



Maine Maritime Academy Board of Trustees

COMMITTEE OF THE WHOLE MEETING MINUTES

August 8, 9:00am

Holmes Heritage Room

Trustees attending: Chair Wayne Norton, Trustees, John Webb, Liz True, Miles Theeman, Sue Loomis, Katy Longley, Wendy Morrison, Morten Arntzen, John King via zoom, Mark Gardner, Anthony Hall, Gregory Johnson, Bill Eisenhardt, Bob Somerville, Aliana Adams were all in attendance.

Faculty Representative Jennifer Haddock was in attendance.

Trustee Not in attendance: Paul Mercer

Administration attending: Interim President Johnson, VP Noel, VP Williamson, VP Waldron, VP Markow, Commandant Winter, Alumni President, Bill Full

Other members of the MMA staff and faculty were also present.

CHAIRMAN'S REPORT

Trustee Norton acknowledged, Interim President Craig Johnson, his leadership team, faculty and staff as we take on the challenge for the start of the new presidential search. Chairman Norton thanked Trustee Longley for volunteering to be the chair on the search committee for the new president.

PRESIDENT'S REPORT

Interim President Johnson thanked everyone for attending and stated how proud his is to be a part of MMA and very grateful for the VP team, faculty and staff, it takes a village here. Craig mentioned that cruise well. There were a few issues with the start of the cruise and being able to resource the parts. Overall, the students and staff did a great job. Capt. Peacock and the Bowdoin had a great cruise traveling to the artic to the north of the 70th parallel. The photos and videos will be remarkable.

We have signed a contract with Reed and Reed for the pier project and we will be provided with scheduling and timing shortly. We sent a letter of intent to the contractor. Still, there are some things to do before we sign the full contract. We have added facility projects, simulators, offshore wind work, and summer projects with upgrades in our machine shops. Craig mentioned that they were working on enrollment strategies and considering hybrid models. President Daigler from Maine Community College visited with Craig and they will be going to the state together. We will be looking for additional funds from the state. CDS appropriations are starting to come through for BIW projects and other facility projects.

Craig introduced Heather Hopkins from Blueforge Alliance which works with the Secretary of the Navy. She is partnering with MMA with programs like BIW, Portsmouth Naval Shipyard, submarine industrial bases programs, Orbis and helping get funding that will support these types of programs.

Heather discussed the different programs, funding available, networking opportunities and took questions.

Craig mentioned that we are on our 3rd round of state appropriations. We are expanding the BIW associate program up to 800 people in the next 5 years. Starting with 50 this fall so we should be around 100 but some of these are dual enrolled in community colleges.

CPMD has a contract with Maine State Ferry.

Admiral's Dinner and Night by the Bay were successful.

Our summer NSI/Orbis cohort group of 50 was successful and an additional revenue source, MMA was the first to take this on in such a short time frame and it went well. It went well due to the faculty and staff we have here at MMA.

Discussion on how we need to be thoughtful and make sure we're in harmony with our mission and strategic plan.

5.2m for our CBS request this year compared to our 5m request last year.

We've hired Kirk L. out of retirement to work on the strategic plan and will provide the board with an update in November.

ADVANCEMENT:

Trustee Gardner held their committee meeting on July 25th. The advancement committee will meet every quarter. At the end of each quarter, they will look at the data and the terms of the information to manage the progress. They are looking at how we solicit, communicate around the giving programs and website design. Looking at the annual fund, planned giving, endowed programs as a grounding meeting. They are getting their feet back on the ground, understanding

what it is and how to best practice.

VP Noel mentioned that they finished the fiscal year in a solid place. The annual fund beat its expectations. The office is fully staff for what we have the capability to be. From an expense side we'd always love more revenue generating bodies. But I think for what we have right now. It's fine. In May is when we started to really see a change in our analytics on what we were raising and looking at how it was categorized, and we've been just digging into the books since then. As I've explained before, not much was done prior to that.

On our analytics on what we were raising and looking at how it was categorized, we've been just digging into the books since then. As I've explained before, not much was done prior to that.

Kate is looking for greater consistency on how we count our dollars, whether it's growth or net.

Engagement on class gifts is not as solid as it could be, so things like the class challenge need to start earlier, and they need to be publicized. To a greater extent.

Looking at how we book general sponsorships, those tend to get counted into the annual fund and those are not budget relief dollars because they are sponsoring something.

Endowment has been a big focus over the last 2-3 years and the unfunded merit. 76% of the annual fund is dedicated to scholarships and sponsorships from events. Kate hopes in the future that we reach a point where that can change, and we can start to talk about budget relief in other areas.

Scholarships, the team has been working on the reset of expectations around named gifts for what is called pass through scholarships. We used to have a limit of \$1250 to create a pass-through scholarship and we are trying to find a higher threshold to create a pass-through scholarship due to the administrative work between offices without disappointing donors and to create a better consistency between offices.

Planned giving is going to be talked about a fair amount and probably go to a 3rd party for assistance. There's a lot of compliance with planned giving and they are looking into the technology that will help them on the compliance side. MGO's are talking about planned giving and having more of those conversations.

Yacht Donation is higher than normal from last year due to 2 gifts of maintenance dollars towards 2 vessels that came into the program. Miles asked what the total contribution of the yacht donation program was. Kate stated 139K was net but looked at Janet for clarity. Over time there will be a greater number of profit. Katie mentioned a longer term model 10 year history.

