

Frederick Community College
BOARD OF TRUSTEES
Regular Monthly Meeting

Wednesday, October 15, 2025 – 4:30 p.m.
Conference Center (E126AB)

Zoom Option:

<https://frederick-edu.zoom.us/j/89427885457?pwd=yN5QlbnO5xjNM3133otrghdKOvGn.1&from=addon>

Call-in Option:

Phone Number: 301-715-8592 | Meeting ID: 894 2788 5457 | Passcode: 895160

I. Call to Order

II. Approval of Minutes

- A. September 17, 2025 Regular Meeting (**Enclosure 1**)

III. Declaration of Conflict of Interest

IV. Board & CEO Comments

V. Consent Agenda

None

VI. Required Approvals Agenda

- A. Approval of Piggyback Contract with Audio Video Group for the Audio-Visual Refresh of Selected Classrooms in the Student Center (**Enclosure 2**)

VII. Information/Discussion Items

- A. Audited Financial Reports for the Year Ending June 30, 2025 (**Enclosure 3**)
- B. Monitoring Board Performance

Policy Survey Results:

- 1. BCD-1 Unity of Control (**Enclosure 4**)
- 2. GP-10 Board Expenses (**Enclosure 5**)

Policy Review:

- 3. GP-7 Board Planning Cycle and Agenda Control (**Enclosure 6**)
- 4. GP-5 Board Linkage with Ownership (**Enclosure 7**)
- 5. GP-6 Board Linkage with External Organizations (**Enclosure 8**)

VIII. Action Items

- A. Approval of Annual Board Self-Assessment Tool (**Enclosure 9**)
- B. Monitoring CEO Performance
 - 1. Acceptance: EL-1 Treatment of Students Monitoring Report (**Enclosure 10**)
 - 2. Acceptance: EL-2 Treatment of Employees Monitoring Report (**Enclosure 11**)

IX. Meeting Content Review (Enclosure 12)

Consideration of areas for meeting content improvement: This item on the agenda provides the Board the opportunity to give the Board Chair and the President feedback on the quality of the content provided during this Board Meeting. We would appreciate receiving suggestions wherein you would like to see changes made to future Board meetings.

X. Closed Session

The Board of Trustees will hold a public vote to meet in closed session in accordance with the Maryland Open Meetings Act, Section 3-305(b)(7) to consult with counsel to obtain legal advice; Section 3-305(b)(9) to conduct collective bargaining negotiations or consider matters that relate to the negotiations; and Section 3-305(b)(13) to comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter. The topics are: to obtain legal advice related to collective bargaining strategy and potential positions; and review and approval of closed session minutes from August 20, 2025 pursuant to Section 3-306(c)(3)(ii) of the General Provisions Article of the Maryland Annotated Code.

XI. Adjournment

NEXT MEETING: Wednesday – November 19, 2025
▪ **4:30 p.m. – Regular Monthly FCC Board Meeting**

Under the ADA and Section 504, Frederick Community College (FCC) makes every effort to accommodate individuals with disabilities for College-sponsored events and programs. For FCC employees needing accommodations, including interpreting, please email humanresources@frederick.edu. For students and others with accommodation needs or questions, please call 301-846-2408, or to request sign language interpreter services, please email Interpreting@frederick.edu. Sign language interpreters will not be automatically provided for College-sponsored events without a request for services. Requests must be made at least five workdays before a scheduled event to guarantee accommodations.

Approval of Minutes for September 17, 2025 Regular Meeting

Context: Minutes of the proceedings of every Board meeting shall be prepared by the College President (or the President's designee) with all motions accurately and completely recorded, noting the names of those who make motions, the nature of the motion, and those who vote 'yea' and 'nay.' The minutes of the prior Board Meeting will be provided to and considered by the Board as part of the subsequent board Meeting materials.

Board Policy Reference: [Bylaws of the Board of Trustees of Frederick Community College](#)

Background: The Board of Trustees held a regular meeting on September 17, 2025.

Attachment: Minutes of the September 17, 2025 regular meeting

**BOARD OF TRUSTEES
FREDERICK COMMUNITY COLLEGE**

**September 17, 2025
Regular Meeting**

The Board of Trustees of Frederick Community College met in **regular session** on Wednesday, September 17, 2025 in the Conference Center (E126AB). A virtual option to participate was provided. Participating in person were: Trustees Theodore Luck, Chair; Carolyn Kimberlin, Vice Chair; Dr. Carmen R. Hernandez; Tracey McPherson; Dr. William Reid; and Myrna Whitworth. Also attending in person were President Dr. Annesa Payne Cheek, Secretary/Treasurer of the Board; Janice Spiegel, Special Projects Manager/Budget Office Frederick County Government; and Adam Konstas, PK Law, College legal counsel.

Participating virtually was Trustee Jan H. Gardner.

CALL TO ORDER

The meeting was called to order by Chair Luck at 4:30 p.m.

APPROVAL OF MINUTES

Chair Luck called for approval of the minutes of the August 20, 2025 regular meeting.

On a motion made by Trustee Hernandez, the Board unanimously approved the August 20, 2025 regular meeting minutes, as presented.

DECLARATION OF CONFLICT OF INTEREST

There were no conflicts of interest expressed by Trustees.

BOARD & CEO COMMENTS

Chair Luck addressed a comment made at the last meeting and made clear that questions to President Cheek have consistently been addressed. He stressed the importance of following published agendas and reaffirmed the Board's commitment to Policy Governance®. Chair Luck then welcomed new and returning students, staff, and faculty to the fall semester, and reported on attending the Governor's Day Luncheon at the Great Frederick Fair, noting the positive community message shared there.

Trustee Reid shared impressions from Convocation, highlighting the College's support for equity, success, and retention. He encouraged Trustees to visit the MOSAIC Center, describing it as a vibrant, inclusive environment for students.

Trustee Gardner praised the student speakers and the presentation at Convocation, referring to FCC Future Ready, and requested future updates on its role in improving student performance and retention. She then raised questions about the consent agenda, suggesting the value of discussion on certain items without implying noncompliance; expressed concern that the Performance Accountability Report is described as essentially the new strategic plan, but the Board of Trustees was not involved in its development; suggested that the Board should play a role in setting strategic policy alongside staff and administration; and requested a future discussion to revisit Board Policy GP-7 Board Planning Cycle and Agenda Control and Board Policy GP-8 Governing Style to clarify Trustee authority to ask questions and provide input. Trustee Gardner also inquired about the status of ownership linkage sessions from the July retreat and requested that the Board have the opportunity to help set budget priorities in the fall.

Trustee Hernandez reported on attending Convocation for the first time, describing it as informational, educational, and inspirational. She observed the positive energy among staff, attributing it to a supportive work environment, and commended President Cheek and her team.

Trustee Whitworth expressed concern about the materials for this meeting and possible contradictions regarding Board responsibilities for strategic planning and ownership linkage, asserting that the Board is responsible for these areas and the administration is also conducting outreach and planning without Trustee input. She suggested that the Board clarify its responsibilities.

Chair Luck thanked Trustees for their comments and noted that this portion of the agenda is not intended for back-and-forth discussion on specific issues. He added that all items will be addressed according to Board policy, and it may be necessary to clarify areas of confusion as they come up on the agenda.

President Cheek introduced Dr. Jerry DeSanto, who began serving as the Chief Information Officer and Vice President for Information Technology on September 15, 2025. She then announced a new *Future in Focus* segment that she will occasionally share as part of her comments to highlight how FCC is preparing for what's next and positioning the College to remain future ready. Dr. Matthew Paushter, Chief Foresight and Decision Support Officer, provided a presentation highlighting how FCC is combining retrospective reports like the Performance Accountability Report with leading indicators and real-time data to support student success, using tools like Navigate360 to identify early warning signs and address institutional performance gaps to analyze whether the institution is

meeting the needs of students. President Cheek concluded by underscoring that proactive use of data transforms it into a strategic advantage, removing barriers for students and strengthening FCC for all.

CONSENT / REQUIRED APPROVALS AGENDA

On a motion made by Trustee Whitworth, the Board unanimously approved the following items, as presented:

- Piggyback Contract Renewal with Frederick County for Interpreting Services for the Deaf and Hard-of-Hearing
- Piggyback Contract with Henley Construction Co., Inc. for Renovation of the Biotech Lab
- 2025 Performance Accountability Report

INFORMATION/DISCUSSION ITEMS

Fiscal Year-to-Date Unaudited Draft Financial Report through the Quarter

Ending June 30, 2025 – Scott McVicker, Chief Financial Officer (CFO) and Vice President for Administration, went through the report in detail with the Board.

MONITORING BOARD PERFORMANCE:

Board Policy Review: BCD-1 Unity of Control – The Board reviewed this policy for currency. There was discussion regarding possible repetition with Board Policy BCD-3 Delegation to the President. It was noted that repetition reinforces policy. There were no suggested revisions.

Board Policy Review: GP-10 Board Expenses – The Board reviewed this policy for currency. There was discussion regarding possible repetition with Board Policy GP-9

Investment in Governance and an inquiry regarding when that policy will be reviewed. It was acknowledged that the Board has an approved FY 2026 Board Policy Review and Monitoring Schedule and GP-9 is scheduled to be reviewed at the June 10, 2026 meeting. There were no suggested revisions.

ACTION ITEM

Approval of Amendment to Bylaws – The Board reviewed a proposed amendment to the Board of Trustees Bylaws at its last meeting to add a statement of rules regarding the conduct of persons attending Board of Trustees meetings. The revised Bylaws were submitted for approval.

On a motion made by Trustee Hernandez, the Board unanimously approved the Amendment to Bylaws, as presented.

Approval of Revisions to BCD-3 Delegation to the President – The Board reviewed a proposed revision at its last meeting to add “administrative” before “policies” in item 6. The revised policy was submitted for approval.

There was discussion regarding possible contradictions between Article X of the Bylaws, Board Policy BCD-3 Delegation to the President, and Board Policy GP-9 Investment in Governance relating to delegation of responsibilities to the President. A concern was raised that too much authority may be delegated without clear definition of what responsibilities remain with the Board. It was clarified that while the Board is the sole governing body and ultimately accountable for the items listed in Article X of the Bylaws, this accountability is exercised through Board policies that delegate operational

responsibilities to the President. There was discussion regarding the Board's role in strategic planning, and a request was made for further discussion at the next Board retreat.

On a motion made by Trustee Reid, the Board unanimously approved the revisions to BCD-3 Delegation to the President, as presented.

Approval of Revisions to BCD-4 Monitoring President Performance – The Board reviewed proposed revisions at its last meeting to change “CEO” to “President” in the first line of the policy; change “his or her” to “their” in item 2.1; and remove the Monitoring Schedule at the end of the policy. The revised policy was submitted for approval.

On a motion made by Trustee Reid, the Board unanimously approved the revisions to BCD-4 Monitoring President Performance, as presented.

Approval of Annual Board Self-Assessment Tool – The Board reviewed the proposed annual board self-assessment tool that was introduced at the July Board Retreat and discussed at its last meeting. The Annual Board Self-Assessment Tool was submitted for approval.

A suggestion was made to add a “not yet implemented” (N/A) option for the rating scale so that items that have not been started are not marked as unmet. A revision was proposed to change references from “CEO” to “President” for consistency with other policies. There was discussion regarding a suggestion to change operational to administrative in section 8. It was explained that both administrative and operational are used throughout Board policies, and the term operational is more appropriate for this section.

No action was taken. The identified revisions will be incorporated and submitted to the Board for approval at its next meeting.

MEETING CONTENT REVIEW

Chair Luck led a discussion for the consideration of areas for meeting content improvement and the effectiveness of the meeting as it adheres to the principles of Policy Governance®. It was acknowledged that the purpose and structure of the comments period is intended for sharing thoughts on any exposure to College activity, stakeholders and the community rather than for back-and-forth discussion and that questions during the meeting should be aligned with the relevant agenda items to maintain focus. A suggestion was made to spend more time during meetings to talk about the College's accomplishments and programs and hear from students. It was clarified that while this information is good to know, it is not the work of the Board.

ADJOURNMENT

The meeting adjourned at 6:13 p.m.

NEXT MEETING

The next regular meeting of the Board will be held on Wednesday, October 15, 2025.

Dr. Annesa Payne Cheek
Secretary/Treasurer

Prepared by Kari Melvin
Office of the President
Frederick Community College

Piggyback Contract with Audio Video Group for the Audio-Visual Refresh of Selected Classrooms in the Student Center Recommendation

Context: The piggyback contract with Maryland Enterprise Education Consortium for the purchase of equipment and installation services related to the audio-visual refresh of selected classrooms in the Student Center is being presented to the Board for approval via the Required Approvals Agenda. This document summarizes the recommended piggyback contract and is presented to the Board of Trustees by President Cheek, with preparation support provided by Dr. Jerry DeSanto, Chief Information Officer (CIO) and Vice President for Information Technology.

Board Policy References:

- [EL-4 Financial Conditions and Activities](#)
- [EL-9 Asset Protection](#)

Background:

- Pursuant to the Code of Maryland Regulations §21.05.07, the Board is required to approve any procurement over \$100,000.
- The equipment and audio-visual services will be provided as a piggyback of the Maryland Education Enterprise Consortium (MEEC) Audio Visual Hardware & Service contract (#TU-2501). MEEC unites K-20 education partners in Maryland to provide quality information technology hardware, software, and services opportunities at affordable prices.
- The audio-visual contracts were awarded through a competitive RFP process that followed the USM Procurement Policies & Procedures. The contracts were approved by the University System of Maryland's Board of Regents.
- The College has selected Audio Video Group (AVG), a MEEC service contract awardee, as our installation partner.
- This project will refresh the audio-visual technologies in selected classrooms in the Student Center (rooms H248, H249, H250, H251, H260, H261, H262, H263) as part of the seven-year audio visual replacement cycle. The work will take place between December 2025 – January 2026.
- The total cost of the project is \$151,800.61 and is included in the FY 2026 approved County CIP Systemics budget.

Attachment: None

Audited Financial Reports for the Year Ending June 30, 2025

Context: Frederick Community College's audited financial reports are distributed to the Board of Trustees each year. Attached are the audited financial statements for the fiscal year ending June 30, 2025, as prepared by the auditing firm, SB & Company, for your information and review. This document is presented to the Board of Trustees by President Cheek, with preparation support provided by Scott McVicker, CFO and Vice President for Administration.

Board Policy Compliance Monitoring Reference: [EL-4 Financial Conditions and Activities](#)

Background:

The results of the audit include:

- An unmodified opinion which concludes that the financial statements are presented fairly, in all material respects, and in accordance with Government Auditing Standards.
- An unmodified opinion on the annual financial report (CC4) to the Maryland Higher Education Commission.
- During the Single Audit of Federal Awards, a finding was identified regarding the administration of Title IV funds. Specifically, the College did not consistently meet the required timelines for identifying students who had withdrawn and returning unearned Title IV funds to the U.S. Department of Education. Additionally, there were instances where the funds returned were not accurately calculated. A Corrective Action Plan has already been put in place.
- No material weakness in internal controls.

FY 2025 financial results compared to FY 2024 include:

	FY 2025	FY 2024
Total assets	\$ 138,645,205	\$ 133,663,970
Net position	125,954,209	120,129,458
Unrestricted net assets	37,253,677	32,499,740
Total operating revenues	29,268,724	27,692,254
Total operating expenses	86,283,106	79,472,316
Change in net position	5,824,751	3,706,241
Capital appropriations	5,386,585	2,927,322

Attachments:

- SB & Company Presentation
- Audited financial statements for the fiscal year ending June 30, 2025
- Annual financial report (CC4) to the Maryland Higher Education Commission



Certified Public
Accountants &
Business Advisors



Frederick Community College

October 15, 2025

Presentation to Those Charged with Governance

June 30, 2025 Audit Results
Frederick Community College

Introductions

❖ SB & Company, LLC Leadership Team

- Tobi Hollander, Engagement Partner
- Graylin Smith, Client Service Partner
- Sheena Robinson, Engagement Manager
- Chris Mark, Engagement Senior

Executive Summary

I. Scope of Services

- Audit of the June 30, 2025 financial statements
- Single Audit for June 30, 2025 testing under Uniform Guidance
- Annual Financial Report to the Maryland Higher Education Commission (CC-4 Report)
- Status of observations noted during the audit process
- Year-round advice and consultation

Executive Summary (cont.)

II. Summary of Results

- Issued an unmodified opinion on the financial statements
- Issued an unmodified opinion on annual financial report to the Maryland Higher Education Commission
- Single Audit, findings noted
- Discovered no material weakness in internal controls
- Summary of Results:

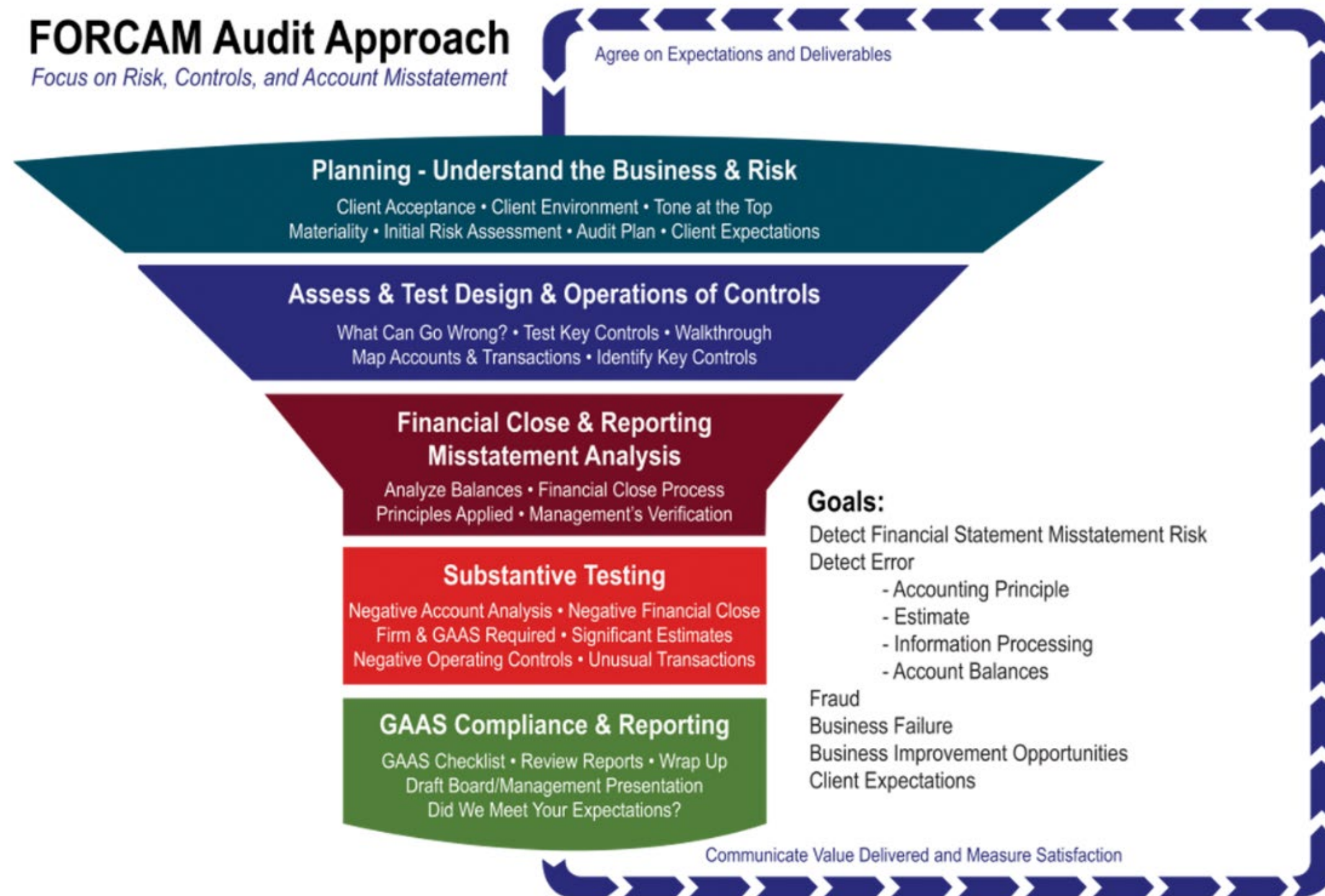
	2025	2024
Total assets	\$ 138,645,205	\$ 133,663,970
Net position	125,954,209	120,129,458
Unrestricted net assets	37,253,677	32,499,740
Total operations revenues	29,268,724	27,692,254
Total operating expenses	86,283,106	79,472,316
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Audit Approach



SBC Audit Approach

Focus on Risk, Controls, and Account Misstatement (FORCAM)



Audit Risk & Audit Areas

Audit Risk Areas

- Cash controls and reconciliation
- Collectability of student and third-party receivables and adequacy of allowance for doubtful accounts
- Inventory accounting
- Completeness of accounts payable and accrued expenses
- Revenue recognition
- Functional allocation of expenses
- OPEB liability estimate

Key Accounting Policies

- Basis of accounting
- Revenue recognition
- Functional allocation of expenses
- New accounting standards

Assessment of Control Environment

Control Environment	Risk Assessment	Control Activities	Information and Communication	Monitoring Activities
▪ Key executive integrity, ethics, and behavior ▪ Control consciousness and operating style ▪ Commitment to competence ▪ Exercise oversee responsibility ▪ Organizational structure, responsibility, and authority ▪ Enforce accountability ▪ HR policies and procedures	▪ Define objectives and risk tolerances ▪ Identify, analyze, and respond to risk ▪ Assess fraud risk ▪ Identify, analyze, and respond to change ▪ Mechanisms to anticipate, identify, and react to significant events ▪ Processes and procedures to identify changes in GAAP, business practices, and internal control	▪ Design control activities ▪ Design activities for the information system ▪ Implement control activities ▪ Existence of necessary policies and procedures ▪ Clear financial objectives with active monitoring ▪ Logical segregation of duties ▪ Periodic comparisons of book-to-actual and physical count-to-books ▪ Adequate safeguards of documents, records, and assets ▪ Assess controls in place	▪ Use quality information ▪ Communicate internally ▪ Communicate externally ▪ Adequate performance reports produced from information systems ▪ Information systems are connected with business strategy ▪ Commitment of HR and finance to develop, test, and monitor IT systems and programs ▪ Business continuity and disaster plan for IT ▪ Established communication channels for employees to fulfill responsibilities ▪ Adequate communication across organization	▪ Perform monitoring activities ▪ Remediate deficiencies ▪ Periodic evaluations of internal controls ▪ Frederick County Interagency Internal Audit Authority (IIAA) reviews ▪ Implementation of improvement recommendations
Effective	Effective	Effective	Effective	Effective

Evaluation of Key Processes

Treasury	Estimation	Financial Reporting	Expenditures	Payroll
▪ Cash Management ▪ Reconciliations	▪ Methodology ▪ Information ▪ Calculation	▪ Accounting Principles ▪ Closing the Books ▪ Report Preparation ▪ General Ledger and Journal Entry Processing ▪ Verification and Review of Results	▪ Purchasing ▪ Receiving ▪ Accounts Payable and Cash Disbursement ▪ Purchase Card Transactions	▪ Hiring ▪ Attendance Reporting ▪ Payroll Accounting and Processing ▪ Payroll Disbursements ▪ Separation
Effective	Effective	Effective	Effective	Effective

Evaluation of Key Processes (cont.)

Revenue	Fixed Assets	Inventory	Grant Compliance	Information Technology
▪ Billing ▪ Cash Receipts ▪ Revenue Recognition ▪ Cutoff	▪ Physical Custody ▪ Asset and Construction in Progress Accounting ▪ Depreciation	▪ Physical Custody ▪ Inventory Accounting ▪ Valuation	▪ Acceptance ▪ Grant Oversight ▪ Compliance ▪ Reporting ▪ Monitoring ▪ Accounting ▪ Billing and Collection ▪ Grant Close Out	▪ Logical Access Controls ▪ Program Changes ▪ System Operations ▪ System Migration ▪ Physical and Environmental Controls ▪ Back-up and Recovery ▪ Networks and Communication ▪ Cloud Service Providers ▪ Encryption ▪ System Maintenance/Software Versions ▪ Information Technology Policy Framework ▪ Cybersecurity Preparedness ▪ Graham Leach Bliley Act (GLBA)
Effective	Effective	Effective	Effective	Effective

Audit Results



Purpose of Financial Statements

- Statement of Net Position
 - Represents all assets and liabilities of the College as of year end (net position)
 - The net position is one way of measuring the financial health of the College
- Statement of Revenue, Expenses, and Changes in Net Position
 - Represents the College's operating results for the year
 - It shows whether the financial health of the College is improving or not
- Statement of Cash Flows
 - Provides information about the cash receipts and cash disbursements during the year
 - It also shows the College's ability to generate cash flows and its ability to meet obligations when due

Financial Statement Highlights

Statements of Net Position as of June 30, 2025, 2024, and 2023

	2025	2024	2023
Current Assets			
Cash and cash equivalents	\$ 42,490,301	\$ 36,167,477	\$ 30,779,221
Accounts receivable:			
Governmental	1,199,882	3,009,358	2,631,591
Student & third party, net of allowance	659,075	415,656	315,053
Other accounts receivable	630,286	628,486	402,742
Total Accounts Receivable	2,489,243	4,053,500	3,349,386
Prepaid expenses and other	809,668	808,986	568,611
Inventory	217,612	208,209	205,513
Total Current Assets	46,006,824	41,238,172	34,902,731
Noncurrent Assets			
Capital assets, net of accumulated depreciation	92,638,381	92,425,798	95,135,028
TOTAL ASSETS	138,645,205	133,663,970	130,037,759
LIABILITIES AND NET POSITION			
Current Liabilities			
Accounts payable	1,772,792	2,072,140	2,026,509
Accrued salaries	1,009,155	988,957	957,072
Accrued liabilities	574,847	813,607	618,239
Accrued leave	2,239,228	2,086,078	1,883,269
Bond payable	345,000	330,000	320,000
SBITA payable	236,614	333,324	345,015
Unearned revenue	2,180,383	1,924,757	1,741,629
Total Current Liabilities	8,358,019	8,548,863	7,891,733

Financial Statement Highlights

Statements of Net Position as of June 30, 2025, 2024, and 2023 (cont.)

