

**BOARD OF TRUSTEES
FINANCE, INVESTMENT, AND AUDIT COMMITTEE**

**OPEN SESSION
REPORT SUMMARY**

Date of Meeting: October 13, 2023

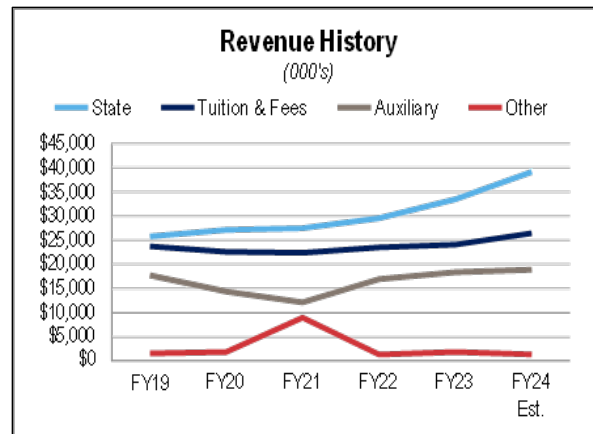
Date of Next Meeting: To Be Determined

Committee Chair: John Wobensmith '93

Committee Members: Nick Abrams '99, Anirban Basu, John Bell '95, Lex Birney, Board Chair
Susan Lawrence Dyer, Sven Holmes, President Tuajuanda Jordan, Faculty Finance Delegate
Charles Holden, Melanie Rosalez '92, Ray Wernecke

Staff Member: Paul Pusecker

Dashboard Metrics



FY24 Financial Results to Date

Actual revenues are 26.3% of the budgeted level to date. All major revenue categories are as projected, with tuition, fees, and auxiliary enterprise revenues at 51.9% of budgeted total. Actual operating budget expenditures for FY24 are approximately 16.7% of the forecasted budget. All programs of expenditures fall within expectations for current-to-prior year comparison. Note that debt service payments are approximately 83% of budget, due to the inclusion of both principal for the year and interest for six months in the September payment. Scholarship and waiver expenses are within projected expectations at 51% of budgeted amount.

FY23 Operating Budget Closing and Status of Financial Statement Audit

FY23 preliminary and un-audited results are final at this time. On a cash basis, current fund unrestricted actual revenues of \$77.544M were less than budgeted by \$759K. Expenditures and transfers totaled \$80.571M, which was \$130K less than the \$80.702M that was budgeted.

Overall, expenses exceeded revenue by \$3.027M, but \$3.30M from the 2020 revenue bond supported approved operating expenditures, producing a net positive year-end position of \$272K. Rollovers to FY24 total \$2.061M. *Please note that these figures are un-audited.*

Review and adjustments for year-end are complete as of September 25, 2023. The entrance interview with audit firm Clifton Larsen Allen, LLP (CLA) took place in June 2022. Audit work continues and we remain on schedule. The audited statements will be presented to the Finance, Investment, and Audit Committee and to the Board of Trustees for review and approval in December 2023.

Strategic Investments from Bond Proceeds

The cost of issuing the bond was \$716K, leaving an available starting balance of \$19.283M. At the close of FY22, the College drew down \$3,184,107 from Wells Fargo Bank for approved bond supported expenses. This action left a balance of \$16.1M. At the close of FY23, the College drew down \$3,309,272 from Wells Fargo Bank for approved bond supported expenses. This action left a balance of \$12.8M. The FY24 anticipated College expenses to be supported by the bond currently total \$4.37M, leaving an expected remaining balance of \$8.42M at the start of FY25. Additional expenses for FY24 will be highlighted at the February and May 2024 meetings.

Information Items

Periodic Audit by the Office of Legislative Audits

The Office of Legislative Audits (OLA) has initiated its regular fiscal compliance audit of the College for the period August 26, 2019 through July 15, 2023. The OLA will focus on the major financial-related areas of operations based on assessments of materiality and risk. Areas subject to audit could change based on the College's unique operations. Audit procedures will include inquiries of appropriate personnel, inspections of documents and records, and observations of the College's operations. The OLA will also test transactions and perform other auditing procedures that they consider necessary to achieve their objectives.

Discussion notes representing confidential preliminary findings of the audit will be available in November, followed by a formal meeting held between College and OLA staff to discuss any findings. Subsequently, the OLA will issue a confidential draft audit report containing any significant matters found during the audit for the purpose of obtaining the College's formal response to the audit recommendations. The final audit report, with management's response, will then be issued as specified by state law, and made available to the public.

Joint Investment Activities

The Foundation's Joint Investment and Advisory Committee met on September 28, 2023 to review the Foundation's endowment portfolio with its investment manager J.P. Morgan. The Committee also received a report on the College's endowment/quasi endowment. As of August 31, 2023, the total market value of the Foundation's endowment was \$37.172M. The 2023-24 fiscal year-to-date return as of August 31, 2023 is +0.7% versus +0.4% for the policy index, on a net-of-fees basis.

The College holds investments totaling \$4.62M consisting of endowment and quasi-endowment. \$3.6M are funds functioning as quasi-endowment and \$1.0M represents the Blackistone Endowment. Invested endowment funds have a market value of \$4.35M as of August 31, 2023. Funds are currently invested in a mix of fixed income instruments and equities. The annualized rate of return is +0.2%. The remaining \$271K of College endowment is currently held in a cash investment pool by the Maryland State Treasurer.

Action Items

II.A. Revision of the FY24 Current Fund (Operating) Budget

Maryland law entrusts the development and approval of the operating budget for the College to the Board of Trustees. Authorization of the attached FY24 current fund budget will allow the College to continue its mission of providing high-quality, public, post-secondary education. The revision incorporates carry-forward authorization for \$2,061,504 encumbered, but not expended, as of June 30, 2023.

II.B. Reconciliation of the FY24 Plant Fund Budget

The schedules provided in the materials reflect the final approved FY23 plant budget with the addition of new projects that were approved by the Board of Trustees in May 2023. Five major projects with a value greater than \$200K continue, with a FY24 balance remaining of \$2.4M. Projects with value greater than \$200K require explicit Board of Trustees approval. FY23 plant fund activity is reconciled to the end of the fiscal year, and new projects approved in May 2023 have been added.

II.C. Approval of the FY23 Performance Accountability Report

The Performance Accountability Report (PAR) is a report required by the State of Maryland that assesses the College's progress on a variety of goals and objectives including academics, enrollment, retention and graduation, financial aid, and student outcomes. The report provides data on specific metrics as well as a narrative describing strengths and challenges. Maryland law requires institutions to submit their PAR to the Maryland Higher Education Commission for review, and final submission to the Governor and General Assembly. Approval by the Finance, Investment, and Audit Committee is contingent upon the endorsement of the Campus Life and the Academic Affairs Committees.



**BOARD OF TRUSTEES
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
OCTOBER 13, 2023**

AGENDA

- I. DISCUSSION ITEMS**
 - A. FY24 Financial Results to Date
 - B. FY23 Operating Budget Closing and Status of Annual Financial Statement Audit
 - C. Strategic Investments from Bond Proceeds
- II. ACTION ITEMS**
 - A. Revision of the FY24 Current Fund Operating Budget
 - B. Reconciliation of the FY24 Plant Fund Capital Budget
 - C. Approval of the 2023 Performance Accountability Report
- III. INFORMATION ITEMS**
 - A. Periodic Audit by the Office of Legislative Audits
 - B. Reportable Procurement Items
 - C. Joint Investment Activities
 - D. Dashboards
 - E. Minutes (Meeting of May 12, 2023)

The Committee does not expect to close any portion of this meeting.

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
OCTOBER 13, 2023
DISCUSSION ITEM I.A.
FY24 FINANCIAL RESULTS TO DATE**

Overall, actual revenues are 26. % of the budgeted level, with state appropriations trailing behind due to a delay in processing the quarterly payment at the state level. All other major revenue categories are as projected, with tuition, fees, and auxiliary enterprise revenues at 51.9% of budgeted total. Actual operating budget expenditures for FY24 are approximately 16. % of the forecasted budget. All programs of expenditures fall within expectations for current-to-prior year comparison. Note that debt service payments (expenses) are approximately 83% of budget, as anticipated, due to the inclusion of both principal for the year and interest for six months in the September payment. Scholarship and waiver expenses are within projected expectations at 51% of budgeted amount.

<u>FY24</u>	<u>Category</u>	<u>Status</u>	<u>YTD Budget vs. Actual (Sept. 2023)</u>	<u>Remarks</u>
REVENUE				
	State Appropriation		\$39.1M / \$0.0M = 0.0%	State delayed in processing quarterly appropriation payment, Maryland still solvent
	Tuition		\$22.9M / \$10.8M = 47.3%	Tracking to overall budgeted expectations
	Fees		\$3.4M / \$2.7M = 78.2%	Tracking to overall budgeted expectations
	Sales & Services		\$812K / \$154K = 19%	Expect revenue increase for Oct-Dec events, international education projected back to pre-pandemic levels
	Investment Income		\$287K / \$0.0K = 0.0%	Tracking to overall budgeted expectations
	Auxiliary Enterprises		\$19.0M / \$10.0M = 52.5%	Tracking to overall budgeted expectations
	Foundation, Other Revenue		\$254K / \$36K = 14.0%	Distribution occurs later in FY
	Additions to Fund Balance		\$4.2M / \$0.0 = 0%	Anticipated bond draw down for approved FY23 expenditures, treasury interest distribution occurs in June
	Overall Revenue		<i>\$90.2M / \$23.7M = 26.2%</i>	Within expectations
EXPENSE				
	Operating (Supply/Expense)		\$20.7 / \$1.8M = 8.9%	Department/unit expenses trending with historical spending
	Utilities		\$4.5M / \$50K = 1.1%	Awaiting billing, costs down but in line with expectation
	Debt Service		\$3.8M / \$3.1M = 82.4%	Principal paid for entire year and interest for six months in September
	Institutional Expense		\$644K /\$0 = 0%	Contingency funds not used yet, later in FY
	Dining Services		\$4.9M / \$600K =8.3%	Tracking to overall budgeted expectations
	Bookstore Operations		\$962K / \$80K = 8.3%	Tracking to overall budgeted expectations
	Scholarships/Tuition Waivers		\$9.3M / \$4.7M = 50.5%	Tracking to overall budgeted expectations
	Personnel Wages/Benefits		\$45.3M / \$4.5M = 9.9%	Completely in line with budget.
	Overall Expense		<i>\$90.2M / \$15M = 16.6%</i>	Within expectations

Tracking, no issues

Acceptable, but monitor periodically

Concern, monitor closely

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
OCTOBER 13, 2023
DISCUSSION ITEM I.B.
FY23 OPERATING BUDGET CLOSING AND
STATUS OF ANNUAL FINANCIAL STATEMENT AUDIT**

Please note that these figures are un-audited.

FY23 preliminary and un-audited results are final at this time. On a cash basis, current fund unrestricted (CFU) actual revenues of \$77.544M were less than budgeted by \$759K. Expenditures and transfers totaled \$80.571M, which was \$130K less than the \$80.702M that was budgeted.

Overall, the expenses exceeded revenue by \$3.027M, but \$3.30M from the 2020 revenue bond supported approved operating expenditures, producing a net positive year-end position of \$272K.

Rollovers to FY24 total \$2.061M and include:

- Items obligated but not yet delivered as of June 30, 2022 (\$1.991M)
- Various academic and other instructional items (\$70.0K)

The fiscal year 2023 closed on June 30, 2023. Review and adjustments for year-end are complete as of September 25, 2023. The entrance interview with audit firm Clifton Larsen Allen, LLP (CLA) took place in June 2022. Audit work continues and, to date, no onsite visit has taken place this year as the auditors are working remotely. We remain on schedule and the audited statements will be presented to the Finance, Investment, and Audit Committee and to the Board of Trustees for review and approval in December 2023.

St. Mary's College of Maryland

Fiscal Year 2023

Discussion Item I.B.

