



# Montgomery College

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## **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, whether it's for an associate's degree or in preparation for 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 FY25-30 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 Katherine Bryant Higgins of the Office of Management and Budget at 240.777.2764 for more information about this agency's capital budget.

## **CAPITAL PROGRAM REVIEW**

### **Montgomery College Request**

The College's FY25-30 six-year CIP request totals \$462.4 million, a \$122.3 million or 35.9 percent, increase from the amended FY23-28 capital program of \$340.1 million. The College's requested increase is largely due to the addition of the Rockville Theatre Arts Building Renovation project (\$72.6 million) and major design and construction costs for the East County Campus in FY26 (\$10 million) and FY28 (\$50 million) as well as additional funding for maintenance and inflationary costs. These increases have been partially offset by the completion of the Takoma Park/Silver Spring Math and Science Center project. 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:

- continue process of establishing a fourth College campus in East County;

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- provide funding to renovate the Rockville Theatre Arts building;
  - begin Phase II of the Germantown Student Affairs Building Renovation and Addition;
  - increase funding for the Collegewide Library Renovations to take advantage of State allowed escalation and mitigate inflationary costs;
  - add major construction costs for the Germantown Student Services Center in FY29;
  - stabilize or increase annual funding for Level of Effort (LOE) and IT support projects;
  - Increase funding for Roof Replacement project.

### **Executive Recommendations**

The County Executive recommends a total FY25-30 six-year CIP of \$381.7 million, a \$41.6 million, or 12.2 percent, increase over the prior approved biennial FY23-28 CIP. The recommended level of funding reflects the substantial completion of large projects such the Takoma Park/Silver Spring Math & Science Center that have occurred in recent years, the addition of significant design and construction costs for the East County Campus, cost increases for roofs, the Germantown Student Services Center, library renovations, and a new Germantown Student Affairs Building Renovation and Addition project.

### **HIGHLIGHTS**

- Continue establishing a fourth College campus in East County;
- Begin Phase II of the Germantown Student Affairs Building Renovation and Addition;
- Increase funding for the Collegewide Library Renovations to take advantage of State-allowed escalation and mitigate inflationary costs;
- Add major construction costs for the Germantown Student Services Center in FY29;
- Stabilize annual funding for Level of Effort (LOE) and IT support projects;
- Increase funding for Roof Replacement projects.

Since the College's full request is not affordable due to capital budget revenues and project cost increases due to recent inflation, 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 East County Campus with major construction costs moving into the FY25-30 CIP six-year period. The County Executive sustains funding of infrastructure maintenance, information technology, and LOE projects.

### **PROGRAM FUNDING**

The College finances its FY25-30 six-year CIP using resources from four sources.

#### **County General Obligation Bonds**

The Executive's recommendation provides approximately \$177.6 million of general obligation bonds for the College's capital program.

#### **County Current Revenue**

The recommended CIP includes approximately \$91.0 million in current revenue funding to support various College infrastructure projects. Requested increases to Current Revenue allocations will also be considered when operating budget decisions are made.

#### **State Aid**

The County Executive's recommended CIP for the College includes State Aid of \$111.6 million for FY25-30, or approximately 29.2 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

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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 FY25 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 FY19-FY24, Montgomery College has received annually between 8.5 percent and 26.0 percent of available resources in the statewide grant.

### **Major Facilities Capital Projects Fund**

The County Executive's recommended CIP includes \$1.5 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 2023, there were a total of 17,780 students enrolled at Montgomery College in credit courses making it the largest community college in Maryland. The total number of full-time equivalent students (15 credit load hours of instruction per fall semester) enrolled in College credit programs was 5,320. This figure increased 3.8 percent from the previous fall. 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 students and to maximize the use of classroom space, seat utilization, and observance of protocols for health/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;
- 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 interest 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 spaces - making the College more agile and flexible in response to 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.

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## **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



## Rockville Theatre Arts Building Renovation (P662502)

Category	Montgomery College	Date Last Modified	01/08/24
SubCategory	Higher Education	Administering Agency	Montgomery College
Planning Area	Rockville	Status	Preliminary Design Stage

### EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
TOTAL EXPENDITURES	-	-	-	-	-	-	-	-	-	-	-

### FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
TOTAL FUNDING SOURCES	-	-	-	-	-	-	-	-	-	-	-

### COMPARISON (\$000s)

	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years	FY 25 Approp.
Prior Year Approved	-	-	-	-	-	-	-	-	-	-	-	-
Agency Request	83,198	-	-	72,586	-	-	8,350	-	64,236	-	10,612	-
Recommended	-	-	-	-	-	-	-	-	-	-	-	-

CHANGE	TOTAL	%	6-YEAR	%	APPROP.	%
Agency Request vs Prior Year Approved	83,198	-	72,586	-	-	-
Recommended vs Prior Year Approved	-	-	-	-	-	-
Recommended vs Agency Request	(83,198)	-100.0%	(72,586)	-100.0%	-	-

## RECOMMENDATION

Not Recommended. Project not recommended due to fiscal constraints. This project, 662502, replaces project 662401, which was submitted by the College.



