# SAVING FOR COLLEGE IS SIMPLE

MICHIGAN EDUCATION TRUST

**2012-2013 ANNUAL REPORT** | CONTRACT PLANS B & C

This report is available at **www.SETwithMET.com**.
To have a copy mailed to you, call
1-800-MET-4-KID.

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

R. KEVIN CLINTON
STATE TREASURER

February 2014

Dear MET Participants:

We are pleased to present the Fiscal Year 2012-13 Annual Report for the Michigan Education Trust (MET) program. By law, an actuarial evaluation must be performed annually to determine MET's ability to pay future benefits. The actuary report prepared by Gabriel Roeder Smith & Company for contracts purchased from 1988 to 1990 (referred to in this Annual Report as Plan B and Plan C contracts) as of September 30, 2013, is available on-line at **www.SETwithMET.com**.

*If you have not yet purchased full four-year contracts, we encourage you to consider additional purchases this year. The 2014 enrollment period is currently open and ends September 30, 2014.* Please feel free to call the MET office with any questions or concerns you may have at (800) MET-4-KID (638-4543) or (517) 335-4767 in the greater Lansing area. You may also e-mail us at **TreasMET@michigan.gov**.

Sincerely,

R. Kevin Clinton
MET Chairman
State Treasurer

Robin R. Lott
Executive Director
Michigan Education Trust

# MET BOARD AND LEADERSHIP

A nine-member Board of Directors administers the Michigan Education Trust (MET) program. Board members are responsible for policy development, investment initiatives, program development and implementations. The Governor, on advice and consent of the Senate, appoints MET Board members, who represent expertise in business, academics or finance. The State Treasurer, Andy Dillon, serves as Chairperson. Robin Lott, Executive Director, serves as liaison to the MET Board of Directors and administers MET operations. MET is housed within the Michigan Department of Treasury under the Bureau of State and Authority Finance.

## Michigan Education Trust Board of Directors

**MR. ANDY DILLON, CHAIRPERSON**
Ex Officio, State Treasurer

**MR. ROBERT A. BOWMAN, PRESIDENT**
Pleasure of Governor
President & CEO, MLB Advanced Media, L.P.

**DR. THOMAS P. SULLIVAN, VICE PRESIDENT**
Pleasure of Governor
President, Cleary University

**MR. RONALD WISER**
Nominated by Speaker of the House
Chairman, The Wiser Group

**DR. SUSAN W. MARTIN**
Representing Four-Year Public Colleges & Universities
President, Eastern Michigan University

**MR. ROBERT FERRENTINO, J.D.**
Representing Community Colleges
President, Montcalm Community College

**MS. SARAH RICHARDVILLE**
Nominated by Senate Majority Leader
Dean of Students, Monroe County Middle College

**MS. CHERYL BARTHOLIC**
Representing General Public
Commercial Group Manager & Sr. Vice President, Independent Bank

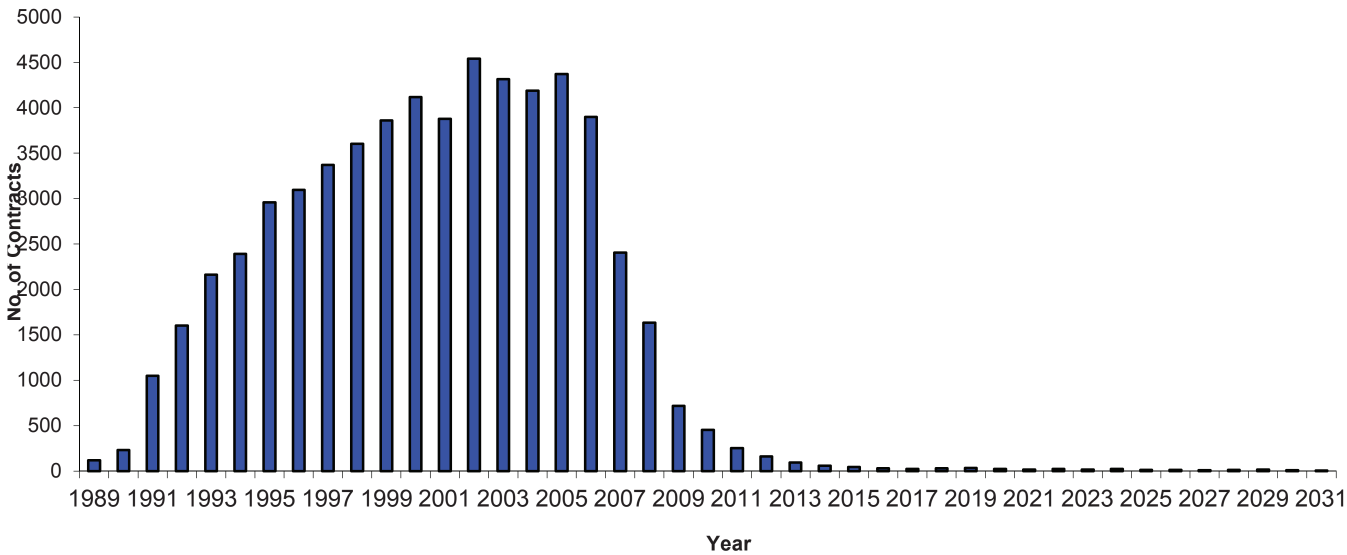
**MR. ELIYA BOJI**
Representing General Public
Boji Group

