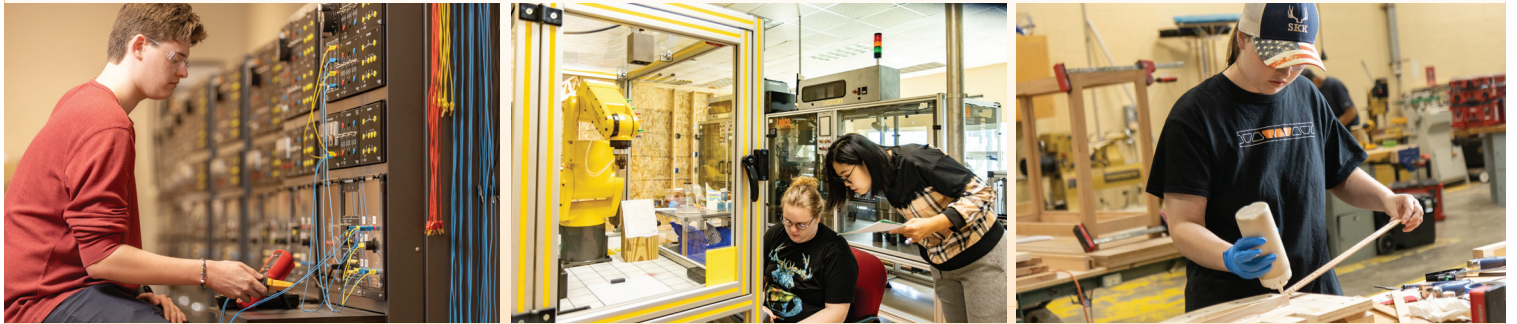




Eastern Maine Community College



NECHE 2024

Interim (Fifth-Year) Report

354 Hogan Road, Bangor, ME 04401 • www.emcc.edu

Interim (Fifth-Year) Report for Accreditation

Submitted January 2024

Eastern Maine Community College
354 Hogan Road
Bangor, Maine 04401

*Prepared for the New England Commission of Higher Education (NECHE)
3 Burlington Wood Drive, Suite 100, Burlington Massachusetts 01803-4514*

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Introduction and Process

Eastern Maine Community College's faculty and staff began the preparation of this Interim (Fifth-Year) Report in the fall of 2022. The process began with EMCC President, Elizabeth Russell, assembling a cross-functional steering committee in November of that year. Chair of Culinary Arts, Nathan Scott, was named Chair of the Interim Report Steering Committee, and the group met for the first time on January 9, 2023, to develop the timeline for the project.

On February 2, 2023, EMCC President, Elizabeth Russell, and Interim Report Chair, Nathan Scott, attended the NECHE Interim Report Workshop in Wakefield, MA to learn more about the process.

Working virtually through Microsoft Teams, the Steering Committee (working with other faculty and staff as needed) began to assemble information and resources useful in the drafting of the Areas of Special Emphasis, Standards Narrative, and Standard 8 Essay portions of the Interim Report. The Steering Committee Chair then used the available resources to compose the first draft of the report.

Meanwhile, the Director of Institutional Research began the process of collecting the data needed to complete the first draft of the Data First Forms. This information was provided to the Steering Committee to aid them in completing the first draft of the report.

The first draft was completed in June of 2023. It was reviewed and edited by the Steering Committee, and the Institutional Plans section of the document was drafted in August of that year. This resulted in a second draft, which was reviewed again by the Steering Committee and edited into the third draft.

In September of 2023, the third draft of the report was shared with the college community for comment. The results of this survey were then used in the creation of the report's fourth draft. The college's Business Office and Office of Institutional Research also reviewed the fourth draft to include the most up-to-date student and financial information.

The fourth draft of the report was shared with New England Commission of Higher Education (NECHE) Vice President, Laura Gambino, in October of 2023. Her feedback was collected by members of the steering committee during an October 18th Zoom meeting and incorporated into the fifth draft of the report, along with updated enrollment, diversity, student success, and financial information.

The steering committee completed its review of the fifth draft in December of 2023. The Office of Institutional Research supplied the committee with semester-end data for inclusion in the report and Data First Forms. This work resulted in this, the sixth and final draft of EMCC's Interim (Fifth-Year) Report, which was submitted for review to NECHE in January of 2024.

NECHE Interim Report Team

NECHE Interim Report Steering Committee Members

Elizabeth Russell

President of Eastern Maine Community College

Jane Loxterkamp

Interim Vice-President of Academic Affairs through June 2023
Co-Chair of Education

Eric Hoffman

Vice-President of Academic Affairs as of June 2023

Elizabeth True

Vice-President of Student Affairs

Hannah Young

Vice-President of Advancement through May 2023

Terri Adam

Special Assistant to the EMCC President
Executive Director of the EMCC Foundation, as of November 2023

Nathan Scott

Chair of Culinary Arts
Chair of NECHE Interim Report Steering Committee

Kelsey Gilbert

Director of Institutional Research through October 2023

Institutional Overview

Originally named Eastern Maine Vocational Technical Institute (EMVTI), the college was founded by the Maine State Legislature in 1966. Two years later, the campus was moved from its temporary location in downtown Bangor to the Hogan Road. There it expanded to be a 72-acre campus with six academic buildings, two residence halls, a gymnasium, and a campus center which houses a library and dining hall.

Twenty years after its founding, the 112th State Legislature separated the six existing vocational technical institutes (VTIs) from the State Department of Education and established a quasi-separate, Governor-appointed Board of Trustees to govern the VTIs. Then between 1988 and 1989, the state created the Maine Technical College System (MTCS) and shifted the administration of the newly renamed Maine Technical Colleges to the MTCS and its Board of Trustees and President, at which point EMVTI became known as Eastern Maine Technical College (EMTC).

The name of the college changed again in 2003 when the MTCS became the Maine Community College System (MCCS), and EMTC became Eastern Maine Community College (EMCC). The change was made to better reflect the mission of the seven Maine Community Colleges: “to provide associate degree, diploma, and certificate programs directed at educational, occupational, and technical needs of the state’s citizens and the workforce needs of the state’s employers.”

Today, EMCC’s mission is to “serve as a dynamic educational institution that empowers students to meet their personal and professional goals, and to collaborate with our business and community partners to support their growth and success.” The college offers 28 program areas, as well as short-term and specialized training courses. It awards associate degrees in applied science, science, and arts, as well as certificates, advanced certificates, and micro-credentials.

EMCC also has two off-campus centers located in Dover-Foxcroft and East Millinocket, which provide education, training, and career resources to rural communities. Instruction is provided through in-person and distance education. EMCC also has an approved off-campus plumbing instructional site at United Technologies Center, located 2/10 of a mile from the Bangor campus.

During the fall of 2023, EMCC served 2,533 students in credit-bearing course work, including 990 new students, 896 persisting students, and 109 returning students. The student population also includes 538 students enrolled in dual enrollment courses. Of the college’s total student body, 42% are full-time students, 40% are first-generation students, and 53% received financial aid. Females account for 51% of the student population, and 76% of all students are under the age of 25. Just over 83% of the college’s students are white, while approximately 6% are Asian, Black or African American, or Hispanic/Latino. The college’s Workforce Development division served 1,546 learners in non-credit training programs and 229 in credit-bearing workforce programs.

The Fiscal Year 2024 annual operating budget is \$28,883,726 with 44.06% coming from state appropriations, 21.12% from student tuition and fees (excluding housing and meal plans), 18.61% from federal resources (including financial aid grants), and 16.21% from other sources. Governor Janet Mills and the Maine State Legislature approved a last-dollar scholarship for students from the classes of 2020 through 2025, which has significantly increased enrollment and tuition revenues.

Areas of Emphasis

Continuing to Ensure the Effectiveness of its Governance Processes and Strengthening its Communication Channels

Response to the June 2, 2022, NECHE Letter.

In the spring of 2022, then-Vice President of Academic Affairs, Elizabeth Russell, along with the support of faculty and staff members, organized a two-part discussion with the college community aimed at breaking down the silos between divisions and improving efficiency and communication channels. Entitled “One College,” this initiative asked faculty and staff participants to identify the characteristics of a unified college with all divisions focused on student success and improved operational efficiencies.

As a result of the “One College” discussions, as well as the work of Interim EMCC President Dr. Wayne Burton’s 2021 “One-Student-Student First” initiative, the college reorganized the leadership team, simplified the reporting lines, and delineated the routes of communication between departments. With the appointment of President Russell, the college’s governance structure was redefined to be participatory. Now, all college constituencies have a voice in the decisions that affect them, and student-centeredness is the guiding principle in decision making.

For example, in June of 2022, President Russell, assembled an ad hoc committee of faculty, staff, and student volunteers to review the college’s mission, vision, and values statements. In an effort to exercise participatory governance and restore trust in the college’s leadership, President Russell and her cabinet provided the committee with a charter of explicit expectations, and then stepped back, empowering the team to collect input from all college constituencies and draft new mission, vision, and values statements that are representative of the college and its focus on students. The ad hoc team completed its work during the fall 2022 semester, and EMCC’s new mission statement was approved by the MCCS Board of Trustees in February of 2023.

Similarly, cross-functional ad hoc committees have also been assembled to assist in other activities, such as planning and budgeting. The *2023-2028 Strategic Plan* was drafted by a team of faculty, staff, and students, while the newly established Budget Committee held public hearings in March of 2023 and invited community feedback to determine the best use of college funds in hiring and purchasing activities.

To further improve the effectiveness of EMCC’s governance process, the charters for both the College and Faculty Senates were revised in the fall of 2022. Though the College Senate is still charged with overseeing non-academic policy, and the Faculty Senate is responsible for all academic policy, both groups now share an equal responsibility, along with the President’s Cabinet, in reviewing and revising the college’s governance documents, allowing members of the entire campus community to have a voice in how the college’s system of governance operates.

The administration has also worked to thoroughly review and document the processes and procedures employed in the implementation of college and MCCS policy. Revisions to the College and Faculty Senate charters now provide both groups with the ability to review drafts of relevant procedural documents before they are shared with the campus community for comment and eventual

implementation. This allows for further review of the college's governance and operational procedures, and also gives the campus community a greater awareness of how the institution operates.

Department chair meetings also serve to communicate information regarding college operations. During the 23/24 academic year, these semimonthly meetings included guest speakers from all parts of the campus, including Admissions, Financial Aid, and the newly reorganized Workforce Development and Professional Solutions division, which now works closely with Academic Affairs to bring all educational experiences into alignment. During these meetings, department chairs and community guests had the opportunity to learn about the various departments of the college, discuss challenges, and present strategies for improvement. This resulted in increased understanding and communication between divisions, as well as improved collaboration in the development of solutions.

In the fall of 2022, the convening of labor/management groups resumed after being placed on hiatus during the pandemic. These labor groups include faculty, administrators (professional staff), and support staff. Each committee is comprised of three representatives from labor and three from the senior leadership team. The purpose of these meetings is to research and develop recommendations for issues of mutual concern. For example, the Faculty/Management team is currently rewriting the required duties of department chairs and reviewing end-of-course student surveys.

In addition to documenting procedures, the Office of Academic Affairs has worked to update and electronically disseminate a revised *Instructor Handbook*. This resource provides further information on academic policies and procedures, clearly defines expectations of faculty, provides suggestions for classroom management and teaching strategies, and also includes a schedule that specifies the due dates for certain faculty commitments, such as submitting semester syllabi to Academic Affairs. Similarly, a digital *Employee Handbook* is now being developed.

Of course, strengthening communication within the college is about more than periodically emailing links to college and system policies. It is also about building a sense of community and care. To that end, the college has employed a series of tools to encourage better communication, community building, and professional development. Weekly newsletters, as well as frequent emails from the College President, share updates and success stories with the campus and community. Professional development opportunities, including a leadership training series and book talks, offer the entire campus community the opportunity to come together and learn. Additionally, events such as free chair massages and employee energy and wellness workshops demonstrate a culture of care, further instilling a sense of trust.

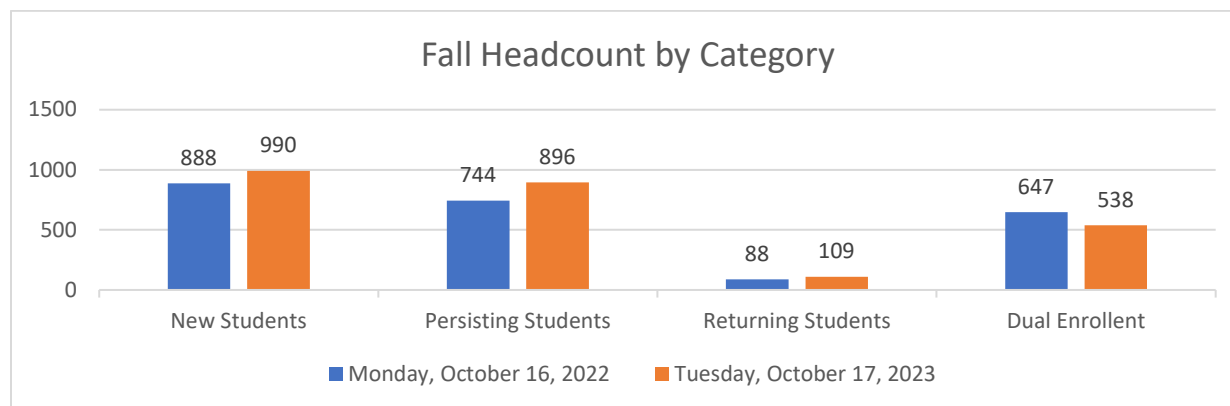
The rejuvenated Community Engagement Committee has scheduled monthly community-wide social and informational events for the campus community. These events include ice cream socials, book discussions, and recreational activities. They are designed for faculty and staff to enjoy getting to know one another in a more informal way. Additionally, this committee has established an employee recognition program that honors length of service.

During the January 2023 faculty development day, faculty members were asked to reflect upon how their feelings about the college's current direction and leadership differed from their opinions just one year before. Though informal, the survey did show a general improvement in the mood of the campus and greater confidence in its governance structure and communication channels. Still, a more formal survey, such as the PACE survey, is necessary to accurately measure the effects of these changes. Such a survey will be conducted in the spring of 2024.

Achieving its Goals to Stabilize Enrollment and Improve Student Retention

Response to the June 2, 2022, NECHE Letter.

As illustrated by the graph below, the college has continued to see a boost in enrollment from the lows reached during the pandemic. The new student headcount increased by 11.5% between 2022 and 2023, while the persisting and returning student categories increased by 20% and 24%, respectively.



Part of this enrollment increase is the result of the state’s high COVID vaccination rate (over 78%) combined with the eventual conclusion of the pandemic. This permitted EMCC and the MCCS to end mask and vaccination mandates, return more sections of coursework to in-person instruction, and offer a greater number of face-to-face activities, resources, and supports to assist students in their education. It is believed that this “return to normalcy” encouraged students who previously delayed their education due to the pandemic, to return to school and continue learning.

A second cause for the boost in enrollment numbers is the state’s Free Community College initiative. This last-dollar scholarship program provides two years of free community college for all students who graduated from high school between the years of 2020 and 2025. In its first year, the program allowed 6,400 people to attend one of the state’s community colleges and begin working on a college credential.

In addition to increasing enrollment, Free College also provided funding to hire three additional staff members. Though these positions are currently only funded by the state through the 2024 academic year, these employees work directly with those eligible for Free College, supporting them through the admissions process, as well as working to advise and connect students with resources offered through Student Services to improve student retention.

Cognizant that the Free College scholarship program may not extend beyond 2025, EMCC continues to look for ways to stabilize enrollment and improve student retention. To that end, in the Fall of 2022, the college worked with the enrollment consultant firm Ruffalo Noel Levitz (RNL) to conduct an audit of recruitment procedures. This visit resulted in over 50 short- and long-term recommendations to improve the recruitment process, including conducting a recruitment communications flow audit to review all communications sent to prospective, admitted, and enrolled students for tone, branding, and timing. The ultimate goal of this work was to improve communications with new students and reduce the “summer melt” which results in new students not showing up for class at the start of the semester.

Results of the RNL audit also culminated in the drafting of a five-year strategic enrollment management plan (SEM). For more information on the SEM, see the *Institutional Plans* section of this report.

To support the college's 2023-2028 Strategic Plan (see *Institutional Plans*) and its objectives of increasing yield, persistence, and graduation rates, faculty now complete an annual planning document. This document asks faculty to develop specific strategies and tactics that can be implemented at the program level to support the college's goal of developing learner-centered operations and programs.

In May of 2022, the college also hired a Vice President for Student Affairs (VPSA). In addition to overseeing the Student Services division, which offers advising, tutoring, counseling, and other services geared toward improving student success and retention, a restructuring of the organization's senior management in 2022 placed Enrollment Services under the VPSA's purview. This allows for better collaboration and communication between the two departments and helps newly enrolled students connect more with the services they need to succeed in their learning.

The VPSA also secured a MELMAC grant in the fall of 2022 to fund two additional retention strategies. The first strategy focuses on lessening the effects of food insecurity as a barrier to student success by expanding the college's on-campus food pantry. The second strategy helps students and employees from underrepresented groups to feel welcome and included on campus by offering a robust selection of diversity, equity, and inclusivity activities for the campus community.

Despite these efforts, retention continues to be an area of concern for the college as students are seemingly entering college less prepared academically, socially, emotionally, and developmentally. To address this, a cross-functional Retention Committee has been assembled and tasked with conducting quantitative and qualitative data analysis in order to identify barriers to completion and improve retention. By working collaboratively with faculty and staff, the Retention Committee will develop additional strategies to support learners as they progress through EMCC's academic programming.

One strategy that EMCC has been slower to embrace than its sister colleges is guided English and math pathways. Data shows that in Fall 2022, only 27% of EMCC students passed both their gateway English and math courses during their first year of enrollment. College leadership is dedicated to improving these outcomes by working with the English and math departments to analyze course content and ensure alignment with the common syllabi established by the MCCS. This work also involves examining the design and effectiveness of course placement processes, course offerings and modalities, and student support structures. As part of this work, ENG 100: Basic Academic and Pre-Professional Writing was launched in the fall of 2022. This course is designed to closely tie the material to the student's program of study, thus increasing student comprehension and success. A comparison of the success rates of full-time and part-time students may also yield useful data, as part-time student success rates tend to be lower than full-time students. It should also be noted that not all programs require students to complete both a gateway English and math in the first year. Collecting additional data on these programs may also identify learning barriers.

EMCC was recently selected by Complete College America to participate in the Bill and Melinda Gates Foundation Intermediaries for Scale Initiative (IfS). This initiative is intended to support the college in identifying student success strategies to achieve more equitable outcomes. Activities to be addressed may include guided pathways, math pathways, advising strategies, developmental education, digital learning, institutional research, leadership and culture, and strategic finance. The national support that EMCC will gain through this initiative will provide invaluable guidance to retention efforts.

Implementing Strategies to Improve the Financial Stability of the College

Response to the June 2, 2022, NECHE Letter.

Despite missing tuition revenue goals for the 2022-2023 academic year, EMCC experienced a budget surplus of \$1,210,358 due primarily to savings in salary and benefits, as well as conservative spending. This surplus allowed the college to increase its precautionary reserve from \$1,963,869 to \$2,521,774 and increase its renewal and replacement fund from \$1,230,743 to \$2,005,743. Additionally, EMCC still has approximately \$3 million in HEERF reserves, \$1 million of which has been budgeted for FY24.

Improving financial stability is one of the major themes of the *2023-2028 Strategic Plan*. In fact, one of the plan's four strategies involves finding methods to ensure college operations are effectively funded now and into the future.

Goal 3: Become financially sustainable.

Performance Indicator 1: A balanced budget that effectively funds college operations and future improvements will be established (benchmark – FY23 budget with \$1.171 million revenue from CARES funding)

EMCC is obligated to achieve a balanced annual budget through sound fiscal stewardship and innovative strategies to increase revenues and decrease costs. The college will explore new workforce development offerings and increased marketing to expand program enrollments, and the college will evaluate program vitality by conducting market research, analyzing student outcomes, determining return on investment, and assessing competition in the region.

2023-2024 Strategies & Tactics:

- Identify a college priority and leverage the support of the Maine Community College System Foundation for financial support.
- Actively pursue grant opportunities and determine the feasibility of hiring a grant writer.
- Consider implementing the recommendations of the Retention Committee to ensure that retention rates increase.
- Create a financial sustainability model for academic and non-academic programs to determine financial viability.
- Continue transparency of budget process with an annual state-of-the-budget report prior to budget development for the next fiscal year.

Like most colleges and universities across the nation, EMCC has benefitted from CARES Act funding to help sustain the college through the financial challenges created by the pandemic. Decreases in enrollment have resulted in lost revenues, while increasing expenses caused by supply chain issues have put additional strain on the budget. To address these challenges, the President's Cabinet has actively worked to create a fiscally sustainable institution by evaluating all college operations. For example, Facilities Maintenance and Safety and Security have now merged to create operational and productivity efficiencies.

Similarly, the Workforce and Professional Solutions division of the college now works closely with Academic Affairs. In addition to providing for a more efficient use of resources and greater collaboration

in the development of both short- and long-term educational and training options, this reorganization also allows the college greater access to additional financial resources. The Maine Community College System established the Harold Alfond Center for the Development of Maine's Workforce in 2021. The Alfond Center provides financial resources to each of the community colleges to increase short-term trainings and educational opportunities that teach students the skills needed to enter a new profession or upskill their current knowledge in an existing profession. The Harold Alfond Center also offers scholarships that can assist students in continuing their education in a certificate or degree program. By tying Workforce and Professional Solutions to Academic Affairs, EMCC has also been able to use the funding to support other aspects of college operations. For example, the Alfond Center is currently paying for a new faculty member in Electricians Technology, as well as three other full-time employees. Several academic programs have also benefitted through equipment and supply purchases paid for by Alfond money.

Other external funding sources, such as grants, congressional earmarks, and State of Maine legislation, are an important source of funding for the college. EMCC has ramped up its pursuit of grant funding (including the MELMAC Education Foundation Grant discussed in *Area of Emphasis: Achieving its Goals to Stabilize Enrollment and Improve Student Retention*) and has been successful in acquiring Congressional Directed Spending (CDS) funding. Thus far, the college has been approved for three Congressionally Directed Spending earmarks. The FY22 earmark invested \$4 million into EMCC's East Millinocket Higher Education Center to expand childcare. While the FY23 CDS invested \$1.35 million in equipment to improve the delivery of first responder, nursing, and allied health training in rural Maine. The third earmark, which is scheduled to be received in 2024, includes a \$1.645 million investment in technology that will improve the delivery of academic programming, as well as ensure trades and technology programs remain up-to-date in industry-specific equipment.

In an effort to better utilize existing financial resources, EMCC's senior staff has examined the organizational structure of the college to clarify the reporting system and to reevaluate the staffing levels within each department and division to determine adequacy and the need for additional help. In 2022, for example, it was determined that additional assistance was needed in HR, and a position was created and later filled. (Though it should be noted that in this case, as in some others, it took many months to find qualified applicants to fill the available position, temporarily adding additional strain to existing employees.)

Still, not all needs can be financially met, and priorities must be established. To accomplish this, the college now uses a cross-functional, ad hoc Budget Committee to collect data and hold public hearings. The committee reviews each proposed new position and major expense and determines the college's priorities based upon factors including the impact on student success, accreditation, the budget, process improvement, and the workload of existing faculty and/or staff. The committee's recommendations are then forwarded to the President's Office and incorporated into the budget development process. Current priorities include replacing a portion of the Maine Hall roof, expanding the Automotive Technology classroom and lab space to comply with the National Institute for Automotive Service Excellence (ASE) accreditation standards, and renovating Mathieu Auditorium to ensure the slope of the space conforms to ADA standards. All of which are anticipated to be completed within the next two years.

Developing and Implementing a Comprehensive Approach to Assessing Educational Effectiveness at the Course, Program, and Institutional Levels and Using the Results to Make Improvements

Response to the November 15, 2019, NECHE Letter.

In 2020, the Maine Community College System revised its program review procedure. Now, each program must present a self-study to the Board of Trustees Education Committee that includes five years of assessment data and findings, including all program learning outcomes (PLOs), methods of assessment, goals, and results, as well as discussions of significant findings and reports on the actions taken as a result of student assessment. This process ensures that all programs collect assessment data and reflect upon it to make timely changes in an effort to attain the highest quality of education and prepare students for lifelong learning.

For example, EMCC's Diesel, Truck and Heavy Equipment program presented its program review in February of 2022. As a result of its PLO assessment, it was determined that not all students were reaching satisfactory levels of achievement in the acquisition of certain hard skills. To address this, program faculty revised the curriculum to include additional hours for ATT 133: Basic Electrical Systems, ATT 135: Advanced Electrical Systems, ATH 121: Heavy Equipment/Truck Drive Trains, and ATH 151: Hydraulic Systems. A new course, ATH 274: Exhaust Aftertreatment System/Alternate was also created. The additional class time and new course improved both student performance and the program's conformance to AED Foundation standards.

The program review process also includes surveys from program advisory committees. These surveys provide the program faculty and the MCCS Board of Trustees with an external perspective which helps assure that graduates possess the occupational and academic skills necessary for employment.

