



**Mott Community College  
Board of Trustees**

**Regular Meeting  
Monday, October 26, 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, October 26, 2009  
Volume 41

AGENDA

- I. CALL TO ORDER
- II. ADDITIONS TO THE AGENDA
- III. ADOPTION OF THE AGENDA
- IV. SPECIAL PRESENTATIONS  
H1N1 Virus Update  
-Scott Jenkins, Vice President, Student & Administrative Services  
  
2010 Tuition and Fees  
-Larry Gawthrop, Chief Financial Officer
- V. COMMUNICATIONS
- VI. COMMENTS FROM THE PUBLIC
- VII. APPROVAL OF MINUTES  
  
Approval of Regular Meeting Minutes of September 28, 2009 27-27k
- 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:  
  
1. MCCA Board of Directors Meeting (Joseph, Shaink)  
2. ACCT Leadership Congress (Croudy, Turner, Joseph)
- IX. UNFINISHED BUSINESS  
  
1.21 Amendments to Board Policy Section 5000 (Human Resources) 45
- X. NEW BUSINESS  
  
Consent Agenda:  
  
1.23 Treasurer's Report for September 2009 46-51

Individual Items:

1.24	2010 Tuition and Fees	52
1.25	Amendments to Board Policy Section 6000 (Instruction) – First Reading	53

## XI. ADMINISTRATIVE ITEMS

President's Report	54
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## XII. MISCELLANEOUS BUSINESS

4.04	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, September 28, 2009  
Volume 41

1.21 Amendments to Board Policy Section 5000 (Human Resources)

The Board Policy Committee is responsible for the drafting of new policies as well as review and revision of existing policies as needed, in consultation with the President.

The Committee has conducted a thorough and extensive review of Section 5000 of the Manual, and has prepared a revised version of the Section to be brought forth before the full Board for approval and ratification, in accordance with Board policy.

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

Accepts the recommendation of the Policy Committee to amend Section 5000 of the Board Policy Manual, as detailed in the supplemental documentation provided.

Reviewed and Submitted By:



Sally Shaheen Joseph, Policy Committee Chair

Date: September 21, 2009

Board Policy Statement Reference: 1800 – Policy Development

General: The Board shall review its policies and shall delete, amend, and supplement existing policies, and/or adopt new policies, as necessary.

FOR ACTION

Board of Trustees  
Charles Stewart Mott Community College  
Regular Meeting, October 26, 2009  
Volume 41

1.23 Treasurer's Report for September 2009

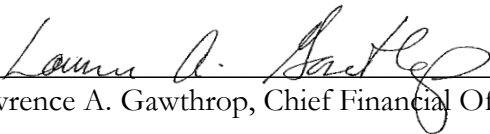
This resolution is recommended.

Be it Resolved, That

The Charles Stewart Mott Community College Board of Trustees

Accepts the financial report of the College for the month of September 2009 as presented by the Administration.

Reviewed and Submitted By:

  
\_\_\_\_\_  
Lawrence A. Gawthrop, Chief Financial Officer

Date: October 16, 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.

# September Treasurer's Report

Lawrence A. Gawthrop, CPA  
Chief Financial Officer

October 16, 2009

## *Summary of Expenditures:*

### *Month of September Spending:*

General Fund:	\$ 5,784,254
All Other Funds:	\$ 9,191,358
	-----
Total:	\$ 14,975,612
	=====

## *Comments on General Fund Financial Statements:*

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

In summary, total revenues for the three-month period ended September 30, was approximately \$21.3 million, representing 30.0% of the annual budget. This is .2% lower than last year at this time, when we had recognized 30.2% of budgeted revenues which totaled \$21.7 million. The two significant changes were in ***Tuition and fees*** and ***Property taxes*** which are discussed further below. Expenditures year-to-date were at \$13.8 million dollars, which represents 19.5% of the annual budget. This was 3.1% higher in spending than last year at this time when compared to the previous year's budget.

### **Revenues**

***Tuition and fee*** revenues are \$14.3 million for the three months ended, an increase of \$2 million from last year at this time. This positive variance is mainly due to credit-side enrollment figures for summer and fall being considerably higher than last year and significantly higher than anticipated.

***Property taxes*** were \$6.1 million through September, and are on pace with the budgeted amounts. The \$2.6 million decrease when compared to last year is attributable to Grand Blanc Township, when at September 30, they had only remitted collections through August 15. A \$1.9 million payment was made in October leaving \$625 thousand remaining to be collected. We have budgeted a \$936,000 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 \$129 thousand is our renaissance zone reimbursement. In the last fiscal year, this payment was made in October.

The total original budgeted amount for the current year is \$15.0 million, or \$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 early October, the Community College portion of the State of Michigan's budget was passed restoring both of the categorical cuts. This increase will be reflected in the January amended budget.

