

Mott Community College Board of Trustees

Regular Meeting
Monday, August 24, 2009
Room 1301
Regional Technology Center

AGENDA

“The mission of Mott Community College is to provide high quality, accessible and affordable educational opportunities and services—including programs focused on university transfer, technical and lifelong learning, as well as workforce and economic development—that promote student success, individual development, and improve the overall quality of life in a multicultural community.”

Board of Trustees
Charles Stewart Mott Community College
Regular Meeting, August 24, 2009
Volume 41

AGENDA

- I. CALL TO ORDER
- II. ADDITIONS TO THE AGENDA
- III. ADOPTION OF THE AGENDA
- IV. SPECIAL PRESENTATIONS
Marketing Update
-Michael Kelly, Executive Director, Marketing
- V. COMMUNICATIONS
- VI. COMMENTS FROM THE PUBLIC
- VII. APPROVAL OF MINUTES
- | | |
|---|----------|
| Approval of Regular Meeting Minutes of June 22, 2009 | 198-198k |
| Approval of Special Re-Organizational Meeting Minutes of July 7, 2009 | 1-1e |
| Approval of Special Meeting Minutes of August 3, 2009 | 8-8c |
- VIII. INFORMATIONAL REPORTS
- Acceptance of Standing Board Committee Reports:
1. Personnel (Turner, Bettendorf, Joseph)
 2. Finance (Koegel, Everman, Snell)
 3. Policy (Joseph, Snell, Turner)
- Other Reports:
- MCCA Summer Workshop (Croudy, Shaink)
- IX. UNFINISHED BUSINESS
- X. NEW BUSINESS
- Consent Agenda:
- | | |
|--|-------|
| 1.13 Treasurer's Report for July 2009 | 14-19 |
| 1.14 Resolution to Approve Naming Request by Foundation for Mott Community College | 20 |

Individual Items:

1.15	Music Lab – Purchase Award	21-23
1.16	Mott Memorial Building Theatrical Lighting Bid	24-25

XI. ADMINISTRATIVE ITEMS

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XII. MISCELLANEOUS BUSINESS

4.02	Comments from Board Members
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XIII. EXECUTIVE SESSION

XIV. ADJOURNMENT

FOR ACTION

Board of Trustees
Charles Stewart Mott Community College
Regular Meeting, August 24, 2009
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1.13 Treasurer's Report for July 2009

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 July 2009 as presented by the Administration.

Reviewed and Submitted By:



Lawrence A. Gawthrop, Chief Financial Officer

Date: August 14, 2009

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.

July Treasurer's Report

Lawrence A. Gawthrop, CPA
Chief Financial Officer

August 14, 2009

Summary of Expenditures:

Month of July Spending:

General Fund:	\$ 4,043,260
All Other Funds:	\$ 6,038,783

Total:	\$ 10,082,043
	=====

Comments on General Fund Financial Statements:

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

In summary, total revenues for the one-month period ended July 31, was approximately \$7.8 million, representing 11% of the annual budget. This is 2.6% ahead of last year at this time, when we had recognized 8.4 % of budgeted revenues. Expenditures year-to-date were at \$4.0 million dollars, which represents 5.7% of the annual budget.

Revenues

Tuition and fee revenues are \$7.0 million for the one month ended, an increase of \$1.8 million from last year at this time. This positive variance is mainly due to credit-side enrollment figures for summer and fall being slightly higher than last year and higher than anticipated as of the July reports.

Property taxes were \$577 thousand for July, and are on pace with the budgeted amounts. We have budgeted a \$936 thousand decrease in total tax collections for the year based on the final taxable value figures provided to us from the Genesee County Equalization Department.

State appropriations payments for FY2009-10 are paid in monthly installments starting with October. The total budgeted amount for the current year is \$15 million which is \$164 thousand lower than the prior year due to a categorical cut in our reimbursement for the Renaissance Zone exemption and our contribution to the Native American tuition Waiver program mandated by the State. In addition, the current budgeted amount includes no Appropriation increase from the State. It is important to note that the State of Michigan is still facing severe budget shortages for their current fiscal year and beyond which could potentially mean additional cuts to community colleges.