# THE MET PROGRAM

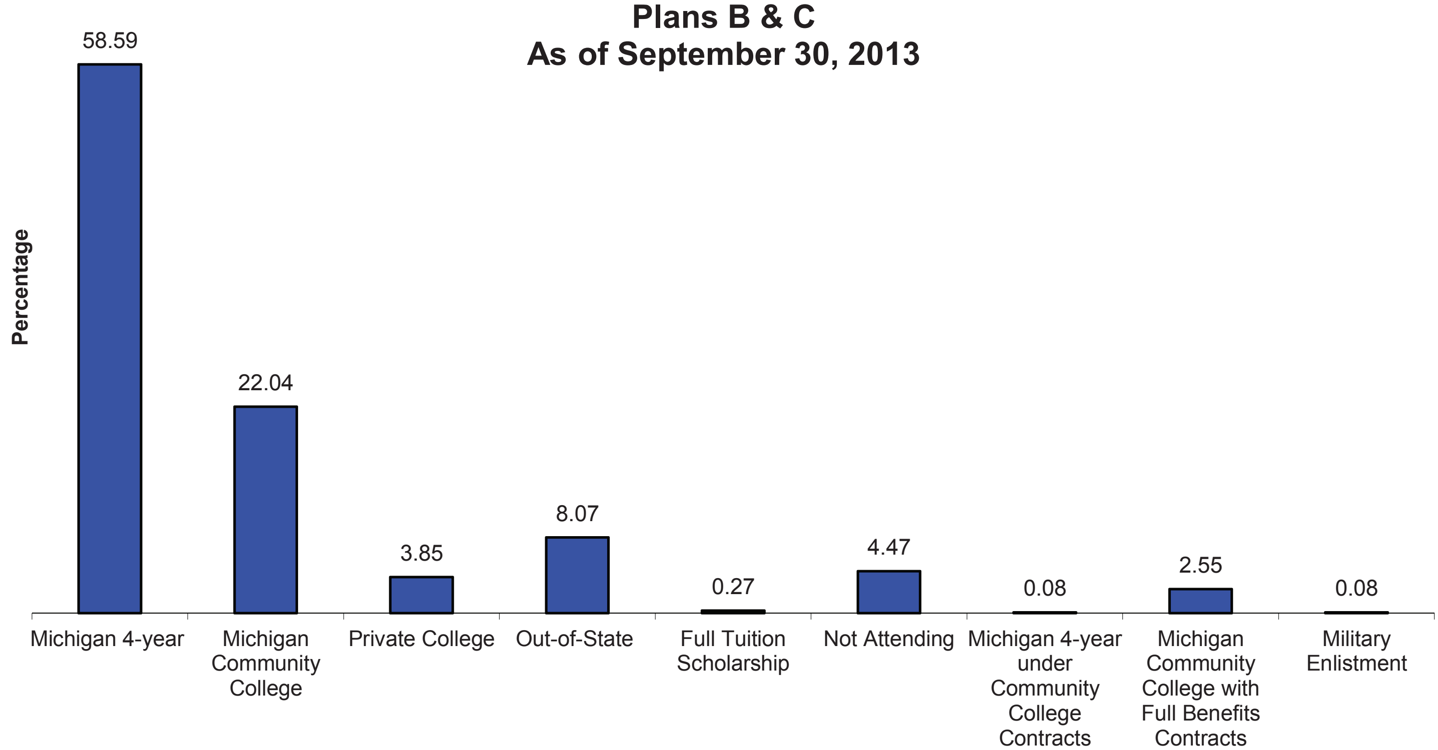
MET was established pursuant to Public Act 316 of 1986 as Michigan's prepaid tuition program. MET is a "qualified tuition program" under Section 529 of the Internal Revenue Code which provides tax exemption for the trust and tax exemption of earnings for contract participants who use MET funds to pay for qualified higher education expenses.

MET allows parents, grandparents, businesses, and others to make contributions at the current rate of tuition for a child to attend any Michigan public college in the future. Michigan is the first state in the nation to enact legislation for a prepaid tuition program. Today, all 50 states have established similar prepaid or college savings programs.

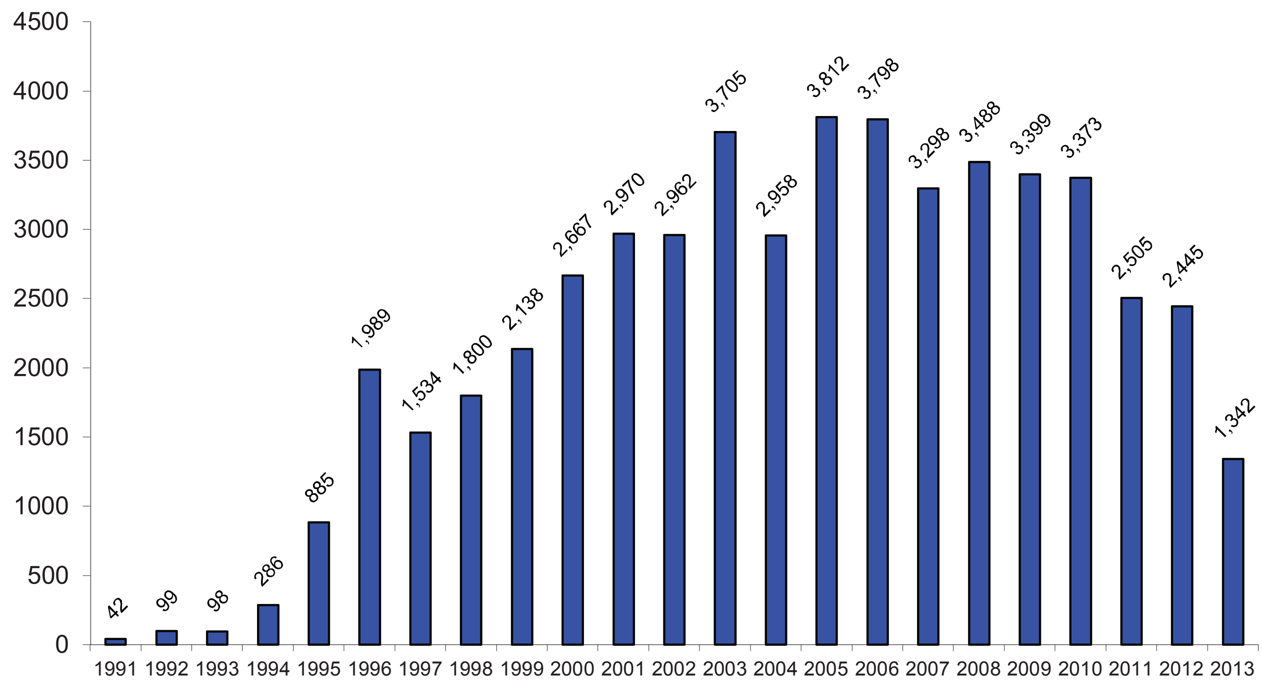
## Contracts by Academic Year
## Beneficiary is Expected to Attend College
## Under Plans B & C
## As of September 30, 2013




## Contracts in Payment Status
## Plans B & C
## As of September 30, 2013



**Contracts Paid in Full**
**Under Plans B & C**
**As of Septmeber 30, 2013**




# TESTIMONIALS

*"I am....set with MET! My son was at MSU for a year and half and then he transferred to U-Mich. He is starting his junior year. The MET seamlessly takes care of the payments and to transfer the MET from one public university to another was easy. I'm impressed by how the MET system just flows smoothly. My middle son will be applying to colleges next month and you better believe a Michigan public university is our first choice! I would recommend the MET to anyone and everyone."*

Alisa Lowenthal Carlson, Purchaser

GRS
Gabriel Roeder Smith & Company
Consultants & Actuaries
20 North Clark Street
Suite 2400
Chicago, IL 60602-5111
312.456.9800 phor
312.456.9801 fax
www.gabrielroeder.

January 16, 2014

Ms. Robin Lott
Executive Director
Michigan Education Trust
P.O. Box 30198
Lansing, MI 48909

Dear Ms. Lott:

At your request, Gabriel, Roeder, Smith & Company ("GRS") has performed an actuarial soundness valuation of the Michigan Education Trust - Plans B and C ("MET") as of September 30, 2013. The purpose of this actuarial valuation is to evaluate the financial viability of the program as of September 30, 2013.

The actuarial soundness valuation results are based upon data and information, furnished by MET, concerning program benefits, financial transactions, and beneficiaries of MET as of September 30, 2013. We reviewed this information for internal and year-to-year consistency, but did not otherwise audit the data.

