

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

OPEN SESSION
REPORT SUMMARY**

Date of Meeting: January 30, 2024

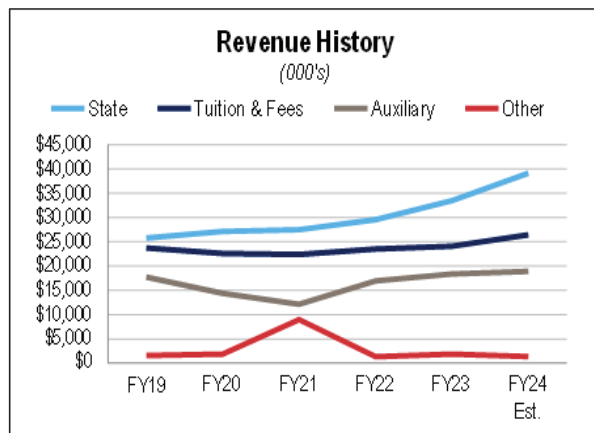
Date of Next Meeting: TBD

Committee Chair: John Wobensmith '93

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

Staff Member: Amir Mohammadi

Dashboard Metrics



Discussion Items

FY25 Financial Results (Budget vs. Actual) as of December 31, 2024

Comprehensive revenue collections are at 72% of the budgeted level as of December 31, 2024. Tuition collected is at 96% of budget and auxiliary enterprise revenue is at 98% of budget. State appropriations to the general fund grant are on track. Interest income is trending lower than the previous year; however, we are on target with the FY25 budget projection. All expenditures through the second quarter of FY25 are 51% of the budgeted amount. Operating expenses are running at 50% of budgeted amount, in line with expectations. Payroll expenditures and benefits are at 51% of budgeted amount.

Residence Hall Modernization: FY25 Funding

Funding models for the modernization of Prince George's Hall will be discussed.

Information Items

Strategic Investments from Bond Proceeds

The FY25 anticipated expenses to be supported by the bond currently total \$3.84M. These expenses include strategic planning initiatives that support *The Rising Tide*. The expected remaining balance is \$5.2M for FY26.

Reportable Procurement Items

In accordance with the College's Internal Procurement Requirements and Practices Statement, as well as the Board-approved Authority and Responsibility Matrix, all purchase orders and contracts that exceed \$100,000 must be approved by the Vice President for Business /CFO or an approved designee. These procurements are required to be reported to both the president and the Finance, Investment, and Audit Committee of the Board of Trustees.

Joint Investment Activities

As of December 31, 2024, the total market value of the St. Mary's College of Maryland Foundation's endowment was \$40.48M. The endowment consists of two parts: the endowed funds held at JP Morgan (\$40.2M), and the WesBanco shares (\$2.26M). In FY25, the endowed funds managed by JP Morgan have increased in market value by \$767K, comprised of \$1.04M in donations, \$447K in income, \$1.0K increase in investment value, and distributions of \$1.72M.

St. Mary's College of Maryland's invested endowment funds, managed by 19/19 Investment Counsel, have a market value of \$5.06M as of December 31, 2024. Funds are currently invested in a mix of fixed income instruments and equities. Over a 12-month period, the endowment funds have increased in market value by \$447K, with an annualized rate of return of 9.7%.

St. Mary's College of Maryland Foundation Report

The Foundation's Joint Investment Advisory Committee and the Foundation Board of Directors met on November 7, 2024. The Foundation Board received and approved a clean audit for FY24 from Clifton Larson Allen, LLP.

The Foundation set its FY26 spend rate at an all-time high of 4.95% and the support and service fee at 1.25% at its November meeting. The timing enables the College to know how much private scholarship endowed funds are available for use in recruitment.

The *Taking the Lead/How High Can We Fly?* campaign has generated \$21M with \$4.06M for the LEAD General Fund and \$7.6M for scholarships among other LEAD initiatives. A project initiated by Professor of the College Don Stabile is underway to jumpstart student living space modernization.

Action Items

III.A. Approval of the FY26 Plant Fund Budget

The Committee, with the endorsement of the Technology, Buildings and Grounds Committee, will be asked to review and approve the proposed FY26 plant fund budget in the amount of \$1.662M. The primary source of funding for the plant fund budget comes from the student facility fee. A cost breakdown by priority categories and a listing of FY26 plant projects is included in the materials.



**BOARD OF TRUSTEES
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
JANUARY 30, 2025**

**OPEN SESSION
AGENDA**

- I. DISCUSSION ITEMS**
 - A. FY25 Financial Results (Budget vs. Actual) as of December 31, 2024
 - B. Residence Hall Modernization: FY25 Funding
- II. ACTION ITEMS**
 - A. Approval of the FY26 Plant Fund Budget
- III. INFORMATION ITEMS**
 - A. Strategic Investments from Bond Proceeds
 - B. Reportable Procurement Items
 - C. Joint Investment Activities
 - D. St. Mary's College of Maryland Foundation Report
 - E. Dashboards
 - F. Minutes (Meeting of September 24, 2024)
- IV. MOTION AND VOTE TO CLOSE THE MEETING**

Vote to close the meeting in compliance with Title 10, Subtitle 3 of the General Provisions Article, the Open Meetings Act, for the purposes set forth in the closing statement.

A portion of this meeting will be held in closed session.

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
JANUARY 30, 2025**

**DISCUSSION ITEM I.A.
FY25 FINANCIAL RESULTS (BUDGET VS. ACTUAL) AS OF DECEMBER 31, 2024**

Comprehensive revenue collections are at 72% of the budgeted level as of December 31, 2024. Tuition collected is at 96% of budget and auxiliary enterprise revenue is at 98% of budget. State appropriations to the general fund grant are on track. Interest income is trending lower than the previous year due to the broad decrease in interest rates economy-wide that sufficiently increased in previous fiscal years; however, we are on target with the FY25 budget projection.

All expenditures through the second quarter of FY25 are 51% of the budgeted amount. Operating expenses (non-personnel) are running at 50% of budgeted amount, in line with expectations. Payroll expenditures and benefits are at 51% of budgeted amount.

| ST. MARY'S COLLEGE OF MARYLAND | | | |
|---|---|-----------------------------------|-----------------------------------|
| FY 2025 Operating Budget Revenue and Expense Results as of 12/31/2024 | | | |
| | FY25 BOT Revised Approved Budget | FY25 Budget Results to Date | FY25 |
| | 0% T, 0%F, 3.9% Room, 3.9% Board | As of 12/31/2024 | Variance to Approved Budget |
| Undergraduate* | 1552 FT (403 F) | | |
| In-State Full-Time Student Head Count | 1392 | 1395 | 0% |
| In-State Part-Time Student (Count Per Credit Hour) | 1949 | 620 | (68%) |
| DC Resident Full-Time Student Head Count | 22 | 22 | 0% |
| Out-of-State Full-Time Student Head Count | 137 | 132 | (4%) |
| Out-of-State Part-Time Student (Count Per Credit Hour) | 150 | 46 | (69%) |
| Graduate | | | |
| MAT Program Student Head Count | 14 | 14 | 0% |
| | | | |
| St. Mary's College Revenues | | | |
| Tuition Revenue | | | |
| Undergraduate | | | |
| In-State Full-Time Student Tuition | 16,865,472 | 16,780,672 | (1%) |
| In-State Part-Time Student (Tuition Per Credit Hour) | 584,700 | 186,000 | (68%) |
| DC Resident Full-Time Student Tuition | 486,552 | 436,962 | (10%) |
| Out-of-State Full-Time Student Tuition | 3,862,304 | 3,758,775 | (3%) |
| Out-of-State Part-Time Student (Tuition Per Credit Hour) | 67,500 | 20,700 | (69%) |
| Non-Degree Seeking Tuition Revenue | 15,360 | 11,700 | (24%) |
| Graduate | | | |
| MAT Program Tuition | 231,420 | 126,143 | (45%) |
| Subtotal Tuition Revenue | 22,113,308 | 21,320,951 | (4%) |
| Tuition Waivers Received from Other Institutions | 210,000 | 115,702 | (45%) |
| Total Tuition Revenue | 22,323,308 | 21,436,653 | (4%) |

