

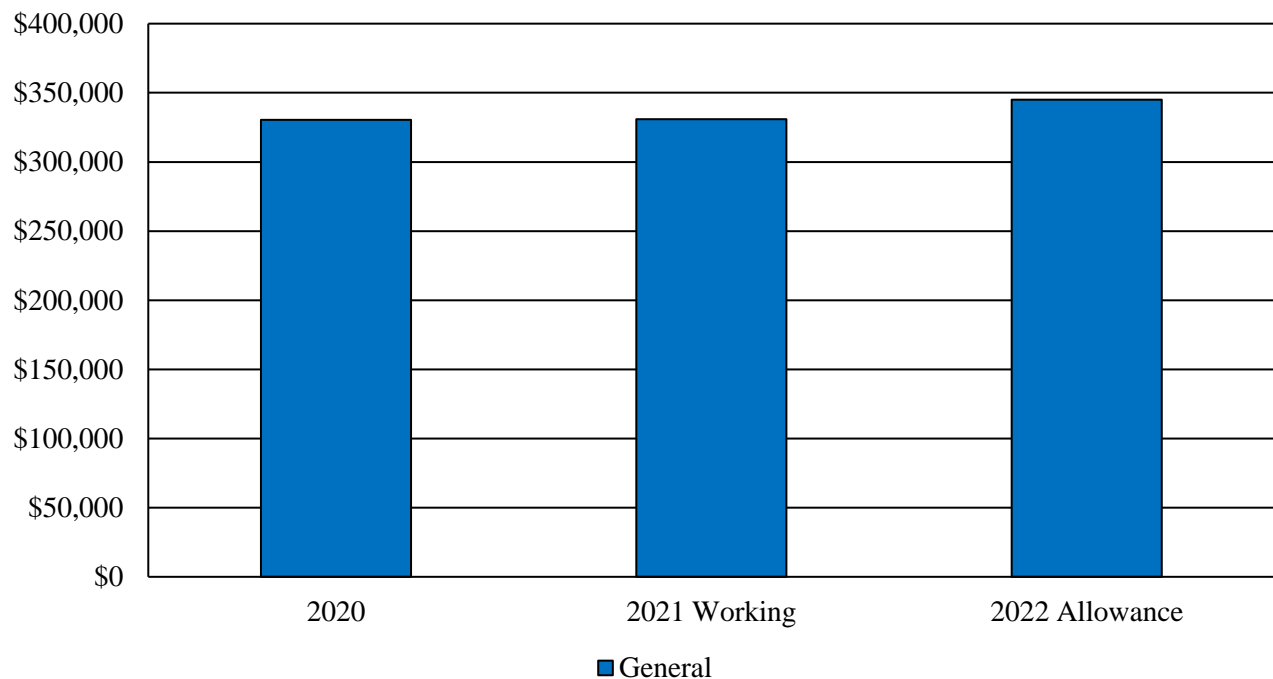
R62I0005 Aid to Community Colleges

Executive Summary

The Aid to Community Colleges budget contains State funding for local community colleges as administered by the Maryland Higher Education Commission (MHEC). The majority of this funding is determined under various aid programs, most significantly the Senator John A. Cade (Cade) Funding Formula. The budget also contains funding to support retirement payments for employees of local community colleges.

Operating Budget Summary

Fiscal 2022 Budget Increases \$14.1 Million, or 4.3%, to \$344.9 Million
(\$ in Thousands)



Note: The fiscal 2022 allowance includes reductions contingent on legislation.

- The Cade Funding Formula increases by \$13.8 million in fiscal 2022 contingent on the Budget Reconciliation and Financing Act (BRFA) of 2021, which changes the funding formula.

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- Community colleges received \$10.0 million in State Coronavirus Relief, Aid, and Economic Security (CARES) Act funding through the Governor’s Emergency Education Relief (GEER) fund in fiscal 2021. These funds were allocated through MHEC to community colleges to provide workforce development courses and continuing professional education that leads to government or industry certification or licensure.
- Community colleges will also receive \$10.0 million from the State’s Recovery for the Economy, Livelihoods, Industries, Entrepreneurs and Families (RELIEF) Act to address COVID-19-related expenditures in fiscal 2021.
- Community colleges will also receive \$7.4 million in additional GEER funding in Supplemental Budget No. 1 for workforce development courses and continuing education that leads to government or industry certification or licensure.
- When the additional \$27.4 million of one-time fiscal 2021 funding is included, the fiscal 2022 budget decreases \$13.3 million, or 3.7%, relative to the 2021 adjusted working appropriation.

Key Observations

- ***Persister Rates Signify Importance of Completing Developmental Coursework:*** Preliminary data shows that the 2015 cohort of students attending Maryland’s community colleges have successfully persisted at a rate of 71.2%. Students who complete developmental coursework persist at a rate of 82.2%, while those who do not persist at a rate of only 40.6%. This shows the importance of community college students completing developmental coursework. For the fall 2015 cohort, 73% required developmental coursework; of those students, only 63% complete the coursework.
- ***Revising Community College Formula Calculations:*** The BRFA of 2021 proposes reducing the fiscal 2022 funding to community colleges by \$26.6 million compared to current law. The BRFA also proposes changes to the formula beginning in fiscal 2023, by tying the amount of aid to each community college to the previous fiscal year allocation and increasing that rate by the percentage growth in general fund revenues, removing the connection to enrollment at community colleges and public support of selected four-year institutions.
- ***COVID-19 Financial Impact:*** COVID-19-related revenue losses and expenditures totaled \$30.0 million in fiscal 2020. When the Board of Public Works reduction is included, COVID-19-related revenue losses and expenditures totaled \$100.6 million in fiscal 2021. These revenue losses and additional expenditures are largely offset by \$121 million of federal CARES Act and Consolidated Appropriations Act (December 2020 stimulus) funding. Total enrollment decreased by 4.4%, or 4,953 students, in fall 2020 compared to 2019.

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- ***Community College Students Receiving Less Financial Aid:*** Pell grant awards decreased when compared to fiscal 2019, falling by \$2.5 million, which was offset by increases in institutional aid totaling \$0.6 million; total financial aid awarded decreased by \$1.9 million when compared to fiscal 2019, when excluding CARES Act emergency student financial assistance.

Operating Budget Recommended Actions

1. Concur with Governor's allowance.

R62I0005
Aid to Community Colleges

Operating Budget Analysis

Program Description

State aid for the 15 local community colleges is provided through the Senator John A. Cade (Cade) Funding Formula under Section 16-305 of the Education Article, under the administration of the Maryland Higher Education Commission (MHEC). The current formula has been used to determine funding since 1998. The amount of aid is based on a percentage of the current year's State aid per full-time equivalent student (FTES) at selected four-year public higher education institutions and the total number of FTES at the community colleges. The total is then distributed to each college based on the previous year's direct grant, enrollment, and a small-size factor. Under current law, funding is based on an amount equal to 25% of the State aid per FTES at the selected four-year schools. This increases to 27% in fiscal 2022 and 29% in fiscal 2023 and thereafter.

Additional grants are provided through the following programs.

- The Small Community College Grants are distributed to the smallest community colleges in order to provide relief from the disproportionate costs that they incur. Chapter 284 of 2000 increased the grants distributed by MHEC to seven small community colleges beginning in fiscal 2003, and Chapter 350 of 2017 created the requirement that all schools receiving grants receive the same amount. The amount of the unrestricted grants increases annually by the same percentage of funding per FTES at the selected institutions used by the Cade Funding Formula. Additional grants are received by Allegany College of Maryland and Garrett College, which are referred to as Appalachian Mountain grants. These grants do not increase annually.
- The Health Manpower Shortage Grant permits some students to attend out-of-county community colleges and pay in-county tuition rates. The grants reimburse colleges for out-of-county tuition waivers. If funding in a single year is not enough to cover the entire program, MHEC prorates funding based on the number of participating students.
- The English for Speakers of Other Languages (ESOL) program provides funding for instructional costs and services for ESOL students. Funding is capped at \$800 per eligible FTES and \$8 million in total State aid for the program.
- The Garrett/West Virginia Reciprocity Program allows West Virginia residents to attend Garrett College at in-county tuition rates and provides reimbursement for tuition waivers. The Somerset County Reimbursement Program similarly provides in-county rate tuition waiver reimbursement to colleges permitting students who reside in Somerset County, which has no community college, to attend at in-county tuition rates.

Certain community college employees are eligible to participate in a defined benefit retirement plan maintained and operated by the State. Alternatively, the employees may participate in the Optional

Retirement Program (ORP), a defined contribution plan. Under current law, the State funds the costs associated with the various retirement plans, with the exception of State Retirement Agency administration costs.

MHEC is managing the Community College Facilities Renewal Grant in fiscal 2022, which provides grants for improvements, repairs, and deferred maintenance projects at community colleges. These grants are funded with general obligation bonds in fiscal 2022. Analysis and discussion of this funding can be found in the Community College Facilities Renewal Grant Program analysis (RI0005).

The goals that MHEC has set for providing State aid to community colleges are:

- to ensure that Maryland community college students are progressing successfully toward their goals;
- to attain diversity reflecting the racial/ethnic composition of the service areas of the community colleges;
- to support regional economic and workforce development by producing graduates and by supplying training to the current employees of businesses; and
- to achieve a competitive ORP to recruit and retain quality faculty.

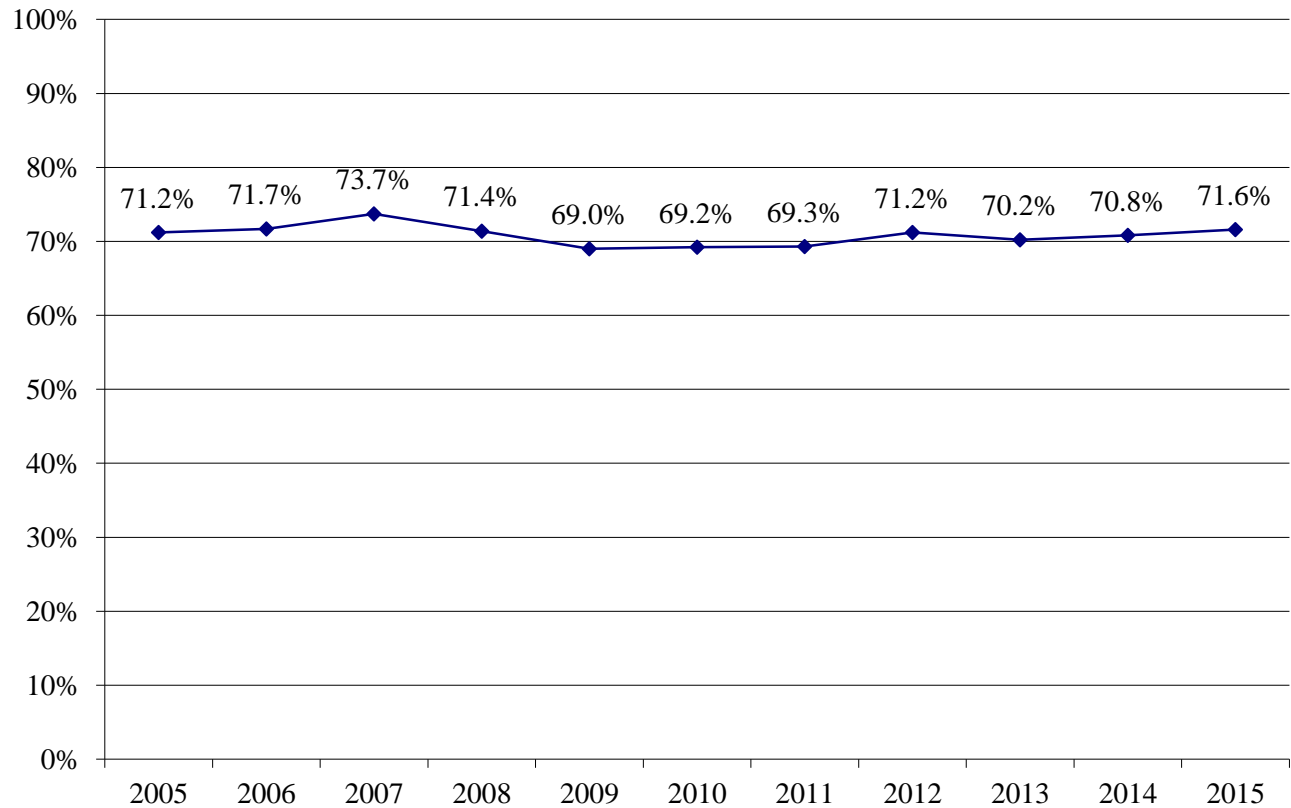
Performance Analysis: Managing for Results