	2025	2024	2023
Noncurrent Liabilities			
Bonds payable, net	\$ 4,114,183	\$ 4,528,050	\$ 4,931,902
SBITA payable	191,799	428,413	761,737
Accrued leave	26,995	29,186	29,170
Total Noncurrent Liabilities	4,332,977	4,985,649	5,722,809
TOTAL LIABILITIES	12,690,996	13,534,512	13,614,542
 NET POSITION			
Net investment in capital assets	87,750,785	86,806,011	88,776,374
Net assets restricted by purpose or time	949,747	823,707	510,632
Unrestricted	37,253,677	32,499,740	27,136,211
TOTAL NET POSITION	\$ 125,954,209	\$ 120,129,458	\$ 116,423,217

Financial Statement Highlights

Statements of Revenue, Expenses, and Changes in Net Position
For the Years Ended June 30, 2025, 2024, and 2023

	2025	2024	2023
Operating Revenue			
Tuition and fees, net of scholarship	\$ 19,539,371	\$ 18,071,414	\$ 16,838,802
Grants and contracts	2,896,681	3,365,604	4,816,669
Auxiliary enterprises	3,332,198	2,695,990	2,258,206
Other revenue	3,500,474	3,559,246	3,081,884
Total Operating Revenue	29,268,724	27,692,254	26,995,561
Operating Expenses			
Instruction:			
Academic	26,379,485	25,358,783	24,706,186
Continuing education	4,736,027	4,288,990	4,606,200
Total Instruction	31,115,512	29,647,773	29,312,386
Academic support	1,486,316	1,338,319	1,179,180
Student services	11,206,909	9,970,492	9,064,308
Plant operations and maintenance	10,053,570	10,194,324	8,500,417
Institutional support	15,645,626	12,754,289	11,816,459
Scholarships	2,524,319	2,544,099	2,327,084
Student aid expenses	4,569,968	4,385,944	3,990,824
Depreciation	5,200,311	4,984,022	4,858,917
Auxiliary enterprises	3,392,254	3,041,613	3,796,980
Other expenses	1,088,321	611,441	202,214
Total Operating Expenses	86,283,106	79,472,316	75,048,769
Operating Loss	(57,014,382)	(51,780,062)	(48,053,208)

Financial Statement Highlights

Statements of Revenue, Expenses, and Changes in Net Position
For the Years Ended June 30, 2025, 2024, and 2023

	2025	2024	2023
Nonoperating Revenue (Expenses)			
State appropriations	\$ 20,743,432	\$ 18,548,628	\$ 16,429,152
County appropriations	26,242,681	24,675,478	22,618,303
State and county capital projects appropriations	5,386,585	2,927,322	4,888,492
Student aid revenues	5,687,378	5,059,385	4,912,697
Investment income	1,428,111	1,370,504	854,706
State paid benefits	3,350,946	2,904,986	2,822,038
Total Net Nonoperating Revenue	62,839,133	55,486,303	53,525,388
 Increase in Net Position	 5,824,751	 3,706,241	 5,472,180
Net position - beginning of year	120,129,458	116,423,217	110,951,037
Net Position - End of Year	\$ 125,954,209	\$ 120,129,458	\$ 116,423,217

Financial Statement Highlights

Statements of Expenses

For the Years Ended June 30, 2025, 2024, and 2023

	For the Years Ended		
	June 30, 2025	June 30, 2024	June 30, 2023
Salaries and benefits	\$ 54,836,018	\$ 50,550,627	\$ 46,524,809
Supplies and materials	4,028,237	3,562,680	3,838,895
Depreciation and amortization	5,200,311	4,984,021	4,858,917
Contracted services	7,028,131	5,176,383	3,681,168
Conferences and meetings	1,194,443	1,013,801	830,934
Communications	134,195	125,807	112,455
Utilities	1,111,990	1,125,091	841,659
Insurance	275,461	297,398	261,241
Scholarships	7,094,286	6,930,043	6,317,908
Campus projects and equipment	586,942	1,431,340	2,573,959
Cost of good sold (bookstore and food service)	734,626	743,659	999,457
Miscellaneous	707,520	626,480	1,385,329
Certain fringe benefits paid directly by the State of Maryland	3,350,946	2,904,986	2,822,038
Total	\$ 86,283,106	\$ 79,472,316	\$ 75,048,769

Single Audit Results

Major Programs	Expenditures
Student Financial Aid Cluster	
PELL	\$ 5,561,459
S.E.O.G.	125,919
Federal Work Study	95,928
Direct Loan	2,940,928
Total Major Programs	\$ 8,724,234
Total Federal Expenditures	\$ 9,934,834
Percentage Coverage	88%

- Compliance findings noted during testing

Required Communications



Required Communications

1. Auditor's Responsibilities Under Generally Accepted Auditing Standards (GAAS)

The financial statements are the responsibility of management. Our audit was designed in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, and provide for reasonable, rather than absolute, assurance that the financial statements are free of material misstatement.

2. Significant Accounting Policies

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application.

The significant accounting policies used by management are described in the notes to the financial statements.

3. Auditor's Judgments About the Quality of Accounting Principles

We discuss our judgments about the quality, not just the acceptability, of accounting principles selected by management, the consistency of their application, and the clarity and completeness of the financial statements, which include related disclosures.

We have reviewed the significant accounting policies adopted by Frederick Community College (FCC) and have determined that those policies are acceptable accounting policies.

4. Audit Adjustments

We are required to inform the FCC's oversight body about adjustments arising from the audit (whether recorded or not) that could in our judgment, either individually or in the aggregate, have a significant effect on the entity's financial reporting process. We also are required to inform the FCC's oversight body about unadjusted audit differences that were determined by management to be, individually and in the aggregate, immaterial.

There were no significant adjustments identified during the audit process.

Required Communications (cont.)

5. Fraud and Illegal Acts

We are required to report to the FCC's oversight body any fraud and illegal acts involving senior management and fraud and illegal acts (whether caused by senior management or other employees) that cause a material misstatement of the financial statements.

Our procedures identified no instances of fraud or illegal acts.

6. Material Weaknesses in Internal Control

We are required to communicate all significant deficiencies in FCC's systems of internal controls, whether or not they are also material weaknesses.

There were no material weaknesses noted during the audit.

7. Other Information in Documents Containing Audited Financial Statements

None.

8. Disagreements with Management on Financial Accounting and Reporting Matters

None.

9. Significant Difficulties Encountered in Performing the Audit

No significant difficulties noted.

10. Major Issues Discussed with Management Prior to Acceptance

None.

Required Communications (cont.)

11. Management Representations

We received certain written representations from management as part of the completion of the audit.

12. Consultation with Other Accountants

To our knowledge, there were no consultations with other accountants since our appointment as FCC's independent public accountants.

13. Independence

As part of our client acceptance process, we go through a process to ensure we are independent of FCC.

We are independent of FCC.

14. Non-attest Service Responsibility

We performed non-attest services for FCC related to assistance with drafting the financial statements, CC4, and Single Audit report and will prepare the 990-T tax return for FCC.

Required Communications (cont.)

Our Responsibility Related to Fraud

- Plan and perform the audit to obtain reasonable assurance that there is no material misstatement caused by error or fraud;
- Comply with GAAS AU-C 240, *"Consideration of Fraud in a Financial Statement Audit"*;
- Approach all audits with an understanding that fraud could occur in any entity, at any time, by anyone; and
- Perform mandatory procedures required by GAAS and our firm policies.

Examples of Procedures Performed

- Discuss thoughts and ideas in areas where the financial statements might be susceptible to material misstatement due to fraud;
- Understand pressures on the financial statement results;
- Understand the tone and culture of the organization;
- Look for unusual or unexpected transactions, relationships, or procedures;
- Discussions with individuals outside of finance;
- Evaluate key processes and controls; and
- Consider information gathered throughout the audit.



Questions & Answers

Engagement Team

Contact Information



Tobi Hollander
Engagement Partner

Phone: 410-584-2202

Cell: 443-604-9455

thollander@sbandcompany.com

Executive Assistant
Kameron Pulliam

Office: 443-353-5437

kpulliam@sbandcompany.com



Graylin Smith
Client Service Partner

Phone: 410-584-1401

Cell: 410-340-4515

gsmith@sbandcompany.com

Executive Assistant
Kristina Ortiz

Office: 410-584-9309

kortiz@sbandcompany.com



Sheena Robinson
Engagement Manager

Phone: 443-353-5442

Cell: 929-472-1185

srobinson@sbandcompany.com

Executive Assistant
Kameron Pulliam

Office: 443-353-5437

kpulliam@sbandcompany.com



Chris Mark
Engagement Senior

Phone: 443-353-5440

Cell: 443-823-0274

cmark@sbandcompany.com



Knowledge,
Quality,
Client Service.

Maryland

10200 Grand Central Avenue
Suite 250
Owings Mills, MD 21117
410-584-0060

Washington, D.C.

1200 G Street, NW
Suite 800
Washington, D.C. 20005
202-434-8684

ANNUAL FINANCIAL REPORT



JUNE 30, 2025

FREDERICK COMMUNITY COLLEGE

**Financial Statements Together with
Reports of Independent Public Accountants**

For the Years Ended June 30, 2025 and 2024

FREDERICK COMMUNITY COLLEGE

Financial Statements Together with Reports of Independent Public Accountants

JUNE 30, 2025 AND 2024

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON THE AUDIT OF THE FINANCIAL STATEMENTS

To the Board of Trustees
Frederick Community College

Opinion

We have audited the financial statements of the business-type activities and the aggregate discretely presented component unit of Frederick Community College (the College), a component unit of Frederick County, Maryland, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component unit of the College, as of June 30, 2025 and 2024, and the respective changes in their financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal controls. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal controls-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in



the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2025 on our consideration of the College's internal controls over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal controls over financial reporting and compliance.

Owings Mills, Maryland
September 26, 2025

SB + Company, LLC

FREDERICK COMMUNITY COLLEGE

Management's Discussion and Analysis June 30, 2025 and 2024

Overview and Basis of Presentation

This section of the Frederick Community College (the College) basic financial statements presents management discussion and analysis (MD&A). It provides an overview of its financial activities as of and for the years ended June 30, 2025, and 2024, with 2023 for comparative purposes. This should be read in conjunction with the financial statements and the more detailed information in the related notes to the financial statements. The MD&A, financial statements, and related notes are the responsibility of management.

Discretely Presented Component Units

The College reporting entity includes the College and the Frederick Community College Foundation (the Foundation), which is a component unit of the College whose sole purpose is to serve the institution by providing resources for scholarships and other College projects. The financial statements of the Foundation as of and for the years ended June 30, 2025, and 2024 are displayed in the financial statements section of this report.

Significant Financial and Enrollment Highlights

- The Reserve Policy and Procedures previously approved by the College Board of Trustees in May 2016 was replaced in October 2023 with policy number EL-4, Financial Conditions, and Activities. This executive limitations policy states that with respect to the actual, ongoing financial conditions and activities, the President shall not cause or allow the development of fiscal jeopardy or actual expenditures that are not aligned with the achievement of the College's mission. Per section 5.1 of this policy, the President shall not allow a combined operating fund balance reserve to be less than the Government Finance Officers Association recommended minimum of 16.6% (two months) of annual unrestricted operating expenses. As of June 30, 2025, the required minimum reserve is \$12.7 million and is fully funded.
- In FY 2025, Strategic Reserves in the unrestricted fund balance were designated for funding one-time expenses or projects for such items as emergencies, student success and completion initiatives, academic program initiatives, talent cultivation, unplanned capital repair and replacement, technology projects, and strategic planning and future-proofing. As of June 30, 2025, the balance in the Strategic Reserves is \$16.3 million.
- After three years of holding tuition and fees flat, a 2% increase in fiscal year 2025 tuition rates for in-county, out-of-county, and out-of-state students was approved by the Board of Trustees in February 2024. Tuition rates for fiscal year 2025 were \$131.58/credit for in-county, \$287.64/credit for out-of-county, and \$389.64/credit for out-of-state.
- The county and state share of unrestricted revenue for fiscal year 2025 was 35.4% and 28.0%, respectively.

FREDERICK COMMUNITY COLLEGE

Management's Discussion and Analysis June 30, 2025 and 2024

Significant Financial and Enrollment Highlights (continued)

- Auxiliary Enterprises, which includes the bookstore, the Carl and Norma Miller Children's Center, and dining services, recorded a combined net income loss of \$60 thousand for fiscal year 2025. However, this does not include College subsidies paid to the auxiliaries totaling \$1.1 million. In May 2025, the Carl and Norma Miller Children's Center ceased operations and permanently closed. The auxiliary losses were due to salary increases in the bookstore and compensation paid to terminated Children's Center staff.
- The auxiliary fund balance is \$2.2 million as of June 30, 2025. This fund balance is included in the Unrestricted Net Position on the Statements of Net Position.
- Full-time equivalent (FTE) enrollment increased by 264 and 336 students between fiscal year 2025 and fiscal year 2024 and fiscal year 2024 and fiscal year 2023, respectively. The following summarizes state-reimbursable FTE trends over the past five years:

	2021	2022	2023	2024	2025
Credit	3,139	2,938	3,367	3,642	3,967
Non-credit	395	448	547	608	547
Total	3,534	3,386	3,914	4,250	4,514

Statements of Net Position

The Statements of Net Position present all assets and liabilities of the College as of the end of the fiscal year. The net position represents the difference between assets and liabilities and is one way to measure the financial health of the College.

	2025	2024	2023	2025/2024 Change	2024/2023 Change
Assets					
Current assets	\$ 46,006,824	\$ 41,238,172	\$ 34,902,731	\$ 4,768,652	\$ 6,335,441
Non-current assets	92,638,381	92,425,798	95,135,028	212,583	(2,709,230)
Total Assets	138,645,205	133,663,970	130,037,759	4,981,235	3,626,211
Liabilities and Net Position					
Liabilities:					
Current liabilities	8,358,019	8,548,863	7,891,732	(190,844)	657,131
Noncurrent liabilities	4,332,977	4,985,649	5,722,809	(652,672)	(737,160)
Total Liabilities	12,690,996	13,534,512	13,614,541	(843,516)	(80,029)
Net Position:					
Net Investment in Capital assets	87,750,785	86,806,011	88,776,374	944,774	(1,970,363)
Restricted	949,747	823,707	510,632	126,040	313,075
Unrestricted	37,253,677	32,499,740	27,136,211	4,753,937	5,363,529
Total Net Position	\$ 125,954,209	\$ 120,129,458	\$ 116,423,217	\$ 5,824,751	\$ 3,706,241

Net position increased to \$125.9 million in fiscal year 2025, from \$120.1 million in fiscal year 2024, and from \$111.0 million in fiscal year 2022 to \$116.4 million in fiscal year 2023. Current assets increased by \$4.8 million in fiscal year 2025 and \$6.3 million in fiscal year 2024 due mainly to an increase in the ending cash balance for each fiscal year. Non-current assets increased by \$213 thousand in fiscal year 2025 due to capital asset acquisitions, net of accumulated asset depreciation and SBITA amortization. They decreased by \$2.7 million in fiscal year 2024 primarily due to depreciation on capital assets. Current liabilities decreased by \$191 thousand in fiscal year 2025 due to decreased accounts payable and accrued liabilities.

FREDERICK COMMUNITY COLLEGE

Management's Discussion and Analysis June 30, 2025 and 2024

Statements of Net Position (continued)

In fiscal year 2025, noncurrent liabilities decreased by \$653 thousand, primarily due to the bond principal payment due in fiscal year 2026 and a decrease in the SBITA payable. In fiscal year 2024, current liabilities increased by \$657 thousand due to increased accrued salaries and accrued leave, plus additional unearned revenue, and noncurrent liabilities decreased by \$737 thousand, primarily due to the bond principal payment due in fiscal year 2025 and a decrease in the SBITA payable.

Statements of Revenue, Expenses, and Change in Net Position

The Statements of Revenue, Expenses, and Change in Net Position present the college's operating results and non-operating revenue and expenses. According to accounting principles generally accepted in the United States, annual county and state appropriations are considered non-operating revenues while budgeted for operations. Accordingly, public colleges will show an operating loss before the display of non-operating revenue, which is primarily governmental funding support.

	2025	2024	2023	2024/2023 Change	2023/2022 Change
Operating Revenue					
Tuition and fees, net	\$ 19,539,371	\$ 18,071,414	\$ 16,838,802	\$ 1,467,957	\$ 1,232,612
Grants and contracts	2,896,681	3,365,604	4,816,669	(468,923)	(1,451,065)
Auxiliary enterprises	3,332,198	2,695,990	2,258,206	636,208	437,784
Other revenue	3,500,474	3,559,246	3,081,884	(58,772)	477,362
Total Operating Revenue	29,268,724	27,692,254	26,995,561	1,576,470	696,693
Operating Expenses					
Education and general	76,602,220	70,835,240	66,190,658	5,766,980	4,644,582
Depreciation/ amortization expense	5,200,311	4,984,022	4,858,917	125,105	125,105
Auxiliary enterprises	3,392,254	3,041,613	3,796,980	350,641	(755,367)
Other expenses	1,088,321	611,441	202,214	409,227	409,227
Total Operating Expenses	86,283,106	79,472,316	75,048,769	6,651,953	4,423,547
Operating Loss	(57,014,382)	(51,780,062)	(48,053,208)	(5,075,483)	(3,726,854)
Nonoperating Revenue (Expenses)					
Government appropriations	46,986,113	43,224,106	39,047,455	3,762,007	4,176,651
State retirement	3,350,946	2,904,986	2,822,038	445,960	82,948
Capital appropriations	5,386,585	2,927,322	4,888,492	2,459,263	(1,961,170)
Investment income	1,428,111	1,370,504	854,706	57,607	515,798
Other	5,687,378	5,059,385	5,912,697	627,993	(853,312)
Total Nonoperating Revenue	62,839,133	55,486,303	53,525,388	7,352,830	1,960,915
Change in Net Position	\$ 5,824,751	\$ 3,706,241	\$ 5,472,180	\$ 2,277,347	\$ (1,765,939)

County appropriations, including in-kind appropriations, in support of the operating budget, increased \$1.6 million, 6.4% in fiscal year 2025, and \$2.0 million, 9.1% and \$820 thousand, 3.8% in fiscal years 2024 and 2023, respectively. State appropriations increased \$2.2 million, or 11.8%, in fiscal year 2025 and \$2.1 million, or 12.9% and \$3.1 million, or 23.7% in fiscal year 2024 and 2023, respectively.

FREDERICK COMMUNITY COLLEGE

Management's Discussion and Analysis June 30, 2025 and 2024

Statements of Revenue, Expenses, and Change in Net Position (continued)

Total educational and general expenses increased 8.1%, 7.0% and 3.3% in fiscal years 2025, 2024, and 2023, respectively, primarily due to increases in salary and benefit expenses, contracted services, and software and IT equipment expenses in fiscal year 2025 and salary and benefit increases in fiscal years 2024 and 2023. In fiscal year 2025, administrative staff received a 3% cost-of-living increase (COLA) and full-time faculty members received additional compensation of \$3,500 each. College employees also received a 5% COLA in fiscal years 2024 and 2023.

Statements of Cash Flows

The Statements of Cash Flows provide information about cash receipts and cash payments during the year. These statements also help users assess the ability of the College to generate net cash flow and its ability to meet obligations as they come due.

	2025	2024	2023	2025/2024 Change	2024/2023 Change
Cash and Cash Equivalents From					
Operating activities	\$ (46,734,304)	\$ (44,219,972)	\$ (39,797,861)	\$ (2,514,332)	\$ (4,422,111)
Non-capital financing activities	52,673,491	48,283,481	46,913,816	4,390,010	1,369,665
Capital and related financing activities	(1,044,474)	(45,757)	(381,079)	(998,717)	335,322
Investing activities	1,428,111	1,370,504	854,706	57,607	515,798
Net Change in Cash and Cash Equivalents	\$ 6,322,824	\$ 5,388,256	\$ 7,589,582	\$ 934,568	\$ (2,201,326)

The primary cash receipts from operating activities are tuition and fees, auxiliary enterprises, and grants and contracts. Major cash outlays in operating activities are salaries and benefits, outsourced services, and technology spending. State and local appropriations are the primary source of non-capital financing.

Capital and related financing activities include appropriations for renovation and construction projects from state and county sources.

The investment activity of the College is related to money management accounts and the Maryland Local Government Investment Pool (MLGIP), which generates interest revenue.

Economic Factors That Will Affect the Future

State funding increased \$2.2 million, \$2.1 million, and \$3.1 million in fiscal years 2025, 2024, and 2023, respectively. The County appropriation increased \$1.6 million, \$2.0 million, and \$800 thousand in fiscal years 2025, 2024, and 2023, respectively. However, this is not guaranteed funding for future years.

FREDERICK COMMUNITY COLLEGE

Management's Discussion and Analysis June 30, 2025 and 2024

Economic Factors That Will Affect the Future (continued)

Combined Credit and Continuing Education and Workforce Development (CEWD) enrollment has increased each year at Frederick Community College (FCC) since fiscal year 2021. From fiscal year 2021 to fiscal year 2022, enrollment increased 10% (11,209-12,351). From fiscal year 2022 to fiscal year 2023, enrollment increased 15% (12,351-14,190). From fiscal year 2023 to fiscal year 2024, enrollment increased 7% (14,190-15,243). Fiscal year 2025 increased 2.8% (15,243-15,676) This trend is expected to continue based on increased recruiting, retention, outreach efforts, and provisions in the Blueprint for Maryland's Future that incentivize Frederick County Public Schools (FCPS) students to participate in FCC dual enrollment programs tuition and fee-free. The College receives reimbursement from FCPS for tuition of dually enrolled students and gets a return on dual enrollment FTE from the state. These factors predict incremental increases in enrollment revenues over the next 10 years, if not impacted by an environmental or economic crisis.

A Bill legalizing collective bargaining at the state's community colleges passed the Maryland General Assembly in 2021 and went into effect on September 1, 2022. In August 2023, after submission of a petition by full-time faculty, the Maryland Public Employees Relations Board certified United Academics of Maryland-AFT ("UAMD-FCC") as the exclusive representative for full-time faculty in matters pertaining to wages, hours, and other terms and conditions of employment. On June 11, 2025, the Board of Trustees approved a collective bargaining agreement that will govern all full-time faculty through June 30, 2028. This Agreement between the College and UAMD-FCC addresses required subjects of all bargaining, such as wages, benefits, holidays, etc., while maintaining parity among all College employees.

Contacting Frederick Community College Financial Management

This report is designed to provide interested parties with a general overview of the financial activities of the College. If you have questions about this report or would like additional financial information, contact Frederick Community College, Finance Office, 7932 Opossumtown Pike, Frederick, Maryland, 21702.

FREDERICK COMMUNITY COLLEGE

Statements of Net Position As of June 30, 2025 and 2024

ASSETS	Frederick Community College		Component Unit Frederick Community College Foundation, Inc.	
	2025	2024	2025	2024
Current Assets				
Cash and cash equivalents	\$ 42,490,301	\$ 36,167,477	\$ 325,209	\$ 369,741
Investments	-	-	23,032,054	21,733,708
Accounts receivable:				
Governmental	1,199,882	3,009,358	-	-
Student & third party, net of allowance	659,075	415,656	-	-
Other accounts receivable	630,286	628,486	-	-
Total Accounts Receivable	2,489,243	4,053,500	-	-
Prepaid expenses and other assets	809,668	808,986	6,797	16,687
Inventory	217,612	208,209	-	-
Total Current Assets	46,006,824	41,238,172	23,364,060	22,120,136
Noncurrent Assets				
Beneficial interest in charitable remainder trust	-	-	24,842	23,814
Capital assets including SBITA, net of accumulated depreciation	92,638,381	92,425,798	-	-
Total Noncurrent Assets	92,638,381	92,425,798	24,842	23,814
TOTAL ASSETS	138,645,205	133,663,970	23,388,902	22,143,950
LIABILITIES AND NET POSITION				
LIABILITIES				
Current Liabilities				
Accounts payable	1,772,792	2,072,140	37,966	66,983
Accrued salaries	1,009,155	988,957	-	-
Accrued liabilities	574,847	813,607	-	-
Accrued leave	2,239,228	2,086,078	-	-
Bond payable	345,000	330,000	-	-
SBITA payable	236,614	333,324	-	-
Unearned revenue	2,180,383	1,924,757	16,791	27,000
Total Current Liabilities	8,358,019	8,548,863	54,757	93,983
Noncurrent Liabilities:				
Bond payable, net of premium/discount	4,114,183	4,528,050	-	-
SBITA payable	191,799	428,413	-	-
Accrued leave	26,995	29,186	-	-
Total Noncurrent Liabilities	4,332,977	4,985,649	-	-
TOTAL LIABILITIES	12,690,996	13,534,512	54,757	93,983
NET POSITION				
Net investment in capital assets	87,750,785	86,806,011	-	-
Net assets restricted by purpose or time	949,747	823,707	12,618,378	12,030,271
Net assets restricted in perpetuity	-	-	5,829,911	5,534,135
Unrestricted net assets	37,253,677	32,499,740	4,885,856	4,485,561
TOTAL NET POSITION	\$ 125,954,209	\$ 120,129,458	\$ 23,334,145	\$ 22,049,967

The accompanying notes are an integral part of these financial statements.