We have 223 endowment gifts that are below 1k and working with MGO's on how to increase the capacity of those. MGO's are fostering relationships.

Kate mentioned that they are hiring a director of advancement and alumni relations and there is

a need for greater coordination between departments, so they are merging the positions and feel that we are too small to keep them separate and create a greater synergies between the offices.

We had great press coverage over the summer with good national website news, great state news and worth 60-100K worth of ad time. We've increased digital advertising and starting to see the benefits of that.

Challenges and Opportunities – We need to be more consistent with giving and telling our story.

Kate to implement a new online giving platform with 4 pillars: scholarship, academics, athletics, and Presidential Initiatives fund.

Foundation discussion how it will fit with advancement with a capital campaign and a great value add and a great reach and network. You will hear more about the Foundation at homecoming.

Chairman Norton mentioned that the foundation MOU draft has been presented to the executive and governance committee and will get those comments back to Larry. Retreat was held to discuss their mission, vision and purpose and thought that there weren't any wired crossed at all, and all seemed aligned and no threat to advancement and a relationship is heading in the right direction.

Katey mentioned that Kate's work and report have information that the board has never seen before and it's terrific.

EDUCATION:

Trustee Adams mentioned that they didn't pull the whole committee together this time and had a call with Williamson. Discussion on faculty retention and will raise some concerns with retirement. It's time to look at our strategic plan to on who we are and who we want to be. AI security.

Williamson wanted to acknowledge Prof. Haddock with WOW and Dean Flood with her great work. On 8/23 we have our faculty and staff workshop. The convocation is on 8/26 with 277 incoming freshmen. We can handle 300 students and can average 250. Classes begin on 8/27 with 525 sections of courses planned. We are delivering the academic program without 2 major resources, the TSSoM and the pier. Dean Flood and Commandant are working together to provide innovative programming for the students while the ships not here. We've officially transferred our call sign so technically we don't have TSSoM anymore, so we have contingency plans in place. The backup plan is a NSMV, Empire State so we are putting together an away team.

We are all working together to get these CDS grants and it's a lot of pressure on Janet's and Alice's team.

On average we have 70 full time faculty members. As Chair Adams mentioned, we're averaging about 15% turnover. That's a little higher than you want. You know, 10% you kind of live with but 15% a little high. I think the worst is kind of behind us back in 2021, just before Covid, just after Covid. That really hit us hard was probably more like 20%.

That pressure created a lot of demand on faculty development process, so they developed the center of teaching excellence. It's called the Loomis Center of Teaching Excellence. Williamson thanked Prof. Flood and Prof. Cleveland for their work and putting together this mentoring program which allows faculty to brought up to speed and support academic innovations.

18 Faculty members paired up. As a result of this program, we have 2 senior training officers that have been here less than 5 years brought up to speed.

Dept search committees have been very effective attracting new faculty with support from the HR team.

USCG Exam Pass rates 82 % for deck and 85% for engine.

Focus on the 1st time pass rate of 70% with a minimum expected rate to increase. Main goal is to get to 100%.

Discussion on taking mock exams to increase our pass rate and where they take the exams.
MMA vs Boston.

FY23 grants totaled about 3.8 million. We received a switchboard, lifeboat simulator so it's been a lot of demand for facilities. We also had SAP software system that was put in by our IBL team.

The Fy 23 Congressional direct expend was all about instructional technology, a lot of in infrastructure investment at the Academy, not only on campus but also in Bucksport. We put in some dynamic positioning simulators. And we're putting in a dp simulator on the Clark.

STUDENT AFFAIRS:

Commandant Winter stated that the State of Maine has successfully completed the summer 2024 summer training cruise with 199 midshipmen, primarily second and 4th class.

The cruise got off to a little bit of a rocky start. It was delayed for 2 1/2 weeks while waiting for a replacement part for a lifeboat davit that failed during testing the outboard lifeboats had been successfully tested at the pier before getting underway, but the test of the inboard lifeboats had to wait until we got out to anchor during those tests the Davit failed. The lifeboat manufacturer was called in, as the lifeboats were still under warranty. In the end it took 2 1/2 to locate and ship the replacement part to the ship. Once on board, the davit was repaired and replaced, and within 24 hours they were able to finally set sail.

Due to the delay, we had to cancel the 1st 2 ports of call Port Everglades, near Port Fort Lauderdale, Florida, and St. Thomas in the Us. Virgin Islands.

TSSoM left on May 24th to Tenerife, Spain and Canary Island and then continued to Majorca,

Spain, and the Mediterranean, then to Porto Portugal, St. John's Newfoundland and then, after clearing us customs and immigration in Boston, the ship called Portland, where the cruise ended.

Unfortunately, 3 midshipmen did not finish the cruise. 2 were discharged for disciplinary reasons.

After Portland, due to the delay of the construction of the pier, the State of Maine was able to return to Castine for a week to some offload, and while the ship's crew handed over custody to the vessel to Marad, Marad's general agent. With some of the ship's permanent crew on board the general Agent sailed the vessel to Philadelphia, where she will be tied up at least until the end of the year. As we are making plans for next year's summer cruise. Given the delay in the delivery of the NSVM, we are planning to use the current State of Maine again for next year's summer training cruise.

RPT will be starting on 8/18 and we will have 100 strikers arriving on 8/14 to report back to start preparations for the new students.

