

Delta College Strategic Plan and Budget 2026–2027



Delta College

FY 2026-2027

Strategic Planning & Budget

University Center, Michigan

Delta College is one of twenty-eight community colleges in the state of Michigan. It is ranked 9th largest in the State with a Fiscal Year Equivalent Student (FYES) count of 5,576 as reported to the State for the year ending June 30, 2025. The College is projecting to produce approximately 200,000 contact hours for the 2025-2026 fiscal year. In terms of unduplicated student head count, Delta ranked 9th highest in the State. On June 30, 2025, as reported to the State, the College's staff includes approximately 429 full-time employees, 188 of which were full-time faculty.

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

Delta College is a proud charter member of the League for Innovation in the Community College, and continues to be recognized as a leader within the organization. When an institution changes leadership and hires a new president, it must go through a reaffirmation process to remain on the board. With the resignation of Dr. Michael Gavin in 2025, and the hiring of Dr. Michelle Allmendinger, effective in July 2026, Delta College will again need to go through that process with the League Board.

The College's district is located in the Great Lakes Bay Region, encompassing the counties of Bay, Midland and Saginaw in Michigan. The 640-acre, 958,000 square foot main campus facility is located in rural Bay County about equidistant from each of the major cities. In addition to the main campus facility, the College operates three Centers within the district – one in each of the taxing counties. Delta College also owns an on-premises Farmhouse and the Gilford Township Digital Broadcasting Tower.

The **Downtown Bay City Center** opened in February of 1997. 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.

The 33,000 square foot **Downtown Midland Center** opened in Fall of 2021. Delta College secured \$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. Total project costs were \$13 million. The Downtown Midland Center focuses on STEM (Science, Technology, Engineering and Math) tracks and courses focused on health career exploration, which joined 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, this facility allows for expanded college readiness activities and programs.

The 37,000 square foot **Downtown Saginaw Center** opened in Fall of 2019. This \$12,685,600 project was constructed through the State of Michigan Capital Outlay process with the State Building Authority and Delta College funding \$6,342,800 equally. The Downtown Saginaw Center functions as a Community Outreach Center that extends the College into the urban environment and engage under-served and under-represented populations. There is also 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.



Delta College Board of Trustees

Bay County: Barbara M. Handley-Miller, Diane M. Middleton, '88, Michael D. Rowley, '90

Midland County: Stacey L. Gannon, '20 (Chair), Michael P. Nash, '14, Wm. Michael Wood

Saginaw County: Arshen R. Baldwin (Vice Chair), Alexander S. Clark, III, Alexis S. Thomas

Interim President: Andrea Ursuy

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 Officer, Delta College, Office J101, 1961 Delta Rd., University Center, MI 48710, telephone 989-686-9247, 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 2026-2027

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, ensuring alignment with strategic initiatives. This model undergoes review and discussion with the President, President's Cabinet, Executive Council, and the Budget Cabinet beginning in mid-fall. Throughout the year, budget model assumptions are reassessed and updated as new information emerges.

The budget model is structured to align with the current Strategic Plan. Former President, Dr. Mike Gavin, has led the development of the next institutional Strategic Plan. The 2023-2027 Strategic Plan, approved by the Board of Trustees on March 7, 2023, emphasizes equity and student completion.

This model primarily supports the General Fund, the College's largest budget fund, covering the majority of employee compensation. The model is instrumental in salary negotiations, offering immediate insights into financial impacts. It incorporates revenue variables such as state appropriations, property taxes, tuition (based on contact hours and rates), fees, and other revenues. Expense variables include salaries, fringe benefits, supplies, services, capital expenditures, and professional development. Given that salaries and benefits constitute approximately 77% of the General Fund Budget, these expenses are further subdivided into categories such as full-time faculty, part-time faculty, administrative professional staff, support staff, and maintenance staff. Fringe benefits include payroll taxes, retirement contributions (MPSERS and ORP), medical insurance, and other benefits.

Enrollment Projections

Over the past few years, Delta College has observed a positive trend in contact hours, driven by both new student enrollments, improved retention rates and removing waitlist barriers. Strategic initiatives focused on student success, academic program management, and enhanced student support services have contributed to this growth.

One of the most significant factors influencing this increase has been the strengthening of Delta College's partnerships with K-12 districts. Dual enrollment programs have continued to expand, allowing high school students to earn college credits while still in high school. This expansion has led to a steady rise in contact hours attributed to dual enrollment students. As a result, our engagement with local school districts has deepened, providing students with a more seamless transition from high school to college.

For 2025-2026, contact hours are projected at approximately 200,000 an 8% increase over the budgeted 185,000 hours. The College has focused on improving student retention through academic program management and a restructured Student and Educational Services (SES) Division. The SES model provides personalized advising, career development, and targeted support for students, including those from historically underserved groups. Given this progress, a general fund budget enrollment target of 187,000 contact hours has been set for 2026-2027 plus 800 contact hours for Criminal Justice courses totaling 187,800, reflecting a cautiously optimistic outlook but building upon the sustained growth from previous years.

State Aid

The 2026-2027 budget assumes an increase in State Appropriations based on 2025-2026 actuals. However, legislative proposals vary, with potential operational funding increases ranging from 0% to 3.0%. The Executive budget does have funding for one-time monies in various forms. At this time the House and Senate have not proposed their budget. The May CREC conference showed that the general fund and State aid was roughly up by \$143 million for the 2025-2026 fiscal year.

Tuition and Fees

Delta College remains committed to affordability, maintaining in-district tuition rates below the state average. For 2026-2027, tuition is set at \$140 per contact hour for in-district students, a \$4.00 increase per hour. Out-of-district and out-of-state tuition rates have both increased by \$7.00. The technology fee will increase by \$1, raising it to \$26, this fee has not increased in the past five years. Registration fee remains unchanged at \$40 per semester. These adjustments contribute an estimated revenue increase of \$1.4 million (4.1%) based on the budget of 187,000 contact hours.

Compensation and Benefits

Total compensation—including salaries, wages, payroll taxes, and benefits—constitutes 77% of the General Fund expenditures. The 2026-2027 budget allocates \$67.7 million for compensation, reflecting a \$2.47 million net increase due to wage adjustments, staffing changes, and benefit cost fluctuations.

The Delta College Faculty Association (DCFA) and AFSCME agreements remain in place through June 30, 2028. While the Adjunct (AFADC) contract expires in June 2027. Administrative Professionals (AP) and Support Staff employees are appointed annually by the President and Board. They will receive a 2.5% salary increase per Board approval. Retirement contributions remain a significant expense, with the College budgeting a blended retirement rate of 25.09% across MPSERS and ORP plans. The college's ORP contribution is 12.5% for AP staff & Faculty. Payroll taxes and benefits account for an additional 24% of wages this is a decrease compared to 2025-26 which was at 26%. This is reflected from ORS reducing the MPSERS rate.

Medical insurance is managed through a self-funded Blue Cross Blue Shield PPO plan, complemented by a High-Deductible Health Plan (HDHP) with Health Savings Account (HSA) options. Employee contributions remain at 20% of premium costs, and the plan continues to comply with Public Act 152 cost limitations.

Facilities and Equipment Replacements

Facility maintenance and equipment replacement are important priorities for the College, and we allocate \$2.5 million annually for Asset Lifecycle Replacement/Depreciation. In 2024-2025 that amount was increased to \$3.0 million. The current appraised replacement value for the College buildings and contents is \$501 million. A simple 30-year lifecycle replacement for the entire value would require an annual reservation of \$16.7 million.

Moreover, any excess revenues over expenditure, beyond those needed to maintain a 10% General Fund Reserve Balance, were traditionally transferred to the Plant Fund at the end of each fiscal year. However, the college does move some reserves to the Designated fund to support certain initiatives throughout the college.

Fiscal Policies and Long-term Sustainability

Delta College maintains a long-standing commitment to financial stability through the following policies:

1. **10% Fund Balance Policy:** The College targets a General Fund reserve of at least 10% of operating expenditures, with an estimated balance of 10.5% for 2026-2027.
2. **Reserve for Budget Sustainability:** This fund captures one-time savings for contingencies, ensuring financial resilience.
3. **Debt Avoidance Strategy:** The College transfers excess funds to the Plant Fund, reducing reliance on borrowing for capital projects.

In addition to the \$3.0 million dollars already budgeted annually for asset life cycle replacement, we will be allocating an additional \$15,000 each year towards saving for the future replacement of our public safety vehicles, which started back in 2023-2024 budget.

Overall, the total General Fund budgeted expenditures for the 2026-2027 period are \$87.5 million, representing an increase of \$3 million or 3.5% over the current budget.

Reflections from the President

Delta College remains dedicated to academic excellence and community service. Under the leadership of the Board of Trustees, supported by engaged faculty and staff, the institution continues its mission to lead in innovative community college education. The budget aligns with strategic goals, ensuring sustainability while advancing student success initiatives. Delta College is committed to fostering equity and educational access, securing its position as a regional and national leader in higher education.

Sincerely,

Andrea Ursuy
Interim President

Delta College Budget Planning and Resource Allocation Decisions

Sources of New Revenue and Savings

Description	Amount	Cost Center
Reduction Economic Impact Study	20,000	5622
Reduction of Student Wages	134,259	Various
Reduction of Mongoose Compliance Management	2,500	5626
Total New Revenue and Savings	\$ 156,759	

The items listed above all align with one or more of the Delta College Strategic Plan Pillars. The four strategic pillars establish the foundation for the initiatives and action projects that are part of the Delta College Strategic Plan.

