

**BOARD OF TRUSTEES
MONTGOMERY COLLEGE**
Rockville, Maryland

Agenda Item Number: 9
February 17, 2009

ADOPTION OF THE FY2010 CURRENT, ENTERPRISE AND OTHER FUNDS BUDGETS

BACKGROUND

On December 15, 2008, the Proposed Operating Budget was presented to the Board of Trustees. This budget was a same service level budget and included increases for salary improvement according to the collective bargaining increases, benefit and utility cost increases, increases for the new buildings and a small amount for BOT grants. It included NO new positions or requests for new initiatives. The budget presented was a 6.9% increase which is not sustainable in the current fiscal environment where the news gets worse everyday. We asked to have more time to reduce the budget and to adopt in February instead of January.

The new budget request is \$218 million, a \$6.4 million (3%) increase from FY2009. Since December, the following reductions have been done: reduced salary improvement and a reduction in the base budget of \$1.2 million, including the elimination of 10 positions. This budget is still able to fund minimal salary improvement, benefit cost increases, BOT grants, utilities and the costs of opening new buildings/facilities.

The proposed budget includes a \$3/\$6/\$9 per credit hour tuition increase. The Board of Trustees acts on tuition and fee increases in April.

RECOMMENDATION

The Board of Trustees is requested to adopt the FY2010 Current Fund, Enterprise and Other Funds Budgets.

BACK-UP INFORMATION

Board Resolution

RESOURCE PERSONS

Ms. Dimon
Mr. Moore

**BOARD OF TRUSTEES
MONTGOMERY COLLEGE**
Rockville, Maryland

Resolution Number: **09-02-015**
Adopted on: **2/17/09**

Agenda Item Number: 9
February 17, 2009

Subject: Adoption of the FY2010 College Operating Budget

WHEREAS, on December 15, 2008 the FY2010 Proposed Operating Budget was presented to the Board; and

WHEREAS, the budget presented was a same service level budget with no new positions or new initiatives and yet was still unsustainable; and

WHEREAS, the collective bargaining agreements were reopened for FY2010 as were all the other County agencies; and

WHEREAS, agreement should be reached with both AAUP and AFSCME for a substantial cost savings; and

WHEREAS, similar cost reductions were assumed for noncollective bargaining staff and administrators; and

WHEREAS, the College also reduced its base budget by \$1.2 million in programs and eliminated ten positions; and

WHEREAS, the College still has over \$8 million in unrequested well justified needs; and

WHEREAS, during budget deliberations the Board's first priority was to the College's mission of academic excellence, access, and student success; and

WHEREAS, every effort was made to maintain the quality of programs and services at Montgomery College while realizing the need to conserve public funds and maintain reasonable tuition and fee rates; and

WHEREAS, the Board of Trustees held a public hearing to present the budget to the College and the community; and

WHEREAS, appropriate changes to the Proposed Budget have been made in compliance with Board of Trustees action; now therefore be it

Resolved, That the Board of Trustees adopts the Fiscal Year 2010 Operating Budget in the amounts of \$217,999,063 for the Current fund, \$16,136,583 for the Workforce Development and Continuing Education Fund, and \$6,189,822 for the Auxiliary Enterprises Fund. These amounts are subject to funding and appropriate action by the Montgomery County Government. The amounts are subject to further technical refinement before the budget is submitted for recommendation to the County Executive and the County Council.

BKJ:abg

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Resolution Number: **09-02-015**
Adopted on: **2/17/09**

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Subject: FY2010 Budget Approval - Other Funds

WHEREAS, the College endeavors to obtain funding from external sources for specific purposes in keeping with its mission and goals; and

WHEREAS, the exact funding of special College projects and/or proposals is not certain; and

WHEREAS, amounts shown in the budget document for Student Activities and Athletics, Cable TV, Emergency Plant Maintenance and Repair Fund, Major Facilities Reserve Fund, Montgomery College 50th Anniversary Endowment Fund, Transportation Fund, and Federal, State, and Private Grants and Contracts are the best estimates at this time and actual amounts may be more or less than the budgeted amounts; and

WHEREAS, it is essential to the success of these special programs for the President to have flexibility to deal with the changing external circumstances associated with these programs; now therefore be it

Resolved, That the Board of Trustees hereby approves the aforementioned sections of the budget as presented with the understanding that the amounts are not fixed; and be it further

Resolved, That the President is hereby authorized to negotiate for, accept, and expend such "other funds" as indicated in the budget and as may become available during FY2010, provided expenditures do not exceed revenues.

BKJ:abg