



Proposed Fiscal Year 2019 Operating Budget

Board of Trustees
Montgomery College
December 11, 2017

Presentation Overview

- **Commitment to Affordable, High Quality Postsecondary Education**
- ***Montgomery College 2020 Strategic Plan and Budget Priorities***
- **Enrollment Trends**
- **FY19 Proposed Budget Plan, Current Fund and Other Funds, and Summary of Appropriation Request**
- **Timeline for Budget Approvals**

Commitment to Affordable, High Quality Postsecondary Education

- **This year the College is requesting a total appropriation amount of \$314,209,608 (all funds), which is a 0.07 percent increase over last year.**
- **The College educates over 56,000 students who will meet the county's need for a dynamic workforce and a vibrant local economy.**
- **We retain our award-winning faculty who teach our students, and our staff who prepare and support students for transfers and careers.**
- **We offer equity and access to education in a diverse community to create linkages to workforce opportunities and economic growth.**

Montgomery College 2020 Strategic Plan and the Budget Priorities

**Adopted a broader narrative for the future:
*Student Equity in Success***

- **Continued with and adopted new initiatives that create equity in student success**
- **Maximized the use of existing resources using greater fund balance**
- **Kept tuition affordable with a suggested 2.9% increase**
- **Funded our faculty and staff compensation with sustainability in mind**

Data Drives Decisions: Enrollment Is Key

- Annual process to analyze and project enrollment and understand the expected student population
- Operations and fiscal responsibility
 - Set tuition rates
 - Maximize existing resources
 - Classroom and personnel utilization
 - Target spending for student success
 - Academic Master Plan: retention strategies
 - Student Affairs Master Plan: strategies to recruit today's students

Enrollment Trends: How Does MC Compare?

	Fall 2016*	Fall 2015*
All College Enrollment, Nationwide	-1.4%	-1.7%
2-year Public College Enrollment, Nationwide	-2.6%	-2.9%
MD Community Colleges	-3.9%	-2.6%
4-year Public College Enrollment, Nationwide	+0.2%	+0.8%

**Change from previous fall term*

Enrollment Trends: How Does MC Compare?

