

R95C00
Baltimore City Community College

Operating Budget Data

(\$ in Thousands)

	<u>FY 17</u> <u>Actual</u>	<u>FY 18</u> <u>Working</u>	<u>FY 19</u> <u>Allowance</u>	<u>FY 18-19</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Funds	\$40,064	\$39,751	\$40,650	\$898	2.3%
Adjustments	0	-\$320	-\$851	-\$531	
Adjusted General Fund	\$40,064	\$39,431	\$39,799	\$367	0.9%
Other Unrestricted Funds	17,239	24,809	24,360	-449	-1.8%
Adjustments	0	-1,500	0	1,500	
Adjusted Other Unrestricted Fund	\$17,239	\$22,989	\$23,509	\$520	2.3%
Total Unrestricted Funds	57,303	64,560	65,009	449	0.7%
Adjustments	0	-1,820	-851	969	
Adjusted Total Unrestricted Funds	\$57,303	\$62,740	\$64,158	\$1,418	2.3%
Restricted Funds	17,352	20,336	20,154	-182	-0.9%
Adjusted Restricted Fund	\$17,352	\$20,336	\$20,154	-\$182	-0.9%
Adjusted Grand Total	\$74,655	\$83,076	\$84,312	\$1,236	1.5%

Note: FY 18 Working includes targeted reversions, deficiencies, and across-the-board reductions. FY 19 Allowance includes contingent reductions and cost-of-living adjustments.

- The adjusted fiscal 2019 allowance for Baltimore City Community College (BCCC) reduces the college's general fund appropriation by \$851,000 contingent on the Budget Reconciliation and Financing Act (BRFA) of 2018.
- State support for BCCC through general funds increases by \$367,000, or 0.9%, between fiscal 2018 and 2019, after adjusting for across-the-board reductions in fiscal 2018 and the BRFA of 2018.
- In total, the fiscal 2019 allowance increases \$1.2 million, or 1.5%, from the fiscal 2018 working appropriation, driven by increases in unrestricted funds, primarily from tuition and fees.

Note: Numbers may not sum to total due to rounding.

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Personnel Data

	<u>FY 17</u> <u>Actual</u>	<u>FY 18</u> <u>Working</u>	<u>FY 19</u> <u>Allowance</u>	<u>FY 18-19</u> <u>Change</u>
Regular Positions	444.00	444.00	444.00	0.00
Contractual FTEs	<u>220.20</u>	<u>180.58</u>	<u>165.93</u>	<u>-14.65</u>
Total Personnel	664.20	624.58	609.93	-14.65

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	13.32	3.00%
Positions and Percentage Vacant as of 12/31/17	48.00	10.81%

- Regular positions do not change in the fiscal 2019 allowance.
- Contractual positions decrease by 14.65 in the fiscal 2019 allowance. These reductions are due to eliminating contractual instruction staff as BCCC continues to right size itself for its enrollment.

Analysis in Brief

Major Trends

Enrollment Decline Continues: Total enrollment at BCCC decreased by 221 students, or 4.7%, from fall 2016 to fall 2017, continuing its ongoing trend of declining enrollment.

More Students Benefiting from Completing Developmental Coursework: Though the standard measure of success in higher education is graduation, community college students often have different goals compared to those at four-year institutions, and the standard measurement used is the successful persister rate. The successful persister rate of students who complete required developmental education is slightly higher than those who enter as “college ready.” Though successful persister rates remain low for students who do not complete developmental coursework, the total number of students in this category decreased from 511 to 265 between the fall 2011 and 2012 cohorts, while those who did complete increased from 187 to 241. **The President should comment on what initiatives BCCC is undertaking to continue to have more students complete developmental coursework, as students who complete developmental coursework tend to have significantly better outcomes.**

Issues

Enrollment and the Mayor’s Scholars Program: Although community college enrollment has decreased statewide since fall 2011, the decline at BCCC has been of a much greater magnitude. The Mayor’s Scholars Program is an initiative by Baltimore City to cover the cost of tuition for Baltimore City Public School graduates to attend BCCC and could raise BCCC’s enrollment by as much as 5%. **The President should comment on how many students it is preparing to serve as part of the Mayor’s Scholars Program in fall 2018 as well as what initiatives the college is undertaking to raise enrollment.**

Draft Implementation Plan Has Been Submitted: In response to a report that found a lack of strong leadership, a lack of accountability, and ineffective and inefficient use of resources across the college and provided recommendations to remedy these findings, BCCC was directed by the General Assembly to submit an implementation plan. The draft implementation plan has been submitted, and a summary of how BCCC is actually implementing the plan is provided. **The Department of Legislative Services (DLS) recommends restricting \$500,000 pending receipt of BCCC’s final implementation plan, including dates for completing each realignment task and implementation tactic and an additional \$500,000 pending a report confirming that the components of the plan have been put into action and providing an update on the results of that implementation.**

Infrastructure Concerns Delay Major Information Technology Project: BCCC determined that a new Enterprise Resource Planning (ERP) system was needed in fiscal 2009. After being delayed for many years, the most recent Request for Proposals for the project has been canceled due to concerns that BCCC’s information technology (IT) infrastructure could not support a new ERP system. **The President should comment on how BCCC working on IT infrastructure upgrades instead of ERP**

in fiscal 2019 will affect total IT spending and when the college expects its IT infrastructure to be ready to support ERP. The President should also comment on how BCCC’s internal functions can better communicate to make sure its IT systems are successfully implemented. DLS recommends committee narrative requiring BCCC to submit a five-year IT infrastructure plan.

Operating Budget Recommended Actions

1. Add language restricting funds until the submission of a report determining Baltimore City Community College has corrected its repeat audit findings.
2. Add language restricting funds pending implementation plan reports.
3. Adopt narrative requiring Baltimore City Community College to submit a five-year information technology infrastructure plan.

R95C00
Baltimore City Community College

Operating Budget Analysis

Program Description

Baltimore City Community College (BCCC) is a State-sponsored, two-year degree-granting college on two campuses with more than 60 off-campus sites throughout Baltimore. BCCC offers both credit and continuing education training programs and courses as well as extensive outreach for educational opportunities. The college’s Business and Continuing Education Division works in partnership with local businesses, government agencies, and institutions offering contract customized training, apprenticeships, and other industry-related programs contributing to Baltimore’s economic development initiatives. The college’s administrative and academic control differs from other community colleges in the State since there is minimal local funding. Baltimore City must provide at least \$1,000,000 annually to support education at BCCC, and at least \$400,000 of that amount must be allocated to tuition reimbursements and scholarships.

BCCC works toward achieving the following goals:

- improving retention of students to graduation or transfer to a baccalaureate-granting college or university;
- improving responsiveness to Baltimore’s workforce needs;
- promoting community college outreach and services; and
- ensuring affordability to Baltimore City residents.

Carnegie Classification: Community College

Fall 2017 Undergraduate Enrollment Headcount

Male	1,378
Female	2,810
Total	4,188

Degrees Awarded (2016-2017)

