Board of Trustees
Regular Meeting
Monday, December 16, 2013
Room 1301
Regional Technology Center

AGENDA

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
   Athletics 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 November 25, 2013 37-37f

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:
   1.10 Treasurer’s Report for November 2013 48-52

   Individual Items:

XI. ADMINISTRATIVE ITEMS
   President’s Report 53

XII. MISCELLANEOUS BUSINESS
   Comments from Board Members

XIII. EXECUTIVE SESSION

ADJOURNMENT
1.10 Treasurer’s Report for November 2013

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 2013 as presented by the Administration.

Reviewed and Submitted By:

[Signature]
Lawrence A. Gawthrop
Chief Financial Officer

Date: December 16, 2013

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 16, 2013

Summary of Expenditures:

Month of November Spending:

- General Fund: $8,076,281
- All Other Funds: $2,413,974
- Total: $10,490,225

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 $37.8 million, representing 50.4% of the annual budget. This is 1.1% lower than last year at this time, when we had recognized 51.5% of budgeted revenues. The most significant changes continue to be in the *Tuition and fees*, *Property taxes*, and *Grants and Other* which are discussed further below. Expenditures year-to-date are at $28.6 million dollars, which represents 37.8% of the annual budget, .5% lower than it was one year ago.

Revenues

*Tuition and fee* revenues are $26.0 million for the five months ended, which is $300 thousand more than last year. Currently, the winter enrollment is behind our budgeted projection causing a drop in what was a $799 thousand increase through October. A 3% decrease in enrollment and contact hours was budgeted for this fiscal year.

*Property taxes* collected are $7.2 million through November. The amount budgeted is $17.2 million, down $500 thousand from last year's $17.7 million and is based on final taxable value figures provided by the Genesee County Equalization Department.

*State appropriations* payments for FY2012-13 are paid in monthly installments starting with October. We received our second of ten payments without exception. The total budgeted amount for the current fiscal year is $15.3 million or approximately $285 thousand (2%) more than last year.
Expenditures

*Salaries and Wages* are at $15.4 million, or 38.5% of the annual budget, .3% lower than it was one year ago.

*Fringe Benefits* are at $6.7 million, or 39.3% of the budgeted amount and .4% lower when compared to the previous year's budgeted amount.

Other Expenditures

The changes in the Other Expenses area were due mainly to decreases in contracted service agreements in Financial Aid and ITS, an increase in water and electric rates, an overall decrease in supplies from the prior year, and a change in recording of the bad debt expense monthly instead of at year-end. The decrease in *Transfers out* item when compared to the previous year is a timing difference of when the transfer was made.

- **Balance Sheet**

*Total Assets* are at approximately $21.6 million, down $291 thousand from last November. The largest differences are a $592 thousand increase in *Cash and Cash Equivalents*, and a $1.3 million increase in *Due (from) to other funds*. These variances are due to the changes made in delaying the timing of the Pell transmission, receipt and distribution in an effort to reduce exposure on the Return of Funds.

*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 $5.6 million, *Total Liabilities* are down approximately $325 thousand from last November's balance. The most significant change was a decrease in *Accrued termination pay* from the employee retirements which was based on the actuarial computation completed in June 2013.

Comments on spending from other funds:

- Of the $2.4 million expended in the other funds, $251 thousand was expended out of the *Maintenance and Replacement Funds* for maintenance and improvements, $622 thousand from the *Debt Service Funds* for semi-annual interest payments for our outstanding debt, $470 thousand in monthly depreciation and the remaining $1.7 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**

*For the 5 Months Ended November 30, 2013*  
*With Comparative Totals at November 30, 2012*

<table>
<thead>
<tr>
<th></th>
<th>FY 2013-2014 Budget</th>
<th>YTD Actuals as of 11/30/13</th>
<th>YTD Actuals as of 11/30/12</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>$38,999,911</td>
<td>$25,959,738</td>
<td>$25,659,827</td>
<td>$299,911</td>
<td>1.17%</td>
</tr>
<tr>
<td>Property taxes</td>
<td>17,228,840</td>
<td>7,230,992</td>
<td>7,501,108</td>
<td>(270,116)</td>
<td>-3.60%</td>
</tr>
<tr>
<td>State appropriations</td>
<td>15,306,817</td>
<td>3,145,950</td>
<td>2,861,415</td>
<td>284,535</td>
<td>100.00%</td>
</tr>
<tr>
<td>Ballenger trust</td>
<td>1,728,000</td>
<td>735,735</td>
<td>693,653</td>
<td>42,082</td>
<td>6.07%</td>
</tr>
<tr>
<td>Grants and other</td>
<td>1,960,251</td>
<td>812,079</td>
<td>752,008</td>
<td>60,071</td>
<td>7.99%</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>75,223,819</td>
<td>37,884,494</td>
<td>37,468,011</td>
<td>416,483</td>
<td>1.11%</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>40,083,795</td>
<td>15,434,950</td>
<td>15,436,423</td>
<td>1,473</td>
<td>0.01%</td>
</tr>
<tr>
<td>Fringe benefits</td>
<td>17,060,954</td>
<td>6,698,312</td>
<td>6,582,422</td>
<td>(115,890)</td>
<td>-1.76%</td>
</tr>
<tr>
<td>Contracted services</td>
<td>5,205,948</td>
<td>1,724,690</td>
<td>1,847,062</td>
<td>122,372</td>
<td>6.63%</td>
</tr>
<tr>
<td>Materials and supplies</td>
<td>2,214,660</td>
<td>688,921</td>
<td>700,155</td>
<td>11,234</td>
<td>1.60%</td>
</tr>
<tr>
<td>Facilities rent</td>
<td>243,400</td>
<td>84,185</td>
<td>73,470</td>
<td>(10,715)</td>
<td>-14.58%</td>
</tr>
<tr>
<td>Utilities and insurance</td>
<td>2,954,000</td>
<td>1,353,150</td>
<td>1,400,993</td>
<td>47,843</td>
<td>3.41%</td>
</tr>
<tr>
<td>Operations/communications</td>
<td>5,967,496</td>
<td>2,566,794</td>
<td>1,629,391</td>
<td>(937,403)</td>
<td>-57.53%</td>
</tr>
<tr>
<td>Transfers out</td>
<td>1,924,863</td>
<td>-</td>
<td>243,039</td>
<td>243,039</td>
<td>100.00%</td>
</tr>
<tr>
<td>Equipment and Improvements</td>
<td>2,000</td>
<td>84,893</td>
<td>118,143</td>
<td>33,250</td>
<td>28.14%</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>75,657,116</td>
<td>28,635,895</td>
<td>28,031,098</td>
<td>(604,797)</td>
<td>-2.16%</td>
</tr>
<tr>
<td><strong>Net increase/(decrease) in net assets</strong></td>
<td>(433,297)</td>
<td>9,248,599</td>
<td>9,436,913</td>
<td>(188,314)</td>
<td>-2.00%</td>
</tr>
</tbody>
</table>
## Mott Community College
### General Fund
#### Balance Sheet
##### November 30, 2013
##### With Comparative Totals at November 30, 2012

