

**DELTA COLLEGE
BOARD OF TRUSTEES
DINNER MEETING
November 9, 2010
Delta College Main Campus Room N 7**

Board Present: K. Ellison, R. Emrich, K. Houston-Philpot, K. Lawrence-Webster, E. Selby, R. Stafford, D. Wacksman

Board Absent: K. Higgs, J. MacKenzie

Others Present: J. Goodnow, D. Baker, A. Cramer, L. Govitz, T. Grunow, S. Hartshorn, A. Hill, G. Hoffman-Johnson, J. Knochel, T. Kubatzke, T. Lane, D. Lutz, J. Miller, S. Montesi, R. Morse, M. Mosqueda, L. Myles-Sanders, G. Przygocki, L. Ramseyer, K. Randolph, S. Romer, J. Stahl, T. Stitt, A. Ursuy, S. Whitney, M. Wood

Board Chair Kimberly Houston-Philpot called the meeting to order at 6:00 p.m. She called on Debra Lutz, and Randy Morse of Andrews Hooper Pavlik PLC, auditors, to present the firm's audit of the financial statements of Delta College for the year ended June 30, 2010.

Mr. Morse reported that it was a clean audit, with no questioned costs, no material weaknesses, no deficiencies, no adjustments or material transactions that have not been properly recorded. He said that in making risk assessment, his firm looks to the tone set at the top of the organization, by the Board and top management.

Mr. Stafford inquired about the responsibility of the Board, and Mr. Morse said the Board should ask questions, hold management accountable, and be inquisitive. He called the attention of the Board to the spiral bound report which had been provided to them.

Mr. Stafford, Dr. Emrich and Mr. Selby inquired about the fund balance: whether it is too high, too low, comparable to similarly situated community colleges, or comparable to state or national norms. Ms. Lutz pointed out that GFOA calls for a fund balance of 17% of General Fund and that among Michigan community colleges the range is 5% to 30%. Mr. Selby, Ms. Wacksman, and Dr. Emrich questioned whether the colleges with which the State groups Delta are really comparable. Ms. Lutz noted that the increase in Fund Balance last year from 8% to 10% per the Board's discussion on the topic in February 2010 was based on individual assessment of risk, keeping in mind that the college has no debt, and said that 10% is a fine place to be.

Ms. Lutz, Ms. Whitney, Ms. Cramer and the finance staff were commended for their excellent work.

Board Chair Kimberly Houston-Philpot called on Larry Ramseyer, who presented the Five-Year Capital Outlay Plan and Facilities Update. An annual update of the 5-year plan has been

required by the State of Michigan since 2000. Mr. Ramseyer thanked Ellen Gasta and Pat Graves for their work on the Plan.

The number one priority is the Allied Health Building, followed by the Centers, the KWing, and the lower level A Wing which still needs fire sprinkler protection. The State also requires reports regarding maintenance projects requiring more than \$1 million although the State does not fund maintenance. The central heating and cooling system, which is currently pushed to its limits, emergency essential power, and roof replacement are priorities. Mr. Ramseyer provided detailed information regarding numerous maintenance needs. Dr. Emrich inquired when this detailed planning was initiated and Mr. Ramseyer responded that it was in the early 90's. He feels the key is to repair before there is an emergency situation.

Mr. Ramseyer presented detailed information on a number of projects completed over the past year: the new Testing Center combining Academic and Student Services testing, the renovation of the old testing center as a computer lab, the Writing Center in the LLIC, Smart classroom upgrades on the main campus and at the centers, replacement of tablet arm chairs, the TV studio renovation with new lighting, computerized controls and new HVAC systems, the wind turbine program climb safety platform, the sand blasting and painting of the water tower, the new Student Activity Center near the Student Engagement offices, sustainable student seating in the M Wing, L Wing, Science wings and corridors to the S Wing, the salt and general storage building, energy optimization projects practically funded by Consumers Energy, upgrades to lighting, and ventilation in the automotive labs. He pointed out that even though space and prices have increased, electrical costs and natural gas usage have been decreasing since 2005-06.

Mr. Ramseyer also highlighted plans for projects such as the proposed non-motorized trail linking Delta and SVSU, renovation of the central courtyard, sustainability projects in the L and M wings, and a sculpture project.

There being no further business, the dinner meeting was adjourned at 7:00 p.m.

Respectfully submitted,

Leslie Myles-Sanders, Board Secretary