



Delta College Strategic Plan and Budget 2020 - 2021

Cover by Luke Goodrow

Delta College

FY 2020-2021

Strategic Planning & Budget

University Center, Michigan

Delta College is one of twenty-eight community colleges in the state of Michigan. It currently has 4,431 full-time equivalents (FTE) and produces approximately 164,000 contact hours per year. The staff includes approximately 453 full-time employees of which 177 are faculty. Delta ranks as the 9th largest community college in the state.

Delta is a comprehensive community college, which offers transfer curriculum, occupational training, adult enrichment classes and a variety of other community services. The College offers certificate and associate degrees in a wide range of program areas.

The College's district is the Great Lakes Bay Region, encompassing the counties of Bay, Midland and Saginaw in Michigan. The College's Corporate Services Division provides training throughout the state and internationally. The 640 acre main campus is located in rural Bay County about equidistant from each of the major cities. In 1990, the College made a commitment to expanding access and developing a presence in each of the three major cities by acquiring or leasing facilities.

In June of 2016, Delta College received State of Michigan Planning Authorization for the \$12,739,000 Saginaw Center Project. This new 37,000 square foot facility was constructed in downtown Saginaw. The State of Michigan Capital Outlay process called for the State Building Authority to fund \$6,369,300 of the project and Delta College to fund the remaining \$6,369,700 of the LEED Gold Center. The project broke ground in March 2018 and classes began in the Fall 2019. Prior to the development of the Downtown Saginaw Center, the College had been leasing space at the Ricker Center in Saginaw from the School District of the City of Saginaw. The Ricker Center has served as a multi-purpose facility providing classrooms, a computer lab, a science lab, and student support services. The lease with Ricker ended on June 30, 2019.

The Delta College Midland Center was purchased in 1991 through a bond sale. It is a renovated Catholic elementary school with approximately 25,000 square feet. Delta has been challenged at its current Midland facility on Wheeler Road due to an aging building and infrastructure. An evaluation was conducted and it was determined that it would be in the best financial interest of Delta College to pursue constructing a new center versus renovating the current Midland facility. In August 2018, the Board of Trustees approved a new site location in downtown Midland. The land was donated to the College with the purpose to construct a Downtown Midland Center. The project is budgeted at a cost of \$13 million. Delta College was able to secure \$9.15 million in private sector donations to apply to the cost, with the remaining dollars provided through Delta College's Plant Fund savings. The ground breaking ceremony was held on April 22, 2019. Construction continues and the planned opening is Winter 2021.



Delta College Board of Trustees

Bay County: Mary Lou Benecke (Vice Chair), Diane M. Middleton, '88 (Chair), Michael D. Rowley, '90

Midland County: Andre L. Buckley, Stacey L. Gannon, Michael P. Nash, '14

Saginaw County: The Rev. Dr. Robert L. Emrich, Karen Lawrence-Webster, Marcia L. Thomas

President: Dr. Jean Goodnow

Equal Opportunity Statement

Delta College embraces equal opportunity as a core value: we actively promote, advocate, respect and value differences, and we foster a welcoming environment of openness and appreciation for all. Delta prohibits discrimination in accordance with, and as defined by, applicable federal, state, and local law, particularly non-discrimination in employment, education, public accommodation, or public service on the basis of age, arrest record, color, disability, ethnicity, familial status, gender identity, genetic information, height, marital status, national origin, race, religion, sex, sexual orientation, veteran status, and weight. Direct inquiries to the Equity/Compliance Officer, Delta College, Office A093, 1961 Delta Rd., University Center, MI 48710, telephone 989-686-9547, or email equityoffice@delta.edu.

Table of Contents

President’s Letter and Budget Planning and Resource Allocation Decisions.....	6
Budget Cabinet Membership.....	12
Delta College Strategic Plan.....	15
Strategic Planning at Delta College.....	16
Strategic Planning & Institutional Effectiveness Steering Committee.....	16
Delta College Mission, Vision, and Values.....	17
Environmental Scanning.....	18
Strategic Planning Context.....	19
Strategic Focus Areas.....	20
Strategic Initiatives Overview 2019-2023.....	21
Institutional Action Projects	
Student Success.....	22
Community Focus.....	26
Sustainability.....	29
People Focus.....	32
Additional Institutional Strategic Planning Initiatives.....	35
Strategic Planning Summary.....	36
Budget Planning Process.....	37
Procedures for Budget Amendment.....	38
All Funds	
Budget Summary.....	41
Five-Year History.....	42
General Fund	
Overview.....	45
Organizational Chart.....	46
Budget Summary.....	48
Five-Year History.....	49
Budget Comparison.....	50
Revenue Detail.....	51
Contact Hour History.....	57
Contact Hour Budget 2020-2021.....	58
Expenditure Detail.....	61
Cost Center Detail.....	67
Fringe Benefits.....	74
Summary of Budgeted General Fund Personnel.....	75
Designated Fund.....	79
Restricted Fund.....	87
Auxiliary Fund.....	97
Plant Fund.....	103
Endowment Fund.....	113
Glossary.....	121
Fiscal Policies.....	127

President's Letter and Delta College Budget Planning and Resource Allocation Decisions

Dear Colleagues and Constituents:

Budget Process

The budget process for the upcoming fiscal year begins after fall enrollment data is available. A budget model is developed, based on the best available information for each revenue and expense category and new strategic initiatives are incorporated. The budget model is reviewed and discussed with the President, President's Cabinet, Executive Council and Budget Cabinet beginning in mid-fall and the budget model assumptions are discussed and updated regularly during the year as new information becomes available.

During the planning phase and upon completion of a draft Balanced Budget Plan for the upcoming year, the President's Cabinet and group budget leaders, and Executive Council normally reviews and discusses a Five-Year Budget and Forecast Model. The current year and upcoming proposed Budget and Five-Year Budget and Forecast is also reviewed and discussed with the Board of Trustees a month in advance of presentation of the annual budget and vote of adoption. Due to the emergency situation of COVID-19, the May dinner meeting with the Board of Trustees was spent on reviewing budget scenarios, and examining how we could balance our FY 2020-2021 budget. Long-term projections were not discussed due to the uncertainty and inability to provide realistic future forecasting.

The College developed a General Fund Budget Projection Model. This model is utilized during the budget process and salary negotiations with employee groups to provide immediate feedback on the financial impact of various policy decisions. Built into the model are revenue and expense variables. Changes in any one of these variables can significantly affect the College's General Fund operations. The model calculates the financial effect due to changes in any of the variables. In addition to state appropriations and property taxes, other revenue variables included in the model are tuition (stated in terms of contact hours and tuition rate per contact hour), fees, and all other revenues.

Expense variables built into the model are salaries, fringe benefits, supplies and services, capital expenditures, and professional development and travel. Because the College negotiates a separate compensation agreement with various employee groups and because salaries and fringe benefits make up approximately 78% of the General Fund Budget, the salaries and fringe benefits variables are subdivided into smaller units. The salaries variable units are full-time faculty, full-time faculty overload, part-time faculty, support staff, maintenance staff, and administrative and professional staff. Fringe benefits are subdivided into federal taxes, a weighted retirement average for MPSERS and ORP, medical insurance, and other benefits.

In order to estimate the future impact of the various changes that can affect the College's operations, a base was established. It is from this base that all future revenue and expenditure estimates are calculated. The base for projections uses the 2019-2020 Budget, adjusted for known factors which have taken place over time.

Fiscal constraint and resource reallocation have played important roles in budget management during this era of economic strain and decreased enrollments in Michigan. Further adding constraint is the pandemic we are facing. The budgeting process remains focused on student success as outlined in the College's mission, vision, values, guiding principles and strategic initiatives.

Enrollment

The College's enrollment levels continue to decline. The Michigan economy was relatively strong, throughout most of the year, and non-traditional students were employed. The situation has changed over the past 90 days, due to the COVID-19 pandemic. Also, the K-12 graduating class sizes are declining commensurate with the loss in regional population from the recessionary years.

Competition for students among institutions has heightened. Enrollment and retention initiatives are in place to attract an increased percentage of the declining K-12 graduates. Delta College is also assessing the best programs to offer to now unemployed adults who may remain displaced and who will be seeking new skills. A drop of 16,000 contact hours has been projected for the upcoming year, a decline of 8.9% and a loss of over \$1,900,000 in annual tuition and fee revenue prior to applying any tuition increases.

In addition, the college leadership made the decision that all Spring and Summer classes would be offered entirely online. Our projections for the 2019-2020 actual contact hours has exceeded our target by over 3.8%. However, we have conservatively budgeted 16,000 contact hours less or 164, 000 contact hours. This is very hard to project how our 2020-2021 enrollment will be impacted.

Coronavirus Pandemic

In March 2020, a worldwide pandemic was declared related to the outbreak of the Coronavirus (COVID-19). By the end of March, the Governor issued her “Stay Home, Stay Safe” Executive Order. That order led to campus building closures and a move to online instruction. Beginning in early April, it became clear the College needed to position itself for potentially extreme funding cuts from the State, and a potential significant decline in enrollment. College leadership begin taking immediate action to implement cost saving measures. Several employees have been placed on temporary furloughs (mostly those in our auxiliary areas, part-time staff and students), with benefits still maintained for those eligible employees.

The return to campus and re-opening is currently in process and will be very dependent on the outcomes of the Governor’s Executive orders, and guidance being provided by our national and state health officials.

Our FY 2020-2021 budget has added an additional budgeted expense of \$200,000 for COVID-19 supplies that will be needed to maintain the safety and health of our students, employees and community members. We do not know whether this amount will be enough, but we are planning to utilize savings in our Plant Fund if the amount exceeds this.

Federal CARES (Coronavirus Aid Relief and Economic Security) Act Funding

Delta College has received higher education funding through the federally approved legislation called “the Coronavirus Aid, Relief and Economic Security (CARES) Act,” approved in March 2020. The four funding pools include:

- \$2.5 million available to be able to make awards directly to our students. This funding is through the U.S. Department of Education’s Higher Education Emergency Relief Funding (HEERF).
- \$2.5 million is available for the College itself to prepare and respond to the coronavirus. This is being used to upgrade a number of technology and curriculum related items that would allow us to teach courses online more efficiently, as well as to prepare our campus for our return to face-to-face interactions.
- \$260,000 through the Corporation for Public Broadcasting, to support Delta College’s public TV and radio stations.
- \$252,000 of general support for the College through the U.S. Department of Education’s Strengthening Institutions Program (SIP) grant, for general college support.

State Aid

Prior to the COVID-19 crisis, we were anticipating a minimal increase in base State appropriations for FY 2020-2021. However, in early May 2020, the State of Michigan began to report a significant State Budget crisis, due to the closed economy resulting from the “Stay Home, Stay Safe” Executive Orders.

We built multiple scenarios of State Aid reductions ranging from a moderate economic impact of 10% all the way to a severe economic impact of a 25% funding reduction. Due to the pandemic, the State legislature has not finalized a Funding/Appropriations Bill as of the date of this communication.

The 2020-2021 Delta College budget includes a 15% reduction in State funding, which is a revenue loss of approximately \$2.3 million. Our final budget is based upon a scenario that is between the moderate and severe predictions. In summary, the State Budget projects a nearly \$3 billion deficit, which will ultimately impact funding of education.

Tuition and Fees

Delta's Board of Trustees, Budget Cabinet and administration have a long history of focusing on tuition affordability. Delta's in-district tuition continually ranks below the State average of the 28 Michigan Community Colleges. For FY 2020-2021 tuition has been set at \$117.00/contact hour or an increase of \$2.00/contact hour. Both out-of-district and out-of-state tuition also increased \$2.00 each to \$199 and \$373, respectively. The Board also approved a \$1.00 increase in the technology fee, raising it from \$20 to \$21 per contact hour, and a \$1.00 increase to the online course fee, raising it from \$33 to \$34 per contact hour. No other changes to fees were made. Our dual enrollment tuition rate is \$117 per contact hour plus applicable fees which was also approved by the Board of Trustees and is effective Fall 2020. This allows the College to remain competitive for our dual enrolled students in and out-of-district. Delta converted to charging on a contact hour basis in the Fall of 2019 and is student focused. Students see more clearly what they are paying for in terms of hours of instruction for each course. The minimal increase in tuition and fees under the proposed budget do not offset the losses in revenue from declining enrollment. The net loss is approximately \$687,000.

The President waived the online course fee for students taking classes in the Spring and Summer of 2020. Since all classes were offered online, the decision was made that this fee will be covered by Federal stimulus or CARES Act grant funding for these semesters. The Fall 2020 online course fee of \$34 will also not be covered.

Compensation

Prior to the COVID-19 pandemic, the College's preliminary budget model included scheduled compensation increases for all negotiated salary agreements, federal minimum wage increases and adjunct faculty pay increases. As a reminder, the Faculty and Facilities unions have a three year agreement with the College, which began July 1, 2018 and is due to expire June 30, 2021. The final year of the agreements call for a 2.3% salary/wage increase on base, plus additional compensation for promotion, longevity, and steps.

Total compensation at Delta consists of full-time, part-time and student employees and is the largest cost of the General Fund budget. This includes employer payroll taxes, retirement plans, and other employee benefit expenses such as insurance. Total compensation represents 78% of our total General Fund expenditures.

Beginning in early April, it became clear the College needed to position itself for potentially extreme funding cuts from the State, and a potential significant decline in enrollment. Anticipating a large revenue shortfall we initiated conversations with employees groups about the need for potential salary and wage freezes.

As of June 4, 2020, the College obtained tentative memorandums of understanding with both the Delta College Faculty Association and AFASCME Facility groups agreeing to take wage freezes. There will be some wage increases in the budget for Board approved adjunct pay raises and faculty that earned promotions, steps and longevity, and for required minimum wage increases for student employees. This amounts to a cost increase of approximately \$400,000. In addition to the Faculty and Facility groups, all other employees of the College (support staff, administrative professionals, executive staff and the President) will also take a wage freeze effective July 1, 2020.

It should be recognized that all employee groups worked collaboratively with administration in support of Delta College, understanding the impact of a budget shortfall. These employee groups wanted to be part of the solution. These actions will save the College budget approximately \$1 million.

Retirement Benefits

On September 4, 2012, Public Act 300 was enacted addressing major reform in the Michigan Public School Employees Retirement System (MPSERS). This complex reform bill addressed many of the long standing and unsustainable components of the system, including the anticipated increase in mandated employer contributions. The bill offered current employees an election for future pension and health benefits, accompanied by varying levels of employee contributions. After all elections were made, the College's effective contribution rate approximates 28.5% of salary and applies to current and future employees, regardless of whether they elect to participate in the defined benefit or defined contribution plan until the system's \$40 billion unfunded actuarially accrued liability is funded. Retirement related benefit costs, including Federal Social Security add over 33% of expense to each wage dollar paid for all MPSERS employees.

Medical Benefits

The Strategic Plan recognizes the importance of maintaining a college-wide Benefits Committee for purposes of staying informed and updated on insurances, retirement and other benefit matters. Understanding and discussing market and industry trends in benefits and promoting consumer education, awareness and understanding among employees through group representation have been identified as key to increasing the efficiency of resource utilization and maintaining fiscal responsibility and stability.

The committee makes a final recommendation to the President of possible benefit design alternatives to be considered and further investigated, that may generate substantial one time savings, and ongoing annual savings for both the College and employee.

The 2017-2018 Benefit Committee recommended plan design changes to the current College deductible (\$500/\$1000) that would save the College and employee money through increasing co-pays such as the Emergency Room visit charge. Also, prescription drug benefits was changed from an existing tier design to a five tier prescription plan program. These design changes are anticipated to provide a lower annual premium cost, and inherently save on health insurance utilization costs the College will pay. Beginning in January 2020, the College increased the deductible to \$500/\$1,000, which we anticipate will provide additional savings to both the employer and employees.

Medical insurance continues to be managed with a focus on creating consumer awareness, wellness and involvement. The College is enrolled in a self-funded medical insurance program through Blue Cross Blue Shield. This model is a Preferred Provider Organization (PPO) and has been in place since 2011-2012. Prior to this, the College was enrolled in a fully insured health plan. The current employee contribution toward medical insurance is 20% of the illustrative medical premium rates.

During fiscal year 2018-2019 the College offered an optional Qualified High-Deductible Health Plan (HDHP) with a Health Savings Account (HSA). This plan is underwritten by Blue Cross Blue Shield and is self-funded, which is consistent with the \$500/\$1,000 deductible PPO option. The College funds the deductible of the HDHP at 80/20 on a one-time only basis only for those employees that choose to enroll in this plan. The expectation is the College and the employee would experience immediate savings if this plan were selected, and would have ongoing long-term substantial savings to the self-funded model through premium rates and health insurance claims paid by Delta College.

Delta's ongoing benefit design changes and current employee contributions place the College safely below the Public Act 152 limitations on public employer payment for employee medical insurance enacted in 2011.

Facility Maintenance and Equipment Replacement

Facility maintenance and equipment replacement has been an important priority to the College. In 1996-1997 a long-term goal was established to commit approximately 5% of the budget or about \$2-3 million annually to a Facility Maintenance and Equipment Replacement Fund for capital asset life cycle replacement. Current appraised replacement value for the College buildings and contents total \$291 million. A simple 30 year life cycle replacement for the entire value would require \$9.7 million be reserved annually. The College currently allocates \$2 million annually for Asset Life-Cycle Replacement/Depreciation. This is to provide a funding mechanism for asset life cycle replacement needs.

Additionally, any excess revenues over expenditures beyond those needed to maintain a 10% General Fund Reserve Balance are traditionally transferred to the Plant Fund at the end of each fiscal year. Beginning in 2017-2018 and going forward a portion of any excess will be allocated to the Designated Fund for the Budget Sustainability and Innovation Initiatives Reserves in an effort to provide for unexpected contingencies, revenue shortfalls, emergencies or innovative initiatives for long-term sustainability.

Cost Savings, Funding Reallocations

Our normal budget process involves seeking recommendations for cost saving measures, funding reallocations and replacement revenues. These are solicited from all faculty and staff through the Budget Cabinet with a commitment to bring each idea forward for consideration by the Executive Council, and ultimately the President's Cabinet. Specific reductions in spending and resource reallocations have been components of the annual budget process for the past decade. The FY 2020-2021 balanced budget plan incorporates savings of \$2,569,987 and \$661,902 in new strategic and operational funding uses and maintains all existing programs and services.

Sincerely,

Jean Goodnow, Ph.D.
President

Delta College Budget Planning and Resource Allocation Decisions

Sources of New Revenue and Savings

Sources of New Revenue and Savings

Description	Amount	Strategic Focus Area	Cost Center
Remove 2019-2020 One-Time Transfers	\$ 1,025,000	S	6799
Non-Essential Travel Reduction	87,158	S	Various
Supplies & Services and Capital Equipment Reductions	184,449	S	Various
Net Employee Compensation Reduction: Minimum Wage, Supplemental, Non-Replacements, Reorganizations, Retirements, – Net After Estimated Compensation Increases (includes freeze -0% on base for all employees)	1,044,899	S	Various
Remove 2019-2020 One-Time Software Purchases	220,000	S	Various
Miscellaneous Adjustments – Utilities, Technology Fee Transfer	8,481	S	4599/7782
Total New Revenue and Savings	\$ 2,569,987		

Delta College Budget Planning and Resource Allocation Decisions

New and On-Going Strategic and Operational Funding

New Strategic and Operational Funding

Description	Amount	Strategic Focus Area	Cost Center
Ellucian Modernization and Ethos Package Year 2 of 5	\$ 41,779	SS	6745
Ellucian Contract Annual CPI Increase	81,326	SS	Various
Ellucian CRM Support Contract Renewal	10,500	SS	5608
Cloud Hosting for College Website	7,500	PF/SS/S	5622
College Portal Environment Updates – One Time Only	115,000	PF/SS/S	5622
Midland Center Computer Lab Equipment – One Time Only	111,081	SS	1124
Midland Center Cybersecurity Computer Lab – One Time Only	75,000	SS	1124
Custodial Supplies – Added needs for Personal Protection Equipment for COVID-19	200,000	PF/SS/CF/S	7781
Custodial Cleaning Contract Renewal Increase	19,716	S	7787
Total New Funding	\$ 661,902		

On-Going Strategic and Operational Funding

Description	Amount	Strategic Focus Area	Cost Center
Instructional Computer 4-Year Replacement Life Cycle Funding	\$ 87,500	SS	1124
Achieving the Dream Initiative Match	57,291	SS	5627
Asset Life Cycle Replacement/Depreciation	2,000,000	S	7799
Total On-Going Funding	\$ 2,144,791		

Strategic Focus Areas: **SS** – Student Success **CF** – Community Focus **S** – Sustainability **PF** – People Focus

Delta College Budget Cabinet 2019-2020

Brian Aldrich	Faculty-at-Large Appointment through 6/2022
Daniel Allen	Associate Dean
Mary Lou Benecke	Board of Trustees Representative
Pam Clark	Executive Director of Institutional Advancement
Emily Clement	Chair of Executive Committee for Administrative/Professional Staff 2019
Angela Cramer	Controller (ex-officio)
Russell Curley	Dean of Enrollment Management
Reva Curry	Vice President of Instruction & Learning Services
Sarah DuFresne	Vice President of Business & Finance/Board Treasurer
Anne Elias	Char of Executive Committee for Administrative/Professional Staff 2020
Jon Foco	Director of Business Services
Chris Hausbeck	Delta College Faculty Association Representative appointed through 2020
Renee Hoppe	Faculty-at-Large Appointment through 6/2022
Tom Kienbaum	Representative of Facilities Maintenance Union
Tim Klingler	Faculty-at-Large appointment through 6/2022
Linda Krukowski	Chair of Support Staff Executive Committee 2019 and 2020
Elena Lazzari	Faculty-at-Large Appointment through 6/2020
Greg Luczak	Manager of Finance – Academics
Daisy McQuiston	Co-Chair of Faculty Executive Committee 2019/2020
Margaret Mosqueda	Vice President of Student & Educational Services
Sue Paris	Business & Finance Administrative Assistant
Dan Sabourin	Co-Chair of Faculty Executive Committee 2019/2020 & Faculty-at-Large Appointment through 6/2021
Ron Schlaack	Chair of Budget Cabinet
Bill Schueneman	Faculty-at-Large Appointment through 6/2020
Karol Syring	Faculty-at-Large appointment through 6/2022
Andrea Ursuy	Executive Director of Administrative Services & Institutional Effectiveness
Bill Wesolek	Director of Information Technology Services

Strategic Planning

Notes

Delta College Strategic Plan 2019-2023

Year 2



Strategic Planning at Delta College

Delta College has implemented a systemic strategic planning process that supports the mission, vision, and values; is aligned horizontally and vertically throughout the organization; integrates environmental scanning, resource allocation, and resource development; and effectively implements coordinated action projects that improve the College's programs and services. Action projects are measurable and benchmarked externally to support Delta College's commitment to be a high-performing institution. During the planning process, College leaders implement practices that encourage excellence, innovation, agility, assessment, and engagement to continually improve performance.

Strategic Planning & Institutional Effectiveness Steering Committee

The Strategic Planning and Institutional Effectiveness Steering Committee is a cross-functional group whose purpose is to guide and align the planning process. The committee work includes participation in the creation of the strategic plan. In addition, the group provides feedback on the plan, monitors plan progress, aligns the process with the other key processes such as accreditation, and budget, and communicates planning efforts to the entire campus community. A "sub-group" of the Strategic Planning and Institutional Effectiveness Committee, comprised of the President, Vice President of Student & Educational Services, Vice President of Instruction & Learning Services, Vice President of Business & Finance, Director of Institutional Research and Executive Director of Administrative Services and Institutional Effectiveness (Chair) meet regularly to ensure alignment of the plan with other quality efforts across campus.



Talisa Brown – Administrative Services Coordinator & Institutional Research Survey Specialist; **Pamela Clark** – Executive Director of Institutional Advancement; **Emily Clement** – Chair of ECAPS; **Dr. Martha Crawmer** – Dean of Teaching and Learning; **Dr. Russell Curley** – Dean of Enrollment Management; **Dr. Reva Curry** – Vice President of Instruction & Learning Services; **Sarah DuFresne** – Vice President of Business & Finance



Dr. Dawn Fairchild – Senate President; **Dr. Michael Faleski** – Academic Assessment; **Dr. Jean Goodnow** – President; **Janis Kendziorski** – Faculty Member at Large; **Linda Krukowski** – SSEC Representative; **Carlos McMath** – Director of Diversity & Inclusion; **Daisy McQuiston** – FEC Chair



Jonathan Miller – Dean of Students; **Margaret Mosqueda** – Vice President of Student & Educational Services; **Virginia Przygocki** – Dean of Career Education & Learning Partnerships; **Kay Schuler** – Administrative Assistant, President's Office; **Andy Sovis** – Former Senate President; **Andrea Ursuy** – Executive Director of Administrative Services and Institutional Effectiveness (Committee Chair); **Michael Wood** – Director of Institutional Research

Delta College Mission, Vision, and Values

The Delta College Board of Trustees adopted the current Mission on April 12, 2012, and the Vision and Values statements on May 9, 2006.

Mission

Delta College serves the Great Lakes Bay Region by educating, enriching and empowering our diverse community of learners to achieve their personal, professional and academic goals.

Vision

Delta College is our communities' first choice to learn, work, and grow.

Values

Delta College is a diverse learning-centered community based on integrity and respect. From a foundation of leadership, we use innovation and teamwork to achieve excellence.

- **Diversity:** We actively promote, advocate, respect and value differences. We foster a welcoming environment of openness and appreciation for all.
- **Integrity:** We are committed to honesty, ethical conduct, and responsibility.
- **Respect:** We stand for trust, caring, loyalty and academic freedom.
- **Excellence:** We support outstanding achievement in our students, employees, and communities. We have a passion for quality and strive for continuous improvement.
- **Leadership:** We create and communicate inspirational visions for results. We are accountable to our communities.
- **Innovation:** We rejoice in creative change. We are flexible, agile, and risk-taking.
- **Teamwork:** We foster communication and collaboration across boundaries, and support shared governance.
- **Learning-centered community:** We are an engaging, inclusive, diverse learning organization. We focus on academic excellence, civic responsibility and community leadership.

Environmental Scanning

Environmental scanning is a critical component of strategic planning. It creates the foundation for the College to provide quality services and resources to effectively serve its constituents, provides information for data-driven decision making, and supports programmatic and budget decisions for the current and upcoming fiscal years.

Environmental scanning is not just the responsibility of one person at Delta College; it is the responsibility of all. It is an integral part of the planning and leadership work of the Executive Council and the Strategic Planning and Institutional Effectiveness Steering Committee. All employees are encouraged to share environmental scanning information via an electronic form on the College portal site via the Institutional Research page.

The College has identified economic, educational, and social indicators that are considered at the local/regional, state and national levels. While most heavily used during the strategic planning process, environmental scanning is also used on a regular basis where it shows activities in the community that may act as opportunities or threats to the College.

To inform the 2019-2023 strategic planning process, in early 2019, the College engaged in an environmental scanning process. The scan included an analysis of both internal and external trends and a review of our stakeholders' opinions of the College through a "community scan."

The community scan was drafted with the input of internal constituents, including the Board of Trustees. A representative sampling of households from Bay, Midland, and Saginaw Counties was used to conduct the scan.

As part of the community scan, stakeholder feedback was gathered by a third party through the following methods:

- Online panel surveys with individuals representing Bay, Midland, and Saginaw Counties (403 completed)
- Telephone interviews with individuals representing Bay, Midland, and Saginaw Counties (17 completed)
- Online survey of Delta College students (1,082 surveys completed)
- Online survey of Faculty and Staff (238 surveys completed)

The community scan process resulted in more than 1,700 interactions with our constituents. The environmental scan information was presented to the Board of Trustees and members of the public at the March 12, 2019 Board of Trustees Dinner Meeting. The completion of the 2019 environmental scan was the first step in the creation of the 2019-2023 Strategic Plan.



Strategic Planning Context – Our Region

To support Delta College's environmental scanning and strategic planning processes, a brief description of the demographics of the College's service district (Bay, Midland, and Saginaw Counties) will set the context for environmental scanning and the implications identified.

Population: According to US Census data, the region's population has declined by an estimated 3.8% since the 2010 census while the State of Michigan population is estimated to have grown by 1%. The number of high school students has decreased due to lower birth rates and population leaving the area. This has led school districts to close more schools and to close or merge entire districts. Simultaneously, the district's population is aging as a greater percentage of the residents are aged 65 and above (20.2%).

Employment:

Pre-COVID-19: The tri-county region's current unemployment rate is 4.4% which is slightly higher than the state and national unemployment rates (at 4.1% and 3.7%, respectively, annualized for 2019). This low unemployment rate has a negative effect on our enrollment, as a sector of our students may prefer to work and earn wages than go to school. Recent events also show a slight decline in the labor force as local industry makes adjustments and the population ages, which has an adverse effect on training opportunities.