FY23 Operating Budget Closing and Status of Financial Statement Audit

September 30, 2023

	Budget	Actual	Budget vs. Actual
A1 State Appropriation	32,314,926	33,485,435	1,170,509
A2 Tuition	20,714,380	20,540,686	(173,694)
A3 Fees	3,224,562	3,585,697	361,135
A4 Sales and Services	809,875	423,801	(386,074)
A5 Investment Income	287,500	1,058,437	770,937
A6 Foundation Unrestricted Support	75,000	75,000	-
A7 Other Revenue	254,100	287,099	32,999
A8 Auxiliary Enterprises	18,384,518	18,086,181	(298,337)
A9 Additions to Fund Balance	2,239,043	440	(2,238,603)
A10 Federal Grants	-	-	-
B1 Operating (supply/expense, non-personnel)	-	1,248	1,248
A Revenues	78,303,904	77,544,024	(759,880)
B1 Operating (supply/expense, non-personnel)	18,481,328	18,804,453	(323,125)
B11 Utilities	3,741,218	4,033,995	(292,777)
B12 Institutional Expense	623,831	276,248	347,583
B13 Debt Service	3,811,841	3,810,841	1,000
B14 Dining Services	4,655,827	4,567,494	88,333
B15 Bookstore Operations	816,027	941,731	(125,704)
B16 Waivers	782,683	686,582	96,101
B17 Scholarships	8,078,498	8,070,262	8,236
B Operating Expenses	40,991,253	41,191,606	(200,353)
C20 Wages	28,389,327	28,000,965	388,362
C21 Benefits	11,321,847	11,379,417	(57,570)
C Payroll	39,711,174	39,380,382	330,792
Overall - Total Expenditures	80,702,427	80,571,988	130,439
Overall Summary Surplus (Deficit)	(2,398,523)	(3,027,964)	(629,441)

Bond Cash Distribution

\$ 3,300,000.00

Net Year End Position

\$ 272,036.00

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
OCTOBER 13, 2023
DISCUSSION ITEM I.C.
STRATEGIC INVESTMENTS FROM BOND PROCEEDS**

At the May 7, 2021 meeting, the Board of Trustees approved the following strategic investment allocation categories:

- Retaining excellent faculty (\$5.0M)
- Student engagement / LEAD-focused programs (\$5.8M)
- Student retention programs (\$1.0M)
- Development of new LEAD-focused curricular and co-curricular programming (\$2.42M)
- Student recruitment programs (\$1.0M)
- Recruitment of new faculty and staff in LEAD areas (\$1.4M)
- Enhanced business efficiency (\$0.5M)
- Provision of an operating budget contingency (\$2.2M)

The cost of issuing the bond was \$716K, leaving an available starting balance of \$19.283M. At the close of FY22, the College drew down \$3,184,107 from Wells Fargo Bank for approved bond supported expenses. This action left a balance of \$16.1M. At the close of FY23, the College drew down \$3,309,272 from Wells Fargo Bank for approved bond supported expenses. This action left a balance of \$12.8M.

The FY24 anticipated College expenses to be supported by the bond currently total \$4.37M, with an expected remaining balance of \$8.42M. Additional expenses for FY24 will be highlighted at the February and May 2024 meetings.

FY24 Categories of Anticipated Bond Spending

**Amount Spent or
Anticipated Expenditures**

Available Balance

Starting Balance		\$20,000,000.00
<i>Cost of Issuance*</i>	\$716,415	
		\$19,283,585.00
Starting Strategic Allocation Balance (April 1, 2021)		
FY22 Bond Proceeds Drawdown	\$3,184,107	\$16,099,478.00
FY23 Bond Proceeds Drawdown	\$3,309,272	\$12,790,205.57
FY24 Projected Anticipated Expenses		
Retaining Excellent Faculty (\$5.0M)		
FY24 Osprey and Eagle Named Junior Professorships	\$1,650,568	
Osprey and Eagle Research Awards	\$170,000	
Student Engagement/LEAD Focused Programs (\$5.8M)		
FY24 Student / Academic Support	\$140,000	
Center for Career & Professional Development - Internships	\$288,000	
Study Aboard Program - Financial Assistance	\$100,000	
Honors College Promise Program	\$200,000	
Student Retention Programs (\$1.0M)		
Sum Primus (Summer Bridge Program)	\$28,625	
Development of New LEAD-Focused Curricular and Co-Curricular Programming (\$2.42M)		
Renovation Costs for Schaefer Hall for Marine Science Lab	\$620,091	
Marine Science Instructional Lab Equipment	\$30,958	
Marine Science Research Vessel Funding	\$463,000	
Recruitment of New Faculty and Staff in LEAD Areas (\$1.4M)		
Dr. Elka Porter, Marine Studies Faculty (base salary + start-up costs)	\$129,000	
Dr. Silvio Borrero, William Seale Professor of Business (base salary + start-up costs)	\$200,000	
Coordinator of Studio Art	\$71,500	
Marine Science Instructional/Lab Coordinator (Base Salary + FICA)	\$78,000	
Assistant Professor of Business (Base Salary + FICA)	\$126,100	
Performing Arts, Theatre Visiting Assistant Professor (Base Salary + FICA)	\$78,000	
Current Total of FY24 Projected Anticipated Expenses	\$4,373,842	\$8,416,363.97

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
OCTOBER 13, 2023
ACTION ITEM II.A.**

APPROVAL OF A REVISION OF FY24 CURRENT FUND OPERATING BUDGET

RECOMMENDED ACTION

The Finance, Investment, and Audit Committee recommends approval by the Board of Trustees, St. Mary's College of Maryland, of revisions to the current fund operating budget for fiscal year 2024, as attached.

RATIONALE

Maryland law entrusts the development and approval of the operating budget for the College to the Board of Trustees. Authorization of the attached FY24 current fund budget will allow the College to continue its mission of providing high-quality, public, post-secondary education.

The revision incorporates carry-forward authorization for \$2,061,504 encumbered, but not expended as of June 30, 2023.

<i>Program of Expenditure</i>	<i>Type of carry-forward</i>	<i>Amount</i>
Instruction	Faculty Development and Startup Funding	\$70,035
	Encumbered Items *	\$804,413
Institutional Support	Encumbered Items	\$826,808
Academic Support	Encumbered Items	\$54,272
Student Services	Encumbered Items	\$159,756
Research	Encumbered Items	\$5,557
Auxiliary Enterprises	Encumbered Items	\$34,890
Physical Plant	Encumbered Items	\$105,773
	TOTAL	\$2,061,504

*Details of all encumbered expenses are provided in the supplemental documents

9/20/2023	<u>FY24 Encumbrances Rolled Over</u>					
Department	Description	Budget	Actual	<u>Encumbrance</u>	Balance	
113210	OIT Desktop Support-Instruction	\$473,923.00	\$785,737.00	\$751,712.00	-\$1,063,526.00	
120500	Student Support Services	\$95,210.00	\$64,115.00	\$700.00	\$30,395.00	
120505	DeSousa-Brent	\$224,734.00	\$212,014.00	\$700.00	\$12,020.00	
120600	International Education	\$184,845.00	\$161,372.00	\$20,427.00	\$3,046.00	
122020	Montgomery Hall Academic Office	\$41,932.00	\$38,344.00	\$192.00	\$3,396.00	
122060	English	\$54,217.00	\$60,583.00	\$108.00	-\$6,474.00	
122120	Theater Film and Media Studies	\$121,837.00	\$174,501.00	\$600.00	-\$53,264.00	
128000	Goodpaster Academic Office	\$28,867.00	\$19,920.00	\$128.00	\$8,819.00	
131000	Schaefer Hall Academic Office	\$16,310.00	\$12,067.00	\$2,410.00	\$1,833.00	
131020	Biology	\$238,096.00	\$165,094.00	\$27,436.00	\$45,566.00	
					\$0.00	\$804,413.00
						Instruction
146120	F: Spencer Foundation	\$0.00	\$4,954.00	\$5,557.00	-\$10,511.00	
					\$0.00	\$5,557.00
						Research
183060	Audio Visual	\$178,749.00	\$103,133.00	\$19,639.00	\$55,977.00	
183080	Technical Processing	\$564,694.00	\$361,593.00	\$12,718.00	\$190,383.00	
183210	OIT Desktop Support-Academic	\$180,284.00	\$64,819.00	\$20,284.00	\$95,181.00	
186000	Exhibition and Collection	\$43,420.00	\$44,059.00	\$1,631.00	-\$2,270.00	\$54,272.00
						Academic Support
203000	Admissions	\$497,896.00	\$587,342.00	\$1,320.00	-\$90,766.00	
203020	OSFA-Office Student Financial Assistance	\$21,698.00	\$48,387.00	\$243.00	-\$26,932.00	
206000	Registrar	\$58,500.00	\$49,437.00	\$115.00	\$8,948.00	
212000	Wellness Center	\$233,273.00	\$192,338.00	\$38,187.00	\$2,748.00	
212060	Career Center	\$418,045.00	\$225,720.00	\$6,000.00	\$186,325.00	
215020	Student Activities	\$79,900.00	\$60,978.00	\$445.00	\$18,477.00	
218000	Waterfront	\$109,700.00	\$97,864.00	\$3,049.00	\$8,787.00	
221000	Athletics-General	\$526,522.00	\$577,624.00	\$1,011.00	-\$52,113.00	
221020	Athletics and Recreational Center	\$295,665.00	\$360,330.00	\$2,195.00	-\$66,860.00	
221140	Basketball-Women	-\$1,116.00	\$5,623.00	\$12,250.00	-\$18,989.00	
221240	Soccer-Men	\$1.00	\$89,769.00	\$20,931.00	-\$110,699.00	
221260	Soccer-Women	-\$1,422.00	\$69,669.00	\$20,250.00	-\$91,341.00	
224210	OIT Desktop Support-SS	\$103,760.00	\$86,632.00	\$53,760.00	-\$36,632.00	\$159,756.00
						Student Services
243000	President's Office	\$73,000.00	\$47,641.00	\$1,198.00	\$24,161.00	
246000	Provost Office	\$168,053.00	\$123,097.00	\$56,693.00	-\$11,737.00	
249000	Advancement	\$21,379.00	\$10,206.00	\$320.00	\$10,853.00	
249020	Public/Media Relations	\$435,751.00	\$279,184.00	\$15,002.00	\$141,565.00	
249025	Advancement-Contingent	\$306,683.00	\$299,114.00	\$886.00	\$6,683.00	
249080	Alumni Affairs	\$121,300.00	\$109,038.00	\$1,385.00	\$10,877.00	
249100	Events	\$30,530.00	\$40,471.00	\$2,200.00	-\$12,141.00	
249130	Government Relations	\$73,369.00	\$84,375.00	\$1,040.00	-\$12,046.00	
252000	VP Business And Finance	\$82,348.00	\$208,891.00	\$11,362.00	-\$137,905.00	

252025	Executive Search Expense	\$66,475.00	\$74,320.00	\$31,452.00	-\$39,297.00	
252080	Litigation Expense	\$243,105.00	\$219,858.00	\$10,480.00	\$12,767.00	
252100	Risk Management	\$38,867.00	\$49,150.00	\$3,636.00	-\$13,919.00	
252110	ADA Office	\$134,124.00	\$53,682.00	\$10,701.00	\$69,741.00	
255000	Personnel Services	\$82,584.00	\$103,832.00	\$13,396.00	-\$34,644.00	
256000	Title IX	\$148,915.00	\$180,122.00	\$81,968.00	-\$113,175.00	
258000	Business Office	\$75,110.00	\$110,376.00	\$4,022.00	-\$39,288.00	
261020	Campus-wide Service	\$280,832.00	\$560,211.00	\$88,154.00	-\$367,533.00	
264120	OIT Telecommunication-Institutional	\$863,159.00	\$713,196.00	\$46,723.00	\$103,240.00	
264210	OIT Desktop Support-Institutional	\$188,828.00	\$280,931.00	\$9,715.00	-\$101,818.00	
264320	OIT ERP Systems-Institutional	\$125,000.00	\$116,870.00	\$479.00	\$7,651.00	
264330	OIT Campus Card-Institutional	\$183,886.00	\$201,949.00	\$73,785.00	-\$91,848.00	
264410	OIT Support Center-Institutional	\$97,877.00	\$205,172.00	\$8,222.00	-\$115,517.00	
264910	OIT Office Admin-Institutional	\$541,191.00	\$520,970.00	\$343,706.00	-\$323,485.00	
267020	Public Safety	\$126,590.00	\$126,399.00	\$10,283.00	-\$10,092.00	
					\$0.00	\$826,808.00
						Institutional Support
276005	Rental Houses	\$53,643.00	\$27,402.00	\$22,884.00	\$3,357.00	
279000	Office of Facilities	\$72,366.00	\$69,413.00	\$107.00	\$2,846.00	
279020	Non-Auxiliary Projects	\$28,244.00	\$34,976.00	\$2,341.00	-\$9,073.00	
282000	Custodial Services	\$82,500.00	\$126,767.00	\$5,000.00	-\$49,267.00	
282020	Grounds Maintenance	\$177,700.00	\$158,609.00	\$9,495.00	\$9,596.00	
282040	Building Maintenance/Operations	\$2,459,117.00	\$3,015,888.00	\$65,946.00	-\$622,717.00	\$105,773.00
						Physical Plant
306000	Auxiliary Admin.	\$2,309,166.00	\$2,414,508.00	\$22,971.00	-\$128,313.00	
306100	Dorm Damages	\$35,000.00	\$18,955.00	\$319.00	\$15,726.00	
309000	Residence Halls	\$286,500.00	\$296,982.00	\$3,114.00	-\$13,596.00	
321060	Cable TV Services	\$72,000.00	\$107,206.00	\$8,486.00	-\$43,692.00	
					\$0.00	\$34,890.00
						Auxiliary Enterprises
				Encumbrances	-\$2,296,732.00	\$1,991,469.00
				Academic Rollovers		\$70,035.00
				Total		\$2,061,504.00

