

Legislative Budget Analysis
Proposed FY 2023 Operating and Capital Budgets
Office of the County Auditor
Baltimore County, Maryland
HEARING DATE: May 12, 2022



Community College of Baltimore County

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Questions to Department Sent	Tuesday, April 19
Responses Received	Tuesday, May 3

BALTIMORE COUNTY
FISCAL YEAR 2023 BUDGET ANALYSIS

COMMUNITY COLLEGE OF BALTIMORE COUNTY (033)

BUDGET SUMMARY
\$ in Thousands

	GENERAL	SPECIAL	TOTAL	% Change Prior Year
PROPOSED CHANGE				
FY 2022 - 2023 Change	\$ 4,787.2	\$ 34,316.3	\$ 39,103.5	15.2%
BUDGET TRENDS				
FY 2021 Actual	\$ 68,642.6 ⁽¹⁾	\$ 207,968.2	\$ 276,610.8 ⁽²⁾	
FY 2022 Approp.	73,200.2	184,365.7	257,565.9	-6.9%
FY 2023 Request	77,987.4	218,682.0	296,669.4	15.2%
FY 2023 Budget Analysis	77,987.4	218,682.0	296,669.4	15.2%
POTENTIAL REDUCTIONS	TBD	\$ -	TBD	

⁽¹⁾ Reflects County General Funds provided to CCBC.

⁽²⁾ FY 2021 General Fund and Special Fund actual split adjusted for actual spending not reflected in Executive's budget documents.

PERSONNEL

	ALL FUNDS
	FULL-TIME EQUIVALENT (FTE) POSITIONS

PROPOSED CHANGE	
FY 2022 - 2023 Change	34
BUDGET TRENDS	
FY 2021 Actual	1,695
FY 2022 Approp.	1,640
FY 2023 Request	1,674
FY 2023 Budget Analysis	1,674
POTENTIAL REDUCTIONS	0

VACANCY DATA

Positions Vacant as of April 19, 2022*	253
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FY 2023 ENROLLMENT PROJECTIONS*

<u>FTE</u>	
Credit	10,200
Non-Credit	4,322
Total	<u>14,522</u>

*Provided by CCBC.

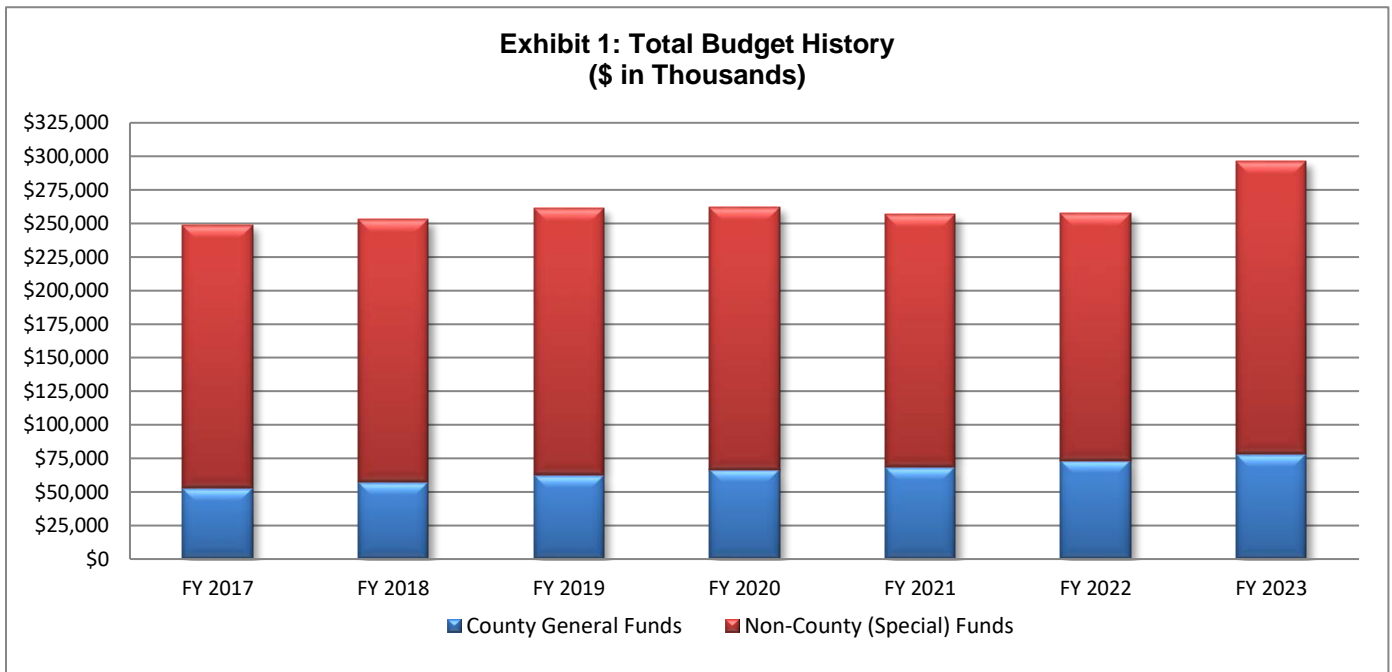
COMMUNITY COLLEGE OF BALTIMORE COUNTY (033)

BUDGET SUMMARY:

The County's proposed FY 2023 budget for the Community College of Baltimore County (CCBC) totals \$296.7 million, an increase of \$39.1 million, or 15.2%, over the FY 2022 budget as adopted. (Note: The Administration will submit a resolution for the Council's June 6, 2022 agenda to authorize the expenditure of an additional \$22.3 million in FY 2022 non-County funds related to COVID-19 grant funding.) The County's proposed General Fund budget for CCBC totals \$78.0 million, an increase of \$4.8 million, or 6.5%, primarily due to personnel expenses for existing staff, including COLAs (the 3% FY 2023 COLA effective January 1, 2023 and a full year of funding for the 2% FY 2022 COLA effective January 1, 2022), and salary steps and increments. The Special Fund portion of the budget (comprised of non-County funds) totals \$218.7 million, an increase of \$34.3 million, or 18.6%, primarily attributable to American Rescue Plan Act funding, fully-funded State aid via the Cade funding formula, and anticipated additional federal direct lending (for students) due to higher projected enrollment. FY 2023 enrollment is projected to total 14,522 FTE, an increase of 445 FTE over FY 2022 budgeted enrollment; the enrollment increase results in higher revenue from tuition and fees and an associated increase in adjunct faculty expense.

The proposed level of County support exceeds the State-mandated maintenance of effort (MOE) requirement by \$4.9 million (see Appendix C). FY 2023 direct State aid totals \$61.6 million, an increase of \$12.8 million. Any reduction of more than \$4.9 million to CCBC's operating budget would result in a loss of \$12.8 million in State aid. Additionally, the proposed budget relies on the use of approximately \$884,084, the full amount of CCBC's fund balance as of June 30, 2021, excluding the Rainy Day fund.

See Exhibits 1-4 for additional detail.



COMMUNITY COLLEGE OF BALTIMORE COUNTY (033)

Exhibit 2a: Total FY 2023 Expenditures

\$296,669

(\$ in Thousands)