Post-COVID-19: As of the end of April, the State of Michigan was showing an unemployment rate of 22.7%. The Bureau of Labor Statistics (BLS) will be releasing the April Local Area Unemployment Statistics (LAUS) and county data in early June, but we can expect the local area unemployment rates to be up as well.

Educational Attainment: Only 22.5% of residents in our service district aged 25 and above have earned a bachelor's degree (Bay County 18.9%; Midland County 34.0%; and Saginaw County 21.1%) compared to the state average of 28.6% and the national average of 31.5%. There is a disconnect between residents' educational levels and the post-secondary skills required by employers in the region's economy. Jobs that previously required a high school diploma now require a minimum of an associate degree due to automation, sophisticated equipment, required quality processes, and critical thinking/problem solving skills. Regional employers are concerned that there will not be enough workers to fill the jobs of retiring baby boomers, especially in the trade and technical areas. There is also a concern that the workforce will not have the requisite skills to fill the jobs of tomorrow.

Income: With the decline in automotive manufacturing, income levels have declined and the percentage of residents in situational poverty has increased. With the exception of Midland County (\$59,271), median incomes in Bay (\$48,005) and Saginaw (\$46,919) are below the State average (\$54,938). All three counties are below the national average (\$60,293). The tri-county region's poverty rate is 15.2% which is slightly higher than in Michigan (14.1%) and even higher than the United States (11.8%).

Special Circumstances 2020: The COVID-19 worldwide pandemic has had a major effect on the tri-county area as well as the State of Michigan. It has greatly altered income, employment, and education, both for the current and next fiscal year. While the historical information above is important, the up-coming year will be an exceptional change to the way these factors have influenced the area and the ability of the College to serve its constituents. The College is constantly working to modify processes to meet the needs of our students, faculty/staff and citizens with the least amount of disruption to the lives of all living in the tri-county region.

Strategic Focus Areas

Delta College's four strategic focus areas were initially identified in 2006 with input from a community-wide group of constituents.

In 2019, the College conducted an environmental scan through a "community survey" process. The scan resulted in more than 1,700 feedback responses from members of the community. The Board of Trustees, Executive Council and members of the Strategic Planning and Institutional Effectiveness Steering Committee utilized this input as well as the results of an in-depth Strengths, Weaknesses, Opportunities, Threats (SWOT) analysis, and analysis of the College's key challenges and advantages in deciding to continue to focus on these four areas for the 2019-2023 Strategic Plan.

Delta College's four strategic focus areas establish the foundation for the initiatives and action projects that are part of the Delta College Strategic Plan.

The four strategic focus areas are:



Strategic Initiatives Overview 2019-2023

Delta College's strategic initiatives provide a broad, goal-oriented description of the way in which the College is working to attain success in each of our four identified strategic focus areas.

For the 2019-2023 strategic plan, the College has identified 9 strategic initiatives. To accomplish these initiatives, institutional action projects have been developed. Action projects can be short-term or long-term and as they are completed, new projects will be identified. At this time, the College is focusing on 14 institutional action projects.

The strategic initiatives are listed below.

Student Success

- 1.1 Increase student recruitment, retention, and completion to positively impact the traditional, adult, online, and dual enrolled students.
- 1.2 Implement a seamless student journey in alignment with each student's personal, professional, and academic goals.

Community Focus

- 2.1 Utilize Delta College's competitive advantage to strengthen our connection with the communities we serve.
- 2.2 Create mutually beneficial relationships with key educational institutions.
- 2.3 Leverage our career education expertise to increase awareness to meet the employer and workforce talent pipeline needs to sustain a strong vibrant region.

Sustainability

- 3.1 Conduct operations in an innovative and agile manner to provide opportunities for growth.
- 3.2 Refine the significant value added components that define Delta College.

People Focus

- 4.1 Strengthen collaborative relationships and an inclusive environment with the Board, Administration, Faculty, and Staff to develop additional avenues to increase teamwork.
- 4.2 Increase the diversity of the College.

Student Success

promoting success for all students, in the classroom, and in life

West Courtyard

Graduates
Form two lines
please

Career



Student Success - Institutional Action Projects

Initiative 1.1: Increase student recruitment, retention, and completion to positively impact the traditional, adult, online, and dual enrolled students.

Action Project 1.1 – 1: ENROLLMENT: Develop, implement, and assess strategic recruitment activities that positively impact the enrollment of students.

Description of Action Project: Implement and assess strategic recruitment activities and modify as necessary

Champion(s): Dr. Reva Curry and Vice President of Student and Educational Services

Approach for Implementation: Cross-Functional Team

Resources: Joint Leadership Council, Student and Civic Engagement (SACE), Academic Associate Deans, Program and Discipline Coordinators, Director of Dual Enrollment, eLearning Team, Counseling and Advising, Admissions and Marketing

Project Length: More than 1 year

Project Measures

Baseline:

1. 2018-19 Contact Hours (184,919)
2. 2018-19 Online Course Sections (680 INET, 173 CNET, 853 total)
3. 2018-19 Total number of unduplicated dual enrollment students (967)
4. Individual program data for contact hours, online course sections, total number of unduplicated dual enrollment students

Goal:

1. Establish taskforce that will assist in implementing the recruitment. (Coordinator, Associate Dean, Student Success Advisor, and Marketing)
2. Identify, develop, and implement top 10 disciplines/programs that have the greatest potential for growth (and capacity for enrollment) in the COVID-19 environment and identify discipline/program-based strategic recruitment. The data will be qualitative as well as quantitative.

Timeline: 3 programs for 2020-2021; 3 programs for 2021-2022; 4 programs for 2022-2023 (At least one of the programs each year will be completely online.)

3. Increase the number of dual enrollment students by 10%.

Action Project 1.1 – 2: RETENTION: Develop, implement, and assess strategic activities that positively impact the retention of enrolled students.

Description of Action Project: Implement and assess strategic retention activities and modify as necessary. Provide specific learning opportunities for faculty and staff to improve understanding and application of data in areas that influence retention in the post COVID-19 environment.

Champion(s): Dr. Russ Curley and Dr. Martha Crawmer

Approach for Implementation: Cross-Functional Team

Resources: SACE, Academic Associate Deans, Program and Discipline Coordinators, Director of Dual Enrollment, eLearning Team, Joint Leadership Council, and Counseling and Advising

Project Length: More than 1 year

Project Measures

Baseline:

1. Course schedule for Academic Year 2018-2019
2. Identification of scheduling conflicts for full-time completion of Michigan Transfer Agreement (MTA) in one academic year on main campus.

Goal:

1. Implement coordinated scheduling to support full-time and part-time completion of Guided Pathways for top 10 and MTA programs by Fall 2019, next 10 by Fall 2020, next 10 by Fall 2021. Program that are targeted in 1.1 will be included for coordinated scheduling.
2. Develop a virtual center for online courses and services by April 2020.
3. Enhance student services in the dual enrollment center.
4. Implement focused best practice initiatives to increase student retention.
 - a. Odessa College – Visitation Team’s recommendations for best practices

- b. Caring Campus – staff
- c. Caring Campus – faculty
- d. Retention project - College 101: Becoming a Pioneer
- e. Advising before dropping a class

Initiative 1.2: Implement a seamless student journey in alignment with each student’s personal, professional, and academic goals.

Action Project 1.2-1: Define, implement, and assess student success measures that relate to each student’s goals.

Description of Action Project: Implement Student Success Teams through a strategic series of coordinated interactions grounded in proactive and appreciative advising principles. Student Success Teams will utilize Customer Relationship Management (CRM) Advise to coordinate multi-office support of our students.

Champion(s): Shelly Raube and Dr. Martha Crawmer

Approach for Implementation: Cross-Functional Team

Resources: Counseling and Advising, SACE, Registrar’s Office, Academic Associate Deans, Joint Leadership Council, and Director of Information Technology Services

Project Length: More than 1 year

Project Measures

Baseline:

1. Developmental Education

- a. Enrollment in Developmental Education during first year (baseline Language 68.5%, Math 52.3%, Both 44.9%)
- b. Successful completion of All Developmental Education during first year (baseline Language 66.9%, Math 15.4%, Both 8.1%)

2. Gatekeeper Courses (required math and English for general education and certificates & degrees completion)

- a. One year for college ready students (baseline 17.6%)
- b. Reading and Writing completion
 - i. Two years for developmental students (baseline 10.3%)
- c. Math completion
 - i. Two years for developmental students (baseline 5.9%)

3. Retention

- a. First Time In Any College Students (FTIACS) (baseline 54.56%)
- b. All students (baseline 51.5%)

4. Student Success

- a. Good Academic Standing
 - i. College Ready (baseline 77.10%)
 - ii. Developmental students (baseline Language 69.1%, Math 47.9%, Both 51.2%)
- b. Satisfactory Academic Progress
 - i. College Ready (baseline 70%)
 - ii. Developmental students (baseline Language 64%, Math 42.3%, Both 48.4%)

5. College Completion

- a. Graduation of full-time, first-time degree/certificate-seeking undergraduates within 150% of normal time to program completion (baseline 15%)

Goal:

1. Increase the number of students who correctly place into developmental education and enroll in Developmental Educational courses by 2% each year for the next three years. Increase successful student completion of Developmental Educational courses by 2% within the student’s first three semesters.
2. Increase completion of Gatekeeper courses by College Ready students by 2% each year for the next three years.
3. Increase completion of Gatekeeper courses by Developmental Educational students by 2% within two years of enrollment.
4. Increase Fall-to-Fall Retention of FTIACS to 57-58% within three years.
5. Increase number of full-time, first-time degree/certificate-seeking undergraduates within 150% of normal time to program completion: 1% or more within three years.

Indicator(s) of Success for the Student Success Strategic Focus Area:

- Enrollment Stabilization (1.1)
- Increase Retention (fall to fall) by 2% (1.1)
- Increase Completion (VFA 6-year) by 8% (2% a year) (1.1)
- Student goals are tracked and monitored using CRM Advise (1.2)



Community Focus

understanding and responding to our communities' needs

Community Focus - Institutional Action Projects

Initiative 2.1: Utilize Delta College's competitive advantage to strengthen our connection with the communities we serve.

Action Project 2.1-1: Develop branding strategies focused on the Downtown Centers, then pursue aggressive outreach initiatives for implementation.

Description of Action Project:

- **BRANDING:** Develop language, visuals, and advertising information that reflects Delta College's goals for its three Downtown Centers. Reflect the commonalities of each Center, while highlighting the unique offerings in each location.
 - Saginaw and Midland will focus on specific program offerings.
- **OUTREACH:** Develop partnerships with local non-profit and service provider organizations that will enhance Delta College's educational delivery goals.

Champion(s): Pam Clark and Vice President of Student and Educational Services

Approach for Implementation: Cross-Functional team

Resources: Marketing Department Team, Dean of Enrollment Management, Director of Educational Opportunity Center, and Director of Learning Centers

Project Length: Six months for branding strategies, followed by two years of outreach work

Project Measures

Baseline:

1. Assess the current branding for all off site locations, which has varied widely.
2. Assessment of the current Ricker and Midland centers staffing patterns.
3. Ricker Center Enrollment (2018 Fall)
4. Midland Center Enrollment (2018 Fall)

Goal:

1. Finalize the branding strategies for all Downtown Centers by Spring 2019, with full implementation by Summer 2019 (in Saginaw) and use lessons learned for Winter 2021 (in Midland).
2. Launch each newly constructed Center through a community wide free open house (Saginaw in June 2019 and Midland in Spring 2021), with a goal of attracting 3,000 to 5,000 visitors to each.
3. Add digital and print advertising for Saginaw and Midland, which will be in addition to the regular advertising recruitment cycle, with a goal of achieving 90,000 advertising impressions.
4. New staffing model for each location to promote greater service.
5. Newly assigned staff members will develop outreach activities at each new Downtown Center, with a goal of making 1,000 face-to-face connections each year.

Initiative 2.2: Create mutually beneficial relationships with key educational institutions.

Action Project 2.2-1: Create a Downtown Bay City "university center" featuring our four-year partners.

Description of Action Project:

- Establish further partnerships with four-year universities in our region such as Central Michigan University, Ferris State University, Northwood University, Davenport University, or others that would have an interest.
- Communicate with the Bay City business community, which has a desire to have an educational institution in downtown. Delta College can meet this need, in partnership, without any additional construction.
- Develop a contract to implement partnership parameters with mutually beneficial outcomes, to include:
 - Use of logos, banners, etc. from those other universities within the lobby space of the facility.
 - Develop mutually beneficial "co-branded" advertising that promotes all entities' programs and classes that would be offered at the Delta College facility.

Champion(s): Vice President of Student and Educational Services and Dr. Reva Curry

Approach for Implementation: Cross-Functional team

Resources: Manager of Strategic Partnerships, Director of Learning Centers, and Assistant Director of Business Services

Project Length: More than 1 year

Project Measures

Baseline:

1. Assess Delta's current offerings at the Downtown Bay City Center to determine building usage and capacity.
2. Assess the current 3+1 course offerings on main campus to determine what can be moved to the Downtown Bay City Center.

Goal:

1. Offer successful transfer/articulation partnership degree programs and graduate level programs at the Downtown Bay City Center.
2. Increase the number of transfer/articulation partners in Bay City by three institutions, within the next three years.

Initiative 2.3: Leverage our career education expertise to increase awareness to meet the employer and workforce talent pipeline needs to sustain a strong vibrant region.

Action Project 2.3-1: Implement methods needed for Delta team to be able to share the value of education and emphasize the high demand careers and outcomes that can be achieved.

Description of Action Project: Implement and lead activities that promote employer driven, in demand fields and outline pathways to attain ladder credentials to various levels of employment to assist in filling the local talent pipeline.

Champion(s): Jason Premo and Lindsey Bourassa

Approach for Implementation: Cross-Functional Team

Resources: Career Services, Dean of Career Education and Learning Partnerships, Associate Deans, Dual Enrollment and Co-op Offices

Project Length: 1 year

Project Measures

Baseline:

1. Analyze the critical shortage areas of regional employers to fill the talent pipeline.
2. Meet with and build relationships with area K-12 schools, Career Technical Education (CTE) instructors, school counselors, college faculty, area businesses, parents, and other stakeholders to develop career ladders.

Goal:

1. Identify, develop, and implement 10 career ladder programs with multiple student enrollment entry points.
2. Develop targeted content that creates a visual understanding of the (high demand) pathways and how students can view their options to completion and attain career goal.
3. Work collaboratively with Delta's Dean of Career Education and Learning Partnerships, Associate Deans, Career Services, Dual Enrollment, Articulation and Co-op/Internship offices to help build pathways expanding opportunities for student learning, exploration, and work experiences.
4. Increase exposure of work-based learning opportunities.
5. Establish baseline hiring needs for employers in the area.

Indicator(s) of Success for the Community Focus Strategic Focus Area:

- Stabilize and then increase enrollment at Downtown Saginaw Center (in comparison to Ricker) by 5%. (2.1)
- Stabilize and then increase enrollment at Downtown Bay City Center by 5%. (2.1)
- Stabilize and then increase enrollment at Downtown Midland Center by 5%. (2.1)
- Increase the number of non-profit and service provider educational partnerships by five in Midland and 10 in Saginaw for a total of 15 that target potential students. (2.1)
- Expand 3+1 program and 2+2 program offerings at the Downtown Bay City Center. (2.2)
- Secure at least two institutions to partner with Delta 3+1 degree programs and promote at the Downtown Bay City Center. (2.2)
- Deeper understanding of workforce pipeline needs and career training programs that can meet those needs, producing a list of possible new programs. (2.3)

Sustainability

using all resources in an efficient and sustainable way



Sustainability - Institutional Action Projects

Initiative 3.1: Conduct operations in an innovative and agile manner to provide opportunities for growth.

Action Project 3.1-1: Respond, recover, and thrive by establishing an innovative program fund and using data to drive resource allocation decisions.

Description of Action Project:

Establish fund and process to grow enrollment. Establish new internal and external data to drive resource allocation decisions.

Champion(s): Sarah DuFresne

Approach for Implementation: Cross Functional Team

Resources: Institutional Research Director, Director of Facilities Management, Director of Corporate Services, Controller, Director of Business Services, President's Cabinet, Executive Council

Project Length: More than 1 year

Project Measures:

Baseline: Current year budget model

Measurement of success: 1) Enrollment and financial benefits of new initiatives achieved. 2) Budgeting of resources will be driven by accurate enrollment revenue predictions and allocated based on data.

Goal (Year 1) 2020-2021

1. Venture Business Plan Guide available for application - May 2021
2. Three-year enrollment projections and analysis by Institutional Research submitted to Finance - January 2021

Goal (Year 2) 2021 – 2022

1. Venture Business Plan funding award identified - July 2021

Goal (Year 3) 2022-2023

1. Create and launch three-year implementation plan to strategically shift needed resources in staff, facilities, and technology - August 2022

Action Project 3.1-2: Refine the process to cultivate innovative, data-informed, and agile initiatives to move the College forward.

Description of Action Project: Conduct a study of best practices for cultivating innovation within the higher education sector and in business and industry. Analyze models, including Innovation Engineering and adapt relevant aspects of those models with a goal of creating a process at Delta College that will guide the College in cultivating innovation as the College works to recover and thrive in a post-pandemic environment. This includes building the platform for the future through initiatives and actions such as competency based learning, examining alternative scenarios for scheduling courses, re-examining how we make changes as a College, re-examining modes for offering courses, seamless delivery of online instruction including strengthening professional development for those teaching online, program review, assessment of offerings to meet the needs of the community during and post-pandemic, and broader integration of open educational resources (OER) and improvement of virtual services through Student and Educational Services.

Champion(s): Dr. Jean Goodnow and Dr. Reva Curry

Approach for Implementation: Cross-Functional Team

Resources: Director of Employee Development, League for Innovation, Innovation Engineering, President's Cabinet, Director of Information Technology Services, Dean of Career Education and Learning Partnerships, Dean of Teaching and Learning, AtD Committee, +One Connections Committee

Project Length: 1 year

Project Measures

Baseline:

1. Current structure

Goal:

1. Identify 3-5 best practices for cultivating innovation in the business and industry and higher education sectors.
2. Train a minimum of 10 faculty and staff members in Innovation Engineering.
3. Implement relevant innovation strategies including concepts from Innovation Engineering College-wide by June 2021.
4. Provide professional development and certification opportunities for all faculty by Fall 2020, to strengthen Delta College's online course delivery.

Initiative 3.2: Refine the significant value-added components that define Delta College.

Action Project 3.2-1: Strengthen the College's position in the community by utilizing its centers, which augment the educational delivery available on its Main Campus.

Description of Action Project: Position Delta College as the preferred, safe, educational provider for students, parents and K-12, while responding within the restraints of COVID-19.

Champion(s): Nick Bovid, Pam Clark, and Steve Gregory

Approach for Implementation: Cross-Functional Team

Resources: Facilities, Director of Public Safety, Director of Business Services, Director of Corporate Services, Director of Human Resources, Director of Marketing and Public Information, President's Cabinet

Project Length: More than 1 Year

Project Measures

Baseline:

1. Current facilities and safety measures

Goal:

1. Integrate the Centers and Main Campus to more fully utilize all facilities, safely, to the benefit of all students and employees.
2. Develop a Delta College Return to Work Action Plan to address public safety and facilities needs at Main Campus and all downtown centers.
 - a. Establish Task Force and set deadline for Return to Work Action Plan
 - b. Respond to State of Michigan executive orders
 - c. Gather and analyze multiple sources of health information and work best practices
 - d. Create Return to Work Action Plan that identifies specific steps and resources needed:
 - i. Before Delta employees return to work
 - ii. After Delta College campus is open to employees only
 - iii. After Main Campus and centers are open to the public
 - iv. Ongoing facilities and safety measures
3. President's Cabinet reviews/approves implementation of Task Force's plan in June 2020.
4. Monitor progress on the plan, integrate changing conditions and alter future facilities responses, ongoing beginning June 2020.
5. Concurrently, Marketing Department to reflect the strength and safety of Delta College, especially during the ongoing COVID-19 situation. Continue to drive attendance at the downtown centers as a point of local connection to the College.

Indicator(s) of Success for the Sustainability Strategic Focus Area:

- Maintain 10% General Fund Balance (annual). (3.1)
- Implement a funding formula to set aside funds annually in designated sustainability fund for contingencies on annual basis to stabilize the College's operational budget. (3.1)
- Implement a funding formula to set aside funds in a designated innovation fund to grow the College. (3.1)
- Adjust operational expenditures to align with available revenue beyond one year. (3.1)
- A developed set of options for the College to consider for positioning our educational mission in the community. (3.2)



People Focus

respecting and growing our people personally, professionally, and organizationally

People Focus - Institutional Action Projects

Initiative 4.1: Strengthen collaborative relationships and an inclusive environment with the Board, Administration, Faculty, and Staff to develop additional avenues to increase teamwork.

Action Project 4.1-1: Assess the climate and strengthen communication and collaboration across the College.

Description of Action Project:

- Administer climate survey in Fall 2020
- Assess each All College Forum for effectiveness of the session
- Develop innovative methods to enhance collaboration across the college

Champion(s): Scott Lewless, Andrea Ursuy, Kay Schuler, and Loyce Brown

Approach for Implementation: Cross-Functional Team

Resources: Climate Survey Results, President of Delta College Faculty Association, Chair of Faculty Executive Committee, Human Resources, and Institutional Research

Project Length: 1 year

Project Measures

Baseline:

1. 2018 PACE Survey results
2. No other survey baseline in place

Goal:

1. Appoint a committee to develop a schedule and questions based on previous PACE Survey.
2. Establish a baseline for frequency of surveys (at least quarterly) for the All College Forums.
3. Identify individuals that can assist and develop the innovative methods for enhanced collaborations.

Initiative 4.2: Increase the diversity of the College.

Action Project 4.2-1: Foster a culture of diversity and inclusion.

Description of Action Project:

- Increase the understanding of diversity and inclusion across the College.
- Recommend appropriate policies and procedures (as needed) in relation to diversity and inclusion on campus.
- Establish benchmarks and measurements relating to diversity and inclusion of students, faculty, and staff.
- Engage the College Community in meaningful discussions about diversity, inclusion, and social justice through activities such as brown bag lunches, learning cafes, and summits.

Champion(s): Carlos McMath and Dr. Jean Goodnow

Approach for Implementation: Cross-Functional Team

Resources: President's Diversity and Inclusion Council, President's Speaker Series Committee, Center for Organizational Success, Human Resources, Institutional Research, Vice President of Student and Educational Services, Vice President of Instruction and Learning Services, and Disability Resources

Project Length: More than 1 year

Project Measures

Baseline:

1. Current policies and procedures.
2. Current measures for diversity.
3. Current diversity events to engage College Community.
4. Number of employees participating in unconscious bias training.

Goal:

1. Implement and communicate diversity policy and procedures.
2. Establish benchmarks and measurements relating to diversity and inclusion in order to build a dashboard by Fall 2020.
3. Develop and implement ongoing schedule of workshops, seminars, and symposiums that focus on diversity, inclusion, and social justice.

Indicator(s) of Success for the People Focus Strategic Focus Area:

- Increased opportunities for communication and increased Board Member(s) involvement. (4.1)
- PACE Score improvement in the area of communication. (4.1)
- Improved rate of diversity of the College to reflect the diversity of the population of the region (currently at 20% minority for the region) for our students and staff. (4.2)

Additional Institutional Strategic Planning Initiatives

There are two additional planning processes that are conducted at the College and integrated into the strategic planning and budgeting process:

Facilities Planning: is an ongoing function conducted by the College’s Director of Facilities Management and staff, with assistance from external consultants. Each October, the College completes and submits a Capital Outlay Plan to the State of Michigan Department of Management and Budget. Approved by the Board of Trustees, this plan evaluates the College’s facilities, benchmarks the College property and facilities to other Michigan colleges, evaluates the status of the facilities, and requests State approval to plan for facilities renovation or new building construction. The plan evaluates all capital priorities in light of current programming efforts, anticipated programming changes, and current capital base. If a Michigan community college is requesting State funding for renovation or new construction, the request is submitted in the Capital Outlay Plan for review and consideration by the Office of Management and Budget, the legislature (both House and Senate) and the Governor.

In 2019-2020, the College submitted three major projects (by priority):

Priority	Project	Amount
1	Business and Office Professions – K Wing	\$ 5,238,000
2	Business and Technology – M Wing	2,297,000

A copy of the Capital Outlay Plan can be accessed by going to Delta College’s public website. (<https://www.delta.edu/transparency/capital-outlay-plan/2021-capital-outlay-plan.html>)

Facilities planning has also identified a maintenance schedule for major items in excess of \$1 million and funding is allocated annually in the plant fund to support maintenance.

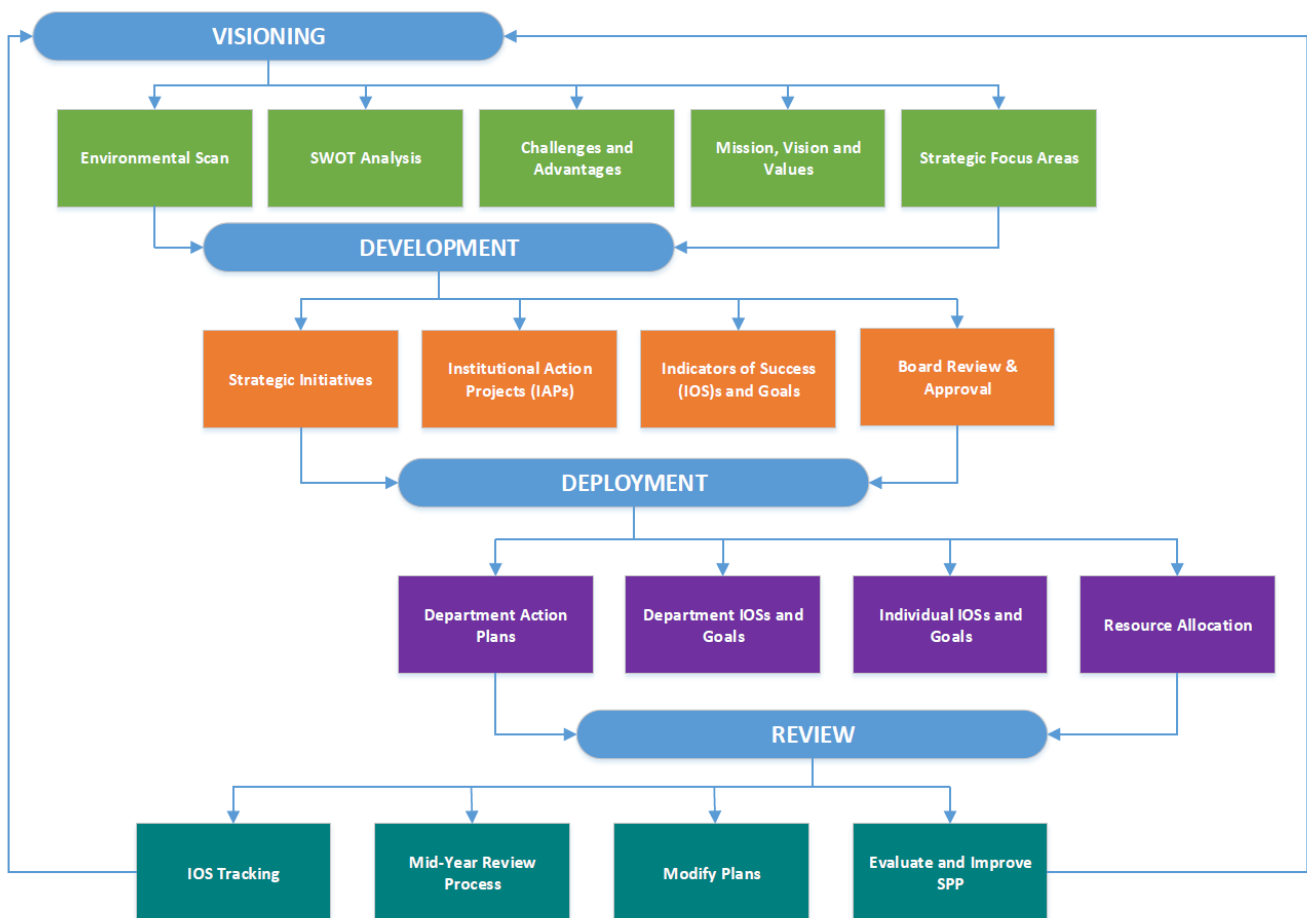
Information Technology Planning: The College works in concert with its information technology vendor, Ellucian, to complete an Information Technology Strategic Plan. The College’s Information Technology Plan is completed and reviewed annually by the College’s contract administrator, Ellucian staff, and other College stakeholders. This plan specifically addresses the College’s information technology function and is included in the strategic planning and budgeting processes. Resources are allocated to support items identified in the Information Technology Plan through the College’s annual budgeting process.

