

OFFICE OF THE SENIOR VICE CHANCELLOR FOR ADMINISTRATION AND FINANCE

MEMORANDUM

TO: Members of the Committee on Finance

Ellen Fish

Geoff J. Gonella

Anwer Hasan

Charles T. McMillen

Dhruvak Mirani

Michele Speaks

William T. Wood

Linda R. Gooden, *ex officio***FROM:** Ellen Herbst, Senior Vice Chancellor**DATE:** May 29, 2026**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 10:00 a.m. on Thursday, June 4. 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 - 962 4881 8377; Password: 434779

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. [Approval of Meeting Minutes from April 9, 2026 and May 6, 2026](#) (action)
2. [University System of Maryland: FY 2027 Operating Budget](#) (action)
3. [University System of Maryland: Addition to Fiscal Year 2027 Schedule of Self-Support Charges and Fees – Coppin State University Dining Rates](#) (action)
4. [FY 2027 System Funded Construction Program Request](#) (action)
5. [University System of Maryland: Forty-Ninth Bond Resolution—Auxiliary Facility and Tuition Revenue Bonds](#) (action)
6. [University System of Maryland: Official Intent Resolution on Reimbursement of System Cash Balances Spent on Revenue Bond-Authorized Projects](#) (action)
7. [University of Maryland, Baltimore: Proposal to create a not-for-profit corporation as an affiliated business entity to operate the Nursing Faculty Practice for the University of Maryland School of Nursing](#) (action)
8. Approval of FY 2027 Annual Contract between the University System of Maryland on behalf of University of Maryland, Baltimore and the University of Maryland Medical System Corporation (action)
9. [Proposed Amendments to Policy VIII-2.70 — Policy on Student Classification for Admission and Tuition Purposes](#) (action)
10. [University System of Maryland: Facilities Renewal and Facilities Assessment Practices - Initial Update](#) (information)
11. [University System of Maryland: Operating Margin Review](#) (information)
12. [Convening Closed Session](#) (action)

SUMMARY OF ITEM FOR ACTION,
INFORMATION OR DISCUSSION

TOPIC: Approval of Meeting Minutes from April 9, 2026 and May 6, 2026 (action)

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: June 4, 2026

SUMMARY: The Finance Committee will review the minutes from its recent 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

April 9, 2026

Meeting via Video and Conference Call

DRAFT

Minutes of the Public Session

Regent Fish called to order the meeting of the Finance Committee of the University System of Maryland Board of Regents at 10:01 a.m., with participants joining by video conference and teleconference.

Regents participating in the session included: Ms. Fish, Mr. Hasan, Mr. McMillen, Mr. Mirani, Ms. Speaks, and Mr. Wood. Also participating were: Ms. Herbst, Mr. Minor, Dr. Masucci, Mr. Sandler, Ms. Wilkerson, Assistant Attorney General Boyle, Assistant Attorney General Palkovitz, Assistant Attorney General Stover, Assistant Attorney General Marek, President Anderson, President Ginsberg, Interim President Smith, Ms. Aughenbaugh, Mr. Bitner, Mr. Danik, Mr. Donoway, Mr. Henley, Mr. Jones, Mr. Namazie, Mr. Oler, Mr. Palmer, Mr. Petree, Dr. Rhodes, Mr. Sergi, Mr. Keeney, Ms. Adkins, Ms. Schurg, Dr. Bittinger, Mr. Bradshaw, Mr. Berkheimer, Mr. Gosnell, Mr. McCann, Ms. Borgerding, Ms. Latimer, Mr. Olen, Mr. Jirinec, Mr. Harris, Ms. Auburger, Mr. Beck, Mr. Chanen, Ms. Denson, Mr. Eismeier, Mr. Hickey, Ms. Johnson, Mr. Li, Mr. Muntz, Ms. Norris, Ms. Sule, Mr. Brown, Ms. Bucko, Ms. McMann, and other members of the USM community and the public.

Regent Fish welcomed all participants to the meeting.

1. Approval of Meeting Minutes from January 28, 2026 (action)

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

The Chancellor recommended approval of the minutes.

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

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

2. USM Enrollment Projections: FY 2027-2036 (action)

Regent Fish introduced the item concerning the proposed FY 2027-2036 enrollment projections. She noted that the enrollment projections are presented annually to the Finance Committee for approval to ensure transparency and alignment with broader System goals. Regent Fish stated that the Chancellor, in consultation with the presidents, recommends the projections after considering the current higher education environment and each institution’s longer-term enrollment plans. She also noted that the Enrollment Workgroup recently met to review the projections and related institutional strategies supporting recruitment and retention.

Regent Fish then recognized Mr. Muntz, associate vice chancellor for strategy, planning, and analytics, to provide an overview of the proposed enrollment projections. Mr. Muntz acknowledged members of

the USM Office team and institutional representatives supporting the effort. He discussed the role enrollment projections play in operating budget development, student support planning, and long-term capital planning. Mr. Muntz reviewed projected enrollment trends across the System, including a projected fall 2026 enrollment of approximately 177,360 students, institutional-level changes, and long-term projections, noting that the proposed projections reflect steady growth assumptions informed by recent enrollment trends and institutional planning efforts. Regent Fish commented on the accuracy of the System’s prior enrollment projections, noting that the close alignment between projected and actual enrollment figures was a significant achievement.

During the discussion, Regent McMillen asked about the anticipated impact of the projected national enrollment decline and requested perspective on Maryland’s outlook. He also commented on the role athletics programs can play in supporting enrollment growth. Mr. Muntz responded that Maryland remains comparatively well positioned because a significant percentage of Maryland high school graduates do not currently pursue higher education, creating opportunities for future enrollment growth. He noted the importance of remaining attentive to competition from out-of-state institutions recruiting Maryland students and referenced Frostburg State University’s experience attracting student athletes as one example of athletics supporting enrollment growth.

The Finance Committee recommended that the Board of Regents approve the enrollment projections as submitted.

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

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

3. University System of Maryland: FY 2027 Self-Support Charges and Fees (action)

Regent Fish introduced the item and noted that the schedule of self-support charges assists in funding expenses related to student housing, dining, and parking operations across the campuses. She stated that the proposed fee increases generally reflect increases in employee wages and fringe benefits, rising food and maintenance costs, and broader inflationary operating pressures. Regent Fish reviewed the proposed range of housing and dining rate increases across the institutions and noted that three institutions proposed parking rate increases for fiscal year 2027.

Regent Fish further noted that Bowie State University cited several factors supporting its proposed increases, including growing demand for year-round housing, increased operational and staffing costs associated with expanded residence hall usage, the need to support housing-insecure students, and ongoing deferred maintenance and operational needs. She also noted that Bowie’s dining services operation is planning targeted investments in equipment and infrastructure to modernize campus dining facilities and improve operational efficiency and the student dining experience. She emphasized that each institution provided a summary of its student engagement process in accordance with Board policy and remarked that the review of student charges and fees is among the Committee’s most important responsibilities.

During the discussion, Regent Speaks expressed concern regarding deferred maintenance needs and asked whether endowment resources could be used to offset costs rather than increasing student charges. Senior Vice Chancellor Herbst responded that Board policy establishes facilities renewal expectations supported through both operating and capital funding and noted that facilities renewal remains a challenge across higher education nationally. She stated that the System tracks institutional progress and performance annually and incorporates those results into presidential evaluations. Senior Vice Chancellor Herbst further noted that the Board has consistently emphasized renovation, repair, and reuse priorities over new construction and that a significant portion of capital funding supports those

goals. In response to a question from Regent Hasan, Senior Vice Chancellor Herbst confirmed that institutions track and report facilities renewal performance annually.

Regent Mirani commented that, while student consultation regarding fee proposals is required under Board policy, the level of formality varies among institutions. He noted that the University of Maryland, College Park utilizes a more formalized student review and voting structure and suggested consideration of a more uniform process across institutions.

The Finance Committee recommended that the Board of Regents approve the proposed self-support charges and fees for FY 2027 as presented in the item.

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

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

4. University System of Maryland: Fiscal Year 2027 Schedule of Tuition and Mandatory Fees (action)

Regent Fish introduced the item and noted that the Board annually undertakes a comprehensive review of proposed tuition and fee adjustments presented by the institutions. She stated that the System remains committed to balancing affordability for students and families with the operational vitality and sustainability of its institutions.

Regent Fish reviewed the proposed undergraduate tuition increases, noting that resident undergraduate tuition rates for fiscal year 2027 would not increase by more than 5.0% and that resident undergraduate full-time total costs, including tuition and mandatory fees, would not exceed 4.4% year-over-year. She further noted that non-resident undergraduate tuition rates would not increase by more than 5.0% and that non-resident undergraduate full-time total costs would not exceed 5.2%.

Regent Fish also reviewed several proposed differential tuition requests submitted pursuant to Board policy. These included a proposed tuition rate for the University of Maryland, Baltimore's new Doctor of Social Work program; a separate tuition structure for fully online programs and new tuition and program fees supporting the launch of the Doctor of Veterinary Medicine program at the University of Maryland Eastern Shore; a differential tuition rate supporting international cohort programs within the University of Baltimore's Master of Science in Business program; and a unified tuition rate for fully online graduate and doctoral programs at Frostburg State University.

Regent Fish noted that mandatory fees included within the schedule support services and activities not primarily funded through tuition revenue or State general funds, including student unions, recreation centers, and athletics. She stated that the proposed fee increases reflect increases in employee wages and benefits, inflationary operational pressures, and the need to sustain and enhance student services and programs. Regent Fish also noted that institutions are required to consult with student representatives regarding tuition and fee proposals pursuant to Board policy and commented favorably on Regent Mirani's earlier suggestion regarding consideration of a more consistent student consultation process across institutions. She further noted that projected tuition and mandatory fee revenue for fiscal year 2027 is expected to increase by approximately \$59.3 million, or 2.9%, over fiscal year 2026 levels.

During the discussion, Regent McMillen asked how the proposed tuition rates compare with peer institutions. Senior Vice Chancellor Herbst responded that institutions conduct peer comparisons as part of their tuition review and planning processes and suggested that a summary comparison chart may be helpful to include in future materials. She added that the University of Maryland, College Park remains among the strongest values within the Big Ten.

Regent Mirani commented that he remains concerned about continued annual increases in student costs and stated that he would vote against the proposal. Regent Hasan indicated that he had been unable to fully access the materials and would abstain from the vote.

The Finance Committee recommended that the Board of Regents approve the tuition and mandatory fees schedule as submitted, with the Chancellor authorized to make appropriate changes consistent with existing policies and guidelines. Any such changes will be in consultation with and reported to the Board.

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

Vote Count = Yeas: 4 Nays: 1 Abstentions: 1

5. Frostburg State University: Expansion and Restructuring of Regional Tuition Program (action)

The Finance Committee considered a request from Frostburg State University to expand and restructure its regional tuition program beginning in fall 2027. Regent Fish noted that, unlike the prior tuition and fee items addressing the upcoming academic year, this and the following item were presented in advance to support longer-term planning and student recruitment efforts. She welcomed Interim President Smith and members of the Frostburg State University team and expressed appreciation for the analysis and planning undertaken in developing the proposal.

Interim President Smith provided an overview of the proposed expansion and restructuring of the university's regional tuition program and discussed the institution's efforts to support enrollment growth and regional competitiveness. During the discussion, Regent Speaks asked about the anticipated enrollment impact reflected in the university's enrollment projections. Interim President Smith responded that the proposal would begin in fall 2027 and stated that, if approved, the university intends to market the program aggressively, which could positively affect future enrollment projections.

Regent Wood expressed support for the proposal and asked whether expanding the program across state lines raised any legal or statutory concerns. Senior Vice Chancellor Herbst responded that no legal concerns had been identified. She noted that the Board maintains policies regarding the percentage of in-state and out-of-state students and emphasized the importance of preserving affordable educational opportunities for Maryland residents. Senior Vice Chancellor Herbst also expressed appreciation that the university leadership engaged the USM Office early in the development of the proposal. Regent Fish added that the Board previously approved tuition differentials permitting certain out-of-state students from areas without access to a historically Black college or university to receive in-state tuition rates at Coppin State University and the University of Maryland Eastern Shore.

The Finance Committee recommended that the Board of Regents approve Frostburg State University's expansion and restructuring of its regional tuition program, which will replace the current regional tuition classification beginning in the 2027–2028 academic year.

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

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

6. Towson University: Implementation of Pilot Undergraduate Regional Tuition Rate Program (action)

The Finance Committee considered a request from Towson University to implement a pilot undergraduate regional tuition rate program beginning in fall 2027. Regent Fish introduced the item and noted that, similar to the prior Frostburg State University proposal, the request was presented in

advance to support longer-term recruitment and enrollment planning efforts. She explained that Towson University seeks approval to implement a four-year pilot program replacing its current “Black and Gold” scholarship model with a regional tuition rate structure under which eligible students from nearby states would be charged tuition at 200% of the in-state tuition rate. Regent Fish noted that the proposal is intended to improve competitiveness in key out-of-state markets and support enrollment growth.

Regent Fish welcomed President Ginsberg and members of the Towson University team and invited President Ginsberg to provide an overview of the proposal. President Ginsberg discussed recent enrollment and recruitment trends, noting that a significant portion of the university’s out-of-state students come from nearby regional markets targeted under the proposal. He stated that, while interest in the university has increased, student yield has declined in recent years, which the university believes is tied in part to price sensitivity. President Ginsberg explained that the existing Black and Gold program functions as a financial aid scholarship model rather than a tuition pricing structure and stated that the university believes a clearer and more strategic regional tuition model is needed to remain competitive. He noted that the proposal is designed to be straightforward for students and families to understand and simple for the institution to administer. President Ginsberg further stated that approximately 90% of out-of-state students graduating from Towson University remain in Maryland and contribute to the State’s workforce and economy. The university anticipates the pilot program could initially generate more than 125 additional students, with enrollment gains potentially increasing over time. President Ginsberg also noted that the university seeks flexibility to adjust the proposed 200% tuition figure in the future based on ongoing analysis and program performance.

The Finance Committee recommended that the Board of Regents approve Towson University’s implementation of a pilot regional tuition rate program at 200% of its in-state undergraduate rate for a four-year pilot period starting Fall 2027 for students enrolling at TU from Delaware, District of Columbia, New Jersey, New York, Pennsylvania, Virginia, and West Virginia.

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

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

7. Proposed Amendment to VII-8.05 – Policy on Professional Conduct and Workplace Bullying (action)

Regent Fish introduced the item and recognized Mr. Chanen, associate vice chancellor for human resources, who was available to respond to questions from the Committee. There were no questions or discussion regarding the proposed amendment.

The Finance Committee recommended that the Board of Regents approve the proposed revisions to USM Policy VII-8.05 – Policy on Professional Conduct and Workplace Bullying.

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

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

8. Establishment of New Paid Family Medical Leave Policy in Compliance with Statutory Changes and Proposed Amendments to Existing Impacted Policies (action)

The Finance Committee considered a proposed new policy on Paid Family and Medical Leave, along with related amendments to four existing Board policies, to comply with recent statutory changes. Regent Fish introduced the item and recognized Ms. Marek, assistant attorney general, and Mr. Chanen, associate vice chancellor for human resources, who were available to respond to questions from the Committee. There were no questions or discussion regarding the proposed policy actions.

The Finance Committee recommended that the Board of Regents approve the adoption of the proposed Paid Family and Medical Leave policy and the amendments to Board policies II-2.25, II-2.31, VII-7.49, and VII-7.50.

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

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

9. Salisbury University Facilities Master Plan (action)

The Finance Committee considered Salisbury University’s Facilities Master Plan. Regent Fish noted that Salisbury University presented the Facilities Master Plan at the January meeting, providing an overview of the long-range framework guiding campus development, facilities renewal, and use of physical assets in support of institutional priorities. She recognized Ms. Adkins, associate vice president of administration and finance, and Mr. Berkheimer, associate vice president of facilities, who were available to respond to questions from the Committee. There were no questions or discussion regarding the proposed plan.

The Finance Committee recommended that the Board of Regents approve the Salisbury University 2025-2034 Campus Master Plan. Approval of the Facilities Master Plan does not constitute approval of specific projects or funding, which will continue to be reviewed separately through the Board’s capital and operating budget processes.

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

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

10. University of Maryland Eastern Shore: Authorization for Renovations in support of School of Veterinary Medicine – Foundational Facilities (action)

The Finance Committee considered a request from the University of Maryland Eastern Shore for approval of a \$14.9 million project to renovate and construct foundational facilities supporting the launch of the School of Veterinary Medicine.

Regent Fish introduced the item and noted that the project includes renovations and limited new construction to support the inaugural cohort of 100 Doctor of Veterinary Medicine students, anticipated to begin in summer/fall 2027. She explained that the project serves as an interim step ahead of the planned State-funded veterinary school facility and that the university will utilize a combination of shared instructional space and targeted renovations to support program operations and accreditation requirements.

Regent Fish recognized President Anderson, accompanied by Mr. Henley, vice president for administration and finance, and Mr. Gosnell, director of facilities planning, design and construction, who were available to respond to questions from the Committee. During the discussion, Regent Hasan asked how the renovated space would be utilized once the permanent veterinary school facility is constructed. President Anderson responded that the project focuses on improving and repurposing existing university space to better meet current and future academic needs. She noted that the renovated facilities will continue to serve the university and remain useful throughout the life of the veterinary medicine program.

The Finance Committee recommended that the Board of Regents approve the University of Maryland Eastern Shore’s request for a project budget of \$14,900,000 for renovations and new construction supporting the School of Veterinary Medicine Foundational Facilities, as described above.

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

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

11. Towson University: Central Utility Plant Fire Restoration Update (information)

The Finance Committee received an update regarding restoration of Towson University's Central Utility Plant following significant fire damage sustained in summer 2025.

Regent Fish introduced the item and noted that, in October 2025, the Committee approved an initial \$9.7 million authorization to support restoration planning and directed the university to return with a refined cost estimate as project planning progressed. She stated that the university has since advanced the design process and developed a near-final cost estimate based on 95% design documents, bringing the total projected project cost to approximately \$16.95 million.

Regent Fish further noted that the Governor's fiscal year 2027 Capital Improvement Program includes \$10.6 million in general obligation bond funding for the project. The remaining project costs are expected to be supported through insurance reimbursements and other non-budgeted funding sources, with the university responsible for the applicable insurance deductible.

Regent Fish recognized Mr. Palmer, interim chief financial officer and senior vice president for administration and finance; Mr. McCann, associate vice president of planning, design, and construction; and Ms. Latimer, executive director of design and construction, who were available to respond to questions from the Committee. There were no questions or discussion regarding the project update.

The Finance Committee received the item for information purposes.

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

The Finance Committee received a status update on major capital improvement projects underway across the University System of Maryland. Regent Fish introduced the item and recognized Mr. Beck, associate vice chancellor for capital planning, accompanied by Ms. Latimer, executive director of design and construction at the University of Maryland, Baltimore service center, and Mr. Olen, executive director of planning and construction at the University of Maryland, College Park service center.

Regent Fish noted that the report provides an overview of contract awards, project completions, and project schedules for the twelve-month period ending November 30, 2025. She stated that approximately \$2.8 billion in capital projects were underway across the System as of November 30, either in design or construction, and noted the significant economic impact of State capital investment. Regent Fish highlighted several major project completions during the reporting period, including the Martin Luther King, Jr. Center at Bowie State University, renovations to the Glen Residential Towers at Towson University, and the Barry P. Gossett Basketball Performance Center at the University of Maryland, College Park. She also noted that the materials identify 109 major projects pending design, in design, or under construction across the System.