St. Mary's College Of Maryland
FY24 Operating (Current Fund) Budget Revision

FY24
Current Fund Unrestricted
(CFU)

	May-23 Approved Budget	% Of Total	Routine			For BOT Information	
			Reallocation	Rollovers	Changes	Budget	
Revenue							
Tuition	22,992,164	26.8%			0	22,992,164	26.8%
Fees	3,267,907	3.8%			0	3,267,907	3.8%
State Grant (Appropriation)	39,184,840	45.7%			0	39,184,840	45.7%
Gifts And Grants	0	0.0%			0	0	0.0%
Sales and Services-Educational	812,675	0.9%			0	812,675	0.9%
Endowment/Investment	287,500	0.3%			0	287,500	0.3%
Foundation Unrestricted Support	75,000	0.1%			0	75,000	0.1%
Sales and Services-Auxiliary	18,947,334	22.1%			0	18,947,334	22.1%
Other	254,400	0.3%	-		0	254,400	0.3%
Total Revenue	85,821,820	100.0%	0	0	0	85,821,820	100.0%
Expenditures							
Instruction	24,068,042	28.0%	0	874,448	874,448	24,942,490	29.1%
Research	0	0.0%	0	0	0	0	0.0%
Public Service	64,800	0.1%	0	5,557	5,557	70,357	0.1%
Academic Support	2,029,424	2.4%	0	54,272	54,272	2,083,696	2.4%
Institutional Support	19,970,274	23.2%	0	826,808	826,808	20,797,082	24.2%
Student Services	11,881,305	13.8%	0	159,756	159,756	12,041,061	14.0%
Plant Operation and Maintenance	6,427,619	7.5%	0	105,773	105,773	6,533,392	7.6%
Scholarships/Grants	9,065,658	10.5%	0	0	0	9,065,658	10.6%
Auxiliary Enterprises	16,733,908	19.5%	0	34,890	34,890	16,768,798	19.5%
Total Expenditures	90,241,030	105.0%	0	2,061,504	2,061,504	92,302,534	107.6%
Transfers In (Out)							
Debt Funded Transfers	0	0.0%	0		0	0	0.0%
Anticipated Bond Issuance	3,760,251	4.4%	0		0	3,760,251	
Treasury Note Interest	422,257	0.5%	0		0	422,257	
Annual Endowment Earnings	95,000	0.1%	0		0	95,000	
Quasi Endowment	0	0.0%	0		0	0	0.0%
Total Transfers	4,277,508	5.0%	0	0	0	4,277,508	0.0%
Total Expenditures and Transfers	85,963,522	100.0%	0	2,061,504	2,061,504	88,025,026	107.6%
Budget Year Increase (Decrease in Fund Balance)	(141,702)		0	(2,061,504)	(2,061,504)	(2,203,206)	
Fund Balance Carried Forward from FY23 Total				2,061,504	2,061,504	2,061,504	
Increase (Decrease) in Fund Balance	(141,702)	0	0	0	0	(141,702)	

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
OCTOBER 13, 2023
ACTION ITEM II.B.
RECONCILIATION OF THE FY24 PLANT FUND BUDGET**

RECOMMENDED ACTION

The Finance, Investment, and Audit Committee recommends approval by the Board of Trustees, St. Mary's College of Maryland, of the following revisions to the plant fund budget for FY24, as provided.

RATIONALE

The attached schedules are provided for informational purposes and include the final approved FY23 plant budget with the addition of new projects that were approved by the Board of Trustees in May 2023.

Five major projects with a value greater than \$200K continue, with a FY24 balance remaining of \$2.4M. Projects with value greater than \$200K require explicit Board of Trustees approval. FY23 plant fund activity is reconciled to the end of the fiscal year, and new projects approved in May 2023 have been added.

It is noted that the plant fund currently carries \$1.918M in expenses and \$304K in encumbrances that are related to the Calvert Hall remediation and repairs due to the contractor related fire. We are in the process of collecting and submitting all paid purchase orders, requisitions, and invoices to the state treasurer's office for reimbursement.

St. Mary's College of Maryland
Action Item Reconciliation of the FY23 Plant Fund (Capital Budget)
FY24 Plant Project Summary

For June 30, 2023

FY24 Additions

CARS		FY23		Balance	FY24	FY24
Subfund	Description	Final Budget	CARS Exp.	Remaining	Additions	Final Budget
3003	Miscellaneous Maintenance and Repairs	\$542,134.00	\$232,025.00	\$310,109.00	\$202,000.00	\$512,109.00
3121	Miscellaneous Residence Hall Projects	\$674,207.00	\$308,418.00	\$365,789.00	\$330,000.00	\$695,789.00
3239	Residence Hall Furniture	\$396,693.00	\$156,155.00	\$240,538.00	\$200,000.00	\$440,538.00
3263	Traditional Residence Halls Refresh	\$0.00	\$0.00	\$0.00	\$285,000.00	\$285,000.00
6501	GSMRF	\$474,804.00	-\$9,937.00	\$484,741.00	\$0.00	\$484,741.00
	Projects > \$200K	\$2,087,838.00	\$686,661.00	\$1,401,177.00	\$1,017,000.00	\$2,418,177.00
	Projects < \$200K	\$1,316,088.00	\$2,765,214.43	-\$1,449,126.43	\$558,000.00	-\$891,126.43
	Total All Projects	\$3,403,926.00	\$3,451,875.43	-\$47,949.43	\$1,575,000.00	\$1,527,050.57
3001	Plant Contingency	\$0.00	\$0.00	\$0.00	\$50,000.00	\$50,000.00
3004	Miscellaneous Small Enhancement	\$280,731.00	\$201,848.00	\$78,883.00	\$84,000.00	\$162,883.00
3020	Site Improvements	\$47,772.00	\$38,302.00	\$9,470.00	\$3,000.00	\$12,470.00
3022	Campus Master Plan	\$39,419.00	\$0.00	\$39,419.00	\$75,000.00	\$114,419.00
3090	Parking Lot Improvements	\$0.00	\$0.00	\$0.00	\$24,000.00	\$24,000.00
3175	2006A Bond Issue		\$0.00	\$0.00		\$0.00
3184	MH Refurbishments	\$2,433.00	\$0.00	\$2,433.00		\$2,433.00
3225	Athletics Renovation	\$241,049.00	\$154,680.00	\$86,369.00	\$70,000.00	\$156,369.00
3227	New Academic Building Facility Program	\$180,668.65	\$147,043.00	\$33,625.65		\$33,625.65
3229	HSMC Chancellors Point	\$1,500.00	\$0.00	\$1,500.00		\$1,500.00
3230	Traffic Calming Project	\$63,095.00	\$13,011.00	\$50,084.00		\$50,084.00
3233	Sun Trust - LOC	\$35,565.00	\$0.00	\$35,565.00		\$35,565.00
3234	Debt Service	\$0.00	\$0.00	\$0.00		\$0.00
3236	Pathway Project	\$26,800.00	\$0.00	\$26,800.00		\$26,800.00
3238	Programming/Study Projects	\$0.00	\$0.00	\$0.00	\$100,000.00	\$100,000.00
3240	JLR Stadium (Private Funds)	\$71,550.00	\$0.00	\$71,550.00		\$71,550.00
3241	Commemoration Project	\$19,438.00	\$0.00	\$19,438.00		\$19,438.00
3242	Wellness Center Restroom	\$10,220.00	\$0.00	\$10,220.00		\$10,220.00
3244	JLR Stadium F&E	\$3,954.00	\$0.00	\$3,954.00		\$3,954.00
3245	PG & Dorch ADA Ramps	\$25,000.00	\$62,382.00	-\$37,382.00		-\$37,382.00
3247	2018 Series A	\$0.00	\$0.00	\$0.00		\$0.00
3250	JLR Track Surface (Private Funds)	\$360.00	\$0.00	\$360.00		\$360.00
3251	Campus Security Lighting	\$42,000.00	\$0.00	\$42,000.00		\$42,000.00
3252	Library Renovation	\$64,147.92	\$64,147.00	\$0.92		\$0.92
3253	River Center Dock Repair	\$15,910.43	\$15,910.43	\$0.00		\$0.00
3254	Housing Security Upgrade	\$46,797.00	\$0.00	\$46,797.00		\$46,797.00
3255	Rowing Dock Project (SGA Funded)	-\$38,148.00	-\$38,148.00	\$0.00		\$0.00
3257	2020 Series A	-\$2,127.00	\$0.00	-\$2,127.00		-\$2,127.00
3258	Goodpaster Hall	\$172,196.00	\$136,960.00	\$35,236.00		\$35,236.00
3259	Throwing Sports	-\$49,244.00	\$50,915.00	-\$100,159.00		-\$100,159.00
3260	Admissions Roof	\$1.00	\$0.00	\$1.00		\$1.00
3261	ADA Upgrades	\$15,000.00	\$0.00	\$15,000.00	\$12,000.00	\$27,000.00
3262	Calvert Hall Fire	\$0.00	\$1,918,164.00	-\$1,918,164.00		-\$1,918,164.00
3264	Traditional Resident Halls - Life Sprinklers	\$0.00	\$0.00	\$0.00	\$125,000.00	\$125,000.00
3265	Artist House Repairs	\$0.00	\$0.00	\$0.00	\$15,000.00	\$15,000.00
Total Projects		\$1,316,088.00	\$2,765,214.43	-\$1,449,126.43	\$558,000.00	-\$891,126.43

St. Mary's College of Maryland
FY23 Plant Project Summary
For June 30, 2023

FY23 Plant Project Summary

CARS		FY23	FY23	FY23			Balance
Subfund	Description	Initial Budget	Transfers	Final Budget	CARS Exp	CARS Enc	Remaining
3001	Plant Contingency	\$56,193.00	-\$56,193.00	\$0.00	\$0.00	\$0.00	\$0.00
3003	Miscellaneous Maintenance and Repair	\$542,134.00	\$0.00	\$542,134.00	\$232,025.00	\$32,903.00	\$277,206.00
3004	Miscellaneous Small Enhancements	\$187,663.00	\$93,068.00	\$280,731.00	\$201,848.00	\$6,141.00	\$72,742.00
3020	Site Improvements	\$47,772.00	\$0.00	\$47,772.00	\$38,302.00	\$0.00	\$9,470.00
3022	Campus Master Plan	\$39,419.00	\$0.00	\$39,419.00	\$0.00	\$0.00	\$39,419.00
3121	Miscellaneous Residence Hall Projects	\$674,207.00	\$0.00	\$674,207.00	\$308,418.00	\$142,747.00	\$223,042.00
3175	2006A Bond Issue	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3184	MH Refurbishments	\$2,433.00	\$0.00	\$2,433.00	\$0.00	\$0.00	\$2,433.00
3225	Athletics Renovation	\$241,049.00	\$0.00	\$241,049.00	\$154,680.00	\$144,090.00	-\$57,721.00
3227	New Academic Building Facility Program	\$280,374.00	-\$99,705.35	\$180,668.65	\$147,043.00	\$18,610.00	\$15,015.65
3229	HSMC Chancellors Point	\$1,500.00	\$0.00	\$1,500.00	\$0.00	\$0.00	\$1,500.00
3230	Traffic Calming Project	\$63,095.00	\$0.00	\$63,095.00	\$13,011.00	\$28,213.00	\$21,871.00
3233	Sun Trust - LOC	\$35,565.00	\$0.00	\$35,565.00	\$0.00	\$0.00	\$35,565.00
3234	Debt Service	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3236	Pathway Project	\$26,800.00	\$0.00	\$26,800.00	\$0.00	\$0.00	\$26,800.00
3238	Programming/Study Projects	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3239	Residence Hall Furniture	\$396,693.00	\$0.00	\$396,693.00	\$156,155.00	\$193,075.00	\$47,463.00
3240	JLR Stadium (Private Funds)	\$71,550.00	\$0.00	\$71,550.00	\$0.00	\$0.00	\$71,550.00
3241	Commemoration Project	\$19,438.00	\$0.00	\$19,438.00	\$0.00	\$0.00	\$19,438.00
3242	Wellness Center Restroom	\$10,220.00	\$0.00	\$10,220.00	\$0.00	\$0.00	\$10,220.00
3244	JLR Stadium F&E	\$3,954.00	\$0.00	\$3,954.00	\$0.00	\$0.00	\$3,954.00
3245	Entry Access Improvements	\$25,000.00	\$0.00	\$25,000.00	\$62,382.00	\$0.00	-\$37,382.00
3247	2018 Series A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3250	JLR Track Surface (Private Funds)	\$360.00	\$0.00	\$360.00	\$0.00	\$0.00	\$360.00
3251	Campus Security Lighting	\$42,000.00	\$0.00	\$42,000.00	\$0.00	\$0.00	\$42,000.00
3252	Library Renovation	\$4,022.00	\$60,125.92	\$64,147.92	\$64,147.00	\$98.00	-\$97.08
3253	River Center Dock Repair	\$13,206.00	\$2,704.43	\$15,910.43	\$15,910.43	\$0.00	\$0.00
3254	Housing Security Upgrade	\$46,797.00	\$0.00	\$46,797.00	\$0.00	\$0.00	\$46,797.00
3255	Rowing Dock Project (SGA Funded)	-\$38,148.00	\$0.00	-\$38,148.00	-\$38,148.00	\$0.00	\$0.00
3257	2020 Series A	-\$2,127.00	\$0.00	-\$2,127.00	\$0.00	\$0.00	-\$2,127.00
3258	Goodpaster Hall	\$172,196.00	\$0.00	\$172,196.00	\$136,960.00	\$5,340.00	\$29,896.00
3259	Throwing Sports (Private Funds)	-\$49,244.00	\$0.00	-\$49,244.00	\$50,915.00	\$0.00	-\$100,159.00
3260	Admission Roof	\$1.00	\$0.00	\$1.00	\$0.00	\$1.00	\$0.00
3261	ADA Upgrades	\$15,000.00	\$0.00	\$15,000.00	\$0.00	\$0.00	\$15,000.00
3262	Calvert Hall Fire	\$0.00	\$0.00	\$0.00	\$1,918,164.00	\$303,790.00	-\$2,221,954.00
4033	Schaefer Hall Renovation (Bond Funds)	\$0.00	\$0.00	\$0.00	\$44,421.00	\$658,379.00	-\$702,800.00
6501	GSMRF	\$474,804.00	\$0.00	\$474,804.00	-\$9,937.00	\$52,283.00	\$432,458.00
Total Projects		\$3,403,926.00	\$0.00	\$3,403,926.00	\$3,496,296.43	\$1,585,670.00	-\$1,678,040.43

