

LEHIGH CARBON COMMUNITY COLLEGE

BOARD OF TRUSTEES

FINANCE AND INSURANCE COMMITTEE

Minutes
July 21, 2008

Present: Mohr (Chair), Alban, Green, Hunsicker, Santore, Thompson, Ross

Resolution – Computer Equipment Lease

Mr. Ross reviewed the resolution for the lease of computer equipment. The lease is a replacement lease for 176 Dell PCs and a MAC server. Quotes were requested from five lease companies. The annual lease cost will be \$88,470.52 for four years with Municipal Capital Corporation being the low quote. Although the State is not currently funding the prior lease that this lease replaces, the College will request state mandated funding for the lease.

The committee recommended the resolution for submission to the Board.

Resolution – Computer Equipment Lease

Mr. Ross reviewed a second resolution for the lease of computer equipment. The lease is a replacement lease for 25 Dell laptops. Quotes were requested from five lease companies. The annual lease cost will be \$13,374.28 for four years with Municipal Capital Corporation being the low quote. It was noted that there are 2 separate leases required since the State previously funded the prior lease this new lease replaces and did not fund the other lease.

The committee recommended the resolution for submission to the Board.

Resolution – Printing of the Credit and Non-credit Tabloids

Mr. Ross reviewed a resolution for the printing of the College tabloids, noting that only two companies bid due to the College requirement of printing the tabloids on newspaper quality paper to reduce printing costs. One of the bids was rejected as the bid document was not signed by the company. The low bid was for \$122,353 from Bartash Printing. Bartash Printing did print the prior year tabloids at a cost of \$115,706. This year's tabloids will have fewer copies printed (344,000 compared to 360,000 in 2007-2008) The Committee suggested next year, as part of the bid process, the College request other types of print material for the printing of the tabloids as an alternate.

The committee recommended the resolution for submission to the Board.

Cash Flow Statement

Mr. Ross reviewed the cash flow statement. The cash balance as of June 2008 was \$12,477,100. The June 2008 balance is \$6.248M higher than the June 2007 balance. Mr. Ross reviewed the reports the committee previously requested that indicated the fund balances and other asset/liability accounts that comprise the cash balance, and a summary of the cash account investments. The committee suggested the College look to purchase CDs with funds that will not be required for operations over the life of the CD investment.

Grants Report - Quarterly Update

The Grants Report (attached) was reviewed. The committee discussed the reasons for proposals that had been denied. It was noted that one grant award was rejected by the College as the grant requirements changed in the final award and were unreasonable requirements to accomplish.

Training Contracts Update

The Training Contracts revenue update (attached) was reviewed. Total training contract revenue through June 30, 2008, is \$1,744,661.

Budget Progress Report – Fiscal Year 2007-2008 Preliminary Year-End

Mr. Ross reviewed the preliminary fiscal year-end Statement of Revenues and Expenditures. Currently revenues are at 103% and expenditures at 95% of the realized percent of the budget at June 30. This compares to the prior fiscal year realized percents of 102% and 99% at June 30, 2007. It was noted that the Finance staff will be reviewing all accounts for proper inclusion of all revenues and expenses in fiscal year 2007-2008 before the final numbers are passed on to the auditors.

Review of the 2007-2008 Audit Schedule

The fiscal year 2007-2008 audit schedule was reviewed with the committee. A draft of the financial statements and the management letter is due to the committee to review at the October committee meeting.

Old Business –Banner System Update

Mr. Ross gave an update on the status of the Banner System improvement process. A written report was submitted as requested by the committee.

New Business – State Operating Funding

Mr. Ross reviewed the schedule of the projected State operating funding for 2008-2009. He noted that he received the official funding notice from the State on July 21st. The fiscal year State operating funding will be \$13,713,337 for 2008-2009. This is a \$1,149,297 increase over the prior fiscal year funding due to an allocation increase to the College for economic development stipend funding. However, since the economic development stipend funding allocation is currently based on LCCC's annual FTEs compared to all the colleges, the allocation could also decrease in the future from the 2008-2009 funding level.

Recorded by,

Larry W. Ross
Vice President – Controller

LWR/clb
attachment