Unfortunately, recent technological changes have introduced a challenge in maintaining assessment records. In 2020, EMCC, along with the other colleges in the Maine Community College System, adopted the Brightspace learning management system. Initially it was planned that both PLOs and the college's essential learning outcomes (ELOs) would all be assessed and maintained through Brightspace. Working with program faculty, the college's instructional technologist linked each ELO and PLO to particular assessments. However, after extensive effort, it was determined that Brightspace could not be used to generate useable reports on assessment, and the plan was discontinued. It is now up to program department chairs to maintain records of assessment data and reflections for use in program review and improvement.

Furthermore, the college's SharePoint site was updated during the pandemic. Prior to the introduction of Brightspace, SharePoint was used as a repository of assessment artifacts and reflections. When the previous version of SharePoint was disabled, access to this data was cut off, limiting the ability of program faculty to draw upon historical assessment data. Despite these challenges, program faculty have adapted and are using authentic PLO data in their official program reviews.

To further assist the college with its assessment work, the Academic Affairs division is in the process of hiring a Director of Learning and Assessment who will be tasked with collaborating with faculty and staff to create a comprehensive plan for assessment. This individual will help faculty integrate the assessment

of ELOs into their existing coursework, while also working to establish and refine recordkeeping systems and improvement processes to ensure that students can demonstrate the established outcomes.

The college is also reviewing its essential learning outcomes to determine whether they need to be updated. In recent years, capstone courses, such as ENG 215: Business and Technical Writing, have been used by many programs to assess student performance in the areas of teamwork, independent learning, communications, and problem solving. With so many student ELOs being assessed in just a few courses, the burden of ELO assessment soon became overwhelming for the limited number of faculty involved. The Director of Learning and Assessment will examine this problem to determine how best to move ELO assessment from specific general education courses to each program. Meanwhile, the Faculty Senate is also taking the opportunity to review the college's ELOs to determine how best to update and revise them.

Similarly, during a 2022 faculty development day, program faculty were asked to review their PLOs and assessment methods. All revisions were made and included in the *College Catalog* later that year. Program faculty are now asked to complete an annual planning document that provides them with the opportunity to reflect upon learning outcomes assessment and student success and establish program-level strategies to improve persistence and graduation rates.

Given the sudden increase in demand for online education resulting from the pandemic, the college and the MCCS have also spent considerable time reviewing the effectiveness of online education. To this end, the MCCS developed a series of online educational standards that EMCC has adopted. These standards include such requirements as using "multiple and varied assessments within Brightspace that connect to learning goals, course outcomes, and course content," and incorporating "regular and recurring assignments/discussions that require instructor engagement, feedback, and grading." Combined with EMCC's revised *Instructor Handbook*, as well as the MCCS's *Online Course Design Standards Guide* and templates for online course organization, EMCC's faculty are just as well prepared to offer effective course work and assess student learning through online instruction as any other modality.

Of course, when problems arise, EMCC's digital media specialist is available to assist faculty in solving online teaching and assessment challenges. Through one-on-one assistance, as well as through hosting weekly trainings, faculty learn how to effectively use Brightspace and conduct effective assessment of student outcomes in the virtual classroom.

For additional information on how Eastern Maine Community College is developing and implementing a comprehensive approach to assessing educational effectiveness, please see *Standard 8: Educational Effectiveness*.

Standard 1: Mission and Purposes

In June of 2022, Eastern Maine Community College's President, Elizabeth Russell, assembled a cross-functional team to revise the college's mission statement. Through a process that involved input from students, faculty, staff, and the President's Cabinet, a new mission statement was drafted and ultimately approved by the Maine Community College System (MCCS) Board of Trustees on February 8, 2023.

Eastern Maine Community College's mission is to serve as a dynamic educational institution that empowers students to meet their personal and professional goals, and to collaborate with our business and community partners to support their growth and success.

Along with the mission statement, a revised vision statement was also created and approved through the same process.

We will inspire all our students to become skilled individuals who thrive in their careers and have a positive impact on their communities, the workforce, and society.

Together these two statements place greater focus upon the institution's goals to be student-centered and responsive to the needs of community and business partners. For example, in response to the critical staff shortages in Maine schools as a result of the pandemic, EMCC collaborated with the MCCS and the Maine Department of Education to create the Learning Facilitator program. This high-touch, fast-tracked training program for paraprofessional-level educators allows participants to earn stackable digital badges and eventually become eligible to receive an Education Technician Certificate, allowing them to be employed as an Ed Tech III.

To further support the mission and vision statements, the college has also developed a list of values, including educational excellence, respect for all, honesty and integrity, and collaboration. All of these values serve to assist in decision making.

The college has already used these principles to make numerous changes that will enable EMCC to better meet its mission. For example, in the Fall of 2022, the college created the Inclusivity, Diversity, Equity, and Accessibility (IDEA) Committee. This committee of faculty, staff, and student volunteers now works to offer educational experiences and opportunities that celebrate, educate, and raise awareness within the EMCC community about the importance of diversity, cultural humility, and multicultural competency in higher education.

The revised mission and vision statements better reflect the work and goals of the institution and have become widely accepted by the campus community. For ease of understanding, they are publicly available through the institution's website and social media pages, and are included in various marketing materials, including information sheets, brochures, and flyers.

To ensure these documents remain relevant and appropriate, the College Senate will continue to review and reaffirm the mission and vision annually at their first meeting of the academic year.

Standard 2: Planning and Evaluation

Planning

During the Fall 2022 semester, the college's strategic plan underwent its scheduled five-year update. This process involved the participation of a committee of students, faculty, and staff, who through a strengths, weakness, opportunity, and threats (S.W.O.T.) analysis, as well as feedback from other campus community members, developed four specific strategies with accompanying tactics and performance indicators.

Goal 1: Develop learner-centered operations and academic programming.

Goal 2: Improve institutional culture by focusing on employee growth and development.

Goal 3: Become financially sustainable.

Goal 4: Develop partnerships and find funding to offer career training in sustainable technologies and promote environmentally sustainable practices on campus.

Community leaders from the EMCC Foundation Board, the EMCC Advisory Board, and other external stakeholders contributed their own S.W.O.T. analysis. Information gathered from these external perspectives was incorporated into the strategic plan before the final plan was released.

Annually, members of the college community develop strategies and tactics to meet the goals of the plan and report their progress by completing a matrix on a Microsoft Teams site. The President's Cabinet routinely monitors progress of the plan and communicates updates to the campus community via forums and email.

The college's *Master Facilities Plan*, created with the assistance of WBRC Architects and Engineering, as well as the annual Gordian report which reviews the state of college facilities, support the strategic plan by informing budgetary and capital improvement decisions. The inclusion of the Director of Finance on the President's Cabinet, along with the newly instituted budget hearing process discussed in *Standard 7: Institutional Resources*, keeps both the cabinet and the campus community well informed about the budget and financial decisions.

EMCC also has a robust Institutional Research department which supplies timely data to faculty, staff, and administrators. Recently, the department's staff developed a "Data Mart Center" that provides just-in-time data to support efficient, data-driven decision making. For example, the Vice President of Academic Affairs (VPAA) can quickly retrieve D, F, and W grade reports for all course sections. This information is useful in identifying barriers for student success, and armed with this data, the VPAA can have substantive conversations with faculty to develop strategies to improve student success.

Evaluation

Results of the most recent Personal Assessment of the College Environment (PACE) survey indicate that satisfaction in EMCC's mission-specific planning and evaluation efforts dropped from 70% in 2018 to 49% in 2021. Much of the qualitative feedback accompanying the 2021 survey indicates a general lack of confidence with former upper management, and in the college's communication, operation, and administration activities.

To address this, the college's new president, Elizabeth Russell, and her cabinet have made the evaluation of mission achievements, as well as the communication of valid information to support institutional improvement, a priority. The Cabinet now monitors planning progress on a monthly basis during regularly scheduled meetings and communicates vital information to the campus community through frequent email updates and forums. Division heads also work directly with departments to develop annual strategies for achieving planning goals. Another PACE survey is scheduled for the spring of 2024.

Similarly, in an effort to better understand the students' perspectives on the quality of academic programming, as well as the effectiveness of student services and the overall campus environment, senior management plans to return to the biennial administration of the Community College Survey of Student Engagement (CCSSE) and the Noel-Levitz Student Satisfaction Inventory. These two surveys, which have not been administered since the pandemic, will provide the college with a wealth of benchmarked data for use in effective quality improvement. The next CCSSE survey is scheduled for the spring of 2024, while the Noel-Levitz will be administered in the spring of 2025.

The adoption of CourseEval in the Fall of 2023 provided instructors with a more efficient way to collect feedback from students for use in the improvement of academic programming.

In accordance with the MCCS's newly redesigned program review process, each academic program undergoes review every five years. This process now asks programs to report on the results of their program learning outcome (PLO) assessment and discuss the curricular and programmatic changes they have made as a result of PLO assessment. For example, as a result of PLO assessment, EMCC's Building Construction program determined that students needed more practice in estimating materials and labor costs for major projects. As a result, the instructor added an initial assignment that provided students with step-by-step instructions.

Despite recent advances in PLO assessment and the collection of student feedback, the assessment of essential learning outcomes (ELOs) broke down during the pandemic. The college is in the process of hiring a Director of Learning and Assessment to work with faculty to imbed ELO assessment into existing courses and to work with the Director of Institutional Research to develop a data collection system that will provide meaningful data to evaluate student learning.

Standard 3: Organization and Governance

Governing Board

Eastern Maine Community College is a public community college with locations in Bangor, East Millinocket, and Dover-Foxcroft. It is one of seven colleges in the Maine Community College System (MCCS), which is overseen by a Board of Trustees (BOT). The BOT is "responsible... for the establishment, control, and administration of the statewide system of publicly supported community colleges." MCCS Policy 105 describes the powers and duties of the BOT in the areas of general operations, academic programming, financial management, contracts and acquisitions, personnel policies, and real property and facilities. Specific tasks include:

- To oversee and assess the administration of the system, as well as conduct self-assessments;
- To establish qualifications for admission, offer courses of study, confer certifications and association degrees based on two years of instruction;
- Prepare and adopt a biennial, line-category, operating budget, as well as capital improvements budget, for presentation to the governor and legislature;
- To manage, rent, lease, sell and dispose of property.

The BOT consists of 13 governor-appointed members, twelve of which represent the fields of business and industry, labor, education, and the general public. These members serve four-year terms, while the thirteenth member is from the student body and serves for two years. The Commissioner of Education and the Commissioner of Labor act as ex-officio members and are the only classified or unclassified employees of the State on the Board. The President of the MCCS serves as the secretary of the Board, as well as develops the trustee orientation program. This program provides newly elected members with an understanding of the Board's role, knowledge of community college operations, and outlines the trustees' power and responsibilities. The BOT annually elects a Chair and a Vice-Chair. The Chair appoints committee assignments, including membership on the Education, Finance, and Workforce Development Committees. The Trustees may, as allowed by law, be offered reimbursement for their reasonable and actual expenses for fulfilling Board responsibilities. The Board meets publicly at least six times per year, with remote methods being employed when in-person meetings are impracticable or an urgent need arises. The BOT conducts self-assessments, while the BOT's Executive Committee is responsible for planning and conducting continued education sessions for trustees and determining when conflicts of interest exist and what actions should be taken.

Internal Governance

Under the direction of Interim EMCC President, Wayne Burton, and his "One Student – Student First" initiative, the college underwent a reorganization in 2022, the purpose of which was to strengthen the communication and decision-making channels throughout the institution. The reorganization aligned EMCC's organizational structure with those found at other similar institutions by more clearly defining the Academic Affairs, Student Affairs, Finance, Advancement, and Information Technology divisions, and it identified a singular leader for each division. These division leaders, which include the Vice Presidents of Academic Affairs (VPAA) and the Vice President of Student Affairs (VPSA), Director of Finance, Dean of Workforce Development and Professional Solutions, Dean of Information Technology, and Director of Campus Operations, all serve as members of the President's Cabinet.

The cabinet meets weekly to discuss matters of mutual concern, ensuring effective communication between divisions. Cabinet members are tasked with relaying critical information to those they supervise. Communication from this group to the campus occurs frequently through college forums, department chair meetings, and weekly email updates from the President, VPAA, and VPSA, as well as campus and student newsletters. Each division leader is also empowered to work directly with his/her division members to accomplish institutional goals, as well as to set and achieve departmental goals.

In addition to more clearly defining the divisions of the institution, Workforce Development now works more closely with Academic Affairs. This reorganization helped to eliminate the communication "silos" that previously existed, allowing for the further development of educational pathways for all students, and greater emphasis on academic integrity in all EMCC programming.

Upon her inauguration as EMCC President, Elizabeth Russell charged the College Senate with modifying the *EMCC Governance Document* to create a more transparent decision-making model that is

participatory in its structure. Now all campus stakeholders can regularly participate in the governance of the institution through both formal means, such as membership on the College and Faculty Senates, and informal means, such as public forums, email surveys, and campus events. This allows all members of the campus the opportunity to weigh in on matters of mutual interest, though the authority to make final decisions ultimately lies with the College President.

The College Senate is composed of 13 members, including faculty, support staff, administrators, adjunct faculty, students, and one confidential employee. This group holds monthly meetings and is responsible for the oversight of non-academic policies. The College Senate's meetings are open to the college community, and community feedback is also solicited via email on all new or revised college policies before final approval.

The Faculty Senate is responsible for creating and adopting academic policies that support the mission of the college. The Faculty Senate is comprised of 11 elected members serving three-year terms from the full-time faculty body. The Vice President of Academic Affairs serves as a non-voting ex-officio member. Like the College Senate, the Faculty Senate welcomes college community participation at its meetings and solicits community feedback before approving any new or revised academic policies.

In 2021, the Curriculum Committee, formerly a subcommittee of the Faculty Senate, was established as a standing committee. Though the group continues to be made up solely of faculty and has the responsibility to evaluate the quality and effectiveness of new/revised curricula, the change permits additional community members to provide their feedback through the Committee's virtual workspace.

Program advisory committees also contribute to the governance of the college. Each program is required to host at least one meeting annually to assess the program and course offerings and to formulate recommendations to improve instruction and facilities. In October of 2023, the President of EMCC invited members of all the college's advisory committees to attend a joint meeting to provide feedback on their respective programs, and to discuss the vision of the college as a whole.

Standard 4: The Academic Program

Assuring Academic Quality

Numerous mechanisms are employed to assure academic quality at EMCC. As discussed in *Area of Emphasis: Developing and Implementing a Comprehensive Approach to Assessing Educational Effectiveness at the Course, Program, and Institutional Levels and Using the Results to Make Improvements*, the MCCS has developed a robust program review process. The process requires faculty to evaluate the results of their program learning outcomes (PLOs) and present the results, along with a discussion of program effectiveness, advisory committee feedback, and improvement plans, to the Board of Trustee's Education Committee every five years.

On an annual basis, faculty work with the Vice President of Academic Affairs to complete program planning documents. These documents identify programmatic and institutional strategic plan objectives, as well as spell out strategies, implementation steps, and resources needed to accomplish those goals.

Academic departments wishing to make substantive changes to curricula are required to discuss those recommendations and seek the approval of their program advisory committee prior to submitting proposals to the Curriculum Committee. This interdisciplinary group of faculty volunteers then reviews each proposed new or revised course for academic rigor, completeness, and compliance with college and MCCS policy. Recent proposals approved by the Curriculum Committee include Introduction to Electrical Vehicles for Automotive Technology and Culturally Responsive Teaching in CTE Environments.

The college follows MCCS policy in the discontinuance of programs, including developing teach-out plans for students enrolled in discontinued programs. The MCCS Board of Trustees voted on March 29, 2023 to officially discontinue the college's Appalachian Mountain Food and Lodging Certificate, Community Paramedicine Advanced Certificate, Experiential Education Advanced Certificate, Hospitality and Tourism Management Certificate and A.A.S., and Outdoor Recreation and Tourism A.A.S. These programs were formally suspended before the pandemic. Thus, there were no students enrolled in any of these programs upon their discontinuance and teach-out plans were not necessary.

Undergraduate Degree Programs

The college offers 49 different credentials in 28 program areas, including an Associates of Arts in Liberal Studies, which is primarily intended to prepare students to transfer to baccalaureate programs, and Career Studies, which is designed to prepare students to transfer internally to a high-demand occupational program. Every program offers students in-depth mastery of at least one disciplinary or interdisciplinary area with specific PLOs being listed in the *College Catalog*.

The development of new academic programs follows a rigorous process that includes market analysis, program advisory committee input, course development, Curriculum Committee review and approval, college approval, and MCCS approval by the Board of Trustees. Programs must follow the criteria for establishing academic credentials as outlined by the Maine Community College System.

General Education

MCCS Policy 302 outlines the number and credit hour distribution by subject of general education courses required for each credential. For example, students pursuing an associate in applied science degree must complete at least 21 credits of general education, whereas those enrolled in an associate in arts program must complete at least 34 credits. The broad categories of courses include writing, quantitative literacy, natural science, creative arts, social science, humanities, diversity, and ethical reasoning. These courses are delivered in a variety of modalities, including in-person, online, and hybrid. Students receive a substantive and coherent general education core that "empowers <them> to meet their personal and professional goals," a primary tenet of the college's mission.

Several years ago, the MCCS, in collaboration with college faculty and staff, developed a series of assessment rubrics for general education/Liberal Studies courses. Basing the work upon the Association of American College & Universities value rubrics, these rubrics ensure consistency from campus to campus in meeting the outcomes of the Block Transfer Agreement with the University of Maine System.

The Major or Concentration

Each major and concentration is logically sequenced from 100- to 200- level courses with appropriate pre-requisites. This allows students to develop foundational knowledge and skills in their disciplinary or interdisciplinary area before moving on to more complex knowledge, methods, and theories. Each program has relevant, specific, and measurable PLOs that are systematically practiced and assessed in program courses following faculty-created learning outcomes mapping documents. Furthermore, the

College Catalog provides a thorough listing of each programs' PLOs, as well as course descriptions, common career opportunities, program length for timely graduation, and degree requirements to clearly articulate the opportunities students are offered to develop mastery in their area of inquiry.

Transfer Credit

As explained in the *College Catalog* and on the "Transfer Credit" page of the EMCC website, EMCC accepts transfer credit from other regionally accredited colleges and universities. To transfer, students must provide official copies of their transcripts illustrating they achieved grades of C or better in equivalent coursework and credit hours. Additional materials, such as course descriptions and syllabi, may also be requested for review by admissions staff and appropriate department chairs to ensure transfer students meet stated learning outcomes.

The Block Transfer Agreement between the MCCS and the University of Maine System creates common educational competencies and assessment methods in numerous general education courses, including Quantitative Reasoning, College Algebra, and Statistics. This guarantees EMCC students can transfer up to 35 credits of general education coursework to any University of Maine campus to serve as that institution's general education block. The EMCC Registrar's Office verifies completion of the block, thus eliminating the need for a course-for-course evaluation by the University.

New College Collaborations

In 2023, EMCC's Building Construction program entered into a transfer articulation agreement with the University of Maine's Construction Engineering Technology. Later that year, the college's EMS program signed an agreement with the University of Maine's University Studies Leadership Track, and Culinary Arts began working on an agreement with the University's Business and Food Science department.

Integrity in the Award of Academic Credits

Candidates for graduation must complete all required coursework as described in the *College Catalog*, as well as achieve satisfactory academic standing - a cumulative GPA of at least 2.0. For associate degree-seeking students, all programs, with the exception of some externally accredited programs, require between 60 and 64 credit hours of coursework, with credit hours following federal definitions. Students who fail to achieve satisfactory academic standing are placed on academic probation and are required to work with their advisor to develop an academic plan to achieve a cumulative GPA of 2.0 or better. Failure to do so can result in academic dismissal, which requires the student to re-apply to the degree program. Information on the college's academic standing policy can be found on the college's website and catalog, along with EMCC's academic honesty statement. Students have the right to appeal charges of academic dishonesty through the process outlined in the *EMCC Student Handbook*.

The Registrar's Office conducts final degree audits that determine if all graduation requirements have been met before degrees are conferred. Any exceptions to published requirements are approved by the relevant department chair and the Vice President of Academic Affairs before the credential is awarded.

The college is solely responsible for selecting and approving faculty, admitting and registering students, assigning transfer credit, evaluating prior learning, and conferring degrees, diplomas, and certificates. EMCC also has the responsibility to select, supervise, and evaluate concurrent enrollment program instructors, as well as complete evaluation visits during the instructional period of the course(s).

Regardless of modality, the Office of Academic Affairs reviews all syllabi to ensure their consistency in content and quality, as well as their compliance with all requirements, including the college's definition of credit, ADA statement, and learning objectives.

The college is approved by NECHE to offer more than 50% of its Business Management and Liberal Studies programs online. Many other programs offer a limited number of online or hybrid courses. To maintain the integrity of online courses, the MCCS's *Online Course Design Standards Guide* requires that all "course activities and assessments meet the instructional standards, rigor, and commitment of a traditional college course," and students must receive "timely and regular feedback from the instructor." The MCCS's learning management system, Brightspace, also offers a plagiarism checker and the ability to lockdown the browser during testing, and gives instructors and academic support services instant messaging and integrated Zoom technology to use when interacting with students. All online and distance education students are also issued unique identification numbers and passwords to limit the possibility of other people logging into students' coursework.

Standard 5: Students

Admissions

At the time of the 2019 NECHE self-study and site visit, EMCC was experiencing a decline in enrollment. The Commission subsequently asked the college to address this in our interim report. Of course, shortly after this, the pandemic began. Both the transition to remote, and later hybrid, learning and the 2021 decision by the Board of Trustees to require COVID-19 immunization of students had a significant impact on enrollment. Many of the trade programs were disproportionately impacted, due to challenges in online instruction, a higher proportion of vaccine-hesitant students, and the booming job market.

As we now understand that the vaccination doesn't prevent transmission of the illness, but merely alleviates the severity, the MCCS Board of Trustees decided to remove the COVID-19 vaccination requirement. As a result, the college has already seen applications increase significantly since the vaccination decision was announced.

In an effort to counteract the negative impact of the pandemic upon recent high school graduates' college aspirations, the Maine legislature approved the Governor's proposed Free College Scholarship Program in the summer of 2022. The Free College Scholarship is a last-dollar scholarship, applied after federal and state grant aid has been applied. The scholarship covers tuition and mandatory fees for students who graduated from high school (or passed the Hi-Set equivalency exam) in 2020, 2021, 2022, or 2023. Students from these classes who live in Maine at the time of enrollment, including out-of-state students who live on campus, are eligible if they complete the FAFSA. The scholarship is for two years of study, and recipients have four years to complete an associate degree.

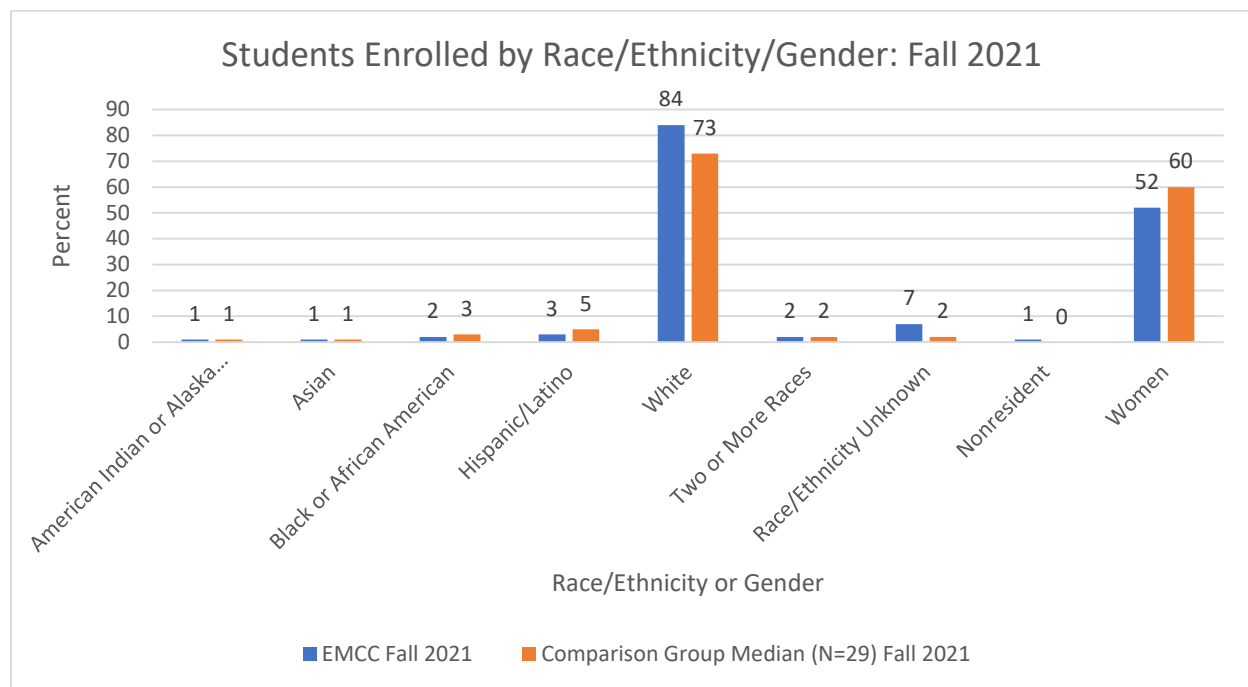
As illustrated in the "Fall Headcount by Category" graph found in the *Achieving its Goals to Stabilize Enrollment and Improve Student Retention* section of this report, the Free College Scholarship program was a marketing boon for the college. In addition to generating new applications and matriculated students, the program also provided an opportunity for the college to help many students understand that due to the low cost of enrollment and availability of Pell grants for lower-income students, free college was already available to them. The timing of the announcement was too late for students who

had already decided to attend a four-year institution in fall of 2022; however, marketing efforts that occurred throughout the 2022-2023 recruiting cycle resulted in higher applications in the fall of 2023. The Maine Governor and Legislature have also recently extended the program to include the high school graduating classes of 2024 and 2025.

