Board of Trustees’ Legislative Committee Meeting Materials

September 14, 2006
Schoenbrodt Boardroom – 8:30 am
1. Board members practice respectful dialogue that serves the best interests of the college.

2. Each board member works to integrate servant-leadership into the board culture.

3. Each board member has the opportunity to speak uninterrupted.

4. Board members come prepared – board chair needs to understand what is required and set time and material appropriately.

5. Board chair acts as caretaker for the board – acts as filter, evaluates agenda for time well spent.

6. Board chair speaks for the board to the media.

7. Consent materials are available 10 days in advance; remaining board materials are available seven days in advance.

8. Board members should route any requests for additional information to the board chair or the president at least two business days prior to the board meeting.
Howard Community College’s
Dragon Principles

We promise to help our students, employees, and community members “get there from here.”

We pledge to...

Be friendly
Be helpful to our students and community
Be considerate of each other

And we pledge to…

Fire It Up!
Board of Trustees
Legislative Committee

September 14, 2006
8:30 am
Administration Building
Schoenbrodt Boardroom - A225

1. Howard Community College/Maryland Association of Community Colleges Legislative Agenda

2. Campaign 2006

3. Annual Legislative Breakfast
1 – Howard Community College/Maryland Association of Community Colleges Legislative Agenda

Background

At the Maryland Association of Community Colleges (MACC) presidents retreat in Ocean City in August, the presidents had a discussion about the key issues that warrant consideration for inclusion in the MACC legislative agenda for the 2007 session of the General Assembly. The discussion this year led to a focus on two key statewide issues for community colleges when the legislature meets again: full funding of the Cade formula and funding of the community college capital budget request.

The Howard Community College (HCC) legislative agenda generally mirrors the MACC agenda with special emphasis placed on how those issues directly impact HCC. HCC will be focusing on Cade funding and capital budget. In addition, there are two other issues that HCC believes deserve a mention in the HCC legislative agenda: funding for the Regional Higher Education Center - Laurel College Center and an emphasis on the role HCC plays in teacher training.

A working outline of the HCC legislative agenda will be introduced to the board of trustees at its September meeting. The final version of the agenda will be presented to the board for its approval at its November meeting. A draft version of the agenda follows this document.

Recommendation

This item is for discussion only and requires no action.
INTRODUCTION

Howard Community College (HCC) is a dynamic, thriving, and growing institution integral to the success of Howard County. New campus facilities and quality academic programs are key factors that are contributing to making HCC the college of choice for so many Howard County residents.

Credit enrollment at HCC in the fall of 2006 has topped 7,000 students. Non-credit enrollments have topped over 15,000 with programs being offered in everything from motorcycle safety training, summer programs for elementary to high school students, industry certification courses, open enrollment classes, and customized training for Howard County businesses.

Credit enrollment for fall 2006 is up 5 percent from last fall. One of the factors that is driving enrollment is the increasing number of Howard County Public School System (HCPSS) graduates who are coming to HCC the fall after they graduate from high school. This fall 30 percent of the graduating class of HCPSS applied to HCC and 24 percent have enrolled. Last fall 22 percent of the HCPSS graduating class enrolled at HCC.

The Laurel College Center, operated jointly with Prince George's Community College (PGCC) continues to be a marked success for the community. Designated as a Regional Higher Education Center by the Maryland Higher Education Commission, the Center is proud to provide access to students to associate and targeted baccalaureate, and master's degree programs through HCC, PGCC, Towson University, University of Maryland University College, and the College of Notre Dame.

The Belmont Conference Center provides unparalleled opportunities for HCC’s culinary and hospitality students. These programs will allow students to learn the skills to get professional and management level positions in the hospitality
industry, a critical workforce need throughout Maryland as recognized by the Maryland Department of Business and Economic Development.

HCC’s Charles I. Ecker Business Training Center, located in the Gateway Building, with its professional meeting spaces and computer labs, is a resource for the local business community to meet and train so that they can continue to be regional, national, and international leaders in their respective industries.