1. Successful Persister Rates

Students enrolling at community colleges often have different goals than those at traditional four-year institutions. Community college students tend to have higher developmental educational needs, are more likely to enroll part-time, and may be less degree focused. With these differences, it is difficult to directly compare the outcomes between the two segments. For community college students, successful persister rates are one metric used to measure student performance. A successful persister is a student who attempts at least 18 credits within the first two years, and who, after four years, is still enrolled, has graduated, or has transferred.

The statewide successful persister rates for the 2005 through 2015 cohorts are shown in **Exhibit 1**. The successful persister rate for the 2015 cohort is 71.6%. The 2015 cohort rate represents an eight-year high and an increase of 1.0 percentage point compared to the 2014 cohort.

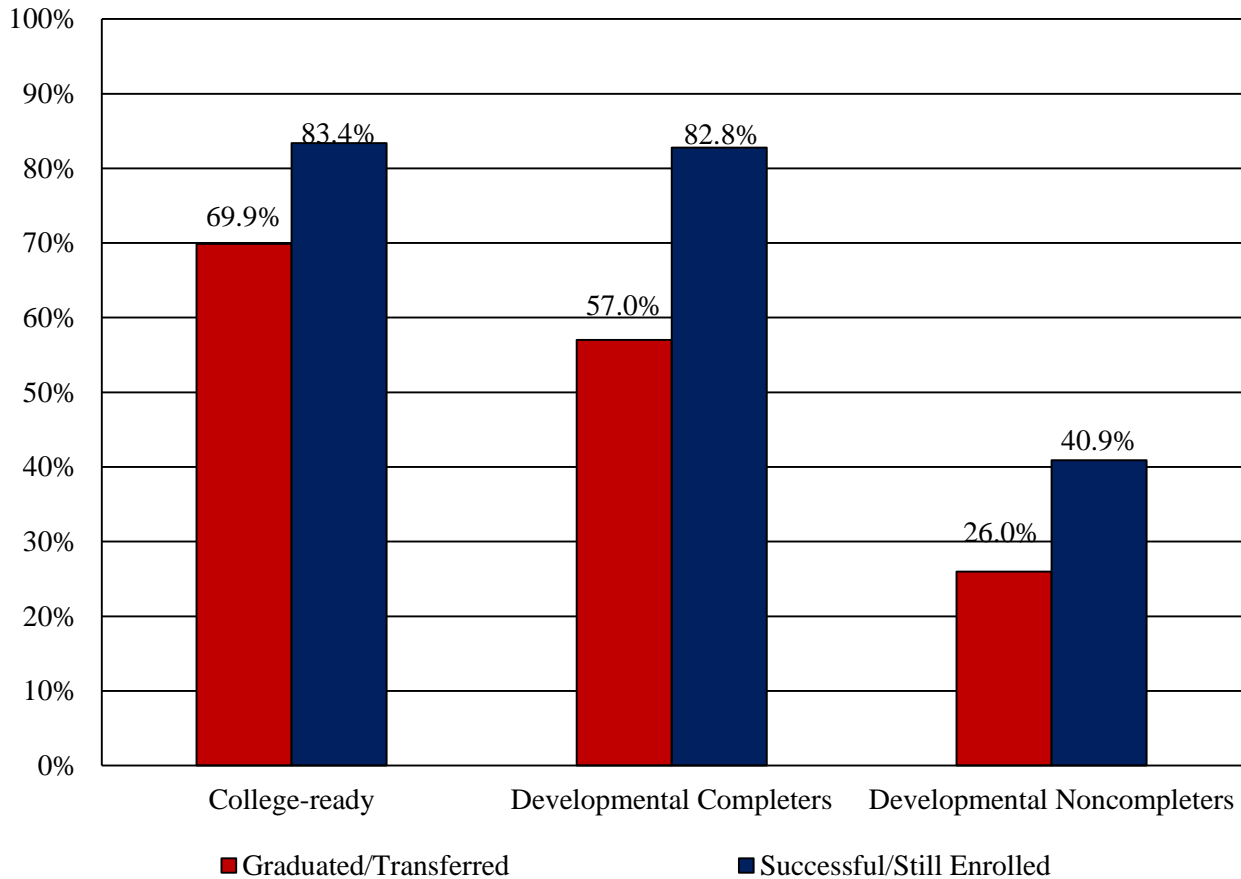
Exhibit 1
Four-year Successful Persister Rate
2005-2015 Cohorts



Source: Maryland Higher Education Commission

The successful persister rates for three separate subgroups of students are tracked by the Maryland Association of Community Colleges (MACC) – college-ready students, developmental completers (students who required developmental education and who completed the recommended developmental coursework or completed a college-level course in the recommended areas within four years), and developmental noncompleters (students who failed to complete all recommended developmental coursework after four years). **Exhibit 2** shows the successful persister rates for those three subgroups in the 2015 cohort.

Exhibit 2
Degree Progress Four Years After Initial Enrollment
Fall 2015 Cohort



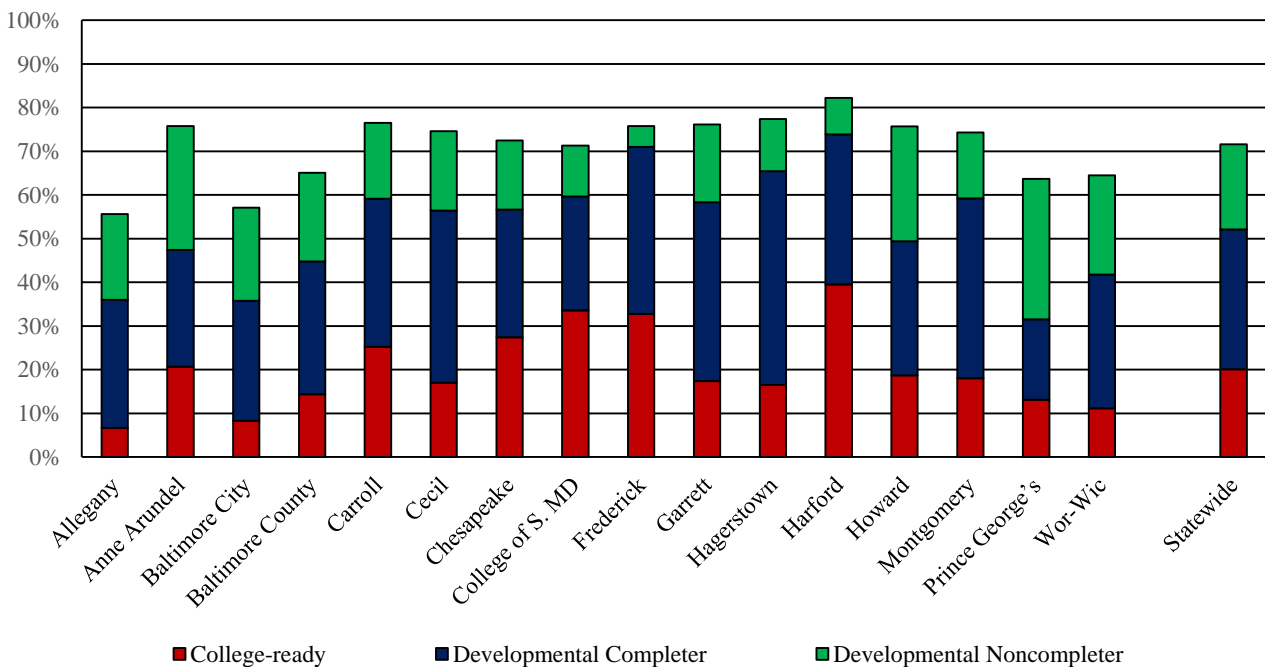
Note: Figures include Baltimore City Community College. The students included in this analysis represent the outcomes of first-time students who attempted at least 18 credit hours in their first two years.

Source: Maryland Higher Education Commission

Results from the successful persister rate data emphasize the importance of students completing developmental coursework. College-ready students and developmental completers both persist at rates over 80% in the 2015 cohort, although actual student outcomes for these groups are slightly less equal, as college-ready students graduate or transfer after four years at a rate of 69.9%, while developmental completers only graduate or transfer after four years at a rate of 57.0%. Meanwhile, outcomes for both college-ready students and developmental completers far outpace those of developmental noncompleters, who only have a persister rate of 40.9% and graduate or transfer at a rate of 26.0%. The importance of getting students to complete developmental coursework is emphasized by the fact that most students (71.9%) in the 2015 cohort tested into developmental education.

Exhibit 3 shows the college-by-college breakdown of the same three categories of students for the 2015 cohort persister rates. Overall, persister rates by college range from 57% at Baltimore City Community College (BCCC) to 82% at Harford Community College. In general, community colleges with high numbers of college-ready students and students completing developmental coursework had higher overall persister rates. **Exhibit 4** provides college-by-college details on students who need developmental coursework. As shown, Allegany College of Maryland and BCCC had the highest percentage of students who required developmental coursework, at 88% and 85%, respectively, while the College of Southern Maryland and Harford Community College had the lowest percentage, at 53% and 52%.