Certificate	108
Associate’s	380
Total Degrees	488

Fall 2017 New Students Headcount

First-time	671
Transfers/Others	475
Total	1,146

Programs

Certificate	16
Associate’s	29

Proposed Fiscal 2019 In-state Tuition and Fees* Per Credit Hour

Undergraduate Tuition	\$113
Mandatory Fees	\$21

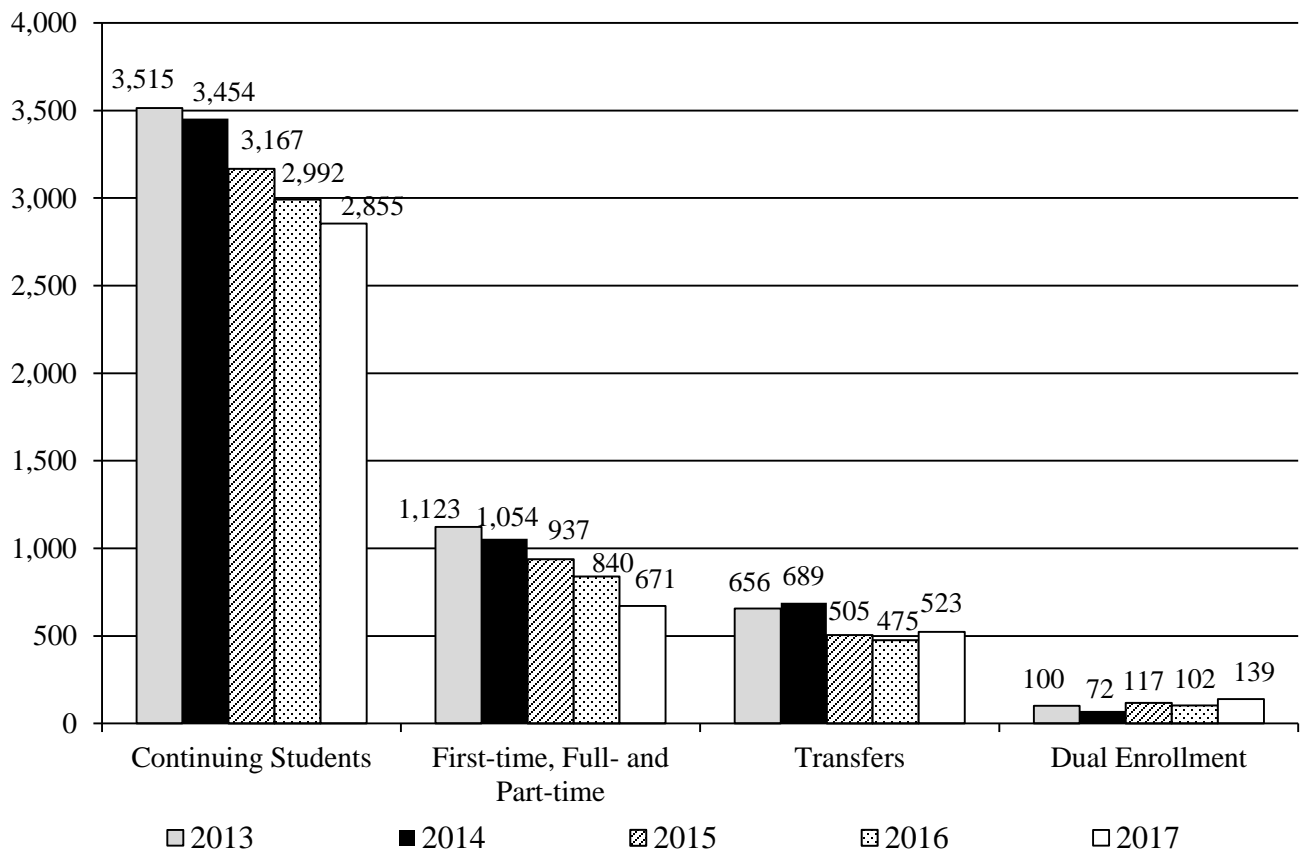
*Contingent on Board of Trustees approval.

Performance Analysis: Managing for Results

1. Enrollment Decline Continues

Total enrollment at BCCC decreased by 221 students, or 4.7%, from fall 2016 to fall 2017, continuing its ongoing trend of declining enrollment. As shown in **Exhibit 1**, first-time, full-time and part-time students decreased by 169, or 18.0%, while students continuing at BCCC decreased by 137, or 4.4%. BCCC did have an increase of 48, or 9.5%, in transfer students, and 37, or 31.6%, for dual-enrollment students. The increase in enrollment for transfer students stops a two-year trend in declining enrollment for the category. However, this increase is small in comparison to the overall enrollment challenges that BCCC is facing.

Exhibit 1
Undergraduate Enrollment
Fall 2013-2017

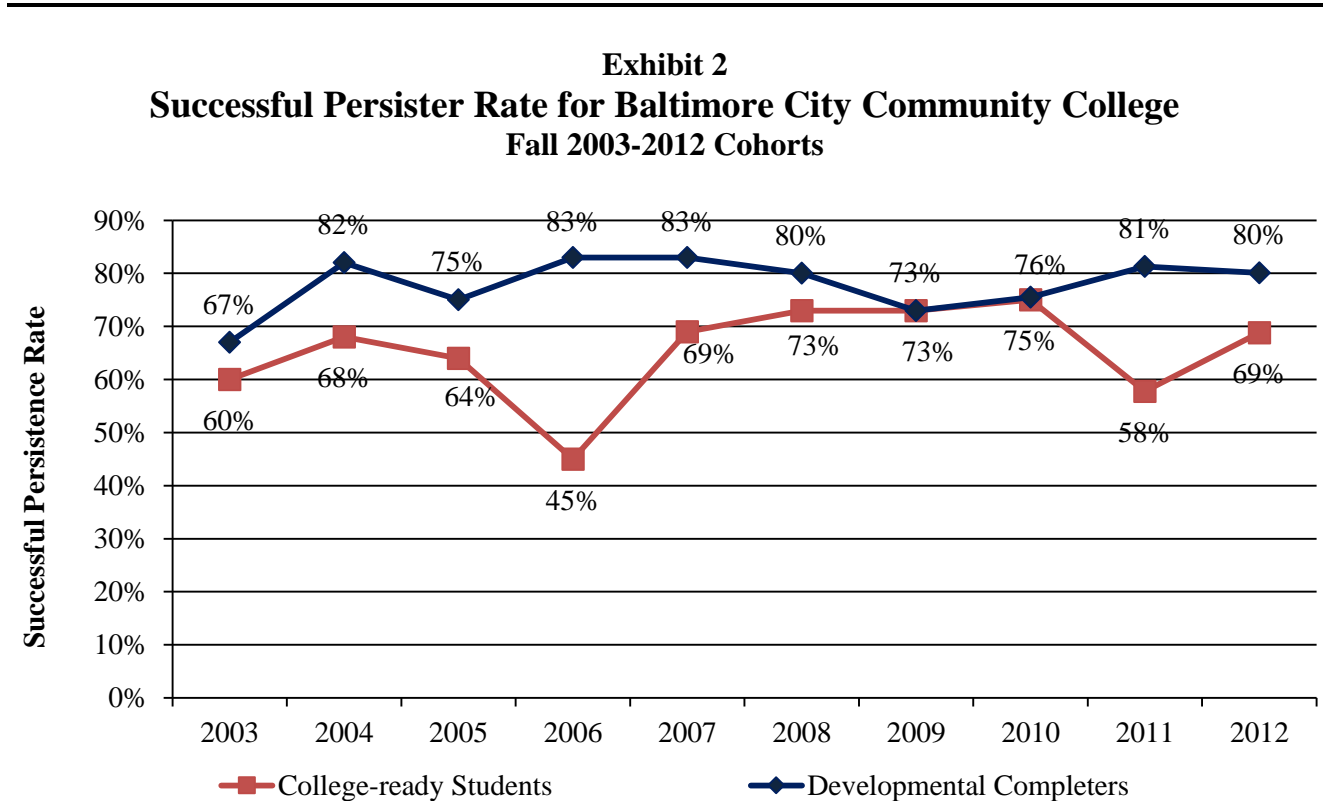


Source: Baltimore City Community College

2. More Students Benefiting from Completing Developmental Coursework

While the standard measure of success at public four-year institutions is graduation, Maryland community colleges instead use the successful persister rate. This is because community college students are more likely to have work and family commitments than students at traditional four-year colleges, or they may be working toward a certificate rather than a degree. Such students are more likely to be enrolled part-time and even “stop-out” for a period of time. The average community college student also tends to be somewhat older than the average student at four-year institutions, and BCCC students, in particular, tend to face greater economic challenges than students at other community colleges in Maryland.

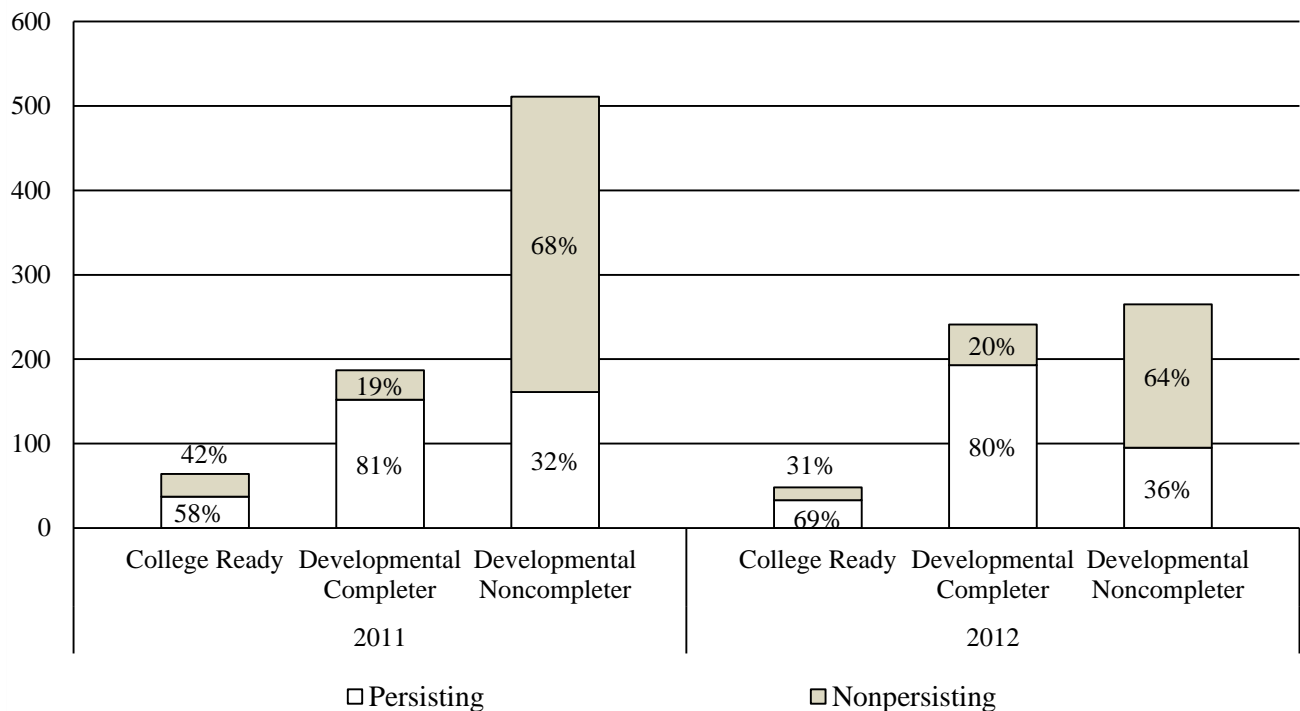
A successful persister is a student who attempts 18 or more credits in the first two years and, after four years, is still enrolled, has graduated, or has transferred to another institution. BCCC measures this rate for three groups, and **Exhibit 2** shows the rates for two of those over time: college-ready students and developmental completers. As shown, students who complete developmental coursework at BCCC within four years have historically had higher persister rates than those students considered college ready. Developmental completers from the 2012 cohort persisted at a rate of 80%. Meanwhile, college-ready students only persisted at a rate of 69%, though this was a significant increase over college-ready students in the 2011 cohort who only persisted at a rate of 58%.



