



Montgomery College

AGENCY DESCRIPTION

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

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

The major sources of funding for Montgomery College are County support, State Aid, tuition and fees, auxiliary enterprises, and continuing education. The College is chartered by the State of Maryland and functions as a part of the Maryland State community college system. Montgomery College has a policy of open admissions, which means that any person with the equivalent of a high school diploma, or the age of 18 or over, who can benefit from the programs and services of the College, is admitted as a student. Montgomery College offers several programs for high school students, including the opportunity to take college-level classes and even earn an associate's degree while still in high school.

The development and administration of the educational programs and facilities of Montgomery College are directed by its President and overseen by the Board of Trustees.

PROGRAM DESCRIPTION AND OBJECTIVES

The Montgomery College FY23-28 CIP request consists of 23 active projects. The complete set of PDFs submitted by the College can be found on its web site at <https://www.montgomerycollege.edu/offices/administrative-and-fiscal-services/budget-office/capital-budgets.html>

PROGRAM CONTACTS

Contact Kristina Schramm of Montgomery College at 240.567.4265 or Rafael Pumarejo Murphy of the Office of Management and Budget at 240.777.2775 for more information about this agency's capital budget.

CAPITAL PROGRAM REVIEW

Montgomery College Request

The College's FY23-28 six-year CIP request totals \$347.1 million, a \$62.9 million or 22.2 percent, increase from the amended FY21-26 capital program of \$284.2 million. The College's requested increase is largely due to major construction costs for the Germantown Student Service Center in FY27 (\$59.7 million) and FY28 (\$40.1 million) entering the six-year period of the CIP as well as additional funding for facility maintenance and pandemic related inflationary costs. These increases have been partially offset by the completion of the Rockville Student Services Center and Takoma Park/Silver Spring Math and Science Center projects. The College also submitted an amendment to their initial CIP request that adds a new East County Campus PDF to their CIP with \$500,000 in FY24. The College's plan for County funds, State funds, and Current Revenue includes constructing new buildings, renovating existing facilities,

improving physical infrastructure, and maintaining the College's information technology network.

Requested changes from the previously approved CIP would:

- begin what will likely be a decade long process of establishing a fourth College campus in East County;
- increase funding for the Collegewide Library Renovations and Germantown Student Services Center projects to take advantage of State allowed escalation and mitigate pandemic related inflationary costs;
- add major construction costs for the Germantown Student Services Center in FY27 and FY28;
- stabilize annual funding for Level of Effort (LOE) and IT support projects;
- increase Planned Lifecycle Asset Replacement funds in FY23 by \$983,000 to catch up on deferred maintenance; and
- increase Roof Replacement costs by \$106,000 in FY26.

Executive Recommendations

The County Executive recommends a total FY23-28 six-year CIP of \$327.1 million, a \$42.9 million or 15.1 percent increase over the prior approved FY21-26 CIP - despite significant reductions in General Obligation bonds. The recommended level of funding reflects the substantial completion of large projects such as the Rockville Student Services Center (\$73.6 million) and the Takoma Park/Silver Spring Math & Science Center (\$94.0 million) that have occurred in recent years as well as the addition of significant construction costs for the Germantown Student Services Center in FY27 and FY28.

HIGHLIGHTS

- Add an East County Campus with planning resources in FY24 to create a fourth Montgomery College campus.
- Continue to address the overall growth at the Germantown campus by adding most major construction costs of the Germantown Student Services Center in FY27 and FY28.
- Continue to improve the Rockville and Takoma Park/Silver Spring campus libraries.
- Complete construction of the Takoma Park/Silver Spring Math & Science Center.
- Increase Planned Lifecycle Asset Replacement funding in FY23 and Roof Replacement resources in FY26 to catch up on critical maintenance.
- Improve campus athletic facilities through the Collegewide Physical Education Renovations project.
- Sustain College infrastructure and Level of Effort (LOE) projects such as Elevator Modernization, Planned Lifecycle Asset Replacement, Roof Replacement, and Site Improvements to improve facilities and safety on all three campuses.
- Assume \$80.2 million in State aid over the six-year period, with \$13.0 million in FY23. State Aid may change in later years based on affordability adjustments.

PROGRAM EXPENDITURES

Since the College's full request is not affordable due to decreases in capital budget General Obligation bond funding, priority should be given to completing existing projects that add classroom, laboratory space, and study space, leverage State Aid, provide critical student support services, and maintain core infrastructure. The project request receiving the biggest increase in funding is the Germantown Student Services Center with major construction costs moving into the FY23-28 CIP six-year period. The County Executive sustains funding of infrastructure maintenance, information technology, and LOE projects to the College's request.

PROGRAM FUNDING

The College finances its FY23-28 six-year CIP using resources from four sources.

County General Obligation Bonds

The Executive's recommendation provides approximately \$144.1 million of general obligation bonds for the College's capital program.

