



Report to the USM Board of Regents

Chancellor Jay A. Perman

University of Maryland, Baltimore County | February 14, 2025

Thank you, Madame Chair. It's difficult to be together today without one of our own among us, our friend and colleague Dr. Ron Nowaczyk. Ron's leadership of Frostburg State was grounded in his love for the university, for the people it serves, for the communities it anchors. That same commitment animated his many friendships, and those of us lucky enough to know Ron felt it every day. Our thoughts are with Ron's wife and son, and with everyone at Frostburg State. He is deeply missed.

I'm exceptionally grateful to President Al Delia, whose leadership of Frostburg over several months gave Ron the time he needed to focus on his health and his family. Next month, we'll welcome Dr. Darlene Brannigan Smith to the interim presidency, as we gear up this summer for a national search.

I'm delighted to welcome our newest regent, the Hon. Harry Coker, who began his service as Commerce secretary earlier this month. Given the System's central role in producing the state's workforce and powering its economy, we look forward to strengthening our partnership, Mr. Secretary.

As we come together for our first meeting of the new year, we have a chance to reflect on the one that's just ended. In your materials, you have our *2024 Annual Report*, a summary of the System's progress toward our strategic goals. I hope you'll take a moment to celebrate the work we do and the milestones we mark under your leadership.

You'll see in the Annual Report several nods to our new branding campaign: For the Good of Maryland. As you know, the campaign has been in the works for a while. But its launch couldn't be better timed. As we face a significant cut to our state appropriation, as we face uncertainty in DC (topics I'll come back to later), it's essential that we tell the story of who we are, what we do, and why we matter—whether you come to us for your education or not.

UNIVERSITY EXCELLENCE

Turning to our universities, I'll start with our host this morning, UMBC. As President Sheares Ashby shared, per the NSF's most recent survey of R&D productivity, UMBC has broken into the nation's top 10 universities in NASA funding. This achievement is the product of partnership, UMBC's nearly 30-year collaboration with NASA. An incredible win, President Sheares Ashby.

UMBC has also inked a partnership with the U.S. Department of Health and Human Services, opening up internships, mentorships, and other experiential opportunities to UMBC students as a means of growing our corps of public servants. Clearly, this is the time for it.

And, of course, in nurturing the nation's future public *servants*, UMBC models committed public *service*. This tax season, in partnership with Maryland's CASH program, UMBC students are again providing free tax prep assistance to Marylanders who need it, with a goal of maximizing their returns. It's a program that means a lot to Maryland, and it was gratifying to see so many state and federal leaders celebrate the kickoff with you, Dr. Sheares Ashby.

I'll move to the System writ large and note that *U.S. News & World Report* has ranked the nation's Best Online Programs, evaluating nearly 1,800 bachelor's and master's degrees. In all, seven USM universities were recognized for 20 programs: UMBC, Bowie State, Salisbury University, Towson University, and the University of Baltimore made the list for programs in business, education, computer engineering, and more. The University of Maryland, Baltimore's School of Nursing has three ranked programs, including a No. 5 placement—No. 1 among publics—for its Nursing Leadership and Management specialty. And the University of Maryland, College Park got the nod in 10 degrees, nine ranked in the U.S. top 20 and four of those in the top 10.

Celebrating individual distinctions, I turn to Maryland's *oldest* historically Black university. Bowie State is marking 160 years of excellence, and President Breaux has been making the media rounds, talking about why her university is a top 10-ranked public HBCU; about Bowie State's new facilities, including the beautiful Martin Luther King, Jr. Center; about the university's commitment to developing entrepreneurial leaders; and about new STEM offerings—like Applied Biotechnology and Molecular Biology and the Internet of Things—that are powering the next century of innovation. Congratulations, President Breaux.

The University of Maryland Center for Environmental Science is also celebrating a milestone anniversary—100 years of groundbreaking environmental research, education, and engagement. UMCES has held four centennial launches—each at a different lab across the state. I was delighted to take part in the Baltimore launch, at the Institute of Marine and Environmental Technology. Of course, the centennial is more than a celebration of UMCES's past; it's a commitment to the future, as UMCES expands its global leadership in environmental sustainability and climate action. President Miralles-Wilhelm, congratulations on 100 years.