The college has implemented several new strategies to increase enrollment and retention. For example, the college hired an experienced Vice President for Student Affairs in the spring of 2022 to oversee student services and enrollment management. One of her first actions was to engage enrollment consultant firm Ruffalo Noel Levitz (RNL) to assess the college's enrollment management functions prior to writing a five-year strategic enrollment management (SEM) plan. RNL provided a comprehensive overview of key strategies for success, including over 50 short and long-term recommendations which have been incorporated into the SEM Plan. The first step was to work with admissions and marketing staff to create an annual recruiting and marketing plan with goals and action steps to guide the work.

The RNL consultant also noted that the college is not using the data currently gathered to its best advantage in the assessment of outcomes and the evaluation of retention strategies. Further, it was recommended that EMCC collect additional data to make better informed decisions about programs and services. In a recent reorganization, the college created a new position of Associate Director of Enrollment Operations. This person will work with the student information system (SIS) and institutional research staff to better capture and share data about retention, as well as prepare for our transition to Anthology, a new SIS discussed further in *Standard 7: Institutional Resources*.

As a strategy to ease the evaluation of transfer credits, the responsibility of transfer credit evaluation was moved from the Admissions Office to the Registrar's Office. This approach focused consistent attention to the review of students' prior learning accomplishments, guaranteeing degree applicable credits are posted to student records. Since the implementation of this change, transfer credit has moved to the forefront instead of being an afterthought in the enrollment process.



As the above *IPEDS Data Feedback Report 2022* graph illustrates, EMCC's student population is primarily white. Despite this, the college is dedicated to providing just and fair access to all learners, employees, and community partners, regardless of race, age, ethnicity, gender, sexual orientation, gender identity, gender expression, religion, national origin, migratory or immigration status, generational status, disability/ability, political affiliation, veteran status, and socioeconomic background. Differences in backgrounds, ideas, thoughts, values, and beliefs are welcome and encouraged in our community.

Student Services and Co-Curricular Experiences

As the college returned to more "normal" campus life in the fall of 2022, there was a renewed focus on diversity, equity, and inclusion programming. The IDEAS Committee, comprised of faculty, staff, and students, worked with the Vice President of Student Affairs on heritage month celebrations, such as hosting Morgan Talty, an alum and member of the Penobscot Nation, whose short story collection, *Night of the Living Rez*, won multiple awards and nominations. The IDEAS Committee has also hosted trainings on allyship, breaking out of poverty, and cultural exploration, as well as created and disseminated a EMCC Diversity Statement:

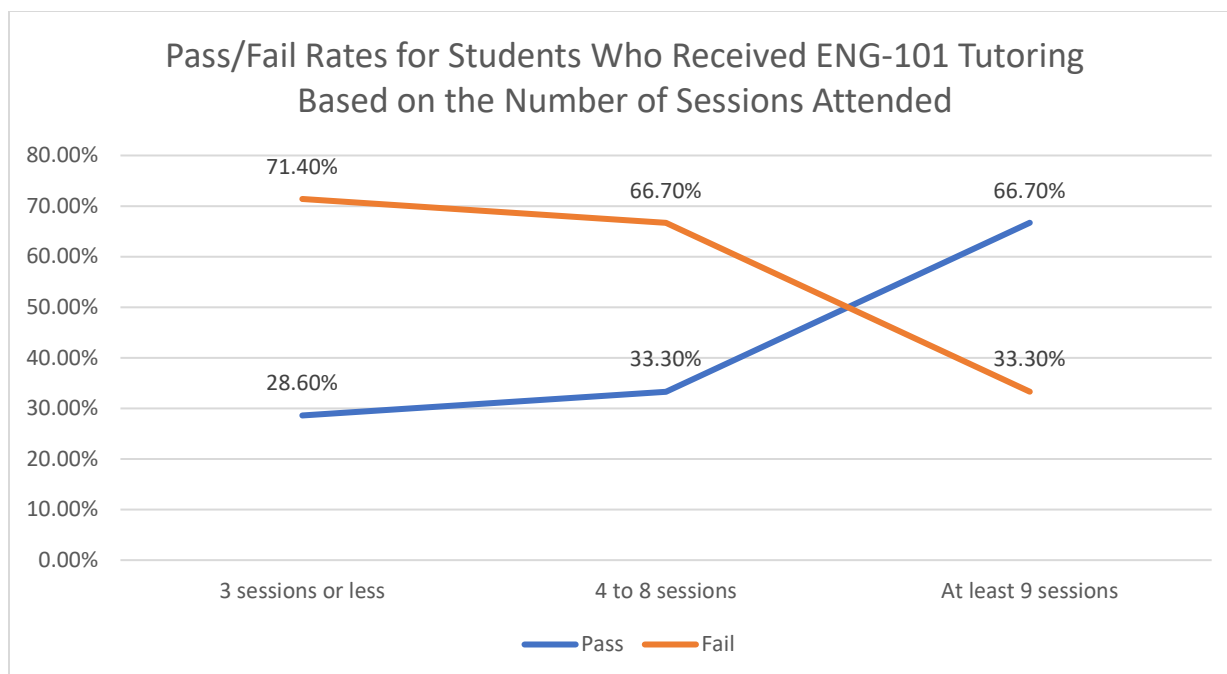
Diversity, equity, and inclusion guide how EMCC empowers learners to fulfill their personal and professional goals. Learning and discovery result from a diverse and inclusive community of individuals who have the freedom to be their authentic selves. At EMCC, the individuality of our learners, employees, and community partners is respected, encouraged, supported, and celebrated.

The International and Multicultural Club, the Golden Eagle Christian Fellowship, and Students Advocating for Equality (LGBTQ+) are other diversity-focused organizations that students may join.

As the college transitioned back to in-person learning, student programming and leadership opportunities resumed. Despite this, the college has had challenges in engaging students (particularly commuting students) in club opportunities and leadership roles beyond paid positions, such as resident assistants. The Student Senate (which develops policies and procedures to advance other student clubs and organizations, as well as plans and hosts campus-wide programs), for example, had begun to meet regularly, but not all leadership roles are yet filled. Still the college looks for ways to offer programming and leadership opportunities to all students, including funding student leader participation in the Dirigo Student Leadership Conference at the University of Maine.

The college offers numerous services to students through the Student Success Center, including counseling, tutoring, TRIO, advising, Jobs for Maine Graduates, Student Life, and accessibility services. All services were highly utilized throughout the pandemic, with many services being offered remotely.

For example, during the spring 2023 semester, 143 unique EMCC students attended 848 sessions of tutoring, totaling more than 54,260 minutes of supportive education. The staff's ability to serve online students has greatly improved as all were adapted to the online environment in the spring of 2020. Services continue to be offered through Zoom and Microsoft Teams, so students do not need to appear in person, though with the college's shift back to more in-person and hybrid offerings, more students have once again begun to take advantage of these services in-person, resulting in a 20.69% decline in the demand for online support services.



It comes as no surprise that the success rate of students increases with additional tutoring. As the above graph illustrates, the success rates of students who participated in ENG 101: English Composition tutoring during the spring 2022 semester substantially increased with additional tutoring.

The Bangor School Department Adult Education sponsors a grant-funded College and Career Success Coordinator position to support adult students who are either considering Eastern Maine Community College or those who are currently attending EMCC. The coordinator works in collaboration with adult education programs throughout Maine, but focuses mostly on those programs located in Penobscot, Piscataquis, Hancock, and Waldo counties. With this partnership, we are able to offer better support to specific education and training needs of adult students at Eastern Maine Community College.

As has been shared in national conversations, the cognitive and developmental delays in traditional-aged students who were in high school during the pandemic have been observed by all college staff. This has resulted in significant additional time being spent working with each student, due to the need to teach executive functioning skills. Significant time is also needed to explain the mores of college study, as well as meeting tutoring and remedial needs, especially in math and English composition. While additional state funding was utilized to hire a part-time advisor to work with the Free College scholars, additional funding is needed to hire staff to tutor, advise, and teach executive functioning skills to overcome the significant delays caused by the learning disruptions during the pandemic.

The college has an Early Alert system where faculty can submit concerns about students early in the semester so interventions can positively impact the student's performance. Currently, the college uses the Jenzabar retention module to process the alerts and assign each student to a member of the faculty or staff to reach out to the student to offer resources. Next the college needs to develop mechanisms within the module to collect data on the success of outreach, which at this point is purely anecdotal.

Standard 6: Teaching, Learning, and Scholarship

Faculty and Academic Staff

EMCC's faculty is currently composed of 61 full-time faculty and 56 adjunct instructors. There are also 60 full-time administrators, support staff, and maintenance workers, including 1 librarian, and 2 professional advisors. These categories, along with their responsibilities, ethical obligations, duties, workloads, salary, benefits, and evaluation criteria, are clearly defined by their respective collective bargaining agreements (CBAs).

Full-time faculty have the primary responsibility of educating students and supervising educational activities in all locations and modalities. The standard instructional workload is 15 credits, though some programs have higher requirements as outlined in the Appendix of the Faculty CBA. Faculty can choose to teach overloads during the academic year with overload pay being reviewed and approved each semester by the Vice-President of Academic Affairs.

Full-time faculty also advise students and hold office hours, as well as develop curricula and new courses, participate in academic and programmatic planning, and assess student performance and outcomes in accordance with their CBA. Faculty may also elect to integrate at both the departmental and institutional levels by participating in events, forums, college governance, clubs, and committees.

The workloads, responsibilities, and compensation of adjunct faculty are negotiated through the adjunct CBA. Adjuncts are permitted to teach up to 12 credits per semester and are assigned coursework using the preference pool criteria stipulated in their CBA. Adjuncts are also expected to be available to meet with students when needed and are invited to participate in college-wide events and meetings, including professional development opportunities.

Though the college's faculty is not as diverse as the student body, the recruitment of faculty and staff follows MCCS Policy 414, as well as the State of Maine Equal Employment Opportunity/Affirmative Action Policy. Cross-functional search committees of at least five members evaluate candidates based upon minimum academic and professional requirements, such as degrees held, advanced study, teaching and professional experience, training, and other credentials in order to identify the most qualified person to fill the position. New hires are offered on-boarding through the college's HR department. Training covers such topics as college policies, payroll procedures, and familiarization with the college. Additional mentoring in teaching and learning best practices is also available to new (and existing) faculty members through the college's Center for Learning and Innovation.

Both full-time and adjunct faculty receive end-of-semester student evaluations. Though the turnout of these evaluations is typically quite low, efforts have been made to increase student participation. During the summer of 2023, the student response rate doubled thanks to integrating the survey tools into the college's LMS (Brightspace). Faculty use the feedback from student evaluations to improve the quality of their coursework. In addition to student evaluations, full-time faculty also complete annual peer reviews which analyze their workloads and activities, as well as aid in the development of professional development plans and encourage faculty to share and collectively review information for the purposes of both self-improvement and the improvement of academic programs and services.

In accordance with Article 8 of the Faculty CBA, the college recognizes the importance of academic freedom to the success of the college's mission. With this in mind, the college guarantees faculty full freedom in the presentation and discussion of any material relevant to the course content.

The workloads, responsibilities, and periodic evaluation of academic staff are outlined in their letters of appointment and depend upon their position within the college. As with faculty, academic staff may participate in college meetings and activities.

Teaching and Learning

To assist faculty in ensuring content and methods of instruction meet generally accepted academic and professional standards, the college created the HUB, in collaboration with the college's Center for Learning and Innovation. Together, these two centers endeavor to create meaningful resources for teaching and learning that utilize multiple modalities and provide meaningful engagement tools that promote academic and professional growth while also orienting thinking processes toward creative problem solving, design thinking, and collaboration.

Furthermore, full-time faculty also have access to \$2,500 per year for professional development training in their specific field of study. In FY23, over \$27,000 was spent covering the costs of registration fees, lodging, and transportation expenses for faculty to attend various conferences, trainings, and webinars. Furthermore, all faculty and staff are able to participate in college-sponsored professional development opportunities including brown bag lunches, common reads, and faculty development days. Recent brown bag lunches focused on effective methods for teaching the "COVID Generation" and improving online coursework to better meet students' needs and capabilities.

Since the Fall of 2020, both full-time and adjunct faculty have used the MCCS's online learning management system (LMS), Brightspace, to share course content and resources, as well as evaluate student performance in face-to-face, hybrid, and online coursework. To better suit the educational needs of students, many faculty have also adopted the web-conference system, Zoom, to remotely meet with students. The MCCS's *Online Course Design Standards Guide* directs faculty in the development of LMS and remote course content, assisted by the college's digital media specialist.

Though some programs have few faculty, students are taught by a variety of faculty throughout their time at EMCC. In some cases, multiple faculty are needed to teach numerous sections of popular classes. Each semester, all instructors must submit their syllabi to the Office of Academic Affairs for review. Furthermore, it is EMCC policy that all sections of the same class use the same textbook. This helps to ensure that multiple sections of courses taught by different faculty and adjunct are consistent in learning outcomes and yet flexible enough to allow for differing viewpoints and teaching styles.

Students may also receive additional support from faculty and academic staff advisors. Through face-to-face meetings, online remote, or telephone conversations, students can register for classes, change their schedules, or ask for additional assistance from program faculty or, in the case of the Liberal Studies and Career Studies programs, from professional academic advisors. All advisors have access to student records through *MyEMCC*, EMCC's student portal, as well as advising resources and guides. This ensures that all students receive quality instruction and the support they need to learn effectively.

Standard 7: Institutional Resources

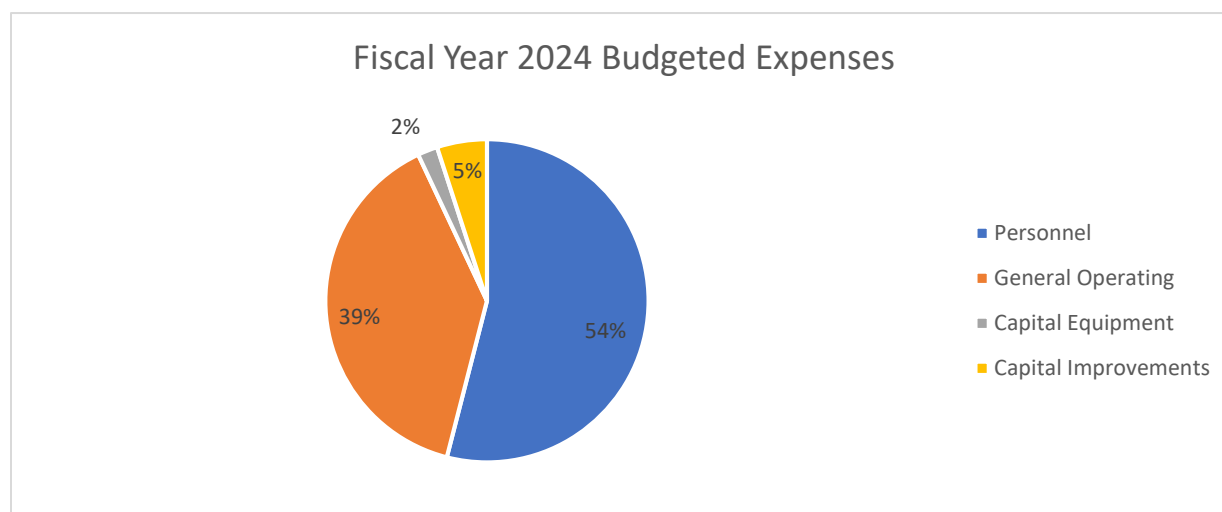
Human Resources

EMCC frequently reviews its personnel needs and perceived service gaps in an effort to improve efficiency and meet mission goals. The college's hiring and HR management policies are fairly and consistently applied and reviewed annually by the College Senate. They are available for all employees through the "EMCC Policy Manual" page of the college's intranet site, and established in compliance with state and federal law, and with MCCC policies and the college's vision and mission statements. Though not as diverse as the student body, the recruitment of all college employees follows MCCC Policy 414, as well as the State of Maine Equal Employment Opportunity/Affirmative Action Policy.

Employee compensation, professional development opportunities (discussed in *Standard 6: Teaching, Learning, and Scholarship*), terms of employment, evaluation procedures, and grievance procedures, are outlined by the five readily available statewide collective bargaining agreements (CBAs). Compensation is adequate to attract and retain qualified employees, however, some positions have remained unfilled due to compensation being lower than typically found for similar jobs in the industry. The college maintains a list of six new positions that are currently unfunded and five short-term funded positions that need to be continued.

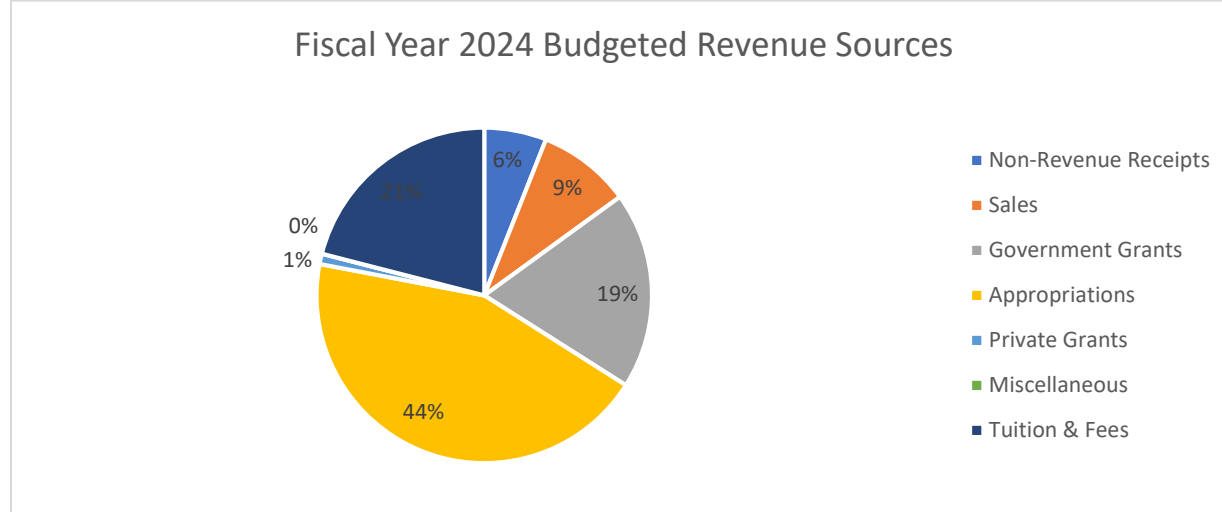
Financial Resources

Each year the college submits a balanced budget to the Board of Trustees for approval. In recent years, the college has remained solvent through effective fiscal planning, the use of HEERF funding, savings from vacant positions, and increased workforce development revenue used for equipment purchases. During FY23, the college experienced a budget surplus in the amount of \$1,210,358. This surplus was the result of personnel and benefits savings, including health care holiday months in which the college did not have to pay healthcare benefits for any of its employees.



Developing the almost \$29 million FY24 budget proved more challenging because of the significant gap between projected revenue and expenses as a result of the loss of CARES Act funding, combined with increased health insurance, food, utility, salary, educational supply and materials costs, as well as facility and capital improvement needs. After significant work, the college's senior leadership was able to

present the Board of Trustees with a balanced budget that included slightly reduced department budgets, a reorganization of departments that eliminated redundancies, and a reduction in capital costs.



To improve equity in the budgeting process, an ad hoc committee of faculty and staff was assembled to hold budget hearings. During these public hearings, programs requesting additional funding for new positions or large expenses had the opportunity to share their needs with the group for consideration.

The college is actively seeking local, state, and federal grants, as well as Congressionally Directed Spending (CDS) Earmarks. Thus far, the college has been approved for \$6.995 million in CDS funding to support childcare expansion, equipment purchases, and the delivery of first responder programs to rural areas of our service area. Additionally, the college has received a number of grants in the \$50,000 - \$100,000 range from the MELMAC Education Foundation, Sewall Foundation, and the Penobscot County Commissioners to support smaller projects at EMCC.

The college's Workforce Development division also receives monies from the Harold Alfond Foundation to invest in Maine's workforce, as well as additional funding to deliver short-term and certificate programs free of charge to Maine citizens. This funding covers the cost of short-term trainings, and can also be used to acquire new equipment, develop new programs, and market the college.

Understanding that all the community colleges are experiencing similar challenges, the MCCS has implemented a number of cost savings programs, including sharing Information Technology services to achieve economies of scale and launching a new student information system (SIS), described below, which will save money, as well as provide better and more secure information sharing.

Information, Physical, and Technological Resources

The college features six academic buildings that include a library, numerous computer labs, IT support, new Nursing and Electricians Technology lab spaces, and the fully staffed Student Success Center. The campus features a gymnasium, community garden, two residence halls, three maintenance/storage buildings, and an energy house which is currently used by Literacy Volunteers of Bangor. The college also owns two off-campus centers in East Millinocket and Dover-Foxcroft.

Though the college's current space is maintained in accordance with legal requirements and is adequate to deliver its existing programs, the Gordian Partners report completed in fiscal year 2021 reported that

“44% of EMCC’s footprint is over the age of 50 years old, carrying the highest amount of backlog and risk within the Maine Community College System while also causing the most strain on operations through reactive maintenance.” The college has utilized state allocations, grant funding, and capital reserves to begin to address some of these concerns, including repairing the roof of Maine Hall and Rangeley Hall, as well as upgrading heating and cooling systems in Maine Hall. Still, additional funding sources must be identified to address the growing list of capital improvements needed.

After conducting a request for proposal, the MCCC signed an agreement with Anthology in July of 2022 to replace the outdated student information systems (SIS) at all of the state’s community colleges. The new SIS, which began its two-year implementation in October of 2022, allows the MCCC to collectively manage data, as well as provide for better coordination of IT services and the adoption of systemwide best practices, thus increasing efficiency, improving data security and privacy controls, and saving time and money. Employees continue to participate in training modules designed to prepare them to use Anthology in an efficient and secure manner when its implementation is complete. Training tools are being developed to assist students in understanding and employing the numerous tools Anthology offers for researching, planning, administering, and evaluating their own educations.

At the same time, the MCCC launched a new effort to optimize the operations of the seven community colleges’ information technology (IT) divisions. After extensive reorganization work and numerous conversations between MCCC leadership, IT leadership, IT staff, and MCCC senior leadership, all IT staff have been transitioned from college staff to MCCC staff. Though this resulted in no personnel moves or layoffs, it does make all IT staff available to all of Maine’s community colleges for planning, coordination, evaluation, and emergency management purposes.

Standard 9: Integrity, Transparency, and Public Disclosure

Integrity

The Maine Community College’s Code of Ethics (MCCC Policy 416) establishes the expectation that all college and system employees “follow the highest standards of personal and professional integrity in all activities.” This pursuit of integrity guides the college in its management of academic programming, administrative operations, and interactions with current and prospective students, as well as partners and the general public.

All college employees’ rights and responsibilities, as well as grievance policies and procedures, are outlined in their respective collective bargaining agreements (CBAs), as well as the *EMCC Policy Manual*. Article 13 of the faculty CBA guarantees faculty members “full freedom in classroom presentations and discussions and may introduce politically, religiously or otherwise controversial material provided only that said materials is relevant to the course content.” Monthly meetings between union and senior cabinet representatives work to strengthen institutional integrity by periodically reviewing and addressing issues.

The college has established clear policies that ensure fair, honest, and non-discriminatory practices in recruitment, admission, hiring, campus events and activities, evaluation, disciplinary action, and

advancement. Such policies are reviewed annually by the College Senate and put out for community comment before being published in the *EMCC Policy Manual*.

EMCC complies with all local, state, and federal regulations, such as Title IV, FERPA, ADA, Section 504 of the Rehabilitation Act, the Freedom of Information Act, Maine's Freedom of Access Act, and the Higher Education Act. Annual trainings offered by the human resources department supports the college's efforts to remain in compliance with these regulations, and all complaints are investigated. The college also works to fulfill all standards of integrity established by NECHE and complies with all policies, requirements of affiliation, and requests in an honest manner.

Transparency & Public Disclosure

Through the college's website, students and prospective students find sufficient information regarding the college's history as part of the public Maine Community College System, as well as its admissions requirements and procedures, available programs of study, transfer agreements, student life, and workforce training opportunities. The site, along with the college's social media sites, is updated regularly by the college's Marketing department, while periodic reviews are also conducted to ensure the material is up-to-date and accurate. Most recently it was updated in the summer of 2021 to improve accessibility and ease of navigation.

The *Student Handbook*, which is posted on the website and updated annually, informs students about support services, health and safety requirements, co-curricular and non-academic opportunities, the library, and the student code of conduct and discipline procedures.

The website's "College Catalog" repository, which includes the most recent catalog along with ten years of previous catalogs, discusses the college's mission and objectives, as well as the responsibilities and obligations of both students and the college. The catalog provides program and course information, as well as information on the continuing faculty, administrators, and members of the Board of Trustees. From the Catalog, students and prospective students also have information regarding expected learning outcomes, grading and assessment systems, academic policies, including academic honesty and appeals, transfer for credit, course and institutional withdrawal, student fees and refunds, and degree requirements and graduation policies. Though the Catalog does not make explicit promises to students, it does list career opportunities often available upon successful completion of programs of study.