Source: Maryland Association of Community Colleges

However, rates for both of these groups are much higher than the third group: students who do not complete their required developmental coursework within four years. As shown in **Exhibit 3**, not only do these students have the lowest persist rates at BCCC, 32% for the 2011 cohort and 36% for the 2012 cohort, but they also make up the largest portion of BCCC’s students. The 2011 cohort had 511 students identified as developmental noncompleters, while the 2012 cohort had 265. The large number of noncompleters in 2011 significantly impacted BCCC’s overall persist rate for that year, as 54% of its students did not persist in their studies, and of these nonpersisters, 85% did not complete their developmental coursework. However, the outcomes for the 2012 cohort are more positive. Though the persist rate remained low for noncompleters at 36%, there were fewer students in this category, leading to fewer students ceasing in persisting in their studies. Meanwhile, the total number of students completing their developmental coursework increased between the 2011 and 2012 cohorts, from 187 to 241. This positive trend is made better by the fact that more students benefited from the higher persist rate for this group, with 152 persisting for the 2011 cohort and 193 persisting for the 2012 cohort. **The President should comment on what initiatives BCCC is undertaking to continue to have more students complete developmental coursework, as students who complete developmental coursework tend to have significantly better outcomes.**

Exhibit 3
Persisting and Nonpersisting Students at Baltimore City Community College
Fall 2011 and 2012 Cohorts



Source: Maryland Association of Community Colleges

Fiscal 2018 Actions

Proposed Deficiency

BCCC receives a negative deficiency in fiscal 2018 of \$1.5 million in unrestricted funds for its instructional support function to bring funding in line with projected revenues, as BCCC had overbudgeted its bookstore revenues.

Cost Containment

Actions by the Board of Public Works (BPW) in September 2017 reduced funding for facilities maintenance and travel at BCCC by \$251,000.

Across-the-board Employee and Retiree Health Insurance Reduction

The budget bill includes an across-the-board reduction for employee and retiree health insurance in fiscal 2018 to reflect a surplus balance in the fund. BCCC's share of this reduction is \$319,947 in general funds.

Proposed Budget

State law ties BCCC's general fund appropriation to a percentage of the per student funding at selected four-year colleges (61% in fiscal 2019) and BCCC's most recent audited enrollments, reported from two years prior to the year in which funds are appropriated. BCCC also receives general funds for the English for Speakers of Other Languages (ESOL) grant. **Exhibit 4** shows BCCC's funding in the Governor's proposed allowance, after adjusting for across-the-board reductions and reductions contingent on legislation. The general fund appropriation increases \$367,000 when compared to the fiscal 2018 working appropriation. Other unrestricted funds from tuition, fees, grants, and other sources increase by nearly \$1.5 million. Restricted funds, the majority of which are from federal Pell grants, decrease by \$182,000, a result of the continued decreasing enrollment at BCCC.

Exhibit 4
Governor’s Proposed Budget
Baltimore City Community College
(\$ in Thousands)

	<u>2017</u> <u>Actual</u>	<u>2018</u> <u>Working</u>	<u>2019</u> <u>Allowance</u>	<u>2018-19</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Funds	\$40,064	\$39,431	\$39,799	\$367	0.9%
Other Unrestricted Funds	16,535	19,115	20,237	1,122	5.9%
Total Unrestricted Funds	\$56,600	\$58,547	\$60,036	\$1,489	2.5%
Fund Balance Transfer	\$704	\$4,194	\$4,122	-\$71	-1.7%
Restricted Funds	17,352	20,336	20,154	-182	-0.9%
Total Funds	\$74,655	\$83,076	\$84,312	\$1,236	1.5%

Note: Numbers may not sum to total due to rounding. Numbers in this exhibit reflect updated numbers provided by the Department of Budget and Management after publication of the Governor’s Fiscal 2019 Budget Book and therefore do not reflect numbers in the budget book. Numbers in this exhibit do include adjustments in fiscal 2018 for health insurance and deficiencies and in fiscal 2019 for contingent reductions.

BCCC’s Funding Formula

Chapters 568 and 569 of 1998 established the funding formula for BCCC that was enhanced in fiscal 2006 and further revised several times, most recently by the Budget Reconciliation and Financing Act (BRFA) of 2012. The fiscal 2019 statutory formula percentage for State support is 61% of per student funding at selected public four-year institutions, up from 60% in fiscal 2018, as shown in **Exhibit 5**. BCCC’s decline in enrollment has decreased the calculated formula amount to \$33.3 million, which is below the prior year’s non-ESOL appropriation of \$39.8 million. This triggers the hold harmless clause, which requires the Governor to fund BCCC’s formula by at least as much as was in the prior year’s appropriation. For this reason, BCCC’s total State formula aid in the fiscal 2019 allowance is the \$39.8 million from the prior year’s appropriation. BCCC has received this hold harmless amount since fiscal 2016. The grant that BCCC receives in fiscal 2019 to hold harmless is nearly \$6.5 million, which is 16.3% of its total State support, although it decreases by \$0.7 million, or 10%, compared to fiscal 2018.

Exhibit 5
BCCC Funding Formula
Fiscal 2018-2019

	<u>2018</u> <u>Working</u>	<u>2019</u> <u>Allowance</u>	<u>Change</u>	
			#	%
State Formula Aid Per FTES at BCCC				
State Support Per FTES at Selected Four-year				
Public Institutions	\$11,728	\$11,892	\$164	1.4%
Statutory Formula Percentage	60.0%	61.0%	1.0%	1.7%
BCCC Aid Per FTES	7,037	7,254	217	3.1%
Formula for BCCC				
Aid Per FTES	\$7,037	\$7,254	\$217	3.1%
Second Year Prior FTES	4,631	4,593	-38	-0.8%
State Formula Aid to BCCC				
	\$32,589,249	\$33,317,092	\$727,844	2.2%
Hold Harmless	\$7,208,058	\$6,480,214	-\$727,844	-10.1%
Formula Subtotal	39,797,307	39,797,307	\$0	0.0%
English for Speakers of Other Languages Grant	\$804,864	\$852,240	\$47,376	5.9%
Cost Containment	-251,000			
Restricted for RHEC	-600,000			
Total	\$39,751,171	\$40,649,547	\$898,376	2.3%
Health Insurance Reduction	-\$319,947			
BRFA Contingent Reduction		-\$851,000		
Adjusted Total	\$39,431,224	\$39,798,547	\$367,323	0.9%

BCCC: Baltimore City Community College
BRFA: Budget Reconciliation and Financing Act
FTES: full-time equivalent students
RHEC: Regional Higher Education Center

Source: Department of Budget and Management; Department of Legislative Services

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BCCC has other adjustments affecting its fiscal 2018 and 2019 totals. BCCC had funding reductions in fiscal 2018 through budget amendments, one of which was to implement the September 2017 BPW actions that reduced funding by \$251,000 and a second to transfer \$600,000 in funding that the General Assembly restricted for two Regional Higher Education Centers (RHEC) in the fiscal 2018 budget bill. The fiscal 2019 budget bill contains language contingent on the BRFA of 2018 that reduces BCCC's funding by \$851,000, carrying these reductions forward into fiscal 2019. It is worth noting that RHECs have received additional funding again in fiscal 2019, independent of whether or not BCCC's funding is decreased.