HCC is an institution that strives for excellence. HCC is committed institutionally to continuous quality improvement and has adopted the Baldrige framework to measure and improve performance. HCC won a Bronze Maryland State Quality Award in both 2002 and 2003 and has also received the Senator Paul Simon Award for Campus Internationalization. The only community college in the nation with a professional repertory theater in residence, Rep Stage productions have been awarded multiple Helen Hayes Awards.

HCC works in concert with the Maryland Association of Community Colleges (MACC) and the other fifteen community colleges in the state to pursue a state-focused legislative agenda that collectively addresses the needs of Maryland’s community colleges. Over 120,000 students enroll in credit classes at community colleges across the state and another 350,000 enroll in continuing education classes. HCC encourages the General Assembly and the executive branch of state government to support the priorities developed by MACC. Statewide and local priorities of special concern to HCC are outlined in this legislative agenda.
Operating Budget
Position: Support funding for HCC at the state level through full funding of the Cade community college funding formula and through county appropriations at the local level.

HCC receives funding for its operating budget from multiple sources. State funding accounts for 15 percent of support, the county provides 31 percent, tuition and fees 34 percent, and 20 percent comes from other sources.

In addition to serving more students each year, HCC is working hard to manage other recurring costs. These include replacing and upgrading campus technology, increased health care costs, serving students with documented disabilities, and increasing energy costs.

Last year great strides were made at the state level to augment the Cade funding formula to better support community college students. Legislation was passed by the General Assembly and signed by the Governor that increases the percentage of funding the community colleges receive relative to the appropriation given to Maryland’s public four-year schools. For FY08 this percentage-funding tie is set by statute at 25.5 percent. This .5 percent increase from last year coupled with an increase in the appropriation of the four-year schools means that HCC would see an increase of about $2 million in FY08 over FY07. HCC requests that the state fund the Cade funding formula for FY08 at the level set in statute of 25.5 percent of the funding for the four-year public colleges.

Due to governmental budget constraints in the early 00’s and large enrollment increases, funding did not keep up with enrollment increases and student needs. In fact, state and county funding per student for HCC in FY06 was essentially the same as funding per student in FY00.

On the county level, the HCC operating budget request will be formulated later in the year and submitted to the board of trustees in January.
Access and affordability of higher education are directly associated with the level of state and operating funding. Strong operating support from the state and county, coupled with prudent fiscal management by HCC, helps to keep student tuition as affordable as possible. Regardless of state and county support, however, the college’s foundation makes every effort to raise funds for need-based scholarships.

Capital Budget
Position: Support funding of HCC capital projects

HCC’s partnership with state and local government has led to an unprecedented and much needed capital improvement initiative on campus. The openings of the English, Language, and Business Building and the Peter and Elizabeth Horowitz Visual and Performing Arts Center provide state of the art facilities to serve students. The opening of the student services building in early 2007 will provide another much needed and much welcomed addition to the campus.

Despite these construction projects, HCC still lags tremendously behind in having the space necessary to serve all students who are enrolled and wish to enroll. A recent analysis done by the Maryland Higher Education Commission shows that even when factoring in these new construction projects HCC still ranks in the bottom third among all community colleges in terms of having the space needed to serve students based on the state’s capital space allocation guidelines. Even this semester, students had to be turned away in such critical classes as English and science due to lack of space.

HCC requests support for the following projects included in its FY08 capital improvement plan.

- The design of a new Allied Health Building
- The renovations to the “A” building instructional space/Smith Theater (vacated by the move to the Horowitz Visual and Performing Arts Center)
- The renovations to the James Clark, Jr. Library Building (vacated by the move to the student services building)
- The design of three unfinished classrooms in the Children’s Learning Center
- The acquisition of the Belmont Conference Center
- The continued construction of HCC athletics fields
Laurel College Center  
**Position: Support dedicated state funding for the Laurel College Center**

The Laurel College Center was formed as a partnership between Prince George’s and Howard Community Colleges in 2001. The Center has expanded educational opportunities to many residents in the Laurel region. PGCC, HCC and its four year partners – Towson University, University of Maryland University College, and the College of Notre Dame – offer more than 120 sections of credit courses in which students can receive degrees in business administration, general studies, criminal justice, education (at the associate, bachelor’s and master’s level) and applied information technology. More than 100 job-training and workforce-development courses also are offered at Laurel.