| | | | |
|--|--------------------------|--------------------------|---------------------|
| Fees | | | |
| Mandatory Fees Undergraduate and Graduate | 4,910,644 | 4,835,391 | (2%) |
| Mandatory Fees Part-Time Students | 102,326 | 14,186 | (86%) |
| Other Fees (Course, Graduation, etc.) | 794,720 | 404,500 | (49%) |
| Reduction for Mandatory Fees Transferred to Student Government Association (SGA) | (425,250) | (218,093) | (49%) |
| Reduction for Mandatory Fees Transferred to Plant Facility Fund | (1,568,700) | (804,519) | (49%) |
| <i>Sub-Total Fees Revenue</i> | <i>3,813,740</i> | <i>4,231,465</i> | <i>11%</i> |
| State Appropriations | | | |
| General Fund (Includes 1% reduction from 1/17/24 - \$386K) | 36,465,675 | 18,425,838 | (49%) |
| FY2025 COLA Salary Adjustments (Final Amount Pending State Calculation) | 1,800,000 | | (100%) |
| HEIF | 2,549,840 | 1,274,920 | (50%) |
| <i>Sub-Total State Appropriation Revenue</i> | <i>40,815,515</i> | <i>19,700,758</i> | <i>(52%)</i> |
| Auxiliary Enterprises | | | |
| Residence Halls | 11,947,312 | 12,317,159 | 3% |
| Dining Services | 7,108,351 | 7,426,799 | 4% |
| Bookstore Operations | 929,000 | 555,139 | (40%) |
| Other Auxiliary Revenue (One Card General Revenue, Study Abroad Tours) | - | 11,087 | |
| <i>Sub-Total Auxiliary Revenue</i> | <i>19,984,663</i> | <i>20,310,185</i> | <i>2%</i> |
| Other Revenue Sources | | | |
| Sales and Services - Educational | 500,000 | 449,481 | (10%) |
| Quasi-Endowment (4% Spending Allocation of Cash Equities) | 176,800 | - | (100%) |
| Interest Income from Cash at State | 850,000 | 419,605 | (51%) |
| Treasurer Note Interest Return from Bond | 462,313 | - | (100%) |
| Foundation Unrestricted Support | 75,000 | - | (100%) |
| Other (Career Center, Registration Fees, Faculty Housing Revenue, Miscellaneous) | 300,000 | 194,667 | (35%) |
| <i>Sub-Total Other Revenue Sources</i> | <i>2,364,113</i> | <i>1,063,753</i> | <i>(55%)</i> |
| <i>Total Operating Revenues</i> | <i>89,301,339</i> | <i>66,742,814</i> | <i>(25%)</i> |
| St. Mary's College Expenses | | | |
| Operating Expenses | | | |
| Contractual Payroll (Includes Student Payroll) | 4,129,680 | 1,600,322 | 61% |
| Travel | 2,321,492 | 637,561 | 73% |
| Utilities and Fuel | 4,015,000 | 1,620,775 | 60% |
| Contractual Services | 7,977,923 | 5,263,132 | 34% |
| Supplies | 2,012,284 | 815,867 | 59% |
| Equipment | 1,375,499 | 631,828 | 54% |
| All Other Operating Expenses | 1,603,924 | 1,175,072 | 27% |
| <i>Sub-Total Operating Expenses</i> | <i>23,435,803</i> | <i>11,744,558</i> | <i>50%</i> |

| | | | |
|---|-------------------|-------------------|------------|
| Auxiliary Expenses | | | |
| Dining Services (Bon Appetit costs) | 4,800,000 | 2,829,086 | 41% |
| Bookstore Operations | 925,000 | 556,009 | 40% |
| Sub-Total Auxiliary Expenses | 5,725,000 | 3,385,095 | 41% |
| Other Expenses | | | |
| Institutional Expense | 500,000 | 15,695 | 97% |
| Debt Services | 3,429,035 | 2,130,278 | 38% |
| Sub-Total Other Expenses | 3,929,035 | 2,145,973 | 45% |
| Scholarship/Waiver Expenses | | | |
| Tuition Waivers | 787,000 | 407,376 | 48% |
| Total Scholarships | 8,750,000 | 4,402,156 | 50% |
| Sub-Total Scholarship/Waiver Expenses | 9,537,000 | 4,809,532 | 50% |
| Sub-Total SMCM Expenses (Non-FT Personnel) | 42,626,838 | 22,085,159 | 48% |
| St. Mary's College FT Personnel Expenses | | | |
| Personnel - Wages | 33,918,647 | 17,525,192 | 48% |
| Personnel - Benefits, Wage Changes, Savings, Miscellaneous | 13,186,792 | 6,733,918 | 49% |
| Sub-Total FT Personnel Expenses | 47,105,439 | 24,259,110 | 49% |
| Total Expenses | 89,732,276 | 46,344,269 | 48% |
| Additional Expenses Beyond Normal Operating Budget | | | |
| FY25 Security Cameras Annual Lease | 234,266 | 90,341 | 61% |
| FY25 ERP Final Implementation Costs | 650,000 | 369,965 | 43% |
| FY25 Support for Middle States Reaffirmation of Accreditation | 66,360 | 26,859 | 60% |
| FY25 Montgomery Hall Temporary Relocation Expense | 325,000 | - | 100% |
| FY25 Modernization of Residence Halls | 600,000 | - | 100% |
| FY25 Wi-Fi Upgrade Project (Carryover from FY24) | 417,475 | 417,475 | 0% |
| FY25 Strategic Plan <i>The Rising Tide</i> Initiatives to the Bond | 1,242,500 | 1,500 | 100% |
| FY25 Strategic Plan <i>The Rising Tide</i> Initiatives to Operating Expenses | 179,000 | 66,180 | 63% |
| Sub-Total Additional Expenses Beyond Normal Operating Budget | 3,714,601 | 972,320 | 74% |
| Additional Revenues Beyond Normal Operating Budget | | | |
| Strategic Initiatives to the Bond (Non-FT Personnel Expenses) | 3,455,480 | - | 100% |
| Carry-Forward of FY24 Surplus to Offset FY24 Unencumbered Expenses | 527,850 | 527,850 | 0% |
| Carry-Forward of FY24 Surplus to Increase FY25 Modernization of Residence Halls | 300,000 | - | 100% |
| Sub-Total Additional Revenues Beyond Normal Operating Budget | 4,283,330 | 527,850 | 88% |
| | | | |
| Grand Total of Revenue (Total Operating Revenue + Additional Revenue) | 93,584,669 | 67,270,664 | 28% |
| Grand Total of Expenses (Total Operating Expenses + Additional Expenses) | 93,446,877 | 47,316,589 | 49% |
| Surplus/(Deficit) | 137,792 | 19,954,075 | |

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
JANUARY 30, 2025
DISCUSSION ITEM I.B.
RESIDENCE HALL MODERNIZATION: SUMMER 25 FUNDING**

Conceptional Funding for the Modernization of Prince George's Hall

| | | |
|--|-------------|--------------------|
| Project funding estimated cost: | | \$4,000,000 |
| <i>(Pending RFP Results)</i> | | |
| Operating FY 25 | \$600,000 | |
| Operating FY26 | \$125,000 | |
| Plant Project FY25 | \$150,000 | |
| Plant Project FY26 | \$100,000 | |
| Foundation | \$525,000 | |
| Quasi | \$2,500,000 | |
| Remaining funds needed for project: | | \$0 |

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
BOARD OF TRUSTEES
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
ACTION ITEM II.A.
APPROVAL OF THE FY26 PLANT FUND BUDGET**

RECOMMENDED ACTION

The Finance, Investment, and Audit Committee recommends approval by the Board of Trustees, with the endorsement of the Technology, Buildings and Grounds Committee, of the proposed FY26 plant fund budget in the amount \$1.587M.

RATIONALE

The Technology, Buildings, and Grounds Committee is charged with the responsibility to establish priorities for capital projects and provide its endorsement to the Finance, Investment, and Audit Committee. The primary source of funding comes from the student facility fee. A cost breakdown by priority categories and a listing of FY26 plant projects is provided.

