

COLUMBUS STATE

COMMUNITY COLLEGE

COLUMBUS STATE COMMUNITY COLLEGE
Board of Trustees Committee of the Whole
Pete Grimes Board Room
12:00 Noon
July 17, 2014

MINUTES – REVISED 09-18-14

Present: Richard D. Rosen, Chair
Michael E. Flowers, Vice-Chair
Lynne A. Bowman, Board
Valoria C. Hoover, Board
Anne Lopez-Walton, Board
Dianne A. Radigan, Board
Poe A. Timmons, Board
Dr. David T. Harrison, President

Kimberly Hall, Chief of Staff
Terri Gehr, Senior Vice President and
Chief Financial Officer
Nancy Case, Interim Vice President
Jackie DeGenova, In-House Counsel
Kevin James, Ex Officio, Faculty
Darla Van Horn, Ex Officio, Staff
Nick Hager, Ex Officio, Student

Absent: Jami S. Dewolf, Board, and Kirt A. Walker, Board

Guests: Sean Asbury, Chief of Police, Renee Hill, Dean, Student Life, and
Marty Maliwesky, Dean, Enrollment Services

(1) **CALL TO ORDER:**

The regularly scheduled meeting of the Board of Trustees, Committee of the Whole, was held on Thursday, July 17, 2014, in the Pete Grimes Board Room of Franklin Hall at Columbus State Community College. The meeting was called to order by Chair Richard D. Rosen at 12:18 p.m.

(2) **ROLL CALL**

Present: Richard D. Rosen, Chair
Michael E. Flowers, Vice-Chair
Lynne A. Bowman
Valoria C. Hoover
Anne Lopez-Walton
Dianne A. Radigan
Poe A. Timmons

DAVID T. HARRISON Ph.D. **PRESIDENT**

(3) **CERTIFICATION OF COMPLIANCE**

President Harrison advised that the record should show that notice of this meeting has been given in accordance with the provision of Section 121.22(F) of the Ohio Revised Code.

(4) **APPROVAL OF MINUTES**

Member Hoover moved, Member Radigan seconded, that the minutes of the regular meeting of the Board of Trustees, Committee of the Whole held on Thursday, May 15, 2014, be approved as presented.

A vote was taken which resulted in:

AYES: Members Rosen, Flowers, Hoover, Lopez-Walton,
Radigan, Timmons

ABSTAIN: Lynne A. Bowman

NAYS: None

Chair Rosen announced there would not be a Board meeting held on July 24, 2014. The next scheduled Board meeting will occur, as scheduled, on September 25, 2014.

President Harrison requested the Board approve a slight revision to the order of the agenda. Agenda items #5 and #6 would be reversed. Board agreed.

(5) **PRELIMINARY YEAR-END FINANCIALS STATEMENTS AS OF, AND FOR THE TWELVE MONTHS ENDED JUNE 30, 2014**

Before Ms. Gehr presented the Preliminary Year-End Financials ending June 30, 2014, President Harrison explained that the projected year-end net income sent to the Board in preparation for this meeting was lower than the projected year-end net income in the Preliminary Year-End Financials. The updated projections reflect adjustments to retirement expense projections and a realignment of items that should have been reflected as projected audit adjustments rather than projected operating budget expenses.

Since there is no Board meeting in July, the Preliminary Year End Financials will be presented to the Board for their approval at the September Board meeting. Any adjustments to net income projections will be made after year-end revenues and expenses are finalized.

Mrs. Gehr reported on the College's financial statements as of, and for the twelve months ended June 30, 2014 (copy attached).

The Committee of the Whole agreed to refer this item to the Board of Trustees for approval.

(6) PLANNING FOR A TOBACCO FREE CAMPUS (DISCUSSION)

Ms. Kimberly Hall, on behalf of the Tobacco Free Advisory Committee, presented the Summary of Findings and Recommendations for Columbus State's main campus, Delaware, and Regional Learning Centers regarding a tobacco free campus.

Ms. Hall highlighted Committee recommendations that addressed the following areas:

- Communications
- Environment
- Treatment and Support
- Enforcement and Conflict Management
- Policy Management and Budget

In preparing the recommendations, the Committee studied the tobacco free approaches of the following institutions:

- The Ohio State University
- Central Ohio Technical College
- Rhodes State College
- Hocking College
- Ohio Dominican University
- Zane State College
- Mount Vernon Nazarene University
- Northeast Ohio Medical University
- University of Toledo
- Miami University at Oxford
- University of Michigan
- Franklin University
- Sinclair Community College

The Policy will be presented to the Board at the November, 2014 Board meeting. If approved, the implementation timeline will begin immediately with an effective start date of July 1, 2015.

The Committee of the Whole agreed to refer this item to the Board of Trustees for approval.

(7) **PERSONNEL INFORMATION ITEMS**

The Personnel Information Items are presented to the Board for informational purposes only.

The Committee of the Whole agreed to refer this item to the Board of Trustees for approval.

