

BOARD OF TRUSTEES
FINANCE, INVESTMENT, AND AUDIT COMMITTEE

OPEN SESSION
REPORT SUMMARY

Date of Meeting: February 4, 2022

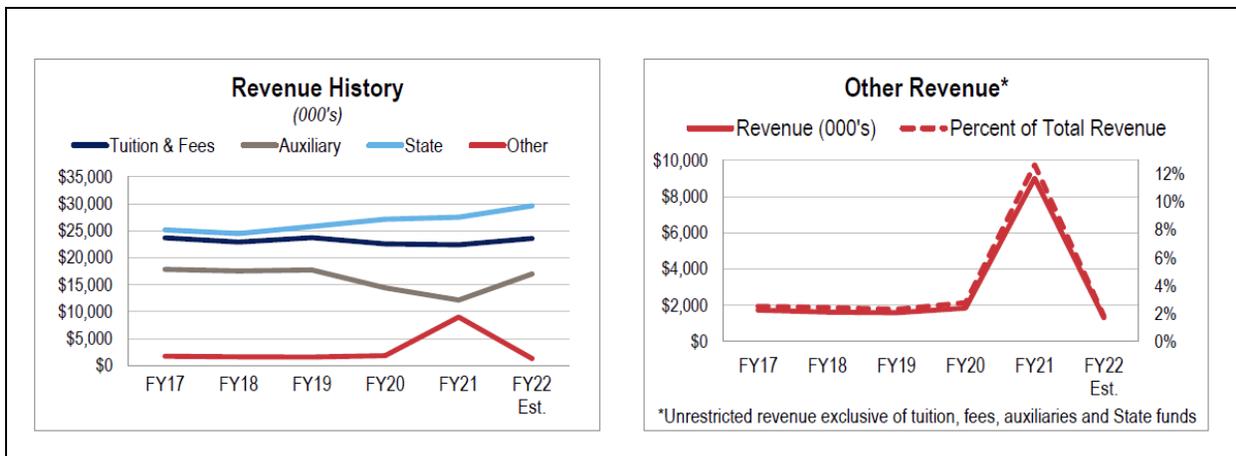
Date of Next Meeting: May 12, 2022

Committee Chair: John Wobensmith '93

Committee Members: Anirban Basu, John Bell '95, Board Chair Susan Dyer, Sven Holmes, President Tuajuanda Jordan, William Seale, Faculty Finance Delegate Shanen Sherrer, Ray Wernecke

Staff Member: Paul Pusecker

Dashboard Metrics



Executive Summary

Discussion Items

Operational Funding Request for the Performing Arts Center and Learning Commons Annex
Construction of the Performing Arts Center and Learning Commons Annex is scheduled for completion in Summer 2022. To operate this new academic facility, the College requested a permanent increase to the General Fund Grant via an over-the-target funding request. The increase would provide funds for the maintenance, operations, and staffing needs of these buildings.

On January 19, 2022, the Governor released his FY23 budget recommendations. This operational funding request was not included as an increase to the College's General Fund Grant. However, subsequent conversations with the Department of Budget and Management (DBM) leadership indicated that this was an oversight, and that the funding request will be supported

and added to the Governor's supplemental funding action. We remain optimistic that this increase will occur in FY23.

Strategic Investments from Bond Proceeds

At the request of the Finance, Investment, and Audit Committee, Trustees approved the primary categories of strategic expenditures from the private market bond and delegated authority to commit these resources to the President at the May 7, 2021 Board of Trustees meeting.

As presented at both the October 14, 2021 Finance, Investment, and Audit Committee meeting and the October 15, 2021 Board of Trustees meeting, the remaining balance of the bond proceeds was \$16.115M. Subsequent to the October meetings, an additional \$135K has been encumbered with a balance remaining of \$15.981M. Spending details are included in the meeting material.

FY22 Financial Results to Date

Overall, revenue collections are 77% of the budgeted level, 14.1% higher than the equivalent period last year, with auxiliary enterprises and tuition recovering from the depressed levels last year. State appropriations to our General Fund Grant are on track with first-half expectations.

Operating expenditures in FY22 are 11.5% higher than last year. As anticipated, several areas of expenditures are 13.2% (utilities) to 40.4% (dining) higher than the prior year comparison. Debt service is higher due to increased interest expense on the bond issued in March 2021. Dining and bookstore expenses are higher due to increased on-campus participation this year. Scholarship expense is 14.7% higher than the prior year. Wages and benefit costs for the College are basically level. Revenue and expense details are included in the meeting materials.

Faculty and Staff Equity Increase

The College remains committed to providing equitable pay for its faculty and staff. Attracting and retaining excellent faculty and staff is integral to the College's success. Equity increases are intended to ensure that the wages of College employees are close to that of the market median.

Numerous compensation equity, reclassification, and promotion actions occurred in January 2022. These actions provided annualized salary increases to faculty and staff, which have not been possible over the past several years due to financial constraints preventing the College from adequately addressing salary equity, compression, and general wage issues for employees in a comprehensive manner. Consequently, in recent years, most of our employee salary increases have been limited to the State supported Cost of Living Allowance (COLA) increases.

In total, 192 employees received a salary increase, including 67 faculty members. The total annualized cost for these increases approached \$672K. The College intends to continue performing these analyses periodically, and if recurring funds are projected to be available, continue to address remaining inequalities.

Financial Inputs and Impacts

The Finance, Investment, and Audit Committee Chair requested a short tutorial for all Committee members on College revenue streams, approval authority, and to reinforce the distinction between unrestricted and restricted funding sources. Further, an explanation of the

annual expense rollover from current fund year to the following fiscal year is provided in the meeting materials.

Information Items

Authority and Responsibility Matrix

The Authority and Responsibility Matrix, approved by the Board of Trustees on May 2, 2015, is included in the meeting material. The Authority and Responsibility Matrix was developed to provide an accurate and clear summary of the responsibilities of the Board of Trustees, the President, and the officers of the College regarding various functions and operations.

Joint Investment Activities

As of November 30, 2021, the total market value of the Foundation's endowment was \$41M. The Foundation's endowment is comprised of three parts: a portion of the JP Morgan portfolio (\$40M), the Student Investment Group (SIG) account (\$856K), and WesBanco shares (\$257K). Of the endowment managed by JP Morgan, the fiscal year-to-date increase in market value of \$1.1M includes \$189K in contributions, \$204K in income, \$728K increase in investment value. The overall rate of return current fiscal year-to-date is 3.8%.

The College holds investments totaling \$4.8M consisting of Endowment and Quasi-Endowment. \$3.8M are funds functioning as endowment (Quasi) and \$1M represents the Blackstone Endowment. Invested endowment funds, managed by 19/19 Investment Council, have a market value of \$4.8M as of December 31, 2021. Funds are currently invested in a mix of fixed income instruments and equities. The overall rate of return is 8.80% on an annualized basis as of June 30, 2021. The remaining \$295K of College endowment is currently held in a cash investment pool by the State Treasurer.

Reportable Procurement Items

A list of reportable procurement items is included in the meeting materials.

Dashboards

Current College dashboards are included in the meeting materials.

Action Item(s) related to specific strategic plan goals as appropriate:

II.A. FY 23 Tuition, Fees, Room and Board Rates

The Finance, Investment, and Audit Committee recommends that the Board of Trustees authorize student rates for tuition for FY23 (academic year 2022-2023) to remain equal to the FY22 rates (0% increase for each rate category). Further, the Finance, Investment, and Audit Committee recommends that the Board of Trustees authorize an increase of 2% for mandatory fees and room rates for FY23. For board (dining) rates, the College is seeking a 4% increase due to inflation, resulting in a higher cost of goods and services, as well as personnel costs associated with minimum wage increases and Union wage negotiation increases that will impact FY23. This action is applicable for Maryland resident undergraduate students, non-resident undergraduate students, DC resident undergraduate students, and MAT students.



**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF FEBRUARY 4, 2022**

**OPEN SESSION
AGENDA**

I. DISCUSSION ITEMS

- A.** Operational Funding Request for the Performing Arts Center and Learning Commons Annex (NABA)
- B.** Strategic Investments from Bond Proceeds
- C.** FY22 Financial Results to Date
- D.** Faculty and Staff Equity Increase
- E.** Financial Inputs and Impacts

II. ACTION ITEMS

- A.** FY23 Tuition, Fees, Room, and Board Rates

III. INFORMATION ITEMS

- A.** Authority and Responsibility Matrix
- B.** Joint Investment Activities
- C.** Reportable Procurement Items
- D.** Dashboards
- E.** Minutes (Meeting of October 15, 2021)

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

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF FEBRUARY 4, 2022
DISCUSSION ITEM I.A.
OPERATIONAL FUNDING REQUEST FOR THE PERFORMING ARTS
CENTER AND LEARNING COMMONS ANNEX**

Construction of the Performing Arts Center and Learning Commons Annex is scheduled for completion in Summer 2022. To operate this new academic facility, the College requested a permanent increase to the General Fund Grant via an over-the-target funding request. The increase would provide funds for the maintenance, operations, and staffing needs of these buildings.

