

MARYLAND HIGHER EDUCATION COMMISSION'S
State Aid to Community Colleges Manual

Revised 01/01/06

Maryland Higher Education Commission
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I. STATE AID TO COMMUNITY COLLEGES

Cade Funding Formula

The Maryland Higher Education Commission is responsible for administering state aid to the 15 community colleges. The current formula is the Senator John A. Cade Funding Formula developed during the 1996 legislative session, promulgated in the Maryland Annotated Code in Section 16-305. The formula distributes unrestricted aid to supplement community college's operating costs. The formula and the distribution of funds are driven by eligible, full-time equivalent students (FTES) and is also influenced by State aid per full-time equivalent student at select four-year public colleges¹. This component is derived from total State aid of the select four-year institutions divided by the number of budgeted full time equivalent students (FTES) as reported in the community college budget requests. A percentage of this aid per FTES, currently at 24%, is then multiplied by the number of audited, eligible FTES of the community colleges from 2 years prior. This figure is considered the direct grant of community college State aid. The direct grant is then divided among the following three components: a fixed cost component, a marginal cost component and a size factor component.

The fixed cost component - currently 38% of the direct grant, is allocated to the 15 institutions and based on the prior years' allocation of the direct grant.

The marginal cost component - currently 60% of the direct grant, is allocated to the institutions based on the proportion of each institution's FTES as compared to the entire population to total FTES. The small size component-2%, is allocated to the community colleges whose FTES are less than 80% of the median of all community college's FTES.

These steps involve a series of data inputs into the Cade formula spreadsheet. The data inputs are entered into the spreadsheet at the time in which they become available.

- Information on the FTES at the select four- year institutions is available through the institutional budget requests, which arrive at the Commission in the Fall (September).
- Information on the state appropriation is derived from the budget bill, which is available at the end of the legislative session (April).
- The marginal cost component of the formula is based upon the institutions' audited FTES. The audited FTES are available in the institution's audited budget, (CC-4 Exhibit VI), which is submitted to the Commission in October.

¹ The public four-year institutions included in the Cade formula calculation are: UMCP, BSU, TSU, UMES, FSU, CSC, SSU, UMBC, SMC, MSU.

- The fixed cost component is based on the percentage of the total direct aid for the prior year.
- Before being submitted to the Department of Budget Management for final approval, the final version of the formula is reviewed by the Director of Finance Policy for accuracy.

The formula also includes a hold harmless provision beginning in fiscal year 1998. The provision provides additional funds to institutions when the board's total share of State funds is less than the board's total State share in the prior fiscal year. The amount shall be determined by subtracting the sum of an eligible board's fixed costs, marginal costs, and size factor components for the current fiscal from the board's total State share for the prior fiscal year.

Distribution of the Formula Funds

- The formula is distributed three times a year in July, November, and March. In July and November, 25 percent (25%) of the formula is distributed and in March the remaining 50 percent (50%) is distributed.
- The invoices are then reviewed and signed by the Director of Finance Policy and forwarded to the Commission's Accounting Office. The Accounting Office processes the invoice for payment by the Comptroller's Office.

(Note that a letter does not usually accompany each distribution. However, MHEC is required under § 16-309 of the Education Article, Annotated Code of Maryland, to certify to the treasurer of each county, on or before September 30 and March 31 of each year, one-half of the amount it estimates to be the county's share of community college's support.)

Statewide Grant Programs

Purpose

The Maryland Higher Education Commission, through the Planning and Academic Affairs Division, is authorized to designate programs as "Statewide." This designation permits students to attend a community college in a county other than the county of their residence at in-county tuition rates, but only if the programs are designated as health manpower shortage, statewide or regional programs by the Commission.

Requirements and Procedures

The community colleges request reimbursement of the out-of-county tuition differentials on the CC-2A form. It is due in the Commission offices on the dates published yearly in the Community College Calendar. The institutions receive a semi-annual payment under the Statewide Program in the Fall and in the Spring.

As of FY 1997, the Statewide Program is fully funded. If the requests under the Program exceed the state appropriation, the Commission can request a deficiency appropriation through a budget amendment to the Department of Budget and Management.

The CC-2A is submitted to the Director of Finance Policy. The report must contain the proper certification, signature of the preparer and signature of the president. The report must be for the proper semester and fiscal year. The Assistant Secretary for Finance Policy, providing the semesters fall within the same fiscal year, allows crossovers of semesters upon approval. The reports are reviewed by Planning and Academic Affairs to verify that the program has been designated Statewide and that the program is not offered in the student's county of residence. A letter is sent to each institution making it aware of its semi-annual payment under the Grant and any reductions made during the review process.

Payment

Payment of these grants is made in December and June of the current fiscal year.

English for Speakers of Other Languages Grant (ESOL)

Purpose

During the 1995 legislative session, the General Assembly enacted legislation providing grants to community colleges for students enrolled in English for Speakers of Other Languages (ESOL) courses. This legislation was amended in 1999 and codified as §§16-305(e) and 16-508 of the Education Article of the Maryland Annotated Code. The law provides up to \$2.5 million to the formula-funded community colleges in the Commission's budget each fiscal year for ESOL grants. Baltimore City Community College (BCCC) will receive up to \$500,000 each fiscal year for ESOL grants.

Eligibility

To qualify for a grant, each participant must be a student:

1. Born outside of the United States or whose native language is not English,
2. Who comes from an environment where a language other than English is dominant, or
3. Who is an American Indian or Alaskan native and comes from an environment where a language other than English has had a significant impact on the student's level of English language proficiency.

To qualify as an ESOL course for funding, a course must be a credit and/or a non-credit course designed for the purpose of teaching English to those whose native language is not English. Examples of such courses would include English grammar, reading and vocabulary, speech, etc.

Courses not related to teaching English do not qualify for grant funding. For example, if a student taking a qualified ESOL course is also taking Physical Education or Chemistry, the Physical Education and Chemistry course would not be included in the FTES calculation for the ESOL grant funding. Remedial courses not specifically designated as English for Speakers of Other Languages are not eligible for ESOL grant funding.

FTES Calculation

Full-time Equivalent Student (FTES) is calculated by taking the number of student credit hours or equated credit hours (non-credit) produced in the fiscal year two years prior to the fiscal year for which the ESOL grant funding is calculated and dividing by 30. For example, FY 2005 funding is based on FY 2003 ESOL FTES.

Disbursement of Funds

The amount of the grant may be up to \$800 for each qualified full-time equivalent student. In the event that the requests for ESOL grant funding exceed \$2.5 million for the formula-funded community colleges or \$500,000 for BCCC, funds will be prorated.

Restriction of Fund Use

The funds under this grant are restricted funds. If the amount of grant funds that are appropriated to a board for any fiscal year is more than the actual cost of providing ESOL instruction and services to students enrolled at the community college, the excess funds shall be paid back to the state. The board may not transfer ESOL grant funds to any other program or category.

