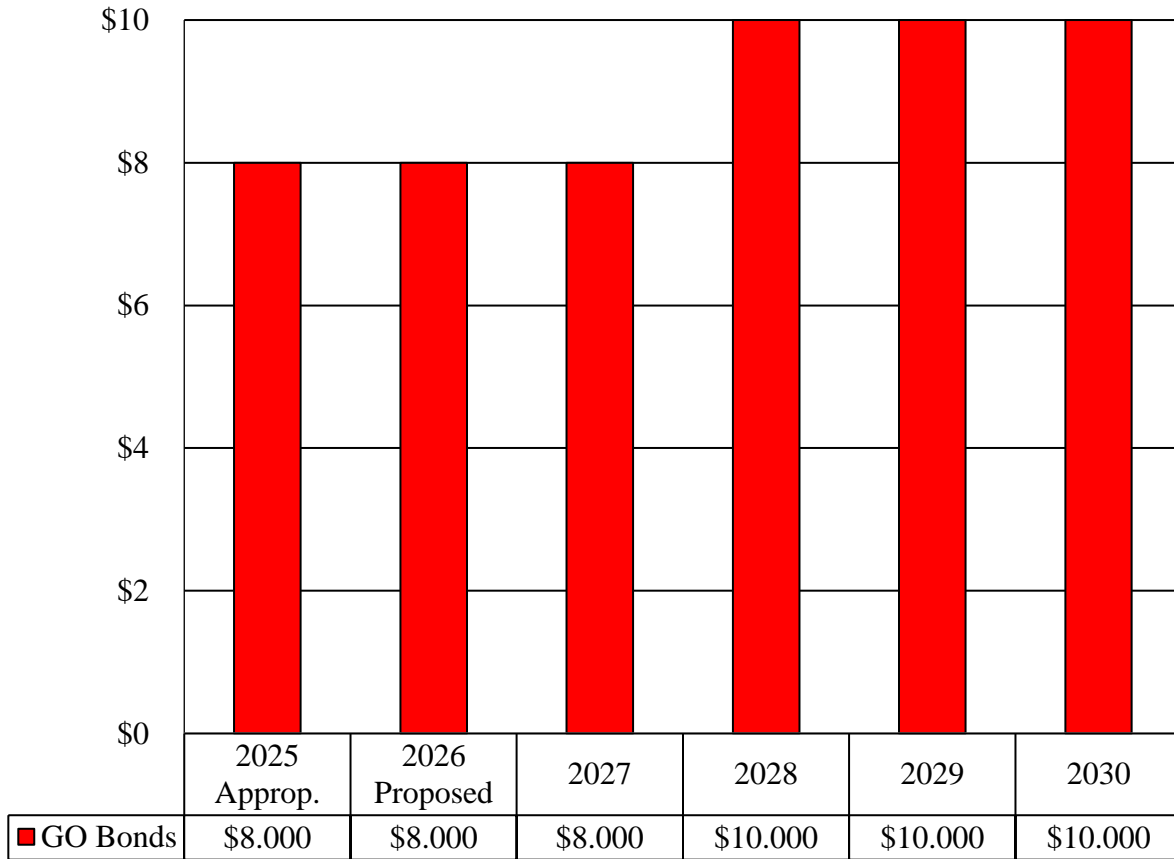


ZA00T-V
Maryland Independent College and University Association – Capital
Miscellaneous Grant Programs

Capital Budget Summary

Grant and Loan *Capital Improvement Program*
MICUA Private Higher Education Facilities Grant Program
(\$ in Millions)



GO: general obligation
MICUA: Maryland Independent College and University Association