During the discussion, Regent Hasan asked about the University of Maryland, College Park's large-scale energy infrastructure project, including the campus chiller and power plant. Mr. Olen responded that the project, known as the NextGen Energy Program, has begun construction and is being delivered through a public-private partnership. Senior Vice Chancellor Herbst added that the project could be included in future reporting and noted that the System closely monitors its progress.

The Finance Committee received the item for information purposes.

13. University System of Maryland: Educational Overview of Capital Cost Management and Facilities Renewal (information)

The Finance Committee was scheduled to receive an educational overview of capital cost management and facilities renewal; however, due to time constraints, the item was postponed to a future meeting.

14. Financial Condition and Financial Results of Intercollegiate Athletics Programs (information)

The Finance Committee received the annual report on the financial condition and results of the University System of Maryland's intercollegiate athletics programs. Regent Fish introduced the item and noted that the financial results of the System's intercollegiate athletics programs were reviewed in detail by the Committee on Intercollegiate Athletics and Student-Athlete Health and Welfare at its March 27 meeting, including operating results, fund balances, and the level of institutional support provided to athletics programs. She explained that, consistent with the committee charter, the report was being shared with the Finance Committee for information.

Regent Fish then recognized Senior Vice Chancellor Herbst to provide an overview of the report. Senior Vice Chancellor Herbst noted that, of approximately 1,100 intercollegiate athletics programs nationally, only about 30 reported positive financial results. She stated that institutions continue to face increasing costs related to travel, personnel, and other operating expenses, as well as emerging financial pressures associated with recent changes in the collegiate athletics landscape. Senior Vice Chancellor Herbst noted that athletics programs are reviewed for compliance with Board policy and that institutional support for athletics programs is subject to established review, approval, and reporting requirements.

The Finance Committee received the item for information purposes.

15. 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 Speaks; approved)

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

Regent Fish thanked everyone for joining. The public meeting was adjourned at 11:58 a.m.

Respectfully submitted,

Ellen R. Fish
Chair, Committee on Finance



UNIVERSITY SYSTEM
of MARYLAND

**BOARD OF REGENTS
COMMITTEE ON FINANCE**

April 9, 2026
Meeting via Video Conference

DRAFT

Minutes of the Closed Session

Regent Fish called the meeting of the Finance Committee of the University System of Maryland Board of Regents to order in closed session at 12:00 p.m. via video conference.

Regents participating in the session included: Ms. Fish, Mr. Hasan, Mr. McMillen, Mr. Mirani, Ms. Speaks, and Mr. Wood. Also participating were: Ms. Herbst, Mr. Minor, Dr. Masucci, Mr. Sandler, Ms. Wilkerson, Assistant Attorney General Boyle, Assistant Attorney General Palkovitz, Assistant Attorney General Stover, Mr. Oler, Mr. Harris, Mr. Jirinec, Mr. Eismeier, Mr. Hickey, Ms. Johnson, and Ms. McMann.

1. The committee discussed the awarding of a contract for advancement customer relationship management services (§3-305(b)(14)).

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

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

The session was adjourned at 12:16 p.m.

Respectfully submitted,

Ellen R. Fish
Chair, Committee on Finance



UNIVERSITY SYSTEM
of MARYLAND

BOARD OF REGENTS
COMMITTEE ON FINANCE

May 6, 2026

Meeting via Video and Conference Call

DRAFT

Minutes of the Public Session

Regent Fish called to order the meeting of the Finance Committee of the University System of Maryland Board of Regents at 2:02 p.m., welcoming participants joining via video and teleconference.

Regents participating in the session included: Ms. Fish, Mr. Gonella, Mr. Hasan, Mr. Hur, Mr. McMillen, Mr. Mirani, Ms. Speaks, Ms. Stebbins, and Mr. Wood. Also participating were: Chancellor Perman, Ms. Herbst, Ms. Wilkerson, Assistant Attorney General Boyle, Assistant Attorney General Palkovitz, Assistant Attorney General Stover, Ms. Latimer, Mr. Olen, Ms. Auburger, Mr. Beck, Ms. Bucko, Ms. Denson, Mr. Hickey, Mr. Li, Mr. Muntz, Ms. Norris, Ms. McMann, and other members of the USM community and the public.

1. 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 Gonella; approved)

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

Regent Fish thanked everyone for joining. The public meeting was adjourned at 2:04 p.m.

Respectfully submitted,

Ellen R. Fish
Chair, Committee on Finance



UNIVERSITY SYSTEM
of MARYLAND

**BOARD OF REGENTS
COMMITTEE ON FINANCE**

May 6, 2026
Meeting via Video Conference

DRAFT

Minutes of the Closed Session

Regent Fish called the meeting of the Finance Committee of the University System of Maryland Board of Regents to order in closed session at 2:06 p.m. via video conference.

Regents participating in the session included: Ms. Fish, Mr. Gonella, Mr. Hasan, Mr. Hur, Mr. McMillen, Mr. Mirani, Ms. Speaks, Ms. Stebbins, and Mr. Wood. Also participating were: Chancellor Perman, Ms. Herbst, Ms. Wilkerson, Ms. Lawrence, Assistant Attorney General Boyle, Assistant Attorney General Palkovitz, Assistant Attorney General Stover, Ms. Latimer, Mr. Olen, Ms. Auburger, Mr. Beck, Ms. Bucko, Ms. Denson, Mr. Hickey, Mr. Li, Mr. Muntz, Ms. Norris, and Ms. McMann. President Pines, Mr. Reuning, Mr. Phillips, President Jarrell, Dr. Ward, Mr. Mowbray, President Breaux, Mr. Kumar, Mr. Williford, President Ginsberg, Mr. McCann, President Anderson, Mr. Henley, Mr. Gosnell, Interim President Smith, Mr. Donoway, Mr. Brewer, President Jenkins, Mr. Danik, Ms. Hall, Ms. Aughenbaugh, Dr. Mueller, Mr. Mohammadi, President Lepre, Ms. Edenhart-Pepe, Mr. Berkheimer, President Sheares Ashby, Mr. Petree, Mr. Zahor, President Miralles-Wilhelm, Mr. Nemazie, Dr. Sieracki, President Fowler, Mr. Sergi, and Mr. Principe also participated in part of the session.

1. The committee discussed the submission of the proposed FY 2028 capital budget (§3-305(b)(13)).

This item was presented for information purposes; there were no votes on this item.

The session was adjourned at 5:20 p.m.

Respectfully submitted,

Ellen R. Fish
Chair, Committee on Finance

TOPIC: University System of Maryland: FY 2027 Operating Budget

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: June 4, 2026

SUMMARY: As required by USM Policy VIII-9.00 – Policy on the Operating Budget, the FY 2027 USM Operating Budget is submitted for consideration and action.

The total budget includes revenue from state appropriations, tuition and fees, auxiliary services, federal grants and contracts, and other revenues for a total budget of approximately \$7.9B. The FY 2027 Operating Budget provides new state funding adjustments as follows:

- Turnover Budget Reduction: (\$29.5M)
- HBCU Settlement General Funding Adjustment: (\$1.8M) – BSU
- Workgroup on AI: \$100K – UMB
- Quantum Faculty Hiring Initiative: \$7.0M – UMCP
- Applied Research Laboratory for Intelligence and Security: \$5.0M – UMCP
- Capital Quantum Operations: \$2.0M – UMCP
- Across-the-Board Changes for Statewide Pass-Through Costs: \$54.8M
- Supplemental #2 – USM Study on Climate Change: \$100K – USMO
- Legislative Additions – Proposed: \$4.9M
- PAYGO for Capital Projects: \$17.0M – Restricted
- MFRI Information Technology Modernization: \$550K – Restricted – UMCP
- General Funds/HEIF Swap: \$22.8M

State Supported Budget:

The state-supported portion of the budget totals approximately \$4.6B. Included in this figure are state appropriations, Higher Education Investment Funds (HEIF) and HBCU settlement funds of approximately \$2.3B (an increase of approximately 0.6% or approximately \$12.6M over the FY 2026 budget base state funds), and tuition and fees of approximately \$1.9B.

Non-State Supported Budget:

The non-state-supported portion of the budget totals approximately \$3.3B, comprised mainly of Auxiliary Revenues of approximately \$859.2M. Approximately \$1.1B of restricted funding is mainly comprised of federal grants and contracts. Private gifts, grants, and contracts make up approximately \$311.5M of the Restricted revenue budget for Non-State. State and local grants and contracts total approximately \$283.7M.

ALTERNATIVE(S): The budget request could be adjusted to increase/decrease expenditures or to move expenditures from one area to another. However, a balanced budget is required, and revenue must be adjusted to match any change in overall expenditures.

FISCAL IMPACT: The USM budget totals \$7.9B.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve the FY 2027 operating budget as submitted, with the Chancellor authorized to make appropriate changes consistent with existing board policies and guidelines. Any such changes will be in consultation with and reported back to the Board.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923

**University System of Maryland
FY 2027 Operating Budget**

Table 1

	Current Unrestricted Funds				Total	Total	Total	Full Time	Full Time Equivalent
	State								
	<u>Appropriations</u>	<u>Tuition & Fees</u>	<u>Auxiliary</u>	<u>Other</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Funds</u>	<u>Positions</u>	<u>Students</u>
UMB	366,744,170	193,536,699	33,057,603	327,726,096	921,064,568	630,584,801	1,551,649,369	5,527.03	7,263
UMCP	856,203,416	817,151,268	399,396,623	299,084,050	2,371,835,357	647,007,001	3,018,842,358	10,017.93	35,600
BSU	85,718,456	53,654,070	31,897,915	3,043,445	174,313,886	46,098,397	220,412,283	697.00	4,308
TU	221,457,068	195,415,048	160,609,224	13,166,460	590,647,800	78,000,000	668,647,800	2,503.00	16,400
UMES	82,898,866	33,217,676	27,958,319	6,357,946	150,432,807	40,553,952	190,986,759	826.87	2,995
FSU	62,712,655	36,797,176	19,860,942	2,491,567	121,862,340	23,657,400	145,519,740	626.00	3,120
CSU	72,048,745	19,012,037	24,031,369	542,113	115,634,264	18,000,000	133,634,264	462.00	2,090
UBalt	64,565,589	51,202,300	4,561,035	4,796,070	125,124,994	33,756,268	158,881,262	598.00	2,129
SU	93,898,542	78,088,640	61,397,292	3,997,602	237,382,076	20,250,000	257,632,076	1,082.00	6,649
UMGC	64,097,065	486,107,931	-	33,474,421	583,679,417	174,934,140	758,613,557	1,146.00	45,988
UMBC	221,056,191	159,088,720	93,727,072	72,804,039	546,676,022	138,071,667	684,747,689	2,363.53	11,173
UMCES	29,365,511	-	-	10,613,040	39,978,551	23,200,000	63,178,551	277.93	-
USMO	28,111,892	-	-	15,139,138	43,251,030	2,375,172	45,626,202	140.80	-
USG	28,488,378	1,812,846	2,797,238	1,283,656	34,382,118	8,500,000	42,882,118	90.00	-
Total	\$2,277,366,544	\$2,125,084,411	\$859,294,632	794,519,643	6,056,265,230	\$1,884,988,798	\$7,941,254,028	26,358.09	137,715

University System of Maryland
 FY 2027 State Funding
 Governor's Allowance

Table 2

Institution:	FY 2026	Target Memo			Governor's Allowance				FY 2027	
	Budget Base State Funds	FY26 Salary Enhancements	New Facilities Operating and Debt Service	Legislative Mandates & Additions / Removal of One-Time Funding	Turnover Adjustment - 1.5% Reduction	HBCU Funding Update	Funding for Special Initiatives	Across the Board (ATB) Changes for Statewide Costs	Legislative Adjustments & Additions	Allowance State Funds
UMB	351,727,285	11,666,755	-	285,129	(5,660,852)	-	100,000	8,475,853	150,000	366,744,170
*UMCP	833,529,388	34,587,489	3,051,215	(28,713,366)	(12,180,048)	-	14,000,000	16,728,738	(4,800,000)	856,203,416
BSU	84,093,580	2,858,323	-	(123,065)	(775,724)	(1,778,059)	-	1,443,401	-	85,718,456
TU	204,022,784	6,123,236	466,534	3,283,367	(2,649,443)	-	-	9,660,590	550,000	221,457,068
UMES	78,909,782	2,958,937	-	(78,294)	(762,736)	-	-	1,871,177	-	82,898,866
FSU	59,334,189	2,767,205	(337,599)	(75,825)	(594,186)	-	-	1,618,871	-	62,712,655
CSU	69,385,081	2,185,087	334,765	(1,060,228)	(483,674)	-	-	1,437,714	250,000	72,048,745
UBalt	60,111,654	2,365,407	191,171	(1,609,391)	(678,568)	-	-	2,685,316	1,500,000	64,565,589
SU	89,356,494	3,286,464	60,567	(195,334)	(1,095,280)	-	-	2,485,631	-	93,898,542
UMGC	61,682,212	1,659,107	-	(96,398)	(1,505,813)	-	-	1,357,957	1,000,000	64,097,065
UMBC	211,328,335	7,129,229	191,855	(259,014)	(2,515,825)	-	-	5,181,611	-	221,056,191
UMCES	27,792,873	770,418	155,432	(18,925)	(238,355)	-	-	504,068	400,000	29,365,511
USMO	26,135,518	756,003	-	(31,639)	(244,512)	-	-	996,522	500,000	28,111,892
USG	27,528,793	748,975	-	(13,787)	(109,358)	-	-	333,755	-	28,488,378
USM total	2,184,937,968	79,862,635	4,113,940	(28,706,770)	(29,494,374)	(1,778,059)	14,100,000	54,781,204	(450,000)	2,277,366,544

*FY 2027 Allowance State Funds are not inclusive of Restricted Funds: \$13.1M related to restricted MFRI funding, \$14.0 TU PAYGO funding, and \$3.015M UMB PAYGO funding.

Table 3a

**SUMMARY OF EXPENDITURES
UNIVERSITY SYSTEM OF MARYLAND - TOTAL**

	FY 2025 Actual		FY 2026 Appropriations Adj.		FY 2027 Allowance Adj.		FY 2027 Change		%
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	
Total Number of Authorized Positions	26,682.27		26,358.09		26,358.09		0.00		0.0%
Total Number of Contractual Positions	7239.80		7015.73		7182.90		167.17		2.4%
Expenditures									
Salary, Wages, and Fringe Benefits		4,693,899,272		4,721,780,716		4,739,066,743		17,286,027	0.4%
Technical and Special Fees		151,331,706		146,583,948		146,883,026		299,078	0.2%
Operating Expenses		2,911,535,878		3,051,798,626		3,055,304,259		3,505,633	0.1%
Total Expenditures	33,922.07	7,756,766,856	33,373.82	7,920,163,290	33,540.99	7,941,254,028	167.17	21,090,738	0.3%
Beginning Balance (CUF)		1,508,860,530		1,557,315,611		1,581,376,797		24,061,186	1.5%
Revenues									
Current Unrestricted Revenue:									
Tuition and Fees		1,951,109,900		2,050,887,222		2,125,084,411		74,197,189	3.6%
State General Funds		2,113,950,566		2,106,552,802		2,112,590,100		6,037,298	0.3%
Higher Education Investment Fund		155,105,884		121,846,254		132,235,752		10,389,498	8.5%
Maryland Energy Innovation		2,100,000		2,100,000		2,100,000		-	0.0%
HBCU Settlement General Funds		33,120,078		34,318,751		32,540,692		(1,778,059)	-5.2%
HBCU Settlement Special Funds		2,356,010		-		-		-	0.0%
Federal Grants and Contracts		214,633,681		193,917,807		182,247,925		(11,669,882)	-6.0%
Private Gifts, Grants, and Contracts		100,381,951		91,377,787		82,938,029		(8,439,758)	-9.2%
State and Local Grants and Contracts		29,460,429		23,771,403		26,394,227		2,622,824	11.0%
Sales and Services of Educational Activities		288,498,235		295,731,727		295,811,718		79,991	0.0%
Sales and Services of Auxiliary Enterprises		808,624,265		838,337,607		859,294,632		20,957,025	2.5%
Other Sources		245,557,784		244,499,893		243,959,233		(540,660)	-0.2%
Transfer (to)/from Fund Balance		(48,455,081)		(24,061,186)		(38,931,489)		(14,870,303)	61.8%
Total Unrestricted Revenue		5,896,443,702		5,979,280,067		6,056,265,230		76,985,163	1.3%
Current Restricted Revenue:									
Federal Grants and Contracts		1,052,987,153		1,107,495,879		1,057,277,038		(50,218,841)	-4.5%
CRRSAA - Direct Federal Support		1,486,282		-		-		-	0.0%
ARPA - Direct Federal Support		359,514		-		-		-	0.0%
Private Gifts, Grants, and Contracts		282,983,498		283,745,559		282,466,326		(1,279,233)	-0.5%
State and Local Grants and Contracts		271,401,215		274,174,720		275,213,369		1,038,649	0.4%
State General Funds (Restricted)		877,845		-		-		-	0.0%
State Special Funds (Restricted)		11,134,064		12,525,819		13,075,819		550,000	4.4%
PAYGO Special Funds		-		23,000,000		17,015,000		(5,985,000)	-26.0%
Other Sources		239,093,583		239,941,246		239,941,246		-	0.0%
Total Restricted Revenue		1,860,323,154		1,940,883,223		1,884,988,798		(55,894,425)	-2.9%
Total Revenue		7,756,766,856		7,920,163,290		7,941,254,028		21,090,738	0.3%
Ending Balance (CUF)		1,557,315,611		1,581,376,797		1,620,308,286		38,931,489	2.5%