ST. MARY'S COLLEGE OF MARYLAND
FY26 PLANT PROJECT SUMMARY

FY26 Priority List

| PROJECT | ESTIMATED COST |
|--|---------------------------|
| <u>CAPITAL PROJECTS</u> | |
| Capital Planning Design & Construction Programming & Revisioning | \$120,000 |
| Campus Center - Provide New Great Room Chairs | \$60,000 |
| Campus-wide - Exterior Signage Improvements (Phase 2) | \$193,040 |
| Campus-wide - Interior Signage Upgrades | \$50,000 |
| TOTAL COST OF FACILITIES PROJECTS | \$423,040 |
| MAINTENANCE AND REPAIR | |
| Miscellaneous Maintenance and Repair Projects - Unknown | \$30,000 |
| Plant Contingency | \$30,000 |
| Campus-wide - Roof repairs | \$50,588 |
| Campus-wide - Building Automation | \$20,000 |
| Campus-wide - ADA Automatic Doors | \$15,000 |
| Campuswide - Parking Lot Repairs/Maintenance | \$20,000 |
| Campus Center Kitchen Roof Top Equipment | \$20,000 |
| Lucille Clifton Basement Waterproofing | \$25,000 |
| Lewis Quad and Waring Commons Stairwell Rescreening | \$8,000 |
| Rectory Roof Replacement | \$25,000 |
| Rowing Center Carriage Door Restoration | \$15,000 |
| Schaefer Hall - Environmental Control Room 201-205 Floor Repair | \$10,000 |
| TOTAL COST OF MAINTENANCE AND REPAIR PROJECTS | \$408,588 |

| PROJECT | ESTIMATED COST |
|---|---------------------------|
| PROGRAM SUPPORT | |
| Miscellaneous Enhancements - Unknown | \$12,000 |
| Miscellaneous Site Improvements Projects - Unknown | \$10,000 |
| Admission Welcome Center - Office Privacy Project | \$5,000 |
| Campus Center - Furniture Update - Aldom Lounge | \$40,000 |
| Cobb House - Window Replacement Phase Two | \$30,000 |
| Goodpaster Hall - First Floor Offices | \$20,000 |
| Kent Hall - Adjunct Office Project | \$25,000 |
| Kent Hall - Computer Lab Project | \$20,000 |
| Kent Hall - HVAC Analysis | \$15,000 |
| Library - Landscape Improvements | \$20,000 |
| Mattapany - Landscape Improvements | \$8,000 |
| Montgomery Hall – MH 118 Classroom Furniture Replacement | \$20,000 |
| Schaefer Hall - Attic Water Containment | \$20,000 |
| Schaefer Hall - Attic Water Systems | \$40,000 |
| Schaefer Hall - Greenhouse Renovation Project | \$25,000 |
| Schaefer Hall - Loading Dock Renovations | \$10,000 |
| Wellness Center - Privacy Window and Pass-Through Cabinet Project | \$5,000 |
| TOTAL COST OF PROGRAM SUPPORT PROJECTS | \$325,000 |
| | |
| <u>RESIDENCE HALL RENEWAL PROGRAM</u> | |
| Miscellaneous Residence Hall Repairs | \$30,000 |
| Crescents - New Furniture Phase Three | \$200,000 |
| Residence Hall - Fire Alarm Upgrade Phase Six | \$100,000 |
| Residence Hall Renewal Project Funds | \$100,000 |
| TOTAL COST OF RESIDENCE HALL PROJECTS | \$430,000 |
| | |
| TOTAL COST OF PRIORITY A PROJECTS | \$1,586,628 |

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
JANUARY 30, 2025
DISCUSSION ITEM III.A.
STATUS OF STRATEGIC INVESTMENTS FROM BOND PROCEEDS**

The FY25 anticipated expenses to be supported by the bond currently total \$3.84M. These expenses include strategic planning initiatives that support *The Rising Tide*. The expected remaining balance is \$5.2M for FY26, the final year for initiatives to be funded from bond proceeds. FY25 anticipated bond expenditures and allocated bond spending by category follow.

| FY25 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 Bond Proceeds Drawdown | \$3,789,627 | \$ 9,000,578.47 |
| | | |
| FY25 Projected Anticipated Expenses | | |
| Retaining Excellent Faculty (\$5.0M) | | |
| FY25 Osprey and Eagle Named Junior Professorships | \$1,789,980 | |
| Osprey and Eagle Research Awards | \$80,000 | |
| | | |
| Student Engagement/LEAD Focused Programs (\$5.8M) | | |
| Center for Career and Professional Development - Internships (Strategic Plan II.C.2) | \$288,000 | |
| Study Aboard Program - Financial Assistance (Strategic Plan I.B.2) | \$165,000 | |
| Honors College Promise Program - Student Research (Strategic Plan II.C.2) | \$212,000 | |
| Marine Science Research Vessel | \$513,000 | |
| Marine Science Lab Equipment | \$178,000 | |
| AutoClave Equipment | \$5,500 | |
| | | |
| Student Retention Programs (\$1.0M) | | |
| Expand Seahawk Experience (Strategic Plan II.B.1) | \$25,000 | |
| Rebrand Campus Life Experience (Residential & Commuter Students) (Strategic Plan II.B.3) | \$105,000 | |
| Student Alumni Mentor Program (Strategic Plan II.C.1) | \$12,500 | |
| "Must Go To" Programs (Strategic Plan III.A.1) | \$40,000 | |
| Spanish Speaking Diversity Recruitment Specialist Salary + Benefits Cost (Strategic Plan III.A.2) | \$90,000 | |
| Out of State Recruitment Initiative (Strategic Plan III.B.1) | \$40,000 | |
| Travel/Transitional Grants (Strategic Plan III.B.2) | \$50,000 | |
| International Recruitment (Strategic Plan III.B.2) | \$40,000 | |
| Campus Transportation Initiative (Strategic Plan II.B.4) | \$115,000 | |
| | | |
| Development of New LEAD-Focused Curricular and Co-Curricular Programming (\$2.42M) | | |
| New Program Market Analysis (Strategic Plan I.A.1) | \$25,000 | |
| Create Community-Based Learning Courses (Strategic Plan IV.B.1) | \$35,000 | |
| | | |
| Recruitment of New Faculty and Staff in LEAD Areas (\$1.4M) | | |
| Dr. Elka Porter, Marine Studies Faculty (Year three start-up costs) | \$30,000 | |
| | | |
| | | |
| Current Total of FY25 Projected Anticipated Expenses | \$3,838,980 | \$5,161,598 |

