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**MARYLAND HIGHER EDUCATION COMMISSION
FROM MONTGOMERY COLLEGE**

ANNUAL FINANCIAL REPORT

JUNE 30, 2026

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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, 2026

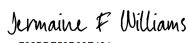
ANNUAL FINANCIAL REPORT
TO THE
MARYLAND HIGHER EDUCATION COMMISSION
FROM MONTGOMERY COLLEGE
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

Prepared by:

DocuSigned by:

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President of the College:

Signed by:

792BDE58D03E434...

September 29, 2026

Date

**MONTGOMERY COLLEGE
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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Montgomery College
Rockville, Maryland

Report on the Audit of the Statutory Financial Statements

Opinion

We have audited the statutory financial 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, 2026 as listed in the foregoing table of contents and the related notes to the statutory financial statements.

In our opinion, the accompanying statutory financial statements above present fairly, in all material respects, the revenues and expenditures of the current unrestricted fund and the current restricted fund of the College for the year ended June 30, 2026 in accordance with the financial reporting provisions of the Maryland Higher Education Commission described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Statutory Financial 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the statutory financial statements included in the MHEC-CC-4, which describes the basis of accounting. The statutory financial statements are prepared by the College in accordance with the financial reporting provisions of the Maryland Higher Education Commission, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Maryland Higher Education Commission. As a result, the statutory financial statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Statutory Financial Statements

Management is responsible for the preparation and fair presentation of these statutory financial statements included in the MHEC-CC-4 in accordance with the financial reporting provisions of the Maryland Higher Education Commission, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of statutory financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Statutory Financial Statements

Our objectives are to obtain reasonable assurance about whether the statutory financial statements included in the MHEC-CC-4 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 generally accepted auditing standards 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the statutory financial 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 financial 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 statutory 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.

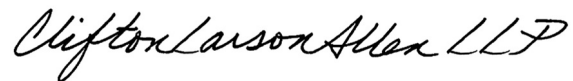
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the statutory financial statements as a whole. The supplemental schedules listed in the foregoing table of contents are presented for purposes of additional analysis and are not a required part of the statutory financial statements. 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the statutory financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the statutory financial statements or to the statutory financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedule is fairly stated, in all material respects, in relation to the statutory financial statements as a whole.

Restriction on Use

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 black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

King of Prussia, Pennsylvania
September 29, 2026

MONTGOMERY COLLEGE

Summary Statement of Revenues Fiscal Year Ended June 30, 2026

	Unrestricted Current	Restricted Current	TOTAL
	Fund	Fund	REVENUES
Revenue Sources			
Student Tuition and Fees:			
1. Credit	\$ 74,901,765	\$ -	\$ 74,901,765
2. Noncredit	\$ 8,287,911	\$ 31,500	\$ 8,319,411
3. TOTAL STUDENT TUITION AND FEES	\$ 83,189,676	\$ 31,500	\$ 83,221,176
Governmental: (Explain Restricted Funds on Exhibits VII, VIII, and IX)			
4. Federal		\$ 36,728,565	\$ 36,728,565
5. State	72,466,849	\$ 7,755,391	\$ 80,222,240
6. Local			
a. Operating Appropriation	\$ 148,759,696	\$ -	\$ 148,759,696
b. In-Kind Appropriation			
c. Other County Funding (describe below)			
I. Cable TV Funding		\$ 1,378,278	\$ 1,378,278
II. Emergency Plant Fund		\$ 250,000	\$ 250,000
III. County Grant		\$ 400,000	\$ 400,000
d. Other Locality Grants	\$ -	\$ 554,303	\$ 554,303
7. TOTAL GOVERNMENTAL	\$ 221,226,545	\$ 47,066,537	\$ 268,293,082
8. TOTAL SALES AND SERVICES OF EDUCATIONAL ACTIVITIES (Auxiliary Enterprise)	\$ 1,870,552	\$ -	\$ 1,870,552
Other:			
9. Gifts/Grants (Explain on Exhibit X)	\$ -	\$ 926,535	\$ 926,535
10. Other - Miscellaneous (Explain on Exhibit X)	\$ 4,670,966		\$ 4,670,966
11. TOTAL OTHER	\$ 4,670,966	\$ 926,535	\$ 5,597,502
12. TOTAL REVENUES	\$ 310,957,739	\$ 48,024,573	\$ 358,982,312