FY23: \$637K (Partial support due to timing of personnel hiring)
FY24 and beyond: \$746K/year annualized

Specifically, annual utility costs (electric, propane, water/sewer) are forecasted at \$200K annually. Office support, consumables, service contracts, contract labor, and anticipated overtime costs will approach \$100K. Permanent costs (8 FTE– custodial, grounds, maintenance trades, administrative, house manager, technical) will approach \$450K annually.

On January 19, 2022, the Governor released his FY23 budget recommendations. This operational funding request was not included as an increase to the College's General Fund Grant. However, subsequent conversations with the Department of Budget and Management (DBM) leadership indicated that this was an oversight, and that the funding request will be supported and added to the Governor's supplemental funding action. We remain optimistic that this increase will occur in FY23.

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF FEBRUARY 4, 2022
DISCUSSION ITEM I.B.
STRATEGIC INVESTMENTS FROM BOND PROCEEDS**

At the request of the Finance, Investment, and Audit Committee, Trustees approved the primary categories of strategic expenditures from the private market bond and delegated authority to commit these resources to the President at the May 7, 2021 Board of Trustees meeting.

The Board 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.

As presented at both the October 14, 2021 Finance, Investment, and Audit Committee meeting and the October 15, 2021 Board of Trustees meeting, the remaining balance of the bond proceeds was \$16.115M. Subsequent to the October meetings, an additional \$135K has been encumbered with a balance remaining of \$15.981M. Spending details follow.

Future anticipated encumbrances from the bond proceeds, within the spending guidelines as approved by the Board of Trustees, over the next six months will include:

Executive Director, Center for Career and Professional Development	\$140,800*
Director, Career Development, Center for Career and Professional Development	\$115,200*
Coordinator, Center for Career and Professional Development	\$ 64,000*
Inaugural William Seale Professor of Business	\$200,000**
Marine Science programmatic supplies and expenses	\$100,000
Anticipated Total	\$620,000

**Includes salary and benefits costs.*

***Includes salary, benefit costs, start-up, and possible moving expenses.*

If anticipated expenses are realized, the remaining balance will be \$15.361M.

Categories of Bond Spending	Amount Encumbered/Spent	Available Balance
Starting Balance		\$20,000,000
<i>Cost of Issuance*</i>		\$716,415
Starting Strategic Allocation Balance (April 1, 2021)		\$19,283,585
FY21 Faculty Payouts	\$793,488	\$18,490,097
FY22 Faculty Payout	\$76,978	\$18,413,119
Private Advisory Group (wealth advisor services for exiting faculty)	\$4,900	\$18,408,219
Retaining Excellent Faculty (\$5.0M)		
FY22 Osprey and Eagle Named Junior Professorships	\$1,650,568	\$16,757,651
Osprey & Eagle Research Awards	\$170,000	\$16,587,651
Student Engagement/LEAD Focused Programs (\$5.8M)		
Center for Career and Professional Development (program enhancements)	\$384,000	\$16,203,651
Student Retention Programs (\$1.0M)		
IDEAA (development of student retention programs)	\$70,000	\$16,133,651
Development of New LEAD-Focused Curricular and Co-Curricular Programming (\$2.42M)		
Throwing Sports Project (student recruitment/retention)	\$100,000	\$16,033,651
Recruitment of New Faculty and Staff in LEAD Areas (\$1.4M)		
Academic Search (Senior Professor of Business Administration)	\$52,975	\$15,980,676
Enhanced Business Efficiency (\$0.5M)		
	Total Encumbered	\$3,249,934

* Wells Fargo Corporate Trust Fees (\$8,500), Greenberg Traurig Investors Counsel Fee (\$103,600), Whiteford Taylor & Preston Attorney Fee (\$53,012), PFM Financial Advisors Financial Advisory Fee (\$47,712), Jefferies LLC Placement Agent Fee (\$500,000), St. Mary's College Miscellaneous Project Costs (\$3,591)

Denotes expenses since last report to the Finance, Investment, and Audit Committee.

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF FEBRUARY 4, 2022
DISCUSSION ITEM I.C.
FY22 FINANCIAL RESULTS TO DATE**

Overall, revenue collections are 77% of the budgeted level, 14.1% higher than the equivalent period last year, with auxiliary enterprises and tuition recovering from the depressed levels last year. State appropriations to our General Fund Grant are on track with first-half expectations.

Operating expenditures in FY22 are 11.5% higher than last year. As anticipated, several areas of expenditures are 13.2% (utilities) to 40.4% (dining) higher than the prior year comparison. Debt service is higher due to increased interest expense on the bond issued in March 2021. Dining and bookstore expenses are higher due to increased on-campus participation this year. Scholarship expense is 14.7% higher than the prior year. Wages and benefit costs for the College are basically level.

December 2021

Leadsheet Line	Classification	Budget	Actual	Actual vs. Budget	Balance	Prior Year	Actual vs. Prior	Actual vs. Prior
A1 State Appropriation	A. Revenues	29,612,759	14,806,379.5	50.0%	14,806,379.5	14,115,559	690,820.5	4.9%
A2 Tuition		20,453,526.02	19,695,711.8	96.3%	757,814.22	18,840,941.5	854,770.3	4.5%
A3 Fees		3,099,541.9	3,922,949.45	126.6%	-823,407.55	3,584,336.67	338,612.78	9.4%
A4 Sales & Services		812,675	141,281	17.4%	671,394	-1,200	142,481.	
A5 Investment Income		84,000	21,412.18	25.5%	62,587.82	41,382.87	-19,970.69	-48.3%
A6 Foundation Unrestricted Support		75,000	0	0.0%	75,000	0	0.	
A7 Other Revenue		254,400	87,660.39	34.5%	166,739.61	119,560.72	-31,900.33	-26.7%
A8 Auxiliary Enterprises		16,999,498.43	16,764,683.76	98.6%	234,814.67	11,903,990.26	4,860,693.5	40.8%
A9 Additions to Fund Balance		95,000	140	0.1%	94,860	0	140.	
B1 Operating (supply/expense, non-personnel)		0	0		0	0	0.	
A Revenues - Summary		-71,486,400.35	-55,440,218.08	77.6%	-16,046,182.27	-48,604,571.02	-6,835,647.06	14.1%
B1 Operating (supply/expense, non-personnel)	B. Operating Expenses	17,227,267.99	7,488,988.98	43.5%	9,738,279.01	7,233,140.44	255,848.54	3.5%
B11 Utilities		3,240,151.45	1,188,595.23	36.7%	2,051,556.22	1,050,007.24	138,587.99	13.2%
B12 Institutional Expense		499,790.47	15,836	3.2%	483,954.47	101,686	-85,850	-84.4%
B13 Debt Service		3,869,548.73	3,063,470.63	79.2%	806,078.1	2,649,345.62	414,125.01	15.6%
B14 Dining Services		4,416,344.77	2,339,609.68	53.0%	2,076,735.09	1,666,002.31	673,607.37	40.4%
B15 Bookstore Operations		967,631.33	391,286	40.4%	576,345.33	345,223.28	46,062.72	13.3%
B16 Waivers		782,683.99	260,377.9	33.3%	522,306.09	276,636.75	-16,258.85	-5.9%
B17 Scholarships		7,363,884.02	4,076,325	55.4%	3,287,559.02	3,554,678.4	521,646.6	14.7%
B Operating Expenses - Summary		38,367,302.75	18,824,489.42	49.1%	19,542,813.33	16,876,720.04	1,947,769.38	11.5%
C20 Wages	C. Payroll	25,025,990	10,341,637.45	41.3%	14,684,352.55	10,372,407.86	-30,770.41	-0.3%
C21 Benefits		10,014,204.36	4,308,204.93	43.0%	5,705,999.43	4,150,501.59	157,703.34	3.8%
C Payroll - Summary		35,040,194.36	14,649,842.38	41.8%	20,390,351.98	14,522,909.45	126,932.93	0.9%
Overall - Summary		1,921,096.76	-21,965,886.28		23,886,983.04	-17,204,941.53	-4,760,944.75	

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF FEBRUARY 4, 2022
DISCUSSION ITEM I.D.
FACULTY AND STAFF EQUITY INCREASE**

The College remains committed to providing equitable pay for its faculty and staff. Attracting and retaining excellent faculty and staff is integral to the College's success. Equity increases are intended to ensure that the wages of College employees are close to that of the market median.

Numerous compensation equity, reclassification, and promotion actions occurred in January 2022. These actions provided annualized salary increases to faculty and staff, which have not been possible over the past several years due to financial constraints preventing the College from adequately addressing salary equity, compression, and general wage issues for employees in a comprehensive manner. Consequently, in recent years, most of our employee salary increases have been limited to the State supported Cost of Living Allowance (COLA) increases.

A faculty salary analysis was performed by benchmarking St. Mary's College of Maryland faculty salaries with those of its peer institutions utilizing the annual American Association of University Professors faculty salary data. All faculty with two or more years of service at the College were assessed. Wage increases were provided to College faculty members whose current salary was below the peer average. This increase is separate from any future State supported COLA increases. With this incremental process, the most disparate differences were addressed by comparing peer data that focuses on rank, discipline, and gender.