GO Bond Recommended Actions

1. Approve all authorizations for the Maryland Independent College and University Association.

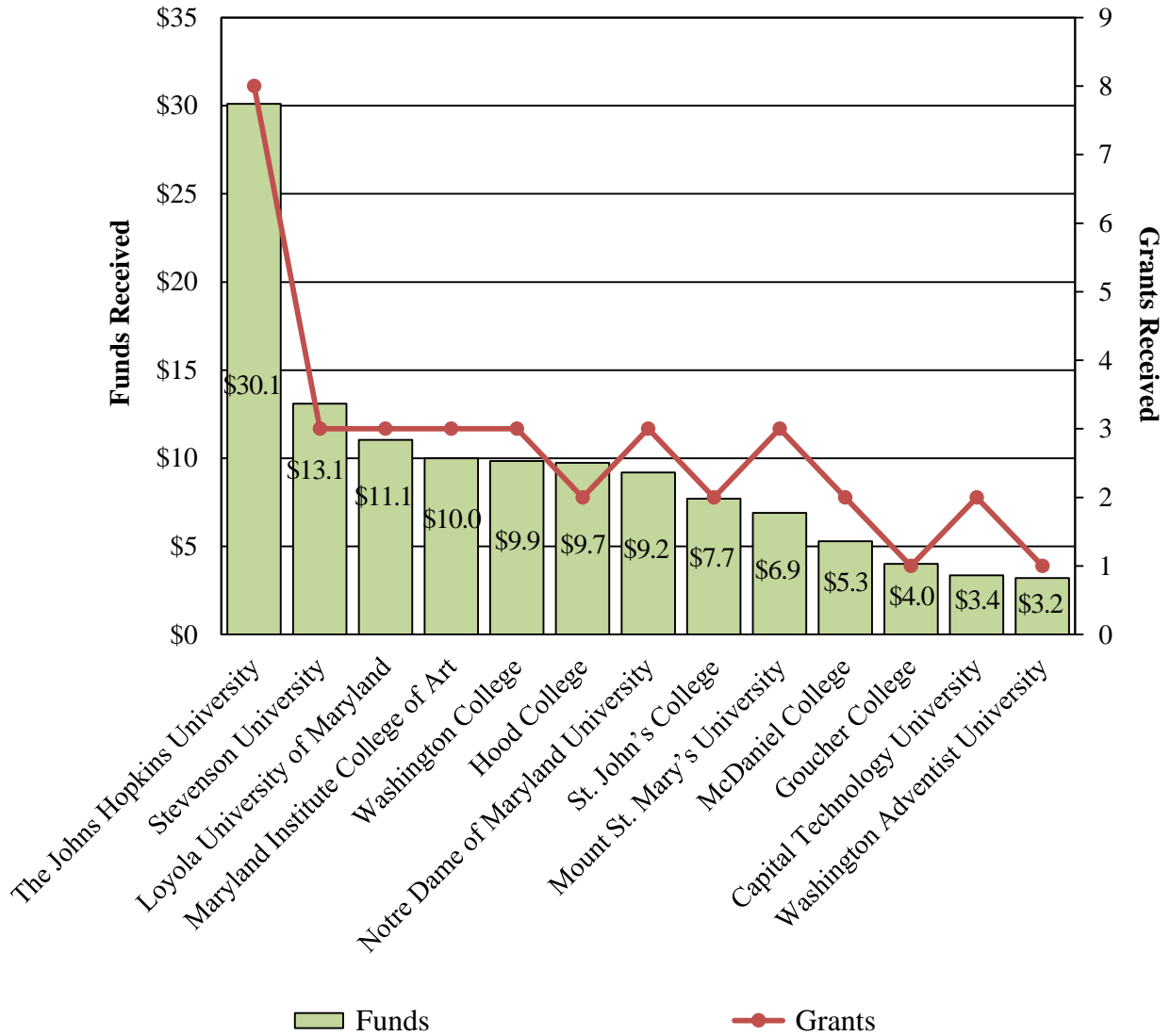
For further information contact: Victoria Martinez victoria.martinez@mlis.state.md.us

Budget Overview of Grant and Loan Programs

The Maryland Independent College and University Association (MICUA) Higher Education Facilities Grant Program provides funds to Maryland’s private colleges and universities to assist with costs of constructing and renovating academic facilities and infrastructure. The grants awarded through this program leverage institutional resources and private donations that must at least match the State appropriation for each project. Established in calendar 1971, MICUA represents 13 member institutions that serve nearly 55,000 students annually, representing approximately 22% of student enrollment in statewide higher education and 30% of all degrees conferred annually by four-year institutions in the State. Of all MICUA undergraduates, 25% are Pell recipients, 32% are underrepresented minority students, and 46% are students of color.

MICUA’s process for selecting projects includes providing eligibility criteria to constrain requests and limiting the frequency and amount of funds that institutions may request each year. Requests for funding through the State’s capital budget made by member institutions are reviewed annually by the MICUA Capital Projects Committee and are endorsed based on project readiness, ability to meet the State’s matching fund requirement, and State and institutional needs. Endorsed projects augment the State’s higher education agenda and are aligned with the goals identified in the 2022 Maryland State Plan for Postsecondary Education. **Exhibit 1** shows the MICUA capital program appropriations by member institution from fiscal 2016 through the fiscal 2026 request, including the number of grants that each institution received. During this period, the State has provided approximately \$123 million for 36 projects at 13 institutions through the MICUA Higher Education Facilities Grant Program. This does not include grants for member institutions made outside of the MICUA grant process.

