The mission of Mott Community College is to provide high quality, accessible, and affordable educational opportunities and services that cultivate student success and individual development and improve the overall quality of life in a multicultural community.
AGENDA

I. CALL TO ORDER

II. ADDITIONS TO THE AGENDA

III. ADOPTION OF THE AGENDA

IV. SPECIAL PRESENTATIONS
   1.08 Recognition of Contributions of Paul V. Gadola

   Bond Refunding/Credit Rating Update
   - Larry Gawthrop, Chief Financial Officer

   Water Quality Update
   - Scott Jenkins, Vice-President, Student & Administrative Services

V. COMMUNICATIONS

VI. COMMENTS FROM THE PUBLIC

VII. APPROVAL OF MINUTES
    Approval of Regular Meeting Minutes of December 15, 2014

VIII. INFORMATIONAL REPORTS
    Acceptance of Standing Board Committee Reports:
    1. Personnel (Joseph, Norwood, Turner)
    2. Finance/Audit (Koegel, Freeman, Snell)

IX. UNFINISHED BUSINESS

X. NEW BUSINESS
   Consent Agenda:
   1.09 Treasurer’s Report for December 2014

   Individual Items:
   1.10 Southern Lakes Branch Center (SLBC) East Chiller #2 Replacement

XI. ADMINISTRATIVE ITEMS
    President’s Report

XII. MISCELLANEOUS BUSINESS
    Comments from Board Members

XIII. EXECUTIVE SESSION

ADJOURNMENT
Mott Community College is committed to its mission, to provide high quality, accessible, and affordable educational opportunities and services that cultivate student success and individual development and improve the overall quality of life in a multicultural community. Accomplishing this task requires the assistance of dedicated members of the community, including those that choose to make public service their life’s vocation.

Paul Gadola was such a person.

A native son of Flint, Paul Gadola attended Flint Junior College, and later Michigan State University, graduating in 1951. Two years later he received his law degree from University of Michigan-Ann Arbor. From 1953 to 1955, he dutifully served his country as a member of the United States Army, and then returned to the Flint area to open a private law practice. Mr. Gadola was part of Mott Community College’s first-elected Board of Trustees in 1969, and faithfully served for 20 years, which included a term as Chair from 1983-1989.

On April 23, 1987, President Ronald Reagan nominated Mr. Gadola to serve on the bench, as a judge with the U.S. District Court for the Eastern District of Michigan. This nomination was confirmed in October of the next year, and Mr. Gadola became Judge Gadola, and for another 20 years, maintained a full caseload, and served as a living testament to the highest notions of justice and honor. This new appointment did not diminish his commitment to the College, as he timed his resignation from the Board with his federal swearing in, which also took place at the College.

In addition to his service to the U.S. District and to the College, Judge Gadola was a civic leader of the highest caliber, as evidenced by his participation in groups such as the Urban League of Flint, Cystic Fibrosis Research Foundation of Genesee County, March of Dimes of Genesee County, and he was a founding member of the American Civil Liberties Union of Michigan Greater Flint Branch. With each organization, Judge Gadola’s vision and leadership provided inspiration to thousands of people not just in Genesee County, but throughout the state and nation as well. To many, he has been a role model, an inspiration, and a shining example of the best our society has to offer.

Through his many roles—Judge, Trustee, husband, father, colleague, friend—Judge Gadola’s legacy will be defined by his compassion, empathy, and devotion to improving the quality of life for all those with whom he came into contact.

With his passing on December 26, 2014, the College and community lost a great friend.

On the basis of the preceding information,

Be it Resolved, That

The Charles Stewart Mott Community College Board of Trustees

Expresses its deep appreciation for the accomplishments and contributions Paul V. Gadola made to the College and the residents of the College District, and extends its sincere sympathy to his family during this time.
1.09 Treasurer’s Report for December 2014

This resolution is recommended.

Be it Resolved, That

The Charles Stewart Mott Community College Board of Trustees

Accepts the financial report of the College for the month of December 2014 as presented by the Administration.

Reviewed and Submitted By:

______________________________  __________________________
Lawrence A. Gawthrop               Date: January 26, 2015
Chief Financial Officer

Board Policy Statement Reference: 3100 – Budget Adoption
General: The annual budget represents the programmatic direction and vision of the College. It is also designed to meet both the legal requirements and needs of the College.
December Treasurer’s Report

Larry Gawthrop, CPA
Chief Financial Officer

January 26, 2015

Summary of Expenditures:

Month of December’s Spending:

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$5,835,067</td>
</tr>
<tr>
<td>All Other Funds</td>
<td>$3,701,356</td>
</tr>
<tr>
<td>Total</td>
<td>$9,536,423</td>
</tr>
</tbody>
</table>

Comments on General Fund Financial Statements:

- **Statement of Revenues, Expenditures and Changes in Net Assets**

In summary, total revenues for the six months ended December 31, was approximately $43.9 million, representing 58.2% of the annual budget, compared to 57.3% in the prior year. The most significant changes are in the **Tuition and fees**, **State appropriations**, and **Property taxes** which are discussed further below. Expenditures for the six months ended were $35.3 million, which represents 46.8% of the annual budget, .5% higher than it was one year ago, due in large part to the combination of the UAAL payment to ORS offset by savings in **Salaries and wages**.

