



BOARD

OF

GOVERNORS

November 15, 2011

Schedule/Agenda

Meeting of the Pierpont Community & Technical College Board of Governors

November 15, 2011

Falcon Center Board Room
Fairmont, WV

1:00 P.M. **North Central Advanced Technology
Center Advisory Board Meeting**
Falcon Center Board Room

2:00 P.M. **Full Board Meeting**
Falcon Center Board Room

***3:00 P.M.** **Finance Committee Meeting**
Falcon Center Board Room

Members:

Kyle Hamilton (Chair)

Linda Aman

Dixie Copley

James Griffin

Rick Pruitte

Dale Bradley (Staff Resource)

Barbara Hendrey (Student Representative)

**Time approximate depending on length of BOG meeting.*

**Legislated purpose for Pierpont
Community and Technical College**

**H. B. 3215 – establishing community
colleges, 18B – 3C-8 Legislative findings
and intent**

*“The primary goal of the Legislature is to
create a statewide network of
independently accredited community
and technical colleges that focus on
technical education, workforce training,
and lifelong learning for the Twenty-First
Century.”*

*“A necessary precedent to accomplishing
the legislative goal is to change the way
that leaders at all levels of education,
including institutional governing boards,
view community and technical colleges.
Specifically, that the mission of technical
colleges is different from that of
traditional four-year colleges in what
they accomplish and how they can
achieve it effectively and that the state
cannot compete successfully in today’s
information-driven, technology-based
economy if community and technical
colleges continue to be viewed as add-
ons or afterthoughts attached to
baccalaureate institutions.”*

Pierpont Community & Technical College
Board of Governors Meeting
November 15, 2011

Call to Order

1. Opening Comment
2. Last Call for Public Comment Sign Up
3. Approval of Minutes (*October 18, 2011*)

Tab 1 – Action Item

Special Recognitions

Operation Reports

1. President’s Report (*Doreen Larson*)
2. Center for Workforce Education Report (*Paul Schreffler*)

Tab 2 - Informational

Committee of the Whole

1. Financial Report (*Dale Bradley*)
2. Capital Projects Update (*James Decker*)

Tab 3 – Informational

Tab 4 – Informational

Committee Reports

1. Finance Committee (*Dale Bradley*)
 - a. Falcon Center 20 Year Plan
2. Off Campus Operations Committee (*Tom Stose*)
3. Marketing Committee (*Dixie Copley*)

Tab 5 – Informational

New Business

1. Board of Governors Meeting on December 20th Cancellation

Old Business

1. Board of Governors Retreat, December 2nd 8:00 – 4:00 at the Robert H. Mollohan Building

Public Comment

Possible Executive Session

_____ moved pursuant to 6-9A-4(b)2A of the WV Code that the Board shall go in to Executive Session to discuss personnel and personnel matters, which if discussed in public might adversely affect the reputation of any person.

_____ moved pursuant to 6-9A-4(b)9 of the WV Code that the Board shall go into Executive Session to consider matters involving or affecting the purchase, sale or lease of property, advance construction planning, the investment of public funds or other matters involving commercial competition, which if made public, might adversely affect the financial or other interest of the state or any political subdivision.

Next meeting will be on Tuesday, February 21, 2012 – Falcon Center Board Room, 2:00 PM.

Tab

1

PIERPONT COMMUNITY & TECHNICAL COLLEGE
BOARD OF GOVERNORS MEETING
October 18, 2011
2:00 PM

MINUTES

Call to Order

A meeting of the Pierpont Community & Technical College Board of Governors was held on October 18, 2011, beginning at 2:00 PM in the Falcon Center Board Room. Present at the meeting were Board members: Chairman James Griffin, Dixie Copley, Barbara Hendrey, Beverly Jones, Earl McConnell, Rick Pruitte, Tom Stose, and Gene Weaver. Jeff Tucker was present via teleconference. Absent was: Linda Aman. Also present were: President Doreen Larson, Dale Bradley, Brian Floyd, Meagan Gibson, Sarah Hensley, Nancy Lawler, Leslie Lovett, Joyce Ross, Mary Jo Rutherford, Paul Schreffler, Cyndee Sensibaugh, and Craig Shaffer.

Last Call for Public Comment

Chairman Griffin announced last call for public sign up for comments to the Board. No signatures were recorded.

Approval of Minutes

The minutes of August 16, 2011 were presented for approval. Tom Stose moved that the minutes of August 16, 2011 be approved. Dixie Copley seconded the motion. All agreed. Motion carried.

The Minutes of September 20, 2011 were presented for approval. Dixie Copley moved that the minutes of September 20, 2011 be approved. Kyle Hamilton seconded the motion. All agreed. Motion carried.

Special Recognitions

- Three faculty members were recognized for achieved milestones in years of service to the State by the WV Division of Personnel. Professor Brad Gilbert was recognized for 20 years of service, Professor Sandra Woods was recognized for 20 years of service, and Professor Donna Snyder was recognized for 25 years of service. Dr. Doreen Larson highlighted the career achievements of each of the recognized faculty and presented a certificate and service pin from the WV Division of Personnel.
- Asst. Professor and Interim Dean of Academic Studies, Debra Benedetti was recognized for the recent publication of her book "Season of Play " by Headline Kids Publications. The book is a children's picture book that contains a collection of games and rhyming texts with pastel illustrations by Ashley Teets. The book emphasizes outdoor fun and encourages kids to play and learn through physically active games. Dr. Larson congratulated Ms. Benedetti on her achievement.

- Dr. Jodi Rust was recognized on the publication of her article “Rapid Development of Hybrid Courses for Distance Education: A Midwestern University Pilot Project” in the Online Journal of Distance Learning Administration. The article focuses on a learner-driven, faculty-friendly, instructional design model created for blended learning. Dr. Larson congratulated Ms. Rust on her achievement.
- Pierpont graphics technology freshman, Ciara Jackson was recognized for the completion of her digital media project that combines the use of storytelling with today’s technology. This project was sponsored by a grant from Pierpont. Ciara adapted folk life stories written by Fairmont storyteller Ruth Ann Musick into a digital media production. The result was a new visionary approach to the art of storytelling for the next generation. One of the videos from the completed project was shown to the Board. Dr. Larson congratulated Ciara on her success and thanked Professor Vijay Raol for his mentorship.

President’s Report

Dr. Larson provided a handout of Pierpont’s updated Strategic Plan and reviewed each goal with the Board. The plan for Pierpont over the next four years will be to focus on four main goals: position Pierpont as a year-round, flexible, responsive college; strengthen Pierpont’s engagement throughout our service area; commit Pierpont to a culture of completion; and complete a Pierpont facility master plan.

After the review and discussion, Dixie Copley entertained a motion to accept the Pierpont Strategic Plan as presented. Tom Stose seconded the motion. All agreed. Motion carried.

Dr. Larson informed the Board that our enrollment figures for Fall are up, and Pierpont is among the top-growing colleges in West Virginia. Student headcount is up 2.81 percent and Full Time Equivalent is up 3.7 percent. The student population is about 3,033.

Dr. Larson provided samples of Pierpont’s first independent catalog for the Board to review and stated that it is now accessible online. Dr. Larson thanked Leslie Lovett and Sarah Hensley for their work on this project.

Dr. Larson also thanked Brian Floyd for the exceptional job that he and his students did while hosting the Foundation Board on a tour of the Pierpont Culinary Program. The Foundation Board held its October meeting on campus and toured the Fairmont State Nursing Simulator and Pierpont’s Culinary Program. The Culinary Program was able to demonstrate the use of its resources both day and night and the students did an outstanding job.

Dr. Larson closed by announcing the up-coming events to the Board. A calendar of events was provided.

Operation Reports

- Leslie Lovett presented the Academic Affairs Report
- Mary Jo Rutherford presented the Classified Staff Report
- Paul Schreffler presented the Center for Workforce Education Report
- Brian Floyd presented the Faculty Assembly Report
- Nancy Lawler presented the Advisory Council of Faculty Report
- Meagan Gibson presented the Student Government Report
- Craig Shaffer presented the Foundation Report
- Beverly Jones, Joyce Ross and Mary Jo Rutherford presented the Annual Classified Staff Report

Committee of the Whole

- Financial Report

Dale Bradley provided the report on the Pierpont Community & Technical College Unrestricted and Restricted Funds and Fund Manager Budgets for the current budget and year-to-date actual as of August 31, 2011. A detailed review was provided in the October 18, 2011 Board of Governors book.

- Capital Projects Report

Jim Decker reviewed the ongoing capital projects for FY 2012 with the Board. A detailed report was provided in the October 18, 2011 Board of Governors Book.

- Practical Nursing Certificate in Applied Science (CAS) Degree Program

Leslie Lovett presented, for approval, a Resolution for the Practical Nursing Certificate in Applied Science (CAS) Degree Program to establish a 42 credit hour course in Braxton County beginning in August 2012.

The School of Health Careers has been granted permission by the West Virginia State Board of Examiners for Licensed Practical Nurses to plan a new Licensed Practical Nursing Program in Braxton County. A key objective of this program will be to attract adults and health care workers already in the workforce.

Tom Stose presented a motion to approve the request for the Practical Nursing Certificate in Applied Science Degree Program. Sharon Shaffer seconded the motion. All agreed. Motion carried.

Final approval is pending with the WV State Board of Examiners for Licensed Practical Nurses, the Higher Learning Commission and the National Department of Education.

Committee Reports

➤ Finance Committee

a. Acceptance of the 2011 Bond Audits

Kyle Hamilton presented the 2011 Bond Audit Reports Resolution for official approval. The Bond Audits were reviewed in the September 2011 Board meeting. There were no material findings with the Audit of the Infrastructure Revenue Bonds 2002 Series B, Facilities Revenue Bonds 2002 Series A and 2003 Series A, and Student Activity Revenue Bonds 2003 Series B. A complete report was provided in the October 18, 2011 Board of Governors Book.

Sharon Shaffer presented a motion to accept the 2011 Bond Audits Report. Kyle Hamilton seconded the motion. All agreed. Motion carried.

b. Pierpont Student's Athletic Fee Phase-Out and Repurposing

Kyle Hamilton presented, for approval, a resolution for the Pierpont Student's Athletic Fee Phase-Out. In Section 18B-2A-7a of House Bill 3215 it states that community and technical colleges whose students were paying athletic fees for the benefit of the former sponsoring institution, but receiving no direct benefit from those fees, could phase the fee out over a five-year period. Under this provision, Pierpont had the option to begin phase-out of the athletic fees in academic year 2009. However, Pierpont chose to defer this option until this time. The recommended action continues payment of a portion of the fee until academic year 2014 to allow the athletic department an opportunity to address the change.

The Resolution requests implementation of a two-year phase-out of the current Fairmont State Athletic Fee paid by Pierpont students beginning with academic year 2013 and repurposing of the fee to begin to address costs associated with Pierpont 'only' facilities. Additional details for this Resolution were provided in the October 18, 2011 Board of Governors Book.

Kyle Hamilton presented a motion to accept the Pierpont Student's Athletic Fee Phase-Out and Repurposing. Dixie Copley seconded the motion. All agreed. Motion carried.

➤ Off Campus Operations Committee Report

Tom Stose reported that the Monongalia County Board of Education has unanimously consented to the MTEC expansion plan and Phase 1 for building construction and occupancy is underway. Curriculums being developed for this expansion are: Business Technology-AAS, Criminal Justice-AAS, and Liberal Studies-AA. Phase II will include the bricks and mortar, a two story building, and long-term ongoing planning process.

The LPN Program planning for Braxton County has received state approval with final approval pending from the Higher Learning Commission and the National Department of Education. Pierpont anticipates a start date for this new program in Fall 2012.

Mr. Stose also reported: Pierpont is working with Barbour County to offer classes to high school students at Barbour County High School; Pierpont is planning to add Criminal Justice classes this spring in Preston County; and Pierpont, through the Caperton Center, is planning to work on developing a distance learning program with Doddridge County.