Payment of Funds

Payments of ESOL grants are made annually in July at the beginning of each fiscal year. The report of enrollment for ESOL programs from each college is due in October of the prior fiscal year.

Garrett/West Virginia Reciprocity Grant

Purpose

There is an interstate agreement between Maryland and West Virginia for the exchange of Maryland residents to Shepherd College and West Virginia University and West Virginia residents to Garrett Community College; Education Article 16-310(a)(2). This agreement allows West Virginia students to attend Garrett Community College at in-county resident tuition and fee rates. The current reciprocity agreement allows for the exchange of up to 125 FTES.

Receiving Payment

To receive payment, Garrett Community College must submit the CC-2B form. This form is submitted to the Commission on the date specified on the Community College Reporting Calendar, normally by mid- November and mid- March.

Currently, the Garrett/West Virginia Reciprocity Program is fully funded. If the request by Garrett Community College exceeds the state appropriation, the Commission shall request a deficiency appropriation through a budget amendment to the Department of Budget and Management.

Procedures

The CC-2B is submitted to the Finance Policy Analyst responsible for processing community college grants at the Maryland Higher Education Commission. All information is verified by Finance Policy and by Academic Affairs. Invoices are then prepared and forwarded for payment.

Payments of Funds

Payment of Garrett/West Virginia Grants occurs in December and June of each fiscal year.

Somerset Grant

Purpose

Somerset County is currently the only county in the State that does not support a community college or a branch campus. The Somerset Grant allows students living in the county to attend an adjacent county's community college at in-county tuition and fees. The Maryland Higher Education Commission and Somerset County divide the cost of the program evenly with both paying 50 percent. However, the Commission is allowed to pay its portion of the program costs only after Somerset County certifies that it has paid its share of the Grant.

Reporting

To receive payment under the Grant, the participating community colleges (Chesapeake and Wor-Wic) must submit a CC-2C form. This form is submitted to the Commission on the date specified on the Community College Reporting Calendar, normally in November and March.

Requirements and Procedures

The CC-2C is submitted to the Finance Policy Analyst responsible for processing community college grants at the Maryland Higher Education Commission. The reports should contain proper certification, signature of the preparer and signature of the president. The report should be for the proper semester and fiscal year. The report should contain only students who have a Somerset County address. Before the invoice can be forwarded to the Comptroller's Office for payment, the institution must submit a letter certifying that the county has paid 50 percent of the institution's total request.

Payments

The grants are paid by the Maryland Higher Education Commission to the colleges in December and June.

Health Manpower Shortage Program -§ 16-310 (d)

Purpose

The Maryland Higher Education Commission through the Planning and Academic Affairs Division is authorized to designate programs as "Health Manpower Shortage Programs." This designation permits students to attend any public community college in the state, irrespective of their county of residence, at in-county tuition and fee rates. Students are eligible for the in-county tuition rates even if the Health Manpower Shortage Program is available at the public community college in a student's county of residence.

Reporting

The community colleges request reimbursement of the out-of-county tuition differential for the Health Manpower Shortage Program on the CC-2D form. It is due in the Commission offices on the dates published yearly in the Community College Calendar. The institutions receive a biannual payment under the Health Manpower Shortage Program in the Fall and in the Spring.

The Health Manpower Shortage Program is fully funded. If the requests under the Program exceed the state appropriation, the Commission can request a deficiency appropriation through a budget amendment to the Department of Budget and Management.

Payment

Payments are disbursed in December and June of the current fiscal year.

Innovative Partnerships for Technology Grant (IPT)

In addition to the grants designated specifically for community colleges, there are other grants for which the college may apply.

The first is the Innovative Partnerships for Technology (IPT) program. This program provides matching funds for donations from the private sector or public foundations for the technology needs of eligible community colleges. The State will match an amount up to a maximum of \$400,000 per eligible institution to donations from eligible donors in the 1st 4-year period and a maximum of \$300,000 in the 2nd 4-year period.

For the latest in guideline revisions regarding this and other matching donation programs, please refer to our website under reports and publications at:

<http://www.mhec.state.md.us/higherEd/Finance/index.asp>

Eligible Periods

The 2 four-year eligibility periods are as follows:

July 1, 1998 to June 30, 2002, covering Fiscal Years 1999 through 2002

July 1, 2002 to June 30, 2006, covering Fiscal Years 2003 through 2006

Record keeping, Auditing and Reporting

Eligible institutions must keep a separate accounting of all donations received. They should prepare and maintain a comprehensive list of the donations received and pledged amounts for the base year (July 1, 1997 - June 30, 1998). Institutions receiving State payments under this program shall provide Maryland Higher Education Commission one copy of the community college annual fiscal year audit and management report within 90 days of the close of each fiscal year. (If a community college currently provides MHEC's Finance Policy Division a copy of the annual audit and management report, it is not necessary to provide a second copy.)

Eligible institutions should maintain a record of the use of all donations, private and State-matching funds received for the technology program. All relevant records should be kept through July 1, 2007, or until audited.

Claims should be submitted to MHEC's Director of Grants in the format requested in each of the fiscal years of the two eligible periods. Eligible institutions must submit all required forms for the annual report of donations and pledges and anticipated revenue by the dates specified by MHEC. The report of cash receipts and donations will be due within 120 days of the close of each fiscal year.

II. TUITION WAIVER AND DISCOUNT REPORTING ON THE CC-4

The Maryland Higher Education Commission (MHEC) policy for reporting tuition and fees, waivers and scholarships follows the Industry Audit Guide for Audits of Colleges and Universities, © 1973 & 1975, by the American Institute of Certified Public Accountants.

All tuition revenue should be reported in revenues as gross revenue in Exhibit I of the CC-4, including all tuition and fees for each student attending the college. Any tuition waiver, discount or scholarship should be reported as an expenditure in Exhibits III and IV. This will capture the forgiveness of the payment of tuition and fees for those students who receive waivers, scholarships, etc. Finally, the tuition waivers should be reported on Exhibit V of the CC-4 and backed out of the cost per full-time equivalent student.

National Guard Tuition Waivers

Under Education Article §11-403, the Commission is required to maintain a list of State higher education institutions, including community colleges, offering tuition waivers to members of the Maryland National Guard.

This list should include:

- (1) The tuition waiver policy of each institution and a contact name and telephone number;
- (2) Updated at least annually; and
- (3) Shared with the military department for distribution to members of the Maryland National Guard.

Each community college offering tuition waivers to members of the Maryland National Guard should provide to the Commission the following information:

- Institution name
- Percentage of tuition Waived
- Limitations on tuition waiver
- Contact person
- Telephone number for contact person

This material is due at the Commission by June 1.

Other Tuition Waiver Policies

Whenever a college board of trustees adopts a policy granting tuition waivers other than those specifically enumerated by law and those related to dual-enrolled students, the board should provide written notification to the Commission. All full-time equivalent students generated by the tuition waiver policy, except for dual-enrolled students and those specifically enumerated by law, are not eligible for State aid unless the board of trustees requests and the Commission declares them eligible.

