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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, 2022

Prepared by:



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President



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JUNE 30, 2022

CONTENTS

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS	1
FINANCIAL STATEMENTS	
Summary Statement of Revenue	4
Summary Statement of Current General Funds	5
Educational and General Expenditures of the Unrestricted Current Fund by Function and Object	6
Summary Statement of Education and General Expenditures by Fund and Object Classification, Unrestricted Current and Restricted Current Funds	7
SUPPLEMENTAL SCHEDULES	
Computation of Adjusted Cost Per Full-Time Equivalent and Percent of Local Contribution	8
Summary of Full-Time Equivalent Students and Student Tuition and Fees	9
Summary of Restricted Federal Grant Programs	10
Summary of Restricted State Grant Programs	11
Summary of Restricted Local Grant Programs	12
Summary of Other Sources of Unrestricted Current General Revenue	13
Reconciliation of State Aid	14
Reconciliation of Maryland Full-Time Equivalent Students	15
Student – Faculty Ratio (Credit Courses Only)	16
Funding of Manpower Shortage Program	17
Funding of ESOL Grant Program	18
Retirement System Payments To/From MHEC	19
CC-4 Reconciliation to Financial Statement	20
Note to the Annual Report	21



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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 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, 2022, as listed in the table of contents.

In our opinion, the accompanying financial statements 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 the College for the year ended June 30, 2022. 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 for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and 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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements, enrollment data and the supplemental schedules, 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, and for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether 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 one year after the date that the financial statements are issued.



Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 GAAS 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 controls. 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 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 financial statements.
- Obtain an understanding of internal controls 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 controls. 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 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.

Emphasis of Matter

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.



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Other Matters

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 8, 9, 15, 16 and 18, 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.

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.

Owings Mills, Maryland
September 15, 2022

SB & Company, LLC

HOWARD COMMUNITY COLLEGE

Summary Statement of Revenue For Fiscal Year Ended June 30, 2022

Revenue Source	Unrestricted Current Fund	Restricted Current Fund	Total Revenue
Student Tuition and Fees:			
1. Credit	\$ 32,689,656	\$ -	\$ 32,689,656
2. Noncredit	4,125,055	67,270	4,192,325
3. Total Student Tuition and Fees	36,814,711	67,270	36,881,981
Governmental:			
4. Federal	-	28,897,115	28,897,115
5. State	23,830,979	2,912,099	26,743,078
a. Regional Higher Education Center (Laurel College)	185,506	-	185,506
b. Maryland Excel's Program (Children's Learning Center)	-	-	-
6. Local			
a. Operating Appropriations	37,510,616	-	37,510,616
b. County paid OPEB contribution	960,221	-	960,221
c. Other County Funding (describe below)			
i. Cable Grant	-	93,200	93,200
ii. Cafe Composting	-	6,135	6,135
iii. DLLR CNA/PCT	-	-	-
iv. Tightrope Media Cablecast	-	-	-
v. Howard County Getting Ahead	-	-	-
d. County in-kind rent	1,158,000	-	1,158,000
7. Total Governmental	63,645,322	31,908,549	95,553,871
8. Total Sales and Services of Educational Activities (Auxiliary Enterprises)	272,934	-	272,934
Other:			
9. Gifts/Grants (Explained on Exhibit X)	610,387	129,977	740,364
10. Other - Miscellaneous (Explained on Exhibit X)	1,516,356	-	1,516,356
11. Total Other	2,126,743	129,977	2,256,720
12. Total Revenue	\$ 102,859,710	\$ 32,105,796	\$ 134,965,506

The accompanying note is an integral part of this statement.

HOWARD COMMUNITY COLLEGE

**Summary Statement of Current General Funds
For Fiscal Year Ended June 30, 2022**

	<u>Unrestricted Current General Fund</u>	<u>Restricted Current Fund</u>
Revenue:		
1. Total Revenue (Per Line 12, Exhibit I)	\$ 102,859,710	\$ 32,105,796
Expenditures:		
Instruction	42,412,887	2,839,197
Research	-	-
Public Service	931,765	96,161
Academic Support	12,626,120	2,630,733
Student Services	8,886,326	2,355,498
Institutional Support	14,794,714	494,499
Operation and Maintenance of Plant	13,230,154	471,017
Scholarships and Fellowships	2,767,667	21,677,856
2. Total Education and General Expenditures	95,649,633	30,564,961
3. Total Mandatory Transfers	171,272	(171,272)
4. Total Educational and General Expenditures and Mandatory Transfers	95,820,905	30,393,689
5. Total Auxiliary Enterprises	1,548,905	-
6. Total Other Transfers	(4,287,893)	(1,712,107)
7. Total Expenditures, Transfers and Auxiliary	<u>\$ 93,081,917</u>	<u>\$ 28,681,582</u>

The accompanying note is an integral part of this statement.

