



Central Maine
COMMUNITY COLLEGE

NECHE INTERIM REPORT

SUBMITTED JANUARY 9, 2023

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23

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INTRODUCTION

Introduction

The New England Commission of Higher Education (NECHE) required Central Maine Community College (CMCC) to submit a fifth-year interim report by January 15, 2023. In addition to all customary required information, the Commission also requested that the College address the two areas of special emphasis identified in its letter dated December 3, 2018. The two areas of special emphasis are 1) developing a strategic enrollment management plan, and 2) achieving goals with respect to the diversity of faculty and staff.

Betsy Libby, president; Margaret Brewer, the academic dean at the time and current faculty member in the business administration and management department; and Alyson Daniels, executive assistant to the president and liaison to the Central Maine Education Foundation, attended the NECHE Interim report workshop remotely on February 3, 2022. On March 11, 2022, Horizons Council, the College's principle strategic planning group, convened to discuss the timeline for completing the report and to determine council members to lead the writing of each standard. Other faculty and staff outside of Horizons Council were also invited to join the work groups. Copies of the Interim Report Workbook, standards from the 2018 NECHE self-evaluation and data forms were distributed.

The Horizons Council comprises the following individuals:

Betsy Libby, President

Maureen Aube, Dean of Finance and General Services

Alyson Daniels, Executive Assistant to the President and CM Foundation Liaison

Nicholas Hamel, Dean of Student Services

Andrew Morong, Associate Dean of Enrollment Management

Terry Charlton, Director of TRIO

Brianna Doyle, Director of Records and Institutional Research

Ros Arienti, Department Chairperson, Life Sciences and Allied Health

Matt Walsh, Department Chairperson, Automotive Technology

Tia Zukowski, Department Chairperson, Education

Kristen Tifft, Nursing Instructor

Wally Morris, IT Specialist III (resigned summer 2022)

John Wallace, Math Instructor (retired spring 2022)

Below is the Interim Report timeline that Horizons Council reviewed during the March 11, 2022 meeting. The work groups for each standard followed the timeline below.

Spring 2022	Work groups begin meeting/investigating/writing
Week of April 17	Horizons Council mtg progress check-in
Summer 2022	Instructional designer completes E-series forms with dept chairs
Week of Sept 4	Horizons Council mtg progress check-in
Sept 2022	After semester starts, CM IR completes general forms standards 1, 2, 3, 6, 7, 9
Week of Sept 19	Work groups submit sections, CM IR completes Affirmation of Compliance form
Week of Sept 26	Draft report formatted into one voice
Week of Oct 3	Draft report shared with campus stakeholder groups for feedback
Week of Oct 10	Campus feedback considered
Week of Oct 17	Draft report submitted to NECHE

Week of Oct 17	After Census date, CM IR completes general forms for standards 4, 5
Nov 2022	Revisions made based on NECHE draft feedback
Week of Dec 5	Revised draft shared with Horizons Council for feedback
Week of Dec 12	Horizons Council feedback incorporated into draft
Week of Dec 26	After semester ends, CM IR completes general forms for standard 8
Week of Jan 2	Final review
Jan 10, 2023	Final report is submitted to NECHE
Jan 15, 2023	Due Date

Standard 1 Mission and Purposes: Matt Walsh*, Department Chairperson, Automotive Technology

Standard 2 Planning and Evaluation: Brianna Doyle*, Director of Records and Institutional Research

Standard 3 Organization and Governance: Alyson Daniels*, Executive Assistant to the President and CM Foundation Liaison

Standard 4 The Academic Program: Tia Zukowski*, Department Chairperson, Education; Margaret Brewer, Business Administration & Management Instructor; Tobby Bragdon, Associate Dean of Academic Affairs; Will Burke, Humanities Instructor

Standard 5 Students: Andrew Morong*, Associate Dean of Enrollment Management; Grimes Williams, Associate Dean of Students; Rachel King, Instructional Designer and Assessment Coordinator; Jared Rubin, Residence Director

Standard 6 Teaching, Learning and Scholarship: Ros Arienti*, Life Sciences and Allied Health Department Chair; Anne St. Pierre, Human Services Department Chair; James Allard, Librarian; Meridith Bonney, Assistant Director of Registration and Records

Standard 7 Institutional Resources: Wally Morris*, IT Specialist III; Maureen Aube*, Dean of Finance and General Services; Suzanna Gallant, Director of Human Resources

Standard 8 Educational Effectiveness: Kristen Tifft*, Nursing Instructor; Terry Charlton*, Director of TRIO; Kerrie Tisdale, Instructional Designer; Eric Meader, Director of Learning and Advising Center

Standard 9 Integrity, Transparency & Public Disclosure: Nick Hamel*, Dean of Students; Rachel McKinley, Director of Marketing and Communications

*Horizons Council member

Work groups submitted drafts of each standard to President Libby, who put them in one voice in a single document. President Libby has been with the College since 2006 and served as academic dean from 2013-2020 and dean of student services from 2010-2013. For prior NECHE reports, the dean of planning and public affairs held the responsibility of drafting the reports, but when the dean retired in 2020, the position was not filled. NECHE responsibilities shifted to the dean of academic affairs, but a new dean started during summer 2022, making it a challenge for her to lead the writing of the interim report due to limited institutional knowledge. However, the dean was deeply involved in producing the final document once a draft was completed. The report, including the special emphasis response and the reflective essay on educational effectiveness, was provided to the Senior Leadership Team for review and comment.

Under the guidance of the academic dean, the instructional designer completed the Student Achievement and Success forms (Appendix E). The director of records and institutional research, dean of finance and general services, and director of marketing and communications completed the Interim Report forms. The complete NECHE Interim Report will be available on the CMCC website and internally on SharePoint. Any questions may be sent to the president's office via telephone (207) 755-5233 or email adaniels@cmcc.edu.

INSTITUTIONAL OVERVIEW

Institutional Overview

Central Maine Community College (CMCC), located in Auburn, ME, is one of seven colleges in Maine's Community College System (MCCS). The other MCCS campuses are located in Bangor, Calais, Fairfield, Presque Isle, South Portland and Wells. MCCS is governed by a board of trustees appointed by the Governor. Policies and decisions of the Board are implemented through the president of the System, who serves as the System's chief executive officer. The president of the College serves as the chief executive officer and official spokesperson for the College.

The College is located on a 135-acre campus overlooking Lake Auburn. The area CMCC serves extends beyond the cities of Lewiston and Auburn, which constitute Maine's second largest metropolitan area, to rural areas located 60 miles or more to the north and west. In addition to the main campus in Auburn (Androscoggin County), CMCC also serves Franklin, Lincoln and Oxford Counties. These counties are served with the delivery of on-ground courses at local high schools and other community institutions, and an in-person presence by student services representatives. However, the COVID-19 pandemic did limit an in-person presence, which has since begun to return to pre-pandemic levels. In partnership with Lincoln Health, the full nursing program is delivered in Damariscotta (Lincoln County), which is about 90 minutes from the main campus in Auburn.

CMCC traces its origin to 1963 when the 101st Maine Legislature submitted to public referendum the question of establishing a postsecondary vocational training program in Androscoggin County. The voters of Maine gave their consent for such an institution in November 1963, and in September 1964, Androscoggin State Vocational Institute opened in the facilities of a former automobile dealership in Lewiston. In 1965, the State Board of Education renamed the institution Central Maine Vocational Technical Institute (CMVTI), and in January 1966, CMVTI was moved to the present campus on Turner Street in Auburn. The Legislature changed the name Central Maine Vocational Technical Institute to Central Maine Technical College (CMTC) in 1989 to reflect more accurately CMTC's role and status as a comprehensive institution of higher education. On July 1, 2003, CMTC became Central Maine Community College (CMCC), offering transferable degrees in the arts and sciences as well as career and technical programs. Title 20-A, Part 5, Chapter 431 of the State of Maine Revised Statutes reflects the mission, goals, structure and governance of the MCCS.

In December 1976, the New England Association of Schools and Colleges (NEASC), now known as the New England Commission of Higher Education (NECHE), granted CMCC initial accredited status. In 1978, the Maine State Board of Education authorized the College to confer associate in applied science degrees beginning in January 1979. In September 1995, the Maine Technical College System authorized the College to grant associate in science degrees. In 1998, the associate in arts degree was authorized.

In February 2022, Governor Janet Mills announced the Free College program for high school graduates from the classes of 2020, 2021, 2022 and 2023, those students the pandemic most impacted, to attend a community college in Maine for free (more information in Standard 5). Fall 2022 marked the highest enrollment the College has ever seen, with approximately 3,375 students enrolled in CMCC courses, which includes students matriculated in a degree or certificate program and high school students participating in dual or concurrent enrollment. Every year approximately 500 students graduate with an associate degree or certificate.

The increasingly diverse student body is 57 percent female, 42 percent male and 1 percent other. The average age of students is 23, which is a change from when the 2018 NECHE self-study was written and the average age was 27. The College houses approximately 320 students in two residence halls and two apartment buildings on campus, and in an off-campus hotel. In addition to growing numbers of Hispanic

and African-American students, the College serves a large and growing number of students from the local Somali immigrant community.

CMCC offers 36 academic instructional programs leading to associate in arts, associate in science and associate in applied science degrees as well as certificates and advanced certificates. The College has 132 full-time employees, of whom 58 are faculty. In a typical semester, the College employs approximately 115 adjunct instructors.

CMCC is a comprehensive community college with a strong emphasis on technical programs. These programs are well-equipped and have excellent facilities. Since the 2018 NECHE self-study and visit, federal Perkins Grants have funded major upgrades in the criminal justice, plumbing, heating ventilation and air conditioning, computer technology and nursing labs.

In addition to students enrolled in for-credit courses, many area residents attend each year in conferences, courses and programs offered through the Workforce and Professional Development division of the College. Launched in 2021, the Harold Alfond Center for the Advancement of Maine's Workforce coordinates all workforce training programs for Maine's community colleges, working closely with business leaders and workforce specialists throughout the state. Prior to 2021, each MCCS campus coordinated its own workforce and specialized training in its region. The Center, which is virtual, specializes in training people in three distinct stages of employment: short-term pre-hire training, upskill training and continuing education in college courses. The Center has goals to use its \$60 million budget over four years (2021-2025) to serve 24,000 Mainers. The two major funding sources for the Center are \$35 million from the Maine Jobs and Recovery Plan and \$15.5 million from the Harold Alfond Foundation.

CMCC's dean of Workforce and Professional Development and his team of five full-time employees are deeply involved in the development and delivery of short-term workforce programs in the College's region of the state. Since the Center's beginning, CMCC has created 172 new training programs and submitted proposals for \$3,180,747 in funding to do so. Among the ways CMCC has utilized the Center are to build and equip a welding lab to begin offering a credential in October 2022, to help support K-12 schools with education technician and teacher trainings and to offer a National Center for Construction Education and Research training program.

The College's annual operating budget for fiscal year 2022-2023 was \$28,699,560, of which 35 percent came from state appropriations, 21 percent from student tuition and fees, 34 percent from federal sources (grants and financial aid) and 10 percent from other sources (residence halls, bookstore, and cafeteria). The Coronavirus Aid, Relief and Economic Security Act (CARES) resulted in a larger percentage of funds coming from federal sources than usual.

AREAS OF EMPHASIS

Areas of Emphasis

The letter from NECHE dated December 3, 2018, which followed the spring 2018 comprehensive visit and stated that the College's accreditation would be continued, also stated that the College should emphasize its success in the two following areas in this interim report:

- 1) developing and implementing a strategic, data-driven enrollment management plan tied to financial and staffing plans to ensure the quality of the academic program;
- 2) achieving its goals with respect to the diversity of faculty and staff.

Area 1: Strategic Enrollment Management Plan

The College contracted with Ruffalo Noel Levitz (RNL), a higher education consulting firm, in September 2018 to assist with the development of a Strategic Enrollment Plan. Prior to hiring RNL, the College issued a Request for Qualifications (RFQ) for consulting services for strategic enrollment planning. Three firms submitted qualifications, which the College's RFQ Scoring Committee reviewed; the committee selected RNL. With over 40 years' experience working with thousands of colleges and universities, RNL is considered a global leader in strategic enrollment planning.

Strategic enrollment planning is an information-based, ongoing process that identifies, evaluates and modifies strategies and enrollment goals to effectively address the institution's mission, goals, capabilities and how the institution serves students (present and future), all within the changing marketplace. Strategic enrollment planning aligns the organization with its environment to help ensure stability, survival and excellence. Through partnership with RNL, the mission of the College's Strategic Enrollment Planning (SEP) project was to have data-driven strategies, goals and objectives; a solid resource and fiscal plan to support the strategies; accountability to monitor progress; continuous evaluation and modification of the plan; and commitment to the notion that the planning process and results are more important than the plan itself. This project was accomplished in four phases: data analysis, strategy development, goal setting and implementation.

At the beginning of the SEP process, and at the request of RNL, the College formed a project oversight committee, five work groups and a data team. The oversight committee, or SEP Council, included senior leaders of the institution and the chair of each work group. The Council's first task was to identify areas of focus, determine the five work groups and their members, and identify key performance indicators (KPIs). The data team included members of the College's institutional research, planning, financial aid and student information functions.

The five work groups are student involvement, student persistence, marketing and recruitment, finance, financial aid and scholarships, and workforce development. Each group was made up of faculty and staff. The work groups assisted the Council in determining what performance indicators (PIs) would be used to measure the success of the five KPIs, which are:

1. **Enrollment:** Headcount, full-time enrollment (FTE), graduation rates, success rate.
2. **Market Position:** Distance education, athletics, out-of-state, direct from high school, incumbent workers.
3. **Quality:** Engagement, satisfaction, job placement, employer satisfaction.
4. **Student Financial Health:** Default rates, Title IV returns.
5. **Student Body Profile:** Diversity, race/ethnicity, job placement.

Between November 2018 and June 2019, the RNL consultant who worked with CMCC conducted seven two-day onsite visits. Each visit included meetings with workgroups, the data team and the SEP Council. These seven visits moved the project through the first three phases. In addition, RNL spent two days onsite in November 2019 to review the implementation of the project.

During the first five visits the project moved through the data analysis and strategy development phases. The work groups reviewed internal and external data, and a statistician from RNL provided regional, state and national data that focused on demographics and contained enrollment projections of traditional and non-traditional populations. Internal data, which the data team prepared, was reviewed and included data categorized in areas of enrollment, institutional visibility, selectivity, satisfaction, student engagement, quality, persistence, graduation outcomes, finances, student financial aid, modality and the College's Strategic Plan. Through data-driven idea generation activities, the five work groups generated more than 70 possible enrollment strategies to be considered in the final SEP.

The SEP relies on well-designed action plans that the five work groups have developed and now administer. The action plans identify strategies that emerged from the context established in the situation analyses and that have the greatest potential for optimizing the KPIs. Each action plan includes implementation timelines, budgets, enrollment projections, and evaluation and assessment metrics.

Of the more than 70 proposed strategies, 16 formed the final SEP. Most of the 16 action plans were already underway or scheduled for the 2019-2020 academic year. Unfortunately, the COVID-19 pandemic impacted the College's ability to operate in the usual format. Due to the pandemic, the College put a temporary pause on two plans: the "increase yield of out-of-state students" and the "expand technical program marketing" action plans. The pandemic limited the College's ability to provide a traditional residence hall experience as well as deliver some technical programs in their traditional format. As the College returns to normal operating procedures, both of these action plans are resurfacing as priorities.

The College fully implemented the following action plans:

- Reinvigorate the sports management pathway in the business program.
- Streamline the admissions process to accept students earlier.
- Add a track and field team.

The College abandoned one action plan as needs changed: the "acquire customer relationship management system (CRM)" plan. This plan for non-credit workforce development programming was no longer a priority due to MCCS selecting and moving toward a system-wide model.

The remaining nine action plans have begun and remain ongoing. To highlight, the "expand digital badging opportunities" action plan saw hundreds of Mainers complete a COVID-19 Readiness Training badge during the pandemic. Additionally, the "utilize digital social platforms to further engage students in campus life" action plan led to the launch of a campus mobile app through Ready Education. At first the app assisted the College with collecting health screening information for all campus visitors during the pandemic, and it has now achieved its original intention of being a resource and way to communicate with students and for students to communicate with each other. The mobile app has been downloaded thousands of times.

Strategic enrollment planning is cyclical in nature and therefore has continued at the College with a few changes. RNL no longer guides the SEP process. Instead, the associate dean of enrollment management,

a new position to the College in February 2021, is leading the efforts. The SEP Council meets monthly, and the chairs of work groups attend to present the status of their action plans. Work group membership has changed over time due to changes in employees. Additionally, SEP Council is included as a new committee in the proposed new Charter of Governance, and the SEP plans have been added to the College's Strategic Plan. SEP updates are provided to faculty and staff as presentations at the faculty/staff professional development days and during other meetings and in the Around Campus newsletter and president's campus updates emails.

Area 2: Diversity of Faculty and Staff

In the 2018 NECHE comprehensive visit follow-up letter, the visiting team noted that the College can be proud of its progress to diversify its faculty and staff, and that the diversity and affirmative action plans demonstrate a commitment to fair and equal employment and educational practices. CMCC is an equal opportunity employer (EOE), and it publicizes itself as such. The EOE statement is published in the Affirmative Action Plan, College marketing and informational materials, vacancy postings and on the College website.

The 2018 NECHE comprehensive visit follow-up letter reminded the College of the standards on *Teaching, Learning, and Scholarship* (standard 6.5) and *Integrity, Transparency, and Public Disclosure* (standard 9.5) as they relate to the institution's continued success in achieving its goals with respect to the diversity of faculty and staff.

The institution is in alignment with standard 6.5 on *Teaching, Learning and Scholarship*, and standard 7.1 under the subheading *Human Resources* by addressing its own goals for the achievement of diversity among its faculty and academic staff in the 2022-2025 strategic plan. As stated in the strategic plan, CMCC's goal is to increase the diversity of the faculty and staff, which is currently 3.2 percent, to more closely mirror the diversity of the student body, which is currently 15 percent. The College does not have an unrealistic goal of reaching 15 percent diversity of faculty and staff in a three-year time frame, but rather is focused on small incremental gains overtime.

In following standard 9.5 on *Integrity, Transparency, and Public Disclosure*, the institution adheres to non-discriminatory policies and practices in recruitment, admissions, employment, evaluation, disciplinary action, and advancement. For example, at the convening of each search committee for a new hire, members are provided the Search Committee Briefing, which addresses CMCC's goals for diversity among faculty and academic staff. Search committee members respond by email or by initialing a hard copy version that they understand and will adhere to these guidelines. The Search Committee Briefing includes the following statements:

"Before we begin our work to assist the College in filling this position, I want to take a minute to remind us of our policy against discrimination as well as any possible conflicts and our interest in promoting diversity on our campus."

"Our policy is that we comply with all federal and state laws and regulations which prohibit discrimination on the basis of race, color, religion, sex, sexual orientation, national origin or citizen status, age, handicap, marital or veteran's status in admission to, access to, treatment in or employment in its programs or activities."

"Finally, while we do not have a policy regarding quotas nor do we want to encourage hiring an unqualified person just for the sake of increasing diversity at our college, we do want to make

sure that we look for any opportunities to include people in our interviews that may bring different experiences to our College and help us grow as an institution.”

Standard 9.5 goes on to say that the College “fosters an inclusive atmosphere within the institutional community that respects and supports people of diverse characteristics and backgrounds”. A strategy used by CMCC to do this is to create displays to observe, acknowledge and education about underrepresented groups. Black History month in January, Women’s History month in March and Pride month in June are examples of when this is done.

Another example of how the College fosters and inclusive environment is that a pride flag is on display in a prominent area of campus and many faculty and staff have pride flags in their offices or a pride flag sticker, provided by the College, on their office door. In addition, the College provides flexibility to faculty and staff so that they may observe religious or other cultural events that are important to them. For example, an employee who is Seventh Day Adventist, is not required to attend open houses or other College programming on Saturday because that is their day of worship. In another example, an employee has worked out a schedule so they can attend mosque on Friday afternoons.

Due to labor market changes and workforce shortages in recent years, some caused by the COVID-19 pandemic, it has been a challenge to link the College’s diversity and affirmative action goals with labor market availability. Another related challenge for CMCC has been the frequent changes in the director of human resources at the College. CMCC has had three directors of human resources since the last NECHE visit, and the role has been vacant since June 2022. A longtime dean of human resources resigned during summer 2020 for a promotion at another college within the system, the dean who replaced her resigned after six months, and then the position was hired at the director level and that person resigned after 15 months for a promotion with another organization. The vacancy has been posted three times since June 2022 without a successful candidate being identified. Currently, the College is utilizing the assistant director of labor relations for the MCCS to assist in the interim.

The College has been working with external organizations that represent people of diverse backgrounds to share employment opportunities at CMCC. These organizations include the Office of the NAACP; tribal government offices for the Penobscot Nation, Aroostook Band of Micmacs, Houlton Band of Maliseet Indians and the Passamaquoddy tribes; and Equality Maine and Community Staffing in Lewiston, ME. The goal of this work is that CMCC employment opportunities will reach candidates that would not usually be exposed to the information and increase the diversity of the applicant pool, but we have yet to see the impact.

The diversity of the College faculty and staff has grown in the past five years with the hiring of four employees from underrepresented populations. Even with those increases, the racial and ethnic makeup of the College’s staff and faculty continues to be less diverse than that of our student body, and attracting a more diverse applicant pool remains a goal and a challenge for CMCC. The results are not for lack of effort and are in alignment with the economic overview of the region as reported by JobsEQ. According to the JobEQ data, 93 percent of the population in CMCC’s four county service area per American Community Service data for 2016-2020 is white.

STANDARDS NARRATIVE

Standard 1: Mission & Purposes

The Mission Statement of CMCC complements the MCCC Mission Statement, accurately captures the essential nature of the College and clearly communicates our mission and purpose. The MCCC Board of Trustees approved the Mission Statement on June 5, 2000. Over the years, both the mission statement has been updated slightly to make the language more clear, precise and contemporary.

Maine Community College System Mission Statement

The mission of the Maine Community College System is to provide associate degree, diploma and certificate programs directed at the educational, occupational and technical needs of the State's citizens and the workforce needs of the State's employers. The primary goals of the System are to create an educated, skilled and adaptable labor force that is responsive to the changing needs of the economy of the State and to promote local, regional and statewide economic development.

Central Maine Community College Mission Statement

Central Maine Community College provides quality, accessible education and lifelong learning opportunities to a diverse population of students by offering: career and technical education; educational transfer; and services to support local and global workforce development.

To achieve the mission, Central Maine Community College offers:

- *Education that prepares students for employment and continued learning.*
- *Lifelong learning opportunities to improve workplace skills, enhance job and career prospects and enrich lives.*
- *Support for economic development, community vitality and cultural diversity.*
- *High-quality services while maintaining broad accessibility to our students and community through online, in-person and hybrid learning environments.*

In 2016, the Horizons Council decided to add a Values Statement and a Vision Statement to the Strategic Plan. Horizons Council determined that the College should adopt a brief, aspirational (and inspirational) statement about the College's true reason for being, and for what the College hopes to accomplish for many years to come. Horizons Council also concluded that it would be beneficial to have a statement that explicitly spells out the College's values.

In 2020, when beginning to develop the 2022-2025 Strategic Plan, Horizons Council agreed that the vision and values statements should remain, but that an emphasis on diversity and inclusion should be added and that some of the language needed to be more contemporary. The council made updates and shared the statements with the campus community and other stakeholders such as CM Foundation Board, program advisory committees, and community partners including high school guidance officers, for feedback. Horizons Council finalized the statements to the following:

Vision Statement

Central Maine Community College strives to achieve excellence in providing our diverse student population with an enriched and inclusive learning environment. With a focus on developing resources to prepare students for future learning, employment, and personal success, CMCC will continue to establish and strengthen our partnerships with valued community members to enhance the quality of the curriculum we teach, the faculty and staff we employ, and the opportunities we offer to our students.

Values Statement

Quality: The College is committed to the highest standards of excellence to ensure that there is alignment to support student success.

Integrity: The College upholds the foundational principles of equity, respect and personal integrity as well as honesty and responsibility in scholarship.

Professionalism: College faculty and staff shall model exemplary professional behavior, exercise judgments that are fair, consistent and equitable, and maintain a focus on the best interest of students and the communities we serve.

Adaptability: College faculty and staff prepare students for a rapidly changing economic landscape by building and providing the academic, career and technical skills needed to ensure success in future study or employment.

Accessibility: The College is committed to keeping costs low and to ensuring that all programs and services are readily available to all learners. The College works to ensure an equitable opportunity for all to attend and succeed in order to build a promising future and a vibrant workforce and economy.

Student Centered – Student Success: The College values diversity, inclusiveness, and a learning environment that promotes success and recognizes the unique backgrounds, perspectives, and talents of our students.

Campus Stewardship: The College is committed to the sustainability and maintenance of a safe, clean and modern campus that maximizes the learning experience of our students. The College will continue to commit to provide up-to-date technology to enhance instruction and support the future of the workplace.

Collaborative Approach: College faculty and staff are committed to working together to facilitate student success and to strengthen and improve our college community through mutual support.

During its strategic planning deliberations in 2012, 2016 and 2020, Horizons Council determined that the current Mission Statement and objectives continue to reflect the true mission of the College and the MCCS. In addition to the website, the Mission Statement is in the Student Handbook, Faculty Handbook, and Academic Catalog, as well as posted inside campus buildings. The College has recognized that more needs to be done to provide visibility to the mission, vision and values statements. This work is currently underway and will be achieved by consistent reference to the statements by the various College constituent groups (Leadership Council, Senior Leadership Team, Horizons Council, Advisory Committees, Department Chairs, etc.) and by more widely posting the statements inside buildings and through digital outlets, as well as incorporating them into the new employee and student onboarding processes.

Standard 2: Planning and Evaluation

Planning

As explained in the introduction, at the time of the 2018 NECHE self-study the College had a dean of planning and public affairs, but he retired in 2020. Instead of replacing the position at the dean level, the College divided the position's responsibilities among the president, president's executive assistant, associate dean of enrollment management, director of records and institutional research, and director of marketing and communications. It was during this time that the associate dean of enrollment management position was created, the registrar and director of institutional research positions were combined into one, and two institutional research associate positions were added to support planning and evaluation. Evaluation efforts are organized and coordinated by the director of records and institutional research who also serves as the College's registrar and oversees a team of four employees.

A review of the [2017-2021 Strategic Plan](#) conducted in fall 2021 found that 45 of the 49 listed goals had been completed or were well underway and ongoing. The College did not pursue the remaining four goals due to changing priorities or the pandemic.

When developing the [2022-2025 Strategic Plan](#), Horizons Council decided to develop a three-year plan instead of the traditional five-year plan due to the rapid rate at which change is occurring in higher education, and which the COVID-19 pandemic exacerbated. The directions for the 2022-2025 Strategic Plan are enrollment, academic and workforce training programs, facilities and infrastructure, community, financial stewardship, and effectiveness and efficiency. The goals for the strategic plan were developed through brainstorming sessions with Horizons Council, the senior leadership team and the greater campus community who had the opportunity to provide written recommendations or voice them at an in-person session held on July 13, 2022.

As part of the planning process, Horizons Council conducted a [strengths, weaknesses, opportunities and threats \(SWOT\) analysis](#) in September 2020 and updated it two years later and conducted a deep data dive into some areas of the plan. A focus of the newest strategic plan was to have clear measurable goals by providing specific numeric data about the starting point and end point of a goal in order to know if the goal had been reached. Previous strategic plans had been less specific. For example, a goal of the last plan was to "Improve success rates in gateway math courses (MAT 100) by 75 percent by fall 2022", but a definition of success was not determined when setting the goal and starting point data was not provided to be able to know if the 75 percent goal had been achieved. It was determined later that some people defined success as a C or higher because that is the grade needed to advance to the next math course, while other people defined success as passing the course since if students did not have another math course to advance to they could graduate by passing with a D.

Evaluation

CMCC utilizes program advisory boards for its academic programs (Standard 8). Academic programs are reviewed following the MCCS schedule for program review and using the MCCS program review template (Standards 4 and 8). Each program is reviewed once every five years unless the MCCS Board of Trustees finds concerns, and then those concerns are revisited in two years after the College has had time to address them, collect data and report out findings. Since the 2018 NECHE self-study, the Board of Trustees has not found concern with any of CMCC's program reviews, and therefore no additional reporting has been needed.

To prepare for the academic program reviews and the evaluation of other CMCC programs and services, such as new student on-boarding, dining services and winter session, for example, the College utilizes an “assessment conference” process (Standard 8) in an effort to formalize the evaluation of institutional research data. Institutional research is ongoing, and the College regularly collects data via the following surveys and methods: Ruffalo Noel Levitz Student Satisfaction Inventory (RNL SSI), Community College Survey of Student Engagement (CCSSE), end-of-course evaluations, IPEDS, graduate surveys, enrollment trends and demographic data, program review data, institutional fact book data, lab and classroom usage, student loan cohort, Voluntary Framework of Accountability (VFA), National Community College Benchmarking Project (NCCBP) and the National Student Clearinghouse Postsecondary Data Partnership (NSC PDP).

CMCC now administers the Community College Survey of Student Engagement (CCSSE) and Ruffalo Noel Levitz Student Satisfaction Inventory (RNL SSI) surveys on a rotating yearly basis. The CCSSE is conducted alongside the other six MCCC colleges, while the RNL SSI is based strictly on the College’s desire to collect additional data. In addition to these two surveys, CMCC occasionally issues surveys to students, faculty and staff to aid in planning and evaluation. Additional details about evaluation are provided in the reflective essay.

Standard 3: Organization and Governance

CMCC has in place systems of organization and governance that facilitate the successful accomplishment of its mission and goals. The organization and governance systems fall into two major divisions: external and internal. The external division includes the State of Maine, the MCCS and accrediting agencies. The internal division includes program advisory committees, Faculty Senate, Student Senate, Faculty Management and a variety of ad hoc and special project organizations.

Organization

The MCCS Board of Trustees is the policymaking authority for the System. Under Maine statute, the Board consists of twelve appointed voting members, one ex-officio voting member and one ex-officio non-voting member. Appointed members present industry in business, education, law and health care. The ex-officio members are from the Maine Department of Education and Maine Department of Labor. Members of the Board of Trustees are appointed by the Governor to four-year terms, with the exception of the student member, who is appointed to a two-year term. From among the appointed members, the Board of Trustees elects a chair and vice chair to serve annual terms of office, and the chair of the Board appoints all committee members.

Typically, the regular meetings of the Board of Trustees are held at the college campuses on a rotating basis; however, most of the meetings the past two years have been held via Zoom due to the COVID-19 pandemic. In June 2022, in-person meetings resumed. All meetings are publicized in multiple media formats prior to the scheduled date. At the beginning of each Board of Trustees meeting, employees and/or citizens have an opportunity to address the Board. Additionally, the Board sets aside time for citizen input prior to the business agenda at each meeting, and Board members sometimes appear before legislative committees.

[MCCS Policy 104](#) defines the mission of MCCS and identifies the primary powers and duties included under its governing authorities to accomplish MCCS's mission and responsibilities. [MCCS Policy 105](#) provides information about the Board of Trustees that guides the Board in its actions, including membership, duties, appointments, meeting attendance and conflicts of interest. [MCCS Policy 106](#) explains the responsibilities and duties of the system president, and [MCCS Policy 108](#) explains the same for college presidents.

During summer 2020, Dr. Scott Knapp retired as president of CMCC after 23 years in the position. Dr. Betsy Libby was appointed interim president for one year. Before the interim appointment, Dr. Libby had served as acting president during the former president's sabbatical leave, and prior to this as vice president and dean of academic affairs, dean of students, associate dean of students, and director of admissions. A search for the next permanent president was conducted during summer 2021, and as a result of the search, Dr. Libby was appointed president in September 2021.

The Board of Trustees and the college presidents must approve all MCCS policies and new or discontinued academic programs. Policy originating with the Board of Trustees is forwarded to the MCCS President's Council for review, as appropriate. If system-wide policy originates at the college level, the College president submits it to the president of the System for review and approval. The president of the System reviews, and if approved, submits it to the President's Council for review and approval. A recent example of this process is the adoption of required COVID-19 vaccinations for students. In August 2021, MCCS initiated a policy, with input from college presidents, to require the primary series of

COVID-19 vaccinations for students unless medically exempt. A few months later, the booster was added to the requirement as boosters became available for students. In June 2022, the Board of Trustees voted on a different policy to require the primary vaccination series for students and to encourage the booster. In each instance, CMCC implemented the Board policies and set up procedures internally to ensure they were followed. Colleges may adopt campus-specific policies that are not in conflict with the Board of Trustees policies or MCCS operational guidelines.

CMCC has a clear mechanism supporting the institution's management function in the form of confidential staff members who report directly to the College president. Positions that fall into this category include dean of academic affairs, dean of finance and general services, dean of student services, dean of information technology, dean of workforce development and the executive assistant to the president and liaison to the CM education foundation.

Governance

Also supporting the management function is the [Charter of Governance](#) and the councils and committees defined within it. The College president appoints each committee. In the case of full-time faculty members, those appointments are made upon the recommendation of the president of Faculty Senate. Representation is also included from the confidential officers, administration, classified staff and student body. The College committees are Academic Programs; Academic Standards; Facilities and Safety; Instructional Resources and Technology; and Student Affairs. As an example of the impact of committees, Academic Programs committee (APC) approved 1 new program proposal, 1 program discontinuance and 19 changes to individual courses- such as changes to the description, prerequisite(s) or title- during the fall 2022 semester. The committee denied 3 proposals regarding changes to courses during the fall 2022 semester, in which case the proposal does not move further through the governance process, and Faculty Senate has tabled 2 proposals after receiving them from APC. Proposals are denied or tabled when there is not enough data presented to support the change or when a committee or Senate vote indicates it is not the best decision for students, the program or the College.

At the start of the fall 2022 semester, an [updated Charter of Governance](#) was proposed and is currently being reviewed by governance committees. The new charter is meant to address some of the concerns expressed in the 2018 NECHE self-study, concerns which have since grown, about how long proposals can take to move through the governance process. To improve efficiency, the new charter provides a concrete timeline in which committees respond to proposals before they move to the next committee for review.

The new charter also proposes the elimination of two committees, the Instructional Resources and Technology committee and the Student Affairs committee, because the work these committees were established to do is now overseen by departments that did not exist when the current charter was written in 2005. The new charter proposes a Diversity, Equity and Inclusion committee that will review proposals and academic program changes with a lens for DEI, and it also adds the Strategic Enrollment Planning (SEP) Council, which heavily focuses on data-driven enrollment management strategies.

Standard 4: The Academic Program

CMCC offers 36 instructional programs with associate in applied science, associate in science, associate in arts, certificate or advanced certificate credentials. Associate in arts degrees and associate in science degrees are designed to transfer to the baccalaureate level of accredited colleges and universities. The College has two advanced certificates in criminal justice and precision machining technology which are designed to be taken after completion of a related associate degree.

Since the 2018 NECHE comprehensive evaluation, CMCC has added new degree programs in the following areas: Esports Management (2019), Plumbing & Heating Technology (2019), Heating, Ventilation, Air Conditioning and Refrigeration (2019), Facilities Maintenance and Management (2019), Exercise Science (2021), Conservation Law (2021) and Social Sciences (2021). A proposal for an associate in arts degree in psychology is currently going through the governance process.

At the time of the 2018 NECHE comprehensive evaluation, CMCC was in the process of significantly increasing its online offerings and had received approval through a substantive change request to begin offering programs 100 percent online. At that time, the College offered five programs 100 percent online. Today, it offers 10 programs 100 percent online, and in cases where a program is not online, students can take most of their electives, and in many instances, some program core courses, online if they desire.

Verification of student identity procedures are in place to establish that the student who registers in a distance education or correspondence education course or program is the same student who participates in and completes the program and receives the academic credit. CMCC issues a unique username and password to students. Students may change that password during the initial login process. The Jenzabar platform allows students to access the system for registration, eLearning, to check grades and for other uses. Once a student logs out (or is “timed” out) they must reenter the system using their username and password.

To assist in the prevention of academic dishonesty and to verify student identity, the following faculty recommendations have been implemented: password protect a student’s class login; password protect exams and email the password to the student 15 minutes before the exam opens; permit student access to exams on a specified date and time and employ testing time limits when possible; employ proctored exams and request student picture ID; endeavor to use a variety of assessment strategies including discussions, tests, projects and papers’ modify test questions and assignments each semester.

Each academic program has published learning goals and requirements that are available in the Academic Catalog, which is available online. Programs leading to certificates or degrees are coherently designed following [MCCS Policy 302](#) Criteria for Academic Credentials to help ensure appropriate breadth, depth and progression. The policy aligns directly with NECHE standard 4.15 by requiring graduates to demonstrate competence in written and oral communication in English, scientific and quantitative reasoning, critical analysis and logical thinking, and the capability for continuing learning, including information literacy.

As explained in [MCCS Policy 301](#), new program proposals are reviewed and approved using the College’s governance process and then also need approval by the MCCS Presidents Council and the Board of Trustees. This is the same process for program discontinuance proposals and instances where the program’s core is being changed by more than 50 percent. Curriculum changes that result in less than a

50 percent change to the program core are reviewed and approved using only the College's governance process.

As explained in Standard 2, academic programs are reviewed on a five-year cycle following the schedule set by the MCCS Education Committee of the Board of Trustees. The Academic Program Review Report was enhanced in 2020 to require more data and assessment information. In addition, the report includes cohort data for the past five years on students who have graduated, transferred, are still matriculated in the same program, matriculated in a different program or who are not attending the current term. Graduate employment data provided by the Maine State Department of Labor is reviewed as well as the strengths, challenges and steps for continuous improvement for each program. Every academic program has a curriculum map to show a visual depiction of the program. The map is coded to indicate the courses where program outcomes are introduced (I), reinforced (R) or emphasized (E). The map is also coded to indicate the course(s) in the program where program outcomes are assessed on an ongoing, consistent, and formal basis across all sections of the course (additional explanation in the reflective essay).

In November 2020, [MCCS Policy 314: Learning Management System](#) was put in place. All faculty are required to use the LMS as directed by the College, as well as in the manner required by the [Teaching and Learning Course Standards](#) embedded in Policy 314. The College is committed to providing all students with high-quality, relevant, and accessible education and to maintaining instructional continuity. The common course shell elements ensure that all students have access to the same minimum content and to the functionality that the learning management system provides. Consistency across courses and modalities empowers students as engaged learners and promotes student success.

The Office of Academic Affairs reviews syllabi to ensure they meet the definition of a credit hour and that the course description, learning outcomes and other relevant information is accurate. A goal completed since the 2018 NECHE self-study is that an online repository of syllabi has been created in CMConnect for easy access for students, faculty and staff to current or previous syllabi.

Starting in fall 2020, CMCC's general education faculty collaborated to develop advising pathways in the Liberal Studies program. The pathways demonstrate how existing CMCC courses can be packaged to prepare a student to transfer to a four-year institution in the areas of economic and public policy, English, political science, history or philosophy. Pathways are publicized in the catalog and online, but additional recruitment marketing needs to be done to garner the full enrollment potential.

The CMCC Transfer Credit Policy & Procedure is outlined on the website and on page 23 of the academic catalog. The College adheres tightly to its Transfer Credit Policy when awarding credit for courses taken at other institutions. The requirement of a grade of C or better in order for the credit to be awarded is consistent for all students entering the College who have taken courses elsewhere. When the length of time since the course was taken is the reason for not receiving credit, students have the opportunity to meet with the department chair to discuss their particular situation and if other options exist for them to demonstrate their knowledge. The College strives to post the transfer credit(s) received on the student account within five working days of receipt of the official transcript.

Standard 5: Students

Full-time equivalent (FTE) enrollment increased 21.2 percent for the 2022 fall semester compared to the year prior. Enrollment was at an all-time high in the fall 2022, with 3,375 students. A decrease in enrollment occurred during the first two years of the COVID-19 pandemic, but not to the levels experienced across the state and nationally. The College's previous all-time enrollment high was in fall 2019 with a headcount of 3,218, and then there was a 3.2 percent drop for fall 2020, and an additional 3.6 percent drop the following fall.

Starting with the fall 2019 semester, multiple measures now assess student readiness for introductory credit-bearing courses. The MCCS chief academic affairs officer led a committee of admissions and academic affairs staff and faculty from each campus that met monthly to review MCCS and national data to create multiple measures procedures. CMCC was the first community college in Maine to implement the procedures. Multiple measures uses a holistic approach to course placement and college readiness. Measures used include transcript evaluation, specific high school course evaluation, teacher or guidance counselor recommendations and self-placement. Standardized assessments such as the SAT, ACT and Accuplacer are not required for assessing readiness, but serve as tools in the placement process. The initial data after two years of applying multiple measures showed that the process predicted the course success (C or higher) rate 11 percent better in ENG 101 College Writing and 8 percent better in MAT 100 Intermediate Algebra than with standardized assessments.

To increase the recruiting funnel, the College has expanded concurrent enrollment opportunities from 64 offerings in Fall 2019 to 121 offerings in Fall 2022. The 2018 NECHE report stated that the College would like to increase the conversion rate of Early College students to matriculated students to 25 percent by fall 2020. The College fell just shy of that goal with 21 percent of Early College students matriculated at CMCC after high school. In addition to a new position dedicated to Early College that started in the fall of 2022, the increase in in-state concurrent enrollment opportunities, specifically in the College's service area, should help the College reach its 25 percent conversion mark.

In fall 2020, a "Transfer Blitz" initiative was created to increase the number of articulation agreements with four-year institutions. Articulation agreements increased from 48 in spring 2020 to over 90 today. Transfer Blitz is an ongoing project, and the College plans to expand partnerships with four-year institutions to create more articulation agreements.

The College opened a nationally recognized esports arena in Kirk Hall in spring 2019. Esports at CMCC is an intercollegiate program with seven teams that compete nationally. The arena is home to 30 gaming PCs and 15 gaming consoles, and in addition to being open to esports athletes, at other times it is open to all students. A new degree program, esports management, also hosts some of its classes in the arena. The arena serves as a hub for the college to host community events, summer experiences for middle school students and student activities. To further support the growth and normalization of esports on our campus and in our community, the College hired a full-time esports coordinator, who began in October 2022.

In fall 2019, the College opened the athletic turf complex. The new facility is home to turf fields for baseball, softball, men's soccer and women's soccer. The fields are also utilized for other activities beyond intercollegiate athletics, such as community events, residence hall activities and student activities.

After evaluating the student club model through strategic enrollment planning, the College adopted a new student activities model that began in fall 2021. Prior to then, the College was missing the mark on student activities as a tool for retention. The student activities budget had been mostly allocated and divided among the student clubs. Student clubs were inconsistently managed and had low student turnout. Some clubs used their money well, while most did not use all of their money, and no club had enough money to put on large-scale events. Opportunities for students to attend club events were also inconsistently promoted.

The new model was generated by a suggestion made after a joint meeting with faculty and staff. In the new model, the student activities budget funds multiple events each week ranging in scope and interest. The events are planned by a director of student activities, Student Senate, residence hall staff and student input. The director of student activities position resulted from shifting the job responsibilities of an existing employee.

To improve student communications and engagement, CMCC worked with Ready Education in 2020 to develop and launch the Mustang Mobile App. Mustang Mobile is a dedicated phone app that allows students to access campus information such as activities, events and campus contact information; to keep track of assignments due in individual classes; and to communicate with faculty and peers in a social media format. It also gives the College another platform to communicate and connect with students. The College uses the app to track attendance for events, giving planners critical information about what kinds of activities engage students.

The app was also a central tool for the campus COVID-19 protocols through a daily health assessment during the 2020-2021 and 2021-2022 academic years. Students and employees completed the health assessment tool on the days they wanted to come to campus, and based on the information they provided, they either got a “cleared to come to campus” message or a “not cleared to come to campus” message. If they got the “not cleared” message, a member of the College’s COVID-19 response team would reach out with further guidance.

In 2019, CMCC partnered with St. Mary’s Hospital’s division of Community Clinical Services to provide dedicated on-campus professional counseling for CMCC students. Prior to that, an off-campus referral-only structure addressed student mental health concerns, but that presented transportation barriers and long wait periods before a student could be seen. In this new model, students work with student services staff initially to see the on-campus counselor and then maintain the scheduling with the counselor. The counselor has a private office in the student services suite. Students access mental health care in a convenient and accessible process, and the counselor is readily available in a crisis situation. In addition to seeing students, the counselor has also conducted faculty and staff trainings about student mental health.

To respond to student food insecurity, the College partnered with Good Shepard Food Bank and Hannaford Supermarkets to create a food pantry on campus. Established in October 2020, the food pantry is open to all members of the CM community at posted times during the week or by appointment. There is no limit to the number of times an individual can visit the food pantry. The food pantry access information is posted weekly in the Mustang Message, the Mustang Mobile App, and on digital signage throughout campus. On average the pantry assists 15 individuals per semester, but the College is hopeful those numbers will rise since the pantry opened during a time when two-thirds of the student body was remote.

The College uses Candid Career software to supplement career services support for students. Candid Career's video library platform covers topics under the main headings of Career Exploration, Get Hired and a Blog, with over 8,000 related videos. Candid Career is featured on the College website, shared in the placement and transfer presentation to first-year seminar classes, and highlighted in the College's weekly all-campus email, the *Mustang Message*. Beginning this fall, the director of Placement and Transfer Services is partnering with TRIO for two Candid Career workshops. Additionally, the career tool benefits students in individual career counseling meetings by offering information on informational interviews for a range of occupations, resume writing, interviewing and other employment-related areas.

The TRIO Student Support Services program has existed at the College since 1997 and provides 175 students who are low income, first-generation or have disabilities with advising, tutoring, mentoring, transfer assistance, scholarships, financial literacy education, financial aid assistance and access to cultural events. In fall 2020, the College gained a second grant specifically for an additional 120 eligible STEM (Science, Technology, Engineering and Mathematics) majors for an annual total of 295 participants in the programs. The U.S. Department of Education funds the first TRIO grant in the amount of \$335,111 per year and the STEM TRIO grant in the amount of \$261,888 per year, for an annual total of \$596,999.