FREDERICK COMMUNITY COLLEGE

Statements of Revenue, Expenses, and Changes in Net Position For the Years Ended June 30, 2025 and 2024

	Frederick Community College		Component Unit Frederick Community College Foundation, Inc.	
	2025	2024	2025	2024
Operating Revenue				
Tuition and fees, net of scholarship allowances of \$1,117,410 and \$673,441, respectively	\$ 19,539,371	\$ 18,071,414	\$ -	\$ -
Grants and contracts	2,896,681	3,365,604	-	-
Auxiliary enterprises	3,332,198	2,695,990	-	-
Contributions	-	-	533,460	544,740
In-kind contributions	-	-	478,779	457,914
Other revenue	3,500,474	3,559,246	342,399	604,841
Total Operating Revenue	29,268,724	27,692,254	1,354,638	1,607,495
Operating Expenses				
Instruction				
Academic	26,379,485	25,358,783	-	-
Continuing education	4,736,027	4,288,990	-	-
Total instruction	31,115,512	29,647,773	-	-
Academic support	1,486,316	1,338,319	-	-
Student services	11,206,909	9,970,492	-	-
Plant operations and maintenance	10,053,570	10,194,324	-	-
Institutional support	15,645,626	12,754,289	-	-
Scholarships	2,524,319	2,544,099	-	-
Student aid	4,569,968	4,385,944	-	-
Depreciation and amortization	5,200,311	4,984,022	-	-
Auxiliary enterprises	3,392,254	3,041,613	-	-
Program services	-	-	1,252,337	1,323,464
Support services	-	-	477,842	661,412
Other expenses	1,088,321	611,441	-	-
Total Operating Expenses	86,283,106	79,472,316	1,730,179	1,984,876
Operating Loss	(57,014,382)	(51,780,062)	(375,541)	(377,381)
Nonoperating Revenue				
State appropriations	20,743,432	18,548,628	-	-
County appropriations	26,242,681	24,675,478	-	-
State and county capital projects appropriations	5,386,585	2,927,322	-	-
Student aid	5,687,378	5,059,385	-	-
Investment income, net of fees	1,428,111	1,370,504	233,557	201,250
Net unrealized and realized gain (loss) on investments	-	-	1,425,134	1,459,437
Change in the value of charitable remainder trust	-	-	1,028	983
Other revenue	-	-	-	-
State paid benefits	3,350,946	2,904,986	-	-
Nonoperating Revenue	62,839,133	55,486,303	1,659,719	1,661,670
Change in Net Position	5,824,751	3,706,241	1,284,178	1,284,289
Net Position - Beginning of Year	120,129,458	116,423,217	22,049,967	20,765,678
Net Position - End of Year	\$ 125,954,209	\$ 120,129,458	\$ 23,334,145	\$ 22,049,967

The accompanying notes are an integral part of these financial statements.

FREDERICK COMMUNITY COLLEGE

Statements of Cash Flows

For the Years Ended June 30, 2025 and 2024

	2025	2024
Cash Flows From Operating Activities		
Tuition and fees received	\$ 18,953,646	\$ 17,568,294
Payments to suppliers	(22,800,605)	(20,424,340)
Payments to employees	(54,421,328)	(50,315,906)
Auxiliary enterprise charges	3,332,198	2,695,990
Other receipts	8,201,785	6,255,990
Net Cash From Operating Activities	(46,734,304)	(44,219,972)
Cash Flows From Noncapital Financial Activities		
Federal revenue	5,687,378	5,059,385
State and county appropriations	46,986,113	43,224,096
Net Cash From Noncapital Financing Activities	52,673,491	48,283,481
Cash Flows From Capital and Related Financing Activities		
State and county capital appropriations	5,386,584	2,927,322
Purchase of capital assets	(5,767,734)	(2,308,064)
Payments of bonds and SBITA	(663,324)	(665,015)
Net Cash From Capital and Related Financing Activities	(1,044,474)	(45,757)
Cash Flows From Investing Activities		
Investment income, net of fees	1,428,111	1,370,504
Change in Cash and Cash Equivalents	6,322,824	5,388,256
Cash and Cash Equivalents, Beginning of Year	36,167,477	30,779,221
Cash and Cash Equivalents, End of Year	\$ 42,490,301	\$ 36,167,477

The accompanying notes are an integral part of these financial statements.

FREDERICK COMMUNITY COLLEGE**Statements of Cash Flows (continued)
For the Years Ended June 30, 2025 and 2024**

	<u>2025</u>	<u>2024</u>
Operating Loss	\$ (57,014,382)	\$ (51,780,062)
Adjustments to Reconcile Operating Loss to Net Cash from Operating Activities		
Amortization of deferred financing	(68,867)	(73,852)
Depreciation and amortization	5,200,311	4,984,022
State paid benefits	3,350,946	2,904,986
Loss on disposal of assets	354,841	33,282
Effect of the Changes in Non-Cash Operating Assets and Liabilities		
Accounts receivable	1,564,257	(704,114)
Prepaid expenses	(682)	(240,375)
Inventory	(9,403)	(2,696)
Accounts payable	(299,348)	45,631
Accrued salaries	20,198	31,885
Accrued liabilities	(238,760)	195,368
Accrued leave	150,959	202,825
Unearned revenue	255,626	183,128
Net Cash From Operating Activities	<u>\$ (46,734,304)</u>	<u>\$ (44,219,972)</u>

The accompanying notes are an integral part of these financial statements.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Frederick Community College (the College)

Basis of Presentation

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The Frederick Community College (the College) is considered a business-type special-purpose government using the activities reporting model. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services. Given the importance of tuition, fees, and other exchange-type transactions in financing higher education, the College adopted the financial model required by business-type activities (BTA). Colleges reporting as BTAs follow GASB standards applicable to proprietary (enterprise) funds. The BTA model requires the following financial statement components:

- Management's Discussion and Analysis;
- Statement of Net Position;
- Statement of Revenue, Expenses and Change in Net Position;
- Statement of Cash Flows; and
- Notes to the Financial Statements.

Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting in accordance with generally accepted accounting principles whereby all revenue is recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay. The summer semesters of the College overlap fiscal years. Consistent with generally accepted accounting principles, summer semester revenue is recorded as earned and expenditures are recorded as incurred in each fiscal year.

Reporting Entity

The College is a separate legal entity created by state law and accordingly prepares its own financial statements and reports. Since the County Council of Frederick County approves the operating budget of the College, the College is also included as a component unit in the financial statements of Frederick County, Maryland (the County). Although the College does not control the timing or amount of receipts from the Frederick Community College Foundation, Inc. (the Foundation), all of the resources or income thereon that the Foundation holds and invests are restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for, the benefit of the College, the Foundation is considered a component unit of the College and is discretely presented in the accompanying financial statements of the College.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Frederick Community College (the College) (continued)

Reporting Entity (continued)

Complete financial statements for the Foundation can be obtained by contacting Frederick Community College Foundation, Inc., 7932 Opossumtown Pike, Frederick, MD, 21702.

Budgetary Accounting

The College maintains a system of budgetary control for management purposes and to meet requirements of state law. Encumbrance accounting is used for budgetary purposes. Encumbrances outstanding do not constitute expenses or liabilities and are not reflected in these financial statements.

Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the Statements of Net Position and Statements of Cash Flows, cash and cash equivalents include deposits and short-term (mature within 90 days of purchase) investment funds held at financial institutions.

Accounts Receivable

Accounts receivable relates to transactions involving student tuition and fee billings, governmental appropriations, grants and contracts, financial aid, and other miscellaneous transactions.

Allowance for Doubtful Accounts

Accounts receivable is reduced by a valuation allowance that reflects the best estimate by management of the amount of accounts receivable that will not be collected. This valuation allowance is based on the age, historical trends and estimated collectability of individual receivables. The allowance for doubtful accounts was \$120,695 and \$150,822, as of June 30, 2025 and 2024, respectively.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Frederick Community College (the College) (continued)

Scholarship Allowance

Student tuition and fees are reported net of any scholarship allowance. A scholarship allowance is the difference between the stated charge for tuition, goods and services provided by the College and the amount that is paid by the student or third parties making payments on behalf of the student. These scholarship allowances represent funds received from outside resources such as the Title IV Federal Grant Program.

Capital Assets

Capital assets are either recorded at cost or, in the case of contributed assets, at the fair value at the date of donation. The policy of the College is to include only those capital assets with a purchase price or fair value at donation of at least \$5,000 and a minimum life of 1 year. The library collection is recorded and valued annually as a group at cost or estimated cost without regard to individual item cost. It is depreciated on a unit basis with additions for each year comprising an individual unit.

Capital asset additions constructed using funding provided by the State or County government agencies are stated at the cost incurred for such additions by the College. Depreciation is expensed over the estimated economic life of the asset on a straight line basis as follows:

	<u>Number of Years</u>
Buildings and improvements	10-40
Library collection	10
Furniture and equipment	5-10
SBITA right to use assets	1-5

Inventory

Inventory is carried at the lower of average cost or market as of June 30, 2025 and 2024.

Revenue Recognition and Unearned Revenue

Tuition revenue is recognized when instruction is provided. Grant and appropriation revenue is recognized when all of the conditions are met.

Unearned revenue is primarily tuition received for semesters beginning after year end.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Frederick Community College (the College) (continued)

Operating Revenue and Expenses (continued)

The principal ongoing operations of the College determine operating flow activities. Ongoing operations of the College include, but are not limited to, providing intellectual, cultural and social services through two-year associate degree programs, continuing education programs and continuous learning programs.

Operating revenue of the College consists of tuition and fees, grants and contracts, and auxiliary enterprise income. Operating expenses include those expenses required to be incurred to generate the operating revenue of the College. All other expenses and revenue are considered non-operating.

Expenses

The Statements of Revenue, Expenses, and Change in Net Position categorize expenses by function. The following summarizes expenses by type:

	For the Years Ended June 30,	
	2025	2024
Salaries and benefits	\$ 54,836,018	\$ 50,550,627
Supplies and materials	4,028,237	3,562,680
Depreciation and amortization	5,200,311	4,984,021
Contracted services	7,028,131	5,176,383
Conferences and meetings	1,194,443	1,013,801
Communications	134,195	125,807
Utilities	1,111,990	1,125,091
Insurance	275,461	297,398
Scholarships and student aid	7,094,286	6,930,043
Campus projects and equipment	586,942	1,431,340
Cost of good sold (bookstore)	734,626	743,659
Miscellaneous	707,520	626,480
Certain fringe benefits paid directly by the State of Maryland	3,350,946	2,904,986
Total	\$ 86,283,106	\$ 79,472,316

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Frederick Community College (the College) (continued)

Compensated Absences

Eligible full-time regular administrators, full-time regular support staff, and interpreter support staff on a full-time schedule will receive twenty (20) days (140 hours) of annual leave per year, which is earned monthly. All employees who are part-time regular administrators, part-time regular support staff, or interpreters on a part-time schedule and who work at least 17.5 hours per week are eligible for a prorated share of annual leave.

Regular employees hired and working prior to July 1, 1987 may accumulate a maximum of 40 days of annual leave and are paid up to a maximum of 30 days upon separation from employment for resignation, retirement, or non-renewal. Those hired after June 30, 1987 may accumulate a maximum of 30 days and there is no cash payout of unused annual leave upon separation from employment.

Annual leave benefits earned but not yet taken are charged to expense in the current fiscal year. These benefits will be funded by future appropriations when paid.

All full-time regular administrators, full-time regular support staff, interpreter support staff on a full-time schedule, and full-time faculty are eligible for sick leave, earned at a rate of one (1) day (7 hours) of sick leave for each month worked. All employees who are part-time regular administrators, part-time regular support staff, or interpreters on a part-time schedule and who work at least 17.5 hours per week are eligible for sick leave earned on a prorated basis. Unlimited sick leave may be accumulated. Eligible staff employed prior to July 1, 1985 are eligible for payout upon termination of 40% of sick leave accumulated up to a maximum of 120 days. For those hired after July 1, 1985, there is no cash payout of unused sick leave upon separation from employment.

The College analyzed the historical usage of sick leave to estimate the sick leave “that is more likely than not” going to be used in the future. The compensated absences related to sick leave is measured based on the LIFO (Last-In, First-Out) assumption, which assumes that leave usage will come from the most recently earned hours first. Leave that is more likely than not to be used as well as the related payroll taxes are recorded in the compensated absences liability.

Federal and State Income Tax Status

The College is exempt from federal and state income taxes as it is essentially a political subdivision of the state. The Foundation is exempt from taxation under the provisions of Internal Revenue Code Section 501(c)(3). Accordingly, no income taxes are reflected in these financial statements.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Frederick Community College (the College) (continued)

Net Position

The College maintains the following net position classifications:

Net Investment in Capital Assets

Capital assets, including Subscription Based Information Technology arrangements (SBITA), net of accumulated depreciation, amortization and outstanding debt and SBITA liability.

Restricted

Net position whose use is subject to externally imposed conditions that can be fulfilled by the actions of the College or by the passage of time.

Unrestricted

Unrestricted net position may be designated for specific purposes by the College Board of Trustees. When both restricted and unrestricted net position are available for expenditure, the decision as to which assets are used first is left to the discretion of the College.

Frederick Community College Foundation, Inc. (the Foundation)

Basis of Accounting

The Foundation is a publicly supported foundation incorporated under the laws of the State of Maryland. The Foundation is organized exclusively for charitable, scientific, literary and educational purposes; to promote, augment and further the educational purposes and programs of the College, a non-profit educational institute of higher learning; and to assist in developing and carrying out the educational functions of the College for the benefit of students, faculty and the community at large. The accompanying financial statements of the Foundation have been prepared on the accrual basis of accounting.

Revenue Recognition

The Foundation is a private non-profit organization that accounts for its activities under the Financial Accounting Standards Board (FASB) standards, as denoted in the FASB Accounting Standards Codification (ASC). As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation financial information in the College financial statements for these differences.

Foundation Assets

The Foundation was notified that it was one of several remainder beneficiaries of an irrevocable Charitable Remainder Unitrust (CRUT).

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Frederick Community College Foundation, Inc. (the Foundation) (continued)

Foundation Assets (continued)

A qualifying charitable remainder trust provides lifetime income to the donor and/or family members of the donor, with the remaining trust assets passing to the Foundation when the trust ends. The trust was created by donors independent of the Foundation and is neither in the possession nor under the control of the Foundation. The Trust is administered by outside fiscal agents as designated by the donors. The original trust agreement was signed February 24, 1998.

The Foundation recorded the present value of the remainder interest in the CRUT, discounted at a rate of 5.44%, totaling \$24,842 and \$23,814, as of June 30, 2025, respectively.

Endowment Fund Management Policy

The Foundation follows accounting principles generally accepted in the United States of America (GAAP). GAAP requires that the amount classified as with donor restrictions shall be the amount of the fund (a) that must be retained in accordance with explicit donor stipulations, or (b) that in the absence of such stipulations, determined by the governing board of the organization, must be retained consistent with the relevant law. GAAP also expands the disclosures required for both donor-restricted and board-designated endowment funds.

The Board of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as it relates to making a determination to appropriate or accumulate donor restricted endowment funds and as requiring the preservation of the fair value of the original gift absent explicit donor stipulations to the contrary.

Fair Value Measurement

GAAP establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Frederick Community College Foundation, Inc. (the Foundation) (continued)

Fair Value Measurement (continued)

The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the entity has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Realized and unrealized gains and losses are reflected in the Statements of Revenue, Expenses, and Change in Net Position. Investment income from money market funds is recognized on a monthly basis. Investment income from the University System of Maryland Foundation (USMF) is recorded on a monthly basis as notified by the fund. At year-end, an accrual is made for interest earned through that date. The investment objectives of the Foundation are to provide stable and predictable spendable cash income from year to year, and to preserve the capital value of the fund protecting it from wide variations in market value. The investment manager and custodial management fees are deducted from investment income earned.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Frederick Community College Foundation, Inc. (the Foundation) (continued)

Classification of Net Assets

As required under generally accepted accounting principles in the United States, the Foundation reports information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions.

Contributions not subject to donor-imposed stipulations, or whose restrictions have been satisfied in the same reporting period in which the contribution is received, are recorded as net assets without donor restrictions. As of June 30, 2025 and 2024, net assets without donor restrictions were \$4,885,856 and \$4,485,561, respectively.

Net assets with donor restrictions are contributions subject to donor-imposed stipulations that will be met by the Foundation through the passage of time, conduct of service, or incurrence of expenditures. When donor restrictions are met, net assets with donor restrictions are reclassified to net assets without donor restrictions. Contributions with donor restrictions that are received and expended in the same fiscal year are treated as revenue and net assets with donor restrictions released from restrictions in that year.

Net assets with donor restrictions by purpose as of June 30, 2025 and 2024, consisted of the following:

	As of June 30,	
	2025	2024
Scholarships	\$ 5,475,162	\$ 5,222,584
Scholarship quasi-endowment	6,369,154	6,099,043
Program support	615,330	538,756
Academic purposes	158,732	169,888
Total Net Assets Restricted by Purpose	\$ 12,618,378	\$ 12,030,271

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Frederick Community College Foundation, Inc. (the Foundation) (continued)

Classification of Net Assets (continued)

Net assets released from donor restrictions during the years ended June 30, 2025 and 2024, were as follows:

	For the Year Ended June 30,	
	2025	2024
Scholarships	\$ 934,588	\$ 1,049,390
Program services	91,768	279,678
Support services	17,469	34,419
Administrative fees	102,103	95,956
Total Net Assets Released from Donor Restrictions	\$ 1,145,928	\$ 1,459,443

Certain net assets with donor restrictions are contributions subject to donor imposed restrictions that must be maintained in perpetuity by the Foundation. Net assets with donor restrictions in perpetuity as of June 30, 2025 and 2024, consisted of the following:

	As of June 30,	
	2025	2024
Scholarships	\$ 5,738,428	\$ 5,442,652
Other program support	91,483	91,483
Total Net Assets Restricted in Perpetuity	\$ 5,829,911	\$ 5,534,135

Implemented Accounting Pronouncements

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement will take effect for financial statements with fiscal years beginning after December 15, 2023. The College implemented this standard during the year ended June 30, 2025. The implementation did not have a material effect on the financial statements.

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The primary objective of this Statement is to provide users of financial statements with essential information about risks related to an organizations vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024. The College has evaluated this standard and implemented it in fiscal year 2025. The implementation did not have a material effect on the financial statements.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Upcoming Accounting Pronouncements

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The primary objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues of the reporting model. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The primary objective of this Statement is to provide users of governmental financial statements with essential information about certain types of capital assets. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

The College will be analyzing the effects of these standards and will adopt by their effective dates.

Subsequent Events

The College's management evaluated the accompanying financial statements for subsequent events and transactions through September 26, 2025, the date these financial statements were available for issue, and have determined that no material subsequent events have occurred that would affect the information presented in the accompanying financial statements or require additional disclosure.

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Frederick Community College

The College includes cash on hand, cash in bank accounts and cash invested in the Maryland Local Government Investment Pool (MLGIP) as cash and cash equivalents in the accompanying financial statements. Cash on hand for petty cash and change funds as of June 30, 2025 and 2024, was \$4,000 and \$4,100, respectively.

Deposits

The carrying amount of the College deposits as of June 30, 2025 and 2024, was \$29,599,725 and \$23,877,859, respectively, and the bank balance was \$29,710,048 and \$24,412,111, respectively. All of the College bank balances are collateralized by federal agency securities held in safekeeping by the Federal Reserve.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (continued)

MLGIP

Article 95, Section 22 of the Annotated Code of the Public General Laws of Maryland and the College investment policy, determines the allowable investments the College can make. The College may invest in certificates of deposit with commercial banks in the State of Maryland, direct U.S. obligations, U.S. government agency obligations, repurchase agreements, bankers acceptances from approved banks with acceptable credit ratings, commercial paper from entities with an acceptable credit rating, money market funds and the MLGIP. The College investment balance in the MLGIP as of June 30, 2025 and 2024, was \$12,886,576 and \$12,285,518, respectively. This investment is considered to be a cash equivalent for financial statement purposes. The College has no unfunded commitments nor significant terms or conditions for redemption.

Reconciliation of Cash and Cash Equivalents as shown on the Statements of Net Position:

	As of June 30,	
	2025	2024
Cash on hand	\$ 4,000	\$ 4,100
Carrying amount of deposits	29,599,725	23,877,859
Carrying amount of MLGIP	12,886,576	12,285,518
Total Cash and Cash Equivalents	\$ 42,490,301	\$ 36,167,477

Investment income includes net interest and dividends of \$1,428,111 and \$1,370,504, for the years ended June 30, 2025 and 2024, respectively.

Investment Rate Risk

Fair value fluctuates with interest rates and increasing interest rates could cause fair value to decline below original cost. To limit the College exposure to fair value losses arising from increasing rates, the College investment policy limits the term of investment maturities. For the years ended June 30, 2025 and 2024, the College investments were limited to the MLGIP. College management believes the liquidity in the portfolio is adequate to meet cash flow requirements and to preclude the College from having to sell investments below original cost for that purpose. The investments as of June 30, 2025 and 2024, met the College investment policy.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (continued)

Credit Risk

The College invests in MLGIP which is under the administration of the State Treasurer. The MLGIP was established in 1982 under Article 95, Section 22G, of the Annotated Code of Maryland and is rated AAAM by Standard & Poors, their highest rating for money market mutual funds. The MLGIP seeks to maintain a constant value of \$1.00 per unit. Unit value is computed using the amortized cost method. In addition, the net asset value of the pool, marked to market, is calculated and maintained on a weekly basis to ensure a \$1.00 per unit constant value.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the College will not be able to recover all or a portion of the value of its investments or collateral securities that are in possession of an outside party. The College investments were all invested in the MLGIP.

3. LIQUIDITY AND AVAILABILITY OF RESOURCES

Frederick Community College Foundation, Inc.

The Foundation receives significant contributions with donor restrictions to be used in accordance with the associated purpose restrictions. It also receives gifts to establish endowments that will exist in perpetuity; the income generated from such endowments is used to fund scholarships and programs. In addition, the Foundation receives support without donor restrictions.

The Foundation considers investment income without donor restrictions and contributions without donor restrictions to be available to meet cash needs for general expenditures. General expenditures include administrative and general expenses, fundraising expenses and grant commitments expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the fiscal year of the Foundation.

The Foundation has a policy to structure its financial assets to be available as general expenditure, liabilities and other obligations come due. The Foundation operating cash account balance was \$325,209 as of June 30, 2025. In addition, as part of its liquidity management, the Foundation invests cash in excess of daily requirements in various short-term investments including a Certificate of Deposit. The Foundation has a one-year Certificate of Deposit in the amount of \$220,881 as of June 30, 2025 at 4.11% APY, which it can draw upon in the event of an unanticipated liquidity need. In addition, as of June 30, 2025, the Foundation had \$3,994,210 in unrestricted non-endowed investments at the USMF that is readily available for withdrawal if needed, upon Board approval.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

3. LIQUIDITY AND AVAILABILITY OF RESOURCES (continued)

The Foundation's endowment funds consist of donor-restricted and board restricted quasi-endowments. Investments and income from donor-restricted and quasi-endowments are restricted for specific purposes and therefore are not available for general expenditure.

The Foundation manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability;
- Maintaining adequate liquid assets; and
- Maintaining sufficient reserves to provide reasonable assurance that long term commitments and obligations under endowments with donor restrictions and quasi-endowments that support mission fulfillment will continue to be met, ensuring the sustainability of the Foundation.

