

**MARYLAND HIGHER EDUCATION COMMISSION
FROM MONTGOMERY COLLEGE**

**ANNUAL FINANCIAL REPORT
JUNE 30, 2022**



CPAs | CONSULTANTS | WEALTH ADVISORS

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ANNUAL FINANCIAL REPORT
TO THE
MARYLAND HIGHER EDUCATION COMMISSION
FROM MONTGOMERY COLLEGE
SUMMARY STATEMENT OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

MHEC-CC-4
Rev. 06-95

ANNUAL FINANCIAL REPORT
TO THE
MARYLAND HIGHER EDUCATION COMMISSION
FROM MONTGOMERY COLLEGE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Prepared by:

President of the College:

DocuSigned by:
Jermaine F Williams
792BDE58D03E434...

October 31, 2022
Date

**MONTGOMERY COLLEGE
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FOR THE YEAR ENDING JUNE 30, 2022**

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Montgomery College
Rockville, Maryland

Report on the Audit of the Statutory Statements

Opinion

We have audited the accompanying statutory statements included in the Annual Financial Report to the Maryland Higher Education Commission (MHEC-CC-4) of Montgomery College (the College) for the year ended June 30, 2022 listed in the foregoing table of contents and the related notes to the annual report.

In our opinion, the statutory statements referred to above present fairly, in all material respects, the revenues and expenditures of the current unrestricted fund and the current restricted fund of Montgomery College for the year ended June 30, 2022 on the basis of accounting described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Statutory Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 1 to the statutory statements included in the Annual Financial Report to the Maryland Higher Education Commission (MHEC-CC-4), which describes the basis of accounting. The statutory statements are prepared in conformity with accounting practices prescribed or permitted by the Maryland Higher Education Commission, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these statutory statements included in the Annual Financial Report in accordance with accounting practices prescribed or permitted by the Maryland Higher Education Commission, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether these statutory statements, the FTE enrollment data and the retirement system payments to/from MHEC included in the Annual Financial Report as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the statutory statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the statutory statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the statutory statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

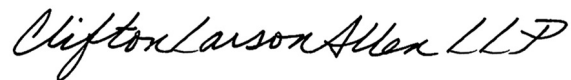
Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the statutory statements as a whole. The Computation of Adjusted Cost per Full-Time Equivalent and Percent of Local Contribution, Summary of Full-Time Equivalent Students and Tuition and Fees, Summary of Restricted Federal Grant Programs, Summary of Restricted State Grant Programs, Summary of Restricted Local Grant Programs, Summary of Other Sources of Unrestricted and Restricted Current General Revenue, Reconciliation of State Aid, Reconciliation of Full-Time Equivalent Students, Student-Faculty Ratio (Credit Courses Only), Funding of Statewide Programs, Funding of ESOL Grant Programs, and Retirement System Reconciliations (the supplemental schedules) are presented for purposes of additional analysis and are not a required part of the statutory statements.

Board of Trustees
Montgomery College

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic statutory statements. The information has been subjected to the auditing procedures applied in the audit of the statutory statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the statutory statements or to the statutory statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the statutory statements as a whole.

The report is intended solely for the information and use of the Board of Trustees and management of the College and the Maryland Higher Education Commission and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Baltimore, Maryland
October 31, 2022