Table 3b

**SUMMARY OF EXPENDITURES
UNIVERSITY SYSTEM OF MARYLAND - STATE SUPPORTED**

	FY 2025 Actual		FY 2026 Appropriations Adj.		FY 2027 Allowance Adj.		FY 2027 Change		%
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	
Total Number of Authorized Positions	18,075.55		18,071.09		18,071.09		0.00		0.0%
Total Number of Contractual Positions	4,614.56		4,704.45		4,871.62		167.17		3.6%
Expenditures									
Salary, Wages, and Fringe Benefits		3,042,551,981		3,088,501,483		3,107,585,771		19,084,288	0.6%
Technical and Special Fees		74,577,728		71,953,383		72,490,782		537,399	0.7%
Operating Expenses		1,322,869,061		1,354,017,448		1,419,878,281		65,860,833	4.9%
Total Expenditures	22,690.11	4,439,998,770	22,775.54	4,514,472,314	22,942.71	4,599,954,834	167.17	85,482,520	1.9%
Beginning Balance (CUF)		411,357,753		423,512,124		443,702,412		20,190,288	4.8%
Revenues									
Current Unrestricted Revenue:									
Tuition and Fees		1,749,393,493		1,837,653,801		1,927,241,086		89,587,285	4.9%
State General Funds		2,113,950,566		2,106,552,802		2,112,590,100		6,037,298	0.3%
Higher Education Investment Fund		155,105,884		121,846,254		132,235,752		10,389,498	8.5%
Maryland Energy Innovation		2,100,000		2,100,000		2,100,000		-	0.0%
HBCU Settlement General Funds		33,120,078		34,318,751		32,540,692		(1,778,059)	-5.2%
HBCU Settlement Special Funds		2,356,010		-		-		-	0.0%
Federal Grants and Contracts		102,223,501		96,700,521		98,188,233		1,487,712	1.5%
Private Gifts, Grants, and Contracts		70,453,238		62,730,830		53,913,651		(8,817,179)	-14.1%
State and Local Grants and Contracts		16,283,794		13,550,750		15,930,222		2,379,472	17.6%
Sales and Services of Educational Activities		28,958,720		30,894,499		31,177,313		282,814	0.9%
Sales and Services of Auxiliary Enterprises		14,242		55,872		56,000		128	0.2%
Other Sources		162,409,985		188,285,115		175,910,214		(12,374,901)	-6.6%
Transfer (to)/from Fund Balance		(12,154,371)		(20,190,288)		(16,466,836)		3,723,452	-18.4%
Total Unrestricted Revenue		4,424,215,140		4,474,498,907		4,565,416,427		90,917,520	2.0%
Current Restricted Revenue:									
Federal Grants and Contracts		1,623,728		2,447,588		2,447,588		-	0.0%
CRRSAA - Direct Federal Support		-		-		-		-	0.0%
ARPA - Direct Federal Support		-		-		-		-	0.0%
Private Gifts, Grants, and Contracts		-		-		-		-	0.0%
State and Local Grants and Contracts		40,530		2,000,000		2,000,000		-	0.0%
State General Funds (Restricted)		877,845		-		-		-	0.0%
State Special Funds (Restricted)		11,134,064		12,525,819		13,075,819		550,000	4.4%
PAYGO Special Funds		-		23,000,000		17,015,000		(5,985,000)	-26.0%
Other Sources		2,107,463		-		-		-	0.0%
Total Restricted Revenue		15,783,630		39,973,407		34,538,407		(5,435,000)	-13.6%
Total Revenue		4,439,998,770		4,514,472,314		4,599,954,834		85,482,520	1.9%
Ending Balance (CUF)		423,512,124		443,702,412		460,169,248		16,466,836	3.7%

Table 3c

**SUMMARY OF EXPENDITURES
UNIVERSITY SYSTEM OF MARYLAND - NON-STATE SUPPORTED**

	FY 2025 Actual		FY 2026 Appropriations Adj.		FY 2027 Allowance Adj.		FY 2027 Change		
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	%
Total Number of Authorized Positions	8,606.72		8,287.00		8,287.00		0.00		0.0%
Total Number of Contractual Positions	2,625.24		2,311.28		2,311.28		0.00		0.0%
Expenditures									
Salary, Wages, and Fringe Benefits		1,651,347,291		1,633,279,233		1,631,480,972		(1,798,261)	-0.1%
Technical and Special Fees		76,753,978		74,630,565		74,392,244		(238,321)	-0.3%
Operating Expenses		1,588,666,817		1,697,781,178		1,635,425,978		(62,355,200)	-3.7%
Total Expenditures	11,231.96	3,316,768,086	10,598.28	3,405,690,976	10,598.28	3,341,299,194	0.00	(64,391,782)	-1.9%
Beginning Balance (CUF)		1,097,502,777		1,133,803,487		1,137,674,385		3,870,898	0.3%
Revenues									
Current Unrestricted Revenue:									
Tuition and Fees		201,716,407		213,233,421		197,843,325		(15,390,096)	-7.2%
State General Funds		-		-		-		-	0.0%
Higher Education Investment Fund		-		-		-		-	0.0%
Maryland Energy Innovation		-		-		-		-	0.0%
HBCU Settlement General Funds		-		-		-		-	0.0%
HBCU Settlement Special Funds		-		-		-		-	0.0%
Federal Grants and Contracts		112,410,180		97,217,286		84,059,692		(13,157,594)	-13.5%
Private Gifts, Grants, and Contracts		29,928,713		28,646,957		29,024,378		377,421	1.3%
State and Local Grants and Contracts		13,176,635		10,220,653		10,464,005		243,352	2.4%
Sales and Services of Educational Activities		259,539,515		264,837,228		264,634,405		(202,823)	-0.1%
Sales and Services of Auxiliary Enterprises		808,610,023		838,281,735		859,238,632		20,956,897	2.5%
Other Sources		83,147,799		56,214,778		68,049,019		11,834,241	21.1%
Transfer (to)/from Fund Balance		(36,300,710)		(3,870,898)		(22,464,653)		(18,593,755)	480.3%
Total Unrestricted Revenue		1,472,228,562		1,504,781,160		1,490,848,803		(13,932,357)	-0.9%
Current Restricted Revenue:									
Federal Grants and Contracts		1,051,363,425		1,105,048,291		1,054,829,450		(50,218,841)	-4.5%
CRRSAA - Direct Federal Support		1,486,282		-		-		-	0.0%
ARPA - Direct Federal Support		359,514		-		-		-	0.0%
Private Gifts, Grants, and Contracts		282,983,498		283,745,559		282,466,326		(1,279,233)	-0.5%
State and Local Grants and Contracts		271,360,685		272,174,720		273,213,369		1,038,649	0.4%
State General Funds (Restricted)		-		-		-		-	0.0%
State Special Funds (Restricted)		-		-		-		-	0.0%
PAYGO Special Funds		-		-		-		-	0.0%
Other Sources		236,986,120		239,941,246		239,941,246		-	0.0%
Total Restricted Revenue		1,844,539,524		1,900,909,816		1,850,450,391		(50,459,425)	-2.7%
Total Revenue		3,316,768,086		3,405,690,976		3,341,299,194		(64,391,782)	-1.9%
Ending Balance (CUF)		1,133,803,487		1,137,674,385		1,160,139,038		22,464,653	2.0%

TOPIC: University System of Maryland: Addition to Fiscal Year 2027 Schedule of Self-Support Charges and Fees – Coppin State University Board Rates (action)

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: June 4, 2026

SUMMARY: The FY 2027 Schedule of Self-Support Charges and Fees approved by the Board of Regents in April 2026 did not include dining rates for Coppin State University. At that time, the institution noted that proposed board rates would be presented at a future date.

Coppin State University has since completed its dining services procurement process. The University is submitting its proposed FY 2027 dining rates for approval. In a separate action, the associated dining services contract will be considered in closed session.

The University's completion of its new residence hall and subsequent increase of 350 on-campus residential beds, along with increases in enrollment and additional off-campus housing, has resulted in favorable food service pricing relative to the previous food service agreement. As a result, Coppin State's students will see reductions in their Board Plan rates for the 2026-2027 academic year. The proposed FY 2027 dining rates reflect decreases ranging from 12.1% to 12.5% across meal plan options.

The rates reflect the structure and pricing associated with the new dining services contract, including considerations related to student meal plan affordability and program sustainability. The FY 2027 dining rates are provided in the attachment and are requested for inclusion in the approved schedule.

ALTERNATIVE(S): The Board may elect to modify the proposed rates. Any reduction would require corresponding adjustments to the dining program to maintain a balanced auxiliary operation.

FISCAL IMPACT: The dining program is a self-supporting auxiliary enterprise. Revenues generated from the approved rates support all operating costs, including those associated with the dining services contract.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve the Coppin State University FY 2027 dining rates, as presented, for inclusion in the Fiscal Year 2027 Schedule of Self-Support Charges and Fees.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923

University System of Maryland
Schedule of Self Support Charges and Fees
Fiscal Year 2027

	<u>FY 2026</u>	<u>FY 2027</u>	Recommended	
			<u>\$</u>	<u>%</u>
<u>COPPIN STATE UNIVERSITY</u>				
BOARD				
BRONZE ANYTIME DINING PLAN (\$50 DINING \$s)	5,349.00	4,700.00	(649.00)	-12.1%
SILVER ANYTIME DINING PLAN (\$100 DINING \$s)	5,572.00	4,875.00	(697.00)	-12.5%
GOLD ANYTIME DINING PLAN (\$150 DINING \$s)	5,724.00	5,025.00	(699.00)	-12.2%



University System of Maryland Student Involvement Summary FY 2027 Self-Support Charges and Fees Schedule



**The completion and submission of this form is required for BOR consideration of
USM institutional Room, Board, and other charge rates.**

1.) Institution Name:

COPPIN STATE UNIVERSITY

2.) Name and title of the person completing this form:

Stephen R. Danik - Vice President for Administration and Finance

3.) For each Student Involvement Session, provide the date, student advisory group name (e.g., SGA) and campus staff hosting:

Meeting #1:

Feb. 6, 2026, SGA Leadership, Dean Dorothy Parrish-Harris

Meeting #2:

Meeting #3:

4.) Were the following topics discussed? (Yes, No, N/A)

(Please Select from the drop-down menu list in column C)

Parking Fees:

No

Room Rates:

No

Board (Dining Plans):

Yes

Other (Please Specify):

5.) Briefly summarize the content that was discussed during the session(s):

CSU explained that the RFP process for food service has been completed and that as a result of the new food service proposal, the board rates for students will be decreasing by approximately 12%.

6.) Briefly summarize the comments/feedback received during the session(s):

The students understood the process that was followed and indicated their appreciation for the decrease in rates.

7.) If applicable, provide a list of non-mandatory fees that were presented/discussed during the student engagement session(s) and any feedback received. As a reminder, in accordance with BOR Policy VIII-2.50, the advisory or similar committee(s) shall have the current fee structure explained and shall be consulted prior to the establishment of any nonmandatory student fee during the determination process.

TOPIC: FY 2027 System Funded Construction Program Request (action)

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: June 4, 2026

SUMMARY: This is a request for approval of the FY 2027 System Funded Construction Program in the amount of \$36,702,000 that is the first year of the proposed FY 2027-2031 System Funded Construction Program of \$188,202,000, as indicated in the attachment.

The USM Auxiliary Bond portion of the total is \$20,000,000 for FY 2027 and a five-year total of \$115,000,000. Other than those already approved by the Board, no new projects for public/private partnership (P3) financing are being considered for formal approval this cycle, though prior, current, and any potential future agreements are presented here for information because P3 projects typically impact USM debt capacity. P3 projects may come to the Board separately, at a later date.

The SFCP request includes projects that are proposed for planning, construction and/or equipment funding in FY 2027. While the Board's approval is for the single, asking-year budget, a full five-year plan is required by Board policy. The plan outlines the intended progression of each project over time and places the current year's allocation for the Board's information, in context with any remaining phases of funding. Some recommendations in the SFCP may be conditional upon satisfactory completion of other projects or activities. These are noted in the attachment or will be part of concurrent discussion with the Board.

As noted above, most projects are recommended for funding through external borrowing in whole or in part. Approval is being requested concurrently and/or at a later date for borrowing authority for those specific projects. There may be changes at that time because of timing, cost, fee change implications, or other considerations. Each project is a part of an institutional program that will produce the revenue required for repaying the debt.

ALTERNATIVE(S): Each project could be reviewed separately and accepted, modified, or rejected. The institutional requirement and financial viability for each project were evaluated separately.

FISCAL IMPACT: The impact of the program focuses on the effect of each project on the institution's operating budget and varies with the plan for setting the charges required to repay the debt.

CHANCELLOR'S RECOMMENDATION: That the Committee on Finance recommend that the Board of Regents approve the FY 2027 System Funded Construction Program request with the conditions listed herein (and within the attached materials) and authorize the Chancellor to make appropriate changes consistent with existing Board policies and guidelines. Any such changes will be reported to the Committee on Finance.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923

FY 2027 SFCP 051826

SFCP: RECOMMENDATIONS FOR BOARD OF REGENTS APPROVAL

Revised 5-18-26

BOR FY2027-2031 System Funded Construction Program (SFCP) - \$'000's

USM Auxiliary Bonds										
Campus	Priority	Institution	Projects	Prior Year	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Total Project Cost \$'000's
	1	UMCP	Ellicott Community Residence Halls HVAC & Infrastructur	28,350	20,000 C	-	-	-	-	48,350
	1	SU	Guerrieri Student Union Renovation	5,000 PC	-	5,000 PC	27,000 PC	33,000 PCE	-	70,000
	1	UMBC	The Commons Courtyard Enclosure (see cash below)	5,000 P	-	5,000 C	20,000 CE	5,000 C	-	35,000
			Subtotal: USM Bonds/Direct Debt RECOMMENDED		20,000	10,000	47,000	38,000	-	
			Five-Year Subtotal Bonds (USM Debt)						115,000	

Cash or Institutional Funding										
Campus	Priority	Institution	Projects	Prior Approp	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Total Project Cost \$'000's
	5	UMCP	Ellicott Diner: Renovate Portion for Dept. of Residential Fz	2,000 state	6,000 CE	-	-	-	-	8,000
	1	UMBC	The Commons Courtyard Enclosure		-	-	10,000 CE	-	-	10,000
	1	SU	Outdoor Track Replacement		500 P	7,500 C	-	-	-	8,000
	2	SU	Intercollegiate Athletics Office Renovations		5,000 CE	-	-	-	-	5,000
	3	SU	Tennis Center Enclosure		1,000 PC	5,000 C	-	-	-	6,000
	4	SU	Athletics Locker Room and Training Facility Renovations		1,000 P	12,500 C	6,500 CE	-	-	20,000
	5	SU	Student Wellness Center Renovations		2,000 PC	10,000 CE	5,000 CE	-	-	17,000
	1	UMCES	Appalachian Lab Decarbonization (incl State funds)*	4,398	1,202 PCE	-	-	-	-	5,600
			Subtotal: USM Cash/Institutional Funds RECOMMENDED		16,702	35,000	21,500	-	-	
			Five-Year Subtotal Cash						73,202	

*UMCES project also includes \$1.5M State grant, \$898K ARB Capital FR funding, and \$2M in Operating FR funds. The balance shown (\$1.2M) is institutional funds

Total Funding for Program						
	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Cost \$'000's
Annual Totals (Bonds and Cash)	36,702	45,000	68,500	38,000	0	
Five Year Total (Bonds and Cash)					188,202	

FOR INFORMATION ONLY: Potential Debt on USM Debt of requested Public/Private Partnerships (as approved by the Board)									
Institution	Projects	Prior Year	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Total Project Costs \$'000's	
UMCP	New Graduate Housing (700 beds) \$176M Total Debt	176,000	(\$25M State Funds)	-	-	-	-	176,000	
UMCP	Next Gen Energy Project (Estimated Debt Impact)	392,000	-	-	-	-	-	392,000	
UMCP	IonQ	-	TBD	-	-	-	-	-	
UMCP	Arlis	67,000	-	-	-	-	-	67,000	
	Total Impact on Debt - PPP		-	-	-	-	-		
	Five-Year New Total Potential Impact on Debt - Bonds & PPP						115,000		

KEY: (See following page)

SFCP: ADDITIONAL INFORMATION FOR BOARD OF REGENTS - REQUESTS UNDER REVIEW

BOR FY2027-2031 System Funded Construction Program (SFCP) - \$'000's

New Housing Requests Under Review									
Campus									Total Project
Priority	Institution	Projects	Prior Year	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Cost \$'000's
1	TU	Phase V Housing (500 Beds and 300 parking spaces)		-	12,000 P	60,000 PC	65,000 CE	-	137,000
1	UMES	New Residence Hall	1,000	-	3,000 P	38,000 PC	36,000 CE	10,000 CE	88,000
1	CSU	Residence Hall IV		-	8,000 P	8,000 P	77,500 C	76,500 CE	170,000
Subtotal: Requests for Housing Projects (under review)				-	23,000	106,000	178,500	86,500	

Bond Requests Under Review									
Campus									Total Project
Priority	Institution	Projects	Prior Year	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Cost \$'000's
3	UMCP	Xfinity Thermal Plant Renovation		-	6,000 P	19,000 C	-	-	25,000
4	UMCP	Parking Garages: New		-	3,500 P	30,000 C	4,000 P	39,000 C	76,500
1	UMES	Renovation of 6 Student Apartment Complex		-	-	-	2,000 P	8,000 CE	10,000
2	CSU	Parking Garage & Conference Center		-	7,500 P	50,000 C	2,500 E	-	60,000
Subtotal: Requests for Bond Requests (under review)				-	17,000	99,000	8,500	47,000	

Cash Requests Under Review									
Campus									Total Project
Priority	Institution	Projects	Prior Year	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Cost \$'000's
2	UMCP	Glenn L. Martin Wind Tunnel Renovation		22,000 C	-	-	-	-	22,000
Subtotal: Requests for Cash Requests (under review)				22,000	-	-	-	-	

KEY:

- A = Acquisition
- P = Planning
- C = Construction
- E = Equipment

	New Housing Requests
	Bond Requests
	Cash/Institutional Funding Requests

*Note: Potential Public/Private Partnership projects are typically brought to the Board individually for consideration. Other housing requests will be evaluated against available debt capacity, financial viability, and the potential to leverage private funding. Most SFCP-eligible "under review" projects can come to the Board separately once issues are resolved.

TOPIC: University System of Maryland: Forty-Ninth Bond Resolution—Auxiliary Facility and Tuition Revenue Bonds

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: June 4, 2026

SUMMARY: The Board of Regents has previously adopted forty-eight 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 \$79,000,000 of academic and auxiliary facilities projects.

The Auxiliary Facilities Projects submitted in this Forty-Ninth Bond Resolution may be subject to adjustments in order to align it with the FY 2026 System Funded Construction Program Request to be considered and adopted by the Board on June 13, 2025. Any changes to this Resolution will be reported to the Committee on Finance. The total amount of bonds authorized will not exceed \$79,000,000. Note that the Bowie State University and the Salisbury University projects were previously authorized by the Board as part of the 46th and 47th Bond Resolutions, but are included here to clarify language in the prior resolutions and do not represent additional project authorization.

Academic Facilities Projects

- Towson University: Electrical Substation Expansion and Improvements \$10,000,000
- University of Maryland, College Park: Health and Human Sciences Complex \$15,000,000
- University System of Maryland Office: Rita Colwell Center Deferred Maintenance \$1,000,000
- System-wide Capital Facilities Renewal \$24,000,000

Auxiliary Facilities Projects

- University of Maryland, College Park: Ellicott Community Residence Halls HVAC & Infrastructure Renovation \$20,000,000
- Bowie State University: Refurbish Tubman Hall \$4,000,000
- Salisbury University: Guerrieri Student Union Renovation \$5,000,000

BOND COUNSEL: Miles & Stockbridge P.C.

ALTERNATIVE(S): The projects may be delayed without this authorization.

FISCAL IMPACT: Issuance of \$79,000,000 of bonds would result in debt service of approximately \$6.3 million per year for 20 years at 5.0%.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve the Forty-Seventh Bond Resolution.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923

FORTY-NINTH BOND RESOLUTION

OF THE BOARD OF REGENTS OF THE

UNIVERSITY SYSTEM OF MARYLAND

AUTHORIZING THE ISSUANCE AND SALE OF UP TO

\$79,000,000 UNIVERSITY SYSTEM OF MARYLAND

AUXILIARY FACILITY AND TUITION

REVENUE BONDS

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**FORTY-NINTH BOND RESOLUTION
OF THE BOARD OF REGENTS OF THE
UNIVERSITY SYSTEM OF MARYLAND
AUTHORIZING THE ISSUANCE AND SALE OF UP TO
\$79,000,000 UNIVERSITY SYSTEM OF MARYLAND
AUXILIARY FACILITY AND TUITION
REVENUE BONDS**

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 \$79,000,000 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-Ninth Bond Resolution (as amended or supplemented from time to time, this "Resolution" or "Forty-Ninth Bond Resolution") and the Indenture (as hereinafter defined) and secured by and payable from the Trust Estate pledged under the Indenture;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF MARYLAND 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-Ninth 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-Ninth Resolution Bond bearing interest at a rate which is fixed to the maturity of such Forty-Ninth Resolution Bond.

