

**Testimony of Gordon F. May, PhD**  
**President and CEO**  
**Baltimore City Community College**  
**Operating Budget Hearing**  
Before the House Appropriations Committee  
Subcommittee on Education and Economic Development  
February 21, 2018

Good afternoon Chairwoman Jones and members of the committee. Thank you for the opportunity to testify on the Fiscal Year 2019 budget submission and recommendations for Baltimore City Community College (BCCC), and thank you to Kyle Siefering with DLS for his analysis. In 2017, BCCC celebrated its seventieth year of educating residents of Baltimore City.

BCCC is a mission-driven institution, and our mission is to provide quality, affordable, and accessible educational opportunities that meet the professional and personal goals of students. BCCC is the only State-funded community college in Maryland. It is an anchor institution in West Baltimore and is committed to improving communities across the City. In the time since I appeared before you last year, BCCC has made measurable progress in overcoming our structural and operational challenges while continuing to educate our students, increase workforce development opportunities, and expand job training and placements through our partnerships with Baltimore City Public Schools, the Mayor's office, and private-sector employers.

On the topic of expanding our collaboration with Baltimore City Public Schools, I hope you all are aware of the Mayors Scholars Program, a groundbreaking initiative implemented by Mayor Catherine Pugh that will allow City high school seniors to attend BCCC tuition-free. It's a last-dollar scholarship that will improve educational outcomes for our City students, and it's funded by the City so no additional State funds are required to make it happen. The Mayors Scholars Program is one of only five local Community College Promise programs in the State, and it will be a tremendous boost for City students, for BCCC, and ultimately for the local economy. We anticipate as many as 250 new students this year, and BCC will be ready to receive them this summer. We will be ready to give them targeted support as they join our community, and that is just one reason among many why I ask your support in approving the full amount of our budget request for Fiscal Year 2019.

I am also glad to share with you the significant progress BCCC has made in our structural and organizational realignment, as required under Senate Bill 1127/House Bill 1595 of 2017 and as directed in the 2017 Joint Chairmen's Report on the State Budget. The legislation and the JCR specify the same twelve realignment tasks which has become our most critical institutional work at BCCC.

I directed BCCC's Chief of Staff and General Counsel, Bryan Perry, to lead the College's restructuring efforts. Mr. Perry will now share with you a brief summary of our progress, and our Vice President of Finance and Administration, Calvin Harris, will discuss the responses to the analyst's questions.

**Testimony of Bryan Perry, Esq.**  
**Chief of Staff and General Counsel**  
**Baltimore City Community College**  
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Good afternoon, Chairwoman Jones and members of the subcommittee. For the record, I'm Bryan Perry, Chief of Staff at BCCC. Before we address the analyst's questions, I'd like to share with you briefly some topics of interest regarding the College's realignment required under Senate Bill 1127 of 2017.

First, BCCC has worked diligently and proactively to redevelop the unused Bard Building on East Lombard Street downtown. Last fall we concluded an RFP process to select a developer. Currently we are collaborating with the Department of General Services and the Office of the Attorney General to negotiate the terms of a ground lease with the Cordish Companies, who plan to redevelop the site as a mixed-use structure that's planned to be 45 stories, the tallest building in Maryland. We anticipate concluding the negotiations and bringing the agreement to the Board of Public Works in June of this year. This directly addresses one of our realignment tasks.

Second, BCCC is conducting a comprehensive staffing audit to make sure our resources are in line with our mission. The first phase of the audit—planning, and information and data gathering—is underway. We are moving swiftly on this as well, with the final report to our Board of Trustees expected in June of this year. This also directly addresses one of our realignment tasks.

Third, I'd like to touch on enrollment. The DLS analysis notes that BCCC's enrollment has continued to decline, and in the current semester we are down three percent from one year ago. As the economy has recovered, community colleges across the country have experienced declining enrollment, to the point that many in the higher ed field have adopted the phrase, "flat is good." I don't accept the premise of that statement, but I do acknowledge the trend. BCCC enrollment in the current semester is down 3% from one year ago. This is a relatively small decline. More importantly, BCCC has aligned its budget planning with realistic enrollment projections, which completed another of our realignment tasks.

Finally, I would like to touch on the analyst's recommendation that the committee restrict \$100,000 in funds until BCCC closes out four repeat audit findings. The four repeat findings in our most recent OLA audit have been addressed, and we took issue with them at the time of the audit because we were in the process of addressing them. I would be glad to share any information with the committee that will assist in reconsidering this recommendation to restrict funds.