Delta College Budget Planning and Resource Allocation Decisions

New and On-Going Strategic and Operational Funding

Description	Amount	Cost Center
Technology Fee per Credit Hour Based on Enrollment-Savings to Plant Fund for Technology Infrastructure and Projects	\$ 6,000	4599
Net Employee Compensation Increases Due to Retirements, Contact Agreements, Salary Replacement Differentials, and Benefit Adjustments	1,628,209	Various
Nursing Success Coach	91,800	1070
Staff FT Lab Position	67,500	1047
Academics Support	67,600	Various
D2L Contract Increase	19,600	4515
IT Cybersecurity and Subscriptions	106,000	6745
Telecommunication Renewal	15,000	6740
Staffing (SES) Registrar	97,200	5612
College Success Grant	89,244	4537
CMU Graduate Asst. Program	49,500	5610
Total New and On-Going Strategic Operational Funding	\$ 2,207,653	
Net Increase of Savings and New and On-Going Strategic Operational Funding	\$ 2,050,894	

The items listed above all align with one or more of the Delta College Strategic Plan Pillars. This does not represent all the added items in the budget. The four strategic pillars establish the foundation for the initiatives and action projects that are part of the Delta College Strategic Plan.

Delta College Budget Cabinet 2026-2027

Arshen Baldwin Board of Trustees Representative
Talisa Brown Admin Services and Strategic Projects Manager
Pam Clark Executive Director of Institutional Advancement
Chris DeEulis Director of Belonging, Diversity, Equity, and Inclusion/Chair of ECAPS 2026
Laura Dull Professor of History/President of Delta College Faculty Association
Jon Foco VP of Business and Finance
Amber Goebel Assistant Controller
Chris Hausbeck Professor of Health & Wellness/CIBE Advisory Board Chair
Sean Hill Learning and Technology Consultant – Academic Services/Chair of SSEC 2026
David Hopkins Dean of Transfer Programs and Online Learning
Tom Kienbaum Representative of Facilities Maintenance Union
Greg Luczak Director of Business Services
Jill Mulders Controller
Kristy Nelson Director of Downtown Centers
James Perry Dean of Enrollment and Access Student and Educational Services
Andrea Ursuy Exec. Director of Admin. Svcs and Institutional Effectiveness/Interim President

Strategic Planning

Notes

Delta College Strategic Plan 2023-2027

Year 4



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 support Delta College's commitment to be a high-performing educational institution with a focus on improving completion and equity.

Creating our 2023-2027 Strategic Plan

Through an inclusive process that began with a Board Special Meeting in February 2022, the College Community came together to create the 2023-2027 Strategic Plan.

To begin the process, the College engaged 180 employees in focus groups. Through the focus group process, faculty and staff described Delta College as if it was a village helping people flourish. The data from the focus groups was analyzed and formed the basis for a Mission, Vision, and Values (MVV) Summit.

Nearly 200 community members, faculty, staff, students, and trustees participated in the MVV Summit on October 14. The Summit facilitators began by sharing the qualitative information that we learned from the Fall Learning Days Focus Groups.

Throughout the Summit, participants engaged in groups discussions around values and each participant voted on values in two rounds.

Each group also submitted a worksheet describing the most important value to them and why. In addition to working on values, Summit participants engaged in a review of the mission and vision. Half of the participants worked on reviewing and revising the College's vision while the other half worked on the mission.

At the conclusion of the MVV Summit, our facilitators collected all data from the morning. They carefully analyzed and summarized the feedback that was submitted by our community members, faculty, staff, students, and trustees. The information was provided to our MVV Writing Team (comprised of a cross-functional team of faculty and staff).

The MVV Writing Team worked collaboratively with the President's Cabinet to create a draft MVV for employee review and comment. The goal of the team was to create mission, vision, and values statements that are efficient, effective, and compelling. Throughout the process, the team asked themselves, "have we captured the spirit of the feedback from our employees, students, and community members?"

The drafts of the MVV statements were shared via a feedback survey on November 9. Responses to the survey were positive overall. There were 119 respondents. More than 70% agreed with the drafts of the Mission and Vision as written. More than 84% agreed with the draft of the Values as written. The remainder of respondents provided very thoughtful feedback. The MVV Writing Team considered the feedback and incorporated it, as appropriate, into the draft statements.

On December 13, 2022, the Mission, Vision, and Values were approved by the Board of Trustees.

Using the Mission, Vision, and Values as a foundation, the President's Cabinet worked collaboratively to draft the strategic plan pillars, initiatives, and actions projects that comprise the 2023-2027 Delta College Strategic Plan.

The Board approved the Strategic Plan on March 7, 2023.

Delta College Mission, Vision, and Values

The mission, vision, and values are the guiding principles for the College and form the foundation of the strategic plan. The Delta College Board of Trustees approved the mission, vision, and values on December 13, 2022.

Mission

Delta College collaborates to deliver and sustain an enriching education that empowers our diverse and inclusive community to achieve their personal, professional, and academic goals.

Vision

We are the national leader in innovative community college education.

Values (S.T.R.I.V.E.)

Delta College strives to create an atmosphere of belonging in which a diverse community can experience equitable opportunities to pursue success. From a foundation of trust, inclusion, and respect, we achieve excellence by embracing the values of:

- **Service:** We respond to the needs of others.
- **Teamwork:** We accomplish more together.
- **Respect:** We honor human dignity.
- **Innovation:** We inspire creativity.
- **Veracity:** We value honesty and authenticity.
- **Excellence:** We encourage outstanding achievement.

Strategic Plan Pillars

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

Student Engagement, Retention, and Completion

Centering the College as a place where all students belong and as a place for transformation.

People Focus

Focusing on growth, holistic well-being, and empowering our employees.

Community-Centered

Collaborating with others to understand and respond to community needs, educate residents about local issues, and work to improve citizens' lives.

Social Impact

Establishing the institution as an instrument of positive social change.



Strategic Initiatives and Action Projects

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 pillars.

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.

Delta College will be the model for all community colleges seeking to support students' needs as they complete workforce programs that lead to life-sustaining wages or transfer as juniors or seniors, with zero equity gaps.

How we will get there:

Student Engagement, Retention, and Completion

Centering the College as a place where all students belong and as a place for transformation.

- 1.1. Strengthen the College's retention and completion rates through effective connection and belonging efforts.

Action Project: Create focused, deliberate experiences for student connection and belonging in-and-out of the classroom with a focus on the top 10 programs and top 30 courses.

Champion (oversight): Reva Curry and Shelly Raube

Coordination/Resources: Faculty Center for Teaching Excellence Coordinator(s), Associate Deans, Library Learning Information Center (LLIC), Retention Services, and Endowed Teaching Chair Funds

- 1.2. Reduce the length of time to student degree completion through innovation, challenging traditional modes of measuring credit and effective course scheduling.

Action Project: Ensure that the academic course schedule supports completion through effective course scheduling including consistent online and spring/summer schedule options with a focus on the top 10 programs and top 30 courses.

Champion (oversight): Ski VanderLaan

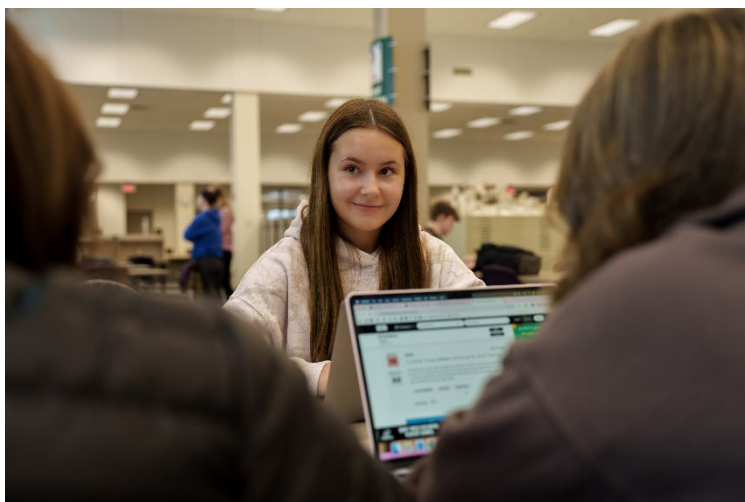
Coordination/Resources: Associate Deans and Kristy Nelson

- 1.3. Increase access and understanding of the value of a college degree for adults and first-generation students, by making swift efforts to demystify and simplify college processes and systems.

Action Project: Create department level projects in both Student and Educational Services and Marketing to simplify college process and systems and increase student understanding of the value of a credential through the unit review process.

Champion (oversight): Leanne Govitz and Shelly Raube

Coordination/Resources: Student and Educational Services and Marketing Unit Managers



People Focus

Focusing on growth, holistic well-being, and empowering our employees.

- 2.1. Develop and implement an ongoing, systemic approach to employee belonging, wellness, and connection.

Action Project: Strengthen the employee wellness program with a goal of increasing employee retention and well-being.

Champions (oversight): Andrea Ursuy and Wendy Childs

Coordination/Resources: Shannon Mehl and Health and Wellness Faculty

- 2.2. Provide employees with relevant data to innovate, collaborate, and grow professionally in support of our student engagement, retention, and completion goals.

Action Project: Create interactive employee learning experiences to engage employees in data available through Tableau.

Champions (oversight): Andrea Ursuy and Tyler Shea

Coordination/Resources: Center for Organizational Success, Associate Deans, Coordinators, and Student and Educational Services Managers



Community-Centered

Collaborating with others to understand and respond to community needs, educate residents about local issues, and work to improve citizens lives.

- 3.1. Build a strong “college-going” culture in order to support regional employment opportunities, thus improving all residents’ economic status by reducing all levels of poverty.

Action Project: Develop coordinated efforts to connect with 1) rural Saginaw, Bay, and Midland residents, especially males; 2) areas of Bay City and Saginaw City, including adult and K-12 students to bring them to our campuses.

Champions (oversight): Pam Clark

Coordination/Resources: Foundation Office and Admissions

- 3.2. Work to address barriers outside of the classroom that students face, such as mental health, housing, and food insecurity.

