



**UNIVERSITY SYSTEM
of MARYLAND**

Board of Regents
Committee on Finance

February 3, 2022

Zoom Details to be Provided to Committee

Public Listen-Only Access: 301 715 8592; Conference ID: 952 1314 5776;
Passcode: 117393

AGENDA FOR PUBLIC SESSION

Call to Order

Chairman Attman

1. [Proposed Amendments to the Finance Committee Charge, Role, and Responsibilities and Article X. Section 5. of the Bylaws \(action\)](#)
2. [FY 2021 Audited Financial Statements and USM Financial Planning \(information and presentation\)](#)
3. [University System of Maryland: FY 2022 & FY 2023 Operating Budget Update \(information\)](#)
4. [University System of Maryland: FY 2023 Capital Budget Update \(information\)](#)
5. [University System of Maryland: Review of Capital Improvement Projects and Brief Update on the Construction Cost Management Task Force \(information\)](#)
6. [Policing Collaboration between the University of Maryland, Baltimore and the University of Baltimore \(information\)](#)



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION,
INFORMATION OR DISCUSSION

TOPIC: Proposed Amendments to the Finance Committee Charge, Role, and Responsibilities and Article X. Section 5. of the Bylaws

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: February 3, 2022

SUMMARY: The members of the Finance Committee will review and discuss any proposed updates to the Committee’s charge and Article X. Section 5. of the bylaws. In addition, with the establishment of the standing Committee on Intercollegiate Athletics and Student-Athlete Health and Welfare, previously a Workgroup on Intercollegiate Athletics, the Finance Committee’s role regarding athletics must be updated.

ALTERNATIVE(S): Language could be amended based on the discussion.

FISCAL IMPACT: There is no anticipated fiscal impact.

CHANCELLOR’S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve the charge and amendments to Article X. Section 5. of the bylaws for the Committee.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923



**UNIVERSITY SYSTEM
of MARYLAND**

**Board of Regents
Committee on Finance
Charge, Role, and Responsibilities**

February 3, 2022

Charge:

The Committee on Finance shall perform all necessary business and provide guidance to the Board to help ensure the long-term financial health and development of the University System, informed by strong fiscal and administrative policies.

Role and Responsibilities:

The Committee on Finance shall consider and report or recommend to the Board of Regents on matters concerning financial affairs; capital and operating budgets; facilities; student enrollment; investments; real property transactions; business entities; procurement contracts; human resources; tuition, fees, room and board charges; and the overall long-range financial planning for the University System.

Members of the Committee on Finance are appointed annually by the Chairperson of the Board. There shall be at least one member with financial expertise and experience. The Committee shall meet as needed, but no fewer than four times during the fiscal year. The members of the Committee may expect to receive information for review in order to consider, and/or act on any of the following matters:

- A. Establishment of the University System's five-year Capital Improvement Program (CIP) request prior to its submission to the Governor. The CIP is comprised of a prioritized list of academic projects (e.g., instruction, research), for which State bond or cash funding is requested.
- B. Establishment of the University System's five-year System Funded Construction Program (SFCP) prior to its implementation. The SFCP incorporates prioritized requests from institutions for auxiliary and self-support projects (e.g., residence halls, parking facilities).
- C. Authorization to issue debt to fund the capital program through the use of academic and auxiliary revenue bonds.
- D. Off-cycle construction or renovation projects that exceed expenditure thresholds established in Board policy and procedures.
- E. Facilities Master Plans are high level, strategic land-use and physical development plans, which help direct campus construction and improvements 10-20 years into the future. They also guide campus priorities for the annual capital budget request. Typically, a campus president will give a presentation where they describe the institution's goals on a wide range of topics related to

physical renewal and expansion, including: building location decisions, renovation and replacement options, utility expansion, real property acquisition, environmental concerns, and campus and community interaction.

- F. Capital projects status report which outlines the progress of all major design and construction projects underway System-wide. Data fields include, but are not limited to, overall cost, schedule, funding sources and prior approvals, as well as the name of the project architect and primary contractor.
- G. Aggregated energy and power purchase agreements; periodic reviews of progress by the System and individual institutions toward State sustainability goals pertaining to reduction of energy and greenhouse gas emissions.
- H. Acquisition and disposition of real property.
- I. Establishment of annual operating budget including state appropriation request to the Governor.
- J. Establishment of, or changes to tuition, mandatory student fees, and residential room and board rates.
- K. Student enrollment 10-year projection prior to its submission to the Maryland Higher Education Commission.
- L. Fall student enrollment attainment for each institution.
- M. The Finance Committee shall receive for information purposes, from the Committee on Intercollegiate Athletics and Student-Athlete Health and Welfare, the annual report of the finances of intercollegiate athletics for those institutions with Division I programs.
- N. Review on a regular basis certain of the University's-System's material financial matters, including the annual audited financial statements, balance sheet management and debt strategy, review and endorsement of endowment spending rule.
- O. Reports and recommendations from the investment advisor(s) and investment manager(s) regarding the investment of the Common Trust Fund and asset performance.
- P. Establishment of business entities, public/private partnerships, and the initiatives covered under the Board's HIEDA policy.
- Q. Review dashboard metrics and monitor outcomes for organizational improvement and excellence.
- R. Establishment of, or changes to existing fiscal and administrative policies.
- S. Human resources policies for all staff employees including but not limited to recruitment, retention, administration of benefits and leave, compensation and classification, layoff, separation, and grievances. This Committee shall also consider and recommend any changes to the exempt and nonexempt staff salary structures.
- T. Consider and recommend institutional requests for Voluntary Separation Incentive Plans.
- ~~F.U.~~ Awarding of contracts and entering into cooperative agreements as specified in VIII-3.0 USM Procurement Policies and Procedures. This Committee shall approve all contracts that exceed \$5 million except contracts for capital projects, sponsored research, and real property.

U.V. Pursuant to Section 13-306 of the Education Article, the annual contract, and any amendments thereto, between University of Maryland, Baltimore (UMB) and University of Maryland Medical System Corporation which states all financial obligations, exchanges of services, and any other agreed relationships between them for the ensuing fiscal year concerning the University of Maryland Medical Center. Section 13-306 requires that the annual contract be submitted to the Board of Regents, upon recommendation of the UMB president, for consideration, any modification, and approval.

V.W. Continue as stewards of the USM Effectiveness and Efficiency efforts including:

- Supporting USM's strategic priorities of excellence, access and affordability, innovation, increased economic impact, and responsible fiscal stewardship.
- Emphasizing collaboration and inter-institutional activities.
- Fostering innovation and entrepreneurship to promote cultural changes and new operating models.
- Promoting the optimal use of technology in support of systemwide and campus operations.
- Reviewing and discussing periodic reporting on initiatives that promote effectiveness and efficiencies in the USM operating model, increase quality, serve more students, and optimize USM resources to reduce pressure on tuition, yield savings and cost avoidance.



UNIVERSITY SYSTEM
of MARYLAND

BYLAWS OF THE BOARD OF REGENTS

Article X. Section 5. Committee on Finance.

- A. The Committee on Finance shall consider and report or recommend to the Board on all matters related to financial affairs including the issuance of debt, annual audited financial statements, establishment of business entities, public/private partnerships, and the initiatives covered under the Board's HIEDA policy.
- B. The Committee on Finance shall consider and recommend the annual operating budget and amendments thereto. The Committee shall also consider and recommend tuition, mandatory fees, and residential room and board rates.
- C. The Committee on Finance shall consider and recommend the annual capital budget and amendments thereto. This Committee shall consider and report or recommend to the Board on matters pertaining but not limited to the acquisition and disposition of real property, the need for capital improvements, facilities renewal, and site planning, and new construction. The Committee shall receive and recommend institutional facilities master plans. The Committee approves aggregated energy and power purchase agreements, and periodically reviews progress by the System and individual institutions toward State sustainability goals pertaining to reduction of energy and greenhouse gas emissions.
- D. The Committee on Finance shall consider and recommend human resources policies for staff employees including but not limited to recruitment, retention, administration of benefits and leave, compensation and classification, layoff, separation, and grievances. This Committee shall consider and recommend any changes to the exempt and nonexempt staff salary structures.
- E. This Committee shall receive reports and recommendations from the University System of Maryland investment advisor(s) and investment manager(s) and provide recommendations to the Board regarding the endowment investment and spending rule policies of the University System of Maryland.

- F. The Committee on Finance shall consider and recommend the annual student enrollment projection for a 10-year period. The Committee shall have responsibility for reviewing the “fall freeze” enrollment data as provided by each institution.
- G. The Committee on Finance shall consider and recommend entering into cooperative agreements and the awarding of contracts as specified in VIII-3.0 USM Procurement Policies and Procedures. The Committee shall approve all contracts that exceed \$5 million except contracts for capital projects, sponsored research and real property.
- H. The Finance Committee shall receive **for information purposes, from the Committee on Intercollegiate Athletics and Student-Athlete Health and Welfare, the** annual report of the finances of intercollegiate athletics for those institutions with Division I programs.
- I. This Committee shall have responsibility for reviewing the annual contract, and any amendments thereto, between the University System and the University of Maryland Medical System Corporation, as developed by the President of the University of Maryland, Baltimore, the Dean of the School of Medicine, the Chancellor of the University System of Maryland, and the President of UMMS and shall recommend appropriate action to the Board of Regents, which may include procedures for annual review and adoption of the contract.



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION,
INFORMATION OR DISCUSSION

TOPIC: FY 2021 Audited Financial Statements and USM Financial Planning

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: February 3, 2022

SUMMARY: This item is a brief review of the audited University System of Maryland basic financial statements for the year ended June 30, 2021, for which CliftonLarsonAllen LLP (CLA)—the USM’s independent accountants—provided an unqualified opinion.

A set of key points to be taken from the System’s financial statements appears on page one and two of the attached materials. The balance sheet, along with the statement of revenues, expenses, and changes in net position follows on pages three and four.

The fifth page, titled “Financial Snapshot,” summarizes the System’s key financial health ratio used by rating agencies—available resources to debt outstanding—using the figures reflected in the financial statements, to provide a comparison between June 30, 2020 and 2021. The lower part of the Financial Snapshot displays adjustments to the publicly reported balances for Board-approved claims and authorizations not yet expended or reflected in the financial statements to arrive at a “true” financial health ratio for internal management and decision-making purposes.

A discussion, aided by a set of presentation slides, about the System’s approach to financial planning will be used to complement the review of the audited financial statements.

NOTE: The University System of Maryland Financial Statements and Supplemental Schedules for FY2021 can be viewed online at <http://www.usmd.edu/usm/adminfinance/finafair/fsssch.html>

ALTERNATIVE(S): This item is presented for information and discussion.

FISCAL IMPACT: This item is presented for information and discussion.

CHANCELLOR’S RECOMMENDATION: This item is presented for information and discussion.

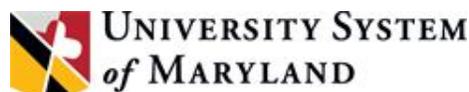
COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923



Audited Financial Statements
Years ended June 30, 2021 and 2020

Key points associated with FY 2021 audited financial statements:

1. The total net position increase of \$111M (**A on Statements of Net Position**) is comprised of a decrease of \$24M in unrestricted net position (**B on Statements of Net Position**), \$149M increase in net invested in capital assets (**C on Statements of Net Position**) and \$14M decrease in restricted net position.
2. The change in unrestricted net position includes the following significant transactions outside normal operations:

Operating Margins (in millions)	FY20	FY21
Change in unrestricted net position	(\$77.7)	(\$24.3)
Cash funded capital projects	124.3	110.7
Allocated expense associated with State pension liability	96.2	104.9
COVID-19 refunds and revenue losses	239.0	169.6
CARES Act revenue recognized	(89.3)	(196.8)
Change in unrestricted balances attributable to operations	\$292.5	\$164.2

3. The FY20 financials reflect the impact of COVID-19 on the System with the return of a little more than \$115M in student fees and \$124M in forgone revenue related to other auxiliary activities (athletics, conferences, and other activities). The FY21 Covid related losses of \$169M is largely attributed to the decrease in operating revenue (tuition and fees and auxiliary revenue).
4. Institutions were awarded the \$620M in HEERF/CARES Act Funds from the Department of Education and the State in FY20 and FY21: (**D on Statements of Revenues, Expenses, and Changes in Net Position**)

HEERF/CARES Act Funds (in millions)	Total	FY20	FY21	Balance
Student Aid	\$209	\$29	\$61	\$119
Institutional	251	29	94	128
HBCUs/Minority Serving Institutions/Other	114	5	21	88
COVID/Public Safety (State)	46	26	20	
Total	\$620	\$89	\$196	\$335

5. The net pension liability and related deferred balances at June 30, 2021 and 2020 is \$1,100M and \$995M, respectively (**E on Statement of Net Position**). The net impact of pension related adjustments not including required contributions is an additional expense of \$104M in FY21, compared to \$96M in FY20.

6. The audited financial statements includes the basic financial statements of the University System of Maryland, but also affiliated, separately governed organizations that are recognized as affiliated entities. Unrestricted net position of position attributable to the affiliated foundations is \$204M at June 30, 2021 compared to \$139M as of June 30, 2020.
7. As shown on the 'Financial Snapshot', the financial statements report the key Balance Sheet strength ratio used by the rating agencies. Balance Sheet strength, defined as the ratio of 'available resources' (USM unrestricted net position **B** + unfunded pension amounts **E**+ accrued leave liability **F** + affiliated foundation unrestricted net assets) to debt outstanding **G**, is 206% at June 30, 2021 compared to 218% at June 30, 2020 (**H on the Snapshot**).

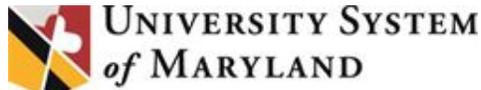
Adjusting for Board-approved commitments and authorizations to spend not yet reflected in the financial statements, FY21 resulted in a slight increase in overall in 'true' financial standing, with the ratio of available resources to debt outstanding on an adjusted basis, changing from 127% in FY20 to 136% in FY21 (**I on the Snapshot**).

UNIVERSITY SYSTEM OF MARYLAND
STATEMENTS OF NET POSITION
JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>	
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 2,681,608,525	\$ 2,633,496,005	
Accounts receivable, net	333,521,863	343,251,636	
Notes receivable, current portion, net	3,870,228	3,874,699	
Inventories	9,015,105	9,954,651	
Prepaid expenses and other	<u>22,589,607</u>	<u>20,886,577</u>	
Total current assets	<u>3,050,605,328</u>	<u>3,011,463,568</u>	
Noncurrent assets:			
Restricted cash and cash equivalents	104,319,389	62,133,802	
Endowment investments	436,809,838	354,554,440	
Other investments	40,508,406	34,999,509	
Notes receivable, net	19,075,445	23,860,209	
Capital assets, net	<u>7,089,300,818</u>	<u>6,826,034,004</u>	
Total noncurrent assets	<u>7,690,013,896</u>	<u>7,301,581,964</u>	
Total assets	<u>10,740,619,224</u>	<u>10,313,045,532</u>	
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized loss on refundings of debt	9,376,625	12,109,985	
Asset retirement obligations	12,276,398	12,801,865	
Deferred changes, pension expense	<u>373,714,162</u>	<u>390,016,497</u>	E
Total assets and deferred outflows of resources	<u>\$ 11,135,986,409</u>	<u>\$ 10,727,973,879</u>	
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 364,305,655	\$ 348,633,745	
Accrued workers' compensation, current portion	4,794,150	4,885,800	
Accrued vacation costs, current portion	129,718,324	123,461,419	
Revenue bonds and notes payable, current portion	92,180,951	99,295,675	G
Obligations under capital lease agreements, current portion	2,768,159	1,846,129	G
Unearned revenues	<u>376,540,915</u>	<u>351,060,005</u>	
Total current liabilities	<u>970,308,154</u>	<u>929,182,773</u>	
Noncurrent liabilities:			
Accrued workers' compensation	27,166,850	27,686,200	
Accrued vacation costs	176,068,088	151,666,808	
Revenue bonds and notes payable	1,226,264,284	1,088,171,129	G
Obligations under capital lease agreements	35,892,193	12,336,835	G
Net pension liability	<u>1,395,144,942</u>	<u>1,275,563,402</u>	E
Total noncurrent liabilities	<u>2,860,536,357</u>	<u>2,555,424,374</u>	
Total liabilities	<u>3,830,844,511</u>	<u>3,484,607,147</u>	
DEFERRED INFLOWS OF RESOURCES			
Deferred service concession arrangement receipts	233,863,349	252,219,390	
Deferred changes, pension expense	<u>78,780,716</u>	<u>109,755,858</u>	E
Total deferred inflows of resources	<u>312,644,065</u>	<u>361,975,248</u>	
NET POSITION			
Unrestricted	1,187,863,054	1,212,195,784	B
Net investment in capital assets	5,580,081,931	5,430,985,410	C
Restricted:			
Nonexpendable:			
Scholarships and fellowships	18,367,468	17,585,035	
Research	7,636,277	7,210,176	
Other	16,927,705	16,923,030	
Expendable:			
Scholarships and fellowships	46,303,581	36,878,144	
Research	62,227,723	80,563,068	
Loans	34,623,545	40,243,558	
Capital projects	3,659,537	9,023,201	
Other	<u>34,807,012</u>	<u>29,784,078</u>	
Total net position	<u>6,992,497,833</u>	<u>6,881,391,484</u>	A
Total liabilities, deferred inflows of resources and net position	<u>\$ 11,135,986,409</u>	<u>\$ 10,727,973,879</u>	

**UNIVERSITY OF SYSTEM OF MARYLAND
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020**

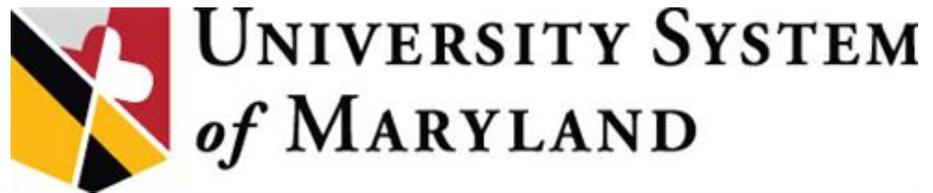
	<u>2021</u>		<u>2020</u>	
OPERATING REVENUES:				
Tuition and fees	\$ 1,737,544,199		\$ 1,764,678,052	
Less: scholarship allowances	<u>(374,251,026)</u>		<u>(356,385,268)</u>	
Federal grants and contracts		\$ 1,363,293,173		\$ 1,408,292,784
State and local grants and contracts		774,627,139		783,778,541
Nongovernmental grants and contracts		228,853,058		218,485,078
Sales and services of educational departments		280,670,286		243,414,129
Auxiliary enterprises:		362,668,277		335,932,342
Residential facilities	108,811,825		166,289,368	
Less: scholarship allowances	<u>(6,506,601)</u>	102,305,224	<u>(9,619,728)</u>	156,669,640
Dining facilities	50,868,506		105,895,827	
Less: scholarship allowances	<u>(3,155,203)</u>	47,713,303	<u>(4,905,838)</u>	100,989,989
Intercollegiate athletics	86,556,363		124,374,286	
Less: scholarship allowances	<u>(6,166,541)</u>	80,389,822	<u>(6,267,635)</u>	118,106,651
Bookstore	11,706,188		13,692,645	
Less: scholarship allowances	<u>(1,393,925)</u>	10,312,263	<u>(1,531,320)</u>	12,161,325
Parking facilities	23,998,707		36,825,497	
Less: scholarship allowances	<u>(149,932)</u>	23,848,775	<u>(136,669)</u>	36,688,828
Other auxiliary enterprises revenues	128,285,524		132,783,243	
Less: scholarship allowances	<u>(58,014)</u>	128,227,510	<u>(37,181)</u>	132,746,062
Other operating revenues		<u>51,515,174</u>		<u>69,486,420</u>
Total operating revenues		<u>3,454,424,004</u>		<u>3,616,751,789</u>
OPERATING EXPENSES:				
Instruction		1,420,144,490		1,402,071,908
Research		1,050,765,878		1,039,622,121
Public service		575,995,384		521,599,010
Academic support		520,704,936		527,330,418
Student services		326,370,905		321,421,560
Institutional support		578,360,851		543,979,557
Operation and maintenance of plant		401,520,485		402,000,372
Scholarships and fellowships		173,157,118		137,307,078
Auxiliary enterprises:				
Residential facilities		156,860,896		184,119,860
Dining facilities		70,506,748		115,170,982
Intercollegiate athletics		108,209,011		138,171,000
Bookstore		13,706,606		14,773,008
Parking facilities		25,233,098		34,280,720
Other auxiliary enterprises expenses		<u>123,268,514</u>		<u>138,835,403</u>
Total operating expenses		<u>5,544,804,920</u>		<u>5,520,682,997</u>
Operating loss		<u>(2,090,380,916)</u>		<u>(1,903,931,208)</u>
NONOPERATING REVENUES (EXPENSES)				
State appropriations		1,505,429,509		1,493,671,878
Pell grants		163,278,977		167,411,653
Other nonoperating grants		196,776,455		89,316,876
Gifts		45,136,501		53,210,506
Investment Income	108,712,589		87,461,092	
Less: investment expense	<u>(1,465,896)</u>	107,246,693	<u>(1,323,876)</u>	86,137,216
Interest on indebtedness		<u>(35,369,712)</u>		<u>(40,580,627)</u>
Other revenues, (expenses), gains and (losses)		4,994,458		<u>(14,638,982)</u>
Total nonoperating revenues		<u>1,987,492,881</u>		<u>1,834,528,520</u>
Income (loss) before other revenues		<u>(102,888,035)</u>		<u>(69,402,688)</u>
OTHER REVENUES:				
Capital appropriations		160,457,476		172,302,652
Capital gifts and grants		52,323,700		23,039,106
Additions to permanent endowments		<u>1,213,208</u>		<u>2,568,951</u>
Total other revenues		<u>213,994,384</u>		<u>197,910,709</u>
Increase in net position		111,106,349		128,508,021
Net position - beginning of year		<u>6,881,391,484</u>		<u>6,752,883,463</u>
Net position - end of year		<u>\$ 6,992,497,833</u>		<u>\$ 6,881,391,484</u>



Financial Snapshot
As of June 30, 2021 Compared with 2020

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
From the June 30, 2021 and 2020 audited financial statements		
USM unrestricted net position	\$ 1,187,863,054	\$ 1,212,195,784 B
Net pension liability and deferred balances	1,100,211,496	995,302,763 E
USM accrued leave	305,786,412	275,128,227 F
Affiliated foundations unrestricted net assets	<u>203,823,948</u>	<u>139,171,213</u>
Available funds	<u>\$ 2,797,684,910</u>	<u>\$ 2,621,797,987</u>
Debt outstanding	\$ 1,357,226,192	\$ 1,201,649,768
Ratio of available resources to debt outstanding per financial statements	206%	218% H
Claims against the June 30 available resources not reflected in financial statements:		
Available funds per financial statements	\$ 2,797,684,910	\$ 2,621,797,987
Cash-funded capital projects not fully spent at June 30,	(215,994,358)	(242,236,277)
Future years cash-funded capital projects committed but not yet authorized	(275,836,258)	(358,621,000)
Noncapital cash-funded projects not yet authorized	<u>(88,618,761)</u>	<u>(44,474,515)</u>
Adjusted available funds	<u>\$ 2,217,235,533</u>	<u>\$ 1,976,466,195</u>
Debt outstanding per financial statements	\$ 1,357,226,192	\$ 1,201,649,768
Revenue bond-funded projects authorized but debt not yet issued	<u>276,532,257</u>	<u>352,751,640</u>
Adjusted total debt outstanding	<u>\$ 1,633,758,449</u>	<u>\$ 1,554,401,408</u>
Ratio of available resources to debt outstanding, adjusted	136%	127% I

While rating agencies base their assessments based on financial statement balances, the System manages the ratio of available funds to debt outstanding to not fall below 1:1 ratio to ensure that financial health does not fall below medians for Aa1 rating category.



Financial Statements and Supplementary Information and
Data Together with Independent Auditors' Report

For the Years Ended June 30, 2021 and 2020

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CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Regents
University System of Maryland
Adelphi, Maryland

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the University System of Maryland (the System), a component unit of the State of Maryland, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We did not audit the financial statements of the University System of Maryland Foundation, Inc., the University of Maryland College Park Foundation, Inc., the University of Maryland Baltimore Foundation, Inc. Bowie State University Foundation, Inc., Towson University Foundation, Inc., Frostburg State University Foundation, Inc., Coppin State University Development Foundation, Inc., University of Baltimore Foundation, Inc. and University Properties, Inc., Salisbury University Foundation, Inc., University of Maryland Baltimore County Research Park Corporation, Inc. and UMUC Ventures, Inc. and Subsidiaries. Those 2021 financial statements, which reflect approximately 0.4%, 0.6% and 0.8% of the assets, net position and revenues of the System's business-type activities and 100.0%, 100.0% and 100.0% of assets, net assets and revenues of the aggregate discretely presented component units as of and for the year ended June 30, 2021, were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it related to the amounts included for those component units, is based solely on the reports of the other auditors. Those 2020 financial statements, which reflect approximately 0.4%, 0.5% and 1.6% of the assets, net position and revenues of the System's business-type activities and 100.0%, 100.0% and 100.0% of assets, net assets and revenues of the aggregate discretely presented component units as of and for the year ended June 30, 2020, were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it related to the amounts included for those component units, is based solely on the reports of the other auditors.



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Board of Regents
University System of Maryland

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. None of the component units listed above were audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the System as of June 30, 2021 and 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the various schedules of Proportionate Share of Net Pension Liability, Contributions to the Teachers Pension System and the Employees Retirement System, and Contributions for Other Postemployment Benefits as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Board of Regents
University System of Maryland

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the System's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audits and the reports of other auditors, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2021, on our consideration of the System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the System's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Baltimore, Maryland
December 8, 2021

UNIVERSITY SYSTEM OF MARYLAND**MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020**

Management of the University System of Maryland (the System) provides the readers of the System's financial statements with this narrative overview and analysis of the financial activities of the System for the years ended June 30, 2021 and 2020, with 2019 information for comparative purposes.

Financial Highlights

- Unrestricted net position decreased by \$24,332,730 for the year ended June 30, 2021, compared to an decrease of \$77,712,419 for the year ended June 30, 2020.
- State appropriations for the System increased by 0.8% for the year ended June 30, 2021. For the year ended June 30, 2020, State appropriations increased by 6.8% from the amount received in the year ended June 30, 2019.
- Tuition and fees, after deducting scholarship allowances, decreased by \$44,999,611 or 3.2% for the year ended June 30, 2021. During the year ended June 30, 2020, net tuition and fees, decreased by \$1,160,485 or 0.1%.
- For the year ended June 30, 2021, investment income on Endowment assets was \$96,234,244, representing an investment return of 27%. Investment income on Endowment assets amounted to \$3,143,991, an investment return of 1%, for the year ended June 30, 2020.
- Three laws were signed into effect during the years ended June 30, 2020 and 2021, which provide financial support to individuals, governments and businesses experiencing financial hardship associated with the coronavirus pandemic:
 - The Coronavirus Aid, Relief, and Economic Security Act (CARES act), was signed into law on March 27, 2020. On December 27, 2020, The Coronavirus Response and Relief Supplemental Appropriation Act, 2021 (CRRSAA) was signed into law. The American Rescue Plan (ARP) was signed into law on March 11, 2021. Each of these three laws provided funding for the Higher Education Emergency Relief Fund(HEERF).
 - These acts provide for potential funding of \$574,194,991 to System institutions to be used for pandemic related student and institutional aid that may be accessed or used through fiscal year 2022.
 - The System recognized \$196,776,455 and \$89,316,876 of nonoperating grant revenues associated with amounts awarded directly, or through the state of Maryland, of COVID relief funding for the years ended June 30, 2021 and 2020, respectively.

Overview of the Financial Statements

The System's financial statements consist of three basic financial statements and the notes that provide information on the accounting alternatives used, financial statements for discretely presented component units, and explanatory information and detail on certain financial statement elements. The three basic financial statements are the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows.

UNIVERSITY SYSTEM OF MARYLAND**MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020**

The *Statement of Net Position* presents information on the System's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position, all as of the end of the reporting period. Net position represents the difference between assets plus deferred outflows of resources, and liabilities plus deferred inflows of resources, and is detailed into classifications that help readers understand the constraints that the System must consider in making decisions on expending assets. Over time, changes in net position can help in understanding whether the financial condition of the System is improving or deteriorating.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information on the changes in net position during the year. All changes in net position are reported as soon as the underlying event takes place, regardless of the timing of the related cash flows. Thus, revenues and expenses are recorded for some items that will result in cash flows in future fiscal years (for example tuition and fees owed by students, or vacation earned by employees but not used as of the date of the financial statements).

The *Statement of Cash Flows* presents information on sources and uses of cash during the year. This statement details the changes in cash and cash equivalents from the amounts reported at the end of the preceding year, to the amounts reported in the Statement of Net Position as of the end of the current year. Sources and uses are organized into operating activities, noncapital financing activities, capital and related financing activities, and investing activities.

The System's financial statements include all accounts and balances of the System (considered the primary government, in accounting terms), as well as 11 legally-separate and distinct entities for which the System is financially accountable, which are considered component units. Of the 11 component units, three are considered major component units due to their significance in terms of size.

The focus of this Management's Discussion and Analysis is on the System itself. Reference should be made to the separately audited financial statements of the component units for additional information.

Financial Analysis

As of June 30, 2021, the System's financial health remains strong, with assets and deferred outflows of resources exceeding liabilities and deferred inflows of resources by \$6,992,497,833, shown on the Statement of Net Position as total net position. This compares with total net position of \$6,881,391,484 as of June 30, 2020 and \$6,752,883,463 as of June 30, 2019. As suggested earlier, when viewed over time, net position may be useful as an indicator of financial health.

For the year ended June 30, 2021, total net position increased by \$111,106,349. While net investment in capital assets increased by \$149,096,521, unrestricted net position decreased by \$24,332,730 and restricted net position categories decreased by \$13,657,442.

For the year ended June 30, 2020, total net position increased by \$128,508,021. Net investment in capital assets increased by \$208,609,468, unrestricted net position decreased by \$77,712,419 and restricted net position categories decreased by \$2,389,028.

UNIVERSITY SYSTEM OF MARYLAND**MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020**

The table below presents summary-level information of the System's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of June 30, 2021, 2020 and 2019.

	2021	2020	2019
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current and noncurrent assets	\$ 3,651,318,406	\$ 3,487,011,528	\$ 3,456,588,174
Capital assets, net	7,089,300,818	6,826,034,004	6,633,402,152
Total assets	10,740,619,224	10,313,045,532	10,089,990,326
Deferred outflows of resources	395,367,185	414,928,347	523,339,677
Total assets and deferred outflows of resources	<u>\$11,135,986,409</u>	<u>\$10,727,973,879</u>	<u>\$10,613,330,003</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Debt and capital lease obligations	\$ 1,357,105,587	\$ 1,201,649,768	\$ 1,303,513,443
Other liabilities	1,078,593,982	1,007,393,977	890,535,191
Net pension liability	1,395,144,942	1,275,563,402	1,309,998,345
Total liabilities	3,830,844,511	3,484,607,147	3,504,046,979
Deferred inflows of resources	312,644,065	361,975,248	356,399,561
Total liabilities and deferred inflows of resources	<u>4,143,488,576</u>	<u>3,846,582,395</u>	<u>3,860,446,540</u>
NET POSITION			
Net investment in capital assets	5,580,081,931	5,430,985,410	5,222,375,942
Restricted	224,552,848	238,210,290	240,599,318
Unrestricted	1,187,863,054	1,212,195,784	1,289,908,203
Total net position	<u>6,992,497,833</u>	<u>6,881,391,484</u>	<u>6,752,883,463</u>
Total liabilities, deferred inflows of resources and net position	<u>\$11,135,986,409</u>	<u>\$10,727,973,879</u>	<u>\$10,613,330,003</u>

UNIVERSITY SYSTEM OF MARYLAND**MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020**

The table below presents summary-level information on revenues, expenses, and other changes in the System's net position for the years ended June 30, 2021, 2020 and 2019.

	2021	2020	2019
Operating revenues	\$ 3,454,424,004	\$ 3,616,751,789	\$ 3,748,608,760
Operating expenses	5,544,804,920	5,520,682,997	5,403,345,576
Operating loss	(2,090,380,916)	(1,903,931,208)	(1,654,736,816)
State appropriations	1,505,429,509	1,493,671,878	1,398,073,778
Other nonoperating revenues, net	482,063,372	340,856,642	267,160,620
Total nonoperating revenues	1,987,492,881	1,834,528,520	1,665,234,398
Income (loss) before other revenues	(102,888,035)	(69,402,688)	10,497,582
Other revenues	213,994,384	197,910,709	273,496,876
Increase in net position	111,106,349	128,508,021	283,994,458
Net position, beginning of year	6,881,391,484	6,752,883,463	6,468,889,005
Net position, end of year	<u>\$ 6,992,497,833</u>	<u>\$ 6,881,391,484</u>	<u>\$ 6,752,883,463</u>

The System's operating revenues arise from activities associated with its core mission: education, research, and public service.

For the years ended June 30, 2021, 2020 and 2019, operating revenues, which under the definitions used by the Governmental Accounting Standards Board (GASB), excludes state appropriations, are detailed below:

	2021		2020		2019	
	\$	%	\$	%	\$	%
Tuition and fees, net	\$ 1,363,293,173	39.4 %	\$ 1,408,292,784	39.0 %	\$ 1,409,453,269	37.6 %
Contracts and grants	1,284,150,483	37.2	1,245,677,748	34.4	1,251,850,503	33.4
Sales and services of educational departments	362,668,277	10.5	335,932,342	9.3	332,519,878	8.9
Auxiliary enterprises, net	392,796,897	11.4	557,362,495	15.4	672,753,381	17.9
Other operating	51,515,174	1.5	69,486,420	1.9	82,031,729	2.2
Total	<u>\$ 3,454,424,004</u>	<u>100.0 %</u>	<u>\$ 3,616,751,789</u>	<u>100.0 %</u>	<u>\$ 3,748,608,760</u>	<u>100.0 %</u>

UNIVERSITY SYSTEM OF MARYLAND**MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020**

For the years ended June 30, 2021, 2020 and 2019, operating expenses are detailed below:

	2021		2020		2019	
	\$	%	\$	%	\$	%
Instruction	\$ 1,420,144,490	25.6 %	\$ 1,402,071,908	25.4 %	\$ 1,364,312,495	25.2 %
Research	1,050,765,878	19.0	1,039,622,121	18.8	988,835,162	18.3
Public service	575,995,384	10.4	521,599,010	9.4	548,915,818	10.2
Academic support	520,704,936	9.4	527,330,418	9.6	486,707,624	9.0
Student services	326,370,905	5.9	321,421,560	5.8	314,289,585	5.8
Institutional support	578,360,851	10.4	543,979,557	9.9	537,015,238	9.9
Operation and maintenance of plant	401,520,485	7.2	402,000,372	7.3	402,662,215	7.5
Scholarships and fellowships	173,157,118	3.1	137,307,078	2.5	119,837,448	2.2
Auxiliary enterprises	497,784,873	9.0	625,350,973	11.3	640,769,991	11.9
Total	\$ 5,544,804,920	100.0 %	\$ 5,520,682,997	100.0 %	\$ 5,403,345,576	100.0 %

Operating expenses are detailed by (1) employee costs, (2) payments to suppliers, contractors and other, and (3) depreciation expense in the notes to the financial statements, in order to provide an alternative presentation of operating expenses.

For the years ended June 30, 2021 and 2020, increases in total employee payments of \$51,545,419 and \$178,332,102, respectively, represent the largest component of the overall increase in operating expenses over the prior year. For 2021 and 2020, the largest increases associated with employee payments were for public service and research, respectively.

Capital Asset and Debt Administration

The System continually makes investments in facilities necessary to achieve long-term objectives resulting from:

- State-wide public policy goals,
- System-wide strategic planning,
- institutional facilities master planning,
- projected enrollment growth,
- projected research space needs, and
- maintenance and renewal needs for existing facilities.

