

**MOUNTWEST COMMUNITY & TECHNICAL COLLEGE
INSTITUTIONAL BOARD OF GOVERNORS
AGENDA**

Friday, February 17, 2012

8:00 a.m.

Mountwest CTC Cooking & Culinary Institute

917 Third Avenue

Huntington, WV

- I. Call to Order and Determination of Quorum
- II. Consent Agenda:
 - Approval of Minutes – January 20, 2012*
- III. President's Report – Dr. Cotroneo:
 - Facility Update
 - Other
- IV. Receipt of the Financial/Budget Report for the Quarter Ending September 30, 2011*
- V. Receipt of the Financial/Budget Report for the Quarter Ending December 31, 2011*
- VI. Presentation: Tech Prep by Bob McClain
- VII. Announcements:
 - Next regularly scheduled meeting of the IBOG – March 16, 2012 @ the Mountwest Cooking & Culinary Institute, 917 Third Avenue, Huntington, WV. Breakfast will be available beginning at 7:30 a.m. and the IBOG meeting will begin at 8:00 a.m.
 - The WV Community & Technical College Association for Institutional Boards of Governors is scheduled to be held Wednesday, February 22, 2012 at the State Capitol. Board members are encouraged to attend.
 - Commencement will be held Friday, May 11, 2012 at the Keith Albee Theatre, 925 Fourth Avenue, Huntington. Additional details are forthcoming.
 - Other
- VIII. Future Board Agenda Items
- IX. Possible Executive Session Under the Authority of WV Code §6-9A-4 Relating to Property Acquisitions, Leases and/or Personnel Issues
- X. Adjournment

* Action Items

**MOUNTWEST COMMUNITY & TECHNICAL COLLEGE
INSTITUTIONAL BOARD OF GOVERNORS**

MINUTES

Friday, January 20, 2012

8:00 a.m.

**Mountwest CTC Cooking & Culinary Institute
917 Third Avenue
Huntington, WV**

PRESENT: Bob Bailey, Mark Bugher, Ruth Cline, Rachael Fricke, Mark George, Jim Hale, Jason Moses, and Christopher Stevens

ABSENT: Thomas Gibson, Mike Herron, Sue Richardson, and Linda Vinson

ALSO ATTENDING: President Keith J. Cotroneo, Luanne Bowman, Leigh-Ann Brewer, Steven Brown, Billie Brooks, Jean Chappell, Shirley Dyer, Julia Joseph, Herb Karlet, Stephanie A. Neal, Carol Perry, Latrenda Sanders, Sheanna Spence, and Terri Tomblin-Byrd

AGENDA ITEMS:

I. Call to Order and Determination of Quorum:

Jason Moses called the meeting to order at 8:10 a.m. A quorum was established.

II. Student Recognition:

Mountwest was the winner of the float competition in the City of Huntington's Christmas parade in December. The City of Huntington presented a trophy to the Mountwest students who worked on the float using the theme of the "Twelve Days of Christmas." The students were introduced to the Board and were recognized for their work and accomplishments.

III. Consent Agenda:

A motion was made by Bob Bailey and seconded by Chris Stevens to approve the consent agenda, which included approval of the minutes of the November 18, 2011 IBOG meeting and Revised Policy No. A-8. The motion was approved.

IV. Naming of Road Leading to New Campus:

A motion was made by Bob Bailey and seconded by Ruth Cline to name the road leading to the new campus Mountwest Way. The motion was approved.

V. President's Report – Dr. Cotroneo:

- Luanne Bowman, Project Manager for the BEACON grant, was introduced to board members.

- Facility Update – The new campus will be completed by mid-July. Mark George requested list of Contractors working on the project. Herb Karlet will provide this information and Stephanie Neal will email the list to all Board members. Terri Tomblin-Byrd & Billie Brooks presented colors for the facility recommended by a Mountwest committee.
- Handouts distributed were the WV Council for Community and Technical College Education Budget Request Clarification and A Call to Action and Measures to the Ends Statements.

VI. Recognition of Former Members – Chris Stevens:

A motion was made by Chris Stevens and seconded by Mark Bugher to approve of the recognition of former Board members Jeffrey Porter, Cheryl Thompson, Donna Donathan, and Monica Shafer. The motion approved. The Board requested that all four former Board members be recognized at the May 11, 2012 Commencement ceremony.

