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**ANNUAL FINANCIAL REPORT TO THE
MARYLAND HIGHER EDUCATION COMMISSION
FROM HOWARD COMMUNITY COLLEGE**

**Annual Financial Report Together with
Report of Independent Public Accountants**

For the Fiscal Year Ended June 30, 2017

Prepared by:

Janet Cullison
Associate Vice President of Finance

Dr. Kathleen B. Hetherington
President



JUNE 30, 2017

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Trustees
Howard Community College

Report on the Financial Statements

We have audited the accompanying financial statements included in the Annual Financial Report to the Maryland Higher Education Commission (MHEC-CC-4) of Howard Community College (the College) for the year ended June 30, 2017, listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements, enrollment data, and the supplemental schedules in accordance with financial reporting provisions of 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. Our responsibility is to express an opinion on these financial statements and supplemental schedules based on our audit. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the revenue and expenditures of the unrestricted current fund and the restricted current fund, and the enrollment data of Howard Community College for the year ended June 30, 2017, in accordance with the financial reporting provision of 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. In our opinion, the principles governing the interrelationship between the unrestricted current general fund and expenditures result in the fair presentation of the unrestricted current general fund revenues and expenditures.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. As described in Note 1 to the financial statements, the financial statements are prepared by the College on the basis of the financial reporting provisions 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, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Maryland. Our opinion is not modified with respect to this matter.

Restricted Use

This report is intended solely for filing with Maryland Higher Education Commission, and is not intended to be and should not be, used for any other purpose.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements included in the MHEC-CC-4 Annual Financial Report. The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the 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 financial statements. Such information has been subjected to the auditing principles applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated in all material respects in relation to the financial statements as a whole.

The accompanying supplemental information of the full-time equivalent (FTE) enrollment data shown on pages 7, 8, 14, 15 and 17, is the responsibility of management and derived from and relates directly to the College's enrollment data. This supplemental information is presented in accordance with instructions set forth in Title 13B.07.03.02C, inclusive, of the Code of Maryland Regulations and in our opinion, are fairly stated in all material respects when considered in relation to the financial statements taken as a whole.

Hunt Valley, Maryland
September 19, 2017

SB & Company, LLC

HOWARD COMMUNITY COLLEGE

Summary Statement of Revenue For Fiscal Year Ended June 30, 2017

Revenue Source	Unrestricted	Current	Restricted	Current	Total Revenue
	Fund	Fund	Fund	Fund	
Student Tuition and Fees:					
1. Credit	\$ 33,808,501		\$ 875		\$ 33,809,376
2. Noncredit	5,496,879		-		5,496,879
3. Total Student Tuition and Fees	<u>39,305,380</u>		<u>875</u>		<u>39,306,255</u>
Governmental:					
4. Federal	-		12,527,393		12,527,393
5. State	17,411,556		1,795,474		19,207,030
a. Regional Higher Education Center (Laurel College)	140,800		-		140,800
b. Maryland Excel's Program (Children's Learning Center)	19,073		-		19,073
6. Local					
a. Operating Appropriations	32,240,298				32,240,298
b. County paid OPEB contribution	472,118				472,118
c. Other County Funding (describe below)					
i. Cable Grant	-		120,000		120,000
ii. Cable Grant - Equipment	-		6,868		6,868
iii. Howard County Getting Ahead	-		32,000		32,000
iv. LCB Mediation & Conflict Resolution Services	-		6,656		6,656
7. Total Governmental	<u>50,283,845</u>		<u>14,488,391</u>		<u>64,772,236</u>
8. Total Sales and Services of Educational Activities (Auxiliary Enterprises)	<u>1,569,606</u>		<u>-</u>		<u>1,569,606</u>
Other:					
9. Gifts/Grants (Explained on Exhibit X)	328,818		262,380		591,198
10. Other - Miscellaneous (Explain on Exhibit X)	1,657,589		-		1,657,589
11. Total Other	<u>1,986,407</u>		<u>262,380</u>		<u>2,248,787</u>
12. Total Revenue	<u>\$ 93,145,238</u>		<u>\$ 14,751,646</u>		<u>\$ 107,896,884</u>