Standard 6: Teaching, Learning and Scholarship

Full-time and adjunct faculty roles, as well as academic administrator and staff roles, are defined by the collective bargaining agreements (CBAs) for each group. All faculty are integrated into their respective departments by invitation and participation in departmental meetings, campus events, and three college-wide faculty meeting days per year. Many academic departments organize events outside of those to encourage departmental faculty engagement and inclusion.

The composition of the faculty reflects the institution's mission and programs, and is reviewed annually during the College's budget season. Each academic program is reviewed to determine the need for additional faculty, as well as if current enrollment and financial conditions can support the retention of all existing faculty. A department chair coordinates full-time and adjunct faculty, and the academic dean supervises all faculty.

The institution has an adequate number of faculty and academic staff in advising and student academic support positions. Faculty are responsible for instruction, student advisement, academic planning, understanding effective teaching/learning processes and assessment. Full-time faculty are encouraged annually to participate in policymaking, course and curricular development, and institutional governance.

The table below indicates the number of full time and adjunct faculty each fall semester over the past five years.

CMCC Faculty	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022
Full-time	52	53	52	53	57
Adjunct	154	154	132	122	112

Since fall 2019, full-time faculty are eligible to receive up to \$2,500 per year for professional development activities such as courses, workshops, conferences and seminars related to instruction per the collective bargaining agreement. In cases where professional development exceeds \$2,500, faculty may request to access unused funds to cover the additional cost on a first-come/first-served basis. At the end of the fiscal year, any excess funds are reviewed and all or some of the funds may be released to the faculty upon the president's approval. In the years since this language was added to the CBA, the president has approved unused funds to cover the additional costs of professional development, and every faculty member who has made a request for additional costs has had at least a portion of them covered.

Prior to fall 2019, the amount of professional development funding available to faculty was \$1,400 per year, and faculty were not eligible to request unused funds. The change in amount and the ability to request more funding has provided opportunities for faculty such as attending large-scale national conferences, partaking in more than one professional development activity annually, and shortening time toward degree completion because more courses can be funded annually.

In instances when training is mandated by the program in which faculty teach--such as the requirement that Ford ASSET instructors attend an annual training in Michigan, or training to operate a new piece of

equipment or software, or ACEN workshops as the nursing faculty prepare for accreditation--the faculty are not required to use their professional development funds. Instead, faculty put these kinds of professional development activities into their annual operating budget. The Senior Leadership Team then decides on the necessity of the training and if it should be funded as part of the College's operating budget.

In fall 2019, CMCC applied for and received an Innovation Grant from MCCS to fund the Teaching in Excellence Program for the academic year. The seven faculty (three full-time and four adjunct) who applied for the program were selected to focus on a research interest of their choice that they believed would have an impact on student retention. The program provided the opportunity to pay for professional development activities, and in turn the faculty met once per month for a facilitated meeting meant to further their knowledge of the institution and/or to enhance their teaching. The research topics faculty chose included the use of supplemental instruction in the nursing program, differentiated instruction in remedial English, microaggressions in the classroom, and the use of *Clifton Strengths for Students* in the classroom. The planned program was slightly uprooted in spring 2020 due to the pandemic, but faculty still presented their research remotely during the opening session of the fall 2020 semester.

In fall 2021, CMCC applied for and received another Innovation Grant to build the Center for Faculty Development and Exchange, which opened in February 2022. The Center, which houses the College's instructional designer, supports faculty in the areas of teaching and professional development at every level, including course development, teaching methodologies, and best practices that promote inclusive and equitable learning experiences. In addition to planned workshops, the Center offers space for faculty to meet for collaboration and discussion. The Center also has individual workstations and a room for recording class and other lectures.

The department chairs evaluate full-time faculty using a college-level "Faculty Evaluation" form, which complies with the faculty CBA. Forty-eight items grouped into the categories of job knowledge, curriculum development, instructional techniques, professional responsibilities, relationships, and communication are rated as satisfactory, needs improvement, or not applicable. Full-time faculty are evaluated at least once a year. New full-time faculty on probationary status (three years or less of employment) are evaluated twice each year. The academic dean evaluates department chairs in writing once a year. The Faculty Management committee, comprised of four Faculty Association representatives, the president, and three administrators chosen by the president, are in discussions now about creating a more effective faculty evaluation process. The faculty are working on an option to present to the administration.

Students can evaluate each course they take through an end-of-course evaluation system. A component of that appraisal is an evaluation of the instructor. While the bargaining agreement specifically prohibits including student evaluations in the permanent record of a faculty member, the knowledge gained from analysis of the student evaluations may be used in the faculty member's evaluation. All evaluations are accomplished with the knowledge and consent of the faculty member. With the exception of the nursing program, end-of-course evaluations are currently completed online. However, a lower response rate has resulted than with in-class paper evaluation forms. To improve the response rate, the dean of academic affairs implemented a return to paper forms for on-ground classes during the fall 2022 semester.

The balancing of the faculty workload and alignment with the College's mission for full-time faculty is managed routinely, consistently and professionally. In very rare circumstances and on a case-by-case basis, a course release is granted if institutional conditions require a full-time faculty member

to allocate time to a special project. Per the CBA, if a faculty member has an advising load of more than 40 students, they can request a course reduction, although most request a stipend.

Adjunct faculty are required to meet the same minimum credentials as full-time faculty. Course assignments for adjunct faculty are based on the preference pool criteria as their CBA stipulates.

All matriculated students are assigned an advisor. In all programs except General Studies, the primary advisor is a faculty member. The primary advisor for General Studies students is a member of the Learning and Advising Center staff. Students can access the name and email address of their advisor in CMConnect. Advising is provided to all students by multiple methods including email, phone or on campus or remote meetings.

In addition to being the primary advisor for General Studies students, the Learning and Advising Center staff serve as added advising support to all students. Students identified with certain challenges and risks, such as being a first-generation college student, are eligible for TRIO support services and have an additional advisor. During spring 2022, the Learning and Advising Center developed an online survey for students within the student information system so students can provide immediate feedback regarding student advising services. The qualitative data will assist with identifying possible trends and evaluating overall advising effectiveness.

The College deploys an assortment of advising services appropriate to its educational objectives and the needs and goals of its students. Variations in services are offered for students taking courses at the main campus, at off-campus locations and/or online. Offering customized advising strategies has positively impacted fall-to-fall 2016-2022 retention rates which average 52 percent and fall-to-spring 2017-2021 persistence rates which average 67 percent, and between the years 2015-2019, an average of 25 percent of students graduated within 3 years.

Methods of instruction are appropriate to the students' capabilities and learning needs; each syllabus includes accommodation information and the disabilities coordinator's contact information. The disabilities coordinator offers suggestions to faculty on effective ways to address accommodations.

Standard 7: Institutional Resources

Human Resources

The faculty and staff of CMCC are an experienced and diverse community of professionals. The College has managed expected employee turnover in recent years. The 2018 NECHE self-study referenced the high number of employees who were or would soon be eligible for retirement. Anecdotal evidence suggests that some who were eligible for retirement chose to retire earlier than planned due to the COVID-19 pandemic. Of the full-time faculty and staff, 19 percent have been employed at the College for over 15 years, which is a change from 30 percent at the time of the 2018 NECHE self-study. In fact, 44 percent of full-time faculty and staff started at the College in 2018 or later.

The College recruits and hires employees according to the Personnel and Employee Relations Policies of the Maine Community College System (MCCS), as well as those processes in the six collective bargaining agreements and the College's hiring guidelines. The notice of position vacancy states all criteria for consideration, evaluation and appointment. In accordance with these hiring policies and guidelines, the College assembles and trains a search committee, which observes strict confidentiality rules and all state and federal legal requirements.

Human resources policies are readily available on the MCCS intranet which all employees have access to. Some policies/practices are in collective bargaining agreements also available on the MCCS intranet. Collective bargaining agreements layout the process and timeline for grievances.

The College endeavors to reach the most qualified pool of candidates by posting vacancies through local and national outlets. During the initial request for interview, the terms of employment and compensation are made clear by the director of human resources or their designee. The terms of employment, reporting designation and compensation are further refined and offered in the appointment letter signed by the president and given to the candidate. The candidate returns one copy of the letter to acknowledge the terms. Salary scales are available in the collective bargaining agreements and are negotiated through the collective bargaining process. Raises are also negotiated through the collective bargaining process.

Starting in 2020, posted job vacancy announcements include the salary amount. This was a change the new president made, and it has benefitted the search process because more viable applications are received, and candidates whose salary requirements exceed the posted amount do not apply. The posting of salary has led to a more efficient process and a better use of search committee member's time.

The institution ensures sufficient opportunities for professional development for administrators, faculty and staff. There are three college-wide professional development days annually. They are held in August on the Thursday before the semester starts and in January on the Wednesday and Thursday before the semester starts. Other opportunities for professional development are coordinated throughout the year by the MCCS. For example, MCCS organizes a three-day June conference for System employees with tracks like student success and leadership, and nationally-known keynote speakers. Furthermore, college employees can submit requests for external professional development to their supervisor and the College has a robust tuition reimbursement program.

Financial Resources

Annually, the MCCC Office supplies the College with wage, benefit and state appropriation forecasts, and the College determines the enrollment, staffing levels and use of the operating budget. The process starts in February with a Senior Leadership Team-level review of the strategic and capital plans, enrollment projections and the status of academic programs. From this information, the dean of finance issues direction for the cost center managers to use in their operating budget development. Once the cost-center information is received and compiled by fund, the cost center managers meet with the Senior Leadership Team in March or April to explain their requests, including capital requests, in detail. The College's budget process is inclusive, but the College needs to provide better communication to budget managers about requests that have been approved and the rationale for why requests were not approved. The dean of finance and general services is working on the most efficient way to close that loop.

The MCCC Board of Trustees is responsible for reviewing and approving the system's annual operating budget. After the CMCC budget is complete it is submitted to the chief financial officer of the MCCC and consolidated with the other colleges in the MCCC and presented to the finance and facilities committee of the MCCC Board of Trustees. The finance and facilities committee recommends approval to the whole Board of Trustees at their annual June meeting for the coming fiscal year starting July 1. CMCC has never submitted a budget that was not recommended for approval. In addition to the annual operating budget, the finance and facilities committee of the Board of Trustees approves quarterly financial reports and year-end projections.

The College is financially stable, and resources are sufficient to support our mission and purpose. CMCC has kept total operating expenses under budget every year since 2008. As a result, the College has been able to transfer funds to the renewal and replacement fund balance and CMCC's standing reserve. This provides the College the ability to respond to financial emergencies and unforeseen circumstances. Yearly, at a minimum, the Senior Leadership Team reviews multi-year projections which safeguard that institutional resources are dedicated to educational quality. The College prepares all financial statements using generally accepted accounting principles, and a certified public accountant annually audits/reviews these statements.

The institution engages in multi-year financial planning to ensure the advancement of educational quality and services for students. As an example, there is a five-year capital budget in place that is updated and reassessed each spring during the budgeting process. Budget managers, including faculty department chairs, provide input and recommendations on capital needs. For FY2023 \$1,002,380 is allocated to the capital budget, \$1,379,463 in FY2024, \$2,853,500 in FY2025 and to date \$28,000 in FY2026. More will be added to FY2026 during the next budget cycle as its five-year projection. Capital items are funded through the College's operating budget, the Carl D. Perkins Career and Technical Education Act, and the standing reserve.

Approximately 95 percent of the institution's resources are devoted to support education, research and service programs. The College has utilized \$4,500,000 of Higher Education Emergency Relief Funds (HEERF) received from April 2020 to June 2022 to advance technology and distance learning capabilities while providing significant educational opportunities along continuing our established reinvestment plans.

The dean of finance and general services provides direct oversight to the associate dean of student financial services in the design, implementation and management of all federal, state and institutional aid programs. The enrollment management planning committee, chaired by the associate dean of enrollment management, provides additional review of the College's scholarship programs and regularly explores best practices for maximizing enrollment yield. The associate dean of student financial services annually assesses ways to target the institution's scholarship programs most effectively. Monthly scholarship expenditure reports are provided to senior leadership to assist with reviewing how scholarship funds are utilized.

The total amount of financial aid, specifically grant and scholarship funding, administered by the student financial services department has increased significantly over the past five enrollment cycles, from approximately \$7.8 million in FY19 to an estimated \$9.5 million in FY23. The average grant/scholarship per student recipient has increased from \$3,843 in FY19 to \$5,040 in FY23, with tuition and fees remaining constant. Additionally, the amount of student loan borrowing has decreased significantly during the same five-year period, from \$5.5 million in FY19 to an estimated \$3.5 million in FY23.

Most of the College's fundraising is coordinated through the CM Education Foundation. The mission of the Foundation is to promote and encourage public interest in and support, financially and otherwise, of CMCC and its students. In recent years, the Foundation has had a transition in leadership when the executive director retired in 2020 and the Board of Directors elected new officers in June 2021. With new leadership came the desire for an internal review of the documents guiding operational procedures. The by-laws were updated to remove unnecessary advisory responsibilities of board members which over the years have been assigned to full-time College employees or are managed by the MCCS System and a board governance policy was created to set accountability parameters for board members related to participation and annual fundraising goals. The gift acceptance policy was redefined to clarify the restriction categories to which gifts can be accepted and templates were made for scholarship agreements between the Foundation and the donor to identify details related to the award criteria such as the manner in which the funding will be spent (frequency and dollar amount) and a minimum of two points of contact to aid in managing funding.

Through the revision process, the Foundation has reconnected with donors who initiated the named scholarship funds to refresh their original scholarship fund agreements to align with updated documentation ensuring that funds are being utilized to the donor's intent and are relevant to CMCC's current academic programs and needs. Results of the outreach to donors over an 18-month period has increased the dollars available for distribution by \$60,000. As the outreach continues, the Foundation expects the available dollars to grow for the named scholarship funds, allowing the unrestricted funds to be continuously invested into growing its long-term assets.

Information, Physical, and Technological Resources

The physical resources of the institution have increased significantly during the past five years. In 2018, the Learning and Advising Center was created to offer a more usable and welcoming space, and the criminal justice lab was created in the former Learning and Advising Center space. In 2019, a synthetic turf baseball, softball and soccer field was put in, the esports arena was built, a plumbing and HVAC lab was built where the former criminal justice lab was, which involved adding a second story to the area, the nursing simulation lab was renovated and expanded, and a generator was installed. In 2020, a water main was relocated and electric vehicle chargers were installed. In 2021, the Center for Faculty

Development and Exchange was built, and a sprinkler system was installed through the entire Jalbert Hall (175,000 sq. ft).

Projects currently underway are a 4,200 square-foot stand-alone public service simulation center; an expansion to the culinary arts deck, which will allow for more outdoor usable space; a training structure for the building construction technology and plumbing and heating technology programs to use in collaboration for student learning; and a welding lab within the existing precision machining technology lab. The College has long desired an emergency egress road to supplement the one entrance and exit to campus; the egress road was completed in December 2022. Lastly, an evaluation of campus roofs was done in 2021. It was determined that some roofs needed replacing and most roofs needed some form of restoration work, which is well underway.

In June 2021, MCCC launched a system-wide strategic initiative to modernize and enhance the student information system (SIS). MCCC hired Deer Brook Consulting, a technology consulting practice led by Ande Smith, who served as chief information officer for the state of Maine in 2018-2019, and as chief technology officer for the state of Connecticut in 2019-2020. Smith also served on the Maine State Board of Education and has strong ties to the state.

After a thorough and comprehensive six-month RFP process involving all campuses, MCCC signed an agreement with Anthology for a new SIS in July 2022. In fall 2022, MCCC announced the launch of a two-year implementation phase for Anthology products and associated third-party software that will create a suite of IT products that supports the mission by increasing efficiency, saving time and money for employees, and providing students with much more powerful tools to research, plan and launch their education and careers. The paced rollout of SIS products began in October 2022, starting with modules for workforce training, HR and finance.

Parallel to the SIS modernization effort in 2021, MCCC intentionally launched an IT Optimization initiative intended to support and complement the SIS modernization initiative while providing robust and informed planning for the future of IT at MCCC. This effort continues to be supported by Ande Smith of Deer Brook Consulting, who was hired as acting chief information officer for MCCC. His dual role with SIS and IT optimization reinforces the tandem nature of these two major initiatives. After a year-long process that included extensive meetings with MCCC leadership, IT leadership and IT staff, MCCC senior leadership adopted a plan to reorganize IT staff into a system-based team. Transitioning IT staff from college roles to the systemwide team began in October 2022, with an official changeover date of November 14, 2022. No layoffs took place, and IT personnel did not move to new locations.

Standard 9: Integrity, Transparency and Public Disclosure

Integrity

CMCC promotes the values of behaving ethically, responsibly and with integrity among the members of the College community. CMCC systematically supports these values through a series of policies that are available to the administration, faculty, staff and students. The policies are found on the Maine Community College System (MCCS) intranet site, CMCC Outlook public folders, SharePoint and the College website.

All CMCC policies reflect a commitment to the values of honesty, integrity and high ethical standards. There has been a concerted effort to disseminate policies and procedures through a variety of outlets. The president gives updates and reinforces the importance of these policies during the semester opening sessions for all staff and faculty. Additionally, as a way to improve awareness and compliance with MCCS and College policies, the director of human resources asks employees to sign a document stating they have read the policies.

With a student body that is significantly more diverse than the surrounding communities or the state as a whole, CMCC fosters an inclusive atmosphere that respects and supports people of diverse characteristics and backgrounds. The College continues to encourage activities on campus that engage students and promote open discourse with respect to issues of diversity. Examples illustrate how CMCC promotes these expectations: the College displays a flag from every nation of origin of CMCC students and employees in the Hall of Flags in Jalbert Hall; the Lisa Gorman Center for Language Learning opened in fall 2022; and both on-campus educational displays and College social media posts observe and recognize events such as Black History month, Women's History month, Pride month, Juneteenth and Indigenous People's Day.

Transparency

The publicly available [College website](#) provides information for potential and current students. The website was updated in 2018, and planning for the next update is underway. The changes made in 2018 were to have the website be less text-heavy and to add more images to illustrate CMCC's vibrant campus life and its learning and workforce development opportunities.

In August 2022, the website implemented Guided Pathways pages to help students explore programs. The website also has improved accessibility features to ensure all visitors are able to equitably access website content. Continuous improvements are being made with regard to accessibility and will be a primary consideration during the upcoming website redesign.

The Academic Catalog, the Student Handbook, and links to frequently used pages are all available on the College's homepage; most information is available within a couple of clicks. Current students have access to additional information on CMConnect, the College's web-based, self-service portal. The website includes a consumer information link on the homepage that provides users with a direct link to all required NECHE standard information. The College director of marketing and communications serves as the webmaster and is charged with ensuring that web and print content are timely, accurate and include required consumer information. CMCC works continually to ensure electronic access to important information, including admission, employment, grading, assessment and student development.

CMCC endeavors to exemplify high ethical standards regarding transparency. The website lists student outcome data including retention, graduation and transfer-out rates. Articulation agreements are posted along with a list of transfer schools. A graduate survey including job placements is also available.

The minutes from governance committee meetings and Faculty Management meetings are posted for all faculty and staff to review in SharePoint. The newly proposed Charter of Governance recommends a timeline for which meeting minutes are posted. Program Advisory Committee meetings are also posted for all faculty and staff to review.

Public Disclosure

The Academic Catalog describes the institution's history and explains the many ways CMCC operates and serves its students. The catalog describes in several places the obligations and responsibilities of both students and the institution, including academic integrity, support services, financial aid requirements, the process for filing grievances, etc. These descriptions consistently reflect the CMCC Mission Statement.

CMCC publishes its requirements, procedures, and policies related to admission and transfer of credit on the website and in the catalog. The catalog also lists an inventory of all programs and courses, and the names of all college personnel and the positions they hold. Academic policies and procedures for student appeals and complaints, and other policies related to attending or withdrawing from the institution, are included in the catalog. The catalog is reviewed annually and issued in the spring for the following academic year. If errors are found, the online version of the catalog is updated, and the date of the most recent update is noted in the table of contents. Substantial changes do not occur once the catalog has been issued.

The complaints and appeals process has been better defined in recent years by including links to the corresponding procedures on the website on the Policies and Procedures page and in the Student Handbook. The Disability Services page on the website also describes the disabilities grievance procedure. Both pages can be found on the website's main menu, or via the search function.

The Safety and Security Report published annually as part of the Clery Act responsibilities has been significantly enhanced and improved. This publication now includes detailed information on safety policies, procedures, contacts and historical data. It is easily assessable on the website and incorporates the most recent changes in Title IX regulations.

CMCC publishes statements of its goals for students' education on each program page in the catalog. Each program is listed on the website, with a link to each program page in the catalog. The curriculum pages contain student educational outcomes and information regarding career opportunities relative to each program. Information on student success including retention, graduation and transfer-out rates is included in the Student Right to Know section of the College website.

CMCC publishes information regarding the total cost of education and net price on the College website (see Tuition and Fees) and in the catalog. The website and the catalog identify financial aid resources and explain the process for obtaining aid. The length of study for each program is listed on the

College website and in the catalog. The College website includes a link to a net price calculator, a tool to assist students in helping to estimate the expected amount of student debt upon graduation. The website also publishes information regarding the Federal Direct and Federal Plus loans, along with repayment terms and rates, to help students and prospective students make informed decisions.

REFLECTIVE ESSAY ON EDUCATIONAL EFFECTIVENESS

Reflective Essay on Educational Effectiveness

What Students Gain as a Result of their Education

Description

CMCC provides clear public statements about what students are expected to gain, achieve, demonstrate or know by the time they complete their academic program. Each academic program has program learning outcomes (PLOs), and each course has student learning outcomes (SLOs) that are clearly defined, measured and assessed. PLOs are published in the Academic Catalog, which is available online, and on program marketing materials. SLOs are published in course syllabi.

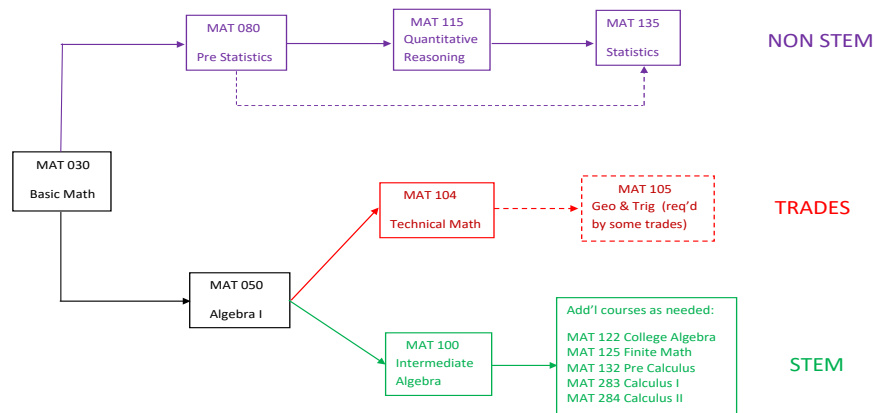
Assessment has the support of the institution's academic and institutional leadership and the systematic involvement of faculty and appropriate staff. Before spring 2021, the word "assessment" did not appear in any employee's title. A shift occurred with the promotion of the instructional designer position to also become the coordinator of assessment. The instructional designer and assessment coordinator works with faculty to gather and document assessment data and to keep faculty on task in following assessment plans.

Quantitative and qualitative methods employing direct and indirect measures provide an understanding of what students have gained as a result of their education. Most quantitative data come from sources such as IPEDS and research statistics, while qualitative data come primarily from assessment conferences, Program Advisory Committee meetings, and student comments on course evaluations and surveys. Commonly used direct measures are assignments in class, course grades, pass rates, and results from student proficiency assessments, while indirect measures come mostly from student perception data obtained from surveys. Peer comparison data are utilized when available, such as IPEDS retention and graduation rates and national student surveys.

The Community College Survey of Student Engagement (CCSSE) and the Noel Levitz Student Satisfaction Inventory (NL) are national surveys that allow the College to benchmark its students' success against other two-year colleges, similar-sized institutions and other Maine community colleges. Since 2009, CMCC has administered each of these surveys five times: CCSSE in 2009, 2011, 2013, 2016 and 2022; and Noel Levitz in 2010, 2012, 2014, 2017 and 2020. Moving forward, the CCSSE survey will be given every two years on the same schedule as the other MCCS campuses, and the Noel Levitz survey will be given in the off years.

As a result of the College's Achieving the Dream work from 2017-2021, math pathways were implemented using the model developed by the Charles A. Dana Center of the University of Texas at Austin. Starting in fall 2018, CMCC math faculty met with colleagues from around the MCCS and the University of Maine System to learn about the Dana Center model in order to develop math pathways for students relative to their academic program. Prior to this work, academic programs at CMCC relied heavily on Intermediate Algebra (MAT 100) and College Algebra (MAT 122) for students to meet the college math requirement. Below is an illustration of the math pathways that the College's math pathways team established.

Central Maine Community College Math Pathways



CMCC, along with the other six MCCC campuses, is moving toward a Guided Pathways model. Guided Pathways is a conceptual framework based on a culmination of research in the field of higher education that utilizes a student-centered approach to college policies, programs and services to increase the student credential completion rate. The framework emphasizes whole college reform and is considered a national best practice by the Community College Research Center (CCRC). Four pillars of the framework guide college practice: mapping pathways to student-end goals, helping students choose and enter a program, keeping students on their path and ensuring students are learning.

The MCCC has adopted the framework and is using it as a lens to guide the development of pathways and the selection of programs that fall under each pathway. Currently, CMCC's focus is on restructuring program maps to include regional employment data and specific workforce and career opportunities. Throughout the 2022-2023 academic year, CMCC will continue collaborating with the other six colleges in the System to further refine the pathways and redesign each program's individualized curriculum map(s). Following the action plan, CMCC will evaluate and assess the current student support systems in place for areas of improvement in the subsequent academic years.

CMCC has increased the resources dedicated to data extraction and analysis. In the past year, two IR associate positions were created to support the director of records and institutional research. The director serves on the MCCC state-wide data team and was selected by MCCC to serve on the search committee to hire the director of IR at the System level. The IR department created a data request form to streamline data inquiries and to support individuals requesting data by assisting them in understanding the data that is available. During the data request process, the requestor answers a question about how the data will be used, which allows the IR department to share insight about other data they may also want to consider.

As explained in Standard 7, the College is beginning the two-year process of replacing the Jenzabar student information system with Anthology. A reason for the change in student information systems and for a single installation model at the System level is so that a student's relationship with the MCCC can be tracked throughout their educational journey and more can be understood about student learning patterns from taking courses in high school, to program matriculation and even to non-credit workforce training programs. The new IR positions, partnered with an upgraded student information system, bring CMCC into a new era of data collection and analysis.

The College has no defined goals for co-curricular learning; accordingly, no assessment of such is conducted. However, students gain experience as involved community members through regular activities offered at the College or in the community in conjunction with the College. These offerings go beyond curriculum and engage students in community service projects, outreach, and artistic and intellectual pursuits. While the COVID-19 pandemic affected number and modes of interaction, the College created opportunities when possible. Such projects include marking and cleaning trails around Lake Auburn, volunteering at a prescription drug disposal day, participating in Habitat for Humanity, taking an online seminar discussing the war in Ukraine, and collecting and delivering donations to various organizations.

Findings and Analysis

After commencement, a survey is sent to graduates so that they may provide information about their experiences, satisfaction with their education and plans for the future. The survey asks graduates to assess their level of satisfaction with the extent to which their CMCC experience improved their development in several key areas. The graduate survey helps the College understand what students are planning for the future as well as how they feel the College prepared them.

The results of the graduation survey issued during summer 2022 indicated that 86 percent of respondents felt that their experience at CMCC improved their development in the areas of writing effectively; critically analyzing written information; working effectively with modern technology; using the knowledge, ideas or perspectives gained from their major field; and using the broad range of knowledge, ideas or perspectives gained from outside their major field. Seventy-five percent of respondents indicated they are employed, with 54 percent reporting that they are working in a position related to their CMCC degree. Forty percent indicated they are continuing their education.

The College sends a follow-up survey six months after students have graduated. It asks alumni about employment, salary/wages, preparation for employment or further education. Unfortunately, the information gathered to date is not particularly actionable or reliable due to a low response rate. The data seem more anecdotal rather than definitive. The response rate for the last two years of follow-up surveys is 9%. Prior to the COVID-19 pandemic, the response rates averaged at 16%. The responses from the recent follow-up surveys give insight to a small population of graduates, but they do not provide a clear overview of all graduates from those graduation cycles.

Program Advisory Committees are in place for all programs except general studies, liberal studies and life sciences. Program Advisory Committees are industry experts from the region who offer guidance and recommendations for program improvements. Committees meet twice a year at minimum: once in November for a College-wide program advisory board breakfast, and once in the spring as arranged by department chairs. The last meeting for all committees was held on November 2, 2022.

One-third of the program advisory committees are surveyed every year so that each committee is surveyed once every three years to gather basic information on performance of the program from the committee members' perspectives. The Program Advisory Committees are surveyed in cycle with upcoming program reviews as set by the MCCS office. The most recent iteration of the survey was sent on October 6, 2022 to the Medical Assistant and Graphic Communications Program Advisory Committees.

Recent changes implemented in academic programs as a result of Program Advisory Board recommendations include:

- Human Services added a diversity course specific to human services professionals starting in fall 2022.
- Public services began an associate in applied science degree in conservation law in fall 2021.
- Courses in cybersecurity-digital forensics were renamed to be more contemporary and to better reflect the content taught.
- A software applications course was added to the accounting program in 2022 so students can become certified in Quickbooks.
- The automotive program added a plug-in hybrid vehicle to its inventory to better align the degree with current industry trends.

All degree and certificate programs have PLOs that are listed in the catalog and on the website. Students complete their programs of study only when they have fulfilled all course requirements, met the learning outcomes of their program, and completed the institution's general education requirements. A degree audit performed by the registrar's office ensures that all students have fulfilled their program and general education requirements before receiving a degree or certificate.

In addition to the degree audit, assessment plans are in place for each academic program to determine that students have learned what the College says they will and have met PLO's. As an example, the Early Childhood Education program requires students to maintain a portfolio for the duration of the program adding to the portfolio every semester showing knowledge and skills gained. Department faculty assessed the impact of the student portfolio and made changes to curriculum to improve student learning. The field hours in the capstone course went from 180 to 90 and an ECE-specific elective course was added to the curriculum. Another change that was made to improve student learning is that the contact between students, CMCC instructors and mentor teachers (teachers employed by the site where field hours are done) has been increased to discuss the student's interactions with children, professional skills, goal setting and areas of improvement to ensure students are implementing lesson plans demonstrating knowledge of age appropriate material.

All courses have clear SLOs listed in the syllabi. Instructors create assessments and assign grades according to the extent to which students meet the learning outcomes. Some courses, such as courses in biology, apply the same assessments in all sections of the course regardless of instructor. In the math department, the last page of the final exam from all sections of a course is the same and used to assess learning outcomes across sections.

CMCC is committed to meeting the needs of all learners. As stated in [MCCS Policy 302](#), all programs of study require courses in general education in the disciplines of humanities, social sciences, mathematics and sciences. The objective of the general education curriculum at CMCC is to give students opportunities to develop competencies in critical thinking, oral and written communication, social responsibility, lifelong learning, information literacy and creative arts.

The most significant change brought about by the math pathways work was the development of Technical Mathematics (MAT 104), which was first offered as a special topics course in spring 2018 and approved through the governance process to be added to the course inventory starting in fall 2019. MAT

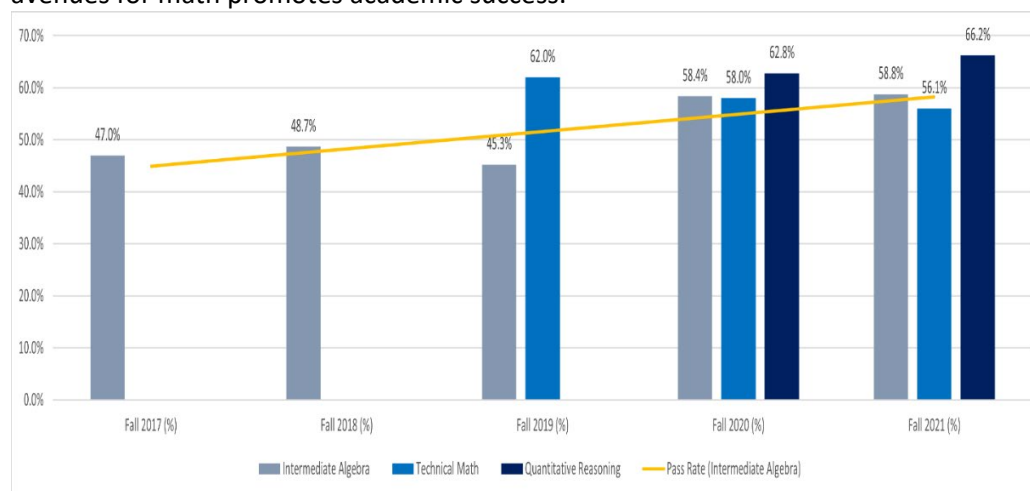
MAT 104 focuses on mathematics topics relevant to a variety of trades and technical disciplines. Topics include proportions, percentages, measurement, algebra, geometry and trigonometry. Since MAT 104 has been offered to students in technical programs, student success has been impacted in the following ways:

- The Automotive Technology department chair reports that students are more invested to understanding the material since applications taught in the course relate to material also being taught in the automotive program.
- The Building Construction Technology department chair reports students are better able to make the connection regarding the importance of math when they can clearly and directly apply it to their shop work and the construction concepts they are learning.
- Math faculty report that trade students are passionate about the field they chose so having a math class with concepts that prepare them for their trade has increased their success rate.

Quantitative Reasoning (MAT 115) was also created as a result of the math pathways work. This course provides a foundation in critical thinking, problem solving, and mathematical and statistical skills aligned with citizenship, workforce and real-world applications. The goal of the course is to engage students in meaningful mathematical experiences that will increase students' quantitative and logical reasoning abilities and strengthen the mathematical abilities that they will encounter in other disciplines. A focus of the course is to develop and support communication and collaboration skills. This course is designed as a gateway course for students entering non-STEM degree programs.

MAT 115 has been in high demand since its implementation and there is a request for more sections, which will be accommodated. MAT 115 was recommended for students looking to get into the nursing program and has shown to better prepare them for the nurse entrance test (TEAS). Culinary Arts, Graphic Communications, Computer Technology, Cybersecurity-Digital Forensics and Education have added MAT 115 as an option to meet the math required for the degree.

With the introduction of MAT 104 in 2019 and MAT 115 in 2020, an 11.8 percent increase in the pass rate of Intermediate Algebra (MAT 100) has been found, which is attributed to students now being enrolled in a different, more appropriate, math course. Students enrolling in MAT 104 and MAT 115 had previously been required to take MAT 100. As illustrated on the chart below, the pass rates for MAT 104 and MAT 115 succeeded the pass rate for MAT 100 in years prior - indicating that giving student multiple avenues for math promotes academic success.



Until 2019, the College offered a LER 100 First-Year Seminar course that was required for general studies students, but that students from any program could take. Since then, some programs have added required first-year seminar courses specific to their department or program of study. The programs that offer their own specific first-year seminar course are early childhood education, education, human services, medical assisting and medical coding. The public services department utilized the same first-year seminar course, SSC 100, for all programs in the department (conservation law, criminal justice, forensic science, justice studies and social sciences). The physical fitness specialist program utilized the same course, PHF 110, for that major. Faculty thought program-specific first-year seminar courses would improve student success for several reasons, specifically to build a cohort in the program--especially in programs like physical fitness specialist (PHF) where students may not take a PHF course in their first semester--; develop interview and other job preparation skills relative to the program; and host guest lecturers who represent the field in the region.

First-year Seminar (LER 100) course data indicates that the pass rate dropped in 2018. With the introduction of program-specific LER courses the following academic year, the pass rate slightly recovered. With the complete switch to program-specific LER courses in 2020, the pass rate has begun to recover overall, but it is hard to confidently indicate the cause with the impact of the COVID-19 pandemic still lingering. Looking at retention rates, graduation rates and individual program pass rates did not show any significant trends as the level of data fluctuation was too high from program to program. Further analysis will be required in the coming years to better measure the overall success of program-specific LER.

Appraisal and Projection

Department chairs have done a good job in recent years of making PLOs more succinct, measurable and less redundant. There was a window of time where PLOs were not regularly revisited, but yet the list of them was added to. The curriculum mapping process caused faculty to review and consider PLOs, the course(s) where they would be measured, and how they would be measured. PLOs that were not measurable or no longer relevant were removed through the governance process.

The College needs to develop a more systematic and objective measurement of post-graduate data from both former students and current employers indicating current employment, salary, satisfaction in educational preparedness, level of perceived preparedness and their persistence in education. In addition to improving the survey tool, consideration needs to be given to how to increase the response rates of such surveys.

Until 2020, the graduate survey had been given to students when they attended graduation rehearsal. The College has asked students to take the survey before they could pick up their cap and gown. This was flawed timing because students would rush through the survey so they could be in the front of the line to get their cap and gown. Better information would be gathered from students if they were not in such a hurry. Additionally, it is premature to ask students how the College prepared them for employment before employment begins for some of them. Starting in 2020, the College notifies students of the initial graduate survey when they fill out the graduation confirmation, and again after the May graduation. A follow-up survey is sent approximately six months after the May graduation. The response rate averages to be about 20 percent.

Program Advisory Committees for General Studies, Liberal Studies and Life Sciences will be added. These programs have not had committees in the past because associate in science and associate and arts programs with an intent on transfer had not. It would be valuable to have committees of industry experts and four-year transfer partners to work with on program planning and development.

Assessment of Student Learning- what and how students are learning

Description

The College measures the effectiveness of what and how students are learning at the college, program and course levels. Related data is available in a variety of specific reports including credentials earned, program and student learning outcomes met, licenses granted and transferability. Specifically, at the college level, effectiveness is measured by the number of students who have earned credentials, graduation rates, and successful completion of the general education core curriculum.

The MCCS program review schedule has CMCC formally reviewing each program approximately every five years. During this process, the College thoroughly reviews the content and methods of instruction for each academic program. The program review process allows programs to reflect on the academic and professional standards in their respective fields. Ongoing review, although less formal, occurs in the interim. The program review template was updated in the spring of 2020 by the academic deans at the seven MCCS campuses to become a more data-driven, robust tool for program evaluation and outcomes assessment.

Within the program review template is a five-year assessment plan for student learning outcomes (SLOs) that relies on data to determine if students have achieved learning goals. Department chairs, with the assistance of other program faculty, determine target goals for measuring program learning outcomes. Results are reported on the five-year assessment plan within the program review template, with the goal being to use the data to analyze courses and programs for improvements.

The College uses student performance on national licensure tests and certifications to establish effectiveness of specific programs such as nursing and physical fitness specialist. Internships, externships, practicums and field experiences are culminating courses in programs with assessments that align directly to program learning outcomes (PLOs). Capstone courses, offered in accounting, architectural and civil engineering, business administration and management, cybersecurity-digital forensics, early childhood education and social sciences, offer another way to assess if PLOs were met because many PLOs are mapped to these courses on curriculum maps.

For each degree and certificate program, the catalog provides a program of study description. The description includes the knowledge, skills and overall preparation students will gain once they have acquired the credentials. Also included are the PLOs, which provide information about what a degree, certificate or advanced certificate will prepare students to do. The PLOs are measurable and can be found on each program's curriculum maps, which visually show course assessments aligned directly to the PLOs. Data of graduates earning degrees, certificates and advanced certificates correlate to the number of students who have met PLOs.

At the course level, syllabi publish written SLOs. The College had experienced a challenge because individual faculty were changing the SLOs on their own course syllabus, so, for example, the SLOs on the various syllabi for College Writing (ENG 101) were not uniform. To address this challenge, the College

informed faculty that SLOs are approved through the college governance process and are the same across all sections of a course regardless of instructor. The College provided education to faculty, many of whom are adjuncts, that SLOs are used to determine the sequence of courses and that when students progress to a later course, they are expected to have met common SLOs in earlier courses regardless of instructor or course section. Instructors are required to upload syllabi in the learning management system (LMS) each semester, and an academic affairs staff member checks them. Uploading the syllabi in the LMS also creates a repository of syllabi in CMConnect. The syllabus allows students to become familiar with the SLOs and the topical outline of instruction, which includes lessons and assessments aligned to the SLOs.

The College uses the results of assessment and quantitative measures of student success to improve curriculum, learning opportunities and results for students. As explained in Standard 2, the CMCC Assessment Conference is a process used to assess activities and program reviews. The College convenes an Assessment Conference to analyze the findings of every program review. The result of an Assessment Conference is a concise written report that describes and summarizes the essential findings, proposes specific short- and long-term actions, and makes projections on how the recommendations will affect institutional effectiveness, the strategic plan and the budget. Faculty members are advised to vet any major budgetary, equipment or space requests through the Assessment Conference (and their Program Advisory Committee) before they make any formal requests in the budget process. CMCC also holds assessment conferences to evaluate College programs and services. During the past five years, 29 assessment conferences have taken place.

The College uses an Assessment Conference Report Form to identify and classify recommendations and/or action steps as follows: 1. Action steps that can be implemented in the short term without great expense or reorganization; 2. Steps that require more funding than is available in the current fiscal year but should be funded/pursued in the next fiscal year; 3. Steps that are of such significance and expense that they should be included in the strategic planning/budgeting process; 4. Items for which more information, data or study is required; 5. Deficiencies or areas of concern found to be not worth addressing at this time. When appropriate, the report references any potential impact to the strategic plan and makes recommendations to guide the annual budget allocations and/or capital needs.

The director of records and institutional research ensures that the assessment conferences are convened and the reports completed and distributed in a timely manner. While the major focus of the report should be on those areas where CMCC appears to be underperforming, the report should also call attention to those findings that highlight strengths. The report also identifies any major areas of concern that the College should address. Given current budgetary and organizational limitations, each conference is strongly encouraged to identify those solutions or action steps that can be pursued in the short term with little or no additional spending. Initiatives that will require significant expenditures would be included in the strategic planning/budgeting process.

An assessment conference is charged with analyzing the data and results of a specific program, office, initiative or event and developing a concise written report that describes and summarizes the essential findings, proposes specific recommendations based upon its appraisal, and makes projections on how the recommendations will impact institutional effectiveness, the strategic plan and budgetary planning. Each conference convenes a new group of employees and at minimum includes the dean who oversees the topic being reviewed, the department chair or director of the topic being reviewed, a faculty member, a faculty or staff member who is not closely connected to the program, and an institutional

research associate. The institutional research office coordinates the convening and notetaking for all conferences and houses completed reports.

Every academic program has a curriculum map to show a visual depiction of the program. The map is coded to indicate the courses in which program outcomes are introduced, reinforced, emphasized or not covered. The map is also coded to indicate the course(s) in which program outcomes will be assessed on an ongoing, consistent and formal basis across all sections. Some of the types of common assessments shared by multiple sections of the same course are a common lab report in Introduction to General Biology (BIO 101) with the same rubric used for grading; a common essay assignment in Introduction to Literature (ENG 125) with the same rubric used for grading; and the same questions added to the final in sections of Intermediate Algebra (MAT 100) and Statistics (MAT 135).

Findings and Analysis

One of the advantages of the assessment conference process has been the systematic and proactive review of all CMCC programs. Faculty take these conferences seriously and prepare for them in advance. The conferences offer time for faculty to examine their curricula closely, to scrutinize it ahead of sharing with other faculty and administrators, and to reflect on what's working well and where opportunities for improvement exist.

Once the assessment conferences are completed, the president, dean of academic affairs and respective department chair present the summary of findings to the Education Committee of the MCCC Board of Trustees. MCCC publishes far in advance the schedule of programs presenting to the Board, and it groups like programs together. Therefore, in addition to sharing out findings of CMCC's own programs, the president, dean of academic affairs and department chair benefit from learning best practices and challenges shared about similar programs at the same meeting. This opportunity helps keep CMCC's academic programs current and connected within the State of Maine higher education landscape.

The five-year assessment conferences have led to positive program changes. For example, in fall 2020 a review of liberal studies resulted in a recommendation to "develop and publicize formal advising pathways within the Liberal Studies degree" to help students better understand liberal studies opportunities. CMCC has since instituted such pathways, including pathways in English, political science, history, philosophy, and economic and public policy. Similarly, the spring 2021 assessment conference for the education department resulted in a recommendation to list in the catalog advising pathway course suggestions based on teacher certification. These changes were made, and, like those students in liberal studies, education students now have a clearer pathway.

Program assessment conferences have also resulted in taking steps to identify, and then establish, transfer articulation agreements with various four-year programs. For example, work that emerged from the spring 2021 education conference resulted in both education (preK-12) and early childhood education developing articulation agreements with the University of Maine at Augusta (UMA). Specific articulations have resulted with the UMA B.S. in Elementary Education (K-3), UMA B.S. in Elementary Education (K-8) and UMA B.A. in Liberal Studies with Early Childhood Teacher minor.

Most recently, the summer 2022 review of the precision machining technology (PMT) program, in which enrollment is currently a challenge, suggested pursuing more concurrent enrollment with feeder programs, as well as developing a closer relationship with workforce development. The PMT faculty and dean of academic affairs have since met twice with the administrators from Lewiston Regional

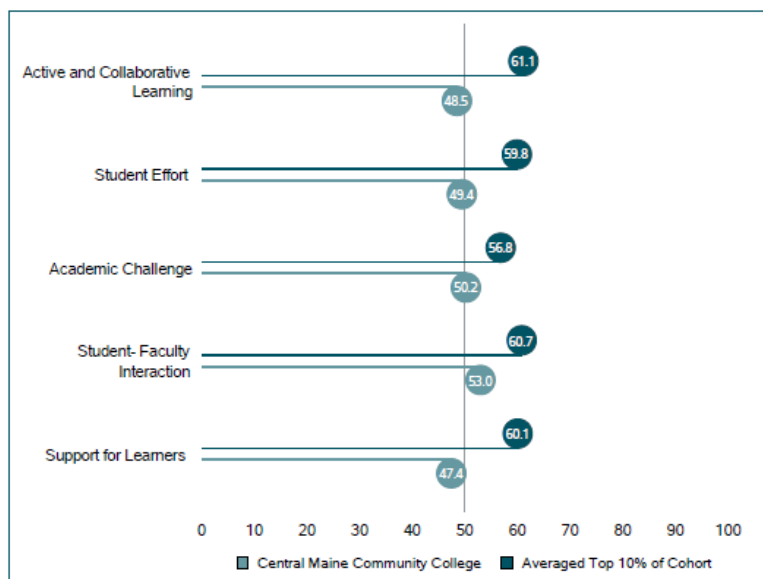
Technology Center (LRTC), the largest regional career and technical high school in the region. The College is actively collaborating with LRTC on a program for fall 2023 whereby high school juniors and seniors interested in precision machining would be bussed to CMCC to take PMT courses as dual enrollment. These students, upon high school graduation, would have already completed up to a year of CMCC's PMT curriculum. Separately, PMT has also initiated stronger connections with workforce, and a small cohort of workforce students will be starting a PMT course in October 2022.