Joining UMCES in the centennial club is the University of Baltimore. UBalt has centered its anniversary programming on three pillars that should resonate with us all: 1) The transformative power of higher education. 2) A commitment to academic excellence. 3) Civic engagement as a fundamental human duty. We explored these themes last month at a centennial celebration, looking ahead to how UBalt will shape the future—how it will draw on its assets to deepen its work as a force for good in Baltimore and Maryland. President Schmoke, it was an honor to be with you.

If you think we're done with centennials, you're *wrong*. This year, Salisbury University commemorates 100 years of impact. That impact extends, of course, to the communities SU enriches, and a marquee initiative in that effort is the university's work to bring a performing arts center—with classrooms, music spaces, theatre venues, dance studios—to the heart of downtown Salisbury. That work was recently advanced with a \$2 million grant from the Maryland Department of Housing and Community Development. Congratulations, President Lepre.

I have one last anniversary to acknowledge: Coppin State University is celebrating 125 years of opportunity and—per a profile in *Diverse* magazine—a “Renaissance of Purpose and Progress.” The piece highlights the university's success in significantly raising student retention and completion rates. It acknowledges President Jenkins's twin focus on expanding high-demand academic programs and community and corporate partnerships. Showcasing *both* is JP Morgan Chase's \$500,000 commitment to help Coppin expand career pathways in Data Science. Congratulations, President Jenkins.

Through a Maryland Industrial Partnerships grant, Frostburg State's Department of Computer Science and Information Technologies is teaming up with USGI AI to develop a telehealth platform that will bridge critical gaps in rural health care access, expand gastrointestinal treatment available to underserved communities, and improve patient outcomes. So badly needed, President Delia. Thank you.

Last month, the University of Maryland, Baltimore cut the ribbon on 4MLK, the newest—and maybe boldest—addition to UMB's BioPark. The eight-story building is a critical answer to a perennial need: sufficient—and sufficiently modern—wet lab space to power the city's booming biotech sector. More than that, the building serves as a gateway to West Baltimore, drawing more people, more attention, and more investment to an area that needs it. President Jarrell, this has long been a dream for *both* of us. Congratulations on getting it done.

Days before the 4MLK ribbon-cutting, the Edward St. John Foundation announced a \$10 million gift to UMB's School of Medicine and UMD's Clark School of Engineering, naming the building's fourth floor. The Edward & Jennifer St. John Center for Translational Engineering and Medicine brings together clinicians and engineers—face to face, shoulder to shoulder—to make sure that patients' and providers' real and specific concerns *directly* shape the development of devices, diagnostics, and therapies, and to accelerate how quickly we translate bench research into patient care.

UMD features prominently in Gov. Moore's growth agenda. He announced a public-private partnership linking the state, College Park, and quantum leader IonQ in a bid to make Maryland *the* global leader in quantum technology. The \$27.5 million in state funds proposed by the governor is expected to be met with more than \$200 million in UMD and partner funding across five years, catalyzing as much as \$1 billion in investment. Without question, the partnership will fuel economic growth. But more than that, it will center Maryland in revolutionizing the many sectors that quantum computing touches: cybersecurity, energy, drug development, precision medicine, manufacturing, financial modeling, and more. Congratulations, President Pines.

At Towson University, the Albert S. Cook Library has won *Insight Into Diversity*'s Library Excellence in Access and Diversity Award, honoring programs at academic libraries that support inclusive excellence and belonging. And last month, Towson University in Northeastern Maryland and Harford County Public Schools teamed up to fill crippling teacher shortages. The new Pathway for Paraeducators program offers the county's classroom assistants no-cost part-time and hybrid courses and on-the-job training as they work toward achieving full teacher certification. Thank you, President Ginsberg.

The University of Maryland Eastern Shore is meeting challenges both close to home and around the world. Next month, UMES will host NOAA's 11th Educational Partnership Program with Minority Serving Institutions, focusing on critical issues in marine and environmental science, from extreme weather to sustainable aquaculture. And last month, a group of UMES students and faculty traveled to Ghana to work with policymakers and providers implementing the country's national plan for improving reproductive, maternal, newborn, child, and adolescent health. Provost Allen, thank you for this important work.

The University of Maryland Global Campus announced a partnership with Ancora High School, an online secondary school whose adult students can earn a traditional high school diploma. The partnership with UMGC creates a seamless transition into higher education for Ancora students. As UMGC pioneers this critical work of expanding pathways for all kinds of learners, it's spotlighting the different journeys that brought these learners to UMGC. So I hope you'll tune into UMGC's latest podcast: Unstoppable Stories. Thank you, President Fowler.