Action Project: Create partnerships with local non-profit organizations to support student needs outside of the classroom with a goal of eliminating barriers.

Champions (oversight): Michelle Allmendinger and Shelly Raube

Coordination/Resources: Karry Kiste-Toner



- 3.3. Strengthen our work with K-12 and postsecondary partners to ensure a seamless transfer of all credits upon graduation, and with workforce industries to ensure access to well-paying jobs upon completion.

Action Project 3.3-1: Assess and revise postsecondary articulation agreements, as necessary, to ensure seamless transfer after a student completes their degree at Delta College.

Champions (oversight): David Hopkins and Emily Clement

Coordination/Resources: Associate Deans

Action Project 3.3-2: Enhance relationships with industry to develop new programs and revise current ones to ensure accelerated access to a living-wage job.

Champions (oversight): Michelle Allmendinger and Ski VanderLaan

Coordination/Resources: Walaa Award, Sue Roche, and Daren Kench

Social Impact

Establishing the institution as an instrument of positive social change.

- 4.1. Build Delta College's reputation as a regional leader in bringing people together to understand the value of education, to explore complex issues we face as a community, and to strengthen each resident's belief in our democracy.

Action Project: Utilize College platforms to educate the community about the role of education in imagining and creating a better life.

Champions (oversight): Pam Clark

Coordination/Resources: Public Media

- 4.2. Ensure the long-term viability of the College, by recognizing that all students and residents deserve a system of strong social justice to overcome poverty and other social hurdles during their journey through higher education.

Action Project: Provide learning opportunities to educate the region about the value of higher education and the community college.

Champions (oversight): Chris DeEulis

Coordination/Resources: President's Speaker Series



Key Performance Indicators

The key performance indicators represent the levels of performance to be achieved by the conclusion of the 2023-2027 strategic plan.

I. Enrollment

Target: Increase student contact hour enrollment by an average of 0.7% annually with a goal of increasing student contact hour enrollment by at least 2.2% at conclusion of the plan.

II. Student Success

Target: Increase average student success rate by an average of 0.9% annually with a goal of increasing average student success by at least 2.7% at conclusion of the plan.

III. Retention

Target: Increase Fall to Fall student retention by an average of 1.3% annually with a goal of increasing student retention by at least 3.8% at conclusion of the plan.

IV. Completion

Target: Increase IPEDS student completion rate by an average of 3.8% annually with a goal of increasing IPEDS student completion rate by at least 11.9% at conclusion of the plan.



Strategic Planning Process



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 2025-26 the college submitted for the Capital Project for a Student Resource Center/Library Renovation A Wing. Last October, we revised some elements of that plan and are now ranked as the number 2 project on the community college capital outlay list, as determined by Michigan’s Department of Technology, Management and Budget (DTMB).

Priority	Project	Amount
1	Student Resource Center Renovation – A Wing	\$ 23,602,876
2	L&M Wing Construction	\$ 4,047,000

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/2027-capital-outlay-plan.html>

Facilities planning has also identified a maintenance schedule for major items in excess of \$3 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.

Budget Planning Process

Month	Action
August / September	Prepare budget planning materials.
September	Review strategic initiatives and develop a tentative set of planning and budget assumptions to create a preliminary budget model. President appoints Budget Cabinet members.
October	President's Cabinet reviews the preliminary budget model, prior year financial outcomes, enrollment trends, and the outcome of the annual audit; reviews any legislative and strategic plan updates and provide input which guides the budget development process. Begin to schedule Budget Cabinet meetings and agendas.
November through February	Preliminary budget model is presented to Executive Council and budget group leaders. Budget groups develop budget requests in alignment with the College's strategic planning priorities and identified operational needs. The Strategic Plan is reviewed with the Budget Cabinet and the budget model is introduced.
February / March	The Budget Cabinet makes a recommendation on tuition and fees to the President. The recommendation is presented to the Board for approval.
April	President's Cabinet, Executive Council and Strategic Planning Champions review budget requests, develop priorities based on the College and cross functional strategic priorities, and recommends priorities to the President Cabinet. The budget model incorporates the approved budget requests. The Board accepts estimate of taxes and appropriations for next fiscal year.
April / May	President's Cabinet develops final preliminary budget plan and review updated long range forecast model.
May	Presentation and discussion of preliminary budget may be presented with a long-range forecast with the Board of Trustees (depending on the information that is available).
June	Presentation of the proposed Budget to the Board and approval by the Board no later than June 30.

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-allocated as necessary.

Delta College Procedures for Budget Amendment

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

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

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

All Funds

Notes

Delta College Budget – All Funds

Fiscal Year 2026-2027

	General	Designated	Restricted	Auxiliary	Plant	Total
Revenues						
Tuition and Fees	\$ 35,174,340	\$ 559,800	\$ -	\$ -	\$ -	\$ 35,734,140
State Appropriations	19,963,214	-	-	-	-	19,963,214
Property Taxes	30,826,898	-	-	-	-	30,826,898
Grants and Gifts	-	2,562,411	20,250,542	-	-	22,812,953
Auxiliary Services	-	-	-	5,112,418	-	5,112,418
Investment Income	1,500,000	-	958,600	-	1,300,000	3,758,600
Other Sources	<u>616,472</u>	<u>4,988,685</u>	<u>637,282</u>	<u>-</u>	<u>3,671,000</u>	<u>9,913,439</u>
Total Revenues	<u>88,080,924</u>	<u>8,110,896</u>	<u>21,846,424</u>	<u>5,112,418</u>	<u>4,971,000</u>	<u>128,121,662</u>
Expenditures						
Instruction	40,660,725	3,098,965	1,089,749	-	-	44,849,439
Instructional Support	<u>7,577,023</u>	<u>306,314</u>	<u>587,456</u>	<u>-</u>	<u>-</u>	<u>8,470,793</u>
	48,237,748	3,405,279	1,677,205	-	-	53,320,232
Public Service	1,367,791	9,450	1,712,835	-	-	3,090,076
Information Technology	4,816,084	-	-	-	-	4,816,084
Student Services	11,109,317	167,119	18,666,814	5,173,346	-	35,116,596
Institutional Administration	10,614,484	1,139,350	-	-	-	11,753,834
Facilities Management	<u>11,380,578</u>	<u>-</u>	<u>9,000</u>	<u>-</u>	<u>8,992,732</u>	<u>20,382,310</u>
Total Expenditures	<u>87,526,002</u>	<u>4,721,198</u>	<u>22,065,854</u>	<u>5,173,346</u>	<u>8,992,732</u>	<u>128,479,132</u>
Revenues Over/(Under) Expenditures	554,922	3,389,698	(219,430)	(60,928)	(4,021,732)	(357,470)
Projected Fund Balance June 30, 2025	<u>9,212,295</u>	<u>31,953,100</u>	<u>9,755,849</u>	<u>7,140,235</u>	<u>61,342,924</u>	<u>119,404,403</u>
Projected Fund Balance June 30, 2026	<u>\$ 9,767,217</u>	<u>\$ 35,342,798</u>	<u>\$ 9,536,419</u>	<u>\$ 7,079,307</u>	<u>\$ 57,321,192</u>	<u>\$119,046,933</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).

Delta College All Funds

Five Year Actual History

	2021-2022	2022-2023	2023-2024	2024-2025	Projected 2025-2026
Revenues					
Tuition and Fees	\$ 26,871,941	\$ 28,390,912	\$ 31,148,976	\$ 36,247,222	\$ 36,954,310
State Appropriations	21,079,090	20,139,389	21,770,586	24,243,754	24,987,705
Property Taxes	23,915,994	25,170,166	26,481,887	28,464,946	29,617,412
Grants and Gifts	32,142,759	24,452,135	21,596,387	30,598,222	25,337,322
Auxiliary Services	4,088,463	4,786,670	5,012,954	5,359,123	5,475,368
Investment Income	56,804	2,774,023	5,544,892	5,918,257	4,365,467
Other Sources	<u>14,686,035</u>	<u>12,909,678</u>	<u>3,240,717</u>	<u>18,003,195</u>	<u>15,181,723</u>
Total Revenues	<u>122,841,086</u>	<u>118,622,973</u>	<u>124,796,399</u>	<u>148,834,719</u>	<u>141,919,307</u>
Expenditures					
Instruction	34,750,368	36,413,674	38,560,623	42,449,997	43,793,313
Instructional Support	<u>7,554,393</u>	<u>7,504,789</u>	<u>6,920,343</u>	<u>7,867,048</u>	<u>7,576,274</u>
	42,304,761	43,918,463	45,480,966	50,317,045	51,369,587
Public Service	2,926,483	3,222,361	3,348,303	4,880,318	2,888,259
Information Technology	3,918,226	4,668,858	4,800,339	4,764,377	5,693,409
Student Services	34,274,171	28,155,014	30,648,569	38,642,486	35,431,361
Institutional Administration	11,576,364	10,233,597	8,856,481	10,895,622	10,147,845
Facilities Management	<u>20,666,386</u>	<u>19,541,394</u>	<u>20,821,885</u>	<u>3,699,374</u>	<u>32,969,299</u>
Total Expenditures	<u>115,666,391</u>	<u>109,739,687</u>	<u>113,956,543</u>	<u>143,199,222</u>	<u>138,499,760</u>
Revenues Over/(Under) Expenditures	7,174,695	8,883,286	10,839,856	5,635,497	3,419,547
Beginning Fund Balance	<u>83,451,522</u>	<u>90,626,217</u>	<u>99,509,503</u>	<u>110,349,359</u>	<u>115,984,856</u>
Ending Fund Balance	<u>\$ 90,626,217</u>	<u>\$ 99,509,503</u>	<u>\$ 110,349,359</u>	<u>\$ 115,984,856</u>	<u>\$ 119,404,403</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.

