
OFFICE OF THE SENIOR VICE CHANCELLOR FOR ADMINISTRATION AND FINANCE**MEMORANDUM****TO:** Members of the Committee on FinanceEllen Fish
Geoff J. Gonella
Anwer Hasan
Charles T. McMillenDhruvak Mirani
Michele Speaks
William T. Wood
Linda R. Gooden, *ex officio***FROM:** Ellen Herbst, Senior Vice Chancellor**DATE:** November 21, 2025**RE:** Meeting of the Committee via Video Conference

The Committee on Finance of the USM Board of Regents will meet in public session via video conference at 3:00 p.m. on Wednesday, December 3. Upon the conclusion of the public session, the Committee will convene in closed session.

The agendas and supporting materials will be available on Nasdaq Boardvantage for members of the Board and the USM website at <https://www.usmd.edu/regents/agendas/>.

Zoom details will be provided to the Regents prior to the meeting.

Public Listen-Only Access: 301-715-8592; Conference ID - 982 2478 9990; Password: 018635

cc: Other Members, Board of Regents
Office of the Attorney General
Chancellor's Council
Vice Presidents for Administration and Finance
Office of Communications
SVCAF Managers

AGENDA FOR PUBLIC SESSION

Call to Order

Regent Fish

1. [Frostburg State University: Brownsville Residence Hall: Renovation and Corrective Work](#) (action)
2. [Towson University: Approval of Increase in Authorization for Field House and Towson Center Project](#) (action)
3. [University of Maryland, Baltimore: Health Sciences and Human Services Library Electrical Distribution System Renewal](#) (action)
4. [University of Maryland, Baltimore: Health Sciences Facility I Electrical Distribution System Renewal](#) (action)
5. [University of Maryland, Baltimore: Authorization of Maryland Global Initiatives Corporation to Support International Operations of other USM Institutions](#) (action)
6. [University System of Maryland: Forty-Eighth Bond Resolution—Auxiliary Facility and Tuition Revenue Bonds and Associated Conversion of Cash-Funded Projects to Revenue Bond Funding](#) (action)
7. [University of Maryland, College Park: Salesforce Contract Extension](#) (action)
8. [Approval of Meeting Minutes from October 27, 2025](#) (action)
9. [Convening Closed Session](#) (action)

TOPIC: Frostburg State University: Brownsville Residence Hall: Renovation and Corrective Work (action)

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 3, 2025

SUMMARY: Frostburg State University (FSU) requests Board approval of \$8,549,932 to complete renovation and corrective work at Brownsville Residence Hall, which has been closed since February 2023 due to extensive plumbing system failures and resulting damage. The project will correct critical deficiencies in the building's domestic water and sanitary systems, restore damaged interior areas, and enable the facility's safe reoccupation to meet essential student housing needs.

Brownsville Hall was constructed as FSU's newest residence hall and achieved substantial completion in July 2020, opening for student occupancy that fall. The building first experienced a significant domestic water line failure in January 2021, impacting an entire wing and causing residual damage throughout the facility. Despite interim repairs, two additional major plumbing failures occurred on January 26, 2023, and February 12, 2023, resulting in flooding that rendered the 432-bed residence hall inoperable.

FSU has pursued remedial work while negotiating with the design-builder of record, PJ Dick Inc., under the guidance of the Office of the Attorney General (OAG). However, formal resolution has not been achieved, and continued delays have prevented the building's reoccupation. To restore critical housing capacity and financial stability, FSU seeks approval to proceed with corrective work necessary to return Brownsville Hall to service. Because the project has not yet been bid, certain cost elements remain preliminary; the University will return to the Board and provide updates as bids are received and final costs are confirmed.

Corrective and restoration work already performed totals approximately \$1.9 million, which includes incremental plumbing and sanitary system repairs, mold remediation, and interior finish replacement, as well as forensic investigation and design review services. The balance of the work includes replacement of major domestic water and sanitary lines, repair and replacement of drywall, flooring, and finishes, life safety upgrades, HVAC cleaning, testing of all systems, and final restoration and cleaning.

Contracts resulting from this project will require approval from the Board of Public Works. FSU anticipates that some portion of the costs may be offset by a favorable resolution with the design-builder, but that outcome remains uncertain. The goal is to complete the project and reopen Brownsville Hall for occupancy in Fall 2026.

ALTERNATIVE(S): FSU considered delaying the restoration pending potential settlement with the original design-builder, but such efforts have been unsuccessful. Partial or piecemeal repair approaches have also proven ineffective, as the building's issues are systemic. Continued inaction would leave the building vacant, accelerate deterioration, and deprive the University of vital housing revenue needed to support existing bond obligations.

Currently, FSU is using Frederick Hall, built in 1971 and in its original condition, to offset the lost housing capacity from Brownsville Hall. Plans to renovate Frederick Hall were postponed to prioritize this corrective work. Reopening Brownsville Hall is therefore essential to maintaining FSU's residential capacity and financial sustainability.

FISCAL IMPACT: Frostburg State University requests a total project budget authorization of \$8,549,932, to be funded through System Revenue Bonds. The University is evaluating possible reimbursement or cost recovery through the aforementioned settlement negotiations.

Category	Amount
Reimbursement of Prior Expenses	\$1,866,000
Remaining Estimated Expenses	\$6,683,932
Total Project Budget Authorization	\$8,549,932

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve Frostburg State University's request for a total project budget authorization of \$8,549,932 for the Brownsville Residence Hall Renovation and Corrective Work as described above.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923

Project Cost Summary

FSU - Brownsville Residence Hall Repairs / Renovation

	Budget Estimate
Date	11/20/2025
Stage of Estimate	Pre-Design*
Work completed (see item)	\$1,866,441
Design/Fees	\$200,000
Construction Cost	\$5,026,375
Contingency **	\$600,000
General Conditions	\$857,116
Project Total	\$8,549,932

*The pre-design cost estimate was prepared by the professionals at the UMCP Project Service Center

** A contingency of \$600,000 (approximately 10% of the remaining \$5.86M in work) is included to address tariff exposure, tight labor market in Western Maryland, and potential cost impacts associated with acceleration of specific trades to maintain schedule.

Welcome to
FROSTBURG STATE UNIVERSITY



Office Directory

Administrative Offices	Hitchins
Admissions	Pullen
Alumni Relations	Fuller
Athletics	Cordts PE Center
Bookstore	Lane University Center
Dining Hall	Chesapeake
Financial Aid	Pullen
Graduate Services	Pullen
Student Health Services . .	Education & Health Sciences Center
Human Resources	Hitchins
Information	University Police
President	Hitchins
Registrar	Pullen
Residence Life	Pullen
Student & University Billing	Pullen
Student Union	Lane University Center

TOPIC: Towson University: Approval of Increase in Authorization for Field House and Towson Center Project (action)

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 3, 2025

SUMMARY: Towson University requests Board approval of a combined total project authorization of \$35 million for the renovation and expansion of the Towson Field House and Towson Center facilities. This consolidated initiative unites two previously approved projects under one coordinated effort to address expanded scope, critical infrastructure upgrades, and modernization of athletic, academic, and clinical spaces. The request includes \$10 million in additional funding to support the broadened scope, enabling work, and integration of advanced sports medicine and performance technologies.

The University is undertaking a transformative renovation and expansion of its Field House and Towson Center facilities to support the evolving needs of its athletic, academic, and healthcare programs. Originally scoped to include a 12,920 square foot addition and a 10,000 square foot renovation of the Field House, the project aims to greatly enhance the academic support opportunities for the student-athletes, bringing online valuable study hall and academic meeting spaces. Moreover, the project will bring online:

- much needed upgrades to Towson's two athletic training facilities,
- establish a sports performance center that features a nutritional support area
- address critical shortages in both office space and team meeting rooms and
- create a suite to provide valuable medical services, which greatly enhances the medical care provided to Towson student-athletes.

As planning progressed, it became clear that a broader and more complex scope was necessary to ensure long-term operational success. The project now includes an additional 10,000 square feet of enabling work, encompassing structural reinforcements, comprehensive mechanical, electrical, and plumbing (MEP) upgrades, and enhancements to fire protection, life safety, and ADA compliance—all within the existing footprint to avoid additional site work.

A key component of this project is the modernization of the Towson Center training suite, which will be expanded to 7,200 square feet. This expansion introduces significant complexity, requiring structural modifications, system upgrades, and phased construction to minimize disruption. The hydrotherapy suite will be fully modernized with high-capacity plunge pools, underwater treadmills, advanced sanitation systems, and integrated technology for athlete recovery monitoring.

To maximize efficiency and minimize disruption, the Field House and Towson Center projects have been consolidated into a single initiative. This strategic move streamlines scheduling, reduces operational impact, and ensures a seamless transition between facilities.

Project Consolidation for Efficiency

- Streamlined scheduling and resource allocation.
- Reduced operational disruption through coordinated phasing.
- Seamless transitions between facilities to better support athletic and academic functions.

Evolving Needs and Expanded Scope

- Structural reinforcements to accommodate new loads and future growth.
- Comprehensive upgrades to mechanical, electrical, and plumbing (MEP) systems.
- Fire protection and life safety enhancements to meet current codes.
- ADA compliance improvements and circulation redesign to ensure accessibility.
- Integration of new infrastructure within the existing footprint, avoiding increased impervious surfaces or additional site work.

Towson Center Training Suite Expansion and Complexity

- Structural modifications to support expanded clinical and hydrotherapy zones.
- HVAC, electrical, and plumbing upgrades to accommodate hydrotherapy pools, new equipment and increased occupancy.
- Enhanced fire protection and life safety systems.
- ADA-compliant circulation redesign for improved accessibility.
- Phased construction planning to minimize disruption to ongoing athletic and academic operations.

Hydrotherapy Suite Modernization

A cornerstone of the expanded scope is the modernization of the hydrotherapy suite, which is currently outdated and undersized. The upgraded suite will feature:

- Multiple high-capacity hot and cold plunge pools.
- Underwater treadmills and resistance pools for low-impact rehabilitation.
- Advanced water filtration and sanitation systems to meet health standards.
- Zoned layouts for taping, treatment, rehabilitation, and hydrotherapy.
- Integrated technology for real-time monitoring of athlete recovery and performance.

These enhancements will elevate the quality of care for student-athletes, improve operational efficiency for athletic trainers, and enrich the clinical education experience for athletic training students. The consolidated and modernized facilities will also eliminate transportation inefficiencies and provide flexible multipurpose spaces that can serve as study halls or event venues.

Towson University is requesting an additional \$10 million in funding to support the expanded scope, enabling work, and integration of advanced technologies. This investment aligns with the university's commitment to academic excellence, athletic performance, and student wellness, and will position Towson as a leader in sports medicine and athletic training education.

Previously Approved Field House Project Total Authorization:	\$19,250,000
<u>Previously Approved Towson Center Total Authorization:</u>	<u>\$5,270,000</u>
Combined Previously Approved Project Total Authorization:	\$25,000,000
<u>Additional Funding Requested Authorization:</u>	<u>\$10,000,000</u>
Combined New Total Adjusted Project Authorization:	\$35,000,000

The project budget includes a total contingency of 26%, comprising 9% within the construction-only budget for design and escalation and an additional 17% applied to the overall project budget. See attached cost summary.

Any contracts resulting from this authorization will require approval of the Board of Public Works.

ALTERNATIVE(S): Without the requested \$10 million in funding, Towson University would need to consider a range of alternatives to advance the project within the constraints of the original budget. The following approaches illustrate potential strategies, each involving trade-offs in scope, timing, cost, and long-term value.

Phased Implementation - One option is to divide the project into multiple phases over several fiscal years. This would allow the University to address the most urgent needs such as AAAC consolidation and basic renovations while deferring more complex components like hydrotherapy modernization and enabling work. While this approach spreads costs over time, it may result in higher long-term expenses due to inflation, re-mobilization, and extended disruption to athletic and academic operations.

Scope Reduction - This could involve scaling back the hydrotherapy suite to only the most basic upgrades, deferring critical structural reinforcements intended for future vertical expansion, or limiting enhancements to the MEP systems. While this approach may help contain costs in the short term, it would significantly compromise the long-term functionality, flexibility, and resilience of the facility. These reductions would not only diminish the user experience and operational efficiency but also undermine the project's ability to adapt to future programmatic needs—ultimately resulting in higher costs and disruptions down the line. In short, this option risks delivering a facility that is outdated upon completion and misaligned with the institution's long-term strategic goals.

