

Delta College Strategic Plan and Budget 2021 - 2022



Cover by Luke Goodrow

Delta College

**FY 2021-2022
Strategic Planning & Budget**

University Center, Michigan

Delta College is one of twenty-eight community colleges in the state of Michigan. It currently has 3,907 full-time equivalents (FTE) and produces approximately 164,000 contact hours per year. The staff includes approximately 435 full-time employees of which 178 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, 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 located in 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. The 640 acre main campus is located in rural Bay County about equidistant from each of the major cities.

Downtown Centers

In addition to its main campus facility in Bay County, Delta College operates three Centers within the district – one in each of the taxpaying counties. The **Downtown Bay City Center**, a 39,000 square foot facility featuring a Planetarium, was built and opened in 1997, funded by a \$8.75 million grant from the National Aeronautics and Space Administration (NASA).

The **Downtown Saginaw Center** broke ground in 2018 and offered the first classes in Fall 2019. This 37,000 square foot building cost \$12.7 million, with half of the funding received through the State of Michigan's capital outlay process and the remaining dollars saved by Delta College for this important initiative.

In August 2018, the Board of Trustees approved a new site location for construction of its **Downtown Midland Center** from land that was donated to the College. The \$13.0 million project had its ground breaking ceremony on April 22, 2019. 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 newly constructed building consists of 30,000 square feet on three levels. The campus opens for classes beginning Fall semester 2021. Prior to the new construction, Delta College offered classes in Midland in a renovated Catholic elementary school with approximately 25,000 square feet. The College purchased the building through a bond sale in 1991. Future plans for the building have not yet been determined at this time.

In October 2018, Delta College's Electronic Media Broadcasting – A Wing Renovations project was submitted to the State of Michigan in response to identified structural needs of current programs, learning environments and business and community needs. It was subsequently authorized for Planning under Public Act 618 of 2018 and then Authorized for Construction under Public Act 257 of 2020. Construction is currently scheduled to begin in the Fall of 2021. The current facilities were constructed in 1961, and although maintained well, many of the architectural finishes, mechanical and electrical systems are at, or nearing the end of their useful life. When upgraded and revitalized, this area will be the platform for state-of-the-art learning and creation of a wide variety of digital media productions for students and producers. Funding for the total \$2.8 million renovation will be paid 50% from Plant Fund reserves and 50%, or \$1.4 million, match from the State of Michigan. The project also includes broadcasting equipment totaling \$3,180,850 which will be funded by Delta College Public Media through fundraising and donations already received.



Delta College Board of Trustees

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

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

Saginaw County: Arshen R. Baldwin, The Rev. Dr. Robert L. Emrich, Marcia L. Thomas (Vice Chair)

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.

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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, budget group leaders, and Executive Council normally review and discuss a Three to Five-Year Budget and Forecast Model. The current year and upcoming proposed budget is presented to the Board of Trustees a month in advance of presentation of the annual budget and vote of adoption. As part of the Delta College Strategic Plan, executive leadership and budget group leaders are working on the development of a three-year budget model that will strategically shift needed resources in staff, facilities, and technology which is due to be completed no later than 2022-2023. In addition, due to the continuing impact of COVID-19, the May dinner meeting with the Board of Trustees was spent reviewing budget assumptions and scenarios for the fiscal year 2021-2022 budget. Long-term projections were not discussed due to the uncertainty and inability to provide realistic future forecasting.

The College utilizes a General Fund Budget Projection Model that was developed a number of years ago. 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 and the model calculates the financial effect resulting from proposed changes. 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 77% 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 impact the College's operations, a base is established. It is from this base that all future revenue and expenditure estimates are calculated. The base for 2021-2022 projections uses the 2020-2021 Budget, adjusted for known factors which have taken place since it was approved.

Fiscal constraint and resource reallocation have played important roles in budget management during this era of economic strain and decreased enrollments in Michigan. Further complicating the budget process is the uncertainty of how the pandemic will impact Delta's enrollment either negatively or positively. However, the budgeting process continues to remain 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 has experienced long-term shut downs and unemployment surges. Students also had to shift to an online learning environment throughout most of the year since the pandemic forced school and business closures across the nation, state and here at Delta College. This past academic year, Delta experienced an enrollment decline of approximately 10% from the prior year 2019-2020, which was anticipated in our budget at the onset of the pandemic. Adding to the loss, our 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 marketing the State's programs to draw more students in that would receive "free tuition" under the initiative of Michigan Reconnect. Michigan Reconnect is part of the Governor's 60 by 30 strategy, which has the goal that 60% of Michigan's adult population will have a post-secondary credential by the year 2030. Michigan Reconnect offers free in-district tuition to adults aged 25 and over who have not already completed a college degree.

Another State program offering free, "last dollar" tuition is the "Futures for Frontliners" program, which was announced a year ago by Governor Gretchen Whitmer. The College is also assessing the best programs to offer to currently unemployed adults who may remain displaced and who will be seeking new skills as a result of the pandemic. Many businesses closed and people lost their jobs.

The contact hour projection for the upcoming year will remain flat at 164,000, or a 0% enrollment change from 2020-2021. The projected enrollment is based on strategic growth initiatives, the infusion of federal stimulus dollars for student support, state funding programs to return to college and our competitive tuition and fee structure. The initiatives have targeted goals to retain our current students, while encouraging new students to attend Delta. We believe the recent lifting of the mask mandates and allowing people to gather in person will encourage students to participate in face-to-face instruction. The College is offering face-to-face, online and hybrid course options for the upcoming academic year.

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 majority of courses were converted to online instruction. The College closed to the public, with the exception of essential staff that needed to be on campus, and academic programs in the nursing and skilled trades areas, that had to be taught in person. The majority of College employees began to work remotely from home. This format continued for the remainder of 2020. In January of 2021, certain restrictions on in-person gatherings, public spaces and areas were modified which allowed us to open our Fitness & Recreation Center to a limited capacity, and also allowed our athletes to practice in a socially distanced setting. The COVID-19 vaccines were beginning to be delivered to states and plans were being made to set up vaccination sites. This was one of the first signs that the State and U.S. were beginning to lower the virus outbreaks.

Since the onset of the pandemic, the College implemented a new technology application called Pioneer Connect, where our students and visitors could virtually register for classes, receive tutoring support, order textbooks, receive counseling and advising, access the food pantry and make appointments to use other College resources like the library and computer labs. Pioneer Connect can be found on the Student Portal of our website.

Beginning in early May 2021, Michigan's Governor announced new workplace guidelines and set deadlines for social distancing and mask mandates. The staff returning to campus and re-opening is currently in process in a phased approach. This is necessary for the College to understand how we will monitor vaccinated and unvaccinated individuals that come to our campuses and centers. It also will provide time for employees to establish connectivity for computers and equipment they have been using at home during the remote work requirement.

In preparation of the return and the upcoming fiscal year, our fiscal year 2021-2022 budget has a budgeted expense of \$100,000 for COVID-19 related supplies not covered under grant funding.

Federal Stimulus COVID-19 Response Grants

Delta College received Higher Education Emergency Relief (HEERF) funding through the federally approved legislation called the "Coronavirus Aid, Relief and Economic Security (CARES) Act," approved in March 2020. The CARES total award to Delta College was over \$5.4 million. The College awarded over \$2.9 million in direct cash grants to our students who were impacted by the COVID-19 pandemic, and the remaining dollars to institutional support and programs in response to the virus. The institutional spending included items such as personal protective equipment and supplies, entry screeners, contact tracing and reimbursement of online fee refunds.

The second stimulus package is referred to as the "Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)" and passed in December 2020. The total CRRSAA award to Delta College was over \$11.1 million. The grant specifically requires \$2.6 million to be spent on direct student support, which has already occurred. The remaining dollars are for institutional support and programs directly related to Coronavirus; however, the guidance encourages recipients to consider spending a portion of

their institutional allocation for additional student grants, which the College plans to do. This legislation also now allows for institutions to utilize the institutional portion of funding to reimburse themselves for various revenues lost due to Coronavirus. Guidance that further clarified how to compute lost revenue was slowly released. The College continues to develop estimates of lost revenue and is also seeking guidance and permissions from HEERF specialists regarding specific allowable spending.

The third stimulus package is referred to as the “*American Rescue Plan Act (ARPA)*,” which is a supplemental funding package that was signed into law March 2021. The total amount awarded to Delta is over \$18.6 million. These dollars have been awarded with essentially the same intent as CRRSAA provisions. A little over half of the funding, or \$9.5 million is earmarked to provide direct student support to help cover a student’s cost of attendance or emergency costs that arise due to COVID-19, including tuition, food, housing, health care and child care. The remaining amount awarded of \$9.1 million is designated for institutional needs to defray costs directly related to Coronavirus.

Each of the federal stimulus grants is very restrictive and expenditures must directly be related to the COVID-19 pandemic. Administration has been working very closely with the College’s auditors and the Department of Education in Washington, D.C to determine the allowable costs.

State Aid

The most recent State Consensus Revenue Estimating Conference (CREC) was held on May 21, 2021, where representatives from the State Administration, and the House and Senate Fiscal Agencies met virtually to discuss the economic status of the State’s General Fund/General Purpose (GF/GP) and the School Aid Fund (SAF) for the current year and updated the baseline revenue projection for fiscal year 2020-2021, fiscal year 2021-2022 and fiscal year 2022-2023.

The State Aid Fund, which currently funds Community Colleges, reported significant revenue increases from the January 2021 estimate. Michigan residents have been spending money on taxable goods, and sales tax and income tax revenues are significantly higher than January’s estimate.

There are still inherent risks associated that were reported with the significant increases: inflation acceleration, supply chain disruptions, virus mutation, housing, financial valuations and global political developments.

The State legislature has not finalized a Funding/Appropriations Bill as of the date of this communication. The Senate and Governor are both proposing a 2% increase in funding. The House is proposing a different funding model which would allocate State increases based on a “per pupil” model using the Fiscal Year Equated Students (FYES). Our 2021-2022 proposed budget incorporates a 2% increase for State Aid Appropriation, which is a revenue increase of approximately \$315,000 from our actual current year State Appropriations. State aid is our third largest source of general fund revenue, or 25.6% of the College’s total revenue.

Personal Property Tax (PPT) Loss reimbursements received from the Local Community Stabilization Authority (LCSA) are required to be reported as State Appropriations. The College is increasing the budgeted PPT loss reimbursement amount by \$500,000, to \$2,000,000. We have not been budgeting the bonus portion of the PPT loss reimbursement payments we receive, since this portion of the payment is not guaranteed and the amount can fluctuate. Since we now have a few years of history and have been receiving significant bonus payments, we feel comfortable increasing the PPT loss reimbursement budget to include a portion of the anticipated bonus payment.

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. Delta’s fiscal year 2021-2022 in-district tuition rate has been set at \$119/contact hour or an increase of \$2/contact hour. Out-of-district tuition increased \$3 to \$202 and out-of-state was reduced to \$210 from \$373 to be more competitive with other Michigan community colleges, and to promote enrollment for out-of-state students in online programs. The Board also approved a \$3 increase in the technology fee, raising it from \$21 to \$24 per contact hour. With the expansion of online courses due to the COVID-19 pandemic, the Budget Cabinet recommended the online fee of \$34 per contact hour be eliminated beginning with Fall 2021. During the 2020-2021 academic year, Delta’s students did not pay the online fee. This fee has been covered by HEERF grant funding since March 2020. The College also increased its Credit by Exam and Credit by Portfolio fees by \$10 to \$60. The intention is to set these fees at approximately half the in-district tuition rate. Our dual enrollment tuition rate is \$119 per contact hour, plus applicable fees, which was also approved by the Board of Trustees and is effective Fall 2021. This allows the College to remain competitive for our

dual enrolled students in and out-of-district. Delta is student focused, and having only one fee charged (technology fee) to all students provides our students a better understanding of what the actual costs are to attend Delta. Tuition and fees rates increased 3.6% over 2020-2021. This is a net loss of revenue of approximately \$582,000 due to the elimination of the online fee. Tuition and fees is the College's largest revenue source and is approximately 39% of our total general fund revenues.

Other programs such as our Nursing track, Automotive, Life Long Wellness, Criminal Justice and Correction Academy Programs have an additional fee structure that is specifically course related.

Compensation

Total compensation at Delta consists of full-time, part-time and student employees and is the largest expense of the General Fund budget. This includes employer payroll taxes, retirement plans, and other employee benefit expenses such as insurance. Total compensation represents approximately 77% of our total General Fund expenditures.

Prior to the COVID-19 pandemic, the College's Faculty and Facilities unions were on the final year of a three-year compensation agreement with the College, which was scheduled July 1, 2020 through June 30, 2021. The final year of the agreements called for a 2.3% salary/wage increase on base. In addition to the base increase, the Faculty agreement has additional compensation language for promotion, longevity, and steps. The Administrative Professionals, Support Staff and Corporate Services which are all non-union employees have additional compensation based on the College's Performance Management System.

Due to the COVID-19 pandemic, the College positioned itself for potentially extreme revenue shortfalls in our 2020-2021 budget. All employee groups took salary and wage freezes. By February of 2021, we recognized better financial circumstances than we anticipated. At that time, the Administration recommended to the Board of Trustees to restore the salary increase originally agreed to for all employees, which was 2.3% on base, plus performance. The Board supported and approved this recommendation.

At the time of this budget report, the College continues to negotiate with the Delta College Faculty Association Union and the maintenance employee union group. The 2021-2022 budget reflects a net total compensation budget of \$52.9 million, or net increase of 1.89% over the current year. The variance includes both increases and decreases for staffing levels such as retirements, salary replacement costs, and anticipated wage increases for employee groups. Benefits such as the cost of our employee health insurance, was adjusted down to reflect the estimated self-funding costs paid by the College for next year. Our self-funded Blue Cross Blue Shield Plan has done very well for both the College and employees. Other fringes were modified to reflect our best estimate for next year, as well.

Retirement Benefits

On September 4, 2012, Public Act 300 was enacted addressing major reform in the Michigan Public School Employees Retirement System (MPERS). 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 28.6% 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 MPERS employees.

Medical Benefits

The College 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 role of the Benefits Committee is to make a final recommendation to the President of any possible benefit design alternatives to be considered and further investigated for the upcoming benefit plan year. The recommendation may be to look at an entirely different health care plan. Any recommended change would be made with the intention of generating reductions in health care costs which may produce ongoing annual savings for both the College 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.

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

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.

The Benefit Committee was convened in October of 2020, to discuss options for the upcoming renewal of our current health insurance plan which is January 2022. The Benefit Committee recommended that no design changes be made at the current time, and all employees eligible for insurance would remain with our current health plan for the following year. Beginning, July 1, 2021 the College will be lowering the employees cost sharing per pay due to the anticipated utilization on the Blue Cross Blue Shield Self-funded plan.

Facility Maintenance and Equipment Replacement

Facility maintenance and equipment replacement has been an important priority for 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. The 2021-2022 budget increases this appropriation by \$500,000 annually, to begin long-term savings for the future needs of our newly constructed centers and the downtown Planetarium. Total annual appropriation will now be \$2.5 million.

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 fiscal year 2021-2022 balanced budget plan incorporates savings of \$706,273 and \$494,169 in new strategic and operational funding uses and maintains all existing programs and services.

Fiscal Policies and Long-term Sustainability

Delta College's leadership and the Board of Trustees have a long history of established long-term fiscal policies and practices. Those important decisions include having designated savings for the future and setting aside reserves for unexpected contingencies, revenue shortfalls or emergencies. Some examples are as follows:

Delta's 10% Fund Balance Policy – It is a current long-term goal of the College to maintain a fund balance in the General Fund of 10% of its operating budget. It is the recommendation that we continue at this level of 10% savings. We have established our Designated Sustainability fund, for contingencies or unidentified needs that is built from annual one-time savings, which essentially is an added layer of savings. This fund was an essential cushion during the COVID-19 pandemic. It was anticipated in the 2020-2021 budget that we would need a transfer-in of \$900,000 from the Sustainability Fund to balance the General Fund budget due to the projected cut in state funding that was anticipated at the time the budget was developed. The 2021-2022 estimated ending fund balance is approximately 11.6%.

Debt policies – The College has established savings, avoiding the need to borrow. This policy is to protect the assets of the College and to maintain the future sustainability of its infrastructure and state-of-the-art facilities. Through the commitment to transfer a portion of any annual General Fund surplus to our Plant Fund, the College has accumulated resources for construction projects and infrastructure needs without incurring debt.

Reflections from the President

I would like to share my gratitude to the entire Delta College community that has allowed me to serve as your President for the past sixteen years. I would like to extend my appreciation to the executive leadership for their continued commitment to the College, and their support to me over my tenure with Delta. In addition, a special thank you to all faculty and staff for their hard work, commitment and support to our students and the Institution. It has truly been my honor to learn, work, and grow with Delta College. I look forward to the continued success as one of America's leading community colleges.