| Allocated Bond Spending by Category | Amount Allocated | Amount Actually Spent in FY22 & FY23 | Amount Actually Spent in FY24 | Amount Projected for FY25 | Balance |
|--|------------------|--------------------------------------|-------------------------------|---------------------------|--------------------|
| Retaining Excellent Faculty | 5,000,000 | | | | |
| Osprey and Eagle Named Junior Professorships | | 3,069,946 | 1,737,845 | 1,789,980 | |
| Osprey and Eagle Research Awards | | 102,974 | 80,000 | 80,000 | |
| Balance Remaining | | | | | (1,860,746) |
| Student Engagement/LEAD Focused Programs | 5,800,000 | | | | |
| Center for Career and Professional Development - Program Enhancements | | 503,508 | | | |
| Center for Career and Professional Development - Internships (Strategic Plan II.C.2) | | 217,599 | 288,000 | 288,000 | |
| Student / Academic Support | | 493,476 | 140,000 | | |
| Study Aboard Program - Financial Assistance (Strategic Plan I.B.2) | | | 81,900 | 165,000 | |
| Honors College Promise Program - Student Research (Strategic Plan II.C.2) | | | 130,000 | 212,000 | |
| Executive Motor Coach Initiative | | | 225,000 | | |
| Marine Science Research Vessel | | | | 513,000 | |
| Marine Science Lab Equipment | | | | 178,000 | |
| AutoClave Equipment | | | | 5,500 | |
| Balance Remaining | | | | | 2,359,017 |
| Student Recruitment/Retention | 1,000,000 | | | | |
| Summer Bridge Program - Sum Primus LLC | | 8,073 | 28,625 | | |
| Presidio for IT Assessment - Resident Hall and Academic Connectivity Improvements | | 122,268 | | | |
| "Must Go To" Programs (Strategic Plan III.A.1) | | | 31,167 | 40,000 | |
| Out of State Recruitment Initiative (Strategic Plan III.B.1) | | | 40,000 | 40,000 | |
| Student Alumni Mentor Program (Strategic Plan II.C.1) | | | | 12,500 | |
| Expand Seahawk Experience (Strategic Plan II.B.1) | | | | 25,000 | |
| Rebrand Campus Life Experience (Residential and Commuter Students) (Strategic Plan II.B.3) | | | | 105,000 | |
| Travel/Transitional Grants (Strategic Plan III.B.2) | | | | 50,000 | |
| International Recruitment (Strategic Plan III.B.2) | | | | 40,000 | |
| Spanish Speaking Diversity Recruitment Specialist Salary + Benefits Cost (Strategic Planning Initiative) | | | | 90,000 | |
| Campus Transportation Initiative (Strategic Plan II.B.4) | | | | 115,000 | |
| Balance Remaining | | | | | 309,617 |
| Development of New LEAD-Focused Curricular and Co-Curricular Programming | 2,420,000 | | | | |
| Throwing Sports Project (Student recruitment/retention) | | 100,000 | | | |
| Marine Science Near Shore Vessel (Maritime 233) | | 98,531 | | | |
| Design Costs for Renovation for Schaefer Hall Marine Science Lab | | 161,800 | | | |
| Iver C. Franzen Maritime - Marine Science Research Vessel Design Services | | 8,000 | 11,500 | | |
| Renovation Costs for Schaefer Hall Marine Science Lab | | | 442,632 | | |
| Marine Science Instructional Lab Equipment (Estimated cost) | | | 30,958 | | |
| Composite Yachts - Design, Research, and Development Services for Marines Science Research Vessel | | | 64,500 | | |
| Create Community - Based Learning Courses (Strategic Plan IV.B.1) | | | 5,000 | 35,000 | |
| Neuroscience - EEG Machine | | | 30,000 | | |
| New Program Market Analysis (Strategic Plan I.A.1) | | | | 25,000 | |
| Balance Remaining | | | | | 1,407,079 |
| Recruitment of New Faculty and Staff in LEAD Areas | 1,400,000 | | | | |
| Academic Search (Senior Professor of Business Administration) | | 52,975 | | | |
| Dr. Elka Porter - Marine Studies Faculty (Base salary + start-up costs) (Two years began in FY23) | | 115,628 | 20,000 | 30,000 | |
| Dr. Silvio Borrero, William Seale Professor of Business (Base salary + start-up costs + moving expenses) (Two years began in FY23) | | 15,000 | 23,000 | | |
| Coordinator of Studio Art (Base salary + FICA) (Two years began in FY24) | | | 71,500 | | |
| Marine Science Instructional/Lab Coordinator (Base salary + FICA) (Two years began FY24) | | | 78,000 | | |
| Assistant Professor of Business (Base salary + FICA) (Two years began FY24) | | | 125,500 | | |
| Performing Arts, Theatre Visiting Assistant Professor (Base salary + FICA) (Two years began FY24) | | | 78,000 | | |
| Balance Remaining | | | | | 790,397 |
| Enhanced Business Efficiency | 500,000 | | | | |
| NEC Campus Phone System Upgrade | | 540,073 | | | |
| All Marine - Install Boat Lift at the River Center | | 8,162 | | | |
| Balance Remaining | | | | | (48,235) |
| Operating Budget Contingency | 2,200,000 | | | | |
| No Cost to Date | | - | - | - | |
| Balance Remaining | | | | | 2,200,000 |

BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
JANUARY 30, 2025
INFORMATION ITEM III.B.
REPORTABLE PROCUREMENT ITEMS

In accordance with the College's Internal Procurement Requirements and Practices Statement, as well as the Board-approved Authority and Responsibility Matrix, all purchase orders and contracts that exceed \$100,000 must be approved by the Vice President for Business /CFO or an approved designee. These procurements are required to be reported to both the president and the Finance, Investment, and Audit Committee of the Board of Trustees.

The following procurement items were approved during the period September 17, 2024 to January 16, 2025.

| Payee | Description | Amount |
|---------------------|--|-------------|
| Composite Yacht | Marine Science Vessel | \$1,393,000 |
| Fisher Scientific | Marine Science Lab Equipment | \$155,825 |
| Data Networks | Security Cameras and Network Upgrade | \$274,151 |
| W.L. Gary Co., Inc. | Prince George Hall Chiller Replacement | \$153,900 |

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
JANUARY 30, 2025
INFORMATION ITEM III.C.
JOINT INVESTMENT ACTIVITIES**

The Foundation's Joint Investment and Advisory Committee met on November 7, 2024, 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 December 31, 2024, the total market value of the Foundation's endowment was \$40.48M. The endowment consists of two parts: the endowed funds held at JP Morgan (\$40.2M), and the WesBanco shares (\$2.26M).

In FY25, the endowed funds managed by JP Morgan have increased in market value by \$767K, comprised of \$1.04M in donations, \$447K in income, \$1.0K increase in investment value, and distributions of \$1.72M.

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

Invested endowment funds, managed by 19/19 Investment Counsel, have a market value of \$5.06M as of December 31, 2024. Funds are currently invested in a mix of fixed income instruments and equities.

Over a 12-month period, the endowment funds have increased in market value by \$447K, with an annualized rate of return of 9.7%.

St Mary's College of Maryland Foundation, Inc
Consolidated Investment Statement
for the periods ending 1/31/2024 to 12/31/2024

| | 1/31/2024 | 2/29/2024 | 3/31/2024 | 4/30/2024 | 5/31/2024 | 6/30/2024 | 7/31/2024 | 8/31/2024 | 9/30/2024 | 10/31/2024 | 11/30/2024 | 12/31/2024 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Portfolio | | | | | | | | | | | | |
| *** Endowed Funds | 37,168,225 | 37,762,001 | 38,571,396 | 38,024,977 | 39,051,051 | 39,457,702 | 40,021,152 | 40,606,100 | 41,954,874 | 41,387,016 | 40,651,216 | 40,224,468 |
| Gift Annuities | 1,114,738 | 1,118,731 | 1,146,768 | 1,111,972 | 1,148,394 | 1,163,435 | 1,185,865 | 1,125,915 | 296,325 | 290,904 | 298,175 | 291,650 |
| Current Funds | 7,311,034 | 7,313,401 | 7,348,610 | 7,343,162 | 7,390,191 | 7,023,819 | 7,079,733 | 7,128,156 | 7,174,723 | 7,167,565 | 7,661,477 | 7,720,616 |
| Endowment Funds Spending | 1,056,004 | 1,060,448 | 1,064,593 | 1,069,061 | 1,073,373 | 1,077,889 | 1,082,255 | 1,086,779 | 1,091,299 | 1,095,578 | 1,441,787 | 1,445,911 |
| Total Invested Accounts Market Value | 46,650,001 | 47,254,581 | 48,131,367 | 47,549,172 | 48,663,009 | 48,722,845 | 49,369,005 | 49,946,950 | 50,517,221 | 49,941,064 | 50,052,656 | 49,682,645 |
| Endowed Funds Cash Account | 1,297 | 1,297 | 1,297 | 1,297 | 1,298 | 2 | 1,225 | 1,225 | 1,225 | 1,225 | 1,226 | 1,201 |
| Gift Annuity Cash Account | 5,267 | 21,917 | 18,566 | 14,879 | 11,529 | 8,178 | 4,491 | 81,141 | 77,790 | 74,103 | 70,753 | 67,402 |
| SGA Investment | 635,072 | 675,620 | 681,537 | 642,100 | 649,693 | 684,452 | 693,992 | 689,851 | 723,686 | 718,297 | 778,805 | 778,518 |
| Total Portfolio | 47,291,637 | 47,953,415 | 48,832,767 | 48,207,448 | 49,325,529 | 49,415,477 | 50,068,713 | 50,719,167 | 51,319,922 | 50,734,690 | 50,903,440 | 50,529,766 |
| Other Assets | | | | | | | | | | | | |
| Perpetual Trust | 1,571,003 | 1,614,898 | 1,654,139 | 1,594,101 | 1,577,847 | 1,598,442 | 1,627,523 | 1,663,646 | 1,692,271 | 1,651,762 | 1,702,568 | 1,657,432 |
| *** WesBanco shares | 231,845 | 229,000 | 235,559 | 213,354 | 218,095 | 220,545 | 251,916 | 254,523 | 235,322 | 248,518 | 279,257 | 257,131 |
| Cash | | | | | | | | | | | | |
| Checking Account | 2,224,312 | 1,798,018 | 2,100,168 | 1,396,934 | 1,389,664 | 924,446 | 945,260 | 1,229,338 | 1,303,017 | 2,036,636 | 2,163,582 | 3,089,001 |
| Total | 51,318,797 | 51,595,331 | 52,822,633 | 51,411,837 | 52,511,135 | 52,158,909 | 52,893,412 | 53,866,674 | 54,550,532 | 54,671,605 | 55,048,847 | 55,533,330 |