The rewrite of the regimental manual and review of the Sea bag is complete. As mentioned in his last report, a similar more streamlined and less expensive uniform issue process has been developed.

Mr. Bill Mottola Jr. has joined the regimental team as a company officer and has experience as a college football coach.

Dean Davis is absent due to a wedding.

Student Services have been focusing on preparing for the arrival of class of 2028 and the renovation of Curtis Hall.

They are excited to be putting in a new program this year for the incoming class. Regimental and independent freshmen will participate in a class of 2028 freshman trip to Acadia National Park on Saturday, August 31st and this will be an opportunity for the entire freshman class to meet each other and to develop outside friendships outside of their respective majors.

After a false start with Curtis Hall project. The Res life team pivoted and reworked the housing selection process and began planning for a mid-year transition to the renovation. Starting in December of 2024, following the closing of winter break, or at the at during winter break the renovation of Curtis Hall remains the biggest challenge, and will continue to be so for the next 2 and a half years. We currently have 553 students with reserve beds in Curtis Hall, and 36 in the Commons, the remainder of the students, 328 are registered to live off campus. We are temporarily housing some students in what will be phase one of the renovation. Those students will have to be reincorporated into the remaining spaces in the Curtis Hall. This may require us to purchase additional furniture to increase the number of rooms that are triples. All incoming freshmen this year will be in triples.

With regards to staffing, the residential life team is significantly understaffed. Blossom Thao, our director of residential life and student activities, left MMA in June. Since that time Dan Gardner, our assistant director of residential life has been promoted to that role. We are in the process of filling his position, but that applicant pool has not been strong. In addition, Jessica Shibley, the

assistant director of student Activities, has provided her notice and we'll be leaving MMA, next Friday, the 16th.

An additional area of continued concern is the increasing mental health difficulties experienced by our students. We have one and a half counselors that are extremely busy of their combined 60h of work hours available during each work week. 40 to 45 to 55 of those hours are taken up with scheduled appointments. This leaves very little time for walk-ins, educational efforts, preventative work, and work on committees on campus to seek their expertise. Tonya Murray, our director of counseling, offered a weekly group therapies last semester, and this was the 1st time that counseling had been successful in getting students to engage in this type of program on campus.

Discussion on looking into telehealth.

Student Affairs hired a consultant, Dr. Mark Shook is the Assistant Vice President for student Affairs and the Dean of students at the University of South Carolina. He was the director of the new Student Affairs Professionals Institute that Mark attended in June. Dr. Shook was on campus for 2 days and met with most of the Rez life staff and the Commandant staff as well as with different students, some in person, some virtually. He presented several interesting observations and is in the process of preparing his report that we should have by the end of September.

ATHLETICS:

Athletes are arriving on August 14th with about 350 and 100 of those athletes are female.

Football is at 46, sailing is at 44, men's lacrosse 42, men's soccer at 27 and women's soccer at 26, golf 23, men's swimming 21, women's swimming 17, men's wrestling 19 and first year as varsity, 19 for men's and women's cross country, 17 men's basketball, 14 women's basketball, 13 women's volleyball.

8th consecutive year and 16th consecutive semester with a term accumulated GPA about 3.0 average for over half of our athletes. 3rd year in a row we have won 3 or more championships and the only 3 years in MMA's history we have done that.

Football – 29 incoming freshmen with 1 graduate transfer.

The Game Plan survey instrument collected data on team culture practices, and overall experience on travels. Highlighting data that Steve has been bragging about but now we have the data.

Athletes thanked HR for all their hard work. David Keegan took over for women's lacrosse. Bill is coming back as our women's soccer coach and he left here. He has 450 career wins and has great soccer community connections.

Kimara Forbes, Trinidad and Tobago national coach volunteering here throughout pre-season.

Heather Benson, 11 years of experience is taking over for women's volleyball.

Patrick Stewart, 33 years of experience in athletic communications and Chad Barkley is taking over as the trainer.

Steve thanked facilities for fixing the lighting in the pool, starting work on the wrestling room.

Athletics has been working hard with admissions on integrating slate and NRI, the 2 platforms that are used for recruiting and set up monthly meetings and thanked Will Martell from IT and particularly Zack. It purchased software for music to be played in the workout rooms and the students enjoy it.

The revenue we are receiving from gym memberships are allowing us to reinvest the revenue into replacing aging equipment.

Finally, he is looking forward to reconnecting as a director with a full staff and to increasing the survey results as we are under the national average the athletic director's approachability was a 3.75 against the 3.85 national.

Kate Noel wanted to recognize the efforts of Coach Dagan and Steve Peed who have come up with a plan for facilities that we have a fully funded wrestling room in the name of Trustee John Webb and looking forward to the ribbon cutting ceremony.

Trustee True wanted to thank Commandant Winter for having the join trip to Acadia with regimental and independent students.

ALUMNI ASSOCIATION:

Bill Full mentioned that alumni, friends of MMA created an alumni travel program with a company called Go Tours. This company focuses on alumni and different organizations, so it seemed to be a natural fit. Ashley Douglas class of 07 has stepped up. The goal is to have 14 travelers which will make it a private trip.

Working on the annual fund ambassadors' program, had an impromptu meeting with Pres. Johnson and they are recommitting to that program.

Goal of 20% of annual challenge and reinstitute the number. Engaged in their first annual golf social and raised a little money for scholarships and will grow that into a full-fledged golf tournament. The association has provided 10-15K in scholarship money and they need to grow that. The largest focus has been hiring the new director of alumni and they are about 90 percent there.