As of September 30, 2013, the present value of all future tuition obligations under contracts outstanding (and including estimated future administrative expenses) at that date is $138.1 million. Fund assets as of September 30, 2013, including only the market value of program assets, are $155.4 million. The difference between the market value of assets of $155.4 million and program obligations of $138.1 million represents a program surplus of $17.3 million.

The actuarial soundness valuation involves actuarial calculations that require assumptions about future events. The major actuarial assumptions used in the actuarial soundness valuation were provided by and are the responsibility of MET. All calculations have been made in conformity with generally accepted actuarial principles and practices commonly applicable to similar types of arrangements.

To the best of our knowledge, the information contained in the actuarial soundness valuation report is accurate and fairly presents the actuarial position of the Michigan Education Trust - Plans B and C as of September 30, 2013.

This actuarial certification is provided to the Board of Trustees in conjunction with the MET actuarial valuation as of September 30, 2013. Additional information regarding actuarial assumptions and methods, and important additional disclosures are provided in the full actuarial soundness valuation report as of September 30, 2013, which is available on the MET website, and is an integral part of this certification.

The undersigned are Members of the American Academy of Actuaries (MAAA) as indicated, and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Respectfully submitted,

Gabriel, Roeder, Smith and Company

Alex Rivera

Paul T Wood

Alex Rivera, F.S.A., M.A.A.A., E.A.
Senior Consultant

Paul T. Wood, A.S.A., M.A.A.A., F.C.A.
Consultant

STATE OF MICHIGAN
OFFICE OF THE AUDITOR GENERAL
201 N. WASHINGTON SQUARE
LANSING, MICHIGAN 48913
(517) 334-8050
FAX (517) 334-8079

THOMAS H. MCTAVISH, C.P.A.
AUDITOR GENERAL

Independent Auditor's Report on the Financial Statements
and Other Reporting Required by *Government Auditing Standards*

Mr. R. Kevin Clinton, State Treasurer and Chair
Michigan Education Trust Board of Directors
and
Ms. Robin R. Lott, Executive Director
Michigan Education Trust
Richard H. Austin Building
Lansing, Michigan

Dear Mr. Clinton and Ms. Lott:

**Report on the Financial Statements**

We have audited the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows of the Michigan Education Trust Plans B and C, a discretely presented component unit of the State of Michigan, as of and for the fiscal years ended September 30, 2013 and September 30, 2012 and the related notes to the financial statements, which collectively comprise the Michigan Education Trust Plans B and C basic financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Michigan Education Trust Plans B and C as of September 30, 2013 and September 30, 2012 and the changes in financial position and cash flows for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 1, the financial statements present only the Michigan Education Trust Plans B and C and do not purport to, and do not, present fairly the financial position of the State of Michigan or its component units, or the Michigan Education Trust Plan D, as of September 30, 2013 and September 30, 2012, the changes in its financial position, or, where applicable, its cash flows for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Other Matter***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2013 on our consideration of the Michigan Education Trust's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Michigan Education Trust's internal control over financial reporting and compliance.

Sincerely,

Thomas H. McTavish

Thomas H. McTavish, C.P.A.
Auditor General
December 16, 2013

This is a discussion and analysis of the financial performance of the Michigan Education Trust (MET) Plans B and C for the fiscal years ended September 30, 2013 and September 30, 2012. MET is an Internal Revenue Code Section 529 qualified tuition program and is a discretely presented component unit of the State of Michigan, administratively located within the Department of Treasury. MET's management is responsible for the financial statements, notes to the financial statements, and this discussion.

**Using the Financial Report**

This financial report includes the report of independent auditors, management's discussion and analysis, the basic financial statements, and notes to the financial statements.

Generally accepted accounting principles applicable to governments require a statement of net position; a statement of revenues, expenses, and changes in net position; and a statement of cash flows. These financial statements are interrelated and represent the financial status of MET Plans B and C.

The statement of net position includes the assets, liabilities, and net position at the end of the fiscal year. The statement of revenues, expenses, and changes in net position presents the revenues earned and expenses incurred during the fiscal year. The statement of cash flows presents information related to cash inflows and outflows summarized by operating and investing activities.

**Financial Analysis of MET Plans B and C**

The MET Board of Directors approves an annual budget and the investment portfolio allocation. The Bureau of Investments, Department of Treasury, under the direction of the MET Board of Directors, is responsible for short-term and long-term investment of MET funds. The MET portfolio for Plans B and C is invested 100% in fixed income investments.

MET funds are invested to coincide with the students' expected years of high school graduation. Once students activate their contracts, colleges and universities submit invoices to MET every semester for tuition and mandatory fees. In 2006, the MET Board of Directors approved an amendment allowing students 15 years from the expected year of high school graduation to completely use MET contract benefits. Prior to that change, students had 9 years to use MET contract benefits.

Annually, the actuary determines the actuarial soundness of each MET plan. Key factors used in the soundness analysis are tuition increases (short-term and long-term), investment performance, and college selection by students and purchasers.

**Comparison of Current Year and Prior Year Results**

**Condensed Financial Information**
**From the Statement of Net Position**
As of September 30
(In Thousands)

| | 2013 | 2012 | 2011 |
|---|---|---|---|
| Current assets | $ 38,006 | $ 65,382 | $ 85,667 |
| Noncurrent assets | 117,627 | 109,137 | 114,729 |
| Total assets | $155,633 | $174,519 | $200,396 |
| Current liabilities | $ 51,009 | $ 61,007 | $ 63,011 |
| Noncurrent liabilities | 87,267 | 96,145 | 126,262 |
| Total liabilities | $138,275 | $157,153 | $189,274 |
| Net position - Restricted | $ 17,358 | $ 17,366 | $ 11,122 |
| Total net position | $ 17,358 | $ 17,366 | $ 11,122 |

**Total net position** decreased by $9,000 in fiscal year 2012-13 and increased by $6.2 million in fiscal year 2011-12. The net position decreased in fiscal year 2012-13 because of unfavorable investment performance. The net position increased in fiscal year 2011-12 because of favorable investment performance at year-end.

**Current assets** decreased by $27.4 million in fiscal year 2012-13 and decreased by $20.3 million in fiscal year 2011-12 primarily because of the decrease in cash and cash equivalents that were used to pay tuition benefit payments.

**Noncurrent assets** increased by $8.5 million in fiscal year 2012-13 and decreased by $5.6 million in fiscal year 2011-12. The increase in fiscal year 2012-13 resulted primarily from the investment of short-term proceeds into the long-term portfolio. The decrease in fiscal year 2011-12 was a result of the MET Plans B and C being closed to new contracts and the liquidation of investments to meet the increased tuition benefit payments.

**Total liabilities** decreased by $18.9 million in fiscal year 2012-13 and decreased by $32.1 million in fiscal year 2011-12. The tuition benefits payable decrease reflects the increase in tuition contract payments made to colleges.