Exhibit 1
Overview of MICUA Capital Grants
Fiscal 2015-2025
(\$ in Millions)



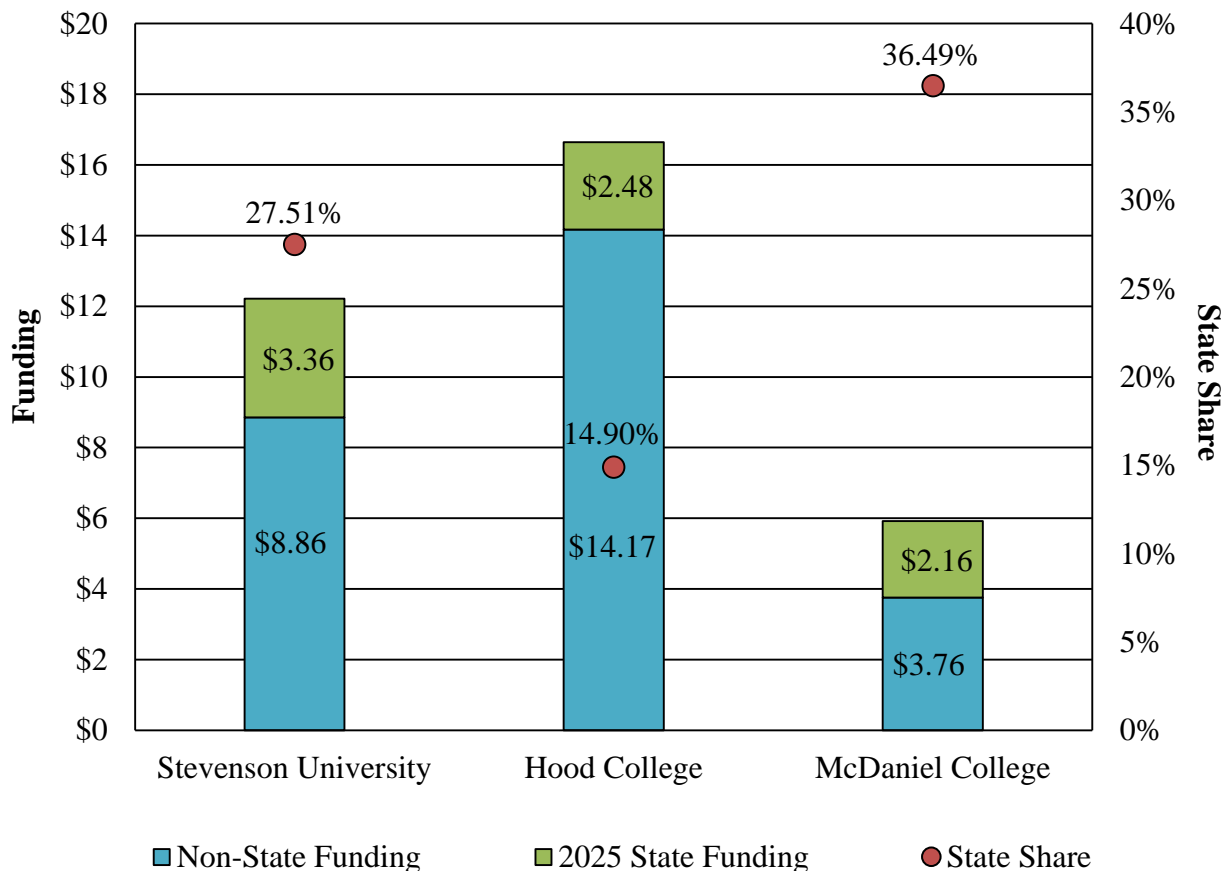
MICUA: Maryland Independent College and University Association

Source: Department of Budget and Management

Fiscal 2026 Grants

As introduced, the capital budget provides \$8.0 million in general obligation bonds for projects at three MICUA institutions: Stevenson University; McDaniel College; and Hood College. The proposed funding level is the same as the \$8.0 million programmed for fiscal 2026 in the 2025 *Capital Improvement Program*. **Exhibit 2** summarizes the fiscal 2026 capital grant projects by total cost and share that is State funded. As shown, Stevenson University received the highest amount of State funding at \$3.36 million (27.51% of the total project), while Hood College received \$2.48 million (14.9% of the total project), and McDaniel College received \$2.16 million (36.49% of the total project).

Exhibit 2
Capital Grants by Total Cost and State Share
Fiscal 2026
(\$ in Millions)



Source: Department of Budget and Management

1. Stevenson University – Music and Performing Arts Wing

The fiscal 2026 capital budget includes a \$3.36 million grant to construct a new wing onto the Berman Center for Performing Arts at Stevenson University’s Owings Mills campus. This project will add a Music Performance Stage wing onto the Black Box Theater to create a comprehensive performing arts center. Stevenson University’s Black Box Theater that is currently under construction received a capital grant from the State through the MICUA Higher Education Facilities Grant Program in fiscal 2023. The Music and Performance Arts project is also currently in construction, and MICUA reported that integrating these two projects will allow Stevenson to take advantage of operational and cost efficiencies. Additionally, MICUA reported that the Black Box Theater is not designed to accommodate the music performance needs addressed by the Music and Performance Arts project because of poor acoustics, scheduling conflicts, limited resource availability, visual accessibility issues, inadequate storage, and inappropriate room size and low performance values.