Fall 2017 Enrollment

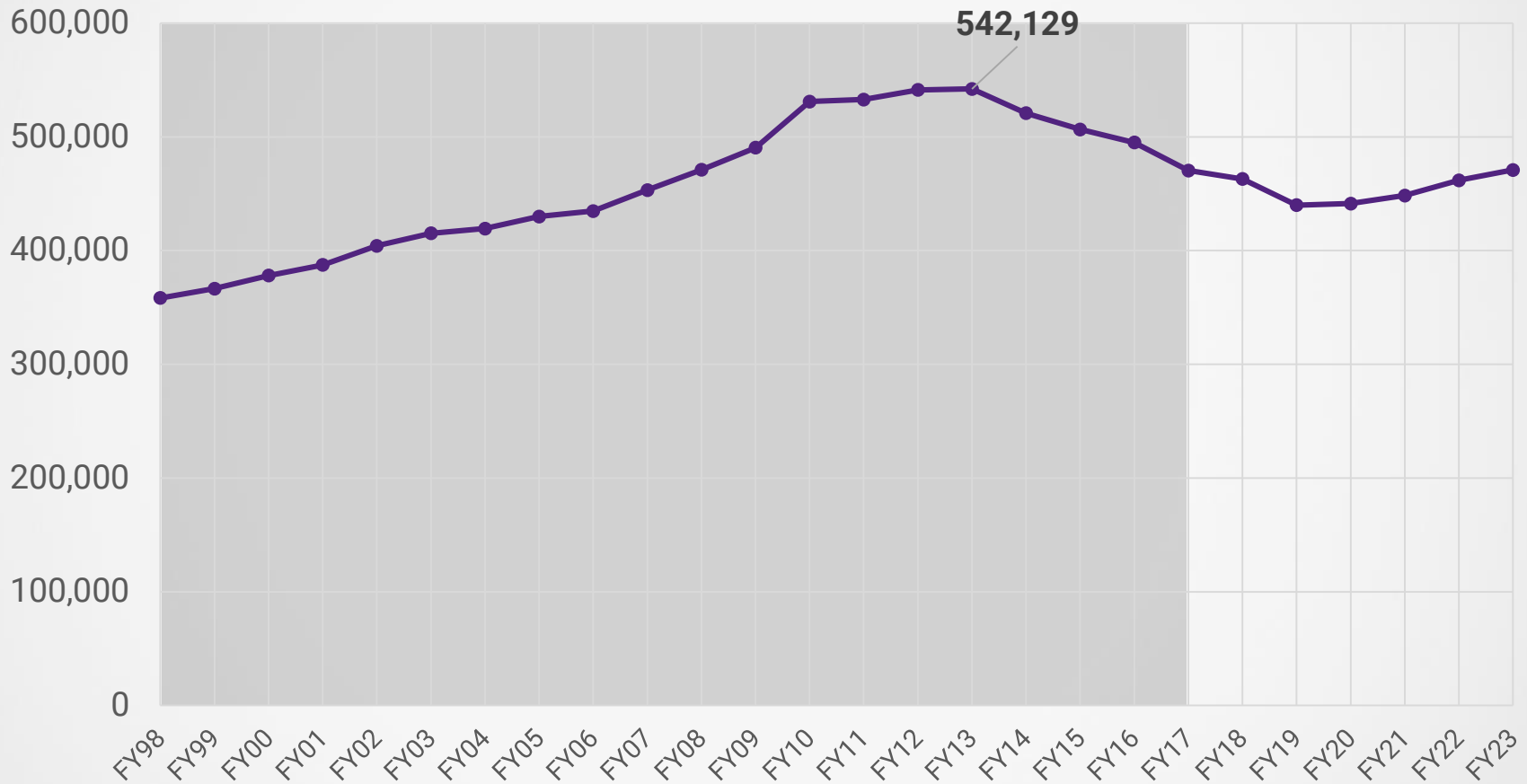
Compared to fall 2016

▪ Anne Arundel Community College	-4.0%
▪ Carroll County Community College	-11.3%
▪ Community College of Baltimore County	-8.6%
▪ Frederick Community College	-0.5%
▪ Howard County Community College	-0.2%
▪ Prince George's Community College	-2.2%
▪ Montgomery College	-4.4%

Only two community colleges increased enrollment in fall 2017 compared to fall 2016: Chesapeake CC (+3.3%, 70 students) and Wor-Wic CC (+0.3%, 15 students).