Strategic Planning Summary

Delta College’s strategic planning and budgeting process has been systematically aligned and integrated horizontally and vertically with other initiatives including AQIP, the budgeting process, departmental planning, resource allocation, assessment, and evaluation. Each operational action project is measurable, outcomes are reported, and data-driven decisions are used for program and service improvement.

Planning is conducted and information disseminated horizontally to all budget groups so that supporting departmental plans and budget requests can be developed and alignment assured. The Budget Group leader is responsible for driving the action planning process vertically within that group and integrating the action projects and budgeting at the departmental level. Each Budget Group leader determines to what level within the group action planning will be accomplished and is required to develop and submit action projects that support the institutional strategic plan. Within departments, individual staff members develop annual professional goals that align to their department’s action plan to assign accountability.

Accountability for strategic planning outcomes has been strengthened through required quantitative performance measurement and the required submission of progress reports to the Strategic Planning and Institutional Effectiveness Steering Committee. This process has increased institutional oversight of planning and helps to assure that action projects remain focused and goals are achieved as planned.



Budget Planning Process

Month	Action
August / September	Prepare budget planning materials
September	Review strategic initiatives and assumptions and develop a tentative set of planning and budgeting assumptions
October	Submit to Executive Council, Budget Cabinet, and Budget Groups
November through February	Budget Groups request their subcomponents to develop budgets based on College and departmental strategic plans
November through February	Budget Groups develop budget requests based on College and group strategic plans
February / March	Each Budget group prepares and submits a group request to Budget Cabinet and present to the Board tuition and fee recommendation for approval.
April	Budget Cabinet reviews requests, develops priorities based on the College and cross functional strategic priorities, and recommends priorities to President. The Board accepts estimate of taxes and appropriations
April / May	President and Executive Council develop final Preliminary Budget Plan and review updated Long Range Forecast Model
May	Presentation and discussion of Preliminary Budget and Long Range Forecast with Board of Trustees
June	Presentation of Budget to the Board and approval by the Board

It should be emphasized that budget group leaders have authority and ability to move budgeted dollars internally to meet strategic needs at any time. Strategic plans drive budget decisions as soon as they become available, whether during budget development or during the year even after the budget has been developed. Plans will not change the economic facts, but they will drive decisions regarding plans for spending, cuts, and re-allocations at the time the budget is developed, and also during the year as decisions are made to actually spend as budgeted or re-allocate as necessary.

Delta College Procedures for Budget Amendment

At Delta College, cost center managers may request changes within or between cost centers at any time during the fiscal year. This is done by sending a memo to the College Controller. This memo is used to transfer budget amounts from one line item to another or from one cost center to another.

Cost center managers inform the Vice President of Business and Finance, if it appears that unanticipated events may result in expenditures greater than budget and they are unable to identify sources of additional funds or fund transfers to resolve the problem. The Vice President and President will work together to identify available funds or alternative solutions.

In addition, there is a more formal process for adjusting the total budget if supplemental funding is available, or if total revenues are lower than anticipated. In some years, these conditions are simply noted to the Board during the Treasurers report and some years they are formally adopted by the Board. The chosen method is determined in consultation with the Board Chair.

All Funds

Notes

Delta College Budget – All Funds

Fiscal Year 2020-2021

	General	Designated	Restricted	Auxiliary	Plant	Total
Revenues						
Tuition and Fees	\$ 27,502,720	\$ 2,512,700	\$ -	\$ -	\$ -	\$ 30,015,420
State Appropriations	14,599,673	-	-	-	-	14,599,673
Property Taxes	22,980,225	-	-	-	-	22,980,225
Grants and Gifts	-	2,455,000	19,504,699	-	2,762,500	24,722,199
Auxiliary Services	250,000	-	-	4,683,892	-	4,933,892
Investment Income	158,000	-	-	-	134,800	292,800
Other Sources	<u>1,460,318</u>	<u>974,826</u>	<u>1,110,968</u>	<u>-</u>	<u>2,557,000</u>	<u>6,103,112</u>
Total Revenues	<u>66,950,936</u>	<u>5,942,526</u>	<u>20,615,667</u>	<u>4,683,892</u>	<u>5,454,300</u>	<u>103,647,321</u>
Expenditures						
Instruction	31,872,581	4,776,657	1,024,399	-	-	37,672,637
Instructional Support	<u>6,542,700</u>	<u>112,500</u>	<u>1,154,932</u>	<u>-</u>	<u>-</u>	<u>7,810,132</u>
	38,414,281	4,889,157	2,179,331	-	-	45,482,769
Public Service	1,035,256	12,000	1,642,121	-	-	2,689,377
Student Services	7,485,556	119,985	16,931,361	5,354,891	40,000	29,931,793
Institutional Administration	6,697,212	1,603,986	-	-	500,000	8,801,198
Facilities Management	<u>9,106,456</u>	<u>-</u>	<u>1,925</u>	<u>-</u>	<u>12,290,000</u>	<u>21,398,381</u>
Total Expenditures	<u>66,835,983</u>	<u>6,625,128</u>	<u>20,754,738</u>	<u>5,354,891</u>	<u>12,830,000</u>	<u>112,400,740</u>
Revenues Over/(Under) Expenditures	114,953	(682,602)	(139,071)	(670,999)	(7,375,700)	(8,753,419)
Projected Fund Balance June 30, 2020	<u>7,215,288</u>	<u>15,614,090</u>	<u>6,255,608</u>	<u>6,562,256</u>	<u>34,646,738</u>	<u>70,293,980</u>
Projected Fund Balance June 30, 2021	<u>\$ 7,330,241</u>	<u>\$ 14,931,488</u>	<u>\$ 6,116,537</u>	<u>\$ 5,891,257</u>	<u>\$ 27,271,038</u>	<u>\$ 61,540,561</u>

Note: This summary depicts all funds of the College as budgeted and explained in detail in the following sections. The uses of the various funds are defined by the Michigan Public Community College Manual for Uniform Financial Reporting and are explained under the Fiscal Policies section of this document. The General Fund is the primary operational fund of the College. This summary depicts all funds of the College as budgeted and explained in detail in the following sections. The uses of the various funds are defined by the Michigan Public Community College Manual for Uniform Financial Reporting and are explained under the Fiscal Policies section of this document. The General Fund is the primary operational fund of the College.

Delta College All Funds

Five Year Actual History

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Projected 2019-2020
Revenues					
Tuition and Fees	\$ 29,783,314	\$ 30,286,388	\$ 31,223,830	\$ 30,926,722	\$ 32,037,475
State Appropriations	14,796,390	17,589,791	25,089,136	23,141,714	18,034,670
Property Taxes	23,034,150	22,171,146	21,942,601	22,613,280	22,810,061
Grants and Gifts	23,049,040	19,712,411	21,054,842	21,490,291	25,272,288
Auxiliary Services	7,128,771	6,914,965	6,534,449	5,832,902	4,848,693
Investment Income	622,815	433,227	869,048	1,650,185	1,198,810
Other Sources	<u>8,408,616</u>	<u>10,458,335</u>	<u>17,574,347</u>	<u>7,816,875</u>	<u>12,713,552</u>
Total Revenues	<u>106,823,096</u>	<u>107,566,263</u>	<u>124,288,253</u>	<u>113,471,969</u>	<u>116,915,549</u>
Expenditures					
Instruction	40,966,296	38,476,751	37,258,932	36,369,573	37,758,063
Instructional Support	<u>8,600,826</u>	<u>8,496,012</u>	<u>8,375,795</u>	<u>8,473,690</u>	<u>5,974,657</u>
	49,567,112	46,972,763	45,634,727	44,843,263	43,732,720
Public Service	2,662,174	2,545,738	2,764,924	2,867,765	2,773,236
Information Technology	-	-	3,828,197	3,807,097	4,042,728
Student Services	30,433,670	28,526,241	29,148,863	27,499,173	28,410,129
Institutional Administration	8,474,469	8,548,863	11,711,080	13,835,466	10,766,943
Facilities Management	<u>14,143,802</u>	<u>15,947,616</u>	<u>20,872,193</u>	<u>24,547,113</u>	<u>24,504,041</u>
Total Expenditures	<u>105,281,237</u>	<u>102,541,221</u>	<u>113,959,984</u>	<u>117,399,877</u>	<u>110,229,797</u>
Revenues Over/(Under) Expenditures	1,541,859	5,025,042	10,328,269	(3,927,908)	6,685,752
Beginning Fund Balance	<u>50,640,966</u>	<u>52,182,825</u>	<u>57,207,867</u>	<u>67,536,136</u>	<u>63,608,228</u>
Ending Fund Balance	<u>\$ 52,182,825</u>	<u>\$ 57,207,867</u>	<u>\$ 67,536,136</u>	<u>\$ 63,608,228</u>	<u>\$ 70,293,980</u>

General Fund

Notes

The **General Fund** is the primary operational fund of the College, and is used to account for the transactions related to the College's academic and instructional programs and their administration. Revenues are recorded by source and expenditures are recorded by function, as defined by the State of Michigan Community College Activities Classification Structure (ACS).

The Michigan Community College Activities Classification Structure (ACS) is a set of categories and related definitions, which allows users to examine the operation of an institution as they relate to the accomplishment of that institution's objectives. It is a logical framework that categories information by activity classification.

Financial reporting by Community Colleges was originally uploaded through the Databook. The Databook contained data tables, reports and information about Michigan Community Colleges. The data reported was referred to as "ASC Data Books and Tables." Starting in 2017-2018, MI School Data began to host the reporting process through the Center of Educational Performance and Information (CEPI). The reporting application is the Michigan Postsecondary Data Inventory (MPDI) which contains modules to collect data that offers a historical record of financial events and instructional activity. The MPDI application collects not only financial information, but also several key enrollment and operational activity measures.

The fundamental purpose of collecting this information is to provide consistent and comparative reporting of the various activity measures among all Michigan community colleges. In addition, the Michigan Legislature uses the data primarily for community college funding appropriation and allocation.

Detail discussion about the specific General Fund revenues and expenditures is contained within this section. The use of General Fund revenues is determined by the College's appropriation process which is tied to the College's strategic initiatives. The Budget Cabinet provides leadership in the appropriation process. The budget process is further described in both the Strategic Planning and Fiscal Planning sections of this document. The current year Budget Planning and Resource Allocation Decisions addressing the tactical plans that have been developed to meet the College's strategic initiatives are located on pages 6-11.

Delta College Organizational Chart

The hierarchy of a traditional organizational chart does not adequately explain how governance at Delta College occurs. The College has an elected Senate which includes representatives from the faculty, administrative/professional and support staff. It is through this body that the Senate Handbook has been created and through which it is modified. The handbook includes many of the working conditions and policies the college uses to operate. Shared governance is an important part of our culture. *Senate policies flow through the President to the Board.

- Community
 - Board of Trustees
 - President
 - Equity Officer
 - Director of Diversity and Inclusion
 - Senate *
 - Vice President of Instruction and Learning Services
 - Dean of Teaching and Learning
 - Academic Associate Deans
 - Full-Time and Adjunct Faculty
 - Dean of Career Education and Learning Partnerships
 - LLIC (TLC, Library and Testing Center)
 - Director of eLearning
 - Manager of Finance – Academics
 - Vice President of Student and Educational Services
 - Dean of Enrollment Management
 - Director of Admissions and Career Development
 - Director of Educational Opportunity Center
 - Associate Dean of Retention
 - Director of Financial Aid
 - Registrar
 - Dean of Students
 - Manager of Academic Career Experience and Service Learning
 - Director of Athletics and Student Athlete Development
 - Coordinator of Campus Life and Student Engagement
 - Coordinator of Student Diversity and Leadership
 - Coordinator of Possible Dream and Youth Development
 - Coordinator of Veteran Services
 - Collegiate Advisor
 - Director of Disability Resources
 - Director of Dual Enrollment
 - Director of Learning Centers
 - Director of Public Safety
 - Director of Police Academy/Law Enforcement Training
 - Vice President of Business & Finance
 - Controller
 - Budget and Finance
 - Payroll
 - Student Billing and Cashier's Office
 - Director of Facilities Management
 - Facilities Operations Planning and Management
 - Sustainability and Risk Management
 - Capital Projects
 - Director of Business Services
 - Purchasing and Contract Administration
 - Auxiliary Operations
 - Director of Information Technology and Services
 - Director of Corporate Services

- Corporate Services Business Manager
 - Corporate Services Manager of Development
- Executive Director of Institutional Advancement
 - Director of Marketing and Public Information
 - Foundation Manager
 - General Manager of Public Broadcasting
 - TV and Radio Programming
 - Engineering and IT Support
 - Local Production
 - Public Broadcasting Fundraising
 - Legislative
 - Grants and Resource Development
- Executive Director of Administrative Services and Institutional Effectiveness
 - Director of Human Resources
 - Compensation Administration
 - Recruitment and Employment
 - Benefits Administration
 - Director of Employee Development
 - Center for Organizational Success
 - Instructional Support Services
 - Faculty Center for Teaching Excellence Coordinator
 - Director of Institutional Research

Delta College General Fund Budget

Fiscal Year 2020-2021

Revenues

Tuition and Fees

Tuition	\$ 21,743,120	
Registration Fees	721,600	
Technology Fees	3,444,000	
Program Course Fees	166,000	
Online Course Fees	<u>1,428,000</u>	
Total Tuition and Fees		\$ 27,502,720

State Appropriations

14,599,673

Property Taxes

Bay County	5,755,523	
Midland County	6,957,845	
Saginaw County	<u>10,266,857</u>	
Total Property Taxes		22,980,225

Auxiliary Services

250,000

Fund Transfers

1,132,818

Investment Income

158,000

Other

327,500

Total Revenues

\$ 66,950,936

Expenditures By Activity

Instruction	\$ 31,871,581	
Instructional Support	<u>6,542,700</u>	
Total Instruction		38,414,281
Public Service	1,035,256	
Information Technology	4,097,222	
Student Services	7,485,556	
Institutional Administration	6,697,212	
Facilities Management	<u>9,106,456</u>	

Total Expenditures

66,835,983

Revenues Over Expenditures

114,953

Beginning Fund Balance

7,215,288

Ending Fund Balance

\$ 7,330,241

Delta College General Fund

Five Year History

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019
Revenues				
Tuition and Fees	\$ 26,972,463	\$ 27,268,462	\$ 28,012,692	\$ 28,428,625
State Appropriations	14,795,500	17,589,791	25,089,136	18,533,182
Property Taxes	23,034,150	22,171,146	21,942,601	22,613,280
Auxiliary Service	250,000	250,000	250,000	250,000
Investment Income	351,394	190,042	451,127	801,607
Grants and Other	<u>710,687</u>	<u>614,646</u>	<u>643,016</u>	<u>791,854</u>
Total Revenues	<u>66,114,194</u>	<u>68,084,087</u>	<u>76,388,572</u>	<u>71,418,548</u>
Expenditures				
Instruction	32,300,337	31,505,100	32,358,466	32,010,011
Instructional Support	<u>8,343,342</u>	<u>8,153,053</u>	<u>6,127,638</u>	<u>6,425,060</u>
Total Instruction	40,643,679	39,658,153	38,486,104	38,435,071
Public Service	1,014,861	992,970	1,172,672	1,096,759
Information Technology	-	-	3,828,197	3,807,097
Student Services	6,927,346	7,060,371	6,877,719	6,911,710
Institutional Admin	7,219,358	7,281,541	10,607,457	11,480,362
Facilities Management	<u>10,280,354</u>	<u>13,065,483</u>	<u>15,358,713</u>	<u>9,189,136</u>
Total Expenditures	<u>66,085,598</u>	<u>68,058,518</u>	<u>76,330,862</u>	<u>70,920,135</u>
Revenues Over/(Under) Expenditures	28,596	25,569	57,710	498,413
Beginning Fund Balance	<u>6,789,767</u>	<u>6,818,363</u>	<u>6,843,932</u>	<u>6,901,642</u>
Ending Fund Balance	<u>\$ 6,818,363</u>	<u>\$ 6,843,932</u>	<u>\$ 6,901,642</u>	<u>\$ 7,400,055</u>
~State pass-through to MPSERS	<u>\$ 3,668,195</u>	<u>\$ 3,839,551</u>	<u>\$ 4,490,630</u>	<u>\$ 4,127,662</u>

~Beginning in 2012-2013, the State of Michigan has appropriated additional funding for direct pass-through to the MPSERS retirement system for purposes of reducing the system's UAAL. This additional amount is recorded in the audited financial statements as both state appropriations and retirement expense, but is only reflected as a memo line item above for operating budget purposes.

Delta College General Fund

Budget Comparison

	Projected 2019-2020 Amount	Projected 2019-2020 % of Total	Budgeted 2020-2021 Amount	Budgeted 2020-2021 % of Total	% Change From Prior Year
Revenues					
Tuition and Fees	\$ 29,465,518	41.8%	\$ 27,502,720	41.1%	-6.7%
State Appropriations	16,764,670	23.8%	14,599,673	21.8%	-12.9%
Property Taxes	22,810,061	32.4%	22,980,225	34.3%	0.7%
Auxiliary Service	250,000	0.4%	250,000	0.4%	0.0%
Investment Income	633,247	0.9%	158,000	0.2%	-75.0%
Grants and Other	<u>585,136</u>	<u>0.7%</u>	<u>1,460,318</u>	<u>2.2%</u>	<u>149.6%</u>
Total Revenues	<u>70,508,632</u>	<u>100.0%</u>	<u>66,950,936</u>	<u>100.0%</u>	<u>-5.0%</u>
Expenditures					
Instruction	31,614,985	44.7%	31,871,581	47.7%	0.8%
Instructional Support	<u>5,800,776</u>	<u>8.2%</u>	<u>6,542,700</u>	<u>9.8%</u>	<u>12.8%</u>
Total Instruction	37,415,761	52.9%	38,414,281	57.5%	13.6%
Public Service	1,120,189	1.6%	1,035,256	1.5%	-7.6%
Information Technology	4,042,728	5.7%	4,097,222	6.1%	1.3%
Student Services	7,198,765	10.2%	7,485,556	11.2%	4.0%
Institutional Admin *	10,073,848	14.3%	6,697,212	10.0%	-33.5%
Facilities Management	<u>10,842,108</u>	<u>15.3%</u>	<u>9,106,456</u>	<u>13.6%</u>	<u>-16.0%</u>
Total Expenditures	<u>70,693,399</u>	<u>100.0%</u>	<u>68,835,983</u>	<u>100.0%</u>	<u>-5.5%</u>
Revenues Over/(Under) Expenditures	(184,767)		114,953		
Beginning Fund Balance	<u>7,400,055</u>		<u>7,215,288</u>		
Ending Fund Balance	<u>\$ 7,215,288</u>		<u>\$ 7,330,241</u>		
~ State pass-through to MPSERS	<u>\$ 3,981,980</u>	estimated	<u>\$ 3,981,980</u>	estimated	

*Tuition waiver, vacation liability and other fringe benefits are budgeted under Institutional Administration. These items are recorded in the user cost center when expended. Also recorded under Institutional Administration are various contingency reserves.

General Fund

Revenue Detail

The major sources of revenue recorded and budgeted in the General Fund include state appropriations, property taxes, and tuition and fees, which together account for approximately 97% of the total General Fund revenues. Budgeted estimates for each source of revenue are based upon detailed information and analysis, depending upon the specific type of revenue.

The state appropriations budget is the actual amount allocated to the College by the State Legislature for the budgeted fiscal year. These funds are disbursed to the College over an eleven-month period, October through August. The July and August payments are accrued back to the College's fiscal year ended June 30.

Property tax revenues are budgeted based upon the total current taxable valuation that has been established for levy on the real and personal property tax rolls located within the three counties comprising the College district. The tax rolls included in the College's levy are ad valorem, industrial facilities and commercial facilities. A significant portion of the taxable valuation is captured by various tax increment financing authorities that have been established for economic development purposes. After an annual public budget/truth-in-taxation hearing has been held each June, the Board of Trustees approves the millage rate to be levied. The net total taxable valuation is multiplied by the approved millage rate to calculate the projected property tax revenue. An estimated allowance for delinquent and uncollectible property taxes is deducted from the property tax revenue budgeted. The property tax valuations and revenue calculations are presented on page 59.

Tuition and fees are budgeted based upon estimated enrollment projections (contact hours), which are determined through analysis of regional environmental scanning data and discipline and departmental historical contact hour trends, and are adjusted for planned revisions to program offerings and program and graduation requirements. The College's tuition rate, as approved by the Board of Trustees and weighted based upon a historical in-district/out-of-district/out-of-state average, is multiplied by the projected contact hours to calculate the budgeted tuition. Fees, including registration and course fees, are budgeted based on their individual historical relationship to tuition revenue, taking into account any changes in fee rates that have been approved by the Board of Trustees for the budgeted year. A summary of contact hour projections and tuition and fee rates is presented on page 55. Detail contact hour projections for each academic division are presented on page 58. A historical chart of contact hours is shown on page 57.

The tuition and fees budget is the most volatile of the College's major revenue sources because unlike state appropriations, taxable valuations and millage rates, enrollment is not a predetermined value and has a higher probability of significant variance from the levels projected.

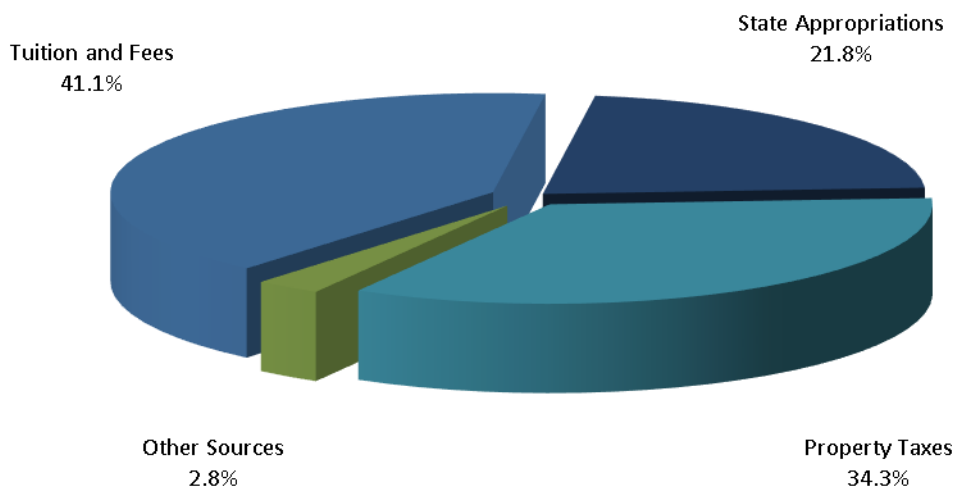
Throughout the budgeting process each year, the College adjusts its General Fund expenditures based upon the revenue projections.

Delta College General Fund Budget

Fiscal Year 2020-2021

Revenues

Tuition and Fees		
Tuition	\$ 21,743,120	
Registration Fees	721,600	
Technology Fees	3,444,000	
Program Course Fees	166,000	
Online Course Fees	<u>1,428,000</u>	
Total Tuition and Fees		\$ 27,502,720
State Appropriations		14,599,673
Property Taxes		
Bay County	5,755,523	
Midland County	6,957,845	
Saginaw County	<u>10,266,857</u>	
Total Property Taxes		22,980,225
Auxiliary Services		250,000
Fund Transfers		1,132,818
Investment Income		158,000
Other		<u>327,500</u>
Total Revenues		<u>\$ 66,950,936</u>

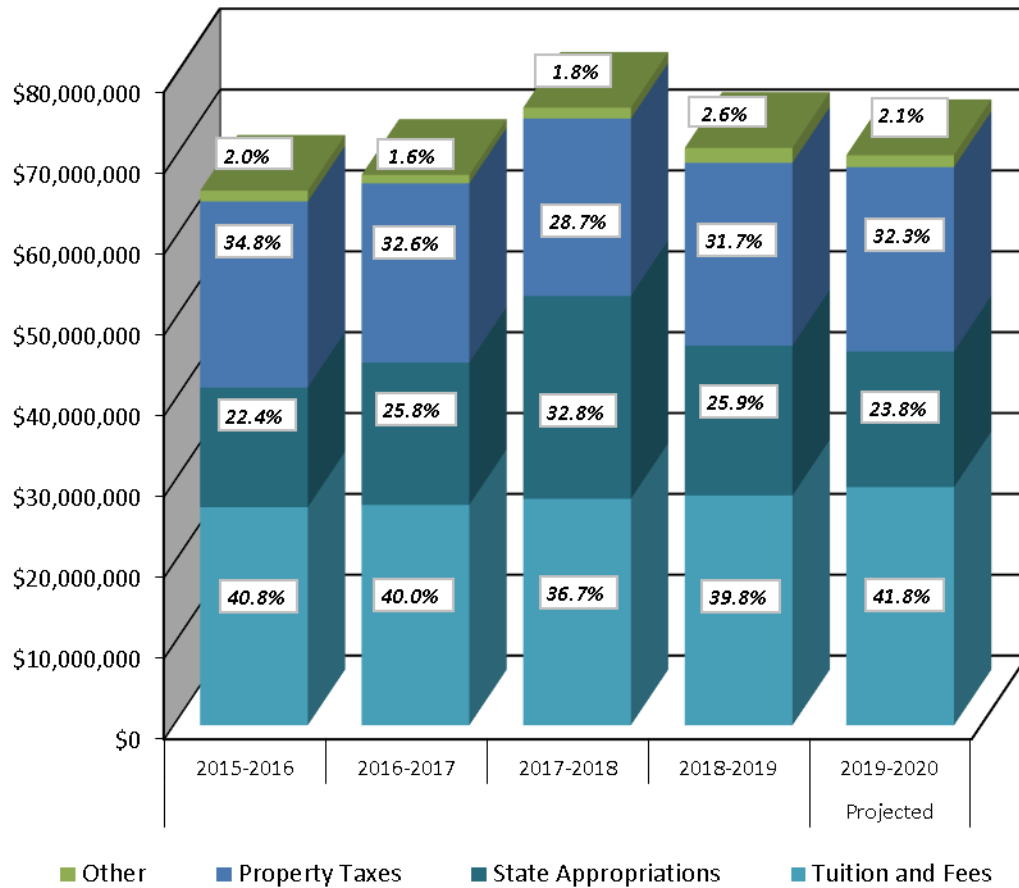


Delta College General Fund

Revenue Sources

Five Year Actual History

	2015-2016	2016-2017	2017-2018	2018-2019	Projected 2019-2020
Tuition and Fees	\$ 26,972,463	\$ 27,268,462	\$ 28,012,692	\$ 28,428,625	\$ 29,465,518
State Appropriations	14,795,500	17,589,791	25,089,136	18,533,182	16,764,670
Property Taxes	23,034,150	22,171,146	21,942,601	22,613,280	22,810,061
Other	<u>1,312,081</u>	<u>1,054,688</u>	<u>1,344,143</u>	<u>1,843,461</u>	<u>1,468,383</u>
Total	\$ 66,114,194	\$ 68,084,087	\$ 76,388,572	\$ 71,418,548	\$ 70,508,632



Note: Beginning in 2016-2017, State Appropriations includes Personal Property Tax Exemption Loss Reimbursement

Revenue Sources Detail

Tuition and Fees:

Beginning in the Fall 2019 semester, the College began charging tuition based on contact hours. For some courses, the number of contact hours is greater than the number of credits assigned to the course. Credits are standardized to maximize transferability of courses, to comply with accreditation and other factors. Contact hours are based more closely on the amount of instruction in a course, and may include time allotted for tutorials, laboratory sessions and other additional time spent in class delivery and online activities. In prior years, the College charged tuition based on course credits and assessed an Excess Contact Hour (ECH) fee per additional contact hour at a reduced rate.

Beginning with the Fall 2019, the College's Board of Trustees approved a special tuition rate for all Dual Enrolled students equivalent to the In District rate. Dual Enrolled students are also billed for all other standard fees.

Tuition rates for 2020-2021 and 2019-2020 per Contact Hour are as follows:

	FY 2020-2021	FY 2019-2020	Change	% Change
In District	\$ 117.00	\$ 115.00	\$ 2.00	1.7%
Out-of-District	199.00	197.00	2.00	1.0%
Out-of-State	373.00	371.00	2.00	0.5%

Contact Hours	Budgeted FY 2020-2021	Actual FY 2019-2020	Change	% Change
Summer	4,073	4,036	37	0.9%
Fall	75,095	82,439	(7,344)	-8.9%
Winter	69,078	74,809	(5,731)	-7.7%
Spring	<u>15,754</u>	<u>18,810</u>	<u>(3,056)</u>	<u>-16.2%</u>
Total Contact Hours	<u><u>164,000</u></u>	<u><u>180,094</u></u>	<u><u>(16,094)</u></u>	<u><u>-8.9%</u></u>

Note: Contact hours for Summer, Fall and Winter semesters in FY 2019-2020 are actual, whereas Spring contact hours are as projected. See pages 57 and 58 for contact hour history and projections.