MONTGOMERY COLLEGE

Summary Statement of Revenues Fiscal Year Ended June 30, 2022

| Revenue Sources | Unrestricted Current Fund | Restricted Current Fund | TOTAL REVENUES |
|--|---------------------------------|-------------------------------|-------------------|
| Student Tuition and Fees: | | | |
| 1. Credit | \$ 61,227,290 | \$ - | \$ 61,227,290 |
| 2. Noncredit | 6,621,223 | 50,722 | 6,671,945 |
| 3. TOTAL STUDENT TUITION AND FEES | 67,848,513 | 50,722 | 67,899,235 |
| Governmental: (Explain Restricted Funds on Exhibits VII, VIII, and IX) | | | |
| 4. Federal | - | 69,866,750 | 69,866,750 |
| 5. State | 52,506,450 | 8,057,783 | 60,564,233 |
| 6. Local | | | |
| a. Operating Appropriation | 147,696,496 | - | 147,696,496 |
| b. In-Kind Appropriation | | | |
| c. Other County Funding (describe below) | | | |
| i. County Grants | - | 872,326 | 872,326 |
| 7. TOTAL GOVERNMENTAL | 200,202,946 | 78,796,859 | 278,999,805 |
| 8. TOTAL SALES AND SERVICES OF EDUCATIONAL ACTIVITIES (Auxiliary Enterprise) | 719,911 | - | 719,911 |
| Other: | | | |
| 9. Gifts/Grants (Explain on Exhibit X) | - | 576,346 | 576,346 |
| 10. Other - Miscellaneous (Explain on Exhibit X) | 1,301,095 | - | 1,301,095 |
| 11. TOTAL OTHER | 1,301,095 | 576,346 | 1,877,441 |
| 12. TOTAL REVENUES | \$ 270,072,465 | \$ 79,423,927 | \$ 349,496,392 |

NOTE: Does not include State paid benefits

MONTGOMERY COLLEGE

Summary Statement of Current General Funds

| | Unrestricted General Current Fund | Restricted Current Fund |
|--|--|-------------------------------|
| | <u> </u> | <u> </u> |
| Revenues: | | |
| 1. TOTAL REVENUES (Per Line 12, Exhibit I) | <u>\$ 270,072,465</u> | <u>\$ 79,423,927</u> |
| Expenditures by Function: | | |
| Instruction | <u>90,011,439</u> | <u>6,222,880</u> |
| Research | <u>-</u> | <u>202,301</u> |
| Public Service | <u>-</u> | <u>-</u> |
| Academic Support | <u>47,676,481</u> | <u>23,573,494</u> |
| Student Services | <u>33,717,748</u> | <u>879,884</u> |
| Institutional Support | <u>45,099,868</u> | <u>45,532</u> |
| Operation and Maintenance of Plant | <u>43,241,093</u> | <u>102,891</u> |
| Scholarships & Fellowships | <u>5,449,359</u> | <u>48,396,944</u> |
| 2. TOTAL EDUCATIONAL AND GENERAL EXPENDITURES | <u>265,195,987</u> | <u>79,423,927</u> |
| 3. TOTAL MANDATORY TRANSFERS | <u>-</u> | <u>-</u> |
| 4. TOTAL EDUCATIONAL AND GENERAL EXPENDITURES AND MANDATORY TRANSFERS | <u>265,195,987</u> | <u>79,423,927</u> |
| 5. TOTAL AUXILIARY ENTERPRISES | <u>960,532</u> | <u>-</u> |
| 6. TOTAL OTHER TRANSFERS | <u>1,432,999</u> | <u>-</u> |
| 7. TOTAL EXPENDITURES, TRANSFERS AND AUXILIARY ENTERPRISES | <u><u>\$ 267,589,518</u></u> | <u><u>\$ 79,423,927</u></u> |

NOTE: Does not include State paid benefits

MONTGOMERY COLLEGE

Educational and General Expenditures of the Unrestricted Current Fund by Function and Object for Fiscal Year Ended June 30, 2022

