

**BOARD OF TRUSTEES
FREDERICK COMMUNITY COLLEGE**

**February 19, 2025
Regular Meeting**

The Board of Trustees of Frederick Community College met in **regular session** on Wednesday, February 19, 2025 in the Conference Center (E126AB). A virtual option to participate was provided. Participating in person were: Trustees Theodore Luck, Chair; Tom Lynch, Vice Chair; Carolyn Kimberlin; Tracey McPherson; Dr. William Reid; and Myrna Whitworth. Former Trustee Dr. John Molesworth's position is currently vacant. Also attending in person were President Dr. Annesa Payne Cheek, Secretary/Treasurer of the Board; and Edmund O'Meally, PK Law, College legal counsel.

Participating virtually for a portion of the meeting was Dr. Daniel Phelan, Consultant.

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 January 15, 2025 regular meeting.

On a motion made by Vice Chair Lynch, the Board unanimously approved the January 15, 2025 regular meeting minutes, as presented.

BOARD & CEO COMMENTS

Chair Luck and Vice Chair Lynch provided positive comments about the Maryland Association of Community Colleges Trustee Leadership Conference and Legislative

Reception which they attended with President Cheek and Trustees Kimberlin and Reid last month.

President Cheek shared comments on the decision to close the Carl and Norma Miller Children's Center.

CONSENT AGENDA

On a motion made by Trustee Reid, the Board unanimously approved the following item, as presented:

- Award of RFP 25-IT-01, Content Management System (CMS) Procurement, to Modern Campus USA, Inc.

INFORMATION/DISCUSSION ITEMS

Ownership Linkage – Chair Luck led a discussion regarding areas of focus and potential questions to be used when engaging with Owners for year one of the Board's Ownership Linkage Plan. The following points were emphasized: the importance of engaging with the community to understand priorities and values; connecting with other boards, non-profits, and grassroots organizations to create a broader dialogue; and aligning community feedback with Ends policies and determining adjustments based on input. The questions will be revisited at the next meeting.

Fiscal YTD Financial Report through December 31, 2024 – Scott McVicker, Chief Financial Officer (CFO) and Vice President (VP) for Administration, went through the report in detail with the Board.

MONITORING CEO PERFORMANCE:

Review of Draft Interpretation of EL-8 Access to Education – The Board reviewed this interpretation. There were no comments.

Review of Draft Interpretation of EL-11 Compensation and Benefits – The Board reviewed this interpretation. There were no comments.

MONITORING BOARD PERFORMANCE:

Board Policy Survey Review: GP-12 Handling Operational Complaints – Chair Luck reported on the results of this survey.

Board Policy Survey Review: GP-13 Handling Alleged Policy Violations – Chair Luck reported on the results of this survey.

Board Policy Review: GP-0 Global Governance Commitment – The Board reviewed this policy for currency. There were no suggested revisions.

Board Policy Review: GP-8 Governing Style – The Board reviewed this policy for currency. There were no suggested revisions.

Board Policy Review: BCD-6 President Compensation – The Board reviewed this policy for currency. There were no suggested revisions.

ACTION ITEMS

Approval of One-Year Renewal Contract with SB & Company for Professional Auditing Services for the College and the Foundation for FY 2025 – In March 2021, the Board approved the award of the contract for professional auditing services for the College and the Foundation to SB & Company. This award was for an initial three-year contract with the option to renew each year for an additional three years. A one-year renewal for FY 2024

was approved by the Board last year. The cost of the services for the FY 2025 audit is \$39,000 and will be funded through the FY 2026 College operating budget.

On a motion made by Trustee Whitworth, the Board unanimously approved the one-year contract renewal with SB & Company, as presented.

Approval of FY 2026 Credit Tuition and Fees – The FY 2026 Operating budget proposal includes a 3% increase for in-county, out-of-county and out-of-state tuition and fee rates, and an increase in the Student Activity Fee from \$3.34 to \$3.50 per credit hour (ten-credit max per semester). The College offers more than 600 courses in its course catalog. New and increased course fees are proposed for approximately 10% of the course inventory. The fees will help offset the rising costs of program materials and, in some cases, ensure students are provided access to necessary instructional materials, at a reasonable cost. The proposed FY 2026 Credit Tuition and Fees schedule will be effective for Fall 2025 registration. There was discussion regarding the increased fees for students. It was clarified that students have already been incurring many of these costs individually and they are now being applied up front so any available financial aid can be used to cover them. Additionally, students were consulted prior to this change and there was overwhelming support.

On a motion made by Vice Chair Lynch, the Board unanimously approved the FY 2026 Credit Tuition and Fees, as presented.

Approval of FY 2026 Auxiliary Enterprise Bookstore Budget – The Bookstore’s FY 2026 proposed budget reflects a 4.5% increase in revenue compared to the FY 2025 adopted budget. One factor contributing to the increase is revenue attributable to

Slingshot. Slingshot serves dual enrollment students and delivers digital content on their first day of class. The College charges a nominal fee to provide this service.

For FY 2026, the College projects a Bookstore subsidy in the amount of \$84,500, a decrease of 15.1% or \$15,000 from the FY 2025 budget.

On a motion made by Trustee Kimberlin, the Board unanimously approved the FY 2026 Auxiliary Enterprise Bookstore Budget, as presented.