Course Fees:

Course fees contained in the 2020-2021 tuition and fees budget consist of a Technology Fee of \$21 assessed on each contact hour for all courses. The Technology Fee was \$20 in 2019-2020. The online course fee was also increased \$1 to \$34 for 2020-2021, and is also assessed on all course contact hours for all online and combined online and face to face courses.

Some programs, such as Nursing, Dental Hygiene and Automotive Service are assessed additional course fees in order to cover the cost of the special services provided in these courses. These fees are generally a per course flat fee.

Registration Fees:

Students are charged a registration fee each semester, which remains unchanged at \$40 for FY 2020-2021.

Revenue Sources Detail

State Appropriations

	Budgeted FY 2020-2021	Projected FY 2019-2020	Change	% Change
Appropriations	\$ 14,599,673	\$ 16,764,670	\$ (2,164,997)	-12.9%

The appropriation amounts above include \$1,500,000 and \$2,781,660 for fiscal years 2020-2021 and 2019-2020, respectively, for reimbursement from the State of personal property tax losses due to exempted property. Our auditors have stated that this revenue should be recorded as state appropriation revenue rather than property tax revenue since these amounts are no longer included in the College's tax levy. It is anticipated that the State will enforce a proration of the College's 2019-2020 appropriation to offset a projected \$1.09 billion deficit in the School Aid Fund due to the Coronavirus Pandemic. The 2019-2020 projection above factors in a 15% reduction, or \$2,280,210, to Delta's appropriation, which is anticipated to roll forward as the new base for 2020-2021.

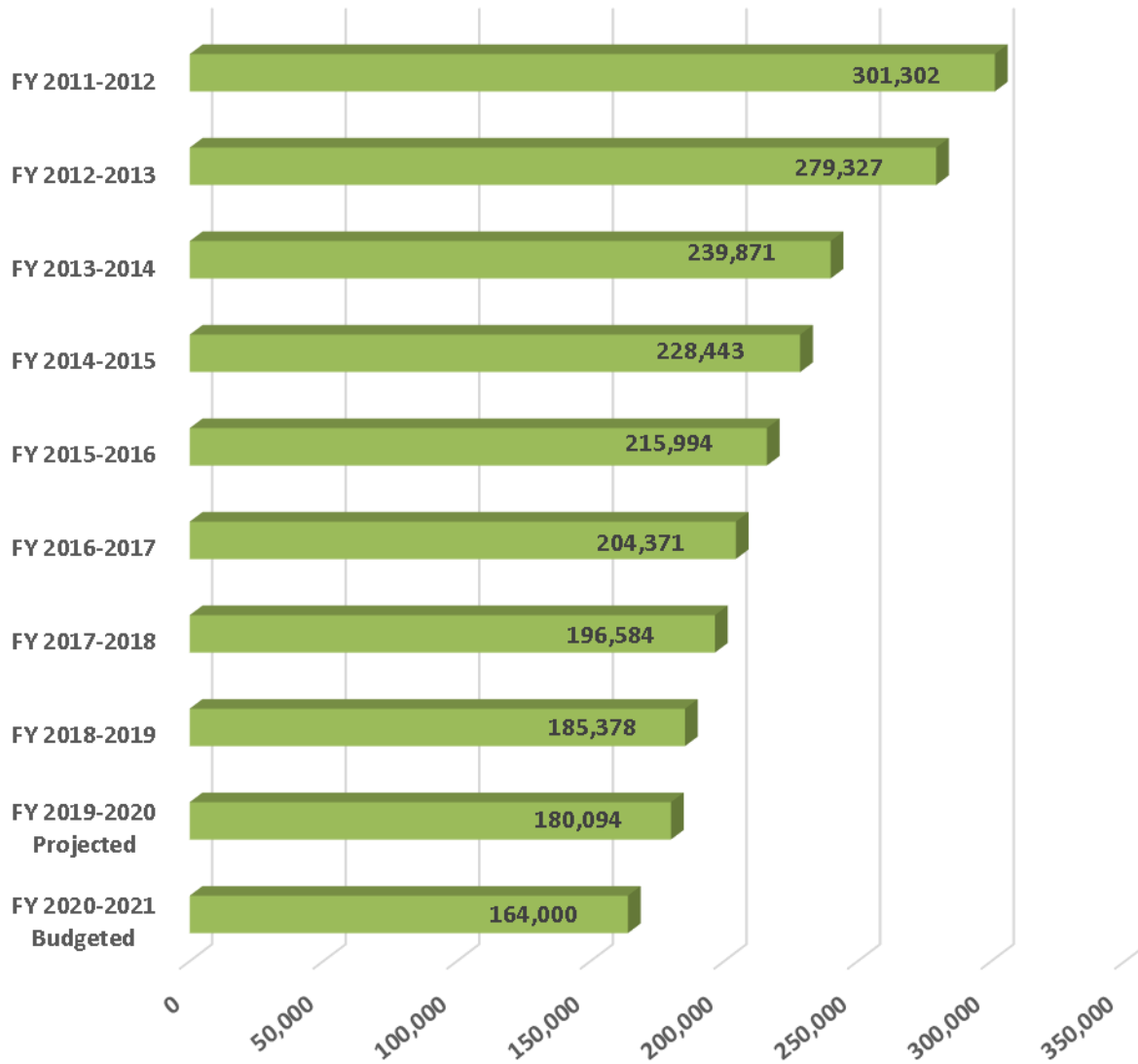
Also included in State Appropriations Revenue is \$178,483 and \$195,660, respectively, for Renaissance Zone property tax exemptions for which the College receives reimbursement from the State.

Note: During fiscal year 2019-2020 the College received approximately \$4 million from the State for pass-through to MPSERS. Since this amount is a pass through, it is not budgeted.

Other Revenue

	Budgeted FY 2020-2021	Projected FY 2019-2020	Change	% Change
Collegiate Ads	3,000	1,925	\$ 1,075	55.8%
Credit By Exam	6,000	5,500	500	9.1%
ID Card Fees	1,200	1,100	100	9.1%
Library Fines	500	300	200	66.7%
Live Scan Fees	23,000	21,500	1,500	7.0%
Miscellaneous	67,000	67,000	-	0.0%
Parking Fines	600	525	75	14.3%
Planetarium	78,000	61,000	17,000	27.9%
Rent Space/Equipment	36,000	27,000	9,000	33.3%
Reserve Parking	9,200	8,745	455	5.2%
Sale of Assets	14,000	13,961	39	0.3%
Testing	42,000	33,000	9,000	27.3%
Transcript Fees	47,000	47,000	-	0.0%
Total Other Revenue	<u>\$ 327,500</u>	<u>\$ 288,556</u>	<u>\$ 38,944</u>	<u>13.5%</u>

Delta College Contact Hour History



Delta College Contact Hour Budget 2020-2021

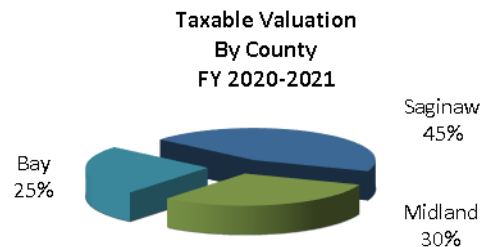
Cost Center/Division	Summer 2020	Fall 2020	Winter 2021	Spring 2021	Total
1010 Education for Professional Development	12	204	202	9	427
1011 Interdisciplinary Social Sciences	0	101	39	31	171
1012 Economics	144	1,083	1,280	436	2,943
1013 History	270	1,411	1,483	186	3,350
1014 Criminal Justice	87	2,222	2,200	219	4,728
1015 Political Science	456	1,634	1,611	273	3,974
1016 Psychology	339	2,737	2,256	594	5,926
1017 Sociology	63	1,175	1,307	543	3,088
1018 Applied Behavior Science	0	54	46	50	150
1019 Child Development	0	635	649	0	1,284
1029 Communications	180	1,707	1,728	501	4,116
1044 Geography	0	455	765	200	1,420
Social Sciences Total	1,551	13,418	13,566	3,042	31,577
1021 Art	0	2,084	2,033	287	4,404
1023 Languages	68	612	827	67	1,574
1025 Interdisciplinary Humanities	21	195	174	0	390
1026 Music	147	777	642	201	1,767
1027 Philosophy	213	1,376	1,271	122	2,982
1028 Electronic Media Broadcasting	0	453	345	5	803
1031 English	504	7,516	6,323	1,007	15,350
Arts and Letters Total	953	13,013	11,615	1,689	27,270
1035 Mathematics	153	8,493	6,000	1,531	16,177
1041 Biology	0	7,484	6,924	1,500	15,908
1042 Chemistry	308	3,045	2,709	237	6,299
1043 Geology	0	499	429	39	967
1045 Physics	140	965	1,437	439	2,981
1046 Science Tech Programs	0	226	204	0	430
Science and Mathematics Total	601	20,712	17,703	3,746	42,762
1052 Lifelong Wellness	74	2,780	2,290	783	5,927
1070 Nursing	200	5,724	5,667	1,362	12,953
1071 Surgical Technology	0	455	148	96	699
1073 Physical Therapy Assistant	0	613	368	0	981
1074 Respiratory Care	0	473	335	34	842
1076 Health Science	16	454	372	132	974
1077 Radiography	12	313	328	68	721
1078 Dental Hygiene	8	1,133	886	208	2,235
1079 Dental Assisting	21	320	546	111	998
1083 Sterile Processing Technology	0	56	44	0	100
1087 Diagnostic Medical Sonography	0	278	227	120	625
Health & Wellness Total	331	12,599	11,211	2,914	27,055
1110 Skilled Trade	0	128	120	0	248
1111 Welding	0	1,448	1,227	922	3,597
1112 Auto Service Ed Program	50	119	148	111	428
1116 Fire Science Technology	0	200	109	83	392
1061 Accounting	0	1,728	1,911	639	4,278
1062 Academic Career Experience	0	16	18	0	34
1063 Computer Information Systems	200	3,334	3,243	908	7,685
1065 Legal Support Professions	0	66	17	0	83
1066 Management	201	2,288	2,327	822	5,638
1067 Office Admin & Technology	54	1,072	1,056	285	2,467
1160 Architecture	0	324	439	0	763
1161 Residential Construction	0	379	353	0	732
1162 Automotive Service Technology	0	892	842	0	1,734
1163 Chemical Processing	0	152	123	0	275
1164 Electrical Technology	0	1,076	1,054	305	2,435
1165 Manufacturing and Industrial Technology	0	632	587	298	1,517
1169 Computer Numeric Control	0	565	499	70	1,134
1171 Computer Assisted Drafting	0	288	260	16	564
1172 Heating, Ventilation and Air Conditioning	0	408	486	36	930
1174 Heavy Duty Diesel	0	238	164	0	402
Business and Technical Total	505	15,353	14,983	4,495	35,336
Grand Total	3,941	75,095	69,078	15,886	164,000

Property Taxes

The following is the detail related to the taxable valuation of the Delta College District. The College's authorized millage rate for operations is 2.1000 mills, however, due to the Headlee Amendment, the College's operating millage rate has been reduced to 2.0427. The overall property values in the College's district for FY 2020-2021 increased by 1.9%. The current year Headlee cap on increases in taxable assessed value per parcel for existing properties is 1.9% after adjusting for losses and additions. Delta will not have a Headlee adjustment for the 2020 tax year.

	Saginaw County	Midland County	Bay County	Total
2020 Taxable Valuations				
Ad Valorem Roll	\$ 5,271,085,426	\$ 3,482,762,574	\$ 2,944,437,138	\$ 11,698,285,138
DNR Roll	8,364,377	3,395,137	4,356,052	16,115,566
IFT Roll - New	46,305,753	23,626,739	19,233,527	89,166,018
IFT Roll - Rehab	2,615,314	641,500	-	3,256,814
Less Captured Values	<u>(253,295,049)</u>	<u>(55,270,933)</u>	<u>(101,466,396)</u>	<u>(410,032,378)</u>
Net Taxable Valuation – 2020	<u>\$ 5,075,075,821</u>	<u>\$ 3,455,155,017</u>	<u>\$ 2,866,560,321</u>	<u>\$ 11,396,791,158</u>
2019 Taxable Valuations				
Ad Valorem Roll	\$ 5,180,421,763	\$ 3,419,481,386	\$ 2,810,531,963	\$ 11,410,435,112
DNR Roll	7,552,417	3,333,739	4,276,003	15,162,159
IFT Roll – New	57,180,860	29,822,707	45,934,746	132,938,313
IFT Roll – Rehab	1,146,875	641,500	-	1,788,375
Less Captured Values	<u>(236,328,666)</u>	<u>(54,853,701)</u>	<u>(89,735,459)</u>	<u>(380,917,826)</u>
Net Taxable Valuation - 2019	<u>\$ 5,009,973,249</u>	<u>\$ 3,398,425,631</u>	<u>\$ 2,771,007,253</u>	<u>\$ 11,179,406,133</u>
Percent Increase (Decrease)	1.30%	1.67%	3.45%	1.94%

Fiscal Year 2020-2021 Operating Property Tax	Revenue Calculation
Total 2019 Net Taxable Valuation	\$ 11,396,791,158
x General Operating Millage Rate	<u>2.0427</u>
Property Tax Revenues	\$ 23,280,225
Less Delinquent and Appealed Taxes	<u>(300,000)</u>
Net Operating Property Tax Revenues	<u>\$ 22,980,225</u>



Notes:

Industrial Facilities Tax Abatement (IFT): Property designated as IFT are included on a separate tax roll. IFT's are classified as new or rehab facilities. New facilities are taxed at one half the rate of the taxing district. Rehab facilities are taxed at the whole rate, but only on the initial assessment, not the improvements. These tax abatements typically do not exceed 12 years.

Captured Values: Captured values include those properties for which a portion of the College's levy is "captured" by the designated district within which the property is located. Such districts are designed to capture tax revenues for purposes of economic rehabilitation, enhancement, and/or growth, and include Tax Increment Finance Authority (TIFA), Downtown Development Authority (DDA), Local Finance Development Authority (LDFA), and Brownfield Redevelopment Zone. Properties in these districts are not exempt from taxes; rather they are included in the ad valorem and IFT tax rolls, and the tax revenues received by the College on these properties are based upon an initial assessed taxable valuation. The tax revenues resulting from increases in taxable valuation on these properties are captured and turned over to the designated district. For budgeting purposes, the captured taxable valuation must therefore be subtracted from the total taxable valuation when calculating the College's property tax revenues.

Exempt Personal Property Tax Reimbursements

Recent State legislation has exempted certain personal property from tax levy. Beginning in 2016, the College will be reimbursed from the State of Michigan for the losses the College incurred from applicable commercial and industrial personal property tax exemptions. The reimbursements are expected to be computed based on the reduction in taxable valuation from 2013 to the current tax year for these personal property tax classifications. Based on advice from our auditors regarding the proper accounting treatment of these reimbursements, this revenue will be reported as State Appropriations in both the budget and the College's audited Financial Statements.

Notes

General Fund

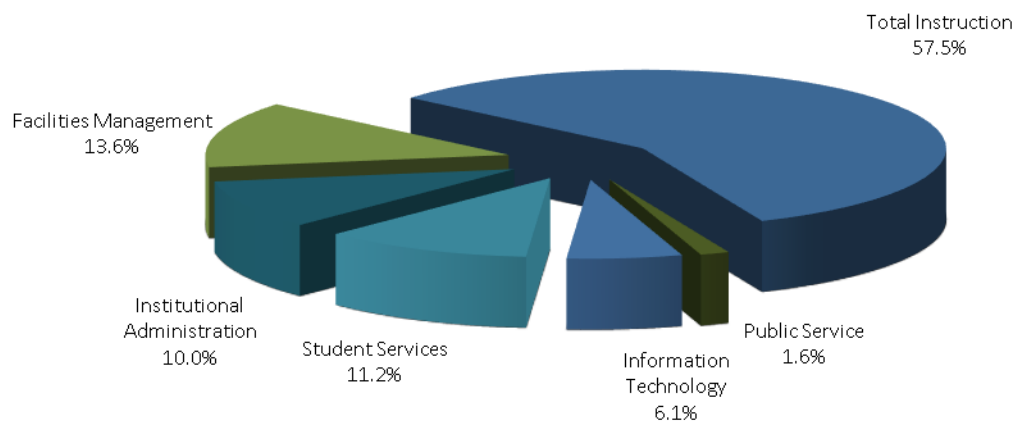
Expenditure Detail

Delta College General Fund Budget

Fiscal Year 2020-2021

Expenditures by Activity

Activity	Amount	Percentage
Instruction	\$ 31,871,581	47.7%
Instructional Support	<u>6,542,700</u>	<u>9.8%</u>
Total Instruction	38,414,281	57.5%
Public Service	1,035,256	1.6%
Information Technology	4,097,222	6.1%
Student Services	7,485,556	11.2%
Institutional Administration	6,697,212	10.0%
Facilities Management	<u>9,106,456</u>	<u>13.6%</u>
Total Expenditures	<u>\$ 66,835,983</u>	<u>100.0%</u>

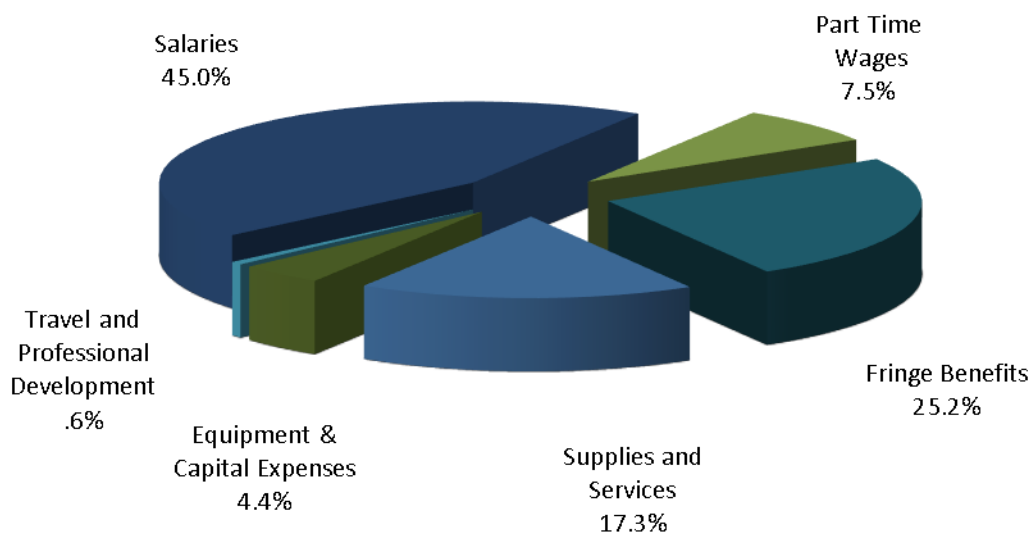


Delta College General Fund Budget

Fiscal Year 2020-2021

Expenditures by Object

Object	Amount	Percentage
Salaries	\$ 30,048,101	45.0%
Part Time Wages	5,018,851	7.5%
Fringe Benefits	16,852,300	25.2%
Supplies and Services	11,588,983	17.3%
Equipment and Capital Expenses	2,904,578	4.4%
Travel and Professional Development	<u>423,170</u>	<u>0.6%</u>
Total Expenditures	<u>\$ 66,835,983</u>	<u>100.0%</u>

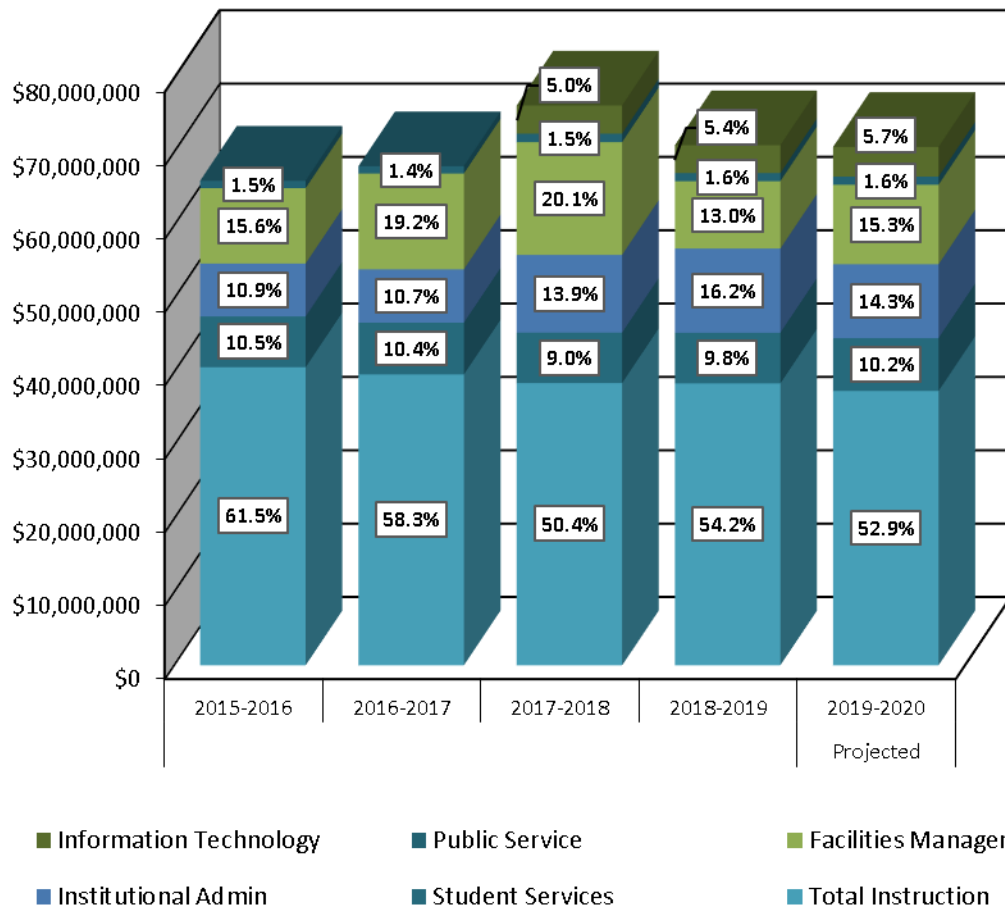


Delta College General Fund

Expenditures by Activity

Five Year Actual History

	2015-2016	2016-2017	2017-2018	2018-2019	Projected 2019-2020
Instruction	\$ 32,300,337	\$ 31,505,100	\$ 32,358,466	\$ 32,010,011	\$ 31,614,985
Instructional Support	8,343,342	8,153,053	6,127,638	6,425,060	5,800,776
Total Instruction	40,643,679	39,658,153	38,486,104	38,435,071	37,415,761
Public Service	1,014,861	992,970	1,172,672	1,096,759	1,120,189
Information Technology	-	-	3,828,197	3,807,097	4,042,728
Student Services	6,927,346	7,060,371	6,877,719	6,911,710	7,198,765
Institutional Admin	7,219,358	7,281,541	10,607,457	11,480,362	10,073,848
Facilities Management	10,280,354	13,065,483	15,358,713	9,189,136	10,842,108
Total	\$ 66,085,598	\$ 68,058,518	\$ 76,330,862	\$ 70,920,135	\$ 70,693,399



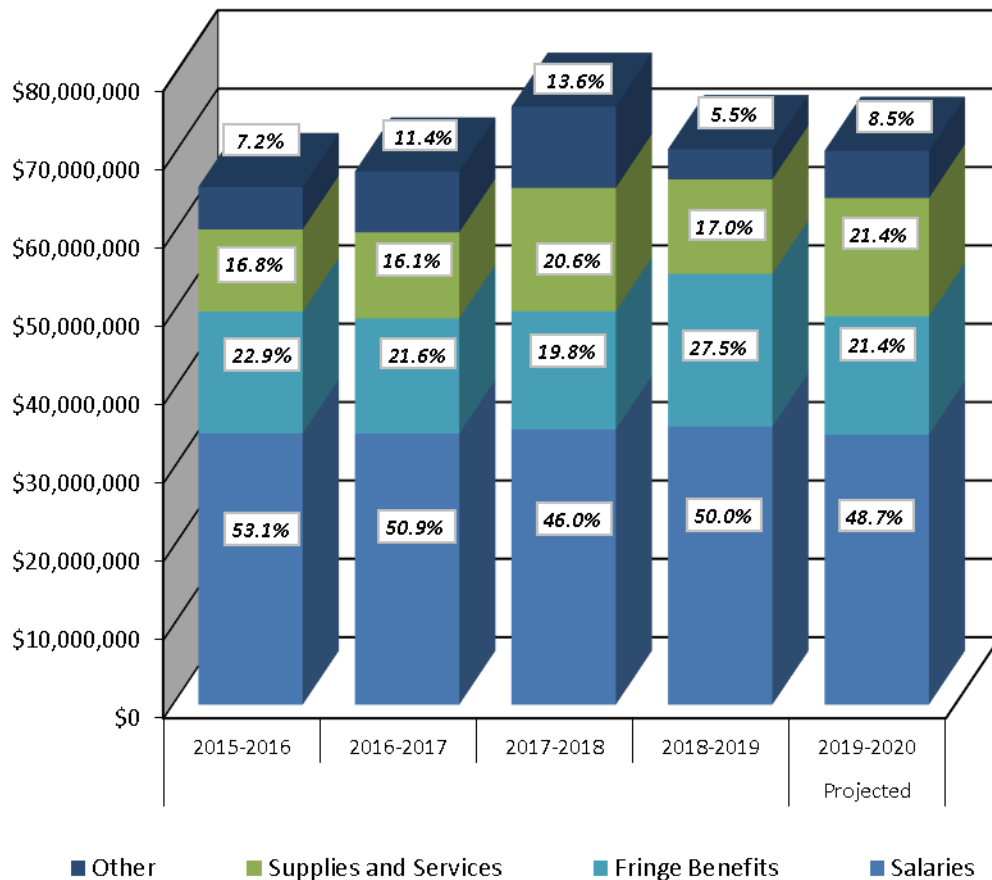
Note: Information Technology is now reported as a separate line item in the State's MPDI reporting. We adjusted our Audited Financial Statements to conform to MPDI reporting in 2018-2019 and adjusted 2017-2018 for consistent presentation. Information Technology expenses for years prior to 2017-2018 are included in other expense line items.

Delta College General Fund

Expenditures by Object

Five Year Actual History

	2015-2016	2016-2017	2017-2018	2018-2019	Projected 2019-2020
Salaries	\$ 34,655,943	\$ 34,609,618	\$ 35,129,490	\$ 35,461,589	\$ 34,448,924
Fringe Benefits	15,523,340	14,698,582	15,087,465	19,531,075	15,123,943
Supplies and Services	10,483,891	10,978,157	15,747,103	12,059,573	15,091,848
Other	<u>5,422,424</u>	<u>7,772,162</u>	<u>10,366,804</u>	<u>3,867,898</u>	<u>6,028,684</u>
Total	\$ 66,085,598	\$ 68,058,519	\$ 76,330,862	\$ 70,920,135	\$ 70,693,399



Notes

General Fund

Cost Center Detail

The College's organizational chart is found on page 46 and 47. It defines the major reporting relationships of the institution.

The basic unit of the General Fund is a cost center. Each cost center has a manager who is responsible for the dollars allocated to the cost center. This person is also responsible for the outcomes of the cost center. It is possible for one person to have many cost centers under their control.

Although this part of the budget addresses only the General Fund, it is possible that a cost center manager puts together cost centers from various funds to operate a particular program. Broadcasting is a good example of a program that must manage funds in the General Fund, the Restricted Fund and the Plant Fund. Each fund contributes a particular piece to the overall operation of the Broadcasting function.

A list of all General Fund cost centers is found on pages 70-73. They are listed by the six major activity classifications prescribed by the Michigan Department of Labor and Economic Growth which administers the Community College Services Unit for the State of Michigan.

In addition, the College has five Strategic Planning and Budgeting groups which are working to link the strategic plan to the budget. A description of each group and their activities is described on the next page.

To assist all constituencies in identifying the Strategic Planning and Budget group responsible for a given cost center, an alpha character has been added to each cost center.

A – Administrative Group led by the President, Dr. Jean Goodnow

C – Academic Services Group led by the Vice President of Instruction and Learning Services, Dr. Reva Curry

D – Student & Educational Services Group led by the Vice President of Student and Educational Services, Margaret Mosqueda

E – Business & Finance Group led by the Vice President of Business & Finance, Sarah DuFresne

F – Information Technology Group led by the Information Technology Contract Administrator, Bill Wesolek

The following page contains a description of each of the major college units.

Administrative Group

The Administrative Group's primary accountabilities are for presidential leadership, strategic planning, human resources, legal, research, public relations and fund development. These tasks are accomplished through the numerous offices in this area.