| Acct. No. | Object Classification | Instruction | Research | Public Service | Academic Support | Student Services | Institutional Support | Operation and Maintenance of Plant | Scholarships and Fellowships | Non Function | TOTAL |
|--------------------|---|---------------|----------|----------------|------------------|------------------|-----------------------|------------------------------------|------------------------------|--------------|----------------|
| 5XXX | Compensation (including Fringe Benefits) | \$ 86,226,656 | \$ - | \$ - | \$ 40,038,784 | \$ 30,395,207 | \$ 34,437,627 | \$ 24,671,837 | \$ - | \$ - | \$ 215,770,111 |
| 60XX | Contracted Services | 1,509,441 | - | - | 5,464,997 | 2,125,334 | 7,454,945 | 7,719,110 | - | - | 24,273,827 |
| 61XX | Supplies and Materials | 1,542,683 | - | - | 1,763,237 | 683,260 | 218,065 | 1,924,816 | - | - | 6,132,061 |
| 62XX | Communications | 177 | - | - | 21,689 | 3,055 | 446,980 | 372,788 | - | - | 844,689 |
| 63XX | Conferences/Meetings | 82,277 | - | - | 241,119 | 496,181 | 613,755 | 19,700 | - | - | 1,453,033 |
| 64XX | Scholarships | - | - | - | - | - | - | - | 5,449,359 | - | 5,449,359 |
| 65XX | Utilities | - | - | - | - | - | - | 6,813,343 | - | - | 6,813,343 |
| 66XX | Fixed Charges | 25,785 | - | - | 25,151 | 2,470 | 1,896,561 | 1,192,241 | - | - | 3,142,207 |
| 67XX | Open (specify below) | - | - | - | - | - | - | - | - | - | - |
| 68XX | Open (specify below) | - | - | - | - | - | - | - | - | - | - |
| 69XX | Open (specify below) Furniture and Equipment | 624,421 | - | - | 121,505 | 12,240 | 31,934 | 527,257 | - | - | 1,317,357 |
| TOTAL EXPENDITURES | | \$ 90,011,439 | \$ - | \$ - | \$ 47,676,481 | \$ 33,717,748 | \$ 45,099,868 | \$ 43,241,093 | \$ 5,449,359 | \$ - | \$ 265,195,987 |

NOTE: Does not include Auxiliary Enterprises; they are not Educational and General Expenditures. Does not include State paid benefits; Transfers are not included.

SBCC-CC-4

MONTGOMERY COLLEGE

Summary Statement of Educational and General Expenditures by Fund and Object Class

for the Fiscal Year Ended June 30, 2022

| Acct. No. | Object Classification | Unrestricted Current Fund | Restricted Current Fund | TOTAL EXPENDITURES |
|---|---|---------------------------------|-------------------------------|-----------------------|
| 5XXX | Compensation (including Fringe Benefits) | \$ 215,770,111 | \$ 7,830,880 | \$ 223,600,991 |
| 60XX | Contracted Services | 24,273,827 | 6,385,941 | 30,659,768 |
| 61XX | Supplies and Materials | 6,132,061 | 3,956,795 | 10,088,855 |
| 62XX | Communications | 844,689 | 39,669 | 884,358 |
| 63XX | Conferences/Meetings | 1,453,033 | 96,765 | 1,549,798 |
| 64XX | Grants/Subsidies | 5,449,359 | 48,359,184 | 53,808,543 |
| 65XX | Utilities | 6,813,343 | - | 6,813,343 |
| 66XX | Fixed Charges | 3,142,207 | 11,699,821 | 14,842,028 |
| 67XX | Overhead | - | 374,549 | 374,549 |
| 68XX | Book Resale | - | - | - |
| 69XX | Furniture and Equipment | 1,317,357 | 680,323 | 1,997,680 |
| TOTAL EXPENDITURES | | 265,195,987 | 79,423,927 | 185,772,060 |
| TOTAL MANDATORY TRANSFERS | | 1,432,999 | - | 1,432,999 |
| TOTAL EXPENDITURES AND MANDATORY TRANSFERS | | \$ 266,628,986 | \$ 79,423,927 | \$ 187,205,059 |

NOTE: Does not include State paid benefits

MONTGOMERY COLLEGE

Computation of Adjusted Cost Per Full-Time Equivalent and Percent of Local Contribution

for the Fiscal Year Ended June 30, 2022

The finalized State aid adjustment or payment for the fiscal year will be made with the November State aid payment. Certification will be made to the respective political subdivisions based on the following information.

