

FOR ACTION

Board of Trustees
Charles Stewart Mott Community College
Regular Meeting,
September 26, 2011
Volume 44

Treasurer's Report for August 2011

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 August, 2011 as presented by the Administration.

Reviewed and Submitted By:



Larry Gawthrop, CFO

Date: September 26, 2011

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.”

August Treasurer's Report

Larry Gawthrop, CPA
Chief Financial Officer

September 26, 2011

Summary of Expenditures:

Month of August Spending:

General Fund:	\$	4,660,673
All Other Funds:	\$	<u>11,916,546</u>
Total:	\$	<u>16,577,219</u>

Comments on General Fund Financial Statements:

- Statement of Revenues, Expenditures and Changes in Net Assets

In summary, total revenues for the two months ended August 31, was approximately \$18.0 million, representing 23.5% of the annual budget. This is 2.7% higher than last year at this time, when we had recognized 20.8% of budgeted revenues. The most significant change was in the *Tuition and fees* and *Grants and other* which are discussed further below. General Fund expenditures for the two months ended August 31, are at \$8.7 million dollars representing 11.1% of the annual budget, comparable to August of the prior year.

Revenues

Tuition and fee revenues are \$15.0 million for the two months ended, which is \$1.6 million ahead of last year, this is mainly due to the tuition rate increase.

Grants and other is at \$342,516 up approximately \$271 thousand from last year. This is largely due to the \$250 thousand we received from the Foundation for Mott Community College.

Property taxes collected are \$2.4 million through August. The amount budgeted is \$19.1 million, down \$1.5 million from last year's \$20.6 million and is based on final taxable value figures provided by the Genesee County Equalization Department.

State appropriations payments for FY2011-12 are paid in monthly installments starting with October. The total budgeted amount for the current fiscal year is \$14.4 million, or approximately \$600 thousand (4.2%) less than last year.

Expenditures

Salaries and Wages are at \$4.3 million, or 10.6% of the annual budget, comparable to the prior year.

Fringe Benefits are at \$2.3 million, also comparable to the previous year.

Other Expenditures

The Other Expenses area is tracking as projected and comparable to the prior year amounts.

- **Balance Sheet**

Total Assets are at approximately \$25.1 million, up \$3.7 million from last August. The largest difference is a \$3.7 million increase in *Due from other funds*, which is a result of inter-fund activity timing differences.

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 \$7.4 million, **Total Liabilities** are up approximately \$565 thousand from last August’s balance. The most significant changes were in the areas of *Accounts payable*-timing differences in check runs from the prior year, *Accrued payroll and related liabilities*- timing difference in the payment of the health insurance payments from year to year, *Other Accrued Liabilities* which is the recording of the full amount of the GM tax appeal as calculated by the Genesee County Equalization Department (\$ 611,000) less payments made to date (\$ 89,977), and the decrease in *Accrued termination pay* from the employee retirements.

Comments on spending from other funds:

- Of the \$11.9 million spent in the other funds, \$223 thousand was expended out of the *Maintenance and Replacement Funds* for capital improvements, and the remaining \$11.7 million balance 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 2 Month Ended August 31, 2011
With Comparative Totals at August 31, 2010

	FY 2011-2012 Budget	YTD Actuals as of 8/31/11	YTD Actuals as of 8/31/10	Actual to Actual \$ Change	Actual to Actual % Change
Revenues:					
Tuition and fees	\$ 39,935,305	\$ 15,017,231	\$ 13,375,778	\$ 1,641,453	12.27%
Property taxes	19,125,451	2,411,173	2,233,276	177,897	7.97%
State appropriations	14,383,600	-	-	-	0.00%
Ballenger trust	1,734,329	272,388	272,388	-	0.00%
Grants and other	1,741,484	342,516	71,458	271,058	379.32%
Total revenues	76,920,169	18,043,308	15,952,900	2,090,408	13.10%
Expenditures:					
Salaries and wages	40,227,578	4,282,899	4,347,442	(64,543)	-1.48%
Fringe benefits	18,364,320	2,273,322	2,316,120	(42,798)	-1.85%
Contracted services	6,681,404	516,738	467,503	49,235	10.53%
Materials and supplies	2,564,357	197,228	204,343	(7,115)	-3.48%
Facilities rent	213,700	57,075	36,971	20,104	54.38%
Utilities and insurance	2,525,500	647,411	613,504	33,907	5.53%
Operations/communications	5,243,342	709,120	699,123	9,997	1.43%
Transfers	2,079,200	4,000	3,000	1,000	33.33%
Capital outlay	441,100	18,842	532	18,310	3441.73%
Total expenditures	78,340,501	8,706,635	8,688,538	18,097	0.21%
Net increase/(decrease) in net assets	(1,420,332)	9,336,673	7,264,362	2,072,311	28.53%

**Mott Community College
General Fund
Balance Sheet
August 31, 2011
With Comparative Totals at August 31, 2010**

	As of August 31 2011	As of August 31 2010	\$ Change
Assets			
Current Assets			
Cash and cash equivalents	\$ 11,753,507	\$ 11,676,881	\$ 76,626
Short term investments	936	936	-
Due from (to) other funds	9,251,646	5,530,877	3,720,769
Accounts receivable - net of allowance for uncollectible accounts (\$4,201,136 for 2011 and \$3,429,998 for 2010)	3,940,109	4,016,466	(76,357)
Inventories	43,263	44,961	(1,698)
Prepaid expenses and other assets	91,833	127,841	(36,008)
Total Assets	\$ 25,081,294	\$ 21,397,962	\$ 3,683,332
Liabilities and Net Assets			
Current Liabilities			
Accounts payable	\$ 2,500,160	\$ 1,264,947	\$ 1,235,213
Accrued payroll and related liabilities	1,746,722	1,941,644	(194,922)
Deposits held for others	119,102	148,897	(29,795)
Other accrued liabilities	521,023	611,000	(89,977)
Total Current Liabilities	4,887,007	3,966,488	920,519
Accrued termination pay	2,538,635	2,893,235	(354,600)
Total Liabilities	7,425,642	6,859,723	565,919
Net Assets			
Unrestricted	17,655,652	14,538,239	3,117,413
Total Net Assets	17,655,652	14,538,239	3,117,413
Total Liabilities and Net Assets	\$ 25,081,294	\$ 21,397,962	\$ 3,683,332