Funding sources for additions to capital facilities and equipment for the last three fiscal years ended June 30, were:

	2021	2020	2019
State of Maryland debt proceeds	\$160,457,476	\$172,302,652	\$244,478,467
System debt proceeds	404,785,324	129,669,702	172,711,919
System cash balances and donations	69,168,908	242,331,590	101,522,580
Total	\$634,411,708	\$544,303,944	\$518,712,966

UNIVERSITY SYSTEM OF MARYLAND**MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020**

Over the past three fiscal years ended June 30, major projects completed or placed in service are as follows:

Project	Institution	Cost
Year ended June 30, 2021		
Cole Field House Renovation	University of Maryland, College Park	\$210,000,000
Science Complex	Towson University	179,000,000
Brownsville Residence Hall	Frostburg State University	42,895,000
H.J. Patterson Wing 2	University of Maryland, College Park	17,313,000
Glen Dining Hall Renovation	Towson University	12,500,000
Year ended June 30, 2020		
Biomedical Science & Engineering Education Building	Universities at Shady Grove	\$158,400,000
Interdisciplinary Life Sciences Building	University of Maryland Baltimore County	123,050,000
Year ended June 30, 2019		
Brendan Iribe Center for Computer Science & Innovation	University of Maryland, College Park	\$152,250,000
Dorchester Hall Renovation	University of Maryland, College Park	13,180,000
Residence Tower Renovation	Towson University	33,860,000
USPS Replacement Facility	University of Baltimore	13,180,000

The System has issued Revenue Bonds to fund the construction, acquisition, and renewal and replacement of facilities, or refinance previously issued Revenue Bonds to realize lower current interest rates, during the years ended June 30, 2021, 2020 and 2019, as follows:

Debt issuance	Date of issue	Purpose	Total Par Value Issued	Present Value of Future Debt Service Savings
2021 Series A	02/24/2021	Refinancing, construction, and facilities renewal	\$237,285,000	\$ 6,935,086
2021 Refunding Series B (Taxable)	02/24/2021	Refinancing (Taxable)	108,530,000	10,238,461

The System continually pursues opportunities to reduce its overall effective cost of capital financing, and as conditions in the financial markets allow, refinances previously issued debt with new debt at lower interest costs.

UNIVERSITY SYSTEM OF MARYLAND

**MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2021 AND 2020**

Economic Factors and Next Year's Budget and Rates

Enrollment demand, availability of funding for contracts and grants, and State of Maryland support, through both operating and capital appropriations, are the three most significant drivers of the System's resource base.

Across all student categories, enrollment is expected to continue to increase over the next ten years, with approximately 6.6% more fulltime equivalent students anticipated by the fall 2031. While preliminary fall 2021 enrollment indicates a decrease in fulltime equivalent enrollment of approximately 3.3%, the longterm projection remains a picture of continued but slower growth.

The longer term and lasting effects of the coronavirus pandemic are still not fully known.

The University of Maryland, College Park, the University of Maryland, Baltimore, and the University of Maryland, Baltimore County each have considerable numbers of faculty that pursue research grants and other sponsored funding arrangements. Indirect cost recoveries associated with contracts and grants are an important funding source for institution's administrative costs. The Federal Budget Control Act places limits on Federal government spending commonly referred to as sequestration. These limits have constrained Federal spending on research activities, will reduce indirect cost recoveries generally, and will continue, unless Congress and the President agree upon and enact legislation that relieves the constraints on governmental spending currently in place.

As a region with a significant Federal government employee population, the potential for significant reductions in Federal spending in all likelihood would have serious implications for State tax revenues, both from income as well as sales taxes. The State government closely monitors revenue receipts and revises projections on a quarterly basis. As an economic engine for the entire state and region, System officials point out the impact that proposed reductions of State funding provided to higher education would have on statewide economic activity and workforce development.

Personnel costs account for more than two-thirds of the System's noncapital spending. Healthcare costs and the adoption of a statewide funding strategy for providing for retiree's healthcare costs are expected to be significant considerations for the System's future spending levels.

Requests for Information

This financial report is intended to provide a general overview of the System's finances. Questions concerning any of the information provided in this report, or requests for additional information should be addressed to the Office of the Vice Chancellor for Administration and Finance, 3300 Metzerott Road, Adelphi, MD 20783.

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UNIVERSITY SYSTEM OF MARYLAND
STATEMENTS OF NET POSITION
JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,681,608,525	\$ 2,633,496,005
Accounts receivable, net	333,521,863	343,251,636
Notes receivable, current portion, net	3,870,228	3,874,699
Inventories	9,015,105	9,954,651
Prepaid expenses and other	<u>22,589,607</u>	<u>20,886,577</u>
Total current assets	<u>3,050,605,328</u>	<u>3,011,463,568</u>
Noncurrent assets		
Restricted cash and cash equivalents	104,319,389	62,133,802
Endowment investments	436,809,838	354,554,440
Other investments	40,508,406	34,999,509
Notes receivable, net	19,075,445	23,860,209
Capital assets, net	<u>7,089,300,818</u>	<u>6,826,034,004</u>
Total noncurrent assets	<u>7,690,013,896</u>	<u>7,301,581,964</u>
Total assets	<u>10,740,619,224</u>	<u>10,313,045,532</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>395,367,185</u>	<u>414,928,347</u>
Total assets and deferred outflows of resources	<u>\$ 11,135,986,409</u>	<u>\$ 10,727,973,879</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 364,305,655	\$ 348,633,745
Accrued workers' compensation, current portion	4,794,150	4,885,800
Accrued vacation costs, current portion	129,718,324	123,461,419
Revenue bonds and notes payable, current portion	92,180,951	99,295,675
Obligations under capital lease agreements, current portion	2,768,159	1,846,129
Unearned revenues	<u>376,540,915</u>	<u>351,060,005</u>
Total current liabilities	<u>970,308,154</u>	<u>929,182,773</u>
Noncurrent liabilities		
Accrued workers' compensation	27,166,850	27,686,200
Accrued vacation costs	176,068,088	151,666,808
Revenue bonds and notes payable	1,226,264,284	1,088,171,129
Obligations under capital lease agreements	35,892,193	12,336,835
Net pension liability	<u>1,395,144,942</u>	<u>1,275,563,402</u>
Total noncurrent liabilities	<u>2,860,536,357</u>	<u>2,555,424,374</u>
Total liabilities	<u>3,830,844,511</u>	<u>3,484,607,147</u>
DEFERRED INFLOWS OF RESOURCES	<u>312,644,065</u>	<u>361,975,248</u>
NET POSITION		
Unrestricted	1,187,863,054	1,212,195,784
Net investment in capital assets	5,580,081,931	5,430,985,410
Restricted:		
Nonexpendable	42,931,450	41,718,241
Expendable	<u>181,621,398</u>	<u>196,492,049</u>
Total net position	<u>6,992,497,833</u>	<u>6,881,391,484</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 11,135,986,409</u>	<u>\$ 10,727,973,879</u>

See accompanying notes.

UNIVERSITY SYSTEM OF MARYLAND
COMBINING STATEMENT OF FINANCIAL POSITION, COMPONENT UNITS
JUNE 30, 2021

	Major Component Units				Total
	University System of Maryland Foundation, Inc.	University of Maryland College Park Foundation, Inc.	University of Maryland Baltimore Foundation, Inc.	Nonmajor Component Units	
ASSETS					
Current assets					
Cash	\$ 163,000	\$ 31,121,973	\$ 3,186,787	\$ 30,263,846	\$ 64,735,606
Accounts receivable, net	948,000	79,344,387	26,498,808	4,677,946	111,469,141
Other assets	219,000	143,353	92,051	558,310	1,012,714
Total current assets	1,330,000	110,609,713	29,777,646	35,500,102	177,217,461
Investments					
Endowment investments	397,904,000	598,858,551	301,327,289	347,153,377	1,645,243,217
Other investments	599,813,000	85,850,088	82,296,953	29,073,296	797,033,337
Total investments	997,717,000	684,708,639	383,624,242	376,226,673	2,442,276,554
Noncurrent assets					
Accounts receivable, net	4,894,000	50,890,579	19,132,192	11,501,352	86,418,123
Capital assets, net	14,048,000	19,566,708		3,380,839	36,995,547
Other assets	471,000	7,055,860	5,446,249	2,597,874	15,570,983
Total noncurrent assets	19,413,000	77,513,147	24,578,441	17,480,065	138,984,653
Total assets	\$ 1,018,460,000	\$ 872,831,499	\$ 437,980,329	\$ 429,206,840	\$ 2,758,478,668
LIABILITIES					
Current liabilities					
Accounts payable & accrued expenses	\$ 3,435,000	\$ 3,776,166	\$ 1,995,661	\$ 2,012,667	\$ 11,219,494
Long-term debt, current				1,752,486	1,752,486
Unearned revenues	1,336,000	1,373,937		5,716,410	8,426,347
Total current liabilities	4,771,000	5,150,103	1,995,661	9,481,563	21,398,327
Noncurrent liabilities					
Other payables	96,814,884	9,173,639	2,298,669	2,100,658	110,387,850
Due to primary government	436,634,116				436,634,116
Total noncurrent liabilities	533,449,000	9,173,639	2,298,669	2,100,658	547,021,966
Total liabilities	538,220,000	14,323,742	4,294,330	11,582,221	568,420,293
NET ASSETS					
Without donor restrictions	86,442,000	2,975,164	46,761,050	67,645,734	203,823,948
With donor restrictions	393,798,000	855,532,593	386,924,949	349,978,885	1,986,234,427
Total net assets	480,240,000	858,507,757	433,685,999	417,624,619	2,190,058,375
Total liabilities and net assets	\$ 1,018,460,000	\$ 872,831,499	\$ 437,980,329	\$ 429,206,840	\$ 2,758,478,668

See accompanying notes.

UNIVERSITY SYSTEM OF MARYLAND
COMBINING STATEMENT OF FINANCIAL POSITION, COMPONENT UNITS
JUNE 30, 2020

	Major Component Units			Nonmajor Component Units	Total
	University System of Maryland Foundation, Inc.	University of Maryland College Park Foundation, Inc.	University of Maryland Baltimore Foundation, Inc.		
ASSETS					
Current assets					
Cash	\$ 147,000	\$ 55,126,116	\$ 2,952,269	\$ 22,277,057	\$ 80,502,442
Accounts receivable, net	2,243,000	97,412,300	24,397,171	5,377,280	129,429,751
Other assets	108,000	118,131	32,803	599,527	858,461
Total current assets	2,498,000	152,656,547	27,382,243	28,253,864	210,790,654
Investments					
Endowment investments	306,343,000	444,003,287	230,525,296	242,488,499	1,223,360,082
Other investments	492,139,000	72,276,040	77,589,321	25,257,180	667,261,541
Total investments	798,482,000	516,279,327	308,114,617	267,745,679	1,890,621,623
Noncurrent assets					
Accounts receivable, net	6,784,000	48,779,671	11,080,039	10,791,457	77,435,167
Capital assets, net	15,436,000	30,385,963		3,435,449	49,257,412
Other assets	468,000	528,571	5,000,737	2,570,369	8,567,677
Total noncurrent assets	22,688,000	79,694,205	16,080,776	16,797,275	135,260,256
Total assets	\$ 823,668,000	\$ 748,630,079	\$ 351,577,636	\$ 312,796,818	\$ 2,236,672,533
LIABILITIES					
Current liabilities					
Accounts payable & accrued expenses	\$ 5,375,000	\$ 627,644	\$ 1,872,018	\$ 1,794,989	\$ 9,669,651
Long-term debt, current				1,857,286	1,857,286
Unearned revenues	1,240,000	926,816		5,938,991	8,105,807
Total current liabilities	6,615,000	1,554,460	1,872,018	9,591,266	19,632,744
Noncurrent liabilities					
Other payables	77,760,568	16,566,402	2,202,594	1,889,300	98,418,864
Due to primary government	354,476,432				354,476,432
Total noncurrent liabilities	432,237,000	16,566,402	2,202,594	1,889,300	452,895,296
Total liabilities	438,852,000	18,120,862	4,074,612	11,480,566	472,528,040
NET ASSETS					
Without donor restrictions	58,896,000	4,800,674	44,324,298	31,150,241	139,171,213
With donor restrictions	325,920,000	725,708,543	303,178,726	270,166,011	1,624,973,280
Total net assets	384,816,000	730,509,217	347,503,024	301,316,252	1,764,144,493
Total liabilities and net assets	\$ 823,668,000	\$ 748,630,079	\$ 351,577,636	\$ 312,796,818	\$ 2,236,672,533

See accompanying notes.

UNIVERSITY SYSTEM OF MARYLAND
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
Tuition and fees	\$ 1,737,544,199	\$ 1,764,678,052
Less: scholarship allowances	<u>(374,251,026)</u>	<u>(356,385,268)</u>
Federal grants and contracts	774,627,139	783,778,541
State and local grants and contracts	228,853,058	218,485,078
Nongovernmental grants and contracts	280,670,286	243,414,129
Sales and services of educational departments	362,668,277	335,932,342
Auxiliary enterprises	410,227,113	579,860,866
Less: scholarship allowances	<u>(17,430,216)</u>	<u>(22,498,371)</u>
Other operating revenues	51,515,174	69,486,420
Total operating revenues	<u>3,454,424,004</u>	<u>3,616,751,789</u>
OPERATING EXPENSES		
Instruction	1,420,144,490	1,402,071,908
Research	1,050,765,878	1,039,622,121
Public service	575,995,384	521,599,010
Academic support	520,704,936	527,330,418
Student services	326,370,905	321,421,560
Institutional support	578,360,851	543,979,557
Operation and maintenance of plant	401,520,485	402,000,372
Scholarships and fellowships	173,157,118	137,307,078
Auxiliary enterprises	<u>497,784,873</u>	<u>625,350,973</u>
Total operating expenses	<u>5,544,804,920</u>	<u>5,520,682,997</u>
Operating (loss)	<u>(2,090,380,916)</u>	<u>(1,903,931,208)</u>
NONOPERATING REVENUES (EXPENSES)		
State appropriations	1,505,429,509	1,493,671,878
Pell grants	163,278,977	167,411,653
Other nonoperating grants	196,776,455	89,316,876
Gifts	45,136,501	53,210,506
Investment income	108,712,589	87,461,092
Less: investment expense	<u>(1,465,896)</u>	<u>(1,323,876)</u>
Interest on indebtedness	(35,369,712)	(40,580,627)
Other revenues and gains (losses), net	<u>4,994,458</u>	<u>(14,638,982)</u>
Total nonoperating revenues	<u>1,987,492,881</u>	<u>1,834,528,520</u>
Income (loss) before other revenues	<u>(102,888,035)</u>	<u>(69,402,688)</u>
OTHER REVENUES		
Capital appropriations	160,457,476	172,302,652
Capital gifts and grants	52,323,700	23,039,106
Additions to endowments	<u>1,213,208</u>	<u>2,568,951</u>
Total other revenues	<u>213,994,384</u>	<u>197,910,709</u>
Increase in net position	111,106,349	128,508,021
Net position - beginning of year	<u>6,881,391,484</u>	<u>6,752,883,463</u>
Net position - end of year	<u>\$ 6,992,497,833</u>	<u>\$ 6,881,391,484</u>

See accompanying notes.

**UNIVERSITY SYSTEM OF MARYLAND
COMBINING STATEMENT OF ACTIVITIES, COMPONENT UNITS
YEAR ENDED JUNE 30, 2021**

	<u>Major Component Units</u>			Nonmajor Component Units	Total
	University System of Maryland Foundation, Inc.	University of Maryland College Park Foundation, Inc.	University of Maryland Baltimore Foundation, Inc.		
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS					
Revenues					
Contributions & grants	\$ 22,150,000		\$ 4,205,998	\$ 26,527,846	\$ 52,883,844
Investment income, net	7,340,000	\$ 5,745,804	1,568,713	7,484,373	22,138,890
Other income	6,588,000	1,423,870	206,002	2,215,948	10,433,820
Assets released from restrictions	20,548,000	96,115,398	18,770,387	18,138,058	153,571,843
Total revenues	56,626,000	103,285,072	24,751,100	54,366,225	239,028,397
Expenses					
Program	21,972,000	101,256,206	19,781,959	16,297,938	159,308,103
General & administrative	5,130,000	3,601,427	2,239,980	2,605,095	13,576,502
Fundraising	1,978,000	252,949	292,409	892,778	3,416,136
Other expense				1,197,283	1,197,283
Total expenses	29,080,000	105,110,582	22,314,348	20,993,094	177,498,024
Change in net assets without donor restrictions	27,546,000	(1,825,510)	2,436,752	33,373,131	61,530,373
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS					
Contributions & grants	14,748,000	99,084,595	41,020,121	29,111,172	183,963,888
Investment income	73,677,000	119,439,746	61,496,489	71,229,871	325,843,106
Other income (loss)	1,000	7,415,107		732,251	8,148,358
Assets released from restrictions	(20,548,000)	(96,115,398)	(18,770,387)	(18,138,058)	(153,571,843)
Change in net assets with donor restrictions	67,878,000	129,824,050	83,746,223	82,935,236	364,383,509
Total changes in net assets	95,424,000	127,998,540	86,182,975	116,308,367	425,913,882
Net assets - beginning of year	384,816,000	730,509,217	347,503,024	301,316,252	1,764,144,493
Net assets - end of year	\$ 480,240,000	\$ 858,507,757	\$ 433,685,999	\$ 417,624,619	\$ 2,190,058,375

See accompanying notes.

UNIVERSITY SYSTEM OF MARYLAND
COMBINING STATEMENT OF ACTIVITIES, COMPONENT UNITS
YEAR ENDED JUNE 30, 2020

	Major Component Units			Nonmajor Component Units	Total
	University System of Maryland Foundation, Inc.	University of Maryland College Park Foundation, Inc.	University of Maryland Baltimore Foundation, Inc.		
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS					
Revenues					
Contributions & grants	\$ 3,446,000		\$ 5,020,011	\$ 1,089,950	\$ 9,555,961
Investment income, net	(1,210,000)	\$ 7,436,163	1,872,268	1,245,741	9,344,172
Other income	6,236,000	1,821,915	454,964	3,216,894	11,729,773
Assets released from restrictions	17,822,000	56,531,304	20,073,129	17,515,248	111,941,681
Total revenues	26,294,000	65,789,382	27,420,372	23,067,833	142,571,587
Expenses					
Program	23,479,000	62,170,514	22,441,881	16,551,720	124,643,115
General & administrative	5,435,000	3,611,788	2,251,399	4,131,543	15,429,730
Fundraising	2,325,000	225,472	1,153,586	1,233,982	4,938,040
Other expense				1,168,535	1,168,535
Total expenses	31,239,000	66,007,774	25,846,866	23,085,780	146,179,420
Change in net assets without donor restrictions	(4,945,000)	(218,392)	1,573,506	(17,947)	(3,607,833)
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS					
Contributions & grants	30,398,000	75,941,815	21,431,422	16,561,622	144,332,859
Investment income	2,654,000	(2,278,520)	1,196,383	1,363,721	2,935,584
Other income (loss)		(960,782)		1,679,834	719,052
Assets released from restrictions	(17,822,000)	(56,531,304)	(20,073,129)	(17,515,248)	(111,941,681)
Change in net assets with donor restrictions	15,230,000	16,171,209	2,554,676	2,089,929	36,045,814
Total changes in net assets	10,285,000	15,952,817	4,128,182	2,071,982	32,437,981
Net assets - beginning of year	374,531,000	714,556,400	343,374,842	317,453,772	1,749,916,014
Change in reporting entity				(18,209,502)	(18,209,502)
Net assets - end of year	\$ 384,816,000	\$ 730,509,217	\$ 347,503,024	\$ 301,316,252	\$ 1,764,144,493

See accompanying notes.

**UNIVERSITY SYSTEM OF MARYLAND
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 1,365,064,757	\$ 1,416,648,091
Research contracts and grants	1,309,465,731	1,201,623,652
Payments to employees	(3,594,282,529)	(3,523,887,253)
Payments to suppliers and contractors	(1,437,879,651)	(1,485,492,364)
Loans issued to students	(875,796)	(2,376,781)
Collection of loans from students	5,391,654	10,109,155
Auxiliary enterprises	366,555,523	555,054,258
Other receipts	457,454,427	478,218,825
Net cash used by operating activities	<u>(1,529,105,884)</u>	<u>(1,350,102,417)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	1,505,429,509	1,493,671,878
Gifts and grants received for other than capital purposes:		
Private gifts for endowment purposes	1,213,208	868,951
Pell grants	163,278,977	167,411,653
Student direct lending payments	(697,479,367)	(801,252,857)
Student direct lending receipts	697,479,367	801,252,857
Other nonoperating grants	206,400,021	78,823,612
Net cash provided by noncapital financing activities	<u>1,876,321,715</u>	<u>1,740,776,094</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds of capital debt	404,785,324	129,669,702
Capital appropriations	181,280,656	172,302,652
Capital grants and gifts received	52,131,080	22,449,099
Proceeds from sales of capital assets	1,186,550	4,424,041
Purchases of capital assets	(604,529,245)	(533,192,077)
Principal paid on debt and capital leases	(253,291,606)	(229,752,885)
Interest paid on debt and capital leases	(55,138,737)	(52,978,006)
Net cash used by capital and related financing activities	<u>(273,575,978)</u>	<u>(487,077,474)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	15,239,650	49,722,887
Interest on investments	10,442,018	47,054,086
Investment expense	(1,465,896)	(1,338,618)
Purchases of investments	(7,557,518)	(12,716,160)
Net cash provided by investing activities	<u>16,658,254</u>	<u>82,722,195</u>
Net increase (decrease) in cash and cash equivalents	90,298,107	(13,681,602)
Cash and cash equivalents - beginning of year	<u>2,695,629,807</u>	<u>2,709,311,409</u>
Cash and cash equivalents - end of year	<u>\$ 2,785,927,914</u>	<u>\$ 2,695,629,807</u>
SUPPLEMENTARY SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Gifts and contributions of capital assets	\$ 192,621	\$ 889,131
Assets acquired through capital lease arrangements	27,500,000	11,540,774
Changes in unrealized appreciation on investments	77,472,651	(21,689,817)
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES		
Operating loss	\$ (2,090,380,916)	\$ (1,903,931,208)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation expense	369,675,362	346,910,397
Loss on disposals of capital assets	282,982	337,654
Amortization of deferred service concession arrangement receipts	(18,356,042)	(18,356,042)
Gifts and other revenues, (expenses), gains, and (losses)	50,130,959	38,571,524
Effect of changes in assets and liabilities:		
Accounts receivable, net	9,729,773	(33,131,118)
Inventories	939,546	(490,350)
Prepaid expenses and other deferred charges	(1,703,030)	(128,236)
Notes receivable	4,789,235	7,594,996
Accounts payable and accrued liabilities	15,275,993	34,957,366
Unearned revenues	(4,445,664)	29,884,774
Accrued vacation	30,658,185	47,619,469
Accrued workers' compensation	(611,000)	3,839,000
Net pension liability and related deferred outflows and inflows of resources	104,908,733	96,219,357
Net cash used by operating activities	<u>\$ (1,529,105,884)</u>	<u>\$ (1,350,102,417)</u>

See accompanying notes.

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UNIVERSITY SYSTEM OF MARYLAND

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

1. ORGANIZATION AND PURPOSE

The University System of Maryland (the System) is a component unit of the State of Maryland (the State) and is governed by its Board of Regents (the Board).

The System comprises eleven degree-granting institutions, one research entity and an administrative unit. Its degree-granting institutions provide a full range of undergraduate, graduate, professional and continuing education opportunities for students. Its research entity conducts basic and applied research, and transfers new technology to constituencies. The administrative unit includes the System Chancellor and staff who support the Board.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by the System are summarized below.

Reporting Entity

The financial statements of the System include all funds and organizations included in the legal entity encompassed by the System, and other legally separate entities for which the System is financially accountable or which otherwise meet the criteria established by the Governmental Accounting Standards Board (GASB). Amounts held in System accounts on behalf of separately organized entities are included as assets, with a corresponding liability.

The System has recognized, as affiliated foundations, ten organizations created and operated in support of the interests of the System or any of the institutions that comprise the System. Each of these affiliated foundations are considered to (1) receive or hold economic resources that are to be used for the benefit of the System or its institutions, (2) receive or hold economic resources which the System or its institutions are entitled to or otherwise have the ability to access, and (3) are significant to the financial statements of the System or the institutions with which the foundation is affiliated. As a result, each of the ten affiliated foundations meet the criteria for inclusion in the financial reporting entity, and thus each of the affiliated foundations are shown in a discrete presentation.

The University System of Maryland Foundation, Inc. (the USMF), the University of Maryland College Park Foundation, Inc. (the UMCPF), and the University of Maryland Baltimore Foundation, Inc. (the UMBF) are considered major component units due to the significance of the financial statement amounts to the System and its financial statements.

UNIVERSITY SYSTEM OF MARYLAND

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

The following affiliated foundations are considered nonmajor component units:

- Bowie State University Foundation, Inc.
- Towson University Foundation, Inc.
- Frostburg State University Foundation, Inc.
- Coppin State University Development Foundation, Inc.
- University of Baltimore Foundation, Inc. and University Properties, Inc.
- Salisbury University Foundation, Inc.
- University of Maryland, Baltimore County Research Park Corporation, Inc.

During the years ended June 30, 2021 and 2020, affiliated foundations distributed approximately \$94,194,439 and \$99,305,993, respectively, to the System and its institutions for both restricted and unrestricted purposes.

Each of the System's affiliated foundations are nongovernmental entities that prepare financial statements using the accounting standards promulgated by the Financial Accounting Standards Board (FASB). As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the foundations' financial information in the System's financial reporting entity for these differences.

Complete financial statements of affiliated foundations may be requested from the System's Office of the Comptroller at 3300 Metzert Road, Adelphi, MD 20783.

The System has also recognized as a blended component unit a not-for-profit organization created by the University of Maryland Global Campus (UMGC). The entity, named UMUC Ventures, Inc., is organized to support UMGC and other higher education institutions through provision of support and administrative services.



UNIVERSITY SYSTEM OF MARYLAND

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

The condensed financial statements for UMUC Ventures, Inc. are as follows:

	<u>2021</u>	<u>2020</u>
Condensed statements of financial position		
Current assets	\$ 35,369,042	\$ 31,769,459
Capital assets	35,298	61,805
Other assets	8,693,897	8,802,474
Total assets	<u>\$ 44,098,237</u>	<u>\$ 40,633,738</u>
Current liabilities	<u>\$ 3,762,175</u>	<u>\$ 4,291,231</u>
Total liabilities	<u>3,762,175</u>	<u>4,291,231</u>
Invested in capital assets, net of related debt	35,298	61,805
Unrestricted net assets	<u>40,300,764</u>	<u>36,280,702</u>
Total net assets	<u>40,336,062</u>	<u>36,342,507</u>
Total liabilities & net assets	<u>\$ 44,098,237</u>	<u>\$ 40,633,738</u>
Condensed statements of activities		
Operating revenues	<u>\$ 47,435,503</u>	<u>\$ 52,391,613</u>
Operating expenses:		
Depreciation	26,586	26,209
Other expenses	44,181,413	68,868,905
Total operating expenses	<u>44,207,999</u>	<u>68,895,114</u>
Operating loss	3,227,504	(16,503,501)
Nonoperating revenues	766,051	35,425,155
Capital contributions		789,083
Net income	<u>3,993,555</u>	<u>19,710,737</u>
Beginning net assets	<u>36,342,507</u>	<u>16,631,770</u>
Ending net assets	<u>\$ 40,336,062</u>	<u>\$ 36,342,507</u>
Condensed statements of cash flows		
Net cash (used) provided by:		
Operating activities	\$ 3,002,869	\$ (15,270,214)
Noncapital financing activities		144,570
Investing activities	<u>(39,479)</u>	<u>18,888,636</u>
Beginning cash and cash equivalents	<u>18,537,483</u>	<u>14,774,491</u>
Ending cash and cash equivalents	<u>\$ 21,500,873</u>	<u>\$ 18,537,483</u>

UNIVERSITY SYSTEM OF MARYLAND**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

Measurement Focus and Basis of Accounting

The System is a special-purpose governmental entity engaged only in business-type activities. Accordingly, the System's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenue is recognized when earned, and expenses are recorded when an obligation has been incurred. All significant transactions among departments, campuses, and auxiliary units of the System have been eliminated.

Operating and Nonoperating Revenues and Expenses

Operating revenues and expenses are generally associated with those activities that relate directly to the core activities of instruction, research and public service that form the essence of the System's mission. Nonoperating revenues, expenses, gains and losses represent amounts that recur regularly but are not included in operating revenues and expenses. Accounting principles generally accepted in the United States of America define State appropriations as nonoperating revenue.

Cash and Cash Equivalents

Cash and cash equivalents include demand deposits with financial institutions, as well as highly liquid investments that are both readily convertible to known amounts of cash and are so near to their maturity that they present an insignificant risk of changes in value because of changes in interest rates. Only investments with an original maturity of three months or less satisfy the criteria for cash equivalents.

Investments

Investments are valued at fair value.

Inventories

Inventories are valued at cost, determined under the first-in, first-out method, which is not in excess of net realizable value.

Capital Assets

Property, plant, equipment, and books and materials which are part of a catalogued library, are stated principally at cost at the date of acquisition, or estimated acquisition value at the date of donation in the case of gifts. Personal property with an original cost of more than \$5,000 and outlays for real property in excess of \$250,000 are considered capital assets.

Generally, the cost of all capital assets other than land, certain inexhaustible improvements to land, and collections of works of art are assigned to expense over a set of useful lives specific to the type of asset, using a straight-line method of depreciation. The range of useful lives used for the major categories of capital assets is:

Infrastructure and land improvements	20 - 25 years
Buildings and improvements	20 - 40 years
Contents	3 - 15 years

UNIVERSITY SYSTEM OF MARYLAND**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

Depreciation expense is assigned to operating expense based on the nature and use of the capital asset.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Accrued Vacation Costs

Annual leave, including employer-related costs, for employees is accrued and recognized as an operating expense at rates based upon length of service and job classification and compensatory time based upon job classification and hours worked.

Unearned Revenues

Unearned revenue primarily includes amounts received from grants and contracts that have not been earned under the terms of the agreement and other revenue billed in advance of the event, such as student tuition and fees for housing and dining services.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher's Pension System (TPS) and the Employee Retirement System (ERS) and additions to/deductions from TPS and ERS' fiduciary net position have been determined on the same basis as they are reported by TPS and ERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit plan terms and provisions. Investments are reported at fair value.

Net Position

The System's resources are required to be classified and reported in the Statement of Net Position in the following categories: (a) *Net investment in capital assets*: capital assets net of accumulated depreciation and related outstanding debt balances attributable to the acquisition, construction, or improvement of those assets; (b) *Restricted nonexpendable*: net position restricted by externally imposed stipulations, not available for expenditure; (c) *Restricted expendable*: net position subject to externally imposed restrictions that can be fulfilled by actions of the System pursuant to those stipulations or that expire by the passage of time, and (d) *Unrestricted*: net position not subject to externally imposed stipulations but may be designated for specific purposes by action of management or the Board. When an expense is incurred that can be paid using either restricted or unrestricted resources, the System's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

UNIVERSITY SYSTEM OF MARYLAND

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

Scholarship Allowances

The System recognizes scholarship allowances as the difference between the stated rates for tuition and fees and auxiliary services and the amount that is paid by the student and third parties on behalf of the student. Stipends and other payments made directly to students are reported as scholarship and fellowship expense.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Although management believes the estimates and assumptions are reasonable, they are based upon information available at the time the estimate or judgment is made and actual amounts could differ from those estimates.

UNIVERSITY SYSTEM OF MARYLAND**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020****3. CASH AND INVESTMENTS****Cash and cash equivalents**

As of June 30, unrestricted cash and cash equivalents consisted of the following:

	<u>2021</u>	<u>2020</u>
Cash and short-term investments on deposit with the State Treasurer	\$2,626,377,157	\$2,566,176,772
Demand and time deposits	55,231,368	67,319,233
Total	<u>\$2,681,608,525</u>	<u>\$2,633,496,005</u>

The System does not have a formal policy addressing custodial credit risk.

As of June 30, 2021 and 2020, the carrying amount of the System's demand and time deposits was \$55,231,368 and \$67,319,233, respectively, as compared to bank balances of \$55,982,611 and \$69,315,775, respectively. The difference is primarily due to items in-transit. Of the bank balances, \$22,612,438 and \$28,886,369 was covered by Federal, private or foreign national government depository insurance, or was collateralized by a pledge of United States Treasury obligations held by the System's agents in the name of the System, and \$33,370,173 and \$40,429,406 was uninsured and uncollateralized as of June 30, 2021 and 2020, respectively.

The Annotated Code of Maryland requires the System to maintain its cash balances on deposit with the State Treasurer, except for demand and time deposit accounts established to satisfy urgent cash requirements, assets associated with endowment funds or proceeds of System financing arrangements. The State Treasurer maintains State funds on a pooled basis in accordance with the Annotated Code of Maryland.

The System has entered into agreements with trustees for the benefit and security of registered holders of certain debt obligations issued by the System. These agreements permit the System to invest amounts maintained in trust funds in:

- United States Treasury and agency obligations.
- Deposits, having a maturity of no more than 365 days, in any bank, savings institution or trust company to the extent such deposits are fully insured or collateralized.
- Commercial paper rated at least A-1 by Standard & Poor's Corporation (Standard & Poor's) and P-1 by Moody's Investors Service, Inc. (Moody's) having a maturity of no more than 270 days.
- Repurchase agreements.
- Obligations of any state or political subdivision rated by Standard & Poor's and Moody's in one of its two highest rating categories.
- Corporate obligations rated AAA by Standard & Poor's and Aaa by Moody's.

UNIVERSITY SYSTEM OF MARYLAND**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

As of June 30, restricted cash and cash equivalents included:

	<u>2021</u>	<u>2020</u>
Money market accounts – endowment fund uninvested cash	\$ 47,280	\$ 47,280
Money market accounts – unspent proceeds of debt	<u>104,272,109</u>	<u>62,086,522</u>
Total	<u>\$104,319,389</u>	<u>\$ 62,133,802</u>

Unspent proceeds and other restricted debt-related trust account balances and endowment fund uninvested cash balances are maintained in money market accounts rated AAA or equivalent by rating agencies.

Investments

In July 2005, the System transferred the proceeds of endowment investments, approximately \$197 million in fair market value at the time of the transfer, to the USMF, in exchange for an equivalent proportionate interest in the long-term investment portfolio managed by the USMF.

The System has entered into an agreement with the USMF to manage investment of the System's endowment funds. The agreement is for a term of five years, with renewable two-year extensions at the option of the System, unless notice of intent to terminate the arrangement is provided within 180 days prior to the expiration of the term. In the event of termination of the arrangement, funds invested with individual investment managers that have commitments from the USMF, to maintain investments for certain minimum time periods may not be returned to the System until those constraints have been satisfied. The per annum fee to be paid to the USMF for investment management services is 0.46% of the value of the managed funds as of December 31 of the previous fiscal year.

Investments in the USMF are accounted for as an open-ended mutual fund. Asset values, investment gains and losses, and other portfolio-wide transactions are allocated based on the number of units or shares that each fund has relative to the total number of shares or units. Assets associated with the System's endowment funds are reported as Endowment Investments on the Statement of Net Position of the System, and Investments on the Statement of Financial Position of the USMF, with a corresponding liability reflecting the fair value of the System's interest in the investment portfolio.

The System discloses investment risks as follows:

Interest rate risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The System has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

UNIVERSITY SYSTEM OF MARYLAND

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**Custodial credit risk**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the System would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the System, and are held by either (a) the counterparty or (b) the counterparty's trust department or agent but not in the System's name. Endowment investments managed by the USMF are uninsured and are not registered in the name of the System, as they are a part of a commingled portfolio comprising proportionate interests of several different entities.

None of the System's restricted investments are exposed to custodial credit risk.

Credit risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The System is exposed to credit risk on its Endowment investments managed by the USMF.

Foreign currency risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment.

The System is not exposed to any material amount of foreign currency risk.

Endowment investments

As of June 30, endowment investments consisted of the following, stated at fair value:

	<u>2021</u>	<u>2020</u>
Corporate debt	\$ 7,200	\$ 7,200
Corporate equities	168,522	70,808
Assets invested with USMF	436,634,116	354,476,432
Total	<u>\$436,809,838</u>	<u>\$354,554,440</u>

As of June 30, the net position balances of the fund groups making up the Endowment were as follows:

	<u>2021</u>	<u>2020</u>
Pure endowments	\$163,188,947	\$135,000,918
Funds functioning as endowments	267,938,504	215,047,372
Term endowments	5,682,387	4,506,150
Total	<u>\$436,809,838</u>	<u>\$354,554,440</u>

Assets associated with endowment funds are invested in accordance with the terms of donor agreements in those instances where such agreements place constraints on allowable investments.