Overall enrollments at Laurel were increasing steadily. In fall 2006, there are a total of 1138 enrollments in credit at Laurel.

At its inception, the Center was fully funded by both Prince George’s and Howard Community Colleges. In the summer of 2005, the first direct appropriation of $100,000 was provided by the state to support Laurel. Directed by Joint Chairmen’s Report language, MHEC conducted a study in the fall of 2005 to develop an equitable, consistent, and ongoing funding strategy for all the Regional Higher Education Centers in the state. This study helped lead to another $100,000 being included in the FY07 budget for Laurel. This funding has allowed HCC and PGCC to create strong agreements with its four-year partners and has helped drive enrollment increases. Continued state support will help continue this momentum. **HCC requests support of $250,000 in state funding for the Laurel College Center in the FY08 state operating budget.**

Teacher Education at Howard Community College  
**Position: To Be Determined**

To address the teacher shortage crisis in Maryland, community colleges developed a new degree program, the Associate of Arts degree in teaching (AAT), which is offered at Howard Community College. This program is designed to provide seamless articulation into four-year teaching programs and get highly qualified teachers into the classroom. HCC offers the AAT degree in elementary education as well as in secondary education in the fields of chemistry, mathematics, physics, and Spanish. In addition, through HCC’s partnership with Towson University at the Laurel College Center, HCC students may articulate their programs and earn a Bachelor of Arts Degree in Elementary Education and Special Education from Towson.
A major issue of concern for HCC and other community colleges in Maryland is the ability of community colleges to provide the courses necessary for career changers to become certified to teach in the public school system. Although these courses have been offered successfully for years by the community colleges, this year the Maryland State Department of Education has mandated that career changers wishing to be certified must in the future take their necessary courses at a four-year institution. At a time when Maryland colleges and universities are not producing enough qualified teaching graduates for the available openings for jobs in Maryland, HCC believes that any movement to remove the community colleges from providing classes to help career changers move into careers in the classroom is shortsighted and detrimental to the educational system. **HCC requests support from its elected officials to maintain the community college role in providing professional courses for teacher certification.**
### Community College Funding Formula

#### Senator John A. Cade Formula and Baltimore City Community College

**Preliminary FY 2008 Estimate**

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Four-year public FY 2007 appropriation + COL 756,512,202 7/3/06 est

MHEC Forecast FY 2007 Four-year FTEs 82,486 1.157048818

Appropriation per four-year public FTEs FY 2007 9,171

Formula percentage 25.5%

Aid per FTE 2,338.71

**Formula Aid** 197,829,561

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State Support per FTEs at Baltimore City Community College

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<tr>
<th>Formula Percentage</th>
<th>Aid Per FTEs</th>
<th>Est. FY 2005 BCCC FTEs</th>
<th>State Grant to BCCC</th>
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<td>66.5%</td>
<td>6,099</td>
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Total 2007 Formula 39,831,474

Hold Harmless Adjustment

ESOL Funding 500,000

Total after Hold Harmless 40,331,474

8/29/2006
MCCCCEO Capital Budget Justification

The Maryland Community College FY 2008 Capital Improvement Program budget request, totaling $127,519,147 from the State, is based on the Maryland Higher Education Commission’s Computation of Space Needs, also referred to as “Space Guidelines” (COMAR 13B.07.05.03). The projects included on this list all qualify for state and local funding. The Maryland Community Colleges enroll 119,000 students, more than any other segment of higher education in Maryland.