While assessment conferences provide a welcome formal learning opportunity for CMCC's academic programs, they also set the stage for more frequent and informal self-assessments. The conferences initiate a culture of continual learning and reflection that faculty carry into other years and semesters. This fall 2022, for example, faculty in computer technology, human services, architectural and civil engineering, automotive technology and early childhood education are all going through the governance process to propose new courses or changes to individual courses that will keep their programs up to date.

An assessment conference was held in November 2022 to analyze the results of the 2022 CCSSE survey. The CCSSE had not been conducted on the CM campus since 2016 so this was the first student survey of this magnitude given since the pandemic began. The following were among some of the findings of the assessment:

- As compared to the 2016 CCSSE results, the College slipped in the areas of "Support for Learners" and "Active and Collaborative Learning". A new sociology elective that focuses on service learning in the community that can be used by any student to fulfill a sociology elective was rolled out in fall 2022. It is hoped this course will help increase "Active and Collaborative Learning".
- Also in the area of "Active and Collaborative Learning", "worked with student on projects during class" was lower than the 2022 cohort. The College has some classrooms that are conducive to group work that are popular with faculty to schedule so discussion occurred about seeing if more classrooms can be set-up that way.
- In the area of "Support for Learners", the College ranked low in students who have accessed career counseling support. This may be due to the career services person also being the transfer counselor and spending more time on transfer business. The College will look into hiring a stand-alone career counselor.
- The College does well with "academic advising/planning" in the areas of "Support for Learners". This is believed to be due to the resources that are allocated to the Learning and Advising Center which include personnel and software.
- Academic Challenge was down by a score of .1 in comparison to Small Colleges. CMCC is up in comparison to years 2016, 2013 and 2011.
- Of the students surveyed 20-25 percent described themselves as "in need" of financial or food related resources. The College has an emergency loan program and a food pantry. In addition, meal passes and sandwiches are provided at no charge to students who inquire or who are referred. A next step is to add a 'Student Resources Board' to the Mustang Mobile App to let students know available resources on campus and in the community.

As indicated in the chart below, the key findings from the 2022 CCSSE results show that CMCC performs just above the national average in the areas of "Academic Challenge" and "Student-Faculty Interaction" and below the national average in the remaining three benchmark areas.



Course instructors align assessments to the SLOs. From introductory through advanced courses, faculty teach and assess content, and they use data to evaluate the effectiveness of the lessons, assessments, SLOs and PLOs. The College also uses this data as part of the five-year assessment plan. Within the LMS, Brightspace, all instructors, regardless of course delivery mode, build their courses. The courses built align with the topical outline of instruction found in each syllabus. This LMS course shell informs students what learning activities will be implemented and how they are aligned to the SLOs.

As students advance through their programs of study, they have the opportunity every semester to evaluate their classes and instructors. Since 2016, the College has utilized the online survey system CourseEval to collect student responses. Faculty members receive the results after the term has ended so they can examine student feedback. The academic affairs office addresses issues that students report about individual instructors or the curriculum, but the evaluations are not put in the faculty members' files per the collective bargaining agreement.

Course evaluations are used to measure students' learning experiences and instructors' effectiveness. Course evaluations include both quantitative and qualitative information. Questions ask students to answer on a Likert scale from strongly agree to strongly disagree, and open-ended questions give students the opportunity to offer qualitative feedback. Questions concern specific practices related to effective teaching and course design. The feedback helps faculty ascertain their effectiveness by giving them specific areas they might seek to improve.

Conducting the course evaluation process online has presented many advantages: it does not take up class time, saves considerable staff time, and allows for quick analysis and sharing of results. However, since shifting to an online course evaluation tool, response rates are lower than when a paper end-of-course evaluation was distributed in class (26 percent spring 2022). This is largely due to the paper version being completed during class time instead of students having to complete it independently on their own time. There is also a concern that a disproportionate percentage of students who do complete the evaluations are those who are either "very happy" or "very unhappy," and that many students who fall somewhere in between are not responding. For the fall 2022 semester, the College has decided to

return to paper student evaluations completed in class, except for online courses and nursing courses which will keep with the online evaluation tool.

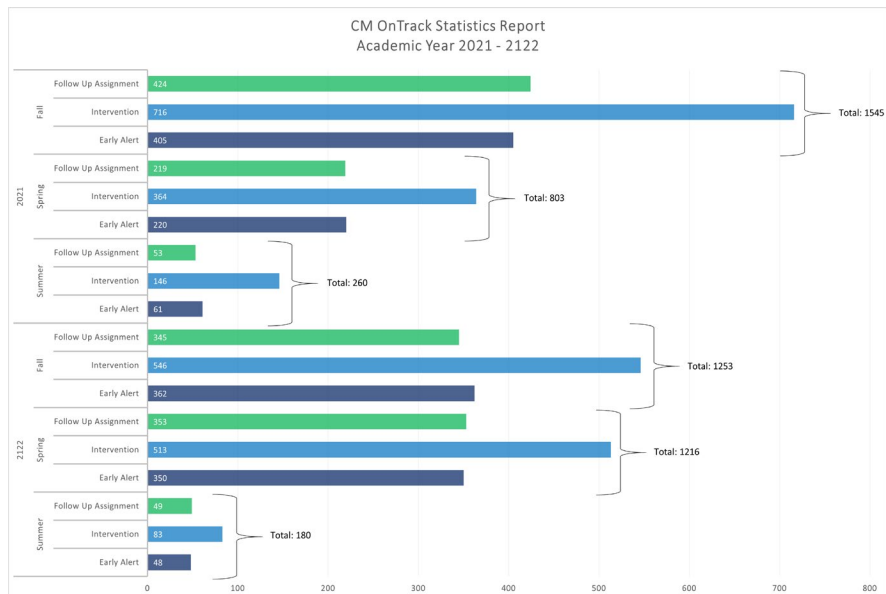
In 2013, the College began mapping all its course outcomes to program outcomes. The curriculum map identifies with an “A” those courses where program-learning outcomes are formally assessed across all sections of that course by a shared assessment tool. For example, in human services all of the program outcomes are assessed in the Human Services Practicum, HUS 251 (as indicated with an “A” on the curriculum map found online on the program page).

Curriculum mapping has also helped faculty to pause, review and reflect in an effort to determine if we are truly teaching what we say we are teaching in any given course. As explained in Standard 4, a recurring finding in curriculum mapping is that program-learning outcomes often were not updated to stay aligned with individual course changes. This trend was evident in those programs that have been aggressive in updating syllabi or designing new courses. Because of curriculum mapping, most academic programs now have revised program-learning outcomes. Since the curriculum in most academic programs is always changing, the College has determined that the curriculum mapping process needs to be updated and improved on a regular basis. To accomplish this, the College plans to integrate the curriculum mapping with the Academic Programs Committee process that is initiated whenever curriculum changes are proposed. Examples of how assessment conferences have impacted what and how students learn are:

- Computer technology changed the required humanities elective of PublicSpeaking (COM 100) to any humanities elective so the program can be completed 100 percent online (COM 100 was not offered online at the time). (September 2019)
- Automotive Technology faculty now encourage more students to pursue certifications such as Automotive Service Excellence (ASE), and the College bookstore now sells ASE exam vouchers. (December 2021)
- Education created an advising pathway for teacher certification. (December 2020)

The College has employed a software package called CMOnTrack to aid in student retention efforts. Faculty or staff who notice that a student is at risk of dropping or failing a class, or who is not their usual self, can submit an Early Alert. This alert will go to a team of advisors, and one of them will reach out to the student with the appropriate intervention. While some faculty have used this system more than others, this fall 2022 the lead advisor for CMOnTrack attended a department chair meeting where she shared information and encouraged faculty to use the system. The dean of academic affairs followed this meeting with an email to all faculty encouraging them to issue Early Alerts for at-risk students, and the faculty, including some departments that had used the system less in the past, responded by issuing many new alerts. Promotion and encouragement of this Early Alert system should be continued in future semesters as a key retention tool.

While more data is needed to accurately assess the effectiveness of CMOnTrack, the numbers for last academic year are encouraging, as seen in the figure below.



Appraisal and Projection

A reoccurring issue with the assessment conference model is that steps for continuous improvement or areas that require more research can suffer due to lack of follow-up or a tracking mechanism. Recognizing this key challenge, the institutional research department developed a systematic method of ensuring proper follow-up and tracking of recommendations. The new process is that after the assessment conference has ended and the final report is sent to the committee, the recommended actions are added to a tracking spreadsheet with detailed notes regarding the next steps. These actions are revisited at a later date with the responsible party to see if the actions were implemented. Notes are added to the tracking spreadsheet regarding the progress. This new process will help CMCC ensure that the methods of understanding student learning and student success are valid and useful to improve programs and services for students and to inform the public.

Measures of Student Success- retention and graduation rates, etc.

Description

CMCC defines measures of success and levels of achievement appropriate to its mission. These measures include rates of progression, retention, transfer and graduation; default and loan repayment rates; licensure passage rates; and employment. These measures of student success are easily accessible on the college website [Planning, Research & Public Affairs - CMCC](#).

CMCC measures one-year retention in two different ways. In the first way, the College calculates fall-to-fall and spring-to-spring retention rates where "retained" means registered for courses a year after matriculation or graduation within the same time. Rates are calculated for all matriculants, all of whom are transfer students and most of whom are part-time. The fall cohort includes summer matriculants (following the practice in IPEDS). The College also tracks retention through the program review process. A cohort comprises new students and students who change their major that cohort year in a program. Once the cohort is established for that year, it is tracked for up to five years and reported during the program review process. The elements that are tracked are:

- Graduated same program
- Transferred
- Enrolled same program
- Enrolled different program
- Graduated other program
- Not attending this term

The second way of measuring one-year retention is CMCC tracks incoming student term-to-term and one-year retention rates. CMCC calculates fall-to-fall and fall-to-spring retention rates where "retained" means registered for courses a year after matriculation or graduation within the same time or for the next semester for term-to-term. Rates are calculated for all matriculants, all of whom are transfer students and most of whom are part-time. The fall cohort includes summer matriculants (following the practice in IPEDS). The College also tracks retention through the program review process. A cohort comprises all students who begin a program (including new students and those who change their major that cohort year). Once the cohort is established for that year, it is tracked for up to five years. The elements that are tracked are:

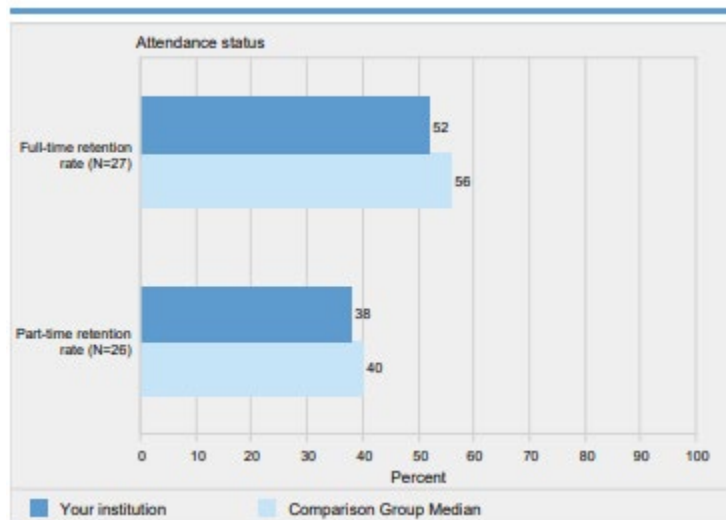
- Age
- Gender
- Race/Ethnicity
- Major (specific programs)
- Major Categories (career/technical or general/liberal studies)
- Degree (advanced certificate, associate degree or certificate)
- Status (full-time/part-time)
- Commuter/Resident
- Pell Grant Status
- Athletes/Non-Athletes
- Entrance Type (sending institution)
- Career GPA

Findings and Analysis

CMCC's overall retention rate as reported in IPEDS was lower than the comparison group median for the fall 2019 cohort as reported in 2021. This is likely caused by the pandemic because due to MCCS COVID-19 protocols, only one-third of CMCC courses met on-campus during the 2020-2021 academic year, and many of those courses only met on campus for specific components of the course, not the entire course. This situation was difficult for students to navigate, in particular students in trade programs who lost much of the hands-on pieces of the curriculum that had been replaced with software simulation. In addition, housing was only available to students who lived more than 25 miles from campus and whose program was being delivered on-campus, which was only trade and technical programs who needed to utilize equipment located on campus to meet student learning outcomes.

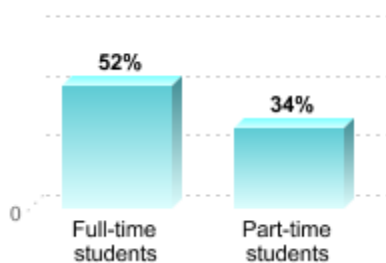
The IPEDS retention rates of first-time degree/certificate seeking students fell slightly for full time students from the 2018 cohort (57 percent) to the 2019 cohort (52 percent). The retention of part-time students increased with the fall 2019 cohort (38 percent) as compared to the 2018 cohort (33 percent).

This increase could be attributed to more students enrolling part-time in 2020 and 2021 due to the pandemic. The 2019 cohort data as reported by IPEDS in 2021 is below:

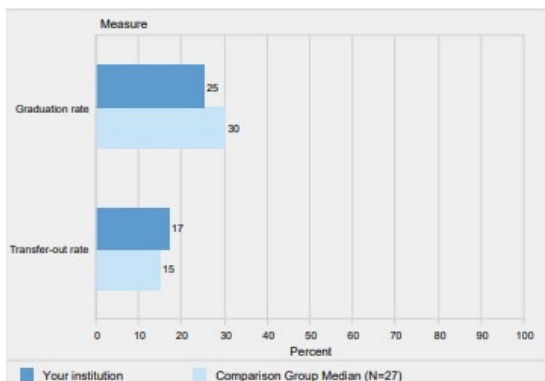


The chart below indicates the percentage of first-time students who began their studies in the fall 2020 semester and returned in the fall 2021 semester, as reported by the National Center for Education Statistics:

100

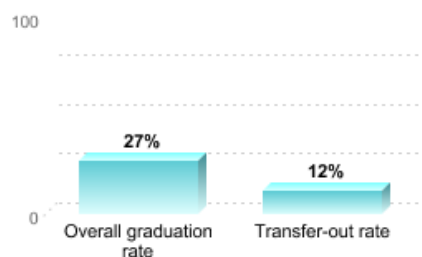


As illustrated in the chart below, the 2021 IPEDS Data Feedback Report for the 2017 cohort indicated the graduation rate was also lower than the comparison group median, but the transfer out rate was higher. The transfer out rate is likely higher because CMCC has increased the number of associate in science programs within that timeframe that are designed to transfer to four-year institutions, and has enhanced marketing to encourage four-year-bound students to start with CMCC.



The graduation rate of the IPEDS 2017 cohort (25 percent) is lower than that of the 2016 cohort (29 percent). Meanwhile, the transfer-out rate for the 2017 cohort (17 percent) is higher than the 2016 cohort (14 percent), and the comparison group median as 15 percent for both cohorts.

The figure below shows data from the National Center for Education Statistics with CMCC's overall graduation and transfer-out rates for students who began their studies in fall. These percentages represent the full-time, first-time students who graduated or transferred out within 150% of the "normal time" to completion for their program.



For some academic programs such as nursing, CMCC relies heavily on the results of outside accrediting agencies. College administration also reviews the results of certification exams that some students take, for example in electromechanical technology and physical fitness specialist. For example, in 2022, 2 students in the physical fitness specialist program took the American College of Sports Medicine (ACSM) CPT certification and 1 passed it. In another example, during the past five years, graduates of the CMCC nursing program have maintained a 91 percent or higher pass rate on the NCLEX exam, compared to the national average of 85 percent.

Appraisal and Projection

For the first time in a long time, the College has a fully staffed Learning and Advising Center whose primary function is to oversee and coordinate retention activities. It is projected that retention and rates will rise due to these efforts. Graduation rates are also expected to increase since students no longer have to apply to graduate when they meet requirements as there are streamlined automated process in place to identify students who have completed their degree. The increased amount of articulation agreements, as a result of Transfer Blitz efforts, are also expected to yield more students who complete their degree before transfer.

Student Achievement on Mission SLO

Description

Beginning in the fall of 2002, the College adopted a minimum General Education Core Curriculum that is applicable to all associate degree programs. Associate Degree programs of study require courses in General Education studies in the disciplines of humanities, social sciences, mathematics and sciences. These courses provide students with the opportunity to develop competencies deemed necessary by faculty, employees and students. The goal of the General Education Core Curriculum at CMCC is to foster development of common competencies among all associate degree students. This enables graduates to be successful and productive, be it in the workplace, in upper division programs of study or in any other personal or professional endeavor.

As part of the General Education Core Curriculum, CMCC believes that the educated person possesses the following competencies in:

Critical Thinking and the Scientific Method of Reasoning by being able to:

- Identify and define a problem or research topic to be studied
- Frame the problem with questions and identify the best methodologies for studying the issues
- Effectively gather information
- Investigate potential solutions
- Analyze and interpret results
- Present results in a clear and well-articulated manner

Communication by being able to:

- Interpret and effectively present, either in oral or written format, well-reasoned interpretation of assignments
- Write a logical, well-organized document utilizing proper grammar, punctuation and spelling
- Effectively communicate (individually or as part of a team) with diverse audiences in a variety of settings

Social Responsibility by being able to:

- Recognize and appreciate individual and cultural differences in human behavior, attitudes and social norms
 - Examine their attitudes, values, and beliefs regarding the human experience
 - Recognize the value of civic and political participation in the local, national and global arena
- Lifelong

Learning and Self Growth Skills by being able to:

- Evaluate opportunities for personal and career growth
- Initiate self-planning and management programs
- Incorporate new ideas and experiences into a personal value system
- Appreciate the importance of life-long learning

Information Literacy by being able to:

- Interpret and effectively disseminate information from a wide variety of materials such as books, journals, reports, tables, and graphs located in either print or electronic formats
- Use citations in written projects that show clearly their understanding of the issues of copyright and plagiarism and the ethical use of information
- Use computers and other technology appropriately to complete assigned tasks

Creative Arts by being able to:

- Study, create or participate in a work that demonstrates artistic and/or aesthetic value
- Critique a work's artistic and/or aesthetic value
- Demonstrate an appreciation of the creative arts in personal, cultural and historical perspectives

In conjunction with the University of Maine System (UMS), much work has been done in recent years to access the general education domain. The original goal of the work was to establish a block transfer agreement between the two systems to ease the transfer process for students, but the collaboration was also helpful to general education assessment for CMCC. The two systems established a subcommittee to generate a complete alignment between the general education learning domains of

the UMS and the general education outcomes of the MCCS. The subcommittee's charge was to create a conceptual framework that would articulate a common definition of an educated person informed by the AAC&U LEAP Value Rubrics. This was an important step in ensuring that credits earned within one institution would be fully comparable to those at other institutions within the two systems. As a part of this work, faculty teams across the two systems developed an assessment plan and established procedures for ensuring that learning outcomes and standards are comparable across the two systems. A Joint General Education Workgroup of faculty and academic affairs administrators from the UMS and MCCS meets regularly to review new courses and assess curriculum changes as they are made.

The plan for assessment is based upon authentic student work and allows for the use of multiple measures of student learning—indirect, direct, and embedded. The AAC&U LEAP Essential Learning Outcomes and VALUE Rubrics provided a common framework for a credible statewide system of assessment. Assessment is an iterative process, and, as such, is formative. Assessment is intended to support teaching and learning in relation to the colleges' shared mission and values, goals, and outcomes for general education and to serve as a foundation for a college-wide conversation about learning that matters.

Findings and Analysis

To meet the College's General Education Core Curriculum requirements, students may choose from a variety of courses that encompass learning outcomes of the core curriculum. Courses that meet the competencies are identified in the college catalog. For example, to meet the standards of Critical Thinking and the Scientific Method of Reasoning, students may choose a science course from the life sciences program. Though students may select from a variety of classes, many students choose BIO 101/102 General Biology Lecture and Lab. To ensure students meet the core outcomes, the department follows a standard rubric, syllabus and curriculum. On average over the past five academic years, 64 percent of students who have taken BIO 101/102 have passed. Exams, labs and instructor evaluation help the College understand how students are meeting both the general education core outcomes and the BIO 101/102 outcomes.

Student learning outcomes in math similarly showcase the College's core learning outcomes of Critical Thinking and the Scientific Method. All CM students take a science and math course; however, the math course required depends on the degree. MAT 115 Quantitative Reasoning encompasses these competencies and is the preferred math course many CMCC students take at the start of their degree. As previously explained, MAT 115 was added as an option in addition to MAT 100 Intermediate Algebra. Over the past five academic years, only 61 percent of students who took MAT 100 successfully completed the course; in contrast, MAT 115 has had a 71 percent passing rate since its inception in AY 2021.

Just as all students take science and math, they must also take either ENG 101 College Writing or ENG 105 College Writing Seminar, which addresses the General Education Core Curriculum in the area of Communication. Without a college-level understanding of reading, writing and information literacy, students cannot succeed in other core classes. Student test scores, high school transcripts and other exams determine placement. Sixty-seven percent of students who have taken ENG 101 pass with a C or higher, while 63 percent who have taken ENG 105 over the past five years have passed the class. The College is investigating alternative methods for placing students into English classes as one way to improve student outcomes.

Similarly, students take either COM 100 Public Speaking or COM 101 Interpersonal Communication, also within the humanities department. There are no common rubrics, syllabi or learning outcomes for either of the two classes. Seventy-six percent of students who take COM 100 pass the course. Like COM 100, COM 101 has a decent passing rate, at 71 percent. However, individual instructors determine learning outcomes assessment, and it is important that students consistently meet the core competencies of CMCC's General Education requirements and that they likewise meet the block transfer agreement competencies. More consistent rubrics, syllabi and student learning outcomes can better ensure positive results. For this reason, the College hired its first full-time communications instruction last year to work on these goals.

Most of the courses that meet the competency of Social Responsibility are housed in the humanities department or the public service and social sciences department. For example, PHI 101 Critical Thinking and PHI 111 Introduction to Ethics are part of the College's block transfer agreement, and nearly all degrees at CMCC require one or the other course. Nearly 75 percent of students who take PHI 101 pass the course, while 72 percent of students who take PHI 111 pass. As is the case with the COM courses, PHI courses have no standard rubric, syllabus or curriculum, and individual instructors determine student learning outcomes. It is also a goal to increase consistency across PHI courses.

Appraisal and Projection

One of the many ways in which CMCC participates in student learning outcomes assessment of our General Education Core Curriculum is through MCCS Rubric Rumbles. These "rumbles" are day-long events, where faculty from the same general education discipline from across the MCCS come together to develop an assessment rubric. Faculty then review student work to determine if student learning outcomes are being met. As a result of these Rubric Rumbles, there are currently eight rubrics that departments can use as a guide that also meet our block transfer agreement. The eight rubrics are in line with the College's General Education Core Curriculum: Creative Arts, Diversity, Ethical Reasoning, Humanities, Natural Sciences, Quantitative Literacy, Social Science and Writing. Only some of CM's academic departments currently use the rubrics that resulted from these events, and it is our goal for more departments to adopt them moving forward.

CMCC's life sciences department has taken the lead among General Education Core Curriculum departments in generating consistent curriculum and assessment methods. The department shares a rubric, syllabus and curriculum that all courses within the department use. The department created this consistency based on the Rubric Rumbles, student CourseEval (the online course evaluation process CMCC uses), verbal student feedback, and results from the Community College Survey of Student Engagement (CCSSE). These changes have resulted in consistencies in assessment from faculty within the department, ensuring that outcomes for the courses and for CMCC's General Education Core Curriculum are being met.

To promote students meeting the learning outcomes, the math department incorporated a standardized addendum to the final exam for all sections of MAT 122 College Algebra and MAT 135 Statistics (chosen because they are multi-section courses and ones that transfer to most colleges). This process began spring 2017 and continues. Using sound statistical practices, the department randomly samples 30 addenda from each of these courses, and then grades them using a standardized rubric that resulted from an MCCS Rubric Rumble. Going forward, the department will continue to use this assessment to determine needed improvements in the program as they relate to student learning outcomes.

In contrast to the life sciences and math, CM's humanities department uses no standard rubric, syllabi or curricula, allowing for inconsistencies in grading, outcomes and assigned curricula. An additional area of concern is that the humanities department has its own grading scale, yet it is not consistently used by all faculty in that department, leading to further inconsistencies in grading and assessment. Especially given that humanities as a department houses more General Education Core Curriculum courses than any other department, it will be critical to establish greater consistency of assessment and learning outcomes over the next several academic years.

While CM has made significant strides in meeting its General Education Core Curriculum goals and therefore in meeting its Mission Student Learning Outcomes (SLOs), more work needs to be done in promoting consistent outcomes across departments. Projections for improvement include encouraging consistency of curricula and assessment across all departments housing General Education Core Curriculum courses. A goal is to create in each of these departments shared rubrics, syllabi and curricula that support the outcomes of the CMCC General Education Core Curriculum. Some of this work has already begun through the MCCS Rubric Rumbles, and CMCC's math and life sciences departments, for example, have adopted the resulting rubrics. Moving forward, our goal is for other departments to adopt available rubrics as well, as part of the larger process of creating consistency across sections of core courses. The dean of academic affairs, in partnership with the instructional designer and assessment coordinator, will lead faculty department chairs in these efforts.

Additional goals for CM's General Education Core Curriculum are to clarify math pathways by promoting logical adjustments to course sequences through the governance process, to consider the adoption of standardized test addenda in other courses where they may apply, and to clarify the grading scale for faculty in the humanities. The dean of academic affairs, instructional designer and assessment coordinator, and department chairs will lead these initiatives. Making these changes will help all CMCC students fully benefit from the competencies we believe an educated person should possess.

PLANS FOR NEXT FIVE YEARS

Plans for Next Five Years

The next five years will be a period of significant change for CMCC. The College will work to continue to meet its mission in a pandemic world, develop innovative contemporary programming to meet employer workforce shortages and learner schedules, and adjust to the ever-changing workplace landscape to attract and retain employees. With record high enrollment in the fall of 2022 and the belief that enrollment increases will continue, planning is underway on how to meet demand and serve students well.

The strategic plan unveiled in the fall of 2022, has six pillars of focus: enrollment, academic and workforce training programs, facilities and infrastructure; community; financial stewardship; and efficiency and effectiveness. The strategic plan was built to be a guide the College will use over the next three academic years. At the end of year two, which would be spring 2024, work will begin to develop the next strategic plan which would start in the fall of 2026.

Plans to support the enrollment pillar of the strategic plan begin with following the strategic enrollment plan as the foundation for student recruitment and retention. The Free College program for recent high school graduates will be carried out, as well as continuing to recruit non-traditional adult learners.

The state-funded Free College program is a major contributor to the fall 2022 enrollment success. As currently planned, the program is in place to support 2023 high school graduates but not future years. Governor Mills, who announced the Free College program for 2020-2023 high school graduates in February of 2022, won re-election in November 2022 so we are eager to see if the program will be extended to future graduating classes due to its early success. Whether or not it will, has a large impact on enrollment planning in upcoming years.

A strategy is in place to increase the number of early college courses offered to high school students by 10 percent each of the next three years to 169 courses by AY 2024-2025, as well as partnerships with secondary schools in New England. In order to do this, an Early College Coordinator was hired in November 2022. Enrollment goals also include increasing the number of transfer articulation agreements with four-year institutions by 10 percent to 100 and implement a robust marketing campaign geared toward prospective students explaining transfer opportunities and the seamless transfer process.

Enrollment plans also include increasing the number of female students matriculated in trade programs by 50 percent over the next three years from 28 students to 42 students. The College's gender equity coordinator will work with department chairs and admissions staff to develop strategies to do so. A middle school enrollment funnel program began in the summer of 2022 to provide opportunities for middle and high school students to visit campus and participate in experiential learning opportunities and athletic offerings. The goal is to have at least 250 summer program participants annually.

The College is predicting continued enrollment increases. By the first week of November 2022, 1,100 applications for the following fall semester had been received. In the past, the earliest that this amount of applications was received was seven weeks later. Also, during the first week of November 2022, 700 FAFSA's were received for the fall 2023 semester. At the same time last year, only 450 FAFSA's had been received for the following fall enrollment. Lastly, housing applications were accepted earlier for fall 2023 than previous years and are rolling in steadily.

Plans to support the academic and workforce training programs pillar of the strategic plan begin with developing and promoting guided pathways for academic and career success, including pathways for non-matriculated students into degree and certificate programs. Goals are in place to improve academic quality by promoting and providing targeted professional development to faculty and to increase use of the Center for Faculty Development and Exchange. With targeted state funding, the College is prepared to increase the number of nursing students by 40 (62%) annually through 2025 by diversifying enrollment opportunities with a spring-start nights and weekends option.

For non-credit programing, we hope to expand short-term workforce training programs with the state allocation of Maine Jobs and Recovery Plan funds to include developing a credential in residential electricity and commercial driving license (CDL) training. We would also like to utilize our beautiful lake-side campus setting and faculty expertise to offer state-wide and regional workforce training opportunities.

The first step in preparing for the facilities and infrastructure pillar of the strategic plan is to update the campus master facilities plan, which was last done in 2015, to use as a long-term tool for renovation, expansion and repair of buildings and grounds. Given recent success in athletic programming and secondary schools requesting to host games and tournaments on campus, consideration is needed on renovating and expanding locker room facilities in Kirk Hall. Along those lines, the athletic field complex built in 2019 will be completed with a concession stand and field equipment. The College does not have a campus center type facility so conversations are underway about where on campus one could exist, the size it should be and how it would aid retention efforts. On the infrastructure side, the full implementation of a new student information system, Anthology, is in the beginning stages and will take several years to reach its full potential.

For financial planning, the College will Utilize the 5-year capital plan for fiscal responsibility and planning. This plan is available in SharePoint to all employees and indicates capital budget requests that have been approved and the year for which they are planned. We also plan to reduce energy costs by capitalizing on the recently installed generator and adding solar power via grant and other funding programs. Beginning in the summer of 2022, the College was able to utilize the generator during peak electricity times to save costs through a demand-response load shedding program through our utility supplier, which we will continue to do.

The College has been successful in previous years funding programs and positions through grants. We look to continue to diversify funding opportunities with grants and fundraising to move College priorities forward. Another goal is to improve communication about College Foundation giving internally, with alumni, and in the local community. In addition, we hope to add a third CM Foundation fundraising event to attract a different type of donor, most likely with a focus on alumni. Currently, the two major fundraising activities for scholarships are an annual dinner in April and golf tournament in August. A brainstorming session about a third fundraising event occurred in early January.

To foster effectiveness and efficiency, a commitment to continuous internal communication between leadership, faculty and staff will be maintained and the shared governance model will be updated to improve efficiency and support timely innovation. As a component of a new shared governance mode, a Diversity, Equity and Inclusion (DEI) workgroup to review policies and proposals with a lens for DEI and to coordinate a monthly campus-wide speakers/workshop series to build cultural competency and awareness among students, faculty and staff will be formed. We will develop strategies to increase the

race/ethnicity diversity of the faculty and staff from 3.2 percent to more closely mirror the race/ethnicity diversity of the student body which is 15 percent.

Improvements will be made to foster a culture of assessment by simplifying access to data, increasing the regularity and depth of data collection, and using data to inform decisions and planning. An expanded IR department will support these activities. A revised academic program review process to include improved tracking of steps for continuous improvement, status updates and resulting changes is in the implementation stage and will be used to support ongoing improvement. An updated graduation survey will be developed, and the timeline and process to improve the collection and access to the data will be enhanced. In addition, administrative departments will develop a data-driven written annual assessment plan to determine successes and areas of improvement and to inform resource allocation.

Like many employers, the College is experiencing an increase in short-term employment with employees staying under five years and not decades as had been past experience, and as explained in an earlier section, a high portion of employees have been hired during the last three years. Employees are looking for flexibility, work-life balance and opportunities to feel they are making a difference in their work. Knowing this, more research and idea generating will be done to develop an employee retention plan. It is our hope that union negotiations will lead to a performance-based merit increase plan because as of right now raises and other merits are not performance based. It is believed that this could help retain employees and offer an incentive for continued work at the College.

The College has a solid foundation from which to grow. We are excited about the opportunities that lay before us and eager to put ideas into action. We look forward to highlighting our work in these areas in the NECHE comprehensive report and visit in five years.

APPENDICES

A

Affirmation of Compliance

B

Audited Financial Statement

C

Audit Management Letter

D

Interim Report Forms

E

E-Series Forms

APPENDIX A:

**AFFIRMATION OF
COMPLIANCE**

AFFIRMATION OF COMPLIANCE WITH FEDERAL REGULATIONS RELATING TO TITLE IV

Periodically, member institutions are asked to affirm their compliance with federal requirements relating to Title IV program participation, including relevant requirements of the Higher Education Opportunity Act.

- 1. Credit Transfer Policies.** The institution's policy on transfer of credit is publicly disclosed through its website and other relevant publications. The institution includes a statement of its criteria for transfer of credit earned at another institution of higher education along with a list of institutions with which it has articulation agreements. (NECHE Policy 95. See also *Standards for Accreditation* 4.29-4.32 and 9.18.)

URL	Credit for Prior Learning
Print Publications	CMCC Academic Catalog, page 23
Self-study/Fifth-year Report Page Reference	Standard 4, page 16; Standard 9, page 26

- 2. Student Complaints.** "Policies on student rights and responsibilities, including grievance procedures, are clearly stated, well publicized and readily available, and fairly and consistently administered." (*Standards for Accreditation* 5.18, 9.8, and 9.18.)

URL	College Policies & Procedures
Print Publications	CMCC Academic Catalog, page 27
Self-study/Fifth-year Report Page Reference	Standard 9, page 27

- 3. Distance and Correspondence Education: Verification of Student Identity:** If the institution offers distance education or correspondence education, it has processes in place to establish that the student who registers in a distance education or correspondence education course or program is the same student who participates in and completes the program and receives the academic credit. . . . The institution protects student privacy and notifies students at the time of registration or enrollment of any projected additional student charges associated with the verification of student identity. (NECHE Policy 95. See also *Standards for Accreditation* 4.48.)

Method(s) used for verification	Unique student login and identification number
Self-study/Fifth-year Report Page Reference	Standard 4, page 15

- 4. FOR COMPREHENSIVE EVALUATIONS ONLY: Public Notification of an Evaluation Visit and Opportunity for Public Comment:** The institution has made an appropriate and timely effort to notify the public of an upcoming comprehensive evaluation and to solicit comments. (NECHE Policy 77.)

URL	
Print Publications	
Self-study Page Reference	

The undersigned affirms that Central Maine Community College meets the above federal requirements relating to Title IV program participation, including those enumerated above.

Chief Executive Officer: _____



Date: January 3, 2023

March 2016, June 2020, August 2021

APPENDIX B:

**AUDITED FINANCIAL
STATEMENT**




Maine Community College System

(A Component Unit of the State of Maine)

FINANCIAL STATEMENTS
and
SUPPLEMENTARY INFORMATION

June 30, 2022 and 2021
With Independent Auditor's Report



MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

Financial Statements

Years Ended June 30, 2022 and 2021

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Maine Community College System

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities, the aggregate discretely presented component units, and the fiduciary fund of the Maine Community College System (the System), a component unit of the State of Maine, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

In our opinion, based on our audits and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the aggregate discretely presented component units, and the fiduciary fund of the System as of June 30, 2022 and 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

We did not audit the financial statements of certain foundations within the aggregate discretely-presented component units, which represent 39%, and 11%, respectively, of the assets, and revenues of the System as of June 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion on the aggregate discretely-presented component units, insofar as it relates to the amounts included for these certain foundations, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audits in accordance with U.S. generally accepted auditing standards (U.S. GAAS) and *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the System and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, during the year ended June 30, 2022, the System adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, and GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. Our opinion is not modified with respect to these matters.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. GAAP; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern within twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

U.S. GAAP require that Management's Discussion and Analysis and the information listed under Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, and/or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the System's basic financial statements. The Schedule of Activities, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Activities is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the Schedule of Activities is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2022 on our consideration of the System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the System's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System's internal control over financial reporting and compliance.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
October 14, 2022

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

Introduction

The following report is Management's Discussion and Analysis (MD&A) of the financial results for the year ended June 30, 2022, with comparative information for the prior two years. The MD&A should be read in conjunction with the financial statements and related notes that are presented with this report. The MD&A is unaudited supplemental information required by the Governmental Accounting Standards Board (GASB). The purpose of the MD&A is to enhance the understandability and usefulness of the financial statements by providing an objective analysis of the financial activities based on currently known facts, decisions, and conditions. The financial statements, footnotes, and MD&A are management's responsibility.

General Information about the Maine Community College System

The history of Maine's community colleges dates to 1946 and the creation of the Maine Vocational Technical Institute within the Maine Department of Education. During the 1960s, five more vocational technical institutes were created, and in 1986 the Maine Vocational Technical Institute System was established as a quasi-governmental organization and autonomous public instrumentality. In 1989 the name was changed to the Maine Technical College System. A seventh college was added in 1994, and on July 1, 2003, the Legislature expanded the System's mission and changed its name to the Maine Community College System (MCCS or the System).

Maine's seven community colleges offer more than 300 degree and certificate options in over 140 occupational fields. More than 75 percent are the only ones of their kind in the state. In all, over 28,000 Maine people are served by the state's community colleges each year, through degree programs, customized training, and credit and non-credit offerings.

The seven-college system consists of Central Maine Community College in Auburn (CMCC), Eastern Maine Community College in Bangor (EMCC), Kennebec Valley Community College in Fairfield and Hinckley (KVCC), Northern Maine Community College in Presque Isle (NMCC), Southern Maine Community College in South Portland and Brunswick (SMCC), Washington County Community College in Calais (WCCC), and York County Community College in Wells (YCCC). Off-campus centers are located in East Millinocket, Dover-Foxcroft, Damariscotta, and Houlton. The System's central office, located in Augusta, Maine, was established by legislation to provide statewide coordination and leadership to the seven colleges.

The System also operates two state-wide programs; Embark and the Maine Quality Centers (MQC). Embark is a comprehensive high school-to-college transition program offered in partnership with secondary schools throughout the state. Embark provides selected students with scholarships to community colleges, access to college courses to juniors and seniors in high school, and advising and support throughout a student's high school and community college experience. The MQC program is an economic development program established by the Legislature in 1994. The program provides customized workforce training grants for Maine employers seeking to locate or expand their operations in Maine or who are interested in providing training to their incumbent workers. The training is coordinated and delivered by the seven community colleges through the Alford Center for the Advancement of Maine's workforce.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

Using the Financial Statements

In addition to this MD&A, the System's financial report includes a Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; and a Statement of Cash Flows, together with related footnotes. These financial statements are presented in accordance with GASB principles, which establish the standard for external financial reporting for public colleges and universities. The GASB standards require that the financial statements focus on the System as a whole.

In order to provide a more comprehensive understanding of the resources supporting the mission of the MCCS, the GASB also requires that the MCCS report on the assets, liabilities, and activities of organizations that are not owned or managed by the MCCS but that exist for the sole purpose of benefiting the System or its colleges. Accordingly, these financial statements include a Balance Sheet and Statement of Activities for the Maine Community College Educational Foundations (MCCEF) and a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position for the Maine Community College System Other Post-Employment Benefit Trust (MCCS OPEB Trust or Trust). The MCCEF includes six foundations established to support individual colleges and their students. It also includes The Foundation for Maine's Community Colleges which was established in November of 2009 to provide broad based support to all seven of the state's community colleges. The MCCS OPEB Trust was established under Section 115 of the Internal Revenue Code as an irrevocable trust to manage the assets contributed by the System to fund its long-term obligation to pay the health care and life insurance benefit costs for certain employees after their retirement.

The Statement of Net Position depicts the financial position of the Maine Community College System as of June 30, 2022, with comparative data from June 30, 2021, and includes all of the assets and liabilities, deferred inflows and deferred outflows of the System. Assets represent what the System owns plus what is owed to MCCS. Liabilities constitute obligations to make payment to others plus what the System has collected in advance of providing the related services. Net position represents the residual interest in the MCCS assets after liabilities are deducted, net of deferred inflows and outflows, and the positive or negative change in net position over time is an indicator of the relative financial health of the System. The net position is divided into three primary categories:

Net investment in capital assets, represent the land, buildings and equipment that the System has acquired over its life and still uses. Net capital assets are presented after deductions for accumulated depreciation and the outstanding debt incurred to acquire or construct them. This category includes deposits held with bond trustee to service outstanding debt.

Restricted net position has inherent limitations and can only be expended for the purposes stipulated by the individual, institution, or governmental unit that directed the resources to the System. *Restricted expendable* net position is available to be used for the intended purpose while *nonexpendable* assets are invested in perpetuity, and the investment income is used for the intended purpose.

Unrestricted net position is available for general operations of the System and for dedicated purposes such as capital projects for renewal and replacement, MQC training initiatives, and working capital maintained for departmental and auxiliary enterprise activities. While there are no external constraints on unrestricted net position, MCCS has set aside certain unrestricted net position for future use.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

The Statement of Revenues, Expenses and Changes in Net Position presents the operating, non-operating and other activities of the System for the full fiscal year which runs from July 1st to June 30th. Two years of revenues, expenses, and changes in net position are presented for comparative purposes.

This statement reports the amounts received from tuition, State appropriations, residential life fees, grants, and services and other items of income against all the costs and outlays incurred in order to operate the System. The costs incurred include salaries and benefits, supplies and overhead expenses, insurances, utilities, and depreciation. The expenses are categorized according to the activity that generated the cost.

The Statement of Cash Flows examines the changes in cash position resulting from a year of operations. Cash flows are separated by the nature of the activity and include operating activities, noncapital financing activities, capital and related financing activities, and investing activities.

Operating activities involve activities relating to the delivery of education and related services. Common examples of cash flows provided by operating activities include tuition, fees, grants, and bookstore and food service sales. Cash flows used in operating activities include payments to employees, vendors, and suppliers.

Noncapital financing activities include appropriations from state government and noncapital grants and gifts.

Capital and related financing activities include those activities relating to the generation and repayment of funds provided by and paid to lenders as well as grants for acquisition of capital assets. There were a number of capital projects across the system using reserves for renewal and replacement. In FY22 these projects included: building a Criminal Justice scenario house; roof, window, and boiler replacements; instruction lab upgrades and equipment; building upgrades and renovations. Grant funds were utilized to upgrade instructional lab equipment across many programs.

Investing activities include funds used to purchase marketable securities and funds provided from the sale of marketable securities.

Highlights and Trends Impacting Financial Results

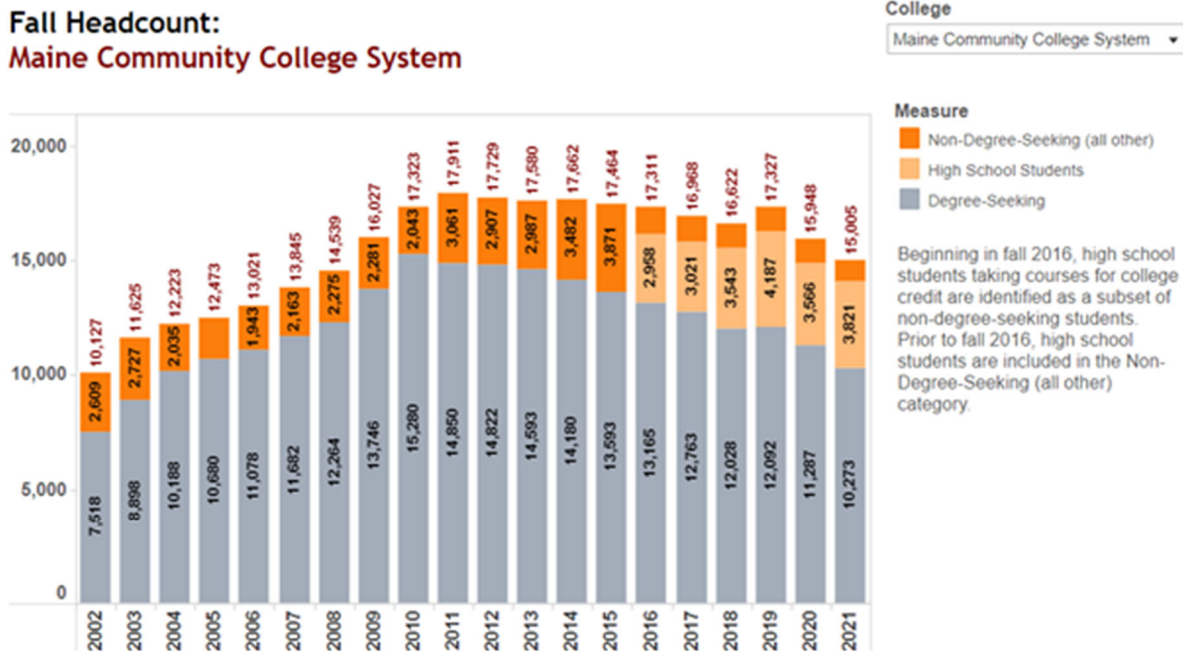
As a publicly funded institution of higher education, MCCS receives appropriations from the State of Maine partially subsidizing the cost of attendance at one of the seven community colleges. In 2022 State appropriations for operations increased \$2.2 million, or 3 percent and the general operation curtailment was re-established in the base. The increase in appropriation was offset by the elimination of \$2.5 million in one-time Maine Quality Center funding that was approved in the supplemental budget passed in March 2020 and received in FY21. Live Fires Service Training Facilities Funds of \$0.25 million were also eliminated in FY22.

