



Delta College

**Management Information and
Audited Financial Statements**

June 30, 2009

Delta College Foundation

DELTA COLLEGE FOUNDATION

**MANAGEMENT INFORMATION AND
AUDITED FINANCIAL STATEMENTS**

JUNE 30, 2009

CONTENTS

Management Information

Financial Summary	1
Details of Delta College Endowment Fund	2-5

Audited Financial Statements

Report of Independent Auditors	6
Statements of Financial Position	7
Statements of Activities	8
Statements of Cash Flows	9
Notes to Financial Statements	10-16

**DELTA COLLEGE FOUNDATION
FINANCIAL SUMMARY**

	Year Ended June 30,	
	2009	2008
During the year ended June 30,		
We received contributions totaling	\$ 2,249,977	\$ 1,442,790
Gifts in kind totaling	223,792	98,463
Special event revenues, net of expenses	108,656	144,757
Interest and endowment income of	<u>61,152</u>	<u>74,224</u>
Which resulted in total revenues of	2,643,577	1,760,234
Less amounts raised on behalf of others	<u>(1,435,593)</u>	<u>(756,558)</u>
	1,207,984	1,003,676
We distributed to Delta College amounts totaling	1,007,217	941,243
We had administrative and fundraising expenses of	<u>28,466</u>	<u>19,231</u>
Which resulted in total expenses of	<u>1,035,683</u>	<u>960,474</u>
Which resulted in a total increase in net assets of	172,301	43,202
When combined with our net assets at the beginning of the year of	<u>1,014,147</u>	<u>970,945</u>
Resulted in a net asset balance at the end of the year of	<u><u>\$ 1,186,448</u></u>	<u><u>\$ 1,014,147</u></u>
 The June 30, 2009 and 2008 net assets balance is represented by		
Total assets of	\$ 1,896,155	\$ 1,031,855
From which we owe total liabilities of	<u>709,707</u>	<u>17,708</u>
Which, when subtracted from total assets, resulted in our net assets balance at the end of the year of	<u><u>\$ 1,186,448</u></u>	<u><u>\$ 1,014,147</u></u>

In addition, Delta College holds endowed funds with a market value of \$9,907,632 and \$12,327,952 as of June 30, 2009 and 2008, respectively, which were donated by the private sector.