**BOARD OF TRUSTEES
ST. MARY’S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
OCTOBER 13, 2023
ACTION ITEM ILC.
APPROVAL OF THE 2023 PERFORMANCE ACCOUNTABILITY REPORT**
(See supplemental document for additional information.)

RECOMMENDATION

The Finance, Investment, and Audit Committee recommends approval by the Board of Trustees of the 2023 Performance Accountability Report for submission to the Maryland Higher Education Commission. This recommendation is contingent upon the endorsement of the Campus Life and the Academic Affairs Committees.

RATIONALE

The Performance Accountability Report (PAR) is a report required by the State of Maryland that assesses the College’s progress on a variety of goals and objectives including academics, enrollment, retention and graduation, financial aid, and student outcomes. The report provides data on specific metrics as well as a narrative describing strengths and challenges. Maryland law requires institutions to submit their PAR to the Maryland Higher Education Commission for review, and final submission to the Governor and General Assembly.

ST. MARY'S COLLEGE OF MARYLAND

1. MISSION

St. Mary's College of Maryland is Maryland's honors college, a selective, public liberal arts college—a vibrant community of scholars and learners. We foster a rigorous and innovative curriculum; experiential learning; scholarship and creativity; close mentoring relationships; and a community dedicated to honesty, civility, and integrity. We are committed to diversity, access, and affordability. Our students, faculty and staff serve local, national, and global communities and cultivate and promote social responsibility.

2. INSTITUTIONAL ASSESSMENT

A. Analysis of Goals and Objectives

Goal 1: Ensure a high quality and rigorous academic program.

Objective 1.1: SMCM places intentional emphasis on students' completion of high-impact practices (HIPs). Prior to the pandemic, SMCM met the target for both of the related metrics (100% completing at least two and 80% completing at least three HIPs), but has seen these measures decrease for the mid-pandemic Classes of 2021 and 2022. It is likely that the lack of international and experiential opportunities during the pandemic is a major reason for these decreases. The Class of 2023 shows evidence of returning to pre-pandemic participation rates in HIPs, with 99% of graduates completing at least two HIPs and 83% completing at least three. SMCM is actively working to increase HIP opportunities for all students, particularly internships, research experiences, and international experiences, three HIPs that are guaranteed as part of the [Honors College Promise](#). We are confident that moving forward, we will resume meeting these goals.

Peer Benchmarks: The National Survey of Student Engagement (NSSE) periodically releases benchmarks regarding the completion of HIPs among graduating seniors at institutions participating in the survey. The most recent data, released in 2020, reports that 87% of seniors at participating Carnegie Baccalaureate Arts & Sciences institutions completed two or more HIPs. SMCM's rate among graduates has exceeded this for the past eight years (2020 level, 99%; five-year average, 98%). (*Source: NSSE*)

Objectives 1.2 and 1.3: SMCM is committed to offering a rigorous curriculum taught by qualified faculty. For three of the past five years, SMCM has met or exceeded the targeted percent of full-time faculty who have terminal degrees. Although the percentage of credit hours taught by full-time faculty declined slightly in 2021 (82%) and 2022 (80%), full-time faculty still teach the great majority of undergraduate credit hours, and the percentage rose to 84% for 2023. Further, the rise of part-time faculty is largely due to SMCM's engagement of expert practitioners in a variety of fields to teach courses in the professional pathways sequence, part of the recently (2020) instituted LEAD Initiative. Students benefit from studying with these professionals while still taking the majority of their traditional coursework with full-time faculty. Finally, the undergraduate student-faculty ratio has been between 9:1 and 10:1 for the past five

years, well below (better than) the target of 12:1.

Peer Benchmarks: According to the most recent available data (Fall 2021), SMCM has the lowest student-faculty ratio (10:1) among the traditional four-year public institutions in Maryland, which average 14:1. The SMCM student-faculty ratio is third lowest among Council of Public Liberal Arts Colleges (COPLAC) institutions, which average 14:1; and is on par with Maryland private institutions, peer institutions, and aspirant institutions, which range from 7:1 to 15:1 (average = 10:1). (*Source: IPEDS Data Center*)

Goal 2: Recruit, support, and retain a diverse and qualified group of students, faculty and administrative staff.

Objective 2.1: The target for the percentage of incoming students who identify as students of color was reset last year to 33%. In FY23 (Fall 2022), SMCM recruited a first-year class with 31% students of color – just below this new target, but still a substantial improvement from about a decade ago when the percentage averaged only 20% (data not shown), and the fourth year in a row with a first-year class consisting of 30% or greater students of color. Entering class targets were exceeded for first generation college students for the sixth consecutive year, and for the out-of-state population for the second consecutive year. The latter measure has slowly been rising and is expected to hold steady just above the target of 10% for the next few years. High school academic performance of the entering class remains strong; the average GPA of incoming students has steadily improved to its current ten-year high (3.50, unweighted) and is projected to hold steady at this level with the next entering class.

Objective 2.2: Both four-year graduation rates (Fall 2019 cohort graduating by Summer 2023) and six-year graduation rates (Fall 2017 cohort graduating by Summer 2023) were below targets for all groups. Note that four-year and/or six-year targets for students of color, African American students, first generation students, and Pell recipients were reset to aspirational levels last year to reflect SMCM's commitment to narrowing equity gaps in student success. SMCM will focus on providing all students with resources and strategies to support timely graduation, with particular emphasis on students from these historically underrepresented and/or marginalized groups. We know that reaching certain early academic milestones is crucial for students to make timely progress toward their degree, and we will explore additional ways to communicate and support the attainment of these milestones to students, faculty advisors and academic support staff. In addition, we will continue to offer online courses during both Summer and Winter sessions to provide students with a convenient means of earning additional credits in between traditional semesters, and to explore how to make these inter-session offerings accessible. For entering first generation students, the recently expanded *Sum primus* ("I am first") program offers extended pre-orientation activities, focusing on academic, financial, social, and cohort-building activities. Finally, SMCM's recently adopted 2023 – 26 strategic plan contains several diverse initiatives aimed at improving student retention and persistence to graduation, including expanding access to global opportunities, promoting holistic student wellness and belongingness, increasing student leadership activities, and enhancing the student advising and degree-planning experiences.

Peer Benchmarks: Based on the most recent national comparison data available (FY19), SMCM's overall four-year graduation rate (64% for the 2015 entering cohort graduating by 2019) exceeded those of other COPLAC institutions and other Maryland public and private

four-year institutions, and was on par with rates at SMCM's peer institutions, many of which are private. The average four-year graduation rate at aspirant institutions (all private) represents a benchmark well above our target. As shown below, SMCM's four-year graduation rates for African American students were at or above the corresponding rates at other COPLAC, Maryland public and private, and peer institutions, but rates for Hispanic students fell below the comparison rates at Maryland private and peer institutions. Benchmark four-year graduation rates for Pell recipients are not available from IPEDS. Because of the lag in reporting four-year graduation rates to IPEDS, additional comparison data are shown below from 44 Baccalaureate Arts & Sciences institutions (all private) that participate in the Higher Education Data Sharing Consortium (HEDS). These data are three years more recent (2018 cohort graduating by 2022) and additionally include Pell student data. These comparisons reveal that SMCM's four-year graduation rates for Pell students are on par with these other private institutions, but that overall rates, and rates for African American and Hispanic students, are lagging behind. (*Sources: As shown in tables below*)

Four-Year Graduation Rates, FY19 (Fall 2015 cohort)					
Institution(s)	N	Overall	Students of Color	African American	Hispanic
SMCM	1	64%	52%	51%	53%
COPLAC	28	40%	31%	27%	32%
MD Public	11	31%	27%	24%	28%
MD Private	9	60%	54%	47%	60%
Peer	12	65%	60%	51%	59%
Aspirant	6	85%	82%	79%	84%

Source: IPEDS Data Center

Four-Year Graduation Rates, FY22 (Fall 2018 cohort)					
Institution(s)	N	Overall	African American	Hispanic	Pell
SMCM	1	60%	37%	42%	62%
Bacc A&S	44	65%	54%	62%	60%

Source: Higher Education Data Sharing Consortium

For six-year graduation rates, the most recent comparison data available (FY21) reveal that SMCM's overall rate (73%, for the 2015 entering cohort) equaled or exceeded that of other COPLAC, Maryland public and private, and peer (primarily private) institutions. SMCM's six-year rate for African American, Pell recipients, and need-based aid recipients also met or exceeded rates at these comparison institutions. Similar to the four-year rates described above for the same entering cohort, SMCM's Hispanic students graduated at higher six-year rates than students at COPLAC or Maryland public institutions, but fell behind the rates at Maryland private and peer institutions. (*Source: IPEDS Data Center*)

Six-Year Graduation Rates, FY21 (Fall 2015 cohort)							
Institution(s)	N	Overall	Students of Color	African American	Hispanic	Pell	Need-Based Aid
SMCM	1	73%	64%	69%	58%	76%	69%
COPLAC	28	53%	45%	42%	46%	48%	50%
MD Public	11	49%	47%	46%	48%	46%	47%
MD Private	9	67%	60%	54%	65%	65%	66%
Peer	12	73%	69%	62%	69%	70%	72%
Aspirant	6	89%	88%	85%	88%	81%	86%

Source: IPEDS Data Center

Objective 2.3: The second-year retention rate continues to fluctuate, falling slightly to 82% in FY23. While still not meeting the target, this year's retention rate still exceeds many benchmarks.

Peer Benchmarks: Based on the most recent data available (FY22), SMCM's first-to-second year retention rate last year (85%) exceeded those of other public liberal arts colleges (COPLAC institutions, average = 70%), Maryland public four-year institutions (average = 73%), Maryland private institutions (average = 78%), and peer institutions (average = 83%), many of which are private. Retention rates at private aspirant institutions averaged 93% in FY20, above SMCM's aspirational target but underscoring how important it is to remain competitive with those institutions. (Source: IPEDS Data Center)

Objective 2.4: SMCM continues to work to maintain a diverse faculty and staff. Gender parity was once again achieved for both faculty and staff in FY23. Racial and ethnic diversity targets were reset to 33% last year to match the goal for diversity of the student body. SMCM has been making slow but steady progress toward this goal in the faculty; recent efforts to advance cluster hiring (the Ross Fellows initiative) and diversify search processes are expected to assist with continuing to improve toward the target. The percent of staff who are people of color is on track to meet the target within the next few years.

Objective 2.5: Between FY14 and FY20, SMCM met or exceeded the target of an entering class that contains 20% transfer students each year, but the percentage fell to 17% in FY21 and has remained under the target since then. This is directly related to the enrollment challenges at community colleges since the pandemic. We will continue to focus on recruiting a strong incoming class of transfer students.

Objective 2.6: Among transfer students, the four-year graduation rate (70%, Fall 2019 entering students graduating by Summer 2023) met the target, while the three-year graduation rate (56%, Fall 2020 entering students graduating by Summer 2023) fell below the target after four years of exceeding it. Transfer students who entered in Fall 2020, at the height of the pandemic, likely experienced particular challenges to persistence that can also be seen in the low projection for this cohort's four-year graduation rate (2024 Est., 64%). However, analysis of all transfer students' degree progress suggests that this is a localized drop, as other projections for three- and four-year graduation rates remain high over the next two years. Continued development and refinement of articulation agreements with Maryland two-year institutions will facilitate transfer

students' timely progress toward the baccalaureate degree.