Operational Workarounds - In the absence of expanded facilities, Towson may need to continue operating within existing constraints. This could involve maintaining outdated hydrotherapy equipment, continuing to shuttle athletes between facilities, and relying on temporary solutions for space shortages. These workarounds would perpetuate inefficiencies and limit the university's ability to deliver high-quality care and education.

Each alternative carries inherent risks, including deferred compliance upgrades, reduced recruitment competitiveness, and diminished stakeholder confidence. The full scope of the project supported by the additional \$10 million represents a strategic investment in Towson University's future, ensuring that its facilities meet the highest standards of performance, safety, and innovation.

FISCAL IMPACT: The previously authorized amount for the combined project is funded with \$3.5 million in State GO Bonds (FY 2024) and \$21.5 million in institutional cash. TU will fund the additional \$10 million being requested for this project with system-funded bond debt. The renovation is expected to have a minimal impact on the operating budget, as energy-efficiency improvements and reduced maintenance needs will offset modest utility increases associated with the additional square footage.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve a combined total authorization of \$35,000,000 for the Field House Renovation and Addition and Towson Center Project for Towson University, as outlined above.

COMMITTEE RECOMMENDATION:

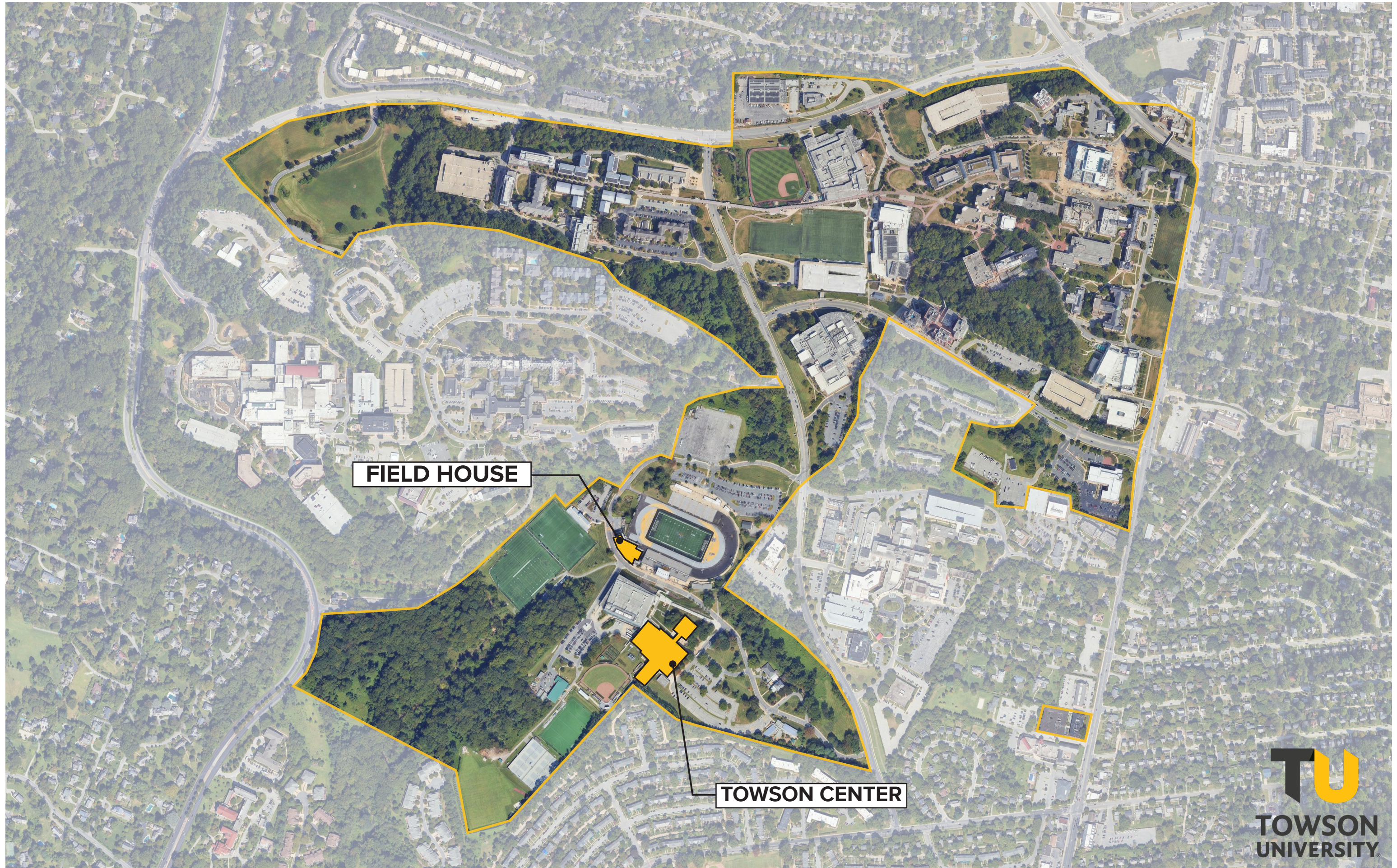
DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923

Project Cost Summary		Project Cost Summary		Consolidated Project Cost Summary		Consolidated Project Cost Summary	
Towson University - Field House Project		Towson University - Towson Center Project		Towson University - Field House & Towson Center Project		Towson University - Field House & Towson Center Project	
	Approved Request		Approved Request		Consolidated Approved Requests		Current Request
Date	9/10/2024	Date	9/10/2024	Date	1/10/2025	Date	12/3/2025
Stage of Estimate	Program/ Schematic	Stage of Estimate	Concept	Stage of Estimate	Concept	Stage of Estimate	100% Design Development Documents
Design/Fees	\$1,400,000	Design/Fees	\$800,000	Design/Fees	\$2,200,000	Design/Fees	\$2,400,000
Construction Cost	\$14,000,000	Construction Cost	\$4,000,000	Construction Cost	\$18,000,000	Construction Cost	\$24,800,000
Equipment	\$1,652,000	Equipment	\$350,000	Equipment	\$2,002,000	Equipment	\$2,650,000
Contingency	\$2,198,000	Contingency	\$600,000	Contingency	\$2,798,000	Contingency*	\$5,150,000
Project Total	\$19,250,000	Project Total	\$5,750,000	Project Total	\$25,000,000	Project Total	\$35,000,000
Notes:		Notes:		Notes:		*Notes:	The total contingency is 26%, consisting of 9% within the construction-only budget (design and escalation) and an additional 17% applied to the overall project budget.
Submitted by:	Cost estimate provided HCM Architects	Submitted by:	Cost estimate provided by TU Campus Projects	Submitted by:	Cost estimate provided HCM Architects	Submitted by:	Cost estimate provided AE: HCM Architects & CM: Grunley



TOPIC: University of Maryland, Baltimore: Health Sciences and Human Services Library Electrical Distribution System Renewal

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 3, 2025

SUMMARY: The University of Maryland, Baltimore (UMB) requests Board approval of a \$6.62 million project to renew the electrical distribution system serving the Health Sciences and Human Services Library. The upgrade will replace aging infrastructure that has reached the end of its service life, enhancing reliability and resiliency for a facility that houses critical academic, research, and data center operations. The project will be funded with institutional and facilities renewal funds.

The Health Sciences and Human Services Library (HSHSL), located at 601 West Baltimore Street, is a 175,961-GSF facility constructed in 1998. It houses academic and library functions for the entire University and includes a critical campus data center. The project involves a comprehensive modernization of the building's primary electrical distribution system to improve reliability, resiliency, and integration with the University's campus-wide building automation and metering systems.

The project scope includes the replacement of existing substations with new Main-Tie-Main gear utilizing an automatic transfer scheme, as well as the removal of obsolete 15-kV switchgear and associated components. Multiple existing distribution panelboards will be replaced, and motor-control devices will be installed to replace the existing Motor Control Centers in both the penthouse and basement. The project also includes replacement of automatic transfer switches, as well as relocation of the existing fire pump feeder from the penthouse to the basement.

A new generator docking station will be installed to facilitate the connection to emergency power, improving system resilience. This includes all associated conduits, cabling, interlocks, labeling, and integration with campus systems. Integration of all upgraded systems into the University's building automation system and campus metering network is also part of the scope, including programming, testing, and commissioning to ensure full functionality and verified performance.

Due to the critical nature of the building's data center, the facility must remain fully operational during construction. To maintain operations throughout the project, the contractor will implement temporary power systems and will follow a detailed phasing and shutdown plan. All intrusive or outage-related work will occur off hours or on weekends, coordinated in advance with UMB Facilities and affected stakeholders.

The procurement of certain electrical components is estimated to have a long lead time of 70 weeks. Due to this lengthy manufacture and delivery schedule, substantial completion is not expected until September 2027.

This maintenance project does not involve State funding or require Board of Public Works approval.

ALTERNATIVE(S): This project represents a lifecycle replacement of critical building infrastructure. Deferring the work would heighten the risk of system disruption or failure and could result in greater costs and operational impacts in the future.

FISCAL IMPACT: The total project budget is \$6,620,000, to be funded with \$4,100,000 from the FY 2025 Capital Facilities Renewal allocation and \$2,520,000 from institutional deferred maintenance funds.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve the University of Maryland, Baltimore's Health Sciences and Human Services Library Electrical Distribution System Renewal project as described above.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923

Project Cost Summary

UMB, HSHSL Electrical Distribution Project

Date	10/30/2025
Stage of Estimate	Budget/ Planning
Design Cost	\$738,000
Construction Cost	\$4,558,000
Contingency (25%)	\$1,324,000
Project Total	\$6,620,000



TOPIC: University of Maryland, Baltimore: Health Sciences Facility I Electrical Distribution System
Renewal

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 3, 2025

SUMMARY: The University of Maryland, Baltimore (UMB) requests Board approval of an \$8.7 million project to renew the electrical distribution system serving Health Sciences Facility I. The project will replace original infrastructure from 1995 that has reached the end of its service life, enhancing reliability, safety, and resiliency for one of the University's primary research facilities. The work will be funded through institutional and facilities renewal resources.

Health Sciences Facility I (HSF I), located at 685 West Baltimore Street, is a 214,946-GSF building constructed in 1995. It houses biomedical research laboratories, vivarium operations, and administrative offices. The project entails a comprehensive modernization of the building's original electrical distribution system to enhance reliability, resiliency, and integration with the University's campus-wide building automation and metering systems.

The project scope includes the replacement of two existing 5-kV substations with new Main-Tie-Main gear equipped with draw-out circuit breakers and an automatic transfer scheme. The existing 5-kV substation serving the chiller lineup will be upgraded to improve capacity and reliability. A new normal-power connection will be provided to the fire pump at each end, connected through a transfer switch between both sources.

The project also includes the installation of a generator docking station to facilitate load banking and emergency power connection. All associated conduits, cabling, interlocks, labeling, and coordination with campus systems will be completed as part of this scope. New electrical metering, panel boards, and interface connections will be installed to integrate with the UMB campus building automation and metering systems. These will be programmed, tested, and commissioned to ensure full system functionality. Additional project elements include an updated arc flash and safety study following installation, factory testing of major electrical gear prior to shipment, and training sessions for UMB staff on operation and maintenance procedures.

Because HSF I is an active research facility, the building must remain operational throughout construction. To maintain continuity of operations, the contractor will implement temporary power systems and a detailed phasing and outage sequencing plan. All intrusive or outage-related work will occur off-hours or on weekends, coordinated in advance with UMB Facilities and affected stakeholders.

The procurement of certain electrical components is estimated to have a long lead time of 70 weeks. Due to this lengthy manufacture and delivery schedule, substantial completion is not expected until September 2027.

This maintenance project does not involve State funding or require Board of Public Works approval.

ALTERNATIVE(S): This project represents a lifecycle replacement of critical building infrastructure. The alternative would be to defer the work, increasing the risk of system disruption or failure until funds can be committed.