HOWARD COMMUNITY COLLEGE

Summary Statement of Current General Funds For Fiscal Year Ended June 30, 2017

	<u>Unrestricted Current General Fund</u>	<u>Restricted Current Fund</u>
Revenue:		
1. Total Revenue (Per Line 12, Exhibit I)	\$ 93,145,238	\$ 14,751,646
Expenditures:		
Instruction	43,808,316	1,941,213
Research	-	-
Public Service	720,049	198,719
Academic Support	5,297,342	276,215
Student Services	9,400,345	634,693
Institutional Support	15,682,263	12,910
Operation and Maintenance of Plant	9,767,087	-
Scholarships and Fellowships	2,276,925	11,766,340
2. Total Education and General Expenditures	86,952,327	14,830,090
3. Total Mandatory Transfers	78,647	(78,647)
4. Total Educational and General Expenditures and Mandatory Transfers	87,030,974	14,751,443
5. Total Auxiliary Enterprises	2,403,090	28,688
6. Total Other Transfers	3,341,364	(14,894)
7. Total Expenditures, Transfers and Auxiliary	<u>\$ 92,775,428</u>	<u>\$ 14,765,237</u>

HOWARD COMMUNITY COLLEGE

**Educational and General Expenditures of the Unrestricted Current Fund by Function and Object
For Fiscal Year Ended June 30, 2017**

Acct. No.	Object Classification	Instruction	Research	Public Service	Academic Support	Student Services	Institutional Support	Operation and Maintenance of	Scholarships	Total
5XXX	Compensation (including Fringe Benefits)	\$ 38,434,305	\$ -	\$ 600,962	\$ 3,495,831	\$ 8,599,325	\$ 8,764,039	\$ 5,085,050	\$ -	\$ 64,979,512
60XX	Contracted Services	2,389,541	-	40,564	821,931	317,806	4,227,527	1,379,654	-	9,177,023
61XX	Supplies and Materials	1,170,396	-	15,115	70,024	211,383	249,017	640,815	-	2,356,750
62XX	Communications	105,301	-	1,005	17,778	49,617	288,016	34,479	-	496,196
63XX	Conferences/Meetings	428,201	-	18,403	56,993	151,372	372,018	81,572	-	1,108,559
64XX	Grants/Subsidies	-	-	-	-	-	-	-	2,276,925	2,276,925
65XX	Utilities	-	-	-	-	-	-	1,902,192	-	1,902,192
66XX	Fixed Charged - Insurance	-	-	-	-	-	296,926	257,840	-	554,766
68XX	Bad Debt Expense	-	-	-	-	-	508,844	-	-	508,844
7XXX	Furniture and Equipment	1,280,572	-	44,000	834,785	70,842	975,876	385,485	-	3,591,560
		\$ 43,808,316	\$ -	\$ 720,049	\$ 5,297,342	\$ 9,400,345	\$ 15,682,263	\$ 9,767,087	\$ 2,276,925	\$ 86,952,327

HOWARD COMMUNITY COLLEGE

**Summary Statement of Education and General Expenditures by Fund and
Object Classification, Unrestricted Current and Restricted Current Funds
For Fiscal Year Ended June 30, 2017**

<u>Acct. No.</u>	<u>Object Classification</u>	<u>Adjusted Unrestricted Current Fund</u>	<u>Adjusted Restricted Fund</u>	<u>Total Expenditures</u>
5XXX	Compensation (including Fringe Benefits)	\$ 64,979,512	\$ 2,508,806	\$ 67,488,318
60XX	Contracted Services	9,177,023	149,854	9,326,877
61XX	Supplies and Materials	2,356,750	174,439	2,531,189
62XX	Communications	496,196	1,229	497,425
63XX	Conferences/Meetings	1,108,559	84,903	1,193,462
64XX	Grants/Subsidies	2,276,925	11,766,339	14,043,264
65XX	Utilities	1,902,192	-	1,902,192
66XX	Fixed Charged - Insurance	554,766	-	554,766
68XX	Bad Debt Expense	508,844	-	508,844
69XX	Other	-	-	-
7XXX	Furniture and Equipment (including Library Books)	3,591,560	144,520	3,736,080
	Total Expenditures	86,952,327	14,830,090	101,782,417
	Total Mandatory Transfers	78,647	(78,647)	-
	Total Expenditures and Mandatory Transfers	<u>\$ 87,030,974</u>	<u>\$ 14,751,443</u>	<u>\$101,782,417</u>