The College's Staff Salary Plan, approved by the Board of Trustees on October 16, 2021, increased the minimum wage for entry-level positions to \$15 per hour. Additionally, the minimum and maximum salary levels for each of the 16 position categories included in the staff salary plan were increased. All union employees who were impacted by these changes received salary adjustments retroactive to October 1, 2021.

In prior negotiations with the union, the American Federation of State, County, and Municipal Employees (AFSCME), the College benchmarked the salaries of collective bargaining unit positions through Payscale. In October 2021, the College and AFSCME reached a wage agreement that included the \$15 per hour minimum entry wage and provided wage increases based on longevity. Effective January 2022, bargaining members received permanent salary increases that ranged from \$650 to \$1,900 annually, depending on the employee's years of service.

A salary analysis was performed on non-bargaining employees that benchmarked their salaries against the College's peer institutions utilizing the annual College & University Professional Association - Human Resources salary data. All non-bargaining staff members with more than two years of service were examined. Current salaries were compared against the market and years of service was considered to determine any salary adjustments.

The College provided equity increases to non-bargaining staff members, above any future State-supported COLA increases, who had at least two years of service and whose current salary was 5% or more below the average of our peer institutions.

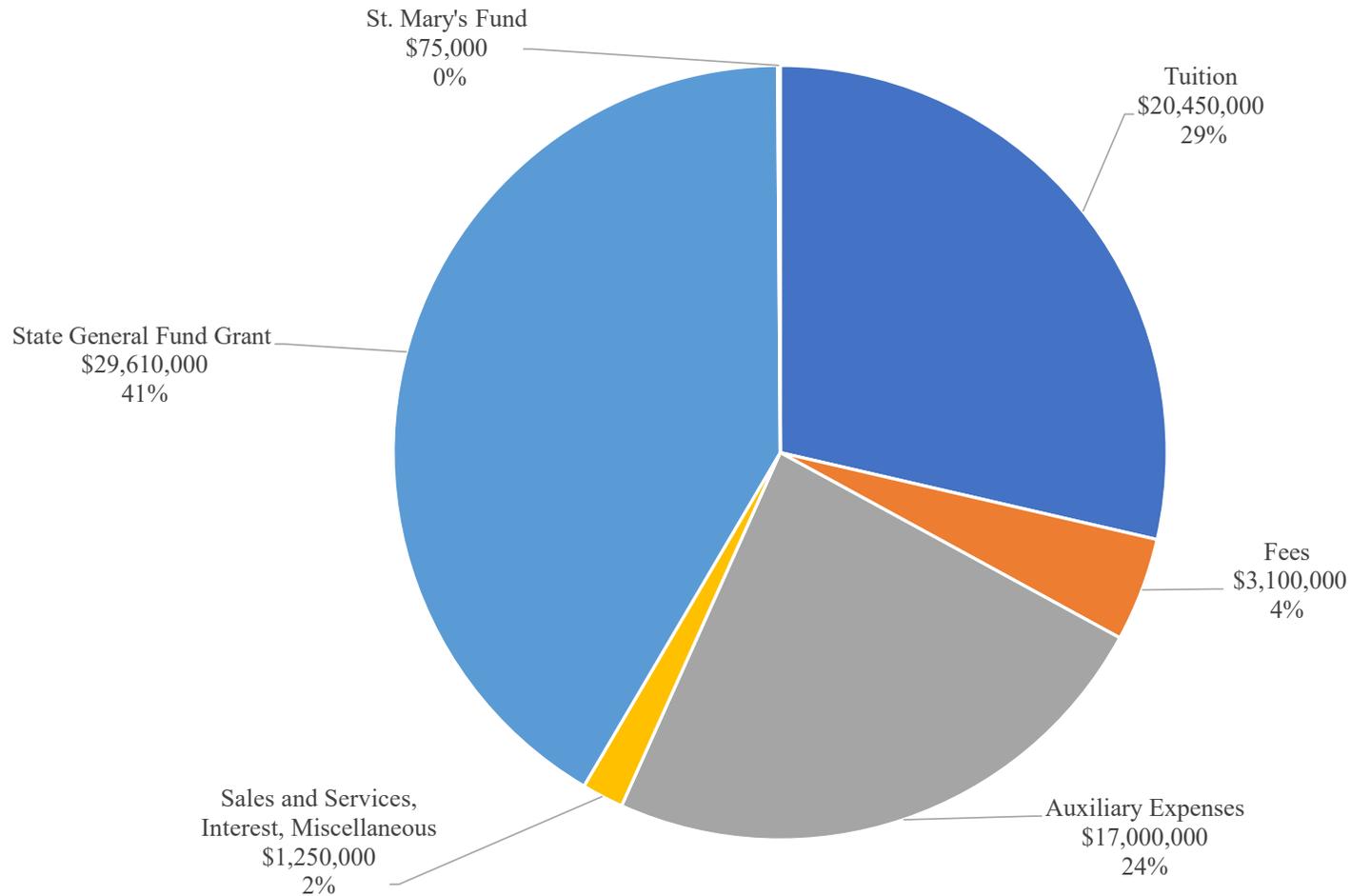
In total, 192 employees received a salary increase, including 67 faculty members. The total annualized cost for these increases approached \$672K. The College intends to continue performing these analyses periodically, and if recurring funds are projected to be available, continue to address remaining inequalities.

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF FEBRUARY 4, 2022
DISCUSSION ITEM I.E.
FINANCIAL INPUTS AND IMPACTS**

The Finance, Investment, and Audit Committee Chair requested a short tutorial for all Committee members on College revenue streams, approval authority, and to reinforce the distinction between unrestricted and restricted funding sources. Further, an explanation of the annual expense rollover from current fund year to the following fiscal year is provided.

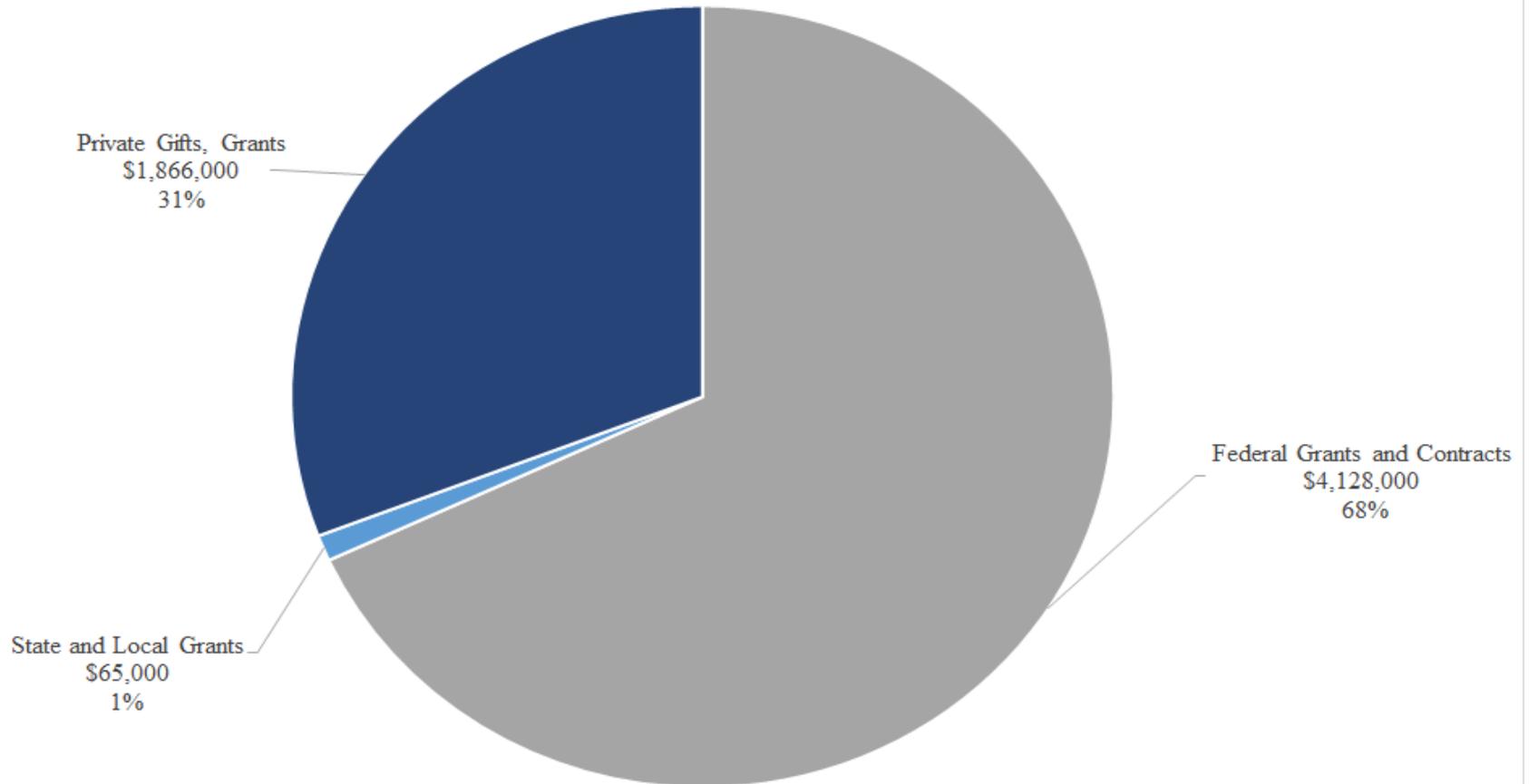
				SMCM Available Sources of Funding							
<i>FY22 Operating Revenue</i>											
								Authority			
Tuition				\$20,450,000							
Fees				\$3,100,000							
Auxiliary Expenses				\$17,000,000							
Sales and Services, Interest, Miscellaneous				\$1,250,000							
Total				\$41,800,000							
State General Fund Grant				\$29,610,000							
Total				\$71,410,000				BOT approves annual operating budget			
<i>Other Revenue/Possible Funding Sources</i>											
SMCM Foundation (Endowment Value = \$40.25M)											
Restricted (to SMCM)*				\$1,892,000				Foundation			
Unrestricted (to operating)				\$75,000				BOT, part of annual operating budget			
St. Mary's Fund (part of Foundation -Current Balance 01/18/22)**				\$275,000				President			
SMCM Quasi-Endowment (Value = \$4.9M)***				\$157,000				BOT, part of annual operating budget/BOT approval necessary to liquidate			
Unrestricted Fund Balance (Held by State Treasurer)****				\$11,800,000				President, in coordination with State, submitted as a budget amendment			
Wells Fargo Money Market (Bond Cash - net after cost of issuance)				\$19,283,585				BOT approved spending criteria, delegated spend authority to President			
*Includes scholarship support, endowed professorships, library, athletics, programmatic expenses.											
** Funds \$75K unrestricted to the College. Expenses to date total \$169K, including handicap accessible van, expenses for the track and field program.											
***\$3.9M is Board designated and liquid; \$1.0M is restricted non-expendable (Blackistone), 4% of average balance for prior three years provided to the College.											
****As of June 30:											
		2021		2020		2019					
Encumbrances and Carryovers for General Operating Purposes		\$1,921		\$1,884		\$2,983					
Encumbrances for Capital Projects		\$452		\$888		\$2,444					
Funds Designated for Current Plant Projects		\$1,515		\$2,362		\$1,300					
Funds Designated for Future Plant Projects		\$1,453		\$1,318		\$1,396					
Funds Functioning as Endowments		\$4,187		\$3,316		\$3,140					
Unrestricted Funds for General Operating Purposes		\$17,054		\$12,164		\$8,812					
Net Pension Liability and Related Deferred Outflows/Inflows		(\$14,782)		(\$13,516)		(\$15,364)					
Total Unrestricted Net Position		\$11,800		\$8,416		\$4,711					

