

Just the Facts

In today's world of Facebook fake news, it can be hard to know where to get just the facts.

Listed below are a number of facts about SMC, by topic.

Balanced College Budget: For fiscal year 2018-2019:

General Fund Budget is \$23,842,000, a 1.9% increase over last year.

The Student Housing Budget (revenue = expenses) is \$2,459,150 which includes a \$341,758 transfer to the Building and Site Fund for future maintenance and capital needs.

The Grants Budget (revenue = expenses) for 2018-2019 is \$844,616.

The Building and Site expenditures of \$5,300,000 includes \$4M for the ongoing Nursing and Health Education Building renovation and expansion, \$500K for annual capital expenditures (vehicles, IT equipment, etc.), and \$700K total for Phase V and VI of Niles Campus renovations (as well as \$100K for emergency repairs).

All totaled, Expenditures for 2018-2019 amount to \$33,097,766.

Administrative Expenses: Institutional administration of \$6,284,091 is approximately 19% of projected total expenditures for 2018-2019. Expenditure benchmarking comparisons with other community colleges can be made using the Activities Classification Structure (ACS) Data from the State of Michigan. Expenditures by Activity (percentages) are listed for the categories of Instruction, Public Service, Instructional Support, Student Services, Administration and Physical Plant. Below is the most recent 2016-2017 ACS Data for SMC and our neighboring community colleges that shows **SMC spends a higher percentage of its expenditures on Instruction and a lower percentage of expenditures on Administration** than either of these neighboring institutions.

College	Instruction	Public Service	Instructional Support	Student Services	Administration	Physical Plant
SMC	40.9%	0.4%	10.0%	14.4%	20.4%	14.0%
GOCC	34.2%	0.1%	11.6%	17.2%	26.5%	10.4%
LMC	37.1%	0.0%	12.8%	16.2%	20.6%	13.3%

Legal Expenses: The 2018-2019 General Fund budget includes \$80,000 in anticipated legal fees related to collective bargaining for the process of negotiating an initial contract with the newly formed faculty union.

Faculty Pay: The average base salary for full-time faculty for the nine-month academic year 2017-2018 was \$57,113. The most recent comparable national comparison data is provided by the Chronicle of Higher Education for 2016-2017. During that year, 2-year public community colleges had an average of \$55,869, and Associate/High Transfer/High Traditional group colleges (most like SMC) had an average of \$53,493. During that year, SMC's full-time faculty average salary was \$55,035, i.e. SMC faculty pay is slightly above our peer group and essentially at the national average for all community colleges. The proposed budget includes a 2% salary increase for these full-time faculty members.

Associate/High Transfer Community Colleges Avg. Natl. FT Faculty Salary, 2016-2017	\$53,493
All Community Colleges Avg. Natl. FT Faculty Salary, 2016-2017	\$55,869
SMC Avg. FT Faculty Salary, 2016-2017	\$55,035
SMC Avg. FT Faculty Salary, 2017-2018	\$57,113
SMC Avg. FT Faculty Salary, 2018-2019 (including 2% increase)	\$58,255

Presidential Compensation: In setting presidential compensation, the Board uses NATIONAL average data for base salary determination.

The SMC President's base salary for 2017 was \$173,012. The most recent comparable national comparison data is provided by the American Association of Community Colleges (AACC) CEO Survey Compensation for 2015. During that year, the average base salary for all CEOs was \$185,000, and the average base salary for presidents of a multi-campus college (most like SMC) was \$195,302. During that year, the SMC president's base salary was \$163,080.

SMC's President has worked at SMC for 21 years and has served as President for 17 years, the longest-serving in college history. As a reference, two local community college presidents' salaries were recently reported in the media:

- KVCC's new president, in his first year, will earn a base salary of \$200K
- LMC's new president, in his first year, will earn a base salary of \$164K

The Board of Trustees uses statewide comparable data to determine fringe benefits (as more comprehensive data is available from our peer institutions statewide than nationally). The SMC President's fringe benefits are comparable to those of community college presidents statewide and nationally. All presidential compensation packages include fringe benefits beyond those of other employees. The SMC President receives a car allowance, expense allowance, cell phone stipend, additional life insurance, 529 Plan, Deferred Compensation Contributions and Retention Bonus. For 2017 the cost of these benefits was \$157,074.

Categories of additional fringe benefits received by different Michigan's Community College Presidents are shown on the next page, along with the indication of whether the SMC President receives them or not.