Approval of FY 2026 Proposed Operating Budget to be Submitted to the County

Executive – Operating revenues proposed for FY 2026 total \$79,291,061, including \$2,000,000 in strategic reserves. This represents an increase of \$4,433,458 or 5.96% over the FY 2025 adopted budget and includes \$21,588,862 from tuition and fees (credit and non-credit); State funding of \$22,625,215 in Cade formula aid and \$3,051,200 for State benefits; other income of \$2,211,958 which includes interest income and contract training; and the use of strategic reserves in the amount of \$2,000,000 for one-time initiatives including technology improvements, unplanned capital repair and replacement, and strategic planning and future-proofing. The County funding request of \$27,813,826 includes \$27,255,452 (cash) and \$558,374 (in-kind), which reflects an additional \$1,500,000 over FY 2025 funding to ensure institutional sustainability and to help fund additional costs to meet enrollment demand. In-kind funding includes Interagency Internal Audit Authority (IIAA) services, annual building asset assessments, some IT services, and other items.

Operating expenses proposed for FY 2026 total \$79,291,061, including \$200,000 allocated to operating reserves and \$2,000,000 from strategic reserves to address

strategic, one-time needs. This is an increase of \$4,433,458 over the FY 2025 adopted budget, resulting in a balanced budget. Key expense allocations include:

- Investments to continue to attract and retain talent.
- A 17% increase for health insurance. Fringe benefit costs correspond to salary and wage projections.
- Increased funding for software, public safety, and IT equipment, as well as a 14% increase in utilities.
- A 15% increase in non-compensation due to enrollment growth and inflation.
- An operating contingency of approximately 1.3% of expenditures, totaling \$1,000,000. The contingency is available for unforeseen expenses or to respond to opportunities that may arise outside of the annual planning and budgeting cycle.

On a motion made by Vice Chair Lynch, the Board unanimously approved the FY 2026 Proposed Operating Budget to be Submitted to the County Executive, as presented.

MONITORING CEO PERFORMANCE:

Approval of Interpretation for EL-0 General Executive Constraint – The Board considered this interpretation, which was reviewed at the meeting last month.

On a motion made by Trustee Kimberlin, the Board unanimously approved the Interpretation for EL-0 General Executive Constraint, as presented.

Approval of Interpretation for EL-5 Organization Culture – The Board considered this interpretation, which was reviewed at the meeting last month.

On a motion made by Trustee McPherson, the Board unanimously approved the Interpretation for EL-5 Organization Culture, as presented.

Acceptance of Baseline Insight Report for EL-9 Asset Protection – Chair Luck provided a reminder that the Board agreed to receive baseline insight reports in lieu of monitoring reports as part of the transition to full deployment of the Policy Governance® Model. Areas of compliance will be expected to be maintained and areas of non-compliance will be expected to be addressed prior to the submission of the formal monitoring report next year. President Cheek reported full compliance with the exception of items 5.1.a, 10.2.b, and 10.3.a.

On a motion made by Trustee Reid, the Board unanimously approved to accept the Baseline Insight Report for EL-9 Asset Protection, as presented.

Acceptance of Baseline Insight Report for EL-10 Investments – President Cheek reported full compliance.

On a motion made by Trustee Whitworth, the Board unanimously approved to accept the Baseline Insight Report for EL-10 Investments, as presented.

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®. Trustees commented on their progress and expressed appreciation for the presentation on the budget.

CLOSED SESSION

At 6:26 p.m., the motion was made by Vice Chair Lynch to convene in closed session and unanimously approved by the Board.

This action was taken in accordance with Maryland's 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; 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; and Section 3-305(b)(15) to discuss cybersecurity, if the public body determines that public discussion would constitute a risk to (i) security assessments or deployments relating to information resources technology; (ii) network security information, including information that is: 1. related to passwords, personal identification numbers, access codes, encryption, or other components of the security system of a governmental entity; 2. collected, assembled, or maintained by or for a governmental entity to prevent, detect, or investigate criminal activity; or 3. related to an assessment, made by or for a governmental entity or maintained by a governmental entity, of the vulnerability of a network to criminal activity; or (iii) deployments or implementation of security personnel, critical infrastructure, or security devices.

The Board convened in closed session in the Conference Center (E126AB) on February 19, 2025. A virtual option to participate was provided. Attending in person were: Trustees Theodore Luck, Chair; Tom Lynch, Vice Chair; Carolyn Kimberlin; Tracey McPherson; and Dr. William Reid. Trustee Myrna Whitworth was absent. Former Trustee

Dr. John Molesworth's position is currently vacant. Also attending in person were President Dr. Annesa Payne Cheek, Secretary/Treasurer of the Board; Avis Boyd, Chief of Staff to the President; Dr. Bridgette Cofield, Vice President (VP) for Talent and Culture; Scott McVicker, Chief Financial Officer (CFO) and VP for Administration; Scott Reece, Executive Director of Network Infrastructure & IT Security Officer; Edmund O'Meally, PK Law, College legal counsel; and Kari Melvin, Recording Secretary.

Participating virtually were Dr. Anne Davis, Provost and VP for Teaching, Learning and Student Success; Chris Kielt, Interim Chief Information Officer (CIO); and Pamela Murphy, Labor Relations Specialist.

The Board reviewed closed session minutes from January 15, 2025.

On a motion made by Vice Chair Lynch, the Board approved the January 15, 2025 closed session minutes 5-0-1, as presented, with Trustee Whitworth absent.

The Board received a briefing of the overall status of FCC's information security program and FCC's compliance with the Gramm-Leach-Bliley Act and material matters related to the information security program, addressing issues such as risk assessment, risk management and control decisions, service provider arrangements, results of testing, security events or violations and management's responses thereto, and recommendations for changes in the information security program. No action was taken.

Executive Director Reece and Interim CIO Kielt left the meeting.

The Board obtained legal advice on matters related to collective bargaining strategy and potential positions. No action was taken.

The meeting adjourned at 7:38 p.m.

NEXT MEETING

The next regular meeting of the Board will be held on Wednesday, March 19, 2025.

Dr. Annesa Payne Cheek

Secretary/Treasurer

Prepared by Kari Melvin
Office of the President
Frederick Community College