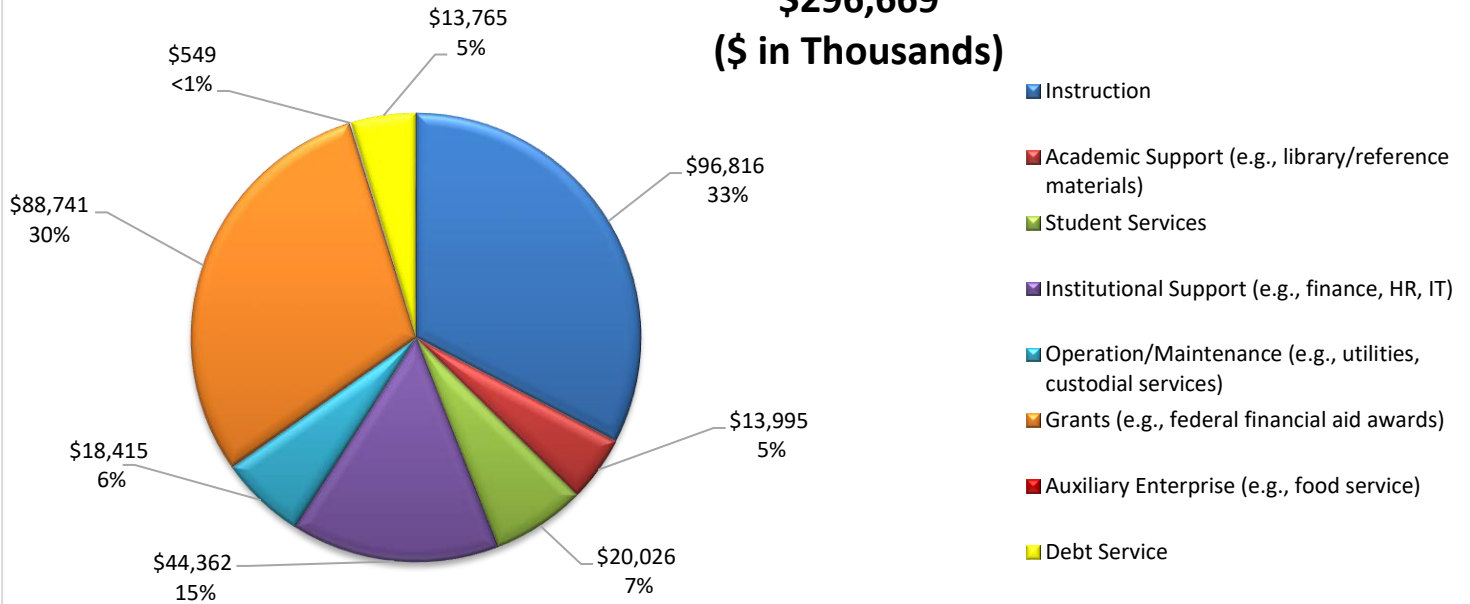
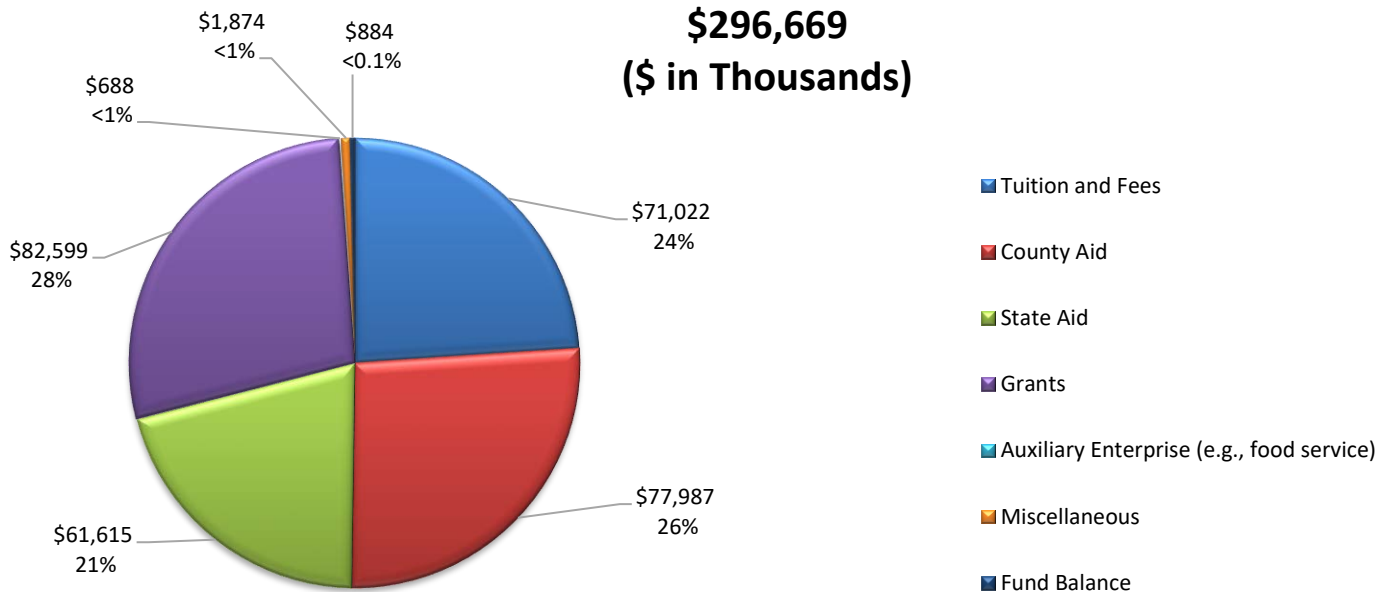


Exhibit 2b: Total FY 2023 Revenues

\$296,669

(\$ in Thousands)



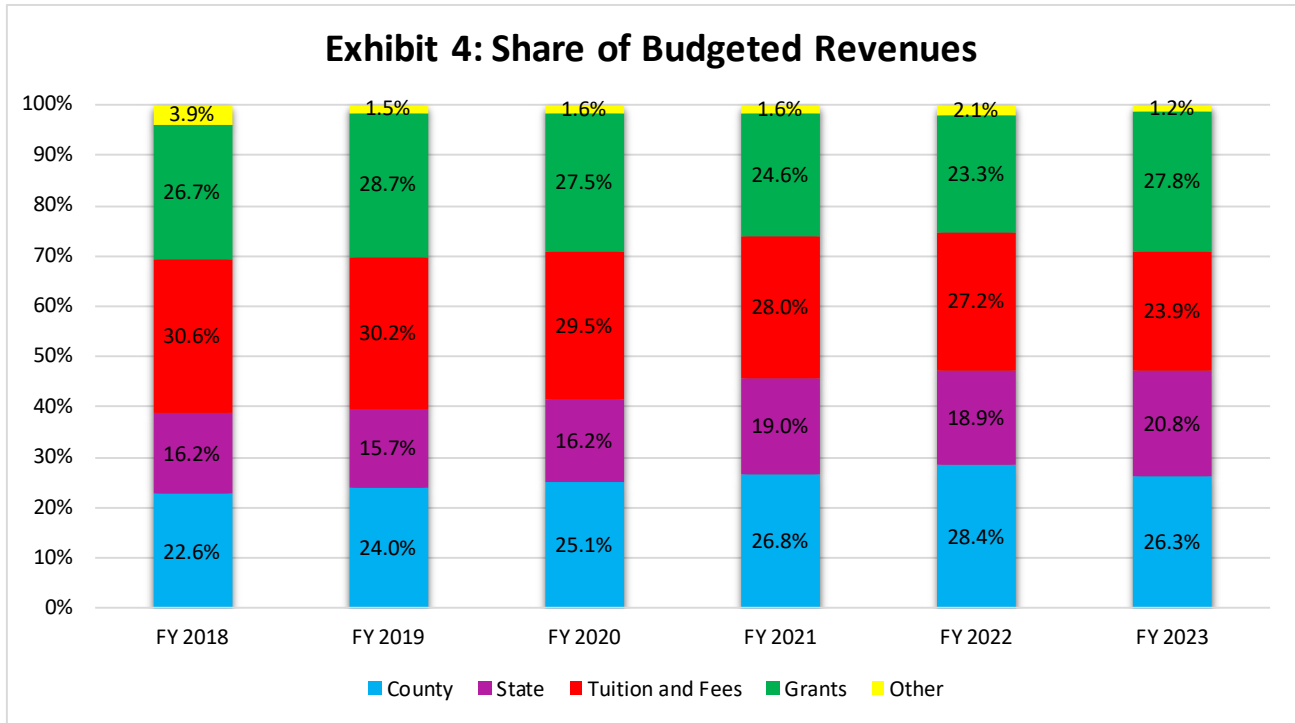
Note: percentages may not foot due to rounding.