Academic Services Group

Academic programs, courses, and services are a direct manifestation of the mission of the College. This group provides most of the programs listed as program goals in the current mission. The primary accountabilities are: (1) to provide a large and diverse student body with courses or programs of study appropriate to its needs; (2) to provide rationale for those programs as well as clearly defined learning objectives; (3) to assure appropriate standards of instruction leading to effective student performance; and (4) to support and/or encourage College departments/offices to provide the range of services necessary to enhance each student's learning potential in a supportive environment.

Student & Educational Services Group

The primary institutional accountability of Student & Educational Services is to deliver high quality programs to a broad range of students in support of the College's mission. In addition, Student & Educational Services shares heavily in the College commitment to maintain equal access to educational opportunity through an open admissions policy and carries major responsibility for selected goals and values articulated in the institutional mission.

Student & Educational Services is made up of 22 operational units, including public safety, under the leadership of the Vice President of Student & Educational Services, the Dean of Students and the Dean of Enrollment Services.

Business & Finance Group

The Business & Finance Group is responsible for the accountabilities of budgeting, cash management, financial reporting, payroll, accounts payable, accounts receivable, purchasing, contract administration, conference services, auxiliary services, facilities planning and operations, and sustainability and risk management.

Information Technology Group

The Information Technology Group is responsible for the accountabilities of information technology services.

Detail of General Fund Expenditure Budget

Cost Center		FAC	AP	SS	2100 Full Time Salaries	2200 Part Time Salaries	2300 Fringe Benefits	2400 Supplies & Services	2500 Equip/ Capital	2600 Prof Dev & Travel	Total
Instruction											
1011	C Interdisciplinary Social Sciences	0	0	0	-	-	-	250	-	-	250
1012	C Economics	4	0	0	336,828	-	163,607	2,000	-	4,000	506,435
1013	C History	3	0	0	274,769	-	129,957	3,250	-	3,000	410,976
1014	C Criminal Justice	3	0	0	255,215	-	123,555	3,250	-	3,000	385,020
1015	C Political Science	6	0	0	569,124	-	266,326	6,000	-	6,000	847,450
1016	C Psychology	7	0	0	685,967	-	317,912	4,800	-	7,000	1,015,679
1017	C Sociology	4	0	0	310,256	-	154,907	2,700	-	4,000	471,863
1018	C Applied Behavioral Science	0	0	0	-	-	-	500	-	-	500
1019	C Child Development	1	0	0	96,595	-	44,957	2,500	-	1,000	145,052
1021	C Art & Design	4	0	0	346,873	5,820	167,424	15,750	-	4,000	539,867
1023	C Foreign Language	2	0	0	168,199	-	81,733	2,000	-	2,000	253,932
1024	C Theater	0	0	0	-	-	-	2,200	-	-	2,200
1025	C Interdisciplinary Humanities	0	0	0	-	-	-	200	-	-	200
1026	C Music	2	0	0	196,417	-	90,971	5,500	-	2,000	294,888
1027	C Philosophy	4	0	0	359,076	-	170,890	3,100	-	4,000	537,066
1028	C Electronic Media Broadcasting	1	0	0	88,230	2,531	42,219	1,800	-	1,000	135,780
1029	C Communications	4	0	0	373,695	-	175,677	5,000	-	4,000	558,372
1031	C English	20	0	0	1,831,773	-	866,373	22,000	-	20,000	2,740,146
1035	C Math	15	0	0	1,386,400	-	653,891	32,000	-	15,000	2,087,291
1041	C Biology	16	0	0	1,408,405	-	674,427	56,000	-	16,000	2,154,832
1042	C Chemistry	6	0	0	545,533	-	258,600	32,000	-	6,000	842,133
1043	C Geology	1	0	0	90,426	-	42,937	4,650	-	1,000	139,013
1044	C Geography	1	0	0	59,919	-	32,950	4,000	-	1,000	97,869
1045	C Physics	4	0	0	365,785	-	173,088	8,250	-	4,000	551,123
1046	C Science Tech Programs	0	0	0	-	-	-	500	-	-	500
1047	C Science Labs	0	3.82	0	199,075	38,865	121,999	125	-	1,950	362,014
1052	C Lifelong Wellness	6	0	0	576,962	-	268,890	12,000	-	6,000	863,852
1061	C Accounting	3	0	0	259,341	-	124,905	3,200	-	3,000	390,446
1063	C Computer Info Systems	8	0	0	739,362	33,168	359,430	12,000	-	8,000	1,151,960
1064	C Clinical Medical Assistant	0	0	0	-	-	-	2,000	-	-	2,000
1065	C Legal Support Professional	0	0	0	-	-	-	500	-	-	500
1066	C Management	5	0	0	442,201	-	211,438	3,500	-	5,000	662,139
1067	C Office Admin & Technology	5	0	0	424,806	-	205,742	5,000	-	5,000	640,548
1069	C Nursing Course Testing Fees	0	0	0	-	-	-	100,000	-	-	100,000
1070	C Nursing	17	0	0	1,314,643	3,163	657,062	30,000	-	17,000	2,021,868
1071	C Surgical Technology	2	0	0	176,998	-	84,614	5,500	-	2,000	269,112
1072	C Phlebotomy	0	0	0	-	-	-	2,000	-	-	2,000
1073	C Physical Therapy	2	0	0	190,765	-	89,121	5,700	-	2,000	287,586
1074	C Respiratory Therapy	2	0	0	145,460	-	74,288	6,000	-	2,000	227,748
1076	C Health Related Science	0	0	0	-	-	-	1,500	-	-	1,500
1077	C Radiological Technology	2	0	0	170,933	-	82,628	7,600	-	2,000	263,161
1078	C Dental Hygiene	2.5	0	0.85	182,183	49,911	122,460	48,000	-	2,775	405,329
1079	C Dental Assisting	0.5	0	0	32,841	-	17,463	13,000	-	500	63,804
1082	C Surgical First Assistant	0	0	0	-	-	-	2,700	-	-	2,700
1083	C Sterile Processing	0	0	0	-	-	-	3,000	-	-	3,000
1087	C Sonography	2	0	0	148,064	-	75,141	10,450	-	2,000	235,655
1110	C Apprenticeship Program	0	1	1	97,650	-	58,635	5,700	-	775	162,760
1111	C Welding	3	0	0	225,599	-	113,856	100,000	-	3,000	442,445
1112	C Auto Service Ed Program	1	0	0	73,186	-	37,294	12,500	-	1,000	123,980
1116	C Fire Science	0	0	0	-	29,547	9,535	1,100	-	-	40,182
1124	C Instructional Equipment	0	0	0	-	-	-	-	590,858	-	590,858
1125	C Educational Support	0	0	0	-	-	-	96,621	39,775	-	136,396
1126	C Other Supplemental	0	0	0	-	-	-	20,120	87,500	-	107,620

A – Administration C - Academic & Instructional Support D - Student & Educational Services
 E - Business & Finance F - Information Technology

Detail of General Fund Expenditure Budget

				2100	2200	2300	2400	2500	2600		
	Cost Center	FAC	AP	SS	Full Time	Part Time	Fringe	Supplies	Equip/	Prof Dev	Total
					Salaries	Salaries	Benefits	& Services	Capital	& Travel	
1127	C Academic Supplemental	0	0	0	2,079,674	2,600,485	1,510,288	-	-	-	6,190,447
1160	C Architecture	0	0	0	-	-	-	1,425	-	-	1,425
1161	C Residential Construction	2	0	0	163,691	-	80,257	12,575	-	2,000	258,523
1162	C Automotive Service Technology	2	0	0	130,469	-	69,379	20,000	-	2,000	221,848
1163	C Chemical Processing	0	0	0	-	-	-	2,450	-	-	2,450
1164	C Electrical Technology	1	0	0	89,094	-	45,502	8,250	-	1,000	140,846
1165	C Manufacturing & Industrial Tech	1	0	0	99,763	-	45,995	16,600	-	1,000	163,358
1166	C Technology Facility Labs	0	1	1	106,688	43,025	61,593	2,000	-	775	214,081
1169	C Computer Numerical Control	1	0	0	89,094	-	42,502	18,000	-	1,000	150,596
1171	C Computer Assisted Drafting	1	0	0	67,795	-	35,528	2,000	-	1,000	106,323
1172	C Refrigeration/Heating/Air	1	0	0	65,724	-	34,850	9,500	-	1,000	111,074
1173	C Auto Course Tool & Exam Fees	0	0	0	-	-	-	25,000	-	-	25,000
1174	C Heavy Duty Diesel	0	0	0	-	-	-	6,000	-	-	6,000
	Total Instruction	178	5.8	2.9	18,041,546	2,806,515	9,269,796	853,816	718,133	181,775	31,871,581
	Public Service										
3580	A Public Television	0	5.9	0	376,503	-	201,985	-	-	2,950	581,438
3581	A Public Radio	0	1.5	0	73,327	-	44,760	-	-	775	118,862
3588	D Planetarium Operations	0	2	0	126,278	57,934	84,495	45,000	5,000	1,249	319,956
3591	A President's Speaker Series	0	0	0	-	-	-	15,000	-	-	15,000
	Total Public Service	0	9.4	0	576,108	57,934	331,240	60,000	5,000	4,974	1,035,256
	Instructional Support										
4500	C Office of VP Instruction	0	1	1	199,614	9,859	94,228	5,000	-	4,555	313,256
4501	C Social Sciences Division	0	1	1.4	155,209	3,251	82,833	3,500	-	1,082	245,875
4503	C Arts & Letters Division	0	1	2	174,521	7,075	97,132	3,500	-	1,247	283,475
4505	C Science & Mathematics Division	0	1	1	140,405	29,754	80,931	3,500	-	972	255,562
4507	C Business & Technical Division	0	1	2	186,237	12,128	100,970	3,500	-	1,246	304,081
4508	C Health & Wellness Division	0	1	2	185,119	824	100,605	3,500	-	1,246	291,294
4511	C Agriculture Tech Coordinator	0	0	0	-	-	-	41,000	-	-	41,000
4513	C Library Learning Info Center	0	0	0	-	-	-	6,150	-	360	6,510
4514	C Learning Communities	0	0	0	-	-	-	1,425	-	328	1,753
4515	C e-Learning Instructional Support	0	0	0	-	-	-	158,000	-	-	158,000
4516	C Honors Program	0	0	1	42,968	4,503	20,780	8,500	-	5,959	82,710
4517	C Dean of Faculty	0	1	0	111,910	-	49,972	3,500	-	1,321	166,703
4518	C Dean of Administration	0	2.5	1.75	232,648	-	132,926	5,000	-	2,101	372,675
4520	A Instructional Support Svcs	0	0	0.9	27,562	54,637	33,365	-	-	275	115,839
4521	C Dean of Career Education	0	1	0	104,691	-	47,608	6,450	-	2,650	161,399
4522	F Office of Info Tech Computer Labs	0	0	0	-	70,749	-	78,337	10,000	-	159,086
4523	F Contract OIT Instruct Supp Svcs	0	0	0	-	-	-	1,576,064	-	-	1,576,064
4524	C Galleria	0	0	0	-	253	-	3,000	-	-	3,253
4525	C WRIT Center	0	0	0	-	47,565	-	750	-	-	48,315
4526	C Academic Testing Center	0	0.5	0	21,928	171,893	69,349	285	-	250	263,705
4527	C Teach/Learn Center	0	1.2	1	113,081	324,174	156,362	2,000	-	2,676	598,293
4528	C Multimedia Lab	0	1	1	105,760	26,482	69,835	6,000	-	775	208,852
4530	C Library	0	4	2	326,052	163,850	208,183	10,000	-	2,826	710,911
4531	C Library Books	0	0	0	-	-	-	39,000	-	-	39,000
4532	C Periodicals	0	0	0	-	-	-	18,000	-	-	18,000
4533	C Learning Technology	0	0	0	-	-	-	97,500	-	-	97,500
4536	C Instructional Disability Access	0	0	0	-	-	-	18,000	-	-	18,000
4537	D Dual Enrollment	0	1	1	114,247	-	64,067	4,750	-	775	183,839
4549	C Delta Archives	0	0	0	-	7,827	2,525	400	-	-	10,752
4550	A Faculty Center Teaching Excellence	0	0	0	-	17,091	4,649	9,000	-	12,416	43,156

A – Administration C - Academic & Instructional Support D - Student & Educational Services
 E - Business & Finance F - Information Technology

Detail of General Fund Expenditure Budget

	Cost Center	FAC	AP	SS	2100	2200	2300	2400	2500	2600	Total
					Full Time Salaries	Part Time Salaries	Fringe Benefits	Supplies & Services	Equip/ Capital	Prof Dev & Travel	
4551	A Center for Organizational Success	0	0.75	0	59,567	4,209	29,524	33,000	-	617	126,917
4552	C Accreditation	0	0	0	-	-	-	29,000	-	-	29,000
4553	C Academic Assessment	0	0	0	-	-	-	1,900	-	1,369	3,269
4554	C Developmental Ed	0	0	0	-	-	-	1,000	-	885	1,885
4555	D International/Intercultural	0	0	0	-	-	-	6,300	-	-	6,300
4556	C General Education	0	0	0	-	-	-	725	-	274	999
4557	D Community Engagement	0	1	1	102,482	10,519	63,613	4,000	-	2,281	182,895
4558	D Service Learning	0	0	0	-	-	-	1,617	-	1,697	3,314
4559	D Possible Dream Program	0	1	0	48,913	-	29,347	450	-	500	79,210
4560	D Strategic Partnerships	0	0.8	0.25	65,211	-	34,723	2,850	-	2,087	104,871
4562	D Community Development	0	1	0	84,795	-	41,094	2,025	-	1,048	128,962
4563	C Democracy Commitment	0	0	0	-	-	-	14,250	-	-	14,250
4570	C e-Learning Technology Support	0	2	0.6	130,419	10,107	77,393	46,000	-	11,201	275,120
4599	E Transfers	0	0	0	-	-	-	542,000	-	-	542,000
	Total Instruct Support	0	24.7	19.9	2,733,339	976,750	1,692,014	2,800,728	10,000	65,019	8,277,850
	Student Services										
5608	F Contract OIT SES Supp Svcs	0	0	0	-	-	-	746,168	-	-	746,168
5609	E Matching Funds	0	0	0	-	-	-	45,159	-	-	45,159
5610	D Office of VP Student/Educ Svcs	0	0.4	1	192,901	115,486	120,560	44,524	16,261	2,211	491,943
5611	D Admissions	0	5	2	329,494	8,144	201,198	50,175	-	3,050	592,061
5612	D Registrar	0	4	3.75	389,761	26,704	237,903	34,200	-	3,031	691,559
5613	D Counseling & Advising	0	16	2	964,279	3,925	555,769	7,695	-	8,550	1,540,218
5614	D Financial Aid	0	8	2	509,752	26,830	306,601	8,550	-	4,550	856,283
5616	D Career & Employment Services	0	1.8	0	100,582	11,739	59,081	15,045	-	900	187,347
5617	C Admission Testing	0	0.5	0	21,928	-	13,879	21,000	-	250	57,057
5618	D Student Engagement	0	2	1	92,073	-	56,809	13,500	-	1,000	163,382
5621	D SAC/Student Clubs & Organizations	0	0	0	-	-	-	22,550	-	-	22,550
5622	A Marketing & Publications	0	0	0	-	-	-	564,916	-	-	564,916
5623	D Dean of Enrollment Services	0	1	0	109,886	-	49,310	4,250	-	2,093	165,539
5624	D Multi-Cultural Services	0	0.5	0	33,362	-	17,633	17,000	-	250	68,245
5625	D Veteran's Services	0	1	0	49,640	23,349	37,118	1,580	-	500	112,187
5626	D SES Software	0	0	0	-	-	-	127,490	-	-	127,490
5627	D Student Success	0	0	0	-	-	-	45,500	-	-	45,500
5630	D Collegiate	0	0	0	-	46,856	3,776	9,266	-	378	60,276
5642	D Office of Disability Resources	0	0.8	0.75	81,899	2,097	48,196	45,000	-	606	177,798
5644	D SES Travel and Special Events	0	0	0	-	-	-	24,000	-	-	24,000
5646	D Dean of Students	0	1	0	104,691	-	47,608	8,775	-	2,143	163,217
5647	A Student Senate	0	0	0	-	-	-	900	-	242	1,142
5648	D Commencement/Student Awards	0	0	0	-	-	-	15,750	-	-	15,750
5649	A Grants-Sr. Citizen	0	0	0	-	-	-	31,930	-	-	31,930
5650	A Scholarships-Trustees	0	0	0	-	-	-	191,503	-	-	191,503
5651	A Grants-Trustees	0	0	0	-	-	-	11,443	-	-	11,443
5652	D Indian Tuition Waiver	0	0	0	-	-	-	35,000	-	-	35,000
5653	D Scholarships-Athletics	0	0	0	-	-	-	7,000	-	-	7,000
5654	A Scholarships-Adult Ed	0	0	0	-	-	-	8,843	-	-	8,843
5661	D Midland Center	0	0.85	0	43,567	21,865	33,634	68,000	-	500	167,566
5662	D Saginaw Center	0	1	0	54,805	50,105	45,058	42,000	-	500	192,468
5669	C Testing	0	0	0	-	-	-	7,000	-	140	7,140
5672	E Fitness & Recreation Center	0	0.5	0.5	53,401	79,997	45,442	34,070	10,000	388	223,298
5673	D Intercollegiate Athletics-Men	0	1	0	58,831	39,333	45,102	40,615	-	30,676	214,557
5674	D Intercollegiate Athletics-Women	0	1	0	58,831	44,801	46,880	40,415	-	17,810	208,737
5675	D Club & Intramural Sports	0	0	0	-	6,731	2,172	3,509	-	-	12,412
	Total Student Services	0	46.4	13	3,249,683	507,962	1,973,729	2,394,321	26,261	79,768	8,231,724

A – Administration C - Academic & Instructional Support D - Student & Educational Services
 E - Business & Finance F - Information Technology

Detail of General Fund Expenditure Budget

Cost Center			FAC	AP	SS	2100 Full Time Salaries	2200 Part Time Salaries	2300 Fringe Benefits	2400 Supplies & Services	2500 Equip/ Capital	2600 Prof Dev & Travel	Total
Institutional Administration												
6710	A	Board of Trustees	0	0	0	-	-	-	21,368	-	8,649	30,017
6718	A	Development Office	0	4.2	0.5	308,608	2,836	163,851	15,000	-	2,430	492,725
6719	A	Equity Office	0	0.25	1	56,096	-	35,080	6,300	-	667	98,143
6720	A	President's Office	0	3	1	451,441	6,220	235,564	6,798	-	6,762	706,785
6722	A	Memberships/Institution	0	0	0	-	-	-	126,068	-	-	126,068
6723	A	Miscellaneous	0	0	0	-	-	-	51,029	-	-	51,029
6725	A	Wellness/Prof Development	0	0	0	-	-	-	24,918	-	-	24,918
6726	A	League for Innovation	0	0	0	-	-	-	22,448	-	1,253	23,701
6727	A	President's Special Projects	0	0	0	-	-	-	10,890	-	15,118	26,008
6729	A	Strategic Planning	0	0	0	-	-	-	16,100	-	15,533	31,633
6730	A	Diversity & Inclusion	0	0.5	0	33,362	-	17,633	10,000	-	250	61,245
6731	A	Legal	0	0	0	-	-	-	163,533	-	-	163,533
6734	E	Audit	0	0	0	-	-	-	57,700	-	-	57,700
6736	E	Misc Employee Benefits *	0	0	0	-	-	53,274	-	-	-	53,274
6737	A	Staff Recruitment	0	0	0	-	-	-	38,008	-	-	38,008
6738	A	Employee Grants	0	0	0	-	-	-	9,588	-	-	9,588
6739	E	Insurance	0	0	0	-	-	82,450	422,794	-	-	505,244
6740	E	Communication Technology	0	0.75	0	46,097	23,822	32,800	85,844	-	1,375	189,938
6741	E	Business Services	0	1.6	2	281,039	35,441	150,979	6,061	-	2,325	475,845
6743	E	Finance Office	0	5.5	5.5	709,679	55,475	396,450	40,640	-	5,436	1,207,680
6744	F	Contract OIT Admin Supp Svcs	0	0	0	-	-	-	438,817	-	-	438,817
6745	F	Office of Info Tech	0	1.4	0	90,372	-	42,920	788,351	61,225	4,281	987,149
6746	A	Human Resources	0	3.7	2	387,861	30,108	211,585	37,669	-	4,470	671,693
6747	A	Senate	0	0	0.5	21,798	19,995	20,289	4,738	-	349	67,169
6748	E	Post Office	0	0	1	40,222	25,628	34,770	7,362	-	514	108,496
6750	A	Institutional Advancement	0	5.5	0	333,704	17,026	188,114	7,500	-	3,712	550,056
6760	A	Administrative Services	0	4.6	0	262,013	-	139,108	25,609	-	2,924	429,654
6772	E	Credit Card Fees & Bad Debt Exp	0	0	0	-	-	-	497,000	-	-	497,000
6774	E	Tuition Waiver	0	0	0	-	-	190,000	-	-	-	190,000
		Total Institutional Admin	0	30.9	13.5	3,022,292	216,551	1,994,867	2,942,133	61,225	76,048	8,313,116
Facility Management												
7775	D	Public Safety	0	.85	5	309,038	167,470	219,518	21,150	-	1,800	718,976
7780	E	Facility Administration	0	9.25	1	751,394	21,639	389,676	1,608	16,362	7,397	1,188,076
7781	E	Facility Operations	0	3	33	1,364,701	250,609	981,460	381,158	24,847	4,088	3,006,863
7782	E	Facility Utilities	0	0	0	-	-	-	1,316,556	-	-	1,316,556
7783	E	Farmhouse	0	0	0	-	-	-	12,336	-	-	12,336
7784	E	Facility Maintenance	0	0	0	-	-	-	311,912	-	-	311,912
7785	E	Facility Improvement	0	0	0	-	-	-	-	42,750	-	42,750
7786	E	Sustainability Office	0	0	0	-	13,421	-	4,845	-	2,301	20,567
7787	E	Midland Center	0	0	0	-	-	-	95,920	-	-	95,920
7788	E	Planetarium & Learning Center	0	0	0	-	-	-	205,180	-	-	205,180
7789	E	Saginaw Center	0	0	0	-	-	-	187,320	-	-	187,320
7799	E	Transfers	0	0	0	-	-	-	-	2,000,000	-	2,000,000
		Total Facilities Management	0	13.1	39	2,425,133	453,139	1,590,654	2,537,985	2,083,959	15,586	9,106,456
		Total Expenditures	178	130.3	88.3	30,048,101	5,018,851	16,852,300	11,588,983	2,904,578	423,170	66,835,983

*Includes budget for unemployment compensation, vacation and sick leave.

A – Administration C - Academic & Instructional Support D - Student & Educational Services
E - Business & Finance F - Information Technology

Delta College Fringe Benefits

The cost of the College's fringe benefits are listed in each cost center that has employees. Budgeted fringe benefits for full-time employees are as follows. Part-time employees receive only retirement, social security and Medicare benefits. Student employees receive no fringe benefits.

Benefit	Cost	
Medical, Vision and Hearing Insurance	\$12,500	per covered employee (weighted average)
Dental Insurance	\$740	per employee (weighted average)
Retirement	24.97%	of each wage dollar paid (weighted average of MPSERS at 25.8% and ORP at 10%)
Social Security (FICA)	6.20%	of each wage dollar paid up to \$137,700 max
Medicare	1.45%	of each wage dollar paid
Life Insurance	\$1.81	per \$1,000 of wages doubled up to \$50,000 max
Disability Insurance	\$4.72	per \$1,000 of wages up to \$90,000 max
Professional Development Allowance:		
Faculty	\$1,000	per year
Administrative/Professional Staff	\$500	per year
Support Staff	\$275	per year

Fringe benefit cost for \$25,000 in salary:	\$21,604 or 86%
Fringe benefit cost for \$50,000 in salary:	\$29,877 or 60%
Fringe benefit cost for \$75,000 in salary:	\$38,195 or 51%

The costs above do not include unemployment compensation, vacation or sick leave which are budgeted in cost center 6736, worker's compensation which is budgeted in cost center 6739, or tuition remission which is budgeted in cost center 6774.

The following is a summary of General Fund wages and fringe benefits budgeted for FY 2020-2021:

Employee Classification	Amount	Benefit	Amount
Faculty	\$ 15,526,748	Retirement	\$ 8,639,510
Supplemental and Part-time Faculty	4,688,159	FICA and Medicare	2,501,037
Administrative/Professional Staff	9,037,455	Medical/Vision/Hearing	4,925,031
Support Staff	2,218,600	Dental Insurance	291,745
Maintenance	1,177,624	Life Insurance	37,422
Part-time Staff and Student Employees	<u>2,418,366</u>	Disability Insurance	131,831
		Professional Development	255,475
		Tuition Waiver	190,000
		Other	<u>135,724</u>
Total Wages	<u>\$ 35,066,952</u>	Total Benefits	<u>\$ 17,107,775</u>

Fringe benefits as a percentage of wages: 49%

Delta College Summary of Budgeted General Fund Personnel

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Faculty	208	201	199	178	177
Administrative and Professional Staff	118	121	121	125	130
Support Staff	66	66	68	61	55
Maintenance	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>33</u>
Total Full-Time Personnel	<u>413</u>	<u>409</u>	<u>409</u>	<u>385</u>	<u>395</u>

The above data reflects all General Fund full-time regular and temporary positions. Part-time positions are not included in the above data.

In fiscal year 2019-2020, the College converted 13 part-time custodians to full time positions in an effort to reduce turnover. To offset the added cost, other positions were eliminated and this move did not increase the Facilities budget.

Notes

Designated Fund

Notes

The **Designated Fund** is used to record transactions of revenue and expense that the administration wants to set apart from the general fund activities. The activities are set apart so that revenue and expense for these activities may be matched. Activity fund balances at the end of the fiscal year are carried forward to the next fiscal year. It is the expectation that the activities recorded in the Designated Fund will "break even."

There are many activities recorded in this fund with the largest being the Corporate Services and Criminal Justice training programs. The College also has reserves set aside in the Designated Fund such as the Self Insurance reserve, and the Reserves for Budget Sustainability and Innovative Initiatives established in fiscal year 2017-2018. Pages 83 and 84 provide an overview of the various Designated Fund activities.

Revenues and the related expenses are budgeted based on activities that are anticipated to occur. The budget for each activity is prepared separately, and depending on the nature of the activity and the specific funding sources, is based on known actual and/or projected data.