At our regional centers, the USM at Southern Maryland hosted a delegation from the AUKUS Forum—a trilateral security partnership among Australia, the United Kingdom, and the U.S.—to explore how academic researchers, contractors, and the U.S. Defense Department might collaborate to further innovation for mutual benefit. AUKUS is the largest manufacturing project in the history of Australia, and Maryland is one of only five states with which it's partnering. Dr. Abel, I know it was a great opportunity to show off your marquee assets and programs, and to bring together your local, state, and federal partners.

The USM at Hagerstown is collaborating with UBalt's Merrick School of Business to bring its top-ranked MBA program to Western Maryland. Thank you, Dr. Ashby.

And the Universities at Shady Grove continues its leadership linking academia with employers. Marshalling networking events and panel conversations on strengthening the talent pipeline, USG is reimagining connections that prepare its students for local industry and connect them with the local workforce. Thank you, Dr. Khademian.

FY2026 USM BUDGET

Let me turn now to the governor's FY26 budget proposal. With Maryland facing a \$3 billion deficit, we went into this legislative session expecting to suffer significant cuts. And we did. The governor's proposed appropriation for the USM is down more than \$105 million over last year. That's a base cut of nearly 5%.

Without question, this cut is painful. I made the point during my testimony in Annapolis that when you're *already* a lean organization—and we are—very few “painless” cuts remain.

So, yes, every one of our universities will face difficult choices. We're working closely with one another to identify areas where we can realize savings while protecting our priorities. To that point, as challenging as this budget is, it's also one that our universities have been planning for. And enshrined in those plans is an inviolable principle—that we'll insulate our people, as much as possible, from the impact of cuts. For our employees, this means we'll exhaust every *other* personnel action before reducing our existing workforce. For our students, it means we'll protect financial aid to the extent we can and continue to prioritize our affordability—affordability that Maryland families have come to depend on.

Now, for all the challenges that this year and this budget bring, there are bright spots, too. In his State of the State Address, Gov. Moore outlined his “growth agenda,” calling for investments in IT, life sciences, aerospace, and defense. He singled out quantum, AI, clean energy, and biotech—all strengths of this System, all sectors that *we* help power.

And so we're partnering with the state to do precisely what the governor exhorts us to do: Ensure that the industries defining the “economy of tomorrow” are housed right here in Maryland, and fueled by our influence and expertise. This work is advanced by my service on the governor's Economic Competitiveness Subcabinet under the leadership of Sec. Coker, and I look forward to our collaboration.

CALM IN A TIME OF UNCERTAINTY

The last topic I'll address relates to the uncertainty we're navigating as the federal transition affects our operations, our programs, and our budgets. As we assess the impact of Executive Orders and other actions on our System and our schools, the presidents and I are meeting weekly, and my executive team is convening regularly with their university counterparts. We're sharing information and implications, as we know them, and planning our next steps as a group. That's how we work best.

You're aware that a proposed cut to the NIH indirect cost rate has been paused. These costs are essential to conducting some of the most vital research we do. The rate cut would mean an annual loss of at least \$60 million to the System. But that loss doesn't *stay* within the System. Our research enterprise has a ripple effect on Maryland's economy. A loss of \$60 million means Maryland loses \$150 million in the economic activity that we, alone, contribute. It means Maryland loses nearly 500 jobs that we, alone, contribute. If the rate cut is applied *across* federal agencies, those numbers grow significantly. If you add in the impact to universities *outside* the System, the loss to Maryland is overwhelming.

We're grateful that the lawsuit Maryland joined to block implementation was successful, and we're grateful to have our state and congressional leaders advocating for us, and for the lifesaving work we do.

Our students are concerned about many of these same things. I've heard from the USM Student Council, and from student groups at our universities. They're worried about threats to research and diminishing opportunities in the R&D space. They're worried about shrinking federal internships, which have long been a mainstay for our students, and about family finances should DC layoffs reach into their own homes, or should their financial aid be eliminated. They're worried about their safety on campus, given immigration enforcement, and about their place at our universities—whether they're still welcome and valued and supported.

I hear our students' concerns. I understand their anxiety. And I want them to know that we welcome all, and value all, and support all. Always. Our values are our values. They don't change. We'll come through this uncertainty together, as strong as we've ever been—ready, able, and unafraid to do what our new campaign *tells* us to do: Change the world, for good.

Madame Chair, this concludes my report.

#