In order for a project to appear on the FY 2008 Community College Capital Budget Request, each project must qualify on the basis of: (1) MHEC’s 10-year enrollment projections and Computation of Space Needs, (2) being included in the individual institution’s Master Plan, (3) having project approval from each institution’s Board of Trustees, and (4) having a funding commitment for the local share from the supporting county(s).

We recognize that the FY 2008 Community College Capital Budget Request is the highest request in history, but it is a direct reflection of demonstrated need. The FY 2008 request is not a one year aberration. In the outlying years of FY 2009 through FY 2012, the projected needs are:

FY 2009 $142,802,824
FY 2010 $124,084,059
FY 2011 $105,326,686
FY 2012 $154,196,947

The budgets for the outlying years assume full funding of each prior year’s budget. If the state defers projects to future years, the need does not go away; the project is simply put on the next year’s request. Deferring any project(s) plus inflation will dramatically increase the budget request for 2009 through 2012. In fact, the tremendous inflation in construction costs has contributed significantly to the increase in the capital budget request. More money is needed to pay for the same amount of construction. Using the current inflation factors designated by the Department of General Services, the average project inflation from initial submission until construction is in excess of 20%.

Since FY 2002, the Community College capital budget requests have received appropriations at over 85% of the total requests. The table below shows the Community Colleges’ requested capital budgets by year and compares the request with the final appropriation. (The list does not include BCCC capital budget requests).
### Table: Fiscal Year Request Appropriation Difference Percent Diff.

<table>
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<tr>
<th>Fiscal Year</th>
<th>Request</th>
<th>Appropriation</th>
<th>Difference</th>
<th>Percent Diff.</th>
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<td>2007</td>
<td>$58,146,000</td>
<td>$55,588,000</td>
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<td>2006</td>
<td>$59,615,771</td>
<td>$46,500,000</td>
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<td>2005</td>
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<td>2004</td>
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<td>2003</td>
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<tr>
<td>Total '02-'07</td>
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<td>$45,031,860</td>
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</table>

In order to meet our needs, the State share for Community College capital projects must continue to be provided at a level that approximates actual need. Whereas some projects are renovations for repairs and upgrades of aging facilities, most renovation projects and all new construction projects are expanding capacity and introducing efficiencies.

As recently as FY 1997, the Community College capital budget allowance was $27 million. Thus, the appropriation has roughly doubled over ten years in response to the demonstrated needs of the Community Colleges. The FY 2008 (and future) Community College capital requests should be reviewed on their merits by the executive and legislative branches of State government and not arbitrarily constrained by a spending limit contained in a prior capital improvement program.

Currently, Maryland Community Colleges do not have adequate space to meet the existing and projected demand for higher education access. The number of students enrolled in Maryland Community College credit programs in 2005 was over 119,000 plus another 400,000 non-credit registrants. That represents over a half million Marylanders attending our Community Colleges (97% of the Maryland's Community College students are Marylanders). MHEC's ten-year enrollment projections, dated June 2006, indicate that full-time students at Maryland Community Colleges will increase by 23% over the next ten years. The considerable increase in the Community College’s Capital Budget Request over the next five years is directly related to this projected enrollment growth as well as the substantial escalation in construction costs.

Maryland is already an export state for graduating seniors matriculating to higher education. Approximately 12,000 Maryland 2002 high school graduates left the State to receive their higher education elsewhere. Only 7,100 students came from other states to Maryland that year. This out-migration of our youth leads to concerns of a brain-drain in Maryland. It is important for the economic vitality of Maryland and each of its subdivisions to have a well-educated work force. Without the needed capital funding, more and more Marylanders will be forced to leave the State to receive an education, or in some cases, be unable to access higher education at all.

Higher education access is still a serious issue in Maryland. Tom Mortensen, Senior Scholar at the Pell Institute for the Study of Opportunity in Higher Education, reveals
that college participation rates have flattened, and in some cases, declined since the 1990s. Furthermore, “gains in bachelor’s degree attainment have gone almost entirely to students born into the top quartile of the family income distribution.” Since 1973, income has been redistributed according to educational attainment. Those with college educations have experienced an increase in income, while those with only high school educations or less have seen declines in income level.

