



President's Office

David T. Harrison, Ph.D.
PRESIDENT



COPY TO ALL BOARD MEMBERS

Darla Van Horn, Ex Officio Staff Member

Kevin James, Ex Officio Faculty Member

Nick Hager, Ex Officio Student Member

**BOARD OF TRUSTEES
COMMITTEE OF THE WHOLE**

Thursday, January 16, 2014

12:45 p.m.

Pete Grimes Board Room, Franklin Hall

AGENDA

Page

(1)	Call to Order	
(2)	Roll Call	
(3)	Certification of Conformity with Section 12.22(F) of the Ohio Revised Code	
(4)	Approval of Minutes	
(5)	Report of Independent Auditors on the Financial Statements for the Year Ended June 30, 2013	1
(6)	Revised Fiscal Year 2014 Operating Budget.....	17
(7)	Financial Statements as of, and for the Six Months Ended December 31, 2013	21
(8)	Personnel Information Items (Information Only)	35
(9)	Executive Session (<i>if needed</i>)	

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COLUMBUS STATE COMMUNITY COLLEGE BOARD ACTION SHEET

Date _____

SUBJECT:

Report of Independent Auditors on the Financial Statements for the Year Ended June 30, 2013.

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, 2013 was performed by Parms & 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 AUDITOR'S REPORT (pages 1-3) of the college which renders an unmodified opinion stating that the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the Columbus State Community College, as of June 30, 2013 and 2012, and the respective changes in financial position 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 50-51) in which there were no findings (pages 51, Section II), and no questioned costs (page 51, Section III).
- INDEPENDENT AUDITOR'S 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 46-47) in which the auditor disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or deficiencies in internal control that were considered to be material weaknesses.
- INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 (pages 48-49) in which they state Columbus State Community College complied, in all material respects, with the types of 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, 2013. 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, 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, 2013, for the College and the Foundation as prepared by Parms & Company, LLC.

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Columbus State Community College
Columbus, Ohio

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of Columbus State Community College (the "College"), a component unit of the State of Ohio, as of and for the years ended June 30, 2013 and 2012, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the Columbus State Community College as of June 30, 2013 and 2012, and the respective changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 20 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinions on the financial statements that collectively comprise the College's basic financial statements. The accompanying schedule of expenditures of federal awards 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards* we have also issued our report dated October 14, 2013, 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 agreements and other matters. 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* in considering the College's internal control over financial reporting and compliance.

Farms & Company, LLC

October 14, 2013
Columbus, Ohio

**COLUMBUS STATE COMMUNITY COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2013**

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)? ___ Yes X 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)):
 - U.S. Department of Education - Student Financial Assistance Cluster (84.007, 84.033, 84.063, and 84.268)
 - U.S. Department of Labor - ARRA Program of Competitive Grant for Worker Training and Placement in High Growth and Emerging Industry Sectors (17.275)
5. Dollar threshold used to distinguish between Type A and Type B programs: \$ 1,612,481
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, 2013

Section II. Financial Statement Findings

No Findings

Section III. Federal Award Findings and Questioned Costs

No findings.

Section IV. Summary of Prior Audit Findings

No findings.

**INDEPENDENT AUDITOR'S 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, 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, the financial statements of the business-type activities and discretely presented component unit of Columbus State Community College (the "College"), a component unit of the State of Ohio, as of and for the years ended June 30, 2013 and 2012, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated October 14, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the College's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

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. *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.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Farms & Company, LLC

October 14, 2013
Columbus, Ohio

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Board of Trustees
Columbus State Community College

Report on Compliance for Each Major Federal Program

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, 2013. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion for each of the College's major federal programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the College's compliance.

Opinion on Each Major Federal Program

In our opinion, the College complied, in all material respects, with the types of 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, 2013.

Report on Internal Control Over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. 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 that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Farms & Company, LLC

October 14, 2013
Columbus, Ohio

MANAGEMENT LETTER

October 14, 2013

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, 2013, and have issued our report thereon dated October 14, 2013.

In planning and performing our audit of the financial statements of the College for the year ended June 30, 2013, 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

GRANT REVENUE RECOGNITION PROCESS

Comment

During our testing of grant revenues, we noted an instance where grant revenue was recorded in the wrong fiscal year. The College recorded revenue related to an invoice for the Bio Tech grant in 2013 when the expense related to the grant occurred in 2012. It appears the College's revenue cutoff procedures missed properly accruing the related revenue for expenses incurred during fiscal year 2012. As a result, 2013 fiscal year revenues are overstated by \$67,287 and fiscal year 2012 was understated by the same amount. An adjustment was not proposed since it was deemed not material to the financial statements as a whole.

Recommendation

We recommend a review process be put in place to ensure grant revenues are recorded in the period the revenue is earned.

Management's Response

The College understands the importance of recording revenue and expenses in the proper period. The college has put into place a verification process to ensure that revenues are recorded in the proper year based upon proper expense classification. Revenue recognition will be reviewed throughout the closing process for the year.

INFORMATION TECHNOLOGY SYSTEM COMMENT

Revocation of Terminated User Access Rights

We noted for 1 of 15 terminated employees selected for review, the individuals access rights to College's network had not been terminated as specified by College policy. The College requires notification of termination of an employee to be sent to the IT administrator within 3-5 days of termination. For the individual noted, this did not happen, however, we were able to verify that there had not been any attempt to access the College's network subsequent to their termination.

Recommendation

The College should review the reason why the former employee's access rights had not been terminated as required by College policy, and then implement corrective action as necessary.

Management's Response

Employee accounts are automatically terminated as triggered by data entry into the HR system to indicate that employee termination. Timely data entry ensures timely account termination. In collaboration, the Human Resources staff and IT staff are developing an error report to determine if data is missing and ensure the appropriate HR data entry is completed. In addition, Human Resources is developing a "tool kit" for supervisors to ensure that they understand their responsibilities in that role, including procedures for when an employee leaves the college.

DEPOSITS OF PUBLIC MONEY

Comment

During our Ohio Revised Code (ORC) compliance testing, we noted the process for depositing monies received by various departments within the College did not always provide sufficient detail to determine when the monies had been collected by the department. ORC specifies a timeframe in which public money collected is to be deposited (forwarded to) the public office's designated depository, which for the College is the cashier's office. The College cashier's office maintains written logs of when cash is received from other departments. The logs don't consistently specify the date of receipt by the cashier's office. Also, the departments don't consistently maintain logs that show when cash was received by the department and when it was forwarded to the cashier's office. Since documentation was insufficient for us to determine when the monies were received by the department, we were unable to determine if the College was in compliance with the timeliness of depositing public money with the designated depository.

The ORC compliance requirement states that all public money must be deposited with the treasurer of the public office *or* to a designated depository on the business day following the day of receipt. Public money collected for other public offices must be deposited by the first business day following the date of receipt. If the amount of daily receipts does not exceed \$1,000 and the receipts can be safeguarded, public offices may adopt a policy permitting their officials who receive this money to hold it past the next business day, but the deposit must be made no later than 3 business days after receiving it.

Recommendation

We recommend the College establish a standardized log to document when monies are received by the department and when they are forwarded to the cashier's office. Additionally, the cashier's office log should consistently document the date the forwarded cash was received from the department.

