Treasurer’s Report for March 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 March 2010 as presented by the Administration.

Reviewed and Submitted By:

______________________________________     Date: April 16, 2010
Lawrence A. Gawthrop, CFO

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.”
March Treasurer’s Report

Lawrence A. Gawthrop, CPA
Chief Financial Officer

April 16, 2010

Summary of Expenditures:

Month of March Spending:

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$ 5,879,252</td>
</tr>
<tr>
<td>All Other Funds</td>
<td>$ 3,376,840</td>
</tr>
<tr>
<td>----------------</td>
<td>------------------</td>
</tr>
<tr>
<td>Total</td>
<td>$9,256,092</td>
</tr>
</tbody>
</table>

Comments on General Fund Financial Statements:

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

  Total revenues for the nine month period ending March 31, was approximately $60.3 million, representing 80.6% of the annual budget. This is slightly ahead of last year at this time, when we had recognized 79.6% of budgeted revenues. Expenditures year-to-date are at $47.8 million dollars, which represented 63.8% of the annual budget. This is 2.5% higher than last year’s spending at this time when compared to the previous year’s budget percentage.

  **Revenues**

  Tuition and fee revenues were $29.1 million through March, an increase of $4.6 million from last year at this time. The fall and winter enrollment figures were higher than anticipated causing a majority of the increase coupled with a 4.3% tuition increase effective January 1, 2010.

  Property taxes were $20.7 million through March, a decrease of $1.2 million when compared to the prior year. Collections are 5.57% behind the budget when compared to last year, but are expected to come in as budgeted, as property taxes are recorded on a cash basis and variances are caused by timing of payments from the various local taxing authorities. Additionally, we have budgeted a $936 thousand decrease in overall property tax collections in the general fund.

  **State appropriations** payments for FY2009-10 are paid in monthly installments starting with October. The total allocation for the current year is $15 million and we received the March payment as scheduled.
Expenditures

Salaries and wages are approximately $27.8 million or 9% higher when compared to the prior year. Fringe benefit expenses are 3% higher and approximate $10.3 million. This increase is attributable to salary increases that took effect on July 1, and the additional overload and part-time faculty required to meet the significant increase in enrollments.

Other Expenditures

Total other expenditures continue to track as expected with the additional increases in Contracted Services, Materials and Supplies, and Operations/Communications resulting in additional services and licenses required to address our enrollment growth.

• **Balance Sheet**

Total Assets were at $24.5 million, a $313 thousand increase from last March. The largest differences were comprised of a $19 million decrease in Short-term investments, which is a result of our focus on keeping our balances safe while earning credits against our bank fees, a $14.9 million increase in Cash and cash equivalents, the resulting transfer from the Short-term investments, a $898 thousand increase in Accounts Receivable and a $3.7 million increase in the due from/(to) other funds for a total increase of $313 thousand.

At $5.2 million, Total Liabilities are up approximately $906 thousand from last year’s balance at March. The most significant changes were in the areas of Accounts Payable and Accrued payroll and related liabilities which were directly related to timing of payments on the check run in accounts payable and the timing of payments on the MPSERS and Health Plus payments in the accrued payroll and related liabilities. The Deposits held for others increased by $100 thousand resulting from monies paid to us in advance from the Work Force Development grants.