Law

The law providing for tuition waivers is as follows:

Maryland Code Annotated, Education Article § 16-106
COMAR 13B.07.02.03D

III. ENROLLMENT AND FINANCIAL REPORTS FOR CREDIT COURSES

MHEC-CC-2

General Information

State law and regulations governing the reporting and payment of State aid for credit students are contained in the *Annotated Code of Maryland, Education Article, Title 16, Community Colleges* and the *Code of Maryland Regulations, Title 13B, Maryland Higher Education Commission (MHEC)*. These resources should be read and thoroughly understood before enrollment reports are completed. In the event of a conflict between Procedures and Guidelines and State law, State law always takes precedence.

For purposes of State aid payments, credit full-time equivalent (FTE) enrollment is reported to MHEC using Form MHEC-CC-2. Electronic spreadsheets in MHEC format are encouraged for your standard forms. This eliminates the possibility of typing errors.

Certification

Certification of the MHEC-CC-2 report requires original signature and be dated by the preparer and the president of the college. The college name, semester, and fiscal year must be inserted accurately in the certification statement.

Timing and Cutoff

The MHEC-CC-2 report presents data as of the end of the third week of classes each semester. The MHEC-CC-2 is used for reporting enrollment in courses that carry credit and is due to MHEC according to annual reporting schedule mailed to the college each June for the next fiscal year.

Even though a student who has registered for a regular semester (i.e. 15-weeks) may exit from the college after the third week cutoff point, s/he may still be counted for purposes of State aid. On the other hand, students who are permitted to register for a regular semester after the third week cutoff point, s/he may **not** be counted for purposes of State aid. The cutoff point for credit courses in other than the regular semester must be at the twenty percent point of the session. Semester designation is reported according to the semester in which the courses were taught.

If a student has been deleted from registration after the third week of classes, his/her FTES submitted for State aid must be eliminated. If a student withdraws or drops after the third week of classes, the submitted FTES remain unchanged. If a student defaulted on his payment of tuition after the third week of classes, this would not impact State aid if the receivable and tuition revenue had been recorded and the college made good faith efforts to collect the tuition, grades/transcripts were withheld, and no future registrations were allowed until the debt was paid.

Summer Session

Enrollment in credit courses is to be reported to MHEC within the fiscal year in which the courses are predominantly taught. If a college defers all revenues and costs of a summer session that begins late in June to the following fiscal year, the enrollment report for that session also should be deferred until the following fiscal year.

Supplemental Report

A supplemental MHEC-CC-2 report may be submitted for courses not previously reported, e.g., if courses in a mini-session or a late starting session are taught during a semester but the “twenty percent” cutoff is reached after regular session’s twenty percent cutoff date. This MHEC-CC-2 report must be labeled as a “supplemental report” for the semester in which the courses were taught.

Amended Report

If previously submitted data was incorrect, corrections shall be submitted on an amended report. This report must be labeled “amended” and the semester in which the courses were previously reported indicated. This report should include only the net changes to the original report.

Any errors or omissions on any previously filed MHEC-CC-2 enrollment reports discovered by the audit of FTES shall be disclosed on Exhibit XII of the MHEC-CC-4. Annual Financial Report. When additional full-time equivalent students are claimed as a result of the audit, the college must submit a properly executed MHEC-CC-2 report for the net change for each semester to substantiate this claim along with the MHEC-CC-4 report.

Classification of Students

The number of Maryland students (column 3) in each credit hour category is multiplied by the number of credit hours carried (column 1) to arrive at the total number of student credit hours carried (column 7) by all Maryland students within each credit hour category. (See COMAR 13B.07.02.03 Student Residency Policy) The result of this multiplication is then divided by thirty (30) to yield the number of full-time equivalent students in each credit hour category. (Divisions should be carried to at least three decimal places and rounded back to two. A second decimal place that is followed by a number higher than a four should be rounded to the next highest number.) All full-time

equivalent students in each credit hour category are then summed to yield the total full-time equivalent students for the reporting period. The total credit hours generated in column 7 is divided by thirty (30) for each reporting period so that the State aid rate can be applied to the result to yield the State aid payment to be made each semester. State aid is paid on the FTES per application of COMAR 13B.07.02.03H that have been reported. Dividing the **total** credit hours generated by thirty (30) eliminates rounding errors, which are inevitable when full-time equivalent students are determined by credit hour category and results in a more accurate measurement of the total full-time equivalent students for the reporting period. Adding the FTES generated by each credit hour category serves as a verification procedure for the accuracy of the full-time equivalent student computation on total credit hours generated divided by thirty.

Part-time Unduplicated Credit Enrollment

Total unduplicated part-time credit Maryland student enrollment for the spring and fall semesters is to be reported on this report for State aid. Part-time students are defined as those taking less than twelve credits a semester. State aid will **not** be paid on summer students or students enrolled in sessions between semesters, weekend classes, or mini-masters. No student may be counted twice in the same fiscal year.

State/Federal Grants/Contracts

The number of full-time equivalent students included in the MHEC-CC-2 enrollment report that should not be State funded due to the application of COMAR 13B.07.03.04B are to be reported on the appropriate line and subtracted from the total FTES reported to equal the number of FTES eligible for State aid.

Other States, Ineligible, and Foreign Students

The State does not provide State aid to the colleges for certain students. These students are to be reported in column 6, Other States, Ineligible, and Foreign Students. The person completing the MHEC-CC-2 report must be familiar with the sections of the law and regulations dealing with these students. This group includes, but is not limited to, the following students:

- College employees Education Article, Title 16, Section 16-106(a);
- Senior citizens in non-State approved courses - Education Article, Title 16, Section 16-106(b)(2);
- High school students under 16 years of age in continuing Education courses - COMAR 13B.07.02.02(12);
- Credits awarded to students for satisfactory completion of standardized tests of college-level performance, competency, or aptitude-COMAR 13B.07.03.02D(11)(a);
- Dependents of faculty and staff - COMAR 13B.07.02.04C;
- Non-Maryland residents - COMAR 13B.07.03.02D(8).

Documentation

Worksheets, computer files, and other data sources from which this report was derived shall be available for five years.

Instructions for Completion

Check the appropriate semester for which the MHEC-CC-2 report applies.

1. Credit Hours Carried: See *Code of Maryland Regulations, Title 13B, Maryland Higher Education Commission*
2. Total Students: Indicate the number of students in the semester being reported by the number of credit hours the students carried. Columns 4 + 5 + 6
3. Total Eligible Maryland Students: Indicate the number of students who are Maryland residents by the number of credit hours they carried. Columns 4 + 5.
4. In-County Students: Indicate the number of students who are residents in the county/city (counties) supporting the college, except students not eligible for State aid.
5. Out-of-County Students: Indicate the number of students who are not residents in the county/city (counties) supporting the college except students who are ineligible for State aid.
6. Other States, Ineligible, and Foreign Students: Report all students who are ineligible for State aid, other State residents, college employees and their dependents, and foreign students.
7. Credit Hours Generated: The result of column 1 times column 3.
8. Total FTE Students: The result of column 7 divided by thirty (carried to two decimal places).

