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
   Help Portrait 2014 Update
   - Dr. Amy Fugate, Vice-President, Academic Affairs

V. COMMUNICATIONS

VI. COMMENTS FROM THE PUBLIC

VII. APPROVAL OF MINUTES
    Approval of Regular Meeting Minutes of November 24, 2014 289-289g

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:
   1.63 Treasurer’s Report for November 2014 309-314

   Individual Items:
   1.64 Extension of Board Officer Terms 315

XI. ADMINISTRATIVE ITEMS
    President’s Report 316

XII. MISCELLANEOUS BUSINESS
    Board Officer Election Process
    Comments from Board Members

XIII. EXECUTIVE SESSION

ADJOURNMENT
1.63 Treasurer’s Report for November 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 November 2014 as presented by the Administration.

Reviewed and Submitted By:

Lawrence A. Gawthrop
Chief Financial Officer

Date: December 15, 2014

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.
November Treasurer’s Report

Larry Gawthrop, CPA
Chief Financial Officer

December 15, 2014

Summary of Expenditures:

Month of November’s Spending:

- General Fund: $5,579,675
- All Other Funds: $2,635,883
- Total: $8,215,558

Comments on General Fund Financial Statements:

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

  In summary, total revenues for the five months ended November 30, was approximately $38.9 million, representing 51.6% of the annual budget, slightly ahead of this time last year after removing in the UAAL stabilization payment that was not in the original budget. The most significant changes are in the **Tuition and fees**, **State appropriations**, and **Property taxes** which are discussed further below. Expenditures for the five months ended were $29.9 million, which represents 39.7% of the annual budget, 1.7% 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 $26.5 million and while it is roughly $495 thousand more than last year, it is 1.7% 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 $7.3 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 November payment as expected, with the exception of the strategic funding initiative portion of the payment which we anticipate receiving shortly.
Expenditures

Salaries and Wages are nearly $14.8 million, or 36.7% of the annual budget, 1.9% lower than it was one year ago, compared to 38.6% of the budget one year ago. The decrease is attributable to the lower enrollment and continued holds on vacant positions.

Fringe Benefits are at $7.2 million, or 40.7% of the budgeted amount compared to 36% 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 October 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 $21.3 million, down $228 thousand from last November. The largest differences are a $4.5 million decrease in Cash and cash equivalents, a $3.2 million increase in Due from other funds and a $1.1 million increase in Accounts receivable. The Accounts receivable increase is due to 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 $6.1 million, Total Liabilities are the same as the prior year. The most significant changes were increase in Accounts payable and a decrease in Other accrued liabilities. With the exception of accounts payable, which was largely due to the monies owed to ORS not yet paid, the other significant differences was 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 $2.6 million expended in the other funds, less than $348,000 was expended out of the *Maintenance and Replacement* and *Bond funds*, with the remainder spent 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 5 Months Ended November 30, 2014
### With Comparative Totals at November 30, 2013

<table>
<thead>
<tr>
<th></th>
<th>FY 2014-2015 Budget</th>
<th>YTD Actuals as of 11/30/14</th>
<th>YTD Actuals as of 11/30/13</th>
<th>Actual to Actual $</th>
<th>Actual to Actual %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and fees</td>
<td>$ 38,177,492</td>
<td>$ 26,454,316</td>
<td>$ 25,959,738</td>
<td>$ 494,578</td>
<td>1.91%</td>
</tr>
<tr>
<td>Property taxes</td>
<td>17,338,093</td>
<td>7,267,287</td>
<td>7,230,992</td>
<td>36,295</td>
<td>0.50%</td>
</tr>
<tr>
<td>State appropriations</td>
<td>15,736,817</td>
<td>3,454,644</td>
<td>3,145,950</td>
<td>308,694</td>
<td>9.81%</td>
</tr>
<tr>
<td>Ballenger trust</td>
<td>1,815,763</td>
<td>788,103</td>
<td>735,735</td>
<td>52,368</td>
<td>7.12%</td>
</tr>
<tr>
<td>Grants and other</td>
<td>2,362,191</td>
<td>947,516</td>
<td>812,079</td>
<td>135,437</td>
<td>16.68%</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>75,430,356</td>
<td>38,911,866</td>
<td>37,884,494</td>
<td>1,027,372</td>
<td>2.71%</td>
</tr>
</tbody>
</table>

| **Expenditures:** | | | | | |
| Salaries and wages | 40,310,719 | 14,802,669 | 15,434,950 | 632,281 | 4.10% |
| Fringe benefits | 17,608,243 | 7,170,273 | 6,688,312 | (471,961) | -7.05% |
| Contracted services | 5,131,756 | 2,004,606 | 1,724,690 | (279,916) | -16.23% |
| Materials and supplies | 2,126,599 | 854,706 | 688,921 | (165,785) | -24.06% |
| Facilities rent | 205,400 | 86,964 | 84,185 | (2,779) | -3.30% |
| Utilities and insurance | 2,938,000 | 1,405,547 | 1,353,150 | (52,397) | -3.87% |
| Operations/communications | 5,284,424 | 2,537,000 | 2,566,794 | 29,794 | 1.16% |
| Transfers out | 1,453,100 | 961,606 | - | (961,606) | #DIV/0! |
| Equipment and Improvements | 366,500 | 93,862 | 84,893 | (8,969) | -10.57% |
| **Total expenditures** | 75,424,741 | 29,917,233 | 28,635,895 | (1,281,338) | -4.47% |

