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ABSTRACT

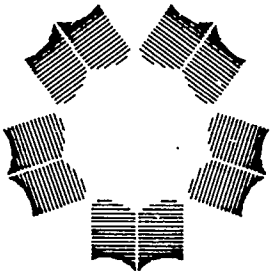
Each year, the Board of Trustees of Prince George's Community College (PGCC) in Largo, Maryland, must submit a report evaluating the effectiveness of PGCC's financial plan to the state's Higher Education Committee and General Assembly. This report, for fiscal year (FY) 1993, is divided into four sections. The first section reviews the cost containment measures taken in both FY 1992 and 1993 to maintain low tuition in spite of cuts in state funding in both direct aid and contribution programs. These measures included employee furloughs, reduction of the administrative staff by 17%, hiring freezes, elimination of conference travel and professional development budgets, a freeze on all equipment purchases, and an early retirement program. The second section analyzes the total cost per full time equivalent (FTE) student by instructional discipline, indicating that per student costs ranged from a low of $3,107 per FTE in remedial math to a high of $7,465 in education, resulting in an average cost of $3,984 to teach each FTE student. The third section provides an evaluation of enrollment, student outcomes, and cost analysis of the disciplines reporting the highest costs in FY 1992; namely, drafting, electronics, medical records, nuclear medicine, office technology, and respiratory therapy. The final section, a review of Prince George's County's contributions to PGCC as compared with the contributions of four other Maryland counties to parallel institutions in their jurisdictions, suggests that Prince George's County consistently provides less funding for PGCC than peer counties provide their community colleges. Tables and a complete list of costs per FTE student for each discipline are included. (MAB)

Prince George's Community College

Annual Cost Containment Report

Submitted to the Maryland Higher Education Commission and the Maryland General Assembly

In Compliance with Section 8 of Chapter 465 of the Acts of 1991



PRINCE GEORGE'S
COMMUNITY COLLEGE

Report BT94-4

September 1, 1993

PRINCE GEORGE'S COMMUNITY COLLEGE
Board of Trustees

Annual Cost Containment Report

Submitted to the
Maryland Higher Education Commission
and the Maryland General Assembly

In Compliance with Section 8 of Chapter 465
of the Acts of 1991

September 1, 1993

Introduction

This report satisfies the mandate of Section 8 of Chapter 465 of the Acts of 1991 that by September 1 of each year the Board of Trustees of Prince George's Community College submit a report evaluating the effectiveness of the College's financial plan. The report must include the following:

- cost containment measures taken by the Board to maintain low tuition and moderate future increases in student charges
- a discipline cost analysis identifying high and low cost disciplines
- an evaluation of high cost disciplines identified in the prior year's report
- an analysis of the funding support provided by Prince George's County

In accordance with the above requirements, this report is divided into four sections:

Cost Containment

Background

Historically, Prince George's Community College has been among the most cost-efficient community colleges in Maryland. Its overall cost per student has consistently been among the lowest in the state. Thus, the College was hit especially hard by the state fiscal crisis of the early 1990s. PGCC has sustained three consecutive years of mid-year state funding reversions:

Direct State Aid to PGCC, FY90-93			
Fiscal Year	Budgeted	Reversion	Received
1990	$11,367,820	$ 0	$11,367,820
1991	11,679,772	822,912	10,856,860
1992	11,583,160	2,768,655	8,814,505
1993	11,588,980	1,038,258	10,550,722

In addition to the cut in direct aid, the state in FY92 also cut its contribution to community college FICA and retirement systems by 25 percent. For PGCC, this amounted to a $0.9 million shortfall, on top of the nearly $2.8 million cut in direct aid. Altogether, the mid-year state funding cuts in FY92 equalled nearly ten percent of PGCC's budget. The College adopted several measures to meet this fiscal crisis. These included an employee furlough (costing employees an average of $1,000 in lost wages), reduction in the rate of compensation paid full-time faculty for summer teaching, implementation of a consolidated instructional services fee, and cost containment measures including a hiring freeze, elimination of conference travel and professional development budgets, and a freeze on all equipment purchases. Only essential purchases of supplies and materials in direct support of instruction and safeguarding life and property were permitted.