**Condensed Financial Information**
**From the Statement of Revenues, Expenses, and Changes in Net Position**
Fiscal Years Ended September 30
(In Thousands)

| | 2013 | 2012 | 2011 |
|---|---|---|---|
| Operating revenues | | | |
| Interest and dividends income | $ 3,206 | $ 3,273 | $ 3,340 |
| Net increase (decrease) in the fair value of investments | (2,252) | 520 | (942) |
| Other miscellaneous income | 26 | 25 | 28 |
| Total operating revenues | $ 981 | $ 3,818 | $ 2,427 |
| Operating expenses | | | |
| Salaries and other administrative expenses | $ 605 | $ 698 | $ 846 |
| Net increase (decrease) in the present value of tuition benefits payable | 385 | (3,124) | 18,933 |
| Total operating expenses | $ 990 | $ (2,426) | $ 19,779 |
| Operating income (loss) | $ (9) | $ 6,244 | $ (17,352) |
| Increase (Decrease) in net position | $ (9) | $ 6,244 | $ (17,352) |
| Net position - Beginning of fiscal year | 17,366 | 11,122 | 28,475 |
| Net position - End of fiscal year | $ 17,358 | $ 17,366 | $ 11,122 |

**Interest and dividends income** decreased by $0.07 million in fiscal year 2012-13 and decreased by $0.07 million in fiscal year 2011-12. The decrease in fiscal year 2012-13 was attributed to unfavorable investment performance. The decrease in fiscal year 2011-12 was attributed to decreases in investments held during the fiscal year.

The **net increase (decrease) in the fair value of investments** decreased by $2.8 million in fiscal year 2012-13 and increased by $1.5 million in fiscal year 2011-12. The decrease in fiscal year 2012-13 was because of unfavorable investment performance. The increase in fiscal year 2011-12 was because of favorable investment performance. The actual investment rate of return was 0.62% in fiscal year 2012-13 and 2.2% in fiscal year 2011-12.

The **net increase (decrease) in the present value of tuition benefits payable** increased by $3.6 million in fiscal year 2012-13 and decreased by $22.1 million in fiscal year 2011-12. The increase and decrease in both fiscal years resulted from the change in the present value of the future tuition benefit obligation compared to actuarial tuition assumptions.

**Condensed Financial Information**
**From the Statement of Cash Flows**
Fiscal Years Ended September 30
(In Thousands)

| | 2013 | 2012 | 2011 |
|---|---|---|---|
| Net cash provided (used) by: | | | |
| Operating activities | $ (13,364) | $ (31,665) | $ (41,076) |
| Investing activities | (10,742) | 6,111 | 25,224 |
| Net cash provided (used) - All activities | $ (24,105) | $ (25,554) | $ (15,852) |
| Cash and cash equivalents - Beginning of fiscal year | 51,632 | 77,186 | 93,038 |
| Cash and cash equivalents - End of fiscal year | $ 27,527 | $ 51,632 | $ 77,186 |

The **net cash used by operating activities** decreased by $18.3 million in fiscal year 2012-13 and decreased by $9.4 million in fiscal year 2011-12. The decreases in cash used by operating activities in both fiscal years were primarily the result of decreases in tuition contract payments to colleges and refund designees.

The **net cash provided by investing activities** decreased by $16.9 million in fiscal year 2012-13 and decreased by $19.1 million in fiscal year 2011-12. The decrease in cash provided by investing activities in fiscal year 2012-13 is the result of investments maturing and the proceeds being reinvested into new investment securities. The decrease in cash provided by investing activities in fiscal year 2011-12 resulted from the decreased amount of cash available for investing purposes.

Overall, the **cash and cash equivalents at the end of the fiscal year** decreased by $24.1 million in fiscal year 2012-13 and decreased by $25.6 million in fiscal year 2011-12.

**Factors Impacting Future Periods**

It is expected that Michigan public universities will adopt higher tuition increases next year if State appropriated funds decrease.

MET Plans B and C reached the peak matriculation period during fiscal year 2005-06. During fiscal year 2013-14, 1,456 students will be eligible to begin using MET contracts to attend college along with 6,297 students currently in the process of using MET contracts. After fiscal year 2012-13, the number of students expected to enroll in college under MET Plans B and C will continue to decrease significantly because MET has fulfilled its contractual obligations for the majority of these contract holders and has not offered additional enrollments in these plans since 1990.

MICHIGAN EDUCATION TRUST PLANS B AND C
Statement of Net Position
As of September 30

| | 2013 | 2012 |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents (Notes 2 and 3) | $ 27,526,951 | $ 51,632,310 |
| Amounts due from MET Program (Plan D) | 3,023,012 | 3,215,643 |
| Amounts due from primary government | 6,833,007 | 9,645,286 |
| Interest and dividends receivable | 622,709 | 888,739 |
| Total current assets | $ 38,005,678 | $ 65,381,979 |
| Noncurrent assets: | | |
| Investments (Note 3) | 117,627,363 | 109,137,337 |
| Total assets | $ 155,633,041 | $ 174,519,316 |
| **LIABILITIES** | | |
| Current liabilities: | | |
| Tuition benefits payable (Note 4) | $ 51,000,000 | $ 61,000,000 |
| Compensated absences | 8,802 | 7,418 |
| Total current liabilities | $ 51,008,802 | $ 61,007,418 |
| Noncurrent liabilities: | | |
| Tuition benefits payable (Note 4) | 87,053,980 | 95,994,889 |
| Compensated absences | 212,640 | 150,537 |
| Total liabilities | $ 138,275,422 | $ 157,152,844 |
| **NET POSITION** | | |
| Net position - Restricted | $ 17,357,619 | $ 17,366,472 |
| Total net position | $ 17,357,619 | $ 17,366,472 |

The accompanying notes are an integral part of the financial statements.

MICHIGAN EDUCATION TRUST PLANS B AND C
Statement of Revenues, Expenses, and Changes in Net Position
Fiscal Years Ended September 30

| | 2013 | 2012 |
|---|---|---|
| **OPERATING REVENUES** | | |
| Interest and dividends income | $ 3,206,408 | $ 3,273,398 |
| Net increase (decrease) in the fair value of investments | (2,251,607) | 519,832 |
| Other miscellaneous income | 26,100 | 25,012 |
| Total operating revenues | $ 980,901 | $ 3,818,241 |
| **OPERATING EXPENSES** | | |
| Salaries and other administrative expenses | $ 604,925 | $ 698,365 |
| Net increase (decrease) in the present value of tuition benefits payable | 384,829 | (3,124,392) |
| Total operating expenses | $ 989,754 | $ (2,426,026) |
| Operating income (loss) | $ (8,853) | $ 6,244,268 |
| Increase (Decrease) in net position | $ (8,853) | $ 6,244,268 |
| Net position - Beginning of fiscal year | 17,366,472 | 11,122,204 |
| Net position - End of fiscal year | $ 17,357,619 | $ 17,366,472 |

The accompanying notes are an integral part of the financial statements.