There will be a new director within the next 10 days.

They hosted 2 alumni summits, Bill stated that there have been great dividends out of that to help find and refine best practices to drive alumni engagement and advancement. Tim Leach, Ben Strickland and Bill Full will be pushing that out and they will get one new participant. But they have all been assured by many others that if we get we'll there'll be more engagement in that in the fall. And then last, but not least, as I term out my last meeting here, and I just it's been a great honor to participate with you folks. I am completely blown away by the level of commitment. By both the alumni and non-alumni trustees, and regardless of whether I'm here or not anytime, you think I can be a hand of any sort. Please reach out.

FINANCE:

Miles mentioned that the meeting of the finance committee meeting was in the packet for review. They discussed that Janet is going to work on trying to get the financial information completed and provided earlier in the process. It's a challenge to get the minutes turned around in a short time frame and to get to the board materials out early enough.

During the committee meeting they discussed the endowment committee with the folks at first and the portfolio balance is at 67 million. That's less than last time but the scholarship money has been taken out of there. The second port performance was below the benchmark, even though the bench we're ahead of benchmarks since our inception of our relationship with the 1st we're trying to get them bond durations out greater than they currently are.

And of course, you know that meeting was held in the middle of some significant market fluctuations. Which causes everybody to, you know, second, guess themselves and pause. But one of the things that was clear in the meeting was that we want the 1st to be more proactive in terms of not where we're being, but where we're going, given what they know about the market to their leadership. With that request. And the second thing is that we've added a benchmark which you can see in the minutes that more accurately reflects the makeup of the portfolio at the present time, so we will have more information about that as we go forward, and it's not in the minutes. But I think the Camden National account of reserve fund is about 18 million dollars. At this point, Janet, which is healthy, the admissions update Mr. Markow gave a great presentation and I think he was relieved to give an update presentation for a change about how things are going, and you'll hear these numbers throughout the day. Expected admissions are 277 at least they were on Monday. They mentioned that they're if they change every day. The good news is that we budgeted for 260. So that's positive. In addition, there are 33 BIW work students enrolled part time. You heard a lot about that earlier. We're confident that those numbers and the Portsmouth numbers will continue to grow, and those final numbers will be presented at the November Board meeting.

820 applicants were admitted this year, so the number that's higher than the previous year, 39% of whom have enrolled. That is a significantly higher percentage than we've had in the past. The regiment total has increased to 179 from 154, which is good news. For us. There are efforts in place to increase the number of inquiries and acceptances to the class entering next fall. The internal goal is to maintain 85% enrollment in the 1st and second semesters and a 75% graduation rate over 6 years, and the admissions office will continue to track that for us.

As relates to the graduate program. We talked about several issues regarding the need to better fund the future of that program. And there is an ad hoc enrollment committee, and they will be involved significantly in that process.

Auditors were on site and working on the audit and they also need to get reviewed. They had an outside firm manner by which they audit our organization, and I guess you can either get a pass or a failure and they got a pass, so that's good news. The foundation is considered a component of Maine Maritime Academy, and its results will be incorporated into future MMA audits. That's not very common practice.

The 1st has agreed to assist with the initial investment of foundation funds with appropriate controls and segregation, and Larry Burrill was a guest at the meeting, and spoke about where things stand with the foundation operating details are being developed. We talked before about the MOU creation, which is proceeding according to the review processes laid out by Chairman Norton and the IRS paperwork is being prepared for the submission.

Janet will talk in more detail about the FY 24 financial performance. But what I would just say is, the subject of a surprise during the audit we broke even hasn't got a little tiny surplus, which is huge. Given that we approved the 2.7 operating deficit on that budget a year ago, and kudos to Marad for sending in some money, and the great work of all the departments here at the Academy and watching their expenses and managing the resources that they have extremely well. Janet will talk about FY 24 we had a brief update on the collective bargaining agreement. 2 of the 3 units have agreed to a contract, and in a minute, you'll see that. The Finance committee meeting ratified the agreement.

Well, in hindsight we should have done is recommend ratification to this board, and that resolution will appear in the board meeting. So again, we'll talk about that. That'll be a discussion later today and negotiations. The faculty unit is in mediation. Janet will also talk about the FY 25 budget in terms of where we are. One of the things that we will do with the November meeting is Janet, and her team will report on the knowns, and the unknowns that affected have affected that budget since we ratified it in July, the one good thing being that 277 students, as opposed to 260 but 30 pluses and minuses. That will impact that, and we will make sure that the board knows exactly where things stand, to the extent that we know. We got an update on Curtis Hall and the waterfront projects. And I will leave that additional detail. I think we talked about both a great deal.

The Curtis Hall project will be in 4 phases one side of the building at a time. The estimated cost is 35 million. We have committed 34 million and funds available. We'll find the 1-million-dollar shortfall somewhere along the way. On the waterfront. 3 phases. Construction of the new pier. Demolition of the old pier linking the new one with T. and installation. New quotes the latter, which is an alternative, an alternate cost.

The project peer expenses are 95 million dollars and that the 95 million dollars is completely funded at this point.

The phase 3 alternatives include a variety of things, including bridging platform repairs, new docks, floating breakwater. The total for those alternatives is \$10,475,000. We are short of about a million dollars in funding for that also. And I think, candidly, as you'll hear those numbers are going to change as we as we move forward in terms of not only the cost of building what we know we're going to build, but also in terms of how we want to proceed with the alternative.

