BOARD OF TRUSTEES
FREDERICK COMMUNITY COLLEGE

December 8, 2022
Special Meeting

The Board of Trustees of Frederick Community College met in a special session on Thursday, December 8, 2022 in the Student Center (H202/203). A virtual option to participate was provided. Participating in person were: Trustees Carolyn Kimberlin, Chair; Tom Lynch, Vice Chair; Ellis Barber; Gary Fearnow; Theodore Luck; and Dr. April Miller.

Also attending in person were President Dr. Annesa Payne Cheek, Secretary/Treasurer of the Board; Janice Spiegel, Director of Education and Special Initiatives, Office of the County Executive; Edmund O'Meally, PK Law, College legal counsel; Marie Billie, Interim Vice President (VP) for Human Resources; Avis Boyd, Chief of Staff to the President; Lewis Godwin, Chief of Operations (COO); Dr. Tony Hawkins, Provost/Executive Vice President (EVP) for Academic Affairs, Continuing Education, and Workforce Development (AACEWD); Deborah Powell, Executive Director for the Office of Institutional Advancement and the FCC Foundation; Adam Reno, Interim Director of Technology/Chief Information Officer (CIO); Amy Stake, Interim VP for Finance; Pamela Murphy, Labor Relations Specialist; Fred Hockenberry, Executive Director of Auxiliaries, Procurement and Special Projects; Diana Oliver, Human Resources Manager; Caroline Cole, Director of Communications to the President; Evan Evans, Chair, College Senate; Dr. Benita Rashaw, Associate Vice President (AVP) for Student Affairs; Mark Holcombe, Project Manager, Evergreen Solutions, LLC; Jillian Atelsek, Education Reporter from the Frederick News-Post; and Kari Melvin, Recording Secretary.

Participating virtually were Trustee Dr. John Molesworth; Jerry Boyd, Special Assistant to the President for Institutional Effectiveness; Dr. Nora Clark, VP for Student Affairs; Mary Rolle, Chair, Faculty Association (FA); Laura Cordova, Vice Chair, FA; Frank Seidel, Secretary, FA; Sheri Bailey, Amanda Schrider, and Ryan Ridge, Support Staff Association (SSA) Executives; Diana Culp, Dr. Kathi Groover, and Dr. Kevin Martin, Administrative Staff Association (ASA) Executives; Robin Shusko, Vice Chair, College Senate; and other members of the College faculty and staff.

CALL TO ORDER

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

ESTABLISHMENT OF QUORUM

President Cheek confirmed the presence of a quorum of the Board.

CLASSIFICATION AND COMPENSATION STUDY FOR FCC

President Cheek thanked the Board for agreeing to hold this special meeting during an already busy time of year. She acknowledged the core team who coordinated this effort: Interim VP Billie, Interim VP Stake, Executive Director Hockenberry, Human Resources Manager Oliver, and Chief of Staff Boyd. They spent hundreds of hours working evenings, weekends, and in extended meetings in order to get this done right. She then acknowledged the staff in Information Technology, Human Resources, and Payroll who have done extraordinary work to make this possible. President Cheek also acknowledged College employees. She stated that under the right conditions, all students can be successful. It is our job to create those right conditions. Creating the right conditions starts with having the right talent inside the organization. She continued that she has been exposed to so much during these past few months as part of her listening and learning, meeting with

stakeholders from inside and outside of the College and having informal chats. She has learned so much about the people, places, and experiences that make the community of Frederick and FCC special. She consistently heard from many, many individuals across the College that: 1) there is a compensation study; 2) when will it be completed?; and 3) can we see the report? President Cheek thanked the employees of the College for trusting her enough to openly express how important this work is to them and to follow through with what began before her arrival.