Management's Response

The College understands the compliance requirements of ORC 9.38 Deposit of public moneys. The College requests that all money that comes to the College be directed to the cashier's office. The College will develop a process, and then train and monitor the process, to ensure compliance with ORC.

STATUS OF PRIOR MANAGEMENT LETTER COMMENTS

Student Accounts Receivable Reconciliation Process

Comment

During our audit procedures of Student Accounts Receivable, we determined the account on the general ledger was understated by \$377,672. We noted the College had been reconciling this account for the past several years but failed to reconcile the account in year 2012.

Status

Resolved.

Information Technology System Comments

1. Project Management System

Our testing of the College's Project Management System revealed instances where for projects selected for review, procedures had not been documented showing the actual test procedures performed, results of testing, and follow-up procedures.

Status

Similar exceptions noted in 2013, we were unable to obtain documentation supporting appropriate authorization, test procedures and approvals for 1 of 5 projects selected for testing.

Management Response

The Project Management System (Team Dynamix) is a multi-purpose application. It is used for formal project management as well as for operational or task tracking. It is also worth noting that departments around the College use Team Dynamix to support their work outside of formal project management. The list provided for review contained a mix of both formal project management projects and operational/task tracking activities. Of the five projects reviewed, one fell into the formal project management category and it showed conformance with project management expectations (ie, no exceptions). The remaining four were operational activities that required time tracking and other record keeping, but did not require formal project management oversight or documentation. Over the next few months IT will work to more accurately classify the activities entered into Team Dynamix so those projects requiring project management processes are easily identifiable for review.

2. Change Management System

We noted instances where change management requests lacked evidence of testing, and additional instances of change requests testing descriptions that were extremely vague. In these instances, it would not be possible to replicate the procedures as noted. Additionally, the results of test procedures were not documented. Lastly, we noted instances where the changes lacked evidence of final approval.

Status

We noted for 1 of 25 change management requests, the tests procedures were not documented in a manner that would allow for them to be re-performed.

Management Response

The 2013 comment demonstrates a marked improvement in the rate of incomplete documentation, which was 63% in 2012 and was reduced to 4% in 2013 as a result of ongoing training, monitoring and oversight. We continue to work toward a goal of 0% incomplete documentation. It is worth noting that no failures occurred on the actual implementation of changes where documentation was incomplete.

3. Password Protection

The Active Directory's password parameters are not set properly. Currently the password parameters are set as follows: account lock "0 invalid attempts." If the lockout threshold is set to zero, accounts will not be locked out due to invalid logon attempts.

Status

Resolved

4. Colleague Training Requirement

Six of the 15 new hires and/or promoted individuals selected for testing did not complete the required Colleague training.

Status

Resolved

5. Review of Colleague Access Rights

We noted Colleague access rights were not reviewed in full during the current year; however the review is still in progress. We were unable to obtain documentation supporting a Novell/AD review.

Status

Resolved

6. Limiting Access to Data Center Cage

We noted a number of "security" personnel accessing the cage. Non-IT employees should not be accessing the cage unless of an emergency or with IT approval. IT employees should only be accessing the cage for valid business purposes. We recommend access logs be monitored.

Status

Resolved

7. Back-Up Log

We noted the back-up log contained a number of missed files and some failed jobs. A number of the failures appear to be repetitive in nature. We recommend any failed jobs be properly monitored and corrective action taken as needed to ensure back-up routines are completed properly.

Status

Similar findings noted in 2013 audit.

Management's Response

In addition to the actions taken in response to the 2012 audit and in alignment with change management processes we have initiated a weekly review to ensure that the backup failures are explainable. For example, open files will fail to backup during certain backup windows and that is generally considered acceptable if they are properly backed up during other backup windows. Any failures not expected or explainable are addressed in a timely fashion.

8. Documentation Retention Policy

We have reviewed the current documentation retention policies and procedures. We recommend the college continue to define area by area the specific retention plans. These plans should include information regarding the type of document and length of retention.

Status

In 2012, it was noted that CSCC already has a records retention and disposal policy and procedure (11-04 & 11-04(B)). The President of CSCC had requested the Document Retention and Disposal committee reconvene and review the implementation status. No change in status noted during 2013 audit.

Management's Response

CSCC policy 11-04 and procedure 11-04 (B) are already in place and available to the entire campus. Document retention is an ongoing effort at the college level.



COLUMBUS STATE COMMUNITY COLLEGE BOARD ACTION

DATE: _____

SUBJECT:

Revised Fiscal Year 2014 Operating Budget

BACKGROUND INFORMATION:

In May 2013, the Board of Trustees approved the FY 2014 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. Revised FY14 Operating Budgets for the College's General Fund and the Auxiliary Fund are attached.

General Fund (Exhibit A)

Revenues. The FY14 budget was built on assumptions that enrollment would be comparable to FY13, subsidy would be lower than FY13 given the enrollment decline in FY13 (subsidy is calculated in arrears), and tuition revenues would increase to reflect the tuition increase that became effective in Autumn 2013.

The College's final FY14 state subsidy calculated by the Ohio Board of Regents and approved in December 2013 by the State of Ohio's Controlling Board yielded an allocation \$1.9 million higher than originally budgeted.

While tuition through the first six months of the fiscal year was higher than budgeted due to a larger-than-budgeted Summer 2013 enrollment, Autumn 2013 did not meet budgeted enrollment and Spring 2014 is trending 7% below budgeted enrollment. Summer 2014 enrollment, part of which is accounted for in this fiscal year, remains budgeted comparable to Summer 2013. Student revenue is reduced in the revised FY14 budget by \$1.9 million, essentially offsetting the gain in State Subsidy. Coupled with adjustments to Contract Services and Miscellaneous Revenue, total revenues in the proposed revised FY14 budget total \$141,038,532 or \$452,844 less than originally projected.

Expenses. FY14 expense priorities included retaining annually contracted faculty, compensation adjustments, and restoring capital equipment and professional development, both of which had been significantly reduced in FY13 as a means of reducing expenses to align with lower-than-budgeted revenues due to the enrollment decline. Additionally, payroll-related expenses funded previously from reserves were moved into the operating budget, including health savings account contributions and performance funds, and Bad

Debt Expense was reduced by \$1.0 million as best practice attendance verification/financial aid disbursement processes were implemented. These expense priorities are maintained in the revised FY14 budget.

Operational expenses are \$137,644,720 million or 2.1% lower than budgeted in May 2013. Expense adjustments in the Revised FY14 budget include savings earned from vacancies while positions are being refilled, adjustments to the adjunct budget commensurate with actual and projected instructional needs, and adjustment to lab fee expenses that align with enrollments.

The revised FY14 budget balances without the need for Budget Tuition Stabilization Funds on which the budget was originally balanced.

Auxiliary Fund (Exhibit B)

Total revenues for auxiliary enterprises are projected to be \$3,612,094 or 3.0% lower than originally budgeted, and expenses are projected to decrease by 1.0% compared to the original budget. The auxiliary fund is expected to balance within the revenues the enterprises are projected to generate. The original budget inadvertently excluded an allocation for Capital Equipment. The revised budget includes \$50,000 to update security systems at the bookstore and other identified needs.

RECOMMENDATION:

That the Board of Trustees approves the revised FY 2014 operating budgets for the College's General Fund (Exhibit A) and the Auxiliary Fund (Exhibit B), and authorizes the President to allocate additional operating and instructional expenses commensurate with enrollments and related revenues in excess of revised projections provided the operating budget remains balanced.