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
College Portal Environment Updates – One Time Spending 2020-2021	\$ 115,000	PF/SS/S	5622
Midland Center Computer Cybersecurity & Lab Equipment – One Time Spending 2020-2021	186,081	PF/SS/S	1124
COVID-19 related expenses not covered under grant funding - reduction of 2020-2021 allocation	100,000	PF/SS/CF/S	6761
Presidents Innovation Incubator Transfer – One year deferred 2021-2022	50,000	SS	4599
Net Employee Compensation Reductions – Due to retirements, replacement cost differentials, etc.	255,192	S	Various
Total New Revenue and Savings	\$ 706,273		

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 3 of 5	\$ 26,744	SS	6745
Ellucian Contract Annual CPI Increase	69,025	SS	Various
Ellucian CRM Advise Contract Renewal	5,000	SS	5626
Ellucian Experience Student Software	26,609	SS/PF	5626
Depository Software Package - SoftDocs	48,500	SS	5626
Midland Center (New and Old) Facility Operations	129,500	PF/SS/CF/S	7787
TLC Student Scheduling & Tracking Software Renewal	7,000	SS	4527
SARA – Application Fee – Out of State Online Courses	8,000	SS/S	5626/1125
SARA – Out of State Online Marketing and Promotion	20,000	SS/S	5622
Miscellaneous for Unanticipated Needs	154,791	SS/S	6723
Total New Funding	\$ 494,169		

On-Going Strategic and Operational Funding

Description	Amount	Strategic Focus Area	Cost Center
Instructional Computer Replacement Life Cycle Funding	\$ 87,500	SS	1124
Achieving the Dream Initiative Match	57,291	SS	5627
Asset Life Cycle Replacement/Depreciation	2,500,000	S	7799
Total On-Going Funding	\$ 2,644,791		
Combined Total of New and On-Going	\$ 3,138,960		

Delta College Budget Cabinet 2020-2021

Brian Aldrich.....	Faculty-at-Large Appointment through 6/2022
Daniel Allen	Associate Dean
Jennifer Carroll	Director of Corporate Services
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
Chris Curtis	Delta College Faculty Association President
Sarah DuFresne	Vice President of Business & Finance/Board Treasurer
Anne Elias.....	Chair of Executive Committee for Administrative/Professional Staff 2020
Jon Foco	Director of Business Services
Donna Giuliani.....	Delta College Faculty Association Representative
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
Greg Luczak	Manager of Finance – Academics
Daisy McQuiston	Co-Chair of Faculty Executive Committee 2019/2020
Sue Paris	Business & Finance Administrative Assistant
Karl Rishe.....	Vice President of Student and Educational Services
Ron Schlaack	Chair of Budget Cabinet
Stacey Shinkel	Chari of Support Staff Executive Committee 2020
Karol Syring	Faculty-at-Large appointment through 6/2022
Marcia Thomas.....	Board of Trustees Representative
Andrea Ursuy	Executive Director of Administrative Services & Institutional Effectiveness

Strategic Planning

Notes

Delta College Strategic Plan 2019-2023

Year 3



Strategic Planning at Delta College

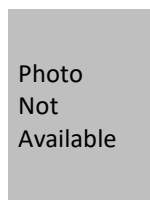
Delta College has implemented a systemic strategic planning process that supports the mission, vision, and values; is aligned horizontally and vertically throughout the organization; integrates environmental scanning, resource allocation, and resource development; and effectively implements coordinated 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

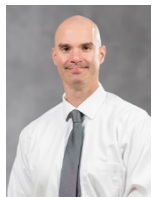
The Strategic Planning and Institutional Effectiveness Steering Committee is a cross-functional group whose purpose is to guide and align the planning process. The committee work includes participation in the creation of the strategic plan. In addition, the group provides feedback on the plan, monitors 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.



Loyce Brown – Director of Employee Development, Equity, Title IX; **Talisa Brown** – Administrative Services Coordinator & Institutional Research Survey Specialist; **Pamela Clark** – Executive Director of Institutional Advancement; **Dr. Martha Crawmer** – Dean of Teaching and Learning; **Dr. Russell Curley** – Dean of Enrollment Management; **Dr. Reva Curry** – Vice President of Instruction & Learning Service; **Chris Curtis** – President of Delta College Faculty Association



Sarah DuFresne – Vice President of Business & Finance; **Anne Elias** – Chair of ECAPS; **Dr. Michael Faleski** – Academic Assessment; **Dr. Jean Goodnow** – President; **Stephanie Harrison** – Dean of Career Education & Learning Partnerships; **Daisy McQuiston** – FEC Chair; **Shelly Raube** – Dean of Student Success



Dr. Karl Rishe – Vice President of Student & Educational Services; **Kay Schuler** – Administrative Assistant, President's Office; **Stacey Shinkel** – SSEC Representative; **Andrea Ursuy** – Executive Director of Administrative Services and Institutional Effectiveness (Committee Chair); **Dr. Jason Young** – 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 March 31, 2021, the State of Michigan was showing an unemployment rate of 5.1%. By County March 2021 unemployment Rate are as follows: Bay 6.4%, Midland 5.2%, and Saginaw 6.8%.

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%).

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 11 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



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 Dr. Karl Rishe

Approach for Implementation: Cross-Functional Team

Resources: Enrollment Management Team, Joint Leadership Council, Academic Associate Deans, Program and Discipline Coordinators, eLearning Team

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
5. Retention data for first time student cohorts for Fall 2018 to Fall 2019, Fall 2019 to Fall 2020 disaggregated by race.

Goal:

1. Complete Enrollment Management Team plan by Summer 2021 to increase contact hours by 2% for incoming students each year and increase fall-to-fall student retention by 1.5% each year.
2. Identify, develop, and implement enrollment and retention strategies for the top disciplines/programs that have the greatest potential for growth as indicated by the Academic Program Review process.
3. Increase the number of dual enrollment students by 2% that become full-time Delta students within a year of high school graduation.

Action Project 1.1 – 2: Create and implement a College-wide Enrollment Management Plan.

Description of Action Project: Create and implement a College-wide Enrollment Management Plan with a goal of increasing retention while stabilizing incoming enrollment. The plan will include streamlining of the application process, improving the dual enrollment experience for students, and establishing a mentoring program for the retention of students of color.

Champion(s): Dr. Karl Rishe, Dr. Russ Curley and Stephanie Harrison

Approach for Implementation: Cross-Functional Team (The committee to establish the Enrollment Management Plan consisted of four team representatives from each vice president and one representative from each executive director serving on the President's Cabinet.)

Resources: Enrollment Management Plan Committee (four team representatives from each vice president and one representative from each executive director serving on the President's Cabinet), Office of Information Technology (OIT), Institutional Research, Information from the Higher Learning Commission on persistence and completion, Joint Leadership Council, Academic Council, Student Success Coaches, and Faculty

Project Length: More than 1 year

Project Measures

Baseline:

1. 22.5% of residents in our service district age 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%.
2. Over the past five academic years, fall-to-fall retention for First Time in any College (FTIAC) students averaged 54.86%, with a standard deviation of 2.81%.
3. A five-year historical trend (2013-2017) indicates a mean of 29.2% dual enrolled students become full-time Delta students after high school.
4. Over the last five academic years, we have averaged a total number of 7,578 applications submitted with a standard deviation of 449.7 applications.

5. Application yield rates over the last five academic years have averaged 39.2%, with a standard deviation of 1.59%.
6. Over the past five academic years, fall-to-fall retention of Black/African-American students has averaged 40.82%, SD = 1.7%.
7. Over the past five academic years, fall-to-fall retention of Hispanic students has averaged 48.92%, SD = 2.5%.

Goal:

1. Establish a written Enrollment Management plan that takes into account population trends, recommended growth areas, and industry leading retention efforts and seek approval of President and Board of Trustees by August 2021.
2. Establish and carry out an institution-wide early alert program that uses predictive data as well as data received in the first 15% of a given semester to increase First Time in any College (FTIAC) retention by 1.5% fall-to-fall by 2023.
3. Create dual enrollment experience that engages students utilizing all resources available and increase by 2% number of dual enrolled students that become full-time students after high school graduation.
4. Hold steady the number of applications with the shrinking population in the area and streamline application process with a direct link to courses that require no testing or transcripts to increase the number of applications submitted and increase the application yield rate in the range of .08 to 1.6%.
5. Establish a retention plan utilizing mentoring and intrusive advising to increase students of color success and increase retention rate by 2%.

Action Project 1.1 – 3: RETENTION: Develop, implement, and assess strategic activities that positively impact the retention of enrolled students.

Description of Action Project: Implement and assess Caring Campus - Staff and Caring Campus - Faculty under the +One Initiative.

Champion(s): Dr. Karl Rishe and Dr. Reva Curry

Approach for Implementation: Cross-Functional Team: +One Initiative co-chaired by Loyce Brown and Kristin Cornelius. This consists of Caring Campus - Staff Initiative co-chaired by Dr. Russ Curley, Loyce Brown, and Jennifer Carroll, and Caring Campus - Faculty (Faculty Investments in Successful Strategies for Student Success) chaired by Kristin Cornelius and the FI4S Faculty leadership team) and All Departments/Units: Department heads across the College will be included in the Caring Campus initiative to implement an aligned whole college approach to student retention efforts.

Resources: Joint Leadership Council, Academic Council, Student Success Coaches, Faculty, National Institute for Evidence-Based Change (IEBC), Community College Research Center (CCRC), Student Satisfaction Surveys

Project Length: More than 1 year

Project Measures

Baseline:

1. Retention from Fall 2018 – Fall 2019 – 51.1% (Note: This is the baseline before any Caring Campus training or implementation.)

Goal:

1. Increase retention from Fall 2020-Fall 2021 (by 1.5% per year):
 - a. Strategies' implemented for Caring Campus – Staff
 - b. Caring Campus – Faculty coaching completed this year.
2. Increase retention Fall 2021-Fall 2022 (by 1.5% per year). Full impact of Caring Campus - Staff and Caring Campus – Faculty should be realized.
3. Analyze retention data in Fall 2021-Fall 2022 to identify areas of strength, areas for improvement, and strategies to address areas for improvement for Caring Campus – Staff and Caring Campus - Faculty, as a full Caring Campus institution.

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, Director of Information Technology Services, Institutional Research, LLIC

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 51.1%)

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 use of multiple measures for student placement to support Michigan Reconnect Scholarship program.
2. Redesign of our Developmental Education pathway to support Michigan Legislation with Michigan Reconnect Scholarship program.
3. Establish new baseline data for developmental education, retention, student success to reflect impact of COVID-19 Pandemic.
4. Increase completion of Gatekeeper courses by College Ready students by 2% each year for the next three years.
5. Increase completion of Gatekeeper courses by Developmental Educational students by 2% within two years of enrollment.
6. Increase number of Gateway Math tutoring sessions by 15%.
7. Expand outreach of TLC into Gateway courses by increasing Holistic Academic Coaching sessions by 15%.
8. Increase fall-to-fall Retention of FTIACS to 57-58% within three years.
9. 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.

This Initiative is supported and cross-referenced with Action Project 3.2-1 which can be found under the Sustainability strategic focus area.

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.
- 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): Dr. Karl Rishe 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, Greg Luczak, Jennifer Carroll

Approach for Implementation: Cross Functional Team

Resources: Institutional Research Director, Director of Facilities Management, 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. Innovation Projects Plan Guide available for application - Complete

Goal (Year 2) 2021 – 2022

1. Innovation Projects amount annually identified - Complete

Goal (Year 3) 2022-2023

1. Create and launch three-year implementation plan to strategically shift needed resources in staff, facilities, and technology - June 2022
 - a. Work with Institutional Research to identify and quantify institutional action projects that have a direct financial impact to the budget of the 2019-2023 plan. This will result in a three-year budget model for Academic and Instructional Support and Student and Educational Services. When this is combined with the existing Business and Finance/facilities and Information Technology three-year budget models, it will result in a comprehensive three-year projected budget model for the college.

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 fostering the implementation of initiatives that contribute to the long-term sustainability of the College. Examples of such initiatives include 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. Reva Curry, Dr. Karl Rishe, Sarah DuFresne

Approach for Implementation: Cross-Functional Team

Resources: League for Innovation, Achieving the Dream (AtD), Innovation Engineering, President's Cabinet, Information Technology Services and Ellucian, Institutional Research, Joint Leadership Council, Corporate Services, Business and Community

Project Length: 2 years

Project Measures

Baseline:

1. Current structure

Goal Year 2021-2022 (Planning)

1. Develop a timeline for the Innovation Project Funding process and application by October 31, 2021.
 - a. Identify 3-5 best practices for cultivating innovation in the business, industry, and higher education sectors to improve student recruitment and retention.

- b. Create the Innovative Funding Review Committee with faculty and staff by December 2021.
 - i. This committee will be responsible for identifying needs, recruiting ideas, reviewing applications, and providing recommendations for funding projects to the President's Cabinet who will integrate into the budget funding cycle.
 - ii. Establish criteria for applications for funding such as the HLC Persistence and Completion Academy guidelines.
 - iii. The review committee will assess and monitor measurable outcomes (deliverables) of the funded project(s) throughout the life cycle of the project.
 2. Provide professional development regarding the identified best practices for Innovation at forums such as Learning Days and share the reference document on how to complete application process. January 2022
- Goal Year 2022-2023 (Implementation)**
1. Launch the Innovation Project Fund Request – August 2022. Approved project funding would begin with the 2023-2024 budget or July 1, 2023.

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: Drive attendance to the Downtown Centers following the pandemic. Through staffing, academic offerings, career training and marketing, strengthen Delta's position as the preferred local educational provider for college and K-12 students.

Champion(s): Dr. Karl Rishe and Kristy Nelson

Approach for Implementation: Cross-Functional Team

Resources: President's Cabinet, Dean of Teaching and Learning, Dean of Enrollment Management, Marketing Department Team, and Director of Educational Opportunity Center

Project Length: More than 1 Year

Project Measures

Baseline:

1. Increase student enrollment during the next two years:
 - a. Saginaw Center comparison:
 - Fall 2019 – 630 students, 3,663 contact hours, 58 course sections offered
 - Winter 2020 – 474 students, 2,760 contact hours, 48 course sections ran
 - Spring 2020 – No baseline data
 - b. Midland Center comparison:
 - Fall 2019 – 389 students, 1,951 contact hours, 32 course sections offered
 - Winter 2020 – 316 students, 1,467 contact hours, 29 course sections ran
 - Spring 2020 – No baseline data
 - c. Bay City Center (Planetarium) comparison:
 - Fall 2019 – 262 students, 904 contact hours, 17 course sections offered
 - Winter 2020 – 157 students, 527 contact hours, 13 course sections ran
 - Spring 2020 – No baseline data

Goal:

1. Integrate the Centers and Main Campus to more fully utilize all facilities, to the benefit of all students and employees.
2. Develop and implement a cross-trained staffing model at each Center, to allow for flexible front-line response delivery to students.
3. Build and sustain strong enrollments at each Center through a strong schedule of academic offerings.
4. Develop partnerships and outreach activities unique to each city, to promote Delta College's educational delivery goals.
5. Develop segmented "Centers" digital ads by city, in addition to the regular advertising recruitment cycle.
6. Implement Pioneer Connect virtual services at each of the centers.

Goals / Targets:

1. Saginaw Center comparison: Fall 2021 = Saginaw Enrollment Goals
 - Increase fall-to-fall enrollment by 3% consecutively over the next two academic years.
 - Meet established baseline goals for Spring 2022 and increase by 3% for Spring 2023.
- Saginaw Center Targets:
- Fall 2021 – 649 students, 3,773 contact hours, 60 course sections that run
 - Winter 2022 – 488 students, 2842.8 contact hours, 49 course sections that run

- Spring 2022 – 260 students, 1509.2 contact hours, 20 course sections that run
 - Fall 2022 – 669 students, 3,886 contact hours, 62 course sections that run
 - Winter 2023 – 502 students, 2,928 contact hours, 50 course sections that run
 - Spring 2023 – 268 students, 1554.5 contact hours, 21 course sections that run
2. Midland Center comparison: Fall 2021 = Midland Enrollment Goals
- Increase fall-to-fall enrollment by 3% consecutively over the next two academic years.
 - Meet established baseline goals for Spring 2022 and increase by 3% for Spring 2023.
- Midland Center Targets:
- Fall 2021 – 502 students, 2,517 contact hours, 49 course sections that run
 - Winter 2022 – 406 students, 2,013.6 contact hours, 39 course sections that run
 - Spring 2022 – 201 students, 1006.8 contact hours, 20 course sections that run
 - Fall 2022 – 647 students, 3,247 contact hours, 63 course sections that run
 - Winter 2023 – 518 students, 2597.6 contact hours, 50 course sections that run
 - Spring 2023 – 207 students, 1037 contact hours, 20 course sections that run
3. Bay City Center comparison: Fall 2021 = Bay City Enrollment Goals
- Increase fall-to-fall enrollment by 3% consecutively over the next two academic years.
 - Meet established baseline goals for Spring 2022 and increase by 3% for Spring 2023.
- Bay City Center Targets:
- Fall 2021 – 270 students, 931 contact hours, 18 course sections that run
 - Winter 2022 – 162 students, 542.8 contact hours, 13 course sections that run
 - Spring 2022 – 108 students, 372.4 contact hours, 7 course sections that run
 - Fall 2022 – 278 students, 959 contact hours, 19 course sections that run
 - Winter 2023 – 167 students, 559 contact hours, 13 course sections that run
 - Spring 2023 – 111 students, 383.6 contact hours, 7 course sections that run

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 employee wellness survey in Fall 2021
- Assess employee wellness survey results to determine the support needs for employees
- Develop innovative methods to enhance employee wellness and collaboration across the college

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

Approach for Implementation: Cross-Functional Team

Resources: Employee Wellness Survey Results, President of Delta College Faculty Association, Chair of Faculty Executive Committee, Chair of ECAPS, Chair of SSEC, Human Resources, and Institutional Research

Project Length: 1 year

Project Measures

Baseline:

1. Fall 2020 and Spring 2021 Employee Wellness Survey results

Goal:

1. Identify individuals that can assist and develop the innovative methods for enhanced employee wellness and collaboration.
2. Implement at least one employee wellness event/initiative in Fall 2021 and one in Winter 2022.

Initiative 4.2: Increase the diversity of the College.

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

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): College President

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.
5. Results of the DEBI Audit (conducted Spring/Summer 2021)

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 2021.
3. Establish academic progress benchmarks as aligned by Achieving the Dream (AtD). Set specific goals to reduce the gaps of academic success (successful course completion) for students of color.

4. Develop and implement ongoing schedule of workshops, seminars, and symposiums that focus on diversity, inclusion, and social justice.
5. Continue participation in the Great Lakes Bay Regional Alliance (GLBRA) Board Diversity and Inclusion Sub-Committee.
6. Implement recommendations from DEBI Audit.

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 Renovation and Addition	\$ 5,238,000
2	Business and Technology – M Wing Renovations	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/2022-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.