➤ **Marketing Committee Report**

Dixie Copley, Chair, deferred the report to Sarah Hensley. Ms. Hensley reported that Pierpont is beginning to shoot a series of commercial media and radio spots with 'West Virginia Filmmaker of the Year', Bob Tinnell. Dr. Larson and several stand-out students will be featured in these spots.

New Business

Dr. Larson announced that the ATC Groundbreaking Ceremony will be held on October 25th at the Robert H. Mollohan Building at 11:00 AM.

Dr. Larson also announced that the Board of Governors Retreat will be held on December 2nd at the Robert H. Mollohan Building from 8:00 AM to 4:00 PM.

Old Business

Dr. Larson reminded the Board of the upcoming WVCCA/WVADE 2011 Annual Convention being held at Glade Springs Resort on October 26-28th.

Executive Session

Dixie Copley moved pursuant to 6-9A-4(b)2A of the WV Code that the Board shall go in to Executive Session to discuss personnel and personal matters, which if discussed in public might adversely affect the reputation of any person. Tom Stose seconded the motion. All agreed. Motion carried.

Dixie Copley presented a motion to exit the Executive Session. Tom Stose seconded the motion. All agreed. Motion carried.

Chairman Griffin stated that there were no action items carried over from the Executive Session.

Adjournment and Next Meeting

There being no further business, the Board meeting was adjourned at 4:15 PM. The next Pierpont Board of Governors Meeting will be held on November 15, 2011 at 2:00 PM at the Falcon Center Board Room.

Tab

2

Workforce Development - Project Status Report

November 2011 – Board of Governors Meeting

Industry-Sector Strategies

- ❖ Met with Lockheed Martin, Bombardier, HQ Aero, MAAC and Chancellor Skidmore to discuss commitment to deploy an airframe only, non-FAA pre-employment training program to meet specific workforce needs in the military aerospace sector. Reached agreement on project scope and outcomes, and we will submit a WV Advance grant to fund program start-up next summer.
- ❖ Received conditional approval for the award of \$25,000 in response to an RFP from the ShaleNet Consortium. This will provide funding for one-time, specific training for Marcellus shale gas employment needs.
- ❖ Submitted a WV Advance grant in the amount of \$220,000 to fund a land management degree program. This will be structured as an optional track to the existing paralegal degree program.
- ❖ Trained an additional 18 students in Morgantown and Martinsburg in the area of residential building insulation and energy conservation.
- ❖ Television ad for green project (with a focus on energy efficiency in construction) is in post-production phase.
- ❖ Met with representatives from Consol Energy at the Penn State University, Fayette Campus, to discuss a mining training program.

Community Engagement

- ❖ Continue to work with regional economic developers to plan for location consultant event.
- ❖ Offering a customer service training seminar to leaders from Randolph County Chamber of Commerce and Randolph County Development Authority.
- ❖ Met with Preston County Development Authority to discuss potential services and training that we can deliver.

Upcoming Training Programs

- ❖ Residential Whole House Air Seal and Insulation Course – for West Virginia Women Work participants at their Charleston location.

Professional Development

- ❖ Attended West Virginia Community College Association conference at Glade Springs.
- ❖ Bo Sellers attended Franklin Covey “Helping Clients Succeed” sales training seminar.
- ❖ Three other CE staff members are slated to attend the LERN conference at the end of November.

Tab

3

**Board of Governors
Financial Report FY 2011
Pierpont Community & Technical College
as of September 30, 2011**

SUMMARY:

The projected effect on net assets at June 30, 2012 is an increase of \$223,899. However this amount includes a Board approved spend down of \$102,938 (\$66,500 approved for the current FY and \$36,438 carried forward from last year's approval) in cash reserves which is a reduction of net assets, therefore the adjusted projected effect on assets at June 30, 2012 is an increase of \$120,961.

UNRESTRICTED OPERATING FUNDS:

The Budget Balance as of September 30, 2011 is \$223,899. This represents an increase of \$63,947 from the August 31, 2011 Finance Report. As of this report date, approximately 48.22% of projected tuition and fees revenue and approximately 40.11% of overall revenues has been realized while 13.96% of operating expenses have been incurred. The primary budget changes that impacted the budget from the July 31, 2011 Budget are as follows:

- **Operating Revenues Budget:**
 - Decreased by (\$12,661). This was due to the following changes:
 - The President controlled "Operating Cost Revenue" budget decreased by (\$95) due to moving budget between operating and labor.
 - The President controlled "Support Service Revenue" decreased by (\$12,566) due to system updates associated with the completion of the raise implementation. However the majority of this reduction was due to an error in identifying a position as non-charge back. This error was identified and has been corrected and will be reflected in the October report.
- **Operating Expenses Budget:**
 - Decreased by (\$43,656). This was due to the following changes:
 - The President and Fund Managers controlled "Salaries" expense budget decreased by a (\$25,507). This was primarily due to system updates associated with the completion of the October raise implementation. In addition, approximately \$10,000 was transferred from operating budgets into student and temporary positions.
 - The President and Fund Managers controlled "Benefits" budget decreased by (\$1,568). This was primarily due to system updates associated with the completion of the October raise implementation. In addition, approximately \$1,000 was associated with the transfers from operating budgets into student and temporary positions.
 - The President and Fund Manager controlled "Supplies and Other Services" expense budget decreased by (\$14,706). This was primarily due to transfers to labor for student and temporary positions.

- The Fund Managers controlled “Equipment Expense” budget increased by \$36,438 related to expenses budgets carried forward from FY 2011 approved cash reserves spending. A Fund Manager was unable to get Board approved FY 2011 cash reserve spending completed in FY 2011, therefore requiring that these expenditures be carried forward into FY 2012.
 - The President controlled “Assessment for Support Services” expenses budget decreased by (\$37,479). This was primarily due to system updates associated with the completion of the October raise implementation.
 - The President controlled “Assessment for Operating Costs” budget decreased by (\$834) due to University budget changes.
- **Transfers & Other:**
 - Transfers increased by \$32,951. This was due primarily to the following actions:
 - A Fund Manager was unable to get Board approved FY 2011 cash reserve spending completed in FY 2011, therefore requiring that these expenditures be carried forward into FY 2012 and the associated uses of cash reserves. Thereby increases the “One-Time Use of Reserves” by \$36,438 for a total of \$102,938 for FY 2012.
 - There was a (\$3,487) reduction in the Indirect Cost Recoveries Budget.

Of the adjusted projected effect on net assets of an increase of \$223,899 as of June 30, 2012; President’s Controlled Fund(s) are projected to have a budget surplus of \$188,600; and Fund Manager’s Controlled Fund(s) are projected to have a budget surplus of \$35,299 with Board approved spending of \$102,938 in cash reserves. The Year-To-Date Actual Budget Balance is \$3,417,462.

RESTRICTED FUNDS:

There were no changes to the Restricted Funds Budget Balance however there were changes that occurred within the budget. The Budget Balance as of September 30, 2011 is (-\$445,791). This deficit is covered by grant funds cash balances totaling \$1,426,871 as of June 30, 2011. The changes that occurred within the budget were as follows:

- **Operating Revenues:**
 - Decreased by \$45,347 due to the following actions:
 - The grant period associated with a DHHR Grant expired and the \$38,347 in remaining funds was removed from the budget.
 - \$7,000 from an ARRA Grant was transferred to Capital Projects at the NAEC.
- **Operating Expenses:**
 - Decreased by (\$41,859) due to the following actions:
 - The “Salaries” budget decreased by (\$26,440) associated with the above recognized reductions to revenues.
 - The “Benefits” budget increased by \$11,151 due to system benefit’s updates.

- The “Supplies and Other Services” budget decreased by (\$28,851) primarily because of the above recognized reductions to revenues.
 - The “Equipment” budget increased by \$2,281 associated with a budget transfer from “Supplies and Other Services”.
- **Transfers & Other:**
 - Increased by \$3,487 due to an increase in “Indirect Cost Recoveries”.

Pierpont Community & Technical College
Actual vs Budget Statement of Revenues and Expenses
Current Unrestricted
As of September 30, 2011

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE					
	Tuition and Fees	8,673,566	8,832,164	4,258,501	48.22
	Faculty Services Revenue	1,502,589	1,502,589	0	0.00
	State/Local Grants and Contracts	0	0	0	
	Auxiliary Enterprise Revenue	1,252,667	1,306,529	663,479	50.78
	Operating Costs Revenue	203,317	202,596	2,793	1.38
	Support Services Revenue	377,210	365,090	20,575	5.64
	Other Operating Revenue	301,909	321,973	80,914	25.13
	Total:	12,311,258	12,530,941	5,026,262	40.11
OPERATING EXPENSE					
	Salaries	6,667,540	6,554,653	927,182	14.15
	Benefits	1,464,714	1,459,687	193,862	13.28
	Student financial aid-scholarships	140,844	140,844	61,143	43.41
	Utilities	0	0	456	
	Supplies and Other Services	1,774,275	1,854,597	326,458	17.60
	Equipment Expense	128,582	164,238	104,324	63.52
	Loan cancellations and write-offs	0	0	0	
	Fees retained by the Commission	104,619	116,560	29,140	25.00
	Assessment for Faculty Services	1,272,439	1,272,439	8,783	0.69
	Assessment for Support Services	3,907,560	3,869,004	291,735	7.54
	Assessment for Student Activity Costs	158,131	174,729	71,604	40.98
	Assessment for Auxiliary Fees & Debt Service	1,252,667	1,306,529	532,782	40.78
	Assessment for Operating Costs	2,437,328	2,431,604	153,662	6.32
	Total:	19,308,698	19,344,883	2,701,130	13.96
OPERATING INCOME / (LOSS)		(6,997,440)	(6,813,942)	2,325,132	(34.12)
NONOPERATING REVENUE (EXPENSE)					
	State Appropriations	8,421,177	8,421,177	1,684,235	20.00
	State Fiscal Stabilization Funds	0	0	0	
	Gifts	1,000	1,000	0	0.00
	Investment Income	97,194	97,194	919	0.95
	Assessment for E&G Capital & Debt Service Costs	(1,397,782)	(1,539,782)	(588,849)	38.24
	Reappropriated State Funding	0	0	0	
	Total:	7,121,589	6,979,589	1,096,305	15.71
TRANSFERS & OTHER					
	Capital Expenditures	0	0	0	
	Transfers for Fin Aid Match	(78,992)	(78,992)	(38,281)	48.46
	Indirect Cost Recoveries	877	1,469	1,469	100.00
	Transfers - Other	0	32,837	32,837	100.00
	One-time use of reserve	66,500	102,938	0	0.00
	Total:	(11,615)	58,252	(3,975)	(6.82)
BUDGET BALANCE		112,534	223,899	3,417,462	
PERSONNEL BUDGET SAVINGS		0	0		
PROJECTED EFFECT ON NET ASSETS AT JUNE 30		112,534	223,899	3,417,462	
* Add: PROJECTED UNRESTRICTED NET ASSETS - Beginning of Year		4,768,054	4,768,054		
Less: USE OF RESERVE		66,500	102,938		
** Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year		4,814,088	4,889,015		

* Projected Net Assets - Beginning of Year is before cumulative OPEB liability at June 30, 2011 in the amount of \$2,194,850.

** Unrestricted Net Asset Balance is 26.43% of the current budgeted total operating expense. Management has established a target of 15% or \$2,705,753 as the goal for the level of unrestricted net asset balance that should be maintained.

