or interested expressed in Open Educational Resources, the Chancellor's Search Committee, Academic Integrity, and the Faculty Salary Initiative.
 - b. Council of University System Staff (CUSS). Dr. Shishineh presented the report. CUSS met in September and October. The focus for this year is on sharing best practices and challenges around shared governance, and each institution that hosts the Council through the year will share their experiences in this area. Mention was made concerning CUSS's five standing committees (i.e., Benefits & Compensation, Board of Regents Staff Awards & Recognition, Communications & Marketing, Executive, and Legislative Affairs & Policy). Additionally, CUSS just published the fall edition of the quarterly newsletter.
 - c. University System of Maryland Student Council (USMSC). Mr. Forrest presented the report. USMSC met in October and November. The October meeting focused a major portion of its time on preparing for the interview process for candidates for the Student Regent positions. They also considered Enterprise Risk Management and Crisis Management and discussed the importance of inclusion of student leaders in the processes. Additionally, they discussed incidents of Sexual Assault and Hate Bias and the responses of the different institutions. The November meeting once again focused on conducting interviews of the candidates for the Student Regent positions.
 - d. Council of University System Presidents (CUSP). Dr. Perman presented the report. CUSP met in October and November. During the October meeting, the presidents were provided an update on the Board's request to facilitate more collaboration between the campuses; an update on the Coalition Case; and information was shared about MeToo kits on campuses. There was also an update on a request from AFSCME for information about employees; and, mentioned was made that the Intercollegiate Athletics Workgroup of the Board would remain a workgroupadding student safety, financial s and academics as the primary focus. November's meeting focused on details in reference to the new partnership between the University of Maryland Global Campus and Amazon; discussion about leveraging Systemness; the Office of the Attorney General reiterated their willingness to work with the campuses if they would like the attorneys on campus more often; and information was shared about the State of Maryland moving forward with procuring cyber insurance. There was discussion about the FY 2021 Teacher's Education Enhancement Request; the draft of the new policy on non-discrimination and equal opportunity and the feedback received concerning shared governance; and a review of IX-2.00 Policy on Affiliated Foundations. Lastly, an inquiry from members of the General Assembly was shared concerning possibly developing a Financial Education

Compatibility Commission. It was also announced that President Aminta Breaux was the new chair-elect of the Council of University System Presidents.

2. Consent Agenda. The Consent Agenda was presented to the regents by Chair Gooden. She asked if there were any items on the agenda that should be removed for further discussion. There were no requests to remove any items; therefore, Chair Gooden moved, and Regent Attman seconded the motion to accept the consent agenda; it was unanimously approved. The items included were:

Consent Agenda

Chair Gooden

- a. Committee of the Whole
 - i. Approval of meeting minutes from September 20, 2019 Public and Closed Sessions (action)
 - ii. Approval of meeting minutes from October 17, 2019 Closed Session (action)
- b. Committee on Audit
 - i. Approval of meeting minutes from October 30, 2019 Public and Closed Sessions (action)
 - ii. Proposed Revisions to the Committee on Audit Charter and Proposed Revisions to the Committee on Audit Bylaws (action)
- c. Committee on Education Policy and Student Life
 - i. Approval of meeting minutes from November 5, 2019 Public Session (action)
 - ii. New Academic Program Proposals (action)
 - I. University of Baltimore: Bachelor of Arts in Legal Studies
 - 2. University of Maryland, College Park: Bachelor of Arts and Bachelor of Science in Immersive Media Design
 - 3. University of Maryland, College Park: Bachelor of Arts in Religions of the Ancient Middle East
 - 4. University of Maryland, College Park: Doctor of Public Health
 - iii. Report: Workload of the USM Faculty Academic Year 2018-2019 (information)
 - iv. Report: Opening Fall 2019 Enrollments and FY 2020 Estimated FTE (information)
 - v. Proposal for University of Maryland Eastern Shore to Use Standardized Tests as an Optional Criterion for Admission (action)
 - vi. Update: William E. Kirwan Center for Academic Innovation (information)
- d. Committee on Governance and Compensation
 - i. Approval of meeting minutes from September 12, 2019 Public and Closed Sessions (action)

- e. Committee on Finance
 - i. Approval of meeting minutes from September 12, 2019 Public and Closed Sessions (action)
 - ii. University of Maryland Center for Environmental Science 2018 Facilities Master Plan Report (information)
 - iii. Salisbury University: Real Property Acquisition (action)
 - iv. Salisbury University: New Housing Complex (action)
 - v. University System of Maryland: Amendment to the Forty-First Bond Resolution—Auxiliary Facility and Tuition Revenue Bonds (action)
 - vi. University of Maryland Eastern Shore: Increase in Authorization for Construction of an Agricultural Research and Education Center (action)
 - vii. University of Maryland, College Park: Increase in Authorization for New Residence Halls (action)
 - viii. University of Maryland, College Park: Increase in Authorization for North Campus Dining Hall Replacement (action)
 - ix. Bowie State University: Increase in Authorization for Thurgood Marshall Library HVAC Renovation Project (action)
 - x. University of Maryland, College Park: University of Maryland College Park Foundation, Inc. Right of Entry for Construction of the Basketball Performance Center (action)
 - xi. University of Maryland, College Park: Information Regarding Replacing Videoboards and Audio System at Maryland Stadium and the Associated Control Equipment (information)
- f. Committee on Advancement
 - i. Approval of meeting minutes from September 25, 2019 Public and Closed Sessions (action)
 - ii. Proposed Revisions to the Committee on Advancement Charge (action)
 - iii. Year-to-date Fundraising Report (information)
- 3. Review of Items Removed from Consent Agenda.
- 3. Committee Reports
 - a. Committee on Audit
 - i. Committee on Audit Update. Regent Fish provided an update, indicating that the Committee reviewed its work plan for FY 2020, as well as reviewed its Charter and BOR Bylaws that pertained to the Committee's charge. Changes were to annually review Presidents, Chancellors and Regents' financial disclosure statements and added responsibility for overseeing USM's Enterprise Risk Management. Additionally, the Committee reviewed the Office of Legislative Audit reports that were issued prior to the meeting (for UMCES, CSU, USMO, UMB, and SU). And, Regent Fish mentioned that USM's Comptroller presented FYE June 30, 2019 "preliminary" financial statements, followed by a discussion concerning USM's overall healthy financial position.

- ii. Proposed Board of Regents Policy on Enterprise Risk Management. Regent Fish moved that the Board of Regents approve the proposed Board of Regents Policy on Enterprise Risk Management that would require each institution, regional higher education center, and the System Office to develop processes to periodically identify, review and assess significant strategic, financial, operational and reputation risks. Regent Attman seconded the motion; unanimously approved.
- iii. Proposed Board of Regents Policy on Crisis Management. Regent Fish moved that the Board of Regents approve the proposed Board of Regents Policy on Crisis Management that required each institution, regional higher education center, and the System Office, develop processes and protocols for responding to negative unanticipated events and that there be an organization-wide understanding of the response process or protocol. Regent Pope seconded the motion; unanimously approved.
- b. Committee on Education Policy and Student Life
 - Report: Intercollegiate Athletics FY 2019 Academic Summary. Regent Gossett presented the report in the absence of Regent Gourdine, which reviewed the student-athlete academic measures discussed by the Workgroup during FY 2019 for USM's institutions with Division I athletics. The summary included aggregated synthesis for the measures required by the policy and included comparisons about the preparedness of incoming student-athletes, their ongoing academic success, and their graduation rates.
- c. Committee on Finance
 - University of Baltimore: Lease for the Baltimore City Policy Academy. Regent Attman presented the report. The University of Baltimore leased 94,169 Gross Square Feet of space to Baltimore City for use by the Baltimore Policy Department (BPD). BPD will use the space as a Police Academy for training and continued education for new police recruits, active duty officers, police management personnel and other public safety personnel.
- d. Committee on Governance and Compensation
 - i. Draft Board of Regents Policy VI-1.00—Policy on Non-Discrimination and Equal Opportunity. Regent Rauch presented the report that (1) amended the Policy on Affirmative Action and Equal Opportunity (VI-1.00) to reflect option A or B (renaming it the Policy on Non-Discrimination and Equal Opportunity), (2) rescinded the Policy on Non-Discrimination on the Basis of Sexual Orientation and Gender Identity or Expression (VI-1.05), and (3) rescinded the Policy on Acts of Violence and Extremism (VI-1.10); and moved for approval. Regent Attman seconded the motion; unanimously approved.

- e. Committee of the Whole
 - i. Update on Chancellor Search. Chair Gooden announced that President Jay Perman is the new chancellor-elect; and, thanked Regent Attman (co-chair) and Chief of Staff Wilkerson (staffed the search) for their work on the search committee.
 - ii. Update on Presidents' Searches. Regent Wallace reported on the Coppin State University search, indicating that great progress had been made. He stated that he was impressed with the level of intentionality, energy, and passion demonstrated in finding the next leader. Regent Wallace said they had a very inclusive committee that was dedicated to filling the position of president, which would be critical to such an institution in Baltimore as a whole and more specifically, West Baltimore. He also applauded the search firm—Academic Search—for their work in ensuring there was a strong response to the search. He said they were on track to identify the next president. Regent Attman reported on the University of Maryland, College Park search, stating that everything was going well. He said they have an excellent search committee, which boasted two Regents-Gonella and Gossett. Regent Attman reported that they held four forums and town halls with a cross-section of students, faculty, staff, president's cabinet, Deans, and officials from the City of College Park. He indicated that a special presidential website had been setup at https://umd.edu/presidential-search for anyone wanting to obtain additional information about the search. There were 100 nominations received in response to the announcement. It is hoped that a decision will be made in early 2020, identifying the next president of the University of Maryland, College Park. Regent Attman extended thanks and gratitude to Vice Chancellor Leonard Raley for his support in staffing the search.

Chair Gooden ended by addressing the Adenovirus and Mold Report. She stated that the experts made several recommendations for handling similar campus situations in the future. She also relayed how much information was reviewed and synthesized in order to complete their report. Key findings from the report revealed that UMCP complied with recognized federal, state and campus protocols; however, emergency management and information remained siloed. Chair Gooden indicated that the report was comprehensive in scope, detailed in observations, and proactive in its recommendations. She expressed gratitude for the work the experts performed, and appreciation for Governor Hogan's request that we undertake this review. Lastly, she expressed deepest condolences to the Paregol family.

 Reconvene to Closed Session. Chair Gooden read the "convene to close" statement citing the topics for the closed session and the relevant statutory authority for closing the meeting under 3-305(b) and 3-103(a)(1)(i). (Moved by Regent Attman, seconded by Regent Gourdine; unanimously approved.)

Meeting adjourned at 11:02 a.m.



DRAFT BOARD OF REGENTS The Universities at Shady Grove November 22, 2019

Minutes of the Closed Session

Chair Gooden called the closed session of the Board meeting to order at 11:31 a.m. on Friday, November 22, 2019.

Those in attendance for all or part of the meeting: Chair Gooden; Regents Attman, Fish, Gonella, Gossett, Gourdine, Holzapfel, Johnson, Leggett, Malhotra, Neall, Pope, Schulz, Rauch, Wallace, and Wood; Vice Chancellors Boughman, Herbst, McDonough; AAGs Bainbridge and Langrill; Ms. Wilkerson; Presidents Miyares, Nowaczyk, and Wight.

1. Meeting with the Presidents

As part of their performance reviews, the Board met individually with Frostburg University President Ron Nowaczyk and Salisbury University President Chuck Wight. (§3-305(b)(1))

2. Consent Agenda moved.

Chair Gooden asked if there were items the Regents wished to remove from the consent agenda. Seeing none, the Regents voted to approve the consent agenda (moved by Regent Wood; seconded by Regent Pope; unanimously approved), which included the following items:

- a. Ratification of the University of Maryland Center for Environmental Science MOU with the Maryland Classified Employees Association for Nonexempt Employees (§3-305(b)(9))
- b. Collective Bargaining Update (§3-305(b)(9))
- c. University of Maryland Global Campus: Recruiting Process Contracting Services (§3-305(b)(14))

3. Out-of-Cycle Honorary Degree Request

Regent Gourdine and Vice Chancellor Boughman shared a request from the University of Maryland, College Park to consider an out-of-cycle honorary degree. The Regents voted on the motion to approve this request (moved by Regent Neall; seconded by Regent Pope; unanimously approved). (§3-305(b)(1) and (2))

- **4.** Update Regarding Status of an Investigation with Legal Claims Against an Institution AAG Bainbridge updated the Regents on the status of an investigation concerning a USM institution. (§3-305(b)(7) and (8))
- 5. Discussion of UMGC Specific Personnel Matter and IT Security

President Miyares updated the Board on issues regarding audit findings related to nternet Security and compensation to an individual employee. (§3-305(b)(1)) and (§3-205(b)(15))

6. Discussion of a Personnel Matter

Chancellor Caret and the Board discussed the Coppin State University President finalist and voted to move forward with the appointment (moved by Regent Wallace; seconded by Regent Pope; unanimously approved). (§3-305(b)(1) and (2))

7. Chancellor Appointment Letter

The Regents discussed the appointment of the incoming Chancellor and voted to approve the terms of the incoming Chancellor's appointment (moved by Regent Attman; seconded by Regent Pope; unanimously approved). (§3-305(b)(1))

8. Chancellor Transition

The Regents discussed the transition of the current Chancellor and voted to approve the terms of the Chancellor transition to the position of faculty member (moved by Regent Fish; seconded by Regent Pope; unanimously approved). (§3-305(b)(1))

9. Interim President Appointment

The Regents reconvened to Public Session at 1:15 p.m. to add Appointment of an Interim President at University of Maryland, Baltimore to the closed session agenda and reconvene in closed session. (moved by Regent Pope; seconded by Regent Gossett; unanimously approved). The Regents voted to appoint Bruce Jarrell as interim president of UMB (moved by Regent Wood; seconded by Regent Pope; unanimously approved). (§3-305(b)(1))

The meeting adjourned at 1:37 p.m.



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION, INFORMATION OR DISCUSSION

TOPIC: Proposed Revisions to 2020 Board of Regents Meeting Schedule

COMMITTEE: Committee of the Whole

DATE OF MEETING: December 20, 2019

SUMMARY: Proposed dates were submitted, voted on, and approved at the June 21, 2019 Board of Regents meeting. However, due to conflicts in various schedules, it is now required that several dates be changed in order to accommodate the conflicts. Proposed revisions to the 2020 board meeting schedule are:

April 24, 2020 would change to May 1, 2020

October 21-22, 2020 (Board Retreat) would change to October 14-15, 2020

November 20, 2020 would change to November 13, 2020

ALTERNATIVE(S): Alternative dates can be suggested.

FISCAL IMPACT: There is no fiscal impact

CHANCELLOR'S RECOMMENDATION: The Chancellor recommends that the BOR approve the proposed revised dates.

COMMITTEE ACTION:	DATE: December 20, 2019	
BOARD ACTION:	DATE:	
SUBMITTED BY: Denise Wilkerson, <u>dwilkerson@usmd.edu</u> , 301-445-1906		



Nominations Committee Report

Article II, of the USM Board of Regents Bylaws stipulates that "officers of the Board shall be elected at the election meeting of the Board by the majority vote of the members of the Board participating in and eligible to vote at such election meeting." The elected officers shall then serve for a term commencing on January 1 following the election meeting until the time their successors assume office after the next election meeting.

The nominated slate of officers for calendar year 2020 is as follows:

- Chair: Linda Gooden
- Vice-Chair: Barry Gossett
- Acting Treasurer: Gary Attman
- Assistant Treasurer: OPEN
- Secretary: Michelle Gourdine
- Assistant Secretary: Robert Rauch

At the Board meeting next week, the committee will present to the Board for a vote the nominations for the 2020 Board Officers.



DRAFT

USM Board of Regents Committee on Governance and Compensation Minutes from Public Session November 19, 2019 University of Maryland, Baltimore

Minutes of the Public Session

Regent Rauch called the meeting of the Organization and Compensation Committee of the University System of Maryland Board of Regents to order in public session at 8:30 a.m. on Tuesday, November 19, 2019 in the Saratoga Building Board Room at the University of Maryland, Baltimore.

Those in attendance included Regents Rauch, Attman, Gooden, Gossett, Neall, and Wood; Chancellor Caret; Vice Chancellors Boughman, Herbst, McDonough, and Raley; AAGs Bainbridge and Langrill; Assistance Vice Chancellor Skolnik, and Ms. Wilkerson.

- 1. Draft Board of Regents Policy VI-1.00 Policy on Non-Discrimination and Equal Opportunity. The Committee reviewed two versions of the revised draft of VI-1.00 – Policy on Non-Discrimination and Equal Opportunity. The Regents unanimously voted to accept revised draft option B (moved by Regent Gooden; seconded by Regent Wood).
- 2. Board of Regents Committee Charges. The committee accepted charges from the following committees: Advancement, Economic Development and Technology Transfer, Education Policy and Student Life, Finance, and Governance and Compensation. The Audit Committee is scheduled for Board approval at the November 22, 2019 Board meeting. The committee agreed to develop a schedule and process for review of the charters.
- **3.** Convene to Closed Session. Regent Rauch read the closing statement on matters exempted from the Open Meetings Act, under the General Provisions Article, §3-305(b). (Moved by Regent Wood; Seconded by Regent Neall). The motion was unanimously approved.
- **4. Reconvene in Public Session:** The Regents reconvened in public session and unanimously voted to add the negotiation of an appointment letter to the closed session agenda (moved by Regent Gooden; seconded by Regent Wood).

The public session meeting adjourned at 10:16 a.m.



DRAFT

USM Board of Regents Committee on Governance and Compensation Minutes from Closed Session November 19, 2019 University of Maryland, Baltimore

Minutes of the Closed Session

Regent Rauch called the meeting of the Organization and Compensation Committee of the University System of Maryland Board of Regents to order in public session at 8:30 a.m. on Tuesday, November 19, 2019 in the Saratoga Building Board Room at the University of Maryland, Baltimore.

Those in attendance included Regents Rauch, Attman, Gooden, Gossett, Neall, and Wood; Chancellor Caret; Vice Chancellors Boughman, Herbst, McDonough, and Raley; AAGs Bainbridge and Langrill; Assistance Vice Chancellor Skolnik, and Ms. Wilkerson.

- 1. Ratification of the University of Maryland Center for Environmental Science MOU with the Maryland Classified Employees Association for Nonexempt Employees. Ms. Skolnik answered questions about the UMCES collective bargaining MOU with the Maryland Classified Employees Association for Nonexempt Employees. The Board voted unanimously to ratify the MOU (Moved by Regent Gooden; Seconded by Regent Wood). (§3-305(b)(9)); (§3-305(b)(1)).
- **2.** Collective Bargaining Update. The regents were provided with the status of collective bargaining negotiations at each USM institution .(§3-305(b)(9)); (§3-305(b)(1)).
- **3.** Review of Certain Contracts and Employment Agreements. Chancellor Caret reviewed the Board's process for review of certain contracts under BOR Policy VII-10.00. The Board then reviewed six contracts from UMCP subject to review under this policy. (§3-305(b)(1)).
- **4. CSU President Negotiation.** The Regents reconvened in open session to add the discussion of the CSU President negotiation to the closed agenda. They reconvened in closed session to discuss this matter. (§3-305(b)(1)).
- **5.** Chancellor Appointment Letter. The Committee discussed the terms of incoming Chancellor's appointment letter (§3-305(b)(1)).
- **6.** Chancellor Transition. The Committee discussed the transition related to the outgoing Chancellor (§3-305(b)(1)).

The closed session meeting adjourned at 10:29 a.m.



BOARD OF REGENTS COMMITTEE ON FINANCE November 19, 2019

University of Maryland, Baltimore

DRAFT

Minutes of the Public Session

Regent Attman called the meeting of the Finance Committee of the University System of Maryland Board of Regents to order in public session at 10:38 a.m. Regent Attman read the *Convening in Closed Session statement* citing State Government Article Section 3-305 of the Open Meetings Act to discuss issues specifically exempted in the Act from the requirement for public consideration. Regent Attman moved and Regent Pope seconded to convene in closed session. In response to the motion, the Committee members voted unanimously (yea=8; nay=0; abstaining=0) to convene in closed session at 10:38 a.m. for the reasons stated on the *Convening in Closed Session statement*. The session adjourned at 10:41 a.m.

The Committee reconvened in public session at 10:41 a.m. Regents participating in the session included: Mr. Attman, Ms. Gooden, Ms. Fish, Mr. Gossett, Mr. Holzapfel (via phone), Mr. Neall, Mr. Pope, and Mr. Rauch. Also present were: Chancellor Caret, Ms. Herbst, Ms. Wilkerson, Dr. Boughman, Mr. McDonough, Assistant Attorneys General Bainbridge and Palkovitz, Dr. Goodwin, Mr. Colella, Mr. Evans, Mr. Salvador, Ms. Kemp, Mr. Lowenthal, Mr. Primus, Dean Kairo, Mr. Pyles, Ms. Rehn, Mr. Namazie Ms. Rhodes, Mr. Savia, Ms. Schaefer, Mr. Sertsu, Mr. Beck, Mr. Hickey, Mr. Page, Ms. Denson, Mr. Muntz, Ms. Norris, Ms. McMann, and other members of the USM community and the public.

2. <u>University of Maryland Center for Environmental Science 2018 Facilities Master Plan</u>

Regent Attman welcomed Dr. Goodwin, along Ms. Rehn, and Mr. Namazie. Regent Attman reminded the members of the Committee of the Board's two-part approval process for master plans. Part one involves the institution's presentation for information purposes, and then the master plan item will be placed on the agenda of the subsequent meeting for recommendation to the full Board for approval. Regent Attman also pointed out that approval of the Plan does not imply approval of capital projects or funding, but rather these items will be reviewed through the normal procedures of the capital and operating budget processes.

Dr. Goodwin then gave his presentation. There was a consistent focus on the environment throughout the master plan. The plan embraces strategic goals for scientific innovation, tech transfer, entrepreneurship and education for Maryland's workforce. UMCES carefully assessed its physical assets and structured a plan for facility improvement and expansion that will support these goals. When implemented, the plan will help support collaborative research, provide high quality, flexible lab space, build on the campus' resilience in the face of climate challenges, and improve energy efficiency. Regent Attman thanked Dr. Goodwin, noting that UMCES' work is so important to the State and the world.

Regent Gossett also commended Dr. Goodwin, and expressed that UMCES take a bolder approach in showcasing its accomplishments. He suggested that UMCES produce a document that can be shared with members of the legislature highlighting UMCES' great work.

The Finance Committee accepted the master plan for information purposes, to be considered at its subsequent meeting.

3. <u>Salisbury University: Real Property Acquisition</u>

Regent Attman stated that the next three items were inter-related and involved a student housing development at Salisbury. The University is requesting approval to acquire real property from the Salisbury University Foundation, in order to develop a 750-bed student housing project. The Foundation had originally acquired the 8.6 acre parcel for the purpose of creating a mixed-use development through a public-private partnership. Because the financing of the mixed-use development could not be realized, and given the critical need to replace three student residence halls that have reached the end of their useful life, the University is seeking to acquire this land in order to develop new student housing on the property. Regent Attman noted the purchase price is \$6 million, which is lower than both appraisals as indicated on the agenda item. He then asked Mr. Pyles, SU vice president, to address the group. Mr. Pyles indicated that the campus was in genuine need to move forward with the new housing for students. He confirmed that the purchase price will be lower than the appraisals. Regent Rauch, the designated regent representative for SU, added that he met with campus leadership and received a complete overview of the project. He voiced his support for all of the related transactions necessary to move the project forward.

The Finance Committee recommended that the Board of Regents approve the acquisition of the properties using System auxiliary revenue bonds as described in the item, consistent with the University System of Maryland Procedures for the Acquisition and Disposition of Real Property. (Regent Attman moved recommendation, seconded by Regent Pope; unanimously approved)

Vote Count = YEAs: 8 NAYs: 0 Abstentions: 0

4. <u>Salisbury University: New Housing Complex</u>

Regent Attman stated that with the recommendation to acquire the land, this is now the item whereby the University seeks approval to build a new 285,000 GSF housing project on the parcel. The new facility will replace about 600 beds in older campus dorms and add approximately another 150 beds, for a total of 750 beds. The project is expected to cost \$86.5 million, and would be financed through USM 20-year auxiliary revenue bonds. The University would assume management of the housing facility upon substantial completion of the project, potentially scheduled for Fall 2022. Regent Attman pointed out that Salisbury is utilizing the UMD Service Center as its advisor. Regent Rauch advised that the campus and service center personnel should be thinking about different methods of constructing facilities, taking into consideration an industry that is rapidly changing. He added that they should continuously look at ways where possible to bring costs down. Ms. Herbst noted that there is definite interest in keeping these costs lower because an institution's students are the payers of the housing fees. Regent Gossett inquired about the dorms that are slated to be closed. Mr. Pyles stated that those facilities would be demolished, thereby freeing up prime space on the main campus for future use.

The Finance Committee recommended that the Board of Regents approve funding a new Housing Complex at Salisbury University through the use of up to \$86,500,000 of University System of

Maryland revenue bonds, as described in the item. (Regent Attman moved recommendation, seconded by Regent Gooden; unanimously approved)

Vote Count = YEAs: 8 NAYs: 0 Abstentions: 0

5. <u>University System of Maryland: Amendment to the Forty-First Bond Resolution—Auxiliary</u> <u>Facility and Tuition Revenue Bonds</u>

Regent Attman stated that this item simply formalizes the Board's approval of the use of System revenue bond proceeds for project that the Committee just recommended for Salisbury. An action and formal approval is required by the System's Indenture of Trust, an agreement with a trustee on behalf of purchasers and holders of System revenue bond debt that covers all the uses of proceeds of the debt.

The Finance Committee recommended that the Board of Regents approve the Second Amendment to the Forty-First Bond Resolution. (Regent Attman moved recommendation, seconded by Regent Pope; unanimously approved)

Vote Count = YEAs: 8 NAYs: 0 Abstentions: 0

6. <u>University of Maryland Eastern Shore: Increase in Authorization for Construction of an</u> <u>Agricultural Research and Education Center</u>

Regent Attman welcomed Mr. Primus, vice president, and asked that he introduce his team; those members included Dean Kairo and Mr. Salvador, of the UMD Service Center. They briefly summarized the issue. The University is requesting Board approval of an increase in cost for the AgREC facility. The project was originally approved by the Board for a budget amount of \$9.5 million. The initial project budget did not include an estimate from the Service Center. This revised estimate is calculated on the newest figures based on the UMES pharmacy building on the campus. Mr. Salvador pointed out that they had been working with Salisbury on several small projects and have noted a labor shortage in the construction market on the Eastern Shore. In response to a question, it was confirmed that the project is not in the flood zone.