Peer Benchmarks: Benchmark information for transfer student four-year rates is available from IPEDS, but with quite a delay. The most recently available data is from transfer students who entered during 2013-14 and graduated by 2017. In that year, SMCM's four-year graduation rate for transfer students (62%) was the lowest among SMCM's most recent six years (SMCM average 71%), but still exceeded the average rates for Maryland public and private four-year institutions (51%) and COPLAC institutions (52%). Transfer students at peer institutions averaged a 71% four-year graduation rate, on par with SMCM's six-year average, and the average at aspirant institutions was 89%. (*Source: IPEDS Data Center*)

Goal 3: Ensure access for students with financial need through a strategic combination of federal, state, private, and institutional funds.

Objective 3.1: This objective has consistently been met or exceeded as SMCM has focused on meeting the financial needs of entering first-time students.

Objective 3.2: Both four-year and six-year graduation rates among students receiving need-based aid (Pell grant or Stafford loan) were low this year, similar to other cohort groups as discussed above for Objective 2.2. Given the particularly sensitive financial situation of students receiving need-based aid, this gap warrants increased attention. On the other hand, the leading indicator of retention to the second year, while not meeting the target of 90%, was higher than previous years at 84% and was above the all-student level of 82%.

Peer Benchmarks: Similar to findings for graduation rates among Pell recipients, SMCM's six-year graduation rate for students receiving need-based aid (69% in FY21, most recent comparison data available) was well above that of other COPLAC institutions (50%), Maryland public institutions (47%), and Maryland private institutions (66%), and approached the FY20 rate at peer institutions (72%). (*Source: IPEDS Data Center*)

Goal 4: Increase student contributions to the Maryland community and to the state and national workforce.

Objectives 4.1, 4.2, 4.3, and 4.4: Community service participation in FY21 did not meet the target for the fourth time in five years after many years of consistently higher levels. It is unclear whether this is a lingering effect of the pandemic, changes in student priorities, or related to the availability of community service opportunities. SMCM's 2023-26 strategic plan contains a pillar focusing on community engagement, and specifically outlines a plan to expand community leadership and service opportunities for students. Internship participation decreased to below 40% after several years at 40% or higher, but is expected to recover and grow over the next few years as students move through the professional skills component of the LEAD Initiative. Both the six-month employment rate (67%) and the six-month continuing education rate (28%) for the Class of 2022 met the specified target, indicating that SMCM graduates are successful after graduation.

Peer Benchmarks: Benchmarks for the six-month employment and continuing education rate come from the nationally administered First Destination Survey, and are for Carnegie Baccalaureate Arts & Sciences institutions. For the Class of 2021, the most recent graduating class for which benchmark data is available, SMCM’s employment rate was 61% and the national rate was 68%, while SMCM’s continuing education rate was 35% and the national rate was 21%. The total Career Outcome Rate (rate of graduates with a “positive career outcome”, such as employment, continuing education, fellowship, or service experience) for the SMCM Class of 2021 was 97%, exceeding the national rate of 92%. Again, these numbers support the interpretation that SMCM graduates are just as successful as college graduates nationwide, and are more likely than similar college graduates nationwide to choose to continue their education (rather than enter the job market) just after graduation. (Source: National Association of Colleges and Employers (NACE) *First Destinations for the Class of 2021 Report*)

B. Response to Commission Questions

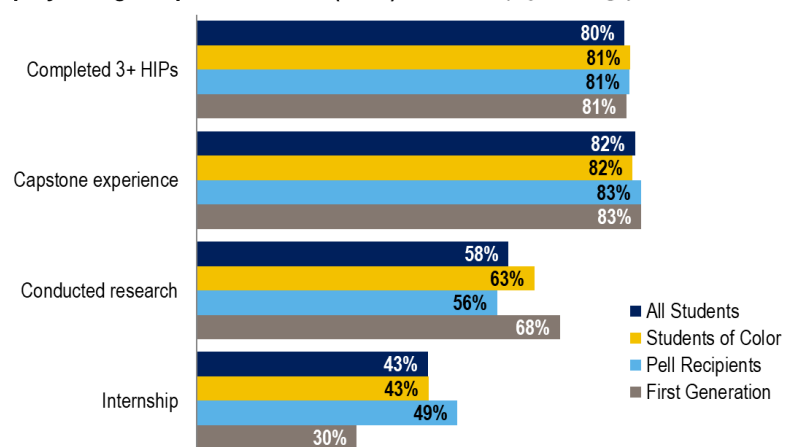
Identifying Long-term Equity Gaps:

- **What are the largest long-term equity gaps that exist in student access, success, and innovation in your institution? Please note the long-term equity gaps refers to the inequities that existed long before the COVID-19 pandemic and persisted over the years.**
- **How are these equity gaps uncovered/discovered/identified at your institution and how are they shared with your community?**
- **What interventions have been implemented to eliminate these gaps?**

SMCM is committed to providing access to a rigorous liberal arts education to all students. The Office of Institutional Research and Planning routinely monitors disaggregated data to assess equity in student access, success, and innovation. These data are shared with the community via the public web site, presented to the Board of Trustees, and communicated during Town Hall-style meetings with faculty and staff.

As discussed above in Goal 2, diversity goals in the entering class have been met or exceeded for a number of years and have recently been reset to be even more ambitious. Tuition has been frozen at 2019 levels for the past four years to help provide affordable access to more students and their families. SMCM prioritizes completion of high-impact practices among all students, and works to make these accessible and affordable. The graph at right shows that students of color, low-income students (Pell students), and first generation students complete many of the same high-

Equity in High-Impact Practices (HIPs) at SMCM (5-yr average)

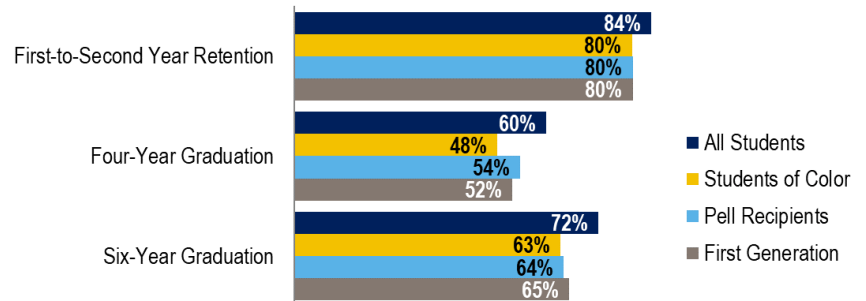


impact practices at the same or even higher rates than the general student population. Internships and study abroad (not shown) are less frequently completed among first generation students; these are the more expensive experiences both in terms of actual financial cost and loss of other income opportunities. In response, SMCM has expanded opportunities for paid internships on and off campus, and has committed to increasing scholarships for international experiences.

Gaps do exist in retention and graduation rates, as discussed under Goal 2 in the previous section and as shown at right. Program such as the DeSousa-Brent Scholars Program, the Landers Scholars Program, and the Sum Primus (“I am first”) Program are designed to provide additional support, mentoring, and opportunities for students in

at-risk groups. In addition, SMCM has implemented a “16 to Succeed” campaign which emphasizes the importance of attempting 16 credits each semester (along with other meeting other academic milestones) in order to facilitate timely graduation. Students, advisors, and staff are informed of the importance of these milestones for retention and graduation – and their particular importance for students from historically underrepresented and/or marginalized groups at SMCM – through email messages, announcements, and flyers, and each semester advisors receive a comprehensive data set on each of their advisees that includes progress on meeting academic milestones. Finally, the recent Ross Fellows cluster hire initiative successfully recruited six new tenure-track faculty members across a range of disciplines with pedagogical expertise in supporting students from historically underrepresented and/or marginalized groups, and stipends are available to any faculty member to support pedagogical innovation and the development of more equitable teaching and grading practices.

Student Outcomes at SMCM (5-yr average)



Measuring Equity Gaps:

- **How has your institution used disaggregated data to identify equity gaps in students’ educational opportunities and outcomes?**
- **What stakeholder engagement (students, faculty, staff, etc.) is used to collect and review this data?**
- **Does your institution set goals/benchmarks in regard to the elimination of equity gaps? If so, what steps does your institution take to ensure accountability in meeting the established goals/benchmarks of equity?**

SMCM examines disaggregated data on retention, graduation rates, participation in high-impact practices, and overall course success. These data are gathered from multiple sources, including the student information system, transcripts, surveys of faculty and teaching staff, input from offices such as the Center for Career and Professional Development and the Office of International Education, and surveys of graduating students and alumni. As discussed in the previous answer, the data are shared publicly and internally via a number of mechanisms. Beginning in FY22, academic departments also engage in an annual review of program data that

includes equity markers, and are asked to address gaps and propose interventions.

SMCM has set ambitious goals for the elimination of equity gaps. As seen on the MFR, for example, goals for six-year graduation rates are set at the same level for all students regardless of identity. The 2023-26 strategic plan sets a similar goal of equal first-to-second year retention across all groups. Other goals in the strategic plan include the development of a Student Success Center, establishment of new onboarding programs and support teams for new students, improvements to early alert and intervention systems, and an emphasis on mentoring and fostering students' sense of belonging at SMCM. Progress toward these goals will be monitored regularly and reported to the campus community, the President, and the Board of Trustees. Further accountability discussions take place at executive, divisional, and departmental levels. The Vice President for Equity and Strategic Initiatives will lead such discussions and provide guidance to identify acceptable, consistent equity goals and steps toward achieving them.

St. Mary's College of Maryland

MISSION

St. Mary's College of Maryland (SMCM) is Maryland's honors college, a selective, public liberal arts college—a vibrant community of scholars and learners. We foster a rigorous and innovative curriculum; experiential learning; scholarship and creativity; close mentoring relationships; and a community dedicated to honesty, civility, and integrity. We are committed to diversity, access, and affordability. Our students, faculty and staff serve local, national, and global communities and cultivate and promote social responsibility.

VISION

St. Mary's College of Maryland will increasingly serve as the liberal arts college of choice for intellectually ambitious students, faculty, and staff from diverse backgrounds, attracted by a rigorous, innovative, and distinctive curriculum that integrates theory and practice; a talented, professionally engaged, and student-centered faculty and staff; and a strong infrastructure. Students will be part of a collaborative learning community that embraces intellectual curiosity and innovation, the power of diversity, and the College's unique environment. Our graduates will thrive as responsible and thoughtful global citizens and leaders.

KEY GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

Goal 1. Ensure a high quality and rigorous academic program.

- Obj. 1.1** All graduating students will participate in at least two high-impact practices, and at least 80 percent of the graduating class will participate in at least three high-impact practices. High-impact practices are defined by the Association of American Colleges & Universities (AAC&U).
- Obj. 1.2** Maintain a full-time faculty of which 98 percent have terminal degrees. Maintain the proportion of undergraduate credit hours taught by full-time faculty at 88 percent annually.
- Obj. 1.3** Maintain an environment that promotes individual contact between faculty and students by maintaining a student-faculty ratio of no more than 12 to 1.

Performance Measures	2019 Act.	2020 Act.	2021 Act.	2022 Act.	2023 Act.	2024 Est.	2025 Est.
Percent of the graduating class successfully completing at least two high-impact practices	100%	99%	95%	97%	99%	100%	100%
Percent of the graduating class successfully completing at least three high-impact practices	87%	82%	72%	76%	83%	83%	83%
Percent of all full-time faculty who have terminal degrees	98%	98%	98%	97%	96%	98%	98%
Percent of undergraduate credit hours taught by full-time faculty	88%	87%	82%	80%	84%	84%	84%
Undergraduate student to faculty ratio	10:1	9:1	9:1	10:1	10:1	10:1	10:1

St. Mary's College of Maryland

Goal 2. Recruit, support, and retain a diverse and qualified group of students, faculty and administrative staff who will contribute to and benefit from the enriched academic and cultural environment provided by St. Mary's.

- Obj. 2.1** Recruit a qualified and diverse entering class with the following attributes: Average high school grade point average (GPA) of at least 3.40 (4 point scale), enrollment of students from historically underrepresented racial/ethnic groups at least 33 percent, out of state student enrollment of at least 10 percent, students from first generation households enrollment of at least 20 percent, and Pell Grants disbursed during their first semester student enrollment of at least 20 percent.
- Obj. 2.2** Achieve and maintain 4-year graduation rates for all students (70 percent), students from all historically underrepresented racial/ethnic groups (65 percent), African-American students (65 percent), Hispanic students (70 percent), all first generation students (65 percent), and all students with a Pell Grant disbursed during their first semester (65 percent). Achieve and maintain 6-year graduation rates at 80 percent for all students and all student subgroups, including students from all historically underrepresented racial/ethnic groups, African-American students, Hispanic students, first-generation students, and students with a Pell Grant disbursed during their first semester.