**DELTA COLLEGE FOUNDATION
DETAILS OF COLLEGE ENDOWMENT FUND
Year Ended June 30, 2009**

	NET ASSETS JULY 1, 2008	GIFTS	INTEREST & DIVIDENDS	NET GAIN (LOSS) ON INVESTMENTS	DISTRIBUTIONS	INVESTMENT FEES	NET ASSETS JUNE 30, 2009
ENDOWED SCHOLARSHIP FUNDS							
Margaret Adams Scholarship	\$ 9,688	\$ -	\$ 193	\$ (2,050)	\$ (387)	\$ (65)	\$ 7,379
Athletic Scholarship	295,373	-	5,882	(62,486)	-	(1,987)	236,782
M. Seth Babcock Scholarship	14,639	-	292	(3,098)	(585)	(98)	11,150
Mary Ann (McGregor) Badour Scholarship	31,454	-	626	(6,654)	-	(212)	25,214
James & Joy Baker Scholarship	30,083	-	599	(6,364)	-	(202)	24,116
Bay City Central Class of '41 Scholarship	54,079	200	1,080	(11,429)	-	(363)	43,567
Elzie & Muriel Beaver Scholarship	116,984	-	2,330	(24,748)	-	(787)	93,779
Leonard & Esther Bergstein Scholarship	20,340	-	405	(4,302)	(797)	(137)	15,509
Darrell R. Berry Scholarship	23,006	1,000	475	(4,832)	(851)	(160)	18,638
Alfred J. Bladecki Scholarship	9,176	-	183	(1,941)	(367)	(62)	6,989
Martin & Emma Block Scholarships	376,900	-	7,505	(79,732)	-	(2,536)	302,137
Business Division Scholarship	132,359	-	2,636	(28,001)	(5,293)	(890)	100,811
Donald & Betty Carlyon Scholarship	91,742	2,500	1,856	(19,179)	(3,452)	(623)	72,844
DeeMona Chatman Scholarship	17,314	-	345	(3,663)	-	(116)	13,880
Lynn Conway Athletic Scholarship	16,104	280	324	(3,403)	-	(110)	13,195
Ilaue & Phillip Dean Scholarship	-	20,000	340	669	-	(76)	20,933
Delta Deltah's Scholarship	5,262	-	105	(1,114)	(210)	(35)	4,008
Delta College Employee-Sponsored Scholarship	102,786	256	2,049	(21,733)	(4,081)	(692)	78,585
Dixon Family Scholarship	52,571	-	1,047	(11,121)	-	(354)	42,143
Herbert Doan Scholarship	8,156	-	162	(1,726)	(326)	(54)	6,212
B. Joe & Margery (Knepp) Dodson Scholarship	17,139	-	341	(3,626)	-	(115)	13,739
Frances Dolinski Scholarship	26,673	5,000	560	(5,415)	-	(184)	26,634
Henry Dolinski Scholarship	31,272	5,000	652	(6,388)	-	(214)	30,322
Dr. Louis W. Doll & Patricia Drury Scholarship	36,356	100	725	(7,681)	(1,445)	(245)	27,810
Jerry & Terry Drake Scholarship & Broadcasting Program Support	193,834	-	3,860	(41,005)	-	(1,304)	155,385
Draper Family Scholarship	13,669	-	272	(2,892)	(547)	(92)	10,410
Gene R. Duckworth Scholarship	27,268	-	543	(5,769)	(1,091)	(183)	20,768
Eldon Enger & Fred Ross Scholarship	17,521	215	352	(3,690)	-	(119)	14,279
James E. & Leanne Lutz Erickson Scholarship	17,713	-	353	(3,747)	-	(119)	14,200
Arthur J. & Bette L. Fisher Scholarship	218,717	-	4,355	(46,269)	-	(1,471)	175,332
Dr. John & Joanne Fuller Scholarship	21,464	-	427	(4,540)	-	(145)	17,206
David R. Gamez Scholarship	42,125	4,200	841	(8,916)	-	(283)	37,967
Gerace Construction Scholarship	110,359	-	2,198	(23,347)	-	(742)	88,468
Gerity Broadcasting Company Scholarship	97,088	-	1,933	(20,538)	(3,883)	(654)	73,946
Robert M. Gohlke Scholarship	29,057	-	579	(6,148)	(1,162)	(194)	22,132
Russell B. & Grace H. Green Scholarship	35,713	-	711	(7,555)	-	(240)	28,629
Priscilla Bogi Guritza Memorial Scholarship	22,636	-	451	(4,789)	(905)	(152)	17,241
Beki Gray Hadley Scholarship	35,349	200	706	(7,459)	(1,396)	(239)	27,161
Sarah Hansen Scholarship	9,364	500	192	(1,935)	(364)	(64)	7,693
Harry Hawkins Scholarship	15,349	-	306	(3,248)	-	(103)	12,304
Hilde & Walter Heyman Scholarship	16,349	-	326	(3,459)	-	(110)	13,106
Ada E. Hobbs Scholarship	11,508	-	229	(2,435)	(460)	(77)	8,765
Don Holzhei Memorial Scholarship	16,220	1,489	346	(3,452)	-	(114)	14,489
Home Builders Association of Bay, Midland & Saginaw Counties	17,580	-	350	(3,719)	-	(119)	14,092

