



**COPY TO ALL BOARD MEMBERS**

*Gordon Henderson, Ex Officio Staff Member*  
*Darrell Minor, Ex Officio Faculty Member*  
*Korie Jenkins, Ex Officio Student Member*

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**BOARD OF TRUSTEES  
COMMITTEE OF THE WHOLE**

Thursday, January 20, 2011  
12:00 p.m.  
Pete Grimes Board Room

**AGENDA**

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## COLUMBUS STATE COMMUNITY COLLEGE

Date \_\_\_\_\_

### BOARD ACTION

#### SUBJECT:

Report of Independent Auditors on the financial statements for the year ended June 30, 2010.

#### BACKGROUND INFORMATION:

The college is required by law to have its financial statements audited by the State Auditor or his/her designee. The audit for the year ended June 30, 2010 was performed by Parns & Company, LLC, 585 South Front Street, Suite 220, Columbus, Ohio 43215. Copies of the auditor's reports have been distributed to the Board of Trustees and copies of selected pages, as referenced below, are attached. The following are included in the Independent Auditors' Report:

- INDEPENDENT AUDITORS' REPORT (pages 1-2) of the college which renders an unqualified opinion which states that in their opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the discretely presented component unit of the Columbus State Community College as of June 30, 2010 and 2009, and the respective results of its operations and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.
- SCHEDULE OF FINDINGS AND QUESTIONED COSTS (pages 46-48) in which there was one finding (pages 47-48, Section II), but no questioned costs (page 48, Section III). The college's responses are included in this schedule.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (pages 42-43) in which the auditor disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. The auditor noted one significant deficiency in internal control over financial reporting, but it was not considered to be a material weakness.

**BOARD ACTION**  
**(Continued)**

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 (pages 44-45) in which they state Columbus State Community College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. The auditor further noted no deficiencies in internal control over compliance that were considered to be material weaknesses.

The auditors are submitting a management letter to the Board of Trustees that includes items for consideration. They do not believe that any of the items are material instances of noncompliance or reportable conditions, but believe that they represent opportunities for strengthening internal control and operating efficiency. Their comments and the college's responses are included in this letter.

**RECOMMENDATION:**

That the Board of Trustees accept, as presented, the Reports of the Independent Auditors as of June 30, 2010, for the College and the Foundation as prepared by Parns & Company, LLC.



## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Columbus State Community College  
Columbus, Ohio

We have audited the accompanying statements of net assets of Columbus State Community College (the College), a component unit of the State of Ohio, and its discretely presented component unit, as of June 30, 2010 and 2009, and the related statements of revenues, expenses and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the discretely presented component unit of the Columbus State Community College as of June 30, 2010 and 2009, and the respective results of its operations and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards* we have also issued our report dated October 14, 2010, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis presented on pages 3 through 15 is not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards for the year ended June 30, 2010, is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements of Columbus State Community College. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Parns & Company, LLC*

October 14, 2010  
Columbus, Ohio



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Trustees  
Columbus State Community College

We have audited the financial statements of Columbus State Community College (the College), a component unit of the State of Ohio, as of and for the year ended June 30, 2010, and have issued our report thereon dated October 14, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the College's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting (2010-01). A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We noted certain matters which we reported to management of the College in a separate letter dated October 14, 2010.

The College's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the College's response and, we express no opinion on it.

This report is intended solely for the information and use of management, others within the entity, federal awarding agencies and pass-through entities and the Auditor of State and is not intended to be and should not be used by anyone other than these specified parties.

*Farms & Company, LLC*

October 14, 2010  
Columbus, Ohio



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Trustees  
Columbus State Community College

**Compliance**

We have audited Columbus State Community College's (the College) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2010. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the College's management. Our responsibility is to express an opinion on The College's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the College's compliance with these requirements.

In our opinion, the College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

**Internal Control Over Compliance**

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered The College's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of The College's internal control over compliance.



*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

This report is intended solely for the information and use of management, the Board of Trustees, the Auditor of State of Ohio, federal awarding agencies, and passthrough entities and is not intended to be and should not be used by anyone other than these specified parties.

*Parms & Company, LLC*

October 14, 2010  
Columbus, Ohio

**COLUMBUS STATE COMMUNITY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2010**

**Section I. Summary of Auditor's Results**

**A. *Financial Statements:***

1. Type of auditor's report issued: UNQUALIFIED
2. Internal control over financial reporting:
  - a. Material weakness(es) identified?     Yes   X   No
  - b. Significant deficiency(ies) identified that are not considered to be material weakness(es)?   X   Yes     No
3. Noncompliance material to financial statements noted?     Yes   X   No

**B. *Federal Awards:***

1. Internal control over major programs:
  - a. Material weakness(es) identified?     Yes   X   No
  - b. Significant deficiency(ies) identified that are Not considered to be material weakness(es)?     Yes   X   No
2. Type of auditor's report issued on compliance for major programs: UNQUALIFIED
3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?     Yes   X   No
4. Identification of major programs by program name (CFDA Number(s)):
  - Student Financial Assistance Cluster (84.007, 84.032, 84.033, 84.063, 84.268 and 84.375)
  - ARRA State Fiscal Stabilization – Education State Grants, Recovery Act (84.394)
5. Dollar threshold used to distinguish between Type A and Type B programs:   \$ 2,258,987
6. Auditee qualified as low-risk auditee?   X   Yes     No

COLUMBUS STATE COMMUNITY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(continued)  
For the Year Ended June 30, 2010

Section II. Financial Statement Findings

Finding 2010-01

IT CHANGE MANAGEMENT SYSTEM

Criteria

Request for program changes, system changes and maintenance (including changes to system software) should be standardized, logged into the change management system, have the approval of the change documented, and should be subject to formal change management procedures.

Condition

A population of changes made to the Datatel system was not available. Additionally, the support documenting the modifications were adequately authorized, tested and approved were not always maintained.

Cause

A design flaw was identified in that a population of changes made to the Datatel system was not available.

Effects

The control was deemed ineffective. Given the number of functional experts outside of IT with access to make modifications and the lack of documentation, there is a risk of changes being made to the enterprise resource planning system (ERP) that negatively impact the business and/or financial statements.

Recommendation

We recommend a formal process be implemented to ensure all impacted parties are aware of modifications and to ensure those modifications are appropriately tested and approved. All corresponding documentation should be maintained.

### Management's Response

The College disagrees with the auditors' description of this item as a design flaw. With the implementation of the Datatel Colleague system beginning in 2002, the College moved from an environment fully controlled by the Information Technology Division to one that is decentralized with more responsibilities in the units where the work is done. Under this structure, there are clearly identified Module Custodians that have responsibility for each module, which includes modification to rules and queries. These Module Custodians rely on the referenced functional experts to assist in testing and documentation. Given the complex nature of the environment and the limited IT resources available, operating in this manner is critical to the day-to-day operations of the College. It is not clear that the auditors consulted with any Module Custodians to support the conclusions stated. Also supporting this structure is a Colleague Quality Assurance team that consists of the functional experts for all modules. This group meets regularly on quality assurance issues. Module Custodians are kept informed by their functional expert representatives on this team and meets with the Quality Assurance Team periodically. The College went through a formal process to establish this team, including modifications to the position descriptions of individuals on the team to make quality assurance a formal part of their job responsibilities, and some individuals positions were reclassified accordingly. This Team will work with IT's Change Management team in the next few months to identify where processes might be enhanced.

### **Section III. Federal Award Findings and Questioned Costs**

No findings.

### **Section IV. Summary of Prior Audit Findings**

#### **Finding 2009-01 – Financial Statement Reconciliations**

This finding has been adequately addressed by management.

#### **Finding 2009-02 Student Account Record Access**

This finding has been adequately addressed by management.

Management Letter

October 14, 2010

Board of Trustees  
Columbus State Community College  
Columbus, Ohio

We have audited the financial statements of Columbus State Community College (the College) for the year ended June 30, 2010, and have issued our report thereon dated October 14, 2010.

In planning and performing our audit of the financial statements of the College for the year ended June 30, 2010, we considered its internal control and compliance with certain provisions of laws, regulations, contracts and grant agreements in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control.

During our audit, we became aware of matters about which we would like to bring to your attention. Our comments are made to assist the management of the College in performing its oversight responsibility and represent opportunities for strengthening internal control and operating efficiency. Accordingly, our comments should not be considered a reflection on the integrity or abilities of any employee of the College. We welcome the opportunity to submit these comments to the Board of Trustees for your consideration. If desired, our engagement team is available to discuss these matters in further detail.

Sincerely,

*Parms & Company, LLC*

## DATA PROCESSING SYSTEM

As part of our audit we reviewed the general controls related to the College's IT system. There were areas reviewed where we believe procedures and documentation could be further enhanced. There was also an area of self assessment by the College related to payment card processing which we wanted to make sure those charged with governance were aware.

### User Accounts Review

#### Comment

Management has not performed a review of system user access this fiscal year. CSCC is working on a method for reviewing user accounts with the goal of doing the review during the next year. We recommend management perform regular reviews over the network and critical applications and evidence of that review be maintained.

#### Management Response

All users are provided access to the systems with their supervisor's approvals and the systems module gatekeepers. A system and systematic method has been established to review the existing users' appropriate level of access and rights. Due to the sheer volume of the review report and the amount of time required to conduct such a review, an active project exists to automate this process. In the meantime, manual reviews on the networks systems and critical applications are currently taking place.

### Bookstore Point of Sale System

#### Comment 1

We noted a number of temporary accounts utilized within the point of sale system for the bookstore (Booklog) which did not require passwords. To ensure accountability, all users should have a unique ID and password.

#### Management Response

Since the time of this audit, unique passwords have been assigned to the accounts in question and this risk has been managed.

#### Comment 2

The administrator account name utilized to house the bookstore server based programs Courseworks and Booklog utilizes the default server name that comes with the program. This is a very powerful account that outside hackers are most likely to attempt to compromise. We recommend management consider renaming the administrator account on the server housing Courseworks and Booklog.

#### Management Response

The bookstore application software Courseworks and Booklog require the "Administrator" account by design. All installations are performed using the "Administrator" account due to a requirement imposed by a third party application to those applications. To mitigate the exposure of having an "Administrator" account on the Windows server, we have ensured a strong password is in place. Follett, the provider of the applications has also been contacted and requested to change their software application design to further improve this system setup. Follett has agreed to work on enhancing their products.

## Payment Card Industry (PCI) Gap Assessment

### Comment

We noted a number of high risk areas were identified in the College's PCI assessment performed during the 2010 fiscal year. While these risks do not have a direct impact on the integrity of the financial data, it is important to note PCI related fines can cost up to \$500,000 per incident. In severe cases, merchants can even be prevented from accepting major credit cards.

### Management Response

The College has approved PCI resolution as a major initiative for this FY11. Funding and resources are in place and resolution is underway. The College has taken steps to address issues/risks raised during the QSA (Qualified Security Assessor) assessment. Additionally, in parallel with obtaining approval for a new proposed CSCC PCI policy, Information Technology is moving forward with its plans to segregate the network and make the necessary changes as directed by the PCI Security Standards Council (the organization that created the Data Security Standard).

## COMPLIANCE

As part of our review of the College's compliance with certain provisions of laws, regulations, contracts and grant agreements, we performed tests of compliance with those provisions. We are providing non-material noncompliance comments for which management should consider corrective actions be implemented.

### Student Financial Aid Over Awards

#### Comment

We noted five instances where the total award amount to a student exceeded their need based on the cost of attendance as documented with the student financial aid system. In four of the cases, it was determined that these errors occurred due to student financial aid awarding of additional aid to the student because their cost of attendance increased. It was determined that the student's budgeted cost of attendance should have been adjusted, however, only the amount of financial aid was adjusted in the financial aid system. As a consequence, it appeared that the student had been over awarded. In the remaining instance noted, the aid awarded was simply in excess of the student's cost of attendance.

Based on our review of the circumstances resulting in the over award, we believe four of the five instances did not represent compliance issues but were internal control deficiencies. We believe the errors occurred because of a break down in the internal control system over revising student awards. Since in four of five instances, the College should have adjusted the cost of attendance estimate, this control weakness was not deemed a significant deficiency.

We recommend the College review its process for amending student aid award to ensure that both the student's estimated cost of attendance and their financial aid are considered for revision. The College should consider whether additional review procedures should be implemented to catch any manual mistakes made in the award revision process.

### Management Response

In the cases of the four students who were awarded aid in excess of the Cost of Attendance noted on Datatel Colleague, the college disagrees with the premise that these awards were "errors". In each of those four instances the college demonstrated that due to higher than average enrollment levels those students's actual Cost of Attendance was higher than the standard cost of attendance used to calculate eligibility for the majority of CSCC's students. The student's financial aid was increased accordingly; therefore the awards for these students were not errors.

The standard practice and expectation within the Financial Aid Department that when a student's aid is adjusted at to a level exceeding posted cost of attendance, the staff member making that adjustment also adjust cost of attendance on Datatel Colleague. In the case of these four students that adjustment did not take place, but the general practice will remain in place. Additional training has been initiated to improve compliance with the practice, and the issue will be addressed periodically throughout the year.

### Direct Loan Reconciliation

#### Comment

The Federal Direct Lending Program requires institutions to perform monthly reconciliations of loan disbursements. We understand direct lending was a new program at the College during 2010, and that the College only began disbursing direct loans during the spring of 2010. However, the College had not been performing these required reconciliation procedures for direct loans disbursed during May and June 2010.

We understand the College has taken action to comply with this requirement. We recommend the College follow through on this procedure requirement.

### Management Response

The Federal Direct Lending is a new program at CSCC and there was some misunderstanding as to how reconciliation would be completed. That misunderstanding has been resolved at this time. The college agrees with this comment and is taking steps to comply with this requirement.