Janet wanted to thank the chair because I think he's really covered the essence of the main points that we're going to speak to here, which is wonderful. And I want to thank the team that I have as I came in my role, not really inherited a very experienced, active team and if I can, I'll just remind you all. As you look at our annual reports, it's a variety of different areas. And so I'll go over some of the other areas that I think are also important for a board from my experience be in touch with

I'm in competition with Kate. I'm going to be honest. She doesn't know this, but Kate's been moving to more strategic dashboard presentations, and I applaud what she's been doing in that area, and I'm hoping Craig and Miles and I have talked about this, too.

Try to move the materials that you get as a forward to trend data strategic. You know the old pie charts, things that you can look at, and then sort of see some of the systemic information that is behind the financial information that we're going to be giving in the future. It's been so crazy since I started dropping in the middle of the legislative session and just beginning to learn and get my feet on the ground to understand how we go about doing things that it was just not on something that was in the wheelhouse to be able to grapple with so when I on the audit side I have already talked to our auditors about doing more graphic presentation along with the detailed data in the audit reports that the audit committee will be getting in the future. That has always been an excellent place for boards to get really validated information. In a graphic way. So, I'm looking forward to working with Morten and the Audit Committee, and then translating that into a full board report in a way that then people sort of really see the financial health in terms of the institution. As you're meeting and looking at what the incremental change is from quarter to quarter or year to year. So that's a goal that Craig and I have shared together. The other place that I've been challenge with. Typically, we'll come back to strategic planning, going forward time to obviously the budget planning and forecasting, and how we're bringing those pieces together in addition, the facilities planning a short term long term. And again, this dovetails a bit into the advancement area where we step back and we look at, where are we going, and what are we funding for the future? What lends itself to fundraising? What lends itself to institutional dollars, and what lends itself to State and Federal requests for funding.

So hopefully, it's not going to happen overnight. But hopefully, those are some of the areas. That will be trying to move the institution, working collaboratively with my colleagues. In that respect and just to come back to the Advancement discussion that the Board had earlier in my experience, going into all the institutions that I've been to in higher Ed advancement. This is counterintuitive, probably for a finance officer to say, but that's an area where we've always invested because of the return on the dollar and that as we look at how to diversify our revenues. It also becomes a critical arm. Experience. Never mind the partnerships that Craig has initiated, Blue Forge, all the things that we're working on. So, I'm excited to be at this juncture.

Here in the human resource area, I think, Heidi, for all the work we obviously have concluded collective bargaining agreements. Our attorney, which still worked with the institution for several years. I don't know how long, but he certainly knows us very well, and has been a good guide during those processes we'll be looking for again, working in out of Heidi's area with again, how are we working with our employees? Positive way and providing opportunities? Speak to the collective burden?

FY 24, we did end in black. The institution came a long way during this past year. And I just want to remind us, because I know some people say, well, you said this was going to be this huge gap year and then the board voted and approved a budget that had a negative 2.7 million. The fact that it was closed was a combination and I also just want to stress that it's still under audit. And until the audit is done. The numbers aren't done so bear with us while we they have the trial balance.

But again, there may be subject to change, depending on where or what may have gotten missed or understated or overstated. So when we're done, it'll be done. But we did transfer \$19,427, to be precise, to reserve unrestricted reserve. So it came in, obviously close to the bottom line. But not a negative 2.7 million. That was due to a lot of work. And I just want to tell you that. Yeah, a lot of that. Much of that happened before I arrived, and I just really want to again. Thank everyone who was involved in that. Craig was a leader in helping to multiple ways to get us. I don't know the path. Richard, before me. Rosen was obviously right there, Alice, we have Wendy, our Budget director over here who's probably done more budgets than she ever wanted to have to do over the time period, and then all of the senior leadership team that work together to really kind of look over budgets contain costs where possible and I'm trusting that in their areas, we, you know, maybe got caught in this a little bit that could have used more resources, but that the services of the of the Academy were delivered to the satisfaction of what we as institution wanted to accomplish over this past year, so that the win win in financial management is often, if you can find ways to save money. That have limited pain with them. It's probably rash of me to think that that maybe, was it?

That was the place that we were at, but I think everyone worked best combination now. We also benefited during the fiscal year from some unexpected funds that came in, and I think in the Finance Committee, Morten appropriately said, if we haven't had this coming we could have been in the negative, and that's so very true. We have good market conditions. Kudos to this stock market. Thank you. In our gains. In the purpose of putting a budget together more than you ever probably wanted to know. We haven't intended to forecast what we expect for earnings from our to the extent that we had this year from our investments. The year before remembering our returns were negative, so the reason for not forecasting those kinds of areas in your budget is because of the volatility that cannot emerge, but we have included in the 25 projects expectations at a conservative level. I trust market earnings.

We forecasted a negative 1.8. So and that, and that includes and we depended on that for this current year that we close the year we just closed 24, and also the year before is, we're relying on the dependency of churning salary savings by managing our positions. So counting the position, the expectations for the position turnover and some position elimination. That's happened along the way. And there is that expectation in the current budget also.

Now, the amount that was forecasted for the current budget, which is a 25 budget. That amount is lower than what we have planned for 24. So we think we probably realized about 1.2 million percent savings and position management holding things vacant, identifying 20 positions that were cut down in 24.