Detailed 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 17-19.

Delta College Organizational Chart

- Community
 - Board of Trustees
 - President
 - Title IX Coordinator
 - Council on Innovation, Belonging and Equity (CIBE)
 - Vice President of Instruction and Learning Services
 - Dean of Transfer Programs and Online Learning
 - Arts and Letters Associate Dean
 - Full-Time and Adjunct Faculty: Arts and Letters Division
 - Science and Mathematics Associate Dean
 - Full-Time and Adjunct Faculty: Science and Mathematics Division
 - Social Sciences Associate Dean
 - Full-Time and Adjunct Faculty: Social Sciences Division
 - Associate Director of Transfer Partnerships
 - eLearning
 - Instructional Support Services
 - Dean of Occupational Programs and Workforce Strategies
 - Business and Technology Associate Dean
 - Full-Time and Adjunct Faculty: Business and Technology Division
 - Health and Wellness Associate Dean
 - Full-Time and Adjunct Faculty: Health and Wellness Division
 - Director of Workforce Strategies
 - Academic Business Manager
 - LLIC (TLC, Library and Testing Center)
 - Vice President of Student Empowerment and Success
 - Dean of Enrollment and Access
 - Associate Dean of Enrollment Management
 - Director of Admissions, Dual Enrollment and Secondary Articulations
 - Director of Dual Enrollment and Secondary Articulations
 - Registrar
 - Associate Registrar
 - Technologist
 - Coordinator of Veteran Services
 - Director of Financial Aid
 - Assistant Director of Financial Aid
 - Technologist/Communication Coordinator
 - Director of Centers and Regional Engagement
 - Assistant Director of Downtown Midland
 - Assistant Director of Downtown Saginaw
 - Dean of Student Success
 - Student Success Technologist/Communication Coordinator
 - Director of Advising
 - Director of Student Support
 - Disability Resource Manager
 - Counseling
 - Student Care Coordinator
 - Director of BEDI
 - Career Technical Education (CTE), Special Populations
 - Engagement and Success Coordinator
 - Possible Dream Coordinator
 - Belonging, Equity, Diversity and Inclusion Coordinator
 - Director of Athletics and Student Athlete Development
 - Assistant Athletic Director

- Director of Educational Opportunity 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
 - Purchasing and Contract Administration
 - Auxiliary Operations
 - Information Technology Services
 - Director of Public Safety
 - Director of Police Academy/Law Enforcement Training
 - Information Technology Services
 - CIO
- 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
 - Planetarium
 - Legislative
 - Grants and Resource Development
- Executive Director of Administrative Services and Institutional Effectiveness
 - Director of Human Resources
 - Compensation Administration
 - Recruitment and Employment
 - Benefits Administration
 - Center for Organizational Success
 - Director of Institutional Research
 - Faculty Center for Teaching Excellence Coordinator(s)
 - FOIA/Legal Matters

Delta College General Fund Budget

Fiscal Year 2026-2027

Revenues

Tuition and Fees

Tuition	\$ 29,231,840	
Registration Fees	841,500	
Technology Fees	4,862,000	
Program Course Fees	<u>239,000</u>	
Total Tuition and Fees		\$ 35,174,340

State Appropriations

19,963,214

Property Taxes

Bay County	7,593,266	
Midland County	8,950,006	
Saginaw County	<u>14,283,626</u>	
Total Property Taxes		30,826,898

Fund Transfers

291,822

Investment Income

1,500,000

Other

324,650

Total Revenues

\$ 88,080,924

Expenditures by Activity

Instruction	\$ 40,660,725	
Instructional Support	<u>7,577,023</u>	

Total Instruction 48,237,748

Public Service	1,367,791	
Information Technology	4,816,084	
Student Services	11,109,317	
Institutional Administration	10,614,484	
Facilities Management	<u>11,380,578</u>	

Total Expenditures

87,526,002

Revenues Over Expenditures

554,922

Beginning Fund Balance

9,212,295

Ending Fund Balance

\$ 9,767,217

Delta College General Fund

Five Year History

	2021-2022	2022-2023	2023-2024	2024-2025
Revenues				
Tuition and Fees	\$ 25,796,214	\$ 27,471,925	\$ 30,379,280	\$ 34,719,772
State Appropriations	20,067,797	19,782,665	21,770,586	24,243,754
Property Taxes	23,915,994	23,170,166	26,481,887	28,464,946
Auxiliary Service	250,000	250,000	-	-
Investment Income	(260,484)	1,344,190	2,564,250	2,439,730
Grants and Other	<u>2,383,629</u>	<u>916,990</u>	<u>607,594</u>	<u>668,213</u>
Total Revenues	<u>72,153,150</u>	<u>74,935,936</u>	<u>81,803,597</u>	<u>90,536,415</u>
Expenditures				
Instruction	30,535,848	32,605,433	34,802,772	36,850,510
Instructional Support	<u>6,029,111</u>	<u>6,444,727</u>	<u>6,433,643</u>	<u>7,060,058</u>
Total Instruction	36,564,959	39,050,160	41,236,415	43,910,568
Public Service	1,104,806	1,149,786	1,260,942	1,275,925
Information Technology	3,918,226	4,152,690	4,587,564	4,607,639
Student Services	7,203,616	7,564,371	8,622,378	9,400,726
Institutional Admin	9,895,185	8,098,812	7,882,583	9,529,075
Facilities Management	<u>13,320,257</u>	<u>14,712,595</u>	<u>17,708,309</u>	<u>21,231,516</u>
Total Expenditures	<u>72,007,049</u>	<u>74,728,414</u>	<u>81,298,191</u>	<u>89,955,449</u>
Revenues Over/(Under) Expenditures	146,101	207,522	505,406	580,966
Beginning Fund Balance	<u>7,253,099</u>	<u>7,399,200</u>	<u>7,606,722</u>	<u>8,112,128</u>
Ending Fund Balance	<u>\$ 7,399,200</u>	<u>\$ 7,606,722</u>	<u>\$ 8,112,128</u>	<u>\$ 8,693,094</u>
~State pass-through to MPSERS	<u>\$ 4,717,718</u>	<u>\$ 8,118,183</u>	<u>\$ 5,767,929</u>	<u>\$ 4,193,857</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 2025-2026 Amount	Projected 2025-2026 % of Total	Budgeted 2026-2027 Amount	Budgeted 2026-2027 % of Total	% Change From Prior Year
Revenues					
Tuition and Fees	\$ 36,102,000	39.7%	\$ 35,174,340	39.9%	(2.6%)
State Appropriations	23,070,705	25.3%	19,963,214	22.6%	(13.5%)
Property Taxes	29,617,412	32.5%	30,826,898	35.0%	4.1%
Auxiliary Service ~	-	0.0%	-	0.0%	0.0%
Investment Income	1,500,000	1.6%	1,500,000	1.7%	0.0%
Grants and Other	<u>725,132</u>	<u>0.8%</u>	<u>616,472</u>	<u>0.7%</u>	<u>(15.0%)</u>
Total Revenues	<u>91,015,249</u>	<u>100.0%</u>	<u>88,080,924</u>	<u>100.0%</u>	<u>(3.2%)</u>
Expenditures					
Instruction	39,061,416	43.2%	40,660,725	46.5%	4.1%
Instructional Support	<u>6,790,428</u>	<u>7.5%</u>	<u>7,577,023</u>	<u>8.7%</u>	<u>11.6%</u>
Total Instruction	45,851,844	50.7%	48,237,748	55.1%	15.7%
Public Service	1,299,038	1.4%	1,367,791	1.6%	5.3%
Information Technology	5,316,409	5.9%	4,816,084	5.5%	(9.4%)
Student Services	9,717,793	10.8%	11,109,317	12.7%	14.3%
Institutional Admin*	9,349,396	10.3%	10,614,484	12.1%	13.5%
Facilities Management	<u>18,961,568</u>	<u>21.0%</u>	<u>11,380,578</u>	<u>13.0%</u>	<u>(40.0%)</u>
Total Expenditures	<u>90,496,048</u>	<u>100.0%</u>	<u>87,526,002</u>	<u>100.0%</u>	<u>(3.3%)</u>
Revenues Over/(Under) Expenditures	519,201		554,922		
Beginning Fund Balance	<u>8,693,094</u>		<u>9,212,295</u>		
Ending Fund Balance	<u>\$ 9,212,295</u>		<u>\$ 9,767,217</u>		
#State pass-through to MPSERS	<u>\$ 4,969,058</u>	estimated	<u>\$ 5,318,000</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.

The MPSERS pass-through amount was higher in fiscal year 2023 due to an additional section 147(c) one-time deposit from the State to further pay down the MPSERS unfunded liability.

~ In order to help subsidize the College's Food Service Auxiliary operation which has been running at a deficit the last several years, beginning in fiscal year 2023-2024, the College is no longer budgeting a transfer from Auxiliaries to the General Fund. This transfer has been \$150,000 for many years.

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 46.

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 41. Detail contact hour projections for each academic division are presented on pages 44 and 45. A historical chart of contact hours is shown on page 43.

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.