HOWARD COMMUNITY COLLEGE

**Educational and General Expenditures of the Unrestricted Current Fund by Function and Object
For Fiscal Year Ended June 30, 2022**

Acct. No.	Object Classification	Instruction	Research	Public Service	Academic Support	Student Services	Institutional Support	Operation and Maintenance of	Scholarships	Total
		1	2	3	4	5	6	7	8	
5XXX	Compensation (including Fringe Benefits)	\$ 38,467,781	\$ -	\$ 852,463	\$ 9,774,576	\$ 7,873,754	\$ 10,194,556	\$ 7,629,182	\$ -	\$ 74,792,312
60XX	Contracted Services	1,992,207	-	51,003	1,515,847	341,458	3,762,711	2,812,631	-	10,475,857
61XX	Supplies and Materials	928,051	-	2,215	231,983	341,623	174,486	521,861	-	2,200,219
62XX	Communications	97,929	-	834	11,113	13,309	230,526	(15,529)	-	338,182
63XX	Conferences/Meetings	113,215	-	24,295	95,030	144,191	380,855	29,799	69	787,454
64XX	Grants/Subsidies	-	-	-	-	200	-	-	2,767,598	2,767,798
65XX	Utilities	-	-	-	-	-	-	1,756,059	-	1,756,059
66XX	Fixed Charged - Insurance	-	-	-	-	-	365,709	384,658	-	750,367
68XX	Bad Debt Expense	-	-	-	-	-	(563,207)	-	-	(563,207)
69XX	Open (specify below)	-	-	-	-	-	-	-	-	-
7XXX	Furniture and Equipment	813,704	-	955	997,571	171,791	249,078	111,493	-	2,344,592
		\$ 42,412,887	\$ -	\$ 931,765	\$ 12,626,120	\$ 8,886,326	\$ 14,794,714	\$ 13,230,154	\$ 2,767,667	\$ 95,649,633

The accompanying note is an integral part of this statement.

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, 2022**

<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)	\$ 74,792,312	\$ 2,989,402	\$ 77,781,714
60XX	Contracted Services	10,475,857	1,610,975	12,086,832
61XX	Supplies and Materials	2,200,219	585,113	2,785,332
62XX	Communications	338,182	1,075	339,257
63XX	Conferences/Meetings	787,454	2,078,152	2,865,606
64XX	Grants/Subsidies	2,767,798	21,677,856	24,445,654
65XX	Utilities	1,756,059	-	1,756,059
66XX	Fixed Charged - Insurance	750,367	-	750,367
68XX	Bad Debt Expense	(563,207)	-	(563,207)
69XX	Other	-	-	-
7XXX	Furniture and Equipment (including Library Books)	2,344,592	1,622,388	3,966,980
	Total Expenditures	95,649,633	30,564,961	126,214,594
	Total Mandatory Transfers	171,272	(171,272)	-
	Total Expenditures and Mandatory Transfers	<u>\$ 95,820,905</u>	<u>\$ 30,393,689</u>	<u>\$ 126,214,594</u>

The accompanying note is an integral part of this note.

HOWARD COMMUNITY COLLEGE

Computation of Adjusted Cost Per Full-Time Equivalent and Percent of Local Contribution For Fiscal Year Ended June 30, 2022

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>\$ 95,820,905</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.			
<u>Item</u>	<u>Object</u>	<u>Function</u>	<u>Amount</u>
a) Compensated absence	59XXX	Various	\$ (94,237)
b) Pension expense	59XXX	Plant	(137,027)
c) OPEB expense	59XXX	Various	3,526,463
d) Cultural, community & other	Various	Various	1,676,791
e) Scholarships	64XX	Scholarships	<u>2,767,667</u>
Total Deductions			<u>\$ 7,739,657</u>
3 Adjusted Unrestricted Current Operating Expenditures (Line 1 less sum of 2a thru 2c)			<u>\$ 88,081,248</u>
4 Total FTE students for fiscal year (From Exhibit VI)		<u>6,482.98</u>	
5 Total Adjusted Unrestricted Current Operating Expenditures divided by Total FTE students (yields adjusted cost per FTE)			<u>\$ 13,587</u>
6 Total Maryland eligible FTE students (From Exhibit VI)		<u>6,142.12</u>	
7 State aid paid fiscal year ending June 30, 2022 (Exclude State paid benefits) (Complete Exhibit XI) (Based on two prior years audited FTEs)			<u>\$ 24,016,485</u>
8 Total Local Contribution			<u>\$ 37,510,616</u>
9 Percentage of adjusted Unrestricted Current Expenditures contributed by the local political subdivision (Line 8 divided by Line 3) *			<u>42.6%</u>