MICHIGAN EDUCATION TRUST PLANS B AND C
Statement of Cash Flows
Fiscal Years Ended September 30

| | 2013 | 2012 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Interest and dividends received | $ 3,472,438 | $ 3,010,579 |
| Benefits paid | (19,325,738) | (28,969,407) |
| Administrative and other expenses paid | 2,463,473 | (5,731,330) |
| Application and other fees collected | 26,100 | 25,012 |
| Net cash provided (used) by operating activities | $ (13,363,727) | $ (31,665,146) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Purchase of investment securities | $ (46,216,508) | $ (55,191,905) |
| Proceeds from sale and maturities of investment securities | 35,474,875 | 61,303,069 |
| Net cash provided (used) by investing activities | $ (10,741,633) | $ 6,111,164 |
| Net cash provided (used) - All activities | $ (24,105,359) | $ (25,553,983) |
| Cash and cash equivalents - Beginning of fiscal year | 51,632,310 | 77,186,293 |
| Cash and cash equivalents - End of fiscal year | $ 27,526,951 | $ 51,632,310 |
| **RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES** | | |
| Operating income (loss) | $ (8,853) | $ 6,244,268 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | |
| Unrealized and realized (gains) losses | 2,251,607 | (519,832) |
| Changes in assets and liabilities: | | |
| Amounts due from MET Program (Plan D) | 192,632 | (186,366) |
| Amounts due from primary government | 2,812,279 | (4,819,626) |
| Interest and dividends receivable | 266,030 | (262,819) |
| Compensated absences | 63,487 | (26,972) |
| Tuition benefits payable | (18,940,909) | (32,093,799) |
| Net cash provided (used) by operating activities | $ (13,363,727) | $ (31,665,146) |

The accompanying notes are an integral part of the financial statements.

Note 1 Basis of Presentation and Reporting Entity

a. Basis of Presentation

The financial statements of the Michigan Education Trust (MET) Plans B and C have been prepared in accordance with accounting principles generally accepted in the United States of America as applicable to governmental units.

b. Reporting Entity

MET was created under Act 316, P.A. 1986 (Sections 390.1421 - 390.1444 of the *Michigan Compiled Laws*), to operate a prepaid college tuition program. MET is governed by a 9-member Board of Directors that consists of 1 ex-officio member (the State Treasurer, acting as chair) and 8 public members who are appointed by the Governor with the advice and consent of the Senate. MET is administratively located within the Department of Treasury. The State Treasurer, as MET's agent, may not commingle funds and must maintain a separate bank account for MET. MET is a proprietary component unit of the State of Michigan and is reported as such in the *State of Michigan Comprehensive Annual Financial Report*. The accompanying financial statements present only MET Plans B and C. Accordingly, they do not purport to, and do not, present fairly the financial position and changes in financial position and cash flows of the State of Michigan or its component units, or MET Plan D, in accordance with accounting principles generally accepted in the United States of America as applicable to governmental units.

Act 316, P.A. 1986, as amended, empowers MET, on behalf of itself and the State of Michigan, to enter into a contract with a purchaser which provides that, in return for a specified actuarially determined payment, MET will provide a Michigan child's undergraduate tuition at any Michigan public university or community college. The purchase amount is based on several factors, including tuition costs, anticipated investment earnings, anticipated tuition rate increases, and the type of contract purchased. MET offers a full benefits contract, a limited benefits contract, and a community college contract. MET's property, income, and operations have been statutorily exempted from all taxation by the State and its political subdivisions. The Act and the contracts specifically provide that the State is not liable if MET becomes actuarially unsound. In that event, the contracts provide for refunds to participants based on a proration of the remaining assets.

As of September 30, 2013, there have been 21 enrollment periods over 25 years for MET. The 1988, 1989, and 1990 enrollments are known as Plans B and C. The 1995, 1997, 1998, 1999, 2000, 2002, 2003, 2004, 2005, 2006, 2007 (two enrollment periods), 2008, 2009, 2010, 2011, 2012, and 2013 enrollments are known as Plan D. The Plan D enrollments are accounted for and reported separately from the Plans B and C enrollments. These financial statements report only Plans B and C enrollments. Separate financial statements and actuarial valuation of the Plan D enrollments are available from the MET office at P.O. Box 30198, Lansing, Michigan 48909.

Note 2 Summary of Significant Accounting Policies

a. Measurement Focus and Basis of Accounting

The financial statements contained in this report are prepared using the economic resources measurement focus and the accrual basis of accounting as provided by accounting principles generally accepted in the United States of America as applicable to governmental units. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows.

MET follows the accounting rules promulgated by the Governmental Accounting Standards Board (GASB).

b. Assets, Liabilities, and Net Position

(1) Cash and Cash Equivalents: Cash and cash equivalents reported on the statement of net position include deposits with financial institutions and short-term investments with original maturities of less than three months used for cash management rather than investing activities.

(2) Investments: MET's deposits and investments are held in a fiduciary capacity by the State Treasurer. Act 316, P.A. 1986, as amended, authorizes the MET Board of Directors to invest MET's assets in any instrument, obligation, security, or property that it considers to be appropriate. The Act also authorizes the pooling of MET's assets with assets of the State, such as the pension funds, for investment purposes. Investments are carried at fair value (see Note 3).

(3) Liabilities: The actuarial present value of the future tuition benefits obligation is recorded as a current and noncurrent liability of MET (see Note 4).

(4) Net Position: MET's net position represents the investment appreciation and the investment revenue in excess of the actuarial present value of the future tuition benefits obligation and expenses (see Note 4). Net position is restricted because of the contractual obligations that MET must adhere to on behalf of the purchasers and beneficiaries for which prepaid tuition was collected and invested. The enabling legislation for MET is Act 316, P.A. 1986, as amended. Section 17 of the Act indicates that the assets of MET shall be preserved, invested, and expended solely pursuant to and for the purposes set forth in the Act and shall not be loaned or otherwise transferred or used by the State for any purpose other than the purposes of the Act.

Note 3 Deposits and Investments

a. General Information

In accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, policies and practices with respect to custodial credit risk, foreign currency risk, interest rate risk, credit risk, and concentration of credit risk are discussed in the following paragraphs.

b. Deposits

(1) Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, MET will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. MET does not have a policy for custodial credit risk for deposits.

At the end of fiscal year 2012-13, the carrying amount of MET's deposits for Plans B and C and the amount reflected in the accounts of the banks was $7,527,573. At the end of fiscal year 2011-12, the carrying amount of MET's deposits for Plans B and C and the amount reflected in the accounts of the banks was $10,136,086. The September 30, 2013 and September 30, 2012 balances were covered by federal depository insurance or collateral held with MET's agent in MET's name and, therefore, were not exposed to custodial credit risk.