VII. Announcements:

- The next regularly scheduled meeting of the IBOG is February 17, 2012 at the Mountwest Cooking & Culinary Institute, 917 Third Avenue, Huntington, WV. Breakfast will be available beginning at 7:30 a.m. and the IBOG meeting will begin at 8:00 a.m.
- The IBOG meeting previously scheduled for December 21, 2012 has been cancelled.
- The Board Reception with the local Legislative Delegation for January 25, 2012 was postponed to a later date, still to be determined.

VIII. Future Board Agenda Items:

- Jim Hale requested that Bob McClain be asked to make a presentation relating to EDGE at the February 17, 2012 IBOG meeting.

IX. Adjournment:

There being no other agenda items, the meeting was adjourned.

Jason Moses

Acting Chairman

Bob Bailey

Secretary

**Mountwest Community and Technical College
Institutional Board of Governors
Meeting of February 17, 2012**

ITEM: Quarter ending September 30, 2011
Financial/Budget Report

RECOMMENDED RESOLUTION: *Resolved*, that the Board of Governors receive the
Financial/Budget Report for the quarter ending
September 30, 2011.

BOARD/STAFF MEMBER: Dr. Keith J. Cotroneo
President

BACKGROUND

The quarterly financial/budget report for the period ending September 30, 2011 and 2010 is attached.



Mountwest

Community & Technical College

BOARD OF GOVERNORS QUARTERLY FINANCIAL BUDGET REPORT

For the Quarter Ending
September 30, 2011

PREPARED BY:

Herbert J. Karlet - MBA, CPA
Vice President/Chief Financial Officer

Christie D. Chaffin, CPA
Controller

MOUNTWEST COMMUNITY & TECHNICAL COLLEGE
QUARTERLY FINANCIAL – BUDGET REPORT

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QUARTERLY EXECUTIVE SUMMARY

The College began the fiscal year in a strong financial position as evidenced by the FY 2010 - 2011 audited financial statements. It is anticipated that student fee revenue and state appropriations will be stable and in accordance with the institution's budget.

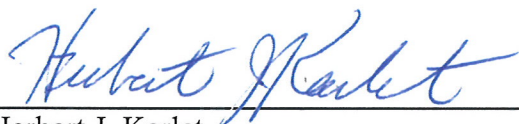
The current budget challenges will be to continue building the academic and student support services needed for an open admission/open access community college and to fund the possible double costs associated with renovating a new campus while still absorbing the costs of the current campus. This cost pressure will occur later this fiscal year and into fiscal year 2012-2013. Significant amounts of cash (\$2 to \$3 million) will be spent in the next twelve (12) months for the new campus.

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER

To the best of my knowledge, the combined Statement of Net Assets (SNA) and the Statement of Actual to Budget Comparison as of and for the quarter ending September 30, 2011 present fairly the financial position and results of operations of Mountwest Community and Technical College.

These statements have been prepared utilizing the modified cash basis of accounting. This presentation differs from the full accrual basis, as presented in the Institution's annual audit reports, in that all timing accruals and cutoffs have not been included. Reasonable efforts have been made to include all amounts necessary for fair presentation and we are not aware of any material modifications that should be made to these statements in order for them to be in conformity with the modified cash basis of accounting. Please remember that timing differences and inadequate time to assure proper "cutoffs" for interim statements can influence the accuracy of the numbers.

These reports are intended solely for the information and use of the Board of Governors and the management of Mountwest Community and Technical College.



Herbert J. Karlet
Vice President, CFO



KEY FINANCIAL INDICATORS
MOUNTWEST COMMUNITY & TECHNICAL COLLEGE
RATIO ANALYSIS OF FINANCIAL STATEMENTS
September 30, 2011 and 2010 and June 30, 2011

	<u>September 30</u> <u>2011</u>	<u>September 30</u> <u>2010</u>	<u>June 30</u> <u>2011</u>
<u>CASH</u>			
Cash Balances	\$ 9,336,003	\$ 9,586,661	\$ 7,559,402
Operating Expenses - Annual Budget	\$ 20,598,000	\$ 20,090,000	\$ 19,603,539
Operating Expenses per Day	\$ 56,433	\$ 55,041	\$ 53,708
Number of Days Operating Expenses in <i>Cash Balances</i>	<u>165</u>	<u>174</u>	<u>141</u>
<u>WORKING CAPITAL</u>			
Total Current Assets	\$ 10,183,219	\$ 10,749,799	\$ 8,467,927
Total Current Liabilities	<u>2,530,642</u>	<u>2,645,768</u>	<u>2,743,372</u>
Net Working Capital	<u>\$ 7,652,577</u>	<u>\$ 8,104,031</u>	<u>\$ 5,724,555</u>
Working Capital Ratio	<u>4.02</u>	<u>4.06</u>	<u>3.09</u>
Number of Days Operating Expenses in <i>Working Capital</i>	<u>136</u>	<u>147</u>	<u>107</u>
<u>UNRESTRICTED NET ASSETS</u>			
Unrestricted/Undesignated Net Assets	\$ 6,686,210	\$ 6,275,943	\$ 5,316,180
Number of Days Operating Expenses in <i>Unrestricted/Undesignated Net Assets</i>	<u>118</u>	<u>114</u>	<u>99</u>