Finally, 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** are \$1.3 million higher than last year and total \$7.4 million for the three months ended September 30. Fringe benefit expenses are at approximately \$3.0 million. This is due to the change in the way Part-time/Adjunct/Overload salaries are recorded, pay increases effective July 1, and the addition of 110 new class sections offered this fall.

### **Other Expenditures**

There were increases in each of the other expenditure categories related to timing differences and increased enrollment costs. This was especially apparent in the contracted services and postage area where a \$85 thousand increase occurred related to the processing of the increase in financial aid applications and related postage. In the instructional support area was a purchase of the Blackboard application at a cost of \$54 thousand.

In the **Transfer** line item, a timing difference in the journal entry to record the scholarships to the 02 fund occurred. The journal entry was made in November of last year vs. September in the current year

- **Balance Sheet**

On the Balance Sheet, figures shown "As of September 30, 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 \$23.0 million, compared with \$23.4 million at the same time one year ago. The largest differences were comprised of an \$4.6 million decrease in **Short-term investments** a \$4.3 million increase in **Cash and cash equivalents**. This variance is the college's continued effort to maximize its safety in cash and investments by keeping as much of its deposits federally insured as possible.

At \$8.7 million, **Total Liabilities** were up approximately \$1.9 million from last year's September balance. There were increases in the areas of **Accounts payable, Accrued payroll and related liabilities** coupled with a decrease in **Due to other funds**. The **Accounts payable** increase was due in large part to an \$846 thousand increase from Follett (the bookstore) and a difference in the timing of check runs from the previous year.

The **deposits held for others** increase of \$190 thousand is from the monies received by Michigan Works in advance. The **Accrued payroll and related liability increase** of \$1.1 million was due to an increase in our vacation pay liability (\$100 thousand), the liability for the remaining contingency funds (\$400 thousand) and the different process for recording pay for part time faculty (\$695 thousand).

The **Accrued Termination Pay** balance increased by \$483 thousand due to the recording of the amount calculated for 6/30/09 by the actuary. The increase was primarily due to the addition of termination

benefits for the exempt employee groups and a change in the discount rate used by the actuary for these calculations.

***“Due to” and “Due from”***

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 12 month period. This is the case in the current month and the reason for the \$2.7 million increase in this inter-fund activity.

*Comments on spending from other funds:*

- Of the \$9.2 million spent in the other funds, \$7.4 was spent out of the ***Agency, Scholarships, and Federal Grants***, for grant activities and student scholarships, and \$1.8 million out of the ***Maintenance and Replacement Fund*** and ***Bond Issue 2008 fund*** for capital improvements.

**Mott Community College**  
**General Fund**  
**Statement of Revenues, Expenditures and Changes in Net Assets**  
**For the 3 Months Ended September 30, 2009**  
**With Comparative Totals at September 30, 2008**

	FY 2009-2010 Budget	YTD Actuals as of 9/30/09	YTD Actuals as of 9/30/08	Actual to Actual \$ Change	Actual to Actual % Change
<b>Revenues:</b>					
Tuition and fees	\$ 28,800,574	\$ 14,317,823	\$ 12,300,031	\$ 2,017,792	14.09%
Property taxes	23,500,000	6,104,040	8,737,761	(2,633,721)	-43.15%
State appropriations	14,995,200	129,539	-	129,539	100.00%
Ballenger trust	1,740,000	430,775	458,736	(27,961)	-6.49%
Grants and other	1,932,413	302,449	238,058	64,391	21.29%
<b>Total revenues</b>	<b>70,968,187</b>	<b>21,284,626</b>	<b>21,734,586</b>	<b>(449,960)</b>	<b>-2.11%</b>
<b>Expenditures:</b>					
Salaries and wages	37,523,512	7,408,470	6,150,699	1,257,771	16.98%
Fringe benefits	14,971,747	3,026,776	2,807,326	219,450	7.25%
Contracted services	4,658,652	848,580	750,762	97,818	11.53%
Materials and supplies	2,136,895	403,767	319,165	84,602	20.95%
Facilities rent	250,150	75,845	62,479	13,366	17.62%
Utilities and insurance	2,799,300	670,712	628,892	41,820	6.24%
Operations/communications	5,089,153	1,203,297	1,031,662	171,635	14.26%
Transfers	3,270,593	187,381	-	187,381	100.00%
Capital outlay	201,000	11,086	4,896	6,190	55.84%
<b>Total expenditures</b>	<b>70,901,002</b>	<b>13,835,914</b>	<b>11,755,881</b>	<b>2,080,033</b>	<b>15.03%</b>
<b>Net increase/(decrease) in net assets</b>	<b>67,185</b>	<b>7,448,712</b>	<b>9,978,705</b>	<b>(2,529,993)</b>	<b>-33.97%</b>

**Mott Community College  
General Fund  
Balance Sheet  
September 30, 2009  
With Comparative Totals at September 30, 2008**