The proposed fiscal 2026 grant of \$3.36 million is approximately 27.5% of the total project cost estimated at \$12.2 million. The project began with the design phase starting in February 2023 and concluding in February 2024, thus allowing for the beginning of construction in March 2024 and project completion in January 2026.

2. Hood College – Hodson Science Expansion

The fiscal 2026 capital budget includes a \$2.48 million grant to renovate the Hodson Science and Technology Center Annex at Hood College. The expansion will accommodate high-demand programs within science, technology, engineering, and mathematics disciplines. The annex will also house the Biomedical Research and Training Center that will provide students with hands-on training within biotechnology and biomanufacturing. The fiscal 2026 project request is the second phase of a fiscal 2023 project. Upon finishing the design of the fiscal 2023 project, the project was put on hold due to total project cost estimates being \$12.5 million over budget. The project also faced challenges in December 2022 when freezing temperatures ruptured sprinkler piping, which caused flooding in Hodson Hall. Upon repairing the damage in calendar 2023, Hood College reassessed the scope of work and developed a new approach for the project that split it into two separate parts. The fiscal 2023 funds are intended for renovations in Hodson Hall, the Faculty Wing, and the East Addition, while the fiscal 2026 project will be used to renovate and repurpose the Annex. The fiscal 2023 project includes \$6.8 million in State funds.

The proposed fiscal 2026 grant of \$2.48 million is approximately 14.9% of the total project cost estimated at \$16.6 million. The project began with the design phase starting in August 2024 and estimated for completion in September 2025, allowing for construction to begin in February 2026 and project completion in August 2027. The college intends to undertake both the initial phase I funded in fiscal 2023 and the proposed phase II under a single contract.

3. McDaniel College – Merritt Hall Health Science Renovation

The fiscal 2026 capital budget includes a \$2.16 million grant to renovate and repurpose Merritt Hall at McDaniel College. The renovation will update instructional space for existing education programs and develop an academic health science and education building. The renovation will provide instructional, clinical, and lab space for four undergraduate and graduate degree programs – Bachelor of Art in Early Childhood Education, Neuroscience Minor within Psychology, Master of Science in Speech Language Pathology, and Master of Science in Occupational Therapy.

The proposed fiscal 2026 grant of \$2.16 million is approximately 36.5% of the total project cost, which is estimated at \$5.9 million. The project began with the design phase starting in January 2024 and concluding in September 2024, with construction estimated to begin in July 2025, and project completion in April 2026.

Updates

1. Status of Projects with Unexpended Funds

Once a capital project receives approval for the project grant agreement from the Board of Public Works (BPW), funding for projects transition from being unencumbered to encumbered. The encumbered funds represent the institution’s contractual commitments to vendors for projects. Any remaining funds reflect funds that were not expended. After a project has satisfied any match requirement, the institution requests reimbursement for the State portion of the expended funds. **Exhibit 3** provides a status update on the projects from fiscal 2018 to 2022 that have unexpended funds. Two of the five listed projects are in the process of requesting reimbursement for completed projects. MICUA reported that some institutions had delays in submitting grant application documentation and requesting reimbursement due to challenges with the Department of General Service’s online portal for the State grant process that was launched in October 2024. The oldest project is the fiscal 2018 Goucher College project to renovate the Hoffberger Science Building, which has a total project cost of \$21 million, including \$4 million in State funds. The project has been significantly delayed due to the COVID-19 pandemic halting fundraising to meet the match requirement of the award. The project was initially set to meet the seven-year term deadline on June 1, 2024, but received a one-year extension by BPW. The project is now subject to deauthorization on June 1, 2025. MICUA reported that Goucher College anticipates completely drawing down funds prior to the deauthorization deadline.

Exhibit 3
Projects with Unexpended Funds
Fiscal 2018-2022
(\$ in Millions)

<u>Institution and Capital Project</u>	<u>Unexpended Funds</u>	<u>Status Update</u>
Goucher (2018) – New Science Building	\$4.000	BPW approved extension until 6/1/2025.
Stevenson (2020) – New Library	0.050	Reimbursement request in progress.
Johns Hopkins (2021) – Henrietta Lacks Building Construction	4.000	Waiting to be scheduled on BPW agenda.
MICA (2021) – Mosher Street Building Renovation	4.000	Reimbursement request in progress.
Johns Hopkins (2022) – Eisenhower Library Renovation	5.000	Contract status review in progress.
Total	\$17.050	

BPW: Board of Public Works

MICA: Maryland Institute College of Art

Source: Maryland Independent College and University Association; Department of Legislative Services