County Current Revenue

The recommended CIP includes approximately \$93.8 million in current revenue funding to support various College infrastructure projects, a \$4.2 million increase from the FY21-26 amended capital program.

State Aid

The County Executive's recommended CIP for the College includes State Aid of \$80.2 million for FY23-28, or approximately 24.5 percent of total program costs. However, this figure may change depending on how the College and the County Council choose to make project adjustments due to affordability. The State of Maryland provides funding for the construction and renovation of State community colleges. The Annotated Code of Maryland says that a proposed capital project with a useful life of 15 years or more will be considered for funding. However, a renovation project such as a roof repair that exceeds \$100,000 may also be considered for State funding.

The State's Capital Improvement Program has programmed the Community College Facilities Grant Program at \$80.0 million for FY23 and thereafter. The County Executive urges the College to continue pursuing State funding for all projects that meet the guidelines for funding from the Maryland Higher Education Commission. Between FY17-FY22, Montgomery College has received annually between 8.5% and 29.3% of available resources in the statewide grant.

Major Facilities Capital Projects Fund

The County Executive's recommended CIP programs \$9 million in funding from the Major Facilities Capital Projects Fund (MFCPPF). The student-fee derived fund is typically used for additions and renovations to non-administrative buildings, property, and debt service spending that does not typically compete well for State funds. This allows the College to focus requests for State Aid on larger academic projects, like the Germantown Student Services Center project.

ENROLLMENT

As of October 2021, there were a total of 42,915 students enrolled at Montgomery College in credit and noncredit courses making it the largest community college in Maryland. The total number of full-time equivalent students (30 credit load hours of instruction per year) enrolled in College credit programs in FY20 was 13,625. This figure is projected to decrease 10,616 in FY23 and continue to decline until FY25 with modest growth in FY26 and thereafter. Multiple factors may affect enrollment projections going forward, including:

- The number of graduates and the College's "draw rate" of Montgomery County Public Schools' high school graduates, which is roughly 20 percent of total graduates;
- Increased distance education enrollments;
- Partnership with the Universities at Shady Grove;
- Dual enrollment programs which leverage both Montgomery County Public Schools and the College's classrooms;
- Innovative class scheduling in both remote and on-campus learning to meet the complicated schedule demands of our students and to maximize the use of classroom space, seat utilization, and observance of protocols for healthy/safe indoor operations;
- Addition of an East County presence to provide access to an underserved region of the county;
- Efforts to modernize facilities to provide 21st century classrooms and labs that students need to graduate, prepared to transfer or join the workforce;

-
- The newly-opened student services building which will help students more easily enroll and enhance access to advising and financial aid;
 - Building renovations that will deliver modern libraries to provide not only access to books which many students cannot afford but also access to technology and study space which is limited on campus and often not available to students elsewhere;
 - A new ignITe Innovation Hub paired with continued Montgomery Can Code camps for school children to spark in STEM disciplines and education;
 - Implementation of hi-flex classrooms along with tools and training for faculty, staff, and students to support remote teaching and learning-making the College more agile and flexible in response dynamic external conditions, student demand, and learning needs-provided through the judicious use of federal grant relief funds.

For details regarding enrollment estimates and assumptions, please refer to the "Enrollment Projections" chapter of the College's annual operating budget.

OPERATING BUDGET IMPACT

The enrollment forecast affects the College's operating budget because additional resources are required to maintain and operate any new facilities that are constructed or acquired. The College also would require funds to hire new faculty and staff to meet anticipated demand for courses and support services. The College does not display expected operating budget needs on the PDFs, but ultimately, the operating budget requests of the College will be considered in the context of the requests of all agencies.

STATUTORY AUTHORITY

Title 16 of the Education Article of the Annotated Code of Maryland gives the County Council the power to make appropriations for capital projects of the College. Projects are financed under terms and conditions approved by the Council. In accordance with State law and the Montgomery County Charter, the College prepares an annual capital budget and capital improvements program.

EXECUTIVE RECOMMENDATION



East County Campus (P662301)

Category	Montgomery College	Date Last Modified	01/08/22
SubCategory	Higher Education	Administering Agency	Montgomery College
Planning Area	Silver Spring and Vicinity	Status	Preliminary Design Stage

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY21	Est FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
Planning, Design and Supervision	500	-	-	500	-	500	-	-	-	-	-
TOTAL EXPENDITURES	500	-	-	500	-	500	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY21	Est FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
Current Revenue: General	500	-	-	500	-	500	-	-	-	-	-
TOTAL FUNDING SOURCES	500	-	-	500	-	500	-	-	-	-	-

COMPARISON (\$000s)

	Total	Thru FY21	Est FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years	FY 23 Approp.
Prior Year Approved	-	-	-	-	-	-	-	-	-	-	-	-
Agency Request	500	-	-	500	-	500	-	-	-	-	-	-
Recommended	500	-	-	500	-	500	-	-	-	-	-	-

CHANGE	TOTAL	%	6-YEAR	%	APPROP.	%
Agency Request vs Prior Year Approved	500	-	500	-	-	-
Recommended vs Prior Year Approved	500	-	500	-	-	-
Recommended vs Agency Request	-	-	-	-	-	-

RECOMMENDATION

Approve with Modifications. At the request of the County Executive, the College submitted an amendment to the County that added a new East County Campus PDF to their FY23-28 Proposed CIP. This new PDF includes \$500,000 of Current Revenue: General in FY24 to support planning costs for a fourth College Campus in East County.