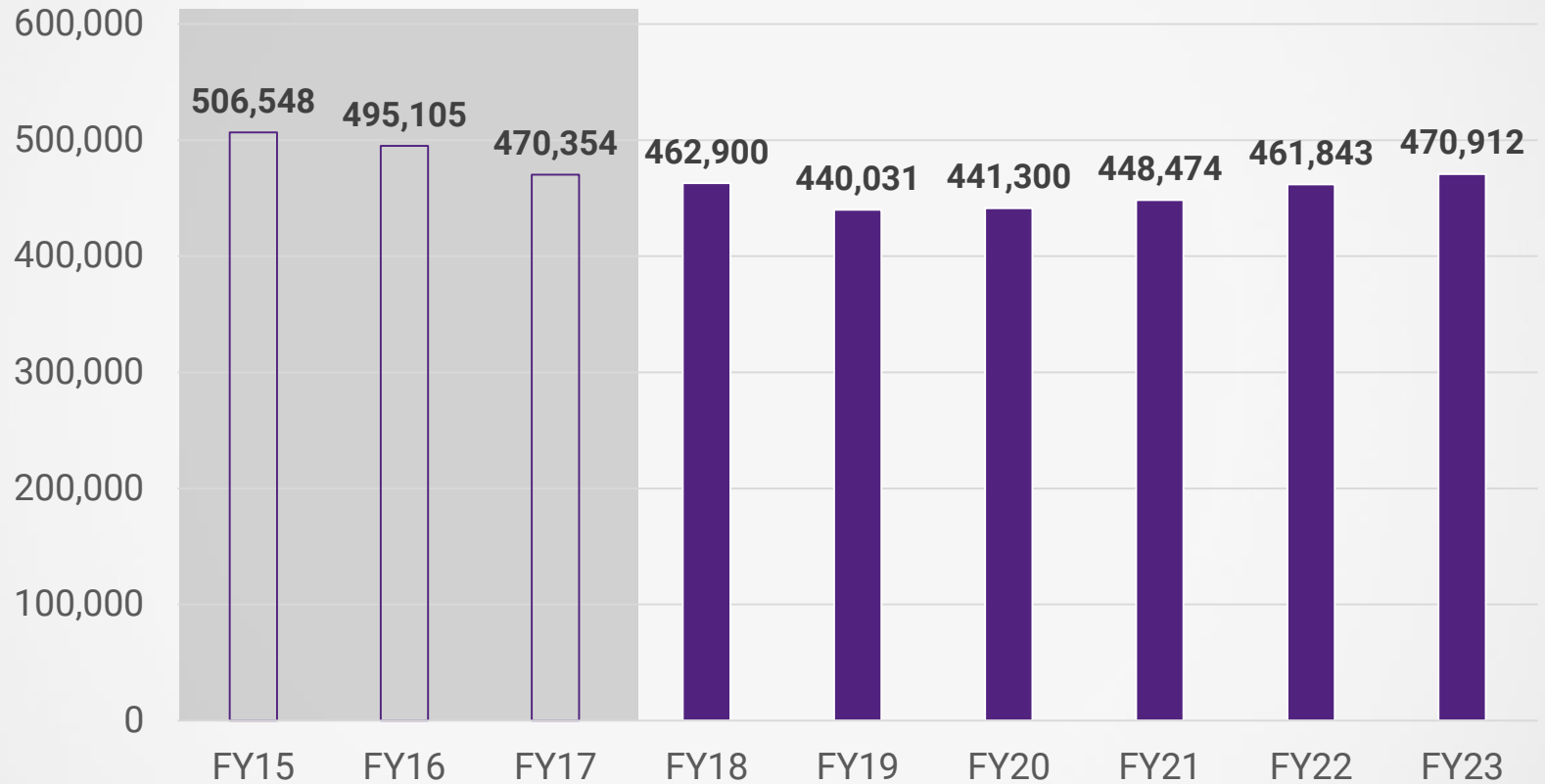
Annual Credit-Hour Enrollment

Actual & Projected



Annual Credit-Hour Enrollment

Actual & Projected



The FY19 Proposed Budget Plan

Initiatives for Student Success in Equity

- **Commitment to Our Employees!**
 - Address sustainable collective bargaining plans
 - Keep campuses safe and secure
- **Student Success!**
 - Grow Achieving the Promise Academy
 - Expand Middle/Early College Program
- **Workforce Development!**
 - Connect students with careers and outreach to businesses
- **Equity, Outreach, and Community Engagement!**
 - Engage community and advocate for why students should attend MC

Montgomery College 2020: Aligning the Budget

- **Educational Excellence: \$5.3 million**
 - Sustainable compensation model

- **Access, Affordability and Success: \$1.267 million**
 - Achieving the Promise Academy- 1 FTE
 - Scholarships
 - Marketing – Engage the High Schools
 - Early College – 2 FTE

- **Economic Development: \$300,000**
 - Career Navigators (Pilot)
 - Business Outreach/Development – 1 FTE

Montgomery College 2020: Aligning the Budget

- **Community Engagement: \$160,000**
 - Mobile community engagement – 2 FTE
- **Assessment and Institutional Effectiveness: \$421,000**
 - County self insurance
 - Security enhancement – 2 FTE
- **Fiscal Prudence: (\$3.706 million)**
 - Reductions to base budget

Total Budget Change from FY18 to FY19: \$3.742 million (and 8 FTE)

FY19 PROPOSED REQUEST

Operating Budget: \$265.8M

	FY18 Budget	FY19 Budget	Change	Change %
SOURCES OF FUNDS				
County Contribution	139,333,727	146,133,727	6,800,000	4.65%
Tuition & Tuition-Related	79,073,170	76,892,107	(2,181,063)	-2.84%
Other Student Fees	1,346,287	1,294,428	(51,859)	-4.01%
State Aid	35,794,377	35,411,095	(383,282)	-1.08%
Fed, State & Priv. Gifts & Grants	325,000	325,000	-	0.00%
Other Revenues	1,749,000	1,749,000	-	0.00%
Use of Fund Balance	2,559,470	3,100,000	540,530	17.44%
Non- Mandatory Transfer	1,828,345	846,000	(982,345)	-116.12%
TOTAL SOURCES OF FUNDS	262,009,376	265,751,357	3,741,981	1.43%
EXPENDITURES BY PROGRAM				
Instruction	89,711,109	92,302,862	2,591,753	2.89%
Academic Support	43,002,765	43,883,437	880,672	2.05%
Student Services	33,105,457	33,170,271	64,814	0.20%
Op. & Maint. of Plant	43,765,655	44,161,781	396,126	0.91%
Institutional Support	46,816,992	46,668,608	(148,384)	-0.32%
Scholarship	5,607,398	5,564,398	(43,000)	-0.77%
	262,009,376	265,751,357	3,741,981	1.43%

