

MEMORANDUM

April 10, 2019

TO: Education and Culture Committee

FROM: Craig Howard, ^{CH} Senior Legislative Analyst

SUBJECT: **Worksession – Montgomery College FY20 Operating Budget and CIP Follow-up**

PURPOSE: Review and Make Recommendations for Council Consideration

Expected Participants:

- Dr. DeRionne Pollard, President
- Donna Schena, Interim Senior Vice President for Administrative and Fiscal Services
- Kristina Schramm, Capital Budget Analyst
- Rich Harris, Office of Management and Budget

A. Operating Budget Overview

The FY20 Operating Budget for Montgomery College as requested by the Board of Trustees and as recommended by the County Executive is summarized in Table 1 below.

Table 1. FY20 Montgomery College Request Compared to County Executive Recommendation

FY20 Operating Budget	Montgomery College Request	County Executive Recommendation	Difference
Total Budget: All Funds	\$314.7 million*	\$310.4 million	(\$4.3 million)*
Change from FY19	(0.8%)	(1.8%)	
Current Fund: Tax Supported	\$264.8 million	\$261.7 million	(\$3.1 million)
Change from FY19	--	(1.2%)	
County Contribution	\$145.2 million	\$142.1 million	(\$3.1 million)
Change from FY19	2.2%	--	

*Reflects adjustment to the non-tax supported Grants Fund requested by the College after the CE's recommendation.

The budget transmittal letter from the Board Chair and the College President to the County Executive and the Council President is attached at ©1 and provides detail on the revenue and expenditure assumptions in the College's budget request. The Executive's recommendation is attached at ©10. The Executive also recommended a decrease of \$1.5 million in current revenue from the College's FY20 Capital Budget (discussed on page 8) as part of his March 15 CIP adjustments.

Current Fund. The Current Fund consists of the major tax-supported elements of the College's budget. Table 2 shows the College's Current Fund by major funding source, including the FY19 approved level, the College's FY20 request, and the Executive's FY20 recommendation. Other Current Fund summary information is attached at ©21.

Table 2. Montgomery College Current Fund Resources

Source	FY19 Approved		FY20 College Request		FY20 CE Rec.		Difference (CE Rec - College)
	\$	%	\$	%	\$	%	
County	142,083,727	53.7%	145,149,696	54.8%	142,083,727	54.3%	(\$3,065,969)
Tuition and Fees	78,186,535	29.5%	75,860,647	28.7%	75,860,647	29.0%	--
State Aid	36,589,976	13.8%	37,213,559	14.1%	37,213,559	14.2%	--
Fund Balance	4,560,000	1.7%	2,970,448	1.1%	2,970,448	1.1%	--
Other	2,074,000	0.8%	2,074,000	0.8%	2,074,000	0.8%	--
Revenue Transfers	1,305,485	0.5%	1,500,000	0.6%	1,500,000	0.6%	--
Total Current Fund	264,799,723	100%	264,768,350	100%	261,702,381	100%	(\$3,065,969)

Council staff highlights the following Current Fund components as an overview of the budget discussion:

- **The College's budget assumes an increase in tuition of 3.1% or \$4/\$8/\$12 per semester hour** (in-County, in-State, out-of-State). In FY19, the College approved a similar tuition increase of \$4/\$8/\$12 per semester hour. With the tuition increase, a full-time, in-County student taking 12 credit hours would pay \$2,129 per semester in FY20 compared to \$2,071 in FY19. The Executive's budget assumes the same level of tuition increase as proposed by the College for FY20. Despite the rate increase, projected tuition revenue declines by \$2.3 million due to declining enrollment.
- **State Aid for FY20 is \$37.2 million, an increase of \$623,000 or 1.7% over FY19.**
- **Maintenance of Effort for Montgomery College** requires that the County provide the same amount of local funding as in the previous year. The County Executive's recommendation provides funding at the MOE level; the College's request is \$3.1 million above MOE.
- **The College plans to use \$2.97 million in fund balance as part of its FY20 budget, a decrease of \$1.6 million from FY19.** As part of the FY19 savings plan, the Council approved and the College committed to achieving at least \$2.8 million in savings that would help fund its FY20 request. Without this savings, the College would have needed to request additional County funding for FY20 or reduce its request. The Executive's recommendation assumes that same level of reserve as proposed by the College, 3.0%. This amount is consistent with Council Resolution 17-312, *Reserve and Selected Fiscal Policies*. For the College, the resolution states that "The reserve in the Current fund should be 3.0%-5.0% of budgeted resources minus the annual contribution from the County." In addition to the 3% general reserve, the College's FY20 budget also sets-aside \$345,000 in fund balance from the net proceeds of the Takoma Park/Silver Spring Early Learning Center property to fund future scholarships.
- The Current Fund also includes two other components with requested County funding at the same level as FY19 and supported by the Executive. The **Emergency Plant Maintenance and Repair Fund (\$300,000)** provides for unanticipated expenditures to make emergency repairs not funded elsewhere in the budget. **Tax supported grant funds (\$400,000)** provide for community needs not met elsewhere in the budget and supports the College's adult literacy programs.

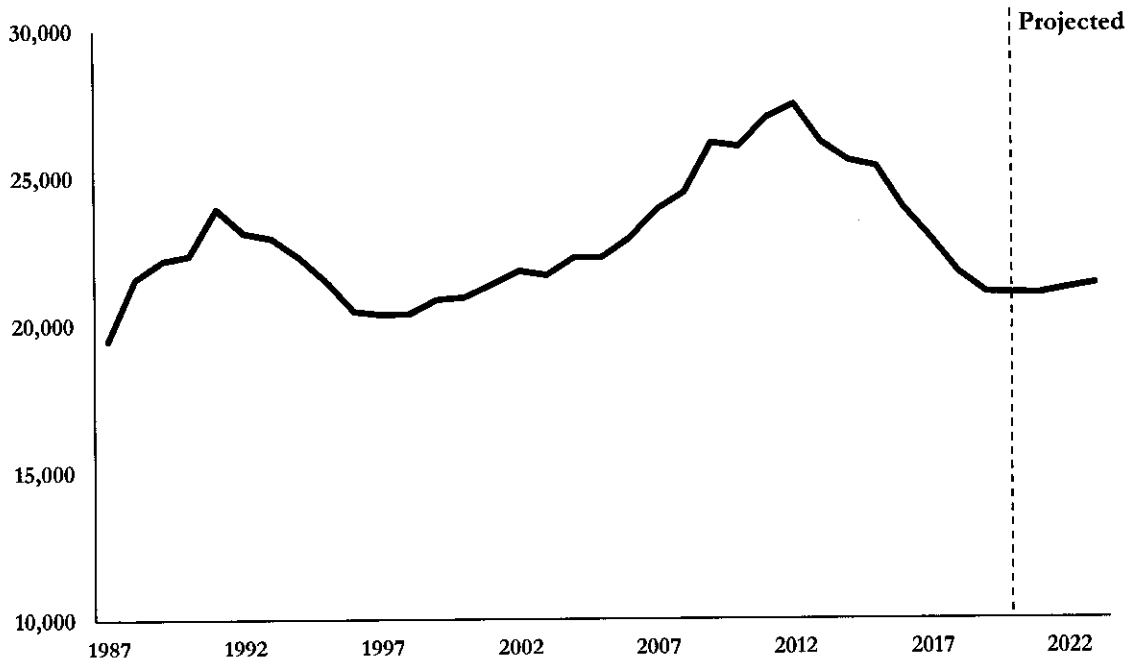
Public Testimony. The Council heard testimony from students, faculty, and staff from Montgomery College. Speakers advocated for full funding for the College; support for Workforce Development and Continuing Education programs; and the need for compensation increases for faculty and staff.

A. Review of Proposed FY20 Expenditures

1. Enrollment

The College projects a 2019 fall enrollment of 21,041 students (a decrease of 3.1% from 2018) and 410,929 credit hours (a decrease of 6.6% from 2018). These enrollment projections continue a trend of decreasing enrollment over the last six years. The College projects enrollment to begin increasing in the fall of 2022 as detailed in the graph below. The recent high mark was 27,453 in 2012, and the College projects 21,331 students in 2023. Approximately 65% of students attend part-time.

Montgomery College Fall Enrollment, 1987-2023



Enrollment and local funding. The Executive notes that his FY20 recommended County contribution for Montgomery College represents an increase of \$43 million or 43% since FY14. As enrollment has declined, local funding per-full-time-equivalent student has grown \$4,644 or 81% since FY14. However, when the College’s enrollment grew by 5% during the recession years of FY10-FY13, the local funding actually decreased by 11%.

A related issue when examining enrollment and the County contribution is the proportion of College Current Fund budget that comes from tuition and fees. In FY14, tuition and fees accounted for 38% of the College’s tax supported resources. In FY20, tuition and fees will account for around 29% of the proposed budget. While tuition revenue will naturally decrease when enrollment decreases, this shift also results from the intentional efforts by the College and the Council to maintain affordability for students by increasing the local contribution to a greater extent than tuition. **If the College were still expected to fund 38% of its budget request via student tuition and fees in FY20, it would need to increase tuition revenue by \$24.8 million – equivalent to an 34% tuition increase.**

2. Positions

The College's proposed Current Fund budget includes a net decrease of seven positions. Additionally, the College will continue to freeze 16 unfilled full-time faculty positions and two unfilled counselor position during FY20 (even though the positions still show up in the total FTEs). The table below shows the total Current Fund positions by type from FY15 through the FY20 request.

Table 3. Summary of Current Fund Positions

Position Type	FY15	FY16	FY17	FY18	FY19	FY20 Request
Instructional Faculty	550.0	550.0	551.0	551.0	551.0	548.0
Counselors	65.0	64.0	62.0	62.0	62.0	62.0
Administrators	85.0	86.0	88.0	85.0	85.0	84.0
Staff	1,085.1	1,093.1	1,104.1	1,104.1	1,112.1	1,109.4
Total	1,785.1	1,793.1	1,805.1	1,802.1	1,810.1	1,803.4

3. Compensation and Benefits

The College's FY20 request includes an increase of \$5.3 million for employee compensation adjustments and \$1.4 million for benefit increases. The table below summarizes the College's planned FY20 pay adjustments by bargaining unit, along with the adjustment that were provided in FY18-19.