**Revenues**

*Tuition and fees* revenues are $29.3 million and while it is roughly $108 thousand more than last year, it is 3% lower than compared to initial projections. This is attributable to the fall enrollment being less than originally budgeted. Once the enrollment for the winter term is known, we will incorporate the overall financial impact in the February budget amendment.

*Property taxes* collected are roughly $7.5 million. The amount budgeted is $17.3 million, the same as it was in the 2013-2014 fiscal year and is based on final taxable value figures provided by the Genesee County Equalization Department.

*State appropriations* payments for FY 2014-15 are paid in eleven monthly installments starting with October. The total budgeted amount for the current fiscal year is $15.7 million or roughly $400 thousand (2.7%) more than last year excluding the UAAL stabilization pass-through. We received our December payment as expected.
Expenditures

*Salaries and Wages* are nearly $17.5 million, or 43.4% of the annual budget, 2.2% lower than it was one year ago, when we were at 45.6% of the budget. The decrease is attributable to the lower enrollment and continued holds on vacant positions.

*Fringe Benefits* are at $8.6 million, or 48.7% of the budgeted amount compared to 44.2% of the budget one year ago. The increase in this line item is directly attributed to the UAAL stabilization payment received by the State of Michigan that is directly remitted to the Office of Retirement Services (ORS) for the unfunded portion of the retirement obligation.

Other Expenditures
A majority of the changes in the Other Expenses area for December are due in large part to timing differences of invoices from receipt and vouchering of invoices from last year as well as a change in the recognition of prepaids from monthly to once a year. In addition, there continues to be an increase in the contracted services line item especially in the area of boiler maintenance. Finally, the transfers were made earlier in this year when compared to the previous year.

- **Balance Sheet**

  **Total Assets** are at approximately $20.9 million, up $498 thousand from last December. The largest differences are a $2.6 million decrease in *Cash and cash equivalents*, a $2.6 million increase in *Due from other funds* and a $615 thousand increase in *Accounts receivable*. The Accounts receivable increase is due to an increase in tuition revenue when compared to the prior year and less of an allowance needed due to better collection and student accounts receivable management.

  **Due to/Due from Other Funds** The College maintains one checking account for all of its funds; deposits and disbursements. This necessitates the short-term “loaning” or “borrowing” between the funds throughout the year depending on which funds revenue or expenditures are being deposited or paid out. Each month the accounting department clears these “due to’s” and “due from’s” respectively assigning the activity to the proper fund. However, significant activity can occur after these transfers are completed, causing large variances when compared to the previous period.

  At roughly $6 million, **Total Liabilities** are the $300 thousand greater than the prior year. The most significant changes were increases in *Accounts payable* and *Accrued payroll and related liabilities* and a decrease in *Other accrued liabilities*. The Accounts payable and accrued payroll were related to timing of vendor payments and increase in the employer health insurance expenses and the other accrued liabilities were due to an overall reduction in the valuation we recorded for past property tax refund obligations.
Comments on spending from other funds:

- Of the roughly $3.7 million expended in the other funds, $142 thousand was expended out of the Maintenance and Replacement funds, $74 thousand out of the Bond funds, $232 thousand out of the 78 reserve account for the Lapeer installment purchase, $195 thousand out of the Debt retirement funds for the annual amortization for the discount on the bonds and the remaining $3.1 million out of the Agency, Scholarships, and Federal Grants, for grant activities and student scholarships.
### Mott Community College

**General Fund**

Statement of Revenues, Expenditures and Changes in Net Assets - Modified Accrual

For the 6 Months Ended December 31, 2014

With Comparative Totals at December 31, 2013

<table>
<thead>
<tr>
<th>FY 2014-2015 Budget YTD Actuals as of 12/31/14</th>
<th>YTD Actuals as of 12/31/13</th>
<th>Actual to Actual $</th>
<th>Actual to Actual %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and fees</td>
<td>$38,177,492</td>
<td>$29,305,573</td>
<td>$29,197,935</td>
</tr>
<tr>
<td>Property taxes</td>
<td>17,338,093</td>
<td>7,520,871</td>
<td>7,345,895</td>
</tr>
<tr>
<td>State appropriations</td>
<td>15,736,817</td>
<td>5,118,263</td>
<td>4,667,490</td>
</tr>
<tr>
<td>Ballenger trust</td>
<td>1,815,763</td>
<td>945,723</td>
<td>882,882</td>
</tr>
<tr>
<td>Grants and other</td>
<td>2,362,191</td>
<td>1,001,229</td>
<td>908,696</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td><strong>75,430,356</strong></td>
<td><strong>43,891,659</strong></td>
<td><strong>43,002,898</strong></td>
</tr>
</tbody>
</table>