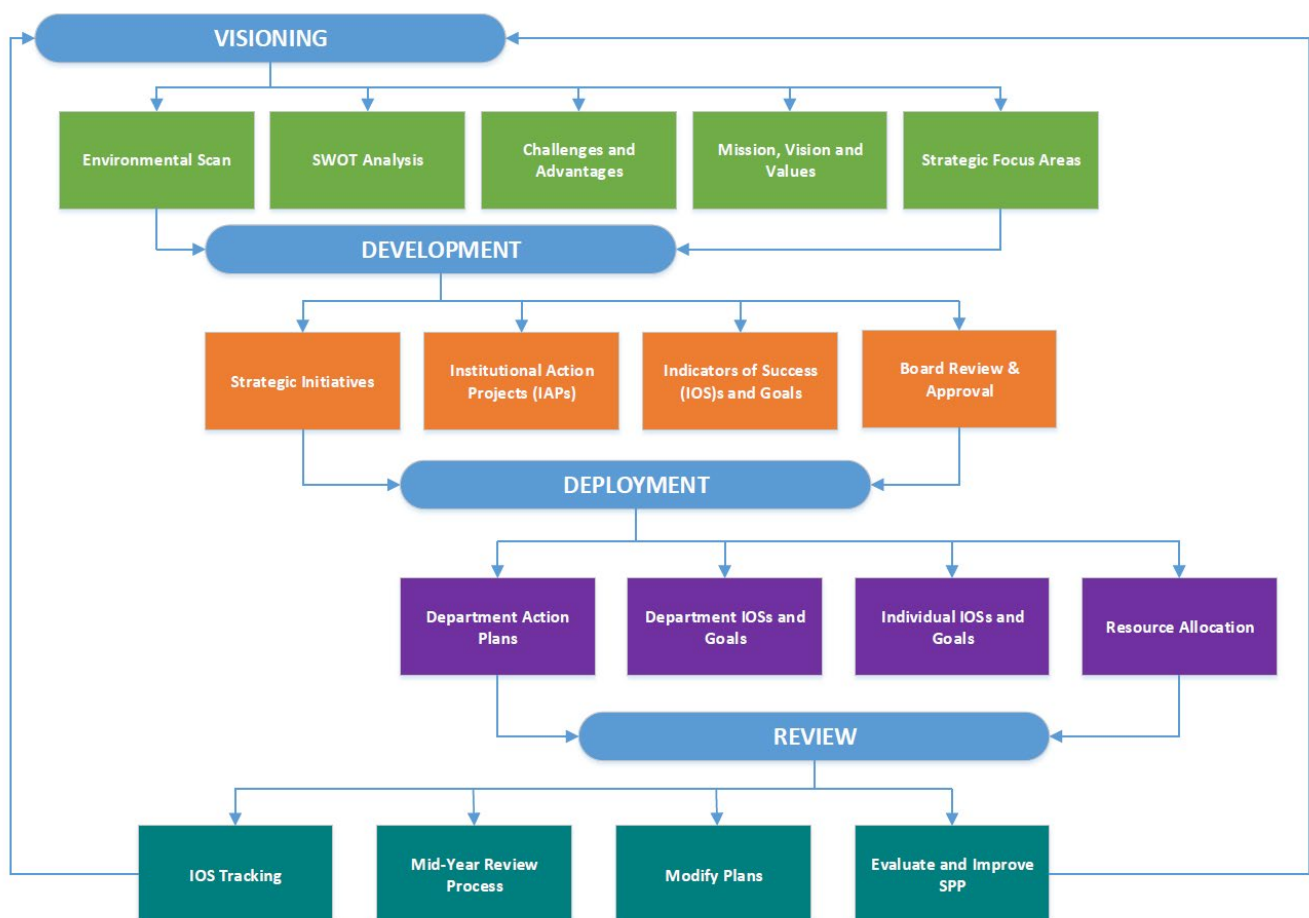
Information Technology Planning: The College works in concert with its information technology vendor, Ellucian, to complete an Information Technology Strategic Plan. The College's Information Technology Plan is completed and reviewed annually by the College's contract administrator, Ellucian staff, and 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 accreditation, 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.

Notes

All Funds

Notes

Delta College Budget – All Funds

Fiscal Year 2021-2022

	General	Designated	Restricted	Auxiliary	Plant	Total
Revenues						
Tuition and Fees	\$ 26,920,680	\$ 1,389,250	\$ -	\$ -	\$ -	\$ 28,309,930
State Appropriations	17,674,794	-	-	-	1,100,000	18,774,794
Property Taxes	23,488,146	-	-	-	-	23,488,146
Grants and Gifts	-	2,734,598	32,498,895	-	50,000	35,283,493
Auxiliary Services	250,000	-	-	2,750,996	-	3,000,996
Investment Income	98,400	-	662,000	-	85,900	846,300
Other Sources	<u>470,310</u>	<u>1,327,750</u>	<u>(395,885)</u>	<u>370,700</u>	<u>3,057,000</u>	<u>4,829,875</u>
Total Revenues	<u>68,902,330</u>	<u>5,451,598</u>	<u>32,765,010</u>	<u>3,121,696</u>	<u>4,292,900</u>	<u>114,533,534</u>
Expenditures						
Instruction	31,725,370	4,058,480	1,130,578	-	-	36,914,428
Instructional Support	<u>6,563,765</u>	<u>116,250</u>	<u>2,302,420</u>	<u>-</u>	<u>-</u>	<u>8,982,435</u>
	38,289,135	4,174,730	3,432,998	-	-	45,896,863
Public Service	1,076,625	11,900	1,735,687	-	-	2,824,212
Information Technology	4,189,242	-	-	-	-	4,189,242
Student Services	8,047,051	94,900	22,266,800	3,361,741	-	33,770,492
Institutional Administration	7,172,149	841,445	900,000	-	250,000	9,163,594
Facilities Management	<u>9,578,908</u>	<u>-</u>	<u>4,171,725</u>	<u>-</u>	<u>6,686,880</u>	<u>20,437,513</u>
Total Expenditures	<u>68,353,110</u>	<u>5,122,975</u>	<u>32,507,210</u>	<u>3,361,741</u>	<u>6,936,880</u>	<u>116,281,916</u>
Revenues Over/(Under) Expenditures	549,220	328,623	257,800	(240,045)	(2,643,980)	(1,748,382)
Projected Fund Balance June 30, 2021	<u>7,413,779</u>	<u>24,720,385</u>	<u>7,538,385</u>	<u>7,178,953</u>	<u>34,049,385</u>	<u>80,900,887</u>
Projected Fund Balance June 30, 2022	<u>\$ 7,962,999</u>	<u>\$ 25,049,008</u>	<u>\$ 7,796,185</u>	<u>\$ 6,938,908</u>	<u>\$ 31,405,405</u>	<u>\$ 79,152,505</u>

Note:

- 1) This summary depicts all funds of the College as budgeted and explained in detail in the following sections.
- 2) 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.
- 3) Other Sources Revenue includes both transfers in and (out). The majority of the Transfers Out from the Restricted Fund are from Coronavirus relief funds grants reimbursing the other College funds for revenues lost due to Coronavirus.

Delta College All Funds

Five Year Actual History

	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Actual 2019-2020	Projected 2020-2021
Revenues					
Tuition and Fees	\$ 30,286,388	\$ 31,223,830	\$ 30,926,722	\$ 30,677,467	\$ 27,023,211
State Appropriations	17,589,791	25,089,136	23,141,714	18,956,519	19,206,501
Property Taxes	22,171,146	21,942,601	22,613,280	22,917,823	23,354,837
Grants and Gifts	19,712,411	21,054,842	21,490,291	25,801,840	39,841,045
Auxiliary Services	6,914,965	6,534,449	5,832,902	4,892,899	3,011,818
Investment Income	1,094,533	1,166,281	1,913,427	1,856,531	843,257
Other Sources	<u>9,797,029</u>	<u>17,277,114</u>	<u>7,553,633</u>	<u>15,060,265</u>	<u>11,520,760</u>
Total Revenues	<u>107,566,263</u>	<u>124,288,253</u>	<u>113,471,969</u>	<u>120,163,344</u>	<u>124,801,429</u>
Expenditures					
Instruction	38,476,751	37,258,932	36,369,573	34,655,572	35,383,111
Instructional Support	<u>8,496,012</u>	<u>8,375,795</u>	<u>8,473,690</u>	<u>7,511,303</u>	<u>6,054,423</u>
	46,972,763	45,634,727	44,843,263	42,166,875	41,437,534
Public Service	2,545,738	2,764,924	2,867,765	2,715,006	2,593,893
Information Technology	-	3,828,197	3,807,097	3,858,373	4,034,184
Student Services	28,526,241	29,148,863	27,499,173	27,436,066	28,640,189
Institutional Administration	8,548,863	11,711,080	13,835,466	13,003,965	14,054,902
Facilities Management	<u>15,947,616</u>	<u>20,872,193</u>	<u>24,547,113</u>	<u>23,519,228</u>	<u>24,211,899</u>
Total Expenditures	<u>102,541,221</u>	<u>113,959,984</u>	<u>117,399,877</u>	<u>112,699,513</u>	<u>114,972,601</u>
Revenues Over/(Under) Expenditures	5,025,042	10,328,269	(3,927,908)	7,463,831	9,828,828
Beginning Fund Balance	<u>52,182,825</u>	<u>57,207,867</u>	<u>67,536,136</u>	<u>63,608,228</u>	<u>71,072,059</u>
Ending Fund Balance	<u>\$ 57,207,867</u>	<u>\$ 67,536,136</u>	<u>\$ 63,608,228</u>	<u>\$ 71,072,059</u>	<u>\$ 80,900,887</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 6-13.

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
 - Arts and Letters Associate Dean
 - Science and Mathematics Associate Dean
 - Social Sciences Associate Dean
 - Full-Time and Adjunct Faculty: Arts and Letters Division
 - Full-Time and Adjunct Faculty: Science and Mathematics Division
 - Full-Time and Adjunct Faculty: Social Sciences Division
 - Director of eLearning
 - Dean of Career Education and Learning Partnerships
 - Business and Technology Associate Dean
 - Health and Wellness Associate Dean
 - Full-Time and Adjunct Faculty: Business and Technology Division
 - Full-Time and Adjunct Faculty: Health and Wellness Division
 - Manager of Finance – Academics
 - Vice President of Student and Educational Services
 - Dean of Enrollment Management
 - Director of Admissions
 - Director of Dual Enrollment
 - Director of Educational Opportunity Center
 - Director of Financial Aid
 - Registrar
 - Pioneer Connect
 - Dean of Student Success
 - Manager of Academic Career Experience and Service Learning
 - Director of Athletics and Student Athlete Development
 - Associate Dean of Retention
 - Student Success Advisors
 - Director of Student & Career Engagement
 - Coordinator of Campus Life and Student Engagement
 - Collegiate Advisor
 - Director of Disability Resources
 - Coordinator of Possible Dream and Youth Development
 - Coordinator of Student Diversity and Leadership
 - Coordinator of Veteran Services
 - Director of Downtown Centers
 - Director of Public Safety
 - Director of Police Academy/Law Enforcement Training
 - LLIC (TLC, Library and Testing Center)
 - 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 and Information Technology Services
 - Purchasing and Contract Administration
 - Auxiliary Operations
 - Information Technology 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 2021-2022

Revenues

Tuition and Fees

Tuition	\$	22,102,280	
Registration Fees		713,400	
Technology Fees		3,936,000	
Program Course Fees		169,000	
Online Course Fees		<u>-</u>	
Total Tuition and Fees	\$		26,920,680

State Appropriations		17,674,794
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Property Taxes

Bay County	5,843,138	
Midland County	6,997,107	
Saginaw County	<u>10,647,901</u>	
Total Property Taxes		23,488,146

Auxiliary Services		250,000
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Fund Transfers		240,010
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Investment Income		98,400
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Other		<u>230,300</u>
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Total Revenues	\$	68,902,330
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Expenditures by Activity

Instruction	\$	31,725,370
Instructional Support		<u>6,563,765</u>

Total Instruction		38,289,135
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Public Service	1,076,625	
Information Technology	4,189,242	
Student Services	8,047,051	
Institutional Administration	7,172,149	
Facilities Management	<u>9,578,908</u>	

Total Expenditures		<u>68,353,110</u>
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Revenues Over Expenditures		549,220
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Beginning Fund Balance		<u>7,413,779</u>
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Ending Fund Balance	\$	<u><u>7,962,999</u></u>
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Delta College General Fund

Five Year History

	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Actual 2019-2020
Revenues				
Tuition and Fees	\$ 27,268,462	\$ 28,012,692	\$ 28,428,625	\$ 29,016,685
State Appropriations	17,589,791	25,089,136	18,533,182	17,351,392
Property Taxes	22,171,146	21,942,601	22,613,280	22,917,823
Auxiliary Service	250,000	250,000	250,000	250,000
Investment Income	351,394	190,042	451,127	653,374
Grants and Other	<u>453,294</u>	<u>904,101</u>	<u>1,142,334</u>	<u>861,175</u>
Total Revenues	<u>68,084,087</u>	<u>76,388,572</u>	<u>71,418,548</u>	<u>71,050,449</u>
Expenditures				
Instruction	31,505,100	32,358,466	32,010,011	30,484,645
Instructional Support	<u>8,153,053</u>	<u>6,127,638</u>	<u>6,425,060</u>	<u>6,001,646</u>
Total Instruction	39,658,153	38,486,104	38,435,071	36,486,291
Public Service	992,970	1,172,672	1,096,759	1,093,908
Information Technology	-	3,828,197	3,807,097	3,858,373
Student Services	7,060,371	6,877,719	6,911,710	6,421,531
Institutional Admin	7,281,541	10,607,457	11,480,362	11,930,195
Facilities Management	<u>13,065,483</u>	<u>15,358,713</u>	<u>9,189,136</u>	<u>11,494,575</u>
Total Expenditures	<u>68,058,518</u>	<u>76,330,862</u>	<u>70,920,135</u>	<u>71,284,873</u>
Revenues Over/(Under) Expenditures	25,569	57,710	498,413	(234,424)
Beginning Fund Balance	<u>6,818,363</u>	<u>6,843,932</u>	<u>6,901,642</u>	<u>7,400,055</u>
Ending Fund Balance	<u>\$ 6,843,932</u>	<u>\$ 6,901,642</u>	<u>\$ 7,400,055</u>	<u>\$ 7,165,631</u>
~State pass-through to MPSERS	<u>\$ 3,839,551</u>	<u>\$ 3,768,551</u>	<u>\$ 4,127,662</u>	<u>\$ 3,981,980</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 2020-2021 Amount	Projected 2020-2021 % of Total	Budgeted 2021-2022 Amount	Budgeted 2021-2022 % of Total	% Change From Prior Year
Revenues					
Tuition and Fees	\$ 25,888,066	35.7%	\$ 26,920,680	39.1%	4.0%
State Appropriations	19,206,501	26.5%	17,674,794	25.6%	-8.0%
Property Taxes	23,354,837	32.2%	23,488,146	34.1%	0.6%
Auxiliary Service	250,000	0.3%	250,000	0.4%	0.0%
Investment Income	90,360	0.1%	98,400	0.1%	8.9%
Grants and Other	<u>3,737,575</u>	<u>5.2%</u>	<u>470,310</u>	<u>0.7%</u>	<u>-87.4%</u>
Total Revenues	<u>72,527,339</u>	<u>100.0%</u>	<u>68,902,330</u>	<u>100.0%</u>	<u>-5.0%</u>
Expenditures					
Instruction	30,387,949	42.0%	31,725,370	46.4%	4.4%
Instructional Support	<u>5,682,926</u>	<u>7.9%</u>	<u>6,563,765</u>	<u>9.6%</u>	<u>15.5%</u>
Total Instruction	36,070,875	49.9%	38,289,135	56.0%	19.9%
Public Service	966,567	1.3%	1,076,625	1.6%	11.4%
Information Technology	4,034,184	5.6%	4,189,242	6.1%	3.8%
Student Services	6,390,992	8.9%	8,047,051	11.8%	25.9%
Institutional Admin *	12,309,613	17.0%	7,172,149	10.5%	41.7%
Facilities Management	<u>12,506,960</u>	<u>17.3%</u>	<u>9,578,908</u>	<u>14.0%</u>	<u>-23.4%</u>
Total Expenditures	<u>72,279,191</u>	<u>100.0%</u>	<u>68,353,110</u>	<u>100.0%</u>	<u>-5.4%</u>
Revenues Over/(Under) Expenditures	248,148		549,220		
Beginning Fund Balance	<u>7,165,631</u>		<u>7,413,779</u>		
Ending Fund Balance	<u>\$ 7,413,779</u>		<u>\$ 7,962,999</u>		
~ State pass-through to MPSERS	<u>\$ 4,436,370</u>	estimated	<u>\$ 4,609,388</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 99% 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 63.

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 59. Detail contact hour projections for each academic division are presented on page 62. A historical chart of contact hours is shown on page 61.

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.

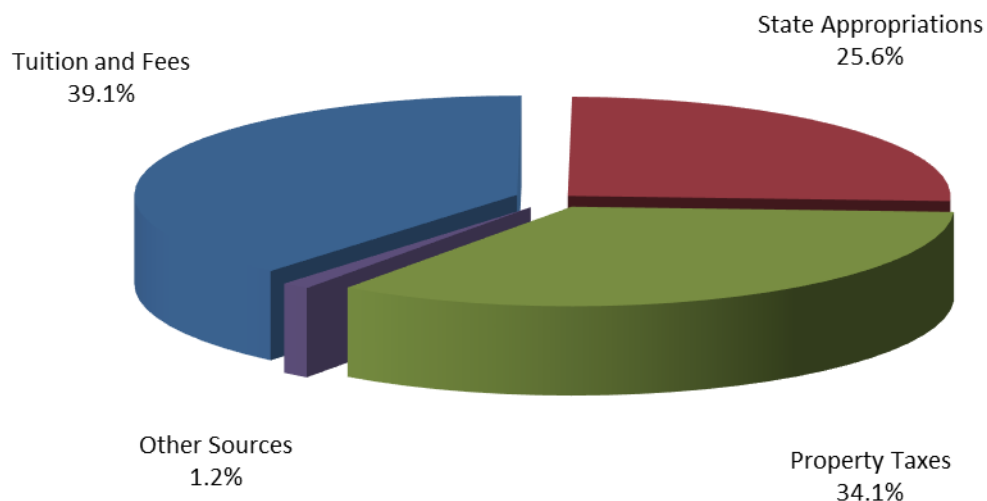
Throughout the budgeting process each year, the College adjusts its General Fund expenditures based upon the revenue projections.