In 25 we've saved 500,000 in the current year, but that is not the ideal. You want to have a hundred percent revenue and hundred percent expenditure, one on one. You want to have things fall to the bottom line to become a surplus essentially, that then can go back to the strength of the reserves and the financial health of the institution.

Discussion on our benchmarks compared to other maritime institutions, costs of operations to run the new ship and getting funding from MARAD.

6.4 increase in health care benefits

Looking at advancing the budget approval from the staff side from May to February. What are we going to ask about tuition and fees increase? We want this decision in the fall so the recruiters can provide accurate pricing for cost of attendance.

Per Credit Hour was discussed. There used to be an overage for over 18 credits. We brought that back to 17. The idea it will go to 16, and then, once you go to 15, you're at the per credit charge. We have enough surplus in scholarship funds to help those students out, we have about 100K. It does not affect unlimited licenses, ocean studies or IBL. It's to get us structurally back to where we need to be as a college. BIW program is pay for credit going forward. We need more transparency on how this information gets communicated to the campus.

Revenue came to 52M, budgeted 51M. Expenditures came in at 52M, budgeted 54M.

Enrollment numbers were achievable, thanks to the admissions team for bringing in 277 when we budgeted 260. Retention rate has been factored in.

Our other account balances will be provided after the audit in November.

We put in a new budget software system to facilitate the budget management process. Right now, it's on the expense side, and we're working to implement the revenue side here very near future. In terms of the finance office itself on staffing. We can have turnover which makes it very hard because of the level of transactional activity. But the office and boss worked very hard to try to compensate to keep the level going.

HR - Total payroll is 618K, student payroll was broken out. Pay increase for current contract increases are 3 and 3.

OPERATIONS:

Increase of 27 million for the pier project. Pier is 2 different buckets. 1 bucket funding, and 90/10 pier itself and 3 phases with project. Demo, link to the new pier and the install of the new floats, break water, and all old floats. Mid-October Piles will be driven. Good meeting with the town, 7am -7pm when they will be working.

New windows in Dismukes and Waypoint was renovated with the help of Sodexo to make it an automated service, Curtis Hall going, new windows in Curtis Hall on the lower level in the staff offices. Janet mentioned that we did lose one long-time 35-year employee Annie Francis into retirement.

IT – We had a targeted cyber-attack around Memorial Day and we felt proud that our IT was able to fix the issue before they got into our systems. We have a partnership with Artic Wolf and over the last 5 years MMA we have planned and deployed for incidents like this. Will mentioned that unfortunately due to our NROTC program, people like to go after accounts like that to get into the Navy personnel. We lost VPN access for 2 days but no other harm. Cyber security insurance is managed through risk management, but it only covers 1 million and cyber insurance is terrible.

Software increases are at 200% and Will is working on trying to reduce costs.

maintenance costs are always kind of in the 5 to 8% but a lot of companies are turning over their costs for managing these or for hosting services. And we're seeing, you know, one time fees of 30% or 40% a year, which when we set a budget a year in advance, and they tell us, you know, 3 months or 6 months in advance. It destroys somebody's budget that year, and the one Janet is referring to you. I'm sure you guys have seen the news on this broadcom purchase vmware, which is virtualization client. Almost everybody in the country was on it and some people got small increases, but in some places like us was 280% is what they wanted in one year. So, we just dropped them and we're changing our virtualization environment, which is a lot of heavy lifting, so I can't thank my staff enough. You know they're dedicated. They've been here quite a while. I am one of the 28 that still has an open position. I've had it open for almost 3 years.

Discussion on cyber curriculum and educational programs, our exposure would likely be more effected if we were to run these types of programs and would need to purchase additional coverage.

ENROLLMENT:

David is optimistic and will continue to grow the count and work on retention. I feel good about where things stand now, and as I look into the future, I feel good about the operation here and where it's at. I think there's still a lot of improvements that we can make, and a lot of things we can do over the years to come. I'll start off just thanking the admissions staff. They have been incredible. They've taken on a lot of new initiatives. They're working on weekends often. They really come together as a staff. They're taking on more responsibility.

Financial Aid Staff this year, really met the challenge of the Fafsa problem.. We may possibly have another Fafsa problem. They're saying that they're going to open it on October 1st which they typically do. But they're going to go into what they're calling a testing phase. I'd also like to thank athletics they have been doing. They do a tremendous amount of work recruiting and our football coach has really hustled this year and done an incredible job. He is out grinding it as others were as well. I know that you know almost half of football. The new football recruits are regimental, and as I'll note a little later, our regiment is up to 65% of our incoming enrollment, it's good. Football is part of that, lacrosse is part of that, but athletics is really an integral part of recruiting almost half of our students.

We're improving the way we communicate and how we bring students in. There's 1 other group on campus that really is integral to all the work we do, and that's the waterfront. We bring a huge amount of people here in the year to visit. Those visits are the kinds of things that that convert students into. I'm coming to and I'm going to apply next year. I'm going to apply in 2 years from now. We bring in younger people and expose them to who we are. The waterfront plays a big role in that, and they are the most gracious group of people and accommodating in in meeting that need, and we continue to increase the numbers we bring to campus each year.

We are up right now, we're up 8% at 277, and we have an additional 33 with the BIW associate degree program. We're going to you know, between now and our next meeting. We will probably

lose some. We may gain a few. We've been spending the summer looking at that 277, and we have a spreadsheet of every single student, and we track every piece of documentation and sort of tasks that a student has to do to come into the institution, and whether they have done those things, and the staff has gone through texted parents emailed, called just trying to get every bit of information.

