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**Delta College
Board of Trustees
Dinner Meeting
March 12, 2019
Delta College Main Campus Room N7**

Board Present: M. Benecke, A. Buckley, R. Emrich, S. Gannon, D. Middleton, M. Thomas

Board Absent: K. Lawrence-Webster, M. Nash, M. Rowley,

Others Present: D. Allen, R. Battinkoff, N. Bovid, T. Brown, J. Carroll, P. Clark, E. Clement, A. Cramer, M. Crawmer, R. Curley, R. Curry, J. Dorsey, S. DuFresne, M. Faleski, P. Fox, J. Garn, J. Goodnow, L. Govitz, S. Lewless, D. McQuiston, J. Miller, M. Mosqueda, G. Przygocki, S. Raube, D. Sabourin, K. Schuler, E. Sika, A. Sovis, K. Swanson, C. Thomas, A. Ursuy, B. Wesolek, M. Ziehmer

Press Present: J. Hall, WSGW

Board Chair, D. Middleton called the meeting to order at 5:46 pm. She then turned the meeting over to Sarah DuFresne, Vice President of Business and Finance to present the FY 2019-2020 Tuition and Fee Recommendation.

S. DuFresne shared with the Board the College's budget process. This included a review of strategic initiatives and the current financial position of the College. A budget model is developed with key components incorporated. Budget group leaders submit budget requests to the Budget Cabinet and the President's Cabinet. Tuition and fee recommendations are presented to the Board for approval. Executive leadership develops the preliminary budget plan and reviews long-term budget forecasts. The preliminary budget plan and long-term budget forecast is presented to the Board. The final budget is presented to the Board for approval no later than June 30, as required by law.

S. DuFresne also talked about Budget Cabinet whose members are appointed by the President and include: faculty, administrative professionals, support staff, deans, vice presidents, and other administrators. The Board Chair appoints a Trustee to serve on this committee as well. They meet from November through March. This committee reviews and evaluates numerous things such as revenues and expenditure projections; comparison data of other Michigan community colleges; perspectives from the President and the Board of Trustees; the impact on our students in regards to affordability, financial aid, communication and student debt; enrollment decline and ideas for enrollment growth; and strategic initiatives, student recruitment, retention and long-term sustainability.

Multiple factors were taken into consideration in developing the proposed tuition and fee recommendations. Some of those factors included the ease for students to understand their billing statement; limiting the tuition increase to <3%; offering a simple fee structure; and a dual enrollment tuition rate. The recommendation is presented a month sooner to benefit our students. Students will know their final cost to attend and can begin making payments. Financial aid packages can also be prepared earlier. The committee used several data sources and comparison data from the Michigan community colleges that are grouped together for reporting purposes along with other regional community colleges.

The state average total cost per credit/contact hour for 2018-2019 was \$138.60. Delta's total cost is slightly lower at \$133.67. Delta ranks as the 12th lowest in tuition and fees cost per credit/contact hour. S. DuFresne shared that the 2018-2019 state average for total annual tuition and fee cost based on a student taking 30 credit/contact hours per year is \$4,158.01. Delta is lower at \$4,010.00 and ranks as the 12th lowest among the 28 community colleges in Michigan. She showed a chart on tuition only for Michigan residency or in-district rates comparing Delta College to local institutions such as Mid Michigan College, Mott Community College, Saginaw Valley State University, Central Michigan University, Davenport University, Northwood University and Baker College.

S. DuFresne shared with the Board a chart showing some examples of the various fees charged by Michigan community colleges with the costs varying widely. Prepared from ACS Reports, a chart was shared showing Delta College's in-district tuition increases for the past 10 years compared to other Michigan community colleges. Delta had an average percent change from Fall of 2009 to Fall 2018 of 3.57% while the state average was 4.38%.

The Governor's proposal for Michigan community colleges includes the following:

- \$9.7 million in additional community college operations funding (general fund), representing a 3% increase compared to fiscal year 2019. This increase would be distributed through the existing performance funding formula.
- Receipt of the funding increase is contingent on colleges holding tuition increases below 3.2%, equal to projected inflation plus one percentage point.
- \$135.1 million in continued funding for student financial aid programs.
- Delta could receive a \$431,000 increase in state aid for 2019-2020 if we remain within the tuition restraint parameters. This is also dependent on the Final State Aid School Bill.
- If the increase in state funding does not occur, Delta College is prepared to sustain the tuition and fee recommendation as presented. The budget model is very conservative, planning on a very minimal increase in state aid.

S. DuFresne then presented the tuition and fee recommendation for 2019-2020 to the Board. Proposed would be a \$3 increase to in-district tuition (\$115.00), a \$5 increase to out-of-district tuition (\$197.00) and a \$10 increase to out-of-state tuition (\$371.00). Tuition would also be charged by the contact hour versus credit hour. A dual enrollment rate of \$115.00 per contact hour was also proposed. Finally a \$1 increase to the technology fee was proposed with no other changes. She also shared the impact these changes would have on the students.

