



**BALTIMORE CITY
COMMUNITY COLLEGE**
CHANGING LIVES...BUILDING COMMUNITIES

Good afternoon, Chairwoman Jones, Vice Chair Barnes and members of the House Education and Economic Development Subcommittee:

My name is Dr. Gordon F. May and I am pleased to be here to testify on behalf of Baltimore City Community College's Fiscal Year 2016 Operating Budget. The College truly appreciates all of your past support for our institution. We also thank Garret Halbach for his excellent overview.

With me today are BCCC Board of Trustees Chair Dr. Mary Owens Southall, Student Government Association President Layi Bakare, Interim Vice President for Business and Finance Calvin Harris, Vice President for Academic Affairs Dr. Tonja Ringgold, Dean of Enrollment Management Robin Washington Scott and other members of my executive staff.

I joined the College as President/CEO on September 2, 2014 and have truly enjoyed my experience since that very first day. As you can imagine, I hit the ground running on day one and haven't stopped since.

It has been a pleasure meeting many of you and I look forward to further positive encounters with you in the future.

During my tenure at the College, I have been involved in numerous activities to move the College forward in a positive direction on behalf of BCCC's number one constituency – our students. The College is fortunate to have a highly engaged Board of Trustees as well as dedicated faculty and staff who make it their mission every day to do what is in the best interest of our student body.

Reflecting upon these very busy past five months, I can confidently report that the College has made significant progress on a number of fronts. First and foremost, we are on track to reaffirm accreditation. Keep in mind, BCCC is accredited. With the support of the Board of Trustees, the College is fully engaged in acting on all concerns cited by the Middle States Commission on Higher Education. We are diligently addressing every suggestion, recommendation, and requirement contained in the Commission's June report.

Even before I arrived at BCCC, the College was focused on stabilizing its senior and management staff through hiring for the following key positions:

- Vice President for Academic Affairs/Accreditation Liaison Officer
- Vice President for Institutional Advancement, Marketing, and Research
- Vice President for Business and Finance
- Dean of Academic Operations, Articulation, Assessment, and Accreditation
- Director of Facilities Management

- Chief Budget Officer
- General Counsel

BCCC is a mission-driven institution. We have carefully examined the College's Board-approved Strategic Plan. Members of the President's Staff worked with various groups in their areas to establish objective priorities and strategies. All of these elements are targeted to ensure that Strategic Plan goals are effectively addressed to realize our mission. We have methodically restructured our organization and, in my estimation, we have made great strides by implementing sustainable best practices to promote ongoing assessment of operations, allocation of resources, and overall effectiveness.

I am happy to report progress as well in workforce development. We have aggressively pursued partnerships with employers in the private and public sectors to create training opportunities in high demand career fields. Just this past January we received a \$900,000 grant from the City of Baltimore to train low-income city youth and young adults for jobs as warehouse technicians and inventory control specialists in distribution warehouse facilities like Amazon and Under Armour.

In October 2014, we secured a grant of \$800,000 from the \$15 million grant from the Department of Labor to promote training for employment in cybersecurity. This is the Cyber Technology Pathways Across Maryland program. BCCC will provide a non-credit training program for entry-level industry certification in cybersecurity or preparation for pursuing a two-year degree in that field. Over the next three years, BCCC will serve at least 100 city residents as they prepare to enter careers in cybersecurity. These grant awards reflect confidence on the part of Baltimore City and the U.S. Department of Labor in BCCC's ability to prepare students for positions that demand targeted and advanced skillsets. Overall, grant revenue for workforce development at the College is currently 108 percent higher than at the same time last year, and we expect that trend to continue. The good news is that grant makers are determining BCCC to be a sound investment in workforce development.

We are focused on our need to grow enrollment across the board. To do that and remain competitive, BCCC needs to expand credit program offerings as well as articulations from non-credit to credit—and, of course, ensure alignment with regional workforce training needs. We are planning for the development of at least 10 new programs that are relevant and meet the needs of business and industry by FY 2018.

In the months ahead you will see that our plan is solid, our leadership has stabilized, and we are moving forward. This summarizes the progress that I wanted to bring to your attention. I thank you for this opportunity and for your continuing support of BCCC and our students. We'll be happy now to address your questions.

Baltimore City Community College

Recommended Actions

1. Add language that no funding may be used for demolition of the Bard Building.
2. Add language restricting funding pending receipt of a study on the future of Baltimore City Community College.
3. Add language to reduce State support to Baltimore City Community College.

Cost Containment

The President should comment on whether the College plans to annualize the fiscal 2015 COLA, unlike the Governor's plan for other State agencies, and what the funding that had been planned for COLAs and increments will be used for in 2016.

Response: While the College feels the removal of the State approved and allotted FY 2015 COLA is imbalanced and will cause animosity amongst its employees, it will follow the intention of the state by using funds to support the mission of the institution to ensure student success. In FY 2016, \$1.4 million has been budgeted for COLA and merit increases. If the budget bill passes without these increases, BCCC will use these funds for one-time upgrades to renovate student and classroom spaces, replacement of the aging bus fleet, and one-time additions to financial aid.