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

“Forty-Ninth 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-Ninth Resolution Bond paid in full, the date of payment in full of such Forty-Ninth Resolution Bond.

“Issuance Date” means each date on which all or any portion of the Forty-Ninth 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-Ninth Resolution Bonds are authorized to be used.

“Record Date” means (a) with respect to Forty-Ninth 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-Ninth Resolution Bonds, the Business Day immediately preceding an Interest Payment Date.

“Refunding Bonds” means (i) Forty-Ninth 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-Ninth Resolution Bonds issued on any Issuance Date executed by an Authorized System's Representative.

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

ARTICLE II

FORTY-NINTH RESOLUTION BONDS

Section 2.01. Authorized Amount of Forty-Ninth 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-Ninth Resolution Bonds in an aggregate principal amount not to exceed \$79,000,000 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-Ninth Resolution Bonds, all of which shall be issued for the purposes of financing the Projects. The Forty-Ninth 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-Ninth Resolution Bonds shall specify the aggregate principal amount of Forty-Ninth 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-Ninth Resolution Bonds, any words, figures or letters designed to distinguish Forty-Ninth Resolution Bonds issued on a particular Issuance Date from any other Forty-Ninth Resolution Bonds or any other series of Bonds issued on such Issuance Date.

(b) The proceeds from the issuance and sale of the Forty-Ninth 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-Ninth Resolution Bonds designated for Academic Facilities Projects shall be Tuition Revenues and the intended source of payment for the Forty-Ninth 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-Ninth Resolution Bonds.

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

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

(a) The Forty-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth Resolution Bonds.

(c) The Forty-Ninth Resolution Bonds shall be issuable as registered bonds without coupons in any Authorized Denomination. The Forty-Ninth 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-Ninth 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-Ninth Resolution Bonds, shall be secured by and satisfied solely from the Trust Estate.

Section 2.03. Form of Forty-Ninth Resolution Bonds. The Forty-Ninth 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-Ninth 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 "academic facilities" and "auxiliary facilities" are hereby approved as projects, the costs of which may be paid from the proceeds from the issuance and sale of Bonds:

(a) up to \$26,000,000 of the Forty-Ninth Resolution Bonds for the costs of the following constituting Academic Facilities Project:

Towson University (Baltimore County)

Electrical Substation Expansion and Improvements

University of Maryland, College Park (Prince George's County)

Health and Human Sciences Complex

University System of Maryland Office (Baltimore City)

Rita Colwell Center Deferred Maintenance

(b) up to \$24,000,000 of the Forty-Ninth Resolution Bonds for the costs of those Capital Facilities Renewal Projects identified in the Capital Improvement Program approved by the Board for Fiscal Year 2026, as those Projects, from time to time, may be amended, modified, or supplemented by the Board.

(c) the following auxiliary facilities (the “Auxiliary Facilities Projects”) which are further identified and described in the System Funded Construction Program approved by the Board for Fiscal Year 2026, as those Projects, from time to time, may be amended, modified, or supplemented by the Board:

University of Maryland, College Park (Prince George’s County)

Ellicott Community Residence Halls HVAC & Infrastructure Renovation

Bowie State University (Prince George’s County)

Refurbish Tubman Hall

Salisbury University (Wicomico County)

Guerrieri Student Union Renovation

In accordance with Section 102(d) of Title 19, and pursuant to Chapter 123 of the 2022 Laws of Maryland, each of the Academic Facilities Projects specified in subsection (a) and (b) above were approved by the Maryland General Assembly as a project for an academic facility. The aggregate amount of Bonds (of all series) designated for Academic Facilities Projects, as provided in Section 6.03 of the Indenture, shall not exceed the amounts specified in (a) and (b) above for the Academic Facilities Projects specified in such Sections.

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

(a) accrued interest, if any, on those Forty-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth Resolution Bonds, as may be prescribed in a System Order, to refund any Forty-Ninth 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-Ninth 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-Ninth Resolution Bonds or any other Refunding Bonds previously issued under authority of this Forty-Ninth Bond Resolution or any other Bond Resolution, and (ii) any costs of issuance of such Forty-Ninth Resolution Bonds or any other Refunding Bonds.

(b) Allocation of Refunding Bonds. Any Refunding Bonds issued pursuant to the authority of this Forty-Ninth 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-Ninth 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-Ninth 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-Ninth 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-NINTH RESOLUTION BONDS

Section 3.01. Redemption Dates and Prices.

(a) The Forty-Ninth 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-Ninth Resolution Bonds, the particular Forty-Ninth Resolution Bonds or portions thereof to be redeemed shall be selected by the Trustee in proportion to the principal amount of Forty-Ninth 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-Ninth Resolution Bonds are registered in book-entry form with a Depository, the particular Forty-Ninth 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-Ninth 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-Ninth Resolution Bonds, in selecting Forty-Ninth Resolution Bonds for redemption the Bond Registrar shall treat each Forty-Ninth Resolution Bond as representing that number of Forty-Ninth Resolution Bonds as is obtained by dividing the principal amount of such Forty-Ninth 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-Ninth Resolution Bond are to be redeemed, then upon notice of intention to effect such redemption, the Holder of such Forty-Ninth Resolution Bond shall forthwith surrender such Forty-Ninth 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-Ninth Resolution Bonds in any Authorized Denomination or Denominations in the aggregate principal amount of the unredeemed portion of such Forty-Ninth Resolution Bond, which shall be issued to the Holder thereof without charge therefor. If the Holder of any such Forty-Ninth Resolution Bond to be redeemed in part shall fail to present such Forty-Ninth Resolution Bond to the Trustee for payment and exchange, as aforesaid, such Forty-Ninth 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-Ninth 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-Ninth 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-Ninth Resolution Rebate Fund. Any moneys transferred from the Forty-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth Bond Resolution. In addition, the proceeds of the Forty-Ninth 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-Ninth Bond Resolution or the consent of the Trustee or any Holder of the Forty-Ninth 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-Ninth 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-Ninth Resolution Bonds as shall be directed in a System Order relating to any such Forty-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth Resolution Bonds, if any.

Section 8.06. Sale of Forty-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth 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-Ninth 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. Any person designated as an “Authorized System’s Representative” under the Indenture is hereby authorized to adopt a declaration of official intent (within the meaning of Treasury Regulations Section 1.150-2) to reimburse the costs of any project with the proceeds of any bonds or other obligations issued by the System under the authority of Title 19 or any other provision of the laws of Maryland.

Section 8.13. Liberal Construction. The terms of this Forty-Ninth Bond Resolution are not intended to be restrictive or technical. Accordingly, this Forty-Ninth 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 June, 2026.

Ellen Herbst
Sr. Vice Chancellor for Administration and Finance

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

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: June 4, 2026

SUMMARY: The University System authorizes capital projects to be funded from revenue bond proceeds on an annual basis. Debt issuances are sized to provide approximately one year's worth of bond proceeds for projected spending on these authorized revenue bond projects. Because of debt issuance timing and project estimates changing, the System often uses Cash Funding to pay for project costs, with the intent of reimbursing itself with Bond Funds when they become available. IRS rules require this resolution for reimbursement of advance payments from future bond issuances.

In the event bond funds become fully depleted prior to the next debt issuance, the System will use Cash Funding to bridge the gap until the next bond issuance. The process and record-keeping infrastructure necessary to facilitate initially paying the project costs from System cash balances and then reimbursing the amounts spent from the proceeds of the next bond issue have been formalized and are in place.

The attached Exhibit A represents all of the projects authorized for revenue bond funding, which may potentially utilize System cash balances over the next several months. Based on the Current Project Authorization Balances in Exhibit A, we anticipate System cash will be spent on costs eligible for reimbursement prior to the next issuance.

BOND COUNSEL: Miles & Stockbridge P.C.

ALTERNATIVE(S): The Board of Regents could decide to not spend System cash balances temporarily pending the next bond issuance, and advance the issuance process immediately. This would potentially delay the projects.

FISCAL IMPACT: There is no known fiscal impact associated with this resolution.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve the attached resolution to enable the spending of System cash balances on revenue bond-authorized projects to be reimbursed from the proceeds of the next bond issue.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923

OFFICIAL INTENT RESOLUTION
UNDER TREASURY REGULATION SECTION 1.150-2

WHEREAS, University System of Maryland (the "Issuer") proposes to make certain capital expenditures in connection with the construction of certain capital projects as listed on Exhibit A attached hereto and made a part hereof (collectively, the "Capital Project").

WHEREAS, the Issuer intends to issue tax-exempt bonds (the "Bonds") to finance all or a portion of the purchase price, acquisition and installation expenses, costs of related construction and improvements and issuance costs of the Capital Project, all constituting capital expenditures (collectively referred to as the "Project Costs").

WHEREAS, the Issuer reasonably expects that a portion of the Project Costs will be paid by the Issuer prior to the issuance of the Bonds and that certain proceeds of the Bonds will be used to reimburse the Issuer for the Project Costs paid by the Issuer prior to the issuance of the Bonds.

NOW, THEREFORE, THE ISSUER MAKES THE FOLLOWING DECLARATION OF OFFICIAL INTENT:

1. BE IT RESOLVED, that the Issuer reasonably expects that a portion of the Project Costs will be paid by the Issuer prior to the issuance of the Bonds and that certain proceeds of the Bonds will be used to reimburse the Issuer for those Project Costs incurred and paid by the Issuer prior to the issuance of the Bonds. The Bonds will be issued in a total principal amount not to exceed \$70,000,000.

2. BE IT FURTHER RESOLVED, that the Issuer intends that the adoption of this Resolution shall be and constitute an "official intent resolution" within the meaning of Section 1.150-2 of the Income Tax Regulations prescribed by the U.S. Treasury Department.

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 June, 2026

Ellen Herbst
Sr. Vice Chancellor for Administration and Finance
University System of Maryland

Res	Project Type	Project Name	Original	Adjustment to Authorization	Adjusted Authorization	Balance to be Financed	FY2026 Activity
Various		Systemwide Facilities Renewal:	112,847,713	(3,367,304.42)	109,480,409	66,923,475	8,006,873
49	Acad	TU Electrical Substation Expansion and Improvements	10,000,000			10,000,000	
49	Acad	UMCP Health and Human Sciences Complex	15,000,000			15,000,000	
49	Acad	USM Office: Rita Colwell Center Deferred Maintenance	1,000,000			1,000,000	
49	Aux	UMCP Ellicott Community Residence Halls HVAC & Infrastructure Renovation	20,000,000			20,000,000	
49	Aux	BSU Refurbish Tubman Hall	4,000,000			4,000,000	
49	Aux	SU Guerrieri Student Union Renovation	50,000,000			5,000,000	
48	Aux	UMB Howard Hall	55,387,232			55,040,351	346,881
48	Aux	UMB School of Medicine	41,209,315			36,804,382	4,404,933
48	Aux	UMB West Lexington Corridor Development Proj	18,400,000			18,400,000	
48	Aux	UMB Facilities Renewal	13,203,330			12,368,235	835,095
48	Aux	FSU Brownsville Residence Hall: Renovation & Corrective Work	8,466,000			8,466,000	
48	Aux	TU Barton House HVAC Phase III (80625)	3,800,000			3,800,000	
48	Aux	TU Academic Achievement Ctr & Towson Ctr Renovation	10,000,000			10,000,000	
48	Aux	UMCP Track & Field relocation	6,368,147			6,368,147	
48	Aux	UMCP Field Hockey & Lacrosse Complex expansion	824,933			824,933	
48	Aux	UMCP Soccer & Track Stadium Improvements	24,769,731			24,769,731	
48	Aux	UMCP Softball Practice Facility	1,589,080			1,589,080	
48	Aux	UMCP SECU Stadium Concrete Stairs & Handrails	1,910,000			1,910,000	
48	Aux	UMCP Facilities Renewal	13,301,054			13,301,054	
47	Acad	UMCP Infrastructure Project	5,000,000		5,000,000	5,000,000	
47	Aux	UMCP Ellicott Comm Res Halls HVAC & Infrastr Renov	20,000,000		20,000,000	20,000,000	
47	Aux	UMCP South Campus Housing Utility and Infrastr Upgrade	6,000,000		6,000,000	6,000,000	
47	Aux	CSU Student Ctr & Res Complex (SCRC) Ph 1	35,059,000		35,059,000	27,832,412	4,618,627
46	Acad	UMCP Infrastructure Project	5,000,000		5,000,000	4,003,338	29,139
46	Aux	UMCP S Campus Housing Utility and Infrastructure	6,000,000		6,000,000	6,000,000	
46	Aux	BSU Refurbish Tubman Hall	10,050,000		10,050,000	2,078,590	6,417,447
46	Aux	UMES Athletic Fields Upgrade	4,900,000	2,400,000.00	3,073,462.06	1,708,420	1,365,043
46	Aux	CSU Student Center & Residential Complex Ph I	9,000,000		9,000,000	9,000,000	
46	Aux	UMBC The Commons Courtyard Enclosure	5,000,000		5,000,000		
45	Acad	UMCP Infrastructure Project	5,000,000		5,000,000	2,093,246	2,496,394
45	Acad	USG Campus Building Improvement	431,976		431,976	431,976	
45	Acad	USM-H Building/System Improvement	45,627		45,627	45,627	
45	Acad	USMSM Building/System Improvement	59,858		59,858	59,858	
45	Aux	UMCP S Campus Housing Utility and Infrastructure	8,000,000		8,000,000	7,835,824	61,920
45	Aux	TU 401 Washington Renovation	10,000,000		10,000,000	10,000,000	
44	Acad	UMCP Infrastructure Project	2,500,000		2,500,000	514,766	
44	Acad	UMES Campus Flood Mitigation Project	2,192,000		2,192,000	140,718	325,541
44	Aux	UMCP High Rise Residence Halls Renovation PH	6,850,000		6,850,000	5,189,193	1,580,528
44	Aux	TU Glen Towers Addition and Renovation	9,046,000		9,046,000	1,651,820	1,470,642
44	Aux	TU 401 Washington Renovation	5,000,000		5,000,000	4,630,945	0
43	Acad	UMCP Infrastructure Project	5,000,000		5,000,000	712,231	97,899
42	Acad	UMCP Campuswide Building and Infrastructure	5,000,000		5,000,000	786,700	96,629
42	Acad	UMES Flood Mitigation	10,000,000		10,000,000	3,462,198	326,474
42	Acad	FSU Education & Health Sciences	5,000,000		5,000,000	3,401,849	539
41	Acad	UMES Pharmacy and Health Professions	5,000,000		5,000,000	2,742,414	26
41	Aux	UMCP High Rise Residence halls Renovation	1,500,000		1,500,000	1,316,797	58,491
41	Aux	FSU New Residence Hall	13,330,000		13,330,000	12,667	0
41	Aux	FSU Five Dorm Renovation	7,700,000		7,700,000	3,457,926	38,462
41	Aux	TU Glen Towers Addition and Renovation	4,201,000		4,201,000	499,069	1,813
40	Acad	UMCP Chiller Replacement		130,000	130,000	130,000	
40	Acad	USMSM Concrete Replacement		88,000	88,000	88,000	

TOPIC: University of Maryland, Baltimore: Proposal to create a not-for-profit corporation as an affiliated business entity to operate the Nursing Faculty Practice for the University of Maryland School of Nursing (action)

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: June 4, 2026

SUMMARY: UMB requests approval to create a not-for-profit 501(c)(3) corporation to operate the Nursing Faculty Practice (NFP) for the University of Maryland School of Nursing (UMSON). The NFP will provide the billing and operational structure for UMSON faculty-delivered patient care and will support expansion of nursing faculty practice over time, including new clinical models such as an interprofessional education clinic at the Universities at Shady Grove.

To expand nurse-led initiatives, UMSON requires a revenue-generating billing structure that supports sustainable faculty practice and clinical placements. With full statutory practice authority granted to nurse practitioners (NPs) in 2015, UMSON has an opportunity to establish a parallel structure to support billing for nursing services. The NFP is necessary to support UMSON's educational mission, as expanding access to care through nurse-managed models increases the stability and volume of clinical placement opportunities needed to sustain enrollment and meet workforce demand.

UMSON needs to place more than 2,000 students each semester in more than 2,800 clinical sites across the region, and clinical site shortages remain a major risk to academic nursing. The Nurse-Managed Health Center model increases clinical capacity by embedding student learning within faculty practice settings, and bringing care to locations where patients live, work, and learn, reducing barriers for vulnerable populations in Maryland.

The NFP is designed to integrate clinical education with care delivery for undergraduate and graduate nursing programs. The entity positions nurse faculty as practice partners to deliver care, support competency-based education, and advance nursing practice and quality improvement.

The NFP supports UMSON's mission by expanding access to ambulatory, community-based care for underserved populations in Baltimore City and surrounding counties while strengthening clinical education capacity. By creating a billing and operational structure for faculty practice, the NFP can convert existing faculty-delivered services into reimbursable care and establish a sustainable platform for Nurse-Managed Health Center growth.

ALTERNATIVES: UMSON could continue without its proposed NFP. However, this would not address the unmet need for care in Baltimore and the surrounding areas or the ongoing shortage of clinical placements for nursing students. UMSON would lose an opportunity to provide health care to its community and to establish new innovative practice models. Further, it would sharply limit the educational, career, research, and social impact opportunities for UMB faculty, students, graduates, and staff.

FISCAL IMPACT: The NFP has been designed and modeled to provide nurse-managed care in the community in a financially sustainable manner. It is anticipated to cover its operating costs, including provider-related costs, while generating a small net surplus averaging approximately \$79,000 annually over the initial five years.

The fiscal impact to the School of Nursing would include salary savings related to the faculty effort reimbursed by the NFP, averaging approximately \$180,000 in the first two years and increasing as clinical activity and patient volumes increase. The NFP is also expected to generate additional clinical opportunities for students and may create modest savings by reducing reliance on adjunct clinical support.

CHANCELLOR’S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve UMB’s request to create the NFP business entity and enter into any required agreements and documents required to create the entity; and delegate to the Chancellor or his delegate the authority to execute all required agreements and documents consistent with the USM Policy on Business Entities, following legal review by the Office of the Attorney General. All agreements and organizational documents are subject to the approval of the USM Sr. Vice Chancellor of Administration and Finance.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923

APPENDIX

University of Maryland, Baltimore (UMB) requests Board of Regents approval to create a not-for-profit 501(c)(3) corporation to operate a Nursing Faculty Practice (NFP) for the University of Maryland School of Nursing (UMSON). The NFP will provide the billing and operational structure for UMSON faculty-delivered patient care and will support expansion of nursing faculty practice over time, including new clinical models such as an interprofessional education clinic at the Universities at Shady Grove (USG).

The NFP is necessary to support UMSON's educational mission, as expanding access to care through nurse managed models increases the stability and volume of clinical placement opportunities needed to sustain enrollment and meet workforce demand.