The Finance Committee recommended that the Board of Regents approve the increased budget for the University of Maryland Eastern Shore to design and construct an Agricultural Research and Education Center in the amount of \$13.954 million for the purpose of agricultural research, teaching and extension including support for economic development activities on the Eastern Shore using USDA 1890 Land Grant Program.

(Regent Attman moved recommendation, seconded by Regent Gooden; unanimously approved)

Vote Count = YEAs: 8 NAYs: 0 Abstentions: 0

7. University of Maryland, College Park: Increase in Authorization for New Residence Halls

Prior to reviewing the request, Regent Attman reminded everyone that we need better housing for our students and that the Regents are committed to upgrading and funding new housing. He proceeded to summarize the item. The University is requesting approval to increase the funding authorization for the New Residence Halls by \$18.4 million. The Board of Regents must approve all projects that are funded

with debt as well as self-funded projects that exceed \$5 million. The Regents originally authorized \$97 million of Auxiliary Revenue Bonds to build two 450-bed buildings as part of the System Funded Construction Program. Subsequently, the Board approved an increase of \$3.9 million to be cash funded in FY 2021, to align with the design/build firm's cost estimate of \$100.9 million based on the Design Development drawings. At the time, the University advised the USM that they expected to receive bid prices in summer 2019 and would be able to further refine actual construction costs in the fall as construction proceeds, and that the overage amount will be adjusted as needed in the FY 2021 budget submission. The institution now has those bid prices. Regent Gooden asked if there was any way to improve the estimating process, in light of several requests for increases. Mr. Colella responded the that DC metro area is experiencing a high amount of construction, and that coupled with a shortage of workers has resulted in the market conditions where costs are increasing 10% or more. Mr. Colella noted that the campus is continuing to modernize its student housing, and this will permit them to take offline older housing. Regent Rauch said that he recently learned of a concrete company that is using technology to enhance the concrete process and is a cost saver; he suggested that perhaps the service center staff could explore this new approach.

The Finance Committee recommended that the Board of Regents approve the University's request to increase the funding authorization for the New Residence Halls by \$18,400,000, from \$100,900,000 to \$119,300,000. (Regent Attman moved recommendation, seconded by Regent Pope; unanimously approved)

Vote Count = YEAs: 8 NAYs: 0 Abstentions: 0

8. <u>University of Maryland, College Park: Increase in Authorization for North Campus Dining Hall</u> <u>Replacement</u>

Regent Attman explained that the University is requesting approval to increase the funding authorization for the North Campus Dining Hall Replacement by \$7.9 million. The Board originally authorized \$36.75 million for this project in June 2017 as part of the System Funded Construction Program. In June 2018, the Board approved a \$2.7 million increase of institutional cash to add space for a living-learning honors program, and then in June 2019, the Board approved a \$9.4 million increase of institutional cash to align with the design/build firm's cost estimate based on the Design Development drawings. As with the housing project, the University advised USM that they expected to receive bid prices in summer 2019 and would be able to further refine actual construction costs in the fall as construction proceeds, and that the overage amount will be adjusted as needed in the FY 2021 SFCP submission. The design/build contractor estimates the cost of the project will be \$56,750,000, and UMD is requesting the approved budget be increased to that figure, with the difference of \$7,900,000 to come from institutional funds. Mr. Colella added that the University needs the authorization to take the next step and make certain that the dining hall can be delivered in time to meet the opening of the new dorms coming online. This will be the first new dining hall in forty years and will contain more modern food stations.

The Finance Committee recommended that the Board of Regents approve the University's request to increase the funding authorization for the North Campus Dining Hall Replacement by \$7,900,000, from \$48,850,000 to \$56,750,000. (Regent Attman moved recommendation, seconded by Regent Gooden; unanimously approved)

Vote Count = YEAs: 8 NAYs: 0 Abstentions: 0

4

9. <u>University of Maryland, College Park: University of Maryland College Park Foundation, Inc. Right</u> of Entry for Construction of the Basketball Performance Center

Regent Attman described the center as a truly unique project; one that would be financed 100% by private donations. He acknowledged vice president Colella and AD Evans in the audience, noting that they had nodded affirmatively to his opening statement. The proposal is to build a 60,000 gross square foot Basketball Performance Center adjacent to the Xfinity Center. Mr. Evans stated that they want to provide their students with the resources to compete academically and athletically at the highest levels. He pointed out that 63 of the 65 Power 5 conference schools have similar performance centers. They are committed to raising the full \$36 million cost. Potential naming rights will be a consideration. Chancellor Caret pointed out that the money has to be raised, clarifying that no bridge loans are contemplated. Similar to the IDEA facility on campus, the construction will be done to University standards and in coordination with the University's service center.

The Finance Committee recommended that the Board of Regents authorize the University of Maryland, College Park to grant access to its property to the Foundation for the purpose of constructing the Basketball Performance Center as described in the item, to be funded with Foundation assets. Construction of the Basketball Performance Center shall not begin until \$36 million of private gift funding for this project is secured via a combination of executed gift agreements and cash (paid in full). (Regent Attman moved recommendation, seconded by Regent Pope; unanimously approved)

Vote Count =YEAs: 7NAYs: 0Abstentions: 0

10. <u>University of Maryland, College Park: Information Regarding Replacing Videoboards and Audio</u> <u>System at Maryland Stadium and the Associated Control Equipment</u>

Regent Attman summarized the information item. The University has asked to discuss with the Board their plans to move forward with procurement of a design/build contract to replace the obsolete and failing videoboards and audio system at Maryland Stadium and replace the associated obsolete control equipment. Mr. Evans stated that the campus has a hard time finding and procuring replacement parts for the video board, due to its age. The videoboard is beyond its useful life at this point. The current board is 28x28 and the University is contemplating a 96x50 board over the Gossett Fieldhouse and 52x30 at the west end of the stadium. The University will request Board authorization for the project early next year after receiving bid prices. Regent Attman expressed his appreciation to Mr. Colella and Mr. Evans for briefing the committee on this upcoming project.

The Finance Committee received the item for information purposes.

11. <u>Bowie State University: Increase in Authorization for Thurgood Marshall Library HVAC</u> <u>Renovation Project</u>

Regent Attman welcomed Mr. Savia and summarized the item. Bowie State University is asking the Board to increase authorization for this project by \$400,000. The University will use its own funds for this increase. The project was originally approved in October 2017, by the Vice Chancellor for Administration and Finance for a total project budget of \$4.9 million; however, the Board of Regents must approve all cash/self-funded projects that exceed \$5 million. Mr. Savia stated that the library was

constructed in 1977 and renovated in 1996. The HVAC system is beyond its life at this point. Regent Attman agreed that it's important to have a good air distribution system in the facility.

The Finance Committee recommended that the Board of Regents approve Bowie State University's request for an increase for the Thurgood Marshall Library project for a new total project cost of \$5,300,000. (Regent Attman moved recommendation, seconded by Regent Fish; unanimously approved)

Vote Count = YEAs: 7 NAYs: 0 Abstentions: 0

12. Opening Fall 2019 Enrollment and FY 2020 Estimated FTE Report

Dr. Muntz presented the fall enrollment report to the committee. As background, the report provides the overall headcount and FTE for each institution, and makes note of any changes or trends. Enrollment changes may impact revenue, resource usage, and institutional strategic goals.

The presentation may be accessed online at: https://www.usmd.edu/regents/agendas/20191119 Pres Enrollment.pdf

The Finance Committee received the item for information purposes.

13. <u>University of Baltimore: Lease for the Baltimore City Police Academy</u>

Regent Attman explained that this an information item presented by UB to make the Board aware of a lease between the University and the Baltimore Police Department for the City's Police Academy. The Academy is relocating from Northwest Baltimore to the H. Mebane Turner Building, the former law school building on the UB campus. Regent Attman went on to say that UB had been looking for a use for this space, and this action appears to be a win for both the City and the campus. The City will lease 94,169 gross square feet at a cost of \$14 per square foot, and the rent will be \$1.3 million in the first year. In addition to the leased space, the Police Academy will also have exclusive use of the gymnasium Monday through Friday 6 a.m. to 3 p.m. The City will also make a one-time payment of \$400,000 for UB's capital renewal reserves. USM will provide up to \$2.4 million (via reimbursement to UB) for the tenant fit-out necessary to accommodate the Police Academy. Regent Attman added that the University has also entered into a parking agreement with the City that provides up to 80 monthly passes that can be increased to 125 as well as 180 daily transient parking passes which may be purchased. The parking revenue is estimated to generate between \$69,000 and \$235,000 annually depending on usage. Regent Fish asked if the lease was structured as a typical City lease, to which Mr. Sertsu replied in the affirmative, adding that once they are settled in, UB believes the police academy will stay for at least five years.

The Finance Committee received the item for information purposes.

The meeting was adjourned at 12:18 p.m.

Respectfully submitted,

Gary L. Attman Chair, Committee on Finance



BOARD OF REGENTS COMMITTEE ON FINANCE November 19, 2019 University of Maryland, Baltimore

DRAFT

Minutes of the Closed Session

Regent Attman called the meeting of the Finance Committee of the University System of Maryland Board of Regents to order in closed session at 10:38 a.m. in the Board Room at the Saratoga Building.

Regents participating in the session included: Mr. Attman, Ms. Gooden, Ms. Fish, Mr. Gossett, Mr. Holzapfel (via phone), Mr. Neall, Mr. Pope, and Mr. Rauch. Also taking part in the meeting were the following: Chancellor Caret, Ms. Herbst, Dr. Boughman, Mr. McDonough, Assistant Attorneys General Bainbridge and Palkovitz, Ms. Wilkerson, Mr. Beck, and Ms. McMann. Ms. Kemp was present for a portion of the session.

The committee discussed the awarding of a new contract for recruiting process services (§3-305(b)(14)). (Regent Attman moved recommendation, seconded by Regent Neall; unanimously approved.)
 Vote Count = YEAs: 8 NAYS: 0 Abstentions: 0

The session was adjourned at 10:41 a.m.

Respectfully submitted,

Gary L. Attman Chair, Committee on Finance



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION, INFORMATION OR DISCUSSION

TOPIC: The Universities at Shady Grove: 2019 Facilities Master Plan Update

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 12, 2019 (presentation and information)

<u>SUMMARY</u>: The Universities at Shady Grove (USG) requests Board of Regents' approval of this 2019 update to its 2013 Facilities Master Plan (FMP) Update.

The Universities at Shady Grove (USG) is centrally located in Montgomery County in Rockville, Maryland along the I-270 corridor, at the southern edge of the Shady Grove Life Sciences Center. The campus is comprised of 52 acres with four buildings having over 520,000 gross square feet (GSF) of space, as well as two parking structures.

USG is the largest of the State's regional higher education centers with more than 3,200 students enrolled in 80 degree programs from nine different USM universities. Degree programs offered include both undergraduate (upper-level only) and graduate programs for both full-time and part-time students in day, evening and weekend formats. USG provides access to affordable higher education by bringing high-demand programs from USM institutions throughout the State to one central location in Montgomery County.

Building from USG 2003 Facilities Master Plan and USG 2013 Facilities Master Plan Update, the USG 2019 Facilities Master Plan Update is based on USG's mission statement. As USG has evolved since 2000, it continues to grow into a vibrant campus with a diverse student population that offers degree programs that meet the needs of the employers in the region. Since the 2013 Facilities Master Plan Update USG completed construction of the 220,000 GSF Biomedical Sciences and Engineering Educational Facility (BSE) built to support high-demand STEM(M) degree programs in healthcare, bioscience, engineering and computational sciences; a new 700-vehicle parking structure; a new campus entrance off of Shady Grove Road and construction of a pedestrian boardwalk.

Dr. Stewart Edelstein, USG's Executive Director, is committed to developing a more sustainable campus. USG 2019 Facilities Master Plan Update builds upon USG's continued growth towards a more sustainable campus. All aspects of the built environment have sustainability recommendations and requirements, including incorporation of a high level of LEED standards for new and major renovation projects, "greening" of the campus; improving and encouraging fuel-efficient and public transportation to reduce greenhouse gases on the commuter campus; certification of Buildings I and II under the LEED-EB program for existing buildings; Certifying of Building IV (BSE) as LEED Platinum; and continual improvement to energy efficiency. The Plan Update outlines the need for dependable and accessible system of transportation to support USG future growth and expansion.

<u>ALTERNATIVE(S)</u>: The USG 2019 Facilities Plan presents updated documents USG's long-term planning objectives and is consistent with the center's mission statement and the current enrollment growth projections. There are no alternatives for implementation.

FISCAL IMPACT: The USG 2019 Facilities Master Plan Update will present challenges to the capital and operating budgets to fully implement. Approval of the Plan Update does not imply approval of capital projects or funding. These items will be reviewed through the normal procedures of the capital and operating budget processes.

<u>CHANCELLOR'S RECOMMENDATION</u>: That the Finance Committee consider the USG 2019 Facilities Master Plan Update and materials as presented today for formal action at the Committee's next meeting; subsequently recommending approval to the full Board of Regents, in accordance with the Board's two-step approval process. Approval of the Plan does not imply approval of capital projects or funding. These items will be reviewed through the normal procedures of the capital and operating budget processes.

COMMITTEE RECOMMENDATION:	DATE:
BOARD ACTION:	DATE:
SUBMITTED BY: Ellen Herbst (301) 445-1923	



Facilities Master Plan (FMP) Update

November 2019



The Universities at Shady Grove 2019 FMP Update Summary

The Universities at Shady Grove (USG) is centrally located in Montgomery County in Rockville, Maryland along the I-270 corridor, at the southern edge of the Shady Grove Life Sciences Center. USG is the largest of the State's regional higher education centers with more than 3,200 students enrolled in 80 degree programs from nine different USM universities. Degree programs offered include both undergraduate (upper-level only) and graduate programs for both full-time and part-time students in day, evening and weekend formats. USG provides access to affordable higher education by bringing high-demand programs from USM institutions throughout the State to one central location in Montgomery County. The campus is comprised of two parcels, totaling 52 acres with four USG buildings having over 520,000 gross square feet (GSF) of space and two parking structures. The site has a distinct natural character, defined by an existing wetland and forest area running north to south through the center of the campus.

Also located on the USG campus, is the Institute for Bioscience & Biotechnology Research (IBBR) a collaboration between UMCP, UMB, and the National Institute of Standards and Technology (NIST) a 210,000 GSF research facility. IBBR brings together expertise at the forefront of biomedical science and engineering, creating collaborative partnerships with industry, government and academia to translate research innovations into practical effective solutions for major technological & medical challenges.

USG's mission is:

"To support and expand pathways to affordable, high-quality public higher education that meet the distinctive needs of the region and are designed to support workforce and economic development in the state; to achieve these goals through partnerships and collaborations with academic, business, public sector and community organizations that promote student success, high academic achievement and professional advancement."

USG has become nationally recognized for its academic/instructional model, one that is predicated on effective partnering among USM institutions, area community colleges, and local employers such as the Montgomery County Public Schools, Marriott International, Adventist Healthcare, AstraZeneca and the federal government. Through its strong relationships with these partners, USG is able to expand access to advanced degrees that meet specific workforce needs and help assure students post-graduation career opportunities within the region.

USG's mission and its future growth are in close alignment with key elements of both the Maryland State Plan for Postsecondary Education and the USM Strategic Plan; providing access to a high quality, affordable education, improving the state's workforce through targeted academic and professional degree programs, and focusing on comprehensive, high quality services that place students at the center of the learning process to insure retention and degree completion.

USG's future growth is intimately tied to the future of Montgomery County and the surrounding region. With the most educated workforce in Maryland, the county houses the largest collection of health, bioscience and information technology companies in the state. This region continues to experience increased need for trained scientists, research support staff and other highly skilled knowledge workers. In addition, growing the number of locally-educated STEM(M) graduates in the region is dependent on increasing the number of teachers who are trained in STEM(M) areas.

Campus expansion since 2013 Update (Attachment 1):

The 2019 Facilities Master Plan Update continues to build upon the 2003 Master and the 2013 FMP update. Since the 2013 FMP Update, USG has continued to grow and develop its campus and implement sustainability features. Several projects have been implemented, including a new 700 vehicle parking garage, a new campus entrance off Shady Grove Road, construction of a pedestrian boardwalk, and the new Biomedical Science & Engineering building have been built.

- Through capital funding by Montgomery County, the 700 car Shady Grove Garage (completed in 2016) was constructed for students, visitors and staff. As part of the garage project, the main campus entry was relocated to allow for an improved traffic light along Shady Grove road, better visibility, and the addition of monumental signage. USG had the distinction of being the first organization in the country to submit an application to the Green Parking Council to become a "Certified Green Garage".
- The campus entrance off Shady Grove Road was relocated as part of the Shady Grove Garage project. The new entrance was enlarged and created an improved public presence along Shady Grove Road. The relocation also allowed for a new traffic light to be installed where there was not one at the old entrance, improving access and safety to the campus. The entry beautification included new monumental signs for both USG and IBBR, accent pavers, improved landscaping, new lighting, and storm water bioswales.
- A new pedestrian boardwalk was constructed to facilitate pedestrian access from the

student parking lot and SG parking garage over to the heart of USG campus. The new boardwalk also helps promote the ecological connectivity and function across the campus without disrupting the natural ecology and wetlands that exist. The boardwalk also helps create a pedestrian environment that is auto-free and is linked to the surrounding community.

- Relocation of Gudelsky Drive roadway was relocated to perimeter of campus to create a vehicular circulation, service and parking system that will separate pedestrians and vehicles without compromising necessary access to facilities.
- The new Biomedical Sciences and Engineering (BSE) Education Facility opened in the Fall of 2019, with classes being offered in spring 2020. The 220,000 is one of the most sustainably sourced and built laboratory buildings in the region and is on track to be certified as a LEED Platinum building. The BSE includes state-of-the-art teaching laboratories, collaborative learning spaces, clinical training facilities, academic offices and an expanded level of student services necessary to support program and enrollment growth. Co-designed laboratory spaces and equipment will be shared and will serve the needs of multiple academic programs. The BSE will also feature the University of Maryland, Baltimore (UMB) state-of-the-art community dental clinic, with 20 dental chairs and four surgical offices that will be open to the community and is the only such facility in Montgomery County. The unique facilities and programming of the BSE will give all students, from across the campus and inclusive of all of disciplines and degree programs, opportunities to work alongside technology students on projects of their own interest and/or those identified by USG's regional business and community partners.

Sustainability and Climate Change Mitigation:

USG is committed to creating a total development of buildings, roads and infrastructure on the site that will be commensurate with sustainable design. The 2019 Plan Update continues to build upon USG's commitment to evolve into a more sustainable campus. All aspects of the past and current built environment have sustainability recommendations and requirements, including the incorporation of a high level of LEED standards for new and major renovation projects, continuing the "greening" of the campus. The following projects have been completed since the 2014 update:

• The BSE facility is expected to receive a LEED platinum rating. Sustainability was integral to the design of the BSE defining the building and strengthening the vitality of the USG campus. The BSE will showcase environmental connectivity, energy efficiency, user health and productivity through the experience of the building itself.

- The Shady Grove Parking garage received a Certified Green Garage by the Green Parking Council. The garage includes many sustainable features such as preferred parking and discounted rates are offered to fuel-efficient vehicle owners, energy efficient LED lights with motion sensors, Photovoltaic panels mounted on the roof generating onsite renewable energy, construction waste was recycled, regional sourced materials, covered bicycle racks and a bicycle self-serve maintenance station and rain gardens surrounding the garage to treat storm water runoff.
- LED lighting upgrades across the campus and in all buildings for interior and exterior lighting
- Electric car charging stations have been installed, which will encourage the use of lowemitting vehicles.
- Completed recommissioning and mechanical upgrades to Buildings I in effort to certify under the LEED-EB program, approx. 20% savings over past 5 years.
- Solicited and signed a Power Purchase agreement for solar panel installations to be placed on two buildings and the two parking garages, completed in the Fall of 2019. With these installations, the solar panels will generate clean, renewable energy (785 kW), which will account for approximately 8% percent of all the energy used by USG on campus from renewable sources.
- Completed assessment of the storm drain and storm water infrastructure to determine USG compliance for controlling runoff and sediment control measures per National Pollutant Discharge Elimination System (NPDES), General Permit for Discharges, from Small Municipal Separate Storm Sewer Systems (MS4s). USG has submitted the year one progress report and although no restoration is required, there are several bioswale structures that are in need of repair and will be a focus to have them restored over the next two years.

Future Campus Expansion and Opportunities:

The 2019 FMP update (Attachment 2) identifies 246,000 GSF future build-out remaining from the original 985,000 GSF Master Land Use Plan approved by Montgomery County Planning Board in 2003 (Attachment 3). The academic priorities, which will guide future development, include professional development initiatives with Montgomery County Public Schools (MCPS), certificates and citations to upgrade skills in the workforce, expanding career and internship

opportunities, expanding regional STEM(M) workforce degrees and infrastructure, supporting Montgomery County Economic development and Technology Commercialization Capabilities at USG.

USG is poised to grow by leveraging opportunities created with the new BSE facility, collaborating with the Institute for Bioscience and Biotechnology Research (IBBR) and the National Cybersecurity Center of Excellence (NCCoE), available build-out for future academic and research facilities, future land acquisitions, and development opportunities on neighboring properties.

- Biomedical Sciences and Engineering Education Facility (BSE): A critical USG/USM focus is expanding the production of workforce-oriented degrees in STEM(M) that will serve as a foundation for economic growth and development in the vital Montgomery County region and across the state of Maryland. The opening of the BSE at USG is a critical component in this effort. It will expand the capacity of the USG/USM in Montgomery County to meet important workforce and regional economic development needs in STEM(M), including those in engineering, computational/data sciences, cybersecurity, healthcare, agriculture and biotechnology. USG plans to expand existing onsite programs and bring new degree programs in STEM(M) fields to reach its projected enrollment capacity of 7,500 with doubling the physical capacity.
- Institute for Bioscience and Biotechnology Research (IBBR). Located on the USG campus, IBBR is a collaboration between UMCP, UMB and the National Institute of Standards and Technology (NIST). Within its state-of-the-art, 230,000 gross square feet research facility, IBBR uses a multi-institutional, cross-disciplinary team approach to advance and leverage scientific discovery focused on translating scientific breakthroughs in biosciences and technology into real-world, market-ready solutions and initiatives. Increasingly, UMCP Biotechnology Research and Education Program (BREP) premier biotechnology, biopharmaceutical and biofuel research center located in IBBR will serve as a training center for undergraduate, graduate and postdoctoral students who will be supported through these research and regional collaborations.
- The county's Biosciences Strategic Plan and the establishment of the Great Seneca Science Corridor, which includes the USG/USM campus, are important components of the focused growth of the county's health and bioscience as a strategic economic development priority. USG/USM has participated actively in these decisions and has planned for the future growth of its campus in Montgomery County to support these strategic interests.

- The Master Land Use Plan includes a parcel of approximately 11 acres on the south side of Shady Grove Road, directly opposite the existing USG campus. This parcel is zoned MXN (Mixed Use Neighborhood) and the use is planned for institutional, rather than commercial. This parcel is the location of a storm water management pond, and the diagrammatic plan proposed part of the western portion of the parcel for dedication as a local park. The parcel will therefore require subdivision review by the County review in future.
- USG is considering opportunities to partner with developers who purchased land northwest of the campus.
- USG is working with the new development taking place on the old Police Academy Training facility located near the campus on Great Seneca Highway. The development is intended to be a mixed use with a portion dedicated to affordable housing. The opportunity for student housing and amenities for students and (perhaps) faculty and staff will minimize commuting and provide for opportunities to serve the growing student population. This development includes opportunities to expand the NCCoE with additional company incubator space, which would be developed in collaboration with USM.

Transportation:

A more dependable and accessible system of transportation is critical for USG's continued growth and expanded impact. USG students, faculty, staff and those from the partner universities travel to the campus from across the region and state and some from adjacent states. Travel time to USG is cited as a constraint for students and in encouraging tenured and tenure track faculty from partner universities to teach onsite courses. Many students, faculty and staff particularly from Baltimore, and from College Park, use the ICC because it cuts travel time to and from the campus.

USG has participated in county and state transportation planning and was successful in securing a stop on campus as part of the Corridor Cities Transitway (CCT) development. The CCT would connect the Shady Grove Metro Station to the Shady Grove Life Sciences Center and up into Clarksburg and would have cut the travel time from the metro to USG to less than 15 minutes. More importantly, the CCT is currently planned to be the primary connector to the Bus Rapid Transit (BRT) system currently under development to other neighborhoods and business centers across the county. USG is participating in the I-270 Corridor Transit planning that will study the viability of all transportation options along the I-270 corridor including the CCT and connections to the county BRT system. Expanded educational offerings, increasing enrollments and new public services (e.g. clinical health services) which are planned for USG, heightens the concern about the limited transportation options to get to and from the campus. USG is in discussions with partner institutions to learn more about their utilization of various commuting platforms to help users make better use of smarter, more efficient transportation modes. USG has initiated discussions with various partner institutions to determine if there are opportunities to pilot shuttle services between campuses to include various Park and Ride locations and Metro Stations in and around the surrounding Maryland counties.

It is crucial that USG is able to provide a diverse array of transportation options that promote sustainable and cost effective initiatives. By routinely tracking parking trends, bus, train and carpool usage and matching it against the geographic location of USG students, we plan to identify gaps in service and plan for improvement that have the biggest impact for our population.

- Charter Shuttle Service consider adding a charter bus would provide direct service from USG to a partner institution's main campus, expanding the existing Shuttle-UM service, expanding the inter-campus Montgomery College Shuttle, and other businesses which operate shuttle services to explore the possibility of adding stops at USG.
- Purple line Connection- consider relocating/adding shuttle pickup location to a Purple Line station and expand service to all USG students.
- Shady Grove Metro Shuttle- explore a direct transit route between the USG campus and Shady Grove Metro.
- Ride On Flex explore Ride on Flex demand transit and advocate for USG to be within a future flex zone.
- Ridesharing & Guaranteed Ride Home- explore clean alternatives to single-occupancy vehicles utilizing commuting platforms to help users make better use of smarter, more efficient transportation modes without creating a need for additional infrastructure.
- Montgomery County Transportation Planning remain involved in the County's Master Plan update to explore various alternatives along I-270 including the CCT, if funded, and proposed monorail project.