Pierpont Community & Technical College
 Actual vs Budget Statement of Revenues and Expenses
 Current Unrestricted - President
 As of September 30, 2011

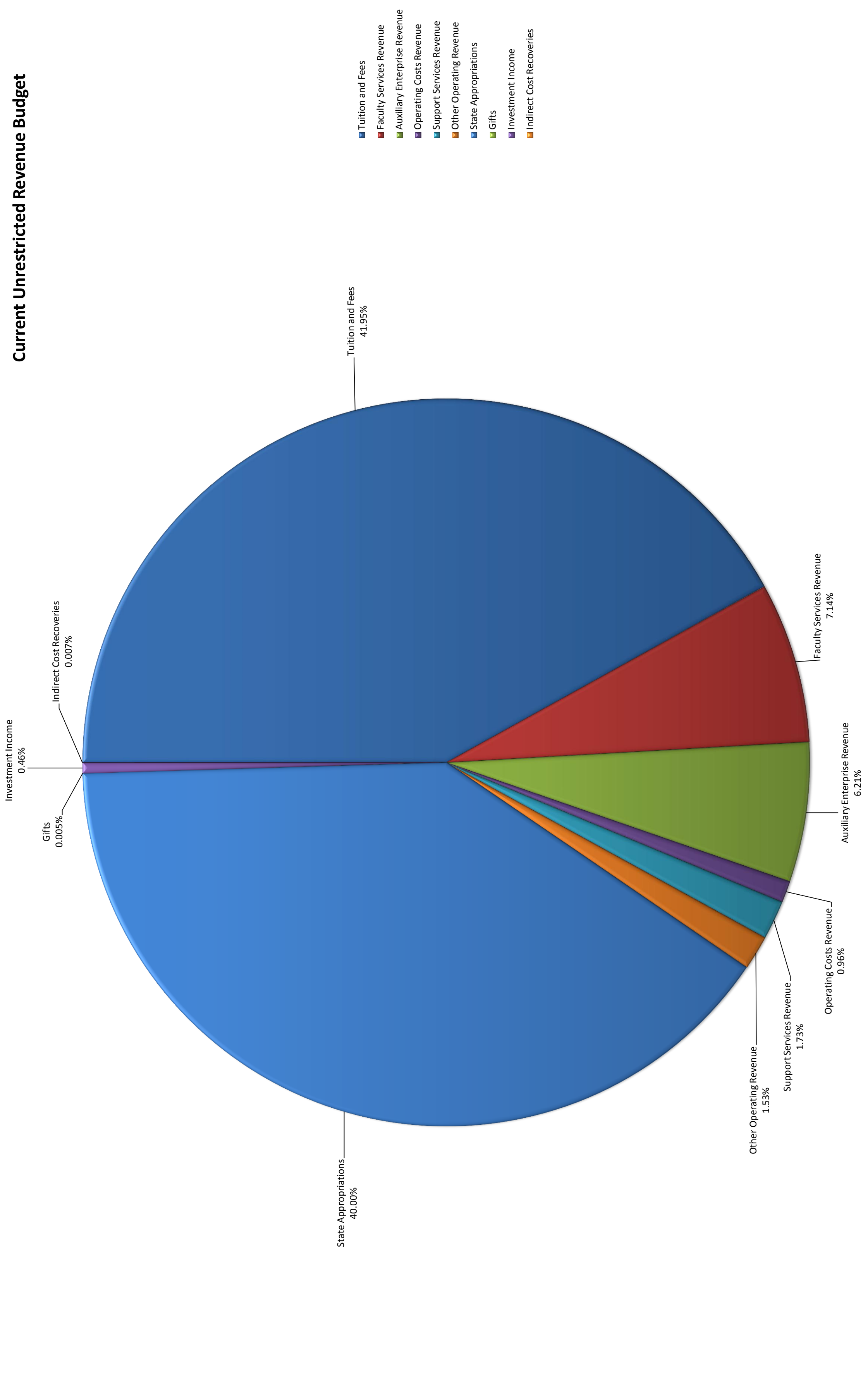
		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE					
	Tuition and Fees	7,719,834	7,878,432	3,931,632	49.90
	Faculty Services Revenue	1,502,589	1,502,589	0	0.00
	State/Local Grants and Contracts	0	0	0	
	Operating Costs Revenue	203,317	202,596	2,793	1.38
	Support Services Revenue	377,210	365,090	20,575	5.64
	Other Operating Revenue	193,583	213,647	78,702	36.84
	Total:	9,996,534	10,162,355	4,033,702	39.69
OPERATING EXPENSE					
	Salaries	6,346,475	6,228,687	875,704	14.06
	Benefits	1,402,515	1,406,173	185,289	13.18
	Student financial aid-scholarships	140,844	140,844	61,143	43.41
	Utilities	0	0	456	
	Supplies and Other Services	1,123,645	1,202,116	250,128	20.81
	Equipment Expense	57,042	56,197	8,264	14.71
	Loan cancellations and write-offs	0	0	0	
	Fees retained by the Commission	104,619	116,560	29,140	25.00
	Assessment for Faculty Services	1,272,439	1,272,439	8,783	0.69
	Assessment for Support Services	3,907,560	3,869,004	291,735	7.54
	Assessment for Student Activity Costs	158,131	174,729	71,604	40.98
	Assessment for Operating Costs	2,437,328	2,431,604	153,662	6.32
	Total:	16,950,597	16,898,352	1,935,907	11.46
OPERATING INOCME / (LOSS)		(6,954,064)	(6,735,997)	2,097,795	(31.14)
NONOPERATING REVENUE (EXPENSE)					
	State Appropriations	8,421,177	8,421,177	1,684,235	20.00
	State Fiscal Stabalization Funds	0	0	0	
	Investment Income	97,194	97,194	919	0.95
	Assessment for E&G Capital & Debt Service Costs	(1,397,782)	(1,539,782)	(588,849)	38.24
	Reappropriated State Funding	0	0	0	
	Total:	7,120,589	6,978,589	1,096,305	15.71
TRANSFERS & OTHERS					
	Capital Expenditures	0	0	0	
	Transfers for Fin Aid Match	(78,992)	(78,992)	(38,281)	48.46
	Transfers - Other	0	0	0	
	One-time use of reserve	25,000	25,000	0	0.00
	Total:	(53,992)	(53,992)	(38,281)	70.90
BUDGET BALANCE		112,533	188,600	3,155,818	
* Add: PROJECTED UNRESTRICTED NET ASSETS - Beginning of Year		4,096,524	4,096,524		
Less: USE OF RESERVE		<u>25,000</u>	<u>25,000</u>		
Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year		<u>4,184,057</u>	<u>4,260,124</u>		

* Projected Net Assets - Beginning of Year is before cumulative OPEB liability at June 30, 2011 in the amount of \$2,194,850.

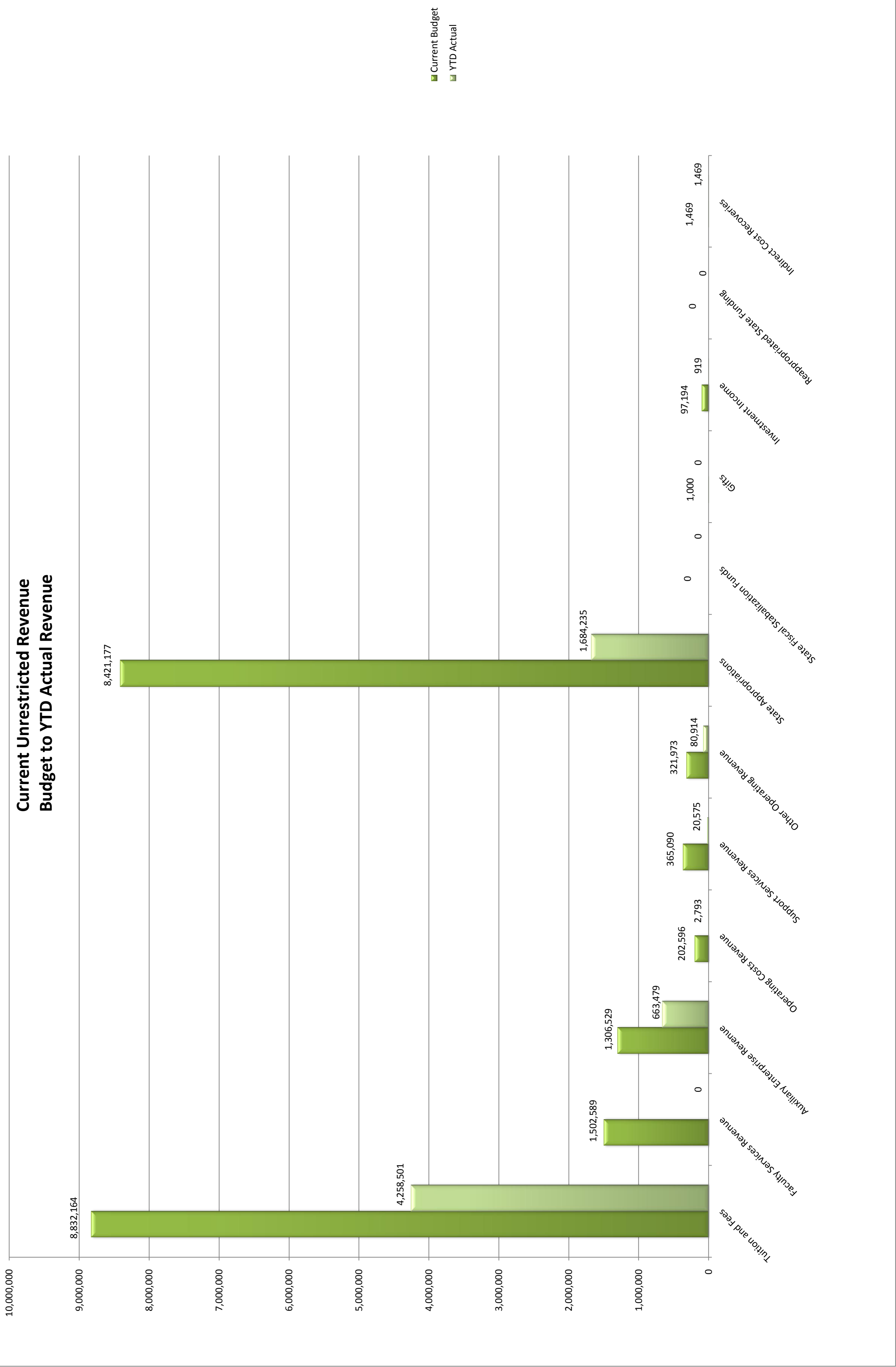
Pierpont Community & Technical College
 Actual vs Budget Statement of Revenues and Expenses
 Current Unrestricted - Fund Manager
 As of September 30, 2011

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Tuition and Fees	953,732	953,732	326,869	34.27
	Other Operating Revenue	108,326	108,326	2,213	2.04
	Total:	1,062,058	1,062,058	329,081	30.99
OPERATING EXPENSE	Salaries	321,065	325,966	51,479	15.79
	Benefits	62,199	53,514	8,573	16.02
	Supplies and Other Services	650,630	652,481	76,329	11.70
	Equipment Expense	71,541	108,041	96,060	88.91
	Loan cancellations and write-offs	0	0	0	
	Total:	1,105,435	1,140,003	232,441	20.39
OPERATING INCOME / (LOSS)		(43,377)	(77,945)	96,641	(123.99)
NONOPERATING REVENUE (EXPENSE)	Gifts	1,000	1,000	0	0.00
	Total:	1,000	1,000	0	0.00
TRANSFERS & OTHER	Capital Expenditures	0	0	0	
	Indirect Cost Recoveries	877	1,469	1,469	100.00
	Transfers - Other	0	32,837	32,837	
	One-time use of reserve	41,500	77,938	0	0.00
	Total:	42,377	112,244	34,306	30.56
BUDGET BALANCE		0	35,299	130,947	
Add: PROJECTED UNRESTRICTED NET ASSETS - Beginning of Year		657,001	657,001		
Less: USE OF RESERVE		<u>41,500</u>	<u>77,938</u>		
Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year		<u>615,501</u>	<u>614,362</u>		