Frederick Community College Foundation, Inc. (continued)

The table below presents the Foundation's financial assets available for general expenditures within one year as of June 30, 2025:

Financial assets available within one year for general use

Cash	\$ 325,209
Certificate of Deposit	220,881
Unrestricted investments available for current use	4,362,884
Total Financial Assets Available Within One Year for General Use	\$ 4,908,974

4. RELATIONS WITH FREDERICK COUNTY, MARYLAND

Frederick Community College

The County provides approximately 36% of the operating budget of the College. The College budget is subject to the approval of the County Council. The County provided an in-kind appropriation for PeopleSoft and information technology support of \$467,833 and \$389,852, for the years ended June 30, 2025 and 2024, respectively. They also provided an in-kind appropriation for internal audit services and appraisals of \$19,396 and \$30,174, for the years ended June 30, 2025 and 2024, respectively. These amounts have been included in the County appropriation revenue and as part of Institutional Support expenses in the accompanying financial statements.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

5. CAPITAL ASSETS

Frederick Community College

Schedules of capital assets and accumulated depreciation for the years ended June 30, 2025 and 2024, were as follows:

	July 1, 2024	Additions & Transfers	Retirements & Transfers	June 30, 2025
Capital Assets not Being Depreciated				
Land	\$ 271,620	\$ -	\$ -	\$ 271,620
Construction in progress	2,355,324	715,786	(2,016,133)	1,054,977
Total Capital Assets not Being Depreciated	<u>2,626,944</u>	<u>715,786</u>	<u>(2,016,133)</u>	<u>1,326,597</u>
Capital Assets Being Depreciated				
Building and improvements	144,131,323	3,599,542	(422,979)	147,307,886
Site improvements	8,789,797	2,812,654	(327,825)	11,274,626
Furniture and equipment	8,106,373	649,261	(152,357)	8,603,277
Library collection	2,083,723	6,624	-	2,090,347
Right to use asset, SBITA	1,371,079	-	-	1,371,079
Total Capital Assets Being Depreciated	<u>164,482,294</u>	<u>7,068,081</u>	<u>(903,161)</u>	<u>170,647,215</u>
Less: Accumulated Depreciation and Amortization				
Building and improvements	(59,394,724)	(3,771,995)	155,538	(63,011,181)
Site improvements	(7,086,047)	(407,115)	243,956	(7,249,206)
Furniture and equipment	(5,484,631)	(687,540)	148,825	(6,023,346)
Library collection	(2,064,165)	(6,107)	-	(2,070,272)
Right to use asset, SBITA	(653,872)	(327,554)	-	(981,426)
Total Accumulated Depreciation	<u>(74,683,440)</u>	<u>(5,200,311)</u>	<u>548,319</u>	<u>(79,335,431)</u>
Total Assets Being Depreciated, Net	<u>89,798,854</u>	<u>1,867,770</u>	<u>(354,842)</u>	<u>91,311,784</u>
Capital Assets, Net	<u>\$ 92,425,798</u>	<u>\$ 2,583,556</u>	<u>\$ (2,370,975)</u>	<u>\$ 92,638,381</u>

	June 30, 2023	Additions & Transfers	Retirements & & Transfers	June 30, 2024
Capital Assets not being Depreciated				
Land	\$ 271,620	\$ -	\$ -	\$ 271,620
Construction in progress	1,431,358	923,965	-	2,355,324
Total Capital Assets not being Depreciated	<u>1,702,978</u>	<u>923,965</u>	<u>-</u>	<u>2,626,944</u>
Capital Assets being Depreciated				
Building and improvements	143,525,630	605,693	-	144,131,323
Site improvements	8,606,977	182,819	-	8,789,796
Furniture and equipment	8,255,062	591,762	(740,451)	8,106,373
Library collection	2,079,898	3,825	-	2,083,723
Right to use asset, SBITA	1,371,079	-	-	1,371,079
Total Capital Assets being Depreciated	<u>163,838,646</u>	<u>1,384,099</u>	<u>(740,451)</u>	<u>164,482,294</u>
Less: Accumulated Depreciation and Amortization				
Building and improvements	(55,692,731)	(3,701,993)	-	(59,394,724)
Site improvements	(6,870,833)	(215,214)	-	(7,086,047)
Furniture and equipment	(5,491,211)	(700,597)	707,177	(5,484,631)
Library collection	(2,056,886)	(7,279)	-	(2,064,165)
Right to use asset, SBITA	(294,933)	(358,939)	-	(653,872)
Total Accumulated Depreciation	<u>(70,406,594)</u>	<u>(4,984,022)</u>	<u>707,177</u>	<u>(74,683,440)</u>
Total Assets being Depreciated, Net	<u>93,432,052</u>	<u>(3,599,923)</u>	<u>(33,274)</u>	<u>89,798,854</u>
Capital Assets, Net	<u>\$ 95,135,030</u>	<u>\$ (2,675,958)</u>	<u>\$ (33,274)</u>	<u>\$ 92,425,798</u>

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

6. LONG-TERM LIABILITIES

Frederick Community College

The College records a liability for accrued annual leave for eligible employees and a liability for sick leave based on expected retirement age and to the extent payable to its employees at retirement according to College policy. Employees hired after June 30, 1985 must use their sick leave prior to termination.

	For the Years Ended June 30,				
		Addition (Reduction)		Addition (Reduction)	
	2023	in Accrual	2024	in Accrual	2025
Annual leave liability	\$ 1,722,526	\$ 188,071	\$ 1,910,597	\$ 154,622	\$ 2,065,219
Sick leave liability	54,007	342	54,349	(13,445)	40,904
Estimated payroll taxes	135,905	14,413	150,318	9,782	160,100
Total Liability	1,912,438	202,826	2,115,264	150,959	2,266,223
Current Portion	(1,883,269)	(202,809)	(2,086,078)	(153,150)	(2,239,228)
Long-term portion	\$ 29,169	\$ 17	\$ 29,186	\$ (2,191)	\$ 26,995

During the year ended June 30, 2022, the College issued Refunding Certificates of Participation, Series 2021 in the amount of \$4,820,000 with a premium of \$624,550 to refinance the bonds outstanding of \$5,102,192. The financing was for the funding of a parking garage and a portion of the enrollment services building. The refunding resulted in an economic savings of \$605,760 over the life of the bonds.

The College has entered into intangible subscription-based information technology agreements for the right to use vendor-provided software. At the commencement of a SBITA, the College initially measures the liability at the present value of payments expected to be made during the term. Subsequently, the SBITA payable is reduced by the principal portion of lease payments made. The SBITA right to use asset is initially measured as the initial amount of the liability and is amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying asset.

The following table summarizes the bond and SBITA payable:

	July 1, 2024	Additions	Principal Payment	Amortization of Premium	June 30, 2025	Current Portion
Bond payable	\$ 4,420,000	\$ -	\$ (330,000)	\$ -	\$ 4,090,000	\$ 345,000
Premium	438,050	-	-	(68,867)	369,183	-
SBITA payable	761,737	-	(333,324)	-	428,413	236,614
Total	\$ 5,619,787	\$ -	\$ (663,324)	\$ (68,867)	\$ 4,887,596	\$ 581,614

	July 1, 2023	Additions	Principal Payment	Amortization of Premium	June 30, 2024	Current Portion
Bond payable	\$ 4,740,000	\$ -	\$ (320,000)	\$ -	\$ 4,420,000	\$ 330,000
Premium	511,902	-	-	(73,852)	438,050	-
SBITA payable	1,106,752	-	(345,015)	-	761,737	333,324
Total	\$ 6,358,654	\$ -	\$ (665,015)	\$ (73,852)	\$ 5,619,787	\$ 663,324

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

6. LONG-TERM LIABILITIES (continued)

The future principal and interest payable on the bonds as of June 30, 2025 were as follows:

<u>Bond Component</u>	<u>Maturity Date</u>	<u>Original Issue Amount</u>	<u>Interest</u>	<u>Rate of Interest</u>	<u>Premium</u>
Serial Bonds:	June 1, 2026	\$ 345,000	\$ 145,500	4.00%	\$ 63,725
	June 1, 2027	360,000	131,700	4.00%	58,350
	June 1, 2028	370,000	117,300	4.00%	52,740
	June 1, 2029	385,000	102,500	4.00%	46,976
	June 1, 2030	400,000	87,100	4.00%	40,977
	June 1, 2031	420,000	71,100	4.00%	34,745
	June 1, 2032	430,000	54,300	3.00%	28,201
	June 1, 2033	445,000	41,400	3.00%	21,501
	June 1, 2034	460,000	28,050	3.00%	14,568
	June 1, 2035	475,000	14,250	3.00%	7,400
		<u>\$ 4,090,000</u>	<u>\$ 793,200</u>		<u>\$ 369,183</u>

The future principal and interest payable on the SBITA payables as of June 30, 2025 were as follows:

<u>Fiscal Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 236,614	\$ 7,819
2027	91,466	4,090
2028	100,333	-
	<u>\$ 428,413</u>	<u>\$ 11,909</u>

7. PENSION AND RETIREMENT PLAN

Frederick Community College

All regular employees of the College are covered under one of the two cost-sharing multiple-employer pension/retirement plans.

One of these plans is provided directly by the State of Maryland, and the employer funding for eligible College employees is provided directly by the State. The other retirement plan, provided through TIAA/CREF or Fidelity, is an option for certain professional employees and is also provided for those College employees for which the state does not provide employer share funding of retirement benefits.

Maryland State Teachers Retirement and Pension System

Plan description. Eligible employees employed by the College are provided with pensions through the Teachers' Pension System of the State of Maryland (TPS) – a cost-sharing multiple-employer defined benefit pension plan administered by the Maryland State Retirement and Pension System (MSRPS). The State Personnel and Pensions Article of the Annotated Code of Maryland (the Article) grants the authority to establish and amend the benefit terms of TPS to the MSRPS Board of Trustees. MSRPS issues a publicly available financial report that can be obtained at <https://sra.maryland.gov>.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

7. PENSION AND RETIREMENT PLAN (continued)

Maryland State Teachers Retirement and Pension System (continued)

Benefits provided. A member of the Teachers' Retirement System is generally eligible for full retirement benefits upon the earlier of attaining age 60 or accumulating 30 years of creditable service regardless of age. The annual retirement allowance equals $1/55$ (1.818%) of the member's Average Final Compensation (AFC) multiplied by the number of years of accumulated creditable service.

An individual who is a member of the Teachers' Pension System on or before June 30, 2011 is eligible for full retirement benefits upon the earlier of attaining age 62, with specified years of eligibility service, or accumulating 30 years of eligibility service regardless of age. An individual who becomes a member of the Teachers' Pension System on or after July 1, 2011 is eligible for full retirement benefits if the member's combined age and eligibility service equals at least 90 years or if the member is at least age 65 and has accrued at least 10 years of eligibility service.

For most individuals who retired from the Teachers' Pension System on or before June 30, 2006, the annual pension allowance equals 1.2% of the member's AFC, multiplied by the number of years of creditable service accumulated prior to July 1, 1998, plus 1.4% of the member's AFC, multiplied by the number of years of creditable service accumulated subsequent to June 30, 1998. With certain exceptions, for individuals who are members of the Teachers' Pension System on or after July 1, 2006, the annual pension allowance equals 1.2% of the member's AFC, multiplied by the number of years of creditable service accumulated prior to July 1, 1998, plus 1.8% of the member's AFC, multiplied by the number of years of creditable service accumulated subsequent to June 30, 1998. Beginning July 1, 2011, any new member of the Teachers' Pension System shall earn an annual pension allowance equal to 1.5% of the member's AFC multiplied by the number of years of creditable service accumulated as a member of the Teachers' Pension System.

Early Service Retirement

A member of the Teachers' Retirement System may retire with reduced benefits after completing 25 years of eligibility service. Benefits are reduced by 0.5% per month for each month remaining until the retiree either attains age 60 or would have accumulated 30 years of creditable service, whichever is less. The maximum reduction for a Teachers' Retirement System member is 30%.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

7. PENSION AND RETIREMENT PLAN (continued)

Maryland State Teachers Retirement and Pension System (continued)

Early Service Retirement (continued)

An individual who is a member of the Teachers' Pension System on or before June 30, 2011 may retire with reduced benefits upon attaining age 55 with at least 15 years of eligibility service. Benefits are reduced by 0.5% per month for each month remaining until the retiree attains age 62. The maximum reduction for these members of the Teachers' Pension System is 42%. An individual who becomes a member of the Teachers' Pension System on or after July 1, 2011 may retire with reduced benefits upon attaining age 60 with at least 15 years of eligibility service. Benefits are reduced by 0.5% per month for each month remaining until the retiree attains age 65. The maximum reduction for these members of the Teachers' Pension System is 30%.

Disability and Death Benefits

Generally, a member covered under retirement plan provisions who is permanently disabled after 5 years of service receives a service allowance based on a minimum percentage (usually 25%) of the member's AFC. A member covered under pension plan provisions who is permanently disabled after accumulating 5 years of eligibility service receives a service allowance computed as if service had continued with no change in salary until the retiree attained age 60. Death benefits are equal to a member's annual salary as of the date of death plus all member contributions and interest.

Cost of Living Adjustments

The benefit attributable to service on or after July 1, 2011 now will be subject to different cost-of-living adjustments (COLA) that is based on the increase in the Consumer Price Index (CPI) and capped at 2.5% or the increase in the CPI, based on whether the market value investment return for the preceding calendar year was higher or lower than the investment return assumption used in the valuation.

Contributions (TPS)

The article sets contribution requirements of the active employees and the participating governmental units are established and may be amended by the MSRPS Board. Employees are required to contribute 7% of their annual pay. The State of Maryland is responsible for the net pension liability of TPS. The Board's required contribution is for the normal cost and does not include any contribution for past service cost. As such, the State of Maryland is responsible for 100% of the net pension liability related to TPS and qualifies for as a special funding situation.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

7. PENSION AND RETIREMENT PLAN (continued)

Maryland State Teachers Retirement and Pension System (continued)

Unfunded Pension Liability

In accordance with the parameters of generally accepted accounting standards, the College is not required to record its proportionate share of the unfunded pension liability since it is in a special funding situation. The Maryland Higher Education Commission (MHEC) makes the pension plan contribution directly to the Maryland State Retirement and Pension System (SRPS) on behalf of the College, and the College is not responsible for the contribution.

The College received state contributions toward retirement in the amount of \$3,350,946 and \$2,904,986, for the years ended June 30, 2025 and 2024, respectively. These amounts have been recorded as revenue and expenses in the accompanying financial statements.

Other Retirement Plans

A retirement plan is provided through TIAA/CREF or Fidelity for permanent employees of the College who are not eligible for the Maryland State Teachers Retirement or Pension systems. The state also provides employer share funding for professional employees of the College who choose certain other retirement plans in lieu of participating in the state's retirement systems. These other plans include TIAA/CREF and Fidelity. The other plans are defined contribution plans requiring an employer contribution of 7.25% of the employee's base salary.

Employee contributions to a selected plan are not mandatory. Employees are 100% vested upon enrollment in a plan. All assets of the plan are held and managed by the other retirement plan providers who issue individual annuity contracts to each employee.

Summary of Pension and Retirement Plans

The annual pension and retirement cost and the percentage of that amount contributed for the past five years for the aforementioned plans are as follows:

Fiscal Years	MD State Teachers Retirement and Pension System		Other Plans	
	Annual Cost	Percentage Contributed	Annual Cost	Percentage Contributed
2025	\$ 2,408,743	100%	\$ 1,212,190	100%
2024	1,961,691	100%	1,202,708	100%
2023	1,915,203	100%	1,110,834	100%
2022	1,846,842	100%	1,079,542	100%
2021	1,867,234	100%	1,092,648	100%
2020	1,850,720	100%	1,134,001	100%
2019	1,681,755	100%	1,081,883	100%

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

8. RISK MANAGEMENT

Frederick Community College

The College is exposed to various risks of loss related to torts; theft, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The College carries commercial insurance to insure against major loss related to these risks. The College also carries commercial insurance for employee health, long-term disability, life and worker's compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage. No significant reductions in insurance coverage have occurred.

The College is contingently liable with respect to lawsuits and other claims that may arise in the ordinary course of its operations. The College actively defends its position in all cases. In the opinion of the College, resolution of these matters will not have a material adverse effect on the financial statements.

9. CONTINGENT LIABILITIES AND COMMITMENTS

Frederick Community College

Grants and Contracts

Most grants and cost-reimbursable contracts specify the types of expenditure for which the grant or contract funds may be used. The expenditures made by the College under some of these grants and contracts are subject to audit. To date, the College has not been notified of any significant unallowable costs relating to its grants and contracts. In the opinion of management, the expenditures that have been made for grants and contracts were made in accordance with the provisions of such grants and contracts. In the opinion of management, any adjustments for unallowable costs that would result from audits will not have a material effect on the College's financial statements.

Commitments

Total outstanding construction commitments as of June 30, 2025 were \$3.42 million.

10. INVESTMENTS AND INTEREST IN CHARITABLE REMAINDER TRUST

Frederick Community College Foundation, Inc.

In determining fair value, the Foundation uses various valuation approaches within the GAAP fair value measurement framework. Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability. The Foundation is invested in the University System of Maryland Foundation (USMF) investment pool which includes investments in three investment levels, as described in Note 1. Because these Level 3 investments in the pool are significant to the pool, the Foundation has classified its investment in the pool as Level 3 as of June 30, 2025 and 2024.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

10. INVESTMENTS AND INTEREST IN CHARITABLE REMAINDER TRUST (continued)

Frederick Community College Foundation, Inc. (continued)

The Foundation's certificate of deposit is valued at the estimated market value based on the price of similar certificates of deposit. Due to the short maturity of the certificate of deposit, market value approximates cost.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while USMF believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The following table presents assets measured at fair value by classification within the fair value hierarchy as of June 30, 2025 and 2024.

As of June 30, 2025				
	Level 1	Level 2	Level 3	Total
Investment in external investment pool	\$ -	\$ -	\$ 22,811,173	\$ 22,811,173
Investment in certificate of deposit	220,881	-	-	220,881
Investment in charitable remainder trust	-	-	24,842	24,842
Total	\$ 220,881	\$ -	\$ 22,836,015	\$ 23,056,896

As of June 30, 2024				
	Level 1	Level 2	Level 3	Total
Investment in external investment pool	\$ -	\$ -	\$ 21,521,449	\$ 21,521,449
Investment in certificate of deposit	212,259	-	-	212,259
Investment in charitable remainder trust	-	-	23,814	23,814
Total	\$ 212,259	\$ -	\$ 21,545,263	\$ 21,757,522

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

10. INVESTMENTS AND INTEREST IN CHARITABLE REMAINDER TRUST (continued)

Frederick Community College Foundation, Inc. (continued)

The following is a reconciliation of the beginning and ending balances of assets and liabilities measured at fair value on a recurring basis using significant unobservable (Level 3) inputs during the years ended June 30, 2025 and 2024:

	USMF Pool		Charitable Remainder Trust	Charitable Remainder Trust
	(Level 3) 2025	(Level 3) 2024	(Level 3) 2025	(Level 3) 2024
Balance, July 1,	\$ 21,521,449	20,283,276	\$ 23,814	\$ 22,831
Net realized gains	1,725,148	688,627	-	-
Net unrealized (loss)/gains	(300,015)	770,810	1,028	983
Foundation's Share in Total Change in Market Value of the USMF Pool	1,425,133	1,459,437	1,028	983
Investment income	410,178	363,307	-	-
Investment fees	(195,587)	(183,791)	-	-
Withdrawals	(350,000)	(400,780)	-	-
Balance, June 30	\$ 22,811,173	\$ 21,521,449	\$ 24,842	\$ 23,814

As of June 30, 2025, the Foundation had 364,541.6003 units of the USMF Unitized Investment Fund valued at \$62.5750 per unit with a total value of \$22,811,173. As of June 30, 2024, the Foundation had 366,818.19 units of the USMF Unitized Investment Fund valued at \$58.67 per unit with a total value of \$21,521,449.

Investments are carried at market value in the accompanying financial statements. The cost and market value of investments as of June 30, 2025, are as follows:

	As of June 30, 2025		
	Cost	Market	Unrealized Gain (Loss)
Investment in USMF investment pool	\$ 21,389,277	\$ 22,811,173	\$ 1,421,896
Investment in certificate of deposit	220,881	220,881	-
Investment in charitable remainder trust	21,604	24,842	3,238
Total	\$ 21,631,762	\$ 23,056,896	\$ 1,425,134

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

10. INVESTMENTS AND INTEREST IN CHARITABLE REMAINDER TRUST (continued)

Frederick Community College Foundation, Inc. (continued)

	As of June 30, 2024		
	Cost	Market	Unrealized Gain
Investment in USMF investment pool	\$ 19,991,962	\$ 21,521,449	\$ 1,529,487
Investment in certificate of deposit	212,259	212,259	-
Investment in charitable remainder trust	21,604	23,814	2,210
Total	\$ 20,225,825	\$ 21,757,522	\$ 1,531,697

Unrealized gains and losses are recognized as changes in the with and without donor restrictions classes of net assets. For the years ended June 30, 2025 and 2024, the Foundation reported a net unrealized loss and gain on investments of \$ (300,015) and \$770,810, respectively.

11. ENDOWMENTS

Frederick Community College Foundation, Inc.

The Foundation endowments consist of 135 funds established to support a variety of scholarships and programs at the College. Its endowments consist of both donor restricted endowment funds and funds designated by the Board to function as endowments.

As required by accounting principles generally accepted in the United States of America net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of the Foundation have interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. Consequently, the Foundation classifies net assets with donor restrictions in perpetuity as:

- The original value of gifts donated to the permanent endowment; and
- The original value of subsequent gifts to the permanent endowment.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

11. ENDOWMENTS (continued)

Frederick Community College Foundation, Inc. (continued)

Interpretation of Relevant Law (continued)

The Foundation will disclose any endowment contributed in perpetuity in which the present investment balance is below the original contribution. As of June 30, 2025, the Foundation had none to report. The remaining portion of the donor-restricted endowment fund not classified as restricted in perpetuity is classified as restricted by purpose or time until those amounts are appropriated for expenditure by the Foundation Board. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund;
2. The purpose of the Foundation and the donor-restricted endowment fund;
3. General economic conditions;
4. The possible effect of inflation and deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the Foundation; and
7. The investment policies of the Foundation.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the programs supported by the endowments. The endowment assets are invested in a manner that is intended to preserve and enhance the principal value of the fund while protecting it from wide variations in market value.

Spending Policy

The Foundation has a policy of appropriating up to 3.5% of a twenty-quarter trailing market value average ending December 31, provided the donor contributions (principal) are not invaded. The Finance Committee recommends to the Foundation Board the spending rate in the spring preceding the fiscal year in which the distribution is planned.

In establishing this policy, the Foundation considered the long-term expected returns on its endowment investments. Accordingly, over the long term, the Foundation expects the current spending policy will allow its endowment to retain the original fair value of the gift.

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

11. ENDOWMENTS (continued)

Frederick Community College Foundation, Inc. (continued)

Strategies Employed for Achieving Objectives

The Foundation relies on a total return strategy in which investment returns are achieved through capital appreciation and current yield (interest and dividends). The Foundation targets a diversified asset allocation that emphasizes fixed income securities to achieve its long-term objectives within prudent risk constraints.

Endowment Net Asset Composition by Type of Fund as of June 30, 2025

	Restricted by Purpose or Time	Restricted in Perpetuity	Total
Donor restricted endowment funds	\$ 4,345,790	\$ 5,829,911	\$ 10,175,701
Board designated quasi endowments for General & Erwin Scholarships	6,369,152	-	6,369,152
Total Funds	\$ 10,714,942	\$ 5,829,911	\$ 16,544,853

Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2025

	Restricted by Purpose or Time	Restricted in Perpetuity	Total
Endowment net assets, beginning of year	\$ 10,044,149	\$ 5,534,135	\$ 15,578,284
Investment return:			
Investment income	154,623	-	154,623
Net depreciation	1,024,516	-	1,024,516
Total earnings	1,179,139	-	1,179,139
Contributions collected	5,916	298,904	304,820
Reclassification	(2,535)	(3,128)	(5,663)
Release of endowment assets for expenditure	(511,727)	-	(511,727)
Endowment Net Assets, End of Year	\$ 10,714,942	\$ 5,829,911	\$ 16,544,853

Endowment Net Asset Composition by Type of Fund as of June 30, 2024

	Restricted by Purpose or Time	Restricted in Perpetuity	Total
Donor restricted endowment funds	\$ 3,945,106	\$ 5,534,135	\$ 9,479,241
Board designated quasi endowments for General & Erwin Scholarships	6,099,043	-	6,099,043
Total Funds	\$ 10,044,149	\$ 5,534,135	\$ 15,578,284

FREDERICK COMMUNITY COLLEGE

Notes to the Financial Statements June 30, 2025 and 2024

11. ENDOWMENTS (continued)

Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2024

	Restricted by Purpose or Time	Restricted in Perpetuity	Total
Endowment Net assets, beginning of year	\$ 9,356,839	\$ 5,345,408	\$ 14,702,247
Investment return:			
Investment Income	127,219	-	127,219
Net appreciation	1,034,408	-	1,034,408
Total	1,161,627	-	1,161,627
Contributions collected	17,963	186,623	204,586
Reclassification	4,058	2,104	6,162
Release of endowment assets for expenditure	(496,338)	-	(496,338)
Endowment Net Assets, End of Year	\$ 10,044,149	\$ 5,534,135	\$ 15,578,284

12. FREDERICK COMMUNITY COLLEGE FOUNDATION, INC.

The Foundation is a component unit of the College. The Foundation operates exclusively for charitable and educational purposes, including but not limited to receiving contributions, accepting holdings and investing and reinvesting any gifts or other donations for the benefit of the College, its students and faculty. The Foundation and the College have a written agreement specifying the details of their relationship. State regulations require that the Foundation reimburse the College for any costs or services provided to the Foundation, or that the cost of these services be offset, by the Foundation providing contributions or services to the College.

The College estimates the approximate value of services (including staff time) provided to the Foundation to be \$478,779 and \$457,914, for the years ended June 30, 2025 and 2024, respectively. These amounts have been included in the financial statements of the Foundation.

The value of contributions and support provided by the Foundation to the College is \$1,026,856 and \$1,318,114, for the years ended June 30, 2025 and 2024, respectively.

13. RELATIONSHIP BETWEEN FREDERICK COMMUNITY COLLEGE FOUNDATION, INC. AND FOUNDATION FOR THE FCC FUND, INC.

The Foundation for the FCC Fund, Inc. (the Affiliate) was established during fiscal year 2000 to handle non-cash gifts, where potential liability may be involved (i.e. Gifts of land or buildings). The Foundation board governs the operations of the Affiliate and thus the Affiliate has been consolidated in accordance with the accounting principles generally accepted in the United States of America.

**REPORT ON INTERNAL CONTROLS OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
*GOVERNMENT AUDITING STANDARDS***

To the Board of Trustees
Frederick Community College

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Frederick Community College (the College) and the discretely presented component unit as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated September 26, 2025.

The financial statements of the Frederick Community College Foundation, Inc. (the Foundation) were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal controls over financial reporting or instances of reportable noncompliance associated with the Foundation.

Report on Internal Controls over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College's internal controls over financial reporting (internal controls) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal controls. Accordingly, we do not express an opinion on the effectiveness of the College's internal controls.

A *deficiency in internal controls* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal controls, such that there is a reasonable possibility that a material misstatement of the College's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal controls that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal controls was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal controls that might be material weaknesses or significant deficiencies.



Given these limitations, during our audit we did not identify any deficiencies in internal controls that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.

Owings Mills, Maryland
September 26, 2025

SB + Company, LLC

Policy Survey Results: BCD-1 Unity of Control

Context: Board Self-Monitoring Survey Results for Policy BCD-1 Unity of Control are being presented for review according to the approved [FY 2026 Board Policy Review & Monitoring Schedule](#).

Board Policy Reference: [GP-9 Investment in Governance](#)

Background:

- Per Board policy (GP-9) and in alignment with Policy Governance® practice, the Board regularly reviews Governance Process and Board-CEO Delegation policies to determine if any updates are needed.
- If there are no suggested changes, the Board completes a Self-Evaluation Survey specific to that policy and the results are reviewed at the next meeting.
- The Board reviewed *BCD-1 Unity of Control* at the September 17, 2025 meeting and there were no suggested changes.
- The Board Chair will present the survey results to determine compliance with policy statements.