Vice President Calvin Harris and I will now discuss the analyst's recommendations.

**Responses to Analysis of the FY 2019 Maryland Executive Budget**  
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*Major Trends: More Students Benefiting from Completing Developmental Coursework*

**(Page 3)** The President should comment on what initiatives BCCC is undertaking to continue to have more students complete developmental coursework, as students who complete developmental coursework tend to have significantly better outcomes.

**BCCC RESPONSE:** Many BCCC students are low-income, nontraditional students, who attend part-time, and there are many factors, both in and out of the classroom that limit students' academic success in developmental education. First, to help mitigate the financial barrier of attending community college, BCCC has implemented the use of open educational resources in developmental education courses. Secondly, under SB 740, students who are not deemed college or career ready by the end of the 11th grade, must take a transition course in the 12th grade. BCCC is continuing to strengthen its partnership with BCPSS around the implementation of those transition courses, and is considering earlier testing, to allow more time for remediation at the high school level. Through the USM Kirwan Center for Academic Innovation, BCCC was selected to participate in the "alternative placement project" to explore alternative processes for developmental math. Finally, BCCC is also exploring more closely aligning the proper developmental math sequence with the students' career pathway.

*Issues: Enrollment and the Mayor's Scholars Program*

**(Page 3)** The President should comment on how many students it is preparing to serve as part of the Mayor's Scholars Program in fall 2018 as well as what initiatives the college is undertaking to raise enrollment.

**BCCC RESPONSE:** Consistent with the Baltimore City Mayor's plans, the College is preparing to serve 250 students as part of the Mayor's Scholars Program in fall 2018. The College is working directly with Baltimore City Public Schools to increase enrollment in the program. Representatives from the Mayor's Office and Directors of City Schools' Office of College and Career Readiness have been active members of the College's planning committee. BCCC recruiters have worked with high school guidance counselors and school administrators to promote the Program and dual enrollment. In addition, the College has participated in recruiting fairs, partnered with City Schools and Mayor's Office for FAFSA trainings, developed brochures, webpages, Public Service Announcements, and posters for the Program.

***Issues: Infrastructure Concerns Delay Major Information Technology Project:***

**(Page 3-4)** The President should comment on how BCCC working on IT infrastructure upgrades instead of ERP in fiscal 2019 will affect total IT spending and when the college expects its IT infrastructure to be ready to support ERP. The President should also comment on how BCCC's internal functions can better communicate to make sure its IT systems are successfully implemented. DLS recommends committee narrative requiring BCCC to submit a five-year IT infrastructure plan.

**BCCC RESPONSE:** As part of the Realignment, the College is reviewing its infrastructure needs, as it determined the current IT infrastructure is insufficient to support ERP. As a result of that initial infrastructure analysis, the College cancelled its ERP proposal request. The College will complete a five-year IT infrastructure plan that considers both infrastructure and ERP needs, while addressing concerns raised during recent legislative audits. To better support this process, the College has engaged a well-regarded IT consulting firm.

***Managing for Results: 2. More Students Benefiting from Completing Developmental Coursework***

**(Page 8)** The President should comment on what initiatives BCCC is undertaking to continue to have more students complete developmental coursework, as students who complete developmental coursework tend to have significantly better outcomes.

**BCCC RESPONSE:** Many BCCC students are low-income, nontraditional students, who attend part-time, and there are many factors, both in and out of the classroom that limit students' academic success in developmental education. First, to help mitigate the financial barrier of attending community college, BCCC has implemented the use of open educational resources in all developmental education courses. Secondly, under SB 740, students who are not deemed college or career ready by the end of the 11th grade, must take a transition course in the 12th grade. BCCC is continuing to strengthen its partnership with BCPSS around the implementation of those transition courses, and is considering earlier testing, to allow more time for remediation at the high school level. Through the USM Kirwan Center for Academic Innovation, BCCC was selected to participate in the "alternative placement project" to explore alternative processes for developmental math. Finally, BCCC is also exploring more closely aligning the proper developmental math sequence with the students' career pathway.

***Expenditures by Program***

**(Page 12)** The President should comment on how BCCC can reduce maintenance expenses through the sale or development of its unused or underutilized properties.