Table 4. Summary of Montgomery College Pay Adjustments, FY18-20

Bargaining Unit	FY18	FY19	FY20 Proposed
Faculty (AAUP)	1.0% general wage adjustment	1.0% general wage adjustment	2.5 % wage adjustment
Staff (AFSCME)			TBD*
Non-Represented	2.0% increment	2.0% increment	2.0% wage adjustment

*negotiations are ongoing

New Compensation Model. In January 2018, the Board of Trustees adopted a new compensation program and has begun implementation of this program. The new model was implemented for all staff and administration positions in FY19 (see ©29 for new salary schedule) and the College plans to implement the model for faculty positions in FY20. Overall, the College notes that compensation costs have been reduced by \$2.9 million due to the new compensation model and the effects of turnover.

The College began its review of compensation by hiring a consultant to review how its salary structure and how job classes and positions align with market pay data. The analysis determined that the College's compensation program was internally focused (i.e., position salaries were compared against other similarly situated positions within the College) and did not reflect what is being paid in the comparative market (e.g., other colleges and universities of similar demographics, field-specific and industry-type employers, etc.)

Market salary data was gathered from a database comprised of 26 large-scale salary surveys (reports comparing the salaries of similar positions within a field or industry), as well as local data from Montgomery County and Maryland community colleges. The new pay structure was developed using that market pay data (from the survey reports) comparing 182 College positions with like positions in those surveys. The salary data for the College's positions were adjusted (increased) to account for the higher cost of living in Montgomery County. The College compensation plan now works as follows:

- The wage band (minimum - maximum) for each numbered grade change is scheduled for evaluation every 18 to 24 months for changes in the market. This evaluation determines any increases/decreases in the wage band.
- All employees who fall under the compensation plan receive only a wage adjustment, there are no service increments. The wage adjustment is within the wage band and does not change the minimum or maximum.
- All employees subject to the compensation plan receive a wage adjustment on July 1 (for Staff/Administrators) or on the first day of the academic term (for Faculty).

Group Insurance Costs. Overall, the College’s FY20 request includes \$17.0 million for active employee group costs (an increase of \$810,000 or 5.0%) and \$3.8 million for retiree pay-as-you-go group insurance costs (an increase of \$181,000 or 5.0%). Beginning January 1, 2019, the College implemented changes to plan deductibles, out-of-pocket limits, and copays that resulted in estimated annual savings of \$689,000.

Table 5. Montgomery College Group Insurance Expenditures (\$’s in millions)

Group Insurance Costs	FY11 Approved	FY15 Approved	FY19 Approved	FY20 Request	% Change, FY19-20	Avg. Annual % Change	
						5-Year	10-Year
Active employees	\$11.6	\$13.8	\$16.2	\$17.0	5.0%	4.2%	4.3%
Retiree pay-as-you-go	\$2.7	\$3.2	\$3.6	\$3.8	5.0%	3.6%	4.1%

OPEB pre-funding for Montgomery College occurs outside the College budget as part of the Consolidated Retiree Health Benefits Trust (CRHBT). **In FY20, the recommended OPEB pre-funding for the College is \$5.4 million, an increase of \$2.6 million or 93% over the FY19 approved level based on updated actuarial data.** Council staff is working with OMB and Finance staff to provide greater detail on this increase in advance of the Council’s April 23 discussion on agency compensation and benefits.

The Executive’s recommended FY19 savings plan for the CRHBT, received by the Council on March 15 and scheduled for review by the Council on April 23, would decrease the FY19 pre-funding amount by \$2.8 million due to the unexpected shortfall in current year revenues. Overall, the College’s OPEB account has a 43% funded ratio as of 7/1/18, the highest of the tax-supported agencies. For several years prior to FY08, the College had set aside funds for accrued retiree health liabilities. These resources (~\$20 million) were transferred into the CRHBT in FY14, accounting for the College’s comparatively high funded ratio.

B. Programmatic/Service Changes

The College’s FY20 request is primarily a same services level budget. This section outlines some specific programmatic or service changes included in the College’s operating budget. Each request is summarized based on description included in the Board Chair and President’s budget letter as well as additional details provided by College staff. Overall, the total cost increase related to the new or enhanced initiatives (\$445,000) is funded by \$5.1 million in reductions/reallocations within the College’s request.

1. Financial Aid Staff: \$100,000

The College plans to hire three financial aid counselor positions (two full-time and one-part time) to conduct outreach, coordinate application for the Promise scholarships, work with newly eligible students for Maryland state scholarships, and ensure athletic scholarships comply with NJCAA regulations. The part-time counselor will work with students at risk of not meeting federal satisfactory academic progress (SAP) standards who may lose their Pell grant and subsequently drop out of school.

2. Early College and Summer Bridge Programs: \$185,000

In FY19, the College added positions to launch an Early College dual enrollment program in partnership with MCPS on the Rockville campus. The program will allow MCPS high school juniors and seniors to attend classes on an MC campus to complete their high school requirements while also earning a college degree. The initial program is designed for the students to graduate with an associate of arts in mathematics or in teaching mathematics. During the first year, 49 students enrolled and the College notes that almost 50% of the inaugural class is African American, Black, or Latino.

In FY20, the College plans to expand the Early College program to the Germantown and Takoma Park/Silver Spring campuses. The additional funding requested will provide for two full-time coordinators to oversee the campus programs and allow for the implementation of a summer bridge program to students are oriented to the college experience before classes begin.

The College anticipates more than 300 students participating in FY20 and 600 students by FY21. In addition to mathematics, students will be able to earn degrees in business, biological science, computer science, cybersecurity, diagnostic medical sonography, nursing, physical therapist assistant, radiologic technology, and surgical technology.

For MCPS students that participate in the Early or Middle College dual enrollment programs, tuition and fees are charged depending on the number of credits taken. For tuition, MCPS pays 75% and the College waives the remaining 25%. For student fees, MCPS pay all fees for FARMS students and non-FARMS students are responsible for their fees.

3. Scholarships: \$160,000

Scholarships help eliminate the financial barrier to a degree, and the funds requested for FY20 will be used to offset the tuition increase for recipients. The Board of Trustees designated the net proceeds of \$744,131 from the sale of the former Takoma Park/Silver Spring Early Learning Center property to fund scholarships for students pursuing a degree in education over the next four years. In FY20, the College proposes to use \$160,000 from these funds to provide scholarships.

4. New Building Operational Costs: \$216,000

During FY20, the College will open the Rockville Student Services Center and the expanded and renovated Germantown Student Affairs and Science Building. The budget request includes an increase of \$216,000 in operational costs for these buildings.

5. Reductions: \$5.1 million

The College's FY20 request includes a total of \$5.1 million in reductions to help fund other priorities. These reductions include:

- Instructional salaries due to enrollment reduction and seat utilization: \$1.2 million
- Salary lapse: \$1.6 million
- Utility costs: \$975,000
- Programmatic/staffing reductions: \$1.3 million.

C. Non-Tax Supported Funds

The Executive supports the College’s requested expenditures in the funds detailed below. These funds are not supported by County tax revenues. Since submitting its FY20 operating budget request, the College anticipates receiving an additional \$1.245 million in grant dollars. **The College requests a technical adjustment to increase the Federal, State, and Private Grants expenditure total by that amount.**

Summary of FY20 Montgomery College Non-Tax Supported Funds

<p>Workforce Development and Continuing Education</p> <ul style="list-style-type: none"> • Increase of \$694,831 or 3.9% from the FY19 approved level. • Increase in State aid in this fund of \$704,690 or 9.6% over FY18. State aid is allocated bases on the number of state funded FTEs. • Tuition and fees support 59% of this fund, with State aid supporting 44%. • The College plans to transfer \$1.0 million to Current Fund in FY20. 	<p>\$18,372,215</p>
<p>Cable TV</p> <ul style="list-style-type: none"> • Increase of \$37,454 over the FY19 approved level. • The entire amount in FY20 is requested from the County Cable Plan. • Decrease of \$12,000 from the College’s initial request based on updated cable revenues in the Executive’s recommended budget. 	<p>\$1,764,321</p>
<p>Auxiliary Enterprises</p> <ul style="list-style-type: none"> • Increase of \$29,300 or 1.7% from the FY19 approved level. • The budget for this fund includes a transfer of \$500,000 to the Current Fund from the bookstore operations. • This fund will continue to support facilities rentals and operations including for MBI Café, the Robert E. Parilla Performing Arts Center Rental, and the Takoma Park/Silver Spring Cultural Arts Center. 	<p>\$1,729,300</p>
<p>Transportation Fund</p> <ul style="list-style-type: none"> • No change in funding from the FY19 approved level. • Student fees support 80% of this fund. 	<p>\$4,200,000</p>
<p>Federal, State, and Private Grants</p> <ul style="list-style-type: none"> • Decrease of \$775,000 million or 3.5% from the FY19 approved level. • Increase of \$1,245,000 from College’s initial request of \$19,902,000 based on updated award information. 	<p>\$21,147,000</p>

D. Committee Operating Budget Recommendations

The College requests a total increase in the County contribution over FY19 of \$3.1 million to fund compensation increases. The College is not requesting funding for new programs or initiatives in FY20. The Executive recommends no increase in the County contribution, resulting in a \$3.1 million gap between the College’s request and the Executive’s operating budget recommendation.

To meet this reduction, the College would have to decrease the size of its planned compensation increases, make cuts to existing or proposed programs and services, or further increase tuition rates.

Council staff proposes the following recommendations for Committee consideration:

- Support the budgets requested by the College and recommended by the Executive for the non-tax supported funds, including the Executive’s technical adjustment to reduce the Cable TV Fund by \$12,000.
- Support the College’s requested technical adjustment to increase the Federal, State, and Private Grants expenditure total by \$1,245,000.
- Place \$3.1 million on the Reconciliation List to support the College’s requested County contribution in three increments of \$1.1 million, \$1.0 million, and \$1.0 million.

E. FY19-24 CIP Amendments Follow-up

On March 21, the Committee made initial recommendations on Montgomery College’s FY19-24 CIP amendments but did not discuss the additional reduction of \$1.5 million in FY20 current revenue included in the Executive’s March 15 operating budget recommendation.

As noted in the March 21 staff report, most of the current revenue in the College’s CIP is in the Information Technology (\$8.5 million in FY20) and Network Infrastructure (\$3.8 million in FY20). As a result, meeting this additional reduction would likely require changes to one or both of those projects.

Council staff suggests that the Committee make a non-recommended reduction to the Information Technology project for the full \$1.5 million.

Information Technology: College (PDF ©30)

	Total 6						
FY19-24 CIP	Years	FY19	FY20	FY21	FY22	FY23	FY24
Current Approved	50,227	7,777	8,500	8,500	8,500	8,500	8,500
Staff Recommendation	48,727	7,777	7,000	8,500	8,500	8,500	8,500
Change: Staff rec vs approved	(1,500)	-	(1,500)	-	-	-	-

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BOARD OF TRUSTEES

February 12, 2019

The Honorable Marc Elrich County
Executive
Executive Office Building
101 Monroe Street
Rockville, Maryland 20850

The Honorable Nancy Navarro President,
Montgomery County Council
Stella B. Werner Council Office Building 100
Maryland Avenue
Rockville, Maryland 20850

Dear Mr. Elrich and Ms. Navarro:

On behalf of the entire College community, we are grateful for the County's steadfast support of our mission and our students.