MOUNTWEST COMMUNITY AND TECHNICAL COLLEGE

STATEMENTS OF NET ASSETS

September 30, 2011, 2010 and June 30, 2011

	<i>In Dollars</i>		
	As of September 30 FY 2011	FY 2010	As of June 30 FY2011
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 9,336,003	\$ 9,586,661	\$ 7,559,402
Accounts receivable - net	497,216	899,429	425,257
Due from Marshall University - current portion	350,000	262,500	350,000
Due from the council/commission	-	-	15,661
Other current assets	-	1,209	117,607
Total current assets	\$ 10,183,219	\$ 10,749,799	\$ 8,467,927
NONCURRENT ASSETS:			
Due from Marshall University-noncurrent	\$ 2,142,834	\$ 2,492,834	\$ 2,142,834
Bond Issuance Costs - to be amortized	17,921	-	-
Capital assets - net	11,649,278	10,238,190	11,180,604
Total noncurrent assets	\$ 13,810,033	\$ 12,731,024	\$ 13,323,438
TOTAL ASSETS	\$ 23,993,252	\$ 23,480,823	\$ 21,791,365
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Accounts payable	\$ 727,993	\$ 185,562	\$ 185,709
Due to State Agencies	-	33,046	22,797
Due to Commission	174,843	-	14,270
Accrued Liabilities	181,884	133,540	459,512
Compensated Absences	335,101	339,793	335,101
Debt obligation to Commission - current portion	-	166,811	349,686
Deferred Revenue	1,047,826	1,071,213	1,292,822
Capital Lease Obligation - current	62,995	-	83,475
Other/Student Refunds/Bookstore	-	715,803	-
Total current liabilities	\$ 2,530,642	\$ 2,645,768	\$ 2,743,372
NONCURRENT LIABILITIES:			
Other Post Employment Benefits (OPEB)	\$ 1,718,482	\$ 960,877	\$ 1,528,629
Capital Lease Obligations - non-current	276,935	-	276,936
Bond Payable	50,000	-	276,936
Debt obligation to Commission	1,377,153	1,726,839	1,377,153
Total noncurrent liabilities	\$ 3,422,570	\$ 2,687,716	\$ 3,459,654
Total liabilities	\$ 5,953,212	\$ 5,333,484	\$ 6,203,026
NET ASSETS:			
Invested in capital assets - net of related debt	\$ 9,667,285	\$ 10,238,190	\$ 9,030,854
Restricted for expendable scholarships	174,045	120,706	5,741
Unrestricted - Reserved for Project - MU Payments	700,000	700,000	700,000
Unrestricted - Reserved for Project - Rental Income	812,500	812,500	812,500
Unrestricted	6,686,210	6,275,943	5,316,180
Total net assets	\$ 18,040,040	\$ 18,147,339	\$ 15,865,275
TOTAL LIABILITIES AND NET ASSETS	\$ 23,993,252	\$ 23,480,823	\$ 22,068,301

Mountwest Community and Technical College
Actual to Budget Comparison (Thousands)
For quarter ending September 30, 2011 and Year-to-Date FY 2012