**DELTA COLLEGE FOUNDATION
 DETAILS OF COLLEGE ENDOWMENT FUND - Continued
 Year Ended June 30, 2009**

	NET ASSETS JULY 1, 2008	GIFTS	INTEREST & DIVIDENDS	NET GAIN (LOSS) ON INVESTMENTS	DISTRIBUTIONS	INVESTMENT FEES	NET ASSETS JUNE 30, 2009
ENDOWED SCHOLARSHIP FUNDS - Continued							
Honors Student Scholarship	\$ 76,449	\$ -	\$ 1,522	\$ (16,173)	\$ (3,062)	\$ (514)	\$ 58,222
James R. & Anita H. Jenkins Family Scholarship	25,233	-	502	(5,338)	-	(170)	20,227
Phyllis E. Jones Memorial Scholarship	17,421	-	347	(3,686)	-	(117)	13,965
S. Preston & Dr. Betty B. Jones Scholarship	69,611	230	1,390	(14,729)	-	(469)	56,033
Dan E. Karn Memorial Scholarship	3,905	-	78	(826)	(156)	(26)	2,975
Kaufmann Family Scholarship	16,471	-	328	(3,485)	-	(111)	13,203
Robert F. Keicher Memorial Scholarship	18,758	205	377	(3,964)	-	(127)	15,249
Dale & Alma Keyser Scholarship	23,697	-	472	(5,014)	-	(159)	18,996
Walter J. & Sophia M. Kilar Scholarship	22,180	-	442	(4,692)	(887)	(150)	16,893
International Order of King's Daughters & Sons Scholarship	25,535	-	508	(5,401)	(1,021)	(172)	19,449
Oscar W. Kloha Scholarship	36,968	-	736	(7,820)	(1,479)	(249)	28,156
Robert I. & Marjorie H. Knepp Scholarship	108,333	9,111	2,294	(22,615)	-	(758)	96,365
W.R. & Edith Knepp Scholarship	208,934	-	4,161	(44,199)	(8,356)	(1,406)	159,134
W.R. Knepp, Jr. Scholarship	158,136	-	3,149	(33,453)	(6,325)	(1,064)	120,443
Daniel P. Kubiak Scholarship	17,361	-	346	(3,673)	-	(117)	13,917
Gary Laatsch Scholarship	33,603	100	671	(7,106)	(1,333)	(226)	25,709
Jack LaBreck Scholarship	5,692	-	113	(1,204)	(228)	(38)	4,335
Ilene M. Lane Nursing Scholarship	-	27,099	451	(2,307)	-	(119)	25,124
Dr. Thomas H. Lane & Janis E. Landry-Lane Scholarship	51,117	2,500	1,018	(10,814)	-	(344)	43,477
Thomas & Rose Mary Laur Scholarship	31,673	-	631	(6,701)	-	(213)	25,390
Leo & Evelyn Levy Scholarship	17,500	-	348	(3,701)	-	(118)	14,029
Edward & Kathleen Lunt Scholarship	107,229	-	2,135	(22,684)	-	(721)	85,959
Thomas & Brenda Mahar Scholarship	21,262	-	423	(4,497)	-	(144)	17,044
Margaret McAlear Scholarship	32,409	-	645	(6,856)	-	(217)	25,981
Aceie & Thelma Micho Scholarship	32,753	-	652	(6,929)	-	(220)	26,256
Rhea Miller Scholarship	38,504	-	767	(8,146)	-	(259)	30,866
Richard & Gloria Miller Scholarship	19,979	500	401	(4,204)	-	(135)	16,541
Monitor Sugar Scholarship	16,471	-	328	(3,485)	-	(111)	13,203
Wendell & Ethel Mullison Scholarship	23,124	-	460	(4,891)	(925)	(156)	17,612
W. Brock Neely Scholarship	20,566	2,000	444	(4,285)	-	(145)	18,580
William H. "Buddy" Oates Scholarship	27,970	-	557	(5,917)	(1,119)	(188)	21,303
Oscar P. & Louise H. Osthelder Scholarship	85,441	-	1,701	(18,074)	(3,266)	(575)	65,227
Jesse J. Oswald Scholarship	21,560	2,000	449	(4,673)	-	(150)	19,186
Cecelia Randall Scholarship	20,051	15	400	(4,244)	(802)	(135)	15,285
Newell Remington	-	20,795	239	1,897	-	(42)	22,889
Renee Rookard Scholarship	66,695	70	1,329	(14,108)	(2,616)	(450)	50,920
Harold & Norine Rupp Scholarship	16,182	-	322	(3,423)	-	(109)	12,972
Saginaw County Child Development Centers Program	13,805	-	275	(2,920)	-	(94)	11,066
Saginaw Valley Manufacturing Technology Scholarship	30,685	-	611	(6,492)	-	(206)	24,598
Cliff & Grace Saladine Scholarship	24,246	-	483	(5,129)	(970)	(163)	18,467
Peggy A. Scott Scholarship	17,059	1,059	355	(3,597)	-	(118)	14,758
Ralph I. & Archie M. Selby Family Scholarship	14,497	833	299	(3,091)	-	(101)	12,437
Gene F. Shrum & Dee Dee (Shrum) Wacksman Scholarship	15,525	-	309	(3,285)	-	(104)	12,445
Van Dewitt & Ruth Simmons Scholarship	151,781	-	3,023	(32,110)	(6,070)	(1,021)	115,603