Exhibit 3
Successful Persister Rate by Community College
Fall 2015 Cohort



S. MD: Southern Maryland

Source: Maryland Higher Education Commission

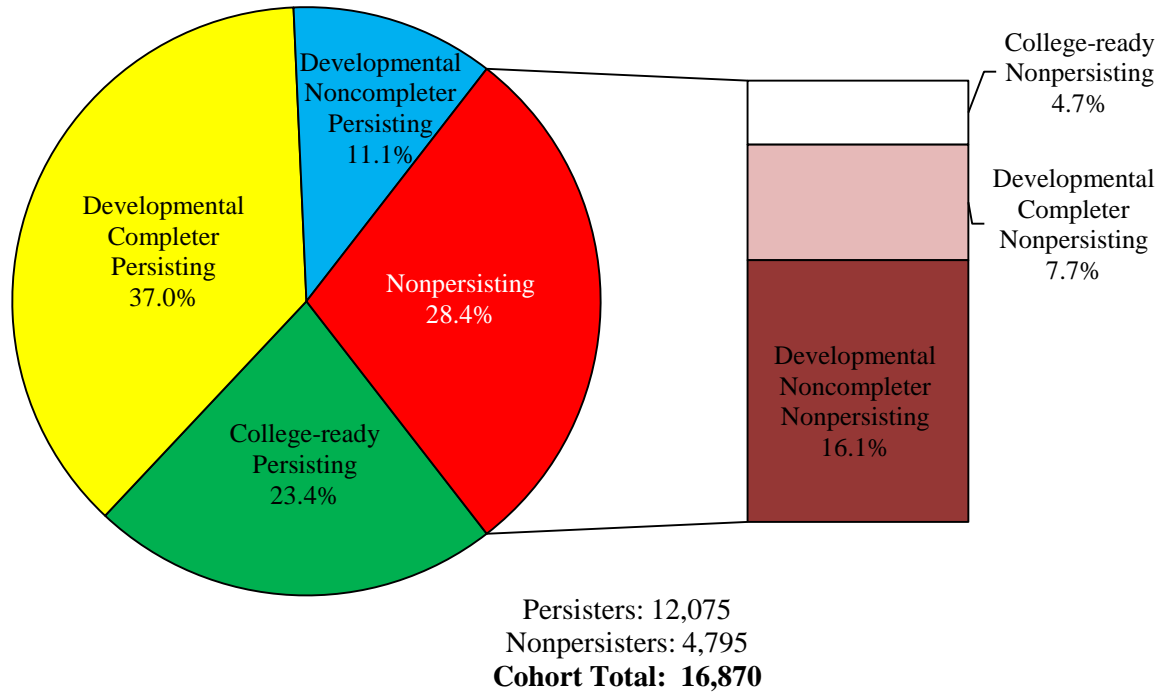
Exhibit 4
Students Taking Developmental Coursework
Fall 2015 Cohort

| | % of Cohort Who Required <u>Developmental Coursework</u> | <u>Developmental Completers</u> | <u>Developmental Noncompleters</u> |
|------------------------------|---|--|---|
| Allegany | 88% | 60% | 40% |
| Anne Arundel | 73% | 49% | 51% |
| Baltimore City | 85% | 56% | 44% |
| Baltimore County | 78% | 60% | 40% |
| Carroll | 67% | 66% | 34% |
| Cecil | 77% | 68% | 32% |
| Chesapeake | 62% | 65% | 35% |
| College of Southern Maryland | 53% | 69% | 31% |
| Frederick | 57% | 89% | 11% |
| Garrett | 77% | 70% | 30% |
| Hagerstown | 79% | 80% | 20% |
| Harford | 52% | 80% | 20% |
| Howard | 75% | 54% | 46% |
| Montgomery | 76% | 73% | 27% |
| Prince George's | 79% | 36% | 64% |
| Wor-Wic | 83% | 57% | 43% |
| Statewide | 72% | 62% | 38% |

Source: Maryland Higher Education Commission

Exhibit 5 shows the entire fall 2015 cohort sorted into the categories of college-ready, developmental completer, and developmental noncompleter as well as whether or not they are persisting. Comparing persister and nonpersister rates emphasizes how much more likely developmental noncompleters are to become nonpersisters; of students who cease persisting, 56.7% are developmental noncompleters.

Exhibit 5
Persisting and Nonpersisting Students
Fall 2015 Cohort

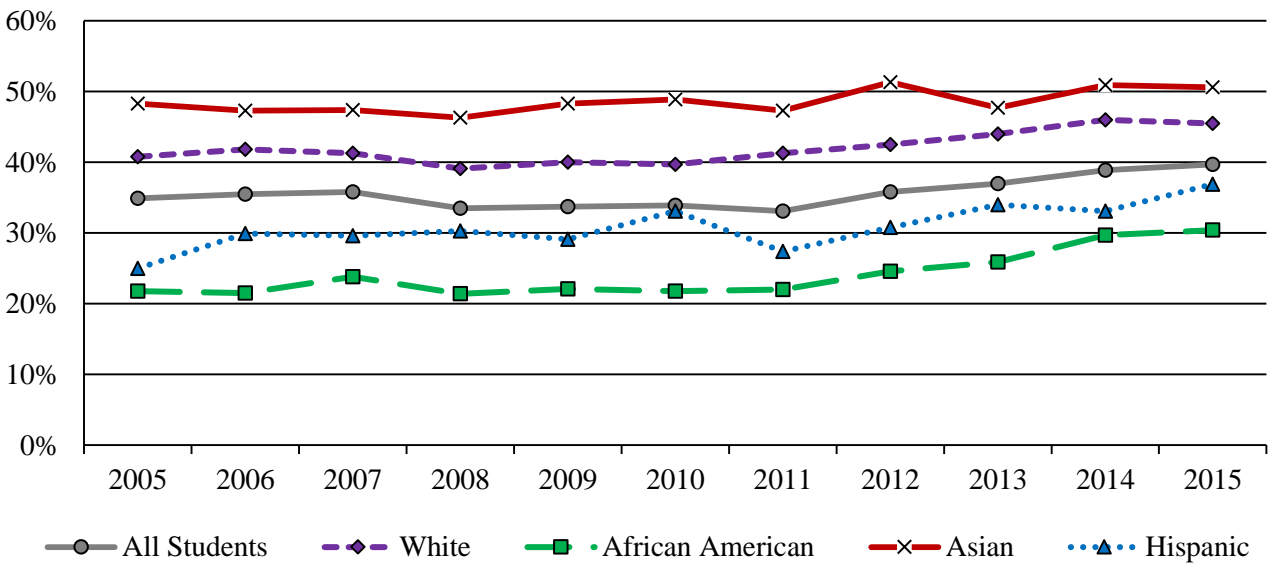


Source: Maryland Higher Education Commission

2. Achievement Gap for Minority Students

Another goal of the State is to narrow the achievement gap in the four-year graduation/transfer rate of minority students compared to all students. **Exhibit 6** shows the average rates that first-time, full-time White, African American, Asian, and Hispanic students graduated or transferred from Maryland community colleges for the 2005 through 2015 cohorts compared to all students. For the 2015 cohort, Asian students have graduated or transferred at the highest rate in the State, 50.6%; White students at a rate of 45.5%; Hispanic students at a rate of 36.9%; and African American students at a rate of 30.4%. All students graduated or transferred at a rate of 39.7% for the fall 2015 cohort. This results in a gap of 9.3 percentage points and 2.8 percentage points below the All Students average for African American and Hispanic students, respectively. While the four-year graduation or transfer rate of African American students remains the lowest in the State, the 30.4% represents the fifth continuous year of improvement, increasing by 8.6 percentage points from the 2010 cohort total.

Exhibit 6
Four-year Graduation and Transfer Achievement Gap
2005-2015 Cohorts

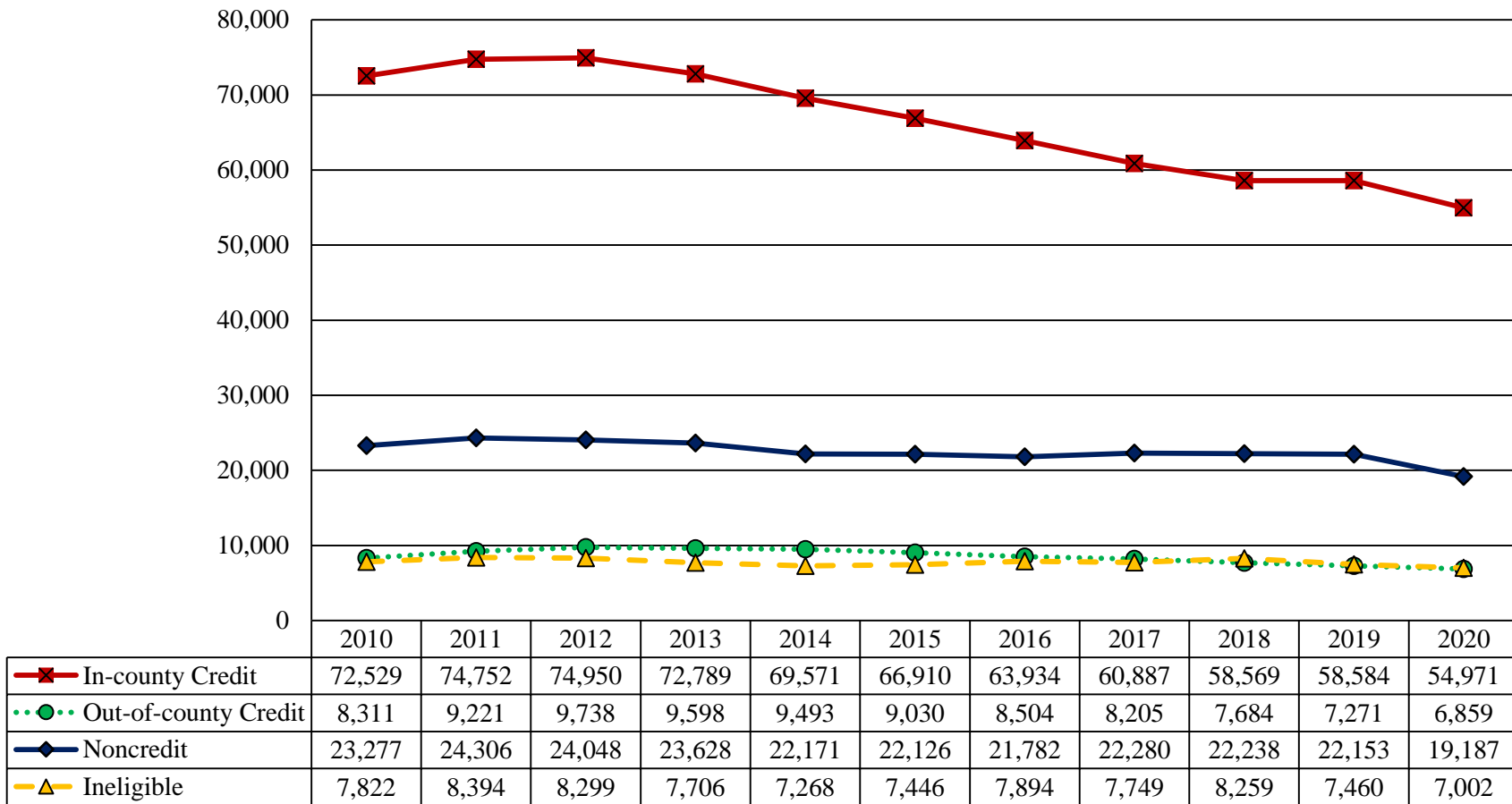


Source: Maryland Higher Education Commission

3. Community College Enrollment

Enrollment in Maryland community colleges reached its peak in the years following the Great Recession of 2008 as students usually enroll at community colleges in greater numbers when the economy is struggling and job prospects are low. **Exhibit 7** displays FTES enrollment from fiscal 2010 to 2020 for the three current Cade-eligible enrollments as well as ineligible enrollments, which are primarily composed of out-of-state students, while **Exhibit 8** provides the total enrollment at Maryland community colleges.