(8) **PRESIDENT'S REPORT**

For Board information only, President Harrison shared that Ballet Met has approached Columbus State regarding possible collaboration on student housing. He indicated that the College is reviewing the proposal within the context of other local projects underway regarding parking, student housing, etc.

(9) **Old Business**

There were no items to bring before the Board.

(10) **New Business**

There were no items to bring before the Board.

(11) **Public Participation**

There was no public participation.

(12) **EXECUTIVE SESSION**

Member Flowers moved, Member Hoover seconded, that the Committee adjourn to Executive Session at 1:28 p.m. to discuss details of security arrangements and emergency response protocols.

A vote was taken which resulted in:

AYES: Members Rosen, Flowers, Bowman, Hoover, Lopez-Walton,
Radigan, Timmons

NAYS: None

The regular meeting of the Committee reconvened at 1:53 p.m.

There being no further items to come before the Committee, the meeting was adjourned at 1:55 p.m.



David T. Harrison, Ph.D.
Secretary, Board of Trustees

COLUMBUS STATE

COMMUNITY COLLEGE

TO: Dr. David T. Harrison, President
FROM: Theresa J. Gehr, Senior Vice President, Chief Financial Officer and Treasurer
DATE: July 14, 2014
SUBJECT: Preliminary Year-End Financial Statements as of June 30, 2014

The College's FY14 budget as initially authorized in May 2013 required \$2.5 million from the Budget Tuition Stabilization account held in reserves to balance. At mid-year, these monies were eliminated when the revised FY14 budget was prepared primarily due to payroll savings from full-time vacant positions and lower variable expenses associated with lower-than-budgeted enrollment.

Preliminary year-end projections indicate operating expenditures will be \$6.8 million or 4.9% lower than the Revised FY14 Budget, due primarily to \$4.0 million in underspending due to positions that were vacant for a period of time during the fiscal year, variable payroll expenses related to enrollment, and a cumulative \$2.6 million in underspending across divisions in non-payroll accounts.

This underspending allowed not only for a one-time compensation for full-time and part-time employees (\$1.7 million) which will be transferred to a Board account and expended in early FY15, but also presents the opportunity to allocate funds pursuant to the updated *Resource Planning Principles* adopted by the Board in November 2013. The attached Preliminary Year-End Financial Statements propose allocations of \$1.85 million for facility maintenance and \$1.85 million for scholarships. Just under \$700,000 is projected as net revenues (line 35, Exhibit B) after audit adjustments such as reserve spending and depreciation are included. By the September board meeting, we will have a firmer sense of net revenues for FY15 that may be additionally available for strategic allocations.

Additionally, these Preliminary Year-End Financial Statements reflect a recommendation to transfer the available balance as of June 30, 2014 in the Voluntary Separation Incentive Plan account (line 28, Exhibit C) to the Student Success and Innovation account (line 18, Exhibit C) to be used to advance the College's student success and workforce development goals, including learning technologies, professional development, and career advising and placement initiatives.

Financial statements for the period ending June 30, 2014 are attached.

1. General Fund (Exhibit B)

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

Revenues

The revised FY14 budget was based on preliminary actual enrollments for Summer 2013, Autumn 2013 and Spring 2014, and a projected Summer 2014 assuming an enrollment comparable to

BUSINESS & ADMINISTRATIVE SERVICES

Summer 2013. The state subsidy reflects the allocation authorized by the State’s Controlling Board in mid-December 2013. Despite continuing trends of enrollment declines, including tuition revenue for Summer 2014 that is lower than budget, year-end total revenue is projected at just \$419,321 or 0.3% higher than the revised budget, due primarily to higher-than-budgeted income for special courses.

<u>Term</u>	<u>Budgeted Credit Hours</u>	<u>FY 14 Credit Hours</u>	<u>Actual Increase/ Decrease</u>	<u>Actual FY 13 FTEs</u>	<u>FY 14 FTEs</u>	<u>% Variance</u>
Summer 2013	44,528	57,008	28.0%	N/A **	8,446	N/A
Autumn 2013	229,332	225,325	-1.7%	15,161	15,022	-0.9%
Spring 2014*	213,206	214,986	0.8%	15,283	14,332	-6.2%
Summer 2014***	68,089	62,672	-8.0%	8,446	7,597	-10.1%

* FY14 preliminary student credit hours and FTEs

** Summer 2013 FTEs are not applicable (N/A) due to differences in a Quarter Term (FY13, Summer 2012) vs. Semester Term (FY14) rendering a comparison that is not meaningful.

*** Summer semester 2014 straddles both FY14 and FY15, with 54% of the revenue attributed to FY14.

As discussed in detail in prior months’ financial statement memos, FY14 revenue comparisons to FY13 have been impacted in a couple ways. The variances created by the switch from a quarter- to a semester-calendar will no longer exist after this fiscal year, allowing for better comparisons and trend analyses from year to year.

Expenses

Spending priorities during FY14 included retaining annually contracted faculty, compensation adjustments, and restoring funding for capital equipment and professional development which had been substantially reduced in FY13 when enrollment declined significantly. Additionally, payroll-related expenses funded previously from reserves were moved into the operating budget, including health savings account contributions and performance funds.