(2) Foreign Currency Risk

Foreign currency risk for deposits is the risk that changes in exchange rates will adversely affect the fair value of a deposit. As of September 30, 2013 and September 30, 2012, MET had no foreign deposits.

c. Investments

(1) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. MET does not have a policy to restrict interest rate risk for long-term investments.

The following table shows the fair value of investments for Plans B and C by investment type and in total (in millions) at September 30, 2013:

| | | Investment Maturities | | | |
|---|---|---|---|---|---|
| | Fair Value | Less Than 1 Year | 1 to 5 Years | 6 to 10 Years | More Than 10 Years |
| Investments: | | | | | |
| Commercial paper | $ 20.0 | $ 20.0 | $ | $ | $ |
| U.S. agencies - sponsored | 3.8 | | 3.8 | | |
| Corporate bonds and notes | 113.9 | 29.0 | 74.4 | 10.5 | |
| Total investments | $ 137.7 | $ 49.0 | $ 78.2 | $ 10.5 | $ 0 |
| Less investments reported as "cash equivalents" on statement of net position | (20.0) | | | | |
| Total investments | $ 117.7 | | | | |

As Reported on the Statement of Net Position

| | |
|---|---|
| Noncurrent restricted investments | $ 117.7 |
| Total investments | $ 117.7 |

The following table shows the fair value of investments for Plans B and C by investment type and in total (in millions) at September 30, 2012:

| | | Investment Maturities | | | |
|---|---|---|---|---|---|
| | Fair Value | Less Than 1 Year | 1 to 5 Years | 6 to 10 Years | More Than 10 Years |
| Investments: | | | | | |
| Commercial paper | $ 41.5 | $ 41.5 | $ | $ | $ |
| U.S. agencies - sponsored | 3.9 | | 3.9 | | |
| Corporate bonds and notes | 105.2 | 35.9 | 65.0 | 4.3 | |
| Total investments | $ 150.6 | $ 77.4 | $ 68.9 | $ 4.3 | $ 0 |
| Less investments reported as "cash equivalents" on statement of net position | (41.5) | | | | |
| Total investments | $ 109.1 | | | | |

As Reported on the Statement of Net Position

| | |
|---|---|
| Noncurrent restricted investments | $ 109.1 |
| Total investments | $ 109.1 |

(2) Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. MET limits investments in commercial paper, at the time of purchase, to the top two ratings issued by two national rating services: ratings of A-1 and A-2 from Standard & Poor's and ratings of P-1 and P-2 from Moody's Investors Service. MET's policy also limited investments in corporate bonds and mutual bond funds, at the time of purchase, to the top four ratings of the two rating services: ratings of AAA, AA, A, and BBB from Standard & Poor's and ratings of Aaa, Aa, A, and Baa from Moody's Investors Service.

As of September 30, 2013, the fair value and credit quality ratings of investments were as follows:

| | | Credit Quality Rating | |
|---|---|---|---|
| Investment | Fair Value | Standard & Poor's | Moody's Investors Service |
| American Honda Finance Corp. | $ 2,533,900 | A+ | A1 |
| AMGEN Inc. | 3,044,556 | A | Baa1 |
| Apple Inc. | 3,983,804 | AA+ | Aa1 |
| AT&T Inc. | 3,090,072 | A- | A3 |
| Avon Products, Inc. | 2,520,621 | BBB- | Baa2 |
| Bank of Montreal | 3,002,673 | A+ | Aa3 |
| Bank of New York Mellon Corp. | 2,748,955 | A+ | Aa3 |
| Berkshire Hathaway Inc. | 3,110,646 | AA | Aa2 |
| Cadbury Schweppes U.S. Finance LLC | 4,000,000 | BBB- | WR |
| Costco Wholesale Corp. | 1,933,306 | A+ | A1 |
| Duke Energy Corp. | 3,055,563 | BBB | Baa1 |
| Estee Lauder Companies Inc. | 3,359,733 | A | A2 |
| Federal Home Loan Bank | 3,804,315 | AA+ | Aaa |
| General Electric Capital Corp. | 12,291,308 | AA+ | A1 |
| Georgia Power Co. | 5,003,245 | A | A3 |
| Illinois Tool Works Inc. | 3,067,674 | A+ | A2 |
| John Deere Capital Corp. | 3,002,589 | A | A2 |
| JPMorgan Chase & Co. | 2,632,423 | A | A2 |
| Kayne Anderson Capital Advisors, L.P. | 5,066,000 | Not Rated | Not Rated |
| Manufacturers & Traders Trust Co. | 2,989,293 | A | A2 |
| Medtronic Inc. | 1,963,492 | A+ | A2 |
| Oracle Corp. | 3,176,768 | A+ | A1 |
| PACCAR Financial Corp. | 4,014,468 | A+ | A1 |
| Procter & Gamble Company | 3,121,803 | AA- | Aa3 |
| Public Service Electric & Gas Co. | 4,015,068 | A | A1 |
| Sherwin-Williams Co. | 3,087,690 | A | A3 |
| Target Corp. | 2,846,550 | A+ | A2 |
| Texas Instruments Inc. | 4,828,910 | A+ | A1 |
| Toyota Motor Credit Corp. | 3,020,832 | AA- | Aa3 |
| Tyco Electronics Group S.A. | 2,031,198 | BBB+ | Baa2 |
| Verizon Communications Inc. | 2,103,000 | BBB+ | Baa1 |
| Wells Fargo & Company | 4,263,060 | A+ | A2 |
| Wisconsin Electric Power Co. | 4,913,850 | A- | A2 |
| Total fair value | $117,627,363 | | |

As of September 30, 2012, the fair value and credit quality ratings of investments were as follows:

| | | Credit Quality Rating | |
|---|---|---|---|
| Investment | Fair Value | Standard & Poor's | Moody's Investors Service |
| American Honda Finance Corp. | $ 2,549,008 | A+ | A1 |
| AT&T Corp. | 2,566,335 | A- | WR |
| AT&T Inc. | 3,152,280 | A- | A2 |
| Avon Products, Inc. | 2,486,808 | BBB- | Baa1 |
| Bank of America Corp. | 4,092,896 | A- | Baa2 |
| Berkshire Hathaway Inc. | 3,152,313 | AA+ | Aa2 |
| Cadbury Schweppes U.S. Finance LLC | 4,160,420 | BBB- | Baa2 |
| Caterpillar Financial Services Corp. | 4,434,601 | A | A2 |
| Duke Energy Corp. | 3,219,945 | BBB | Baa2 |
| Duke Energy Ohio Inc. | 2,094,846 | A | A2 |
| Eaton Corp. | 3,079,455 | A- | A3 |
| Estee Lauder Companies Inc. | 3,557,325 | A | A2 |
| Federal Home Loan Bank | 3,910,624 | AA+ | Aaa |
| General Electric Capital Corp. | 5,534,854 | AA+ | A1 |
| General Electric Co. | 10,432,670 | AA+ | A1 |
| Georgia Power Co. | 5,012,975 | A | A3 |
| Illinois Tool Works Inc. | 3,207,906 | A+ | A1 |
| JPMorgan Chase & Co | 1,500,000 | A | WR |
| JPMorgan Chase | 2,665,625 | A | A2 |
| Oracle Corp. | 1,816,367 | A+ | A1 |
| PACCAR Financial Corp. | 4,010,420 | A+ | A1 |
| Procter & Gamble Company | 3,209,412 | AA- | Aa3 |
| Public Service Colorado | 2,000,000 | A | WR |
| Public Service Electric & Gas Co. | 4,027,468 | A- | A1 |
| Sherwin-Williams Co. | 3,152,457 | A | A3 |
| Target Corp. | 2,982,629 | A+ | A2 |
| Tyco Electronics Group S.A. | 2,131,750 | BBB | Baa2 |
| Verizon Virginia Inc. | 2,545,990 | A- | WR |
| Volkswagen International Finance N.V. | 3,029,430 | A- | A3 |
| Wells Fargo & Company | 9,420,530 | A+ | A2 |
| Total fair value | $109,137,337 | | |