**BCCC RESPONSE:** It should be noted the College has no unused property that is not under negotiation with the active support of State Department of General Services. Therefore, no sales of property should be considered, as they would not benefit the College.

Following the successful completion of an RFP for the redevelopment of unused downtown Bard Building, and the successful completion of a Memorandum of Understanding with the chosen redevelopment bidder, the College is in the midst of negotiating a land lease. The College is working directly with the Real Estate Division of the Office of the Attorney General and Department of General Services on this project. All other previously delayed capital projects, such as the Loop Road and Library, have been successfully moving forward and the College has internally evaluated its footprint to maximize its usage and efficiency on all campuses. Through these on-going efforts, despite an aging building portfolio that will generally require new construction and renovation, the College is efficiently managing its maintenance expenses.

### ***Tuition and Fees***

**(Page 15)** The President should comment if increasing the college's tuition from \$106 to \$110 has allowed it to make up for funds lost due to its full-time enrollment policy and whether or not the college plans to keep this policy in place for the future.

**BCCC RESPONSE:** While the College completes a multi-year financial project on an annual basis, with considers tuition rates and enrollment levels, decisions on the tuition rate are made on an annual basis. Such a practice is consistent with other Maryland higher education institutions. The College is currently evaluating the status of the full-time enrollment policy, and will continue to manage its budget based on the effect of this policy.

**(Page 15)** The President should comment if the college would consider keeping its increase in tuition below 2% in order to qualify for a supplemental grant or if the size of the grant is not enough to incentivize the college to do so.

**BCCC RESPONSE:** The College intends to keep potential tuition increases to below 2%. It should be noted that the College originally intended to hold fiscal year 2018 increases to below 2%. However the Board of Trustees chose to approve a higher amount.

### ***Fund Balance***

**(Page 17)** The President should provide an updated estimate on how much the college will draw from fund balance in fiscal 2018 and 2019, the purpose for which it will designate this fund balance transfer, and how long the college plans to continue to draw from its fund balance to cover expenses.

**BCCC RESPONSE:** The College has budgeted \$4.1 million in fund balance draws for fiscal year 2019, following a similar amount budgeted in fiscal year 2018. The majority of the fund balance draws are related to IT and facilities usage, both of which are being evaluated as part of the Realignment project, and both of which are long-standing underfunded areas of need. While the College is currently determining how long fund balance may be used for such initiatives, it should be noted that fund balance is an appropriate source for such costs, and is consistent with practices of other Maryland higher education institutions.

***Issues: 1. Enrollment and the Mayor's Scholars Program***

**(Page 19 [same as page 3])** The President should comment on how many students it is preparing to serve as part of the Mayor's Scholars Program in fall 2018 as well as what initiatives the college is undertaking to raise enrollment.

**BCCC RESPONSE:** Consistent with the Baltimore City Mayor's plans, the College is preparing to serve 250 students as part of the Mayor's Scholars Program in fall 2018. The College is working directly with Baltimore City Public Schools to increase enrollment in the program. Representatives from the Mayor's Office and Directors of City Schools' Office of College and Career Readiness have been active members of the College's planning committee. BCCC recruiters have worked with high school guidance counselors and school administrators to promote the Mayor's Scholars Program and dual enrollment. In addition, the College has participated in recruiting fairs, partnered with City Schools and Mayor's Office for FAFSA trainings, developed brochures, webpages, Public Service Announcements, and posters for the Program.

***Issues: 3. Infrastructure Concerns Delay Major Information Technology Project***

**(Page 24 [same as page 3-4])** The President should comment on how BCCC working on IT infrastructure upgrades instead of ERP in fiscal 2018 and 2019 will affect its total IT spending and when the college expects its IT infrastructure to be ready to support ERP. The President should also comment on how BCCC's internal functions can better communicate to make sure its IT systems are successfully implemented. DLS recommends adopting committee narrative requiring BCCC to work with DoIT and submit a five-year IT infrastructure plan.

**BCCC RESPONSE:** As part of the Realignment, the College is reviewing its infrastructure needs, as it determined the current IT infrastructure is insufficient to support ERP. As a result of that initial infrastructure analysis, the College cancelled its ERP proposal request. The College will complete a five-year IT infrastructure plan that considers both infrastructure and ERP needs, while addressing concerns raised during recent legislative audits. To better support this process, the College has engaged a well-regarded IT consulting firm.