Campus Vision:

The 2019 update will follow the previous framework for guiding the future fiscal development of USG for the next ten years and beyond for academic and research facilities, parking, roads,

utilities, infrastructure and open space. The 2019 updated plan remains consistent with the previous plan envisioned. USG continues to support the four major elements of the vision of the campus:

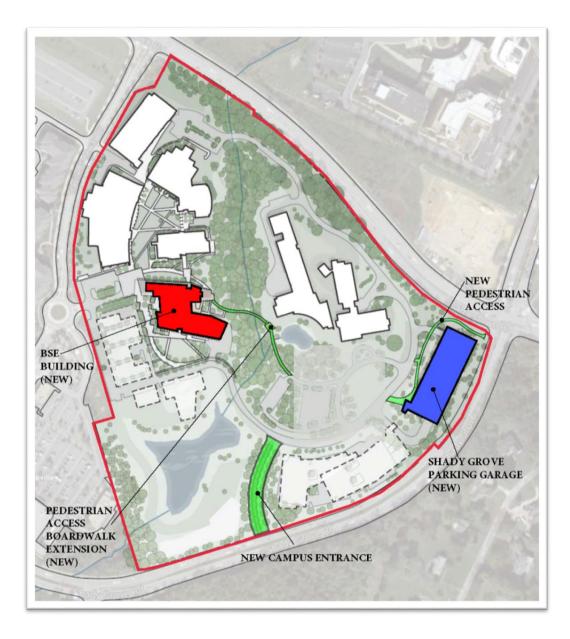
- The University System of Maryland promotes the creation of a 21st Century learning/teaching and research environment.
- The University System of Maryland supports the linkage between Shady Grove Center and the Shady Grove Life Sciences Center.
- The University System of Maryland promotes ecological stewardship.
- The University System of Maryland supports responsible development.

The 2003 Master Plan also provides guidelines as to planning the campus for further growth and expansion. This was done in accordance with seven Design Principles:

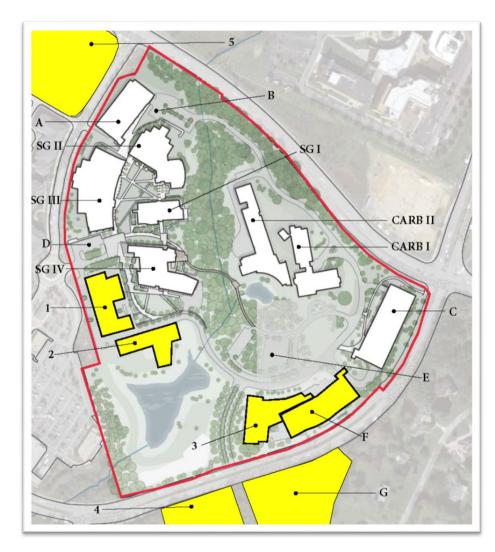
- 1. To create an open space network that respects, augments and amplifies existing site natural amenities; an open space system that is ordered, park-like and accommodating of passive recreation; and an open space network that is pedestrian oriented, predominantly vehicle free and unifies facilities.
- 2. To create a pedestrian environment that is auto-free and is linked to the surrounding community.
- 3. To create a vehicular circulation, service and parking system that will separate pedestrian and vehicles without compromising necessary access to facilities.
- 4. To create a total development of buildings, roads and infrastructure on the site that will be commensurate with Sustainable Design and Smart Growth objectives
- 5. To create a development plan that balances density and open space and provides for future flexibility in development of the site.
- 6. To create a Landscaping Plan that enhances the open space system and provides a gradual transition from the natural areas of the site to the man-made.
- 7. To create building guidelines that establishes human scaled spaces, consistent massing, and architectural expression with existing development to guide development into the future.

2019 Existing Campus Plan – Land Use Update (Attachment 1)

Below is a current diagram of capital projects completed since the 2013 FMP Update



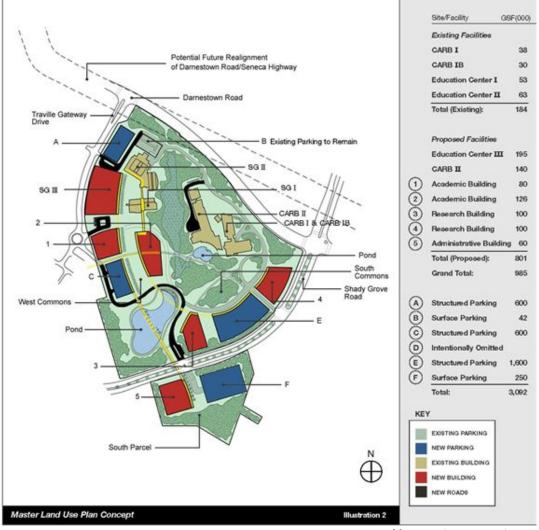
2019 Master Plan - Future Growth (Attachment 2)



Site/Facility

Existing Facilities	GSF
CARBI	38
CARB IB	30
CARB II	140
SG EDUCATION CENTER I	53
SG EDUCATION CENTER II	63
SG EDUCATION CENTER III BIOMEDICAL SCIENCE	195
TOTAL (EXISTING)	220
Proposed Facilities	GSF
1 ACADEMIC BUILDING	80
2 ACADEMIC BUILDING	60
3 RESEARCH BUILDING	86
4 ADMINISTRATION	20
TOTAL (PROPOSED)	246
GRAND TOTAL	985
5 ACADEMIC	60
(FUTURE LAND PURCHASE)	
PARKING #	SPACES
A STRUCTURED PARKING (E)	600
B SURFACE PARKING (E)	42
C STRUCTURED PARKING (E)	700
D SURFACE/ROAD PARKING (E)	44
E SURFACE PARKING (E)	100
F STRUCTURED PARKING	700
G SURFACE PARKING	250
TOTAL (PROPOSED)	2436

*figures shown are thousands



2003 Master Plan - Land Use Map- (Attachment 3)

*figures shown are thousands



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION, INFORMATION OR DISCUSSION

TOPIC: University of Maryland Center for Environmental Science 2018 Facilities Master Plan

COMMITTEE: Finance

DATE OF COMMITTEE MEETING:

December 12, 2019 (action) November 19, 2019 (presentation and information)

<u>SUMMARY</u>: The University of Maryland Center for Environmental Science requests Board of Regents' approval of its 2018 Facilities Master Plan.

Through its four laboratories and two programs across Maryland, the University of Maryland Center for Environmental Science (UMCES) is a research, education, and service institution of the University System of Maryland (USM) and a world leader in the science of coastal environments and their watersheds. UMCES faculty advances knowledge through scientific discovery, integration, application, and teaching that results in a comprehensive understanding of our environment and natural resources, helping to guide Maryland and the world toward a more sustainable future. Through its role as the responsible institution for administration of the Maryland Sea Grant College and numerous collaborative programs with other institutions, UMCES leads, coordinates, and catalyzes environmental research and graduate education within the USM. The Integration and Application Network inspires, manages, produces, and communicates timely syntheses and assessments on key environmental issues with a special emphasis on Chesapeake Bay.

Established over 90 years ago, UMCES received accreditation from the Middle States Commission on Higher Education in 2016. UMCES faculty members advise, teach, and serve as mentors to many graduate students enrolled in USM institutions, particularly through the System-wide graduate programs in Marine Estuarine Environmental Sciences (MEES), in which UMCES has a leading role. UMCES also delivers its services through environmental science education programs for K-12 students and teachers, pertinent and timely information to the general public and decision-makers, as well as technology transfer to industries.

By managing institutional funds in the most efficient and effective manner, UMCES was able to complete a number of key projects in the first 5 years of the 10-Year Facilities Master Plan (FMP) with great success. These projects include the Truitt Replacement Laboratory, an award winning LEED building; a 10-acre Solar Field and Solar Carport installation at UMES' Horn Point Laboratory in Cambridge, MD; the R.V. Rachel Carson Bulkhead Rehabilitation; and the Morris Marine Laboratory Phased Renovation project also located in Cambridge. This contribution of continuously and tirelessly supporting research activities at all laboratory campuses is one of UMCES' distinctive hallmarks. Building from the framework developed in the 2012 UMCES 10-Year Facilities Master Plan, the 2018 5-Year Update provides up-to-date, relevant project priorities by each UMCES-managed laboratory campus. The recommended three priority projects for each laboratory represent the target development projects most critical to each of UMCES' major campus locations.

The 2018 Facilities Master Plan Update sets a long-term vision and framework formulated from inputs from all in the UMCES community. The Master Plan continues to focus on aiding the UMCES mission-critical research space needs in a multi-faceted approach of renovation, rehabilitation, renewal, and

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addition. The Plan is aligned with the UMCES Strategic Plan and is developed in support and advancement of the University's mission.

Dr. Peter Goodwin, UMCES President, is committed to maintaining and developing facilities for convergent research specifically focused on the Chesapeake Bay and its watershed that can assist teams of researchers in analyses, synthesis, and data interpretation into relevant, actionable, and digestible information for decision making. The FMP emphasizes preserving and enhancing historic buildings and infrastructure, developing added environmental research opportunities, and building environmentally friendly facilities that meet programmatic needs. Energy efficiency on campus will continue to be improved with upgrades, renovation, and construction of facilities that will incorporate LEED standards to reduce energy usage.

<u>ALTERNATIVE(S)</u>: The 2018 Facilities Master Plan presents a comprehensive, long-term vision for UMCES physical development. The plan is reflective of the university's academic and research mission, its institutional values and its impact on the landscape, the environment, and the surrounding community. There are no alternatives for implementation.

FISCAL IMPACT: The 2018 Facilities Master Plan will present challenges to the capital and operating budgets to fully implement. The University is committed to securing funds to implement the plan. Approval of the FMP does not imply approval of capital projects or funding. These items will be reviewed through the normal procedures of the capital and operating budget processes.

<u>CHANCELLOR'S RECOMMENDATION</u>: That the Finance Committee recommend that the Board of Regents approve the UMCES 2018 Facilities Master Plan and materials as presented at the Committee's November meeting, in accordance with the Board's two-step approval process. Approval of the Plan does not imply approval of capital projects or funding. These items will be reviewed through the normal procedures of the capital and operating budget processes.

COMMITTEE RECOMMENDATION:	DATE:
BOARD ACTION:	DATE:
SUBMITTED BY: Ellen Herbst (301) 445-1923	

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BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION, INFORMATION OR DISCUSSION

TOPIC: University of Maryland, Baltimore: Bressler Research Building Exterior Upgrades

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 12, 2019

<u>SUMMARY</u>: The University is seeking Board approval of a \$6.5 million project to make repairs to the façade of the Bressler Research Building. The building was built in 1972 and its façade has been virtually untouched in the years since. All identified work is on the exterior of the building.

The Board of Regents must approve all cash/self-funded projects that exceed \$5M.

The Work of the Project as defined by the Contract Documents consists of the following two major components:

- Systematic replacement of exterior sealant joints throughout the exterior enclosure, including wall joints, penetrations joints, wall/door/louver perimeter joints, and exterior wet seals for window glazing. Some limited replacement of failed exterior glazing units will be required.
- Masonry veneer modifications & restoration to address structural deficiencies in the masonry veneer as identified within the scope documents. This work will include improvements to the backup wall systems behind the masonry veneer, where deficiencies have been identified.

<u>ALTERNATIVE(S)</u>: The nature of the project scope, the height of the building (17-stories to the roof) and the age of the building greatly limit options of remediation. Left as is, the façade will continue to deteriorate to a point where permanent sidewalk protection would need to be installed to protect pedestrians.

FISCAL IMPACT: The budget for this project is \$6.5 million, which will be paid for by institutional funds.

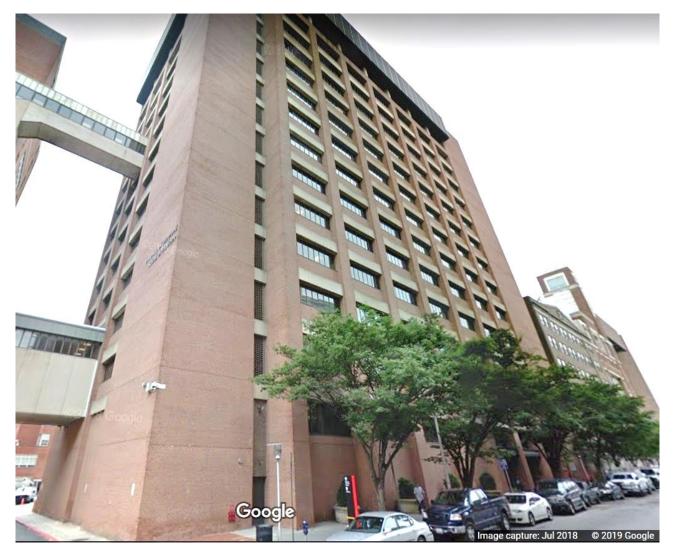
<u>CHANCELLOR'S RECOMMENDATION</u>: That the Finance Committee recommend that the Board of Regents approve the Bressler Research Building Exterior Upgrades as described above.

COMMITTEE RECOMMENDATION:	DATE:
BOARD ACTION:	DATE:
SUBMITTED BY: Ellen Herbst (301) 445-1923	

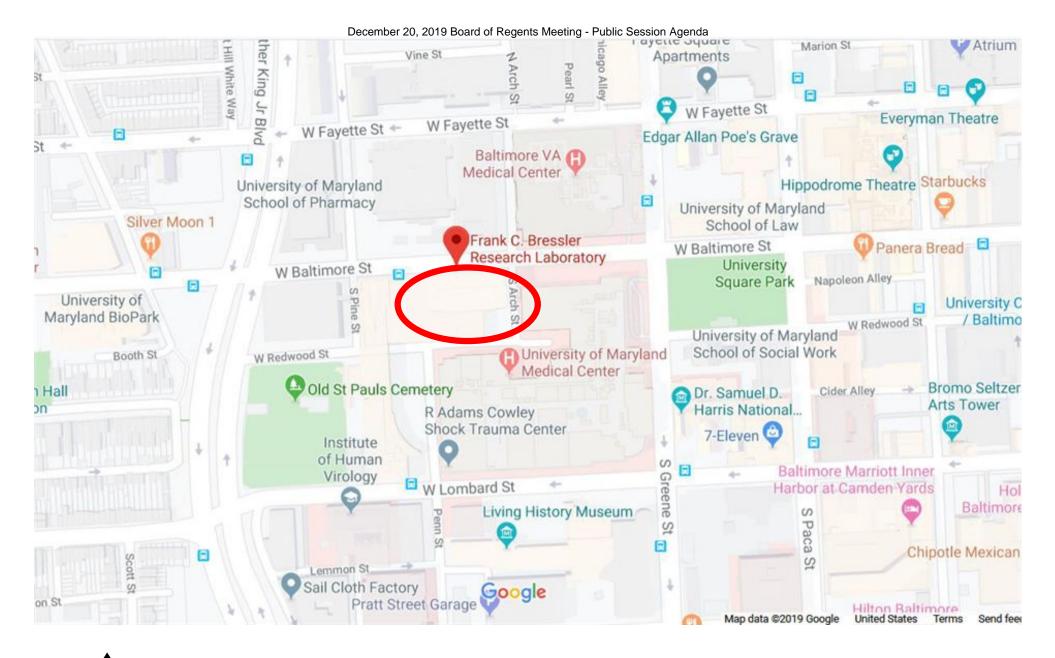
Project Cost Summary

UMB, 16-350 Bressler Research Building Exterior Upgrades

		Original
Date		12/12/2019
Stage of Estimate		Budget
Design/Fees		\$300,000
Construction Cost		\$5,600,000
Contingency	Includes Standard and Hot Market Premium	\$600,000
Project Total		\$6,500,000
Notes:		Cost estimate provided by Forella Group, LLC via Ziger/Snead Architects and UMB Design and Construction



Bressler Research Building, University of Maryland, Baltimore





Location Map: UMB Bressler Building



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION, INFORMATION OR DISCUSSION

TOPIC: University of Maryland, College Park: Development Agreement and Approval of Condominium Ownership and MEDCO Financing for College Park City Hall Block Redevelopment Project

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 12, 2019

SUMMARY: On March 27, 2019, the Board of Regents was presented with an informational item on a proposed joint development between the City of College Park ("City") and the University of the "City Hall Block" in College Park. This item follows up that presentation and seeks formal approval of key elements of this important project. The City and the University propose to raze an entire block in downtown College Park (the site of the existing City Hall) and to jointly develop an approximately 95,000 square foot office and retail building.

In that building,

- UMD would own (as a condominium unit) approximately 54,000 GSF of office space;
- the City would own an approximately 34,000 GSF condominium unit to be used as its new City Hall; and,
- UMD would initially own an approximately 7,000 GSF street level retail condominium.

The parties will also jointly develop an outdoor public plaza. Attached exhibits show or outline the site location, existing conditions, a project site plan and, finally, a rendering of the new building.

This is a complex real estate transaction and the University today seeks Board approval of several components. First, UMD seeks approval of a development agreement between the University and the <u>City of College Park</u>. The Development Agreement has two key elements. The first involves an equitable adjustment related to use of City real property. At the outset of the transaction, the City owns approximately 82% of the City Hall block real property. UMD use of the new building (ownership of its condominiums blended with an agreed upon 50/50 share of the outdoor public space) will make the University the majority (measured by square footage) user of the real property. In consideration for UMD's use of the City's real property, as a component part of the condominium regime, UMD will pay the City approximately \$2.38 million.

The second key Development Agreement component is construction cost sharing. The Development Agreement obliges each party to pay its proportionate share of the building's construction cost (as determined by square footage) and to equally share the cost of outdoor public space. UMD's hard construction costs for the office condominium, the retail condominium and its 50% share of public space is approximately \$26,600,000 (approximately \$3.5 million for sitework/public space; \$18.6 million for the University office condominium, \$1.9 million for the retail condominium and a construction contingency of approximately \$2.5 million). Project soft costs (permits, design and professional fees and moving expenses) are projected at just under \$2.7 million. Adding in the real property payment of \$2.38 million to the City, total project costs are approximately \$31.6 million.

<u>The University seeks approval of the Development Agreement and both its payment to the City for use</u> of City real property as well as its construction cost and the cost-sharing approach described above.

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<u>The University likewise seeks Board approval of the financing</u> of some or all of its share of project costs through bonds (or other borrowing) issued by (or borrowed through) the Maryland Economic Development Corporation (MEDCO). (The City will be financing the City's share of project costs through the issuance of City general obligation bonds.) That financing is likely to be in the form of a lease/leaseback (or similar) transaction, all to be subject to the review and approval of the Office of Attorney General. The retail portion of the project is likely not qualified for tax exempt financing. Once approved by the Board or Regents, the University will thereafter seek all required approvals of the real property transfers, financing and the proposed borrowing from the Board of Public Works, as advised, at all times, by the Office of Attorney General.

As an informational matter, <u>the University will return to the Board of Regents</u>, likely at its next meeting, for approval of a third component of this transaction. That portion of the city block not owned by the City is currently owned by Terrapin Development Company ("TDC"). The entire block must be under public ownership both to take advantage of the County's Mandatory Referral project approval process as well as to make the public components of the projects not taxable (the retail condominium will be taxable). Therefore, <u>the University will soon seek approval to acquire the TDC property which consists of approximately 0.251 acres located at 7403 Baltimore Avenue</u>, 7405 Baltimore Avenue, and 7413 Baltimore Avenue ("TDC Property"). It is anticipated that this acquisition will be structured as an exchange under which TDC conveys its existing property for ownership (either sale or lease) and control of the retail condominium. At this time, the parties continue to negotiate details of that transaction, although it is anticipated this real property acquisition will not add to the project costs (which already include the value of the retail condominium proposed to be exchanged for TDC's property). A separate item at a near future meeting will be presented to the Board for acquisition of the TDC property.

<u>ALTERNATIVE(S)</u>: The Board of Regents could reject this request, which would either preclude the University from participating in this joint development project with the City of College Park or require another approach to financing.

FISCAL IMPACT: The City and the University have jointly hired a project manager, design team, and construction manager. The building has been value-engineered to lower project cost as much as possible and still meet the parties' space needs. The total projected cost for UMD of \$31.6 million includes hard and soft project design and construction costs, the initial equitable contribution to the City for its real property and costs for furniture, fixtures, and equipment.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve for University of Maryland, College Park a Development Agreement between the University and the City that provides for the construction (and cost allocations) described above and the acquisition and ownership of the described office and retail condominium units and the financing by MEDCO as described above. The approval will authorize the Chancellor to execute, after appropriate due diligence and legal review, all documentation required for creation of the condominium, the real property adjustment with the City, project construction and the MEDCO borrowing (all consistent with the University System of Maryland Procedures for the Acquisition and Disposition of Real Property).

COMMITTEE RECOMMENDATION:	DATE:
BOARD ACTION:	DATE:
SUBMITTED BY: Ellen Herbst (301) 445-1923	

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Exhibit A - Location

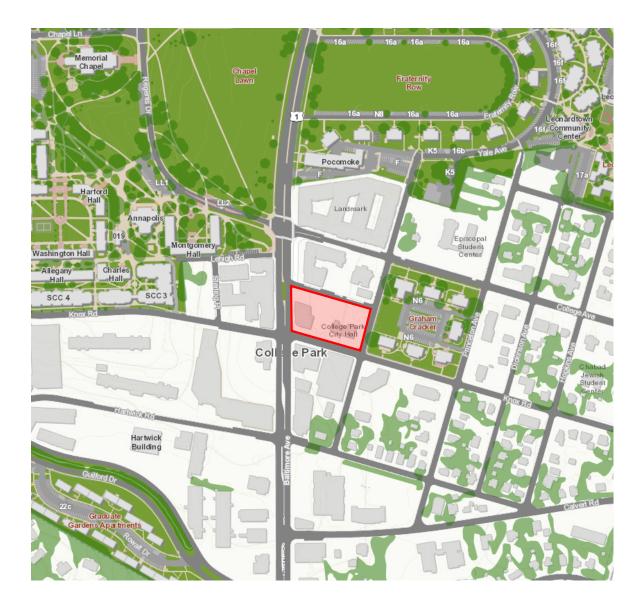


Exhibit B - City Hall Block Existing Conditions



Exhibit C - Site Plan

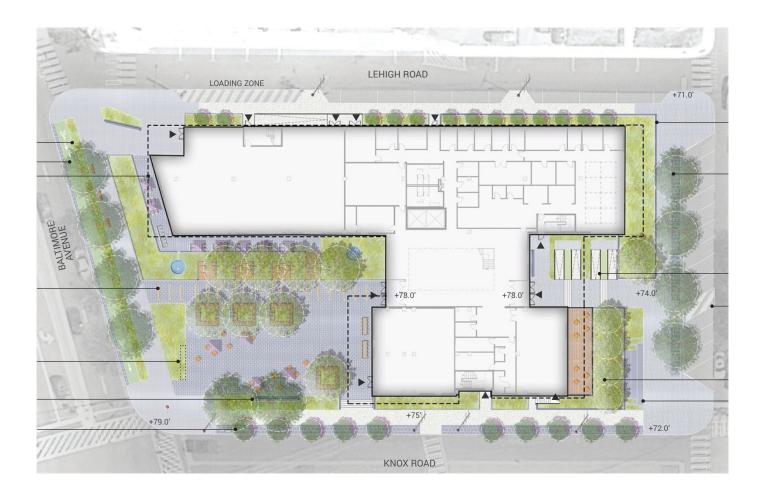


Exhibit D - Proposed City Hall/UMD Office/Retail Building



EXHIBIT EBUDGET	
Hard Construction Costs	
Sitework and Share of Public Plaza	\$ 3,477,199.00
University Office Condo including interiors and FF&E	\$ 18,805,719.00
Retail Condo	\$ 2,242,754.00
Contingency	\$ 1,066,919.00
Escalation Contingency	\$ 1,000,000.00
Soft Project Costs	\$ 2,652,053.00
Real Property Costs	
Payment for Equitable Use of City Land	\$ 2,380,000.00
TOTAL	\$ 31,624,644.00



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION, INFORMATION OR DISCUSSION

TOPIC: University of Maryland, College Park: Release of 1913 Deed Setback Requirement

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 12, 2019

<u>SUMMARY</u>: On May 24, 1913, Mr. and Mrs. Buckley sold Robert Ruffner just over one-half acre of land in College Park, Maryland. The deed of conveyance, recorded at Liber 88, folio 406 (the "1913 Deed"), also provided that "no building shall be constructed on said property nor on the other property of the grantors, nearer than twenty feet from the north line of the roadway running between the property of the grantor, the present grantee and the property of F.P. Veitch...." This deed restriction is the "Twenty Foot Setback" that the University is requesting approval to release. The location of the Twenty Foot Setback is shown on Exhibit A, attached.

One hundred and six years later, the property conveyed by the 1913 Deed, as well as the other property of Mr. and Mrs. Buckley have, over time, been sold to other parties, one of which is the University. Another owner are two affiliates of the Terrapin Development Company, LLC ("TDC"), a limited liability company created by prior authorization of this board whose two members are the University and its Foundation.

TDC desires to develop its parcels with a privately financed undergraduate student housing project with street level retail and attractive off-site improvements on neighboring UMD land. The Twenty Foot Setback impairs the developable footprint of the TDC parcels.

In support of TDC's development efforts, the University seeks board approval to release the Twenty Foot Setback.

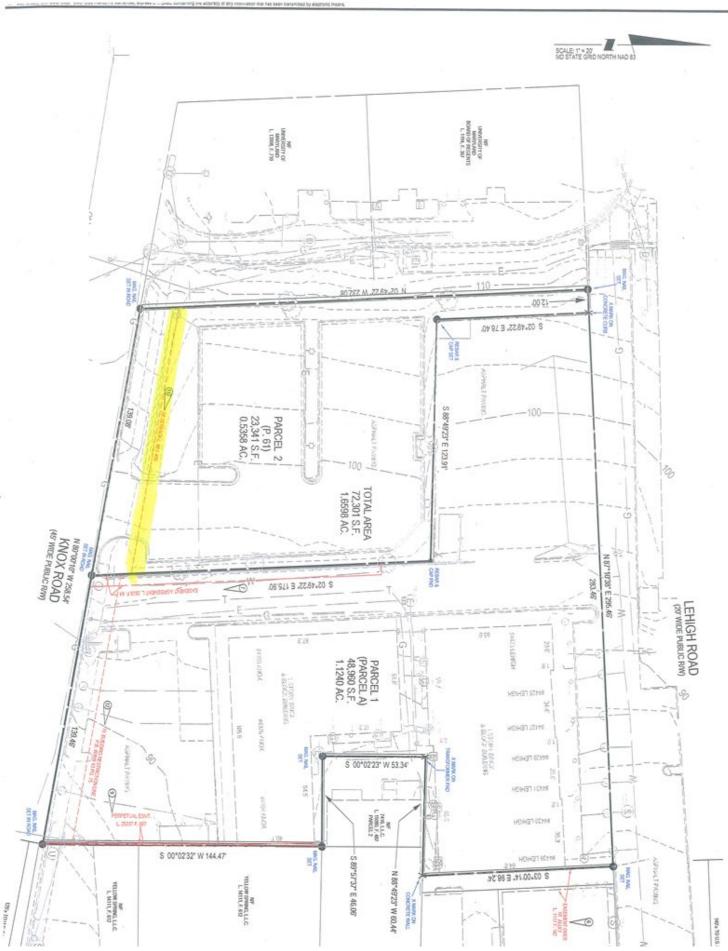
<u>ALTERNATIVE(S)</u>: The Board of Regents could reject this request, which would diminish the developable footprint of the TDC land.