# COLUMBUS STATE COMMUNITY COLLEGE

Date \_\_\_\_\_

## BOARD ACTION

**SUBJECT:** Allocating Net Income for the Fiscal Year Ended June 30, 2010

**BACKGROUND INFORMATION:**

In November 2007 the Board of Trustees adopted *Resource Planning Principles* (“the Principles”) that include the strategic allocation of net income realized in the previous fiscal year.

In FY2010, students were charged \$79/credit hour for the fourth consecutive year. Growth was significant and yielded higher-than-budgeted revenue while actual expenses were lower than budget. FY2010 net income to the general fund is \$10,836,488\* or 7.2% of general fund revenues for the period ending June 30, 2010.

*Semester Conversion.* In September 2010 the Board of Trustees approved a budget of up to \$6.0 million for the work of converting from a quarter to semester system, with the understanding that a plan to support the budget would be presented to the Board in January 2011. The proposed plan to support the Semester Conversion budget is as follows:

\$4,000,000	Revised FY 2011 Operating Budget
1,500,000	FY2010 Net Income Allocation
<u>500,000</u>	Balance remaining in the initial Semester Conversion allocation
\$6,000,000	

*Scholarships and Student Support.* In 2008, the Board of Trustees authorized the creation of the *Think Again* Scholarship and allocated \$3.0 million for the program. In May 2009, the Board authorized an additional \$3.25 million. To date, the scholarship has funded over 3,100 students in pursuit of their academic objectives. Data indicate that scholarship recipients are reaching and exceeding academic objectives on a variety of measures. The results are significant.

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\* The attached *Reconciliation of General Fund Net Income* reconciles the college’s general ledger with the audited financial statements, see in particular column 4 on attached reconciliation and column 1 on p. 17 of audited financial statements for the period ending June 30, 2010.

*Think Again* scholars have been retained at rates between 12 and 34 percentage points higher than non-recipients every quarter since the program's Autumn Quarter 2008 inception. In the majority of cases, the quarter-to-quarter retention rate for *Think Again* scholars has exceeded 85%. When viewed annually, retention of *Think Again* scholars is equally impressive. Autumn Quarter 2008 and Autumn Quarter 2009 *Think Again* recipients were retained at rates over 21 and 17 percentage points higher than their respective non-recipient counterparts.

Additionally, *Think Again* recipients

- enrolled for more credit hours on average than non-recipients every term since program inception;
- attained 15 or more credits after receipt of scholarship at a higher rate than non-recipients every term since program inception; and
- attained 30 or more credits after receipt of scholarship at a higher rate than non-recipients every term since program inception.

These academic attainment benchmarks are consistent with those used by the University System of Ohio.

Additional scholarship funds will continue to benefit students who seek to advance their higher education, as will student services necessary to enhance students' academic success and credential attainment. Scholarships that will be funded by these monies for the academic years 2011-12 and 2012-13 will be designed to advance student success consistent with the principles established with the *Think Again* scholarship program.

*Budget/Tuition Stabilization Account.* While this account is currently allocated at more than the minimum required by the Principles, given the significant uncertainties related to the State's economy, particularly related to the one-time solutions that were used to balance the current biennial budget that will need to be addressed differently in the FY12-13 budget, it is prudent to insure this account is available to serve a growing enrollment while continuing to maintain affordable rates of tuition.

**RECOMMENDATION:**

That the Board of Trustees approves the strategic allocation of general fund net income realized for the period ending June 30, 2010, as follows:

<i>Semester Conversion</i>	\$ 1,500,000
<i>Scholarships and Student Support</i>	5,000,000
<i>Budget/Tuition Stabilization</i>	<u>4,336,488</u>
Total	\$10,836,488

**RECONCILIATION OF GENERAL FUND (Fund 10) NET INCOME  
FOR THE PERIOD ENDING JUNE 30, 2010**

	(1)	(2)	(3)	(4)
	General Fund Fund 10	All Other Funds	Audit Adjustments/ Eliminations	Audited Results
<b>STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET ASSETS</b>				
<b>REVENUES</b>				
Operating Revenues				
Student tuition and fees (net of scholarship allowances of \$21,084,760)	\$ 87,265,147	-	(21,084,760)	\$ 66,180,387
Federal grants and contracts	-	11,294,223	-	11,294,223
State and local grants and contracts	528,845	878,784	-	1,407,629
Private grants and contracts	367,595	508,451	-	876,046
Sales and services of educational departments	36,598	-	-	36,598
Auxiliary enterprises	-	-	-	-
Bookstore	-	14,238,907	-	14,238,907
Other	-	1,712,484	-	1,712,484
Other operating revenues	145,569	-	-	145,569
	<u>88,343,754</u>	<u>28,632,849</u>	<u>(21,084,760)</u>	<u>95,891,843</u>
<b>EXPENSES</b>				
Operating Expenses				
Educational and general				
Instruction and departmental research	71,041,991	-	4,365,407	75,407,398
Public Service	464,085	5,248,333	-	5,712,418
Academic Support	5,658,776	-	-	5,658,776
Student services	9,781,357	-	2,910,270	12,691,627
Institutional support	31,445,683	-	(7,275,675)	24,170,008
Operation and maintenance of plant	16,406,865	-	(1,548,819)	14,858,046
Scholarships and fellowships	-	62,111,528	(21,084,760)	41,026,768
Depreciation Expense	5,899,187	17,970	-	5,917,157
Auxiliary enterprises	-	-	-	-
Bookstore	-	13,628,998	(357,155)	13,271,843
Other	-	1,649,345	-	1,649,345
	<u>140,697,944</u>	<u>82,656,174</u>	<u>(22,990,732)</u>	<u>200,363,386</u>
	<u>(52,354,190)</u>	<u>(54,023,325)</u>	<u>1,905,972</u>	<u>(104,471,543)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
State appropriations	62,168,736	638,956	-	62,807,692
Unrestricted investment income	1,021,942	86,453	-	1,108,395
Restricted investment income	-	2,282	-	2,282
Interest on capital asset related debt	-	(654,737)	-	(654,737)
Pell Grant Revenue	-	54,469,538	-	54,469,538
Other non operating revenue (expense)	-	(2,873,061)	(1,935,459)	(4,808,520)
Net nonoperating revenues	<u>63,190,678</u>	<u>51,669,431</u>	<u>(1,935,459)</u>	<u>112,924,650</u>
Income (loss) before other revenues, expenses, gains or losses	10,836,488	(2,353,894)	(29,487)	8,453,107
Capital appropriations	-	12,893,100	-	12,893,100
Increase (decrease) in net assets	10,836,488	10,539,206	(29,487)	21,346,207
<b>NET ASSETS</b>				
Net assets - beginning of year	106,490,159	155,766,762	29,487	262,286,408
Net assets - end of year	\$ 117,326,647	166,305,968	-	\$ 283,632,615



# COLUMBUS STATE COMMUNITY COLLEGE

Date \_\_\_\_\_

## BOARD ACTION

### SUBJECT:

Revised Fiscal Year 2011 Operating Budget

### BACKGROUND INFORMATION:

In May 2010, the Board of Trustees approved the FY 2011 Operating Budget. Each January, the Board of Trustees reviews the operating budget in the context of enrollment, final state subsidy allocations as approved by the Ohio Board of Regents and the State's Controlling Board, and other activities that may impact the budget. A revised FY11 Operating Budget is attached.

#### *General Fund (Exhibit A)*

Total general fund revenues are projected to be \$156,639,195, comparable to the budget adopted by the Board of Trustees in May 2010. State subsidy is reduced by a planned lapse of \$4.1 million about which the College was advised in September by the Ohio Board of Regents. Additionally, final subsidy allocations approved by the Controlling Board in mid-December were approximately \$500,000 lower than projected in Spring 2010. Higher than budgeted enrollment in Summer, Autumn, and Winter quarters, and projected Spring quarter enrollment yields higher tuition revenue that offsets the reductions in State subsidy.

Operational expenses are \$145,923,983 or 2% lower than budgeted in May 2010. Operating efficiencies that are yielding expense savings and the careful budgeting of expenses to more closely align with projected needs are measures that allow for reallocations of current year operating funds for Semester Conversion.

In May 2009, the Board of Trustees authorized the transition from quarters to semesters by Autumn 2012, and allocated an initial \$1.0 million for the semester conversion. In September 2010, the Board authorized a project budget for this work not to exceed \$6.0 million, with the understanding that a plan for funding the Semester Conversion budget will be presented to the Board of Trustees in January 2011. The proposed plan calls for the Semester Conversion budget to be funded as follows:

\$4,000,000	Revised FY 2011 Operating Budget
1,500,000	FY2010 Net Income Allocation
<u>500,000</u>	Balance remaining in the initial Semester Conversion allocation
\$6,000,000	

*Auxiliary Fund (Exhibit B)*

Total revenues for auxiliary enterprises are projected to be \$5,156,172 or 7.2% higher than originally budgeted, and expenses are comparable to the original budget. The increase in revenues is primarily due to the enrollment growth that results in additional sales in the Bookstore. The auxiliary fund is expected to balance within the revenues the enterprises are projected to generate.

**RECOMMENDATION:**

That the Board of Trustees approves the Revised FY 2011 operating budgets for the college's general fund programs (Exhibit A) and the auxiliary fund programs (Exhibit B).

That the Board of Trustees approves the following spending plan to support the Semester Conversion budget approved by the Board in September 2010:

\$4,000,000	Revised FY 2011 Operating Budget
1,500,000	FY2010 Net Income Allocation
<u>500,000</u>	Balance remaining in the initial Semester Conversion allocation
\$6,000,000	

**Columbus State Community College**  
**District Operational Budget Comparison**  
**Proposed RFY11 Budget Compared to FY11 Budget**

	FY11 Budget	RFY11 Proposed	Difference	Percent Increase/(Decrease)
<b>Revenues</b>				
<b>Appropriations</b>				
(a)	\$ 2,683,002	\$ 2,647,157	\$ (35,845)	4%
(b)	64,173,300	59,591,744	(4,581,556)	-7%
	<u>66,856,302</u>	<u>62,238,901</u>	(4,617,401)	-7%
<b>Student</b>				
(d)	82,565,633	86,601,524	4,035,891	5%
(e)	5,579,991	5,741,427	161,436	3%
(f)	500,000	1,551,758	1,051,758	0%
	<u>88,645,624</u>	<u>93,894,709</u>	5,249,085	5%
<b>Contracted Services</b>				
(g)	255,585	255,585	-	0%
	<u>255,585</u>	<u>255,585</u>	-	0%
<b>Other</b>				
(h)	250,000	250,000	-	0%
	<u>250,000</u>	<u>250,000</u>	-	0%
(i)	<u>156,007,511</u>	<u>156,639,195</u>	631,684	0%
<b>Expenditures</b>				
(j)	Educational & General			
(k)	(Instructional) (4)			
	84,873,487	84,720,272	(153,215)	-1%
(l)	Library			
	2,127,913	2,082,580	(45,333)	-2%
(m)	General (5)			
	11,775,938	12,211,068	435,130	3%
(n)	Information Technology			
	12,953,653	12,501,282	(452,371)	-4%
(o)	Student Services			
	11,879,267	11,694,596	(184,672)	-2%
(p)	Operation and Maintenance of Plant			
	14,541,679	14,321,439	(220,240)	-1%
(q)	Administration (6)			
	8,172,282	8,392,748	220,466	2%
(r)	Contingency Delaware Campus			
	250,000		(250,000)	-200%
(s)	Additional Payroll Items			
	2,700,000	-	(2,700,000)	-100%
(t)	<u>149,274,219</u>	<u>145,923,983</u>	(3,350,235)	-2%
(u)	Transfer for equip. and replacement			
	3,600,000	3,600,000	-	0%
(v)	Transfer for debt service			
	1,548,819	1,548,819	-	0%
(w)	Transfer for semester conversion			
		4,000,000	4,000,000	
(x)	Transfer for capital improvements			
			-	
(y)	<u>154,423,038</u>	<u>155,072,802</u>	649,765	0%
(z)	<u>\$ 1,584,473</u>	<u>\$ 1,566,392</u>	\$ (18,081)	3%

**Notes**

- (1) Subsidy as approved by OBOR and Controlling Board, December 2010, including \$4.1 million planned lapse.
- (2) FY11 tuition includes actual Summer and Autumn, projected Winter and Spring.
- (3) Fee revenue includes Lab Fee Income and other student based fees.
- (4) General includes Planning & Construction, Human Resources, Print Shop, Office Services, Institutional Adv., KRP, Diversity & Inclusion, & Development Ofc.
- (5) Administration includes Sr VP BAS, President's Office, & Business Office. Key expense increase is Bad Debt Expense

**Columbus State Community College  
Columbus Campus Operational Budget Comparison  
Proposed RFY11 Budget Compared to FY11 Budget**