Delta College Designated Fund Budget

Fiscal Year 2020-2021

Revenues

Grants and Gifts	\$	2,455,000
Corporate Service Fees		2,512,700
Other Sources		<u>974,826</u>

Total Revenues \$ 5,942,526

Expenditures

Instruction	\$	4,776,657
Instructional Support		<u>112,500</u>

Total Instruction 4,889,157

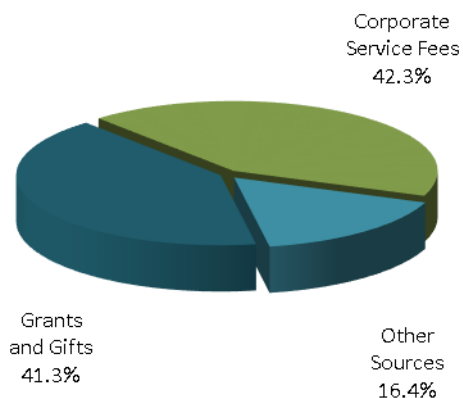
Public Service	12,000
Student Services	119,985
Institutional Administration	<u>1,603,986</u>

Total Expenditures 6,625,128

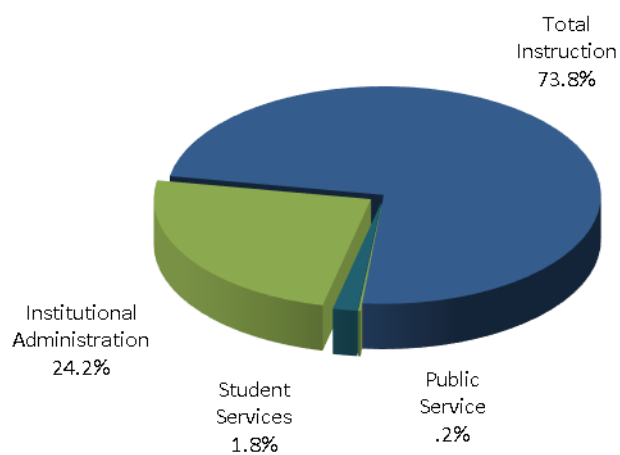
Revenues Over Expenditures (682,602)

Beginning Fund Balance 15,614,090

Ending Fund Balance \$ 14,931,488



Revenues



Expenditures

Delta College Designated Fund

Five Year Actual History

	2015-2016	2016-2017	2017-2018	2018-2019	Projected 2019-2020
Revenues					
Grants and Gifts	\$ 2,818,571	\$ 2,391,098	\$ 2,556,425	\$ 2,762,445	\$ 2,344,298
Corporate Service Fees	2,810,851	3,017,926	3,211,138	2,498,097	2,571,957
Other Sources	1,182,108	1,133,075	1,151,691	1,289,122	956,186
Transfers In	<u>89,961</u>	<u>119,834</u>	<u>4,653,826</u>	<u>1,304,541</u>	<u>3,940,249</u>
Total Revenues	<u>6,901,491</u>	<u>6,661,933</u>	<u>11,573,080</u>	<u>7,854,195</u>	<u>9,812,690</u>
Expenditures					
Instruction	5,624,881	5,341,933	3,610,857*	2,958,352	4,979,060
Instructional Support	<u>92,217</u>	<u>139,139</u>	<u>1,915,284*</u>	<u>1,762,621</u>	<u>8,496</u>
Total Instruction	5,717,098	5,481,072	5,526,141	4,720,973	4,987,556
Public Service	1,386	19,737	5,138	9,742	4,192
Student Services	112,404	94,116	110,991	118,731	106,925
Institutional Administration	748,531	654,697	769,550	1,064,358	516,846
Transfers Out	<u>235,676</u>	<u>342,283</u>	<u>224,957</u>	<u>454,924</u>	<u>138,018</u>
Total Expenditures	<u>6,815,095</u>	<u>6,591,905</u>	<u>6,636,777</u>	<u>6,368,728</u>	<u>5,753,537</u>
Revenues Over (Under) Expenditures	86,396	70,028	4,936,303	1,485,467	4,059,153
Beginning Fund Balance	<u>4,976,743</u>	<u>5,063,139</u>	<u>5,133,167</u>	<u>10,069,470</u>	<u>11,554,937</u>
Ending Fund Balance	<u>\$ 5,063,139</u>	<u>\$ 5,133,167</u>	<u>\$10,069,470</u>	<u>\$11,554,937</u>	<u>\$15,614,090</u>

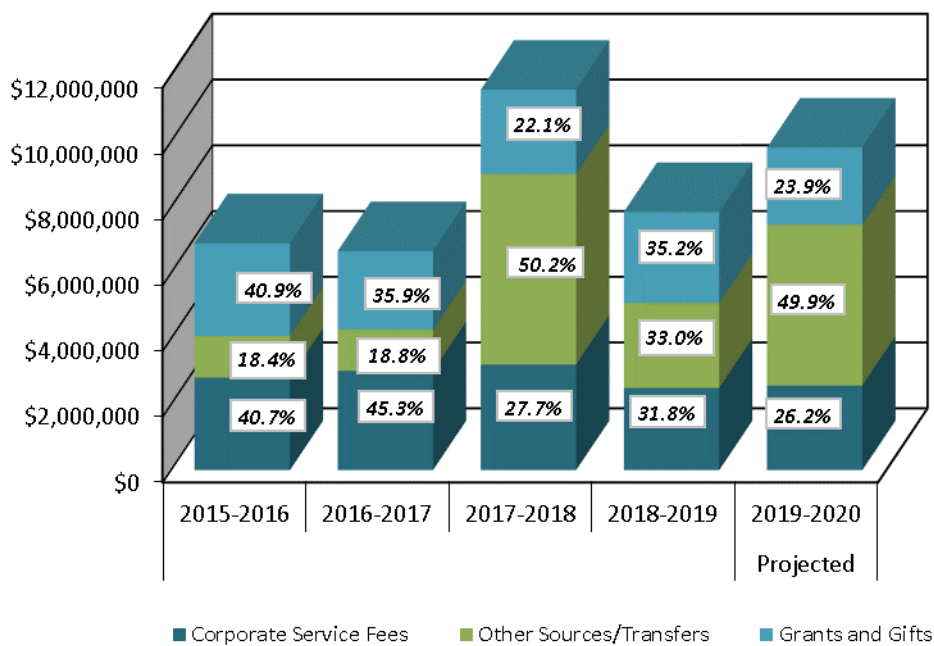
Notes:

* Beginning in fiscal year 2017-2018 certain corporate service expenses reclassified from Instruction to Instructional support to align with State MPDI reporting.

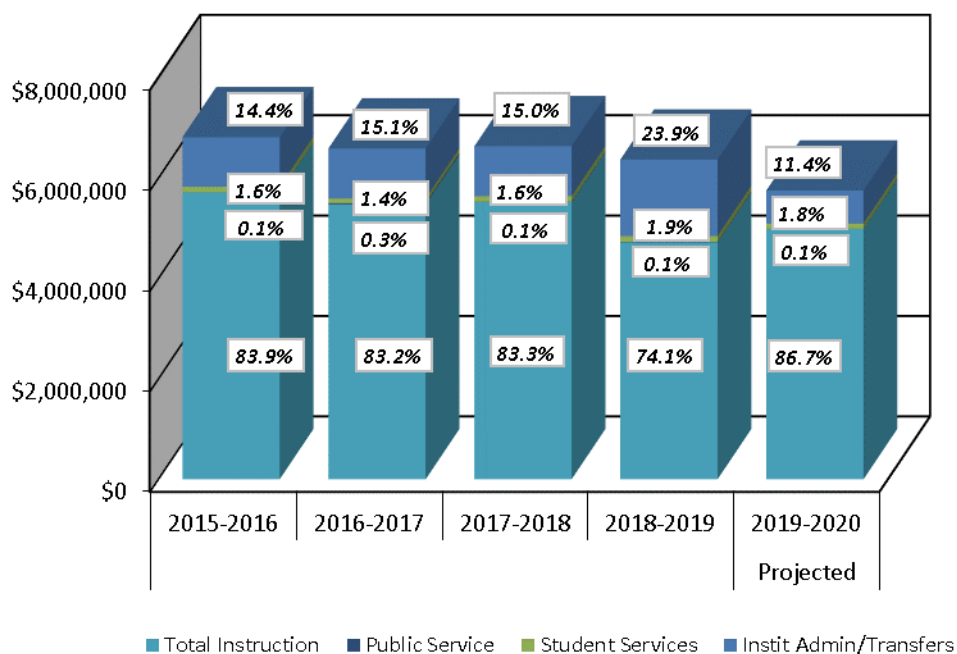
- 1) The majority of instructional expenditures were for Corporate Services activities.
- 2) Restricted grants managed by Corporate Services are recorded in the Restricted Fund in the audited financial statements.
- 3) Approximately \$900,000 of the Transfers In for fiscal year 2017-2018 was from the General Fund to eliminate deficits in the Criminal Justice and Lifelong Learning programs that had carried forward for many years, and a \$3 million transfer from the General Fund to establish an Administrative Reserve for Long-Term Budget Sustainability.
- 4) 4)2019-2020 Transfers in consist of \$1,000,000 from the General Fund to the Self Insurance Fund and \$2,875,000 also from the General Fund to the Sustainability Fund.

Delta College Designated Fund

Revenue History



Expenditure History



Delta College Designated Fund

Corporate Services Activities

	2015-2016	2016-2017	2017-2018	2018-2019	Projected 2019-2020	Budgeted 2020-2021
Revenues						
Training Delivery	\$ 1,064,950	\$ 1,239,618	\$ 1,407,688	\$ 1,054,408	\$ 1,280,227	\$ 1,495,200
Training Administration	4,291,525	3,970,030	4,103,123	3,620,986	3,559,330	3,276,000
Training Development	124,731	83,993	25,050	8,400	8,400	17,500
Training Grants	7,333	-	-	-	-	-
Other	-	9,358	17,961	-	-	-
Total Revenues	<u>\$ 5,488,539</u>	<u>\$ 5,302,999</u>	<u>\$ 5,553,822</u>	<u>\$ 4,683,794</u>	<u>\$ 4,847,957</u>	<u>\$ 4,788,700</u>
Expenditures						
Training Delivery	766,888	780,185	825,063	693,896	998,651	1,141,654
Training Administration	4,083,075	3,791,858	3,946,882	3,420,004	3,524,765	3,191,000
Training Development	62,631	40,144	16,664	5,091	4,988	8,500
Training Grants	7,333	-	-	-	-	-
Other	383,607	462,232	411,003	374,214	397,719	354,886
Total Expenditures	<u>\$ 5,303,534</u>	<u>\$ 5,074,419</u>	<u>\$ 5,199,612</u>	<u>\$ 4,493,205</u>	<u>\$ 4,926,123</u>	<u>\$ 4,696,040</u>
Transfers In (Out)						
College General Services Transfers	(104,724)	(104,724)	(104,724)	(104,724)	(104,724)	(85,000)
Facility Renovations Transfers	(43,512)	(43,512)	(43,512)	(43,512)	(32,364)	-
Total Transfers	<u>\$ (148,236)</u>	<u>\$ (148,236)</u>	<u>\$ (148,236)</u>	<u>\$ (148,236)</u>	<u>\$ (137,358)</u>	<u>\$ (85,000)</u>
Revenues Over/(Under)						
Expenditures	36,769	80,344	205,974	42,353	(215,524)	7,660
Beginning Fund Balance	<u>1,019,120</u>	<u>1,055,889</u>	<u>1,136,233</u>	<u>1,342,207</u>	<u>1,384,560</u>	<u>1,169,036</u>
Ending Fund Balance	<u>\$ 1,055,889</u>	<u>\$ 1,136,233</u>	<u>\$ 1,342,207</u>	<u>\$ 1,384,560</u>	<u>\$ 1,169,036</u>	<u>\$ 1,176,696</u>

Note: Restricted grants managed by Corporate Services are recorded in the Restricted Fund in the audited financial statements. The projected operating loss for FY 2019-2020 is the result of cancelled training due to COVID-19.

Delta College Designated Fund

Other Significant Activities

Instruction

- Criminal Justice Training Programs
- *Lifelong Learning Center Programs

Instructional Support

- President's Scholar Program
- President's Innovation Projects
- Faculty & Instructional Development
- Art & Archives Projects
- Developmental Education
- Library Resource Replacement
- Photography Lab Printing
- Kenya Partnership Contract
- MEDC MAT2 Project
- Prison Program

Public Service

- Global Awareness
- Delta Productions
- Telelearning Network
- Dental Hygiene Power Brush Program
- Michigan MATYC Conference

Student Services

- Student Service Learning Activities
- Student Educational Services Activities
- Student Skills Achievement Programs
- Mathematics Calculator Program
- Mathematics Placement Booster
- Computer Rental Program
- President's Honors Scholarship
- Pioneer Athletic Fundraisers

Institutional Administration

- Whiting Distribution Committee Projects
- U.N.U.M Projects
- Technology Improvements
- Administrative Projects
- Reserve for Budget Sustainability
- Self Insurance
- Administrative Development & Projects
- Flexible Spending Plan Administration
- Health Care Reform Plan Fees
- In-kind Gifts
- Senate Foundation Special Projects

*Note: The majority of the Lifelong Learning programs were discontinued in fiscal year 2017-2018, with just a few of the popular health related programs continuing.

Restricted Fund

Notes

The **Restricted Fund** is used to account for transactions resulting from revenue received by the College from outside donors or agencies in which the College does not have absolute control over the expenditures. Such revenues may be in the form of gifts or grants. The donor or the agency specifies the purpose for which these moneys may be expended. Any such transactions are classified as restricted.

Major ongoing activities funded through the Restricted Fund include student financial aid programs and scholarships, vocational educational equipment and activities, and public broadcasting activities. Federal grants provide the primary funding sources for the financial aid and the vocational programs. The Delta College Quality Public Broadcasting Stations (television and radio) are funded through grants from the Corporation for Public Broadcasting, gifts from donors, and support from the College General Fund.

During fiscal year 2019-2020 the College was awarded four pools of Federal Coronavirus Aid Relief, and Economic Security (CARES) Act funding totaling \$5,658,997. A brief description of each of the pool of CARES funding is provided in the listing of grant programs on pages 90 and 91.

Revenues and the related expenses are budgeted based on activities that are anticipated to occur. The budget for each activity is prepared separately, and depending on the nature of the activity and the specific funding sources, is based on known actual and/or projected data.

Delta College Restricted Fund Budget

Fiscal Year 2020-2021

Revenues

Federal Grants/Contracts	\$	17,590,179
State Grants/Contracts		184,200
Private Gifts/Grants		1,730,320
Other Sources		<u>1,110,968</u>

Total Revenues \$ 20,615,667

Expenditures

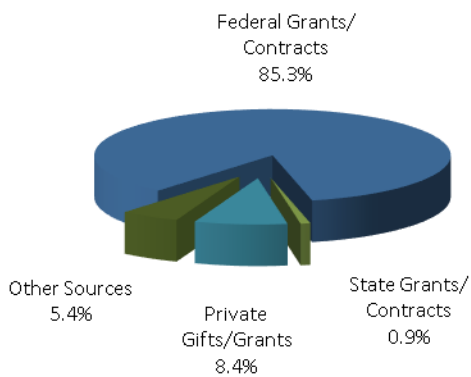
Instruction	\$	1,024,399
Instructional Support		<u>1,154,932</u>
Total Instruction		2,179,331
Public Service		1,642,121
Student Services		16,931,361
Facilities Management		<u>1,925</u>

Total Expenditures 20,754,738

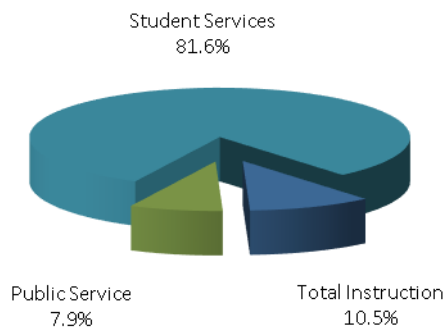
Revenues Over/(Under) Expenditures (139,071)

Beginning Fund Balance 6,255,608

Ending Fund Balance \$ 6,116,537



Revenues



Expenditures

Restricted Fund

Grant Detail

Delta College Listing of Grant Programs

July 1, 2020 – June 30, 2021

Grant Title, Description and Funding Agency	Amount Awarded	Dates of Grant
AACC- Expanding Community College Apprenticeship – Identify and establish leadership team and participate in the annual workforce development institute. Support leadership team, ensure ECCA initiative work is focused on supporting Registered Apprenticeship program.	\$140,000	07/01/2019-02/28/2022
Broadcasting - Community Service Grant – Assist WDCQ-TV to maintain current systems and programming for the mid- Michigan community. Funded by Corporation for Public Broadcasting.	\$683,470	10/01/2019 - 09/30/2020
Broadcasting - Universal Service Support Grant – Strengthen and support local services to advance the core mission and public service positioning of WDCQ-TV in its community. Funded by Corporation for Public Broadcasting.	\$69,415	10/01/2019 - 09/30/2020
Broadcasting - Interconnection Grant – Support the technical interconnection system, which is the means by which PBS, regional distributors and other entities distribute programming material nationwide. Funded by Corporation for Public Broadcasting.	\$13,284	10/01/2019 - 09/30/2020
Broadcasting – Corporation for Public Broadcasting – Coronavirus Aid, Relief, and Economic Security (CARES) Act – Fiscal Stabilization	\$260,205	05/01/2020 – 06/30/2021
Marshall Plan for Talent Consortium – Saginaw ISD – The Michigan M-46 Consortium between Saginaw and Muskegon will target career pathways for Manufacturing, Professional Trades and Healthcare as the industries with the highest wage and highest demand in the region. The Consortium will focus on creating a workplace citizenship curriculum, developing a career navigation system with career pathway planning, promotion and awareness. Funded by Michigan’s Talent and Economic Development (TED) Department.	\$270,000	07/1/2019-06/30/2022
Michigan Works! – Wagner Peyser, PATH, WIOAA Adult, WIOA Dislocated Worker, RESEA, TGAAA and TAA/NAFTA, WIOA Basic Career Services, Reemployment Services – Provide instruction/access to job seekers to enter job orders, resumes, and find "matches" on the Internet. Funded by Great Lakes Bay Region Michigan Works! Administration.	\$2,966,416	10/01/2019 - 09/30/2020
Michigan College/University Partnership (MICUP) 2019-20 with Michigan Technological University – Assist minority students to transfer to Michigan Tech University. Funded by the Michigan Talent Investment Agency (TIA) / Workforce Development Agency (WDA), Martin Luther King Jr.-Cesar Chavez-Rosa Parks Initiative grant, passed through Michigan Technological University.	\$7,000	10/01/2019 – 09/30/2020
MI College/University Partnership (MICUP) 2019-20 Student Transition Enrichment Program (STEP), with CMU – Provide support services for low income and/or first generation students who attend Delta College to visit CMU and learn the details of how to transfer and attend to pursue a bachelor’s degree. Funded by National Science Foundation passed through Michigan Department of Talent and Economic Development.	\$3,000	10/01/2019 – 09/30/2020
Motorcycle Safety 2019-20 – Provide motorcycle safety training to Great Lakes Bay residents. Funded by Michigan Department of State.	\$75,900	10/01/2019 - 09/30/2020
Carl D. Perkins Career and Technical Education Grant 2019-20 – Provide instructional equipment, professional development, program planning, academic and support services, and career guidance and placement. Funded by U.S. Dept. of Education passed through Workforce Development Agency of Michigan.	\$722,075	07/01/2019 - 06/30/2020

Grant Title, Description and Funding Agency	Amount Awarded	Dates of Grant
TRIO - Equal Opportunity Center (EOC) – Provide information on pursuing a postsecondary degree, assistance on admissions and information to improve the financial and economic literacy of students. Funded by U.S. Dept. of Education.	\$1,136,474	09/01/2016 - 08/31/2021
U.S. Department of Education – Coronavirus Aid, Relief, and Economic Security (CARES) Act – Emergency Financial Aid Grants to Students	\$2,573,303	05/01-2020 - 06/30/2021
U.S. Department of Education – Coronavirus Aid, Relief, and Economic Security (CARES) Act – Institutional Portion of the Higher Education Emergency Relief Fund (HEERF)	\$2,573,303	05/01-2020 - 06/30-2021
U.S. Department of Education – Coronavirus Aid, Relief, and Economic Security (CARES) Act – Institutions eligible for the Strengthening Institutions Program (SIP)	\$252,186	07/01/2020 - 06/30/2021

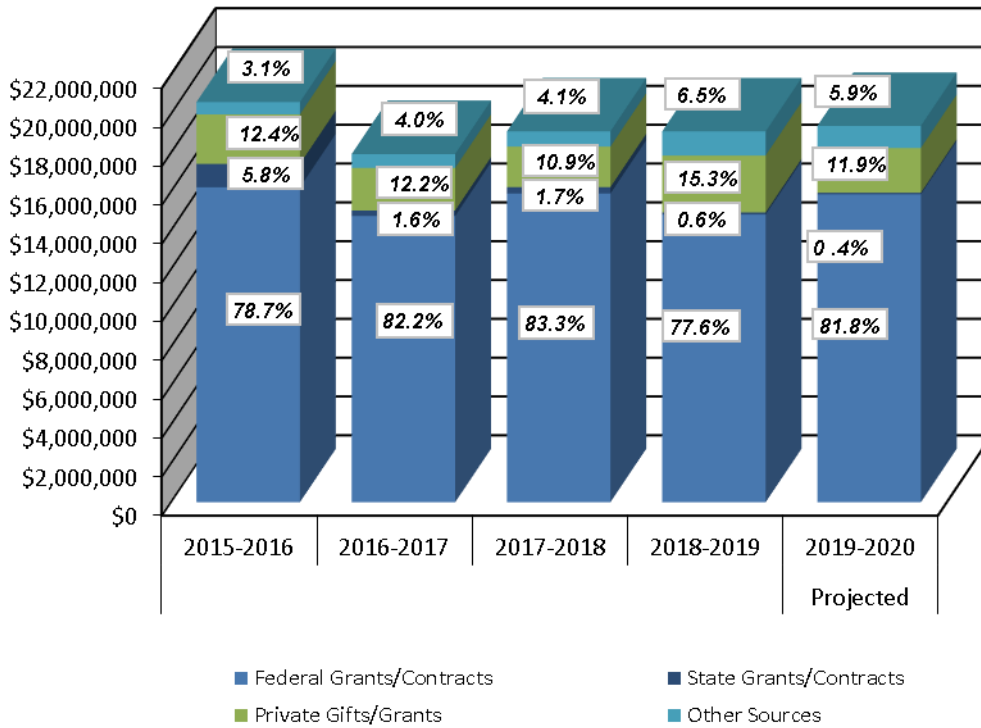
Delta College Restricted Fund

Five Year Actual History

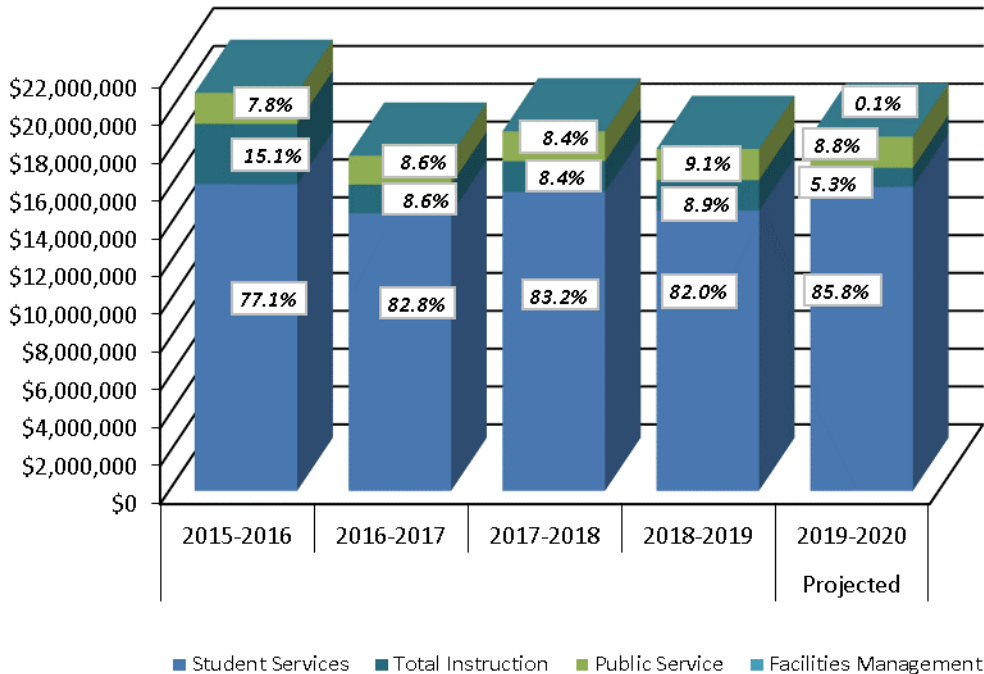
	2015-2016	2016-2017	2017-2018	2018-2019	Projected 2019-2020
Revenues					
Federal Grants/Contracts	\$ 16,228,315	\$ 14,750,453	\$ 15,901,600	\$ 14,822,072	\$ 15,860,763
State Grants/Contracts	1,200,380	281,336	331,135	109,225	86,835
Private Gifts/Grants	2,554,528	2,195,344	2,086,879	2,932,125	2,304,106
Other Sources	<u>631,668</u>	<u>711,503</u>	<u>783,503</u>	<u>1,239,616</u>	<u>1,135,331</u>
Total Revenues	<u>20,614,891</u>	<u>17,938,636</u>	<u>19,103,117</u>	<u>19,103,038</u>	<u>19,387,035</u>
Expenditures					
Instruction	3,011,263	1,313,733	1,270,696	1,317,991	830,662
Instructional Support	<u>165,267</u>	<u>203,820</u>	<u>332,873</u>	<u>286,009</u>	<u>165,385</u>
Total Instruction	3,176,530	1,517,553	1,603,569	1,604,000	996,047
Public Service	1,645,927	1,533,031	1,587,114	1,651,264	1,648,855
Student Services	16,214,583	14,665,663	15,813,716	14,813,781	16,072,960
Facilities Management	<u>2,228</u>	<u>1,319</u>	<u>2,589</u>	<u>2,886</u>	<u>12,789</u>
Total Expenditures	<u>21,039,268</u>	<u>17,717,566</u>	<u>19,006,988</u>	<u>18,071,931</u>	<u>18,730,651</u>
Transfers Out/(In)	<u>560,442</u>	<u>94,513</u>	<u>84,267</u>	<u>(345,123)</u>	<u>986,123</u>
Total Expenditures and Transfers	<u>20,478,826</u>	<u>17,623,053</u>	<u>18,922,721</u>	<u>18,417,054</u>	<u>17,744,528</u>
Revenues Over/(Under) Expenditures and Transfers	136,065	315,583	180,396	685,984	1,642,507
Beginning Fund Balance	<u>3,295,073</u>	<u>3,431,138</u>	<u>3,746,721</u>	<u>3,927,117</u>	<u>4,613,101</u>
Ending Fund Balance	<u>\$ 3,431,138</u>	<u>\$ 3,746,721</u>	<u>\$ 3,927,117</u>	<u>\$ 4,613,101</u>	<u>\$ 6,225,608</u>

Delta College Restricted Fund

Revenue History



Expenditure History



Delta College Restricted Fund

Public Broadcasting Activities

	2015-2016	2016-2017	2017-2018	2018-2019	Projected 2019-2020	Budgeted 2020-2021
Television						
Support and Revenue						
College General Fund Support	\$ 581,714	\$ 599,617	\$ 625,814	\$ 641,744	\$ 592,346	\$ 521,605
Corporation for Public Broadcasting	748,465	737,023	735,643	760,214	1,026,373	766,169
Donations/Gifts/Grants/Memberships	435,474	494,504	566,348	1,526,604	532,000	378,500
Television Underwriting	43,537	40,780	43,789	47,281	42,000	45,000
Other Income	<u>192,294</u>	<u>192,578</u>	<u>200,416</u>	<u>234,919</u>	<u>1,314,529</u>	<u>347,500</u>
Total Revenues	<u>2,001,484</u>	<u>2,064,502</u>	<u>2,172,010</u>	<u>3,210,762</u>	<u>3,507,248</u>	<u>2,058,774</u>
Expenditures						
Salaries and Fringe Benefits	824,343	872,863	909,209	935,806	920,146	867,053
Supplies and Services	974,947	965,437	980,180	1,007,623	1,007,769	1,016,000
Facilities and Equipment	143,302	27,302	43,429	49,535	100,000	50,000
Transfers Out	-	40,000	62,500	496,985	-	-
Total Expenditures	<u>1,942,592</u>	<u>1,905,602</u>	<u>1,995,318</u>	<u>2,489,949</u>	<u>2,027,915</u>	<u>1,933,053</u>
Support and Revenue Over (Under) Expenditures	\$ 58,892	\$ 158,900	\$ 176,692	\$ 720,813	\$ 1,479,333	\$ 125,721
Beginning Fund Balance	<u>733,901</u>	<u>792,793</u>	<u>951,693</u>	<u>1,128,385</u>	<u>1,849,198</u>	<u>3,328,531</u>
Ending Fund Balance	<u>\$ 792,793</u>	<u>\$ 951,693</u>	<u>\$ 1,128,385</u>	<u>\$ 1,849,198</u>	<u>\$ 3,328,531</u>	<u>\$ 3,454,252</u>
Radio						
Support and Revenue						
College General Fund Support	\$ 117,111	\$ 121,418	\$ 127,898	\$ 130,032	\$ 123,894	\$ 180,929
Donations/Gifts/Grants/Memberships	131,178	140,156	151,051	173,607	158,878	115,000
Radio Underwriting	42,262	35,747	26,055	26,877	32,000	30,000
Other Income	3,578	3,361	3,199	4,140	3,200	3,000
Transfers In (Out)	-	-	-	-	-	-
Total Revenues	<u>294,129</u>	<u>300,682</u>	<u>308,203</u>	<u>334,656</u>	<u>317,972</u>	<u>328,929</u>
Expenditures						
Salaries and Fringe Benefits	185,883	181,974	214,237	213,593	212,657	248,102
Supplies and Services	84,484	101,795	94,169	117,510	60,207	78,000
Equipment	<u>45,240</u>	<u>12,961</u>	-	-	<u>3,571</u>	-
Total Expenditures	<u>315,607</u>	<u>296,730</u>	<u>308,406</u>	<u>331,103</u>	<u>276,435</u>	<u>326,102</u>
Support and Revenue Over (Under) Expenditures	\$ (21,478)	\$ 3,952	\$ (203)	\$ 3,553	\$ 41,537	\$ 2,827
Beginning Fund Balance	<u>82,952</u>	<u>61,474</u>	<u>65,426</u>	<u>65,223</u>	<u>68,776</u>	<u>110,313</u>
Ending Fund Balance	<u>\$ 61,474</u>	<u>\$ 65,426</u>	<u>\$ 65,223</u>	<u>\$ 68,776</u>	<u>\$ 110,313</u>	<u>\$ 113,140</u>

Note: This data reflects Broadcasting activities recorded in both the General and Restricted Funds. There are additional resources dedicated to Broadcasting operations in the College's Endowment Fund that are not reflected above. The TV transfers out represent excess cash transferred to the Station's quasi endowment fund. The significant increase in TV donations in 2018-2019 was due to two large estate gifts totaling approximately \$1,000,000. Approximately half of this amount was transferred to the Station's quasi-endowment to maximize earnings. In 2019-2020, \$1,000,000 was transferred from the TV quasi-endowment back into the Broadcasting Fund in anticipation of cash needs for the Station's upcoming renovation project, which accounts for the significant increase in Other Income.