FISCAL IMPACT: There is no direct fiscal impact to the University. UMD, as noted, is one of the members of TDC and, indirectly, if TDC's use of its property is less valuable because of the Twenty Foot Setback, then UMD is indirectly affected. The University derives no fiscal benefit from the Twenty Foot Setback or its release. There is no impact to System credit.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve that University of Maryland, College Park enter into a Mutual Release Agreement between the University and the TDC affiliates that releases the Twenty Foot Setback. The approval will authorize the Chancellor to execute, after appropriate due diligence and legal review, all documentation required for release of the Twenty Foot Setback.

COMMITTEE RECOMMENDATION:	DATE:
BOARD ACTION:	DATE:
SUBMITTED BY: Ellen Herbst (301) 445-1923	

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December 20, 2019 Board of Regents Meeting - Public Session Agenda





BOARD OF REGENTS

Summary of Item for Action, Information or Discussion

TOPIC: USM Supplemental 403(b) Plan Amended and Restated Effective January 1, 2020 and USM Supplemental 457(b) Plan Amended and Restated Effective January 1, 2020

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 12, 2019

<u>SUMMARY</u>: Board approval is requested to amend the USM's two supplemental retirement plans to (1) comply with new legal requirements under the Internal Revenue Code and (2) add a "Roth" investment option for participants in both plans. A summary of the major changes to the revised plan documents is attached.

The amended plan documents are available online at https://www.usmd.edu/regents/agendas/

The amended plan documents were prepared by outside legal counsel, reviewed and approved by the USM Retirement Committees, and approved for form and legal sufficiency by the Office of the Attorney General.

<u>ALTERNATIVE(S)</u>: The Board could choose not to approve the amended plan documents.

<u>FISCAL IMPACT</u>: There is no fiscal impact.

<u>CHANCELLOR'S RECOMMENDATION</u>: That the Finance Committee recommend that the Board of Regents approve USM Supplemental 403(b) Plan Amended and Restated Effective January 1, 2020 and the USM Supplemental 457(b) Plan Amended and Restated Effective January 1, 2020.

COMMITTEE RECOMMENDATION:	DATE:
BOARD ACTION:	DATE:
SUBMITTED BY: Ellen Herbst (301) 445-1923	

BOARD SUMMARY JANUARY 1, 2020 RETIREMENT PLAN RESTATEMENTS

The University System of Maryland ("USM") sponsors the University System of Maryland Supplemental 403(b) Plan ("403(b) Plan"), most recently amended and restated effective January 1, 2009, to which eligible employees can voluntarily make pre-tax elective deferrals. USM also sponsors the University System of Maryland Deferred Compensation 457(b) Plan ("457(b) Plan"), most recently amended and restated effective January 1, 2006, to which eligible employees can voluntarily make pre-tax elective deferrals.

The 403(b) Plan and 457(b) Plan (collectively, "Plans") are both currently stated on individually designed plan documents that use IRS pre-approved model language. The Plans are each being amended effective January 1, 2020, to make the following changes:

- 1. <u>Permit Roth Contributions</u>. The Plans are being amended to permit participants to make Roth Contributions. Roth Contributions are salary reduction contributions that are made on an after-tax basis. If the participant satisfies a five year holding period and meets certain other distribution restrictions, the earnings on Roth Contributions will not be taxed on distribution.
- 2. <u>Permit in-Plan Roth Rollovers</u>. The Plans are being amended to permit participants to convert part or all of their pre-tax elective deferrals to Roth contributions without taking a distribution from the Plan. This is a taxable transaction that is referred to as an "in-plan Roth rollover."
- 3. <u>Update Hardship Distribution Provisions</u>. The Bipartisan Budget Relief Act of 2018 amended the hardship distribution provisions for 403(b) plans. The 403(b) Plan is being amended to eliminate the 6 month suspension of elective deferrals following a hardship distribution and to require participant certification that he or she has insufficient cash or other liquid assets to reasonable satisfy the financial need, both of which are required amendments effective January 1, 2020. The 403(b) Plan is also being amended to allow an additional category of hardship distribution for losses on account of a federally declared disaster effective January 1, 2020, which is a voluntary amendment.
- 4. <u>Delegation of Administrative Responsibilities</u>. The Plans are being amended to delegate fiduciary responsibilities under the Plan to the Administrative Committee. This delegation is currently set forth in Board resolutions.
- 5. **IRS Model Language**. The 403(b) Plan is being restated onto a plan document template that uses the most recent IRS model language.

In addition, existing amendments were incorporated into each Plan, the terms of each Plan were harmonized for consistency, clean-up changes were made to each Plan, and the applicable Plan limits were updated for 2020.



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION, INFORMATION OR DISCUSSION

TOPIC: Collaborative Planning Activities – End of Year Status Report

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 12, 2019

SUMMARY: At the June, 2019 Board of Regents meeting, a Statement of Values and Expectations on Collaboration and Cooperative Efforts was approved. That statement can be found at <u>https://www.usmd.edu/usm/adminfinance/</u>. All USM institutions provided updates on collaborative planning activities per the Statement of Values and Expectations. The USM Office synthesized those reports into the attached summary for review and discussion. The summary report was presented and discussed during a recent meeting of the E&E Workgroup. The campus collaboration roadmap development will be completed in May and presented to the Board at its June, 2020 meeting.

The attached update on collaborative planning efforts includes two major aspects. First, institutions reported on their current highest priorities and initiatives. These priorities and initiatives include the following:

- Increasing enrollment and improving processes for doing so
- Improving overall campus student experience
- Enhancing budget and planning functions campus-wide
- Funding and managing capital projects supporting campus needs
- Various internal administrative process and system improvements

For the most part, institutions identified similar near-term critical efforts, such as increasing enrollment, improving processes and technology particularly around budget planning and student experience, and funding/managing growth in new facilities to support enhanced programs.

The second aspect of the report discusses current and planned collaboration efforts related to administrative processes, technology and data at each campus. These efforts include the following:

- Pursuing collaborative purchasing agreements for technology and services
- Consolidation of enterprise technology instances for clusters of institutions
- Administrative process alignment across similar institutions
- Building standard data definitions and translation tools for reporting and decision making

These initiatives were reviewed and categorized into various deliverable timeframes. Of note, a few of the collaborative partnerships discussed in more detail include the University of Maryland, Baltimore together with University of Maryland, College Park; and a consortium of six institutions. The Consortium members are Bowie State University, Coppin State University, Frostburg State University, Salisbury University, University of Baltimore, and University of Maryland Eastern Shore. Under the Strategic Partnership Act, UMCP and UMB continue to make great progress in partnering on IT and administrative functions. The Consortium has begun detailed program planning efforts to identify the possible outcomes and business benefits of working collaboratively on processes and systems.

Some potential areas include:

- Enterprise technology and process consolidation
- Administrative data enhancements
- Sharing resources for administrative functions

University of Baltimore and Coppin State University, along with BCCC, have created the B-Power initiative to enable Baltimore City K-12 students to more easily pursue higher education.

<u>ALTERNATIVE(S)</u>: This item is presented for information purposes

FISCAL IMPACT: This item is presented for information purposes

<u>CHANCELLOR'S RECOMMENDATION</u>: This item is presented for information purposes.

COMMITTEE RECOMMENDATION:	DATE:
BOARD ACTION:	DATE:
SUBMITTED BY: Ellen Herbst (301) 445-1923	

University System of Maryland Update on Institutional Collaboration Planning Efforts November 22, 2019

Introduction

At its June 12, 2019 meeting, the BOR unanimously approved a Statement of Values and Expectations on Collaboration and Cooperative Efforts wherein USM institutions are expected to *pursue opportunities to cooperate, collaborate, and establish common solutions to business process needs*. As required by the Statement of Values and Expectations, each institution provided an update on collaboration planning activities to the USM Office. Specifically, institutions were asked to provide information in three areas:

- 1. Top priorities and initiatives that may or may not support pursuing collaboration efforts
- 2. Plans for achieving current top priorities and initiatives
- 3. Collaboration planning status

The following is a high-level summary of all responses.

Overview of current priorities

All USM campuses are engaged in many significant activities to address priorities relative to areas including strategic goals, risk mitigation and academic and operational excellence. Many campuses cited similar priorities relative to increasing enrollment, improving processes and technology particularly around budget planning and student experience, and funding/managing growth in new facilities to support enhanced programs. Many of the individual campus priorities provide areas for new exploration into ways in which institutions could partner either in small groups or systemwide. Several partnerships are already in process.

Collaborative partnerships in process

Partnerships and collaborations of note:

University of Maryland College Park and Baltimore under the auspice of the MPower Strategic Partnership Act, developed a strategic plan for consolidating process, technology and data for many administrative functions. To date, technology collaboration has occurred which allows administrators and researchers at both institutions to log in with their home university credentials through one portal to access the shared Kuali Research Pre-Award System. UMCP and UMB share the same instance of this grants management system, which went live in 2018. Also, both institutions are pursuing leveraged contracts for systems needed by both including buying and implementing the same job market pricing comparison tool for the hiring function. In process are leveraged contracts for multifunction copiers/printers and potentially joint HR ERP contracting.

- A Consortium of 6 USM institutions has been developing over the course of several years and has begun to formalize. Leaders from Frostburg State, Bowie State, University of Baltimore, Coppin State, Salisbury and UM Eastern Shore have been meeting several times monthly, often facilitated by USM Office leadership, since June. Discussions have revolved around developing expectations for the partnership, breadth and depth of scope, governance and proper resourcing and timing for moving forward individually and collectively. Towson University has led discussions on key business process frameworks and standards based best practices. They have offered to establish a governance structure to facilitate information sharing and collaboration between participating USM institutions including sharing of interfaces, Chart of Accounts structure, integrations and conversions developed throughout the project. A team of three dedicated project resources will be procured to by the USM Office and will continue to evolve the program. Also, a readiness assessment and roadmap engagement will soon begin to identify how each institution is aligned and what steps need to be taken by each and collectively to achieve desired outcomes of shared process, data and technology.
- <u>BPower</u> University of Baltimore and Coppin State University, along with BCCC, have created the B-Power initiative to enable Baltimore City K-12 students to more easily pursue higher education. Both UB and Coppin have college readiness and dual enrollment programs in place to prepare Baltimore City youth to continue their education after high school. This Baltimore educational partnership is creating a pipeline of leaders to help further enhance the city's current culture and is evolving into a workforce development model for other urban areas to emulate.

Expected Outcomes for USM Collaboration Efforts

In an effort to help define a vision for what the Board of Regents intends by issuing the Statement of Values and Expectations, a set of high-level expected outcomes were identified by USM leadership. Below are those expected outcomes and the remainder of the summary report which discusses collaboration efforts at each institution through that lens.

Expected Outcomes for USM Collaboration Efforts:

Present-2020

- Each institution clearly positioned on a lifecycle roadmap
- Institutions aligned on plans for technology and process collaboration
- Governance structure working and roles clearly defined

2021-2022

- Data needs and models converged on USM standards
- Clusters of schools have developed common processes

2023-2028

- 3-4 shared instances of ERP (Finance, HR) technology system-wide
- Agreement on collaborative Student Information System strategy
- Comprehensive data available to answer emergent and strategic needs
- Shared services are in place
- Technology and data available anywhere on any device
 - Underlying infrastructure in place (e.g. network, security, identity management, etc.)

Progress on short term (Present – 2020) expected outcomes

A continual cycle of improvement and collaboration has been developed and will be the basis for development of campus collaboration planning and roadmap reports due in May to the Board of Regents. The USM Office is also developing governance models for discussion across the USM, to develop decision making bodies to direct collaboration efforts long term.

University	Summary of Collaboration Planning Efforts (as of December 2019)		
Bowie State	- Campuses all part of Consortium of 6		
Coppin State	 Currently engaged in planning and readiness assessment 		
Frostburg State	collectively		
Salisbury	 Collaboratively defining governance structure and process 		
University of Baltimore	- UMES involved in UMCP's ERP selection process as they are		
UM Eastern Shore	currently supported by UMCP's ERP systems and are		
	evaluating this relationship as a continued option		
Towson	 Recently selected cloud HR and Finance ERP solution and implementation partner 		
	 Negotiated a new Oracle contract that improves on UMB pricing with an additional 10% discount and ensured 		
	availability to all other USM institutions		
	Implementation underway in early 2020		
	 Partnering with UMB on lessons learned in implementing the same ERP tool 		
	- Worked with Consortium of 6 to evaluate opportunities for		
	being service provider more broadly. No clear option emerged.		
UM Baltimore	- Under SB1052, several initiatives complete or under-way with		
	UMCP related to administrative processes and tools		
	- Cloud financial ERP implemented on October 2, 2019		
	- Sharing lessons learned with Towson		
	- UMB will incorporate the Oracle Human Capital Management		
	(HR) application into the existing UMB Oracle platform for		
	achieving the most cost-effective, optimal integration solution		
	with the new Quantum (Oracle) financial system.		
	- Selection process for HR ERP underway. Involved with UMCP		

	in their selection process for HR ERP
UMBC	- Plan to remain with current on-premise ERP technology
	 Investing resources in other campus priorities
UM College Park	- Under SB1052, several initiatives complete or under-way with
	UMCP related to administrative processes and tools
	 Currently evaluating cloud ERP vendors for HR and Student
	Systems. Plan to continue to support UMES, UMCES and USM
	- Have offered participation in their procurement to greater
	USM
UMCES	- UMCES continues to successfully partner with the other UM's
	on various initiatives, which they plan on continuing as is
UM Global Campus	- Fully implemented cloud HR and Financial ERP Systems
	through AccelerEd
	- Recently selected new cloud Student Information System
	Implementation underway
USM Office	 Coordinating planning and assessment efforts with
	Consortium of 6
	 Developing governance frameworks with Consortium and greater USM
	 Absorbing cost of providing consulting assistance to
	Consortium of 6
	- Monthly hosting various constituent group collaboration
	discussions for CIOs, VP's, IT security leads and campus
	project managers

Progress on mid-term (2021 – 2022) expected outcomes

As institutions continue to migrate to cloud based ERP and other modern technology systems, an opportunity for converged data models emerges. This will provide improved consistency in data sharing between designated stakeholders and facilitate enhanced analytics and datadriven decision making. Likewise, as institutions begin to decide on modernizing technology, process improvement and convergence opportunities also increase.

University	Summary of Collaboration Planning Efforts (as of December 2019)		
Bowie State	- As part of Consortium of 6 readiness assessment, business		
Coppin State	processes will be evaluated and a roadmap to converge will		
Frostburg State	be created		
Salisbury	 Each campus undergoing business process evaluation in 		
University of Baltimore	various areas, which will inform the Consortium assessment		
UM Eastern Shore	 Working with USM Office on various data consolidation 		
	initiatives (e.g. common chart of accounts, HR data, etc.)		
Towson	- Implementation of Budget and Planning and Financials Cloud		

	 will be completed for FY22 go-live Engaged in process evaluation and redesign in preparation for implementing new HR and Payroll Cloud product Continues to lead in a shared service of aggregating payroll data from all Comprehensives and forwarding to State of MD.
	data from all Comprehensives and forwarding to State of MD Central Payroll Bureau
UM Baltimore	 With UMCP, developed common processes and standardized on same technology for grant management (Kuali) Working with UMCP to find areas of commonality in both data and process, across administrative functions with several areas identified (e.g. travel administration, HR onboarding, IT
	 functions, etc.) and are in discussion on how to converge Underwent internal process improvement for finance function with move to cloud Financial ERP Undergoing internal process improvement for Human
UMBC	 Resources functions with move to cloud to HR ERP. Purchased and implemented eProcurement System and extended contract and pricing to all USM
	 Currently undergoing internal campus-wide student facing process and data enhancements Expanding internal shared services efforts providing administrative support
UM College Park	 With UMB, developed common processes and standardized on same technology for grant management (Kuali) Working with UMB to find areas of commonality in both data and process, across administrative functions with several areas identified (e.g. travel administration, HR onboarding, IT functions, etc.) and are in discussion on how to converge
UMCES	 UMCES has been participating in the UMCP ERP evaluation process and intends to continue to have UMCP be their service provider for HR and Financial systems.
UM Global Campus	 Working with several campuses to implement HelioCampus, a higher-ed specific data analytics platform and service offering HelioCampus helps normalize and coalesce various campus data sources into a format and toolset that allows campuses to make more informed decisions
USM Office	 USM Institutional Research and IT continue to build common data structures for ingesting campus data to create institutional profile data and for mandatory reporting USM Office is providing the Consortium of 6, funding to perform a process readiness assessment for moving to cloud ERP as well as adjunct staff to lead process improvement efforts

Progress on long-term (2023 – 2028) expected outcomes

While some institutions have begun or even completed modernization to cloud ERP technology, several are still in process or planning for migration after other priorities are addressed. While 3-4 instances of ERP technology are possible in the foreseeable future, it is more likely that a 10-15 year window is more likely for consolidation to one instance of ERP technology that services all 12 institutions. With the first-round, migration will still bring consolidated data modeling and ability for campuses and clusters to do more with analytics and data-driven decision making. It should be noted that cloud-based ERP systems do not allow the same flexibility to customize the system to the current process. As processes converge around best practice as defined by cloud ERP technology, opportunities for efficiency through shared services become more prevalent. Likewise, cloud ERP and integrated technology are built from the beginning, with ubiquitous access by all digital devices in mind. This provides opportunities for faculty, staff and students to do their work anywhere they are.

University	Summary of Collaboration Planning Efforts (as of December 2019)		
Bowie State	- As part of the Consortium of 6, the intent is to pursue one		
Coppin State	shared instance of cloud ERP systems (HR, Finance and		
Frostburg State	possibly Student) among all 6		
Salisbury	 Cloud ERP and integrated technologies are built to provide 		
UM Eastern Shore	support for access to systems and data from traditional		
University of	computing and mobile devices through any browser		
Baltimore	 Sharing one instance of the ERP technology and common 		
	processes will provide the ability for any of the 6 campuses to		
	fulfill administrative needs for each other as needed		
Towson	- After completion of Financials implementation, will begin the		
	HR Cloud implementation		
	 Procured their Finance and HR cloud ERP using UMB's 		
	contract pricing		
	- Continues to be a service center for aggregation payroll data		
	to the Comprehensives		
	 Discussions about expanding services to Consortium of 6 is 		
	ongoing		
UM Baltimore	 With UMCP, developed common system login capability to 		
	access the Kuali Research Pre-Award System that is shared		
	and used by both campuses		
	 Implemented same Financial ERP that Towson plans to and 		
	sharing lessons learned in development. Potential for		
	additional consolidation		
	 Various administrative procedures and technology in the 		
	evaluation stage of converging with UMCP's procedures		

UMBC	 UMBC currently has not communicated plans to migrate to
	cloud ERP, collaborative data schema and processes
	 Various convergence options will be in place when they do
	 Developing internal shared service centers, the model for
	which could be promulgated across other USM institutions
UM College Park	 With UMB, developed common system login capability to
	access systems shared by both campuses
	 Potential to purchase and implement same cloud ERP vendor
	as UMB and Towson (Oracle for Financials and HR)
	 Aggregating payroll data and serving as procurement service
	lead for UMES, UMCES and the USM Office
	 Various administrative procedures and technology in the
	evaluation stage of converging with UMB's procedures
UMCES	- Continue to partner with UMs on various technology and
	associated systems as is currently the case
UM Global Campus	 AccelerEd and UMGC are in discussions with several USM
	schools to provide IT and process transformation services
	 HelioCampus desires to become the standard bearer for
	analytics across USM institutions
USM Office	 Funding an assessment that will show which processes or
	activities might best benefit from shared technology and
	services across the Consortium of 6
	 Funding three consulting resources to help with project
	planning, assessment and change/communication
	management
	- Continuing to build and enhance USM-wide systems and
	services providing efficiency across the System (e.g. tuition
	remission, articulation system, charitable giving, campus data
	aggregation, common security services and leveraged
	contracting)
	. .



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION, INFORMATION OR DISCUSSION

TOPIC: University System of Maryland: Report on FY 2019 Procurement Contracts

<u>COMMITTEE</u>: Finance

DATE OF COMMITTEE MEETING: December 12, 2019

<u>SUMMARY</u>: The USM Policy on Approval of Procurement Contracts requires that contracts of \$1 million to \$5 million, and emergency and expedited procurement contracts of \$5 million or more, shall be reported to the Committee on Finance.

Attached is the report of the procurement contracts awarded during Fiscal Year 2019 (July 1, 2018 - June 30, 2019). As provided in the policy, the report does not include construction contracts for capital projects approved by the Board of Regents, sponsored research/education contracts and grants, and contracts pertaining to interests in real property.

Thirty-four (34) contracts have been awarded that meet the reporting requirements totaling \$113 million. There were not any emergency or expedited procurement contracts of \$5 million or more during the reporting period. Of the total dollars awarded, 38% of the contracts were awarded to Maryland firms. The MBE participation on these contract awards was 6%.

ALTERNATIVES: This is an information item.

<u>FISCAL IMPACT</u>: This is an information item.

CHANCELLOR'S RECOMMENDATION: This is an information item.

COMMITTEE RECOMMENDATION:	DATE:
BOARD ACTION:	DATE:
SUBMITTED BY: Ellen Herbst (301) 445-1923	

USM Procurements Between \$1 million and \$5 million For Fiscal Year 2019

							In-	%
Inst.	Description of Procurement	Category	Method	Award	<u>Amount</u>	Fund Source	State	MBE
BSU	Thurgood Marshall Library HVAC Renovation	Maintenance	Competitive Sealed Proposal	Rich Moe Enterprises	\$4,886,184	Institutional Funds	Yes	30%
CSU	Housekeeping Services	Maintenance	Competitive Sealed Proposals	WFF Facilities Services	\$1,703,577	Current Unrestricted	No	20%
SU	Commons Refrigeration Replacement	Maintenance	Competitive Sealed Proposal	Harper and Sons	\$2,079,900	Auxiliary/Self Support	Yes	3%
SU	Henson Hall Exhaust System Retrofit	Maintenance	Competitive Sealed Proposal	Whiting Turner	\$1,834,000	General/State Support	Yes	0%
TU	Oracle Cloud Financial Software	IT Services	UMB Contract	Oracle America Inc.	\$2,001,818	Plant Funds	No	0%
TU	Prettyman and Scarborough Restroom Renovations	Maintenance	SBR-Competitive Bids	Rocchi Construction, Inc.	\$1,295,245	Plant Funds	Yes	39%
TU	7800 York Rd. 1st & 2nd floor Renovation	Maintenance	SBR-Competitive Bids	Oakmont Contracting LLC	\$3,017,983	Plant Funds	Yes	29%
UMB	Glacios Cryo Transmission Electron Microscope	Commodity	Sole Source	FEI Company	\$1,926,095	MCCBL 2018	No	0%
UMB	Cisco Enterprise Webex Cloud Subscription	Commodity	Cooperative Contract	DISYS Solutions	\$1,253,251	Current Unrestricted	No	0%
UMB	Upright HD MP Microscope System	Commodity	Sole Source	Nikon Instruments	\$1,919,093	Current Unrestricted	No	0%
UMBC	Engineering Building Roof Replacement	Maintenance	University Contract	Citiroof	\$1,250,490	Various	Yes	10%
UMBC	Bruker Scientific equipment for ILSB	Commodity	Sole Source	Bruker Scientific	\$1,312,894	MCCBL	No	0%
UMBC	Cisco Equipment for ILSB	IT Supplies	University Contract	DISYS Solutions	\$1,994,206	Current Unrestricted	No	0%
UMBC	Natural gas and electricity	Services	Sole Source	Baltimore Gas & Electric	\$2,800,000	Current Unrestricted	Yes	0%
UMBC	Journal Subscriptions for the library	Commodity	Exempt/Excluded	Ebsco Information Services	\$3,350,000	Current Unrestricted	No	0%
UMES	FY19 through FY23 Crowd Management Services	Services	Competitive Sealed Proposal	Contemporary Services Corp.	\$2,350,000	Auxiliary	Yes	0%
UMCP	5 Year Vehicles Lease with Motor Transportation Services	Supplies & Equipment	Cooperative Contract	Enterprise Fleet Mgmt. Trust	\$1,971,675	State Operating	No	0%
UMCP	1.0 - Flex Public Sector- 07/01/19- 06/30/24	IT Software/Hardware	Purchase off of State Contract	DISYS Solutions	\$1,918,240	State Operating	No	0%
UMCP	Replace AHU System & components at John Toll Bldg	Maintenance	Competitive Sealed Proposal	W.L. Gary Co.	\$3,682,309	Plant Funds-Non Capital	No	20%
UMCP	Main Electrical Service Upgrade at the LPS Building.	Maintenance	Competitive Sealed Proposal	Electrico Inc.	\$1,267,788	Plant Funds-Non Capital	Yes	25%
UMCP	Microsoft Enterprise for UMCP	IT Software/Hardware	Cooperative Contract	Bell Technologix Inc.	\$1,373,653	State Operating	No	0%
UMES	Management of Food Dining Services Systems	Services	Competitive Sealed Proposal	Thompson Hospitality	\$5,000,000	Self Support	No	0%
UMCP	Application Software for General Orders FY19.	IT Software/Hardware	Cooperative Contract	Bell Technologix Inc.	\$1,423,653	State Operating	No	0%
UMCP	Sports Ticketing Services - 1/1/19 to 6/30/19 and 7/1/19 to 6/30/20	Services	Sole Source	The Aspire Group, Inc.	\$1,100,000	Auxiliary	No	0%
UMCES	AWS Services	IT Software/Hardware	Purchase off of State Contract	Amazon Web Services	\$2,789,800	Federal C&G	No	0%
UMCP	Replace FCU's & convectors at Frat 1	Maintenance	Competitive Sealed Proposal	W.L. Gary Co.	\$1,035,800	Auxiliary	No	20%
UMCP	Structural, mechanical & elect repairs - Union Lane Garage	Maintenance	Competitive Sealed Proposal	Coakley Williams Construction	\$1,793,487	Plant Funds-Capital	Yes	0%
UMCP	Replace the low-slope roof at Biology-Psychology	Maintenance	Competitive Sealed Proposal	Plano Cloudon Inc.	\$2,372,414	Plant Funds-Capital	Yes	20%
UMES	Renovations to Trigg Hall	Maintenance	Competitive Sealed Bid	PWC Builders	\$1,170,416	Plant-Facility Renewal	Yes	0%
USMO	Indefeasible Right-to-Use (IRU) for Fiber	IT Services	Competitive Sealed Proposal	Shentel Communications	\$1,508,400	Self Support	No	0%
UMCP	Replace 74,000 SF of Synthetic Turf for the Field Hockey Stadium	Maintenance	Cooperative Contract	Astroturf Corporation	\$1,612,263	Auxiliary	No	0%
UMCP	Tesla high field MR instrument for pre-clinical research.	Supplies & Equipment	Cooperative Contract	Bruker Biospin Corporation	\$3,660,000	Plant Funds-Capital	No	0%
UMCP	FY20 Media Lump Sum - Advertising from July 2019 to June 2020	Services	Competitive Sealed Proposal	Red House Communications	\$1,184,000	State Operating	No	0%
UMCP	Furniture for Biomedical Bldg at USG	Supplies & Equipment	Purchase off of State Contract	Maryland Correctional Enterprises	\$2,372,736	Plant Funds-Non Capital	Yes	0%



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION, INFORMATION OR DISCUSSION

TOPIC: University of Maryland, Baltimore: School of Nursing Undergraduate Tuition Proposal

<u>COMMITTEE</u>: Finance Committee

DATE OF COMMITTEE MEETING: December 12, 2019

<u>SUMMARY</u>: The University of Maryland, Baltimore seeks to augment its nursing revenue through a phased-in series of tuition increments. These *program cost catch up* increases for the University of Maryland School of Nursing (UMSON) are necessary to offset the high cost of instruction to deliver an upper division traditional nursing program.