FISCAL IMPACT: The budget for this project is \$8,703,000, funded as follows:

FY 2025 ARB Capital Facilities Renewal	\$919,962
FY 2026 ARB Capital Facilities Renewal	\$4,516,778
Institutional Funds	\$3,266,250
Total	\$8,703,000

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve the University of Maryland, Baltimore's Health Sciences Facility I Electrical Distribution System Renewal project as described above.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

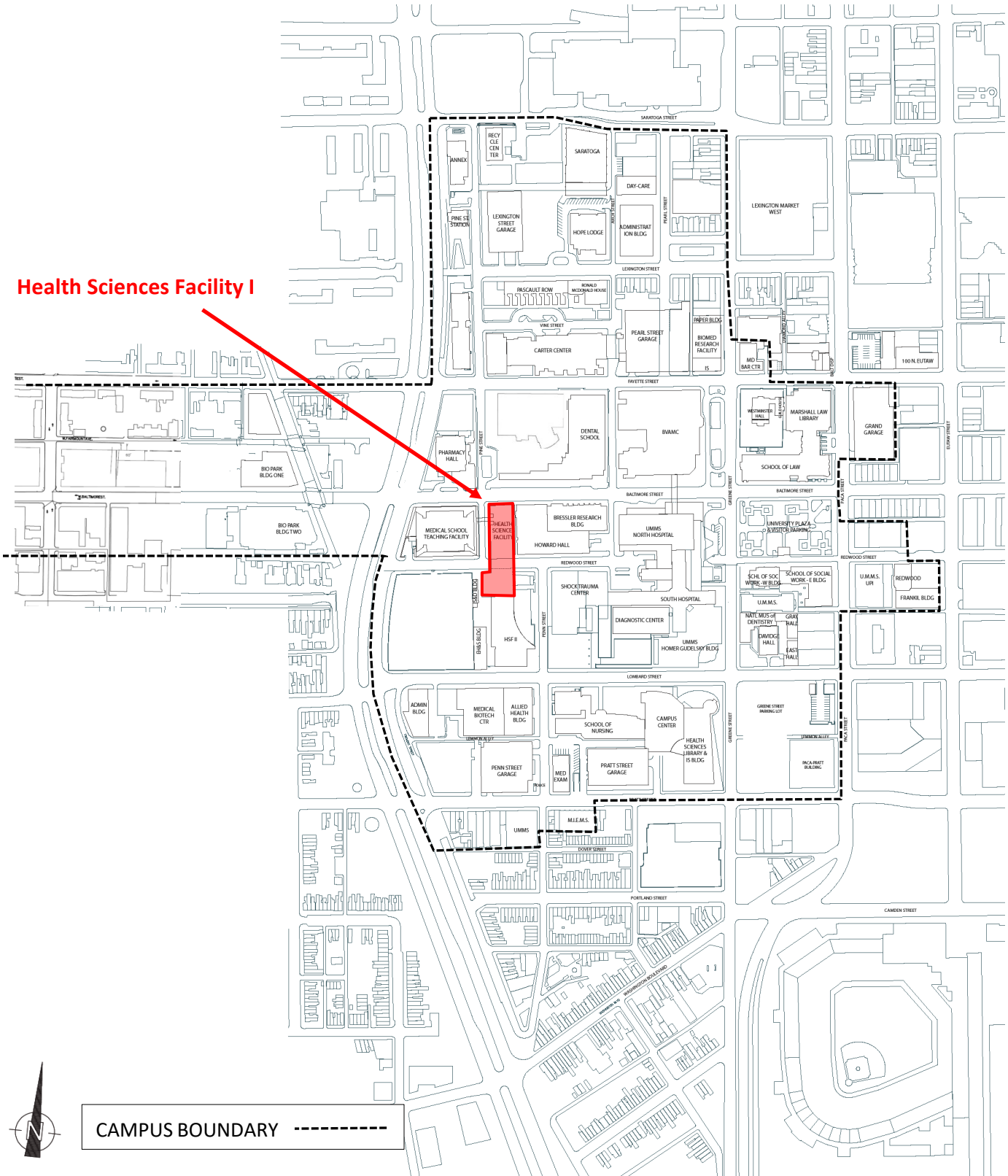
DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923

Project Cost Summary

UMB, HSF I Electrical Distribution Project

Date	10/30/2025
Stage of Estimate	Budget/ Planning
Design Cost	\$1,117,000
Construction Cost	\$5,845,000
Contingency (25%)	1,741,000
Project Total	\$8,703,000



TOPIC: University of Maryland, Baltimore: Authorization of Maryland Global Initiatives Corporation to Support International Operations of other USM Institutions (action)

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 3, 2025

SUMMARY: The Board of Regents authorized the establishment of the Maryland Global Initiatives Corporation (MGIC) on October 23, 2009 as an affiliated business entity as described in Section 12-113, Education Article. MGIC was established specifically to fill a gap in UMB's operational capacity. Similar capacity challenges are impacting the global engagement efforts of other USM institutions. Recently, the global engagement offices of several other USM institutions have expressed interest in engaging MGIC to support their foreign activities.

The purpose of MGIC was to enable the University of Maryland, Baltimore (UMB) to do business in foreign countries and with foreign collaborators when the University's international research, public service, and education activities required such capacities. As explained in the Board's original authorization, UMB and State of Maryland administrative, human resources, and financial systems are not intended to support and are not adaptable to operations in foreign countries. Affiliates which are not State entities can adopt business models appropriate to overseas operations necessary for effective performance of committed work and to support student and faculty activities abroad.

MGIC is a vital resource for UMB's international work, providing a cost-effective, efficient, and risk-managed mechanism to conduct business outside the U.S. and to advance the global mission of the University. MGIC offers positive fiscal impact by reducing compliance risk and legal liability, through the ability to process international financial transactions timely and safely, and through the ability to engage a diverse population of foreign vendors, service providers, partner institutions and research collaborators who otherwise are difficult or impossible to maintain through State mechanisms.

UMB proposes to utilize MGIC to offer international services to other USM institutions through a service center model, under the governing direction of the MGIC Board of Directors and administered by UMB's Division of International Operations.

ALTERNATIVE(S): MGIC could continue to restrict its services to the University, while all other USM institutions independently establish and support comparable affiliated business entities.

FISCAL IMPACT: Direct transaction expenses and an allocated contribution to direct administrative expenses will be charged to the institution requesting MGIC services. This revenue would benefit UMB.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents authorize MGIC to provide international services other USM institutions to support their global initiatives.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923

UMB MGIC SERVICES

TOPIC: University System of Maryland: Forty-Eighth Bond Resolution—Auxiliary Facility and Tuition Revenue Bonds and Associated Conversion of Cash-Funded Projects to Revenue Bond Funding (action)

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 3, 2025

SUMMARY: The Board of Regents has previously adopted forty-seven bond resolutions, with amendments, authorizing the issuance of University System of Maryland Auxiliary Facility and Tuition Revenue Bonds. The proposed Resolution authorizes the issuance of Revenue Bonds to finance an additional \$195.5 million of projects, \$158.6 million of which is for projects originally approved for cash funding and the remaining \$36.9 million is for newly authorized projects.

As of June 30, 2025, the System had nearly \$400 million of unspent cash-funded capital project authorizations, approved either through the Chancellor's authority for projects between \$1 million and \$5 million or by the Board for projects exceeding \$5 million, as well as State-approved projects included in the Governor's Capital Improvement Program. Continuing to fund these projects with cash would place added pressure on System reserves during a period of potential economic uncertainty and anticipated drawdowns of institutional fund balances.

This proposed action follows the approach taken by the Board in November 2020, when the Forty-Second Bond Resolution was amended to provide greater liquidity and flexibility during a period of financial uncertainty. Similarly, this Resolution provides authority to convert selected previously approved cash-funded projects to revenue bond funding as a means to conserve cash and maintain the System's financial resilience. Projects at both the University of Maryland, Baltimore, and the University of Maryland, College Park, have been identified for inclusion. See [Exhibit A](#) for a list of projects. Because spending on these projects may begin before the bonds are issued, this Resolution also authorizes the System to spend cash and reimburse itself using bond proceeds once issued. The corresponding financial analysis and required ratios are presented in [Exhibit B](#).

BOND COUNSEL: Miles & Stockbridge P.C.

ALTERNATIVE(S): Continuing to cash-fund all approved projects would result in a faster use of reserves and limit the System's flexibility to manage potential economic or operational challenges.

FISCAL IMPACT: Issuance of an additional \$195.5 million of bonds would result in annual debt service of approximately \$15.6 million for 20 years at an assumed interest rate of 5.0%.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve the Forty-Eighth Bond Resolution and the associated conversion of cash-funding of selected capital projects to revenue bond funding, and the authority to spend cash immediately if needed to be reimbursed from the proceeds of the next bond issue, anticipated for February 2026.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923

48TH BOND RESOLUTION - 112025

FORTY-EIGHTH BOND RESOLUTION
OF THE BOARD OF REGENTS OF THE
UNIVERSITY SYSTEM OF MARYLAND
AUTHORIZING THE ISSUANCE AND SALE OF UP TO
\$195,512,753 UNIVERSITY SYSTEM OF MARYLAND
AUXILIARY FACILITY AND TUITION
REVENUE BONDS
OF MARYLAND

**FORTY-EIGHTH BOND RESOLUTION
OF THE BOARD OF REGENTS OF THE
UNIVERSITY SYSTEM OF MARYLAND**

RECITALS

WHEREAS, pursuant to Title 19 of the Education Article of the Annotated Code of Maryland (as the same may be amended or supplemented from time to time, “Title 19”), the University System of Maryland (the “System”) is authorized to issue bonds for the purpose of financing or refinancing all or any part of the costs of the acquisition, construction, reconstruction, equipment, maintenance, repair, renovation and operation of one or more “projects,” as such term is defined in Title 19, of the System;

WHEREAS, pursuant to the authority provided in Title 19, and pursuant to a Resolution of the System adopted May 3, 1989, the System approved the Original Indenture (as hereinafter defined) providing for the issuance of one or more series of bonds from time to time for the purposes described in Title 19;

WHEREAS, pursuant to the authority provided in Title 19, and pursuant to a Resolution of the System adopted June 14, 1995, the System approved the Supplemental Indenture (as hereinafter defined) supplementing and amending the Original Indenture in furtherance of the purposes described in Title 19;

WHEREAS, pursuant to the authority provided in Title 19, the System desires to issue and sell up to \$195,512,753 aggregate principal amount of its University System of Maryland Auxiliary Facility and Tuition Revenue Bonds on one or more Issuance Dates (as hereinafter defined) in one or more series from time to time, subject to the terms and conditions of this Forty-Eighth Bond Resolution (as amended or supplemented from time to time, this “Resolution” or “Forty-Eighth Bond Resolution”) and the Indenture (as hereinafter defined) and secured by and payable from the Trust Estate pledged under the Indenture;

WHEREAS, the System desires that this Forty-Eighth Bond Resolution serve and constitute as a declaration of official intent within the meaning of, and for the purposes set forth in Section 1.150-2 of the Income Tax Regulations prescribed by the U.S. Treasury Department.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF MARYLAND SYSTEM THAT:

ARTICLE I

DEFINITIONS

Section 1.01. Terms Defined in the Indenture. Except as provided in Section 1.02, all initially capitalized terms contained in the Indenture when used in this Resolution shall have the same meaning herein as set forth in the Indenture.

Section 1.02. Additional Definitions. In addition to the words and terms defined in the Indenture and elsewhere defined herein, the following words and terms as used herein shall have the following meanings unless the context or use clearly indicates another or different meaning or intent:

“Academic Facilities Projects” means, collectively, those projects constituting “academic facilities” as such term is defined in Title 19 which are defined as such in Section 2.04 of this Resolution, and individually, each of the projects so defined therein, and those projects which pursuant to Section 5.04 hereof are added as Projects.

“Accreted Amount” means the principal amount of any Capital Appreciation Bond as of the date of delivery, plus accrued interest (including compounded interest to the immediately preceding Interest Payment Date), if any.

“Arbitrage Compliance Agreement” means each Arbitrage Compliance Agreement (if any) or such other arbitrage or tax certification respecting payment of arbitrage rebate executed with respect to the Forty-Eighth Resolution Bonds issued on any Issuance Date.

“Authorized Denomination” means \$5,000 or any integral multiple thereof, or such greater amount or multiple as may be set forth in a System Order.

“Auxiliary Facilities Projects” means, collectively, the projects constituting “auxiliary facilities” as such term is defined in Title 19 which are defined as such in Section 2.04 of this Resolution, and individually, each of the projects so defined therein, and those projects which pursuant to Section 5.04 hereof are added as Projects.

“Bond Resolution(s)” means each and all of the Resolutions of the Board which authorize the issuance of Bonds.

“Bonds” has the meaning given that term in the Indenture.

“Capital Appreciation Bonds” are described in Section 2.02 of this Resolution.

“Current Interest Bonds” are described in Section 2.02 of this Resolution.

“Escrow Deposit Agreement” means each agreement by and between the System and the Trustee executed and delivered in accordance with Section 2.07 of this Resolution.