President Cheek then overviewed the key terms direct compensation, indirect compensation, and compensation system and provided the background and context for the study. This study did not include any forms of indirect compensation. The last compensation study was conducted in 2008, resulting in pay scale adjustments and establishing 3.5% of midpoint as the step increase standard. Interim President Powell initiated a new compensation study in August 2021 with a target completion date of May 2022. Due to the compressed timeframe, the College chose to conduct its own, modified job description review process which is different from the best practice industry standard. The intent was a comprehensive analysis of regular full-time and part-time employees only. Therefore, the initial scope of work excluded adjunct faculty, PTVS, CEWD and MACEM&PS instructors, and clinical field experience staff. Adjunct faculty pay comparisons were conducted as an add on in spring 2022 and therefore, only a cursory review was conducted. The College worked with the consultant to conduct additional analysis in fall 2022 to include the other employee groups that were originally excluded:

CEWD and MACEM&PS instructors, clinical field experience staff, and PTVS to address market competitiveness. There were 470 employees included in the original scope of work. A total of 1,383 employees were included in the expanded analysis.

Consultant's Report – Mr. Holcombe presented a summary of the Classification and Compensation Study. He overviewed the study goals and work plan, comments received from employee meetings, strengths and weaknesses of the current system, and the market targets and results. The key recommendations were to: perform a job analysis to establish an internal hierarchy and ensure that all jobs at the institution are performing work matching their job description; adopt an updated pay plan with consistent range spreads and progression between the grades, maintaining the College's current customized structure; reassign pay grades to positions based on internal equity and the market results, with some positions seeing larger adjustments than others due to the market response; and place employees within their newly recommended pay grades, selecting an implementation methodology that aligns with the compensation philosophy and financial means of the College. The proposed implementation originally recommended a 5% adjustment, with a minimum 3.5% increase for all faculty and staff. This was revised due to the 3% cost of living adjustment (COLA) the College implemented July 1, 2022. Copies of the study and the presentation are available from the President's Office.

College Response – President Cheek began by providing additional context. She arrived in July 2022. She received the draft compensation study in August 2022 and Interim VP Billie arrived in August 2022. It was discovered that the 3% COLA was not reflected in the consultant's analysis and that additional work was required. The

recommendations had to be reevaluated and the other employee groups who were originally excluded from the analysis had to be included.

Interim VP Billie reviewed steps the College will take to institutionalize Human Resources best practices. The College will develop a comprehensive Compensation Philosophy (a framework for all compensation related decisions, policies and practices). The College will conduct a comprehensive classification and compensation study every three to five years. Human Resources will establish a methodology to ensure alignment of salary placement for new hires, employee promotions, demotions and transfers. The College will assess the need for establishing and compensating employees working in "critical classifications" (positions with > 30% turnover and/or a market rate difference of 20%) as part of the development of a new classification and compensation structure. Human Resources staff will continue reviewing current job descriptions annually and as needed to maintain accuracy, institutional alignment and market competitiveness.

President Cheek noted an excerpt from the study: "The external assessment consisted of comparing the College against its peer institutions and organizations within its market and revealed that the College is currently leading the market slightly." She stated that everyone should be proud that FCC is leading the market. President Cheek shared another excerpt from the study: "The COLA [3%] ensured that all employees moved this year and would receive an increase to help account for inflation and market movement among peers. While the increase was half of one percent lower than Evergreen's original recommendation, Evergreen believes that the increase satisfies the need for an adjustment

to all employee salaries and does not believe the percentage needs to be revisited upon implementation of the remainder of this report's recommendations."

Interim VP Stake stated that the College recommends Board approval of an additional 2% increase to each of the College's eight salary/wage scales effective January 1, 2023. The College recommended that the 2% be applied to all eight salary/wage scales vs. the three that were included in the Consultant's report. This brings the total increase, including the 3% COLA that was effective July 1, 2022, to 5% as originally recommended by the consultant using the salary/wage scales that were in place June 30, 2022. Although the Consultant provided the option to implement any pay changes over one, two or three years, the College seeks full implementation of the pay changes in one year, effective January 1, 2023. The total FY 2023 budget impact is $570,000 in payroll expenses. This will be funded by the $475,000 which was already budgeted for Compensation Study expenses and $95,000 from FY 2023 year-to-date salary savings from unfilled positions. For the long-term implications, revenue will continue to be monitored. This pay scale adjustment is not intended to supplant any future possible COLA requests.