A. Describe the legal form of the business entity:

The business entity operating the NFP will be a nonprofit organization. It will be filed as a Maryland tax-exempt nonstock corporation. The business entity will be established in accordance with Article 12-113 of the Education Article, Annotated Code of Maryland.

B. Explain why a separate business entity is needed or is preferable:

To expand nurse-led initiatives, UMSON requires a revenue generating billing structure that supports sustainable faculty practice and clinical placements. With full practice statutory authority granted to nurse practitioners (NPs) in 2015, UMSON has an opportunity to establish a parallel structure to support billing for nursing services.

UMSON needs to place more than 2,000 students each semester in more than 2,800 clinical sites across the region, and clinical site shortages remain a major risk to academic nursing. The Nurse Managed Health Center model increases clinical capacity by embedding student learning within faculty practice settings, and bringing care to locations where patients live, work, and learn, reducing barriers for vulnerable populations in Maryland. This approach also supports implementation of the American Association of Colleges of Nursing Essentials and competency-based education through purposeful design of learning activities and patient care processes.

Faculty practice plans operate for the University of Maryland School of Medicine and the School of Dentistry through separate entities, but they are legally precluded from including other professions.

C. Explain how the business entity will further one or more goals and mission of the institution or the USM:

UMSON is frequently sought as a partner by community agencies to provide services to insured individuals who struggle to access care in traditional models. Without a billing mechanism, UMSON is often unable to recover faculty costs and may need to backfill time with adjunct faculty. Under the NFP model, nurse and nurse practitioner faculty will provide billable services within partnerships, generating revenue paid into the NFP and used to support adjunct hiring and student precepting. This structure also supports expansion of clinical opportunities beyond grant funded activities and enables flexible partnerships that strengthen student learning in transitions of care, outpatient care delivery, and reimbursable services.

UMSON has an established foundation of faculty-led community-based care and clinical education. Since 1994, the Governor's Wellmobile Program has provided safety net services to uninsured individuals across Maryland while supporting precepting for nurses and nurse practitioner students. With Health Services

Cost Review Commission (HSCRC) Nurse Support Program (NSP) II funding, UMSON also established an academic health partnership with Head Start that has served more than 2,000 children in 54 centers across 4 counties through hearing and vision screening, physical examinations, and developmental screening. This initiative has supplied more than 1,500 clinical hours for nursing and NP students in outpatient pediatrics, easing demand for hospital affiliated placements during a nursing shortage.

The goal of the NFP is to implement a sustainable nurse faculty practice model developed with funds from a 2023 NSP 2 (24-111) planning grant. The NFP will operate as “Health, Equity, Access, and Learning, University of Maryland” (HEAL-UM) and is aligned with the legislative purpose of this funding opportunity. NFP is designed to integrate clinical education with care delivery for undergraduate and graduate nursing programs, with emphasis on social determinants of health, health equity, and transitions of care. The model positions nurse faculty as practice partners to deliver care, support competency-based education, and advance nursing practice and quality improvement.

NFP will serve as the principal operational organizing structure for the UMSON faculty practice. It will deliver nurse education, faculty practice, and clinical care through five pillars:

- Wellmobile
- Head Start
- Senior Housing
- Interprofessional Education Clinic at USG
- Practice Innovation

Each pillar will include clinical opportunities for undergraduate and graduate nursing education and faculty practice and will focus on ambulatory, community-based care for diverse patient populations with limited access to traditional settings. Services will include assessment and management of chronic health conditions, age-appropriate screenings, intensive care management and coordination, health coaching, and interprofessional care. The Wellmobile provides similar services to patients who lack insurance, and is currently funded by state appropriations. Head Start already provides billable services to insured patients but cannot be reimbursed without a billing structure, leaving resources untapped. UMSON faculty in collaboration with the University of Maryland School of Pharmacy faculty are providing care to patients in Senior Housing across the region, which currently requires grant funding to be sustainable. The IPE center is designed to provide billable services but requires a billing structure. Additional nurse-led services and practice innovation may be developed based on population needs and partner agency requests.

D. Explain how the Business Entity is related to the mission of the Institution or the USM:

See Paragraph C.

E. Explain how the business entity will compete, if at all, with the institution or the USM:

The NFP will not compete with UMB, UMSON, or USM. It is expected that the new NFP will complement existing programs and activities within UMSON. For example, it will provide volunteer and internship opportunities for students; create pathways for research collaboration with faculty; and bolster UMB’s reputation in the Baltimore community and potentially in other areas of the State, including Prince George’s County.

F. Define the composition of the business entity's governing body, addressing specifically, any role of the institution or USM in appointing and removing members of the governing body:

The NFP will be governed by a Board of Directors, an Operations Committee, and other committees as needed. All members will serve at the pleasure of the Dean of UMSON. Day-to-day management will be led by the NFP Chief Nursing Officer and the NFP Director of Operations, in coordination with UMSON faculty members.

Board of Directors

- Dean of UMSON
- Senior Associate Dean, Administration and Finance and Chief Operating Officer, UMSON
- NFP Chief Nursing Officer
- NFP Director of Operations
- Two UMSON faculty members
- One community partner

Operations Committee

- NFP Chief Nursing Officer
- NFP Director of Operations
- NFP Clinic Manager
- UMSON faculty members

Additional oversight committees (as needed)

- Judicial and compliance review
- Medical records

G. Define the Potential Market for the Service to be Offered by the Business Entity

The NFP's target market includes underserved adults and children in the geographic regions of the School of Nursing campuses, specifically Baltimore City, Montgomery County, Prince George's County and Baltimore County. The total need equates to more than 300,000 people needing access to affordable and convenient healthcare between the city and two counties.

Market Focus 1 - Patient access to primary care: Many Maryland counties face significant barriers to accessing primary care. Twenty-two out of 24 counties, including Baltimore City, meet federal criteria for full or partial health professional shortage areas, and 8 out of 24 counties meet criteria for medically underserved areas. Baltimore City is disproportionately affected: 47% of residents live in a primary care shortage area; 75% live in a medically underserved area; and the city's mortality rate is 40% higher than the state average.

State and national indicators reflect worsening access. A 2025 Milbank study reported the lowest share of physicians remaining in primary care specialties in 10 years and found that 28% of Americans report reduced access to a primary care provider. As of September 2023, Maryland had 76 primary care health professional shortage areas affecting nearly 1,750,000 residents.

Local child health data also show gaps in preventive services. In Baltimore City Head Start, only 42% of nearly 2,500 enrolled children were up to date on recommended preventive and primary care services, and only 68% were current on required immunizations. Staff reported that well-child examinations and health screenings provided by UMSON are among the most valuable services because they help families meet enrollment requirements when timely primary care is difficult to access.

Maryland's Total Cost of Care Model, the AHEAD Model, and recent legislative changes, including the Access to Care Act, will increase demand for primary care and intensify strain on an already limited

infrastructure. Prince George’s County illustrates an additional opportunity: the county identified a shortage of 525 primary care providers, with 45% of adults living in medically underserved areas, and 42% of residents meeting healthcare needs outside the county. UMSON’s NFP model can help expand access by providing culturally competent, convenient primary care and reducing barriers to timely services.

Market Focus 2 - Clinical placement capacity for nursing education: UMSON needs to place more than 2,000 students each semester in more than 2,800 clinical sites across the region, and the stability of clinical placements is essential to sustain enrollment and meet workforce needs. In 2024, UMSON graduated nearly 750 nurses to care for Marylanders across the state. Most graduates reside in Maryland and seek opportunities to launch careers in the state. Strengthening clinical education infrastructure is therefore a direct investment in Maryland’s nursing workforce pipeline. The proposed NFP and associated clinical service models expand clinical training capacity by creating structured, sustainable practice environments that support high quality student placements and reduce dependence on scarce traditional clinical sites.

H. Business Opportunities and Financial Risk

Opportunities

The NFP supports UMSON’s mission by expanding access to ambulatory, community-based care for underserved populations in Baltimore City and surrounding counties while strengthening clinical education capacity. By creating a billing and operational structure for faculty practice, the NFP can convert existing faculty delivered services into reimbursable care and establish a sustainable platform for growth.

Key opportunity areas include:

- *Revenue capture for existing services:* Establish a billing mechanism to recover costs for services already delivered by UMSON faculty in community settings, supporting reinvestment in faculty and adjunct capacity.
- *Expanded clinical placement capacity:* Increase the stability and volume of clinical sites by embedding student clinical experiences within NFP practice settings, reducing reliance on volunteer preceptors and limited external placements. Combined, the service lines currently provide 4,000+ hours of clinical for nursing students with projections for increased hours and interdisciplinary students with expansion of service days and providers.
- *Program expansion potential:* With a stable billing structure, expand to additional locations, partners, or services based on community needs and workforce demand, for example integrated behavioral health or recovery-oriented services.

Financial Risk

The financial risk of the NFP is primarily related to reimbursement, patient volume, and payer mix. The NFP is not intended to generate large profits. The financial objective is a sustainable model that at minimum offsets costs associated with delivering services and supporting student precepting.

Primary financial risks include:

- *Credentialing and payer contracting risk:* Sustainability requires Medicare and Medicaid enrollment and contracting with commercial insurers. Delays or limitations in credentialing or payer participation would reduce revenue.
 - Risk mitigation – the Director of Operations/Clinic Manager will assume responsibility for ensuring that each provider is properly credentialed in timely fashion.
- *Volume dependent model risk:* Revenue depends on sufficient patient volume within a low overhead approach, primarily through services delivered in community-based sites supported by UMSON and partner agencies.

- Risk mitigation – the patient volumes used in our revenue projections are conservative estimates based on our current experiences through sites such as Head Start and senior housing facilities.
- *Payer mix and reimbursement risk:* An estimated 60% to 70% of patients are expected to have Medicare or Medicaid coverage. A high public payer mix may constrain margins, increasing sensitivity to reimbursement rates and billing efficiency.
 - Risk mitigation – Our revenue estimates conservatively used a patient mix of 90% Medicaid. Any actual patient mix that includes a higher percent of commercial payors should allow for higher reimbursements.
- *Operational billing and collections risk:* Revenue depends on accurate coding, timely submission of claims, and effective collections. Any weakness in billing operations reduces net revenue and threatens sustainability.
 - Risk mitigation – our plan includes contracting with a reputable third-party billing company to ensure we bill for all the services allowable. We have identified billing as a critical pathway to success and effective billing is a key aspect of the Director of Operations responsibilities.
- *Workforce and staffing cost risk:* Competitive clinical salaries and faculty workforce pressures may increase staffing costs and make it more difficult to sustain clinical coverage and precepting capacity within the NFP model.
 - Risk mitigation – our business plan includes salaries at current market rates with annual cost of living increases.

UMB has identified other risks related to Clinical Quality and Patient Safety, Regulatory and Compliance and Political and Legislative. Mitigation plans have been developed including obtaining necessary malpractice insurance coverage.

I. Describe the Financial Relationship between the Business Entity and the Institution

The entity will establish a unified structure to manage NFP clinical practice, including administrative functions and an information system that supports efficient operations, quality oversight, and accountability in the delivery of clinical services. Clinical activities will be overseen by UMSON leadership, including the Dean, the Sr. Associate Dean for Administration and Finance and Chief Operating Officer, Academic Associate Deans, and Department Chairs, in coordination with other designated leaders, for the benefit of UMB, UMSON, and the community.

J. Financial Information

Operating Capital Requirements: The largest expense for the NFP will be the costs associated with employing clinicians to provide clinical experience and patient care. Salaries and wages are forecasted for Nurse Practitioners (NPs) and Registered Nurses (RNs) who will deliver care across all service areas: Head Start, the Interprofessional Education Clinic, and Senior Housing programs. In addition, the budget includes one full time equivalent (FTE) for clinic coordinator duties. Fringe benefits for clinical and administrative salaries are included.

Anticipated Funding: UMSON has received a commitment of approximately \$1,175,000 in funding from the Health Service Cost Review Commission Nurse Support Program II as an implementation grant, currently in the second year of a four-year grant ending in Fiscal Year 2028 (July 2028). The Head Start grant is currently in the second year of a four-year grant ending in Fiscal Year 2028 (July 2028) with total funding of approximately \$750,000 over 4 years.

Venture Capital Relationships: None.

Start-up Period: NFP current goal for credentialing, certification, and staff recruitment is Summer 2026. NFP desires to commence billing for patient care in Fall 2026.

5 Year Summary Financial Pro Forma

	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	485,148	643,177	736,822	899,307	915,307
Expense	(422,469)	(532,546)	(620,791)	(837,498)	(866,729)
<u>Net Profit/(Loss)</u>	62,680	110,631	116,031	61,809	48,578

K. Performance Indicators

Performance indicators and clinical data will be utilized within the NFP to improve operating efficiency and support research. Indicators concerning encounter volumes and clinical students will be key factors determining NFP viability. Performance indicators will include the following:

- Patient demographics
- Types and frequency of healthcare encounters and treatment duration (time of patient care) per visit.
- Rates and types of treatment for specific patient populations.
- Patient outcomes in pre-established metrics based upon standards and goals of care.
- Patient and caregiver satisfaction.
- Assess overall satisfaction with partnerships and areas to enhance collaboration through advisory board meetings, site visits, and review of mutually beneficial goals.
- Students learning outcomes aligned with clinical courses.
- Financial performance, including:
 - Revenue performance: total billed charges, collections and collection rate, net revenue after contractual adjustments, payer mix by site and service line, denial rate and top denial reasons, days in accounts receivable, timeliness of claim submission and payment, revenue per encounter, visit volume and productivity measures tied to revenue, trend analysis over time for faculty delivered services, and comparison of actual revenue to projected volumes and rates.
 - Expenses and budget: personnel costs (salaries, wages, and overtime), fringe benefits, contracted services, supplies and medical equipment, information technology and billing support, facility and other overhead allocations, and monthly and year-to-date variance to budget with explanation of material variances.
- Grant and research funding: submissions and sub-awards that may support NFP operations and evaluation, and tracking grant funded deliverables tied to clinical and educational outcomes.
- Continue to identify areas for additional services needed to advance outcomes, including provider level review to determine next steps for improved care based upon the populations served.

L. List the names of any and all USM or Institution employees who will have a role in creation, operation, or management of the Business Entity, along with a description of their respective roles:

- Yolanda Ogbolu — Bill and Joanne Conway Dean of UMSON
 - Executive sponsor and institutional lead; provides strategic direction, approvals/oversight, and ensures alignment with UMSON/USM priorities.
- Bill Gardiner — Senior Associate Dean for Administration and Finance & Chief Operating Officer, UMSON

- Senior financial/administrative lead; oversees budgeting, financial controls, compliance/administrative processes, and financial sustainability planning for the entity.
- Shannon Idzik — Associate Dean for the Doctor of Nursing Practice (DNP) Program, UMSON
 - Programmatic/academic leadership supporting entity development; helps integrate operational plans with UMSON practice/education initiatives and workforce training needs.
- Bridgitte Gourley — UMSON faculty leadership (Project Director/Implementation Lead)
 - Day-to-day implementation leadership for creation/early operations; coordinates operational planning, launch activities, and partner-facing execution for the entity.

M. Describe any Ethics Law issues presented by the proposal and how they will be resolved:

There are no Ethics Law issues concerning the proposed business entity. Any UMB administrators and faculty who are managers or officers of the new business entity will hold their positions subject to UMB's designation and will obtain any needed State Ethics Law exemptions from UMB or from the State Ethics Commission. UMB administrators and faculty will not receive compensation from the new business entity. While UMB administrators and faculty will not receive compensation from the NFP, the NFP is likely to provide funding to UMB to cover salary expenses of UMB administrators and faculty.

N. Describe any other potential conflict of interest or other problems which might be anticipated at the time Board's approval is sought, e.g., individuals who have potential conflicts regarding compensation; members of the governing board who stand to financially benefit from the activities of the business entity; and if the business entity might receive goods or services at a below market price as a result of actions of a member of the governing board:

The business entity's status as a nonprofit organization reduces the potential for conflicts of interest. Board members will not be compensated for their roles and, because of the nonprofit mission involved, there will not be any direct financial benefit to board members as a result of the success of the business entity. All practitioners will be required to operate in accordance with applicable legal requirements. As a nonprofit organization, the business entity will maintain a conflict-of-interest policy. All board and staff members will complete annual conflict disclosure forms which will be examined by the entity's leadership and will be subject to review during the entity's annual audit.

O. Compliance with any Board of Regents approved due diligence requirements.

UMB, UMSON, and the NFP will comply with all BOR approved due diligence requirements. A copy of the Articles of Incorporation, Bylaws, Organizational Minutes, IRS Form 1023 and IRS determination letter will be sent to the Chancellor when they are adopted.

TOPIC: Proposed Amendments to Policy VIII-2.70 — Policy on Student Classification for Admission and Tuition Purposes

COMMITTEE: Finance Committee

DATE OF COMMITTEE MEETING: June 4, 2026

SUMMARY: Amendments to the Policy on Student Classification for Admission and Tuition Purposes are recommended to reflect recent changes in State and federal law and to improve the clarity and administration of the policy.

Over the past year, the USM Office of Academic and Student Affairs, institutional residency officers, and counsel from the Office of the Attorney General conducted a comprehensive review of the policy. The review focused on clarifying the residency determination and review processes, addressing areas that have created confusion for students, families, and staff, and improving the readability of the policy for non-residency experts.

The proposed amendments reorganize and streamline policy language throughout the document and update legal references and definitions where appropriate. Draft revisions were vetted with institutional residency officers, registrars, admissions staff, and other relevant USM affinity groups. In parallel with the policy revisions, related residency forms and petitions are also being updated, simplified, and converted into ADA-accessible formats.

ALTERNATIVE(S): The Committee may offer suggestions or request additional information; however, adoption of the amendments is recommended to ensure alignment with current law and improve clarity in policy administration.