COMMUNITY COLLEGE OF BALTIMORE COUNTY (033)

Exhibit 3 FY 2023 Proposed Budget (\$ in 000's)					
How Much it Grows:	General Fund (excl. Debt Svc.)	Debt Svc.	Total General Fund	Special Fund	Total
2022 Appropriation	\$ 59,277	\$ 13,923	\$ 73,200	\$ 184,366	\$ 257,566
2023 Request	64,222	13,765	77,987	218,682	296,669
\$ Increase/(Decrease)	\$ 4,945	\$ (158)	\$ 4,787	\$ 34,316	\$ 39,103
% Increase/(Decrease)	8.3%	-1.1%	6.5%	18.6%	15.2%
Where it Goes:					
Personnel Expenses:					\$ 10,034
Increments and Longevities				2,279	
FY 2023 3% COLA (effective January 1, 2023)				2,020	
Additional 15 Positions in Growth Areas (e.g., Online, Veterans, ECAP, Designated Academic Programs)				1,600	
Estimated assumption of remainder of FY 2022 2% COLA (effective January 1, 2022)				1,408	
Elimination of Strategic Alignment Target (Turnover Savings Decrease from 3.0% to 2.0%)				957	
Part-time faculty hours (CCBC online and incremental requests to address vacancies and initiatives)				816	
Part-time faculty hours (increased enrollment)				529	
Other Salary Adjustments				425	
Personnel-Related Expenses:					943
OPEB Contribution				1,700	
Social Security (FICA)				682	
Employee Development				200	
Unemployment Insurance				100	
Workers' Compensation				(18)	
Health Insurance (i.e., medical, dental, vision)				(1,704)	
Retirement (including State retirement administration fee)				(17)	
Operating Expenses:					5,051
Equipment (e.g., Essex theater lighting, planetarium software upgrade, information technology upgrades, etc.)				2,839	
Office and Administrative Supplies				881	
Service Contracts (e.g., janitorial services at Owings Mills Center)				821	
Advertising (i.e., CCBC Online expansion, student and personnel recruitment)				623	
Professional Services				389	
Facilities Rental				(469)	
Other Changes				(33)	
Restricted Grant Expenses (Special Revenue Fund):					23,234
COVID-19 Relief Grants (e.g., HEERF, Title III)				17,949	
Title IV Awards - Pell Grants				4,000	
Direct Federal Awards (e.g., DOL Apprenticeship Grants, HRSA Opioid Implementation)				526	
CCBC Foundation Grants				500	
Early College High Schools - P-TECH				272	
Early College High School - Woodlawn				(144)	
College Promise Program Year 5				(700)	
Other Changes				831	
Enterprise Fund:					
Auxiliary Enterprise (Food services):					(1)
Capital-Related Expenses:					
Debt Service					(158)
Total:					\$ 39,103

COMMUNITY COLLEGE OF BALTIMORE COUNTY (033)

Exhibit 4 displays the composition of CCBC's budgeted revenues from FY 2018 through FY 2023.



POTENTIAL BUDGET REDUCTIONS:

The proposed FY 2023 budget for CCBC includes County funding of \$78.0 million, which exceeds the State's maintenance of effort (MOE) requirement by \$4.9 million. As noted, in order for CCBC to receive the full amount of an increase in State aid (\$12.8 million for CCBC in FY 2023), the local government must appropriate local funds to its community college's operating budget in an amount level to, or greater than, the prior year's funding (excluding debt service). Committing funds for ongoing expenses above the MOE level represents a binding funding commitment; once the Council appropriates such funds, the County is unable to "pull back" its spending authorization. The \$4.9 million over-MOE amount approximates the total of CCBC increments/longevities and COLA amounts; however, the proposed budget also includes a State aid increase of \$12.8 million (or 26.3%) that could be utilized to fund these personnel costs. Instead, CCBC plans to utilize its State aid increase for the following new initiatives, totaling \$11.8 million:

- \$4.4 million in contingency funds, to prevent against expense reductions should enrollment growth not materialize as suggested;

COMMUNITY COLLEGE OF BALTIMORE COUNTY (033)

- \$2.5 million for a website upgrade, theater lighting improvements, planetarium improvements, additional part-time staffing in student services and student support and instructions, and facilities equipment upgrades;
- \$1.8 million in information technology upgrades and computer replacements;
- \$1.6 million for 15 additional full-time positions in identified growth areas (11 of these positions have not yet been allocated to a specific growth area); and
- \$1.5 million for expansion of CCBC Online.

CCBC advised that it plans to utilize the remaining \$1.0 million in additional State aid for “general operations” costs, including equipment maintenance, instructional supplies, membership dues, and vehicle and equipment replacements. As of April 19, 2022, CCBC had 253 vacant positions (out of 1,640 authorized FTEs), with associated FY 2022 budgeted salaries totaling \$15.6 million (less budgeted turnover savings totaling \$2.6 million). Also, the proposed FY 2023 budget utilizes \$18.3 million in yet-unallocated federal stimulus funding, which CCBC advised it will use for the following purposes: student awards and stimulus payments (\$15.2 million); revenue replacement (\$1.9 million); salaries for contact tracing, safety and testing monitors, employee vaccine incentives, and supplemental pay (\$900,000); tests and testing supplies (\$100,000); and personal protective equipment (\$100,000). To the extent that the Council deems less funding than proposed to be necessary for any of these purposes, budget reductions would be viable up to the \$4.9 million above-MOE amount.

TOPICS FOR DISCUSSION:

1. COVID-19 Stimulus Funding

CCBC has received \$70.6 million in Higher Education Emergency Relief Fund (HEERF) stimulus funding during the COVID-19 pandemic, which must be expended by June 30, 2023. (HEERF funding was derived from the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and the American Rescue Plan (ARP) Act stimulus legislative bills.) The proposed FY 2023 budget includes the remaining \$18.3 million in unallocated HEERF funding, which CCBC advised it will use for the following purposes: student awards and stimulus payments (\$15.2 million); revenue replacement (\$1.9 million); salaries for contact tracing, safety and testing monitors, employee

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vaccine incentives, and supplemental pay (\$900,000); tests and testing supplies (\$100,000); and personal protective equipment (\$100,000).

CCBC advised that it expects to use a majority of budgeted FY 2022 stimulus funds for revenue replacement (44.3%) and for funds provided directly to students in the form of awards and stimulus payments (42.6%). Expenditures of federal stimulus funds for FY 2020 through FY 2022 (projected) are reflected in **Exhibit 5**.

Exhibit 5

	Prior-year Expenditures	FY 2022 Projection	Total
Revenue Replacement	\$ 15,123,406	\$ 9,221,491	\$ 24,344,897
Student Awards and Stimulus Payments	12,213,584	8,881,411	21,094,995
Salaries for Contact Tracing, Safety and Testing Monitors, Employee Vaccine Incentives and Supplemental Pay	1,938,954	1,043,798	2,982,752
Information Technology Enhancements	989,204	200,548	1,189,752
Air Purifiers and Filters	103,341	736,122	839,463
Personal Protective Equipment	710,231	109,988	820,219
Student Travel	247,994	278,272	526,266
Student Vaccine Incentives	6,973	257,683	264,656
Student Laptops and Webcams	168,936	35,000	203,936
Tests and Testing Supplies	-	64,412	64,412
	<u>\$ 31,502,623</u>	<u>\$ 20,828,725</u>	<u>\$ 52,331,348</u>

In addition, in FY 2021, CCBC received \$4.1 million in State of Maryland stimulus funding and expended the funds as follows:

COMMUNITY COLLEGE OF BALTIMORE COUNTY (033)

- \$2.6 million – Maryland Governor’s Emergency Education Relief (GEER) Fund: To support students’ tuition for short-term credential workforce development programs including nursing, welding, commercial driver’s license (CDL), and cyber security.
- \$1.5 million – Maryland Recovery for the Economy, Livelihoods, Industries, Entrepreneurs, and Families (RELIEF) Fund: To provide direct aid to students enrolled in spring 2021 credit or continuing education workforce development programs.

CCBC should be prepared to discuss:

- ***The amounts of individual stimulus payments, how students qualify for them, and any restrictions on their use;***
- ***The number of students to date who have received awards and stimulus payments, the number expected to receive funding in FY 2023, and the impact of this funding on enrollment;***
- ***How funds allocated for “revenue replacement” are utilized; and***
- ***Its strategic approach and operational plans for maintaining the health and safety of the campus community.***

2. Enhanced State Aid

Maryland’s FY 2023 budget fully funds the Senator John R. Cade funding formula, providing CCBC with an additional \$12,819,253, or 26.3%, in State aid in FY 2023, for a total of \$61.6 million. The Cade funding formula became law in 1996; however, historically, the State has not fully funded it. The formula requires that by FY 2023, the State should provide a per-student amount for community college students which is at least 29% of the per-student amount that it provides to students at 4-year public institutions of higher education. CCBC advised that it intends to expend the additional \$12.8 million as follows:

- \$4.4 million – contingency for enrollment action targets: CCBC advised that as part of its “Enrollment Growth Battle Plan,” it budgeted for an additional 1,000 credit FTE in targeted initiative enrollments including CCBC Online, Veterans and Military Affiliated Enrollment, Early College Access Programs (ECAP), Dual Admission and Transfer Partnerships, and expansion of short-term credentials. This funding provides a contingency to forestall any specific expense reductions should enrollment fall short of these targets. CCBC advised that should it meet its enrollment target, it would use the contingency funding to ensure

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continued growth by supporting delayed investments including enrollment growth, technology infrastructure, and program growth.