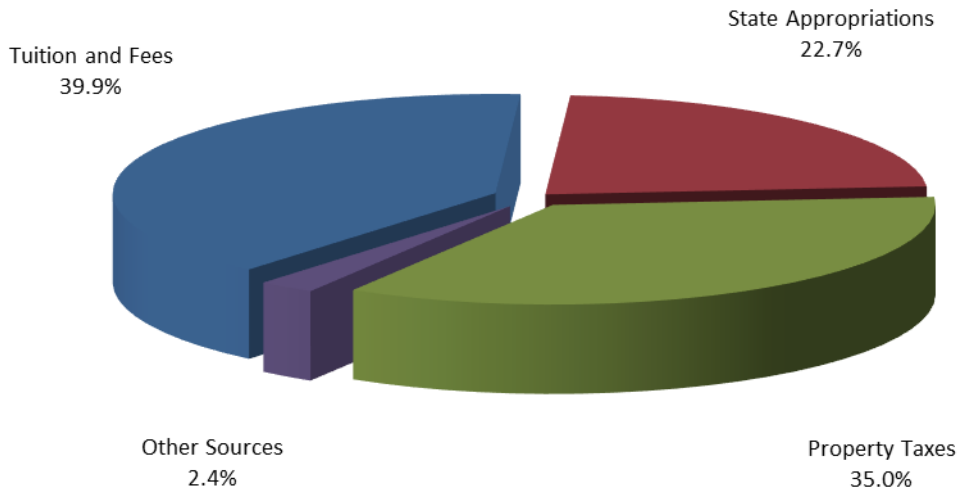
Throughout the budgeting process each year, the College adjusts its General Fund expenditures based upon the revenue projections.

Delta College General Fund Budget

Fiscal Year 2026-2027

Revenues

Tuition and Fees		
Tuition	\$ 29,231,840	
Registration Fees	841,500	
Technology Fees	4,862,000	
Program Course Fees	<u>239,000</u>	
Total Tuition and Fees		\$ 35,174,340
State Appropriations		
		19,963,214
Property Taxes		
Bay County	7,593,266	
Midland County	8,950,006	
Saginaw County	<u>14,283,626</u>	
Total Property Taxes		30,826,898
Fund Transfers		
		291,822
Investment Income		
		1,500,000
Other		
		<u>324,650</u>
Total Revenues		<u>\$ 88,080,924</u>

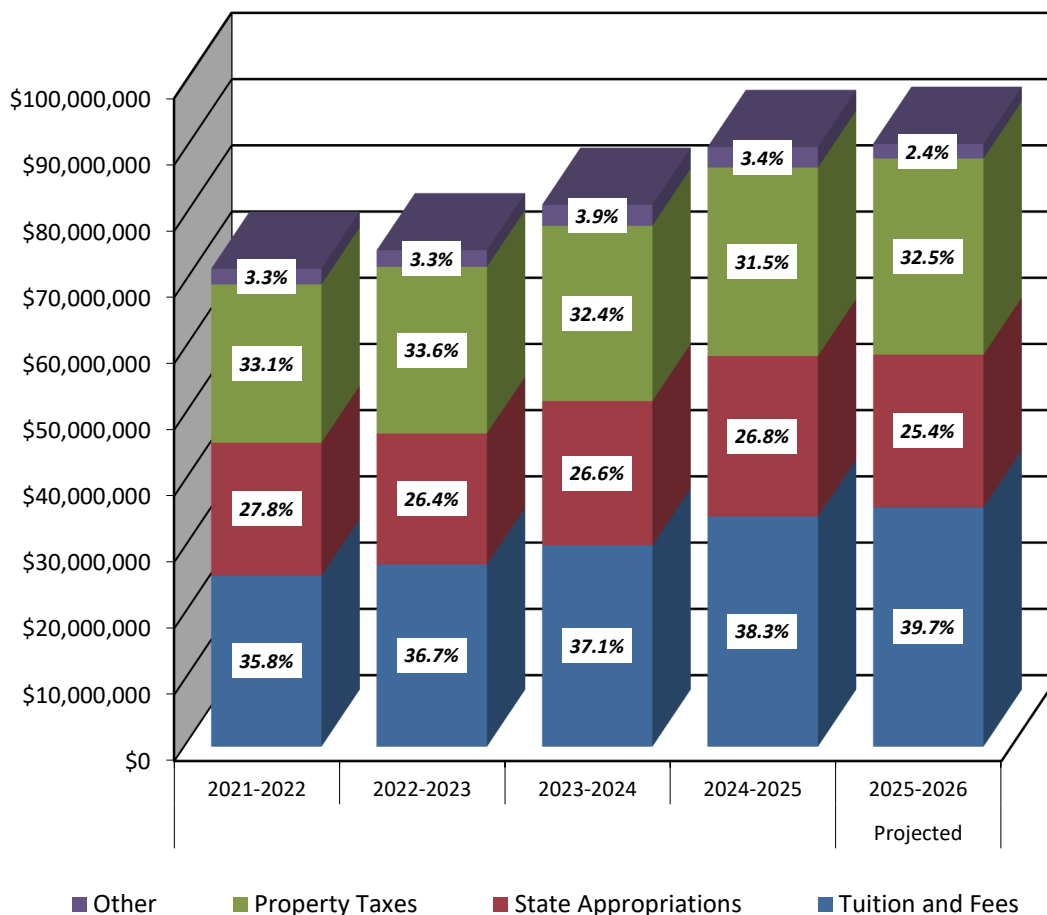


Delta College General Fund

Revenue Sources

Five Year Actual History

	2021-2022	2022-2023	2023-2024	2024-2025	Projected 2025-2026
Tuition and Fees	\$ 25,796,214	\$ 27,471,925	\$ 30,379,280	\$ 34,719,772	\$ 36,102,000
State Appropriations	20,067,797	19,782,665	21,770,586	24,243,754	23,070,705
Property Taxes	23,915,994	25,170,166	26,481,887	28,464,946	29,617,412
Other	<u>2,373,145</u>	<u>2,511,180</u>	<u>3,171,844</u>	<u>3,107,943</u>	<u>2,225,132</u>
Total	\$ 72,153,150	\$ 74,935,936	\$ 81,803,597	\$ 90,536,415	\$ 91,015,249



Notes:

1. Beginning in 2016-2017 State Appropriations includes Personal Property Tax Exemption Loss Reimbursement.
2. The significant increase in Other Revenues in fiscal year 2020-2021 and 2021-2022 is due to Transfers In from COVID-19 relief grants, primarily to offset lost revenues due to the Pandemic. Fiscal year 2021-2022 was the final year of General Fund lost revenue reimbursement from the COVID grants. Beginning in 2022-2023 we had a significant increase in investment income due to higher interest rates. The Federal Reserve began to cut rates in fiscal year 2023-2024 as inflation has started to come down. We are anticipating our investment income to continue to decline over the next couple of years as the Fed continues to make rate cuts.

Revenue Sources Detail

Tuition and Fees:

Beginning with the Fall 2019 semester, the College began charging tuition based on contact hours rather than credits. 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 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. Previously, 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 billed 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 was eliminated.

Also beginning in Fall 2019, the College's Board of Trustees approved a special tuition rate for all Dual Enrolled students equivalent to the In District rate, regardless of whether the student resides in or out of district. Dual enrolled students are also billed for all other required fees at standard rates.

Tuition rates for 2026-2027 and 2025-2026 per Contact Hour are as follows:

	FY 2026-2027	FY 2025-2026	Change	% Change
In-District	\$ 140.00	\$ 136.00	\$ 4.00	2.9%
Out-of-District	236.00	229.00	7.00	3.1%
Out-of-State	247.00	240.00	7.00	2.9%

Contact Hours (General Fund Only)	Budgeted	Actual	Change	% Change
	FY 2026-2027	FY 2025-2026		
Summer	4,647	4,730	(83)	-1.8%
Fall	79,039	86,455	(7,416)	-8.6%
Winter	78,612	82,834	(4,222)	-5.1%
Spring	<u>24,702</u>	<u>25,991</u>	<u>(1,289)</u>	<u>-5.0%</u>
Total Contact Hours	<u>187,000</u>	<u>200,010</u>	<u>(13,010)</u>	<u>-6.5%</u>

Note: Contact hours for Summer, Fall and Winter semesters in fiscal year 2025-2026 are actual, whereas Spring contact hours are projected. See pages 43-45 for contact hour history and projections.

Course Fees:

Course fees contained in the 2026-2027 tuition and fees budget consist of a Technology Fee of \$26 assessed on each contact hour for all courses. This is an increase of \$1 from the previous rate of \$25.

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 2026-2027. This fee has been at \$40 for many years.

Revenue Sources Detail

State Appropriations	Budgeted FY 2026-2027	Projected FY 2025-2026	Change	% Change
Appropriations	\$ 19,963,214	\$ 23,070,705	\$ (3,107,491)	-13.5%

The appropriation amounts above include \$2.0 million and \$3.1 million for fiscal years 2026-2027 and 2025-2026, respectively, for reimbursement from the State of personal property tax losses due to exempted property. This 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.