Notes

*** The Foundation endowment is comprised of the 'Endowed Funds' and the WesBanco Shares .
The College holds a quasi-endowment in addition to the above funds

St. Mary's College of Maryland Endowment Fund
Investment Portfolio Performance Summary as of December 31, 2024

| Period From Date | Period To Date | Beginning Monthly Market Value | Ending Monthly Market Value | Monthly Change Market Value |
|-----------------------------------|-------------------|-----------------------------------|--------------------------------|--------------------------------|
| 11/30/2023 | 12/31/2023 | | 4,610,779 | |
| 12/31/2023 | 1/31/2024 | \$4,610,779 | \$4,627,819 | \$17,040 |
| 1/31/2024 | 2/29/2024 | \$4,627,819 | \$4,703,622 | \$75,803 |
| 2/29/2024 | 3/31/2024 | \$4,703,622 | \$4,790,106 | \$86,484 |
| 3/31/2024 | 4/30/2024 | \$4,790,106 | \$4,652,187 | -\$137,919 |
| 4/30/2024 | 5/31/2024 | \$4,652,187 | \$4,758,800 | \$106,613 |
| 5/31/2024 | 6/30/2024 | \$4,758,800 | \$4,856,468 | \$97,668 |
| 6/30/2024 | 7/31/2024 | \$4,856,468 | \$4,936,438 | \$79,970 |
| 7/31/2024 | 8/31/2024 | \$4,936,438 | \$5,023,495 | \$87,057 |
| 8/31/2024 | 9/30/2024 | \$5,023,495 | \$5,083,255 | \$59,760 |
| 9/30/2024 | 10/31/2024 | \$5,083,255 | \$4,990,981 | -\$92,274 |
| 10/31/2024 | 11/30/2024 | \$4,990,981 | \$5,150,984 | \$160,003 |
| 11/30/2024 | 12/31/2024 | \$5,150,984 | \$5,058,172 | -\$92,812 |
| | | | | |
| Annualized Gain/(Loss) in Dollars | | | | \$447,393 |
| Annualized Rate of Return | | | | 9.70% |

ST. MARY'S COLLEGE OF MARYLAND FOUNDATION, INC. REPORT

Date of Meeting: January 30, 2025

Reporter: Dan Schiffman '91, SMCM Foundation President

The Foundation's Joint Investment Advisory Committee (JIAC) and the Foundation Board of Directors met on November 7, 2024. The Foundation Board received and approved a clean audit for FY24 from CliftonLarsonAllen. The Board commended the Foundation team's continual and successful due diligence, noting that donors expect integrity and work executed ethically without concern.

The total market value of the Foundation's endowment was \$40.48M as of December 31, 2024. The JIAC heard a report from the Foundation's investment manager, J.P. Morgan, noting the portfolio's strong year-to-date performance with a 12.2% gain through the first nine months of the year and a 21% return for marketable portions. The JIAC discussed the portfolio's performance, risks, trends and benchmarks. It also discussed and recommended to the Foundation Board a \$1.5M private equity investment of which the Foundation approved.

The Foundation annually sets the endowment's spend rate and support and service fee, as recommended by the JIAC, at its November meeting. The timing is to allow the College to know how much is available in private scholarship endowed funds so they can be offered to the FY26 incoming class now being recruited. The Foundation accepted JIAC's recommendation to set the FY26 spend rate at an all-time high of 4.95% and the support and service fee at 1.25%. JIAC Chair Nicole West pointed to successful stewardship, fundraising and strong investment performances as reasons to enable the increased spend rate.

The JIAC will be taking the lead on creating an RFP for an investment manager, a process dictated by the Bylaws every seven years. The details of the RFP, including evaluation criteria, were discussed along with a timeline. A review committee was formed and the JIAC will be finalizing the RFP at its February meeting. It was noted that the RFP process would inform and enhance the JIAC's annual review of the Foundation's investment asset allocation. The aim is to choose a manager by early fall 2025.