Net increase/(decrease) in net assets | 5,615 | 8,994,633 | 9,248,599 | (253,966) | -2.75% |
## Balance Sheet - Modified Accrual
**November 30, 2014**

*With Comparative Totals at November 30, 2013*

### Assets

<table>
<thead>
<tr>
<th>Current Assets</th>
<th>As of November 30</th>
<th>As of November 30</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$7,989,567</td>
<td>$12,512,457</td>
<td>($4,522,890)</td>
</tr>
<tr>
<td>Short term investments</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Due from other funds</td>
<td>2,891,872</td>
<td>(434,989)</td>
<td>3,326,861</td>
</tr>
<tr>
<td>State appropriation receivable</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Accounts receivable - net of allowance</td>
<td>10,219,098</td>
<td>9,103,196</td>
<td>1,115,902</td>
</tr>
<tr>
<td>for uncollectible accounts ($4,074,468 for 2015 and $5,627,075 for 2014)</td>
<td></td>
<td></td>
<td></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>193,453</td>
<td>345,724</td>
<td>(152,271)</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$21,342,014</td>
<td>$21,570,457</td>
<td>($228,443)</td>
</tr>
</tbody>
</table>

### Liabilities and Net Assets

<table>
<thead>
<tr>
<th>Current Liabilities</th>
<th>As of November 30</th>
<th>As of November 30</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$1,153,608</td>
<td>$150,413</td>
<td>$1,003,195</td>
</tr>
<tr>
<td>Accrued payroll and related liabilities</td>
<td>2,311,088</td>
<td>2,376,201</td>
<td>(65,113)</td>
</tr>
<tr>
<td>Deposits held for others</td>
<td>15,312</td>
<td>14,561</td>
<td>751</td>
</tr>
<tr>
<td>Unearned revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other accrued liabilities</td>
<td>151,457</td>
<td>540,536</td>
<td>(389,079)</td>
</tr>
<tr>
<td>Total Current Liabilities</td>
<td>3,631,465</td>
<td>3,081,711</td>
<td>549,754</td>
</tr>
</tbody>
</table>

Accrued termination pay

| Total Liabilities                                   | 2,428,043         | 2,511,839         | (83,796) |

| Net Assets                                          |                   |                   |         |
| Unrestricted                                        | 15,282,506        | 15,976,907        | (694,401) |
| Total Net Assets                                    | 15,282,506        | 15,976,907        | (694,401) |

| Total Liabilities and Net Assets                    | $21,342,014       | $21,570,457       | ($228,443) |
FOR ACTION

Board of Trustees
Charles Stewart Mott Community College
Regular Meeting, December 15, 2014
Volume 45

1.64 Extension of Board Officer Terms


The law resulted in an extension of current Trustee terms as well as new commencement and end dates for Trustees; Trustee terms would now begin January 1 instead of July 1.

Another effect of the law was that the current Board officer positions, which were elected at the July 2011 Organizational Meeting, would expire in July 2013. In response to this, and to remain concurrent with state law, the Board of Trustees approved a resolution on April 22, 2013, to extend officer positions until December 31, 2014.

Elections of Board officers are scheduled to occur at the next Organizational Meeting, scheduled for January 26, 2015; this presents a situation where all officer positions will be vacant from January 1-January 26.

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

Approves the extension of the current terms of office for Chairperson, Vice-Chairperson, Secretary, and Treasurer of the Board, to expire January 26, 2015.

Reviewed and Submitted by:

Michael Simon, Assistant Secretary

Date: December 15, 2014

Board Policy Statement Reference: 1321 – Term of Office
General: The term of office for all Board officers shall be two years from date of election.
President’s Report
Regular Board of Trustees Meeting
December 15, 2014

1. Executive Summary

2. Introduction of New Hires

3. Upcoming Dates:

*****

November 27-28, 2014  College Closed for Thanksgiving Holiday
December 10, 2014   Finance/Audit Committee @ 12:00 noon, CM1019
                    Personnel Committee @ 4:00 p.m., CM1019
December 15, 2014   Board Dinner @ 5:15 p.m., Presidential Conference Center
                    Board Meeting @ 7:30 p.m., RTC1301
December 24 – January 4  College Closed for Winter Break
January 15, 2015     MLK Tribute Dinner, 6:00 p.m., Riverfront Banquet Center
January 19, 2015     College Closed for MLK Day
January 21, 2015     Finance/Audit Committee @ 12:00 noon, CM1019
                    Personnel Committee @ 4:00 p.m., CM1019
January 26, 2015     Regular Board Meeting – Regional Technology Center
                    5:45 p.m. dinner; 6:30 p.m. organizational meeting and workshop; 7:30 p.m. meeting
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