So, the touch that we've had with students over. The summer gives us good confidence in the number that we have right now. Again, we may lose a few oh, between now and after rpt but it is solid number at at this point, so I feel good in that. We'll end up in this area.

The 33 BIW is going to increase between now and the fall. Not exactly sure how much, but it may get up into the 50 range. In the total program, we have 48 students. But we currently have 31 students that are enrolled in the semester right now, and that kind of is consistent, because with the graduate education, you have students who will take a semester on, and then take a semester off, or maybe 2, and then one so it's a real fluctuating piece. This is one area that I'm looking forward to talking with the ad hoc enrollment group about is the graduate program.

We are going to be expanding our on-the-spot admissions program. We did a test run this last cycle; it was very successful. Over 60% of the students that did admissions on the spot ended up enrolling. We're going to be expanding that in Maine, and we're going to expand it with our contract admissions people down the Eastern seaboard.

Our budget is \$140,000 for advertising.

Okay, we're going to start to really integrate our recruiting efforts with BIW to get to the numbers that Craig was talking about, in a few years that 400 to 500 number that'll be bringing in a lot more as well over the next few years. We're really going to focus more on our JROTC recruitment. Last year the regiment staff was really integral in that.

I'm going to come back to mark again and talk about some strategies that both admissions and the regiment staff can do in recruiting in that area to really help keep that percentage of our students here up at that 65% or even more.

One is we're looking at a new model for boarding our scholarships and discounting money, or the unfunded merit. One of the things is, we're looking at a new model where, right now we award all of the unfunded merit 1st when we are engaging with a accepted student, and then, later on, we bring the endowed, and the pass through funds and layer that on top that causes us just to spend a huge amount of money right away out of the unfunded. We're looking at flipping that and put in starting to award all the endowed funds and pass-through funds 1st and then we will bring the unfunded merit money.

And we're also looking at using a more need-based approach to our awarding. So that we're not over awarded on our high-income students and under awarding on our low-income students and quite honestly under funding some of our middle to low-income students. Being more strategic

about that, I think we can. As we looked at this as a possible model. We looked at and said, we can probably cut our unfunded merit in half the spend we have on it by strategically approaching it in this way. We've got to finish up the model and then test it on the past couple of years and see how it plays out. We also need to look at what are the impacts on various constituencies of the institution. Meaning, how does it impact athletics? How does it impact low-income students, middle-income high-income students, because we can't lose any of our high-income students in this model. But we can do a lot better with our low-income students. We don't bring in enough low-income students at this point. So, we've got to really balance all those things. We've got to see how it impacts other constituencies of students as well. I'm feeling good about it being a much more strategic and thoughtful approach, both impacting enrollment in a positive way and impacting budget in a positive way.

The other thing is, we also reinstated a GPA requirement on our merit awards.

The only other thing I want to mention is that there are about 4 programs that are under the NROTC operation. We've increased significantly this year from 23 students last year to 44 students. This year we have 5 in a preparatory, a new preparatory, maybe preparatory program. Which is a model that we may look to use. I hope I'm going to talk to Lori about this soon, that we may use with all our students moving forward. There are 5 national scholars, 8 college programmers, and 26 ssm, which is over last year as well. So there's just a lot of positive directions to things. I wouldn't say we've solved it, but we're moving in the right direction, and I think it'll continue to do so in the next year.

GOVERNANCE:

Chairman Norton recommended that the governance committee activities move into executive session to discuss presidential search activities, agenda items and promotions for personnel.

Trustee Eisenhardt recommended that the board go into an executive session per Title 1, Chapter 13, Subchapter 1, Section 405.6.A. to discuss and/or considered issues delineated therein regarding the Academy presidency and related personnel.

On Motion by Trustee Theeman and seconded by Vice Chair Webb that they move into executive session at 3:07pm.

Committee of the Whole meeting adjourned.



Maine Maritime Academy Board of Trustees

BOARD OF TRUSTEES

August 8, 2024

Holmes Heritage Room

Chairman Norton opened the meeting at 3:07 pm.

Chairman Norton introduced the first order of business. To approve the minutes of the meeting from May 3rd, 2024, May 22, 2024, July 22, 2024.

RESOLUTION #1 MINUTES OF MAY 3RD, MEETING

On a MOTION by Trustee Theeman and seconded by Trustee King, the Board unanimously voted to accept the minutes of the meeting of May 3rd, 2024. as presented with the change noted.

Those attending should be listed:

Trustees attending: Chair Wayne Norton, Trustees Paul Mercer, John Webb, Liz True, Miles

Theeman, Sue Loomis, Katy Longley, Wendy Morrison, Bill Eisenhardt, Morten Arntzen, John King, Mark

Gardner, Anthony Hall, Gregory Johnson, were all in attendance.

Faculty Representative Ender Asyali and Jennifer Haddock, (his replacement) were both in attendance.

Attended Via Zoom – Trustees Adams

Not in attendance: Bob Somerville

Administration attending: President Paul, VP Noel, VP Williamson, COO Johnson, VP

Waldron, VP Markow, Commandant Winter, Alumni President, Bill Full

Other members of the MMA staff and faculty were also present.