MONTGOMERY COLLEGE

Summary Statement of Current General Funds Fiscal Year Ended June 30, 2026

	Unrestricted General Current Fund	Restricted Current Fund
Revenues:		
1. TOTAL REVENUES (Per Line 12, Exhibit I)	\$ 310,957,739	\$ 48,024,573
Expenditures by Function:		
Instruction	\$ 111,850,659	\$ 6,968,548
Research	\$ -	\$ 39,806
Public Service	\$ -	\$ -
Academic Support	\$ 52,119,697	\$ 4,109,547
Student Services	\$ 39,874,932	\$ 1,721,196
Institutional Support	\$ 53,566,103	\$ 88,487
Operation and Maintenance of Plant	\$ 52,411,278	\$ 576,877
Scholarships & Fellowships	\$ 6,521,519	\$ 34,728,152
2. TOTAL EDUCATIONAL AND GENERAL EXPENDITURES	\$ 316,344,188	\$ 48,232,612
3. TOTAL MANDATORY TRANSFERS	\$ -	\$ -
4. TOTAL EDUCATIONAL AND GENERAL EXPENDITURES AND MANDATORY TRANSFERS	\$ 316,344,188	\$ 48,232,612
5. TOTAL AUXILIARY ENTERPRISES	\$ 2,315,392	
6. TOTAL OTHER TRANSFERS	\$ -	\$ -
7. TOTAL EXPENDITURES, TRANSFERS AND AUXILIARY ENTERPRISES	\$ 318,659,580	\$ 48,232,612

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, 2026

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)	\$ 108,040,342			\$ 43,477,241	\$ 33,972,112	\$ 42,126,415	\$ 30,044,572		\$ -	\$ 257,660,681
60XX	Contracted Services	\$ 1,897,765			\$ 6,236,673	\$ 3,481,475	\$ 5,897,891	\$ 8,754,210		\$ -	\$ 26,268,015
61XX	Supplies and Materials	\$ 1,635,339			\$ 1,840,823	\$ 1,124,579	\$ 303,316	\$ 1,759,746		\$ -	\$ 6,663,803
62XX	Communications	\$ 895			\$ 23,620	\$ 19,718	\$ 382,191	\$ 342,785		\$ -	\$ 769,208
63XX	Conferences/Meetings	\$ 228,109			\$ 530,631	\$ 1,273,689	\$ 1,171,297	\$ 111,605		\$ -	\$ 3,315,332
64XX	Scholarships								\$ 6,521,519	\$ -	\$ 6,521,519
65XX	Utilities							\$ 10,229,905		\$ -	\$ 10,229,905
66XX	Fixed Charges	\$ 48,209			\$ 10,709	\$ 3,360	\$ 2,308,377	\$ 835,790		\$ -	\$ 3,206,445
69XX	Furniture and Equipment	\$ -			\$ -	\$ -	\$ 1,376,616	\$ 332,665		\$ -	\$ 1,709,281
TOTAL EXPENDITURES		\$ 111,850,659	\$ -	\$ -	\$ 52,119,697	\$ 39,874,932	\$ 53,566,103	\$ 52,411,278	\$ 6,521,519	\$ -	\$ 316,344,188

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

MONTGOMERY COLLEGE

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

for the Fiscal Year Ended June 30, 2026

Acct. No.	Object Classification	Unrestricted Current Fund	Restricted Current Fund	TOTAL EXPENDITURES
5XXX	Compensation (including Fringe Benefits)	\$ 258,596,753	\$ 9,527,791	\$ 268,124,544
60XX	Contracted Services	\$ 27,296,854	\$ 1,509,996	\$ 28,806,850
61XX	Supplies and Materials	\$ 6,796,284	\$ 1,737,162	\$ 8,533,446
62XX	Communications	\$ 769,208	\$ 1,182	\$ 770,389
63XX	Conferences/Meetings	\$ 3,403,442	\$ 303,223	\$ 3,706,666
64XX	Grants/Subsidies	\$ 6,544,857	\$ 34,694,362	\$ 41,239,219
65XX	Utilities	\$ 10,229,905	\$ -	\$ 10,229,905
66XX	Fixed Charges	\$ 3,209,663	\$ 1,433	\$ 3,211,096
67XX	Overhead	\$ -	\$ 444,991	\$ 444,991
68XX	Book Resale	\$ 79,998	\$ -	\$ 79,998
69XX	Furniture and Equipment	\$ 1,732,616	\$ 12,472	\$ 1,745,088
84XX	Construction	\$ -	\$ -	\$ -
TOTAL EXPENDITURES		\$ 318,659,580	\$ 48,232,612	\$ 366,892,192
TOTAL MANDATORY TRANSFERS		\$ -	\$ -	\$ -
TOTAL EXPENDITURES AND MANDATORY TRANSFERS		\$ 318,659,580	\$ 48,232,612	\$ 366,892,192