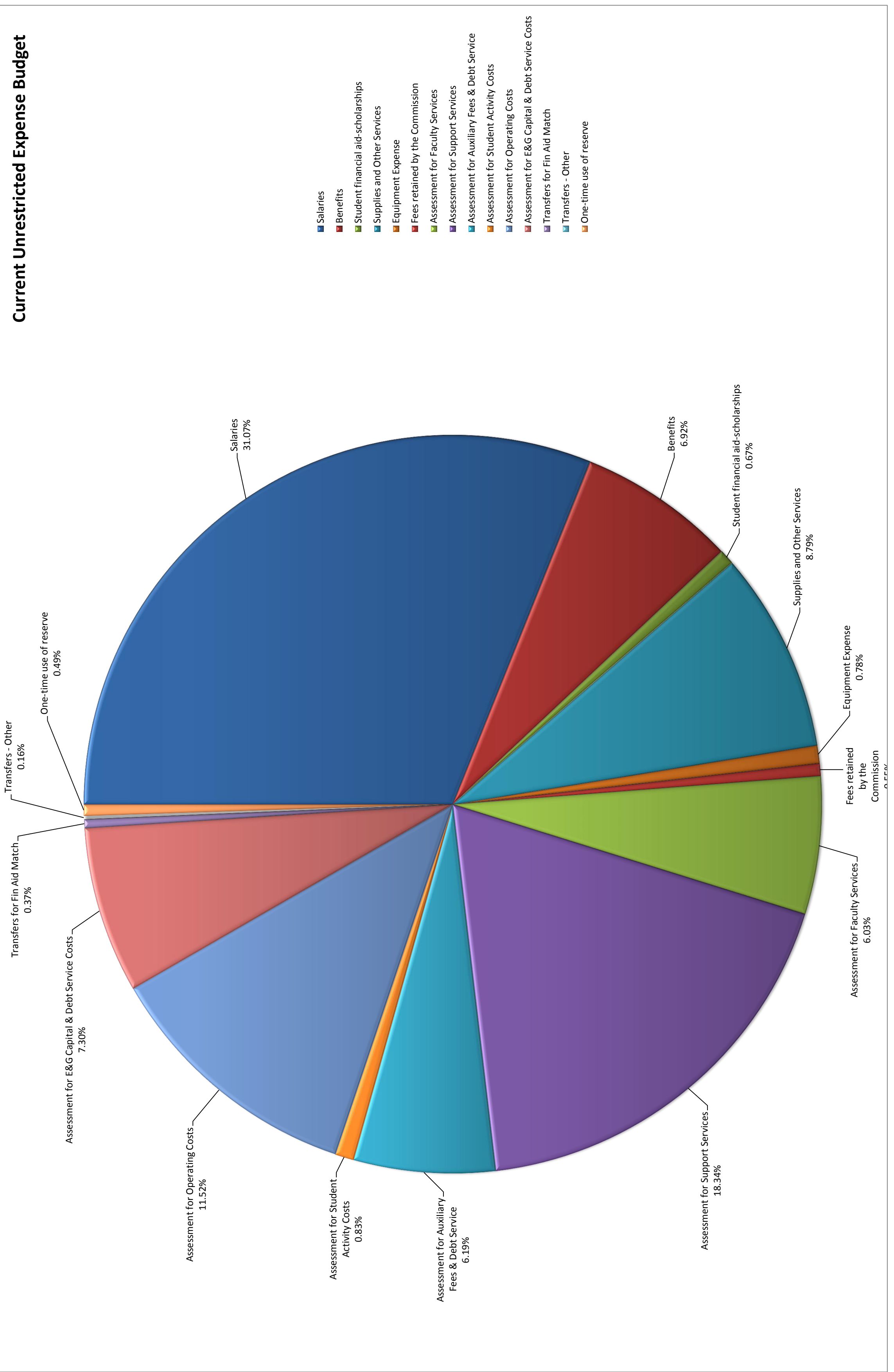
Current Unrestricted Revenue Budget



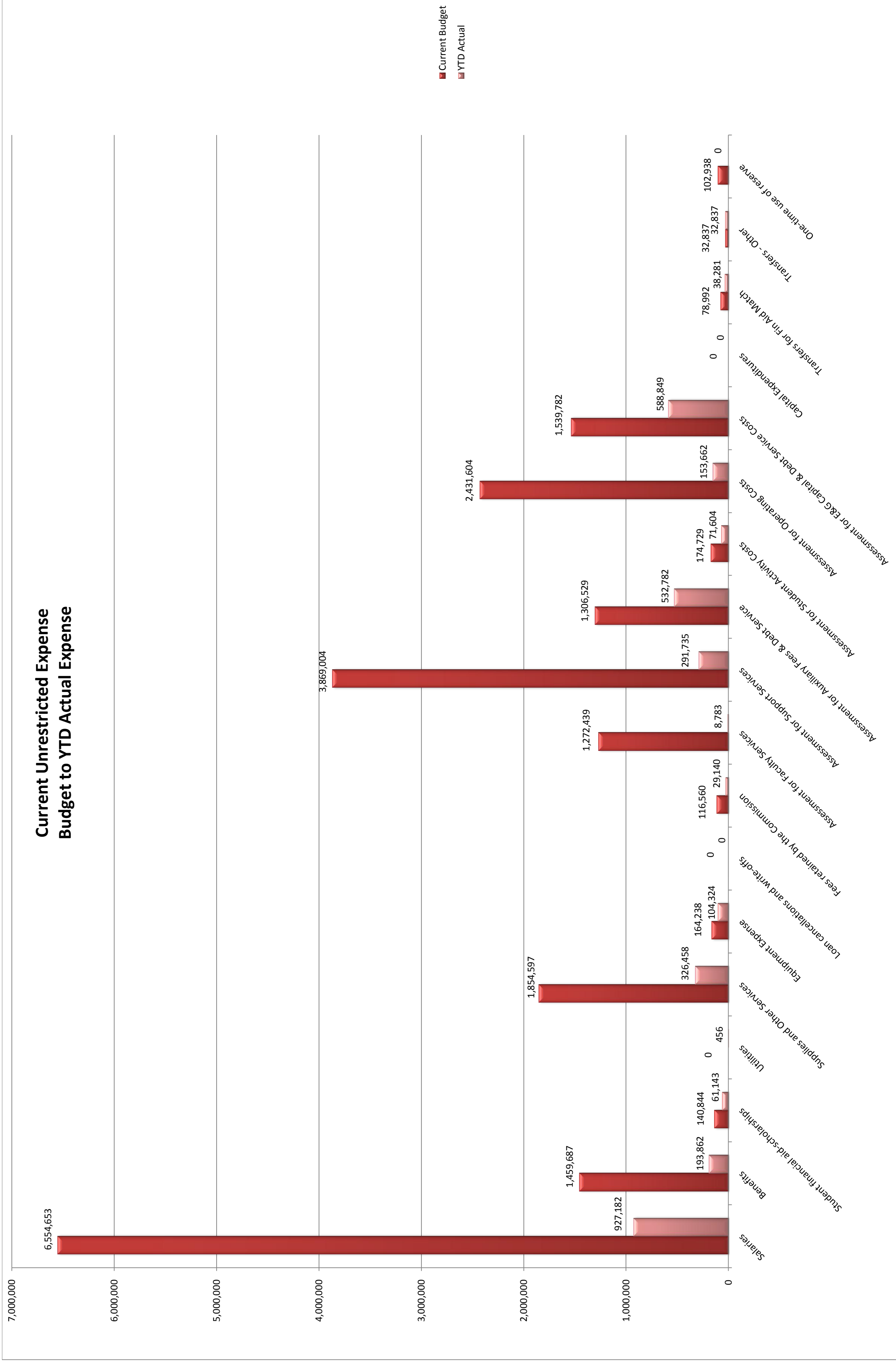
**Current Unrestricted Revenue
Budget to YTD Actual Revenue**



Current Unrestricted Expense Budget



Current Unrestricted Expense Budget to YTD Actual Expense



Pierpont Community and Technical College
Board of Governors
Financial Report
Restricted Funds
For the period ending September 30, 2011

New Grant Funds

Other Grant Related Changes

Early Child Care Prof Dev Grant	(38,347.05)
ARRA Math & Writing Tutorial Grant Transfer	(7,000.00)

Net Change

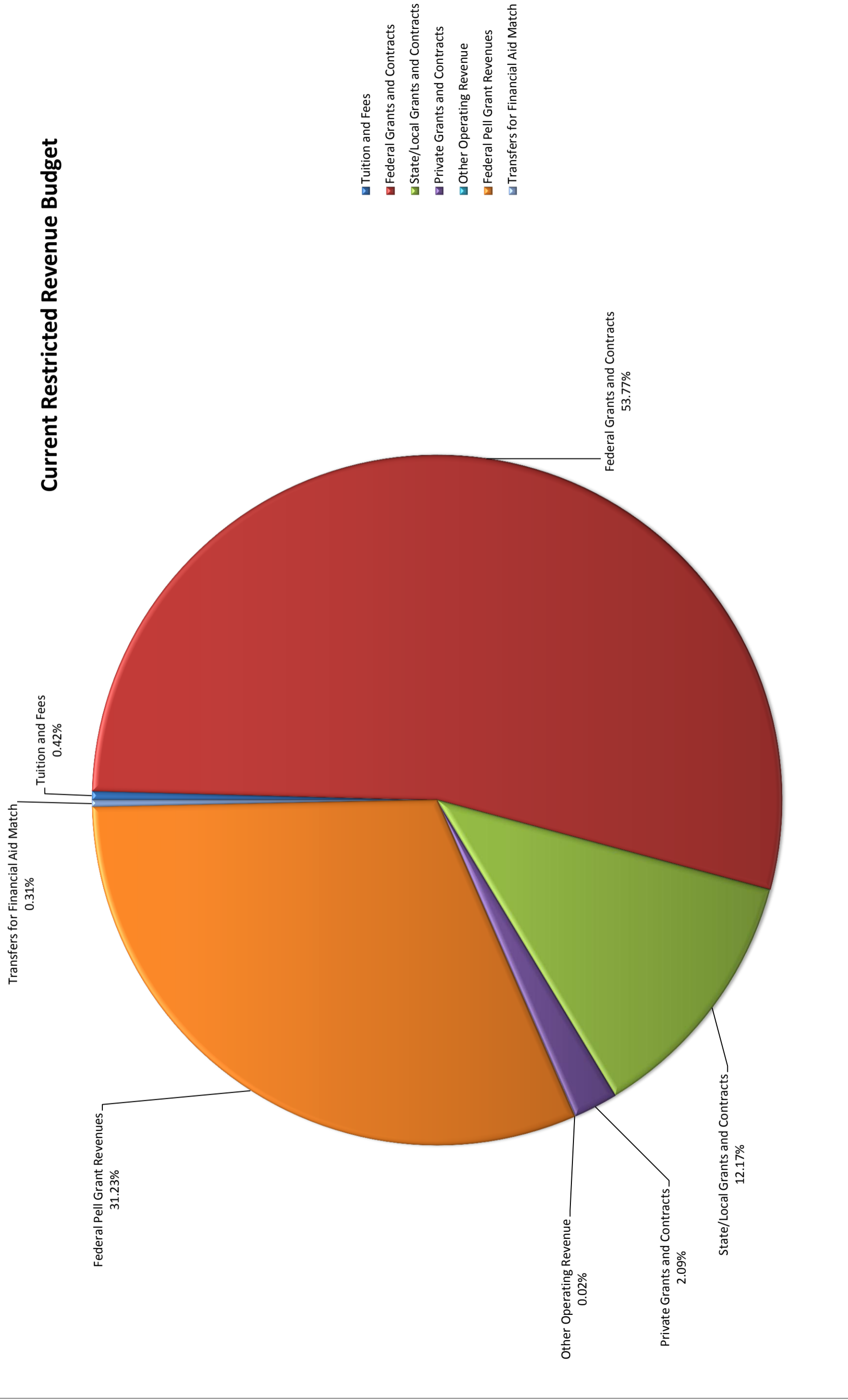
The budget balance of **(\$445,790)** is covered by the restricted fund cash balance of \$1,426,871 on June 30, 2011

