From: The President
To: MC Communications!
Subject: Fiscal Year 2016 Budget Decisions by the County Council
Date: Thursday, May 14, 2015 3:31:06 PM

MONTGOMERY COLLEGE
Office of the President

May 14, 2015

MEMORANDUM

To: Montgomery College Colleagues

From: Dr. DeRionne P. Pollard, President

Subject: Fiscal Year 2016 Budget Decisions by the County Council

This morning the Montgomery County Council made its funding decisions for the largest source of funds for the College's budget—county support. We had requested an additional $15 million over our current year budget from the county for our operating budget in fiscal year 2016, which begins on July 1, 2015. The county executive recommended only $3 million in new county funds for the College in March when he sent his proposed budget to the council for its consideration and action.

Today, I am pleased to report that the council voted to support an additional $7.9 million in new county resources to help fund our FY16 operating budget for a total increase in county funds of $10.9 million, which is a 9.34 percent increase over last year's county contribution. While we sought full funding of our requested budget, these funds represent a substantial investment by the county in our College, and are most appreciated, especially given the fiscal constraints decision-makers faced. The support from the county is particularly important as the state's funding formula for community colleges will not likely bring significant new resources until enrollment takes its expected upward trajectory.

The majority of the new county funds will cover increased employee compensation and benefits costs. More plainly put, the College can afford to provide our planned pay increases, which are well-deserved and congruent with pay increases planned for the county. The Office of Human Resources and Strategic Talent Management will announce the details of salary and benefits in late June. The council and the county executive clearly recognized your deep commitment to our students to help them succeed, and thereby fuel our local economy with ready workers. Additionally, the council provided resources to help fund strategic efforts to close the achievement gap (Achieving the Promise), permanently staff the community engagement centers, and provide for a modest expansion of the ACES program.

I am also very pleased to share that the council made protecting affordability a priority. While Montgomery College is the most affordable higher education option for county residents, more and more of our students find it difficult to afford MC on their own. Financial aid applications at the College have grown by 70 percent since 2009. Nearly 30 percent of our students receive federal Pell grants, up from 25 percent in just 2012. As a result, the Board of Trustees stood by its commitment to affordability and adopted only a modest tuition increase

of $3 per credit hour for local residents (2.6 percent), $6 per credit hour for state residents, and $9 per credit hour for out-of-state residents just last month. Clearly, councilmembers heard our concerns and share our collective commitment to an affordable, high-quality, and locally provided postsecondary education.

The council also made decisions about the College's capital budget, the budget that funds construction costs for new buildings, renovations, and other related infrastructure investments. In total for FY16, the council voted to provide $54 million to support our capital budget, which includes $12.6 million for information technology support. In addition, construction funds were provided to renovate and expand the Germantown Science and Applied Studies Building.

We are extremely grateful to the county executive and the county council for their support and belief in the College, our mission, and our role in the community as a lynchpin in the continued economic progress of our community. I want to thank our employees and individuals who helped to develop this budget and support it. Underlying all of these efforts has been the leadership of our Board of Trustees. Our trustees were committed to seeking resources to support our employees, enhance student success, fuel our economy with ready workers, and protect affordability. They strongly supported this budget and deeply engaged in efforts to win new resources.

Finally, I want to recognize the contributions made by all of you and your unwavering commitment to our students and our mission. No matter the challenge, you always put our students first and stay focused on what matters most—empowering our students to change their lives. For that I am deeply grateful.