



UNIVERSITY SYSTEM
of MARYLAND

**BOARD OF REGENTS
COMMITTEE ON FINANCE**

December 2, 2020

Meeting via Video and Conference Call

Minutes of the Public Session

Regent Attman welcomed those on the video and teleconference and called the meeting of the Finance Committee of the University System of Maryland Board of Regents to order in public session at 10:32 a.m.

Regents participating in the session included: Mr. Attman, Ms. Fish, Mr. Gonella, Mr. Gossett, Mr. Holzapfel, Mr. Neall, Mr. Pope, Mr. Rauch, and Mr. Wood. Also participating were: Chancellor Perman, Ms. Herbst, Ms. Wilkerson, Dr. Boughman, Mr. Raley, Mr. McDonough, Assistant Attorney General Bainbridge, Ms. Amyot, Mr. Danik, Mr. Lockett, Mr. Lowenthal, Mr. Pasquariello, Ms. Rehn, Ms. Rhodes, Ms. Schaefer, Mr. Wyden, Ms. Washington, Mr. Beck, Ms. Denson, Mr. Eismeier, Ms. Decker Mann, Mr. Page, Ms. Skolnik, Ms. West, Mr. Hoffacker, Ms. Scott, Mr. Lurie, Ms. McMann, and other members of the USM community and the public.

Regent Attman recognized Regent Neall and thanked him for his decades of dedication and service to the State of Maryland and its residents. Until his retirement on November 30, Regent Neall had most recently served as Secretary of Maryland Department of Health, appointed by Governor Hogan in 2018.

1. Board Statement of Values and Expectations on Collaboration and Cooperative Efforts in Acquiring and Implementing New Information Technology and Upgrading Business Processes – Long Term Plan for Collaboration on Business Process and System Modernization (information)

Regent Attman provided a brief background on the USM's Effectiveness and Efficiency initiative, which was pioneered over a decade ago. He explained that as the initiative evolved, each development had been successful in driving hundreds of millions of dollars in cost avoidance, savings, and revenue generation throughout the System. Regent Attman cited the work of the USM-hosted Maryland Education Enterprise Consortium, more commonly known as MEEC. Its membership is comprised of K-20 public and private institutions, libraries, museums, and teaching hospitals. Presently, over 200 educational entities belong to MEEC. The Consortium leverages its size to negotiate hardware and software contracts with vendors—every member, large or small, has access to the reduced pricing. Regent Attman went on to say that in an effort to become more efficient, the E&E Workgroup had recently merged into the Finance Committee.

Turning to the agenda item, he explained that in the past two years, the E&E Workgroup recommended that USM institutions find more systemic ways to collaborate—not just on leveraged purchasing of

enterprise technology—but also more broadly on the processes and underlying data which enable institutional staff to operate. That idea was formalized in the *Statement of Values and Expectations on Collaboration and Cooperative Efforts*, approved last June. One requirement contained in the *Statement* was for the USM institutions to prepare and submit a long-term plan for collaboration. Regent Attman then recognized Mr. Eismeier, Assistant Vice Chancellor and Interim CIO, together with Mr. Wyden, Vice President for Finance and Administration at Frostburg State University.

Mr. Eismeier provided a presentation to the committee. The presentation is available online <http://www.usmd.edu/regents/agendas/>. Mr. Eismeier explained that adding to the past benefits of the E&E effort, the Board's *Statement* spawned several exciting initiatives. The primary objectives for each include risk mitigation and cost savings/avoidance through collective implementation as well as building more consistent operational excellence across partnering institutions. He highlighted several representative projects, including the USM Consortium of Six—comprised of Bowie, Coppin, Frostburg, Salisbury, UB, and UMES. The group is working to consolidate back-office processes and systems, and run many operations as one. These are functions where none of the institutions gain competitive advantage by operating as six unique silos. The Consortium is evaluating offers to collaborate from UMCP and Towson, which could provide even greater savings and efficiency.