**DELTA COLLEGE FOUNDATION
 DETAILS OF COLLEGE ENDOWMENT FUND - Continued
 Year Ended June 30, 2009**

	NET ASSETS JULY 1, 2008	GIFTS	INTEREST & DIVIDENDS	NET GAIN (LOSS) ON INVESTMENTS	DISTRIBUTIONS	INVESTMENT FEES	NET ASSETS JUNE 30, 2009
ENDOWED SCHOLARSHIP FUNDS - Continued							
John M. Smith & William Wolgast Family Softball Scholarship	\$ 18,338	\$ -	\$ 365	\$ (3,879)	\$ -	\$ (123)	\$ 14,701
Paul Sowatsky Scholarship/Award	26,140	-	521	(5,531)	(1,045)	(175)	19,910
James Stark Scholarship	3,308	-	66	(700)	(132)	(22)	2,520
Eileen & Hugh Starks Scholarship	25,783	-	513	(5,454)	-	(173)	20,669
Paul & Margaret Thompson Scholarship	27,385	-	546	(5,794)	-	(184)	21,953
Willie E. Thompson Scholarship	-	15,190	-	-	-	-	15,190
Ken & "Miss Mona" White Scholarship	19,352	200	388	(4,076)	-	(130)	15,734
Alice & Jack Wirt Scholarship	189,329	-	3,770	(40,052)	(7,327)	(1,274)	144,446
Teresa Plackowski-Witucki Scholarship	16,346	225	329	(3,450)	-	(111)	13,339
Wolverine Bank Scholarship	31,819	-	634	(6,732)	-	(214)	25,507
Alton, Sr., Alma & Alton, Jr. Zucker Scholarship	72,577	-	1,445	(15,354)	(2,903)	(488)	55,277
Melvin & Hilda Zuehke Scholarship and Special Needs Assistance Fund	119,320	-	2,376	(25,241)	-	(803)	95,652
TOTAL ENDOWED SCHOLARSHIPS	4,824,407	123,072	97,486	(1,019,236)	(77,624)	(32,769)	3,915,336
ENDOWED TEACHING CHAIRS							
Donald & Betty Carlyon Endowed Teaching Chair	179,353	1,873	3,572	(37,941)	(6,873)	(1,208)	138,776
Robert DeVinney Endowed Teaching Chair	117,960	100	2,351	(24,951)	-	(794)	94,666
Karen MacArthur Endowed Teaching Chair	89,457	7,986	1,881	(19,147)	-	(626)	79,551
SunGard Higher Education Endowed Teaching Chair	121,736	-	2,424	(25,753)	-	(819)	97,588
TOTAL ENDOWED TEACHING CHAIRS	508,506	9,959	10,228	(107,792)	(6,873)	(3,447)	410,581
ENDOWED STUDENT, STAFF & FACULTY AWARDS							
Ormond Barstow/Ludo Frevel Award for Scholarly Achievement	27,256	-	543	(5,766)	(1,088)	(183)	20,762
William R. Collings Award for Outstanding Service & Academic Achievement	30,519	-	608	(6,456)	-	(206)	24,465
Dow Chemical Company Michigan Operations Award for Physical Science	20,700	-	412	(4,379)	-	(139)	16,594
Fred E. Dulmage Award for Engineering & Technology	19,645	-	391	(4,155)	(607)	(133)	15,141
Faculty Executive Committee Award	4,590	-	91	(970)	(184)	(32)	3,495
Peter & Suzanne Frantz Award for Art	20,991	-	418	(4,441)	-	(141)	16,827
Gerstacker Faculty Recognition Award	28,056	-	559	(5,935)	-	(189)	22,491
Gougeon Brothers, Inc. Award for Applied Industrial/Technical	19,409	-	387	(4,106)	-	(131)	15,559
Robert & Joyce Hetzler Family Award for Outstanding Service & Leadership	20,359	-	405	(4,307)	-	(137)	16,320
Edward & Kathryn (Dunn) Langenburg Award for Education	20,557	-	409	(4,349)	-	(138)	16,479
James R. McIntyre Award for Health Sciences	20,776	-	414	(4,395)	-	(140)	16,655
Frances Goll Mills Award for Nursing	22,315	-	444	(4,721)	-	(149)	17,889
Morley Foundation Award for Business Management	23,805	-	474	(5,036)	(952)	(160)	18,131
Skip Renker Award for Creative Writing	16,549	-	330	(3,501)	-	(112)	13,266
Julius & Irene Sutto Award for Life Sciences	19,988	-	398	(4,229)	-	(134)	16,023
Margaret Timm Award for English	21,615	-	430	(4,572)	-	(145)	17,328
Wesley Timm Award	25,247	260	506	(5,337)	-	(170)	20,506
Jim & Janis Van Tiflin Award	18,991	-	378	(4,017)	-	(128)	15,224
Lola Bishop Whitney Award for Foreign Language	103,053	-	2,052	(21,800)	(4,081)	(693)	78,531
TOTAL ENDOWED STUDENT, STAFF & FACULTY AWARDS	484,421	260	9,649	(102,472)	(6,912)	(3,260)	381,686