In addition to the discussion above regarding projected year-end expenditures, spending in FY14 compared to FY13 is not apples-to-apples because of the calendar realignment from quarters to semesters. Most notable is the decrease between fiscal years in Educational and General expenses which vary directly with the academic calendar.

As discussed above, projected FY14 year-end expenses were 4.9% lower than the revised budget, which made room for one-time budget allocations that include \$1.7 million for one-time compensation for full-time and part-time employees that will be expensed in early FY15 (Exhibit C, line 29), and the proposed allocations of \$1.85 million for facility maintenance (Exhibit C, line 1) and \$1.85 million for scholarships (Exhibit C, line 17).

Reserve Spending In addition to total operating expenditures (before transfers) reported monthly on Exhibit B, approximately \$7.2 million is projected to be spent from funds allocated from the general fund for strategic priorities, as reflected on Exhibit C. This projected spending from reserves is \$4.4 million less than originally projected, the reduction in large part due to updated spending estimates for the Union Hall renovation and because we did not need \$2.5 million from the Budget Tuition Stabilization account to balance the operating budget.

The projected FY14 net margin for the general fund (Exhibit B, column G, row 35) represents an increase in net assets of approximately \$700,000, 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 1.6% lower than the same period last year and expenditures are lower by 4.2% due to lower payroll costs. While revenues are lower than the prior year, gross margin was up substantially, primarily the result of higher costs incurred in FY13 for more new versus used textbooks, and significant shipping costs incurred to expedite deliveries due to backorders and late textbook adoptions for the first semester. Favorable gross margin coupled with \$232,840 in operating expense savings versus budget resulted in the Bookstore's projected net income of \$1.7 million, which exceeded budget by nearly \$445,000, an improvement of 73% over the prior year. In total, the Auxiliary Fund's projected net income is \$1.4 million compared to \$719,558 last year (excluding Bridgeview and the Child Development Center), an increase of 92%, primarily the result of substantially lower cost of goods sold.

Food Services revenues are significantly lower than the same point in time last year; expenses are similarly much lower than the prior year leaving a net margin that is 12% lower than FY13. The program is in the midst of an improvement process, including the closure of the cafeteria for the summer due to Union Hall renovations and roof replacement. 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 \$17,472 at June 30, after disbursements of \$2,528.

4. Foundation (Exhibits G and H)

Foundation contributions through June are \$8,305,364, compared to \$703,845 through June 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, as well as \$2.5 million from JP Morgan Chase in support of the Central Ohio Compact.

Dr. David T. Harrison
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Expenses include \$7.2 million in contributions to the College, recognizing that those contributions received by the Foundation will be transferred in support of College initiatives. Management and General expenses are \$122,322 compared to \$108,415 through the same period last year.

Foundation expenses funded by the College totaled \$382,972 compared to \$282,258 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 37% currently invested in STAR Ohio and other money markets, with the balance in federal agencies. Balances as of June 30, 2014 include \$15 million invested in a new fund, STAR Plus, a relatively new investment instrument endorsed by the State Treasurer which offers higher yields than the traditional STAR Ohio funds. STAR Ohio has daily liquidity and is managed and administered by the State Treasurer of Ohio. STAR Plus is administered by Public Funds Administrators, an Ohio business, but was developed in partnership with the State Treasurer's office which provides continuous oversight to ensure the program remains a safe and reliable investment option. STAR Plus is available to Ohio political subdivisions having a STAR Ohio account, and offers weekly fund withdrawals. The maximum amount that can be invested in STAR Plus is \$20 million.

EXHIBIT A
 COLUMBUS STATE COMMUNITY COLLEGE
 BALANCE SHEET AT JUNE 30, 2014
 With Comparative Figures at June 30, 2013

<u>Assets</u>	June 30, 2014	June 30, 2013	<u>Liabilities and Fund Balance</u>	June 30, 2014	June 30, 2013
<u>Current Funds</u>			<u>Current Funds</u>		
<u>Unrestricted</u>			<u>Unrestricted</u>		
Educational and general			Educational and general		
Cash	\$ 3,255,758	\$ 8,731,683	Accounts payable	\$ 23,634,149	\$ 11,055,153
Investments (including money markets at cost and treasury bills and agency discount notes at market - (note 1))	122,240,828	107,393,966	Deferred income	22,554,095	25,170,834
Accounts receivable, net of allowance for doubtful accounts	22,104,263	26,582,066	Student tuition	1,072,536	1,616,019
Interest receivable	-	-	Lab fees and credit bank	-	-
Prepaid expense	582,602	554,107	Due to auxiliary funds	-	-
Net investment in Golf Course	-	-	Due to restricted funds	20,412,235	13,218,905
Due from agency funds	13,637,954	238,522	Due to plant funds	-	-
Due from auxiliary funds	1,124,738	1,875,596	Due to agency funds	-	-
Total educational & general	\$ 163,136,142	\$ 145,375,960	Fund balances (Exhibit C):		
			Allocated	70,035,516	69,827,380
			Unallocated	25,427,510	24,487,670
			Total fund balances	95,463,126	94,315,050
			Total educational & general	\$ 163,136,142	\$ 145,375,960
<u>Auxiliary enterprise</u>			<u>Auxiliary enterprise</u>		
Cash	\$ 3,825,674	\$ 3,504,964	Accounts payable	\$ 75,004	\$ 773,573
Investments	8,284,751	7,138,320	Due to educational & general fund	1,124,738	1,875,596
Accounts receivable	69,396	970,356	Due to Plant Fund	1,475,070	1,512,719
Inventories, at cost as defined (note 2)	2,315,225	2,975,404	Fund balances (Exhibit D):		
Other Assets	76,253	474,938	Allocated	-	350,000
Due from general fund	-	-	Unallocated	12,416,091	11,068,699
Due from grant funds	516,604	516,605	Total fund balances	12,416,091	11,418,699
Total auxiliary enterprise	15,090,903	15,580,587	Total auxiliary enterprise	15,090,903	15,580,587
Total unrestricted	\$ 178,227,045	\$ 160,956,547	Total unrestricted	\$ 178,227,045	\$ 160,956,547
Total current funds	\$ 178,227,045	\$ 160,956,547	Total current funds	\$ 178,227,045	\$ 160,956,547
	(A)	(B)		(C)	(D)