**Columbus State Community College
District Operational Budget Comparison
Proposed FY14 Revised Budget Compared to FY14 Budget, Projected RFY13 Year End & FY11 and FY12 Actual**

	(1) FY11 Actual	(2) FY12 Actual	(3) FY13 Actual	(4) FY14 Budget	(5) FY14 Revised	(6) Difference FY14/RFYE14	(7) Percent Inc./Dec.
Revenues							
Appropriations							
(a) Subsidy	\$54,375,267	\$58,179,006	\$60,304,059	\$58,494,937	\$60,429,175	\$1,934,238	3.3%
(b) Student Support Services	0	36,578	53,376	0	0	0	
(c) SSI - Stimulus	9,277,688	0	0	0	0	0	
(d)	63,652,955	58,215,584	60,357,435	58,494,937	60,429,175	1,934,238	3.3%
Student							
(e) Tuition	84,625,053	86,765,663	72,734,323	76,267,304	74,975,901	(1,291,403)	-1.7%
(f) Tuition - Calendar Realignment	0	2,824,628	4,011,032	0	0	0	0.0%
(g) Fees	4,929,390	5,162,992	4,204,046	5,076,982	4,189,057	(887,925)	-17.5%
(h) Special Courses	1,370,851	1,365,494	1,272,508	724,153	941,399	217,246	30.0%
(i)	90,933,294	96,118,777	82,221,909	82,068,439	80,106,357	(1,962,082)	-2.4%
Other							
(j) Partnership Revenue	0	430,000	331,548	250,000	250,000	0	0.0%
(k) Contract Services	644,563	600,000	335,000	325,000	100,000	(225,000)	-69.2%
(l) Miscellaneous	75,000	471,184	144,532	353,000	153,000	(200,000)	-56.7%
(m)	719,563	1,501,184	811,080	928,000	503,000	(425,000)	-45.8%
(n) Total Revenues	155,305,812	155,835,545	143,390,424	141,491,376	141,038,532	(452,844)	-0.3%
Expenditures							
(o) Educational & General							
Instructional	82,627,969	85,390,839	76,495,615	76,982,593	75,323,034	(1,659,559)	-2.2%
(p) Instructional - Calendar Realignment	0	981,750	2,227,981	0	0	0	
(q) Library	2,082,580	2,202,714	1,990,976	1,676,801	1,672,175	(4,626)	-0.3%
(r) General	11,386,343	11,605,834	10,302,032	10,702,744	10,520,659	(182,085)	-1.7%
(s) Information Technology	11,983,933	12,413,591	11,952,596	13,141,946	12,716,775	(425,171)	-3.2%
(t) Student Affairs	11,319,934	13,026,993	13,489,381	14,546,406	14,304,039	(242,367)	-1.7%
(u) Operation & Maintenance of Plant	13,215,486	14,056,351	13,034,407	13,915,739	13,947,490	31,751	0.2%
(v) Administration	7,808,544	9,846,099	9,847,089	9,626,408	9,160,548	(465,860)	-4.8%
(w) Operational Expenditures	140,424,789	149,524,171	139,340,077	140,592,637	137,644,720	(2,947,917)	-2.1%
(x) Transfer for Equip. & Replacement	4,158,000	3,000,000	2,500,000	2,000,000	2,000,000	0	0.0%
(y) Transfer for Debt Service	1,548,819	1,463,756	1,460,906	1,388,906	1,388,906	0	0.0%
(z) Transfer for Semester Conversion	4,000,000	0	0	0	0	0	
(aa) Transfer One-Time Compensation	0	2,600,000	0	0	0	0	
(ab) Total Expenditures & Transfers	150,131,608	156,587,927	143,300,983	143,981,543	141,033,626	(2,947,917)	-2.0%
(ac) Net Operational Revenues	5,174,204	(752,382)	89,441	(2,490,167)	4,906	2,495,073	-100.2%
(ad) Reserve Funding							
(ae) Transfer-In Delaware Campus	2,297,868	2,058,360	0	0	0	0	
(af) Budget Tuition Stabilization	0	0	0	2,500,000	0	(2,500,000)	-100.0%
(ag) Net Revenues	\$7,472,072	\$1,305,998	\$89,441	\$9,833	\$4,906	\$ (4,927)	-50.1%

Notes

- (1,2,3) FY11, FY12 and projected year end FY13 are from internal financial statements (unaudited)
- (a) Subsidy as approved by the Controlling Board, December 16, 2013.
- (e) Tuition revenue includes actual revenue for SU13 and AU13, SP14 revenue projected at 7% lower than original budget and SU14 revenue is projected flat to SU13.
- (f,p) Eliminates revenues and expenses that were necessary in FY13 to accommodate calendar-realignment for semesters.
- (g) Fee revenue includes application, records & ID fee, lab, parking and other fees.
- (o) Education and General Instruction includes the Divisions of Arts & Sciences, Career & Technical Programs, CEWD, Distance Learning, Dual Enrollment, Assessment, Curriculum Management, Academic Affairs VP Offices and Regional Learning Centers.
- (r) General includes Facilities Management, Human Resources, Campus Services, Marketing & Communication, Institutional Effectiveness, Grants Office, Diversity & Inclusion and the Foundation Office.
- (t) Student Affairs includes Disability Services, Admissions, Student Assistance, Student Conduct, Career Services, Testing Center, Telephone Information, Registration, Financial Aid, Counseling, Advising, Athletics, Student Engagement, Veterans Office, TRIO/Special Projects and Dean/VP Offices.
- (v) Administration includes Sr. VP BAS, President's Office, Delaware Campus Adm'n, Business Services, Chief of Staff and an allocation for bad debt.

Columbus State Community College
Auxiliary Services Budget Comparison
Proposed RFY14 Budget Compared to FY14 Original Budget, Year End Actual FY11, FY12 and FY13

	(1) FY11 Actual	(2) FY12 Actual	(3) FY13 Actual	(4) FY14 Budget	(5) FY14 Revised	(6) Difference FY14/RFYE14	(7) Percent Inc/(Dec)
Revenues							
(a) Bookstore	\$3,270,608	\$3,349,018	\$2,832,339	\$3,319,222	\$3,271,094	(\$48,128)	-1%
(b) Child Development Center	807,138	711,476	656,785	0	0	0	
(c) Food Services	331,606	340,229	418,505	405,000	341,000	(64,000)	-16%
(d) Bridgeview	374,688	442,376	239,563	0	0	0	
(e) Total Revenues	4,784,040	4,843,099	4,147,192	3,724,222	3,612,094	(112,128)	-3%
Expenses							
(f) Bookstore	1,916,458	1,924,458	1,836,435	1,984,972	1,993,138	8,166	0%
(g) Child Development Center	1,118,031	1,055,419	824,321	0	0	0	
(h) Food Services	84,006	114,333	183,286	250,063	217,015	(33,048)	-13%
(i) Bridgeview	457,799	500,542	437,783	0	0	0	
(j) Total Expenses	3,576,294	3,594,752	3,281,825	2,235,035	2,210,153	(24,882)	-1%
Net Income/(Loss)							
(k) Bookstore	1,354,150	1,424,560	995,904	1,334,250	1,277,956	(56,294)	-4%
(l) Child Development Center	(310,893)	(343,943)	(167,536)	0	0	0	
(m) Food Services	247,600	225,896	235,219	154,937	123,985	(30,952)	-20%
(n) Bridgeview	(83,111)	(58,166)	(198,220)	0	0	0	
(o) Total Net Income/(Loss)	1,207,746	1,248,347	865,367	1,489,187	1,401,941	(87,246)	-6%
Miscellaneous							
(p) Administrative Office	503,622	494,657	492,559	570,592	570,592	0	0%
(q) Marketing	0	0	0	37,200	37,200	0	0%
(r) College Strategic Priorities	0	0	0	400,000	400,000	0	0%
(s) Total Miscellaneous	503,622	494,657	492,559	1,007,792	1,007,792	0	0%
(t) Total Auxiliary Net Income	\$704,124	\$753,690	\$372,808	\$481,395	\$394,149	(\$87,246)	-18%
(u) Capital Equipment					\$ 50,000		