PIERPONT COMMUNITY AND TECHNICAL COLLEGE
Actual vs Budget Statement of Revenues and Expenses

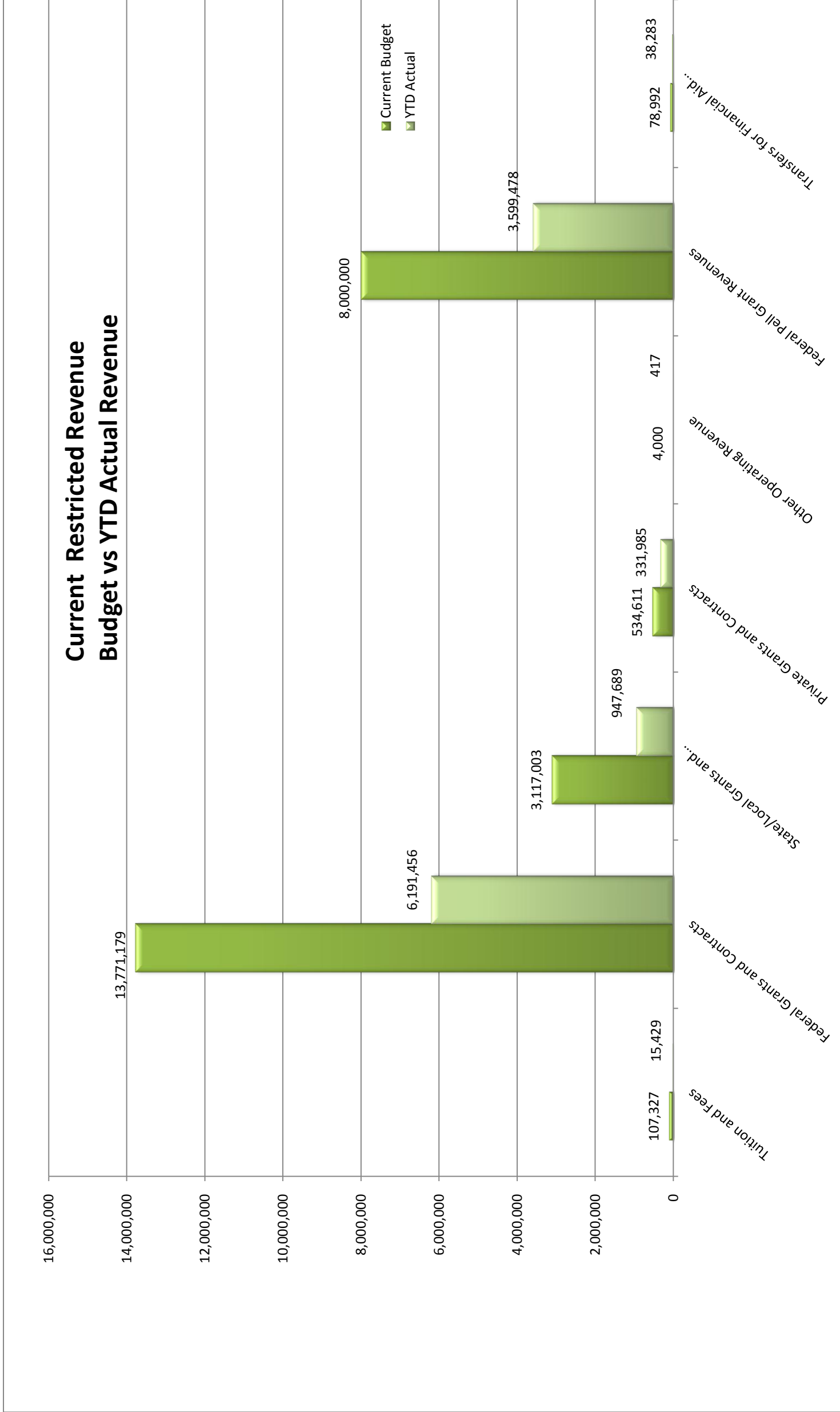
Current Restricted
As of September 30, 2011

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Tuition and Fees	34,212.92	107,327.00	15,429	14.38
	Federal Grants and Contracts	13,771,179.00	13,771,179.00	6,191,456	44.96
	State/Local Grants and Contracts	3,048,871.33	3,117,003.49	947,689	30.40
	Private Grants and Contracts	534,610.65	534,610.65	331,985	62.10
	Other Operating Revenue	3,000.00	4,000.00	(417)	-10.41
	Total:	17,391,874	17,534,120	7,486,143	42.69
OPERATING EXPENSE	Salaries	923,758	1,035,588	115,827	11.18
	Benefits	82,224	95,789	13,714	14.32
	Student financial aid-scholarships	23,946,419	23,946,419	10,998,275	45.93
	Utilities	500	500	135	27.05
	Supplies and Other Services	497,690	489,828	69,657	14.22
	Equipment Expense	238,878	253,107	55,381	21.88
	Loan Cancellation and Write-Off	0	0	(59)	0.00
	Total:	25,689,469	25,821,230	11,252,929	43.58
OPERATING INCOME / (LOSS)		(8,297,595)	(8,287,110)	(3,766,787)	45.45
NONOPERATING REVENUE (EXPENSE)	Federal Pell Grant Revenues	8,000,000	8,000,000	3,599,478	44.99
	Total:	8,000,000	8,000,000	3,599,478	44.99
TRANSFERS & OTHER	Capital Expenditures	(203,365)	(203,365)	0	0.00
	Transfers for Fin Aid Match	78,992	78,992	38,283	48.46
	Indirect Cost Recoveries	(4,956)	(1,469)	(1,469)	100.00
	Transfers - Other	0	(32,837)	(32,837)	100.00
	Total:	(129,329)	(158,679)	3,976	-2.51
BUDGET BALANCE		(426,924)	(445,790)	(163,333)	36.64
* Add: PROJECTED RESTRICTED NET ASSETS - Beginning of Year		1,426,871	1,426,871		
		999,947	981,081		
** Equals: PROJECTED RESTRICTED NET ASSETS - End of Year					