Enrollment was 15,005 in the fall 2021 (fiscal 2022) compared to 15,948 in the fall of 2020, a decrease of 6 percent. The decrease came from degree seeking students and non-degree seeking students, down 9 percent and 17 percent respectively. High school students taking courses for college credit increased 7 percent.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022



Source: College Enrollment Reports (2002-2014); MCCS Data Mart (2015-2020)

After making the transition from technical to community colleges in 2003, enrollment system-wide grew to an all-time high in 2011 of 17,911 a 76.9 percent increase. The enrollment growth was partially attributable to the expanded mission of the institutions with more students enrolling in liberal studies programs and taking advantage of transfer agreements to four-year institutions. The decline in recent years in degree seeking enrollments is the result of a fewer students graduating from Maine high schools and a strong job market. The state unemployment rate for June 2022 was 3.0 percent. The current rate is down from June 2021, when it was 4.8 percent, and lower than the June 2019 pre-pandemic rate of 3.2 percent.

MCCS implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68) in 2015. GASB 68 requires MCCS to report the System's proportionate share of the State's net pension liability. MCCS's proportionate share of the State's net pension liability as of June 30, 2022 was \$26.4 million, compared to \$51.0 million as of June 30, 2021, and to \$48.2 million liability as of June 30, 2020. The System incurred expense related to pension benefits of \$692,457 in 2022, \$6,323,873 in 2021, and \$6,554,054 in 2020, recognized income related to pension benefits of \$35,891 in 2019 and \$1.2 million in 2018, and incurred expense of \$5.2 million in 2017, and \$7.4 million in 2016. The impact of GASB 68 results from a change in accounting for pension benefits administered by the Maine Public Employees Retirement System (MainePERS), not a change resulting from operations. MCCS is not directly responsible for the payment of retirement pensions earned by employees who are members of MainePERS.

In 2018, MCCS implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). GASB 75 changed the method of accounting for the System's responsibility to pay for Other Post-employment Benefits (OPEB) for qualified retirees. As a result, the System recorded a reduction in net assets of \$15.1 million and reported a net OPEB liability of \$12.1 million as of June 30, 2018. The net OPEB liability as of June 30, 2019 was \$3.2 million and was \$2.4 million as of June 30, 2020. The System reported a net OPEB liability of \$2.9 million as of June 30, 2022,

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

and \$5.3 million as of June 30, 2021, with over funding coming from investment income exceeding expectations and decreasing healthcare costs.

In 2022, MCCS implemented GASB Statement No. 87, *Leases* (GASB 87). GASB 87 changed the method of accounting for the System's operating leases and required a restatement of net position. GASB87 required MCCS to report leases by lessee and lessor and recognized outflows and inflows of resources based on the payment provisions of the lease contract. The System reported Right of Use asset on System Office space of \$871,859 as of June 30, 2022 and \$968,422 as of June 30, 2021. Lease obligations were \$890,103 as of June 30, 2022 and \$979,296 as of June 30, 2021.

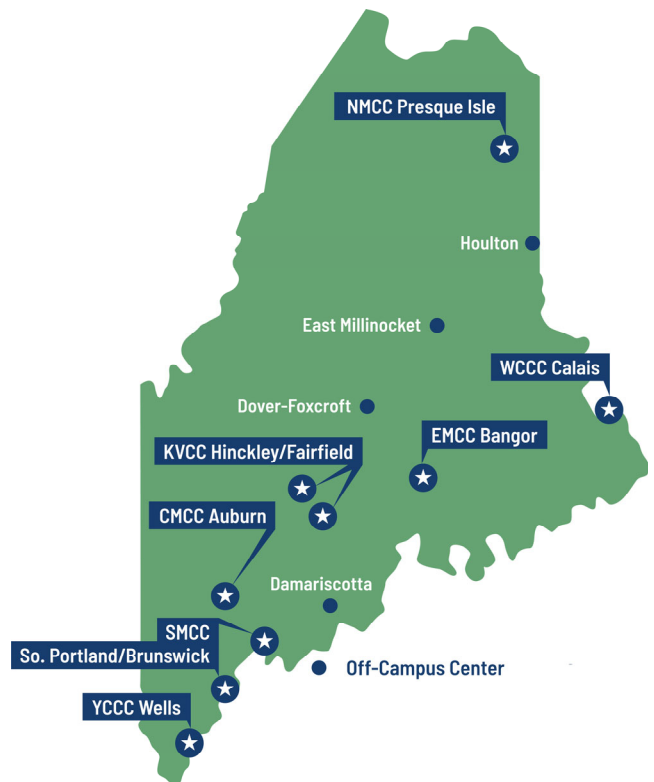
College Results and Combined Operating Results

Maine's seven community colleges serve very different regions of the state. The different locations face very different demographic conditions in their local communities and, as a result, it is difficult to compare the results of operations between the colleges.

In addition, MCCS is quasi-centralized. The System Office provides certain services to all the colleges and administers a pool of expenses that cannot be effectively allocated to the colleges.

Central services, for which the colleges are not charged, or allocated fees include legal, certain human resource functions, and some information technology services. The colleges manage their own budgets based on guidance from the System Office, but cash and investments are managed centrally. Tuition is set by the Board of Trustees as a rate per credit hour.

The colleges are responsible for responding to their community's business and enrollment needs. They also respond to grant opportunities based on the needs of the individual college. The 2022 and 2021 statements of revenues, expenses, and changes in net position for the individual colleges are as follows:



MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

MANAGEMENT'S DISCUSSION AND ANALYSIS

	June 30, 2022							
<u>Year ended June 30, 2021</u> <i>(in millions)</i>	<u>CMCC</u>	<u>EMCC</u>	<u>KVCC</u>	<u>NMCC</u>	<u>SMCC</u>	<u>WCCC</u>	<u>YCCC</u>	<u>All Colleges</u>
Student tuition and fees	\$ 6.2	\$ 4.7	\$ 4.9	\$ 1.9	\$ 14.5	\$ 0.9	\$ 2.8	\$ 35.9
Residential life	0.5	0.4	-	2.1	0.7	0.2	-	3.9
Less: scholarships	<u>(6.1)</u>	<u>(3.7)</u>	<u>(4.5)</u>	<u>(2.3)</u>	<u>(9.0)</u>	<u>(1.0)</u>	<u>(2.0)</u>	<u>(28.6)</u>
Tuition and residential life	0.6	1.4	0.4	1.7	6.2	0.1	0.8	11.2
Federal grants and contracts	6.0	3.9	3.9	2.4	8.9	1.1	1.8	28.0
Grants and other revenue	<u>1.4</u>	<u>1.9</u>	<u>1.5</u>	<u>0.8</u>	<u>5.3</u>	<u>0.3</u>	<u>1.2</u>	<u>12.4</u>
Total operating revenues	<u>8.0</u>	<u>7.2</u>	<u>5.8</u>	<u>4.9</u>	<u>20.4</u>	<u>1.5</u>	<u>3.8</u>	<u>51.6</u>
Instruction	8.4	8.6	5.7	6.1	18.8	2.6	3.3	53.5
Public service	-	0.1	-	-	0.6	0.1	-	0.8
Academic support	1.5	1.0	1.9	0.6	3.9	0.9	1.2	11.0
Student services	2.4	2.5	1.7	1.5	4.1	1.2	0.8	14.2
Institutional support	2.5	2.0	2.7	2.5	5.8	1.2	2.5	19.2
Operations & maintenance	1.5	1.8	1.5	1.7	4.5	0.7	0.5	12.2
Student aid	1.6	0.9	0.5	0.7	2.1	0.2	0.6	6.6
Auxiliary enterprises	0.8	0.6	-	0.7	0.9	0.5	-	3.5
Depreciation	<u>2.2</u>	<u>1.6</u>	<u>1.6</u>	<u>1.3</u>	<u>3.7</u>	<u>0.5</u>	<u>0.9</u>	<u>11.8</u>
Total operating expenses	<u>20.9</u>	<u>19.1</u>	<u>15.6</u>	<u>15.1</u>	<u>44.4</u>	<u>7.9</u>	<u>9.8</u>	<u>132.8</u>
Operating loss	<u>(12.9)</u>	<u>(11.9)</u>	<u>(9.8)</u>	<u>(10.2)</u>	<u>(24.0)</u>	<u>(6.4)</u>	<u>(6.0)</u>	<u>(81.2)</u>
State appropriations	9.4	9.5	7.7	9.1	16.5	5.9	5.6	63.7
Higher Education								
Emergency Relief Funds	5.0	3.8	1.6	1.9	10.2	0.8	1.7	25.0
Gifts	-	-	-	0.8	0.1	-	-	0.9
Net investment income	<u>-</u>	<u>0.4</u>	<u>0.1</u>	<u>0.1</u>	<u>-</u>	<u>0.1</u>	<u>0.1</u>	<u>0.8</u>
Net nonoperating revenues	<u>14.4</u>	<u>13.7</u>	<u>9.4</u>	<u>11.9</u>	<u>26.8</u>	<u>6.8</u>	<u>7.4</u>	<u>90.4</u>
Income (loss) before other	<u>1.5</u>	<u>1.8</u>	<u>(0.4)</u>	<u>1.7</u>	<u>2.8</u>	<u>0.4</u>	<u>1.4</u>	<u>9.2</u>
Capital grants and gifts	-	-	-	-	-	-	-	-
Proceeds from State for capital asset acquisition	0.3	0.8	0.6	0.4	2.3	0.4	0.2	5.0
Inter-campus transfers	<u>0.6</u>	<u>0.7</u>	<u>0.6</u>	<u>0.7</u>	<u>1.6</u>	<u>0.4</u>	<u>0.2</u>	<u>4.8</u>
Total other revenue & gains	<u>0.9</u>	<u>1.5</u>	<u>1.2</u>	<u>1.1</u>	<u>3.9</u>	<u>0.8</u>	<u>0.4</u>	<u>9.8</u>
Change in net position	2.4	3.3	0.8	2.8	6.7	1.2	1.8	19.0
Net position-beginning / year	<u>35.2</u>	<u>22.8</u>	<u>28.8</u>	<u>24.7</u>	<u>66.5</u>	<u>14.6</u>	<u>16.4</u>	<u>209.0</u>
Net position-end / year	<u>\$37.6</u>	<u>\$ 26.1</u>	<u>\$29.6</u>	<u>\$27.5</u>	<u>\$ 73.2</u>	<u>\$15.8</u>	<u>\$18.2</u>	<u>\$228.0</u>

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<u>Year ended June 30, 2021</u> <i>(in millions)</i>	<i>All</i> <u>Colleges</u>	<i>System-</i> <u>Wide</u>	<i>System</i> <u>Office</u>	<i>State's</i> <u>UAAL</u>	<u>MCCS</u>
Student tuition and fees	\$ 35.9	\$ -	\$ -	\$ -	\$ 35.9
Residential life	3.9	-	-	-	3.9
Less: scholarships	<u>(28.6)</u>	<u>(2.5)</u>	<u>(0.1)</u>	-	<u>(31.2)</u>
Net tuition and residential life	11.2	(2.5)	(0.1)	-	8.6
 Federal grants and contracts	 28.0	 -	 0.3	 -	 28.3
Grants and other revenue	<u>12.4</u>	<u>1.9</u>	<u>1.9</u>	-	<u>16.2</u>
Total operating revenues	<u>51.6</u>	<u>(0.6)</u>	<u>2.1</u>	-	<u>53.1</u>
 Instruction	 53.5	 -	 -	 (1.9)	 51.6
Public service	0.8	-	-	-	0.8
Academic support	11.0	-	1.8	(0.5)	12.3
Student services	14.2	-	-	(0.6)	13.6
Institutional support	19.2	1.0	5.3	(0.8)	24.7
Operations & maintenance	12.2	-	0.2	(0.3)	12.1
Student aid	6.6	-	-	-	6.6
Auxiliary enterprises	3.5	-	-	(0.1)	3.4
Depreciation and amortization	<u>11.8</u>	<u>-</u>	<u>0.3</u>	-	<u>12.1</u>
Total operating expenses	<u>132.8</u>	<u>1.0</u>	<u>7.6</u>	<u>(4.2)</u>	<u>137.2</u>
 Operating loss	 <u>(81.2)</u>	 <u>(1.6)</u>	 <u>(5.5)</u>	 <u>4.2</u>	 <u>(84.1)</u>
 State appropriations	 63.7	 0.1	 10.0	 -	 73.8
Higher Education Emergency Relief Funds	25.0	-	-	-	25.0
Gifts	0.9	0.1	-	-	1.0
Net investment income	<u>0.8</u>	<u>8.9</u>	<u>-</u>	<u>-</u>	<u>9.7</u>
Net nonoperating revenues	<u>90.4</u>	<u>9.1</u>	<u>10.0</u>	-	<u>109.5</u>
 Income (loss) before other	 <u>9.2</u>	 <u>7.5</u>	 <u>4.5</u>	 <u>4.2</u>	 <u>25.4</u>
 Capital grants and gifts	 -	 -	 -	 -	 -
Proceeds from State for capital asset acquisition	5.0	-	-	-	5.0
Inter-campus transfers	<u>4.8</u>	<u>(2.4)</u>	<u>(2.4)</u>	-	<u>-</u>
Total other revenue, gains or (losses)	<u>9.8</u>	<u>(2.4)</u>	<u>(2.4)</u>	-	<u>5.0</u>
 Change in net position	 19.0	 5.1	 2.1	 4.2	 30.4
Net position-beginning / year	<u>209.0</u>	<u>35.9</u>	<u>10.0</u>	<u>(69.0)</u>	<u>185.9</u>
 Net position-end / year	 <u>\$228.0</u>	 <u>\$41.0</u>	 <u>\$ 12.1</u>	 <u>\$(64.8)</u>	 <u>\$216.3</u>

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<u>Year ended June 30, 2022</u> <i>(in millions)</i>	<u>CMCC</u>	<u>EMCC</u>	<u>KVCC</u>	<u>NMCC</u>	<u>SMCC</u>	<u>WCCC</u>	<u>YCCC</u>	<u>All Colleges</u>
Student tuition and fees	\$ 6.1	\$ 4.6	\$ 4.4	\$ 1.6	\$ 13.3	\$ 0.9	\$ 2.6	\$ 33.5
Residential life	2.0	1.0	-	0.4	3.8	0.3	-	7.5
Less: scholarships	<u>(6.7)</u>	<u>(4.0)</u>	<u>(4.8)</u>	<u>(2.1)</u>	<u>(9.5)</u>	<u>(1.3)</u>	<u>(2.2)</u>	<u>(30.6)</u>
Tuition and residential life	1.4	1.6	(0.4)	(0.1)	7.6	(0.1)	0.4	10.4
Federal grants and contracts	5.5	3.3	4.3	2.4	8.3	1.3	1.9	27.0
Grants and other revenue	<u>2.2</u>	<u>2.3</u>	<u>2.3</u>	<u>0.8</u>	<u>7.1</u>	<u>0.8</u>	<u>1.7</u>	<u>17.2</u>
Total operating revenues	<u>9.1</u>	<u>7.2</u>	<u>6.2</u>	<u>3.1</u>	<u>23.0</u>	<u>2.0</u>	<u>4.0</u>	<u>54.6</u>
Instruction	8.3	8.0	6.5	6.0	19.1	2.8	3.7	54.4
Public service	-	0.1	-	-	0.8	0.1	-	1.0
Academic support	1.8	1.0	2.1	0.8	4.1	1.1	1.4	12.3
Student services	2.7	2.1	1.7	1.6	4.8	1.3	1.0	15.2
Institutional support	2.3	2.4	2.5	2.5	4.4	1.1	2.7	17.9
Operations & maintenance	1.6	1.8	1.7	1.7	4.8	0.8	0.8	13.2
Student aid	4.0	3.5	2.6	1.2	6.0	0.7	1.2	19.2
Auxiliary enterprises	1.2	1.1	-	0.8	1.5	0.5	-	5.1
Depreciation	<u>2.3</u>	<u>1.7</u>	<u>1.6</u>	<u>1.4</u>	<u>4.0</u>	<u>0.6</u>	<u>1.0</u>	<u>12.6</u>
Total operating expenses	<u>24.2</u>	<u>21.7</u>	<u>18.7</u>	<u>16.0</u>	<u>49.5</u>	<u>9.0</u>	<u>11.8</u>	<u>150.9</u>
Operating loss	<u>(15.1)</u>	<u>(14.5)</u>	<u>(12.5)</u>	<u>(12.9)</u>	<u>(26.5)</u>	<u>(7.0)</u>	<u>(7.8)</u>	<u>(96.3)</u>
State appropriations	9.6	9.8	8.0	9.4	16.7	6.1	5.8	65.4
Higher Education								
Emergency Relief Funds	6.0	4.8	4.1	2.1	9.8	1.5	2.6	30.9
Gifts	-	-	-	1.7	0.3	-	-	2.0
Net investment income	<u>(0.2)</u>	<u>(0.4)</u>	<u>-</u>	<u>(0.1)</u>	<u>(0.5)</u>	<u>(0.1)</u>	<u>(0.2)</u>	<u>(1.5)</u>
Net nonoperating revenues	<u>15.4</u>	<u>14.2</u>	<u>12.1</u>	<u>13.1</u>	<u>26.3</u>	<u>7.5</u>	<u>8.2</u>	<u>96.8</u>
Income (loss) before other	<u>0.3</u>	<u>(0.3)</u>	<u>(0.4)</u>	<u>0.2</u>	<u>(0.2)</u>	<u>0.5</u>	<u>0.4</u>	<u>0.5</u>
Capital grants and gifts	-	-	-	-	-	-	-	-
Proceeds from State for capital asset acquisition	0.2	0.4	0.1	-	0.8	0.4	0.3	2.2
Inter-campus transfers	<u>0.5</u>	<u>0.3</u>	<u>0.3</u>	<u>0.4</u>	<u>1.1</u>	<u>0.4</u>	<u>0.5</u>	<u>3.5</u>
Total other revenue & gains	<u>0.7</u>	<u>0.7</u>	<u>0.4</u>	<u>0.4</u>	<u>1.9</u>	<u>0.8</u>	<u>0.8</u>	<u>5.7</u>
Change in net position	1.0	0.4	0.0	0.6	1.7	1.3	1.2	6.2
Net position-beginning / year	<u>37.6</u>	<u>26.1</u>	<u>29.6</u>	<u>27.5</u>	<u>73.2</u>	<u>15.8</u>	<u>18.2</u>	<u>228.0</u>
Net position-end / year	<u>\$38.6</u>	<u>\$ 26.5</u>	<u>\$29.6</u>	<u>\$28.1</u>	<u>\$ 74.9</u>	<u>\$17.1</u>	<u>\$19.4</u>	<u>\$234.2</u>

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<u>Year ended June 30, 2022</u> <i>(in millions)</i>	<i>All</i> <u>Colleges</u>	<i>System-</i> <u>Wide</u>	<i>System</i> <u>Office</u>	<i>State's</i> <u>UAAL</u>	<u>MCCS</u>
Student tuition and fees	\$ 33.5	\$ -	\$ -	\$ -	\$ 33.5
Residential life	7.5	-	-	-	7.5
Less: scholarships	<u>(30.6)</u>	<u>(2.5)</u>	<u>-</u>	<u>-</u>	<u>(33.1)</u>
Net tuition and residential life	10.4	(2.5)	-	-	7.9
Federal grants and contracts	27.0	-	0.2	-	27.2
Grants and other revenue	<u>17.2</u>	<u>3.0</u>	<u>2.4</u>	<u>-</u>	<u>22.6</u>
Total operating revenues	<u>54.6</u>	<u>0.5</u>	<u>2.6</u>	<u>-</u>	<u>57.7</u>
Instruction	54.4	-	-	(4.0)	50.4
Public service	1.0	-	-	-	1.0
Academic support	12.3	-	2.7	(1.2)	13.8
Student services	15.2	-	0.1	(1.3)	14.0
Institutional support	17.9	0.7	6.1	(1.6)	23.1
Operations & maintenance	13.2	-	0.1	(0.9)	12.4
Student aid	19.2	-	-	-	19.2
Auxiliary enterprises	5.1	-	-	(0.2)	4.9
Depreciation and amortization	<u>12.6</u>	<u>-</u>	<u>0.1</u>	<u>-</u>	<u>12.7</u>
Total operating expenses	<u>150.9</u>	<u>0.7</u>	<u>9.1</u>	<u>(9.2)</u>	<u>151.5</u>
Operating loss	<u>(96.3)</u>	<u>(0.2)</u>	<u>(6.5)</u>	<u>9.2</u>	<u>(93.8)</u>
State appropriations	65.4	0.7	7.9	-	74.0
Higher Education Emergency Relief Funds	30.9	-	-	-	30.9
Gifts	2.0	-	-	-	2.0
Net investment income	<u>(1.5)</u>	<u>(7.0)</u>	<u>-</u>	<u>-</u>	<u>(8.5)</u>
Net nonoperating revenues	<u>96.8</u>	<u>(6.3)</u>	<u>7.9</u>	<u>-</u>	<u>98.4</u>
Income (loss) before other	<u>0.5</u>	<u>(6.5)</u>	<u>1.4</u>	<u>9.2</u>	<u>4.6</u>
Capital grants and gifts	-	-	-	-	-
Proceeds from State for capital asset acquisition	2.2	-	-	-	2.2
Inter-campus transfers	<u>3.5</u>	<u>(1.5)</u>	<u>(2.0)</u>	<u>-</u>	<u>-</u>
Total other revenue, gains or (losses)	<u>5.7</u>	<u>(1.5)</u>	<u>(2.0)</u>	<u>-</u>	<u>2.2</u>
Change in net position	6.2	(8.0)	(0.6)	9.2	6.8
Net position-beginning / year	<u>228.0</u>	<u>41.0</u>	<u>12.1</u>	<u>(64.8)</u>	<u>216.3</u>
Net position-end / year	<u>\$234.2</u>	<u>\$33.0</u>	<u>\$ 11.5</u>	<u>\$(55.6)</u>	<u>\$223.1</u>

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In November of 2018 the voters of the State of Maine approved a \$15 million Chap. 465 P.L. 2017 General Purpose Bond. The bond funds were allocated to all seven colleges and during FY22 the colleges spent \$2.3 million on instruction lab upgrades and equipment, building upgrades and renovations at two colleges, building automation and security systems, completion of building sprinkler system, water main upgrades, and residence hall ADA renovations.

The colleges are not required to budget for depreciation expenses but do budget for capital expenditures funded through operations. As a result, each of the seven colleges ended 2022 with a surplus. With approval from the System Office, the colleges can reserve a portion of the earned surplus for future capital investments (discussed below, in the section on Net Position), but the unobligated net position is not available to the colleges for discretionary spending.

Colleges in more rural areas of Maine have lower enrollments and, therefore, earn less in student tuition and fees, but the proportion of state appropriation tends to be higher.

Economic Factors Affecting Maine's Community Colleges

COVID-19 had a profound impact on public health and the economy. As Maine begins to work toward an economic recovery, the significant need for the training and education provided by Maine's community colleges has never been more apparent.

Maine people with education and technical skills have gained economic opportunity. But those lacking the essential skills needed to get a job in the modern economy are losing hope. Data collected by Opportunity Insights indicated that, in Maine, almost 40% of low-income jobs have gone away, while moderate- and high-income jobs that require skills have increased substantially.

Students at the fringe of academic success and students who learn by working with their hands suffered incredible learning loss and emotional setbacks in recent years. For many, mental health and housing and food insecurity challenges their ability to get the education they need.

Pandemic relief funds from both the state of Maine and the federal government were a crucial resource that allowed Maine's community colleges to continue providing education and training as well and expand support for struggling students. These funds are time-limited in nature, and MCCS continues to invest those dollars in short-term training and immediate needs in compliance with state and federal requirements.

In July 2021 the Maine State Legislature approved the Maine Jobs and Recovery Plan (MJRP). LD1733 included \$35 million in one-time American Rescue Plan Act federal funding under State and Local Fiscal Recovery Funds for workforce development initiatives to provide training for 8,500 Maine residents in the following targeted industry sectors: Healthcare, The Green Economy, Manufacturing, Hospitality, Education, Computer Technology, and the trades.

The business plan for the MJRP grant was approved by the state on December 29, 2021. This allowed the work to begin and for the colleges to start implementation and recruitment. In FY22 sixty-three training programs representing \$8.5M in funding commitments were submitted. A total of over 2,700 seats were available in these programs which started in FY22 and will conclude by September 2023. Additional training opportunities continue to be developed for completion under this funding through out the grant award period, which ends December 2024.

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Governor Mills included a free community college initiative in her supplemental budget. This is a last-dollar scholarship, meaning eligible students must first accept grants or scholarship awarded to them, with the last dollar costs of tuition and mandatory fees covered by the free college scholarship. The \$20 million initiative will begin in FY23 and provides two years of free community college to the Maine high school graduates most affected by the pandemic: the Classes of 2020, 2021, 2022, and 2023. Other states launching free college initiatives saw enrollment increase about 25 percent. In Maine, 8,000 students are expected to benefit from the free college offer.

In April 2022, the Governor signed the supplemental budget which included a \$2.5 million in ongoing allocation to MCCS for expansion of the nursing programs across the state in FY23. The \$2.5 million will be matched by healthcare providers MaineHealth and Northern Light Health. This allows Maine's community colleges to double the number of nursing program graduates from approximately 240 people per year to 480 per year. These funds are a significant investment in addressing the nursing shortage in Maine.

Appropriation <i>(in millions)</i>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Requested</u> <u>2024</u>
Base appropriation	\$69.4	\$72.0	\$73.8	\$74.0	\$79.1
New funding for ongoing operations	2.1	0.0	2.2	2.3	3.6
New funding for strategic initiatives	<u>0.5</u>	<u>2.5</u>	<u>(2.7)</u>	<u>2.8</u>	<u>5.0</u>
Curtailment		(0.7)	0.7		
New appropriation	<u>\$72.0</u>	<u>\$73.8</u>	<u>\$74.0</u>	<u>\$79.1</u>	<u>\$87.7</u>
Special one-time MJRP funding			15.0	20.0	
Special one-time Free College Funding				20.0	
Appropriation with special one-time funding	<u>\$72.0</u>	<u>\$73.8</u>	<u>\$89.0</u>	<u>\$119.1</u>	<u>\$87.7</u>

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The Maine community colleges were allocated a total of \$64.5 million in Higher Education Emergency Relief Funds (HEERF) under the Coronavirus Aid, Relief, and Economic Security (CARES) Act in March 2020, the Coronavirus Response and Relief Supplemental Appropriation (CRRSA) disbursed in January 2021, and the American Rescue Plan Act (ARPA) passed in March 2021. The HEERF allocations included \$26.0 million for emergency financial aid grants to students and \$38.5 million of institutional funds for COVID-19 response expenses. The major change with the ARPA was under the use of institutional funds for lost revenue. This allowed Maine community colleges to recover lost revenue due to COVID-19.

In 2022 MCCS spent \$30.9 million of the HEERF funds, \$18.7 million in student emergency aid and \$12.2 million on institutional expenditures including \$7.1 million in lost revenue. When added to the expenditures from 2020 and 2021, the total HEERF expended is \$58.6 million through June 30, 2022. This represents \$32.3 million of institutional aid expended from all three pieces of funding, and a total of \$26.3 million disbursed in student emergency aid since the start of the pandemic.

Statement of Revenues, Expenses, and Changes in Net Position

In 2022 MCCS recorded an increase in net position of \$6.8 million. This increase is due to \$30.9 million in Higher Education Emergency Relief Funds (HEERF) during the fiscal year, up from \$25.0 million in 2021. Operating revenue increased \$4.6 million due to an increase in residential life of \$3.5 million due to more students returning to campus from the previous year, an increase in state and local grants of \$4.8 million and \$1.2 million increase in nongovernmental grants and contracts. Operating expenses increased \$14.3 million with \$12.6 million of the increase in HEERF student emergency aid. Year over year, nonoperating revenue decreased in 2022 by \$11.1 million due to a \$18.1 million decrease in investment income, offset by a \$5.9 million increase in HEERF and \$1 million increase in gifts. Other revenue decreased \$2.8 million with a decline in Chap. 465 P.L. 2017 General Purpose Bond funds.

MCCS saw an increase in net position of \$30.4 million in 2021. This increase was due largely to an increase in nonoperating revenue of \$30.4 million. The nonoperating revenue growth is predominantly from an increase of \$22.3 million in Higher Education Emergency Relief Funds (HEERF) and higher investment income of \$7.1 million over 2020.

In 2020 MCCS recorded an increase in net position of \$11.9 million due largely to \$5.9 million increase in other revenue. Bond proceeds for capital asset acquisition increased \$4.8 million and capital grants and gifts increased \$1 million. Nonoperating revenue also increased \$4 million from Higher Education Relief Funds of \$2.7 million, an increase in State appropriation and other State revenue of \$1.9 million.

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Statement of Revenues, Expenses, and Changes in Net Position

<i>(in millions)</i>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Operating revenues	\$57.7	\$ 53.1	\$ 59.5
Operating expenses	<u>151.5</u>	<u>137.2</u>	<u>133.7</u>
Operating loss	(93.8)	(84.1)	(74.2)
Nonoperating revenues	<u>98.4</u>	<u>109.5</u>	<u>79.1</u>
Income before other revenue	4.6	25.4	4.9
Other revenue, net	<u>2.2</u>	<u>5.0</u>	<u>7.0</u>
 Increase in net position	 <u>\$ 6.8</u>	 <u>\$ 30.4</u>	 <u>\$ 11.9</u>

Operating Revenue

In 2022 operating revenues decreased by \$4.6 million, or 8.7 percent. Net tuition and residential life fees declined \$0.7 million as enrollment declined 6 percent. Student tuition and fees were down \$2.3 million or 6.4 percent, residential life fees increase \$3.5 million or 87.5 percent with students returning to on campus housing and increased occupancy rates from 2021. Scholarship allowances also increased \$1.9 million or 6.1 percent.

Federal grants and contracts decreased \$1.1 million due to federal financial aid declined with lower enrollments. State and local grants and contracts increased by \$4.8 million due to increases in Maine State Grants, Racino and Aspirations revenue. Nongovernmental grants and contracts, sales and service and other operating revenues increase \$1.8 million, offset by \$.2 million decline in auxiliary enterprises revenue.

Operating revenues decreased by \$6.4 million in 2021. Net tuition and residential life fees were down \$3.0 million. This was due to enrollment declines which resulted in student tuition and fees being down \$4.3 million. Residential life fees were down \$6.6 million as colleges reduced occupancy to enable social distancing. These decreases along with \$7.8 million decrease in scholarship allowances resulted in the 25.6% decrease in net tuition and residential life fees.

Federal grants and contracts decreased \$3 million due to federal financial aid declined with smaller enrollments and lower awards. Decreases in state and local grants and contracts account for the balance of the decrease in operating revenues experienced in 2021.

In 2020 operating revenues decreased by \$2.8 million. Net tuition and residential life fees were down \$2 million with scholarship allowances increasing \$2.3 million. A decrease in Federal grants and contracts of \$1.0 million was offset by a \$1.0 million increase in nongovernmental grants and contracts. Sales and services, state and local grants and contracts, auxiliary, and other operating revenues decreased by \$0.8 million collectively.

Changes in the sources of grants fluctuate between Federal, state and nongovernment entities based on the opportunities the colleges pursue, but in the current environment do not reflect any meaningful

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pattern or strategic change beyond the Higher Education Emergency Relief Funds allocated in response to COVID-19, which are included in the nonoperating revenue section of the Statement of Revenues, Expenses, and Changes in Net Assets. Workforce development training funds were received in 2022 from the Maine Jobs and Recovery Fund and Harold Alfond Foundation, but work under these grants was not initiated until the second half of 2022 with development and planning consuming the first half of the fiscal year.

Nonoperating Revenue

Non-operating revenues are primarily comprised of the appropriations from the State of Maine, Higher Education Emergency Relief Funds (HEERF), gifts, and investment gains and losses. In 2022 nonoperating revenue decreased \$11.1 million due to \$18.1 million decrease in investment income caused by market volatility. The loss in investment income was offset by an increase of \$5.9 million in HEERF revenue, a \$1 million increase in gifts received at colleges for renovations and program equipment, and small increases in appropriation and interest on capital asset debt.

State appropriation increased in 2022 \$0.1 million general fund appropriation net of the additional \$2.5 million in one-time workforce development funds that was received in 2021, and the elimination of \$0.25 million in one-time Live Fire Service Training Facilities Funds. State appropriation for on-going funding increased \$2.9 million in general fund appropriation with the re-established curtailment added back to the base, and a 3% increase approved in the Governor's Change Package LD221.

In 2021 nonoperating revenue increased \$30.4 million due largely to an expansion of HEERF. The addition of two relief packages passed during calendar year 2020 and the beginning of calendar year 2021, allocated additional funding to the colleges and modifications to allowable uses now include lost revenue. This provided the colleges with a vehicle to recapture some operating revenue lost due to the pandemic in 2021 and resulted in an increase of \$22.3 million in HEERF revenue. Investment income increased \$7.1 million in 2021 due to market gains and realized gains due to capital asset allocation changes.

State appropriation increased in 2021 \$1.8 million after a 1% curtailment in general fund appropriation and an additional \$2.5 million in one-time workforce development funds. Gifts decreased \$0.9 million in 2021.

In 2020 non-operating revenue increased \$4.1 million due in part to \$2.7 million received in Higher Education Relief Funds included in the Coronavirus Aid, Relief, and Economic Security Act.

State appropriation increased in 2020 \$3.3 million, or 4.8 percent as state policy leaders continued to make investments in MCCS's workforce development effort. Gifts decreased \$0.6 million, or 23.4 percent in 2020 while investment income and interest on capital asset debt remained flat.

Operating Expenses

Like most colleges and universities, MCCS's largest expense is payroll. Wages, benefits, and wage-related taxes accounted for between 55 and 69 percent of expenditures in each of the last three years.

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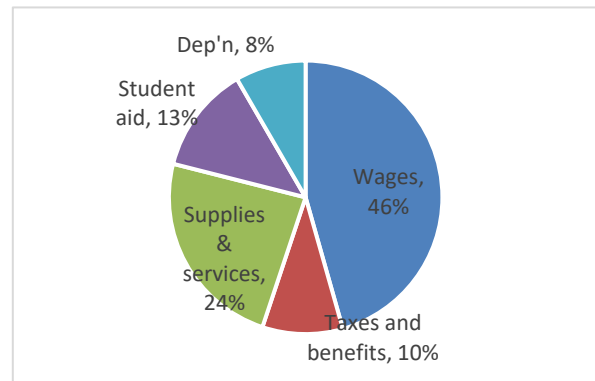
Over 90 percent of MCCS employees are represented by one of six collective bargaining agreements. Contractually, wages increased an average of 4.5 percent in 2022 to bring wages closer to market level. Wages increased 3 percent in 2021 and 2020. In 2022 vacant positions remained open longer as labor market pressures reduced qualified applicant pools which had a slight effect on the aggregate increase and reduced it to 4.4 percent. In 2021 vacant positions were unfilled due to the unknown financial effect of the pandemic, which reduced the aggregate effect to 1 percent. Productivity improvements reduced the aggregate increase in 2020 to 1.5 percent. The adjustment for GASB 75 pension expense reduced the overall cost of benefits offsetting a healthcare increase of 2.97 percent in 2022. Taxes and benefits decreased \$6.8 million in 2022 due to the GASB 75 adjustment and the State of Maine Health Commission implementation of two months of health insurance premium holiday, in which neither the employee or employer paid health insurance premiums. Taxes and benefits decreased \$3.9 million in 2021 and increased \$7.8 million in 2020.

Pension plans for MCCS retirees represent the largest benefit expense for the System. Two-thirds of the System's employees participate in the State Employee and Teacher Retirement Plan, a multiple-employer, cost-sharing plan administered by the Maine Public Employees Retirement System (MainePERS). For employees enrolled in the MainePERS, the System was required to contribute 22.11 percent of payroll for 2022. Healthcare benefits for current members and retirees purchased from the Maine Bureau of Employee

Health also contributed to the cost of benefits which added 15 percent (down from 24 percent) to the cost of compensation for these employees.

Expenses by natural class are as follows:

<i>(in millions)</i>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Wages	\$ 69.1	\$ 66.2	\$ 65.6
Taxes and benefits	<u>14.4</u>	<u>21.2</u>	<u>26.0</u>
Wages & benefits	83.5	87.4	91.6
Supplies & services	36.1	31.1	29.8
Student aid	19.2	6.6	0.5
Depreciation	<u>12.7</u>	<u>12.1</u>	<u>11.8</u>
Total expenses	<u>\$151.5</u>	<u>\$137.2</u>	<u>\$133.7</u>



The distribution of expenses by functional area has shifted over the three-year period ended June 30, 2022. Instruction and academic support accounted for 42 percent of the operating expenditures in 2022. Most functional areas experienced increases except for a decrease of 2.3 percent in instruction and 6.9 percent in institutional support, or \$2.9 million together. The decrease in expense is from 2021 inflated spending for remote learning supports. Auxiliary enterprises saw a 44 percent increase, or \$1.5 million, due to the return of dorm occupancy and the number of students living and eating on campus. Student aid increased \$12.6 million due to Higher Education Emergency Relief Funds (HEERF) student emergency aid disbursed in response to the COVID-19 pandemic.

In 2022, expenses were offset by \$9.2 million of GASB adjustments to record decreased pension liability for OPEB and MainePERS. GASB adjustments accounted for decreases in instruction of \$4 million, academic

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support \$1.2 million, student services \$1.3 million, instructional support \$1.6 million, and operations and auxiliary enterprises \$1.1 million.

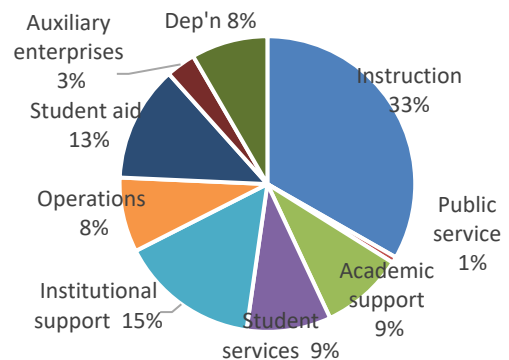
Instruction and academic support account for 46.6 percent of the operating expenditures in 2021. An increase of 13.8 percent in instructional support is due in large part to continued spending required by the system to pivot to remote work and learning. This work started in 2020 with an 8.6 percent increase in instruction and 17.8 percent increase in institutional support. These expenditures included technology and equipment. Student aid increased \$6.1 million due to Higher Education Emergency Relief Funds (HEERF) student emergency aid disbursed in response to the COVID-19 pandemic. Auxiliary enterprises saw a sharp decline of \$2.3 million, or 40.4 percent, due to the reduction in dorm occupancy and the number of students living and eating on campus.

Expense was offset by \$4.1 million of GASB adjustments to record decreased liability for OPEB. GASB adjustments account for decreases in instruction of \$1.9 million, academic support \$0.5 million, student services \$0.6 million, instructional support \$0.7 million, and operations and auxiliary enterprises \$0.4 million.

In 2020 instruction and academic support accounted for 48 percent of the operating expenditures. The 8.6 percent increase in instruction and 17.8 percent increase in institutional support is due in large part to additional spending required to pivot to remote work and learning as mentioned above. This was offset by \$2.3 million of GASB adjustments to record decreased pension liability for OPEB and MainePERS. GASB adjustments accounted for decreases in academic support of \$0.3 million, student services \$0.3 million, instructional support of \$1.4 million, and operations and auxiliary enterprises of \$0.2 million. The colleges continue to develop efficiencies in operating expenses.

Expenses by function are as follows:

<i>(in millions)</i>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Instruction	\$ 50.4	\$ 51.6	\$ 51.7
Public service	1.0	0.8	0.9
Academic support	13.8	12.3	12.7
Student services	14.0	13.5	14.9
Institutional support	23.1	24.8	21.8
Operations	12.4	12.1	13.6
Student aid	19.2	6.6	0.5
Auxiliary enterprises	4.9	3.4	5.7
Depreciation	<u>12.7</u>	<u>12.1</u>	<u>11.9</u>
Total	<u>\$151.5</u>	<u>\$137.2</u>	<u>\$133.7</u>



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Other Revenues, Expenses, Gains, and Losses

Other revenues, expenses, gains, and losses are primarily the net result of capital activity paid through state-funded bonds which the System has no obligation to repay and capital gifts and grants including the transfer of land and buildings from other public entities.

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Other revenues, net	\$ 2.2	\$ 5.0	\$ 6.9

The System generated proceeds from State for grants and capital asset acquisition of \$2.2 million in 2022, \$5.0 million in 2021, and \$5.9 million in 2020, as all seven colleges continued spending the Chap. 465 P.L. 2017 General Purpose Bond.

Capital grants and gifts decreased \$17 thousand in 2022, decreased in 2021 by \$1.0 million and increased \$0.9 million in 2020 due to fluctuations in donor activity. All 2020 expenditures from capital grants and gifts were related to the construction of new athletic fields at CMCC and a \$1.0 million gift from the CMCC Student Union.

Statement of Net Position

In 2022 net position increased \$6.8 million. Assets and deferred outflows increased \$5.1 million while liabilities and deferred inflows decreased \$1.7 million in 2022. The assets increase was the result of an increase in deferred outflows of resources from the define benefit pension plan of \$6.0 million and other post-retirement benefit plans of \$4.2 million. The noncurrent assets decreased \$8.1 million the result of decreases in prepaid post-employment benefit plans of \$2.8 million, endowment investments of \$3.6 million and capital assets of \$1.6 million.

The \$1.7 million decrease in liabilities and deferred inflows of resources was the result of liabilities decreasing \$24.9 million and deferred inflows of resources increasing \$23.3 million. Decreases of \$24.6 million in net pension liability, \$1 million in long-term debt, \$.4 million in other post-employment benefit plans, and \$0.1 million in lease obligations were offset by \$1 million increase in accrued liabilities. Increases in deferred inflows of resources are from \$24 million of defined benefit pension plan increases offset by other post-employment benefit plan decreased of \$0.7 million.

Net position increased in 2021 \$30.4 million. Assets and deferred outflows increased \$39.1 million while liabilities and deferred inflows increased \$8.7 million in 2021. The assets increase was the result of a \$22.3 million increase in Higher Education Relief Funds, \$7.7 million increase in prepaid post-employment benefit plans, an increase in investment income of \$7.1 million, and \$0.9 million in lease obligations. The State appropriation increase of \$1.8 million was offset by a \$0.9 million decrease in gift revenue. Increases in deferred inflows of resources from other post-employment benefit plans were \$8.6 million offset by a decrease in deferred inflows of resources from the defined benefit pension plan of \$2.8 million. Noncurrent liabilities increased by \$1.9 million, the result of a \$2.8 million increase in net pension liability offset by a decrease of \$1 million in long-term debt.

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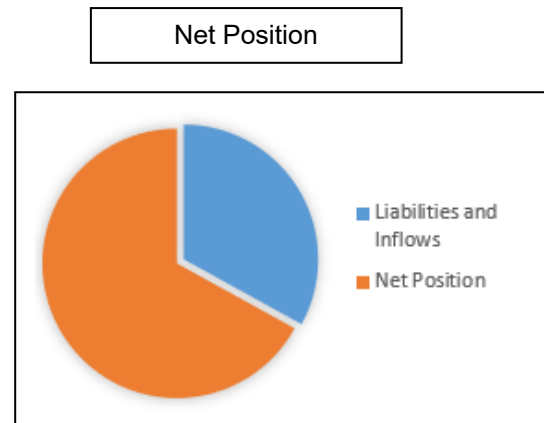
June 30, 2022

In 2020 net position increased \$11.9 million. Assets and deferred outflows increased \$9.7 million while liabilities and deferred inflows decreased \$2.8 million in 2020. The asset increase was the result of a \$4.8 million increase in other revenue of Bond proceeds, \$1 million increase in capital grants and gifts, \$2.7 million in Higher Education Relief Funds and an increase in net non-operating revenue of \$1.4 million. Decreases in deferred inflows from other post-employment benefit plans were \$0.9 million while liabilities decreased \$1.9 million in net pension liability, long-term debt, and other post-employment benefit plans.

Net Position

(In millions)

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Current assets	\$101.9	\$ 99.0	\$ 77.3
Noncurrent assets	204.4	212.5	200.1
Deferred outflows	<u>26.7</u>	<u>16.4</u>	<u>11.4</u>
Total assets and outflows	<u>\$333.0</u>	<u>\$327.9</u>	<u>\$288.8</u>
Current liabilities	\$ 19.8	\$ 18.5	\$ 18.3
Noncurrent liabilities	44.2	70.5	67.7
Deferred inflows	<u>45.9</u>	<u>22.6</u>	<u>16.9</u>
Total liabilities and inflows	<u>\$109.9</u>	<u>\$111.6</u>	<u>\$102.9</u>
Investment in capital assets	\$167.6	\$168.2	\$167.1
Net restricted position	24.2	26.7	22.4
Net unrestricted position	<u>31.3</u>	<u>21.4</u>	<u>(3.6)</u>
Total net position	<u>\$223.1</u>	<u>\$216.3</u>	<u>\$185.9</u>



Current Assets and Current Liabilities

Current assets increased \$2.9 million, and current liabilities increased \$1.3 million, in 2022, improving liquidity. Cash increased \$8.9 million, and short-term investments decreased \$4.3 million. Cash was generated from operations and noncapital financing activities, while the decrease in investments is related to negative returns. Accounts receivable increased \$1.1 million and HEERF receivable decreased \$3.4 million in 2022. Due from state and other assets increased, \$0.4 million and \$0.4 million, respectively.

In 2022 the \$1.3 million increase in current liabilities is related to increases in accrued expenses of \$1.1 million. The balance is from small increases in current portion of long-term liabilities, accounts payable and deferred revenue.

Current assets increased \$21.7 million, and current liabilities increased \$0.2 million, in 2021, improving liquidity. Cash increased \$0.3 million, and short-term investments increased \$12.7 million generated from favorable returns realized in 2021 and capital asset allocation changes.

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Accounts receivable increased \$10.8 million in 2021. Revenue recognized at year-end from Higher Education Emergency Relief Funding caused this increase. Due from state and other assets each decreased, \$1.4 million and \$0.6 million, respectively.