With keen awareness of the County's generosity and the current state of fiscal affairs, we seek a total appropriation of \$313,448,186—a decrease of 0.82 percent from last year, which includes a request to increase the County contribution by \$3.1 million, the lowest contribution request in seven years.

Again, thank you for your enduring commitment which enables the College to empower *all* who need their community's college—be they veterans, immigrants, apprentices, recent high school graduates—to help them grasp opportunity. Together, we can continue to build a thriving and just community—a place where education is truly the great equalizer.

Recent graduates like Glenn, Avanti, Kevin, and Kim know the power of a locally provided, high quality, affordable postsecondary education.

- Glen, *a veteran*, who turned to the College after serving in the US Army, and now, at age 26, attends the University of Maryland after earning his degree at MC;
- Avanti, *a recent high school graduate*, who enrolled at MC for the support and education she knew she needed so she could reach her goal to become a physician's assistant and help people in need in our County. Now 20 years old, she is pursuing her bachelor's degree at Towson University;
- Kevin, *an apprentice*, who got on-the-job skills training required for employment. Today, at 27, he works as an HVAC technician in Rockville; and
- Kim, *an immigrant* born in Vietnam who now attends Towson University at age 22, to pursue her dream to be an accounting professor and own a math learning center here in Montgomery County.

When we see students like these filled with pride and hope as they cross the stage at commencement, we see our county's future—we see Montgomery County.

It is clear to us: Montgomery College is Montgomery County!

This makes our work—empowering students like Glenn, Avanti, Kevin, and Kim to change their lives so they may become the next generation of entrepreneurs, health care providers, professors and technicians—crucial to the success of our community and the individuals who are Montgomery.

Affordability matters—it is crucial to access.

Our important work is possible because you continue invest in the College—investments that make affordable tuition a reality. You do so because you know economic disparity—not aptitude, ability, or aspiration—is the number one barrier to the completion of a college degree. Nationally, high school graduates from the lowest income quartile do not complete a degree in a timely fashion. Yet, an education is the surest path to economic mobility. As disparities grow locally, protecting access to education for all of Montgomery is more important than ever.

The pursuit of equity requires radical inclusion.

Thanks to your investments, we can also embrace and enhance our efforts for student success. Our mission must grow and evolve—we cannot be about *access for all and success for some*—instead we must be about *success for every student*.

That is why we have placed an emphasis—not on closing the *achievement* gap—but on closing the *opportunity* gap. We view our work through a “promise” lens—our students are standing on the threshold of their promise—not “at risk.” This lens compels us to embrace an attitude—an imperative where we demand and expect equitable outcomes for every student. Together, from trustee to professor, our one pursuit is radical inclusion—to ameliorate the impact of opportunity gaps—so that all students, no matter their zip code, economic status, country of origin, or race can realize their own promise.

Radical inclusion requires a commitment to outcomes and measurement.

To advance these efforts, the College will continue to deepen our commitment to outcome measurement. Thanks to our faculty and staff, the College's Student Success Scorecard shows we are making progress: the fall-to-fall retention rate is at an all-time high at 66 percent for 2016 to 2017. The three-year graduation/transfer rate (for students who started in 2014) is at a peak and stands at 46 percent, which exceeds the national average.

To continue to make progress, we must routinely scrutinize how we use our resources to serve our students to make sure we are meeting their needs: to achieve equity, we must listen to the evidence. That's why, in 2016, we readily joined Achieving the Dream (ATD), a national non-profit that champions evidence-based improvements in community colleges. As an ATD institution, we aim to nurture a culture of evidence with a practice of data-informed decisions around minimizing institutional barriers and maximizing opportunities to access, success, and completion to help our students overcome opportunity gaps, and consistently improve achievement—so all students can meet their promise. Guided by ATD coaches, we look at our work—and our data—with fresh eyes to see what truly advances student success. As a result, the College implemented an ongoing effort to reduce the DFW rates (the number of students earning Ds, Fs or withdrawing from a class) in gateway courses. The Achieving the Promise Academy (ATPA), to which you appropriated funds, is a program designed to tackle the DFW rate and enhance overall student success metrics like fall to spring retention. Early data say the faculty and the APTA efforts are making a difference.

The board, too, is deeply committed to student success and recently established bold student success goals. Set in June of 2018 and beginning with the fall 2018 new student cohort, the board asked the College to aim for 30 percent of the cohort to obtain a credential—degree or certificate—by 2022. The trustees also set the goal that 50 percent of the cohort transfer to a four-year school within four years of beginning at MC. Finally, the board hopes that 38 percent of the cohort members will obtain a baccalaureate within eight years of their initial enrollment at the College.

The College's current student success metrics as described above are similar to—and, in some cases, exceed—other community colleges across the state and nation. Nonetheless, the board recognizes the College must push our institution to excel—to deliver the education that is in fact the great equalizer. Radical inclusion requires us to strive to live up to our mission more fully—again, we cannot be about access for all and success for some if we hope to help all who need their community's college to grasp the ladder of opportunity and meet the workforce needs of our dynamic knowledge-based economy.

BUDGET PRIORITIES

With this lean budget, we look forward to continuing to work with you to pursue equity and opportunity.

In FY20 College, the College will continue our efforts to expand access, protect affordability and drive student success and completion. With your support, the College can provide compensation increases for our employees, who are crucial to student success. In addition, with this appropriation, we can increase scholarship funds and add more financial aid counselors to help more students afford their education; expand the Early College program to enable more high school students to enroll at MC early and earn a college degree at a lower cost; and, finally, open two buildings.

Fiscal prudence is a guiding principle.

We closed our projected budget gap for FY20 by almost 84 percent—or \$15.7 million—through reductions and reallocations of existing resources, increased state aid, and a student tuition increase, and use of an increase in state aid. A County contribution of \$3.1 million will balance the budget and contribute to the cost of wage adjustments for our faculty and staff.

Budget reductions totaled \$8.0 million. For example, to address long-term fiscal sustainability, we implemented a new compensation model that produced positive budget impacts—our base compensation cost is down \$2.9 million. The academic affairs division reduced instructional salaries by \$1.2 million to reflect enrollment contractions and continued to realize savings through seat utilization strategies that maximize space and talent. In addition, the College continues to experience a downward trend for utility costs, which reduced our budget by \$975,000. A college wide response by our units resulted in budget reductions of \$1.3 million. These reductions include a decrease of our staff complement by 6.25 full time equivalent (FTE) positions and our administrator complement by 2.0 FTE, as well as other unit operational costs. In addition, our salary lapse increased by \$1.6 million with intentional hiring decisions balanced with enrollment.

The \$2.8 million yielded from savings will support FY20, as requested and approved by the Council on January 29, 2019, as part of the County's FY19 savings plan.

Furthermore, we made changes to our employee health plans that eliminated approximately \$900,000 in potential expenditures.

In FY20, we will open the Student Services Center on the Rockville Campus and the expanded and renovated Student Affairs and Science Building on the Germantown Campus. However, we made the

difficult decision to forgo hiring 10 new staff such as building service workers to support the opening of new buildings, which eliminated the potential expense of \$291,000. The budget does include some minor additional expenses for operational costs, cleaning supplies, for example—associated with opening a building.

Equity requires investments in excellence, affordability, and quality programs.

Compensation

The College's most important asset in our efforts to deliver on the promises of student success: our excellent faculty and staff who rise to meet the needs of all students to complete a postsecondary education. Our award-winning faculty provide extraordinary teaching and our staff support students in countless ways—cleaning classrooms, preparing lab materials, organizing mobile food markets, shoveling snow, tutoring, mentoring, leading math workshops, and more—to help students get to-and-through college. We have an employee agreement with our part-time faculty. While the economic terms of our two other employee agreements are not definitive, in order to plan for the FY20 operating budget, we have included \$6.7 million to support all employee agreements.

Affordable tuition

Affordability remains critical to ensure equitable access to opportunity. As you well know, the community looks to us for affordable postsecondary education. One in four MC students receives Pell grants, federal financial aid. The average household income for Pell grant recipients is \$20,000—in a County where a family of four needs \$90,000 a year to subsist without help. Your continued investment helps keep the College affordable so all residents can access education and thrive. With your support of this proposed budget, students will contribute 28.7 percent of our operating costs through tuition—down from 40 percent in FY13, a reflection of your commitment to our students.

Scholarships

Yet, even with affordable tuition, scholarships are crucial for many students to access their community college. Attending part-time is not the answer to affordability challenges. Only 7.8 percent of part-time students, nationally, complete an associate's degree within four years of high school graduation. As a result, the budget includes an increase of \$160,000 in scholarship funds to keep pace with increased tuition. Scholarship applications for credit students have increased from 2,271 to 4,395 in the last three years while WDCE scholarship applications have increased by 44 percent in the same time-period.

Historical data tells us that when the College runs out of scholarship funds students do not enroll. When last measured, 7000 students—the equivalent of the combined student population at Clarksburg, Montgomery Blair and Walter Johnson high schools—who qualified for grants but did not receive one *did not enroll* at the College. Additionally, we know that more than 80 percent of the students who receive a scholarship do enroll.

Clearly, students need financial support.

As a result, the College looks forward to the implementation of the Maryland Community College Promise Scholarship Program. We are pleased with the initial statewide appropriation of \$15 million annually to provide last dollar scholarships for students in need entering one of the 16 Maryland community colleges within two years of receiving their high school diploma. Community colleges across the state are looking forward to analyzing the impact of the program on access after the initial implementation. Given the complexity of the law and the pace of the issuance of implementation directions, it is nearly impossible to predict the impact in advance. One issue that has already arisen: students who are ineligible to fill out the Free Application for Federal Student Aid (FAFSA) must complete a new Maryland financial aid application introduced this month. Gaining access to this form

has already proven to be difficult for Dreamers and DACA students—which could be an enormous deterrent to these vulnerable students. All applicants using this Maryland form will have to participate in a verification process—another hurdle.

It is important to note the vast majority of our students will not qualify for the Promise Scholarship—the average age of our students is 26 and 65 percent of our students attend part-time. Many students work and attend part-time to cover the costs of housing, transportation, and groceries—the Promise scholarship likely will not be sufficient to eliminate the need to work and attend part-time. Nonetheless, given that we cannot meet the current demand for financial support, we look forward to some additional resources to help those that will qualify afford their community college.