1. Total Unrestricted Current General Fund Operating Expenditures \$ 265,195,987
(From Exhibit II, Line 4)

2. Subtract any expenditures included in 1. above which do not fall within the definition of Unrestricted Current General Operating Expenditures. List and specify items below. Indicate objects and functions in which these expenditures are shown on Exhibits III and IV.

| <u>Item</u> | <u>Object</u> | <u>Function</u> | <u>Amount</u> |
|--------------------------------|---------------|-----------------|--------------------|
| Compensated absence | | | |
| a) <u>current year expend.</u> | <u>5XXX</u> | <u>VARIOUS</u> | <u>(37,745)</u> |
| Debt service for | | | |
| b) <u>capital projects.</u> | <u>6XXX</u> | <u>VARIOUS</u> | <u>39,798</u> |
| Post employment | | | |
| c) <u>benefits</u> | <u>6XXX</u> | <u>VARIOUS</u> | <u>(7,251,269)</u> |
| d) _____ | _____ | _____ | _____ |
| e) _____ | _____ | _____ | _____ |

TOTAL DEDUCTIONS \$ (7,249,216)

3. Adjusted Unrestricted Current Operating Expenditures \$ 272,445,203
(Line 1 less sum of 2a thru 2e)

4. Total FTE students for fiscal year (from Exhibit VI) 14,445.85

5. Total Adjusted Unrestricted Current Operating Expenditures / Total FTE students (yields adjusted cost per FTE) \$18,859.75

6. Total Maryland eligible FTE students (from Exhibit VI) 12,597.82

7. State aid paid fiscal year ending June 30, 2020 \$ 52,506,450
(Exclude State paid benefits)(Complete Exhibit XI)
(Based on two prior years audited FTEs)

8. TOTAL LOCAL CONTRIBUTION \$ 147,696,496

9. Percentage of adjusted Unrestricted Current Expenditures contributed by local political subdivision (Line 8 / Line 3) * 54.21%

* Regional community colleges must supply this information for each county supporting the college.

MONTGOMERY COLLEGE

Summary of Full-Time Equivalent Students and Tuition and Fees for Fiscal Year Ended June 30, 2022

| | FTE Students | Student Tuition and Fees |
|----------------------------|-----------------|--------------------------------|
| <u>Eligible Students</u> | | |
| 1. In-County (credit) | 9,598.73 | \$ 45,476,759 |
| 2. Out-of-County (credit) | 592.93 | 5,724,793 |
| 3. Noncredit | 2,406.15 | 4,542,402 |
| TOTAL ELIGIBLE STUDENTS | 12,597.82 | 55,743,954 |
| <u>Ineligible Students</u> | | |
| Credit | | |
| 4. Out-of-State | 746.87 | 10,025,738 |
| 5. Other | - | - |
| Noncredit | | |
| 6. Out-of-State | 1,101.17 | 2,078,821 |
| 7. Other | - | - |
| TOTAL INELIGIBLE STUDENTS | 1,848.04 | 12,104,559 |
| TOTAL STUDENTS | 14,445.85 | \$ 67,848,513 |

NOTE: Regional community colleges are required to submit the above data for each of the counties supporting the college. Eligible students refers to State fundable. FTEs shall be reported to the second decimal place.