Category	SMC (yes/no)
Additional Life Insurance	Yes
Annuity/529 Plan	Yes
Annual Physical	No
Automobile/Vehicle Allowance	Yes
Bonus	Yes
Cell Phone	Yes
Country Club Membership	No
Deferred Compensation	Yes
Gen. Liability Insurance	No
Home Computer	No
House or Housing Allowance	No
Reversion Employment	No
Office Holder Expense Acct	Yes
Sabbatical	No
Service Clubs	No
Tax Return Prep	No

False Internet Rumors: There are numerous false internet rumors. Below are the facts for some of the most extreme of these.

1. **It has been claimed that the President's car allowance is \$39,911 per year.** This is, of course, false. In fact, this false claim is almost THREE TIMES AS MUCH AS THE ACTUAL AMOUNT. The President actually receives \$13,911 per year (\$1,159.25 a month) before taxes as a car allowance. After taxes, this amount is used to provide for his vehicle, insurance, maintenance, fuel, etc. As such, the President DOES NOT receive the mileage reimbursement given to all other employees for college-related driving. Typically, statewide and nationally, college presidents EITHER have a car provided by the college OR receive a car allowance such as this.
2. **It has been claimed that in 2013 the President traveled needlessly two days in advance of a statewide meeting held on July 25-26 to have a family vacation.** This also is false. There were TWO statewide meetings back-to-back, one on July 23-24 and one on July 25-26. Both were held at the same location.
3. **It has been claimed that the President and Trustees have stayed at a water park when attending Michigan Community College Association meetings in Traverse City.** This is true. The President and Trustees often take family

members who stay in the same room without incurring any additional taxpayer expense. Conference attendees stay at a number of hotels—Great Wolf Lodge being one of them—that are similar in price to other convention hotels. Because it has a water park, Great Wolf Lodge is popular with meeting-goers’ families. As the receipts posted on Facebook show, the President and Trustees personally pay for their families’ meals at this location, and moreover there is no additional room charge for including family members.

4. It has been claimed that the President has used College funds to get personal massages. This is false. Each year, Mrs. Mathews hosts an appreciation dinner for all female employees of the College and their guests. Mrs. Mathews personally purchases some gifts/door prizes. In addition, the College purchases gifts and certificates for massages, lunches, coffee, etc. that are used as door prizes. Each of these are given to those in attendance (except Mrs. Mathews) as an appreciation gift.

5. It has been claimed that the President approves his own college credit card expenditures. This is false. In accordance with best practices as identified by the college auditors, the President’s credit card expenditures are presented to the Board of Trustees monthly with the treasurer’s report, but on a separate colored sheet of paper in order that the Board can easily review these expenditures.

6. It has been claimed that in 2013, the President used taxpayer funds, tuition funds, or otherwise college funds to purchase alcohol for “MCCA parties”. This is false. As is clearly shown on the receipts that have been published, these expenditures were paid by the “Entertainment Fund.” The ONLY source of funding for this is private donations by the President himself and College Trustees. That is, the President himself and Trustees themselves, pay into the fund that is used to purchase alcohol such as for this reception.

7. It has been claimed that the President inappropriately conducted internet “investigations” of “persons unknown”. This is false. The President has the final responsibility regarding whether to admit students who have applied and have criminal backgrounds. First and foremost, the College has an obligation to the safety of our students. After that, we want to be able to provide a way forward for people who have made mistakes and served their time. Oftentimes these offenses have been nonviolent and/or happened a long time ago. Sometimes, these decisions are difficult. In those instances, the President sometimes does Google searches and also uses a third-party background check service to identify additional information to inform these difficult and important decisions.

8. It has been claimed that the President and his “friends” go to shooting ranges at taxpayer expense. This is partially true. SMC has a comprehensive and overlapping set of security measures that will not be discussed in detail here.

Overseeing security are the retired Chief of Police from the City of Dowagiac, Tom Atkinson and the retired Cass County Sheriff's Department Captain Lyndon Parrish. No less than once per year (and no more than twice per year) Mr. Atkinson, Mr. Parrish and employees who have concealed carry permits are provided with training and are required to demonstrate proficiency with their firearm. The college provides ammunition, targets, range time and training by a certified firearms instructor. This is typically done in less than one full day. It is the position of the college that this training is prudent and necessary to ensure the safety of campus.

9. It has been claimed that in 2013 the President made an inappropriate purchase of approximately \$300 for a piece of electronic amplification equipment. This is false. In 2013, at the advice of professional musicians who would be performing at College-sponsored events, the President purchased a piece of electronic equipment that would allow hooking privately owned items into larger systems. Since then, this equipment has been used by the President to play at college events, has been used by students and the President at open mic events in the Student Activity Center, has been used by the President to play music for residents of the Cassopolis Medical Care Facility, and, like all other similar pieces of college-owned equipment, is kept in the Student Activity Center theatre for use as needed.