The College's budget for FY93 was unchanged from FY92, at $38,372,310. Anticipating state funding cuts, the College adopted several strategies to meet an expected FY93 revenue shortfall of 1.8 million dollars. These included an administrative reorganization, which reduced the administrative staff from 41 to 34, a 17 percent decrease. The College offered employees with 20 years of service an "early out" option. Seventeen employees participated in the Voluntary Resignation Incentive Program, receiving an incentive payment equal to half of their FY92 salary. Each area of the College also implemented a "downsizing" strategy involving staffing

reductions, reduced hours of operation, and other cost savings. Together, these measures, along with the revenues generated by the instructional services fee, were sufficient to meet the actual FY93 funding shortfall of $1.038 million.

Cost Containment Entering Fiscal Year 1994

Beginning in fiscal year 1994, the state will no longer fund any portion of the College's employer share of Social Security (FICA) taxes. In FY93, the state paid $956,359 for PGCC employee FICA. The County has agreed to increase its contribution to the College for FY94 to offset the impact of this cut in state aid. In addition to the elimination of the FICA contribution, direct formula state aid to PGCC was (as expected) less in FY94 than in FY93:

PGCC Budgeted Revenue Sources, FY92-94

Source	FY92	FY93	FY94
State	$11,583,160	$11,588,980	$10,950,461
County	10,032,466	10,032,466	11,032,466
Students	14,891,314	16,369,864	16,815,941
Other	1,865,370	381,000	2,550,466
Total budget	$38,372,310	$38,372,310	$41,349,334

The drastic measures taken prior to FY93 enabled the College to weather subsequent difficult financial times without increasing student tuition. The College today is a leaner, more efficient organization. As a result, austere measures such as purchase moratoriums and staffing reductions are not anticipated for FY94. The College plans to fully fund its FY94 budget, utilizing $1.26 million from its fund balance to augment revenues from the state, County, students, investments, and sales of College services.

Discipline Cost Analysis for FY93

The discipline cost analysis was produced using computer software initially developed by the Maryland State Board for Community Colleges. These programs yield total cost per FTE student for teaching classes in each instructional discipline. Total costs include faculty compensation, additional direct instructional costs such as laboratory supplies, and indirect overhead costs allocated across all disciplines in proportion to their respective shares of total enrollment.

Several factors affect discipline per-student costs. The dominant type of instructional methodology (lecture, laboratory, or clinical experience), average class size, proportion of adjunct faculty, and the ranks of the full-time faculty teaching in the discipline are among the factors influencing unit costs. Because of the impact of faculty compensation on direct costs, cost differences among disciplines may reflect institutional history more than inherent productivity differences. A discipline may be less expensive because it is relatively new with faculty at lower ranks, or because it grew during a period when the College was not adding full-time faculty due to budget constraints.

Per-student costs at PGCC in fiscal year 1993 ranged from a low of $3,107 in remedial math to a high of $7,465 in education courses. The average for all credit disciplines was $3,984.

The legislation specifies that the five most expensive and five least expensive disciplines be identified, as determined by cost per FTE in the most recent year for which data are available. The five highest and lowest cost disciplines in FY93 were as follows:

High and Low Cost Disciplines in Fiscal Year 1993			
Highest Cost per FTE		Lowest Cost per FTE	
Education	$7,465	Remedial Math	$3,107
Nuclear Medicine	7,118	Paralegal Studies	3,114
Respiratory Therapy	6,943	Remedial English	3,155
Office Technology	6,786	Criminal Justice	3,190
Early Child. Educ.	6,675	Business Mgt.	3,293

The complete list of per-student costs for each discipline in FY93 is appended.