Expenditures by Program

The President should comment on how BCCC can reduce expenses in fiscal 2016, given that State support is likely going to be flat and tuition revenue will be unlikely to rebound to the level seen in fiscal 2014 or earlier.

Response: The College intends to continue its requirement of maintaining a balanced budget, whether through reductions in expenditures, enhancements of non-State support revenue, or a combination of both. The College has completed a multi-year projection process, which considers the effect of enrollment levels in revenue and aligns and prioritizes expenditures with the strategic planning goals of the institution. Controls have been enhanced to better enable the College to adjust throughout the year, as needed, to maintain a balanced budget. With enhanced focus on priorities and strategic goals, the College is confident it will be able to modify operations, as needed, to ensure a balanced budget and enable student success.

Fund Balance

The President should comment on how much of the planned net \$5.4 million fund balance transfer in fiscal 2015 is expected to be spent this fiscal year and on what. The President should also comment on what specific project the \$4.0 million removed by the BRFA of 2015 would otherwise be used for in fiscal 2016 given that the College has only budgeted \$5.7 million to spend of the projected \$26.9 million fund balance in fiscal 2016.

Response: The College intends to use \$1.2 million of fund balance in FY 2015 on the Enterprise Resource Planning (ERP) project and an additional \$700,000 for infrastructure upgrades. The College recognized that it did not have a specific reserve set aside in its fund balance for fluctuations in state aid as noted in the Middle States report. The College made it a priority to create a 4 percent reserve in FY 2015. The \$4.0 million will eliminate this reserve, which could cause Middle States to cite BCCC on this issue. I would also eliminate funding for rebranding which was intended to increase enrollment and eliminate funding for essential facilities projects such as Harper Hall air conditioning and West Pavilion HVAC. In addition, infrastructure upgrades for the ERP project, which were slated to be completed prior to the installation of the software, will need to be reevaluated.

Major IT Project - ERP

Given the original target completion date of mid-fiscal 2014, the President should comment on when the first parts of ERP may begin to be operational on the campus.

Response: We are in phase 4 of System Development Life Cycle (SDLC) - Requirements Gathering. We completed planning in December 2014. We are now rating about 8,000 requirements needed for the new ERP system and two sub-projects (Document Imaging/Workflow and Identity Management). Requirements will lead to final RFPs that must be approved by DoIT before posting them for solicitation or bidding on e-Market-place. The implementation will start off with Document Imaging/Workflow and Identity Management sub-projects. We will not know when the ERP implementation starts officially until we get the RFP approved and vendors selected.

Making College Affordable

The President should comment on whether the College will allocate more funding to need-based aid, especially as it considers increasing tuition for the first time in seven years and whether it will ever revisit its stance on participation in federal student loan programs.

Response: In the event of a tuition increase, BCCC intends to allocate additional funding to serve its needs-based population (See Exhibit 9). While BCCC is open to revisiting its position on federal student

loan programs, we will not participate at this time because the majority of BCCC students have household incomes less than 150 percent of the poverty level and will have difficulty repaying loans.

In addition, the President should comment on any plans to change tuition rates or the amount of unrestricted funding budgeted in institutional aid, which is currently less than \$100,000, given that 70% of BCCC students have significant financial needs.

The College completed a five year projection as part of Standard 3 for Middle States. Upon completion of this projection, it was noted the College is in need of a tuition increase. In past years the amount of annual salary increases, mandatory expense increases, and programmatic increases have outweighed the revenue increases. The College in the past should have increased tuition and fees at least a minimal amount while maintaining its affordability.

Enrollment

The President should comment on the projected enrollment for fall 2015 and what a reasonable target enrollment would be for the College in fall 2016.

Response: Fall 2014 credit headcount was 5,269 students. For the next two years, the following assumptions have been made:

- Final Fall 2015 headcount will increase 2 percent to 5,374. This increase is conservative compared to the 2.5 percent increase projected by MHEC (June 2014).
- Final Fall 2016 headcount will increase by 4.5 percent. This projected increase is greater than the 3.5 percent projected by MHEC because:
 - BCCC's rebranding effort will have been implemented;
 - Development of new academic programs called for in the Strategic Plan will be underway;
 - Middle States will reaffirm Accreditation; and
 - Enrollment will increase from full implementation of the College and Career Readiness and College Completion Act.

Non-credit enrollments have conservatively been projected to rise 1.5 percent annually.

Accreditation

The President should comment on whether the issues identified by Middle States could have been addressed by BCCC prior to the accreditation review.

Response: BCCC serves its community by being committed to continuous quality improvement. We take an ongoing look at effectiveness in terms of planning, operations, assessment, sustainability, and student learning outcomes.

While Middle States brought specific Standards to our attention, they also stated in the Exit Report, “Baltimore City Community College is a unique and special place. Despite being in transition and despite the challenges presented by the roadmap for improvement that we leave you with here, there is significant evidence that the College is turning the corner and is poised to move forward with a renewed sense of purpose.”