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

COLUMBUS STATE COMMUNITY COLLEGE
BALANCE SHEET AT JUNE 30, 2014
With Comparative Figures at June 30, 2013

<u>Assets</u>	June 30, 2014	June 30, 2013	<u>Liabilities and Fund Balance</u>	June 30, 2014	June 30, 2013
<u>Plant funds</u>			<u>Plant funds</u>		
Unexpended			Unexpended		
State appropriations receivable	-	-	Fund balances	778,160	3,252,717
Capital improvement fund	778,160	3,252,717	Restricted	778,160	3,252,717
Total unexpended	778,160	3,252,717	Total unexpended	778,160	3,252,717
Cash from Bond Proceeds	-	-	Investment in plant		
Deposit with trustees/escrow	-	7,859,657	Interest payable	-	-
Due from general fund	20,412,235	13,218,905	Capital lease payable	-	-
Land	25,518,235	29,618,235	Accounts payable	-	88,666
Improvements other than buildings	12,117,274	12,117,274	Bonds payable	9,995,000	19,005,000
Buildings	158,566,919	151,340,040	Deferred Gift Annuity	-	-
Movable equipment, furniture and library books	39,874,993	38,100,513	Net investment in plant	172,969,136	164,045,358
Construction-in-progress	5,023,562	4,204,385			
Other Assets	2,982,870	1,277,274	Total investment in plant	182,964,136	183,139,024
Less: accumulated depreciation	(81,533,973)	(74,597,259)	Total plant funds	183,742,296	186,391,741
Total investment in plant	182,964,135	183,139,024			
Total plant funds	183,742,296	186,391,741	<u>Agency funds</u>		
			Cash	-	-
			Due from agencies	13,837,954	303,311
			Due from general fund	-	-
			Total agency funds	13,837,954	303,311
	[A]	[B]		[C]	[D]

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

EXHIBIT S

COLUMBUS STATE COMMUNITY COLLEGE
OPERATIONAL BUDGET COMPARISON
FOR THE TWELVE MONTHS ENDED JUNE 30, 2014
With Comparative Figures at June 30, 2013