**DELTA COLLEGE FOUNDATION
DETAILS OF COLLEGE ENDOWMENT FUND - Continued
Year Ended June 30, 2009**

	NET ASSETS JULY 1, 2008	GIFTS	INTEREST & DIVIDENDS	NET GAIN (LOSS) ON INVESTMENTS	DISTRIBUTIONS	INVESTMENT FEES	NET ASSETS JUNE 30, 2009
ENDOWED PROGRAMS, ACTIVITIES & DEPARTMENT SUPPORT							
Peter & Barbra Boyse Program	\$ 21,445	\$ 510	\$ 433	\$ (4,493)	\$ -	\$ (145)	\$ 17,750
Peter D. Boyse President's Scholar Program	1,555,386	4,200	31,035	(329,358)	-	(10,480)	1,250,783
Delta College Planetarium Fund	469,952	8,970	9,521	(100,101)	-	(3,203)	385,139
English Division Guest Lecturer	19,409	-	386	(4,105)	-	(131)	15,559
Global Education Program	34,156	-	680	(7,225)	(1,366)	(230)	26,015
Sturm Family Broadcast Programming Fund	158,910	-	3,164	(33,617)	(6,356)	(1,069)	121,032
SunGard Higher Education Possible Dream Program	19,464	406	396	(4,164)	-	(133)	15,969
TOTAL ENDOWED PROGRAMS, ACTIVITIES & DEPARTMENT SUPPORT	2,278,722	14,086	45,615	(483,063)	(7,722)	(15,391)	1,832,247
ENDOWED MISCELLANEOUS FUNDS							
Carlyon Farmhouse Maintenance	184,855	-	3,681	(39,105)	-	(1,244)	148,187
Gilbert A. Currie Estate Student Loans	278,913	-	5,554	(59,004)	(11,155)	(1,876)	212,432
Herbert H. & Barbara C. Dow Fund	38,862	-	774	(8,222)	(1,554)	(261)	29,599
Otto C. Pressprich Fund	97,088	-	1,933	(20,538)	(3,883)	(654)	73,946
TOTAL ENDOWED MISCELLANEOUS FUNDS	599,718	-	11,942	(126,869)	(16,592)	(4,035)	464,164
TOTAL ENDOWMENT FUNDS	8,695,774	147,377	174,920	(1,839,432)	(115,723)	(58,902)	7,004,014
FUNDS FUNCTIONING AS ENDOWMENTS							
Peter & Barbra Boyse Program	206,344	-	4,109	(43,651)	-	(1,389)	165,413
Coca-Cola Scholarship	53,156	-	1,059	(11,245)	-	(358)	42,612
Delta College Public Radio Fund	101,065	-	2,013	(21,380)	-	(680)	81,018
Delta College Foundation Fund	892,088	-	17,765	(188,721)	(35,544)	(6,001)	679,587
Delta College Foundation Student Scholarships	146,540	3,665	2,987	(31,206)	(1,257)	(1,003)	119,726
Delta College Endowed Teaching Chair Challenge Grant Fund	91,838	-	1,829	(19,428)	-	(618)	73,621
Delta College Public TV Fund	48,988	10,434	1,182	(11,537)	-	(385)	48,682
Alden B. Dow Fund	46,269	-	921	(9,788)	(1,851)	(311)	35,240
Laughner Award	15,689	-	312	(3,318)	(455)	(106)	12,122
Possible Dream Program	965,635	29,693	19,594	(203,430)	-	(6,574)	804,918
Sailing School Program	24,172	-	481	(5,112)	-	(164)	19,377
UNUM Projects	317,987	-	6,332	(67,269)	(12,718)	(2,139)	242,193
Macauley & Helen Whiting Fund	722,407	-	14,386	(152,824)	-	(4,860)	579,109
TOTAL FUNDS FUNCTIONING AS ENDOWMENTS	3,632,178	43,792	72,970	(768,909)	(51,825)	(24,588)	2,903,618
TOTAL	\$ 12,327,952	\$ 191,169	\$ 247,890	\$ (2,608,341)	\$ (167,548)	\$ (83,490)	\$ 9,907,632



Report of Independent Auditors

Board of Directors
Delta College Foundation
University Center, Michigan

We have audited the accompanying statements of financial position of Delta College Foundation (the Foundation) as of June 30, 2009 and 2008 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Delta College Foundation as of June 30, 2009 and 2008 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The other financial information on pages 1-4 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Andrews Hooper & Pavlik P.L.C.

Saginaw, Michigan
October 19, 2009

**DELTA COLLEGE FOUNDATION
STATEMENTS OF FINANCIAL POSITION**

	June 30,	
	<u>2009</u>	<u>2008</u>
Assets		
Current assets:		
Cash and cash equivalents (Note 2)	\$ 378,824	\$ 176,218
Accounts receivable	86	3,387
Short-term investments (Notes 1 & 2)	463,825	604,088
Pledges receivable (Notes 1 & 4)	<u>308,796</u>	<u>169,830</u>
Total current assets	1,151,531	953,523
Long-term pledges receivable (Notes 1 & 4)	<u>744,624</u>	<u>78,332</u>
Total assets	<u><u>\$ 1,896,155</u></u>	<u><u>\$ 1,031,855</u></u>
Liabilities and net assets		
Current liabilities:		
Accounts payable	\$ 2,801	\$ 17,708
Due to WDCQ-TV (Note 1)	<u>150,000</u>	<u>-</u>
Total current liabilities	152,801	17,708
Due to WDCQ-TV (Note 1)	<u>556,906</u>	<u>-</u>
Total liabilities	709,707	17,708
Net assets:		
Unrestricted	492,464	422,328
Temporarily restricted (Note 5)	<u>693,984</u>	<u>591,819</u>
Total net assets	<u>1,186,448</u>	<u>1,014,147</u>
Total liabilities and net assets	<u><u>\$ 1,896,155</u></u>	<u><u>\$ 1,031,855</u></u>