In 2021 the increase in current liabilities is related to small increases in accrued liabilities and the current portion of long-term liabilities of \$0.5 million in total, offset by a decrease of \$0.4 million in accounts payable and deferred revenue combined.

Current assets increased \$5.6 million, and current liabilities increased \$0.8 million, in 2020, improving liquidity. Cash increased \$5.7 million, and short-term investments decreased \$3.2 million due to a withdrawal from the Intermediary Fund during the shutdown of the state in response to the pandemic and the unknown length and effect on MCCS cash flow needs of the shutdown.

Accounts receivable increased \$1.5 million in 2020, due in large part to the abrupt closure of campuses and pivot to online learning in March. Due from state and other assets each increased, \$1.4 million and \$0.3 million, respectively.

In 2020 the increase in current liabilities is related to a \$0.7 million increase in accrued liabilities due to vested leave and payroll increases.

Noncurrent Assets and Long-term Liabilities

In 2022, noncurrent assets decreased \$8.1 million and long-term liabilities decreased \$26.2 million. The decrease in noncurrent assets is due to a \$3.6 million decrease in endowment investments, \$2.8 million in prepaid post-employment benefit plans, and a \$1.6 million decrease in capital assets due in part to less spending of Chap. 465 P.L. 2017 General Purpose Bond. Long-term liabilities decreased \$24.7 million in net pension liability, \$0.4 million in OPEB liability, \$1.0 million in long-term debt, and \$0.1 million in lease obligations. MCCS made scheduled payments on existing debt (see Note 7) and did not incur any new debt.

Noncurrent assets increased \$12.4 million and noncurrent liabilities increased \$2.8 million in 2021. The increase in noncurrent assets is due to an increase of \$7.7 million in prepaid post-employment benefit plans, \$0.9 million in newly recognized lease obligations, a \$3.5 million increase in endowment investments and an increase in MCCS investment in capital assets due in part to spending of Chap. 465 P.L. 2017 General Purpose Bond of \$0.2 million.

Noncurrent liabilities increased is the result of a \$2.9 million increase in net pension liability offset by a \$1.0 million decrease in long-term debt. MCCS made scheduled payments on existing debt and did not incur any new debt.

In 2020, noncurrent assets increased \$4.5 million and noncurrent liabilities decreased \$2.1 million. The increase in noncurrent assets is due to an increase in MCCS investment in capital assets due in part to spending of Chap. 465 P.L. 2017 General Purpose Bond. Noncurrent liabilities decreased \$0.7 million in OPEB liability, \$1.1 million in net pension liability, and \$0.9 million in long-term debt. MCCS made scheduled payments on existing debt and did not incur any new debt.

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Costs and Obligations of Retirement Plans

Regular employees of the System have two retirement plan options: participation in TIAA/CREF, a defined contribution plan, and MainePERS, a defined benefit plan. MainePERS is an independent public agency of the State of Maine that administers retirement programs for State employees and other public entities including MCCS. MainePERS is responsible for the payment of retirement benefits to participants in that plan.

Participants in both the defined benefit and the defined contribution plan are eligible for retiree health insurance after vesting.

In 2015, the System implemented GASB 68, *Accounting and Financial Reporting for Pensions*. As a result, MCCS's proportionate share of the State's Unfunded Actuarially Accrued Liability (UAAL) for pension benefits was \$26.4 million as of June 30, 2022, \$51.0 million as of June 30, 2021, and \$48.2 million as of June 30, 2020. The plan is administered by Maine PERS. The System does not manage the defined benefit plan assets or directly control the benefits, but the System is required to fund its share of the plan so that it remains viable and able to honor the commitments made to retired employees. Therefore, the presentation of MCCS's proportionate share of the Maine PERS UAAL, 4.09 percent as of the last reporting date, a decrease of 0.21 percent from the proportion measured as of June 30, 2020, chronicles an important understanding of the System's fully formed financial condition and the totality of its obligations.

The UAAL is determined by actuaries, not staff or the System's auditors. Certain estimates used by actuaries including investment returns, salary increases, mortality rates and cost of living benefits will impact the valuation of the liability. Note 8 to the financial statements includes a required disclosure that demonstrates the impact of changing one assumption (the discount rate) by an increase or decrease of 1 percent.

In 2018, the System adopted GASB 75 which requires recognition of the total OPEB liability and retroactive restatement of net position. In 2009, the System created the MCCS OPEB Trust. The Trust Agreement allows the Trust to accept contributions from MCCS to fund future retiree benefits and limits the trustees to prudent investment of trust assets and payment of retiree health and life insurance benefit costs. MCCS's recognized income for other post-employment benefits was \$.8 million in 2022, \$1.9 million in 2021 and \$.3 million in 2020. MCCS's total expense for other post-employment benefits was \$.8 million in 2019, \$2.1 million in 2018, and \$1.7 million in 2017. The actuarially accrued obligation for retiree health and life insurance in 2022 was \$41.5 million, a \$6.3 million decrease from 2021 obligation of \$47.8 million. The 2021 obligation was up \$4.1 million from \$43.7 million in 2020, and 2020 was an increase of \$1.3 million from 2019. In 2019 it was \$42.4 million, down \$6.8 million from 2018. The actuarially accrued obligation was \$49.2 million in 2018.

Trust assets were valued at \$47.0 million on June 30, 2022, \$56.1 million on June 30, 2021, \$44.3 million on June 30, 2020, \$42.2 million on June 30, 2019, and \$39.9 million on June 30, 2018. Accordingly, the net OPEB (asset) liability was (\$5,500,484) on June 30, 2022, (\$8,315,520) on June 30, 2021, (\$629,822) on June 30, 2020, \$240,950 on June 30, 2019, and \$9.3 million on June 30, 2018.

Endowments

Noncurrent assets also include \$14.9 million in endowment investments; a decrease of \$3.6 million, or 19.6 percent from 2021. In 2021, endowment investment were \$18.6 million, an increase from 2020 of \$3.5 million, or 23.2 percent. In 2020, endowment investments were \$15.1 million, an increase from 2019 of \$0.1 million, or 0.7 percent.

Endowment investments lost 15.5 percent in 2022, earned 28.2 percent in 2021, and 6.1 percent in 2020.

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The largest shares of the endowment are comprised of gifts from the Bernard Osher Foundation. The Osher Endowments are comprised of four donations that total \$7.0 million. The State and the System have added \$3.0 million in matching funds. The gifts support scholarships and emergency financial assistance for full-time matriculated associate degree students.

The Board of Trustees adopted an investment policy using a long-term investment strategy, and investment results are compared to a blended benchmark index that is a composite made up of 40 percent Morgan Stanley Capital International - All Country World Index (MSCI-ACWI), 17.5 percent S&P 500, 15 percent of the Bloomberg Barclays US Aggregate Bond Index (BC Agg), 15 percent Bloomberg Barclays Intermediate US Government/Credit, 10 percent of the Russell 2000, and 2.5 percent Morgan Stanley Capital International Emerging Markets. Endowment investments are pooled with the System's long-term investments and are allocated based upon a percentage of the total investment pool.

Net Position

MCCS's net position represents the value of its assets and deferred outflows of resources after subtracting its liabilities and deferred inflows of resources. Net investment in capital assets is the value of nonexpendable, capital assets after subtracting the related debt on facilities and equipment. Restricted net assets are assets owned by MCCS, but, by agreement with grantors or donors, the assets can only be used for purposes specified in grant or donor agreements. As such those assets are not available to meet the general obligations of operations. Unrestricted net assets are those assets, net of liabilities, which have accumulated over time, are free of restrictions and are expendable at the Trustees direction. MCCS has designated unrestricted net position as follows (in millions):

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Funds committed to Other Post-Employment Benefits	\$ 2.6	\$ (3.0)	\$ (2.4)
Funds carried from prior years for programs	25.0	20.0	5.0
Funds committed to property, plant, and equipment renewal	28.3	29.2	27.4
Funds on deposit with bond trustee	1.2	1.2	1.2
Unobligated net position	10.5	16.9	8.8
Proportionate share of the State's net pension liability	<u>(36.3)</u>	<u>(42.9)</u>	<u>(43.6)</u>
Total net position	<u>\$ 31.3</u>	<u>\$ 21.4</u>	<u>\$ (3.6)</u>

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The narrative on costs and obligations of retirement plans notes that MCCA has appropriately recorded its proportionate share of the net pension liability (NPL) administered by MainePERS, but that the System does not manage any aspect of the plan. The results of operations and impact of GASB 68 are as follows:

(in millions)	<u>2022</u>			<u>2021</u>		
	<i>Before NPL</i>	<i>State's NPL</i>	<i>MCCA</i>	<i>Before NPL</i>	<i>State's NPL</i>	<i>MCCA</i>
Current assets	\$ 101.9	\$ -	\$101.9	\$ 99.0	\$ -	\$ 99.0
Noncurrent assets	204.4	-	204.4	212.5	-	212.5
Deferred outflows-pension	<u>10.0</u>	<u>16.7</u>	<u>26.7</u>	<u>5.7</u>	<u>10.7</u>	<u>16.4</u>
Total assets and outflows	<u>\$316.3</u>	<u>\$ 16.7</u>	<u>\$333.0</u>	<u>\$317.2</u>	<u>\$ 10.7</u>	<u>\$327.9</u>
Current liabilities	\$ 19.8	\$ -	\$ 19.8	\$ 18.4	\$ -	\$ 18.4
Noncurrent liabilities	17.8	26.4	44.2	19.6	51.0	70.6
Deferred inflows	<u>19.3</u>	<u>26.6</u>	<u>45.9</u>	<u>20.0</u>	<u>2.6</u>	<u>22.6</u>
Total liabilities and inflows	<u>\$ 56.9</u>	<u>\$ 53.0</u>	<u>\$ 109.9</u>	<u>\$ 58.0</u>	<u>\$ 53.6</u>	<u>\$111.6</u>
Investment in capital assets	\$167.6	\$ -	\$167.6	\$168.2	\$ -	\$168.2
Net restricted position	24.2	-	24.2	26.7	-	26.7
Net unrestricted position	<u>67.6</u>	<u>(36.3)</u>	<u>31.3</u>	<u>64.3</u>	<u>(42.9)</u>	<u>21.4</u>
Total net position	<u>\$259.4</u>	<u>\$(36.3)</u>	<u>\$223.1</u>	<u>\$259.2</u>	<u>\$(42.9)</u>	<u>\$216.3</u>

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Statements of Net Position

June 30, 2022 and 2021

ASSETS

	<u>2022</u>	<u>2021</u>
Current assets		
Cash and cash equivalents	\$ 35,849,801	\$ 26,984,382
Short-term investments	50,114,804	54,460,095
Accounts receivable, net	5,599,360	4,544,408
Higher Education Emergency Relief Funds receivable	7,526,932	10,952,839
Due from State of Maine	1,730,981	1,324,258
Prepaid expenses and other current assets	<u>1,123,381</u>	<u>708,528</u>
Total current assets	<u>101,945,259</u>	<u>98,974,510</u>
Noncurrent assets		
Prepaid post-employment benefit plans	5,500,484	8,315,520
Deposit with bond trustee	1,196,459	1,171,139
Endowment investments	14,949,873	18,598,947
Right-of-use asset, net	871,859	968,422
Capital assets, net	<u>181,869,564</u>	<u>183,442,118</u>
Total noncurrent assets	<u>204,388,239</u>	<u>212,496,146</u>
Total assets	<u>\$ 306,333,498</u>	<u>\$ 311,470,656</u>

DEFERRED OUTFLOWS OF RESOURCES

Defined benefit pension plan	\$ 16,747,677	\$ 10,738,724
Other post-retirement benefit plans	<u>9,924,570</u>	<u>5,678,384</u>
Total deferred outflows of resources	<u>\$ 26,672,247</u>	<u>\$ 16,417,108</u>

The accompanying notes are an integral part of these financial statements.

LIABILITIES

	<u>2022</u>	<u>2021</u>
Current liabilities		
Accounts payable	\$ 3,609,617	\$ 3,576,157
Accrued expenses	12,043,482	10,983,198
Unearned revenue	3,082,885	2,989,453
Current portion of lease obligations	131,246	89,193
Current portion of long-term debt	<u>895,000</u>	<u>850,000</u>
Total current liabilities	<u>19,762,230</u>	<u>18,488,001</u>
Long-term liabilities		
Long-term debt, excluding current portion	14,516,188	15,538,609
Lease obligations, excluding current portion	758,857	890,103
Net pension liability	26,390,375	51,040,842
Other post-employment benefit plans	<u>2,591,142</u>	<u>2,992,572</u>
Total long-term liabilities	<u>44,256,562</u>	<u>70,462,126</u>
Total liabilities	<u>\$ 64,018,792</u>	<u>\$ 88,950,127</u>

DEFERRED INFLOWS OF RESOURCES

Defined benefit pension plan	\$ 26,566,421	\$ 2,600,578
Other post-employment benefit plans	18,914,086	19,598,413
Deferred gain on bond refunding	<u>391,017</u>	<u>418,947</u>
Total deferred inflows of resources	<u>\$ 45,871,524</u>	<u>\$ 22,617,938</u>

NET POSITION

Net investment in capital assets	\$ 167,636,594	\$ 168,213,774
Restricted for:		
Nonexpendable:		
Scholarships and fellowships	11,847,820	11,847,752
Expendable:		
Scholarships and fellowships	9,155,863	12,322,094
Instructional department uses	3,169,093	2,523,144
Other	59,588	24,539
Unrestricted	<u>31,246,471</u>	<u>21,388,396</u>
Total net position	<u>\$ 223,115,429</u>	<u>\$ 216,319,699</u>

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

Statements of Revenues, Expenses, and Changes in Net Position

Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Operating revenues		
Student tuition and fees	\$ 33,516,812	\$ 35,855,262
Residential life fees	7,476,022	3,950,200
Less scholarship allowances	<u>(33,089,253)</u>	<u>(31,176,196)</u>
Net tuition and residential life fees	7,903,581	8,629,266
Federal grants and contracts	27,197,747	28,347,730
State and local grants and contracts	13,664,566	8,831,675
Nongovernmental grants and contracts	6,499,623	5,362,485
Sales and services of educational departments	488,251	255,013
Auxiliary enterprises	362,532	525,009
Other operating revenues	<u>1,566,542</u>	<u>1,136,444</u>
Total operating revenues	<u>57,682,842</u>	<u>53,087,622</u>
Operating expenses		
Instruction	50,372,111	51,599,879
Public service	1,020,804	807,183
Academic support	13,835,165	12,282,572
Student services	13,990,796	13,570,541
Institutional support	23,172,630	24,705,826
Operations and maintenance	12,365,984	12,101,343
Student aid	19,162,755	6,596,919
Auxiliary enterprises and residential life	4,936,412	3,411,873
Depreciation and amortization	<u>12,659,630</u>	<u>12,082,669</u>
Total operating expenses	<u>151,516,287</u>	<u>137,158,805</u>
Operating loss	<u>(93,833,445)</u>	<u>(84,071,183)</u>
Nonoperating revenues (expenses)		
State appropriations	73,982,507	73,839,108
Higher Education Emergency Relief Funds	30,851,315	25,002,053
Gifts	1,997,989	954,980
Investment (loss) income, net of investment expenses of \$346,295 in 2022 and \$287,324 in 2021	<u>(7,873,988)</u>	<u>10,255,582</u>
Interest on capital asset-related debt	<u>(528,759)</u>	<u>(556,717)</u>
Net nonoperating revenues	<u>98,429,064</u>	<u>109,495,006</u>
Income before other revenues, gains or (losses)	<u>4,595,619</u>	<u>25,423,823</u>

(Continued next page)

The accompanying notes are an integral part of these financial statements.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

Statements of Revenues, Expenses, and Changes in Net Position (Concluded)

Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Other revenues, gains or (losses)		
Capital grants and gifts	\$ 10,575	\$ 27,509
Appropriation from State for grants and capital asset acquisition	2,254,307	4,979,734
(Loss) gain on disposals of capital assets - other	(64,839)	1,473
Additions to permanent endowments	<u>68</u>	<u>191</u>
Net other revenues, gains or (losses)	<u>2,200,111</u>	<u>5,008,907</u>
Increase in net position	6,795,730	30,432,730
Net position, beginning of year	<u>216,319,699</u>	<u>185,886,969</u>
Net position, end of year	<u>\$ 223,115,429</u>	<u>\$ 216,319,699</u>

The accompanying notes are an integral part of these financial statements.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

Statements of Cash Flows

Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
(Payments for) receipts from tuition and residential life fees	\$ 4,619,176	\$ 18,911,073
Receipts from grants and contracts	47,543,868	31,581,951
Receipts from bookstore	385,683	514,442
Payments to suppliers and vendors	(44,076,114)	(36,784,197)
Payments for employees' salaries and benefits	(100,709,102)	(89,089,619)
Payments for funding of Other Post-Employment Benefit Trust	(1,541,526)	(1,493,107)
Other sales and services	484,551	245,056
Other receipts	<u>2,338,296</u>	<u>1,374,201</u>
Net cash used by operating activities	<u>(90,955,168)</u>	<u>(74,740,200)</u>
Cash flows from noncapital financing activities		
State appropriations	73,982,507	73,839,108
Gifts and grants received for other than capital purposes		
Nonoperating private gifts	1,378,279	351,296
Higher Education Emergency Relief Funds	<u>34,277,222</u>	<u>14,155,695</u>
Net cash provided by noncapital financing activities	<u>109,638,008</u>	<u>88,346,099</u>
Cash flows from capital and related financing activities		
(Payments) proceeds on long-term liabilities	(939,193)	169,296
Proceeds from state grants for capital asset acquisition	3,008,403	6,363,164
Purchase of capital assets	(11,325,244)	(13,231,756)
Proceeds from sale of capital assets	48,666	1,500
Increase in deposit with bond trustee	(25,320)	(17,682)
Interest paid on capital debt and leases	<u>(705,110)</u>	<u>(731,592)</u>
Net cash used by capital and related financing activities	<u>(9,937,798)</u>	<u>(7,447,070)</u>
Cash flows from investment activities		
Proceeds from sales and maturities of investments	1,197,548	1,042,398
Investments purchased	(2,232,127)	(7,961,897)
Interest and dividends received	<u>1,154,956</u>	<u>1,024,575</u>
Net cash provided (used) by investing activities	<u>120,377</u>	<u>(5,894,924)</u>
Net increase in cash and cash equivalents	8,865,419	263,905
Cash and cash equivalents, beginning of year	<u>26,984,382</u>	<u>26,720,477</u>
Cash and cash equivalents, end of year	<u>\$ 35,849,801</u>	<u>\$ 26,984,382</u>

(Continued next page)

The accompanying notes are an integral part of these financial statements.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

Statements of Cash Flows (Concluded)

Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Reconciliation of operating loss to net cash used by operating activities		
Operating loss	\$ (93,833,445)	\$ (84,071,183)
Adjustments to reconcile operating loss to net cash used		
by operating activities		
Bad debts provision	188,929	383,302
Depreciation and amortization	12,659,630	12,082,669
Noncash pension credit	(6,693,577)	(712,046)
Noncash OPEB (credit) expense	(5,331,943)	4,269,219
Noncash donations of supplies	619,778	603,875
Decrease (increase) in		
Accounts receivable, net	(1,243,881)	(370,583)
Due from State - other	(1,160,819)	20,361
Prepaid expenses and other current assets	(414,853)	627,922
Prepaid OPEB	2,815,036	(7,685,698)
Increase (decrease) in		
Accounts payable	265,261	(339,199)
Accrued expenses, net of accrued interest on capital debt	1,081,284	561,838
Unearned revenue	93,432	(110,677)
Net cash used by operating activities	<u><u>\$ (90,955,168)</u></u>	<u><u>\$ (74,740,200)</u></u>
Supplemental disclosure of noncash capital and related financing activities		
Donated capital assets	<u><u>\$ 10,575</u></u>	<u><u>\$ 27,509</u></u>
Capital asset purchases recorded in accounts payable	<u><u>\$ 70,614</u></u>	<u><u>\$ 302,415</u></u>
Summary of noncash investing activities		
Net (losses) gains related to investments	<u><u>\$ (9,028,944)</u></u>	<u><u>\$ 9,231,007</u></u>

The accompanying notes are an integral part of these financial statements.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

MAINE COMMUNITY COLLEGE EDUCATIONAL FOUNDATIONS
(Component Units)

Balance Sheets

June 30, 2022 and 2021

ASSETS

	<u>2022</u>	<u>2021</u> <u>(Restated)</u>
Current assets		
Cash and cash equivalents	\$ 9,497,290	\$ 7,921,009
Investments	15,061,687	17,310,965
Pledges receivable, current portion	3,163,403	717,370
Beneficial interest in assets held by others	1,175,195	1,301,234
Other assets	<u>6,629</u>	<u>11,104</u>
Total current assets	28,904,204	27,261,682
 Pledges receivable, net of allowance for uncollectible pledges and discounts to net present value	 <u>9,741,824</u>	 <u>714,432</u>
 Total assets	 <u>\$ 38,646,028</u>	 <u>\$ 27,976,114</u>

LIABILITIES AND NET ASSETS

Liabilities		
Accounts payable and accruals	\$ <u>1,255,274</u>	\$ <u>861,965</u>
Net assets		
Without donor restrictions	2,746,978	2,616,941
With donor restrictions	<u>34,643,776</u>	<u>24,497,208</u>
 Total net assets	 <u>37,390,754</u>	 <u>27,114,149</u>
 Total liabilities and net assets	 <u>\$ 38,646,028</u>	 <u>\$ 27,976,114</u>

The accompanying notes are an integral part of these financial statements.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

MAINE COMMUNITY COLLEGE EDUCATIONAL FOUNDATIONS
(Component Units)

Statement of Activities

Year Ended June 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, gains, and other support			
Gifts and contributions	\$ 294,094	\$ 17,846,243	\$ 18,140,337
Contributed nonfinancial assets	151,561	-	151,561
Net investment loss	(76,083)	(1,919,188)	(1,995,271)
Other	<u>400,086</u>	<u>37,896</u>	<u>437,982</u>
	769,658	15,964,951	16,734,609
Net assets released from restrictions	<u>5,818,383</u>	<u>(5,818,383)</u>	<u>-</u>
Total revenues, gains, and other support	<u>6,588,041</u>	<u>10,146,568</u>	<u>16,734,609</u>
Expenses			
Program expenses			
Scholarships	1,804,108	-	1,804,108
Support	3,871,011	-	3,871,011
Fundraising			
Special events	143,310	-	143,310
Miscellaneous	153,496	-	153,496
Management and general			
Wages and benefits	256,709	-	256,709
Professional services	88,395	-	88,395
General operating	104,676	-	104,676
Miscellaneous	<u>36,299</u>	<u>-</u>	<u>36,299</u>
Total expenses	<u>6,458,004</u>	<u>-</u>	<u>6,458,004</u>
Increase in net assets	130,037	10,146,568	10,276,605
Net assets, beginning of year	<u>2,616,941</u>	<u>24,497,208</u>	<u>27,114,149</u>
Net assets, end of year	<u>\$ 2,746,978</u>	<u>\$ 34,643,776</u>	<u>\$ 37,390,754</u>

The accompanying notes are an integral part of these financial statements.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

MAINE COMMUNITY COLLEGE EDUCATIONAL FOUNDATIONS
(Component Units)

Statement of Activities

Year Ended June 30, 2021 (Restated)

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Revenues, gains, and other support			
Gifts and contributions	\$ 351,238	\$ 4,991,408	\$ 5,342,646
Contributed nonfinancial assets	139,163	-	139,163
Net investment gain	116,011	3,447,402	3,563,413
Other	<u>355,401</u>	<u>37,104</u>	<u>392,505</u>
	961,813	8,475,914	9,437,727
Net assets released from restrictions	<u>5,126,325</u>	<u>(5,126,325)</u>	<u>-</u>
Total revenues, gains, and other support	<u>6,088,138</u>	<u>3,349,589</u>	<u>9,437,727</u>
Expenses			
Program expenses			
Scholarships	1,055,306	-	1,055,306
Support	3,987,945	-	3,987,945
Fundraising			
Special events	138,998	-	138,998
Miscellaneous	165,394	-	165,394
Management and general			
Wages and benefits	269,269	-	269,269
Professional services	81,807	-	81,807
General operating	106,334	-	106,334
Miscellaneous	<u>15,581</u>	<u>-</u>	<u>15,581</u>
Total expenses	<u>5,820,634</u>	<u>-</u>	<u>5,820,634</u>
Increase in net assets	267,504	3,349,589	3,617,093
Net assets, beginning of year	<u>2,349,437</u>	<u>21,147,619</u>	<u>23,497,056</u>
Net assets, end of year	<u>\$ 2,616,941</u>	<u>\$ 24,497,208</u>	<u>\$ 27,114,149</u>

The accompanying notes are an integral part of these financial statements.

**MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)**

MAINE COMMUNITY COLLEGE SYSTEM POST-EMPLOYMENT BENEFIT TRUST

Statements of Fiduciary Net Position

June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Cash	\$ 2,000	\$ 3,710
Investments	<u>47,018,753</u>	<u>56,129,553</u>
Total assets	<u>47,020,753</u>	<u>56,133,263</u>
Net position held in trust for benefits	<u>\$ 47,020,753</u>	<u>\$ 56,133,263</u>

The accompanying notes are an integral part of these financial statements.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

MAINE COMMUNITY COLLEGE SYSTEM POST-EMPLOYMENT BENEFIT TRUST

Statements of Changes in Fiduciary Net Position

Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Additions		
Interest income	\$ 3	\$ 6
Employer contributions	1,541,526	1,493,107
Investment (loss) income, net of investment expense of \$375,714 in 2022 and \$294,559 in 2021	<u>(9,015,803)</u>	<u>12,201,756</u>
Total additions (losses)	<u>(7,474,274)</u>	<u>13,694,869</u>
Deductions		
Benefits	1,583,221	1,845,275
Administrative expenses	<u>55,015</u>	<u>55,015</u>
Total deductions	<u>1,638,236</u>	<u>1,900,290</u>
Net (decrease) increase	(9,112,510)	11,794,579
Fiduciary net position held in trust for benefits, beginning of year	<u>56,133,263</u>	<u>44,338,684</u>
Fiduciary net position held in trust for benefits, end of year	<u>\$47,020,753</u>	<u>\$56,133,263</u>

The accompanying notes are an integral part of these financial statements.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

Notes to Financial Statements

June 30, 2022 and 2021

1. Summary of Significant Accounting Policies

The significant accounting policies followed by the Maine Community College System (the System) are set forth below:

Basis of Presentation

The System is Maine's comprehensive two-year college system and offers certificate, diploma, and associate degree programs. The financial statements of the System include the activity of its seven colleges and the central administrative office.

The System is included in the financial statements of the State of Maine (the State) as a discretely-presented component unit. This financial performance is based primarily on the State's appointment of the System Board of Trustees, the level of revenues derived from State appropriations, and the ability of the State to influence the operational decisions of the System.

The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) using the economic resources measurement focus and the accrual basis of accounting. In accordance with GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, the System follows all applicable GASB pronouncements.

The following elements are included with these general purpose financial statements:

- Management's Discussion and Analysis (as required supplementary information);
- Basic financial statements, which include the Statements of Net Position, Statements of Revenues, Expenses and Changes in Net Position, Statements of Cash Flows, Balance Sheets & Statements of Activities for the Maine Community College System Educational Foundation, and Statements of Fiduciary Net Position & Changes in Fiduciary Net Position for the Maine Community College System Post-employment Benefit Trust;
- Notes to the Financial Statements;
- Required Supplementary Information; and
- Schedule of Activities.

The System follows the "business-type activities" (BTA) requirements of GASB Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*. BTAs are defined as those that are financed in whole or in part by fees charged to external parties for goods or services.

The financial statements are reported on a consolidated basis and the System classified resources into the following net position categories:

- **Net investment in capital assets** - Capital assets, at historical cost or fair market value on the date of gift, net of accumulated depreciation, plus deposit with trustee; reduced by outstanding principal balances of debt; increased by deferred outflows of resources, and decreased by deferred inflows of resources attributable to the acquisition, construction or improvement of those assets.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

Notes to Financial Statements

June 30, 2022 and 2021

1. Summary of Significant Accounting Policies (Continued)

- **Restricted nonexpendable** - Net position subject to externally-imposed stipulations that is invested permanently by the System. The amount is affected by new nonexpendable gifts.
- **Restricted expendable** - Net position whose use by the System is subject to externally-imposed stipulations. Such assets include the accumulated net gains/losses on true endowment funds as well as the fair market value of restricted funds functioning as endowments, restricted funds loaned to students, restricted gifts and endowment income, and other similar restricted funds.
- **Unrestricted** - All other categories of net position. Unrestricted net position may be designated by actions of the System's Board of Trustees.

The System determines on a case-by-case basis whether to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available. However, the System generally encourages the use of restricted resources first.

Reporting Entity

The financial reporting entity consists of the primary government (the System), its component units, which consist of the seven Foundations of the System's Colleges (the Foundations), and the Maine Community College System Post-Employment Benefit Trust (the Trust).

The Trust is a separate legal entity established in 2009 to accumulate funds to pay, at least in part, the System's obligations under the post-employment healthcare plan. See Note 10 for more information.

The Foundations are legally separate, tax-exempt component units of the System. The Foundations act primarily as fundraising organizations to supplement the resources that are available to the System by raising money for endowed scholarships, technology, and teaching resources. The Foundations are self-perpetuating and their donors consist of graduates and friends of the Colleges. Although the System does not control the timing or amount of receipts from the Foundations, the majority of resources, and income thereon, that the Foundations hold and invest are restricted to the activities of the System by the donors. Because these resources held by the Foundations can only be used by, or for the benefit of, the System, the Foundations are considered component units of the System. The Foundations are reported in separate financial statements.

The Foundations are private, not-for-profit organizations that report their financial results in accordance with private, non-governmental accounting standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the System's financial reporting entity for these differences. Significant note disclosures to the Foundations' financial statements have been incorporated into the System's notes to the financial statements in Note 15.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

Notes to Financial Statements

June 30, 2022 and 2021

1. Summary of Significant Accounting Policies (Continued)

Cash Equivalents

Cash equivalents are carried at cost, which approximates fair value, and consist principally of money market funds and other pooled funds with maturities of three months or less at the date of purchase.

Investments

Investments are reported at fair value. Realized gains and losses are calculated on a specific identification basis.

The System invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the financial statements.

Endowment Investments

Endowed investments consist of funds received from donors with the stipulation that the original principal remain invested in perpetuity to produce income, which is to be expended for the purposes specified by the donor. All endowments have been established for the purpose of granting scholarships to students.

Individual endowment funds are invested on a pooled basis. Total endowment investment yield received for the year is ratably allocated to fund accounts.

Accounts Receivable

Accounts receivable consist principally of tuition receivable from students and third-party payors and various state and federal grants.

Student accounts receivable are carried at the unpaid balance of the original amount billed to students, net of an estimate made for doubtful accounts based on a review of all outstanding amounts. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Student accounts are written off when deemed uncollectible. Recoveries of student accounts previously written off are recorded when received.

**MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)**

Notes to Financial Statements

June 30, 2022 and 2021

1. Summary of Significant Accounting Policies (Continued)

A student account receivable is generally considered to be past due if any portion of the receivable balance is outstanding at the beginning of a semester, at which point late charges may be assessed and are recognized when charged. Interest is not charged on past-due accounts.

Capital Assets

Capital assets funds, derived from appropriations and the System funds so designated by the Board of Trustees, may be used to meet expenditures for construction of additional facilities, major renovations, and retirement of indebtedness arising therefrom. Designated funds are unrestricted funds for which the Board of Trustees or administration stipulates a specific use, thereby designating them for that purpose. However, the Board of Trustees may at any time redesignate the funds for other use. Total designated capital assets funds included in unrestricted net position amounted to \$28,308,189 and \$21,388,396 at June 30, 2022 and 2021, respectively.

Land, buildings, equipment, and fixtures are stated at cost at the date of acquisition, or fair market value at the date of donation in the case of gifts. Expenditures for maintenance, repairs, and assets with a cost of under \$5,000 are expensed as incurred. Upon sale or retirement of an asset, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the statements of revenues, expenses, and changes in net position. Assets are depreciated on a straight-line basis according to the following estimated useful lives:

Buildings	40 years
Improvements	10 years
Furniture and equipment	3 - 10 years
Library books and periodicals	5 years

Defined Benefit Pension Plan

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State Employee and Teacher Retirement Plan (the SET Pension Plan), and additions to/deductions from the SET Pension Plan's fiduciary net position, has been determined on the same basis as it is reported by the SET Pension Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

Notes to Financial Statements

June 30, 2022 and 2021

1. Summary of Significant Accounting Policies (Continued)

Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Group Life Insurance Plan for Retired State Employees and Teachers (the SET OPEB Plan), and additions to/deductions from the SET OPEB Plan's fiduciary net position, has been determined on the same basis as it is reported by the SET OPEB Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, the System has recorded deferred outflows and inflows of resources relative to its pension plan and OPEB plans and deferred gain on bond refunding.

An analysis of deferred outflows of resources, deferred inflows of resources, and net position at June 30 is as follows:

	<u>2022</u>		
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net (Asset) Liability</u>
Maine Public Employees Retirement System Pension Plan	\$ 16,747,677	\$ 26,566,421	\$ 26,390,375
Maine Community College System Post-employment Health Insurance Plan	9,352,081	18,255,882	(5,500,484)
Maine Public Employees Retirement System Other Post-employment Benefits Plan	572,489	658,204	2,591,142
Deferred gain on bond refunding	<u>-</u>	<u>391,017</u>	<u>-</u>
Total	<u>\$ 26,672,247</u>	<u>\$ 45,871,524</u>	<u>\$ 23,481,033</u>
	<u>2021</u>		
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net (Asset) Liability</u>
Maine Public Employees Retirement System Pension Plan	\$ 10,738,724	\$ 2,600,578	\$ 51,040,842
Maine Community College System Post-employment Health Insurance Plan	5,237,862	19,346,243	(8,315,520)
Maine Public Employees Retirement System Other Post-employment Benefits Plan	440,522	252,170	2,992,572
Deferred gain on bond refunding	<u>-</u>	<u>418,947</u>	<u>-</u>
Total	<u>\$ 16,417,108</u>	<u>\$ 22,617,938</u>	<u>\$ 45,717,894</u>

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

1. Summary of Significant Accounting Policies (Continued)

Compensated Absences

The System accrues amounts for compensated absences as earned. As of June 30, 2022 and 2021, the System had accrued \$3,397,937 and \$3,229,930, respectively. These accrued balances represent vacation and earned time amounts available to be used or payable to employees upon termination of employment.

Revenue Recognition

Tuition and fees revenues are recognized when the services are performed. Unrestricted gifts of securities and other noncash assets are recognized as revenue based on the fair value at the date of donation; restricted grants and gifts are recognized as revenue based on the fair value when eligibility requirements have been met; state appropriations are recognized in the year the State appropriates the funds.

Unearned revenue consists primarily of unrestricted tuition and student fees related to future fiscal years.

Investment income consists of interest and dividend income recognized on the accrual method, as well as realized and unrealized gains or losses on investments.

Auxiliary enterprises furnish goods or services to students, faculty, or staff, and charge a fee directly related to the cost of the goods or services. Revenues from auxiliary enterprises are primarily earned from college stores and are recognized as the services are performed or the goods are delivered.

Operating Revenues and Expenses

Operating revenues substantially consist of tuition and fees; federal, state, and other grants and contracts for noncapital purposes; sales and services of education activities; and auxiliary enterprises revenues. Operating expenses include instruction, public service, academic support, student services, institutional support, operations and maintenance, student aid, auxiliary enterprises and residential life, and depreciation and amortization. All other revenues and expenses of the System are reported as other or nonoperating revenues and expenses, including state general appropriations, noncapital gifts, investment income, interest expense, and capital additions and deductions. Revenues are recognized when earned and expenses are recognized when incurred. Restricted grant revenue is recognized only to the extent eligibility requirements have been met, primarily representing funds spent for expenditure driven grants.

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

1. Summary of Significant Accounting Policies (Continued)

Tax Status

The System is exempt from income taxes because it is an instrumentality of the State of Maine. The Foundations are exempt from income taxes because they are 501(c)(3) organizations. The Trust is exempt from income taxes by virtue of the exempt status of the System.

If an exempt organization regularly carries on a trade or business not substantially related to its exempt purpose, except that it provides funds to carry out that purpose, the organization is subject to tax on its income from that unrelated trade or business. The System has evaluated the positions taken on its business activities and has concluded no unrelated business income tax exists at June 30, 2022 and 2021.

Custodial Funds

Custodial funds are cash held by an institution acting as custodian or fiscal agent, but not assets or liabilities of the institution. The cash is deposited with the institution for safekeeping, to be used or withdrawn by the depositor at will. As of June 30, 2022 and 2021, the System held assets totaling \$1,504,192 and \$1,064,972, respectively, consisting primarily of Student Union Activity Funds, which are not reflected in the accompanying statements of net position.

Risk Management

The System is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, as well as the reported amounts of revenues and expenses. These estimates include, but are not limited to, the valuation of accounts and pledges receivable and the actuarial assumptions used in determining the post-employment benefit expenses and related balances. Actual results could differ from those estimates.

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

1. Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncements Not Yet Effective

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement is effective for reporting periods beginning after December 15, 2021, and earlier application is encouraged. Management is currently evaluating the impact this Statement will have on the System's financial statements.

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement, which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. This Statement is effective for reporting periods beginning after June 15, 2022, and earlier application is encouraged. Management is currently evaluating the impact this Statement will have on the System's financial statements.

In March 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

1. Summary of Significant Accounting Policies (Continued)

Statement No. 87, *Leases*, as amended. This Statement is effective for reporting periods beginning after June 15, 2022, and earlier application is encouraged. Management is currently evaluating the impact this Statement will have on the System's financial statements.

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues identified during implementation and application of certain GASB statements, and accounting and financial reporting for financial guarantees. The practice issue addressed by this Statement that is applicable to the System is Statement No. 96, *Subscription-Based Information Technology*. This Statement is effective for reporting periods beginning after June 15, 2022, and all reporting periods after for the requirements related to leases, PPPS, and SBITAs. Management is currently evaluating the impact this Statement will have on the System's financial statements.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections - An Amendment of GASB No. 62*. This Statement provides guidance on accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement defines accounting changes and outlines parts of the description for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. This Statement requires disclosure in notes to the financial statements of descriptive information about the changes and error corrections, such as their nature and the quantitative effects on the beginning balances. Furthermore, the Statement addresses how information is affected by the change in accounting principle or error correction should be presented in the required supplementary information (RSI), and supplementary information (SI). This Statement is effective for reporting periods beginning after June 15, 2023, and earlier application is encouraged. Management is currently evaluating the impact this Statement will have on the System's financial statements.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. This Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This Statement requires liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. Compensated absences including parental leave, military leave, and jury duty leave, are not to be recognized until the leave commences. For financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditure be recognized for the amount that normally would be liquidated with expendable available financial resources. This Statement is effective for reporting periods beginning after December 15, 2023, and earlier application is encouraged. Management is currently evaluating the impact this Statement will have on the System's financial statements.

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

1. Summary of Significant Accounting Policies (Concluded)

New Accounting Pronouncement

As of June 30, 2022, the System has adopted the GASB issued Statement No. 87, *Leases*. This Statement increases the usefulness of financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the lease contracts. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about leasing activities.

The impact of the adoption of the new accounting standards as of June 30, 2021 was as follows:

Net position at June 30, 2021, as previously reported before	
adoption of new accounting principle	\$ 216,330,573
Cumulative effect of change in accounting principle	<u>(10,874)</u>
Net position at June 30, 2021, after adoption of the accounting principle	<u>\$ 216,319,699</u>

As of June 30, 2022, the System has adopted the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. As of June 30, 2022, the System had no material interest costs incurred before the end of a construction period to which this Statement applied.

2. Cash and Cash Equivalents

The carrying amounts, which represent both cost and fair value, of cash and cash equivalents for the System at June 30, 2022 and 2021 are presented below:

	<u>2022</u>	<u>2021</u>
Cash in bank	\$ 9,375,836	\$ 7,144,310
Outstanding checks	(31,187)	(28,599)
State Treasurer's Cash Pool	<u>26,505,152</u>	<u>19,868,671</u>
	<u>\$ 35,849,801</u>	<u>\$ 26,984,382</u>

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Notes to Financial Statements

June 30, 2022 and 2021

2. Cash and Cash Equivalents (Concluded)

The bank account balances are covered by depository insurance up to \$250,000 at June 30, 2022 and 2021. The cash in bank in excess of depository insurance is collateralized by a \$1,000,000 stand-by letter of credit with the Federal Home Loan Bank. Cash in bank in excess of \$1,250,000 is uncollateralized. The System has established internal procedures to monitor credit risk relating to deposits in financial institutions.

The State Treasurer's Cash Pool (the Pool), established by the Maine State Treasurer, is not rated by a nationally recognized statistical rating organization. However, the Pool is limited by State law to invest in obligations of the U.S. Treasury and its agencies and instrumentalities that mature within 36 months; repurchase agreements that are secured by obligations of the U.S. Government and its agencies and instrumentalities and mature within 12 months; prime commercial paper; tax-exempt municipal obligations rated no less than AA; corporate bonds rated AAA; money market funds; bankers' acceptances not exceeding 180 days; and time certificates of deposit not exceeding two years.

The System's management considers this investment to be a money market instrument and carries the amounts at cost, which approximates fair value.

3. Investments

The fair value of investments for the System at June 30, 2022 and 2021 is as follows:

	<u>2022</u>	<u>2021</u>
Management account investments		
Investments at net asset value (NAV)		
Equity	\$ 26,357,971	\$ 34,209,530
Fixed-income	<u>38,701,294</u>	<u>38,842,632</u>
Total management account investments	65,059,265	73,052,162
Other investments	<u>5,412</u>	<u>6,880</u>
Total investment balance	<u>\$ 65,064,677</u>	<u>\$ 73,059,042</u>

The System's investments are reported in the financial statements at June 30, 2022 and 2021 as follows, based on the portfolios underlying fund investments:

	<u>2022</u>	<u>2021</u>
Short-term investments	\$ 50,114,804	\$ 54,460,095
Endowment investments	<u>14,949,873</u>	<u>18,598,947</u>
	<u>\$ 65,064,677</u>	<u>\$ 73,059,042</u>

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

3. Investments (Continued)

Interest Rate Risk

The System manages interest rate risk according to its investment policy by maintaining investments that are both liquid, as determined by a readily available market, and highly diversified, using institutional class mutual funds or exchange-traded funds.

Credit Risk

The System limits its exposure to credit risk in its investment policy by investing in highly diversified fixed-income funds. Collectively taken, the majority of the underlying holdings in these funds in which the System may invest are investment grade as rated by a nationally recognized statistical rating organization (NRSRO). The System further reduces potential credit risk by not investing directly in individual fixed-income securities. Management periodically reviews the exposure to securities that are unrated or below investment grade in its portfolios to ensure the System limits its credit risk.

A summary of fixed-income investments and their related interest rate and credit risks as of June 30, 2022 and 2021 are as follows:

<u>Rating</u>	<u>2022</u>		<u>2021</u>	
	<u>Amount</u>	<u>Maturity</u>	<u>Amount</u>	<u>Maturity</u>
AA	<u>\$ 38,701,294</u>	4.9 years	<u>\$ 38,842,632</u>	4.9 years

The ratings are, and the maturities are the weighted averages, of the debt securities in which the funds invest.

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

3. Investments (Continued)

Concentration of Credit Risk

The System has not defined a limit in its investment policies regarding the amount that can be placed in one issuer. However, the investment policy defines that the portfolio should be well diversified as to limit exposure to one issuer or security. Also, within the individual funds, the net credit exposure to any single issuer is not to represent 5% or more of the fund with the exception of U.S. Treasuries and Agencies and investment grade Organization for Economic Co-operation and Development member countries and their instrumentalities. As of June 30, 2022 and 2021, individual investments representing more than 5% of the System's investments were as follows:

	Percentage of Investments	
	<u>2022</u>	<u>2021</u>
Wellington Trust Co. (WTC)-Common Trust Funds (CTF)		
Ultra Short Duration	21.9 %	19.6 %
WTC-CTF Intermediate Bond	18.7	16.7
WTC-CTF Global Opportunities Equity Fund	16.2	19.1
WTC-CTF Enduring Assets Equity Fund	5.1	5.3
WTC-CTF Core Bond Plus	18.8	16.9
WTC-CTF Research Equity	8.9	13.7

Custodial Credit Risk

All of the System's investments are held with a third-party custodian in the System's name.

Fair Value Measurement

GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. GASB No. 72 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

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Notes to Financial Statements

June 30, 2022 and 2021

3. Investments (Continued)

At June 30, 2022 and 2021, certain investments were measured at NAV, which is fair value estimated by management using values provided by the investment managers. Management does not anticipate that these funds will be liquidated, although relative positions are rebalanced periodically.