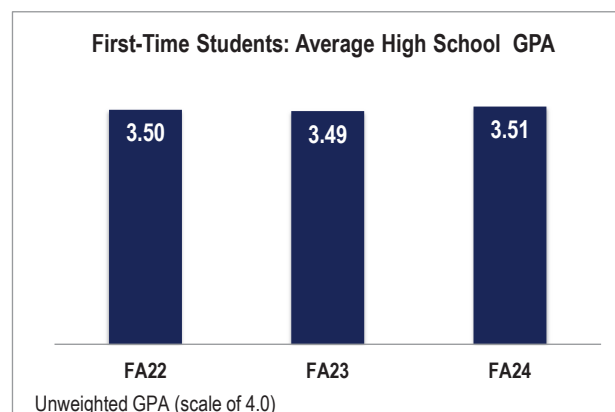
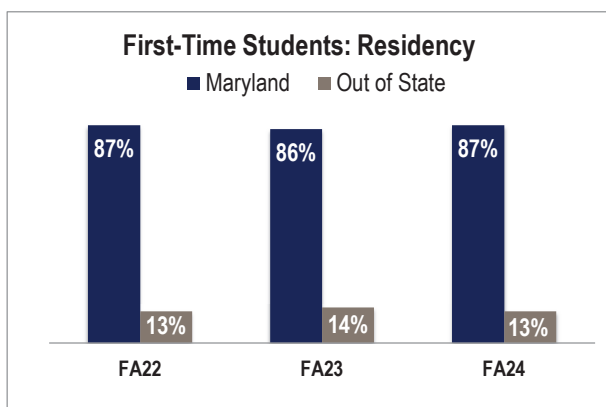
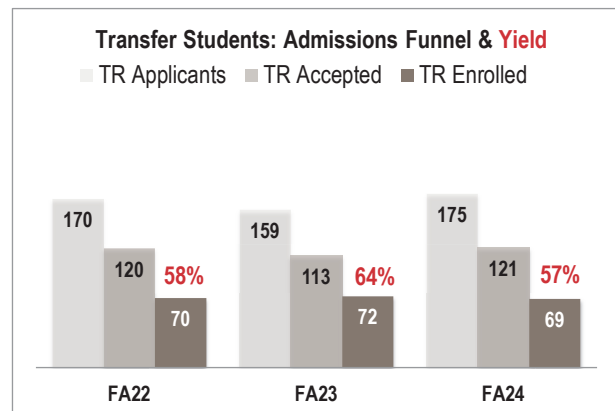
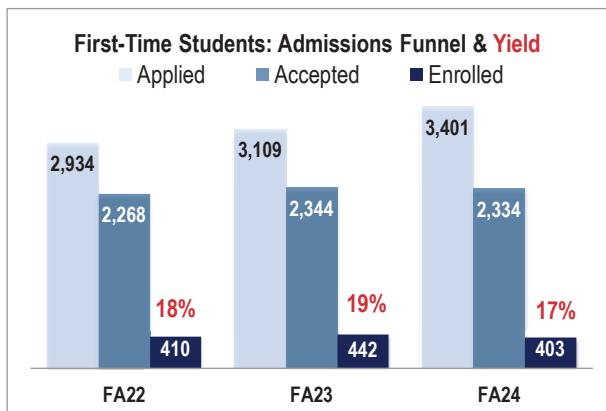
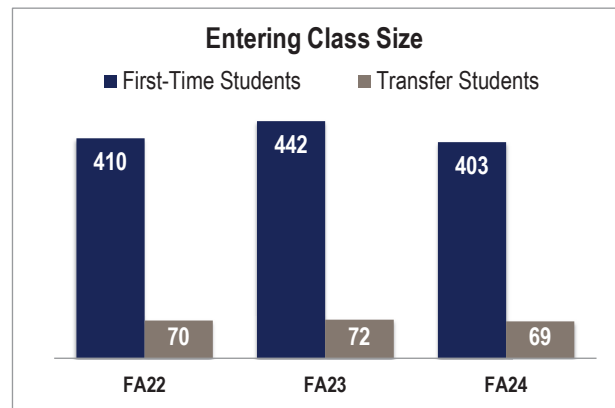
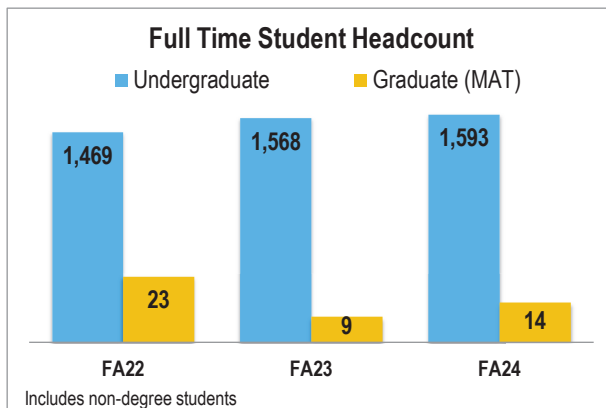
Foundation Executive Director Carolyn Curry provided an update on the Taking the Lead/How High Can We Fly? campaign ending June 2025. \$1M had been raised by the November meeting toward an annual goal of \$3M. To date, the total campaign has generated \$21M (105.49%) with \$4.06M for the LEAD General Fund and \$7.6M for scholarships among other LEAD initiatives. A project initiated by Professor of the College Don Stabile is underway to jumpstart student living space modernization. The aim is to raise up to \$1.6M by June to renovate restrooms--a priority among many students-- in one traditional hall this summer. The goal is to integrate the effort into a longer-term College residence hall plan that will help recruit and retain students.

With Giving Tuesday coming up, Director Tomi Hiers challenged the Board to give at least \$2k each; the Board ultimately achieved 100% participation with several \$5-10K gifts. Because of the Foundation's role in revenue generation, the Foundation Board president will, beginning in January 2025, report out to the Trustees Finance, Investment and Audit Committee rather than the Institutional Advancement Committee.

Board of Trustees Dashboard - January 2025

Student Characteristics in Enrollment

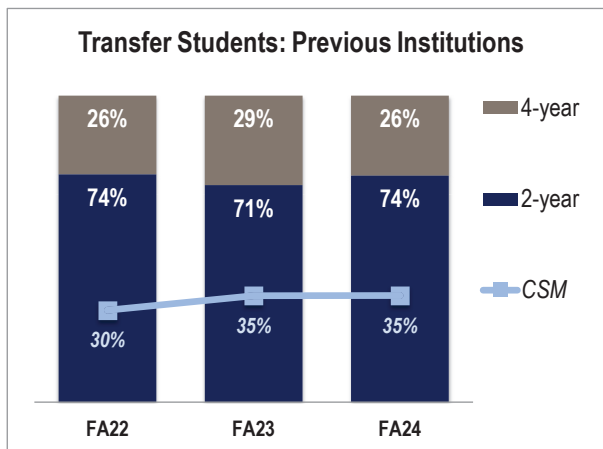
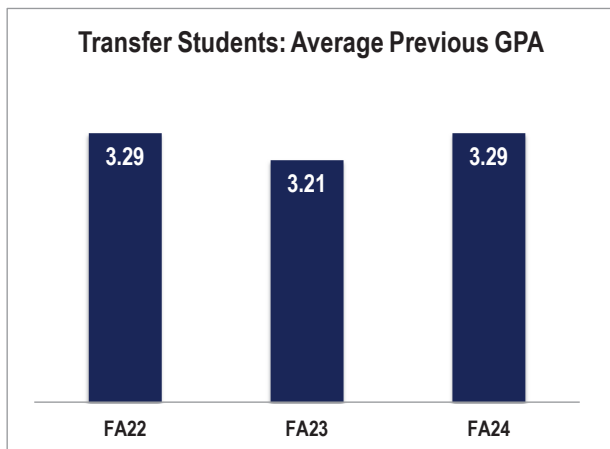
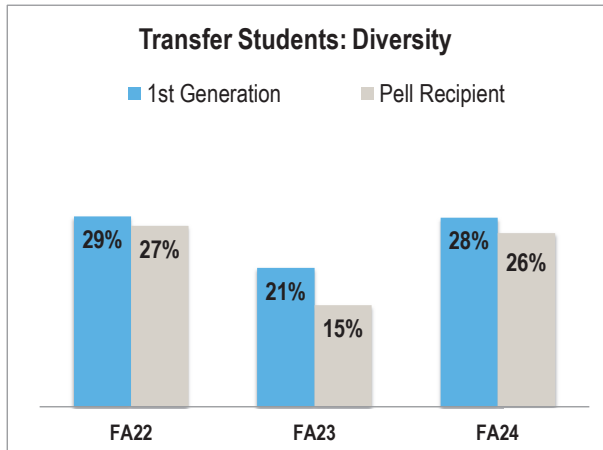
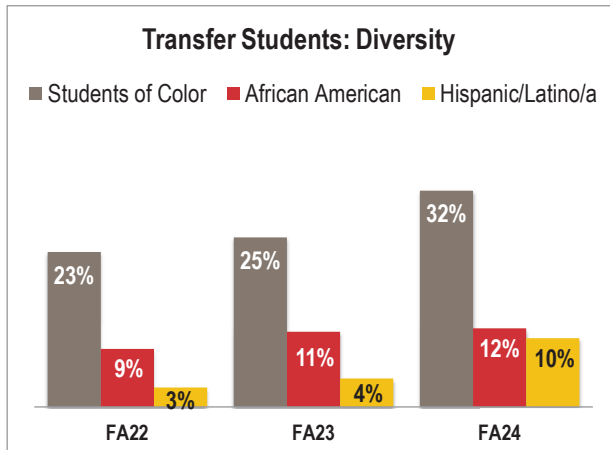
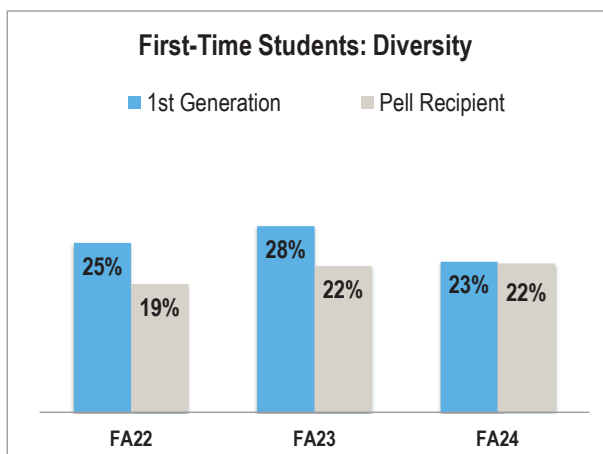
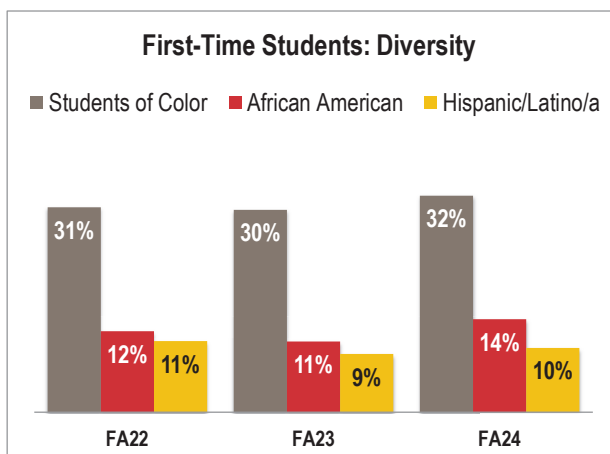
Fall 2024 figures based on final census (freeze) data, 9/23/2024