| Expenditures:                                 |                           |                    |                    |
| Salaries and wages                            | 40,310,719                | 17,487,048         | 18,218,094         | 731,046              | 4.01%               |
| Fringe benefits                               | 17,608,243                | 8,568,497          | 8,217,549          | (350,948)            | -4.27%              |
| Contracted services                           | 5,131,756                 | 2,506,593          | 2,049,157          | (457,436)            | -22.32%             |
| Materials and supplies                        | 2,126,599                 | 993,103            | 843,208            | (149,895)            | -17.78%             |
| Facilities rent                               | 205,400                   | 100,458            | 97,779             | (2,679)              | -2.74%              |
| Utilities and insurance                       | 2,938,000                 | 1,562,524          | 1,447,110          | (115,414)            | -7.98%              |
| Operations/communications                     | 5,284,424                 | 2,779,959          | 3,507,899          | 727,940              | 20.75%              |
| Transfers out                                 | 1,453,100                 | 1,165,878          | 397,135            | (768,743)            | -193.57%            |
| Equipment and Improvements                    | 366,500                   | 113,017            | 97,764             | (15,253)             | -15.60%             |
| **Total expenditures**                        | **75,424,741**            | **35,277,077**     | **34,875,695**     | **(401,382)**        | **-1.15%**           |

| Net increase/(decrease) in net assets         | 5,615                     | 8,614,582          | 8,127,203          | 487,379              | 6.00%               |
### Assets

**Current Assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>As of December 31, 2014</th>
<th>As of December 31, 2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$8,259,682</td>
<td>$10,829,750</td>
<td>($2,570,068)</td>
</tr>
<tr>
<td>Due from other funds</td>
<td>969,898</td>
<td>(1,627,570)</td>
<td>2,597,468</td>
</tr>
<tr>
<td>Accounts receivable - net of allowance for uncollectible accounts</td>
<td>11,383,202</td>
<td>10,768,559</td>
<td>614,643</td>
</tr>
<tr>
<td>Inventories</td>
<td>48,024</td>
<td>44,069</td>
<td>3,955</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>197,952</td>
<td>345,680</td>
<td>(147,728)</td>
</tr>
</tbody>
</table>

Total Assets                                          | $20,858,758             | $20,360,488             | $498,270 |

### Liabilities and Net Assets

**Current Liabilities**

<table>
<thead>
<tr>
<th>Description</th>
<th>As of December 31, 2014</th>
<th>As of December 31, 2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$1,260,392</td>
<td>$952,154</td>
<td>$308,238</td>
</tr>
<tr>
<td>Accrued payroll and related liabilities</td>
<td>2,115,459</td>
<td>1,673,469</td>
<td>441,990</td>
</tr>
<tr>
<td>Deposits held for others</td>
<td>14,712</td>
<td>14,111</td>
<td>601</td>
</tr>
<tr>
<td>Other accrued liabilities</td>
<td>151,457</td>
<td>540,536</td>
<td>(389,079)</td>
</tr>
</tbody>
</table>

Total Current Liabilities                             | 3,542,020               | 3,180,270               | 361,750 |

Accrued termination pay                                | 2,414,283               | 2,471,855               | (57,572) |

Total Liabilities                                      | 5,956,303               | 5,652,125               | 304,178 |

**Net Assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>As of December 31, 2014</th>
<th>As of December 31, 2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>14,902,455</td>
<td>14,708,363</td>
<td>194,092</td>
</tr>
</tbody>
</table>

Total Net Assets                                      | 14,902,455              | 14,708,363              | 194,092 |

Total Liabilities and Net Assets                      | $20,858,758             | $20,360,488             | $498,270 |
FOR ACTION

Board of Trustees
Charles Stewart Mott Community College
Regular Meeting, January 26, 2015
Volume 46

1.10 Southern Lakes Branch Center (SLBC) East Chiller #2 Replacement

Award of this contract is for the SLBC East Chiller #2 Replacement. Plans and specifications were prepared by THA Architects Engineers. An ad was placed for bids on Bid4Michigan on November 10, 2014 soliciting bidders for the project. Sealed bids were received on November 21, 2014 at 2:00 p.m. from five (5) vendors. Bids as received are noted on the attached bid tabulation. Public funds through voter approved bond issuance will be used to fund this project.

