



UNIVERSITY SYSTEM  
*of* MARYLAND

**BOARD OF REGENTS  
COMMITTEE ON FINANCE**

December 3, 2025

Meeting via Video and Conference Call

Minutes of the Public Session

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Regent Fish called to order the meeting of the Finance Committee of the University System of Maryland Board of Regents at 3:02 p.m., with participants joining by video conference and teleconference.

Regents participating in the session included: Ms. Fish, 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. Masucci, Dr. Wrynn, Ms. Wilkerson, Assistant Attorney General Boyle, Assistant Attorney General Palkovitz, Assistant Attorney General Stover, President Ginsburg, President Jarrell, Mr. Bitner, Mr. Danik, Mr. Donoway, Mr. Henley, Mr. Jones, Mr. Oler, Mr. Palmer, Mr. Petree, Dr. Rhodes, Mr. Sergi, Mr. Mohammadi, Mr. Brewer, Mr. Olen, Mr. Eigenbrot, Mr. McCann, Ms. Borgerding, Ms. Latimore, Mr. Mowbray, Ms. Schowengerdt, Ms. Watson, Ms. Clark, Mr. Mack, Dr. Gladwin, Dr. Ward, Dr. O'Shea, Mr. Chapman, Mr. Baker, Ms. Auburger, Mr. Beck, Ms. Denson, Mr. Eismeier, Mr. Hickey, Mr. Muntz, Ms. Norris, Ms. Sule, Mr. Brown, Ms. McMann, and other members of the USM community and the public.

Regent Fish welcomed all participants to the December meeting of the Finance Committee.

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

Turning to the first item, the Finance Committee considered a request from Frostburg State University for approval of approximately \$8.55 million to complete corrective work at Brownsville Residence Hall. The chair noted that the facility opened in 2020 and has remained closed following a major water line failure in January 2021 and subsequent plumbing failures in 2023. The committee was advised that the university has completed limited interim repairs totaling approximately \$1.9 million while negotiating with the design-builder under the guidance of the Office of the Attorney General. The remaining work includes replacement of major domestic water and sanitary lines; repairs to interior finishes; life-safety upgrades; HVAC system cleaning; full system testing; and final restoration. The request includes a \$600,000 contingency, representing roughly 10% of the remaining work, reflecting risks associated with material tariffs, labor conditions in Western Maryland, and potential schedule acceleration. The project will be funded with University System of Maryland bonds, and the university will continue efforts to recover costs through settlement negotiations.

Representatives from Frostburg State University, including Mr. Donoway and Mr. Brewer, as well as Mr. Olen from the College Park service center, participated in the discussion and responded to questions from the committee. Regent Hasan asked about the accuracy of the cost estimate and whether the design estimate appeared low. Mr. Olen explained that the figure reflects estimates for only certain

trade packages and that there is limited risk of unforeseen conditions because walls are already open and the remaining design needs are primarily limited to plumbing. Additional questions related to litigation and warranties were deferred, and the committee was reminded that these matters are subject to active litigation and are not appropriate for public discussion. Mr. Donoway thanked the regents for their support.

**The Finance Committee recommended 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 in the item.**

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

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

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

Turning to the next item, the Finance Committee considered a request from Towson University for approval of an increase in authorization for the combined Field House and Towson Center project. The chair welcomed President Ginsburg and thanked him for joining the committee. It was noted that the two projects have been consolidated to reduce disruption and achieve efficiencies across shared building systems. The revised scope includes approximately 10,000 square feet of preparatory work within the existing building footprint to support the larger renovation, including structural reinforcement; major mechanical, electrical, and plumbing upgrades; and improvements to fire protection, life safety, and ADA compliance. President Ginsburg clarified that the work does not add new square footage and will occur entirely within the existing footprint. Existing staff will continue to operate the upgraded facilities.

President Ginsburg noted that the project will improve the health and safety of student athletes and provide an enhanced and refreshed academic center, reflecting a vision that has been under development for several years. He explained that cost increases are attributable to market escalation and the complexity of the project, and that the scope increase is due to complexity rather than additional square footage. Regent Hasan asked about the anticipated project start date, and President Ginsburg responded that construction is expected to begin in late spring or early summer. Regent Hasan also raised questions regarding the use of rounded figures and expressed concern about estimates, including design fees and contingencies. Ms. Latimore responded that the figures are estimates based on design development documents and that a 10% line item contingency is included for design. It was further noted that the attached chart details the total contingency of 26%, consisting of 9% within the construction-only budget and an additional 17% applied to the overall project budget. Ms. Latimore added that a thorough reconciliation of the contingency amounts had been completed.