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

HOWARD COMMUNITY COLLEGE

**Summary of Full-Time Equivalent Students and Students Tuition and Fees
For Fiscal Year Ended June 30, 2022**

	<u>FTE Students</u>	<u>Student Tuition and Fees</u>
Eligible Students		
In-County	3,786.04	\$ 19,983,484
Out of County	1,300.73	10,924,438
Noncredit	<u>1,055.35</u>	<u>3,591,273</u>
Total Eligible Students	<u>6,142.12</u>	<u>34,499,195</u>
Ineligible Students		
Credit		
Out of State	176.90	1,774,902
Other	7.10	6,832
Noncredit		
Out of State	117.16	398,686
Other	<u>39.70</u>	<u>135,096</u>
Total Ineligible Students	<u>340.86</u>	<u>2,315,516</u>
Total Students	<u>6,482.98</u>	<u>\$ 36,814,711</u>

NOTE: Regional community colleges are required to submit the above data for each of the counties supporting the College. Eligible to state fundable. FTEs shall be reported to the second decimal place.

HOWARD COMMUNITY COLLEGE

Summary of Restricted Federal Grant Programs For Fiscal Year Ended June 30, 2022

Program Title	June 30, 2021 Balance	Revenue	Expenditures	June 30, 2022 Balance
Emergency Financial Aid to Students Under the CARES Act - COVID 19	\$ -	\$ 10,110,829	\$ 10,110,829	\$ -
Institutional Portion of the Higher Education Emergency Relief Funds Formula Grant Under the CARES Act - COVID 19	-	6,716,264	6,716,264	-
Federal Supplemental Educational Opportunity Grants FY22	-	513,817	513,817	-
Federal Supplemental Educational Opportunity Grants FY21	-	(615)	(615)	-
Federal Work-Study Program FY22	-	135,092	135,092	-
Federal Pell Grant Program - FY22	-	8,831,483	8,831,483	-
Federal Pell Grant Program - FY21	-	287,445	287,445	-
NSF IUSE (Improving Undergraduate Stem Education)	-	99,360	99,360	-
Department of Defense - 2021 Grant Program	-	84,814	84,814	-
Department of Defense - 2020 Startalk	-	72,650	72,650	-
EDA - A Response to the Cyber Workforce Demand In Central Maryland	-	143,374	143,374	-
National Endowment for the Arts - Humanities Initiatives	-	33,274	33,274	-
MD Department of Labor - 2020-2023 State Apprenticeship Expansion Grant, 2021 Maryland Community College Apprenticeship Initiative	-	7,893	7,893	-
MD Department of Labor - Career Pathways	-	26,770	26,770	-
MD Department of Labor - Apprenticeship State Expansion Apprenticeship Innovation Fund - 2 0	-	104,159	104,159	-
MD Department of Labor - Consolidated Adult Education and Literacy Services Program	-	544,486	544,486	-
MD Department of Labor - Apprenticeship USA Apprenticeship Innovation Fund - A+	-	34,305	34,305	-
AACC - Expanding Community College Apprenticeships Initiative	-	103,137	103,137	-
MSDE - Perkins Formula	-	525,818	525,818	-
MSDE - Perkins Formula -Postsecondary	-	7,610	7,610	-
MSDE - Career & Technical Education Reserve (CTE) Fund Grant	-	29,550	29,550	-
MSDE - Career & Technical Education Reserve (CTE) Fund Grant	-	52,045	52,045	-
MSDE - Career & Technical Education Reserve (CTE) Fund Grant	-	895	895	-
MSDE - Pathways to Stem Apprenticeship Maryland Grant	-	106,375	106,375	-
Maryland Higher Education Commission - Education Stabilization Fund Program - Governor's Emergency Education Relief (GEER) Fund - COVID-19	-	188,286	188,286	-
Maryland Higher Education Commission - Education Stabilization Fund Program - Governor's Emergency Education Relief (GEER II) Fund - COVID-19	-	106,999	106,999	-
Mathematical Association of America - StatPREP	-	8,831	8,831	-
CCBC - NSF INCLUDES Alliance: STEM Core Expansion	-	22,169	22,169	-
Total Federal	\$ -	\$ 28,897,115	\$ 28,897,115	\$ -