	(1) FY11 Budget	(2) RFY11 Proposed	(3) Difference	(4) Percent Increase/(Decrease)
Revenues				
Appropriations				
(a) Subsidy (1)	\$ 64,173,300	\$ 59,591,744	\$ (4,581,556)	-7.1%
(b) Subsidy (Federal Stimulus) (1)				
(c) Access Challenge				
(c) Jobs Challenge				
	<u>64,173,300</u>	<u>59,591,744</u>	(4,581,556)	-7.1%
Student				
(d) Tuition (2)	80,717,823	84,753,714	4,035,891	5.0%
(e) Fees (3)	5,506,079	5,667,515	161,436	2.9%
(f) Special courses	500,000	1,551,758	1,051,758	210.4%
	<u>86,723,902</u>	<u>91,972,987</u>	5,249,085	6.1%
Contracted Services				
(g) Net	<u>255,585</u>	<u>255,585</u>	-	0.0%
	255,585	255,585	-	0.0%
Other				
(h) Miscellaneous	<u>250,000</u>	<u>250,000</u>	-	0.0%
	250,000	250,000	-	0.0%
(i) Total Revenues	<u>151,402,787</u>	<u>152,070,316</u>	667,529	0.4%
Expenditures (4)				
(j) Educational & General				
(k) (Instructional)	83,212,125	83,014,097	(198,028)	-0.2%
(l) Library	1,945,366	1,865,359	(80,007)	-4.1%
(m) General (5)	11,609,084	12,038,661	429,577	3.7%
(n) Information Technology	12,458,033	11,928,728	(529,305)	-4.2%
(o) Student Services	11,524,566	11,395,414	(129,152)	-1.1%
(p) Operation and Maintenance of Plant	13,385,375	13,210,693	(174,682)	-1.3%
(q) Administration (6)	7,834,945	7,902,152	67,207	0.9%
(s) Operational Expenses	<u>141,969,494</u>	<u>141,355,105</u>	(614,389)	-0.4%
(t) Transfer for equip. and replacement	3,300,000	3,600,000	300,000	9.1%
(u) Transfer for debt service	1,548,819	1,548,819	-	0.0%
(v) Transfer for capital improvements				
(w) Total expenditures & transfers	146,818,313	146,503,924	(314,389)	-0.2%
(x) Operational Revenues	<u>\$ 4,584,474</u>	<u>\$ 5,566,392</u>	981,918	21.4%

## Notes

- (1) Subsidy reflects most recent OBOR projection as of April 30, 2010.
- (2) Proposed RFY11 tuition revenue projected to increase by 5% over FY11 Budget adopted in May.
- (3) Fee revenue includes Lab Fee Income and other student based fees.
- (4) General includes Planning & Construction, Human Resources, Print Shop, Office Services, Institutional Adv., KRP, Diversity & Inclusion, and Development Office.
- (5) Administration includes VP BAS, President's Office, & Business Office. Key expense increase is Bad Debt Expense

**Columbus State Community College**  
**Delaware Campus Operational Budget Comparison**  
**Proposed RFY11 Budget Compared to FY11 Budget**

	(1) FY11 Budget	(2) RFY11 Proposed	(3) Difference	(4) Percent Increase/(Decrease)
Revenues				
Appropriations				
Transfer-In Delaware Campus				
Operations Initiative Account	2,683,002	2,647,157	(35,845)	-1.3%
(a) Subsidy (1)	<u>2,683,002</u>	<u>2,647,157</u>	(35,845)	-1.3%
Student				
(d) Tuition (2)	1,847,810	1,847,810	-	0.0%
(e) Fees (3)	73,912	73,912	-	0.0%
(f) Special courses	<u>1,921,722</u>	<u>1,921,722</u>	-	0.0%
(i) Total Revenues	<u>4,604,724</u>	<u>4,568,879</u>	(35,846)	-0.8%
Expenditures (4)				
(j) Educational & General				
(k) (Instructional)	1,661,362	1,706,174	44,813	2.7%
(l) Library	182,547	217,220	34,673	19.0%
(m) General (5)	166,854	172,407	5,553	3.3%
(n) Information Technology	495,620	572,554	76,934	15.5%
(o) Student Services	354,701	299,182	(55,519)	-15.7%
(p) Operation and Maintenance of Plant	1,156,304	1,110,746	(45,558)	-3.9%
(q) Administration (6)	337,337	490,596	153,259	45.4%
(s) Contingency	250,000			
(t) Operational Expenses	<u>4,604,724</u>	<u>4,568,879</u>	(35,846)	-0.8%
(u) Transfer for equip. and replacement				
(v) Transfer for debt service				
(w) Transfer for capital improvements				
(x) Total expenditures & transfers	4,604,724	4,568,879	(35,846)	-0.8%
(y) Operational Revenues	<u>\$ -</u>	<u>\$ -</u>	-	

## Notes

- (1) State subsidy is paid in arrears so first year has no subsidy revenue.
- (2) Proposed RFY11 tuition revenue projected to increase by 5% over FY11 Budget adopted in May.
- (3) Fee revenue includes Lab Fee Income and other student based fees.
- (4) General includes Planning & Construction, Human Resources, Print Shop, Office Services, Institutional Adv., KRP, Diversity & Inclusion and Development Office.
- (5) Administration includes VP BAS, President's Office, & Business Office. Key expense increase is Bad Debt Expense



**Columbus State Community College**  
**Auxiliary Services Budget Comparison**  
**Proposed RFY11 Budget Compared to FY11 Budget**

<u>Revenues</u>	FY11 Budget	RFY11 Proposed	Increase (Decrease)	Percent Change
Bookstore*	\$ 3,024,341	\$ 3,451,808	\$ 427,467	14.1%
Child Development Center	965,895	907,493	(58,402)	-6.0%
Food Services	345,343	347,071	1,728	0.5%
Bridgeview*	475,131	449,800	(25,331)	-5.3%
<b>Total</b>	<b>4,810,710</b>	<b>5,156,172</b>	<b>345,462</b>	<b>7.2%</b>
<u>Expenses</u>				
Bookstore	2,245,306	2,250,577	5,271	0.2%
Child Development Center	1,233,023	1,166,681	(66,342)	-5.4%
Food Services	77,588	83,695	6,107	7.9%
Bridgeview	529,825	530,680	855	0.2%
<b>Total</b>	<b>4,085,742</b>	<b>4,031,633</b>	<b>(54,109)</b>	<b>-1.3%</b>
<u>Net Income/(Loss)</u>				
Bookstore	779,035	1,201,231	422,196	54.2%
Child Development Center	(267,128)	(259,188)	7,940	-3.0%
Food Services	267,755	263,376	(4,379)	-1.6%
Bridgeview	(54,694)	(80,880)	(26,186)	47.9%
<b>Total</b>	<b>724,968</b>	<b>1,124,539</b>	<b>399,571</b>	<b>55.1%</b>
<u>Miscellaneous</u>				
Administrative Office**	464,190	554,783	90,594	19.5%
Marketing	150,412	152,465	2,052	0.0%
Administrative Salaries	-	-	-	0.0%
Add'l Payroll Items	98,654	-	(98,654)	0.0%
	<b>713,256</b>	<b>707,248</b>	<b>(6,008)</b>	<b>0.0%</b>
<b>Total Auxiliary Net Income</b>	<b>\$ 11,712</b>	<b>\$ 417,291</b>	<b>\$ 405,579</b>	<b>3463.1%</b>

\* Bookstore sales are budgeted at \$13,975,969 and Bridgeview sales are budgeted at \$474,310

\*\* Administrative Office contains expenses related to overseeing all Auxiliary



# COLUMBUS STATE COMMUNITY COLLEGE

## BOARD ACTION

Date: \_\_\_\_\_

**SUBJECT:** Full-time Temporary positions converted to Full-time positions

**BACKGROUND INFORMATION:** Per Policy and Procedure 3-04 (f) (4e) the President of the College may designate certain position(s) as Full-time Temporary for the purpose of conducting business and meeting the current needs of the college. In addition, this appointment type of employee(s) may be used for up to one year in order for the college to better assess if the positions will be needed on a permanent basis. Based on the enrollment trends, there has been and continues to be need for additional faculty, advising services, and safety and security forces to provide much needed services to our students. The following positions are funded in the current budget. The positions are:

### **Academic Affairs**

#### **Faculty – 9 positions**

Salary	\$ 39,486
Benefits (16.9%)	\$ 6,673
Total cost per position	<u>\$ 46,159</u>
Total– 9 positions	\$415,431

### **Student Affairs**

#### **Advisors – 2 positions**

Salary	\$ 44,034
Benefits (16.9%)	\$ 7,442
Total cost per position	<u>\$ 51,476</u>
Total–2 positions	\$102,952

*Rationale:* Due to increased enrollment these positions are needed to better serve our growing body of students.

**Administrative Assistant – 1 position**

Salary	\$44,034
Benefits (16.9%)	<u>\$ 7,442</u>
Total	\$51,476

*Rationale:* The position will be moved from full-time temporary to full-time to support the direction and operations of the new Division of Student Affairs and help fulfill the student success initiatives.

**Department of Public Safety**

**Communication Technicians (Dispatchers) – 2 positions**

Salary	\$28,652
Benefits (16.9%)	\$ 4,842
Total cost per position	<u>\$33,494</u>
Total–2 positions	\$66,988

*Rationale:* In addition to maintaining expanded shift coverage, new and upgraded college-wide communications and safety monitoring systems. These full-time positions will ensure the department's capacity to maintain and monitor new safety and security systems 24 hours per day, 7 days per week, while continuing to meet the demand for public safety services due to additional parking lot capacity, and increases in enrollment.

**Safety & Security Specialist – 1 position**

Salary	\$28,652
Benefits (16.9%)	<u>\$ 4,842</u>
Total	\$33,494

*Rationale:* This full-time temporary position needs to be made permanent due to additional parking lot capacity, increase in buildings and enrollment, and life and property system support, and demand for services.

**Campus Police Officer – 2 positions**

Salary	\$30,696
Benefits (16.9%)	\$ 5,188
Total cost per position	<u>\$35,884</u>
Total–2 positions	\$71,768

*Rationale:* These full-time temporary positions need to be made permanent due to the increased number of campus buildings, parking lots, enrollment, and demand for services.

**Human Resources**

**Administrative Assistant – 1 position**

Salary	\$44,034
Benefits (16.9%)	\$ 7,442
Equipment	<u>\$ 1,500</u>
Total	\$52,976

*Rationale:* A full-time temporary position currently assigned to fill various administrative needs in Human Resources and across campus will be moved to full-time to provide continued support to the work of developing and sustaining meaningful partnerships with others in the community, and to integrating the strategic work into the College's ongoing work of serving its students in a quality, convenient and affordable manner.

**RECOMMENDATION:** That the Board of Trustees approve these 18 positions as full-time positions, at a cost to the college of \$795,085.

# Columbus State Community College



Date \_\_\_\_\_

## Board Action

**SUBJECT:** Full-Time Position (1)

### **BACKGROUND INFORMATION:**

An additional budget/financial analyst is necessary to expand the college's capacity for financial planning and analytics. Understanding instructional and non-instructional costs at a detailed level, creating and using advanced financial forecasting models, return-on-investment analyses, and determining cost-sharing models for partnerships are activities that are necessary for the College to manage its resources and make the most informed financial decisions.

Salary range begins at	\$70,000
Benefits (16.9%)	11,830
Healthcare	6,000
Equipment	<u>1,500</u>
	\$ 89,330

### **RECOMMENDATION:**

That the Board of Trustees approves one (1) new position as a permanent position, the total annual cost from the General Fund is \$70,000 for salary, \$17,830 for benefits, and \$1,500 for equipment, totaling \$89,330.



## COLUMBUS STATE COMMUNITY COLLEGE

Date \_\_\_\_\_

### BOARD ACTION

#### SUBJECT:

Property Acquisition – 145-149 Cleveland Avenue

#### BACKGROUND INFORMATION:

The intersection of Cleveland Avenue and Long Street is a gateway to the college's Columbus Campus. A property at 145-149 Cleveland Avenue is available for purchase. Acquiring this property will secure an important location for the College and will provide for space to meet office and/or other needs.

The 0.45 acre site includes a 2,786 square foot one story commercial building built in 1988, with a partial 1,393 square foot unfinished basement, and approximately 30 parking spots.

The property was appraised twice, the first valuing it at \$550,000 and the second at between \$825,000 and \$987,000.

Provided all contingencies are met, including approval of the purchase by the Controlling Board, the college will use local funds to purchase the property.

#### RECOMMENDATION:

That the Board of Trustees approve the purchase of property at 145-149 Cleveland Avenue and authorize the President to execute the final purchase provided all contractual contingencies are satisfactorily met, and authorize \$550,000 from the Capital Improvements and Land Acquisition account for this purchase.

## REAL ESTATE PURCHASE CONTRACT

January 6<sup>th</sup>, 2011

For good and valuable consideration, the adequacy of which the parties hereby agree, this Real Estate Purchase Contract is made and entered into by and between the R. Morris & Associates, LLC, which is the court appointed Receiver in *National City Bank v. Larry Hensley, et al.* (Franklin County Common Pleas Court Case Number 09 CVE 07 10415) (the "Court") (hereinafter referred to as "Seller"), and the Columbus State Community College District (CSCC) (hereinafter referred to as "Buyer"). This transaction shall be governed by Section 123.01(A)(5) of the Ohio Revised Code, common law contract principles and the Orders of the Court in the above-referenced case.

1. **PROPERTY DESCRIPTION:** The undersigned Buyer offers to purchase from the Seller the following described real estate, including, without limitation, all improvements, fixtures, appurtenant rights, privileges, and easements located as follows:

145 Cleveland Ave., Columbus, Ohio (Parcel Nos. 010-013262, 010-050806, 010-007507) consisting of a freestanding office building and adjacent parking lots; and being more particularly described in the attached Exhibit "A". (Such real property is hereinafter referred to as the "Property"). The Property shall include all improvements and fixtures including, but not limited to: built-in appliances, heating, ventilating, air-conditioning (HVAC), and humidifying equipment and their control apparatus, attached floor coverings and any attached wallcoverings, window coverings and awnings, internal wire for communications systems; telecommunication wiring and cables, all security systems and controls, alarm systems, if any.