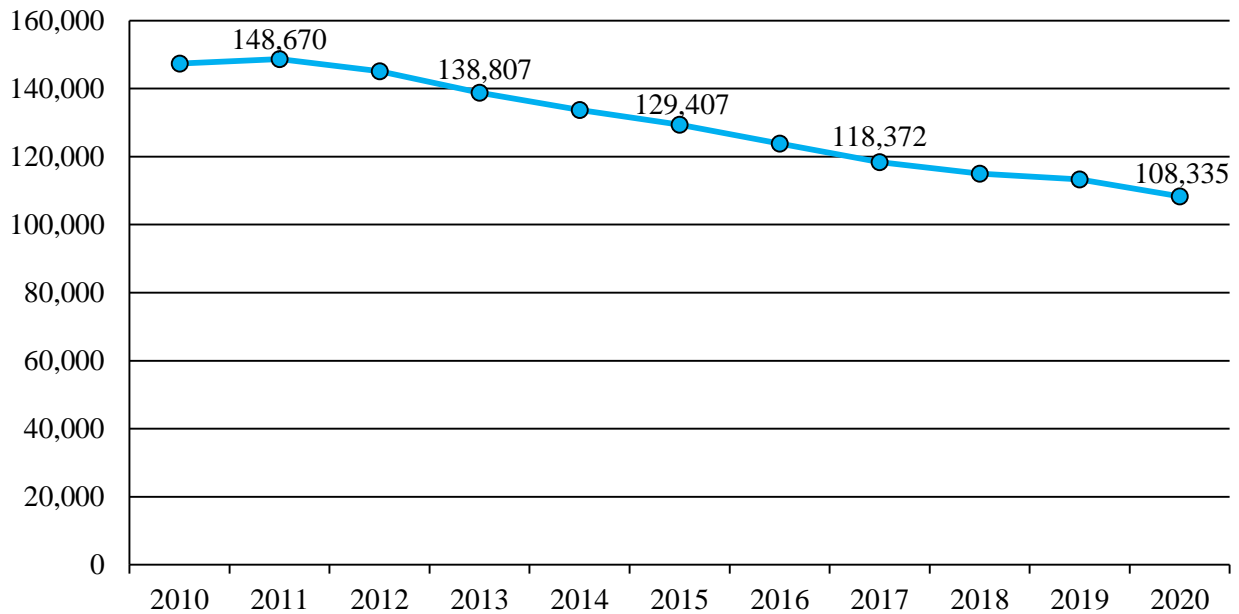
Exhibit 7
FTES Enrollment at Maryland Community Colleges
Fiscal 2010-2020



FTES: full-time equivalent student

Source: Maryland Higher Education Commission

Exhibit 8
Total Enrollment at Maryland Community Colleges
Fiscal 2010-2020



Note: Fall 2020 enrollment reflects opening fall enrollment data and is subject to revision.

Source: Maryland Higher Education Commission

It was noted above that community college enrollment normally increases during a recession. However, that has not been the case despite the dramatic economic dislocation caused by the COVID-19-related shutdowns in March and April 2020 as shown in each of the exhibits. Eligible FTES enrollment declined by 7.9%, or 6,990 students, in fiscal 2020 compared to fiscal 2019, while total enrollment decreased by 4.4%, or 4,953 students, over that same period. The fiscal 2020 total of 108,335 represents a decline of 40,335 students from the fiscal 2011 record high of 148,670, or 27.1%. This figure also represents the ninth consecutive year of Maryland community college enrollment declines.

COVID-19 Impact on Maryland Community Colleges

Fiscal 2020

As COVID-19 spread across the State, the respective community colleges turned to online and virtual instruction, or emergency learning, in March 2020. Campuses were closed, and refunds were made to students where appropriate. While some institutions were able to transition relatively seamlessly, either having already developed a continuity of operations plan for an event that would shift to remote instruction or having already utilized a learning management system providing the framework for online class delivery, several institutions were forced to adapt to the new environment in less than a week. The closure of these institutions also affected revenues in auxiliary enterprises. Overall, Maryland community colleges lost a total of \$20.1 million in revenues, as shown in **Exhibit 9** (see **Appendix 1** for budget shortfalls by institution), and incurred additional costs that totaled \$9.9 million for a total budget shortfall of \$30.0 million.

Exhibit 9 Fiscal Impact of COVID-19 Fiscal 2020

| | |
|--|----------------------|
| Revenue Losses and Expenditures | |
| Tuition and Fee Revenues | -\$10,507,773 |
| Auxiliary Revenues | -4,155,811 |
| Other Revenues | -5,485,317 |
| COVID-19-related Expenses | -9,885,706 |
| Total Shortfall | -\$30,034,607 |
| <u>Reductions/Savings/CARES Funding</u> | |
| CARES Act | \$9,740,100 |
| Operating and Personnel ¹ | 20,294,507 |
| Total | \$30,034,607 |
| Total Surplus/Deficit | \$0 |

CARES: Coronavirus Aid, Relief, and Economic Security

¹ Operating and Personnel reductions include faculty and staff travel, conferences and staff development, dining services, office equipment, and other auxiliary savings.

Note: Baltimore City Community College included in fiscal impact totals.

Source: Maryland Association of Community Colleges

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The respective community colleges used a combination of budget reductions and Coronavirus Aid, Relief, and Economic Security (CARES) Act funds to cover their budget deficits. The Maryland community colleges directly received a total of \$57.1 million in CARES Act funds in fiscal 2020 (including \$1.3 million for Minority-serving Institutions (MSI), which was allocated in fiscal 2021) of which \$27.4 million was required to be used for emergency student financial aid. Institutions used \$26.6 million – \$16.9 million for financial aid and \$9.7 million for institutional use, in fiscal 2020. The remaining \$30.5 million was carried forward (including \$11.5 million for financial aid) to fiscal 2021 (see **Appendix 2** for breakdown and use of funds by institution).

Community colleges also received \$10.0 million in State CARES Act funding through the Governor’s Emergency Education Relief fund in fiscal 2021. These funds were allocated to community colleges to provide workforce development courses and continuing professional education that leads to government or industry certification or licensure. BCCC also received \$0.9 million from the State Coronavirus Relief Fund of which \$0.3 million was used for COVID-19-related expenses and \$0.6 million was used for public safety personnel expenditures.

Fiscal 2021

In summer 2020, institutions made plans and started preparing to reopen campuses in fall 2020 (fiscal 2021). For some institutions, this included transitioning academic programs and student services online, modifying learning environments that would be conducted in-person to a socially distanced structure, and limiting certain class sizes. The decline in enrollment, as previously mentioned, resulted in a projected loss of \$33.5 million in tuition and fee revenues, as shown in **Exhibit 10**. Reduced enrollment resulted in a decrease in auxiliary revenues estimated at \$9.7 million. In addition, the July 2020 Board of Public Works action level funded the amounts that were to be distributed to the respective community colleges, representing a \$39.6 million general fund reduction. Institutions also project \$7.9 million in unbudgeted COVID-19-related expenses, resulting in an overall expected shortfall of \$100.6 million.

Exhibit 10
Fiscal Impact of COVID-19
Fiscal 2021

| | |
|---|-----------------------|
| Revenue Losses and Expenditures | |
| Board of Public Works Reduction | -\$39,600,105 |
| Tuition and Fee Revenues | -33,463,158 |
| Auxiliary Revenues | -9,685,476 |
| Other Revenues | -9,903,519 |
| COVID-19-related Expenses | -7,910,174 |
| Total Shortfall | -\$100,562,432 |
| Reductions/Savings/CARES Funding | |
| CARES Act | \$18,579,375 |
| RELIEF Act | 10,000,000 |
| MSI Funds ² | 372,147 |
| Operating and Personnel ¹ | TBD |
| Total | \$28,951,522 |
| Remaining Deficit | -\$71,610,910 |
| CAA Funds ³ | \$92,446,206 |

CARES: Coronavirus Aid, Relief, and Economic Security

CAA: Consolidated Appropriations Act

MSI: minority-serving institutions

RELIEF: Recovery for the Economy, Livelihoods, Industries, Entrepreneurs, and Families

¹ Operating and Personnel reductions will include faculty and staff travel, conferences and staff development, dining services, office equipment, and other auxiliary savings. The total amount in operating and personnel reductions is still being determined by the respective community colleges.

² MSI funding is part of the Higher Education Emergency Relief Fund. Maryland community colleges received a total of \$1.3 million in MSI funding. Institutions could utilize these funds for institutional purposes or for emergency student aid.

³ Maryland Community Colleges will have \$92.4 million that could be utilized to address the remaining deficit. Institutions have until September 30, 2022, to expend the funds and therefore may carry over to fiscal 2023.

Note: Baltimore City Community College included in fiscal impact totals.

Source: Maryland Association of Community Colleges

As with fiscal 2020, the respective community colleges plan to take a varied approach to cover the estimated revenue losses and expenditures increases: reducing operating expenses; personnel actions; and using federal funds that have not yet been fully identified by the respective community colleges.

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In fiscal 2021, various institutions received an additional \$1.3 million in CARES Act funds allocated for MSIs of which \$1.0 million was used for student financial aid. These funds, along with funds carried over from fiscal 2020, provided \$30.5 million in CARES Act funds of which \$19.0 million were used to cover revenue losses and COVID-19-related costs.

Community colleges will also receive \$10.0 million in Recovery for the Economy, Livelihoods, Industries, Entrepreneurs and Families (RELIEF) Act funding in fiscal 2021 for workforce programs. Supplemental Budget No. 1 also provides community colleges with an additional \$7.4 million in funding for workforce programs.

Additional relief funding was included in the Consolidated Appropriations Act (CAA), of which the respective community colleges will receive a total of \$120.4 million, with \$28.0 million required to be allocated to students in the form of financial aid grants, while the remaining \$92.4 million can be utilized by the respective institutions based on their institutional needs. **Exhibit 11** provides the summary of how these funds will be allocated to the respective community colleges. It should be noted that these funds can be expended up to September 2022, so the utilization of these funds may roll into fiscal 2023.