Board of Trustees Dashboard - January 2025

Student Characteristics in Enrollment

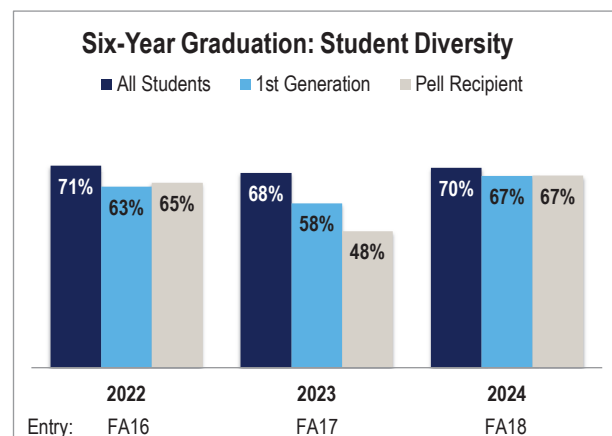
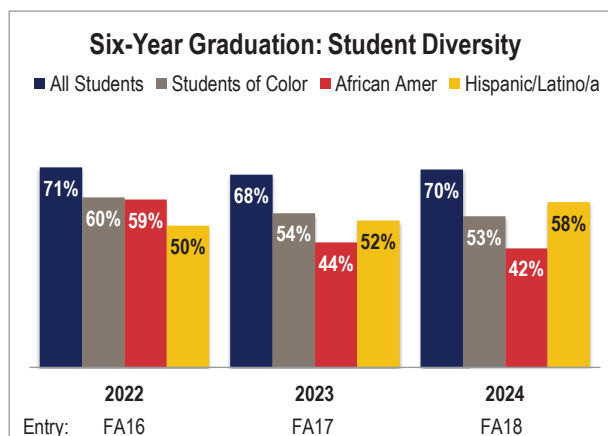
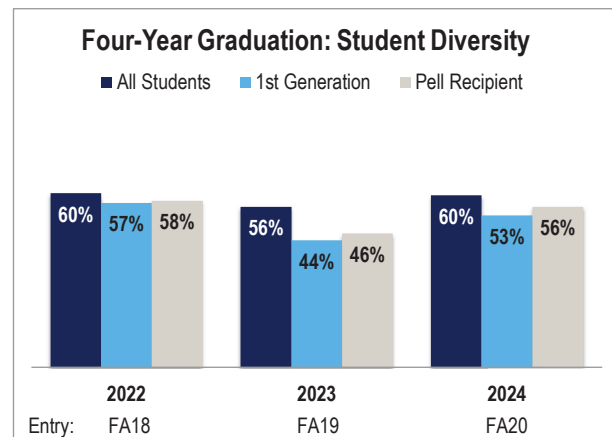
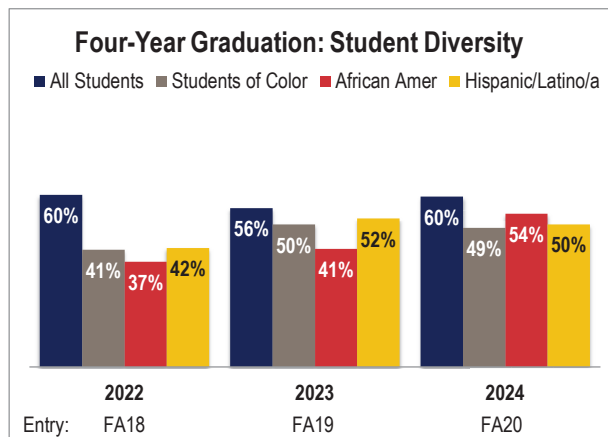
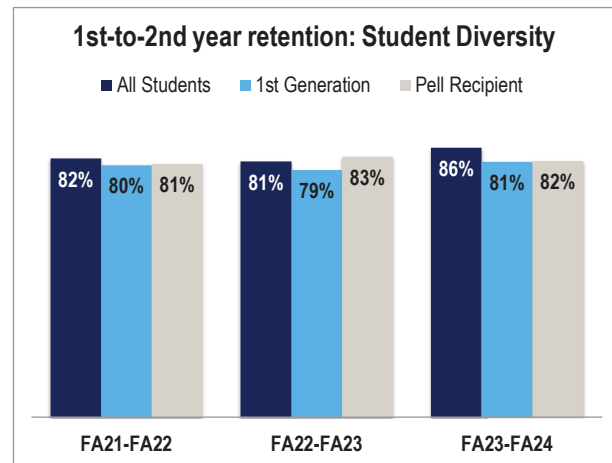
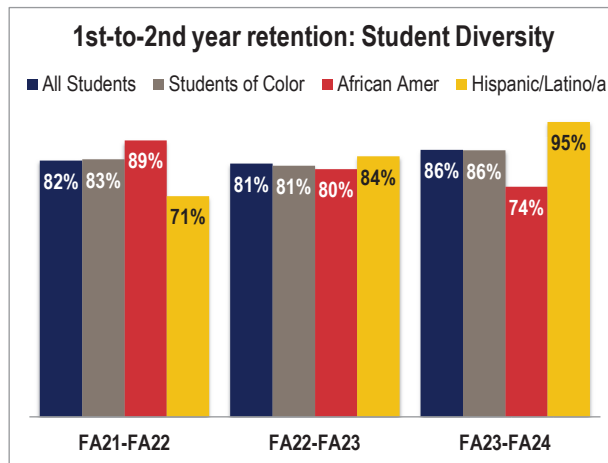
Fall 2024 figures based on final census (freeze) data, 9/23/2024



Board of Trustees Dashboard - January 2025

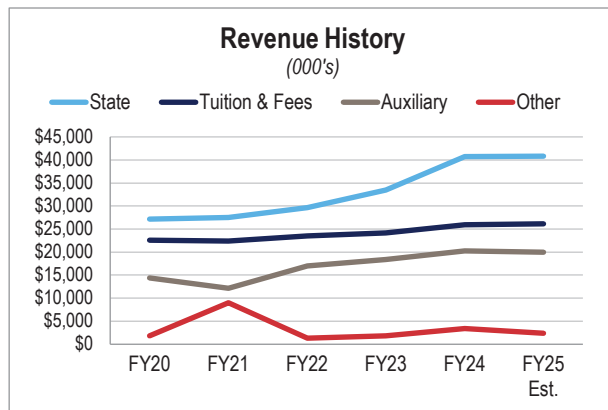
Student Retention and Persistence (First-Time Students)