FISCAL IMPACT: No significant fiscal impact is anticipated.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve the proposed amendments to the policy.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923 Alison M. Wrynn awrynn@usmd.edu

PROPOSED REVISIONS TO VIII-2.70 – POLICY ON STUDENT CLASSIFICATION FOR ADMISSION AND TUITION PURPOSES

Section	Amendment Summary	Impact Summary
I.B.	References a later section of the policy where temporary exemptions are listed.	Provides procedural clarity for students and families about temporary exemptions.
II.	Introduces a new section II—"Overview of Student Classification Process"—and moves II. Determination of Residency Status to Section III. Determination of Residency Status. The following subsections are introduced in this new section II: A. Initial Determination, B. Petition for Change in Classification, C. Appeal, D. Request for Waiver, E. Change in Circumstances Altering In-State Status, and F. Incomplete, Untimely, False, or Misleading Information. Language at the beginning of Section II replaces the current Section V.	Provides procedural clarity and reflects structural reorganization of residency procedures.
II.A.	Reorganizes the subheading from II. A. Criteria for Determination of Residency Status to III. A. Initial Determination (of Residency Status). This section clarifies and reorganizes the process for initial determination of residency and removes residency criteria 1-7.	Restructures the residency determination status procedures. Improves clarity for institutional procedures and promotes consistency in policy implementation and enhances institutional efficiency.
II. B.	Section B. Presumption of Out-of-State Status has been removed and replaced with III. B. 1-2. Criteria for In-State Status. Combines criteria related to (1) primary living quarters and (2) personal property into a single residency requirement.	Clarifies residency criteria.
II.B.	This section is renumbered and this subsection is introduced in III. B. 1.a.b. Reorganizes residency criteria (1) and (2) and incorporates language previously included in the former "Presumption of Out-of-State Status" section and replaces references to "raising the presumption" with "additional evidence."	Clarifies the first residency criterion, introduces additional evidence when criteria are not met, and improves readability.
II.B.	This section has now been replaced with III. B. 1-5. Defines "financially dependent," and incorporates relevant language previously located in	Clarifies financial dependency requirements, introduces additional

PROPOSED REVISIONS TO VIII-2.70 – POLICY ON STUDENT CLASSIFICATION FOR ADMISSION AND TUITION PURPOSES

	the “Presumption of Out-of-State Status” section. Replaces references to “raising the presumption” with “evidence” and clarifies treatment of individuals who are not financially dependent or not required to file a Maryland income tax return.	evidence when criteria are not met, improves institutional efficiency, and enhances readability.
II.B.	Renames subsection II.B. from “Presumption of Out-of- State Status” to III.C. “Additional Evidence.” Clarifies that the list of documents is non-exhaustive and that not all documents are required. Adds the Maryland MVA-issued identification card as additional evidence acceptable for residency eligibility.	Simplifies residency language and supports more efficient institutional implementation. Expands the range of documentation that may be considered as additional evidence.
II.B.	Renames subsection II.B. from “Presumption of Out-of- State Status” to III.C. “Additional Evidence.” Adds language to clarify documentation requirements for families of different structures (e.g., blended, separated, or divorced families).	Clarifies evidence requirements based on family structure and improves institutional implementation.
II.B.	Clarifies that petitions may not be submitted for a semester or term that has already been completed.	Aligns with existing policy and clarifies petitions submission timelines.
II.D.	Adds a new subsection titled “Request for Waiver.”	Clarifies the purpose of the presidential waiver and identifies individuals eligible to request a waiver.
III.	Section III. Change in Classification for Tuition Purposes is renumbered to Section IV. The proposed Section III removes the eight criteria needed to be met and the presumption language. It also removes the following sections III. C. Rebuttal Evidence to Support a Change in Tuition Status, III. D. Appeal, III. E. Change in Circumstances Altering In-State Status, and F. Incomplete, Untimely, False or Misleading Information; these topics are moved to earlier in the Policy in Section II. Overview of Student Classification Process.	Simplifies application of the policy and improves clarity.
III.A.	Revises the section title from “Determination of Residency Status” to “Initial Determination of Residency Status.”	Clarifies residency review processes at the initial application stage.
III.B.1-2.	Combines criteria related to (1) primary living quarters and (2) personal property into a single residency requirement.	Clarifies residency criteria.

PROPOSED REVISIONS TO VIII-2.70 – POLICY ON STUDENT CLASSIFICATION FOR ADMISSION AND TUITION PURPOSES

III.B.1. a.b.	Reorganizes residency criteria (1) and (2) and incorporates language previously included in the former “Presumption of Out-of- State Status” section and replaces references to “raising the presumption” with “additional evidence.”	Clarifies the first residency criterion, introduces additional evidence when criteria are not met, and improves readability.
III.B.2. a. b. c.	Defines “financially dependent,” and incorporates relevant language previously located in the “Presumption of Out-of-State Status” section. Replaces references to “raising the presumption” with “evidence” and clarifies treatment of individuals who are not financially dependent or not required to file a Maryland income tax return.	Clarifies financial dependency requirements, introduces additional evidence when criteria are not met, improves institutional efficiency, and enhances readability.
III.B.1- 5.	Reorganizes and simplifies in-state residency criteria, reducing the number of requirements from seven to six.	Simplifies application of the policy, improves clarity, and enhances institutional efficiency.
III.C.	Renames subsection C. from “Presumption of Out-of- State Status” to III.C. “Additional Evidence.” Clarifies that the list of documents is non-exhaustive and that not all documents are required.	Simplifies residency language and supports more efficient institutional implementation.
III.C.1. c.	Revises language to clarify documentation requirements for families of different structures (e.g., blended, separated, or divorced families).	Clarifies evidence requirements based on family structure and improves institutional implementation.
III.C.10.	Adds the Maryland MVA-issued identification card as additional evidence acceptable for residency eligibility.	Expands the range of documentation that may be considered as additional evidence.
IV.A.	Reinforces that petitions may not be submitted for a semester or term that has already been completed.	Aligns with policy and reinforces petition submission timelines.
IV.	Existing Section IV (“Criteria for...”) is renumbered to Section V.	This is part of the overall reorganization.
V.E.	Revises language (that was in IV.D.) pertaining to people receiving certain Federal benefits, including various veterans.	Clarifies residency terminology and reinforces intent of veteran eligibility requirements, including recent Federal changes to the Montgomery GI Bill.
V.K.	Updates the language from “child” to “eligible dependent.”	Aligns the policy with recent State legislation.

PROPOSED REVISIONS TO VIII-2.70 – POLICY ON STUDENT CLASSIFICATION FOR ADMISSION AND TUITION PURPOSES

V.L.	Adds a new exemption for financially dependent children of state or local public safety employees who died in the line of service, as defined by state law.	Extends exemption eligibility to dependents of qualifying public safety employees and aligns with recent State legislation.
V.Q.	Adds a new exemption for members of the Intelligence Community, their spouses, and their children so long as they have been employed for a certain period and whose domicile or permanent station is in Maryland at the time of initial enrollment.	Aligns the policy with recent Federal legislation.
V.	The point of the existing Section V is deleted and now proposed as language at the beginning of Section II.	The rearrangement is part of the overall clarification of procedures and requirements.
VI.	The current VI.F definition has been removed.	Focuses the policy language on Financial Dependent or not.
VI.	In F.1 – F.7, the legal citations are updated.	Clarifies the citations of the US Code.

VIII-2.70—POLICY ON STUDENT CLASSIFICATION FOR ADMISSION AND TUITION PURPOSES

(Approved by the Board of Regents August 28, 1990; Amended July 10, 1998; Amended November 27, 2000; Amended April 11, 2003; Amended June 23, 2006; Amended February 15, 2008; Amended October 24, 2014; Amended April 10, 2015; Amended February 17, 2017; Amended June 16, 2017; Amended April 19, 2019; Amended June 17, 2021; Amended June 17, 2022; Amended June 16, 2023; Amended June 14, 2024; Amended June 13, 2025, Amended _____).

I. POLICY

A. Purpose

To extend the benefits of its system of higher education while encouraging the economical use of the State's resources,¹ it is the policy of the Board of Regents of the University System of Maryland (USM) to recognize the categories of in-state and out-of-state residency for the purpose of admission and assessing tuition at USM institutions.

B. Qualification for In-State Status

Generally, to qualify for in-state status, prospective, returning, or current students must demonstrate that they are permanent Maryland residents. Under certain circumstances, as set forth in this Policy, some students who are not permanent Maryland residents and do not meet the criteria for in-state residency status in Section III.B of this Policy may qualify temporarily for in-state status if they qualify for an exemption under Section V of this Policy. Students who do not qualify for in-state status under this Policy shall be assigned out-of-state status for admission and tuition purposes.

C. Standard of Proof

Students seeking in-state status shall have the burden of proving by clear and convincing evidence that they satisfy the requirements and standards set forth in this Policy. Assignment of in-state or out-of-state status will be made by each USM institution upon a review of the totality of facts known by the institution or presented to it by the student.

II. OVERVIEW OF STUDENT CLASSIFICATION PROCESS

To implement this Policy, each USM institution applies its own procedures, a copy of which must be filed with the Office of the Chancellor.

A. Initial Determination

The student classification process begins with an initial determination of residency status. The institution's procedures will provide for an initial submission of residency information, usually in the application for admission or readmission. The institution may also request documentation or additional information during this initial step. All information and documentation submitted will be evaluated against the criteria for In-state status set forth in Section III.B of this Policy. In certain

¹ Md. Code Ann., Educ. § 12-101.

circumstances, a student who does not meet the criteria for in-state status may qualify for in-state status by exemption under Section V of this Policy.

At the conclusion of the initial determination, the student will be notified, usually in the offer of admission, if they have been classified as in-state or out-of-state.

B. Petition for Change in Classification

A student who wishes to request a change in their classification may submit a Petition in accordance with the institution's procedures. In some circumstances, students whose eligibility cannot be determined from the information submitted in their initial application may be required to submit additional evidence through the Petition process. All Petitions will be evaluated under the same criteria used for the initial determination of in-state status (in Section III.B of this Policy), but the institution may require additional information and documentation during the Petition process. Petitions may not be initiated for a semester or term that has already been completed.

C. Appeal

A student may appeal a decision on their Petition for Change in Classification in accordance with the institution's procedures.

D. Request for Waiver

The president of an institution or a president's designee may waive any requirement of this Policy if the president or designee determines that a waiver is required to avoid an unjust result. Staff or students may request a waiver, but students may be required to exhaust other procedures prior to doing so.

E. Change in Circumstances Altering In-State Status

A student must notify the USM institution in writing within fifteen (15) calendar days of any change in circumstances that may alter in-state status. Failure to do so may result in retroactive charges for the period affected.

F. Incomplete, Untimely, False, or Misleading Information

If complete information necessary to the determination is not provided by the institution's deadline, the institution may, at its discretion, deny or revoke in-state status. In the event incomplete, false, or misleading information is presented, the institution may, at its discretion, revoke in-state status and take disciplinary action provided for by the institution's policies. Such action may include suspension or expulsion. In such cases, the institution reserves the right to retroactively assess all out-of-state charges for the period affected.

III. DETERMINATION OF RESIDENCY STATUS

A. Initial Determination of Residency Status

An initial determination of a student's residency status will be made at the time of admission (and readmission, if any) based upon information provided by the student with the signed application

certifying that the information provided is complete and correct. Additional information may be requested by the institution to clarify facts presented in the initial application.

B. Criteria for In-State Status

To qualify for in-state status, the student must demonstrate that for at least 12 consecutive months immediately prior to and including the last date available to register for courses for the semester/term for which the student seeks in-state status (the Applicable Period), the student had the continuous intent to reside in Maryland indefinitely and for a primary purpose other than that of attending an educational institution in Maryland. The student will demonstrate the required continuous intent by establishing that they satisfied all the following requirements during the Applicable Period:

- 1) The student has continuously maintained primary living quarters in Maryland and has substantially all personal property, such as household effects, furniture, and pets, in Maryland.
 - a. A student who is attending school or living outside Maryland at the time of application for admission to a USM institution, may submit evidence (as outlined in Section III.C, below) in order to prove, by clear and convincing evidence, that the student has the continuous intent to reside in Maryland indefinitely and for a primary purpose other than that of attending an educational institution in Maryland.
 - b. The USM institution reviewing an application of a student described under paragraph 1.a may permit the student to submit evidence at the initial determination stage or may require a student to submit evidence through Petition for Change in Classification under Section IV.

- 2) The student has paid Maryland income tax on all taxable income, including all taxable income earned outside Maryland. If the student has earned any taxable income during the Applicable Period, the student must have filed a Maryland Resident Tax Return. If the student is Financially Dependent (as defined in this Policy), then the person on whom the student is Financially Dependent shall meet the tax filing and payment requirements in this paragraph.
 - a. A student who is Financially Dependent on a person who is not a resident of Maryland may submit additional evidence (as outlined in Section III.C, below) in order to prove, by clear and convincing evidence, that the student had the continuous intent to reside in Maryland indefinitely and for a primary purpose other than that of attending an educational institution in Maryland.
 - b. The USM institution reviewing an application of a student described under paragraph 2.a may permit the student to submit additional evidence at the initial determination stage or may require a student to submit such evidence through Petition for Change in Classification under Section IV.
 - c. If a student is not Financially Dependent and is not required to file a Maryland income tax return, the student may be asked by the institution reviewing the initial application, petition, or appeal, for additional information (e.g., a W-2 or 1099 form or other relevant documents).

- 3) If the student possesses a driver's license, it must be issued by Maryland. If the student was previously licensed in another state they must have held a Maryland driver's license for the past 12 consecutive months, or the student must show evidence that their driver's license was issued in Maryland within 60 days after moving to the state in accordance with Maryland Motor Vehicle Administration requirements.
- 4) If the student owns or leases a motor vehicle, it must be registered in Maryland. If the vehicle was previously registered in another state, it must have been registered for the past 12 consecutive months in Maryland, or the student must show evidence that the vehicle was registered in Maryland within 60 days after moving to the state in accordance with Maryland Motor Vehicle Administration requirements.
- 5) The student receives no public assistance from a state other than the State of Maryland or from a city, county, or municipal agency other than one in Maryland.
- 6) The student has the legal ability to live permanently and without interruption in the United States.

C. Additional Evidence

Additional evidence may be required during the Initial Determination pursuant to Sections B.1 and B.2, above, or when submitting a Petition for Change in Classification under Section IV.

Additional evidence must establish, by clear and convincing evidence, the student's intent to reside in Maryland indefinitely and for a primary purpose other than that of attending an educational institution in Maryland. All information submitted will be evaluated not only by how completely the criteria for in-state status are addressed, but also based upon the reliability, authenticity, credibility and relevance of the evidence and the totality of facts known to the institution.

Evidence that does not document a period of at least twelve (12) consecutive months immediately prior to and including the last date available to register for courses in the semester/term for which the student seeks in-state tuition status (the Applicable Period) is unlikely to establish the required intent under this Policy. The absence of objective, relevant evidence is generally considered to weigh against finding in-state status. A student's statement of intent to remain in Maryland in the future is generally not considered to be objective evidence under this Policy.

Students are not required to submit every item in the list below, but the evidence submitted must establish the student's intent to reside in Maryland indefinitely and for a primary purpose other than that of attending an educational institution. Evidence provided by a student may include, for example:

- 1) Evidence showing source of financial support:
 - a. Maryland employment and earnings history through sources beyond those related to enrollment as a student in an educational institution (e.g., beyond support provided by work study, scholarships, grants, stipends, aid, student loans, etc.)

Tuition costs will be considered as a student expense only to the extent tuition exceeds the amount of any educational scholarships, grants, student loans, etc.;

- b. Evidence the student is Financially Dependent, for the previous 12 months, upon a person who is a resident of Maryland; and/or
 - c. Evidence such as a divorce decree, separation agreement, court order, or other legal document which establishes why a student is Financially Dependent on a person living outside of Maryland. If the student meets the other criteria for residency, the student may be deemed in-state despite being Financially Dependent upon someone living out of state, if such evidence is available.
- 2) Evidence of substantial participation as a member of a professional, social, community, civic, political, athletic, or religious organization in Maryland, including professionally related school activities that demonstrate a commitment to the student's community or to the State of Maryland.
 - 3) Registration as a Maryland resident with the Selective Service, if applicable.
 - 4) Evidence that the student is married to a Maryland resident.
 - 5) Evidence that the student attended schools in Maryland for grades K-12.
 - 6) Evidence showing the student uses the student's Maryland address as the sole address of record for all purposes, including, for example, on health and auto insurance records, bank accounts, tax records, loan and scholarship records, school records, military records, leases, etc.
 - 7) An affidavit from a person unrelated to the student that provides objective, relevant evidence of the student's conduct demonstrating the student's intent to reside in Maryland primarily for a purpose other than that of attending an educational institution in Maryland.
 - 8) Evidence of life and employment changes that caused the student to relocate to Maryland for reasons other than primarily educational purposes (e.g., marriage to a Maryland resident, divorce, family relocation, taking care of a sick family member, etc.).
 - 9) Voter registration in Maryland; and/or
 - 10) A Maryland MVA-issued identification card

IV. CHANGE IN RESIDENCY CLASSIFICATION FOR TUITION PURPOSES

A. Petition for Change in Classification for Tuition Purposes

After the initial residency determination is made, a student seeking a change to in-state residency status for tuition purposes should consult institution procedures for information on how and when to submit a Petition for Change in Classification for Tuition Purposes that includes all the information the student wishes the institution to consider. All information must be submitted by the institution's deadline for submitting a petition before or during the semester for which the

student seeks reclassification. Only one Petition may be filed per semester or term. Petitions may not be initiated for a semester or term that has already been completed.

B. Criteria for Change in Residency Status

A student seeking reclassification from out-of-state to in-state status must demonstrate, by clear and convincing evidence, that for at least twelve (12) consecutive months immediately prior to and including the last date available to register for courses for the semester/term for which the student seeks in-state residency status (the Applicable Period), the student had the continuous intent to:

- 1) make Maryland the student's permanent home;
- 2) abandon the student's former home state;
- 3) reside in Maryland indefinitely; and
- 4) reside in Maryland primarily for a purpose other than that of attending an educational institution in Maryland.

A student will demonstrate the requisite intent by establishing (providing appropriate documentation as necessary) that, for the Applicable Period, the student has satisfied all criteria for in-state status in Section III.B of this Policy.

Evidence of intent may include, but is not limited to, evidence described in Section III.C.. Evidence of intent must be clear and convincing and will be evaluated not only by how completely the criteria are addressed, but also based upon the reliability, authenticity, credibility, and relevance of the evidence and the totality of facts known to the institution.

V. CRITERIA FOR IN-STATE STATUS BY EXEMPTION

Students who meet the criteria for the following exemptions shall be eligible for in-state status for the period in which they qualify for the exemption (except as otherwise noted below).² Students who seek in-state status through any of the following exemptions must provide clear and convincing evidence through documentation, by the institution's deadline for the semester for which they seek in-state status, showing that they fall within one of the following categories:

- A. A full-time or part-time (at least 50 percent) regular employee of USM or a USM institution.
- B. The spouse or Financially Dependent child of a full-time or part-time (at least 50 percent) regular employee of USM or a USM institution.
- C. An Active Service Member, or the spouse or Financially Dependent child of an Active Service member, who is stationed in Maryland, currently residing in Maryland, or is domiciled in Maryland.³ Spouses and children who qualify for exemption under this provision will retain

² Changes in state or federal laws conferring in-state tuition status may not be reflected in this Policy immediately upon effect. However, students who meet the statutory criteria are eligible for in-state status as of the effective date of the law.

³ Md. Code Ann., Educ. § 15-106.4.

in- state status for tuition purposes as long as they are continuously enrolled, regardless of whether the Active Service Member’s station assignment, residence, or domicile remains in Maryland.⁴

- D. Veterans currently living in or domiciled in Maryland who provide documentation that they were honorably discharged.⁵
- E. Individuals currently residing in Maryland who are pursuing a course of education with educational assistance under chapter 30, 31, 33, or 35 of Title 38, or chapter 1606 of Title 10, of the United States Code.⁶ An individual so described will continue to retain in-state status if they remain continuously enrolled (other than during regularly scheduled breaks between courses, semesters, or terms) at the same school.
- F. Anyone who lives in Maryland and
 - 1) Is using transferred Post-9/11 G.I. Bill® benefits (38 U.S.C. § 3319) and enrolls after the transferor’s discharge or release from a period of at least 90 days of service in the active military, naval or air service;
 - 2) Is using transferred Post-9/11 G.I. Bill® benefits (38 U.S.C. § 3319) and the transferor is a member of the uniformed services who is serving on active duty;
 - 3) Is the child or spouse of a person who died while serving on duty in the Armed Forces, on or after September 11, 2001 and is entitled to benefits under 38 U.S.C. § 3311(b)(8)-(9).
 - 4) Is using benefits through the Survivors’ and Dependents’ Educational Assistance Program (DEA) (38 U.S.C. chapter 35); or
 - 5) Is entitled to rehabilitation under 38 U.S.C. § 3102(a).