The website's "Student Right to Know" page also provides detailed IPEDS data on the size and characteristics of the student population and campus. Data on student retention and graduation rates is also available, along with Noel Levitz survey results, gainful employment and wage outcomes, student's right to privacy, safety and security reports, financial aid and student loan information, and the college's complaint and grievance processes. The "Student Right to Know" page also includes information on the price of attendance and the loan default rate, as well as a net price calculator. Annual audit reports are available upon emailed request to the college's Director of Finance. Additional requests for information can be made by the public through the site's "Contact" page. Such requests are answered within 48 hours. All effort is made to clearly indicate the individual's relationship to the college in college communications via verbal introductions, name badges, email signatures.

The college's accreditation status, along with a copy of its most recent NECHE Self-Study and reports, are posted on the college website's "Accreditation" page.

Standard 8: Educational Effectiveness

In its effort to prepare students to reach their personal and professional goals, Eastern Maine Community College makes every effort to ensure satisfactory levels of student achievement. Through its methods of assessment, the college collects useful information to better understand what students have learned, and to continuously improve its academic programming and activities.

What and How Students are Expected to Learn

EMCC provides clear and publicly available statements regarding what students are expected to know, demonstrate, or achieve by the time they graduate. At the program level, program learning outcomes (PLOs) and course learning objectives (CLOs) are defined, measured, and evaluated by program faculty. PLOs are published in the *College Catalog*, as well as on the EMCC website's "Programs of Study" page. CLOs are published in course syllabi and discussed with students at the start of each course. Further, the MCCS's *Online Course Design Standards Guide* requires that syllabi and course objectives be posted to the college's learning management system (LMS), Brightspace, for easy student access.

The *College Catalog* is reviewed annually by department chairs to ensure accuracy, as well as to provide an opportunity to review and discuss necessary revisions to CLOs and PLOs. The Office of Academic Affairs also collects and reviews course syllabi each semester to ensure that both CLOs and PLOs are consistently practiced and assessed across all sections and through all modalities.

In line with EMCC Policy 303: Creating New Courses, all proposed new courses must be submitted to the Curriculum Committee for review and approval. Included in this written proposal are listings of the planned course learning objectives. These objectives are developed by program faculty members, often with the guidance and support of faculty volunteers in the college's Center for Learning and Innovation. Course objectives are written as measurable learning outcomes, typically using Bloom's Taxonomy, and state specific knowledge or skills students should be able to utilize after instruction is complete.

Along with the course learning outcomes, new course proposals also require faculty to discuss which PLOs are practiced and assessed in the proposed new course. The Curriculum Committee, which is composed of five faculty volunteers, then reviews the proposal to ensure its completeness, and its worthiness of college credit in terms of academic difficulty and rigor. The Committee then votes to approve the proposal or returns it for revision with suggested edits. Often when edits are needed, the Center for Learning and Innovation is involved in the revision process before resubmission occurs.

Program faculty who wish to revise their CLOs, or make any other substantive changes to existing coursework, follow the same review process with the Curriculum Committee. Once approved, new and revised courses are updated in the *College Catalog* for easy communication to students.

To further assist in ensuring learning outcomes remain in alignment with curricula and pedagogy, each program also maintains a curriculum mapping document. These documents outline the specific courses, assignments, and assessment goals for all PLO assessments within a program, allowing faculty to efficiently update assessment plans when changes to the curriculum or teaching methods occur.

In the interests of employing external perspectives in the review and revision of learning outcomes statements, all programs host at least one program advisory committee (PAC) meeting per academic

year. During these meetings, industry experts and business partners review the program (including its curriculum, proposed changes to courses, and assessment methods and results), as well as discuss learning objectives and recommend revisions when warranted. These meetings provide faculty members with invaluable suggestions from area employers that can be used to improve their learning outcomes and ensure curricula and pedagogy remain in alignment with industry standards.

Furthermore, each program undergoes a review by the Maine Community College System (MCCS) Board of Trustees every five years. During these reviews, the Board's Education Committee examines the program's PLOs, as well as their assessment methods and results. As part of the review process, program faculty complete a five-year assessment plan for student learning outcomes, which includes providing information on the most significant assessment findings and actions taken as a result of assessment, including learning outcomes revision. In recent years, all program reviews have been accepted by the Board of Trustees Education Committee as written and presented.

Various programs also hold specialized accreditation. These programs, which include Nursing, Medical Radiography, Automotive Technology, Emergency Medical Services, Medical Assisting, and Surgical Technology, factor the requirements of their accrediting agencies into the development of PLOs and CLOs. This provides these programs with industry-specific standards to base their programming upon.

At the institutional level, educational effectiveness is measured by the number of students who earn their credential, as well as graduation rates and the successful completion of general education requirements, including general education in the disciplines of humanities, social sciences, mathematics, and science as specified in MCCS Policy 302.

The college's essential learning outcomes (ELOs) are also used to measure educational effectiveness at the institutional level. The ELOs are defined in Policy EMCC 300. They include:

- Communication: Graduates effectively convey ideas to others using graphics, speech and writing, while sources (if any) are handled appropriately, and content, mechanics, and presentation are clear and appropriate to the assignment.
- Teamwork: Graduates work effectively in teams with individuals from diverse backgrounds to achieve a goal. Graduates work collaboratively and in a timely manner to ensure that all members participate in accomplishing the task and provide constructive feedback when conflicts arise.
- Independent Learning: Graduates access, evaluate, and synthesize information independently using appropriate technology, and select information relevant to the assignment, then organize and synthesize it clearly.
- Problem Solving: Graduates can interpret manuals and reports, use numerical literacy skills, scientific methods, and/or logic to first separate the symptoms from problems and then to work through the details of the problem to seek a solution.

Additional information on ELO assessment is available publicly on the college website's "Programs of Study" page, as well as in the *College Catalog*.

As academic policy, ELOs are under the purview of the Faculty Senate and are periodically reviewed and revised. During these reviews, feedback is collected from the college community and incorporated into the final drafts. If changes are made, an ad hoc committee is then formed to update and disseminate the associated rubrics to faculty to use in assessment.

The college's ELOs were also considered when drafting the new mission statement. During the Summer of 2022, a cross-functional team revised EMCC's mission statement to read:

Eastern Maine Community College's mission is to serve as a dynamic educational institution that empowers learners to meet their personal and professional goals, and to collaborate with our business and community partners to support their growth and success.

Given the college's mission to prepare students for success in both their personal and professional lives, it was determined that the college's ELOs still remain appropriate and in line with the college's goals.

Additional quantitative and qualitative data is gathered annually, by direct and indirect means, to better understand what students have gained as a result of their education and to revise learning objectives as needed. IPEDS is one commonly used source of quantitative data. This source provides information on retention and graduation rates, as well as benchmark information on peer institutions for effective comparison and goal setting. Additional direct measures of educational effectiveness are course assignments, course grades, licensure pass rates, transfer rates, and the results of student proficiency assessments. End-of-semester student evaluations and national surveys, such as the Community College Survey of Student Engagement (CCSSE) and Noel-Levitz, which benchmark EMCC's results against other two-year colleges, similar-sized institutions, and other MCCS colleges, serve to provide additional qualitative information that can be factored into the revision of learning outcomes statements.

When practical, additional indirect qualitative data is gathered from external sources through surveys and conversations. For example, as part of the 2023-2028 strategic planning process, EMCC's President asked community leaders from the EMCC Foundation, EMCC Advisory Board, and individual business, industry, and educational partners to contribute to a strengths, weaknesses, opportunities, and threats (SWOT) analysis of the college. The results of this survey resulted in such recent initiatives as:

- Involving student leadership in decision making for, among other things, the revision of learning outcomes statements;
- Creating annual quality improvement "themes" that encourage all faculty, staff, and administration to collectively focus their improvement efforts upon a shared topic, such as ELO assessment planning.

In October of 2023, EMCC's President also invited members of all the college's various program advisory committees to also attend a joint meeting. In addition to providing program-specific feedback to faculty, this joint meeting provided the opportunity for members of program advisory committees to provide additional external feedback on assessment at the institutional level.

The college is also currently working to hire a Director of Learning and Assessment. This newly created position will work within the Office of Academic Affairs to assist faculty in reviewing and revising learning outcomes statements at the course, program, and institutional level, and to determine best practices in communicating learning outcomes to students. Working collaboratively with faculty, as well as the Center for Learning and Innovation, Curriculum Committee, and the Faculty Senate, the Director of Learning and Assessment will work to ensure learning outcomes statements align effectively with curricular, pedagogical, and institutional mission goals.

As explained in *Standard 7: Institutional Resources*, the MCCS has begun the process of replacing the college's existing student information system (SIS) with a new system called Anthology. This updated system will allow EMCC to collect additional student data, as well as track the relevant coursework students take throughout their educational journey, including non-credit workforce trainings, relevant high school course work, and matriculated work students complete at other community colleges within the MCCS. With this additional data, EMCC will be even better able to understand what and how students are learning and review and revise learning outcomes statements as necessary.

The college has no defined goals for co-curricular learning and no assessments are conducted for such work. Students do, however, have the opportunities to gain experience through involvement in the various activities offered at the college. These activities engage students in artistic and intellectual pursuits, community service, and outreach and include the Civil Rights Club, the Golden Eagle Christian Fellowship, intramural sports, the International Club, Phi Theta Kappa, Students Advocating for Equality, and Skills USA.

Current Assessment Processes and Activities

At the course level, program faculty develop assignments (including exams, written work, practical assignments, and practicum/internships) to assess student achievement in meeting established course learning objectives. Though faculty do have the academic freedom to develop and modify CLO assessments to best meet the needs of their particular students, CLO statements are consistent across all sections of a course regardless of location or modality. Results of CLO assessment are factored into final course grades which are submitted to the Registrar's Office at the end of each term.

Program learning outcomes (PLOs) are also assessed at the program level. Following the program-established curriculum mapping documents, faculty members conduct the same PLO assessments across all sections of a course. Results for entire cohorts are then compiled by the department chairs and reported to program advisory committees during annual meetings and to the MCCS's Board of Trustees during program reviews every five years. During these reports, program faculty discuss the results, identify key findings, and explain how the results are being used to improve student learning.

At the institutional level, EMCC uses final course grades, as well as completion rates of general education requirements, essential learning outcomes (ELO) assessment, success rates on national licensure tests and certifications, and graduation and transfer rates to evaluate student success. Much of the assessment work is conducted by program faculty, however the Office of Institutional Research and Student Data also generates aggregated reports for use in larger discussions, such as faculty development days, department chair meetings, and forums.

The introduction of Brightspace as the college's learning management system (LMS) has simplified much of the learning assessment process. Prior to the adoption of Brightspace, instructors used a variety of methods to collect assessment data, including storing records on the college's intranet site, keeping files of student work on their office computers, and maintaining paper records in filing cabinets. This discontinuity in the collection of student success information made its analysis a greater challenge and limited the consistency and usefulness of the data.

Now, instructors have a single tool in which they can create, evaluate, and store their assessments of student work. Rubrics, including those used to assess CLOs, PLOs, and ELOs, can be easily attached to student assignments and used to evaluate student success; also, Brightspace's rubric statistics feature can provide instructors with overall and individual assessment results at the course section level.

Numerous integrated communication options offer a variety of methods to provide effective feedback to students regardless of class modality. The college's digital media specialist is also available to assist faculty in developing and operating learning assessments through Brightspace.

The adoption of Brightspace has brought more consistency to the assessment process. Previously, different programs could set their standards of student success at different levels. For some programs, success meant that students achieved a passing grade, while for others, students had to achieve 80% or better to be considered proficient on assessments. Now that programs are using Brightspace for their assessment of student work, all faculty are using the same default achievement scale in their assessments for a greater level of consistency.

Despite the advantages of adopting this new LMS, the college has faced some challenges in using Brightspace. For example, there is little ability to generate reports within Brightspace. Currently faculty members can use the rubric statistics feature to analyze how members of a single section of a class performed on a learning assessment, but there is no way to see how all the students in all sections of a course performed collectively. This leaves the faculty with the burden of collating learning outcomes assessment results from multiple sections into more useful data. Similarly, with such limited ability to create reports that illustrate how all students within a program or college-wide performed on an assessment, it is left to faculty to collate this data for PLO and ELO assessments.

This lack of ability to generate reports also limits the ease with which the college can look at trends in the assessment data stored within Brightspace. Fortunately, the five-year assessment plan for student learning outcomes included in the program review process provides faculty with a convenient space to collect five-years of assessment data for analysis and discussion, however, it focuses almost exclusively on PLO assessment.

In an effort to continuously improve the effectiveness and sustainability of ELO assessment, the college is currently revising its approach to measuring student success at the institutional level. Prior to the COVID-19 Pandemic, most programs adopted into their curricula one of the three general education capstone courses: ENG 205 – Advanced Composition and Peer Tutoring, ENG 215 – Business and Technical Writing, or PSY 214 – Team Principles and Practices. In these courses, students completed projects specially designed to measure teamwork, independent learning, communication, and problem-solving abilities. Faculty then employed a series of standardized ELO rubrics, as well as reviewed student self-assessments, student team-member evaluations, and presentation evaluation forms, to measure student success on ELOs. After piloting this system and evaluating the results, the college found this method of ELO assessment left an inordinate amount of the assessment burden on a small group of general education faculty, a challenge that was further exacerbated by the COVID-19 Pandemic and the temporary switch to entirely virtual learning in 2020.

Now, taking its findings on this ELO assessment process into account and considering other best practices, the college's soon-to-be-hired Director of Learning and Assessment will work with program faculty to develop effective ELO assessment tools at the program level. Shifting ELO assessment from general education to the program level helps spread the burden of learning assessment out more fairly. It is also believed the results of this assessment will be more useful since faculty members will be able to develop assessments that are relevant to students' particular fields of study.

For example, in Culinary Arts, ELO assessment is now part of CUL 215 – Culinary Externship. As students work in the industry, they periodically submit written self-reflections to their instructor discussing their

teamwork, inter-personal communication, problem solving, and independent learning experiences working in an operating food service establishment. Coupled with a final recorded oral presentation and supervisor feedback forms, instructors are able to use the college's established ELO rubrics to measure students' abilities in a program-specific context. This provides Culinary Arts faculty with invaluable information and feedback about student success.

In addition to the support that will be offered by the Director of Learning and Assessment, the college's assessment activities have the support of college leadership and involve the systematic participation of appropriate staff, including the Office of Institutional Research and Student Data (IR). Institutional Research is currently working on developing a more robust reporting system in order to collect assessment data from programs to compensate for the reporting challenges introduced by the adoption of Brightspace, as well as to collect, analyze, and report on the additional useful data sources the Anthology SIS will provide.

The Office of Institutional Research and Student Data also examines educational effectiveness by monitoring student grades by course, instructor, location, modality, and program. Other metrics include cohort graduation and program completion rates, licensure passage rates, transfer and retention rates, Integrated Postsecondary Education Data Systems (IPEDS), student, faculty, and staff engagement and satisfaction through the use of the Noel-Levitz Student Satisfaction Inventory, Community College Survey of Student Engagement (CCSSE), Personal Assessment of the College Environment (PACE), and Institutional Change Assessment Tool (ICAT) surveys, as well as other comprehensive data and ad hoc reports. This data can then be used by programs to make improvements to their course and program offerings, as appropriate.

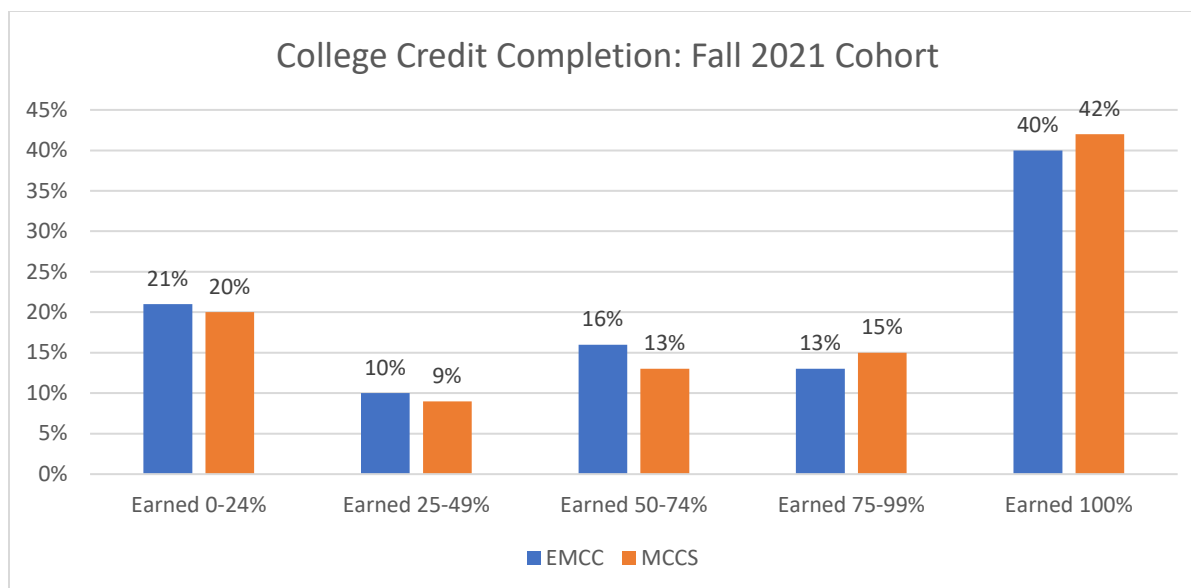
The Registrar's Office also plays a major role in the assessment process. When students complete their programs of study, the Registrar's Office conducts a degree audit. This audit ensures that students have fulfilled all course requirements, met the learning outcomes of their program, and completed the institution's general education requirements before their certificate or degree is conferred.

Additional quantitative and qualitative data about the effectiveness of course instruction is collected through the use of end-of-course surveys, such as CourseEval, as well as ad hoc surveys created by faculty and the Office of Student Life.

Evidence of Student Learning

In its effort to ensure satisfactory levels of student achievement and continuously improve its educational offerings, EMCC collects and analyzes numerous data sources to better understand what students have gained as a result of their education.

Course Learning Outcomes: At the course level, the results of CLO assessments are used to determine students' mastery of course content and to determine grades. The college tracks this data for analysis and continuous improvement. The following graph illustrates the number of students (both full- and part-time, who entered college in the fall of 2021) who achieved a passing grade and completed 100% of their attempted credits. The results of this graph appear to indicate that EMCC's ability to ensure a satisfactory level of student achievement on course learning objectives is closely in line with the MCCS average. At EMCC, 69% of students earned 50% or more of their attempted credits, while the MCCS average shows 70% of all students earning at least half of their attempted credits.



Licensure/Certification Results: Some programs also offer certification exams as part of their course work. These exams often serve as final exams that measure students' overall performance in course learning outcomes. For example, the Building Construction program employs a series of certification exams provided by the Woodwork Career Alliance of North America (WCA). The certifications recognize students for the knowledge and experience they gain through coursework. The results of such certifications are tracked annually and are included as part of the department's program review.

Other Indicators of student success, direct and/or indirect, which may include:

	2018		2019		2020	
	# Tested	% Pass	# Tested	% Pass	# Tested	% Pass
WCA Basic Skills Certification	17	100%	9	100%	13	94%
WCA Advanced Skills Certification	16	80%	22	100%	20	94%

Though the disruption caused by the COVID-19 Pandemic is believed to be the cause of some of the inconsistency in these numbers, the program is achieving its goal of 80% success on these exams.

Program Learning Outcomes: As discussed above, program learning outcomes (PLOs) are assessed annually at the program level through the use of established assignments and rubrics. The results of this PLO assessment process are then shared with program advisory committees for feedback before being collated into a report which is submitted every five years to the Maine Community College System Board of Trustees' Education Committee for review and approval.

Below is an example of one such PLO assessment report that was presented and approved by the Board in 2023. It illustrates how program faculty review the results of PLO assessment annually to evaluate the effectiveness of education and develop plans for continuous improvement. In this case, it was found that current instructional methods and curricular design are allowing 100% of students to achieve proficiency. Despite this high level of performance, program faculty plan to continue reviewing the curriculum and making both major and minor changes as needed to ensure that future students also achieve a high level of success.

Five-year Assessment Plan for Student Learning Outcomes

Name of Program or General Education Domain: **Computer Technology**

Date: **September 14, 2023**

Student learning outcomes	Academic year during which assessment occurred	Type of assessment artifact(s) collected	Method(s) used for assessing artifact(s)	Assessment Goal	Assessment Outcome	Assessment Goal was:		
						Met	Not Met	NA
Install, configure, troubleshoot, maintain, and upgrade computer systems hardware and software;	2 nd year/final semester	CST 248 - Capstone	Evaluation of written report and supporting artifacts using rubrics and scoring guides.	80% of students will score 85% of the overall course grade	Spring 23 - 100% Fall 22 – 100%	X		
Effectively design and manage networks and efficiently operate them;	2 nd year/final semester	CST 248 - Capstone	Evaluation of written report and supporting artifacts using rubrics and scoring guides.	80% of students will score 90% of the overall course grade	Spring 23 - 100% Fall 22 – 100%	X		
Interact appropriately with customers, co-workers, and the public in a service-oriented industry;	2 nd year/final semester	CST 248 - Capstone	Evaluation of written report and supporting artifacts using rubrics and scoring guides.	80% of students will score 90% of the overall course grade	Spring 23 - 100% Fall 22 – 100%	X		
Apply core software development processes at a conceptual level for a given problem;	2 nd year/final semester	CST 248 - Capstone	Evaluation of written report and supporting artifacts using rubrics and scoring guides.	80% of students will score 90% of the overall course grade	Spring 23 - 100% Fall 22 – 100%	X		
Articulate software project management principles and techniques.	2 nd year/final semester	CST 248 - Capstone	Evaluation of written report and supporting artifacts using rubrics and scoring guides.	80% of students will score 90% of the overall course grade	Spring 23 - 100% Fall 22 – 100%	X		
Most significant assessment findings? (Pedagogical, instructional, curricular changes). Please report on actions taken and on ongoing assessment plans. Keeping current with curriculum within individual courses is made easier with so many resources online. Assessing when it is time to make minor program changes and/or major instructional changes over a long-term planning period to make sure we stay relevant will remain key.								

Essential Learning Outcomes: Having now established a robust system of assessment for course learning outcomes and PLOs, the college has now turned its attention to reworking the assessment process for its essential learning outcomes (ELOs). As stated above, the college originally developed a plan to use general education capstone courses to assess the ELOs. ENG 215: Business and Technical Writing was one such course that required students to work collaboratively to write a report recommending a solution to an identified problem. This capstone project provided instructors with examples of students' communications, teamwork, problem solving, and independent learning skills. ENG 215 instructors then used established rubrics to evaluate student success. The results of this process, however, were limited as this method put an undue burden on general education faculty and

didn't fully capture the volume and types of data needed for effective planning and decision making. Ultimately, the plan was discontinued in 2020 and much of the ELO assessment data was lost when the college updated its intranet site later that year.

Taking the above ELO assessment concerns into consideration, the college's soon-to-be-hired Director of Learning and Assessment will work with faculty to pilot ELO assessments at the program level. It is believed that this system will spread the work out across all faculty and help to ensure ELO assessment tools are appropriate for the particular fields students are studying, as well as provide additional useful data points for institution-wide assessment evaluation, planning, and resource allocation decisions. It is expected to take approximately two years for the Director of Learning and Assessment to assist all programs in developing and piloting an ELO assessment process. Data from the pilot programs will then be used by program faculty to improve assessment methods in the continuous effort to create a sustainable, annual assessment process.

Once the ELO assessments are established at the program level, the Director of Learning and Assessment will then work with the Office of Institutional Research and Student Data to develop reporting mechanisms which can be used to collect and utilized ELO assessment data at a college-wide level. This process should be completed by the end of the spring 2026 semester, so programs can systematically record and report ELO assessment data.

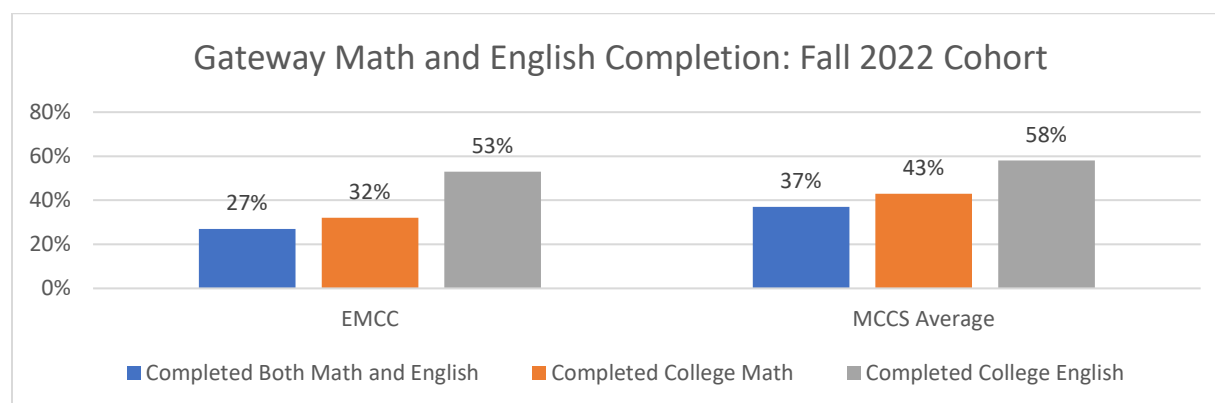
General Education Requirements: The college also measures student success by tracking performance in general education, including the disciplines of humanities, social sciences, mathematics, and science. These courses provide students the opportunity to develop common competencies that assist graduates in becoming successful and productive in future personal, professional, and educational endeavors. Examples of such general education learning outcomes include:

- **Writing:** Students will be able to write clear, coherent texts with adherence to proper mechanics. Students will be able to effectively use writing as a means to engage in and communicate processes of critical inquiry, including analysis, synthesis, and argumentation.
- **Quantitative Literacy:** Students will be able to reliably perform mathematical operations at the college level. Students will be able to apply mathematical concepts and techniques in practical situations, to solve problems.
- **Humanities:** Students will analyze or interpret significant text or other cultural artifacts and will understand or think critically about meaning and value, from either an aesthetic, philosophical, or multidisciplinary perspective.
- **Social Sciences:** students will analyze or explain casual forces which shape social structures, institutions, or behaviors.