Assets measured at fair value on a recurring basis are summarized below:

<u>Fair Value Measurements at June 30, 2022, Using:</u>				
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments				
Cash and short-term investments	\$ 5,412	\$ <u>5,412</u>	\$ <u>-</u>	\$ <u>-</u>
Investments at NAV				
Equity funds	26,357,971			
Fixed-income funds	<u>38,701,294</u>			
	<u>\$ 65,064,677</u>			
<u>Fair Value Measurements at June 30, 2021, Using:</u>				
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments				
Cash and short-term investments	\$ 6,880	\$ <u>6,880</u>	\$ <u>-</u>	\$ <u>-</u>
Investments at NAV				
Equity funds	34,209,530			
Fixed-income funds	<u>38,842,632</u>			
	<u>\$ 73,059,042</u>			

Assets measured at NAV at June 30, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>	<u>Redemption</u>	<u>Redemption</u>
	<u>Fair Value</u>	<u>Fair Value</u>	<u>Frequency</u>	<u>Notice Period</u>
Equity funds:				
CTF Enduring Assets (a)	\$ 3,307,626	\$ 3,903,361	Daily	On redemption date
CTF Global Quality Growth (b)	2,583,917	3,206,458	Daily	On redemption date
CTF Global Opportunities (c)	10,522,167	13,937,265	Daily	On redemption date
CTF Quality Value (d)	2,049,759	-	Daily	On redemption date
CTF Emerging Markets Research				10 days prior to
Equity (e)	424,654	594,157	Daily	redemption date
CTF Research Equity (f)	5,765,161	10,004,476	Daily	On redemption date
CTF Small Cap Opportunities (g)	<u>1,704,687</u>	<u>2,563,813</u>	Daily	On redemption date
	<u>\$ 26,357,971</u>	<u>\$ 34,209,530</u>		

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

3. Investments (Continued)

	<u>2022</u> <u>Fair Value</u>	<u>2021</u> <u>Fair Value</u>	<u>Redemption</u> <u>Frequency</u>	<u>Redemption</u> <u>Notice Period</u>
Fixed-income funds:				
CTF Core Bond Plus (h)	\$ 12,223,132	\$ 12,310,340	Daily	On redemption date
CTF Intermediate Bond (i)	12,198,757	12,194,266	Daily	On redemption date
CTF Ultra Short Duration (j)	<u>14,279,405</u>	<u>14,338,026</u>	Daily	On redemption date
	<u>\$ 38,701,294</u>	<u>\$ 38,842,632</u>		

- (a) This fund invests in companies with long-lived physical assets that exhibit low levels of earnings volatility and is managed on a total return basis.
- (b) This fund invests in high quality growth companies to provide long-term total returns above the Morgan Stanley Capital International (MSCI) Index and is managed on a total return basis.
- (c) This fund invests primarily in common stock to provide long-term total return in excess of the MSCI All Country World Index and is managed on a total return basis.
- (d) This fund invests primarily in large-capitalization companies to provide long-term total return in excess of the Russell 1000 Value Index over full market cycles and it managed on a total return basis.
- (e) This fund invests in real estate securities, convertible bonds, preferred stock, exchange-traded funds, and similar liquid investments and is managed to provide a long-term total return in excess of the MSCI Emerging Markets Index.
- (f) This fund invests primarily in equity securities issued by companies incorporated or exercising a predominant part of their economic activities in the U.S. The fund may also invest up to 10% of the fund's assets in non-U.S. companies.
- (g) This fund invests in common stocks of U.S. companies with a market cap between \$100 million and \$3 billion. Up to 15% of the Portfolio's assets may be invested in non-US securities and less than 5% will be invested in cash (maximum of 10%).
- (h) This fund invests in U.S. Government and Agency securities, mortgage securities, municipal securities, and other similar assets to provide long-term total return in excess of the U.S. bond market represented by the Barclays Aggregate Bond Index. The fund also purchases debt obligations meeting similar risk and is managed on a total return basis.
- (i) This fund invests in investment-grade, U.S. dollar-denominated debt obligations of U.S. and non-U.S. issuers to provide long-term return in excess of the Barclays Capital Intermediate Government/Credit Bond Index and is managed on a total return basis.

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

3. Investments (Concluded)

(j) This fund invests in investment grade, U.S. dollar-denominated debt obligations of U.S. and non-U.S. issuers to provide long-term total return in excess of the Barclays Capital 9-12 Month Treasury Index while maintaining liquidity and preserving capital. It is managed on a total return basis.

4. Accounts Receivable

Accounts receivable at June 30, 2022 and 2021 consisted of the following:

	<u>2022</u>	<u>2021</u>
Grants and contracts	\$ 3,980,839	\$ 1,897,684
Student and general	2,395,057	3,637,827
Allowance for doubtful accounts	<u>(776,536)</u>	<u>(991,103)</u>
Total accounts receivable, net	<u>\$ 5,599,360</u>	<u>\$ 4,544,408</u>

5. Capital Assets

Capital assets activity for the year ended June 30, 2022 is summarized as follows:

	Balance <u>July 1, 2021</u>	<u>Additions</u>	<u>Retirements/ Reductions</u>	Balance <u>June 30, 2022</u>
Land	\$ 3,830,705	\$ 132,643	\$ -	\$ 3,963,348
Buildings	155,404,620	249,081	-	155,653,701
Improvements	131,179,513	8,316,881	149,454	139,346,940
Furniture and equipment	82,221,930	5,275,269	1,370,530	86,126,669
Library books and periodicals	3,811,622	25,384	78,251	3,758,755
Construction in process	<u>6,698,413</u>	<u>3,740,710</u>	<u>6,612,532</u>	<u>3,826,591</u>
	383,146,803	17,739,968	8,210,767	392,676,004
Less accumulated depreciation	<u>(199,704,685)</u>	<u>(12,543,485)</u>	<u>(1,441,730)</u>	<u>(210,806,440)</u>
Capital assets, net	<u>\$ 183,442,118</u>	<u>\$ 5,196,483</u>	<u>\$ 6,769,037</u>	<u>\$ 181,869,564</u>

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

5. Capital Assets (Concluded)

Capital assets activity for the year ended June 30, 2021 is summarized as follows:

	Balance <u>July 1, 2020</u>	<u>Additions</u>	Retirements/ <u>Reductions</u>	Balance <u>June 30, 2021</u>
Land	\$ 3,830,705	\$ -	\$ -	\$ 3,830,705
Buildings	155,404,620	-	-	155,404,620
Improvements	123,837,500	7,360,897	18,884	131,179,513
Furniture and equipment	77,589,303	5,051,970	419,343	82,221,930
Library books and periodicals	4,091,396	32,773	312,547	3,811,622
Construction in process	<u>6,955,167</u>	<u>3,673,446</u>	<u>3,930,200</u>	<u>6,698,413</u>
	371,708,691	16,119,086	4,680,974	383,146,803
Less accumulated depreciation	<u>(188,465,623)</u>	<u>(11,970,062)</u>	<u>(731,000)</u>	<u>(199,704,685)</u>
Capital assets, net	<u>\$ 183,243,068</u>	<u>\$ 4,149,024</u>	<u>\$ 3,949,974</u>	<u>\$ 183,442,118</u>

6. Leases

The System entered into a ten-year operating lease, effective February 1, 2020, for the building in which the central administrative office of the System is currently located. Each year the annual rent may be adjusted by an inflation factor. There was a 2% adjustment in 2022 and 2021.

The following table presents the lease-related assets and liabilities as of June 30, 2022:

	<u>2022</u>	<u>2021</u>
Right-of-use assets	\$ 1,100,615	\$ 1,081,029
Accumulated amortization on right of use asset	<u>(228,756)</u>	<u>(112,607)</u>
Right-of-use assets, net	<u>\$ 871,859</u>	<u>\$ 968,422</u>
Lease obligation - current portion	\$ 131,246	\$ 89,193
Lease obligation - long-term portion	<u>758,857</u>	<u>890,103</u>
Total lease obligation	<u>\$ 890,103</u>	<u>\$ 979,296</u>

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

6. Leases (Concluded)

A maturity analysis of the annual undiscounted cash flows reconciled to the carrying value of the lease obligation, and certain other statistical data related to these leases, follows:

2023	\$ 131,246
2024	133,871
2025	136,549
2026	139,280
2027	142,065
Thereafter	<u>443,472</u>
Total	1,126,483
Less discount	<u>(236,380)</u>
Total	<u>\$ 890,103</u>
Weighted-average discount rate	2.00 %
Weighted average remaining lease term	8 years

7. Long-Term Debt

Long-term debt activity for the year ended June 30, 2022 is summarized as follows:

	2022					
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Payments</u>	<u>Premium Accretion</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Notes payable	<u>\$16,388,609</u>	<u>\$ -</u>	<u>\$ 850,000</u>	<u>\$ 127,421</u>	<u>\$15,411,188</u>	<u>\$ 895,000</u>

Long-term debt activity for the year ended June 30, 2021 is summarized as follows:

	2021					
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Payments</u>	<u>Premium Accretion</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Notes payable	<u>\$17,326,029</u>	<u>\$ -</u>	<u>\$ 810,000</u>	<u>\$ 127,420</u>	<u>\$16,388,609</u>	<u>\$ 850,000</u>

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7. Long-Term Debt (Concluded)

Notes payable consist of the following at June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Notes payable to Maine Health and Higher Educational Facilities Authority (MHHEFA) in conjunction with revenue bonds:		
Series 2016A (including original issue premium of \$2,548,411), which bears interest at rates ranging from 3.00% to 5.00%; annual principal payments due in amounts ranging from \$245,000 to \$1,470,000. The notes will be paid in full in fiscal 2036.	<u>\$ 15,411,188</u>	<u>\$ 16,388,609</u>

In June of 2016, the System issued revenue bonds with a par value of \$19,010,000 through MHHEFA (direct borrowing) with an average annual interest rate of 4.7% and a final maturity in July 2035. MHHEFA requires that \$1,527,700 of the bond proceeds be transferred to a debt reserve fund. The amount transferred to the debt reserve fund is retained by MHHEFA in an interest bearing account and is to be used by MHHEFA to make the final payment of principal and interest in 2035. Accordingly, funds transferred to MHHEFA are not included as assets and are deducted from the amounts owed in the System's statement of net position. The bonds were issued at a premium of \$2,548,411. These revenue bonds were used to refund the MHHEFA Series 2006F revenue bonds originally issued in September 2006.

The notes are collateralized by the gross receipts of the System. The System is required to make monthly deposits of principal and interest of amounts sufficient to make the semi-annual interest payments and annual principal payments and to maintain a ratio of income available for debt service to annual debt service of at least 1.20 for each fiscal year. At June 30, 2022, the System met the debt service ratio.

At June 30, 2022, future payments in conjunction with the notes payable to MHHEFA related to the Series 2016A revenue bonds are as follows for the years ending June 30:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 895,000	\$ 611,250	\$ 1,506,250
2024	935,000	567,750	1,502,750
2025	980,000	525,350	1,505,350
2026	960,000	485,800	1,445,800
2027	1,050,000	441,900	1,491,900
2028 - 2032	5,860,000	1,436,825	7,296,825
2033 - 2036	<u>2,947,300</u>	<u>226,675</u>	<u>3,173,975</u>
Total payments	13,627,300	<u>\$ 4,295,550</u>	<u>\$ 17,922,850</u>
Unamortized premium	<u>1,783,888</u>		
Total	<u>\$ 15,411,188</u>		

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8. Retirement Plans

Defined Benefit Pension Plan

The System participates in the SET Pension Plan, a multiple-employer cost sharing plan administered by the Maine Public Employees Retirement System (the MainePERS). The MainePERS provides pension benefits to its members, which include employees of the State, certain public school employees, and employees of local municipalities and other public entities in Maine. There are approximately 240 employers in the SET Pension Plan. All state employees and teachers become members of the SET Pension Plan as a condition of their employment.

The MainePERS is established and administered under the Maine State Retirement System Laws, Title 5 M.R.S.A., C.421, 423, and 425. The MainePERS issues a publicly available financial report that includes financial statements and required supplementary information for the SET Pension Plan. That report is available online at www.maineopers.org or may be obtained by writing to the Maine Public Employees Retirement System, PO Box 349, Augusta, Maine 04332-0349.

The SET Pension Plan provides defined retirement benefits based on members' average final compensation and creditable service. Vesting occurs upon the earning of five years of service credit or the earning of one year of service credit immediately preceding retirement at or after normal retirement age (prior to October 1, 1999, the service credit requirement is ten years); normal retirement age for the SET Pension Plan is age 60, 62, or 65. The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by Maine statute.

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits. The annual rate of interest credited to members' accounts is set by the MainePERS Board of Trustees and is currently .93%.

Contributions

Retirement benefits are funded by contributions from members and employers and by earnings on investments. Disability and death benefits are funded by employer normal cost and by earnings on investments. In accordance with Maine statute, members are required to contribute 7.65% of their earnable compensation to the SET Pension Plan. The System is required to contribute at an actuarially-determined rate (22.11% and 21.98% of annual payroll for fiscal year 2022 and fiscal year 2021, respectively) that, when combined with the contributions of other reporting entities, will be adequate to fund the SET Pension Plan.

The contribution rate is determined using an entry-age normal actuarial funding method for retirement benefits and a term-cost method for ancillary benefits. The System may be required to make contributions to fund the SET Pension Plan's pooled unfunded actuarial liability, if any. The contribution requirements of the SET Pension Plan members and the System are established by, and may be amended by, the State legislature.

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June 30, 2022 and 2021

8. Retirement Plans (Continued)

Total System and employee contributions (which equal the actuarially-required contributions) to the SET Pension Plan are as follows:

	<u>2022</u>	<u>2021</u>
System	\$ 7,386,034	\$ 7,035,912
Employee	<u>2,475,957</u>	<u>2,388,212</u>
Total	<u>\$ 9,861,991</u>	<u>\$ 9,424,124</u>

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Inflows of Resources Related to the SET Pension Plan

At June 30, 2022 and 2021, the System reported a liability for its proportionate share of the net pension liability of the SET Pension Plan. At June 30, 2022 and 2021, the net pension liability was measured as of June 30, 2021 and 2020, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. The System's proportionate share of the net position liability was based on a projection of the System's long-term share of contributions to the SET Pension Plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the System's proportion was 4.09%, which was a decrease of 0.21% from its proportion measured as of June 30, 2020.

The System recognized pension expense of \$692,457 and \$6,323,873 for the years ended June 30, 2022 and 2021, respectively. At June 30, 2022 and 2021, the System reported deferred outflows of resources and deferred inflows of resources related to the SET Pension Plan from the following sources:

	<u>2022</u>		<u>2021</u>	
	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ 893,136	\$ -	\$ 2,235,908	\$ -
Changes in assumptions	8,468,507	-	-	-
Net difference between projected and actual earnings on SET Pension Plan investments	-	23,880,796	1,466,904	-
Changes in proportion and differences between System contributions and proportionate share of contributions	-	2,685,625	-	2,600,578
System contributions subsequent to the measurement date	<u>7,386,034</u>	<u>-</u>	<u>7,035,912</u>	<u>-</u>
	<u>\$16,747,677</u>	<u>\$26,566,421</u>	<u>\$10,738,724</u>	<u>\$ 2,600,578</u>

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June 30, 2022 and 2021

8. Retirement Plans (Continued)

The deferred outflows of resources resulting from the System's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the SET Pension Plan will be recognized as a reduction of or addition to pension expense as follows for the years ending June 30:

2023	\$ (3,266,300)
2024	(1,862,367)
2025	(5,427,181)
2026	(6,648,930)

Actuarial Methods and Assumptions

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following methods and assumptions, applied to all periods included in the measurement:

Actuarial Cost Method - The entry age normal actuarial funding method is used to determine costs. Under this funding method, the total employer contribution rate consists of two elements, the normal cost rate and the unfunded actuarial liability rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each member. This rate is determined by taking the value, as of age at entry into the SET Pension Plan, of the member's projected future benefits, and dividing it by the value, also as of the member's entry age, of his/her expected future salary.

The normal cost for each member is the product of his/her pay and his/her normal cost rate. The normal cost for the group is the sum of the normal costs for all members. Experience gains and losses (i.e., decreases or increases in liabilities and/or in assets when actual experience differs from the actuarial assumptions) affect the unfunded actuarial-accrued liability.

Asset Valuation Method - The actuarial valuation employs a technique for determining the actuarial value of assets which dampens the swing in the market value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actuarial assumption for investment return.

Amortization - The net pension liability is amortized on a level percentage of payroll over the amortization period then in effect under Maine statutory and constitutional requirements.

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

8. Retirement Plans (Continued)

Significant actuarial assumptions employed by the actuary in the actuarial valuation and for funding purposes as of June 30, 2021 and 2020 are as follows:

Investment Rate of Return - 6.50% and 6.75% per annum for the years ended June 30, 2021 and 2020, compounded annually.

Salary Increases, Merit and Inflation - 3.26% - 9.43%, including Inflation of 2.75%.

Mortality Rates - For active members and non-disabled retirees, the 2010 Public Plan Teacher Benefits-Weighted Healthy Retiree Mortality Table is used, for males and females, projected generationally using the REC_2020 model.

Cost of Living Benefit Increases - 2.20% per annum. All service and disability retirement and survivor benefits are adjusted each year that there is a percentage change in the Consumer Price Index, based on the index. The maximum annual increase is 3%. If the percentage change is negative, then no adjustment is made in that year. In subsequent years, the adjustment that would have been made will be adjusted downward to the extent necessary to recoup the full actuarial value of not having made the previous year's negative adjustment. The process of adjustments may occur over a multi-year period if needed to recoup the full value of the negative changes in the index.

The long-term expected rate of return on the SET Pension Plan assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the SET Pension Plan's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Public equities	30.0 %	6.0 %
U.S. Government	7.5	2.3
Private equity	15.0	7.6
Real assets		
Real estate	10.0	5.2
Infrastructure	10.0	5.3
Natural resources	5.0	5.0
Traditional credit	7.5	3.0
Alternative credit	5.0	7.2
Diversifiers	10.0	5.9

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June 30, 2022 and 2021

8. Retirement Plans (Continued)

Discount Rate - The discount rate used to measure the collective total pension liability was 6.50% and 6.75% for 2021 and 2020, respectively. The projection of cash flows used to determine the discount rate assumed that SET Pension Plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the SET Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on SET Pension Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following table shows how the System's proportionate share of the net pension liability as of June 30, 2021 and 2020 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate.

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
<u>2021</u>			
The System's proportionate share of the net pension liability	\$ <u>53,787,170</u>	\$ <u>26,390,375</u>	\$ <u>3,384,107</u>
	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
<u>2020</u>			
The System's proportionate share of the net pension liability	\$ <u>60,481,858</u>	\$ <u>51,040,842</u>	\$ <u>17,048,267</u>

Changes in the net pension liability are recognized in pension expense with the following exceptions:

Differences between Expected and Actual Experience - The differences between expected and actual experience with regard to economic or demographic factors are recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members. For the 2021 and 2020 actuarial valuations, this was three years.

Differences between Projected and Actual Investment Earnings - Differences between projected and actual investment earnings are recognized in pension expense using a straight-line amortization method over a closed five-year period.

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8. Retirement Plans (Concluded)

Changes in Assumptions - Differences due to changes in assumptions about future economic or demographic factors or other inputs are recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members.

Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions - Differences resulting from a change in proportionate share of contributions and differences between total employer contributions and the employer's proportionate share of contributions are recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members. Differences between total employer contributions and the employer's proportionate share of contributions may arise when an employer has a contribution requirement for an employer-specific liability.

Rationale for Assumptions - The assumptions were adopted by the SET Pension Plan trustees as a result of the latest experience study covering the period July 1, 2015 through June 30, 2020.

Defined Contribution Plan

Certain employees participate in an optional defined contribution plan with TIAA-CREF, a defined contribution plan. In defined contribution plans, benefits depend solely on amounts contributed plus investment earnings. Only confidential employees and, as of July 1999, Maine Education Association (MEA) Administrators and faculty are eligible to participate in the TIAA-CREF defined contribution plan. The System contributes 12.88% and 6.04% of total salaries for eligible confidential and MEA employees, respectively. The System contribution is funded as it accrues and, along with the contributions of the employees, is immediately vested. Employees make contributions at an average of 7.75% of total salaries (7.61% in 2021). Total employer contributions to the TIAA-CREF program in fiscal years 2022 and 2021, respectively, amounted to \$1,724,615 and \$1,700,683, which consisted of \$553,385 and \$553,581 for confidential employees and \$1,171,230 and \$1,147,102 for MEA employees, respectively. MEA employee contributions amounted to \$1,552,792 and \$1,489,029 in 2022 and 2021, respectively.

Total salaries and wages for covered employees participating in TIAA-CREF were \$23,687,690 and \$23,289,733 for fiscal years 2022 and 2021, respectively. Subject to applicable bargaining agreements, the Board of Trustees of the System is the authority under which benefits and contribution rates are established and may be amended.

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9. OPEB - Maine Public Employees Retirement System

Plan Description

In addition to providing pension benefits, MainePERS administers cost-sharing multiple-employer defined post-employment life insurance plans. The SET OPEB Plan is a multiple-employer cost sharing plan. As of June 30, 2021 there were approximately 230 employers, including the State, participating in the plan. The Group Life Insurance Plan provides basic group life insurance benefits, during retirement, to retirees who participated in the SET OPEB Plan prior to retirement for a minimum of 10 years. The level of coverage in retirement is initially set to an amount equal to the retiree's average final compensation. The initial amount of basic life insurance is then subsequently reduced at the rate of 15% per year to the greater of 40% of the initial amount or \$2,500. For participants who become disabled, the 10-year participation requirement does not apply and the amount of basic life insurance will be in full force until retirement age then subsequently reduced at the rate of 15% per year to the greater of 40% of the initial amount or \$2,500. The MainePERS Board of Trustees is the authority under which benefit terms and contribution rates are established or may be amended.

Contributions

Premium rates are those determined by the MainePERS' Board of Trustees to be actuarially sufficient to pay anticipated claims. For state employees, the premiums for retiree life insurance coverage are factored into the premiums paid for basic coverage while participants are active members. The rate for fiscal year 2022 was \$0.91 per \$1,000 of coverage.

Premiums for basic life insurance coverage for retired teachers are paid by the State as the total dollar amount of each year's annual required contribution.

Net OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to the SET OPEB Plan

At June 30, 2022 and 2021, the System reported a liability for its proportionate share of the net OPEB liability. The net OPEB liability is measured as of June 30, 2021 and 2020, and was determined by an actuarial valuation performed as of June 30, 2021 and 2020. The System's proportionate share of the net OPEB liability was based on a projection of the System's long-term share of contributions to the SET OPEB Plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, the System's proportion of the net OPEB liability was as follows:

	2022	2021
SET OPEB Plan net OPEB liability	\$63,274,101	\$67,811,014
The System's share of the net OPEB liability	2,591,142	2,992,572
The System's proportion of the net OPEB liability	4.10 %	4.41 %

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9. OPEB - Maine Public Employees Retirement System (Continued)

The System recognized OPEB expense of \$129,109 and \$220,838 for the years ended June 30, 2022 and 2021, respectively. The System reported deferred outflows of resources and deferred inflows of resources related to the SET OPEB Plan from the following sources at June 30:

	2022		2021	
	Deferred Outflows of <u>Resources</u>	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on SET OPEB Plan investments	\$ -	\$ 293,483	\$ -	\$ 2,405
Difference between expected and actual experience	42,664	-	59,571	-
Changes in proportion	46,003	364,721	61,338	249,765
Changes in assumption	162,258	-	38,898	-
System contributions subsequent to the measurement date	<u>321,564</u>	<u>-</u>	<u>280,715</u>	<u>-</u>
	<u>\$ 572,489</u>	<u>\$ 658,204</u>	<u>\$ 440,522</u>	<u>\$ 252,170</u>

The deferred outflows of resources resulting from the System's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the SET OPEB Plan will be recognized as a reduction of (increase in) SET OPEB Plan expense as follows for the years ending June 30:

2023	\$ (110,639)
2024	(104,726)
2025	(79,296)
2026	(98,047)
2027	(7,286)
Thereafter	(7,285)

Actuarial Methods and Assumptions

The total SET OPEB Plan liability in the June 30, 2021 actuarial valuation was determined using the following methods and assumptions, applied to all periods included in the measurement:

Inflation: 2.75%

Salary increases: Individual and aggregate salary increases 3.26% - 9.43%

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9. OPEB - Maine Public Employees Retirement System (Continued)

Mortality rates: For active members and non-disabled retirees of the SET OPEB Plan, the 2010 Public Plan Teacher Benefits-Weighted Healthy Retiree Mortality Table is used, for males and females, projected generationally using the REC_2020 model.

The long-term expected rate of return on SET OPEB Plan assets of 6.50% was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of SET OPEB Plan investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the SET OPEB Plan's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Public equities	70 %	6.0 %
Real estate	5	5.2
Traditional credit	15	3.0
U.S. Government securities	10	2.3

Discount rate. The discount rate used to measure the total SET OPEB liability was 6.50% and 6.75% in 2021 and 2020, respectively. The projection of cash flows used to determine the discount rate assumed that SET OPEB Plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments to current SET OPEB Plan members. Therefore, the long-term expected rate of return on SET OPEB Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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9. OPEB - Maine Public Employees Retirement System (Concluded)

The following table shows how the System's proportionate share of the SET OPEB plan liability as of June 30, 2021 and 2020 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate.

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
<u>2021</u>			
The System's proportionate share of the net OPEB liability	\$ <u>3,256,343</u>	\$ <u>2,591,142</u>	\$ <u>2,048,393</u>
	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
<u>2020</u>			
The System's proportionate share of the net OPEB liability	\$ <u>3,645,527</u>	\$ <u>2,992,572</u>	\$ <u>2,458,411</u>

Rationale for Assumptions - The assumptions were adopted by the SET OPEB Plan trustees as a result of the latest experience study covering the period June 30, 2016 through June 30, 2020.

The MainePERS issues a publicly available financial report that includes financial statements and required supplementary information for the SET OPEB Plan. That report is available online at www.maineopers.org or may be obtained by writing to the Maine Public Employees Retirement System, PO Box 349, Augusta, Maine 04332-0349.

10. Other Post-Employment Health Insurance Benefit Plan and Trust

The System established and administers a defined benefit post-employment healthcare plan, a single employer defined benefit plan, used to provide post-employment benefits other than pensions. This plan covers all employees who retire and participate in MainePERS or TIAA-CREF and provides healthcare benefits for retirees. Benefits are provided through a third-party insurer and the full cost of the benefits is covered by the plan.

The System records an expense for the post-employment healthcare plan as costs are incurred for current employees while the employees are performing services for the System. The amount in future years will be based on a calculation related solely to the System's employees and retirees. The System's contributions cover retirees only; additional family members are paid for by the retirees. Subject to applicable bargaining agreements, the Board of Trustees of the System is the authority under which benefits and contribution rates are established and may be amended. The System is required to contribute at an actuarially determined rate that will be adequate to fund the Plan. The System does not issue a stand-alone financial report for this plan.

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10. Other Post-Employment Health Insurance Benefit Plan and Trust (Continued)

Employees covered by benefit terms. At December 31, 2021 (the census date), the benefit terms covered the following employees:

<u>Category</u>	<u>Count</u>
Active employees	841
Inactive employees, spouses, or beneficiaries currently receiving benefit payments	397

Net OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to the Plan

The System's net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The System recognized OPEB income of \$848,018 and \$1,928,896 for the years ended June 30, 2022 and 2021, respectively. The System reported deferred outflows of resources and inflows of resources related to the OPEB plan from the following sources at June 30:

	<u>2022</u>		<u>2021</u>	
	<u>Deferred Outflows of Resources</u>	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual experience	\$ -	\$ 15,459,511	\$ -	\$ 9,636,029
Change in assumptions	4,489,596	2,796,371	5,237,862	3,032,789
Net difference between projected and actual earnings in OPEB plan investments	<u>4,862,485</u>	<u>-</u>	<u>-</u>	<u>6,677,425</u>
	<u>\$ 9,352,081</u>	<u>\$ 18,255,882</u>	<u>\$ 5,237,862</u>	<u>\$ 19,346,243</u>

Amounts reported as deferred inflows of resources related to the OPEB plan will be recognized as a reduction of OPEB plan expense as follows for the years ending June 30:

2023	\$ (1,808,398)
2024	(1,995,000)
2025	(2,091,738)
2026	136,097
2027	(1,076,470)
Thereafter	(2,068,292)

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10. Other Post-Employment Health Insurance Benefit Plan and Trust (Continued)

Actuarial assumptions: The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases: Individual and aggregate salary increases 3.00% - Annual Service Cost is a constant percentage of a participant's salary that is assumed to increase according to the salary increases.

Healthcare cost trend rates: 6.5% in the first year, trending down to 4.5% by fiscal year 2026.

Mortality Table: In 2022, the per capita costs were calculated using current enrollment and aging factors and the mortality table was changed from SOA RPH-2018 Total Dataset Mortality Table fully generational using Scale MP-2018 to SOA RPH-2018 Total Dataset Mortality Table fully generational using Scale MP-2020.

Discount rate: The discount rate used to measure the total OPEB liability was 6.18% and 6.10% for June 30, 2022 and June 30, 2021, respectively. The System is expected to continue contributing the Actuarially Determined Contribution and paying the pay-as-you-go cost from the OPEB Trust. Under this arrangement, the OPEB Trust is expected to be able to pay for all future benefit payments.

Rationale for Assumptions: The assumptions were adopted by the trustees as a result of the latest experience study covering the period July 1, 2005 through June 30, 2009.

The long-term expected rate of return on plan assets was 6.18% and 6.10% for June 30, 2022 and June 30, 2021, respectively, and was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense) are developed for each major class of assets. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global equities	35.0 %	7.4 %
U.S. large cap equities	17.5	6.3
U.S. small cap equities	10.0	7.1
Emerging market equities	2.5	7.8
Infrastructure equities	5.0	7.9
Intermediate bonds	15.0	3.2
Core bonds	15.0	4.7

MAINE COMMUNITY COLLEGE SYSTEM
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June 30, 2022 and 2021

10. Other Post-Employment Health Insurance Benefit Plan and Trust (Continued)

Changes in the net OPEB liability (asset) for the year ended June 30, 2022 are as follows:

	Increases (Decreases)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance as of June 30, 2020	\$ 43,708,862	\$ 44,338,684	\$ (629,822)
Change for the year:			
Service cost	1,233,815	-	1,233,815
Interest	3,082,496	-	3,082,496
Changes in assumptions	5,986,128	-	5,986,128
Differences between expected and actual experience	(4,348,283)	-	(4,348,283)
Benefit payments	(1,845,275)	(1,845,275)	-
Employer contributions	-	1,493,107	(1,493,107)
Net investment income	-	12,201,762	(12,201,762)
Administrative expenses	-	(55,015)	55,015
Net changes	<u>4,108,881</u>	<u>11,794,579</u>	<u>(7,685,698)</u>
Balance as of June 30, 2021	<u>47,817,743</u>	<u>56,133,263</u>	<u>(8,315,520)</u>
Change for the year:			
Service cost	1,421,777	-	1,421,777
Interest	2,956,037	-	2,956,037
Changes in assumptions	(423,017)	-	(423,017)
Differences between expected and actual experience	(8,669,051)	-	(8,669,051)
Benefit payments	(1,583,221)	(1,583,221)	-
Employer contributions	-	1,541,526	(1,541,526)
Net investment loss	-	(9,015,816)	9,015,816
Administrative expenses	-	(55,000)	55,000
Net changes	<u>(6,297,475)</u>	<u>(9,112,511)</u>	<u>2,815,036</u>
Balance as of June 30, 2022	<u>\$ 41,520,268</u>	<u>\$ 47,020,752</u>	<u>\$ (5,500,484)</u>

At June 30, 2022 and 2021, the plan fiduciary net position as a percentage of the total OPEB liability was 113.2% and 117.4%, respectively.

MAINE COMMUNITY COLLEGE SYSTEM
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June 30, 2022 and 2021

10. Other Post-Employment Health Insurance Benefit Plan and Trust (Continued)

The net OPEB liability (asset) of the System, as well as what the System's net OPEB asset would be if it were calculated using a discount rate that is 1% point lower or 1% point higher, follows:

	1% Decrease (5.18%)	Current Discount Rate (6.18%)	1% Increase (7.18%)
2022			
Net OPEB liability (asset)	\$ <u>295,811</u>	\$ <u>(5,500,484)</u>	\$ <u>(10,277,374)</u>
	1% Decrease (5.10%)	Current Discount Rate (6.10%)	1% Increase (7.10%)
2021			
Net OPEB (asset)	\$ <u>(1,545,953)</u>	\$ <u>(8,315,520)</u>	\$ <u>(13,888,907)</u>

The net OPEB asset of the System, as well as what the System's net OPEB asset would be if it were calculated using healthcare cost trend rates that are 1% point lower or 1% point higher than current healthcare cost trend rates, follows:

	1% Decrease (6.00% Decreasing to 3.50%)	Trend Rate (7.00% Decreasing to 4.50%)	1% Increase (8.00% Decreasing to 5.50%)
2022			
Net OPEB (asset) liability	\$ <u>(10,489,821)</u>	\$ <u>(5,500,484)</u>	\$ <u>722,821</u>
	1% Decrease (6.00% Decreasing to 3.50%)	Trend Rate (7.00% Decreasing to 4.50%)	1% Increase (8.00% Decreasing to 5.50%)
2021			
Net OPEB (asset)	\$ <u>(13,817,347)</u>	\$ <u>(8,315,520)</u>	\$ <u>(1,476,596)</u>

Post-Employment Benefit Trust

The System established the Post-Employment Benefit Trust as an irrevocable trust for the sole purpose of accumulating assets to provide funding for certain of the System's post-employment benefits. The System was named Trustee of the Trust. The effective date of the establishment of the Trust was June 30, 2009.

Plan assets include amounts in the Post-Employment Benefit Trust relating to current year annual required contributions.

**MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

10. Other Post-Employment Health Insurance Benefit Plan and Trust (Continued)

The significant accounting policies followed by the Trust are set forth below:

Basis of Accounting

The Trust follows the accrual basis of accounting as set forth by GASB.

Cash

Cash held by the trust in a financial institution at June 30, 2022 was fully covered by federal depository insurance. Bank balances were \$2,000 and \$3,710 at June 30, 2022 and 2021, respectively.

Investments

The fair value of investments in the Trust at June 30, 2022 and 2021 is as follows:

	<u>2022</u>	<u>2021</u>
Investments measured at NAV		
Fixed-income	\$14,135,655	\$ 14,154,662
Equity	<u>32,883,098</u>	<u>41,974,891</u>
	<u>\$47,018,753</u>	<u>\$56,129,553</u>

Revenue Recognition

Contributions are recognized as additions in the period when they become due, pursuant to formal commitments or statutory or contractual requirements; supplemental contributions are recognized when received. Investment and interest income and loss are recognized on the accrual basis when earned or incurred.

Net Position

Net position at June 30, 2022 and 2021 was for funding certain post-employment benefits.

Administrative Expenses

Substantially all administrative expenses of the Trust are paid by the Trust.

Interest Rate Risk

The Trust manages interest rate risk according to its investment policy by maintaining investments that are both liquid, as determined by a readily available market, and highly diversified, using institutional class mutual funds and exchange-traded funds.

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

10. Other Post-Employment Health Insurance Benefit Plan and Trust (Continued)

Credit Risk

The Trust limits its exposure to credit risk in its investment policy by investing in highly diversified fixed-income funds. Collectively taken, the majority of the underlying holdings in these funds in which the Trust may invest are investment grade as rated by an NRSRO. The Trust further reduces potential credit risk by not investing directly in individual fixed-income securities. Management periodically reviews the exposure to securities that are unrated or below investment grade in its portfolio to ensure the Trust limits its credit risk.

A summary of fixed-income investments and their related interest rate and credit risks follows:

<u>Rating</u>	<u>2022</u>		<u>2021</u>	
	<u>Amount</u>	<u>Maturity</u>	<u>Amount</u>	<u>Maturity</u>
A	<u>\$14,135,655</u>	4.97 years	<u>\$14,154,662</u>	4.97 years

The ratings are, and maturities are the weighted averages, of the debt securities in which the funds invest.

Concentration of Credit Risk

The Trust has not defined a limit in its investment policies regarding the amount that can be placed in one issuer. However, the investment policy states that the portfolio should be well-diversified as to limit exposure to one issuer or security.

Custodial Credit Risk

All of the Trust's investments are held with a third-party custodian in the Trust's name.

Fair Value Measurement

Assets measured at fair value on a recurring basis are summarized below according to the level of input described in Note 3.

At June 30, 2022, all investments were measured at NAV, which is fair value estimated by management using values provided by the investment managers. Management does not anticipate that these funds will be liquidated, although relative positions are rebalanced periodically.

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

10. Other Post-Employment Health Insurance Benefit Plan and Trust (Concluded)

Assets measured at NAV are as follows at June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Fixed-income:		
CTF Core Bond Plus	\$ 7,070,153	\$ 7,099,546
CTF Intermediate Bond	7,065,502	7,055,116
Equity:		
CTF Enduring Assets	2,396,120	2,809,688
CTF Global Quality Growth	7,078,532	8,490,574
CTF Global Opportunities	9,318,500	12,253,895
CTF Global Quality Value	2,355,100	-
CTF Research Equity (a)	5,901,696	10,095,058
CTF Emerging Markets Research Equity	1,163,177	1,568,300
CTF Small Cap Opportunities	4,669,973	6,757,376
	<u>\$ 47,018,753</u>	<u>\$ 56,129,553</u>

See Note 3 for additional disclosures.

Rate of Return

All of the Trust's investments are held with a third-party custodian in the Trust's name. For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was -15.45%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

11. Commitments and Contingencies

The System is covered by a commercial insurance policy for workers' compensation. The State of Maine has the primary obligation for self-insured claims and reimburses the System for payments made. In 2022 and 2021, the System made payments of \$47,328 and \$43,208, respectively, which were reimbursed by the State of Maine. The contingent liability for estimated unpaid workers' compensation claims at June 30, 2022 and 2021 is \$1,082,000 and \$1,090,000, respectively.

The System owns property with a book value of approximately \$14.9 million in Brunswick, Maine for the use of the Southern Maine Community College. This property must be used solely and continuously for educational programs until November 2041 under the terms by which the property was donated.

From time-to-time, the System is named as a defendant in legal actions and other claims incident to the normal conduct of its operations. Management does not expect to suffer any material liability by reason of such actions, nor does it expect that such actions will have a material effect on the financial position of the System.

The System has entered into various construction and renovation contracts. The System has outstanding commitments under these contracts of approximately \$3.3 million at June 30, 2022.

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Notes to Financial Statements

June 30, 2022 and 2021

11. Commitments and Contingencies (Concluded)

The System participates in various federally-funded programs. These programs are subject to financial and compliance audits and resolution of identified questioned costs. The amount, if any, of expenditures which may be disallowed by the granting agency cannot be determined at this time.

The System entered into a three-year contract on July 1, 2019 to receive net energy billing credits. This contract is to be completed no later than June 30, 2022, with two possible one-year extensions. The first one-year extension was executed for fiscal year 2023.

The System entered into an 11-year student information systems contract during fiscal year 2022 to receive financial aid consulting at York County Community College. This project will begin during fiscal year 2023 with an approximate cost of \$1.5 million, plus implementation and set-up fees.

12. Proceeds from State for Grants and Capital Asset Acquisition

In November 2017, a State of Maine general-purpose bond issue was authorized; the System's portion of the bond is \$15,000,000 and is to be used for facility repairs, improvements, information technology infrastructure upgrades and capital equipment. The System is not required by the State of Maine to assume the bond liability when activities are complete. Through June 30, 2022, the System has spent \$14,314,616 on these projects. Revenues recognized from the State in fiscal years 2022 and 2021 amounted to \$2,254,307 and \$4,979,734, respectively, and are included as other revenues in the statements of revenues, expenses, and changes in net position.

13. State Appropriations

During the years ended 2022 and 2021, the System's State appropriations revenue was unrestricted. These appropriations include general appropriations as well as special appropriations.

14. Uncertainty

On March 13, 2020, the U.S. government declared a national state of emergency as a result of the global pandemic of COVID-19. Efforts were taken by national, state, and local governments to manage the spread of COVID-19 which included the temporary shutdown of businesses in many sectors and imposing limitations on travel and the size and duration of group meetings. While these mandates have gradually become less restrictive during the fiscal year 2022, most industry sectors are still experiencing disruption to business operations and may experience further impacts related to volatility in operations, investment returns, and reduced philanthropic support. Significant uncertainty still surrounds the duration of the pandemic and operational adjustments that must be made to accommodate guidance from the Center for Disease Control and Prevention, the potential economic ramifications, and further government actions to mitigate them. Therefore, management is not in a position to reasonably estimate the full financial impact and duration.

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June 30, 2022 and 2021

15. Maine Community College Educational Foundations

The significant accounting policies followed by the Maine Community College Educational Foundations, as set forth below, are governed by the Financial Accounting Standards Board (FASB). As such, certain revenue and expense recognition criteria and presentation requirements differ from GASB. No modifications have been made to the Foundation's financial information included here for these differences.

Basis of Accounting

The Foundations follow the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when incurred.

Newly Adopted Accounting Pronouncement

During 2022, the Foundations adopted FASB Accounting Standards Update (ASU) No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The amendments in this ASU require not-for-profit organizations to present contributions of nonfinancial assets separately from other contributions. Additionally, the ASU adds further disclosure requirements. There was no impact to the change in net assets as a result of this adoption.

Cash and Cash Equivalents

For the purpose of reporting cash flows, cash and cash equivalents include cash on hand and all liquid investments with an original maturity of three months or less, except for cash to be invested in funds of perpetual duration. The Foundations maintain cash accounts with various financial institutions. At times, amounts held exceed federally insured limits.

Restatement of Previously Issued Financial Statements

The financial statements for Kennebec Valley Community College Foundation for the year ended June 30, 2021 have been restated to correct errors for the understatement of contributions receivable for the endowment received during the year ended 2021. Accordingly, an adjustment of \$746,166 was made to increase contributions receivable at June 30, 2021 and contribution revenue for 2021. The adjustment had a corresponding affect on change in net assets for the year ended 2021 and to net assets with donor restriction as of June 30, 2021.

Subsequent Events

For the purposes of recognition and disclosure in these financial statements, management of the Foundations has evaluated subsequent events through October 14, 2022, which is the date these financial statements were available to be issued.

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15. Maine Community College Educational Foundations (Continued)

Pledges

Pledges receivable are recorded at their net present value and net of allowance for uncollectible amounts. Pledges receivable at June 30, 2022 and 2021 are substantially all due within five years. Pledges receivable are comprised of the following at June 30:

	<u>2022</u>	Restated <u>2021</u>
Due within one year	\$ 3,163,403	\$ 717,370
Due after one year and within five years	<u>10,770,383</u>	<u>754,300</u>
	13,933,786	1,471,670
Less allowance for uncollectible pledges	<u>(363,696)</u>	(20,172)
Less discount to reflect present value	<u>(664,863)</u>	<u>(19,696)</u>
Net pledges receivable	<u>\$ 12,905,227</u>	<u>\$ 1,431,802</u>

Appreciation on Endowments

The Boards of Directors have interpreted State of Maine law as requiring the preservation of the fair value of the original gift of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. The expendable portion of income on such assets is reported in the statement of activities as investment income with donor restrictions and reclassified to net assets without donor restrictions when the stipulated donor restriction is accomplished.

Investments

Investments held by the Foundations at June 30, 2022 and 2021, which are carried at fair value, consisted of the following:

	<u>2022</u>	<u>2021</u>
U.S. government securities	\$ 1,483,108	\$ 695,664
Corporate bonds	2,904,352	3,022,581
Common stock	5,644,129	6,528,588
Mutual funds	2,301,814	3,472,146
Investments measured at NAV		
Fixed-income	391,570	381,171
Equity	904,897	1,146,882
Money market funds and certificates of deposit	<u>1,431,817</u>	<u>2,063,933</u>
	<u>\$15,061,687</u>	<u>\$17,310,965</u>

The fair value of investments is primarily based on quoted prices in active markets; certificates of deposit are carried at cost which approximates fair value.

The Foundations each have their own investment policies that allow for a range of investment options.

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15. Maine Community College Educational Foundations (Continued)

Investments by class of net assets at June 30 are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>
<u>2022</u>		
Donor-restricted	\$ -	\$ 14,414,012
Board designated	<u>647,675</u>	<u>-</u>
	<u><u>\$ 647,675</u></u>	<u><u>\$ 14,414,012</u></u>
 <u>2021</u>		
Donor-restricted	\$ -	\$ 16,598,121
Board designated	<u>712,844</u>	<u>-</u>
	<u><u>\$ 712,844</u></u>	<u><u>\$ 16,598,121</u></u>

Changes in endowment net assets and a summary of investment return for the years ended June 30 are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total Investments</u>
Endowment net assets, June 30, 2021	\$ 712,844	\$16,598,121	\$17,310,965
Investment loss, net	(108,874)	(1,783,989)	(1,892,863)
Deposits	24,689	1,505,203	1,529,892
Appropriated withdrawals	<u>19,016</u>	<u>(1,905,323)</u>	<u>(1,886,307)</u>
Endowment net assets, June 30, 2022	<u><u>\$ 647,675</u></u>	<u><u>\$14,414,012</u></u>	<u><u>\$15,061,687</u></u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total Investments</u>
Endowment net assets, June 30, 2020	\$ 585,310	\$15,194,475	\$15,779,785
Investment income, net	142,987	3,072,539	3,215,526
Deposits	19,600	2,189,992	2,209,592
Appropriated withdrawals	(35,053)	(3,858,995)	(3,894,048)
Change in donor intent	<u>-</u>	<u>110</u>	<u>110</u>
Endowment net assets, June 30, 2021	<u><u>\$ 712,844</u></u>	<u><u>\$16,598,121</u></u>	<u><u>\$17,310,965</u></u>

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Notes to Financial Statements

June 30, 2022 and 2021

15. Maine Community College Educational Foundations (Continued)

Fair Value Measurement

FASB Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurement*, defines fair value, establishes a framework for measuring fair value in accordance with U.S. generally accepted accounting principles, and expands disclosures about fair value measurements.

FASB ASC Subtopic 820-10-20 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. FASB ASC Subtopic 820-10-20 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

As of December 31, 2022 and 2021, assets measured at fair value on a recurring basis consist of investments, which have been valued using Level 1 inputs.

Assets measured at fair value on a recurring basis are summarized below.