	FY 14		FY 13		FY 14 Projected Year End		FY 13 Projected Year End**	
	Revised Budget as approved January 2014	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	FY 14 Projected Year End	FY 13 Projected Year End
Revenues								
Subsidy	\$ 60,429,175	\$ 60,429,174	100.00%	\$ 60,304,059	\$ 60,304,059	100.00%	\$ 60,304,099	\$ 60,304,099
Student Support Services	-	54,827	-	-	53,376	-	53,376	53,376
	60,429,175	60,484,001	100.09%	60,304,059	60,357,475	100.09%	60,357,475	60,357,475
Student								
Tuition	74,975,901	74,839,126	99.82%	73,156,221	76,524,053	104.73%	76,745,355	76,745,355
Fees	4,189,057	4,134,085	98.44%	4,973,724	4,316,243	86.78%	4,204,046	4,204,046
Special courses	941,399	1,275,793	135.58%	1,399,497	1,272,508	90.93%	1,272,508	1,272,508
	80,106,357	80,249,005	100.18%	79,529,412	82,112,804	103.25%	82,221,903	82,221,903
Contracted Services								
Net	100,000	188,529	188.53%	600,000	332,050	55.34%	335,000	335,000
	100,000	188,529	188.53%	600,000	332,050	55.34%	335,000	335,000
Other								
Partnership Revenue	250,000	223,094	89.24%	430,000	245,128	57.01%	331,548	331,548
Miscellaneous	153,000	252,703	165.17%	250,000	125,835	50.33%	144,532	144,532
	403,000	475,797	118.06%	680,000	370,963	54.56%	476,080	476,080
Total revenues	141,038,532	141,377,332	100.24%	141,113,471	143,573,292	101.74%	143,350,464	143,350,464
Operating Expenditures								
Educational & general (Instructional)	75,323,034	71,010,695	94.27%	78,085,837	77,908,939	98.77%	78,722,596	78,722,596
Library	1,672,175	1,756,557	105.05%	2,164,804	1,817,148	83.94%	1,590,976	1,590,976
General	10,520,659	10,440,611	99.24%	12,012,036	10,302,032	85.76%	10,302,032	10,302,032
Information Technology	12,716,775	11,202,774	88.09%	12,491,343	11,846,471	94.86%	11,552,596	11,552,596
Student Services	14,304,039	13,567,761	94.85%	13,874,365	13,426,474	96.77%	13,469,381	13,469,381
Operation and maintenance of plant	13,947,490	12,911,449	92.57%	14,577,304	12,706,880	87.17%	12,992,715	12,992,715
Administration	9,160,548	8,572,285	93.58%	9,847,089	9,284,277	94.23%	9,187,660	9,187,660
Transfer for debt service	1,388,906	1,388,906	100.00%	1,460,906	1,460,906	100.00%	1,388,906	1,460,906
Total expenditures	139,033,626	130,851,016	94.11%	144,513,684	138,756,127	96.02%	140,800,983	140,800,983
Non-operating & Encumbered								
Transfer for equipment and replacement	2,000,000	-	-	500,000	-	-	2,500,000	2,500,000
Transfer for One-Time Compensation	-	-	-	-	-	-	-	-
Transfer for Capital Improvements	-	-	-	-	-	-	-	-
Transfer for Scholarships	-	-	-	-	-	-	-	-
Total expenditures and transfers	141,033,626	130,851,016	92.78%	145,013,684	138,756,127	95.68%	143,300,983	143,300,983
Operational revenues	4,906	10,529,316	N/A	(3,900,213)	4,817,165	N/A	89,481	89,481
Reserve Funding								
Transfer-in Delaware Campus	-	-	-	822,668	-	0.00%	-	-
Budget Tuition Stabilization	-	-	-	3,076,545	-	0.00%	-	-
Reserve Operation revenues	-	-	-	3,900,213	-	0.00%	-	-
Net Operating revenues	4,906	346,842	-	-	197,582	-	197,582	197,582
	4,906	10,873,158	-	500,000	5,014,747	-	2,872,953	2,872,953
Reserve expenditures from Exhibit C								
Net Revenues/(Expenditures)	-	7,167,515	-	7,245,908	-	-	6,484,359	6,484,359
	-	3,705,943	-	(2,321,161)	-	-	(6,197,856)	(6,197,856)
Interest Income:								
Net Operating revenues								
Reserve expenditures from Exhibit C								
Net Revenues/(Expenditures)								

* Projected year-end for FY14 includes adjustments for capitalized vs. expensed spending, transfers for FY15 allocations, depreciation, principal portion of debt service and other audit accruals/adjustments in addition to Exh C reserve expenditures.
 ** All numbers in this column except those that are double-asterisked represent FY13 Projected year End as they appeared in the Preliminary Year End Financial Statements for the Period Ending June 30, 2013.
 The numbers double-asterisked represent the actual adjustments and accruals for FY13 and the resulting audited general fund loss.

EXHIBIT C

COLUMBUS STATE COMMUNITY COLLEGE
STATEMENT OF CHANGES IN FUND BALANCES OF CURRENT
EDUCATIONAL AND GENERAL FUNDS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2014