Performance Measures	2019 Act.	2020 Act.	2021 Act.	2022 Act.	2023 Act.	2024 Est.	2025 Est.
Average high school GPA	3.38	3.38	3.44	3.45	3.50	3.49	3.49
Percent of entering first year class who identify as members of	25%	34%	32%	31%	31%	30%	32%
Percent of entering first year class who originate from outside of Maryland	7%	6%	9%	11%	13%	15%	16%
Percent of entering first year class from first generation households	21%	23%	25%	21%	25%	28%	25%
Percent of entering first year class receiving Pell Grants disbursed during their first semester	17%	22%	24%	18%	20%	21%	21%
Four-year graduation rate for all students	64%	60%	58%	60%	56%	62%	64%
Four-year graduation rate for students from historically	52%	49%	44%	41%	50%	51%	57%
Four-year graduation rate for African-American students	51%	48%	38%	37%	41%	56%	58%
Four-year graduation rate for Hispanic students	53%	44%	44%	42%	52%	55%	48%
Four-year graduation rate for all first generation students	60%	53%	44%	57%	44%	53%	58%
Four-year graduation rate for students with a Pell Grant disbursed during their first semester	60%	58%	43%	58%	46%	58%	64%
Six-year graduation rate for all students	77%	72%	73%	71%	68%	70%	65%
Six-year graduation rate for students from historically	69%	67%	64%	60%	54%	53%	56%
Six-year graduation rate for African-American students	70%	51%	69%	59%	44%	45%	51%
Six-year graduation rate for Hispanic students	70%	74%	58%	50%	52%	58%	56%
Six-year graduation rate for all first generation students	69%	64%	71%	63%	58%	66%	53%
Six-year graduation rate for students with a Pell Grant disbursed during their first semester	69%	62%	76%	65%	48%	69%	59%

St. Mary's College of Maryland

Obj. 2.3 The first to second-year retention rate will be 90 percent.

Obj. 2.4 The College will strive for diversity in the faculty and staff so that the composition reflects the aspired diversity of the student body. The aspirant goals for full-time faculty and staff will be: 33 percent from historically underrepresented racial/ethnic groups and 50 percent women.

Obj. 2.5 Ensure access for transfer students, particularly those from 2-year institutions. Achieve and maintain transfer students at 20 percent of the entering class each fall.

Obj. 2.6 Achieve and maintain degree completion rates for transfer students at 60 percent for three-year graduation rates, and at 70 percent for four-year graduation rates.

Performance Measures	2019 Act.	2020 Act.	2021 Act.	2022 Act.	2023 Act.	2024 Est.	2025 Est.
First to second-year retention rate	82%	85%	83%	85%	82%	81%	83%
Percent of all full-time tenured or tenure-track faculty who identify as members of historically underrepresented racial/ethnic groups	18%	15%	16%	18%	19%	21%	23%
Percent women of all full-time tenured or tenure-track faculty	51%	52%	51%	50%	50%	50%	50%
Percent of all full-time (non-faculty) staff who identify as members of historically underrepresented racial/ethnic groups	30%	28%	27%	30%	27%	30%	33%
Percent women of all full-time (non-faculty) staff	57%	57%	57%	58%	61%	60%	60%
Percentage of entering fall class who are transfer students	22%	21%	17%	18%	15%	13%	15%
3-year graduation rate for all transfer students	62%	69%	68%	64%	56%	68%	81%
4-year graduation rate for all transfer students	74%	69%	74%	74%	70%	64%	74%

Goal 3. Ensure access for students with financial need through a strategic combination of federal, state, private, and institutional funds.

Obj. 3.1 72 percent of entering first-year student need is met by awarding any need-based aid.

Obj. 3.2 Support persistence to graduation of students receiving need-based aid at entry. Achieve and maintain first-to-second year retention rates at 90 percent, four-year graduation rates at 70 percent, and six-year graduation rates at 80 percent for students receiving need-based aid in the first semester.

Performance Measures	2019 Act.	2020 Act.	2021 Act.	2022 Act.	2023 Act.	2024 Est.	2025 Est.
Average percent of first-time full-time degree-seeking student need met by awarding need-based aid	73%	78%	84%	78%	78%	80%	80%
First-to-second year retention rate for students receiving need-based aid in the first semester	80%	81%	79%	87%	84%	83%	85%
Four-year graduation rate for students receiving need-based aid in the first semester	59%	56%	54%	54%	46%	58%	67%
Six-year graduation rate for students receiving need-based aid in the first semester	78%	68%	69%	64%	63%	63%	54%

St. Mary's College of Maryland

Goal 4. Increase student contributions to the Maryland community and to the state and national workforce.

Obj. 4.1 65 percent of graduating seniors will have performed community service while at SMCM.

Obj. 4.2 45 percent of graduating seniors will have participated in a paid or unpaid internship.

Obj. 4.3 The rate of employment within six months of graduation will be at least 67 percent.

Obj. 4.4 The rate of continuing education (at any level) within six months of graduation will be 25 percent.

Performance Measures	2019 Act.	2020 Act.	2021 Act.	2022 Act.	2023 Act.	2024 Est.	2025 Est.
Percent of graduating seniors who will have performed community service while at SMCM	69%	63%	50%	39%	37%	40%	45%
Percent of graduating seniors who fulfilled a paid or unpaid internship	40%	45%	44%	47%	38%	40%	45%
Employment rate of graduates within six months of graduation	62%	58%	53%	61%	67%	67%	67%
Percent of graduates continuing their education (at any level) within six months of graduation	28%	30%	34%	35%	28%	30%	30%

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
OCTOBER 13, 2023
INFORMATION ITEM III.A.
PERIODIC AUDIT BY THE OFFICE OF LEGISLATIVE AUDITS**

The Office of Legislative Audits (OLA) has recently initiated its regular fiscal compliance audit of St. Mary's College of Maryland for the period beginning August 26, 2019 through July 15, 2023. The audit is authorized under the State Government Article, Sections 2-1220(a)(2) of the Annotated Code of Maryland and will be conducted in accordance with generally accepted government auditing standards. Those standards require the OLA to plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objectives.

In planning and conducting the audit, the OLA will focus on the major financial-related areas of operations based on assessments of materiality and risk. Areas subject to audit could change based on the College's unique operations, but generally may include the following: revenue/cash collections, purchasing/disbursements, corporate purchasing cards, payroll/human resources, inventory control, and significant programs administered by the College. Audit procedures will include, but will not be limited to, inquiries of appropriate personnel, inspections of documents and records, and observations of the College's operations. The OLA will also test transactions and perform other auditing procedures that they consider necessary to achieve their objectives.

Discussion notes, which should be available in November 2023, will represent confidential preliminary findings of the audit and a formal meeting will be held between College and OLA staff to discuss any findings. Subsequently, the OLA will issue a confidential draft audit report containing any significant matters found during the audit for the purpose of obtaining the College's formal response to the audit recommendations. The final audit report, with management's response, will then be issued as specified by state law, and made available to the public. OLA audits are intended to assist the Maryland General Assembly in exercising its legislative oversight function and to provide constructive recommendations for improving state operations.

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
OCTOBER 13, 2023
INFORMATION ITEM III.B.
REPORTABLE PROCUREMENT ITEMS**

Payee	Description	Amount
Lumehouse LLC (A. Robson)	NABA Artwork	\$250,000
Scheibel Construction	Schaefer Hall Marine Science Lab Renovation	\$799,902
Precision Comfort	Lewis Quad HVAC & Mech (Final Phase)	\$135,000
Borland	Campus Center AHU Roof (Final Payment)	\$385,763
Borland	Campus Center Partial Roof Replacement	\$216,018
Verkada	Security Cameras (Dell Lease)	\$394,878
Bon Appetite	Food Services Funding FY24	\$4,908,359
Bon Appetite	Cafeteria Equipment Upgrades	\$168,101
Kent Island Mechanical	Shaefer Hall HVAC Replacement	\$6,300,000
Skyline Technology Solutions	Wi-Fi Upgrade Academic and Admin Buildings	\$417,475
Valentis Group, Inc	Professional Armed Guard Services	\$284,726

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
OCTOBER 13, 2023
INFORMATION ITEM III.C.
JOINT INVESTMENT ACTIVITIES**

The Foundation's Joint Investment and Advisory Committee met on September 28, 2023 to review the Foundation's endowment portfolio with its investment manager J.P. Morgan. The Committee also received a report on the College's endowment/quasi endowment.

St. Mary's College of Maryland Foundation

As of August 31, 2023, the total market value of the Foundation's endowment was \$37.172M. The Foundation's endowment is comprised of three parts: a portion of the JP Morgan portfolio (\$36.307M), the Student Investment Group account (\$665K), and WesBanco shares (\$200K).

Of the endowment managed by JP Morgan, the fiscal year-to-date increase in market value of \$304K includes \$55K in contributions, \$88K in income, \$195K increase in investment value, and distributions of \$34K.

The 2023-24 fiscal year-to-date return as of August 31, 2023 (two months) is +0.7% versus +0.4% for the policy index, on a net-of-fees basis.

St. Mary's College of Maryland Endowment and Quasi Endowment

The College holds investments totaling \$4.62M consisting of endowment and quasi-endowment. \$3.6M are funds functioning as endowment (quasi) and \$1.0M represents the Blackistone Endowment. Invested endowment funds, managed by 19/19 Investment Council, have a market value of \$4.35M as of August 31, 2023. Funds are currently invested in a mix of fixed income instruments and equities. The annualized rate of return is +0.2%.

The remaining \$271K of College endowment is currently held in a cash investment pool by the Maryland State Treasurer.

St Mary's College of Maryland Foundation, Inc
Consolidated Investment Statement
for the period July 1, 2023 to August 31, 2023

	<u>Beginning Market Value</u> <u>7/1/2023</u>	<u>Ending Market Value</u> <u>8/31/2023</u>
<u>JP Morgan Portfolio</u>		
Endowed Accounts	36,002,831.29	36,307,815
Gift Annuity	1,057,723	1,063,831
Current Funds	6,675,434	6,717,113
Endowment Allocated Spending Funds	1,053,593	1,062,016
Total Investment Accounts Market Value	44,789,581	45,150,775
Endowed Funds Allocated Spending Account	1,320	1,295
Gift Annuity Cash Account	84,126	77,089
SGA Investment	664,473	665,634
Total JP Morgan Portfolio	45,539,500	45,894,793
<u>Other Assets</u>		
Perpetual Trust, PNC	1,483,315	1,487,311
WesBanco shares	202,370	200,395
<u>Cash</u>		
Checking Account	531,944	556,970
Endowment Spending Account	679,301	679,255
<u>Total</u>	48,436,430	48,818,724

*** In addition to the JP Morgan Portfolio, the Foundation Endowment includes the WesBanco Shares & the SGA investment

*** The College holds a quasi-endowment in addition to the above funds

St. Mary's College of Maryland
Endowment Fund

	<u>6/30/2023 Balance</u>		<u>8/31/2023 Balance</u>	
Legg Mason / 1919 Investments - Cash & Equivalents	\$358,388		\$310,500	
Legg Mason / 1919 Investments - Fixed Income	\$2,270,322	Fixed & Cash	\$2,207,172	
Legg Mason / 1919 Investments - Equity Portfolio	<u>\$1,712,568</u>		<u>\$1,834,721</u>	
	\$4,341,278		\$4,352,393	0.19%
Cash with Treasurer	<u>\$271,434</u>		<u>\$271,434</u>	Cash
Investable Total	<u>\$4,612,712</u>		<u>\$4,623,827</u>	0.18%
Other Investments	<u>\$978</u>		<u>\$978</u>	
Total Investments	<u>\$4,613,690</u>		<u>\$4,624,805</u>	