MONTGOMERY COLLEGE

Summary of Restricted Federal Grant Programs

for the Fiscal Year Ended June 30, 2022

| Program Title | 7/1/2021 Balance | Revenues/ Transfers | Expenditures/ Transfers | 6/30/2022 Balance |
|--|---------------------|------------------------|----------------------------|----------------------|
| Department of Education - Federal Pell Grant | \$ - | \$ 17,503,682 | \$ 17,503,682 | \$ - |
| Supplemental Education Opportunities Grant | - | 1,045,689 | 1,045,689 | - |
| Department of Education - College Work Study | - | 220,578 | 220,578 | - |
| TRIO Cluster | | | | |
| Student Support Services Program | - | 265,781 | 265,781 | - |
| Educational Opportunity Centers Program | - | 63,149 | 63,149 | - |
| Educational Opportunity Centers Program | - | 203,288 | 203,288 | - |
| COVID-19 Higher Education Emergency Relief Funds (HEERF) | | | | |
| HEERF Student Aid Portion | - | 22,715,771 | 22,715,771 | - |
| HEERF Minority Serving Institution (MSI) Portion | - | 179,898 | 179,898 | - |
| HEERF Institutional Portion | - | 23,087,298 | 23,087,298 | - |
| Montgomery College Social Resource Program: Nourishing the Mind, Body, and Spirit | - | 15,870 | 15,870 | - |
| Title IC Program Improvement | - | 180,579 | 180,579 | - |
| Governor's Emergency Education Relief | - | 1,543,961 | 1,543,961 | - |
| Consolidated Adult Education & Family Literacy | - | 1,622,365 | 1,622,365 | - |
| Citizenship and Integration Direct Services Grant Program | - | 88,910 | 88,910 | - |
| Citizenship and Integration Direct Services Grant Program | - | 29,915 | 29,915 | - |
| Montgomery College Noyce: Excellent Teachers for STEM (NEXT-STEM) | - | 124,727 | 124,727 | - |
| Collaborative Research: Institutional and Community Transformation for Teaching and Learning Quantitative Reasoning in the Biological Sciences | - | 48,827 | 48,827 | - |
| UMBC CyberCorps Program Renewal and Building Research-Based SFS Relationships between Community College and Four-Year Schools | | 5,632 | 5,632 | |
| RCN-UBE: Quantitative Biology at Community Colleges | | 18,114 | 18,114 | |
| PREP Gaithersburg | - | 202,301 | 202,301 | - |
| Vocational Training and Employment Services | - | 190,920 | 190,920 | - |
| Vocational Training and Employment Services | - | 125,834 | 125,834 | - |
| English as a Second Language Training Program for Refugees | - | 70,851 | 70,851 | - |
| English as a Second Language Training Program for Refugees | - | 23,301 | 23,301 | - |
| H-1B TechHire Partnership Grants | - | (1,000) | (1,000) | - |
| America's Promise Job Driven Grant Program | - | 172,345 | 172,345 | - |
| Identity and Connections among African, Afro-Caribbean, and African American Communities in the United States | - | 118,164 | 118,164 | - |
| TOTAL FEDERAL | \$ - | \$ 69,866,750 | \$ 69,866,750 | \$ - |

NOTE: Total should agree with Exhibit I, Restricted Fund (page 1, line 4).

MONTGOMERY COLLEGE

Summary of Restricted State Grant Programs

for the Fiscal Year Ended June 30, 2022

| Program Title | 7/1/2021 Balance | Revenues/ Transfers | Expenditures/ Transfers | 6/30/2022 Balance |
|---|-----------------------------|--------------------------------|------------------------------------|------------------------------|
| State Government | | | | |
| MHEC | \$ - | \$ 746,087 | \$ 746,087 | \$ - |
| Adult Literacy State | - | 1,244,934 | 1,244,934 | - |
| New Nurse Faculty Fellowships | - | 80,725 | 80,725 | - |
| Nurse Faculty Annual Recognition | - | 884 | 884 | - |
| MHEC ESOL | - | 1,339,197 | 1,339,197 | - |
| EARN MD Bio Train III | - | 382 | 382 | - |
| EARN MD Bio Train IV | - | 26,433 | 26,433 | - |
| EARN MD Program: Montgomery Alliance for Early Childhood Education | - | 5,585 | 5,585 | - |
| EARN MD Program: Transport MOVE IV | - | 14,085 | 14,085 | - |
| EARN MD Program: Transport MOVE V | - | 30,012 | 30,012 | - |
| MOST OER Grant | - | 9,012 | 9,012 | - |
| EARN MD Program: Montgomery Alliance for Early Childhood Education | - | 36,431 | 36,431 | - |
| Maryland State Arts Council | - | 62,799 | 62,799 | - |
| Blue Print of Maryland's Future (Child Care Career and Professional Development Fund) | - | 71,515 | 71,515 | - |
| Pathways in Technology Early College High School (P-TECH) | - | 106,962 | 106,962 | - |
| RELIEF Act - Recovery Now Fund | - | 595,555 | 595,555 | - |
| Clinical Simulation SSRC | - | 129,951 | 129,951 | - |
| MCSRC PYSIS Resource Grant | - | 299,796 | 299,796 | - |
| ADN to BSN Pathway | - | 735 | 735 | - |
| MDCAP | - | 3,256,703 | 3,256,703 | - |
| TOTAL STATE | \$ - | \$ 8,057,783 | \$ 8,057,783 | \$ - |