**The Finance Committee recommended 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 in the item.**

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

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

3. University of Maryland, Baltimore: Health Sciences and Human Services Library Electrical Distribution System Renewal (action)

The Finance Committee considered a request from the University of Maryland, Baltimore, for approval of the Health Sciences and Human Services Library electrical distribution system renewal project. It was noted that this and the following item relate to critical upgrades to UMB's electrical distribution systems to ensure reliability and safety. The committee was advised that the existing electrical system in the library has reached the end of its service life and that the project will modernize the system and more fully integrate the building into campus automation systems. Because the library houses a critical data center, the facility must remain fully operational during construction. Temporary power systems and phased, off-hour shutdowns will be used to avoid disruption. Due to extended lead times for certain electrical components, with some estimated at up to 70 weeks, substantial completion is projected for September 2027. The total project budget is \$6.62 million, funded with \$4.1 million from the fiscal year 2025 Capital Facilities Renewal allocation and \$2.52 million in planned institutional deferred maintenance funds.

Regent Hasan asked about the remaining useful life of the existing electrical components. Mr. Mowbray explained that useful life varies by component, with some estimated at approximately 20 years and others closer to 40 years. The committee discussed contingencies associated with the project, and Senior Vice Chancellor Herbst indicated that institutions have been encouraged to include adequate contingencies. Regent Gooden commented that doing so is prudent. Regarding project status, Dr. Rhodes stated that the project is proceeding through a design-bid-build delivery method and that it has progressed through the design phase and bidding, with the current budget reflecting both the contingency and bid results. Regent Wood asked whether bidders are aware of the contingency amounts, and Dr. Rhodes confirmed that this information is public, as discussed in an open meeting.

**The Finance Committee recommended 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 in the item.**

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

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

4. University of Maryland, Baltimore: Health Sciences Facility I Electrical Distribution System Renewal (action)

The Finance Committee considered a request from the University of Maryland, Baltimore, for approval of the Health Sciences Facility I electrical distribution system renewal project. It was noted that this project represents another major electrical system renewal at the university.

Regent Hasan asked whether the two UMB electrical renewal projects were part of the same contract. Mr. Mowbray responded that the projects are separate but were able to be bid at nearly the same time through a competitive procurement process, and that the same firm submitted the best proposal for both projects. There were no further questions from the committee.

**The Finance Committee recommended that the Board of Regents approve the University of Maryland, Baltimore's Health Sciences Facility I Electrical Distribution System Renewal project as described.**

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

Vote Count = Yeas: 8                      Nays: 0                      Abstentions: 0

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

The Finance Committee considered a request from the University of Maryland, Baltimore, to authorize the Maryland Global Initiatives Corporation (MGIC) to support international operations of other University System of Maryland institutions. It was noted that the Board of Regents established the Maryland Global Initiatives Corporation in 2009 to provide the University of Maryland, Baltimore, with the operational capacity to conduct work overseas in ways that State systems cannot support. MGIC has since become a critical resource for UMB's international research, education, and public service activities, enabling the university to operate safely and efficiently abroad, manage risk, process international transactions, and engage foreign vendors and partners that cannot be accommodated through State mechanisms.

The committee was advised that other USM institutions are now encountering similar operational challenges in their global engagement efforts and have expressed interest in utilizing MGIC's services. UMB is proposing that MGIC offer these services through a service-center model overseen by the MGIC Board and administered by UMB's Division of International Operations. Participating institutions would pay the direct costs associated with the services they use. It was noted that the alternative would be for each institution to establish its own affiliated business entity, which would be less efficient and more costly.

**The Finance Committee recommended that the Board of Regents authorize MGIC to provide international services to other USM institutions to support their global initiatives.**

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

Vote Count = Yeas: 8                      Nays: 0                      Abstentions: 0

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)

The Finance Committee considered the Forty-Eighth Bond Resolution authorizing the issuance of auxiliary facility and tuition revenue bonds and the associated conversion of previously approved cash-funded capital projects to revenue bond funding. It was noted that the action is intended to protect and maintain institutional cash balances in light of potential financial uncertainty and is consistent with steps taken by the Board in November 2020 to preserve liquidity during the COVID-19 pandemic. Senior Vice Chancellor Herbst and her team reviewed all projects previously approved for cash funding, including projects approved by the Chancellor between \$1 million and \$5 million and those approved by the Board in excess of \$5 million. Across the University System of Maryland, nearly \$400 million in authorized cash-funded projects are in various stages of progress, and converting these projects to debt financing is not expected to delay project timelines. Even with this additional debt, the System will remain within its established affordability ratios.