UMSON faces many financial challenges due to its uniqueness of being a public upper-division nursing school. It does not have the benefit of the first two years of undergraduate tuition revenues to help offset the higher cost junior and senior years. As an upper-division public nursing program, the tuition generated from the students must cover a greater portion of the high cost incurred to provide a quality educational experience.

A quality program at the upper division is impacted with clinical practicum ratios that have decreased from 8 to 10 students to a faculty member to 4 to 8 students per faculty member. However, the faculty time involved with on-site supervising and teaching the students in the clinical setting remains the same. As a result, more faculty members are needed to supervise the clinical/practicum experiences.

The use of simulation as a pedagogical approach in nursing education continues to expand with some proposing that upwards to 50% of clinical hours can be substituted with well-designed simulation based learning activities. Currently, between 10-15% of UMSON entry-level clinical experiences occur through simulation based learning activities. Simulation provides nursing students with the opportunity to expand their knowledge and skills in a safe environment. Currently 11 manikins are nearing the heavy use to end of use due to the age of the equipment. They need to be replaced. UMSON's operational costs for standardized patients continue to increase. These actors hired to represent patients and their families also help simulate real life experiences from which the nursing students learn.

The attached proposal reflects a comprehensive picture of these high cost items and others currently facing UMSON.

The University is requesting implementation in Fall 2020. If phased-in over a three-year period, full-time undergraduate students would be responsible for paying:

\$250 per semester during the first academic year of implementation,\$500 per semester during the second academic year of implementation, and\$750 per semester during the third and first full year of implementation

All current students will be "grandfathered" and thus not subjected to the "program cost catch up" increments. The request and expectation is that the stated tuition increments would accompany any tuition increase approved by the Board of Regents for the respective academic year.

ALTERNATIVE(S): The Board may elect to adjust the recommended tuition schedule.

<u>FISCAL IMPACT</u>: Given the enrollment patterns observed between 2018 to present, the School of Nursing would expect to generate much needed revenue in the range of \$900,000 to \$1,000,000 upon full implementation. The additional revenues collected would be distributed through two primary channels:

- Expansion of financial aid at least 18.2% (estimated \$180,000 annually when fully implemented); and
- Funding for academic excellence up to 81.8% (estimated \$818,000 annually when fully implemented)

By implementing this proposal for the BSN degree program, the tuition revenue will more closely align with the costs of the program.

<u>CHANCELLOR'S RECOMMENDATION</u>: That the Finance Committee recommend that the Board of Regents approve the tuition proposal for the University of Maryland, Baltimore UMSON as described above. Following full implementation, the University shall provide a report to the Board of Regents that reflects the benefits and challenges of implementing the UMSON proposal.

COMMITTEE RECOMMENDATION:	DATE:
BOARD ACTION:	DATE:
SUBMITTED BY: Ellen Herbst (301) 445-1923	

University of Maryland, Baltimore - School of Nursing Undergraduate Tuition Proposal

Prepared for the University System of Maryland Board of Regents November 20, 2019

Executive Summary

The University School of Maryland School of Nursing (UMSON) provides Maryland residents and others with the opportunity to pursue an upper-division baccalaureate degree in nursing on the Baltimore campus and at the Universities at Shady Grove. Upper-division typically represents the junior and senior years of a baccalaureate degree. The business model of an upper division program has unique challenges in comparison to a four- year program. There are significant costs associated with offering a professional degree program based on upper-division cohorts. As an upper-division nursing program the tuition generated from the students must cover a greater portion of the high cost incurred to provide a quality educational experience.

The financial challenges of delivering a high quality upper-division baccalaureate nursing degree support the need for a *program cost catch up*. By implementing a supplemental tuition increment to our BSN degree program, the tuition revenue will more closely align with the costs of the program.

The employment outlook for nursing graduates with bachelor degrees is extremely promising. As the healthcare delivery model continues an emphasis on increased roles of nurses, there is and will be an increasingly greater demand for higher skilled nurses, e.g., those with bachelor degrees vs. RN's. As a result, those nursing graduates with bachelor degrees will have ample employment opportunities with competitive salaries.

Based on our analysis, a total tuition increment of \$3,000 would generate tuition revenue to help offset the costs of our upper-division baccalaureate program. This rate would be applied as a per semester rate of \$750 for full-timed enrolled majors. Students who are pursuing their degrees on a part-time basis would be assessed on a commensurate credit-hour basis of \$50 per hour. Students taking courses full time for more than four semesters, part-time students taking more than 60 eligible credit hours, as well as students pursuing dual majors within two affected departments, would not be charged a supplemental increment exceeding a total of \$3,000. This is consistent with a tuition differential that Towson University's Department of Nursing recently implemented during a student's junior and senior year.

All current students will be "grandfathered" and thus not subjected to the program cost catch up pricing. Beginning Fall 2020 the pricing will be phased-in over a period of three years. A gradual phase-in would better allow for student planning with regard to the increased tuition costs. The request is based on the expectation is that the tuition increment would accompany any tuition increase approved by the Board of Regents for the respective academic year.

If phased in over a three-year period, full-time students would be responsible for paying:

- \$250 per semester during the first academic year of implementation,
- \$500 per semester during the second academic year of implementation, and
- \$750 per semester during the third and first full academic year of implementation.

Based on the figures above, full-time students would pay a total of \$500 during the first year of the phase-in, \$1,000 during the second year, and \$1,500 during the third year and first full year of the program cost catch up. A goal in this proposal is to protect continuing in-state students from a large percentage increase.

Given the enrollment patterns observed between 2018 to present, the School of Nursing would expect to generate annual revenues between \$900,000 and \$1,000,000 upon full implementation. The additional revenues collected would be distributed through two primary channels:

- Expansion of financial aid at least 18.2% (estimated \$180,000 annually when fully implemented); and
- Funding for academic excellence up to 81.8% (estimated \$818,000 annually when fully implemented)

Allocation of these funds would ensure that UMSON faculty salaries are competitive with other university or private sector employment opportunities, programs are funded with all necessary resources to maintain maximum educational quality, and that low-income and minority students are not adversely impacted.

Introduction

Universities across the country are using tuition differentials more and more to support high cost programs. "Additional revenues obtained through these differentials allow universities to ensure that program quality is not compromised..."¹ Within the University System of Maryland tuition differentials have been used at University of Maryland College Park and Towson to support quality instruction for high cost programs.

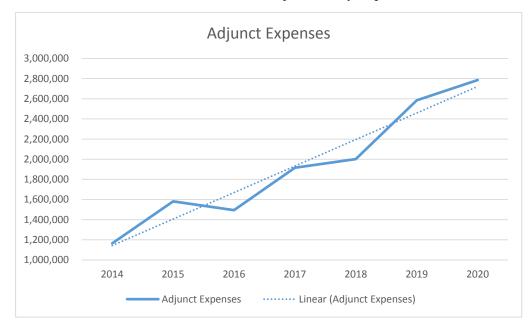
The School of Nursing traditional baccalaureate nursing program is unique in the country in that only the upper division years, junior and senior years, are offered at UMB. This model is more challenging than most due to the lack of subsidy normally generated by the lower division years. There is a large clinical component for our students that generates cost that are described in more detail shortly. There are simulation labs equipped with manikins, advanced technology and specially trained staff to manage the technology. Actors are hired to represent patients and their families to simulate experiences that our nurses can expect to confront in practice. This is referred to as our standardized patient program. In a traditional four-year program the net income generated during the freshman and sophomore years of undergraduate education (e.g., large lecture sections for science course) offsets the high costs of delivering the junior and senior years. UMSON is a top tier school in the country and seeks to continue to offer a quality instructional experience to the students. US News & World Report rank the Master's Program 12th in the nation and the Doctorate of Nursing Practice was ranked 6th. This is a clear indicator of the quality instruction received by UMSON students.

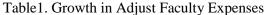
¹ Proposed Tuition Differential for Towson University, May 9, 2019

Need for Program Cost Catch Up at UMSON

Increase in Number of Adjunct Faculty

Increasingly health care employers are limiting the number of entry-level nursing students who can be assigned on a clinical unit for their clinical/practicum experiences. Historically student to faculty ratios were 8 to 10 students to 1 faculty member and now we are at 4 to 8 students per faculty member. However, the faculty time involved with on-site supervising and teaching the students in the clinical setting remains the same. As a result, more faculty members are needed to supervise the clinical/practicum experiences. Much of the adjunct expense is associated with growth in entry-level BSN enrollment (see Table 1). The growth in the BSN entry-level option in recent years was not supported with additional State funds and the additional tuition dollars do not cover the associated expense. Consequently, we have offset the expense through increased graduate tuition rates, including moving toward to single graduate tuition rate (verses a Master's entry Clinical Nurse Leader (CNL) rate, Master's non CNL rate, and Doctor of Nursing Practice/PhD rate). We must have the financial resources needed to compete with others for quality adjuncts and to protect the quality of the student experience without unduly burdening our graduate level students.





In addition to the changing landscape for the clinical/practicum experiences, we are actively integrating experiential learning within our didactic courses which requires an investment in faculty development and additional staff with expertise in learning technology, including for our simulation labs. There is a greater reliance on our standardized patient program. Along with our University of Maryland, Baltimore colleagues in dentistry, law, medicine, pharmacy, and social work, we are also expanding opportunities for undergraduate nursing students to learn about team-based care, which requires additional faculty expertise.

Increase in Adjunct Compensation

UMSON is in direct competition with other Schools of Nursing in Maryland and the District of Columbia (for BSN program offered at Universities at Shady Grove) for adjunct faculty. Our current compensation model had been in place until 2019.

As indicated we rely heavily on adjunct faculty to provide clinical instruction and we have recently had to increase their compensation rate. The estimated impact of that market rate adjustment is \$300,000. In addition, to reward those adjuncts whose loyalty has been demonstrated through length of service, we instituted an adjunct tier II compensation model consistent with USM policy. The approximate annual cost to implement this change was \$191,000.

Greater investment in faculty development

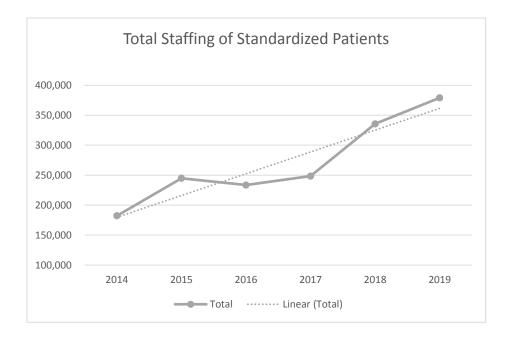
Faculty development is an ongoing need, both in terms of keeping abreast of one's specialty knowledge tied to the current state of clinical care but also in terms of evolving pedagogical approaches. Historically, the School of Nursing has budgeted \$800/year for each full-time faculty member. In 2014, we expended \$149,000 in support of individual faculty development and in 2020 we expect to spend \$266,000 in support of our 148 full-time faculty members. Our target is to double the funds available to support individual faculty development to capture the actual costs that are incurred (would require an additional \$266,000 in funding).

In addition, the School of Nursing is home for the Institute for Educators, whose mission is to prepare nurses for faculty roles in Maryland nursing schools and for educator roles in clinical settings and to provide ongoing professional development for faculty and educators in clinical settings. The Institute's current personnel budget is \$760,000 (salary and benefits), of which 13% is funded through grants and contracts. Consistent with the fact that the nursing workforce is "graying", so is the faculty workforce.

UMSON, and other Schools of Nursing throughout Maryland and the nation, are expecting significant turnover in their faculty due to retirements. In order to address the ongoing needs of new, and continuing, faculty we have expanded the resources available through the Institute of Educators by three faculty FTE (estimated salaries and benefits, \$350,000). This investment will directly benefit UMSON faculty as well as other nursing faculty throughout Maryland and the region.

Additional costs related to Standardized Patient program

UMSON, in collaboration with the University of Maryland School of Medicine, supports the Standardized Patient Program at the University of Maryland, Baltimore. UMSON operational costs for standardized patients is illustrated in the following figure, which reflects a steady increase since 2014. UMSON use of standardized patients is expected to increase.



Additional costs associated with increased use of simulation

The use of simulation as a pedagogical approach in nursing education continues to expand with some proposing that upwards to 50% of clinical hours can be substituted with well-designed simulation based learning activities. Currently, between 10-15% of UMSON entry-level clinical experiences occur through simulation based learning activities. Simulation provides nursing students with the opportunity to expand their knowledge and skills in a safe environment.

Calendar year 2018 saw expansion and opening of UMSON Shady Grove Simulation laboratories, additional staffing was needed. (Pre-workforce development support.) We added 2 FTEs to assist in the operation of the facility, an RN Simulation Coordinator and a Simulation Technician. The salary and fringe expense for these new staff positions added \$186,420 to the budget. This is over and above the faculty and staff costs of \$197,375 already in place for simulation at Shady Grove. The Baltimore Simulation laboratory also added an additional faculty FTE. This position adds an additional \$101,680 in cost for Baltimore Simulation laboratories. This is over and above the faculty and staff costs of \$944,120 already in place for simulation at Baltimore. Simulation also comes with an ongoing expense associated with maintenance and replacement of equipment. Currently 11 manikins are nearing the heavy use to end of use due to the age of the equipment. Replacing the 11 manikins is estimated to cost \$560,000.

Benchmark Comparisons

In preparation for this request, information was pulled from University websites on the tuition charged by the Academic Alliance Big Ten Universities and baccalaureate nursing programs in Maryland and neighboring states. This information is summarized below.

<u>Peer Academic Alliance Big Ten Nursing Programs:</u> The UMSON BSN tuition is \$309 per credit in-state (note we have to use a per credit rate for better comparison). The Big 10 schools BSN in-state tuition range from \$268 per credit (Iowa) to a high of \$937 per credit (Penn State). Out of the Big 10 schools of nursing (13 total), our BSN tuition is the fourth lowest. Only 3 schools Iowa, Minnesota, and Indiana University Bloomington have lower BSN tuition rates than UMSON.

Other local and regional undergraduate nursing programs: We also compiled the tuition rates for other local and regional nursing programs in the neighboring states of Virginia, Delaware and Pennsylvania as well as the DC area. The rates ranged from \$242 per credit hour to a high of \$977 per credit hour. The list is reflected below to give you a sense of the schools in the upper and lower level of the undergraduate tuition rate. As you can see from the below, while we compete for students with all schools, UMSON is one of the top tier schools in the country yet regionally our BSN tuition rate is much lower than lower tier schools due to the continued cap on undergrad tuition increases.

			Credit
Higher Education Institution (Resident)	State	Туре	Hour
James Madison University	VA	Public	\$242
Morgan State University	MD	Public	\$268
Marshall University School of Nursing	WV	Public	\$282
George Mason University	VA	Public	\$302
University of Maryland School of Nursing	MD	Public	\$309
Old Dominion University School of Nursing	VA	Public	\$356
Radford University School of Nursing	VA	Public	\$378
West Virginia University Health Services Center School of Nursing	WV	Public	\$391
Virginia Commonwealth	VA	Public	\$403
University of Delaware	DE	Public	\$424
University of Virginia	VA	Public	\$523
University of Pittsburgh School of Nursing	PA	Public	\$977

Conclusion

UMSON faces many financial challenges due to our uniqueness of being a public upper-division nursing school. We do not have the benefit of the first two years of undergraduate tuition revenues to help offset the higher cost junior and senior years. As an upper-division public nursing program the tuition generated from the students must cover a greater portion of the high cost incurred to provide a quality educational experience. In addition, we should not "cross-subsidize" expenses in our BSN program from revenues in our graduate programs. In an effort to better align our undergraduate and graduate programs tuition revenues with their related costs, it is imperative that we implement a supplemental tuition increment for our traditional BSN program. By implementing our tuition proposal, approximately \$900,000-\$1,000,000 of new tuition revenue would be generated. As noted in our proposal, we plan on making 18.1% available in new scholarship funds. Using an average scholarship award of \$2,000-\$3,000, we would be able to offer financial assistance to 60-90 additional students annually. The remaining \$800,000-\$900,000 would help offset the high costs described above: adjunct expenses, simulation and standardized patient expenses and faculty development. We would be better positioned to align programmatic costs with the revenues generated from that program.

We believe that our request is justified for the UMSON based on our high cost of instruction, high demand by students, high national standing, high placement rate and salary upon graduation, and high economic impact to the state.



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION, INFORMATION OR DISCUSSION

TOPIC: University of Maryland, College Park: NextGen Energy Systems Program

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 12, 2019

SUMMARY:

Background. In January and December, 2018, the University informed the Board of Regents (Board) about the expiration of the University's 1999 energy program (which occurred on August 31, 2019) and the measures being implemented to assure continuation of heating, cooling, and electric service to the campus during the development and procurement phases of the NextGen Energy Systems Program (NextGen Program), the University's next long-term energy program.

The 1999 energy program was an innovative public-private partnership (P3) that succeeded in making capital improvements to the University's energy infrastructure and meeting its energy requirements for the past 20 years. The onsite electric generation equipment and other portions of the energy generation and distribution systems, however, have reached the end of their useful lives and substantial additional capital investment is required.

NextGen Program Development. Over the past year, the NextGen development team has analyzed current operations, financial and funding options, budgetary considerations, and options for meeting the University's sustainability goals. The team, with the concurrence of the University's administration, has determined that continuing the P3 model is in the University's best interest. The team has prepared a Pre-Solicitation Report (Report) that meets the requirements of both the State's public-private partnership statute (P3 Statute) and the Board's Policy VIII-17.00 – Policy on Public-Private Partnerships (USM P3 Policy).

P3 Designation. The P3 Statute requires that all potential P3's be reviewed by the General Assembly's budget committees, submitted to other legislative officers and the Department of Legislative Services, the State Treasurer, and the Comptroller, and approved by the Board of Public Works (BPW) before beginning formal solicitation of proposals. The USM P3 Policy requires the Board's approval of all P3s undertaken by any of its constituent institutions before submitting information to the committees, state officials, or the BPW.

Requested Action. The University System requests that the Board designate the NextGen Program as being suitable for procurement as a P3 for the reasons set forth in the Pre-Solicitation Report so that the University can move forward with the statutorily required process for securing State review and approval of the NextGen Program's procurement as a P3. Board action is necessary now so that legislative review can occur prior to, and immediately after, the opening of the new legislative session in January.

<u>ALTERNATIVE(S)</u>: If the Pre-Solicitation Report is not approved, the University will not be able to move forward procurement of the NextGen program as a P3. The University will be required to fund necessary capital improvements internally and to re-constitute its energy system workforce since all persons managing, operating, and maintaining its energy systems are employees of the third-party operator.

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FISCAL IMPACT:

- The University's energy assets are at the end of their useful life and technical analysis estimates that, if substantial capital investment does not take place, the delivery of energy services over the next 33 years would cost \$1.2 billion (in net present value term).
- The Pre-Solicitation Report's preliminary affordability analysis demonstrates that capital investment to upgrade the energy assets will lower the University's energy services cost by \$200 million to approximately \$1.0 billion (in net present value terms) over the 33-year period.

FUTURE STATUS REPORTS: After the BPW's approval, the University will implement the procurement process set forth in the Pre-Solicitation Report. The University anticipates briefing the Board following the selection of short-list service providers and after selection of the preferred provider and the terms of the arrangement are developed. Under the USM P3 Policy, the final NextGen Program agreements must be presented for Board approval before submitting them to the Comptroller, State Treasurer, Budget Committees, and the State Department of Legislative Services for their review and comment. Upon completion of this review period, the final agreements will be submitted to the BPW for its approval.

<u>CHANCELLOR'S RECOMMENDATION</u>: That the Finance Committee recommend that the Board of Regents designate the NextGen Program as being suitable for procurement as a public-private partnership for the reasons set forth in the Pre-Solicitation Report.

COMMITTEE RECOMMENDATION:	DATE:
BOARD ACTION:	DATE:
SUBMITTED BY: Ellen Herbst (301) 445-1923	



Executive Summary

- NextGen Energy Systems Program (NextGen) Objectives
 - Meeting UMD's long term energy requirements while advancing strategic and operational goals
 - Improving energy services' long-term resiliency and seeking opportunities to implement innovative energy systems
 - Maximizing the value of UMD's available funds for energy services
 - Public Private Partnership (P3) to deliver NextGen Objectives:
 - Strong performance incentives
 - Risk Transfer
 - Whole life-cycle planning and cost optimization
 - Enhanced Opportunities
 - Financial Benefit
 - Innovative Technology and Best in Class Operations



NextGen Energy System Program

The NextGen Program was established to ensure that the University provides reliable, efficient and affordable energy services over the next 30 years; while also serving as a platform to meet University-wide sustainability goals

- · Components of UMD's energy system are aging and approaching their useful life
- Deferred maintenance, particularly with respect to the steam distribution, has reduced the system's overall operating efficiency thus increasing operating costs
- The Central Energy Plant ("CEP") is increasingly experiencing significant technical issues with its two aged combustion turbines, which require frequent servicing, thus contributing to suboptimal plant efficiency
- The existing 1999 third-party operations and maintenance contract for the energy system expired on August 31, 2019 which transfers much of the operating risk back to the University
- There is an ever increasing focus on the importance of ensuring sustainability within the university, and achieving targeted goals for carbon reduction and energy efficiency through 2050

The NextGen Program encompasses the development of a holistic strategy based on a careful evaluation of the operational profile of existing energy assets, commercial mechanisms to improve day-to-day management and operations of these assets, and the structuring of delivery options that account for budget limitations



Lessons from the 1999 Agreement

The 1999 Energy Program was an innovative approach to meet UMD's long-term energy requirements within available funding and UMD's experience with the Program offers many lessons

- Monitor performance metrics and energy system condition consistently
- Devote sufficient resources to monitor and enforce contractual performance requirements/standards to maintain service quality and meet NextGen expectations over time
- Review operating data on a real time basis and communicate regularly with operator to coordinate operations and optimize interconnected energy system performance
- Use incentives, quality control, and other measures to build a shared culture of continuing system improvement that adapts the energy systems to technological, legal, and societal changes
- Mitigate risk of outdated, end-of-useful life energy facilities at NextGen's termination by aligning the interests of UMD and operator in making cost-effective improvements throughout the term
- Structure NextGen contracts to weather corporate mergers and restructurings to ensure successors share priorities of original contracting parties (perhaps with more attention to transition periods or approval of assignments)
- Utilize commercially-proven technology for critical equipment, but constantly monitor industry for cost-effective, sustainable alternatives.



Interim Energy Bridging Program (IEBP)

Purpose	 Bridge the gap in operation and maintenance of UMD's energy systems while NextGen Energy Systems Program is developed
Duration	 Starts 9/1/2019 Expires 6/30/2024 Termination for Convenience: 6 Months
 Contract Type 	 Interim Energy System Services Agreement (IESSA): Inter-Agency Agreement. Between UMD and MEDCO Interim Management Operations & Maintenance Agreement (IMOMA). between MEDCO and College Park Energy
 Services Provided 	 IESSA: MEDCO continues to deliver energy services to UMD IMOMA: Management, operations, and maintenance services of systems



Process To Date

Assessment	Market Sounding	Baseline Report	Service Delivery Report	Business Case Report	Pre- Solicitation Report	
 Study the existing systems System Conditions Assessment 	 Obtain market feedback and interest Collect information on market approach 	 Existing Financial Structure Summarize Condition of System Assess future needs 	 Prepare Lifecycle Cost Analysis Determine Net Present Value of options Recommend Baseline System 	 Evaluate Commercial Structures, including Public-Private Partnerships Risk Analysis 	 Benefits of a P3 Approach Required by State Procurement Policies 	

NextGen Scope Discussion

- Five technical options to provide energy and thermal services were examined to ascertain their total capital and cycle costs to UMD over the life of the assets
- This assessment was used to develop a base scope that includes the following:
 - upgrade of the Central Energy Plant,
 - the creation of campus renewable energy districts,
 - replacement of the campus steam distribution system, and
 - upgrades to chiller equipment
- This option provided the lowest lifecycle cost to the University while allowing for the flexibility to incorporate stainability initiatives such as the introduction of renewable natural gas to power the facility
- Using this baseline option, UMD analyzed two alternative commercial delivery options a 501(c)(3) option, and/or a Concession option to serve as a benchmark to guide the Request for Qualifications and Request for Proposals processes. A final structure determination will be based on the financial and risk profile of competing proposals.



NextGen Energy Systems Program Timeline

	2018	2019	2020	2021	2022	2023	2024
Project Baseline Report			- Today				
Market Sounding							
Service Delivery Options							
Business Case							
NextGen Steering Committee Approval		$ \rightarrow $	Oct 2019				
UMD Administrative Council Approval		$\checkmark \bullet$	Nov 2019				
Pre-Solicitation Report							
BOR P3 Approval	X		Dec 2019				
BPW P3 Approval			June 20	020			
RFQ & Shortlist Providers							
BOR Update				December 202	20		
RFP & Preferred Provider(s)							
BOR Update		March 2022					
Negotiations							
BOR/BPW Transaction Approvals							January 2024
Transition & Program Start							8





UNIVERSITY OF MARYLAND

University of Maryland, College Park NextGen Energy Systems Program Pre-Solicitation Report

Prepared in Compliance with Maryland Code State Finance and Procurement Article §10A-201

November 22, 2019

1

1. INTRODUCTION

In accordance with State Finance and Procurement Article §10A-201 and the University System of Maryland's Policy VIII-17.00 – *Policy on Public-Private Partnerships* §IV-C, the University System of Maryland respectfully submits this public-private partnership pre-solicitation report for the NextGen Energy Systems Program ("NextGen Program") at the University of Maryland, College Park ("UMD") to the Comptroller, State Treasurer, the Budget Committees (Senate Budget and Taxation Committee, the House Committee on Ways and Means, and the House Appropriations Committee), and the Department of Legislative Services. The NextGen Program continues UMD's 20-year policy initiative for securing high-quality, reliable, and sustainable steam, electric, and chilled water services for its campus through a public-private partnership ("P3").