“Fixed Rate Bond” means a Forty-Eighth Resolution Bond bearing interest at a rate which is fixed to the maturity of such Forty-Eighth Resolution Bond.

“Forty-Eighth Resolution Bonds” means the Bonds of the System authorized by this Resolution.

“Forty-Eighth Resolution Rebate Fund” means the fund established pursuant to Section 6.01 of this Resolution and Section 7.01 of the Indenture.

“Indenture” means the Original Indenture, as supplemented and amended by the Supplemental Indenture and as further amended or supplemented from time to time.

“Interest Payment Date” means April 1 and October 1 of each calendar year or such other date or dates as may be prescribed in a System Order and for any Forty-Eighth Resolution Bond paid in full, the date of payment in full of such Forty-Eighth Resolution Bond.

“Issuance Date” means each date on which all or any portion of the Forty-Eighth Resolution Bonds are exchanged for the purchase price thereof.

“Liquidity Facility” means a Credit Facility which shall provide for the payment of the purchase price of Variable Rate Bonds tendered by the holders thereof for purchase as provided in a System Order regarding the issuance of such Variable Rate Bonds but shall not provide for the payment of the principal due on any such Variable Rate Bond at maturity or earlier redemption.

“Liquidity Provider” means the Person who provides a Liquidity Facility.

“Mandatory Sinking Fund Payment” is defined in Section 3.01 of this Resolution.

“Original Indenture” means the Indenture of Trust, dated as of May 1, 1989, by and between the System and the Trustee as approved by the Board of Regents pursuant to the 1989 Series A Bond Resolution of the System adopted May 3, 1989.

“Projects” means, collectively, the Academic Facilities Projects, the Auxiliary Facilities Projects and any other projects for which the proceeds of the Forty-Eighth Resolution Bonds are authorized to be used.

“Record Date” means (a) with respect to Forty-Eighth Resolution Bonds which are Fixed Rate Bonds or which are Variable Rate Bonds then bearing interest at a rate which is fixed for a period of one year or longer, the 15th day of the calendar month immediately preceding an Interest Payment Date, whether or not such day is a Business Day, and (b) with respect to all other Forty-Eighth Resolution Bonds, the Business Day immediately preceding an Interest Payment Date.

“Refunding Bonds” means (i) Forty-Eighth Resolution Bonds of the System authorized by Section 2.06 of this Resolution or (ii) any Bonds issued under the authority of any other Bond

Resolution to refund Bonds previously issued to finance any Project or to refund any prior issue of Bonds, including refunding Bonds.

“Sinking Fund Redemption Date” is defined in Section 3.01 of this Resolution.

“Supplemental Indenture” means the First Supplemental Indenture of Trust dated June 14, 1995, by and between the System and the Trustee, which Supplemental Indenture supplements and amends the Original Indenture.

“System Order” means the separate written order with respect to the Forty-Eighth Resolution Bonds issued on any Issuance Date executed by an Authorized System's Representative.

“Variable Rate Bond” means a Forty-Eighth Resolution Bond bearing interest at a rate which is not fixed to the maturity of such Forty-Eighth Resolution Bond.

ARTICLE II

FORTY-EIGHTH RESOLUTION BONDS

Section 2.01. Authorized Amount of Forty-Eighth Resolution Bonds; Designation and Series; Purpose; Security.

(a) In order to provide sufficient funds to carry out the purposes described in this Section 2.01, and according and subject to the terms, conditions and limitations established in the Indenture and this Resolution, Forty-Eighth Resolution Bonds in an aggregate principal amount not to exceed \$195,512,753 are hereby authorized to be issued on one or more Issuance Dates from time to time as may be prescribed in a System Order regarding each issuance of Forty-Eighth Resolution Bonds, all of which shall be issued for the purposes of financing the Projects. The Forty-Eighth Resolution Bonds shall consist of Current Interest Bonds or Capital Appreciation Bonds or any combination thereof and may be issued from time to time on any Issuance Date. For the purposes of this Section 2.01, the principal amount of Capital Appreciation Bonds shall be the Accreted Amount as of the Issuance Date of such Capital Appreciation Bonds. Each System Order regarding each Issuance Date of the Forty-Eighth Resolution Bonds shall specify the aggregate principal amount of Forty-Eighth Resolution Bonds to be issued. In addition to the title “University System of Maryland Auxiliary Facility and Tuition Revenue Bonds,” each such System Order may prescribe or the Trustee may add to or incorporate into the general title or numerical designation of any Forty-Eighth Resolution Bonds, any words, figures or letters designed to distinguish Forty-Eighth Resolution Bonds issued on a particular Issuance Date from any other Forty-Eighth Resolution Bonds or any other series of Bonds issued on such Issuance Date.

(b) The proceeds from the issuance and sale of the Forty-Eighth Resolution Bonds shall be used for the purposes of financing or refinancing the cost of the Projects described in Section 2.04 hereof.

(c) The intended source of payment for the Forty-Eighth Resolution Bonds designated for Academic Facilities Projects shall be Tuition Revenues and the intended source of payment for the Forty-Eighth Resolution Bonds not designated for Academic Facilities Projects shall be Auxiliary Facilities Fees; provided, however, such intention as to source of payment shall in no way limit the lien of the Trust Estate or the right of the System to use any other source legally available for payment of any of the Forty-Eighth Resolution Bonds.

(d) The Forty-Eighth Resolution Bonds shall be secured as provided in the Indenture.

Section 2.02. General Terms of Forty-Eighth Resolution Bonds.

(a) The Forty-Eighth Resolution Bonds shall be dated as of the date or dates prescribed in a System Order.

(b) The Current Interest Bonds shall bear interest from their date, until paid, at the rate or rates set forth in, or determined in the manner provided in, a System Order (computed on the basis of (a) a 360-day year, composed of twelve 30-day months, in the case of Forty-Eighth Resolution Bonds which are Fixed Rate Bonds or which are Variable Rate Bonds then bearing interest at a rate which is fixed for a period of one year or longer or (b) a 365- or 366-day year, as appropriate, for the number of days elapsed in the case of all other Forty-Eighth Resolution Bonds) payable on each Interest Payment Date, and shall mature on such date or dates as may be prescribed in a System Order, but in no event shall the latest maturity be later than thirty-three (33) years from the Issuance Date of the applicable series of Forty-Eighth Resolution Bonds. Interest on the Capital Appreciation Bonds shall accrue from their date of delivery at the rate or rates and in accordance with the method set forth in a System Order, shall be compounded on April 1 and October 1 of each year or as set forth in a System Order and shall be payable at maturity or earlier on any redemption date, or on such date or dates as may be prescribed in a System Order, but in no event shall the latest maturity be later than thirty-three (33) years from the Issuance Date of the applicable series of Forty-Eighth Resolution Bonds.

(c) The Forty-Eighth Resolution Bonds shall be issuable as registered bonds without coupons in any Authorized Denomination. The Forty-Eighth Resolution Bonds initially shall be issued only in book entry form and an Authorized System's Representative is hereby authorized to enter into such agreements with a Depository as may be necessary or appropriate to issue the Forty-Eighth Resolution Bonds only in book entry form.

(d) The principal of and premium (if any) on the Current Interest Bonds and the principal of, and premium (if any) and interest due at maturity on, the Capital Appreciation Bonds shall be payable at the principal office or the principal corporate trust office of the Trustee, upon surrender of such Bonds at such principal office.

(e) Interest on the Current Interest Bonds shall be paid on each Interest Payment Date for the period from and including the immediately preceding Interest Payment Date for which interest has not theretofore been paid to but excluding the Interest Payment Date on which such payment is to be made. Subject to the terms of any agreement with a Depository and except as otherwise provided in a System Order, interest on the Current Interest Bonds shall be payable by check drawn upon the Trustee and mailed to the Persons in whose names such Current Interest Bonds are registered on the Bond Register as of the close of business on the Record Date immediately before the relevant Interest Payment Date; provided that the payment of interest on any such Current Interest Bonds in an aggregate principal amount equal to or greater than \$1,000,000 registered in the name of one Bondholder may, at the option of such Bondholder, be paid on any Interest Payment Date by wire transfer in federal reserve funds to any bank in the United States of America specified by such Bondholder, upon receipt by the Trustee of written notice on or before the Record Date immediately prior to the first Interest Payment Date upon which such a wire transfer is to be made. If any Bondholder shall elect to receive payment of interest by wire transfer, such election shall remain effective for all subsequent Interest Payment Dates until written notice revoking such election is received by the Trustee on or before the Record Date immediately prior to the Interest Payment Date for which notice of revocation is to be effective.

(f) As provided in the Indenture, the obligation of the System to pay the principal of, and premium (if any) and interest on, the Forty-Eighth Resolution Bonds, shall be secured by and satisfied solely from the Trust Estate.

Section 2.03. Form of Forty-Eighth Resolution Bonds. The Forty-Eighth Resolution Bonds shall be in the form as may, consistent with the Indenture and this Resolution, be approved in a System Order, and shall be executed and delivered as provided in Section 2.09 of the Indenture. Execution of any Forty-Eighth Resolution Bonds consistent with Section 2.09 of the Indenture shall be conclusive evidence of the System's approval thereof.

Section 2.04. Use of Proceeds; Projects Authorized. The following "auxiliary facilities" are hereby approved as projects, the costs of which may be paid from the proceeds from the issuance and sale of Bonds (see also Exhibit A):

- (1) University of Maryland, Baltimore (Baltimore City)
 - West Lexington Corridor Development Project
 - Howard Hall Upgrades
 - School of Medicine Renovations
 - Campuswide Facilities Renewal
- (2) University of Maryland, College Park (Prince George's County)
 - Athletics Facility Improvements
 - Campuswide Facilities Renewal
- (3) Frostburg State University

Brownsville Residence Hall: Renovation and Corrective Work

(4) Towson University (Baltimore County)

Academic Achievement Center and Towson Center Renovation

Barton House HVAC Improvements

Section 2.05. Deposit of Forty-Eighth Resolution Bond Proceeds. The System shall direct the payment of the net proceeds of the Forty-Eighth Resolution Bonds, in the following order:

(a) accrued interest, if any, on those Forty-Eighth Resolution Bonds that are Current Interest Bonds, from their dated date to but excluding the date of delivery thereof, shall be paid to the Trustee and deposited in the Interest Account of the Consolidated Bond Fund;

(b) proceeds of those Forty-Eighth Resolution Bonds designated as CBF Bonds which are Refunding Bonds shall be applied in accordance with Section 2.07 below; and

(c) proceeds of those Forty-Eighth Resolution Bonds designated as CBF Bonds which are not Refunding Bonds shall be deposited in the General Construction Fund, in such accounts as may be designated in a System Order.

Section 2.06. Refunding Bonds.

(a) Authority to Issue Refunding Bonds. In addition to the Forty-Eighth Resolution Bonds authorized pursuant to this Resolution, and pursuant to the authority provided in Section 19-108 of Title 19 and Section 2.07(c) of the Indenture, the System is authorized to issue from time to time on any Issuance Date, additional Forty-Eighth Resolution Bonds, as may be prescribed in a System Order, to refund any Forty-Eighth Resolution Bonds or any other Refunding Bond. The terms and provisions of Section 2.01(a), 2.02 and 2.03 of this Resolution shall govern the terms and provisions of any Refunding Bonds. Proceeds of any Forty-Eighth Resolution Bonds or any other Refunding Bonds may be used for the purpose of paying (i) the principal of, and premium (if any) and interest on any Forty-Eighth Resolution Bonds or any other Refunding Bonds previously issued under authority of this Forty-Eighth Bond Resolution or any other Bond Resolution, and (ii) any costs of issuance of such Forty-Eighth Resolution Bonds or any other Refunding Bonds.

(b) Allocation of Refunding Bonds. Any Refunding Bonds issued pursuant to the authority of this Forty-Eighth Bond Resolution shall be allocated to the Bond Resolution under which such Bonds to be refunded were originally issued without taking into account any premiums or discounts received in connection with the sale of such Bonds or the principal amount of such Refunding Bonds to be applied to pay the principal of, and premium (if any) and interest on any Bonds to be refunded or the costs of issuance of such Refunding Bonds.

Section 2.07. Escrow Deposit Agreements.

(a) On each Issuance Date of Refunding Bonds, the System and the Trustee, if advised by Bond Counsel, may execute and deliver an Escrow Deposit Agreement satisfying the requirements of this Section 2.07 and containing such other terms and conditions as the System may deem necessary or appropriate.