Regent Hasan asked about the impact of the action on debt ratios. Senior Vice Chancellor Herbst noted that Exhibit B presents the related financial analysis and required ratios and indicated that the proposed action will have a modest impact on the financial ratios monitored by the rating agencies. Ms. Norris added that available resources to debt outstanding exceeds 100% and that coverage, measured as projected cash to debt outstanding, is approximately 220%. Regent Wood asked whether any of the proceeds would be used for ICA. Ms. Norris responded that they would, noting that the proceeds would be applied only to previously approved cash-funded capital projects, effectively replacing cash with

debt, and that Exhibit A identifies the affected projects. Regent Wood further asked whether the bonds would be used to pay off the ICA debt. Senior Vice Chancellor Herbst responded that they would not and added that the action reflects a change in the funding source for capital projects. Ms. Norris added that the University System of Maryland issues debt in alignment with the rate of spending on capital projects.

**The Finance Committee recommended 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.**

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

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

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

The Finance Committee considered a request from the University of Maryland, College Park, to extend its existing contract with Salesforce for an additional three years, through January 2029, at a cost of just under \$5.3 million. It was noted that the university has used Salesforce since 2018 and entered into its own sole source contract in 2021, which included renewal options and has since been modified to reflect changes in usage and participating units. The total value of the contract from February 2021 through January 2026 is \$7.6 million. The proposed extension reflects negotiated pricing, with an initially proposed increase substantially reduced, resulting in minimal cost growth over the extension period.

Regent Gooden asked whether the proposed extension complies with the revised sole source procurement policy, recalling that the policy had been updated following an audit. Mr. Hickey responded that the procurement complies with University System of Maryland policy and that the revisions did not affect sole source procurements. Regent Gooden further asked whether the contract could raise audit concerns similar to those cited previously. Senior Vice Chancellor Herbst responded that the procurement follows established processes, includes the appropriate documentation, and is expected to withstand audit review. Regent Speaks asked whether the contract includes CRM functionality. Ms. Watson explained that the contract is for a software-as-a-service model supporting student and prospective student recruitment and is separate from the advancement customer relationship management system, as further noted by Senior Vice Chancellor Herbst.

**The Finance Committee recommended that the Board of Regents approve the request of the University of Maryland, College Park to extend its contract with Salesforce, Inc. for the TerpEngage platform through January 2029.**

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

Vote Count = Yeas: 8 Nays: 0 Abstentions: 0

8. Approval of Meeting Minutes from October 27, 2025 (action)

The Finance Committee considered approval of the minutes from its October 27 meeting.

**The Chancellor recommended approval of the minutes.**

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

Vote Count = Yeas: 8 Nays: 0 Abstentions: 0

9. Convening Closed Session

Regent Fish 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 Fish moved recommendation, seconded by Regent Wood; approved)

Vote Count = Yeas: 8                      Nays: 0                      Abstentions: 0

Regent Fish thanked everyone for joining. The public meeting was adjourned at 4:03 p.m.

Respectfully submitted,

Ellen R. Fish  
Chair, Committee on Finance



UNIVERSITY SYSTEM  
*of* MARYLAND

**BOARD OF REGENTS  
COMMITTEE ON FINANCE**

December 3, 2025

Meeting via Video

Minutes of the Closed Session

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Regent Fish called the meeting of the Finance Committee of the University System of Maryland Board of Regents to order in closed session at 4:10 p.m. via video conference.

Regents participating in the session included: Ms. Fish, Mr. Gonella, Ms. Gooden, Mr. Hasan, Mr. McMillen, Mr. Mirani, Ms. Speaks, and Mr. Wood. Also participating were: Chancellor Perman, Ms. Herbst, Ms. Lawrence, Dr. Masucci, Dr. Wrynn, Ms. Wilkerson, Assistant Attorney General Boyle, Assistant Attorney General Palkovitz, Assistant Attorney General Stover, Ms. Auburger, Mr. Hickey, and Ms. McMann. Mr. Oler, Mr. Mack, Ms. Watson, President Jarrell, Dr. Gladwin, Dr. Ward, Dr. Rhodes, Mr. Bitner, Dr. O'Shea, Mr. Chapman, and Mr. Baker also participated in part of the session.

1. The committee did not take up an item related to a contract for an advancement customer relationship management system (§3-305(b)(14)); the item was withdrawn from the agenda prior to discussion. No discussion occurred and no action was taken.
2. The committee discussed the awarding of a contract for serials subscription services (§3-305(b)(14)). (Regent Fish moved recommendation, seconded by Regent Wood; approved)  
Vote Count = Yeas: 8            Nays: 0            Abstentions: 0
3. The committee discussed research funding (§3-305(b)(13)). (Regent Fish moved recommendation, seconded by Regent McMillen; approved)  
Vote Count = Yeas: 6            Nays: 0            Abstentions: 0
4. The committee discussed the proposed FY 2027 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 5:27 p.m.

Respectfully submitted,

Ellen R. Fish  
Chair, Committee on Finance