Evaluation of High-cost Disciplines in FY92

The College's first report in compliance with Section 8, in addition to providing all requested information, outlined a comprehensive discipline cost assessment framework that exceeded the requirements of the Act. The framework is described in the following sections of this report. Following this introduction, the evaluation of the ten disciplines with the highest unit costs in FY92 is presented.

Discipline/Program Review and Assessment Framework

The discipline cost analysis is the starting point for the discipline/program review. All credit disciplines are rank ordered by cost per FTE as generated by the discipline cost analysis. Disciplines falling into the highest quintile of the cost ranking (i.e., disciplines with costs per FTE within the highest 20 percent of all disciplines) become the subjects of the discipline/program assessment process. If the discipline constitutes the core of an instructional program (e.g., Nursing, Electronics, etc.), the assessment focuses on the associated program. The program assessment contains the following data elements:

1. Inferred Program Cost (IPC) per FTE

   This differs from the discipline cost in that all courses necessary to complete a program, general education as well as specialized courses, are included in the cost computation; the actual cost of operating a nursing program, for example, depends on the cost of offering English, social science, and science courses as well as nursing courses.

2. Three-year program enrollment trend

   This shows the number of students enrolled in the program for the last three academic years.

3. Total enrollment of students having this program goal

   For several occupational programs, students who do not meet admission standards must enroll in preparatory courses prior to taking specialized courses. For example, while 297 students were enrolled in the Nursing program in FY92, 779 additional students were preparing themselves for future enrollment in Nursing. This data element is important because it measures the total impact of the program, both current and future.

4. Program success rate

   This is the percentage of students completing the program, transferring, or still enrolled four years after initial enrollment.

5. Graduate success rate

   This is the percentage of program completers who are either employed in their field of study or continuing their education.

6. Community impact of program

   This is a qualitative assessment of the relative importance of the instructional program in terms of community needs; primarily reflects the need for program graduates in the county's workforce.

7. Impact of program termination on revenues and expenditures

   This compares the cost savings of program elimination with the revenue loss, tuition and state aid, associated with this strategy.

8. Degree to which program is central to College mission

   This is an assessment of the degree to which the elimination of this program would impact the College's ability to carry out its mission.

Supporting Discipline Review and Assessment

Disciplines which are not associated with unique programs, but rather support a range of programs or fulfill the College's general education requirement, are assessed on a discipline rather than a program basis. The discipline-based assessment factors are as follows:

1. Discipline cost per FTE

2. Number of degree programs which require one or more courses in this discipline

3. Three-year discipline enrollment trend

4. Overall student pass rate for discipline

   Percentage of students enrolled in all courses in this discipline earning a passing grade.

5. Transferability of Courses

   This factor is a qualitative assessment of the relative degree to which the courses offered in this discipline transfer to four-year colleges and universities.

6. Impact of discipline termination on revenues and expenditures

7. Degree to which discipline is central to College mission

After carrying out the appropriate assessment, either program-based or discipline-based, a recommended action is selected from the following choices: (a) continuation without major change; (b) major modification; (c) consolidation/downsizing; or (d) termination.

Program Core Discipline Evaluation Indicators in FY92

Six of the high-unit-cost disciplines in FY92 were core disciplines of instructional programs: Office Technology, Nuclear Medicine, Respiratory Therapy, Electronics Engineering Technology, Drafting, and Medical Records. Under the approved framework, they were evaluated according to the program review model, rather than the strictly discipline-centered assessment. This model includes six quantitative measures, two each for enrollment, outcomes, and cost.

Enrollment

High-unit-cost programs typically have relatively low numbers of student majors. Low numbers of program majors tend to keep class sizes in the associated disciplines small, driving up unit costs. Five of the six programs under investigation had fewer than 105 active majors. Only Electronics Engineering Technology had substantial enrollment, with 231 majors in Fall 1992.

The three allied health programs have had large enrollment increases over the last three years. Increased market awareness of potential job opportunities, combined with aggressive promotion by program faculty, have probably produced the rapid growth in student interest in the health technology area. If sustained, this enrollment growth should have a moderating impact on unit costs in the associated disciplines.