2. **PRICE AND TERMS:** The purchase price ("Purchase Price") is Five Hundred and Fifty Thousand Dollars (\$550,000) and payable as follows: cash at closing. Buyer shall deposit with the title insurance company referred to below the sum of Five Thousand Dollars (\$5,000.00), which shall be returned to Buyer, upon Buyer's request, if no Contract shall have been entered into. Upon acceptance of this contract by both parties, the title company shall deposit such amount in an interest bearing trust account to be disbursed, subject to collection by title company's depository, as follows: a) deposit shall be applied on Purchase Price or returned to Buyer when transaction is closed; (b) if Seller fails or refuses to perform, or any contingency is not satisfied or waived, the deposit shall be returned; (c) if Buyer fails or refuses to perform, this deposit shall be paid to Seller. If the parties are unable to agree upon the disposition of the deposit, then upon the request of either Buyer or Seller for the return of payment of the deposit, the title company holding the deposit shall give written notice to the other party of such request, and shall advise the other party that such deposit shall be returned or paid in

accordance with such request unless the other party delivers written objection thereto within 20 days after receipt of such notice. If the title company does not receive any written objection within such 20-day period, then the title company shall return or pay such deposit in accordance with such request. If the other party objects in writing within such 20-day period, the title company shall retain the deposit until (i) Buyer and Seller have settled the dispute; (ii) disposition has been ordered by a final court order; or (iii) the title company deposits said amount with a court pursuant to applicable court procedures. The return or payment of such deposit shall not in any way prejudice the rights of Seller or Buyer in any action for damages or specific performance.

### 3. SALE OF PROPERTY:

- 3.1 **Conveyance.** Seller shall sell and convey, by a Fiduciary Deed (the "Deed"), and Buyer shall purchase and pay for, upon the terms and conditions hereinafter set forth, the Property.
- 3.2 **Permitted Exceptions.** Buyer shall take title to the Property subject only to the following "Permitted Exceptions": (a) easements and restrictions of record which do not substantially impair the use by Buyer of the entire Property for Buyer's intended use of the Property for higher education purposes and related activities (the "Buyer's Intended Use"); (b) non-delinquent real estate taxes and assessments; (c) legal highways; (d) zoning, environmental and other governmental regulations; (e) any matters which are shown on an accurate survey of the Property not objected to as set forth in Section 3.4; and (f) any matters deemed Permitted Exceptions pursuant to Section 3.4.
- 3.3 **Title Commitment.** The date the last party signs this Contract shall be the effective date of this Contract ("the Effective Date"). Within 15 days after the last party to sign the Agreement, (the "Commitment Period"), Seller shall, at its sole cost and expense, cause a search of title to the Property to be made by Clean Title, Inc. as agent for First American Title Insurance Company (the "Title Company"), and issuance of a standard ALTA (2006) commitment for owner's title insurance in the amount of the Purchase Price covering the Property (the "Title Commitment") and upon Closing, an owner's title insurance policy, 2006 version (the "Title Policy") (the Seller shall pay for all additional costs in order for the Title Company, or its agents to issue a mortgagee Title Commitment and Title Policy to the Buyer's lender, if applicable), Buyer may within 30 days after the Effective Date also secure and pay for a survey and legal description (collectively, the "Survey") of the Property to be performed or such other survey in order for the Title Company, or its agents, to issue its Title Policy free of any exceptions regarding an accurate survey except as are shown on such survey and acceptable to the Franklin County, Ohio Engineer's Office. The Survey shall be dated after the date of this Agreement and within thirty (30) days of the Effective Date, certified to



Buyer and the Title Company (and such other persons and entities as Buyer may designate) and shall be prepared in accordance with the minimum technical standards of the Ohio Board of Professional Land Surveyors, and must show the location of all visible easements and rights-of-way (whether public or private), and those shown in the Title Commitment, access to public roads, and building lines and all improvements on the Property. Such Survey shall also contain a flood plain designation.

- 3.4 Title Objections.** If Buyer shall determine that any matter or matters affecting or relating to title to the Property (except Permitted Exceptions described in Section 3.2 (a) through (f)) are unacceptable at any time during the Commitment Period or during the time for review of both the Survey and Title Commitment, including matters disclosed by the Survey, Buyer on or before the later of the expiration of the Commitment Period or ten (10) business days from Buyer's receipt of both the Title Commitment and the Survey) shall notify Seller in writing of such matter or matters (the "Title Objections") and provide Seller with a copy of the document evidencing same, if available. Seller shall respond in writing to such Title Objections within fifteen (15) business days after Seller's receipt of such Title Objections, indicating which Title Objections, if any, Seller intends to cure. If Seller shall elect to cure any such Title Objections, Seller shall cure any such Title Objections on or before Closing; provided, however, Seller may delay the Closing for periods not exceeding thirty (30) days in the aggregate for the sole purpose of curing such Title Objections. If Seller shall elect not to cure all Title Objections or fails to cure a Title Objection prior to Closing for which Seller has agreed to cure, Buyer shall have the right, in its sole discretion, to close pursuant to this Agreement, paying the full Purchase Price for the Property, and taking title thereto subject to such Title Objections or (as Buyer's sole remedy) to terminate this Agreement, in which event the parties shall be released from any further liabilities or obligations hereunder. If Buyer notifies Seller of any Title Objections, and Seller fails to notify Buyer within the period set forth above of its election to cure or not cure any or all such Title Objections, Seller shall be deemed to have elected not to cure such Title Objections on or before the Closing Date. If Buyer elects to terminate this Agreement due to any Title Objections which Seller declines or fails to cure, it shall so notify Seller in writing on or before the later to occur of: (i) the tenth (10<sup>th</sup>) day after Seller's notice to Buyer about which Title Objections it intends to cure; or (ii) the tenth (10<sup>th</sup>) day after Seller's notice to Buyer that it has failed to cure a Title Objection prior to Closing. Notwithstanding the provisions of this Section 3.4, Seller shall, whether by Court Order or otherwise, release at or prior to Closing, all monetary liens, mortgages, and security interests encumbering the Property, including but not limited to, all unpaid overdue taxes and assessments assessed, levied or imposed upon the Property (but with any liens that have accrued but are not due and payable subject to customary adjustment

at Closing among the parties as set forth below). Any title matters known to Buyer to which Buyer does not object during the Commitment Period and its period of time to review both the Survey and Title Commitment shall be deemed acceptable to Buyer, and shall constitute Permitted Exceptions. At Closing Seller shall, in its sole discretion, sign any affidavit reasonably requested by the Title Company in order to issue its Title Policy that is acceptable to the Buyer or in accordance with community custom. Ten days prior to closing, the Title Company shall provide Seller with any affidavit which the Title Company will request the Seller to sign.

**4. BUYER'S CONTINGENCIES:**

(a) Zoning and Other Approvals: Buyer shall proceed diligently to secure any and all changes in zoning and any other approvals that may be required by any governmental entities or providers of any utilities for the Buyer's proposed development and use of the Property. Buyer shall have 60 days from the Effective Date of this Agreement to secure all such approvals. Provided that Buyer is proceeding diligently to secure such approvals, if such approvals are not secured by Buyer within 60 days, then Buyer may have an additional 60 days to secure all such approvals.

(b) Approvals to be Secured by Buyer: Within 70 days from the Effective Date of this Agreement, Buyer shall secure the approval of the Columbus State Community College Board of Trustees, State of Ohio Board of Regents, and the State of Ohio Controlling Board, and certification of available funds pursuant to Ohio Revised Code Section 126.07. Buyer's obligations hereunder are contingent upon Buyer's securing all such approvals within the time limits set forth above.

(c) Approval of Deed: At the same time that Seller or Buyer's Surveyor delivers to Buyer the survey and legal description as required above, Seller shall deliver to Buyer the proposed deed by which the Property will be conveyed to Buyer pursuant to the terms and conditions of this contract. All of Buyer's obligations herein are contingent upon Buyer's review and approval of said deed. If the Deed is approved by Buyer, such approval shall be made in writing by Buyer within ten (10) days of Buyer's receipt of such Deed. Such Deed and description shall have the written approval of the Franklin County Engineer affixed to it.

(d) Issuance of Warrant: All of Buyer's obligations herein contained are contingent upon the issuance of a warrant in the amount of the purchase price by Buyer with the Auditor of the State of Ohio, and such warrant shall be obtained within seventy (70) days from the Effective Date of this Agreement.

(e) Environmental Inspection: Seller agrees to permit the Buyer and the qualified, professional environmental consultant of Buyer to enter the Property at any time after full execution of this Agreement to conduct, at the expense of the Buyer, an environmental site assessment. This site assessment may include a Phase I assessment and Buyer shall have forty (40) days from the Effective Date of the Agreement in which to complete such

Phase I assessment. In the event that a Phase II, or any other assessment is desired by Buyer, this contingency shall be extended for a period mutually agreeable in writing by Buyer and Seller. To the extent that there are any existing environmental audit reports in the possession of Seller or available to Seller, Seller shall provide any such environmental audit report to Buyer within ten (10) days from the Effective Date of this Agreement. Buyer agrees to indemnify and hold Seller harmless from any injury or damage caused by any such inspection. If such assessment is obtained and the consultant recommends further inspection to determine the extent of suspected contamination or recommends remedial action, the Buyer, at Buyer's option, may undertake such further action, or notify the Seller in writing within the above specified period, that this contract is null and void. All of Buyer's obligations herein contained are contingent upon Buyer's review and approval of any and all reports with respect to the environmental inspection.

(f) Appraisals: Buyer, at Buyer's expense, within forty-five (45) days from the Effective Date of this Agreement shall secure two (2) appraisals of the Property by a state certified or licensed appraiser. All of Buyer's obligations herein contained are contingent upon Buyer's review and approval of such appraisals.

(g) Property Inspection: Buyer, at Buyer's expense, shall have thirty (30) days from the Effective Date of this Agreement to have the Property and any and all improvements, fixtures, and equipment inspected. Buyer agrees to indemnify and hold Seller harmless from any injury or damage caused by any such inspections. If Buyer is not satisfied with the condition of the Property as disclosed by such inspection, in Buyer's sole discretion, Buyer may terminate this contract by delivering written notice of such termination to Seller, along with a written copy of such inspection report, within the time period specified above. All of Buyer's obligations herein contained are contingent upon Buyer's review and approval of all such inspection reports.

(h) Utility Access: Seller and any agents of Seller and any representatives of any utility providers shall have access to the Property to determine the accessibility of utility services and/or the feasibility of providing utility services necessary for the Buyer's proposed use of the Property. Buyer shall have forty five (45) days after full execution of this Agreement in which to satisfy this contingency. All of Buyer's obligations herein contained are contingent upon the Buyer's review and approval of any reports generated with respect to the provision of utilities to the Property.

(i) Contingency Waivers: All contingencies herein contained are for the benefit of Buyer and shall not be deemed waived unless done so specifically by Buyer in writing. The waiver of any contingency by Buyer shall be at the sole discretion of the Buyer, and without any further obligations to Seller.

5. **SELLER'S CONTINGENCY:** Approvals to be secured by Seller: The sale of the Property is contingent upon the final approval of this Contract and the Purchase Price by the Court in the above referenced case by way of a final non-appealable order and upon the final approval of the holder of the first mortgage, PNC Bank, National Association

("Bank") and Seller shall file its Motion seeking the Court's approval of the Contract within fifteen (15) days after the Effective Date. Seller shall secure the written approval of the Bank within fifteen (15) days after the Effective Date. Seller shall deliver a copy of the written approval by the Bank upon its receipt of this approval from the Bank.

6. **BUYER'S ACCESS:** With respect to any and all inspections, tests, or studies as set forth herein, Seller hereby grants to Buyer the right and permission to enter upon the premises at any time during the pendency of this contract to inspect, appraise, conduct surveys, take borings, soil bearings, and any other tests necessary to obtain any information relevant to this transaction and the proposed use of the Property by Buyer. Buyer shall repair any damage done to the Property by Buyer or Buyer's agents or contractors.
7. **POSSESSION:** Exclusive possession shall be given at closing. It shall be the obligation of Seller to terminate any leases or other possessory rights of any tenants or any other parties to the Property prior to closing.
8. **CONVEYANCE AND CLOSING:** At Closing, Seller shall pay transfer taxes and deed preparation and shall convey, at closing, marketable title to the real estate an appropriate fiduciary deed with a recordable, certified copy of the Court Order authorizing this transaction in fee simple, with release of dower, if any. Closing shall take place at the offices of the title insurance company issuing the title insurance policy at such reasonable time as the parties may agree within twenty (20) days after the waiver of all contingencies set forth above.
9. **TAXES AND ASSESSMENTS:** At Closing, Seller shall pay or credit on the Purchase Price all delinquent taxes, including penalty and interest, all assessments that are a lien on the date of contract and all agricultural use tax recoupments for years prior to the year of closing. At Closing, Seller shall also pay or credit on the Purchase Price all other unpaid real estate taxes that are a lien for years prior to Closing and a portion of such taxes and agricultural use tax recoupments for the year of closing, prorated through date of closing and based upon a 365-day year and, if undetermined, on the last known valuation and tax rate. A.  
  
With regard to further assessments, Seller represents to the best of its knowledge that as of the date hereof, no improvements or services to the site or area have been installed or furnished that would result in costs being assessed against the Property, and no written notification has been received by Seller from public authority of any improvements that would result in costs being assessed against the real estate. Any existing assessments shall be paid in full at closing by Seller.
10. **DAMAGE, DESTRUCTION, OR ALTERATION OF THE PROPERTY:** Seller also agrees not to change the existing character of the land, alter, remove, destroy, or change any structure or structures located on the Property. In the event of any damage, change, alteration, or destruction occurs to said Property or any component thereof or the structure or structures thereon, resulting from any cause whatsoever prior to the date

possession is surrendered to the Buyer, Seller shall accept the Purchase Price consideration, hereinabove stated, less the cost of any reasonable restoration, or Buyer shall have the right to demand that Seller assign to Buyer any proceeds of insurance that may be payable in connection with a casualty loss. In case Seller refuses to restore the Property or any component thereof to the condition it was in at the time of execution of this Contract by the Seller, or to accept the money consideration less the cost of restoration, or to assign the insurance proceeds as hereinabove stated, the Buyer may, at its option after discovery or notification of such destruction, removal, or injury, terminate this Contract by written notice to the Seller.