	Balance at June 30, 2013	Net Increase for Current Period	Board Approved Additions	Transfers	Expenditures	Balance at June 30, 2014
Unrestricted						
Allocated						
Capital Improvements & Land Acquisition	\$ 7,337,891	\$ -	\$ 1,850,000	(750,000)	\$ -	\$ 8,437,891 (1)
Carpet/Furniture Reupholstering	170,516	-	-	-	-	170,516 (2)
Space Efficiency Upgrades	1,153,122	-	-	-	(95,628)	1,057,494 (3)
Project Planning	6,117	-	-	25,000	(6,116)	25,001 (4)
Union Hall Renovation	10,669,698	-	-	750,000	(3,096,918)	8,322,780 (5)
Site Development Delaware Campus	1,172,279	-	-	-	-	1,172,279 (6)
Bookstore/DX Modifications	263,490	-	-	-	-	263,490 (7)
Facilities Infrastructure Improvements	81,808	-	-	-	-	81,808 (8)
145-149 Cleveland Avenue Purchase	-	-	-	-	-	- (9)
Student Support Services	53,376	-	-	54,827	(12,165)	96,038 (10)
Capital Equipment	6,709,128	-	2,000,000	-	(1,792,768)	6,916,360 (11)
Target 2002	333,088	-	-	-	-	333,088 (12)
Collective Bargaining	33,104	-	-	-	-	33,104 (13)
Budget/Tuition Stabilization	20,756,987	-	-	-	-	20,756,987 (14)
Accumulated Lab Fees	1,393,352	-	-	242,470	(470,975)	1,164,848 (15)
Broadbanding	221,079	-	-	-	(50,710)	170,369 (16)
Think Again Scholarship	2,112,430	-	1,850,000	-	(730,344)	3,232,086 (17)
Student Success and Innovation	6,176,668	-	-	1,100,000	(20,195)	7,256,473 (18)
Strategic Growth Initiatives	1,213,509	-	-	-	-	1,213,509 (19)
Technology Initiatives	1,312,295	-	-	-	(241,260)	1,071,035 (20)
Human Capacity Development/Wellness	311,266	-	-	-	-	311,266 (21)
Campus Safety Initiatives	1,391,921	-	-	(25,000)	(284,111)	1,082,810 (22)
Energy Efficiency/Sustainability Initiatives	2,359,132	-	-	-	(109,201)	2,249,931 (23)
Delaware Campus Operations	1,098,432	-	-	-	-	1,098,432 (24)
Health Care Self-Insurance Escrow	1,241,018	-	-	-	-	1,241,018 (25)
Health Care HSA Incentive	86,636	-	-	-	-	86,636 (26)
Self-insured Workers Compensation Benefits	152,500	-	-	-	-	152,500 (27)
Voluntary Separation Incentive Plan	1,265,876	-	1,700,000	(1,100,000)	(146,804)	19,072 (28)
One-Time Compensation	78,665	-	-	-	(40,436)	1,738,229 (29)
Partnerships for Student Success	338,361	-	-	-	(60,308)	278,053 (30)
PERFORMS	12,089	-	-	-	(9,577)	2,512 (31)
Unallocated	69,505,833	-	7,400,000	297,297	(7,167,515)	70,035,616 (32)
Total General Fund	21,711,050	4,246,243	(7,400,000)	(297,297)	7,167,515	25,427,510 (33)
	\$ 91,216,683	\$ 4,246,243	\$ -	\$ -	\$ -	\$ 95,463,126 (34)
	[A]	[B]	[C]	[D]	[E]	[F]

COLUMBUS STATE COMMUNITY COLLEGE
 OPERATIONAL BUDGET COMPARISON FOR AUXILIARY SERVICES
 FOR THE TWELVE MONTHS ENDED JUNE 30, 2014
 With Comparative Figures at June 30, 2013

EXHIBIT D

	FY 14		FY 13		FY 14 Projected Year End		FY 13 Projected Year End	
	Revised Budget as approved January 2014	% of Budget Expended to Date	Revised Budget as approved January 2013	% of Budget Expended to Date	FY 14 Projected Year End	Projected % of Budget	FY 13 Projected Year End	Projected % of Budget
Auxiliary								
Sales/Revenues								
Bookstore	\$ 14,885,421	98.05%	\$ 14,076,046	105.33%	\$ 14,594,972	98.05%	\$ 14,826,365	105.33%
Child Development Center	-	-	566,975	115.84%	-	-	656,785	115.84%
Food Services	427,000	92.18%	590,452	95.24%	393,597	92.18%	562,348	95.24%
Endeview	-	-	496,160	60.06%	-	-	297,971	60.06%
Total Revenues	15,312,421	97.89%	15,729,633	103.90%	14,988,569	97.89%	16,343,469	103.90%
Cost of Goods Sold								
Bookstore	11,614,327	95.67%	10,923,012	109.81%	11,111,782	95.67%	11,994,026	109.81%
Endeview	-	-	31,258	186.86%	-	-	56,408	186.86%
Food Service	86,000	62.66%	161,267	0.00%	53,886	62.66%	56,408	62.66%
Gross Margin	3,612,094	105.84%	4,614,096	89.88%	3,822,901	105.84%	4,147,192	89.88%
Operating Expenses								
Bookstore	1,993,138	88.32%	1,993,244	92.13%	1,760,298	88.32%	1,836,435	92.13%
Child Development Center	-	-	795,761	103.59%	-	-	937,090	117.76%
Food Services	217,015	81.05%	262,317	69.87%	132,520	61.06%	183,286	59.87%
Endeview	-	-	545,912	80.19%	-	-	463,929	84.98%
Auxiliary Administration	1,007,792	54.63%	506,209	97.30%	550,587	54.63%	511,563	101.06%
Total Expenses	3,217,945	75.93%	4,103,443	91.98%	2,443,405	75.93%	3,932,303	95.33%
Auxiliary Net Operating Income/(Loss)	394,149	349.99%	510,653	0.00%	1,379,496	349.99%	214,899	42.08%
Net Income/(Loss)								
Bookstore	1,277,856	134.82%	1,159,790	85.87%	1,722,892	134.82%	995,904	85.87%
CDC	-	-	(228,786)	73.23%	-	-	(280,305)	122.52%
Food Services	123,985	167.11%	166,868	140.96%	207,191	167.11%	235,219	140.96%
Endeview	-	-	(81,010)	-244.69%	-	-	(224,366)	276.96%
Auxiliary Administration	(1,007,792)	54.63%	(506,209)	97.30%	(550,587)	54.63%	(511,563)	101.06%
Net Auxiliary Income/(Loss)	394,149	349.99%	510,653	73.01%	1,379,496	349.99%	214,899	42.08%
Auxiliary Fund Balance at June 30, 2013	11,036,595		10,988,604					
Non-operating Revenues/Expenditures	-		57,287					
Transfers	-		-					
Auxiliary Fund Balance at June 30, 2014	\$ 12,415,091		\$ 11,418,699		\$ 1,329,496		\$ 1,329,496	