Program Enrollment Indicators				
Program	Active Majors	Program Petitioners	FY93 Total	FY90-93 Change
Drafting	103	NA	103	-6.4%
Electronics	231	NA	231	-17.8%
Medical Records	69	21	90	66.7%
Nuclear Medicine	34	37	71	102.9%
Office Technology	95	NA	95	-8.7%
Respiratory Therapy	62	71	133	75.0%

The other three programs under investigation have experienced declining enrollment. Drafting has declined modestly but steadily since its enrollment peak of 125 in Fall 1986. The decline in Electronics Engineering Technology majors has been more dramatic. Less than ten years ago, the program had over 450 majors; peak enrollment was in Fall 1984, at 463 students. It is now half that level. Part of the explanation, however, is the introduction of the Computer Service Technology program in Fall 1985. The new program was similar in many ways to the Electronics program, and probably has attracted students who might otherwise have enrolled in Electronics. The drop-off in Office Technology has been even more substantial than that in Electronics. Ten years ago, 334 students were pursuing Office Technology curricula. Today, fewer than one third that number are Office Technology majors.

Student Outcomes

The framework includes two measures of student outcomes. The first, a measure of program completion, was defined as the percentage of first-time, full-time students graduating, transferring, or still enrolled four years after entering the College. Because prior research has documented the prominence of transfer as an outcome, the method for calculating the completion rate requires a good estimate of transfer. This currently means reliance on statewide reporting systems. Data from the new MHEC Transfer Student System has not been released, so the data reported here is from an earlier MHEC analysis of students entering in 1985.

Student Outcomes Indicators		
Program	Completion Rate	Graduate Placement
Drafting	13% (15)	80% (5)
Electronics	50% (48)	94% (18)
Medical Records	insufficient data	100% (10)
Nuclear Medicine	insufficient data	100% (11)
Office Technology	47% (15)	100% (10)
Respiratory Therapy	40% (5)	100% (12)

Collegewide, 43 percent of the Fall 1985 entrants had graduated, transferred, or were still enrolled in 1989. Three of the programs under investigation had completion rates near or above this collegewide rate. The exception was Drafting, where only two of the 15 students had succeeded by this measure. Sufficient data were lacking to calculate completion rates for Medical Records or Nuclear Medicine. In any case, these completion rates must be interpreted with caution as they are based on small numbers of students from only one fall cohort.

Though over half of the students entering PGCC fail to achieve the traditional measures of success (graduation or transfer) within four years, students who do complete the College's programs have generally been successful in finding related employment or transferring for further study. This has certainly been the case for the programs being reviewed, based on responses to the FY91 and FY92 graduate follow-up surveys conducted by the research office. Four of the six programs had 100 percent placement rates, with all respondents either employed in jobs related to their PGCC program or continuing their studies at a four-year school. Only one of the 18 respondents who graduated from the Electronics Engineering Technology program had not continued or found related employment. The lowest graduate placement rate was in Drafting, but this represented only one student out of five not finding related employment or transferring. In short, the graduates of these programs have been successful, at least in terms of meeting the short-term employment and transfer goals of the curricula.

Cost Analysis

The assessment framework calls for two cost measures. The first is the Inferred Program Cost (IPC), an attempt to estimate the cost of one student completing the curriculum requirements for a degree based on the costs in a given

fiscal year of courses constituting the particular degree program. Since all programs share a similar set of general education requirements, differences in IPCs generally reflect differences in the unit costs of the disciplines associated with the programs. (In other words, Respiratory Therapy has a high IPC because the specialized courses in Respiratory Therapy are expensive.) The median IPC for Associate's degree programs in FY92 was $9,597. All of the programs under review had FY92 IPCs above the College median except Drafting. High IPCs were not unexpected, since the criterion for inclusion in this review was high discipline costs and high discipline costs are reflected in the IPCs.