FY22 Operating Revenue by Source (Unrestricted)



Total Revenue Projected = \$71.485M

Operating and Non-Operating Revenues (Restricted)



Total = \$6.059M

Rollovers

Each year, the College develops an operating budget with projected revenues by source categories (tuition, fees, auxiliary enterprises, State General Fund Grant, sales and services, etc.) equal to the planned expenditures, thus producing a balanced budget. During the fiscal year, operating units make financial commitments (supplies, expenses, and contracts) based on their available budget dollars.

At the end of a fiscal year, there are always a number of purchases and commitments that were encumbered against the current fiscal year, but the invoice was not paid by year-end, or the product ordered has yet to be delivered. Since we are required to close out each fiscal year as of June 30th, if there are outstanding commitments, they are funded by revenues collected in prior fiscal year. When the product or service is eventually delivered and the invoice is paid, then the expense in the current fiscal year applies to funds collected against that expense in the prior year. Our practice has been to track these encumbered commitments from prior year, reserve the funds for expenditure in the next year, and rollover the associated budget to the new fiscal year.

The rollover amount, which is approved annually by the Board of Trustees at its October meeting, is accounted for on the College's financial statements, which are subject to audit each year. This year, on October 15, 2021, the Finance, Investment, and Audit Committee recommended approval by the Board of Trustees of a revision to the operating budget for FY22 in the amount of \$1,921,097 (actual rollover amount).

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF FEBRUARY 04, 2022
ACTION ITEM II.A.
FY23 TUITION, FEES, ROOM AND BOARD RATES**

RECOMMENDED ACTION

The Finance, Investment, and Audit Committee recommends that the Board of Trustees authorize student rates for tuition for FY23 (academic year 2022-2023) to remain equal to the FY22 rates (0% increase for each rate category). Further, the Finance, Investment, and Audit Committee recommends that the Board of Trustees authorize an increase of 2% for mandatory fees and room rates for FY23. For board (dining) rates, the College is seeking a 4% increase due to inflation, resulting in a higher cost of goods and services, as well as personnel costs associated with minimum wage increases and Union wage negotiation increases that will impact FY23. This action is applicable for Maryland resident undergraduate students, non-resident undergraduate students, DC resident undergraduate students, and MAT students.

RATIONALE

The Board of Trustees is the authorizing body for setting student tuition, fees, room, and board rates. The objective of not increasing tuition for FY23, for the third consecutive year, is to encourage affordable enrollment growth and continue to close the tuition price gap between St. Mary's College of Maryland and the University of Maryland, College Park.

Total Charges for FY23:

- In-state student tuition, fees, room, and board = \$29,444
- Out-of-state student tuition, fees, room, and board = \$45,520
- DC resident student tuition, fees, room, and board = \$39,444
- Graduate MAT program costs = \$21,326

**Academic Year 2022/2023 Student Rates
Annual, Unless Noted**

Description	Academic Year 21-22 FY22	Academic Year 22-23 FY23
Tuition: In-State, Full-Time	12,116	12,116
In-State, Part-Time	300	300
DC Resident	22,116	22,116
DC Resident Part-Time	300	300
Tuition: Out-of-State, Full-Time	28,192	28,192
Out-of-State, Part-Time	450	450
Tuition Overload, Undergraduate > 19 Credits Variable by Residency Status	Variable	Variable
Tuition: Graduate MAT (includes summer credits)	16,530	16,530
Room: Residence Hall, Double Occupancy	8,007	8,168
Room: Residence Hall, Triple Occupancy	8,007	8,168
Room: Suite	8,574	8,746
Room: Suite, Single	9,058	9,240
Room: Residence Hall, Single Occupancy	9,058	9,240
Room: Apartment Style Single	9,609	9,802
Room: Apartment Style Double	9,464	9,654
Room: Townhouse	9,810	10,006
Platinum: Anytime dining, 64 guest passes, \$800 dining dollars	6,340	6,594
Gold: Anytime dining, 40 guest passes, \$600 dining dollars	6,100	6,344
Silver: Anytime dining, 24 guest passes, \$400 dining dollars	5,862	6,096
250 meal credits, \$600 dining dollars	4,034	4,196
150 meal credits, \$600 dining dollars	2,984	3,104
Flex Plan: 20 meal credits, \$800 dining dollars	1,265	1,316
Mandatory Fee: Full-Time Resident and Non-Resident	3,008	3,064
Program Fee: Graduate MAT	1,698	1,732
Annual Full-time Student Charges		
In-State, Commuter (Tuition/Fees)	15,124	15,180
In-State, Residence Hall (Tuition/Fees/Room/Board) *1	28,993	29,444
In-State, First-Year, Residence Hall (Tuition/Fees/Room/Board) *2	28,993	29,444
DC Resident, First-Year, Residence Hall (Tuition/Fees/Room/Board)	38,993	39,444
Out-of-State, Commuter (Tuition/Fees)	31,200	31,256
Out-of-State, Residence Hall (Tuition/Fees/Room/Board) *1	45,069	45,520
Out-of-State, First-Year, Residence Hall (Tuition/Fees/Room/Board) *2	45,069	45,520
Tuition & Fees, In-State, Residence Hall	15,124	15,180
Tuition & Fees, Out-of-State, Residence Hall	31,200	31,256
MAT Graduate Student Program Cost: Tuition + Mandatory Fee + Program Fee	21,236	21,326

Note *1: Using Silver Board Plans

Note *2: Using Silver Board Plan - Students must choose a Platinum / Gold / Silver Plan

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF FEBRUARY 4, 2022
INFORMATION ITEM III.A.
AUTHORITY AND RESPONSIBILITY MATRIX**

The Authority and Responsibility Matrix was developed to provide an accurate and clear summary of the responsibilities of the Board of Trustees, the President, and the officers of the College regarding various functions and operations. The Authority and Responsibility Matrix received Board of Trustees approval on May 2, 2015.