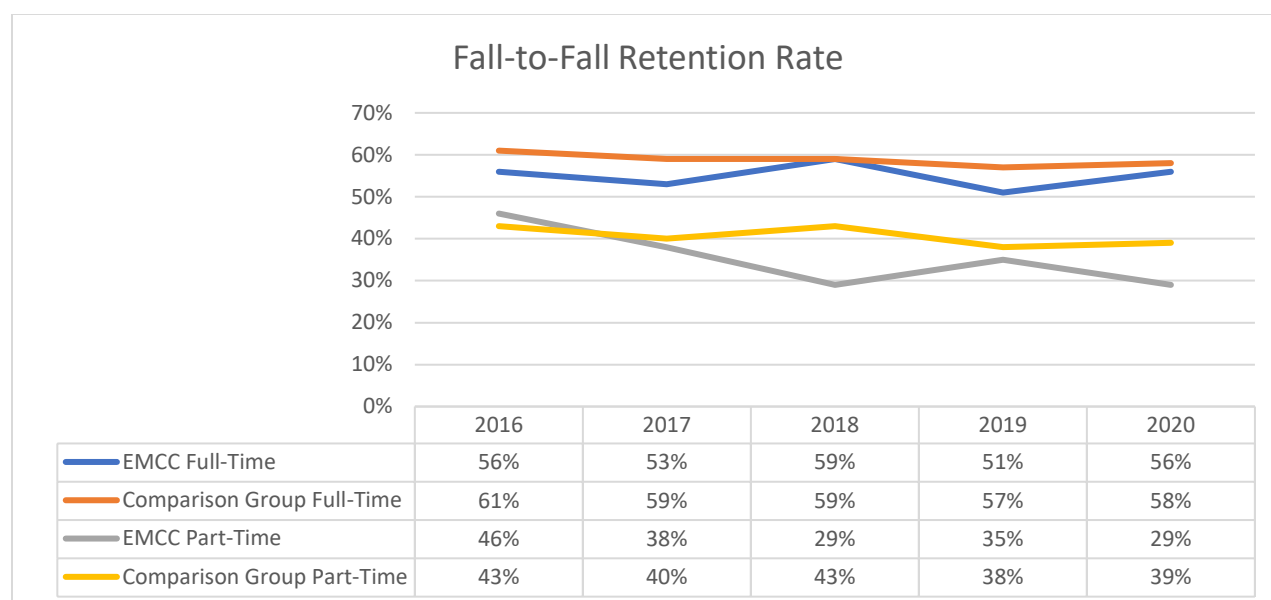
General education faculty assess student performance on such learning objectives and evaluate results in an effort to make improvements.

For example, as illustrated below, data from the fall semester of 2022 illustrated that only 27% of all EMCC students passed both their gateway English and math courses during their first year of enrollment. In discussing these results with college leadership, a new course, ENG 100: Basic Academic and Pre-Professional Writing, was created later that year. The goal of this course is to offer students the opportunity to develop their writing skills using assignments and exercises that more closely align with

their chosen programs of study, rather than more generalized English coursework. The college is still gathering data to determine the effectiveness of this model; however, it is believed that by tying writing skills more closely to program-specific materials, student comprehension and success should increase.



Student Retention: The college’s Office of Institutional Research calculates fall-to-fall retention rates and shares them publicly on its section of the EMCC website. Following the practices in IPEDS, “retention rate” is defined as the percentage of first-time degree/certificate-seeking students from the previous fall who either re-enrolled or successfully completed their program by the current fall. The graph below illustrates both full-time and part-time retention rates.

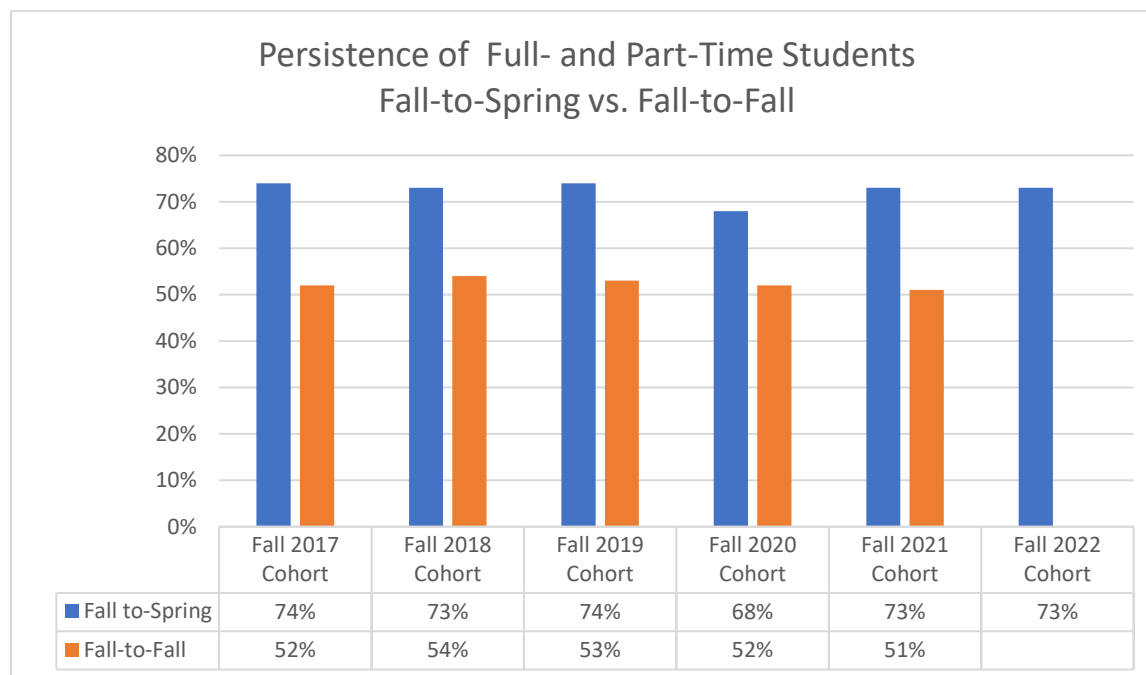


Though the fall-to-fall retention rate of full-time students entering college in 2018 matched the IPEDS comparison group, in general EMCC’s full-time retention rate has fallen below the average by 2 to 6 percentage points in recent years. While the part-time retention rate has steadily declined from 46% to a low of 29%.

Of course, it comes as no surprise that the retention rates for both full- and part-time students fell as we entered the COVID-19 Pandemic. With the majority of the college’s programs focusing on hands-on trade and technology education, many students became frustrated in the virtual learning environment and chose to discontinue their education during the pandemic. Vaccination and face-masking

reluctance, difficulty in finding housing, and the increasing cost of living may also have factored into this decline during the pandemic.

Fall-to-spring and fall-to-fall persistence rates are also tracked by the college and reported through the program review process. The graph below shows the percentage of full- and part-time students who persisted from one semester to the next and from one academic year to the next.

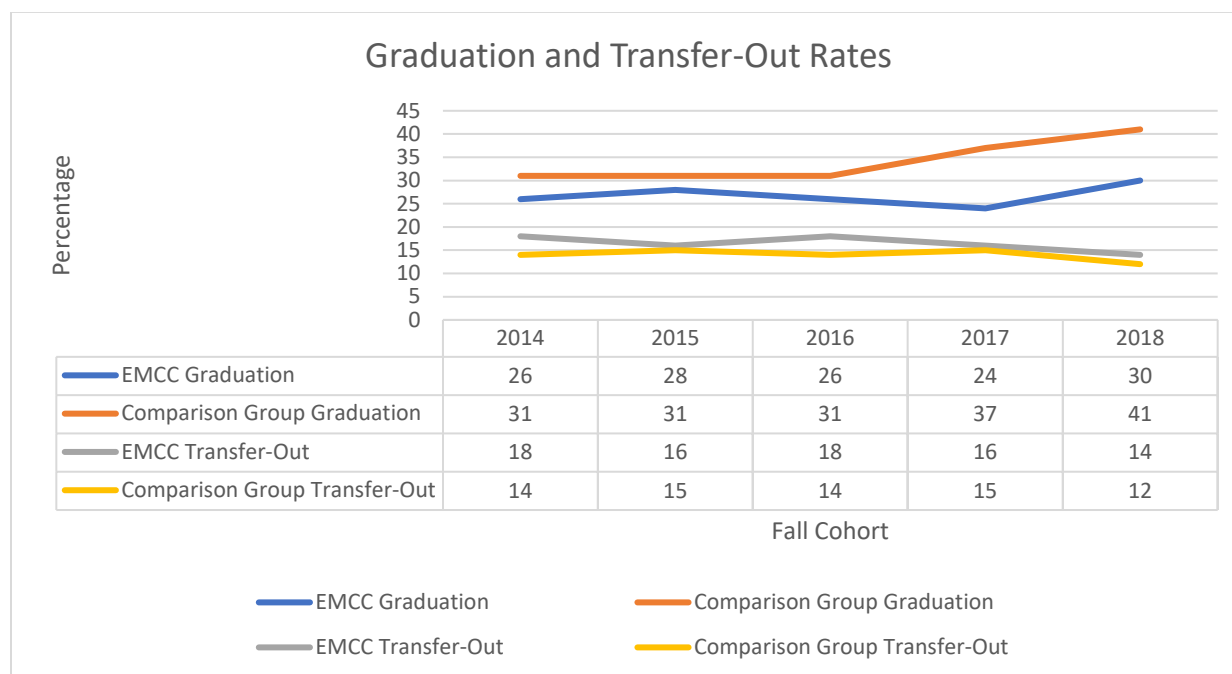


Combining these various data sets together, it appears the college’s overall retention rates are fairly consistent. More can be done, however, to further improve the retention numbers and achieve the college’s goal of meeting or exceeding the IPEDS comparison group numbers. In Summer of 2022, the Vice President of Student Affairs created the Retention Committee. This cross-functional group is charged with examining the causes of student attrition and developing strategies to assist students in persisting from semester to semester. Currently the Retention Committee is working to identify barriers to completion that can lead to strategies to better support students in meeting their educational and career goals. Further, the group is working to:

- Improve the college’s early alert process, which is used by faculty and staff to communicate about students in need of additional supports;
- Develop strategies to strengthen and standardize the advising of new students across all programs;
- Develop and provide additional structure to the college’s new Career Studies program, which is designed to offer students individualized and flexible programming based on their educational goals.

Graduation and Transfer-Out Rates: EMCC measures graduation rates following the practice in IPEDS. For the purpose of this measurement, “graduation rate” is defined as the percentage of full-time, first-time degree/certificate-seeking undergraduates who complete a degree/certificate within 150% of normal time to completion. Rates are calculated for all matriculates, excluding those who left the

college to serve in the armed forces/were called up to active duty, left to serve with a foreign aid service of the federal government, left to serve on an official church mission, or who died/were totally and permanently disabled. The graph below illustrates the graduation rates of recent cohorts, beginning with the group entering EMCC in the Fall of 2014.

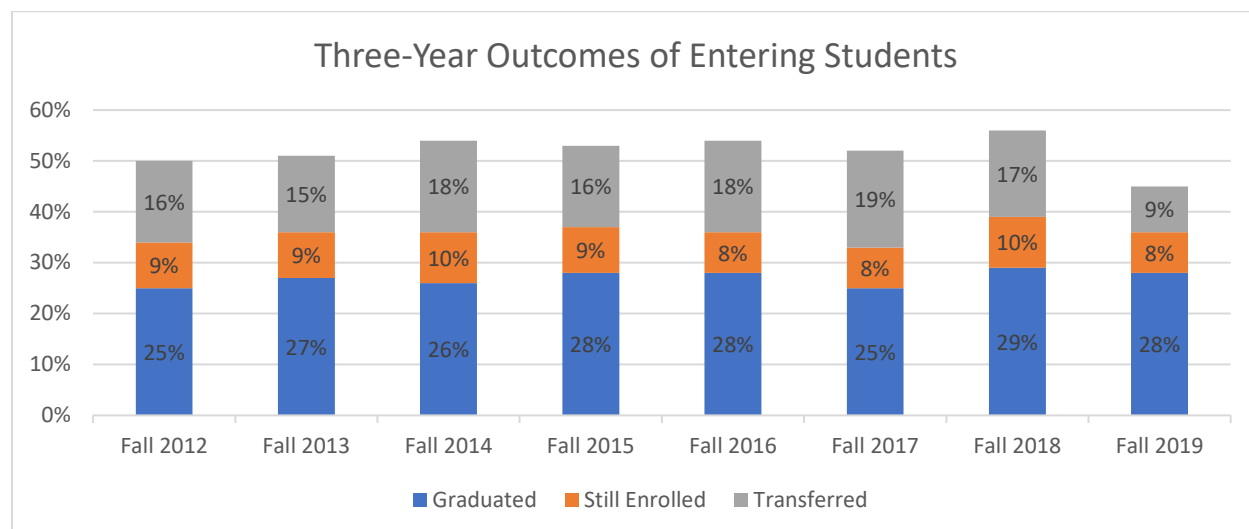


In recent years, graduation rates at EMCC fluctuated from a low of 24% to a high of 30%. Though the rate has been below the comparison group median, the graph does illustrate the college's improvement in helping students complete a degree/certificate and achieving its graduation rate goal of meeting or exceeding the comparison group. One possible explanation for this improvement may be the increased availability of virtual instructional and student support services created in response to the pandemic. As a result of this trend, the college continues to offer a greater mix of online and hybrid courses and support services in the hopes of further improving the graduation rate.

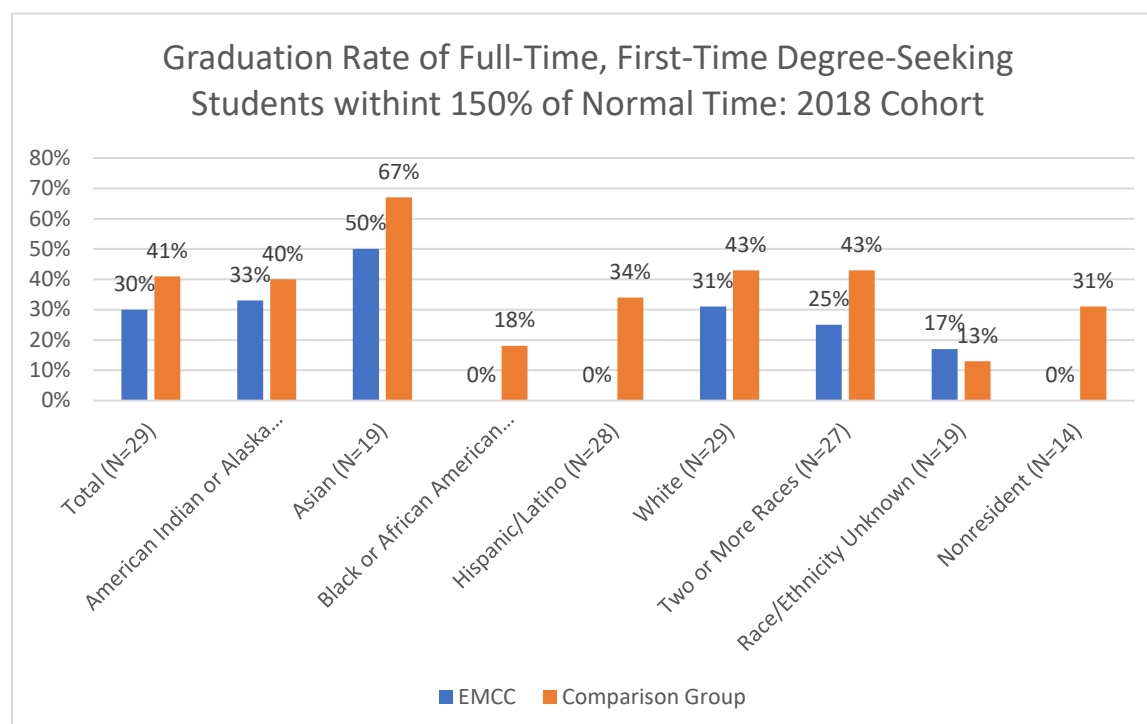
The graph above also illustrates the transfer-out rate. Transfer-out rates are calculated by dividing the total number of students who are known to have transferred out of EMCC (without earning a degree/certificate) within 150% of normal time to completion by the adjusted cohort (initial cohort minus the allowable exclusions described above). As with the graduation rate, the transfer-out rate has also fluctuated in recent years, ranging from a high of 18% to a low of 14%. Though slightly higher than the comparison group, these numbers are in line with EMCC's goal. As a college that prepares students for work in trade and technical industries, as well as to transfer to four-year institutions, it makes sense that EMCC's transfer-out rate may slightly exceed the comparison group's.

In addition to examining the graduation and transfer-out rates, the college's leadership also examines the percentage of students who are still enrolled after three years. The below graph illustrates the three-year outcomes of entering students. Though the outcomes are relatively consistent, with between 51% and 56% of all students graduating, remaining enrolled, or transferring within three years, the Fall 2019 cohort does appear to have a lower rate of three-year outcomes, only 45%. As the students beginning in the fall of 2019 were perhaps the most significantly impacted by the disruption of the

pandemic, it is not surprising that the outcomes rate is particularly low. These are the students who started their education normally, but then had to quickly switch to totally remote learning in March of 2020. For many of these students, the challenges of abruptly switching modalities, making personal decisions regarding vaccination and face-masking requirements, and dealing with the generally disruptive nature of the international pandemic understandably presented significant challenges to completing their program of study on time.



Graduation rates are also tracked by race/ethnicity. The graph below illustrates the graduation rates of full-time degree-seeking students who completed their program within 150% of the program's normal time. For the purposes of this data, the information was disaggregated by race and ethnicity using the 1997 Office of Management and Budget categories.



As the above graph illustrates, though the racial and ethnic makeup of EMCC is not as diverse as the comparison group, there does not seem to be any clear evidence that student success breaks down along racial lines. Still, the college's Inclusivity, Diversity, Equity, and Accessibility (IDEA) Committee, founded in the fall of 2022, works to offer educational experiences and opportunities that raise awareness within the EMCC community about the importance of diversity, cultural humility, and multicultural competency in higher education.

Student Satisfaction: EMCC also uses more qualitative data in measuring what students are learning. In 2022, the college administered the Community College Survey of Student Engagement (CCSSE) to measure overall student satisfaction and engagement. The results of which are found in the table below.

Community College Survey of Student Engagement Eastern Maine Community College (2022 Administration) 2022 Benchmark Scores Report – Main Survey					
	Your College	Small Colleges		2022 Cohort	
Benchmark	Score	Score	Difference	Score	Difference
Active and Collaborative Learning	53.8	51.6	2.1	50.0	3.8
Student Effort	50.8	50.3	0.5	50.0	0.8
Academic Challenge	48.2	50.1	-2.0	50.0	-1.8
Student-Faculty Interaction	55.1	52.5	2.6	50.0	5.1
Support for Learners	53.1	50.8	2.3	50.0	3.1

Interestingly, all of the college's benchmark scores increased from their 2016 measurement. Students particularly noted improvement in the promptness of written and oral feedback from their instructors, as well as in the college's efforts to provide support to students to help them succeed at EMCC.

Still, the CCSSE survey does indicate some areas for continued improvement, including:

- Improving career counseling services;
- And developing coursework that includes more mental activities, such as forming new ideas or understanding from various pieces of information, and making judgements about the value or soundness of information.

The latter point should be addressed by the development of independent ELO assessments at the program level, while the former point should be explored by the college. Currently career counseling is done by faculty advisors, but additional college-wide efforts may prove beneficial to student's ultimate success. The next CCSSE survey is scheduled to be administered in the spring of 2024.

Additional indications of student satisfaction include the Noel-Levitz Student Satisfaction Inventory and end-of-semester student surveys. The college last completed the Noel-Levitz survey in 2017, the results of which were discussed in our *NECHE 2019 Accreditation Self-Study*. In general, the average satisfaction scores on the 2017 Noel-Levitz Inventory indicated EMCC's students were satisfied with their college experience, including the institution's student centeredness and instructional effectiveness. Still a more up-to-date measurement would be helpful in planning and evaluation. Therefore, the next Noel-Levitz survey is scheduled to be conducted in the spring of 2025.

EMCC also uses an online course evaluation system to measure student success and satisfaction. This survey uses a Likert scale, along with a space to provide additional written feedback, to gather data on the student's experiences, the effectiveness of the course design, and the quality of faculty member's instruction. Though the response rate for these surveys is historically low, instructors do review this information and use the feedback to improve instruction.

Graduate, Community, and Employer Satisfaction: Currently the college relies upon the State of Maine Department of Labor for data on employment for reporting purposes. In the interest of gathering additional qualitative data, the college does request feedback from community leaders, business partners, and other educational institutions when feasible. One recent example of this occurred during the 2023-2028 strategic planning process when the EMCC President asked numerous external partners to participate in a strengths, weaknesses, opportunities, and threats (SWOT) analysis. Examples of this feedback include:

Strengths:

- Provides high quality, affordable programs that lead students to well paid, competitive careers in Maine and beyond;
- Provides student services that support educational and non-educational needs;
- Responsive and nimble to adapt to community workforce and learner needs;
- Focused on diversity, equity, inclusion, and access for all;
- Increased options for online courses.

Weaknesses:

- Demographic trends in Maine with fewer high school graduates;
- Strong labor market has made it less necessary for prospective students to seek additional training and degrees.

Opportunities:

- Free College program is a marketing opportunity, particularly for students who are planning a four-year degree that EMCC can provide the first two years of for free;
- More knowledge of how to deliver online, asynchronous, and hybrid courses that better meet students' needs.

Threats:

- Demographics – Maine has a smaller number of high school graduates and an aging population;
- Students face additional challenges, including poverty, which can reduce access to education.

The results of the SWOT analysis assisted the college in developing the strategic plan, which identifies strategies and tactics to improve the student-centeredness of operations and programming, including:

- Providing faculty with additional opportunities to explore pedagogical strategies that support student success;
- Using retention data to support the Retention Committee's development of strategies to reduce attrition;
- Involving student leaders in decision-making by connecting them with the President's Cabinet on a regular basis;

- Collecting data on dual and concurrent enrollment students through Anthology and treating those students as prospective students in the admissions process.

Improving Student Learning and Success

At the course and program level, program faculty have made numerous changes as a result of analyzing student success. For example:

- The college's Automotive program revised its curriculum in the spring of 2023 to address "roadblocks to graduation." In its revision, students were provided additional options to meet general education requirements for the A.A.S. degree. This allowed students to select coursework more in line with their personal career goals, and allowed the instructors to add a 1-credit Electric Vehicle ASE L3 Prep course that will better prepare students to work in the modern industry.
- After several years of undesirable student success in the college's English Fairytale, Folklore, Mythology, and Legend course, the English department concluded students would be better served by splitting the course into two separate courses. The college began to offer one course solely in folklore and fairy tales, and a separate course in mythology in the fall of 2023. Both courses still meet the MCCS's requirements for academic credit, however, students can now focus their efforts on a narrower field of study.
- Understanding the needs of students, as well as the industry, the college's Education program collaborated with the MCCS and the Maine Department of Education to create a Learning Facilitator Program. Established in a high-touch, fast-tracked model to suit the needs of students and industry, the program allows participants to earn stackable digital badges and eventually become eligible to receive an Education Technician Certificate and become employed as an Ed Tech III.

While at the institutional level, data collected from numerous sources have informed decisions about resource allocation, academic planning, student services, and many other areas. As discussed above, the college is currently hiring a new Director of Learning and Assessment. This position was specifically created to offer additional assistance to faculty in the development, assessment, and evaluation of learning outcomes, including taking the lessons learned from the previously used general education ELO assessment process and redesigning a more robust, systematic, and sustainable ELO assessment and reporting method at the program level.

Recent grants and earmarks have been used to address barriers to student success identified through qualitative data analysis. For example, a recent MELMAC Education Foundation Grant has been used to help fight food insecurity by funding an on-campus food bank, while funding from Congressional Directed Spending earmarks has been allocated to such purposes as updating classroom technology to ensure students are learning their particular trade on the most up-to-date, industry-specific equipment.

Reorganizations of the college's organizational chart have also occurred and taken into account student success measures. For example, in 2021 the Workforce Development and Professional Solutions division of the college was brought closer to Academic Affairs. This allows the Workforce branch of the college greater access to academic planning and development resources, such as the Center for Learning and Innovation, as well as allows the division to work more closely with Academic Affairs and to create short-term trainings that more seamlessly lead students into existing academic programming.