Attachment: Board Self-Monitoring Survey Results for BCD-1 Unity of Control



Frederick Community College Board of Trustees

**Board Self-Monitoring Survey Results:
BCD-1 Unity of Control
Date: 10/15/2025**

Number of Responses: 7

Only officially passed motions of the Board are binding on the President.

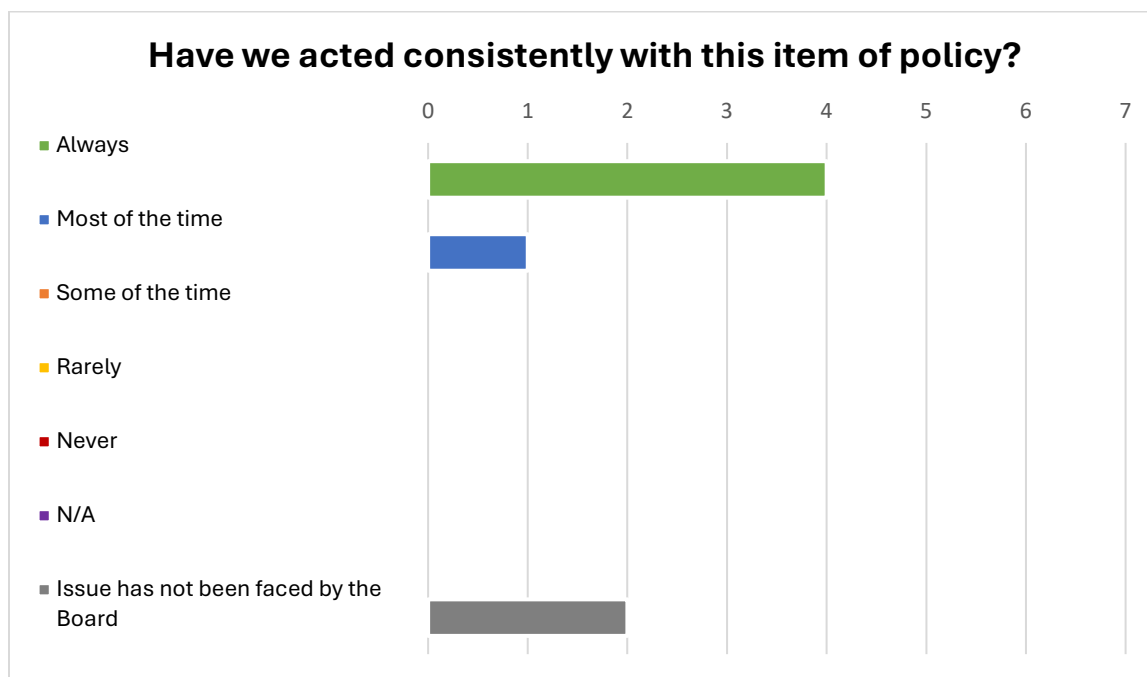


Provide specific representative examples to support your above response when applicable.

- Approval of the consent agenda is an example of acting consistently with this policy. At my first meeting, a question was raised and after clarification of the question with the lack of affiliation of the question to whether the item was in compliance with our policies, it was decided to approve the consent agenda as it was.

- This policy statement makes it clear that the Board works as a whole and no one Board member alone may require the President to act on their request.
- Outside of updating policy statements, the Board has not passed motions that are binding on the President.
- I cannot think of any case where we have held the President to anything other than officially passed motions. It is possible that in our learning of Policy Governance there may have been misunderstanding of the process, but I believe at no time was the President held to any non-binding decisions.
- The relationship between the President and the Board is one of the main topics for discussion with all members of the Board accepting the relationship between the Board and the President. However, it would be helpful to have more discussion on the motions being considered before actions are taken.
- All of our policies are officially passed motions, and these policies are binding on the President.

1. Decisions or instructions of individual Trustees, officers or committees are not binding on the President.



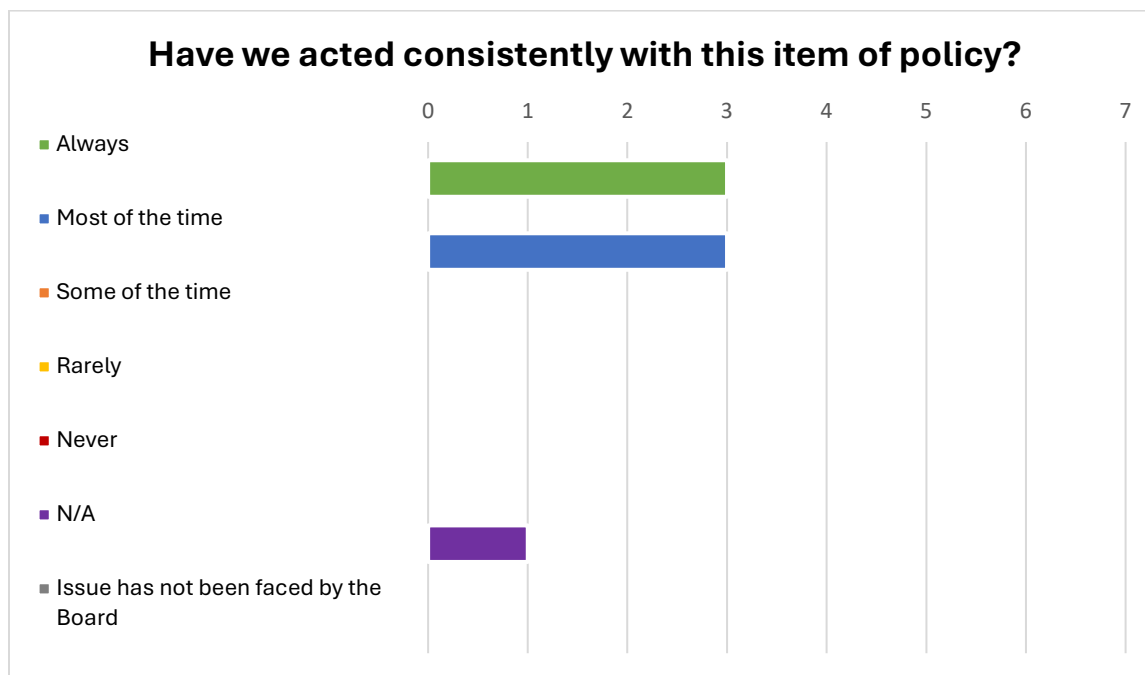
Provide specific representative examples to support your above response when applicable.

- I have been in only two meetings and don't recall the issue of an individual trustee making decisions or giving instructions to the President being brought up. Unless a

request for more information by an individual is deemed as "giving instruction," I would say the Board has not been faced with this issue. The policy is quite clear.

- The Board members understand that the President is bound to follow through on Board requests via Board majority.
- I am unaware of any individual Trustee, officers or committees making a decision or instructing the President. To the best of my knowledge, we have not created any committees. This policy has not been utilized or applied in practice.
- I would answer this the same as above. I do not think that we have all acted consistently but I believe it in learning to navigate Policy Governance and to revert to the former less effective board structure.
- All Board members are aware of the policy and to the best of my knowledge all of us accept this position.

2. In the case of Board members or committees requesting information or assistance without Board authorization, the President can refuse such requests that require in the President's opinion, a material amount of staff time, other resources or is deemed disruptive.



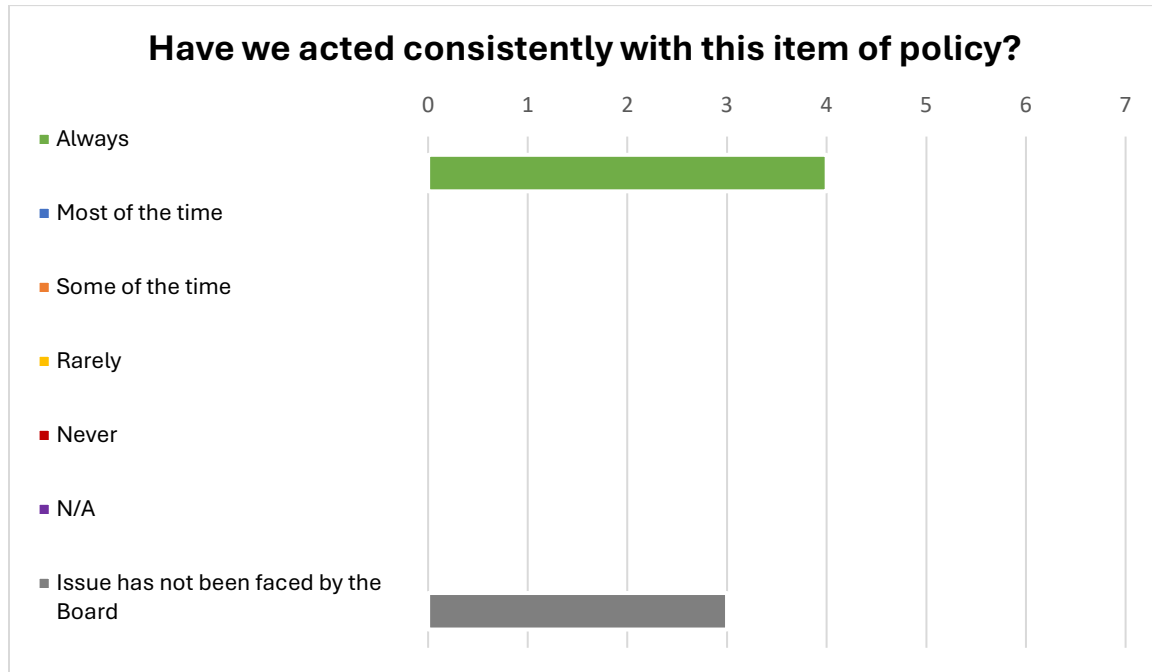
Provide specific representative examples to support your above response when applicable.

- I had questions about the consulting expense in the Board's budget which upon review of the previous two years' minutes, I could not find the answer. I forwarded my questions to Chair Luck and President Cheek with the expectation of being

referred to the minutes that would address my questions. President Cheek cited several policies in relation to my question, one of which was this. She did answer all my questions relating them to our policies in a very comprehensive e-mail which I am sure took up some of her valuable time. The lessons I learned from this: Address questions to the Board first and foremost, if applicable, they will grant the authority to ask. Try to avoid Organizational Means questions, particularly when in the past. Try to align the question with a policy. I am still trying to understand GP-8 which on one hand says not to be preoccupied with the past or present or with internal, administrative, or operational detail and on the other hand says that the Board should be cognizant of and educate new members about present or past milestones. Currently, we are all encouraged to ask questions but until we have Ownership Linkage in place, I find that the most interesting questions are those that answer how we got there, which are Means and unfortunately, keeps us digging in the weeds. Habits are hard to break...

- Marked as most of the time simply because I am not aware of any Board member making an unreasonable request for information that required an unreasonable amount of time or money.
- I am unaware of any Board member or committee requesting information without Board authorization. So this policy has not been utilized or put into practice.
- I believe there were some questions regarding the budget, a monitoring report and the strategic plan that should have been handled differently under Policy Governance but again we are learning to navigate this and sometimes we don't hit the mark.
- I believe there is agreement in this area. Only the Board has such authority.
- I find this troublesome. The President and through her, her staff, answer to the Board and I would hope that members of the Board would both want to be informed about what is going on and would be interested in seeking out as much information as possible. Members of the Board should not be discouraged from seeking out information, at the same time they should be cognizant of the time and attention she and her staff already give to keeping us informed on action being taken at the college. Perhaps a better approach would be for the Board members to share their questions among themselves and reach consensus on. Questions that have merit and should be considered.
- Primarily, the President provides information upon request by a Trustee. I cannot recall a time when information was not provided, due to a material amount of staff time, other resources, or deemed disruptive.

3. Only the Board acting as a body politic can employ, terminate, discipline, or change the conditions of employment of the President.



Provide specific representative examples to support your above response when applicable.

- This is our policy and I am unaware of any circumstances or change of conditions that would make the Board act on this.
- Has not been an issue.
- The Board through a Board action has extended the contract for the President.
- Trustees take this part of job very seriously and with help of counsel believe we have acted consistent and in owners' best interest.
- This has not been an issue.
- Absolutely.

Policy Survey Results: GP-10 Board Expenses

Context: Board Self-Monitoring Survey Results for GP-10 Board Expenses are being presented for review according to the approved [FY 2026 Board Policy Review & Monitoring Schedule](#).

Board Policy Reference: [GP-9 Investment in Governance](#)

Background:

- Per Board policy (GP-9) and in alignment with Policy Governance® practice, the Board regularly reviews Governance Process and Board-CEO Delegation policies to determine if any updates are needed.
- If there are no suggested changes, the Board completes a Self-Evaluation Survey specific to that policy and the results are reviewed at the next meeting.
- The Board reviewed *GP-10 Board Expenses* at the September 17, 2025 meeting and there were no suggested changes.
- The Board Chair will present the survey results to determine compliance with policy statements.

Attachment: Board Self-Monitoring Survey Results for GP-10 Board Expenses

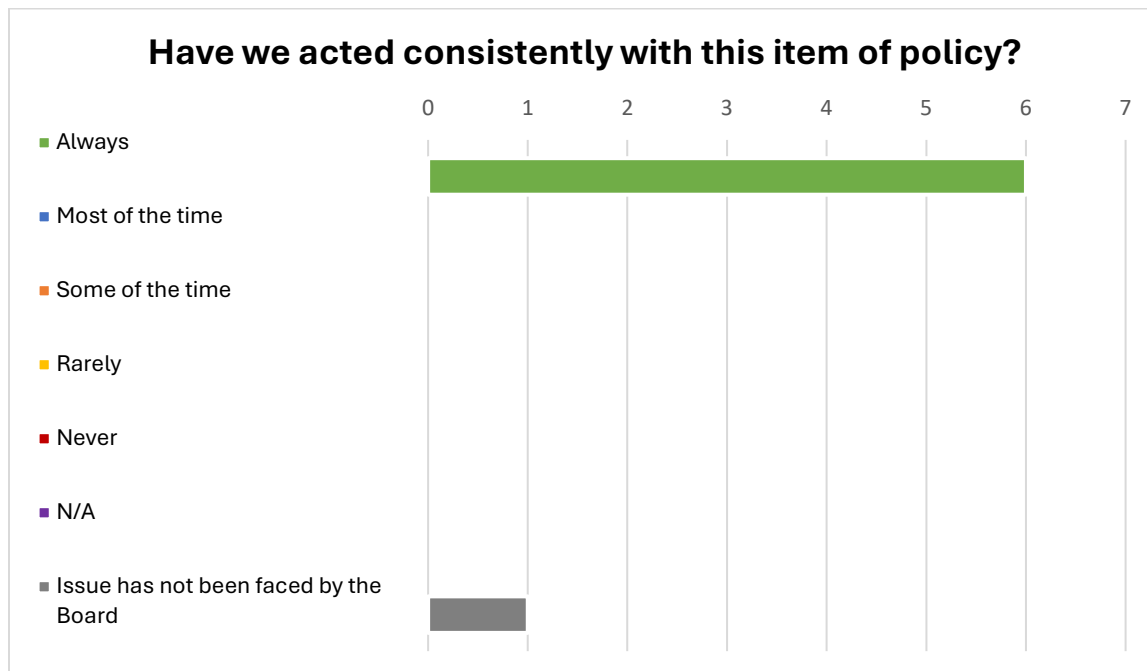


Frederick Community College Board of Trustees

**Board Self-Monitoring Survey Results:
GP-10 Board Expenses
Date: 10/15/2025**

Number of Responses: 7

As provided by §16-407(c) of the Education Article, Maryland Annotated Code, each member of the Board is entitled to \$500 a year for expenses. Additionally, Board members may be reimbursed for reasonable, necessary, and approved expenses incurred while traveling on official College business per College administrative policy. This may include, but is not limited to, conferences and professional development activities.



Provide specific representative examples to support your above response when applicable.

- Annually Board members are provided with the designated \$500 and are notified of various conferences and professional activities.
- All expenses associated with conferences have been reimbursed.
- I received a check for \$500 at the retreat which I assumed was for educational purposes. I have no experience with other reimbursements since I have yet to attend a meeting.
- The process is working well.
- I don't believe any of us accepted this position with the idea of making money. I would submit that all or most of us give of our time and effort because we believe so strongly in Frederick Community College. I personally would like to see our \$500 stipend be applied toward a Board of Trustee scholarship. I daresay we can survive without the funds and they could make the difference in the future for one or more of our students.
- We are always made aware of the rules regarding expenses prior to any conferences or events, I am not aware of any issues.
- I receive my stipend, and as a Trustee, I am encouraged to attend training seminars and conferences.

Policy Review: GP-7 Board Planning Cycle and Agenda Control

Context: Policy GP-7 Board Planning Cycle and Agenda Control is being presented for review according to the approved [FY 2026 Board Policy Review & Monitoring Schedule](#). This policy outlines that the Board will develop and follow a multi-year cycle that includes all elements of its work to accomplish its responsibilities. It mandates Board control of its own agenda, including timely review of Ends, linkage with Ownership, education and professional development, risk assessment, content review of policies, self-evaluation, and documentation of President's compliance.

Board Policy Reference: [GP-9 Investment in Governance](#)

Background:

- Per Board policy (GP-9) and in alignment with Policy Governance® practice, the Board regularly reviews Governance Process and Board-CEO Delegation policies to determine if any updates are needed.
- Chair Luck and President Cheek are not recommending any changes at this time.
- The Board Chair will lead discussion at the meeting to consider any amendments to the policy.

Attachments:

- GP-7 Board Planning Cycle and Agenda Control
- FY 2026 Schedule of Meetings



FCC BOARD OF TRUSTEES POLICY

Policy Type: Governance Process

Policy Title: Board Planning Cycle and Agenda Control

Policy Number: GP-7

Date Adopted: 4.17.2024

Version: 1.0

Date Last Reviewed: 10.16.2024

Office Responsible: President's Office

Reviewing Committee: Board of Trustees

To accomplish its responsibilities with a governance style consistent with Frederick Community College Board of Trustees' policies, the Board will develop and follow a multi-year cycle that includes all elements of the Board's work.

1. The Board shall maintain control of its own agenda by developing an annual schedule based on the multi-year cycle.
 - 1.1. Review of the Ends in a timely fashion which allows the President to build a budget based on accomplishing a one-year segment of the Board's most recent statement of long-term Ends.
 - 1.2. Linkage with the Ownership (the residents of Frederick County) to gain a representative mix of Owner values, perceptions and expectations, prior to the above review.
 - 1.3. Education and professional development related to development and revision of Ends. The Board will consider including environmental scanning, review of professional articles and publications, conference attendance, participation in presentations by thought leaders or experts, and activities which develop strategic foresight.
 - 1.4. Risk assessment, including probability of risks and impact of particular risks, as background context for policy review.
 - 1.5. Content review of selected Executive Limitations, Governance Process and Board – CEO Delegation policies, consistent with a multi-year schedule that includes all policies.

- 1.6. Self-evaluation of the Board's own compliance with Governance Process and Board – CEO Delegation policies, consistent with the schedule in the policy *Investment in Governance*.
- 1.7. Documentation of monitoring compliance by the President with Executive Limitations and Ends policies. Monitoring reports will be read in advance of the Board meeting, and discussion will occur only if Board members assess interpretations as unreasonable, identify non-compliance, or identify potential need for policy amendments.
- 1.8. Education and professional development about the process of policy governance.
- 1.9. The Board will have planning sessions as needed or at the President's request. The Board will schedule a Summer retreat no later than July.
2. Based on the outline of the annual schedule, the Board delegates to the Board Chair the authority to fill in the details of the meeting content. Potential agenda items shall be carefully screened. Screening questions shall include:
 - 2.1. Does the issue clearly belong to the Board or the President?
 - 2.2. What category does the issue relate to? Ends, Executive Limitations, Governance Process, Board-President Delegation?
 - 2.3. What has the Board already said in this category (i.e., via policy review), and how is the current issue related?
3. Throughout the year, the Board will work to limit the number of, and attend to Required Approvals Agenda items as expeditiously as possible. When an item is brought to the Board via the Required Approvals Agenda, deliberation, if any, will only be in regard to whether or not the President's decision complies with relevant Board policies.

Date Of Change	Version	Description of Change	Responsible Party
4.17.2024	1.0	First release following Policy Governance consulting work.	President

					<i>Planning Information (RSVP Needed for Most)</i>	
Month	Board Meetings	Ownership Conversations	Board Retreats	Periodic Reports & Approval Actions to the Board *	Board Development and Conferences	Special Events and Other Board Dates (*other ceremonies scheduled during the year closer to when they occur)
JUL			19: Full Day			
AUG	20			- MHEC Diversity Progress Report		21: Fall Convocation (10:00 a.m. – 12:00 p.m.)
SEP	17			- Fiscal YTD Financial Report through 6/30 - MHEC Performance Accountability Report		
OCT	15			- Review of Audited Financial Statements PE 6/30 - Auditor's Report	22-25: ACCT Leadership Congress (New Orleans, LA)	
NOV	19 Annual Board Photo			- Fiscal YTD Financial Report through 9/30 - CIP & County Capital Budget Request		12: Adult Education Graduation (7:00 p.m.)
DEC			3: Full Day 4: Half Day			11: Iris Ceremony/ASL Interpreting Graduation (6:00 p.m.) 15: Winter Holiday Luncheon 16: Associate Degree Nursing Program (RN) Pinning (6:00 p.m.)

					Planning Information (RSVP Needed for Most)	
Month	Board Meetings	Ownership Conversations	Board Retreats	Periodic Reports & Approval Actions to the Board *	Board Development and Conferences	Special Events and Other Board Dates (*other ceremonies scheduled during the year closer to when they occur)
JAN	21				26: MACC Trustee Leadership Conference (Annapolis)	15: Spring Convocation
FEB	18			- Fiscal YTD Financial Report through 12/31 - Auditing Services - Credit Tuition & Fees - Preliminary Operating Budget for County - Auxiliary Budget	8-11: ACCT Legislative Summit (Washington, DC)	
MAR	18					
APR	22			- Health Insurance Renewal		17: Celebration of Excellence
MAY						TBD: Student Leadership Awards Ceremony; Academic Awards & Recognition Ceremony; HCTI Graduation; RN & Health Sciences Pinnings 21: President's Reception & Commencement
JUN	10 Closed Session – President's Performance Evaluation			- Fiscal YTD Financial Report through 3/31 - Election of Officers - MHEC DEIB Plan - Insurance Renewals - Legal Services - Operating Budget, Capital Budget & Salary/Wage Scales	11-13: Govern for Impact Annual Conference (Canada)	Reading of Resolution(s) for any Trustee(s) whose terms are ending

Policy Review: GP-5 Board Linkage with Ownership

Context: Policy GP-5 Board Linkage with Ownership is being presented for review according to the approved [FY 2026 Board Policy Review & Monitoring Schedule](#). This policy defines the "Owners" of Frederick Community College as the residents of Frederick County and states that the Board is accountable to them as a whole. It mandates that Trustees act on behalf of all Owners, not specific interest groups, and actively engage with Owners to understand their values and perspectives, maintaining a three-year linkage planning cycle.

Board Policy Reference: [GP-9 Investment in Governance](#)

Background:

- Per Board policy (GP-9) and in alignment with Policy Governance® practice, the Board regularly reviews Governance Process and Board-CEO Delegation policies to determine if any updates are needed.
- Chair Luck and President Cheek are not recommending any changes at this time.
- The Board Chair will lead discussion at the meeting to consider any amendments to the policy.

Attachment: GP-5 Board Linkage with Ownership



FCC BOARD OF TRUSTEES POLICY

Policy Type: Governance Process

Policy Title: Board Linkage with Ownership

Policy Number: GP-5

Date Adopted: 4.17.2024

Version: 1.0

Date Last Reviewed: 10.16.2024

Office Responsible: President's Office

Reviewing Committee: Board of Trustees

The Owners of Frederick Community College are defined as the residents of Frederick County. The Frederick Community College Board of Trustees shall be accountable for the organization to its Owners as a whole. Trustees shall act on behalf of the Owners as a whole, rather than being advocates for specific geographic areas, individuals, ethnic groups or other interest groups.

1. When making governance decisions, Trustees shall maintain a distinction between their personal interests and those as fiduciaries and members of the Board, as well as their obligation to speak for others as a representative of the Owners as a whole. As the agent of the Owners, the Board is obligated to identify and know what the Owners want and need.
2. The Board shall educate itself by reviewing available information reflecting the diversity of the Ownership. It shall meet with, gather input from, and otherwise interact with Owners in order to understand the diversity of their values and perspectives.
3. The Board will establish and maintain a three-year Ownership linkage planning cycle, in order to ensure that the Board has intentional and constructive dialogue and deliberation with the Owners, primarily around the organization's Ends. The plan will include selection of representative Owners for dialogue, methods to be used, and questions to be asked of the Owners. The information obtained from this dialogue with Owners will be used to inform the Board's policy deliberations.
 - 3.1. All Trustees are accountable to the Board for participating in the linkage with Owners as identified in the plan.

4. The Board will consider its Ownership linkage successful if, to a continually increasing degree:
 - 4.1. When developing or revising Ends, the Board has access to diverse viewpoints that are representative of the Ownership regarding what benefits this organization should provide, for whom, and the relative priority of those benefits.
 - 4.2. The Owners are aware that the Board is interested in their perspective, as Owners and not as customers.
 - 4.3. If asked, the Owners would say that they have had opportunity to let the Board know their views.
 - 4.4. The Owners are made aware of how the Board has used the information they provided.
 - 4.5. The outcomes of the deliberations with the Owners are policy related matters rather than operational or customer-based matters.

