



**BOARD OF REGENTS
COMMITTEE ON FINANCE**

September 8, 2016
University of Maryland, Baltimore

Minutes of the Public Session

Regent Pevenstein called the meeting of the Finance Committee of the University System of Maryland Board of Regents to order in public session at 10:10 a.m. Regent Pevenstein read the *Convening in Closed Session statement* citing State Government Article Section 3-305 of the Open Meetings Act to discuss issues specifically exempted in the Act from the requirement for public consideration. Regent Gossett moved and Regent Attman seconded to convene in closed session. In response to the motion, the Committee members voted unanimously to convene in closed session at 10:10 a.m. for the reasons stated on the *Convening in Closed Session statement*. The session adjourned at 10:25 a.m.

The Committee reconvened in public session at 10:25 a.m. Regents participating in the session included: Mr. Pevenstein, Mr. Attman, Ms. Gooden, Mr. Gossett, Mr. Holzapfel, Mr. Neall, and Mr. Rauch. Also taking part in the meeting were: Chancellor Caret, Mr. Vivona, Ms. Doyle, Ms. Moultrie, Mr. Sadowski, Assistant Attorney Generals Bainbridge and Lord, Mr. Beck, Mr. Page, Mr. Hickey, Mr. McFadden, Ms. Denson, Mr. Lurie, President Burnim, institutional vice presidents and other members of the USM community, and the public.

1. Bowie State University: Facilities Master Plan Update (presentation)

President Burnim presented the master plan, built upon enrollment growth expectations of an increase in enrollment from 5,400 students in Fall 2014 to almost 7,000 over the 10 year horizon. Included in the plan were new academic buildings, new student housing projects of 900 beds, and improvements in a number of existing buildings overdue or in need of renovation.

A discussion followed President Burnim's presentation. Regents Neall and Pevenstein expressed concern about the 20% increase in enrollment projected in the development plan, given the relatively flat demographics expected in the future. President Burnim cited three things the campus is doing to grow enrollment: (a) using their convenient and central location as an advantage; (b) pursuing the "growth institution" title the Board had traditionally given them; and (c) hiring a consultant to help grow enrollment. Bowie had 5,695 FTDE in Fall 2014 and they expect this fall to have 5,700-5,800 enrolled—well on their way to the future goal. Regent Neall said the facilities growth seemed ambitious without significant enrollment growth and Regent Gossett suggested reallocating resources and facilities to grow enrollment now and thereby show just cause to the State and the Board that stronger capital support is required. Regent Gooden suggested stronger ties and partnerships with the community colleges; and Regent Attman also suggested more programmatic relationships with other USM institutions like the University of Maryland, College Park. Chancellor Caret noted that the System projection in this market is 1-1/2 to 2% per year growth in enrollment over the next decade. Regent Pevenstein reminded committee members that this plan would come back to them for consideration for approval at their next meeting.

2. University System of Maryland: Official Intent Resolution on Reimbursement of System Cash Balances Spent on Revenue Bond-Authorized Projects (action)

Regent Pevenstein summarized the item and explained the need and precedent of approving the use of System cash on a temporary basis, to be reimbursed from the next bond issue's proceeds. Regent Pevenstein pointed out the market preference for having complete information.

(Regent Pevenstein moved recommendation, seconded by Regent Gossett, unanimously approved)

3. University of Maryland, Baltimore: Technical Change to Tuition Schedule for Master of Public Health Dual Degree Program (action)

Regent Pevenstein summarized the item briefly as a technical adjustment/change to the tuition schedule.

(Regent Pevenstein moved recommendation, seconded by Regent Gossett, unanimously approved)

4. University of Maryland, Baltimore: Creation of a Ground Lease with the University of Maryland Medical System Corporation (UMMS) or its affiliate for Demolition of former Walter P. Carter Center Building and Creation of Surface Parking Lot (action)

Regent Pevenstein summarized the item noting that UMMS would bear the cost of demolition. Regent Attman asked about the amount of the lease payment. An attorney with the OAG responded that the payment was \$1 annually. Regent Pevenstein noted for the record the overlap in membership of the governing boards—two Regents and the Chancellor are also members of the UMMS Board. Additionally, Regent Pevenstein chairs finance committees for both UMMS and USM.

(Regent Pevenstein moved recommendation, seconded by Regent Gooden, unanimously approved)

5. University of Maryland, Baltimore: University of Maryland Midtown Health, Inc. Lease of Space in School of Nursing Building for Urgent Care Center (action)

Regent Pevenstein summarized the item noting that UMMS would facilitate enhanced nursing training potential at the mid-town UMMS campus. Annual lease payments of \$228,000 were noted.

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

6. University System of Maryland: Review of Capital Improvement Projects (information)

Mr. Beck reviewed the summary and discussed the now semi-annual report, noting 12 new contracts. He pointed out the progress on Towson University's West Village project Phase III & IV which will add 700 beds, the completion of UMCES' Truitt Lab's renovation, and the new parking garage at Universities at Shady Grove, noting the contribution by Montgomery County as evidence of the county's interest in further collaboration with the System.

The meeting was adjourned at 11:20 a.m.

Respectfully submitted,

Robert L. Pevenstein
Chairman, Committee on Finance



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Minutes of the Closed Session

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

Regents participating in the session included: Mr. Pevenstein, Mr. Attman, Ms. Gooden, Mr. Gossett, Mr. Holzapfel, Mr. Neall, and Mr. Rauch. Also taking part in the meeting were: Chancellor Caret, Mr. Vivona, Ms. Doyle, Ms. Moultrie, Mr. Sadowski, Assistant Attorney Generals Bainbridge and Lord, Mr. Beck, Mr. Page, Mr. Hickey, and Ms. Denson. Mr. Pyles was present for a portion of the meeting.

1. The committee considered a real property acquisition in the City of Salisbury (§3-305(b)(3)). The matter was deferred to a future meeting.

The meeting was adjourned at 10:25 a.m.

Respectfully submitted,

Robert L. Pevenstein
Chairman, Committee on Finance