BCCC also receives an annual ESOL grant from the State of \$800 for each of its ESOL students. As BCCC's ESOL enrollment increased by 59.22 full-time equivalent students (FTES) for fiscal 2019, its ESOL grant increases \$47,376. In total, BCCC receives \$852,240 in ESOL grant funding in fiscal 2019. After accounting for the health insurance reduction in fiscal 2018 as described above, the increase in the ESOL grant represents all of the increase in general funds that BCCC receives in fiscal 2019.

Expenditures by Program

Exhibit 6 shows unrestricted funding by budget program for fiscal 2017 to 2019. The biggest increase for BCCC in fiscal 2019 is \$4.7 million for institutional support, after decreasing funding for this function by \$1.5 million in fiscal 2018 for the deficiency described above. This increase in spending for institutional support was almost entirely budgeted due to spending projections for BCCC's Enterprise Resource Planning (ERP) System project, which was to be funded out of BCCC's fund balance. However, after submitting its fiscal 2019 budget, BCCC canceled the Request for Proposals (RFP) for this project, meaning that the budgeted spending amount for BCCC is overstated. The cancellation of the ERP RFP is discussed in greater detail in the Issues section of this analysis.

The increase budgeted for institutional support is offset by a decrease of \$1.6 million for operation and maintenance of plant expenses, primarily for utilities, building contracts, equipment, and other maintenance expenses. **The President should comment on how BCCC can reduce maintenance expenses through the sale or development of its unused or underutilized properties.** Funding for instruction decreases \$309,000 due to budgeting vacant staff at base salary and eliminating 15.03 full-time equivalent contractual teachers to right size BCCC's staff for its enrollment. Costs for student services decrease \$630,000 due to lower expenditures on equipment, conferences, and seminars. Funding for scholarships actually remains flat funded at \$32,000 in fiscal 2019, despite the increase shown in Exhibit 6, as they were budgeted under instruction in fiscal 2018. Expenditures for BCCC's functions will be adjusted down for the fiscal 2018 health insurance reduction, and BCCC will have to decide from which functions it will decrease spending in fiscal 2019 due to the BRFA contingent reduction, should it be implemented.

Exhibit 6
Baltimore City Community College
Budget Changes for Current Unrestricted Funds by Program
Fiscal 2017-2019
(\$ in Thousands)

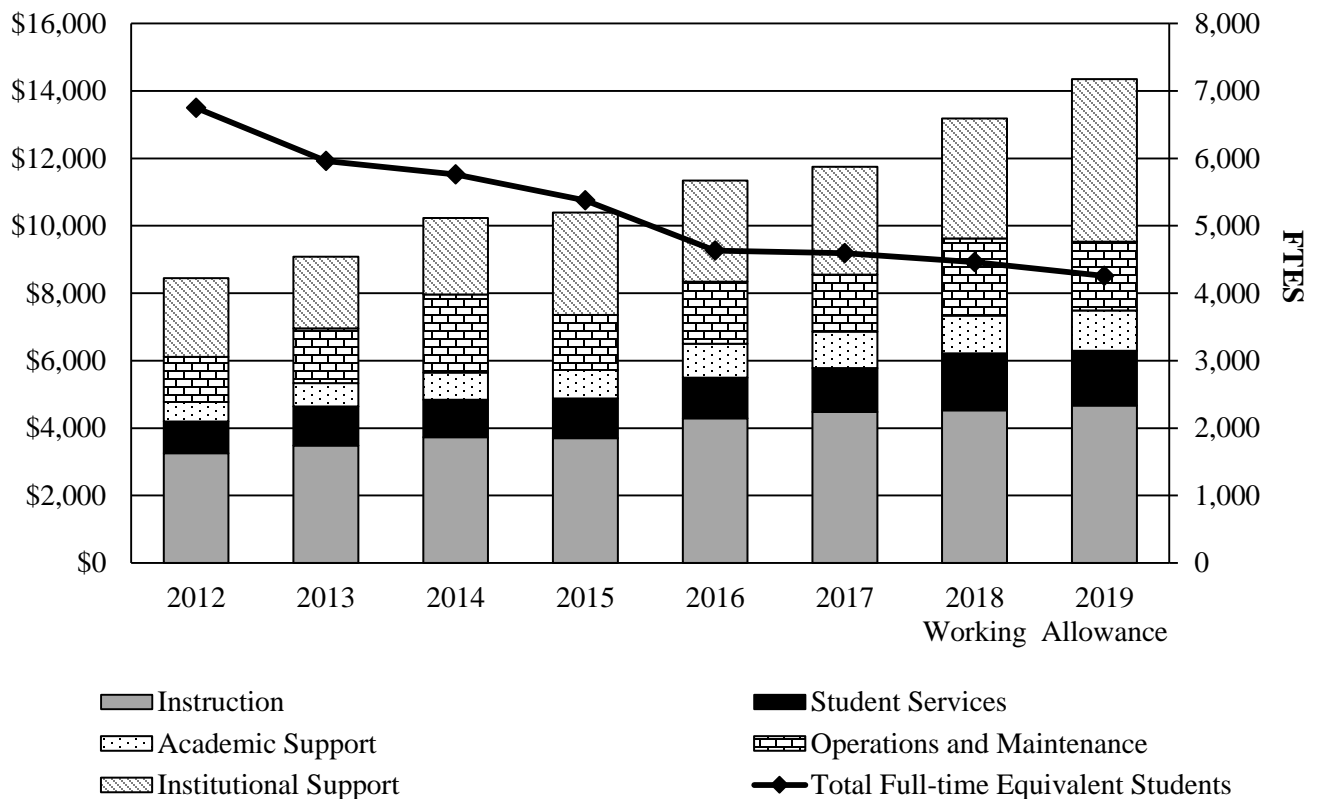
	<u>2017</u> <u>Actual</u>	<u>2018</u> <u>Working</u>	<u>2019</u> <u>Allowance</u>	<u>2018-19</u> <u>\$ Change</u>	<u>2017-18</u> <u>% Change</u>
Expenditures					
Instruction	\$20,595	\$20,171	\$19,862	-\$309	-2%
Academic Support	4,965	4,978	5,103	125	3%
Student Services	5,952	7,549	6,920	-630	-8%
Institutional Support	14,733	15,878	20,542	4,664	29%
Operation and Maintenance of Plant	7,748	10,227	8,675	-1,552	-15%
Scholarships and Fellowships*	32		32	32	n/a
Subtotal Education and General	\$54,026	\$58,803	\$61,134	\$2,331	4%
Auxiliary Enterprises	\$3,277	\$4,257	\$3,875	-\$382	-9%
Total	\$57,303	\$63,060	\$65,009	\$1,949	3%
Adjustments	\$0	-\$320	-\$851	-\$531	
Adjusted Total	\$57,303	\$62,740	\$64,158	\$1,418	2%
Revenues					
Tuition and Fees	\$10,804	\$12,194	\$13,455	\$1,261	10%
General Funds	40,064	39,431	39,799	367	1%
Other	3,682	4,422	4,096	-326	-7%
Subtotal	\$54,551	\$56,047	\$57,349	\$1,303	2%
Auxiliary Enterprises	\$2,049	\$2,500	\$2,686	\$186	7%
Transfers to/from Fund Balance	704	4,194	4,122	-71	-2%
Total	\$57,303	\$62,740	\$64,158	\$1,418	2%

*Scholarships budgeted under instruction in fiscal 2018.

Source: Department of Budget and Management; Department of Legislative Services

Despite education and general spending increasing only 4% between fiscal 2018 and 2019, on a per FTES level, the increase is much greater. **Exhibit 7** shows unrestricted education and general fund expenditures per FTES from fiscal 2012 through 2019. Funds per FTES have increased steadily over this time period, driven primarily by BCCC’s steadily declining enrollment. Between fiscal 2018 and 2019, funds per FTES increase by 9%. Despite total funding decreasing for instruction between fiscal 2018 and 2019 by \$309,000, on a per FTES basis, funding actually increases by \$142.

Exhibit 7
Unrestricted Fund Expenditures Per FTES
Fiscal 2012-2019



FTES: full-time equivalent students

Source: Governor’s Budget Books, Fiscal 2019; Department of Legislative Services

As long as State support for BCCC is flat through its hold harmless provision and student enrollment continues to decline, this trend of increased per FTES spending will continue. It is worrisome that this trend has not been able to improve BCCC’s mixed outcomes for students in the past. However, with the improvements noted in its most recent cohort evaluated, there is potential that BCCC has finally been able to translate this spending into positive results.