(A) (B) (C) (D) (E) (F) (G) (H) (I) (J)

COLUMBUS STATE COMMUNITY COLLEGE
CASH FLOW FORECAST
AS OF JUNE 30, 2014

EXHIBIT E

	Actual January 2014	Actual February 2014	Actual March 2014	Actual April 2014	Actual May 2014	Actual June 2014	
Beginning Cash	\$ 7,238,888	10,289,677	8,599,796	5,783,773	5,252,662	7,900,502	(1)
Cash Receipts	15,470,683	6,679,500	6,421,360	6,956,376	12,258,302	7,315,860	(2)
Cash Disbursements	(11,418,759)	(11,586,387)	(10,256,732)	(10,242,081)	(11,507,592)	(12,246,101)	(3)
Financial Aid	16,998,865	217,006	(1,980,651)	(245,406)	6,397,130	220,983	(4)
Outflow for investments	(23,000,000)	-	-	-	(8,000,000)	-	(5)
Inflow from investments	5,000,000	3,000,000	3,000,000	3,000,000	3,500,000	-	(6)
Ending Cash	\$ 10,289,677	8,599,796	5,783,773	5,252,662	7,900,502	3,191,244	(7)

	Forecasted July 2014	Forecasted August 2014	Forecasted September 2014	Forecasted October 2014	Forecasted October 2014	Forecasted November 2014	
Beginning Cash	\$ 3,191,244	5,196,244	5,246,244	5,046,244	5,086,244	5,346,244	(8)
Cash Receipts	6,500,000	17,500,000	6,500,000	6,000,000	6,000,000	7,500,000	(9)
Cash Disbursements	(12,500,000)	(12,500,000)	(12,500,000)	(13,000,000)	(13,000,000)	(10,000,000)	(10)
Financial Aid	5,000	15,050,000	300,000	1,040,000	(1,240,000)	1,505,000	(11)
Outflow for investments	-	(20,000,000)	-	-	-	-	(12)
Inflow from investments	8,000,000	-	5,500,000	6,000,000	8,500,000	1,000,000	(13)
Ending Cash	\$ 5,196,244	5,246,244	5,046,244	5,086,244	5,346,244	5,351,244	(14)

COLUMBUS STATE COMMUNITY COLLEGE
 PRESIDENT'S DISCRETIONARY FUND
 STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 FOR THE TWELVE MONTHS ENDED JUNE 30, 2014

EXHIBIT F

Cash at Beginning of Period		\$ 17,907	(1)
		<u> </u>	(2)
<u>Receipts:</u>			(3)
Deposit	2,093	2,093	(4)
			(5)
			(6)
			(7)
<u>Disbursements:</u>			(8)
Oberer's Flowers	2,028		(9)
United Way	500	2,528	(10)
		<u> </u>	(11)
	[A]	\$ <u>17,472</u>	(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 JUNE 30, 2014
With Comparative Figures at June 30, 2013

<u>Assets</u>	<u>June 30, 2014</u>	<u>June 30, 2013</u>	
Cash	\$ 411,112	\$ 90,510	(1)
Investments at market value (see note)	7,264,429	6,298,264	(2)
Pledges Receivable	7,264,066	250,850	(3)
Accounts Receivable	24,125	-	(4)
Total Assets	<u>\$ 14,963,732</u>	<u>\$ 6,639,624</u>	(5)
<u>Liabilities</u>			
Due to general fund	\$ -	\$ -	(6)
Pledge Payable	6,937,662	-	(7)
Trade Payables	283	-	(8)
Total Liabilities	<u>6,937,945</u>	<u>-</u>	(9)
<u>Fund balance</u>			
Permanently Restricted	3,926,052	3,673,728	(10)
Temporarily Restricted	1,689,983	1,685,401	(11)
Unrestricted	<u>2,409,752</u>	<u>1,280,495</u>	(12)
			(13)
Total fund balance	<u>8,025,787</u>	<u>6,639,624</u>	(14)
			(15)
Total Liabilities and fund balance	<u>\$ 14,963,732</u>	<u>\$ 6,639,624</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	\$ 688,675	688,675	9.48%
Equities	3,883,951	4,356,694	59.97%
Fixed Income	175,048	199,018	2.74%
Mutual Funds	<u>1,926,303</u>	<u>2,020,042</u>	<u>27.81%</u>
Total Investments	<u>\$ 6,673,977</u>	<u>\$ 7,264,429</u>	<u>100.00%</u>

EXHIBIT H

COLUMBUS STATE COMMUNITY COLLEGE DEVELOPMENT FOUNDATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2014
With Comparative Figures at June 30, 2013