UMD's P3 initiative began in 1995, when the University was faced with serious deficiencies in its aging steam generation and electric distribution systems. As the result of a competitive procurement, UMD, in conjunction with the Maryland Economic Development Corporation ("MEDCO"), entered into a P3 with a leading private sector energy provider to make capital improvements to the campus energy systems and to manage, operate, and maintain the systems through August 31, 2019.

Beginning in 2015, UMD assessed the energy systems' condition, examined the campus' longterm energy requirements (including reducing carbon emissions), and assembled a team of engineering, financial, and legal professionals who, working alongside the UMD Facilities Management Department's staff and in consultation with key members of the UMD and University System of Maryland administration, performed the technical, financial, and legal analysis necessary to identify the technical and commercial delivery options available to UMD for the NextGen Program. UMD respectfully presents this report to summarize the team's conclusions, to seek the NextGen Program's designation as a P3, and to request approval of the solicitation process set forth in Section 9 below.

1.1 Executive Summary

UMD envisions the NextGen Program as a means for ensuring that it receives reliable, efficient, and affordable energy services over the next 30 years while also serving as a platform for meeting UMD-wide sustainability goals for energy production and usage. The NextGen Program has three objectives:

- Meeting UMD's long-term energy requirements in a manner that advances UMD's strategic and operational goals
- Improving long-term resiliency of energy services and seeking opportunities to implement innovative energy systems such as micro-grids, hot water districts, and renewable energy systems; and

 Maximizing the value of UMD's available funds for energy services by pursuing commercial structures that take advantage of time-limited tax incentives and historically low interest rates

UMD has determined that these objectives can best be achieved with a P3 for the following reasons:

- **Strong performance incentives**: A P3 increases UMD's likelihood of securing long-term high-quality and efficient energy services by selecting a private sector partner with extensive experience that can be held accountable for service deficiencies through performance guarantees and the monitoring of key performance indicators ("KPIs").
- **Risk transfer**: One of the fundamental purposes of a P3 is the development of an agreement that outlines the optimal risk allocation between the public and private entities based on the principle of transferring risk to the entity that is best able to cost-effectively manage that risk.
- Whole life-cycle planning and cost optimization: A P3 enables UMD to realize the best value for its energy expenditure through a holistic approach to energy system planning that seeks the optimal balance of energy generation and consumption, thereby "right-sizing" energy facilities and avoiding overbuilding and wasting capacity.
- Enhanced opportunities for innovative technologies and best in class operations: A P3 with an experienced district energy provider provides UMD access to field-tested new technologies, particularly in relation to renewable energy and energy efficiency, as well as global, high-quality operating practices.
- **Potential financial benefit**: Going back to in-house operations of the plant would be costly for the UMD, as there would be significant costs to hiring and training a UMD-employed facility workforce. In addition, through employing private capital, financing risks could be shifted to the private sector.

Program Structure. The University, in consultation with stakeholders, has undertaken a thorough analysis and careful consideration of the commercial solutions available for the continued delivery of thermal and electric loads in a sustainable manner. After a careful review of project delivery risks, as well as alignment with UMD stakeholder goals, UMD recommends that the NextGen Program to be structured as a P3 using either a 501(c)(3) Model or a Concession (Availability Payment) Model. Under the 501(c)(3) Model, UMD would finance energy system capital improvements through a tax-exempt entity (such as MEDCO) and contract with a private sector entity to design, engineer, and install those improvements and manage, operate, and maintain UMD's energy systems. Under the Concession Model, a private sector concessionaire would finance capital improvements, and manage, operate, and maintain the energy systems.

Market Sounding. UMD has conducted market soundings with recognized leaders in the district energy industry and has concluded that either model is commercially viable. Preliminary results under the Base Case assumptions indicate that the 501(c)(3) option and Concession

agreement structure have relatively similar economic cost for UMD over an assumed 33 years contractual term (30 years of operations plus 3 years of construction) should the private partner be able to fully utilize currently available tax benefits. The University is prepared to commence a transparent and fair competitive solicitation process for the selection of delivery of the NextGen Program once the required approvals are obtained.

2. BACKGROUND

The NextGen Program represents the second phase of a policy initiative by the State to partner with the private sector to meet UMD's long-term requirements for heating and cooling service. This section describes the origin and structure of this initiative, which became known as UMD's Energy and Utility Infrastructure Program ("1999 Program"), identifies the initiative's achievements, and discusses its lessons for the NextGen Program.

2.1 The 1999 Program

Origins

UMD's P3 initiative began in 1995 when the University faced serious deficiencies in its aging steam generation and electric distribution systems. At that time, the estimated cost of the capital improvements necessary to assure the long-term availability and reliability of heating and cooling services exceeded \$50 million. The University applied to the Maryland Department of Budget and Management ("DBM") for a commitment of capital funds, but DBM rejected the request and encouraged UMD to explore alternatives, including a P3.

In June 1997, UMD issued a Request for Proposals seeking comprehensive private sector proposals for capital improvements to its steam, chilled water, and electric systems and for managing, operating, and maintaining these systems. Three entities submitted technical and financial proposals. The initial evaluation, which was conducted in early 1998, concluded that the three proposals should be further clarified through discussions with each offeror. Following those discussions and the submission of final proposals in February 1999, UMD's Procurement Officer recommended award of the program to College Park Energy LLC ("CPE") (now a subsidiary of Engie North America, N.A.), which was approved by the University System's Board of Regents on April 9, 1999 and by the State's Board of Public Works on April 21, 1999. Final contracts were signed on August 31, 1999.

Scope

The 1999 Program's scope was unprecedented at the time. Other institutions of higher education had utilized P3's to modernize and operate their central energy plants, but the 1999 Program's partnership also extended to UMD's steam, electric, and chilled water distribution systems, its electric and natural gas supply procurements, and incorporated building energy conservation measures. This broad scope offered the possibility of meeting UMD's energy requirements holistically, taking advantage of the private sector's skills in energy planning and procurement to deliver reliable energy services at the lowest reasonable overall cost.

Structure

To achieve its objective of financing capital improvements with tax-exempt, off-balance sheet debt, UMD leased its existing steam and electric systems to the Maryland Economic Development Corporation ("MEDCO"). MEDCO in turn entered into management and construction agreements with CPE. Concurrently, UMD entered into an energy services agreement with MEDCO, as well as agreements with CPE that (i) governed the transition of its central plant employees to CPE, (ii) retained CPE as its agent for fuel and electric supply

procurement, and (iii) provided for CPE to design and implement a demand side management/energy conservation measures for UMD's buildings.

CPE assumed responsibility for UMD's steam and electric systems in September 1999. In June 2001, MEDCO issued over \$72 million in tax-exempt bonds to finance the capital improvements. CPE completed construction of the capital improvements in late 2006.

Accomplishments

The 1999 Program set a benchmark for higher education energy infrastructure renewal projects by demonstrating that:

- A P3 can successfully and reliably deliver steam, electricity, and chilled water over the long term to support an institution's educational and research mission even during periods of rapid growth in energy demand. The 1999 Program provided steam, electricity, and chilled water to UMD for 20 years, even as campus demand for those services increased by 38%, 35%, and 35%, respectively.
- Performance guarantees, backed by substantial liquidated damages for failure to meet the required performance levels, can provide effective incentives and accountability measures.
- Significant environmental benefits and operational efficiencies can be achieved by relying on "trigeneration" technology to recover useful heat for the generation of steam, electricity, and chilled water. Upon the completion of UMD's Central Energy Plant ("CEP") capital improvements, the U.S. Department of Energy and the EPA determined that the plant's efficiency had increased to 68% (more than double that of a traditional steam generation plant) and had reduced UMD's carbon emissions by an estimated 53,000 tons per year from pre-1999 levels. As a result, they recognized UMD with the 2005 Energy Star CHP Award.
- Onsite electric generation can produce significant financial benefits for an institution, not only in reducing the cost of electric supply by displacing electricity purchased from the grid, but also in generating electricity to lower peak electric consumption and thereby decreasing transmission and distribution costs.

Lessons Learned

The 1999 Program also taught UMD lessons for the NextGen Program:

- Reliable operation of an energy system requires constant improvement, not just at the program's beginning, and the private sector system operator should have a stake in the energy systems' condition throughout its term. The 1999 Program was based on a "once and done" approach to capital improvements. The NextGen Program should incentivize the operator to identify capital improvements proactively to anticipate problems, enhance the systems' reliability and sustainability, and take advantage of new energy conservation, distribution, and generation technologies.
- Performance guarantees help ensure service reliability at the delivery points, but do not guarantee that the operator will implement preventative maintenance and quality

control programs. In addition to securing performance guarantees, the NextGen Program should require such programs and establish KPIs to hold the operator accountable for the energy systems' condition throughout the Program's term.

 Monthly and annual reports are insufficient for UMD's monitoring of the private operator's performance and the energy systems' condition. The NextGen Program should authorize UMD to monitor the KPIs in real time by accessing the operator's operating data and metering systems and its computerized maintenance and management system.

2.2 Energy Service Changes Since 1999

Since 1999, the energy industry as a whole and UMD specifically have experienced numerous major changes that directly affect the NextGen Program. Among these changes are:

- **UMD Energy System Personnel**: A key aspect of the 1999 Program was the transfer of responsibility for UMD's energy system staff to CPE. As those staff members retired or otherwise left UMD employment, CPE replaced them with its own employees. Consequently, UMD no longer possesses either the staff or institutional knowledge to manage, operate, and maintain the energy systems effectively.
- *Climate Change*: Reducing carbon emissions has become a major focus of global energy policy. Both the State and UMD have committed to achieving carbon neutrality no later than 2050.
- **Technological Change:** Energy generation, transmission, lighting, motor, and control technology has made revolutionary advances since 1999. Electricity generated by renewable resources has become commonplace, conventional generation has become more efficient, and large baseload power plants that cannot follow electric loads are being replaced by highly efficient, load-following facilities.
- *Financing Change:* UMD's only avenue for financing the 1999 Program's capital improvements while retaining ownership of the energy systems was the issuance of debt by the University System, MEDCO, or another State entity. Now, large district energy companies (often working with private equity firms) have access to capital sufficient to finance all or a substantial portion of capital improvements themselves and to recover their investment (plus a return) through payment mechanisms such as availability payments. Additionally, federal tax law and accounting changes make off-balance sheet financing of public sector infrastructure projects more difficult than in the past.
- **Availability of Tax Incentives:** Federal law has created time-limited tax incentives for certain capital projects. These incentives (such as the Cogeneration Investment Tax Credit and Bonus Depreciation) are only available for entities with taxable income but can substantially reduce costs for public sector capital improvements undertaken by P3's.

2.3 The Interim Energy Bridging Program

The MEDCO bonds that financed the 1999 Program's capital improvements were retired in July 2019 and the contracts that governed the program expired on August 31, 2019. To ensure that UMD's energy services continue uninterrupted, UMD, MEDCO, and CPE negotiated service agreements to preserve the status quo during the NextGen Program's development and procurement phases. These agreements differ from their predecessors in the following ways:

- **Term:** The Interim Program's primary term expires on June 30, 2024 but can be terminated with six-months' notice
- **No Performance Guarantees:** The 1999 Program's capital improvements are nearly twenty years old, which precludes meaningful performance guarantees to assure energy system reliability
- **Financial Risk:** Unlike the 1999 Program's contracts, the Interim Program's contracts shift virtually all operational and financial risk for the energy systems to MEDCO and ultimately, UMD

2.4 Summary

The 1999 Program showed that a P3 works to supply reliable steam, chilled water, and electric service to support UMD's educational and research mission. The NextGen Program Team proposes to continue and improve upon that model, relying on lessons learned and taking advantage of new technology, maturing energy markets, and financing opportunities. The next section of this report explores in depth the reasons why the P3 model continues to be the best vehicle for delivering long-term energy services to UMD.

3. REASONS FOR USING P3S TO DELIVER ENERGY SERVICES

3.1 Policy Reasons and Core Mission Focus

The strategic goal of UMD's energy infrastructure procurement is to ensure that it obtains reliable, efficient and affordable energy services over the next 30 years, while also serving as a platform to meet its sustainability goals. The key policy drivers are described below:

- Assets at end of useful life: Components of UMD's energy system are aging and approaching their useful life. The CEP is increasingly experiencing significant technical issues with its two aged combustion turbines, which require frequent servicing, thus contributing to suboptimal plant efficiency.
- **Deferred maintenance:** Deferred maintenance, particularly with respect to the steam distribution, has reduced the system's overall operating efficiency, thus increasing operating costs. The Steam distribution and condensate return system has a 29% system loss rate compared to peer benchmark losses of 10% to 15%.
- **Sustainability focus**: There is an ever-increasing focus on the importance of ensuring sustainability within UMD and achieving targeted goals for carbon reduction and energy efficiency through 2050.
- Ensure world-class operations and maintenance services: The 1999 Program's operations and maintenance contract expired on August 31, 2019 and a new interim agreement provides for continued third party management of the campus energy infrastructure over the next five years. UMD, however, is taking on a higher amount of risk, and there is an opportunity to reconsider the optimal commercial structure to address its strategic priorities, particularly in regard to operations and maintenance services.

Ultimately, the modernization of campus energy assets is well aligned with UMD's policy objectives, and encompasses the development of a holistic strategy based on a careful evaluation of the operational profile of existing energy assets, commercial mechanisms to improve day-to-day management and operations of these assets, and the structuring of delivery options that account for budget limitations.

In addition to the policy goals, UMD's objectives align with the core values and building blocks described in its 2016 strategic plan, thus facilitating its aim to provide a world-class education while extending preeminence in research and scholarship.

Building Blocks	Core Values	Energy Infrastructure Goals
Infrastructure and Academic Support: "We will build an infrastructure and academic support system essential to a world-class university"	Act with Entrepreneurial Spirit: "Tackle big issues, seize opportunities and adapt quickly to changing circumstances; [including] partnering with others, locally and globally"	 Address University's Energy Requirements Select optimal technology that meets strategic and operational goals
Resources and administrative efficiency : "We will be disciplined in allocating existing resources in support of our priorities, generating additional revenue, and relentlessly seeking greater efficiency in everything we do"	Embrace Technology: "We will embrace the power of technology to advance our teaching, research, and service missions"	 Improve resiliency and implement renewable energy systems Consider micro grid technology, hot water districts and renewable energy systems Strengthen energy performance data collection to improve operations and preventive maintenance
Implement a better budget model Continuing state budget shortfalls have heightened awareness of the need for a better budget model	Take Responsibility for the Future: "Enhancing the quality of life of all people, sustaining the natural environment and reinforcing the capacity of Maryland's citizens to thrive and prosper in a diverse, ever- changing, globally competitive environment.	Account for Affordability Limitations Develop/Scope for commercial structure options that maximize value for money

By addressing these goals through a P3 structure, the University will be able to focus less on the reliability issues and asset failures associated with the current system, and more on fulfilling the mission of providing excellent teaching, research, and service and educating students while advancing knowledge in areas of importance to the State, the nation, and the world.

3.2 Operational and Financial Considerations

Operational and financial performance are directly related. Key objectives to help facilitate operational improvement, which will translate into real cost savings, are as follows:

- Optimize Satellite Central Utility Buildings ("SCUB") and Chiller Plant Operations
- Develop KPIs
- Strengthen energy performance data collection to improve operations and preventive maintenance
- Renew thermal distribution system
- Optimize plant controls to achieve energy savings
- Focus on maintaining the value of assets beyond the end of the commercial arrangement through targeted life-cycle investment and preventive maintenance

To better understand the economic losses associated with some of these operational inefficiencies, the University commissioned a utility condition assessment, starting in 2015 and updated in 2018. This analysis was supplemented with further operational and financial analysis in 2019. The table below presents the range of estimated costs that may be avoided through modernization of the campus energy infrastructure and addressing related deferred maintenance.

	Costs Avoided Through Modernization	
Opportunity	2018 Condition Assessment Report	2019 Business Case Analysis
Repower Central Energy Plant	Up to \$4-6m reduction in purchased energy (primarily electricity) per year ¹	Up to a \$11m reduction in purchased energy (primarily electricity) per year ¹
Renew Steam Distribution System	Up to \$4m reduction in water purchasing costs per year, based on current losses of approximately 700 million gallons of water per year, due to leaks ² Up \$1.5m in additional fuel cost as a result of system losses of 29% compared to 10%-15% seen at peer universities	Up to \$2m ³ p.a. reduction of water and chemical purchasing costs Up \$1.5m p.a. reduction in additional fuel costs
Cost Avoided ⁴	Up to \$9.5 m - \$11.5m per annum	Up to \$14.5m per annum

3.3 Market Attractiveness for Private Sector Partners

Robust market interest and competition from the private sector during a P3 bidding process is important for achieving value to UMD. In early 2019, market sounding interviews with industry were undertaken to assist the University in evaluating industry perspectives on options for the modernization of its campus energy infrastructure. The University specifically sought to a) gauge market interest in participating in a procurement process related to the project; (b) understand participants' views on the optimal procurement, commercial and financial structure to meet the needs of the campus; and (c) obtain feedback to further inform the evaluation of alternatives and the structure of a potential procurement process. After conversations with 11 firms, it was confirmed that the UMD energy infrastructure project is one in which the private

¹ "Utility Condition Assessment- Final Submission". 2018 Jan. Page 9 of 158. *Note, this report indicates \$10m/year in energy costs, however this figure was revised downward to \$4-6m range due to lower commodity prices"

¹ Business Case Analysis. 2019.

² Interview with engineering consultants on 9/4/18

³ Business Case Analysis- 2031 figures when the distribution upgrade is fully complete

⁴ Note that these figures are preliminary in nature and represent an estimate of potential cost avoidance

sector has significant interest in potentially partnering. Additional themes which emerged out of the market sounding are as follows:

- Participants recommended a 25-30+ year term, and many were comfortable with up to 50 years, to secure beneficial pricing to the university
- Either a 501(c) (3) or Concession agreement structure would be acceptable to participants, with a few interested in an asset purchase agreement
- Private sector capital was readily available to finance capital investment, and other UMD requirements, if requested

Within the broader higher education energy market, there are several comparable P3s in the market which have sparked renewed interest in this asset class. These include completed and contemplated projects at The Ohio State University, the University of North Dakota, Iowa State University, Dartmouth University and Fresno State University.

DECISION TO RE-AUTHORIZE A P3 MODEL AT UMD

4.1 UMD Campus Infrastructure, the 1999 Agreement and 2019 Interim Agreement

UMD's energy infrastructure systems consists primarily of the CEP, steam and electric distribution systems, and multiple district chilled water systems with the chillers located in Satellite Central Utility Buildings ("SCUBs"). The CEP includes a cogeneration system that generates electric power and utilizes the waste heat to produce steam which is distributed to campus. The CEP, the campus high pressure steam distribution system, the electric distribution system, and the SCUB IV chilled water system were operated by a third party under an agreement with MEDCO, which expired at the end of August 2019 and was replaced with an interim agreement that will expire in 2024, subject to a six-month termination provision.

4.2 Analysis Undertaken by UMD

UMD has taken a series of steps over the past several years to prepare for potential reauthorization of the P3 model to operate, manage, and maintain its energy infrastructure. Key steps in the process are outlined below:

- Asset condition assessment and report: In preparation for the 1999 agreement expiration, UMD commissioned a condition assessment of the CEP and steam distribution system as well as a review of the electrical and chilled water systems. The condition assessment included a survey and inspection of the major equipment within the CEP to identify short term repairs and estimate remaining life. The assessment of the distribution systems was based upon pipe age, installation type, historical repairs, thermal aerial survey, multiple test pits, inspection of the steam manholes and a review of metered energy use. A sampling of electrical manholes and transformers were surveyed as well. The cooling load and energy use for each of the SCUBs were evaluated from the available meter data. A chiller capital renewal and improvement plan was developed based upon unit age and service.
- Energy systems operational and financial due diligence: UMD undertook financial and operational due diligence of the campus energy system which summarized information in relation to asset condition, sustainability and environmental considerations, historical consumption and utility related energy spend, forecasted load, forecasted pricing for key commodities, and affordability considerations. Using this data, UMD developed a base scope to serve as the baseline for financial evaluation of alternative commercial options.
- **Commercial Delivery Options Analysis:** Two P3 commercial structures were considered by UMD and evaluated based on their compatibility with UMD's strategic objectives. One is the 501(c)(3) structure, which is similar to the original 1999 P3 arrangement with MEDCO. The second structure analyzed was the Concession Structure which involves a P3 concessionaire managing UMD's energy and utility systems under a Design-Build-Finance-Operate-Maintain ("DBFOM") structure.

Further discussion on the commercial structures analyzed is presented in Section 6.

Throughout this process, UMD worked closely with stakeholders to keep them informed of the project and to solicit additional feedback for consideration. This outreach included student groups, the UMD Sustainability Council, and the UMD Steering Committee, among others. Their feedback has been instrumental in shaping UMD 's analysis and will continue to play an important role in the procurement process.

5. BENEFITS TO UMD OF CONTINUING THE P3 DELIVERY MODEL FOR ENERGY SERVICE DELIVERY

5.1 Key Benefits

Continuing with a P3 model offers UMD significant benefits, including the integration of the design, construction, and operations phases of the project thus reducing the risk of cost and schedule overruns. A renewed P3 program will also allow for multiple facets of the project to be coordinated and managed under a single entity. Finally, financial penalties and scrupulous oversight on behalf of UMD by project lenders and/or bond holders can help to ensure that the private developer is incentivized to comply with standards and specifications.

The key benefits of continuing the use of a P3 structure for UMD energy infrastructure are as follows:

- **Operations with strong performance incentives:** A P3 structure can provide for contractual incentives and disincentives, as payments to the private entity are subject to operator performance and KPIs. A performance-based agreement is used to help ensure the long-term operational integrity of the asset.
- Whole life-cycle planning and cost optimization: Developing resilient and reliable campus energy infrastructure requires considerably planning that incorporates not only the initial design, build and associated financing, but also significant diligence on the long-term operations and maintenance lifecycle and the mitigating the inherent risks associated with each development and operational phase. Under a P3 structure, the private sector will be required to develop pricing that considers the costs needed to operate and maintain the asset over its entire lifecycle, thus promoting better build quality to ensure the integrity of the asset through the contract period through to hand-back.
- **Risk transfer:** One of the fundamental tenets of a P3 is the development of an agreement that outlines the optimal risk allocation between the public and private entities, based on the principle of transferring risk to the entity that is best able to cost-effectively manage and mitigate that risk. Key risks that would be transferred to the private entity in the context of UMD's energy infrastructure are providing improved funding certainty for future required capital expenditures and reducing the risk of suboptimal technology selection and poor-quality materials that adversely impact performance.
- Enhanced opportunities for innovative technologies and best in class operations: Better preventive maintenance over the life of the project will reduce system losses for both the steam distribution system (affecting both water and fuel purchases) and the steam generation system (as cogeneration equipment downtime necessitates the use of less efficient boilers). A P3 entity could also be more incentivized to take advantage of emerging technologies to address UMD's energy needs through

leveraging international best practices related to energy efficiency and capitalizing on newer trends, particularly in the renewable energy space.

• **Financial benefit:** Going back to self-financed and operated energy infrastructure would be costly for UMD, as it would be required to hire and train a UMD-employed workforce. By continuing to use a P3 approach, UMD has the option of utilizing private sector equity. The financing risks are shifted to the private sector, allowing for additional flexibility with the use of project financing, including capital markets solutions, private placements, and bank solutions, as well as the possible use of the various financial incentives such as the Investment Tax Credit ("ITC") and bonus depreciation in the Concessionaire case which would limit the cost of capital differential between tax exempt and private sector financing.

5.2 P3 Risk Mitigation

A central P3 concept is that risks are allocated to the party best able to manage them in a costeffective way. Since risk transfer to the private sector is priced by the market, certain risk transfers may not offer value if the private sector cannot price them effectively. To better inform the magnitude of potential project risks, possible risk mitigation, and possible transfer of risks inherent in UMD's energy infrastructure renewal under different commercial options, a risk workshop was held in May of 2019. The risk analysis included an evaluation of the following:

- Perceived risks relevant to the project for the 501(c)(3) and Concession structures
- Categorization based on the following project risk elements: Design, Construction, Demand, Operational, Commercial, Capacity, Financial, and Governance Risks
- Responsibility for each risk to either the asset owner or the third-party contractor/operator under both the 501(c)(3) and Concession structures
- The estimated probability of each risk occurring under the 501(c)(3) and Concession structures
- An allocation of the cost associated with each risk under the 501(c)(3) and Concession structures

UMD developed a risk adjusted contingency, comprised of the product of the probability of the risk occurrence and the likely cost impact of the risk. The 501(c)(3) scenario had slightly less risk transfer to the private sector than the Concession scenario, but both cases had much less risk exposure to UMD than the current interim agreement, under which UMD retained risk particularly with respect to capital expenditures and major maintenance during operations. Additional risk mitigation benefits under the P3 arrangements included:

• **Reliability of service:** Because of the more stringent performance requirements inherent in the P3 structures and the greater penalties for nonperformance throughout the project term, there is a greater emphasis on reliability of service. This could help mitigate the risk of unplanned outages, and other unexpected costs that the University has been exposed to over the past several years.

- **Financing risks:** The financing and funding risks are shifted to the private sector, thus allowing for additional financing structures, while mitigating the life-cycle investment risk to the University, particularly in later years.
- Environmental Risks: The NextGen Program incorporates the implementation of renewable energy districts and cogeneration technology that allows for the flexibility of using renewable natural gas to power the facility. Some of the future environmental risks will be mitigated by a potential P3 arrangement through the shared goals of deploying newer and more sustainability focused technologies throughout the term. UMD expects to benefit from obtaining the perspective of a private entity that has successfully implemented these emerging technologies at a variety of locations.