On the basis of the preceding information, the following resolution is recommended:

Be it Resolved, That

The Charles Stewart Mott Community College Board of Trustees

Authorizes the Administration to award the bid and enter into a contract for the SLBC East Chiller #2 Replacement to W. Soule, 3025 S. River Rd., Saginaw, MI 48609 in the amount of One Hundred Eighteen Thousand, One Hundred Seventy-two Dollars ($118,172.00).

Reviewed and Submitted by:

______________________________ Date: January 26, 2015
Scott J. Jenkins
Vice President, Student & Administrative Services

Board Policy Statement Reference: 4410 – Purchasing
General: Purchases should be based on quality and price. Qualified vendors should have the opportunity to bid on College purchases. This policy is established to ensure that sound business practices are followed in the purchase of furnishings, equipment, materials, goods and supplies.
## SLBC East Chiller #2 Replacement
### Bid Tabulation
#### November 21, 2014

<table>
<thead>
<tr>
<th>Vendors</th>
<th>Summary Bid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bret Sundeck</td>
<td>$118,172.00</td>
</tr>
<tr>
<td>W. Soule</td>
<td></td>
</tr>
<tr>
<td>3025 S. River Rd.</td>
<td></td>
</tr>
<tr>
<td>Saginaw, MI 48609</td>
<td></td>
</tr>
<tr>
<td>Tech Mechanical Inc.</td>
<td>$127,000.00</td>
</tr>
<tr>
<td>1490 Highwood E.</td>
<td></td>
</tr>
<tr>
<td>Pontiac, MI 48340</td>
<td></td>
</tr>
<tr>
<td>Remer Plumbing, Heating &amp; AC, Inc.</td>
<td>$127,449.00</td>
</tr>
<tr>
<td>5565 State Street</td>
<td></td>
</tr>
<tr>
<td>Saginaw, MI 48603</td>
<td></td>
</tr>
<tr>
<td>Temperature Services, Inc.</td>
<td>$131,800.00</td>
</tr>
<tr>
<td>37107 Schoolcraft</td>
<td></td>
</tr>
<tr>
<td>Livonia, MI 48150</td>
<td></td>
</tr>
<tr>
<td>William E. Walter, Inc.</td>
<td>$136,250.00</td>
</tr>
<tr>
<td>1917 Howard Ave.</td>
<td></td>
</tr>
<tr>
<td>Flint, MI 48503</td>
<td></td>
</tr>
</tbody>
</table>
President’s Report
Regular Board of Trustees Meeting
January 26, 2015

1. Executive Summary

2. Introduction of New Hires

3. Upcoming Dates:

*****  

January 29, 2015  MCCA Legislative Summit, 7:30 a.m., leave from MCC
February 6, 2015  Priority Children’s Champion Awards Breakfast, 7:30 a.m.,
                 Riverfront Banquet Center
February 18, 2015  Finance/Audit Committee @ 12:00 noon, CM1019
                   Personnel Committee @ 4:00 p.m., CM1019
February 23, 2015  Regular Board Meeting – Regional Technology Center
                   5:45 p.m. dinner; 6:30 p.m. workshop; 7:30 p.m. meeting
March 18, 2015  Finance/Audit Committee @ 12:00 noon, CM1019
                Personnel Committee @ 4:00 p.m., CM1019
March 23, 2015  Regular Board Meeting – Regional Technology Center
                5:45 p.m. dinner; 6:30 p.m. workshop; 7:30 p.m. meeting
April 18-21, 2015  AACC Annual Convention, San Antonio, TX
April 22, 2015  Finance/Audit Committee @ 12:00 noon, CM1019
                Personnel Committee @ 4:00 p.m., CM1019
April 27, 2015  Regular Board Meeting – Regional Technology Center
                5:45 p.m. dinner; 6:30 p.m. workshop; 7:30 p.m. meeting
May 2, 2015  Commencement Brunch, 11:30 a.m., Presidential Conference Center
             Commencement, 2:00 p.m. @ Perani Event Center
May 13, 2015  Finance/Audit Committee @ 12:00 noon, CM1019
               Personnel Committee @ 4:00 p.m., CM1019
May 18, 2015  Regular Board Meeting – Regional Technology Center
               5:45 p.m. dinner; 6:30 p.m. workshop; 7:30 p.m. meeting
June 17, 2015  Finance/Audit Committee @ 12:00 noon, CM1019
               Personnel Committee @ 4:00 p.m., CM1019
June 22, 2015  Regular Board Meeting – Regional Technology Center
               5:45 p.m. dinner; 6:30 p.m. workshop; 7:30 p.m. meeting
July 22-25, 2015  MCCA Summer Workshop, Traverse City