- \$2.5 million – incremental budget requests: Typically, CCBC includes a list of “tier requests” (i.e., additional projects or initiatives it would like to fund should additional funding be made available) with its proposed budget submitted to the County. Funds will be used for prior-year, unfunded tier requests including a website upgrade, theater lighting improvements, planetarium improvements, additional part-time staffing in student services and student support and instructions, and facilities equipment upgrades.
- \$1.8 million – information technology upgrades and computer replacements: CCBC advised that funding will address delayed computer replacements, which had moved to a longer replacement cycle and will provide investments in a website redesign.
- \$1.6 million – 15 additional full-time positions in identified growth areas (e.g., CCBC Online, Veterans, ECAP): CCBC advised that it has allocated three positions to cyber security instruction and one to ECAP; it plans to allocate remaining positions during FY 2023.
- \$1.5 million – expansion of CCBC Online: Funding will support investments in the expansion of CCBC Online as online enrollment grows.
- \$1.0 million – general operations costs: Funding will support equipment maintenance, instructional supplies, mandatory membership dues, and vehicle and equipment replacements.

CCBC should be prepared to discuss:

- ***Its plans for allocating the \$4.4 million in contingency funding should enrollment targets be met in an effort to maximize value to students and operations;***
- ***Its plans for allocating the remaining 12 full-time positions designated for growth areas;***
- ***Its plans for future expansion of CCBC Online and the associated funding needs; and***
- ***Its expectations for the continued funding of the Cade formula, and contingency plans in the event full future funding does not materialize.***

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3. Vacancies

As of April 19, 2022, CCBC had 253 vacant positions (out of 1,640 authorized FTEs), with associated FY 2022 budgeted salaries totaling \$15,607,477. CCBC advised that the current vacancy level is the result of fiscal prudence due to the COVID-19 pandemic, compounded by effects of the nationwide “Great Resignation.” The Executive’s proposed FY 2023 budget includes \$2,577,288 for turnover, or 2.0% of budgeted salaries, \$957,000 less than the amount included in the FY 2022 Adopted Budget, which reflected 3.0% of budgeted salaries. The reduction in turnover is derived from the inclusion of \$957,000 in the FY 2023 proposed budget for the elimination of the “Strategic Alignment Target;” CCBC previously advised that the Strategic Alignment Target was implemented in FY 2018 to allow for flexibility of vacant full-time positions to be reallocated or reserved while CCBC conducted a strategic college-wide evaluation of operations in terms of mission-centricity, economic and enrollment stabilization initiatives, and departmental reorganization. According to CCBC, this target was reduced by half in FY 2022, and the proposed budget eliminates the target completely in FY 2023.

CCBC advised that it plans to fill as many vacancies as possible, as quickly as possible, with a return to a normal level of turnover by the end of FY 2023. To boost hiring, CCBC advised that it hired two additional recruiters to work with the two full-time recruiters already on-staff, and has developed a strategic approach focusing on advertising, sourcing, and diversity. Specifically, CCBC advised that the approach will focus on:

- Streamlining the search process;
- Refreshing advertising to include a national campaign and gaining a greater presence on social media; and
- Sourcing potential recruits at conferences and association meetings, initiating hiring events, and engaging in community outreach.

CCBC should be prepared to discuss:

- ***Steps it will take to ensure a return to a typical level of staffing by the end of FY 2023;***
- ***Whether it makes any efforts to hire its students into its own workforce; and***
- ***Expected impacts on student learning, and plans to mitigate such impacts, should vacancies remain elevated going forward.***

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4. College Promise Program

The College Promise program provides full tuition to eligible County residents who are receiving some sort of financial aid. The proposed FY 2023 budget includes \$1,679,596 for the fifth year of the program, a decrease of \$700,000, from the FY 2022 budget. While the level of County support is equal to the prior year, the County Executive's budget relies upon \$700,000 in HEERF stimulus funds to cover CCBC's FY 2022 College Promise program request of \$2,379,596, resulting in the total FY 2023 budget decrease. In addition, the Executive's proposed FY 2023 appropriation for the program is \$1,192,764 less than the \$2.9 million requested in the CCBC Board of Trustees' Proposed Operating Budget. CCBC advised that it applied \$820,500 in HEERF funds to cover a College Promise program funding shortfall in FY 2021.

CCBC advised that it will continue to use federal stimulus funding should program demand exceed the budgeted appropriation in FY 2023, but it noted its concern about FY 2024, when stimulus funds will no longer be available. CCBC also advised that it anticipates approximately 875 students will receive aid through the program during FY 2023, up from a projected 745 students in FY 2022. This level of aid reflects a significant increase from the first year of the program when 111 students received aid.

CCBC advised that there are no eligibility requirement changes for FY 2023. To be eligible for aid, students have to meet the following qualifications:

- Be a Baltimore County resident;
- Be a recent (within the prior two years) graduate of a public or private high school, or home-schooled or GED-recipient, with a 2.3 GPA or better or a GED test score of 145 or higher;
- Complete a Free Application for Federal Student Aid (FAFSA);
- Have a maximum family adjusted gross income of \$150,000; and
- Enroll at CCBC as a new full-time student.

Students must maintain full-time enrollment and a minimum 2.3 GPA, file a FAFSA each year, and complete their credential within the prescribed timeline for the respective course or program requirement in order to continue receiving aid. CCBC advised that College Promise students have exhibited a higher retention rate and achieved higher GPAs than the general student population. CCBC further advised that 183 students have graduated with a credential since the

COMMUNITY COLLEGE OF BALTIMORE COUNTY (033)

start of the program.

In addition, the State offers scholarships through the Maryland Community College Promise program, which provides free community college tuition to eligible students State-wide. The State program has similar parameters for eligibility, except lowers the income level to \$100,000 for one-parent households and raises the continuing GPA requirement to 2.5. CCBC advised that 187 students were awarded Maryland Community College Promise scholarships in FY 2022.

CCBC should be prepared to discuss:

- ***What contingency plans are in place in case program demand again exceeds budgeted funding;***
- ***Whether any students have been turned away from the program due to funding restrictions;***
- ***If any changes to program eligibility are under consideration;***
- ***How it anticipates the program will be fully funded in the future once federal stimulus funds are no longer available; and***
- ***Other ongoing, programmatic funding within the CCBC budget that is reliant upon one-time revenues (such as stimulus funds), in total, and by program.***

5. Early College High Schools

The proposed FY 2023 budget includes \$1,054,690 for CCBC's three Early College High Schools (ECHS), an increase of \$127,640 over the FY 2022 budget as follows: \$444,791 for the ECHS at Woodlawn High School; \$389,423 for the ECHS – Pathways in Technology (P-TECH) at Dundalk High School; and \$220,476 for the P-TECH at Owings Mills; the FY 2023 budget reflects increases of \$150,716 and \$121,386 for the P-TECH programs at Dundalk and Owings Mills, respectively, and a decrease of \$144,452 for the ECHS at Woodlawn.

ECHS program at Woodlawn High School

In fall 2017, CCBC, in collaboration with BCPS, opened the ECHS program at Woodlawn High School with a first year enrollment of 85 students. The program provides students the opportunity to earn simultaneously a high school diploma and an Associate of Arts degree or up to 60 credits toward a Bachelor's degree tuition-free. BCPS provides transportation (to and from the home school) for students zoned to attend high school in the northwest and southwest areas. In FY

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2022, the freshman cap was lowered to 35 due to low program demand; CCBC projects total enrollment of 277 students in FY 2023, including 29 students that enrolled in the program in fall 2021.