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

**DELTA COLLEGE FOUNDATION
STATEMENTS OF ACTIVITIES**

Year Ended June 30,

	2009			2008		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenues and other support:						
Contributions	\$ 134,901	\$ 2,115,076	\$ 2,249,977	\$ 143,734	\$ 1,299,056	\$ 1,442,790
Gifts in kind	-	223,792	223,792	-	98,463	98,463
Support services from Delta College	369,427	-	369,427	332,328	-	332,328
Special events, net of expenses \$74,262 in 2009 and \$79,842 in 2008	-	108,656	108,656	-	144,757	144,757
Revenues from investments						
Endowment distribution	35,544	1,257	36,801	33,772	6,190	39,962
Other	24,351	-	24,351	34,262	-	34,262
Net assets released from restrictions	911,023	(911,023)	-	838,737	(838,737)	-
	1,475,246	1,537,758	3,013,004	1,382,833	709,729	2,092,562
Less: Amount raised on behalf of others	-	(1,435,593)	(1,435,593)	-	(756,558)	(756,558)
 Total revenues and other support	 1,475,246	 102,165	 1,577,411	 1,382,833	 (46,829)	 1,336,004
Expenses and other deductions:						
Program						
Grants and distributions to or for Delta College	1,007,217	-	1,007,217	941,243	-	941,243
Fundraising	17,303	-	17,303	15,284	-	15,284
Management and general	11,163	-	11,163	3,947	-	3,947
Support services from Delta College	369,427	-	369,427	332,328	-	332,328
 Total expenses and other deductions	 1,405,110	 -	 1,405,110	 1,292,802	 -	 1,292,802
Increase (decrease) in net assets	70,136	102,165	172,301	90,031	(46,829)	43,202
Net assets at beginning of year	422,328	591,819	1,014,147	332,297	638,648	970,945
Net assets at end of year	\$ 492,464	\$ 693,984	\$ 1,186,448	\$ 422,328	\$ 591,819	\$ 1,014,147

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

**DELTA COLLEGE FOUNDATION
STATEMENTS OF CASH FLOWS**

	Year Ended June 30,	
	2009	2008
Cash flows from operating activities:		
Increase in net assets	\$ 172,301	\$ 43,202
Changes in operating assets and liabilities:		
Change in accounts receivable	3,301	(2,781)
Change in pledges receivable	(805,258)	95,350
Change in accounts payable	(14,907)	12,280
Change in Due to WDCQ-TV	<u>706,906</u>	<u>(67,620)</u>
Net cash provided by operating activities	62,343	80,431
Cash flows from investing activities:		
Maturities of investments	<u>140,263</u>	<u>6,027</u>
Net cash provided by investing activities	<u>140,263</u>	<u>6,027</u>
Net change in cash and cash equivalents	202,606	86,458
Cash and cash equivalents at beginning of year	<u>176,218</u>	<u>89,760</u>
Cash and cash equivalents at end of year	<u>\$ 378,824</u>	<u>\$ 176,218</u>

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

**DELTA COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2009**

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Business Description:

The Foundation was formed in 1978 for the purpose of receiving and administering funds for the support or benefit of Delta College. Donors are predominately from the College's district which includes the Bay, Midland and Saginaw counties. The following is a summary of the Foundation's significant accounting policies.

Basis of Accounting:

The financial statements are prepared using the accrual basis of accounting.

Basis of Presentation:

The Foundation's financial statements have been prepared in accordance with Statement of Financial Accounting Standards No. 117, *Financial Statements of Not-for-Profit Organizations* (SFAS 117).

SFAS 117 requires that net assets, revenues and expenses be classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Foundation and changes therein are classified and reported as follows:

Unrestricted Net Assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets – Net assets subject to donor imposed stipulations that either expire by passage of time or are fulfilled and removed by actions of the Foundation pursuant to those stipulations.

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that must be maintained permanently by the College. Generally, the donors permit the College to expend part or all of the income earned on these assets for general or specific purposes. At June 30, 2009 and 2008, there were no permanently restricted net assets held by the Foundation.

Revenue Recognition and Contributions to Delta College:

Statement of Financial Accounting Standards No. 116, *Accounting for Contributions Received and Contributions Made*, requires that unconditional promises to give (pledges) be recorded as receivables and revenues and requires the Foundation to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions.

**DELTA COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS - Continued
Year Ended June 30, 2009**

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES - Continued

Revenue Recognition and Contributions to Delta College - Continued:

Revenues from sources other than contributions are reported as increases in unrestricted net assets. Contributions, including unconditional promises to give (pledges), are recognized as revenue in the period received and reported as increases in the appropriate category of net assets based on the presence or absence of donor restrictions. Contributions other than cash (gifts in kind) are recorded at their fair market value at the date of the gift. Expirations of temporary restrictions on net assets are reported as reclassifications from temporarily restricted net assets to unrestricted net assets.