UNIVERSITY SYSTEM OF MARYLAND**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

A spending rule has been adopted by the Board to ensure that endowment funds retain a consistent level of purchasing power over time. The spending rule provides for a target rate of spending of 4.25% of a rolling twelve-quarter average market value of the endowment fund. The spending rule is reviewed periodically by the Finance Committee of the Board.

Net appreciation on investments of the pure endowment funds totaled \$120,257,499 and \$93,282,678 as of June 30, 2021 and 2020, respectively. Reinvestments of net appreciation are considered to be subject to donor spending restrictions if applicable, and accordingly, are reflected as a component of restricted, expendable net assets.

The Maryland Uniform Prudent Management of Institutional Funds Act governs the use of net appreciation, both realized and unrealized, of endowment investments. This law allows a governing board to appropriate for expenditure only those amounts in excess of the historic gift amount that are prudent, taking into consideration long and short term needs of the institution in carrying out its educational, charitable, or other eleemosynary purposes, its present and anticipated financial requirements, expected total return on its investments, price level trends, and general economic conditions.

Other investments

Other investments include an interest in a real estate partnership formed to facilitate the long-term development of a parcel of land owned by the University of Maryland College Park, and several investments in System-related start-up companies. The carrying value of partnership interests are assessed on an annual basis by reference to the reported value of the university's interest. The investments in University System-related start-up companies are valued at fair value as assessed by a review of the most recent financial statements, or an understanding of the current state of operations.

Allocation of investment income

Investment income is assigned to the accounting funds, including endowments, in proportions associated with investments held by the various accounting funds. For the year ended June 30, 2020, investment income includes a gain of \$35,883,121 on the sale of a majority ownership interest in a for-profit, data analytics stock corporation previously wholly-owned by UMUC Ventures. For the years ended June 30, 2021 and 2020 income attributed to unrestricted funds and restricted funds was:

	<u>2021</u>	<u>2020</u>
Unrestricted funds	\$ 69,981,896	\$ 81,333,996
Restricted funds	38,730,693	6,127,096
Total	<u>\$108,712,589</u>	<u>\$ 87,461,092</u>

UNIVERSITY SYSTEM OF MARYLAND

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

4. FAIR VALUE MEASUREMENTS

Generally accepted accounting principles define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement also establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. The following three-level hierarchy classifies the inputs used to determine fair value:

Level 1: Pricing inputs are quoted prices (unadjusted) available in active markets for identical investments as of the reporting date. Investments generally included in this category are listed equities and listed mutual funds.

Level 2: Pricing inputs are quoted prices for similar investments in active markets, quoted prices for identical or similar assets in markets that are not active, observable inputs other than quoted prices, and market corroborated data. Investments that are generally included in this category are fixed income securities.

Level 3: Pricing inputs are unobservable for the investment and must be developed using the best information available under the circumstances, which might include the System's own data. Investments that are generally included in this category are investments in private equity and investment funds as well as off-shore hedge funds.

System endowment investments are largely a proportionate interest in an investment portfolio managed by the USMF. As of June 30, 2021 and 2020, respectively, the System also holds corporate debt investments of \$7,200 and \$7,200 that are classified as level 3 investments, and corporate equity investments of \$168,522 and \$70,808 that are classified as level 1 investments.

As of June 30, 2021 and 2020, respectively, System other investments include partnership interests of \$19,381,766 and \$14,542,100 that are classified as level 3 investments. As of June 30, 2021 and 2020, respectively, other investments include mutual funds and short-term securities of \$21,126,640 and \$20,457,409 that are classified as level 1 investments.

Major component units

The USMF invests funds on behalf of the System and several other System component units. The majority of the amounts reported as investments by the University of Maryland College Park Foundation, Inc., and the University of Maryland Baltimore Foundation, Inc. are invested by the USMF.

UNIVERSITY SYSTEM OF MARYLAND

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

The following table shows the USMF's investments using the three-level fair value hierarchy as of June 30, 2021:

Investments by fair value level	June 30, 2021	Fair Value Measurements		
		Level 1	Level 2	Level 3
Money market funds and short-term investments	\$ 76,435,000	\$ 76,435,000		
ETF's and mutual funds	308,146,000	308,146,000		
Common stock	20,930,000	20,930,000		
Separately managed accounts	416,205,000		\$ 334,252,000	\$ 81,953,000
Total investments by fair value level	821,716,000	\$ 405,511,000	\$ 334,252,000	\$ 81,953,000
Investments measured at net asset value (NAV)				
Intermediate assets	175,036,000			
Public equity	328,941,000			
Liquid credit	68,712,000			
Diversifying strategies	82,368,000			
Private risk assets	618,447,000			
Total investments measured at NAV	1,273,504,000			
Total investments	2,095,220,000			
Due to other System component units	(1,097,503,000)			
Total USMF investments reported	997,717,000			
Due to the System	(436,634,116)			
Total USMF investments	\$ 561,082,884			

System component unit investments managed by the USMF of \$1,097,503,000 were eliminated from the USMF financial statements as of June 30, 2021.

UNIVERSITY SYSTEM OF MARYLAND

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

The following table shows the USMF's investments using the three-level fair value hierarchy as of June 30, 2020:

Investments by fair value level	June 30, 2020	Fair Value Measurements		
		Level 1	Level 2	Level 3
Money market funds and short-term investments	\$ 94,251,000	\$ 94,251,000		
ETF's and mutual funds	263,363,000	263,363,000		
Common stock	13,365,000	13,365,000		
Separately managed accounts	342,874,000		\$ 253,808,000	\$ 89,066,000
Total investments by fair value level	713,853,000	\$ 370,979,000	\$ 253,808,000	\$ 89,066,000
Investments measured at net asset value (NAV)				
Intermediate assets	138,340,000			
Public equity	176,458,000			
Liquid credit	60,400,000			
Diversifying strategies	66,309,000			
Private risk assets	468,441,000			
Total investments measured at NAV	909,948,000			
Total investments	1,623,801,000			
Due to other System component units	(825,319,000)			
Total USMF investments reported	798,482,000			
Due to the System	(354,476,432)			
Total USMF investments	\$ 444,005,568			

System component unit investments managed by the USMF of \$825,319,000 were eliminated from the USMF financial statements as of June 30, 2020.

UNIVERSITY SYSTEM OF MARYLAND

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

Investments measured at net asset value

Private investments measured at NAV consists of investments in partnership-based structures where the general partner or investment manager generally values their investments at fair value. The fair value of these investments has been estimated either by using the NAV per share of the investments or the ownership percentage of the fund's net assets as allowed as a practical expedient under fair value guidance. The private investments offer exposure to intermediate assets, public equity, liquid credit, diversifying strategies and/or private market, through the private investment structure as further discussed within the footnotes.

Due to the limited availability of valuation data as of the USMF's year-end, management utilizes the most recent NAV or ownership percentage which may be on a month to quarter lag. Management adjusts the net asset value or ownership percentage to be more representative of the year-end fair value by including capital contributions, and redemptions or returns of capital during the gap period. Management will also adjust for known performance adjustments for private investments that hold publicly traded securities. Performance adjustments ranged from 0.38% to 5.95% for those investments on a one-month lag. No performance adjustments are made to investments on a quarter lag given the unobservability of investment performance at the time of report issuance.

USMF believes the carrying value of private investments in the statements of financial position is a reasonable estimate of its ownership interest in the private investment funds. As part of the USMF's overall valuation process, management evaluates these third-party methodologies to ensure that they are representative of exit prices in the security's principal markets. Management performs a retroactive review of its fair value estimates by comparing to actual year-end statements received subsequent to year-end.

As of June 30, 2021 and 2020, unfunded commitments within the private investments measured at NAV equaled approximately \$337 million and \$328 million, respectively.



UNIVERSITY SYSTEM OF MARYLAND

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**5. ACCOUNTS RECEIVABLE, NOTES RECEIVABLE, AND ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Accounts receivable as of June 30, 2021 and 2020, were comprised of:

	<u>2021</u>	<u>2020</u>
Tuition and fees	\$ 99,395,799	\$ 93,693,220
Contracts and grants	252,376,815	266,201,266
Other	8,002,635	5,886,058
Subtotal	359,775,249	365,780,544
Less: allowance for doubtful accounts receivable	(26,253,386)	(22,528,908)
Accounts receivable, net	<u>\$333,521,863</u>	<u>\$343,251,636</u>

Notes receivable as of June 30, 2021 and 2020, were comprised of:

	<u>2021</u>	<u>2020</u>
Student loans	\$ 33,305,196	\$ 39,951,686
Business development loans	5,530,619	5,695,161
Subtotal	38,835,815	45,646,847
Less: allowance for doubtful accounts receivable	(15,890,142)	(17,911,939)
Notes receivable, net	<u>\$ 22,945,673</u>	<u>\$ 27,734,908</u>

Accounts payable and accrued liabilities as of June 30, 2021 and 2020, were comprised of:

	<u>2021</u>	<u>2020</u>
Payroll and benefits	\$140,506,773	\$131,660,719
Suppliers and contractors	140,193,717	138,858,319
Accrued interest payable	11,877,023	10,998,782
Asset retirement obligations	14,362,626	16,165,952
Other	57,365,516	50,949,973
Accounts payable and accrued liabilities	<u>\$364,305,655</u>	<u>\$348,633,745</u>

UNIVERSITY SYSTEM OF MARYLAND**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020****Major component units**

Accounts receivable include unconditional promises of contributions pledged to the affiliated foundations. Promised contributions are recorded at a discounted value that reflects the time value of money.

As of June 30, 2021 and 2020, contributions receivable were due as follows:

University System of Maryland Foundation, Inc.

Due	Discount Rates	2021	2020
Within one year	Not applicable	\$ 478,000	\$ 1,466,000
One to five years	4.25%	4,464,000	6,544,000
Subtotal		4,942,000	8,010,000
Less: pledge discount		(421,000)	(665,000)
Net contributions receivable		<u>\$ 4,521,000</u>	<u>\$ 7,345,000</u>

University of Maryland, College Park Foundation, Inc.

Due	Discount Rates	2021	2020
Within one year	Not applicable	\$ 85,516,595	\$ 103,746,930
Two to five years	2.11% - 2.18%	54,536,877	51,579,925
More than five years	3.25%	3,698,090	5,591,403
Subtotal		143,751,562	160,918,258
Less: allowance for doubtful accounts		(11,761,784)	(10,673,109)
Less: pledge discount		(3,112,242)	(4,526,497)
Net contributions receivable		<u>\$128,877,536</u>	<u>\$145,718,652</u>

University of Maryland, Baltimore Foundation, Inc.

Due	Discount Rates	2021	2020
Within one year	Not applicable	\$ 28,388,293	\$ 26,327,798
One to five years	0.18% - 0.46%	19,489,123	11,206,723
More than five years	0.18% - 0.46%	202,000	468,176
Subtotal		48,079,416	38,002,697
Less: allowance for doubtful accounts		(2,118,011)	(2,089,826)
Less: pledge discount		(352,701)	(453,865)
Net contributions receivable		<u>\$ 45,608,704</u>	<u>\$ 35,459,006</u>

UNIVERSITY SYSTEM OF MARYLAND

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

6. CHANGES IN NET CAPITAL ASSETS

Changes in net capital assets for the years ended June 30, 2021 and 2020:

	June 30, 2019	Additions	Decreases	June 30, 2020	Additions	Decreases	June 30, 2021
Capital assets being depreciated:							
Infrastructure & land improvements	\$ 476,503,148	\$ 42,576,443	\$ 868,697	\$ 518,210,894	\$ 7,335,230		\$ 525,546,124
Buildings & improvements	8,553,466,793	271,840,251	3,861,618	8,821,445,426	566,561,095	\$ 202,506	9,387,804,015
Contents	1,545,274,111	104,293,151	31,769,739	1,617,797,523	68,994,063	11,239,681	1,675,551,905
Buildings recorded under capital lease agreements	14,629,140	4,068,624		18,697,764			18,697,764
Total capital assets being depreciated	10,589,873,192	422,778,469	36,500,054	10,976,151,607	642,890,388	11,442,187	11,607,599,808
Less accumulated depreciation for:							
Infrastructure & land improvements	280,137,705	20,368,390	868,697	299,637,398	22,397,083		322,034,481
Buildings & improvements	3,332,395,263	238,858,922	2,057,583	3,569,196,602	262,587,370	390,004	3,831,393,968
Contents	1,190,752,854	86,333,162	29,092,329	1,247,993,687	83,478,861	9,582,651	1,321,889,897
Buildings recorded under capital lease agreements	11,343,503	1,349,923		12,693,426	1,212,048		13,905,474
Total accumulated depreciation	4,814,629,325	346,910,397	32,018,609	5,129,521,113	369,675,362	9,972,655	5,489,223,820
Total capital assets being depreciated, net	5,775,243,867	75,868,072	4,481,445	5,846,630,494	273,215,026	1,469,532	6,118,375,988
Capital assets not being depreciated:							
Land	176,721,202	6,122,719		182,843,921	3,863,196		186,707,117
Contents	32,220,767	237,450	280,250	32,177,967	120,400		32,298,367
Construction in progress	649,216,316	411,031,852	295,866,546	764,381,622	461,719,798	474,182,074	751,919,346
Total capital assets not being depreciated	858,158,285	417,392,021	296,146,796	979,403,510	465,703,394	474,182,074	970,924,830
Capital assets, net	\$ 6,633,402,152	\$ 493,260,093	\$ 300,628,241	\$ 6,826,034,004	\$ 738,918,420	\$ 475,651,606	\$ 7,089,300,818

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UNIVERSITY SYSTEM OF MARYLAND

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**7. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES**

The composition of deferred outflows of resources as of June 30, 2021 and 2020, was summarized as follows:

	<u>2021</u>	<u>2020</u>
Unamortized loss on refundings of debt	\$ 9,376,625	\$ 12,109,985
Deferred outflows related to asset retirement obligations	12,276,398	12,801,865
Deferred outflows related to the pension liability	373,714,162	390,016,497
Total deferred outflows of resources	<u>\$395,367,185</u>	<u>\$414,928,347</u>

The composition of deferred inflows of resources as of June 30, 2021 and 2020, was summarized as follows:

	<u>2021</u>	<u>2020</u>
Deferred service concession arrangement receipts	\$233,863,349	\$252,219,390
Deferred inflows related to the pension liability	78,780,716	109,755,858
Total deferred inflows of resources	<u>\$312,644,065</u>	<u>\$361,975,248</u>

8. SERVICE CONCESSION ARRANGEMENTS FOR STUDENT HOUSING

The System has entered into long-term leases of university-owned land, and other agreements with a quasi-governmental entity to finance, construct, and manage student housing projects at seven of the System's institutions. These agreements satisfy the accounting criteria established to be considered service concession arrangements.

During the period ended June 30, 2020, Bowie State University entered into an agreement with a quasi-governmental entity (project owner) to finance, construct and operate a student housing project on land leased to the project owner by the University. The estimated cost of the project is \$50,670,000. The project is expected to be completed by Fall 2021.

Under the terms of the ground leases, the System transfers rights to university-owned property for a term of 40 years to the quasi-governmental issuer of debt (the 'project owner'). The project owner contracts with a developer to build student housing on the property. The project owner also contracts with an operator that manages the facility on behalf of the project owner. Each student housing project is financed using tax-exempt debt that limits the use of the project to activities that support the institution. The operator charges and collects rent from the students, and pays the operating costs and debt service associated with the project. The residual cash flow from the project, after paying all operating costs and management fees, is paid to the university as the annual ground lease payment. The institution has the ability to approve what services the operator is required to provide and the rates that can be charged.

Upon final payment of the outstanding debt associated with the project, or upon termination of the ground lease, whichever is sooner, the project owner's rights to use the land and ownership of the project transfers to the university.

UNIVERSITY SYSTEM OF MARYLAND**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

As of June 30, 2021 and 2020, the following amounts associated with service concession arrangements were reflected on the Statement of Net Position:

	<u>2021</u>	<u>2020</u>
Capital assets, net – Buildings & improvements	\$278,514,140	\$292,405,102
Deferred service concession arrangement receipts	233,863,349	252,219,390

9. ASSET RETIREMENT OBLIGATIONS

The System owns and operates facilities and equipment subject to certain legal and regulatory requirements to perform asset retirement activities.

A nonpower training nuclear reactor operated at the University of Maryland College Park is subject to statutory and regulatory requirements promulgated by the U.S. Nuclear Regulatory Commission (the NRC) under Title 10 of the Code of Federal Regulations (the CFR). Estimated asset retirement obligations for the reactor are \$12,276,398 and \$14,165,952 as of June 30, 2021 and 2020, respectively. The reactor had a remaining useful life of 18 years as of June 30, 2021.

The University of Maryland College Park is periodically required by the CFR to provide various disclosures to the NRC in order to maintain the operating license for the reactor, including, but not limited to, projected operating costs, projected decommissioning costs, and funding assurances. The University of Maryland College Park was in compliance with all such requirements as of June 30, 2021 and 2020.

The System also owns and operates various equipment assets, including gamma cell irradiators and underground oil tanks, that are also subject to statutory or regulatory asset retirement obligations of individually nominal dollar values. All such assets were fully depreciated as of June 30, 2021 and 2020.

Asset retirement obligations were estimated based upon the historical decommissioning costs of similar assets, stated in current dollars using the Implicit Price Deflator issued by the U.S. Department of Commerce, using current personnel costs, and a contingency factor of 25%.

Total asset retirement obligations of \$14,362,626 and \$16,165,952, as of June 30, 2021 and 2020, are included in accounts payable and accrued liabilities. The System is financially prepared to fund and satisfy all asset retirement obligations when required.

UNIVERSITY SYSTEM OF MARYLAND

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**10. RESTRICTED NET POSITION**

Restricted net position as of June 30, 2021 and 2020, were as follows:

	2021	2020
Nonexpendable		
Scholarships and fellowships	\$ 18,367,468	\$ 17,585,035
Research	7,636,277	7,210,176
Other	16,927,705	16,923,030
Total restricted nonexpendable net position	<u>\$ 42,931,450</u>	<u>\$ 41,718,241</u>
Expendable		
Scholarships and fellowships	\$ 46,303,581	\$ 36,878,144
Research	62,227,723	80,563,068
Loans	34,623,545	40,243,558
Capital projects	3,659,537	9,023,201
Other	34,807,012	29,784,078
Total restricted expendable net position	<u>\$181,621,398</u>	<u>\$196,492,049</u>

Major component units

Net assets with donor restrictions as of June 30, 2021, were as follows:

	University System of Maryland Foundation, Inc.	University of Maryland College Park Foundation, Inc.	University of Maryland Baltimore Foundation, Inc.
Scholarships & fellowships	\$ 191,808,000	\$ 244,641,881	\$ 85,134,314
Research	23,572,000	25,098,848	14,557,638
Other	178,418,000	585,791,864	287,232,997
Total net assets with donor restrictions	<u>\$ 393,798,000</u>	<u>\$ 855,532,593</u>	<u>\$ 386,924,949</u>

UNIVERSITY SYSTEM OF MARYLAND

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

Net assets with donor restrictions as of June 30, 2020, were as follows:

	University System of Maryland Foundation, Inc.	University of Maryland College Park Foundation, Inc.	University of Maryland Baltimore Foundation, Inc.
Scholarships & fellowships	\$ 152,898,000	\$ 187,144,335	\$ 60,273,619
Research	21,788,000	20,432,270	12,945,003
Other	151,234,000	518,131,938	229,960,104
Total net assets with donor restrictions	<u>\$ 325,920,000</u>	<u>\$ 725,708,543</u>	<u>\$ 303,178,726</u>

11. REVENUE BONDS AND NOTES PAYABLE

The System finances the construction, renovation and acquisition of certain facilities and equipment through the issuance of debt obligations. State law limits the aggregate principal amount of debt outstanding and the present value of future minimum lease payments on capital lease obligations for real property to no more than \$1,400,000,000.

As of June 30, 2021 and 2020, revenue bonds and notes payable consisted of the following:

	<u>2021</u>	<u>2020</u>
Revenue Bonds, net	\$1,306,837,678	\$1,172,223,260
Other	11,607,557	15,243,544
Revenue bonds and notes payable, net	<u>\$1,318,445,235</u>	<u>\$1,187,466,804</u>



USM at Southern Maryland Autonomous Research and Technology (SMART) Building

UNIVERSITY SYSTEM OF MARYLAND

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**Auxiliary Facility and Tuition Revenue Bonds**

As of June 30, 2021, Auxiliary Facility and Tuition Revenue Bonds (Revenue Bonds) consisted of the following:

	Interest Rates	Maturity Dates	Principal Outstanding
2012 Refunding Series A & B	2.00% - 3.25%	2022-2024	\$ 13,145,000
2012 Series C & D	2.00% - 5.00%	2021-2032	69,900,000
2014 Series A	3.00% - 5.00%	2022-2028	49,475,000
2015 Series A	3.00% - 5.00%	2022-2028	40,275,000
2016 Series A	3.00% - 5.00%	2022-2036	116,625,000
2016 Refunding Series B	2.375% - 5.00%	2022-2030	52,385,000
2017 Series A	4.00% - 5.00%	2022-2037	100,250,000
2017 Refunding Series B	5.00%	2022-2023	13,405,000
2018 Series A	3.00% - 5.00%	2022-2038	104,035,000
2019 Series A	3.00% - 5.00%	2022-2039	106,135,000
2019 Refunding Series B	5.00%	2022-2029	38,080,000
2019 Refunding Series C	3.00% - 5.00%	2022-2030	107,965,000
2021 Series A	4.00% - 5.00%	2022-2051	237,285,000
2021 Refunding Series B	0.15% - 1.79%	2022-2034	108,530,000
Subtotal			1,157,490,000
Unamortized discounts and premiums			149,347,678
Revenue Bonds, net			<u>\$1,306,837,678</u>

Revenue Bonds have been issued pursuant to an Indenture of Trust, an agreement entered into with a trustee for the benefit of holders of Revenue Bonds. Pursuant to the Indenture of Trust, the System has agreed to charge and collect tuition revenues and net auxiliary facility fees in an amount that is not less than 200% of the maximum future annual debt service on Revenue Bonds. For the current year, principal and interest paid and total tuition and auxiliary facility fees were \$129,230,101 and \$2,147,771,312, respectively.

UNIVERSITY SYSTEM OF MARYLAND

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

Revenue Bonds issued during the years ended June 30, 2021 and 2020, including the results of any refinancing of outstanding debt, were as follows:

Debt issuance	Date of issue	Par value of debt issued	Premium on issuance	Par value of debt refunded	Reduction in future debt service	Deferred gain / (loss) on refunding	Economic gain
2021 Series A	2/24/2021	\$ 237,285,000	\$ 58,422,271	\$ 52,200,000	\$ 7,509,595	\$ 1,976,661	\$ 6,935,086
2021 Refunding Series B (Taxable)	2/24/2021	108,530,000		98,605,000	11,290,295	(2,265,189)	10,238,461

As of June 30, 2021, previously issued debt removed from the System's financial statements through advance refunding transactions still outstanding was \$149,347,678.

As of June 30, 2021 and 2020, cash and cash equivalents and investments restricted by the terms of the Indenture of Trust totaled \$103,435,020 and \$62,086,522, respectively.



Jones-Hill House, University of Maryland College Park

UNIVERSITY SYSTEM OF MARYLAND

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**Other**

Other debt and notes payable includes amounts borrowed to finance facilities, equipment acquisitions, a marine research vessel and other improvements designed to enhance energy efficiency savings.

The System is subject to Federal arbitrage laws governing the use of proceeds of tax-exempt debt.

Future principal and interest payments as of June 30, 2021, are as follows:

Year ending June 30,	Auxiliary Facility and Tuition Revenue Bonds		Notes Payable and Other Long-term Debt		Total Payments
	Principal	Interest	Principal	Interest	
2022	\$ 87,745,000	\$ 47,390,294	\$ 4,435,951	\$ 158,835	\$ 139,730,080
2023	90,235,000	42,147,594	3,296,859	102,211	135,781,664
2024	87,500,000	38,075,234	3,081,939	44,278	128,701,451
2025	79,895,000	34,178,132	471,204		114,544,336
2026	79,730,000	30,680,177	160,802		110,570,979
2027 - 2031	368,135,000	103,682,744	160,802		471,978,546
2032 - 2036	217,045,000	49,105,693			266,150,693
2037 - 2041	82,270,000	20,188,263			102,458,263
2042 - 2046	28,315,000	10,831,800			39,146,800
2047 - 2051	36,620,000	4,538,800			41,158,800
Total	<u>\$1,157,490,000</u>	<u>\$ 380,818,731</u>	<u>\$ 11,607,557</u>	<u>\$ 305,324</u>	<u>\$1,550,221,612</u>

12. LEASES**Obligations under capital lease agreements**

The System leases four facilities, two for the use of the University of Maryland College Park, one for the use of Towson University, and one for the use of the University System of Maryland Hagerstown Regional Higher Education Center, under agreements recorded as capital lease obligations. The obligations are recorded at the present value of future minimum lease payments using a discount rate of 6.8% and 3.2%, for the University of Maryland College Park leases, 3.2% for the Towson University lease, and 4% for the University System of Maryland Hagerstown Regional Higher Education Center lease, respectively.

UNIVERSITY SYSTEM OF MARYLAND

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

Future minimum payments on obligations under capital lease agreements as of June 30, 2021, are as follows:

<u>Years ending June 30,</u>	<u>Total</u>
2022	\$ 3,647,025
2023	2,387,924
2024	2,390,226
2025	2,392,552
2026	2,394,902
2027 - 2031	12,010,573
2032 - 2036	12,072,924
2037 - 2041	9,601,394
2042 - 2046	<u>985,564</u>
Total future lease payments	47,883,084
Less: Interest component	<u>(9,222,732)</u>
Obligations under capital lease agreements	<u>\$ 38,660,352</u>

Operating leases

The System and its institutions lease facilities and equipment under agreements accounted for as operating leases. Many of the leases provide for an optional extension of the terms of the agreements and increases in payment amounts based on changes in indices such as the Consumer Price Index.

Future minimum payments on operating leases as of June 30, 2021, are as follows:

<u>Years ending June 30,</u>	<u>Minimum Annual Lease Payments</u>
2022	\$ 20,780,146
2023	18,772,100
2024	17,228,056
2025	15,774,208
2026	9,567,374
2027 - 2031	<u>17,539,645</u>
Total	<u>\$ 99,661,529</u>

Operating lease expenditures for the years ended June 30, 2021 and 2020, were \$22,583,713 and \$18,722,991, respectively.

UNIVERSITY SYSTEM OF MARYLAND

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**13. AUXILIARY ENTERPRISES**

Auxiliary enterprises revenues for the years ended June 30, 2021 and 2020, were as follows:

	2021		2020	
Residential facilities	\$108,811,825		\$166,289,368	
Less: scholarship allowances	(6,506,601)	\$102,305,224	(9,619,728)	\$156,669,640
Dining facilities	50,868,506		105,895,827	
Less: scholarship allowances	(3,155,203)	47,713,303	(4,905,838)	100,989,989
Intercollegiate athletics	86,556,363		124,374,286	
Less: scholarship allowances	(6,166,541)	80,389,822	(6,267,635)	118,106,651
Bookstore	11,706,188		13,692,645	
Less: scholarship allowances	(1,393,925)	10,312,263	(1,531,320)	12,161,325
Parking facilities	23,998,707		36,825,497	
Less: scholarship allowances	(149,932)	23,848,775	(136,669)	36,688,828
Other	128,285,524		132,783,243	
Less: scholarship allowances	(58,014)	128,227,510	(37,181)	132,746,062
Total auxiliary enterprises revenues		\$392,796,897		\$557,362,495

Auxiliary enterprises expenses for the years ended June 30, 2021 and 2020 were as follows:

	2021	2020
Residential facilities	\$156,860,896	\$184,119,860
Dining facilities	70,506,748	115,170,982
Intercollegiate athletics	108,209,011	138,171,000
Bookstore	13,706,606	14,773,008
Parking facilities	25,233,098	34,280,720
Other	123,268,514	138,835,403
Total auxiliary enterprises expenses	\$497,784,873	\$625,350,973

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UNIVERSITY SYSTEM OF MARYLAND

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

14. CHANGES IN LONG-TERM LIABILITIES

Changes in long-term liabilities for the years ended June 30, 2021 and 2020, were as follows:

	June 30, 2019	Additions	Decreases	June 30, 2020	Additions	Decreases	June 30, 2021	Due Within One Year
Accrued vacation costs	\$ 227,508,758	\$ 135,425,575	\$ 87,806,106	\$ 275,128,227	\$ 134,101,331	\$ 103,443,146	\$ 305,786,412	\$ 129,718,324
Accrued workers' compensation	28,733,000	9,389,272	5,550,272	32,572,000	987,788	1,598,788	31,961,000	4,794,150
Revenue bonds and notes payable, net	1,299,016,084	129,975,301	241,524,581	1,187,466,804	404,785,325	273,806,894	1,318,445,235	92,180,951
Obligations under capital lease agreements	4,497,359	11,540,774	1,855,169	14,182,964	27,500,000	3,022,612	38,660,352	2,768,159
Net pension liability	1,309,998,345	34,434,943		1,275,563,402	119,581,540		1,395,144,942	
Total long-term liabilities	<u>\$ 2,869,753,546</u>	<u>\$ 251,895,979</u>	<u>\$ 336,736,128</u>	<u>\$ 2,784,913,397</u>	<u>\$ 686,955,984</u>	<u>\$ 381,871,440</u>	<u>\$ 3,089,997,941</u>	<u>\$ 229,461,584</u>

15. OPERATING EXPENSES BY OBJECT

The System reports operating expenses in the Statement of Revenues, Expenses and Changes in Net Position by program category. Operating expenses, grouped by object classification for the years ended June 30, 2021 and 2020, were as follows:

	2021				2020			
	Employee	Payments to Suppliers, Contractors and Others	Depreciation	Total	Employee	Payments to Suppliers, Contractors and Others	Depreciation	Total
Instruction	\$ 1,239,088,949	\$ 114,481,557	\$ 66,573,984	\$ 1,420,144,490	\$ 1,213,418,998	\$ 124,497,722	\$ 64,155,188	\$ 1,402,071,908
Research	663,237,268	354,963,871	32,564,739	1,050,765,878	652,999,712	357,551,264	29,071,145	1,039,622,121
Public service	428,222,671	141,681,042	6,091,671	575,995,384	401,023,089	114,443,863	6,132,058	521,599,010
Academic support	370,883,806	114,362,662	35,458,468	520,704,936	367,479,854	123,456,387	36,394,177	527,330,418
Student services	207,499,286	110,771,414	8,100,205	326,370,905	196,328,840	116,605,687	8,487,033	321,421,560
Institutional support	435,326,323	125,400,013	17,634,515	578,360,851	428,688,504	98,725,115	16,565,938	543,979,557
Operation and maintenance of plant	161,863,690	154,778,582	84,878,213	401,520,485	166,157,212	164,209,284	71,633,876	402,000,372
Scholarships and fellowships	6,234,293	166,922,825		173,157,118	8,314,241	128,992,837		137,307,078
Auxiliary enterprises:								
Residential facilities	48,252,286	46,543,546	62,065,064	156,860,896	52,888,628	71,601,837	59,629,395	184,119,860
Dining facilities	29,590,153	32,894,808	8,021,787	70,506,748	41,744,607	66,077,750	7,348,625	115,170,982
Intercollegiate athletics	69,071,284	27,364,358	11,773,369	108,209,011	71,126,264	56,567,280	10,477,456	138,171,000
Bookstore	3,765,732	8,070,742	1,870,132	13,706,606	4,073,747	10,673,926	25,335	14,773,008
Parking facilities	11,353,205	10,097,674	3,782,219	25,233,098	18,693,409	9,240,238	6,347,073	34,280,720
Other auxiliary enterprises	61,740,050	30,667,468	30,860,996	123,268,514	61,646,472	46,545,833	30,643,098	138,835,403
Total	<u>\$ 3,736,128,996</u>	<u>\$ 1,439,000,562</u>	<u>\$ 369,675,362</u>	<u>\$ 5,544,804,920</u>	<u>\$ 3,684,583,577</u>	<u>\$ 1,489,189,023</u>	<u>\$ 346,910,397</u>	<u>\$ 5,520,682,997</u>

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UNIVERSITY SYSTEM OF MARYLAND**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020****16. RETIREMENT AND PENSION PLANS****General Information about the Pension Plan****Plan description**

Some employees of the System are members of the Maryland State Retirement and Pension System (MSRPS). These employees are members of either the Teachers Pension System (TPS) or the Employees Retirement System (ERS) of the State of Maryland. The TPS and ERS are part of the MSRPS which is considered a multiple employer cost-sharing plan. Some employees of the System may choose as an alternative to participate in the Optional Retirement Program (ORP), which is a defined contribution plan. The State Personnel and Pensions Article of the Annotated Code of Maryland (the Article) grants the authority to establish and amend the benefit terms of TPS and ERS to the MSRPS Board of Trustees. MSRPS issues a publicly available financial report that can be obtained at:

www.sra.state.md.us/agency/downloads/cafr/

Benefits provided

An individual who is a member of either the TPS or ERS on or before June 30, 2011, is eligible for full retirement benefits upon the earlier of attaining age 62, with specified years of eligibility service, or accumulating 30 years of eligibility service regardless of age. An individual who becomes a member of either the TPS or ERS on or after July 1, 2011, is eligible for full retirement benefits if the member's combined age and eligibility service equals at least 90 years or if the member is at least age 65 and has accrued at least 10 years of eligibility service. For most individuals who retired from either the TPS or ERS on or before June 30, 2006, the annual pension allowance equals 1.2% of the member's average final compensation (AFC), multiplied by the number of years of creditable service accumulated prior to July 1, 1998, plus 1.4% of the member's AFC, multiplied by the number of years of creditable service accumulated subsequent to June 30, 1998. With certain exceptions, for individuals who are members of the TPS or ERS on or after July 1, 2006, the annual pension allowance equals 1.2% of the member's AFC, multiplied by the number of years of creditable service accumulated prior to July 1, 1998, plus 1.8% of the member's AFC, multiplied by the number of years of creditable service accumulated subsequent to June 30, 1998. Beginning July 1, 2011, any new member of the TPS or ERS shall earn an annual pension allowance equal to 1.5% of the member's AFC multiplied by the number of years of creditable service accumulated as a member of the TPS or ERS.

Disability and Death Benefits

Generally, a member covered under retirement plan provisions who is permanently disabled after 5 years of service receives a service allowance based on a minimum percentage (usually 25%) of the member's AFC. A member covered under pension plan provisions who is permanently disabled after accumulating 5 years of eligibility service receives a service allowance computed as if service had continued with no change in salary until the retiree attained age 62. Death benefits are equal to a member's annual salary as of the date of death plus all member contributions and interest.

UNIVERSITY SYSTEM OF MARYLAND

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**Contributions**

The Article sets contribution requirements of active employees and the participating governmental units and may be amended by the MSRPS Board. Members of the ERS are required to contribute 6% of their annual pay. Members of the TPS are required to contribute 7% of their annual pay. The State of Maryland is responsible for the net pension liability of TPS. The System's required contribution rates are based on annual actuarial valuations using the individual Entry Age Normal Cost method with projection and other actuarial assumptions adopted by the MSRPS Board of Trustees. These contribution rates have been established as the rates necessary to fully fund normal costs and amortize the unfunded actuarial accrued liability. As such, the State of Maryland is responsible for 100% of the net pension liability related to TPS and qualifies as a special funding situation.

The System's required contribution for the years ended June 30, 2021 and 2020, was \$149,169,018 and \$140,862,090, respectively, actuarially determined as an amount that, when combined with the State of Maryland and employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability (State only).

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of June 30, 2021 and 2020, the System reported a liability of \$1,395,144,942 and \$1,275,563,402, respectively, as its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and 2019, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The System's proportion of the net pension liability was a ratio of the System's long-term share of contributions to the pension plan relative to the contributions of all participating government units, actuarially determined. As of June 30, 2021 and 2020, the System's proportion for the net pension liability was 6.61% and 6.61%, respectively.