P-TECH at Dundalk High School

In fall 2018, CCBC and BCPS commenced the P-TECH at Dundalk High School, a partnership between CCBC, BCPS, KCI Technologies, and Whiting Turner, with first year enrollment of 48 students. Students are provided an opportunity to earn simultaneously an AAS degree in Engineering Technology and a high school diploma, and engage in a 6-week paid internship with a business partner. In addition, students will have the opportunity to earn potential job placements with the business partner upon graduation. The program begins in the student's freshman year, and the student has up to 6 years to complete the program. CCBC projects total enrollment of 309 students in FY 2023, including 60 students that enrolled in the program in fall 2021.

P-TECH at Owings Mills High School

In fall 2020, CCBC and BCPS commenced the P-TECH at Owings Mills High School, a partnership between CCBC, BCPS, Northrop Grumman, Becton Dickinson, Potomac Photonics, and North American Millwright, with first year enrollment of 30 students. Students are provided an opportunity to earn simultaneously an AAS degree in Design, Fabrication, and Advanced Manufacturing and a high school diploma. Students take only high school classes during their freshman year and begin a college schedule in their sophomore year. CCBC projects total enrollment of 144 students in FY 2023, including 30 students that enrolled in the program in fall 2021.

Other Early College Access Programs

CCBC offers several additional Early College Access Programs (ECAPs) to allow BCPS students the opportunity to earn college credits while still enrolled in high school, including the Tuition-Free Program, Parallel Enrollment Program, and the Diploma-to-Degree Program.

CCBC advised that FY 2021 headcount enrollment in ECAPs totaled 3,084; total participation has steadily increased since FY 2016 when 1,495 students were enrolled. The proposed FY 2023 budget includes a revenue reduction of \$1,071,298 associated with CCBC's provision of 50% tuition waivers for participating students in the ECHS and ECAP programs; BCPS provides funding for the remaining 50% of tuition. (State law requires CCBC to provide at least a 25%

COMMUNITY COLLEGE OF BALTIMORE COUNTY (033)

tuition waiver for ECAPs.)

CCBC previously advised that the onset of the pandemic, and the transition to remote learning, had a significant impact on ECHS and ECAP students; however, all college courses for the ECHS programs returned to in-person learning environments for the 2021/2022 academic year. To help students transition back to an in-person learning environment, CCBC advised that it recruited additional high school monitors for the ECHS programs to visit college courses, help students with technical issues, communicate with instructors, and refer at-risk students to student services for academic intervention. CCBC further advised that there has not been a drastic fluctuation in student retention.

CCBC should be prepared to discuss:

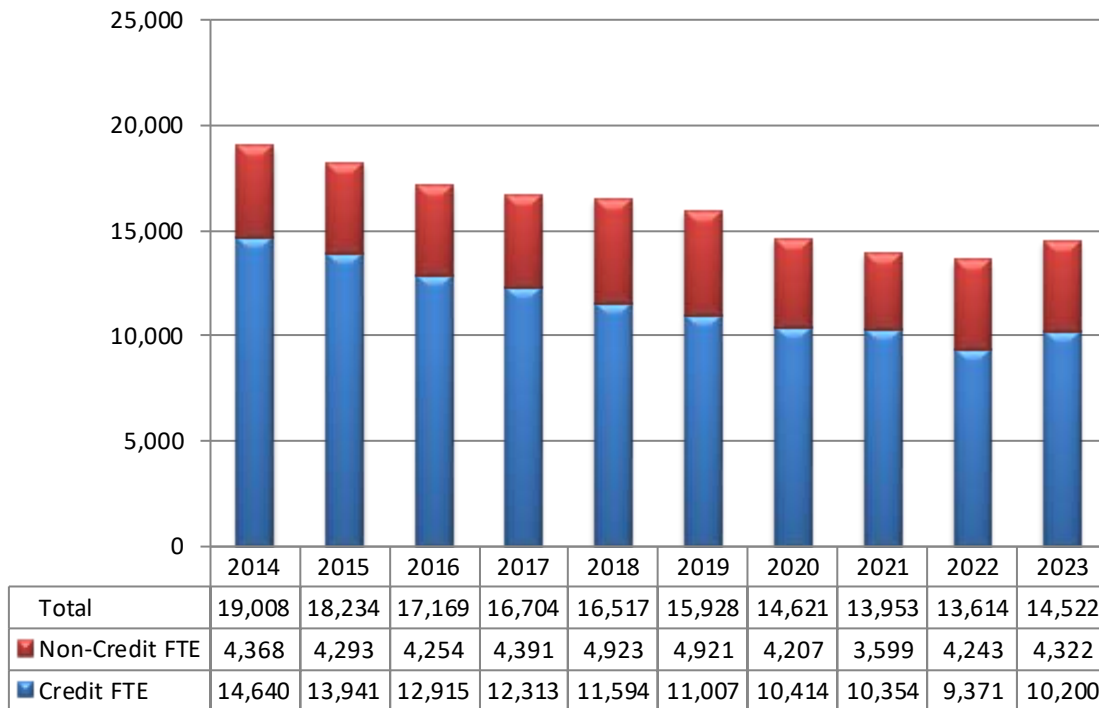
- ***Why enrollment in the ECHS has leveled off and the efforts being made to reach students and encourage participation;***
- ***Whether funding constraints have suppressed or otherwise affected enrollment in ECHS or ECAP programs; and***
- ***Anticipated future growth in enrollment in the ECHS programs and how the schools will be funded going forward.***

6. Enrollment Increase

CCBC projects that FY 2023 enrollment will total 14,522 FTE, including 10,200 credit and 4,322 non-credit FTE. This enrollment level would represent an increase of 445 FTE over the FY 2022 Adopted Budget enrollment projections, and approximately \$571,355 in additional revenue; non-credit enrollment accounts for the majority of the increase, or 320 FTE. The FY 2022 Adopted Budget estimated non-credit enrollment would total 4,002 FTE; CCBC now projects 4,243 FTE (this revision is reflected in the following charts). Credit enrollment, however, underperformed expectations during FY 2022. Credit enrollment was budgeted at 10,075 FTE; CCBC now projects 9,371 FTE. **Exhibit 6** depicts CCBC's **total enrollment** from FY 2014 through FY 2023.

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Exhibit 6: CCBC Total FTE

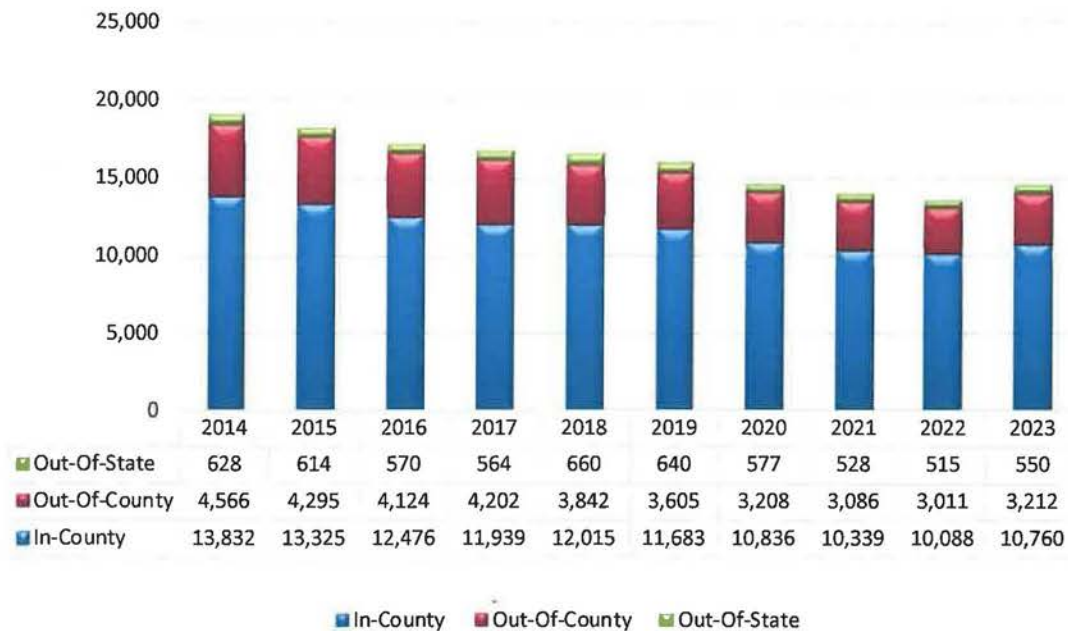


FY 2014 - FY 2021 actual; FY 2022 and FY 2023 are projected.