	June 30, 2014			Total All Funds		June 30, 2013		Total All Funds
	Unrestricted	Temporarily Restricted	Permanently Restricted			(1)	(2)	
Revenue								
Contributions - Scholarships and Programs	\$ 104,390	\$ 249,228	\$ 139,026	\$ 492,644	\$ 457,872			(1)
Contributions for Taste the Future	148,595	-	-	148,595	148,879			(2)
Contributions for Columbus State	-	164,125	-	164,125	97,094			(3)
Corporate Gift	257,500	7,242,500	-	7,500,000	-			(4)
Administration Fee Income	47,744	-	-	47,744	44,767			(5)
Interest Income	129	-	-	129	127			(6)
Investment Income								(7)
Realized	1,097,141	162,577	-	1,259,718	332,234			(8)
Unrealized	(326,460)	32,715	-	(293,745)	325,535			(9)
Investment income-subtotal	770,681	195,292	-	965,973	657,769			(10)
Total revenues	<u>1,329,039</u>	<u>7,851,145</u>	<u>139,026</u>	<u>9,319,210</u>	<u>1,406,508</u>			(11)
Expenditures								
Scholarships and Projects	-	270,863	-	270,863	346,884			(12)
Contributions to Columbus State	-	164,125	-	164,125	100,844			(13)
Corporate Gift	-	7,242,500	-	7,242,500	-			(14)
Administrative Fee Expense	-	47,744	-	47,744	44,767			(15)
Management and general	122,322	-	-	122,322	108,415			(16)
Total expenditures	<u>122,322</u>	<u>7,725,232</u>	<u>-</u>	<u>7,847,554</u>	<u>600,910</u>			(17)
Excess (deficit) of revenues over expenditures	1,206,717	125,913	139,026	1,471,656	805,598			(18)
Transfers	(18,206)	(77,522)	95,728	-	-			(19)
Fund balance at beginning of period	1,221,241	1,641,592	3,691,298	6,554,131	5,834,026			(20)
Fund balance at end of period	<u>\$ 2,409,752</u>	<u>\$ 1,689,983</u>	<u>\$ 3,926,052</u>	<u>\$ 8,025,787</u>	<u>\$ 6,639,624</u>			(21)
	[A]	[B]	[C]	[D]	[F]			(22)

COLUMBUS STATE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2014

1) Investments

Investment Fund	Cost	Market Value	Yield to Maturity*	Average Maturity (days)
STAR Ohio/Operating	\$ 29,171,921	\$ 29,171,921	0.03%	1
STAR Ohio/Plant	778,160	778,160	0.03%	1
STAR Ohio/Auxiliary	3,385,911	3,385,911	0.03%	1
STAR Plus	15,001,478	15,001,478	0.20%	1
CSCC Operating Fund 1	35,089,664	35,047,977	0.38%	388.8
CSCC Operating Fund 2	34,072,554	34,128,851	0.87%	924
Auxiliary Services	4,889,421	4,898,840	0.75%	607
Plant Fund	8,880,936	8,890,601	0.83%	930
	<u>\$ 131,270,045</u>	<u>\$ 131,303,738</u>		

* Weighted

Portfolio Composition

Type	% of Total
STAR Ohio	36.82%
Agencies	62.96%
Cash & Equivalents	0.22%
	<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.

Proposed Reallocation between Strategic Accounts

In May 2011, the Board of Trustees authorized a 3-year Voluntary Separation Incentive program as a means of reducing the growth of its payroll, and to provide reallocation opportunities. Funds allocated for this program over three years totaled \$5.0 million, of which \$3.9 million has been spent for 99 voluntary separations by faculty, staff and administrators, for an average incentive of \$39,665. A balance of approximately \$1.1 million is available in the account for reallocation.

Given the significant decline in enrollment in FY13, this program, coupled with other expense management measures, helped the College manage through significant budget reductions without the need to layoff or furlough employees, and did provide reallocation opportunities across the College to align resources with strategic goals.

Reallocation Recommendation

The College recommends repurposing the remaining \$1.1 million balance in the Voluntary Separation Incentive Plan account to the Student Success and Innovation Fund for strategic endeavors that will be used to enhance the College's goals of student success and workforce development and will include:

Learning Technologies. Funds will be made available to create significantly more effective learning and student success environments using technology to improve digital curricula, create quality textbooks at significantly lower prices, and to provide for the posting of free orientation and preparation materials, among other things.

Professional Development. Providing professional development opportunities for faculty and staff will continue to be essential to maintaining and accelerating Columbus State's ability to advance its student success and workforce development goals.

Career Advising and Placement. While Columbus State's faculty and program staff have important relationships that support the Columbus State/business intersection, the College is not yet systematic in its approach to this work. We have the opportunity to significantly enhance our position as the region's leading workforce development asset.

To do so, we need a sophisticated career planning, placement, and internship process that is connected in very deep ways both inward to our academic programs and outward to business and industry. The state's *Ohio Means Jobs* initiative, coupled with the College's career and technical programs and recent grant-funded work, provide an opportunity to align our processes to better serve students and employers.