Upon receipt of contributions, the Foundation distributes the funds directly to Delta College or holds them for future distribution to the College.

Fair Value Measurements

Effective July 1, 2008, the Foundation adopted Statement of Financial Accounting Standards No. 157, *Fair Value Measurements*, which requires that all financial instruments be reported on a fair value basis, and provides a framework for measuring fair value under generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Foundation performs a detailed analysis of the assets and liabilities subject to Statement No. 157 and uses valuation techniques that maximize the use of observable, market corroborated inputs (Level 1) and minimizes the use of unobservable inputs (Level 3). Financial assets and liabilities recorded at fair value will be classified and disclosed in one of the following three categories:

Level 1 – Observable inputs that reflect quoted prices for identical assets or liabilities in active markets such as stock quotes.

Level 2 – Inputs for assets and liabilities traded in less active dealer or broker markets. Valuations may be obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 – Unobservable inputs derived from other valuation methodologies, including discounted cash flows or similar techniques. They are not based on market exchange, dealer or broker traded transactions and will incorporate assumptions and projections to determine the fair value assigned to such assets or liabilities.

**DELTA COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS - Continued
Year Ended June 30, 2009**

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES - Continued

Fair Value Measurements – Continued:

The fair value of the following financial instruments was determined using the methods and assumptions described.

Investments – Comprised entirely of certificates of deposit, the fair value of similar investments can be obtained in the market, classifying them as a level 2 valuation.

Pledges receivable – Pledges do not trade in an active, open market with readily observable prices. Therefore, the Foundation calculates the fair value of each pledge using the income approach valuation technique. The Foundation discounts each pledge payment based on when the cash flow is scheduled to be received and applies the corresponding annual nominal treasury rate published on the Federal Reserve website to the payment.

Once discounted, the pledges are further adjusted for anticipated uncollectible amounts. The Foundation analyzes past pledge collection and default data to determine an appropriate uncollectible reserve to apply to the discounted pledges. Due to the nature of the valuation inputs, pledges receivable are classified as level 3 valuations.

Due to WDCQ-TV – This liability represents the portion of Foundation pledges receivable that are due to Delta College WDCQ-TV Public Broadcasting Station. A discounted cash flow computation is used to determine the value of the pledges and the corresponding liability and is described in the pledges receivable summary above. This liability is classified as a level 3 valuation.

The fair values of assets and liabilities measured on a recurring basis at June 30, 2009 are as follows:

	Fair Value as of June 30,2009	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Investments	\$ 463,825	\$ -	\$ 463,825	\$ -
Pledges receivable	1,053,420	-	-	1,053,420
Liabilities				
Due to WDCQ-TV	706,906	-	-	706,906

**DELTA COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS - Continued
Year Ended June 30, 2009**

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES - Continued

Fair Value Measurements – Continued:

Financial instruments measured at fair value on a recurring basis using significant unobservable inputs (Level 3) include discounted pledges receivable and any related payables due to affiliated organizations as follows:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)	
	Discounted Pledges Receivable	Amount Due To WDCQ-TV
Balance, July 1, 2008	\$ 248,162	\$ -
Discount Loss on Pledges Receivable	(40,182)	-
Change in Reserve for Uncollectible Pledges	(4,893)	-
Increase in Outstanding Pledges Receivable	850,333	706,906
	<u>\$ 1,053,420</u>	<u>\$ 706,906</u>
Balance, June 30, 2009	<u>\$ 1,053,420</u>	<u>\$ 706,906</u>

Delta College Public Broadcasting Fundraising Activities:

The Delta College Public Broadcasting fundraising revenues have been accounted for and are presented as “amounts raised on behalf of others” in the accompanying financial statements of the Foundation. In June 2009, the Foundation together with Delta College’s WDCQ-TV Public Broadcasting Station, secured a \$746,920 multi-year pledge from an area foundation for the renovation the WDCQ-TV’s production studio. At June 30, 2009 the entire discounted pledge in the amount of \$706,906 has been recorded as a pledge receivable and as a liability due to WDCQ-TV.

Tax Exempt Status:

The Internal Revenue Service has ruled that the Foundation is qualified under Section 501(c)(3) of the Internal Revenue Code, and therefore, is not subject to income taxes under present federal and state income tax laws. The Foundation is not a private foundation within the meaning of Section 509(a) of the Internal Revenue Code.