Expenditures

Salaries and wages total \$2.0 million for the one month ended July and are up \$1.4 million when compared to the previous year. This increase is due to several factors. \$793 thousand of the increase is due to the change in the way Part-time/Adjunct/Overload salaries are recorded. As previously discussed in the past Treasurer's reports, these expenses are recorded as they occur instead of at the end of the semester. The other significant increase (\$602 thousand) is a combination of pay increases effective July 1, and three payrolls this July vs. two July 2008. Fringe benefit expenses which are directly affected by salary increases are at approximately \$974 thousand, up roughly \$250 thousand from the previous year. Finally, in order to accommodate the increased enrollment additional class sections are being offered which results in additional salary and benefit costs.

Other Expenditures

The most significant changes in the Other Expenses area were an increase of approximately \$150 thousand in the **Utilities** line item due in large part to a timing difference of the July Consumers Energy payment which was made on the July in the current year vs. September in the previous fiscal year. The **Contracted Services** increase is due to a change in the way facilities is budgeting for its contracted services. In prior years this spending for general operating maintenance (lawn, landscaping, etc.) was spent out of the 72 funds instead of the general fund. In the **Operations and Communications** area, the decrease of roughly \$42 thousand is from less bad debt write-offs than the prior period. This may be result of a lag as the person responsible for initiating a majority of the write-offs was on an extended absence for medical reasons.

- **Balance Sheet**

On the Balance Sheet, figures shown "As of July 31, 2009" are preliminary until the FY 08-09 year-end closeout and audit are complete. At that point, final June 30, 2009 totals will be carried forward. This is scheduled to take place at the end of October, with the November Treasurer's Report being the first month to reflect the final audited beginning balances for this fiscal year.

Total Assets were at approximately \$23.5 million, up \$4.9 million from last July. The largest differences were comprised of a \$2.0 million decrease in **Short-term investments** a \$1.1 million increase in **Cash and cash equivalents**, a \$2.4 million increase in **Accounts Receivable**, and a \$3.3 million increase in **Due from other Funds** for a total net increase of \$4.9 million. The decrease in the **Short-term investments** is largely the result of the need to fund the \$3.3 million increase in the inter-fund activities shown as **Due from other funds**. The \$2.4 million increase in **Accounts Receivable** is the result of a combination of the increase in tuition and fees and a procedural change in processing and financial aid packaging. Prior to this year, the financial aid pre-awards were moved (reclassified) into grants receivable. It was determined that this was an unnecessary step causing additional work and time and the step was eliminated.

At roughly \$5.2 million, **Total Liabilities** were up approximately \$1.2 million from last year's July balance. The most significant changes were in the areas of **Accounts payable**, **Accrued payroll and related liabilities**, and **Deposits held for others**. The Accounts payable increase was largely due to a difference in the timing of the last end of year-check runs between the two fiscal years and an increase in the Follett Bookstore summer semester invoice. Additionally, it was determined that the Workforce Development grants need to accrue for the contracted services each month which was not done previously. The **Accrued payroll and related liabilities** increase was due to the timing of the payments to our employee benefit providers and an increase in our vacation pay liability.

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. This is the case in the current month and the reason for the \$3.3 million increase in this inter-fund activity.

Comments on spending from other funds:

- Of the roughly \$6.0 million spent in the other funds, \$3.0 million was expended out of the ***Agency Scholarships, Federal Grants, and scholarships*** for grant activities and student scholarships, \$764 thousand out of the ***Maintenance and Replacement Fund*** and ***Bond Issue 2008 fund*** for capital improvements, and \$2.2 million out of the ***Debt Retirement Fund*** for regularly scheduled principal and interest payments.