Auxiliary Fund

Notes

The **Auxiliary Fund** is used to account for transactions of those activities that deliver a product or perform a service to students, community or staff and are essential elements in support of the educational program. These activities are revenue-producing and ideally should be self-supporting. Revenues from auxiliary activities are derived from the sale of products or services.

The College has the following activity categories that are reported in the Auxiliary Fund.

- Bookstore
- Food Services
- Fitness and Recreation Center
- Printing
- Planetarium Gift Shop and Conference Services
- Carlyon Farmhouse
- College Vehicles
- Learning Resource Vending

The Bookstore provides new and used textbooks, course packs and various instructional materials in support of the College's academic programs. A significant portion of the textbook inventory is repurchased from students. Books and materials are available for purchase at the main campus store, through a reservation service or online. The Bookstore is the largest activity in the Auxiliary fund.

Food Services serves students, faculty and staff in two locations on main campus (Red Brix Café and Coffee 'n More). It also provides catering services primarily for internal groups, and vending services (beverage, snack and food) on main campus and at off-campus centers.

The Fitness and Recreation Center includes cardio and weight rooms and three pools (lap, leisure and therapy). Auxiliary Fund activities relative to the Center include membership services and non-academic fitness classes for students, faculty, staff and the public.

Activity in the other auxiliary categories is primarily generated by services to departments within the College. Charges for these services are structured to cover the cost of these services plus a small amount to build a fund balance for equipment repairs and purchases.

Revenues and the related expenses are budgeted based on activities that are anticipated to occur. The budget for each activity is prepared separately, and depending on the nature of the activity and the specific funding sources, is based on known actual and/or projected data. Included in the annual auxiliary budget is a transfer to the General Fund of \$250,000. Auxiliary net income in excess of the \$250,000 is retained in the Auxiliary fund to build fund balance.

Delta College Auxiliary Fund

	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Projected 2019-2020	Budgeted 2020-2021
Bookstore					
Revenues	\$ 4,627,058	\$ 4,259,403	\$ 3,707,119	\$ 3,266,153	\$ 3,188,334
Expenditures	<u>4,355,837</u>	<u>4,045,753</u>	<u>3,570,031</u>	<u>3,059,028</u>	<u>3,170,299</u>
Net Income (Loss)	\$ <u>271,221</u>	\$ <u>213,650</u>	\$ <u>137,088</u>	\$ <u>207,125</u>	\$ <u>18,035</u>
Food Services					
Revenues	1,110,786	1,109,447	982,349	634,333	660,000
Expenditures	<u>1,099,388</u>	<u>1,127,068</u>	<u>1,057,728</u>	<u>804,086</u>	<u>926,264</u>
Net Income (Loss)	\$ <u>11,398</u>	\$ <u>(17,621)</u>	\$ <u>(75,379)</u>	\$ <u>(169,753)</u>	\$ <u>(266,264)</u>
Fitness & Recreation Center					
Revenues	341,366	339,859	346,905	240,145	335,958
Expenditures	<u>332,152</u>	<u>354,720</u>	<u>317,053</u>	<u>479,415</u>	<u>556,443</u>
Net Income (Loss)	\$ <u>9,214</u>	\$ <u>(14,861)</u>	\$ <u>29,852</u>	\$ <u>(239,270)</u>	\$ <u>(220,485)</u>
Other Auxiliary Activities					
Revenues	585,755	575,740	546,529	458,062	499,600
Expenditures	<u>621,530</u>	<u>531,681</u>	<u>457,291</u>	<u>437,450</u>	<u>450,385</u>
Net Income (Loss)	\$ <u>(35,775)</u>	\$ <u>44,059</u>	\$ <u>89,238</u>	\$ <u>20,612</u>	\$ <u>49,215</u>
Total Auxiliary Services					
Revenues	6,664,965	6,284,449	5,582,902	4,598,693	4,683,892
Expenditures	<u>6,408,907</u>	<u>6,059,222</u>	<u>5,402,103</u>	<u>4,779,979</u>	<u>5,103,391</u>
Net Income (Loss)	\$ <u>256,058</u>	\$ <u>225,227</u>	\$ <u>180,799</u>	\$ <u>(181,286)</u>	\$ <u>(419,499)</u>
Transfers In (Out)					
General Fund	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Restricted Fund	<u>(1,490)</u>	<u>(2,176)</u>	<u>(2,848)</u>	<u>(1,500)</u>	<u>(1,500)</u>
Total Transfers	\$ <u>(251,490)</u>	\$ <u>(252,176)</u>	\$ <u>(252,848)</u>	\$ <u>(251,500)</u>	\$ <u>(251,500)</u>
Change in Fund Balance	4,568	(26,949)	(72,049)	(432,786)	(670,999)
Beginning Fund Balance	<u>7,089,472</u>	<u>7,094,040</u>	<u>7,067,091</u>	<u>6,995,042</u>	<u>6,562,256</u>
Ending Fund Balance	\$ <u><u>7,094,040</u></u>	\$ <u><u>7,067,091</u></u>	\$ <u><u>6,995,042</u></u>	\$ <u><u>6,562,256</u></u>	\$ <u><u>5,891,257</u></u>

Notes on Other Auxiliary Activities:

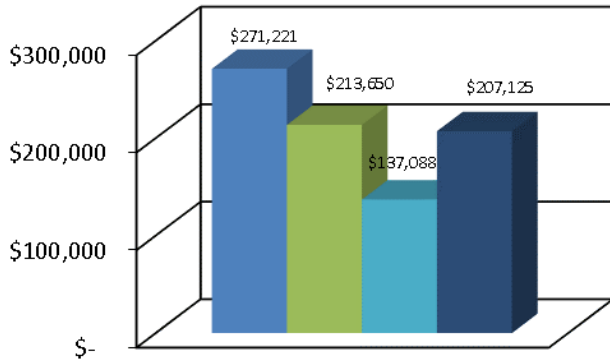
Other auxiliary activities include printing, Planetarium gift shop and conference services, Carlyon Farmhouse, college vehicles, and learning resources vending. Charges for these services are structured to cover the cost of the services plus a small amount to build a fund balance for equipment repairs and purchases.

The majority of the projected deficit in fiscal year 2019-2020 for the Fitness & Recreation Center (FRC) is due to the closure of the FRC due to COVID-19 and costs related to a renovation of the facility completed during the fiscal year. Purchases of new equipment was funded with Auxiliary fund balance reserves. The FRC is planning a minimal membership rate increase in 2020-2021 in order to help balance their budget going forward. The deficit in other auxiliary activities for 2016-2017 was due to the purchase of several new fleet vehicles funded by accumulated fund balance reserves.

Decreasing enrollments and the ongoing impacts of COVID-19 are anticipated to result in significant operating deficits for both the Fitness Center and Food Service operations for fiscal year 2020-2021. Cost saving measures will continue to be explored. The Auxiliary Fund has adequate fund balance reserves to sustain these operations in the short-run.

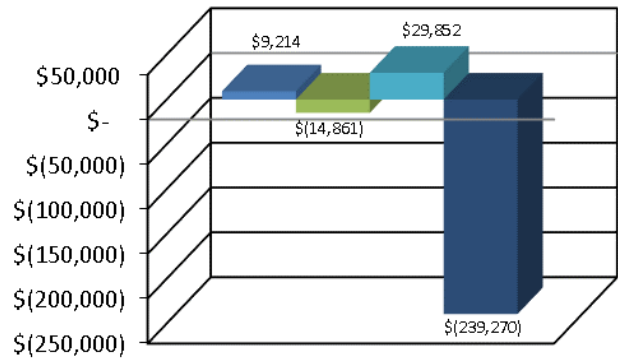
Delta College Auxiliary Fund

Net Income (Loss)
Four Year History



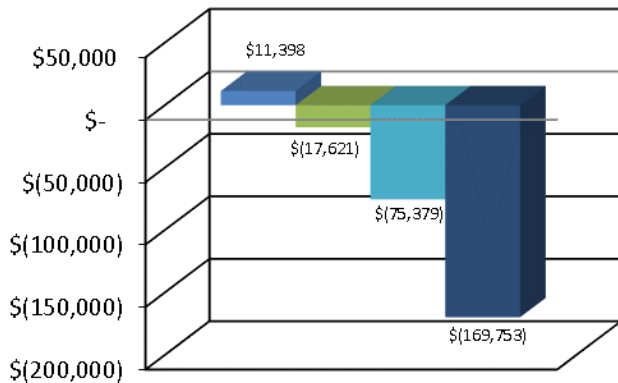
Bookstore

■ 2016-2017 ■ 2017-2018 ■ 2018-2019 ■ 2019-2020



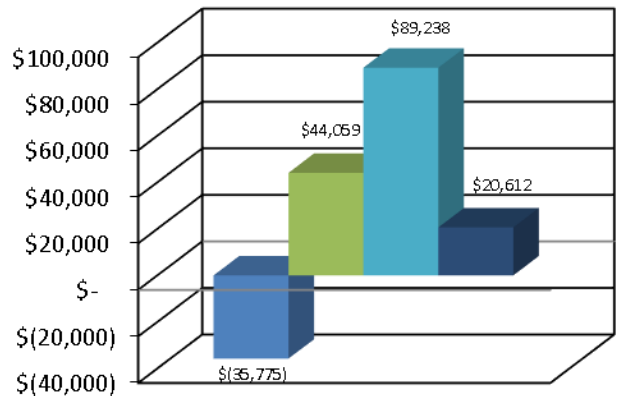
Fitness/Recreation Center

■ 2016-2017 ■ 2017-2018 ■ 2018-2019 ■ 2019-2020



Food Services

■ 2016-2017 ■ 2017-2018 ■ 2018-2019 ■ 2019-2020



Other Services

■ 2016-2017 ■ 2017-2018 ■ 2018-2019 ■ 2019-2020

Notes

Plant Fund

Notes

The **Plant Funds** are used to record the flow of money for capital expenditures related to building and equipment. The College maintains a “Facility Maintenance & Equipment Replacement Fund” in addition to a “Building and Site Fund.” Budgeting and reporting for both funds are presented in one document entitled “Plant Funds” on page 104.

Each year funds are transferred to the Plant Funds from the General Fund and other funds as applicable for building projects. For 2020-2021, the following major transfers from the General Fund have been budgeted:

Asset Life-Cycle Replacement/Depreciation	\$ 2,000,000
---	--------------

The College operates instructional satellite centers in each of the three counties in its district: Bay City, Midland and Saginaw. A newly constructed Saginaw Center opened in the Fall of 2019 in Downtown Saginaw. The existing Midland Center was purchased in 1991 through the sale of bonds, which were paid in full in 2002. A new Midland Center is currently under construction in Downtown Midland with an opening expected for the Winter semester 2021.

In February of 1997, the College opened the Bay City Planetarium and Learning Center. This \$8,750,000 project was constructed entirely with grant money provided by the National Aeronautics and Space Administration (NASA). The 36,000 square foot facility features a 130-seat Planetarium, academic classrooms, meeting facilities, a computer lab, a rooftop observation deck, an exhibit area and a gift shop.

In addition to the 640 acre, 958,000 square foot main campus facility, the College owns an on-premises Farmhouse and the Gilford Township Digital Broadcasting Tower.

Operating costs for the main campus and the Bay City, Midland, and Saginaw Centers are budgeted and accounted for in the General Fund. The operating costs of the other facilities are accounted for in the Designated, Auxiliary, or Restricted Fund in which their activities are recorded.



Delta College Planetarium and Learning Center

Delta College Plant Funds

Building and Facility Improvements Funds

	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Projected 2019-2020	Budgeted 2020-2021
Revenues					
Investment Income (Loss)	\$ 243,185	\$ 417,921	\$ 848,578	\$ 545,370	\$ 134,800
Private Gifts/Grants	80,570	32,823	702,123	4,523,372	2,762,500
State Grants/Appropriations	-	-	4,608,532	1,270,000	-
Transfer from General Fund	7,652,739	10,271,809	3,614,721	5,250,300	2,552,000
Other Sources and Transfers	<u>145,635</u>	<u>132,215</u>	<u>84,455</u>	<u>33,334</u>	<u>5,000</u>
Total Revenues	<u>8,122,129</u>	<u>10,854,768</u>	<u>9,858,409</u>	<u>11,622,376</u>	<u>5,454,300</u>
Expenditures					
Equipment					
Instruction	315,985	18,913	83,219	333,356	-
Instructional Support	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Instruction	315,985	18,913	83,219	333,356	-
Public Service	-	-	110,000	-	-
Student Services	45,694	35,039	-	-	40,000
Institutional Administration	270,342	109,116	835,822	38,231	500,000
Facilities Management	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Equipment	632,021	163,068	1,029,041	371,587	540,000
Renovations and Transfers	<u>2,880,814</u>	<u>5,510,891</u>	<u>15,355,091</u>	<u>9,649,144</u>	<u>12,290,000</u>
Total Expenditures	<u>3,512,835</u>	<u>5,673,959</u>	<u>16,384,132</u>	<u>10,020,731</u>	<u>12,830,000</u>
Revenues Over/(Under) Expenditures	4,609,294	5,180,809	(6,525,723)	1,601,645	(7,375,700)
Beginning Fund Balance	<u>29,780,713</u>	<u>34,390,007</u>	<u>39,570,816</u>	<u>33,045,093</u>	<u>34,646,738</u>
Ending Fund Balance	<u>\$ 34,390,007</u>	<u>\$ 39,570,816</u>	<u>\$ 33,045,093</u>	<u>\$ 34,646,738</u>	<u>\$ 27,271,038</u>

The majority of the FY 2019-2020 and 2020-2021 Private Gifts & Grants are donations from Midland area Foundations in support of the Downtown Midland Center construction project.

Delta College Plant Fund

Historical Projects

Date	Project Name	Total Cost	State of MI Share	College/Plant Fund Share	Foundation
1997-1999	Science and Learning Technology	\$26,000,000	\$12,500,000	\$6,000,000	\$7,500,000
2002-2004	Campus Renovation II Project	\$42,000,000	\$18,000,000	\$24,000,000	-
2005	H & J Wings and East Courtyard Reno.	\$5,800,000	-	\$5,800,000	-
2008	S. Campus Parking & Stormwater Drain	\$4,800,000	-	\$4,800,000	-
2013	Health Professions Building	\$18,000,000	\$9,000,000	\$9,000,000	-

Downtown Saginaw Center

In June of 2016, Delta College received State of Michigan Planning Authorization for the \$12,739,000 Saginaw Center Project. This new 37,000 square foot facility is located in downtown Saginaw and replaced the leased Ricker Center in Buena Vista Township. Through the State of Michigan Capital Outlay process, the State Building Authority funded \$6,369,300 and Delta College funded \$6,369,700. The project had a ground breaking in March 2018 and classes began in Fall 2019.

The primary function of the Downtown Saginaw Center is a Community Outreach Center, extending the College into the urban environment and engaging the significant under-served and under-represented population where large numbers of adult residents have little college attainment. Programing is focused on developmental education courses with robust student services and academic support functions. The secondary function is as a Transfer Center with a focus on general education or core courses that prepare students, including dual enrolled high school students, for transfer to a four year college or university.



New Delta College Downtown Saginaw Center

Delta College Plant Fund

Downtown Midland Center

The Downtown Midland Center broke ground in April 2019. Located at 419 East Ellsworth in the downtown area, the block bounded by Townsend, East Buttles, Cronkright and East Ellsworth.

Delta College will occupy the new three story, 30,000 square foot building in the Winter of 2021. With a cost of \$13 million, Delta College was able to secure \$9.15 million in private sector donations to apply to the cost, with the remaining dollars provided through Delta College's savings. An estimated 400 to 500 students are anticipated to attend the academic classes offered in the Winter 2021 semester.

Delta will focus on STEM (Science, Technology, Engineering and Math) tracks and build a new course focused on health career exploration, which will join a strong certified nursing assistant program already in place. This will be done in a specially-equipped medical classroom/lab planned for the new facility. Introducing students to healthcare and STEM jobs will put them in touch with high demand careers. And, a new facility will allow for expanded college readiness activities and programs.

Delta has been challenged at its current Midland facility on Wheeler Road due to an aging building and infrastructure. The new building will offer students an innovative environment with state-of-the-art technology, something Delta strives to provide to all of its students. The new building will include basic science and computer labs, six to eight classrooms, special-use training rooms, multi-purpose rooms and student service spaces.



Rendering of the New Delta College Downtown Midland Center

Delta College Plant Fund

Capital Outlay Master Plan

Colleges are required to submit an annual 5-Year Capital Outlay Master Plan to the State of Michigan prioritizing future major capital projects and major maintenance items in excess of \$1 million. These projects, when approved, will require a 50% College match. Following are the prioritized projects submitted in Fall 2019 for FY 2021-2026 planning.

Priority	Major Capital Projects	Amount
1	Business and Office Professions – K-Wing	\$5.238 million
2	Business and Technology – M Wing	2.297 million

Priority	Major Maintenance Projects	Amount
1	West Campus Site and Parking Upgrades (Main Campus)	\$4.492 million
2	Roof Replacement/Fascia & Soffit Repairs (Main Campus)	1.294 million
3	South Campus Pavement Repairs (Main Campus)	3.168 million

Facility Maintenance and Equipment Life Cycle Replacement

The current appraised replacement value of College buildings and equipment is \$306 million. The Building Research Council recommends an annual life cycle replacement allocation of 2% to 4% of the asset value to fund routine maintenance and capital renewal. Using the midpoint of 3% would result in an allocation of \$9.18 million annually. Likewise, a simple 30 year life cycle replacement calculation would call for an annual allocation of \$10.2 million.

Currently, \$2 million is budgeted annually for transfer from the General Fund to the Plant Fund for this purpose. Industry standards suggest an additional \$9-10 million should be reserved annually to assure that existing facilities are maintained and the value of the capital investment is preserved. Therefore, a portion of any excess General Fund revenues over expenditures beyond those needed to maintain a 10% General Fund Reserve Balance, are transferred to the Plant Fund at the end of each fiscal year in an effort to provide additional one time funding for asset life cycle replacement needs, i.e. depreciation. Specific projects planned for completion and paid through these resources are included in the Capital Expenditures Budget on the following page.

Delta College Plant Fund

Capital Expenditures Budget

Plant Fund Capital Projects currently in planning for the FY 2020-2021 Budget Year are listed below.

Projects Approved and/or in Progress	Amount	Strategic Focus Area
SES Projects	\$ 40,000	SS
OIT Projects	500,000	SS
West Campus Site Improvements - Fitness & Athletics	1,800,000	SS
Conference Room Technology	5,000	PF
Way Finding System	10,000	SS
Sculpture Projects	40,000	CF
Midland Center Project	8,400,000	SS
Welding Lab Renovations	535,000	SS
Fluorescent to LED Conversions	20,000	S
Main Campus Placemaking	100,000	SS
As Needed Maintenance Projects	Amount	Strategic Focus Area
Farmhouse Maintenance & Upgrades	\$ 10,000	S
BAS (Building Controls) Building Automation Upgrades	100,000	S
Miscellaneous Renovations, Furnishings & Accessories	800,000	S
Projects in Planning	Amount	Strategic Focus Area
Electronic Media Broadcasting - A Wing	\$ 120,000	SS
University Center Trail	50,000	CF
Pool Repairs, Diamond Brite, Pumps & Valves	300,000	S
Total	\$ 12,830,000	

Delta College Debt Detail

The College has the legal capacity to carry debt of up to \$118,232,851; with no current outstanding debt falling under this debt limitation. The Community College Act establishes debt capacity as 1.5% of the first \$250,000,000 of taxable valuation plus 1% of the excess over \$250,000,000 of taxable valuation. The current taxable valuation is \$11,698,285,138.

In May 2011, the College entered into a New Jobs Training Agreement and Revenue Bond with XALT Energy (formerly Dow Kokam, LLC) for \$6,190,000 and in May 2013, with ECO BIO Plastics Midland Inc. for \$350,000 under the New Jobs Training Program codified in Chapter 13 of the Community College Act. The revenue bond is not a general obligation of the College but is payable solely and only from the New Jobs Credit from withholding taxes to be received through these employers as a result of new jobs created and trained through the program.

The general philosophy of the College has been to issue debt only when a very compelling case to do so can be made.

Notes

Endowment Fund

Notes

The **Endowment Fund** is used to record all endowments that have been established by the College and the Delta College Foundation. Endowment funds are used to account for gifts for which the principal may not be expended. The use of the income derived from the investment of each endowment is determined by the donor.

The Delta College Foundation is a separate entity from the College, but they do not manage their own funds. Any money given to the Foundation is transferred to the College. If the money is in the form of an endowment, it is recorded in the Endowment Fund.

Beginning in December 1997, due to the increasingly growing number and value of the College's endowments, the College contracted with Morgan Stanley Wealth Management, LLC to manage the investment of the endowment funds. The investment and distribution policies, as well as the investment returns, are established, monitored and evaluated by the College's Investment Advisory Committee, which reports directly to the Board of Trustees.

Estimated distributions from the Endowment Fund to the College for the year 2019-2020 are as follows:

Fund	Amount
General Fund	\$ 8,200
Designated Fund	109,200
Restricted Fund – Broadcasting	10,800
Restricted Fund - Programs and Scholarships	601,500
Building Fund	8,900
Foundation	123,200
Quasi-Endowments	<u>35,500</u>
 Total Distributions	 <u>\$ 897,300</u>

Delta College Endowment Fund

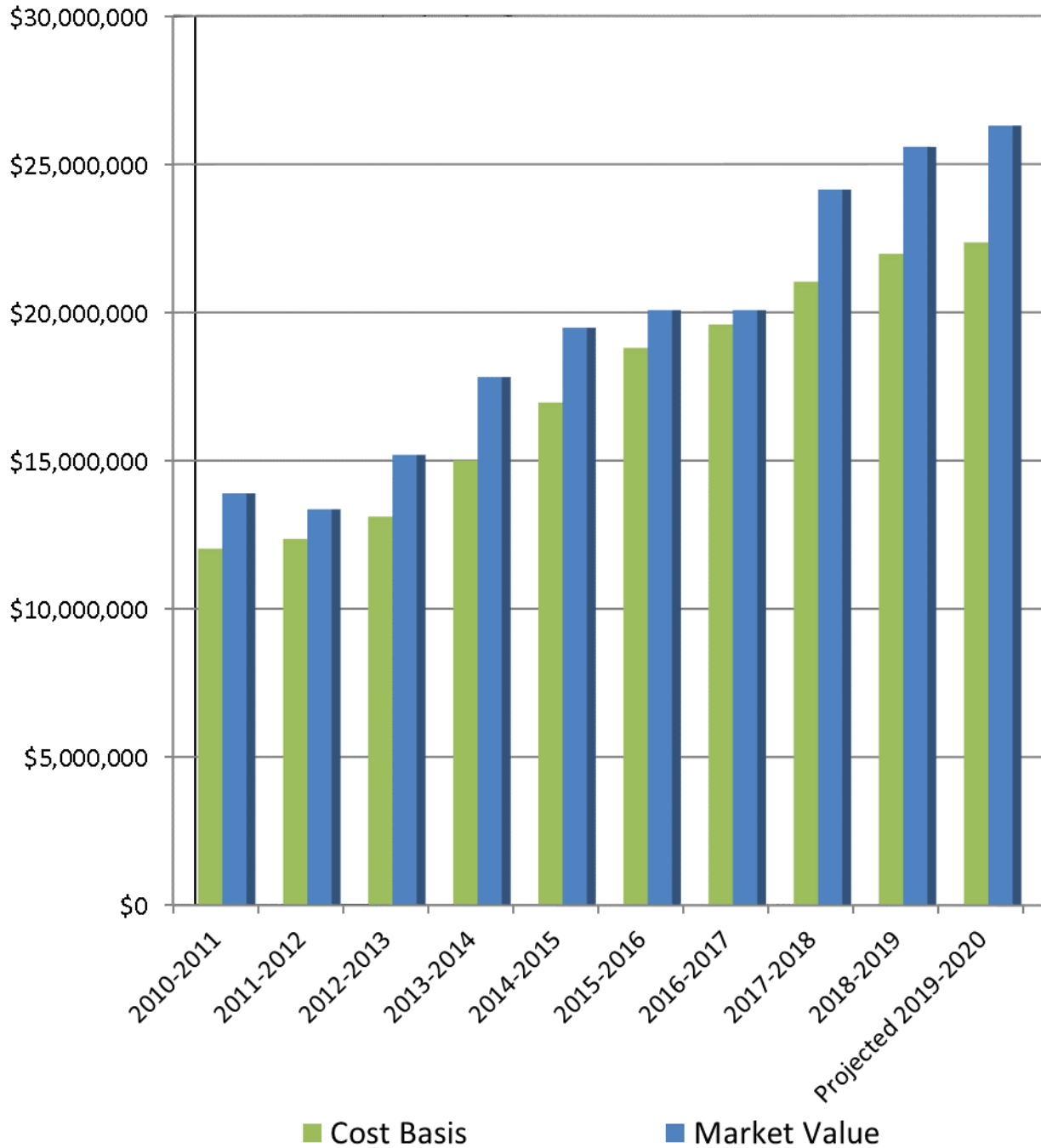
Ten Year Performance History

	Net Assets July 1	Gifts & Transfers	Earnings & Net Gain (Loss) On Investments	Distributions	Investment & Admin Fees *	Net Assets June 30
2010-2011	11,055,708	650,943	2,745,987	(453,210)	(101,965)	13,897,463
2011-2012	13,897,463	251,450	(209,812)	(473,500)	(107,224)	13,358,377
2012-2013	13,358,377	602,682	1,856,841	(501,005)	(122,064)	15,194,831
2013-2014	15,194,831	399,662	2,889,760	(516,004)	(147,041)	17,821,208
2014-2015	17,821,208	1,677,137	710,785	(573,471)	(149,866)	19,485,793
2015-2016	19,485,793	1,673,062	(289,663)	(634,519)	(160,346)	20,074,327
2016-2017	20,074,327	548,335	2,739,488	(721,886)	(338,599)	22,301,665
2017-2018	22,301,665	590,500	2,408,874	(784,871)	(371,582)	24,144,586
2018-2019	24,144,586	1,124,998	1,553,605	(850,391)	(391,436)	25,581,362
Projected 2019-2020	25,581,362	649,000	1,380,000	(897,300)	(412,832)	26,300,230

*Beginning with fiscal year 2016-2017, the Foundation Office began charging all endowments a 1% annual administration fee.