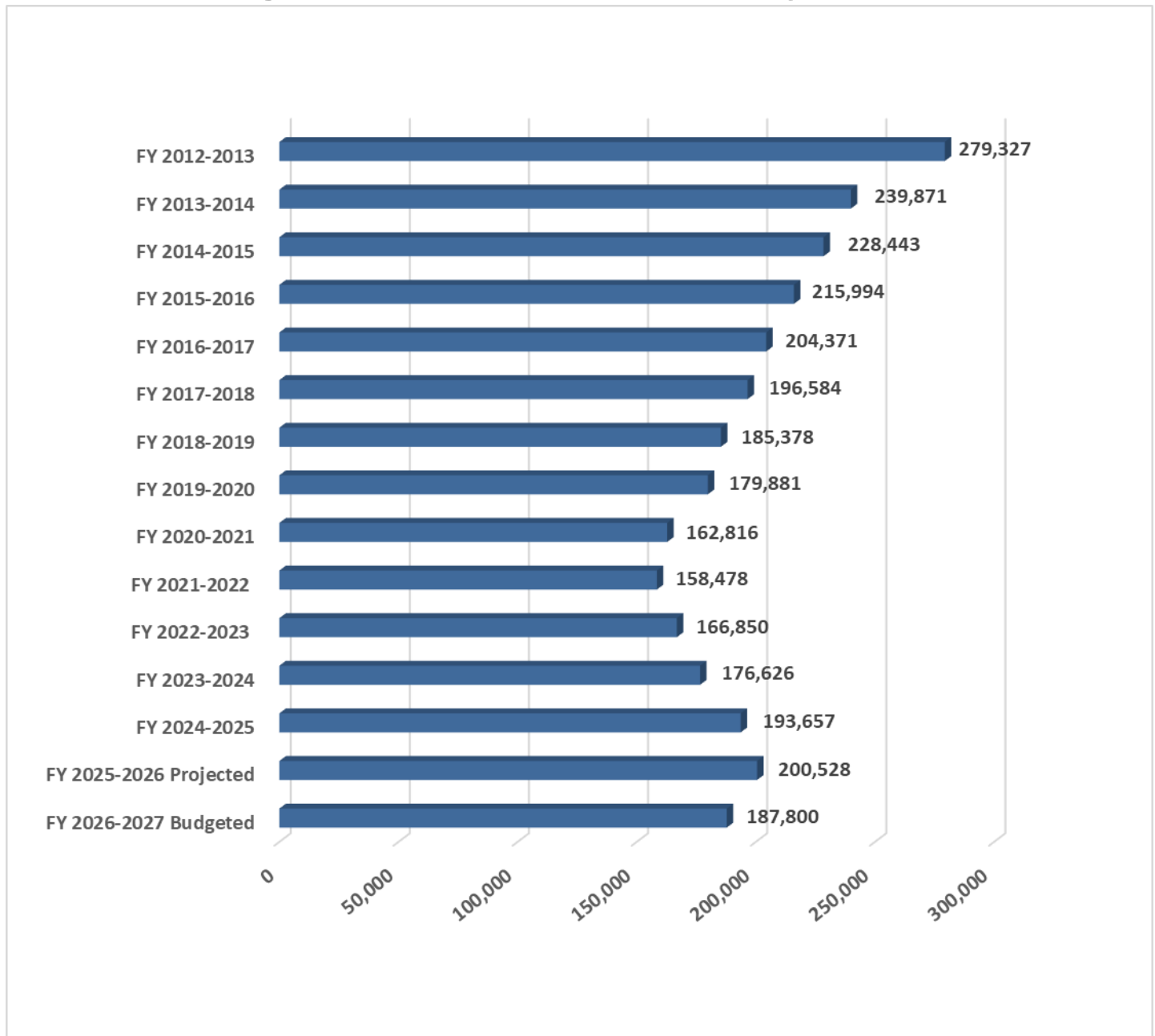
Also included in State Appropriations Revenue is \$189,000 and \$9,000, respectively, for Renaissance Zone property tax exemptions for which the College receives reimbursement from the State. In addition, the College's appropriation from the State includes an amount to cover its costs for the Indian Tuition Waiver. The amounts above include \$51,000 and \$51,800 for the two respective years.

Note: During fiscal year 2025-2026 the College received approximately \$2.2 million from the State for pass-through to MPSERS. Since this amount is a pass through, it is not budgeted. In the College's audited financial statements, it is recorded as State Appropriation Revenue and an equal amount is recorded in fringe benefit expenses.

Other Revenue

	Budgeted 2026-2027	Projected 2025-2026	Change	% Change
Collegiate Ads	\$ 3,500	\$ 3,700	\$ (200)	-5.4%
Credit by Exam	3,000	3,800	(800)	-21.1%
Live Scan Fees	14,000	14,000	-	0.0%
Miscellaneous	65,000	128,000	(63,000)	-49.2%
Parking Fines	150	130	20	15.4%
Planetarium	90,000	90,000	-	0.0%
Rent Space/Equipment	50,000	129,000	(79,000)	-61.2%
Reserve Parking	5,000	4,900	100	2.0%
Sale of Assets	10,000	8,000	2,000	25.0%
Testing	51,000	51,000	-	0.0%
Transcript Fees	33,000	33,000	-	0.0%
Total Other Revenue	<u>\$ 324,650</u>	<u>\$ 465,530</u>	<u>\$ (140,880)</u>	<u>-30.3%</u>

Delta College Contact Hour History



Note: The contact hours above are for all academic courses including the College’s Basic Police Training Academy and Corrections Academy. The tuition and fees for these two programs are recorded in the Designated Fund. Fiscal year 2025-2026 total contact hours are estimated for the spring 2026 semester up through June 30, 2026. Fiscal year 2026-2027 General Fund budgeted contact hours is 187,000 and 800 contact hours for Criminal Justice courses.

Delta College Contact Hour Budget 2026-2027

Cost Center/Division	Summer 2026	Fall 2026	Winter 2027	Spring 2027	Total
1010 Education for Professional Development	6	188	296	21	511
1011 Interdisciplinary Social Sciences	0	80	59	30	169
1012 Economics	184	1,404	1,600	588	3,776
1013 History	303	1,902	2,044	693	4,942
1014 Criminal Justice	69	1,284	1,333	291	2,977
1015 Political Science	500	1,908	1,643	382	4,433
1016 Psychology	405	3,240	3,785	1,128	8,558
1017 Sociology	135	2,068	2,253	719	5,175
1018 Applied Behavior Science	0	112	145	104	361
1019 Child Development	0	763	729	120	1,612
1029 Communications	369	2,034	2,125	545	5,073
1044 Geography	92	932	1,098	434	2,556
Social Sciences Total	2,063	15,915	17,110	5,055	40,143
1021 Art	0	1,883	1,746	302	3,931
1023 Languages	60	627	669	163	1,519
1025 Interdisciplinary Humanities	42	327	247	81	697
1026 Music	138	692	827	330	1,987
1027 Philosophy	0	1,382	1,620	624	3,626
1028 Electronic Media Broadcasting	0	493	291	21	805
1031 English	541	10,073	8,076	2,442	21,132
Arts and Letters Total	781	15,477	13,476	3,963	33,697
1035 Mathematics	76	5,603	4,684	1,566	11,929
1041 Biology	0	7,464	8,794	2,152	18,410
1042 Chemistry	106	2,084	1,904	358	4,452
1043 Geology	0	483	445	80	1,008
1045 Physics	0	1,013	1,083	473	2,569
1046 Science Tech Programs	0	300	285	0	585
Science and Mathematics Total	182	16,947	17,195	4,629	38,953
1052 Lifelong Wellness	95	3,216	3,038	1,801	8,150
1064 Clinical Medical Assistant	0	37	0	91	128
1070 Nursing	210	4,684	5,113	1,769	11,776
1071 Surgical Technology	0	375	370	0	745
1072 Phlebotomy	48	145	129	40	362
1073 Physical Therapy Assistant	0	479	330	135	944
1074 Respiratory Care	0	447	319	42	808
1076 Health Science	50	997	781	328	2,156
1077 Radiography	9	327	391	62	789
1078 Dental Hygiene	0	1,030	775	196	2,001
1079 Dental Assisting	0	351	348	255	954
1082 Surgical First Assistant	0	130	44	139	313
1083 Sterile Processing	0	48	87	36	171
1087 Diagnostic Medical Sonography	0	296	297	195	788
Health & Wellness Total	412	12,562	12,022	5,089	30,085

Delta College Contact Hour Budget 2026-2027

Cost Center/Division	Summer 2025	Fall 2025	Winter 2026	Spring 2026	Total
1061 Accounting	60	1,987	1,944	864	4,855
1063 Computer Information Systems	181	4,059	4,040	1,180	9,460
1065 Legal Support Professions	8	113	90	12	223
1066 Management	357	3,501	3,866	2,071	9,795
1067 Office Admin & Technology	362	1,419	1,693	366	3,840
1110 Skilled Trade	0	61	0	0	61
1111 Welding	64	1,102	1,202	548	2,916
1112 Auto Service Ed Program	109	721	759	24	1,613
1116 Fire Science Technology	0	390	423	79	892
1160 Architecture	0	414	449	0	863
1161 Residential Construction	0	489	505	0	994
1162 Automotive Service Technology	3	250	250	2	505
1163 Chemical Processing	0	136	83	0	219
1164 Electrical Technology	65	1,332	1,456	457	3,310
1165 Manufacturing and Industrial Technology	0	596	436	158	1,190
1169 Computer Numeric Control	0	352	442	0	794
1171 Computer Assisted Drafting	0	355	289	111	755
1172 Heating, Ventilation and Air Conditioning	0	564	597	94	1,255
1174 Heavy Duty Diesel	0	297	285	0	582
Business and Technology Total	1,209	18,138	18,809	5,966	44,122
Grand Total	4,647	79,039	78,612	24,702	187,000

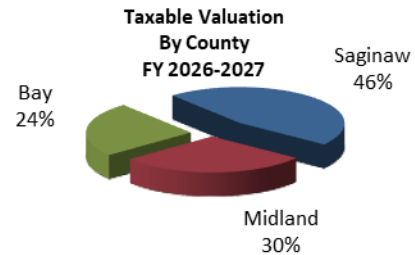
Property Taxes

The following is the detail related to the taxable valuation of the Delta College District. The College originally had a perpetual charter millage of 1.5563, supplemented by a voted millage of 0.5 mills approved in 1990. However, due to a Headlee rollback in 1993, the millage was reduced to 0.4864 mills. This voted millage was renewed in 1996, 2004, and 2012 with an expiring date of December 31, 2031. In the 2020 election, voters approved renewing the 0.4864 mills and restoring the 0.0136 mills, bringing the voted millage back to 0.5000 mills. This adjustment was part of the millage renewal process in 2020. Beginning with the 2024 tax year, assuming there are no further Headlee rollbacks, the College's total millage rate will increase from 2.0427 mills to 2.0563 mills and will be levied on all properties in Bay, Midland, and Saginaw counties. This rate remains valid until December 2031 when the voted portion is due to expire.