Mr. Eismeier then turned to Mr. Wyden. He expressed Frostburg State University's full support of the Consortium of Six and the efforts underway to commonize business practices and to move to new technology that will support those new processes. He indicated that at Frostburg, as well as its colleague institutions, many of the campus processes remain paper-driven. He cited approvals, personnel, procurement, travel, and contracts as examples. The state of the current system, which is over 20 years old, encourages departmental development of "side systems" in Access or Excel that house data. As a result, that data is not integrated and therefore not easily available for analysis and decision making. Mr. Wyden explained that the Consortium group primarily performs similar functions—accounting, procurement, budget, and human capital management. He shared that common standardized business processes, supported by new technology solutions, would provide improved access to data in an intuitive format that would allow users to develop reports they need without IT intervention for all Consortium campuses. Mr. Wyden pointed out that the Cloud-based solutions under consideration come with built-in best practices that have been vetted by large and small institutions across the country, and they will remain up to date as the cloud solutions are upgraded regularly. He added, "we will get best practices on day 1." If the Consortium could get started in the spring of 2021, the Financial and Human Capital Management systems could be ready and live by July 1, 2022. In closing, Mr. Wyden offered, "speaking for Frostburg State University, we would appreciate the Finance Committee's support on the Consortium of Six roadmap and plan." Regent Attman thanked Mr. Wyden for his leadership in this initiative, noting that it would be great to have processes that are consistent.

Mr. Eismeier resumed his presentation. He communicated that UMCP and UMB continue to partner under the Strategic Partnership Act collaborating on research administration activities, HR data consolidation and leveraged procurements. Both institutions are implementing modern ERP systems currently and finding ways to work together to that end. Mr. Eismeier also detailed that many other small and large initiatives are underway in both the academic and administrative areas in the USM. The COVID-19 pandemic has necessitated collaborative work and decision making in the past year, as best practices for online education and remote work were developed and shared. He added that as these and new initiatives evolve, the USM Office will report on progress and benefits achieved along the way. This new reporting effort is one of several enhancements under development in the E&E annual process that will be discussed at the February Finance Committee meeting.

Regent Gossett commended all on their work to date in the ERP area, though he shared his concern about the timeframe for completion. In response to Regent Gossett’s inquiry regarding possible Board assistance to speed up the process, Vice Chancellor Herbst stated that the Board’s support of the initiative is very helpful. She pointed out that this undertaking will involve tremendous resources, yet everyone is saving via collaboration as there will not be six different installations. In addition, the Consortium will have the benefit of the other institutions’ (e.g., UMB, UMCP, TU) experience. In response to another question about the timeline, Mr. Eismeier noted that the Consortium has a team, including outside consultants, focused on and committed to moving the project forward. As the discussion concluded, Regent Attman noted that the Chancellor or Vice Chancellor would inform the Board of any need for additional support or resources.

The Finance Committee received the report for information.

2. Convening Closed Session

Regent Attman 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 Attman moved recommendation, seconded by Regent Gossett; unanimously approved)

Vote Count = YEAs: 9 NAYs: 0 Abstentions: 0

Regent Attman thanked everyone for joining the meeting. The public meeting was adjourned at 11:07 a.m.

Respectfully submitted,

Gary L. Attman
Chair, Committee on Finance



UNIVERSITY SYSTEM
of MARYLAND

**BOARD OF REGENTS
COMMITTEE ON FINANCE**

December 2, 2020

Meeting via Video Conference

Minutes of the Closed Session

Regent Attman called the meeting of the Finance Committee of the University System of Maryland Board of Regents to order in closed session at 11:10 a.m. via video conference.

Regents participating in the session included: Mr. Attman, Ms. Fish, Mr. Gonella, Mr. Gossett, Mr. Holzapfel, Mr. Neall, Mr. Pope, Mr. Rauch, and Mr. Wood. Also participating were: Chancellor Perman, Ms. Herbst, Mr. McDonough, Assistant Attorney General Bainbridge, Ms. Decker Mann, Mr. Eismeier, Mr. Page, Ms. Skolnik, Ms. West, and Ms. McMann. Mr. Hoffacker, Mr. Pasquariello, Ms. Schaefer, and Ms. Scott also participated in part of the session.

1. The committee discussed the acquisition of real property in the City of Salisbury (§3-305(b)(3)). (Regent Attman moved recommendation, seconded by Regent Pope; unanimously approved)
Vote Count = YEAs: 9 NAYs: 0 Abstentions: 0
2. The committee discussed the awarding of a janitorial services contract (§3-305(b)(14)). (Regent Attman moved recommendation, seconded by Regent Pope; unanimously approved)
Vote Count = YEAs: 9 NAYs: 0 Abstentions: 0
3. The committee discussed the awarding of a life and long-term disability insurance contract (§3-305(b)(14)). (Regent Fish moved recommendation, seconded by Regent Pope; approved)
Vote Count = YEAs: 8 NAYs: 0 Abstentions: 1 – Regent Attman
4. The committee discussed the proposed FY 2022 Operating Budget submission and potential adjustments to the submission (§3-305(b)(13)).
This item was presented for information purposes; there were no votes on this item.

The session was adjourned at 11:52 a.m.

Respectfully submitted,

Gary L. Attman
Chair, Committee on Finance