Subtotal all columns.

Subtract FTE students funded under State or federal contracts because of the application of COMAR 13B.07.02.03H.

Compute total FTE students eligible for State aid.

Unduplicated part-time students must be calculated on Eligible Maryland students taking less than 12 credits a semester.

Certification: The MHEC-CC-2 report must include original signatures and be dated by the preparer and the president of the college.

MHEC-CC-3

General Information

The law regulating enrollment for continuing education courses is found in Maryland Annotated Code, Education Article, 10--210(b)(5), 11-105(c) and COMAR 13B.07.02.02. State reimbursement for continuing education courses is computed on the basis of enrollment data in approved courses. The MHEC-CC-3 report is used by the community colleges for submitting enrollment in continuing education (equated credit) courses, which previously have been approved for funding by MHEC. A relationship exists between the MHEC-CC-3 report and the Form MHEC-CC-10. Each course element number -- number, title, and hours (less than 25 percent reduction in hours) -- on the MHEC-CC-3 report must match each course element on the approved MHEC-CC-10. Therefore, data entries from the MHEC-CC-10 affect the payment of State aid based on the MHEC-CC-3 submissions. MHEC authorizes payment to the college for continuing education enrollment based on the hard copy of the certified MHEC-CC-3 report. The hard copy certified MHEC-CC-3 reports and accompanying computer input tapes must reconcile. If they do not reconcile, MHEC will notify the college and request a corrected computer input tape.

Certification

Certification of the MHEC-CC-3 report requires original signatures of both the college president and the continuing education dean. The college name, aid period, and fiscal year must be accurately inserted in the certification statement.

Timing and Cutoff

For continuing education courses, instructional time is measured in terms of 50-minute course hours (excluding lunch and other breaks) in which there is direct faculty-student contact. However, if a course actually meets 60 minutes each instructional hour, the college may multiply the 50-minute periods by 1.2 to derive the continuing education course hour reflected in the Form MHEC-CC-10.

Full-time equivalent (FTE) student enrollments in continuing education courses are measured at the point at which 20 percent of the total course hours have expired. If 20 percent of the course hours do not fall at the end of a class meeting, full-time equivalent student enrollment should be measured at the end of the class meeting in which 20 percent of the total number of course hours fall. If a student is not enrolled in the course at the 20 percent date, that student shall not be counted for State aid.

Submission

The MHEC-CC-3 reports may be submitted to MHEC throughout the fiscal year, but in no case later than August 1.

Amended Report

When data for a course/section submitted in one aid period need to be changed, that course/section change shall be submitted during the next aid period. If the discrepancy in data requires the addition of students, the additional data shall be submitted on the next report. If the discrepancy in data requires the subtraction of students, an amended MHEC-CC-3 report shall be submitted to MHEC in the following manner:

- Prepare a hard copy MHEC-CC-3 report labeled “amended report.” Indicate the aid period for which the revision is being submitted.
- Indicate the original data on one line and corrected data on the next line.
- If all eligible students are being deleted from a section, indicate in parentheses on the “revision” line the same number listed on the “original” line. Courses on an amended report are to be listed in numerical (course number) order.

Any errors or omissions on any previously filed MHEC-CC-3 enrollment reports discovered by the audit of FTES shall be disclosed on Exhibit XII of the MHEC-CC-4, Annual Financial Report. When additional full-time equivalent students are claimed as a result of the audit, the college must submit a properly executed MHEC-CC-3 report for the net change for each aid period to substantiate this claim along with the MHEC-CC-4 report.

Instructions for Completion

Prior to completing the Form MHEC-CC-3, a college must request a MHEC Continuing Education Course Inventory for its college. The college must then verify that all new course submissions have been added correctly to the MHEC file; specifically, that all course elements -- number, title, and hours -- in the MHEC inventory match the course elements of the approved MHEC-CC-10. The college shall also verify that the elements of their college’s continuing education course inventory are identical to those of the State. Should an error be found in MHEC’s Continuing Education Course Inventory, the error must be reported in writing immediately to the Maryland Higher Education Commission.

1. Course Number. This is the college assigned course number under which the continuing education course is to be offered for an approved period of two years or less. NO two courses may have the same course number, and if a course has multiple titles, each title must have a unique course number. This exact same number appears on the Form MHEC-CC-10. Courses are to be listed in numerical (course number) order.

2. Section Number. This is a college-assigned number or letter to distinguish different offerings of the same course.
3. Course Title. Course titles reported on the MHEC-CC-3 report must correspond to those hours approved on the MHEC-CC-10. Add #4 course title pg. 31 of the “Continuing Education Manual.”
4. Total Course Hours. Course hours reported on the MHEC-CC-3 must correspond to those hours approved on the MHEC-CC-10. Payment may not be made for any continuing education course whose hours are 25 percent below or any number above the hours listed on the approved MHEC-CC-10.
5. Equated Course Hours. Dividing the total course hours by 15 and rounding to two decimal places calculate equated course hours. The following decimal rounding technique is used by MHEC in its calculation of this item:

Illustration of Decimal Rounding

Round .444 to two decimals = .44

Round .445 to two decimals = .45

Round .446 to two decimals = .45

If the third place decimal is 4 or less, simply drop it (e.g., .444 = .44).

If the third place decimal is 5 or more, round up (e.g., .455 = .46).

6. Eligible Maryland Resident. Only Maryland Residents who have registered prior to the 20 percent point and who are enrolled at the 20 percent point shall be claimed for State aid purposes.
7. Ineligible Student. Students who have not registered prior to the 20 percent point, who are not enrolled at the 20 percent point, and who are categorized as out-of-state or foreign students are deemed to be ineligible students. Add rest of criteria from #8, pg. 32 from the “Continuing Education Manual.”
8. FTE Student. The result of column 3 times column 4 divided by 30 equals the FTE student, rounded and carried out to two decimal places.
9. Percent Aid Requested. Each college must identify for all submitted courses the percent aid requested per individual course or course section (0-00%). Enrollment data for students who are subject to COMAR 13B.07.03.04B for State or federally funded contracts or other policies may be reported using the percent aid option.
10. FTE for State Aid. This is the result of column 6 times column 7, rounded and carried out to two decimal places.
11. CERTIFICATION. The MHEC-CC-3 report must be originally signed and dated by the continuing education dean and the president of the college.

MHEC-CC-4

General Information

The Annual Financial Report (MHEC-CC-4) to the Maryland Higher Education Commission is a limited purpose report designed to provide MHEC with information necessary to substantiate State aid payments to the community colleges for the year under examination and to provide information of a statistical nature, which is needed for a variety of other purposes. The Annual Report is a derivative of the formal Financial Statements of the community college. State laws and regulations governing this report are contained in:

- Title 16 of the Education Article of the *Annotated Code of Maryland*, Sections 16-301, 16-302, 16-303, 16-304, 16-305, 16-306, 16-307, 16-308, 16-309, 16-310, 16-311, 16-312, 16-313, 16-314, 16-315, 16-316, and 16-317 set forth the State's policies for financing and auditing community colleges.
- Title 13B.07.03, Sections .01-.04 of the *Code of Maryland Regulations* sets forth the State's policies for financing community colleges. Both are contained in the *Financial Guidelines and Procedures Manual*.