(b) Amounts held by the Trustee pursuant to an Escrow Deposit Agreement shall constitute part of the Trust Estate. If, and to the extent that, any Escrow Deposit Agreement provides for the disbursement of amounts for the purpose of paying the principal of, and premium (if any) and interest on, Forty-Eighth Resolution Bonds being refunded, then such amounts shall not be deemed to be held by the Trustee for the benefit of the Refunding Bonds but only for the benefit of the Forty-Eighth Resolution Bonds being refunded, all at such times and with respect to such amounts as may be specified in such Escrow Deposit Agreement. Except as provided in the preceding sentence, or as may be provided in an Escrow Deposit Agreement, amounts held by the Trustee pursuant to such Escrow Deposit Agreement shall be held for the benefit of only the Refunding Bonds issued on such Issuance Date.

(c) The System, pursuant to an Escrow Deposit Agreement, is hereby authorized to require the Trustee to establish from time to time one or more additional funds, accounts or subaccounts under this Resolution.

(d) Amounts held pursuant to an Escrow Deposit Agreement shall be disbursed by the Trustee pursuant to the terms of such Escrow Deposit Agreement for the purpose of paying the principal of, and premium (if any) and interest on, Forty-Eighth Resolution Bonds being refunded and Refunding Bonds identified in such Escrow Deposit Agreement, on or prior to the maturity date thereof.

(e) A single Escrow Deposit Agreement may be executed in connection with the issuance of Refunding Bonds and other Bonds of the System, the proceeds of which are to be used to refund Outstanding Bonds under the Indenture.

Section 2.08. Consolidation of Bonds. Refunding Bonds (a) may be designated as CBF Bonds under the Indenture and (b) may be consolidated with, and issued together with, any other Bonds authorized to be issued under the Indenture. The proceeds of any Refunding Bonds may be consolidated and commingled with the proceeds of other Bonds issued to refund Outstanding Bonds under the Indenture as part of any Escrow Deposit Agreement that otherwise complies with Section 2.07 of this Resolution.

Section 2.09. Records for Academic Facilities and Auxiliary Facilities. The System shall maintain such books and records and shall make such allocations of the principal amount of Refunding Bonds and the payment of the principal of, and premium (if any) and interest on, such Refunding Bonds, as may be required from time to time in order to comply with the provisions of Section 19-102(e) of Title 19.

ARTICLE III

REDEMPTION OF FORTY-EIGHTH RESOLUTION BONDS

Section 3.01. Redemption Dates and Prices.

(a) The Forty-Eighth Resolution Bonds shall be subject to redemption, in whole or in part at any time, at the option of the System or on such date or dates and at such price or prices as may be set forth in a System Order. The principal value of any Capital Appreciation Bonds as of any date of redemption shall equal the Accreted Amount.

(b) The Current Interest Bonds or certain of such Current Interest Bonds shall be subject to mandatory redemption, on such date or dates as may be prescribed in a System Order (each such date being a “Sinking Fund Redemption Date”), in such principal amount or amounts and at such price or prices as may be prescribed in a System Order (each such amount being a “Mandatory Sinking Fund Payment”).

Section 3.02. Redemption Amounts.

(a) The System may reduce the amount of any Mandatory Sinking Fund Payment payable on any Sinking Fund Redemption Date by an amount equal to the principal amount of Current Interest Bonds subject to such Mandatory Sinking Fund Payment that shall be surrendered uncanceled by the System to the Trustee for such purpose not less than sixty (60) days prior to such Sinking Fund Redemption Date.

(b) In the case of any partial redemption of Current Interest Bonds at the option of the System, the System may select for redemption (i) any one or more subsequent maturities of Current Interest Bonds, and (ii) if any maturity of Current Interest Bonds is subject to Mandatory Sinking Fund Payment, any one or more subsequent Mandatory Sinking Fund Payments to be credited as being paid, provided that the System shall have delivered to the Trustee, not less than sixty (60) days before such maturity date or Sinking Fund Redemption Date (or such lesser period of time as the Trustee may allow), a System Request stating its election to redeem such Current Interest Bonds in such manner. In such case, the Trustee shall reduce the amount of Current Interest Bonds to be redeemed on the Sinking Fund Redemption Date specified in such System Request by the principal amount of Current Interest Bonds so purchased or redeemed. In the absence of any such direction, the Trustee shall reduce subsequent maturities and Mandatory Sinking Fund Payments proportionately, in increments of the minimum Authorized Denomination, to the extent reasonably practicable.

(c) Any credit given to any Mandatory Sinking Fund Payments shall not affect any remaining or subsequent Mandatory Sinking Fund Payments which shall remain payable as otherwise provided herein, unless and until another credit is given in accordance with the provisions hereof.

(d) In the case of any partial redemption of Forty-Eighth Resolution Bonds, the particular Forty-Eighth Resolution Bonds or portions thereof to be redeemed shall be selected by the Trustee in proportion to the principal amount of Forty-Eighth Resolution Bonds then outstanding, to the maximum extent practicable, and in such manner as the Trustee shall deem

fair and equitable; provided, however, that so long as the Forty-Eighth Resolution Bonds are registered in book-entry form with a Depository, the particular Forty-Eighth Resolution Bonds or portions thereof to be redeemed shall be selected by the Depository in such manner as the Depository shall determine. If any Forty-Eighth Resolution Bonds to be redeemed are selected by lot, such method shall be conclusively deemed fair and equitable. In the case of any partial redemption of Forty-Eighth Resolution Bonds, in selecting Forty-Eighth Resolution Bonds for redemption the Bond Registrar shall treat each Forty-Eighth Resolution Bond as representing that number of Forty-Eighth Resolution Bonds as is obtained by dividing the principal amount of such Forty-Eighth Resolution Bond by the minimum Authorized Denomination. If it is determined that one or more, but not all, of the units of the minimum Authorized Denomination of face value represented by any Forty-Eighth Resolution Bond are to be redeemed, then upon notice of intention to effect such redemption, the Holder of such Forty-Eighth Resolution Bond shall forthwith surrender such Forty-Eighth Resolution Bond to the Trustee (i) for payment of the redemption price (including accrued interest thereon on the date fixed for redemption) of the portion thereof called for redemption and (ii) for exchange for Forty-Eighth Resolution Bonds in any Authorized Denomination or Denominations in the aggregate principal amount of the unredeemed portion of such Forty-Eighth Resolution Bond, which shall be issued to the Holder thereof without charge therefor. If the Holder of any such Forty-Eighth Resolution Bond to be redeemed in part shall fail to present such Forty-Eighth Resolution Bond to the Trustee for payment and exchange, as aforesaid, such Forty-Eighth Resolution Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the unit or units of the minimum Authorized Denomination of principal amount called for redemption (and to that extent only).

ARTICLE IV

CONSOLIDATED BOND FUND; ADDITIONAL FUNDS

Section 4.01. Payments into Consolidated Bond Fund.

(a) Subject to the provisions of Section 4.01(b) hereof, moneys transferred from the Revenue Fund in respect of the Forty-Eighth Resolution Bonds shall be deposited in the order and amount set forth in Section 5.02 of the Indenture.

(b) In connection with the issuance of any Variable Rate Bonds, the Trustee shall establish such additional accounts within the Consolidated Bond Fund as shall be directed in a System Order relating to such Variable Rate Bonds. Moneys transferred from the Revenue Fund in respect of any Variable Rate Bonds may be deposited in any such additional accounts established within the Consolidated Bond Fund, and the amounts, times and order of priority of deposits to the Interest Account, the Principal Account and any such additional accounts established within the Consolidated Bond Fund with respect to such Variable Rate Bonds shall be as set forth in such System Order.

Section 4.02. Disbursements from Consolidated Bond Fund.

(a) Subject to the provisions of Section 4.02(b) hereof, the Trustee is hereby authorized and directed to withdraw and disburse moneys in the Consolidated Bond Fund in the order and amount, and for the purposes, set forth in Section 5.03 of the Indenture.

(b) In connection with the issuance of any Variable Rate Bonds, the Trustee shall be authorized and directed to withdraw and disburse moneys in the Principal Account, the Interest Account and any additional accounts established pursuant to Section 4.01(b) hereof within the Consolidated Bond Fund in the order and amounts, and for the purposes, set forth in the System Order relating to such Variable Rate Bonds.

Section 4.03. Establishment of Additional Funds or Accounts.

(a) In addition to any accounts established by the Trustee pursuant to Section 4.01(b) and 4.02(b) hereof, there may be established within the Consolidated Bond Fund, pursuant to the System Order regarding the issuance of any series of the Forty-Eighth Resolution Bonds or as requested by the Authorized System's Representative, such additional trust accounts as shall be necessary or convenient in connection therewith and as shall be permitted pursuant to Section 5.01 of the Indenture. Deposits to and payments from such separate funds or accounts shall be as set forth in such System Order, subject in all events to the provisions of the Indenture.

ARTICLE V

GENERAL CONSTRUCTION FUND

Section 5.01. Deposit to General Construction Fund. Upon receipt by the Trustee of the moneys specified in Section 2.05(c) hereof, such moneys shall be deposited in the Academic Facilities Project Account and the Auxiliary Facilities Project Account of the General Construction Fund, in such amounts as may be specified in a System Order.

Section 5.02. Deposit of Moneys Transferred from the Forty-Eighth Resolution Rebate Fund. Any moneys transferred from the Forty-Eighth Resolution Rebate Fund to the General Construction Fund shall be deposited in the Academic Facilities Project Account and the Auxiliary Facilities Project Account in such amounts as may be specified in a System Request.

Section 5.03. Disbursements

(a) Proceeds of the Forty-Eighth Resolution Bonds deposited in the Academic Facilities Project Account and the Auxiliary Facilities Project Account of the General Construction Fund shall be disbursed in accordance with the provisions of Section 6.03 of the Indenture for the Costs of the Projects.

(b) Upon completion of the Projects, any moneys remaining in the General Construction Fund (other than moneys retained to pay costs, expenses and interest not then due and payable) shall be transferred to the Excess Proceeds Account and shall be held and disbursed by the Trustee in accordance with Section 6.04 of the Indenture.

Section 5.04. Additions to and/or Deletions from the Academic Facilities Projects and the Auxiliary Facilities Projects to be Financed.

(a) The System, without the consent of the Trustee or the Holders of the Forty-Eighth Resolution Bonds, may from time to time amend Section 2.04 hereto to include as

a Project any “academic facilities” as such term is defined in Title 19, to be constructed by the System and items of equipment to be acquired or installed by the System for which the use of Forty-Eighth Resolution Bond proceeds is authorized pursuant to Title 19, as confirmed by an approving opinion of Bond Counsel, or to delete from Section 2.04 any Academic Facility Project listed therein; provided, however, that each item shall have been approved by the General Assembly of the State of Maryland pursuant to Section 19-102(d) of Title 19. In connection with any such amendment of Section 2.04, the System shall deliver to the Trustee the amended Section 2.04 together with a System Certificate approving such amendment and certifying that each item set forth in Section 2.04, as so amended, qualifies as such an academic facility.

(b) The System, without the consent of the Trustee or the Holders of the Forty-Eighth Resolution Bonds, may from time to time amend Section 2.04 hereto to include as an Auxiliary Facilities Project any other “auxiliary facilities,” as such term is defined in Title 19, to be constructed by the System and items of equipment to be acquired or installed by the System for which the use of Forty-Eighth Resolution Bond proceeds is authorized pursuant to Title 19, as confirmed by an approving opinion of Bond Counsel or to delete from Section 2.04 auxiliary facility projects listed therein to be acquired or constructed by the System and items of equipment to be acquired and installed by the System. In connection with any such amendment of Section 2.04 the System shall deliver to the Trustee the amended Section 2.04 together with a System Certificate approving such amendment and certifying that each item set forth in Section 2.04, as so amended, qualifies as such an auxiliary facility.

Section 5.05. Authorization for Use of Proceeds of Forty-Eighth Resolution Bonds for Other Projects. As provided in the Indenture, all monies in the General Construction Fund may be disbursed to pay for the costs of any Auxiliary Facilities Project and any Academic Facilities Project. The proceeds of the Forty-Eighth Resolution Bonds deposited in the General Construction Fund are hereby authorized to be used for any Projects authorized pursuant to prior Bond Resolutions and any Projects authorized pursuant to this Forty-Eighth Bond Resolution. In addition, the proceeds of the Forty-Eighth Resolution Bonds deposited in the General Construction Fund are hereby authorized to be used for any Projects authorized pursuant to subsequent Bond Resolutions without amending any other Bond Resolution and without the necessity of any amendment to this Forty-Eighth Bond Resolution or the consent of the Trustee or any Holder of the Forty-Eighth Resolution Bonds.