Maryland needs to be concerned about its native population who are unskilled. There are fewer good paying job opportunities for unskilled workers today. It is projected that 80% of the fastest growing careers will require some college education. Even though the State ranks 5th in the nation for people age 25 and over who have earned a bachelor’s degree, 40% of that population was educated elsewhere and attracted to Maryland for the jobs requiring college degrees created by our proximity to Washington, D.C.

While Maryland takes justifiable pride in our highly educated population, unfortunately, the State is not doing enough to provide postsecondary education to its native population. Maryland ranks 27th among the states in the public high school graduation rate and 21st in college continuation rate for both public and private high school graduates. Furthermore, there are growing percentages of minorities and economically disadvantaged youth in Maryland. Historically, these populations do not attend college, or if they do, they are more likely to attend a community college as the only affordable opportunity for them to begin their higher education journey.

In order for the economically disadvantaged to break the cycle of poverty, they need higher education. Maryland needs to make sure that we have space for these students who are the beneficiaries of the Thornton funding to public K-12 education. One important expected outcome of the Thornton program is preparing more of Maryland’s children for higher education, which should result in an increase in the college continuation rate. If for no other reason than affordability, Maryland’s Community Colleges will be the recipients of this new student population. The high tuition and other costs will prevent all but the rare exception among these students from attending out-of-state institutions. But they will only be able to pursue higher education if Community Colleges have space for them.

We need capital funding to serve native Marylanders and to expand capacity to create labs and classrooms to support high workforce demand occupations, like nursing and allied health, bioscience, technology, engineering and teacher education. Maryland’s Community Colleges are an economic engine that impacts every corner of the State. If the Community Colleges were considered a business and the campuses were seen as plants, we would have “plants” operating in Baltimore City and 17 counties in 27 sites, generating $5.6 billion in annual economic activity, with a payroll of over $500 million. But more significant still is the fact that the State’s workforce contains more than 63 million hours of training obtained at Maryland’s Community Colleges. Higher earnings and greater productivity due to the training are responsible for adding $4.9 billion or approximately 121,000 jobs each year to the Maryland economy.
In order to prepare the native workforce for highly skilled Maryland jobs, in order to increase the financial status of native Marylanders, in order to meet the challenge of increasing numbers of students accessing higher education, Maryland's Community Colleges need to continue to grow. Local capital funding is in place to address this demand. The Community College request of $127 million will leverage an additional $104 million in local funding. The State needs to continue the pattern of the last ten years and meet its responsibility to provide State funds to match the local commitment. The future of our workforce, and therefore, the future of our economy depend on it.
2 – Campaign 2006

**Background:** Candidates for elected office are being invited to visit the Howard Community College campus. Staff is currently scheduling a date to have the candidates for county executive on campus together to make brief presentations to faculty, staff, and students and to answer questions from the audience. This event is tentatively scheduled for October 16.

Invitations to visit HCC have also been sent to Robert Ehrlich and Martin O'Malley. Additionally, as during the campaign four years ago, the college will be hosting a candidate fair. This event will be open to the community and will be held October 23 in the Burrill Galleria. All candidates that are still in the race after the primary will be invited to the fair. As plans progress, board members will be given periodic updates.

**Recommendation**

This item is for discussion only and requires no action.
3 – Annual Legislative Reception

Background: Traditionally, Howard Community College has hosted a breakfast in December for its state and local elected officials. This year staff would like to change the format.

The proposal is to have a reception in the late afternoon the week of December 4. Selected students will be invited to mingle with the elected officials; additionally, the college will make a brief presentation on its legislative agenda. Board members and senior HCC staff will also be invited to attend. Additionally, the elected officials will be taken on a hardhat tour of the student services building.

Recommendation

This item is for discussion only and requires no action.