Delta College General Fund Budget

Fiscal Year 2021-2022

Revenues

Tuition and Fees			
Tuition	\$	22,102,280	
Registration Fees		713,400	
Technology Fees		3,936,000	
Program Course Fees		169,000	
Online Course Fees		-	
Total Tuition and Fees			\$ 26,920,680
State Appropriations			17,674,794
Property Taxes			
Bay County		5,843,138	
Midland County		6,997,107	
Saginaw County		10,647,901	
Total Property Taxes			23,488,146
Auxiliary Services			250,000
Fund Transfers			240,010
Investment Income			98,400
Other			230,300
Total Revenues			<u>\$ 68,902,330</u>

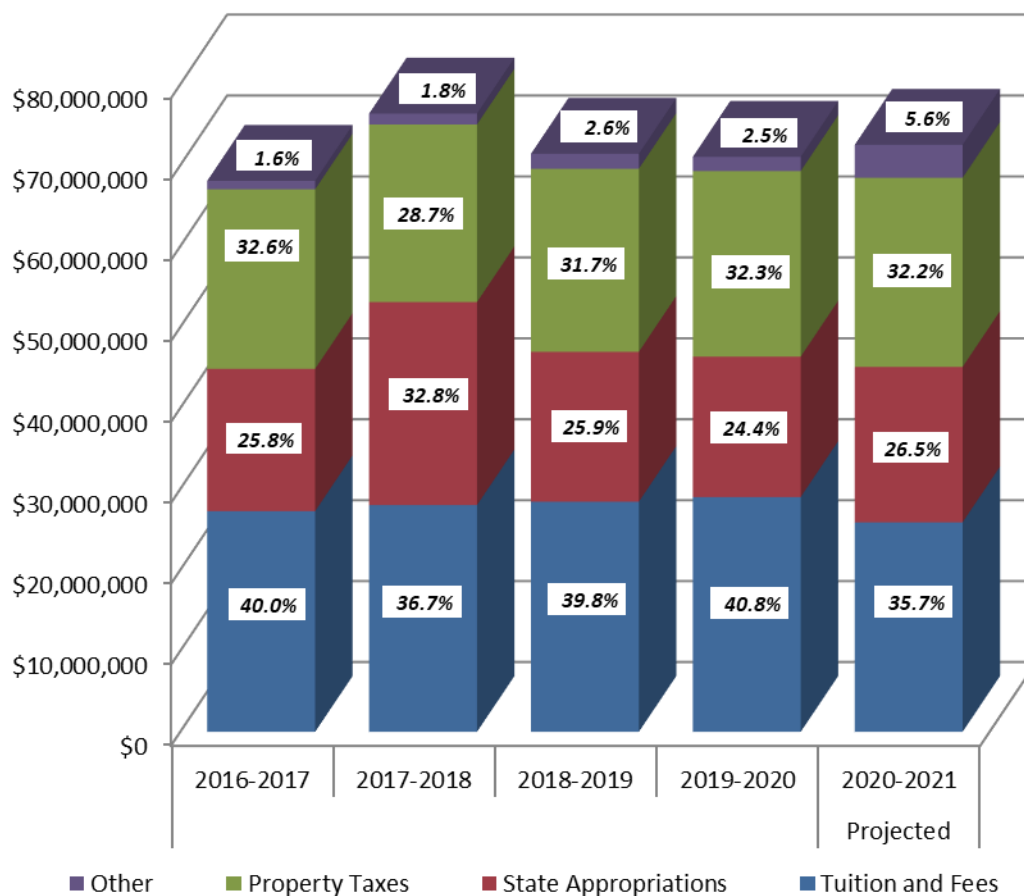


Delta College General Fund

Revenue Sources

Five Year Actual History

	2016-2017	2017-2018	2018-2019	2019-2020	Projected 2020-2021
Tuition and Fees	\$ 27,268,462	\$ 28,012,692	\$ 28,428,625	\$ 29,016,685	\$ 25,888,066
State Appropriations	17,589,791	25,089,136	18,533,182	17,351,392	19,206,501
Property Taxes	22,171,146	21,942,601	22,613,280	22,917,823	23,354,837
Other	<u>1,054,688</u>	<u>1,344,143</u>	<u>1,843,461</u>	<u>1,764,549</u>	<u>4,077,935</u>
Total	<u>\$ 68,084,087</u>	<u>\$ 76,388,572</u>	<u>\$ 71,418,548</u>	<u>\$ 71,050,449</u>	<u>\$ 72,527,339</u>



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

Revenue Sources Detail

Tuition and Fees:

Beginning with 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. In 2018-2019 the ECH Fee was bill at 80% of the tuition rate in effect at that time. Since the College now charges the approved tuition rates on each contact hour, the ECH fee has been eliminated.

Also 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.

In an effort to attract potential out of state students to the College's online programs, the decision was made to significantly lower the out of state tuition rate for the 2021-2022 academic year.

Tuition rates for 2021-2022 and 2020-2021 per Contact Hour are as follows:

	FY 2021-2022	FY 2020-2021	Change	% Change
In District	\$ 119.00	\$ 117.00	\$ 2.00	1.7%
Out-of-District	202.00	199.00	3.00	1.5%
Out-of-State	210.00	373.00	(163.00)	-43.7%

Contact Hours	Budgeted FY 2021-2022	Actual FY 2020-2021	Change	% Change
Summer	3,731	4,192	(461)	-11.0%
Fall	73,342	73,275	67	0.1%
Winter	66,910	66,628	282	0.4%
Spring	20,017	18,750	1,267	6.8%
Total Contact Hours	<u>164,000</u>	<u>162,845</u>	<u>1,155</u>	<u>0.7%</u>

Note: Contact hours for Summer, Fall and Winter semesters in fiscal year 2020-2021 are actual, whereas Spring contact hours are projected. See pages 61 and 62 for contact hour history and projections.

Course Fees:

Course fees contained in the 2021-2022 tuition and fees budget consist of a Technology Fee of \$24 assessed on each contact hour for all courses. The Technology Fee was \$21 in 2020-2021. Due to a significant level of student confusion regarding why the College charges both a technology fee and an online course fee for those courses delivered in an online or hybrid online capacity, and the fact that the majority of all students and faculty now utilize the College's online learning management system, the College made the decision to eliminate its online course fee beginning with the Fall 2021 semester. For fiscal year 2020-2021, the College charged \$34 per contact hour for online 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 or costly supplies 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 fiscal year 2021-2022.

Revenue Sources Detail

	Budgeted FY 2021-2022	Projected FY 2020-2021	Change	% Change
State Appropriations	\$ 17,674,794	\$ 19,206,501	\$ (1,531,707)	-8.0%

The appropriation amounts above include \$2,000,000 and \$2,979,835 for fiscal years 2021-2022 and 2020-2021, respectively, for reimbursement from the State of personal property tax losses due to exempted property. The revenue is recorded as state appropriation revenue rather than property tax revenue since these amounts are reimbursed by the State and no longer included in the College's tax levy.

Also included in State Appropriations Revenue is \$150,984 and \$178,872, respectively, for Renaissance Zone property tax exemptions for which the College receives reimbursement from the State.

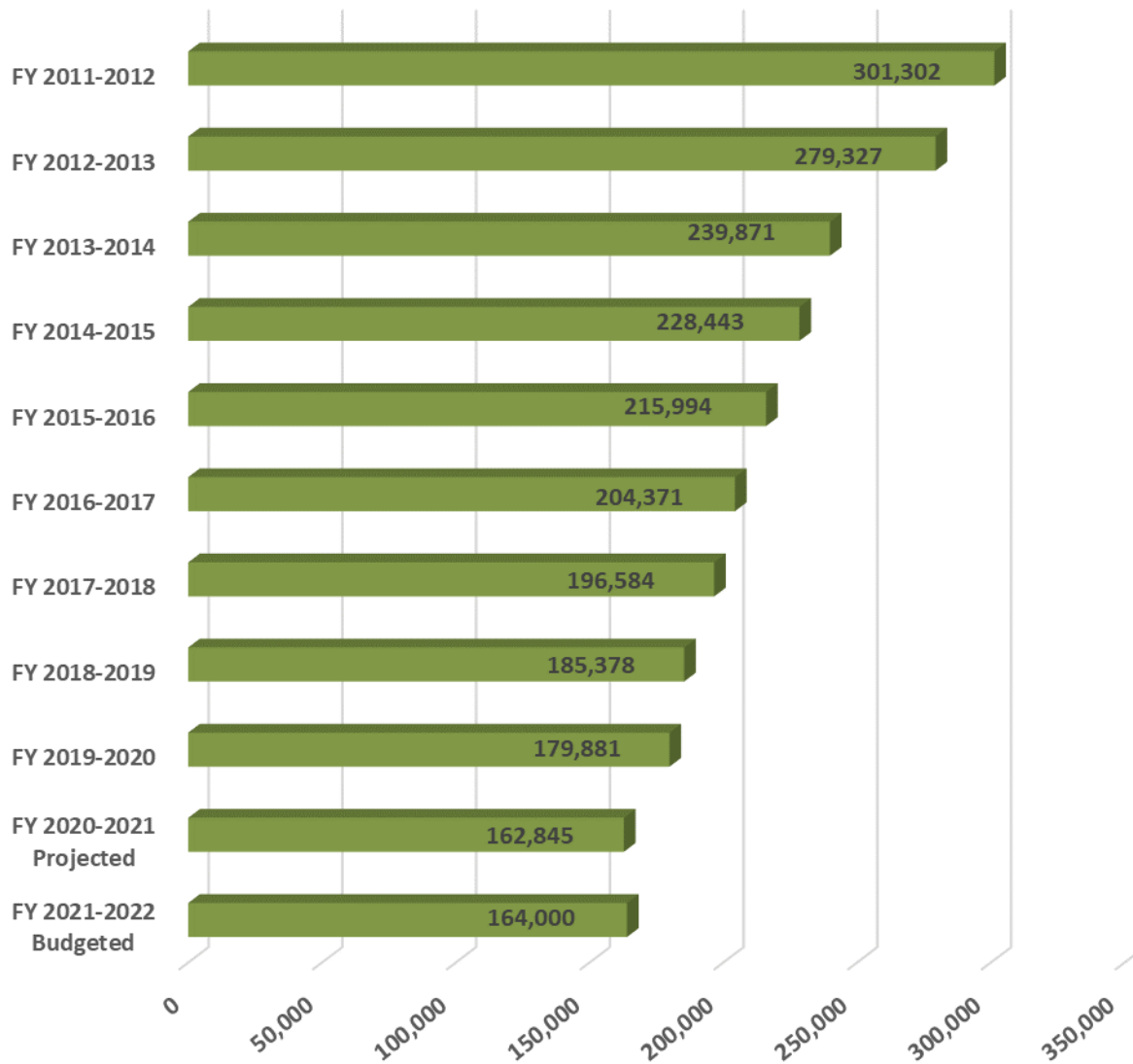
Note: During fiscal year 2020-2021 the College received approximately \$4.4 million from the State for pass-through to MPSERS. Since this amount is a pass through, it is not budgeted.

The projected 2021-2021 Other Revenues below is considerably lower than what is typical for the College as a direct result of the COVID-19 Pandemic. The College is able to recoup some of this lost revenue from Federal Coronavirus relief grants awarded through the US Department of Education. Any such lost revenue reimbursements will be recorded as a transfer in from the Restricted Fund.

Other Revenue

	Budgeted FY 2021-2022	Projected FY 2020-2021	Change	% Change
Collegiate Ads	\$ 1,000	\$ -	\$ 1,000	-
Credit by Exam	6,500	6,400	100	1.6%
ID Card Fees	300	150	150	100.0%
Library Fines	200	50	150	300.0%
Live Scan Fees	20,000	17,200	2,800	16.3%
Miscellaneous	70,000	67,000	3,000	4.5%
Parking Fines	300	150	150	100.0%
Planetarium	40,000	-	40,000	-
Rent Space/Equipment	20,000	10,500	9,500	90.5%
Reserve Parking	-	-	-	-
Sale of Assets	10,000	5,000	5,000	100.0%
Testing	20,000	9,300	10,700	115.1%
Transcript Fees	42,000	40,000	2,000	5.0%
Total Other Revenue	<u>\$ 230,300</u>	<u>\$ 155,750</u>	<u>\$ 74,550</u>	<u>47.9%</u>

Delta College Contact Hour History



Delta College Contact Hour Budget 2021-2022

Cost Center/Division	Summer 2021	Fall 2021	Winter 2022	Spring 2022	Total
1010 Education for Professional Development	12	199	158	117	486
1011 Interdisciplinary Social Sciences	0	117	93	30	240
1012 Economics	140	1,360	1,192	544	3,236
1013 History	264	1,404	1,479	407	3,554
1014 Criminal Justice	87	1,649	1,418	192	3,346
1015 Political Science	456	2,159	1,533	421	4,569
1016 Psychology	331	3,029	2,427	740	6,527
1017 Sociology	51	1,468	1,597	740	3,856
1018 Applied Behavior Science	0	87	55	19	161
1019 Child Development	0	569	549	0	1,118
1029 Communications	171	1,845	1,746	588	4,350
1044 Geography	0	679	678	427	1,784
Social Sciences Total	1,512	14,565	12,925	4,225	33,227
1021 Art	0	1,975	1,666	253	3,894
1023 Languages	71	707	765	253	1,796
1025 Interdisciplinary Humanities	18	359	259	81	717
1026 Music	144	713	678	282	1,817
1027 Philosophy	183	1,645	1,399	427	3,654
1028 Electronic Media Broadcasting	0	257	92	0	349
1031 English	459	8,119	7,439	1,692	17,709
Arts and Letters Total	875	13,775	12,298	2,988	29,936
1035 Mathematics	161	8,120	6,081	2,189	16,551
1041 Biology	0	7,007	6,703	1,860	15,570
1042 Chemistry	96	2,502	2,032	320	4,950
1043 Geology	0	416	401	120	937
1045 Physics	140	1,276	1,491	545	3,452
1046 Science Tech Programs	0	286	177	0	463
Science and Mathematics Total	397	19,607	16,885	5,034	41,923
1052 Lifelong Wellness	56	2,524	2,495	978	6,053
1070 Nursing	200	5,390	5,274	1,615	12,479
1071 Surgical Technology	0	375	251	0	626
1073 Physical Therapy Assistant	0	558	497	0	1,055
1074 Respiratory Care	0	467	359	46	872
1076 Health Science	16	605	438	176	1,235
1077 Radiography	12	332	369	106	819
1078 Dental Hygiene	7	1,096	736	313	2,152
1079 Dental Assisting	153	313	358	187	1,011
1082 Surgical First Assistant	0	0	0	35	35
1083 Sterile Processing Technology	0	60	62	0	122
1087 Diagnostic Medical Sonography	0	280	297	186	763
Health & Wellness Total	444	12,000	11,136	3,642	27,222
1110 Skilled Trade	0	62	182	0	244
1111 Welding	0	1,018	1,016	124	2,158
1112 Auto Service Ed Program	47	166	124	81	418
1116 Fire Science Technology	0	80	120	114	314
1061 Accounting	0	1,638	1,653	789	4,080
1062 Academic Career Experience	0	6	4	3	13
1063 Computer Information Systems	198	3,046	3,060	984	7,288
1065 Legal Support Professions	0	57	43	9	109
1066 Management	201	2,337	2,538	1,140	6,216
1067 Office Admin & Technology	57	1,162	1,199	338	2,756
1160 Architecture	0	203	222	6	431
1161 Residential Construction	0	307	322	4	633
1162 Automotive Service Technology	0	608	550	0	1,158
1163 Chemical Processing	0	28	119	0	147
1164 Electrical Technology	0	1,053	1,029	296	2,378
1165 Manufacturing and Industrial Technology	0	534	549	240	1,323
1169 Computer Numeric Control	0	397	348	0	745
1171 Computer Assisted Drafting	0	212	184	0	396
1172 Heating, Ventilation and Air Conditioning	0	231	215	0	446
1174 Heavy Duty Diesel	0	250	189	0	439
Business and Technical Total	503	13,395	13,666	4,128	31,692
Grand Total	3,731	73,342	66,910	20,017	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 fiscal year 2021-2022 increased by 2.1%. The current year Headlee cap on increases in taxable assessed value per parcel for existing properties is 1.4% after adjusting for losses and additions. The College will not have a Headlee adjustment for the 2021 tax year.

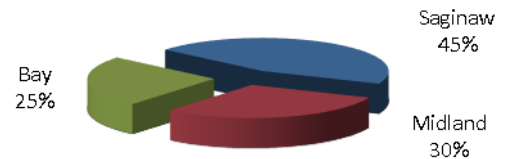
	Saginaw County	Midland County	Bay County	Total
2021 Taxable Valuations				
Ad Valorem Roll	\$ 5,451,079,509	\$ 3,506,398,594	\$ 2,998,084,421	\$ 11,955,562,524
DNR Roll	8,481,436	3,442,624	4,417,007	16,341,067
IFT Roll - New	47,536,387	19,424,994	16,178,743	83,140,124
IFT Roll - Rehab	2,615,314	641,500	-	3,256,814
Less Captured Values	<u>(248,097,652)</u>	<u>(55,532,265)</u>	<u>(109,228,047)</u>	<u>(412,857,964)</u>
Net Taxable Valuation – 2021	<u>\$ 5,261,614,994</u>	<u>\$ 3,474,375,447</u>	<u>\$ 2,909,452,124</u>	<u>\$ 11,645,442,565</u>
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>(247,171,164)</u>	<u>(55,270,933)</u>	<u>(101,466,396)</u>	<u>(403,908,493)</u>
Net Taxable Valuation – 2020	<u>\$ 5,081,199,706</u>	<u>\$ 3,455,155,017</u>	<u>\$ 2,866,560,321</u>	<u>\$ 11,402,915,043</u>
Percent Increase (Decrease)	3.55%	0.56%	1.50%	2.13%

Fiscal Year 2021-2022 Operating Property Tax

Total 2020 Net Taxable Valuation	\$ 11,645,442,565
x General Operating Millage Rate	<u>2.0427</u>
Property Tax Revenues	\$ 23,788,146
Less Delinquent and Appealed Taxes	<u>(300,000)</u>
Net Operating Property Tax Revenues	<u>\$ 23,488,146</u>