St. Mary's College of Maryland - Authority Matrix

Approved by the Board of Trustees 4/15/2015

Administrative Area	Responsibility/Authority			
	Prepare	Recommend	Approve	Notify
Budget & Finance				
Fiscal Year Budgets - Operating and Capital (Plant)	VP B&F	President	Board	
Rates: Tuition, Fees, Room and Dining Plan	VP B&F	President	Board	
Auditors' Report and Audited Financial Statements	VP B&F	President	Board	
End of Year Operating Budget Rollovers		VP B&F	President	Board
Operating Budget Revision: Revenues = or > Expenditures		VP B&F	President	Board
Operating Budget Revision: Revenues < Expenditures	VP B&F	President	Board	
Operating and Plant Budget Transfers			VP B&F	
Plant Budget Revision < \$200K		VP B&F	President	Board
Plant Budget Revision > \$200K	VP B&F	President	Board	
Contingency Budget Spending		VP B&F	President	
Banking / Bond Issues				
Issue Revenue Bonds / Bank Loans	VP B&F	President	Board	
Bond Refinancing	VP B&F	President	Board	
Procurement & Memorandums of Understanding				
Procurement Policy	VP B&F	President	Board	
Procurement <\$100K			VP B&F	
Procurement >\$100K			VP B&F	President/Board
Procurement >\$1.0 million			VP B&F and BPW	President/Board
Procurement: State Capital Bond Funds			VP B&F and BPW	President
Partner Schools and Organizations (not requiring Board approval)	Provost	VP B&F	President	
Facility and Service Agreements with HSMC		VP B&F	President	Board
Various MOUS and Agreements			President	
Information Technology				
IT Master Plan (required by state)			VP B&F	
IT Security Plan (required by state)			VP B&F	
Facilities				
Facilities Master Plan	VP B&F	President	Board	
Building Designs	VP B&F	President	Board	
Building Programs	VP B&F	President	Board	
Acquisition/Disposal of Real Property	VP B&F	President	Board ¹	
Annual Facilities Report	VP B&F	President	Board	
Note 1: requires final approval by BPW				

St. Mary's College of Maryland - Authority Matrix

4/15/2015

Administrative Area	Responsibility/Authority			
	Prepare	Recommend	Approve	Notify
Human Resources				
Authority to Fill Vacancy - Permanent Staff		VP B&F	President	
Authority to Fill Vacancy - Contractual Staff			VP B&F	
Authority to Fill Vacancy - Permanent Faculty		Provost / VP B&F	President	
Authority to Fill Vacancy - Contractual Faculty		Provost / VP B&F	Provost	
Appointment - Staff (department head and below)			VP of unit	President/Board
Appointment - Staff (Assistant VP & Above)		VP of unit	President	Board
Appointment - Visiting Faculty			Provost	
Appointment - Faculty			Provost	President/Board
Termination - Staff		VP B&F	President	Board
Termination - Faculty (iaw bylaws)			Provost	President/Board
Contract Renewal - Probationary status to permanent FT Employees			VP of unit	President/Board
Contractual/Additional Pay for Permanent Employees			VP of unit	
Contractual/Additional Pay for Faculty			Provost	
Create New Position	VP B&F	President	Board	
Union Agreement AFSCME	VP B&F	President	Board	
Staff Salary Plan	VP B&F	President	Board	
Employee Handbook Revisions	VP B&F	President	Board	
Modifications to Retirement Plans	VP B&F	President	Board	
Staff Senate Bylaw Revisions	VP B&F	President	Board	
Various HR Policies	VP B&F	President	Board	
Faculty bylaws		President	Board	
Faculty handbook		President	Board	
Reporting to Government Agencies				
Managing for Results Submission		VP B&F	President	
State Budget Submissions and Presentations		VP B&F	President	
Joint Chairmen's Reports			VP B&F	
Various Data Reports			VP B&F	
Academic Affairs				
Faculty Reappointment, Tenure, Promotion	Provost	President	Board	
Curriculum changes, courses		Provost	President	
Curriculum changes, majors & minors	Faculty	Provost to President	Board & MHEC	
Study abroad sites, SMCM as primary operater		Provost	President	Board

St. Mary's College of Maryland - Authority Matrix

4/15/2015

Administrative Area	Responsibility/Authority			
	Prepare	Recommend	Approve	Notify
Study abroad sites, external operators		Provost	President	
Faculty & staff travel (domestic)			Provost	
Faculty & staff travel (international)		Provost	President	
Academic policy changes	Academic Policy Committee	Provost	President	
Faculty salary increases (promotion & tenure), individual		Provost	President	
Faculty salary increases (post tenure review), individual			Provost	
Student Affairs				
Code of Conduct changes			Dean of Students	
Commencement Speakers		Dean of Students	President	
Trustee in-training selection	Dean of Students	President	Board	
Emergency response protocol		Emergency Response Team	Dean of Students	President
Student conduct decisions			Hearing Panel	Dean of Students
Interim Suspension		Dean of Students	President	
Alert messages	Public Safety		Dean of Students	President
Medical leave			Dean of Students	
Return from leave			Dean of Students	
Housing contract release			Residents Life	
Bias response protocol			Dean of Students	President
Student organization overnight travel			Dean of Students	
Student organization vehicle use			Student Affairs	
Purchases by professional staff			Dean of Students	
Purchases by student organizations			Student Affairs	
Behavioral intervention/threat assessment			Dean of Students	
Clery and Crime Statistics Reporting	Public Safety		Dean of Students	
Title IX policy changes	Title IX Coordinator/Dean of Students	President	Board	
Advancement				
Approve Capital Campaigns	VP Advancement	President	Board	
Named Opportunities less than building	VP Advancement/VP B&F	President	Board	
Named Opportunities Building	VP Advancement/VP B&F	President	Board ¹	
Note 1: requires final approval by BPW				
Enrollment Management				
Admissions policies and strategies		VP Enrollment Management	President	Board

St. Mary's College of Maryland - Authority Matrix

4/15/2015

Administrative Area	Responsibility/Authority			
	Prepare	Recommend	Approve	Notify
Financial Aid award policies and strategies		VP Enrollment Management	President	Board
Other Policies				
Revision of any Policy approved by the Board of Trustees	VP of area	President	Board	
Note: in the event that any item in this Authority Matrix conflicts with specific authorities provided in a Board of Trustee approved policy, then the Board approved policy shall prevail.				

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF FEBRUARY 4, 2022
INFORMATION ITEM III.B.
JOINT INVESTMENT ACTIVITIES**

The Foundation's Joint Investment and Advisory Committee met on November 19, 2021, 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. See attached for information related to the Foundation and College investments.

St. Mary's College of Maryland Foundation

As of November 30, 2021, the total market value of the Foundation's endowment was \$41M. The Foundation's endowment is comprised of three parts: a portion of the JP Morgan portfolio (\$40M), the Student Investment Group (SIG) account (\$856K), and WesBanco shares (\$257K).

Of the endowment managed by JP Morgan, the fiscal year-to-date increase in market value of \$1.1M includes \$189K in contributions, \$204K in income, \$728K increase in investment value. The overall rate of return current fiscal year-to-date is 3.8%. Attached is the consolidated investment statement.

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

The College holds investments totaling \$4.8M consisting of Endowment and Quasi-Endowment. \$3.8M are funds functioning as endowment (Quasi) and \$1M represents the Blackistone Endowment. Invested endowment funds, managed by 19/19 Investment Council, have a market value of \$4.8M as of December 31, 2021. Funds are currently invested in a mix of fixed income instruments and equities. The overall rate of return is 8.80% on an annualized basis as of June 30, 2021.

The remaining \$295K of College endowment is currently held in a cash investment pool by the State Treasurer.

St Mary's College of Maryland Foundation, Inc
Consolidated Investment Statement
for the period July 1, 2021 to November 30, 2021

	<u>Beginning Market Value</u> <u>7/1/2021</u>	<u>Ending Market Value</u> <u>11/30/2021</u>
<u>JP Morgan Portfolio</u>		
Endowed Accounts	38,681,437.05	39,817,627
Gift Annuity	1,280,343	1,248,076
Current Funds	4,124,358	4,212,677
Total Investment Accounts Market Value	44,086,138	45,278,379
Endowed Funds Allocated Spending Account	738	738
Gift Annuity Cash Account	6,733	59,308
SGA Investment	669,032	856,460
Total JP Morgan Portfolio	44,762,641	46,194,885
<u>Other Assets</u>		
Perpetual Trust, PNC	1,746,347	1,754,818
WesBanco shares	281,548	257,210
<u>Cash</u>		
Checking Account	711,491	1,152,167
Endowment Spending Account	1,256,034	1,141,379
Total	48,758,062	50,500,459

*** 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
As of 12/31/2021

	<u>6/30/2021 Balance</u>		<u>31-Dec-21</u>	Annualized return
Legg Mason / 1919 Investments - Cash & Equivalents	193,140.56		207,238.00	Cash
Legg Mason / 1919 Investments - Fixed Income	2,483,028.39	Fixed & Cash	2,466,805.00	
Legg Mason / 1919 Investments - Equity Portfolio	1,944,461.73		2,131,378.00	
	4,620,630.68		4,805,421.00	2.00%
Cash with Treasurer	295,665.98		295,665.98	Cash
Investable Total	4,916,296.66		5,101,086.98	3.76%
Other Investments	977.50		977.50	
Total Investments 6/30/2020	4,917,274.16		5,102,064.48	

	Asset Allocation *			
	Current	Lower	Target	Upper
Domestic Equities	38.3%	20%	30%	50%
International Equities	6.1%	0%	5%	10%
Fixed Income	51.3%	50%	60%	70%
Cash	4.3%	30%	5%	15%
	100.0%	100%	100%	145%

Note: Asset Allocation per Board of Trustees approved Investment Policy February 2, 2018

<u>Components of Endowment Fund:</u>			Annual	
	6/30/2019	6/30/2020	Return	
Restricted Non-expendable	1,000,117.00	1,000,117.00		1,000,117.00
Restricted Expendable	19,894.00	19,894.00		19,894.00
Board Designated	3,122,254.01	3,315,949.66		3,897,263.16
Total	4,142,265.01	4,335,960.66	4.68%	4,917,274.16