Notes

- (1,2,3) FY11, FY12 and FY13 are from internal financial statements (unaudited)
(a,c) Bookstore sales are budgeted at \$14,885,421 and Food Service revenue is budgeted at \$427,000.
(p) Administrative Office includes expenses related to administrative expenses common to both enterprises.
(u) Capital equipment to be funded from Auxiliary's reserves



COLUMBUS STATE COMMUNITY COLLEGE BOARD ACTION

Date _____

SUBJECT:

Financial Statements as of, and for the Six Months Ended December 31, 2013.

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, 2013, be accepted as presented.

Business and Administrative Services

TO: Dr. David T. Harrison, President
FROM: Theresa J. Gehr, Senior Vice President, Chief Financial Officer and Treasurer
DATE: January 10, 2014
SUBJECT: Financial Statements as of December 31, 2013



Attached are the financial statements of the Columbus State Community College District, the Foundation, and the President's Discretionary Fund for the period ended December 31, 2013.

1. **General Fund** (Exhibit B)

These financial statements include comparisons of actual-to-date compared to the FY14 Budget approved by the Board in May and FY14 actual-to-date compared to FY13 actuals as of the same date. FY14 Projected Year End compared to FY13 Preliminary Year End is also included. FY14 Projected Year End reflects the proposed revised budget for FY14.

Revenues

The FY14 budget was built on assumptions that enrollment would be comparable to FY13, subsidy would be lower than FY13 given the enrollment decline in FY13 (subsidy is calculated in arrears), and tuition revenues would increase to reflect the tuition increase that became effective in Autumn 2013.

Tuition revenues through December were higher than budgeted due to a larger-than budgeted Summer enrollment. The chart below outlines enrollment by term.

Term	Budgeted Credit Hours	Budget to		Actual FY 13 FTEs	FY 14 FTEs	%
		FY 14 Credit Hours	Actual Increase/ Decrease			
Summer 2013	44,528	57,008	28.0%	N/A **	8,446	N/A
Autumn 2013*	229,332	224,843	-2.0%	15,161	14,990	-1.1%
Spring 2014*	213,206			15,283		
Summer 2014***	54,423					

- * FY14 preliminary student credit hours and FTEs. Spring budgeted credit hours reflect the 7% enrollment decline as reflected in the proposed revised budget.
- ** Summer 2013 FTEs are not applicable (N/A) due to differences in a Quarter Term (FY13) vs. Semester Term (FY14) rendering a comparison that is not meaningful.
- *** Summer 2014 is added to show that summer terms straddle two fiscal years under semesters.

Revenue comparisons to last year are impacted in two ways. First, a two-year adjustment period was necessary to align the academic calendar with the fiscal year, creating anomalies that were unique to FY12 and FY13. This anomaly in FY13 resulted in a one-time net gain of approximately \$4 million because a higher percentage of Summer quarter 2012 revenue was recognized (78%) as compared to the portion of Summer semester 2013 revenue recognized to date in FY14 (46%). Summer semester 2013 started four weeks earlier than did Summer quarter 2012. Secondly, a tuition increase took effect in Summer semester 2013, which began late last fiscal year.

Higher-than-budgeted tuition revenue Summer 2013 coupled with the College's final State subsidy allocation which is \$1.9 million higher than initially budgeted should be sufficient to offset the shortfall in tuition revenue for Autumn and Spring. Spring semester enrollment was budgeted comparable to Spring 2013 but is currently trending lower than the same period last year by approximately 7%. The proposed Revised FY14 Budget submitted to the Board of Trustees for consideration at its January 2014 meeting assumes this decrease and reflects a reduction in FY14 tuition revenue of \$1.3 million, and a reduction in total revenues of \$450,000.

Expenses

Priorities for the FY14 expense budget included retaining annually contracted faculty, compensation adjustments, and restoring funding for capital equipment and professional development which had been significantly reduced in FY13 as a means of reducing expenses to align with lower-than-budgeted revenues due to the enrollment decline. Additionally, payroll-related expenses funded previously from reserves were moved into the operating budget, including health savings account contributions and performance funds.

For the period ending December 31, 2013, total operating expenditures (before transfers) are \$65.7 million or 7.1% lower than the same period last year. Year-to-year expense comparisons are impacted by the calendar realignment that included revisions to Summer pay schedules and the realignment of instructional payroll costs for Summer which straddles fiscal years as discussed above for revenues.

Total expenses recommended in the revised budget for FY14 are \$2.9 million lower than originally budgeted due to nearly \$2 million in payroll savings from positions not filled for some portion of the first half of the fiscal year, adjustments to adjunct expense that reflect actual expenses to date and projected expenses through year-end, and adjustments to lab fee expenses commensurate with a lower enrollment.

Balancing the Budget

The FY14 budget was initially balanced on \$2.5 million in Budget/Tuition Stabilization reserve funds. Based on the College's enrollment to date and Spring projections, the final State subsidy allocation, and payroll savings as discussed above, year-end projections (revised FY14 budget) assume no funds will be needed from reserves to balance the budget by year end.

Reserve Spending

In addition to total operating expenditures (before transfers) reported monthly on Exhibit B, approximately \$11.6 million is projected to be spent from funds allocated from the general fund for strategic priorities, as reflected on Exhibit C. Nearly half of the projected expense is for the Union Hall renovation, which has entered its second and final phase. Other significant FY14 projected spending includes scholarships, Student Success and Innovation Fund initiatives, and continued implementation of campus safety security initiatives.

Because the College is spending reserve funds on its strategic priorities, its total spending exceeds current year revenues. The projected FY14 net margin is a decrease in net assets of \$9.0 million (Exhibit B, column G, row 32), and accounts for the College's estimate of total spending from operating (Exhibit B), reserve spending on strategic priorities (Exhibit C), and other year-end audit adjustments which include a projected \$7.0 million in depreciation expense.

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

The Bookstore revenues to date are 4.8% higher as compared to the same period last year and expenditures are lower by 4.6 % due to lower payroll costs. Food services revenues and expense are lower than the same point in time last year. The program is in the midst of an improvement process, including the recent closure of the Convenience Store which was underutilized. Comparisons in FY14 to FY13 for the Auxiliary Fund reflect the June 28, 2013 closures of the Child Development Center (CDC) and golf course.

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

The President's Discretionary Fund has a cash balance of \$19,149 at December 31, after disbursements of \$851.