**Comments on spending from other funds:**

• The March expenditures in the other funds were comprised mainly in Maintenance and Replacement Fund (72) and Bond Issue, Series 2008, which totaled $608 thousand. The remaining $2.8 million was spent out of the Restricted Funds, most of which was for student financial aid and grant activities.
<table>
<thead>
<tr>
<th>Revenues:</th>
<th>FY 2009-2010</th>
<th>YTD Actuals as of 03/31/10</th>
<th>YTD Actuals as of 03/31/09</th>
<th>Actual to Actual $</th>
<th>Actual to Actual %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition and fees</td>
<td>$ 32,960,753</td>
<td>$ 29,127,485</td>
<td>$ 24,519,727</td>
<td>$ 4,607,758</td>
<td>18.79%</td>
</tr>
<tr>
<td>Property taxes</td>
<td>23,500,000</td>
<td>20,699,608</td>
<td>21,920,702</td>
<td>(1,221,094)</td>
<td>-5.57%</td>
</tr>
<tr>
<td>State appropriations</td>
<td>14,995,200</td>
<td>8,320,301</td>
<td>8,336,643</td>
<td>(16,342)</td>
<td>-0.20%</td>
</tr>
<tr>
<td>Ballenger trust</td>
<td>1,723,101</td>
<td>1,292,326</td>
<td>1,376,207</td>
<td>(83,881)</td>
<td>-6.10%</td>
</tr>
<tr>
<td>Grants and other</td>
<td>1,686,963</td>
<td>887,836</td>
<td>1,212,565</td>
<td>(324,729)</td>
<td>-26.78%</td>
</tr>
<tr>
<td>Total revenues</td>
<td>74,866,017</td>
<td>60,327,556</td>
<td>57,365,844</td>
<td>2,961,712</td>
<td>5.16%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures:</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and wages</td>
<td>39,375,875</td>
<td>27,777,031</td>
<td>25,467,621</td>
<td>300,149</td>
<td>3.00%</td>
</tr>
<tr>
<td>Fringe benefits</td>
<td>15,114,796</td>
<td>10,310,898</td>
<td>10,010,749</td>
<td>300,149</td>
<td>3.00%</td>
</tr>
<tr>
<td>Contracted services</td>
<td>5,884,390</td>
<td>3,089,225</td>
<td>2,447,098</td>
<td>642,127</td>
<td>26.24%</td>
</tr>
<tr>
<td>Materials and supplies</td>
<td>2,431,132</td>
<td>1,557,668</td>
<td>1,289,687</td>
<td>267,981</td>
<td>20.78%</td>
</tr>
<tr>
<td>Facilities rent</td>
<td>250,150</td>
<td>215,481</td>
<td>165,047</td>
<td>50,434</td>
<td>30.56%</td>
</tr>
<tr>
<td>Utilities and insurance</td>
<td>2,803,600</td>
<td>1,731,735</td>
<td>1,769,797</td>
<td>(38,062)</td>
<td>-2.15%</td>
</tr>
<tr>
<td>Operations/communications</td>
<td>5,238,430</td>
<td>2,654,009</td>
<td>2,423,424</td>
<td>230,585</td>
<td>9.51%</td>
</tr>
<tr>
<td>Transfers</td>
<td>3,535,593</td>
<td>375,030</td>
<td>459,942</td>
<td>(84,912)</td>
<td>-18.46%</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>221,800</td>
<td>80,066</td>
<td>18,844</td>
<td>61,222</td>
<td>324.89%</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>74,855,766</td>
<td>47,791,143</td>
<td>44,052,209</td>
<td>3,738,934</td>
<td>8.49%</td>
</tr>
</tbody>
</table>

Net increase/(decrease) in net assets                                   | 10,251       | 12,536,413                  | 13,313,635                  | (777,222)         | -5.84%            |
Mott Community College  
General Fund  
Balance Sheet  
March 31, 2010  
With Comparative Totals at March 31, 2009  

<table>
<thead>
<tr>
<th></th>
<th>As of March 31</th>
<th>As of March 31</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2010</td>
<td>2009</td>
<td></td>
</tr>
</tbody>
</table>

**Assets**

Current Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$18,406,516</td>
<td>$3,438,013</td>
<td>$14,968,503</td>
</tr>
<tr>
<td>Short term investments</td>
<td>936</td>
<td>19,056,039</td>
<td>(19,055,103)</td>
</tr>
<tr>
<td>Due from (to) other funds</td>
<td>3,765,722</td>
<td>65,958</td>
<td>3,699,764</td>
</tr>
<tr>
<td>Accounts receivable - net of allowance for uncollectible accounts ($3,352,965 for 2010 and $2,770,822 for 2009)</td>
<td>2,118,739</td>
<td>1,220,361</td>
<td>898,378</td>
</tr>
<tr>
<td>Inventories</td>
<td>60,540</td>
<td>79,058</td>
<td>(18,518)</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>143,684</td>
<td>323,482</td>
<td>(179,798)</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$24,496,137</td>
<td>$24,182,911</td>
<td>$313,226</td>
</tr>
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**Liabilities and Net Assets**

Current Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$1,026,859</td>
<td>$271,322</td>
<td>$755,537</td>
</tr>
<tr>
<td>Accrued payroll and related liabilities</td>
<td>1,002,431</td>
<td>1,356,113</td>
<td>(353,682)</td>
</tr>
<tr>
<td>Deposits held for others</td>
<td>181,032</td>
<td>81,020</td>
<td>100,012</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>2,210,322</td>
<td>1,708,455</td>
<td>501,867</td>
</tr>
<tr>
<td>Accrued termination pay</td>
<td>2,967,087</td>
<td>2,562,595</td>
<td>404,492</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>5,177,409</td>
<td>4,271,050</td>
<td>906,359</td>
</tr>
</tbody>
</table>

Net Assets

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<th>Description</th>
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<th>2009</th>
<th>Change</th>
</tr>
</thead>
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<tr>
<td>Unrestricted</td>
<td>19,318,728</td>
<td>19,911,861</td>
<td>(593,133)</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td>19,318,728</td>
<td>19,911,861</td>
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**Total Liabilities and Net Assets**

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