HOWARD COMMUNITY COLLEGE

Computation of Adjusted Cost Per Full-Time Equivalent And Percent of Local Contribution For Fiscal Year Ended June 30, 2017

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 (From Exhibit II, Line 4)	<u>\$ 87,030,974</u>																												
2 Subtract any expenditures included in number 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 Exhibit III and IV.																													
<table border="0"> <thead> <tr> <th style="text-align: left;"><u>Item</u></th> <th style="text-align: left;"><u>Object</u></th> <th style="text-align: left;"><u>Function</u></th> <th style="text-align: right;"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>a) Compensated absence</td> <td>59XXX</td> <td>Various</td> <td style="text-align: right;">\$ 183,131</td> </tr> <tr> <td>b) Pension expense</td> <td>59XXX</td> <td>Plant</td> <td style="text-align: right;">(23,251)</td> </tr> <tr> <td>c) OPEB expense</td> <td>59XXX</td> <td>Various</td> <td style="text-align: right;">472,118</td> </tr> <tr> <td>d) Cultural, community & other</td> <td>Various</td> <td>Various</td> <td style="text-align: right;">1,278,426</td> </tr> <tr> <td>e) Scholarships</td> <td>64XX</td> <td>Scholarships</td> <td style="text-align: right;"><u>2,276,925</u></td> </tr> <tr> <td colspan="3">Total Deductions</td> <td style="text-align: right;"><u>\$ 4,187,349</u></td> </tr> </tbody> </table>	<u>Item</u>	<u>Object</u>	<u>Function</u>	<u>Amount</u>	a) Compensated absence	59XXX	Various	\$ 183,131	b) Pension expense	59XXX	Plant	(23,251)	c) OPEB expense	59XXX	Various	472,118	d) Cultural, community & other	Various	Various	1,278,426	e) Scholarships	64XX	Scholarships	<u>2,276,925</u>	Total Deductions			<u>\$ 4,187,349</u>	
<u>Item</u>	<u>Object</u>	<u>Function</u>	<u>Amount</u>																										
a) Compensated absence	59XXX	Various	\$ 183,131																										
b) Pension expense	59XXX	Plant	(23,251)																										
c) OPEB expense	59XXX	Various	472,118																										
d) Cultural, community & other	Various	Various	1,278,426																										
e) Scholarships	64XX	Scholarships	<u>2,276,925</u>																										
Total Deductions			<u>\$ 4,187,349</u>																										
3 Adjusted Unrestricted Current Operating Expenditures (Line 1 less sum of 2a thru 2c)	<u>\$ 82,843,625</u>																												
4 Total FTE students for fiscal year (From Exhibit VI)	<u>8,038.13</u>																												
5 Total Adjusted Unrestricted Current Operating Expenditures divided by Total FTE students (yields adjusted cost per FTE)	<u>\$ 10,306</u>																												
6 Total Maryland eligible FTE students (From Exhibit VI)	<u>7,424.54</u>																												
7 State aid paid fiscal year ending June 30, 2017 (Exclude State paid benefits) (Complete Exhibit XI) (Based on two prior years audited FTEs)	<u>\$ 17,552,356</u>																												
8 Total Local Contribution	<u>\$ 32,240,298</u>																												
9 Percentage of adjusted Unrestricted Current Expenditures contributed by the local political subdivision (Line 8 divided by Line 3) *	<u>38.9%</u>																												

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

NOTE: Do not include State paid benefits; reconcile to the financial statements on separate page.