Revenue Calculation

**Taxable Valuation
By County
FY 2021-2022**



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

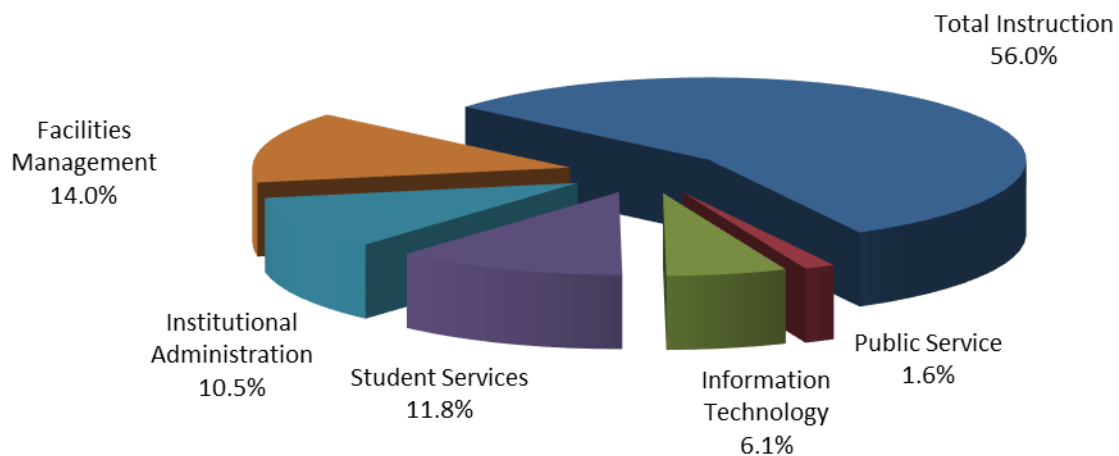
Expenditure Detail

Delta College General Fund Budget

Fiscal Year 2021-2022

Expenditures by Activity

Activity	Amount	Percentage
Instruction	\$ 31,725,370	46.4%
Instructional Support	<u>6,563,765</u>	<u>9.6%</u>
Total Instruction	38,289,135	56.0%
Public Service	1,076,625	1.6%
Information Technology	4,189,242	6.1%
Student Services	8,047,051	11.8%
Institutional Administration	7,172,149	10.5%
Facilities Management	<u>9,578,908</u>	<u>14.0%</u>
Total Expenditures	<u>\$ 68,353,110</u>	<u>100.0%</u>

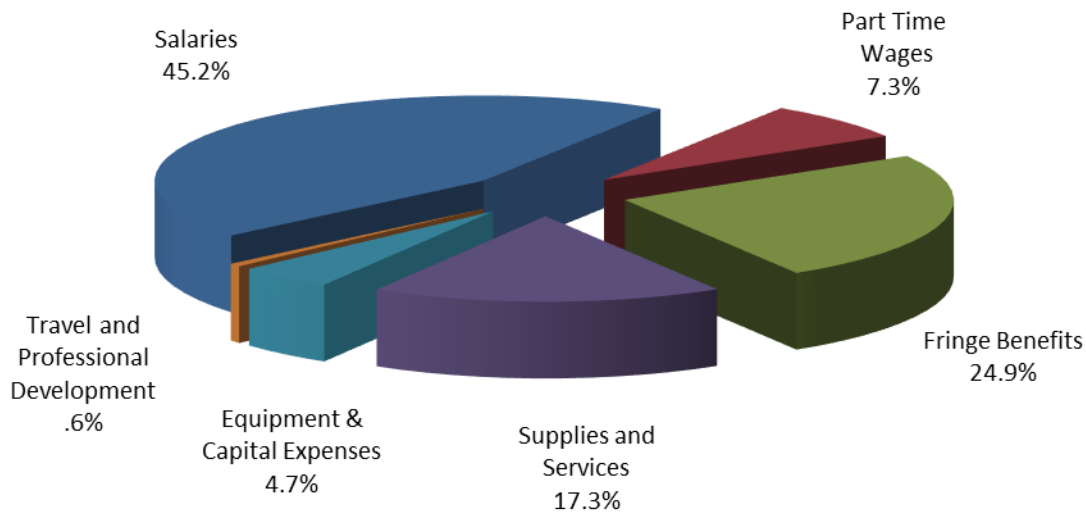


Delta College General Fund Budget

Fiscal Year 2021-2022

Expenditures by Object

Object	Amount	Percentage
Salaries	\$ 30,878,344	45.2%
Part Time Wages	5,015,121	7.3%
Fringe Benefits	17,009,457	24.9%
Supplies and Services	11,808,035	17.3%
Equipment and Capital Expenses	3,218,497	4.7%
Travel and Professional Development	423,656	0.6%
Total Expenditures	<u>\$ 68,353,110</u>	<u>100.0%</u>

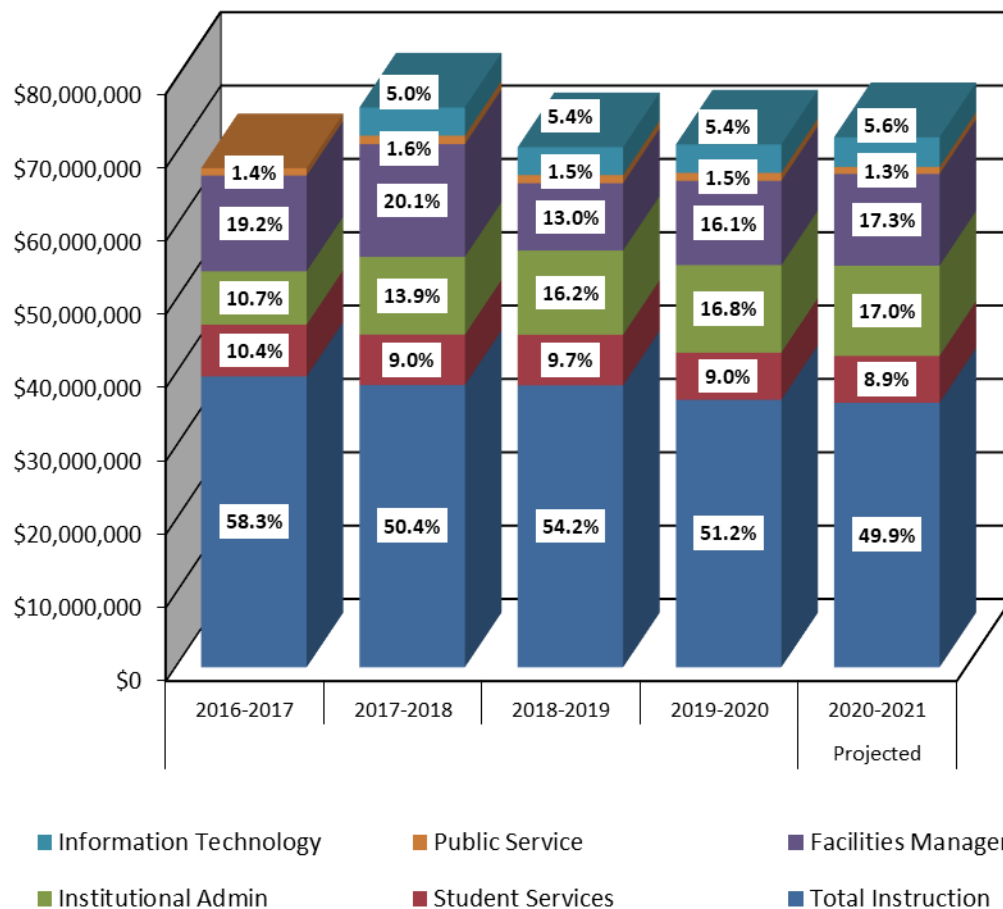


Delta College General Fund

Expenditures by Activity

Five Year Actual History

	2016-2017	2017-2018	2018-2019	2019-2020	Projected 2020-2021
Instruction	\$ 31,505,100	\$ 32,358,466	\$ 32,010,011	\$ 30,484,645	\$ 30,387,949
Instructional Support	8,153,053	6,127,638	6,425,060	6,001,646	5,682,926
Total Instruction	39,658,153	38,486,104	38,435,071	36,486,291	36,070,875
Public Service	992,970	1,172,672	1,096,759	1,093,908	966,567
Information Technology	-	3,828,197	3,807,097	3,858,373	4,034,184
Student Services	7,060,371	6,877,719	6,911,710	6,421,531	6,390,992
Institutional Admin	7,281,541	10,607,457	11,480,362	11,930,195	12,309,613
Facilities Management	13,065,483	15,358,713	9,189,136	11,494,575	12,506,906
Total	\$ 68,058,518	\$ 76,330,862	\$ 70,920,135	\$ 71,284,873	\$ 72,279,191



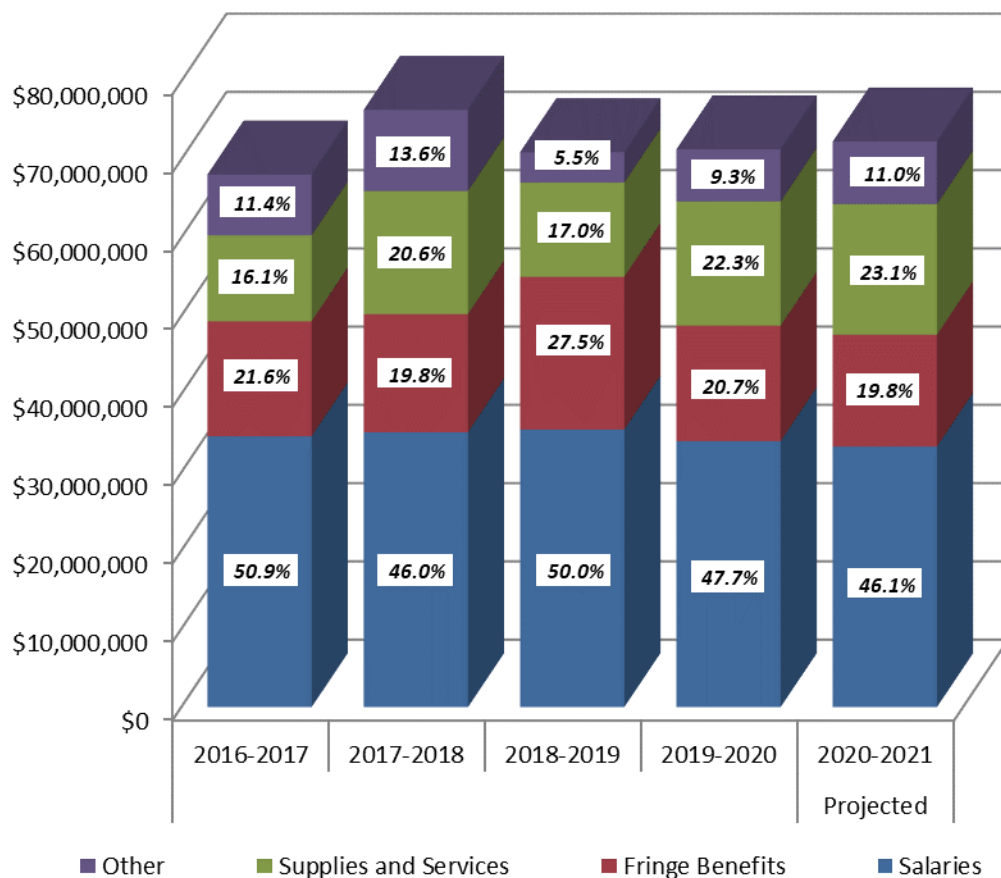
Note: Information Technology is now reported as a separate line item in the State's MPDI reporting. We adjusted our Audited Financial Statements to conform to MPDI reporting in 2018-2019 and adjusted 2017-2018 for consistent presentation. Information Technology expenses for years prior to 2017-2018 are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

Delta College General Fund

Expenditures by Object

Five Year Actual History

	2016-2017	2017-2018	2018-2019	2019-2020	Projected 2020-2021
Salaries	\$ 34,609,618	\$ 35,129,490	\$ 35,461,589	\$ 33,997,396	\$ 33,307,300
Fringe Benefits	14,698,582	15,087,465	19,531,075	14,746,385	14,271,142
Supplies and Services	10,978,157	15,747,103	12,059,573	15,886,400	16,726,954
Other	<u>7,772,162</u>	<u>10,366,804</u>	<u>3,867,898</u>	<u>6,654,692</u>	<u>7,973,795</u>
Total	<u>\$ 68,058,519</u>	<u>\$ 76,330,862</u>	<u>\$ 70,920,135</u>	<u>\$ 71,284,873</u>	<u>\$ 72,279,191</u>



Notes

General Fund

Cost Center Detail

The College's organizational chart is found on page 50 and 51. 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 74-77. 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, Dr. Karl Rishe

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, Jon Foco

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.

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

					2100	2200	2300	2400	2500	2600	
					Full Time	Part Time	Fringe	Supplies	Equip/	Prof Dev	Total
	Cost Center	FAC	AP	SS	Salaries	Salaries	Benefits	& Services	Capital	& Travel	
	Instruction										
1011	C Interdisciplinary Social Sciences	0	0	0	-	-	-	250	-	-	250
1012	C Economics	4	0	0	342,282	-	164,156	2,000	-	4,000	512,438
1013	C History	3	0	0	278,989	-	130,471	3,250	-	3,000	415,710
1014	C Criminal Justice	3	0	0	259,364	-	123,993	3,250	-	3,000	389,607
1015	C Political Science	6	0	0	577,987	-	267,549	6,000	-	6,000	857,536
1016	C Psychology	7	0	0	696,751	-	319,546	4,800	-	7,000	1,028,097
1017	C Sociology	4	0	0	315,569	-	155,337	2,700	-	4,000	477,606
1018	C Applied Behavioral Science	0	0	0	-	-	-	500	-	-	500
1019	C Child Development	1	0	0	98,183	-	45,202	2,500	-	1,000	146,885
1021	C Art & Design	4	0	0	352,727	5,915	168,167	15,750	-	4,000	546,559
1023	C Foreign Language	2	0	0	171,043	-	82,046	2,000	-	2,000	257,089
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	199,427	-	91,416	5,500	-	2,000	298,343
1027	C Philosophy	4	0	0	364,862	-	171,611	3,100	-	4,000	543,573
1028	C Electronic Media Broadcasting	1	0	0	89,652	2,531	42,387	1,800	-	1,000	137,370
1029	C Communications	4	0	0	379,598	-	176,475	5,000	-	4,000	565,073
1031	C English	19	0	0	1,778,503	-	830,139	22,000	-	19,000	2,649,642
1035	C Math	16	0	0	1,470,353	-	690,039	32,000	-	16,000	2,208,392
1041	C Biology	15.5	0	0	1,324,794	-	629,070	56,000	-	15,000	2,024,864
1042	C Chemistry	5	0	0	476,438	-	221,235	32,000	-	5,000	734,673
1043	C Geology	1	0	0	91,848	-	43,111	4,650	-	1,000	140,609
1044	C Geography	1	0	0	61,929	-	33,235	4,000	-	1,000	100,164
1045	C Physics	4	0	0	371,639	-	173,848	8,250	-	4,000	557,737
1046	C Science Tech Programs	0	0	0	-	-	-	500	-	-	500
1047	C Science Labs	0	3.82	0	207,962	39,731	123,683	125	-	1,950	373,451
1052	C Lifelong Wellness	5	0	0	493,890	-	226,996	12,000	-	5,000	737,886
1061	C Accounting	3	0	0	256,382	-	123,009	3,200	-	3,000	385,591
1063	C Computer Info Systems	8	0	0	751,068	35,092	361,687	12,000	-	8,000	1,167,847
1064	C Clinical Medical Assistant	1	0	0	69,000	-	35,569	2,000	-	1,000	107,569
1065	C Legal Support Professional	0	0	0	-	-	-	500	-	-	500
1066	C Management	5	0	0	450,065	-	212,530	3,500	-	5,000	671,095
1067	C Office Admin & Technology	4	0	0	341,859	-	164,017	5,000	-	4,000	514,876
1069	C Nursing Course Testing Fees	0	0	0	-	-	-	100,000	-	-	100,000
1070	C Nursing	17	0	0	1,326,492	3,163	655,343	30,000	-	17,000	2,031,998
1071	C Surgical Technology	2	0	0	180,007	-	85,005	5,500	-	2,000	272,512
1072	C Phlebotomy	0	0	0	-	-	-	2,000	-	-	2,000
1073	C Physical Therapy	2	0	0	193,775	-	89,550	5,700	-	2,000	291,025
1074	C Respiratory Therapy	2	0	0	140,748	-	72,046	6,000	-	2,000	220,794
1076	C Health Related Science	0	0	0	-	-	-	1,500	-	-	1,500
1077	C Radiological Technology	2	0	0	173,826	-	82,964	7,600	-	2,000	266,390
1078	C Dental Hygiene	2.9	0	0.85	213,591	52,806	137,589	48,000	-	3,175	455,161
1079	C Dental Assisting	1.1	0	0	68,618	-	36,737	13,000	-	1,100	119,455
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	150,248	-	75,181	10,450	-	2,000	237,879
1110	C Apprenticeship Program	0	1	1	101,979	-	59,246	5,700	-	775	167,700
1111	C Welding	3	0	0	229,487	-	114,129	100,000	-	3,000	446,616
1112	C Auto Service Ed Program	1	0	0	74,491	-	37,382	12,500	-	1,000	125,373
1116	C Fire Science	0	0	0	-	31,261	10,172	1,100	-	-	42,533
1124	C Instructional Equipment	0	0	0	-	-	-	-	404,777	-	404,777
1125	C Educational Support	0	0	0	-	-	-	100,621	39,775	-	140,396
1126	C Other Supplemental	0	0	0	-	-	-	10,120	87,500	-	97,620