Estimating the net impact of program discontinuation on revenues and expenses was the most problematic aspect of this evaluation. Terminating a program would not mean that all students majoring in it would attend other colleges; many might simply pursue a different curriculum at PGCC. Fortunately, research office surveys have included a question ("Would you have attended PGCC if your specific program had not been available?") which addresses this issue. Answers to this question were used to estimate the number of FTEs that would be lost in conjunction with program termination. Of course, any FTE loss would include all courses a student enrolls in, not just courses in the discipline associated with the program. The Induced Course Load Matrix (ICLM) was used to determine the total hours, and the hours in each discipline, associated with majors in each program under review. Thus FTE losses could be estimated for each program's discontinuance. Multiplying these estimated FTE losses by average revenue figures derived in consultation with the College controller yielded estimated revenue losses associated with each program's discontinuance.

Estimated cost savings from program discontinuations reflected the direct costs of instruction for the courses in the associated disciplines plus the costs of sections in other disciplines filled by program majors. Termination of an allied health program, for example, might reduce the number of sections needed in biology. The FY92 ICLM reports were used to estimate the number of sections in other disciplines that would be unnecessary. To calculate cost savings, it was assumed these sections would have been taught by adjunct faculty.

The largest potential savings were associated with termination of Office Technology and Drafting. In contrast, termination of Respiratory Therapy and Electronics Engineering Technology were estimated to produce a net loss to the College. While the specialized courses were expensive to deliver, students in these majors also accounted for considerable hours in other disciplines, including some low-cost ones, so that the revenue that would be lost due to discontinuance exceeded the cost savings.

Program Cost Indicators		
Program	FY92 Inferred Program Cost	Estimated Savings from Termination
Drafting	$ 9,385	$ 99,000
Electronics	11,360	(1,800)
Medical Records	10,715	31,100
Nuclear Medicine	11,939	21,300
Office Technology	10,923	252,500
Respiratory Therapy	12,499	(16,900)

Supporting Discipline Review and Assessment

Four of the high-unit-cost disciplines in FY92 were supporting disciplines not associated with a specific program or curriculum: anthropology, career planning, education, and physical education. The introductory courses in physical and cultural anthropology satisfy the College's general education requirement for social science. The career planning courses assist students with choosing both academic and career goals. Surveys have found that goal clarification is a service provided by the College that is highly valued by PGCC students. The education courses are designed to meet teacher preparation, in-service, and recertification needs. Physical education is a graduation requirement at PGCC, although students may meet this requirement by completing Health Education 115 in place of a physical education class. Although the College has a Physical Education program, less than one percent of the physical education hours are accounted for by Physical Education majors.

With the exception of physical education, the high-unit-cost supporting disciplines were characterized by low enrollment. Anthropology and education courses have generated fewer than 15 FTEs annually, career planning fewer than 50. With the exception of anthropology, these disciplines have consistently had course pass rates (percentage of initial course enrollees earning passing grades) above the collegewide average of 76-77 percent.

Supporting Disciplines, Enrollment and Course Pass Rates			
Discipline	FY90	FY91	FY92
Anthropology			
Annual FTEs	11	13	11
Pass Rate	69%	62%	76%
Career Planning			
Annual FTEs	42	39	47
Pass Rate	77%	82%	82%
Education			
Annual FTEs	14	10	10
Pass Rate	98%	100%	94%
Physical Educ.			
Annual FTEs	162	156	178
Pass Rate	89%	87%	90%

Except for anthropology, net savings from discipline termination were calculated based on direct instructional costs incurred in FY92, less revenue generated by the FTEs in each discipline. For anthropology it was assumed students would enroll in another social science course so there would be no revenue loss. It was also assumed that the tenured faculty member teaching anthropology would teach sociology courses, so the net faculty savings would be limited to adjunct sociology salaries.