Date Of Change	Version	Description of Change	Responsible Party
4.17.2024	1.0	First release following Policy Governance consulting work.	President

Policy Review: GP-6 – Board Linkage with External Organizations

Context: Policy GP-6 – Board Linkage with External Organizations is being presented for review according to the approved [FY 2026 Board Policy Review & Monitoring Schedule](#). This policy requires the Board to identify and maintain good working relationships with external organizations (federal, state, and local governing bodies, as well as other public and private entities) to share and enhance its role in determining the most appropriate Ends.

Board Policy Reference: [GP-9 Investment in Governance](#)

Background:

- Per Board policy (GP-9) and in alignment with Policy Governance® practice, the Board regularly reviews Governance Process and Board-CEO Delegation policies to determine if any updates are needed.
- Chair Luck and President Cheek are not recommending any changes at this time.
- The Board Chair will lead discussion at the meeting to consider any amendments to the policy.

Attachment: GP-6 – Board Linkage with External Organizations



FCC BOARD OF TRUSTEES POLICY

Policy Type: Governance Process

Policy Title: Board Linkage with External Organizations

Policy Number: GP-6

Date Adopted: 4.17.2024

Version: 1.0

Date Last Reviewed: 10.16.2024

Office Responsible: President's Office

Reviewing Committee: Board of Trustees

The Frederick Community College Board of Trustees shall identify other organizations with which it requires good working relationships in order to share and enhance its role as Owner representative in determining the most appropriate Ends.

1. The Board shall establish mechanisms for maintaining open communication with federal, state, and local governing bodies as well as other public and private entities regarding Ends. Such mechanisms may include, but are not limited to:
 - 1.1. Inviting representatives of those organizations to Board meetings
 - 1.2. Meeting jointly with other Boards on occasion
2. For organizational memberships relevant to governance, the Board shall consider the merits of membership in other organizations annually.

Date Of Change	Version	Description of Change	Responsible Party
4.17.2024	1.0	First release following Policy Governance consulting work.	President

Annual Board Self-Assessment Tool

Context: The Board is being asked to consider an annual Board self-assessment tool for approval.

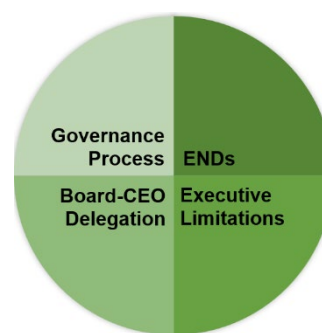
Board Policy Reference: [GP-9 Investment in Governance](#)

Background:

- Per Board policy (GP-9) and in alignment with best practice and Policy Governance® practice, the Board will conduct self-evaluation on an ongoing basis and, at least annually.
- A draft of a proposed self-evaluation tool was presented at the July Board Retreat and discussed at the August 20, 2025 and September 17, 2025 Board meetings. All feedback has been incorporated.

Attachment: Annual Board Self-Assessment Tool

Frederick Community College Board of Trustees



Annual Board Self-Assessment: Fidelity to the Policy Governance® Model

Purpose:

As stewards of the College, on behalf of its owners, the residents of Frederick County, the Board of Trustees of Frederick Community College (FCC) conducts this annual Board self-assessment to evaluate its fidelity to the Policy Governance® model. This tool helps the Board determine how well it is fulfilling its governance responsibilities in alignment with its own policies, and how effectively it is maintaining the distinct roles of ownership representation, policy leadership, and President accountability, while avoiding a preoccupation with operational matters.

Please reflect on each statement below and assess the Board's collective behavior over the past year using the following scale:

<u>Rating:</u>	<u>Description:</u>
4 – Fully Consistent	The Board consistently operates in full alignment with Policy Governance® principles.
3 – Generally Consistent	The Board usually operates in alignment, with minor or infrequent deviations.
2 – Partially Consistent	There are notable gaps in the Board's application of Policy Governance®.
1 – Not Aligned	The Board's practice significantly departs from Policy Governance® principles.
N/A	Not yet implemented.

This is not an evaluation of individual trustees, but of the Board as a whole.

Quadrant: Ownership Linkage

1. The Board governs on behalf of the owners, having clearly identified who they are and understanding that it is accountable to them, not to employees, customers, or stakeholders.
Rating: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ N/A
2. The Board conducts intentional, systematic Ownership Linkage activities to inform the development and ongoing relevance of its Ends policies.
Rating: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ N/A
3. The Board communicates with Owners to clarify its representative role and explain how the values of the Owners are reflected in governance decisions.
Rating: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ N/A

Comments:

Quadrant: Governance Process

4. The Board governs through written policies that define its job, regulate its behavior, and guide its delegation of authority. It assesses its own compliance with these policies.
Rating: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ N/A
5. The Board speaks with one voice and does not allow individual trustees or committees to interfere with President authority or staff operations.
Rating: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ N/A

Comments:

Quadrant: Ends Policies

6. The Board has clearly articulated Ends that describe the intended results and intended recipients, at a cost that demonstrates the prudent use of the College's available resources.
Rating: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ N/A
7. Rating: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ N/A
6. The Board allocates substantial time to strategic thinking and deliberation about Ends, rather than administrative or operational matters.
Rating: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ N/A

Comments:

Quadrant: Delegation and Board–President Relationship

7. The Board delegates operational authority to the President solely through policy, with clearly defined boundaries in Executive Limitations and Ends.

Rating: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ N/A

8. The Board permits any reasonable interpretation of its policies and avoids involvement in operational decisions.

Rating: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ N/A

Comments:

Monitoring and President Accountability

9. The President submits monitoring reports that include measurable interpretations of Board policies, with clearly defined indicators and success thresholds that the Board has approved as reasonable.

Rating: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ N/A

10. The Board reviews monitoring reports and determines whether the interpretations are reasonable and whether compliance is demonstrated.

Rating: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ N/A

11. The Board evaluates President performance solely on the achievement of Ends and compliance with Executive Limitations, based on monitoring reports.

Rating: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ N/A

Comments:

Optional Reflection

- What is one area where the Board has demonstrated strong alignment with Policy Governance® this year?
- What is one area where the Board could improve its alignment or practice?

Comments:

Trustee Average of the 12 items: _____

Scoring Interpretation Guide for FCC Board Self-Assessment

Each item is scored on a **4-point scale**:

- **4 – Fully Consistent**
- **3 – Generally Consistent**
- **2 – Partially Consistent**
- **1 – Not Aligned**
- **N/A – Not yet implemented**

After trustees complete their own self-assessment, calculate the average score across all 11 items, excluding those rated as N/A (either per trustee or for the board as a whole). Then, interpret the results as follows:

Interpretive Bands:

<u>Average Score</u>	<u>Category</u>	<u>Interpretation</u>
3.75 – 4.00	Fully Consistent	The Board is operating with full fidelity to Policy Governance principles. Its actions are deliberate, coherent, and well-aligned with all quadrants of the model (Ends, Executive Limitations, Governance Process, Board–President Linkage).
3.00 – 3.74	Generally Consistent	The Board is largely faithful to the model, though some inconsistencies exist. These may be tied to process drift, uneven policy application, or board development needs.
2.00 – 2.99	Partially Consistent	The Board demonstrates a partial understanding and application of Policy Governance®. There are significant gaps in implementation or clarity that may compromise effective governance. Improvement is needed.
1.00 – 1.99	Not Aligned	The Board is not operating in alignment with Policy Governance. There is a lack of role clarity, confusion in delegation, insufficient linkage with owners, or overreach into operational matters. A foundational reset or retraining is strongly advised.



NOTE: This assessment tool is informed by concepts from Better Boards for a Better World by John Bohley and Susan Spears, which integrates the Policy Governance® model developed by John Carver with the principles of servant-leadership as articulated by Robert K. Greenleaf. While no direct quotations are used, the structure and framing of this tool reflect key ideas presented in that work.

Acceptance: EL-1 Treatment of Students Monitoring Report

Context: The Monitoring Report for EL-1 Treatment of Students is being presented for acceptance according to the approved [FY 2026 Board Policy Review & Monitoring Schedule](#).

Board Policy References:

- [BCD-4 Monitoring President Performance](#)
- [GP-7 Board Planning Cycle and Agenda Control](#)

Background:

- Per Board policy (BCD-4) and in alignment with Policy Governance® practice, the Board regularly reviews monitoring reports for Ends and Executive Limitations policies to determine compliance.
- Per Board policy (GP-7), monitoring reports will be read in advance of the Board meeting, and discussion will occur only if Board members assess interpretations as unreasonable, identify non-compliance, or identify potential need for policy amendments.
- President Cheek is reporting full compliance.

Attachment: Monitoring Report: EL-1 Treatment of Students



Frederick Community College Board of Trustees

Monitoring Report: EL 1 – Treatment of Students

[Full Compliance]

Report Date: 10/15/2025

Reporting Period: 7/1/2024-6/30/2025

This is the annual report on compliance with the Board's Executive Limitation Policy: "EL-1 Treatment of Students." I certify that the information contained herein is true and represents compliance, within a reasonable interpretation of the established policy, unless specifically stated otherwise below. Please note that all of my interpretations of the policy remain unchanged from the previous report, unless otherwise noted.

A handwritten signature in cursive script, reading "Annesa Cheek", written in black ink.

10/15/2025

Annesa Cheek, Ed.D.

Date

President

Note: Board Policy is indicated in bold typeface throughout the report.

The President shall not cause or allow conditions, procedures, or decisions related to the treatment of students that are unsafe, unfair, disrespectful, or unnecessarily intrusive.

Further, without limiting the scope of the above statement by the following list, the President shall not:

- 1. Allow a learning culture without equity, inclusion, collegiality, and a sense of belonging.**

Interpretation

Compliance will be demonstrated when:

- a. The College delivered or made available cultural training and ongoing professional development to all employees.*

Evidence

On 9/8/2025, the Vice President (VP) for Talent and Culture confirmed that LinkedIn Learning was made available to all employees throughout the reporting period. As a recognized industry leader in online education, LinkedIn Learning offers a digital library of over 6,000 courses covering a broad spectrum of topics, including technical skills, leadership, business, software, and creative subjects. The platform also features training focused on diversity and cultural awareness. Within this library, LinkedIn provides 519 DEIB-related courses and 3,958 leadership-related courses. During FY 2025, employees completed 62 DEIB courses and 1,279 leadership-related courses. In addition, the Center for Teaching and Learning consistently hosts workshops centered on diversity, equity, inclusion, and belonging. See Appendix A for a list of workshops and programs offered in FY 2025.

Status

In compliance.

Interpretation

- b. *The College evaluated the curriculum to ensure it is unbiased, inclusive and creates a sense of belonging.*

Evidence

In last year's baseline report, the President reported non-compliance with this policy item because a systematic review of the curriculum for bias and inclusivity was not being conducted. At that time, it was stated that the principles of anti-bias and inclusion would need to be embedded into several existing curricular processes.

On 9/7/2025, the Provost and VP for Teaching, Learning and Student Success confirmed that the following components were integrated into the College's processes to ensure the curriculum is regularly and systematically evaluated through a lens of anti-bias and inclusion.

- (1) Evaluation of new and revised course and program outcomes by the Curriculum Committee:

- The Curriculum Committee is responsible for the development, review, and revision of curricula for credit certificate and degree programs. To systematically ensure that all new and revised course and program learning outcomes (PLOs) are measurable, written in student-accessible language without bias, and align with assessments, a step was added in the curriculum evaluation process for the Director of Learning Assessment to evaluate and provide guidance to faculty.
- During FY 2025, PLOs for all credit degree, certificate, and letter of recognition programs (a total of 90 different programs) were reviewed through this lens and updated in the current Academic Catalog. In addition, any newly proposed or revised courses considered by the Curriculum Committee in FY 2025 had course learning outcomes (CLOs) reviewed. In total, CLOs for 37 courses were reviewed.

- (2) Evaluation of curriculum during periodic program review:

- Credit certificate and degree programs undergo a periodic program review on a five-year cycle. During FY 2025, the following question was added to the program review write-up: "How do you regularly evaluate the curriculum to ensure it is unbiased, inclusive, and creates a sense of belonging?"

- The Biotechnology, Mass Communication, English, and Computer Aided Design Technology programs went through the program review process in FY 2025. A summary of faculty responses included: courses are evaluated and updated annually by program faculty; program leads review syllabi each semester; feedback from students is used to adjust labs, materials, and teaching approaches to support comfort and understanding.
- As an example, the English program review states: “The English Area of Concentration and its courses are regularly evaluated and updated by the faculty of the English department on an annual basis to ensure it is unbiased, inclusive, and creates a sense of belonging. This work is divided among the faculty who teach the courses and is assessed as syllabi are submitted and reviewed each semester.”

(3) Evaluation of textbooks and course materials:

- During FY 2025, a rubric for evaluating the inclusivity and anti-bias of course materials (e.g. textbooks, supplementary readings, lab activities) was developed and introduced to all full time and part time faculty. The rubric includes evaluation of course materials for use of inclusive language, use of images and examples that represent different cultural perspectives, inclusion of a wide array of demographic groups, and accessibility of formats.
- The rubric was embedded into an existing Faculty Checklist used to guide faculty in preparing to launch their courses each semester. Faculty were required to complete the checklist, which now includes the rubric assessment.
- In fall 2025, data will be gathered from the analysis of the rubric self-assessment to help identify areas where opportunity exists to improve inclusivity of course materials, with a focus on high impact areas where materials are used across multiple sections or impact large numbers of students.

(4) Evaluation of course materials for digital accessibility standards:

- In April 2024, the U.S. Department of Justice issued a final ruling requiring all public colleges to ensure digital content and mobile applications are fully accessible by April 2026. While this is a compliance mandate, it also reflects our commitment to an inclusive curriculum. Digital accessibility ensures that every student, regardless of ability, can fully engage with course content.

- In FY 2025, the College’s Online Learning and Instructional Innovation (OLII) team launched a self-paced Digital Accessibility training for faculty organized into five progressive steps: understanding foundational principles, identifying barriers to access, evaluating one Blackboard (the College’s Learning Management System) course, applying accessibility practices through reflections and remediation, and developing an ongoing action plan.
- To support this work, faculty had access to open labs, workshops, and one-on-one consultations with OLII, as well as targeted discipline-specific training sessions that provided guidance tailored to their teaching contexts.
- In FY 2025, 100% of full-time faculty completed the Digital Accessibility training. 247 adjunct faculty completed or will soon complete the training.

The Provost and VP for Teaching, Learning and Student Success also confirmed that, as part of all credit degree requirements, students must complete a class that is designated as a cultural competence course. Cultural competence courses expose students to the knowledge and skills necessary to participate effectively in dynamic, evolving multicultural contexts.

During FY 2025, the General Education Committee completed a comprehensive review of all courses bearing a “Cultural Competency” designation. All courses with this designation were evaluated against revised cultural competency criteria. This review process ensured that the “Cultural Competency” designation remains relevant and meaningful, with clear alignment to institutional learning outcomes.

Status

In compliance.

Interpretation

- c. *The College facilitated student focus groups to increase understanding, connection, and a sense of belonging.*

Evidence

In last year's baseline report, the President reported non-compliance with this policy item because the College had not facilitated student focus groups. On 9/9/2025, the Interim VP for Student Experience confirmed that during FY 2025, Student Experience hosted two student focus groups to increase understanding, connection, and a sense of belonging. Focus group questions were primarily informed by data from the national Community College Survey of Student Engagement (CCSSE). The CCSSE is a well-established tool that helps institutions focus on good educational practice and identify areas where they can improve their programs and services for students.

The key themes that emerged were that many students:

- Were unaware of new student Orientation and advising opportunities. In response, the team redesigned onboarding experiences for all new students called Compass Days in 2025, with a focus on advising in the afternoon portion of the program.
- Juggled family and work demands, which caused many to put their education on hold and leave college before earning a credential. In response, the team added support for parents, such as the new Family Study Space in Annapolis Hall, priority class registration, dedicated parking spaces, and highchairs in the Cougar Grille, located in the Student Center.
- Had low awareness of career services and the transfer planning process. In response, the team evolved their case-managed advising model by increasing the number of check-ins with students. This shift reduced reliance on drop-in advising and created a more consistent and intentional student advising experience. In addition, the Transfer Coordinator delivered additional training and resources for advisors, ensuring they remained current on regional transfer policies and degree pathways.
- Were unclear on academic connections to career pathways. In response, all advisors obtained the National Career Development Association (NCDA) Career Services Provider credential, positioning them to advise on academics, careers, and

transfer holistically. This credentialing, combined with targeted communication strategies, embedded career and transfer planning into the advising process.

- Sought calm and identity-affirming spaces to make connections with other students. In response, the team shared information about our Zen Den and the MOSAIC Center, both located in the Student Center.
- Shared praise about our MOSIAC Center and student engagement opportunities throughout Cougar Alley in the Student Center, including Student Leadership and Engagement, Cougar Mart, Student Government Association, and our game room.

Status

In compliance.

This interpretation is reasonable because it supports the College's mission, vision, and values, and is consistent with practices employed by other higher education institutions.

- 2. Permit students and others who use College property to be without reasonable protections against hazards or conditions that might threaten their health, safety, or well-being.**

Interpretation

Compliance will be demonstrated when:

- a. The College's Campus Safety Report is published annually.*

Evidence

On 9/9/2025, the Chief Financial Officer (CFO) and VP for Administration confirmed that the College's [Annual Security Report](#), published every October, is available on the [Consumer Information Disclosure](#) page of the College website.

Status

In compliance.

Interpretation

- b. *Operational policies are established to protect students and provide information about conditions that may impact their health, safety, and well-being.*

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that the following College administrative policies and procedures outline the rules and expectations for employees, students, and campus visitors. This information is accessible on the [Policies and Procedures](#) page of the College website.

- [Alcohol, Tobacco, Opioid, and Other Drug Use and Awareness](#)
- [Behavioral Evaluation and Response Team \(BERT\)](#)
- [Code of Student Conduct](#)
- [Code of Conduct for Visitors, Guests and Volunteers](#)
- [Employee Code of Ethics](#)
- [Employee Misconduct](#)
- [Expressive Activity](#)
- [Title IX](#)
- [Inclement Weather/College Closing](#)
- [Non-Discrimination](#)
- [Religious Accommodations](#)
- [Solicitation](#)
- [Weapons](#)

Status

In compliance.

Interpretation

- c. *Safety signage is posted at building entry points, providing contact information to the Office of Public Safety.*

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that safety signage, which includes contact information for the Office of Public Safety, is posted at all building entry points.

Status

In compliance.

Interpretation

d. Classrooms have emergency reference guides posted for review and guidance.

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that an [Emergency Response Guide](#) is available on the *Public Safety* page of the College website under the “Important Links” section of that website and in all meeting spaces, classrooms, and office suites.

Status

In compliance.

Interpretation

e. The Continuity of Operations Plan (COOP) is reviewed annually.

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that the Continuity of Operations Plan (COOP) was reviewed in June and September 2025. In last year’s baseline report, the President reported partial compliance because a formal review and approval process was not documented. A formal review and approval process has been established.

Status

In compliance.

Interpretation

- f. Students were provided access to a text communication system that provides updates about campus closures and cancellations due to weather and emergencies.*

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that the College's communication system was functioning as intended, and employees and students were able to register online (accessible on the *Public Safety* page of the College website under the "Important Links" section of that website and/or download a mobile app to subscribe to receive texts, phone calls, and/or email notifications about campus closures and cancellations due to weather and emergencies.

Status

In compliance.

Interpretation

- g. The College has a procedure for evaluating safety during weather emergencies.*

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that the College's [Inclement Weather/College Closing Policy & Procedures](#) is accessible on the [Policies and Procedures](#) page of the College website.

Status

In compliance.

Interpretation

- h. The College provided mental health services through licensed therapists at no cost to students.*

Evidence

On 9/4/2025, the Interim VP for Student Experience verified that students had access to mental health services through the Counseling and Wellness Services Offices, located in the Student Center, Suite 103. Students may schedule appointments with a licensed therapist (at no cost) by either stopping by the Counseling Center, located in the Student Center, or by visiting the [LiveWell](#) page of the College website. Additionally, Zoom was made HIPAA-compliant to support telehealth counseling appointments for students in FY 2025.

Status

In compliance.

Interpretation

- i. The College provided students mental health first aid certification training at no cost to students.*

Evidence

On 9/4/2025, the Interim VP for Student Experience confirmed that Mental Health First Aid (MHFA) certification classes were offered (at no cost) six times during FY 2025: 9/16/2024, 10/25/2024, 11/8/2024, 2/7/2025, 3/14/2025, and 4/18/2025. 69 people (41 students and 28 employees) participated in these trainings, representing a strong increase in early intervention capacity across the campus community.

Status

In compliance.

Interpretation

- j. Safety Data Sheets (SDS) are current and accessible upon request to students, in compliance with OSHA standard 1910.1200(b)(4)(ii).*

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that the Safety Data Sheets for all chemicals on campus were current and accessible on the *Public Safety* page of the College intranet site. Students may contact Public Safety at publicsafety@frederick.edu to request copies.

Status

In compliance.

Interpretation

- k. Elevators, fire systems, and boiler inspections are conducted annually.*

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed with Plant Operations that elevator inspections were completed on 8/14/2024. Fire alarm panel inspections were completed on 10/18/2024. Inspection of the suppression systems, which include sprinklers and devices, were completed on 5/23/2025. The boilers are inspected every two years with the last inspection completed on 11/21/2024.

Status

In compliance.

Interpretation

- l. Emergency and safety drills are conducted each semester.*

Evidence

On 9/09/2025, the CFO and VP for Administration confirmed that emergency and safety drills were conducted at the main campus and at the Monroe Center during FY 2025 as follows:

- Main campus:
 - 8/28/2024 and 4/24/2025 - evacuation
 - 9/30/2024, 2/19/2025, and 3/8/2025 - shelter-in-place
 - 10/8/2024, 11/14/2024, and 3/18/2025 - lockdown
- Monroe Center:
 - 9/9/2024 and 2/12/2025 - shelter-in-place
 - 9/18/2024, 11/14/2024, and 2/25/2025 - lockdown
 - 10/1/2024 and 3/13/2025 - evacuation

Status

In compliance.

This interpretation is reasonable because it ensures compliance with State of Maryland and nationally accepted safety and security practices for higher education institutions.

- 2.1. Allow students to be without current, enforced policies that minimize the potential for exposure to harassment, provide remedy for harassment situations, and provide methods for dealing with individuals who harass.

Interpretation

Compliance will be demonstrated when:

- a. *The College has current Title IX and Non-Discrimination Policies available.*

Evidence

On 9/4/2025, the Interim VP for Student Experience confirmed that the [Title IX Policy & Procedures](#) and [Non-Discrimination Policy & Procedures](#) were current and available on the [Policies and Procedures](#) page of the College website.

Status

In compliance.

Interpretation

- b. *The College's Campus Safety Report is published annually.*

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that the College's The 2024 Annual Security Report, published every October, was available on the [Consumer Information Disclosure](#) page of the College website.

Status

In compliance.

Interpretation

c. *The College has an Incident Reporting Form available.*

Evidence

On 9/4/2025, the Interim VP for Student Experience confirmed that a Title IX Incident Report Form is available under the *Reporting* section of the [Title IX](#) page on the College website.

Status

In compliance.

Interpretation

d. *The College has identified a Title IX Coordinator and a Deputy Title IX Coordinator, whose contact information is accessible.*

Evidence

On 9/4/2025, the Interim VP for Student Experience confirmed that the College had identified a Title IX Coordinator and a Deputy Title IX Coordinator, whose contact information was accessible in two locations on the [Title IX](#) page of the College website:

1. Under the *Reporting* section, and
2. Under the *Policy Information* section, on page 37 of the [Title IX and Sex Discrimination Policy & Procedures](#).

Status

In compliance.

Interpretation

- e. *All employees completed the required annual Title IX training.*

Evidence

In last year's baseline report, the President reported non-compliance with this policy item because all College employees had not completed the required annual Title IX training. On 9/8/2025, the Vice President for Talent & Culture confirmed that all employees classified as "active" successfully completed the mandatory annual Title IX training within the designated reporting period. Human Resources tracked compliance with the training requirements and finalized documentation at the close of FY 2025 (6/30/2025).

Status

In compliance.

This interpretation is reasonable because it complies with federal regulations outlined by the U.S. Department of Education.

3. Deliver programs in a manner that is insensitive to students' culture.

Interpretation

Compliance will be demonstrated when:

- a. *The College provided inclusive programming that allows students to learn more about different cultures.*

Evidence

On 9/8/2025, the VP for Talent and Culture confirmed that the Making Our Spaces an Inclusive Community ([MOSAIC](#)) Center provided robust inclusive programming that allowed students to engage with and learn from diverse cultures (see Appendix B).

During Fall 2024, the MOSAIC Center hosted more than 30 cultural workshops and activities, ranging from heritage month celebrations and intercultural dinners to

courageous conversations and professional development sessions. In total, there were approximately 1,300 participants.

During Spring 2025, the MOSAIC Center organized over 30 inclusive programs and events, including large-scale celebrations such as the Lunar New Year (450 attendees), the Multicultural Banquet (85 attendees), and the Global Food Tasting (130 attendees). In total, there were approximately 1,600 participants.

In total, during FY 2025, the MOSAIC Center offered over 60 events, with a combined reach of more than 2,900 attendees. Participants received post-event surveys with one-hundred percent of respondents answering “strongly agree” to the following statements:

- After my experience today, I believe I have a better understanding of the individuals I conversed with at the event.
- I am more likely to try to get to know people from this community in the future.

This level of engagement demonstrates the College’s commitment to fostering cultural awareness, inclusion, and belonging in the workplace.

Status

In compliance.

Interpretation

b. The College has dedicated space for celebrating the cultural diversity of students.

Evidence

On 9/9/2025, the VP for Talent and Culture confirmed that the [MOSAIC Center](#), a dedicated space for students to celebrate cultural diversity, remains operational on the first floor of the Student Center.

Status

In compliance.