An individual described in this paragraph will continue to retain in-state status if the individual is using any of the above educational benefits and remains continuously enrolled (other than during regularly scheduled breaks between courses, semesters, or terms) at the same school.

- G. A member of the Maryland National Guard, as defined in the Public Safety Article of the Annotated Code of Maryland, who joined or subsequently serves in the Maryland National Guard to: (i) provide a critical military occupational skill; or (ii) be a member of the Air Force Critical Specialty Code as determined by the National Guard. (Maryland National Guard members may also qualify if they meet the criteria in paragraph C above.)⁷
- H. For UMGC only, any Active Service Member or their spouse or Financially Dependent child.
- I. A graduate assistant appointed through a USM institution for the semester/term of the appointment. Except through prior arrangement, this benefit is available only for enrollment at the institution awarding the assistantship.

⁴ *Id.*

⁵ *Id.*

⁶ 38 U.S.C. § 3679(c).

⁷ *Id.*

- J. A full-time public school teacher in the first year of employment by a Maryland local education agency who resides in Maryland and meets the criteria for a residency waiver in § 15-106.2 of the Education Article, Annotated Code of Maryland.
- K. The “eligible dependent” of a Maryland public safety employee, under § 18-601 of the Education Article, Annotated Code of Maryland, who is eligible for the Edward T. and Mary A. Conroy and Joan B. Cryor Scholarship.
- L. The Spouse or Child of a State or Local Public Safety Employee (as defined in § 18-601 of the Education Article, Annotated Code of Maryland) who died as a result of or in the performance of duties.⁸
- M. A person who has completed all service hours in an AmeriCorps Program in Maryland or who has completed a service program under the Maryland Corps Program, pursuant to Title 9, subtitle 28 of the State Government Article, Annotated Code of Maryland, as provided in § 15-106.9 of the Education Article, Annotated Code of Maryland.
- N. A person who has been certified by the Director of the Peace Corps as having served satisfactorily as a Peace Corps volunteer and who is domiciled in Maryland, as provided in § 15-106.11 of the Education Article, Annotated Code of Maryland.
- O. Individuals, including undocumented immigrants, who do not meet the definition of nonimmigrant alien within the meaning of 8 U.S.C. § 1101(a)(15) and who meet all the criteria in § 15-106.8 of the Education Article, Annotated Code of Maryland.
- P. Members of the U.S. Foreign Service who are on active duty for a period of more than 30 days and whose domicile or permanent duty station is in Maryland, and their spouses and Financial Dependents. Members and their spouses and Financial Dependents who qualify for in-state status will continue to hold in-state status while continuously enrolled at the institution, notwithstanding a subsequent change in the permanent duty station of the member to a location outside Maryland.
- Q. Members of the Intelligence Community, as defined in 50 U.S.C. § 3003(4), who have served in that position of employment for a period of more than 30 days and whose domicile or permanent duty station is in Maryland, and their spouses and Financial Dependents. Members and their spouses and Financial Dependents who qualify for in-state status will continue to hold in-state status while continuously enrolled at the institution, notwithstanding a subsequent change in the permanent duty station of the member to a location outside Maryland.
- R. Citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, or the Republic of Palau, as provided in the Consolidated Appropriations Act, 2024, Pub. L. No. 118-42, Div. G, Title II, § 209(b)(1)(E).

⁸ Md. Code Ann., Educ. § 15-106.12.

VI. DEFINITIONS

- A. Active Duty means full-time duty in the active service of a uniformed service, and includes full-time training duty, annual training duty, full-time National Guard duty, and attendance, while in the active service, at a school designated as a service school by law or by the Secretary concerned.⁹
- B. Active Service Member means an individual who is:
- 1) an Active Duty member of the Uniformed Services; or
 - 2) serving in a Reserve Component of the Uniformed Services on Active Duty orders.¹⁰
- C. Armed Forces means the Army, Navy, Air Force, Marine Corps, Space Force, and Coast Guard.¹¹
- D. Child: A child is a natural child or a child legally adopted pursuant to a court order recognized under the laws of Maryland.
- E. Financially Dependent: For the purposes of this Policy, a financially dependent student is one who has been claimed as a dependent on another person's prior year tax returns and/or receives fifty percent or more in educational or living expenses from another person. A person who is a ward of the State of Maryland is also considered Financially Dependent for purposes of this Policy.
- F. Foreign Service means:
- 1) Chiefs of mission, appointed under 22 U.S.C. § 3942(a)(1) or § 3982(c).
 - 2) Ambassadors at large, appointed under 22 U.S.C. § 3942(a)(1).
 - 3) Members of the Senior Foreign Service, appointed under 22 U.S.C. § 3942(a)(1) or § 3943, who are the corps of leaders and experts for the management of the Service and the performance of its functions.
 - 4) Foreign Service officers, appointed under 22 U.S.C. § 3942(a)(1), who have general responsibility for carrying out the functions of the Service.
 - 5) Foreign Service personnel, United States citizens appointed under 22 U.S.C. § 3943, who provide skills and services required for effective performance by the Service.
 - 6) Foreign national employees, foreign nationals appointed under 22 U.S.C. § 3943, who provide clerical, administrative, technical, fiscal, and other support at Foreign Service posts abroad.
 - 7) Consular agents, appointed under 22 U.S.C. § 3943 by the Secretary of State, who provide consular and related services as authorized by the Secretary of State at specified locations abroad where no Foreign Service posts are situated.¹²
- G. Regular Employee: A regular employee is a person employed by USM or a USM institution who is assigned to a State budget line or who is otherwise eligible to enroll in a State retirement

⁹ 37 U.S.C. § 101.

¹⁰ Md. Code Ann., State Gov't § 9-901.

¹¹ 10 U.S.C. § 101.

¹² 22 U.S.C. § 3903.

system. Examples of categories NOT considered regular employees are graduate students, contingent employees, and independent contractors.

- H. Reserve Component means:
- 1) the Army National Guard of the United States;
 - 2) the Army Reserve;
 - 3) the Navy Reserve;
 - 4) the Marine Corps Reserve;
 - 5) the Air National Guard of the United States;
 - 6) the Air Force Reserve;
 - 7) the Coast Guard Reserve; or
 - 8) the Reserve Corps of the Public Health Service.¹³
- I. Spouse: A spouse is a partner in a legally contracted marriage.
- J. Uniformed Services means the Armed Forces and the Commissioned Corps of the National Oceanic and Atmospheric Administration and of the Public Health Service.¹⁴
- K. Veteran has the meaning stated in 38 U.S.C. § 101, which is a person who served in the active military, naval, air, or space service, and was discharged or released therefrom under conditions other than dishonorable. Under this Policy, “Veteran” shall also include an individual who served on Active Duty in the Uniformed Services and was honorably discharged.

¹³ 37 U.S.C. § 101.

¹⁴ *Id.*

VIII-2.70—POLICY ON STUDENT CLASSIFICATION FOR ADMISSION AND TUITION PURPOSES

(Approved by the Board of Regents August 28, 1990; Amended July 10, 1998; Amended November 27, 2000; Amended April 11, 2003; Amended June 23, 2006; Amended February 15, 2008; Amended October 24, 2014; Amended April 10, 2015; Amended February 17, 2017; Amended June 16, 2017; Amended April 19, 2019; Amended June 17, 2021; Amended June 17, 2022; Amended June 16, 2023; Amended June 14, 2024; Amended June 13, 2025~~); Amended~~ _____).

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Generally, to qualify for in-state status, prospective, returning, or current students must demonstrate that they are permanent Maryland residents. Under certain circumstances, as set forth in this Policy, some students who are not permanent Maryland residents and do not meet the criteria for in-state residency status in Section III.B of this Policy may qualify temporarily for in-state status if they qualify for an exemption under Section V of this Policy. Students who do not qualify for in-state status under this Policy shall be assigned out-of-state status for admission and tuition purposes.

C. Standard of Proof

Students seeking in-state status shall have the burden of proving by clear and convincing evidence that they satisfy the requirements and standards set forth in this Policy. Assignment of in-state or out-of-state status will be made by each USM institution upon a review of the totality of facts known by the institution or presented to it by the student.

II. OVERVIEW OF STUDENT CLASSIFICATION PROCESS

To implement this Policy, each USM institution applies its own procedures, a copy of which must be filed with the Office of the Chancellor.

A. Initial Determination

The student classification process begins with an initial determination of residency status. The institution's procedures will provide for an initial submission of residency information, usually in the application for admission or readmission. The institution may also request documentation or additional information during this initial step. All information and documentation submitted will be evaluated against the criteria for In-state status set forth in Section III.B of this Policy. In certain

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circumstances, a student who does not meet the criteria for in-state status may qualify for in-state status by exemption under Section V of this Policy.

At the conclusion of the initial determination, the student will be notified, usually in the offer of admission, if they have been classified as in-state or out-of-state.

B. Petition for Change in Classification

A student who wishes to request a change in their classification may submit a Petition in accordance with the institution's procedures. In some circumstances, students whose eligibility cannot be determined from the information submitted in their initial application may be required to submit additional evidence through the Petition process. All Petitions will be evaluated under the same criteria used for the initial determination of in-state status (in Section III.B of this Policy), but the institution may require additional information and documentation during the Petition process. Petitions may not be initiated for a semester or term that has already been completed.

C. Appeal

A student may appeal a decision on their Petition for Change in Classification in accordance with the institution's procedures.

D. Request for Waiver

The president of an institution or a president's designee may waive any requirement of this Policy if the president or designee determines that a waiver is required to avoid an unjust result. Staff or students may request a waiver, but students may be required to exhaust other procedures prior to doing so.

E. Change in Circumstances Altering In-State Status

A student must notify the USM institution in writing within fifteen (15) calendar days of any change in circumstances that may alter in-state status. Failure to do so may result in retroactive charges for the period affected.

F. Incomplete, Untimely, False, or Misleading Information

If complete information necessary to the determination is not provided by the institution's deadline, the institution may, at its discretion, deny or revoke in-state status. In the event incomplete, false, or misleading information is presented, the institution may, at its discretion, revoke in-state status and take disciplinary action provided for by the institution's policies. Such action may include suspension or expulsion. In such cases, the institution reserves the right to retroactively assess all out-of-state charges for the period affected.

H.III. DETERMINATION OF RESIDENCY STATUS

A. Criteria for Initial Determination of Residency Status

An initial determination of a student's residency status will be made at the time of admission (and readmission, if any) based upon information provided by the student with the signed application

certifying that the information provided is complete and correct. Additional information may be requested by the institution to clarify facts presented ~~in the initial application.~~

B. Criteria for In-State Status

To qualify for in-state status, the student must demonstrate that for at least 12 consecutive months immediately prior to and including the last date available to register for courses for the semester/term for which the student seeks in-state status ~~(the Applicable Period)~~, the student had the continuous intent to reside in Maryland indefinitely and for a primary purpose other than that of attending an educational institution in Maryland. The student will demonstrate the ~~requisite~~required continuous intent by ~~satisfying~~establishing that they satisfied all the following requirements ~~for during the 12-month period (or shorter period indicated):~~Applicable Period:

~~1) Has~~The student has continuously maintained primary living quarters in Maryland.

~~2)1) _____ Has and has~~ substantially all personal property, such as household effects, furniture, and pets, in Maryland.

~~a. Has paid Maryland income tax on all taxable income, including all taxable income earned outside Maryland, and has filed a Maryland Resident Tax Return. If the student is a dependent for tax purposes, then the person who claims the student as a dependent shall have~~A student who is attending school or living outside Maryland at the time of application for admission to a USM institution, may submit evidence (as outlined in Section III.C, below) in order to prove, by clear and convincing evidence, that the student has the continuous intent to reside in Maryland indefinitely and for a primary purpose other than that of attending an educational institution in Maryland.

~~b. The USM institution reviewing an application of a student described under paragraph 1.a may permit the student to submit evidence at the initial determination stage or may require a student to submit evidence through Petition for Change in Classification under Section IV.~~

~~3)2) _____ The student has~~ paid Maryland income tax on all taxable income, including all taxable income earned outside Maryland ~~, and have filed a Maryland Resident Tax Return.. If the student has earned any taxable income during the Applicable Period, the student must have filed a Maryland Resident Tax Return. If the student is Financially Dependent (as defined in this Policy), then the person on whom the student is Financially Dependent shall meet the tax filing and payment requirements in this paragraph.~~

~~4) Has registered all owned or leased motor vehicles in Maryland for at least 12 consecutive months, if previously registered in another state. Students who have lived in Maryland for at least 12 consecutive months but who have had their motor vehicle(s) registered in Maryland for less than 12 months will be deemed to have satisfied this requirement if they can show evidence that their owned or leased motor vehicle(s) was (were) registered in Maryland within 60 days after moving to the state in accordance with Maryland Motor Vehicle Administration requirements.~~

~~a. Has possessed a valid Maryland~~A student who is Financially Dependent on a person who is not a resident of Maryland may submit additional evidence (as outlined in

~~Section III.C, below) in order to prove, by clear and convincing evidence, that the student had the continuous intent to reside in Maryland indefinitely and for a primary purpose other than that of attending an educational institution in Maryland.~~

- ~~b. The USM institution reviewing an application of a student described under paragraph 2.a may permit the student to submit additional evidence at the initial determination stage or may require a student to submit such evidence through Petition for Change in Classification under Section IV.~~
- ~~c. If a student is not Financially Dependent and is not required to file a Maryland income tax return, the student may be asked by the institution reviewing the initial application, petition, or appeal, for additional information (e.g., a W-2 or 1099 form or other relevant documents).~~

~~3) If the student possesses a driver's license for at least 12 consecutive months, if, it must be issued by Maryland. If the student was previously licensed to drive in another state. Students who have lived in Maryland for at least 12 consecutive months but who they must have held a Maryland driver's license for less than 12 months will be deemed to have satisfied this requirement if they can the past 12 consecutive months, or the student must show evidence that their driver's license was issued in Maryland within 60 days after moving to the state in accordance with Maryland Motor Vehicle Administration requirements.~~

~~5)4) If the student owns or leases a motor vehicle, it must be registered in Maryland. If the vehicle was previously registered in another state, it must have been registered for the past 12 consecutive months in Maryland, or the student must show evidence that the vehicle was registered in Maryland within 60 days after moving to the state in accordance with Maryland Motor Vehicle Administration requirements.~~

~~6)5) Receives The student receives no public assistance from a state other than the State of Maryland or from a city, county, or municipal agency other than one in Maryland.~~

~~7)6) Has The student has the legal ability under Federal and Maryland law to live permanently and without interruption in Maryland the United States.~~

~~B. Presumption of Out-of-State Status~~

~~C. Either of the following circumstances raises a presumption that the student is residing in the State of Maryland primarily for the **Additional Evidence**~~

~~Additional evidence may be required during the Initial Determination pursuant to Sections B.1 and B.2, above, or when submitting a Petition for Change in Classification under Section IV.~~

~~Additional evidence must establish, by clear and convincing evidence, the student's intent to reside in Maryland indefinitely and for a primary purpose other than that of attending an educational institution and, therefore, does not qualify for in-state status under this Policy:~~

- ~~1) A student is attending school or living outside Maryland at the time of application for admission to a USM institution, or~~

- 2) ~~A student is Financially Dependent on a person who is not a resident of Maryland. A student will be considered Financially Independent if the student provides 50 percent or more of the student's own living and educational expenses and has not been claimed as a dependent on another person's most recent tax returns.~~

~~III. CHANGE IN CLASSIFICATION FOR TUITION PURPOSES~~

~~A. Petition for Change in Classification for Tuition Purposes~~

~~After the initial determination is made, a student seeking a change to in-state tuition status must submit a Petition for Change in Classification for Tuition Purposes that includes all the information the student wishes the institution to consider. All information must be submitted by the institution's deadline for submitting a petition before or within the semester for which the student seeks reclassification. Only one Petition may be filed per semester.~~

~~A. Criteria for Changes in Tuition Status~~

~~A student seeking reclassification from out of state to in-state tuition status must demonstrate, by clear and convincing evidence, that for at least twelve (12) consecutive months immediately prior to and including the last date available to register for courses for the semester/term for which the student seeks in-state tuition status, the student had the continuous intent to~~

- ~~1) make Maryland the student's permanent home;~~
- ~~2)1) abandon the student's former home state;~~
- ~~3)1) reside in Maryland indefinitely; and~~
- ~~4)1) reside in Maryland primarily for a purpose other than that of attending an educational institution in Maryland.~~

~~A student will demonstrate the requisite intent by satisfying all the following requirements for a period of at least twelve (12) consecutive months (or for the shorter period of time indicated) immediately prior to and including the last date available to register for courses in the semester/term for which the student seeks in-state tuition status. Evidence of intent must be clear and convincing and will be evaluated not only by how completely the criteria for in-state status are addressed, but also based upon the reliability, authenticity, credibility, and relevance of the evidence and the totality of facts known to the institution. The student must demonstrate (providing appropriate documentation as necessary) that for the relevant period the student:~~

- ~~1) Continuously maintained primary living quarters in Maryland.~~
- ~~2) Has substantially all personal property, such as household effects, furniture, and pets, in Maryland.~~
- ~~3) Has paid Maryland income tax on all taxable income including all taxable income earned outside the state and has filed a Maryland Resident Tax Return. If the student is a dependent for tax purposes, then the person who claims the student as a dependent shall have paid Maryland income tax on all taxable income, including all taxable income earned outside Maryland, and have filed a Maryland Resident Tax Return.~~
- ~~4) Has registered all owned or leased motor vehicles in Maryland for at least 12 consecutive months, if previously registered in another state. Students who have lived in Maryland for at~~

~~least 12 consecutive months but who have had their motor vehicle(s) registered in Maryland for less than 12 months will be deemed to have satisfied this requirement if they can show evidence that their owned or leased motor vehicle(s) was (were) registered in Maryland within 60 days after moving to the state in accordance with Maryland Motor Vehicle Administration requirements.~~

- ~~5) Has possessed a valid Maryland driver's license for at least 12 consecutive months, if previously licensed to drive in another state. Students who have lived in Maryland for at least 12 consecutive months but who have held a Maryland driver's license for less than 12 months will be deemed to have satisfied this requirement if they can show evidence that their driver's license was issued in Maryland within 60 days after moving to the state in accordance with Maryland Motor Vehicle Administration requirements.~~
- ~~6) Receives no public assistance from a state other than the State of Maryland or from a city, county, or municipal agency other than one in Maryland.~~
- ~~7) Has the ability under Federal and Maryland law to live permanently without interruption in Maryland.~~
- ~~8) Has either not raised the presumption set forth in Section II.B above; or alternatively, if the student's circumstances have raised the presumption set forth in Section II.B above, the student has rebutted that presumption.~~

~~B. Rebuttal Evidence to Support a Change in Tuition Status~~

~~If the information received by the institution about the student has raised the presumption set forth in Section II.B, the student bears the burden of rebutting the presumption set forth in Section II.B by presenting additional evidence of objectively verifiable conduct to rebut the presumption and show the requisite intent. Rebuttal evidence of intent must be clear and convincing and will be evaluated not only by how completely the criteria are addressed, but also based upon the reliability, authenticity, credibility and relevance of the evidence and the totality of facts known to the institution.~~

Evidence that does not document a period of at least twelve (12) consecutive months immediately prior to and including the last date available to register for courses in the semester/term for which the student seeks in-state tuition status (the Applicable Period) is ~~generally considered an unfavorable factor unlikely to establish the required intent~~ under this Policy. The absence of objective, relevant evidence is generally considered ~~an unfavorable factor to weigh against finding in-state status~~. A student's statement of intent to remain in Maryland in the future is generally not considered to be objective evidence under this Policy.