Exhibit 11
Community College Consolidated Appropriation Act Funding

| <u>Community Colleges</u> | <u>Minimum Amount Student Aid</u> | <u>Maximum Institution Portion</u> | <u>Total</u> |
|---------------------------------------|---------------------------------------|--|----------------------|
| Allegany College | \$747,083 | \$2,276,587 | \$3,023,670 |
| Anne Arundel Community College | 2,157,673 | 7,509,874 | 9,667,547 |
| Baltimore City Community College | 1,438,078 | 5,138,057 | 6,576,135 |
| Carroll Community College | 575,441 | 1,760,815 | 2,336,256 |
| Cecil College | 579,812 | 1,703,077 | 2,282,889 |
| Chesapeake College | 504,767 | 1,630,381 | 2,135,148 |
| College of Southern Maryland | 1,373,511 | 4,106,936 | 5,480,447 |
| Community College of Baltimore County | 4,674,935 | 16,744,849 | 21,419,784 |
| Frederick Community College | 925,945 | 3,221,746 | 4,147,691 |
| Garrett College | 259,496 | 688,175 | 947,671 |
| Hagerstown Community College | 1,179,157 | 4,023,440 | 5,202,597 |
| Harford Community College | 1,171,832 | 3,954,218 | 5,126,050 |
| Howard Community College | 2,481,050 | 7,591,950 | 10,073,000 |
| Montgomery College | 5,702,875 | 17,377,886 | 23,080,761 |
| Prince George's Community College | 3,210,894 | 11,503,453 | 14,714,347 |
| Wor-Wic Community College | 968,447 | 3,214,762 | 4,183,209 |
| Total Community Colleges | \$27,950,996 | \$92,446,206 | \$120,397,202 |

Note: Institutions have until September 30, 2022, to expend the funds and therefore may carry over to fiscal 2023.

Source: Department of Legislative Services

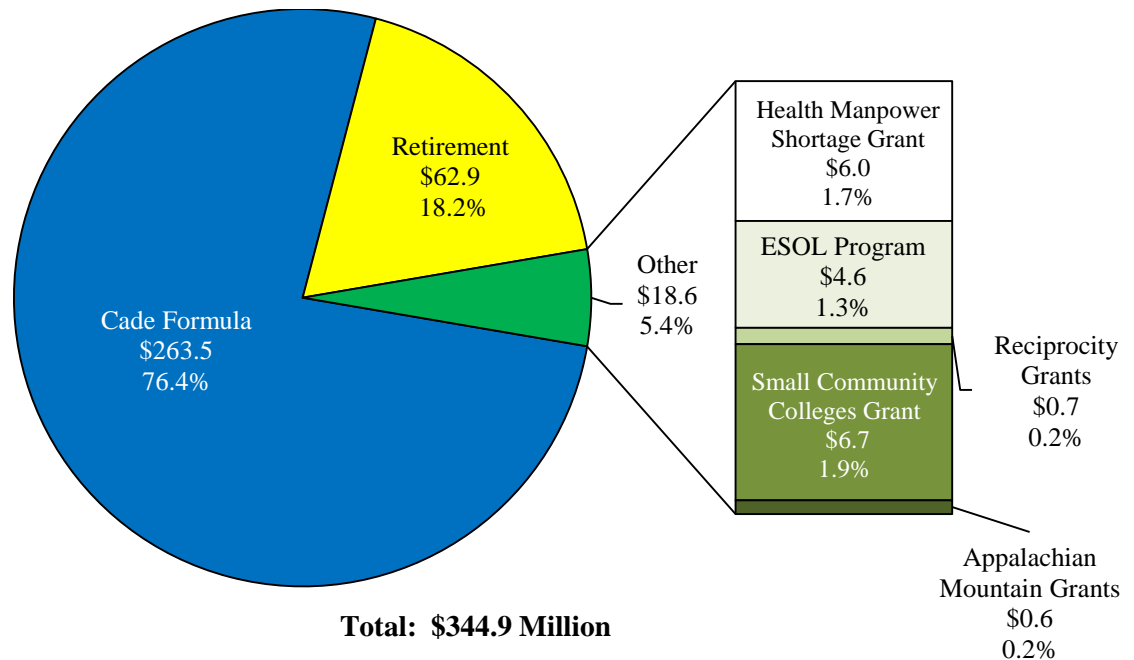
The Executive Director of MACC should comment on how the community colleges could utilize CAA funding and what operational actions will be taken to eliminate the remaining \$71.6 million budget shortfall. The Executive Director should also discuss plans for utilizing RELIEF Act funds.

The Executive Director of MACC should also comment on how the transition to a remote environment has shifted the thinking of how community colleges will deliver programs and services, opportunities this opens to the respective community colleges, and the impact this will have on the community college's business model. Finally, the executive director should comment on how rural broadband issues have impacted the educational delivery for affected community colleges.

Fiscal 2022 Allowance

The fiscal 2022 allowance, adjusted for contingent reductions, provides \$344.9 million for community colleges in the State. **Exhibit 12** details how this funding is distributed among the various programs that provide funding from the State for community colleges. The most significant amount of funding is from the Cade Funding Formula, which is funded at \$263.5 million, or 76.4% of total funding. Funding for eligible employees participating in either the defined benefit retirement plan or ORP totals \$62.9 million, or 18.2% of total funding. Other grant programs include the Health Manpower Shortage Grant, ESOL, the Small Community College Grant, the Appalachian Mountain grants, and grants for reciprocity tuition agreements; these receive \$18.6 million altogether, or 5.4% of total funding.

Exhibit 12
Budgeted Allowance Adjusted for Contingent Reduction
Fiscal 2022
(\$ in Millions)



Cade: Senator John A. Cade Funding Formula
 ESOL: English for Speakers of Other Languages

Note: Numbers may not sum due to rounding. The fiscal 2022 allowance includes reductions contingent on legislation.

Source: Governor's Fiscal 2022 Budget Books; Department of Legislative Services

Proposed Budget Change

Exhibit 13 shows the budget changes for Aid to Community Colleges between the adjusted fiscal 2021 working appropriation and the adjusted fiscal 2022 allowance. In total, the budget increases by \$14.1 million in general funds, or 4.3%. When accounting for the additional \$27.4 million available in fiscal 2021 for workforce development through the CARES Act, the RELIEF Act, and the Supplemental Budget, the fiscal 2022 budget decreases \$13.3 million, or 3.7%, relative to the 2021 adjusted working appropriation.

Exhibit 13
Proposed Budget Contingent on Legislation
Aid to Community Colleges
(\$ in Thousands)

| How Much It Grows: | <u>General Fund</u> | <u>Total</u> |
|--|----------------------------|---------------------|
| Fiscal 2020 Actual | \$330,348 | \$330,348 |
| Fiscal 2021 Adjusted Working Appropriation | 330,824 | 330,824 |
| Fiscal 2022 Adjusted Allowance | <u>344,907</u> | <u>344,907</u> |
| Fiscal 2021-2022 Amount Change | \$14,083 | \$14,083 |
| Fiscal 2021-2022 Percent Change | 4.3% | 4.3% |

| Where It Goes: | <u>Change</u> |
|---|----------------------|
| Senator John A. Cade Funding Formula..... | \$13,762 |
| Faculty and staff retirement contributions | 476 |
| Somerset County reciprocity grant | 157 |
| Garrett County and West Virginia reciprocity grant..... | 29 |
| English for Speakers of Other Languages grant | -341 |
| Total | \$14,083 |

Note: Numbers may not sum due to rounding. The fiscal 2022 allowance includes reductions contingent on legislation.

Source: Department of Legislative Services

The Cade Funding Formula

As noted above, the current Cade Funding Formula is calculated based on actual community college enrollment from two years prior and a percentage of the proposed per student funding at selected public four-year institutions. Under this formula, funding to the Cade Funding Formula in fiscal 2022 was to grow by 16.2%, or \$40.4 million, increasing from \$249.7 million to \$290.1 million. The Budget Reconciliation and Financing Act (BRFA) of 2021 would limit growth in the Cade formula in fiscal 2022 to 5.5% of the fiscal 2021 funding level, or \$13.8 million, as shown in **Exhibit 14**.

Exhibit 14
Senator John A. Cade Funding Formula Totals
Fiscal 2021-2022

| | <u>Actual</u> <u>2021</u> | <u>Current Law</u> <u>2022</u> | <u>\$ Difference</u> <u>2021-2022</u> | <u>BRFA</u> <u>2022</u> | <u>\$ Change</u> <u>BRFA to 2021</u> | <u>% Change</u> <u>Current Law/</u> <u>BRFA</u> |
|---------------------------------------|--|---|--|--|---|--|
| Allegany College of Maryland | \$5,189,503 | \$6,273,564 | \$1,084,061 | \$5,475,489 | \$285,986 | 5.5% |
| Anne Arundel Community College | 29,544,083 | 33,836,363 | 4,292,280 | 31,172,213 | 1,628,130 | 5.5% |
| Community College of Baltimore County | 42,451,318 | 48,795,281 | 6,343,963 | 44,790,747 | 2,339,429 | 5.5% |
| Carroll Community College | 7,685,147 | 8,829,669 | 1,144,522 | 8,108,664 | 423,517 | 5.5% |
| Cecil College | 5,400,963 | 6,185,956 | 784,993 | 5,698,602 | 297,639 | 5.5% |
| College of Southern Maryland | 14,386,506 | 15,790,365 | 1,403,859 | 15,179,325 | 792,819 | 5.5% |
| Chesapeake College | 6,142,473 | 7,037,525 | 895,052 | 6,480,975 | 338,502 | 5.5% |
| Frederick Community Colleges | 11,154,005 | 13,283,579 | 2,129,574 | 11,768,685 | 614,680 | 5.5% |
| Garrett College | 2,867,621 | 3,206,618 | 338,997 | 3,025,651 | 158,030 | 5.5% |
| Hagerstown Community College | 8,532,323 | 10,400,303 | 1,867,980 | 9,002,527 | 470,204 | 5.5% |
| Harford Community College | 12,092,900 | 13,887,341 | 1,794,441 | 12,759,322 | 666,422 | 5.5% |
| Howard Community College | 19,809,410 | 23,830,978 | 4,021,568 | 20,901,077 | 1,091,667 | 5.5% |
| Montgomery College | 45,255,118 | 52,506,449 | 7,251,331 | 47,749,060 | 2,493,942 | 5.5% |
| Prince George's Community College | 31,245,262 | 37,072,503 | 5,827,241 | 32,967,142 | 1,721,880 | 5.5% |
| Wor-Wic Community College | 7,963,409 | 9,155,721 | 1,192,312 | 8,402,261 | 438,852 | 5.5% |
| Total | \$249,720,041 | \$290,092,215 | \$40,372,174 | \$263,481,740 | \$13,761,699 | 5.5% |

R6210005 – Aid to Community Colleges

BRFA: Budget Reconciliation and Financing Act

Source: Department of Legislative Services

In addition to the change in the fiscal 2022 funding level, the BRFA proposes to alter the Cade Funding Formula beginning in fiscal 2023, and each subsequent year, such that the total State funds to be distributed to each community college shall be the amount of aid provided to that college in the current fiscal year as approved in the State budget, increased by the percentage by which the projected total general fund revenues for the upcoming fiscal year exceed the revised estimate of total general fund revenues for the current fiscal year, as contained in the December report of estimated revenues submitted to the Board of Revenue Estimates.

This altered formula calculation would delink the funding formula from the current system that is based on FTES, fixed cost, marginal cost, size factor, and a hold harmless provision at the respective community colleges and a percentage of State funding that is provided per FTES to selected four-year public institutions of higher education. **Exhibit 15** displays the projected Cade Formula funding level through fiscal 2026, comparing current law to the BRFA of 2021.