**DELTA COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS - Continued
Year Ended June 30, 2009**

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES - Continued

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

The Foundation considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. At June 30, 2009 and 2008, cash and cash equivalents invested in interest-bearing accounts were valued at \$378,824 and \$176,218, respectively. At June 30, 2009 and 2008, the Foundation also held short-term investments consisting of certificates of deposit valued at \$463,825 and \$604,088, respectively. Bank balances for cash and cash equivalents and certificates of deposit combined at June 30, 2009 and 2008 (without recognition of checks written but not cleared, or of deposits in transit) were \$842,021 and \$765,093, respectively. Of these bank balances, approximately \$714,000 and \$300,000, respectively, were covered by federal depository insurance; the remainder was uninsured and uncollateralized.

NOTE 3. DELTA COLLEGE ENDOWMENTS

The Foundation receives gifts on behalf of the Delta College Endowment Fund each year. Amounts received that are intended to be added to an existing endowment are transferred to the College's Endowment Fund within 30 days of receipt. The College's policy for establishment of a new endowment requires a minimum gift of \$20,000. Donations received to establish a new endowment are held by the Foundation in an endowment-in-progress account until the \$20,000 minimum is reached and are transferred within 30 days of reaching this threshold. Interest is allocated to endowments-in-progress while they are held by the Foundation. The entire balance of the endowment-in-progress account, including interest, is transferred to the College when a new endowment is established. The following is a summary of activity for the College's Endowment Fund as extracted from the College's financial statements for the years ended June 30, 2009 and 2008.

DELTA COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS - Continued
Year Ended June 30, 2009

NOTE 3. DELTA COLLEGE ENDOWMENTS - Continued

	2009	2008
Fund balance at beginning of year	\$ 12,327,952	\$ 12,601,242
Contributions (from Delta College Foundation)	191,169	496,952
Income from investments	247,890	308,068
Losses on investments	(2,608,341)	(586,602)
Distributions	(167,548)	(390,969)
Investment fees	(83,490)	(100,739)
	<hr/>	<hr/>
Fund balance at end of year	\$ 9,907,632	\$ 12,327,952

Endowment investments include the College's permanent endowment funds and funds functioning as endowments. Although these quasi-endowment funds have been established by the Board of Trustees for the same purposes as endowment funds, any portion of quasi-endowment funds may be expended.

NOTE 4. PLEDGES RECEIVABLE

As of June 30, 2009 and 2008, donors to the Foundation have made unconditional promises to give (pledges) totaling \$1,115,630 and \$265,297, respectively. The June 30, 2009 amount of \$1,115,630 includes a single multi-year pledge of \$746,920 pledged on behalf of the WDCQ public broadcasting station for studio renovations. At June 30, 2009 this pledge was discounted \$40,014 to its present value of \$706,906 and is shown as a payable to WDCQ in the Foundation's Statements of Financial Position. The discounted balance of the remaining pledges made on behalf of the Foundation at June 30, 2009 and 2008, was \$359,082 and \$255,837, respectively. These pledges were discounted to their present value assuming their respective terms, with applicable discount rates averaging 2.05% for 2009 and 3.10% for 2008. The discounts were \$9,628 and \$9,460 at June 30, 2009 and 2008, respectively.

Management has established a reserve for uncollectible pledges based on 3.5% and 3.0% of discounted pledges for June 30, 2009 and 2008, respectively. At June 30, 2009 and 2008, the reserve balance was \$12,568 and \$7,675, respectively. A reserve for uncollectible pledges is not reflected in the Foundation's financial statements on the portion of pledges due to WDCQ as the entire pledge is from a single donor and is deemed collectible based on previous experience with that donor. Pledges determined to be uncollectible are charged against the allowance for uncollectible pledges in the period that determination is made. Discounted pledges at June 30, 2009 and 2008, net of reserve, are scheduled to be collected as follows:

**DELTA COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS - Continued
Year Ended June 30, 2009**

NOTE 4. PLEDGES RECEIVABLE - Continued

	<u>2009</u>	<u>2008</u>
Less than one year	\$ 308,796	\$ 169,830
One to five years	742,340	70,456
Greater than five years	<u>2,284</u>	<u>7,876</u>
Total	<u>\$ 1,053,420</u>	<u>\$ 248,162</u>

NOTE 5. TEMPORARILY RESTRICTED NET ASSETS

A summary of temporarily restricted net assets and the related donor restrictions as of June 30, 2009 and 2008 are as follows:

	<u>2009</u>	<u>2008</u>
Pending Endowments	\$ 158,466	\$ 144,208
Instructional Department Uses	289,211	206,824
Special Projects and Programs	103,571	75,518
Scholarships and Awards	<u>142,736</u>	<u>165,269</u>
Total Temporarily Restricted Net Assets	<u>\$ 693,984</u>	<u>\$ 591,819</u>

NOTE 6. OTHER MATTERS

Subsequent events have been evaluated through October 19, 2009, which is the date the financial statements were available to be issued.