Delta College Endowment Fund

Ten Year History



Delta College Endowment Funds

Margaret Adams Scholarship
Charleen T. Adcock Scholarship
Anderson Family Delta Sculpture Walk
Andrew F. & Mary H. Anderson Scholarship
Kurt Anderson Agricultural Scholarship
Athletic Scholarship
M. Seth Babcock Scholarship
Mary Ann (McGregor) Badour Scholarship
James & Joy Baker Scholarship
Barney & Gerry Ballor Family Scholarship
Ormond Barstow & Ludo Frevel Award for Scholarly
Achievement
Baxandall Scholarship
Bay City Central Class of '41 Scholarship
Elzie & Muriel Beaver Scholarship
Bergstein Award for Teaching Excellence
Leonard & Esther Bergstein Scholarship
Darrell R. Berry Scholarship
Alfred J. Bladecki Scholarship
Martin & Emma Block Scholarships
Peter & Barbra Boyse Program
Peter D. Boyse President's Scholar Program
Louise K. Brentin Scholarship
Business Division Scholarship
Carlyon Farmhouse Maintenance
Donald & Betty Carlyon Scholarship
Donald & Betty Carlyon Endowed Teaching Chair
DeeMona Chatman Scholarship
Coca-Cola Scholarship
William R. Collings Award for Outstanding Service &
Academic Achievement
Lynn Conway Athletic Scholarship
Gilbert A. Currie Estate Scholarship
Gilbert A. Currie Fund
Ilau & Phillip Dean Scholarship
Delta Deltah's Scholarship
Delta College Public Radio Fund
Delta College Foundation Fund
Delta College Foundation Student Scholarships
Delta College Employee-Sponsored Scholarship
Delta College Planetarium Fund
Delta College Public TV Fund
Robert DeVinney Endowed Teaching Chair
Dixon Family Scholarship
Herbert Doan Scholarship
B. Joe & Margery (Knepp) Dodson Scholarship
Frances Dolinski Scholarship
Henry Dolinski Scholarship
Dr. Louis W. Doll & Patricia Drury Scholarship
Tom Dostal Memorial Scholarship
Dow Chemical Company Michigan Operations Award for
Physical Science
The Herbert H. & Grace A. Dow Foundation Science
Education

Alden B. Dow Fund
Herbert H. & Barbara C. Dow Fund
Jerry & Terry Drake Scholarship & Broadcasting Program
Support
Draper Family Scholarship
Gene R. Duckworth Scholarship
Fred E. Dulmage Award for Engineering & Technology
Eldon Enger & Fred Ross Scholarship
English Division Guest Lecturer
James E. & Leanne Lutz Erickson Scholarship
Faculty Executive Committee Award
Fettig Family Scholarship
Arthur J. & Bette L. Fisher Scholarship
Isabella M. Flynn Scholarship
Peter & Suzanne Frantz Award for Art
Dr. John & Joanne Fuller Scholarship
Gakstatter Family Scholarship
David R. & Vivian S. Gamez Scholarship
Gerace Construction Scholarship
Gerity Broadcasting Company Scholarship
Gerstacker Faculty Recognition Award
Global Education Program
Robert M. Gohlke Scholarship
Dr. Jean Goodnow Scholarship
Gougeon Brothers, Inc. Award for Applied
Industrial/Technical
Bernard C. & Lois Ulrich Graham Scholarship
Lynda & James Grant Scholarship
Patricia L. & Robert W. Grant Jr. Scholarship & Humanities
Program
Great Lakes Bay Manufacturers' Association Scholarship
Russell B. & Grace H. Green Scholarship
Priscilla Bogi Guritza Memorial Scholarship
Clarence & June Hackbarth Scholarship
Beki Gray Hadley Scholarship
David & Jackie Hall Scholarship
Hammond Family Scholarship
Sarah Hansen Scholarship
William J. Hargreaves Scholarship
Joan B. Harry Scholarship
Harry Hawkins Scholarship
Robert & Joyce Hetzler Family Award for Outstanding
Service & Leadership
Hilde & Walter Heyman Scholarship
Ada E. Hobbs Scholarship
Don Holzhei Memorial Scholarship
Home Builders Association of Bay, Midland & Saginaw
Counties
Honors Student Scholarship
Kimberly R. Houston Scholarship
Richard Paul Hunter Scholarship
James R. & Anita H. Jenkins Family Scholarship
Phyllis E. Jones Memorial Scholarship
S. Preston & Dr. Betty B. Jones International Scholarship

Delta College Endowment Funds

Dan E. Karn Memorial Scholarship
Kaufmann Family Scholarship
Robert F. Keicher Memorial Scholarship
Dale & Alma Keyser Scholarship
Walter J. & Sophia M. Kilar Scholarship
International Order of King's Daughters & Sons Scholarship
Oscar W. Kloha Scholarship
Robert I. & Marjorie H. Knepp Scholarship
W.R. & Edith Knepp Scholarship
W.R. Knepp, Jr. Scholarship
John L. & Margaret H. Krawczyk Scholarship
Daniel P. Kubiak Scholarship
Gary Laatsch Scholarship
Jack LaBreck Scholarship
Ilene M. Lane Nursing Scholarship
Dr. Thomas H. Lane & Janis E. Landry-Lane Scholarship
Edward & Kathryn (Dunn) Langenburg Award for Education
Laughner Award
Thomas & Rose Mary Laur Scholarship
Marjorie M. Leeson Scholarship
Leo & Evelyn Levy Scholarship
Denise Lovay-Gravlin Memorial Scholarship
Edward & Kathleen Lunt Scholarship
Karen MacArthur Endowed Teaching Chair
Thomas & Brenda Mahar Scholarship
William & Susan Marklewitz for Health Professions
Ruth Mast Fox Scholarship
Margaret McAlear Scholarship
James R. McIntyre Award for Health Sciences
Murlene "Mac" McKinnon Public Broadcasting
Marlene Mehlhose Scholarship
Aceie & Thelma Micho Scholarship
Rhea Miller Scholarship
Richard & Gloria Miller Scholarship
Frances Goll Mills Award for Nursing
Dorothy & Robert Monica Scholarship
Monitor Sugar Scholarship
Paul Moore Social Science Award
Morley Family Foundation Scholarship
Morley Foundation Award for Business Management
Virginia Morrison Scholarship
Wendell & Ethel Mullison Scholarship
W. Brock Neely Scholarship
William H. "Buddy" Oates Scholarship
Oscar P. & Louise H. Osthelder Scholarship
Jesse J. Oswald Scholarship
Marguerite Scull Parker
Possible Dream Program
Otto C. Pressprich Fund
Cecelia Randall Scholarship

Alfonso Rasch-Isla Scholarship
Connie R. Reading Scholarship
Newell Remington Scholarship & TLC Support
Skip Renker Award for Creative Writing
Renee Rookard Scholarship
Harold & Norine Rupp Scholarship
Saginaw County Child Development Centers Program
Cliff & Grace Saladine Scholarship
Dawn Schmidt Award for Mathematics
Peggy A. Scott Scholarship
Charlotte Seiler Memorial Scholarship
Ralph I. & Archie M. Selby Family Scholarship
Gene F. Shrum & Dee Dee (Shrum) Wacksman Scholarship
Van Dewitt & Ruth Simmons Scholarship
John M. Smith & William Wolgast Family Softball
Scholarship
Paul Sowatsky Scholarship & Award
Spittka Family Scholarship
James Stark Scholarship
Eileen & Hugh Starks Scholarship
Dr. James F. & Elizabeth Stoddard Scholarship
Greg Stryker Scholarship
Sturm Family Broadcast Programming Fund
SunGard Higher Education Endowed Teaching Chair
SunGard Higher Education Possible Dream Program
Julius & Irene Sutto Award for Life Sciences
Paul & Margaret Thompson Scholarship
Willie E. Thompson Scholarship
Margaret Timm Award for English
Wesley Timm Award for Social Science
UNUM Projects
Tina S. Van Dam Scholarship
Jeanne M. VanOchten & Wayne W. Adams Scholarship
Jim & Janis Van Tiflin Award
Lynn & Sandy Weimer Scholarship
Ken & "Miss Mona" White Scholarship
Macauley & Helen Whiting Fund
Lola Bishop Whitney Award for Foreign Language
David & Carol Williams Scholarship
Alice & Jack Wirt Scholarship
Stephen M. & Dena J. Wirt
Teresa Plackowski-Witucki Scholarship
Wolverine Bank Scholarship
Dr. Robert R. "Dr. Bob" Zimmerman Faculty Professional
Development
Robert R. Zimmerman "Dr. Bob" Scholarship
Alan & Carol Zombeck Scholarship
Alton, Sr., Alma & Alton, Jr. Zucker Scholarship
Melvin & Hilda Zuehlke Scholarship and Special Needs
Assistance Fund

Notes

Glossary

Notes

Delta College Glossary

Administrative/Professional Staff (AP)

The category of College salaried personnel in administrative and professional positions.

Balanced Budget

When expenditures do not exceed current revenues plus expendable fund balances.

Capital Expenditures

The purchase of an asset that will be used in the course of College business operations for a period in excess of one year and with a purchase cost in excess of \$5,000. Recorded as an asset on the College's balance sheet and is depreciated over its anticipated useful life.

College Priorities

The internal planning document used to set College priorities and to drive the budget process.

Contact Hour

A unit of measure that represents an hour of scheduled instruction given to students.

Corporate Services

A division of the College that focuses on providing learning solutions to clients in the areas of Training Delivery, Training Development, Training Administration and Consulting. These learning solution are non-credit and typically focus on the needs of a single customer (closed enrollments). Corporate Services is charged to break even or better thus not using General Fund dollars of the College to operate.

Cost Center

A fiscal and accounting entity with a self-balancing set of sub-accounts which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Credit Hour Generation

The total number of credits taken by students in a specified period of time.

Equipment

A movable or fixed unit of furniture or furnishings, an instrument, a machine, an apparatus, or a set of articles which meets all of the following conditions:

1. It retains its original shape and appearance with use;
2. It is non-expendable; that is, if the article is damaged or some of its parts are lost or work out, it is usually more feasible to repair it rather than replace it with an entirely new unit;
3. It represents an investment of money which makes it feasible and advisable to track the item;
4. It does not lose its identity through incorporation into a different or more complex unit or substance;
5. As a general rule the item should have a unit cost of at \$300 in order to be included in the College's fixed asset system, however, the capitalization policy for financial report and depreciation purposes is \$5,000.

Faculty (FAC)

Instructors on tenure track.

Fiscal Year (FY)

The Fiscal Year at Delta College is July 1 to June 30.

Delta College Foundation

A nonprofit, tax-exempt education corporation organized under Michigan law to receive gifts, grants, loans, bequest and scholarships in behalf of the students, staff or the institution. Gifts received through the Foundation are tax deductible for the donor.

Fringe Benefits

The College provides comprehensive benefits to full-time employees which currently include: retirement; health insurance; dental insurance; long term disability insurance; vision/hearing insurance; life insurance; earned vacation days; earned sick leave; bereavement or emergency leaves; tuition waivers; and professional development allowance.

Fund Balance

The balance remaining in each fund designating the financial resources available to mitigate current and future risks, such as revenue shortfalls and unanticipated expenditures, as well as the continued overall creditworthiness of the College.

Full Time Equivalent Student (FTE)

Total credit hours produced in one fiscal year divided by 30.

Gifts

Money received by the College generally from private and/or corporate sources, primarily used for student financial aid and/or special programs and money.

Grant

Money awarded to the College in response to a proposal for specific purposes, generally from State or Federal sources.

Industrial Facilities Tax Abatement (IFT)

Tax relief allowed on new and rehabilitated industrial facilities. New facilities are taxed at half the millage rate and rehab facilities are taxed only at initial assessment, not improvements. These abatements cannot exceed 12 years.

Investment Income

Income to the College derived from the investment of current funds. The portfolio of endowment fund investments are managed under contract by Morgan Stanley Wealth Management, LLC who report to the College's Investment Advisory Committee of the Board of Trustees.

Part-Time Staff

Employment category involving services by individuals on a less than full-time basis paid for by the College. Par-time employees, with certain restrictions are not eligible for fringe benefits. The college is required to contribute approximately 23% of wages paid to all part-time employees, except students, to retirement programs.

Professional Development Allowance (PDA)

Monies budgeted and set aside to promote the Professional Development of individual Faculty members, and full-time AP and Support Staff. Included within the scope of this allowance are: travel, professional dues, course work, conferences, seminars, developmental materials and equipment.

Property Taxes

Compulsory charges levied on real and personal property by the College district for the purpose of funding College operations.

- **State Equalized Value (SEV)** is typically 50% of the locally assessed value.
- **Taxable Valuation** is a term that was established as a result of proposition A in 1994, and is the value of property used to determine property tax levy. It may or may not be the SEV.

Renaissance Zones

A category of real and personal properties that are exempt from property tax levy under the State of Michigan Renaissance Zone Act of 1996. Since the original adoption of the act, the State of Michigan had been appropriating to reimburse community colleges for the tax revenues lost under this property tax exemption; however beginning in FY 2010-011, the State has eliminated the reimbursement from its annual funding appropriate for community colleges. The State reinstated the reimbursement effective with FY 2011-2012.

State Appropriations (include supplemental appropriations)

Revenue to the College derived from a formula established by the state of Michigan based on target need.

Student Wages

Wages paid by the college to students employed by various departments within the College. Under the Student Federal Work Study Program, a portion of these wages are reimbursed to the College for eligible student employees.

Supplies and Services

Any article, material or service which is consumed in use, loses its original shape or appearance with use or is expendable.

Support Staff (SS)

The category of regular, hourly employees, including clerical, campus security, food service and maintenance positions.

Tuition and Fees

Revenue to the College derived from payments by students for educational and general purposes.

Notes

Fiscal Policies

Notes

Statements of Fiscal Policies

A. Purpose

The primary purpose of the Delta College Fiscal Plan is to set forth clear, concise and effective guidelines for managing the fiscal affairs of the College and to outline mechanisms necessary for ensuring the orderly growth of the College. The fiscal plan is divided into two broad categories - informational and operational. The informational plan commits the College and its Finance staff to calculate and publish specific information relative to Delta's current fiscal condition, past financial trends, and projections of future fiscal plans and financial position. The operational plan provides guidelines for making fiscal decisions and assuring that Delta College continues to pursue a financially prudent course.

B. General Statements

1. Accounting System and Internal Accounting Control

The College's accounting records for all College funds are maintained on an accrual basis, with revenues recorded when earned, and expenditures recorded when the related liabilities are incurred and certain measurement and matching criteria are met.

In developing and evaluating the College's accounting system, we have given serious consideration to the adequacy of internal accounting control. Internal accounting controls have been developed and implemented to provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability. The concept of reasonable assurance recognizes that:

- the cost of a control should not exceed the benefits likely to be derived, and
- the evaluation of costs and benefits requires estimates and judgements by management.

The College adheres to the above framework for internal controls. We believe that the College's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Continuous internal audit is performed by the Departments of Business and Finance and include the verification of purchasing procedures and accounts payable coding practices, and the audit of payroll data. The College's financial statements are audited annually by an independent public accounting firm.

2. Basis of Budgeting and Budgetary Controls

The basis of budgeting used by the College is identical to the College's basis of accounting, which is described in statement B.1. above excluding the depreciation of capital assets. Budgets include the anticipated purchase cost of capital assets rather than the annual depreciation expense. For the most part, budgeted revenues and expenditures must be estimated as actual amounts are not known until received or incurred.

Budgetary control is maintained at the cost center level by the encumbrance of estimated purchase and contract amounts prior to the release of purchase orders or contracts to vendors. Purchase orders which result in an overrun of cost center appropriations cannot be released until either (a) additional appropriations are made available, or (b) adequate funding is transferred from another department within the same budget group leader's area of responsibility.

3. Governance

a. Board Of Trustees:

Delta College is governed by the Board of Trustees which has the ultimate legal institutional authority; the administration, through the Office of the President, and the Senate share responsibility for governance. The Trustees have the financial authority to operate the College from funds provided through the State. They can dispose of any College property and can establish both educational programs and vocational-technical departments. They also levy property taxes and set tuition and fee rates.

The electors of Bay, Midland and Saginaw counties elect members of the Board of Trustees, three from each county. As authorized by the laws of the State of Michigan, the nine members are empowered to operate the College for a six-year term with three of the nine terms expiring every two years.

The Board of Trustees operate as the final authority, and only the Board speaks legally and with final authority for the College. To accomplish this objective reasonably, the Board maintains a general overview of the institution, entrusts the conduct of the administration to the President and other administrative officers, entrusts the conduct of teaching and research to the faculty, and recognizes the authority of each in its area.

The Board meets monthly and all meetings are open to the public. All special meetings of the Board are posted in accordance with the Michigan Open Meeting Act. Michigan law requires a quorum of the Board, five trustees, to conduct business.

b. Senate:

The variety and complexity of the tasks performed by institutions of higher education produce an inescapable interdependence among the governing board, administration, faculty, students, and others. The relationship calls for adequate communication among these components and full opportunity for appropriate joint planning and effort.

In order to accomplish these tasks, the College has chosen to form an organization called the Senate of Delta College. The purpose of the Senate is to initiate, recommend, and facilitate policies and procedures and to provide communication.

The Senate membership shall include the College President, members of the Senate Executive Board, and senators elected from the Assembly. In addition, the Student Senate Liaison Committee shall elect annually three students from its active membership to serve as senators and assembly members. The Assembly consists of all full-time (a) faculty (including Division Chairs), (b) full-time administrative/professional staff and (c) full-time support staff.

2. Fund Structure

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The College follows the Michigan Public Community College Manual for Uniform Financial Reporting (MUFR) for financial accounting and reporting. Beginning with the year ended June 30, 2003, the MUFR required the College to implement GASB Statement's 34 and 35 for external reporting. The new model includes business-type activity (BTA) reporting, in which all College activities are consolidated into one column on the audited financial statements, capital assets are depreciated over their useful lives, and fund balances are converted to net assets. Audited financial statements also include a management's discussion and analysis section, which provides a brief analytical overview of the College's financial activities, and a statement of cash flows. The College has continued to maintain its fund accounting structure for budgeting and internal reporting, as allowed by the MUFR. All eight of the following major fund types defined by the MUFR are utilized by the College.

a. General Fund:

The General Fund is to be used to account for the transactions related to academic and instructional programs and their administration. Revenues are recorded by source and expenditures are recorded by function. The use of these dollars is determined by an appropriation process. The Budget Cabinet provides leadership for this process. The budget process is further described within the Strategic Planning and Fiscal Planning Sections. This fund is included in the budget document.

b. Designated Fund:

The Designated Fund is to be used to account for transactions of funds restricted as to operating use by the Board of Trustees or the administration. The sources of such funds could be virtually any unrestricted revenue that the Board or administration earmarks for a specific operating purpose. Revenue and expense projections are made for this fund, but it is not included in the appropriation process. This fund is included in the budget document.

c. Auxiliary Activities Fund:

The Auxiliary Activities Fund is to be used to account for transactions of revenue producing, substantially self-supporting activities that deliver a product or perform a service that is not by itself an instructional or administrative activity. Revenue and expense projections are made for this fund, but it is not included in the appropriation process. This fund is included in the budget document.

d. Restricted Fund:

The Restricted Fund is used to account for transactions of outsider controlled funds used to achieve the College's principal operating purposes. Principal revenues include special purpose state or federal grants, income from restricted endowments, federal or state contracts, and various other gifts or grants restricted as to use by the donor.

Most Restricted Fund accounts are in the nature of deposits to be used for a specific purpose determined by the donor or sponsoring agency. The College has the responsibility to see that the provisions of the gift, grant or contract are followed. Revenue and expense projections are made for this fund, but it is not included in the appropriation process. This fund is included in the budget document.

e. Endowment Fund:

The Endowment Fund is used to account for gifts including money, securities, real estate or other investments for which the principal may not be expended. It also consists of quasi-endowments, which are Board-designated funds that are treated similar to endowed funds. No revenue or expense projections are made for this fund. This fund is included in the budget document.

f. Plant Funds:

These are funds, both restricted and unrestricted, that are used to account for the financing, payment, construction and major maintenance of properties. Revenues and expenses for these funds are estimated, but not included in the appropriation process.

The Plant Funds include:

- 1) **The Building and Facility Improvement Funds**, which are used to account for all capital building and equipment activity, including new construction, improvements, replacement, and major repairs and maintenance. The Building and Facility Improvement Funds are included in the budget document;
- 2) **The Debt Retirement Fund**, which is used to account for the payment of debt, and is detailed in the budget document.
- 3) **The Capital Position Fund**, which is used to account for all land, land improvements, buildings, building improvements and equipment owned by the college with the exception of that held for investment in the Endowment Fund. The Capital Position Fund is not included in the budget document.

g. Agency Fund:

The Agency Fund is used to account for assets held by the college for or on the behalf of others. No revenue or expense projections are made for this fund. This fund is not included in the budget document.

C. Informational Policies

The College will make available for inspection the complete details of all revenues and expenditures, a description of the College's current financial condition, and a record of past trends and future projections in a clear and simple format to the public and those interested in Delta College.

1. Annual Planning and Budget Process

The College General Fund money is appropriated through a budget process. A Budget Cabinet is appointed by the President. The membership includes faculty and staff from across the College.

The basic role of the Budget Cabinet is to set parameters and make recommendations regarding financial matters. As strategic planning continues to be implemented, the specific tasks of the Budget Cabinet change accordingly.

Property tax levies are subject to special requirements under Michigan law. The first of these, known as "Truth in Taxation," requires a special public hearing if the current year levy, exclusive of tangible property additions and losses, yields more revenues than the prior year and there is no budget hearing. The second, known as "Headlee," limits the

increase in property tax revenues realized from increases in taxable values, exclusive of tangible property additions and losses, to a rate mandated by the State of Michigan unless approved by the voters of the College's district. The College adheres to the requirements of "Truth in Taxation," as amended, and "Headlee" and holds hearings, if required, during late May or June.

The Board of Trustees typically adopts the budget in June each year.

2. Interim Financial Reports

There shall be calculated and published a comprehensive financial statement detailing revenues, expenditures, and changes to fund balance for funds on a monthly basis.

3. Full Financial Disclosures

Full disclosure shall be provided in Annual Financial Reports and bond representations.

D. Operational Policies

1. Diversified Economy

Delta College recognizes that the fiscal health of the College is directly related to the economic health of the community. Delta, therefore, seeks to encourage a healthy diversified economy consistent with its mission statement.

2. Consolidation and/or Elimination of Duplicative Functions

Delta will take positive steps to improve the productivity of its programs and employees, and seek ways to eliminate duplicative functions within the College, government and agencies in the community. Related programs shall be consolidated wherever possible.

3. Periodic Evaluation of Curriculum and Services

The College is in the process of developing a periodic assessment of educational curriculum and services offered by the College.

4. Cost of Fiscal Controls

As a rule, the cost of fiscal control measures should not exceed the benefits derived.

5. Current Revenues and Operating Expenditures

All College current operating expenditures will be paid with current revenues. Current revenues and operating expenditures will be reviewed at least twice during the year. All budgetary procedures will conform with existing State and local laws.

E. Debt Policies

The following are policies under which Delta College will operate to assure that the organization is managed in a financially prudent manner.

1. Long-Term Debt

Delta does not use long-term debt to finance current operations. Long-term borrowing will be confined to capital improvements or similar projects with an extended life which cannot be financed from current revenues.

2. Maturity and Expected Life

Delta College will keep the maturity of general obligation bonds consistent with or less than the expected lifetime of the project.

3. Debt Limit

The Community College Act authorizes the Board of Trustees to issue bonds so long as the total outstanding bonded indebtedness of the District does not exceed 1.5% of the first \$250,000,000 of taxable valuation, plus 1% of the excess over \$250,000,000 of taxable valuation. The bonds would be limited tax obligations of the Community College District payable out of general budget revenues.

4. Michigan New Jobs Training Program Revenue Bonds

The Community College Act authorizes the Board of Trustees to issue New Jobs Training Revenue Bonds which are not a general obligation of the College and are payable solely from New Jobs Credit from withholding pursuant to a training agreement with an employer who creates new jobs under this program. Withholding taxes of the new employees are diverted to pay for the training and the college incurs no debt or risk as a result.

5. Lease Purchase vs General Obligation Bonds

Where possible, the College will use lease purchase or other self-supporting bonds instead of general obligation bonds. In all cases, the interest rate will be the primary consideration.

6. Uses of Bond Proceeds

Bond proceeds should be limited to financing the costs of planning, design, land acquisition, building, permanent structures, attached fixtures or equipment, and movable pieces of equipment. Basically, acceptable uses of bond proceeds can be viewed as items which can be capitalized and depreciated. Non-capital furnishings and supplies will not be financed from bond proceeds. Refunding bond issues designed to restructure currently outstanding debt are an acceptable use of bond proceeds.

7. Pre-Debt Analysis

Whenever the College is contemplating a possible bond issue, information will be developed concerning the following four categories commonly used by rating agencies to assess credit worthiness. The subcategories are a necessary, but incomplete, list of the types of items to be considered. This information will be presented to the Board of Trustees for review.

a. Debt Analysis

- Debt capacity analysis
- Purpose for which debt is issued
- Debt structure
- Debt burden and magnitude indicators and ratios as compared to other colleges
- Debt history and trends
- Adequacy of debt and capital planning
- Obsolescence of capital plant

b. Financial Analysis

- Stability, diversity, and growth rates of tax sources
- Trend in assessed valuation and collections
- Current budget trends
- Appraisal of past revenue and expenditure estimates
- Evidences of financial planning
- History and long-term trends of revenues and expenditures
- Adherence to generally accepted accounting principles
- Audit results
- Liquidity of portfolio and other current assets
- Fund balance status and trends
- Financial monitoring systems and capabilities

c. College Administrative Analysis

- College organization structure
- Location of financial responsibilities and degree of control
- Adequacy of basic service provision
- Intergovernmental cooperation/conflict and extent of duplication

d. Economic Analysis

- Geographic and locational advantages
- Population and demographic characteristics
- Wealth indicators
- Housing characteristics

- Level of new construction
- Types of employment, industry, and occupation
- Evidences of industrial decline
- Trend of the economy

F. Investment Policies

1. Cash-Flow Analysis

There shall be made cash-flow analysis of all funds on a regular basis. Disbursement, collection and deposit of all funds will be scheduled to ensure maximum cash availability. The accounting system will provide monthly information concerning cash position.

2. Investment Pool

As permitted by law, Delta College will pool cash from several different funds for investment purposes.

3. Maturity

The maturity date of new investments should not be further away than the time that the College anticipates that it will need the funds. Estimates of when the College shall need cash shall be prudent. The time to maturity of securities purchased for a common investment portfolio should be determined based on projected cash flow needs, with the majority generally not exceeding one year.

G. Accounting Policies

1. Accepted Accounting Procedures and Principles

Delta College uses accounting procedures and principles and reporting requirements in accordance with the Michigan Public Community College Manual for Uniform Financial Reporting and Generally Accepted Accounting Principles (GAAP).

2. Timely Satisfaction of Obligation

The College will not postpone current obligations to the future, accrue future revenues to the current fiscal year, or extend the length of the fiscal year.

3. Financial Disclosure

Full disclosure will be provided in annual financial statements and bond representations.

4. Budgetary Control and Reporting

Delta will maintain a budgetary control system to help it adhere to the budget. The Vice President of Business and Finance shall be responsible for preparing quarterly status reports comparing actual revenues and expenditures to budgeted amounts, with exception reports distributed to managers of each cost center for which expenditures exceed budgeted amounts. Cost center managers must timely respond to remedy the overages through budget transfer or error correction requests. This process is also helpful in determining future budget reclassification considerations by the Budget Cabinet.

5. Risk Management Program

The College participates in the Michigan Community College Risk Management Association which provides liability insurance for property and vehicles. This includes the participation in and active management program to safeguard public assets held in trust and to minimize the financial liability arising from accidental injury or death.

6. Maintenance and Replacement

The College will maintain its existing capital investments in workable order to protect the College's assets and minimize future maintenance and replacement costs. A maintenance replacement schedule will be developed. A reserve fund to replace capital when its useful life is depleted shall be established. Such funds shall only be used for capital replacement.

H. Revenue Policies

1. Use of State and Federal Special Grants

State and Federal special grants may be utilized, but only when the College can be assured that the total costs and requirements of accepting funds are known and judged not to negatively impact the College's general fund.

2. Avoidance of Operating Fund Deficit

Delta College should not incur an operating fund deficit.

3. Revenue Projection

Because revenues, especially those of the General Fund, are sensitive to local and regional economic activity, revenue estimates adopted by the College should be conservative.

4. Diversified Revenue

The College has three major revenue sources for operation. They are tuition/fees, state appropriations and property taxes.

5. Adequate Auxiliary and Internal Service Operations

The College will set charges for each auxiliary and internal service operation at a level which fully supports the total direct and indirect costs of the operation. Indirect costs will include the cost of capital assets.

6. Property Tax Collections

The College will pursue a policy of collecting all property taxes due in the current year. The level of prior year property tax repayments and current uncollected property taxes historically has been less than 0.5%.

7. Adherence to Retirement Schedules

The College does not administer its own retirement system, however, it participates in the State of Michigan Public School Employees Retirement System (MPSERS). Current GASB pronouncements require the College to record in its financial statements the College's proportionate share of the MPSERS retirement system's unfunded long-term liability for future retirement and health care benefits. The College's full-time faculty and administration professional staff have the option to participate in the State's Optional Retirement Plan (ORP) in lieu of MPSERS participation. This plan is administered by TIAA-CREF. The College shall remain current in its payments due under the retirement programs in which the College participates.

I. Reserve Policies

Fund Balance

It is a long-term goal of the College to attain a fund balance in the General Fund of 10% of its operating budget. This long-term goal should be reviewed and evaluated at least every five years, the next scheduled evaluation to be for the fiscal year ending 2021.

The fund balance shall be held to help cover three possibilities:

1. Catastrophic - to provide limited emergency funds in the event of natural or man-made disaster.
2. Operational - to provide additional funds for extraordinary unforeseen circumstances outside of management's control.
3. Liquidity - to provide limited funds to smooth fluctuations in revenues caused by changes in economic conditions or enrollment.

In addition, fund balance provides:

1. Sufficient working capital.
2. Sufficient cash float for daily financial needs.

Fund balances should not be used for operating expenses. Fund balances should be used for one-time capital emergency expenditures only if the balance remaining is adequate.