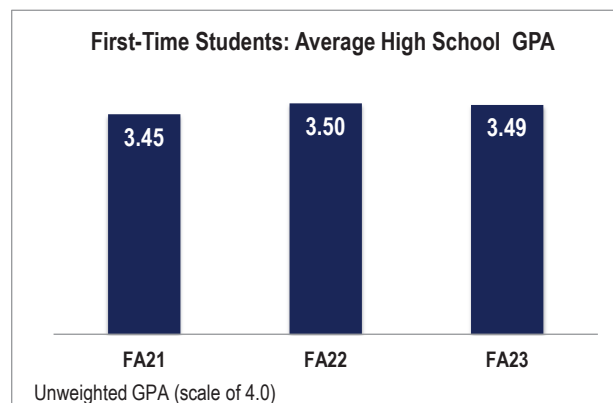
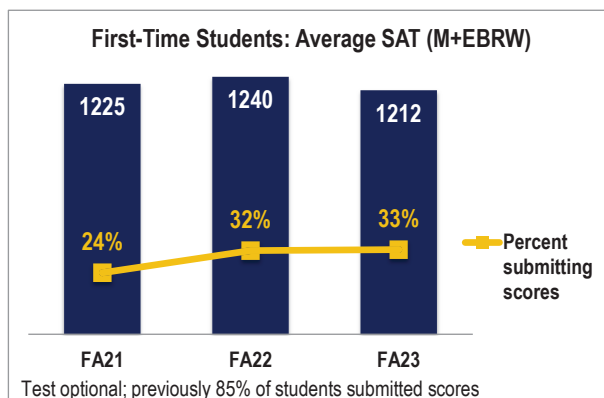
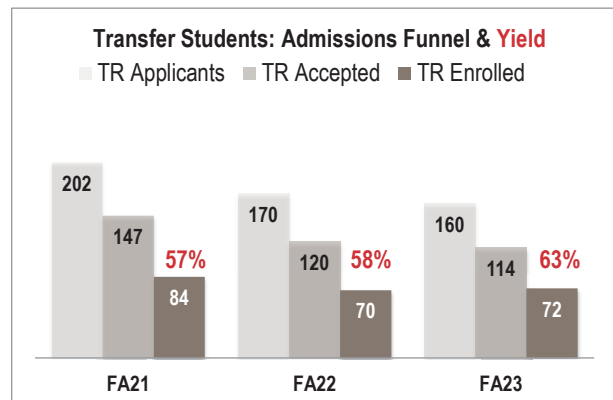
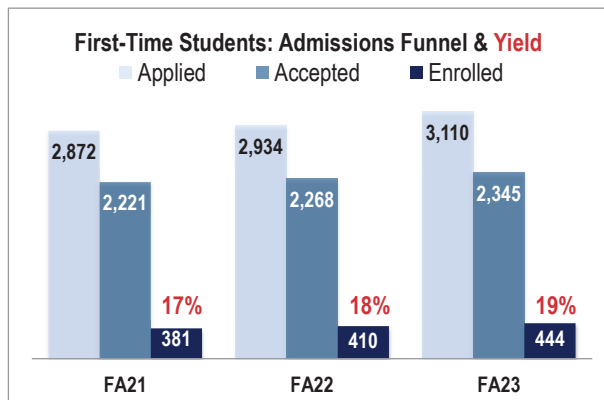
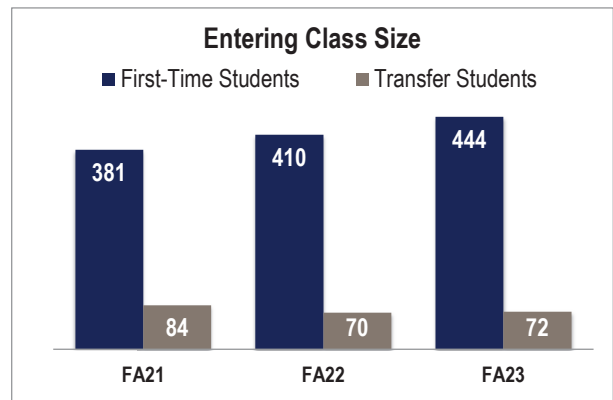
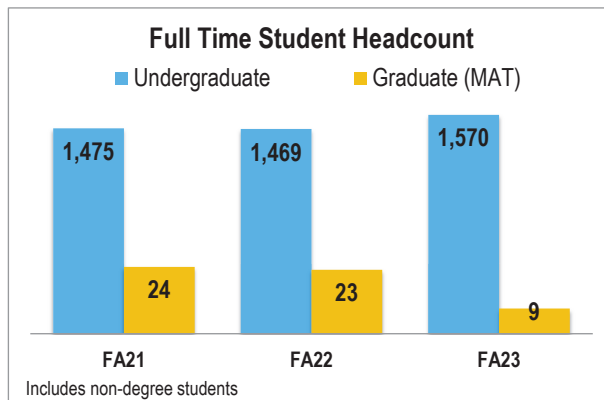
Asset Allocation *				
	Current	Lower	Target	Upper
Domestic Equities	35.7%	20%	30%	50%
International Equitie	6.5%	0%	5%	10%
Fixed Income	50.7%	50%	60%	70%
Cash	7.1%	30%	5%	15%
	<u>100.0%</u>	<u>100%</u>	<u>100%</u>	<u>145%</u>

Note: Asset Allocation per Board of Trustees Approved Investment Policy

Board of Trustees Dashboard - October 2023

Student Characteristics in Enrollment

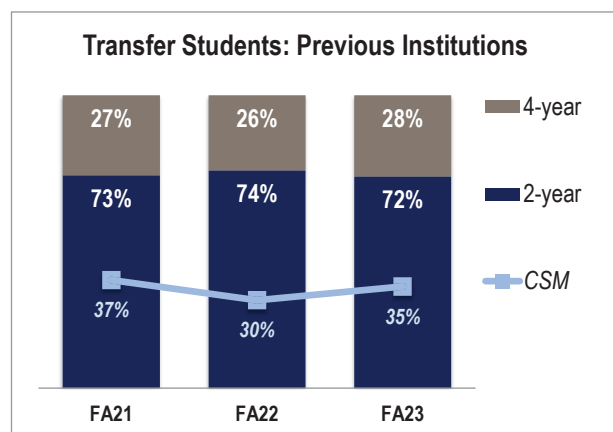
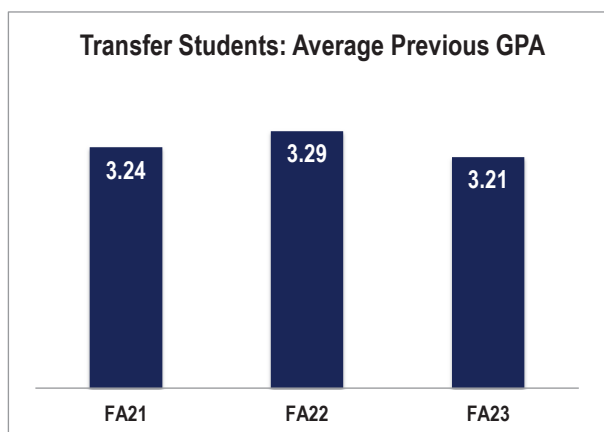
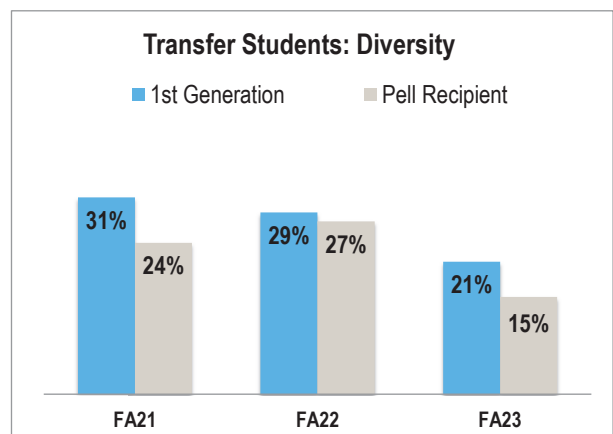
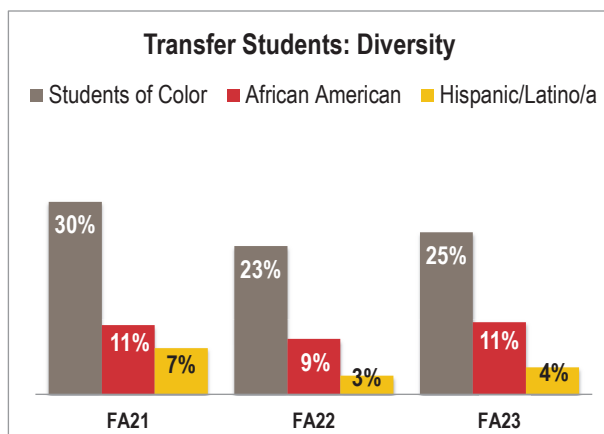
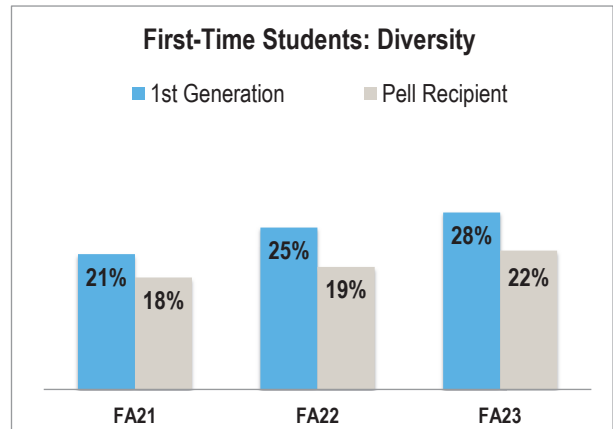
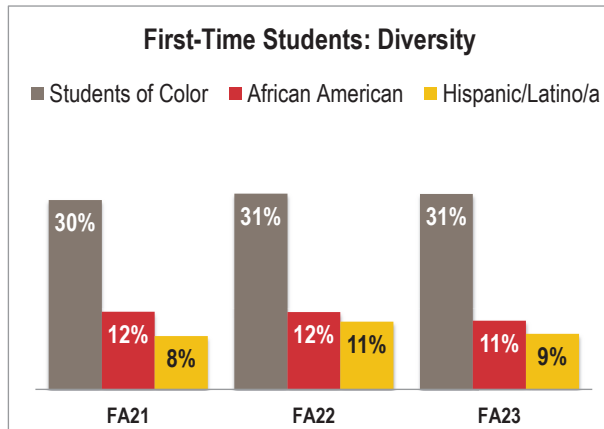
Fall 2023 figures based on preliminary census (freeze) data, 9/25/2023



Board of Trustees Dashboard - October 2023

Student Characteristics in Enrollment

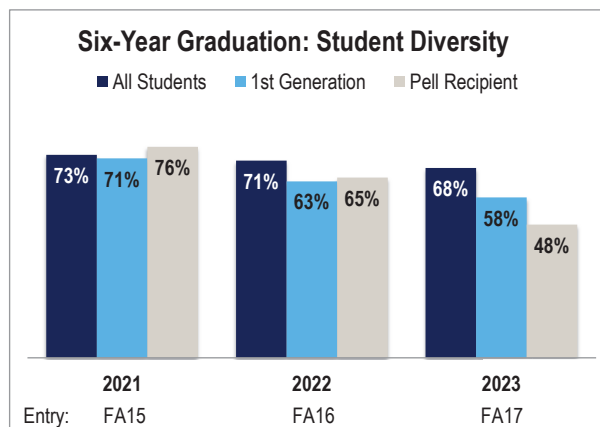
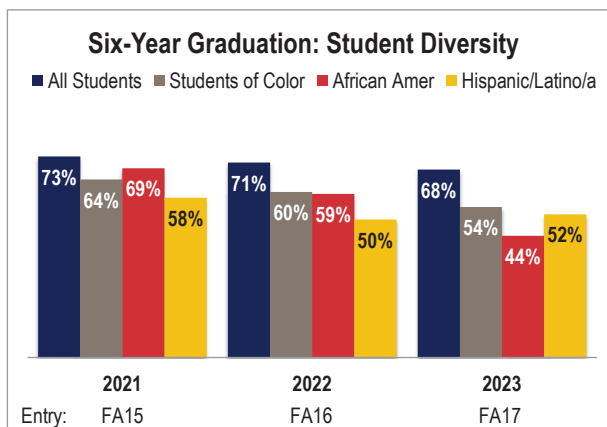
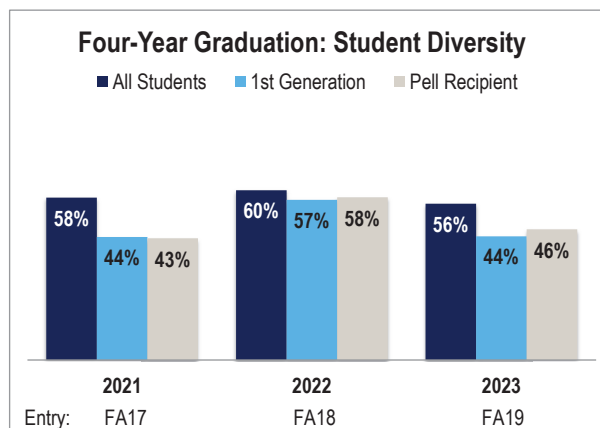
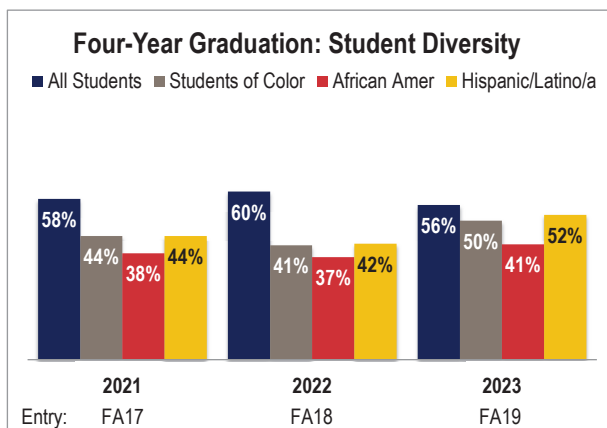
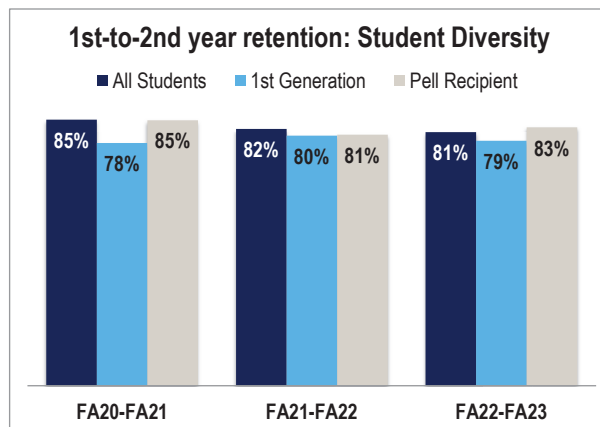
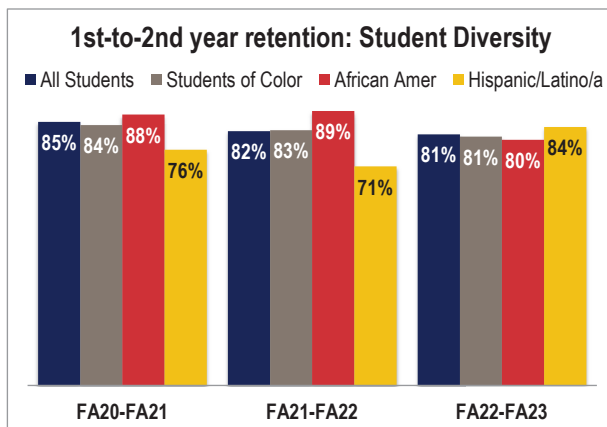
Fall 2023 figures based on preliminary census (freeze) data, 9/25/2023