FY19 Proposed Current Fund Budget: Revenue Assumptions

- **County Contribution:** requests \$6.8 million
- **Fund Balance Use:** assumes \$540,000 more than last year
- **Tuition:** proposes 2.9% increase (\$4/\$8/\$12) → **\$2.233 million** less than FY18
- **State Aid:** projects **\$383,000** less than last year
- **Other Revenue:** projects **\$982,000** less than last year

TOTAL CHANGE \$3.742 million

FY19 Proposed Current Fund Budget: Expenditure Assumptions

- **Compensation:** \$5.3 million
 - Comparable to prior years
 - Reflects new compensation model
 - Contingent on negotiated agreements
- **President's Initiatives:** \$1.78 million
- **Scholarships:** \$107,000
- **Self Insurance:** \$261,000
- **Reductions to base budget:** **\$3.706 million**

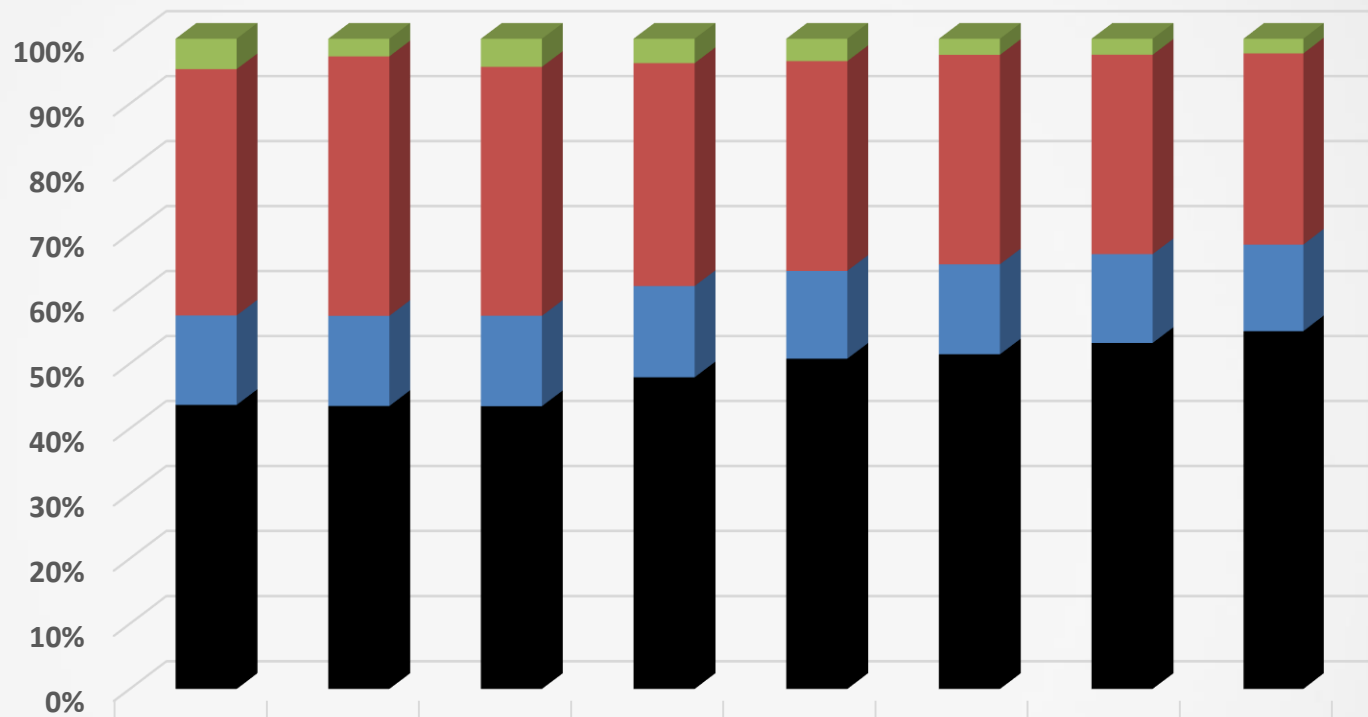
TOTAL CHANGE \$3.742 million

Proposed Current Fund Budget: FY18 to FY19

- **Total Budget Change:** \$3.742 million
- **Budgeted Positions Change (all staff):** 1,802 to 1,810
- **Current Fund Change:** 1.43 percent increase