For the years ended June 30, 2021 and 2020, the System recognized pension expense of \$254,077,752 and \$237,081,657, respectively. As of June 30, 2021 and 2020, the System reported deferred outflows of resources and deferred inflows of resources related to the net pension liability of the following sources:

	2021		2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in actuarial assumptions	\$ 6,314,770	\$ 27,300,397	\$ 17,614,082	\$ 34,714,953
Net difference between projected and actual earnings on pension plan investments	106,787,157		28,437,385	
Contributions made subsequent to the measurement date	149,169,018		140,862,090	
Change in proportionate share	111,443,217		203,102,940	
Difference between actual and expected experience		51,480,319		75,040,905
Total	<u>\$373,714,162</u>	<u>\$ 78,780,716</u>	<u>\$390,016,497</u>	<u>\$109,755,858</u>

UNIVERSITY SYSTEM OF MARYLAND**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

The System reported \$149,169,018 as deferred outflows of resources related to the pension resulting from the System's contributions subsequent to the measurement date that will be recognized as a reduction of the pension liability in the year ended June 30, 2022.

Amounts other than contributions made subsequent to the measurement date reported as deferred outflows of resources and deferred inflows of resources related to the pensions will be recognized in pension expense as follows:

Years ending June 30,	Deferred outflows	Deferred inflows
2022	\$ 90,866,800	\$ 29,809,149
2023	74,531,666	25,355,072
2024	33,459,146	15,939,549
2025	25,687,532	7,424,479
2026		252,467
Total	<u>\$224,545,144</u>	<u>\$ 78,780,716</u>

Information included in the MSRPS financial statements

Actuarial assumptions, long-term expected rate of return on pension plan investments, discount rate, and pension plan fiduciary net position are available at:

<https://sra.maryland.gov/annual-financial-reports>

Sensitivity of the System's proportionate share of the net pension liability to changes in the discount rate.

The System's proportionate share of the net pension liability calculated using the discount rate of 7.40 percent is \$1,395,144,942. The System's proportionate share of the net pension liability, if it were calculated using a discount rate that is 1-percentage-point lower (6.40 percent) is \$1,986,214,516, or 1-percentage-point higher (8.40 percent) is \$902,839,258.

Optional Retirement Program

Another option for employees if they choose not to participate in the MSRPS is the optional retirement programs (ORP), which are defined contribution money purchase plans funded currently each year and invested in specific funds offered by one of two vendors. In defined contribution plans, benefits depend solely on amounts contributed plus investment earnings.

Qualified employees are eligible to participate from the date of employment. Employees in both the ORP and the State System can also participate in supplemental retirement plans.

State legislation provides that the System contribute 7.25 percent of covered employees' annual salaries each month. The employee does not have to contribute to the plan in order to receive the System's contribution. The System's contribution along with that of the employee is immediately and fully vested. Payroll for employees covered in the ORP for the years ended June 30, 2021 and 2020, was \$1,460,655,116 and \$1,362,372,442, respectively.

UNIVERSITY SYSTEM OF MARYLAND**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

The amount contributed by the System for employees participating in the ORP for the years ended June 30, 2021 and 2020 was \$105,897,496 and \$98,772,002, respectively.

Major Component Units

The USMF maintains a defined contribution plan for certain personnel provided by TIAA-CREF. The USMF contributes 7.25 percent of the employees' compensation to the plan. In addition, eligible employees are entitled to make voluntary contributions to the plan. Total pension expense for the years ended June 30, 2021 and 2020, was approximately \$252,000 and \$237,000, respectively.

17. OTHER POSTEMPLOYMENT BENEFITS

Members of the State Retirement and Pension System of Maryland and their dependents are provided postemployment health care benefits through the State Employee and Retiree Health and Welfare Benefits Program (the Plan). The Plan is a cost sharing defined benefit healthcare plan established by the State Personnel and Pensions Article, Section 2-501 through 2-516 of the Annotated Code of Maryland. The Plan is self-insured to provide medical, hospitalization, prescription drug and dental insurance benefits to eligible state employees, retirees, and their dependents.

State Employee and Retiree Health and Welfare Benefits Program of Maryland**Plan Description**

Effective July 1, 2004, the State established the Postretirement Health Benefits Trust Fund (OPEB Trust) to receive appropriated funds and contributions to assist the Plan in financing the State's postretirement health insurance subsidy. The OPEB Trust is established in accordance with Section 34-101 of the State Personnel and Pensions Article of the Annotated Code of Maryland and is administered by the Board of Trustees for the Maryland State Retirement and Pension System. The Plan is included in the State's CAFR, which can be obtained from the Comptroller of Maryland's website at:

www.marylandtaxes.com

System employees are members of the Plan. Eligibility for the Plan is determined by various factors, including date of hire. Generally, employees hired before July 1, 2011 may enroll and participate in the Plan if the employee left State service with at least 16 years of creditable service, retired directly from State service with at least 5 years of creditable service, left State service with at least 10 years of creditable service and within 5 years of normal retirement age, or retired directly from State service with a disability retirement. Employees hired on or after July 1, 2011, may enroll and participate in the Plan if the employee left State service with at least 25 years of creditable service, retired directly from State service with at least 10 years of creditable service, left State service with at least 10 years of creditable service and within 5 years of normal retirement age, or retired directly from State service with a disability retirement.

UNIVERSITY SYSTEM OF MARYLAND

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

Funding Policy

Funds deposited into the OPEB Trust may consist of any funds appropriated to the OPEB Trust, whether directly or through the budgets of any State agency. The State is required by law to include money in the State budget to pay the State's share of the costs of the Plan.

The State subsidizes a portion of the covered medical, dental, prescription, and hospitalization costs, depending on the type of insurance plan. Costs for postretirement benefits for State retirees are primarily funded by the State. The State does not distinguish employees by employer/State agency. The State has elected to maintain the entire net OPEB liability as a liability of the general fund of the State and has not allocated any balances to State entities including the System.

A separate actuarial valuation is not performed by the System. The System's only obligation to the Plan is its required annual contribution, which it has fully funded during the years ended June 30, 2021, 2020, and 2019. The amount contributed for the years ended June 30, 2021, 2020, and 2019 was \$89,821,855, \$86,698,017, and \$87,680,958 respectively.

18. CONSTRUCTION COMMITMENTS

The estimated costs to complete construction in progress as of June 30, 2021 is \$415,196,000 of which \$132,480,000 is to be funded from Revenue Bond proceeds, \$213,442,000 is to be derived from State capital appropriations and grants, and \$69,274,000 to be provided from System funds.

19. CONTINGENT LIABILITIES

The System has entered into future purchase commitments for natural gas and electricity, as a means of hedging its risk against fluctuations in price of an important fuel commodity and electricity supplies. As of June 30, 2021, the System had entered into open contracts for the purchase of \$4,964,724 of natural gas to be delivered through June 2022. Future purchase commitments for electricity to be supplied through June 2022 totaled \$40,832,043 as of June 30, 2021. The System and its institutions generally take delivery of the natural gas and electricity purchased through future purchase contracts.

The System receives support from federal and state grant programs, primarily for student financial assistance and research activities. Entitlement to the resources requires compliance with terms of the grant agreements and applicable regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantors. As of June 30, 2021, the System estimates that adjustments, if any, as a result of such audits would not have a material adverse effect on the accompanying financial statements.

The System is involved in a number of legal actions that arise in the normal course of its operations. In the opinion of management, based on the advice of the State Attorney General, such actions, as well as any exposure to unasserted claims, will not have a material adverse effect on the System's financial position.

UNIVERSITY SYSTEM OF MARYLAND

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

20. RISK MANAGEMENT

The System participates in State-wide self-insurance programs for many forms of risk of loss, including general liability, property and casualty, workers' compensation, environmental and anti-trust liabilities, as well as certain employee health benefit programs.

The System remits premiums to the State to cover costs of claims servicing and claims payments. The premiums are based on a percentage of annual payroll or are based on average loss experience, taking into account recent trends in actual claims experience, and providing for catastrophic losses.

The System records a liability when it is probable that a loss has been incurred and the amount of that loss can be reasonably estimated. Liabilities recorded include a provision for claims incurred but not reported. Because actual claims liabilities depend on such complex factors such as inflation, changes in legal doctrines, and damage awards, actual claims could differ from estimates. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors. Liabilities for incurred workers' compensation losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using a 4% discount rate. The provision for workers' compensation is based upon a separately determined actuarial valuation for the fiscal years ended June 30, 2021 and 2020. Settlement amounts have not exceeded insurance coverage levels for the years ended June 30, 2021 and 2020. As of June 30, 2021 and 2020, the System has recorded \$31,961,000 and \$32,572,000, in liabilities associated with workers' compensation, respectively.



The Center for Well-Being, University of Maryland Baltimore County

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REQUIRED SUPPLEMENTARY INFORMATION

UNIVERSITY SYSTEM OF MARYLAND

REQUIRED SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2021 AND 2020

SCHEDULE OF PROPORTIONATE SHARE OF PENSION LIABILITY

	2021	2020	2019	2018	2017	2016	2015
The System's proportion of the net pension liability	6.610%	6.610%	6.660%	5.540%	5.580%	5.120%	4.049%
The System's proportionate share of the net pension liability	\$1,395,144,942	\$1,275,563,402	\$1,309,998,345	\$1,130,058,957	\$1,216,808,542	\$ 966,400,173	\$ 718,516,394
The System's covered-employee payroll	641,284,925	663,610,683	643,954,572	640,734,064	602,991,802	625,011,000	620,592,872
The System's proportionate share of the net pension liability as a percentage of its covered-employee payroll	218%	192%	203%	175%	190%	160%	115%
Plan fiduciary net position as a percentage of the total pension liability	70.70%	72.34%	71.18%	69.38%	65.79%	68.78%	71.87%

This schedule is presented to illustrate the requirement to show information for 10 years. However, information prior to June 30, 2015 is not available.

SCHEDULE OF CONTRIBUTIONS TO THE TEACHERS PENSION SYSTEM AND THE EMPLOYEES RETIREMENT SYSTEM

	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 149,169,018	\$ 140,862,090	\$ 127,554,617	\$ 124,482,282	\$ 127,341,536	\$ 108,699,493	\$ 107,709,938
Contributions in relation to the contractually required contribution	(149,169,018)	(140,862,090)	(127,554,617)	(124,482,282)	(127,341,536)	(108,699,493)	(107,709,938)
Contribution deficiency (excess)	None						
The System's covered-employee payroll	\$ 728,386,990	\$ 641,284,925	\$ 663,610,683	\$ 643,954,572	\$ 640,734,064	\$ 602,991,802	\$ 625,011,000
Contributions as a percentage of covered-employee payroll	20.48%	21.97%	19.22%	19.33%	19.87%	18.03%	17.23%

This schedule is presented to illustrate the requirement to show information for 10 years. However, information prior to June 30, 2015 is not available.

SCHEDULE OF CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)

	2021	2020	2019	2018	2017
Statutorily required contribution	\$ 89,821,855	\$ 86,698,017	\$ 87,680,958	\$ 74,945,815	\$ 96,216,009
Contributions in relation to the statutorily required contribution	(89,821,855)	(86,698,017)	(87,680,958)	(74,945,815)	(96,216,009)
Contribution deficiency (excess)	None	None	None	None	None
The System's covered-employee payroll	\$2,189,042,706	\$2,003,657,367	\$1,936,933,552	\$1,916,898,172	\$1,884,516,905
Contributions as a percentage of covered-employee payroll	4.10%	4.33%	4.53%	3.91%	5.11%

This schedule is presented to illustrate the requirement to show information for 10 years. However, information prior to June 30, 2017 is not available.

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SUPPLEMENTARY DATA

UNIVERSITY OF MARYLAND, BALTIMORE
STATEMENTS OF NET POSITION
JUNE 30, 2021 AND 2020

	2021		2020	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets				
Cash and cash equivalents	\$ 434,979,999	\$ 3,186,787	\$ 401,564,260	\$ 2,952,269
Accounts receivable, net	124,164,062	26,514,957	111,584,033	24,413,320
Notes receivable, current portion, net	1,024,311		1,182,381	
Inventories	152,696		88,613	
Prepaid expenses and other		92,051	531,582	32,803
Inter-institutional balances	(262,109)		(4,520,047)	
Total current assets	560,058,959	29,793,795	510,430,822	27,398,392
Noncurrent assets				
Accounts receivable, net		19,188,579		11,143,393
Endowment investments	134,729,466	321,598,020	111,540,588	247,168,684
Other investments	2,669,797	219,290,288	1,917,365	190,004,378
Notes receivable, net	8,715,333		10,262,161	
Other assets		5,446,249		5,000,737
Capital assets, net	844,620,812		866,456,399	
Total noncurrent assets	990,735,408	565,523,136	990,176,513	453,317,192
Total assets	1,550,794,367	595,316,931	1,500,607,335	480,715,584
DEFERRED OUTFLOWS OF RESOURCES				
	80,766,386		84,298,502	
Total assets and deferred outflows of resources	\$1,631,560,753	\$ 595,316,931	\$1,584,905,837	\$ 480,715,584
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	\$ 66,475,376	\$ 1,995,661	\$ 60,259,190	\$ 1,872,018
Accrued workers' compensation, current portion	1,510,950		1,460,100	
Accrued vacation costs, current portion	49,444,773		47,241,622	
Revenue bonds and notes payable, current portion	7,216,424		10,794,619	
Unearned revenues	72,067,627		61,687,225	
Total current liabilities	196,715,150	1,995,661	181,442,756	1,872,018
Noncurrent liabilities				
Accrued workers' compensation	8,562,050		8,273,900	
Accrued vacation costs	64,230,117		54,026,636	
Endowments invested on behalf of primary government		134,729,466		111,540,588
Other payables		2,298,669		2,202,594
Revenue bonds and notes payable	62,742,022		62,157,149	
Net pension liability	300,711,599		274,403,660	
Total noncurrent liabilities	436,245,788	137,028,135	398,861,345	113,743,182
Total liabilities	632,960,938	139,023,796	580,304,101	115,615,200
DEFERRED INFLOWS OF RESOURCES				
	36,714,900		45,281,397	
NET POSITION				
Unrestricted	111,923,580	50,368,798	100,245,408	48,187,710
Net investment in capital assets	754,924,316		772,405,108	
Restricted:				
Nonexpendable:				
Scholarships and fellowships	9,595,637		9,556,077	
Research	4,039,391		3,614,391	
Other	10,297,751		10,297,251	
Expendable:				
Scholarships and fellowships	30,526,198		24,958,430	
Research	6,102,798		3,159,662	
Loans	14,511,938		16,458,728	
Other	19,963,306		18,625,284	
Net assets with donor restrictions		405,924,337		316,912,674
Total net position	961,884,915	456,293,135	959,320,339	365,100,384
Total liabilities, deferred inflows of resources and net position	\$1,631,560,753	\$ 595,316,931	\$1,584,905,837	\$ 480,715,584

UNIVERSITY OF MARYLAND, BALTIMORE
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020

	2021		2020	
	Institution	Component Units	Institution	Component Units
OPERATING REVENUES				
Tuition and fees	\$ 168,955,742		\$ 164,339,175	
Less: scholarship allowances	<u>(37,414,923)</u>	\$ 131,540,819	<u>(32,534,795)</u>	\$ 131,804,380
Federal grants and contracts		318,018,438		310,302,030
State and local grants and contracts		95,662,524		96,629,202
Nongovernmental grants and contracts		128,221,678		100,538,392
Sales and services of educational departments		328,575,068		293,043,185
Auxiliary enterprises:				
Residential facilities		2,205,256		2,471,821
Parking facilities		10,162,196		12,882,677
Other auxiliary enterprises revenues		<u>12,011,317</u>		<u>13,432,265</u>
Total operating revenues		<u>1,026,397,296</u>		<u>961,103,952</u>
OPERATING EXPENSES				
Instruction		200,446,342		198,839,982
Research		400,272,255		385,247,961
Public service		413,990,505		368,983,955
Academic support		66,046,486		68,426,020
Student services		15,524,243		13,609,800
Institutional support		103,429,699		99,749,483
Operation and maintenance of plant		104,218,790		96,761,290
Scholarships and fellowships		336,032		644,632
Auxiliary enterprises:				
Residential facilities		1,842,277		1,853,964
Parking facilities		8,178,558		9,521,969
Other auxiliary enterprises expenses		<u>13,253,717</u>		<u>14,214,986</u>
Total operating expenses		<u>1,327,538,904</u>		<u>1,257,854,042</u>
Operating loss		<u>(301,141,608)</u>		<u>(296,750,090)</u>
NONOPERATING REVENUES (EXPENSES)				
State appropriations		244,296,504		252,312,068
Pell grants		1,148,502		1,128,374
Other nonoperating grants		8,553,386		11,909,188
Gifts		19,772,451	\$ 45,329,805	18,657,125
Investment income	31,691,326		68,582,911	8,861,544
Less: investment expense	<u>(518,671)</u>	31,172,655	<u>(468,566)</u>	8,392,978
Interest on indebtedness		(2,057,114)		(2,371,905)
Other revenues, (expenses), gains and (losses)		(64,653)		(2,115,009)
Other affiliated foundation revenues			205,994	454,964
Other affiliated foundation expenses			(22,925,959)	(28,744,546)
Transfers (to) other University System of Maryland institutions		<u>(3,264,765)</u>		<u>(4,918,179)</u>
Total nonoperating revenues		<u>299,556,966</u>	<u>91,192,751</u>	<u>282,994,640</u>
Income (loss) before other revenues		<u>(1,584,642)</u>	<u>91,192,751</u>	<u>(13,755,450)</u>
OTHER REVENUES				
Capital appropriations		3,684,159		3,648,277
Additions to endowments		<u>465,059</u>		<u>1,912,150</u>
Total other revenues		<u>4,149,218</u>		<u>5,560,427</u>
Increase (decrease) in net position		<u>2,564,576</u>	<u>91,192,751</u>	<u>(8,195,023)</u>
Net position - beginning of year		<u>959,320,339</u>	<u>365,100,384</u>	<u>967,515,362</u>
Change in reporting entity				<u>(3,198,348)</u>
Net position - end of year		<u>\$ 961,884,915</u>	<u>\$ 456,293,135</u>	<u>\$ 959,320,339</u>
				<u>\$ 365,100,384</u>

UNIVERSITY OF MARYLAND, BALTIMORE
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 136,169,109	\$ 126,543,412
Research contracts and grants	537,178,601	482,117,387
Payments to employees	(898,356,719)	(864,698,301)
Payments to suppliers and contractors	(313,978,081)	(301,575,315)
Loans issued to students	(817,550)	(1,106,250)
Collection of loans to students	2,272,329	2,752,068
Auxiliary enterprises:		
Residential facilities	453,290	719,854
Parking facilities	10,162,196	12,882,677
Other	11,959,709	13,494,154
Other receipts	<u>342,175,335</u>	<u>318,333,465</u>
Net cash provided (used) by operating activities	<u>(172,781,781)</u>	<u>(210,536,849)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	244,296,504	252,312,068
Gifts and grants received for other than capital purposes:		
Private gifts for endowment purposes	465,059	212,150
Pell grants	1,148,502	1,128,374
Student direct lending payments	(140,926,669)	(142,957,417)
Student direct lending receipts	140,926,669	142,957,417
Other nonoperating grants	<u>8,412,822</u>	<u>11,433,018</u>
Net cash provided by noncapital financing activities	<u>254,322,887</u>	<u>265,085,610</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds of capital debt	11,760,644	3,415,341
Capital appropriations	7,921,106	3,648,277
Proceeds from sales of capital assets	20,007	2,598,414
Purchases of capital assets	(50,985,028)	(61,544,941)
Principal paid on debt and capital leases	(18,311,027)	(12,761,608)
Interest paid on debt and capital leases	(3,108,257)	(3,171,891)
Transfers (to) other University System of Maryland institutions	<u>(2,654,157)</u>	<u>(7,024,627)</u>
Net cash provided (used) by capital and related financing activities	<u>(55,356,712)</u>	<u>(74,841,035)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	7,330,489	5,589,759
Interest on investments	1,597,336	7,844,977
Investment expense	(518,671)	(468,566)
Purchases of investments	<u>(1,177,809)</u>	<u>(537,150)</u>
Net cash provided by investing activities	<u>7,231,345</u>	<u>12,429,020</u>
Net increase (decrease) in cash and cash equivalents	33,415,739	(7,863,254)
Cash and cash equivalents - beginning of year	<u>401,564,260</u>	<u>409,427,514</u>
Cash and cash equivalents - end of year	<u>\$ 434,979,999</u>	<u>\$ 401,564,260</u>

**UNIVERSITY OF MARYLAND, COLLEGE PARK
STATEMENTS OF NET POSITION
JUNE 30, 2021 AND 2020**

	2021		2020	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets				
Cash and cash equivalents	\$ 793,872,527	\$ 31,170,909	\$ 786,086,496	\$ 55,202,291
Accounts receivable, net	91,018,549	79,511,243	124,217,360	97,580,231
Notes receivable, current portion, net	953,784		419,304	
Inventories	2,611,657		2,833,043	
Prepaid expenses and other	2,348,090	147,853	2,714,420	122,631
Inter-institutional balances	(1,868,428)		(12,223,499)	
Total current assets	888,936,179	110,830,005	904,047,124	152,905,153
Noncurrent assets				
Restricted cash and cash equivalents	10,459,391		10,421,194	
Accounts receivable, net		51,274,043		49,262,244
Endowment investments	212,074,011	731,105,356	170,333,695	553,468,612
Other investments	13,330,718	315,133,989	12,105,984	259,548,867
Notes receivable, net	3,495,729		4,696,455	
Other assets		7,055,860		528,571
Capital assets, net	2,342,858,250	21,635,932	2,172,482,524	32,497,263
Total noncurrent assets	2,582,218,099	1,126,205,180	2,370,039,852	895,305,557
Total assets	3,471,154,278	1,237,035,185	3,274,086,976	1,048,210,710
DEFERRED OUTFLOWS OF RESOURCES	136,820,757		144,840,161	
Total assets and deferred outflows of resources	\$ 3,607,975,035	\$ 1,237,035,185	\$ 3,418,927,137	\$ 1,048,210,710
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	\$ 139,110,566	\$ 5,520,905	\$ 141,736,471	\$ 627,644
Accrued workers' compensation, current portion	1,887,450		2,000,850	
Accrued vacation costs, current portion	30,149,612		29,706,483	
Revenue bonds and notes payable, current portion	26,264,762		29,127,989	
Obligations under capital lease agreements, current portion	1,340,711		504,559	
Unearned revenues	179,383,019	1,373,937	191,250,979	926,816
Total current liabilities	378,136,120	6,894,842	394,327,331	1,554,460
Noncurrent liabilities				
Accrued workers' compensation	10,695,550		11,338,150	
Accrued vacation costs	76,558,614		65,336,106	
Endowments invested on behalf of primary government		212,074,011		170,326,495
Other payables		9,173,639		16,566,402
Revenue bonds and notes payable	372,333,201		282,133,890	
Obligations under capital lease agreements	31,995,413		7,012,607	
Net pension liability	465,912,641		425,254,917	
Total noncurrent liabilities	957,495,419	221,247,650	791,075,670	186,892,897
Total liabilities	1,335,631,539	228,142,492	1,185,403,001	188,447,357
DEFERRED INFLOWS OF RESOURCES	129,859,719		148,101,383	
NET POSITION				
Unrestricted	238,505,021	30,076,406	230,759,320	25,177,796
Net investment in capital assets	1,806,457,159		1,742,654,884	
Restricted:				
Nonexpendable:				
Scholarships and fellowships	7,537,007		6,794,134	
Research	3,596,886		3,595,785	
Other	5,168,499		5,164,324	
Expendable:				
Scholarships and fellowships	11,772,879		8,815,945	
Research	54,031,395		73,934,445	
Loans	6,192,572		6,958,434	
Other	9,222,359		6,745,482	
Net assets with donor restrictions		978,816,287		834,585,557
Total net position	2,142,483,777	1,008,892,693	2,085,422,753	859,763,353
Total liabilities, deferred inflows of resources and net position	\$ 3,607,975,035	\$ 1,237,035,185	\$ 3,418,927,137	\$ 1,048,210,710

**UNIVERSITY OF MARYLAND, COLLEGE PARK
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020**

	2021		2020	
	Institution	Component Units	Institution	Component Units
OPERATING REVENUES				
Tuition and fees	\$ 643,266,686		\$ 662,527,116	
Less: scholarship allowances	<u>(129,475,304)</u>	\$ 513,791,382	<u>(116,349,482)</u>	\$ 546,177,634
Federal grants and contracts		353,902,619		372,108,570
State and local grants and contracts		60,631,042		53,377,366
Nongovernmental grants and contracts		118,798,873		114,410,271
Sales and services of educational departments		23,967,613		28,884,271
Auxiliary enterprises:				
Residential facilities	39,627,801		62,735,881	
Less: scholarship allowances	<u>(2,324,762)</u>	37,303,039	<u>(3,337,683)</u>	59,398,198
Dining facilities	20,719,881		46,934,338	
Less: scholarship allowances	<u>(1,106,614)</u>	19,613,267	<u>(1,293,787)</u>	45,640,551
Intercollegiate athletics		48,190,359		80,939,793
Parking facilities		8,352,930		12,841,923
Other auxiliary enterprises revenues		50,469,948		35,291,699
Other operating revenues		<u>23,900,858</u>		<u>33,163,575</u>
Total operating revenues		<u>1,258,921,930</u>		<u>1,382,233,851</u>
OPERATING EXPENSES				
Instruction		582,608,176		575,337,022
Research		496,610,589		502,837,913
Public service		108,727,368		92,956,597
Academic support		222,959,865		231,643,105
Student services		63,695,364		64,583,416
Institutional support		152,215,859		149,645,747
Operation and maintenance of plant		115,398,345		123,862,207
Scholarships and fellowships		50,298,213		34,752,364
Auxiliary enterprises:				
Residential facilities		80,586,767		90,660,078
Dining facilities		37,089,633		59,413,678
Intercollegiate athletics		61,103,869		83,250,668
Parking facilities		7,697,765		14,387,880
Other auxiliary enterprises expenses		<u>47,778,947</u>		<u>64,703,774</u>
Total operating expenses		<u>2,026,770,760</u>		<u>2,088,034,449</u>
Operating loss		<u>(767,848,830)</u>		<u>(705,800,598)</u>
NONOPERATING REVENUES (EXPENSES)				
State appropriations		573,031,421		567,662,254
Pell grants		27,778,967		26,557,634
Other nonoperating grants		55,976,415		26,006,991
Gifts		24,134,391	\$ 103,115,211	29,931,312
Investment income	50,909,994		150,595,747	\$ 80,438,406
Less: investment expense	<u>(728,903)</u>	50,181,091	<u>(659,901)</u>	6,799,189
Interest on indebtedness		(9,225,480)		15,493,309
Other revenues, (expenses), gains and (losses)		(2,752,300)		(9,507,203)
Other affiliated foundation revenues			9,711,638	(3,851,541)
Other affiliated foundation expenses			(114,293,256)	1,753,458
Transfers from other University System of Maryland institutions		<u>24,520,410</u>		<u>(78,432,553)</u>
Total nonoperating revenues		<u>743,644,915</u>	<u>149,129,340</u>	<u>655,675,749</u>
Income (loss) before other revenues		<u>(24,203,915)</u>	<u>149,129,340</u>	<u>(50,124,849)</u>
OTHER REVENUES				
Capital appropriations		28,414,074		24,993,137
Capital gifts and grants		52,102,716		21,793,203
Additions to endowments		<u>748,149</u>		<u>656,801</u>
Total other revenues		<u>81,264,939</u>		<u>47,443,141</u>
Increase (decrease) in net position		57,061,024	149,129,340	(2,681,708)
Net position - beginning of year		2,085,422,753	859,763,353	2,088,104,461
Change in reporting entity				<u>(17,338,380)</u>
Net position - end of year		<u>\$ 2,142,483,777</u>	<u>\$ 1,008,892,693</u>	<u>\$ 2,085,422,753</u>
				<u>\$ 859,763,353</u>

UNIVERSITY OF MARYLAND, COLLEGE PARK
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 516,068,954	\$ 541,473,680
Research contracts and grants	561,492,536	533,982,322
Payments to employees	(1,358,983,814)	(1,343,297,407)
Payments to suppliers and contractors	(487,809,215)	(538,147,753)
Loans issued to students		(787,720)
Collection of loans to students	666,246	2,373,339
Auxiliary enterprises:		
Residential facilities	29,592,924	51,688,084
Dining facilities	19,613,266	45,640,551
Intercollegiate athletics	39,205,944	92,590,924
Parking facilities	8,352,930	12,841,923
Other	50,987,373	38,728,035
Other receipts	59,015,138	113,873,915
Net cash provided (used) by operating activities	<u>(561,797,718)</u>	<u>(449,040,107)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	573,031,421	567,662,254
Gifts and grants received for other than capital purposes:		
Private gifts for endowment purposes	748,149	656,801
Pell grants	27,778,967	26,557,634
Student direct lending payments	(115,866,914)	(130,144,628)
Student direct lending receipts	115,866,914	130,144,628
Other nonoperating grants	55,976,415	25,637,073
Net cash provided by noncapital financing activities	<u>657,534,952</u>	<u>620,513,762</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds of capital debt	146,464,619	15,318,335
Capital appropriations	36,450,732	24,993,137
Capital grants and gifts received	52,102,716	21,793,203
Proceeds from sales of capital assets	1,115,534	1,738,385
Purchases of capital assets	(275,365,975)	(174,855,878)
Principal paid on debt and capital leases	(76,969,341)	(46,527,966)
Interest paid on debt and capital leases	(15,175,651)	(11,629,681)
Transfers from other University System of Maryland institutions	36,977,222	38,889,733
Net cash provided (used) by capital and related financing activities	<u>(94,400,144)</u>	<u>(130,280,732)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	5,596,275	6,295,410
Interest on investments	3,304,703	13,500,470
Investment expense	(728,903)	(659,901)
Purchases of investments	(1,684,937)	(1,067,448)
Net cash provided by investing activities	<u>6,487,138</u>	<u>18,068,531</u>
Net increase in cash and cash equivalents	7,824,228	59,261,454
Cash and cash equivalents - beginning of year	<u>796,507,690</u>	<u>737,246,236</u>
Cash and cash equivalents - end year	<u>\$ 804,331,918</u>	<u>\$ 796,507,690</u>

**BOWIE STATE UNIVERSITY
STATEMENTS OF NET POSITION
JUNE 30, 2021 AND 2020**

	2021		2020	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets				
Cash and cash equivalents	\$ 88,556,773	\$ 2,972,970	\$ 90,702,238	\$ 1,845,397
Accounts receivable, net	11,395,049		7,485,932	
Notes receivable, current portion, net	48,332		63,658	
Inter-institutional balances	835,861		447,823	
Total current assets	<u>100,836,015</u>	<u>2,972,970</u>	<u>98,699,651</u>	<u>1,845,397</u>
Noncurrent assets				
Accounts receivable, net		2,263,171		450,176
Endowment investments	2,829,534	36,271,187	2,310,418	8,872,726
Other investments		2,829,534		2,310,418
Notes receivable, net	332,490		444,480	
Capital assets, net	279,715,464		281,583,127	
Total noncurrent assets	<u>282,877,488</u>	<u>41,363,892</u>	<u>284,338,025</u>	<u>11,633,320</u>
Total assets	<u>383,713,503</u>	<u>44,336,862</u>	<u>383,037,676</u>	<u>13,478,717</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>11,105,082</u>		<u>11,967,634</u>	
Total assets and deferred outflows of resources	<u>\$ 394,818,585</u>	<u>\$ 44,336,862</u>	<u>\$ 395,005,310</u>	<u>\$ 13,478,717</u>
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	\$ 11,726,372	\$ 759,306	\$ 10,855,745	\$ 347,534
Accrued workers' compensation, current portion	139,050		152,850	
Accrued vacation costs, current portion	1,828,094		1,804,181	
Revenue bonds and notes payable, current portion	2,702,266		2,774,688	
Unearned revenues	6,002,907		4,391,062	
Total current liabilities	<u>22,398,689</u>	<u>759,306</u>	<u>19,978,526</u>	<u>347,534</u>
Noncurrent liabilities				
Accrued workers' compensation	787,950		866,150	
Accrued vacation costs	2,833,052		2,034,230	
Endowments invested on behalf of primary government		2,829,534		2,310,418
Revenue bonds and notes payable	32,990,948		34,917,052	
Net pension liability	39,656,431		36,068,985	
Total noncurrent liabilities	<u>76,268,381</u>	<u>2,829,534</u>	<u>73,886,417</u>	<u>2,310,418</u>
Total liabilities	<u>98,667,070</u>	<u>3,588,840</u>	<u>93,864,943</u>	<u>2,657,952</u>
DEFERRED INFLOWS OF RESOURCES	<u>19,422,562</u>		<u>21,948,279</u>	
NET POSITION				
Unrestricted	49,885,377	25,805,836	53,431,031	623,309
Net investment in capital assets	226,404,825		225,171,098	
Restricted:				
Expendable:				
Loans	438,751		589,959	
Net assets with donor restrictions		14,942,186		10,197,456
Total net position	<u>276,728,953</u>	<u>40,748,022</u>	<u>279,192,088</u>	<u>10,820,765</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 394,818,585</u>	<u>\$ 44,336,862</u>	<u>\$ 395,005,310</u>	<u>\$ 13,478,717</u>

BOWIE STATE UNIVERSITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020

	2021		2020	
	Institution	Component Units	Institution	Component Units
OPERATING REVENUES				
Tuition and fees	\$ 45,887,837		\$ 45,244,214	
Less: scholarship allowances	(18,034,106)	\$ 27,853,731	(16,160,295)	\$ 29,083,919
Federal grants and contracts		15,782,388		11,731,952
State and local grants and contracts		571,270		256,556
Nongovernmental grants and contracts		257,197		259,873
Sales and services of educational departments		3,085		23,218
Auxiliary enterprises:				
Residential facilities	5,142,236		5,505,008	
Less: scholarship allowances	(70,498)	5,071,738	(65,347)	5,439,661
Dining facilities	3,528,523		4,679,453	
Less: scholarship allowances	(442,221)	3,086,302	(666,030)	4,013,423
Intercollegiate athletics	4,205,171		4,329,412	
Less: scholarship allowances	(694,182)	3,510,989	(450,794)	3,878,618
Parking facilities		30,757		195,562
Other auxiliary enterprises revenues		9,136,150		9,338,530
Total operating revenues		65,303,607		64,221,312
OPERATING EXPENSES				
Instruction		43,257,834		42,014,391
Research		1,184,130		1,422,678
Public service		407,446		221,485
Academic support		22,505,661		17,772,118
Student services		17,943,966		11,453,702
Institutional support		20,410,256		20,634,413
Operation and maintenance of plant		18,118,693		13,303,863
Scholarships and fellowships		4,887,615		4,348,177
Auxiliary enterprises:				
Residential facilities		5,423,281		5,888,203
Dining facilities		3,647,474		5,122,535
Intercollegiate athletics		4,363,940		4,544,166
Other auxiliary enterprises expenses		6,337,797		6,022,971
Total operating expenses		148,488,093		132,748,702
Operating loss		(83,184,486)		(68,527,390)
NONOPERATING REVENUES (EXPENSES)				
State appropriations		46,728,531		48,077,890
Pell grants		12,084,679		12,690,372
Other nonoperating grants		16,571,076		6,819,189
Gifts			\$ 28,850,392	\$ 1,276,430
Investment income	910,945		2,114,208	64,264
Less: investment expense	(6,677)	904,268	(5,930)	1,462,290
Interest on indebtedness		(845,757)		(1,079,009)
Other revenues, (expenses), gains and (losses)		86,451		536,444
Other affiliated foundation revenues			211,624	226,575
Other affiliated foundation expenses			(1,248,967)	(1,274,832)
Transfers (to) other University System of Maryland institutions		(564,400)		(1,051,847)
Total nonoperating revenues (expenses)		74,964,848	29,927,257	292,437
Income (loss) before other revenues		(8,219,638)	29,927,257	292,437
OTHER REVENUES				
Capital appropriations		5,756,503		1,088,085
Total other revenues		5,756,503		1,088,085
Increase (decrease) in net position		(2,463,135)	29,927,257	16,024
Net position - beginning of year		279,192,088	10,820,765	279,176,064
Change in reporting entity				(106,061)
Net position - end of year		\$ 276,728,953	\$ 40,748,022	\$ 279,192,088
				\$ 10,820,765