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, 2026

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 \$ 316,344,188.13
(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.

Item	Object	Function	Amount
Compensated absence			
a) <u>current year expend.</u>	<u>5XXX</u>	<u>VARIOUS</u>	<u>\$ 9,375</u>
Debt service for			
		Operation and	
		Maintenance	
		of Plant	
b) <u>capital projects.</u>	<u>6XXX</u>		<u>\$ 821,699</u>
c) _____	_____	_____	_____
d) _____	_____	_____	_____
e) _____	_____	_____	_____
TOTAL DEDUCTIONS			

3. Adjusted Unrestricted Current Operating Expenditures \$ 831,074
(Line 1 less sum of 2a thru 2e) \$ 315,513,115

4. Total FTE students for fiscal year (from Exhibit VI) 17,084.06

5. Total Adjusted Unrestricted Current Operating Expenditures
/ Total FTE students (yields adjusted cost per FTE) \$ 18,468.28

6. Total Maryland eligible FTE students (from Exhibit VI) 14,895.87

7. State aid paid fiscal year ending June 30, 2026 \$72,466,849
(Exclude State paid benefits)(Complete Exhibit XI)
(Based on two prior years audited FTEs)

8. TOTAL LOCAL CONTRIBUTION \$148,759,696

9. Percentage of adjusted Unrestricted Current Expenditures
contributed by local political subdivision (Line 8 / Line 3) * 47.15%

* 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, 2026

	FTE Students	Student Tuition and Fees
<u>Eligible Students</u>		
1. In-County (credit)	11,687.43	\$ 56,254,519
2. Out-of-County (credit)	707.83	\$ 6,941,081
3. Noncredit	2,500.60	\$ 5,486,526
TOTAL ELIGIBLE STUDENTS	14,895.87	\$ 68,682,127
<u>Ineligible Students</u>		
Credit		
4. Out-of-State	828.33	\$ 11,306,344
5. Other	83.07	\$ 399,820
Noncredit		
6. Out-of-State	1,276.79	\$ 2,801,384
7. Other	-	\$ -
TOTAL INELIGIBLE STUDENTS	2,188.19	\$ 14,507,549
TOTAL STUDENTS	17,084.06	\$ 83,189,676

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, 2026

	7/1/2024	Revenues/	Expenditures/	6/30/2026
Program Title	Balance	Transfers	Transfers	Balance
Federal Pell Grant	\$ -	\$ 30,545,972	\$ 30,545,972	\$ -
Federal Supplemental Educational Grant	\$ -	\$ 631,504	\$ 631,504	\$ -
Federal Work Study	\$ -	\$ 748,242	\$ 748,242	\$ -
Student Support Services Program	\$ -	\$ 280,985	\$ 280,985	\$ -
Educational Opportunity Centers Program	\$ -	\$ 309,860	\$ 309,860	\$ -
Improving Biopharmaceutical Technician Education with Cell and Gene Therapy Credentials	\$ -	\$ 93,791	\$ 93,791	\$ -
Achieving Upward Socio-Economic Mobility (AUSEM)	\$ -	\$ 320,137	\$ 320,137	\$ -
Beginnings: Democratizing Research and Experiential Education forMicroelectronics (DREEM)	\$ -	\$ 77,146	\$ 77,146	\$ -
Collaborative Research: EPIIC: EmpowerEd - Building the Future Workforce Together	\$ -	\$ 57,733	\$ 57,733	\$ -
Planning: Montgomery College Student Hybrid Academic and Research Experience	\$ -	\$ 99,522	\$ 99,522	\$ -
PREP Gaithersburg	\$ -	\$ 39,806	\$ 39,806	\$ -
Technical Metro Area Pathways (TechMAP, SCC2)	\$ -	\$ 528,478	\$ 528,478	\$ -
Building an Inclusive Workforce: Lifting Underrepresented Communities	\$ -	\$ 16,687	\$ 16,687	\$ -
MCG 5G Earmark	\$ -	\$ 22,188	\$ 22,188	\$ -
Undergraduate International Studies and Foreign Language Program - Montgomery College International Studies Program - AsianTrack (ISPAT)	\$ -	\$ 12,955	\$ 12,955	\$ -
Title IC Program Improvement	\$ -	\$ 391,054	\$ 391,054	\$ -
Consolidated Adult Education & Family Literacy	\$ -	\$ 1,853,163	\$ 1,853,163	\$ -
Vocational Training and Employment Services	\$ -	\$ 166,381	\$ 166,381	\$ -
English as a Second Language Training Program for Refugees	\$ -	\$ 433,165	\$ 433,165	\$ -
9/11 Day of Service and Remembrance Campus Grant	\$ -	\$ 2,250	\$ 2,250	\$ -
BJAG County Radio Integration Program	\$ -	\$ 97,550	\$ 97,550	\$ -
TOTAL FEDERAL	\$ -	\$ 36,728,565	\$ 36,728,565	\$ -