Financial aid staff

With increased scholarship offerings, the complexities of implementing the Promise scholarships, and the rising number of scholarship applicants, we plan to use \$100,000 to hire additional financial aid counselors to help more students get the help they need to access financial aid. Two full-time counselors and one part-time counselor will conduct outreach and coordinate applications for the Promise scholarships, work with newly eligible students for Maryland state scholarships, and ensure athletic scholarship awards comply with the National Junior College Athletic Association regulations. Importantly, the part-time counselor will work with students at risk of not meeting federal satisfactory academic progress (SAP) standards—who consequently may lose their Pell grant and be forced to drop out. Recall the average household income of a Pell grant recipient is \$20,000. Equity demands additional support for Pell students on the verge of “SAPing out” to help drive student completion.

Early College and summer bridge programs

In addition to scholarships and counselors, we will widen the path to postsecondary education by expanding our Early College effort in partnership with Montgomery County Public Schools (MCPS). In the fall of 2018, we launched the Early College program on the Rockville Campus. In this dual enrollment program, high school students from all MCPS high schools can attend classes on our campus to complete their high school requirements while simultaneously earning a college degree. Students reduce the time to complete a degree by two years. During this kickoff year, 49 students enrolled. Notably, almost 50 percent of the inaugural class is African American, Black, or Latino. These students will graduate with an associate of arts in teaching in mathematics or an associate of arts in mathematics: we are helping grow the next generation of MCPS math teachers.

Based on the overwhelming interest and success of this first year, we plan to open Early College on the Germantown Campus and the Takoma Park/Silver Spring Campus. With \$185,000, we will hire two full-time coordinators to oversee the campus programs and we will also implement a summer bridge program so students are oriented to the college experience before classes begin. We anticipate more than 300 students to participate in the fall 2019—365 students have already applied with 59 percent of applicants who are African American or Latino. By fall 2020, we expect to enroll 600 students. Students can earn degrees in business, biological science, computer science, cybersecurity, diagnostic medical sonography, nursing, physical therapist assistant, radiologic technology, and surgical technology. With Early College expansion and other dual enrollment programs combined, we anticipate over 1,000 new full-time students by the fall of 2020.

FISCAL BACKGROUND

Enrollment

Our student body reflects the County's population—over 75 percent are students of color and come from every high school, Whitman to Wheaton. The College is a large postsecondary education institution with 54,000 students, including 21,720 credit students. We continue to have the largest enrollment of all community colleges in Maryland and are one of the largest higher education institutions in Maryland—only University of Maryland College Park and University of Maryland University College enroll more undergraduate students. Each fall term since 1988, we have consistently enrolled more than 20,000 credit students. Our WDCE course enrollments exceed 40,000 each fiscal year.

As seen in the attached performance measures, individuals enrolling in WDCE programs steadily increased by 3.2 percent in the last three years. More students are enrolling through incumbent worker training, apprenticeship program like our HVAC technician program, and credential programs, such as certification in health career programs like pharmacy technician. It is evident that our County needs relevant education and training programs that fuel—or refuel—residents with new skills and credentials needed to move up the career ladder, improve the productivity of local employers, and contribute to a thriving County.

Currently, 22.5 percent of MCPS graduates enroll at MC the fall semester directly after high school. Our performance measures indicate a 10 percent increase in dual enrollment students, largely due to the implementation of the Early College program in FY19. With the planned expansion of Early College, we expect this number to continue to rise.

As we finalize the College's next strategic plan, MC2025, we are creating a strategic enrollment management plan based on guidance from the American Association of College Admission Officers and Registrars. The plan will address student recruitment, onboarding student processes, course scheduling, advising, financial aid assistance, and retention. Strategic enrollment management will support our commitment to access.

Each year, we carefully examine historical and projected data regarding enrollment because these figures guide many institutional decisions including tuition rates, personnel and operations, and, especially, programs outside the classroom. Our analysis predicts an enrollment increase in fall 2023, following the enrollment contraction of approximately 2,300 students in the last three years. The College will continue to implement strategies to lower operational costs where appropriate with enrollment contractions while we continue to provide critical, equity-infused, wrap-around services needed by so many of our students.

Ultimately, credit-hour enrollment determines our tuition revenue. In FY20, credit hour enrollment of 410,929 hours is the basis for the calculation of the College's tuition revenue.

Revenue

State aid—\$45,200,000

The College's budget includes the John R. Cade Funding Formula allocation in the Governor's FY20 budget, \$45.2 million, of which \$37.2 million is allocated to the Current Fund and \$8.0 million is allocated to the WDCE Fund. Final action by the Maryland General Assembly on the State's budget will occur in April.

Tuition—\$75,900,000

The budget, as adopted by the Board of Trustees on January 24, anticipates a \$4/\$8/\$12 per-credit-hour increase in tuition for in-county/in-state/out-of-state students. The board acts on tuition rates in April. The consolidated fee charged to students will also increase because it is calculated as a percentage of tuition. With these proposed increases, the average full-time student will pay \$5,322 next year, a 2.8 percent increase from last year. Tuition and related fees are expected to generate \$75.9 million.

County savings plan—\$2,800,000

Child care center sale proceeds—\$160,000

Last year, the College sold its child care center property in Takoma Park. The board designated these funds to award \$160,000 in scholarships over four years.

Auxiliary fund transfer—\$500,000

We anticipate the revenue from the Follett Higher Education Group contract for bookstore retail operations to be \$500,000.

Workforce Development & Continuing Education Fund transfer—\$1,000,000

County support—\$145,200,000

The College's budget reflects County support of \$145.2 million which includes a \$3.1 million County contribution increase request.

EXPENDITURES

The following is a summary of new expenditures and initiatives, described above, included in our FY20 budget:

Employee compensation—\$6,700,000

New building operational costs—\$216,000

Early College coordinators and a summer bridge program—\$185,000

Student financial aid scholarship counselors—\$100,000

Scholarships—\$160,000

OTHER FUNDS

Emergency Plant Maintenance and Repair Fund—\$300,000

The Emergency Plant Maintenance and Repair Fund is a tax-supported fund including a County contribution. We request a total appropriation equal to last year's appropriation of \$250,000 of County funds plus the authority to use \$35,000 in fund balance. This crucial funding supports our emergency maintenance needs.

Workforce Development & Continuing Education Fund—\$18,400,000

We request appropriation authority to spend \$18.4 million. State aid and student tuition are the sources

for this fund. This amount is a 3.9 percent increase over last year because of the previously noted increase in WDCE enrollment.

WDCE students access career programs and certifications in the health sciences, trades, cybersecurity, and management, as well as programs for personal enrichment and lifelong learning. The College also serves adults earning high school equivalency, adult basic education, and English for speakers of other languages.

Auxiliary Enterprises Fund—\$1,700,000

We request appropriation authority to spend \$1.7 million for the Auxiliary Enterprises Fund. This covers expenditures associated with the Parilla Performing Arts Center, the Cultural Arts Center, the student-operated Macklin Business Institute Café, the Summer Dinner Theatre program, other facility rentals, and athletic camps for County resident youth.

Cable TV Fund—\$1,800,000

We request appropriation authority to spend \$1.8 million. The County's cable plan is the source of revenue.

The Cable TV fund continues to provide opportunities for student involvement in MCTV productions using varied media platforms for student recruitment and expanded programming. MCTV supports community outreach by increasing multicultural and foreign language programming in the six most common languages used in the County.

Grants Fund—\$20,300,000

We request grant appropriation authority to spend \$20.3 million. Of this amount, \$400,000 is requested in County funds for the Adult English for Speakers of Other Languages (ESOL), Adult Basic Education, and General Equivalency Degree (GED) program. The \$400,000 is the same amount as appropriated last year.

The College uses grant funds to support several important initiatives including English as a Second Language (ESL), adult education and literacy programs, as well as innovative workforce development training programs for information technology, cybersecurity, biotechnology, transportation, early childcare, nursing, and science, technology, engineering, and mathematics (STEM) programs.

Transportation Fund—\$4,200,000

We request appropriation authority to spend \$4.2 million. This fund is comprised entirely of user fees from students and employees, including parking enforcement revenue. The revenue funds transportation alternatives for students—Ride On bus service and the MC shuttle bus. It also underwrites the finance costs of the construction for the Takoma Park/Silver Spring West Parking Garage and the Rockville North Garage.

Major Facilities Reserve Fund—\$2,000,000

We request appropriation authority to spend \$2.0 million to pay the Montgomery College Foundation for the cost of The Morris and Gwendolyn Cafritz Foundation Arts Center. This fund is entirely comprised of user fees and no county funds are requested.

In FY20, \$2.0 million will be transferred to the capital budget for the continued renovations of the physical education buildings and to complete the conversion of a baseball field on the Rockville Campus to a soccer stadium, which will support the College athletic program. It will be transferred to the capital budget as a non-mandatory transfer.

CONCLUSION

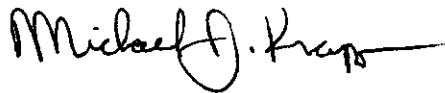
On behalf of the Montgomery College Board of Trustees, we respectfully request a total appropriation authority of \$313,448,186.

Again, thank you for your enduring commitment to help us to empower *all* who need their community's college—be they veterans, immigrants, apprentices, recent high school graduates—to help them grasp opportunity. Empowering students like **Glenn, Avanti, Kevin, and Kim** to change their lives—to become the next generation of entrepreneurs, health care providers, professors, and technicians—is crucial to the success of our community and the individuals who are Montgomery.

Together, we can continue to build a thriving and just community—a place where education is truly the great equalizer.

Thank you for your support.

Sincerely,



Michael J. Knapp
Chair, Board of Trustees



DeRionne P. Pollard, PhD
President



Montgomery College

RECOMMENDED FY20 BUDGET

\$310,370,217

FULL TIME EQUIVALENTS

1,910.85

MISSION STATEMENT

Montgomery College provides postsecondary educational programs from campuses located in Takoma Park/Silver Spring, Rockville, and Germantown. It serves four broad groups of students:

- Those who want the first two years of a university education, either for an associate's degree or preparatory to another program;
- Those who want to prepare for a career that does not require a bachelor's degree;
- Highly capable high school juniors and seniors who participate in special programs; and
- Adults who want to continue their education, either to improve job skills or for personal enrichment.