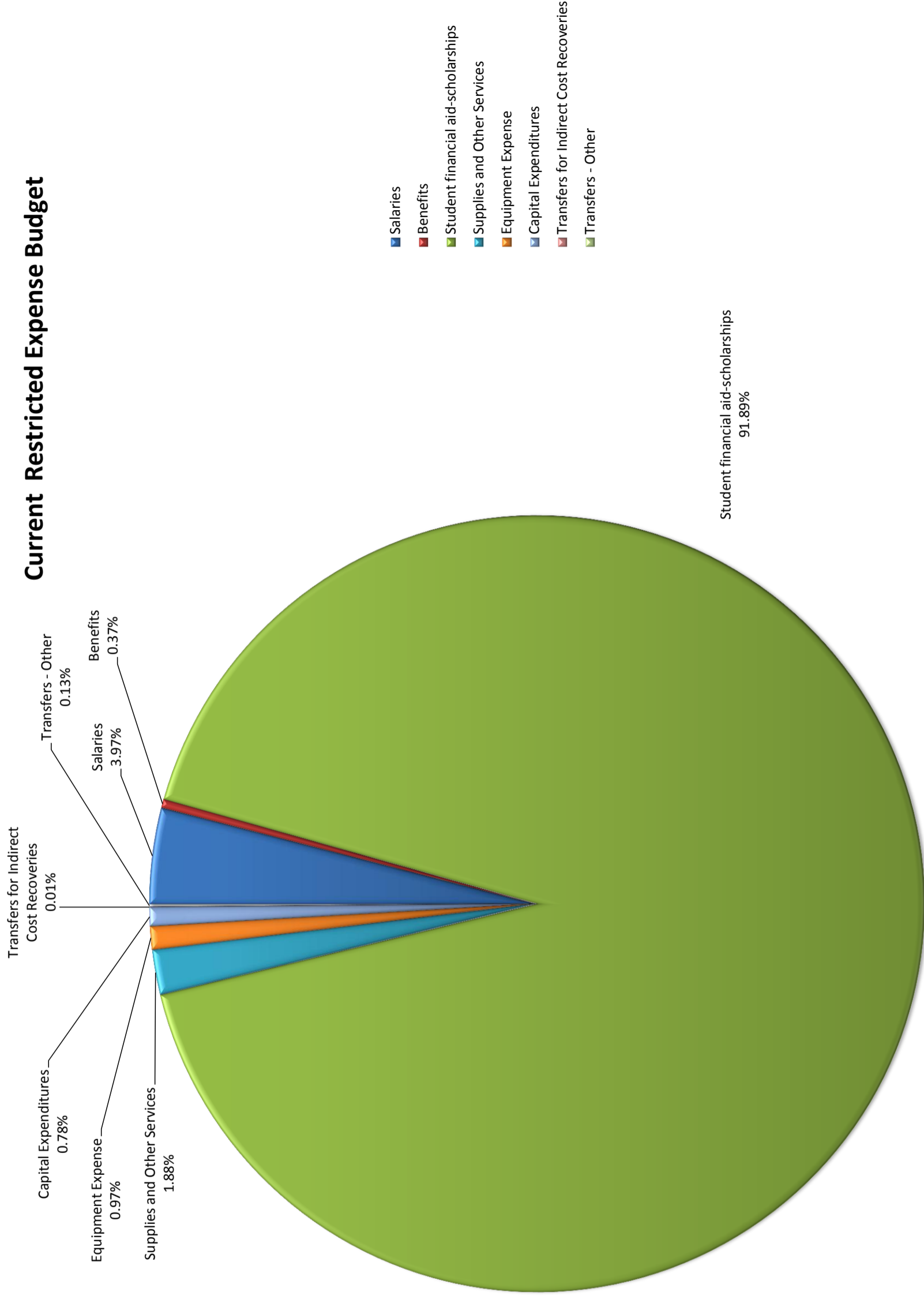
Current Restricted Revenue Budget



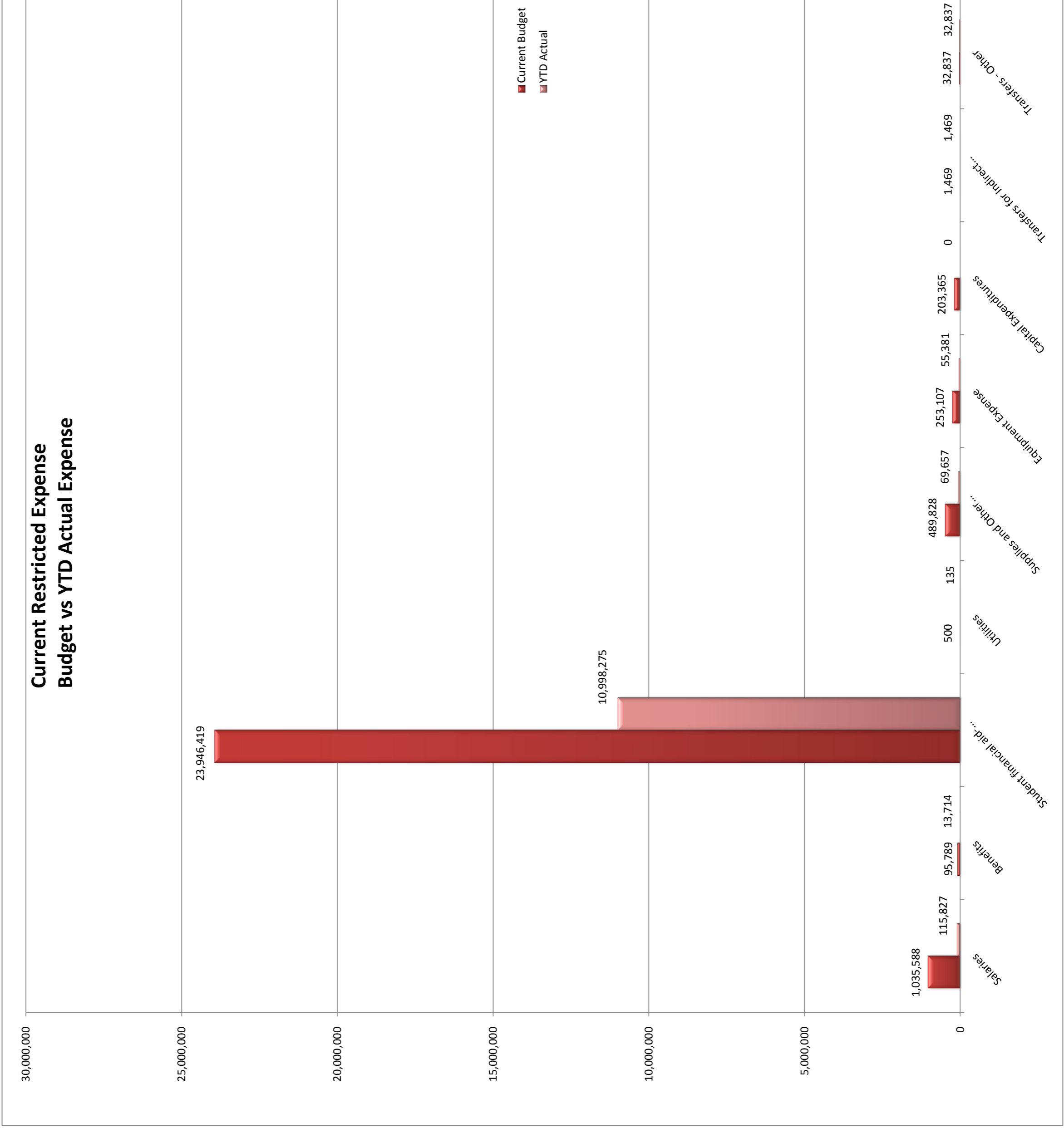
Current Restricted Revenue Budget vs YTD Actual Revenue



Current Restricted Expense Budget



**Current Restricted Expense
Budget vs YTD Actual Expense**



Tab

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**Pierpont Community & Technical College
Board of Governors
Meeting of November 15, 2011**

ITEM: **FY 2012 Capital Projects Update**

COMMITTEE: **Committee of the Whole**

INFORMATION ITEM

STAFF MEMBER: **James Decker**

BACKGROUND: **Summary of FY 2012 Capital Projects
Completion Status**

CAPITAL PROJECTS

FY 2012

<i>Project</i>	<i>Project Budget</i>	<i>Expenses & Encumbrances</i>	<i>Available Project Budget</i>	<i>Project Completion Date and/or Update Notes</i>
Aerospace Fire Suppression - ARRA	\$ 1,138,192.80	\$ 1,138,192.80	\$ -	Change Order has been processed for the 3 additional HVAC units. These are to be installed this month. Minor punchlist items remain to be completed.
Byrd Center - HVAC Units (2)	\$ 67,480.00	\$ 67,480.00	\$ -	New units are in place and operating.
Byrd Center - Roof Renewal	\$ 400,000.00	\$ 285,440.00	\$ 114,560.00	Project is Substantially Complete. Certificate has been issued. Excess funds will be used to replace HVAC units.
Folklife - Phase III (ARRA)	\$ 500,413.32	\$ 495,179.82	\$ 5,233.50	Project is substantially complete. Grand opening was held on 10/27. Minor punchlist items remain to be completed. Work on garden and walk way has progressed.
Hardway Hall Renovations	\$ 5,500,000.00	\$ 415,000.00	\$ 5,085,000.00	Programming will proceed after Turley programming is finished.
Hunt Haught Hall - HVAC Units	\$ 735,518.00	\$ 734,393.00	\$ 1,125.00	New boilers and roof top unit are in place and operational. Units are on manual control until temperature controls are completed.
Hunt Haught Hall - Temperature Controls	\$ 90,000.00	\$ 87,807.00	\$ 2,193.00	Installation of new temperature controls is currently being finalized.
Hunt Haught Hall Glass Front	\$ 194,000.00	\$ 194,000.00	\$ -	Work is substantially complete. Both sides of stair tower are open for complete access to all levels.
Infrastructure - Access Road Tennis Courts	\$ 125,000.00	\$ 14,500.00	\$ 110,500.00	Project bid on 10/26. Bids are being reviewed and evaluated.
Infrastructure - IT Emergency Back-Up	\$ 197,299.00	\$ 195,948.00	\$ 1,351.00	Conduit and wire have been installed. The new generator is scheduled to be delivered third week of November.
Musick Library Elevator	\$ 2,000,000.00	\$ 144,000.00	\$ 1,856,000.00	Project is currently being designed. Project will be bid Jan/Feb for a Spring construction start.
Turley Center Renovations	\$ 6,000,000.00	\$ 482,500.00	\$ 5,517,500.00	Project programming has been completed. Schematic design plans should be complete within one month.
Wallman Hall - Foundation Waterproof	\$ 150,000.00	\$ -	\$ 150,000.00	Project is currently being designed. Bid date has not been established.
Wallman Hall Renovations	\$ 5,200,000.00	\$ 390,000.00	\$ 4,810,000.00	Project is currently being designed.
Byrd Center - HVAC Units (FY 2012)	\$ 50,000.00		\$ 50,000.00	Package is being put together for replacement of several of the remaining units.

In Progress

CAPITAL PROJECTS

FY 2012

<i>Project</i>	<i>Project Budget</i>	<i>Expenses & Encumbrances</i>	<i>Available Project Budget</i>	<i>Project Completion Date and/or Update Notes</i>	
Infrastructure - Paving Lot #15	\$ 83,560.00	\$ -	\$ 83,560.00	Project bid on 10/26. Bids are being reviewed and evaluated.	
Turley Center Renovations - FF&E	\$ 874,055.00	\$ -	\$ 874,055.00	Preliminary discussions have been held with vendor for furniture selections.	
Hunt Haught Hall - Window Replacement	\$ 60,000.00	\$ -	\$ 60,000.00		Not Started
Infrastructure - Gates @ Physical Plant	\$ 20,000.00	\$ -	\$ 20,000.00		
Infrastructure - Retaining Wall Merchant Street	\$ 350,000.00	\$ 9,000.00	\$ 341,000.00		
Infrastructure - Sealing Parking Lots	\$ 25,000.00	\$ -	\$ 25,000.00		
Jaynes Hall - Roof Renewal	\$ 350,000.00	\$ -	\$ 350,000.00		
Locust Avenue	\$ 40,000.00	\$ -	\$ 40,000.00		
Academic Fund	\$ 100,000.00	\$ -	\$ 100,000.00	On-going - Numerous projects through-out year	On Going
Landscaping	\$ 100,000.00	\$ 17,115.62	\$ 82,884.38	On-going - Numerous projects through-out year	
Physical Plant - Small Projects	\$ 225,100.00	\$ 51,157.96	\$ 173,942.04	On-going - Numerous projects through-out year	

Tab

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**Pierpont Community and Technical College
Board of Governors
Meeting of November 15, 2011**

Item: Falcon Center 20 Year Budget Plan.

Committee: Committee of the Whole

Information Item:

Staff Member: Dale Bradley

Background: At their October 20, 2011 meeting the Fairmont State Board of Governors approved the Falcon Center 20 year Budget Plan as a general guide for management to follow to maintain operations of the Falcon Center and to maintain the facility up-to-date during the 20-year period from FY 2012 to 2031.

The 20-year plan targets funding plans and priorities and sets timetables for repair, replacement, and managing the Falcon Center Auxiliary Enterprise. Auxiliary Enterprises are self-supporting activities conducted to provide facilities or services to students, faculty, and staff. This plan provides general direction for future fee increases that will support future costs. This plan will not replace the need for the President or Board of Governors to approve an annual budget for the Falcon Center. This plan is to set in place a long-term guide for the Falcon Center that allows management to be reminded of important replacement cycles for equipment and capital projects such as roof replacement, pool resurfacing, etc.

The following summarizes the revenue and expense plans for the Falcon Center over the next 20-years.

Revenue Plans:

Falcon Center 20 year Capital Improvement and Operating Budget Plan requires fee increases in the following areas:

- 2% to 3% increase each year in pricing for meal plans and menu items.
- 2% increase in bookstore revenues through enrollment and/or sales increases.
- 4% increases to the Falcon Center Operations Fee in FY 2013 and 2031.

- 3.5% increases to the Falcon Center Operations Fee in FY 2016, 2019, 2022, 2025, and 2028.

These increases are suggested and should be planned for to assure the Falcon Center is maintained successfully in the next twenty (20) years.

Expenditure Plans:

- Labor costs are projected to increase 2.3% for the first two of every three years. This begins in 2012 (current) year.
- Operating Expenses are projected to increase 2% each year.
- Debt Service payments continue for the next 20-years at \$1,550,000 per year approximately.
- Turf lease payments will continue for the next 20-years to support intramural activity on the Duvall-Rosier Football Field.
- Capital Project costs for renovations are planned for over the next twenty (20) years in this budget plan.
- Equipment replacement needs are planned for over the next twenty (20) years in the budget plan.

General Information:

Both Fairmont State and Pierpont students are required to pay the Falcon Center Operating Fee for any class on the main campus (same rates) and all increases to this fee. See below schedule of operating fees planned (per semester) for the next twenty (20) years.

From FY 2012 through FY 2012	\$113.00 per semester
From FY 2013 through FY 2015	\$118.00 per semester
From FY 2016 through FY 2018	\$122.00 per semester
From FY 2019 through FY 2021	\$126.00 per semester
From FY 2022 through FY 2024	\$130.00 per semester
From FY 2025 through FY 2026	\$135.00 per semester
From FY 2028 through FY 2030	\$140.00 per semester
From FY 2031 through FY 2031	\$146.00 per semester

Both Fairmont State and Pierpont students who live in the University dorms are required to have meal plans and are required to pay the same rates and all future planned increases to this meal plan rate. See below schedule of percentage increases planned for meal plans and menu items.

FY 2012 through FY 2015 3.0% increase planned each year

FY 2016 through FY 2018	2.0% increase planned each year
FY 2019 through FY 2020	3.5% increase planned each year
FY 2021 through FY 2022	3.0% increase planned each year
FY 2023 through FY 2025	2.5% increase planned each year
FY 2026 through FY 2026	2.0% increase planned each year
FY 2027 through FY 2027	3.5% increase planned each year
FY 2028 through FY 2028	3.0% increase planned each year
FY 2029 through FY 2029	2.5% increase planned each year
FY 2030 through FY 2031	2.0% increase planned each year

Please find attached the 20 year budget projection model, on-going repair, replacement of capital and equipment items, and dining services projections.

Assumptions for Falcon Center 20 Year Budget Projection

- Food Service/Dining Revenue is based upon study provided by John Kellar. Projection uses 'Client Return' numbers plus estimated 'Equipment and Smallwares' excess to determine expected revenue. Fiscal years 2030 and 2031 are previous year's number plus a 2% escalator due to no information available. This is a 76.11% increase in revenue from 2012 to 2031. Fee schedule utilizes revenue projection percentage increases from the study.
- Bookstore revenue assumes a 2% increase each year. This is a 45.68% increase from 2012 to 2031.
- Falcon Center Operations Fee Revenue is projected to increase by 3.5% in 2016, 2019, 2022, 2025 and 2028 and 4% in 2013 and 2031. This is a 28.46% increase from 2012 to 2031. Falcon Center Building Fee Revenue and Other Operating Revenue has no increases projected.
- Labor currently has a projected increase of 2.3% for the first two of every three years, beginning in 2012.
- Operating Expense is currently projected to increase 2% each year.
- Debt Service payments are posted at full payment due. They are not reduced by any interest earnings in the bond fund that may be available to pay. Due to the economy, these earnings have not been significant.
- Turf Lease payments are projected for the full 20 years due to assumption of replacement. This represents half of the annual payment amount. The Athletics budget covers the other half of the payment.
- Interest is modestly projected at \$5,000. We received \$4,686.70 from the state in FY 10.
- \$60,000 currently received for rent is budgeted to continue to be received from Follett.
- Project cost estimates are listed based on projections received from Jim Decker for capital projects and Robin Yeager for ongoing repair and replacement.
- Both Fairmont State and Pierpont students pay the Falcon Center Operating Fee for any class on the main campus (same rates) and all increases to this fee.
- Both Fairmont State and Pierpont students pay the same meal plan rates (who are required to have a meal plan) and all increases to this fee.