**BOWIE STATE UNIVERSITY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 26,635,840	\$ 31,667,318
Research contracts and grants	12,815,499	10,406,406
Payments to employees	(77,753,555)	(74,458,012)
Payments to suppliers and contractors	(55,087,323)	(43,608,260)
Collection of loans to students	13,134	63,658
Auxiliary enterprises:		
Residential facilities	3,475,275	3,843,198
Dining facilities	3,086,302	4,013,423
Intercollegiate athletics	3,510,989	3,878,618
Parking facilities	30,757	195,562
Other	9,136,150	9,338,530
Other receipts (payments)	<u>3,145,614</u>	<u>(841,114)</u>
Net cash provided (used) by operating activities	<u>(70,991,318)</u>	<u>(55,500,673)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	46,728,531	48,077,890
Pell grants	12,084,679	12,690,372
Student direct lending payments	(30,768,577)	(39,789,511)
Student direct lending receipts	30,768,577	39,789,511
Other nonoperating grants	<u>15,429,191</u>	<u>4,880,519</u>
Net cash provided by noncapital financing activities	<u>74,242,401</u>	<u>65,648,781</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds of capital debt	12,882,730	2,065,312
Capital appropriations	6,483,564	1,088,085
Purchases of capital assets	(8,815,799)	(14,897,832)
Principal paid on debt and capital leases	(14,339,573)	(4,644,799)
Interest paid on debt and capital leases	(2,228,790)	(1,458,476)
Transfers (to) from other University System of Maryland institutions	<u>242,845</u>	<u>(1,066,906)</u>
Net cash provided (used) by capital and related financing activities	<u>(5,775,023)</u>	<u>(18,914,616)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	102,992	102,840
Interest on investments	282,160	1,447,391
Investment expense	<u>(6,677)</u>	<u>(5,930)</u>
Net cash provided by investing activities	<u>378,475</u>	<u>1,544,301</u>
Net increase (decrease) in cash and cash equivalents	(2,145,465)	(7,222,207)
Cash and cash equivalents - beginning of year	<u>90,702,238</u>	<u>97,924,445</u>
Cash and cash equivalents - end of year	<u>\$ 88,556,773</u>	<u>\$ 90,702,238</u>

**TOWSON UNIVERSITY
STATEMENTS OF NET POSITION
JUNE 30, 2021 AND 2020**

	2021		2020	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets				
Cash and cash equivalents	\$ 276,454,736	\$ 3,832,517	\$ 283,058,760	\$ 1,745,618
Accounts receivable, net	12,073,029	79,019	10,744,802	94,139
Notes receivable, current portion, net	1,139,738		1,339,309	
Inventories	3,412,222		3,770,917	
Prepaid expenses and other	3,735,474	417,130	3,400,370	308,027
Inter-institutional balances	(2,043,388)		(428,328)	
Total current assets	294,771,811	4,328,666	301,885,830	2,147,784
Noncurrent assets				
Restricted cash and cash equivalents	47,280		47,280	
Accounts receivable, net		2,721,399		2,343,785
Endowment investments	10,265,105	102,958,838	8,318,005	81,955,775
Other investments		10,265,105		8,247,197
Notes receivable, net	4,008,290		5,454,062	
Capital assets, net	1,075,309,974	142	1,025,027,733	993
Total noncurrent assets	1,089,630,649	115,945,484	1,038,847,080	92,547,750
Total assets	1,384,402,460	120,274,150	1,340,732,910	94,695,534
DEFERRED OUTFLOWS OF RESOURCES				
	40,318,935		41,566,820	
Total assets and deferred outflows of resources	\$1,424,721,395	\$ 120,274,150	\$1,382,299,730	\$ 94,695,534
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	\$ 36,925,276	\$ 701,860	\$ 32,480,289	\$ 773,653
Accrued workers' compensation, current portion	291,000		289,650	
Accrued vacation costs, current portion	10,319,735		10,149,721	
Revenue bonds and notes payable, current portion	23,663,813		23,605,919	
Obligations under capital lease agreements, current portion	1,338,939		1,258,235	
Unearned revenues	28,749,593		10,287,997	
Total current liabilities	101,288,356	701,860	78,071,811	773,653
Noncurrent liabilities				
Accrued workers' compensation	1,649,000		1,641,350	
Accrued vacation costs	4,337,639		3,378,564	
Endowments invested on behalf of primary government		10,265,105		8,247,197
Revenue bonds and notes payable	351,103,997		334,008,982	
Obligations under capital lease agreements			1,338,939	
Net pension liability	138,874,750		128,112,411	
Total noncurrent liabilities	495,965,386	10,265,105	468,480,246	8,247,197
Total liabilities	597,253,742	10,966,965	546,552,057	9,020,850
DEFERRED INFLOWS OF RESOURCES				
	40,268,909		45,623,577	
NET POSITION				
Unrestricted	105,107,367	4,599,785	144,823,671	3,450,755
Net investment in capital assets	669,403,179		632,345,481	
Restricted:				
Nonexpendable:				
Scholarships and fellowships	265,025		265,025	
Expendable:				
Scholarships and fellowships	94,053		29,753	
Research	3,611,924		2,584,985	
Loans	5,562,878		7,486,076	
Other	3,154,318		2,589,105	
Net assets with donor restrictions		104,707,400		82,223,929
Total net position	787,198,744	109,307,185	790,124,096	85,674,684
Total liabilities, deferred inflows of resources and net position	\$1,424,721,395	\$ 120,274,150	\$1,382,299,730	\$ 94,695,534

TOWSON UNIVERSITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020

	2021		2020	
	Institution	Component Units	Institution	Component Units
OPERATING REVENUES				
Tuition and fees	\$ 187,989,272		\$ 196,801,674	
Less: scholarship allowances	(54,529,499)	\$ 133,459,773	(54,722,872)	\$ 142,078,802
Federal grants and contracts		780,739		1,747,119
State and local grants and contracts		2,073,905		2,320,674
Nongovernmental grants and contracts		518,167		271,385
Sales and services of educational departments		3,404,892		5,839,512
Auxiliary enterprises:				
Residential facilities	7,968,814		32,226,049	
Less: scholarship allowances	(642,904)	7,325,910	(1,125,633)	31,100,416
Dining facilities	3,516,252		19,150,816	
Less: scholarship allowances	(270,263)	3,245,989	(527,510)	18,623,306
Intercollegiate athletics	19,134,747		16,376,252	
Less: scholarship allowances	(4,049,671)	15,085,076	(4,528,764)	11,847,488
Bookstore	4,747,262		5,322,312	
Less: scholarship allowances	(1,378,220)	3,369,042	(1,514,804)	3,807,508
Parking facilities		3,107,560		6,481,646
Other auxiliary enterprises revenues		35,044,551		37,826,746
Total operating revenues	207,415,604		261,944,602	
OPERATING EXPENSES				
Instruction		146,416,787		141,018,875
Research		4,119,530		3,787,134
Public service		8,064,821		8,394,684
Academic support		44,391,164		42,992,211
Student services		26,858,583		27,467,862
Institutional support		60,216,108		58,100,989
Operation and maintenance of plant		32,433,049		34,464,745
Scholarships and fellowships		23,958,058		20,087,676
Auxiliary enterprises:				
Residential facilities		25,215,523		28,810,622
Dining facilities		6,770,500		16,311,789
Intercollegiate athletics		16,399,878		18,134,373
Bookstore		6,109,495		6,215,508
Parking facilities		6,745,492		7,044,153
Other auxiliary enterprises expenses		21,043,286		20,387,707
Total operating expenses		428,742,274		433,218,328
Operating loss		(221,326,670)		(171,273,726)
NONOPERATING REVENUES (EXPENSES)				
State appropriations		135,941,182		131,859,194
Pell grants		28,132,184		28,865,536
Other nonoperating grants		33,751,704		16,709,147
Gifts			\$ 8,564,912	\$ 3,178,276
Investment income	3,422,108		20,683,530	4,946,619
Less: investment expense	(22,482)	3,399,626	(20,524)	4,926,095
Interest on indebtedness		(10,032,209)		(11,331,444)
Other revenues, (expenses), gains and (losses)		10,524,962		9,988,256
Other affiliated foundation revenues			362,452	977,019
Other affiliated foundation expenses			(5,978,393)	(6,629,310)
Transfers (to) from other University System of Maryland institutions		876,542		(5,539,951)
Total nonoperating revenues		202,593,991	23,632,501	178,655,109
Income (loss) before other revenues		(18,732,679)	23,632,501	7,381,383
OTHER REVENUES				
Capital appropriations		15,791,821		83,872,169
Capital gifts and grants		15,506		344,068
Total other revenues		15,807,327		84,216,237
Increase (decrease) in net position		(2,925,352)	23,632,501	91,597,620
Net position - beginning of year		790,124,096	84,674,684	698,526,476
Change in reporting entity				(365,270)
Net position - end of year	\$ 787,198,744	\$ 108,307,185	\$ 790,124,096	\$ 84,674,684

**TOWSON UNIVERSITY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 129,791,889	\$ 144,242,750
Research contracts and grants	4,140,307	1,596,392
Payments to employees	(269,254,635)	(264,248,373)
Payments to suppliers and contractors	(95,127,219)	(112,511,698)
Collection of loans to students	1,645,342	1,969,499
Auxiliary enterprises:		
Residential facilities	4,782,010	28,671,490
Dining facilities	3,193,746	18,952,927
Intercollegiate athletics	14,663,360	12,451,408
Bookstores	3,277,784	4,055,324
Parking facilities	3,119,370	6,575,652
Other	35,107,951	36,924,853
Other receipts	15,822,636	19,972,682
Net cash provided (used) by operating activities	<u>(148,837,459)</u>	<u>(101,347,094)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	135,941,182	131,859,194
Pell grants	28,132,184	28,865,536
Student direct lending payments	(90,193,075)	(115,557,264)
Student direct lending receipts	90,193,075	115,557,264
Other nonoperating grants	51,751,704	16,709,147
Net cash provided by noncapital financing activities	<u>215,825,070</u>	<u>177,433,877</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds of capital debt	73,916,251	58,064,392
Capital appropriations	17,773,708	83,872,169
Purchases of capital assets	(100,816,357)	(150,383,169)
Principal paid on debt and capital leases	(69,449,651)	(79,549,067)
Interest paid on debt and capital leases	(17,425,476)	(14,951,532)
Transfers from other University System of Maryland institutions	20,882,131	22,818,988
Net cash provided (used) by capital and related financing activities	<u>(75,119,394)</u>	<u>(80,128,219)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	372,791	389,432
Interest on investments	1,177,450	4,907,634
Investment expense	(22,482)	(20,524)
Net cash provided by investing activities	<u>1,527,759</u>	<u>5,276,542</u>
Net increase (decrease) in cash and cash equivalents	(6,604,024)	1,235,106
Cash and cash equivalents - beginning of year	<u>283,106,040</u>	<u>281,870,934</u>
Cash and cash equivalents - end of year	<u>\$ 276,502,016</u>	<u>\$ 283,106,040</u>

**UNIVERSITY OF MARYLAND EASTERN SHORE
STATEMENTS OF NET POSITION
JUNE 30, 2021 AND 2020**

	<u>2021</u>		<u>2020</u>	
	<u>Institution</u>	<u>Component Units</u>	<u>Institution</u>	<u>Component Units</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ 4,879,637		\$ 508,155	
Accounts receivable, net	5,432,220	\$ 157,043	7,371,172	\$ 116,447
Notes receivable, current portion, net	169,167		148,336	
Prepaid expenses and other	103,995		184,939	
Inter-institutional balances	2,966,187		1,480,032	
Total current assets	<u>13,551,206</u>	<u>157,043</u>	<u>9,692,634</u>	<u>116,447</u>
Noncurrent assets				
Accounts receivable, net		316,823		338,791
Endowment investments	8,213,170	50,306,883	6,570,058	22,692,671
Other investments		10,808,637		8,318,768
Notes receivable, net	304,578		429,537	
Capital assets, net	241,371,249	18,278	214,916,287	36,000
Total noncurrent assets	<u>249,888,997</u>	<u>61,450,621</u>	<u>221,915,882</u>	<u>31,386,230</u>
Total assets	<u>263,440,203</u>	<u>61,607,664</u>	<u>231,608,516</u>	<u>31,502,677</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>11,219,891</u>		<u>11,599,780</u>	
Total assets and deferred outflows of resources	<u>\$ 274,660,094</u>	<u>\$ 61,607,664</u>	<u>\$ 243,208,296</u>	<u>\$ 31,502,677</u>
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	\$ 5,850,295	\$ 1,500	\$ 6,995,200	\$ 500
Accrued workers' compensation, current portion	138,600		149,100	
Accrued vacation costs, current portion	2,720,711		2,374,856	
Revenue bonds and notes payable, current portion	1,349,133		2,900,942	
Unearned revenues	4,258,913		1,373,142	
Total current liabilities	<u>14,317,652</u>	<u>1,500</u>	<u>13,793,240</u>	<u>500</u>
Noncurrent liabilities				
Accrued workers' compensation	785,400		844,900	
Accrued vacation costs	2,964,016		3,033,358	
Endowments invested on behalf of primary government		8,213,170		6,570,058
Revenue bonds and notes payable	13,629,191		13,934,515	
Net pension liability	37,484,780		35,093,149	
Total noncurrent liabilities	<u>54,863,387</u>	<u>8,213,170</u>	<u>52,905,922</u>	<u>6,570,058</u>
Total liabilities	<u>69,181,039</u>	<u>8,211,670</u>	<u>66,699,162</u>	<u>6,569,558</u>
DEFERRED INFLOWS OF RESOURCES	<u>2,002,718</u>		<u>2,622,221</u>	
NET POSITION				
Unrestricted	(33,536,286)	23,832,064	(33,550,689)	3,863,199
Net investment in capital assets	226,600,447		198,293,219	
Restricted:				
Nonexpendable:				
Scholarships and fellowships	28,009		28,009	
Expendable:				
Scholarships and fellowships	3,725,761		2,954,120	
Loans	4,701,780		4,610,473	
Other	1,956,626		1,551,781	
Net assets with donor restrictions		29,563,930		21,069,920
Total net position	<u>203,476,337</u>	<u>53,395,994</u>	<u>173,886,913</u>	<u>24,933,119</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 274,660,094</u>	<u>\$ 61,607,664</u>	<u>\$ 243,208,296</u>	<u>\$ 31,502,677</u>

**UNIVERSITY OF MARYLAND EASTERN SHORE
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020**

	2021		2020	
	Institution	Component Units	Institution	Component Units
OPERATING REVENUES				
Tuition and fees	\$ 21,219,109		\$ 25,261,528	
Less: scholarship allowances	<u>(9,746,000)</u>	\$ 11,473,109	<u>(10,603,392)</u>	\$ 14,658,136
Federal grants and contracts		8,763,899		7,937,227
State and local grants and contracts		10,765,087		9,459,519
Nongovernmental grants and contracts		1,881,145		1,191,220
Sales and services of educational departments		7,867		5,412
Auxiliary enterprises:				
Residential facilities	7,084,977		6,949,986	
Less: scholarship allowances	<u>(450,960)</u>	6,634,017	<u>(330,499)</u>	6,619,487
Dining facilities	3,639,550		3,962,309	
Less: scholarship allowances	<u>(667,413)</u>	2,972,137	<u>(523,431)</u>	3,438,878
Intercollegiate athletics		1,775,289		2,881,039
Parking facilities		5,950		74,130
Other auxiliary enterprises revenues		3,647,419		4,463,246
Other operating revenues		<u>2,590,196</u>		<u>1,483,042</u>
Total operating revenues		<u>50,516,115</u>		<u>52,211,336</u>
OPERATING EXPENSES				
Instruction		41,882,568		43,030,510
Research		12,062,231		10,404,186
Public service		3,499,921		3,235,566
Academic support		7,715,271		8,765,572
Student services		5,806,663		5,946,895
Institutional support		18,548,690		13,046,580
Operation and maintenance of plant		10,327,146		11,064,897
Scholarships and fellowships		2,239,556		3,309,222
Auxiliary enterprises:				
Residential facilities		6,194,387		7,653,169
Dining facilities		3,965,088		3,954,862
Intercollegiate athletics		3,266,347		4,706,238
Other auxiliary enterprises expenses		<u>4,093,625</u>		<u>4,577,285</u>
Total operating expenses		<u>119,601,493</u>		<u>119,694,982</u>
Operating loss		<u>(69,085,378)</u>		<u>(67,483,646)</u>
NONOPERATING REVENUES (EXPENSES)				
State appropriations		47,398,557		45,885,966
Pell grants		4,755,530		6,006,486
Other nonoperating grants		9,400,778		7,580,105
Gifts		48,118	\$ 21,254,855	112,755
Investment income	1,853,939		8,406,960	903,472
Less: investment expense	<u>(26,148)</u>	1,827,791	<u>175,061</u>	319,849
Interest on indebtedness		(384,664)	<u>(24,344)</u>	150,717
Other revenues, (expenses), gains and (losses)		75,516		(564,471)
Other affiliated foundation revenues				280,595
Other affiliated foundation expenses			7,499	34,304
Transfers from other University System of Maryland institutions			(1,206,439)	(1,345,606)
		<u>2,378,341</u>		<u>1,735,152</u>
Total nonoperating revenues (expenses)		<u>65,499,967</u>	<u>28,462,875</u>	<u>61,187,305</u>
Income (loss) before other revenues		<u>(3,585,411)</u>	<u>28,462,875</u>	<u>(6,296,341)</u>
OTHER REVENUES				
Capital appropriations		<u>33,174,835</u>		<u>6,467,629</u>
Total other revenues		<u>33,174,835</u>		<u>6,467,629</u>
Increase (decrease) in net position		<u>29,589,424</u>	<u>28,462,875</u>	<u>171,288</u>
Net position - beginning of year		<u>173,886,913</u>	<u>24,933,119</u>	<u>173,715,625</u>
Change in reporting entity				<u>2,453,532</u>
Net position - end of year		<u>\$ 203,476,337</u>	<u>\$ 53,395,994</u>	<u>\$ 173,886,913</u>
				<u>\$ 24,933,119</u>

**UNIVERSITY OF MARYLAND EASTERN SHORE
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 17,227,130	\$ 14,534,149
Research contracts and grants	19,628,691	18,842,094
Payments to employees	(70,797,477)	(70,130,826)
Payments to suppliers and contractors	(36,264,032)	(35,129,691)
Collection of loans to students	104,128	204,889
Auxiliary enterprises:		
Residential facilities	6,634,017	6,619,487
Dining facilities	2,972,137	3,438,878
Intercollegiate athletics	1,775,289	2,881,039
Parking facilities	5,950	74,130
Other	4,499,560	3,721,953
Other receipts (payments)	<u>(1,970,683)</u>	<u>2,646,549</u>
Net cash provided (used) by operating activities	<u>(56,185,290)</u>	<u>(52,297,349)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	47,398,557	45,885,966
Pell grants	4,755,530	6,006,486
Student direct lending payments	(20,310,939)	(20,378,219)
Student direct lending receipts	20,310,939	20,378,219
Other nonoperating grants	<u>12,574,523</u>	<u>4,466,619</u>
Net cash provided by noncapital financing activities	<u>64,728,610</u>	<u>56,359,071</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds of capital debt	3,806,178	910,079
Capital appropriations	34,278,373	6,467,629
Purchases of capital assets	(37,206,762)	(8,372,029)
Principal paid on debt and capital leases	(6,595,459)	(5,516,249)
Interest paid on debt and capital leases	(802,992)	(882,927)
Transfers from other University System of Maryland institutions	<u>2,190,294</u>	<u>976,002</u>
Net cash provided (used) by capital and related financing activities	<u>(4,330,368)</u>	<u>(6,417,495)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	117,922	103,895
Interest on investments	66,756	117,599
Investment expense	(26,148)	(24,344)
Purchases of investments	<u>(67,000)</u>	<u>(67,000)</u>
Net cash provided by investing activities	<u>158,530</u>	<u>130,150</u>
Net increase (decrease) in cash and cash equivalents	4,371,482	(2,225,623)
Cash and cash equivalents - beginning of year	<u>508,155</u>	<u>2,733,778</u>
Cash and cash equivalents - end of year	<u>\$ 4,879,637</u>	<u>\$ 508,155</u>

FROSTBURG STATE UNIVERSITY
STATEMENTS OF NET POSITION
JUNE 30, 2021 AND 2020

	<u>2021</u>		<u>2020</u>	
	<u>Institution</u>	<u>Component Units</u>	<u>Institution</u>	<u>Component Units</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ 40,386,256	\$ 439,076	\$ 33,405,166	\$ 377,423
Accounts receivable, net	2,259,448	214,534	2,765,658	82,630
Notes receivable, current portion, net	21,045		26,481	
Inventories	1,097,880		1,196,243	
Prepaid expenses and other	1,868,490	14,913	1,746,645	19,626
Inter-institutional balances	102,647		4,873	
Total current assets	45,735,766	668,523	39,145,066	479,679
Noncurrent assets				
Accounts receivable, net		948,818		1,148,075
Endowment investments	5,313,600	31,085,568	4,262,939	24,146,864
Other investments		10,955,514		8,062,873
Notes receivable, net	263,345		408,728	
Other assets		394,371		380,271
Capital assets, net	211,502,705	8,550	202,007,168	33,000
Total noncurrent assets	217,079,650	43,392,821	206,678,835	33,771,083
Total assets	262,815,416	44,061,344	245,823,901	34,250,762
DEFERRED OUTFLOWS OF RESOURCES	14,995,794		15,545,363	
Total assets and deferred outflows of resources	\$ 277,811,210	\$ 44,061,344	\$ 261,369,264	\$ 34,250,762
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	\$ 7,904,998	\$ 19,353	\$ 8,468,632	\$ 22,249
Accrued workers' compensation, current portion	109,800		107,100	
Accrued vacation costs, current portion	3,444,865		3,754,942	
Revenue bonds and notes payable, current portion	2,800,852		2,934,084	
Unearned revenues	6,419,813	3,025	1,973,715	220
Total current liabilities	20,680,328	22,378	17,238,473	22,469
Noncurrent liabilities				
Accrued workers' compensation	622,200		606,900	
Accrued vacation costs	707,633		152,137	
Endowments invested on behalf of primary government		5,313,600		4,262,939
Other payables		20,878		44,923
Revenue bonds and notes payable	52,882,837		50,179,583	
Net pension liability	51,311,270		47,723,824	
Total noncurrent liabilities	105,523,940	5,334,478	98,662,444	4,307,862
Total liabilities	126,204,268	5,356,856	115,900,917	4,330,331
DEFERRED INFLOWS OF RESOURCES	16,677,404		18,779,176	
NET POSITION				
Unrestricted	(6,809,879)	3,124,035	(9,637,930)	2,498,857
Net investment in capital assets	141,872,293		133,805,583	
Restricted:				
Nonexpendable:				
Other	750,000		750,000	
Expendable:				
Scholarships and fellowships	90,001		70,873	
Research	(1,841,121)		883,976	
Loans	385,400		544,243	
Other	482,844		272,426	
Net assets with donor restrictions		35,580,453		27,421,574
Total net position	134,929,538	38,704,488	126,689,171	29,920,431
Total liabilities, deferred inflows of resources and net position	\$ 277,811,210	\$ 44,061,344	\$ 261,369,264	\$ 34,250,762

FROSTBURG STATE UNIVERSITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020

	2021		2020	
	Institution	Component Units	Institution	Component Units
OPERATING REVENUES				
Tuition and fees	\$ 34,270,572		\$ 37,263,620	
Less: scholarship allowances	(7,727,117)	\$ 26,543,455	(8,353,602)	\$ 28,910,018
Federal grants and contracts		2,194,446		1,847,352
State and local grants and contracts		3,294,021		1,559,751
Nongovernmental grants and contracts		68,002		1,213,181
Sales and services of educational departments		956,662		1,141,692
Auxiliary enterprises:				
Residential facilities	8,643,249		5,954,283	
Less: scholarship allowances	(97,632)	8,545,617	(49,163)	5,905,120
Dining facilities	5,342,961		5,352,200	
Less: scholarship allowances	(16,290)	5,326,671	(11,125)	5,341,075
Intercollegiate athletics	3,180,928		2,630,538	
Less: scholarship allowances	(79,654)	3,101,274	(40,536)	2,590,002
Bookstore	1,097,097		1,097,404	
Less: scholarship allowances	(11,919)	1,085,178	(13,327)	1,084,077
Other auxiliary enterprises revenues	4,014,937		3,616,181	
Less: scholarship allowances	(47,868)	3,967,069	(29,245)	3,586,936
Other operating revenues		359,443		565,373
Total operating revenues		55,441,838		53,744,577
OPERATING EXPENSES				
Instruction		36,285,695		36,707,238
Research		136,311		138,440
Public service		5,332,612		4,767,281
Academic support		10,286,123		10,953,102
Student services		4,441,551		5,003,653
Institutional support		14,943,160		15,282,269
Operation and maintenance of plant		10,942,278		11,513,326
Scholarships and fellowships		11,945,955		9,492,700
Auxiliary enterprises:				
Residential facilities		7,960,414		6,440,921
Dining facilities		4,973,924		4,848,838
Intercollegiate athletics		4,459,303		4,879,219
Bookstore		1,273,541		1,226,044
Other auxiliary enterprises expenses		3,840,349		3,990,421
Total operating expenses		116,821,216		115,243,452
Operating loss		(61,379,378)		(61,498,875)
NONOPERATING REVENUES (EXPENSES)				
State appropriations		43,451,867		44,610,144
Pell grants		6,753,993		7,384,180
Other nonoperating grants		5,490,778		2,326,661
Gifts		1,175,205	\$ 3,424,045	1,324,914
Investment income	1,581,687		7,206,733	\$ 1,612,829
Less: investment expense	(16,801)	1,564,886	627,719	274,584
Interest on indebtedness		(1,957,790)	(14,579)	613,140
Other revenues, (expenses), gains and (losses)		(407,434)		(1,564,475)
Other affiliated foundation revenues			195,038	353,690
Other affiliated foundation expenses			(2,041,759)	(2,404,114)
Transfers from other University System of Maryland institutions		2,442,799		111,339
Total nonoperating revenues (expenses)		58,514,304	8,784,057	54,424,706
Income (loss) before other revenues		(2,865,074)	8,784,057	(7,074,169)
OTHER REVENUES				
Capital appropriations		10,993,516		3,405,515
Capital gifts and grants		111,925		145,893
Total other revenues		11,105,441		3,551,408
Increase (decrease) in net position		8,240,367	8,784,057	(3,522,761)
Net position - beginning of year		126,689,171	29,920,431	130,211,932
Net position - end of year		\$ 134,929,538	\$ 38,704,488	\$ 126,689,171
				\$ 29,920,431

**FROSTBURG STATE UNIVERSITY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 27,490,571	\$ 28,445,876
Research contracts and grants	10,090,222	4,272,145
Payments to employees	(69,951,332)	(70,686,285)
Payments to suppliers and contractors	(35,231,209)	(32,520,590)
Collection of loans to students	150,819	110,151
Auxiliary enterprises:		
Residential facilities	7,373,049	4,732,652
Dining facilities	5,338,290	5,382,998
Intercollegiate athletics	3,102,373	2,611,018
Bookstores	1,048,099	1,175,030
Other	3,831,605	3,749,505
Other receipts	<u>2,848,079</u>	<u>2,336,134</u>
Net cash provided (used) by operating activities	<u>(43,909,434)</u>	<u>(50,391,366)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	43,451,867	44,610,144
Pell grants	6,753,993	7,384,180
Student direct lending payments	(21,655,336)	(24,878,195)
Student direct lending receipts	21,655,336	24,878,195
Other nonoperating grants	<u>4,016,857</u>	<u>2,120,104</u>
Net cash provided by noncapital financing activities	<u>54,222,717</u>	<u>54,114,428</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds of capital debt	1,853,129	6,797,293
Capital appropriations	11,430,397	3,405,515
Purchases of capital assets	(18,403,348)	(35,694,719)
Principal paid on debt and capital leases	(4,402,876)	(9,363,747)
Interest paid on debt and capital leases	(2,239,946)	(1,725,252)
Transfers from other University System of Maryland institutions	<u>7,933,027</u>	<u>28,178,685</u>
Net cash provided (used) by capital and related financing activities	<u>(3,829,617)</u>	<u>(8,402,225)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	92,161	172,986
Interest on investments	422,064	589,235
Investment expense	<u>(16,801)</u>	<u>(14,579)</u>
Net cash provided by investing activities	<u>497,424</u>	<u>747,642</u>
Net increase (decrease) in cash and cash equivalents	6,981,090	(3,931,521)
Cash and cash equivalents - beginning of year	<u>33,405,166</u>	<u>37,336,687</u>
Cash and cash equivalents - end of year	<u>\$ 40,386,256</u>	<u>\$ 33,405,166</u>

**COPPIN STATE UNIVERSITY
STATEMENTS OF NET POSITION
JUNE 30, 2021 AND 2020**

	<u>2021</u>		<u>2020</u>	
	<u>Institution</u>	<u>Component Units</u>	<u>Institution</u>	<u>Component Units</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ 18,067,885	\$ 3,282,255	\$ 19,431,927	\$ 3,825,682
Accounts receivable, net	10,848,961	480,163	4,362,273	674,448
Notes receivable, current portion, net	38,885		28,892	
Prepaid expenses and other	174,993	4,331	75,028	143,066
Inter-institutional balances	(115,638)		(1,005,392)	
Total current assets	<u>29,015,086</u>	<u>3,766,749</u>	<u>22,892,728</u>	<u>4,643,196</u>
Noncurrent assets				
Endowment investments	3,404,544	11,647,587	2,773,742	8,622,460
Other investments		3,404,544		2,773,742
Notes receivable, net	691,449		678,564	
Capital assets, net	<u>302,677,165</u>	<u>206,500</u>	<u>306,482,586</u>	<u>169,700</u>
Total noncurrent assets	<u>306,773,158</u>	<u>15,258,631</u>	<u>309,934,892</u>	<u>11,565,902</u>
Total assets	<u>335,788,244</u>	<u>19,025,380</u>	<u>332,827,620</u>	<u>16,209,098</u>
DEFERRED OUTFLOWS OF RESOURCES				
	<u>11,306,353</u>		<u>11,381,533</u>	
Total assets and deferred outflows of resources	<u>\$ 347,094,597</u>	<u>\$ 19,025,380</u>	<u>\$ 344,209,153</u>	<u>\$ 16,209,098</u>
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	\$ 6,986,168	\$ 75,844	\$ 7,018,924	\$ 115,491
Accrued workers' compensation, current portion	142,350		140,400	
Accrued vacation costs, current portion	1,331,648		1,759,418	
Revenue bonds and notes payable, current portion	2,107,205		2,291,496	
Unearned revenues	<u>3,214,617</u>		<u>2,593,040</u>	
Total current liabilities	<u>13,781,988</u>	<u>75,844</u>	<u>13,803,278</u>	<u>115,491</u>
Noncurrent liabilities				
Accrued workers' compensation	806,650		795,600	
Accrued vacation costs	2,323,682		1,461,851	
Endowments invested on behalf of primary government		3,404,544		2,773,742
Other payables		6,787		144,233
Revenue bonds and notes payable	28,932,818		31,300,840	
Net pension liability	<u>44,421,853</u>		<u>42,030,222</u>	
Total noncurrent liabilities	<u>76,485,003</u>	<u>3,411,331</u>	<u>75,588,513</u>	<u>2,917,975</u>
Total liabilities	<u>90,266,991</u>	<u>3,487,175</u>	<u>89,391,791</u>	<u>3,033,466</u>
DEFERRED INFLOWS OF RESOURCES				
	<u>2,797,438</u>		<u>3,416,941</u>	
NET POSITION				
Unrestricted	(19,599,100)	514,624	(23,224,830)	347,188
Net investment in capital assets	271,972,885		273,044,392	
Restricted:				
Nonexpendable:				
Scholarships and fellowships	434,289		434,289	
Other	240,125		240,125	
Expendable:				
Scholarships and fellowships	59,618		13,952	
Loans	894,792		892,493	
Other	27,559			
Net assets with donor restrictions		<u>15,023,581</u>		<u>12,828,444</u>
Total net position	<u>254,030,168</u>	<u>15,538,205</u>	<u>251,400,421</u>	<u>13,175,632</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 347,094,597</u>	<u>\$ 19,025,380</u>	<u>\$ 344,209,153</u>	<u>\$ 16,209,098</u>

COPPIN STATE UNIVERSITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020

	2021		2020	
	Institution	Component Units	Institution	Component Units
OPERATING REVENUES				
Tuition and fees	\$ 13,790,116		\$ 14,777,588	
Less: scholarship allowances	(9,051,285)	\$ 4,738,831	(9,930,641)	\$ 4,846,947
Federal grants and contracts		5,684,687		5,489,280
State and local grants and contracts		1,055,324		596,600
Nongovernmental grants and contracts		595,998		749,881
Sales and services of educational departments		574,779		361,740
Auxiliary enterprises:				
Residential facilities	3,441,098		3,615,679	
Less: scholarship allowances	(88,137)	3,352,961	(193,374)	3,422,305
Dining facilities		1,309,812		2,860,294
Intercollegiate athletics	3,081,444		2,602,856	
Less: scholarship allowances	(1,343,034)	1,738,410	(1,247,541)	1,355,315
Parking facilities	1,237,527		1,288,905	
Less: scholarship allowances	(149,932)	1,087,595	(136,669)	1,152,236
Other auxiliary enterprises revenues		5,134,628		2,470,603
Total operating revenues		25,273,025		23,305,201
OPERATING EXPENSES				
Instruction		25,953,187		25,301,069
Research		766,797		535,717
Public service		27,440		26,226
Academic support		8,206,759		8,493,908
Student services		6,428,238		6,678,492
Institutional support		34,753,046		22,169,504
Operation and maintenance of plant		9,690,240		10,670,902
Scholarships and fellowships		1,667,927		1,803,952
Auxiliary enterprises:				
Residential facilities		1,973,518		3,236,712
Dining facilities		1,350,849		3,203,897
Intercollegiate athletics		3,467,988		4,468,340
Parking facilities		400,087		666,051
Other auxiliary enterprises expenses		1,987,973		2,532,008
Total operating expenses		96,674,049		89,786,778
Operating loss		(71,401,024)		(66,481,577)
NONOPERATING REVENUES (EXPENSES)				
State appropriations		49,787,119		48,812,311
Pell grants		5,500,114		6,735,990
Other nonoperating grants		10,368,431		4,798,801
Gifts			\$ 1,211,516	\$ 1,246,078
Investment income	831,565		2,452,683	349,388
Less: investment expense	(9,929)	821,636	(8,925)	340,463
Interest on indebtedness		(719,371)		(1,073,431)
Other revenues, (expenses), gains and (losses)		(109,570)		(196,296)
Other affiliated foundation revenues			200,982	257,322
Other affiliated foundation expenses			(1,502,608)	(1,192,715)
Transfers from other University System of Maryland institutions		2,112,946		1,998,124
Total nonoperating revenues		67,761,305	2,362,573	61,415,962
Income (loss) before other revenues		(3,639,719)	2,362,573	(5,065,615)
OTHER REVENUES				
Capital appropriations		6,269,466		2,086,572
Total other revenues		6,269,466		2,086,572
Increase (decrease) in net position		2,629,747	2,362,573	(2,979,043)
Net position - beginning of year		251,400,421	13,175,632	254,379,464
Net position - end of year	\$ 254,030,168	\$ 15,538,205	\$ 251,400,421	\$ 13,175,632