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				2100	2200	2300	2400	2500	2600	
				Full Time	Part Time	Fringe	Supplies	Equip/	Prof Dev	Total
Cost Center	FAC	AP	SS	Salaries	Salaries	Benefits	& Services	Capital	& Travel	
1127 C Academic Supplemental	0	0	0	2,079,674	2,600,485	1,522,924	-	-	-	6,203,083
1160 C Architecture	0	0	0	-	-	-	1,425	-	-	1,425
1161 C Residential Construction	2	0	0	166,323	-	80,487	12,575	-	2,000	261,385
1162 C Automotive Service Technology	2	0	0	132,606	-	69,357	20,000	-	2,000	223,963
1163 C Chemical Processing	0	0	0	-	-	-	2,450	-	-	2,450
1164 C Electrical Technology	2	0	0	152,445	20,314	82,517	8,250	-	2,000	265,526
1165 C Manufacturing & Industrial Tech	1	0	0	101,351	-	46,249	16,600	-	1,000	165,200
1166 C Technology Facility Labs	0	1	1	108,388	43,025	61,362	2,000	-	775	215,550
1169 C Computer Numerical Control	1	0	0	90,516	-	42,672	18,000	-	1,000	152,188
1171 C Computer Assisted Drafting	1	0	0	69,005	-	35,570	2,000	-	1,000	107,575
1172 C Refrigeration/Heating/Air	1	0	0	66,816	-	34,848	9,500	-	1,000	112,164
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	177.5	5.8	2.9	18,092,550	2,834,323	9,237,854	847,816	532,052	180,775	31,725,370
Public Service										
3580 A Public Television	0	5.1	0	356,769	-	183,083	-	-	2,550	542,402
3581 A Public Radio	0	1.8	0.2	100,178	19,044	64,970	-	-	955	185,147
3588 D Planetarium Operations	0	2	0	134,390	60,898	87,539	45,000	5,000	1,249	334,076
3591 A President's Speaker Series	0	0	0	-	-	-	15,000	-	-	15,000
Total Public Service	0.0	8.9	0.2	591,337	79,942	335,592	60,000	5,000	4,754	1,076,625
Instructional Support										
4500 C Office of VP Instruction	0	1	1	206,316	10,372	95,874	5,000	-	4,555	322,117
4501 C Social Sciences Division	0	1	1.4	162,287	3,251	84,295	3,500	-	1,082	254,415
4503 C Arts & Letters Division	0	1	2	182,536	7,075	98,630	3,500	-	1,247	292,988
4505 C Science & Mathematics Division	0	1	1	142,832	31,245	81,585	3,500	-	972	260,134
4507 C Business & Technical Division	0	1	2	195,145	12,128	102,794	3,500	-	1,246	314,813
4508 C Health & Wellness Division	0	1	2	193,086	824	102,113	3,500	-	1,246	300,769
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	45,654	4,503	27,862	8,500	-	6,096	92,615
4517 C Dean of Faculty	0	1	0	118,970	-	52,065	3,500	-	1,321	175,856
4518 C Dean of Administration	0	2.5	1.75	242,850	-	134,634	5,000	-	2,101	384,585
4520 A Instructional Support Svcs	0	0	1	29,433	56,616	34,254	-	-	275	120,578
4521 C Dean of Career Education	0	1	0	113,435	-	50,238	6,450	-	2,650	172,773
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	-	-	-	1,615,465	-	-	1,615,465
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	23,346	164,982	67,827	285	-	250	256,690
4527 C Teach/Learn Center	0	2.2	1	169,948	277,733	172,652	19,000	-	3,176	642,509
4528 C Multimedia Lab	0	1	1	112,229	28,018	71,748	6,000	-	775	218,770
4530 C Library	0	4	2	346,144	167,704	213,890	10,000	-	2,826	740,564
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	121,230	-	65,603	4,750	-	775	192,358
4549 C Delta Archives	0	0	0	-	8,281	2,695	400	-	-	11,376
4550 A Faculty Center Teaching Excellence	0	0	0	-	17,927	4,960	9,000	-	12,416	44,303

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				2100	2200	2300	2400	2500	2600	
				Full Time	Part Time	Fringe	Supplies	Equip/	Prof Dev	
				Salaries	Salaries	Benefits	& Services	Capital	& Travel	Total
Cost Center	FAC	AP	SS							
4551 A Center for Organizational Success	0	0.75	0	63,366	4,209	30,535	33,000	-	617	131,727
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	0	0	-	11,129	3,621	-	-	1,506	16,256
4558 D Service Learning	0	0	0	-	-	-	1,617	-	1,697	3,314
4559 D Possible Dream Program	0	1	0	51,877	-	29,917	450	-	500	82,744
4560 D Strategic Partnerships	0	0.8	0.25	68,989	-	35,610	2,850	-	2,087	109,536
4562 D Community Development	0	1	0	90,237	-	42,579	2,025	-	1,048	135,889
4563 C Democracy Commitment	0	0	0	-	-	-	14,250	-	-	14,250
4570 C e-Learning Technology Support	0	2	0.6	155,214	10,107	84,530	46,000	-	11,201	307,052
4599 E Transfers	0	0	0	-	-	-	492,000	-	-	492,000
Total Instruct Support	0.0	24.7	19.0	2,835,124	934,671	1,690,511	2,803,129	10,000	64,881	8,338,316
Student Services										
5608 F Contract OIT SES Supp Svcs	0	0	0	-	-	-	764,822	-	-	764,822
5609 E Matching Funds	0	0	0	-	-	-	45,159	-	-	45,159
5610 D Office of VP Student/Educ Svcs	0	1	1	202,909	100,687	122,780	44,524	16,261	2,211	489,372
5611 D Admissions	0	7	1	422,518	8,144	241,807	50,175	-	3,775	726,419
5612 D Registrar	0	4	4	428,800	27,953	251,294	34,200	-	3,100	745,347
5613 D Counseling & Advising	0	17	2	1,087,221	3,925	602,023	7,695	-	9,050	1,709,914
5614 D Financial Aid	0	8	2	542,445	27,978	313,795	8,550	-	4,550	897,318
5616 D Career & Employment Services	0	1.8	0	106,545	12,122	60,490	15,045	-	900	195,102
5617 C Admission Testing	0	0.5	0	23,346	-	14,142	21,000	-	250	58,738
5618 D Student Engagement	0	1	0	53,508	-	30,454	13,500	-	500	97,962
5621 D SAC/Student Clubs & Organizations	0	0	0	-	-	-	22,550	-	-	22,550
5622 A Marketing & Publications	0	0	0	-	-	-	469,916	-	-	469,916
5623 D Dean of Enrollment Services	0	1	0	116,545	-	51,265	4,250	-	2,093	174,153
5624 D Multi-Cultural Services	0	0.5	0	34,196	-	17,729	17,000	-	250	69,175
5625 D Veteran's Services	0	1	0	52,556	-	30,141	1,580	-	500	84,777
5626 D SES Software	0	0	0	-	-	-	210,599	-	-	210,599
5627 D Student Success	0	0	0	-	-	-	45,500	-	-	45,500
5629 D Student & Career Engagement	0	1	0	81,000	-	39,530	4,000	-	500	125,030
5630 D Collegiate	0	0	0	-	37,535	4,029	9,266	-	378	51,208
5642 D Office of Disability Resources	0	0.8	0.75	86,679	2,219	49,203	45,000	-	606	183,707
5644 D SES Travel and Special Events	0	0	0	-	-	-	24,000	-	-	24,000
5646 D Dean of Students	0	1	0	109,776	-	49,031	8,775	-	2,143	169,725
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	-	-	-	60,930	-	-	60,930
5650 A Scholarships-President's Honors	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	-	-	-	4,843	-	-	4,843
5661 D Midland Center	0	0.85	0	46,249	22,951	34,502	68,000	-	500	172,202
5662 D Saginaw Center	0	1	0	58,063	52,582	46,663	42,000	-	500	199,808
5669 C Testing	0	0	0	-	-	-	7,000	-	140	7,140
5672 E Fitness & Recreation Center	0	0.5	0.5	56,583	82,615	47,075	34,070	10,000	388	230,731
5673 D Intercollegiate Athletics-Men	0	1.5	0	83,521	38,852	59,247	40,615	-	30,926	253,161
5674 D Intercollegiate Athletics-Women	0	1.5	0	83,521	44,640	61,144	40,415	-	18,060	247,780

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Detail of General Fund Expenditure Budget

					2100	2200	2300	2400	2500	2600	
					Full Time	Part Time	Fringe	Supplies	Equip/	Prof Dev	Total
	Cost Center	FAC	AP	SS	Salaries	Salaries	Benefits	& Services	Capital	& Travel	
5675	D Club & Intramural Sports	0	0	0	-	7,121	2,317	3,509	-	-	12,947
	Total Student Services	0.0	51.0	11.3	3,675,981	469,324	2,128,661	2,430,084	26,261	81,562	8,811,873
	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	327,908	2,836	168,525	15,000	-	2,430	516,699
6719	A Equity Office	0	0.25	1	59,643	-	35,733	6,300	-	667	102,343
6720	A President's Office	0	1	1	344,144	6,220	170,928	6,798	-	6,262	534,352
6722	A Memberships/Institution	0	0	0	-	-	-	126,068	-	-	126,068
6723	A Miscellaneous	0	0	0	-	-	-	201,029	-	-	201,029
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	34,196	-	17,729	10,000	-	250	62,175
6731	A Legal	0	0	0	-	-	-	163,533	-	-	163,533
6734	E Audit	0	0	0	-	-	-	58,400	-	-	58,400
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	48,791	25,204	33,924	85,844	-	1,375	195,138
6741	E Business Services	0	1.8	2	290,072	37,497	156,747	6,061	-	2,450	492,827
6743	E Finance Office	0	5.5	5.5	754,991	58,693	408,012	39,940	-	5,436	1,267,072
6744	F Contract OIT Admin Supp Svcs	0	0	0	-	-	-	449,787	-	-	449,787
6745	F Office of Info Tech	0	1.1	0	82,842	-	41,451	815,095	61,225	4,331	1,004,944
6746	A Human Resources	0	5	1	446,444	31,650	233,280	37,669	-	4,845	753,888
6747	A Senate	0	0	0.5	23,149	21,155	20,960	4,738	-	349	70,351
6748	E Post Office	0	0	1	42,732	27,114	35,719	7,362	-	514	113,441
6750	A Institutional Advancement	0	5.5	0	353,657	18,014	192,999	7,500	-	3,712	575,882
6760	A Administrative Services	0	5	0	411,113	-	199,699	25,609	-	3,424	639,815
6761	E Covid 19 Prevention	0	0	0	-	-	-	100,000	-	-	100,000
6772	E Credit Card Fees & Bad Debt Exp	0	0	0	-	-	-	461,883	-	-	461,883
6774	E Tuition Waiver	0	0	0	-	-	190,000	-	-	-	190,000
	Total Institutional Admin	0.0	30.6	12.5	3,219,682	228,383	2,041,400	3,194,730	61,225	76,598	8,822,018
	Facility Management										
7775	D Public Safety	0	0.85	5	327,632	174,719	226,026	21,150	-	1,800	751,327
7780	E Facility Administration	0	8.25	1	707,245	22,894	359,274	1,608	16,362	6,897	1,114,280
7781	E Facility Operations	0	3	33	1,428,793	257,444	990,139	181,158	24,847	4,088	2,886,469
7782	E Facility Utilities	0	0	0	-	-	-	1,321,347	-	-	1,321,347
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	-	-	-	225,420	-	-	225,420
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	-	-	-	-	2,500,000	-	2,500,000
	Total Facilities Management	0.0	12.1	39.0	2,463,670	468,478	1,575,439	2,472,276	2,583,959	15,086	9,578,908
	Total Expenditures	177.5	133.0	84.8	30,878,344	5,015,121	17,009,457	11,808,035	3,218,497	423,656	68,353,110

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

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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	\$12,000	per covered employee (weighted average)
Dental Insurance	\$700	per employee (weighted average)
Retirement	25.24%	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: \$21,131 or 85%		
Fringe benefit cost for \$50,000 in salary: \$29,472 or 59%		
Fringe benefit cost for \$75,000 in salary: \$37,857 or 50%		

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. These amounts are included in the totals below.

The following is a summary of General Fund wages and fringe benefits budgeted for fiscal year 2021-2022:

Employee Classification	Amount	Benefit	Amount
Faculty	\$ 15,560,880	Retirement	\$ 8,932,631
Supplemental and Part-time Faculty	4,688,159	FICA and Medicare	2,560,157
Administrative/Professional Staff	9,778,002	Medical/Vision/Hearing	4,741,031
Support Staff	2,229,954	Dental Insurance	276,710
Maintenance	1,221,834	Life Insurance	37,576
Part-time Staff and Student Employees	<u>2,414,636</u>	Disability Insurance	135,628
		Professional Development	255,961
		Tuition Waiver	190,000
		Other	<u>135,724</u>
Total Wages	<u>\$ 35,893,465</u>	Total Benefits	<u>\$ 17,265,418</u>

Fringe benefits as a percentage of wages: 48%

Delta College Summary of Budgeted General Fund Personnel

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Faculty	201	199	178	177	178
Administrative and Professional Staff	121	121	125	130	133
Support Staff	66	68	61	55	52
Maintenance	<u>21</u>	<u>21</u>	<u>21</u>	<u>33</u>	<u>33</u>
Total Full-Time Personnel	<u>409</u>	<u>409</u>	<u>385</u>	<u>395</u>	<u>396</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 accounted for in the Designated Fund including 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 86 and 87 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 2021-2022

Revenues

Grants and Gifts	\$ 2,734,598
Corporate Service Fees	1,389,250
Other Sources	<u>1,327,750</u>

Total Revenues \$ 5,451,598

Expenditures

Instruction	\$ 4,058,480
Instructional Support	<u>116,250</u>

Total Instruction 4,174,730

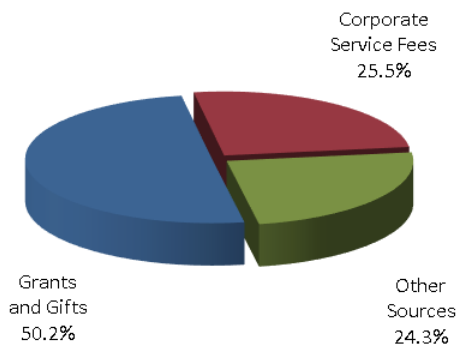
Public Service	11,900
Student Services	94,900
Institutional Administration	<u>841,445</u>

Total Expenditures 5,122,975

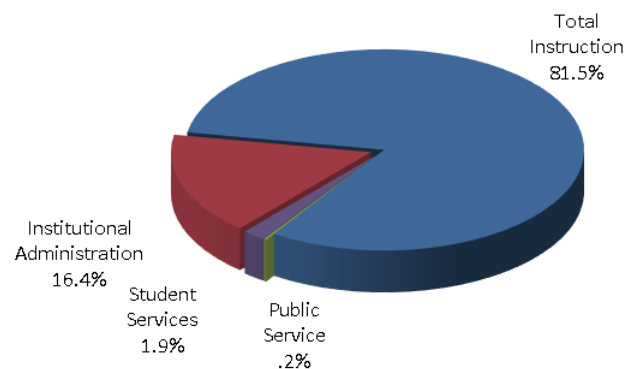
Revenues Over Expenditures 328,623

Beginning Fund Balance 24,720,385

Ending Fund Balance \$ 25,049,008



Revenues



Expenditures

Delta College Designated Fund

Five Year Actual History

	2016-2017	2017-2018	2018-2019	2019-2020	Projected 2020-2021
Revenues					
Grants and Gifts	\$ 2,391,098	\$ 2,556,425	\$ 2,762,445	\$ 2,063,534	\$ 2,456,536
Corporate Service Fees	3,017,926	3,211,138	2,498,097	1,660,782	1,135,145
Other Sources	1,133,075	1,151,691	1,289,112	914,735	663,867
Transfers In	<u>119,834</u>	<u>4,653,826</u>	<u>1,304,541</u>	<u>5,502,044</u>	<u>7,655,254</u>
Total Revenues	<u>6,661,933</u>	<u>11,573,080</u>	<u>7,854,195</u>	<u>10,141,095</u>	<u>11,910,802</u>
Expenditures					
Instruction	5,341,933	3,610,857	2,958,352	2,497,773	3,748,471
Instructional Support	<u>139,139</u>	<u>1,915,284</u>	<u>1,762,621</u>	<u>1,273,167</u>	<u>9,374</u>
Total Instruction	5,481,072	5,526,141	4,720,973	3,770,940	3,757,845
Public Service	19,737	5,138	9,742	4,192	2,994
Student Services	94,116	110,991	118,731	110,302	49,540
Institutional Administration	654,697	769,550	1,064,358	552,595	415,023
Transfers Out	<u>342,283</u>	<u>224,957</u>	<u>454,924</u>	<u>138,018</u>	<u>85,000</u>
Total Expenditures	<u>6,591,905</u>	<u>6,636,777</u>	<u>6,368,728</u>	<u>4,576,047</u>	<u>4,310,402</u>
Revenues Over (Under) Expenditures	70,028	4,936,303	1,485,467	5,565,048	7,600,400
Beginning Fund Balance	<u>5,063,139</u>	<u>5,133,167</u>	<u>10,069,470</u>	<u>11,554,937</u>	<u>17,119,985</u>
Ending Fund Balance	<u>\$ 5,133,167</u>	<u>\$10,069,470</u>	<u>\$ 11,554,937</u>	<u>\$ 17,119,985</u>	<u>\$ 24,720,385</u>

Notes:

- 1) Beginning in fiscal year 2017-2018 certain Corporate Service expenses reclassified from Instruction to Instructional Support to align with State MPDI reporting.
- 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) Transfers In for fiscal year 2019-2020 consist of General Fund Transfers \$1,000,000 to the Self Insurance Fund and \$2,875,000 to the Budget Sustainability Fund.
- 5) Transfers In for fiscal year 2020-2021 include one-time General Fund Transfers of \$882,000 to the Self Insurance Fund, \$300,000 to establish a reserve for Diversity, Equity & Inclusion (DEI) expenditures that may result from the College's fiscal year 2020- 2021 DEI audit, \$4,297,000 to the Budget Sustainability Reserve and \$478,000 to the Innovative Initiatives reserve. Also included are transfers in from the Restricted Fund HEERF grants in the amount of \$1,597,000 to offset lost revenues for fiscal year 2019-2020 and fiscal year 2020-2021 for Corporate Services and Criminal Justice training activities.