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

Summary of Restricted State Grant Programs

for the Fiscal Year Ended June 30, 2026

Program Title	7/1/2025 Balance	Revenues/ Transfers	Expenditures/ Transfers	6/30/2026 Balance
State Government				
Adult Literacy State	\$ -	\$ 1,357,296	\$ 1,357,296	\$ -
Child Care Career and Professional Development Fund (CCCPDF)	\$ -	\$ 60,276	\$ 60,276	\$ -
EARN Maryland Program - Early Childhood Education (MAECE)	\$ -	\$ 4,004	\$ 4,004	\$ -
EARN MD Bio Tech IV	\$ -	\$ 32,094	\$ 32,094	\$ -
EARN MD Bio Train IV	\$ -	\$ 71,927	\$ 71,927	\$ -
EARN Maryland Program - Hospitality to Possibility	\$ -	\$ 93,047	\$ 93,047	\$ -
Maryland State Arts Council	\$ -	\$ 63,936	\$ 63,936	\$ -
MCCE ACET Mini-grant	\$ -	\$ 15,894	\$ 15,894	\$ -
MCSRC PYSIS Resource Grant	\$ -	\$ (1,474)	\$ (1,474)	\$ -
MDCAP	\$ -	\$ 1,869,858	\$ 1,869,858	\$ -
MHEC	\$ -	\$ 3,167	\$ 3,167	\$ -
MHEC ESOL	\$ -	\$ 1,608,855	\$ 1,608,855	\$ -
NSP II FY25-FY26 MCSRC Statewide Resource Grant	\$ -	\$ 1,108,647	\$ 1,108,647	\$ -
New Nurse Faculty Fellowships	\$ -	\$ 129,767	\$ 129,767	\$ -
NSP II Academic Nurse Educator Certification (ANEC)	\$ -	\$ 4,975	\$ 4,975	\$ -
NSP II Nurse Educator Doctoral Grants for Practice and Dissertation Research	\$ -	\$ 67,977	\$ 67,977	\$ -
NSP II Professional Development Resource	\$ -	\$ 7,582	\$ 7,582	\$ -
NSP II FY26-FY29 MCSRC Continuation Grant	\$ -	\$ 262,285	\$ 262,285	\$ -
NSP II FY26-FY29 MCSRC Cont. (Participant Support)	\$ -	\$ 87,898	\$ 87,898	\$ -
Nurse Faculty Annual Recognition	\$ -	\$ 31,778	\$ 31,778	\$ -
Pathways in Technology Early College High School (P-TECH)	\$ -	\$ 87,653	\$ 87,653	\$ -
State Part Time Scholarships	\$ -	\$ 678,802	\$ 678,802	\$ -
MHEC Hunger Free Campus Grant Program	\$ -	\$ 10,977	\$ 10,977	\$ -
MHEC TQDP ACET Flex: From Feds to Eds	\$ -	\$ 98,171	\$ 98,171	\$ -
TOTAL STATE	\$ -	\$ 7,755,391	\$ 7,755,391	\$ -

NOTE: Total should agree with Exhibit I, Restricted Fund (page 1, line 5).