11. **UTILITY CHARGES:** Any and all utility charges incurred on the Property up through the date of Closing shall be the sole responsibility of Seller, regardless of when actually billed.
12. **NON-FOREIGN AFFIDAVIT:** At Closing, Seller shall deliver to Buyer a non-foreign affidavit, properly executed containing such information as shall be required by the Internal Revenue Code Section 1445(1)(2) and the regulations issued thereunder.
13. **OPERATION OF THE PROPERTY:** Seller hereby covenants and agrees that until closing it shall continue to operate, manage, and maintain the Property in the same manner that it is operating, managing, and maintaining the Property as of the date of this Contract.
14. **SELLER'S REPRESENTATIONS AND WARRANTIES:** In consideration of Buyer entering into this Contract and as an inducement to Buyer to purchase the Property, Seller hereby makes the following representations and warranties to Buyer as of the date of this Contract. Such representations and warranties shall also be true and correct as of the closing date. It is expressly understood and agreed that the following representations and warranties shall survive closing.
  - (a) Subject to Seller's Approval as set forth in Section 5(a) above, Seller has and as of the date of Closing shall have the requisite authority and power to enter into this Contract and to consummate the transactions contemplated hereby.
  - (b) Subject to Seller's Approval as set forth in Section 5(a) above, this Agreement and all agreements, instruments, and documents herein provide to be executed by Seller are, and as of the date of Closing, will be duly authorized, executed, and delivered by and are and will be binding upon Seller.
  - (c) Between the date of this Contract and the date of closing, Seller shall not incur any obligation or liability except in the ordinary course of business and Seller shall not mortgage, pledge, or subject to lien or any other encumbrance the Property being sold hereunder or otherwise enter into any other transactions material to this Contract or the Property.

15. **BUYER'S REPRESENTATIONS AND WARRANTIES:** Buyer represents and warrants to Seller:

(a) Buyer has, or will have prior to Closing, obtained all consents, approvals, and authorizations from all persons, affiliates, entities, and governmental authorities required to enter into this Agreement and to consummate the transaction contemplated hereby.

(b) Buyer has the full and lawful unrestricted right and power to execute and deliver this Agreement and to complete all transactions contemplated hereunder.

(c) Buyer is duly organized as a State Community College as set forth in sections 3358.01 to 3358.10 of the Revised Code, and in good standing in the State of Ohio.

16. **NOTICES:** Any notices required or permitted to be given by this Contract shall be mailed by way of Certified Mail, Return Receipt Requested, postage prepaid, personally delivered, or shipped by Federal Express or any other nationally recognized overnight delivery service as follows:

To Buyer: Theresa J. Gehr, Senior Vice President, CFO and Treasurer  
Business and Administrative Services  
Columbus State Community College  
550 E. Spring Street  
P. O. Box 1609  
Columbus, OH 43216  
Phone: (614) 287-2642  
Fax: (614) 287-2545

With copy to: Henry P. Wickham, Jr., Esq.  
Luper, Neidenthal & Logan  
50 W. Broad Street, Suite 1200  
Columbus, OH 43215  
Phone: (614) 229-4457  
Fax: (614) 464-2425

To Seller: R. Morris & Associates, LLC (Receiver)  
P. O. Box 2133  
Westerville, OH 43086

With a copy to: Thomas R. Merry  
Barren & Merry, Co., L.P.A.  
110 Polaris Parkway, Suite 302  
Westerville, OH 43082

17. **CONDITION OF THE PROPERTY:** AS IS Purchase. The parties agree that, with the exception of the Seller's and Buyer's warranties and representations set forth above, no representations, warranties, inducements, promises, agreements, or assurances,

oral or written, concerning the Property have been made or given by either party, or relied upon by either party hereto. Except as expressly provided in this Agreement, Buyer shall purchase the Property in AS IS condition with all faults of any kind or nature whatsoever, it being understood that (except as otherwise expressly provided in this Agreement) Seller in no way represents or warrants, and specifically disclaims any responsibility or liability with respect to, (i) the condition or quality of the Property, (ii) the suitability of the Property for Buyer's Intended Use, (iii) the presence or lack of adverse conditions that may affect the Property, including without limitation **unknown adverse environmental conditions** that may affect the Property, (iv) environmental damages affecting the Property or (v) hazardous materials at, on, in, around, under, or migrating or threatening to migrate to or from the Property. The provisions of this Section 17 shall survive the Closing of this transaction and delivery of the Deed, and shall not merge therein or be extinguished thereby.

18. **ENTIRE CONTRACT:** This Agreement constitutes the entire contract between the parties hereto, and there are no other understandings, oral or written, relating to the subject matter hereof. This Agreement may not be changed, modified, or amended, in whole or in part, except in writing signed by all parties affected thereby. Wherever used in this Agreement, the singular shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders. Section and paragraph headings are inserted for convenience only and do not form part of the text of this Agreement. Inasmuch as both Buyer and Seller have had the opportunity to freely negotiate the terms of this Agreement and review the same with their respective legal counsel, the provisions of this Agreement shall not be interpreted more narrowly, harshly or strictly against the party which prepared this Agreement, but the same shall be construed as if each party contributed equally to the preparation of the same.
19. **BINDING EFFECT:** This Agreement and all of its terms and conditions shall extend to and be binding upon the parties hereto and upon their respective heirs, executors, administrators, successors, and assigns.
20. **CONTRACT FORMATION; COUNTERPARTS:** This Agreement is effective only upon execution and delivery by all parties hereto. This Agreement may be executed in any number of counterparts, each of which, when executed, shall be deemed an original. This Agreement shall be legally binding upon the parties hereto if the parties transmit identical documents or identical counterpart documents to one another signed by the parties, including transmittal via facsimile, showing on the faxed signature page a signature which purports to be that of the transmitting party. All parties having transmitted executed documents via facsimile agree to circulate promptly in accordance with the notice requirements of Section 16 complete documents exhibiting original signatures of such parties to this Agreement. Failure to transmit the originals shall not void this Agreement.
21. **COVENANT NOT TO RECORD:** Neither Buyer nor Seller shall record this Agreement.

22. **ASSIGNMENT:** Buyer may not assign its rights under this Agreement without first obtaining the prior written consent of Seller, which consent may be withheld by Seller in its sole and absolute discretion. No assignment of such rights shall relieve Buyer from the performance of its duties and obligations under this Agreement.
23. **APPLICABLE LAW, JURISDICTION, AND VENUE:** This Agreement and the interpretation of the terms thereof shall be governed by the laws of the State of Ohio. Any suit arising out of the breach of the terms of this Agreement shall be subject to the jurisdiction of the Ohio courts and the venue of any such suit shall be Franklin County, Ohio.
24. **COMMISSIONS:** Both Seller and Buyer warrant and represent to the other that there are no Brokers entitled to any commission.
25. **SURVIVAL OF ALL OBLIGATIONS:** All covenants, representations, warranties, agreements, and indemnities contained in this Contract shall be made as of the date of full execution of this Contract. Such covenants, representations, warranties, agreements, and indemnities are made as of a date certain, and any cause of action resulting from the breach of this same, whether at law or in equity, shall survive closing.
26. **HEADINGS AND SECTIONS:** The use of headings in this Contract is for convenience and reference purposes only, and is not intended to limit, expand, or otherwise define the parties' respective obligations. The use of sections is for convenience and organizational purposes only and is not intended to create a severable contract.
27. **TIME OF THE ESSENCE OF THIS AGREEMENT:** Any reference to any dates and time periods set forth in this Agreement shall be construed as time of the essence, and if either party fails to perform its obligations by or within any such dates or time periods, the other performing party shall have the right, at its option, to either provide written notice to the other party that it desires to terminate the Agreement, and the Agreement shall become null and void and neither party shall any further liability to the other except as specifically provided herein, or if in the alternative, continue with the parties' other obligations under the Agreement and proceed to close the transaction as provided herein in which case all such conditions pertaining to such expiration dates and time periods shall be deemed waived by both parties.
28. **GOVERNING LAW:** This transaction shall be governed by the laws of the State of Ohio.
29. **ILLEGALITY/SEVERABILITY:** In the event any provision of this Contract shall be deemed illegal or unenforceable, the remaining provisions shall nevertheless be carried into effect and the defective provisions shall be deemed amended to comply with such law, rule, or statute rendering the same illegal or unenforceable.
30. **FURTHER ASSURANCES:** Each party shall execute such further documents, papers,



this Contract.

31. **WAIVER:** The waiver by any party of a breach of any provision of this contract shall not be deemed a continuing waiver or waiver of any subsequent breach, whether of the same or another provision of this Contract.
32. **FINAL AGREEMENT:** This Contract states the entire agreement between Buyer and Seller, and there are no promises, representations, or agreements, other than those herein contained, either oral or written, which have been made or relied upon.
33. **DURATION OF OFFER:** This offer shall remain open for acceptance until noon, Columbus, Ohio time, on the 23<sup>rd</sup> day of December, 2010.

*with  
8<sup>th</sup>  
12<sup>th</sup> 11/11/11* January 2011.

*JGJ*

**SELLER:**  
R. Morris & Associates, LLC (Receiver)

By: *[Signature]*

**BUYER:**  
THE STATE OF OHIO  
COLUMBUS STATE COMMUNITY COLLEGE  
DISTRICT

By: *David T. Harrison*  
David T. Harrison, PhD  
President

By: *Theresa J. Gehr*  
Theresa J. Gehr  
Sr Vice President, CFO and Treasurer

**EXHIBIT "A"**

Situated in the County of Franklin, in the State of Ohio and in the City of Columbus:

**PARCEL 1:**

Being Four and One-half (4 1/2) feet, more or less, off of the North side of Lot No. Two (2); all of Lot No. Four (4) and Six (6); and Nine (9) feet off of the South side of Lot No. Eight (8); all in and of William B. Jarvis' Subdivision of Out Lot No. Eighty-two (82), in said City of Columbus, Ohio, as the same is numbered and delineated upon the recorded plat thereof, of record in Deed Book No. 32, page 440, Recorder's Office, Franklin County, Ohio.

**PARCEL 2:**

Being Lot Number Ten (10) of William B. Jarvis' Subdivision of Out Lot Number Eighty-two (82) of said City, as the same is numbered and delineated upon the recorded plat thereof, of record in Deed Book 32, pages 440 and 441, Recorder's Office, Franklin County, Ohio.

**PARCEL 3:**

Being Thirty-one (31) feet off the North side of Lot Number Eight (8) of William B. Jarvis's Subdivision of Out Lot Number Eighty-two (82) in said City, as the same is numbered and delineated upon the recorded plat thereof, of record in Deed Book 32, pages 440 and 441, Recorder's Office, Franklin County, Ohio.

Parcel Nos. 010-013262, 010-050806, and 010-007507

And known as: 145-149 Cleveland Avenue, Columbus, Ohio 43215

# Columbus State Community College



Date: \_\_\_\_\_

## Board Action

**SUBJECT:** Disposition of Real Property

### **BACKGROUND INFORMATION:**

Pursuant to College Policy 1-08, the Board of Trustees may dispose of Real Property as necessary.

The City of Columbus, (“the City”) has requested that the College deed to it for One Dollar (\$1.00), a small parcel of land near the intersection of Spring Street and Eleventh Avenue, this parcel being .026 acres in size. The purpose of this disposition of real property, in fee simple, is to allow the City to construct improvements that will provide a safer exit onto Spring Street for those who park in one of the three new parking lots directly south of Spring Street. Two of the lots were constructed by the College in the fall of 2010, and the third is being constructed by a private entity on the property that formerly housed an automobile dealership. The College intends to lease this lot when it is completed in the spring of 2011. For safety reasons, the City has made this transfer of property a condition of granting a permit to the developer of the new parking lot on the site of the former dealership.

For the following reasons, the College supports the disposition of this real property to the City of Columbus as proposed:

- the Parcel is minor in size and of no material value to the College;
- the College will benefit significantly from the use of the new parking lot;
- the City improvements will enhance the safety of students and staff.

### **RECOMMENDATION:**

That the Board of Trustees approves the disposition of real property, in fee simple, to the City of Columbus of the Parcel totaling .026 acres of Columbus State property as described above for \$1.00, pursuant to the terms and conditions of the attached General Warranty Deed.

**GENERAL WARRANTY DEED**

(O.R.C. §5302.05)

KNOW ALL MEN BY THESE PRESENTS that **COLUMBUS STATE COMMUNITY COLLEGE DISTRICT BOARD OF TRUSTEES**, "Grantor", an Ohio non-profit corporation, a.k.a. **COLUMBUS STATE COMMUNITY COLLEGE**, for One Dollar (\$1.00) and other good and valuable consideration, (the receipt of which is hereby acknowledged), given by the **CITY OF COLUMBUS, OHIO**, "Grantee", a municipal corporation, whose tax mailing address is Mortgage Code 9000 (90 West Broad Street, Columbus, Ohio 43215), does, subject to easements, conditions, and restrictions of record, hereby grant in fee simple, with general warranty covenants (O.R.C.§5302.06), for all roadway/highway purposes, to the Grantee, its successors and assigns forever, the following described real property:

0.026 Acre

(SEE LEGAL DESCRIPTION ATTACHED HERETO  
AS EXHIBIT "A" AND MADE A PART HEREOF)

**Franklin County Tax Parcel No. 010-238150.**

Prior Instrument Reference: O.R. 34656D16  
Recorder's Office, Franklin County, Ohio.

The Grantor, by its duly authorized representative, has caused this instrument to be executed and subscribed this \_\_\_\_\_ day of \_\_\_\_\_ 2011.