EMCC is also now participating in the Bill and Melinda Gates Foundation Intermediaries for Scale Initiative (IfS). Using student data, this initiative is supporting the college in further identifying student success strategies that achieve more equitable outcomes, including such things as developing guided pathways, improving advising and developmental education, and enhancing digital learning.

Despite these examples of how the college has used the results of assessment to take steps geared toward improving student success, EMCC continues to look for ever better methods of assessment and evaluation. For example, the college's new SIS will allow the Office of Institutional Research even greater ability to collect useful data on students and share it across the MCCC, while a return to biennial CCSSEE and Noel-Levitz surveying will collect additional qualitative data on student satisfaction that can be used to improve the college's academic programming and numerous student services.

Future Plans

The college has established the following assessment plans and goals for the next five years:

- Guided by the soon-to-be-hired Director of Learning and Assessment, the college's ELOs and accompanying rubrics will be reviewed and revised as needed, considering best practices and feedback from all college constituencies and community and business partners. Assessments at the program level will be developed and piloted within two years, while the Office of Institutional Research and Student Data constructs a reporting system that compensates for the challenges the Brightspace LMS currently presents.
- In collaboration with the MCCC and the other community colleges, EMCC will implement the Anthology SIS within two years and begin identifying and collecting additional data points for use in educational effectiveness planning and evaluation.
- The college's Retention Committee will continue its work gathering data on barriers to success and work with faculty and staff to develop and implement strategies annually that support students in better meeting their educational and career goals.
- Collaborating with IR at the MCCC, EMCC will work over the next two years to establish a more systematic and objective system to measure post-graduate data from both former students and current employers. The ability to collect authentic data on current employment, salary, and satisfaction in educational preparedness will further inform the effectiveness of educational offerings and learning outcomes assessment.
- Using regional employment data and specific workforce and career opportunities, EMCC will work with the MCCC and the other six community colleges to move toward a guided pathways model for select programs that utilizes a student-centered approach to increase the student completion rates. Part of this five-year work will involve developing action plans that identify student-end goals, and tools and supports to help students select a program of study, stay on track, and ensure learning efficacy.

Institutional Plans

It is Eastern Maine Community College's mission "to serve as a dynamic educational institution that empowers students to meet their personal and professional goals, and to collaborate with business and community partners to support their growth and success." With the COVID-19 Pandemic and its disruptive effects upon higher education now behind us, EMCC is looking forward to returning to "normal" and proactively and effectively meeting the ever-changing needs of students and community partners. It is a challenging mission, but through effective research, planning, and evaluation, the college will meet this goal.

Strategic Plan

The strategic plan, developed by a cross-functional team of faculty and staff during the fall of 2022, serves as the foundation for much of the college's planning activities. It includes four primary strategies with supplementary goals and benchmarks that focus on the areas of student centeredness, institutional culture, financial sustainability, and sustainable technologies.

Develop Student-Centered Operations and Academic Programming: The college is working to further improve the experiences and engagement of students. This initiative involves the development of a five-year strategic enrollment management plan (discussed further below), which is focused upon stabilizing enrollment through increased yield in the recruitment funnel and improving first- to second-year retention and program completion rates. Part of this process will be led by the college's Retention Committee, which will conduct both quantitative and qualitative data analysis to identify barriers to student success and, with faculty and staff assistance, develop and implement strategies to better support student success. Additional tactics include:

- Providing faculty with opportunities to explore pedagogical strategies designed to best support student learning and success;
- Involving student leadership in decision-making by regularly connecting them with the President's Cabinet;
- Posting user-friendly versions of the *Strategic Enrollment Management Plan* on the college's intranet site, including annual recruitment, and marking status updates.

The college's senior staff also recognizes the importance of effective marketing and is committed to improving the college's marketing efforts. With the goal of expanding and stabilizing program enrollments, additional resources will be employed to increase the community's awareness of EMCC and the programs it offers. The college's marketing staff is currently working to create more engaging web content, and more materials for use at recruiting events, open houses, and sending-school site visits. Program faculty will be invited to further participate in the development of marketing materials, while the college's newly revised mission, vision, and values statements will be promoted, along with its new diversity, equity, and inclusiveness statement, to better inform the community of EMCC's purpose and guiding principles.

Improve Institutional Culture by Focusing on Employee Growth and Development: In the interest of encouraging a culture of care and support for employees, while further strengthening the channels of communication, the senior management is dedicated to providing faculty and staff with opportunities to increase their intellectual wellness, overall health, and professional enjoyment. Through a series of

planned trainings and educational opportunities, a robust menu of professional development opportunities will be developed that includes distinguished speakers, teaching and learning activities, and leadership training programs. The college's Employee Engagement Committee will continue to provide social events for all personnel, while a new committee will be created to develop improved onboarding materials and an *Employee Handbook*. Further, when revenues exceed targets, senior management will use the surplus funds to further increase professional development budgets.

Become Financially Sustainable: In an effort to increase financial stability and sustainability, the college will explore new funding sources, including leveraging the support of the Maine Community College System Foundation and workforce development funding, as well as pursuing additional grant opportunities. The feasibility of hiring a grant writer will be examined, and other unfunded positions and facility needs will be prioritized with regard to such factors as return on investment, student outcomes, and financial sustainability. EMCC's senior management will also work to expand the transparency of the budget process through annual state of the budget reports, and to encourage the use of more authentic data, including market research, assessment of area competition, and program enrollment and vitality in financial planning and decision making.

Develop Partnerships and Find Funding to Offer Career Training in Sustainable Technologies: The college aims to reduce its own carbon footprint, and to promote sustainability and green practices within the State of Maine. To that end, EMCC's Workforce Development department will work with college faculty and area partners to develop and deliver short-term trainings in sustainable technologies, such as electric vehicles, solar electric, and heat pumps. This process will also involve researching various funding sources, including grants and community partnerships.

Strategic Enrollment Management Plan

In the interest of further stabilizing enrollment, the college has recently drafted the *Strategic Enrollment Management Plan* (SEM). This five-year plan is based upon current student data, as well as the recommendations resulting from the 2022 Ruffalo Noel Levitz (RNL) consultation. The SEM aims to involve all campus constituencies, as well as key partners, in developing clear and concise enrollment goals and plans that promote student success, as well as support long-term financial planning and academic and institutional efficiency. Examples of some of the short-term strategies included in the SEM are:

- Conduct a communications flow audit on all communications sent from EMCC to applicants;
- Establish and publish timelines for reviewing applications and making admissions decisions;
- Create and implement data-gathering processes that determine how students learn about the college;
- Update the college website to include additional information in such areas as the academic programs offered, faculty, and current students, and to create a "Resource" page for parents and family members;
- Improve the format of student bills for easier understanding;
- Solicit students and alumni to participate in social media marketing to promote the college and its programs;
- Audit the Registrar's Office processes to determine where automation could increase efficiency and service;
- Formalize and expand transfer services for students interested in a four-year degree.

The SEM also features a number of long-term plans that aim to create a systematic and sustainable enrollment process, as well as work to improve the student experience at EMCC. This portion of the plan includes search engine optimization of the college's website and improving the ease of navigation. It also focuses on rebranding the college and focusing the message on the value of an EMCC education and the quality of its academic programming.

Annual Marketing and Recruitment Plan: Perhaps one of the most important recommendations from the 2022 RNL consultation was the suggestion to create a marketing and recruitment plan. The most recent version of this annual plan includes such goals as:

- Increase social media engagement and tracking actions;
- Increase marketing reach through new publications and strategies to expand throughout Penobscot, Piscataquis, Hancock and Waldo counties;
- Add feedback questions on applications to ask how applicants heard about EMCC;
- Improve the welcome video on the website;
- Showcase students and alumni from each program throughout the year.

The *Marketing and Recruitment Plan* goes on to identify particular strategies the college will follow over the next year to work toward achieving these goals. One such strategy is to reorganize admissions staff to improve efficiency and expediency of processing students through application to enrollment. This is a process that will involve the creation of two leadership positions that focus on enrollment processing and recruitment, respectively.

Other strategies included in the most recent marketing and recruitment plan include:

- Engaging faculty and department chairs in the recruitment process by requesting their feedback on the plan each year, as well as providing them with a funnel report that explains where students are in the admission and enrollment processes;
- Piloting a three-step, non-transactional student communications system with prospective students to streamline the communications process and provide applicants with relevant college information at the right time;
- Hosting guidance counselor events on campus to market our programs and services effectively to representatives at all sending schools.

Through its planning and evaluation activities, Eastern Maine Community College will continue meeting the *NECHE Standards for Accreditation*. Further, thanks to the college's culture of continuous improvement, participatory governance, and data-driven decision making, it is well placed to accomplish its mission and meet the needs of the students and community it serves.

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	https://www.emcc.edu/beyond-emcc/transferring/
Print Publications	College Catalog 2023-2024 Pages 21-22
Self-study/Fifth-year Report Page Reference	Pages 20, 22

- 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	https://www.emcc.edu/wp-
Print Publications	College Catalog 2023-2024 Pages 14, 41-43, 52-53
Self-study/Fifth-year Report Page Reference	Student Handbook 2023-2024 Pages 6, 26

- 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 identification numbers and passwords
Self-study/Fifth-year Report Page Reference	Page 21

- 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 Eastern Maine Community College (institution name) meets the above federal requirements relating to Title IV program participation, including those enumerated above.

Chief Executive Officer: _____



Date: 01/12/2024




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.

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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.

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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

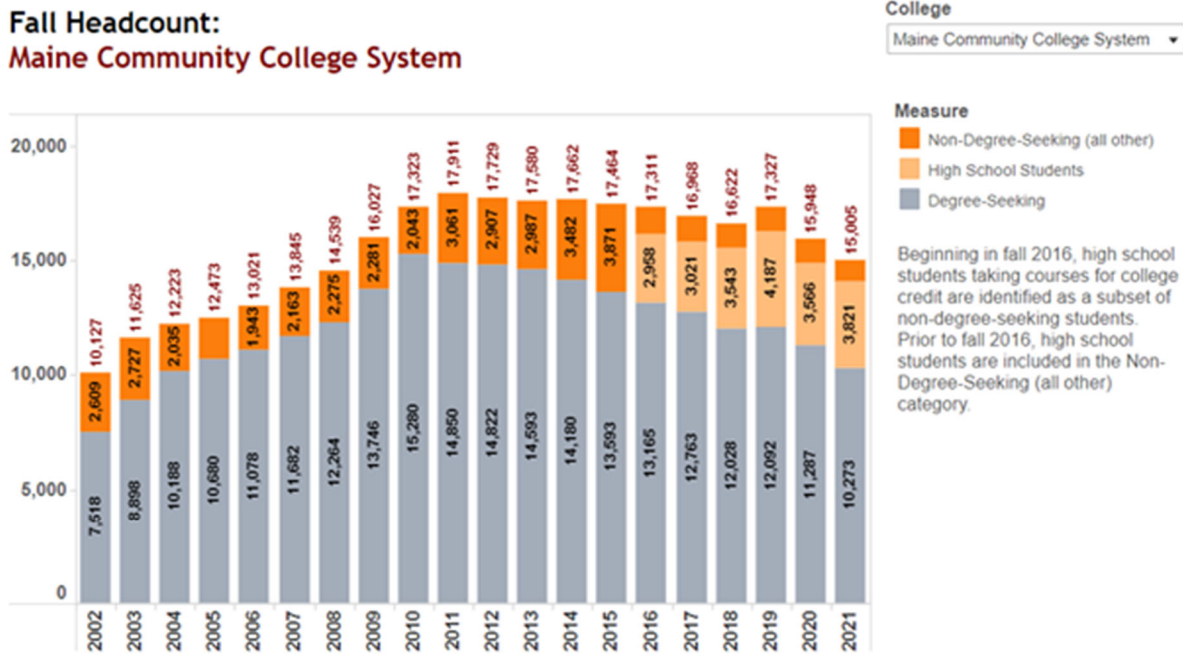
As a publicly funded institution of higher education, MCCS receives appropriations from the State of Maine partially subsidizing the cost of attendance at one of the seven community colleges. In 2022 State appropriations for operations increased \$2.2 million, or 3 percent and the general operation curtailment 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.

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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,

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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.

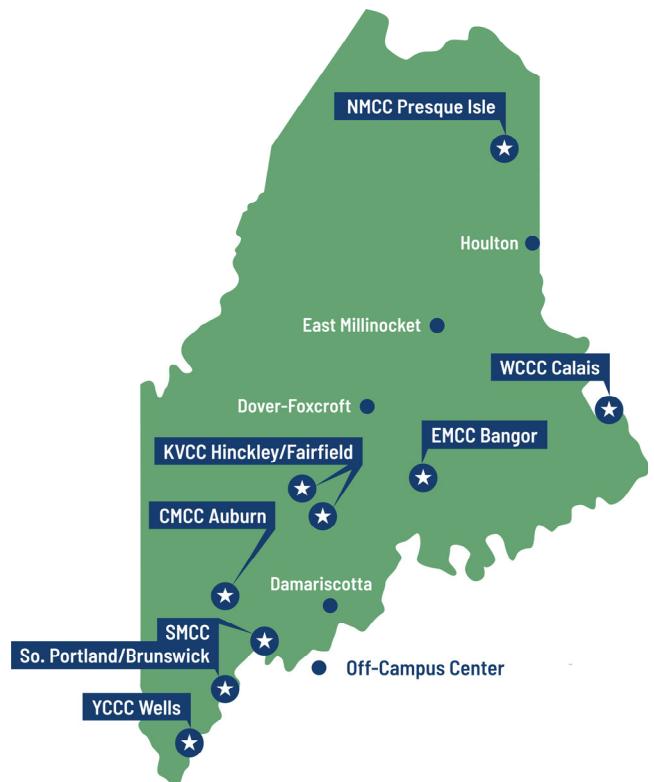
College Results and Combined Operating Results

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:



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	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>

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>	<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>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>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>	-	-
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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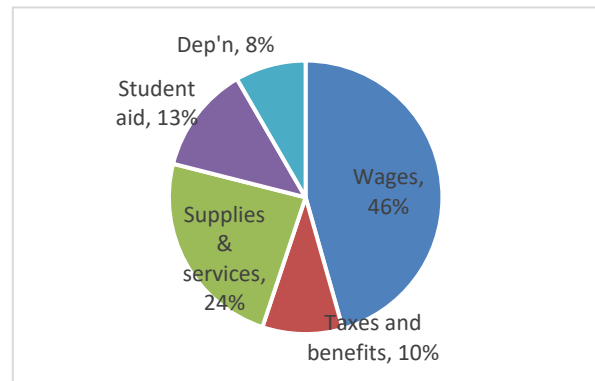
Over 90 percent of MCCS employees are represented by one of six collective bargaining agreements. Contractually, wages increased an average of 4.5 percent in 2022 to bring wages closer to market level. Wages increased 3 percent in 2021 and 2020. In 2022 vacant positions remained open longer as labor 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.

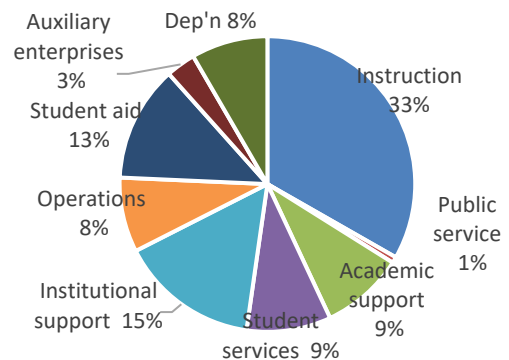
Instruction and academic support account for 46.6 percent of the operating expenditures in 2021. An increase of 13.8 percent in instructional support is due in large part to continued spending required by the system to pivot to remote work and learning. This work started in 2020 with an 8.6 percent increase 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.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

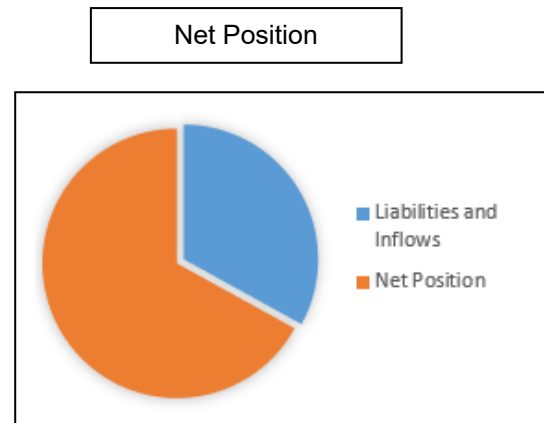
June 30, 2022

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.

MAINE COMMUNITY COLLEGE SYSTEM
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MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

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.

MAINE COMMUNITY COLLEGE SYSTEM
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MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

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.

MAINE COMMUNITY COLLEGE SYSTEM
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MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

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>

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

The narrative on costs and obligations of retirement plans notes that M CCS 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>M CCS</i>	<i>Before NPL</i>	<i>State's NPL</i>	<i>M CCS</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>

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

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><u>\$ 35,849,801</u></u>	<u><u>\$ 26,984,382</u></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
(A Component Unit of the State of Maine)

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
(A Component Unit of the State of Maine)

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
(A Component Unit of the State of Maine)

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
(A Component Unit of the State of Maine)

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
(A Component Unit of the State of Maine)

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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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>

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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.

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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:

	<u>Percentage of Investments</u>	
	<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>		

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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.

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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>

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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>

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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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June 30, 2022 and 2021

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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June 30, 2022 and 2021

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>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of 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>

**MAINE COMMUNITY COLLEGE SYSTEM
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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.

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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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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:

	<u>2022</u>	<u>2021</u>
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

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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.

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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.

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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.

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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.

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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.

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

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.

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

Notes to Financial Statements

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.

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

Notes to Financial Statements

June 30, 2022 and 2021

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	(363,696)	(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.

MAINE COMMUNITY COLLEGE SYSTEM
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Notes to Financial Statements

June 30, 2022 and 2021

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>

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

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.

		Fair Value Measurements at June 30, 2022		
	Total	Level 1	Level 2	Level 3
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>			

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

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
(A Component Unit of the State of Maine)

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
(A Component Unit of the State of Maine)

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	<u>(6,297,473)</u>	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	<u>\$ 41,520,270</u>	<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>
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	<u>(9,112,510)</u>	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	<u>\$ (5,500,483)</u>	<u>\$ (8,315,520)</u>	<u>\$ (629,822)</u>	<u>\$ 240,950</u>	<u>\$ 9,278,259</u>	<u>\$ 12,308,293</u>
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						-	<u>1,502</u>	<u>1,502</u>	-
Total general revenues and extraordinary items						-	<u>100,460</u>	<u>100,460</u>	-
Change in net position						-	6,796	6,796	10,277
Net position, beginning of year						-	<u>216,320</u>	<u>216,320</u>	<u>27,114</u>
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.



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.

INTERIM REPORT FORMS GENERAL INFORMATION

Institution Name: Eastern Maine Community College

OPE ID: ? 5277

		Annual Audit	
		Certified:	Qualified
		Yes/No	Unqualified
Financial Results for Year Ending:	? 06/22	Yes	Unqualified
Most Recent Year	? 2022	Yes	Unqualified
1 Year Prior	2021	Yes	Unqualified
2 Years Prior	2020	Yes	Qualified

Fiscal Year Ends on: June 30th (month/day)

Budget / Plans

Current Year	2023
Next Year	2024

Contact Person: ? Elizabeth Russell

Title: President

Telephone No: 207-974-4691

E-mail address: erussell@emcc.edu

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	cc.edu/discover-emcc/overview	16-Nov-22

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.emcc.edu/wp-content/uploads/2018/05/Eastern-Maine-Community-College-Strategic-Plan-2017-2022.pdf
Current Strategic Plan		2023	2023-2028	https://www.emcc.edu/wp-content/uploads/2023/08/EMCC-Strategic-Plan-2023-2028.pdf
Next Strategic Plan		2028	2028-2033	
		Year completed	Effective Dates	Website location
Other institution-wide plans*				
Master plan		2020		Internal Document
Academic plan				
Financial plan				
Technology plan				
Enrollment plan		2023	2023-2028	Internal Document
Development plan				
Plans for major units (e.g., departments, library)*				

EVALUATION		Website location
Academic program review		
Program review system (colleges and departments). System last updated:		2020
Program review schedule (e.g., every 5 years)		Every 5 years

*Insert additional rows, as appropriate.

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/our-colleges/

Governing Board

By-laws	https://mymccs.me.edu/ICS/icsfs/Policy_105.pdf?target=dc6
Board members' names and affiliations	https://www.mccs.me.edu/about-mccs/system-office/board-

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	2 years prior	1 year prior	Current year
			(FY 21-22)	(FY 22-23)	(FY 23-24)
Main campus	Bangor, ME	1966	316	1,439	1,831
Other principal campuses	N/A				
Branch campuses (US)	Katahdin Region Higher Ed Center (East Millinocket, ME)	1987		5	5
Branch campuses (US)	Penquis Higher Education Center (Dover-Foxcroft, ME)	2000			
Branch campuses (US)	United Technologies Center (Bangor, ME)	2018	9	11	16
Other instructional locations (US)	N/A				
Branch campuses (overseas)	N/A				
Other instructional locations (overseas)	N/A				

Educational modalities

Educational modalities		Enrollment*			
	Number of programs	Date First Initiated	2 years prior (FY 21-22)	1 year prior (FY 22-23)	Current year (FY 23-24)
Distance Learning Programs					
Programs 50-99% on-line	2				
Programs 100% on-line	2		1178*	266	144
 Correspondence Education	0				
Low-Residency Programs	0				
Competency-based Programs	0				
Dual Enrollment Programs	3		573	655	537
Contractual Arrangements involving the award of credit	0				

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

Please enter any explanatory notes in the box below

*COVID - programs that aren't typically offered as distance programs were offered as distance programs during this academic year

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	920							920
Main Campus PT	494							494
Other Principal Campus FT								0
Other Principal Campus PT								0
Branch campuses FT	0							0
Branch campuses PT	3							3
Other Locations FT								0
Other Locations PT								0
Overseas Locations FT								0
Overseas Locations PT								0
Distance education FT								0
Distance education PT								0
Correspondence FT								0
Correspondence PT								0
Low-Residency FT								0
Low-Residency PT								0
Unduplicated Headcount Total	1,417	0	0	0	0	0	0	1,417
Total FTE	1,081.00							1,081.00
Enter FTE definition:	Divide the total number of credit hours by 16							
Degrees Awarded, Most Recent Year	183							183

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	115	34		149	920	1,069
Main Campus PT	144	443		587	494	1,081
Other Principal Campus FT				0		0
Other Principal Campus PT				0		0
Branch campuses FT	13	0		13		13
Branch campuses PT	3	2		5	3	8
Other Locations FT		538		538		538
Other Locations PT				0		0
Overseas Locations FT				0		0
Overseas Locations PT				0		0
Distance education FT				0		0
Distance education PT				0		0
Correspondence FT				0		0
Correspondence PT				0		0
Low-Residency FT				0		0
Low-Residency PT				0		0
Unduplicated Headcount Total	275	1,017	0	1,292	1,241	2,533
Total FTE	209.00	279.00		488	1,081.00	1,569.00
Enter FTE definition:	Divide the total number of credit hours generated for the Fall	Divide the total number of credit hours generated for				
Certificates Awarded, Most Recent Year	53					

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)
	(Fall 20-21)	(Fall 21-22)	(Fall 22-23)	(Fall 23-24)	(Fall 24-25)
For Fall Term, as of Census Date					
Certificate	217	173	238	275	280
Associate	1168	1116	1241	1417	1450
Baccalaureate					
Total Undergraduate	1,385	1,289	1,479	1,692	1,730

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)
	(Fall 20-21)	(Fall 21-22)	(Fall 22-23)	(Fall 23-24)	(Fall 24-25)
For Fall Term, as of Census Date					
Master's					
Doctorate					
First Professional					
Other					
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 20-21)	(Fall 21-22)	(Fall 22-23)	(Fall 23-24)	(Fall 24-25)
Undergraduate	14694	13574	16986	19351	20000
Graduate					
Total	14,694	13,574	16,986	19,351	20,000

Standard 4: The Academic Program
(Information Literacy sessions)

Main campus					
Sessions embedded in a class	NA	3	6	2	10
Free-standing sessions	NA	56	77	97	100
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

Degree-seeking students only for headcount and credit hours generated; total credit hours for fall 23 = 23,534

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 (Fall 20-21)	2 Years Prior (Fall 21-22)	1 Year Prior (Fall 22-23)	Current Year (Fall 23-24)	Goal (specify year) (Fall 24-25)
Freshmen - Undergraduate	?				
Completed Applications	994	818	1,423	1,913	2,000
Applications Accepted	553	617	1,006	1,041	1,100
Applicants Enrolled	245	287	393	470	500
% Accepted of Applied	55.6%	75.4%	70.7%	54.4%	55.0%
% Enrolled of Accepted	44.3%	46.5%	39.1%	45.1%	45.5%
Percent Change Year over Year					
Completed Applications	na	-17.7%	74.0%	34.4%	4.5%
Applications Accepted	na	11.6%	63.0%	3.5%	5.7%
Applicants Enrolled	na	17.1%	36.9%	19.6%	6.4%
Average of statistical indicator of aptitude of enrollees: (define below)	?				
Multiple Measures					
Transfers - Undergraduate	?				
Completed Applications	433	402	671	498	512
Applications Accepted	169	237	327	160	170
Applications Enrolled	115	138	143	102	110
% Accepted of Applied	39.0%	59.0%	48.7%	32.1%	33.2%
% Enrolled of Accepted	68.0%	58.2%	43.7%	63.8%	64.7%
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

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 (Fall 20-21)	2 Years Prior (Fall 21-22)	1 Year Prior (Fall 22-23)	Current Year (Fall 23-24)	Goal (specify year) (Fall 24-25)
UNDERGRADUATE						
First Year	Full-Time Headcount	341	348	602	743	790
	Part-Time Headcount	287	284	256	349	360
	Total Headcount	628	632	858	1,092	1,150
	Total FTE	437	444	687	857	875
Second Year	Full-Time Headcount	404	317	297	306	315
	Part-Time Headcount	342	336	324	294	305
	Total Headcount	746	653	621	600	620
	Total FTE	518	429	405	404	412
Third Year	Full-Time Headcount					
	Part-Time Headcount					
	Total Headcount	0	0	0	0	0
	Total FTE					
Fourth Year	Full-Time Headcount					
	Part-Time Headcount					
	Total Headcount	0	0	0	0	0
	Total FTE					
Unclassified	Full-Time Headcount					
	Part-Time Headcount					
	Total Headcount	0	0	0	0	0
	Total FTE					
Total Undergraduate Students						
	Full-Time Headcount	745	665	899	1,049	1,105
	Part-Time Headcount	629	620	580	643	665
	Total Headcount	1,374	1,285	1,479	1,692	1,770
	Total FTE	955	873	1,092	1,261	1,287
	% Change FTE Undergraduate	na	-8.6%	25.1%	15.5%	2.1%
GRADUATE						
	Full-Time Headcount					
	Part-Time Headcount					
	Total Headcount	0	0	0	0	0
	Total FTE					
	% Change FTE Graduate	na	-	-	-	-
GRAND TOTAL						
	Grand Total Headcount	1,374	1,285	1,479	1,692	1,770
	Grand Total FTE	955	873	1,092	1,261	1,287
	% Change Grand Total FTE	na	-8.6%	25.1%	15.5%	2.1%

Please enter any explanatory notes in the box below

FT students + (PT students/3) = FTE

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?