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

Foundation contributions through December are \$5,380,961, compared to \$395,463 through December of last year. This reflects the \$5 million gift from the American Electric Power Foundation, which will fund a new pilot initiative to launch a STEM (science, technology, engineering, and math) dual enrollment program at Columbus City high schools. Management and General expenditures are \$71,851 compared to \$71,988 through the same period last year. Foundation expenses funded by the College totaled \$168,096 compared to \$133,683 as expected because the Executive Director position was vacant for the first seven months of last fiscal year.

5. **Investments**

The College's portfolio is invested consistent with its investment policy, with 32.5% currently invested in STAROhio and other money markets, with the balance in federal agencies.

COLUMBUS STATE COMMUNITY COLLEGE
BALANCE SHEET AT DECEMBER 31, 2013
With Comparative Figures at December 31, 2012

EXHIBIT A

<u>Assets</u>	<u>December 31,</u> 2013	<u>December 31,</u> 2012	<u>Liabilities and Fund Balance</u>	<u>December 31,</u> 2013	<u>December 31,</u> 2012
<u>Current Funds</u>					
<u>Unrestricted</u>			<u>Current Funds</u>		
Educational and general			Unrestricted		
Cash	\$ 7,637,195	\$ 6,128,661	Educational and general	\$ 10,339,186	\$ 10,458,698
Investments (including money markets at cost and treasury bills and agency discount notes at market - (note 1)			Deferred income	30,808,532	30,687,631
Accounts receivable, net of allowance for doubtful accounts	105,509,756	102,439,397	Student tuition	423,126	946,539
Interest receivable	38,574,176	39,324,282	Lab fees and credit bank	-	-
Prepaid expense	691,903	689,796	Due to auxiliary funds	-	-
Net Investment in Golf Course	222,933	-	Due to restricted funds	17,398,404	13,086,759
Due from agency funds	898,921	1,601,487	Due to plant funds	-	103,451
Due from auxiliary funds			Due to agency funds	68,355,261	73,970,480
Total educational & general	\$ 153,534,883	\$ 150,183,623	Fund balances (Exhibit C):	26,210,373	20,930,065
			Allocated	94,565,634	94,900,545
			Unallocated	153,534,883	150,183,623
			Total fund balances	-	-
			Total educational & general	-	-
<u>Auxiliary enterprise</u>			<u>Auxiliary enterprise</u>		
Cash	\$ 480,892	\$ 544,606	Accounts payable	\$ 1,253,815	\$ 921,511
Investments	8,268,274	6,151,576	Due to educational & general fund	898,921	1,601,487
Accounts receivable	851,261	437,333	Due to Plant Fund	1,475,070	513,248
Inventories, at cost as defined (note 2)	5,195,617	5,885,269	Fund balances (Exhibit D):	-	-
Other Assets	78,253	478,423	Allocated	-	350,000
Due from general fund	-	-	Unallocated	11,763,095	10,628,624
Due from grant funds	516,604	517,663	Total fund balances	11,763,095	10,978,624
Total auxiliary enterprise	15,390,901	14,014,870	Total auxiliary enterprise	15,390,901	14,014,870
Total unrestricted	\$ 168,925,784	\$ 164,198,493	Total unrestricted	\$ 168,925,784	\$ 164,198,493
Total current funds	\$ 168,925,784	\$ 164,198,493	Total current funds	\$ 168,925,784	\$ 164,198,493
	[A]	[B]		[C]	[D]

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

(Continued)

COLUMBUS STATE COMMUNITY COLLEGE
BALANCE SHEET AT DECEMBER 31, 2013
With Comparative Figures at December 31, 2012

EXHIBIT A
(Continued)

<u>Assets</u>	<u>December 31, 2013</u>	<u>December 31, 2012</u>	<u>Liabilities and Fund Balance</u>	<u>December 31, 2013</u>	<u>December 31, 2012</u>
<u>Plant funds</u>					
Unexpended			<u>Plant funds</u>		
State appropriations receivable	-	-	Unexpended		(1)
Capital Improvement Fund	3,515,490	3,989,310	Fund balances	3,515,490	(2)
Total unexpended	3,515,490	3,989,310	Restricted	-	(3)
Cash from Bond Proceeds	-	-	Total unexpended	3,515,490	(4)
Deposit with trustees/Escrow	-	-	Investment in plant:		(5)
Due from general fund	17,398,404	13,086,759	Interest payable	-	(6)
Land	25,518,235	29,618,235	Capital lease payable	-	(7)
Improvements other than buildings	12,117,274	12,117,274	Accounts payable	-	(8)
Buildings	158,566,919	153,504,658	Bonds payable	10,775,000	(9)
Movable equipment, furniture			Deferred Gift Annuity	-	(10)
and library books					(11)
Construction-in-progress	39,759,409	38,346,292	Net investment in plant	169,000,199	(12)
Other Assets	2,982,870	4,204,385			(13)
Less: accumulated depreciation	(81,593,495)	236,931	Total investment in plant	179,775,199	(14)
Total investment in plant	179,775,199	(74,958,606)	Total plant funds	183,290,689	(15)
Total plant funds	\$ 183,290,689	\$ 180,145,238		\$ 180,145,238	(16)
<u>Agency funds</u>			<u>Agency funds</u>		(17)
Cash	-	-	Deposits held in custody for others	222,933	(18)
Due from agencies	188,572	198,764	Due to educational and general fund	-	(19)
Due from general fund	34,361	103,451	Total agency funds	222,933	(20)
Total agency funds	\$ 222,933	\$ 302,215		\$ 302,215	(21)
	[A]	[B]		[C]	(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, 2013
With Comparative Figures at December 31, 2012