Delta College Designated Fund

Corporate Services Activities

	2016-2017	2017-2018	2018-2019	2019-2020	Projected 2020-2021	Budgeted 2021-2022
Revenues						
Training Delivery	\$ 1,239,618	\$ 1,407,688	\$ 1,054,408	\$ 789,524	\$ 1,089,703	\$ 1,349,250
Training Administration	3,970,030	4,103,123	3,620,986	3,207,723	2,321,442	2,587,598
Training Development	83,993	25,050	8,400	8,400	-	15,000
Other	<u>9,358</u>	<u>17,961</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>\$ 5,302,999</u>	<u>\$ 5,553,822</u>	<u>\$ 4,683,794</u>	<u>\$ 4,005,647</u>	<u>\$ 3,411,145</u>	<u>\$ 3,951,848</u>
Expenditures						
Training Delivery	780,185	825,063	693,896	537,346	980,528	1,000,036
Training Administration	3,791,858	3,946,882	3,420,004	3,157,085	2,361,028	2,587,598
Training Development	40,144	16,664	5,091	5,349	-	9,700
Other	<u>462,232</u>	<u>411,003</u>	<u>374,214</u>	<u>367,584</u>	<u>227,694</u>	<u>267,345</u>
Total Expenditures	<u>\$ 5,074,419</u>	<u>\$ 5,199,612</u>	<u>\$ 4,493,205</u>	<u>\$ 4,067,364</u>	<u>\$ 3,569,250</u>	<u>\$ 3,864,679</u>
Transfers In (Out)						
Lost Revenue HEERF Grant	-	-	-	-	1,332,516	427,685
College General Services Transfers	(104,724)	(104,724)	(104,724)	(104,724)	(85,000)	(85,000)
Facility Renovations Transfers	<u>(43,512)</u>	<u>(43,512)</u>	<u>(43,512)</u>	<u>(32,364)</u>	<u>-</u>	<u>-</u>
Total Transfers	<u>\$ (148,236)</u>	<u>\$ (148,236)</u>	<u>\$ (148,236)</u>	<u>\$ (137,358)</u>	<u>\$ 1,247,516</u>	<u>\$ 342,685</u>
Revenues Over/(Under)						
Expenditures	80,344	205,974	42,353	(199,075)	1,089,411	429,854
Beginning Fund Balance	<u>1,055,889</u>	<u>1,136,233</u>	<u>1,342,207</u>	<u>1,384,560</u>	<u>1,185,485</u>	<u>2,274,896</u>
Ending Fund Balance	<u>\$ 1,136,233</u>	<u>\$ 1,342,207</u>	<u>\$ 1,384,560</u>	<u>\$ 1,185,485</u>	<u>\$ 2,274,896</u>	<u>\$ 2,704,750</u>

Note: Restricted grants managed by Corporate Services are recorded in the Restricted Fund in the audited financial statements. The operating loss for fiscal year 2019-2020 is the result of cancelled training due to Coronavirus. Delta College received additional Higher Education Emergency Relief Fund (HEERF) grants during fiscal year 2020-2021 that are now allowed to be used to offset revenues lost (on a gross basis) due to Coronavirus. Lost revenue from fiscal year 2019-2020 and fiscal year 2020-2021 recouped under these grants, will be recognized as revenue during fiscal year 2020-2021. We anticipate training revenues to continue to be impacted into fiscal year 2021-2022 due to COVID-19, and have budgeted additional lost revenue offsets to be covered with HEERF grant funding.

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

- Technology Improvements
- Administrative Projects
- Reserve for Budget Sustainability
- Diversity Equity & Inclusion (DEI) Reserve
- Reserve for Innovative Initiatives
- 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.

Notes

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.

The College received Higher Education Emergency Relief (HEERF) funding from the US Dept. of Education through the federally approved legislation called the “Coronavirus Aid, Relief and Economic Security (CARES) Act,” approved in March 2020. The total CARES awards to Delta College was over \$5.4 million dollars. Of this amount, the College awarded over \$2.9 million in direct cash grants to our students who were impacted by the COVID-19 pandemic, and the remaining dollars on institutional support and programs in response to the virus. The institutional spending included items such as personal protective equipment and supplies, entry screeners, contact tracing and reimbursement of online fee refunds.

The second stimulus package is referred to as “*the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)*” passed in December 2020. The total CRRSAA HEERF awarded to Delta College was over \$11.1 million. The grant specifically requires \$2.6 million to be spent on direct student support, which has already occurred. The remaining dollars are for institutional support and programs directly related to Coronavirus; however, the grant guidance encourages award recipients to consider spending a portion of their institutional allocation for additional student grants, which the College plans to do. This legislation also now allows for awardees to utilize the institutional portion of funding to reimburse themselves for various revenues lost due to Coronavirus. Guidance was slow to be released that further clarified how to compute lost revenue. The College continues to develop estimates of lost revenue and is also seeking guidance and permissions from HEERF specialists regarding specific allowable spending.

The third stimulus package is referred to as “*the American Rescue Plan Act (ARPA)*,” which is a supplemental funding package that was signed into law March 2021. The total ARPA HEERF amount awarded to Delta is over \$18.6 million. These dollars have been awarded with essentially the same spending criteria as the CRRSAA provisions. A little over half of the funding, or \$9.5 million is earmarked to provide direct student support to help cover a student’s cost of attendance or emergency costs that arise due to COVID-19, including cost such as tuition, food, housing, health care and child care. The remaining \$9.1 million awarded to the College is designated for institutional needs to defray costs directly related to Coronavirus, and as with CRRSAA funding, the College is encouraged to utilize a portion of the institutional funding for additional grants to students.

Each of the federal stimulus grants are very restrictive and expenditures must directly be related to the COVID-19 pandemic. Administration has been working very closely with the College’s auditors and the Department of Education in Washington, D.C to determine the allowable costs. A brief description of each of the pool of HEERF funding is provided in the listing of grant programs on pages 94 and 95.

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 2021-2022

Revenues

Federal Grants/Contracts	\$ 30,509,202
State Grants/Contracts	191,100
Private Gifts/Grants	1,798,593
Other Sources	<u>266,115</u>

Total Revenues \$ 32,765,010

Expenditures

Instruction	\$ 1,130,578
Instructional Support	<u>2,302,420</u>

Total Instruction 3,432,998

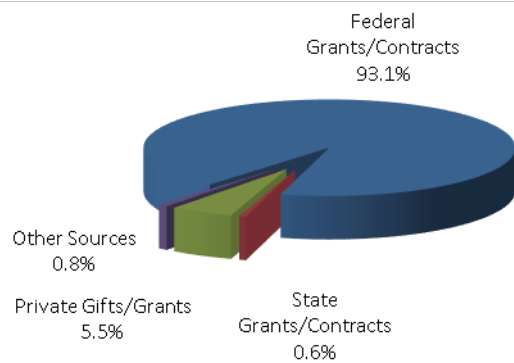
Public Service	1,735,687
Student Services	22,266,800
Institutional Administration	900,000
Facilities Management	<u>4,171,725</u>

Total Expenditures 32,507,210

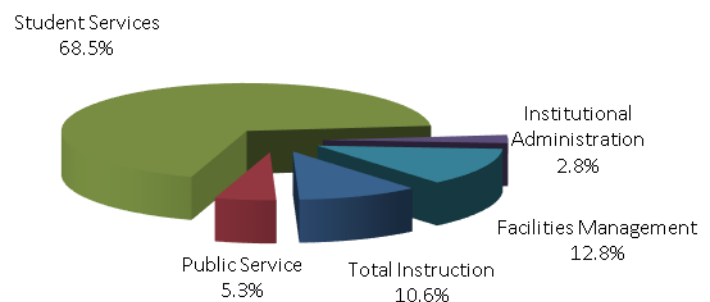
Revenues Over/(Under) Expenditures 257,800

Beginning Fund Balance 7,538,385

Ending Fund Balance \$ 7,796,185



Revenues



Expenditures

Restricted Fund

Grant Detail

Delta College Listing of Grant Programs

July 1, 2021 – June 30, 2022

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.	\$779,420	10/01/2020 - 09/30/2021
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.	\$69,783	10/01/2020 - 09/30/2021
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.	\$14,653	10/01/2020 - 09/30/2021
Broadcasting – Corporation for Public Broadcasting – American Rescue Plan Act of 2021 – Fiscal Stabilization	\$487,890	No defined spending period
Broadcasting – Michigan Department of Education – Delta College WDCQ-TV is a subcontractor to Detroit Public Television (WTVS), in the statewide Michigan Learning Channel initiative.	\$83,333	11/01/2020 - 10/31/2021
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.	\$2,562,598	10/01/2020 - 09/30/2021
Michigan College/University Partnership (MICUP) 2020-21 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.	\$4,000	10/01/2020 - 09/30/2021
MI College/University Partnership (MICUP) 2020-21 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	10/01/2020 - 09/30/2021
Motorcycle Safety 2020-21 – Provide motorcycle safety training to Great Lakes Bay residents. Funded by Michigan Department of State.	\$84,900	10/01/2020 - 09/30/2021
Carl D. Perkins Career and Technical Education Grant 2020-21 – Provide instructional equipment, professional development, program planning, academic and support	\$749,244	07/01/2020 - 06/30/2021

Grant Title, Description and Funding Agency	Amount Awarded	Dates of Grant
services, and career guidance and placement. Funded by U.S. Dept. of Education passed through Workforce Development Agency of Michigan.		
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.	\$1,216,937	09/01/2016 - 08/31/2021
U.S. Department of Education – Coronavirus Response and Relief Supplemental Appropriations (CRRSAA) Act – Direct to institutional allocation of the Higher Education Emergency Relief Fund	\$8,085,314	01/01/2021 - 05/11/2022
U.S. Department of Education – Coronavirus Response and Relief Supplemental Appropriations (CRRSAA) Act – Emergency Financial Aid Grants to Students	\$2,573,303	01/01/2021 - 05/11/2022
U.S. Department of Education – Coronavirus Response and Relief Supplemental Appropriations (CRRSAA) Act – Institutions eligible for the Strengthening Institutions Program (SIP)	\$442,926	01/01/2021 - 03/03/2022
U.S. Department of Education – American Rescue Plan Act of 2021 – Direct support to students in response to the coronavirus pandemic.	\$9,490,800	04/20/2020 - 5/11/2022
U.S. Department of Education – American Rescue Plan Act of 2021 – Allocation directly to institutions to support needs in response to the coronavirus pandemic.	\$9,157,959	06/11/2020 - 05/11/2022

Delta College Restricted Fund

Five Year Actual History

	2016-2017	2017-2018	2018-2019	2019-2020	Projected 2020-2021
Revenues					
Federal Grants/Contracts	\$ 14,750,453	\$ 15,901,600	\$ 14,822,072	\$ 16,788,824	\$ 26,975,890
State Grants/Contracts	281,336	331,135	109,225	133,575	98,311
Private Gifts/Grants	2,195,344	2,086,879	2,932,125	2,129,623	2,029,248
Other Sources	<u>711,503</u>	<u>783,503</u>	<u>1,239,616</u>	<u>1,374,754</u>	<u>1,023,333</u>
Total Revenues	<u>17,938,636</u>	<u>19,103,117</u>	<u>19,103,038</u>	<u>20,426,776</u>	<u>30,126,782</u>
Expenditures					
Instruction	1,313,733	1,270,696	1,317,991	1,344,732	1,246,691
Instructional Support	<u>203,820</u>	<u>332,873</u>	<u>286,009</u>	<u>236,490</u>	<u>362,123</u>
Total Instruction	1,517,553	1,603,569	1,604,000	1,581,222	1,608,814
Public Service	1,533,031	1,587,114	1,651,264	1,616,906	1,624,332
Student Services	14,665,663	15,813,716	14,813,781	15,932,718	18,952,499
Institutional Administration	-	-	-	54,733	896,694
Facilities Management	<u>1,319</u>	<u>2,589</u>	<u>2,886</u>	<u>232,673</u>	<u>213,723</u>
Total Expenditures	<u>17,717,566</u>	<u>19,006,988</u>	<u>18,071,931</u>	<u>19,418,252</u>	<u>23,296,062</u>
Transfers Out/(In)	<u>94,513</u>	<u>84,267</u>	<u>(345,123)</u>	<u>533,875</u>	<u>(5,447,835)</u>
Total Expenditures and Transfers	<u>17,623,053</u>	<u>18,922,721</u>	<u>18,417,054</u>	<u>18,884,377</u>	<u>28,743,897</u>
Revenues Over/(Under) Expenditures and Transfers	315,583	180,396	685,984	1,542,399	1,382,885
Beginning Fund Balance	<u>3,431,138</u>	<u>3,746,721</u>	<u>3,927,117</u>	<u>4,613,101</u>	<u>6,155,500</u>
Ending Fund Balance	<u>\$ 3,746,721</u>	<u>\$ 3,927,117</u>	<u>\$ 4,613,101</u>	<u>\$ 6,115,500</u>	<u>\$ 7,538,385</u>

Notes Regarding Restricted Fund Activities:

- 1) Fiscal year 2020-2021 increase in Federal Grant Revenues and Expenditures and Transfers is due to Federal Coronavirus relief grants received from the US Department of Education and the State of Michigan. The majority of this grant funding is anticipated to be spent by the end of fiscal year 2021-2022.
- 2) The majority of the fiscal year 2020-2021 Transfers Out consists of transfers from the Coronavirus relief grants to reimburse the College for online fees refunded to students and reimbursements for lost revenue. The majority of the estimated lost revenue reimbursements is for tuition and fees, Criminal Justice and Corporate Services training revenue and Auxiliary Services revenues.

Delta College Restricted Fund

Public Broadcasting Activities

	2016-2017	2017-2018	2018-2019	2019-2020	Projected 2020-2021	Budgeted 2021-2022
Television						
Support and Revenue						
College General Fund Support	\$ 599,617	\$ 625,814	\$ 641,744	\$ 620,816	\$ 519,272	\$ 533,928
Corporation for Public Broadcasting	737,023	735,643	760,214	1,026,374	1,351,836	863,946
Donations/Gifts/Grants/Memberships	494,504	566,348	1,526,604	703,329	595,000	377,500
Television Underwriting	40,780	43,789	47,281	38,800	54,000	45,000
Other Income	192,578	200,416	234,919	351,924	334,300	305,000
Transfers In	-	-	-	950,000	-	-
Total Revenues	<u>2,064,502</u>	<u>2,172,010</u>	<u>3,210,762</u>	<u>3,691,243</u>	<u>2,854,408</u>	<u>2,125,374</u>
Expenditures						
Salaries and Fringe Benefits	872,863	909,209	935,806	914,486	787,520	905,276
Supplies and Services	965,437	980,180	1,007,623	1,032,680	1,002,000	1,016,000
Facilities and Equipment	27,302	43,429	49,535	80,789	145,349	100,000
Transfers Out	40,000	62,500	496,985	-	-	-
Total Expenditures	<u>1,905,602</u>	<u>1,995,318</u>	<u>2,489,949</u>	<u>2,027,955</u>	<u>1,934,869</u>	<u>2,021,276</u>
Support and Revenue Over (Under) Expenditures	\$ 158,900	\$ 176,692	\$ 720,813	\$ 1,663,288	\$ 919,539	\$ 104,098
Beginning Fund Balance	<u>792,793</u>	<u>951,693</u>	<u>1,128,385</u>	<u>1,849,198</u>	<u>3,512,486</u>	<u>4,432,025</u>
Ending Fund Balance	<u>\$ 951,693</u>	<u>\$ 1,128,385</u>	<u>\$ 1,849,198</u>	<u>\$ 3,512,486</u>	<u>\$ 4,432,025</u>	<u>\$ 4,536,123</u>
Radio						
Support and Revenue						
College General Fund Support	\$ 121,418	\$ 127,898	\$ 130,032	\$ 121,688	\$ 130,433	\$ 181,864
Donations/Gifts/Grants/Memberships	140,156	151,051	173,607	156,434	130,000	120,000
Radio Underwriting	35,747	26,055	26,877	36,466	35,000	30,000
Other Income	3,361	3,199	4,140	4,165	1,000	1,000
Transfers In (Out)	-	-	-	-	-	-
Total Revenues	<u>300,682</u>	<u>308,203</u>	<u>334,656</u>	<u>318,753</u>	<u>296,433</u>	<u>332,864</u>
Expenditures						
Salaries and Fringe Benefits	181,974	214,237	213,593	194,299	186,913	241,078
Supplies and Services	101,795	94,169	117,510	62,538	68,444	71,000
Equipment	12,961	-	-	-	-	-
Total Expenditures	<u>296,730</u>	<u>308,406</u>	<u>331,103</u>	<u>256,837</u>	<u>255,357</u>	<u>312,078</u>
Support and Revenue Over (Under) Expenditures	\$ 3,952	\$ (203)	\$ 3,553	\$ 61,916	\$ 41,076	\$ 20,786
Beginning Fund Balance	<u>61,474</u>	<u>65,426</u>	<u>65,223</u>	<u>68,776</u>	<u>130,692</u>	<u>171,768</u>
Ending Fund Balance	<u>\$ 65,426</u>	<u>\$ 65,223</u>	<u>\$ 68,776</u>	<u>\$ 130,692</u>	<u>\$ 171,768</u>	<u>\$ 192,554</u>

Notes Regarding Broadcasting Activities:

1) 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. 2) TV transfers out represent excess cash transferred to the Station's quasi endowment fund. 3) Fiscal year 2018-2019 Radio expenses were higher than normal due to the purchase and installation of new automation equipment. This equipment allows WUCX-FM to stream its signal online. 4) The significant increase in TV donations in fiscal year 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. 5) In fiscal year 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. 6) In fiscal year 2019-2020 and 2020-2021, the TV received federal Coronavirus Relief Funds passed through CPB in the amounts of \$260,205 and \$487,890, respectively. This funding is unrestricted to its use and there is no specified spending timeframe.

Notes

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. In an effort to improve customer satisfaction and the financial bottom line of the food services operation, in April 2021, the College's administration and Board of Trustees approved transitioning food services away from a self-operated service to Creative Dining Services, a food service provider that also provides services to other Michigan community colleges and universities. Creative Dining brings with them additional offerings and benefits to the College, including a full-time chef and food service director; nutritional labeling, wellness programs, partnerships with farms in Michigan, including some in our local communities, sustainability programs, online ordering and more. Creative dining will also offer customizable catering choices for College special events. The contract with Creative Dining Services is effective July 1, 2021 through June 30, 2026.