BUDGET OVERVIEW

The total recommended FY20 operating budget for Montgomery College is \$310.4 million, a decrease of \$3.4 million, or 1.1 percent from the FY19 Approved budget of \$313.7 million. The decrease is primarily due to a reduction in tuition and fee revenue from declining enrollment and reduced use of fund balance in FY20 than FY19. The County Executive recommendation funds 99.0 percent of the College's request and provides an affordable and sustainable level of support.

The County Executive recommends a total County contribution of \$144.5 million. This funding level represents an increase of \$43.6 million since FY14, or 43.2 percent. On a per full-time equivalent student (FTES) basis, the County Executive's recommendation for local funding is an increase of \$384 per FTES in FY20, or 3.8 percent. Per FTES funding will have increased \$4,644 since FY14, or over 81 percent.

Other Current Fund revenues total \$119.6 million, a decrease of \$3.1 million from FY20, or 2.5 percent. The decrease is primarily due to a reduction in tuition and fee revenue and decreased use of fund balance in FY20.

In addition to the total recommended operating budget for the College, the agency's Capital Improvement Program (CIP) requires Current Revenue funding. Approximately \$13.6 million in FY20 Current Revenues is assumed in the County Executive's FY19-24 Amended CIP.

Montgomery College's budget request is not detailed in this document. The College's budget request may be obtained by contacting the College's Budget Office, 9221 Corporate Boulevard, Rockville, MD 20850, phone 240-567-7292, or may be found on the College's website at www.montgomerycollege.edu/Departments/budget.

State law requires the Board of Trustees and the President to prepare and submit operating and capital budgets to the County Council. The operating budget request is normally submitted to the Council and County Executive in January each year. The College's approved budget is included in the County Approved FY20 Operating and Capital Budgets prepared by the Office of Management and Budget in July.

For FY20, Montgomery College requests an increase of \$3.1 million in the County contribution, an increase of 2.2 percent from the approved FY19 budget, and 6.1 percent or \$607 on a per FTES basis.

The Executive relies on the Board of Trustees to determine the most appropriate manner and use to deliver education services within the recommended budget appropriation.

Spending Affordability Guidelines

In February 2019, the Council approved FY20 spending affordability guidelines (SAG) of \$186.0 million for the tax-supported funds of the Montgomery College. The Board of Trustees requested \$185.1 million (net of tuition and fees and excluding mandatory transfers), in line with SAG.

Enrollment

Current Fund enrollment is projected by the College to decrease 526 FTES in FY20. The College estimates an FY20 enrollment of 13,698 FTES, a decline of 3.7 percent compared to the FY19 figure of 14,224 FTES. An FTES enrollment for one year is calculated as the total number of credit hours divided by 30. The College projects enrollment to gradually increase in FY21 and FY2, with larger increases expected starting in FY23.

Tuition and Fees

For FY20, the College request assumes an increase in tuition and fees of \$4 per semester hour, from \$128 to \$132 for County residents, a \$8 per semester hour increase for non-County State residents (to \$269 per semester hour), and \$12 per semester hour for out-of-State residents (to \$374 per semester hour). The consolidated fee for all students would remain at 20 percent of tuition along with per-credit fees for technology (\$5), the Major Facilities Reserve Fund fee (\$7), and transportation (\$7).

The Board of Trustees will make final tuition and fee decisions in April 2019.

Tuition and other student fees represent approximately 29.0 percent of the revenue proposed by the County Executive to fund the FY20 Current Fund budget, compared to the 29.5 percent of revenues assumed in the FY19 budget.

State Funding

The Total amount of State funding assumed in the Executive's Recommended FY20 budget is estimated to be \$45.3 million. It is

comprised of \$37.2 million in the Current Fund and \$8.0 million in the Workforce Development and Continuing Education enterprise fund. The College allocates State-provided formula funds based on the proportionate share of FTES enrolled in each category.

Tax Supported Funds

The County Executive recommends an appropriation of \$262.4 million in the three tax-supported funds (Current, Emergency Plant Maintenance and Repair, and Grants). The amount is a \$3.2 million decrease from the FY19 Approved level of \$265.5 million, or -1.2 percent.

Current Fund

For the Current Fund, the County Executive is recommending an appropriation of \$261.7 million, a decrease of \$3.1 million, or 1.2 percent, from the \$264.8 million approved in FY19. The recommendation assumes tuition and fee revenues under the proposed tuition rate and increase discussed above. The County Executive recommends an additional \$3.0 million in expenditures from the fund balance of the Current Fund, equal to the amount proposed by the College in its FY20 budget request.

Emergency Plant Maintenance and Repair Fund

The Emergency Plant Maintenance and Repair Fund supports unanticipated expenditures to make emergency repairs not funded elsewhere in the budget. The County Executive recommends the Board's request of \$300,000, which is a reduction of \$50,000 from FY19.

Tax-Supported Grant Fund

The Tax-Supported Grant Fund provides for community needs not met elsewhere in the budget. The County Executive recommends the Board's request of \$400,000 to support the College's adult literacy programs.

Other Funds

Cable Television

The County Executive recommends an appropriation of \$1.8 million from the Cable Television Fund, which provides for production and operation of the College's higher education channel on the County's cable system. The requested amount would provide instructional programs and public service offerings by the College to the Community. Additional detail on the College's Cable budget can be found in the Cable Communications Plan section.

Special Funds

The College's Workforce Development and Continuing Education (WDCE) Fund is supported by a combination of student tuition and

fees and State reimbursements that are based on the most recent actual FTES enrollment. For FY20, the State's funding formula uses FY18 actuals. The County Executive recognizes the importance of higher education to the economic development of Montgomery County and recommends the Board's request of \$18.4 million for this fund, which is a \$0.7 million, or 3.9 percent increase compared to FY19.

The Auxiliary Enterprises Fund includes the Robert E. Parilla Performing Arts Center, Takoma Park/Silver Spring Cultural Arts Center, MBI (Macklin Business Institute) Café, sports camps, and facility rentals. For FY20, the College requests and the County Executive recommends an appropriation of \$1.7 million.

The Grants and Contracts fund includes those revenues received by the College from all sources. The College requests and the County Executive recommends an appropriation of \$19.9 million.

COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following are emphasized:

- ◆ Thriving Youth and Families
- ◆ A Growing Economy

PROGRAM CONTACTS

Contact Linda Hickey of the Montgomery College at 240.567.7292 or Richard H. Harris of the Office of Management and Budget at 240.777.2795 for more information regarding this agency's operating budget.

BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Recommended FY20	%Chg Bud/Rec
CURRENT FUND MC					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Current Fund MC Personnel Costs	0	0	0	0	—
Operating Expenses	257,588,741	264,799,723	260,492,785	261,702,381	-1.2 %
Current Fund MC Expenditures	257,588,741	264,799,723	260,492,785	261,702,381	-1.2 %
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	1,802.10	1,810.10	1,810.10	1,803.35	-0.4 %
REVENUES					
Current Fund: Interest	214,006	155,000	200,000	155,000	—
Current Fund: Other Revenue	3,180,582	1,459,000	654,411	1,459,000	—

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BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Recommended FY20	%Chg Bud/Rec
Current Fund: Performing Arts Center	93,681	135,000	75,000	135,000	—
Fed. State & Priv. Gifts & Grants	320,665	325,000	300,000	325,000	—
Other Student Fees: Current Fund	1,278,420	1,294,428	1,248,973	1,269,277	-1.9 %
State Aid	35,794,377	36,589,976	36,589,976	37,213,559	1.7 %
Tuition and Fees: Current Fund	75,800,825	76,892,107	74,191,966	74,591,370	-3.0 %
Current Fund MC Revenues	116,682,556	116,850,511	113,260,326	115,148,206	-1.5 %

EMERGENCY REPAIR FUND

EXPENDITURES

Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Emergency Repair Fund Personnel Costs	0	0	0	0	—
Operating Expenses	227,562	350,000	340,000	300,000	-14.3 %
Emergency Repair Fund Expenditures	227,562	350,000	340,000	300,000	-14.3 %

PERSONNEL

Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—

REVENUES

EPMRF: Investment Income Non-Pooled	11,311	0	11,500	15,000	—
Emergency Repair Fund Revenues	11,311	0	11,500	15,000	—

GRANT FUND MC

EXPENDITURES

Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Grant Fund MC Personnel Costs	0	0	0	0	—
Operating Expenses	14,638,692	21,922,000	12,780,904	19,902,000	-9.2 %
Grant Fund MC Expenditures	14,638,692	21,922,000	12,780,904	19,902,000	-9.2 %

PERSONNEL

Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—

REVENUES

Federal/State/Private Grants	15,402,836	21,922,000	12,780,904	19,902,000	-9.2 %
Grant Fund MC Revenues	15,402,836	21,922,000	12,780,904	19,902,000	-9.2 %

AUXILIARY FUND

EXPENDITURES

BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Recommended FY20	%Chg Bud/Rec
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Auxiliary Fund Personnel Costs	0	0	0	0	—
Operating Expenses	1,138,976	1,700,000	981,194	1,729,300	1.7 %
Auxiliary Fund Expenditures	1,138,976	1,700,000	981,194	1,729,300	1.7 %
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	10.00	10.00	10.00	2.00	-80.0 %
REVENUES					
Auxiliary Fund: Interest Income	20,739	5,000	23,000	20,000	300.0 %
Other Revenues: Miscellaneous	959,728	865,220	916,300	900,220	4.0 %
Sales	1,806,573	1,364,000	1,246,646	1,018,000	-25.4 %
Auxiliary Fund Revenues	2,787,040	2,234,220	2,185,946	1,938,220	-13.2 %

WORKFORCE DEVELOPMENT & CONTINUING ED

EXPENDITURES

Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Workforce Development & Continuing Ed Personnel Costs	0	0	0	0	—
Operating Expenses	15,090,693	17,677,384	16,565,175	18,372,215	3.9 %
Workforce Development & Continuing Ed Expenditures	15,090,693	17,677,384	16,565,175	18,372,215	3.9 %

PERSONNEL

Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	93.50	93.50	93.50	93.50	—

REVENUES

Other Revenues: Interest	28,616	20,000	50,000	50,000	150.0 %
Other Revenues: Miscellaneous	140,024	80,000	350,000	0	-100.0 %
State Aid	6,717,202	7,336,869	7,336,869	8,041,559	9.6 %
Tuition and Fees: Continuing Education	9,434,811	10,700,000	9,500,000	10,900,000	1.9 %
Workforce Development & Continuing Ed Revenues	16,320,653	18,136,869	17,236,869	18,991,559	4.7 %

CABLE TELEVISION FUND

EXPENDITURES

Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Cable Television Fund Personnel Costs	0	0	0	0	—
Operating Expenses	1,660,500	1,726,867	1,705,000	1,764,321	2.2 %

BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Recommended FY20	%Chg Bud/Rec
Cable Television Fund Expenditures	1,660,500	1,726,867	1,705,000	1,764,321	2.2 %
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	11.00	11.00	11.00	11.00	—
REVENUES					
Cable: Other Revenue	5,718	0	5,000	0	—
Cable Television Fund Revenues	5,718	0	5,000	0	—

ENDOWMENT FUND

EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Endowment Fund Personnel Costs	0	0	0	0	—
Operating Expenses	0	263,000	0	0	-100.0 %
Endowment Fund Expenditures	0	263,000	0	0	-100.0 %
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—
REVENUES					
Interest	11,504	7,250	11,500	11,500	58.6 %
Endowment Fund Revenues	11,504	7,250	11,500	11,500	58.6 %

MAJOR FACILITIES RESERVE FUND

EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Major Facilities Reserve Fund Personnel Costs	0	0	0	0	—
Operating Expenses	1,708,406	3,000,000	1,708,006	2,000,000	-33.3 %
Major Facilities Reserve Fund Expenditures	1,708,406	3,000,000	1,708,006	2,000,000	-33.3 %
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—
REVENUES					
Interest Income	189,366	110,000	200,000	200,000	81.8 %
Student Fees	2,240,841	2,700,000	3,000,000	3,125,000	15.7 %
Major Facilities Reserve Fund Revenues	2,430,207	2,810,000	3,200,000	3,325,000	18.3 %

BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Recommended FY20	%Chg Bud/Rec
MC GRANTS TAX SUPPORTED FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
MC Grants Tax Supported Fund Personnel Costs	0	0	0	0	—
Operating Expenses	400,000	400,000	400,000	400,000	—
MC Grants Tax Supported Fund Expenditures	400,000	400,000	400,000	400,000	—
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—
REVENUES					
TRANSPORTATION FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Transportation Fund Personnel Costs	0	0	0	0	—
Operating Expenses	4,093,914	4,200,000	4,121,884	4,200,000	—
Transportation Fund Expenditures	4,093,914	4,200,000	4,121,884	4,200,000	—
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	1.00	1.00	1.00	1.00	—
REVENUES					
Miscellaneous Other	312,570	239,213	257,013	338,000	41.3 %
Student Fees	3,432,928	3,380,217	3,486,674	3,365,000	-0.5 %
Transportation Fund Revenues	3,745,498	3,619,430	3,743,687	3,703,000	2.3 %
DEPARTMENT TOTALS					
Total Expenditures	296,547,484	316,038,974	299,094,948	310,370,217	-1.8 %
Total Full-Time Positions	0	0	0	0	—
Total Part-Time Positions	0	0	0	0	—
Total FTEs	1,917.60	1,925.60	1,925.60	1,910.85	-0.8 %
Total Revenues	157,397,323	165,580,280	152,435,732	163,034,485	-1.5 %

PERFORMANCE MEASURES FOR MONTGOMERY COLLEGE

Montgomery College collects and reports a range of data to comply with State and Federal requirements, to assess and improve the effectiveness of the College's programs, and to inform the community and local policymakers of progress in meeting performance goals. The following selection of data and performance indicators are provided to assist the County Executive and County Council with their annual review of the College's operating budget.

Updated January 2019

INPUT INDICATORS							
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Change	
						Yr 5 vs Yr 1	Yr 5 vs Yr 4
FISCAL YEAR STUDENTS							
<i>Fiscal Year Unduplicated Credit Students</i>	36,238	35,527	34,410	32,752	31,342	-13.5%	-4.3%
<i>Fiscal Year Unduplicated Students in WD&CE</i>	24,713	22,244	23,164	24,064	24,609	-0.4%	2.3%
<i>FY Unduplicated Credit + WD&CE Students at MC</i>	59,389	56,228	56,001	55,243	54,335	-8.5%	-1.6%
<i>Fiscal Year FTEs for Credit Students</i>	17,269	16,803	16,323	15,515	14,686	-15.0%	-5.3%
<i>Fiscal Year FTEs for WD&CE Students</i>	4,139	3,647	4,125	4,228	4,365	5.5%	3.2%
FALL SEMESTER CREDIT STUDENTS							
	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018	Yr 5 vs Yr 1	Yr 5 vs Yr 4
<i>Total fall semester enrollment</i>	25,517	25,320	23,916	22,875	21,720	-14.9%	-5.0%
<i>New to College</i>	4,795	4,796	4,383	4,228	4,034	-15.9%	-4.6%
<i>Recent MCPS Graduates</i>	2,658	2,592	2,494	2,507	2,446	-8.0%	-2.4%
<i>Reason for Attending</i>							
<i>Degree Seeking</i>	1,970	1,621	1,554	1,710	1,724	-12.5%	0.8%
<i>Transfer</i>	282	534	495	271	239	-15.2%	-11.8%
<i>Early Placement</i>	207	246	249	329	296	43.0%	-10.0%
<i>Certificate Seeking</i>	59	82	83	92	64	8.5%	-30.4%
<i>Continuing Education</i>	12	1	2	4	21	75.0%	425.0%
<i>Personal Interest</i>	7	5	8	5	1	-85.7%	-80.0%
<i>MD Dream Act</i>	103	98	99	92	96	-6.8%	4.3%
<i>Other</i>	18	5	4	4	5	-72.2%	25.0%
<i>Continuing/Returning</i>	18,646	18,496	17,721	16,790	15,798	-15.3%	-5.9%
<i>Transfer-In or "Visiting"</i>	1,541	944	1,294	1,214	1,178	-23.6%	-3.0%
<i>Dual Enrollment - MC and High School</i>	535	485	518	643	710	32.7%	10.4%
<i>Attending Full-Time</i>	8,931	8,890	8,493	8,060	7,571	-15.2%	-6.1%
<i>Average Hours Enrolled</i>	9.03	9.04	9.08	9.00	9.06	0.3%	0.7%
<i>Receiving Pell Grants</i>	8,397	7,952	7,459	7,248	6,171	-26.5%	-14.9%
<i>Receiving any Financial Aid</i>	12,651	11,915	11,468	10,971	8,438	-33.3%	-23.1%
<i>New-Needing "Preparatory" Coursework</i>	3,684	3,743	3,150	2,680	1,897	-48.5%	-29.2%
<i>"Foreign" by NCES definitions</i>	2,251	2,295	2,253	2,269	2,121	-5.8%	-6.5%
<i>Asian</i>	3,617	3,547	3,395	3,344	3,105	-14.2%	-7.1%
<i>Black</i>	8,139	8,014	7,541	7,084	6,693	-17.8%	-5.5%
<i>Hispanic</i>	6,237	6,610	6,550	6,552	6,389	2.4%	-2.5%
<i>White</i>	7,065	6,616	5,975	5,429	5,077	-28.1%	-6.5%
<i>Multi-Race, Other, Unknown</i>	459	533	455	466	456	-0.7%	-2.1%
CREDIT COURSES AND ENROLLMENTS							
	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018	Yr 5 vs Yr 1	Yr 5 vs Yr 4
<i>Fall Semester Course Enrollments</i>	70,856	70,356	66,605	62,817	60,249	-15.0%	-4.1%
<i>Fall - Number of Separate Courses</i>	712	717	699	672	671	-5.8%	-0.1%
<i>Fall - Number of Course Sections</i>	3,697	3,751	3,549	3,232	3,173	-14.2%	-1.8%

PERFORMANCE MEASURES FOR MONTGOMERY COLLEGE

<u>EMPLOYEES</u>	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Change	
	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018	Yr 5 vs Yr 1	Yr 5 vs Yr 4
	<i>Administrators</i>	86	85	83	86	83	-3.5%
<i>Instructional Faculty</i>	1,450	1,452	1,404	1,331	1,324	-8.7%	-0.5%
<i>Non-Instructional Faculty</i>	100	86	92	90	84	-16.0%	-6.7%
<i>Professional, Technical, and Support Staff</i>	1,315	1,326	1,278	1,309	1,339	1.8%	2.3%
	2,951	2,949	2,857	2,816	2,830	-4.1%	0.5%

<u>WORKFORCE DEVELOPMENT & CONTINUING EDUCATION</u>	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Change	
	FY14	FY15	FY16	FY17	FY18	Yr 5 vs Yr 1	Yr 5 vs Yr 4
	<u>FY Unduplicated Students</u>						
<i>Workforce Development courses</i>	10,790	9,079	10,060	10,206	10,946	1.4%	7.3%
<i>Contract Training courses</i>	4,378	3,114	4,004	3,902	5,045	15.2%	29.3%
<i>Industry-Based Certification courses</i>	5,665	4,972	5,432	5,517	5,270	-7.0%	-4.5%
<i>Adult Basic Educ., ESOL, Literacy courses</i>	6,852	6,545	6,619	7,009	5,942	-13.3%	-15.2%
<i>All Specifically Grant-Funded programs/courses</i>	n/a	n/a	n/a	n/a	6,467		
<i>Apprenticeship Programs</i>	930	919	906	908	991	6.6%	9.1%
<i>Allied Health/Health Careers courses</i>	1,410	982	961	1,170	1,099	-22.1%	-6.1%

OUTPUT INDICATORS - Credit Programs

<u>FALL-TO-FALL NEW STUDENT RETENTION RATES</u>	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	% Point Change	
	Fall 2013	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Yr 5 vs Yr 1	Yr 5 vs Yr 4
	<i>All New Students</i>	61.9%	67.4%	64.7%	65.4%	64.7%	2.8
<i>Developmental Students</i>	65.9%	68.8%	66.2%	64.6%	63.7%	-2.3	-1.0
<i>College-Ready Students</i>	63.0%	65.4%	62.4%	67.1%	66.4%	3.4	-0.8
<i>Pell Grant Recipients</i>	69.0%	71.5%	67.8%	68.6%	66.7%	-2.3	-1.9
<i>Began as Full-Time</i>	74.0%	77.3%	75.6%	74.7%	74.8%	0.8	0.1
<i>Began as Part-Time</i>	51.3%	55.6%	52.8%	54.1%	51.4%	0.1	-2.7
<i>Asian</i>	71.3%	77.1%	77.6%	76.4%	74.9%	3.6	-1.5
<i>Black</i>	61.1%	60.6%	60.8%	62.5%	62.8%	1.7	0.3
<i>Hispanic</i>	67.5%	71.3%	66.8%	67.1%	63.8%	-3.7	-3.3
<i>White</i>	52.9%	64.6%	59.5%	60.3%	62.1%	9.2	1.8
<i>Multi-Race, Other, Unknown</i>	61.6%	68.0%	56.3%	64.2%	53.6%	-8.0	-10.6