Exhibit 15
Cade Funding Formula Comparison
Fiscal 2022-2026
(\$ in Thousands)

| | <u>Actual</u> <u>2021</u> | <u>Allowance</u> <u>2022</u> | <u>Projected</u> <u>2023</u> | <u>Projected</u> <u>2024</u> | <u>Projected</u> <u>2025</u> | <u>Projected</u> <u>2026</u> |
|---------------------------------|--|---|---|---|---|---|
| Current Law | \$249,720 | \$290,092 | \$299,346 | \$314,736 | \$328,251 | \$342,241 |
| Statutory Funding Level | 25% | 27% | 29% | 29% | 29% | 29% |
| BRFA | | \$263,482 | \$275,075 | \$285,803 | \$296,092 | \$306,751 |
| BRFA Funding Level | | 25% | 27% | 26% | 26% | 26% |
| Estimated Growth (GF growth) | | | 4.4% | 3.9% | 3.6% | 3.6% |
| Difference Current Law/BRFA | | -\$26,610 | -\$24,271 | -\$28,933 | -\$32,160 | -\$35,490 |

BRFA: Budget Reconciliation and Financing Act
 GF: general fund

Note: Fiscal 2021 total level funded at fiscal 2020 amount as a result of the July Board of Public Works reduction.

Source: Department of Legislative Services

The proposed change to the Cade Funding Formula is projected to result in mandate relief totaling \$147.5 million from fiscal 2022 through 2026.

Exhibit 16 compares the allocation the fiscal 2022 funding under the BRFA to an allocation of the same amount of funding, taking into account updated enrollment figures. If the BRFA savings had been achieved through the formula rather than applying a uniform growth rate to every community college, six community colleges would have received more funding than proposed by the Governor and nine less funding.

Exhibit 16
Allocation of Cade Funds: Enrollment-based vs BRFA
Fiscal 2022

| | <u>Full-time Enrollment</u> | | | <u>Allocation</u> | | <u>\$ Diff.</u> |
|-------------------|-----------------------------|----------------------------|---------------|-----------------------------------|----------------------|-------------------------------------|
| | <u>Fall</u> <u>2019</u> | <u>Fall</u> <u>2020</u> | <u>Change</u> | <u>Enrollment</u> <u>Based</u> | <u>BRFA</u> | <u>Enrollment</u> <u>vs BRFA</u> |
| Allegany | 1,473 | 1,467 | -6 | \$4,772,276 | \$5,475,489 | -\$703,213 |
| Anne Arundel | 10,508 | 9,548 | -960 | \$31,051,065 | 31,172,213 | -\$121,148 |
| Baltimore County | 15,187 | 13,806 | -1,381 | \$44,900,263 | 44,790,747 | \$109,516 |
| Carroll | 2,276 | 2,180 | -96 | \$7,089,517 | 8,108,664 | -\$1,019,147 |
| Cecil | 1,473 | 1,410 | -63 | \$4,585,178 | 5,698,602 | -\$1,113,424 |
| Southern Maryland | 4,773 | 4,564 | -209 | \$14,842,055 | 15,179,325 | -\$337,270 |
| Chesapeake | 1,776 | 1,642 | -135 | \$5,338,610 | 6,480,975 | -\$1,142,365 |
| Frederick | 4,045 | 3,890 | -156 | \$12,650,056 | 11,768,685 | \$881,371 |
| Garrett | 562 | 541 | -21 | \$1,760,143 | 3,025,651 | -\$1,265,508 |
| Hagerstown | 2,790 | 2,664 | -126 | \$8,663,375 | 9,002,527 | -\$339,152 |
| Harford | 4,320 | 3,959 | -361 | \$12,873,773 | 12,759,322 | \$114,451 |
| Howard | 7,258 | 6,994 | -264 | \$22,745,462 | 20,901,077 | \$1,844,385 |
| Montgomery | 15,941 | 15,301 | -640 | \$49,763,145 | 47,749,060 | \$2,014,085 |
| Prince George's | 11,185 | 10,884 | -301 | \$35,397,436 | 32,967,142 | \$2,430,294 |
| Wor-Wic | 2,440 | 2,168 | -273 | \$7,049,385 | 8,402,261 | -\$1,352,876 |
| | 86,007 | 81,017 | -4,990 | \$263,481,740 | \$263,481,740 | |

BRFA: Budget Reconciliation and Financing Act

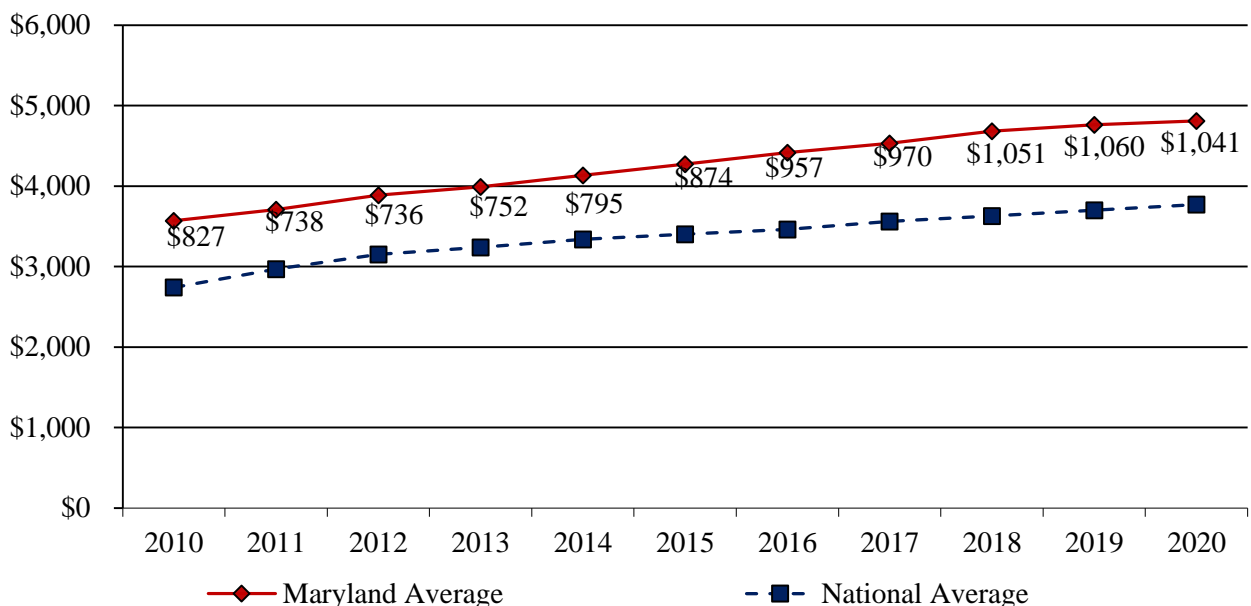
Source: Department of Legislative Services

Issues

1. Tuition, Fees, and Student Aid to Community Colleges

Community colleges offer a significantly lower cost of entry into higher education compared to public four-year institutions for students living within the community college's service area. According to the College Board, the enrollment weighted average of Maryland public four-year institutions' tuition and fees was \$10,132 for fall 2020, compared to \$4,811 at the State's community colleges. This means, on average, community colleges are 53% less expensive. However, the average community college tuition and fee rate is higher than the national average but did decrease in 2020 for the first time this decade. **Exhibit 17** shows the difference between the State and national average from fall 2010 to 2020. The most recent gap of \$1,041 still represents the third largest amount for this time period.

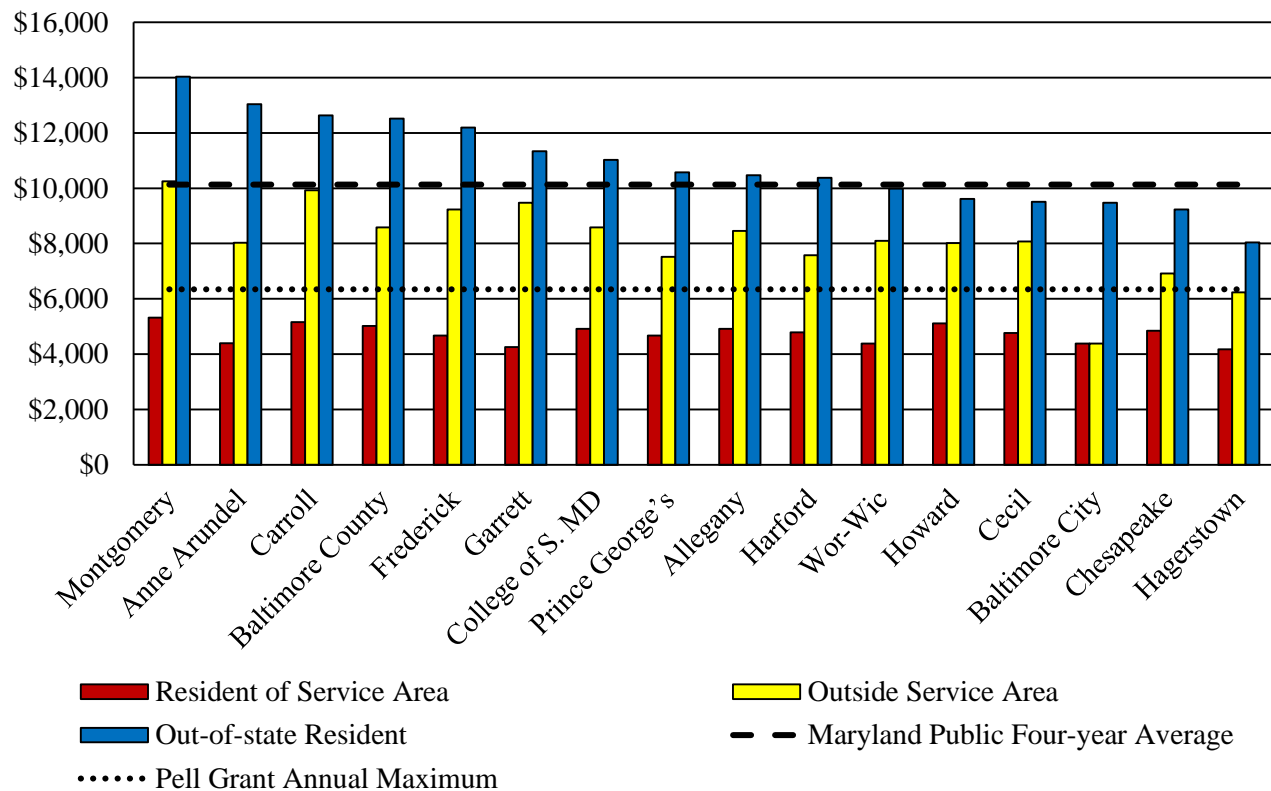
Exhibit 17
Community College Tuition and Fee Rates
Comparison Maryland Average and National Average
Fall 2010-2020



Source: The College Board, *Annual Survey of Colleges – Trends in College Pricing, 2020*

Exhibit 18 shows the annual tuition and fee rates by community college for full-time students for fall 2020. Among the Cade-funded institutions, Montgomery College is the State's most expensive community college for resident students at \$5,322, while Hagerstown Community College has the lowest rate, \$4,170. Including BCCC, the statewide average for tuition and fees is \$4,686 for a service-area resident, \$7,931 for all other Marylanders, and \$10,658 for out-of-state residents.