Current Fund Sources of Revenue Percentages

% of Total Revenue



	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19*
Fund Balance & Other	5%	3%	4%	4%	3%	2%	2%	2%
Tuition & Fees	38%	40%	38%	34%	32%	32%	31%	29%
State Support	14%	14%	14%	14%	14%	14%	14%	13%
County Support	44%	43%	43%	48%	51%	51%	53%	55%

Other Funds: Initiatives and Budgets

Workforce Development & Continuing Education Fund

- **New program initiatives**
 - Center for Training Excellence (Expanded MK Building training rooms)
 - Building Automation Certification (New program in GITE)
 - Continuation/expansion of grant projects

- **Expanded programming**
 - Cybersecurity and other technology certificates
 - Youth and Academic Test Prep Tutoring Programming

Other Funds: Initiatives and Budgets

Cable TV Fund

■ Expanded access

- Secure a full time HD cable channel on Comcast (currently share with MCPS)
- Support compliance goals in captioning all on-air and web viewing locally produced programs
- Support community engagement goals by increasing multicultural and foreign language programming in the six most common languages used in the county
- Expand MCTV presence further into collegewide digital signage network with 4K video

■ Expanded programming

- Assist MC in telling the story of MC students and alumni impact on county and state economic development
- Increase number/hours of live and high definition programs
- Support student recruitment through producing a series of high-end marketing and advertising TV commercials, digital and web videos as well as digital radio ads promoting MC and MC's top programs of study

Other Funds: Initiatives and Budgets

Auxiliary Fund

- Follett bookstore commission supporting current fund
- Assessment of food services
- Introduction of athletic camps

Transportation Fund

- No increase in transportation fee for students and employees
- Funding parking lot resurfacing – Year 2 of 3 (capital project*)

Major Facility Reserve Fund

- Funding PE renovations and turf field at Rockville Year 2 (capital project*)
- Proposed increase in major facility reserve fee from \$5 to \$7

**Appropriation request is in the capital budget*

Total FY19 Budget: All Operating Funds

COMBINED COLLEGE SUMMARY BY FUND

	FY18 Budget	FY19 Budget	Change	Change %
Current Fund	262,009,376	265,751,357	3,741,981	1.43%
Workforce Development and Continuing Education	17,784,950	17,677,384	(107,566)	-0.60%
Auxiliary Services	1,638,620	1,610,000	(28,620)	-1.75%
Cable Television	1,683,725	1,726,867	43,142	2.56%
Emergency, Plant, Maintenance and Repair Fund	350,000	350,000	-	0.00%
Transportation Fund*	4,100,000	4,200,000	100,000	2.44%
50th Anniversary Endowment Fund	263,000	263,000	-	0.00%
Major Facilities Reserve Fund	3,500,000	3,000,000	(500,000)	-14.29%
Grants and Contracts	22,644,655	19,631,000	(3,013,655)	-13.31%
	\$313,974,326	\$314,209,608	\$235,282	0.07%

Summary of FY19 Budget Request

- **The College's FY19 Budget Plan continues our commitment to affordability and postsecondary education**
- **Total budget appropriation request is \$314,209,608 (0.07% increase)**
- **This budget funds for Student Success in Equity Initiatives**
 - **Commitment to our employees**
 - **Maximize efficiencies/cost containment**
 - **Student success**
 - **Workforce development**
 - **Outreach, access, and community engagement**

Timeline

December 11, 2017	Board of Trustees reviews FY19 operating budget
January 15, 2018	County Executive releases county capital budget
January 24, 2018	Board of Trustees approves FY19 operating budget
March 15, 2018	County Executive releases county operating budget
April 23, 2018	Board of Trustees approves FY19 tuition and fees
April/May 2018	County Council sessions on MC budget
May 2018	County Council approves county budget
June 25, 2018	Board of Trustees adopts final FY19 budget