President Cheek acknowledged that there is more work to do, some of which is very foundational while other aspects of the work are more complex. What was done amounts to an "in-house" job description analysis. This will need to be revisited in the future by leveraging the guidance, experience and expertise of an organization that specializes in this work. Specifically as it relates to our adjunct faculty, the consultant noted in the report that our structure is competitive and the increase we are proposing would keep us competitive. It is up to the College to decide if that is enough and if it is where we want to be. This is another example of where a comprehensive compensation philosophy would

offer critical guidance in terms of whether we want to lag, be at, or lead the market in terms of direct and indirect compensation for our adjunct faculty and all other employee groups. There are three critical positions that need to be filled: the permanent Vice President for Human Resources, Provost, and Chief Financial Officer. This is not a one and done approach. There will be ongoing work to build systems so the infrastructure is there and despite transitions and turnover, the structures endure until we decide to make changes.

<u>Approval of Revised FY 2023 Salary/Wage Scales</u> – President Cheek recommended approval of the eight Revised FY 2023 Salary/Wage Scales, as presented, with an effective date of January 1, 2023.

On a motion made by Trustee Luck and seconded by Trustee Fearnow, the Board unanimously approved the Revised FY 2023 Salary/Wage Scales, as presented, effective January 1, 2023.

Trustees commented on the importance of being competitive and attracting and retaining talent. They commended President Cheek and expressed how much they value the FCC employees.

The Classification and Compensation Study will be posted on the Human Resources page on Communication Central (intranet), along with an FAQ document and the new salary/wage schedules. Employees can direct any questions to hrcompstudy@frederick.edu. Employees now have access to a new Total Rewards statement in PeopleSoft that details direct and indirect compensation. During the week of December 12, 2022, all employees will receive a letter (via email or USPS) summarizing their specific salary/wage

adjustments. President Cheek will send a College-wide email detailing all of this information to employees tomorrow.

<u>EQUITY COMPENSATION ADJUSTMENTS</u>

President Cheek stated that as part of her listening and learning, she had the opportunity to meet with all three shifts in Plant Operations. She learned so much about what attracts people to FCC, and also that our current structures are not aligned with the market realities and that we are unable to successfully attract and retain top talent. Unlike most other positions at the College, the roles in this unit of the College are not unique to higher education. Every employer in the region, on some level, employs the services of plumbers, electricians, HVAC technicians, grounds personnel and custodians. We are not just competing for talent with Hood, Mount St. Mary's, and Frederick County Public Schools. When she met with the team, they told her that the way we fix this is to shift from a 35 to a 40-hour work week. This has been confirmed by COO Godwin, who is in full support of making this change. To that end, effective January 1, 2023, the College will expand the work week for our Plant Operations team from 35 to 40 hours. President Cheek expressed appreciation again to the colleagues who work in this area who trusted her enough to surface this issue and educate her on the significance.

President Cheek continued that she also had the opportunity to meet with the professionals in the Children's Center and commented that they are passionate, caring, and dedicated. We all know that access to affordable childcare is a national crisis and FCC has the great opportunity to provide this service to our students, employees and the broader community. FCC is grateful for the investment the County made in the Children's Center this year to keep these services affordable for students and we have to continue to do our

part. We have experienced critical levels of turnover in the Children's Center since the peak of COVID and we still have not recovered. Staff turnover is making it very difficult to effectively and efficiently run operations. We have learned that in addition to our pay not being competitive, full-time employees of the Children's Center do not currently receive the same benefits as all other full-time employees. Therefore, effective January 1, 2023, the full-time employees of the Children's Center will receive the same benefits offered to all other full-time employees of the College.

TRUSTEE COMMENTS

Chair Kimberlin stated that this is Trustee Miller's last meeting and congratulated her on her election to State Delegate. Trustee Miller expressed appreciation for having served on the Board of Trustees and said she will continue to fight for FCC at the State level. She added that she is thrilled about the direction of FCC under President Cheek's leadership.

ADJOURNMENT

On a motion made by Trustee Fearnow and seconded by Trustee Barber, the Board unanimously approved to adjourn the meeting at 5:56 p.m.

Dr. Annesa Payne Cheek
Secretary/Treasurer

Prepared by Kari Melvin
Office of the President
Frederick Community College