HOWARD COMMUNITY COLLEGE

**Summary of Full-Time Equivalent Students and Students Tuition and Fees
For Fiscal Year Ended June 30, 2017**

	<u>FTE Students</u>	<u>Student Tuition and Fees</u>
Eligible Students		
In-County	4,643.51	\$ 22,013,655
Out of County	1,427.70	9,532,495
Noncredit	1,353.33	4,300,401
 Total Eligible Students	 <u>7,424.54</u>	 <u>\$ 35,846,551</u>
 Ineligible Students		
Credit		
Out of State	224.43	\$ 2,252,840
Other	12.63	9,511
Noncredit		
Out of State	243.36	773,311
Other	133.17	423,167
 Total Ineligible Students	 <u>613.59</u>	 <u>3,458,829</u>
 Total Students	 <u>8,038.13</u>	 <u>\$ 39,305,380</u>

HOWARD COMMUNITY COLLEGE

Summary of Restricted Federal Grant Programs For Fiscal Year Ended June 30, 2017

Program Title	July 1, 2016 Balance	Revenue	Expenditures	June 30, 2017 Balance
Federal Supplemental Educational Opportunity Grants	\$ -	\$ 180,697	\$ 180,697	\$ -
Federal Work-Study Program	-	195,133	195,133	-
Federal Pell Grant Program	-	10,155,760	10,155,760	-
Federal Pell Grant Program - Prior year FY16	-	137,515	137,515	-
Federal Pell Grant Program - Prior year FY15	-	(5,014)	(5,014)	-
Federal Student Support Services Program	-	280,135	280,135	-
Federal Student Support Services Program - Prior year FY16	-	46,269	46,269	-
NSF PRIME - Engineering Design Process Portfolio Scoring Rubric	-	16,266	16,266	-
NSF STEM Scholarships for Community College Students	-	125,222	125,222	-
NSA STARTALK - Intensive Language Learning Experience - Summer 2017	-	4,823	4,823	-
NSA STARTALK - Intensive Language Learning Experience - Summer 2016	-	64,738	64,738	-
Consolidated Adult Ed & Family Literacy Services Grant	-	347,938	347,938	-
Perkins Career & Technical Education Grant FY17 & FY16	-	311,933	311,933	-
Childcare Career and Professional Development Fund FY17	-	121,199	121,199	-
Childcare Career and Professional Development Fund FY16	-	42,886	42,886	-
Career and Technical Education - Entrepreneurship	-	16,901	16,901	-
Career and Technical Education - CPA Track	-	17,061	17,061	-
Career and Technical Education - IT	-	19,962	19,962	-
Career and Technical Education - Python Programming	-	19,522	19,522	-
DOL TAACCT Cyber-Technology Pathways Across Maryland	-	357,935	357,451	484
First in the World - Maryland Mathematics Reform Initiative	-	39,273	39,273	-
Maryland Suicide Prevention & Early Intervention Network (SPIN)	-	3,719	3,719	-
Maryland Suicide Prevention & Early Intervention Network (SPIN)	-	3,369	3,369	-
NIST Summer Undergraduate Research Fellowship (SURF)	-	5,500	5,500	-
NSF - LSAMP	-	18,650	18,650	-
Total Federal	\$ -	\$ 12,527,392	\$ 12,526,908	\$ 484

HOWARD COMMUNITY COLLEGE

Summary of Restricted State Grant Programs For Fiscal Year Ended June 30, 2017

Program Title	July 1, 2016			June 30, 2017
	Balance	Revenue	Expenditures	Balance
MSDE Prekindergarten Expansion Grant FY16	\$ -	\$ 11,304	\$ 11,304	\$ -
MSDE Hoyer - Early Care & Education Enhancement for Preschool Services FY16	-	137,059	137,059	-
ESOL For-Credit Enrollment-based Grant	-	57,624	57,624	-
Nurse Support Program II - Military to Associate Degree Pathway	254,997	-	69,900	185,097
MHEC Health Personnel Shortage Grant - Nursing, LPN	-	-	-	-
MHEC Health Personnel Shortage Grant - Medical Laboratory Technology	8,530	-	8,530	-
MHEC - AAN	-	40,517	-	40,517
MHEC - RAD	-	4,471	-	4,471
Adult Ed & Family Literacy - Literacy Works Grant	-	128,731	128,731	-
ESOL Non-Credit Enrollment-based Grant	-	440,944	440,944	-
Adult Ed & Family Literacy External Diploma Grant	-	13,856	13,856	-
DLLR Employment Advancement Right Now (EARN) - Continuation Grant	272	96,889	57,079	40,082
MD Disabilities - Project Access Career Exploration	4,955	-	-	4,955
MD State Scholarship Program	450	567,338	567,788	-
MD Part-time Student Grant Program	2,822	240,541	170,682	72,681
MD State Scholarship - Prior Year	5,368	-	-	5,368
MD Guaranteed Access (GA) Grant	9,000	56,200	65,200	-
Total State	\$ 286,394	\$ 1,795,474	\$ 1,728,697	\$ 353,171