<u>FOUR-YEAR GRADUATION-TRANSFER RATES</u>	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	% Point Change	
	Enter Fall 2009	Enter Fall 2010	Enter Fall 2011	Enter Fall 2012	Enter Fall 2013	Yr 5 vs Yr 1	Yr 5 vs Yr 4
	<i>All New Students</i>	52.1%	49.8%	47.5%	45.6%	48.2%	-3.9
<i>College-Ready</i>	70.9%	68.5%	68.5%	68.5%	67.7%	-3.2	-0.8
<i>Developmental Completers</i>	65.7%	47.9%	46.7%	44.0%	54.6%	-11.1	10.6
<i>Developmental Non-Completers</i>	25.6%	28.0%	29.0%	18.5%	23.3%	-2.3	4.8
<i>Pell Grant Recipients</i>	n/a	47.6%	44.5%	42.9%	42.1%	n/a	-0.8
<i>Asian</i>	62.7%	62.0%	59.9%	55.7%	59.9%	-2.8	4.2
<i>Black</i>	49.8%	42.4%	49.1%	39.7%	45.3%	-4.5	5.6
<i>Hispanic</i>	43.3%	44.7%	34.6%	34.2%	38.0%	-5.3	3.8
<i>White</i>	57.4%	55.3%	52.8%	56.9%	58.4%	1.0	1.5

PERFORMANCE MEASURES FOR MONTGOMERY COLLEGE

<u>GRADUATION / AWARDS / TRANSFERS</u>	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Change	
	FY14	FY15	FY16	FY17	FY18	Yr 5 vs Yr 1	Yr 5 vs Yr 4
	<i>Fiscal Year Graduates</i>	2,646	2,933	2,770	2,733	2,723	2.9%
<i>Fiscal Year Awards</i>	2,676	2,973	2,843	2,833	2,885	7.8%	1.8%
<i>[Associate Degrees]</i>	2,358	2,658	2,556	2,612	2,576	9.2%	-1.4%
<i>[Certificates]</i>	297	284	287	213	303	2.0%	42.3%
<i>Transfers to 4-Year Institutions</i>							
<i>[MC Graduate]</i>	1,691	1,245	1,954	1,866	1,519	-10.2%	-18.6%
<i>[12+ Credits, but not Graduate]</i>	3,106	3,981	2,973	2,293	2,598	-16.4%	13.3%

<u>DEVELOPMENTAL METRICS</u>	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Change	
	Fall 2010	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Yr 5 vs Yr 1	Yr 5 vs Yr 4
	<i>New Students Needing Developmental</i>	3,096	3,032	2,922	3,036		
<i>Asian</i>	287	260	235	226			
<i>Black</i>	1,022	1,073	1,007	1,024			
<i>Hispanic</i>	862	873	896	1,011			
<i>White</i>	866	768	728	677			
<i>Completed Developmental in Four Years</i>	2,046	1,992	1,867	1,548			<i>Data not yet available</i>
<i>New Students Needing Developmental Math</i>				1,517			
<i>New Students Completing Developmental Math in Year 1</i>				712			

OUTPUT INDICATORS - Workforce Development & Continuing Education

<u>COURSE / STUDENT SUCCESS RATES</u>	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Change	
	FY14	FY15	FY16	FY17	FY18	Yr 5 vs Yr 3	Yr 5 vs Yr 4
	<i>Workforce Development Certificate Completers - Students / Courses</i>	n/a	n/a	3,910 6,263	n/a	4,213 6,658	7.7% 6.3%
<i>Selected Health Career Program Students Obtaining Certification-Percent Successful</i>	n/a	79.2%	87.3%	85.7%	92.0%	n/a	6.3%
<i>Percent Selected [Other Programs] Students Obtaining Certification</i>						<i>Recommend elimination (or begin next cycle)</i>	
<i>Number of WD&CE Students Subsequently Enrolled in Credit Courses</i>			4,029	3,919	3,210	n/a	-18.1%
<i>Percent Grant-funded Programs/Courses Students that Complete</i>						<i>Recommend elimination (or begin next reporting cycle)</i>	
<i>Percent Apprenticeship Program Completers within 4 Years</i>						<i>Recommend elimination--Cohorts not established for tracking</i>	
<i>Number of Apprenticeship Program Graduates</i>	135	135	119	136	159	17.8%	16.9%

MONTGOMERY COLLEGE

FY 2020 CURRENT FUND

	(000s)
FY 2019 Final Budget	\$264,800
Change for compensation and benefits (incl FICA)	6,721
Change for Scholarships	160
Change for same service	555
Change for initiatives	501
Change for reductions to units budgets and lapse	<u>(7,969)</u>
Total	(32)
FY 2020 Budget Request	\$264,768

MONTGOMERY COLLEGE

SOURCES OF FUNDS AND EXPENDITURES

Current Fund

	<u>FY 2020 Budget</u>	<u>FY 2019 Budget</u>	<u>FY 2018 Actual</u>
SOURCES OF FUNDS			
Tuition and Related Charges	\$ 74,591,370	\$ 76,892,107	\$ 75,800,825
Other Student Fees	1,269,277	1,294,428	1,278,420
County Contribution	145,149,696	142,083,727	139,333,727
State Aid	37,213,559	36,589,976	35,794,377
Fed. State & Priv. Gifts & Grants	325,000	325,000	320,665
Other Revenues	1,749,000	1,749,000	3,488,268
Revenue Transfers	1,500,000	1,305,485	1,864,144
Use of Fund Balance	2,970,448	4,560,000	(291,686)
TOTAL SOURCES OF FUNDS	<u>264,768,350</u>	<u>264,799,723</u>	<u>257,588,741</u>
EXPENDITURES			
SALARIES AND BENEFITS	217,496,249	216,954,106	209,875,731
OTHER OPERATING EXPENSES			
Contracted Services	18,868,879	19,596,397	17,594,849
Supplies	7,002,803	6,942,927	7,485,526
Communications	885,326	886,876	1,537,015
Conferences and Meetings	2,804,202	2,818,138	2,094,334
BOT Grants	5,886,046	5,726,046	5,448,895
Utilities	7,830,311	8,714,025	7,541,646
Fixed Charges	3,494,534	2,661,208	3,124,932
TOTAL OTHER OPERATING EXPENSES	<u>46,772,101</u>	<u>47,345,617</u>	<u>44,827,197</u>
FURNITURE AND EQUIPMENT	500,000	500,000	2,885,813
TOTAL EXPENDITURES	<u>\$ 264,768,350</u>	<u>\$ 264,799,723</u>	<u>\$ 257,588,741</u>

MONTGOMERY COLLEGE

SOURCES OF FUNDS AND EXPENDITURES

(000s)

Current Fund

SOURCES OF FUNDS	FY 2020 Budget	FY 2019 Budget	Increase/Decrease	
			Amount	%
Tuition and Related Charges	\$74,591	\$76,892	(\$2,301)	(3.0)
Other Student Fees	1,269	1,295	(26)	(2.0)
County Contribution	145,150	142,084	3,066	2.2
State Aid	37,214	36,590	624	1.7
Fed'l., State & Private Gifts & Grants	325	325	-	-
Other Revenues	1,749	1,749	0	0.0
Subtotal	260,298	258,935	1,363	0.5
Nonmandatory Transfers	1,500	1,305	195	0.0
Use of Fund Balance	2,970	4,560	(1,590)	(34.9)
TOTAL SOURCE OF FUNDS	264,768	264,800	(32)	(0.0)
EXPENDITURES				
SALARIES & BENEFITS	217,496	216,954	542	0.2
OTHER OPERATING EXPENSES:				
Contracted Services	18,869	19,597	(728)	(3.7)
Supplies and Materials	7,003	6,943	60	0.9
Communications	885	887	(2)	(0.2)
Conferences and Meetings	2,804	2,818	(14)	(0.5)
Scholarships	5,886	5,726	160	2.8
Utilities	7,830	8,714	(884)	(10.1)
Fixed Charges	3,495	2,661	834	31.3
Subtotal	46,772	47,346	(574)	(1.2)
FURNITURE AND EQUIPMENT	500	500	0	0.0
SUBTOTAL EXPENDITURES	264,768	264,800	(32)	(0.0)
MANDATORY TRANSFERS	0	0	-	-
TOTAL USE OF FUNDS	\$264,768	\$264,800	(32)	(0.0)

MONTGOMERY COLLEGE

EXPENDITURES BY PROGRAM

Current Fund

	FY 2020 Budget		FY 2019 Budget		FY 2018 Actual	
	\$	% of Total	\$	% of Total	\$	% of Total
Instruction	\$90,053,688	34.01	\$90,143,086	34.04	\$82,662,797	32.09
Academic Support	44,183,248	16.69	43,791,868	16.54	44,343,241	17.21
Student Services	33,560,018	12.68	33,478,758	12.64	31,386,291	12.18
Operation and Mtc of Plant	42,815,442	16.17	43,392,233	16.39	43,756,485	16.99
Institutional Support	48,272,408	18.23	48,270,232	18.23	49,991,032	19.41
Scholarships/Fellowships	5,883,546	2.22	5,723,546	2.16	5,448,895	2.12
TOTAL	\$264,768,350	100.00	\$264,799,723	100.00	\$257,588,741	100.00

MONTGOMERY COLLEGE

SUMMARY OF EXPENDITURES

Current Fund	(000s)		
		<u>FY 2020 Budget</u>	<u>% of Total</u>
EXPENDITURES			
Salaries and Benefits		\$217,496	82.1
Contracted Services		18,869	7.1
Supplies and Materials		7,003	2.6
Communications		885	0.3
Conferences and Meetings		2,804	1.1
BOT Grants		5,886	2.2
Utilities		7,830	3.0
Fixed Charges		3,495	1.3
Subtotal		<u>46,772</u>	<u>17.7</u>
FURNITURE & EQUIPMENT			
Additional		500	0.2
Subtotal		<u>500</u>	<u>0.2</u>
TOTAL EXPENDITURES		<u><u>\$264,768</u></u>	<u><u>100.0</u></u>