8.79%

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF FEBRUARY 4, 2022
INFORMATION ITEM III.C.
REPORTABLE PROCUREMENT ITEMS**

Payee	Description	Amount
John Irons: DBA Advance Construction	Installation of North Crescent Patio Doors	\$112,860
University of Maryland	MDREN Membership and Internet Service	\$123,083
Data Networks	SRX Firewall Upgrade	\$132,096
Maryland Correctional Enterprise	Furniture for NABA	\$329,049
Maryland Office Interiors	Furniture for NABA	\$165,671

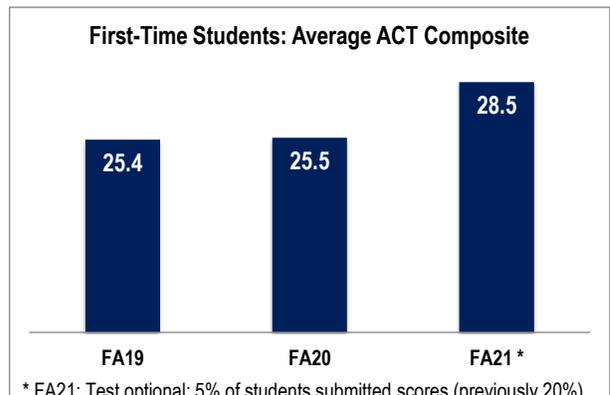
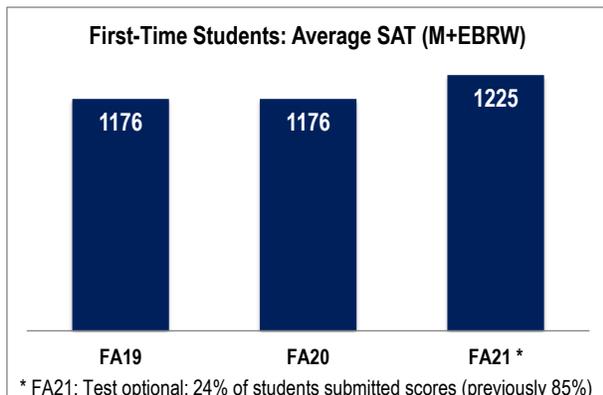
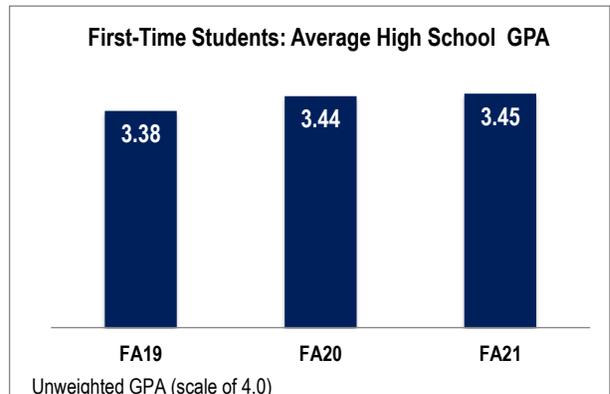
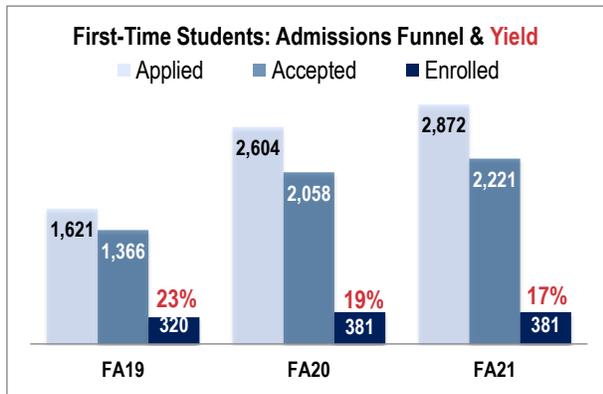
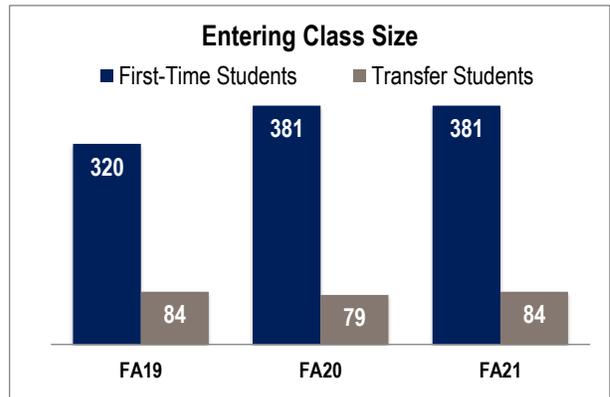
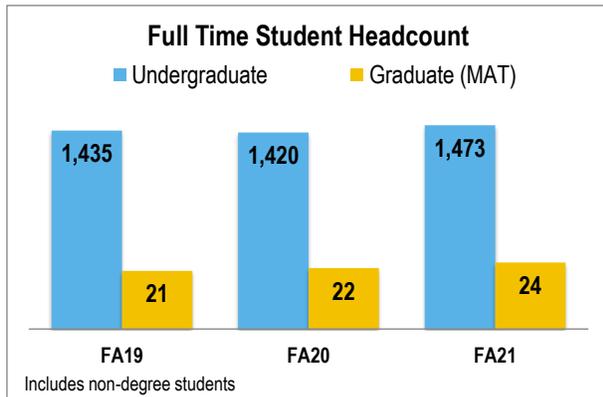
**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF FEBRUARY 4, 2022
INFORMATION ITEM III.D.
DASHBOARDS**

The current dashboards follow.

Board of Trustees Dashboard - February 2022

Student Characteristics in Enrollment **

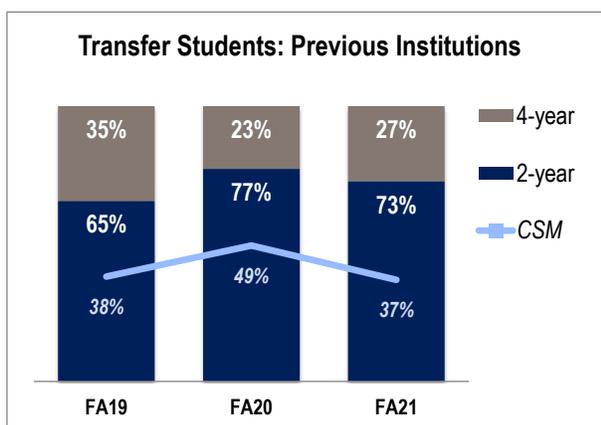
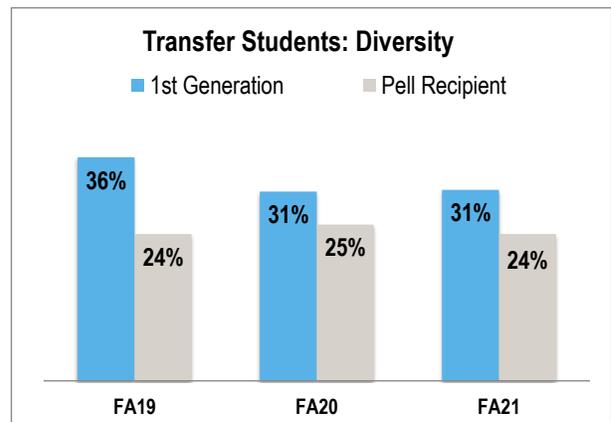
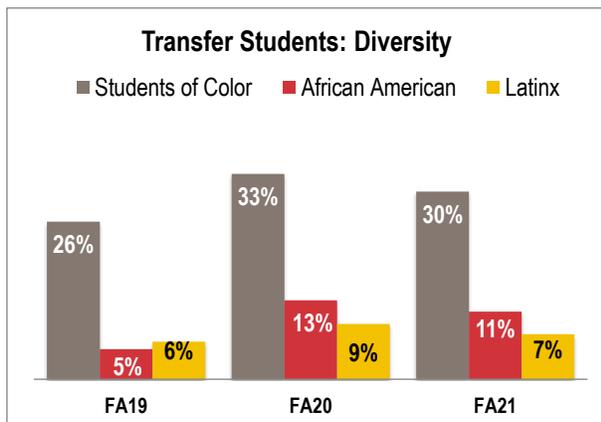
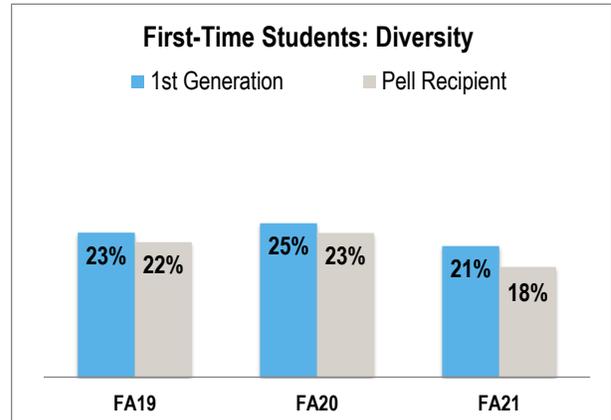
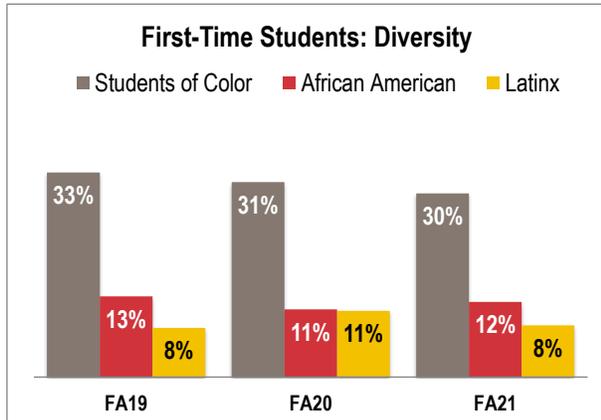
Fall 2021 figures based on final census (freeze) data, 9/27/2021