Board of Trustees Dashboard - October 2023

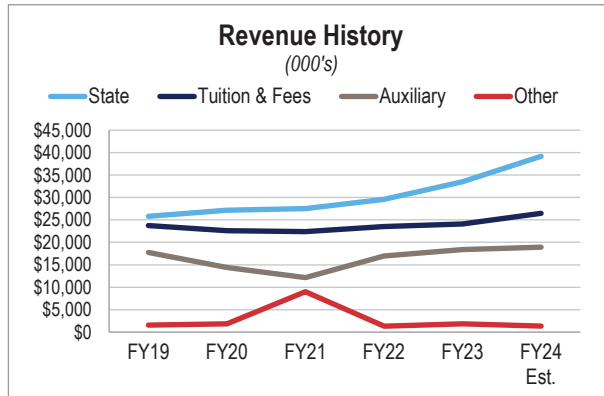
Student Retention and Persistence (First-Time Students)

Fall 2023 figures based on preliminary census (freeze) data, 9/25/2023

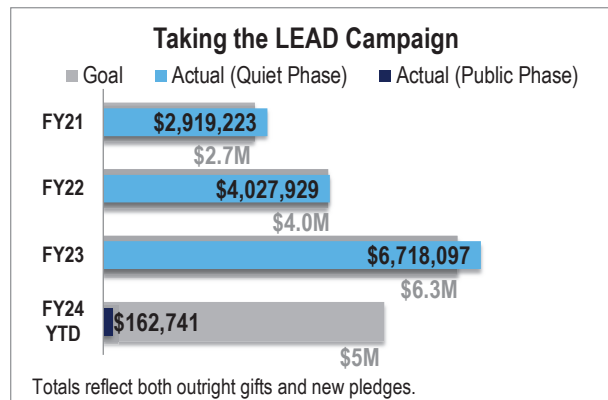
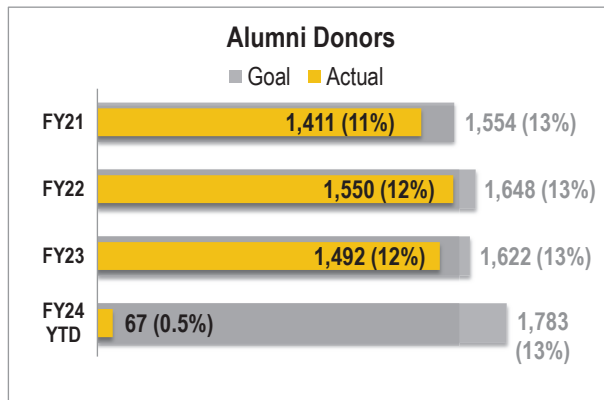


Board of Trustees Dashboard - October 2023

Revenue and Fundraising



Note regarding FY21 Revenue: The COVID-19 pandemic had major impacts on Auxiliary revenues. A significant portion of the student population chose to study remotely, leading to substantial decreases in on-campus living and dining participation rates. Offsetting revenue increases were recorded in the Other category in the form of CARES act institutional support (\$1.1 million), Paycheck Protection Plan loan forgiveness (\$6.7 million) and federally funded COVID expense reimbursements through the state (\$1.5 million).





**BOARD OF TRUSTEES
FINANCE, INVESTMENT, AND AUDIT COMMITTEE**

**OPEN SESSION
MINUTES**

Date of Meeting: May 12, 2023

Status of Minutes: Approved June 30, 2023

Committee Members Present: Committee Chair John Wobensmith '93, John Bell '95, Board Chair Susan Lawrence Dyer, Sven Holmes, President Tuajuanda Jordan, Faculty Finance Delegate Shanen Sherrer, Ray Werneck

Committee Members Absent: Anirban Basu

Staff Member: Paul Pusecker

Others Present: Nicolas Abrams '99, Carlos Alcazar, Jamie Athey, Betsy Barreto, Alice Bonner '03, Mary Broadwater, Peter Bruns, Donny Bryan '73, Paula Collins, Carolyn Curry, Peg Duchesne '77, Judy Fillius '79, Katie Gantz, Elizabeth Graves '95, Mary Grube, David Hautanen, Gail Harmon, Kristina Howansky, Jerri Howland, Shannon Jarboe, Lawrence Leak '76, Jesse Price '92, Brayan Ruiz-Lopez '24, Dereck Rovaris, Aaron Tomarchio '96, David Taylor, Danielle Troyan '92, Chris True, Anna Yates

Executive Summary

Finance, Investment, and Audit Committee Chair John Wobensmith '93 called the meeting to order at 1:01 p.m. Committee attendance was taken. Attendees participated both in-person and via videoconference.

Discussion Items

Strategic Investments from Bond Proceeds: Since the February 2023 meeting, one additional anticipated FY23 expense was added for the installation of a 10,000 lb. low profile boat lift at the James P. Muldoon River Center, in support of the marine science program, leaving a balance of \$12,619,675. Committee Chair John Wobensmith '93 requested a review of aggregate bond spending for each Board approved category. This information will be provided at the October 2023 meeting.

FY24 Legislative Session Financial Impact: The legislature approved the governor's recommended FY24 operating budget for the College in the amount of \$40.901M, a nearly 20% increase from the FY23 state support of \$34.193M. An additional \$2.341M was provided as a formula recalculation, and \$0.1M for the Mt. Aventine archaeological study, which will be performed by Professor Julie King. Vice President Paul Pusecker noted that there has been a significant increase, \$8.3M, in state support since the 2017 funding formula restructuring legislation.

The governor's five-year Capital Improvement Plan provides the College with \$4.69M in FY24. This funding will be used for two critical projects: \$2.10M to upgrade the North Campus nodal loop and \$2.59M to begin the Montgomery Hall renovation design process.

Information Items

FY23 Financial Results to Date: Comprehensive revenue collections are 88% of the budgeted level and collected tuition is at 98% of budget. Auxiliary enterprise revenue is at 97% of budget and state appropriations to the College's general fund grant are on track with third quarter expectations at 78% of budget. Expenditures through the 3rd quarter are 75% of the budgeted amount and operating expenses are running at 82% of budget. Payroll expenditures and benefits are at 69% of the budgeted amount. Overall, both revenue and expense categories are tracking to budgeted expectations.

Joint Investment Activities: As of March 31, 2023, the total market value of the Foundation's endowment was \$36.8M. Of the endowment managed by JP Morgan, the fiscal year-to-date increase in market value of \$921K includes \$1.23M in contributions, \$618K in income, \$472K increase in investment value, and distributions of \$1.4M. On a fiscal YTD basis, the portfolio has returned +2.8% on a net-of-fees basis.

The College holds investments totaling \$4.5M consisting of both endowment and quasi-endowment. \$3.5M are funds functioning as endowment and \$1.0M represents the Blackistone Endowment as of March 31, 2023. Funds are currently invested in a mix of fixed income instruments and equities. The annualized rate of return is +2.92%.

Action Items

II.A. Approval of the Authority and Responsibility Matrix: The Authority and Responsibility Matrix provides an accurate and clear summary of the responsibilities delegated to the Board of Trustees, the president, and to the officers of the College, regarding various functions and operations. The Committee was asked to consider a revision to the Matrix that would designate the authority to approve Staff Senate Bylaw revisions to the president, thus removing the requirement for Board of Trustees approval. The Staff Senate is not part of the governance structure within the College; therefore, it is appropriate for the president to approve any bylaw changes. Committee Chair John Wobensmith '93 asked for a motion to approve the action item as presented. A motion was made by Trustee John Bell '95 and seconded by Trustee Sven Holmes. The motion passed unanimously.

II.B. Approval of the Staff Salary Plan: The proposed Staff Salary Plan included the cost-of-living allowances (COLA), totaling 8%, that employees received since it was last approved in October 2021. Requested adjustments are being made to the minimum and maximum wages for all positions within the Staff Salary Plan based on the COLA increases. Further, the Committee approved the Staff Salary Plan's minimum and maximum salaries to be increased by the percentage of any future state approved cost-of-living allowances without the need for Board of Trustees approval. Committee Chair John Wobensmith '93 asked for a motion to approve the action item as presented. A motion was made by Trustee John Bell '95 and seconded by Trustee Ray Wernecke. The motion passed unanimously.

II.C. Approval of Revisions to the Employee Handbook: The Committee was asked to approve several revisions to the College's Employee Handbook, specifically, updates regarding the American Federation of State, County, and Municipal Employees Union Council (AFSCME), employee benefits, including a state mandated change to the enrollment period for the various retirement plans, Title IX coordinator contact information, and the removal of the COVID-19 Family and Medical Sick Leave Policy. Committee Chair John Wobensmith '93 asked for a motion to approve the action item as presented. A motion was made by Trustee Ray Wernecke and seconded by Trustee John Bell '95. The motion passed unanimously.

II.D. Approval of the FY24 Current Fund Operating Budget: Maryland law entrusts the development and approval of the College's operating budget to the Board of Trustees. The proposed FY24 current fund budget would enable the College to continue its mission of providing a high quality, public, post-secondary education. Vice President Paul Pusecker reviewed the FY24 budget projections and provided a detailed explanation of the revenues and expenses, including a comparison to the FY23 budget, and provided information about the projected FY24 categories of bond spending. President Jordan acknowledged, and expressed appreciation for, the support the College receives from the Foundation. Committee Chair John Wobensmith '93 asked for a motion to approve the action item as presented. A motion was made by Trustee Sven Holmes and seconded by Trustee John Bell '95. The motion passed unanimously.

II.E. Approval of the FY23 Plant Fund Capital Budget: The Technology, Buildings, and Grounds Committee is charged with the responsibility to establish priorities for capital projects. The proposed plant fund capital budget was endorsed by the Technology, Buildings, and Grounds Committee and totals \$2.316M. The primary source of funding is from the student facility fee in the amount of \$1.575M. Additional funding of \$541K from bond proceeds and \$200K from private gifts will be provided in FY24 to offset the cost of the Schaefer Hall marine science lab renovation. Committee Chair John Wobensmith '93 asked for a motion to approve the action item as presented. A motion was made by Trustee Ray Wernecke and seconded by Trustee Sven Holmes. The motion passed unanimously.

II.F. Approval of the FY25-FY29 State Capital Budget Proposal: The proposed FY25-FY29 state funded capital budget request, endorsed by the Technology, Buildings, and Grounds Committee, includes funding for various infrastructure projects to assist in reducing deferred maintenance, the design and renovation of Montgomery Hall, and the design and renovation costs associated with interior improvements and ADA compliance issues in Calvert Hall. Committee Chair John Wobensmith '93 asked for a motion to approve the action item as presented. A motion was made by Trustee Ray Wernecke and seconded by Trustee Sven Holmes. The motion passed unanimously.

The meeting adjourned at 1:47 p.m.