Exhibit 18
Tuition and Fee Rates by Community College
Fall 2020



S. MD: Southern Maryland

Source: Maryland Association of Community Colleges; the College Board; U.S. Department of Education

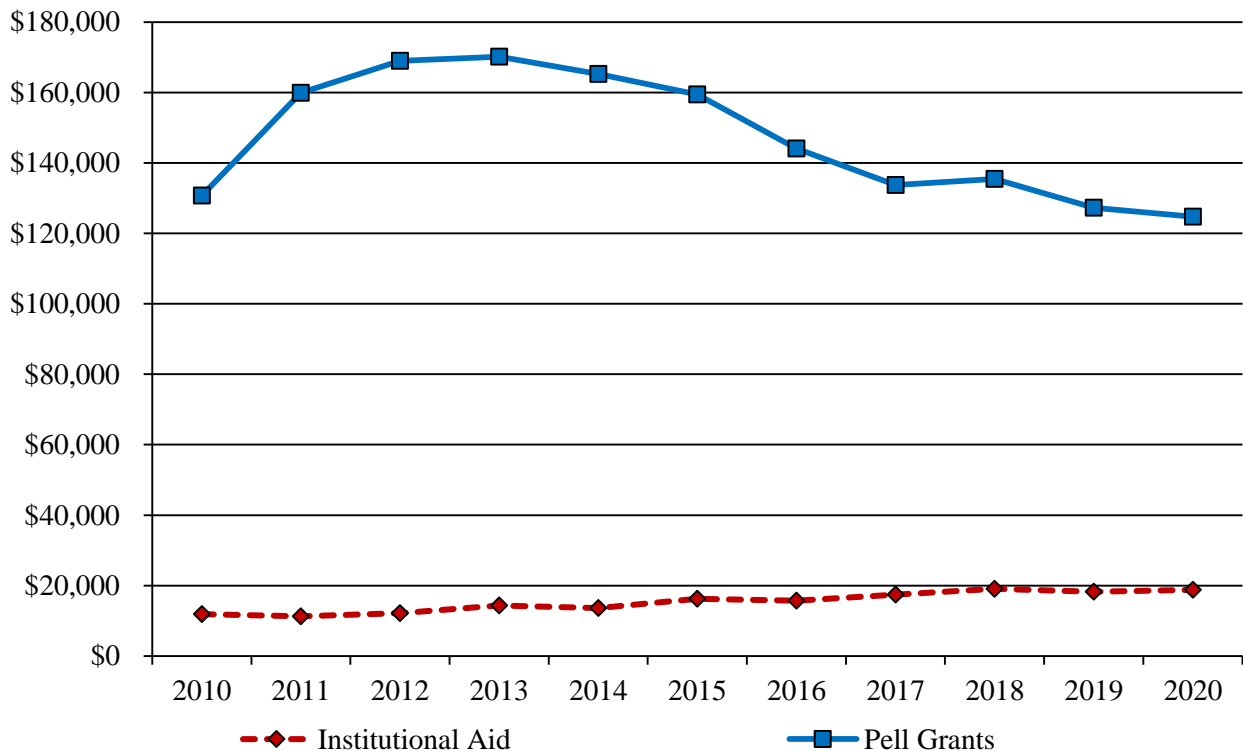
Institutional Aid Offered to Students

In addition to trying to keep costs low, colleges offer students institutional aid to bring down the “sticker” price, or total cost of tuition, fees, housing, and other related expenses. Institutional aid awards are usually made to students with few financial resources (need-based aid) or to reward academic achievement or athletic ability (merit and athletic awards). Regardless of aid type, colleges typically require students to complete a Free Application for Federal Student Aid, which determines a student’s expected family contribution, *i.e.*, the amount of money a student’s family is expected to pay toward the cost of education.

Exhibit 19 shows the total amount of need-based and merit aid awarded by community colleges to students from fiscal 2010 to 2020 as well as the amount of Pell grants students received. In

fiscal 2020, excluding CARES Act funding, Maryland’s community colleges awarded \$18.8 million in institutional aid, an increase of \$0.5 million when compared to fiscal 2019. The amount of institutional aid provided is dwarfed by Pell grants, which totaled \$124.8 million for Maryland students attending community college in fiscal 2020, or 86.9% of total aid provided in fiscal 2020. Total Pell aid for community college students decreased by \$2.5 million in fiscal 2020, continuing a downward trend that began again in fiscal 2019. This decline in institutional aid awarded should not be surprising given the overall general decrease in total enrollment at Maryland community colleges.

Exhibit 19
Total Institutional Aid and Pell Grants
Fiscal 2010-2020
(\$ in Thousands)



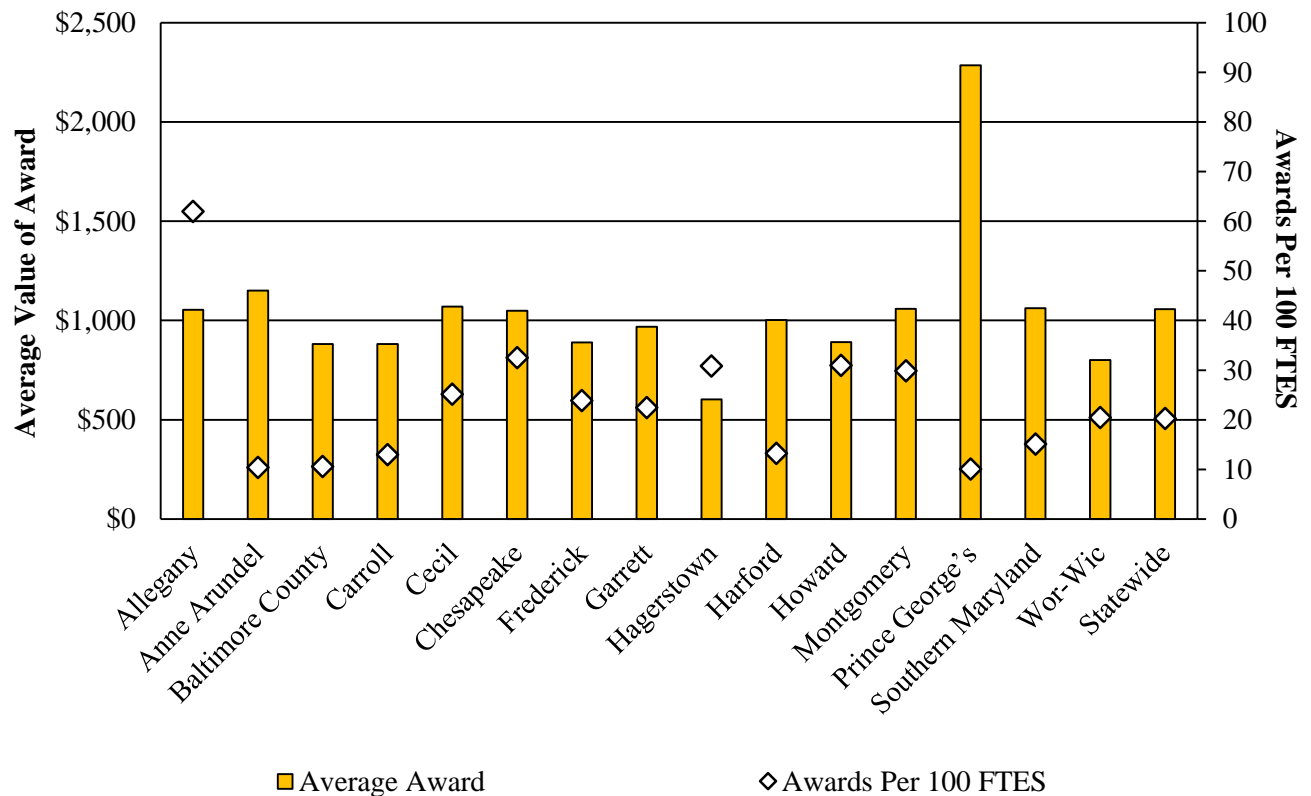
Note: All data is self-reported by the institutions. Data does not include Baltimore City Community College. Institutional aid in fiscal 2020 excludes Coronavirus Aid, Relief, and Economic Security Act emergency student financial assistance.

Source: Maryland Association of Community Colleges; Department of Legislative Services

Exhibit 20 shows the average value of institutional aid awards and the average number of awards per 100 FTES by college. There is considerable variation in this data, but it is similar to the results from prior years. The exhibit may somewhat overstate awards per FTES and understate the

amount received by a student, as an individual student may receive both a need-based and merit award, and both awards would be counted separately. Allegany College of Maryland is notable for giving the most awards per 100 FTES, with 62. This is in large part due to scholarship programs in that county that cover the cost after federal aid of community college for first-time, full-time students at that institution. Prince George’s Community College (PGCC) gave the largest average award at \$2,286. PGCC implemented a promise scholarship program in fiscal 2018 that may contribute to these large average award amounts. However, as only 10 students per 100 at PGCC received institutional aid in fiscal 2020, the number of students benefiting from this program appears to be limited.

Exhibit 20
Average Institutional Aid Awards and Awards Per 100 FTES
Fall 2020



FTES: full-time equivalent student

Note: All data is self-reported by the institutions.

Source: Maryland Association of Community Colleges; Department of Legislative Services

Operating Budget Recommended Actions

1. Concur with Governor's allowance.

Appendix 1
Budgetary Impact of COVID-19
Fiscal 2020-2021
(\$ in Thousands)

R6210005 – Aid to Community Colleges

| | Fiscal 2020 Revenue Loss | | | | COVID-19 | |
|---------------------------------------|-------------------------------------|-------------------------|---------------------|---------------------|------------------------|---------------------|
| | <u>Tuition and Fees</u> | <u>Auxiliary</u> | <u>Other</u> | <u>Total</u> | <u>Expenses</u> | <u>Total</u> |
| Allegany College | -\$185 | | | -\$185 | -\$309 | -\$495 |
| Anne Arundel Community College | -300 | -\$918 | -\$1,345 | -2,563 | -141 | -2,704 |
| Baltimore City Community College | -339 | -524 | -269 | -1,132 | -207 | -1,339 |
| Carroll Community College | -87 | -91 | -3 | -181 | -687 | -868 |
| Cecil College | -402 | -311 | -272 | -985 | -64 | -2,035 |
| Chesapeake College | -200 | -120 | | | 0 | -320 |
| College of Southern Maryland | -269 | -201 | -277 | -747 | -592 | -1,339 |
| Community College of Baltimore County | -1,420 | -52 | -158 | -1,631 | -2,585 | -4,216 |
| Frederick Community College | -1,746 | -573 | -2,748 | -5,066 | -157 | -5,223 |
| Garrett College | -656 | -249 | | -905 | -213 | -1,118 |
| Hagerstown Community College | -707 | -248 | -88 | -1,043 | 0 | -1,043 |
| Harford Community College | -577 | -183 | | -760 | | -760 |
| Howard Community College | -2,732 | -158 | -325 | -3,214 | -223 | -3,438 |
| Montgomery College | -624 | -374 | | -998 | -2,717 | -3,715 |
| Prince George's Community College | | -46 | | -46 | -1,022 | -1,022 |
| Wor-Wic Community College | -262 | -109 | | -372 | -968 | -1,340 |
| Total | -\$10,508 | -\$4,156 | -\$5,485 | -\$20,149 | -\$9,886 | -\$30,035 |