(3) Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, MET will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. MET's investments are registered in its name and, therefore, are not subject to custodial credit risk. MET does not have an investment policy for custodial credit risk.

(4) Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of MET's investments with a single issuer. MET does not have a policy to limit the concentration of credit risk. At September 30, 2013, MET had the following investments that represented 5% or more of total investments:

| Investment | Fair Value | Credit Quality Rating: Standard & Poor's | Credit Quality Rating: Moody's Investors Service |
|---|---|---|---|
| General Electric Capital Corp. | $ 12,291,308 | AA+ | A1 |

At September 30, 2012, MET had the following investments that represented 5% or more of total investments:

| Investment | Fair Value | Credit Quality Rating: Standard & Poor's | Credit Quality Rating: Moody's Investors Service |
|---|---|---|---|
| General Electric Capital Corp. | $ 5,534,854 | AA+ | A1 |
| General Electric Co. | $ 10,432,670 | AA+ | A1 |
| Wells Fargo & Company | $ 9,420,530 | A+ | A2 |

(5) Foreign Currency Risk

Foreign currency risk for investments is the risk that changes in exchange rates will adversely affect the fair value of investments. As of September 30, 2013 and September 30, 2012, MET had no investments subject to foreign currency risk.

Note 4 Tuition Benefits Payable

The standardized measurement of the total benefits obligation of MET is the actuarial present value of the future tuition benefits obligation that will be paid in future years. The tuition benefits obligation is actuarially calculated by projecting the weighted average tuition cost, including mandatory fees, at the assumed annual rate of increase and then calculating the expected present value of the future distributions from MET based on the investment income and discount rate assumptions. The following table shows the net value of total assets less compensated absences, the present value of total tuition benefits obligation, and the net assets of MET Plans B and C (in millions) as of September 30:

| | 2013 | 2012 |
|---|---|---|
| Net value of total assets less compensated absences | $155.4 | $174.4 |
| Present value of total tuition benefits obligation | 138.1 | 157.0 |
| Net value of assets in excess of tuition benefits obligation | $ 17.3 | $ 17.4 |
| Net value of assets as a percentage of total tuition benefits obligation | 112.6% | 111.1% |

The most important assumptions used in the actuarial valuations include the following:

(1) The investment yield that is applied to expected future cash flows to determine present value was 0.90% as of September 30, 2013 and 1.31% as of September 30, 2012. This investment yield approximates the expected investment earnings over the lifetime of the present tuition benefit contracts. It is premised that expected benefit payments will be diversified in duration to allow MET to invest at the assumed investment yield of 0.90% and to also be able to liquidate its investments in order to meet future benefit payments while still earning the investment yield of 0.90%.

(2) For fiscal year 2012-13, the MET Board of Directors considered the relationship of tuition increases to the consumer price index in determining the tuition increase assumption of 7.10% for year 1 through year 4 and 4.50% for year 5 and beyond. For fiscal year 2012-13, the projected tuition increase was 7.10% compounded annually for all future years.

(3) There was no tax effect from federal income tax.

(4) MET will pay 110% of the MET weighted average tuition in benefits and refunds.

Presented below are the key assumptions used in the actuarial valuations for Plans B and C:

| | Fiscal Years | | | | |
|---|---|---|---|---|---|
| | 2012-13 | 2011-12 | 2010-11 | 2009-10 | 2008-09 |
| Tuition increase: | | | | | |
| Years 1 through 4 | 7.10% | | | | |
| Years 1 through 5 | | 7.10% | 7.10% | 6.50% | 6.50% |
| Year 5 and beyond | 4.50% | | | | |
| Year 6 and beyond | | 4.50% | 7.10% | 6.50% | 6.50% |
| Present value discount rate | 0.90% | 1.31% | 1.38% | 2.20% | 2.20% |

The following summarizes the tuition benefits payable (in millions) as of and for the fiscal years ended September 30, 2013 and September 30, 2012:

| | |
|---|---|
| Balance at September 30, 2011 | $189.1 |
| Provision for net increase (decrease) in present value of tuition benefits payable | (3.1) |
| Payments | (29.0) |
| Balance at September 30, 2012 | $157.0 |
| Provision for net increase (decrease) in present value of tuition benefits payable | 0.4 |
| Payments | (19.3) |
| Balance at September 30, 2013 | $138.1 |

The amounts due within one year for tuition benefits payable for the fiscal years ended September 30, 2013 and September 30, 2012 are $51.0 million and $61.0 million, respectively. The actuarial assumptions described in this note have a significant impact on the tuition benefits liability. Actual results may differ from the assumptions utilized.

Note 5 Tax Status

On November 8, 1994, the U.S. Court of Appeals for the Sixth Circuit ruled that MET is an integral part of the State of Michigan; thus, the investment income realized by MET is not currently subject to federal income tax.

Distributions made in excess of contributions (whether to the refund designee, the beneficiary, or a college on behalf of the beneficiary) are taxable income to the refund designee or the beneficiary. After January 1, 2002, these excess distributions are no longer subject to federal income tax if used for qualified higher education expenses. The federal Pension Protection Act enacted in August 2006 provides permanent tax exemption for Internal Revenue Code Section 529 qualified tuition programs.

On August 20, 1996, the Small Business Job Protection Act of 1996 (known as the "1996 Tax Act") was signed into law. The 1996 Tax Act included a provision adding a new section to the Internal Revenue Code of 1986 defining "qualified tuition programs." A qualified tuition program is generally exempt from income tax but is subject to unrelated business income tax. MET has no unrelated business income.

In May 1997, MET submitted a request for ruling to the Internal Revenue Service (IRS) for verification that MET is in compliance with the 1996 Tax Act. On December 23, 1997, the IRS issued a favorable ruling, which confirms that MET meets the requirements for exemption from federal income tax as a state qualified tuition program described in Section 529 of the Internal Revenue Code.