Interpretation

- c. *The College delivered or made available cultural training and ongoing professional development to all employees.*

Evidence

On 9/8/2025, the VP for Talent and Culture confirmed that LinkedIn Learning was made available to all employees throughout the reporting period. As a recognized industry leader in online education, LinkedIn Learning offers a digital library of over 6,000 courses covering a broad spectrum of topics, including technical skills, leadership, business, software, and creative subjects. The platform also features training focused on diversity and cultural awareness. Within this library, LinkedIn provides 519 DEIB-related courses and 3,958 leadership-related courses. During FY 2025, employees completed 62 DEIB courses and 1,279 leadership-related courses. In addition, the Center for Teaching and Learning consistently hosts workshops centered on diversity, equity, inclusion, and belonging. See Appendix A for a list of workshops and programs offered in FY 2025.

Status

In compliance.

Interpretation

- d. *The College evaluated the curriculum to ensure it is unbiased, inclusive and creates a sense of belonging.*

Evidence

In last year's baseline report, the President reported non-compliance with this policy item because a systematic review of the curriculum for bias and inclusivity was not being conducted. At that time, it was stated that the principles of anti-bias and inclusion would need to be embedded into several existing curricular processes.

On 9/7/2025, the Provost and VP for Teaching, Learning and Student Success confirmed that the following components were integrated into the College's processes to ensure the curriculum is regularly and systematically evaluated through a lens of anti-bias and inclusion.

(1) Evaluation of new and revised course and program outcomes by the Curriculum Committee:

- The Curriculum Committee is responsible for the development, review, and revision of curricula for credit certificate and degree programs. To systematically ensure that all new and revised course and program learning outcomes (PLOs) are measurable, written in student-accessible language without bias, and align with assessments, a step was added in the curriculum evaluation process for the Director of Learning Assessment to evaluate and provide guidance to faculty.
- During FY 2025, PLOs for all credit degree, certificate, and letter of recognition programs (a total of 90 different programs) were reviewed through this lens and updated in the current Academic Catalog. In addition, any newly proposed or revised courses considered by the Curriculum Committee in FY 2025 had course learning outcomes (CLOs) reviewed. In total, CLOs for 37 courses were reviewed.

(2) Evaluation of curriculum during periodic program review:

- Credit certificate and degree programs undergo a periodic program review on a five-year cycle. During FY 2025, the following question was added to the program review write-up: “How do you regularly evaluate the curriculum to ensure it is unbiased, inclusive, and creates a sense of belonging?”
- The Biotechnology, Mass Communication, English, and Computer Aided Design Technology programs went through the program review process in FY 2025. A summary of faculty responses included: courses are evaluated and updated annually by program faculty; program leads review syllabi each semester; feedback from students is used to adjust labs, materials, and teaching approaches to support comfort and understanding.
- As an example, the English program review states: “The English Area of Concentration and its courses are regularly evaluated and updated by the faculty of the English department on an annual basis to ensure it is unbiased, inclusive, and creates a sense of belonging. This work is divided among the faculty who teach the courses and is assessed as syllabi are submitted and reviewed each semester.”

(3) Evaluation of textbooks and course materials:

- During FY 2025, a rubric for evaluating the inclusivity and anti-bias of course materials (e.g. textbooks, supplementary readings, lab activities) was developed and introduced to all full time and part time faculty. The rubric includes evaluation of course materials for use of inclusive language, use of images and examples that represent different cultural perspectives, inclusion of a wide array of demographic groups, and accessibility of formats.
- The rubric was embedded into an existing Faculty Checklist used to guide faculty in preparing to launch their courses each semester. Faculty were required to complete the checklist, which now includes the rubric assessment.
- In fall 2025, data will be gathered from the analysis of the rubric self-assessment to help identify areas where opportunity exists to improve inclusivity of course materials, with a focus on high impact areas where materials are used across multiple sections or impact large numbers of students.

(4) Evaluation of course materials for digital accessibility standards:

- In April 2024, the U.S. Department of Justice issued a final ruling requiring all public colleges to ensure digital content and mobile applications are fully accessible by April 2026. While this is a compliance mandate, it also reflects our commitment to an inclusive curriculum. Digital accessibility ensures that every student, regardless of ability, can fully engage with course content.
- In FY 2025, the College's Online Learning and Instructional Innovation (OLII) team, launched a self-paced Digital Accessibility training for faculty organized into five progressive steps: understanding foundational principles, identifying barriers to access, evaluating one Blackboard (the College's Learning Management System) course, applying accessibility practices through reflections and remediation, and developing an ongoing action plan.
- To support this work, faculty had access to open labs, workshops, and one-on-one consultations with OLII, as well as targeted discipline-specific training sessions that provided guidance tailored to their teaching contexts.
- In FY 2025, 100% of full-time faculty completed the Digital Accessibility training. 247 adjunct faculty completed or will soon complete the training.

The Provost and VP for Teaching, Learning and Student Success also confirmed that, as part of all credit degree requirements, students must complete a class that is

designated as a cultural competence course. Cultural competence courses expose students to the knowledge and skills necessary to participate effectively in dynamic, evolving multicultural contexts.

During FY 2025, the General Education Committee completed a comprehensive review of all courses bearing a “Cultural Competency” designation. All courses with this designation were evaluated against revised cultural competency criteria. This review process ensured that the “Cultural Competency” designation remains relevant and meaningful, with clear alignment to institutional learning outcomes.

Status

In compliance.

Interpretation

- e. *The College facilitated student focus groups to increase understanding, connection, and a sense of belonging.*

Evidence

In last year’s baseline report, the President reported non-compliance with this policy item because the College had not facilitated student focus groups. On 9/9/2025, the Interim VP for Student Experience confirmed that during FY 2025, Student Experience hosted two student focus groups to increase understanding, connection, and a sense of belonging. Focus group questions were primarily informed by data from the national Community College Survey of Student Engagement (CCSSE). The CCSSE is a well-established tool that helps institutions focus on good educational practice and identify areas where they can improve their programs and services for students.

The key themes that emerged were that many students:

- Were unaware of new student Orientation and advising opportunities. In response, the team redesigned onboarding experiences for all new students called Compass Days in 2025, with a focus on advising in the afternoon portion of the program.
- Juggled family and work demands, which caused many to put their education on hold and leave college before earning a credential. In response, the team added support for parents, such as the new Family Study Space in Annapolis Hall, priority

class registration, dedicated parking spaces, and highchairs in the Cougar Grille, located in the Student Center.

- Had low awareness of career services and the transfer planning process. In response, the team evolved their case-managed advising model by increasing the number of check-ins with students. This shift reduced reliance on drop-in advising and created a more consistent and intentional student advising experience. In addition, the Transfer Coordinator delivered additional training and resources for advisors, ensuring they remained current on regional transfer policies and degree pathways.
- Were unclear on academic connections to career pathways. In response, all advisors obtained the National Career Development Association (NCDA) Career Services Provider credential, positioning them to advise on academics, careers, and transfer holistically. This credentialing, combined with targeted communication strategies, embedded career and transfer planning into the advising process.
- Sought calm and identity-affirming spaces to make connections with other students. In response, the team shared information about our Zen Den and the MOSAIC Center, both located in the Student Center.
- Shared praise about our MOSIAC Center and student engagement opportunities throughout Cougar Alley in the Student Center, including Student Leadership and Engagement, Cougar Mart, Student Government Association, and our game room.

Status

In compliance.

This interpretation is reasonable because it adheres to the Maryland Higher Education Commission regulations for cultural diversity and is consistent with practices employed by other higher education institutions.

4. Permit violation of student confidentiality and privacy, except where specific disclosure is required by legislation or regulation.

Interpretation

Compliance will be demonstrated when:

- a. *The College has current policies that ensure compliance with the Family Educational Rights and Privacy Act (FERPA), Gramm-Leach-Bliley Act (GLBA) and the Health Insurance Portability and Accountability Act (HIPAA).*

Evidence

In last year's baseline report, the President reported partial non-compliance with this policy item because the College did not have a policy supporting the Gramm-Leach-Bliley Act (GLBA). In last year's baseline insight report, HIPAA was inadvertently omitted from the Board-approved interpretation and therefore HIPAA was not addressed as part of the submitted evidence. On 9/4/2025, the Interim VP for Student Experience confirmed that the College had current policies that ensured compliance with the Family Educational Rights and Privacy Act (FERPA) and Gramm-Leach-Bliley Act (GLBA). The College's [Privacy and Access to Education Records Policy](#) is available on the College website under the *General Information and Rights and Responsibilities* section of the [Consumer Information Disclosure](#) page, as well as, under the *Student Policies* section of the [Policy and Procedures](#) page on the College website. On 10/8/2025, the Chief Information Officer (CIO) and VP for Information Technology confirmed the GLBA policy is in effect and the Interim VP for Student Experience confirmed that HIPAA has been incorporated into The College's [Privacy and Access to Education Records Policy](#).

Status

In compliance.

Interpretation

- b. All College employees who handle student data have completed mandatory training to ensure student confidentiality and privacy.*

Evidence

In last year's baseline report, the President reported non-compliance with this policy item because the College had not yet implemented a system to distribute and verify mandatory training. On 9/15/2025, the Interim VP for Student Experience confirmed that, in FY 2025, all College employees who handle student data had completed mandatory training, through the College's Learning Management System (LMS) (Vector Solutions).

Status

In compliance.

This interpretation is reasonable because it is consistent with federal law.

4.1. Use forms or procedures that elicit information for which there is no clear necessity.

Interpretation

Compliance will be demonstrated when:

- a. No requests for data/information were approved without a necessary or legal reason.*

Evidence

On 9/4/2025, the Interim VP for Student Experience confirmed no requests for data/information were approved without a necessary or legal reason and that any requests for data/information adhered to the standards established within College's [Privacy and Access to Education Records Policy](#).

Status

In compliance.

The interpretation is reasonable because it ensures compliance with college policies and practices.

4.2. Use methods of collecting, reviewing, storing, or transmitting student information that inadequately protect against improper access to personal information.

Interpretation

Compliance will be demonstrated when:

- a. Student information is collected, stored, and transmitted in accordance with the Family Educational Rights & Privacy Act (FERPA), the Health Insurance Portability and Accountability Act (HIPAA), and the Gramm-Leach-Bliley Act (GLBA).*

Evidence

In last year's baseline report, the President reported partial non-compliance with this policy item because the College did not have a policy supporting the Gramm-Leach-Bliley Act (GLBA). In last year's baseline insight report, HIPAA was inadvertently omitted from the Board-approved interpretation and therefore HIPAA was not addressed as part of the submitted evidence. On 9/4/2025, the Interim VP for Student Experience confirmed that student information was collected, stored, and transmitted in accordance with the Family Educational Rights & Privacy Act (FERPA), the Gramm-Leach-Bliley Act (GLBA), and HIPAA through the following protocols:

- Collection: Student records are collected through secure institutional systems such as PeopleSoft, Slate, Navigate360, and Lumens. Access to these systems is role-based and limited to employees with a legitimate educational interest.
- Storage: Data is housed in secure, access-controlled environments maintained by FCC's IT department, with protections such as authentication protocols, encryption, and audit trails. Hard copy records are stored in locked areas with controlled access.
- Transmission: Any electronic transmission of student records, whether through PeopleSoft reporting, secure file transfer, or internal communication systems follows FCC's data security protocols. Sensitive data is encrypted in transit, and staff are trained annually on data-handling practices.

- Compliance and Training: All employees with access to student data are required to complete annual FERPA training. Additionally, FCC follows GLBA guidelines by maintaining a written information security program, requiring vendor contracts to meet data protection standards, and coordinating with IT and system administrators on risk assessments and safeguards.

Status

In compliance.

Interpretation

b. Cybersecurity practices and safeguards are in place and functioning as designed.

Evidence

In last year's baseline report, the President reported non-compliance with this policy item because not all employees had completed cybersecurity training. However, upon further review, the interpretation does not call for this standard to be achieved. In hindsight, and based on the current interpretation, the President should have reported "in compliance" with this policy item although the College is working to ensure all employees complete this training.

On 10/3/2025, the CIO and VP for Information Technology confirmed that in FY 2025 the IT department offered Cybersecurity training to all employees. In addition, the IT department annually performs security assessments, audits, and a network penetration test. IT also performs system upgrades and related refinements in keeping with best IT security practices and controls as evidenced by their use in higher education and other appropriate commercial technology settings.

Status

In compliance.

The interpretation is reasonable because it is consistent with federal law.

5. Permit admission, registration, evaluation, or recognition processes that treat students unfairly.

Interpretation

Compliance will be demonstrated when:

- a. The College has policies and procedures to address incidents where students felt unfairly treated or graded.*

Evidence

On 9/4/2025, the Interim VP for Student Experience confirmed that the College had policies and procedures to address incidents where students felt unfairly treated or graded. The [Complaint Policy & Procedures for Students](#) was available under the *Rights and Responsibility* section of the [Consumer Information](#) page and under the *Student Policies* section of the [Policies & Procedures](#) page on the College website.

Status

In compliance.

Interpretation

- b. The College recognizes students' accomplishments, skills, and abilities.*

Evidence

On 9/8/2025, the Interim VP for Student Experience and Provost and VP for Teaching, Learning and Student Success confirmed that annual events focused on students' accomplishments, skills and abilities were hosted, including:

- CEWD Health Care Pinning Ceremony - 8/29/2024
- Adult Education & English Speakers of Other Languages (ESOL) Graduation & Recognition of Student Excellence - 11/12/2024
- Phi Theta Kappa Induction Ceremony - 5/7/2024
- Student Leadership Award Ceremony - 5/19/2025
- TLSS Academic Achievement Awards Ceremony - 5/19/2025
- Hospitality Culinary Tourism Institute End of Year Ceremony - 5/20/2025
- Early College Celebration Ceremony - 5/21/2025

- Nursing Pinning Ceremony - 5/21/2025
- Health Sciences Pinning Ceremony - 5/21/2025
- Commencement - 5/22/2025

Status

In compliance.

The interpretation is reasonable because it is consistent with practices employed by other higher education institutions.

6. Permit unfair, inconsistent, or untimely handling of student complaints.

Interpretation

Compliance will be demonstrated when:

- a. The College has policies and procedures with clear timelines to address student complaints.*

Evidence

On 9/4/2025, the Interim VP for Student Experience confirmed that the College had policies and procedures with clear timelines to address student complaints. The timelines were noted within the [Complaint Policy & Procedures for Students](#), available under the *Rights and Responsibility* section of the [Consumer Information](#) page and under the *Student Policies* section of the [Policies & Procedures](#) page on the College website.

Status

In compliance.

The interpretation is reasonable because it is consistent with practices employed by other higher education institutions.

- 6.1. Permit students to be without a process for registering a complaint or concern, including an appeal process, or to be uninformed of the process.**

Interpretation

Compliance will be demonstrated when:

- a. The College has informed students about the process for registering a complaint or concern, including the appeal process.*

Evidence

On 9/5/2025, the Interim VP for Student Experience confirmed that the College had informed students about the process for registering a complaint or concern, including the appeal process. Mainly, the College communicates weekly to students via an email called the “Student Newsblast,” where information regarding how to file a student complaint through the [Complaint Policy & Procedures for Students](#), available under the *Rights and Responsibility* section of the [Consumer Information](#) page and under the *Student Policies* section of the [Policies & Procedures](#) page on the College website.

Status

In compliance.

The interpretation is reasonable because it is consistent with practices employed by other higher education institutions.

7. Permit students to be uninformed of student rights and responsibilities, including expectations for student behavior and the consequences of failure to adhere to the expectations.

Interpretation

Compliance will be demonstrated when:

- a. *The College posted student rights and responsibilities on the website and communicated the information to students.*

Evidence

On 9/4/2025, the Interim VP for Student Experience confirmed the College posted student rights and responsibilities within the [Code of Student Conduct Policy & Procedures](#), located under the *Student Policies* section of the [Policies and Procedures](#) page of the College website. In addition, the College communicated students' rights and responsibilities through the Go2Orientation (online orientation) for all students, and through the weekly Student Newsblast emails. Also, the College hosted a "Know Your Rights" Constitution Day carnival event, held on 9/17/2024, highlighting students' rights and responsibilities in an engaging, educational format.

Status

In compliance.

The interpretation is reasonable because it is consistent with practices employed by other higher education institutions.

8. Retaliate against any student for non-disruptive expression of dissent.**Interpretation**

Compliance will be demonstrated when:

- a. The College has current policies and procedures in place that protect students when expressing their dissatisfaction or dissent in an appropriate and non-disruptive manner on campus.*

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that the College has a [Solicitation Policy & Procedures](#) and an [Expressive Activity Policy](#). Both policies are available on the [Policies and Procedures](#) page of the College website. Student responsibilities are outlined in the [Code of Student Conduct](#).

Status

In compliance.

The interpretation is reasonable because it is consistent with federal law and interpreted by legal counsel as a practical application.

9. Permit decisions affecting students to be taken without appropriate notification to students.

Interpretation

Compliance will be demonstrated when:

- a. The College used multiple communication methods to notify students about those College decisions affecting them.*

Evidence

On 9/4/2025, the Interim VP for Student Experience confirmed that the College used multiple communication methods to notify students about College decisions that affect them. Some examples included:

- Weekly “[Student Newsblast](#)” emails
- The [myFCC Student Portal](#), which provides a one-stop hub for information for students from the College.
- The [Navigate 360](#) App, which focuses on quickly connecting students to the appropriate resources and student services, and sending timely communications.
- The [Handshake](#) App, which focuses on tailored career education and employment matching based on student interests and fields of study.
- The College’s Social Media channels: [Facebook](#), [Instagram](#), [YouTube](#), and [LinkedIn](#), which keep students generally informed on the College’s activities.

Status

In compliance.

The interpretation is reasonable because it is consistent with federal law and practices employed by other higher education institutions.

Appendix A - DEIB Workshops FY 2025

- Transforming differences into opportunities for growth (1/14/2025)
- Empathy Allies: Supporting Our Students, One Pillar at a Time (10/14/2025, 8/12/2025)
- Rainbow Ready: Introduction to Creating Safe and Inclusive Spaces for LGBTQIA+ Students (1/14/2025)
- Best Practices for Working with Multilingual Students (3/4/2025, 8/12/2025)
- Global Education is Not Beyond Your Reach (8/12/2025)
- Faculty & Staff Briefing – DEIB Findings & Recommendations (8/12/2025, 8/13/2025)
- Addressing Micro (or Macro) Aggressions - What to do After the Moment Has Passed (8/13/2025)
- Neurodivergent Students (8/13/2025)
- ESOL Conversation Group (Saturdays 1pm – 2pm from 1/25/2025 through 4/26/2025 and Saturdays 1pm – 2pm from 9/5/2024 through 11/23/2024)
- Spanish Conversation Group (In-person: Tuesdays 10am – 11am, Online: Wednesdays 6pm – 7pm from 1/25/2025 through 4/26/2025, Online: Thursdays 6pm – 7pm, In-person: Fridays 10am- 11am from 9/5/2024 through 11/23/2025)

Appendix B – MOSAIC Center Workshops Programs FY 2025

- Painting the MOSAIC mural (8/28/2024, 8/29/2024)
- Community building games (9/3/2024 – 9/5/2024)
- Logical Fallacies Jeopardy (9/11/2024, 9/12/2024)
- Audible documentary viewing and discussion (9/16/2024)
- Hispanic Heritage Month kickoff art workshop (vejigantes) (9/17/2024)
- Beyond Strangers: Deaf (9/19/2024)
- Freddy Shegog: What is Your Legacy? professional development speaker (9/20/2024)
- ASL Fun Fest (9/21/2024)
- Deaf Magic- demonstration and discussion about being Deaf in showbusiness (9/23/2024)
- Unify America Challenge (9/24/2024 - 9/26/2024)
- Courageous Conversation- Depolarizing Politics (9/25/2024)
- Latin Dance Party (10/1/2024)
- Vejigantes- make your own (10/2/2024, 10/3/2024)
- One year of Israel Hamas (10/7/2024)
- Dark Legacy of Rosewood viewing and discussion (10/9/2024)
- Power Based Violence Panel (10/10/2024)
- Hispanic Bingo/Karaoke (10/13/2024)
- Tea tasting - teas from around the world (10/14/2024 - 10/17/2024)
- Holidays Together: Pumpkin carving (10/22/2024)
- Deep Dive (through Unify America) Identity and Bias in Society (10/22/2024, 10/24/2024, 10/29/2024)
- Diwali (10/28/2024)
- Dandia sticks decorating (10/29/2024)
- MD Lynching Memorial Project Annual Conference (11/2/2024)
- Election debriefs (11/6/2024)
- Interfaith Dinner (11/7/2024)
- What's in a name? display (11/11/2024 - 11/14/2024)
- Native American Artifact Chat (11/20/2024)
- Holidays Together: Thanksgiving (11/20/2024)
- Letters to the Elderly (11/21/2024, 11/22/2024)
- Finals week activities/study space with teas from around the world (12/2/2024 - 12/5/2024)
- Study/mental health songs lists (12/2/2024 - 12/5/2024)
- The Power of WE- Speaker Dr. Jae Williams (01/14/2025)

Appendix B – MOSAIC Center Workshops Programs FY 2025 (continued)

- International Games Week- welcome week (1/27/2025 - 1/31/2025)
- Keeping Up With the New Administration (2/3/2025 - 2/6/2025)
- Lunar New Year buildup (2/10/2025 - 2/14/2025)
- Lunar New Year Celebration (2/15/2025)
- American Fiction- Films to Build Empathy (2/17/2025)
- Empathy Allies- Race and Ethnicity module 1 (2/21/2025)
- Round Table/Courageous Conversations: Gender-Inclusive Bathrooms (2/26/2025)
- Mardi Gras (2/28/2025)
- Ruby Bridges viewing At Weinberg Center (3/6/2025)
- “It wasn't that long ago” interactive, educational display (3/3/2025 - 3/7/2025)
- Emotional Intelligence: The Bedrock of Inclusion PD webinar (3/11/2025)
- Iftar Dinner (3/12/2025)
- Beyond strangers: invisible disabilities (3/19/2025)
- Optimizing Outcomes Through Better Decision Making- Webinar (3/26/2025)
- Title II & Web Content Accessibility Guidelines (3/26/2025)
- Holidays Together- Egg Hunt (3/28/2025)
- Visual Impairments Simulation (4/7/2025 - 4/10/2025)
- Sound of the World concert (4/10/2025)
- Multicultural Banquet (4/10/2025)
- Multicultural views of nursing- interviews (4/15/2025)
- Courageous Conversations- Talking about religion (4/16/2025)
- Bafa Bafa experience cross-cultural norms (4/15/2025, 04/17/2025)
- Empathy Allies- Race and Ethnicity module 3 (4/18/2025)
- Lessons Learned from a Civil Rights Bus Tour (4/23/2025, 4/24/2025, 4/29/2025)
- Films to Build Empathy- Remember the Titans (4/28/2025)
- Brazilian Picnic - Soccer mini tournament (5/1/2025)
- Lingua Fest (5/5/2025 - 5/9/2025)
- World Tai Chi Day (5/7/2025)
- Global Food Tasting (5/12/2025)
- Bicycle maintenance (5/13/2025)
- Teas from around the world (5/12/2025 - 5/16/2025)

Acceptance: EL-2 Treatment of Employees Monitoring Report

Context: The Monitoring Report for EL-2 Treatment of Employees is being presented for acceptance according to the approved [FY 2026 Board Policy Review & Monitoring Schedule](#).

Board Policy References:

- [BCD-4 Monitoring President Performance](#)
- [GP-7 Board Planning Cycle and Agenda Control](#)

Background:

- Per Board policy (BCD-4) and in alignment with Policy Governance® practice, the Board regularly reviews monitoring reports for Ends and Executive Limitations policies to determine compliance.
- Per Board policy (GP-7), monitoring reports will be read in advance of the Board meeting, and discussion will occur only if Board members assess interpretations as unreasonable, identify non-compliance, or identify potential need for policy amendments.
- President Cheek is reporting full compliance.

Attachment: Monitoring Report: EL-2 Treatment of Employees



Frederick Community College Board of Trustees

Monitoring Report: EL 2 – Treatment of Employees

[Full Compliance]

Report Date: 10/15/2025

Reporting Period: 7/1/2024-6/30/2025

This is the annual report on compliance with the Board's Executive Limitation Policy: "EL-2 Treatment of Employees." I certify that the information contained herein is true and represents compliance, within a reasonable interpretation of the established policy, unless specifically stated otherwise below. Please note that all of my interpretations of the policy remain unchanged from the previous report, unless otherwise noted.

10/15/2025

Annesa Cheek, Ed.D.
President

Date

Note: Board Policy is indicated in bold typeface throughout the report.

The President shall not cause or allow a workplace environment that is unfair, disrespectful, abusive, unsafe, disorganized, or otherwise interferes with College employees’ ability to do their jobs.

Further, without limiting the scope of the above statement by the following list, the President shall not:

- 1. Permit employees and others who use College property to be without reasonable protections against hazards or conditions that might threaten their health, safety or well-being.**
 - 1.1. Allow employees to be without current, enforced policies that minimize the potential for exposure to harassment, provide remedy for harassment situations, and provide methods for dealing with individuals who harass.**

Interpretation

Compliance will be demonstrated when:

- a. The College’s Campus Safety Report is published annually.*

Evidence

On 9/9/2025, the Chief Financial Officer (CFO) and Vice President (VP) for Administration confirmed that the College’s The 2024 Annual Security Report, published every October, was available on the [Consumer Information Disclosure](#) page of the College website.

Status

In compliance.

Interpretation

- b. *Operational policies are established to protect employees and provide information about conditions that may impact their health, safety, and well-being.*

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that the following College administrative policies and procedures outline the rules and expectations for employees, students, and campus visitors. This information is accessible on the [Policies and Procedures](#) page of the College website.