During fiscal year 2025-2026 Delta had another small Headlee rollback, that resulted in a millage reduction of .0004, decreasing the college's total millage rate to 2.0559 on increases in taxable values per parcel for existing properties is 2.7% after adjusting for lesses and additions. Based on this formula, Delta has another Headlee rollback for 2026 tax year, which resulted in a millage reduction of .0077, decreasing the College's total millage rate to 2.0482.

	Saginaw County	Midland County	Bay County	Total
2026 Taxable Valuations				
Ad Valorem Roll	\$ 7,164,935,590	\$ 4,437,057,377	\$ 3,845,369,956	\$ 15,447,362,923
DNR Roll	10,749,951	4,131,880	5,326,272	20,208,103
IFT & OPRA Roll - New	162,914,340	7,792,377	24,957,700	195,664,417
IFT & OPRA Roll - Rehab	-	-	641,783	641,783
Less Captured Values	<u>(340,442,446)</u>	<u>(54,876,701)</u>	<u>(144,596,220)</u>	<u>(539,915,867)</u>
Net Taxable Valuation	<u>\$ 6,998,157,435</u>	<u>\$ 4,394,104,933</u>	<u>\$ 3,731,698,991</u>	<u>\$ 15,123,961,359</u>
2025 Taxable Valuations				
Ad Valorem Roll	\$ 6,849,192,581	\$ 4,371,928,592	\$ 3,692,206,272	\$ 14,913,327,445
DNR Roll	11,284,413	4,114,604	5,186,272	20,585,289
IFT & OPRA Roll – New	98,797,261	7,343,495	29,978,551	136,119,307
IFT & OPRA Roll – Rehab	-	-	-	-
Less Captured Values	<u>(318,394,682)</u>	<u>(64,876,701)</u>	<u>(207,743,319)</u>	<u>(591,014,702)</u>
Net Taxable Valuation	<u>\$ 6,640,879,573</u>	<u>\$ 4,318,509,990</u>	<u>\$ 3,519,627,776</u>	<u>\$ 14,479,017,339</u>
Percent Increase (Decrease)	5.38%	1.75%	6.03%	4.45%

Fiscal Year 2026-2027 Operating Property Tax	Revenue Calculation
Total 2026 Net Taxable Valuation	\$ 15,123,961,359
x General Operating Millage Rate	<u>2.0482</u>
Property Tax Revenues	\$ 30,976,898
Less Delinquent and Appealed Taxes	<u>(150,000)</u>
Net Operating Property Tax Revenues	<u>\$ 30,826,898</u>



Notes:

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

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

Exempt Personal Property Tax Reimbursements: 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 guidance from the State 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.

General Fund

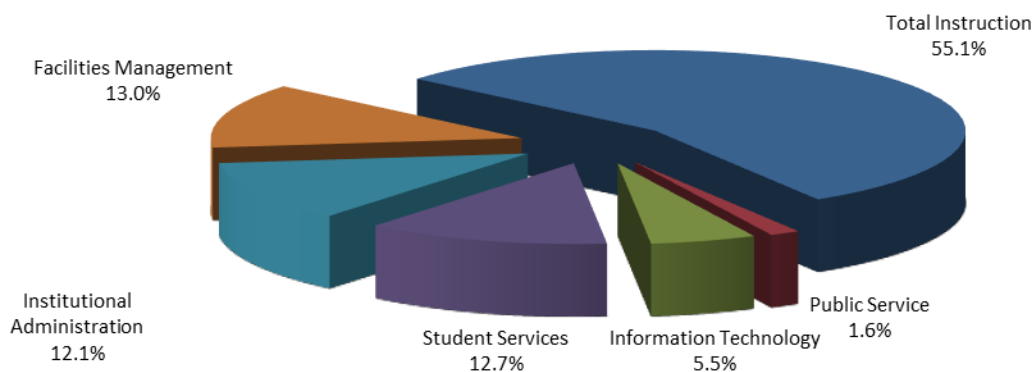
Expenditure Detail

Delta College General Fund Budget

Fiscal Year 2026-2027

Expenditures by Activity

Activity	Amount	Percentage
Instruction	\$ 40,660,725	46.5%
Instructional Support	<u>7,577,023</u>	<u>8.7%</u>
Total Instruction	48,237,748	55.1%
Public Service	1,367,791	1.6%
Information Technology	4,816,084	5.5%
Student Services	11,109,317	12.7%
Institutional Administration	10,614,484	12.1%
Facilities Management	<u>11,380,578</u>	<u>13.0%</u>
Total Expenditures	<u>\$ 87,526,002</u>	<u>100.0%</u>

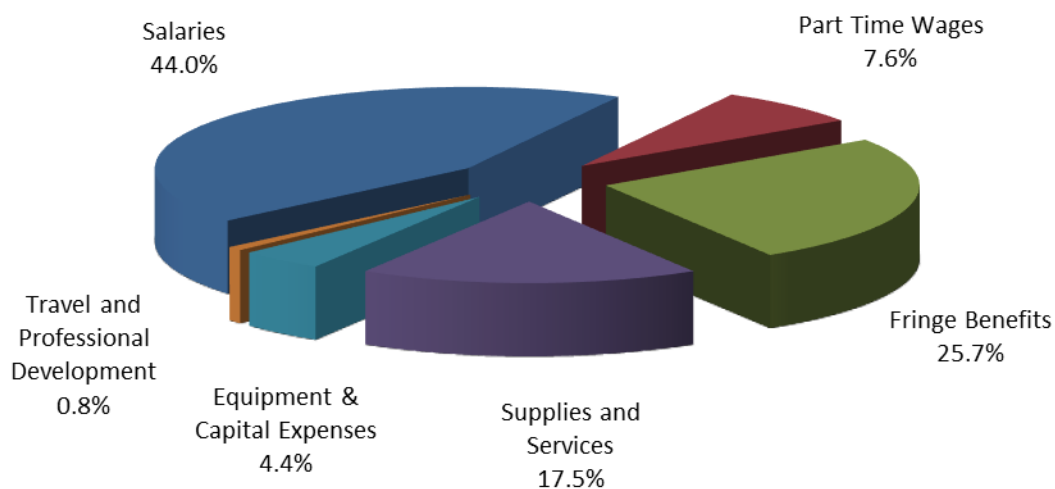


Delta College General Fund Budget

Fiscal Year 2026-2027

Expenditures by Object

Object	Amount	Percentage
Salaries	\$ 38,552,767	44.0%
Part Time Wages	6,634,509	7.6%
Fringe Benefits	22,526,516	25.7%
Supplies and Services	15,293,542	17.5%
Equipment and Capital Expenses	3,807,397	4.4%
Travel and Professional Development	<u>711,271</u>	<u>0.8%</u>
Total Expenditures	<u>\$ 87,526,002</u>	<u>100.0%</u>

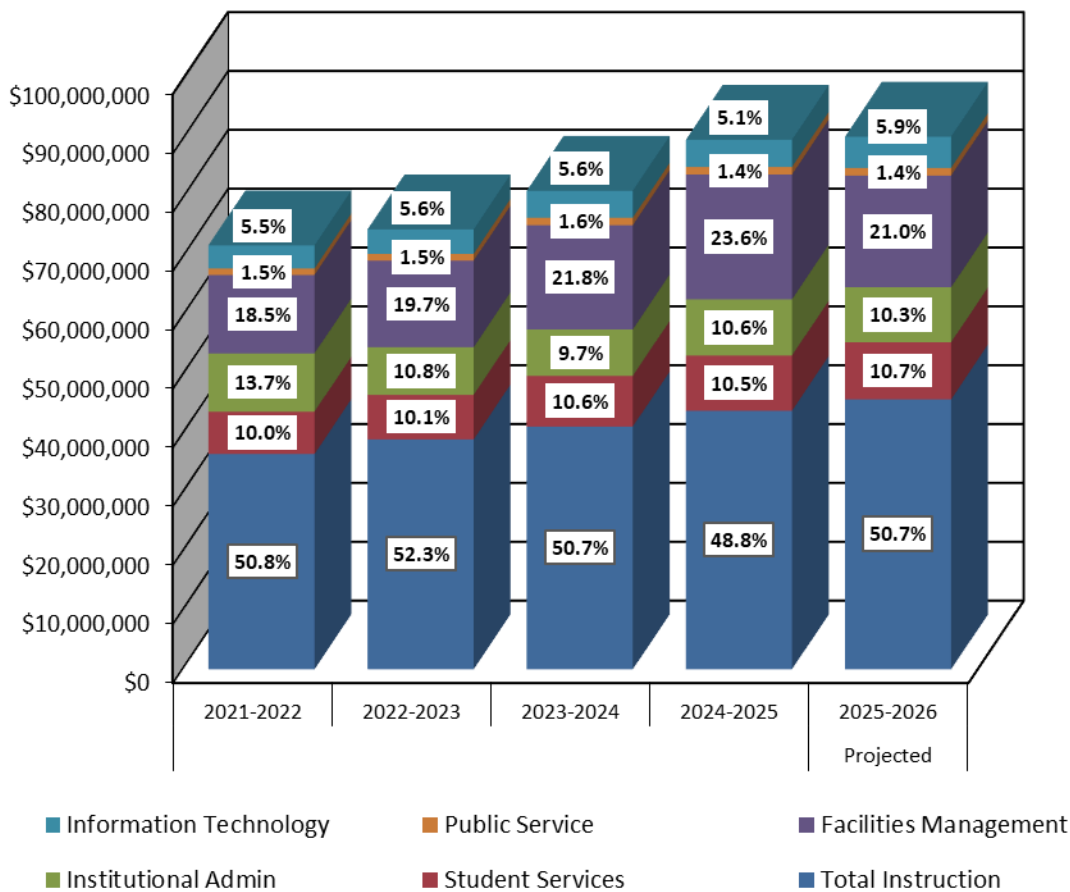


Delta College General Fund

Expenditures by Activity

Five Year Actual History

	2021-2022	2022-2023	2023-2024	2024-2025	Projected 2025-2026
Instruction	\$ 30,535,848	\$ 32,605,433	\$ 34,802,772	\$ 36,850,510	\$ 39,061,416
Instructional Support	6,029,111	6,444,727	6,433,643	7,060,058	6,790,428
Total Instruction	36,564,959	39,050,160	41,236,415	43,910,568	45,851,844
Public Service	1,104,806	1,149,786	1,260,942	1,275,925	1,299,038
Information Technology	3,918,226	4,152,690	4,587,564	4,607,639	5,316,409
Student Services	7,203,616	7,564,371	8,622,378	9,400,726	9,717,793
Institutional Admin	9,895,185	8,098,812	7,882,583	9,529,075	9,349,396
Facilities Management	13,320,257	14,712,595	17,708,309	21,231,516	18,961,568
Total	\$ 72,007,049	\$ 74,728,414	\$ 81,298,191	\$ 89,955,449	\$ 90,496,048