Mott Community College
General Fund
Statement of Revenues, Expenditures and Changes in Net Assets
For the 1 Month Ended July 31, 2009
With Comparative Totals at July 31, 2008

	FY 2009-2010 Budget	YTD Actuals as of 7/31/09	YTD Actuals as of 7/31/08	Actual to Actual \$ Change	Actual to Actual % Change
Revenues:					
Tuition and fees	\$ 28,800,574	\$ 7,027,816	\$ 5,207,147	\$ 1,820,669	25.91%
Property taxes	23,500,000	576,902	657,230	(80,328)	-13.92%
State appropriations	14,995,200	-	-	-	0.00%
Ballenger trust	1,740,000	143,592	152,912	(9,320)	-6.49%
Grants and other	1,932,413	45,790	64,100	(18,310)	-39.99%
Total revenues	70,968,187	7,794,100	6,081,389	1,712,711	21.97%
Expenditures:					
Salaries and wages	37,523,512	2,050,843	687,053	1,363,790	66.50%
Fringe benefits	14,971,747	973,699	724,892	248,807	25.55%
Contracted services	4,658,652	177,715	103,652	74,063	41.68%
Materials and supplies	2,136,895	47,605	51,537	(3,932)	-8.26%
Facilities rent	250,150	37,833	38,056	(223)	-0.59%
Utilities and insurance	2,799,300	402,240	251,825	150,415	37.39%
Operations/communications	5,089,153	349,899	392,169	(42,270)	-12.08%
Transfers	3,270,593	2,000	-	2,000	100.00%
Capital outlay	201,000	1,426	1,839	(413)	-28.96%
Total expenditures	70,901,002	4,043,260	2,251,023	1,792,237	44.33%
Net increase/(decrease) in net assets	67,185	3,750,840	3,830,366	(79,526)	-2.12%

**Mott Community College
General Fund
Balance Sheet
July 31, 2009
With Comparative Totals at July 31, 2008**

	As of July 31, 2009	As of July 31, 2008	\$ Change
Assets			
Current Assets			
Cash and cash equivalents	\$ 3,385,887	\$ 2,258,981	\$ 1,126,906
Short term investments	11,599,492	13,617,990	(2,018,498)
Due from other funds	1,451,764	(1,848,934)	3,300,698
Accounts receivable - net of allowance for uncollectible accounts (\$2,770,822 for 2009 and \$2,381,428 for 2008)	5,408,254	3,054,860	2,353,394
Inventories	90,424	46,045	44,379
Prepaid expenses and other assets	163,267	102,857	60,410
Total Assets	\$ 23,464,215	\$ 18,570,908	\$ 4,893,307
Liabilities and Net Assets			
Current Liabilities			
Accounts payable	\$ 500,580	\$ 215,940	\$ 284,640
Accrued payroll and related liabilities	1,984,793	1,300,420	684,373
Deposits held for others	188,237	15,545	172,692
Total Current Liabilities	2,673,610	1,531,905	1,141,705
Accrued termination pay	2,551,630	2,506,057	45,573
Total Liabilities	5,225,240	4,037,962	1,187,278
Net Assets			
Unrestricted	18,238,975	14,532,946	3,706,029
Total Net Assets	18,238,975	14,532,946	3,706,029
Total Liabilities and Net Assets	\$ 23,464,215	\$ 18,570,908	\$ 4,893,307

FOR ACTION

Board of Trustees
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1.14 Resolution to Approve Naming Request by Foundation for Mott Community College

Pursuant to Section 4205 of the Mott Community College Board of Trustees Policy Manual, *Naming Buildings, Grounds, and Facilities for Financial Support*, the College President will establish a procedure for the naming of buildings, grounds, and facilities on the campus, and in conjunction with staff input, including the Foundation for Mott Community College, is responsible for the determination of merit of any proposal.

In accordance with this policy, members of the Braun family have approached the Foundation to request permission to dedicate a tree to be planted on the MCC campus in honor of community leader and MCC Distinguished Alumnus Phil Braun.

Also in accordance with the policy, the Foundation has reviewed and evaluated the request, has determined that all necessary criteria have been met including the stipulation that no naming will be approved that will call into serious question the public respect of the College, and has submitted a request to the College President that the request be prepared for recommendation to the Board for approval.