Section 5.06. Authorization for Use of Proceeds of Bonds from Prior Bond Resolutions for Projects. As provided in the Indenture, all monies in the General Construction Fund may be disbursed to pay for the costs of any Auxiliary Facilities Project and any Academic Facilities Project. The proceeds of any Bonds heretofore or hereafter issued under any prior Bond Resolutions and deposited in the General Construction Fund are hereby authorized to be used for any Projects authorized pursuant to this Forty-Eighth Bond Resolution.

ARTICLE VI

REBATE FUND

Section 6.01. Rebate Fund. The Trustee if directed shall establish such Rebate Fund in connection with the Forty-Eighth Resolution Bonds as shall be directed in a System Order relating to any such Forty-Eighth Resolution Bonds and as provided in the Indenture. To the

extent not inconsistent with the provisions of the Indenture, such System Order may restrict such Rebate Fund for use in connection with the Forty-Eighth Resolution Bonds or may permit the use of such Rebate Fund in connection with other series of Bonds hereafter issued under the Indenture. Deposits shall be made to, and disbursements may be made from, such Rebate Fund as provided in such System Order, to the extent not inconsistent with the provisions of the Indenture.

ARTICLE VII

ADDITIONAL PERMITTED INVESTMENTS

Section 7.01. Additional Permitted Investments. As permitted by clause (i) of the definition of Permitted Investments of the Indenture, the following are added as Permitted Investments for the investment of the proceeds of the Forty-Eighth Resolution Bonds and all Funds established by this Resolution:

(a) Repurchase, resale and other similar agreements with any person provided (i) such agreements are continuously collateralized with Government Obligations, (ii) the market value of the collateral is not less than one hundred two percent (102%) of the repurchase price (including interest), (iii) the Trustee or a third party acting as agent or custodian of the collateral solely for the Trustee has possession of the collateral, (iv) the collateral is free and clear of all liens and encumbrances, (v) the Trustee shall be entitled to liquidate the collateral if the requirement of subclauses (i) and (ii) are not continuously satisfied and (vi) the Trustee shall have a first priority perfected security interest in the collateral;

(b) Investment agreements, the provider of which is rated in one of the two highest rating categories (without regard to qualification, numerical or otherwise) by two Rating Agencies; and

(c) Investment agreements issued by any provider:

- (i) that is rated in one of the two highest rating categories (without regard to qualification, numerical or otherwise) of a Rating Agency, or
- (ii) whose obligations under such investment agreements are unconditionally guaranteed by parent entities or other third parties that are rated in one of the two highest rating categories (without regard to qualification, numerical or otherwise) from a Rating Agency, or

- (iii) who satisfies the rating requirements of clause (i) or (ii) above and whose obligations under such investment agreements are collateralized by obligations described in clauses (a), (b), (d) or (e) under the definition of “Permitted Investments” in the Indenture or in clauses (a) or (b) above of this Article VII and which are delivered to the Trustee, or registered in the name of the Trustee, or are supported by a safekeeping receipt issued by a depository satisfactory to the Trustee, provided that such investment agreements must provide that the value of such obligations collateralizing such investment agreements shall be maintained at a current market value (determined not more frequently than monthly) of not less than 102% of the aggregate amount of the obligations of such financial institution, insurance company or financial services firm;

provided, however, that any investment agreement, at the time it is entered into, must meet and comply with the requirements of clause (i), (ii) or (iii) above.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Supplemental Resolutions. The System may, without the consent of, or notice to, any of the Bondholders, enter into a resolution or resolutions supplemental hereto which shall not be inconsistent with the terms and provisions hereof, provided that, in the opinion of Counsel to the Trustee, the change effected thereby is not to the prejudice of the interests of the Trustee or the Bondholders as permitted by Section 13.01 of the Indenture.

Section 8.02. Limitation of Rights. With the exception of the rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Resolution or the Forty-Eighth Resolution Bonds is intended or shall be construed to give to any Person other than the System, the Trustee and the Holders of the Forty-Eighth Resolution Bonds, any legal or equitable right, remedy or claim under or in respect to this Resolution or any agreements, conditions and provisions herein contained; this Resolution and all of the agreements, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the System, the Trustee and the Holders of the Forty-Eighth Resolution Bonds as herein provided.

Section 8.03. Severability. If any provision of this Resolution shall be invalid, illegal or unenforceable because it conflicts with any constitution or statute or rule of public policy or for any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provisions herein contained invalid, inoperative, or unenforceable to any extent whatever.

Section 8.04. Immunity of Regents and Officers. No recourse for the payment of the principal of or premium (if any) or interest on, any Forty-Eighth Resolution Bond or for any claim based thereon or otherwise in respect thereof or of this Resolution shall be had against any member of the Board of Regents or officers or employees of the System whether past, present or future, whether by virtue of any constitution, statute or rule of law, all such liability (if any) being hereby expressly waived and released as a condition of and in consideration of the issuance of the Forty-Eighth Resolution Bonds.

Section 8.05. Private Use of the Projects. The System covenants that it will not make, or (to the extent the System exercises control or direction) permit to be made, any use of the Projects, or any portion thereof, by any other Person, if such use would cause those Forty-Eighth Resolution Bonds to be “private activity bonds” within the meaning of Section 141 of the Code, unless the System and the Trustee receive an opinion of Bond Counsel to the effect that such use does not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Forty-Eighth Resolution Bonds, if any.

Section 8.06. Sale of Forty-Eighth Resolution Bonds. As permitted by Title 19, the Board of Regents hereby finds and determines that the best interests of the System will be served by selling each issuance of the Forty-Eighth Resolution Bonds at either a public competitive sale or a private (negotiated) sale as the Chancellor of the System deems to be in the best interest of the System at such prices, which may be at, above or below par, as the Chancellor of the System deems to be in the best interest of the System. In the event that two bidders offer to purchase an issue of the Forty-Eighth Resolution Bonds at the same lowest true interest cost at a public competitive sale, the Chancellor of the System shall determine in his sole discretion to which of the bidders such issue of the Forty-Eighth Resolution Bonds will be awarded. In the event of a private (negotiated) sale the Chancellor of the System shall select the purchaser of such issue of the Forty-Eighth Resolution Bonds which the Chancellor of the System deems to be in the best interest of the System.

Section 8.07. Official Statement. There is hereby authorized to be prepared and distributed, in conjunction with each issuance and sale of the Forty-Eighth Resolution Bonds, both a preliminary and a final official statement (the “Official Statement”). The preliminary official statement and the final official statement shall be in the form approved by either of the Chairperson of the Board of Regents or the Chancellor of the System whose execution by either of them shall be conclusive evidence of the approval thereof. The Chairperson of the Board of Regents and the Chancellor of the System, acting jointly or individually, are hereby authorized to execute by their manual or facsimile signatures and to deliver in the name of and on behalf of the System the Official Statement regarding each issuance of the Forty-Eighth Resolution Bonds and to deem the Official Statement as final for the purposes of Securities Exchange Act Rule 15c2-12, as amended or supplemented from time to time, or any successor law, rule or regulation (“Rule 15c2-12”).

Section 8.08. Continuing Disclosure. The Chairperson of the Board of Regents and the Chancellor of the System, acting jointly or individually, are hereby authorized to enter into one or more continuing disclosure agreements with respect to information contained in, or matters relating to, the Official Statement for any Forty-Eighth Resolution Bonds and any other Bonds of the System. Any person designated as an “Authorized System’s Representative” under the Indenture is hereby authorized to prepare and file with the Municipal Securities Rulemaking Board such financial or other information as may be required to comply with the requirements of Rule 15c2-12, and to delegate the preparation and filing of any such information to any other officer or employee of the System. The System’s bond counsel is also designated as an agent for the System for purposes of preparing and filing any such information.

Section 8.09. Absence of Chairperson or Chancellor. If the Chairperson of the Board of Regents is unable to act or unavailable for any reason, or such position is vacant, the Chairperson of the Finance Committee of the Board of Regents is hereby authorized and

empowered to act in place of the Chairperson of the Board of Regents, and if the Chancellor of the System is unable to act or unavailable for any reason, or such position is vacant, the Vice Chancellor for Administration and Finance is hereby authorized and empowered to act in place of the Chancellor of the System.

Section 8.10. Further Actions. The Chairperson of the Board of Regents, the Chairperson of the Finance Committee, the Secretary and Assistant Secretary of the Board of Regents of the System, the Chancellor of the System, and the Vice Chancellor for Administration and Finance of the System and other officials of the System are hereby authorized and empowered to do all acts and things and execute such instruments, documents and certificates (including all necessary closing certificates) and otherwise take all action necessary, proper or expedient in connection with each issuance, sale and delivery of the Forty-Eighth Resolution Bonds.

Section 8.11. Validity of Signatures. In the event any Regent or officer of the System who has executed any bond, document, certificate or other matter ceases to be a Regent or officer before delivery, the signature is valid and sufficient for all purposes as if the Regent or officer had remained in office until delivery.

Section 8.12. Declaration of Official Intent. The System reasonably expects to pay costs permitted by this amendment to the Forty-Eighth Bond Resolution with respect to the Projects described in Section 2.04 prior to the issuance of the Forty-Eighth Resolution Bonds and reasonably expects that certain proceeds of the Forty-Eighth Resolution Bonds will be used to reimburse the System all or a portion of such prior expenditures paid by the System. Because the System intends that the interest on the Forty-Eighth Resolution Bonds will be excludable from the gross income of the holder for purposes of federal income taxation, the System intends that this Amendment to Forty-Eighth Bond Resolution shall be and constitute a declaration of official intent within the meaning of Section 1.150-2 of the Income Tax Regulations prescribed by the U.S. Treasury Department. The Bonds issued as a result of this resolution will be issued in a total principal amount not to exceed \$50,000,000.

Section 8.13. Liberal Construction. The terms of this Forty-Eighth Bond Resolution are not intended to be restrictive or technical. Accordingly, this Forty-Eighth Bond Resolution shall be liberally construed in order to carry out and effectuate the purposes set forth herein and in Title 19.

AND BE IT FURTHER RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF MARYLAND THAT this Resolution shall be effective on the date of its adoption by the Board of Regents.

ADOPTED, this 12th day of December, 2025.

Ellen Herbst
Sr. Vice Chancellor for Administration

UMB	SFCP/Board	USM	Total
Howard Hall			
HH Mechanical Infrastructure Upgrades (23-377)	\$ 51,327,400	\$	51,327,400
Howard Hall/Bressler Research Electrical Upgrades		\$ 804,516	804,516
Howard Hall 1st Floor Classroom and Office Renovations		132,392	132,392
Howard Hall D3040 Heat Exchanger - Preheat Converter - E1, E2 Renewal (23-338)		3,122,924	3,122,924
Total Howard Hall	51,327,400	4,059,831	55,387,231
School of Medicine			
SOM -HSF III 5th & 6th Floor Tenant Space Buildouts (23-326)		25,682,932	25,682,932
SOM HSF I Vav & Reheat Coil Replacement (Project 24-305)		1,684,208	1,684,208
SOM AHRB Air Handler Replacement (22-358)		3,925,949	3,925,949
SOM Campus Air Compressor Replacement (25-307)		86,334	86,334
SOM Allied Health Hydraulic Passenger Elev - 5-Story - Cab 1 & Cab 2 (23-382)		1,197,444	1,197,444
SOM GRB General Research Building Traction Geared Passenger Elev - Low-Rise - Cab 1 & Cab 2 (23-383)		1,779,099	1,779,099
SOM HSF I Traction Geared Passenger Elev - High-Rise - Cab 1 Cab 6 (23-384)		4,077,814	4,077,814
SOM IHV Traction Geared Passenger Elev - High-Rise - Cab 1 Cab 3 and Hydraulic Material Lift - Basement (23-385)		2,775,535	2,775,535
Total School of Medicine	-	41,209,315	41,209,315
Facilities Renewal			
Davidge Hall Roof Repair (19-366)		6,058,735	6,058,735
BRB Replace Energy Recovery Units & Exhaust Fans (20-330)		7,144,595	7,144,595
Total Other	-	13,203,330	13,203,330
TOTAL UMB CASH AUTHORIZATION TO TRANSFER	\$ 51,327,400	\$ 58,472,476	\$ 109,799,876