HOWARD COMMUNITY COLLEGE

**Summary of Restricted State Grant Programs
For Fiscal Year Ended June 30, 2022**

<u>Program Title</u>	<u>June 30, 2021 Balance</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>June 30, 2022 Balance</u>
MSDE - CCCPDF	\$ -	\$ 100,133	\$ 100,133	\$ -
ESL Credit	-	44,856	44,856	-
NSPII - Nurse Educator Doctoral	-	140,000	140,000	-
DLLR Literacy	-	194,677	194,677	-
ESL Non-Credit	-	411,472	411,472	-
AEHG External Diploma	-	16,033	16,033	-
CTEI. IEC Apprenticeship	-	82,244	82,244	-
CTEI ST Apprenticeship	-	63,062	63,062	-
Relief Act 2021 - MHEC	-	545,842	545,842	-
MD State Scholarship	-	842,132	842,132	-
MD PT Grant Program	-	298,187	298,187	-
MD- Conroy	-	24,324	24,324	-
MD Campus Based	-	54,950	54,950	-
State Workforce Sequence	-	94,186	94,186	-
Total State	\$ -	\$ 2,912,099	\$ 2,912,099	\$ -

HOWARD COMMUNITY COLLEGE

**Summary of Restricted Local Grant Programs
For Fiscal Year Ended June 30, 2022**

<u>Program Title</u>	<u>June 30, 2021 Balance</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>June 30, 2022 Balance</u>
Cable Grant	\$ -	\$ 93,200	\$ 93,200	\$ -
Cafe Composting	-	6,135	6,135	-
Total Local	<u>\$ -</u>	<u>\$ 99,335</u>	<u>\$ 99,335</u>	<u>\$ -</u>

HOWARD COMMUNITY COLLEGE

Summary of Other Sources of Unrestricted Current General Revenue For Fiscal Year Ended June 30, 2022

	<u>Unrestricted Amounts</u>	<u>Restricted Amounts</u>
Other Revenue Sources		
Grants and grants:		
Private gifts and grants	\$ 610,387	\$ 129,977
Total Grants	<u>610,387</u>	<u>129,977</u>
Other - Miscellaneous:		
Investment Income	147,475	-
Cultural, community & other programs	538,226	-
Miscellaneous	830,655	-
Total Other - Miscellaneous	<u>1,516,356</u>	<u>-</u>
Total Other Revenue Sources	<u>\$ 2,126,743</u>	<u>\$ 129,977</u>

HOWARD COMMUNITY COLLEGE

Reconciliation of State Aid For Fiscal Year Ended June 30, 2022

	<u>Amount</u>
6,993.92 State Aid FTEs @ \$2,139.52	\$ 14,963,604
Flat Grant (Fixed Cost Adjustment)	8,867,375
Hold Harmless Provision	-
Part-Time Grant	-
Low Income Student Grant	-
Other (specify below):	
Supplemental (tuition less than 2%)	-
Regional Higher Education Center, Howard's share only	185,506
Total State Aid	<u>\$ 24,016,485</u>

HOWARD COMMUNITY COLLEGE

**Reconciliation of Maryland Full-Time Equivalent Students
For Fiscal Year Ended June 30, 2022**

	<u>Eligible Maryland FTEs Accepted by MHEC</u>	<u>Eligible FTEs Now Claimed per Audit</u>
Summer Credit Enrollment (CC-2)	570.80	570.80
Summer Noncredit Enrollment (CC-3)	162.20	162.20
Fall Credit Enrollment (CC-2)	2,220.57	2,220.57
Fall Noncredit Enrollment (CC-3)	364.19	364.19
Spring Credit Enrollment (CC-2)	2,101.67	2,101.67
Spring Noncredit Enrollment (CC-3)	528.96	528.96
Other Credit Enrollment (CC-2)	193.73	193.73
Other Noncredit Enrollment (CC-3)	-	-
Total Enrollment	<u>6,142.12</u>	<u>6,142.12</u>
Total Eligible Maryland FTEs accepted by MHEC during fiscal year	6,142.12	XXXXXX
Additional Eligible Maryland FTEs claimed per audit* (deletions)	<u>-</u>	<u>XXXXXX</u>
Total Eligible Maryland FTES**	<u><u>6,142.12</u></u>	<u><u>6,142.12</u></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, 2022**