	FY 14			FY 13			FY 14 Projected Year End		FY 13 Preliminary Year End	
	Budget as approved May 2013	Expended to Date (Actual & Encumbrances)	% of Budget Expended to Date	Revised Budget as approved January 2013	Expended to Date (Actual & Encumbrances)	% of Budget Expended to Date	Projected FY 14 Year End Budget	Projected % of Budget	FY 13 Preliminary Year End	Projected % of Budget
Revenues										
Appropriations										
Subsidy	\$ 58,494,937	\$ 30,028,596	51.34%	\$ 60,304,059	\$ 30,184,260	50.05%	\$ 60,429,175	103.31%	\$ 60,304,099	100.00%
Student Support Services	58,494,937	30,028,596	51.34%	60,304,059	30,184,260	50.05%	60,429,175	103.31%	60,357,475	100.09%
Student										
Tuition	76,267,304	38,134,609	50.00%	73,156,221	38,623,667	52.80%	74,975,901	98.31%	76,924,053	105.15%
Fees	5,076,882	2,621,339	51.63%	4,973,724	2,744,776	55.19%	4,189,057	82.51%	4,316,243	86.78%
Special courses	724,153	642,888	88.78%	1,399,467	523,722	37.42%	941,399	130.00%	1,272,508	90.93%
	82,068,439	41,398,835	50.44%	79,529,412	41,892,165	52.68%	80,106,357	97.61%	82,512,804	103.75%
Contracted Services										
Net	325,000	20,166	6.20%	600,000	148,685	24.78%	100,000	30.77%	332,050	55.34%
	325,000	20,166	6.20%	600,000	148,685	24.78%	100,000	30.77%	332,050	55.34%
Other										
Partnership Revenue	250,000	76,868	30.75%	430,000	85,853	19.97%	250,000	100.00%	245,128	57.01%
Miscellaneous	353,000	41,184	11.67%	250,000	99,778	39.91%	153,000	43.34%	125,835	50.33%
	603,000	118,052	19.58%	680,000	185,631	27.30%	403,000	66.83%	370,963	54.55%
Total revenues	141,491,376	71,565,649	50.58%	141,113,471	72,410,741	51.31%	141,038,532	99.68%	143,573,292	101.74%
Operating Expenditures										
Educational & general (Instructional)	76,982,593	35,445,054	46.04%	78,085,837	39,869,418	51.06%	75,323,034	97.84%	77,908,938	99.77%
Library	1,676,801	960,710	57.29%	2,164,804	1,065,515	49.22%	1,672,175	99.72%	1,817,148	83.94%
General	10,702,744	4,747,061	44.35%	12,012,036	4,450,275	37.05%	10,520,659	98.30%	10,302,032	85.76%
Information Technology	13,141,946	6,649,613	50.60%	12,491,343	6,997,954	56.02%	12,716,775	96.76%	11,849,471	94.86%
Student Services	14,546,406	8,803,860	46.77%	13,874,365	6,685,717	48.19%	14,304,039	98.33%	13,426,474	96.77%
Operation and maintenance of plant	13,915,739	6,119,491	43.98%	14,577,304	6,248,845	42.87%	13,947,490	100.23%	12,706,880	87.17%
Administration	9,626,408	4,304,591	44.72%	9,847,089	4,726,309	48.00%	9,160,548	95.16%	9,284,277	94.28%
Transfer for debt service	1,388,906	694,453	50.00%	1,460,906	730,453	50.00%	1,388,906	100.00%	1,460,906	100.00%
Total expenditures	141,981,543	65,724,833	46.29%	144,513,684	70,774,486	48.97%	139,033,626	97.92%	138,756,126	96.02%
Non-operating & Encumbered										
Transfer for equipment and replacement	2,000,000	See Exhibit C		500,000	See Exhibit C		2,000,000	100.00%	-	0.00%
Total expenditures and transfers	143,981,543	65,724,833	45.65%	145,013,684	70,774,486	48.81%	141,033,626	97.95%	138,756,126	95.68%
Operational revenues	(2,490,167)	5,840,816	N/A	(3,900,213)	1,636,255	N/A	4,906	-0.20%	4,817,166	-123.51%
Reserve Funding										
Transfer-in Delaware Campus	-	-	-	823,668	742,911	90.20%	-	0.00%	-	0.00%
Budget Tuition Stabilization	2,500,000	-	-	3,076,545	-	-	-	0.00%	-	0.00%
Reserve Operation revenues	2,500,000	-	0.00%	3,900,213	742,911	19.05%	-	-	-	-
Interest Income										
Net Operating revenues	\$ 9,833	\$ 115,770	-	\$ -	\$ 242,992	-	\$ 230,000	-	\$ 197,562	-
	9,833	115,770	-	-	242,992	-	230,000	-	197,562	-
Reserve expenditures from Exhibit C	-	3,175,042	-	5,485,361	2,622,158	-	234,906	-	5,014,748	-
Net Revenues/(Expenditures)	(A) \$ -	(B) \$ 2,781,544	(C) -	(D) \$ (2,863,209)	(E) \$ 5,485,361	(F) -	(G) \$ (9,020,094)	(H) -	(I) \$ 11,212,644	(J) -

* Projected year-end for FY14 includes projected cash reserve spending, adjustments for capitalized vs expensed spending, depreciation, principal portion of debt service and other audit accruals and adjustments. The amount indicated for FY13 Preliminary Year End represents the actual adjustments and accruals for FY13 and the resulting audited general fund loss.

COLUMBUS STATE COMMUNITY COLLEGE
 STATEMENT OF CHANGES IN FUND BALANCES OF CURRENT
 EDUCATIONAL AND GENERAL FUNDS
 FOR THE SIX MONTHS ENDED DECEMBER 31, 2013

EXHIBIT C

Unrestricted Allocated	Balance at June 30, 2013	Net Increase for Current Period	Board Approved Additions	Transfers	Expenditures	Balance at December 31, 2013
	\$	\$	\$	\$	\$	\$
Capital Improvements & Land Acquisition	7,312,891	-	-	(725,000)	-	6,587,891
Carpet/Furniture Reupholstering	170,516	-	-	-	-	170,516
Space Efficiency Upgrades	1,153,122	-	-	-	(52,879)	1,100,243
Project Planning	6,117	-	-	-	-	6,117
Union Hall Renovation	10,669,698	-	-	1,450,000	(1,057,809)	11,061,889
Site Development Delaware Campus	1,172,279	-	-	-	-	1,172,279
Bookstore/DX Modifications	263,490	-	-	-	-	263,490
Facilities Infrastructure Improvements	81,808	-	-	-	-	81,808
145-149 Cleveland Avenue Purchase	53,376	-	-	-	-	-
Student Support Services	6,709,128	-	2,000,000	-	(1,094,937)	7,614,191
Capital Equipment	333,088	-	-	-	-	333,088
Target 2002	33,104	-	-	-	-	33,104
Collective Bargaining	20,756,987	-	-	-	-	20,756,987
Budget/Tuition Stabilization	1,393,352	-	-	242,470	(66,012)	1,569,810
Accumulated Lab Fees	221,079	-	-	-	-	221,079
Broadbanding	2,112,430	-	-	-	(409,712)	1,702,718
Think Again Scholarship	6,176,668	-	-	-	(2,420)	6,174,248
Student Success and Innovation	1,213,509	-	-	-	-	1,213,509
Strategic Growth Initiatives	1,312,295	-	-	-	(230,135)	1,082,160
Technology Initiatives	311,266	-	-	-	-	311,266
Human Capacity Development/Wellness	1,391,921	-	-	(25,000)	(48,632)	1,318,289
Campus Safety Initiatives	2,384,132	-	-	(700,000)	(57,588)	1,626,544
Energy Efficiency/Sustainability Initiatives	1,098,432	-	-	-	-	1,098,432
Delaware Campus Operations	1,023,018	-	-	-	-	1,023,018
Health Care Self-Insurance Escrow	86,636	-	-	-	-	86,636
Health Care HSA Incentive	152,500	-	-	-	-	152,500
Self-Insured Workers Compensation Benefits	1,265,876	-	-	-	(65,649)	1,200,227
Voluntary Separation Incentive Plan	78,665	-	-	-	(40,436)	38,229
One-Time Compensation	338,361	-	-	-	(39,256)	299,105
Partnerships for Student Success PERFORMS	12,089	-	-	-	(9,577)	2,512
Unallocated	69,287,833	-	2,000,000	242,470	(3,175,042)	68,355,261
Total General Fund	21,929,050	3,348,751	(2,000,000)	(242,470)	3,175,042	26,210,373
	\$	\$	\$	\$	\$	\$
	91,216,883	3,348,751	-	-	-	94,565,634
	[A]	[B]	[C]	[D]	[E]	[F]

COLUMBUS STATE COMMUNITY COLLEGE
OPERATIONAL BUDGET COMPARISON FOR AUXILIARY SERVICES
FOR THE SIX MONTHS ENDED DECEMBER 31, 2013
With Comparative Figures at December 31, 2012