Supporting Discipline Cost Indicators		
Discipline	FY92 Cost per FTE	Estimated Savings from Termination
Anthropology	$5,769	$ 9,600
Career Planning	5,269	30,100
Education	6,760	20,300
Physical Education	5,266	85,400

As might be expected, elimination of the smaller disciplines would not yield great savings, as the current expenditures are relatively modest. Termination of physical

education, though over a half million dollars are expended teaching it each year, would yield estimated savings of only $85,400. As a Level II discipline for instructional services fee purposes, courses in physical education generate sufficient revenue to offset a large proportion of expenditures.

Discipline/Program Assessment Conclusions

Based on this review of FY92's ten highest-unit-cost disciplines, the College has determined to continue all ten without major changes. In five of the ten cases, the potential savings from discontinuance were modest; in two other cases, it was estimated that termination would result in a net loss rather than savings. Only in the cases of office technology, drafting, and physical education courses would termination yield notable savings. The College's commitment to physical education is reflected in its inclusion in PGCC's graduation requirements. Office technology and drafting are currently considered valuable components of the College's vocational program offerings.

Analysis of County Funding Support

Background

Maryland community colleges receive financial support from both the state and their local jurisdiction, as well as revenue from student charges and other income from operations and investments. Statewide, in fiscal year 1992 the 16 locally-governed community colleges received 39 percent of their revenue from local aid, 22 percent from the state, 37 percent from student tuition and fees, and the remaining 2 percent from other sources. (If state paid benefits--$20.9 million contributed to Social Security, TIAA/CREF, and state retirement plans--are included, the percentages change to 37 percent local, 27 percent state, 35 percent students, and 2 percent other.)

The funding contribution of Prince George's County to Prince George's Community College over the past seven fiscal years is shown below:

Prince George's County Contribution to PGCC Budget				
Year	County Contribution	PGCC Budget	Percent of Budget	Annual Change
FY87	$6,956,591	$27,391,988	25%	N.A.
FY88	7,524,168	28,310,477	27%	8.2%
FY89	8,131,112	30,070,417	27%	8.1%
FY90	9,036,789	33,648,461	27%	11.1%
FY91	10,032,466	35,830,236	28%	11.0%
FY92	10,032,466	38,372,310	26%	0.0%
FY93	10,032,466	38,372,310	26%	0.0%

As can be seen, the County's commitment to reaching the benchmark contribution of 28 percent of the College's operating budget was finally achieved in FY91 after several years of sizable annual increases. The fiscal crisis of the early 1990s froze the dollar amount of County aid at $10,032,466, resulting in a drop in the proportion of the College's budget accounted for by local aid, to 26 percent. Both the College's budget and the County's contribution were unchanged in FY93.

In the remainder of this section, several ways of assessing the relative contribution of county aid to local community colleges are reviewed. The peer counties selected for this analysis included Anne Arundel, Baltimore, Howard, and Montgomery. For comparisons among colleges, of the three in Baltimore County, Catonsville and Essex were included but Dundalk, due to its smaller size, was not. Howard Community College, though smaller than the others, was included in the analysis due to its suburban setting and location in the Baltimore-Washington corridor. The data analyzed were the most recent readily available.

Dollar Amount of Aid

Montgomery County provided the most community college aid in fiscal year 1992, contributing a total of $32,428,696. Baltimore County was second, providing $29,519,853 to its three campuses--a decrease from FY91. Prince George's County contributed $10,032,466 to PGCC, the same as the year before. Anne Arundel's contribution to its community college was also unchanged from the prior year. Local aid in FY91 and FY92 to the six colleges under investigation was as follows:

Dollar Amount of County Aid, FY91-92			
College	FY91 Aid	FY92 Aid	91-92 Change
Montgomery	$31,367,118	$32,428,696	3.4%
Catonsville	14,247,749	13,921,447	-2.3%
Essex	11,450,579	10,702,489	-6.5%
Anne Arundel	10,547,970	10,547,970	0.0
Prince George's	10,032,466	10,032,466	0.0
Howard	6,986,000	7,086,000	1.4%