MONTGOMERY COLLEGE

Summary of Restricted Local Grant Programs for Fiscal Year Ended June 30, 2026

Program Title	7/1/2025 Balance	Revenues/ Transfers	Expenditures/ Transfers	6/30/2026 Balance
Local Government				
Adult Literacy Local	\$ 400,000		\$ 400,000	\$ -
City of Rockville Scholarship	\$ 20,000		\$ 20,000	\$ -
City of TP Scholarship	\$ 5,000		\$ 5,000	\$ -
D.C. Student Incentive Grants	\$ 529,303		\$ 529,303	-
Cable Television	\$ 1,378,278	\$ 177,568.89	\$ 1,555,847	\$ -
Future Plant Maintenance & Repair	\$ 250,000	\$ 30,470.01	\$ 280,470	\$ -
TOTAL LOCAL	<u>\$ 2,582,581</u>	<u>\$ 208,038.90</u>	<u>\$ 2,790,619</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, 2026

	Unrestricted Current Fund	Restricted Current Fund
<u>Other Revenue Sources</u>		
Gifts/Grants:		
<u>Montgomery College Foundation</u>	\$ -	\$ 926,535
<u>Private Grants</u>	\$ -	\$ -
<u>TOTAL GIFTS/GRANTS</u>	<u>\$ -</u>	<u>\$ 926,535</u>
Other - Miscellaneous:		
<u>Investment Income</u>	\$ 2,477,144	
<u>Operating (General) Fund - Fines, Facility Rentals, PAC</u>	\$ 1,336,142	
<u>Overhead Recovery - Federal, State & Local Programs</u>	\$ 121,619	
<u>Sale of Assets & Other Miscellaneous</u>	\$ 736,061	
<u>Continuing Education - Other</u>		
<u>TOTAL OTHER - MISCELLANEOUS</u>	<u>\$ 4,670,966</u>	<u>\$ -</u>
<u>TOTAL OTHER REVENUE SOURCES</u>	<u>\$ 4,670,966</u>	<u>\$ 926,535</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, 2026

	Amount
<u>13,613.86</u> State Aid FTEs @ <u>3,193.81</u>	<u>\$ 43,480,109</u>
Fixed Cost Adjustment	<u>\$ 28,986,740</u>
Supplemental Grant	<u></u>
Other (specify below)	
<u></u>	<u></u>
<u></u>	<u></u>
<u></u>	<u></u>
<u></u>	<u></u>
<u></u>	<u></u>
<u></u>	<u></u>
TOTAL STATE AID	<u><u>\$ 72,466,849</u></u>

MONTGOMERY COLLEGE

Reconciliation of Full-Time Equivalent Students

for the Fiscal Year Ended June 30, 2026

	Eligible Maryland FTEs Accepted by SBCC	Maryland FTEs Now Claimed Per Audit
Summer Credit Enrollment (SBCC-CC-2)	1,547.60	1,547.60
Summer Noncredit Enrollment (SBCC-CC-3)	1,064.55	1,064.55
Fall Credit Enrollment (SBCC-CC-2)	5,468.77	5,468.77
Fall Noncredit Enrollment (SBCC-CC-3)	331.31	331.31
Spring Credit Enrollment (SBCC-CC-2)	4,956.20	4,956.20
Spring Noncredit Enrollment (SBCC-CC-3)	1,104.74	1,104.74
Winter Credit Enrollment (SBCC-CC-2)	422.70	422.70
Other Noncredit Enrollment (SBCC-CC-3)		
TOTAL ENROLLMENT	14,895.87	14,895.87
Total Eligible Maryland FTEs accepted by SBCC during fiscal year.	14895.87	XXXXXXXXXXXXXXXXXX
Additional Eligible Maryland FTEs claimed per audit * (deletions)	0	XXXXXXXXXXXXXXXXXX
TOTAL ELIGIBLE MARYLAND FTEs **	14895.87	14895.87
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 to support 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, 2026

TOTAL CREDIT HOURS GENERATED

(Per Exhibit VI, Lines 1, 2, 4, and 5)