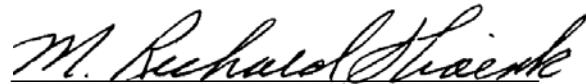
On the basis of the preceding information, the following resolution is recommended,

Be it Therefore Resolved, That

The Charles Stewart Mott Community College Board of Trustees

Approves the request made by the Foundation for Mott Community College to name and dedicate the planting of a tree on the campus grounds in honor of Phil Braun.

Reviewed and Submitted by:



M. Richard Shaink, President

Date: August 11, 2009

Board Policy Statement Reference: 4205 - Naming Buildings, Grounds, and Facilities for Financial Support
 General: The College may wish to approve the naming of College property to honor extraordinary or distinguished contributions of individuals, families, organizations, foundations, corporations, or other entities and concurrently raise funds in cooperation with the Foundation for Mott Community College or the Bruin Club of Genesee County.

FOR ACTION

Board of Trustees
 Charles Stewart Mott Community College
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1.15 Music Lab – Purchase Award

Mott Community College is purchasing the following equipment to upgrade the Music Department classrooms. A resolution to purchase 15 Apple Mac Pro computers for this project was previously approved at the regular Board meeting on May 18, 2009. This purchase is for the software and accessories needed in conjunction with the previous Mac Pro computer purchase. This equipment, as with the previous computer purchase, will be purchased using Capital Funding.

1. 1 each Genelec 8030.30 LSE Power Pak 5.1 System Five 8030A and one 7060B subwoofer, black finish or equivalent
2. 15 each AKG K 171 MK II Dynamic closed-back headphones
3. 14 each Digidesign Music Production ToolKit 2
4. 14 each Digidesign 003 Rack & Factory Fireware Audio Interface with Pro Tools LE Software
5. 15 each Sibelius 5 Education Professional Notation Software
6. 15 each Digidesign Strike Virtual Drum Instrument Plug-in
7. 15 each Digidesign Hybrid Synthesizer
8. 15 each Digidesign Velvet Electric Piano
9. 15 each M-Audio Keystations
10. 15 Middle Atlantic ESUR-Dc 60” desk with 2x4 racks in dark cherry
11. 15 Middle Atlantic PD-915R rackmount power supply
12. 1 each Personus Central Station
13. 1 each Digidesign 9930-83546-00 Pro Tools HD 3 ACCE
14. 2 each Digidesign 9900-29374-00 192 I/O
15. 1 each Digidesign 9900-32101-00 Command 8 Control Surface
16. 2 JBL portable speaker systems
17. 2 suspension kits for speakers
18. Installation, integration & testing for all 15 stations

Following a sealed public bid offering, three bids were received; one each from Guitar Center, Midwest Media Group and Roscor. Each bid was evaluated, and based on the submitted information, the following resolution is recommended:

Be It Resolved, That

The Charles Stewart Mott Community College Board of Trustees

Awards the complete bid for the Music Lab to Guitar Center, 3640 Miller Road, Flint, MI 48507, in the amount of eighty-one thousand, seven hundred thirty-one dollars and forty-five cents (\$81,731.45).

Reviewed and Submitted by:

Amy Lee Fugate, Ph.D.
Amy Lee Fugate, Ph.D.
Vice President, Academic Affairs

Date: August 12, 2009

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.

Music Lab – Purchase Award
Bid Tabulation
July 16, 2009, 2:00 p.m.

Company

Bid Results

Guitar Center
3640 Miller Road
Flint, MI 48507

\$81,731.45

Midwest Media Group
135 W. Algonquin Road Suite B
Arlington Heights, IL 60005

\$86,559

Roscor
27280 Haggerty Road, Suite C
Farmington, MI 48331

\$82,983

FOR ACTION

Board of Trustees
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1.16 Mott Memorial Building Theatrical Lighting Bid

Mott Community College is installing a lighting system as part of the upgrades to the Mott Memorial Building Fine Arts Program. The lighting system will be purchased using Capital Funding.

The Purchasing Department will be purchasing the installation, labor and lighting equipment from Weinstein Electric, following a sealed public bid in which three responses were received and evaluated, one each from Genesee Electric, J Ranck Electric and Weinstein Electric.