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 2017-2018	Actual 2018-2019	Actual 2019-2020	Projected 2020-2021	Budgeted 2021-2022
Bookstore					
Revenues	\$ 4,259,403	\$ 3,707,119	\$ 3,328,183	\$ 2,495,076	\$ 2,258,578
Expenditures	<u>4,045,753</u>	<u>3,570,031</u>	<u>3,077,009</u>	<u>2,534,514</u>	<u>2,315,515</u>
Net Income (Loss)	\$ <u>213,650</u>	\$ <u>137,088</u>	\$ <u>251,174</u>	\$ <u>(39,438)</u>	\$ <u>(56,937)</u>
Food Services					
Revenues	1,109,447	982,349	642,976	28,000	40,000
Expenditures	<u>1,127,068</u>	<u>1,057,728</u>	<u>868,944</u>	<u>43,188</u>	<u>68,622</u>
Net Income (Loss)	\$ <u>(17,621)</u>	\$ <u>(75,379)</u>	\$ <u>(225,968)</u>	\$ <u>(15,188)</u>	\$ <u>(28,622)</u>
Fitness & Recreation Center					
Revenues	339,859	346,905	231,858	15,941	217,977
Expenditures	<u>354,720</u>	<u>317,053</u>	<u>407,164</u>	<u>69,699</u>	<u>314,225</u>
Net Income (Loss)	\$ <u>(14,861)</u>	\$ <u>29,852</u>	\$ <u>(175,306)</u>	\$ <u>(53,758)</u>	\$ <u>(96,248)</u>
Other Auxiliary Activities					
Revenues	575,740	546,529	439,882	222,801	234,441
Expenditures	<u>531,681</u>	<u>457,291</u>	<u>368,165</u>	<u>230,382</u>	<u>413,379</u>
Net Income (Loss)	\$ <u>44,059</u>	\$ <u>89,238</u>	\$ <u>71,717</u>	\$ <u>(7,581)</u>	\$ <u>(178,938)</u>
Total Auxiliary Services					
Revenues	6,284,449	5,582,902	4,642,899	2,761,818	2,750,996
Expenditures	<u>6,059,222</u>	<u>5,402,103</u>	<u>4,721,282</u>	<u>2,877,783</u>	<u>3,111,741</u>
Net Income (Loss)	\$ <u>225,227</u>	\$ <u>180,799</u>	\$ <u>(78,383)</u>	\$ <u>(115,965)</u>	\$ <u>(360,745)</u>
Transfers In (Out)					
General Fund	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Restricted Fund	<u>(2,176)</u>	<u>(2,848)</u>	<u>251,409</u>	<u>626,850</u>	<u>370,700</u>
Total Transfers	\$ <u>(252,176)</u>	\$ <u>(252,848)</u>	\$ <u>1,409</u>	\$ <u>376,850</u>	\$ <u>120,700</u>
Change in Fund Balance	(26,949)	(72,049)	(76,974)	260,885	(240,045)
Beginning Fund Balance	<u>7,094,040</u>	<u>7,067,091</u>	<u>6,995,042</u>	<u>6,918,068</u>	<u>7,178,953</u>
Ending Fund Balance	\$ <u>7,067,091</u>	\$ <u>6,995,042</u>	\$ <u>6,918,068</u>	\$ <u>7,178,953</u>	\$ <u>6,938,908</u>

Notes on Auxiliary Activities:

- 1) 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.
- 2) In fiscal year 2019-2020, Fitness & Recreation Center (FRC) expenditures were higher than normal due to a renovation of the facility. Purchases of new equipment for the renovated spaces was funded with Auxiliary fund balance reserves.
- 3) The FRC implemented a minimal membership rate increase in fiscal year 2020-2021 in order to help balance their budget going forward.
- 4) For fiscal years, 2019-2020 through 2021-2022 Transfers In from the Restricted Fund represents amounts received or anticipated to be received from COVID relief funding HEERF grants to offset revenues lost due to Coronavirus. The College is able to charge the HEERF grants for revenues lost on a gross basis, not taking into consideration any reduction of expenses.
- 5) The majority of the fiscal year 2021-2022 budgeted deficit in Other Auxiliary Activities is due to the anticipated purchase of several new multi-function copying devices for approximately \$150,000.

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 106.

Each year funds are transferred to the Plant Funds from the General Fund and other funds as applicable for building projects. For 2021-2022, the following major transfers from the General Fund have been budgeted:

Asset Life-Cycle Replacement/Depreciation	\$ 2,500,000
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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 finished construction in the Spring of 2021 in Downtown Midland with an opening expected for the Fall 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, such as the Gilford broadcasting tower, 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 2017-2018	Actual 2018-2019	Actual 2019-2020	Projected 2020-2021	Budgeted 2021-2022
Revenues					
Investment Income (Loss)	\$ 417,921	\$ 848,578	\$ 549,371	\$ 108,353	\$ 85,900
Private Gifts/Grants	32,823	702,123	4,523,372	4,858,785	50,000
State Grants/Appropriations	-	4,608,532	1,605,127	-	1,100,000
Transfer from General Fund	10,271,809	3,614,721	6,405,384	7,323,535	3,052,000
Other Sources and Transfers	<u>132,215</u>	<u>84,455</u>	<u>33,354</u>	<u>5,000</u>	<u>5,000</u>
Total Revenues	<u>10,854,768</u>	<u>9,858,409</u>	<u>13,116,608</u>	<u>12,295,673</u>	<u>4,292,900</u>
Expenditures					
Equipment					
Instruction	18,913	83,219	328,422	-	-
Instructional Support	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Instruction	18,913	83,219	328,422	-	-
Public Service	-	110,000	-	-	-
Student Services	35,039	-	-	119,375	-
Institutional Administration	109,116	835,822	328,424	348,572	250,000
Facilities Management	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Equipment	163,068	1,029,041	656,846	467,947	250,000
Renovations and Transfers	<u>5,510,891</u>	<u>15,355,091</u>	<u>11,791,980</u>	<u>11,491,216</u>	<u>6,686,880</u>
Total Expenditures	<u>5,673,959</u>	<u>16,384,132</u>	<u>12,448,826</u>	<u>11,959,163</u>	<u>6,936,880</u>
Revenues Over/(Under) Expenditures	5,180,809	(6,525,723)	667,782	336,510	(2,643,980)
Beginning Fund Balance	<u>34,390,007</u>	<u>39,570,816</u>	<u>33,045,093</u>	<u>33,712,875</u>	<u>34,049,385</u>
Ending Fund Balance	<u>\$ 39,570,816</u>	<u>\$ 33,045,093</u>	<u>\$ 33,712,875</u>	<u>\$ 34,049,385</u>	<u>\$ 31,405,405</u>

The majority of the fiscal year 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. Actual expenses for the project totaled \$12,685,600. Through the State of Michigan Capital Outlay process, the State Building Authority and Delta College each funded \$6,342,800. 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 open the new three story, 33,630 square foot building in the Fall 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 accumulated Plant Fund reserves.

The Downtown Midland Center 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. Introducing students to healthcare and STEM jobs will put them in touch with high demand careers. In addition, 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 biology, chemistry, and computer labs, eight classrooms, special-use training rooms, a multi-purpose room and student service spaces.



Rendering of the New Delta College Downtown Midland Center

Delta College Plant Fund

Electronic Media Broadcasting – A Wing Renovations

Delta College's Electronic Media Broadcasting – A Wing Renovations project was submitted to the State of Michigan in October 2018 in response to identified structural needs of current programs, learning environments and business and community needs. It was subsequently Authorized for Planning under Public Act 618 of 2018 and then Authorized for Construction under Public Act 257 of 2020. Construction is currently scheduled to begin in the Fall of 2021.

This project will upgrade the existing Electronic Media Broadcasting area located on our Main Campus. The current facilities were constructed in 1961, and although maintained well, many of the architectural finishes, mechanical and electrical systems are at or nearing the end of their useful life. When upgraded and revitalized, this area will be the platform for state-of-the-art learning and creation of a wide variety of digital media productions for students and producers.

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. The major capital projects, when approved by the state, will require a 50% College match. Following are the prioritized projects submitted in Fall 2020 for fiscal year 2022-2026 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)	1.714 million
3	South Campus Pavement Repairs (Main Campus)	2.957 million

Facility Maintenance and Equipment Life Cycle Replacement

The current appraised replacement value of College buildings and equipment is \$324 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 \$9.72 million annually. Likewise, a simple 30-year life cycle replacement calculation would call for an annual allocation of \$10.8 million.

Previously, \$2.0 million was budgeted annually for transfer from the General Fund to the Plant Fund for this purpose. Beginning with the 2021-2022 budget, we are increasing this annual transfer to \$2.5 million in order to accumulate additional reserves in the Plant fund in order to maintain our downtown centers and continue with the practice of not incurring any debt. Industry standards suggest an additional \$7-8 million should be reserved annually to ensure that existing facilities are maintained and the value of the capital investment is preserved. Therefore, half 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 fiscal year 2021-2022 Budget Year are listed below.

Projects Approved and/or in Progress	Amount	Strategic Focus Area
Electronic Media Broadcasting – A Wing	\$ 2,540,000	SS
OIT Projects	250,000	SS
West Campus Site Improvements - Fitness & Athletics	1,500,000	SS
Way Finding System	10,000	SS
Midland Center Project	500,000	SS
Pool Equipment Replacement	1,216,880	CF/SS
Main Campus Placemaking	100,000	SS
 As Needed Maintenance Projects	 Amount	 Strategic Focus Area
Farmhouse Maintenance & Upgrades	\$ 20,000	S
Miscellaneous Renovations, Furnishings & Accessories	800,000	S
 Total	 \$ 6,936,880	

Delta College Debt Detail

The College has the legal capacity to carry debt of up to \$120,805,625; 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 \$11,955,562,524.

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 2020-2021 are as follows:

Fund	Amount
General Fund	\$ 8,300
Designated Fund	109,900
Restricted Fund – Broadcasting	12,300
Restricted Fund - Programs and Scholarships	643,800
Building Fund	9,000
Foundation	126,500
Quasi-Endowments	<u>37,800</u>
 Total Distributions	 \$ <u>947,600</u>

Delta College Endowment Fund

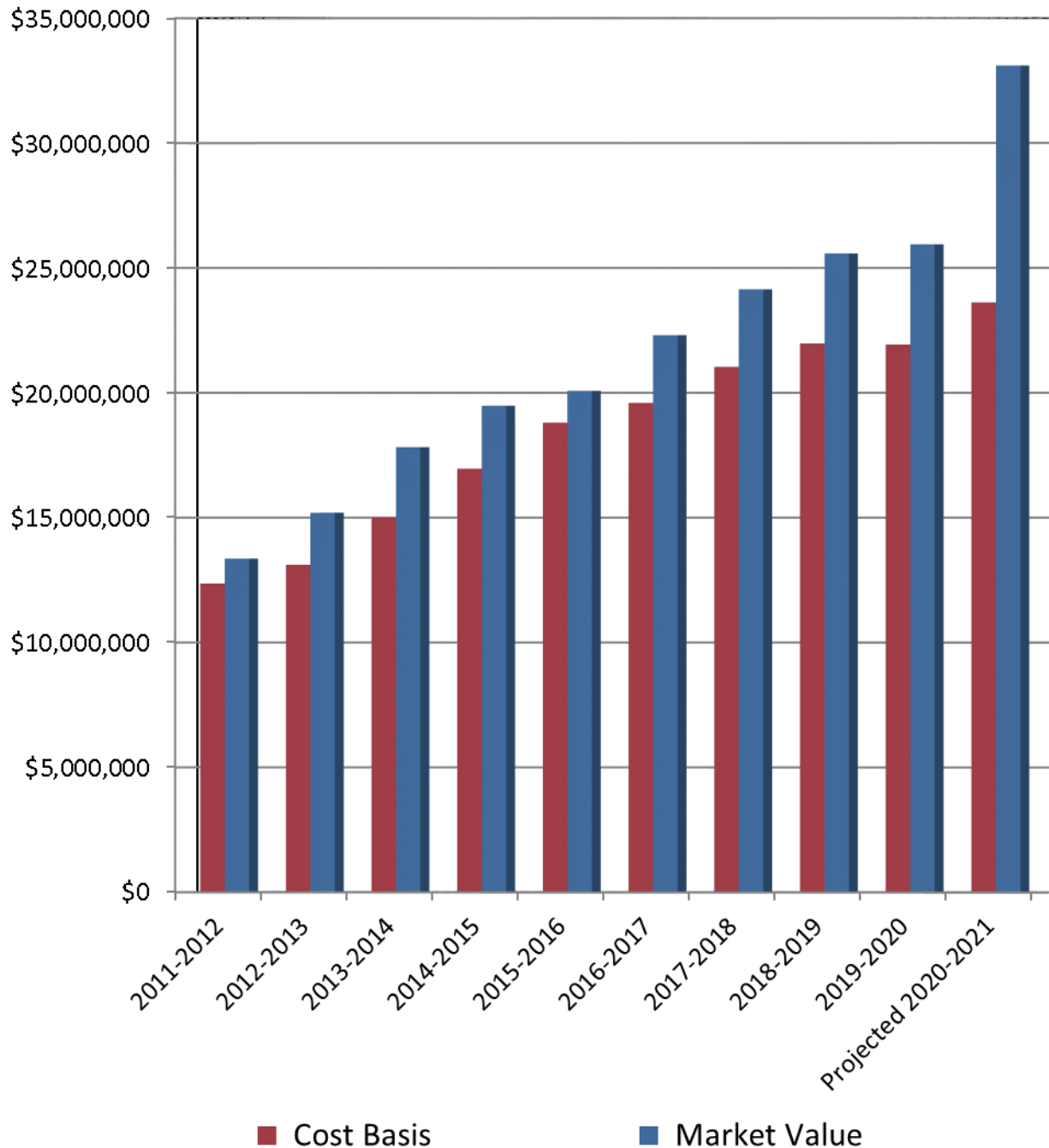
Ten Year Performance History

	Net Assets July 1	Gifts & Transfers	Earnings & Net Gain (Loss) On Investments	Distributions	Investment & Admin Fees *	Net Assets June 30
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
2019-2020	25,581,362	(258,117)	1,924,913	(897,324)	(411,071)	25,939,763
Projected 2020-2021	25,939,763	1,100,580	7,465,000	(947,600)	(456,700)	33,101,043

*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	The Herbert H. & Grace A. Dow Foundation Science Education
Charleen T. Adcock Scholarship	Alden B. Dow Fund
Anderson Family Delta Sculpture Walk	Herbert H. & Barbara C. Dow Fund
Andrew F. & Mary H. Anderson Scholarship	Jerry & Terry Drake Scholarship & Broadcasting Program
Kurt W. Anderson Agricultural Scholarship	Support
Athletic Scholarship	Draper Family Scholarship
M. Seth Babcock Scholarship	Gene R. Duckworth Scholarship
Mary Ann (McGregor) Badour Scholarship	Fred E. Dulmage Award for Engineering & Technology
James & Joy Baker Scholarship	Ellucian Higher Education Endowed Teaching Chair
Barney & Gerry Ballor Family Scholarship	Ellucian Higher Education Possible Dream Program
Ormond Barstow & Ludo Frevel Award for Scholarly Achievement	Dr. Robert & Carol Emrich Scholarship
Baxandall Scholarship	Eldon Enger & Fred Ross Scholarship
Bay City Central Class of '41 Scholarship	English Division Guest Lecturer
Elzie & Muriel Beaver Scholarship	James E. & Leanne Lutz Erickson Scholarship
Bergstein Award for Teaching Excellence	Faculty Executive Committee Award
Leonard & Esther Bergstein Scholarship	Fettig Family Scholarship
Darrell R. Berry Scholarship	Arthur J. & Bette L. Fisher Scholarship
Alfred J. Bladecki Scholarship	Isabella M. Flynn Scholarship
Martin & Emma Block Scholarships	Peter & Suzanne Frantz Award for Art
Peter & Barbra Boyse Program	Dr. John & Joanne Fuller Scholarship
Peter D. Boyse President's Scholar Program	Gakstatter Family Scholarship
Louise K. Brentin Scholarship	David R. & Vivian S. Gamez Scholarship
Business Division Scholarship	Gerace Construction Scholarship
Carlyon Farmhouse Maintenance	Gerity Broadcasting Company Scholarship
Donald & Betty Carlyon Scholarship	Gerstacker Faculty Recognition Award
Donald & Betty Carlyon Endowed Teaching Chair	Global Education Program
DeeMona Chatman Scholarship	Robert M. Gohlke Scholarship
Scott Clemons Scholarship	Dr. Jean Goodnow Scholarship
Coca-Cola Scholarship	Gougeon Brothers, Inc. Award for Applied Industrial/Technical
William R. Collings Award for Outstanding Service & Academic Achievement	Gougeon Employees Foundation Business & Technology Scholarship
Lynn Conway Athletic Scholarship	Bernard C. & Lois Ulrich Graham Scholarship
M. J. Cooper Scholarship & TLC	Lynda & James Grant Scholarship
Gilbert A. Currie Estate Scholarship	Patricia L. & Robert W. Grant Jr. Scholarship & Humanities Program
Gilbert A. Currie Fund	Great Lakes Bay Manufacturers' Association Scholarship
Ilau & Phillip Dean Scholarship	Russell B. & Grace H. Green Scholarship
Delta Deltah's Scholarship	Priscilla Bogi Guritza Memorial Scholarship
Delta College Public Radio Fund	Clarence & June Hackbarth Scholarship
Delta College Foundation Fund	Beki Gray Hadley Scholarship
Delta College Foundation Student Scholarships	David & Jackie Hall Scholarship
Delta College Employee-Sponsored Scholarship	Hammond Family Scholarship
Delta College Planetarium Fund	Sarah Hansen Scholarship
Delta College Public TV Fund	William J. Hargreaves Scholarship
Robert DeVinney Endowed Teaching Chair	Joan B. Harry Scholarship
Dixon Family Scholarship	Harry Hawkins Scholarship
Herbert Doan Scholarship	Robert & Joyce Hetzler Family Award for Outstanding Service & Leadership
B. Joe & Margery (Knepp) Dodson Scholarship	Hilde & Walter Heyman Scholarship
Frances Dolinski Scholarship	Ada E. Hobbs Scholarship
Henry Dolinski Scholarship	Don Holzhei Memorial Scholarship
Dr. Louis W. Doll & Patricia Drury Scholarship	
Tom Dostal Memorial Scholarship	
Dow Chemical Company Michigan Operations Award for Physical Science	

Delta College Endowment Funds

Home Builders Association of Bay, Midland & Saginaw
Counties
Honors Student Scholarship
Kimberly R. Houston Leadership & Service Learning
Scholarship
Richard Paul Hunter Scholarship
Ruby T. Iwamasa Scholarship
James R. & Anita H. Jenkins Family Scholarship
Phyllis E. Jones Memorial Scholarship
S. Preston & Dr. Betty B. Jones International Scholarship
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
Dr. Murlene E. McKinnon Public Media
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
Linda Ortega Scheall Memorial Scholarship
Dawn Schmidt Award for Mathematics
Peggy A. Scott Scholarship
Scott & Sandra Seeburger Family 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
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
Bernard C. & Lois K. Ulrich Scholarship
Tina S. & Philip M. 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
Dr. Robert R. "Dr. Bob" Zimmerman Scholarship
Alan & Carol Zombeck Scholarship
Alton, Sr., Alma & Alton, Jr. Zucker Scholarship
Melvin & Hilda Zuehlke Scholarship and Special Needs
Assistance Fund

Notes

Glossary

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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 solutions 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 fiscal year 2010-011, the State has eliminated the reimbursement from its annual funding appropriate for community colleges. The State reinstated the reimbursement effective with fiscal year 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.

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Fiscal Policies

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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 2026.

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.