MONTGOMERY COLLEGE

Summary of Restricted Local Grant Programs for Fiscal Year Ended June 30, 2022

| <u>Program Title</u> | <u>7/1/2021 Balance</u> | <u>Revenues/ Transfers</u> | <u>Expenditures/ Transfers</u> | <u>6/30/2022 Balance</u> |
|-------------------------------|-----------------------------|--------------------------------|------------------------------------|------------------------------|
| <u>Local Government</u> | | | | |
| Adult Literacy Local | \$ - | \$ 254,069 | \$ 254,069 | \$ - |
| City of Rockville Scholarship | - | 10,000 | 10,000 | - |
| City of TP Scholarship | - | 5,000 | 5,000 | - |
| D.C. Student Incentive Grants | - | 603,257 | 603,257 | - |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| TOTAL LOCAL | <u>\$ -</u> | <u>\$ 872,326</u> | <u>\$ 872,326</u> | <u>\$ -</u> |

NOTE: Total should agree with Exhibit I, Restricted Fund (page 1, line 6).

MONTGOMERY COLLEGE

Summary of Other Sources of Unrestricted and Restricted Current General Revenue

for Fiscal Year Ended June 30, 2022

| <u>Other Revenue Sources</u> | <u>Unrestricted Current Fund</u> | <u>Restricted Current Fund</u> |
|--|--|--|
| Gifts/Grants: | | |
| <u>Montgomery College Foundation</u> | <u>\$ -</u> | <u>\$ 547,664</u> |
| <u>Private Grants</u> | <u>-</u> | <u>28,682</u> |
| | | |
| TOTAL GIFTS/GRANTS | <u>-</u> | <u>576,346</u> |
| Other - Miscellaneous: | | |
| <u>State appropriation</u> | <u>-</u> | <u>-</u> |
| <u>Federal appropriation</u> | <u>-</u> | <u>-</u> |
| <u>Local appropriation</u> | <u>-</u> | <u>-</u> |
| <u>Investment Income</u> | <u>41,345</u> | <u>-</u> |
| <u>Operating (General) Fund - Fines, Facility Rentals, PAC</u> | <u>1,060,712</u> | <u>-</u> |
| <u>Overhead Recovery - Federal, State & Local Programs</u> | <u>171,886</u> | <u>-</u> |
| <u>Sale of Assets & Other Miscellaneous</u> | <u>751</u> | <u>-</u> |
| <u>Continuing Education - Other</u> | <u>26,401</u> | <u>-</u> |
| | | |
| TOTAL OTHER - MISCELLANEOUS | <u>1,301,095</u> | <u>-</u> |
| | | |
| TOTAL OTHER REVENUE SOURCES | <u><u>\$ 1,301,095</u></u> | <u><u>\$ 576,346</u></u> |

NOTE: Total should agree with Exhibit I, lines 9 and 10.