MONTGOMERY COLLEGE

SUMMARY OF BENEFITS

Current Fund	FY 2020 Budget		FY 2019 Budget		Increase over prior year		FY 2018 Actual	FY 2017 Actual
	% of Total	\$	% of Total	\$	Amount	%		
5501 FICA	35.50	14,260,869	36.54	14,183,419	\$ 77,450	0.55	\$ 12,280,738	\$ 12,491,251
5502 Retirement - Employee System	4.37	1,754,433	4.52	1,754,433	-	-	3,684,261	1,918,494
5503 Group Insurance Retirees	9.46	3,802,483	9.33	3,621,412	181,071	5.00	3,194,259	2,664,558
5504 Insurance - Active	42.34	17,011,325	41.74	16,201,262	810,063	5.00	15,035,259	14,061,046
5505 Recognition Awards	0.30	121,000	0.31	121,000	-	-	111,000	124,400
5506 Educational Assistance Benefit	4.40	1,769,320	4.02	1,562,320	207,000	13.25	1,260,475	1,226,469
5507 Compensated Absences	1.70	682,500	1.76	682,500	-	-	520,001	442,431
5510 Unemployment Compensation	0.50	200,000	0.52	200,000	-	-	129,265	133,786
5511 Service Charge Reimbursement	0.06	25,000	0.06	25,000	-	-	-	-
5512 Disability Related Services	0.20	80,000	0.21	80,000	-	-	94,496	91,588
5540 Part Time Faculty Prof Dev	0.12	50,000	0.13	50,000	-	-	30,127	68,882
5541 Part Time Faculty Wellness	0.01	4,500	0.01	4,500	-	-	-	-
5545 Educ Assist Benefit Travel	0.83	335,000	0.65	252,000	83,000	32.94	207,617	228,919
5549 Other Benefits	0.20	80,000	0.21	80,000	-	-	39,128	86,816
TOTAL Employee Benefits	100.00	\$40,176,430	100.00	\$38,817,846	1,358,584	3.50	\$36,586,625	\$33,538,638

MONTGOMERY COLLEGE

ENROLLMENT PROJECTIONS

ACTUALS AND PROJECTIONS OF SOURCE DATA USED TO DEVELOP ENROLLMENT PROJECTIONS

SOURCE SEGMENTS	A C T U A L						P R O J E C T I O N S				
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Fall Semester											
County Residents											
New Residents											
High School Graduates Immediate, Delayed, Entry, and Early Placement	4,613	4,745	4,628	4,538	4,272	4,266	4,146	4,263	4,355	4,397	4,457
Adult County Residents - Graduated High School More than 3 Years Prior	1,874	1,814	1,877	1,708	1,613	1,502	1,466	1,488	1,492	1,496	1,500
Returning Students	16,984	16,243	16,011	15,068	14,433	13,562	13,031	12,822	12,933	12,954	13,037
Non-County Residents											
Maryland Residents	1,336	1,308	1,414	1,272	1,250	1,164	1,205	1,263	1,050	1,157	1,169
Out-of-State Residents	1,348	1,407	1,390	1,330	1,307	1,226	1,192	1,173	1,171	1,170	1,168
TOTAL ENROLLMENT	26,155	25,517	25,320	23,916	22,875	21,720	21,041	21,009	21,001	21,174	21,331

MONTGOMERY COLLEGE

ENROLLMENT PROJECTIONS

TOTAL COLLEGE TOTALS

FISCAL YEAR	ACTUALS			PROJECTIONS				
	2017	2018	2019	2020	2021	2022	2023	2024
Students								
Summer (A)	5,481	5,244	5,173	4,628	4,621	4,619	4,657	4,692
Summer (B)	7,638	7,376	7,059 +	6,815	6,805	6,802	6,858	6,909
Fall	23,916	22,875	21,720	21,041	21,009	21,001	21,174	21,331
Winter	1,503	1,742	1,750 +	1,800	1,850	1,900	1,950	2,000
Spring	22,267	20,973	20,035 +	19,345	19,316	19,308	19,468	19,612
Total Students	60,805	58,210	55,737 +	53,629	53,601	53,631	54,107	54,544
Credit Hours								
Summer (A)	21,139	19,909	19,735	17,723	17,696	17,690	17,835	17,968
Summer (B)	29,994	29,415	27,980 +	27,014	26,973	26,963	27,185	27,387
Fall	217,078	205,906	196,800	190,005	189,717	189,644	191,207	192,624
Winter	4,308	5,077	5,100 +	5,200	5,300	5,400	5,500	5,555
Spring	197,792	184,224	177,104 +	170,986	170,727	170,661	172,068	173,343
Total Credit Hours	470,311	444,531	426,719 +	410,929	410,414	410,358	413,795	416,876

Student enrollments for an academic term represent unduplicated students and not the sum of students at each campus during a term, since students often enroll at multiple campuses.

- + Projected enrollment
- (A) July and August enrollments
- (B) May and June enrollments

MONTGOMERY COLLEGE

**SALARY SCHEDULE FOR
ASSOCIATE AND SUPPORT STAFF, ADMINISTRATORS, AND DEPARTMENT CHAIRS**

FY 2019
(FY 2020 Salary Schedule will be approved in June 2019)

<u>Grade</u>	<u>Hourly Rate</u>		<u>Annual Rate</u>	
	<u>Minimum</u>	<u>Maximum</u>	<u>Minimum</u>	<u>Maximum</u>
5	\$ 11.44	\$ 17.16	\$ 23,800	\$ 35,700
7	\$ 12.31	\$ 18.46	\$ 25,600	\$ 38,400
9	\$ 13.32	\$ 20.00	\$ 27,700	\$ 41,600
11	\$ 14.33	\$ 21.49	\$ 29,800	\$ 44,700
13	\$ 15.48	\$ 23.22	\$ 32,200	\$ 48,300
15	\$ 16.73	\$ 25.10	\$ 34,800	\$ 52,200
17	\$ 18.08	\$ 27.12	\$ 37,600	\$ 56,400
19	\$ 19.52	\$ 29.28	\$ 40,600	\$ 60,900
21	\$ 20.63	\$ 32.98	\$ 42,900	\$ 68,600
23	\$ 22.69	\$ 36.30	\$ 47,200	\$ 75,500
25	\$ 24.95	\$ 39.90	\$ 51,900	\$ 83,000
27	\$ 27.50	\$ 43.99	\$ 57,200	\$ 91,500
29	\$ 30.19	\$ 48.32	\$ 62,800	\$ 100,500
31	\$ 33.27	\$ 53.22	\$ 69,200	\$ 110,700
33	\$ 36.15	\$ 63.27	\$ 75,200	\$ 131,600
35	\$ 41.54	\$ 72.69	\$ 86,400	\$ 151,200
37	\$ 47.74	\$ 83.56	\$ 99,300	\$ 173,800
39	\$ 54.95	\$ 96.15	\$ 114,300	\$ 200,000
41	\$ 63.13	\$ 110.48	\$ 131,300	\$ 229,800

* Annual Equivalent Rate for a Full-time, 12 Month Non-Bargining Employee



Information Technology: College

(P856509)

Category Montgomery College **Date Last Modified** 08/02/18
SubCategory Higher Education **Administering Agency** Montgomery College
Planning Area Countywide **Status** Ongoing

Total	Thru FY18	Rem FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	4,288	4,054	234	-	-	-	-	-	-	-
Construction	21,945	18,897	48	3,000	500	500	500	500	500	500
Other	150,091	97,102	5,712	47,277	7,277	8,000	8,000	8,000	8,000	8,000
TOTAL EXPENDITURES	176,324	120,053	5,994	50,277	7,777	8,500	8,500	8,500	8,500	8,500

FUNDING SCHEDULE (\$000s)

Current Revenue: General	111,764	55,493	5,994	50,277	7,777	8,500	8,500	8,500	8,500	8,500
G.O. Bonds	4,603	4,603	-	-	-	-	-	-	-	-
PAYGO	2,041	2,041	-	-	-	-	-	-	-	-
Recordation Tax	57,916	57,916	-	-	-	-	-	-	-	-
TOTAL FUNDING SOURCES	176,324	120,053	5,994	50,277	7,777	8,500	8,500	8,500	8,500	8,500

OPERATING BUDGET IMPACT (\$000s)

FULL TIME EQUIVALENT (FTE) 4 4 4 4 4 4

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 20 Approp. Request	8,500	Year First Appropriation	FY85
Cumulative Appropriation	133,824	Last FY's Cost Estimate	176,324
Expenditure / Encumbrances	124,746		
Unencumbered Balance	9,078		

PROJECT DESCRIPTION

This project provides for the design, development, installation/construction, and support of College Information Technology (IT) systems including enterprise-wide data, voice, and video applications; cybersecurity; cloud-based software services; and other related software applications used for administrative and academic support; associated cabling systems, equipment closets, and IT space construction; and the replacement/upgrade of IT equipment to meet current requirements. The project includes planning, installation, and furnishing of audio/visual and computing technology in classrooms, labs, and offices throughout three campuses and multiple workforce development centers. These systems support and enhance the College's mission, its instructional programs, and student services including counseling, admissions, registration, etc. They also meet administrative computing requirements for finance, human resources, institutional advancement, workforce development and continuing education, and are implemented in accordance with collegewide strategic planning efforts. The Office of Information Technology (OIT) determines and recommends the hardware, software, and services to be purchased. Four technical staff positions are funded by this project.

PROJECT JUSTIFICATION

To meet current and projected needs, and to remain current with changing technical standards and expectations for data, video, and voice communications, the College plans and installs IT, telecommunications, audio/visual, and instructional systems at each campus, the central administration building, and all remote instructional sites. The new systems allow replacement of legacy systems for data and video applications; provide for updated networking capabilities; provide necessary security and monitoring capabilities; establish learning centers in classrooms, labs, and for distributed instruction; and allow expanded opportunities for linking with external information technology services. State-of-the-market hardware and software capabilities and cloud services are required to attract and serve students, faculty and staff, as well as to serve the business community by upgrading work force technology skills and providing a base for continued economic development in the county. Information technology directly enables the College's mission and is used to facilitate student success; to effectively and efficiently operate the College; and to support the College's growth, development, and community initiatives.

OTHER

FY19 Appropriation: \$5,877,000 (Current Revenue: General). FY20 Appropriation: \$8,500,000 (Current Revenue: General). The following fund transfers have been made from this project: \$1,300,000 to the Takoma Park Campus Expansion project (CIP No. P996662) (BOT Resol. #07-01-005, 1/16/2007); \$300,000 to the Student Learning Support Systems project (CIP No. P076617); and \$2,500,000 to the Network Operating Center project (#P076618)(BOT Resol. #12-06-037, 6/11/12). The following fund transfers have been made to this project: \$111,000 from the Planning, Design and Construction project (CIP No. P906605), and \$25,000 from the Facilities Planning: College project (CIP No. P886886) to this project (BOT Resol. #91-56, 5/20/1991); the project appropriation was reduced by \$559,000 in FY92. The FY18 Savings Plan reduced FY18 funding and expenditures by \$1,900,000 in Current Revenue: General. FY19 reduction of \$723,000 is due to County affordability constraints.

DISCLOSURES

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