Revenues

Overall revenue increases between fiscal 2018 and 2019 by \$1.4 million, or 2%. Other than the annual State support that BCCC receives in general funds, BCCC also funds itself with unrestricted revenues from tuition and fees, grants and contracts, drawing from its fund balance, and auxiliary enterprise revenues.

Tuition and Fees

From fiscal 2018 to 2019, BCCC has budgeted a \$1.4 million increase in revenue. In pursuit of raising these funds, BCCC increased its per credit hour in-state tuition from \$106 in spring 2017 to \$110 for fall 2017. However, BCCC had a 5% decrease in enrollment in fall 2017, challenging BCCC's ability to raise these revenues through tuition and fees. BCCC is further hindered in raising tuition by a full-time credit rate that it has implemented since spring 2016, in which students taking between 12 and 17 credits in a semester, pay the same amount. Though this policy could make BCCC more attractive for some students, it has not had an impact yet in drawing students to BCCC, as enrollment has continued to decline since it was put in place. This may be due to the fact that this policy does not serve many of BCCC's standard students, who are usually part-time, taking fewer than 12 credits, and may be receiving financial aid such as federal Pell grants and, therefore, do not have to pay for these credits out of pocket. **The President should comment if increasing the college's tuition from \$106 to \$110 has allowed it to make up for funds lost due to its full-time enrollment policy and whether or not the college plans to keep this policy in place for the future.**

It is also worth noting that BCCC had an opportunity for funding from a supplemental grant for community colleges in the fiscal 2018 budget that provided colleges funding if they did not raise tuition for their service area by more than 2%. However, BCCC disqualified itself for the grant by raising its tuition from \$106 to \$110 per credit hour, an increase of 3.8%. In fact, it was the only community college in the State that did not receive funding under the grant.

Funding for this supplemental grant has been included in the fiscal 2019 budget, and the Department of Legislative Services (DLS) estimates that if BCCC were eligible, it would receive \$95,720. However, BCCC has indicated that it is planning on raising its per credit hour tuition for the fall 2018 semester to \$113, an increase of 2.7%, disqualifying it for the grant. Because the grant amount is small for BCCC, it may be that the benefit in revenue the college could receive under the grant is outweighed by the amount of revenue it could make by raising tuition by \$3 per credit hour. **The President should comment if the college would consider keeping its increase in tuition below 2% in order to qualify for a supplemental grant or if the size of the grant is not enough to incentivize the college to do so.**

Fund Balance

Colleges maintain fund balances, what actuaries call net current positions, to help with long-term planning and to provide a buffer for any unexpected budgetary changes. For example, after having saved money for many years, BCCC's major information technology (IT) project, the ERP, and physical plant renovations not funded from the State's capital program, are to be funded through fund

balance, and the college has previously noted that it can bridge some revenue loss from the decline in enrollment with fund balance. Fund balance represents cumulative resources derived from student tuition and fees, State appropriations, and sales and services of public service activities and auxiliary enterprises in excess of expenses. These resources are used for transactions relating to the educational and general operations of BCCC and may be used at the discretion of the Board of Trustees to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty, and staff.

Though the amount that will ultimately be transferred to, or from, fund balance in fiscal 2018 and 2019 is unknown, BCCC has regularly had sizable transfers over the years. These transfers are detailed year by year in **Exhibit 8**. Transfers to fund balance are mainly due to BCCC’s formula funding, as it has no turnover adjustment in its budget to capture some normal amount of lapsed salaries. These transfers allowed BCCC to grow its fund balance from \$5 million in fiscal 2006 to \$32.3 million in fiscal 2013, transferring as much as 14.2% of its unrestricted funds in fiscal 2009. Since fiscal 2013, BCCC has had to draw from its fund balance more frequently to cover its operating expenses. If not for general fund reversions in four years in which they were required, the fund balance would be \$10.3 million greater.

Exhibit 8
Fund Balance Transfers and Totals
Fiscal 2006-2019 Est.
(\$ in Thousands)

<u>Fiscal Years</u>	<u>Transfers (to)/from Operating Budget</u>	<u>Percent of Unrestricted Funds</u>	<u>General Fund Reversions</u>	<u>Closing Fund Balance Total</u>
2006	-\$806	-1.4%	\$0	\$5,023
2007	1,597	2.9%	0	6,805
2008	6,976	12.4%	0	12,932
2009	8,090	14.2%	0	21,279
2010	3,006	4.8%	-1,374	20,028
2011	7,701	11.6%	-822	19,907
2012	6,036	9.6%	-4,097	26,201
2013	2,629	4.5%	0	32,316
2014	-2,591	-4.1%	0	29,173
2015	-5,842	-9.7%	-4,000	21,803
2016	1,205	2.1%	0	27,007
2017	-704	-1.2%	0	26,806
2018 Est.	-4,194	-6.5%	0	22,612
2019 Est.	-4,122	-6.3%	0	18,490

Source: Governor’s Budget Books, Fiscal 2009-2019; Department of Budget and Management

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At the beginning of fiscal 2018, BCCC reported \$26.8 million in total fund balance. Much of this is restricted to particular purposes, such as the reserve for WBJC, the radio station located at BCCC, and various restricted funds categorized into various reserve or purpose funds, such as for ERP and shovel-ready capital improvements. The remainder of the fund is for unspecified strategic priorities. However, planned shovel-ready projects have never occurred, and funding reserved for the delayed ERP project is now not needed for that purpose. BCCC's submitted budget expected to draw \$4.2 million in fiscal 2018 and \$4.1 million in fiscal 2019 to cover its operating expenses. This amount is almost certainly overstated due to the delay in the ERP project, though funds from the fund balance will likely be needed for alternative IT needs. **The President should provide an updated estimate on how much the college will draw from fund balance in fiscal 2018 and 2019, the purpose for which it will designate this fund balance transfer, and how long the college plans to continue to draw from its fund balance to cover expenses.**

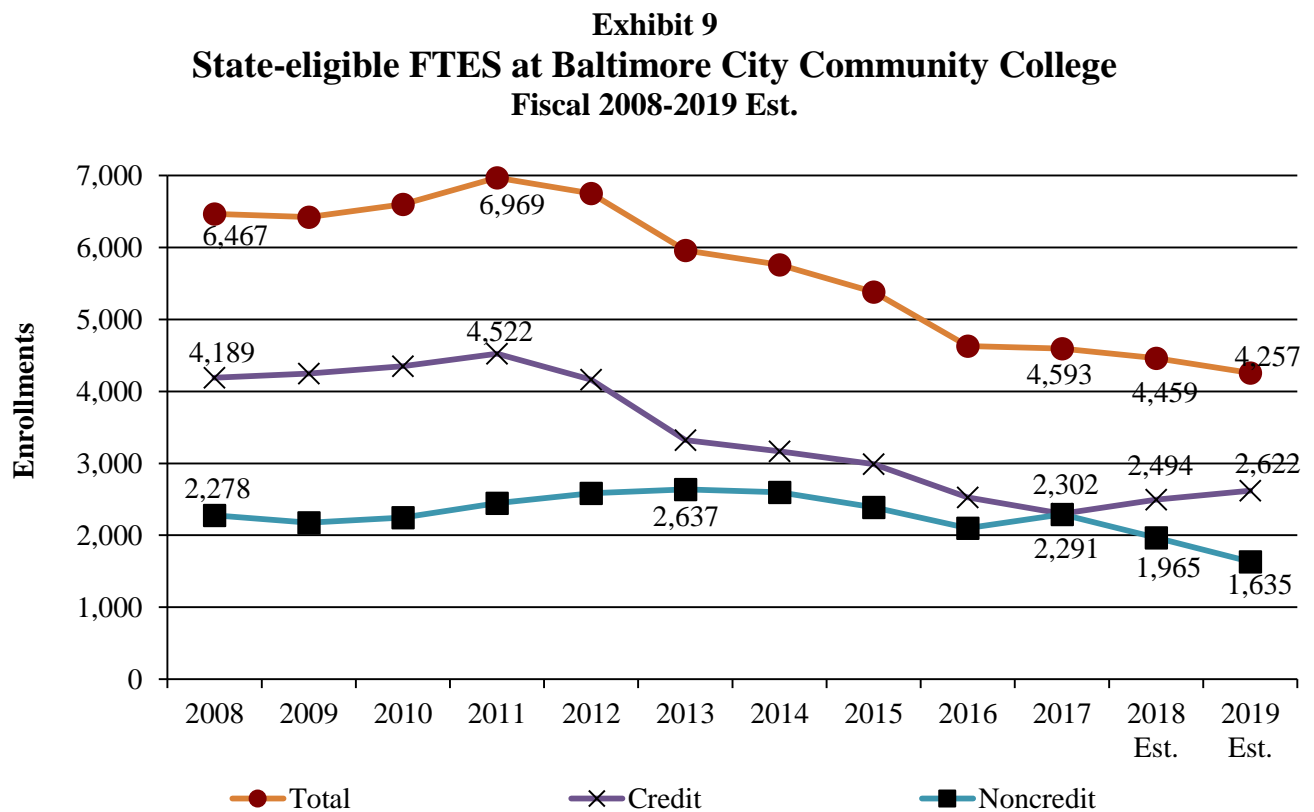
Auxiliary Enterprise Revenues

BCCC raises auxiliary enterprise revenue through rental of a parking garage facility and a radio tower and sales at its campus bookstore. It is worth noting that unlike other State-funded institutions, BCCC does not cover the auxiliary expenditures with auxiliary revenues. This is particularly true for fiscal 2018 after applying the \$1.5 million deficiency reduction due to lower than budgeted sales at the campus bookstore. BCCC has budgeted low growth in fiscal 2019 for auxiliary revenues of \$186,000 to a total of \$2.7 million. However, with declining enrollment and likely continued declining bookstore revenues, it is unlikely that even this level of revenue will be raised.