Fairmont State University
Falcon Center Financial Analysis
20 Year Budget Projection

	2012	2013	2014	2015	2016	2017
Food Service/Dining	758,034.00	786,779.00	810,003.00	899,071.00	887,357.00	895,451.00
Bookstore	400,000.00	408,000.00	416,160.00	424,483.20	432,972.86	441,632.32
Subtotal	1,158,034.00	1,194,779.00	1,226,163.00	1,323,554.20	1,320,329.86	1,337,083.32
Falcon Center Operations Fee	1,143,010.00	1,188,730.40	1,188,730.40	1,188,730.40	1,230,335.96	1,230,335.96
Falcon Center Building Fee	1,089,598.00	1,089,598.00	1,089,598.00	1,089,598.00	1,089,598.00	1,089,598.00
Other Operating Revenue	461,754.00	461,754.00	461,754.00	461,754.00	461,754.00	461,754.00
Falcon Center Revenue Total	2,694,362.00	2,740,082.40	2,740,082.40	2,740,082.40	2,781,687.96	2,781,687.96
Total Revenue	3,852,396.00	3,934,861.40	3,966,245.40	4,063,636.60	4,102,017.83	4,118,771.29
Falcon Center	941,740.04	963,400.06	963,400.06	985,558.26	1,008,226.10	1,008,226.10
Falcon Center Labor Total	941,740.04	963,400.06	963,400.06	985,558.26	1,008,226.10	1,008,226.10
Total Labor	941,740.04	963,400.06	963,400.06	985,558.26	1,008,226.10	1,008,226.10
Falcon Center	1,275,164.64	1,300,667.94	1,326,681.30	1,353,214.92	1,380,279.22	1,407,884.80
Falcon Center Operating Total	1,275,164.64	1,300,667.94	1,326,681.30	1,353,214.92	1,380,279.22	1,407,884.80
Total Operating	1,275,164.64	1,300,667.94	1,326,681.30	1,353,214.92	1,380,279.22	1,407,884.80
Total Expenses	2,216,904.69	2,264,068.00	2,290,081.36	2,338,773.18	2,388,505.32	2,416,110.91
Net Total Revenue	1,635,491.32	1,670,793.40	1,676,164.04	1,724,863.42	1,713,512.50	1,702,660.38
Debt Service Payment	1,548,237.50	1,546,862.50	1,548,852.50	1,549,252.50	1,548,012.50	1,548,150.00
Annual Lease Payment - Turf	50,236.00	50,236.00	50,236.00	50,236.00	50,236.00	50,236.00
Transfers To Reserves	37,017.81	73,694.90	77,075.54	125,374.92	115,264.00	104,274.38
Net Revenue - after Debt Payment & Transfers to Reserves	0.00	0.00	0.00	0.00	0.00	0.00
Bookstore Escalator	1.02	1.02	1.02	1.02	1.02	1.02
Revenue Escalator - Operations Fee	1	1.04	1	1	1.035	1
Labor Escalator	1.023	1.023	1	1.023	1.023	1
Operating Escalator	1.02	1.02	1.02	1.02	1.02	1.02
Beginning Cash Balance - Reserves	2,037,681.47	1,914,462.87	1,950,879.67	1,917,132.34	1,755,369.60	1,801,363.96
Interest	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Other Sources	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00
Transfers In - Reserves	37,017.81	73,694.90	77,075.54	125,374.92	115,264.00	104,274.38
Less - Projects	(225,236.42)	(102,278.10)	(175,822.87)	(352,137.65)	(134,269.65)	(70,096.46)
Ending Cash Balance - Reserves	1,914,462.87	1,950,879.67	1,917,132.34	1,755,369.60	1,801,363.96	1,900,541.88
Student Recreation Center (Building Fee) - cap	110.00	110.00	110.00	110.00	110.00	110.00
Student Recreation Center (Building Fee) - per credit hour	10.00	10.00	10.00	10.00	10.00	10.00
Student Activity Operations - cap	113.00	118.00	118.00	118.00	122.00	122.00
Student Activity Operations - per credit hour	10.00	10.00	10.00	10.00	11.00	11.00
Meal Plan Escalator	1.04	1.03	1.03	1.03	1.02	1.02
15 meals per week (+65 points)	1,608.00	1,656.00	1,705.00	1,756.00	1,791.00	1,826.00
19 meals per week (+75 points)	1,761.00	1,813.00	1,867.00	1,923.00	1,961.00	2,000.00
15 meals per week (+150 points)	1,693.00	1,743.00	1,795.00	1,848.00	1,884.00	1,921.00
12 meals per week (+225 points)	1,631.00	1,679.00	1,729.00	1,780.00	1,815.00	1,851.00

Fairmont State University
Falcon Center Financial Analysis
20 Year Budget Projection

	2018	2019	2020	2021	2022	2023	2024
Food Service/Dining	893,669.00	977,734.00	1,040,113.00	1,017,604.00	1,096,948.00	1,147,243.00	1,172,056.00
Bookstore	450,464.97	459,474.27	468,663.75	478,037.03	487,597.77	497,349.72	507,296.72
Subtotal	1,344,133.97	1,437,208.27	1,508,776.75	1,495,641.03	1,584,545.77	1,644,592.72	1,679,352.72
Falcon Center Operations Fee	1,230,335.96	1,273,397.72	1,273,397.72	1,273,397.72	1,317,966.64	1,317,966.64	1,317,966.64
Falcon Center Building Fee	1,089,598.00	1,089,598.00	1,089,598.00	1,089,598.00	1,089,598.00	1,089,598.00	1,089,598.00
Other Operating Revenue	461,754.00	461,754.00	461,754.00	461,754.00	461,754.00	461,754.00	461,754.00
Falcon Center Revenue Total	2,781,687.96	2,824,749.72	2,824,749.72	2,824,749.72	2,869,318.64	2,869,318.64	2,869,318.64
Total Revenue	4,125,821.93	4,261,957.99	4,333,526.48	4,320,390.75	4,453,864.41	4,513,911.37	4,548,671.36
Falcon Center	1,031,415.30	1,055,137.86	1,055,137.86	1,079,406.03	1,104,232.37	1,104,232.37	1,129,629.71
Falcon Center Labor Total	1,031,415.30	1,055,137.86	1,055,137.86	1,079,406.03	1,104,232.37	1,104,232.37	1,129,629.71
Total Labor	1,031,415.30	1,055,137.86	1,055,137.86	1,079,406.03	1,104,232.37	1,104,232.37	1,129,629.71
Falcon Center	1,436,042.50	1,464,763.35	1,494,058.62	1,523,939.79	1,554,418.59	1,585,506.96	1,617,217.10
Falcon Center Operating Total	1,436,042.50	1,464,763.35	1,494,058.62	1,523,939.79	1,554,418.59	1,585,506.96	1,617,217.10
Total Operating	1,436,042.50	1,464,763.35	1,494,058.62	1,523,939.79	1,554,418.59	1,585,506.96	1,617,217.10
Total Expenses	2,467,457.80	2,519,901.21	2,549,196.47	2,603,345.82	2,658,650.95	2,689,739.32	2,746,846.81
Net Total Revenue	1,658,364.13	1,742,056.78	1,784,330.00	1,717,044.93	1,795,213.46	1,824,172.04	1,801,824.55
Debt Service Payment	1,546,475.00	1,548,037.50	1,547,550.00	1,550,012.50	1,550,237.50	1,548,250.00	1,550,750.00
Annual Lease Payment - Turf	50,236.00	50,236.00	50,236.00	50,236.00	50,236.00	50,236.00	50,236.00
Transfers To Reserves	61,653.13	143,783.28	186,544.00	116,796.43	194,739.96	225,686.04	200,838.55
Net Revenue - after Debt Payment & Transfers to Reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bookstore Escalator	1.02	1.02	1.02	1.02	1.02	1.02	1.02
Revenue Escalator - Operations Fee	1	1.035	1	1	1.035	1	1
Labor Escalator	1.023	1.023	1.023	1.023	1.023	1	1.023
Operating Escalator	1.02	1.02	1.02	1.02	1.02	1.02	1.02
Beginning Cash Balance - Reserves	1,900,541.88	1,867,003.33	1,964,452.50	1,407,624.97	1,433,187.64	1,556,582.74	1,648,977.39
Interest	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Other Sources	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00
Transfers In - Reserves	61,653.13	143,783.28	186,544.00	116,796.43	194,739.96	225,686.04	200,838.55
Less - Projects	(160,191.67)	(111,334.12)	(808,371.53)	(156,233.76)	(136,344.86)	(198,291.40)	(317,260.59)
Ending Cash Balance - Reserves	1,867,003.33	1,964,452.50	1,407,624.97	1,433,187.64	1,556,582.74	1,648,977.39	1,597,555.35
Student Recreation Center (Building Fee) - cap	110.00	110.00	110.00	110.00	110.00	110.00	110.00
Student Recreation Center (Building Fee) - per credit hour	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Student Activity Operations - cap	122.00	126.00	126.00	126.00	130.00	130.00	130.00
Student Activity Operations - per credit hour	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Meal Plan Escalator	1.02	1.035	1.035	1.03	1.03	1.025	1.025
15 meals per week (+65 points)	1,862.00	1,927.00	1,994.00	2,053.00	2,114.00	2,166.00	2,220.00
19 meals per week (+75 points)	2,040.00	2,111.00	2,184.00	2,249.00	2,316.00	2,373.00	2,432.00
15 meals per week (+150 points)	1,959.00	2,027.00	2,097.00	2,159.00	2,223.00	2,278.00	2,334.00
12 meals per week (+225 points)	1,888.00	1,954.00	2,022.00	2,082.00	2,144.00	2,197.00	2,251.00

Fairmont State University
Falcon Center Financial Analysis
20 Year Budget Projection