COLUMBUS STATE COMMUNITY  
COLLEGE DISTRICT BOARD OF  
TRUSTEES,  
an Ohio non-profit corporation

\_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF OHIO  
COUNTY OF FRANKLIN, SS:

BE IT REMEMBERED that on this \_\_\_\_\_ day of \_\_\_\_\_ 2011 the foregoing instrument was acknowledged before me by \_\_\_\_\_, \_\_\_\_\_, on behalf of COLUMBUS STATE COMMUNITY COLLEGE DISTRICT BOARD OF TRUSTEES, an Ohio non-profit corporation.

(seal)

\_\_\_\_\_  
Notary Public

This instrument prepared by:  
CITY OF COLUMBUS, DEPARTMENT OF LAW  
BY: Brent M. Ralston (1-6-11)  
Real Estate Attorney  
Real Estate Division  
For: Division of Transportation (Jerry Ryser)  
Re: 2839 Dr E Kiefer Ave. and Eleventh St.

SITE ENGINEERING  
— Incorporated —  
Civil Engineers & Surveyors

7453 East Main Street  
Reynoldsburg, OH 43068  
phone: 614-759-9900  
fax: 614-759-9902  
email: siteeng@ameritech.net

SEI FILE NO. 3530  
SPRING STREET & ELEVENTH STREET

PROPERTY DESCRIPTION  
DECEMBER 2, 2010

Situated in the State of Ohio, County of Franklin, City of Columbus, being part of that 0.758 acre tract described in a deed to COLUMBUS STATE COMMUNITY COLLEGE of record in Official Record 34656 D16 (all references in this description are to the records in the Recorder's Office, Franklin County, Ohio) and being more particularly described as follows:

Beginning at a 3/4" hollow iron pin found at the southeasterly corner of said 0.758 acre tract, also being the northeasterly corner of Lot 28 as designated and delineated on the recorded plat of SUSAN WALKER'S SUBDIVISION in Plat Book 3, Page 271 and being on the westerly right-of-way line of Eleventh Street (20 feet in width);

Thence North 89° 31' 40" West 10.00 feet, along the northerly line of said Lot 28 and the southerly line of said 0.758 acre tract, to an iron pin set;

Thence North 03° 13' 46" West 90.78 feet, crossing said 0.758 acre tract, to an iron pin set on the northerly line of said 0.758 acre tract, and the southerly right-of-way line of Spring Street (R/W width varies);

Thence North 84° 36' 37" East 15.00 feet, along the northerly line of said 0.758 acre tract (the southerly right-of-way line of Spring Street) to the westerly right-of-way line of Eleventh Street;

Thence South 00° 06' 43" East 92.13 feet, along the easterly line of said 0.758 acre tract and the westerly right-of-way line of Eleventh Street, to the Point of Beginning, containing 0.026 acres of land, more or less.

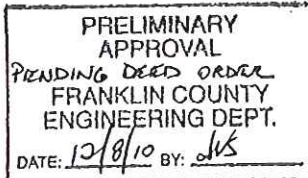
NOTE: Bearings are used for the determination of angles only. For the purpose of this description, a bearing of South 00° 06' 43" East was used on the westerly right-of-way line of Eleventh Street as called for in O.R. 34656 D16. The iron pins set are 5/8" rebars, 30" long with yellow plastic caps stamped "SITE ENG INC" and are to be set at completion of construction.

This description was prepared by Site Engineering, Inc. from an actual field survey during April 2010.

SITE ENGINEERING, INC.

By Mark A Hazel  
Mark A. Hazel  
Professional Surveyor No. 7039

12-6-10  
Date





## COLUMBUS STATE COMMUNITY COLLEGE

Date \_\_\_\_\_

### BOARD ACTION

**SUBJECT:**

Financial Statements as of and for the six months ended, December 31, 2010.

**BACKGROUND INFORMATION:**

Columbus State Community College policy requires that monthly the President provide each Board of Trustees member a copy of the college's financial statements.

**RECOMMENDATION:**

That the financial statements as of and for the six months ended, December 31, 2010, be accepted as presented.



550 East Spring Street  
P.O. Box 1609  
Columbus, Ohio 43216-1609  
614/287-2400

**TO:** Board of Trustees  
**FROM:** Dr. David T. Harrison, President  
**DATE:** January 13, 2011  
**SUBJECT:** Financial Statements as of December 31, 2010

Attached are the financial statements of Columbus State Community College District, the Foundation, and the President's Discretionary Fund for the period ended December 31, 2010.

**1. General Fund**

These financial statements include the first full-year Delaware Campus budget approved by the Board in May 2010. See specifically Exhibit B which includes the "transfer in" of revenues for the Delaware Campus from funds allocated for start-up operations (the first year yields no subsidy revenues). Tuition and expenses are included in the consolidated district totals.

• **Enrollment**

Quarter	Budgeted Headcount	Headcount	Actual Increase/ Decrease	Actual FY 10 FTEs	FY 11 FTEs	% Variance
Summer 2010	16,845	18,817	11.7%	9,533	10,838	13.7%
Autumn 2010*	29,447	30,297	2.9%	18,882	20,313	7.6%
Winter 2011						
Spring 2011						

\*Preliminary headcounts and FTEs

• **Revenues** (Exhibit B)

Total operating revenues through December 2010 are \$74,495,938, 9.7% higher than the same period last year. This is a timing issue, last fiscal year's ARRA stimulus portion of state subsidy started a month later than it did this year. Additionally, the college has earned higher-than-budgeted tuition revenue for summer and autumn quarters due to increased enrollment. Year-end tuition revenues are projected to be 5% over the budget initially authorized for FY 11. These revenues will be adjusted in the mid-year budget and will reflect closer to actual tuition revenues expected for Winter quarter.

In September the College was advised by the Ohio Board of Regents that approximately \$4.1 million of its FY11 subsidy will be deferred to the next biennium, and also that its final FY2011 subsidy allocation will total \$520,345 less than the original subsidy projections, for a total subsidy reduction of 7.1%. Both of these adjustments to the subsidy allocation are reflected in projected year-end subsidy revenues.



- **Expenditures** (Exhibit B)

Total operating expenditures (before transfers) are \$66,082,599 for the period, or 12.2% higher than the same period last year. These expenditures are consistent with increased expenses budgeted for new faculty and staff at both the Columbus and the Delaware campuses, and operating and marketing costs associated with the Delaware Campus. Year-end projected balances are tracking within 2% of budget.

2. **Auxiliary Fund** (Exhibit D)

For the period ending December 2010, the Auxiliary Fund's revenues were approximately 1% less than the same period last year. Since the expiration of a federal grant that subsidized child care for students, enrollment in the Child Development Center has declined; however, several children are in the process of enrolling for January. Preliminary results for the Bookstore show stronger sales for the first week of winter quarter compared to the prior year. Overall expenditures for the Auxiliary fund are consistent with last year.

3. **President's Discretionary Fund** (Exhibit F)

The President's Discretionary Fund has a cash balance of \$19,026 at December 31, after disbursements of \$974.

4. **Foundation** (Exhibits G and H)

Foundation contributions through December are \$629,077 compared to \$286,689 through December of last year. Funds were received in the month of December to establish an endowment through the current Title III grant from the US Department of Education in the amount of \$68,062. Investments also increased the revenue for the month by just over \$182,000. Expenditures are \$302,984 comparable to the same period last year.

5. **Investments**

The College's portfolio is invested consistent with its investment policy, with 13.9% currently invested in STAROhio and other money markets, with the balance in federal agencies.

**COLUMBUS STATE COMMUNITY COLLEGE**  
**BALANCE SHEET AT DECEMBER 31, 2010**  
 With Comparative Figures at December 31, 2009

**EXHIBIT A**

<u>Assets</u>	<u>December 31,</u> 2010	<u>December 31,</u> 2009	<u>Liabilities and Fund Balance</u>	<u>December 31,</u> 2010	<u>December 31,</u> 2009
<u>Current Funds</u>			<u>Current Funds</u>		
<u>Unrestricted</u>			<u>Unrestricted</u>		
Educational and general			Educational and general		
Cash	\$ 64,267,973	\$ 6,946,845	Accounts payable	\$ 24,035,657	\$ 18,567,908
Investments (including money markets at cost and treasury bills and agency discount notes at market - (note 1)			Deferred income		
Accounts receivable, net of allowance for doubtful accounts	99,071,100	149,586,264	Student tuition	24,307,042	23,653,197
Interest receivable	9,710,099	10,272,948	Lab fees and credit bank	920,661	1,063,335
Prepaid expense	392,178	-	Due to auxiliary funds	-	-
Net Investment in Golf Course	-	285,892	Due to restricted funds	-	-
Due from agency funds	3,022,589	-	Due to plant funds	8,725,102	10,419,621
Due from auxiliary funds	384,570	91,771	Due to agency funds	-	-
Total educational & general	\$ 176,848,509	\$ 167,493,731	Fund balances (Exhibit C):		
<u>Auxiliary enterprise</u>			Allocated	77,522,470	77,663,089
Cash	\$ 1,209,245	\$ 1,631,448	Unallocated	41,337,577	36,126,580
Investments	5,737,843	6,178,751	Total fund balances	118,860,047	113,789,669
Accounts receivable	772,594	381,706	Total educational & general	\$ 176,848,509	\$ 167,493,731
Inventories, at cost as defined (note 2)	3,643,261	3,121,953	<u>Auxiliary enterprise</u>		
Other Assets	365,248	294,438	Accounts payable	\$ 1,383,342	\$ 2,200,419
Due from general fund	-	-	Due to educational & general fund	378,370	411,249
Due from grant funds	3,123	292,357	Fund balances (Exhibit D):		
Total auxiliary enterprise	11,731,313	11,900,653	Allocated	250,000	250,000
Total unrestricted	\$ 188,579,822	\$ 179,394,384	Unallocated	9,719,601	9,038,984
<u>Restricted</u>			Total fund balances	9,969,601	9,288,984
Cash	\$ -	\$ -	Total auxiliary enterprise	11,731,313	11,900,653
Due from educational & general fund	-	-	Total unrestricted	\$ 188,579,822	\$ 179,394,384
Total restricted	-	-	<u>Restricted</u>		
Total current funds	\$ 188,579,822	\$ 179,394,384	Due to general fund	\$ -	\$ -
	[A]	[B]	Fund balances	-	-
			Unallocated	-	-
			Total restricted	-	-
			Total current funds	\$ 188,579,822	\$ 179,394,384
				[C]	[D]

(See accompanying summary of significant accounting policies and notes to financial statements)

(Continued)

**COLUMBUS STATE COMMUNITY COLLEGE**  
**BALANCE SHEET AT DECEMBER 31, 2010**  
 With Comparative Figures at December 31, 2009

**EXHIBIT A**  
 (Continued)

<u>Assets</u>	<u>December 31,</u> 2010	<u>December 31,</u> 2009	<u>Liabilities and Fund Balance</u>	<u>December 31,</u> 2010	<u>December 31,</u> 2009
<u>Plant funds</u>			<u>Plant funds</u>		
Unexpended			Unexpended		(1)
State appropriations receivable	-	-	Fund balances		(2)
Capital Improvement Fund	2,604,317	1,802,990	Restricted	2,604,317	1,802,990
Total unexpended	<u>2,604,317</u>	<u>1,802,990</u>	Total unexpended	<u>2,604,317</u>	<u>1,802,990</u>
Cash from Bond Proceeds	98,711	41,426	Investment in plant:		(6)
Deposit with trustees	-	-	Interest payable	-	(7)
Due from general fund	8,725,102	10,419,621	Capital lease payable	-	(8)
Land	29,235,190	29,235,190	Accounts payable	14,305,000	323,966
Improvements other than buildings	11,569,988	6,866,985	Bonds payable	-	16,030,000
Buildings	140,438,064	123,870,034	Deferred Gift Annuity	-	2,195,445
Movable equipment, furniture and library books	48,032,407	44,473,333	Net investment in plant	156,353,089	145,980,003
Construction-in-progress	719,303	12,156,580			(14)
Other Assets	278,095	265,716	Total investment in plant	<u>170,658,089</u>	<u>164,529,434</u>
Less: accumulated depreciation	(68,438,773)	(62,799,451)			(17)
Total investment in plant	<u>170,658,089</u>	<u>164,529,434</u>	Total plant funds	<u>173,262,406</u>	<u>166,332,424</u>
Total plant funds	<u>\$ 173,262,406</u>	<u>\$ 166,332,424</u>			(18)
			<u>Agency funds</u>		(19)
<u>Agency funds</u>			Deposits held in custody for others	-	63,845
Cash	-	-	Due to educational and general fund	3,022,589	310,011
Due from agencies	3,022,589	373,856	Total agency funds	<u>3,022,589</u>	<u>373,856</u>
Due from general fund	-	-		[C]	[D]
Total agency funds	<u>3,022,589</u>	<u>373,856</u>			(20)
	<u>\$ [A]</u>	<u>\$ [B]</u>			(21)
					(22)
					(23)
					(24)

(See accompanying summary of significant accounting policies and notes to financial statements)

EXHIBIT B

COLUMBUS STATE COMMUNITY COLLEGE  
OPERATIONAL BUDGET COMPARISON  
FOR THE SIX MONTHS ENDED DECEMBER 31, 2010  
With Comparative Figures at December 31, 2009