5.3 Potential P3 Implications

Continuation of the P3 model at UMD avoids adverse implications often associated with P3s while providing positive implications, including the following:

- Workforce Implications: None of the jobs in managing, operating, and maintaining UMD's energy systems are held by public sector employees. Therefore, there will be no State jobs lost as the result of continuing the P3 model.
- Economic Development: Renewal of the campus energy infrastructure will create construction jobs not only over the 3-year construction period, but also over the program term as capital improvements are made to create new renewable energy districts and maintain and enhance the efficiency of the energy systems.
 Furthermore, UMD expects current district energy internships to continue into the NextGen Program, which will train engineers and managers in renewable technologies and energy efficiencies, thereby supporting UMD's education mission and developing personnel for the new global energy industry.
- Environmental Implications: UMD expects that the NextGen Program will be an integral part of achieving UMD's sustainability objectives, not only through its installation of advanced energy technology, but also through gaining access via the P3 partner to best-in-class environmental operation and management practices.

6. PROPOSED P3 COMMERCIAL DELIVERY OPTIONS

Two P3 commercial structures are being considered by UMD for the NextGen Program's procurement based on their compatibility with UMD's strategic objectives. The first is the 501(c)(3) Structure, in which UMD would utilize tax-exempt financing through a tax-exempt entity (such as MEDCO) to finance capital improvements to its energy systems, and would enter into an agreement with a private sector provider to design, engineer, construct, and install capital improvements to the energy systems and to manage, maintain, and operate those systems for the program term. Substandard performance by the provider would results in reduction of its operation and maintenance compensation.

The second commercial structure is a Concession Structure, in which a P3 concessionaire would manage UMD's energy systems as a Design-Build-Finance-Operate-Maintain project. The Concessionaire (i.e. Developer/Investor) would finance capital improvements using a mixture of taxable debt and its own (or an equity partner's) equity. Deductions for substandard performance would reduce the Concessionaire's recovery of its equity investment as well as its expected return.

6.1 Initial Observations

UMD's analysis identified similar benefits to be obtained from each P3 approach compared to retaining full control in a "self-invest and operate" scenario:

6.1.1 **Pros:**

- Transfer of risk (additional funding/financing for future capital expenditures, technology selection and risk of poor-quality materials adversely impacting performance particularly for the Concession Structure)
- Investor/Developer potentially incentivized to innovate
- Payments subject to operator performance and KPIs
- No significant increase in operational costs compared to the status quo option
- Meets goal for efficiency, resiliency and growth

6.1.2 **Cons**:

• For the 501(c)(3) Structure, there are higher interface risks because it is somewhat more difficult to coordinate contract management to ensure UMD receives expected benefits

6.2 Results

Analysis indicates that the lifecycle costs of entering into a renewed P3 for its campus energy infrastructure would be comparable under either a 501(c)(3) Structure or Concession Structure, assuming that the full benefit of tax incentives available to the private sector are considered

(i.e. the investment tax credit, and bonus depreciation). There are several qualitative differences that favor a Concession P3 structure, including:

- Greater performance incentives as a result of equity commitments;
- The ability to improve security for the asset handback at end of life;
- Major maintenance funding availability of the contract term;
- More incentives and funding for campus wide improvements over time; and
- The potential for third party customers that could be leveraged to lower the cost to the University

Since the financial impact of these structures was similar, UMD intends to allow for flexibility in its procurement that would allow it to evaluate the value of each structure as part of the selection process. Further, if there is flexibility around these P3 options, it could be possible to structure the NextGen Program as a hybrid approach that would incorporate some elements of a 501(c)(3) Structure with a Concession Structure, thus allowing for the utilization of a more creative financial approach (i.e. tax-exempt debt for the distribution network and taxable for the generation renewal).

7. PRELIMINARY CONTRACT CONCEPTS/WORKING ASSUMPTIONS

7.1 Term Length

UMD currently envisions the NextGen Program having a 30-year operations term, with 3 years of construction. This term may be increased up to 50 years, the statutory maximum for P3s, or decreased to 20 years depending on offeror proposals and discussions throughout the solicitation process.

7.2 MEDCO Ground Lease

MEDCO's Ground and Equipment Lease of UMD's central plant and other pre-1999 energy infrastructure expires on June 29, 2029 but its termination can be accelerated by UMD and MEDCO's agreement.

7.3 Program Structure

UMD anticipates that the successful offeror will manage, operate, maintain, and improve all campus energy generation and distribution systems. For financing purposes, UMD may pursue a hybrid program structure in which the successful offeror finances capital improvements to, and assumes full responsibility for, only the steam, electricity, and chilled water production facilities. MEDCO (or other 501(c)(3) entity) would issue tax-exempt bonds for capital improvements to the distribution systems and retain the offeror as the systems' operator and construction manager.

7.4 Asset Ownership

UMD expects that following termination of MEDCO's Ground and Equipment Lease, the State would retain ownership of all portions of the energy systems existing prior to the NextGen Program's effective date. For financing purposes, UMD may lease those systems to the successful offeror. The offeror would finance and own all capital improvements, which would become State property at the end of the lease's term.

If UMD follows the hybrid program structure, the State would lease the steam, electric, and chilled water production facilities to the successful offeror, which would finance and own all capital improvements. Concurrently, UMD would amend the existing, or enter into a new, Ground and Equipment Lease with MEDCO (or other 501(c)(3) entity) for the steam, electric, and chilled water distribution systems. The tax-exempt entity would finance and own all capital improvements to those systems. At the end of both leases' term, all capital improvements would become State property.

7.5 Performance Guarantees

UMD intends to solicit proposals that include performance guarantees of energy service quality, efficiency, and reliability. UMD expects that all performance guarantees will be backed by

substantial liquidated damages/ performance deductions, or other consequences if the guarantees are not met.

UMD may also seek proposals for the installation of energy conservation measures and building improvements to reduce its energy requirements and decrease its carbon footprint. UMD expects that offerors will guarantee the efficacy of such measures and back that guarantee with liquidated damages/performance deductions.

7.6 Performance Metrics

UMD expects that offerors will propose a detailed set of KPIs as a means for evaluating the energy systems' operation and maintenance and the quality of the operator's performance. Specific KPIs will be developed during the solicitation process. UMD anticipates that at a minimum, such KPIs will fall within the following general categories:

- Repair and maintenance activities
- Service call response and service restoration times
- Safety (trainings, accidents)
- Service reductions or outages
- Condensate returned to central plant
- Temperature differential between chilled water delivery and return points
- Electric distribution system feeder loading
- Steam pressure at point farthest from central plant
- Delivery pressures and temperatures
- Fuel conversion
- Fuel and electric supply hedging and management
- Reductions of Greenhouse Gas emissions

UMD expects to have the capability to monitor KPIs in real time by accessing the operator's operating data and metering systems and its computerized maintenance and management system.

7.7 Sustainability

The NextGen Program is essential to meeting UMD's commitment to carbon neutrality no later than 2050. UMD expects that offerors will articulate a clear pathway to energy system sustainability through utilization of highly efficient equipment and continuing evaluation and deployment (as feasible) of new technologies throughout the term. UMD also expects offerors to propose a plan to implement one or more renewable resource hot water demonstration districts during the NextGen Program's initial phase.

7.8 **Technical Approach**

UMD anticipates that the NextGen RFP will describe a base technical case upon which offerors will submit proposals. UMD may also provide offerors the opportunity to propose an alternative technical approach that can meet UMD's reliability, affordability, and sustainability requirements.

7.9 Additional Scope

Under the 1999 Program, UMD retained ownership, maintenance, and operating responsibility for all except one of the 13 SCUBS. UMD may add all SCUBs to the NextGen Program's scope.

7.10 Mandatory Contract Provisions

UMD intends for the NextGen Program contracts to contain terms and conditions that require compliance with the following provisions of the Maryland State Finance and Procurement Code:

- Section 3-602.1 (High Performance Buildings)
- Section 11-205 (Collusion)
- Section 11-205.1 (Falsification, Concealment of Material Facts)
- Section 13-219 (Required clauses Nondiscrimination clause)
- Section 13-225 (Retainage)
- Sections 14-301 14-309 (Minority Business Enterprises)
- Sections 15-101 15-112 (Procurement Contract Administration)
- Section 15-226 (Payments to Subcontractors)
- Sections 16-101 10-312 (Suspension and Debarment of Contractors)
- Sections 17-101 17-111 (Security for Construction Contracts
- Sections 17-201 17-226 (Prevailing Wage Rates Public Works Contracts)
- Sections 18-101 18-109 (Living Wage)

Contracts will also contain terms and conditions to require compliance with the Maryland State Environmental Code.

Examples of standard provisions utilized in UMD contracts to comply with several of these statutes are set forth in the University System of Maryland Procurement Policies and Procedures ("USM Policies") (available at

https://www.usmd.edu/regents/bylaws/SectionVIII/VIII300.pdf).

In addition, the P3agreement will contain the provisions required by Section 10A-401 (a) of the Maryland State Finance and Procurement Code:

The method and terms for approval of any assignment, reassignment, or other • transfer of interest related to the public-private partnership agreement;

- The methods and terms for setting and adjusting charges related to the public infrastructure asset;
- The method and terms for revenue-sharing or other sharing in fees or charges, in which the public participates in the financial upside of asset performance of the public infrastructure asset;
- Minimum quality standards, performance criteria, incentives, and disincentives;
- Operations and maintenance standards;
- Rights for inspection by the State;
- Terms and conditions under which USM/UMD may provide services for a fee sufficient to cover both direct and indirect costs;
- Provisions for oversight and remedies and penalties for default;
- Terms and conditions under which the USM/UMD will be responsible for oversight;
- Terms and conditions for audits by the State, including the Office of Legislative Audits, related to the agreement's financial records and performance;
- Terms and conditions under which the public infrastructure assets shall be returned to the State at the expiration or termination of the agreement;
- Requirements for the private entity to provide performance security and payment security in a form and in an amount determined according to statute.

8. PRELIMINARY DEBT AFFORDABILITY ANALYSIS

UMD under either P3 structure would not directly be issuing debt. The 501(c)(3) structure would involve the issuance of tax-exempt debt while the private entity under the Concession Structure would source taxable debt via a sale of securities such as a private placement. The University would pay the private entity through the use of availability payments.

The Governmental Accounting Standards Board is current developing implementation guidelines for GASB 87, while also engaged in a project that could change recognition and measurement for various commercial structures under GASB 60.

It is expected that both commercial options will be considered on credit to the University.

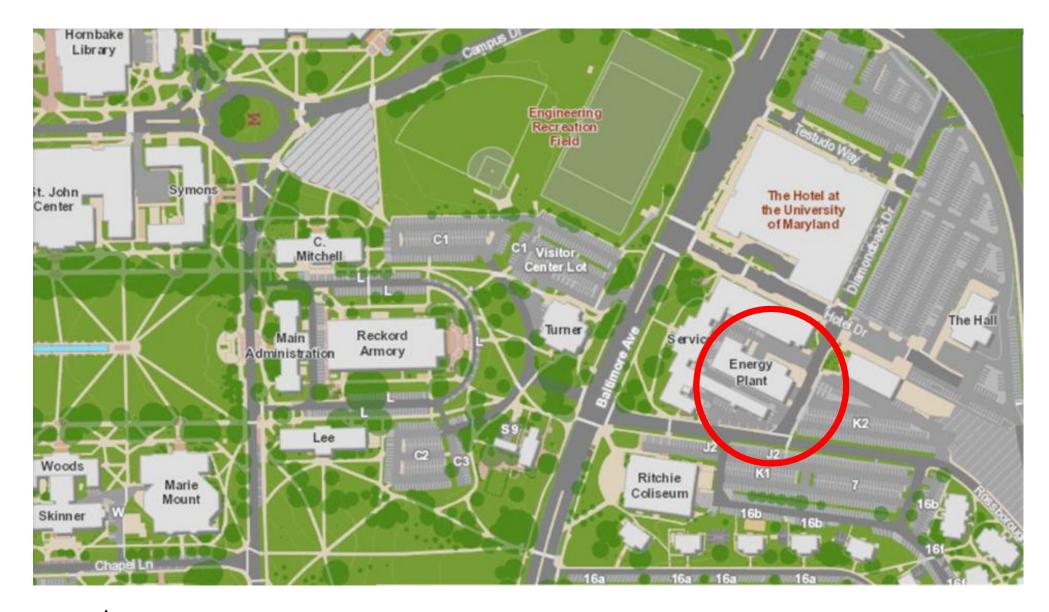
9. PROPOSED SOLICITATION PROCESS

Please see below the preliminary procurement schedule, including key steps and anticipated dates.

Preliminary Procurement Schedule		
Procurement Step	Milestone Dates	
Board Regents Approval	December 2019	
Board of Public Works Approval	April 2020	
Request for Qualifications	September 2020	
Shortlist Service Providers	January 2021	
Draft Request for Proposal	March 2021	
Industry Feedback	May 2021	
Final Request for Proposal	June 2021	
Select Service Provider	October 2021	
Negotiations	December 2021	
Commercial Close	December 2022	
Financial Close	June 2023	

10. STATEMENT OF INTENT TO RELY ON SECTION 11-203 EXEMPTION FROM THE UNIVERSITY SYSTEM'S PROCUREMENT POLICIES AND PROCEDURES

Pursuant to the University System's Policy VIII-17.00 – *Policy on Public-Private Partnerships* and Section 11-203(h) of the State Finance and Procurement Article, UMD intends to rely on the exemption from the University System's Procurement Policies and Procedures for the solicitation and award of State-supported public/private partnerships for academic facilities. UMD will comply with all legal requirements set forth in Section 11-203(h)(2) of that Article, as well as all other applicable legal requirements.





Location Map: UMD Energy Plant



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION, INFORMATION OR DISCUSSION

TOPIC: Proposed Amendment to USM Policy VII – 1.22 – Policy on Separation of Regular Exempt Staff Employees

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 12, 2019

<u>SUMMARY</u>: The significant proposed changes to current USM policy include the following:

- Clarification of an institution president's discretion to permit any exempt staff employee to resign in lieu of involuntary separation and to determine an appropriate period of notice to be provided to the employee
- Restatement of the provision regarding providing alternative compensation to employees in lieu of a full period of notice as compensation for the loss of salary and benefits that otherwise would have been paid during the notice period
- Revision of the "Termination for Cause" section, including additional bases for which an employee may be terminated
- A footnote stating that, under Maryland law, the "Termination by a Period of Notice" section of the policy does not apply to exempt employees who are represented in collective bargaining by an exclusive representative

A red-lined copy of USM policy VII – 1.22 – Policy on Separation of Regular Exempt Staff Employees is attached. This proposed policy amendment has been reviewed by the institution Chief Human Resources Officers, the Vice Presidents for Administration and Finance, and the Chancellor's Council. The Attorney General's Office has reviewed and approved it.

<u>ALTERNATIVE(S)</u>: The Committee could choose to recommend that the Board not approve the proposed policy amendment or could recommend alternatives to the proposed amendment.

FISCAL IMPACT: The fiscal impact is estimated to be slight; the amendment's provisions regarding compensation in lieu of notice are not expected to significantly change current practice regarding how exempt staff separations are handled.

<u>CHANCELLOR'S RECOMMENDATION</u>: That the Finance Committee recommend that the Board of Regents approve the proposed policy amendment as presented.

COMMITTEE RECOMMENDATION:	DATE:
BOARD ACTION:	DATE:
SUBMITTED BY: Ellen Herbst (301) 445-1923	

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VII-1.22 - POLICY ON SEPARATION FOR REGULAR EXEMPT STAFF EMPLOYEES

Approved by the Board of Regents on December 3, 1999, EFFECTIVE January 2 and January 12, 2000; Amended, June 27, 2014; Amended October 9, 2015; Amended xxxx)

I. PURPOSE AND APPLICABILITY

- A. The purpose of this policy is to establish a separation process for regular Exempt Staff employees in the University System of Maryland (USM).¹
- B. **EXCEPTION:** Regular USM employees in the following Exempt positions are excluded specifically from sections III and IV of this policy:
 - 1. Officers: Vice Chancellors, Vice Presidents, Provosts and Academic Deans.
 - 2. Associate and Assistant Vice Chancellors, Associate and Assistant Vice Presidents, Associate and Assistant Provosts, Associate and Assistant Academic Deans.
 - Subject to approval of the Chancellor, the President -may designate other key executive positions for this exemption. Appointees to such positions shall be notified of such designation at the time of appointment. <u>Current</u> <u>appointees notified of such designation prior to April 1, 2000, were not</u> <u>required to be notified at the time of appointment.</u> <u>(Refer to</u> <u>implementation policy of the Exempt Pay Program for treatment of current</u> <u>incumbents.</u>)

II. GENERAL

- A. Employment for regular USM employees in Exempt positions is on an at-will basis. This means that, subject to applicable laws and policies, the employment relationship may be terminated at any time by either the employee or the Institution-, consistent with Section III of this policy.
- B. All actions taken under this policy and institutional procedures shall be reviewed by the institution's Chief Human Resources Officer in advance of the action being taken.

¹Sections II.A., II.D.2., II.E., and III of this policy do not apply to exempt employees who are represented by an exclusive representative under the collective bargaining law, Title 3 of the State Personnel & Pensions Article of the Maryland Code. Those employees may be terminated only for cause.

- <u>C.</u> An employee who wishes to end <u>theirhis or her</u> employment with the Institution should give at least 14 calendar days written notice.
- D. Resignation in Lieu of Termination
 - 1. The President or designee has the discretion to permit, but not require, any employee to resign in lieu of involuntary separation. The institution shall maintain records documenting that the resignation was in lieu of involuntary separation, and the employee generally should be required to execute an appropriate release of legal claims.
 - The President or designee may determine an appropriate period of notice to be provided that serves the best interests of the institution. The length of the period of notice provided is not required to conform to the schedule contained in III.B. below.
- E. Compensation in Lieu of Notice

In lieu of providing a full period of notice to an employee who is being involuntarily separated, including those permitted to resign in lieu of involuntary separation under section II.D. above, the President or designee may determine that the employee should be separated prior to the end of the notice period. In that case, the employee shall receive alternative compensation to compensate for the loss of salary and benefits that the employee otherwise would have received during the notice period. In consultation with the Office of the Attorney General, the institution will develop an appropriate compensation arrangement for such an employee that complies with applicable laws.

III. TERMINATION BY PERIOD OF NOTICE

A. Determination of Period of Notice

An employee <u>covered by this section III who is may be</u> involuntarily separated and shall be provided with a defined period of notice...

- 1. Service for determining length of notice period _is based on institutional service rather than USM service, and shall include prior institutional service_ provided there were no breaks in service longer than three years.
- 2. An Exempt employee at one USM institution who is offered an Exempt position at another USM institution may, at the discretion of the offering institution, be credited with prior USM service for purposes of calculating the required period of notice upon separation. Any such decision to credit prior service at another USM institution shall be noted in the employee's

personnel file at the time of appointment and shall be effective after satisfactory completion of the probation period.

B. Length of Period of Notice. The period of notice shall be as follows:

The period of notice shall be as follows:

Years of Institutional Service	Period of Notice	
Less than one year	One month	
One year but less than four years	Three months	
Four years but less than seven	Six months	
years		
Seven years but less than ten	Nine months	
years		
Ten years or more	Twelve months	

- C. Employee <u>Work Assignments</u>Status During Period of Notice
 - **<u>1.</u>** <u>During the period of notice, t</u><u>The President or designee may:</u>
 - 1. Continue the employee in his or her regular position; or
 - 4.2.Assign the employee alternate duties and responsibilities at a level of service of at least 25% of their existing average workload over the past thirty-six months, to an employee who has been notified of a period of notice separation for any part or all of the period of notice or at a level of part-time service of at least 25%; or
 - 2. Continue the employee in his or her regular position during the period of notice separation. At the option of the institution President or designee, an employee who has been notified of a period of notice separation, may be placed in an administrative leave with pay status for any part or all of the period of notice.
 - a. In this case, consistent with federal tax law requirements, the employee can no longer be deemed an employee of the institution, effective as of the beginning of the administrative leave period, and shall not be eligible for employee benefits (such as health and retirement benefits) or earn other paid leave (annual, sick, holiday, personal) during the period of administrative leave.
 - b. Under such circumstances, the institution will provide appropriate alternative compensation to the employee to compensate for the loss of salary or benefits that the employee would otherwise have been eligible during the notice termination period. The institution will

develop an appropriate compensation arrangement for the employee to be terminated that meets the goals of this Section, in consultation with the employee and the Office of the Attorney General.

D. <u>An employee covered by this section III may grieve the institution's Ffailure</u> to comply with section III, except in situations where the employee has resigned in lieu of termination.provide notice as set forth in this section may be grieved.

IV. TERMINATION FOR CAUSE

With the approval of the President or designee, the period of notice <u>or alternative</u> <u>compensation as set forth in section defined in-III.B.</u> above is not required if the employee is to be <u>terminated</u> for <u>cause</u>, <u>including without limitation</u> any of the following <u>reasons</u>:

- A. Moral Turpitude
- B. Incompetency or Inefficiency in the Performance of the Employee's Duties, including Failure to Meet Performance Expectations as Documented in a Performance Evaluation and/or Disciplinary Action
- C. Willful Neglect of Duty or Abandonment of Job
- D. Illegal Actions, including Violation of the State Ethics Law
- E. Gross Misconduct or Wantonly Offensive Behavior Toward Fellow Employees, Students, Patients, Clients, Users of University Facilities, or the General Public
- F. Insubordination or Serious Breach of Discipline
- G. Serious Breach of Professional Behavior that Reasonably may be Expected to Result in Lower Morale in the Organization or Loss or Injury to the University or Public
- E.H. Professional or Scholarly Misconduct
- F.I. Severe Safety Violations or Actions that Cause Significant Damage to Public <u>Property or Waste of Public Resources</u>
- G.J. Failure to Accept Reassignment
- H.K. Medical Condition Causing Inability to Perform Essential Job Duties with Reasonable with Reasonable Accommodations Required by Law

IMPLEMENTATION PROCEDURES:

Each President shall identify <u>theirhis/her</u> designee(s) as appropriate for this policy, develop procedures as necessary to implement this policy, communicate this policy and applicable procedures to <u>theirhis/her</u> institutional community, and post it on its institutional website.

VII-1.22 - POLICY ON SEPARATION FOR REGULAR EXEMPT STAFF EMPLOYEES

Approved by the Board of Regents on December 3, 1999, EFFECTIVE January 2 and January 12, 2000; Amended, June 27, 2014; Amended October 9, 2015; Amended xxxx)

I. PURPOSE AND APPLICABILITY

- A. The purpose of this policy is to establish a separation process for regular Exempt Staff employees in the University System of Maryland (USM).¹
- B. Regular USM employees in the following Exempt positions are excluded specifically from sections III and IV of this policy:
 - 1. Officers: Vice Chancellors, Vice Presidents, Provosts and Academic Deans.
 - 2. Associate and Assistant Vice Chancellors, Associate and Assistant Vice Presidents, Associate and Assistant Provosts, Associate and Assistant Academic Deans.
 - 3. Subject to approval of the Chancellor, the President may designate other key executive positions for this exemption. Appointees to such positions shall be notified of such designation at the time of appointment. Current appointees notified of such designation prior to April 1, 2000, were not required to be notified at the time of appointment.

II. GENERAL

- A. Employment for regular USM employees in Exempt positions is on an at-will basis. This means that, subject to applicable laws and policies, the employment relationship may be terminated at any time by either the employee or the Institution, consistent with Section III of this policy.
- B. All actions taken under this policy and institutional procedures shall be reviewed by the institution's Chief Human Resources Officer in advance of the action being taken.
- C. An employee who wishes to end their employment with the Institution should give at least 14 calendar days written notice.

¹Sections II.A., II.D.2., II.E., and III of this policy do not apply to exempt employees who are represented by an exclusive representative under the collective bargaining law, Title 3 of the State Personnel & Pensions Article of the Maryland Code. Those employees may be terminated only for cause.

- D. Resignation in Lieu of Termination
 - 1. The President or designee has the discretion to permit, but not require, any employee to resign in lieu of involuntary separation. The institution shall maintain records documenting that the resignation was in lieu of involuntary separation, and the employee generally should be required to execute an appropriate release of legal claims.
 - 2. The President or designee may determine an appropriate period of notice to be provided that serves the best interests of the institution. The length of the period of notice provided is not required to conform to the schedule contained in III.B. below.
- E. Compensation in Lieu of Notice

In lieu of providing a full period of notice to an employee who is being involuntarily separated, including those permitted to resign in lieu of involuntary separation under section II.D. above, the President or designee may determine that the employee should be separated prior to the end of the notice period. In that case, the employee shall receive alternative compensation to compensate for the loss of salary and benefits that the employee otherwise would have received during the notice period. In consultation with the Office of the Attorney General, the institution will develop an appropriate compensation arrangement for such an employee that complies with applicable laws.

III. TERMINATION BY PERIOD OF NOTICE

A. Determination of Period of Notice

An employee covered by this section III who is involuntarily separated shall be provided with a defined period of notice.

- 1. Service for determining length of notice period is based on institutional service rather than USM service and shall include prior institutional service, provided there were no breaks in service longer than three years.
- 2. An Exempt employee at one USM institution who is offered an Exempt position at another USM institution may, at the discretion of the offering institution, be credited with prior USM service for purposes of calculating the required period of notice upon separation. Any such decision to credit prior service at another USM institution shall be noted in the employee's personnel file at the time of appointment and shall be effective after satisfactory completion of the probation period.

B. Length of Period of Notice. The period of notice shall be as follows:

Years of Institutional Service	Period of Notice
Less than one year	One month
One year but less than four years	Three months
Four years but less than seven years	Six months
Seven years but less than ten years	Nine months
Ten years or more	Twelve months

C. Employee Work Assignments During Period of Notice

During the period of notice, the President or designee may:

- 1. Continue the employee in his or her regular position; or
- 2. Assign the employee alternate duties and responsibilities at a level of service of at least 25% of their existing average workload over the past thirty-six months.
- D. An employee covered by this section III may grieve the institution's failure to comply with section III, except in situations where the employee has resigned in lieu of termination.

IV. TERMINATION FOR CAUSE

With the approval of the President or designee, the period of notice or alternative compensation as set forth in section III above is not required if the employee is to be terminated for cause, including without limitation any of the following reasons:

- A. Moral Turpitude
- B. Incompetency or Inefficiency in the Performance of the Employee's Duties, including Failure to Meet Performance Expectations as Documented in a Performance Evaluation and/or Disciplinary Action
- C. Willful Neglect of Duty or Abandonment of Job
- D. Illegal Actions, including Violation of the State Ethics Law
- E. Gross Misconduct or Wantonly Offensive Behavior Toward Fellow Employees, Students, Patients, Clients, Users of University Facilities, or the General Public
- F. Insubordination or Serious Breach of Discipline

- G. Serious Breach of Professional Behavior that Reasonably may be Expected to Result in Lower Morale in the Organization or Loss or Injury to the University or Public
- H. Professional or Scholarly Misconduct
- I. Severe Safety Violations or Actions that Cause Significant Damage to Public Property or Waste of Public Resources
- J. Failure to Accept Reassignment
- K. Medical Condition Causing Inability to Perform Essential Job Duties with Reasonable Accommodations Required by Law

IMPLEMENTATION PROCEDURES:

Each President shall identify their designee(s) as appropriate for this policy, develop procedures as necessary to implement this policy, communicate this policy and applicable procedures to their institutional community, and post it on its institutional website.