If any disputes arise between these Procedures and Guidelines and State law, State law takes precedence.

Auditor's Opinion

The independent certified public accountant shall issue his or her formal opinion on the fairness of the data in the MHEC-CC-4 report. This formal opinion must address the requirements in *COMAR 13B.07.03.02C*.

Timing

The MHEC-CC-4 report shall be submitted in triplicate to MHEC by October 1 of each year accompanied by a transmittal letter signed by the college president indicating he or she is aware of the contents of the report.

Guidelines

The *Accounting Manual for Community Colleges in Maryland*, issued in 2001, defines the funds, functions, and object classifications for revenues received by and the expenditures incurred by the community colleges. Community colleges are required to adhere to this *Accounting Manual* and the derivation of current expenses is based upon the proper classification of transactions and accounts as defined in the manual.

Critical to the determination of State aid to community colleges is the measurement of full-time equivalent (FTE) students and unrestricted current expenses referred to in the Code.

1. Full-time Equivalent Student.

A full-time equivalent student is defined by the Code as one who carries a student credit hour (equated credit hour) load of 30 credits (equated credits) in a fiscal year. Reference should be made to these sections of the *Financial Guidelines and Procedures Manual*, which discuss MHEC-CC-2, and MHEC-CC-3 enrollment reports. The auditor's examination of enrollment statistics is essential for purposes of preparing the MHEC-CC-4, and the final measurement of FTE enrollment must be disclosed in Exhibits V, VII, and XII of the MHEC-CC-4.

2. Current Unrestricted Funds.

Current Unrestricted Funds include those economic resources of the institution that are to be expended in the near term for any operating purpose in performing the primary objectives of the institution and that have not been designated by the donor or other external agency nor have any legal impositions attached for any specific purpose.

- Auxiliary Enterprises. A major category of current funds that is to be treated as a sub-fund to facilitate proper reporting and reflects revenues and expenditures from activities conducted primarily to provide facilities or services for students, faculty, and staff.

3. Current Restricted Funds.

Current Restricted Funds consists of those funds to be expended in the near term for operating purposes but restricted by donors or other outside agencies, or by law as to the specific purpose for which they may be expended.

4. Government Appropriations.

Government appropriations must be classified to identify the governmental level -- federal, state, or local -- of the legislative body making the appropriation to the institution, i.e., the level of the government agency that makes the decision that the money will be appropriated to the particular purpose for which it ultimately is expended. For example, if the federal government stipulates a specific use for some funds that merely flow through the state to the institution, the funds must be classified as federal funds. However, if the federal government distributes funds to the state for unspecified general purposes -- for example, general revenue sharing -- and the state then appropriates all or a

portion of those funds, the funds received by the institution shall be classified as state rather than federal funds.

With regard to Current Unrestricted Funds and Current Restricted Funds, it should be noted that funds received from the Division of Vocational-Technical Education are considered federal funds and fall into the category of Current Restricted Funds.

Local Contribution is to include only current revenue from the local subdivision, not prior years' revenues included in fund balance.

5. Current Expenses.

The *Annotated Code of Maryland* refers to current expenses but does not define those expenses. The *AICPA Audit Guide for Colleges and Universities*, the Maryland Higher Education Commission *Accounting Manual for Community Colleges in Maryland*, and the NACUBO's *Colleges and University Administration*, and the *Financial Accounting and Reporting Manual for Higher Education (FARM)* do define current expenses and shall be followed.

For purposes of this special report, State law and regulations require special treatment of certain transactions. The preparer of the report must have a thorough understanding of the law and regulations before completing this report. A brief discussion of some of these exceptions follows:

- Improvements on existing structures, which are not eligible for financial support under the State's General Public Junior or Community College Construction Loan Program, should be included only if the expenses do not increase the value of, extend the useful life of, or change the nature of the asset for a purpose not originally intended. (There is a clear distinction between the State's participation in support of current expenses and construction projects, and this distinction must be maintained in the college's accounts and reports.) *COMAR 13B.07.03.02D(15)*
- "Transfer" expenditures should be included in Adjusted Current Unrestricted Operating Expenditures **only if** the nature of such a transfer coincides with the definition of an expenditure defined as Current Unrestricted General Funds expenditure. They shall be included in the appropriate expenditure function. *COMAR 13B.07.03.02D(15)*
- Encumbrances representing outstanding purchase orders and other commitments for materials or services not received as of the reporting

date may not be reported as expenditures. *COMAR 13B.07.03.02D(17)*

- Retirement Plan Premium expenditures that are reimbursed by the State for employees on the Optional Retirement Program (TIAA-CREF) shall be treated in such a manner that they do not become a part of the adjusted current unrestricted operating expenditures of the college for determining State aid.
- Accrued costs for future employee absences are not funded by the State, and accruals for those costs shall be excluded in their entirety from Exhibit X on the Annual Financial Report submitted on the MHEC-CC-4 for purposes of payment of State aid to community colleges.
- Debt service for construction projects paid by or for the community colleges is not to be a part of the cost per full-time equivalent student nor enter into the computation of the respective shares of contribution by the State, student, or county to the cost of current operations.
- The State's contribution to employer Social Security and retirement fringe benefit costs may not be included as expenditures in the report. *Title 16-305(c)(9)*
- Revenues and expenditures of an academic term, such as a summer session, which is conducted over a fiscal year end, shall be reported totally within the fiscal year in which the program is predominantly conducted. *COMAR 13B.07.03.02D(12)*
- Auxiliary Enterprise expenditures may not be included in the Adjusted Unrestricted Current Operating Expenditures for the determination of State aid. *COMAR 13B.07.03.02D(4)*

CC-4 Check List

General

Normally an extension of time for filing this report is not granted. If an extension is requested, it must be in writing and requested before the due date. The extension request must detail the reasons why the report cannot be filed on time and must be signed by the president of the college.

Annual Financial Report to the Maryland Higher Education Commission (MHEC-CC-4)

_____ The auditor shall issue a formal opinion on the MHEC-CC-4.

- _____ The auditor’s formal opinion shall be rendered on the scope of his or her examination and on the fairness of the Summary Statement of Revenues and Expenditures and the enrollment data.
- _____ The auditor’s formal opinion shall contain explicit references in the scope and opinion sections with regard to enrollment data.
- _____ The opinion section shall indicate whether the principles governing the interrelationship between the unrestricted current general fund and the auxiliary enterprise fund result in the fair presentation of the unrestricted current general fund revenues and expenditures.
- _____ A reconciliation must be provided if there are any differences in total unrestricted current general revenues on the MHEC-CC-4 from those shown in the financial statements.
- _____ A reconciliation must be provided if there are any differences in total unrestricted current general expenditures on the MHEC-CC-4 from those shown in the financial statements.
- _____ Full-time equivalent student enrollment shall be audited with the same diligence as applied to the financial statements.
- _____ Three (3) copies shall be filed with MHEC by October 1.
- _____ A transmittal letter signed by the president indicating he or she is aware of the contents o shall accompany the copies

MHEC-CC-5

General Information

The Annual Budget Report (MHEC-CC-5) to the Maryland Higher Education Commission (MHEC) is a limited purpose document designed to provide MHEC with the college’s county approved operating budget in a specific format.