RESOLUTION #2 MINUTES OF MAY 22ND, MEETING

On a MOTION by Trustee Theeman and seconded by Trustee King, the Board unanimously voted to accept the minutes of the meeting of May 22nd 2024, as presented with the change noted.

A. The meeting header should read:

BOARD OF TRUSTEES

SPECIAL MEETING

B. The last sentence should read:

On a motion by Trustee Longley, seconded by Trustee Theeman and unanimously approved, the Executive Committee is authorized to set the compensation for Craig Johnson's Interim President role.

RESOLUTION #3 MINUTES OF JULY 24th, MEETING

On a MOTION by Trustee Theeman and seconded by Trustee Eisenhardt, the Board unanimously voted to accept the minutes of the meeting of May 22nd 2024,

A, The meeting header should read:

BOARD OF TRUSTEES

SPECIAL MEETING

B. The last sentence should read:

The trustees concluded in executive session that the Board will conduct a nationwide search with Katy Longley as chair of the presidential search committee. Committee members include trustees Norton, Webb, Theeman, Longley, Hall and Morrison; as well as Laurie Flood-Dean of Faculty and Peter Stewart-Director of Facilities.

Chairman Norton's remarks.

The Chairman remarked that he was happy with the openness, transparency, thanked Craig and his team for a very good report during the previous meeting as the committee as the whole. Looking forward to continuing to work with Craig and appreciate it again. Recognize that he's been in the trenches here for the past couple of months. I want to acknowledge the fact that jumped in and grabbed the reins and done a fantastic job Thank you, Craig.

President's report

Nothing to add at this time

Alumni Association Report

Previous spoke earlier in the day

Advancement Committee:

There were no additional updates, COO Johnson offered the following resolutions.

RESOLUTION #4 Resolution to Accept Gifts, Grants and Donated Property from Feb 1, 2024 – June 1, 2024

BE IT RESOLVED that the Board of Trustees of Maine Maritime Academy accepts the gifts, grants, and donated property as listed on the resolution.

On a MOTION by Trustee Theeman and seconded by Trustee Eisenhardt, the Board voted unanimously to approve the Resolution as set forth above.

RESOLUTION #5 Resolution to establish the Captain Willaim F. Brennan USN '43 and President William J. Brennan PhD Endowed Scholarship Fund

BE IT RESOLVED: by the Board of Trustees of the Maine Maritime Academy that THE Captain Willaim F/ Brennan USN '43 and President William J. Brennan PhD Endowed Scholarship Fund, as described below, is hereby established.

On a MOTION by Trustee Theeman and seconded by Trustee Gardner, the Board voted unanimously to accept the resolution as set forth above.

RESOLUTION #6 Resolution to establish the Captain James 'Jim' Barstow Endowed Scholarship

BE IT RESOLVED: by the Board of Trustees of the Maine Maritime Academy that Captain James 'Jim' Barstow Endowed Scholarship Fund , as described below, is hereby established.

On a MOTION by Trustee King and seconded by Trustee Eisenhardt, the Board voted unanimously to accept the resolution as set forth above.

Education Committee

VP Williamson had no additional updates and offered the following resolutions.

RESOLUTION #7 Resolution to accept Faculty Promotions

BE IT RESOLVED the Board of Trustees accepts the faculty promotions

On a MOTION by Trustee Mercer and seconded by Trustee Arntzen, the Board voted unanimously to accept the faculty promotions.

Governance Committee

RESOLUTION #8 Concerning the Nomination of Board Officers

BE IT RESOLVED The Governance committee submits the following nominations: Norton for Chairman; Webb for Vice Chairman; Miles Theeman for Treasurer; Cotoni for Secretary.

On a MOTION by Trustee Johnson and seconded by Trustee Eisenhardt, the Board voted unanimously to accept the resolution to approve the nomination of Board Officers as set forth above.

RESOLUTION #9 Approve the Board Meeting Dates for 2025

- February 13, 2025,
- May 2, 2025,
- August 7, 2025
- November 6, 2025

BE IT RESOLVED: by the Board of Trustees of the Maine Maritime Academy that the following dates have been approved for 2025.

On a MOTION by Trustee Longley and seconded by Trustee Gardner, the Board voted unanimously to accept the resolution to approve the Board of Trustees meeting dates for 2025 as set forth above.

RESOLUTION #10 Resolution to Approve the Revised Committee Assignments

BE IT RESOLVED by the Board of Trustees of the Maine Maritime Academy that the Academy administration approves the Committee Assignments as presented.

On a MOTION by Trustee Mercer and seconded by Trustee Loomis, the Board voted unanimously to accept the resolution as set forth above.

RESOLUTION #11 Resolution for Collective Bargaining

BE IT RESOLVED as recommended by the Finance Committee of the Board of Trustees, Maine

Maritime Academy that the attentive collective bargaining agreements reached between Academy management and staff support and professional bargaining unit on June 24TH, 2024 and the supervisory unit on June 14, 2024 and the main Service Employees Association is hereby ratified.

On a MOTION by Trustee True and seconded by Trustee King, the Board voted unanimously to accept the resolution as set forth above.

A couple updates from Presidential Search Committee from Chair Longley, the board has voted to add a staff representative to the search committee, Peter Stewart, Director of Facilities and Campus Safety and they are interviewing a couple executive search firm. They are hoping to gear up starting in Sept when the students return.

Chair Norton entertained a motion to adjourn.

All in favor, yes.

Meeting adjourned at 4:52pm.