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION, INFORMATION OR DISCUSSION

TOPIC: University of Baltimore: Proposed Voluntary Separation Program

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 12, 2019

SUMMARY: The University of Baltimore (UB or University) seeks approval to implement an incentivized Voluntary Separation Program (VSP or Program) for its faculty and staff employees. UB's proposed VSP is a "window" program, as described in the "University System of Maryland Retirement and Incentives Plan" approved by the Board of Regents on June 17, 2014.

Goals of the VSP are to make meaningful progress in:

- Right-sizing and aligning faculty and staff positions with UB's student enrollment and profile
- Reducing the cost structure of the University

The VSP will offer a financial incentive for eligible employees to separate from employment with UB. Participation in the Program is voluntary. Employees must elect to participate during a defined period of approximately 45 days and will separate from employment with UB by June 30, 2020. Upon approval of the VSP by the Board of Regents, existing incentivized retirement opportunities will be suspended indefinitely.

Eligibility

The VSP will be available to tenured/tenure-track/non-tenure track instructional faculty (excluding adjunct, temporary and visiting faculty), librarians, and regular exempt and non-exempt staff who have a minimum of twenty (20) years of service at UB as of January 1, 2020. Senior leadership and employees in grant-funded positions will be excluded from participation.

Financial incentive to employees

Following their separation, UB will make pre-tax contribution(s) into the retirement plans for eligible employees who opt into the VSP. The contribution amounts are listed below and may be made by UB in successive calendar years to conform to maximum annual deferral amounts as specified in the Internal Revenue Code.

- Faculty: the greater of \$52,000 or 50% of the employee's base salary as of January 1, 2020
- Staff: the greater of \$30,000 or 50% of the employee's base salary as of January 1, 2020

Potential outcomes

Base budget savings and one-time cash payout amounts will be clear following the opt-in period for employees. The University estimates that 15-20% of eligible employees will participate in the VSP.

Forty-nine (49) faculty members (24% of faculty) will be eligible to participate, with combined eligible faculty salaries of \$6.9M. Fifty-five (55) staff members (14% of staff) will be eligible to participate, with combined eligible staff salaries of \$3.5M.

<u>ALTERNATIVE(S)</u>: The Committee could choose to recommend that the Board not approve the proposed plan or could recommend alternatives.

FISCAL IMPACT: The anticipated structural savings are \$1,000,000 depending on participation levels and associated salaries. The University will cover the payouts.

<u>CHANCELLOR'S RECOMMENDATION</u>: That the Finance Committee recommend that the Board of Regents approve the proposed University of Baltimore Voluntary Separation Program as presented.

COMMITTEE RECOMMENDATION:	DATE:	
BOARD ACTION:	DATE:	
SUBMITTED BY: Ellen Herbst (301) 445-1923		



USM BOARD OF REGENTS SPECIAL MEETING OF THE ADVANCEMENT COMMITTEE December 4, 2019

DRAFT Minutes of the Public Session

A special meeting of the Board of Regents Committee on Advancement was held at the University System of Maryland on December 4, 2019 at 3:00 p.m. In attendance via conference call were Regents Barry Gossett, D'Ana Johnson, William Wood, Geoff Gonella, and Robert Wallace, as well as Chancellor Robert Caret; Denise Wilkerson, Chief of Staff; Elena Langrill, AG's Office; Jason Curtin, Salisbury University; Amy Luppens, Salisbury University; and Brian DeFilippis, Towson University. From the USM office: Vice Chancellor Leonard Raley; Associate Vice Chancellor Marianne Horrigan; Tom Gilbert, CFO/USMF; and Gina Hossick, Executive Assistant to Leonard Raley.

Chairman Gossett called the meeting to order at 3:02 p.m. /

Quasi-Endowment Recommendations FY20 (action)

The first item was to approve the staff recommendations for the quasi-endowment program. The USM Foundation invests this money, and the spendable income goes back to the campuses to directly support fundraising activities, specifically those to build endowment. This fund totals \$50M: \$40M generates spendable income that goes directly back to campuses, and \$10M funds a grant program to help kickstart additional endowment raising efforts. Regent Gossett moved recommendation, seconded by Regent Johnson; unanimously approved.

Board Chair Barry Gossett read the statement to convene in closed session. The Board unanimously voted to convene in closed session.

DRAFT Minutes of the Closed Session

Board Chair Barry Gossett called the meeting of the Board of Regents Advancement Committee to order in closed session at 3:10 p.m. on December 4, 2019. In attendance via conference call were Regents Barry Gossett, D'Ana Johnson, William Wood, Geoff Gonella, and Robert Wallace, as well as Chancellor Caret, Denise Wilkerson, Chief of Staff; Elena Langrill, AG's Office; Jason Curtin, Salisbury University; Amy Luppens, Salisbury University; and Brian DeFilippis, Towson University. From the USM office: Vice Chancellor Leonard Raley; Associate Vice Chancellor Marianne Horrigan; Tom Gilbert, CFO/USMF; and Gina Hossick, Executive Assistant to Leonard Raley.

1. Salisbury University naming request: to name the Honors College the "Glenda Chatham and Robert G. Clarke Honors College". Robert (Bob) and Glenda Clarke have strong ties to Salisbury University, and Bob is a recognized Delmarva business leader. Bob and Glenda Clarke exemplify the best qualities of leadership and philanthropy, and they have committed their lives to education.

Regent Gossett moved recommendation, seconded by Regent Wallace; unanimously approved.

2. Towson University honorary naming request: establishing the Dr. Nancy S. Grasmick Leadership Institute at Towson University. Dr. Grasmick has been and continues to be a highly visible and respected leader in this state. Having an institute named for Dr. Grasmick recognizes her leadership, vision, and philanthropy, and demonstrates to the city of Baltimore, the state of Maryland, and the nation that Towson University is emerging as a leader in this critically important discipline.

Regent Gossett moved recommendation, seconded by Regent Johnson; unanimously approved.

Meeting adjourned at 3:15 p.m.



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION, INFORMATION OR DISCUSSION

TOPIC: Quasi endowment grants

<u>COMMITTEE</u>: Committee of the Whole

DATE OF MEETING: December 20, 2019

SUMMARY: The Quasi-Endowment Fund, initiated in FY15, was established with \$50 million committed by USM institutions and the USM Office. Spendable income from this quasi-endowment funds two components: a competitive grant program administered through the USM Office of Advancement, and direct funding of institution fundraising programs. The USM Office has reviewed and recommended grants for FY20 as summarized in the chart titled 2020 Grant Requests and Recommendations.

ALTERNATIVE(S):

FISCAL IMPACT:

CHANCELLOR'S RECOMMENDATION:

COMMITTEE ACTION:

DATE: 12.20.19

BOARD ACTION:

DATE:

SUBMITTED BY: Leonard Raley, Vice Chancellor for Advancement, <u>raley@usmd.edu</u> 301-445-1941



USM Quasi-Endowment Grant Program 2020 Grant Requests and Recommendations

In FY15, the USM and its institutions established a \$50 million quasi-endowment in support of endowment-building at each USM institution. The USM Office administers a grant program funded by its \$10 million commitment to this quasi-endowment. Approximately \$425,000 in funds are available through this competitive grant process. USM staff makes funding recommendations, which are reviewed and approved by the Board of Regents Advancement Committee.

INSTITUTION	DESCRIPTION	AMOUNT REQUESTED	STAFF RECOMMENDATION
	Support for 1) an endowed fund 1:1 matching-gift incentive to support the endowment building campaign targeted to annual giving donors and 2) a targeted		
Bowie State University	Campaign Laurch Weekend, the proceeds of which will provide significant endowed funding and support for the University's Fine and Performing Arts department.	\$75.000	\$62.000
Frostburg State University	Increasing alumni engagement through a 24-hour Giving Day. The project will provide an opportunity for engagement with alumni, parents, friends, faculty, staff, existing donors, and prospective donors.	\$38,000	\$32,000
Salisbury University	Additional major gift officer during the three-year public phase of We Are SU: The Campaign for Salisbury University. SU and the Salisbury University Foundation, Inc. (SUF) will match this amount with \$45,000 to cover the remainder of the salary, benefits, and expenses associated with this position.	\$45,000	\$35,000
Towson University	Implementation of a prospect discovery and engagement system through the vendor Gravyty. The use of this product will greatly assist Towson's 10 major gift officers in identifying and engaging with prospects, in particular those who may give to endowment.	\$37,500	\$36,000
University of Baltimore	A Communications Specialist position that will support its forthcoming campaign, "You Know Us." The position will allow the Advancement Office to craft sophisticated messaging about UB, support major gift officers, and coordinate with communications efforts across the university. The university will fund a portion of benefits costs and intends to fund the position in its entirety at the end of three years.	\$75,000	\$57,500
University of Maryland, College Park	Implementation of a new software solution and platform to better award, steward, manage and report on donor-funded accounts. This will greatly improve advancement operations, campus partnerships, and donor cultivation efforts and fundamentally transform the way advancement collaborates works with key campus stakeholders.	\$75,000	\$70,000
University of Maryland, Baltimore	Upgrade of a contractual Development Associate position within the Development Research and Prospect Management team to a permanent, exempt position. This upgrade will enhance the team's capacity to conduct research and provide enhanced support to the Office of Philanthropy.	\$60,000	\$50,000
University of Maryland Eastern Shore	Support for a new UMES Student Ambassadors Initiative. The Initiative will engage student workers in an outreach campaign to key alumni constituents. The UMES effort will focus on cultivation and, when appropriate, solicitation to support new endowments at the University.	\$73,000	\$65,000
The Universities at Shady Grove	Matching support for a fundraising position to leverage giving opportunities surrounding the opening of the Biomedical Sciences and Engineering Education facility, the celebration oft eh 20th Anniversary of USG, and the introduction of new leadership for its coming third decade.	\$36,000	\$17,500
TOTAL REQUESTED		\$514,500	
TOTAL AWARDED			\$425,000



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION, INFORMATION OR DISCUSSION

TOPIC: Bowie State University: Public-Private Partnership Student Housing

COMMITTEE: Finance

DATE OF MEETING: December 12, 2019

<u>SUMMARY</u>: Bowie State University (BSU) seeks approval to pursue a public-private partnership to provide much needed additional student housing to accommodate growth in enrollment with a concomitant demand for student housing. As part of the project, the University will provide funding for the construction and acquisition of ground level retail space, as well as an Entrepreneurial Space.

At present, the shortfall in student housing has compelled BSU to lease more than 100 beds from a privately-owned student housing project in College Park known as the Enclave.

In 2017, the University commissioned a demand survey, which conservatively estimated demand for an additional 737 beds. (A more recent survey indicates a figure closer to 1,200.) After a period of internal deliberation, including consultation with USM and the Maryland Economic Development Corporation (MEDCO), an RFP was issued in January 2019 to select a Developer for the construction of an approximate 550-bed Living Learning Facility that included an Entrepreneurial Center and retail space. Balfour Beatty Campus Solutions was selected to develop the project.

The proposed project includes the development of approximately 550 beds of new student housing to be owned by MEDCO (the "Student Housing") with ground floor retail and a state-of-the-art Entrepreneurship Center that will be owned by BSU (the "University Spaces") on the University's campus.

The Project will be financed through a privatized financing structure where the State of Maryland, on behalf of the System, will enter into a ground and air rights lease ("Ground Lease") with MEDCO for a term extending beyond the 35-year term of the financing, pursuant to which MEDCO will develop the Project. MEDCO will issue tax-exempt bonds (the "Bonds") to fund the costs of developing the Student Housing, while the University will make a capital contribution of no more than \$6,000,000 to pay for the University Spaces. MEDCO will own the Student Housing for the term of the financing, while BSU will own the University Spaces. At the direction of the University, MEDCO will enter into contracts relating to design, development, and construction of the Project, as well as a property management agreement with a to-be-named third-party as the property manager. At the end of the term of the Ground Lease, ownership of the Student Housing will transfer to the University.

The University requests authorization to enter into the Ground Lease with MEDCO as Lessee with a term to expire on approximately March 1, 2065 (10 years beyond the term of the Bonds). MEDCO will contract with an underwriter (RBC Capital Markets, LLC) for the Bonds (subject to USM approval), the proceeds of which will be used for the design and construction of the Student Housing. The University seeks project authorization for MEDCO to issue tax-exempt debt to fund the project in the amount of up to \$50,670,682 which will be the par value of the debt issued, adjusted for any issuance premium or discount. Ground rent will be paid to the University in an amount equal to the annual surplus generated from the operations after payment of debt service, operating expenses and funding of reserves.

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An Executive Summary of the transaction, and Project Overview, taken from the credit package, is attached.

The projected cost per bed to students will range from \$755 to \$1,150 per month depending on room configuration.

The facility will be located on the campus edge at the entrance from Maryland Route 197 and is consistent with planned development for the campus edge. A map of the campus, with a star denoting the location of the project, is also attached.

DEVELOPER: Balfour Beatty Campus Solutions Corporate Office - Philadelphia 1 Country View Road Malvern, PA 19355

<u>ALTERNATIVES</u>: The alternative would be to elect not to construct additional student housing and continue the present shortfall, which includes shuttling in excess of one hundred students from the Enclave in College Park. Additionally, the no-build option would restrict the recruitment of students from outside the metro area who require housing as a prerequisite for enrolling at the University.

FISCAL IMPACT: The project will require a contribution of up to \$6,000,000 from BSU to fund the University Spaces, but will not require debt to be issued by USM; however, the student housing project and its associated debt will likely be considered by the rating agencies as "on credit," meaning that the rating agencies take the debt into account in determining the System's appropriate bond rating.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve for Bowie State University, working closely with the Office of the Attorney General and the USM Office and subject to the approval of the Chancellor, to enter into the Ground Lease with MEDCO as Lessee for a term not to extend beyond March 1, 2065 and the issuance of no more than \$50,670,682 of recorded debt (par value adjusted for issuance premium or discount) to construct and operate an approximately 550-bed student housing project. Further, the recommended approval would also allow Bowie State University to contribute up to \$6,000,000 of non-state-supported university funds for the construction of ground level retail and an Entrepreneurial Center as part of the project.

COMMITTEE RECOMMENDATION:	DATE:
BOARD ACTION:	DATE:
SUBMITTED BY: Ellen Herbst (301) 445-1923	

Executive Summary

lssuer	Maryland Economic Development Corporation	n (the "Issuer" or "MEDCO")			
University	Bowie State University (the "University" or "BSU"), a constituent institution of the University System of Maryland (the "System") <u>Fall 2019 Enrollment (Headcount):</u> 6,171 Headcount <u>Fall 2019 On-Campus Housing:</u> 1,446 beds / 99.6% Weighted Average Occupancy				
Project	The proposed project (the "Project") includes the development of 557 beds of new student housing to be owned by MEDCO (the "Student Housing") with ground floor retail and a state-of-the-art entrepreneurship center that will be owned by BSU (the "University Spaces") on the University's campus.				
Financing Structure	The Project will be financed through a privatized financing structure where the State of Maryland, on behalf of the System, will enter into a ground and air rights lease ("Air Rights Lease") with MEDCO for a term extending beyond the term of the financing, pursuant to which MEDCO will develop the Project. MEDCO will issue tax-exempt bonds (the "Bonds") to fund the costs of developing the Student Housing, while the University will make a capital contribution to pay for the University Spaces. MEDCO will own the Student Housing for the term of the financing, while BSU will own the University Spaces. At the direction of the University, MEDCO will enter into contracts relating to design, development, and construction of the Project, as well as a property management agreement with a to-benamed third-party as the property manager. At the end of the term of the Air Rights Lease, ownership of the Student Housing will transfer to the University.				
University Support	The Air Rights Lease will contain provisions outlining the University's support for the Student Housing, including the University's active involvement in the development of the student life plan and student marketing plan and the presentation of the Project as available student housing in its marketing materials and on its website. In addition, the University will not to undertake to operate or otherwise support any additional student housing on or off campus unless certain tests are met and the Project will be subject to the jurisdiction of the University's campus security force.				
Developer	Balfour Beatty Campus Solutions (the "Developer" or "BBCS")				
Manager	A to-be-named national property management group with significant experience managing on-campus student housing facilities.				
Bond Structure	Fully amortizing, long-term, tax-exempt, fixed-rate bonds, together with the University Equity, will fund the costs of the Project.				
Estimated Par	\$44,210,000 (preliminary, subject to change)				
Security	Leasehold Mortgage Security Interest in Student Housing Revenues & Assets Fully Funded Debt Service Reserve Fund Capitalized Interest During Construction & Stabilization Operating Reserve Fund				
Coverage Ratio	Projected minimum 1.26x debt service coverage				
Timing	Anticipated bond closing in February 2020				
Contacts	Michael Baird (410) 625-6103 michael.baird@rbccm.com	Sara Russell (410) 625-6119 sara.russell@rbccm.com			



Project Overview

In response the need for additional oncampus housing and a desire to develop more advanced living-learning opportunities for its students, the BSU partnered with MEDCO to issue an RFQ and RFP for a development team to design and construct an entrepreneurship living-learning community on the University's campus. BSU has experienced significant enrollment growth during the past 5 years, with enrollment levels of over 6,100 students in each of the past 3 fall semesters, such that demand for on-campus housing now exceeds



its supply. In addition, the University has recommended several aging student housing facilities for demolition and others for renovation which would also permanently or temporarily decrease capacity on campus. As a result of the procurement process, BSU and MEDCO chose to partner with veteran student housing developer Balfour Beatty Campus Solutions to design and construct the Project.

The Project will include a new living-learning residence hall at the gateway to the University's campus along Jericho Park Road. The Student Housing will feature modern units with single and double-occupancy options in suite and semi-suite configurations with private bathrooms. The Student Housing will also have a number of amenities for residents of the community including classrooms, a fitness center, laundry facilities, kitchenettes, study and social lounges and 24-hour security. The Project will house the University Spaces on the ground floor and will include limited surface parking in the rear of the Project.

To encourage greater social interaction and collaboration, the Student Housing will be designed so that smaller groups of units are clustered around common amenities such as lounges, laundry rooms, study spaces, and kitchenettes. The proposed unit mix will have a mix of single and double-occupancy bedroom units both with and without living room space to offer a variety of price points, satisfy multiple segments of student demand, and promote collaboration throughout the Student Housing.

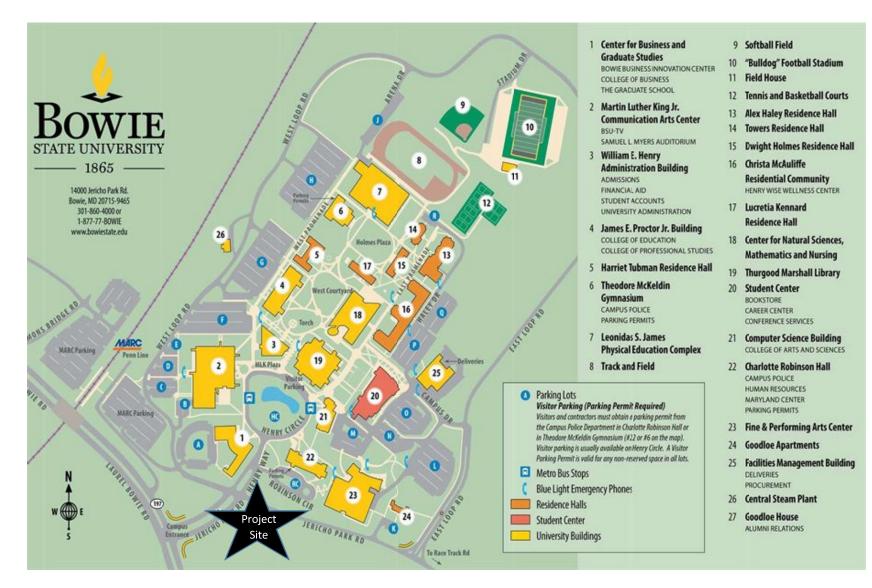
The Project will be surrounded by paved and landscaped areas to invite campus and community interaction. A breezeway will connect the front and rear of the Project for pedestrian traffic and will separate the ground floor Entrepreneurship Center and Retail from the Student Housing. The Project will have attractive glazing on the first floor and vertically at lounges and above the breezeway to create visual interest and a sense of place.

			2021-2022 Rent/Bed	
Unit Type	Units	Beds	Semester	Annual
2 Double-Occupancy Bedroom Semi-Suite	20	80	\$3,775	\$7,550
2 Single-Occupancy Bedroom Semi-Suite	97	194	\$4,725	\$9,450
2 Double-Occupancy Bedroom Suite	16	64	\$4,675	\$9,350
2 Single-Occupancy Bedroom Suite	86	172	\$5,425	\$10,850
1 Double-Occupancy Bedroom Semi-Suite	9	18	\$4,650	\$9,300
1 Single-Occupancy Bedroom Semi-Suite	9	9	\$5,550	\$11,100
1 Bed Suite – Single	5	5	\$5,750	\$11,500
1 Single-Occupancy Bedroom Semi-Suite – RA	8	8	\$0	\$0
1 Single-Occupancy Bedroom Suite – RA	5	5	\$0	\$0
2BR/1BA Apartment - RD Unit	1	2	\$0	\$0
Subtotal/Weighted Average	256	557	\$4,692	\$9,384

Unit Mix and Rental Rates



Campus Map



APPENDIX A | BOWIE STATE UNIVERSITY PROJECT





BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION, INFORMATION OR DISCUSSION

TOPIC: Convening Closed Session

COMMITTEE: Committee of the Whole

DATE OF MEETING: December 20, 2019

SUMMARY: The Open Meetings Act permits public bodies to close their meetings to the public in special circumstances outlined in §3-305 of the Act and to carry out administrative functions exempted by §3-103 of the Act. The Board of Regents will now vote to reconvene in closed session. As required by law, the vote on the closing of the session will be recorded. A written statement of the reason(s) for closing the meeting, including a citation of the authority under §3-305 and a listing of the topics to be discussed, is available for public review.

It is possible that an issue could arise during a closed session that the Board determines should be discussed in open session or added to the closed session agenda for discussion. In that event, the Board would reconvene in open session to discuss the open session topic or to vote to reconvene in closed session to discuss the additional closed session topic.

ALTERNATIVE(S): No alternative is suggested.

FISCAL IMPACT: There is no fiscal impact

CHANCELLOR'S RECOMMENDATION: The Chancellor recommends that the BOR vote to reconvene in closed session.

 COMMITTEE ACTION:
 DATE:

 BOARD ACTION:
 DATE:

 SUBMITTED BY: Denise Wilkerson, dwilkerson@usmd.edu, 301-445-1906



REVISED

STATEMENT REGARDING CLOSING A MEETING OF THE USM BOARD OF REGENTS

Date:December 20, 2019Time:Approximately 11:00 a.m.Location:Stamp Student Union, University of Maryland, College Park

STATUTORY AUTHORITY TO CLOSE A SESSION

Md. Code, General Provisions Article §3-305(b):

- (1) To discuss:
 - [X] (i) The appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction; or
 - [X] (ii) Any other personnel matter that affects one or more specific individuals.
- (2) [X] To protect the privacy or reputation of individuals with respect to a matter that is not related to public business.
- (3) [] To consider the acquisition of real property for a public purpose and matters directly related thereto.
- (4) [] To consider a preliminary matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State.
- (5) [] To consider the investment of public funds.
- (6) [] To consider the marketing of public securities.
- (7) [] To consult with counsel to obtain legal advice on a legal matter.
- (8) [] To consult with staff, consultants, or other individuals about pending or potential litigation.
- (9) [X] To conduct collective bargaining negotiations or consider matters that relate to the negotiations.

FORM OF STATEMENT FOR CLOSING A MEETING

- (10) [] To discuss public security, if the public body determines that public discussions would constitute a risk to the public or public security, including:
 - (i) the deployment of fire and police services and staff; and
 - (ii) the development and implementation of emergency plans.
- (11) [] To prepare, administer or grade a scholastic, licensing, or qualifying examination.
- (12) [] To conduct or discuss an investigative proceeding on actual or possible criminal conduct.
- (13) [X] To comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter.
- (14) [] Before a contract is awarded or bids are opened, to discuss a matter directly related to a negotiation strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.
- (15) [] To discuss cybersecurity, if the public body determines that public discussion would constitute a risk to:
 - (i) security assessments or deployments relating to information resources technology;
 - (ii) network security information, including information that is:

1. related to passwords, personal identification numbers, access codes, encryption, or other components of the security system of a governmental entity;

2. collected, assembled, or maintained by or for a governmental entity to prevent, detect, or investigate criminal activity; or

3. related to an assessment, made by or for a governmental entity or maintained by a governmental entity, of the vulnerability of a network to criminal activity; or

(iii) deployments or implementation of security personnel, critical infrastructure, or security devices.

Md. Code, General Provisions Article §3-103(a)(1)(i):

[X] Administrative Matters

TOPICS TO BE DISCUSSED:

- 1. Meetings with Presidents Anderson and Schmoke as part of their performance reviews;
- 2. Collective bargaining briefings re MOUs at Salisbury University and University of Maryland, Baltimore;
- 3. Collective bargaining update;
- 4. University of Baltimore FY 2021 Budget Information;
- 5. Honorary naming requests;
- 6. Incoming Chancellor Appointment Letter;
- 7. Outgoing Chancellor Transition Letter;
- 8. Coppin State University President Appointment Letter;
- 9. University of Maryland, Baltimore Interim President Appointment; and
- 10. Finalizing Payment for expert/services contract.

REASON FOR CLOSING:

- To maintain confidentiality of discussions regarding specific employees' performance evaluations (§3-305(b)(1));
- To maintain confidentiality regarding collective bargaining negotiations (§3-305(b)(9));
- 3. To preserve executive privilege with respect to Governor's budget before submission to the General Assembly ((§3-305(b)(13)).
- 4. To maintain confidentiality of personnel-related and personal information of a candidates for naming honors (§3-305(b)(1) and (2));
- To maintain confidentiality of discussions regarding specific employees' compensation (§3-305(b)(1));
- To maintain confidentiality of discussions regarding specific employees' employment contracts (§3-305(b)(1));
- 7. To handle an administrative matter involving planning for transition in Chancellor position (§3-103(a)(1)(i)); and
- 8. To discuss an administrative matter concerning finalizing payment for expert services contract. (§3-103(a)(1)(i))