MONTGOMERY COLLEGE

Reconciliation of State Aid

for the Fiscal Year Ended June 30, 2022

| | <u>Amount</u> |
|---|-----------------------------|
| <u>15,301.49</u> State Aid FTEs @ <u>2,139.52</u> | <u>\$ 32,737,783</u> |
| Fixed Cost Adjustment | <u>19,768,667</u> |
| Supplemental Grant | <u>\$ -</u> |
| Other (specify below) | |
| <hr/> | <hr/> |
| <hr/> | <hr/> |
| <hr/> | <hr/> |
| <hr/> | <hr/> |
| <hr/> | <hr/> |
| <hr/> | <hr/> |
| <hr/> | <hr/> |
| TOTAL STATE AID | <u><u>\$ 52,506,450</u></u> |

MONTGOMERY COLLEGE

Reconciliation of Full-Time Equivalent Students

for the Fiscal Year Ended June 30, 2022

| | Eligible Maryland FTEs Accepted by SBCC | Maryland FTEs Now Claimed Per Audit |
|--|---|--|
| Summer Credit Enrollment (SBCC-CC-2) | 1,233.73 | 1,233.73 |
| Summer Noncredit Enrollment (SBCC-CC-3) | 1,006.47 | 1,006.47 |
| Fall Credit Enrollment (SBCC-CC-2) | 4,684.40 | 4,684.40 |
| Fall Noncredit Enrollment (SBCC-CC-3) | 397.15 | 397.15 |
| Spring Credit Enrollment (SBCC-CC-2) | 4,030.97 | 4,030.97 |
| Spring Noncredit Enrollment (SBCC-CC-3) | 1,002.53 | 1,002.53 |
| Winter Credit Enrollment (SBCC-CC-2) | 242.57 | 242.57 |
| Other Noncredit Enrollment (SBCC-CC-3) | - | - |
| TOTAL ENROLLMENT | 12,597.82 | 12,597.82 |
| Total Eligible Maryland FTEs accepted by SBCC during fiscal year. | 12,597.82 | XXXXXXXXXXXXXXXXXX |
| Additional Eligible Maryland FTEs claimed per audit * (deletions) | - | XXXXXXXXXXXXXXXXXX |
| TOTAL ELIGIBLE MARYLAND FTEs ** | 12,597.82 | 12,597.82 |
| TOTAL UNDUPLICATED PART-TIME STUDENTS | N/A | N/A |

* When additional FTEs not previously reported to the State Board are claimed as a result of the audit, a properly executed SBCC-CC-2 or SBCC-CC-3 must be filed with the claim.

** This number of FTEs will be the basis for the payment of State aid two years hence. FTEs shall be reported to the second decimal place.

MONTGOMERY COLLEGE

Student Faculty Ratio (Credit Courses Only)

for the Fiscal Year Ended June 30, 2022

TOTAL CREDIT HOURS GENERATED
(Per Exhibit VI, Lines 1, 2, 4, and 5) 328,156

TOTAL COURSE CREDIT HOURS TAUGHT FY 22 21,511

STUDENT-FACULTY RATIO
(Total credit hours generated divided by total course 15.26
credit hours taught)

NOTE: Information for the computation of the student-faculty ratio is to be supplied by the Director of Institutional Research & Analysis in conformity with the guidelines decided upon by the Maryland Council of Community College Academic Deans as follows:

- Student credit hours generated and course credit hours taught are to be measured at the end of the third week of classes.
- Laboratory courses and independent study courses are to be excluded from the denominator if they did not appear independently on the printed class schedule.
- Continuing education (noncredit) courses are to be excluded.
- Includes all sessions (Summer and Winter).

MONTGOMERY COLLEGE

Funding of Statewide Programs for Fiscal Year Ended June 30, 2022

| | Fall <u>SBCC-CC-2A</u> | Spring <u>SBCC-CC-2A</u> | <u>TOTAL</u> |
|---|---------------------------|-----------------------------|-------------------|
| 1. TOTAL OUT-OF -COUNTY/CITY STUDENTS ENROLLED IN STATEWIDE PROGRAMS | <u>81</u> | <u>48</u> | <u>129</u> |
| 2. TOTAL CREDIT HOURS* | <u>488</u> | <u>273</u> | <u>761</u> |
| 3. TOTAL TUITION DIFFERENTIAL* | <u>\$ 80,086</u> | <u>\$ 44,716</u> | <u>\$ 124,802</u> |
| TOTAL STATE AID RECEIVED FOR STATEWIDE PROGRAMS | <u>\$ 80,086</u> | <u>\$ 44,716</u> | <u>\$ 124,802</u> |
| MINUS: AUDIT ADJUSTMENTS | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| TOTAL AUDITED STATE AID FOR STATEWIDE PROGRAMS | <u>\$ 80,086</u> | <u>\$ 44,716</u> | <u>\$ 124,802</u> |