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CCBC's total enrollment each year typically comprises in-County residents (74%), out-of-County residents (22%), and out-of-state residents (3%). **Exhibit 7** shows the composition of CCBC's total enrollment from FY 2014 through FY 2023 by place of residency.

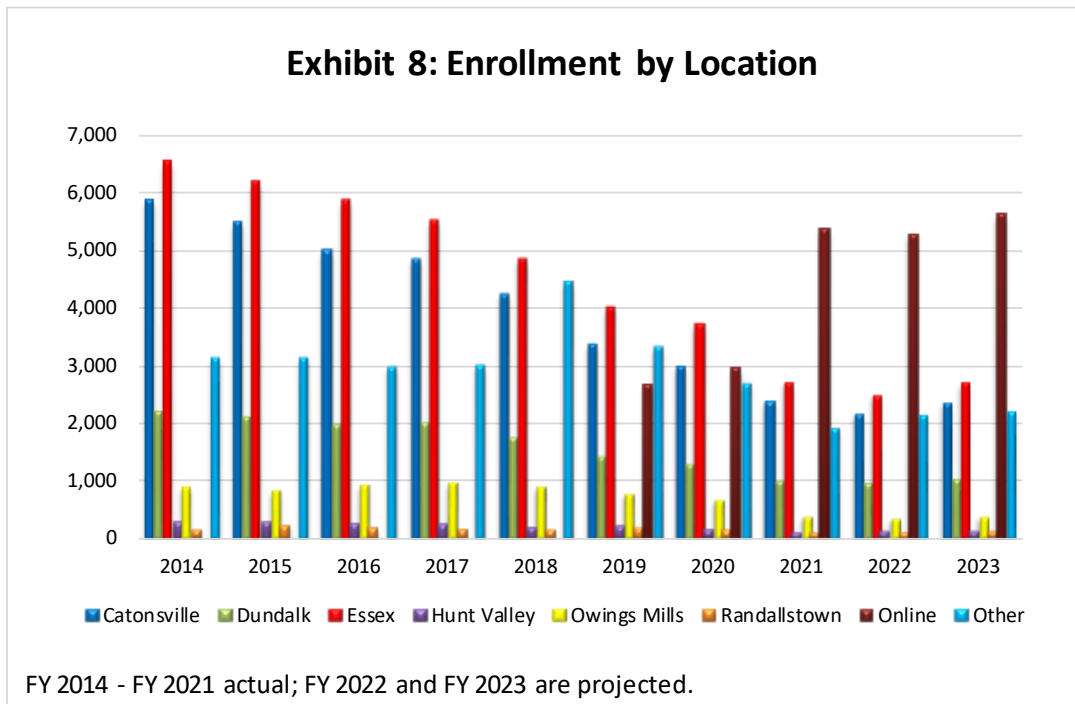
Exhibit 7: CCBC Enrollment by Residency



FY 2014 - FY 2021 actual; FY 2022 and FY 2023 are projected.

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CCBC provides locations across the County, including its three main campuses in Catonsville, Essex, and Dundalk, and three extension centers in Hunt Valley, Owings Mills, and Randallstown. CCBC also offers online course selections. Growth in CCBC Online has accelerated since the onset of the COVID-19 pandemic. **Exhibit 8** shows CCBC's **total enrollment, by location**, from **FY 2014 through FY 2023**.



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CCBC advised that it considers a variety of factors when setting its enrollment projections including historical enrollment, demographics, economic climate, and regulatory changes for student financial aid. **Exhibit 9** shows CCBC's **budgeted compared with actual total FTE enrollment** from FY 2013 through FY 2022 (revised) and **Exhibit 10** shows CCBC's **projected enrollment** for FY 2024 through FY 2028.

Exhibit 9: Budgeted FTE Enrollment to Actual

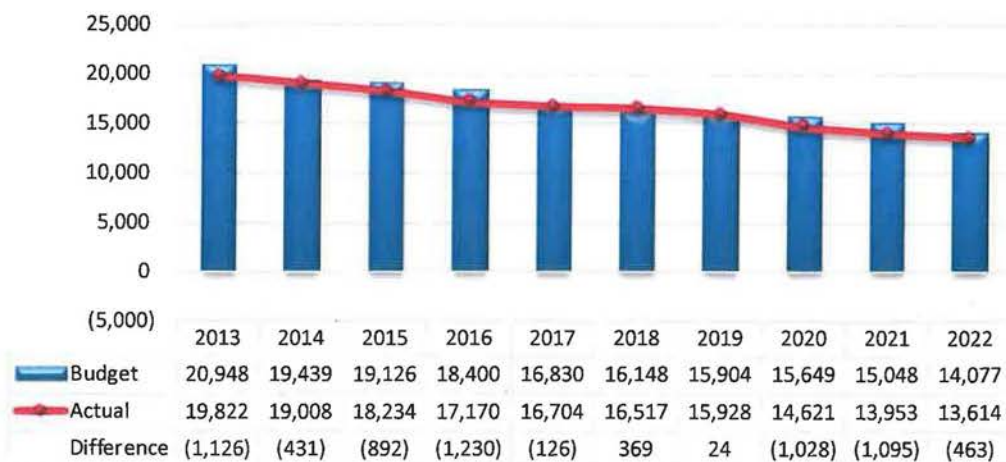
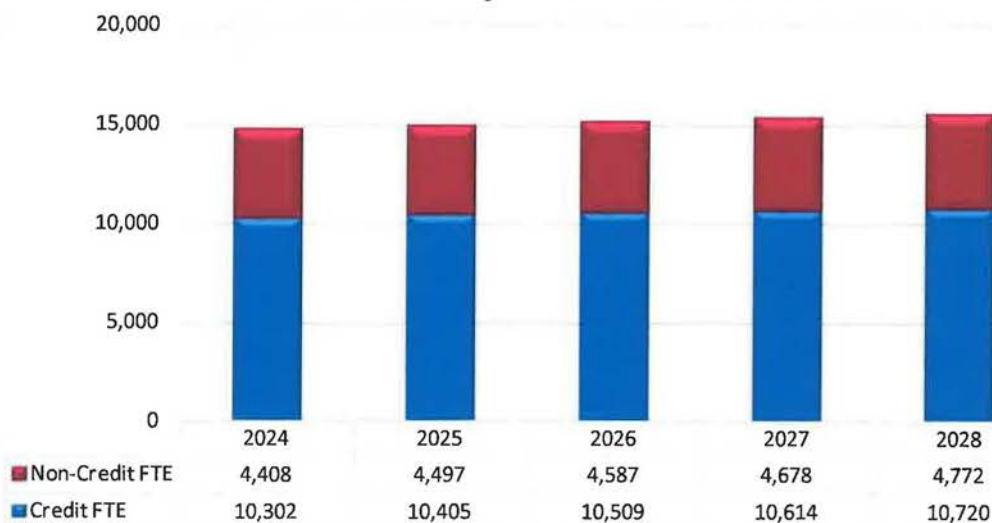