County Share of College Operating Revenues

Statewide, county aid provided 39 percent of community college unrestricted revenues in FY92. The table below shows local aid shares of college revenues for the FY87-92 period:

County Aid Percentage of College Operating Revenues						
College	FY87	FY88	FY89	FY90	FY91	FY92
Montgomery	45%	47%	47%	46%	47%	47%
Howard	37	40	42	41	46	45
Essex	44	45	46	41	42	41
Catonsville	42	42	43	39	39	37
Anne Arundel	42	42	40	37	38	36
Prince George's	25	27	27	27	29	28

Prince George's County has historically provided less than a third of the College's budget. As the above table shows, PGCC's peers have had much greater shares of their budgets contributed by their counties. The decline in local aid shares in FY90 reflected the 18 percent increase in state formula aid that year.

County Aid per FTE Student

How much aid have counties provided per student? While aid is not allocated on this basis, calculation of county aid per full-time-equivalent student does provide a different way of assessing local support of community colleges:

County Aid per Full-time-equivalent Student						
College	FY87	FY88	FY89	FY90	FY91	FY92
Montgomery	$2,141	$2,322	$2,316	$2,321	$2,494	$2,504
Howard	1,357	1,564	1,758	1,811	2,117	2,011
Essex	1,377	1,415	1,566	1,417	1,434	1,450
Catonsville	1,384	1,368	1,425	1,365	1,358	1,376
Anne Arundel	1,270	1,300	1,234	1,131	1,191	1,289
Pr. George's	784	821	838	947	1,051	1,059

Throughout the FY87-92 period, Prince George's County provided substantially less aid per student than its peer counties. While these ratios reflect changes in enrollment as well as aid levels--Anne Arundel, for example, experienced a 36 percent increase in enrollment over FY87-91--it is clear that PGCC has operated with considerably less local aid per student than its peers.

Share of County Budgets Contributed to Community Colleges

Perhaps the most direct way to assess relative county support for community colleges is to calculate the percentage of the counties' general fund expenditures contributed to the college boards of trustees. The Maryland Department of Fiscal Services presents the necessary data in their annual *Local Government Finances in Maryland* publication. For example, in FY92 Prince George's County allocated $10 million to PGCC out of total general fund expenditures of $754 million, or 1.3 percent of its budget. Similar data for FY87-92 for Prince George's and its peer counties are shown in the following table:

Percentage of County General Fund Expenditures Contributed to Local Community Colleges

County	FY87	FY88	FY89	FY90	FY91	FY92
Baltimore	3.4	3.5	3.7	3.5	3.3	3.4
Montgomery	2.6	2.7	2.8	2.5	2.4	2.5
Howard	1.9	2.1	2.3	2.2	2.4	2.5
Anne Arundel	2.5	2.5	2.4	2.2	2.2	2.3
Prince George's	1.2	1.2	1.1	1.1	1.1	1.3

As the above table documents, Prince George's County has allocated 1.3 percent or less of its budget to PGCC, while peer counties have contributed on average twice as large a share of their budgets to their community colleges.

Share of Total County Expenditures from All Revenue Sources

An alternative way of examining county support based on expenditure data is to examine the share of total county expenditures of revenue from all sources including restricted fund federal and state grants. The Department of Fiscal Services

included this analysis for major expenditure functions in its *Local Government Finances* reports. In FY92, Prince George's County expended a total of $1,510,071,758. Of this amount, $39,769,181 was expended at PGCC according to the DFS report. By this method, PGCC received 2.6 percent of total Prince George's County expenditures for fiscal year 1992. Similar calculations for the County and its peers for FY87-92 produce the following:

Percent of Total County Expenditures Expended for Local Community Colleges						
County	FY87	FY88	FY89	FY90	FY91	FY92
Baltimore	7.4	7.5	7.3	7.1	7.8	7.4
Montgomery	4.5	4.6	4.5	4.3	4.7	5.1
Anne Arundel	4.3	4.1	4.0	4.3	4.6	4.5
Howard	3.8	3.8	5.4	4.2	4.6	4.4
Prince George's	3.0	2.7	2.6	2.5	2.5	2.6

Inclusion of expenditures of restricted fund revenues does not change the central finding that Prince George's County has expended a substantially smaller share of its revenues on its community college than its peer counties have expended on their community colleges.

