

**DELTA COLLEGE
BOARD OF TRUSTEES
DINNER MEETING
June 10, 2014
Delta College Main Campus Room M-150**

Board Present: R. Emrich, K. Houston-Philpot, K. Lawrence-Webster, J. MacKenzie, M. Nash, M. Rowley, E. Selby, R. Stafford, D. Wacksman

Board Absent: None

Others Present: T. Brown, J. Carroll, R. Castanon, E. Crane, C. Dzurka, M. Finelli, A. French, M. Gmeiner, J. Goodnow, L. Govitz, T. Heinz, D. Lutz, R. McCracken, M. Moore, T. Morse, M. Mosqueda, D. Peruski, G. Przygocki, L. Ramseyer, D. Redman, K. Schuler, A. Ursuy, B. Webb, S. Whitney, S. Witzke, M. Wood

Press Present: J. Hall (WSGW)

Board Chair R. Stafford called the meeting to order at 6:18 p.m.

J. Goodnow started the meeting with the 2012-2015 Strategic Plan which the Board approved in June of 2012. She noted that the plan supports the college's mission, vision and values. The Strategic Focus Areas include: Student Success, Community Focus, Sustainability and People Focus. The plan includes 8 initiatives that the college has been working on along with 17 institutional actions projects as part of the 2012-2015 plan.

A. Ursuy, Director of Institutional Effectiveness, gave an overview of the strategic planning process. She acknowledged the committee which is made up of administrative/professional staff, faculty, support staff as well as the president, vice presidents and deans. They meet on a bi-weekly basis to work on environmental scanning, SWOT analysis, AQIP and to provide guidance to the action project champions.

A. Ursuy noted that the planning process is split into four phases which include Visioning, Development, Deployment and Review. The Visioning Phase includes environmental scanning; a SWOT analysis; a look at the college's strategic challenges and advantages; a review of the mission, vision and values; and also the strategic focus areas. In Development our strategic initiatives are formed along with the institutional action projects with measures and goals. The Deployment Phase is where departments and divisions develop action plans including goals. Supervisors and employees work together in developing individual key performance indicators, goals and professional development plans. The budget process requires that all new funding requests be aligned with the strategic plan. Finally in the Review Phase champions of action projects give mid-progress update presentations to the committee as well as written mid-year and year-end updates.

J. Goodnow explained that with the development of the 2015-2018 Strategic Plan that we will be asking for the Board's input and involvement as the plan is drafted. This will begin by working with the Board Chair and Vice Chair to plan a strategic planning and forecasting session which is anticipated to take place in the early fall.

D. Lutz gave the Budget Presentation for Fiscal Year 2014-2015. She started by acknowledging the Budget Cabinet membership including Janis Kendziorski, Chair of the Committee and the Board of Trustees Representative, Mike Rowley.

The college's proposed budget of just over \$106 million for 2014-2015 is down by 11% from last year primarily because of the Health Professions Renovation Project. Without these activities the college budget would be down only 3.5%. The General Fund is at \$64.7 million, down about 1% from last year.

In the proposed budget total revenues for the General Fund total \$64.7 million, and around \$64.7 million in expenses, resulting in a 1% decline from last year. There will be \$6.7 million maintained in the fund balance which is at the 10% mark which was established by the Board.

On the revenue side the college will receive around \$26 million in tuition and fees which is about 41% of our total revenue. Projected amounts for state funding are \$14.5 million and \$22.8 million for property taxes. Enrollment is the driving force behind the assumptions used for the revenue side of the budget. This includes the \$3.20 increase in tuition, a loss of \$125,000 in property taxes and a slight increase of 2.45% or \$346,330 in state funding.

In the last four years we will have lost about 20% of our enrollment or \$6.5 million in tuition revenue annually. The property tax base is continuing to decline around ½% within the three counties. The decline is due to the initial stages of the phase out for personal property tax.

On the expense side there are contract agreements in place for faculty and maintenance with a base increase of 1.8%. With steps and promotion the average increase for faculty is around 3.7%. There is a proposal for tonight for an increase of 1.8% for A/P, support staff and part-time. With the performance management system this will increase to 2.3%. Also minimum wage is to increase twice within the year from \$7.40 to \$8.15 and then to \$8.50. The medical plans have been changed to now include a deductible. This along with a projected 10% estimated increase in our premium rates will result in the college having only a 1.25% increase.

On the expenditures side we are spending a large part on our instruction, instructional support, and student services which totals around 73%. D. Lutz noted that the Board would also be approving the budget for the other funds which include, the designated fund which houses the self-supporting operations such as Corporate Services, the Police Academy, LifeLong Learning and the 50+ Program. There was a decline of about 4% as compared to last year.

The Restricted Fund Budget is where all our grants including student financial aid Pell grants, Title III, and Perkins are recorded. This is down around 9% as compared to last year due to the

decline in enrollment. The Auxiliary Fund accounts for all the self-supporting auxiliary operations of the college such as the Bookstore, Food Service and Fitness & Recreation Center. Due to declining enrollment these budgets have also declined.

The Capital Outlay Master Plan drives the Plant Fund which is approved every fall. It lists the projects that the college is currently working or may work on during the year. There is much more detail in the budget book on these items which total \$8.2 million.

G. Przyocki, Dean of Career Education and Learning Partnerships, introduced T. Morse, Associate Professor in the Technical, Trades & Manufacturing Division who gave a presentation on the Computer Numerical Control (CNC) Program. Students can achieve both a Certificate of Achievement and an Advanced Certificate making this a ladder program. Training areas include: Manual Machining, Computer Numerical Programming (CNC), Computer Aided Design/Computer Aided Machining (CAD/CAM). The program averages 90 students each Fall/Winter semester. Spring/Summer enrollment is between 12 to 48 for the accelerated classes and capstone courses.

T. Morse discussed some of the special features of the program which included: traditional fifteen week semester format for courses; an accelerated format for the Certificate of Achievement; funding for dislocated workers through Michigan Works; dual enrollment program with the Saginaw Career Complex; articulation agreements; and the partnership with Saginaw Valley State University Cardinal Race Team to manufacture parts for the formula race car. Job shadowing opportunities are provided to the students in the accelerated format by area manufacturers and the Great Lakes Bay Manufacturers Association (GLBMA). T. Morse discussed all of the benefits of job shadowing to both the students and the manufacturers.

The Haas Entrustment Program allows for two new CNC machines valued at over \$170,000 to be used for a minimum of one year. These machines will be replaced with a new machine after one year which allows for rotation of the newest technology available on the market. It also allows for students to gain experience on the latest technology and gives them increased time on the machines. There was an initial investment by Delta College which included the shipping and rigging but also allows our CNC Program growth and sustainability while being independently verified by Haas.

There has been increased public knowledge about the program through high school visits and competitions, special events, educator visits and partnerships with area manufacturers. Over 90% of the students are employed or transferred to four-year institutions for an advanced degree. The curriculum is updated regularly and based on the National Institute of Metal Working Skills (NIMS).

T. Morse then led the Board of Trustees on a tour of the CNC Lab.

There being no further business, the dinner meeting was adjourned at 6:55 p.m.

Talisa Brown, Assistant Board Secretary

Andrea Ursuy, Board Secretary