UMCP	SFCP/Board	USM	Total
Athletics			
Track & Field relocation	\$ 6,368,147	\$	6,368,147
Field Hockey & Lacrosse Complex expansion	824,933		824,933
Soccer & Track Stadium Improvements	24,769,731		24,769,731
Softball Practice Facility		\$ 1,589,080	1,589,080
SECU Stadium Concrete Stairs & Handrails		1,910,000	1,910,000
Total Athletics	31,962,811	3,499,080	35,461,891

UMCP	SFCP/Board	USM	Total
Facilities Renewal			
Office Space for CMREC	563,804		563,804
Chestertown Hall Central HVAC Renovation	5,096,747		5,096,747
Chem Building Create Geology Research Laboratories		1,400,000	1,400,000
Van Munching Hall-Convert Underutilized offices		636,983	636,983
Physics bldg-create classrooms		7,707	7,707
Research Park Bldg I Renov		1,292,234	1,292,234
Thomas V. Miller Jr. Adm bldg		318,448	318,448
Lee bldg-Third fl renov		106,368	106,368
Thurgood Marshall Hall - Exterior Sculptures "Do Good"		182,560	182,560
Eppley Rec Center Air Handling Unit		390,362	390,362
SCUB 2 Heating Water Piping Replacement		48,995	48,995
Severn Building - EV Charging Stations		185,082	185,082
CSPAC Upgrade Lighting in Six Theatres		1,704,807	1,704,807
Shoemaker Building Reno for Counseling Center		566,957	566,957
Chemical & Nuclear Engineering Bldg - Nuclear Reactor Cooling Upgrade		400,000	400,000
Glenn L. Martin Wind Tunnel Machinery Modernization		400,000	400,000
Total Facilities Renewal	5,660,551	7,640,503	13,301,054
TOTAL UMCP CASH AUTHORIZATION TO TRANSFER	\$ 37,623,362	\$ 11,139,584	\$ 48,762,945
TOTAL CASH AUTHORIZATION TO TRANSFER	\$ 88,950,762	\$ 69,612,060	\$ 158,562,821
NEW BOND AUTHORIZATION			
UMB	SFCP/Board	USM	Total
West Lexington Corridor Development Project	\$ 18,400,000	\$	18,400,000
FSU			
Brownsville Residence Hall: Renovation and Corrective Work	8,549,932		8,549,932
TU			
Barton House HVAC Phase III (80625)		\$ 3,800,000	
Academic Achievement Center and Towson Center Renovation (80349)	10,000,000		10,000,000
TOTAL NEW AUTHORIZATION	\$ 36,949,932	\$ 3,800,000	\$ 36,949,932
TOTAL BOND AUTHORIZATION	\$ 125,900,694	\$ 73,412,060	\$ 195,512,753

I. Total Cash and Investments must be at least 90% of Total Adjusted Debt

Cash and Investments to Debt Outstanding		6/30/2025
<u>University System</u>		
Cash and equivalents	\$	3,203,868,430
Restricted cash and equivalents		33,966,925
Endowment investments		543,310,419
Other investments		51,674,585
Total University System Cash and Investments		3,832,820,359
<u>Affiliated Foundations</u>		
Cash and equivalents		103,252,932
Endowment investments		1,627,056,846
Other investments		1,058,084,689
Total Affiliated Foundation Cash and Investments		2,788,394,467
Total Cash and Investments	\$	6,621,214,826
<u>Debt</u>		
Revenue bonds outstanding	\$	975,820,000
Notes payable		28,338,161
Lease obligations		104,383,198
Subscription obligations		98,809,112
Public private partnerships - housing		358,330,000
Public private partnerships - energy		350,520,000
Total University System Debt	\$	1,916,200,471
Cash and Investments to Debt Outstanding		346%
<u>Adjusted Cash and Investments to Debt Outstanding</u>		
Projects authorized for cash spending, not yet spent	\$	529,131,096
Adjusted Cash and Investments	\$	6,092,083,730
Projects authorized for debt funding, not yet issued	\$	204,801,475
Adjusted Debt	\$	2,121,001,946
Adjusted Cash and Investments to Debt Outstanding		287%
<u>Projected Cash and Investments to Debt Outstanding</u>		
Total cash converted to debt 48th Bond Resolution	\$	158,562,821
Adjusted Cash and Investments	\$	6,250,646,551
Total authorized debt 48th Bond Resolution	\$	195,512,753
Adjusted Debt	\$	2,316,514,699
Projected Cash and Investments to Debt Outstanding		271%
II. State Legislated Debt Capacity, MD Education Code § 19-102		
State legislated debt cap	\$	1,700,000,000
Debt outstanding - revenue bonds (at par)		975,820,000
Capital leases		31,020,000
Available Debt Capacity	\$	693,160,000
III. Bond Indenture, Debt Service Coverage Ratio (Projected)		
<i>Tuition Revenues and Net Auxiliary Facility Fees is not less than 200% of Maximum Annual Debt Service on the Bonds</i>		
Tuition revenues and net auxiliary facility fees	\$	2,022,377,224
Maximum annual debt service - projected	\$	139,926,214
Debt service coverage		1445%

TOPIC: University of Maryland, College Park: Salesforce Contract Extension (action)

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 3, 2025

SUMMARY: The University of Maryland, College Park requests approval to extend its contract with Salesforce, Inc. for three years, through January 2029, at a total cost of \$5.29 million. The extension will maintain the University's TerpEngage platform, a unified, cloud-based system for managing student recruitment, advising, and engagement. This action ensures continuity of operations while avoiding significant costs and disruption that would result from transitioning to a new platform.

An original purchase order was issued in 2018 for three years, for \$462,690 based on a UMGC agreement. In 2021, a sole source contract was issued in the amount of \$1,122,586 for the initial one-year period to continue development of TerpEngage using Salesforce products. Pricing at that time was determined to be fair and reasonable by comparing Salesforce's licensing model with those used by peer institutions, including UMGC, Towson University, and the University of Maryland, Baltimore. Contracting directly with Salesforce, rather than through a reseller, also yielded savings estimated at \$150,000.

The contract contained option renewals and was subsequently modified to reflect changes in product mix, increases in business units, and additional users. These adjustments were incorporated over time, bringing the total contract value to \$7.6 million for the period February 2021 through January 2026.

Since 2018, the University has used Salesforce software products to build TerpEngage, a unified solution for managing student recruitment, admissions, advising, retention, and alumni engagement activities. TerpEngage is a mission-critical platform that integrates with multiple campus systems to provide a 360-degree view of the student lifecycle and delivers personalized, coordinated, and timely communications. Replacing this system would entail substantial conversion costs, including procurement of a new platform, configuration and development of existing tools, engagement of an implementation partner, and retraining of staff and students.

Through negotiations with Salesforce, UMCP secured a contract extension with only a minimal 0.15% increase in product costs, just \$7,717 over the three-year period, compared to prior annual license fees of \$1,760,826. Salesforce's initial proposal included a 9% increase, and the University's negotiations achieved a cost avoidance of approximately \$467,700, or 8.85%.

The contract extension will ensure continued access to essential cloud-based software, licenses, and support services for TerpEngage, which underpins the University's student engagement, data management, and communications functions. It is crucial in supporting the student population during their time at the University and beyond. It aligns with the University's ongoing digital transformation efforts, and commitment to modernizing constituent engagement, improving operational efficiency, and maintaining robust data governance and security standards.

This request for approval is made pursuant to the USM Board of Regents Policy on Approval of Procurement Contracts, Section VIII-3.10 for procurements exceeding \$5 million. This contract extension will not require the approval of the Board of Public Works.

UMCP SALESFORCE

VENDOR: Salesforce, Inc. San Francisco, CA
Marc Benioff, CEO

ALTERNATIVE(S): Without this contract extension, the University would need to either discontinue use of Salesforce for the TerpEngage platform or procure a replacement system through a new solicitation. Either option would require significant staff time, transition planning, and retraining, and could disrupt critical student services that rely on the platform's integrated functions. Given the extensive configuration and data integration already in place, replacing Salesforce at this stage is not considered a practical or cost-effective alternative.

FISCAL IMPACT: The three-year contract extension totals \$5,290,195, or \$1,763,398 annually. The extension reflects a minimal price increase of \$7,717 over the prior contract period and a cost avoidance of approximately \$467,700 (8.85%) compared to Salesforce's initial proposal.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve the University of Maryland, College Park to extend its contract with Salesforce, Inc. for the TerpEngage platform through January 2029.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923

SUMMARY OF ITEM FOR ACTION,
INFORMATION OR DISCUSSION

TOPIC: Approval of Meeting Minutes from October 27, 2025 (action)

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 3, 2025

SUMMARY: The Finance Committee will review the minutes from its October 27, 2025, public and closed sessions and determine whether they accurately reflect the meeting and the actions taken.

ALTERNATIVE(S): The Committee may defer approval or request corrections.

FISCAL IMPACT: No fiscal impact is anticipated.

CHANCELLOR'S RECOMMENDATION: The Chancellor recommends approval of the minutes.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923



UNIVERSITY SYSTEM
of MARYLAND

BOARD OF REGENTS
COMMITTEE ON FINANCE

October 27, 2025

Meeting via Video and Conference Call

DRAFT

Minutes of the Public Session

Regent Gonella called to order the meeting of the Finance Committee of the University System of Maryland Board of Regents at 11:01 a.m., with participants joining by video conference and teleconference.

Regents participating in the session included: Ms. Gooden, Mr. Gonella, Mr. Hasan, Mr. McMillen, Mr. Mirani, Ms. Speaks, and Mr. Wood. Also participating were: Chancellor Perman, Ms. Herbst, Ms. Lawrence, Mr. Minor, Dr. Wrynn, Ms. Wilkerson, Assistant Attorney General Boyle, Assistant Attorney General Palkovitz, Assistant Attorney General Stover, President Pines, Ms. Aughenbaugh, Mr. Bitner, Mr. Danik, Mr. Donoway, Ms. Edenhart-Pepe, Mr. Henley, Mr. Jones, Mr. Lockett, Mr. Lowenthal, Mr. Nemazie, Mr. Oler, Mr. Palmer, Mr. Petree, Mr. Reuning, Dr. Rhodes, Mr. Sergi, Mr. Berkheimer, Mr. Olen, Mr. McCann, Ms. Borgerding, Ms. Latimore, Mr. Maginnis, Ms. Skinner, Dr. Caraco, Ms. Auburger, Mr. Beck, Ms. Denson, Mr. Eismeier, Mr. Hickey, Mr. Li, Mr. Muntz, Ms. Norris, Mr. Acton, Ms. Sule, Dr. Ojo, Ms. McMann, and other members of the USM community and the public.

Regent Gonella welcomed all participants to the October meeting of the Finance Committee. He noted that, as Chair Fish was away, he would be leading the meeting. Regent Gonella also welcomed the committee's newest member, Regent Speaks, and noted that the committee looks forward to her contributions. He then turned to the first item on the agenda.

1. University System of Maryland: Amendment to the Forty-Seventh Bond Resolution—Auxiliary Facility and Tuition Revenue Bonds (action)

Regent Gonella introduced the first item. He noted that the Board adopted the original resolution in June 2025 to authorize the issuance of bonds for several approved projects. Last month, the Board approved the committee's recommendation to increase funding for the Tubman Hall refurbishment at Bowie State University. The amendment authorizes an additional \$4 million in revenue bonds for the project and updates the total authorization under the Forty-Seventh Resolution accordingly. With this change, the project's total bond-supported funding increases to \$14.05 million, and the overall authorization under the resolution rises from \$96.059 million to \$100.059 million. Regent Gonella also noted that Miles & Stockbridge is serving as bond counsel for the transaction and that issuing an additional \$4 million would result in estimated annual debt service of approximately \$318,000 over 20 years at an assumed interest rate of 5%.

The Finance Committee recommended that the Board of Regents approve the Amendment to the Forty-Seventh Bond Resolution.

(Regent Gonella moved recommendation, seconded by Regent Mirani; approved)

Vote Count = Yeas: 6 Nays: 0 Abstentions: 0

2. Salisbury University: Increase in Authorization for Commons Building Kitchen HVAC Replacement (action)

Regent Gonella introduced the next item. Salisbury University seeks to increase the project budget by \$2.4 million, from \$12.0 million to \$14.4 million, to replace end-of-life mechanical systems that support the campus's dining hall. The project includes new exhaust hoods, a conveyor dishwasher with ducted exhaust, multiple general exhaust fans, seven make-up air units, and associated fire-suppression systems and ductwork.