County Aid and Tuition/Fee Charges

How did county aid levels relate to tuition and fees charged students? A comparison of County aid per FTE in fiscal year 1992 with tuition and required fees charged per hour in Fall 1992 found that colleges in counties providing the most aid generally had lower student charges (Montgomery and Baltimore), with the exception of Howard which had the second highest aid level and the second highest tuition and fee charges. Prince George's, with the lowest level of county support, had the highest tuition and fee charges:

County Aid per FTE and Student Charges		
College	County Aid per FTE	Tuition/fees per Hour
Montgomery	$2,504	$52.20
Howard	2,011	63.80
Essex	1,450	47.27
Catonsville	1,376	47.27
Anne Arundel	1,289	57.33
Prince George's	1,059	71.00

Summary

This review of county contributions to community colleges confirms what earlier studies have found: Prince George's County consistently provides less funding support for PGCC than peer counties provide their community colleges. The low level of local support results in students paying more.

Sources

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Appendix

Cost per Full-time Equivalent Student, Rank Order, FY93

Cost per Full-time Equivalent Student, Rank Order, FY93

Discipline	Total Cost	FTEs	Cost/FTE
Education	$67,936	9.10	$7,465
Nuclear Medicine	90,181	12.67	7,118
Respiratory Therapy	178,653	25.73	6,943
Office Technology	443,307	65.33	6,786
Early Childhood Education	279,902	41.93	6,675
Career Planning	338,681	51.93	6,522
Anthropology	65,444	10.10	6,480
Drafting	164,301	26.80	6,131
Horticulture	48,387	8.17	5,923
Computer Service Tech.	123,914	21.13	5,864
Physical Education	972,808	171.20	5,682
Nursing	835,224	147.60	5,659
Electronics Eng. Tech.	186,393	35.63	5,231
Theatre	103,774	20.60	5,038
Foreign Languages	310,086	62.00	5,001
Chemistry	665,478	136.00	4,893
Medical Records	117,998	24.47	4,822
Literature	420,900	89.60	4,698
Hospitality Services Mgt.	64,751	13.87	4,668
Engineering	114,554	24.63	4,651
Health Education	324,581	70.00	4,637
Physics	200,883	43.60	4,607
Radiography	162,575	35.37	4,596
Art	608,837	135.07	4,508
Real Estate	73,260	16.50	4,440
Geography	91,960	21.00	4,379
Music	266,175	61.57	4,323
Speech	1,277,862	301.17	4,243
Biology	1,847,664	454.87	4,062
English	2,660,054	661.13	4,023
Philosophy	369,602	93.90	3,936
Microcomputer Systems	422,763	110.17	3,837
Continuing Education	11,409,975	2,976.87	3,833
Early Childhood Management	18,386	4.80	3,830
Political Science	225,797	59.10	3,821
English as a Foreign Language	354,564	94.90	3,736
Remedial Reading	495,225	133.57	3,708
Economics	521,480	142.50	3,660
Psychology	1,191,257	328.53	3,626
History	810,637	223.60	3,625
Sociology	530,260	147.40	3,597
Physical Science	310,022	87.53	3,542
Mathematics	2,023,774	571.57	3,541
Accounting	1,183,807	337.97	3,503
Marketing	175,767	50.80	3,460
Computer Technology/Program	1,142,704	334.17	3,420
Business/Management	1,329,621	403.80	3,293
Criminal Justice	466,025	146.07	3,190
Remedial English	442,072	140.13	3,155
Paralegal	317,361	101.93	3,114
Remedial Math	1,254,760	403.87	3,107