East County Campus

(P662301)

Category	Montgomery College	Date Last Modified	01/08/22
SubCategory	Higher Education	Administering Agency	Montgomery College
Planning Area	Silver Spring and Vicinity	Status	Preliminary Design Stage

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY21	Est FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
Planning, Design and Supervision	500	-	-	500	-	500	-	-	-	-	-
TOTAL EXPENDITURES	500	-	-	500	-	500	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY21	Est FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
Current Revenue: General	500	-	-	500	-	500	-	-	-	-	-
TOTAL FUNDING SOURCES	500	-	-	500	-	500	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 23 Request	-	Year First Appropriation	
Appropriation FY 24 Request	500	Last FY's Cost Estimate	-
Cumulative Appropriation	-		
Expenditure / Encumbrances	-		
Unencumbered Balance	-		

PROJECT DESCRIPTION

This project is for initial planning, studies, programming, facilities master plan updates, land acquisition, design and construction of a new fourth campus in the East County. The project will be a full campus, and will be an anchor institution for the educational, social, cultural, and economic needs of the growing East County community. It will be the long-term location for the East County Education Center, which will include credit, noncredit, and industry certification preparation courses, business training, workforce development and continuing education services, a Truth, Racial Healing, and Transformation Center, counseling/advising services, a Community Engagement Center, and enrichment courses. This project will proceed in phases and will be a model of sustainability and will provide the full scope of services offered at existing Montgomery College campuses. Land acquisition, design and construction will be funded after initial planning is completed.

LOCATION

The fourth campus will be located in a site to be determined in the East County.

PROJECT JUSTIFICATION

The East County has experienced a significant increase in its richly diverse population. County Government has identified a lack of public resources in the area. The College undertook a study of the feasibility of locating in the East County. The study was finalized in September 2021 and concluded that the East County has significant needs and challenges. The Study recommends that the College establish an education center and pursue a fourth Campus in the East County. The new campus will be an anchor that will enrich the community and empower students to change their lives with tailored programs, courses, services and facilities. Improved access to higher education will afford higher earning capacity, address local, regional and national demand for workforce in existing and emerging fields, and provide quality of life services for the community. Contemplated programs include language skills, continuing education, enrichment courses, and recreational and cultural opportunities. Program areas identified in the Study include early childhood education, health sciences, engineering, technology, a commercial kitchen incubator, green technologies, English language opportunities, fine arts, and physical education/holistic wellness, along with over-arching college readiness programs. Program areas are preliminary and will be further developed.

COORDINATION

Board of Trustees, Montgomery County Government, MNCPPC, Maryland Department of General Services, Maryland Higher Education Commission, Maryland Board of Public Works, Middle States Commission on Higher Education, Maryland Department of Budget and Management, and the Maryland General Assembly.



College Affordability Reconciliation (P661401)

Category	Montgomery College	Date Last Modified	01/11/22
SubCategory	Higher Education	Administering Agency	Montgomery College
Planning Area	Countywide	Status	Ongoing

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY21	Est FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
Other	-	-	-	(20,040)	-	1,142	(3,662)	(2,722)	(24,582)	9,784	20,040
TOTAL EXPENDITURES	-	-	-	(20,040)	-	1,142	(3,662)	(2,722)	(24,582)	9,784	20,040

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY21	Est FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
G.O. Bonds	-	-	-	(10,020)	-	571	(1,831)	(1,361)	(12,291)	4,892	10,020
State Aid	-	-	-	(10,020)	-	571	(1,831)	(1,361)	(12,291)	4,892	10,020
TOTAL FUNDING SOURCES	-	-	-	(20,040)	-	1,142	(3,662)	(2,722)	(24,582)	9,784	20,040

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 23 Request	-	Year First Appropriation	
Appropriation FY 24 Request	1,142	Last FY's Cost Estimate	-
Cumulative Appropriation	-		
Expenditure / Encumbrances	-		
Unencumbered Balance	-		

PROJECT DESCRIPTION

This project reconciles Montgomery College's request with the County Executive's recommendation based on affordability considerations.

Adjustments shown in this PDF are based on the annual availability of General Obligation (G.O.) bonds within Spending Affordability Guidelines.

DISCLOSURES

Montgomery College asserts that this project conforms to the requirement of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.