~~For purposes of rebutting the presumption, additional evidence that will be considered includes, but is not limited to:~~

~~Source~~

~~Students are not required to submit every item in the list below, but the evidence submitted must establish the student's intent to reside in Maryland indefinitely and for a primary purpose other than that of attending an educational institution. Evidence provided by a student may include, for example:~~

- 1) Evidence showing source of financial support:
 - a. Maryland employment and earnings history through sources beyond those ~~incident related~~ to enrollment as a student in an educational institution, ~~—~~ (e.g.,

beyond support provided by work study, scholarships, grants, stipends, aid, student loans, etc. ~~(.)~~ Tuition costs will be considered as a student expense only to the extent tuition exceeds the amount of any educational scholarships, grants, student loans, etc. ~~); or.;~~

b. Evidence the student is Financially Dependent, for the previous 12 months, upon a person who is a resident of Maryland ~~;~~ and/or

c. Substantial Evidence such as a divorce decree, separation agreement, court order, or other legal document which establishes why a student is Financially Dependent on a person living outside of Maryland. If the student meets the other criteria for residency, the student may be deemed in-state despite being Financially Dependent upon someone living out of state, if such evidence is available.

- 2) Evidence of substantial participation as a member of a professional, social, community, civic, political, athletic, or religious organization in Maryland, including professionally related school activities that demonstrate a commitment to the student's community or to the State of Maryland.
- 3) Registration as a Maryland resident with the Selective Service, if applicable.
- 4) Evidence that the student is married to a Maryland resident.
- 5) Evidence that the student attended schools in Maryland for grades K-12.
- 6) Evidence showing the student uses the student's Maryland address as the sole address of record for all purposes, including, for example, on health and auto insurance records, bank accounts, tax records, loan and scholarship records, school records, military records, leases, etc.
- 7) An affidavit from a person unrelated to the student that provides objective, relevant evidence of the student's conduct demonstrating the student's intent to reside in Maryland primarily for a purpose other than that of attending an educational institution in Maryland.
- 8) Evidence of life and employment changes that caused the student to relocate to Maryland for reasons other than primarily educational purposes (e.g., marriage to a Maryland resident, divorce, family relocation, taking care of a sick family member, etc. ~~);~~).
- 9) Voter registration in Maryland ~~;~~ and/or

10) A Maryland MVA-issued identification card

IV. CHANGE IN RESIDENCY CLASSIFICATION FOR TUITION PURPOSES

A. Petition for Change in Classification for Tuition Purposes

After the initial residency determination is made, a student seeking a change to in-state residency status for tuition purposes should consult institution procedures for information on how and when to submit a Petition for Change in Classification for Tuition Purposes that includes all the

information the student wishes the institution to consider. All information must be submitted by the institution's deadline for submitting a petition before or during the semester for which the student seeks reclassification. Only one Petition may be filed per semester or term. Petitions may not be initiated for a semester or term that has already been completed.

B. Criteria for Change in Residency Status

A student seeking reclassification from out-of-state to in-state status must demonstrate, by clear and convincing evidence, that for at least twelve (12) consecutive months immediately prior to and including the last date available to register for courses for the semester/term for which the student seeks in-state residency status (the Applicable Period), the student had the continuous intent to:

- 1) make Maryland the student's permanent home;
- 2) abandon the student's former home state;
- 3) reside in Maryland indefinitely; and
- 4) reside in Maryland primarily for a purpose other than that of attending an educational institution in Maryland.

A. Appeal

~~A student may appeal an adverse decision on a Petition for Change in Classification.~~

~~B.A. Change in Circumstances Altering In-State Status~~

~~A student shall notify the USM institution in writing within fifteen (15) days of any change in circumstances which may alter in-state status. Failure to do so could result in retroactive charges for each semester/term affected.~~

C. Incomplete, Untimely, False or Misleading Information

~~If necessary information is not provided by the institution's deadline, the USM institution may, at its discretion, deny or revoke in-state status. In the event incomplete, false, or misleading information is presented, the USM institution may, at its discretion, revoke in-state status and take disciplinary action provided for by the institution's policies. Such action may include suspension or expulsion. In such cases, the institution reserves the right to retroactively assess all out-of-state charges for each semester/term affected.~~

A student will demonstrate the requisite intent by establishing (providing appropriate documentation as necessary) that, for the Applicable Period, the student has satisfied all criteria for in-state status in Section III.B of this Policy.

Evidence of intent may include, but is not limited to, evidence described in Section III.C.. Evidence of intent must be clear and convincing and will be evaluated not only by how completely the criteria are addressed, but also based upon the reliability, authenticity, credibility, and relevance of the evidence and the totality of facts known to the institution.

IV.V. CRITERIA FOR TEMPORARY QUALIFICATION OF NON-RESIDENTS FOR IN-STATE STATUS BY EXEMPTION

~~Non-residents with~~ Students who meet the criteria for the following ~~status exemptions~~ shall be ~~accorded the benefits of~~ eligible for in-state status for the period in which they ~~hold such~~ qualify for the exemption (except as otherwise noted below).² ~~Students who seek in-state status, if they through any of the following exemptions must~~ provide clear and convincing evidence through documentation, by the institution's deadline for the semester for which they seek in-state status, showing that they fall within one of the following categories:

- A. A full-time or part-time (at least 50 percent) regular employee of USM or a USM institution.
- B. The spouse or Financially Dependent child of a full-time or part-time (at least 50 percent) regular employee of USM or a USM institution.
- C. An Active Service Member, or the spouse or ~~financially dependent~~ **Financially Dependent** child of an Active Service member, who is stationed in Maryland, currently residing in Maryland, or is domiciled in Maryland.³ Spouses and children who qualify for exemption under this provision will retain in-state status for tuition purposes as long as they are continuously enrolled, regardless of whether the Active Service Member's station assignment, residence, or domicile remains in Maryland.⁴
- D. Veterans currently ~~residing~~ in or domiciled in Maryland who provide documentation that they were honorably discharged.⁵
- E. ~~Veterans~~ **Individuals** currently residing in Maryland ~~and were discharged from a period of at least 90 days of service and who~~ are pursuing a course of education with educational assistance under chapter 30, 31, 33, or 35 of Title 38, or chapter 1606 of Title 10, of the ~~Montgomery G.I. Bill~~⁶ (38 U.S.C. Ch. 30) or the ~~Post 9/11 G.I. Bill~~⁶ (38 U.S.C. Ch. 33), pursuant to 38 U.S.C. § 3679(c). ~~A veteran~~ **United States Code.**⁷ ~~An individual~~ so described will continue to retain in-state status if ~~the veteran is using educational benefits under either chapter 30 or chapter 33 of title 38, United States Code, and remain~~ **they remain** continuously enrolled (other than during regularly scheduled breaks between courses, semesters, or terms) at the same school.
- F. Anyone who lives in Maryland, and:

² Changes in state or federal laws conferring in-state tuition status may not be reflected in this Policy immediately upon effect. However, students who meet the statutory criteria are eligible for in-state status as of the effective date of the law.

³ Md. Code Ann., Educ. § 15-106.4.

⁴ *Id.*

⁵ *Id.*

⁶ GI Bill[®] is a registered trademark of the U.S. Department of Veterans Affairs (VA). More information about education benefits offered by the VA is available at the official U.S. government Web site at <http://www.benefits.va.gov/gibill>.

⁷ 38 U.S.C. § 3679(c).

- 1) Is using transferred Post-9/11 G.I. Bill® benefits (38 U.S.C. § 3319) and enrolls after the transferor's discharge or release from a period of at least 90 days of service in the active military, naval or air service; ~~or~~
- 2) Is using transferred Post-9/11 G.I. Bill® benefits (38 U.S.C. § 3319) and the transferor is a member of the uniformed services who is serving on active duty;
- 3) Is ~~using the child or spouse of a person who died while serving on duty in the Armed Forces, on or after September 11, 2001 and is entitled to~~ benefits under ~~the Marine Gunnery Sergeant John David Fry Scholarship (38 U.S.C. § 3311(b)(8)-(9));~~.
- 4) Is using benefits through the Survivors' and Dependents' Educational Assistance Program (DEA); (38 U.S.C. chapter 35); or
- 5) Is entitled to rehabilitation under 38 U.S.C. § 3102(a).

An individual ~~as~~ described in this ~~Section IV.F paragraph~~ will continue to retain in-state status if the individual is using any of the above educational benefits ~~under chapter 30, 31, 33, or 35 of title 38, United States Code,~~ and remains continuously enrolled (other than during regularly scheduled breaks between courses, semesters, or terms) at the same school.

- G. A member of the Maryland National Guard, as defined in the Public Safety Article of the Annotated Code of Maryland, who joined or subsequently serves in the Maryland National Guard to: (i) provide a critical military occupational skill; or (ii) be a member of the Air Force Critical Specialty Code as determined by the National Guard. (Maryland National Guard members may also qualify if they meet the criteria in ~~section IV.paragraph C-~~ above.)⁸
- H. For UMGC, only, any Active Service Member, or their spouse or ~~dependent~~ Financially Dependent child.
- I. A graduate assistant appointed through a USM institution for the semester/term of the appointment. Except through prior arrangement, this benefit is available only for enrollment at the institution awarding the assistantship.
- J. A full-time public school teacher in the first year of employment by a Maryland local education agency, who resides in Maryland and meets the criteria for a residency waiver in § 15-106.2 of the Education Article, Annotated Code of Maryland.
- ~~K.—The child “eligible dependent” of a Maryland public safety employee, under § 18-601 of the Education Article, Annotated Code of Maryland, who is eligible for the Edward T. and Mary A. Conroy and Joan B. Cryor Scholarship. Scholarship under § 18-601(d)(3)(ii) of the Education Article, Annotated Code of Maryland.~~
- ~~K.~~
- ~~L. The Spouse or Child of a State or Local Public Safety Employee (as defined in § 18-601 of the Education Article, Annotated Code of Maryland) who died as a result of or in the performance of duties.⁹~~

⁸ *Id.*

⁹ Md. Code Ann., Educ. § 15-106.12.

~~L.M.~~ _____ A person who has completed all service hours in an AmeriCorps Program in Maryland or who has completed a service program under the Maryland Corps Program, pursuant to Title 9, subtitle 28 of the State Government Article, Annotated Code of Maryland, as provided in § 15-106.9 of the Education Article, Annotated Code of Maryland.

~~M.N.~~ _____ A person who has been certified by the Director of the Peace Corps as having served satisfactorily as a Peace Corps volunteer and who is domiciled in Maryland, as provided in § 15-106.11 of the Education Article, Annotated Code of Maryland.

~~N.O.~~ _____ Individuals, including undocumented immigrants, who do not meet the definition of nonimmigrant alien within the meaning of 8 U.S.C. § 1101(a)(15) and who meet all the criteria in § 15-106.8 of the Education Article, Annotated Code of Maryland.

~~O.P.~~ Members of the U.S. Foreign Service who are on active duty for a period of more than 30 days and whose domicile or permanent duty station is in Maryland, and their spouses and ~~dependents~~**Financial Dependents**. Members and their spouses and ~~dependents~~**Financial Dependents** who qualify for in-state status will continue to hold in-state status while continuously enrolled at the institution, notwithstanding a subsequent change in the permanent duty station of the member to a location outside Maryland.

~~Q.~~ Members of the Intelligence Community, as defined in 50 U.S.C. § 3003(4), who have served in that position of employment for a period of more than 30 days and whose domicile or permanent duty station is in Maryland, and their spouses and Financial Dependents. Members and their spouses and Financial Dependents who qualify for in-state status will continue to hold in-state status while continuously enrolled at the institution, notwithstanding a subsequent change in the permanent duty station of the member to a location outside Maryland.

~~P.R.~~ Citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, or the Republic of Palau, as provided in the Consolidated Appropriations Act, 2024, Pub. L. No. 118-42, Div. G, Title II, § 209(b)(1)(E).

~~V.~~ **ADDITIONAL PROCEDURES**

~~Each USM institution shall develop and publish additional procedures to implement this Policy. Procedures shall provide that upon request, the institution's President or designee has the authority to waive any of the requirements in Sections II or III if it is determined that its application creates an unjust result. These procedures shall be filed with the Office of the Chancellor. The institution may require that a student file a petition under Section III.A and complete the petition process before requesting a waiver under this section.~~

VI. DEFINITIONS

A. Active Duty means full-time duty in the active service of a uniformed service, and includes full-time training duty, annual training duty, full-time National Guard duty, and attendance,

while in the active service, at a school designated as a service school by law or by the Secretary concerned.¹⁰

- B. Active Service Member means an individual who is:
- 1) an Active Duty member of the Uniformed Services; or
 - 2) serving in a Reserve Component of the Uniformed Services on Active Duty orders.¹¹
- C. Armed Forces means the Army, Navy, Air Force, Marine Corps, Space Force, and Coast Guard.¹²
- D. Child: A child is a natural child or a child legally adopted pursuant to a court order recognized under the laws of Maryland.

~~E. Financially Dependent: For the purposes of this Policy, a financially dependent student is one who has been claimed as a dependent on another person's prior year tax returns and/or receives fifty percent or more in educational or living expenses from another person. A person who is a ward of the State of Maryland is also considered Financially Dependent for purposes of this Policy.~~

~~E. ———or is a ward of the State of Maryland.~~

~~F.~~

~~G. Financially Independent: For the purposes of this Policy, a financially independent student is one who provides 50 percent or more of the student's own living and educational expenses and has not been claimed as a dependent on another person's most recent tax returns.~~

~~H.F.~~ Foreign Service means:

- 1) Chiefs of mission, appointed under ~~section 22 U.S.C. § 3942(a)(1) of this title or assigned under section or § 3982(c) of this title.~~
- 2) Ambassadors at large, appointed under ~~section 22 U.S.C. § 3942(a)(1) of this title.~~
- 3) Members of the Senior Foreign Service, appointed under ~~section 22 U.S.C. § 3942(a)(1) or § 3943 of this title~~, who are the corps of leaders and experts for the management of the Service and the performance of its functions.
- 4) Foreign Service officers, appointed under ~~section 22 U.S.C. § 3942(a)(1) of this title.~~, who have general responsibility for carrying out the functions of the Service.
- 5) Foreign Service personnel, United States citizens appointed under ~~section 22 U.S.C. § 3943 of this title~~, who provide skills and services required for effective performance by the Service.
- 6) Foreign national employees, foreign nationals appointed under ~~section 22 U.S.C. § 3943 of this title~~, who provide clerical, administrative, technical, fiscal, and other support at Foreign Service posts abroad.
- 7) Consular agents, appointed under ~~section 22 U.S.C. § 3943 of this title~~ by the Secretary of State, who provide consular and related services as authorized by the Secretary of State at specified locations abroad where no Foreign Service posts are situated.¹³

¹⁰ 37 U.S.C. § 101.

¹¹ Md. Code Ann., State Gov't § 9-901.

¹² 10 U.S.C. § 101.

¹³ 22 U.S.C. § 3903.

~~I.G.~~ Regular Employee: A regular employee is a person employed by USM or a USM institution who is assigned to a State budget line or who is otherwise eligible to enroll in a State retirement system. Examples of categories NOT considered regular employees are graduate students, contingent employees, and independent contractors.

~~J.H.~~ Reserve Component means:

- 1) the Army National Guard of the United States;
- 2) the Army Reserve;
- 3) the Navy Reserve;
- 4) the Marine Corps Reserve;
- 5) the Air National Guard of the United States;
- 6) the Air Force Reserve;
- 7) the Coast Guard Reserve; or
- 8) the Reserve Corps of the Public Health Service.¹⁴

~~K.~~ Spouse: A spouse is a partner in a legally contracted marriage.

~~L.~~

~~L.J.~~ Uniformed Services means the Armed Forces and the Commissioned Corps of the National Oceanic and Atmospheric Administration and of the Public Health Service.¹⁵

~~M.K.~~ Veteran has the meaning stated in 38 U.S.C. § 101, which is a person who served in the active military, naval, air, or space service, and ~~who~~ was discharged or released therefrom under conditions other than dishonorable. Under this Policy, "Veteran" shall also include an individual who served on Active Duty in the Uniformed Services and was honorably discharged.

¹⁴ 37 U.S.C. § 101.

¹⁵ *Id.*

TOPIC: University System of Maryland: Facilities Renewal and Facilities Assessment Practices - Initial Update (information)

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: June 4, 2026

SUMMARY: During the recent Capital Workshop, members of the Finance Committee, along with other participating Regents, discussed broader facilities renewal and deferred maintenance considerations in the context of the USM's capital budget submission and long-term capital planning process. Regents also expressed interest in learning more about current facilities assessment practices and the use of analytical and emerging artificial intelligence (AI)-supported tools in facilities planning and management.

This information item will provide an initial update on current institutional and systemwide practices used to assess facility conditions, support maintenance planning, and inform capital investment decisions across the USM. The discussion will include the role of institutional facilities professionals, consultant-supported assessment methodologies, facilities management software systems, and selected AI-supported technologies currently utilized by institutions and their consultants to support data-informed decision-making.

The presentation will also outline potential next steps for continued discussion and engagement on these topics, including coordination with institutional facilities professionals, additional information gathering and reporting related to facilities assessment practices, and future educational discussions regarding the use of AI-supported technologies and emerging practices in facilities assessment, maintenance, and management.

An additional educational discussion regarding AI-supported facilities assessment and management practices is anticipated as part of a September Finance Committee discussion on the capital program.

ALTERNATIVE(S): This is an information item.

FISCAL IMPACT: This is an information item.

CHANCELLOR'S RECOMMENDATION: This is an information item.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923

TOPIC: University System of Maryland: Operating Margin Review (information)

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: June 4, 2026

SUMMARY: The University System of Maryland has experienced a sustained decline in operating margins from FY 2016 through FY 2025, reflecting structural financial pressure. While margins improved temporarily in FY 2022 – FY 2023 due to one-time pandemic funding, performance has deteriorated again as those funds expired.

The System’s revenue mix has shifted toward greater reliance on state appropriations, increasing exposure to external funding risk. At the same time, total expenses have grown by approximately 60 percent since FY 2016, while enrollment has remained essentially flat.

These trends indicate that margin compression is driven primarily by structural cost growth exceeding revenue capacity, rather than changes in student demand.

USM is working with institutions to develop financial sustainability plans focused on cost discipline, revenue diversification, and enrollment stabilization to address long-term financial challenges.

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

FISCAL IMPACT: This item is presented for informational purposes.

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

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Ellen Herbst (301) 445-1923

TOPIC: Convening Closed Session

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: June 4, 2026

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: June 4, 2026
Time: 10:00 a.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 dining services and food products. The submission of the proposed FY 2028 Capital 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 the confidentiality (pursuant to executive privilege) of proposed capital budget prior to Governor's submission to legislature (§3-305(b)(13)).