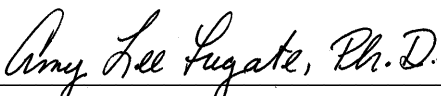
Based on the above information, the following resolution is recommended:

Be it Resolved, That

The Charles Stewart Mott Community College Board of Trustees

Awards the bid for the Theatrical Lighting Project to Weinstein Electric, 213 1st Avenue, Flint, MI, 48503, in the amount of two hundred forty-eight thousand, sixty-three dollars (\$248,063).

Reviewed and Submitted by:



 Amy Lee Fugate, Ph.D.
 Vice President, Academic Affairs

Date: August 12, 2009

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.

Mott Memorial Building Theatrical Lighting Bid
Bid Tabulation
August 5, 2009, 2:00 p.m.

<u>Company</u>	<u>Bid Results</u>
Genesee Electric 14309 Fenton Road Fenton, MI 48430	\$345,446
J Ranck Electric 1993 Grover Parkway PO Box 547 Mount Pleasant, MI 48804	\$398,700
Weinstein Electric 213 W 1st Avenue Flint, MI 48503 <i>with</i> MGR G-3477 Beecher Road Flint, MI 48532	\$248,063

President's Report
 Regular Board of Trustees Meeting
 August 24, 2009

1. Executive Summary
2. Staffing Transactions Report
3. Upcoming Dates:

August 28-29, 2009	Homecoming Celebration hosted by Foundation for MCC and the Alumni Association
September 7, 2009	College Closed for Labor Day
September 21, 2009	Policy Committee @ 3:00 p.m. in CM1019
September 23, 2009	Finance/Audit Committee @ 12:00 noon in CM1019
	Personnel Committee @ 4:00 p.m. in CM1019
September 28, 2009	Regular Board Meeting, Location TBA
October 2-3, 2009	MCCA Autumn Board of Directors Meeting, West Shore Community College
October 7-10, 2009	ACCT Leadership Congress, San Francisco
October 19, 2009	Policy Committee @ 3:00 p.m. in CM1019
October 21, 2009	Finance/Audit Committee @ 12:00 noon in CM1019
	Personnel Committee @ 4:00 p.m. in CM1019
October 26, 2009	Regular Board Meeting, Location TBA
November 16, 2009	Policy Committee @ 3:00 p.m. in CM1019
November 18, 2009	Finance/Audit Committee @ 12:00 noon in CM1019
	Personnel Committee @ 4:00 p.m. in CM1019
November 23, 2009	Regular Board Meeting, Location TBA
November 26-27, 2009	College Closed for Thanksgiving Break
December 14, 2009	Policy Committee @ 3:00 p.m. in CM1019
December 16, 2009	Finance/Audit Committee @ 12:00 noon in CM1019
	Personnel Committee @ 4:00 p.m. in CM1019
December 21, 2009	Regular Board Meeting, Location TBA
December 24, 2009 –	
January 1, 2010	College Closed for Winter Break
January 20, 2010	Finance/Audit Committee @ 12:00 noon in CM1019
	Personnel Committee @ 4:00 p.m. in CM1019
January 22-23, 2010	MCCA Winter In-Service, Mott Community College
January 25, 2010	Regular Board Meeting, Location TBA
February 17, 2010	Finance/Audit Committee @ 12:00 noon in CM1019
	Personnel Committee @ 4:00 p.m. in CM1019
February 22, 2010	Regular Board Meeting, Location TBA
March 17, 2010	Finance/Audit Committee @ 12:00 noon in CM1019
	Personnel Committee @ 4:00 p.m. in CM1019
March 22, 2010	Regular Board Meeting, Location TBA
April 21, 2010	Finance/Audit Committee @ 12:00 noon in CM1019
	Personnel Committee @ 4:00 p.m. in CM1019
April 26, 2010	Regular Board Meeting, Location TBA
May 12, 2010	Finance/Audit Committee @ 12:00 noon in CM1019
	Personnel Committee @ 4:00 p.m. in CM1019
May 17, 2010	Regular Board Meeting, Location TBA