He noted that the project was originally authorized in June through the System Funded Construction Program based on a 2021 engineer's estimate, but the design/build contractor, Whiting-Turner, has issued updated cost estimates reflecting current market conditions. Higher costs stem from limited regional competition, elevated mechanical and electrical labor rates, specialized equipment requirements, and constrained bidding capacity due in part to a major hospital construction project in the region. Additional delays resulted from design complexity, updated codes, and the need to schedule work to avoid disrupting summer dining operations.

The project is now fully bid and includes a 15% contingency. Funding will come from institutional resources, and the new mechanical systems are expected to reduce annual utility costs by more than \$75,000. Salisbury was represented by Ms. Edenhart-Pepe, vice president for administration and finance; Mr. Berkheimer, associate vice president for facilities and capital management; and, from the UMCP service center, Mr. Olen.

In response to a question from Regent Mirani regarding the potential impact on students during the project, Mr. Berkheimer noted that while menu options may be limited at times, the campus will take steps to minimize disruption, including using outside vendors if necessary. Regent Hasan asked for clarification about the stage of the estimate being presented, and Mr. Olen confirmed that the construction manager has provided final costs, including subcontractor bids, and that no changes are anticipated other than unforeseen conditions that would be addressed through the project contingency. In response to a question from Regent Wood, Mr. Olen briefly reviewed the bid process.

The Finance Committee recommended that the Board of Regents approve Salisbury University's request to increase the project budget authorization to a total of \$14.4 million for the Commons Building Kitchen HVAC Replacement, as described in the item.

(Regent Gonella moved recommendation, seconded by Regent Wood; approved)

Vote Count = Yeas: 7 Nays: 0 Abstentions: 0

3. Towson University: Central Utility Plant Fire Restoration (action)

Regent Gonella welcomed the representatives from Towson University and the UMB Service Center. He also recognized that this meeting marked the final appearance of Mr. Lowenthal before his departure from the university to become CFO at Touro University in New York, following more than 30 years of service to the State of Maryland. Regent Gonella thanked Mr. Lowenthal for his leadership and extended best wishes for continued success. He then welcomed Mr. Palmer, who will be serving as Towson's interim CFO.

Regent Gonella introduced the item, noting that it concerns restoration work following a July 31 storm that caused water infiltration and a fire in Substation 2 of the Central Utility Plant. The fire was extinguished after several sprinkler heads discharged, and the university quickly assessed the damage, maintained essential operations, and installed temporary systems to support the campus core. All three substations in the affected switchgear room were damaged beyond repair and require replacement. Towson University is requesting project authorization of \$9.7 million to undertake this work and is working with the State's insurance program to determine the level of reimbursement, with the university responsible for at least the \$2.3 million deductible.

During discussion, Regent Mirani asked whether work on the project could begin before insurance matters were resolved. Mr. Jones confirmed that the university can proceed while insurance issues are being finalized and noted that redesign work necessary to support long-term operations is underway, with a targeted completion date in fall 2027. Regent Hasan asked for clarification on the nature of the cost estimate, observing that the construction figure is rounded at the million-dollar level. Representatives from Towson and the UMB Service Center explained that the estimate remains highly conceptual, as engineering work is still underway and the construction manager has recently joined the project team. Regent Hasan expressed concern about approving a request at such an early stage of development.

Committee members acknowledged the urgency of the request, noting that Towson University cannot delay critical work and that timely ordering of equipment, some with lead times exceeding 18 months, requires authorization to proceed. After discussion, the committee agreed to recommend a conditional approval that allows the university to proceed while requiring Towson to return to the next meeting with a more detailed estimate and status update.

The Finance Committee recommended that the Board of Regents approve Towson University's \$9.7 million project request for the Central Utility Plant Fire Restoration, to be funded through a combination of insurance proceeds and institutional fund balance for costs not covered by insurance, with the condition that the university return to the December meeting to provide a breakdown of the elements of the project and confirm that the project total remains appropriate.

(Regent Gonella moved recommendation, seconded by Regent Speaks; approved)
Vote Count = Yeas: 7 Nays: 0 Abstentions: 0

4. University System of Maryland: Report on FY 2025 Procurement Contracts (information)

Regent Gonella introduced the next item, an information report on procurement contracts between \$1 million and \$5 million, as well as any emergency or expedited procurements, for fiscal year 2025. A total of 49 contracts met the reporting threshold, with a combined value of \$112.075 million. There were no emergency or expedited procurements during the reporting period. Of the contracts awarded, 51% went to Maryland-based firms, and the Minority Business Enterprise participation rate was 8%. A detailed chart summarizing the report is included in the meeting materials. Associate Vice Chancellor Hickey was present to address any questions from the committee; none were raised.

The Finance Committee received the item for information purposes.

5. Enrollment Update and FY 2026 Estimated FTE Report (information)

Regent Gonella introduced the next item, the annual Preliminary Enrollment and FTE Report. He noted that the report provides the first official look at fall 2025 enrollment, reflecting preliminary figures compiled after the final add/drop deadline. While the numbers will be finalized shortly, these early counts have historically aligned closely with the final totals. The report also offers an early indication of how actual enrollment compares to the projections approved by the Board last spring. Regent Gonella highlighted that total USM enrollment for fall 2025 is 178,131 students, a record high for the System. This growth appears to be driven by both a record cohort of first-time, full-time undergraduates and the third consecutive year of increases in graduate enrollment. He then turned the presentation over to Mr. Muntz, associate vice chancellor for decision support and chief analytics officer.

Mr. Muntz presented the report, noting that fall 2025 includes more than 1,000 additional first-time freshmen compared to last year and an estimated increase of approximately 2,500 full-time equivalent (FTE) students for fiscal year 2026. He reviewed trends in undergraduate and graduate enrollment, institutional changes since 2019, and updated projections. His presentation also outlined the annual cycle through which enrollment data inform the System's financial planning, including tuition, fee, and budget development.

The supporting slides are available online: <https://www.usmd.edu/regents/agendas/>.

During discussion, Regent McMillen asked how the System's positive enrollment results reconcile with national concerns about an anticipated "enrollment cliff." Mr. Muntz explained that projections show the number of Maryland high school graduates remaining stable over the next decade and that approximately 64% of the state's 70,000 public high school graduates remain in Maryland. Because Maryland is a net exporter of college-going students, increased competition from other states seeking to attract Maryland students is expected as national declines begin. Regent McMillen then asked what steps the System might take to reduce the state's "brain drain." Chancellor Perman responded that the System's branding campaign presents an opportunity to strengthen awareness of USM institutions and that the focused early-college initiative is an important strategy for reaching students who may not otherwise engage with an institution or visit a campus. Mr. Muntz added that roughly half of the Maryland students who enroll elsewhere return to the state to work.

In response to an inquiry from Regent Hasan, Mr. Muntz acknowledged that UMGC accounted for much of the prior year's growth, while all but two institutions experienced enrollment increases last year. Looking ahead, Sr. Vice Chancellor Herbst added that, with the tuition-setting process beginning in late January, it is too early in the cycle to assess how future tuition decisions might affect enrollment trends. Dr. Wrynn commented that the traditional student is, in many respects, now the nontraditional student, but emphasized that the USM will always have a place for students who choose to come directly after high school. Regent Speaks asked about tracking of returning students, and Mr. Muntz reported that the System's first-time student retention rate remains strong, typically between 80 and 82%.

The Finance Committee received the item for information purposes.

6. Convening Closed Session

Regent Gonella read the Convene to Close Statement.

“The Open Meetings Act permits public bodies to close their meetings to the public in circumstances outlined in §3-305 of the Act and to carry out administrative functions exempted by §3-103 of the Act. The Committee on Finance will now vote to reconvene in closed session. The agenda for the public meeting today includes a written statement with a citation of the legal authority and reasons for closing the meeting and a listing of the topics to be discussed. The statement has been provided to the regents and it is posted on the USM’s website.”

The Chancellor recommended that the Committee on Finance vote to reconvene in closed session.

(Regent Wood moved recommendation, seconded by Regent Gooden; approved)

Vote Count = Yeas: 7 Nays: 0 Abstentions: 0

Regent Gonella thanked everyone for joining. The public meeting was adjourned at 12:01 p.m.

Respectfully submitted,

Geoff J. Gonella
Committee member, presiding



UNIVERSITY SYSTEM
of MARYLAND

**BOARD OF REGENTS
COMMITTEE ON FINANCE**

October 27, 2025

Meeting via Video Conference

DRAFT

Minutes of the Closed Session

Regent Gonella called the meeting of the Finance Committee of the University System of Maryland Board of Regents to order in closed session at 12:06 p.m. via video conference.

Regents participating in the session included: Mr. Gonella, Mr. McMillen, Mr. Mirani, Ms. Speaks, and Mr. Wood. Also participating were: Ms. Herbst, Ms. Lawrence, Mr. Minor, Dr. Wrynn, Ms. Wilkerson, Assistant Attorney General Boyle, Assistant Attorney General Palkovitz, Assistant Attorney General Stover, Mr. Acton, Ms. Denson, Mr. Hickey, Ms. Norris, and Ms. McMann. President Pines, Mr. Oler, Mr. Reuning, Mr. Maginnis, Ms. Skinner, Dr. Beiler, Mr. Price, Mr. Lamore, Mr. Rosan, Dr. Powers, Ms. Vernon, and Mr. Steen also participated in part of the session.

1. The committee discussed the lease of property in the City of College Park (§3-305(b)(3)).
(Regent Gonella moved recommendation, seconded by Regent Speaks; approved)
Vote Count = Yeas: 4 Nays: 0 Abstentions: 1 – Regent Mirani
2. The committee discussed the acquisition of property in Queen Anne’s County (§3-305(b)(3)).
(Regent Gonella moved recommendation, seconded by Regent McMillen; approved)
Vote Count = Yeas: 5 Nays: 0 Abstentions: 0
3. The committee discussed the investment of the Common Trust Fund (§3-305(b)(5)).
This item was presented for information purposes; there were no votes on this item.

The session was adjourned at 12:53 p.m.

Respectfully submitted,

Geoff J. Gonella
Committee member, presiding

SUMMARY OF ITEM FOR ACTION,
INFORMATION OR DISCUSSION

TOPIC: Convening Closed Session (action)

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: December 3, 2025

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

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

ALTERNATIVE(S): No alternative is suggested.

FISCAL IMPACT: There is no fiscal impact.

CHANCELLOR'S RECOMMENDATION: The Chancellor recommends that the Board of Regents Committee on Finance vote to reconvene in closed session.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923



UNIVERSITY SYSTEM
of MARYLAND

STATEMENT REGARDING CLOSING A MEETING
OF THE COMMITTEE ON FINANCE
OF THE USM BOARD OF REGENTS

Date: December 3, 2025

Time: 3:00 p.m.

Location: Video Conference

STATUTORY AUTHORITY TO CLOSE A SESSION

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

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

- (10) ☐ To discuss public security, if the public body determines that public discussions would constitute a risk to the public or public security, including:
- (i) the deployment of fire and police services and staff; and
 - (ii) the development and implementation of emergency plans.
- (11) ☐ To prepare, administer or grade a scholastic, licensing, or qualifying examination.
- (12) ☐ To conduct or discuss an investigative proceeding on actual or possible criminal conduct.
- (13) ☒ To comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter.
- (14) ☒ Before a contract is awarded or bids are opened, to discuss a matter directly related to a negotiation strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.
- (15) ☐ To discuss cybersecurity, if the public body determines that public discussion would constitute a risk to:
- (i) security assessments or deployments relating to information resources technology;
 - (ii) network security information, including information that is:
 1. related to passwords, personal identification numbers, access codes, encryption, or other components of the security system of a governmental entity;
 2. collected, assembled, or maintained by or for a governmental entity to prevent, detect, or investigate criminal activity; or
 3. related to an assessment, made by or for a governmental entity or maintained by a governmental entity, of the vulnerability of a network to criminal activity; or
 - (iii) deployments or implementation of security personnel, critical infrastructure, or security devices.

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

- ☐ Administrative Matters

TOPICS TO BE DISCUSSED:

The awarding of contracts for serials subscription services and an advancement customer relationship management system. Discussion regarding research funding and the development of proposed FY 2027 budget.

REASON FOR CLOSING:

To maintain confidentiality of discussions of bid proposals prior to BOR approval and the awarding of new contracts (§3-305(b)(14)); and to maintain confidentiality of embargoed proposed operating budget prior to the Governor's submission to the legislature (§3-305(b)(13)).