Note 6 Risk Management

MET participates in the State of Michigan's (primary government) risk management program. The State is self-insured for most general liability and property losses; portions of its employee insurance benefit and bonding programs; and automobile liability, workers' compensation, and unemployment claims. The State Sponsored Group Insurance Fund and Risk Management Fund (internal service funds) have been established by the State to account for these self-insured risk management programs. As a participant, MET recognizes expenses for payments made to the State in a manner similar to purchasing commercial insurance. Charges to finance the self-insured programs are based on estimates of amounts needed to pay prior and current year claims as determined annually by the Department of Technology, Management, and Budget.

Note 7 Pension Plans

Plan Descriptions - MET participates in the State of Michigan's defined benefit and defined contribution pension plans that cover most State employees, as well as related component units such as MET. The defined benefit and defined contribution pension plans are part of the Michigan State Employees' Retirement System administered by the Office of Retirement Services, Department of Technology, Management, and Budget. Participants in each plan are eligible for retirement, healthcare, disability, and death benefits upon meeting certain vesting requirements. The Michigan State Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the defined benefit plan. That report is available on the State's Web site at <http://www.michigan.gov/ors>. The financial report for the defined contribution plan may be obtained by writing to the Office of Retirement Services, Department of Technology, Management, and Budget, 7150 Harris Drive, P.O. Box 30171, Lansing, Michigan 48909 or by calling (517) 322-5103.

Funding Policy - The State funds pension and other postemployment benefits on a prefunded basis. For the defined benefit plan, MET was required to contribute 5.39% of payroll for the employer portion of defined benefit pension. Employees in the defined benefit plan were required to contribute 4.0% of their compensation for pension benefits. For the defined contribution plan, MET was required to contribute 4.0% of payroll with an additional match of up to 3.0%. Employees in the defined contribution plan are not required to contribute to the plan but may contribute up to the IRS allowed maximum. MET was required to contribute 42.15% of payroll for the employer cost of other postemployment benefits. MET transferred $30,914, $27,928 and $0.4 million of its payroll costs for its employer contribution for the defined benefit plan, defined contribution plan, and other postemployment benefits in fiscal year 2012-13 and $0.3 million, $21,758, and $88,260 for its employer contribution for the defined benefit plan, defined contribution plan, and other postemployment benefits in fiscal year 2011-12. The contribution requirements of plan members and MET are established and may be amended by the State Legislature. The State Legislature establishes the extent to which the employer and employees are required to make contributions and establishes the benefit provisions for the plans.

MET participates in the State of Michigan's postemployment benefits. State statutes provide retired employees with other postemployment benefits, such as health, dental, vision, and life insurance coverage based on vesting and other requirements. The State pays 80% of the cost of health insurance for retired employees who were hired on or before March 30, 1997. For retired employees hired after March 30, 1997 and before January 1, 2012, the State pays between 30% and 80% of the cost of health insurance dependent upon years of service. Employees hired on or after January 1, 2012 will not be eligible for any retiree health insurance coverage but will receive a personal healthcare fund where they will contribute up to 2% of their compensation into a 401(k) or 457 account, earning a matching 2% employer contribution. Also, the employee will receive a credit into a health reimbursement account at termination of employment if he or she has at least 10 years of service at termination. The credit will be $2,000 for participants who are at least 60 years old or $1,000 for participants who are less than 60 years old at termination.

***Since 1988, 96% of high school graduates with a MET contract have gone on to attend a college or university.***

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Michigan Department of Treasury
4502 (Rev. 10-11)

| Contract Number(s) |
|---|
| |

# Michigan Education Trust Request to Add/Change Appointee

Issued under Public Act 316 of 1986. Filing is mandatory.

## PURCHASER INFORMATION

| | |
|---|---|
| Name | Social Security Number |
| Street Address | Daytime Telephone<br>(        ) |
| City, State, ZIP Code | E-mail Address |

## NEW APPOINTEE

| | |
|---|---|
| Name | Social Security Number |
| Street Address | Telephone Number<br>(        ) |
| City, State, ZIP Code | E-mail Address |

As purchaser of the above Michigan Education Trust (MET) contract, I request that MET add/change the person named as Appointee to the person listed above.

| | |
|---|---|
| Signature of Purchaser | Date |

Do you wish the Appointee to become the Purchaser in the event of the Contract Purchaser's Death? ☐ Yes ☐ No

**MAIL TO:**
**Michigan Education Trust**
**P.O. Box 30198**
**Lansing, Michigan 48909**
**Fax: (517) 373-6967**

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Michigan Education Trust
P.O. Box 30198
Lansing MI 48909

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Michigan Department of Treasury
2775 (Rev. 7-10)

| Contract Number(s) |
|---|
| |

# Michigan Education Trust Change of Address

It is important that we have correct addresses and phone numbers. Please notify us when a **permanent address** change is made**.** This will enable us to mail the appropriate individual important program information such as tax information used for income tax purposes. The MET contract is a legal document; therefore, any changes to the contract must be made in writing to the MET office and mailed (or faxed) to the address listed below. Either the Purchaser, Beneficiary or Appointee must sign this form. If change of address applies to more than one Beneficiary (student), please copy this form and submit a separate form for each Beneficiary (student).

| **This change of address applies to (check all that apply):** | |
|---|---|
| ☐ Purchaser ☐ Beneficiary (student) ☐ Appointee | |
| Name | E-mail Address |
| New Address | Daytime Telephone<br>( ) |
| City, State, ZIP Code | |

| The Purchaser's signature is required to change Purchaser address. Purchaser may also sign to change address for an Appointee and a Beneficiary under 18 years of age. | |
|---|---|
| **Purchaser Signature** | Date |

| The Beneficiary must be 18 years of age and can only change his/her address. | |
|---|---|
| **Beneficiary Signature** | Date |

| The Appointee's signature is required to change Appointee's address. Appointee may also sign to change address for the Purchaser and a Beneficiary under 18 years of age. | |
|---|---|
| **Appointee Signature** | Date |

**MAIL TO:**
**Michigan Education Trust**
**P.O. Box 30198**
**Lansing, Michigan 48909**

**Fax:**
**(517) 373-6967**

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Postage
Required

Michigan Education Trust
P.O. Box 30198
Lansing MI 48909

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## *THE MET STAFF*

Robin R. Lott
*Executive Director*

Joseph Asghodom
*Finance Manager*

Jo Cooper
*Departmental Manager*

Jim Peterson
*Marketing Manager*

Jennifer Wallace
*Outreach Manager*

Diane Brewer
*Policy Analyst*

Susan Bailey
*Analyst*

Jchon Patton
*Analyst*

Ratsamy Hakenjos
*Accountant*

Megan Buonodono
*Analyst*

Donald Fews
*Departmental Technician*

Tim Dame
*Analyst*

Matt Wolcott
*Analyst*

Linda Giles-Gordon
*Executive Secretary*

2268 (Rev. 01-14)

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