The format of this report is basically the same as the Annual Financial Report (MHEC-CC-4) except the data in this report are approved budgeted amounts and the MHEC-CC-4 contains the audited actual amounts.

Timing

The MHEC-CC-5 report shall be submitted to MHEC by July 1 of each year.

Guidelines

The *Accounting Manual for Community Colleges in Maryland* defines the funds, functions, and object classifications for revenues received by and the expenditures incurred by the community colleges. Community colleges are required to adhere to this *Accounting Manual* and the derivation of current expenses is based upon the proper classification of transactions and accounts as defined in the manual.

Critical to the determination of State aid to community colleges is the measurement of full-time equivalent (FTE) students and current unrestricted expenses referred to in Title 16 of the Education Article of the Annotated Code of Maryland.

1. Full-time Equivalent Student

A full-time equivalent student is defined by the Annotated Code of Maryland, Education Article, §16-305(b)(7) as one who carries a student credit hour (equated credit hour) load of 30 credits (equated credits) in a fiscal year. Reference should be made to that section of the *Financial Guidelines and Procedures Manual*, which discusses MHEC-CC-2, and MHEC-CC-3 enrollment reports.

2. Current Unrestricted Funds

Current Unrestricted Funds include those economic resources of the institution that are to be expended in the near term for any operating purpose in performing the primary objectives of the institution and that have not been designated by the donor, other external agency, or by law for any specific purpose.

- Auxiliary Enterprises. A major category of current funds that is to be treated as a sub fund to facilitate proper reporting and reflects revenues and expenditures from activities conducted primarily to provide facilities or services for students, faculty, and staff.

3. Government Appropriations

Government appropriations must be classified to identify the governmental level—federal, state, or local—of the legislative body making the appropriation to the institution, i.e., the level of the government agency that makes the decision that the money will be appropriated to the particular purpose for which it ultimately is expended. For example, if the federal government stipulates a specific use for some funds that merely flow through the state to the institution, the funds must be classified as federal funds. However, if the federal government distributes funds to the state for unspecified general purposes—for example, general revenue sharing—and the state then appropriates all or a portion of those funds, the funds received by the institution shall be classified as State rather than federal funds.

With regard to Current Unrestricted Funds and Current Restricted Funds, it should be noted that funds received from the Division of Vocational-Technical Education are considered federal funds and fall into the category of Current Restricted Funds.

4. Current Expenses

The *Annotated Code of Maryland* refers to current expenses but does not define those expenses. The *AICPA Audit Guide for Colleges and Universities*, the State Board for Community Colleges *Accounting Manual for Community Colleges in Maryland*, the NACUBO's *Colleges and University Administration*, and the *Financial Accounting and Reporting Manual for Higher Education (FARM)* do define current expenses and shall be followed.

For purposes of this special report, State law and regulations require special treatment of certain transactions. The preparer of the report must have a thorough understanding of the law and regulations before completing this report. A brief discussion of some of these exceptions follows:

- Improvements on existing structures, which are not eligible for financial support under the State's General Public Junior or Community College Construction Loan Program, should be included only if the expenses do not increase the value of, extend the useful life of, or change the nature of the asset for a purpose not originally intended. (There is a clear distinction between the State's participation in support of current expenses and construction projects, and this distinction must be maintained in the college's accounts and reports.) COMAR 13B.07.03.02 D (15)
- "Transfer" expenditures should be included in Adjusted Current Unrestricted Operating Expenditures **only** if the nature of such a transfer coincides with the definition of an expenditure defined as Current Unrestricted General Funds expenditure. They shall be included in the appropriate expenditure function. COMAR 13B.07.03.02 D (16)
- Encumbrances representing outstanding purchase orders and other commitments for materials or services not received as of the reporting date may not be reported as expenditures. COMAR 13B.07.03.02D(17)
- Retirement Plan Premium expenditures that are reimbursed by the State for employees on the Optional Retirement Program (TIAA-CREF) shall be treated in such a manner that they do not become a part of the adjusted unrestricted current operating expenditures of the college for determining State aid.
- Accrued costs for future employee absences are not funded by the State, and accruals for those costs shall be excluded in their entirety from Exhibit V on the Annual Financial Report submitted on the MHEC-CC-5 for purposes of payment of State aid to community colleges.
- Debt service for construction projects paid by or for the community colleges is not to be a part of the cost per full-time equivalent student nor enter into the computation of the respective shares of contribution by the State, student, or county to the cost of current operations.

- The State's contribution to employer Social Security and retirement fringe benefit costs may not be included as expenditures in the report. *Education Article, Section 16-305(c)(9)*
- Revenues and expenditures of an academic term, such as a summer session, which is conducted over a fiscal year end, shall be reported totally within the fiscal year in which the program is predominantly conducted. *COMAR 13B.07.03.02D(12)*
- Auxiliary Enterprise expenditures may not be included in the Adjusted Unrestricted Current Operating Expenditures for the determination of State aid. *COMAR 13B.07.03.02D(4)*

IV. ENROLLMENT REPORTS FOR STATEWIDE PROGRAMS

Statewide Program MHEC-CC-2A

General Information

With the development of an increasing number of high-cost programs, the duplication of certain programs by neighboring colleges, or colleges within a geographic region, may be prohibitively expensive to both the local political subdivision and the State; hence, the designation of certain programs as statewide based upon the ability of the college to accommodate additional students, the need for additional students to sustain the program, the unit cost of the program, and the uniqueness of the program as provided by Annotated Code of Maryland, Education Article, Title 16 §310(d).

For the purposes of State aid payments, enrollment in statewide programs is reported to MHEC using Form MHEC-CC-2A.

Certification

Certification of the MHEC-CC-2A report requires original and dated signatures of the preparer of the report and the president of the college.

Timing and Cutoff

During the Fall and Spring semesters, the college shall submit the MHEC-CC-2A report or shortly after the MHEC-CC-2 report. The MHEC-CC-2A is due in the MHEC office according to the annual reporting schedule mailed to the colleges each June for the next fiscal year. Reimbursement for Summer students is requested at the same time that reimbursement for Fall students is requested. Reimbursement for Winter students is requested at the same time that reimbursement for Spring students is requested. All other students should be reported with the fall or spring term report whichever is most

appropriate. The cutoff date for enrollment and the due date for submitting the MHEC-CC-2A report is the same as that for the MHEC-CC-2. All credits taken by a student enrolled in a statewide program are eligible for reimbursement.