	FY 11		FY 10		FY 11 Projected Year End			
	Budget as approved May 2010	Expended to Date (Actual & Encumbrances)	% of Budget Expended to Date	Revised Budget as approved January 2010	Expended to Date (Actual & Encumbrances)	% of Budget Expended to Date	Projected FY 11 Year End Budget	Projected % of Budget
<b>Revenues</b>	\$ 64,173,300	\$ 27,068,634	42.18%	\$ 62,168,736	\$ 26,234,345	42.20%	\$ 49,548,218	77.21%
Appropriations	-	5,018,010	-	-	4,465,655	-	10,036,027	0.00%
Subsidy	-	-	-	-	-	-	-	-
SSI - Stimulus	-	-	-	-	-	-	-	-
Access Challenge	-	-	-	-	-	-	-	-
Jobs Challenge	-	-	-	-	-	-	-	-
Delaware - Transfer In	2,683,002	1,064,795	39.69%	1,311,043	-	-	2,683,002	100.00%
	66,856,302	33,151,439	49.59%	63,479,779	30,700,000	48.36%	62,267,247	93.14%
<b>Student</b>								
Tuition	82,565,633	38,097,659	46.14%	78,583,740	33,951,310	43.20%	86,693,915	105.00%
Fees	5,579,991	2,681,800	48.06%	5,350,420	2,748,842	51.38%	5,579,991	100.00%
Special courses	500,000	388,003	73.60%	500,000	382,568	76.51%	600,488	120.09%
	88,645,624	41,147,462	46.42%	84,434,160	37,082,720	43.92%	92,874,374	104.77%
<b>Contracted Services</b>								
Net	255,585	160,616	62.84%	255,585	69,448	27.17%	255,585	100.00%
	255,585	160,616	62.84%	255,585	69,448	27.17%	255,585	100.00%
<b>Other</b>								
Miscellaneous	250,000	36,422	14.57%	250,000	65,795	26.32%	250,000	100.00%
	250,000	36,422	14.57%	250,000	65,795	26.32%	250,000	100.00%
Total revenues	156,007,511	74,495,938	47.75%	148,419,524	67,917,963	45.76%	155,647,206	99.77%
<b>Operating Expenditures</b>								
Educational & general (Instructional)	86,691,522	37,021,055	42.70%	79,202,176	33,150,233	41.86%	85,212,286	98.29%
ERC	2,167,111	1,080,429	49.86%	1,800,336	886,004	49.21%	2,167,111	100.00%
General	11,992,859	5,212,166	43.46%	11,393,334	4,811,216	42.23%	11,693,026	97.50%
Information Technology	13,192,268	7,187,854	54.49%	12,176,666	5,954,595	48.90%	13,192,268	100.00%
Student Services	12,098,091	5,272,024	43.58%	10,804,703	4,936,947	45.69%	11,422,719	94.42%
Operation and maintenance of plant	14,809,547	6,161,584	41.61%	12,690,986	5,544,892	43.69%	14,350,198	96.90%
Administration	8,322,821	3,373,099	40.53%	7,739,646	2,833,087	36.60%	8,322,265	99.99%
Transfer for debt service	1,548,819	774,410	50.00%	1,548,819	774,410	50.00%	1,548,819	100.00%
Total expenditures	150,823,038	66,082,589	43.81%	137,356,666	58,891,384	42.87%	147,908,692	98.07%
<b>Non-operating &amp; Encumbered</b>								
Transfer for equipment and replacement	3,600,000	-	-	2,200,000	-	-	3,600,000	100.00%
Transfer for capital improvements	-	-	-	-	-	-	-	N/A
Transfer for scholarships	-	-	-	-	-	-	-	-
Total expenditures and transfers	154,423,038	66,082,589	42.79%	139,556,666	58,891,384	42.20%	151,508,692	98.11%
Operational revenues	1,584,473	8,413,339	N/A	8,862,858	9,026,579	N/A	4,138,514	N/A
<b>Interest Income</b>								
Total revenues	\$ 1,584,473	\$ 121,077	538.63%	\$ 8,862,858	\$ 435,965	106.77%	\$ 236,922	N/A
	\$ 1,584,473	\$ 8,534,416	538.63%	\$ 9,462,544	\$ 9,462,544	106.77%	\$ 4,375,436	276.14%

EXHIBIT C

COLUMBUS STATE COMMUNITY COLLEGE  
STATEMENT OF CHANGES IN FUND BALANCES OF CURRENT  
EDUCATIONAL AND GENERAL FUNDS  
FOR THE SIX MONTHS ENDED DECEMBER 31, 2010

	Balance at June 30, 2010	Net Increase for Current Period	Board Approved Additions	Transfers	Expenditures	Balance at December 31, 2010	
Unrestricted							
Allocated							
Capital Improvements & Land Acquisition	\$ 14,796,777	\$ -	-	(9,289,570)	-	5,507,207	(1)
Carpet/Furniture Reupholstering	35,874	-	-	200,000	(18,602)	217,272	(2)
Bolton Field Site Analysis	33,883	-	-	-	-	33,883	(3)
Eibling Hall Renovations (CCPC) and Lobby	23,082	-	-	-	-	23,082	(4)
Space Efficiency Upgrades	4,647,449	-	-	-	(384,609)	4,262,840	(5)
Project Planning	108,375	-	-	-	(32,121)	76,254	(6)
Union Hall Renovation	6,550,430	-	-	8,649,570	(225)	15,199,775	(7)
Site Development Delaware Campus	2,944,470	-	-	-	(272,593)	2,671,877	(8)
Bookstore/DX Modifications	297,469	-	-	-	(8,445)	289,024	(9)
Facilities Infrastructure Improvements	71,510	-	-	-	(34,067)	37,443	(10)
Delaware Hall Renovation	3,099	-	-	-	-	3,099	(11)
Parking Capacity	-	-	-	440,000	(400,313)	39,687	(12)
Capital Equipment	4,886,031	-	3,600,000	-	(2,596,419)	5,889,612	(13)
Target 2002	333,088	-	-	-	-	333,088	(14)
Collective Bargaining	63,252	-	-	-	-	63,252	(15)
Budget/Tuition Stabilization	18,420,499	-	-	-	-	18,420,499	(16)
Accumulated Lab Fees	1,246,343	-	-	-	-	1,241,343	(17)
Broadbanding	252,234	-	-	-	(5,000)	244,293	(18)
Think Again Scholarship	3,172,594	-	-	-	(7,941)	1,715,202	(19)
Teaching and Learning Initiatives	4,893,851	-	-	-	(1,457,392)	4,614,561	(20)
Strategic Growth Initiatives	2,500,000	-	-	-	(279,290)	2,500,000	(21)
Technology Initiatives	2,885,786	-	-	-	(101,711)	2,784,075	(22)
Human Capacity Development/Wellness	450,160	-	-	-	(77,667)	372,493	(23)
Campus Safety Initiatives	1,612,159	-	-	-	(91,700)	1,520,459	(24)
Energy Efficiency/Sustainability Initiatives	3,651,453	-	-	-	(452,787)	3,198,666	(25)
Delaware Campus Operations	5,019,199	-	-	(1,064,795)	(5,748)	3,948,656	(26)
Health Care Self-Insurance Escrow	1,278,018	-	-	-	(255,000)	1,023,018	(27)
Health Care HSA Incentive	994,188	-	-	-	(127,870)	866,318	(28)
Self-Insured Workers Compensation Benefits	167,500	-	-	-	(15,000)	152,500	(29)
PERFORMS	500,000	-	-	-	(227,009)	272,991	(30)
Unallocated	81,838,773	-	3,600,000	(1,064,795)	(6,851,508)	77,522,470	(31)
Total General Fund	35,365,386	1,655,889	(3,600,000)	1,064,795	6,851,508	41,337,577	(32)
	117,204,159	1,655,889	-	-	-	118,860,047	(33)
	[A]	[B]	[C]	[D]	[E]	[F]	

EXHIBIT C-1

COLUMBUS STATE COMMUNITY COLLEGE  
BOND FUNDED PROJECTS  
FOR THE SIX MONTHS ENDED DECEMBER 31, 2010

	Bond Proceed Allocation	Proceeds Budget	Prior Budget Reallocations	Budget Reallocation 2010	Proceeds Expended to Date	Bond Proceeds Encumbered	Available to Spend	
Refunding 1993 Bonds	\$ 3,445,000	\$ 3,445,000	706,227	3,408	3,445,000	-	-	(1)
Bookstore	7,000,000	7,000,000	-	-	7,709,635	-	-	(2)
Facilities	3,400,000	-	-	-	-	-	-	(3)
Aquinas Hall*	-	1,631,673	(88,521)	588	1,538,816	-	-	(4)
366/370 N. Grant*	-	1,760,304	(51,066)	-	1,709,238	-	-	(5)
Unallocated	-	8,022	(8,022)	-	-	-	-	(6)
Child Development Center	3,000,000	3,000,000	(891,666)	(108,124)	1,999,698	-	-	(7)
Columbus Campus Facility Projects	-	-	-	-	-	-	-	(8)
356 N. Grant	-	-	158,931	(8,953)	155,445	-	-	(9)
Madison Hall	-	-	62,913	6,076	68,989	-	-	(10)
Rhodes Hall	-	-	27,979	-	27,979	-	-	(11)
Franklin Hall Suite Efficiencies	-	-	80,950	2,800	83,750	-	-	(12)
Planning	-	-	100,000	409	100,409	-	-	(13)
TRIO	-	-	67,500	432	67,932	-	-	(14)
Student Life/Judicial	-	-	48,000	(3,284)	44,716	-	-	(15)
K-12 Move	-	-	20,000	(20,000)	-	-	-	(16)
Cisco Lab	-	-	65,000	(16,289)	48,711	-	-	(17)
339 Cleveland Avenue	-	-	55,000	(22,015)	32,985	-	-	(18)
Automotive Flooring	-	-	-	137,832	137,832	-	-	(19)
Bolton Field Upgrades	-	-	-	75,500	63,374	-	-	(20)
CWD Space Adjustments	-	-	-	16,000	6,280	-	-	(21)
Rhodes Hall Space Efficiencies	-	-	-	98,000	97,855	-	-	(22)
Issuance Costs	315,000	315,000	(55,830)	27,797	286,967	-	-	(23)
Interest Income	-	-	(297,395)	(190,177)	-	-	923	(24)
Total	\$ 17,160,000	\$ 17,160,000	\$ (297,395)	\$ (190,177)	\$ 17,625,612	\$ -	\$ 22,914	(25)

\* These two projects were funded from both the General Fund and the Bond Proceeds.  
 \*\* As approved by the Board of Trustees on January 26, 2006, available balances in projects funded by the 2003 bond proceeds were reallocated to the Bookstore/Retail Complex.  
 \*\*\*As approved by the Board of Trustees on September 28, 2006, certain Columbus Campus Facility Projects may be funded by unspent balances from 2003 bond proceeds.

EXHIBIT D

COLUMBUS STATE COMMUNITY COLLEGE  
 OPERATIONAL BUDGET COMPARISON FOR AUXILIARY SERVICES  
 FOR THE SIX MONTHS ENDED DECEMBER 31, 2010  
 With Comparative Figures at December 31, 2009

Auxiliary	FY 11		FY 10		Actual to Date	% of Budget Expended to Date	Revised Budget as approved January 2010	Actual to Date	% of Budget Expended to Date	Projected FY 11 Year End Budget	Projected % of Budget
	Budget as approved May 2010	Actual to Date	Budget as approved January 2010	Actual to Date							
Sales/Revenues											
Bookstore	\$ 12,922,900	\$ 6,187,075	\$ 12,743,992	\$ 6,191,374		47.88%			48.58%	\$ 12,922,900	100.00%
Child Development Center	965,895	401,947	965,895	452,258		41.61%			46.82%	965,895	100.00%
Food Services	345,343	188,955	364,390	198,935		54.72%			54.59%	345,343	100.00%
Bridgeview	499,640	213,933	502,301	233,034		42.82%			46.39%	499,640	100.00%
Total Revenues before Grant Activity	14,733,778	6,991,910	14,576,578	7,075,601		47.45%			48.54%	14,733,778	100.00%
Cost of Goods Sold											
Bookstore	9,898,559	4,730,676	9,750,995	4,730,452		47.79%			48.51%	9,898,559	100.00%
Bridgeview	24,510	10,383	24,213	11,348		42.36%			46.87%	24,510	100.00%
Gross Margin	4,810,709	2,250,951	4,801,370	2,333,801		46.79%			48.61%	4,810,709	100.00%
Operating Expenses											
Bookstore	2,286,358	917,334	2,288,223	919,333		40.12%			40.18%	2,286,358	100.00%
Child Development Center	1,265,037	538,661	1,237,493	550,945		42.58%			44.52%	1,265,037	100.00%
Food Services	79,632	38,510	77,363	35,051		48.36%			45.31%	79,632	100.00%
Bridgeview	538,834	239,723	541,404	235,828		44.49%			43.56%	538,834	100.00%
Auxiliary Administration	629,136	281,528	608,109	265,892		44.75%			43.72%	629,136	100.00%
Total Expenses before Grant Activity	4,798,997	2,015,756	4,752,592	2,007,049		42.00%			42.23%	4,798,997	100.00%
Auxiliary Net Operating Income/(Loss)	11,712	235,095	48,778	326,752					669.88%	11,712	-
Grant Income	-	9,365	-	30,588		0.00%			-	9,365	0.00%
Grant Expense	-	9,365	-	30,588		0.00%			-	9,365	0.00%
Net Grant Income/(Loss)	-	-	-	-						-	-
Net Income/(Loss)											
Bookstore	737,983	539,065	704,774	541,589		73.05%			76.85%	737,983	100.00%
CDC	(299,142)	(136,714)	(271,598)	(98,687)		45.70%			36.34%	(299,142)	100.00%
Food Services	285,711	150,445	287,027	163,884		56.62%			57.10%	285,711	100.00%
Bridgeview	(63,704)	(36,173)	(63,316)	(14,142)		-56.78%			-22.34%	(63,704)	100.00%
Auxiliary Administration	(629,136)	(281,528)	(608,109)	(265,892)		44.75%			43.72%	(629,136)	100.00%
Net Auxiliary Income/(Loss)	11,712	235,095	48,778	326,752		2007.30%			669.88%	11,712	100.00%
Auxiliary Fund Balance at June 30, 2010		9,734,506		8,966,443							
Board Approved Improvements Transfers		-		(4,211)							
Auxiliary Fund Balance at December 31, 2010	[A]	[B]	[D]	[E]		[C]	[D]	[E]	[F]	[G]	[H]

NOTES: Grant income is separately identified for a holistic view of CDC's financial picture. It is accounted for as a project account and not part of the Auxiliary Fund.