<table>
<thead>
<tr>
<th></th>
<th>As of November 30</th>
<th>As of November 30</th>
<th>$ Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$12,512,457</td>
<td>$11,773,309</td>
<td>$739,148</td>
</tr>
<tr>
<td>Short term investments</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Due from other funds</td>
<td>(434,989)</td>
<td>(1,699,248)</td>
<td>1,264,259</td>
</tr>
<tr>
<td>State appropriation receivable</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Accounts receivable - net of allowance for uncollectible accounts ($5,627,075 for 2014 and $5,014,247 for 2013)</td>
<td>9,103,196</td>
<td>11,579,803</td>
<td>(2,476,607)</td>
</tr>
<tr>
<td>Inventories</td>
<td>44,069</td>
<td>28,730</td>
<td>15,339</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>345,724</td>
<td>178,941</td>
<td>166,783</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$21,570,457</td>
<td>$21,861,535</td>
<td>(291,078)</td>
</tr>
</tbody>
</table>

|                              |                   |                   |          |
| **Liabilities and Net Assets**|                   |                   |          |
| **Current Liabilities**      |                   |                   |          |
| Accounts payable             | $150,413          | $214,289          | (63,876) |
| Accrued payroll and related liabilities | 2,376,201       | 2,395,272        | 16,929   |
| Deposits held for others     | 14,561            | 2,217             | 12,344   |
| Due to other funds           | -                 | -                 | -        |
| Unearned revenue             | -                 | -                 | -        |
| Other accrued liabilities    | 540,536           | 582,579           | (42,043) |
| **Total Current Liabilities**| 3,081,711         | 3,158,357         | (76,646) |
| Accrued termination pay      | 2,511,839         | 2,761,042         | (249,203)|
| **Total Liabilities**        | 5,593,550         | 5,919,399         | (325,849)|

| **Net Assets**               |                   |                   |          |
| Unrestricted                 | 15,976,907        | 15,942,136        | 34,771   |
| **Total Net Assets**         | 15,976,907        | 15,942,136        | 34,771   |

| **Total Liabilities and Net Assets** | $21,570,457 | $21,861,535 | (291,078) |
President’s Report
Regular Board of Trustees Meeting
December 16, 2013

1. Executive Summary

2. Introduction of New Hires

3. Upcoming Dates:

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December 23, 2013 –
January 1, 2014  
January 22, 2014  
January 27, 2014  
February 9-12, 2014  
February 19, 2014  
February 24, 2014  
March 19, 2014  
March 24, 2014  
April 23, 2014  
April 28, 2014  
May 3, 2014  
May 14, 2014  
May 19, 2014  
June 18, 2014  
June 23, 2014  

College Closed for Holidays
Finance/Audit Committee, 12:00 noon, CM1019
Personnel Committee, 4:00 p.m., CM1019
Regular Board Meeting, RTC 1301
Finance/Audit Committee, 12:00 noon, CM1019
Personnel Committee, 4:00 p.m., CM1019
Regular Board Meeting, RTC 1301
Finance/Audit Committee, 12:00 noon, CM1019
Personnel Committee, 4:00 p.m., CM1019
Regular Board Meeting, RTC 1301
Finance/Audit Committee, 12:00 noon, CM1019
Personnel Committee, 4:00 p.m., CM1019
Regular Board Meeting, RTC 1301
Commencement Activities
Finance/Audit Committee, 12:00 noon, CM1019
Personnel Committee, 4:00 p.m., CM1019
Regular Board Meeting, RTC 1301
Finance/Audit Committee, 12:00 noon, CM1019
Personnel Committee, 4:00 p.m., CM1019
Regular Board Meeting, RTC 1301