Summer, Winter, and Other Sessions

Summer session students shall be submitted on a separate MHEC-CC-2A marked “Summer” simultaneously with the Fall MHEC-CC-2A. Winter session students shall be submitted on a separate MHEC-CC-2A marked “Winter” simultaneously with the Spring MHEC-CC-2A. Students for other sessions, or nontraditional time frames, should be reported with the Fall or Spring MHEC-CC-2A whichever is most appropriate.

Eligibility Criteria

Only students who meet the following criteria are eligible for out-of-county tuition reimbursement to the institution:

- a. The student must be enrolled in an approved statewide program.
- b. The student must be a Maryland resident.
- c. The student may not be a resident of the regular service area (local subdivision supporting the college) of the college.
- d. The program must be unavailable in the student’s local community college or, if available, the program must be unavailable to a qualified student due to the program meeting or exceeding enrollment capacity for that program at the student’s local community college.

Disbursement of Statewide Funds

Statewide funds are disbursed two times per year, following review of the fall term report, and the spring term report. Summer session students are included in the fall term report. Winter session students are included with the spring term report. All other students should be reported with the fall or spring term report whichever is most appropriate.

1. It is the responsibility of the community colleges to inform students about the availability of in-county tuition and fees for statewide instructional programs. Many community college catalogs give the complete list of such programs so that students may take advantage of the system.
2. Students who wish to enroll in a statewide instructional program may register at the college having the program, paying the in-county tuition and fee rates.

Only students who meet the following criteria are eligible for out-of-county tuition reimbursement to the institution:

- a. The student must be enrolled in an approved statewide program.
 - b. The student must be a Maryland resident.
 - c. The student must not be a resident of the regular service area of the college.
 - d. The program must be unavailable in the student's local community college or, if available, the program must be unavailable to a qualified student due to the program meeting or exceeding enrollment capacity for that program at the student's local community college.
3. During the Fall and Spring semesters, the college submits the MHEC-CC-2A form along with the MHEC-CC-2 form in order to request funds for the program. Reimbursement for Summer students is requested at the same time that reimbursement for Fall students is requested. Reimbursement for Winter students is requested at the same time that reimbursement for Spring students is requested. All other students should be reported with the fall or spring term report whichever is most appropriate. The cutoff date for enrollment and the due date for submitting the CC-2A form is the same as that for the MHEC-CC-2. Unless otherwise specified, all credits taken by a student enrolled in a statewide program are eligible for reimbursement.

Instructions for Completion

Check the appropriate semester for which the MHEC-CC-2A report applies.

1. Student Name or Number: Indicate the student's name or identification number.
2. County of Residence: Indicate the student's county of residence.
3. Name of Program: Specify the approved statewide program in which the student is enrolled.
4. HEGIS and CIP codes: Identify the HEGIS and CIP code for each course in the following format: HEGIS - CIP.
5. Credit Hours: Enter the total number of credit hours in which the student is enrolled.
6. Tuition Differential per Credit Hour: Enter the per credit hour out-of-county tuition differential.

7. Multiply Column 4 by Column 5 and enter the result.

TOTAL: Add Column 4 and enter total; add Column 6 and enter total.

CERTIFICATION: The MHEC-CC-2A report must be originally signed and dated by the preparer and the president of the college.

West Virginia Reciprocity Grant MHEC-CC-2B

General Instructions

An interstate agreement exists between Maryland and West Virginia for the exchange of students involving Shepherd College and Garrett Community College. This agreement waives nonresident tuition and fee charges for these students. It also permits West Virginia residents attending Garrett Community College under this agreement to be counted as in-state residents for the computation of State aid to the community college.

MHEC makes payments to effectuate the provisions of this agreement from funds specifically appropriated for this purpose as provided in the State budget.

The State law related to this agreement and the agreement, Education Article, Title 15, Section 310 (a) (2), itself should be read and thoroughly understood before enrollment reports are completed. If any disputes arise between these Procedures and Guidelines and State law, State law always takes precedence.

For purposes of State aid payments, credit full-time equivalent (FTE) enrollment of West Virginia students attending Garrett Community College under this agreement is reported to MHEC using Form MHEC-CC-2B.

Certification

Certification of the MHEC-CC-2B report requires original signature, dated by the preparer and the president of the college. The college name, semester, and fiscal year must be inserted accurately in the certification statement.

Timing and Cutoff

The MHEC-CC-2B report presents data as of the end of the third week of classes each semester. The MHEC-CC-2B is used for reporting enrollment for courses that carry credit and is due in the MHEC office according to the annual reporting schedule mailed to the college each June for the next fiscal year.

Even though a student who has registered for a regular semester (i.e. 15-weeks) may exit from the college after the third week cutoff point, s/he shall still be counted for the purposes of State aid. On the other hand, students who are permitted to register for a regular semester after the third week cutoff point may **not** be counted for purposes of

State aid. The cutoff point for credit courses in other than the regular semester must be at the twenty percent point of the session. Semester designation is reported according to the semester in which the courses were taught.

If a student has been deleted from the registration after the third week of classes, his FTES submitted for State aid must be eliminated. If a student defaulted on his payment of tuition after the third week of classes, this would not impact State aid if the receivable and tuition revenue had been recorded and the college made good faith efforts to collect the tuition, or grades/transcripts were withheld, and no future registrations were allowed until his debt was paid.

Summer Session

Enrollment in credit courses is to be reported to MHEC within the fiscal year in which the courses are predominantly taught. If a college defers all revenues and costs of a summer session that begins late in June to the following fiscal year, the enrollment report for that session should also be deferred until the following fiscal year.

Documentation

Worksheets, computer files, and other data sources from which this report was derived shall be available for five years.

Instructions for Completion

Check the appropriate semester for which the MHEC-CC-2B report applies.

1. Student Name or Number: Indicate the student's name or identification number.
2. Address of Student: Complete address of student.
3. Certification or Vocational Education Program: Indicate the certificate or vocational education program in which the student is enrolled.
4. Credit Hours Carried: Enter the number of credit hours in which the student is enrolled.
5. FTES: Determine the FTE value of the student's credit hour load by dividing the number of credits carried by thirty and enter the result.

Certification: The MHEC-CC-2B report must include original signatures and be dated by the preparer and the president of the college.

Somerset Grant Reimbursement MHEC CC-2C

General

Students in certain counties (Somerset), with no community college or branch office, may enroll at a community college or a branch campus in the State, either of which is located in a county adjacent to the one in which the student resides, may pay only the tuition and fees applicable to a county resident that supports the community college.

MHEC makes payments to effectuate the provisions of this section 16-310, from funds specifically appropriated for this purpose in the state budget or any supplemental budget request.

The State law related to this agreement, Educational Article, Title 16-310 (3)(e), should be read and thoroughly understood before enrollment reports are completed. For the purpose of State reimbursement under this provision, full-time equivalent enrollment for students residing in Somerset county and enrolled at either Chesapeake or Wor Wic Community College must be reported to MHEC using form MHEC-CC-2C. The Maryland Higher Education Commission and Somerset County are to split the costs of the program 50/50; with MHEC paying their share only after Somerset submits certification of their payment to the applicable community college.