EXHIBIT D

Auxiliary	FY 14		FY 13		FY 14 Projected Year End		FY 13 Preliminary Year End	
	Budget as approved May 2013	% of Budget Expended to Date	Revised Budget as approved January 2013	% of Budget Expended to Date	Projected FY 14 Year End Budget	Projected % of Budget	FY 13 Preliminary Year End	Projected % of Budget
Sales/Revenues								
Bookstore	\$ 14,905,690	42.34%	\$ 14,076,046	42.77%	\$ 14,865,421	99.86%	\$ 14,826,365	105.33%
Child Development Center	-	-	566,975	64.04%	-	-	656,785	115.84%
Food Services	420,000	57.07%	590,452	53.10%	427,000	101.67%	582,348	95.24%
Bridgeview	-	-	496,160	42.17%	-	-	287,971	60.05%
Total Revenues	15,325,690	42.74%	15,729,633	43.91%	15,312,421	99.91%	16,343,469	103.90%
Cost of Goods Sold								
Bookstore	11,546,468	39.67%	10,923,012	44.91%	11,614,327	100.59%	11,994,026	109.81%
Bridgeview	-	-	31,258	40.33%	-	-	58,408	186.86%
Food Service	55,000	38.87%	161,267	0.00%	86,000	156.36%	143,843	89.20%
Gross Margin	3,724,222	52.34%	4,614,096	41.92%	3,612,094	96.99%	4,147,192	89.89%
Operating Expenses								
Bookstore	2,035,416	41.22%	1,993,244	44.14%	1,993,138	97.92%	1,836,435	92.13%
Child Development Center	-	-	795,761	54.67%	-	-	824,321	103.59%
Food Services	236,819	26.33%	262,317	32.51%	217,015	91.64%	183,286	69.87%
Bridgeview	-	-	545,912	46.32%	-	-	437,763	80.19%
Auxiliary Administration	970,592	33.10%	506,209	48.60%	1,007,792	103.63%	492,559	97.30%
Total Expenses	3,242,827	37.70%	4,103,443	46.28%	3,217,945	99.23%	3,774,384	91.99%
Auxiliary Net Operating Income/(Loss)	481,395		510,653	0.00%	394,149	-	372,808	73.01%
Net Income/(Loss)								
Bookstore	1,323,806	67.37%	1,159,790	20.27%	1,277,956	96.54%	995,904	85.87%
CDC	-	-	(228,786)	31.46%	-	-	(167,536)	73.23%
Food Services	128,181	121.68%	166,868	104.57%	123,965	96.73%	235,219	140.96%
Bridgeview	-	-	(81,010)	-69.42%	-	-	(198,220)	244.68%
Auxiliary Administration	(970,592)	33.10%	(506,209)	48.60%	(1,007,792)	103.63%	(492,559)	97.30%
Net Auxiliary Income/(Loss)	481,395	150.92%	510,653	6.91%	394,149	81.88%	372,808	73.01%
Auxiliary Fund Balance at June 30, 2013	11,036,595		10,988,604		(50,000)			
Non-operating Revenues/Expenditures Transfers	-		(45,284)		344,149			
Auxiliary Fund Balance at December 31, 2013	\$ 11,763,095	[A]	\$ 10,978,624	[E]	\$ 344,149	[G]	\$ 344,149	[I]
		[C]		[D]		[F]		[H]
								[J]

EXHIBIT E

COLUMBUS STATE COMMUNITY COLLEGE
CASH FLOW FORECAST
AS OF DECEMBER 31, 2013

	Actual July 2013	Actual August 2013	Actual September 2013	Actual October 2013	Actual November 2013	Actual December 2013	
Beginning Cash	\$ 8,684,173	4,041,163	12,954,634	4,831,094	8,143,347	3,360,243	(1)
Cash Receipts	6,751,456	18,486,836	6,479,315	5,972,984	4,887,287	7,335,878	(2)
Cash Disbursements	(10,914,454)	(11,552,154)	(11,834,469)	(12,115,844)	(11,434,191)	(8,942,527)	(3)
Financial Aid	(480,012)	13,978,789	(2,768,386)	1,455,113	(1,236,200)	1,485,294	(4)
Outflow for investments	-	(20,000,000)	-	-	-	-	(5)
Inflow from investments	-	8,000,000	-	-	3,000,000	4,000,000	(6)
Ending Cash	\$ 4,041,163	12,954,634	4,831,094	8,143,347	3,360,243	7,238,888	(7)

	Forecasted January 2014	Forecasted February 2014	Forecasted March 2014	Forecasted April 2014	Forecasted May 2014	Forecasted June 2014	
Beginning Cash	\$ 7,238,888	5,138,888	5,143,888	5,143,888	5,143,888	5,343,888	(8)
Cash Receipts	14,500,000	6,500,000	6,500,000	6,500,000	12,500,000	6,500,000	(9)
Cash Disbursements	(13,000,000)	(13,000,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(10)
Financial Aid	13,400,000	(995,000)	-	-	(4,800,000)	8,550,000	(11)
Outflow for investments	(17,000,000)	-	-	-	-	(2,500,000)	(12)
Inflow from investments	-	7,500,000	6,000,000	6,000,000	5,000,000	-	(13)
Ending Cash	\$ 5,138,888	5,143,888	5,143,888	5,143,888	5,343,888	5,393,888	(14)

COLUMBUS STATE COMMUNITY COLLEGE
 PRESIDENT'S DISCRETIONARY FUND
 STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 FOR THE SIX MONTHS ENDED DECEMBER 31, 2013

EXHIBIT F

Cash at Beginning of Period		\$ 17,907	(1)
		<u> </u>	(2)
<u>Receipts:</u>			(3)
			(4)
Deposit	2,093	2,093	(5)
			(6)
			(7)
<u>Disbursements:</u>			(8)
Oberer's Flowers	851		(9)
		851	(10)
		<u>\$ 19,149</u>	(11)
	[A]	[B]	(12)
		<u> </u>	
		[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
BALANCE SHEET AT DECEMBER 31, 2013
With Comparative Figures at December 31, 2012

<u>Assets</u>	<u>December 31, 2013</u>	<u>December 31, 2012</u>	
Cash	\$ 217,502	\$ 284,758	(1)
Investments at market value (see note)	6,903,994	6,028,138	(2)
Pledges Receivable	5,107,754	150,850	(3)
Accounts Receivable	3,437	-	(4)
Total Assets	<u>\$ 12,232,687</u>	<u>\$ 6,463,746</u>	(5)
<u>Liabilities</u>			
Due to general fund	\$ -	\$ 104,845	(6)
Pledge Payable	5,035,000	-	(7)
Trade Payables	-	-	(8)
Total Liabilities	<u>5,035,000</u>	<u>104,845</u>	(9)
<u>Fund balance</u>			
Permanently Restricted	3,715,806	3,663,615	(10)
Temporarily Restricted	1,739,365	1,681,418	(11)
Unrestricted	<u>1,742,516</u>	<u>1,013,868</u>	(12)
			(13)
Total fund balance	<u>7,197,687</u>	<u>6,358,901</u>	(14)
			(15)
Total Liabilities and fund balance	<u>\$ 12,232,687</u>	<u>\$ 6,463,746</u>	(16)
	[A]	[B]	(17)
			(18)