Issues

1. Enrollment and the Mayor’s Scholars Program

While most community colleges in Maryland grew consistently during the recession from fiscal 2008 to 2011, BCCC’s enrollment remained remarkably level, growing only 3% in credit FTES. As shown in **Exhibit 9**, total eligible credit enrollment peaked in fiscal 2011, at 4,522 FTES, and has declined each year since. The fiscal 2016 actual for credit enrollment was about 44% below the peak, a decrease of 1,993 students in just five years, to the point where it is only slightly higher than noncredit enrollment. Noncredit tells a slightly different story, as it broadly increased from fiscal 2008 to 2013, increasing about 16%, or 359 students, before declining from 2014 through 2016 before a slight uptick in fiscal 2017. This overall trend suggests that BCCC’s noncredit enrollment is tapering off as the economy improves. BCCC is budgeting for overall decreased enrollment from 4,593 in fiscal 2017 to 4,257 in fiscal 2019. However, it is predicting that this overall decline will be made up of an increase in credit enrollment from 2,302 to 2,622, while noncredit enrollment declines from 2,291 to 1,635.



FTES: full-time equivalent students

Source: Governor’s Budget Books, Fiscal 2010-2019

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Given recent trends, stabilizing enrollment would be a significant accomplishment for BCCC, allowing it to increase revenue from tuition and fees and to begin to plan on increases in State support. Efforts to date, such as tuition breaks for full-time students, have been unsuccessful. However, new initiatives to bring more students are being suggested. First and foremost is the free college program launched by Baltimore Mayor Catherine E. Pugh to cover the cost of tuition for all graduates of Baltimore City Public Schools (BCPS). Called the Mayor's Scholars Program, this program is part of a larger initiative to help reduce crime in Baltimore City through providing better education opportunities and outcomes for youth in Baltimore. As many of BCCC's city residents already receive federal grants Pell grants to pay for some or all of their tuition, the Mayor's office predicts this program would only cost the city \$1.5 million to make up the remaining costs for 200 to 300 students. The program is scheduled to be implemented for the fall 2018 semester. DLS estimates that based on the experiences in other cities that have implemented similar programs, enrollment may increase for BCCC by as much as 5%, though the formula funding effects of this increase will not be felt for at least another two years based on when enrollments are applied to the formula, and the substantial hold harmless grant the college is receiving. Another issue on the topic of covering the full cost of tuition at the State's community colleges beyond BCCC can be found in the Aid to Community Colleges analysis.

Other programs are currently being implemented that are intended to affect BCCC's enrollment for fiscal 2019. For example, fiscal 2019 is the first year in which BCCC is expected to receive funding for students enrolled in the Pathways in Technology Early College High School (P-TECH) program, in which some BCPS students are taking coursework through BCCC to work toward an associate's degree. P-TECH is expected to increase BCCC's enrollment by as many as 200 students by fall 2022. Beyond P-TECH, dual enrollment is one of the few categories of students that BCCC has had recent increases in, and BCCC has reported that it is working to expand its outreach to BCPS high schools.

The President should comment on how many students it is preparing to serve as part of the Mayor's Scholars Program in fall 2018 as well as what initiatives the college is undertaking to raise enrollment.

2. Draft Implementation Plan Has Been Submitted

In fiscal 2016, BCCC partnered with the Schaefer Center for Public Policy at the University of Baltimore to review its operations, academic programs, personnel needs, and other pertinent subjects after being directed by the General Assembly to hire a consultant to perform such a review. The resulting report, titled *Baltimore City Community College: Tapping into Unrealized Potential to Change Lives* was received by the General Assembly in August 2016. The report found that there was a lack of strong leadership, a lack of accountability, and ineffective and inefficient use of resources across the college and included 12 realignment recommendations to remedy these findings. Chapters 847 and 848 of 2017 required BCCC to submit a draft implementation plan for these recommendations by February 1, 2018, with the final implementation plan due June 30, 2018. The fiscal 2018 budget bill also restricted \$1 million in operating expenses for BCCC until the draft implementation plan was submitted.

Within its draft implementation plan, BCCC responded to these realignment tasks by providing tactics with accompanied start dates, intended outcomes and indicators of success, responsible personnel, and status reports, all of which are described in detail in the report. However, none of the tasks have yet been assigned completion dates. To summarize, BCCC has responded that it will implement the realignment tasks as required by Chapters 847 and 848 as described below with each task having numerous implementation “tactics.”

Realignment Task Number 1

BCCC will review and strategically align its core course offerings, consistent with accreditation requirements, and focus on the needs of students and the workforce of Baltimore City by doing the following:

- improving advising progress to get students into programs faster and on track to completion;
- better aligning its credit and noncredit pathways in employment growth areas;
- developing more articulation agreements to help students seamlessly transfer from associate degree programs to four-year institutions; and
- increasing the number of dual-enrollment students.

Realignment Task Number 2

BCCC will make workforce development and job placement top educational priorities by doing the following:

- enhancing BCCC’s job and career advancement services;
- aligning workforce development programs to economic opportunity;
- expanding apprenticeships;
- maximizing funding and grant opportunities to support workforce development initiatives;
- completing an inventory of existing contracts and Memorandums of Understanding (MOU);
- expanding its relationship with the Mayor’s Office of Employment Development; and
- implementing the Mayor’s Scholars Program.

Realignment Task Number 3

BCCC will improve student pathways to success, including remedial education, attainment of a degree or postsecondary certificate, and transfer to four-year institutions of higher education by doing the following:

- redesigning its developmental education model;
- accelerating developmental education learning;
- implementing Open Education Resources text and media access; and
- partnering with Achieving the Dream, a comprehensive nongovernmental reform movement for student success at community colleges.

Realignment Task Number 4

BCCC will enter into an MOU in order to establish student pathways to success with BCPS, institutions of higher education, and employers; and

- BCCC has increased partnerships with city high schools and institutions of higher education.

Realignment Task Number 5

BCCC will align its budget with realistic enrollment projections.

- BCCC has based its budget on enrollment projections of no more than 3,000 credit FTES per year.

Realignment Task Number 6

BCCC will engage in a comprehensive review of all positions, faculty, and staff at BCCC.

- BCCC has engaged a qualified firm to conduct a comprehensive staffing audit of BCCC faculty, staff, and administration. Phase I of planning, information, and data gathering is currently underway.

Realignment Task Number 7

BCCC will establish strong relationships with key stakeholders.

- BCCC is entering a partnership with Baltimore City to create MOUs with police, fire, and public works; and

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- BCCC has partnered with Associated Black Charities to create a task force to perform an analysis of BCCC’s Division of Workforce Development.

Realignment Task Number 8

BCCC will develop and market a brand by doing the following:

- conducting a brand positioning workshop;
- redesigning the college website; and
- increasing social media presence.

Realignment Task Number 9

BCCC will address its IT and infrastructure needs and will determine whether oversight by the Department of Information Technology (DoIT) is advisable by doing the following:

- beginning a strategic infrastructure refresh; and
- continuing to explore options of partnering with Coppin State University on some IT services.

Realignment Task Number 10

BCCC will develop or sell all unused or underutilized real estate, including the Inner Harbor site by doing the following:

- issuing an RFP for redevelopment of its Bard Building;
- selecting a successful bidder and entering into an MOU on the financial terms and conditions to redevelop the Bard property;
- negotiating the ground lease for the Bard property; and
- ensuring that all BCCC-owned or -leased property is fully utilized.

Realignment Task Number 11

BCCC will identify barriers in State or local laws or regulations that impede the ability of BCCC to operate efficiently and effectively including procurement and capital construction projects.

- BCCC is considering introducing legislation to have its procurement authority expanded to a similar threshold as Morgan State University and St. Mary’s College of Maryland, as it believes it currently has one of the most restrictive procurement delegations of any State agency.