Fall 2024 figures based on final census (freeze) data, 9/23/2024

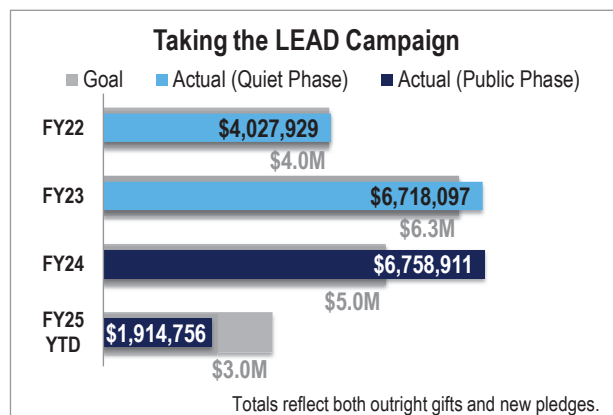
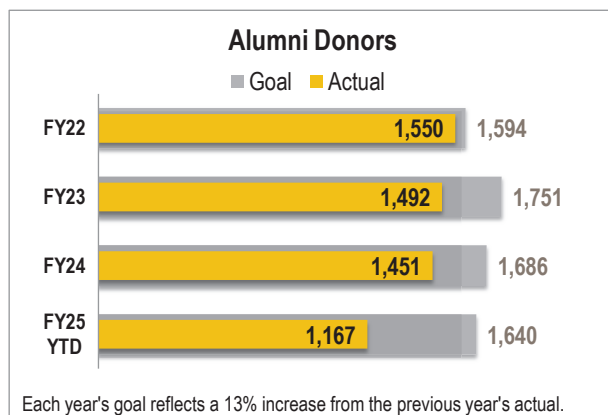


Board of Trustees Dashboard - January 2025

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: September 24, 2024 **Status of Minutes:** Approved November 20, 2024

Committee Members Present: Committee Chair John Wobensmith '93, Nicolas Abrams '99, Anirban Basu, Board Chair John Bell '95, Lex Birney, Susan Lawrence Dyer, Faculty Finance Delegate Chuck Holden, President Tuajuanda Jordan, Ray Wernecke

Committee Members Absent: Sven Holmes

Staff Member: Amir Mohammadi

Others Present: Betsy Barreto, Anne Marie Brady, Mary Broadwater, David Cannavo, Carolyn Curry, Brandon Engle, Mary Grube, David Hautanen, Jerri Howland, Shannon Jarboe, Gretchen Phillips, Jenell Sargent, Chuck Steenburgh, David Taylor, Jackie Wright, Anna Yates

Executive Summary

Finance, Investment, and Audit Committee Chair John Wobensmith '93 called the open session meeting to order at 3:13 p.m. The meeting took place via videoconference.

Presentation: FY24 and FY25 Tuition and Fees Analysis Highlights

Interim Vice President / CFO Amir Mohammadi provided the Committee with a thorough overview of the FY24 revenues and expenses, and the FY25 budget revisions. Tuition revenue was less than projected, while fees were higher than anticipated. Tuition revenues and state appropriation totals were 2% higher than projected and there were increases in dining and interest income.

Non-operating expenses for FY24 include \$110K that was brought forward for faculty start-up and \$417K for the Wi-Fi upgrades. The results summary reflected an overall surplus of \$332K, which will be placed into the College's fund balance.

In June, the College was informed of a 1% (\$386K) reduction in its state appropriation. This resulted in revenue that was 1% lower than the amount previously approved by the Board of Trustees.

The revised budget includes an additional \$300K for residence hall modernization in FY25, bringing the total to \$600K, operating revenues totaling \$89.3M. and expenses totaling \$89.7M, resulting in a surplus of \$137.7K.

Discussion Items

Status of the FY24 Operating Budget Closing and the Annual Financial Statement Audit

The fiscal year closed on June 30, 2024. On a cash basis, actual current fund unrestricted revenues were \$90.329M. Expenditures and transfers totaled \$92.959M, which was \$2.740M more than the \$90.219M that was budgeted. Overall, expenses exceeded revenue by \$2.63M, and \$3.790M from the 2020 revenue bond supported approved operating expenditures, which produced a net positive year-end position of \$332K.

The entrance interview with audit firm Clifton, Larsen, Allen, LLP (CLA) took place in June. The fieldwork visit was conducted by CLA on September 18, 2024. The audited financial statements are on track to be presented to the Finance, Investment, and Audit Committee and to the Board of Trustees for review and approval in January 2025.

Status of Strategic Investments from Bond Proceeds

A list of the FY25 anticipated expenses to be supported by the bond total \$3.83M with a remaining balance of \$5.2M for FY26, which is the final year for initiatives funded by the bond.

Information Items

Moody's Rating

Moody's noted that the College's credit quality incorporated its excellent operating environment, solid financial support from the state, and its unique role as the state's only stand-alone, residential public honors college. On June 20, 2024, Moody's Investors Service reaffirmed the College's A2 rating with the change to a negative outlook.

Joint Investment Activities

As of August 31, 2024, the total market value of the St. Mary's College of Maryland Foundation's endowment was \$40.86M. The endowment consists of \$40.6M held at JP Morgan and WesBanco shares in the amount of \$255K. In FY25, the endowed funds managed by JP Morgan increased in market value by \$1.14M, comprised of \$83K in income, \$1.1K increase in investment value, and distributions of \$37K.

The St. Mary's College of Maryland Endowment and Quasi Endowment, managed by 19/19 Investment Counsel, have a combined market value of \$5.02M of August 31, 2024. Funds are currently invested in a mix of fixed income and equities. Endowment funds have increased in market value by \$646K, with an annualized rate of return of 14.77% over the past 12 months.

Going forward, Committee Chair Wobensmith requested that the Joint Investment Activity report reflect the most current value (end of month preceding the Committee meeting) of the College and Foundation endowments.

Action Items

II.A. Revision of FY25 Current Fund Unrestricted Budget

The FY25 current fund operating budget was developed to support the College in its mission to provide high-quality, public, post-secondary education. The proposed revision incorporated projected enrollment based on the latest data and a 1% reduction of the state appropriation initiated on July 17, 2024. Operating expense revisions include a reduction in projected utility

costs, increases to incorporate academic faculty start-up carry-forward from FY24, funding to enhance the residence hall modernization, and funding for the Wi-Fi upgrade. The FY24 budget surplus was carried forward to offset FY24 unencumbered expenses. The additional funds were designated for the modernization of residence halls planned for FY25.

Committee Chair John Wobensmith '93 asked for a motion to approve the action item as presented. A motion was made by Trustee Susan Lawrence Dyer and seconded by Faculty Finance Delegate Chuck Holden. The motion passed unanimously.

II.B. Reconciliation of FY25 Plant Fund Budget

The Committee was asked to review and approve revisions to the FY25 plant fund budget, which included new projects that were approved by the Board of Trustees in February 2024. The remaining FY25 balance is \$3.5M, with \$2.188M in expenses that are related to the Calvert Hall fire.

Committee Chair John Wobensmith '93 asked for a motion to approve the action item as presented. A motion was made by Trustee Nick Abrams '99 and seconded by Trustee Susan Lawrence Dyer. The motion passed unanimously.

II.C. Approval of the 2024 Performance Accountability Report

With endorsement from the Campus Life and Academic Affairs Committees, the Committee was asked to approve the 2024 Performance Accountability Report. The Performance Accountability Report (PAR) 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, strengths, and challenges. Maryland law requires the submission of the PAR to the Maryland Higher Education Commission for review, and final submission to the Governor and General Assembly.

Committee Chair John Wobensmith '93 asked for a motion to approve the action item as presented. A motion was made by Trustee Nick Abrams '99 and seconded by Trustee Lex Birney. The motion passed unanimously.

The open session meeting adjourned at 4:44 p.m. Chair Wobensmith then asked that the meeting go into closed session.

Summary of Closed Session

Time: 4:45 p.m.

Location: Virtual

Purpose: To discuss a matter directly related to a negotiation strategy or the contents of a bid or proposal, and the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction; and including matters that relate to the academic data, student demographics, faculty data, and instructional costs of the College.

Motion to close the meeting made by: Trustee Susan Lawrence Dyer

Seconded by: Trustee Nicolas Abrams '99

Names of members voting aye: Committee Chair John Wobensmith '93, Nicolas Abrams '99, Anirban Basu, John Bell '95, Board Chair Susan Lawrence Dyer, President Tuajuanda Jordan, Ray Wernecke

Members opposed: None

Abstaining: None

Statutory authority to close session: In accordance with Md. Gen. Prov. Code Ann. § 3-305 (b) to discuss the matters set forth on the closing statement, specifically: (1) academic program analyses, the legislative audit, staffing reorganizations, and management of the College's endowment.