J. Goodnow then introduced Kathi Swanson from the Clarus Corporation who conducted an environmental scan for the College. K. Swanson shared with the Board the goals of the scan which included:

- measuring the awareness and familiarity of the college and competitive market position;
- the impact of media and technology on awareness of the College;
- the current usage of the College and its programs and services;
- the knowledge of the College's programs and services;
- defining the attitudes toward the College;
- the programming needed at the College;
- the stewardship and support for the College; and
- defining the needs of the adult student.

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Surveys were developed and administered to 420 community residents, 238 employees and 1,082 current students at Delta College.

K. Swanson summarized the key future challenges that the College is facing as noted by employees. The number one response was enrollment/retention. Similarly the competition for students is increasing due to more aggressive four-year colleges such as SVSU and CMU; online; societal issues; and the changing demographics impacting the area. Another challenge was fiscal stability due to increasing costs in times of declining revenue; infrastructure needs and how to fund to remain competitive for both facilities and grounds as well as technology; and declining external funding support from federal, state, and local government.

Internal threats included technology as state of the art technology is needed in classrooms for student success and updates are needed in technology for systems and processes. Also noted as a threat was employee relations and the need for cooperation at all levels of the College – Board, Administration, faculty, and staff – need to behave as a team again, and employee morale. Agility was noted as an internal opportunity. The College needs to be able to respond more quickly to the changing external threats: need to be proactive instead of reactive to changing conditions; relevancy needed in programming/degrees relevant to the changing jobs in the market and workplace skills; more online development is needed; more flexibility in class scheduling and delivery; too many programs and too many classes per program.

The community, employees and students noted Delta College first when asked by Clarus to mention a college followed by Saginaw Valley State University and Central Michigan University. In all a total of 26 colleges were named. Delta also scored high in familiarity, followed very closely by Saginaw Valley State University. Other colleges mentioned were Central Michigan University, Northwood University, Davenport University, Michigan State University, University of Michigan, Baker College, Mid Michigan Community College, Mott Community College and Ferris State University. In total 75 different colleges were mentioned.

Keyword descriptors listed for Delta College included affordable/cheap, community college, great/ good, local, small, starter, quality, two-year, and transfer. K. Swanson noted that all of these terms could be used for any Michigan community college. She also shared a chart comparing Delta College, SVSU and CMU in affordability, attractive campus, quality of education, state of the art technology, among other areas.

K. Swanson noted all the various media methods available. The responses were varied between the community, employees, and students regarding media and Delta College. She also shared the media and technology usage between the same three groups.

Students noted various reasons for attending college based on their age groups. Many of them had a common theme in getting a job, getting on a career path and making more money. Students were also asked to share what other colleges they looked at when considering Delta College. Saginaw Valley State University was the first mentioned followed by Central Michigan University and Ferris State University. The reasons for choosing to attend Delta College among the three groups surveyed also varied but cost was a major factor for all groups.

K. Swanson reported how the community, employees and students promote the College. The scores were 17.60 for the community, 65.50 for employees and 53.60 for students. She then shared net

promoter scores by zip code from the community. That was then expanded to show areas farther north of our district and numerous areas within the thumb region.

Students noted their best experience at Delta:

- affordability
- excellent classes/ programs/ class sizes
- caring and friendly people/ excellent instruction/ tutoring
- great/ understanding faculty, staff
- meeting new friends
- flexibility/ online classes
- hands-on experiences
- doing well in all of my classes/ learning things in class and out of class

The community gave Delta College favorable scores in the areas of fiscal actions or responsibility.

In regard to programs, opportunities and offerings needed at Delta College, the community felt there was a need for fashion, online, and culinary programs. Employees felt there is a need for flexible class scheduling, culinary programs, student housing, and bachelor's degree program. Students felt the need for class scheduling, free fitness center membership, sports, childcare, more online, additional 3+1 programs, language classes, and dorms.

K. Swanson shared the ratings of the importance of current programming among the community, employee and student participants. Of those surveyed from the community, 57.6% had no interest in education and training. The nearly 43% remaining were split among various options from enrolling, finishing a degree, training for a new job, and earning a certification or credential.

It was also shared with the Board the delivery preferences for adults based on what their goals were. As part of the scan, Clarus also asked adults about their class start preferences, and 16-week traditional semester versus an 8-week semester. Respondents preferred college for attendance was Delta at 41%. Finally a chart was shared showing our current students' intentions regarding completion of an associate's degree.

There being no further business, the dinner meeting was adjourned at 6:53 pm.

Talisa Brown, Assistant Board Secretary

Andrea Ursuy, Board Secretary