Exhibit 10: Projected FTE Enrollment



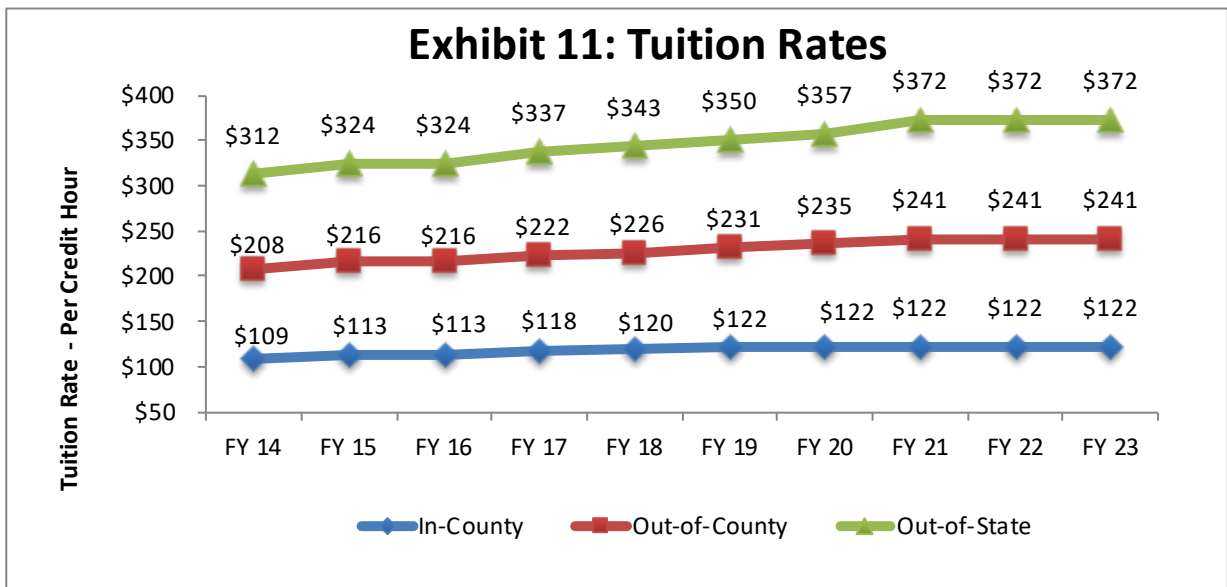
COMMUNITY COLLEGE OF BALTIMORE COUNTY (033)

CCBC should be prepared to discuss:

- The future outlook for enrollment and how CCBC is adjusting its degree and certificate offerings to accommodate students' needs and the demands of a changing workforce;***
- Factors, including total enrollment, it takes into consideration when making decisions regarding where to place extension centers or to continue to operate existing extension centers;***
- How it is repurposing existing space at main campuses in light of declining in-person enrollment and accelerating online enrollment; and***
- The expected impact on near-term enrollment stemming from the ongoing economic and financial hardships that started with the pandemic.***

7. Tuition and Fees – No Increases

The proposed FY 2023 budget does not include a tuition increase, the fourth straight year without an increase for in-County students, and does not include any fee increases. FY 2023 tuition rates are \$122, \$241, and \$372 per credit hour for in-County, out-of-County, and out-of-State students, respectively. **Exhibit 11** depicts a **10-year history of CCBC tuition rates from FY 2014 to FY 2023**. As illustrated, CCBC has increased tuition rates four times for in-County residents and six times for both out-of-County and out-of-State residents. Tuition increases ranged from \$2 to \$15 per credit hour.



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Based on information CCBC received from the other Maryland community colleges, as of May 3, 2022, 4 of Maryland's 15 other community colleges were proposing increases in tuition and fees for FY 2023, ranging from \$2 to \$7 per credit hour for in-County students; one community college is proposing a \$21 per credit hour decrease. Reflecting this most recently available data, CCBC would fall one spot, to the 6th highest of Maryland community colleges, in tuition and fees for in-County students. **Exhibit 12 shows preliminary tuition and fee rate changes for in-County students at Maryland community colleges for FY 2023.**

Exhibit 12 Preliminary FY 2023 Tuition and Fees for Full-Time Students (Per Credit Hour) In-County Residents

Community Colleges	FY 2022	FY 2023	1-Year Change
Montgomery	\$ 201	\$ 201	\$ -
Carroll	172	172	-
College of Southern Maryland	168	171	3
Howard	170	170	-
Chesapeake	160	165	5
CCBC	163	163	-
Harford	162	162	-
Prince George's	154	161	7
Allegany	158	158	-
Frederick	158	158	-
Wor-Wic	151	151	-
Anne Arundel	147	149	2
Garrett	142	142	-
Hagerstown	139	139	-
Cecil	159	138	(21)
Average	\$ 160	\$ 160	\$ -

Note: Rates provided by CCBC. FY 2023 is preliminary as of May 3, 2022.

CCBC should be prepared to discuss the future outlook for tuition and fees.

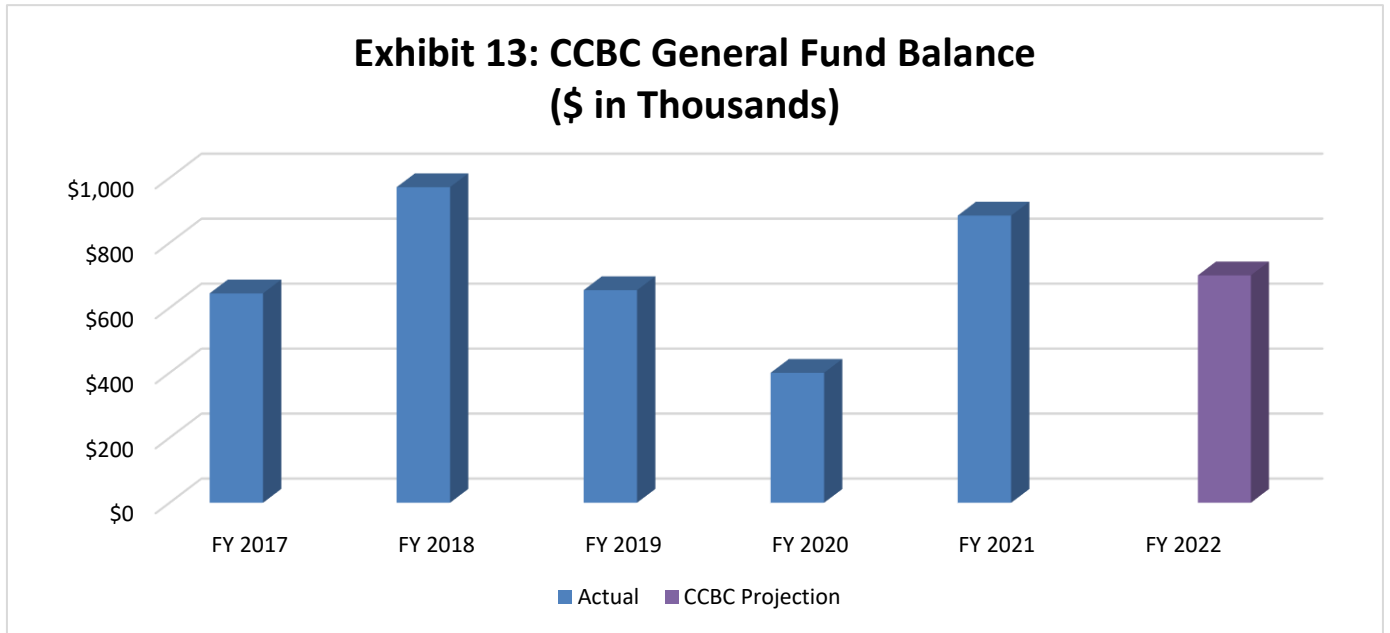
COMMUNITY COLLEGE OF BALTIMORE COUNTY (033)

8. Rainy Day Fund (for informational purposes only)

Historically, the County's practice has been for CCBC to utilize a given fiscal year's fund balance (or unexpended budgeted funds) as a source of revenue for its budget two years later. However, if a revenue shortfall (State aid rescission, unexpected enrollment shortfall, etc.) materialized in a given year, CCBC would not have emergency funds to draw on and would need to cut back on planned expenditures. For example, in FY 2021, the Maryland Board of Public Works rescinded \$6.3 million of State aid; as a result, CCBC advised that it took drastic actions to balance its budget, including the elimination of salary steps and longevity bonuses and the institution of a hiring freeze. Personnel costs typically comprise approximately 82% of CCBC's operating budget; CCBC advised that it can only achieve significant mid-year cuts with hiring delays and freezes.

In spite of its tight budget that year, and attributable to its nimble cost-cutting moves, by the close of FY 2021, CCBC was able to set aside \$1.9 million to establish a Rainy Day Fund. CCBC advised that, after contributing an additional approximate \$1.0 million to the Rainy Day Fund, it expects to close FY 2022 with a \$700,000 operational surplus, which it will set aside as revenue to fund the FY 2024 budget. CCBC also advised that it will continue to target an annual operational surplus of \$400,000 to \$700,000 to be used as revenue for the subsequent year's budget. In addition, CCBC advised that it will add incrementally to the Rainy Day Fund to manage eventually a reserve totaling 10%, which it expects to take approximately a decade to achieve. As shown in **Exhibit 13**, since FY 2017, CCBC has ended the fiscal year with unexpended General Funds, ranging from approximately \$400,000 to \$971,000 (following transfers to the Rainy Day Fund in FY 2021 and FY 2022, as projected).