	<u>Total</u>	<u>Fair Value Measurements at June 30, 2022</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Beneficial interest in assets held by others	\$ <u>1,175,195</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,175,195</u>
Money market funds and certificates of deposit	\$ 1,431,817	\$ 1,431,817	\$ -	\$ -
Common stock	5,644,129	5,644,129	-	-
Fixed income				
Corporate bonds	2,904,352	2,096,802	807,550	-
U.S. government securities	1,483,108	857,065	626,043	-
Mutual funds	2,301,814	2,301,814	-	-
	<u>13,765,220</u>	<u>\$ 12,331,627</u>	<u>\$ 1,433,593</u>	<u>\$ -</u>
Assets measured at NAV	<u>1,296,467</u>			
Total investments measured at fair value on a recurring basis	\$ <u>15,061,687</u>			

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Notes to Financial Statements

June 30, 2022 and 2021

15. Maine Community College Educational Foundations (Continued)

	<u>Total</u>	<u>Fair Value Measurements at June 30, 2021</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Beneficial interest in assets held by others	\$ <u>1,301,234</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,301,234</u>
Money market funds and certificates of deposit	\$ 1,676,295	\$ 1,676,295	\$ -	\$ -
Common stock	6,528,588	6,528,588	-	-
Fixed income				
Corporate bonds	3,022,581	2,263,050	759,531	-
U.S. government securities	1,083,302	-	1,083,302	-
Mutual funds	<u>3,472,146</u>	<u>3,472,146</u>	<u>-</u>	<u>-</u>
	<u>15,782,912</u>	<u>\$ 13,940,079</u>	<u>\$ 1,842,833</u>	<u>\$ -</u>
Assets measured at NAV	<u>1,528,053</u>			
Total investments measured at fair value on a recurring basis	\$ <u>17,310,965</u>			

Assets measured at fair value on a recurring basis consist of investments which are valued using Level 1 inputs as described in Note 3, with the exception of corporate bonds which are valued using Level 2 inputs and the market approach, investments measured at NAV and beneficial interest in assets held by others. Investments measured at NAV represent the Foundation for Maine's Community College Educational Foundations' allocable portion of the System's portfolio (generally 5.5%). Beneficial interest in assets held by others is valued based on the fair value of underlying assets reported by the trustee. See Note 3 for additional disclosures.

Investments in general are exposed to various risks, such as interest rates, credit, and overall market volatility. As such, it is reasonably possible that changes could materially affect the amounts reported in the balance sheets.

Net Assets

The net assets of the Foundations are reported as follows:

Net Assets without Donor Restrictions - Net assets that are not subject to donor imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundations. These net assets may be used at the discretion of the Foundations' management and the Boards of Directors.

Net Assets with Donor Restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of the Foundations or by the passage of time, at which time they are reclassified to net assets without donor restrictions. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

15. Maine Community College Educational Foundations (Continued)

Gifts and Contributions

Gifts and contributions are recorded when an unconditional promise to give is received, or when assets are received in a contribution, whichever comes first. Contributed assets are recorded at fair value.

Related Party Transactions

Support consists of amounts paid to the System in support of the System's various programs. At June 30, 2022 and 2021, substantially all accounts payable and accruals are payable to the System for such support. The System also provides funding and in-kind support to the Foundations. This support totaled approximately \$325,000 in 2022 and 2021, which is included in gifts and contributions revenue on the statement of activities.

Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following as of June 30:

	<u>2022</u>	Restated <u>2021</u>
Subject to expenditure for specific purpose:		
Scholarships	\$ 20,554,503	\$ 7,966,610
Programs	1,798,885	3,252,198
Appreciation on funds of perpetual duration		
without purpose restrictions	624,970	2,126,153
Contributions receivable for endowment	495,907	746,166
Funds of perpetual duration	<u>11,169,511</u>	<u>10,406,081</u>
	<u>\$ 34,643,776</u>	<u>\$ 24,497,208</u>

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

15. Maine Community College Educational Foundations (Concluded)

Liquidity and Availability of Financial Assets

The Foundations regularly monitor the availability of resources required to meet operating needs, while also striving to maximize the investment of its available funds. The Foundations have various sources of liquidity at their disposal, including cash and cash equivalents, investments and pledges receivable.

The following financial assets could readily be made available within one year of the balance sheet date to meet general expenditures, which includes grants to the System:

	<u>2022</u>	Restated <u>2021</u>
Cash and cash equivalents	\$ 9,497,290	\$ 7,921,009
Investments	15,061,687	17,310,965
Pledges receivable	12,905,227	1,431,802
Beneficial interest in assets held by others	<u>1,175,195</u>	<u>1,301,234</u>
	38,639,399	27,965,010
Less net assets with donor restrictions	<u>(34,643,776)</u>	<u>(24,497,208)</u>
Financial assets available to meet cash needs for general expenditures in one year	<u>\$ 3,995,623</u>	<u>\$ 3,467,802</u>

Contributed Nonfinancial Assets

For the years ended June 30, 2022 and 2021, contributed nonfinancial assets recognized within the statements of activities included:

	<u>2022</u>	<u>2021</u>
Salaries and benefits	\$ 104,654	\$ 89,315
Rent	33,810	33,810
Software support	<u>13,097</u>	<u>16,038</u>
	<u>\$ 151,561</u>	<u>\$ 139,163</u>

The Foundations recognized contributed nonfinancial assets within revenue and are substantially utilized within the same fiscal year the contribution occurred. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Contributed services from salaries and benefits consist primarily of services provided from MCCS and are valued based on an estimate of fair value of current rates for similar services. The Foundation for Maine's Community Colleges utilizes space in South Portland, which is rent free, and is valued based on similar property in South Portland. Finally, software support is support paid for by MCCS, which is valued based on the estimated cost of the software.

**MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)**

Required Supplementary Information

**Schedule of the System's Proportionate
Share of the Net Pension Liability**

State Employee and Teacher Plan - State Employee Portion

Last 10 Fiscal Years*

**Measurement Date as of June 30
(UNAUDITED)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
The System's proportion of the net pension liability	4.09 %	4.30 %	4.61 %	4.70 %	4.61 %	4.97 %	6.64 %
The System's proportionate share of the net pension liability	\$ 26,390,375	\$ 51,040,842	\$ 48,215,367	\$ 49,279,510	\$ 52,462,480	\$ 66,740,128	\$ 68,006,887
The System's covered employee payroll	\$ 32,075,165	\$ 31,982,861	\$ 31,133,842	\$ 30,421,527	\$ 29,200,966	\$ 30,244,628	\$ 32,008,027
The System's proportionate share of the net pension liability as a percentage of its covered employee payroll	82.3 %	160.2 %	154.9 %	162.0 %	179.7 %	220.7 %	212.5 %
Plan fiduciary net position as a percentage of the total pension liability	88.6 %	77.0 %	79.4 %	78.7 %	76.1 %	76.2 %	81.2 %

* The amounts presented for each fiscal year were determined as of the beginning of the fiscal year. Schedule is intended to show ten years. Data has been provided for fiscal years in which the data is available.

See accompanying independent auditor's report.

**MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)**

Required Supplementary Information

Schedule of the System's Pension Contributions

State Employee and Teachers Plan

Last 10 Fiscal Years

**Year Ended June 30
(UNAUDITED)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually-required contribution	\$ 7,386,034	\$ 7,035,912	\$ 7,029,833	\$ 7,414,754	\$ 7,347,216	\$ 6,862,506	\$ 7,367,698	\$ 8,328,072	\$ 7,805,573	\$ 5,859,182
Contributions in relation to the contractually-required contribution	<u>(7,386,034)</u>	<u>(7,035,912)</u>	<u>(7,029,833)</u>	<u>(7,414,754)</u>	<u>(7,347,216)</u>	<u>(6,862,506)</u>	<u>(7,367,698)</u>	<u>(8,328,072)</u>	<u>(7,805,573)</u>	<u>(5,859,182)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
The System's covered employee payroll	\$33,405,855	\$32,075,165	\$ 31,982,861	\$31,133,842	\$30,421,527	\$29,200,966	\$30,244,628	\$32,008,027	\$30,256,649	\$30,004,534
Contributions as a percentage of covered employee payroll	22.11 %	21.94 %	21.98 %	23.82 %	24.15 %	23.50 %	24.36 %	26.02 %	25.80 %	19.53 %

See accompanying independent auditor's report.

**MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)**

Required Supplementary Information

**Schedule of the System's Proportionate
Share of the Net OPEB Liability**

Retired State Employees and Teachers Plan

Last 10 Fiscal Years*

**Measurement Date as of June 30
(UNAUDITED)**

	<u>2021</u>	<u>2020</u>	<u>2018</u>	<u>2018</u>
Plan total OPEB liability	\$ 115,123,392	\$ 106,398,135	\$ 102,240,873	\$ 98,707,399
Less: Plan net fiduciary position	<u>(51,849,291)</u>	<u>(38,587,121)</u>	<u>(36,961,097)</u>	<u>(34,638,335)</u>
Plan net OPEB liability	<u>\$ 63,274,101</u>	<u>\$ 67,811,014</u>	<u>\$ 65,279,776</u>	<u>\$ 64,069,064</u>
The System's proportionate share of the net OPEB liability	\$ 2,591,142	\$ 2,992,572	\$ 2,998,031	\$ 2,849,172
The System's proportion of the net OPEB liability	4.10 %	4.41 %	4.59 %	4.45 %
The System's covered employee payroll	\$ 28,824,906	\$ 30,231,881	\$ 28,188,961	\$ 26,565,023
The System's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	9.0 %	9.9 %	10.6 %	10.7 %
Plan fiduciary net position as a percentage of the total OPEB liability	45.0 %	36.3 %	36.2 %	35.1 %

* The amounts presented for each fiscal year were determined as of the beginning of the fiscal year. Schedule is intended to show ten years. Data has been provided for fiscal years in which the data is available.

See accompanying independent auditor's report.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine) Required Supplementary Information

Schedule of Changes in the Net OPEB Liability and Related Ratios
Post-Employment Health Insurance Plan

Last 10 Fiscal Years*

June 30, 2022
(UNAUDITED)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability						
Service cost	\$ 1,421,779	\$ 1,233,815	\$ 1,221,424	\$ 1,624,172	\$ 1,607,490	\$ 1,431,234
Interest	2,956,037	3,082,496	2,993,988	3,498,015	3,484,152	3,315,490
Differences between expected and actual experience	(8,669,051)	(4,348,283)	(1,157,551)	(5,346,242)	(3,243,432)	(3,617,568)
Changes of assumptions	(423,017)	5,986,128	-	(4,852,463)	-	5,915,472
Benefit payments	<u>(1,583,221)</u>	<u>(1,845,275)</u>	<u>(1,767,775)</u>	<u>(1,675,995)</u>	<u>(1,658,023)</u>	<u>(1,647,873)</u>
Net change in total OPEB liability	(6,297,473)	4,108,881	1,290,086	(6,752,513)	190,187	5,396,755
Total OPEB liability, beginning of year	<u>47,817,743</u>	<u>43,708,862</u>	<u>42,418,776</u>	<u>49,171,289</u>	<u>48,981,102</u>	<u>43,584,347</u>
Total OPEB liability, end of year	\$ 41,520,270	\$ 47,817,743	\$ 43,708,862	\$ 42,418,776	\$ 49,171,289	\$ 48,981,102
Plan fiduciary net position						
Contributions - System	\$ 1,541,526	\$ 1,493,107	\$ 1,525,122	\$ 2,142,140	\$ 2,096,898	\$ 2,090,345
Net investment income	(9,015,815)	12,201,762	2,458,551	1,873,651	2,836,346	4,769,443
Benefit payments	(1,583,221)	(1,845,275)	(1,767,775)	(1,675,995)	(1,658,023)	(1,647,873)
Administrative expense	<u>(55,000)</u>	<u>(55,015)</u>	<u>(55,040)</u>	<u>(55,000)</u>	<u>(55,000)</u>	<u>(55,150)</u>
Net change in plan fiduciary net position	(9,112,510)	11,794,579	2,160,858	2,284,796	3,220,221	5,156,765
Plan fiduciary net position, beginning of year	<u>\$ 56,133,263</u>	<u>\$ 44,338,684</u>	<u>\$ 42,177,826</u>	<u>\$ 39,893,030</u>	<u>\$ 36,672,809</u>	<u>\$ 31,516,044</u>
Plan fiduciary net position, end of year	<u>47,020,753</u>	<u>56,133,263</u>	<u>44,338,684</u>	<u>42,177,826</u>	<u>39,893,030</u>	<u>36,672,809</u>
Net OPEB (asset) liability - end of year	\$ (5,500,483)	\$ (8,315,520)	\$ (629,822)	\$ 240,950	\$ 9,278,259	\$ 12,308,293
Plan fiduciary net position as a percentage of the total OPEB liability	113.2 %	117.4 %	101.4 %	99.4 %	81.1 %	74.9 %
Covered employee payroll	\$ 49,593,349	\$ 48,762,264	\$ 47,919,193	\$ 46,733,530	\$ 47,627,297	\$ 46,240,094
Net OPEB (asset) liability as a percentage of covered employee payroll	(11.1)%	(17.1)%	(1.3)%	0.5 %	19.5 %	26.6 %

* Schedule is intended to show ten years. Data has been provided for fiscal years in which the data is available.

See accompanying independent auditor's report.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine) Required Supplementary Information

Required Supplementary Information

Schedule of Contributions
Post-Employment Health Insurance Plan

June 30, 2022
(UNAUDITED)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined contribution	\$ 1,016,104	\$ 1,280,107	\$ 1,413,409	\$ 2,303,706	\$ 2,456,206	\$ 2,289,969	\$ 1,814,116
Contributions in relation to the actuarially determined contribution	<u>1,541,526</u>	<u>1,493,107</u>	<u>1,525,122</u>	<u>2,142,140</u>	<u>2,096,898</u>	<u>2,090,345</u>	<u>2,187,091</u>
Contribution (excess) deficiency	\$ <u>(525,422)</u>	\$ <u>(213,000)</u>	\$ <u>(111,713)</u>	\$ <u>161,566</u>	\$ <u>359,308</u>	\$ <u>199,624</u>	\$ <u>(372,975)</u>
Covered employee payroll	\$ 49,593,349	\$ 48,762,264	\$ 47,919,193	\$ 46,733,530	\$ 47,627,297	\$ 46,240,094	\$ 46,887,000
Contributions as a percentage of covered employee payroll	3.1 %	3.1 %	3.2 %	4.6 %	4.4 %	4.5 %	4.7 %

See accompanying independent auditor's report.

MAINE COMMUNITY COLLEGE SYSTEM

Required Supplementary Information

**Schedule of Investment Returns
Post-Employment Health Insurance Plan**

Last 10 Fiscal Years*

**June 30, 2022
(UNAUDITED)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	(15.45)%	29.78 %	5.45 %	4.70 %	7.73 %	15.15 %

* Schedule is intended to show ten years. Data has been provided for fiscal years in which the data is available.

**MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)**

Notes to Required Supplementary Information

**June 30, 2022
(UNAUDITED)**

Factors that significantly affect the identification of trends in the amounts reported in the schedules are:

Schedule of System's Proportionate Share of the Net Pension Liability and Schedule of the System's Pension Contributions

The discount rate decreased to 6.50% in 2021, down from 6.75% in 2020 through 2018, 7.5% in 2017 and 7.125% in both 2016 and 2015.

Schedules of Funding Progress and Employer's Contributions - Post-Employment Health Insurance Plan

The Plan was established in 2009.

In 2021, the per capita costs were calculated using current enrollment and aging factors and the mortality table was changed from SOA RPH-2018 Total Dataset Mortality Table fully generational using Scale MP-2018 to SOA RPH-2018 Total Dataset Mortality Table fully generational using Scale MP-2020. This change caused a decrease in liabilities. Actuarially determined contributions were determined using a discount rate of 6.10%, a payroll growth factor of 3.00% and entry age normal as the actuarial cost method.

In 2019, the per capita costs were increased using current enrollment and aging factors and the mortality table was changed from RPH-2015 Total Dataset Mortality Table Fully Generational using Scale MP-2015 to RPH-2018 Total Dataset Mortality Table Fully Generational using Scale MP-2018. Actuarially determined contributions were determined using a discount rate of 7.00%, a payroll growth factor of 3.00% and entry age normal as the actuarial cost method.

In 2017, the per capita costs were increased using current enrollment and aging factors and the mortality table was changed from RPH-2014 Total Dataset Mortality Table Fully Generational using Scale MP-2014 to RPH-2015 Total Dataset Mortality Table Fully Generational using Scale MP-2015. Actuarially determined contributions were determined using a discount rate of 7.00% as of July 1, 2021 and 6.10% as of June 30, 2020, a payroll growth factor of 3.00% and entry age normal as the actuarial cost method.

In 2015, the per capita costs were increased using current enrollment and aging factors and the mortality table was changed from RP-2000 Combined Mortality Table Fully Generational using Scale AA to RPH-2014 Total Dataset Mortality Table Fully Generational using Scale MP-2014. There were no changes in 2016.

See accompanying independent auditor's report.

MAINE COMMUNITY COLLEGE SYSTEM
(A Component Unit of the State of Maine)

Schedule of Activities

Year Ended June 30, 2022

(Dollars in Thousands)

<u>Functions/Programs</u>	<u>Program Revenues</u>					<u>Net Revenue (Expense) and Changes in Net Assets</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Investment Loss</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>		<u>Component Units</u>	
						<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>	
Primary government									
Business-type activities									
Education	\$ <u>152,045</u>	\$ <u>8,754</u>	\$ <u>-</u>	\$ <u>47,362</u>	\$ <u>2,265</u>	\$ <u>-</u>	\$ <u>(93,664)</u>	\$ <u>(93,664)</u>	\$ <u>-</u>
Total primary government	\$ <u>152,045</u>	\$ <u>8,754</u>	\$ <u>-</u>	\$ <u>47,362</u>	\$ <u>2,265</u>	\$ <u>-</u>	\$ <u>(93,664)</u>	\$ <u>(93,664)</u>	\$ <u>-</u>
Component units	\$ <u>6,458</u>	\$ <u>-</u>	\$ <u>(1,995)</u>	\$ <u>18,730</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>10,277</u>
General revenues									
Unrestricted interest and investment losses						-	(7,874)	(7,874)	-
Non-program specific grants, contributions, and appropriations						-	106,832	106,832	-
Miscellaneous income						-	1,502	1,502	-
Total general revenues and extraordinary items						-	100,460	100,460	-
Change in net position						-	6,796	6,796	10,277
Net position, beginning of year						-	216,320	216,320	27,114
Net position, end of year						\$ <u>-</u>	\$ <u>223,116</u>	\$ <u>223,116</u>	\$ <u>37,391</u>

See accompanying independent auditor's report.

APPENDIX C:

**AUDITOR'S MANAGEMENT
LETTER**



MEMORANDUM

**To: Members of Management
Maine Community College System**

From: BerryDunn

Date: October 14, 2022

Re: Other matters related to our audit

EMERGING ISSUES

Conduit Debt Obligations

The GASB issued GASB Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This statement is effective for the System for the 2023 fiscal year.

Public-Private and Public-Public Partnerships and Availability Payment Arrangements

The GASB issued GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. This statement is effective for the System for the 2023 fiscal year.

Subscription-Based Information Technology Arrangements

The GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. This statement is effective for the System for the 2023 fiscal year.

Compensated Absences

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The purpose of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This statement requires liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. Compensated absences including parental leave, military leave, and jury duty leave are not to be recognized until the leave commences. For financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditure be recognized for the amount that normally would be liquidated with expendable available financial resources. This statement will be effective for the system for the 2025 fiscal year.

* * * * *

This memo is intended solely for the information and use of the Maine Community College System and is not intended to be, and should not be, used by anyone other than this specified party.

APPENDIX D:

**INTERIM REPORT
FORMS**

Standard 1: Mission and Purposes

Attach a copy of the current mission statement.

Document	Website Location	Date Approved by the Governing Board
Institutional Mission Statement	https://www.cmcc.edu/discover-cmcc/overview/mission-statement	6/14/2021

Standard 2: Planning and Evaluation

PLANNING		Year approved by governing board	Effective Dates	Website location
Strategic Plans				
Immediately prior Strategic Plan		2017	2017-2022	https://www.cmcc.edu/discover-cmcc/overview/planning-research-public-affairs/
Current Strategic Plan		2022	2022-2025	https://www.cmcc.edu/discover-cmcc/overview/planning-research-public-affairs/
Next Strategic Plan		2025	TBD	
Other institution-wide plans*		Year completed	Effective Dates	Website location
Master plan		2015	2015-	https://www.cmcc.edu/discover-cmcc/overview/planning-research-public-affairs/
Academic plan				
Financial plan		2022	2022-2027	see Appendix
Technology plan				Not a stand-alone plan but included in the Strategic Plan
Enrollment plan				https://www.cmcc.edu/wp-content/uploads/2023/01/Final-SEP.pdf
Development plan				Not a stand-alone plan but included in the Strategic Plan
Plans for major units (e.g., departments, library)*				
EVALUATION		Website location		
Academic program review				
Program review system (colleges and departments). System last updated:		http://mymccs.me.edu/ICS/icsfs/Policy_306.pdf?target=61dcfef9-b959-4abe-bc07-bbf0ed95aeb		
Program review schedule (e.g., every 5 years)		Every 5 years		
*Insert additional rows, as appropriate.		view Schedules		

Standard 3: Organization and Governance (Board and Internal Governance)

Please attach to this form:

- 1) A copy of the institution's organization chart(s).

If there is a "sponsoring entity," such as a church or religious congregation, a state system, or a corporation, describe and document the relationship with the accredited institution.

Name of the sponsoring entity	Maine Community College System
Website location of documentation of relationship	https://www.mccs.me.edu

Governing Board	Website location
By-laws	https://mymccs.me.edu/ICS/icsfs/Policy_105.pdf?target=dc65f59f-c8e9-4313-9dd2-d70078114278
Board members' names and affiliations	https://www.mccs.me.edu/about-mccs/system-office/board-of-trustees/board-membership-2/

Please enter any explanatory notes in the box below

Standard 3: Organization and Governance (Locations and Modalities)

Campuses, Branches and Locations Currently in Operation (See definitions in comment boxes)

(Insert additional rows as appropriate.)

	Location (City, State/Country)	Date Initiated	Enrollment*		
			2 years prior (FY 21)	1 year prior (FY 22)	Current year (FY 23)
<input checked="" type="checkbox"/> Main campus	Auburn, ME/Androscoggin, US	9/1/1964	2,909	2,294	2,047**
<input checked="" type="checkbox"/> Other principal campuses					
<input checked="" type="checkbox"/> Branch campuses (US)	Damariscotta, ME/Lincoln, USA	9/1/2008	14	17	17**
<input checked="" type="checkbox"/> Other instructional locations (US)	Various High Schools		1,127	1,187	1,122**
<input checked="" type="checkbox"/> Branch campuses (overseas)					
<input checked="" type="checkbox"/> Other instructional locations (overseas)					

Educational modalities

	Number of programs	Date First Initiated	Enrollment*		
			2 years prior (FY 21)	1 year prior (FY 22)	Current year (FY 23)
Distance Learning Programs					
Programs 50-99% on-line					
Programs 100% on-line	12 - ACCAO,BUSAO,CRJAO,G	9/1/2012	444	572	591**
<input checked="" type="checkbox"/> Correspondence Education					
Low-Residency Programs					
Competency-based Programs					
Dual Enrollment Programs					
Contractual Arrangements involving the award of credit					

*Enter the annual unduplicated headcount for each of the years specified below.

Please enter any explanatory notes in the box below

** FY 23 is for the Fall 2022 semester only

Standard 4: The Academic Program
(Summary - Degree-Seeking Enrollment and Degrees)

Fall Enrollment* by location and modality, as of Census Date

Degree Level/ Location & Modality	Associate's	Bachelor's	Master's	Clinical doctorates (e.g., Pharm.D., DPT, DNP)	Professional doctorates (e.g., Ed.D., Psy.D., D.B.A.)	M.D., J.D., DDS	Ph.D.	Total Degree-Seeking
Main Campus FT	978							978
Main Campus PT	953							953
Other Principal Campus FT								0
Other Principal Campus PT								0
Branch campuses FT	1							1
Branch campuses PT	16							16
Other Locations FT								0
Other Locations PT								0
Overseas Locations FT								0
Overseas Locations PT								0
Distance education FT	178							178
Distance education PT	394							394
Correspondence FT								0
Correspondence PT								0
Low-Residency FT								0
Low-Residency PT								0
Unduplicated Headcount Total	2,520	0	0	0	0	0	0	2,520
Total FTE	1,563.00							1,563.00
Enter FTE definition:								
Degrees Awarded, Most Recent Year	328							328

Notes:

- 1) Enrollment numbers should include all students in the named categories, including students in continuing education and students enrolled through any contractual relationship.
- 2) Each student should be recorded in only one category, e.g., students enrolled in low-residency programs housed on the main campus should be recorded only in the category "low-residency programs."
- 3) Please refer to form 3.2, "Locations and Modalities," for definitions of locations and instructional modalities.

* For programs not taught in the fall, report an analogous term's enrollment as of its Census Date.

Please enter any explanatory notes in the box below

Standard 4: The Academic Program
(Summary - Non-degree seeking Enrollment and Awards)

Fall Enrollment* by location and modality, as of Census Date

Degree Level/ Location & Modality	Title IV-Eligible Certificates: Students Seeking Certificates	Non-Matriculated Students	Visiting Students	Total Non-degree-Seeking	Total degree-seeking (from previous page)	Grand total
Main Campus FT	29			29	978	1,007
Main Campus PT	35	52		87	953	1,040
Other Principal Campus FT				0		0
Other Principal Campus PT				0		0
Branch campuses FT				0	1	1
Branch campuses PT				0	16	16
Other Locations FT		15		15		15
Other Locations PT		1,107		1,107		1,107
Overseas Locations FT				0		0
Overseas Locations PT				0		0
Distance education FT	5			5	178	183
Distance education PT	14			14	394	408
Correspondence FT				0		0
Correspondence PT				0		0
Low-Residency FT				0		0
Low-Residency PT				0		0
Unduplicated Headcount Total	83	1,174	0	1,257		1,257
Total FTE	51.00	277.00		328		328.00
Enter FTE definition:						
Certificates Awarded, Most Recent Year	32					

Notes:

- 1) Enrollment numbers should include all students in the named categories, including students in continuing education and students enrolled through any contractual relationship.
- 2) Each student should be recorded in only one category, e.g., students enrolled in low-residency programs housed on the main campus should be recorded only in the category "low-residency programs."
- 3) Please refer to form 3.2, "Locations and Modalities," for definitions of locations and instructional modalities.

* For programs not taught in the fall, report an analogous term's enrollment as of its Census Date.

Please enter any explanatory notes in the box below

Standard 4: The Academic Program
(Headcount by UNDERGRADUATE Program Type)

	3 Years Prior	2 Years Prior	1 Year Prior	Current Year	Next Year Forward (goal)
For Fall Term, as of Census Date	(Fall 2019)	(Fall 2020)	(Fall 2021)	(Fall 2022)	(Fall 2023)
Certificate	66	64	78	69	69
Associate	2177	2114	1933	2179	2100
Baccalaureate	0	0	0	0	0
Total Undergraduate	2,243	2,178	2,011	2,248	2,169

Standard 4: The Academic Program
(Headcount by GRADUATE Program Type)

	3 Years Prior	2 Years Prior	1 Year Prior	Current Year	Next Year Forward (goal)
For Fall Term, as of Census Date	(Fall 2019)	(Fall 2020)	(Fall 2021)	(Fall 2022)	(Fall 2023)
Master's	N/A	N/A	N/A	N/A	N/A
Doctorate	N/A	N/A	N/A	N/A	N/A
First Professional	N/A	N/A	N/A	N/A	N/A
Other	N/A	N/A	N/A	N/A	N/A
Total Graduate	0	0	0	0	0

Standard 4: The Academic Program
(Credit Hours Generated at the Undergraduate and Graduate Levels)

	3 Years Prior	2 Years Prior	1 Year Prior	Current Year	Next Year Forward (goal)
	(Fall 2019)	(Fall 2020)	(Fall 2021)	(Fall 2022)	(Fall 2023)
Undergraduate	24131	21528	19780	24204	22410
Graduate	0	0	0	0	0
Total	24,131	21,528	19,780	24,204	22,410

Standard 4: The Academic Program
(Information Literacy sessions)

Main campus					
Sessions embedded in a class					
Free-standing sessions					
Branch/other locations					
Sessions embedded in a class					
Free-standing sessions					
Online sessions					
URL of Information Literacy Reports					

Please enter any explanatory notes in the box below

Standard 5: Students

(Admissions, Fall Term)

Complete this form for each distinct student body identified by the institution (see Standard 5.1)

?

Credit Seeking Students Only - Including Continuing Education

	3 Years Prior (FY20)	2 Years Prior (FY 21)	1 Year Prior (FY22)	Current Year (FY23**)	Goal (specify year) (FY24)
Freshmen - Undergraduate	?				
Completed Applications	1,051	1,714	1,384	1,259	1,352
Applications Accepted	1,027	1,610	1,271	1,243	1,288
Applicants Enrolled	838	702	647	539	682
% Accepted of Applied	97.7%	93.9%	91.8%	98.7%	95.3%
% Enrolled of Accepted	81.6%	43.6%	50.9%	43.4%	53.0%
Percent Change Year over Year					
Completed Applications	na	63.1%	-19.3%	-9.0%	7.4%
Applications Accepted	na	56.8%	-21.1%	-2.2%	3.6%
Applicants Enrolled	na	-16.2%	-7.8%	-16.7%	26.5%
Average of statistical indicator of aptitude of enrollees: (define below)	?				
Transfers - Undergraduate	?				
Completed Applications	362	394	410	221	347
Applications Accepted	347	381	384	218	333
Applications Enrolled	275	268	212	85	210
% Accepted of Applied	95.9%	96.7%	93.7%	98.6%	96.0%
% Enrolled of Accepted	79.3%	70.3%	55.2%	39.0%	63.1%
Master's Degree	?				
Completed Applications					
Applications Accepted					
Applications Enrolled					
% Accepted of Applied	-	-	-	-	-
% Enrolled of Accepted	-	-	-	-	-
First Professional Degree	?				
Completed Applications					
Applications Accepted					
Applications Enrolled					
% Accepted of Applied	-	-	-	-	-
% Enrolled of Accepted	-	-	-	-	-
Doctoral Degree	?				
Completed Applications					
Applications Accepted					
Applications Enrolled					
% Accepted of Applied	-	-	-	-	-
% Enrolled of Accepted	-	-	-	-	-

Please enter any explanatory notes in the box below

** FY23 is for the Fall 2022 semester only

Standard 5: Students
(Enrollment, Fall Term)

Complete this form for each distinct student body identified by the institution (see Standard 5.1)

?

Credit-Seeking Students Only - Including Continuing Education

		3 Years Prior (FY20)	2 Years Prior (FY 21)	1 Year Prior (FY22)	Current Year (FY23**)	Goal (specify year) (FY24)
UNDERGRADUATE						
First Year	Full-Time Headcount	688	431	487	881	622
	Part-Time Headcount	1,949	2,345	2,047	1,910	2,063
	Total Headcount	2,637	2,776	2,534	2,791	2,685
	Total FTE	1,568	1,268	1,307	1,352	1,374
Second Year	Full-Time Headcount	601	533	475	336	486
	Part-Time Headcount	1,087	1,185	1,061	650	996
	Total Headcount	1,688	1,718	1,536	986	1,482
	Total FTE	1,650	1,576	1,395	538	
Third Year	Full-Time Headcount	0	0	0		
	Part-Time Headcount	0	0	0		
	Total Headcount	0	0	0	0	0
	Total FTE	0	0	0		
Fourth Year	Full-Time Headcount	0	0	0		
	Part-Time Headcount	0	0	0		
	Total Headcount	0	0	0	0	0
	Total FTE	0	0	0		
Unclassified	Full-Time Headcount	0	0	0		
	Part-Time Headcount	0	0	0		
	Total Headcount	0	0	0	0	0
	Total FTE	0	0	0		
Total Undergraduate Students						
	Full-Time Headcount	1,289	964	962	1,217	1,108
	Part-Time Headcount	3,036	3,530	3,108	2,560	3,059
	Total Headcount	4,325	4,494	4,070	3,777	4,167
	Total FTE	3,218	2,844	2,702	1,890	1,374
% Change FTE Undergraduate		na	-11.6%	-5.0%	-30.0%	-27.3%
GRADUATE						
	Full-Time Headcount	0	0	0	0	0
	Part-Time Headcount	0	0	0	0	0
	Total Headcount	0	0	0	0	0
	Total FTE	0	0	0	0	0
% Change FTE Graduate		na	-	-	-	-
GRAND TOTAL						
Grand Total Headcount		4,325	4,494	4,070	3,777	4,167
Grand Total FTE		3,218	2,844	2,702	1,890	1,374
% Change Grand Total FTE		na	-11.6%	-5.0%	-30.0%	-27.3%

Please enter any explanatory notes in the box below

** FY23 is for the Fall 2022 semester only

Standard 5: Students (Financial Aid, Debt, Developmental Courses)

Complete this form for each distinct student body identified by the institution (see Standard 5.1)

? Where does the institution describe the students it seeks to serve?

? Three-year Cohort Default Rate

? Three-year Loan repayment rate
(from College Scorecard)

(FY 20)	(FY 21)	(FY 22)
2.9	na	na
79%	na	na

? Student Financial Aid

Total Federal Aid

Grants

Loans

Work Study

Total State Aid

Total Institutional Aid

Grants

Loans

Total Private Aid

Grants

Loans

3 Years Prior	2 Years Prior	Most Recently Completed Year	Current Year	Goal (specify year)
(FY 20)	(FY 21)	(FY 22)	(FY 23)	(FY 24)

\$11,488,388	\$11,189,205	\$9,954,874	\$11,251,904	\$9,090,000
\$5,934,764	\$5,888,352	\$5,988,089	\$7,890,478	\$6,000,000
\$5,462,648	\$5,235,468	\$3,913,700	\$3,271,680	\$3,000,000
\$90,976	\$65,385	\$53,085	\$89,746	\$90,000
\$927,300	\$977,613	\$884,592	\$1,587,112	\$1,500,000
\$625,695	\$842,749	\$662,332	\$671,244	\$700,000
\$625,695	\$842,749	\$662,332	\$671,244	\$700,000
\$0	\$0	\$0	\$0	\$0
\$413,329	\$449,476	\$408,029	\$472,671	\$350,000
\$305,560	\$327,551	\$298,470	\$380,385	\$300,000
\$107,769	\$121,925	\$109,559	\$92,286	\$50,000

Student Debt

Percent of students graduating with debt (include all students who graduated in this calculation)

Undergraduates

Graduates

First professional students

50%	47%	45%	42%	40%

For students with debt:

Average amount of debt for students leaving the institution with a degree

Undergraduates

Graduates

First professional students

\$15,423	\$16,529	\$15,418	\$14,597	\$13,500

Average amount of debt for students leaving the institution without a degree

Undergraduates

Graduate Students

First professional students

\$10,522	\$9,383	\$9,914	\$10,347	\$9,500

Percent of First-year students in Developmental Courses (courses for which no credit toward a degree is granted)

English as a Second/Other Language

English (reading, writing, communication skills)

Math

Other

Please enter any explanatory notes in the box below

Standard 6: Teaching, Learning, and Scholarship
(Faculty by Category and Rank; Academic Staff by Category, Fall Term)

3 Years Prior	2 Years Prior	1 Year Prior	Current Year
(FY 20)	(FY 21)	(FY 22)	(FY 23**)

? Number of Faculty by category

Full-time	53	52	53	57
Part-time				
Clinical				
Research				
Visiting				
Other; specify below:				
Adjunct*	154	132	122	112
Total	207	184	175	169

Percentage of Courses taught by full-time faculty

--	--	--	--	--

? Number of Faculty by rank, if applicable

Professor				
Associate				
Assistant				
Instructor	53	52	53	57
Other; specify below:				
Adjunct*	154	132	122	112
Total	207	184	175	169

? Number of Academic Staff by category

Librarians	3	3	3	3
Advisors***	3	3	3	3
Instructional Designers	1	1	1	1
Other; specify below:				
Total	7	7	7	7

Please enter any explanatory notes in the box below

*Adjunct instructors are not considered part-time employees as they are hired by short-term contract.
 **FY23 numbers are for the Fall 2022 semester.
 ***Advisors noted are full-time employees in the Learning and Advising Center; full-time faculty serve as advisors for their respective programs.

Standard 6: Teaching, Learning, and Scholarship
(Appointments, Tenure, Departures, Retirements, Teaching Load Full Academic Year)

3 Years Prior		2 Years Prior		1 Year Prior		Current Year	
(FY 20)		(FY 21)		(FY 22)		(FY 23)	
FT	PT	FT	PT	FT	PT	FT	PT

Number of Faculty Appointed

Professor
Associate
Assistant
Instructor
No rank
Other
Total

6		7		10		4	
6	0	7	0	10	0	4	0

Number of Faculty in Tenured Positions

Professor
Associate
Assistant
Instructor
No rank
Other
Total

0	0	0	0	0	0	0	0

Number of Faculty Departing

Professor
Associate
Assistant
Instructor
No rank
Other
Total

		8		4		1	
0	0	8	0	4	0	1	0

Number of Faculty Retiring

Professor
Associate
Assistant
Instructor
No rank
Other
Total

		3		3		2	
0	0	3	0	3	0	2	0

Please enter any explanatory notes in the box below

Standard 7: Institutional Resources
(Headcount of Employees by Occupational Category)

For each of the occupational categories below, enter the data reported on the IPEDS Human Resources Survey (Parts B and D1) for each of the years listed.

If your institution does not submit IPEDS, visit this link for information about how to complete this form:

https://surveys.nces.ed.gov/IPEDS/Downloads/Forms/package_1_43.pdf

	3 Years Prior			2 Years Prior			1 Year Prior			Current Year		
	(FY 20)			(FY 21)			(FY 22)			(FY 23)		
	FT	PT	Total	FT	PT	Total	FT	PT	Total	FT	PT	Total
Instructional Staff	53	154	207	52	132	184	53	122	172	57	112	169
Research Staff	0	0	0	0	0	0	0	0	0	0	0	0
Public Service Staff	0	0	0	0	0	0	0	0	0	0	0	0
Librarians	0	0	0	1	0	1	1	0	1	1	0	1
Library Technicians	0	0	0	0	0	0	0	0	0	0	0	0
Archivists, Curators, Museum staff	0	0	0	0	0	0	0	0	0	0	0	0
Student and Academic Affairs	12	2	14	14	1	15	14	1	15	11	0	11
Management Occupations	16	0	16	18	0	18	17	0	17	17	0	17
Business and Financial Operations	5	0	5	5	0	5	4	0	4	5	0	5
Computer, Engineering and Science	4	0	4	3	0	3	5	0	5	6	0	6
Community, Social Service, Legal, Arts, Design, Entertainment, Sports, and Media	7	0	7	7	0	7	8	0	8	8	0	8
Healthcare Practitioners and Technical	0	0	0	0	0	0	0	0	0	0	0	0
Service Occupations	14	0	14	9	0	9	8	0	8	8	0	8
Sales and Related Occupations	0	0	0	0	0	0	0	0	0	0	0	0
Office and Administrative Support	5	0	5	7	1	8	7	1	8	7	1	8
Natural Resources, Construction, Maintenance	3	0	3	7	0	7	8	0	8	7	0	7
Production, Transportation, Material Moving	0	0	0	0	0	0	0	0	0	0	0	0
Total	119	156	275	123	134	257	125	124	246	127	113	240

Please enter any explanatory notes in the box below

Instructional staff on this form are full-time faculty (FT) and adjunct faculty (listed under PT)

Standard 7: Institutional Resources
(Statement of Financial Position/Statement of Net Assets)

Fiscal Year ends - month & day: (06/30)		2 Years Prior (FY 20)	1 Year Prior (FY 21)	Most Recent Year (FY 22)	Percent Change	
					2 yrs-1 yr prior	1 yr-most recent
ASSETS (in 000s)						
?	Cash and Short Term Investments	\$6,881,643	\$8,157,418	\$10,033,027	18.5%	23.0%
?	Cash held by State Treasurer	\$0	\$0	\$0	-	-
?	Deposits held by State Treasurer	\$0	\$0	\$0	-	-
?	Accounts Receivable, Net	\$749,313	\$937,466	\$1,021,503	25.1%	9.0%
?	Contributions Receivable, Net	\$0	\$0	\$0	-	-
?	Inventory and Prepaid Expenses	\$0	\$0	\$0	-	-
?	Long-Term Investments	\$0	\$0	\$0	-	-
?	Loans to Students	\$0	\$0	\$0	-	-
?	Funds held under bond agreement	\$265,689	\$269,811	\$275,692	1.6%	2.2%
?	Property, plants, and equipment, net	\$31,460,914	\$31,145,263	\$31,392,446	-1.0%	0.8%
?	Other Assets	\$2,669,986	\$3,345,160	\$2,133,232	25.3%	-36.2%
	Total Assets	\$42,027,545	\$43,855,118	\$44,855,900	4.3%	2.3%
LIABILITIES (in 000s)						
?	Accounts payable and accrued liabilities	\$2,033,957	\$1,800,372	\$1,908,027	-11.5%	6.0%
?	Deferred revenue & refundable advances	\$740,626	\$590,177	\$702,643	-20.3%	19.1%
?	Due to state	\$0	\$0	\$0	-	-
?	Due to affiliates	\$0	\$0	\$0	-	-
?	Annuity and life income obligations	\$0	\$0	\$0	-	-
?	Amounts held on behalf of others	\$0	\$0	\$0	-	-
?	Long-term investments	\$0	\$0	\$0	-	-
?	Refundable government advances	\$0	\$0	\$0	-	-
?	Other long-term liabilities	\$4,090,695	\$3,868,506	\$3,637,110	-5.4%	-6.0%
	Total Liabilities	\$6,865,278	\$6,259,055	\$6,247,780	-8.8%	-0.2%
NET ASSETS (in 000s)						
	Unrestricted net assets					
	Institutional	\$7,065,721	\$9,505,481	\$10,123,662	34.5%	6.5%
?	Foundation	\$0	\$0	\$0	-	-
	Total	\$7,065,721	\$9,505,481	\$10,123,662	34.5%	6.5%
	Temporarily restricted net assets					
	Institutional	\$28,096,546	\$28,090,582	\$28,484,458	0.0%	1.4%
?	Foundation	\$0	\$0	\$0	-	-
	Total	\$28,096,546	\$28,090,582	\$28,484,458	0.0%	1.4%
	Permanently restricted net assets					
	Institutional				-	-
?	Foundation				-	-
	Total	\$0	\$0	\$0	-	-
	Total Net Assets	\$35,162,267	\$37,596,063	\$38,608,120	6.9%	2.7%
	TOTAL LIABILITIES and NET ASSETS	\$42,027,545	\$43,855,118	\$44,855,900	4.3%	2.3%

Please enter any explanatory notes in the box below

Standard 7: Institutional Resources
(Statement of Revenues and Expenses)

Fiscal Year ends - month & day: (06/30)		3 Years Prior (FY 19)	2 Years Prior (FY 20)	Most Recently Completed Year (FY 21)	Current Year (FY 22)	Next Year Forward (FY 23)
OPERATING REVENUES (in 000s)						
?	Tuition and fees	\$7,185,139	\$7,018,744	\$6,251,899	\$6,133,834	\$6,569,090
?	Room and board	\$2,379,111	\$2,007,393	\$510,731	\$1,960,885	\$2,692,502
?	Less: Financial aid	-\$7,592,925	-\$7,510,304	-\$7,595,659	-\$10,645,668	-\$7,986,932
	Net student fees	\$1,971,325	\$1,515,833	-\$833,029	-\$2,550,949	\$1,274,660
?	Government grants and contracts	\$6,699,532	\$6,542,765	\$5,954,978	\$5,524,152	\$5,672,322
?	Private gifts, grants and contracts	\$1,281,963	\$1,412,037	\$1,224,105	\$1,905,464	\$1,639,233
?	Other auxiliary enterprises	\$157,862	\$149,841	\$128,572	\$78,725	\$59,071
	Endowment income used in operations	\$0	\$0	\$0	\$0	
?	Other revenue (specify):	\$35,650	\$20,384	\$13,634	\$148,801	\$19,999
	Other revenue (specify):	\$184,190	\$82,642	\$42,538	\$81,725	\$77,802
	Net assets released from restrictions	\$0	\$0	\$0	\$0	
	Total Operating Revenues	\$10,330,522	\$9,723,502	\$6,530,798	\$5,187,918	\$8,743,087
OPERATING EXPENSES (in 000s)						
?	Instruction	\$7,916,862	\$8,546,600	\$8,424,801	\$8,298,881	\$8,500,000
?	Research	\$0	\$0	\$0	\$0	\$0
?	Public Service	\$0	\$0	\$0	\$0	\$0
?	Academic Support	\$1,533,196	\$1,591,472	\$1,539,228	\$1,793,683	\$1,300,282
?	Student Services	\$2,492,252	\$2,146,597	\$2,352,304	\$2,722,360	\$2,417,105
?	Institutional Support	\$2,122,614	\$2,290,500	\$2,514,924	\$2,352,769	\$2,308,559
	Fundraising and alumni relations	\$0	\$0	\$0	\$0	\$0
?	Operation, maintenance of plant (if not allocated)	\$1,717,720	\$1,748,238	\$1,491,153	\$1,591,608	\$1,075,619
?	Scholarships and fellowships (cash refunded by public institution)	\$93,042	\$10,880	\$58,192	\$107,760	\$107,746
?	Auxiliary enterprises	\$1,398,799	\$1,351,258	\$793,722	\$1,172,871	\$1,735,089
?	Depreciation (if not allocated)	\$1,907,326	\$2,041,075	\$2,231,438	\$2,319,081	\$2,319,081
?	Other expenses (specify):	\$0	\$0	\$0	\$0	\$0
	Other expenses (specify):	\$0	\$0	\$0	\$0	\$0
	Total operating expenditures	\$19,181,811	\$19,726,620	\$19,405,762	\$20,359,013	\$19,763,481
	Change in net assets from operations	-\$8,851,289	-\$10,003,118	-\$12,874,964	-\$15,171,095	-\$11,020,394
NON OPERATING REVENUES (in 000s)						
?	State appropriations (net)	\$8,566,298	\$9,205,578	\$9,416,990	\$9,622,984	\$9,915,363
?	Investment return	\$14,842	\$18,380	\$96,279	-\$67,896	\$8,898
?	Interest expense (public institutions)	-\$135,422	-\$126,929	-\$117,941	-\$108,274	\$2,165
	Gifts, bequests and contributions not used in operations	\$15,000	\$3,000	\$2,750	\$3,000	\$5,250
?	Other (specify):	\$0	\$0	\$0	\$0	
	Other (specify):	\$200,000		\$4,984,090	\$5,988,713	\$2,000,000
	Other (specify):	\$0	\$0	\$0	\$0	
	Net non-operating revenues	\$8,660,718	\$9,100,029	\$14,382,168	\$15,438,527	\$11,931,676
	Income before other revenues, expenses, gains, or losses	-\$190,571	-\$903,089	\$1,507,204	\$267,432	\$911,282
?	Capital appropriations (public institutions)					
?	Other (specify):	\$203,435	\$4,680,100	\$926,592	\$744,625	\$258,503
	TOTAL INCREASE/DECREASE IN NET ASSETS	\$12,864	\$3,777,011	\$2,433,796	\$1,012,057	\$1,169,785

Standard 7: Institutional Resources
(Statement of Debt)

FISCAL YEAR ENDS month & day (06/30)		3 Years Prior (FY 19)	2 Years Prior (FY 20)	Most Recently Completed Year (FY 21)	Current Year (FY 22)	Next Year Forward (FY 23)
	Long-term Debt					
	Beginning balance	\$3,695,290	\$3,519,214	\$3,332,780	\$3,137,140	\$2,931,143
	Additions	\$0	\$0	\$0	\$0	\$0
P	Reductions	(\$176,076)	(\$186,433)	(\$195,640)	(\$205,997)	(\$215,237)
	Ending balance	\$3,519,214	\$3,332,780	\$3,137,140	\$2,931,143	\$2,715,906
	Interest paid during fiscal year	\$126,929	\$117,942	\$108,275	\$98,421	\$88,251
	Current Portion	\$186,433	\$195,640	\$205,997	\$215,237	\$225,561
	Bond Rating	A1	A1	A1	A1	A1
	Debt Service Coverage Operating Income / (Annual Interest + Current Portion of Debt)	3.63	18.67	3.37		
	Debt to Net Assets Ratio Long-term Debt / Total Net Assets	0.09	0.08	0.07		
	Debt to Assets Ratio Long-term Debt / Total Assets	0.06	0.05	0.05		

Debt Covenants: (1) Describe interest rate, schedule, and structure of payments; and (2) indicate whether the debt covenants are being met. If not being met, describe the specific covenant violation (i.e., requirement of the lender vs. actual achieved by the institution). Also, indicate whether a waiver has been secured from the lender and/or if covenants were modified.