| | Fiscal 2021 Working Revenue Loss | | | | | COVID-19 | |
|--|-------------------------------------|------------------|-----------------|-----------------|------------------|-----------------|------------------|
| | <u>Tuition and</u> | <u>Auxiliary</u> | <u>Other</u> | <u>BPW</u> | <u>Total</u> | <u>Expenses</u> | <u>Total</u> |
| | <u>Fees</u> | | | | | | |
| Allegany College | -\$673 | -\$46 | | -\$827 | -\$1,546 | -\$560 | -\$2,107 |
| Anne Arundel Community College | -1,200 | -2,682 | -\$1,916 | -4,292 | -10,091 | -189 | -10,280 |
| Baltimore City Community College | -2,841 | -3,210 | -424 | -3,207 | -9,682 | | -9,682 |
| Carroll Community College | -1,024 | -110 | | -1,020 | -2,154 | -402 | -2,557 |
| Cecil College | -1,275 | -476 | -932 | -708 | -3,391 | -190 | -3,581 |
| Chesapeake College | -840 | -375 | | -894 | -2,109 | | -2,109 |
| College of Southern Maryland | -921 | -10 | -82 | -1,404 | -2,417 | -54 | -2,470 |
| Community College of Baltimore County | -2,700 | -122 | -160 | -6,344 | -9,327 | -1,754 | -11,081 |
| Frederick Community College | -1,449 | -506 | -3,444 | -1,777 | -7,176 | -45 | -7,220 |
| Garrett College | -656 | -249 | | -320 | -1,225 | -41 | -1,266 |
| Hagerstown Community College | -873 | -173 | -512 | -1,568 | -3,127 | 0 | -3,127 |
| Harford Community College | -1,312 | -684 | -104 | -1,794 | -3,894 | | -3,894 |
| Howard Community College | -3,067 | -150 | -489 | -3,301 | -7,007 | -1,508 | -8,515 |
| Montgomery College | -8,091 | -2 | -1,245 | -6,267 | -15,604 | -567 | -16,171 |
| Prince George's Community College | -4,970 | -696 | | -4,683 | -10,349 | -2,188 | -12,537 |
| Wor-Wic Community College | -1,569 | -194 | -596 | -1,192 | -3,552 | -412 | -3,964 |
| | | | | - | | | - |
| Total | -\$33,463 | -\$9,685 | -\$9,904 | \$39,600 | -\$92,652 | -\$7,910 | \$100,562 |

BPW: Board of Public Works

Appendix 2
Use of Federal CARES Act Funds by Institution
Fiscal 2021

| | Fiscal 2020 | | Fiscal 2020 Carried Over | | MSI Funds | | Fiscal 2021 | Use of Funds | |
|----------------------------------|---|---|---|---|-----------------------------|-------------------------------|---------------------|--|----------------------------------|
| | <u>Institutional Portion</u> | <u>Emergency Financial Aid</u> | <u>Institutional Portion</u> | <u>Emergency Financial Aid</u> | <u>Institutional</u> | <u>Student Aid</u> | <u>Total</u> | <u>Institutional Portion</u> | <u>MSI Allocation</u> |
| Allegany College | \$288,259 | \$723,724 | \$458,823 | \$23,359 | \$0 | \$0 | \$482,182 | | |
| Anne Arundel Community College | 339,702 | 1,561,040 | 1,817,970 | 596,633 | 217,262 | 0 | 2,629,787 | Purchase equipment and software to enable distance learning, course redesign, faculty training, shipping textbooks to students, and enhancement of online support. | Student Emergency Assistance |
| Baltimore City Community College | 874,486 | 951,880 | 1,438,077 | 486,198 | | 191,554 | 2,115,829 | | Student Emergency Assistance |
| Carroll Community College | 361,790 | 366,100 | 190,651 | 186,341 | 0 | 0 | 376,992 | | |
| Cecil College | 0 | 460,850 | 557,811 | 96,962 | 0 | 0 | 654,773 | Purchased: PPE, COVID-19 signage, malware due to remote environment, computers and laptops, equipment for remote teaching, laboratory and testing kits, adjunct faculty for additional class sections. | |

R6210005 – Aid to Community Colleges

| | Fiscal 2020 | | Fiscal 2020 Carried Over | | MSI Funds | | Fiscal 2021 | Use of Funds | |
|---------------------------------------|----------------------------------|------------------------------------|----------------------------------|------------------------------------|----------------------|------------------------|--------------|---|------------------------------|
| | <u>Institutional Portion</u> | <u>Emergency Financial Aid</u> | <u>Institutional Portion</u> | <u>Emergency Financial Aid</u> | <u>Institutional</u> | <u>Student Aid</u> | <u>Total</u> | <u>Institutional Portion</u> | <u>MSI Allocation</u> |
| Chesapeake College | 11,326 | 17,875 | 447,440 | 440,892 | 0 | 45,531 | 933,863 | Technology, campus safety, instructor training, instruction equipment/supplies. | Student Emergency Assistance |
| College of Southern Maryland | 1,289,511 | 1,289,511 | | | 129,977 | | 129,977 | | |
| Community College of Baltimore County | 1,061,383 | 2,469,800 | 3,613,552 | 2,205,135 | | 463,809 | 6,282,496 | | Student Emergency Assistance |
| Frederick Community College | 44,600 | 90,700 | 881,345 | 835,245 | | | 1,716,590 | Provided laptops for student use; purchase of PPE, cleaning and disinfecting supplies, protective barriers, and other items used to ensure the physical safety of students on campus; purchase of supplies for CNA program to reduce the number of students sharing supplies during a single class period; software to provide remote support for student, faculty, and staff computers; video conferencing | |

R6210005 – Aid to Community Colleges

| | Fiscal 2020 | | Fiscal 2020 Carried Over | | MSI Funds | | Fiscal 2021 | Use of Funds | |
|------------------------------|----------------------------------|------------------------------------|----------------------------------|------------------------------------|----------------------|------------------------|--------------|--|----------------------------------|
| | <u>Institutional Portion</u> | <u>Emergency Financial Aid</u> | <u>Institutional Portion</u> | <u>Emergency Financial Aid</u> | <u>Institutional</u> | <u>Student Aid</u> | <u>Total</u> | <u>Institutional Portion</u> | <u>MSI Allocation</u> |
| | | | | | | | | licenses for instructional use and to keep in contact with students; additional storage space for learning management system; increase in online tutoring services as a result of disruption to campus operations; extending campus Wi-Fi access outside Student Center. | |
| Garrett College | 252,496 | 252,496 | | | 24,908 | | 24,908 | Enhanced technology for hybrid/remote classrooms, cleaning supplies for CDC protocols, auxiliary salary costs, faculty training stipends, and faculty internet. | To offset auxiliary revenue loss |
| Hagerstown Community College | 4,852 | 676,217 | 1,174,305 | 502,940 | | 116,597 | 1,793,842 | | Student Emergency Assistance |
| Harford Community College | 495,378 | 799,500 | 676,454 | 372,332 | | | 1,048,786 | Simulation laboratory kits sent to students' homes, Online Teacher Academy, purchase of computers and hot spots for | |

R6210005 – Aid to Community Colleges

| | Fiscal 2020 | | Fiscal 2020 Carried Over | | MSI Funds | | Fiscal 2021 | Use of Funds | |
|--|----------------------------------|------------------------------------|----------------------------------|------------------------------------|----------------------|------------------------|--------------|--|------------------------------------|
| | <u>Institutional Portion</u> | <u>Emergency Financial Aid</u> | <u>Institutional Portion</u> | <u>Emergency Financial Aid</u> | <u>Institutional</u> | <u>Student Aid</u> | <u>Total</u> | <u>Institutional Portion</u> | <u>MSI Allocation</u> |
| Howard Community College | 794,389 | 990,900 | 1,605,660 | 1,409,150 | 0 | 0 | 3,014,810 | students and faculty, software licenses for remote learning, refunds for continuing education students. Refunds to students, Wi-Fi and laptops for remote work to students and staff, PPE, remote learning training for faculty, online services costs (Zoom). | |
| Montgomery College | 711,034 | 2,667,000 | 4,786,840 | 2,830,875 | | 44,677 | 7,662,392 | Laptops for faculty and ancillary equipment. Compensation and benefit costs for training faculty for remote teaching and developing online laboratories and activities. Upgraded servers and reimbursement for canceled courses. | Student Emergency Assistance |
| Prince George's Community College | 3,210,894 | 3,210,894 | | | | | 0 | | |

| | Fiscal 2020 | | Fiscal 2020 Carried Over | | MSI Funds | | Fiscal 2021 | Use of Funds | |
|---------------------------------|----------------------------------|------------------------------------|----------------------------------|------------------------------------|----------------------|------------------------|---------------------|---|---------------------------|
| | <u>Institutional Portion</u> | <u>Emergency Financial Aid</u> | <u>Institutional Portion</u> | <u>Emergency Financial Aid</u> | <u>Institutional</u> | <u>Student Aid</u> | <u>Total</u> | <u>Institutional Portion</u> | <u>MSI Allocation</u> |
| Wor-Wic Community College | 0 | 340,119 | 930,447 | 590,328 | 0 | 91,686 | 1,612,461 | PPE, cleaning supplies, health screeners and checkpoints, faculty training, enhance technology for distance education, additional online testing, <i>etc.</i> | |
| Total | \$9,740,100 | \$16,868,606 | \$18,579,375 | \$10,576,390 | \$372,147 | \$953,854 | \$30,481,766 | | |

CARES: Coronavirus Aid, Relief, and Economic Security
 CDC: Centers for Disease Control and Prevention
 CNA: certified nursing assistant
 MSI: minority-serving institutions
 PPE: personal protective equipment

Note: Information provided from the College of Southern Maryland, Hagerstown Community College, and Prince George's Community College only documented CARES funding spent in fiscal 2020.

**Appendix 3
Fiscal Summary
Aid to Community Colleges**

| <u>Program/Unit</u> | <u>FY 20 Actual</u> | <u>FY 21 Wrk Approp</u> | <u>FY 22 Allowance</u> | <u>Change</u> | <u>FY 21 - FY 22 % Change</u> |
|---|--------------------------------|------------------------------------|-----------------------------------|----------------------|--|
| 05 Senator John A. Cade Funding Formula for the Distribution of Funds to Community Colleges | \$ 267,999,959 | \$ 268,445,689 | \$ 308,668,810 | \$ 40,223,121 | 15.0% |
| 06 Aid to Community Colleges – Fringe Benefits | 62,348,338 | 62,378,130 | 62,853,993 | 475,863 | 0.8% |
| Total Expenditures | \$ 330,348,297 | \$ 330,823,819 | \$ 371,522,803 | \$ 40,698,984 | 12.3% |
| General Fund | \$ 330,348,297 | \$ 330,823,819 | \$ 371,522,803 | \$ 40,698,984 | 12.3% |
| Total Appropriations | \$ 330,348,297 | \$ 330,823,819 | \$ 371,522,803 | \$ 40,698,984 | 12.3% |

Note: The fiscal 2022 allowance does not include contingent reductions.