- [Alcohol, Tobacco, Opioid, and Other Drug Use and Awareness](#)
- [Behavioral Evaluation and Response Team \(BERT\)](#)
- [Code of Student Conduct](#)
- [Code of Conduct for Visitors, Guests and Volunteers](#)
- [Employee Code of Ethics](#)
- [Employee Misconduct](#)
- [Expressive Activity](#)
- [Title IX](#)
- [Inclement Weather/College Closing](#)
- [Non-Discrimination](#)
- [Religious Accommodations](#)
- [Solicitation](#)
- [Weapons](#)

Status

In compliance.

Interpretation

- c. *Safety signage is posted at building entry points which provides contact information to the Office of Public Safety.*

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that safety signage, which includes contact information for the Office of Public Safety, is posted at all building entry points.

Status

In compliance.

Interpretation

d. Classrooms have emergency reference guides posted for review and guidance.

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that an [Emergency Response Guide](#) is available on the *Public Safety* page of the College website under “Important Links” section of that website and in all meeting spaces, classrooms, and office suites.

Status

In compliance.

Interpretation

e. The Continuity of Operations Plan (COOP) is reviewed annually.

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that the Continuity of Operations Plan (COOP) was reviewed in June and September 2025. In last year’s baseline report, the President reported partial compliance because a formal review and approval process was not documented. A formal review and approval process has been established.

Status

In compliance.

Interpretation

- f. Employees were provided access to a text communication system that provides updates about campus closures and cancellations due to weather and emergencies.*

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that the College’s communication system was functioning as intended, and employees and students were able to register online (accessible on the *Public Safety* landing page under “Important Links” section of that website) and/or download a mobile app to subscribe to receive texts, phone calls, and/or email notifications about campus closures and cancellations due to weather and emergencies.

Status

In compliance.

Interpretation

- g. The College has a procedure for evaluating safety during weather emergencies.*

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that the College’s [Inclement Weather/College Closing Policy & Procedures](#) is accessible on the [Policies and Procedures](#) page of the College website.

Status

In compliance.

Interpretation

- h. The College offered mental health services through wellness and benefit programs to employees.*

Evidence

On 9/9/2025, the VP for Talent and Culture verified that the College offered mental health services through wellness and benefit programs to employees. Through the College's provider Behavioral Health Services (BHS), the College provides employees and their household members with an Employee Assistance Program (EAP) that includes free confidential assistance for a variety of services. General information about the offering is available on the *Human Resources* section of the College website in [Employee Benefits at a Glance](#). EAP services include counseling, financial and legal services and are available 24/7 to employees and their household members.

Status

In compliance.

Interpretation

- i. The College provided mental health first aid certification training at no cost to employees.*

Evidence

On 9/4/2025, the Interim VP for Student Experience confirmed that Mental Health First Aid (MHFA) certification classes were offered (at no cost) six times during FY 2025: 9/16/2024, 10/25/2024, 11/8/2024, 2/7/2025, 3/14/2025, and 4/18/2025. 69 people (41 students and 28 employees) participated in these trainings, representing a strong increase in early intervention capacity across the campus community.

Status

In compliance.

Interpretation

- j. *Safety Data Sheets (SDS) are current and accessible upon request to employees, in compliance with OSHA standard 1910.1200(b)(4)(ii).*

Evidence

On 9/9/2025, the CFO and Vice President for Administration confirmed that the Safety Data Sheets for all chemicals on campus were current and accessible on the *Public Safety* page on the College intranet site. Students may contact Public Safety at publicsafety@frederick.edu to request copies.

Status

In compliance.

Interpretation

- k. *Elevators, fire systems, and boiler inspections are conducted annually.*

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed with Plant Operations that elevator inspections were completed on 8/14/2024. Fire alarm panel inspections were completed on 10/18/2024. Inspection of the suppression systems, which include sprinklers and devices, were completed on 5/23/2025. The boilers are inspected every two years with the last inspection completed on 11/21/2024.

Status

In compliance.

Interpretation

l. Emergency and safety drills are conducted each semester.

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that emergency and safety drills were conducted at the main campus and at the Monroe Center during FY 2025 as follows:

- Main campus:
 - 8/28/2024 and 4/24/2025 - evacuation
 - 9/30/2024, 2/19/2025, and 3/8/2025 - shelter-in-place
 - 10/8/2024, 11/14/2024, and 3/18/2025 - lockdown
- Monroe Center:
 - 9/9/2024 and 2/12/2025 - shelter-in-place
 - 9/18/2024, 11/14/2024, and 2/25/2025 - lockdown
 - 10/1/2024 and 3/13/2025 - evacuation

Status

In compliance.

This interpretation is reasonable because it ensures compliance with State of Maryland and nationally accepted safety and security practices for higher education institutions.

2. Allow a workplace culture without diversity, equity, inclusion, collegiality, and a sense of belonging.

Interpretation

Compliance will be demonstrated when:

- a. *The College incorporates diversity, equity, inclusion and belonging within its mission and value statements.*

Evidence

On 9/9/2025, the VP for Talent and Culture verified that:

- The FCC mission and value statements (available on the [About FCC](#) page on the College website) incorporate diversity, equity, inclusion and belonging as follows:
 1. Mission: “Focused on teaching and learning, Frederick Community College provides affordable, flexible access to lifelong education that responds to the needs of diverse learners and the community.”
 2. Value of Diversity: “Being culturally conscious and inclusive by embracing the visible and invisible human differences that affect the learning and success of students, faculty, staff, administrators, and members of the community.”

Status

In compliance.

Interpretation

- b. *The College workplace supports and measures diversity, equity, inclusion and belonging efforts provided to employees.*

Evidence

On 9/8/2025, the VP for Talent and Culture confirmed that the Making Our Spaces an Inclusive Community ([MOSAIC](#)) Center provided robust inclusive programming that allowed students to engage with and learn from diverse cultures (see Appendix A).

During Fall 2024, the MOSAIC Center hosted more than 30 cultural workshops and activities, ranging from heritage month celebrations and intercultural dinners to courageous conversations and professional development sessions. In total, there were approximately 1,300 participants.

During Spring 2025, the MOSAIC Center organized over 30 inclusive programs and events, including large-scale celebrations such as the Lunar New Year (450 attendees), the Multicultural Banquet (85 attendees), and the Global Food Tasting (130 attendees). In total, there were approximately 1,600 participants.

In total, during FY 2025, the MOSAIC Center offered over 60 events, with a combined reach of more than 2,900 attendees. Participants received post-event surveys with one-hundred percent of respondents answering “strongly agree” to the following statements:

- After my experience today, I believe I have a better understanding of the individuals I conversed with at the event.
- I am more likely to try to get to know people from this community in the future.

This level of engagement demonstrates the College’s commitment to fostering cultural awareness, inclusion, and belonging in the workplace.

Status

In compliance.

Interpretation

- c. *The College delivered or made available cultural training and ongoing professional development to all employees.*

Evidence

On 9/8/2025, the VP for Talent and Culture confirmed that LinkedIn Learning was made available to all employees throughout the reporting period. As a recognized industry leader in online education, LinkedIn Learning offers a digital library of over 6,000 courses covering a broad spectrum of topics, including technical skills, leadership, business, software, and creative subjects. The platform also features training focused on diversity and cultural awareness. Within this library, LinkedIn provides 519 DEIB-related courses and 3,958 leadership-related courses. During FY 2025, employees completed 62 DEIB courses and 1,279 leadership-related courses. In addition, the Center for Teaching and Learning consistently hosts workshops centered on diversity, equity, inclusion, and belonging. See Appendix B for a list of workshops and programs offered in FY 2025.

Status

In compliance.

This interpretation is reasonable because it confirms the College is operationalizing its adopted values, adheres to the Maryland Higher Education Commission regulations for cultural diversity, and is consistent with practices employed by other higher education institutions.

3. Allow employees to be without current, enforced, written human resource policies that clarify expectations and working conditions, provide for effective handling of grievances, and protect against wrongful conditions.
 - 3.1. Permit employees to be without adequate protection from harassment and bias.
 - 3.2. Permit employees to be uninformed of the performance standards by which they will be assessed.

Interpretation

Compliance will be demonstrated when:

- a. *Current Human Resources policies, procedures, and employee handbook describe expectations and working conditions, and they are available to all employees.*

Evidence

On 9/9/2025, the VP for Talent and Culture verified that the current Human Resources policies, procedures, and employee handbook describe expectations and working conditions, and these documents and policies are available to all employees on the [Policies and Procedures](#) page of the College website.

Status

In compliance.

Interpretation

- b. *There is a clear process for employees to present complaints and wrongful conditions, including harassment and bias.*

Evidence

On 9/9/2025, the VP for Talent and Culture verified that the College has clear processes for employees to present complaints and report wrongful conditions, including harassment and bias. The following policies and procedures are available to all employees the [Policies and Procedures](#) page of the College website:

- [Complaint Policy and Procedures for Employees](#)
- [Employee Code of Ethics](#)
- [Employee Misconduct](#)
- [Non-Discrimination](#)
- [Code of Conduct for Visitors, Guests and Volunteers](#)
- [Expressive Activity](#)
- [Title IX](#)

Status

In compliance.

Interpretation

- c. *All employees have clear and measurable performance expectations each year.*

Evidence

In last year's baseline report, the President reported non-compliance with this policy item because the College had not yet fully implemented new employee performance evaluation processes for full-time faculty, adjunct faculty, part-time employees and senior leadership.

These efforts have since been implemented and compliance was demonstrated as follows:

On 9/9/2025, the VP for Talent and Culture confirmed that employees have clear and measurable performance expectations. The performance evaluation process was revised in FY 2025 for Staff and Administrators and implemented in April 2025 to strengthen consistency and fairness across the College. The revised process ensures

that performance expectations are not only measurable and documented but also directly aligned with the College's strategic direction.

All full-time faculty received evaluations in May of 2025. Adjunct faculty are evaluated for rehire each semester based on student evaluations and completion of institutional and departmental responsibilities and this practice was used of evaluation of adjunct faculty in FY 2025.

Status

In compliance.

Interpretation

d. An easily accessible anonymous reporting system, independent of the College, is available to employees to report complaints.

Evidence

In last year's baseline report, the President reported partial compliance with this policy item because the College did not have an anonymous reporting system independent of the College. This system was implemented, and compliance is demonstrated as follows:

On 9/9/2025, the VP for Talent and Culture verified that the College enhanced the complaint processes and implemented an anonymous reporting system in June of 2025 which is easily accessible on the College's intranet.

Status

In compliance.

The interpretation is reasonable because it is consistent with practices employed by other higher education institutions.

4. Retaliate against any employee member for non-disruptive expression of dissent.

Interpretation

Compliance will be demonstrated when:

- a. *There are no formal complaints of employee retaliation filed with the Office of Human Resources or the College Attorney, nor are there complaints of employee retaliation on the anonymous reporting system (that are deemed valid by legal counsel).*

Evidence

On 9/9/2025, the VP for Talent and Culture confirmed that no formal complaints of retaliation were filed with the Human Resources Office, or the College Attorney, and that there are no complaints of employee retaliation on the anonymous reporting system (that are deemed valid by legal counsel).

Status

In compliance.

The interpretation is reasonable because it is consistent with federal law and interpreted by legal counsel as a practical application.

5. Allow employees to be unprepared to deal with emergency situations.

Interpretation

Compliance will be demonstrated when:

- a. Written emergency management procedures were available to all employees.*

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that written emergency management procedures and protocols were available to all employees, which include detailed instructions for handling threats such as fire, weather-related emergencies, security-related emergencies such as bomb threats, physical violence by a hostile person, or cyberattack: the [Emergency Response Guide](#) is available on the *Public Safety* page of the College website under “Important Links” section.

Status

In compliance.

Interpretation

- b. Annual safety and emergency-related training was provided to all employees.*

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that annual safety and emergency-related training was made available to all employees to provide the basic background knowledge and information regarding how to respond when there is an emergency or disruption of college operations. Completion of these annual trainings were verified through the College’s Learning Management System (LMS) (Vector Solutions).

Status

In compliance.

Interpretation

c. *Fire and emergency response drills were conducted on a regular schedule.*

Evidence

On 9/9/2025, the CFO and VP for Administration confirmed that emergency and safety drills were conducted at the main campus and at the Monroe Center during FY 2025 as follows:

- Main campus:
 - 8/28/2024 and 4/24/2025 - evacuation
 - 9/30/2024, 2/19/2025, and 3/8/2025 - shelter-in-place
 - 10/8/2024, 11/14/2024, and 3/18/2025 - lockdown
- Monroe Center:
 - 9/9/2024 and 2/12/2025 - shelter-in-place
 - 9/18/2024, 11/14/2024, and 2/25/2025 - lockdown
 - 10/1/2024 and 3/13/2025 - evacuation

Status

In compliance.

This interpretation is reasonable because it ensures compliance with the State of Maryland and nationally accepted safety and security practices for higher education institutions.

6. Permit employees to be without reasonable opportunity for professional growth and development.

Interpretation

Compliance will be demonstrated when:

- a. *All employees have access to appropriate professional development opportunities.*

Evidence

On 9/8/2025, the VP for Talent and Culture confirmed that LinkedIn Learning was made available to all employees throughout the reporting period. As a recognized industry leader in online education, LinkedIn Learning offers a digital library of over 6,000 courses covering a broad spectrum of topics, including technical skills, leadership, business, software, and creative subjects. The platform also features training focused on diversity and cultural awareness. Within this library, LinkedIn provides 519 DEIB-related courses and 3,958 leadership-related courses. During FY 2025, employees completed 62 DEIB courses and 1,279 leadership-related courses. In addition, the Center for Teaching and Learning consistently hosts workshops centered on diversity, equity, inclusion, and belonging. See Appendix B for a list of workshops and programs offered in FY 2025.

Status

In compliance.

Interpretation

- b. Professional growth and development opportunities are included in the annual evaluation process.*

Evidence

In last year's baseline report, the President reported partial compliance because performance evaluation processes were under review. These efforts were implemented and compliance was demonstrated as follows:

On 9/9/2025, the VP for Talent and Culture verified that the College revised its performance evaluation process in FY 2025. The updated process includes structured professional growth and development opportunities to better support employees in their current roles and long-term careers. This revision was intentionally aligned with the College's strategic direction and places greater emphasis on continuous feedback, accountability, and professional development, ensuring evaluations are not only reflective of past performance but also forward-looking and developmental in nature. In addition, a goal setting and competency-based performance development program began being drafted at the end of FY 2025 and is planned for implementation in FY 2026.

Status

In compliance.

This interpretation is reasonable because it is consistent with practices employed by other higher education institutions.

Appendix A – MOSAIC Center Workshops Programs FY 2025

- Painting the MOSAIC mural (8/28/2024, 8/29/2024)
- Community building games (9/3/2024 – 9/5/2024)
- Logical Fallacies Jeopardy (9/11/2024, 9/12/2024)
- Audible documentary viewing and discussion (9/16/2024)
- Hispanic Heritage Month kickoff art workshop (vejigantes) (9/17/2024)
- Beyond Strangers: Deaf (9/19/2024)
- Freddy Shegog: What is Your Legacy? professional development speaker (9/20/2024)
- ASL Fun Fest (9/21/2024)
- Deaf Magic- demonstration and discussion about being Deaf in showbusiness (9/23/2024)
- Unify America Challenge (9/24/2024 - 9/26/2024)
- Courageous Conversation- Depolarizing Politics (9/25/2024)
- Latin Dance Party (10/1/2024)
- Vejigantes- make your own (10/2/2024, 10/3/2024)
- One year of Israel Hamas (10/7/2024)
- Dark Legacy of Rosewood viewing and discussion (10/9/2024)
- Power Based Violence Panel (10/10/2024)
- Hispanic Bingo/Karaoke (10/13/2024)
- Tea tasting - teas from around the world (10/14/2024 - 10/17/2024)
- Holidays Together: Pumpkin carving (10/22/2024)
- Deep Dive (through Unify America) Identity and Bias in Society (10/22/2024, 10/24/2024, 10/29/2024)
- Diwali (10/28/2024)
- Dandia sticks decorating (10/29/2024)
- MD Lynching Memorial Project Annual Conference (11/2/2024)
- Election debriefs (11/6/2024)
- Interfaith Dinner (11/7/2024)
- What's in a name? display (11/11/2024 - 11/14/2024)
- Native American Artifact Chat (11/20/2024)
- Holidays Together: Thanksgiving (11/20/2024)
- Letters to the Elderly (11/21/2024, 11/22/2024)
- Finals week activities/study space with teas from around the world (12/2/2024 - 12/5/2024)
- Study/mental health songs lists (12/2/2024 - 12/5/2024)
- The Power of WE- Speaker Dr. Jae Williams (01/14/2025)

Appendix A – MOSAIC Center Workshops Programs FY 2025 (continued)

- International Games Week- welcome week (1/27/2025 - 1/31/2025)
- Keeping Up With the New Administration (2/3/2025 - 2/6/2025)
- Lunar New Year buildup (2/10/2025 - 2/14/2025)
- Lunar New Year Celebration (2/15/2025)
- American Fiction- Films to Build Empathy (2/17/2025)
- Empathy Allies- Race and Ethnicity module 1 (2/21/2025)
- Round Table/Courageous Conversations: Gender-Inclusive Bathrooms (2/26/2025)
- Mardi Gras (2/28/2025)
- Ruby Bridges viewing At Weinberg Center (3/6/2025)
- “It wasn't that long ago” interactive, educational display (3/3/2025 - 3/7/2025)
- Emotional Intelligence: The Bedrock of Inclusion PD webinar (3/11/2025)
- Iftar Dinner (3/12/2025)
- Beyond strangers: invisible disabilities (3/19/2025)
- Optimizing Outcomes Through Better Decision Making- Webinar (3/26/2025)
- Title II & Web Content Accessibility Guidelines (3/26/2025)
- Holidays Together- Egg Hunt (3/28/2025)
- Visual Impairments Simulation (4/7/2025 - 4/10/2025)
- Sound of the World concert (4/10/2025)
- Multicultural Banquet (4/10/2025)
- Multicultural views of nursing- interviews (4/15/2025)
- Courageous Conversations- Talking about religion (4/16/2025)
- Bafa Bafa experience cross-cultural norms (4/15/2025, 04/17/2025)
- Empathy Allies- Race and Ethnicity module 3 (4/18/2025)
- Lessons Learned from a Civil Rights Bus Tour (4/23/2025, 4/24/2025, 4/29/2025)
- Films to Build Empathy- Remember the Titans (4/28/2025)
- Brazilian Picnic - Soccer mini tournament (5/1/2025)
- Lingua Fest (5/5/2025 - 5/9/2025)
- World Tai Chi Day (5/7/2025)
- Global Food Tasting (5/12/2025)
- Bicycle maintenance (5/13/2025)
- Teas from around the world (5/12/2025 - 5/16/2025)

Appendix B - DEIB Workshops FY 2025

- Transforming differences into opportunities for growth (1/14/2025)
- Empathy Allies: Supporting Our Students, One Pillar at a Time (10/14/2025, 8/12/2025)
- Rainbow Ready: Introduction to Creating Safe and Inclusive Spaces for LGBTQIA+ Students (1/14/2025)
- Best Practices for Working with Multilingual Students (3/4/2025, 8/12/2025)
- Global Education is Not Beyond Your Reach (8/12/2025)
- Faculty & Staff Briefing – DEIB Findings & Recommendations (8/12/2025, 8/13/2025)
- Addressing Micro (or Macro) Aggressions - What to do After the Moment Has Passed (8/13/2025)
- Neurodivergent Students (8/13/2025)
- ESOL Conversation Group (Saturdays 1pm – 2pm from 1/25/2025 through 4/26/2025 and Saturdays 1pm – 2pm from 9/5/2024 through 11/23/2024)
- Spanish Conversation Group (In-person: Tuesdays 10am – 11am, Online: Wednesdays 6pm – 7pm from 1/25/2025 through 4/26/2025, Online: Thursdays 6pm – 7pm, In-person: Fridays 10am- 11am from 9/5/2024 through 11/23/2025)

Meeting Content Review

Context: This agenda item provides the Board the opportunity to provide feedback to the Board Chair and the President on the quality of the content (i.e. meeting packet, discussions, etc.) provided during the Board Meeting.

Board Policy Reference: [GP-9 Investment in Governance](#)

Background:

- Per Board policy (GP-9) and in alignment with Policy Governance® practice, the Board evaluates and discusses its own process and performance at each meeting.
- The Board Chair will lead discussion at the meeting for Trustees to reflect on whether the meeting content was focused on governance issues, particularly in relation to the Board's Ends policy, rather than operational or management issues.

Attachment: Policy Governance® Source Document

POLICY GOVERNANCE® SOURCE DOCUMENT

Why a Source Document?

A “source” is a point of origin. A source document is a “fundamental document or record on which subsequent writings, compositions, opinions, beliefs, or practices are based.” (Websters)

Without a simply expressed clear point of source, interpretations, opinions, writings and implementations may intentionally or unintentionally diverge from the originating intent and ultimately be undifferentiated. The point of source (“authoritative source”) is John Carver, the creator of Policy Governance, with Miriam Carver his fellow master teacher.

Without a simply expressed clear source document, Policy Governance is not reliably grounded and not transferable as a paradigm of governance. It is left vulnerable to interpretation, adaptation and impotence. This document has been produced by the International Policy Governance Association and approved by John and Miriam Carver as being true to source.

What is Policy Governance?

Policy Governance is a comprehensive set of integrated principles that, when consistently applied, allows governing boards to realize owner-accountable organizations.

Starting with recognition of the fundamental reasons that boards exist and the nature of board authority, Policy Governance integrates a number of unique principles designed to enable accountable board leadership.

What Policy Governance is NOT!

1. Policy Governance is not a specific board structure. It does not dictate board size, specific officers, or require a CEO. While it gives rise to principles for committees, it does not prohibit committees nor require specific committees.
2. Policy Governance is not a set of individual “best practices” or tips for piecemeal improvement.
3. Policy Governance does not dictate what a board should do or say about group dynamics, methods of needs assessment, basic problem solving, fund raising, managing change.
4. Policy Governance does not limit human interaction or stifle collective or individual thinking.

Principles of Policy Governance

1. **Ownership:** The board exists to act as the informed voice and agent of the owners, whether they are owners in a legal or moral sense. All owners are stakeholders, but not all stakeholders are owners, only those whose position in relation to an organization is equivalent to the position of shareholders in a for-profit corporation.
2. **Position of Board:** The board is accountable to owners that the organization is successful. As such it is not advisory to staff but an active link in the chain of command. All authority in the staff organization and in components of the board flows from the board.
3. **Board Holism:** The authority of the board is held and used as a body. The board speaks with one voice in that instructions are expressed by the board as a whole. Individual board members have no authority to instruct staff.
4. **Ends Policies:** The board defines in writing its expectations about the intended effects to be produced, the intended recipients of those effects, and the intended worth (cost-benefit or priority) of the effects. These are Ends policies. All decisions made about effects, recipients, and worth are Ends decisions. All decisions about issues that do not fit the definition of Ends are means decisions. Hence in Policy Governance, means are simply not Ends.
5. **Board Means Policies:** The board defines in writing the job results, practices, delegation style, and discipline that make up its own job. These are board means decisions, categorized as Governance Process policies and Board- Management Delegation policies.



POLICY GOVERNANCE® SOURCE DOCUMENT

6. **Executive Limitations Policies:** The board defines in writing its expectations about the means of the operational organization. However, rather than prescribing board-chosen means -- which would enable the CEO to escape accountability for attaining Ends, these policies define limits on operational means, thereby placing boundaries on the authority granted to the CEO. In effect, the board describes those means that would be unacceptable even if they were to work. These are Executive Limitations policies.
7. **Policy Sizes:** The board decides its policies in each category first at the broadest, most inclusive level. It further defines each policy in descending levels of detail until reaching the level of detail at which it is willing to accept any reasonable interpretation by the applicable delegatee of its words thus far. Ends, Executive Limitations, Governance Process, and Board-Management Delegation policies are exhaustive in that they establish control over the entire organization, both board and staff. They replace, at the board level, more traditional documents such as mission statements, strategic plans and budgets.
8. **Clarity and Coherence of Delegation:** The identification of any delegatee must be unambiguous as to authority and responsibility. No subparts of the board, such as committees or officers, can be given jobs that interfere with, duplicate, or obscure the job given to the CEO.
9. **Any Reasonable interpretation:** More detailed decisions about Ends and operational means are delegated to the CEO if there is one. If there is no CEO, the board must delegate to two or more delegates, avoiding overlapping expectations or causing confusion about the authority of various managers. In the case of board means, delegation is to the CGO unless part of the delegation is explicitly directed elsewhere, for example, to a committee. The delegatee has the right to use any reasonable interpretation of the applicable board policies.
10. **Monitoring:** The board must monitor organizational performance against previously stated Ends policies and Executive Limitations policies. Monitoring is for the purpose of discovering if the organization achieved a reasonable interpretation of these board policies. The board must therefore judge the CEO's interpretation for its reasonableness, and the data demonstrating the accomplishment of the interpretation. The ongoing monitoring of board's Ends and Executive Limitations policies constitutes the CEO's performance evaluation.

All other practices, documents, and disciplines must be consistent with the above principles. For example, if an outside authority demands board actions inconsistent with Policy Governance, the board should use a 'required approvals agenda' or other device to be lawful without compromising governance.

Policy Governance is a precision system that promises excellence in governance only if used with precision. These governance principles form a seamless paradigm or model. As with a clock, removing one wheel may not spoil its looks but will seriously damage its ability to tell time. So in Policy Governance, all the above pieces must be in place for Policy Governance to be effective. When all brought into play, they allow for a governing board to realize owner accountability. When they are not used completely, true owner accountability is not available.

Policy Governance boards live these principles in everything they are, do and say.

Produced by GOVERN for IMPACT in consultation with John and Miriam Carver, 2005 – 2007 – 2011 – 2015 – Feb 2021.

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Reference: Carver Guides, 2nd Edition, 2009