Board of Trustees Dashboard - February 2022

Student Characteristics in Enrollment **

Fall 2021 figures based on final census (freeze) data, 9/27/2021

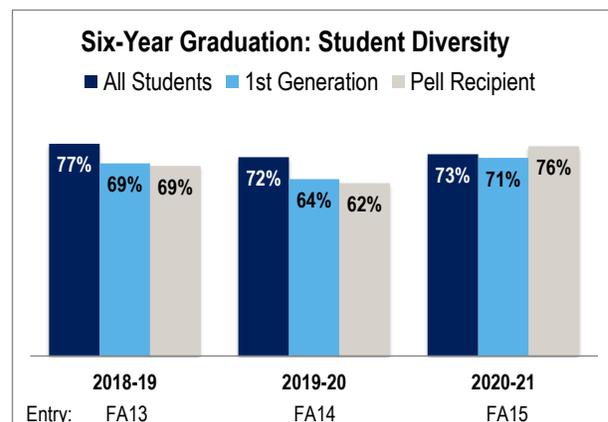
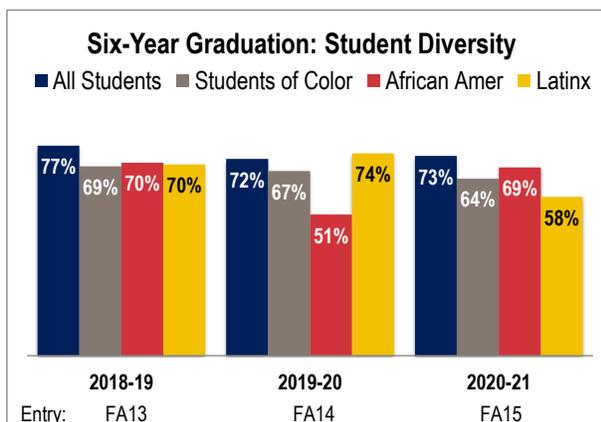
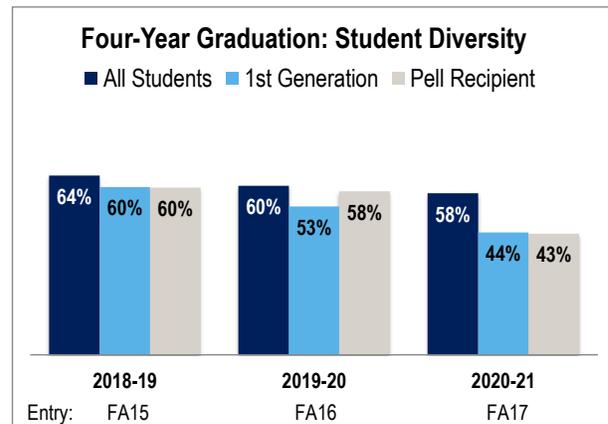
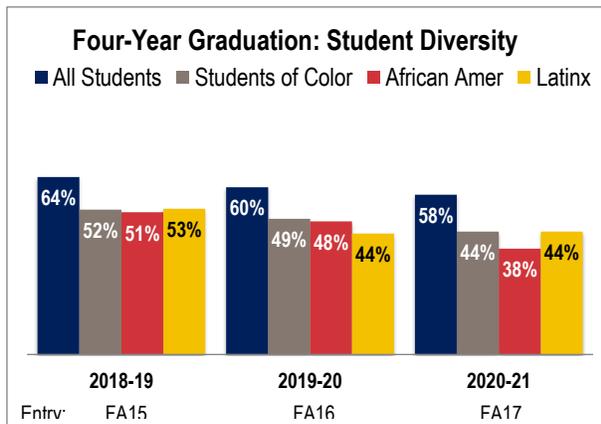
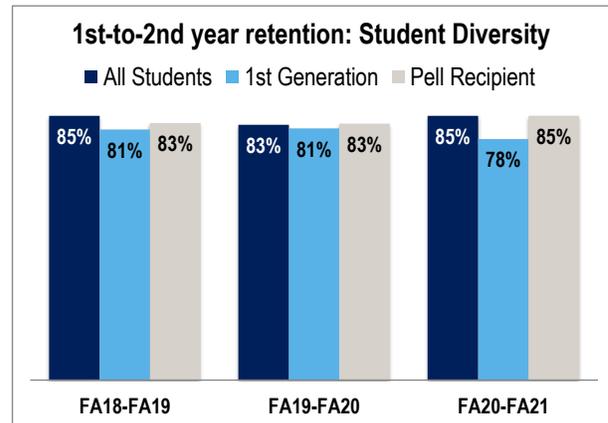
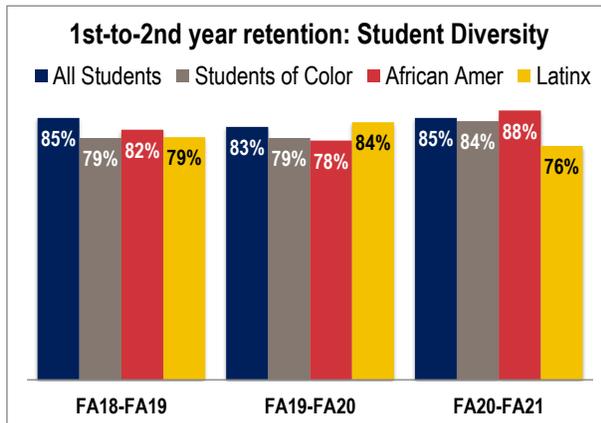


** Goals were temporarily removed for all measures. Revised goals will be established during the strategic planning process.

Board of Trustees Dashboard - February 2022

Student Retention and Persistence (First-Time Students) **

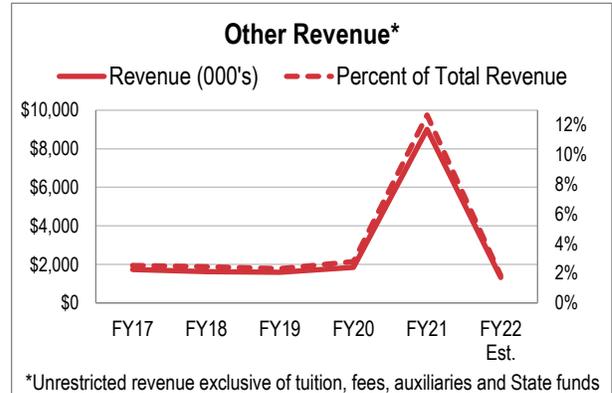
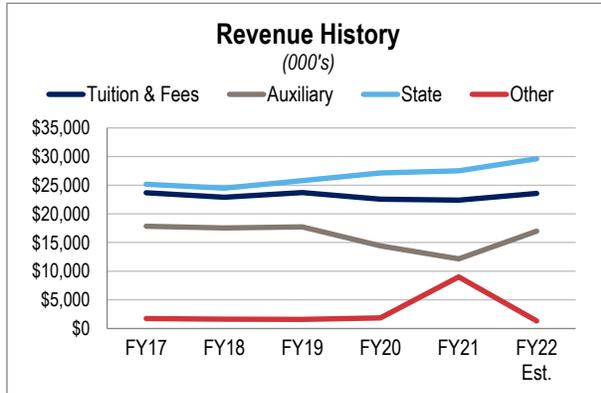
Fall 2021 figures based on final census (freeze) data, 9/27/2021



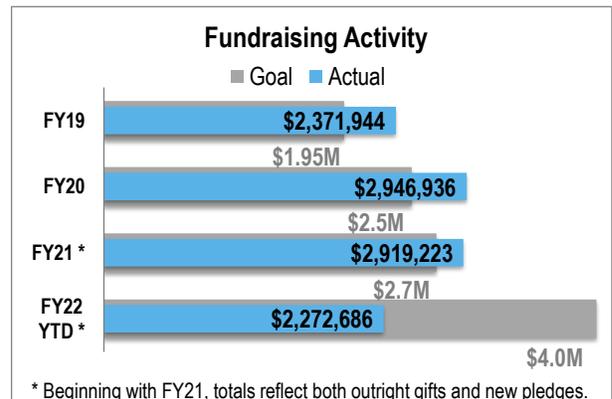
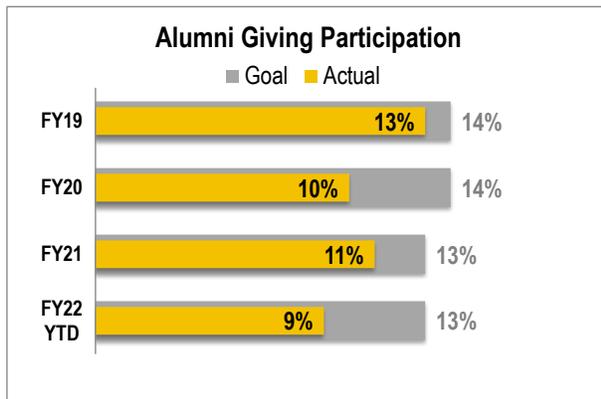
** Goals were temporarily removed for all measures. Revised goals will be established during the strategic planning process.