HOWARD COMMUNITY COLLEGE

Summary of Restricted Local Grant Programs For Fiscal Year Ended June 30, 2017

<u>Program Title</u>	<u>July 1, 2016</u> <u>Balance</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>June 30, 2017</u> <u>Balance</u>
GTV Programming Grant	\$ -	\$ 120,000	\$ 120,000	\$ -
Cable Television Equipment Grant	-	6,868	6,868	-
Local Childrens Board Mediation & Conflict Resolution Services	-	32,000	32,000	-
Getting Ahead Program Grant	-	6,656	6,656	-
Total Local	<u>\$ -</u>	<u>\$ 165,524</u>	<u>\$ 165,524</u>	<u>\$ -</u>

HOWARD COMMUNITY COLLEGE

**Summary of Other Sources of Unrestricted Current General Revenue
For Fiscal Year Ended June 30, 2017**

Other Revenue Sources	Unrestricted Amounts	Restricted Amounts
Grants and grants:		
Private gifts and grants	\$ 328,818	\$ 262,380
Total Grants	<u>328,818</u>	<u>262,380</u>
Other - Miscellaneous:		
Investment Income	208,765	-
Cultural, community & other programs	942,823	-
Miscellaneous	506,001	-
Total Other - Miscellaneous	<u>1,657,589</u>	<u>-</u>
Total Other Revenue Sources	<u>\$ 1,986,407</u>	<u>\$ 262,380</u>

HOWARD COMMUNITY COLLEGE

**Reconciliation of State Aid
For Fiscal Year Ended June 30, 2017**

	<u>Amount</u>
7,736.07 State Aid FTEs @ \$1,432.93	\$ 11,085,216
Flat Grant (Fixed Cost Adjustment)	6,326,340
Hold Harmless Provision	-
Part-Time Grant	-
Low Income Student Grant	-
Other (specify below):	
Regional Higher Education Center, Howard's share only	140,800
Total State Aid	<u><u>\$ 17,552,356</u></u>

HOWARD COMMUNITY COLLEGE

**Reconciliation of Maryland Full-Time Equivalent Students
For Fiscal Year Ended June 30, 2017**

	<u>Eligible Maryland FTEs Accepted by</u>	<u>Eligible FTEs Now Claimed per Audit</u>
Summer Credit Enrollment (CC-2)	602.17	602.17
Summer Noncredit Enrollment (CC-3)	191.63	191.63
Fall Credit Enrollment (CC-2)	2,775.27	2,775.27
Fall Noncredit Enrollment (CC-3)	482.06	482.06
Spring Credit Enrollment (CC-2)	2,490.07	2,490.07
Spring Noncredit Enrollment (CC-3)	679.64	679.64
Other Credit Enrollment (CC-2)	203.70	203.70
Other Noncredit Enrollment (CC-3)	-	-
Total Enrollment	<u>7,424.54</u>	<u>7,424.54</u>
Total Eligible Maryland FTEs accepted by MHEC during fiscal year	7,424.54	XXXXXX
Additional Eligible Maryland FTEs claimed per audit* (deletions)	<u>-</u>	<u>XXXXXX</u>
Total Eligible Maryland FTES**	<u>7,424.54</u>	<u>7,424.54</u>
Total Unduplicated Part-Time Students	<u>N/A</u>	<u>N/A</u>

*When additional FTEs not previously reported to the MHEC are claimed as a result of the audit, a properly executed CC-2 or CC-3 must be filed with the CC-4 to substantiate 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.

HOWARD COMMUNITY COLLEGE

**Student-Faculty Ratio (Credit Courses Only)
For Fiscal Year Ended June 30, 2017**

Total Credit Hours Generated	<u>186,477</u>
Total Course Credit Hours Taught FY 2017	<u>9,736</u>
Student-Faculty Ratio (Total credit hours generated divided by total course credit hours taught)	<u><u>19.15</u></u>

NOTE:

Information for the computation of the student-faculty ratio is to be supplied by the Chief Academic Officer 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).