The MHHEFA bond issue is a pooled issuance with several educational and health care institutions participating. 1. Interest Rate is determined by a series of fixed rate serial and term bonds with varying maturity dates. The average coupon for the bond is 4.093% and the All In True Interest Cost (TIC) is 2.723%. Debt service installments of principal & interest are made monthly to the Trustee (US Bank). Bond holders are paid interest semi-annually and principal annually. 2. See letter to Maine Health and Higher Education Facilities Authority relating to covenant compliance. * MCCS has been in compliance every year since the bonds were issued.

Line(s) of Credit: List the institutions line(s) of credit and their uses.

None

Future borrowing plans (please describe).

None

Standard 7: Institutional Resources
(Supplemental Data)

FISCAL YEAR ENDS month & day (06/30)		3 Years Prior (FY 19)	2 Years Prior (FY 20)	Most Recently Completed Year (FY 21)	Current Year (FY 22)	Next Year Forward (FY 23)
NET ASSETS						
	Net assets beginning of year	\$31,372,392	\$31,385,256	\$35,162,267	\$37,596,063	\$38,608,120
	Total increase/decrease in net assets	\$12,864	\$3,777,011	\$2,433,796	\$1,012,057	to come
	Net assets end of year	\$31,385,256	\$35,162,267	\$37,596,063	\$38,608,120	\$38,608,120
FINANCIAL AID						
	Source of funds					
	Unrestricted institutional	\$615,765	\$814,319	\$654,313	\$783,625	\$650,000
	Federal, state and private grants	\$6,874,654	\$6,896,308	\$6,898,898	\$9,517,339	\$7,500,000
	Restricted funds					
	Total	\$7,490,419	\$7,710,627	\$7,553,211	\$10,300,964	\$8,150,000
	% Discount of tuition and fees	99.0%	110.0%	121.0%	168.0%	
?	% Unrestricted discount					
	Net Tuition Revenue per FTE		\$922	-\$579	-\$1,923	to come
?	FEDERAL FINANCIAL RESPONSIBILITY COMPOSITE SCORE					
Please indicate your institution's endowment spending policy:						
Please enter any explanatory notes in the box below.						

Standard 7: Institutional Resources
(Liquidity)





FISCAL YEAR ENDS month & day (06/30)	3 Years Prior (FY 19)	2 Years Prior (FY 20)	Most Recently Completed Year (FY 21)	Current Year (FY 22)	Next Year Forward (FY 23)
CASH FLOW					
Cash and Cash Equivalents beginning of year	\$19,254,710	\$21,048,252	\$26,720,477	\$26,984,382	\$35,849,801
Cash Flow from Operating Activities	(\$59,184,604)	(\$64,881,203)	(\$74,740,200)	(\$90,955,168)	
Cash Flow from Investing Activities	\$254,889	\$6,255,183	(\$5,894,924)	\$120,377	
Cash Flow from Financing Activities	\$60,723,257	\$64,298,245	\$80,899,029	\$99,700,210	
Cash and Cash Equivalents end of year	\$21,048,252	\$26,720,477	\$26,984,382	\$35,849,801	\$35,849,801
LIQUIDITY RATIOS					
Current Assets	\$71,700,000	\$77,250,747	\$98,974,510	\$101,945,259	
Current Liabilities	\$17,500,000	\$1,827,568	\$18,488,001	\$19,762,230	
Current Ratio	4.10	42.27	5.35	5.16	0.00
Days Cash on Hand ((Cash and Cash Equivalents / [Operating Expenses + Depreciation and other noncash expenses])/ 365)	0.301%	0.371%	0.381%	0.482%	
Please enter any explanatory notes in the box below that may impact the institution's cash flow. <div style="background-color: #e0ffe0; height: 100px; border: 1px solid black;"></div>					
Has the institution needed to access its restricted net assets or liquidate other financial assets to fund operations? If so, please describe and indicate when approvals (if required) were obtained from the state's authority. <div style="background-color: #e0ffe0; height: 100px; border: 1px solid black;">No</div>					
Please enter any explanatory notes in the box below. <div style="background-color: #e0ffe0; height: 100px; border: 1px solid black;"></div>					

Standard 8: Educational Effectiveness
(Undergraduate Retention and Graduation Rates)

Student Success Measures/ Prior Performance and Goals	3 Years Prior (FY 20)	2 Years Prior (FY 21)	1 Year Prior (FY 22)	Current Year (FY 23)	Next Year Forward (goal) (FY 24)
IPEDS <u>Retention</u> Data					
Associate degree students	57%*	52%*	52%*		54%
Bachelors degree students					
? IPEDS <u>Graduation</u> Data (150% of time)					
Associate degree students	29%	29%	27%		29%
Bachelors degree students					
? IPEDS <u>Outcomes Measures</u> Data					
First-time, full time students					
Awarded a degree within six years	26%	34%	31%		32%
Awarded a degree within eight years	27%	34%	32%		32%
Not awarded within eight years but still enrolled	0%	1%	1%		1%
First-time, part-time students					
Awarded a degree within six years	16%	18%	17%		18%
Awarded a degree within eight years	17%	20%	20%		20%
Not awarded within eight years but still enrolled	3%	3%	2%		2%
Non-first-time, full-time students					
Awarded a degree within six years	52%	48%	47%		48%
Awarded a degree within eight years	52%	59%	47%		50%
Not awarded within eight years but still enrolled	0%	1%	2%		2%
Non-first-time, part-time students					
Awarded a degree within six years	48%	38%	40%		42%
Awarded a degree within eight years	50%	40%	42%		44%
Not awarded within eight years but still enrolled	1%	1%	2%		2%
? Other Undergraduate Retention/Persistence Rates (Add definitions/methodology in #1 below)					
1					
2					
3					
4					
5					
? Other Undergraduate Graduation Rates (Add definitions/methodology in # 2 below)					
1					
2					
3					
4					
5					
Definition and Methodology Explanations					
1	* full-time students				
2					

Note: complete this form for each distinct student body identified by the institution (See Standard 8.1)

Standard 8: Educational Effectiveness
(Student Success and Progress Rates and Other Measures of Student Success)

		Bachelor Cohort Entering		Associate Cohort Entering	
Category of Student/Outcome Measure		6 years ago	4 years ago	6 years ago	4 years ago
	First-time, Full-time Students				
	Degree from original institution			35%	31%
	Not graduated, still enrolled at original institution			1%	5%
	Degree from a different institution			2%	1%
	Transferred to a different institution			16%	13%
	Not graduated, never transferred, no longer enrolled			46%	50%
	First-time, Part-time Students				
	Degree from original institution			28%	9%
	Not graduated, still enrolled at original institution			3%	8%
	Degree from a different institution			1%	1%
	Transferred to a different institution			13%	14%
	Not graduated, never transferred, no longer enrolled			55%	67%
	Non-first-time, Full-time Students				
	Degree from original institution			55%	40%
	Not graduated, still enrolled at original institution			0%	3%
	Degree from a different institution			6%	4%
	Transferred to a different institution			27%	12%
	Not graduated, never transferred, no longer enrolled			11%	40%
	Non-first-time, Part-time Students				
	Degree from original institution			48%	28%
	Not graduated, still enrolled at original institution			4%	3%
	Degree from a different institution			4%	4%
	Transferred to a different institution			15%	17%
	Not graduated, never transferred, no longer enrolled			29%	48%

Measures of Student Achievement and Success/Institutional Performance and Goals					
	3 Years Prior	2 Years Prior	1 Year Prior	Current Year	Next Year Forward (goal)
	(FY 2)	(FY 2)	(FY 2)	(FY 2)	(FY 2)

Success of students pursuing higher degrees (add more rows as needed; add definitions/methodology in #1 below)

1					
2					
3					
4					

Other measures of student success and achievement, including success of graduates in pursuing mission-related paths (e.g., Peace Corps, public service, global citizenship, leadership, spiritual formation) and success of graduates in fields for which they were not explicitly prepared (add more rows as needed; add definitions/methodology in #2 below)

1					
2					
3					
4					

Definition and Methodology Explanations

1	
2	

Standard 8: Educational Effectiveness
(Licensure Passage and Job Placement Rates and
Completion and Placement Rates for Short-Term Vocational Training Programs)

	3-Years Prior	2 Years Prior	1 Year Prior	Most Recent Year
	(FY 19)	(FY 20)	(FY 21)	(FY 22)

? State Licensure Examination Passage Rates

	Name of exam	# who took exam	# who passed	# who took exam	# who passed	# who took exam	# who passed	# who took exam	# who passed
1	*Nursing NCLEX-RN	29	29	37	37	47	47	29	29
2									
3									
4									
5									

? National Licensure Passage Rates

	Name of exam	# who took exam	# who passed	# who took exam	# who passed	# who took exam	# who passed	# who took exam	# who passed
1	** National Restaurant Associations Serv	5	1	4	3	1	1	2	2
2									
3									
4									
5									

? Job Placement Rates

	Major/time period	*	# of grads	# with jobs	# of grads	# with jobs	# of grads	# with jobs	# of grads	# with jobs
1										
2										
3										
4										
5										

* Check this box if the program reported is subject to "gainful employment" requirements.

Web location of gainful employment report (if applicable)

Completion and Placement Rates for Short-Term Vocational Training Programs for which students are eligible for Federal Financial Aid

	3 Years Prior	2 Years Prior	1 Year Prior	Current Year	Next Year Forward (goal)
	(FY 20)	(FY 21)	(FY 22)	(FY 23)	(FY 24)

? Completion Rates

1	Building Construction Technology - Certificate		100%	0%	
2	Business Administration and Management - Certificate	36%	40%	13%	
3	Conservation Law Enforcement - Certificate	N/A	N/A	100%	
4	Criminal Justice - Forensic Investigation - Certificate	0%	0%		
5	Culinary Arts - Certificate	0%	0%	50%	
6	Electromechanical Technology - Certificate	33%	33%	25%	
7	Heat, Ventilation, Air, & Refrigeration Technology - Certificate	50%	0%	0%	
8	Human Services - Certificate	N/A	N/A	N/A	
9	Medical Coding and Electronic Health Records - Certificate	11%	36%	17%	
10	Plumbing & Heating Technology - Certificate	100%	25%	50%	
11	Precision Machining Technology - Certificate	0%	0%	33%	
12	Police Operations - Advanced Certificate	100%	100%	100%	
13	Precision Machining Technology - Advanced Certificate	33%	33%		

? Placement Rates

1					
2					
3					
4					
5					

Please enter any explanatory notes in the box below

* Nursing graduates may not have passed on the 1st attempt

** Some Culinary graduates transferred in a previous ServSafe certificate

Standard 8: Educational Effectiveness
(Graduate Programs, Distance Education, Off-Campus Locations)

Student Success Measures/ Prior Performance and Goals	3 Years Prior (FY 20)	2 Years Prior (FY 21)	1 Year Prior (FY 22)	Current Year (FY 23)	Next Year Forward (goal) (FY 24)
Master's Programs (Add definitions/methodology in #1 below)					
Retention rates first-to-second year					
Graduation rates @ 150% time					
Average time to degree					
Other measures, specify:					
Doctoral Programs (Add definitions/methodology in #2 below)					
Retention rates first-to-second year					
Graduation rates @ 150% time					
Average time to degree					
Other measures, specify:					
First Professional Programs (Add definitions/methodology in #3 below)					
Retention rates first-to-second year					
Graduation rates @ 150% time					
Average time to degree					
Other measures, specify:					
Distance Education (Add definitions/methodology in #4 below)					
Course completion rates	78%	73%	75%		
Retention rates	55%	50%	42%		
Graduation rates	32%				
Other measures, specify:					
Branch Campus and Instructional Locations (Add definitions/methodology in #5 below)					
Course completion rates					
Retention rates					
Graduation rates					
Other measures, specify:					
Definition and Methodology Explanations					
1					
2					
3					
4					
5					

**Standard 9: Integrity, Transparency, and Public Disclosure
(Integrity)**

IV Policies	Last Updated	Website location where policy is posted	Responsible Office or Committee
Academic honesty	10/13/2017	https://www.cmcc.edu/academiccatalog	CMCC Academic Affairs
	11/29/2012	https://mymccs.me.edu/ICS/icsfs/Policy_309.pdf?target=0bcc3bd2-63c3-4414-bd66-1298093e8203	MCCS Board of Trustees
Intellectual property rights		https://guides.cmcc.edu/citation/cmcc-copyright	CMCC Learning Commons
Conflict of interest	06/24/2009	https://mymccs.me.edu/ICS/icsfs/Policy_410.pdf?target=76229781-6c75-477f-8687-9ca89ffbc2e5	MCCS Board of Trustees
Privacy rights	10/13/2017	https://www.cmcc.edu/student-right-to-know/privacy/	CMCC Student Services
Fairness for students	6/22/2022	https://mymccs.me.edu/ICS/icsfs/Policy_201_06222022.pdf?target=e1ea570a-2038-4dc9-99c2-2aa1ec68085f	MCCS Board of Trustees
Fairness for faculty	6/22/2022	https://mymccs.me.edu/ICS/icsfs/Policy_201_06222022.pdf?target=e1ea570a-2038-4dc9-99c2-2aa1ec68085f	MCCS Board of Trustees
Fairness for staff	6/22/2022	https://mymccs.me.edu/ICS/icsfs/Policy_201_06222022.pdf?target=e1ea570a-2038-4dc9-99c2-2aa1ec68085f	MCCS Board of Trustees
Academic freedom	2021	https://mymccs.me.edu/ICS/icsfs/MEA_Faculty_CBA_2021-2024.FINAL.03.31.22_signed.pdf?target=429e1ebf-4592-4243-a725-b60e6f559a96	MCCS Board of Trustees
Research		N/A	
Title IX	8/10/2020	https://www.cmcc.edu/discover-cmcc/overview/policies-procedures-plans/	CMCC Student Services
Other; specify			
Non-discrimination policies			
Recruitment and admissions	06/2021	https://www.cmcc.edu/wp-content/uploads/2022/03/AffirmativeActionPlan_060721.pdf	CMCC Human Resources
	6/22/2022	https://mymccs.me.edu/ICS/icsfs/Policy_201_06222022.pdf?target=e1ea570a-2038-4dc9-99c2-2aa1ec68085f	MCCS Board of Trustees
Employment	6/07/2021	https://www.cmcc.edu/wp-content/uploads/2022/03/AffirmativeActionPlan_060721.pdf	CMCC Human Resources
	6/22/2022	https://mymccs.me.edu/ICS/icsfs/Policy_201_06222022.pdf?target=e1ea570a-2038-4dc9-99c2-2aa1ec68085f	MCCS Board of Trustees
Evaluation	6/22/2022	https://mymccs.me.edu/ICS/icsfs/Policy_201_06222022.pdf?target=e1ea570a-2038-4dc9-99c2-2aa1ec68085f	MCCS Board of Trustees
	2021	https://mymccs.me.edu/ICS/HR/Collective_Bargaining_Contracts.inz	MCCS - Addressed in the CBA listed in the link
Disciplinary action		https://www.cmcc.edu/wp-content/uploads/2022/11/Student-Handbook_2022.pdf	CMCC Student Services
	10/2022	https://www.cmcc.edu/academiccatalog	CMCC Academic Affairs
	2021	https://mymccs.me.edu/ICS/HR/Collective_Bargaining_Contracts.inz	MCCS - Addressed in the CBA listed in the link
Advancement	2021	https://mymccs.me.edu/ICS/HR/Collective_Bargaining_Contracts.inz	MCCS - Addressed in the CBA listed in the link
Other; specify			

Disability Services	Ongoing	https://www.cmcc.edu/academics/support/disability-services/	CMCC Academic Affairs
	6/24/2009	https://mymccs.me.edu/ICS/icsfs/Policy_407.pdf?target=2d1ccfd9-7571-4159-9ed3-d97285ce0300	MCCS Board of Trustees

Resolution of grievances

Students	7/8/2020	https://mymccs.me.edu/ICS/icsfs/Policy_501.pdf?target=a35c2b11-2218-49f2-9327-3b2d782220dc	CMCC Student Services & MCCS Board of Trustees
	10/2022	https://www.cmcc.edu/academiccatalog	CMCC Academic Affairs
Faculty	2021	https://mymccs.me.edu/ICS/HR/Collective_Bargaining_Contracts.inz	MCCS - Addressed in the specific CBA found at this link
	2021	https://mymccs.me.edu/ICS/HR/Collective_Bargaining_Contracts.inz	MCCS - Addressed in the specific CBA found at this link
Staff			
Other; specify			

Other	Last Updated	Website location or Publication	Responsible Office or Committee

Please enter any explanatory notes in the box below

**Standard 9: Integrity, Transparency, and Public Disclosure
(Transparency)**

Information	Website location and/or Relevant Publication(s)
How can inquiries be made about the institution? Where can questions be addressed?	https://www.cmcc.edu/discover-cmcc/overview/planning-research-public-affairs/
Notice of availability of publications and of audited financial statement or fair summary	https://www.cmcc.edu/student-right-to-know/
Processes for admissions	https://www.cmcc.edu/admissions-aid/admissions/info-on-applying/
Processes for employment	https://www.cmcc.edu/discover-cmcc/overview/jobs-at-cmcc/
Processes for grading	https://www.cmcc.edu/academiccatalog
Processes for assessment	https://www.cmcc.edu/academiccatalog
Processes for student discipline	https://www.cmcc.edu/wp-content/uploads/2022/11/Student-Handbook_2022.pdf
Processes for consideration of complaints and appeals	https://www.cmcc.edu/discover-cmcc/overview/policies-procedures-plans/student-complaint-and-appeal-procedures/

List below the statements or promises made regarding program excellence, learning outcomes, success in placement, and achievements of graduates or faculty and indicate where valid documentation can be found.

Statement/Promise	Website location and/or publication where valid documentation can be found

Date of last review of:	
Print publications	Ongoing review of printed materials with a goal of printing annually
Digital publications	Ongoing review of digital materials

Please enter any explanatory notes in the box below

Standard 9: Integrity, Transparency, and Public Disclosure
(Public Disclosure)

Information	Website location
Institutional catalog	https://www.cmcc.edu/academiccatalog
Obligations and responsibilities of students and the institution	https://www.cmcc.edu/academiccatalog
	https://www.cmcc.edu/wp-content/uploads/2022/11/Student-Handbook_2022.pdf
Information on admission and attendance	https://www.cmcc.edu/admissions-aid/admissions/info-on-applying/
	https://www.cmcc.edu/admissions-aid/admissions/once-youre-accepted/
Institutional mission and objectives	https://www.cmcc.edu/discover-cmcc/overview/mission-vision-values/
Expected educational outcomes	https://www.cmcc.edu/academiccatalog
Status as public or independent institution; status as not-for-profit or for-profit; religious affiliation	https://www.cmcc.edu/wp-content/uploads/2022/10/Factbook-Fall-2021.pdf
Requirements, procedures and policies re: admissions	https://www.cmcc.edu/admissions-aid/admissions/info-on-applying/
Requirements, procedures and policies re: transfer credit	https://www.cmcc.edu/academics/programs/credit-for-prior-learning/transfer-credit/
A list of institutions with which the institution has an articulation agreement	https://www.cmcc.edu/academics/programs/credit-for-prior-learning/articulation-agreements/
	https://cmconnect.cmcc.edu/ICS/Campus_Life/Campus_Groups/Transfer_Services/Transfer_Events_Services.inz
Student fees, charges and refund policies	https://www.cmcc.edu/admissions-aid/paying-for-college/cost-of-attendance/
Rules and regulations for student conduct	https://www.cmcc.edu/wp-content/uploads/2022/11/Student-Handbook_2022.pdf
Procedures for student appeals and complaints	https://www.cmcc.edu/discover-cmcc/overview/policies-procedures-plans/student-complaint-and-appeal-procedures/
Other information re: attending or withdrawing from the institution	https://www.cmcc.edu/admissions-aid/paying-for-college/add-withdrawal-refund-information/
Academic programs	https://www.cmcc.edu/academics/programs/programs-of-study/
Courses currently offered	https://www.cmcc.edu/academics/programs/course-listing/
Other available educational opportunities	https://www.cmcc.edu/business-community/workforce-professional-development/workforce-professional-development/
Other academic policies and procedures	https://www.cmcc.edu/academiccatalog
Requirements for degrees and other forms of academic recognition	https://www.cmcc.edu/academiccatalog
List of continuing faculty, indicating department or program affiliation, degrees held, and institutions granting them	https://www.cmcc.edu/academiccatalog
Names and positions of administrative officers	https://www.cmcc.edu/discover-cmcc/overview/administration-governance/
Names, principal affiliations of governing board members	https://www.cmcc.edu/discover-cmcc/overview/administration-governance/
Locations and programs available at branch campuses, other instructional locations, and overseas operations at which students can enroll for a degree, along with a description of programs and services available at each location	https://www.cmcc.edu/discover-cmcc/our-campus/off-campus-locations/
Programs, courses, services, and personnel not available in any given academic year.	N/A
Size and characteristics of the student body	https://www.cmcc.edu/wp-content/uploads/2022/10/Factbook-Fall-2021.pdf
Description of the campus setting	https://www.cmcc.edu/discover-cmcc/our-campus/see-the-campus/
Availability of academic and other support services	https://www.cmcc.edu/academics/support/academic-advising/
	https://www.cmcc.edu/academics/support/trio-student-support-services/
	https://www.cmcc.edu/life-after-cmcc/transferring-from-cmcc/
	https://guides.cmcc.edu/learningcommons/home/
	https://guides.cmcc.edu/tutoring
	https://www.cmcc.edu/academics/support/disability-services/
Range of co-curricular and non-academic opportunities available to students	https://www.cmcc.edu/student-life/
Institutional learning and physical resources from which a student can reasonably be expected to benefit	https://www.cmcc.edu/academiccatalog
	https://guides.cmcc.edu/learningcommons/home/
Institutional goals for students' education	https://www.cmcc.edu/student-right-to-know/
Success of students in achieving institutional goals including rates of retention and graduation and other measure of student success appropriate to institutional mission. Passage rates for licensure exams, as appropriate	https://www.cmcc.edu/discover-cmcc/overview/planning-research-public-affairs/

Total cost of education and net price, including availability of financial aid and typical length of study	https://www.cmcc.edu/admissions-aid/paying-for-college/cost-of-attendance/
	https://www.cmcc.edu/admissions-aid/paying-for-college/aid-programs/
	https://cmconnect.cmcc.edu/ICS/Students/Financial_Aid.inz
Expected amount of student debt upon graduation and loan payment rates	https://www.cmcc.edu/student-right-to-know/
Statement about accreditation	https://www.cmcc.edu/discover-cmcc/overview/accreditation/

APPENDIX E:

E-SERIES FORMS

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

OPTION E1: PART A. INVENTORY OF EDUCATIONAL EFFECTIVENESS INDICATORS

CATEGORY	(1) Where are the learning outcomes for this level/program published? (please specify) Include URLs where appropriate.	(2) Other than GPA, what data/evidence is used to determine that graduates have achieved the stated outcomes for the degree? (e.g., capstone course, portfolio review, licensure examination)	(3) Who interprets the evidence? What is the process? (e.g. annually by the curriculum committee)	(4) What changes have been made as a result of using the data/evidence?	(5) Date of most recent program review (for general education and each degree program)
At the institutional level:	Learning outcomes for all programs are available on the CMCC website in the College Catalog . The College has core curriculum for the AAS, AS and AA degrees in addition to certificate and advanced certificate programs, as specified by MCCS Policy 302, and learning outcomes for the individual courses that make up the core curriculum; this information can also be found in the college catalog.	CMCC uses course and program completions, as well as licensure exam pass rates, capstone courses, field experience courses and portfolios as described in the individual program information found below to determine that graduates have achieved the stated outcomes for the degree.	Any requested change for a course or program is reviewed by the Academic Programs Committee (APC) per the current charter of governance, and requires evidence to support the requested change(s). After APC approval, the requested change(s) is reviewed by Faculty Senate and then final changes are approved by Leadership (includes members of the senior leadership team, President of the Faculty Senate, President of the Student Senate and one representative from both the administrative and support collective bargaining units). An assessment conference for each academic program is conducted at least every five years, per MCCS Policy 306, to ensure stated outcomes are being achieved and to determine steps for	With the change to the Admissions process that reviews multiple measures upon a student's acceptance, the College recognized a need to offer math courses that better align with a student's academic program. The math department added three new courses to the curriculum; MAT 080 Pre-Statistics, MAT 104 Technical Math and MAT 115 Quantitative Reasoning to create Math Pathways that better align with degrees and student need.	Program review dates are listed below. The requirements of this program are reviewed simultaneously with other programs and college processes; changes to academic curriculum (particularly english and math courses); and processes that could impact the degree requirements.

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

			<p>continuous improvement. Following the schedule determined by the MCCS Education committee, the results of the assessment conference are presented to the Committee and the MCCS Board of Trustees.</p> <p>Additionally, each academic department reviews evidence at least twice annually with the Program Advisory Committee.</p>		
For general education if an undergraduate institution:	<p>The learning outcomes for the AAS, AS and AA degrees can be found on page 38 of the College Catalog.</p>	Curriculum mapping, lab demonstrations, portfolio, and research project	<p>Yearly, programs go through a review process to interpret the evidence and make suggestions for changes. During FY 2021 Culinary Arts, Restaurant Management, Education, Criminal Justice, Life Sciences programs were reviewed. In FY 2122 Building Construction Technology, Human Services, Automotive Technology, Automotive Technology -Ford Asset, Precision Machining Technology and Medical Coding and Electronic Records were reviewed. In FY 2223 Medical Assisting, Graphic Communications, Electromechanical Technology, Facilities Maintenance and Management, and Early Childhood Education will be reviewed.</p>	<p>The College has transitioned from Accuplacer scores to using Multiple Measures as a means for english and math placement.</p> <p>An English Language Learning Coordinator is now available to ELL students to assist with understanding the advanced technical language, assignments, and course expectations associated with their chosen academic program.</p> <p>Many of the academic programs have transitioned the generic first-year seminar course to a program-specific first-year seminar course; this allows for faculty to choose discussion topics, writing prompts and opportunities for career exploration relative to their field of study while still meeting the learning outcomes. Students in non-industry specific majors are still required to take the generalized first-year seminar course.</p>	September 2020

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

<p>List each degree program:</p> <p>1. Accounting</p>	College catalog and website , course syllabi, curriculum map	Thesis capstone course	Faculty review course completion requirements on a semester basis, curriculum mapping	<p>ACC 210 Principles of Accounting I and ACC 212 Principles of Accounting II have been condensed into one course ACC 120 Financial Accounting for added transferability.</p> <p>Added ACC 244 Accounting Software Application course. Upon completion students can take exam to obtain certification credential in Quickbooks making students more marketable upon graduation.</p> <p>Added ACC 254 Federal Taxation and ACC 258 Non-Profit Accounting to fill a void in demand for non-profit related curriculum not offered by any other college in the MCCS.</p>	June 2019
2. Architectural and Civil Engineering Technology	College catalog and website , syllabi, curriculum map	Choice of internship or a thesis capstone course	Faculty review course completion requirements, and curriculum mapping	Reorganized the curriculum map for a more logical order of courses.	April 2022
3. Automotive Technology	College catalog and website , syllabi, curriculum map	Field experience; e-portfolios based on accrediting agency requirements, shared rubrics	Faculty review, external accrediting agency, curriculum mapping	Proposed adding AUT 244 Hybrid Systems that will be focused on hybrid drive systems. Currently, all the other automotive concentrations offer a hybrid drive systems course.	January 2022
4. Ford ASSET	College catalog and website , syllabi, curriculum map	Field experience; e-portfolios based on accrediting agency, shared rubrics for journal of job track progress	Faculty review, external accrediting agency, curriculum mapping		January 2022
5. Building Construction Technology	College catalog and website , syllabi, curriculum map	Internship, externship, capstone, or field experience; e-portfolio for journal of progress	Faculty review course completion requirements, and curriculum mapping	BCT students have opportunities to work with CMCC Facilities employees to apply their learned technical skills in on-campus projects such as the Public Service Simulation Center.	September 2021
6. Building Construction Job Site Track	College catalog and website , syllabi, curriculum map	Field experience, e-portfolio for journal of learned knowledge in skills, tool safety, and construction knowledge.	Faculty review course completion requirements, and curriculum mapping.		September 2021

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

7. Business Administration and Management	College catalog and website , syllabi, curriculum map	Choice of internship or thesis capstone class	Faculty review course completion requirements on a semester basis and curriculum mapping.	Academic pathways were created to give students more direct learning in a field of interest. Business pathways are human resources, non-profit, banking and finance, entrepreneurship, sport management, and small business. Added ACC 120 Financial Accounting and changed BUS 110 Supervision to BUS 118 Introduction to Management to cover a broader range and increased transferability.	June 2019
8. Business Transfer	College catalog and website , syllabi, curriculum map	Written exams, research essays	Faculty review course completion of requirements, and curriculum mapping		N/A
9. Career Studies	College catalog and website , syllabi, curriculum map	Credit is assessed using American Council on Education standards (ACE).	Assessment of real-world experiences in addition to the assessment of Prior Learning Assessment, and ACE.		June 2010
10. Computer Technology	College catalog and website , syllabi, curriculum map	Capstone thesis, lab demonstrations	Faculty review course completion of requirements on a semester basis and curriculum mapping	Renamed CPT 227 Introduction to Virtual Machines to CPT 227 Virtualization which better reflects course content. Added CPT 127 Introduction to Python Programming, replacing CPT 130 Introduction to Visual BASIC. The change was made to reflect the change in the primary language used in industry. Added CPT 273 Process Automation & Shell Scripting, replacing CPT 272 MS Exchange/IIS to align with cooperate environments use of cloud-based hosting of emails rather than premise email hosting.	September 2019
11. Conservation Law Enforcement	College catalog and website , syllabi, curriculum map	Skills demonstration, lab completion, written	Faculty review course completion of requirements on	New program added FY 2021	N/A

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		exams, research essays, presentations	a semester basis, and curriculum mapping		
12. Criminal Justice	College catalog and website , syllabi, curriculum map	Internship, skills demonstration, lab completion, written exams, research essays, presentations	Faculty review course completion of requirements, and curriculum mapping	This degree now falls under a broader department called Public Service and Social Sciences. This change widens the focus of the program from law enforcement and corrections to include social services sector jobs and non-profit and state organizations that focus on social problems in communities.	March 2021
13. Culinary Arts	College catalog and website , syllabi, curriculum map	Externship, skills demonstration, menu development, cost analysis	Faculty review course completion of requirements on a semester basis, internship, and curriculum mapping	Culinary added the Associates in Culinary Arts which triggered the addition of many courses: CUA 210 Butchery, CUA 212 International Cuisine, CUA 214 Petit Fours and Artisan Breads, CUA 216 Food and Beverage Purchasing, CUA 250 Modern Cooking, CUA 252 Advanced Cake Decorating, CUA 254 Advanced A la Carte, CUA 256 Chocolates and Confections, CUA 299 Culinary Externship	November 2020
14. Cybersecurity-Digital Forensics	College catalog and website , syllabi, curriculum map	Capstone thesis, lab demonstrations	Faculty review course completion of requirements, and curriculum mapping.	<p>Renamed the Network Security/Computer Forensics AAS degree to Cybersecurity – Digital Forensics AAS</p> <p>Renamed CPT 227 Introduction to Virtual Machines to CPT 227 Virtualization to better reflect content</p> <p>Added CPT 127 Introduction to Python Programming, replacing CPT 130 Introduction to Visual BASIC. The change was made to reflect the change in the primary language used in industry.</p>	January 2019 and redesigned in 2020 to become the current program.

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15. Early Childhood Education	College catalog and website , syllabi, curriculum map	Capstone thesis, field experience, curriculum building	Faculty review course completion of requirements, and curriculum mapping	<p>The six-credit capstone changed to a three-credit capstone and is taken at the end of the semester with other electives.</p> <p>ECE 201 Effective Teaching Practices was run as special topics and is now a regular elective listed in the course catalog on page 126.</p> <p>Waived the pre-requisite requirement of ECE 105 Infant and Toddler Curriculum, and ECE 147 Infant and Toddler Field Experience for ECE 113 Curriculum and Environments for Young Children, and ECE 297 Pre-School Field Experience respectively; ECE 113 Curriculum and Environments for Young Children and ECE 297 Pre-School Field Experience are now more accessible for students who begin in spring or choose to take a few classes at a time.</p> <p>Added ECE 100 Introduction to Early Care and Education (program specific first-year seminar course) and EDU 101 Introduction to Education.</p>	January 2017; scheduled for program review in June 2023.
16. Education	College catalog and website , syllabi, curriculum map	Maine State Teaching Standards, job shadow	Faculty review course completion of requirements, mentors from job shadow, curriculum mapping	Added articulation agreements with Southern New Hampshire University, and St. Joseph's College.	January 2021
17. Electromechanical Technology	College catalog and website , syllabi, curriculum map	Maine State Electricians Helpers license, lab and completion testing; upon completion of A.A.S degree in addition to having 45 hours in NEC, students can sit for their Maine State Electricians Journeyman license.	Faculty review course completion of requirements, curriculum mapping		2016; scheduled for program review in March 2023

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18. Esports Management	College catalog and website , syllabi, curriculum map	Portfolio, presentations	Faculty review course completion of requirements, curriculum mapping	New program FY 1920	N/A
19. Exercise Science	College catalog and website , syllabi, curriculum map	Research essays, reflections, quizzes	Faculty review course completion of requirements, curriculum mapping	New program FY 2021	N/A
20. Facilities Maintenance and Management	College catalog and website , syllabi, curriculum map	Quizzes, research essays, job shadowing	Faculty review course completion of requirements, curriculum mapping	New Program FY 1819	Scheduled for program review in April 2023
21. Forensic Science	College catalog and website , syllabi, curriculum map	Quizzes, research essays	Faculty review course completion of requirements, curriculum mapping	New program FY 1718 and no changes were made at the 2021 review as the degree was still new.	February 2021
22. General Studies	College catalog and website , syllabi, curriculum map	Quizzes, research essays, presentations, portfolios.	Faculty review of course completion of requirements, curriculum mapping.		September 2020
23. Graphic Communications	College catalog and website , syllabi, curriculum map	Portfolio, quizzes, research essays	Faculty review course completion of requirements, curriculum mapping	<p>Added ENG 201 Technical Writing as a required course to the curriculum map to meet MCCS Policy 302.</p> <p>Added GRC 118 Intro to Digital Photography as an online elective to expand offerings available for concurrent enrollment and GRC students that are completing the program 100% online.</p> <p>Made GRC 298 Production Experience a required course to collect data on PLOs/SLOs.</p> <p>Developed a method to showcase student-produced projects outside of the College (e.g. silent auction fundraiser for graphic communications scholarships and annual portfolio exhibits available digitally).</p>	January 2015; scheduled for program review in January 2023
24. Heating, Ventilation, Air Conditioning & Refrigeration (HVAC-R)	College catalog and website , syllabi, curriculum map	Externships, EPA 608 Universal Certification exam	Faculty review course completion of requirements, curriculum mapping, mentors from externship	New program FY 1920	N/A

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

25. Human Services	College catalog and website , syllabi, curriculum map	Students complete a portfolio in the Practicum I & II courses and are eligible for the MHRT/C Certification after successful completion of the HUS degree.	Faculty review of assessment for HUS 241 Human Services Practicum I, curriculum mapping	<p>The first year of the AAS degree was extracted into a certificate program for students who wish to enter the workforce sooner, gain experience, and if they choose to return, will have earned a credential of value and still be able to and seamlessly enroll in the associate degree at a later time, if they wish.</p> <p>Added three electives: HUS 205 Crisis Intervention, HUS 250 Issues & Ethics in Human Services, HUS 266 Grief, Loss, and Bereavement.</p> <p>Added three new required courses: HUS 100 Seminar in Human Services, (the program-specific first-year seminar course), HUS 208 Mindfulness & Self-Care, HUS 201 Multicultural Perspectives in Human Services</p> <p>Updated content and course titles to reflect changing industry best practices: HUS 112 Introduction to Human Services, HUS 202 Psychosocial Aspects of Disability, HUS 204 Vocational Rehabilitation</p>	November 2021
26. Justice Studies	College catalog and website , syllabi, curriculum map	Quizzes, research essays	Faculty review course completion of requirements, curriculum mapping		N/A
27. Liberal Studies	College catalog and website , syllabi, curriculum map	Research essays, self-reflections, exams, quizzes, assessment essays	Faculty review course completion of requirements, curriculum mapping	<p>Academic pathways were created to give students more direct learning in a field of interest. The pathways include: english, history, philosophy, and political science. This means a student who desires transferring to a 4-year college and majoring in philosophy will follow the philosophy pathway.</p> <p>Program is now offered 100% online.</p>	September 2020

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

28. Life Sciences	College catalog and website , syllabi, curriculum map	Labs, presentations, research projects	Faculty review course completion of requirements, curriculum mapping	Revised curriculum to better align with students in Life Sciences who are not going into healthcare. More flexibility of course options that better align with students who want to transfer into other science programs.	June 2021
29. Medical Assistant	College catalog and website , syllabi, curriculum map	Externship with a minimum of 240 hours, advanced clinical procedures, exams, quizzes.	Faculty review course completion of requirements, curriculum mapping	Merged Allied Health into the Nursing Department to improve the perception of the program, and added MEA 100 Medical Assistant Seminar (the program specific first-year seminar course).	September 2022
30. Medical Coding & Electronic Health Records	College catalog and website , syllabi, curriculum map	Practicum, American Health Information Management Association's (AHIMA) Certified Coding Associate (CCA) exam or the American Academy of Professional Coders (AAPC) Certified Professional Coder (CPC) exam, which are the two industry leaders in medical coding certification.	Faculty review course completion of requirements, curriculum mapping	Curriculum changes were made to better prepare students to sit for the AHIMA (American Health Information Management Association) and the AAPC (American Academy of Professional Coder) industry certification exams. Curriculum mapping was updated to better align with the AHIMA (American Health Information Management Association) and the AAPC (American Academy of Professional Coder) training in order to prepare students to sit for, and hopefully receive, this external industry certification. The first year of the AAS degree was extracted into a certificate program for students who wish to enter the workforce sooner, gain experience, and if they choose to return, will have the first year of the degree requirements behind them.	September 2022
31. Network Security Advanced Certificate	College catalog and website , syllabi, curriculum map	Completion of A.A.S degree in Network Security/ Computer	Faculty review course completion requirements, curriculum mapping.		N/A

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

		Forensics, completion of advanced CPT courses.			
32. Nursing	College catalog and website , syllabi, curriculum map	National Counsel Licensing Exam (NCLEX-RN) requirements, standardized testing, detailed test analysis from test bank vendor	Faculty review course completion requirements on a semester basis, external accreditation, curriculum mapping	Nursing has expanded to accommodate an additional 40 students with a spring semester start program beginning in January 2023. This program will cater to those students who are available nights and weekends for a variety of reasons (current employment, childcare, etc.). Utilizing a non-traditional schedule allows the College to maximize use of lab space and provide students a realistic work experience as they are enrolled in clinical sites where they will learn during nights and weekends in healthcare facilities. Additional nursing faculty and clinical/simulation coordinators will be of benefit to the entire nursing department.	N/A; the nursing program has external accreditation which was most recently received in Spring 2020.
33. Physical Fitness Specialist	College catalog and website , syllabi, curriculum map	American College of Sports Medicine (ACSM) licensure exam, student field experience, student practicum	Faculty review course completion of requirements, curriculum mapping	Updated curriculum mapping to prepare students to transfer to a four-year degree.	June 2021
34. Plumbing & Heating Technology	College catalog and website , syllabi, curriculum map	Externships, exams, labs, State Certification exams	Faculty review course completion of requirements, curriculum mapping	Program added FY 1920	N/A
35. Police Operations Advanced Certificate	College catalog and website , syllabi, curriculum map	Assessment of outcome determined on a case by case situation. Students must demonstrate an array of skills: tolerance, Maine laws, defensive tactics, knowledge of criminal court proceedings, and police operations.	Faculty review of student knowledge and ability, curriculum mapping.	This certificate is for students who have already completed their CRJ or JUS degree. The purpose of this certificate is for students entering the field of law enforcement and to build on the foundation of their previously acquired degree.	March 2021

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36. Precision Machining Technology	College catalog and website , syllabi, curriculum map	Labs, exams,	Faculty review course completion of requirements, curriculum mapping	Updated content in the following courses to reflect changing industry best practices: PMT 221 Advanced CNC Turning Processes, PMT 229 Advanced CNC II, PMT 230 Introduction to CMMs	June 2022
37. Precision Machining Technology Advanced Certificate	College catalog and website , syllabi, curriculum map	Previous A.A.S or higher degree in machining or equivalent professional credentials approved by the academic dean, successful completion of advanced PMT courses.	Faculty review course completion requirements, curriculum mapping.		June 2022
38. Restaurant Management	College catalog and website , syllabi, curriculum map	Internship, labs, research essays, skills demonstration, menu development, cost analysis	Faculty review course completion of requirements, curriculum mapping	Program transitioned to be a part of the Culinary Arts department in FY 1617.	November 2020
39. Social Sciences	College catalog and website , syllabi, curriculum map	Thesis capstone, labs, quizzes, exams	Faculty review course completion of requirements, curriculum mapping	Program added FY 2122	N/A

Institutions selecting E1a should also include E1b.

Note: Please see the Statement on Student Achievement and Success Data Forms (available on the NECHE website: www.NECHE.org) for more information about completing these forms.

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

OPTION E1: PART B. INVENTORY OF SPECIALIZED AND PROGRAM ACCREDITATION

(1) Professional, specialized, State, or programmatic accreditations currently held by the institution (by agency or program name).	(2) Date of most recent accreditation action by each listed agency.	(3) List key issues for continuing accreditation identified in accreditation action letter or report.	(4) Key performance indicators as required by agency or selected by program (licensure, board, or bar pass rates; employment rates, etc.). *	(6) Date and nature of next scheduled review.
National Automotive Technician Education Foundation (NATEF)	Winter 2022	None	Employment rates through post graduate surveys. Completion of required tasks determined by accrediting board, shown through samples of student tracking.	Winter 2025
Maine State Board of Nursing	Spring 2020	None	Maine State Board of Nursing relies on maintaining and continuing national accreditation but also looks at performance for the pass rate for time NCLEX test takers (RN Licensure exam)	March 2023
Accreditation Commission for Education in Nursing	September 2020	None	The 6 areas of criteria ACEN requires are: Mission and Administrative Capacity; Faculty and Staff; Students; Curriculum; Resources; Outcomes. Our Systematic Evaluation Plan covered: pass rate for first time NCLEX test takers, persistence rate, employment of graduates, clinical sites, faculty, end of program outcomes, curriculum, and we compare performance of both sites of course offerings.	Spring 2023

*Record results of key performance indicators in form 8.3 of the Data First Forms.
Institutions selecting E1b should also include E1a.

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

OPTION E2. COLLEGE PORTRAIT/VSA PLUS PROGRAM REVIEW

I. Institutions selecting this option should include copies of the most recent College Portrait institutional template under the Voluntary System of Accountability and up to two prior templates. The templates are available from APLU and AASCU.

II. Complete the information on program review, below.

CATEGORY	(1) What is the date of the most recent program review?	(2) How is an “external perspective” incorporated into the review?	(3) How are the results of the program review considered?	(4) What major changes have been made as a result of the most recent program review?	(5) What is the date of the next program review?
List each degree program:					
1.					
2.					
3.					
4.					
5.					
6.					
7.					

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT
OPTION E3. INSTITUTIONAL CLAIMS FOR STUDENT ACHIEVEMENT, WITH VALIDATING EVIDENCE

CATEGORY	(1) What are the claims for student achievement or student success?	(2) Where are the claims published? (please specify) Include URLs where appropriate.	(3) Other than course completion and grades, what outcomes evidence is used to support the claims?	(4) Who interprets the evidence? What is the process? (e.g. by the curriculum committee)	(5) What changes have been made in the program, the claims or the evidence?
At the institutional level:					
For general education if an undergraduate institution:					
List each degree program: 1.					
2.					
3.					
4.					
5.					
6.					

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT
OPTION E4. MEASURES OF STUDENT SUCCESS: COMPARISON WITH PEERS

CATEGORY	(1) What is the measure of student achievement or student success?	(2) What is the institution's score or rate?	(3) What is the peer comparison group?	(4) What is the peer score or rate on this measure?	(5) What changes have been made as a result of the comparison?
At the institutional level:					
For general education if an undergraduate institution:					
List each degree program:					
1.					
2.					
3.					
4.					
5.					