Board of Trustees Dashboard - February 2022

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: October 15, 2021

Status of Minutes: Approved November 16, 2021

Committee Members Present: Committee Chair John Wobensmith '93, Anirban Basu, John Bell '95, Board Chair Susan Dyer, Sven Holmes, President Tuajuanda Jordan, William Seale, Faculty Finance Delegate Shanen Sherrer, Ray Wernecke

Committee Members Absent: None

Staff Member: Paul Pusecker

Others Present: Nicolas Abrams '99, Joshua Ajanaku '22, Betsy Barreto, Alice Bonner '03, Anne Marie Brady, Donny Bryan '73, Peter Bruns, Kelsey Bush '94, Jeff Byrd, Paula Collins, Carolyn Curry, Michael Dougherty, Peg Duchesne '77, Judy Fillius '79, Katie Gantz, Elizabeth Graves '95, Mary Grube, David Hautanen, Gail Harmon, Jerri Howland, Melanie Hilley '92, Glen Ives, Shannon Jarboe, Jenn Kersch, Lawrence Leak '76, Doug Mayer '04, Jesse Price '92, Jenny Sivak, Chris True, Anna Yates

Executive Summary

Finance, Investment, and Audit Committee Chair John Wobensmith '93 called the open session meeting to order at 12:51 p.m. Attendees participated both in-person and via videoconference.

Discussion Items

Moody's Credit Rating Upgrade

Moody's Investors Service raised the outlook on St. Mary's College of Maryland from negative to stable with an A2 rating. Moody's press release specifically noted that "management credibility was a key driver of the revision of the outlook to stable, reflecting prudent fiscal management and actions to execute key strategic plans. The revision also reflects expectations that operating cash flow margins will return to levels achieved prior to the coronavirus pandemic with careful expense management and strong support from the state combined with federal relief funding." The press release further stated that the A2 rating "reflects some stabilization of enrollment, despite the effects of the coronavirus pandemic, and reflects the College's excellent operating environment with solid financial support by the State of Maryland and the College's unique role as Maryland's only stand-alone public honors college." Committee Chair John Wobensmith '93 noted that the management team should be congratulated for this accomplishment.

FY22 Financial Results to Date

Revenue collections are 40% of the budgeted level, 11.6% higher than last year, with auxiliary enterprises and tuition recovering from last years depressed levels. State appropriations to the

General Fund Grant are on track with first quarter expectations. Operating expenditures in FY22 are 10.7% higher than last year, as expected, due to the debt service expense. All areas of expenditures fall within expectations for current-to-prior year comparison, except for scholarships, where expenses are slightly higher than the previous year. Debt service payments are approximately \$418K higher this year.

FY21 Operating Budget Closing and Status of Financial Statement Audit

Actual operating fund results are a \$2.011M surplus and rollovers to FY22 total \$1.921M, resulting in a fully-funded, net change in financial position over two fiscal years of \$90.7K. The year-end operating result is approximately \$2M better than the expected \$94K loss. FY21 preliminary and un-audited results are final. Current fund unrestricted revenues of approximately \$71.057M were greater than expenditures and transfers, totaling \$69.046M, resulting in a difference of \$2.011M. The all-funds financial statement results on an accrual basis indicate a \$1.4M loss before State capital investment and a gain of \$28.8M overall. FY21 closed on June 30, 2021 and the review and adjustments are complete. Audit firm Clifton Larsen Allen continue their fieldwork 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 2021.

Overview of FY21 COVID-19 Financial Impact (Mitigation Expenses and Lost Revenue)

The College realized a \$7.8M deficiency due to revenue losses and expenditures related to COVID-19 mitigation efforts in FY21. Specific impacts included a \$2.0M reduction in the General Fund Grant and more than \$3.5M in lost revenue, which included tuition, room and board, and rental income loss from athletic events and conferences. Additionally, \$2.2M was spent on COVID-19 mitigation efforts, primarily for technology enhancements to support remote instruction, surveillance testing, contractual health services, and personal protection equipment.

Results of Federal and State of Maryland Financial Support for COVID-19 Pandemic (FY21)

The College received \$9.3M in support from Federal and State sources to offset the FY21 revenue losses and expenses related to the pandemic. Included were \$1.5M from the State of Maryland via the CARES Act and \$1.12M directly from the Federal level as part of the Higher Education Emergency Relief Fund. Importantly, the College's application for loan forgiveness of the \$6.6M Payroll Protection Program loan was approved in June 2021. The net of revenue losses versus additional revenues demonstrated a positive \$1.479M outcome. Further details about the financial impact and the support received was provided in the Committee materials.

Strategic Investments from Bond Proceeds

The Finance, Investment, and Audit Committee and the Board of Trustees approved the primary categories of strategic expenditures from the private market bond and delegated authority to commit these resources to the President at the May 7, 2021 meeting. The cost of issuing the bond was \$716K, leaving an available starting balance of \$19.283M. To date, \$3.168M has been encumbered with a balance remaining of \$16.115M. Further detail regarding the strategic investment allocation categories was provided in the Committee materials.

Information Items

Reportable Procurement Items

A list of reportable procurement items was provided to the Committee.

Joint Investment Activities

An overview of the St. Mary's College of Maryland Foundation and the St. Mary's College of Maryland Endowment and Quasi Endowment portfolios was provided to the Committee.

Action Items

II.A. Revision of the FY22 Current Fund (Operating) Unrestricted Budget

The FY22 current fund budget was presented to the Committee for its approval. The revision incorporated a carry-forward authorization for \$1,921,097 that was encumbered, but not expended, as of June 30, 2021. A motion to approve the action item was made by Committee Chair John Wobensmith '93. The motion was seconded and the action item was approved unanimously.

II.B. Reconciliation of the FY22 Plant Fund (Capital) Budget

Five major projects with a value greater than \$200K continue with a balance remaining of \$2.3M. Additional projects with a value less than \$200K have a remaining balance of \$1.027M. FY21 plant fund activity is reconciled to the end of the fiscal year and new projects approved in May 2021 are added. The FY22 active project budget totals \$3.33M. A motion to approve the action item was made by Committee Chair John Wobensmith '93. The motion was seconded and the action item was approved unanimously.

II.C. Approval of the 2021 Performance Accountability Report

The Performance Accountability Report is required by the State of Maryland. The report assesses the College's progress on a variety of goals and objectives including academics, enrollment, retention and graduation, financial aid, and student outcomes and provides data on specific metrics along with a narrative describing strengths and challenges. The Finance, Investment, and Audit Committee, with endorsements from both the Campus Life and the Academic Affairs Committees, brought forth the report for approval. A motion to approve the action item was made by Committee Chair John Wobensmith '93. The motion was seconded and the action item was approved unanimously.

II.D. Approval of the Revised Telework Policy

The Committee was asked to approve and adopt revisions to the College's existing Telework Policy, previously approved by the Board of Trustees on March 1, 2015. The current policy is outdated and focuses on teleworking based on medical conditions. The revised policy focuses on the College's operational needs, position responsibilities, and a review of an employee's suitability for teleworking. The proposed revisions would apply to all employees of St. Mary's College of Maryland and would take effect immediately. A motion to approve the action item was made by Committee Chair John Wobensmith '93. The motion was seconded and the action item was approved unanimously.

II.E. Approval of the Staff Salary Plan

The College maintains a Staff Salary Plan that provides minimum entry and maximum salaries for non-exempt positions. Currently, the lowest minimum annual entry level is \$27,040 annually, which equates to \$13/hour. Although St. Mary's bargaining unit is not included in the Governor's State-wide \$15/hour minimum wage negotiated with AFSCME, the College elected to revise the Staff Salary Plan to provide a minimum entry wage of \$15/hour. In addition, adjustments to the minimum and maximum entry wages for all positions within the Staff Salary Plan, based on market salary analysis, have been made. This Staff Salary Plan would be retroactive to October 1, 2021.

A motion to approve the action item was made by Committee Chair John Wobensmith '93. The motion was seconded and the action was approved unanimously.

Committee Chair John Wobensmith '93 asked for a motion to close the open session in accordance with General Provisions Article, Section 3-305(b), to discuss the matters set forth on the closing statement, specifically, the Committee receiving an update from the Joint Investment Advisory Committee, which is not subject to public disclosure under Maryland Public Information Act, section 4-335 and thereby permitted to be discussed in closed session.

The open session meeting adjourned at 1:26 p.m.