399,119

TOTAL COURSE CREDIT HOURS TAUGHT FY 26

23,005

STUDENT-FACULTY RATIO

(Total credit hours generated divided by total course

17.35

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, 2026

	Summer/Fall SBCC-CC-2A	Winter/Spring SBCC-CC-2A	TOTAL
1. TOTAL OUT-OF -COUNTY/CITY STUDENTS ENROLLED IN STATEWIDE PROGRAMS	8	8	16
2. TOTAL CREDIT HOURS*	78	76	154
3. TOTAL TUITION DIFFERENTIAL *	\$ 13,010	\$ 12,677	\$ 25,687
TOTAL STATE AID RECEIVED FOR STATEWIDE PROGRAMS	\$ 13,010	\$ 12,677	\$ 25,687
MINUS: AUDIT ADJUSTMENTS	\$ -	\$ -	\$ -
TOTAL AUDITED STATE AID FOR STATEWIDE PROGRAMS	\$ 13,010	\$ 12,677	\$ 25,687

* Per SBCC-CC-2A form.

Funding of Manpower Shortage Programs for Fiscal Year Ended June 30, 2026

	Summer/Fall SBCC-CC-2A	Winter/Spring SBCC-CC-2A	TOTAL
1. TOTAL OUT-OF -COUNTY/CITY STUDENTS ENROLLED IN MANPOWER SHORTAGE PROGRAMS	70	59	129
2. TOTAL CREDIT HOURS*	481	433	914
3. TOTAL TUITION DIFFERENTIAL *	\$ 80,231	\$ 72,224	\$ 152,455
TOTAL STATE AID RECEIVED FOR MANPOWER SHORTAGE PROGRAMS	\$ 80,231	\$ 72,224	\$ 152,455
MINUS: AUDIT ADJUSTMENTS	\$ -	\$ -	\$ -
TOTAL AUDITED STATE AID FOR MANPOWER SHORTAGE PROGRAMS	\$ 80,231	\$ 72,224	\$ 152,455

*Per SBCC-CC-2D form.

MONTGOMERY COLLEGE

Funding of ESOL Grant Programs for Fiscal Year Ended June 30, 2026

	<u>TOTAL</u>
1. TOTAL NUMBER OF STUDENTS ENROLLED IN NONCREDIT ESOL PROGRAMS	<u>5,569</u>
2. TOTAL NONCREDIT EQUATED FTE	<u>1,624</u>
TOTAL NONCREDIT ESOL FUNDING NONCREDIT EQUATED FTE X \$800	<u>\$ 1,299,376</u>
TOTAL NONCREDIT CREDIT ESOL FUNDING	<u>\$ 1,299,376</u>
	<u>TOTAL</u>
1. ESOL CREDIT HOURS	<u>13,245</u>
2. TOTAL CREDIT FTE	<u>442</u>
TOTAL ESOL CREDIT FTE X \$800	<u>\$ 353,200</u>
TOTAL CREDIT ESOL FUNDING	<u>\$ 353,200</u>
TOTAL NONCREDIT AND CREDIT ESOL FUNDING	<u>\$ 1,652,576</u>

Montgomery College
Retirement System Reconciliations
for the Fiscal Year Ended June 30, 2026
EXHIBIT XV

Optional Retirement System Reimbursements

Amount Due (To) From MHEC from Prior Year (FY2025)	\$ 526,091
Reimbursement Requested from MHEC (Invoiced FY 2026)	\$ 5,110,993
Add (Less) Additional Audit Adjustment	
Less Amount Received from MHEC	<u>\$ 5,617,758</u>

Net Balance Due To MHEC	\$ -
Net Balance Due From MHEC	\$ 19,327
1110-1224 Balance per GL	\$ 15,977
Difference	\$ 3,350

Teachers Retirement and Pension System Reimbursements

Amount Due To (From) MHEC from Prior Year (FY2025)	\$ -
Required Reimbursement Reported to MHEC	\$ -
Less Additional Audit Cost	\$ 4,000
Less Amount Paid to MHEC FY 2025	\$ -

Net Balance Due To MHEC	\$ -
Net Balance Due From MHEC	\$ 4,000
Pension Payable per GL	-
Difference	\$ -
Net Balance Due To (From) MHEC	\$ (23,327)

**MONTGOMERY COLLEGE
NOTES TO ANNUAL REPORT
JUNE 30, 2026**

BASIS OF PRESENTATION

The Montgomery College (the College) 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.



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