* Per SBCC-CC-2A form.

MONTGOMERY COLLEGE

Funding of ESOL Grant Programs for Fiscal Year Ended June 30, 2022

| | <u>TOTAL</u> |
|--|---------------------|
| 1. TOTAL NUMBER OF STUDENTS ENROLLED IN NONCREDIT ESOL PROGRAMS | <u>3,984</u> |
| 2. TOTAL NONCREDIT EQUATED FTE | <u>1,251.21</u> |
| TOTAL NONCREDIT ESOL FUNDING NONCREDIT EQUATED FTE X \$800 | <u>\$ 1,000,968</u> |
| TOTAL NONCREDIT CREDIT ESOL FUNDING | <u>\$ 1,000,968</u> |
| | <u>TOTAL</u> |
| 1. ESOL CREDIT HOURS | <u>7,546</u> |
| 2. TOTAL CREDIT FTE | <u>251.53</u> |
| TOTAL ESOL CREDIT FTE X \$800 | <u>\$ 201,224</u> |
| TOTAL CREDIT ESOL FUNDING | <u>\$ 201,224</u> |
| TOTAL NONCREDIT AND CREDIT ESOL FUNDING | <u>\$ 1,202,192</u> |

MONTGOMERY COLLEGE

Retirement System Reconciliations

For Fiscal Year Ended June 30, 2022

EXHIBIT XV

Optional Retirement System Reimbursements

| | |
|--|------------------|
| Amount Due (To) From MHEC from Prior Year (FY2021) | \$ 728,552 |
| Reimbursement Requested from MHEC (Invoiced FY 2022) | 4,667,685 |
| Add (Less) Additional Audit Adjustment | - |
| Less Amount Received from MHEC | <u>2,832,570</u> |

| | |
|-----------------------------|-----------|
| Net Balance Due To MHEC | - |
| Net Balance Due (From) MHEC | 2,563,667 |

Teachers Retirement and Pension System Reimbursements

| | |
|--|----------------|
| Amount Due To (From) MHEC from Prior Year (FY2021) | 46,771 |
| Required Reimbursement Reported to MHEC | 227,757 |
| Less Additional Audit Cost | - |
| Less Amount Paid to MHEC FY 2022 | <u>231,001</u> |

| | |
|-----------------------------|--------|
| Net Balance Due To MHEC | 43,527 |
| Net Balance Due (From) MHEC | - |

Net Balance Due To (From) MHEC \$ 2,607,194

**MONTGOMERY COLLEGE
NOTES TO ANNUAL REPORT
JUNE 30, 2022**

NOTE 1 - BASIS OF PRESENTATION

Montgomery College (the College)'s annual financial report has been prepared in accordance with the basis of accounting prescribed and permitted by the Maryland Higher Education Commission and the laws and regulations contained in Title 16 of the Education Article of the Annotated Code of Maryland and Title 13B.07.03 of the Code of Maryland Regulations. These requirements do not present the College's revenue and expenditures in accordance with accounting principles generally accepted in the United States of America. These practices differ from generally accepted accounting principles in various respects, among them that Governmental Accounting Standards Board Statements 34 and 35 are not applied and current general unrestricted fund revenues and expenditures do not include amounts applicable to the operations of auxiliary enterprises. Additionally, sponsored scholarships from other sources of revenue and non-cash revenues and expenditures for certain fringe benefits which were paid by the State of Maryland are excluded.