Total Credit Hours Generated	<u>153,159</u>
Total Course Credit Hours Taught FY 2022	<u>8,580</u>
Student-Faculty Ratio (Total credit hours generated divided by total course credit hours taught)	<u>17.85</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
- * Included all sessions (Summer and Winter)

HOWARD COMMUNITY COLLEGE

**Funding of Manpower Shortage Program
For Fiscal Year Ended June 30, 2022**

	Summer/Fall CC-2D	Winter/Spring CC-2D	Total
Total out-of-county/city students enrolled in manpower shortage programs	983	688	1,671
Total credit hours*	6,511	4,502	11,013
Total tuition differential*	<u>\$ 659,395</u>	<u>\$ 463,706</u>	<u>\$ 1,123,101</u>
Total State Aid Received for Manpower Shortage Program	\$ 609,228	\$ 428,427	\$ 1,037,655
Minus:			
Current year write off	\$ 50,167	\$ 35,279	\$ 85,446
Audit Adjustments (Enclose Check)	<u>-</u>	<u>-</u>	<u>-</u>
Total Audited State Aid Balance Due for Manpower Shortage Program	<u>0.00</u>	<u>(0.00)</u>	<u>-</u>

*Per Audit

HOWARD COMMUNITY COLLEGE

**Funding of ESOL Grant Program
For Fiscal Year Ended June 30, 2022**

	<u>Total</u>
1. Total Number of Students Enrolled in Noncredit ESOL Programs	<u>3,246</u>
2. Total Noncredit Equated FTEs	<u>386.52</u>
Total Noncredit ESOL Funding Noncredit Equated FTE x \$800	<u>\$ 309,216</u>
Total Noncredit ESOL Funding	<u><u>\$ 309,216</u></u>
	<u>Total</u>
1. ESOL Credit FTEs	<u>1,356</u>
2. Total Credit FTEs	<u>45.20</u>
Total ESOL Credit FTEs x \$800	<u>\$ 36,160</u>
Total Credit ESOL Funding	<u><u>\$ 36,160</u></u>
Total Noncredit and Credit ESOL Funding	<u><u>\$ 345,376</u></u>

HOWARD COMMUNITY COLLEGE

**Retirement System Payments To/From MHEC
For Fiscal Year Ended June 30, 2022**

Optional Retirement System Reimbursements from MHEC	
Reimbursement Requested from MHEC	\$ 1,395,144
Prior Year Reimbursement not paid (from FY21 CC4)	110,444
Audit Adjustment	-
Less Amount Received from MHEC	<u>(1,248,756)</u>
Balance Due From/(To) MHEC	256,832
 Teachers Retirement and Pension System Reimbursements	
Required Reimbursement Reported to MHEC	99,498
Audit Adjustment	
Less Amount Paid to MHEC	<u>(99,498)</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>\$ 259,832</u>

HOWARD COMMUNITY COLLEGE

CC-4 Reconciliation to Financial Statement For Fiscal Year Ended June 30, 2022

Total Revenue - CC-4 Ex I

Total Revenue - Statement of Revenue and Expense	\$	155,762,274
Scholarship reclassification		12,338,776
Restricted revenue		(32,105,796)
Grant deferred revenue		(5,861,160)
Capital appropriations		(21,249,698)
Bond interest		400,567
Lease interest expense		89,083
Plant fund revenue		(1,707,179)
State paid benefits		(4,807,157)
Total Revenue - CC-4 Ex I	\$	102,859,710

Total Expenditures - CC-4 Ex II

Total Expenditures - Statement of Revenue and Expenses	\$	132,861,700
Scholarship and other reclassification		13,362,084
Restricted expenditures		(30,564,961)
Auxiliary Expenditures		(1,552,054)
Amortization on right-to-use asset		(640,577)
Depreciation		(13,009,402)
State paid benefits		(4,807,157)
Total Education and General Expenditures - CC-4 Ex II	\$	95,649,633

HOWARD COMMUNITY COLLEGE

Note to the Annual Report For Fiscal Year Ended June 30, 2022

Note 1: 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 20 of this report.