# Rockville Theatre Arts Building Renovation

(P662502)

Category	Montgomery College	Date Last Modified	01/08/24
SubCategory	Higher Education	Administering Agency	Montgomery College
Planning Area	Rockville	Status	Preliminary Design Stage

## EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Planning, Design and Supervision	8,350	-	-	8,350	-	-	8,350	-	-	-	-
Construction	64,236	-	-	64,236	-	-	-	-	64,236	-	-
Other	10,612	-	-	-	-	-	-	-	-	-	10,612
<b>TOTAL EXPENDITURES</b>	<b>83,198</b>	<b>-</b>	<b>-</b>	<b>72,586</b>	<b>-</b>	<b>-</b>	<b>8,350</b>	<b>-</b>	<b>64,236</b>	<b>-</b>	<b>10,612</b>

## FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
G.O. Bonds	41,599	-	-	36,293	-	-	4,175	-	32,118	-	5,306
State Aid	41,599	-	-	36,293	-	-	4,175	-	32,118	-	5,306
<b>TOTAL FUNDING SOURCES</b>	<b>83,198</b>	<b>-</b>	<b>-</b>	<b>72,586</b>	<b>-</b>	<b>-</b>	<b>8,350</b>	<b>-</b>	<b>64,236</b>	<b>-</b>	<b>10,612</b>

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 25 Request	-	Year First Appropriation	
Appropriation FY 26 Request	-	Last FY's Cost Estimate	-
Cumulative Appropriation	-		
Expenditure / Encumbrances	-		
Unencumbered Balance	-		

## PROJECT DESCRIPTION

The project is for the comprehensive renovation and expansion of the Theatre Arts Building at the Rockville Campus to address current facility problems and programmatic needs. The entire building (21,967 NASF/35,032 GSF) will be renovated, and a building addition of 8,800 NASF /22,480 GSF is planned. It will include the complete interior renovation and reconfiguration of each floor, including modernization and upgrades to building systems and equipment serving these floors. The purpose of the TA Building Renovation/Addition is two-fold. It has been developed to support and advance the mission and strategic initiatives of the College and be in alignment with the recommendations of the most recent campus facilities master plan, updated in February of 2022. In addition, this project is intended to address the specific facilities needs to support the Theatre Arts curriculum and program.

## LOCATION

Rockville, MD

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## ESTIMATED SCHEDULE

The design will over a two-year period beginning in FY27. In FY29, construction will begin, and also be over a two-year period with completion estimated in FY31.

## COST CHANGE

State allowable cost escalation of 5 percent included.

## PROJECT JUSTIFICATION

The Theatre Arts Building is a 35,032 GSF two-story structure, including a small basement space, constructed in 1966 and renovated in 1995, it houses a theatrical performance auditorium, as well as supporting offices, classrooms, laboratories and other performance-support spaces. The entry sequence into the building is confusing, while the internal circulation is inefficient and disruptive. The building envelope does not meet current performance standards, while finishes and systems inside the building have generally outlived their useful lives. The Rockville Campus has a space surplus of 91,228 NASF, & a 2032 projected space deficit of 250,649 NASF. Relevant studies include the Montgomery College Strategic Plan (7/28), and Collegewide Facilities Master Plan (Pending 2023).

## OTHER

Funding will be split 50/50 between the County and the State of Maryland.

## 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.

## COORDINATION

Roof Replacements Project



# College Affordability Reconciliation

(P661401)

Category	Montgomery College	Date Last Modified	01/08/24
SubCategory	Higher Education	Administering Agency	Montgomery College
Planning Area	Countywide	Status	Ongoing

## EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Other	(8,100)	-	-	(8,100)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	-
TOTAL EXPENDITURES	(8,100)	-	-	(8,100)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	-

## FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Current Revenue: General	(8,100)	-	-	(8,100)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	-
TOTAL FUNDING SOURCES	(8,100)	-	-	(8,100)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	-

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 25 Request	(1,350)	Year First Appropriation	
Appropriation FY 26 Request	(1,350)	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.

The \$500,000 requested increase in Current Revenue for the East County Campus is recommended in the January County Executive Recommended CIP. Current Revenue: General adjustments shown in the PDF are based on the desire to postpone all other cash decisions until the March operating budget.