	As of September 30, 2009	As of September 30, 2008	\$ Change
<b>Assets</b>			
Current Assets			
Cash and cash equivalents	\$ 8,014,412	\$ 3,763,237	\$ 4,251,175
Short term investments	11,306,836	15,856,875	(4,550,039)
Accounts receivable - net of allowance for uncollectible accounts (\$3,427,897 for 2009 and \$2,904,193 for 2008)	3,492,933	3,576,101	(83,168)
Inventories	44,724	52,769	(8,045)
Prepaid expenses and other assets	108,957	154,873	(45,916)
<b>Total Assets</b>	<b>\$ 22,967,862</b>	<b>\$ 23,403,855</b>	<b>\$ (435,993)</b>
<b>Liabilities and Net Assets</b>			
Current Liabilities			
Accounts payable	\$ 3,517,446	\$ 1,194,676	\$ 2,322,770
Accrued payroll and related liabilities	1,531,002	342,048	1,188,954
Deposits held for others	206,592	16,505	190,087
Due to other funds	432,666	2,707,970	(2,275,304)
<b>Total Current Liabilities</b>	<b>5,687,706</b>	<b>4,261,199</b>	<b>1,426,507</b>
Accrued termination pay	3,049,129	2,565,725	483,404
<b>Total Liabilities</b>	<b>8,736,835</b>	<b>6,826,924</b>	<b>1,909,911</b>
Net Assets			
Unrestricted	14,231,027	16,576,931	(2,345,904)
<b>Total Net Assets</b>	<b>14,231,027</b>	<b>16,576,931</b>	<b>(2,345,904)</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 22,967,862</b>	<b>\$ 23,403,855</b>	<b>\$ (435,993)</b>

FOR ACTION

Board of Trustees  
 Charles Stewart Mott Community College  
 Regular Meeting, October 26, 2009  
 Volume 41

1.24 2010 Tuition and Fees

In order to continue with sound business operations and have the resources to provide needed programs and services, it is necessary to increase tuition and fees beginning with the Winter 2010 Semester.

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

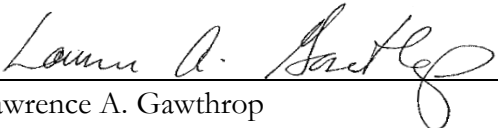
Be it Resolved, That

The Charles Stewart Mott Community College Board of Trustees

Approves authorization for tuition and fees for the 2010 calendar year as follows:

		<u>09-10 Fall Rate</u>	<u>2010 Calendar Year Rate</u>	<u>Increase</u>	<u>%</u>
Per Contact	In-District Rate	\$ 84.70	\$ 88.34	\$ 3.64	4.3%
Hour:	Out of District Rate	\$ 126.80	\$ 132.25	\$ 5.45	4.3%
	Out of State Rate	\$ 169.20	\$ 176.48	\$ 7.28	4.3%
	Institutional Technology Fee	\$ 4.85	\$ 5.06	\$ 0.21	4.3%
	Registration Fee	\$ 32.50	\$ 33.90	\$ 1.40	4.3%
	Student Services Fee	\$ 24.50	\$ 25.55	\$ 1.05	4.3%

Reviewed and Submitted by:

  
 \_\_\_\_\_  
 Lawrence A. Gawthrop  
 Chief Financial Officer

Date: October 26, 2009

Board Policy Statement Reference: 3310 – Tuition and Fees

General: Tuition and fees constitute a major source of revenue in support of a comprehensive program. The Board of Trustees acknowledges the importance of tuition and fees as a revenue source, while striving to hold rates at a reasonable level to enhance competitiveness in the marketplace and cost to students.

FIRST READING

Board of Trustees  
Charles Stewart Mott Community College  
Regular Meeting, October 26, 2009  
Volume 41

1.25 Amendments to Board Policy Section 6000 (Curriculum)

The Board Policy Committee is responsible for the drafting of new policies as well as review and revision of existing policies as needed, in consultation with the President.

The Committee has conducted a thorough and extensive review of Section 6000 of the Manual, and has prepared a revised version of the Section to be brought forth before the full Board for approval and ratification, in accordance with Board policy.

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

Accepts the recommendation of the Policy Committee to amend Section 6000 of the Board Policy Manual, as detailed in the supplemental documentation provided.

Reviewed and Submitted By:



Sally Shaheen Joseph, Policy Committee Chair

Date: October 19, 2009

Board Policy Statement Reference: 1800 – Policy Development

General: The Board shall review its policies and shall delete, amend, and supplement existing policies, and/or adopt new policies, as necessary.

President's Report  
 Regular Board of Trustees Meeting  
 October 26, 2009

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

November 4, 2009	Ballenger Eminent Persons Lecture Series @ 6:30 p.m., Event Center
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, Regional Technology Center
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 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 12-13, 2010	MCCA Spring Board of Directors Meeting, Mott Community College
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
June 23, 2010	Finance/Audit Committee @ 12:00 noon in CM1019
	Personnel Committee @ 4:00 p.m. in CM1019
June 28, 2010	Regular Board Meeting, Location TBA