Realignment Task Number 12

The Board of Trustees of BCCC shall review, and if necessary, revise the BCCC strategic plan by doing the following:

- reviewing the fiscal 2018 to 2022 strategic plan timeline;
- approving mission and vision statements; and
- drafting goals and objectives with BCCC.

After review of BCCC’s draft implementation report, DLS recommends the release of BCCC’s withheld \$1 million fiscal 2018 appropriation. DLS also recommends restricting \$500,000 pending receipt of BCCC’s final implementation plan, including dates for completing each realignment task and implementation tactic and an additional \$500,000 pending a report confirming that the components of the plan have been put into action and providing an update on the results of that implementation.

3. Infrastructure Concerns Delay Major Information Technology Project

BCCC uses a number of obsolete computer systems to store campus records, manage human resources, and conduct other services. In September 2009, BCCC received a “technology tactical plan” for the complete reimagining of IT at BCCC. The centerpiece of this technology upgrade is implementing ERP. An ERP integrates (or attempts to integrate) all data and processes of an organization into a unified system. A typical ERP system will use multiple components of computer software and hardware to achieve the integration. No significant progress was made until December 2012 when DoIT approved an Information Technology Project Request (ITPR), which described BCCC’s current IT systems as archaic. Specifically, the ITPR found serious legal deficiencies with required federal reporting under the Family Educational Rights and Privacy Act, the Health Insurance Portability and Accountability Act, and the Higher Education Opportunity Act. It is worth noting that in its most recent audit of BCCC, the Office of Legislative Audits reports instances of student data being shared without adequate safeguards and computers not having adequate malware protection. This emphasizes the need for improved IT systems at BCCC.

The implementation of ERP at BCCC struggled from its beginning. Although funding for ERP was first budgeted in fiscal 2013, little was spent due to ongoing delays, primarily due to a slow RFP process that did not produce an adequate number of proposals. In total, BCCC reports that \$4.3 million has been spent in attempting to get the ERP project started, with \$7.0 million in additional funds budgeted for fiscal 2018.

However, due to increased concerns about the project, BCCC has decided to cancel its RFP. This decision occurred after BCCC hired a consultant, Hartman Advisors, to review its IT infrastructure needs as directed by Realignment Task Number 9 under Chapters 847 and 848. Hartman reported that it did not believe BCCC's IT infrastructure could support a new ERP system. BCCC has now shifted its focus from ERP to upgrading its IT infrastructure.

As BCCC realigned its IT strategy, concerns grew about the college's student financial aid system, as BCCC's contract with Regent Education, Inc. (Regent) for the use of its financial software was due to expire. However, BCCC has been able to work with Regent to upgrade its software and continue with its services.

DLS has concerns about the ERP project and the overall IT capabilities at BCCC. It has been very difficult to get accurate, timely responses about the status and cost of the project, indicating potential miscommunication within BCCC and between BCCC and DoIT. Additionally, the many delays that the project has had raises the potential for misunderstandings about what the project needs to provide if and when BCCC releases a new RFP. Finally, as BCCC has shifted its strategy toward upgrading IT infrastructure, no current cost estimates or schedules exist for how this will be done. **The President should comment on how BCCC working on IT infrastructure upgrades instead of ERP in fiscal 2018 and 2019 will affect its total IT spending and when the college expects its IT infrastructure to be ready to support ERP. The President should also comment on how BCCC's internal functions can better communicate to make sure its IT systems are successfully implemented. DLS recommends adopting committee narrative requiring BCCC to work with DoIT and submit a five-year IT infrastructure plan.**

Additional information on the ERP delay is available in **Appendix 3**.

Operating Budget Recommended Actions

1. Add the following language to the unrestricted fund appropriation:

Further provided that since Baltimore City Community College (BCCC) has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$100,000 of this agency’s administrative appropriation may not be expended unless:

- (1) BCCC has taken corrective action with respect to all repeat audit findings on or before November 1, 2018; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2019.

Explanation: The Joint Audit Committee has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each such agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency and a determination by OLA that each finding was corrected. OLA shall submit reports to the budget committees on the status of repeat findings.

Information Request	Author	Due Date
Status of corrective actions related to the most recent fiscal compliance audit	OLA	45 days before the release of funds

2. Add the following language to the unrestricted fund appropriation:

Further provided that \$500,000 of this appropriation made for the purpose of operations at Baltimore City Community College (BCCC) may not be expended until the Board of Trustees of BCCC submits a final implementation plan to the budget committees on the institution’s follow-up to the comprehensive report from the Schaefer Center. The Board of Trustees shall consult with the President in finalizing the implementation plan. The final implementation plan shall be submitted no later than July 1, 2018, and shall include completion dates for each realignment task required by Chapters 847 and 848 of 2017 and for every implementation tactic.

Further provided that \$500,000 of this appropriation made for the purpose of operations at BCCC may not be expended until the Board of Trustees of BCCC submits a report to the budget committees confirming that the components of its final implementation plan have been put into

action in accordance with the recommendations of the report from the Schaefer Center and Chapters 847 and 848 of 2017 and updating the committees on the status of each realignment task and implementation tactic. The Board of Trustees shall consult with the President in preparing this report. This report shall be submitted no later than December 1, 2018. The budget committees shall have 45 days to review and comment following receipt of the report.

Funds restricted pending receipt of the reports may not be transferred by budget amendment or otherwise and shall revert to the General Fund if the reports are not submitted to the budget committees.

Explanation: BCCC has submitted a draft implementation plan wherein BCCC has identified how it is implementing recommendations contained within a comprehensive report by the Schaefer Center on BCCC’s operations and management. State support of \$500,000 is restricted pending the submission of BCCC’s final implementation plan no later than July 1, 2018. State support of \$500,000 is also restricted pending the submission of a report confirming that the realignment tasks and implementation tactics of the final implementation plan have been put into action in accordance with the Schaefer Center report and Chapters 847 and 848 and providing an update on the status of each. This report shall be submitted no later than December 1, 2018.

Information Request	Author	Due Date
Final implementation plan	BCCC	July 1, 2018
Confirmation and status report	BCCC	December 1, 2018

3. Adopt the following narrative:

Information Technology Infrastructure Plan: Baltimore City Community College (BCCC) has faced numerous difficulties in updating its information technology (IT) infrastructure. This has resulted in many IT shortcomings for BCCC, including, but not limited to, being unable to procure a new Enterprise Resource Planning (ERP) system, being unable to properly safeguard student data, and not adequately providing malware protection for its computers. BCCC should provide to the budget committees a five-year IT infrastructure plan, including the IT infrastructure that it will upgrade or replace, its timeline for replacing and upgrading, when it will be able to support a new ERP system, and all associated costs. BCCC should work with the Department of Information Technology in creating its five-year plan. This plan shall be submitted to the budget committees by November 1, 2018.

Information Request	Author	Due Date
IT infrastructure plan	BCCC	November 1, 2018

Appendix 1
Current and Prior Year Budgets
Baltimore City Community College
(\$ in Thousands)

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Fund</u>	<u>Federal</u> <u>Fund</u>	<u>Other</u> <u>Unrestricted</u> <u>Fund</u>	<u>Total</u> <u>Unrestricted</u> <u>Fund</u>	<u>Restricted</u> <u>Fund</u>	<u>Total</u>
Fiscal 2017							
Legislative							
Appropriation	\$40,814	\$0	\$0	\$26,227	\$67,042	\$24,001	\$91,043
Deficiency							
Appropriation	0	0	0	0	0	0	0
Cost							
Containment	-750	0	0	0	-750	0	-750
Budget							
Amendments	0	0	0	0	0	0	0
Reversions and							
Cancellations	0	0	0	-8,989	-8,989	-6,649	-15,638
Actual							
Expenditures	\$40,064	\$0	\$0	\$17,238	\$57,303	\$17,352	\$74,655
Fiscal 2018							
Legislative							
Appropriation	\$40,602	\$0	\$0	\$24,809	\$65,411	\$20,336	\$85,747
Cost							
Containment	-251	0	0	0	-251	0	-251
Budget							
Amendments	-600	0	0	0	-600	0	-600
Working							
Appropriation	\$39,751	\$0	\$0	\$24,809	\$64,560	\$20,336	\$84,896

Note: The fiscal 2018 appropriation does not include deficiencies, targeted reversions, or across-the-board reductions. Numbers may not sum to total due to rounding.

Fiscal 2017

General funds decreased by \$0.8 million due to November 2016 cost containment actions taken by the Board of Public Works (BPW) that reduced facilities maintenance and conference travel. At the close of the fiscal year, \$9.0 million in other unrestricted funds were canceled. Of that amount, \$5 million reverted to the college's fund balance due to an Enterprise Resource Planning information technology project that remains behind schedule, \$2.0 million is due to a loss of bookstore sales from declining enrollment, and the remaining \$2.0 million is due to adjustments in salaries and benefits, changes in utility costs due to milder seasons, and a refund from the Department of General Services for maintenance work.

