

FOR ACTION

Board of Trustees
Charles Stewart Mott Community College
Regular Meeting,
March 22, 2010
Volume 41

Treasurer's Report for February 2010

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 February 2010 as presented by the Administration.

Reviewed and Submitted By:



Lawrence A. Gawthrop, CFO

Date: March 22, 2010

Board Policy Statement Reference:

“3100 Budget Adoption: General: The Board recognizes that its 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.
1. The Finance Committee shall receive and review budget reports on a monthly basis.”

February Treasurer's Report

Lawrence A. Gawthrop, CPA
Chief Financial Officer

March 12, 2010

Summary of Expenditures:

Month of February Spending:

General Fund:	\$	5,420,558
All Other Funds:	\$	2,928,571

Total:	\$	8,349,129
		=====

Comments on General Fund Financial Statements:

- Statement of Revenues, Expenditures and Changes in Net Assets

In summary, total revenues for the eight-month period ended February 28, is approximately \$55.4 million, representing 74% of the annual budget. This is 1.9% ahead of last year at this time, when we had recognized 72.1% of budgeted revenues which totaled \$52 million. Expenditures year-to-date were at \$41.9 million dollars, which represents 56% of the annual budget. This is 1.7% higher than last year at this time when compared to the previous year's budget.

Revenues

Tuition and fee revenues are \$28.8 million for the eight months ended, an increase of \$4.5 million from last year at this time. This positive variance is mainly due to credit-side enrollment figures for summer, fall, and winter being significantly higher than last year coupled with a 4.3% increase in the tuition rates for the winter semester.

Property taxes are \$17.7 million through February, and are on pace with the budgeted amounts. 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 total budgeted amount for the current year is \$15.0 million based on the same funding levels of from the prior year. We received our regularly scheduled payment as scheduled.

Expenditures

Salaries and wages total \$24.5 million for the eight months ended February 28, up approximately \$2 million when compared to the previous year. As mentioned in the previous Treasurer's Reports, increases effective July 1, and the increase in section offerings in the fall and winter semesters contribute to this increase. *Fringe benefit* expenses at approximately \$9.2 million are \$274 thousand higher than when compared to last year due to the factors described above.

Other Expenditures

The most significant changes in the Other Expenses area were increases of approximately \$322 thousand in *Contracted Services*, a \$203 thousand increase in *Materials and Supplies*, and a \$152 increase in *Operations/Communications* line items mainly due to the increase in our summer, fall and winter enrollments.

- **Balance Sheet**

Total Assets were at approximately \$28 million, compared with \$23.8 million at the same time one year ago. The largest differences were comprised of a \$23 million decrease in *Short-term investments* due to a change in moving our deposits to a higher interest yielding and fully federally insured product; an increase of \$3.8 million in *Due from other funds*, a \$22 million increase in *Cash and cash equivalents* and a \$1.5 million increase in *Accounts receivable* resulting in a total net increase of \$4.2 million.

At \$7.6 million, *Total Liabilities* are up approximately \$3.4 million from last year's February balance. The majority of this increase was \$3.2 million *Accounts payable*. This increase was due to timing of the processing of our vendor payables and a significant increase in the pass-through to Follett's for student book charges.

"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 \$3.8 million increase in this inter-fund activity.

Comments on spending from other funds:

- Of the \$2.9 million spent in the other funds, \$718 thousand was spent out of the *Maintenance and Replacement Fund* and *Bond Issue 2008 fund* for capital improvements and the remaining \$2.2 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 8 Months Ended February 28, 2010
With Comparative Totals at February 28, 2009

	FY 2009-2010 Budget	YTD Actuals as of 02/28/10	YTD Actuals as of 02/28/09	Actual to Actual \$ Change	Actual to Actual % Change
Revenues:					
Tuition and fees	\$ 32,960,753	\$ 28,789,398	\$ 24,334,453	\$ 4,454,945	18.31%
Property taxes	23,500,000	17,671,775	18,340,872	(669,097)	-3.65%
State appropriations	14,995,200	6,955,174	6,971,516	(16,342)	-0.23%
Ballenger trust	1,723,101	1,148,734	1,223,295	(74,561)	-6.10%
Grants and other	1,686,963	860,301	1,094,844	(234,543)	-21.42%
Total revenues	74,866,017	55,425,382	51,964,980	3,460,402	6.66%
Expenditures:					
Salaries and wages	39,375,875	24,521,175	22,505,965	2,015,210	8.95%
Fringe benefits	15,114,796	9,156,636	8,882,338	274,298	3.09%
Contracted services	5,884,390	2,568,181	2,246,512	321,669	14.32%
Materials and supplies	2,431,132	1,320,026	1,117,011	203,015	18.17%
Facilities rent	250,150	171,359	135,364	35,995	26.59%
Utilities and insurance	2,803,600	1,518,364	1,545,300	(26,936)	-1.74%
Operations/communications	5,238,430	2,304,272	2,152,128	152,144	7.07%
Transfers	3,535,593	274,144	459,942	(185,798)	-40.40%
Capital outlay	221,800	77,736	17,003	60,733	357.19%
Total expenditures	74,855,766	41,911,893	39,061,563	2,850,330	7.30%
Net increase/(decrease) in net assets	10,251	13,513,489	12,903,417	610,072	4.51%

**Mott Community College
General Fund
Balance Sheet
February 28, 2010
With Comparative Totals at February 28, 2009**

	As of February 28 2010	As of February 28 2009	\$ Change
Assets			
Current Assets			
Cash and cash equivalents	\$ 22,852,713	\$ 1,254,035	\$ 21,598,678
Short term investments	936	22,573,832	(22,572,896)
Due from (to) other funds	1,917,845	(1,876,451)	3,794,296
Accounts receivable - net of allowance for uncollectible accounts (\$3,352,965 for 2010 and \$2,770,822 for 2009)	3,002,680	1,481,525	1,521,155
Inventories	57,190	74,296	(17,106)
Prepaid expenses and other assets	119,012	275,573	(156,561)
Total Assets	\$ 27,950,376	\$ 23,782,810	\$ 4,167,566
Liabilities and Net Assets			
Current Liabilities			
Accounts payable	\$ 3,391,438	\$ 234,604	\$ 3,156,834
Accrued payroll and related liabilities	1,126,771	1,447,503	(320,732)
Deposits held for others	169,276	36,465	132,811
Total Current Liabilities	4,687,485	1,718,572	2,968,913
Accrued termination pay	2,967,087	2,562,595	404,492
Total Liabilities	7,654,572	4,281,167	3,373,405
Net Assets			
Unrestricted	20,295,804	19,501,643	794,161
Total Net Assets	20,295,804	19,501,643	794,161
Total Liabilities and Net Assets	\$ 27,950,376	\$ 23,782,810	\$ 4,167,566