HOWARD COMMUNITY COLLEGE

**Funding of Manpower Shortage Program
For Fiscal Year Ended June 30, 2017**

	Summer/Fall CC-2D	Winter/Spring CC-2D	Total
Total out-of-county/city students enrolled in manpower shortage programs	798	655	1,453
Total credit hours*	5,204	4,273	9,477
Total tuition differential*	<u>\$ 431,932</u>	<u>\$ 354,659</u>	<u>\$ 786,591</u>
Total State Aid Received for Manpower Shortage Program	\$ 401,402	\$ 329,590	\$ 730,992
Minus:			
Current year write off	\$ 30,530	\$ 25,069	\$ 55,599
Audit Adjustments (Enclose Check)	<u>-</u>	<u>-</u>	<u>-</u>
Total Audited State Aid Balance Due for Manpower Shortage Program	<u>-</u>	<u>-</u>	<u>-</u>

*Per Audit

HOWARD COMMUNITY COLLEGE

**Funding of ESOL Grant Program
For Fiscal Year Ended June 30, 2017**

	<u>Total</u>
1. Total Number of Students	
Enrolled in Noncredit ESOL Programs	<u>4,879.00</u>
2. Total Noncredit Equated FTEs	<u>559.15</u>
Total Noncredit ESOL Funding	
Noncredit Equated FTE x \$800	<u>447,320.00</u>
Total Noncredit ESOL Funding	<u><u>447,320.00</u></u>
	<u>Total</u>
1. ESOL Credit FTEs	<u>1,826.00</u>
2. Total Credit FTEs	<u>60.87</u>
Total ESOL Credit FTEs x \$800	<u>\$ 48,696.00</u>
Total Credit ESOL Funding	<u><u>\$ 48,696.00</u></u>
Total Noncredit and Credit ESOL Funding	<u><u>\$ 496,016.00</u></u>

HOWARD COMMUNITY COLLEGE

**Retirement System Payments To/From MHEC
For Fiscal Year Ended June 30, 2017**

Optional Retirement System Reimbursements from MHEC	
Reimbursement Requested from MHEC	\$ 1,405,196
Prior Year Reimbursement not paid (from Fy16 CC4)	229,738
Audit Adjustment	-
Less Amount Received from MHEC	<u>(1,394,504)</u>
Balance Due From/(To) MHEC	240,430
 Teachers Retirement and Pension System Reimbursements	
Required Reimbursement Reported to MHEC	176,701
Audit Adjustment	-
Less Amount Paid to MHEC	<u>(176,701)</u>
Balance Due From/(To) MHEC	-
 Amount due from MHEC for Cost of Audit Verification	<u>3,000</u>
 Total Amount Due From/(To) MHEC	<u><u>\$ 243,430</u></u>

HOWARD COMMUNITY COLLEGE

**CC-4 Reconciliation to Financial Statement
For Fiscal Year Ended June 30, 2017**

Total Revenue - CC-4 Ex I

Total Revenue - Statement of Revenue and Expense	\$ 133,747,410
Scholarship reclassification	11,241,498
Restricted revenue	(14,751,646)
Capital appropriations	(30,966,754)
Bond interest	314,463
Plant fund revenue	(1,826,389)
State paid benefits	(4,613,344)
Total Revenue - CC-4 Ex I	<u>\$ 93,145,238</u>

Total Expenditures - CC-4 Ex II

Total Expenditures - Statement of Revenue and Expenses	\$ 106,403,603
Scholarship and other reclassification	12,342,579
Restricted expenditures	(14,830,090)
Auxiliary Expenditures	(2,428,730)
Depreciation	(9,921,691)
State paid benefits	(4,613,344)
Total Education and General Expenditures - CC-4 Ex II	<u>\$ 86,952,327</u>

HOWARD COMMUNITY COLLEGE

Notes to Annual Report Year Ended June 30, 2017

BASIS OF PRESENTATION

The Howard Community 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. The report includes the restricted and unrestricted funds only of the College. A reconciliation of the differences is provided on page 19 of this report.