	Actual Quarter Ending 09/30/11	Actual Year-to-Date	FY 2012 Budget	Actual to Budget Variance	YTD % to Budget
OPERATING REVENUES					
Student Tuition and fees <i>(net of scholarship allowance)</i>	\$ 1,507	\$ 1,507	\$ 3,600	\$ (2,093)	41.9%
Government contracts and grants					
Federal	56	56	1,000	(944)	5.6%
State	545	545	1,950	(1,405)	27.9%
Private and Local	37	37	200	(163)	18.5%
Sales and services of educational activities	9	9	60	(51)	15.0%
Other operating sources	352	352	600	(248)	58.7%
NONOPERATING REVENUES					
State appropriations	1,505	1,505	6,021	(4,516)	25.0%
State Fiscal Stabilization Funds (Federal)	-	-	-	-	0.0%
Federal Pell Grants	2,544	2,544	6,100	(3,556)	41.7%
Investment Income	4	4	29	(25)	13.8%
Other nonoperating sources	-	-	-	-	0.0%
Total Revenues	<u>\$ 6,559</u>	<u>\$ 6,559</u>	<u>\$ 19,560</u>	<u>\$ (13,001)</u>	<u>33.5%</u>
OPERATING EXPENSES					
Instruction	\$ 1,374	\$ 1,374	\$ 7,300	\$ (5,926)	18.8%
Public Service	32	32	200	(168)	16.0%
Academic Support	92	92	800	(708)	11.5%
Student Services	360	360	2,400	(2,040)	15.0%
General institutional support	627	627	2,000	(1,373)	31.4%
Operation and maintenance of plant	345	345	2,000	(1,655)	17.3%
Student Financial Aid	1,758	1,758	5,300	(3,542)	33.2%
Depreciation	73	73	300	(227)	24.3%
Other	22	22	298	(276)	7.4%
Total Operating Expenses	<u>\$ 4,683</u>	<u>\$ 4,683</u>	<u>\$ 20,598</u>	<u>\$ (15,915)</u>	<u>22.7%</u>
Interest on Indebtedness	\$ 47	\$ 47	\$ 116	\$ (69)	40.5%
Reserve for Capital Project	-	-	-	-	0.0%
Total Expenses	<u>\$ 4,730</u>	<u>\$ 4,730</u>	<u>\$ 20,714</u>	<u>\$ (15,984)</u>	<u>22.8%</u>
INCREASE (DECREASE) IN NET ASSETS	<u>\$ 1,829</u>	<u>\$ 1,829</u>	<u>\$ (1,154)</u>	<u>\$ 2,983</u>	
Add Estimated Capital Bond Proceeds			<u>\$ 6,000</u>		
Budgeted Increase (Decrease)			<u>\$ 4,846</u>		
Note: OPEB budgeted expense			<u>\$ 756</u>		

Mountwest Community and Technical College
Quarterly Comparison
For three months ending September 30, 2011 and 2010
In Thousands

	Quarter Ending 09/30/2011	Quarter Ending 09/30/2010	Quarter Variance	%
OPERATING REVENUES				
Student tuition and fees (<i>Net</i>)	\$ 1,507	\$ 1,655	\$ (148)	-8.9%
Government contracts and grants				
Federal	56	63	(7)	-11.1%
State	545	719	(174)	-24.2%
Private and Local	37	56	(19)	-33.9%
Sales and services of educational activities	9	8	1	12.5%
Other operating sources	352	425	(73)	-17.2%
NONOPERATING REVENUES				
State appropriations	1,505	1,366	139	10.2%
State Fiscal Stabilization Funds (Federal)	-	-	-	0.0%
Federal Pell Grants	2,544	2,647	(103)	-3.9%
Investment Income	4	3	1	33.3%
Other nonoperating sources	-	2	(2)	-100.0%
Total Revenues	\$ 6,559	\$ 6,944	\$ (385)	-5.5%
OPERATING EXPENSES				
Instruction	\$ 1,374	\$ 1,194	\$ 180	15.1%
Public Service	32	44	(12)	-27.3%
Academic Support	92	89	3	3.4%
Student Services	360	515	(155)	-30.1%
General institutional support	627	624	3	0.5%
Operation and maintenance of plant	345	323	22	6.8%
Student Financial Aid	1,758	1,722	36	2.1%
Depreciation	73	73	-	0.0%
Other	22	58	(36)	-62.1%
Total Operating Expenses	\$ 4,683	\$ 4,642	\$ 41	0.9%
Interest on Indebtedness	\$ 47	\$ 51	\$ (4)	-7.8%
Reserved for Capital Project	-	188	(188)	-100.0%
Total Expenses	\$ 4,730	\$ 4,881	\$ (151)	-3.1%
INCREASE (DECREASE) IN NET ASSETS	\$ 1,829	\$ 2,063	\$ (234)	

**Mountwest Community and Technical College
Institutional Board of Governors
Meeting of February 17, 2012**

ITEM: Quarter ending December 31, 2011
Financial/Budget Report

RECOMMENDED RESOLUTION: *Resolved*, that the Board of Governors receive the
Financial/Budget Report for the quarter ending
December 31, 2011.

BOARD/STAFF MEMBER: Dr. Keith J. Cotroneo
President

BACKGROUND

The quarterly financial/budget report for the period ending December 31, 2011 and 2010 is being prepared and will be distributed to the Board members prior to the meeting.