Since the Middle States team visit in May 2014, BCCC has made significant improvements towards achieving and sustaining compliance with Standards 2, 3, 6, and 7 of the Middle States Characteristics of Excellence. As the centerpiece, institutional effectiveness has become structurally embodied within the institution via a newly adopted strategic planning process. The Academic Master Plan is the foundation for connecting component institutional plans to the Strategic Plan. To ensure effectiveness, the Strategic Plan and component institutional plans include assessment measures and processes for budget and resource alignment with the Strategic Plan goals.

BCCC is proud of the extensive work that has been accomplished in many areas in a relatively short period of time. BCCC is focused on the need for continued efforts to fully instill a culture of assessment. Faculty and staff recognize that the discovery process must be ongoing and ever-evolving. As institutionalized assessment takes root, new areas for intensive study will be identified and incorporated with existing priorities.

Processes and structures have been put in place that will improve our institutional effectiveness measurably. This includes the creation of an Associate Vice President (AVP) for Institutional Research, Effectiveness and Planning position. In addition to providing administrative oversight for the College’s institutional effectiveness, assessment, and research operations, the new AVP will serve as co-chair for our College-Wide Assessment Committee along with a faculty co-chair. This combination creates a platform for improved better decision making informed by assessment and provides another opportunity for shared governance, with faculty, administrative, and student representation.

Middle States Requirements and BCCC Recent Accomplishments:

Standard 2 – Planning, Resources Allocation, and Institutional Renewal

Findings from MSCHE document the continued implementation of a comprehensive institutional strategic plan and process that includes (a) institution and unit-level goals and objectives, stated in terms of outcomes that are linked to mission and used for long-range planning, decision making, and budgeting processes; (b) clear linkages to the academic, enrollment, facility, and technology plans; and (c) evidence of the periodic assessment of the effectiveness of the planning, resource allocation, and institutional renewal processes.

- “Recent Accomplishments” include:
 - Updated Divisional Mission Statements
 - Strategic Planning Process
 - Component Institutional Plan Processes
 - Academic Master Plan Update
 - Strategic Enrollment and Master Plan Update
 - Integrated Facilities Master Plan Update
 - Technology Plan Update
 - Budget Planning

Standard 3 – Institutional Resources

Findings from MSCHE: document the continued development and implementation of a budget and resource allocation process that provides for an annual budget and for multi-year budget projections, both institution-wide and among departments, aligned with the institution’s mission, goals, and strategic plan, and evidence of the periodic assessment of the effective and efficient use of institutional resources.

- “Recent Accomplishments” include:
 - Multi-Year Financial Projections
 - Fund Balance Alignment with Strategic Plan
 - Budgetary Controls

Standard 6 – Integrity

Findings from MSCHE: document the development and implementation of (a) clear, accurate, up-to-date, and easily accessible advertisements, recruiting, and admissions materials; (b) procedures to ensure that factual information about the institution, including information required by the Middle States Commission on Higher Education, is accurately reported and made available to the institution’s constituencies; and (c) a periodic assessment process to review the accuracy of institutional information made available to the institution’s various constituencies.

- “Recent Accomplishments” include:
 - Information Reported to MSCHE (substantive change request)
 - Communications to the Public
 - Internal Communications
 - BCCC Website
 - Publications
 - College Catalog
 - Program Brochures
 - Academic Calendar
 - Recruitment and Admissions Materials

- Course and Academic Program Approval Processes
- Compensation Study
- Climate Survey and Self-Study Surveys

Standard 7 – Institutional Assessment

Findings from MSCHE: the continued development and implementation of a comprehensive, organized, and sustained process for the assessment of institutional effectiveness that includes clear and realistic guidelines and a timetable and evidence that assessment information is used to (a) inform budget, planning and resource allocation decisions; and (b) improve programs, services, and processes, and is shared and discussed with appropriate constituents.

- “Recent Accomplishments” include:
 - Strategic Planning Processes
 - Strategic Plan Progress Report
 - Component Institutional Plans Processes
 - Academic Master Plan
 - Strategic Enrollment Management and Retention Plan
 - Integrated Facilities Master Plan
 - Technology Plan
 - Program Review and Evaluation Committee
 - Outcomes Assessment Data Collection
 - College-Wide Assessment Council Surveys

Capital Planning - Bard Building

The President should comment on what the College will do with the Bard Building and, if it is currently not known, when the institution will finally make a decision on what to do with the large vacant building. The College should also comment on the collaboration that will occur with DBM, DGS, and MHEC in this process. *(DLS recommends renewing the restriction on State funding from being used for the demolition of the Bard Building until a building assessment and project programs have been reviewed by the Office of Capital Planning at DBM.)*

Response: The College is undergoing an additional demolition analysis for the Bard building, as requested by the State. Following that analysis, when the costs of demolition can be confirmed, the College, in collaboration with the Board of Trustees, DBM, DGS and MHEC will determine the final utilization for the Bard building.