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9. Collaboration with Economic and Workforce Development

CCBC advised that it continues to work closely with Baltimore County's Department of Economic and Workforce Development (DEWD) and serves as the County's Out of School Youth Provider.

Collaborative efforts to support the County's workforce include:

- Supported DEWD's and Maryland LABOR's U.S. Department of Commerce Good Jobs Challenge grant application of \$24.0 million for Offshore Wind Workforce training. CCBC would be a sub-grantee for the *Maryland Works for Wind* effort;
- Jointly solicits information from groups of employers such as Tradepoint Atlantic (TPA) tenants and Workforce Investment Board (WIB) members to identify employment trends;
- Reviews courses on the Maryland Department of Labor (DOL) Eligible Training Provider List (ETPL) to identify programs that match client and corporate interest;
- Identifies companies in need of training and jointly addresses needs with DEWD;
- Analyzes County-funded projects such as LEAP to identify successful training and employment outcomes;
- Provides Summer Youth Employment success skills to the County's Summer Youth Program;
- Provides opportunities for Summer Youth participants to gain work experience at CCBC;

COMMUNITY COLLEGE OF BALTIMORE COUNTY (033)

- Offers in-person open computer labs for job applicants;
- Provides Digital Literacy training to fill the skill gaps for the unemployed and underemployed Baltimore County residents in partnership with DEWD;
- Collaborate on retention workshops for underemployed residents to upskill their education and employment opportunities;
- Collaborate/share/promote job fairs such as the virtual manufacturing job fair in partnership with the Regional Manufacturing Institute, and the Baltimore Port Alliance job fair; and
- Has representation on the Baltimore County Workforce Development Board, the American Job Center steering committee, and the CAREER (Coalition of Agencies Ready to Engage in Employment and Retention) Team.

CCBC should be prepared to discuss its ongoing work with County youth and employers in conjunction with DEWD and other organizations, companies, and the State.

10. Capital Budget

The proposed FY 2023 Capital Budget includes \$15.6 million in funding for the following capital projects:

- \$7.6 million – CCBC Essex Wellness and Athletics Center renovation and addition
- \$6.0 million – Capital maintenance and renovation projects related to all three campuses
- \$1.0 million – State funding towards CCBC Catonsville Student Services Center partial renovation, expansion, and associated site work
- \$700,000 – State funding for roof replacements at CCBC Catonsville – Health Careers & Technology Building and CCBC Essex – Administration Building
- \$305,500 – CCBC Dundalk Student Services Center second floor renovation

CCBC should be prepared to discuss the plans for and timeframe of the major capital projects to be completed and any associated impact on its Operating Budget.

BALTIMORE COUNTY
FISCAL YEAR 2023 BUDGET ANALYSIS

COMMUNITY COLLEGE OF BALTIMORE COUNTY (033)

APPROPRIATION DETAIL					
	FY 2021 ACTUAL	FY 2022 APPROP	FY 2023 REQUEST	NET CHANGE	
				AMOUNT	%
3301 Instruction					
General Fund	\$ 27,088,604	\$ 30,412,266	\$ 30,092,733	\$ (319,533)	-1.1%
Special Fund	57,835,994	62,518,394	66,723,720	4,205,326	6.7%
Total	<u>84,924,598</u>	<u>92,930,660</u>	<u>96,816,453</u>	<u>3,885,793</u>	<u>4.2%</u>
3303 Academic Support					
General Fund	3,852,066	4,067,217	4,397,137	329,920	8.1%
Special Fund	7,785,221	8,728,850	9,597,718	868,868	10.0%
Total	<u>11,637,287</u>	<u>12,796,067</u>	<u>13,994,855</u>	<u>1,198,788</u>	<u>9.4%</u>
3304 Student Services					
General Fund	5,353,246	5,660,240	6,292,346	632,106	11.2%
Special Fund	11,477,675	12,859,663	13,733,862	874,199	6.8%
Total	<u>16,830,921</u>	<u>18,519,903</u>	<u>20,026,208</u>	<u>1,506,305</u>	<u>8.1%</u>
3305 Institutional Support					
General Fund	11,079,432	11,502,337	13,812,082	2,309,745	20.1%
Special Fund	23,809,333	24,893,661	30,549,407	5,655,746	22.7%
Total	<u>34,888,765</u>	<u>36,395,998</u>	<u>44,361,489</u>	<u>7,965,491</u>	<u>21.9%</u>
3306 Oper./Maint. Of Plant					
General Fund	4,999,619	5,373,479	5,700,690	327,211	6.1%
Special Fund	10,119,230	11,569,503	12,714,029	1,144,526	9.9%
Total	<u>15,118,849</u>	<u>16,942,982</u>	<u>18,414,719</u>	<u>1,471,737</u>	<u>8.7%</u>
3307 Mandatory Transfers					
General Fund	2,360,793	2,261,487	3,927,050	1,665,563	73.6%
Special Fund	96,632,747	63,245,159	84,813,946	21,568,787	34.1%
Total	<u>98,993,540</u>	<u>65,506,646</u>	<u>88,740,996</u>	<u>23,234,350</u>	<u>35.5%</u>
3308 Auxiliary Enterprise	-	-	-		
Special Fund	307,996	550,491	549,305	(1,186)	-0.2%
Total	<u>307,996</u>	<u>550,491</u>	<u>549,305</u>	<u>(1,186)</u>	<u>-0.2%</u>
3340 Debt Service					
General Fund	13,908,804 ^(A)	13,923,164	13,765,365	(157,799)	-1.1%
Grand Total	<u>\$276,610,760</u>	<u>\$257,565,911</u>	<u>\$ 296,669,390</u>	<u>\$ 39,103,479</u>	<u>15.2%</u>
Funds Recap:					
Total General Fund	\$ 68,642,564 ^(B)	\$ 73,200,190	\$ 77,987,403	\$ 4,787,213	6.5%
Total Special Fund	207,968,196	184,365,721	218,681,987	34,316,266	18.6%
Total All Funds	<u>\$276,610,760 ^(C)</u>	<u>\$257,565,911</u>	<u>\$ 296,669,390</u>	<u>\$ 39,103,479</u>	<u>15.2%</u>

^(A) Adjusted for \$13,908,804 not reflected in Executive's budget documents

^(B) Reflects County General Funds provided to CCBC

^(C) FY 2021 General Fund and Special Fund actual split adjusted for actual spending not reflected in Executive's budget documents.

BALTIMORE COUNTY
FISCAL YEAR 2023 BUDGET ANALYSIS

COMMUNITY COLLEGE OF BALTIMORE COUNTY (033)

PERSONNEL DETAIL				
	<u>FY 2021 ACTUAL</u>	<u>FY 2022 APPROP</u>	<u>FY 2023 RECOMM</u>	<u>NET CHANGE</u>
3301 Instruction	919	862	886	24
3303 Academic Support	152	151	155	4
3304 Student Services	185	192	195	3
3305 Institutional Support	290	286	288	2
3306 Oper./Maint.of Plant	149	149	150	1
3307 Mandatory Transfers	0	0	0	0
3308 Auxiliary Enterprise	0	0	0	0
3340 Debt Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total All Funds	<u><u>1,695</u></u>	<u><u>1,640</u></u>	<u><u>1,674</u></u>	<u><u>34</u></u>

Note: Reflects Full-Time Equivalent (FTE) rather than total positions. Additionally, part-time position detail is not provided by CCBC.

Baltimore County, Maryland FY 2023 Budget Analysis

Maintenance of Effort - CCBC

Required Local Share

FY 2022 General Fund Appropriation	\$ 73,200,190	
Less Debt Service Appropriation	<u>(13,923,164)</u>	
Required Local Share		\$ 59,277,026

Proposed Local Share

FY 2023 Proposed General Fund Appropriation	\$ 77,987,403	
Less Debt Service Funding	<u>(13,765,365)</u>	
Proposed Local Share		<u>64,222,038</u>
Over (Under) Required Local Share		<u><u>\$ 4,945,012</u></u>

State Aid Contingent Upon Local Share

	<u>FY 2022</u>	<u>FY 2023</u>	<u>Contingent Upon Local Share</u>
State Aid	\$ 48,795,281	\$ 61,614,534	<u><u>\$ 12,819,253</u></u>