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 Portfolio</u>
Cash	\$ 155,231	155,231	2.25%
Equities	3,023,268	4,260,351	61.71%
Fixed Income	523,038	543,060	7.87%
Mutual Funds	<u>1,880,589</u>	<u>1,945,352</u>	<u>28.18%</u>
Total Investments	<u>\$ 5,582,126</u>	<u>\$ 6,903,994</u>	<u>100.00%</u>

EXHIBIT H

COLUMBUS STATE COMMUNITY COLLEGE DEVELOPMENT FOUNDATION
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE SIX MONTHS ENDED DECEMBER 31, 2013
 With Comparative Figures at December 31, 2012

	December 31, 2013			Total All Funds	December 31, 2012	Total All Funds
	Unrestricted	Temporarily Restricted	Permanently Restricted			
Revenue						
Contributions - Scholarships and Programs	\$ 15,276	\$ 106,030	\$ 8,554	\$ 129,860	\$ 217,057	(1)
Contributions for Taste the Future	102,775	-	-	102,775	122,479	(2)
Contributions for Columbus State	-	148,326	-	148,326	55,927	(3)
Corporate Gift	-	5,000,000	-	5,000,000	-	(4)
Administration Fee Income	-	-	-	-	-	(5)
Interest Income	50	-	-	50	56	(6)
Investment Income						(7)
Realized	133,427	38,260	-	171,687	144,939	(8)
Unrealized	341,598	96,072	-	437,670	232,217	(9)
Investment income-subtotal	475,025	134,332	-	609,357	377,156	(10)
Total revenues	593,126	5,388,688	8,554	5,990,368	772,675	(11)
Expenditures						
Scholarships and Projects						(12)
Contributions to Columbus State	-	126,635	-	126,635	135,662	(13)
Corporate Gift	-	148,326	-	148,326	40,150	(14)
Administrative Fee Expense	-	5,000,000	-	5,000,000	-	(15)
Management and general	71,851	-	-	71,851	71,988	(16)
Total expenditures	71,851	5,274,961	-	5,346,812	247,800	(17)
Excess (deficit) of revenues over expenditures	521,275	113,727	8,554	643,556	524,875	(19)
Transfers	-	(15,954)	15,954	-	-	(20)
Fund balance at beginning of period	1,221,241	1,641,592	3,691,298	6,554,131	5,834,026	(21)
Fund balance at end of period	\$ 1,742,516	\$ 1,739,365	\$ 3,715,806	\$ 7,197,687	\$ 6,358,901	(22)
						(23)
						(24)

COLUMBUS STATE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2013

1) Investments

Investment Fund	Cost	Market Value	Yield to Maturity*	Average Maturity (days)
STAR Ohio/Operating	\$ 30,667,679	\$ 30,667,679	0.02%	1
STAR Ohio/Plant	3,515,490	3,515,490	0.02%	1
STAR Ohio/Auxiliary	3,385,554	3,385,554	0.02%	1
CSCC Operating Fund 1	35,105,565	35,000,071	0.16%	151.2
CSCC Operating Fund 2	33,946,025	33,975,519	0.72%	806
Auxiliary Services	4,873,873	4,882,772	0.70%	716
Plant Fund	5,867,900	5,866,488	0.63%	863
	<u>\$ 117,362,086</u>	<u>\$ 117,293,573</u>		

* Weighted

Portfolio Composition	Type	% of Total
	STAR Ohio	32.03%
	Agencies	67.53%
	Cash & Equivalents	0.44%
		<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

Outstanding long-term debt consists of bonds payable in annual installments varying from \$800,000 to \$920,000 with interest at rates varying from 1.65% to 4.25%, 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 BOARD ACTION

Date _____

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.

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>
Kristopher Alexander (PCN 50656)	Instructor	Justice & Safety	01/09/14	\$44,224
Sarah Baker (PCN 50085)	Specialist	Global Diversity & Inclusion	11/01/13	\$33,129
Kara Briscoe (PCN 50042)	Systems Specialist	Admissions	12/16/13	\$43,193
Florence Fausnaugh (PCN 50917)	Office Associate	President's Office	02/03/14	\$36,837
Josh Hahn (PCN 50283)	Material Handler II	Physical Plant	01/02/14	\$28,652
Elizabeth Hammond (PCN 50435)	Instructor	Psychology	01/13/14	\$39,486
Abdinasir Hassan (PCN 50770)	Specialist	Financial Aid	01/02/14	\$43,139
George Johnson (PCN 90)	Technician	I.T. Support Services	12/16/13	\$42,536
Simon Keegans (PCN 50258)	Office Associate	Business & Campus Services	01/02/14	\$28,652
Landry Kouajiep (PCN 000252)	Systems Administrator	Communication Technologies	11/16/13	\$58,000
Meri Ellen Lynott (PNC 50357)	Instructional Designer II	Distance Education & Instructional Support	01/16/14	\$53,000
Adam Miller (PCN 50585)	Office Associate	Disability Services	11/01/13	\$33,987
John Riggs (PCN 50300)	Program Coordinator	Financial Aid	11/01/13	\$48,375
Joseph Santangelo (PCN 50051)	Advisor	Advising Services	11/18/13	\$44,034
Joel Smith (PCN 94)	Coordinator	Police Department	11/18/13	\$53,196

Jacqueline Stewart (PCN 106)	Assistant Director	Dual-Enrollment	01/02/14	\$67,537
Dorsey Stocksedale (PCN 50243)	Building Services	Facilities Management	12/16/13	\$24,044
Tamara Strohecker (PCN 50914)	Office Associate	Facilities Management	12/16/13	\$28,620
Carol Thomas (PCN 50918)	Vice President	Information Technology	11/07/13	\$150,000
Tracy Thornton (PCN 000733)	Office Associate	Counseling Services	12/02/13	\$28,641
Donald Washburn (PCN 608)	Director	Dual-Enrollment	01/02/14	\$71,953

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/voluntary cash separation incentives/reductions in force/terminations/retirements have been accepted.

<u>NAME</u>	<u>POSITION</u>	<u>DEPARTMENT</u>	<u>DATE</u>
Denise Anderson	Professor	Health, Dental & Veterinary Technology	12/06/13
Alan Atwood	Professor	Human Services	10/16/13
Gregory Bocchino	Director	Advising Services	01/17/14
Glenn Glayman	Associate Professor	Social Sciences	12/07/13
Stephanie Demers	Director I	Human Resources	01/10/14
Amy Dew	Office Associate	Mathematics	12/13/13
Christopher Emswiler	Project Administrator	I.T. Support Services	11/01/13
Judy Gentry	Professor	Psychology	12/31/13
Karen Gray	Director I	Dual-Enrollment	10/31/13
Norman Jones	Teaching Assistant	Nursing	12/20/13
William Kopp	Vice President	Marketing & Communications	12/31/13
Jonathan McCombs	Director	Justice and Safety	01/21/14
Joel McLaughlin	System Administrator	Data Center	01/03/14
Marilyn Pramschufer	Chairperson	Human Services	01/01/14
Charles Pritchard	Clerk	Business & Campus Services (Office Services)	12/31/13
Rodger Stinson	Assistant Professor	Health, Dental & Veterinary Technology	12/07/13
Suzanne Von Ahn	Assistant Director	Financial Aid	12/31/13
Rhonda Ward	Director	Business & Campus Services	11/22/13
David Watts	Specialist	College Testing Services	12/14/13