	2025	2026	2027	2028	2029	2030	2031
Food Service/Dining	1,210,946.00	1,131,749.00	1,244,959.00	1,199,796.00	1,283,166.00	1,308,829.32	1,335,005.91
Bookstore	517,442.65	527,791.51	538,347.34	549,114.28	560,096.57	571,298.50	582,724.47
Subtotal	1,728,388.65	1,659,540.51	1,783,306.34	1,748,910.28	1,843,262.57	1,880,127.82	1,917,730.38
Falcon Center Operations Fee	1,364,095.48	1,364,095.48	1,364,095.48	1,411,838.82	1,411,838.82	1,411,838.82	1,468,312.37
Falcon Center Building Fee	1,089,598.00	1,089,598.00	1,089,598.00	1,089,598.00	1,089,598.00	1,089,598.00	1,089,598.00
Other Operating Revenue	461,754.00	461,754.00	461,754.00	461,754.00	461,754.00	461,754.00	461,754.00
Falcon Center Revenue Total	2,915,447.48	2,915,447.48	2,915,447.48	2,963,190.82	2,963,190.82	2,963,190.82	3,019,664.37
Total Revenue	4,643,836.13	4,574,987.98	4,698,753.81	4,712,101.10	4,806,453.38	4,843,318.64	4,937,394.75
Falcon Center	1,155,611.19	1,155,611.19	1,182,190.25	1,209,380.63	1,209,380.63	1,237,196.38	1,265,651.90
Falcon Center Labor Total	1,155,611.19	1,155,611.19	1,182,190.25	1,209,380.63	1,209,380.63	1,237,196.38	1,265,651.90
Total Labor	1,155,611.19	1,155,611.19	1,182,190.25	1,209,380.63	1,209,380.63	1,237,196.38	1,265,651.90
Falcon Center	1,649,561.44	1,682,552.67	1,716,203.72	1,750,527.79	1,785,538.35	1,821,249.12	1,857,674.10
Falcon Center Operating Total	1,649,561.44	1,682,552.67	1,716,203.72	1,750,527.79	1,785,538.35	1,821,249.12	1,857,674.10
Total Operating	1,649,561.44	1,682,552.67	1,716,203.72	1,750,527.79	1,785,538.35	1,821,249.12	1,857,674.10
Total Expenses	2,805,172.63	2,838,163.86	2,898,393.97	2,959,908.42	2,994,918.98	3,058,445.50	3,123,326.00
Net Total Revenue	1,838,663.50	1,736,824.12	1,800,359.84	1,752,192.68	1,811,534.41	1,784,873.14	1,814,068.75
Debt Service Payment	1,550,750.00	1,548,250.00	1,548,250.00	1,550,500.00	1,549,750.00	1,551,000.00	1,549,000.00
Annual Lease Payment - Turf	50,236.00	50,236.00	50,236.00	50,236.00	50,236.00	50,236.00	50,236.00
Transfers To Reserves	237,677.50	138,338.12	201,873.84	151,456.68	211,548.41	183,637.14	214,832.75
Net Revenue - after Debt Payment & Transfers to Reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bookstore Escalator	1.02	1.02	1.02	1.02	1.02	1.02	1.02
Revenue Escalator - Operations Fee	1.035	1	1	1.035	1	1	1.04
Labor Escalator	1.023	1	1.023	1.023	1	1.023	1.023
Operating Escalator	1.02	1.02	1.02	1.02	1.02	1.02	1.02
Beginning Cash Balance - Reserves	1,597,555.35	461,521.92	289,176.08	287,962.30	267,945.53	240,093.98	95,497.35
Interest	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Other Sources	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00
Transfers In - Reserves	237,677.50	138,338.12	201,873.84	151,456.68	211,548.41	183,637.14	214,832.75
Less - Projects	(1,438,710.93)	(375,683.96)	(268,087.62)	(236,473.45)	(304,399.96)	(393,233.76)	(341,439.90)
Ending Cash Balance - Reserves	461,521.92	289,176.08	287,962.30	267,945.53	240,093.98	95,497.35	33,890.20
Student Recreation Center (Building Fee) - cap	110.00	110.00	110.00	110.00	110.00	110.00	110.00
Student Recreation Center (Building Fee) - per credit hour	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Student Activity Operations - cap	135.00	135.00	135.00	140.00	140.00	140.00	146.00
Student Activity Operations - per credit hour	12.00	12.00	12.00	12.00	12.00	12.00	13.00
Meal Plan Escalator	1.025	1.02	1.035	1.03	1.025	1.02	1.02
15 meals per week (+65 points)	2,275.00	2,320.00	2,401.00	2,473.00	2,534.00	2,584.00	2,635.00
19 meals per week (+75 points)	2,492.00	2,541.00	2,629.00	2,707.00	2,774.00	2,829.00	2,885.00
15 meals per week (+150 points)	2,392.00	2,439.00	2,524.00	2,599.00	2,663.00	2,716.00	2,770.00
12 meals per week (+225 points)	2,307.00	2,353.00	2,435.00	2,508.00	2,570.00	2,621.00	2,673.00

Falcon Center Project Justification
Ongoing Repair and Replacement

The student Falcon Center opened January 2005 and has been heavily used throughout the year, the facility is closed approximately 20 days per year. To maintain the ongoing repairs and replacement items associated with the building a 20 year plan has been created. The following items are listed as needed to be replaced:

- Fitness room equipment which also include spinning bikes which are utilized for Spinning classes
- Replacement of basketball hoops
- Replacement of lifeguard stands and pool furniture
- Replacement of washer/dryer
- Replacement of TV's in fitness room
- Replacement of building furniture including the Nickel area, Conference center and board room and dining room furniture

The fitness room equipment, spinning bikes, basketball hoops, pool equipment and furniture, washer/dryer, building furniture and TV's in the fitness room were purchased when the building opened and over time will need to be replaced due to wear and tear.

- Replacement of folding chairs, chair racks, folding tables, staging , stairs
- Replacement of POS systems, DCT readers, ID cameras, system computers and printers, and vending machine readers
- Replacement of gym floor covers (tiles and carts)

During the subsequent years that the Falcon Center has been in operation, the above items were either purchased or added to inventory. All chairs, chair racks, staging, stairs that are used on the entire campus are stored in Gym 1 of the Falcon Center. Gym floor covers for both Colebank gym and the large gym in Falcon Center were purchased to utilize gym spaces for internal and external conferences, banquets and events. The chairs, racks, tables, staging and stairs are also utilized for events taking place in the Falcon Center as well as other facilities on campus. The POS systems, cameras, computers, printers and readers are used in the dining area, ID card station and Caperton for distribution of ID cards, meal plans and cash registers for many forms of revenue into the facility and campus.

Finally new items and services will be needed to maintain the cleanliness and safety of the facility and expansion of services for the conference center. The following are these items and services.

- Cleaning of glass windows
- Purchase of conference patio furniture
- Purchase of security cameras for the building

Capital Projects

Facility maintenance, in a building with the usage that this building has, needs to be addressed on a continual basis. We have attempted to address items that will need to be replaced on a life cycle basis such as the roof as well as items that will need replaced due simply to wear and tear. Being that this is a relatively new building, we will have some time before the majority of the building systems will begin needing replaced. We have budgeted for a number of issues to be addressed over multiple years, such as HVAC mechanical units and elevators.

Items to be replaced on normal life cycle basis will include but not limited to:

- Roof
- Pool Equipment
- HVAC roof top equipment
- Kitchen hood equipment
- Elevators

Items to be replaced on a normal wear and tear basis:

- Fabric ducts
- Rubber athletic flooring
- Carpet
- Tile
- Paint
- Sound System

Existing finishes are maintained on a continual basis. Touch up painting is addressed regularly and tile is replaced as it becomes damaged. In the budget, we are addressing wholesale replacement of finish systems. Finishes in certain high traffic areas will need replaced more often than other areas. An example of this is the carpet in the Dining Hall area.

Twenty Year Projection
J. Kellar
10-25-10

Assumptions / Considerations:

1. Forecasted inflationary factor pattern based on the Consumer Price Index pattern from 1975 through 2008.
 - a. Food cost thusly affected
 - b. Direct Costs thusly affected.
 - c. Aladdin Fee thusly affected.
2. Forecasted approved board rate increases and retail pricing increases based on combination of past CPI and actual rate increases experienced.
 - a. Revenues thusly affected.
 - b. Labor cost thusly affected.
3. Forecasted annual income statements based on recent years performance results and budgetary expectations with above projections applied.
4. Small Wares accrual @ 2.5% with Major Equipment accrual @ 2.0% to project increase in future accrual accounts based on increased revenues.
5. Listed all equipment and furnishings in the department categorizing them into annual replacement assignments.
 - a. Current costs to acquire replacement equipment multiplied by CPI pattern and rounded.
6. Distributed replacement costs into an annual graph based on total cost and product life expectancy.
7. Assumed stability in data base;
 - a. Board Plan population remains at recent levels.
 - b. Program remains at current standards (menu, service hours, personnel).
 - c. No additional food service operations considered.

Fairmont State University
Dining Service Forecast
Operational and Capital Expenditures

cost inflation percentile	YEAR ENDING	REVENUE INDEX	SALES	FOOD INDEX	FOOD COST	LABOR INDEX	LABOR COST	DIRECT INDEX	DIRECT COST	MGMT FEE INDEX	MGMT FEE	CLIENT RETURN
		price increase		cost increase		wage increase		cost increase		cost increase		
	2011	preset	3,602,864	preset	1,051,918	preset	1,302,983	preset	406,069	preset	157,508	684,386
104.20%	2012	103.5%	3,728,964	104.20%	1,096,099	103.5%	1,348,587	104.20%	423,124	104.20%	164,123	697,031
103.00%	2013	103.0%	3,840,833	103.00%	1,128,982	103.0%	1,389,045	103.00%	435,818	103.00%	169,047	717,942
103.00%	2014	103.0%	3,956,058	103.00%	1,162,851	103.0%	1,430,716	103.00%	448,892	103.00%	174,118	739,480
102.60%	2015	103.0%	4,074,740	102.60%	1,193,085	103.0%	1,473,638	102.60%	460,563	102.60%	178,646	768,808
102.80%	2016	102.0%	4,156,235	102.80%	1,226,491	102.0%	1,503,111	102.80%	473,459	102.80%	183,648	769,526
103.00%	2017	102.0%	4,239,359	103.00%	1,263,286	102.0%	1,533,173	103.00%	487,663	103.00%	189,157	766,080
102.30%	2018	102.0%	4,324,147	102.30%	1,292,342	102.0%	1,563,836	102.30%	498,879	102.30%	193,508	775,582
101.60%	2019	103.5%	4,475,492	101.60%	1,313,019	103.5%	1,618,571	101.60%	506,861	101.60%	196,604	840,437
102.20%	2020	103.5%	4,632,134	102.20%	1,341,906	103.5%	1,675,221	102.20%	518,012	102.20%	200,929	896,067
103.40%	2021	103.0%	4,771,098	103.40%	1,387,530	103.0%	1,725,477	103.40%	535,625	103.40%	207,761	914,705
102.80%	2022	103.0%	4,914,231	102.80%	1,426,381	103.0%	1,777,241	102.80%	550,622	102.80%	213,578	946,408
101.50%	2023	102.5%	5,037,087	101.50%	1,447,777	102.5%	1,821,673	101.50%	558,881	101.50%	216,782	991,974
102.30%	2024	102.5%	5,163,014	102.30%	1,481,076	102.5%	1,867,214	102.30%	571,736	102.30%	221,768	1,021,220
102.70%	2025	102.5%	5,292,089	102.70%	1,521,065	102.5%	1,913,895	102.70%	587,173	102.70%	227,755	1,042,202
103.40%	2026	102.0%	5,397,931	103.40%	1,572,781	102.0%	1,952,173	103.40%	607,136	103.40%	235,499	1,030,342
103.20%	2027	103.5%	5,586,859	103.20%	1,623,110	103.5%	2,020,499	103.20%	626,565	103.20%	243,035	1,073,650
102.80%	2028	103.0%	5,754,464	102.80%	1,668,557	103.0%	2,081,114	102.80%	644,109	102.80%	249,840	1,110,845
103.90%	2029	102.5%	5,898,326	103.90%	1,733,631	102.5%	2,133,141	103.90%	669,229	103.90%	259,584	1,102,741

4.5% accrual	Equipment	Smallwares	BALANCE*
2011	\$162,129	\$8,082	\$7,200
2012	\$167,803	\$7,000	\$9,000
2013	\$172,837	\$2,500	\$9,000
2014	\$178,023	\$2,500	\$0
2015	\$183,363	\$2,500	\$1,200
2016	\$187,031	\$9,000	\$500
2017	\$190,771	\$4,800	\$2,200
2018	\$194,587	\$8,000	\$7,500
2019	\$201,397	\$2,400	\$2,400
2020	\$208,446	\$2,400	\$2,000
2021	\$214,699	\$7,500	\$3,500
2022	\$221,140	\$5,000	\$3,500
2023	\$226,669	\$2,400	\$3,500
2024	\$232,336	\$1,500	\$10,000
2025	\$238,144	\$5,000	\$2,000
2026	\$242,907	\$90,000	\$1,000
2027	\$251,409	\$12,000	\$4,400
2028	\$258,951	\$120,000	\$0
2029	\$265,425	\$2,500	\$10,000
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