<https://www.emcc.edu/discover-emcc/overview/mission-vision/>

? Three-year Cohort Default Rate

? Three-year Loan repayment rate
(from College Scorecard)

(FY 17-18)	(FY 18-19)	(FY 19-20)
14.6	10.6	5
na	na	na

3 Years Prior	2 Years Prior	Most Recently Completed Year	Current Year	Goal (specify year)
(FY 20-21)	(FY 21-22)	(FY 22-23)	(FY 23-24)	(FY 24-25)

? Student Financial Aid

Total Federal Aid

Grants*

Loans

Work Study

Total State Aid

Total Institutional Aid

Grants

Loans

Total Private Aid

Grants

Loans

*Includes CARES grants

\$5,868,220	\$8,271,737	\$6,716,878	\$5,883,898	Unknown
\$3,533,161	\$6,259,116	\$4,711,307	\$4,030,256	Unknown
\$2,269,012	\$1,906,745	\$1,856,318	\$1,753,642	Unknown
\$66,047	\$105,876	\$149,253	\$100,000	\$100,000
\$660,058	\$1,130,506	\$1,362,927	\$1,711,241	\$1,500,000
\$851,761	\$903,143	\$2,514,530	\$2,623,447	\$2,400,000
\$851,761	\$903,143	\$2,514,530	\$2,623,447	\$2,400,000
\$0	\$0	\$0	\$0	\$0
\$308,119	\$416,684	\$428,094	\$374,485	\$400,000
\$261,363	\$337,774	\$351,096	\$304,685	\$330,000
\$46,756	\$78,910	\$76,998	\$69,800	\$70,000

Student Debt

Percent of students graduating with debt (include all students who graduated in this calculation)

Undergraduates

Graduates

First professional students

30%	44%	36%	na	34%
0%	0%	0%	0%	
0%	0%	0%	0%	

For students with debt:

Average amount of debt for students leaving the institution with a degree

Undergraduates

Graduates

First professional students

\$19,653	\$15,839	\$15,912	na	\$15,000
\$0	\$0	\$0	\$0	
\$0	\$0	\$0	\$0	

Average amount of debt for students leaving the institution without a degree

Undergraduates

Graduate Students

First professional students

\$11,651	\$12,615	\$11,430	na	\$11,400
\$0	\$0	\$0	\$0	
\$0	\$0	\$0	\$0	

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

na	na	a	na	na
13%	10%	10%	5%	5%
27%	24%	20%	17%	15%
na	na	na	na	na

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 20-21)	(FY 21-22)	(FY 22-23)	(FY 23-24)

? Number of Faculty by category

Full-time	56	61	59	61
Part-time				
Adjunct	70	61	58	56
Clinical				
Research				
Visiting				
Other; specify below:				
Total	126	122	117	117

Percentage of Courses taught by full-time faculty

69.00%	68.00%	69.00%	76.00%
--------	--------	--------	--------

? Number of Faculty by rank, if applicable

Professor				
Associate				
Assistant				
Instructor	126	122	117	117
Other; specify below:				
Total	126	122	117	117

? Number of Academic Staff by category

Librarians	0	1	1	1
Advisors	1	1	1	2
Instructional Designers	1	2	1	1
Other; specify below:				
Total	2	4	3	4

Please enter any explanatory notes in the box below

Standard 6: Teaching, Learning, and Scholarship
(Appointments, Tenure, Departures, Retirements, Teaching Load Full Academic Year)

	3 Years Prior (FY 20-21)		2 Years Prior (FY 21-22)		1 Year Prior (FY 22-23)		Current Year (FY 23-24)	
	FT	PT	FT	PT	FT	PT	FT	PT
Number of Faculty Appointed								
Professor								
Associate								
Assistant								
Instructor	1		8		7		6	
No rank								
Other								
Total	1	0	8	0	7	0	6	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	1		3		4		3	
No rank								
Other								
Total	1	0	3	0	4	0	3	0
Number of Faculty Retiring								
Professor								
Associate								
Assistant								
Instructor	1		4		1		1	
No rank								
Other								
Total	1	0	4	0	1	0	1	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 20-21)			(FY 21-22)			(FY 22-23)			(FY 23-24)		
	FT	PT	Total	FT	PT	Total	FT	PT	Total	FT	PT	Total
Instructional Staff	56	70	126	61	61	122	59	58	117	61	56	117
Research Staff	2	0	2	2	0	2	1	0	1	1	0	1
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	15	1	16	12	0	12	7	0	7	7	0	7
Management Occupations	18	0	18	20	0	20	19	0	19	19	0	19
Business and Financial Operations	4	0	4	4	0	4	5	0	5	5	0	5
Computer, Engineering and Science	4	0	4	3	0	3	6	0	6	0	0	0
Community, Social Service, Legal, Arts, Design, Entertainment, Sports, and Media	1	0	1	1	0	1	5	0	5	5	0	5
Healthcare Practitioners and Technical	0	0	0	0	0	0	2	0	2	2	0	2
Service Occupations	9	0	9	7	0	7	7	0	7	7	0	7
Sales and Related Occupations	1	0	1	1	0	1	0	0	0	0	0	0
Office and Administrative Support	10	2	12	7	2	9	9	2	11	10	0	10
Natural Resources, Construction, Maintenance	2	0	2	2	0	2	2	0	2	3	0	3
Production, Transportation, Material Moving	0	0	0	0	0	0	0	0	0	0	0	0
Total	122	73	195	121	63	184	123	60	183	121	56	177

Please enter any explanatory notes in the box below

*The Maine Community College System has gone to a shared services Information Technology model. All IT staff are now employed by the System.

Standard 7: Institutional Resources
(Statement of Financial Position/Statement of Net Assets)

Fiscal Year ends - month & day: (06/30)		2 Years Prior (FY 2021)	1 Year Prior (FY 2022)	Most Recent Year (FY 2023)	Percent Change 2 yrs-1 yr prior 1 yr-most recent	
	ASSETS (in 000s)					
?	Cash and Short Term Investments	\$8,794,997	\$8,827,574	\$9,253,287	0.4%	4.8%
?	Cash held by State Treasurer				-	-
?	Deposits held by State Treasurer	\$80,292	\$65,975	\$103,381	-17.8%	56.7%
?	Accounts Receivable, Net	\$953,210	\$798,883	\$2,453,274	-16.2%	207.1%
?	Contributions Receivable, Net	\$447,229	\$1,141,145	\$375,578	155.2%	-67.1%
?	Inventory and Prepaid Expenses				-	-
?	Long-Term Investments	\$461,223	\$370,146	\$393,240	-19.7%	6.2%
?	Loans to Students				-	-
?	Funds held under bond agreement	\$288,679	\$294,894	\$304,005	2.2%	3.1%
?	Property, plants, and equipment, net	\$22,044,106	\$21,268,978	\$21,388,288	-3.5%	0.6%
?	Other Assets	\$42,908	\$12,150	\$11,466	-71.7%	-5.6%
	Total Assets	\$33,112,644	\$32,779,745	\$34,282,519	-1.0%	4.6%
	LIABILITIES (in 000s)					
?	Accounts payable and accrued liabilities	\$1,934,820	\$1,917,719	\$2,206,903	-0.9%	15.1%
?	Deferred revenue & refundable advances	\$576,679	\$463,679	\$578,835	-19.6%	24.8%
?	Due to state				-	-
?	Due to affiliates				-	-
?	Annuity and life income obligations				-	-
?	Amounts held on behalf of others				-	-
?	Long-term investments				-	-
?	Refundable government advances				-	-
?	Other long-term liabilities	\$4,041,763	\$2,822,848	\$3,246,918	-30.2%	15.0%
	Total Liabilities	\$6,553,262	\$5,204,246	\$6,032,656	-20.6%	15.9%
	NET ASSETS (in 000s)					
	Unrestricted net assets					
	Institutional	\$24,552,006	\$25,784,510	\$26,350,667	5.0%	2.2%
?	Foundation				-	-
	Total	\$24,552,006	\$25,784,510	\$26,350,667	5.0%	2.2%
	Temporarily restricted net assets					
	Institutional	\$1,727,368	\$1,510,913	\$1,618,902	-12.5%	7.1%
?	Foundation				-	-
	Total	\$1,727,368	\$1,510,913	\$1,618,902	-12.5%	7.1%
	Permanently restricted net assets					
	Institutional	\$280,008	\$280,076	\$280,294	0.0%	0.1%
?	Foundation				-	-
	Total	\$280,008	\$280,076	\$280,294	0.0%	0.1%
	Total Net Assets	\$26,559,382	\$27,575,499	\$28,249,863	3.8%	2.4%
	TOTAL LIABILITIES and NET ASSETS	\$33,112,644	\$32,779,745	\$34,282,519	-1.0%	4.6%

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 2021)	2 Years Prior (FY 2022)	Most Recently Completed Year (FY 2023)	Current Year (FY 23-24)	Next Year Forward (FY 24-25)
	OPERATING REVENUES (in 000s)					
?	Tuition and fees	\$4,669,986	\$4,610,082	\$5,323,135	\$5,810,101	\$6,003,406
?	Room and board	\$450,837	\$1,035,114	\$1,906,997	\$2,197,669	\$2,196,045
?	Less: Financial aid	-\$3,739,629	-\$4,043,432	-\$6,269,598	-\$4,709,753	-\$4,715,000
	Net student fees	\$1,381,194	\$1,601,764	\$960,534	\$3,298,017	\$3,484,451
?	Government grants and contracts	\$4,899,835	\$4,611,964	\$7,460,035	\$7,231,451	\$7,256,676
?	Private gifts, grants and contracts	\$476,142	\$510,591	\$589,726	\$595,032	\$580,432
?	Other auxiliary enterprises	\$66,427	\$45,450	\$74,419	\$75,328	\$76,492
	Endowment income used in operations					
?	Other revenue (specify):	\$450	\$28,711	\$24,079	\$25,024	\$26,784
	Other revenue (specify):	\$386,493	\$483,143	\$549,263	\$426,789	\$475,693
	Net assets released from restrictions					
	Total Operating Revenues	\$7,210,541	\$7,281,623	\$9,658,056	\$11,651,641	\$11,900,528
	OPERATING EXPENSES (in 000s)					
?	Instruction	\$8,648,422	\$7,979,559	\$9,956,896	\$10,404,956	\$10,873,179
?	Research					
?	Public Service	\$114,724	\$116,779	\$116,188	\$116,155	\$116,785
?	Academic Support	\$1,011,326	\$983,628	\$1,301,593	\$1,366,673	\$1,428,173
?	Student Services	\$2,454,261	\$2,096,971	\$2,642,618	\$2,774,749	\$2,899,613
?	Institutional Support	\$2,041,696	\$2,474,914	\$3,252,783	\$3,415,422	\$3,569,116
	Fundraising and alumni relations					
?	Operation, maintenance of plant (if not allocated)	\$1,751,940	\$1,770,631	\$1,973,455	\$2,062,260	\$2,155,062
?	Scholarships and fellowships (cash refunded by public institution)	\$871,384	\$3,552,965	\$589,688	\$616,224	\$590,000
?	Auxiliary enterprises	\$601,586	\$1,082,891	\$1,217,099	\$1,277,954	\$1,335,462
?	Depreciation (if not allocated)	\$1,573,861	\$1,694,793	\$1,641,524	\$1,593,713	\$1,575,084
?	Other expenses (specify):					
	Other expenses (specify):					
	Total operating expenditures	\$19,069,200	\$21,753,131	\$22,691,844	\$23,628,106	\$24,542,474
	Change in net assets from operations	-\$11,858,659	-\$14,471,508	-\$13,033,788	-\$11,976,465	-\$12,641,946
	NON OPERATING REVENUES (in 000s)					
?	State appropriations (net)	\$9,493,118	\$9,804,765	\$12,286,111	\$13,123,436	\$13,635,353
?	Investment return	\$405,077	-\$282,418	\$145,776	\$143,000	\$145,000
?	Interest expense (public institutions)	-\$126,374	-\$116,016	-\$105,436	-\$95,424	-\$89,367
	Gifts, bequests and contributions not used in operations	\$1,374	\$5,491	\$2,208	\$2,345	\$2,356
?	Other (specify): HEERF funding	\$3,803,123	\$4,826,919	\$1,601,185	\$0	\$0
	Other (specify):					
	Other (specify):					
	Net non-operating revenues	\$13,576,318	\$14,238,741	\$13,929,844	\$13,173,357	\$13,693,342
	Income before other revenues, expenses, gains, or losses	\$1,717,659	-\$232,767	\$896,056	\$1,196,892	\$1,051,396
?	Capital appropriations (public institutions)					
?	Other (specify):	\$1,480,719	\$662,841	\$461,416	\$516,088	\$537,309
	TOTAL INCREASE/DECREASE IN NET ASSETS	\$3,198,378	\$430,074	\$1,357,472	\$1,712,980	\$1,588,705

Standard 7: Institutional Resources
(Statement of Debt)

FISCAL YEAR ENDS month & day (06/30)			3 Years Prior (FY 2021)	2 Years Prior (FY 2022)	Most Recently Completed Year (FY 2023)	Current Year (FY 2024)	Next Year Forward (FY 2025)
		Long-term Debt					
		Beginning balance	\$3,769,804	\$3,570,041	\$3,360,414	\$3,139,689	\$2,909,099
		Additions	\$0	\$0	\$0	\$0	\$0
	?	Reductions	(\$199,762)	(\$209,627)	(\$220,725)	(\$230,590)	(\$244,277)
		Ending balance	\$3,570,041	\$3,360,414	\$3,139,689	\$2,909,099	\$2,664,822
		Interest paid during fiscal year	\$126,374	\$116,016	\$105,436	\$95,424	\$89,362
		Current Portion	\$209,627	\$220,725	\$232,401	\$244,277	\$256,153
		Bond Rating	A1	A1	A1	A1	A1
		Debt Service Coverage Operating Income / (Annual Interest + Current Portion of Debt)	-26.44	-31.53	-31.43	N/A	N/A
		Debt to Net Assets Ratio Long-tem Debt / Total Net Assets	0.15	0.13	0.10	N/A	N/A
		Debt to Assets Ratio Long-term Debt / Total Assets	0.11	0.10	0.09	N/A	N/A
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 instituiton). 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.							
Purchase cards issued by Bank of America 23 cards with limits totalling \$65,000. BOA would issue cards up to \$200,000 limit if requested. Amazon \$11,000, Lowe's \$40,000, Sam's Club \$20,000, Home Depot \$7,000. All cards from all vendors used for supplies, material or travel related to fulfilling the mission of EMCC.							
Future borrowing plans (please describe).							

**Standard 7: Institutional Resources
(Liquidity)**

FISCAL YEAR ENDS month & day (06/30)	3 Years Prior (FY 2021)	2 Years Prior (FY 2022)	Most Recently Completed Year (FY 2023)	Current Year (FY 2024)	Next Year Forward (FY 2025)
CASH FLOW					
Cash and Cash Equivalents beginning of year					
Cash Flow from Operating Activities					
Cash Flow from Investing Activities					
Cash Flow from Financing Activities					
Cash and Cash Equivalents end of year	\$0	\$0	\$0	\$0	\$0
LIQUIDITY RATIOS					
Current Assets	\$10,318,636	\$10,845,727	\$12,196,986	\$12,174,477	\$12,339,769
Current Liabilities	\$2,721,126	\$2,602,123	\$3,016,328	\$3,180,048	\$3,232,031
Current Ratio	3.79	4.17	4.04	3.83	3.82
Days Cash on Hand ((Cash and Cash Equivalents / [Operating Expenses + Depreciation and other noncash expenses]) / 365)					
Please enter any explanatory notes in the box below that may impact the institution's cash flow. Cash flow statements are produced at the system level and not college level.					
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 stat's authority. No, EMCC has not needed to access its restricted net assets or liquidate other financial assets to fund operations.					
Please enter any explanatory notes in the box below.					

Standard 7: Institutional Resources
(Supplemental Data)

FISCAL YEAR ENDS month & day (06/30)		3 Years Prior (FY 2021)	2 Years Prior (FY 2022)	Most Recently Completed Year (FY 2023)	Current Year (FY 2024)	Next Year Forward (FY 2025)
NET ASSETS						
	Net assets beginning of year	\$22,872,750	\$26,071,128	\$26,501,202	\$27,858,674	\$29,134,566
	Total increase/decrease in net assets	\$3,198,378	\$430,074	\$1,357,472	\$1,275,892	\$1,475,353
	Net assets end of year	\$26,071,128	\$26,501,202	\$27,858,674	\$29,134,566	\$30,609,919
FINANCIAL AID						
	Source of funds					
	Unrestricted institutional	\$415,114	\$327,507	\$213,972	\$325,000	\$350,000
	Federal, state and private grants	\$6,525,032	\$7,407,993	\$6,126,968	\$6,000,000	\$6,000,000
	Restricted funds	\$80,425	\$96,974	\$79,051	\$77,500	\$80,000
	Total	\$7,020,571	\$7,832,474	\$6,419,991	\$6,402,500	\$6,430,000
	% Discount of tuition and fees	3.8%	2.2%	2.2%	2.2%	2.2%
?	% Unrestricted discount	0.4%	0.5%	0.6%	0.6%	0.6%
	Net Tuition Revenue per FTE	\$1,251	\$1,210	\$1,215	\$1,200	\$1,200
?	FEDERAL FINANCIAL RESPONSIBILITY COMPOSITE SCORE	Scores are not required of public colleges.	na	na	na	
Please indicate your institution's endowment spending policy:						
5% of a 5 year market value average. Please note that the EMCC Foundation is a separate organization who's financial statements are not incorporated with the colleges.						
Please enter any explanatory notes in the box below.						

Standard 8: Educational Effectiveness
(Undergraduate Retention and Graduation Rates)

Student Success Measures/ Prior Performance and Goals		3 Years Prior	2 Years Prior	1 Year Prior	Current Year	Next Year Forward (goal)
		(FY 19-20)	(FY 20-21)	(FY 21-22)	(FY 22-23)	(FY 23-24)
IPEDS <u>Retention</u> Data						
Associate degree students <i>*see methodology</i>		59% FT, 29% PT	51% FT, 35% PT	56% FT, 29% PT	56% FT, 34% PT	57% FT, 36% PT
Bachelors degree students						
? IPEDS <u>Graduation</u> Data (150% of time)						
Associate degree students		26%	24%	30%	21%	26%
Bachelors degree students						
? IPEDS <u>Outcomes Measures</u> Data						
First-time, full time students						
Awarded a degree within six years		31%	32%	32%	32%	33%
Awarded a degree within eight years		32%	33%	33%	33%	35%
Not awarded within eight years but still enrolled		1%	1%	1%	1%	1%
First-time, part-time students						
Awarded a degree within six years		25%	17%	20%	20%	22%
Awarded a degree within eight years		28%	17%	23%	20%	23%
Not awarded within eight years but still enrolled		1%	1%	1%	1%	1%
Non-first-time, full-time students						
Awarded a degree within six years		38%	40%	43%	41%	43%
Awarded a degree within eight years		29%	40%	44%	42%	44%
Not awarded within eight years but still enrolled		1%	1%	1%	0%	1%
Non-first-time, part-time students						
Awarded a degree within six years		38%	30%	26%	27%	30%
Awarded a degree within eight years		39%	30%	27%	28%	30%
Not awarded within eight years but still enrolled		3%	2%	2%	1%	1%
? 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						
Retention rate listed separately for Full Time vs. Part Time entering students, reflecting the separation between the two groups on the IPEDS Fall Enrollment Survey.						
1 All categories reflect the IPEDS survey results reported during that academic year.						
2						

Note: complete this form for each distinct student body identified by the institution (See Standard 8.1)

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 19-20)	(FY 20-21)	(FY 21-22)	(FY 22-23)

? 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	ME Appliance Connection, Service Propane & Nat. Gas Tech	11	11	8	8	7	7	na	na
2	EMT	86	60	51	44	73	59	19	16
3	AEMT	27	24	29	26	9	9	7	7
4	Paramedic	10	10	6	6	7	6	na	na
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	ARRT (Medical Radiography)	12	14	8	8	14	16	12	9
2	NCLEX (Nursing)	25	25	43	37	38	30	29	29
3	CMA (AAMA) (Medical Assisting)	36	29	26	20	31	26	32	27
4	EPA 608 Certification (Ref, AC & Heating)	14	14	11	11	8	8	na	na
5	NBSTSA (Surgical Technology)	10	8	9	9	8	7	13	7
6									

? Job Placement Rates

	Major/time period	*	# of grads	# with jobs	# of grads	# with jobs	# of grads	# with jobs	# of grads	# with jobs
1	Medical Radiography/12 months		13	13	8	8	15	15	12	11
2	Medical Assisting/12 months		48	43	31	28	38	34	na	na
3	Ref., AC & Heating		8	8	11	11	7	7	9	7
4	Surgical Technology		10	10	9	9	8	8	13	13
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 2)	(FY2)	(FY 2)	(FY 2)	(FY 2)

? Completion Rates

1	N/A				
2					
3					
4					
5					

? Placement Rates

1	N/A				
2					
3					
4					
5					

Please enter any explanatory notes in the box below

EMCC does not offer short-term trainings that are eligible for federal financial aid.

Standard 8: Educational Effectiveness
(Student Success and Progress Rates and Other Measures of Student Success)

		Associate Cohort Entering	
Category of Student/Outcome Measure		6 years ago	4 years ago
First-time, Full-time Students			
Degree from original institution		30%	24%
Not graduated, still enrolled at original institution		1%	6%
Degree from a different institution		4%	1%
Transferred to a different institution		16%	10%
Not graduated, never transferred, no longer enrolled		49%	59%
First-time, Part-time Students			
Degree from original institution		21%	9%
Not graduated, still enrolled at original institution		1%	4%
Degree from a different institution		4%	0%
Transferred to a different institution		40%	22%
Not graduated, never transferred, no longer enrolled		33%	65%
Non-first-time, Full-time Students			
Degree from original institution		38%	47%
Not graduated, still enrolled at original institution		1%	1%
Degree from a different institution		11%	3%
Transferred to a different institution		18%	10%
Not graduated, never transferred, no longer enrolled		32%	39%
Non-first-time, Part-time Students			
Degree from original institution		26%	29%
Not graduated, still enrolled at original institution		4%	7%
Degree from a different institution		14%	2%
Transferred to a different institution		20%	16%
Not graduated, never transferred, no longer enrolled		36%	46%

Measures of Student Achievement and Success/Institutional Performance and Goals			
	3 Years Prior	Current Year	Next Year Forward (goal)
	(FY 20-21)	(FY 23-24)	(FY 24-25)

Success of students pursuing higher degrees (add more rows as needed; add definitions,

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 9: Integrity, Transparency, and Public Disclosure
(Integrity)**

? Policies	Last Updated	? Website location where policy is posted	Responsible Office or Committee
Academic honesty	June 2023	https://mymccs.me.edu/ICS/MCCS	MCCS
Intellectual property rights	June 2009	https://mymccs.me.edu/ICS/MCCS	MCCS
Conflict of interest	June 2009	https://mymccs.me.edu/ICS/MCCS	MCCS
Privacy rights	July 2005	https://intranet.emcc.edu	College Senate
Fairness for students	June 2009	https://mymccs.me.edu/ICS/MCCS	MCCS
Fairness for faculty	June 2009	https://mymccs.me.edu/ICS/MCCS	MCCS
Fairness for staff	June 2009	https://mymccs.me.edu/ICS/MCCS	MCCS
Academic freedom	January 2007	https://mymccs.me.edu/ICS/MCCS	Faculty Senate
Research	June 2009	https://mymccs.me.edu/ICS/MCCS	MCCS
Title IX	August 2023	https://mymccs.me.edu/ICS/MCCS	MCCS
Other; specify			

MCCS #410

MCCS #202

Non-discrimination policies

Recruitment and admissions	August 2023	https://www.emcc.edu/discover-	Human Resources
Employment	August 2023	https://www.emcc.edu/discover-	Human Resources
Evaluation	Varies	Collective Bargaining Agreements	MCCS/Labor
Disciplinary action	Varies	Collective Bargaining Agreements	MCCS/Labor
Advancement	Varies	Collective Bargaining Agreements	MCCS/Labor
Other; specify			

Resolution of grievances

Students	2017	https://www.emcc.edu/?s=student	Student Affairs
Faculty	2021	Collective Bargaining Agreements	MCCS/Labor
Staff	2021	Collective Bargaining Agreements	MCCS/Labor
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.emcc.edu/discover-emcc/overview/contact/
Notice of availability of publications and of audited financial statement or fair summary	https://www.emcc.edu/discover-emcc/overview/student-right-to-know/
Processes for admissions	https://www.emcc.edu/admissions/admissions/apply/
Processes for employment	https://www.paycomonline.net/v4/ats/web.php/jobs?clientkey=63ECAB478B34C12845EA27D81D92E35F
Processes for grading	College Catalog Course Syllabi
Processes for assessment	Course Syllabi
Processes for student discipline	https://www.emcc.edu/student-life/resources/student-handbook/
Processes for consideration of complaints and appeals	https://www.emcc.edu/discover-emcc/overview/student-right-to-know/complaint-and-grievance-process-2/

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.