At the close of the fiscal year, \$6.6 million in restricted funds were canceled. Of that amount, \$5.1 million was due to a decline in Pell grant awards due to the ongoing decline in enrollment, while the remainder was due to lower than anticipated expenditures of federal, State, and local grants and contracts.

Fiscal 2018

To date, the fiscal 2018 legislative appropriation has decreased by \$0.9 million in general funds. This is due to \$0.6 million in funding restricted and then transferred by budget amendment to two regional higher education centers and \$0.3 million in September 2019 cost containment actions taken by BPW that reduce spending for facilities maintenance and conference travel.

**Appendix 2
Audit Findings**

Audit Period for Last Audit:	October 24, 2013 – November 29, 2016
Issue Date:	November 2017
Number of Findings:	8
Number of Repeat Findings:	4
% of Repeat Findings:	50%
Rating: (if applicable)	n/a

Finding 1: The Baltimore City Community College’s (BCCC) Facilities Planning and Operations Department circumvented State regulations in the procurement of certain goods and services. Based on our review, certain of these procurements and related payments appeared questionable.

Finding 2: Several BCCC employees shared their corporate purchasing cards, precluding effective accountability and control, and did not have required documentation to support certain payments.

Finding 3: BCCC granted salary incentives or increases totaling \$129,250 to four senior management positions without adequate justifications, including three increases that were not approved by its Board of Trustees.

Finding 4: BCCC did not maintain a current and comprehensive agreement with its affiliated foundation, as required. In addition, the most recent agreement did not contain any financial or operational goals and outcomes to be achieved by the foundation even though BCCC subsidized a significant percentage of the foundation’s expenses during fiscal 2015 and 2016.

Finding 5: Sensitive personally identifiable information maintained by BCCC was stored without adequate safeguards.

Finding 6: Malware protection for BCCC computers was not sufficient to provide BCCC with adequate assurance that its computers were properly protected.

Finding 7: BCCC did not immediately restrictively endorse checks and deposit collections timely at its Liberty Campus.

Finding 8: BCCC did not maintain complete and accurate equipment records, could not locate certain equipment, and could not document that it conducted physical inventories of equipment as required. In addition, 40 computers purchased several years ago were never placed into service.

*Bold denotes item repeated in full or part from preceding audit report.

Appendix 3
Major Information Technology Projects
Baltimore City Community College
Enterprise Resource Planning System

Project Status	Delayed.				New/Ongoing Project:	Ongoing.		
Project Description:	The college's current information technology infrastructure is very antiquated and presents issues when one office has student or institution data that cannot be automatically transmitted to other campus offices. The purpose of this project is to procure a modern Enterprise Resource Planning (ERP) system that can automate a number of functions that currently must be performed manually and increase efficiency throughout the campus.							
Project Business Goals:	The goal of this project is to increase the efficiency and internal communication throughout the Baltimore City Community College (BCCC) campus.							
Estimated Total Project Cost:	\$16.835 million (these costs reflect estimates made before the most recent Request for Proposals (RFP) delay).				Estimated Planning Project Cost:	\$2.3 million.		
Project Start Date:	August 2012.				Projected Completion Date:	n/a.		
Schedule Status:	Delayed indefinitely.							
Cost Status:	Cost estimates have not been updated, as BCCC has not yet submitted a new RFP.							
Scope Status:	BCCC has changed priorities to upgrading its information technology (IT) infrastructure.							
Project Management Oversight Status:	Delayed. BCCC was concerned over how cancellation would impact its Student Financial Aid system, as its current contract with Regent Education, Inc. (Regent) was due to expire. BCCC worked with Regent to upgrade its software and continue with its services.							
Identifiable Risks:	In fulfillment of its tasks under Chapters 847 and 848 of 2017, BCCC hired an external consultant, Hartman Advisors, to review its IT infrastructure needs. One of the findings from Hartman's report was that BCCC's current IT infrastructure would not be able to handle a new ERP system. This has resulted in the delay of the ERP project.							
Fiscal Year Funding (\$ in Thousands)	Prior Years	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Balance to Complete	Total
Personnel Services	\$1,044	\$9	n/a	n/a	n/a	n/a	n/a	n/a
Professional and Outside Services	3,226	6,137	n/a	n/a	n/a	n/a	n/a	n/a
Other Expenditures	0.0	824	n/a	n/a	n/a	n/a	n/a	n/a
Total Funding	\$4,270	\$6,970	n/a	n/a	n/a	n/a	n/a	n/a

**Appendix 4
Object/Fund Difference Report
Baltimore City Community College**

<u>Object/Fund</u>	<u>FY 17 Actual</u>	<u>FY 18 Working Appropriation</u>	<u>FY 19 Allowance</u>	<u>FY 18 - FY 19 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	444.00	444.00	444.00	0.00	0%
02 Contractual	220.20	180.58	165.93	-14.65	-8.1%
Total Positions	664.20	624.58	609.93	-14.65	-2.3%
Objects					
01 Salaries and Wages	\$ 38,607,476	\$ 40,983,217	\$ 40,909,003	-\$ 74,214	-0.2%
02 Technical and Spec. Fees	10,558,638	7,707,366	7,036,563	-670,803	-8.7%
03 Communication	594,020	580,197	625,107	44,910	7.7%
04 Travel	385,864	525,828	354,612	-171,216	-32.6%
06 Fuel and Utilities	1,759,698	2,267,832	1,856,165	-411,667	-18.2%
07 Motor Vehicles	194,124	146,336	163,550	17,214	11.8%
08 Contractual Services	6,030,980	8,093,471	10,678,332	2,584,861	31.9%
09 Supplies and Materials	2,649,112	4,361,054	3,401,092	-959,962	-22.0%
10 Equipment – Replacement	73,914	630,071	514,181	-115,890	-18.4%
11 Equipment – Additional	383,534	1,446,821	912,112	-534,709	-37.0%
12 Grants, Subsidies, and Contributions	10,426,077	13,880,536	14,592,782	712,246	5.1%
13 Fixed Charges	3,225,504	3,464,304	3,600,154	135,850	3.9%
14 Land and Structures	-233,831	808,998	519,656	-289,342	-35.8%
Total Objects	\$ 74,655,110	\$ 84,896,031	\$ 85,163,309	\$ 267,278	0.3%
Funds					
40 Unrestricted Fund	\$ 57,303,148	\$ 64,560,070	\$ 65,009,158	\$ 449,088	0.7%
43 Restricted Fund	17,351,962	20,335,961	20,154,151	-181,810	-0.9%
Total Funds	\$ 74,655,110	\$ 84,896,031	\$ 85,163,309	\$ 267,278	0.3%

Note: The fiscal 2018 appropriation does not include deficiencies, targeted reversions, or across-the-board reductions. The fiscal 2019 allowance does not include contingent reductions or cost-of-living adjustments.

**Appendix 5
Fiscal Summary
Baltimore City Community College**

<u>Program/Unit</u>	<u>FY 17 Actual</u>	<u>FY 18 Wrk Approp</u>	<u>FY 19 Allowance</u>	<u>Change</u>	<u>FY 18 - FY 19 % Change</u>
01 Instruction	\$ 26,073,361	\$ 38,957,283	\$ 23,985,793	-\$ 14,971,490	-38.4%
03 Public Service	1,558,039	1,550,000	1,600,000	50,000	3.2%
04 Academic Support	4,965,405	4,978,141	5,103,150	125,009	2.5%
05 Student Services	5,952,471	7,549,251	6,919,714	-629,537	-8.3%
06 Institutional Support	14,732,798	17,377,624	20,541,806	3,164,182	18.2%
07 Operation and Maintenance of Plant	7,748,350	10,226,981	8,675,356	-1,551,625	-15.2%
08 Auxiliary Enterprises	3,276,851	4,256,751	3,874,928	-381,823	-9.0%
17 Scholarships and Fellowships	10,347,835	0	14,462,562	14,462,562	0%
Total Expenditures	\$ 74,655,110	\$ 84,896,031	\$ 85,163,309	\$ 267,278	0.3%
Unrestricted Fund	\$ 57,303,148	\$ 64,560,070	\$ 65,009,158	\$ 449,088	0.7%
Restricted Fund	17,351,962	20,335,961	20,154,151	-181,810	-0.9%
Total Appropriations	\$ 74,655,110	\$ 84,896,031	\$ 85,163,309	\$ 267,278	0.3%

Note: The fiscal 2018 appropriation does not include deficiencies, targeted reversions, or across-the-board reductions. The fiscal 2019 allowance does not include contingent reductions or cost-of-living adjustments.