Certification

Certification of MHEC-CC-2C report requires original signature, dated by an authorized preparer and the president of the college. The college name, semester, and fiscal year must be inserted accurately in the certification statement.

Timing and Cutoff Dates

The MHEC-CC-2C report presents data as of the end of the third week of classes each semester. The MHEC-CC-2C is used for reporting enrollment for courses that carry credit and which are eligible for reimbursement at in-county rates. The report is due at MHEC according to the annual reporting schedule mailed to each college each June for the next fiscal year.

Students registered for a regular semester (i.e. 15-weeks) that exit from the college after the third week cutoff point, s/he shall still be counted for the purpose of State Aid. However, students who are permitted to register for a regular semester after the third week cutoff point may not be counted for the purpose of State Aid. The cutoff point for credit courses in other than the regular semester must be at the twenty percent point of the session. Semester designation is reported according to the semester in which the courses were taught. If a student has been deleted from the registration after the third

week of classes, his/her FTES submitted for State Aid must be eliminated. If a student defaulted on his payment of tuition after the third week of classes, this would not impact State Aid if the receivable and tuition revenue has been recorded and the college made good faith efforts to collect the tuition, or the grades/transcripts were withheld, and no future registrations were allowed until his debt was paid.

Summer Session

Enrollment in credit courses is to be reported to MHEC within the fiscal year in which the courses are predominantly taught. If a college defers all revenues and costs associated with the summer session that begins late in June to the following fiscal year, the enrollment report for that session should also be deferred until the following fiscal year.

Documentation

Worksheets, computer files and other data sources, from which this report was derived, shall be available for five years.

Instructions for Completion

Check the appropriate semester for which the MHEC-CC-2C report applies

1. Student Name or Number: Indicate the student's name or identification number.
2. Address of Student: Complete address of student.
3. Certification of Program: Indicate the certificate or vocational educational program in which the student is enrolled.
4. Credit Hours Carried: Enter the number of credit hours in which the student is enrolled.
5. FTES: Determine the FTE value of the student's credit hour load by dividing the number of credits carried by thirty and enter the result.

Certification: The MHEC-CC-2C report must include original signatures and be dated by the preparer and the president of the college.

Health Manpower Shortage Program MHEC-CC-2D

General Information

As provided by the Annotated Code of Maryland, Education Article, Title 16 §310(d). The Maryland Higher Education Commission will, following consultation with the Maryland Department of Health and Mental Hygiene, designate academic programs as Health Manpower Shortage Programs. These designated programs respond to Maryland work force needs and shortages in health related fields. Students, who are Maryland residents, may attend Health Manpower Shortage Programs at any Maryland public community college at the in-county tuition and fees rate for that institution. The Maryland Higher Education Commission will reimburse public community colleges the out-of-county tuition differential for each eligible student enrolled through the Health Manpower Shortage Program.

For the purposes of State aid payments, enrollment in the Health Manpower Shortage Program is reported to MHEC using Form MHEC-CC-2D.

Certification

Certification of the MHEC-CC-2D report requires original and dated signatures of the preparer of the report and the president of the college.

Timing and Cutoff

During the Fall and Spring semesters, the college shall submit the MHEC-CC-2D report with, or shortly after, the MHEC-CC-2 report. The MHEC-CC-2D is due in the MHEC office according to the annual reporting schedule mailed to the colleges each June for the next fiscal year. Reimbursement for Summer students is requested at the same time that reimbursement for Fall students is requested. Reimbursement for Winter students is requested at the same time that reimbursement for Spring students is requested. All other students should be reported with the fall or spring term report whichever is most appropriate. The cutoff date for enrollment and the due date for submitting the MHEC-CC-2D report is the same as that for the MHEC-CC-2. All credit hours taken by a student enrolled in a Health Manpower Shortage Program are eligible for reimbursement.

Summer, Winter, and Other Sessions

Summer session students shall be submitted on a separate MHEC-CC-2D marked "Summer" simultaneously with the Fall MHEC-CC-2D. Winter session students shall be submitted on a separate MHEC-CC-2D marked "Winter" simultaneously with the Spring MHEC-CC-2D. Students for other sessions, or nontraditional time frames, should be reported with the Fall or Spring MHEC-CC-2D whichever is most appropriate.

Eligibility Criteria

Only students who meet the following criteria are eligible for out-of-county tuition reimbursement to the institution:

- a. The student must be enrolled in an approved Health Manpower Shortage Program;
- b. The student must be a Maryland resident residing in a Maryland county not specifically served by the enrolling community college.

Disbursement of Health Manpower Shortage Program Funds

Health Manpower Shortage Program funds are disbursed two times per year, following review of the fall term report, and the spring term report. Summer session students are included in the fall term report. Winter session students are included with the spring term report. All other students should be reported with the fall or spring term report whichever is most appropriate.

1. It is the responsibility of the community colleges to inform students about the availability in-county tuition and fees for Health Manpower Shortage instructional programs. Many community college catalogs give the complete list of such programs so that students may take advantage of the system.
2. Students who wish to enroll in a Health Manpower Shortage instructional program register at a college having the program, paying the in-county tuition and fee rates.
Only students who meet the following criteria are eligible for out-of-county tuition reimbursement to the institution:
 - a. The student must be enrolled in an approved Health Manpower Shortage Program; and
 - b. The student must be a Maryland resident residing in a Maryland county not specifically served by the enrolling community college.
3. During the Fall and Spring semesters, the college submits the MHEC-CC-2D form along with the MHEC-CC-2 form in order to request funds for the program. Reimbursement for Summer students is requested at the same time that reimbursement for Fall students is requested. Reimbursement for Winter students is requested at the same time that reimbursement for Spring students is requested. All other students should be reported with the fall or spring term report whichever is most appropriate. The cutoff date for enrollment and the due date for submitting the MHEC-CC-2D form is the same as that for the MHEC-CC-2. Unless otherwise specified, all credit hours taken by a student enrolled in a Health Manpower Shortage Program are eligible for reimbursement.

Instructions for Completion

Check the appropriate semester for which the MHEC-CC-2D report applies.

1. Student Name or Number: Indicate the student's name or identification number.
2. County of Residence: Indicate the student's county of residence.
3. Name of Program: Specify the approved Health Manpower Shortage Program in which the student is enrolled.
4. HEGIS and CIP codes: Identify the HEGIS and CIP code for each course in the following format: HEGIS - CIP.
5. Credit Hours: Enter the total number of credit hours in which the student is enrolled.
6. Tuition Differential per Credit Hour: Enter the per credit hour out-of-county tuition differential.
7. Multiply Column 4 by Column 5 and enter the result.

TOTAL: Add Column 4 and enter total; add Column 6 and enter total.

CERTIFICATION: The MHEC-CC-2D report must be originally signed and dated by the preparer and the president of the college.