**COPPIN STATE UNIVERSITY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 4,176,774	\$ 5,532,194
Research contracts and grants	7,957,585	6,753,910
Payments to employees	(50,423,539)	(50,644,279)
Payments to suppliers and contractors	(34,836,423)	(25,636,127)
Collection of loans to students	29,050	111,209
Auxiliary enterprises:		
Residential facilities	3,352,961	3,422,305
Dining facilities	1,309,812	2,860,294
Intercollegiate athletics	1,738,410	1,355,315
Parking facilities	1,087,595	1,152,235
Other	5,134,628	486,778
Other receipts	<u>2,039,907</u>	<u>3,042,925</u>
Net cash provided (used) by operating activities	<u>(58,433,240)</u>	<u>(51,563,241)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	49,787,119	48,812,311
Gifts and grants received for other than capital purposes:		
Pell grants	5,500,114	6,735,990
Student direct lending payments	(9,516,820)	(15,276,233)
Student direct lending receipts	9,516,820	15,276,233
Other nonoperating grants	<u>4,443,800</u>	<u>2,110,630</u>
Net cash provided by noncapital financing activities	<u>59,731,033</u>	<u>57,658,931</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds of capital debt	8,173,298	2,517,631
Capital appropriations	6,748,288	2,086,572
Proceeds from sales of capital assets	18,015	18,425
Purchases of capital assets	(7,626,678)	(4,672,254)
Principal paid on debt and capital leases	(10,323,059)	(5,633,748)
Interest paid on debt and capital leases	(1,643,233)	(1,490,197)
Transfers from other University System of Maryland institutions	<u>1,562,901</u>	<u>1,482,379</u>
Net cash provided (used) by capital and related financing activities	<u>(3,090,468)</u>	<u>(5,691,192)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	113,915	108,002
Interest on investments	76,919	324,416
Investment expense	(9,929)	(23,667)
Purchases of investments	<u>247,728</u>	<u></u>
Net cash provided by investing activities	<u>428,633</u>	<u>408,751</u>
Net increase (decrease) in cash and cash equivalents	(1,364,042)	813,249
Cash and cash equivalents - beginning of year	<u>19,431,927</u>	<u>18,618,678</u>
Cash and cash equivalents - end of year	<u>\$ 18,067,885</u>	<u>\$ 19,431,927</u>

UNIVERSITY OF BALTIMORE
STATEMENTS OF NET POSITION
JUNE 30, 2021 AND 2020

	2021		2020	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets				
Cash and cash equivalents	\$ 52,509,132	\$ 16,899,141	\$ 45,744,998	\$ 11,965,124
Accounts receivable, net	6,854,955	42,645	5,426,339	24,683
Notes receivable, current portion, net	37,335		58,334	
Prepaid expenses and other	879,571		565,569	
Inter-institutional balances	(3,699,640)		(5,145,840)	
Total current assets	56,581,353	16,941,786	46,649,400	11,989,807
Noncurrent assets				
Accounts receivable, net		3,987,257		4,845,744
Endowment investments	1,493,126	68,720,950	1,173,377	50,278,865
Other investments		6,664,045		7,561,940
Notes receivable, net	283,343		410,572	
Other assets		79,620		61,084
Capital assets, net	189,744,457	584,846	194,939,664	593,344
Total noncurrent assets	191,520,926	80,036,718	196,523,613	63,340,977
Total assets	248,102,279	96,978,504	243,173,013	75,330,784
DEFERRED OUTFLOWS OF RESOURCES				
	10,404,995		11,109,332	
Total assets and deferred outflows of resources	\$ 258,507,274	\$ 96,978,504	\$ 254,282,345	\$ 75,330,784
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	\$ 8,838,289	\$ 385,178	\$ 8,050,043	\$ 407,936
Accrued workers' compensation, current portion	95,250		82,650	
Accrued vacation costs, current portion	3,265,264		3,041,538	
Revenue bonds and notes payable, current portion	1,633,904		2,982,745	
Unearned revenues	7,216,111	405,791	6,795,497	707,099
Total current liabilities	21,048,818	790,969	20,952,473	1,115,035
Noncurrent liabilities				
Accrued workers' compensation	539,750		468,350	
Accrued vacation costs	1,958,403		1,765,532	
Endowments invested on behalf of primary government		1,493,126		1,173,377
Revenue bonds and notes payable	9,304,848		10,066,812	
Net pension liability	45,492,585		41,905,139	
Total noncurrent liabilities	57,295,586	1,493,126	54,205,833	1,173,377
Total liabilities	78,344,404	2,284,095	75,158,306	2,288,412
DEFERRED INFLOWS OF RESOURCES				
	2,583,014		3,512,268	
NET POSITION				
Unrestricted	(1,754,158)	8,567,948	(7,314,606)	7,260,218
Net investment in capital assets	178,904,263		182,111,432	
Restricted:				
Expendable:				
Loans	429,751		814,945	
Net assets with donor restrictions		86,126,461		65,782,154
Total net position	177,579,856	94,694,409	175,611,771	73,042,372
Total liabilities, deferred inflows of resources and net position	\$ 258,507,274	\$ 96,978,504	\$ 254,282,345	\$ 75,330,784

UNIVERSITY OF BALTIMORE
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020

	2021		2020	
	Institution	Component Units	Institution	Component Units
OPERATING REVENUES				
Tuition and fees	\$ 52,340,750		\$ 54,319,239	
Less: scholarship allowances	<u>(14,664,643)</u>	\$ 37,676,107	<u>(13,637,212)</u>	\$ 40,682,027
Federal grants and contracts		8,592,541		9,118,684
State and local grants and contracts		7,287,847		7,232,491
Nongovernmental grants and contracts		5,695,917		4,929,262
Sales and services of educational departments		56,467		125,199
Auxiliary enterprises:				
Parking facilities		447,021		795,256
Other auxiliary enterprises revenues		3,408,723		5,372,563
Other operating revenues		<u>1,755,247</u>		<u>196,285</u>
Total operating revenues		<u>64,919,870</u>		<u>68,451,767</u>
OPERATING EXPENSES				
Instruction		40,345,578		40,938,807
Research		15,454,926		15,879,028
Academic support		13,982,904		13,689,107
Student services		10,700,758		10,375,494
Institutional support		16,520,384		16,604,417
Operation and maintenance of plant		8,635,448		8,782,891
Scholarships and fellowships		3,853,987		3,250,291
Auxiliary enterprises:				
Parking facilities		283,266		399,096
Other auxiliary enterprises expenses		<u>1,663,700</u>		<u>2,467,782</u>
Total operating expenses		<u>111,440,951</u>		<u>112,386,913</u>
Operating loss		<u>(46,521,081)</u>		<u>(43,935,146)</u>
NONOPERATING REVENUES (EXPENSES)				
State appropriations		43,059,381		40,742,183
Pell grants		3,492,184		3,829,584
Other nonoperating grants		2,458,600		1,499,677
Gifts			\$ 9,042,270	\$ 5,382,186
Investment income		799,053	16,988,023	946,864
Interest on indebtedness		(288,051)		(365,995)
Other revenues, (expenses), gains and (losses)		(289,936)		(387,288)
Other affiliated foundation revenues			20,224	62,762
Other affiliated foundation expenses			(4,398,480)	(4,060,063)
Transfers (to) other University System of Maryland institutions		<u>(770,429)</u>		<u>(2,945,588)</u>
Total nonoperating revenues		<u>48,460,802</u>	<u>21,652,037</u>	<u>43,319,437</u>
Income (loss) before other revenues		<u>1,939,721</u>	<u>21,652,037</u>	<u>(615,709)</u>
OTHER REVENUES				
Capital appropriations				177,117
Capital gifts and grants		<u>28,364</u>		<u>655,896</u>
Total other revenues		<u>28,364</u>		<u>833,013</u>
Increase in net position		<u>1,968,085</u>	<u>21,652,037</u>	<u>217,304</u>
Net position - beginning of year		<u>175,611,771</u>	<u>73,042,372</u>	<u>175,394,467</u>
Net position - end of year		<u>\$ 177,579,856</u>	<u>\$ 94,694,409</u>	<u>\$ 175,611,771</u>
				<u>\$ 73,042,372</u>

**UNIVERSITY OF BALTIMORE
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 37,978,241	\$ 40,652,649
Research contracts and grants	19,571,288	20,988,380
Payments to employees	(78,258,644)	(78,923,808)
Payments to suppliers and contractors	(21,545,420)	(22,026,101)
Collection of loans to students	187,225	356,078
Auxiliary enterprises:		
Parking facilities	447,021	795,255
Other	3,408,723	5,370,622
Other receipts	<u>1,870,700</u>	<u>235,354</u>
Net cash provided (used) by operating activities	<u>(36,340,866)</u>	<u>(32,551,571)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	43,059,381	40,742,183
Pell grants	3,492,184	3,829,584
Student direct lending payments	(39,301,600)	(43,682,919)
Student direct lending receipts	39,301,600	43,682,919
Other nonoperating grants	<u>2,180,564</u>	<u>1,069,413</u>
Net cash provided by noncapital financing activities	<u>48,732,129</u>	<u>45,641,180</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds of capital debt	3,385,413	501,428
Capital appropriations	754,816	177,117
Capital grants and gifts received	28,364	655,896
Purchases of capital assets	(2,245,481)	(2,595,503)
Principal paid on debt and capital leases	(5,453,049)	(2,631,913)
Interest paid on debt and capital leases	(443,021)	(463,667)
Transfers (to) other University System of Maryland institutions	<u>(2,021,018)</u>	<u>(3,361,119)</u>
Net cash provided (used) by capital and related financing activities	<u>(5,993,976)</u>	<u>(7,717,761)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	<u>366,847</u>	<u>814,839</u>
Net cash provided by investing activities	<u>366,847</u>	<u>814,839</u>
Net increase in cash and cash equivalents	6,764,134	6,186,687
Cash and cash equivalents - beginning of year	<u>45,744,998</u>	<u>39,558,311</u>
Cash and cash equivalents - end of year	<u>\$ 52,509,132</u>	<u>\$ 45,744,998</u>

**SALISBURY UNIVERSITY
STATEMENTS OF NET POSITION
JUNE 30, 2021 AND 2020**

	2021		2020	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets				
Cash and cash equivalents	\$ 129,478,980	\$ 2,052,849	\$ 123,813,326	\$ 1,832,380
Accounts receivable, net	3,578,317	3,659,250	3,324,217	4,241,959
Notes receivable, current portion, net	48,708		171,681	
Inventories	1,162,858		1,500,528	
Prepaid expenses and other	119,647	19,306	61,560	28,784
Inter-institutional balances	1,070,741		2,336,888	
Total current assets	135,459,251	5,731,405	131,208,200	6,103,123
Noncurrent assets				
Accounts receivable, net		1,580,707		2,003,677
Endowment investments	4,368,448	96,469,247	3,559,576	68,611,809
Other investments		9,341,611		7,530,107
Notes receivable, net	205,212		209,948	
Other assets		2,123,883		2,129,014
Capital assets, net	448,017,979	151,898	456,744,054	164,566
Total noncurrent assets	452,591,639	109,667,346	460,513,578	80,439,173
Total assets	588,050,890	115,398,751	591,721,778	86,542,296
DEFERRED OUTFLOWS OF RESOURCES	14,645,330		15,776,342	
Total assets and deferred outflows of resources	\$ 602,696,220	\$ 115,398,751	\$ 607,498,120	\$ 86,542,296
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	\$ 11,609,259	24,987	\$ 12,706,675	
Accrued workers' compensation, current portion	160,650		188,400	
Accrued vacation costs, current portion	3,000,841		2,810,583	
Revenue bonds and notes payable, current portion	5,325,205	1,752,486	6,241,594	\$ 1,857,286
Unearned revenues	5,161,155	\$ 251,467	4,966,102	22,788
Total current liabilities	25,257,110	2,028,940	26,913,354	1,880,074
Noncurrent liabilities				
Accrued workers' compensation	910,350		1,067,600	
Accrued vacation costs	3,512,282		3,069,258	
Endowments invested on behalf of primary government		4,368,448		3,559,576
Other payables		2,072,993		1,700,144
Revenue bonds and notes payable	72,652,761		79,445,253	
Net pension liability	58,742,896		52,763,819	
Total noncurrent liabilities	135,818,289	6,441,441	136,345,930	5,259,720
Total liabilities	161,075,399	8,470,381	163,259,284	7,139,794
DEFERRED INFLOWS OF RESOURCES	19,005,473		22,315,118	
NET POSITION				
Unrestricted	68,002,115	13,329,566	67,465,261	7,690,048
Net investment in capital assets	354,273,005		353,913,568	
Restricted:				
Expendable:				
Loans	340,228		544,889	
Net assets with donor restrictions		93,598,804		71,712,454
Total net position	422,615,348	106,928,370	421,923,718	79,402,502
Total liabilities, deferred inflows of resources and net position	\$ 602,696,220	\$ 115,398,751	\$ 607,498,120	\$ 86,542,296

SALISBURY UNIVERSITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020

	2021		2020	
	Institution	Component Units	Institution	Component Units
OPERATING REVENUES				
Tuition and fees	\$ 72,905,557		\$ 79,098,011	
Less: scholarship allowances	(20,505,248)	\$ 52,400,309	(21,245,455)	\$ 57,852,556
Federal grants and contracts		2,162,079		1,676,021
State and local grants and contracts		4,614,704		4,470,380
Nongovernmental grants and contracts		420,357		431,168
Sales and services of educational departments		257,080		218,930
Auxiliary enterprises:				
Residential facilities	25,626,573		24,943,307	
Less: scholarship allowances	(917,464)	24,709,109	(916,872)	24,026,435
Dining facilities	9,420,314		12,411,816	
Less: scholarship allowances	(7,349)	9,412,965	(26,446)	12,385,370
Intercollegiate athletics		6,124,850		5,097,812
Bookstore		3,280,325		3,589,334
Parking facilities		619,486		715,430
Other auxiliary enterprises revenues	1,514,550		3,213,974	
Less: scholarship allowances	(10,146)	1,504,404	(7,936)	3,206,038
Total operating revenues	105,505,668		113,669,474	
OPERATING EXPENSES				
Instruction		61,638,154		62,788,272
Research		1,757,948		1,519,878
Public service		7,707,620		7,680,177
Academic support		18,375,419		18,235,109
Student services		10,587,454		8,441,365
Institutional support		19,700,811		19,355,110
Operation and maintenance of plant		23,569,559		23,697,181
Scholarships and fellowships		3,755,779		2,365,136
Auxiliary enterprises:				
Residential facilities		13,505,557		13,637,090
Dining facilities		10,538,195		12,017,824
Intercollegiate athletics		6,251,880		6,797,671
Bookstore		3,669,735		3,527,695
Parking facilities		925,752		840,390
Other auxiliary enterprises expenses		2,491,360		2,242,965
Total operating expenses		184,475,223		183,145,863
Operating loss		(78,969,555)		(69,476,389)
NONOPERATING REVENUES (EXPENSES)				
State appropriations		60,827,717		58,280,356
Pell grants		7,995,076		8,775,599
Other nonoperating grants		12,057,951		6,146,915
Gifts				
Investment income	1,389,479		2,104,058	
Less: investment expense	(10,485)	\$ 4,350,683	(9,302)	\$ 4,261,996
Interest on indebtedness		26,909,054		(1,747,457)
Other revenues, (expenses), gains and (losses)		1,378,994		2,094,756
Other affiliated foundation revenues		(2,006,467)		(2,539,153)
Other affiliated foundation expenses		(243,511)		(63,540)
Transfers (to) other University System of Maryland institutions		187,907		1,217,116
		(3,921,776)		(5,669,120)
		(436,089)		(2,014,782)
Total nonoperating revenues (expenses)		79,573,671		70,680,151
Income (loss) before other revenues		604,116		1,203,762
OTHER REVENUES				
Capital appropriations		22,325		
Capital gifts and grants		65,189		100,046
Total other revenues		87,514		100,046
Increase (decrease) in net position		691,630		1,303,808
Net position - beginning of year		421,923,718		420,619,910
Change in reporting entity				345,025
Net position - end of year		\$ 422,615,348		\$ 421,923,718
		\$ 106,928,370		\$ 79,402,502

**SALISBURY UNIVERSITY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 53,201,092	\$ 57,414,364
Research contracts and grants	8,292,941	5,167,647
Payments to employees	(124,253,150)	(123,135,844)
Payments to suppliers and contractors	(37,407,144)	(40,917,634)
Collection of loans to students	127,709	170,551
Auxiliary enterprises:		
Residential facilities	22,947,476	23,774,701
Dining facilities	9,418,024	13,415,930
Intercollegiate athletics	6,124,770	5,555,137
Bookstores	3,280,325	3,589,334
Parking facilities	619,486	736,868
Other	1,508,749	3,223,205
Other receipts (payments)	<u>(2,132,529)</u>	<u>498,908</u>
Net cash provided (used) by operating activities	<u>(58,272,251)</u>	<u>(50,506,833)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	60,827,717	58,280,356
Pell grants	7,995,076	8,775,599
Student direct lending payments	(43,153,592)	(50,750,734)
Student direct lending receipts	43,153,592	50,750,734
Other nonoperating grants	<u>12,057,951</u>	<u>6,715,980</u>
Net cash provided by noncapital financing activities	<u>80,880,744</u>	<u>73,771,935</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds of capital debt	8,507,444	28,418,458
Capital appropriations	799,907	
Purchases of capital assets	(9,679,459)	(14,333,369)
Principal paid on debt and capital leases	(14,276,785)	(34,196,972)
Interest paid on debt and capital leases	(3,738,463)	(3,990,864)
Transfers (to) other University System of Maryland institutions	<u>884,880</u>	<u>(3,965,462)</u>
Net cash provided (used) by capital and related financing activities	<u>(17,502,476)</u>	<u>(28,068,209)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	149,365	159,782
Interest on investments	420,757	2,071,946
Investment expense	<u>(10,485)</u>	<u>(9,302)</u>
Net cash provided by investing activities	<u>559,637</u>	<u>2,222,426</u>
Net increase (decrease) in cash and cash equivalents	5,665,654	(2,580,681)
Cash and cash equivalents - beginning of year	<u>123,813,326</u>	<u>126,394,007</u>
Cash and cash equivalents - end of year	<u>\$ 129,478,980</u>	<u>\$ 123,813,326</u>

**UNIVERSITY OF MARYLAND GLOBAL CAMPUS
STATEMENTS OF NET POSITION
JUNE 30, 2021 AND 2020**

	<u>2021</u>		<u>2020</u>	
	<u>Institution</u>	<u>Component Units</u>	<u>Institution</u>	<u>Component Units</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ 351,599,421		\$ 350,513,025	
Accounts receivable, net	40,838,007	\$ 37,955	43,524,651	\$ 74,462
Notes receivable, current portion, net			3,070	
Inventories	23,291		37,363	
Prepaid expenses and other	10,304,819	750	8,035,249	750
Inter-institutional balances	40,931		776,634	
Total current assets	<u>402,806,469</u>	<u>38,705</u>	<u>402,889,992</u>	<u>75,212</u>
Noncurrent assets				
Accounts receivable, net		509,790		758,752
Endowment investments	12,655,590	42,503,356	10,111,035	34,551,131
Other investments	21,126,640	14,919,733	20,457,409	12,347,167
Capital assets, net	113,872,907	9,247,502	122,020,326	8,950,502
Total noncurrent assets	<u>147,655,137</u>	<u>67,180,381</u>	<u>152,588,770</u>	<u>56,607,552</u>
Total assets	<u>550,461,606</u>	<u>67,219,086</u>	<u>555,478,762</u>	<u>56,682,764</u>
DEFERRED OUTFLOWS OF RESOURCES				
	<u>10,764,751</u>		<u>11,116,058</u>	
Total assets and deferred outflows of resources	<u>\$ 561,226,357</u>	<u>\$ 67,219,086</u>	<u>\$ 566,594,820</u>	<u>\$ 56,682,764</u>
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	\$ 25,475,363	\$ 120	\$ 25,960,905	\$ 120
Accrued workers' compensation, current portion	115,350		117,150	
Accrued vacation costs, current portion	10,234,590		9,152,423	
Unearned revenues	47,769,100		52,109,222	
Total current liabilities	<u>83,594,403</u>	<u>120</u>	<u>87,339,700</u>	<u>120</u>
Noncurrent liabilities				
Accrued workers' compensation	653,650		663,850	
Accrued vacation costs	7,629,968		6,405,691	
Endowments invested on behalf of primary government		12,655,590		10,111,035
Net pension liability	49,784,399		45,001,137	
Total noncurrent liabilities	<u>58,068,017</u>	<u>12,655,590</u>	<u>52,070,678</u>	<u>10,111,035</u>
Total liabilities	<u>141,662,420</u>	<u>12,655,710</u>	<u>139,410,378</u>	<u>10,111,155</u>
DEFERRED INFLOWS OF RESOURCES				
	<u>863,320</u>		<u>2,102,326</u>	
NET POSITION				
Unrestricted	304,439,632	11,719,569	302,952,934	6,250,112
Net investment in capital assets	113,872,907		122,020,326	
Restricted:				
Nonexpendable:				
Scholarships and fellowships	29,423		29,423	
Expendable:				
Scholarships and fellowships	35,071		35,071	
Research	322,727			
Loans	857		44,362	
Net assets with donor restrictions		42,843,807		40,321,497
Total net position	<u>418,700,617</u>	<u>54,563,376</u>	<u>425,082,116</u>	<u>46,571,609</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 561,226,357</u>	<u>\$ 67,219,086</u>	<u>\$ 566,594,820</u>	<u>\$ 56,682,764</u>

UNIVERSITY OF MARYLAND GLOBAL CAMPUS
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020

	2021		2020	
	Institution	Component Units	Institution	Component Units
OPERATING REVENUES				
Tuition and fees	\$ 360,628,279		\$ 346,603,273	
Less: scholarship allowances	<u>(44,839,439)</u>	\$ 315,788,840	<u>(46,756,990)</u>	\$ 299,846,283
Federal grants and contracts	1,807,101		2,144,771	
State and local grants and contracts	3,375,713		3,771,580	
Nongovernmental grants and contracts	2,380,483		1,974,240	
Sales and services of educational departments	765,307		426,246	
Auxiliary enterprises:				
Bookstore	3,017		4,607	
Parking facilities			780	
Other operating revenues	<u>5,887,709</u>		<u>15,340,577</u>	
Total operating revenues	<u>330,008,170</u>		<u>323,509,084</u>	
OPERATING EXPENSES				
Instruction	103,815,255		102,211,830	
Public service	6,537,104		14,078,366	
Academic support	72,841,013		71,693,583	
Student services	142,862,070		143,101,314	
Institutional support	66,880,220		64,907,007	
Operation and maintenance of plant	18,704,569		19,904,558	
Scholarships and fellowships	37,747,713		29,402,173	
Auxiliary enterprises:				
Bookstore	12,495		12,644	
Parking facilities			116,411	
Total operating expenses	<u>449,400,439</u>		<u>445,427,886</u>	
Operating loss	<u>(119,392,269)</u>		<u>(121,918,802)</u>	
NONOPERATING REVENUES (EXPENSES)				
State appropriations	44,297,206		44,322,848	
Pell grants	49,562,224		49,721,856	
Other nonoperating grants	20,352,306		74,323	
Gifts		\$ 671,964	5,324	\$ 18,171,700
Investment income	4,494,177	8,871,236	40,600,449	361,172
Less: investment expense	<u>(29,969)</u>	4,464,208	<u>(26,251)</u>	40,574,198
Other revenues, (expenses), gains and (losses)	(64,617)		(16,839,471)	
Other affiliated foundation revenues		14,570		48,981
Other affiliated foundation expenses		(1,566,003)		(1,720,828)
Transfers (to) other University System of Maryland institutions	<u>(5,600,557)</u>		<u>(382,895)</u>	
Total nonoperating revenues	<u>113,010,770</u>	<u>7,991,767</u>	<u>117,476,183</u>	<u>16,861,025</u>
Increase (decrease) in net position	<u>(6,381,499)</u>	<u>7,991,767</u>	<u>(4,442,619)</u>	<u>16,861,025</u>
Net position - beginning of year	<u>425,082,116</u>	<u>46,571,609</u>	<u>429,524,735</u>	<u>29,710,584</u>
Net position - end of year	<u>\$ 418,700,617</u>	<u>\$ 54,563,376</u>	<u>\$ 425,082,116</u>	<u>\$ 46,571,609</u>

**UNIVERSITY OF MARYLAND GLOBAL CAMPUS
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 308,464,437	\$ 308,069,617
Research contracts and grants	12,911,349	4,306,410
Payments to employees	(270,327,605)	(259,815,596)
Payments to suppliers and contractors	(165,756,527)	(167,397,901)
Collection of loans to students	3,070	1,255,788
Auxiliary enterprises:		
Bookstores	3,017	4,607
Parking facilities		780
Other receipts (payments)	<u>7,302,362</u>	<u>(4,734,691)</u>
Net cash provided (used) by operating activities	<u>(107,399,897)</u>	<u>(118,310,986)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	44,297,206	44,322,848
Pell grants	49,562,224	49,721,856
Student direct lending payments	(152,306,061)	(171,283,169)
Student direct lending receipts	152,306,061	171,283,169
Other nonoperating grants	<u>20,273,806</u>	<u>74,323</u>
Net cash provided by noncapital financing activities	<u>114,133,236</u>	<u>94,119,027</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from sales of capital assets	32,994	68,817
Purchases of capital assets	(1,755,536)	(2,638,163)
Transfers (to) other University System of Maryland institutions	<u>(4,864,854)</u>	<u>(821,996)</u>
Net cash provided (used) by capital and related financing activities	<u>(6,587,396)</u>	<u>(3,391,342)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	177,124	35,622,066
Interest on investments	1,043,298	4,505,719
Investment expense	(29,969)	(26,251)
Purchases of investments	<u>(250,000)</u>	<u>(11,947,062)</u>
Net cash provided by investing activities	<u>940,453</u>	<u>28,154,472</u>
Net increase in cash and cash equivalents	1,086,396	571,171
Cash and cash equivalents - beginning of year	<u>350,513,025</u>	<u>349,941,854</u>
Cash and cash equivalents - end of year	<u>\$ 351,599,421</u>	<u>\$ 350,513,025</u>

UNIVERSITY OF MARYLAND, BALTIMORE COUNTY
STATEMENTS OF NET POSITION
JUNE 30, 2021 AND 2020

	<u>2021</u>		<u>2020</u>	
	<u>Institution</u>	<u>Component Units</u>	<u>Institution</u>	<u>Component Units</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ 162,129,181	\$ 785,038	\$ 173,506,017	\$ 685,433
Accounts receivable, net	20,375,939	566,149	18,612,700	1,632,216
Notes receivable, current portion, net	388,923		433,253	
Inventories	554,501		527,944	
Prepaid expenses and other	3,054,528	120,678	3,571,215	118,072
Inter-institutional balances	1,310,864		(752,953)	
Total current assets	187,813,936	1,471,865	195,898,176	2,435,721
Noncurrent assets				
Restricted cash and cash equivalents	837,110			
Accounts receivable, net		3,186,485		5,058,798
Endowment investments	11,374,931	125,980,132	9,332,940	102,354,652
Other investments	275,000	43,396,979		36,598,516
Notes receivable, net	775,676		865,702	
Capital assets, net	659,166,870	2,508,121	647,035,618	2,473,846
Total noncurrent assets	672,429,587	175,071,717	657,234,260	146,485,812
Total assets	860,243,523	176,543,582	853,132,436	148,921,533
DEFERRED OUTFLOWS OF RESOURCES				
	39,585,584		41,790,863	
Total assets and deferred outflows of resources	\$ 899,829,107	\$ 176,543,582	\$ 894,923,299	\$ 148,921,533
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	\$ 24,796,333	\$ 44,660	\$ 24,857,552	\$ 127,626
Accrued workers' compensation, current portion	189,900		178,050	
Accrued vacation costs, current portion	11,699,722		9,778,550	
Revenue bonds and notes payable, current portion	9,267,635		9,902,453	
Unearned revenues	15,297,245	5,056,127	13,276,026	5,208,884
Total current liabilities	61,250,835	5,100,787	57,992,631	5,336,510
Noncurrent liabilities				
Accrued workers' compensation	1,076,100		1,008,950	
Accrued vacation costs	5,296,445		7,265,951	
Endowments invested on behalf of primary government		11,374,931		9,332,940
Revenue bonds and notes payable	147,912,725		130,576,667	
Net pension liability	138,759,800		125,605,831	
Total noncurrent liabilities	293,045,070	11,374,931	264,457,399	9,332,940
Total liabilities	354,295,905	16,475,718	322,450,030	14,669,450
DEFERRED INFLOWS OF RESOURCES				
	33,253,387		38,457,839	
NET POSITION				
Unrestricted	33,401,351	25,373,729	51,885,185	29,265,725
Net investment in capital assets	477,583,392		480,700,815	
Restricted:				
Nonexpendable:				
Scholarships and fellowships	130,474		130,474	
Expendable:				
Loans	1,164,598		1,298,956	
Net assets with donor restrictions		134,694,135		104,986,358
Total net position	512,279,815	160,067,864	534,015,430	134,252,083
Total liabilities, deferred inflows of resources and net position	\$ 899,829,107	\$ 176,543,582	\$ 894,923,299	\$ 148,921,533

**UNIVERSITY OF MARYLAND, BALTIMORE COUNTY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020**

	2021		2020	
	Institution	Component Units	Institution	Component Units
OPERATING REVENUES				
Tuition and fees	\$ 136,290,279		\$ 138,442,614	
Less: scholarship allowances	<u>(28,263,462)</u>	\$ 108,026,817	<u>(26,090,532)</u>	\$ 112,352,082
Federal grants and contracts		43,480,302		43,112,944
State and local grants and contracts		35,732,325		36,198,453
Nongovernmental grants and contracts		17,395,335		13,468,526
Sales and services of educational departments		1,111,757		3,197,993
Auxiliary enterprises:				
Residential facilities	9,071,821		21,887,354	
Less: scholarship allowances	<u>(1,914,244)</u>	7,157,577	<u>(3,601,157)</u>	18,286,197
Dining facilities	3,391,213		10,544,601	
Less: scholarship allowances	<u>(645,053)</u>	2,746,160	<u>(1,857,509)</u>	8,687,092
Intercollegiate athletics		863,575		9,516,584
Bookstore	2,578,487		3,678,988	
Less: scholarship allowances	<u>(3,786)</u>	2,574,701	<u>(3,189)</u>	3,675,799
Parking facilities		35,280		1,549,188
Other auxiliary enterprises revenues		3,903,301		17,757,436
Other operating revenues		<u>14,363,947</u>		<u>17,158,978</u>
Total operating revenues		<u>237,391,077</u>		<u>284,961,272</u>
OPERATING EXPENSES				
Instruction		137,494,914		133,883,912
Research		67,182,070		68,118,895
Public service		21,700,547		21,254,673
Academic support		26,212,207		25,263,177
Student services		21,522,015		24,759,567
Institutional support		44,071,998		42,879,114
Operation and maintenance of plant		49,060,704		47,569,044
Scholarships and fellowships		32,466,283		27,850,755
Auxiliary enterprises:				
Residential facilities		14,159,172		25,939,101
Dining facilities		2,171,085		10,297,559
Intercollegiate athletics		8,895,806		11,390,325
Bookstore		2,641,340		3,791,117
Parking facilities		1,002,178		1,304,770
Other auxiliary enterprises expenses		<u>20,777,760</u>		<u>17,695,504</u>
Total operating expenses		<u>449,358,079</u>		<u>461,997,513</u>
Operating loss		<u>(211,967,002)</u>		<u>(177,036,241)</u>
NONOPERATING REVENUES (EXPENSES)				
State appropriations		150,547,287		146,608,173
Pell grants		16,075,524		15,716,042
Other nonoperating grants		21,795,030		5,349,169
Gifts		6,336	\$ 5,608,420	800
Investment income	3,154,288		2,952,756	\$ 6,723,614
Less: investment expense	<u>(30,349)</u>	3,123,939	<u>(27,014)</u>	1,716,155
Interest on indebtedness		(4,217,254)		2,925,742
Other revenues, (expenses), gains and (losses)		(58,268)		(4,550,700)
Other affiliated foundation revenues			1,833,561	(182,340)
Other affiliated foundation expenses			(11,169,675)	2,266,944
Transfers (to) other University System of Maryland institutions		<u>(2,249,031)</u>		<u>(11,082,034)</u>
Total nonoperating revenues (expenses)		<u>185,023,563</u>	<u>25,815,781</u>	<u>161,043,528</u>
Income (loss) before other revenues		<u>(26,943,439)</u>	<u>25,815,781</u>	<u>(375,321)</u>
OTHER REVENUES				
Capital appropriations		<u>5,207,824</u>		<u>14,857,575</u>
Total other revenues		<u>5,207,824</u>		<u>14,857,575</u>
Increase (decrease) in net position		<u>(21,735,615)</u>	<u>25,815,781</u>	<u>(1,135,138)</u>
Net position - beginning of year		<u>534,015,430</u>	<u>134,252,083</u>	<u>535,150,568</u>
Net position - end of year		<u>\$ 512,279,815</u>	<u>\$ 160,067,864</u>	<u>\$ 534,015,430</u>

**UNIVERSITY MARYLAND, BALTIMORE COUNTY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 107,860,720	\$ 118,072,082
Research contracts and grants	94,292,662	88,075,479
Payments to employees	(277,435,960)	(275,417,605)
Payments to suppliers and contractors	(132,241,737)	(147,625,991)
Loans issued to students	(58,246)	(482,811)
Collection of loans to students	192,602	741,925
Auxiliary enterprises:		
Residential facilities	5,525,831	16,415,803
Dining facilities	2,809,635	8,652,314
Intercollegiate athletics	883,536	9,478,484
Bookstores	2,634,213	3,661,083
Parking facilities	36,095	1,542,986
Other	3,993,521	17,686,345
Other receipts	<u>18,009,317</u>	<u>20,388,376</u>
Net cash provided (used) by operating activities	<u>(173,497,811)</u>	<u>(138,811,530)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	150,547,287	146,608,173
Pell grants	16,075,524	15,716,042
Student direct lending payments	(33,479,784)	(46,554,568)
Student direct lending receipts	33,479,784	46,554,568
Other nonoperating grants	<u>19,282,388</u>	<u>3,203,983</u>
Net cash provided by noncapital financing activities	<u>185,905,199</u>	<u>165,528,198</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds of capital debt	31,899,512	10,806,027
Capital appropriations	7,193,197	14,857,575
Purchases of capital assets	(39,507,668)	(22,353,690)
Principal paid on debt and capital leases	(27,575,581)	(21,832,285)
Interest paid on debt and capital leases	(6,573,144)	(5,835,229)
Transfers from other University System of Maryland institutions	<u>10,764,971</u>	<u>1,087,761</u>
Net cash provided (used) by capital and related financing activities	<u>(23,798,713)</u>	<u>(23,269,841)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	467,229	376,566
Interest on investments	614,719	2,868,784
Investment expense	(30,349)	(27,014)
Purchases of investments	<u>(200,000)</u>	<u></u>
Net cash provided by investing activities	<u>851,599</u>	<u>3,218,336</u>
Net increase (decrease) in cash and cash equivalents	(10,539,726)	6,665,163
Cash and cash equivalents - beginning of year	<u>173,506,017</u>	<u>166,840,854</u>
Cash and cash equivalents - end of year	<u>\$ 162,966,291</u>	<u>\$ 173,506,017</u>

UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE
STATEMENTS OF NET POSITION
JUNE 30, 2021 AND 2020

	<u>2021</u>		<u>2020</u>	
	<u>Institution</u>	<u>Component Units</u>	<u>Institution</u>	<u>Component Units</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ 23,007,696		\$ 21,603,922	
Accounts receivable, net	3,921,672	\$ 3,308	3,067,192	\$ 3,308
Inter-institutional balances	280,735		3,058	
Total current assets	<u>27,210,103</u>	<u>3,308</u>	<u>24,674,172</u>	<u>3,308</u>
Noncurrent assets				
Endowment investments	485,566	4,045,135	394,426	3,409,376
Other investments	50,000	3,706,955	50,000	3,149,900
Capital assets, net	70,244,289	3,549	75,716,054	5,049
Total noncurrent assets	<u>70,779,855</u>	<u>7,755,639</u>	<u>76,160,480</u>	<u>6,564,325</u>
Total assets	<u>97,989,958</u>	<u>7,758,947</u>	<u>100,834,652</u>	<u>6,567,633</u>
DEFERRED OUTFLOWS OF RESOURCES				
	<u>3,836,913</u>		<u>4,054,783</u>	
Total assets and deferred outflows of resources	<u>\$ 101,826,871</u>	<u>\$ 7,758,947</u>	<u>\$ 104,889,435</u>	<u>\$ 6,567,633</u>
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	\$ 1,533,475		\$ 1,116,230	
Accrued workers' compensation, current portion	6,750		12,300	
Accrued vacation costs, current portion	1,835,130		1,783,661	
Revenue bonds and notes payable, current portion	559,150		814,044	
Unearned revenues	637,320		355,998	
Total current liabilities	<u>4,571,825</u>		<u>4,082,233</u>	
Noncurrent liabilities				
Accrued workers' compensation	38,250		69,700	
Accrued vacation costs	1,822,094		1,711,290	
Endowments invested on behalf of primary government		\$ 485,566		\$ 394,426
Revenue bonds and notes payable	5,277,259		5,887,951	
Net pension liability	12,620,580		11,424,765	
Total noncurrent liabilities	<u>19,758,183</u>	<u>485,566</u>	<u>19,093,706</u>	<u>394,426</u>
Total liabilities	<u>24,330,008</u>	<u>485,566</u>	<u>23,175,939</u>	<u>394,426</u>
DEFERRED INFLOWS OF RESOURCES				
	<u>488,175</u>		<u>797,926</u>	
NET POSITION				
Unrestricted	12,559,353	890,057	11,847,170	973,018
Net investment in capital assets	64,449,335		69,068,400	
Restricted:				
Expendable:				
Net assets with donor restrictions		6,383,324		5,200,189
Total net position	<u>77,008,688</u>	<u>7,273,381</u>	<u>80,915,570</u>	<u>6,173,207</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 101,826,871</u>	<u>\$ 7,758,947</u>	<u>\$ 104,889,435</u>	<u>\$ 6,567,633</u>

**UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020**

	2021		2020	
	Institution	Component Units	Institution	Component Units
OPERATING REVENUES				
Federal grants and contracts	\$ 13,083,834		\$ 15,871,205	
State and local grants and contracts	3,789,296		2,612,506	
Nongovernmental grants and contracts	4,437,134		3,949,422	
Sales and services of educational departments	<u>2,987,700</u>		<u>2,664,944</u>	
Total operating revenues	<u>24,297,964</u>		<u>25,098,077</u>	
OPERATING EXPENSES				
Research	51,219,091		49,730,291	
Operation and maintenance of plant	<u>421,664</u>		<u>405,468</u>	
Total operating expenses	<u>51,640,755</u>		<u>50,135,759</u>	
Operating loss	<u>(27,342,791)</u>		<u>(25,037,682)</u>	
NONOPERATING REVENUES (EXPENSES)				
State appropriations	22,751,879		23,615,565	
Other nonoperating grants			59,274	
Gifts		\$ 1,708,143		\$ 1,472,215
Investment income	195,931	907,497	323,310	47,154
Interest on indebtedness	(174,171)		(145,561)	
Other affiliated foundation revenues				1,635
Other affiliated foundation expenses		(1,515,466)		(603,417)
Transfers from other University System of Maryland institutions	<u>662,270</u>		<u>535,308</u>	
Total nonoperating revenues	<u>23,435,909</u>	<u>1,100,174</u>	<u>24,387,896</u>	<u>917,587</u>
Income (loss) before other revenues	<u>(3,906,882)</u>	<u>1,100,174</u>	<u>(649,786)</u>	<u>917,587</u>
OTHER REVENUES				
Capital appropriations			186,471	
Total other revenues			<u>186,471</u>	
Increase (decrease) in net position	(3,906,882)	1,100,174	(463,315)	917,587
Net position - beginning of year	<u>80,915,570</u>	<u>6,173,207</u>	<u>81,378,885</u>	<u>5,255,620</u>
Net position - end of year	<u>\$ 77,008,688</u>	<u>\$ 7,273,381</u>	<u>\$ 80,915,570</u>	<u>\$ 6,173,207</u>

**UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Research contracts and grants	\$ 20,737,106	\$ 24,405,525
Payments to employees	(31,356,237)	(31,783,582)
Payments to suppliers and contractors	(12,297,144)	(14,686,196)
Other receipts	<u>2,758,850</u>	<u>2,852,493</u>
Net cash provided (used) by operating activities	<u>(20,157,425)</u>	<u>(19,211,760)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	22,751,879	23,615,565
Other nonoperating grants		<u>80,237</u>
Net cash provided by noncapital financing activities	<u>22,751,879</u>	<u>23,695,802</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds of capital debt	1,101,021	108,615
Capital appropriations	303,615	186,471
Purchases of capital assets	(954,955)	(2,683,315)
Principal paid on debt and capital leases	(1,888,023)	(815,077)
Interest paid on debt and capital leases	(265,310)	(197,245)
Transfers from other University System of Maryland institutions	<u>408,181</u>	<u>2,192,932</u>
Net cash provided (used) by capital and related financing activities	<u>(1,295,471)</u>	<u>(1,207,619)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	16,343	
Interest on investments	88,448	319,821
Purchases of investments		<u>(50,000)</u>
Net cash provided by investing activities	<u>104,791</u>	<u>269,821</u>
Net increase in cash and cash equivalents	1,403,774	3,546,244
Cash and cash equivalents - beginning of year	<u>21,603,922</u>	<u>18,057,678</u>
Cash and cash equivalents - end of year	<u>\$ 23,007,696</u>	<u>\$ 21,603,922</u>

**UNIVERSITY SYSTEM OF MARYLAND OFFICE
STATEMENTS OF NET POSITION
JUNE 30, 2021 AND 2020**

	<u>2021</u>		<u>2020</u>	
	<u>Institution</u>	<u>Component Units</u>	<u>Institution</u>	<u>Component Units</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ 305,686,302	\$ 114,064	\$ 303,557,715	\$ 70,825
Accounts receivable, net	761,655	202,875	765,307	491,908
Prepaid expenses and other		195,702		84,702
Inter-institutional balances	<u>1,381,237</u>		<u>19,026,751</u>	
Total current assets	<u>307,829,194</u>	<u>512,641</u>	<u>323,349,773</u>	<u>647,435</u>
Noncurrent assets				
Restricted cash and cash equivalents	92,975,608		51,665,328	
Accounts receivable, net		441,051		81,732
Endowment investments	29,602,747	22,550,958	23,873,641	17,226,457
Other investments	3,056,251	146,316,403	468,751	120,807,668
Other assets		471,000		468,000
Capital assets, net	<u>310,198,697</u>	<u>2,630,229</u>	<u>260,622,464</u>	<u>4,333,149</u>
Total noncurrent assets	<u>435,833,303</u>	<u>172,409,641</u>	<u>336,630,184</u>	<u>142,917,006</u>
Total assets	<u>743,662,497</u>	<u>172,922,282</u>	<u>659,979,957</u>	<u>143,564,441</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>9,596,414</u>		<u>9,881,176</u>	
Total assets and deferred outflows of resources	<u>\$ 753,258,911</u>	<u>\$ 172,922,282</u>	<u>\$ 669,861,133</u>	<u>\$ 143,564,441</u>
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	\$ 17,073,885	\$ 1,693,120	\$ 8,127,889	\$ 5,375,880
Accrued workers' compensation, current portion	7,050		7,200	
Accrued vacation costs, current portion	443,339		103,441	
Revenue bonds and notes payable, current portion	9,290,602		4,925,102	
Obligations under capital lease agreements, current portion	88,509		83,335	
Unearned revenues	<u>363,495</u>	<u>1,336,000</u>		<u>1,240,000</u>
Total current liabilities	<u>27,266,880</u>	<u>3,029,120</u>	<u>13,246,967</u>	<u>6,615,880</u>
Noncurrent liabilities				
Accrued workers' compensation	39,950		40,800	
Accrued vacation costs	1,894,143		2,026,204	
Endowments invested on behalf of primary government		29,602,747		23,873,641
Other payables		96,639,162		77,760,568
Revenue bonds and notes payable	76,501,677		53,562,435	
Obligations under capital lease agreements	3,896,780		3,985,289	
Net pension liability	<u>11,371,358</u>		<u>10,175,543</u>	
Total noncurrent liabilities	<u>93,703,908</u>	<u>126,241,909</u>	<u>69,790,271</u>	<u>101,634,209</u>
Total liabilities	<u>120,970,788</u>	<u>129,271,029</u>	<u>83,037,238</u>	<u>108,250,089</u>
DEFERRED INFLOWS OF RESOURCES	<u>8,707,046</u>		<u>9,016,797</u>	
NET POSITION				
Unrestricted	325,738,681	5,621,531	322,513,859	3,583,278
Net investment in capital assets	293,363,925		245,451,104	
Restricted:				
Nonexpendable:				
Scholarships and fellowships	347,604		347,604	
Other	471,330		471,330	
Expendable:				
Capital projects	3,659,537		9,023,201	
Net assets with donor restrictions	<u>38,029,722</u>		<u>31,731,074</u>	
Total net position	<u>623,581,077</u>	<u>43,651,253</u>	<u>577,807,098</u>	<u>35,314,352</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 753,258,911</u>	<u>\$ 172,922,282</u>	<u>\$ 669,861,133</u>	<u>\$ 143,564,441</u>

UNIVERSITY SYSTEM OF MARYLAND OFFICE
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020

	2021		2020	
	Institution	Component Units	Institution	Component Units
OPERATING REVENUES				
Federal grants and contracts	\$ 374,066		\$ 691,386	
Nongovernmental grants and contracts			27,308	
Other operating revenues	<u>2,657,774</u>		<u>1,578,590</u>	
Total operating revenues	<u>3,031,840</u>		<u>2,297,284</u>	
OPERATING EXPENSES				
Academic support	7,182,064		9,403,406	
Institutional support	<u>26,670,620</u>		<u>21,604,924</u>	
Total operating expenses	<u>33,852,684</u>		<u>31,008,330</u>	
Operating loss	<u>(30,820,844)</u>		<u>(28,711,046)</u>	
NONOPERATING REVENUES (EXPENSES)				
State appropriations	43,310,858		40,882,926	
Other nonoperating grants			37,436	
Gifts		\$ 3,715,516		\$ 2,235,890
Investment income	\$ 7,478,097	4,719,939	\$ 7,951,894	(2,603,537)
Less: investment expense	<u>(65,482)</u>	7,412,615	<u>(58,540)</u>	7,893,354
Interest on indebtedness		(3,461,384)		(5,487,280)
Other revenues, (expenses), gains and (losses)		(1,702,182)		(1,427,595)
Other affiliated foundation revenues		5,630,689		4,794,055
Other affiliated foundation expenses		(5,729,243)		(3,020,282)
Transfers (to) from other University System of Maryland institutions		<u>(20,108,037)</u>		<u>13,913,684</u>
Total nonoperating revenues	<u>25,451,870</u>	<u>8,336,901</u>	<u>55,812,525</u>	<u>1,406,126</u>
Income (loss) before other revenues	<u>(5,368,974)</u>	<u>8,336,901</u>	<u>27,101,479</u>	<u>1,406,126</u>
OTHER REVENUES				
Capital appropriations	<u>51,142,953</u>		<u>31,520,105</u>	
Total other revenues	<u>51,142,953</u>		<u>31,520,105</u>	
Increase in net position	45,773,979	8,336,901	58,621,584	1,406,126
Net position - beginning of year	<u>577,807,098</u>	<u>35,314,352</u>	<u>519,185,514</u>	<u>33,908,226</u>
Net position - end of year	<u>\$ 623,581,077</u>	<u>\$ 43,651,253</u>	<u>\$ 577,807,098</u>	<u>\$ 35,314,352</u>

**UNIVERSITY SYSTEM OF MARYLAND OFFICE
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Research contracts and grants	\$ 356,944	\$ 709,555
Payments to employees	(17,129,862)	(16,647,335)
Payments to suppliers and contractors	(10,298,177)	(3,709,107)
Other receipts (payments)	<u>6,569,701</u>	<u>(386,171)</u>
Net cash provided (used) by operating activities	<u>(20,501,394)</u>	<u>(20,033,058)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	43,310,858	40,882,926
Other nonoperating grants		<u>322,566</u>
Net cash provided by noncapital financing activities	<u>43,310,858</u>	<u>41,205,492</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds of capital debt	101,035,085	746,791
Capital appropriations	51,142,953	31,520,105
Purchases of capital assets	(51,166,199)	(38,167,215)
Principal paid on debt and capital leases	(3,707,182)	(6,279,454)
Interest paid on debt and capital leases	(1,494,454)	(7,181,045)
Transfers (to) other University System of Maryland institutions	<u>(72,306,423)</u>	<u>(79,386,370)</u>
Net cash provided (used) by capital and related financing activities	<u>23,503,780</u>	<u>(98,747,188)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	703,044	802,149
Interest on investments	980,561	7,741,255
Investment expense	(65,482)	(58,540)
Purchases of investments	<u>(4,492,500)</u>	<u>952,500</u>
Net cash provided (used) by investing activities	<u>(2,874,377)</u>	<u>9,437,364</u>
Net increase (decrease) in cash and cash equivalents	43,438,867	(68,137,390)
Cash and cash equivalents - beginning of year	<u>355,223,043</u>	<u>423,360,433</u>
Cash and cash equivalents - end of year	<u>\$ 398,661,910</u>	<u>\$ 355,223,043</u>

BOR Finance Committee - Public Session

UNIVERSITY SYSTEM OF MARYLAND
COMBINING STATEMENT OF FINANCIAL POSITION, NONMAJOR COMPONENT UNITS
JUNE 30, 2021

	Bowie State University Foundation, Inc.	Towson University Foundation, Inc.	Frostburg State University Foundation, Inc.	Coppin State University Development Foundation, Inc.	University of Baltimore Foundation, Inc. and University Properties, Inc.	Salisbury University Foundation, Inc.	University of Maryland County Research Park, Inc.	Total Nonmajor Component Units
ASSETS								
Current Assets								
Cash	\$ 2,972,970	\$ 3,832,517	\$ 439,076	\$ 3,282,255	\$ 16,899,141	\$ 2,052,849	\$ 785,038	\$ 30,263,846
Accounts receivable, net		79,019	214,534	480,163	42,645	3,659,250	202,335	4,677,946
Other assets		417,130	14,913	4,331		19,306	102,630	558,310
Total current assets	2,972,970	4,328,666	668,523	3,766,749	16,941,786	5,731,405	1,090,003	35,500,102
Investments								
Endowment investments	36,271,187	102,958,838	31,085,568	11,647,587	68,720,950	96,469,247		347,153,377
Other investments			5,641,914		5,170,919	4,973,163	13,287,300	29,073,296
Total investments	36,271,187	102,958,838	36,727,482	11,647,587	73,891,869	101,442,410	13,287,300	376,226,673
Noncurrent assets								
Accounts receivable, net	2,263,171	2,721,399	948,818		3,987,257	1,580,707		11,501,352
Capital assets, net		142	8,550	206,500	584,846	151,898	2,428,903	3,380,839
Other assets			394,371		79,620	2,123,883		2,597,874
Total noncurrent assets	2,263,171	2,721,541	1,351,739	206,500	4,651,723	3,856,488	2,428,903	17,480,065
Total assets	\$ 41,507,328	\$ 110,009,045	\$ 38,747,744	\$ 15,620,836	\$ 95,485,378	\$ 111,030,303	\$ 16,806,206	\$ 429,206,840
LIABILITIES								
Current liabilities								
Accounts payable & accrued expenses	\$ 759,306	\$ 701,860	\$ 19,353	\$ 75,844	\$ 385,178	\$ 24,987	\$ 46,139	\$ 2,012,667
Long-term debt, current						1,752,486		1,752,486
Unearned revenues			3,025		405,791	251,467	5,056,127	5,716,410
Total current liabilities	759,306	701,860	22,378	75,844	790,969	2,028,940	5,102,266	9,481,563
Noncurrent liabilities								
Other payables			20,878	6,787		2,072,993		2,100,658
Total noncurrent liabilities			20,878	6,787		2,072,993		2,100,658
Total liabilities	759,306	701,860	43,256	82,631	790,969	4,101,933	5,102,266	11,582,221
NET ASSETS								
Without donor restrictions	25,805,836	4,599,785	3,124,035	514,624	8,567,948	13,329,566	11,703,940	67,645,734
With donor restrictions	14,942,186	104,707,400	35,580,453	15,023,581	86,126,461	93,598,804		349,978,885
Total net assets	40,748,022	109,307,185	38,704,488	15,538,205	94,694,409	106,928,370	11,703,940	417,624,619
Total liabilities and net assets	\$ 41,507,328	\$ 110,009,045	\$ 38,747,744	\$ 15,620,836	\$ 95,485,378	\$ 111,030,303	\$ 16,806,206	\$ 429,206,840

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UNIVERSITY SYSTEM OF MARYLAND
COMBINING STATEMENT OF FINANCIAL POSITION, NONMAJOR COMPONENT UNITS
JUNE 30, 2020

	Bowie State University Foundation, Inc.	Towson University Foundation, Inc.	Frostburg State University Foundation, Inc.	Coppin State University Development Foundation, Inc.	University of Baltimore Foundation, Inc. and University Properties, Inc.	Salisbury University Foundation, Inc.	University of Maryland Baltimore County Research Park, Inc.	Total Nonmajor Component Units
ASSETS								
Current Assets								
Cash	\$ 1,845,397	\$ 1,745,618	\$ 377,423	\$ 3,825,682	\$ 11,965,124	\$ 1,832,380	\$ 685,433	\$ 22,277,057
Accounts receivable, net	94,139	82,630	674,448	24,683	4,241,959	259,421	5,377,280	5,377,280
Other assets	308,027	19,626	143,066		28,784		100,024	599,527
Total current assets	1,845,397	2,147,784	479,679	4,643,196	11,989,807	6,103,123	1,044,878	28,253,864
Investments								
Endowment investments	8,872,726	81,955,775	24,146,864	8,622,460	50,278,865	68,611,809		242,488,499
Other investments		3,799,934			6,388,563	3,970,531	11,098,152	25,257,180
Total investments	8,872,726	81,955,775	27,946,798	8,622,460	56,667,428	72,582,340	11,098,152	267,745,679
Noncurrent assets								
Accounts receivable, net	450,176	2,343,785	1,148,075		4,845,744	2,003,677		10,791,457
Capital assets, net		993	33,000	169,700	593,344	164,566	2,473,846	3,435,449
Other assets			380,271		61,084	2,129,014		2,570,369
Total noncurrent assets	450,176	2,344,778	1,561,346	169,700	5,500,172	4,297,257	2,473,846	16,797,275
Total assets	\$ 11,168,299	\$ 86,448,337	\$ 29,987,823	\$ 13,435,356	\$ 74,157,407	\$ 82,982,720	\$ 14,616,876	\$ 312,796,818
LIABILITIES								
Current liabilities								
Accounts payable & accrued expenses	\$ 347,534	\$ 773,653	\$ 22,249	\$ 115,491	\$ 407,936	\$	\$ 128,126	\$ 1,794,989
Long-term debt, current			220		707,099	\$ 1,857,286		1,857,286
Unearned revenues						22,788	5,208,884	5,938,991
Total current liabilities	347,534	773,653	22,469	115,491	1,115,035	1,880,074	5,337,010	9,591,266
Noncurrent liabilities								
Other payables			44,923	144,233		1,700,144		1,889,300
Long-term debt, noncurrent								
Total noncurrent liabilities			44,923	144,233		1,700,144		1,889,300
Total liabilities	347,534	773,653	67,392	259,724	1,115,035	3,580,218	5,337,010	11,480,566
NET ASSETS								
Without donor restrictions	623,309	3,450,755	2,498,857	347,188	7,260,218	7,690,048	9,279,866	31,150,241
With donor restrictions	10,197,456	82,223,929	27,421,574	12,828,444	65,782,154	71,712,454		270,166,011
Total net assets	10,820,765	85,674,684	29,920,431	13,175,632	73,042,372	79,402,502	9,279,866	301,316,252
Total liabilities and net assets	\$ 11,168,299	\$ 86,448,337	\$ 29,987,823	\$ 13,435,356	\$ 74,157,407	\$ 82,982,720	\$ 14,616,876	\$ 312,796,818

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BOR Finance Committee - Public Session

UNIVERSITY SYSTEM OF MARYLAND
COMBINING STATEMENT OF ACTIVITIES, NONMAJOR COMPONENT UNITS
YEAR ENDED JUNE 30, 2021

	Bowie State University Foundation, Inc.	Towson University Foundation, Inc.	Frostburg State University Foundation, Inc.	Coppin State University Development Foundation, Inc.	University of Baltimore Foundation, Inc. and University Properties, Inc.	Salisbury University Foundation, Inc.	University of Maryland Baltimore County Research Park, Inc.	Total Nonmajor Component Units
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS								
Revenues								
Contributions & grants	25,000,000	\$ 403,547	\$ 157,560	\$ 104,136	\$ 224,336	\$ 443,067	\$ 195,200	\$ 26,527,846
Investment income	\$ 152,238	1,101,181	554,363	3,890	1,242,981	2,069,707	2,360,013	7,484,373
Other income	127,150	1,033	8,538	145,568	3,918	159,769	1,769,972	2,215,948
Assets released from restrictions	1,234,966	5,621,662	1,946,476	1,416,450	4,234,975	3,683,529		18,138,058
Total revenues	26,514,354	7,127,423	2,666,937	1,670,044	5,706,210	6,356,072	4,325,185	54,366,225
Expenses								
Program	980,621	4,909,824	1,793,254	1,416,450	3,661,687	3,059,817	476,285	16,297,938
General & administrative	173,401	700,021	248,505	85,337	554,210	616,078	227,543	2,605,095
Fundraising	94,945	368,548		821	162,583	245,881		892,778
Other expense							1,197,283	1,197,283
Total expenses	1,248,967	5,978,393	2,041,759	1,502,608	4,398,480	3,921,776	1,901,111	20,993,094
Change in net assets without donor restrictions	25,265,387	1,149,030	625,178	167,436	1,307,730	2,434,296	2,424,074	33,373,131
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS								
Contributions & grants	3,850,392	8,161,365	3,266,485	1,107,380	8,817,934	3,907,616		29,111,172
Investment income	1,961,970	19,582,349	6,652,370	2,448,793	15,745,042	24,839,347		71,229,871
Other income	84,474	361,419	186,500	55,414	16,306	28,138		732,251
Assets released from restrictions	(1,234,966)	(5,621,662)	(1,946,476)	(1,416,450)	(4,234,975)	(3,683,529)		(18,138,058)
Change in net assets with donor restrictions	4,661,870	22,483,471	8,158,879	2,195,137	20,344,307	25,091,572		82,935,236
Total change in net assets	29,927,257	23,632,501	8,784,057	2,362,573	21,652,037	27,525,868	2,424,074	116,308,367
Net assets - beginning of year	10,820,765	85,674,684	29,920,431	13,175,632	73,042,372	79,402,502	9,279,866	301,316,252
Net assets - end of year	\$ 40,748,022	\$ 109,307,185	\$ 38,704,488	\$ 15,538,205	\$ 94,694,409	\$ 106,928,370	\$ 11,703,940	\$ 417,624,619

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BOR Finance Committee - Public Session

UNIVERSITY SYSTEM OF MARYLAND
COMBINING STATEMENT OF ACTIVITIES, NONMAJOR COMPONENT UNITS
YEAR ENDED JUNE 30, 2020

	Bowie State University Foundation, Inc.	Towson University Foundation, Inc.	Frostburg State University Foundation, Inc.	Coppin State University Development Foundation, Inc.	University of Baltimore Foundation, Inc. and University Properties, Inc.	Salisbury University Foundation, Inc.	University of Maryland Baltimore County Research Park, Inc.	Component Units No Longer Reported	Total Nonmajor Component Units
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS									
Revenues									
Contributions & grants		\$ 381,114	\$ 175,596	\$ 70,487	\$ 109,809	\$ 159,971	\$ 192,973		\$ 1,089,950
Investment income	\$ 5,021	567,632	41,588	5,845	189,263	141,421	294,971		1,245,741
Other income (loss)	119,245	782	25,344	141,934	4,436	1,122,909	1,802,244		3,216,894
Assets released from restrictions	1,155,900	5,777,868	2,206,018	1,089,484	3,800,572	3,485,406			17,515,248
Total revenues	1,280,166	6,727,396	2,448,546	1,307,750	4,104,080	4,909,707	2,290,188		23,067,833
Expenses									
Program	1,029,516	5,258,183	2,061,522	1,088,913	3,194,831	3,416,904	501,851		16,551,720
General & administrative	219,128	659,826	342,592	101,024	605,337	2,018,396	185,240		4,131,543
Fundraising	26,188	711,301		2,778	259,895	233,820			1,233,962
Other expense							1,168,535		1,168,535
Total expenses	1,274,832	6,629,310	2,404,114	1,192,715	4,060,063	5,669,120	1,855,626		23,085,780
Change in net assets without donor restrictions	5,334	98,086	44,432	115,035	44,017	(759,413)	434,562		(17,947)
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS									
Contributions & grants	1,276,430	3,297,966	1,437,233	1,175,591	5,272,377	4,102,025			16,561,622
Investment income	59,243	1,972,188	232,996	109,519	878,653	(1,888,878)			1,363,721
Other income	107,330	976,237	328,346	115,388	58,326	94,207			1,679,834
Assets released from restrictions	(1,155,900)	(5,777,868)	(2,206,018)	(1,089,484)	(3,800,572)	(3,485,406)			(17,515,248)
Change in net assets with donor restrictions	287,103	468,523	(207,443)	311,014	2,408,784	(1,178,052)			2,089,929
Total change in net assets	292,437	566,609	(163,011)	426,049	2,452,801	(1,937,465)	434,562		2,071,982
Net assets - beginning of year	10,528,328	85,108,075	30,083,442	12,749,583	70,589,571	81,339,967	8,845,304	\$ 18,209,502	317,453,772
Change in reporting entity								(18,209,502)	(18,209,502)
Net assets - end of year	\$ 10,820,765	\$ 85,674,684	\$ 29,920,431	\$ 13,175,632	\$ 73,042,372	\$ 79,402,502	\$ 9,279,866		\$ 301,316,252

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UNIVERSITY SYSTEM OF MARYLAND**NOTES TO SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2021 AND 2020****ACCOUNTING AND REPORTING PRACTICES****Supplementary data reporting units**

University System of Maryland Office (System Office), composed of the offices of the Chancellor and Vice Chancellors and their respective staffs, provides central executive and administrative services and supports and coordinates the efforts of the entire System. The expenses incurred in connection with these activities are reported on the financial records of the System Office.

Facilities maintenance expenses

Certain expenses for facilities management for the System Office and the University of Maryland Global Campus are included in the financial records of University of Maryland, College Park.

System-wide financing arrangements

The System constructs, acquires, and renovates plant facilities using the proceeds of Revenue Bonds and other financing arrangements. The proceeds of System-wide financing arrangements are used in accordance with Board authorizations, which specify the projects for which the funds are to be used. Unexpended proceeds and a proportionate share of the outstanding debt obligation are reported on the financial records of the System Office.

Institutions are obligated to provide a proportionate share of the principal and interest payments attributable to auxiliary enterprises projects financed using the proceeds of System-wide financing arrangements. Currently, each instructional institution, with the exception of the University of Maryland Global Campus, provides a portion of the debt service attributable to academic facilities. To the extent that an instructional institution provides (or receives) resources for debt service for academic facilities (and the proportionate share of the outstanding debt obligation) recorded on another System institution or unit, such amounts are reported as a Transfer To / (From) Other University System of Maryland Institutions on the Statement of Revenues, Expenses, and Changes in Net Position.

Component Unit information included in Supplementary Information Institutional Financial Statements

The System provides supplementary information financial statements for each System institution that reflect the financial information for each System institution, along with financial information reported by component units that have received assets for the benefit of the institution.

All but one affiliated foundation reported as component units perform fundraising for the benefit of a single, unique System institution. The University System of Maryland Foundation, Inc. (USMF), which performs investment management activities on behalf of the System, as well as other affiliated foundations reported as component units, is the lone affiliated foundation that holds assets received for the benefit of multiple System institutions.

The component unit information reported in supplementary information financial statements for System institutions is made up of the financial statement information from institution-specific affiliated foundations recognized as component units, and an allocation of financial statement balances and activity for the USMF. The allocation of balances and activity of the USMF is based on the proportionate amounts of assets held by the USMF for the benefit of each System institution.

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Regents
University System of Maryland
Adelphi, Maryland

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of the University System of Maryland (the System), as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the System's basic financial statements, and have issued our report thereon dated December 8, 2021. Our report includes a reference to other auditors who audited the financial statements of the University System of Maryland Foundation, Inc., the University of Maryland College Park Foundation, Inc., the University of Maryland Baltimore Foundation, Inc. Bowie State University Foundation, Inc., Towson University Foundation, Inc., Frostburg State University Foundation, Inc., Coppin State University Development Foundation, Inc., University of Baltimore Foundation, Inc. and University Properties, Inc., Salisbury University Foundation, Inc., the University of Maryland Baltimore County Research Park Corporation, Inc. and UMUC Ventures, Inc. and Subsidiaries, as described in our report on the University System of Maryland's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

The financial statements of the University System of Maryland Foundation, Inc., the University of Maryland College Park Foundation, Inc., the University of Maryland Baltimore Foundation, Inc. Bowie State University Foundation, Inc., Towson University Foundation, Inc., Frostburg State University Foundation, Inc., Coppin State University Development Foundation, Inc., University of Baltimore Foundation, Inc. and University Properties, Inc., Salisbury University Foundation, Inc., the University of Maryland Baltimore County Research Park Corporation, Inc. and UMUC Ventures, Inc. and Subsidiaries were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the System's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, we do not express an opinion on the effectiveness of the System's internal control.



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Board of Regents
University System of Maryland

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the System's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the System's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Baltimore, Maryland
December 8, 2021



TOPIC: University System of Maryland: FY 2022 & FY 2023 Operating Budget Update

COMMITTEE: Finance Committee

DATE OF COMMITTEE MEETING: February 3, 2022

SUMMARY: A brief update will be provided on the current status of the USM operating budget as presented in the FY 2023 Governor’s Allowance.

The USM budget includes revenues from state appropriations, tuition and fees, auxiliary services, federal and other contract and grants, and other revenues for a total budget of \$6.2 billion.

- Governor’s Proposal:
 - \$1.67 billion—combination of the General Fund, Higher Education Investment Fund and Cigarette Restitution Fund
 - Represents a net increase of \$172 million or 11.5 percent over the FY 2022 appropriation
 - An additional \$198 million for Cost of Living (COLA) and merit salary adjustments is included in the DBM Personnel Budget (until such time the state budget is finalized and approved by the Legislature)
- Projected Tuition Increase:
 - Tuition is assumed at 2% for resident undergraduate students; 5% for nonresident undergraduates
- Highlights of USM’s Budget:
 - \$93.8 million reinstatement of full Board of Public Works cut from FY21
 - \$26.7 million funding for legislative mandates and other initiatives
 - \$25.3 million increase related to fringe benefit rate adjustments
 - \$22.3 million increase for HBCU required under HB 1
 - \$3.7 million increase to fund operating expenses for new USM facilities

ALTERNATIVE(S): This item is presented for information purposes.

FISCAL IMPACT: This item is presented for information purposes.

CHANCELLOR’S RECOMMENDATION: This item is presented for information purposes.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923



**UNIVERSITY SYSTEM
of MARYLAND**

The Governor has proposed state support for the USM totaling \$1.67 billion, coming from the General Fund, the Higher Education Investment Fund and the Cigarette Restitution Fund. This represents an increase of \$172 million—or 11.5%—over the FY 2022 appropriation.

Included in the DBM Personnel Budget are statewide Cost of Living and merit salary adjustments for all state employees of which USM is estimated to receive an additional \$198 million (if approved by the General Assembly).

This budget is based on a planning assumption of tuition increases of 2% resident and 5% nonresident undergraduates; we recognize the universities will come forward with proposals and the Board will vote on any tuition increases in the spring.

- **\$93.8 million full restoration of the Board of Public Works reduction**
- **\$26.7 million funding for legislative mandates and other initiatives**
 - \$12 million increase for SB 943 MD Strategic Partnership Act
 - \$7 million increase for HB 173 Clinical Care funding at UMB
 - \$2.5 million in one-time funding for the UMB Miller Center
 - \$2.4 million increase to honor commitment to SB 897 for MPower Joint Steering Council
 - \$1.5 million increase for HB 940 Center for Data Analytics & Sports Gaming at BSU
 - \$500 thousand increase for UMBC MD Institute for Innovative Computing
 - \$400 thousand for UBalt Schaefer Center for Public Policy
 - \$250 thousand to fund SB 526 Legal Education Success Collaborative with UMB and UBalt
 - \$200 thousand increase for the UMCP Small Business Development Center
- **\$25.3 million increase related to statewide fringe benefit rates and other adjustments**
- **\$22.3 million required under HB 1 for HBCU legal settlement**
- **\$3.7 million to fund operating expenses for new USM facilities**
 - \$1.2 million to support UMES Pharmacy & Health Professions building
 - \$890,000 to support FSU Education and Health Sciences Center
 - \$670,000 to support CSU Percy Julian Science building
 - \$650,000 to support UMCP School of Public Policy
 - \$240,000 to support the USM Southern Maryland Regional Higher Education Center

During the course of the legislative session, adjustments are recommended to the Governor’s budget in order to fund other/additional legislative priorities. The USM community works together to minimize any recommended reductions or reallocations of the proposed USM budget in the Governor’s Allowance.

Following the legislative session, the final USM operating budget and recommended tuition action items will be submitted to the Board for its consideration in April/May.

University System of Maryland
 FY 2023 State Funding Control Totals -Governor's Allowance

Table 1

	FY22 Appropriation State Funds	FY23 Budget Request			Allowance Increases				FY23 Gov Allowance State Funds	FY23 State Funding in DBM Personnel Budget for Salary Increments	Estimated Increase including Salary Increments	
		New Facilities Operating	Legislative Mandates and Other Initiatives	Total State Funds	Full Reinstatement of BPW cut	HBCU Legal Settlement	Fringes & Controlled Subobjects	Other Initiatives			Dollars	% Increase
UMB	\$247,751,378		\$10,625,000	\$258,376,378	\$14,159,389		\$3,562,421	\$2,500,000	\$278,598,188	\$33,985,638	\$64,832,448	26.2%
UMCP	564,124,077	650,139	3,700,000	568,474,216	41,017,666		10,116,957	-	619,608,839	84,111,066	139,595,828	24.7%
BSU	47,974,032		1,500,000	49,474,032	2,239,252	10,572,037	774,561	-	63,059,882	5,882,584	20,968,434	43.7%
TU	138,396,191		2,155,735	140,551,926	6,536,532		3,616,950	-	150,705,408	20,037,892	32,347,109	23.4%
UMES	45,487,454	1,221,581		46,709,035	2,852,502	6,103,444	693,812	-	56,358,793	4,649,199	15,520,538	34.1%
FSU	43,536,609	890,313		44,426,922	2,842,479		456,456	-	47,725,857	4,353,470	8,542,718	19.6%
CSU	46,635,106	669,874		47,304,980	2,692,806	5,666,728	760,928	-	56,425,442	4,054,720	13,845,056	29.7%
UBalt	42,184,136		125,000	42,309,136	3,369,866		893,463	400,000	46,972,465	6,306,689	11,095,018	26.3%
SU	59,537,145		974,537	60,511,682	3,343,256		1,787,968	-	65,642,906	8,300,404	14,406,165	24.2%
UMGC	42,717,428			42,717,428	3,610,405		601,506	-	46,929,339	6,064,504	10,276,415	24.1%
UMBC	153,369,986		4,269,728	157,639,714	6,113,934		2,130,588	500,000	166,384,236	16,340,068	29,354,318	19.1%
UMCES	22,181,223			22,181,223	1,793,565		119,216	-	24,094,004	1,602,517	3,515,298	15.8%
USMO	19,738,590	239,229		19,977,819	1,466,485		109,216	-	21,553,520	1,737,745	3,552,675	18.0%
USG	22,146,317			22,146,317	1,803,939		(275,303)	-	23,674,953	828,099	2,356,735	10.6%
USM total	\$1,495,779,672	\$3,671,136	\$23,350,000	\$1,522,800,808	\$93,842,076	\$22,342,209	\$25,348,739	\$3,400,000	\$1,667,733,832	\$198,254,595	\$370,208,755	24.8%

Legislative Mandates and other Initiatives:	
12,000,000	SB943 MD Strategic Partnership
7,000,000	HB173 UMB Clinical Care Funding
2,500,000	UMB Miller Center for Democracy and the Law
2,400,000	SB897 MPower Steering Committee
1,500,000	HB940 Center for Data Analytics and Sports Gaming
500,000	UMBC MD Institute for Innovative Computing
250,000	SB526 Legal Education Success Collaborative
200,000	UMCP Small Business Development Center



TOPIC: University System of Maryland: FY 2023 Capital Budget Update

COMMITTEE: Finance Committee

DATE OF COMMITTEE MEETING: February 3, 2022

SUMMARY: A brief update will be provided on the current status of the USM capital budget as presented in the FY 2023 Governor’s Budget. The Governor’s FY 2023-27 Capital Improvement Program and the resulting State CIP include a number of added project funds with no reductions or deferrals.