[illegible]

Date of last review of:	
Print publications	August 2023 (Annually)
Digital publications	August 2023 (Annually)

Please enter any explanatory notes in the box below

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Standard 9: Integrity, Transparency, and Public Disclosure (Public Disclosure)

Information	Website location
Institutional catalog	https://www.emcc.edu/academics/programs/catalog/
Obligations and responsibilities of students and the institution	https://www.emcc.edu/student-life/resources/student-handbook/
Information on admission and attendance	https://www.emcc.edu/admissions/
Institutional mission and objectives	https://www.emcc.edu/discover-emcc/overview/mission-vision/
Expected educational outcomes	https://www.emcc.edu/academics/programs/catalog/
Status as public or independent institution; status as not-for-profit or for-profit; religious affiliation	https://www.emcc.edu/discover-emcc/overview/accreditation/
Requirements, procedures and policies re: admissions	https://www.emcc.edu/admissions/admissions/prepare/
Requirements, procedures and policies re: transfer credit	https://www.emcc.edu/admissions/admissions/prepare/transfer-credit/
A list of institutions with which the institution has an articulation agreement	https://www.emcc.edu/beyond-emcc/transfer-agreements/
Student fees, charges and refund policies	https://www.emcc.edu/admissions/paying-for-college/tuition-fees/
Rules and regulations for student conduct	https://www.emcc.edu/student-life/resources/student-handbook/
Procedures for student appeals and complaints	https://www.emcc.edu/student-life/resources/student-handbook/
Other information re: attending or withdrawing from the institution	https://www.emcc.edu/academics/programs/courses/
Academic programs	https://www.emcc.edu/academics/programs/programs-of-study/
Courses currently offered	https://www.emcc.edu/academics/programs/courses/
Other available educational opportunities	https://www.emcc.edu/workforce-development/
Other academic policies and procedures	https://www.emcc.edu/academics/programs/catalog/
Requirements for degrees and other forms of academic recognition	https://www.emcc.edu/academics/programs/catalog/
List of continuing faculty, indicating department or program affiliation, degrees held, and institutions granting them	https://www.emcc.edu/academics/programs/catalog/
Names and positions of administrative officers	https://www.emcc.edu/academics/programs/catalog/
Names, principal affiliations of governing board members	https://www.mccs.me.edu/about-mccs/system-office/board-of-trustees/board-membership-2/
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.emcc.edu/discover-emcc/emcc/other-centers/
Programs, courses, services, and personnel not available in any given academic year.	Programs tagged in College Catalog (NA for 2023)
Size and characteristics of the student body	https://nces.ed.gov/collegenavigator/?q=eastern+maine&s=all&id=161138
Description of the campus setting	https://www.emcc.edu/discover-emcc/emcc/campus/
Availability of academic and other support services	https://www.emcc.edu/academics/
Range of co-curricular and non-academic opportunities available to students	https://www.emcc.edu/student-life/
Institutional learning and physical resources from which a student can reasonably be expected to benefit	https://www.emcc.edu/student-life/
Institutional goals for students' education	https://www.emcc.edu/academics/programs/programs-of-study/
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.emcc.edu/discover-emcc/overview/institutional-research/
Total cost of education and net price, including availability of financial aid and typical length of study	https://nces.ed.gov/collegenavigator/?q=eastern+maine&s=all&id=161138
Expected amount of student debt upon graduation and loan payment rates	https://collegescorecard.ed.gov/school/?161138-Eastern-Maine-Community-College
Statement about accreditation	https://www.emcc.edu/discover-emcc/overview/accreditation/

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:	https://www.emcc.edu/academic/programs/programs-of-study/ College Catalog p. 56	Program coursework Licensure/Certification exams	Annually by the faculty	<ul style="list-style-type: none"> ELO assessment has been moved from general education coursework to program coursework; the Director of Learning and Assessment is currently assisting programs in developing and piloting their ELO assessments with full assessment methods anticipated being in place within two years Examination of English and math pathways in an effort to increase the percentage of students successfully completing gateway courses The Brightspace learning management system is now used by all faculty to provide students consistent online coursework, as well as to take advantage of the LMS's limited data collection abilities 	

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

				<ul style="list-style-type: none"> • The Office of Institutional Research is working with the Director of Learning and Assessment to develop a more robust ELO data reporting method that compensates for the shortfalls of Brightspace • Anthology, a new student information management system, has been adopted to provide EMCC and the MCCS with a better data-gathering and analysis tool • All faculty are encouraged to use the MCCS's <i>Online Course Design Standards Guide</i> to provide high-quality online education • Faculty workshops/brown bags focused on best practices in assessment and course design are offered through the HUB 	
For general education if an undergraduate institution:	https://www.emcc.edu/academics/programs/programs-of-study/liberal-studies/ College Catalog p. 112	Assignments, papers, and projects using rubrics created by MCCS	Annually by the faculty	<ul style="list-style-type: none"> • See Liberal Studies 	September 2020

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

<p>List each degree program:</p> <p>Building Construction</p> <p>A.A.S. Certificate</p>	<p>https://www.emcc.edu/academics/programs/programs-of-study/building-construction/</p> <p>College Catalog p. 61</p>	<p>ELOs: In development</p> <p>PLOs: Examination questions, projects, and layout exercises</p>	<p>Annually by the faculty</p>	<ul style="list-style-type: none"> • The integration of continuous newly introduced industry accepted fabrication, finishing methods and products • In BCT266, it was determined that students needed to have more practice in estimating materials and labor costs for major projects and as a result, the instructor added an additional assignment that provided students with step by step instructions • In BCT152, the instructor created a project with more depth and technicality to ensure that students could meet industry standards 	<p>September 2021</p>
<p>Business Management</p> <p>A.A.S. Certificate</p>	<p>https://www.emcc.edu/academics/programs/programs-of-study/business-management/</p> <p>College Catalog p. 64</p>	<p>ELOs: In development</p> <p>PLOs: Reflective thinking exercises, accounting problems, and marketing project</p>	<p>Annually by the faculty</p>	<ul style="list-style-type: none"> • Approved by NECHE to offer more than 50% of program online to better meet student and area business needs. 	<p>April 2019</p>
<p>Career Studies</p> <p>A.A.S.</p>	<p>https://www.emcc.edu/academics/programs/programs-of-study/career-studies/</p> <p>College Catalog p. 69</p>	<p>ELOs: Portfolio Projects guided by MCCS Rubrics</p> <p>PLOs: Assignments, Exam questions, reports, and presentations.</p>	<p>Annually by the faculty</p>	<ul style="list-style-type: none"> • New program – assessment efforts are now underway 	<p>Program began in September 2022; Review Scheduled for September 2027</p>

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

<p>Computer Technology</p> <p>A.A.S. Coding Option A.A.S. Networking Option 1-year Certificate (Coding and Networking) Advanced Certificate in Coding</p>	<p>https://www.emcc.edu/academics/programs/programs-of-study/computer-systems-technology/</p> <p>College Catalog p. 71</p>	<p>ELOs: Capstone project</p> <p>PLOs: Capstone project</p>	<p>Annually by the faculty</p>	<ul style="list-style-type: none"> Curriculum constantly reviewed and updated to make sure the program stays relevant as technology moves at the speed of light 	<p>November 2019 (Sept 27, 2023)</p>
<p>Criminal Justice</p> <p>A.A.S. Certificate</p>	<p>https://www.emcc.edu/academics/programs/programs-of-study/criminal-justice/</p> <p>College Catalog p. 76</p>	<p>ELOs: Capstone Assessments</p> <p>PLOs: Application exercises, research project and presentation, exam questions, assignments, criminological analysis project, and interview project</p>	<p>Annually by the faculty</p>	<ul style="list-style-type: none"> Added and enhanced existing application exercises in CRJ 101, CRJ 113, CRJ 205, CRJ 232, and CRJ 260 Embedded the criminological analysis project in a longitudinal analysis of crime issues in public housing Changed CRJ 201 to a hybrid model to accommodate broader interview panels statewide Moved toward a more uniform use of oral examinations for select assessments in CRJ 101, CRJ 113, CRJ 121, CRJ 131, and CRJ electives Developed uniform rubrics for all practical assessments in the department 	<p>March 2021</p>

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<p>Culinary Arts</p> <p>A.A.S. Certificate</p>	<p>https://www.emcc.edu/academics/programs/programs-of-study/culinary-arts/</p> <p>College Catalog p. 79</p>	<p>ELOs: Externship portfolio and presentation</p> <p>PLOs: Market basket assignment, final exam questions, capstone project, employment portfolio project, semester project, and beverage service skills</p>	<p>Annually by the faculty</p>	<ul style="list-style-type: none"> • Created the Culinary Arts Instruction I & II labs to provide students additional practice in hard skills; • Reorganized Culinary Arts I & II labs and broke curriculum down into micro-credentials to provide students with additional practice time in the kitchen, as well as increased menu development, and recipe writing practice; • Changed the assessment method for one PLO from a mock interview to a full employment portfolio project to better measure a more diverse range of employability skills; • Additional practice and class tools employed in the practice of nutrition analysis and dietary consideration 	<p>November 2020</p>
<p>Diesel, Truck & Heavy Equipment</p> <p>A.A.S. Certificate</p>	<p>https://www.emcc.edu/academics/programs/programs-of-study/diesel-truck-heavy-equipment/</p> <p>College Catalog p. 83</p>	<p>ELOs: In development</p> <p>PLOs: Competency-based task lists</p>	<p>Annually by the faculty Annual AED assessment test</p>	<ul style="list-style-type: none"> • Changed assigned tasks • Changed time spent on modules • Used CDX tests 	<p>March 2022</p>

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

Digital Graphic Design A.A.S. Certificate	https://www.emcc.edu/academics/programs/programs-of-study/digital-graphic-design/ College Catalog p. 86	ELOs: In development PLOs: Poster project, fantasy/surreal project, webpage mock up, card and package design projects, and small book design project	Annually by the faculty	<ul style="list-style-type: none"> • Changing assignments given or an assignment's instructions • Changing the order assignments are given • Dropping outdated course requirements and adding new courses that are more relevant to the needs of students and the community such as Marketing Communications and Time-Based Media • Internships have also been incorporated into the curriculum to provide students with invaluable experience in the field 	January 2023
Early Childhood Education A.A.S. Certificate	https://www.emcc.edu/academics/programs/programs-of-study/early-childhood-education/ College Catalog p. 89	ELOs: Field Placement III portfolio PLOs: Learning plans, competency #, individual development profile, learning plans, and competency #5	Annually by the faculty	<ul style="list-style-type: none"> • Revise assignments as needed based on student feedback and successful completion rates • Revise courses to better address outcomes • Revise course sequencing to better support scaffolded learning • Revise program structure and sequence based on feedback from advisory board and changes in external certification requirements 	June 2023
Education – Elementary Education A.A.S.	https://www.emcc.edu/academics/programs/programs-of-study/education-elementary-education-k-8-option/ College Catalog p. 93	ELOs: Field Placement III portfolio PLOs: InTASC Standards 1, 2, 3, 6, 7, 8, lesson plans, InTASC Self-Assessment, InTASC Final Reflection	Annually by the faculty	<ul style="list-style-type: none"> • Revise assignments as needed based on student feedback and successful completion rates • Revise courses to better address outcomes • Revise course sequencing to better support scaffolded learning • Revise program structure and sequence based on feedback from advisory board and changes in external certification requirements 	January 2021

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

Education – Career and Technical Education Certificate	https://www.emcc.edu/academics/programs/programs-of-study/education-career-technical-education-option/ College Catalog p. 92	ELOs: In development PLOs: Unit Plan Assignment	Annually by the faculty	<ul style="list-style-type: none"> • Revise assignments as needed based on student feedback and successful completion rates • Revise courses to better address outcomes • Revise course sequencing to better support scaffolded learning • Revise program structure and sequence based on feedback from advisory board and changes in external certification requirements • Major overhaul of program delivery for 2024 based on stakeholder feedback (CTE directors, MACTE, State Board of Education) 	January 2021
Education – Secondary Education A.A.S.	https://www.emcc.edu/academics/programs/programs-of-study/education-secondary-education-7-12-option/ College Catalog p. 95	ELOs: In development PLOs: Portfolio, diversity assignment and reflection, developmental profile, competency #1, and mentor evaluation	Annually by the faculty	<ul style="list-style-type: none"> • Revise assignments as needed based on student feedback and successful completion rates • Revise courses to better address outcomes • Revise course sequencing to better support scaffolded learning • Revise program structure and sequence based on feedback from advisory board and changes in external certification requirements 	January 2021

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Electrical Automation Technology A.A.S. Certificate	https://www.emcc.edu/academics/programs/programs-of-study/electrical-automation-technology/ College Catalog p. 97	ELOs: In development PLOs: Final exams, Fluid Power final project, and CareerSafe credential	Annually by the faculty	<ul style="list-style-type: none"> • Created more practice problems, set them up to be instantly graded with feedback • Improve delivery methods to improve educational effectiveness with new Learning Management Systems, currently using 11 software packages and applications to deliver course work, have trialed over 30 others, and continuously looking for something better • Continue to enhance network training and associated lab equipment for industrial Ethernet, Profibus, Modbus, Devicenet, and other OPC industrial communications networks. 	March 2023
Fine Woodworking and Cabinet Making A.A.S. Certificate	https://www.emcc.edu/academics/programs/programs-of-study/fine-woodworking-cabinet-making/ College Catalog p.104	ELOs: in development PLOs: Capstone project, WCA assessments, and other projects	Annually by the faculty	<ul style="list-style-type: none"> • Program faculty attended an MCCS assessment presentation on Friday, October 22, and as a result have plans to review and rewrite the program learning outcomes, develop an updated mapping document, overall assessment plan to ensure that the data collected can be used to improve teaching and learning 	September 2021

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

<p>Fire Science Technology</p> <p>A.A.S. Certificate</p>	<p>https://www.emcc.edu/academics/programs/programs-of-study/fire-science-technology/</p> <p>College Catalog p. 106</p>	<p>ELOs: In development</p> <p>PLOs: Capstone project, system overview project, pre-plan project</p>	<p>Annually by the faculty</p>	<ul style="list-style-type: none"> • The curriculum was restructured to start students in highly focused Workforce Development training that generates employable candidates quickly. Then, students are able to further their education through stackable credentials and support promotion to higher ranks within the service. • New courses created include FIR 107/108/109 Fire Apparatus Operation and Maintenance (Equivalent to MFSI EVOC/AVOC, and MFSI Pump Operator, and a cross-disciplinary course with Diesel/HE for basic maintenance and troubleshooting) • Courses which will be replaced and removed from the curriculum: • CHE 103 is redundant to FIR 131 and no longer needed. • FIR 105 is replaced by FIR 140 which is transferable to SMCC if needed. • FIR 260 is replaced by FIR 261/262, which are more extensive and developed to follow the NFPA qualifications for fire officers. 	<p>April 2021</p>
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E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

Human Services A.A.S. Certificate	https://www.emcc.edu/academics/programs/programs-of-study/human-services/ College Catalog p. 109	ELOs: In development PLOs: Capstone project	Annually by the faculty	<ul style="list-style-type: none"> The assessments provided data which informed PLO areas in need of addressing. An example it was found that students were ill-equipped with research and critical thinking skills necessary to acquire for working in the field. Our curriculum was revised to include educating students on how to research, write in correct APA 7 style (needed for human services careers), and how to critically think and problem solve probable client issues and how to support those clients through ways that encourage empowerment and independence. 	November 2021
Liberal Studies (General Education) A.A.	https://www.emcc.edu/academics/programs/programs-of-study/liberal-studies/ College Catalog p. 112	ELOs: In development PLOs: Assignments, exam questions, reports, and presentations	Annually by the faculty	<ul style="list-style-type: none"> Divided the program with the Career Studies program to focus Liberal Studies more directly on students seeking transfer 	September 2020
Medical Office Technology A.A.S. Certificate	https://www.emcc.edu/academics/programs/programs-of-study/medical-office-technology/ College Catalog p. 117	ELOs: In development PLOs: Projects, exam questions, simulations, and writing assignments	Annually by the faculty	<ul style="list-style-type: none"> Revised curriculum to offer certificate level Suspended AAS degree Focus on skills for employment Revised/updated course curriculum & objectives Offer badging opportunities/short term training w/B&I Combined courses/curriculum; removed outdated courses 	September 2022

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

Plumbing Certificate	https://www.emcc.edu/academics/programs/programs-of-study/plumbing/ College Catalog p. 125	ELOs: In development PLOs: Labs, exam questions, practical exams, and projects	Annually by the faculty	<ul style="list-style-type: none"> • New program – assessment efforts are now underway 	Program began in Fall 2017; Reviewed Scheduled for 2025
Refrigeration, Air Conditioning and Heating A.A.S. Certificate	https://www.emcc.edu/academics/programs/programs-of-study/refrigeration-air-conditioning-heating/ College Catalog p. 126	ELOs: In development PLOs: Labs, quiz questions, practical exams, troubleshooting labs, and piping projects	Annually by the faculty	<ul style="list-style-type: none"> • Providing more assignments that emphasize troubleshooting accuracy, procedures, and documentation. • Also providing more class time and projects aimed at giving students additional instruction and practice time on topics covered in the certification and professional licensure exams. 	April 2020
Restaurant and Food Service Management A.A.S.	https://www.emcc.edu/academics/programs/programs-of-study/restaurant-food-service-management/ College Catalog p. 129	ELOs: In development PLOs: Semester project, employment portfolio project, marketing project	Annually by the faculty	<ul style="list-style-type: none"> • Created the Culinary Arts Instruction I & II labs to provide students additional practice in hard skills; • Reorganized Culinary Arts I & II labs and broke curriculum down into micro-credentials to provide students with additional practice time in the kitchen, as well as increased menu development, dietary analysis, and recipe writing practice; • Changed the assessment method for one PLO from a mock interview to a full employment portfolio project to better measure a more diverse range of employability skills; 	November 2020

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

Welding Technology A.A.S. Certificate	https://www.emcc.edu/academics/programs/programs-of-study/welding-technology/ College Catalog p. 134	ELOs: In development PLOs: Certification exams, practical demonstrations	Annually by the faculty	<ul style="list-style-type: none"> The department instituted a tiered testing format that allows students to Take the welding certification test when they are ready. This has increased the pass rates by 10 to 15 percent. 	June 2022
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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.

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.
Automotive Technology A.A.S. Certificate ASE Education Foundation	2.5 Year Review 2022	Concerns about facilities were raised during the self-study, however no recommendations were officially made.	ASE entry-level exams in the following areas: <ul style="list-style-type: none"> Maintenance and light repair Engine performance Automobile service technology Automatic transmission and transaxle Brakes Engine repair Manual drive train and axles Suspension and steering Electrical/electronic systems Heating and air conditioning 	Accreditation Renewal Due Feb 2024

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

<p>Emergency Medical Services</p> <p>A.A.S. Certificate</p> <p>Commission on Accreditation of Allied Health Education Programs (CAAHEP)</p> <p>State of Maine, Bureau of EMS</p>	<p>Self-Study and comprehensive site visit completed in 2019</p>	<p>No issues were identified.</p>	<p>Accreditation benchmarks include:</p> <ul style="list-style-type: none"> • 70% pass rate on licensure examinations • 70% retention of students 	<p>Self-Study Due 2024 Site Visit 2025</p>
<p>Medical Assistant Technology</p> <p>A.A.S. Certificate</p> <p>Commission on Accreditation of Allied Health Education Programs (CAAHEP)</p>	<p>Self-Study and Comprehensive Site visit completed in 2019</p>	<p>No concerns, no deficiencies were found. Program was praised for the excellent report and organization of the program documents.</p>	<p>Outcomes assessments include:</p> <ul style="list-style-type: none"> • National credentialing examination passage rates • Retention/attrition rates • Graduate satisfaction • Employer satisfaction • Job placement • Other summative measures <p>Graduates are eligible to sit for the American Association of Medical Assistants (AAMA) exam</p>	<p>Next Accreditation review due in Fall 2028</p>
<p>Medical Radiography</p> <p>A.S.</p> <p>Joint Review Committee on Education in Radiologic Technology</p>	<p>6/1/2021 – Interim report – maintenance of accreditation for 8 years.</p>	<p>No issues were identified. The program was commended for the quality and organization of its interim report.</p>	<p>Students will demonstrate clinical competence</p> <ul style="list-style-type: none"> • Students will demonstrate knowledge of imaging principles – technical selection • Students will demonstrate competence in positioning skills • Students will provide patient care essential to medical imaging procedures 	<p>Site visit scheduled for the first quarter of 2025.</p>

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			<ul style="list-style-type: none"> • Students will demonstrate radiation protection • Students will demonstrate competence in routine surgical procedures <p>Students will demonstrate professionalism</p> <ul style="list-style-type: none"> • Students will demonstrate professional behavior • Students will demonstrate good attendance and punctuality practices <p>Students will demonstrate problem-solving and critical thinking skills</p> <ul style="list-style-type: none"> • Students will demonstrate the ability to adapt for the trauma patient • Students will demonstrate the ability to evaluate radiographic images <p>Students will demonstrate effective communication skills</p> <ul style="list-style-type: none"> • Students will communicate effectively in the healthcare community • Students will demonstrate the ability to convey their ideas using speech, graphics and writing <p>Program effectiveness:</p> <ul style="list-style-type: none"> • Retention rate • Job placement rate within 12 months of graduation • ARRT examination pass rate • Graduate satisfaction • Employer satisfaction 	
Nursing A.A.S.	2/2020 was last site visit; Annual report survey completed	Recommendation included to increase faculty numbers otherwise received accolades for well-designed program.	The ACEN self-study report is based on six standards that detail 49 criteria.	ACEN sites visit anticipated Feb 2028.

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Accreditation Commission for Education in Nursing	10/22 for interim action.		<p>The self-study outlines how the six standards are met:</p> <ul style="list-style-type: none"> • Mission and administration capacity • Faculty and staff • Students • Curriculum • Resources • Outcomes <p>Program assessment is continually reviewed and solicits external feedback from students, clinical instructors, and stakeholders to make program improvements. Outcomes included:</p> <ul style="list-style-type: none"> • Performance on licensure exam • Program completion • Program satisfaction • Job placement 	Next Annual Survey Report anticipated 10/23.
Nursing A.A.S. Maine State Board of Nursing	2020	Waiver of site evaluation approved based on ACEN report.	Data from ACEN self-study	Next due 2028
Surgical Technology A.A.S. Accreditation Review Council on Education in Surgical Technology and Surgical Assisting (ARCST/SA) Commission on Accreditation of Allied Health Education Programs (CAAHEP)	<p>May 19, 2017- Awarded continuing accreditation by CAAHEP and ARC/STSA</p> <p>Annual report submitted to ARC/STSA July 2023</p>	<p>Enrollment and retention are areas of concern for the program as seen on the last annual report.</p> <p>We started each cohort under maximum enrollment numbers. Our enrolled number of students was 21 out of 32 available “seats.” Our retention rate was also lower than desired. 13 students ended up finishing the program out of the 21 that started.</p> <p>This differs from previous years mainly because we added the second cohort to suffice a workforce initiative. We will not continue the workforce cohort to correct the low retention and enrollment issue.</p>	<p>The annual ARCST/SA report assesses how the program meets criteria in the following areas:</p> <ul style="list-style-type: none"> • NBSTSA certification exam pass rate • Retention rate • Graduate satisfaction • Employer satisfaction • Graduate placement 	<p>Next site visit expected 2027</p> <p>Next annual report to be submitted in July 2024</p>

E-SERIES FORMS: MAKING ASSESSMENT MORE EXPLICIT

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*Record results of key performance indicators in form 8.3 of the Data First Forms.

Institutions selecting E1b should also include E1a.