EXHIBIT E

COLUMBUS STATE COMMUNITY COLLEGE  
CASH FLOW FORECAST  
AS OF DECEMBER 31, 2010

	Actual July 2010	Actual August 2010	Actual September 2010	Actual October 2010	Actual November 2010	Actual December 2010	
Beginning Cash	\$ 7,065,202	4,070,931	3,755,550	19,073,737	7,380,716	12,390,295	(1)
Cash Receipts	7,546,432	8,144,091	14,263,427	5,581,088	9,985,073	11,535,457	(2)
Cash Disbursements	(11,287,727)	(12,322,918)	(13,316,646)	(13,817,307)	(12,658,921)	(11,605,368)	(3)
Financial Aid	(6,252,976)	(1,136,554)	19,371,406	(6,456,802)	(2,316,573)	30,548,478	(4)
Outflow for investments	-	-	(10,000,000)	-	-	-	(5)
Inflow from investments	7,000,000	5,000,000	5,000,000	3,000,000	10,000,000	20,000,000	(6)
Ending Cash	\$ 4,070,931	3,755,550	19,073,737	7,380,716	12,390,295	62,868,862	(7)

	Forecasted January 2011	Forecasted February 2011	Forecasted March 2011	Forecasted April 2011	Forecasted May 2011	Forecasted June 2011	
Beginning Cash	\$ 62,868,862	22,467,136	28,225,649	19,324,423	15,923,197	15,821,971	(8)
Cash Receipts	6,848,274	7,008,513	12,348,774	7,348,774	7,348,774	7,348,774	(9)
Cash Disbursements	(13,250,000)	(13,250,000)	(13,250,000)	(13,750,000)	(13,750,000)	(13,750,000)	(10)
Financial Aid	(14,000,000)	(3,000,000)	22,000,000	(17,000,000)	(2,700,000)	(2,700,000)	(11)
Outflow for investments	(20,000,000)	-	(30,000,000)	-	-	-	(12)
Inflow from investments	-	15,000,000	-	20,000,000	9,000,000	9,000,000	(13)
Ending Cash	\$ 22,467,136	28,225,649	19,324,423	15,923,197	15,821,971	15,720,745	(14)



COLUMBUS STATE COMMUNITY COLLEGE  
 PRESIDENT'S DISCRETIONARY FUND  
 STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
 FOR THE SIX MONTHS ENDED DECEMBER 31, 2010

EXHIBIT F

Cash at Beginning of Period		\$ 4,811	(1)
			(2)
<u>Receipts:</u>			(3)
			(4)
Deposit	-	15,745	(5)
			(6)
			(7)
<u>Disbursements:</u>			(8)
Columbus International Program	200		(9)
Oberer's Flowers	665		(10)
Reimbursement for flowers	41		(11)
Reimbursement for picture frames	67		(12)
			(13)
		974	(14)
		\$ 19,582	(15)
	[A]	[B]	(16)
		[C]	

NOTE:

The President's Discretionary fund is a separate fund from the operating and capital funds of the college. The source of funds is from other-than-public (governmental) monies or student fees, as specified by the Board of Trustees.

The purpose of the fund is to enhance the mission of the college. Expenditures are to promote or enhance the image of the college, the college educational programs, operations, entertainment, contributions, and other appropriate expenditures not provided for in the college operating budget.

**COLUMBUS STATE COMMUNITY COLLEGE DEVELOPMENT FOUNDATION, INC.**  
**BALANCE SHEET AT DECEMBER 31, 2010**  
 With Comparative Figures at December 31, 2009

<u>Assets</u>	<u>December 31,</u> <u>2010</u>	<u>December 31,</u> <u>2009</u>	
Cash	\$ 599,336	\$ 844,004	(1)
Investments at market value (see note)	5,308,449	4,087,383	(2)
Pledges Receivable	77,153	200,734	(3)
Student Emergency Loans restricted - Net	<u>1,297</u>	<u>1,297</u>	(4)
			(5)
Total Assets	<u>\$ 5,986,235</u>	<u>\$ 5,133,418</u>	(6)
<u>Liabilities</u>			
Due to general fund	\$ 139,809	\$ 127,353	(7)
Pledge Payable	-	40,000	(8)
Trade Payables	-	-	(9)
Total Liabilities	<u>139,809</u>	<u>167,353</u>	(10)
<u>Fund balance</u>			
Permanently Restricted	3,529,083	3,363,340	(11)
Temporarily Restricted	2,068,996	1,782,306	(12)
Unrestricted	<u>248,347</u>	<u>(179,581)</u>	(13)
			(14)
Total fund balance	<u>5,846,426</u>	<u>4,966,065</u>	(15)
			(16)
Total Liabilities and fund balance	<u>\$ 5,986,235</u>	<u>\$ 5,133,418</u>	(17)
	[A]	[B]	(18)
			(19)

Note: Investments

Investments are valued at market, which is generally determined by use of published market quotations. Realized gains and losses from sale or redemption of investments are based upon the cost of the specific investment sold or redeemed. Purchases and sales of investments are reflected on a trade-date basis. A summary of investments is as follows:

	<u>Cost</u>	<u>Market</u>	<u>Percent of</u> <u>Portfolio</u>
Cash	\$ 140,384	140,384	2.64%
Equities	2,360,644	2,760,703	52.01%
Fixed Income	510,850	584,922	11.02%
Mutual Funds	<u>1,734,878</u>	<u>1,822,440</u>	<u>34.33%</u>
Total Investments	<u>\$ 4,746,756</u>	<u>\$ 5,308,449</u>	<u>100.00%</u>

EXHIBIT H

COLUMBUS STATE COMMUNITY COLLEGE DEVELOPMENT FOUNDATION, INC  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 FOR THE SIX MONTHS ENDED DECEMBER 31, 2010  
 With Comparative Figures at December 31, 2009

	December 31, 2010			December 31, 2009	Total All Funds	
	Unrestricted	Temporarily Restricted	Permanently Restricted			
Revenue						
Contributions for Columbus State	\$ 101,276	\$ 354,483	\$ 105,818	\$ 561,577	\$ 285,539	(1)
Administration Fee Income	-	67,500	-	67,500	1,150	(2)
Investment Income	-	-	-	-	-	(3)
Realized	100,211	22,897	-	123,108	144,926	(4)
Unrealized	409,474	104,158	-	513,632	399,463	(5)
Investment income-subtotal	509,685	127,055	-	636,740	544,389	(6)
Total revenues	610,961	549,038	105,818	1,265,817	831,078	(7)
						(8)
Expenditures						
Scholarships	-	145,397	-	145,397	130,616	(9)
Contributions to Columbus State	-	67,500	-	67,500	1,150	(10)
Administrative Fee Expense	90,087	-	-	90,087	94,335	(11)
Management and general	90,087	-	-	90,087	94,335	(12)
Total expenditures	180,174	212,897	-	393,071	226,101	(13)
Excess (deficit) of revenues over expenditures	430,787	336,141	105,818	872,746	604,977	(14)
Transfers	(272,527)	1,732,855	3,423,265	4,883,593	-	(15)
Fund balance at beginning of period	248,347	2,068,996	3,529,083	5,846,426	4,361,088	(16)
Fund balance at end of period	[A]	[B]	[C]	[D]	[F]	(17)
	\$ 248,347	\$ 2,068,996	\$ 3,529,083	\$ 5,846,426	\$ 4,966,065	(18)

COLUMBUS STATE COMMUNITY COLLEGE  
 NOTES TO FINANCIAL STATEMENTS  
 AS OF DECEMBER 31, 2010

1) **Investments**

Investment Fund	Cost	Market Value	Yield to Maturity*	Average Maturity (days)
STAR Ohio/Operating	\$ 10,630,194	\$ 10,630,194	0.12%	1
STAR Ohio/Plant	2,604,317	2,604,317	0.12%	1
STAR Ohio/Auxiliary	34,862	34,862	0.12%	1
CSCC Operating Fund 1	49,355,596	49,401,043	0.32%	165.6
CSCC Operating Fund 2	33,937,722	34,027,897	1.51%	742
Bond Proceeds	278,438	278,438	0.06%	1
Auxiliary Services	5,694,352	5,702,981	1.78%	797
Plant Fund	4,736,526	4,733,528	1.48%	975
	<u>\$ 107,272,008</u>	<u>\$ 107,413,260</u>		

\* Weighted

Portfolio Composition

Type	% of Total
STAR Ohio	12.35%
Agencies	86.95%
Cash & Equivalents	0.70%
	<u>100.00%</u>

2) **Inventories**

Bookstore inventories at year-end are stated at actual cost. At or near year-end a complete physical inventory is taken and adjustments, if any, are recorded.

3) **Plant Funds**

Physical plant and equipment are stated at cost at date of acquisition or fair value at date of donation in case of gifts. Depreciation of physical plant and equipment is recorded.

4) **Long-term debt**

Long-term debt consists of bonds payable in annual installments varying from \$545,000 to \$1,120,000 with interest at rates varying from 2.00% to 4.50%, the final installment being due in 2023, collateralized by a gross pledge basis, of the general receipts of the college, which include the full of every type and character of receipts, excepting only those specifically excluded which are primarily those that are appropriated from the State of Ohio.

Debt service for this long-term debt is paid from an annual allocation in the College's Operating fund, the Auxiliary Services fund, and from the State's Capital Component Program.

5) **Interfund Accounts**

All interfund borrowings have been made from current funds and amounts are due currently without interest.

## Columbus State Community College



Date \_\_\_\_\_

### Board Action

#### **SUBJECT:**

Personnel Information Items

#### **BACKGROUND INFORMATION:**

In accordance with a Board of Trustees resolution approved and adopted at their regular meeting held on October 18, 1978, the President has the authority to make staff appointments to positions which have already been approved by the Board and included in the current budget, and to accept faculty and staff resignations. The attached personnel actions took place during the months of November and December, 2010 and January and February, 2011.

**FOR INFORMATION ONLY**

**COLUMBUS STATE COMMUNITY COLLEGE**

**BOARD OF TRUSTEES**

**INFORMATION ONLY**

In accordance with a Board Resolution approved and adopted at a regular meeting held on October 18, 1978, which enables the President to make employee appointments to positions which have already been approved by the Board and included in the current budget, the following persons have been **appointed**.

<u>NAME</u>	<u>POSITION</u>	<u>DEPARTMENT</u>	<u>DATE</u>	<u>SALARY</u>
Alyssa Begin (Repl. M. Shinn)	Technician (Dispatch)	Public Safety	02/01/11	\$28,652
Angela Fry (Repl. M. Pramschufer)	Instructor	MH/AS/DD	02/01/11	\$42,644
Jeffery Hawks (Repl. M. Chalton)	Instructor	Nursing	01/17/11	\$41,065
Leslie Hoffman (Repl. M. Schmidlin)	Building Services I	Physical Plant	12/16/10	\$24,055
Justin Holmes (Repl. W. Murphy)	Specialist (Safety & Security)	Public Safety	01/17/11	\$32,700
Evan Jablonka (Repl. M. Senvisky)	Coordinator	Bookstore	12/16/10	\$40,063
Christopher Keck (Repl. R. Lofton)	Advisor	Disability Services	12/01/10	\$49,000
Tom Lyons (Repl. S. Zidonis)	Program Coordinator	Knowledge Resources & Planning	11/16/10	\$44,034
Christopher Miller (Repl. R. Harris Jr.)	Police Officer	Public Safety	01/17/11	\$35,024
Jon Morehead II (Repl. N. Stillwell – S2S Position)	Advisor	Student Assistance Center	01/03/11	\$44,034
Irene Petten (New – B/A)	Instructor	Social Sciences	01/03/11	\$42,644
Sean Tatro (Repl. B. Cullum)	Technician (Dispatch)	Public Safety	02/01/11	\$28,652

**COLUMBUS STATE COMMUNITY COLLEGE**

**BOARD OF TRUSTEES**

**INFORMATION ONLY**

In accordance with a Board Resolution approved and adopted at a regular meeting held on October 18, 1978, which enables the President to make employee appointments to positions which have already been approved by the Board and included in the current budget, the following resignations/terminations have been accepted.

<u>NAME</u>	<u>POSITION</u>	<u>DEPARTMENT</u>	<u>DATE</u>
Sharon Bockus (Retirement)	Assistant Professor	Practical Nursing	01/01/11
James Byrne (Resignation)	Assistant Professor	Radiography	12/11/10
Gwendolyn Dobbs (Resignation)	Assistant	Student Assistance Center	12/10/10
Michael Dunn (Resignation)	System Analyst	Educational Resource Center	12/10/10
Jacqueline Lewis (Retirement)	Coordinator	Data Center	11/01/10
Marsha Logan (Retirement)	Coordinator	Bookstore	01/01/11
Rosalind Porter (Retirement)	Coordinator	Human Resources	01/01/11
Patricia Rowe (Retirement)	Assistant Professor	Developmental Education	01/01/11
Daniel Simms (Retirement)	Building Services	Physical Plant	01/01/11
Jacqueline Spain (Retirement)	Coordinator	Data Center	12/29/10
Martha Sucheston (Retirement)	Instructor	Biological Sciences	01/01/11
Marv West (Non-renewal of Contract)	Director II	Auxiliary Services	12/31/10