- Governor’s Proposal:
 - The five-year total is \$1.24 billion—combination of General Obligation Bonds, Academic Revenue Bonds (\$150 million), and General Fund Paygo (\$65 million)
 - The total increase (when compared with the Board’s request) over the five years of the plan is \$217.7 million
 - Some projects include “non-budgeted funds” (NBF) contributions from sources such as donors and institutions funds
 - The attached summary spreadsheet details the Board’s request and the Governor’s proposal
- Projects advanced by the Governor this cycle:
 - UMCP Interdisciplinary Engineering Building (1 year)
 - UMBC Sherman Hall Renovation (2 years)
- Projects added by the Governor:
 - UMB Social Work Replacement Bldg (total \$122M in GO Bonds)
 - CSU Residence Hall (\$18M total State portion)
 - FSU Facilities Renewal (\$10M in GO Bonds)
 - USM System-wide Capital Facilities Renewal Program (\$65M in Paygo General Funds)
 - Construction cost adjustments on some projects based on market impacts on cash flow

ALTERNATIVE(S): This item is presented for information purposes.

FISCAL IMPACT: This item is presented for information purposes.

CHANCELLOR’S RECOMMENDATION: This item is presented for information purposes.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923

UNIVERSITY SYSTEM OF MARYLAND CIP REQUEST
USM FIVE-YEAR FY2023-2027 CAPITAL IMPROVEMENT PROGRAM - \$'000'S
 Revised 1/20/22

STATE FUNDING ONLY (GO Bonds, GF Paygo, and ARBs) EXCEPT AS SHOWN

INSTN	PROJECTS	BOARD REQUEST (PER CBIS), JUNE 2021					Project Total (if fully funded, incl. NBF)	GOVERNOR'S CIP, JANUARY 2022					Project Total (if fully funded, incl. NBF)	NOTES					
		NBF/Cash	Prior State Funding	FY2023	FY2024	FY2025		FY2026	FY2027	NBF/Cash	Prior State Funding	FY2023			FY2024	FY2025	FY2026	FY2027	
UMB	Central Elec Substation and Redund	3,000	49,864	15,048 CE	8,797 CE	6,259 CE		82,968	3,000	49,864	16,138 CE	10,429 CE	3,537 CE			82,968			
UMB	Replace School of Social Work Bldg		2,500	SUPPLEMENTAL REQUEST							2,500	2,500 P	2,985 P	38,344 PC	60,113 CE	15,220 CE	121,662	1	
UMCP	Chemistry Building Wing 1 Repl	16,500	57,553	53,817 CE	7,030 CE			134,900	16,500	57,553	57,817 CE	9,430 CE				141,300			
UMCP	Campuswide Bldg Syst and Infr Imprv		65,000	2,500 PCE	12,500 PCE	12,500 PCE	12,500 PCE	Ongoing		65,000	5,000 PCE	12,500 PCE	12,500 PCE	12,500 PCE	12,500 PCE	120,000	2		
UMCP	Interdisciplinary Engineering Bldg	55,000	4,000	ACCEL REQ	11,000 P	48,000 PC	48,150 C	45,000 CE	211,150	55,000	4,000	7,000 PC	29,515 PC	64,485 CE	45,000 CE	205,000	3		
BSU	Replace MLK Comm Arts & Hum Bldg		14,800	44,703 CE	77,094 CE	18,061 C		154,658		3,000	14,800	73,247 CE	63,598 CE	7,272 CO		161,917	4		
TU	Health Professions Building	272	62,387	80,530 PC	41,470 CE	(FY23 figure includes NBF)		184,659	272	62,387	88,695 PC	33,305 CE				184,659			
TU	Visual & ComTech (Smith Hall Renov)		0	3,894 P	4,895 P	63,187 PCE	61,055 CE	133,031		0	6,066 P	2,970 P	61,162 PCE	62,833 CE		133,031			
UMES	Pharmacy and Health Professions		96,566	8,173 E				104,739		96,566	8,173 E					104,739			
UMES	Flood Mitigation (USM ARBs)		11,008	2,192 CE				13,200		11,008	2,192 C					13,200			
FSU	Facilities Renewal			NO REQUEST								10,000 PC				10,000	5		
CSU	Percy Julian Renovation for Coll Bus			NO REQUEST							43,333	2,500 C				45,833	6		
CSU	Student Housing (State Funds Shown)		3,000	SUPPLEMENTAL REQUEST						38,441	3,000	864 P		14,136 PC		56,441	9		
SU	Blackwell Hall Renovation		0	1,800 P	2,424 P	19,500 PC	24,129 CE	47,853		0	1,940 P	2,371 P	19,406 PC	24,267 CE		47,984			
UMBC	Sherman Hall Renovation		7,000				42,739 PC	47,294 CE	97,033		7,000	1,866 P	23,839 C	20,841 CE	34,850 CE	88,416	7		
UMCES	Chesapeake Analytics Collab Bldg		1,448	10,491 PC	7,201 CE	ACCELERATION REQUESTED		19,140		1,448	9,389 PC	8,303 CE				19,140			
USM	Systemwide Fac Renewal Program*	TBD		22,808 PCE	25,000 PCE	40,000 PCE	40,000 PCE	40,000 PCE	167,808	TBD		90,308 PCE	25,000 PCE	40,000 PCE	40,000 PCE	45,000 PCE	240,308	8	
INCL ANNUAL \$30M ARB CONTRIBUTION			TOTALS	245,956	197,411	207,507	228,573	144,794			TOTALS	383,715	224,245	281,683	279,563	72,720			
								FIVE YEAR TOTAL (BASE ONLY)	1,024,241									FIVE YEAR TOTAL (BASE ONLY)	1,241,926
								*FR funds: All USM ARBs except \$15M GO Bonds each in FY25-27										*FR funds: All USM ARBs except \$65M Paygo in FY23; \$15M GO Bonds each in FY25 & 26; \$20M in FY27	

PROJECT NOTES

- 1 UMB Social Work Replacement Bldg ADDED to CIP
- 2 UMCP Campuswide Infrastructure: ARB funds applied: \$2.5M in FY23; \$5M in FY24-27
- 3 UMCP Interdisciplinary Engineering Building ADVANCED 1 year
- 4 BSU Humanities (MLK Replacement): \$3M of FY25 State appropriation repays a bridge loan of \$3M in non-budgeted (institutional) funding
- 5 FSU Facilities Renewal ADDED to CIP
- 6 CSU Percy Julian Renovation for College of Business: \$2.5M added for construction costs
- 7 UMBC Sherman Hall Renovation ADVANCED 2 years
- 8 USM Systemwide Capital Facilities Renewal Program: \$65M in Paygo General Funds in the Dedicated Purpose Account that will be available as institutions are ready to spend them
- 9 CSU Residence Hall: \$15M new State Funds provided for project for \$18M total State contribution (balance is USM Auxiliary Bonds)



TOPIC: University System of Maryland: Review of Capital Improvement Projects and Brief Update on the Construction Cost Management Task Force

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: February 3, 2022

SUMMARY: This report provides information on the status of capital improvement projects systemwide. Included are contract awards, completions, and detailed project schedules. The attached report reflects activity for the twelve-month period starting December 1, 2020 and ending November 30, 2021. The attached also includes a summary sheet highlighting key facilities milestones for the same time period.

This discussion of capital project issues also provides an opportunity for a brief update on the activities and future plans of the Board’s Construction Cost Management Task Force. The Task Force was established in April, 2021 and given the charge to review current practices, policies and procedures related to construction project delivery and related procurements—particularly those that impact project costs and schedules—and discuss recommendations for improvements to those processes where they make sense.

The group has met twice, once in late June and again in November. The members of the Task Force discussed in some detail the project management processes utilized by the two USM Project Service Centers. The next meeting of the Task Force will focus on project origination and programming. It is this early planning and budgeting stage—well before design begins—where the Task Force believes there may be important impacts made on project costs. The Task Force will discuss questions like: Who makes decisions regarding the size, scope and quality of buildings? Who scrutinizes these decisions and who approves them? What checks and balances are used to help mitigate the budgetary impacts of those decisions? The Task Force will provide updates at future Committee meetings as appropriate.

ALTERNATIVE(S): This is an information item.

FISCAL IMPACT: 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



SUMMARY: USM PROJECT STATUS REPORT ON MAJOR CONSTRUCTION PROJECTS
AS OF NOVEMBER 30, 2021

This report provides information on major (\$1M or larger) capital projects System-wide, excluding maintenance and energy performance contracts. Projects are funded through a variety of sources: State capital and operating funds, including facilities renewal; internal funding through the System Funded Construction Program (SFCP); private funds; and federal grants. This report is a summary of contract awards, project completions and project schedules for the seven-month period beginning Dec 1, 2020 and ending November 30, 2021.

CAMPUS FACILITIES HIGHLIGHTS:

At any given time, there are as many as \$2-2.5 billion worth of projects in design or construction System-wide. The State estimates that represents nearly 4,500 full-time positions supported in the Maryland economy. From concept and budget through ribbon cutting, the goal of the USM Capital Program is to provide the most advanced, effective facilities and deliver them in the most efficient, cost-effective way.

It is important to add that, over the last decade or so, nearly 80 of these projects have been certified by the US Green Building Council as LEED "Silver" or "Gold" (or higher!). During the same timeframe, institutions have made significant progress toward reductions in energy use and have logged a 34% reduction in greenhouse gas emissions. Facilities highlights for 2021 include:

- Towson University opened its largest academic building so far, the new \$202M Science Building in early 2021.
- Towson also broke ground on its New College of Health Professions in October.
- Bowie State University opened a new Entrepreneurship Living Learning Community—a public/private partnership—that provides houses 557 students and provides space for faculty and students working on business start-ups.
- In April, at University of Maryland, College Park, the renovated facility formerly named the William P. Cole Jr. Student Activities Building or Cole Field House, was renamed in honor of Billy Jones and Darryl Hill, the first Black men to integrate basketball and football at Maryland, respectively.
- Over the summer, the College Park campus also wrapped up a major renovation of its Chemistry Building, and broke ground on a major new Chemistry Building Wing Replacement project.
- In October, the innovative "SMART" Building at the USM Southern Maryland Center opened with a robot-assisted ribbon cutting.
- UMBC opened its Center for Well-Being at UMBC—a building that's a "first" for the System. The following video underscores the unique nature of this facility: <https://youtu.be/JmEpaX6U-6I>

ONGOING PROJECTS:

As of November 30, 2021, there are a total of 74 major projects System-wide either pending design, or in design or construction, that are managed by the service centers or delegated to the institutions. The attached information includes schedules and project data for ongoing activities, including the following new projects. A list of completed or cancelled projects (from the last report) is also added below.

NEW PROJECTS ADDED TO LIST (PRE-PLANNING AND DESIGN):

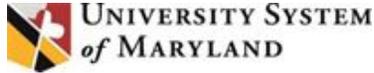
Campus	Project Name	Architect/Engineer or TBD Name (State Abbrev)	Project Cost Est Total Proj
UMB	Howard Hall 4 th Floor Lab Renovations	Design Collective (MD)	\$1,500,000
BSU	Robinson Hall	Jeffrey Brown Contracting (MD)	\$4,200,000
FSU	Challenger Center	TBD	\$6,000,000
SU	Guerrieri Center Renovation	TBD	\$39,500,000
UMCP	Campus Farm Upgrades Phases I, II, III	TBD	\$22,100,000
UMCP	Cole Head House Renovation	TBD	\$1,450,382
UMCP	ERC Natatorium Pump Room Renovation	TBD	\$2,000,000
UMCP	Field Hockey/Lacrosse Complex Renov	Jeffrey Brown Contracting (MD)	\$4,800,000
UMCP	Interdisciplinary Engineering Building	Whiting Turner (MD)	\$205,000,000
UMCP	Jimenez Hall, S Wing-2,3,4 Floor - HVAC	Henry Adams (MD)	\$3,000,000
UMCP	Toll Physics Bldg. - AHUs 13, 14, 15	Kibart (MD)	\$1,610,000
UMCP	Maryland Stadium Videoboard	Daktronics, Inc.	\$15,000,000
UMCP	Miller Building Ground Floor Renovation	Whitman Requardt Assoc (MD)	\$1,730,000
UMCP	Quantum Advanced Computing Infrastr	TBD	\$10,000,000
UMCP	School of Public Health Bldg Roof Repl	TBD	\$3,000,000
UMCP	Stadium Drive Garage Renovations	Rummel Klepper & Kahl (MD)	\$1,790,000
UMCP	Track & Field	A. Morton Thomas Assoc (MD)	\$6,400,000
UMCP	Woods Hall HVAC Renovation	Henry Adams LLC (MD)	\$5,000,000
UMES	Nuttle Hall Renovation	TBD	\$10,800,000
TU	Practice Field Improvements, Phase II	ASG Architects Phase 2	\$4,900,000
		Total	\$349,780,382

PROJECTS COMPLETED* [OR CANCELLED] AND REMOVED FROM LIST:

Campus	Project Name	Construction Mgr/Contractor Name (State Abbrev)	Project Cost
UMB	Renovate 121 N. Greene St. (\$8M)	Project Cancelled	\$0
UMB	Emergency Exit Upgrades (\$2.3M)	Project Cancelled	\$0
UMB	HSFII Fire Alarm System Renewal	MC Dean (MD)	\$1,900,000
UMB	108 N. Greene Street Chiller Extension	Denver-Elek (MD)	\$1,800,000
UMB	School of Medicine Comp Air & Central Vac	Combined w/other	n/a
UMB	Howard Hall teaching pods	Brauner (MD)	\$1,300,000
UMB	School of Pharm HVAC Fan Coil Units/Piping	Emjay (MD)	\$1,200,000
UMBC	Hillside/Terrace Systems Upgrade	Brown, BoMark; Whiting Turner (MD)	\$9,706,998
UMBC	Center for Well Being (Health & Counseling Ctr)	Modlogiq (PA) and Whiting Turner (MD)	\$17,034,250
TU	New Science Building	Whiting Turner (MD)	\$202,000,000
BSU	Marshall Library HVAC Improvements, Ph 1	Rich Moe Ent (MD)	\$4,900,000
SU	Center for Entrepreneurship	Harper (MD)	\$4,600,000
SU	Maggs Natatorium Renovation	Whiting Turner (MD)	\$10,000,000
SU	New Residence Complex (\$86.5M)	Project Postponed	\$0
SU	New Student Recreation Ctr (\$66M)	Project Postponed	\$0
UMCP	Chemistry Renovation, Wings 2, 3, and 5	Kinsley (MD)	\$14,908,688
UMCP	John S. Toll Bldg Infrastructure Piping	WL Gary Co (DC)	\$4,000,000
UMCP	John S. Toll Physics Bldg. 2nd Floor Classrooms	Kalmia (MD)	\$3,618,362
UMCP	McKeldin Mall Landscape Renewal/Enhance	J Vinton Shafer (MD)	\$2,254,000
UMCP	Animal Sciences Wing 2 Bldg. Renovation	Jeffrey Brown (MD)	\$2,267,775
UMCP	Toll Physics Bldg. - Lab 1322 & AHU Repl	WL Gary Co (DC)	\$1,792,282
UMCP	Toll Physics Bldg. - 4 th Floor ACES	North Point (MD)	\$1,525,000
UMCP	Toll Bldg. 4th Floor Wing 3 West end Renov	WL Gary Co (DC)	\$1,523,278
UMCP	Tydings Hall - 2nd Fl Career Center For BSOS	Kalmia (MD)	\$1,100,196
UMCP	Mitchell Bldg. Third Floor Renovation	A.R. Marani (MD)	\$1,416,189
		Total (completed)	\$288,847,018

*Also opening in 2021 was a Public/Private Partnership development: The \$42M Bowie State University Entrepreneurship Living Learning Community (approved separately by the Board of Regents 12/20/19)

Data reported by institutions to the USM Office of Capital Planning, revised 1/13/22



STATUS REPORT ON MAJOR CONSTRUCTION PROJECTS

Revised 1/13/2022
Data as of 11/30/2021

KEY: STATE-FUNDED CIP PROJECTS
SYSTEM-FUNDED NON-STATE/AUXILIARY OR FACILITIES RENEWAL PROJECTS

Institution	Project	Code	Estimated Total Project Cost	Design Start	Delivery Method	Construction Start	Substantial Completion	Total Appropriations To-Date	Funding Source	Architect (Location)	Contractor (Location)
BSU	Comm Arts & Humanities Bldg. (MLK Replacement)	1	\$152,939,000	04/20	D/B	03/22	05/24	\$146,939,000	GO Bonds	Whiting-Turner (MD)	Whiting Turner (MD)
BSU	Robinson Hall	5	\$4,200,000	10/21	D/B	09/22	06/23	\$1,400,000	GO Bonds, Cash	Jeffrey Brown Contracting, LLC (MD)	Jeffrey Brown Contracting, LLC (MD)
CSU	Percy Julian Bldg. Renovation for the College of Business	3	\$45,834,000	1/19	CM	07/20	04/23	\$43,334,000	GO Bonds	Quinn Evans & Goody Clancy	Barton Malow (MD)
FSU	Challenger Center	1	\$6,000,000	03/22	GC	03/23	01/24	\$3,000,000	Go Bonds, Cash	TBD	TBD
FSU	Education and Health Sciences Center	1	\$93,424,000	05/18	CM	04/20	12/22	\$93,424,000	GO Bonds, ARB, PAYGO	Ayers St. Gross (MD)	Barton Mallow (MD)
FSU	Five Dorm Renovation	3	\$14,400,000	07/20	TBD	07/21	08/22	\$12,100,000	USM Bonds, Cash	In-House (FSU)	TBD
FSU	New Residence Hall	1	\$42,895,000	05/17	D/B	06/18	07/20	\$42,895,000	USM Bonds, Cash	Perkins Eastman (DC)	PJ Dick (PA)
SU	Guerrieri Center Renovation (ON HOLD)	3	\$39,500,000	TBD	TBD	TBD	TBD	\$2,500,000	USM Bonds	TBD	TBD
TU	College of Health Professions Bldg.	1	\$174,659,000	9/17	CM	7/21	12/23	\$62,387,000	GO Bonds, NBF	Perkins Will (DC) JMT (MD)	Gilbane (MD)
TU	Union Addition/Renovation	2/3	\$120,770,000	12/16	CM	10/18	8/20-Add'n 8/21-Renov	\$108,770,000	USM Bonds, Cash	Design Collective (MD)	Barton Mallow (MD)
TU	Glen Towers and Plaza Renovation	3/5	\$58,160,000	8/18	TBD	5/20	7/21	\$24,417,000	Cash, Bonds	Design Collective (MD)	Barton Mallow (MD)
TU	Glen Dining Hall Renovation	3	\$12,500,000	1/18	GC	1/19	3/20	\$12,500,000	Cash	GWWO (MD)	Turner (MD)
TU	Practice Field Improvements	5	\$4,900,000	11/17	D/B	11/18	7/19	\$4,900,000	GO Bonds, NBF	Clark Company Phase 1, ASG Architects Phase 2	Field Turf USA (PA) Phase 1, AR Marani, Phase 2
UMB	Central Elec Substation and Elec Infrastructure Upgrades, Phased	5	\$74,920,000	3/17	GC/CM	5/19-ph1A	2/23-ph 1A-C	\$49,864,000	GO Bonds, NBF, FR Funds	RMF Engin'g (MD)	Highlander, JBC, Cianbro, Pipeway, etc.
UMB	Howard Hall/Bressler Research Bldg. Substation	5	\$13,000,000	8/17	GC	9/19	7/22	\$13,000,000	Cash	RMF Engin'g (MD)	Cianbro (MD)
UMB	Replacement of Sanitary Drain Piping and Assoc Systems in BRB	5	\$5,900,000	7/18	GC	10/19	3/22	\$5,900,000	Cash	In-House (UMB)	Emjay (MD)
UMB	Elev/Fire Alarm Improve in Various Garages (including Pearl St.)	5	\$4,130,000	7/13	GC, D/B	1/14	12/22	\$4,130,000	USM Bonds, Cash	In-House (UMB)	Maranto, QSS, Brawner, Emjay
UMB	Bressler Research Bldg. Electrical Substations 4 - 7 Renewal	5	\$5,900,000	2/19	GC	2/20	12/22	\$5,900,000	FR Funds, Cash	Marshall Craft (MD)	Cynergy (MD)

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Institution	Project	Code	Estimated Total Project Cost	Design Start	Delivery Method	Construction Start	Substantial Completion	Total Appropriations To-Date	Funding Source	Architect (Location)	Contractor (Location)
UMB	IHV Façade Stabilization	4	\$6,100,000	6/13	GC	4/20	11/21	\$6,100,000	FR Funds, Cash	Hord Coplan Mact (MD)	Plano-Coudon (MD)
UMB	School of Pharmacy Bldg. Electrical System Renewal	5	\$4,000,000	5/19	GC	5/20	8/22	\$4,000,000	Cash	RMF Engin'g (MD)	Cynergy (MD)
UMB	Howard Hall Exhaust System	5	\$2,000,000	4/18	GC	5/19	2/23	\$2,000,000	Cash	BKM (MD)	TBD
UMB	School of Pharmacy Window Replacements	5	\$1,300,000	10/20	GC	4/22	12/22	\$1,300,000	FR Funds, Cash	Design Collective (MD)	Emjay (MD)
UMB	Howard Hall 4th Floor Lab Renovations	4	\$1,500,000	2/21	GC	9/21	7/22	\$1,500,000	Cash	Design Collective (MD)	Emjay (MD)
UMB	North Campus Chilled Water Loop	5	\$6,195,000	6/19	GC	4/22	10/23	\$6,195,000	FR Funds, Cash	RMF Engin'g (MD)	TBD
UMB	SON Student Services Renovation	4	\$8,800,000	3/19	CM	9/20	4/22	\$8,800,000	Cash	Marshall Craft (MD)	Kinsley (MD)
UMB	Assorted Roofs (HS/HSL, SSW)	5	\$1,400,000	6/19	DB	10/20	1/22	\$1,400,000	FR Funds, Cash	Tremco	Tremco (MD)
UMBC	Retriever Activities Center Renewal	3	\$28,200,000	10/18	CM	1/20	5/21	\$15,100,000	USM Bonds, Cash	Marshall Craft (MD)	J Vinton Shafer (MD)
UMBC	Utility Upgrades	5	\$19,379,000	7/19	GC	5/20	8/22	\$19,379,000	GO Bonds, ARB, NBF	RMF Engin'g (MD)	Whiting Turner (MD)
UMBC	Stadium Improvements	4	\$7,000,000	1/20	OCGC	5/21	8/22	\$7,000,000	GO Bonds, Cash	GWWO (MD)	Musco Sports Lighting (IA), Plano-Couldon (MD)
UMBC	Sherman Hall Renewal: Temporary Façade Repair only	3	\$1,089,190		OCGC	1/21	9/21	\$1,102,500	GO Bonds, Cash		Marshall Craft, Brawner (MD)
UMBC	Sherman Hall Renewal	3	\$97,033,000	3/22	CM	8/25	5/26	\$7,000,000	GO Bonds		
UMCES	Chesapeake Collaborative Building	1	\$18,798,000	10/21	D/B	05/23	11/24	\$1,448,000	GO Bonds	Barton Malow Co. (MI)	Barton Malow Co. (MI)
UMCP	Campus Farm Upgrades Phases I, II, III	1/3	\$22,100,000	TBD	TBD	TBD	TBD	\$613,000	Cash	TBD	TBD
UMCP	Chemistry Building Ph 3, Wing 1 Replacement	3	\$119,995,000	05/19	D/B	02/21	05/23	\$112,765,000	GO Bonds, NBF	Whiting-Turner (MD)	Whiting Turner (MD)
UMCP	Clark Hall - MRI First Floor	3	\$5,891,301	03/19	CM	07/20	02/21	\$5,891,301	GO Bonds, NBF	Ballinger (PA)	DPR Construction (CA)
UMCP	Cole Fieldhouse Conversion/ Expansion	2/3	\$210,000,000	06/15	CM	12/15	06/21	\$210,000,000	GO Bonds, NBF	Cannon Design (MD)	Gilbane (MD)
UMCP	Cole Head House Renovation	3	\$1,450,382	TBD	TBD	TBD	TBD	\$1,450,382	PAYGO	TBD	TBD
UMCP	Ellicott Residence Hall Renovation	3	\$49,770,000	TBD	TBD	TBD	TBD	\$1,000,000	USM Bonds	TBD	TBD
UMCP	ERC Natatorium Pump Room Renovation	3	\$2,000,000	11/21	OCMC	12/21	04/22	\$2,000,000	Cash	TBD	TBD

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Institution	Project	Code	Estimated Total Project Cost	Design Start	Delivery Method	Construction Start	Substantial Completion	Total Appropriations To-Date	Funding Source	Architect (Location)	Contractor (Location)
UMCP	Field Hockey and Lacrosse Complex Renovation	3	\$4,800,000	05/21	D/B	06/22	12/23	\$4,800,000	Cash	Jeffrey Brown Contracting (MD)	Jeffrey Brown Contracting (MD)
UMCP	HJP Wing 2 Mech Rm. (Phase of Campuswide Infrastructure)	5	\$16,167,000	06/18	CM	05/19	12/20	\$8,513,864	GO Bonds, ARB, NBF	Design Collective (MD)	J Vinton Shafer (MD)
UMCP	ICA Basketball Practice Facility	1	\$36,000,000	01/21	D/B	TBD	TBD	\$5,000,000	NBF, GO Bonds	Clark Construction Group(MD)	Clark Construction Group(MD)
UMCP	IDEA Factory Building	1	\$63,641,000	09/18	D/B	12/19	11/21	\$63,641,000	Cash	Clark Construction Group(MD)	Clark Construction Group(MD)
UMCP	Interdisciplinary Engineering Building	1	\$205,000,000	12/21	D/B	12/22	12/25	\$15,000,000	Go Bond, NBF	Whiting Turner (MD)	Whiting Turner (MD)
UMCP	Jimenez Hall, South Wing - 2nd, 3rd, & 4th Floor - HVAC Renovation	5	\$3,000,000	07/21	CM	01/23	08/23	\$500,000	ARB, FR Funds	Henry Adams (MD)	DPR Construction (CA)
UMCP	John S. Toll Physics Bldg. - AHUs 13, 14, 15	5	\$1,610,000	10/17	OCMC	12/21	08/22	\$1,610,000	Cash, Deficiency Appropriation	Kibart (MD)	W.L. Gary Co. (DC)
UMCP	LPS Clean Room & Building Chillers	3	\$2,056,000	11/20	OCMC	11/21	08/22	\$2,056,000	Cash	Requardt&Assoc. (MD)	W.L. Gary Co. (DC)
UMCP	LPS RTU 2, 3, 4, 5 REPLACEMENT	3	\$1,780,000	10/20	OCMC	02/22	07/22	\$1,780,000	Cash	In-House (UMCP)	TBD
UMCP	Maryland Stadium Videoboard	3	\$15,000,000	03/21	D/B	06/21	11/21	\$15,000,000	Cash	Daktronics, Inc.	Daktronics, Inc.
UMCP	MFRI Western Maryland Training Ctr Renovation	3/4	\$8,765,000	04/20	GC	10/21	12/22	\$8,765,000	GO Bonds, NBF	GWWO (MD)	Carl Belt, Inc.(MD)
UMCP	Miller Building Ground Floor Renovation	3	\$1,730,000	04/20	GC	02/22	11/22	\$1,730,000	Cash	Requardt&Assoc. (MD)	TBD
UMCP	MS4 Permit Implementation	?	\$5,500,000		TBD			\$1,155,000	Cash	Whitney Bailey Cox & Magnani (MD)	TBD
UMCP	New Office Bldg. for Central MD Res/Educ. Ctr., Clarksville	1	\$9,000,000	08/20	GC	05/22	04/23	\$9,000,000	Cash	Johnson Mirman Thompson (MD)	TBD
UMCP	New Residence Hall (900 beds)	1	\$119,300,000	02/18	D/B	08/19	11/21	\$119,300,000	USM Bonds, Cash	Holder (VA)	Holder (VA)
UMCP	North Dining Hall Replacement	1	\$56,750,000	02/18	D/B	08/19	02/22	\$56,750,000	USM Bonds, Cash	Holder (VA)	Holder (VA)
UMCP	Oakland Residence Hall SCUB Ph 2	5	\$5,145,000	TBD	TBD	TBD	TBD	\$500,000	USM Bonds	TBD	TBD
UMCP	Quantum and Advanced Computing Infrastructure	1	\$10,000,000	TBD	TBD	TBD	TBD	\$10,000,000	Go Bonds	TBD	TBD
UMCP	Regents Drive Street Lighting Upgrade	3	\$1,550,000	02/19	OCGC	12/20	08/21	\$1,550,000	ARB, Cash	JRS Architects	Electrico Inc (MD)
UMCP	RPB1: Renovation for GATR	3	\$2,160,000	01/20	OCGC	10/20	08/21	\$2,160,000	Cash	HDR (VA)	TBD
UMCP	School of Public Health Building Roof Replacement	5/3	\$3,000,000	TBD	DB	TBD	TBD	\$3,000,000	Deficiency Appropriation	TBD	TBD
UMCP	School of Public Policy Bldg.	1	\$63,734,190	07/17	CM	12/19	06/22	\$63,734,190	GO Bonds, NBF	Leo Daly (DC)	J Vinton Shafer (MD)

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Institution	Project	Code	Estimated Total Project Cost	Design Start	Delivery Method	Construction Start	Substantial Completion	Total Appropriations To-Date	Funding Source	Architect (Location)	Contractor (Location)
UMCP	SCUB 1 Renewal	3	\$1,000,000	09/19	OCGC	11/20	07/21	\$1,000,000	Cash	Kibart (MD)	Chappelle Mechanical (VA)
UMCP	SCUB 3 Heating Water Pipe Relocation	5	\$7,586,658	03/19	CM	10/22	09/23	\$7,586,658	ARB, FR Funds, Deficiency Appropriation	Rummel Klepper & Kahl (MD)	Gilbane (MD)
UMCP	Stadium Drive Garage Renovations	3	\$1,790,000	11/21	GC	06/22	10/22	\$40,000	Cash	Rummel Klepper & Kahl (MD)	
UMCP	Track & Field	2/4	\$6,400,000	10/21	GC	10/22	10/23	\$6,400,000	Cash	A. Morton Thomas and Associates (MD)	TBD
UMCP	Underground Utilities Project	3	\$6,805,000	08/21	D/B	11/22	09/23	\$6,805,000	GO Bonds, ARB, Cash	J Vinton Schafer & Sons Inc (MD)	J Vinton Schafer & Sons Inc (MD)
UMCP	Woods Hall HVAC Renovation	5	\$5,000,000	07/21	CM	06/22	12/22	\$5,000,000	Go Bond, FR Funds	Henry Adams LLC (MD)	DPR Construction (CA)
UMES	Agricultural Research and Education Center	1	\$19,024,744	07/20	D/B	TBD	TBD	\$15,187,783	Grants, Cash, Insurance Proceeds	TBD	TBD
UMES	Flood Mitigation	5	\$13,174,000	07/19	GC	01/22	04/23	\$11,008,000	ARB	Whitney Bailey Cox & Magnani (MD)	TBD
UMES	Natural Gas Pipeline/Retrofit	5	\$8,045,431	07/20	GC	06/21	04/22	\$6,200,000	Grants, Cash, FR Funds	Whitney Bailey Cox & Magnani (MD); MS Engineers (MD)	Parge Industrial Services, Inc.(MD); Chesapeake Turf, LLC (MD)
UMES	School of Pharmacy and Allied Health	1	\$99,359,864	12/17	CM	03/20	06/22	\$96,790,602	GO Bonds, USM Bond, Cash, PAYGO	Ayers St. Gross (MD)	Gilbane (MD)
UMES	Nuttle Residence Hall Renovation	3	\$10,800,000	11/22	TBD	10/23	10/24	\$800,000	USM Bonds	TBD	TBD
USM	USG Building 1 School of Nursing Expansion	4	\$9,000,000	05/21	GC	02/22	12/22	\$9,000,000	USM Bonds, Cash	Hord Coplan Mact (MD)	J. Vinton Schafer & Sons, Inc.(MD)
USM	USM Southern MD Engineering Acad and Research Bldg.	1	\$87,070,470	08/16	CM	09/19	10/21	\$86,995,000	GO Bonds, County Donation, Equipment Loan Program Funds	Cooper Carry (GA)	Whiting Turner (MD)
Total Program (State and non-State/ Auxiliary)			\$2,398,776,230				4,498	Jobs supported by the capital program per DBM formula of 7.5 FTE direct (construction-related) jobs per \$1M investment, divided by a rough average duration of construction from design award through construction completion of 4 years			

Codes:
 1 New facility
 2 Addition/Expansion/Extension
 3 Renovation or Replacement
 4 Alterations and Addition
 5 Infrastructure

*** Definitions:**
 Total Project Cost: Total estimated project cost including planning, construction & equipment.
 Design Start: Date of BPW approval of architect/engineer.
 Construction Start: Date of BPW approval of contractor.
 Completion: Date of substantial completion/beneficial occupancy.

Abbrev. CM = Construction Management
 D/B = Design/Build
 GC = General Contractor
 JOC= Job Order Contractor

Funding: NBF = Non-budgeted funds (e.g., donor funds); GO Bonds = State General Obligation Bonds or Bond Premium funds;
 ARB = Academic Revenue Bonds (approved by State); FR = Capital Facilities Renewal
 USM Bonds = USM Auxiliary Revenue Bonds; CASH = Institutional funding, including cash, donor funding and plant funds

**BOARD OF REGENTS**SUMMARY OF ITEM FOR ACTION,
INFORMATION OR DISCUSSION

TOPIC: Policing Collaboration between the University of Maryland, Baltimore (UMB) and the University of Baltimore (UBalt)

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: February 3, 2022

SUMMARY: UMB and UBalt intend to execute a Memorandum of Understanding (MOU) in February 2022 that sets forth a collaborative arrangement between the universities for policing services to be implemented in March 2022.

The arrangement is expected to maintain or enhance campus safety at both UMB and UBalt with continued police presence, patrols, and response times. The proximity of the two campuses in historic Baltimore neighborhoods and similarities as non-residential universities delivering adult, professional education, are advantageous to a successful cooperative arrangement.

Highlights of the MOU, pending execution and implementation, include:

- UMB will provide the services of accredited armed police to UBalt; UBalt will discontinue its accredited police department.
- UBalt will maintain responsibility for services to be performed by unarmed, civilian security staff.
- Responsibilities of each university are clearly detailed in the MOU.
- UBalt will compensate UMB for the incremental costs of providing the policing services to UBalt.

Other information:

- Both campus communities were notified in Sept 2021 of this initiative. Detailed transition planning has been underway to enable implementation in March 2022.
- This collaboration is designed to keep the campuses safe for students, faculty, staff, and visitors and to make effective use of resources devoted to campus law enforcement and safety.
- While maintaining patrols, cost efficiencies will be gained by elimination of duplicative administrative functions such as accreditation and by reduction in duplicative senior/administrative positions at UBalt such as chiefs, lieutenants, and sergeants.
- All current UBalt police department and civilian safety employees will be offered either employment with UMB or continued employment with UBalt. Current UBalt officers who join the UMB police department will be assigned to the UBalt campus as their primary post.
- This initiative is aligned with the Board of Regents' interest in Effectiveness and Efficiency and with recommendations made in the Regents UBalt Task Force report.

The Office of the Attorney General, through AAG Julia Grio, has reviewed the MOU on behalf of UBalt. UMB's Office of University Counsel has reviewed the MOU on behalf of UMB. OAG will assign an AAG to review the MOU on behalf of UMB.

UBALT AND UMB POLICING COLLABORATION

ALTERNATIVE(S): This item is presented for information purposes.

FISCAL IMPACT: This item is presented for information purposes. Policing services will be delivered in a more resource-efficient manner.

CHANCELLOR'S RECOMMENDATION: This item is presented for information purposes.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923