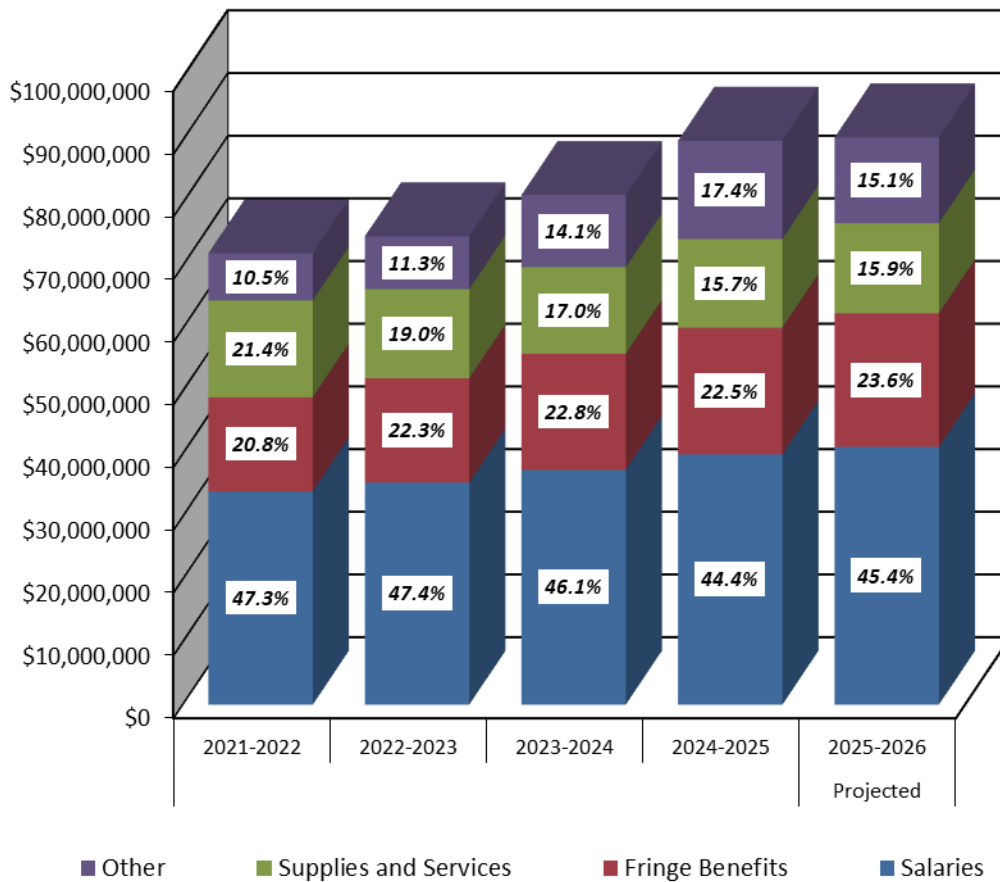


Delta College General Fund

Expenditures by Object

Five Year Actual History

	2021-2022	2022-2023	2023-2024	2024-2025	Projected 2025-2026
Salaries	\$ 34,056,213	\$ 35,446,416	\$ 37,486,621	\$ 39,927,399	\$ 41,105,832
Fringe Benefits	14,997,858	16,640,410	18,493,014	20,225,578	21,345,972
Supplies and Services	15,427,989	14,197,573	13,840,483	14,144,170	14,383,342
Other	<u>7,524,989</u>	<u>8,444,015</u>	<u>11,478,073</u>	<u>15,658,302</u>	<u>13,660,902</u>
Total	\$ 72,007,049	\$ 74,728,414	\$ 81,298,191	\$ 89,955,449	\$ 90,496,048



Notes

General Fund

Cost Center Detail

The College's organizational chart is found on page 32 and 33. 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 56-59. 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.

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 Empowerment and Success, Shelly Raube

E – Business & Finance Group led by the Vice President of Business & Finance, Jon Foco

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	
	Cost Center	FAC	AP	SS	Full Time	Part Time	Fringe	Supplies	Equip/	Prof Dev	Total
	Instruction				Salaries	Salaries	Benefits	& Services	Capital	& Travel	
1011	C Interdisciplinary Social Sciences	0	0	0	-	-	-	250	-	-	250
1012	C Economics	3	0	0	320,229	-	157,997	2,000	-	3,450	483,676
1013	C History	3	0	0	332,431	-	161,872	3,250	-	3,450	501,003
1014	C Criminal Justice	3	0	0	243,145	-	133,515	3,250	-	3,450	383,360
1015	C Political Science	6	0	0	585,736	-	298,615	6,000	-	6,900	897,251
1016	C Psychology	7	0	0	740,259	-	366,450	4,800	-	8,050	1,119,559
1017	C Sociology	4	0	0	389,960	-	198,908	2,700	-	4,600	596,168
1018	C Applied Behavioral Science	0	0	0	-	-	-	500	-	-	500
1019	C Child Development	1	0	0	108,551	-	53,239	2,500	-	1,150	165,440
1021	C Art & Design	3	0	0	270,308	4,247	142,782	15,750	-	3,450	436,537
1023	C Foreign Language	2	0	0	206,915	-	103,245	2,000	-	2,300	314,460
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	227,312	-	109,721	5,500	-	2,300	344,833
1027	C Philosophy	4	0	0	393,985	-	200,187	3,100	-	4,600	601,872
1028	C Electronic Media Broadcasting	1	0	0	106,011	3,742	52,434	1,800	-	1,150	165,137
1029	C Communications	5	0	0	437,338	-	232,717	5,000	-	5,750	680,805
1031	C English	24	0	0	2,366,410	-	1,201,907	22,000	-	27,600	3,617,917
1035	C Math	15	0	0	1,487,362	-	753,849	25,500	-	18,250	2,284,961
1041	C Biology	22	0	0	1,928,949	-	1,025,449	57,200	-	26,800	3,038,398
1042	C Chemistry	5	0	0	503,580	-	252,805	32,000	-	7,750	793,135
1043	C Geology	1	0	0	105,119	-	52,151	4,650	-	1,150	163,070
1044	C Geography	1	0	0	77,548	-	43,394	4,000	-	1,150	126,092
1045	C Physics	4	0	0	436,219	-	213,600	8,250	-	4,600	662,669
1046	C Science Tech Programs	0	0	0	-	-	-	500	-	-	500
1047	C Science Labs	0	5	0	285,125	13,200	184,376	125	-	5,750	488,576
1052	C Lifelong Wellness	6	0	0	581,765	-	297,352	12,000	-	6,900	898,017
1061	C Accounting	3	0	0	274,676	-	143,528	1,400	-	3,450	423,054
1063	C Computer Info Systems	8	0	0	819,539	41,476	423,382	12,000	-	9,200	1,305,597
1064	C Clinical Medical Assistant	1	0	0	68,461	-	40,508	2,000	-	1,150	112,119
1065	C Legal Support Professional	0	0	0	-	-	-	4,000	-	-	4,000
1066	C Management	4	0	0	418,331	-	207,915	4,300	-	4,600	635,146
1067	C Office Admin & Technology	3	0	0	275,928	-	143,927	1,500	-	3,450	424,805
1069	C Nursing Course Testing Fees	0	0	0	-	-	-	100,000	-	-	100,000
1070	C Nursing	18	0	0	1,609,157	2,478	848,824	67,500	-	20,700	2,548,659
1071	C Surgical Technology	3	0	0	258,087	-	138,262	5,500	-	3,450	405,299
1072	C Phlebotomy	0	0	0	-	-	-	2,000	-	-	2,000
1073	C Physical Therapy	3	0	0	285,198	2,000	147,496	5,700	-	3,450	443,844
1074	C Respiratory Therapy	2	0	0	190,771	-	98,118	6,500	-	2,300	297,689
1076	C Health Related Science	0	0	0	-	-	-	2,000	-	-	2,000
1077	C Radiological Technology	2	0	0	165,185	-	89,992	7,600	-	2,300	265,077
1078	C Dental Hygiene	2.9	0	0.85	285,407	66,496	184,647	70,312	-	3,835	610,697
1079	C Dental Assisting	2.1	0	0	148,526	-	86,602	20,215	-	2,415	257,758
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	165,445	2,070	90,720	12,000	-	2,300	272,535
1110	C Apprenticeship Program	0	1	1	123,007	-	76,594	6,800	-	1,250	207,651
1111	C Welding	3	0	0	276,895	-	144,235	80,000	-	3,450	504,580
1112	C Auto Service Ed Program	1	0	0	96,584	-	49,439	12,500	-	1,150	159,673
1116	C Fire Science	0	0	0	-	36,948	11,565	3,600	-	-	52,113
1124	C Instructional Equipment	0	0	0	-	-	-	-	404,777	-	404,777
1125	C Educational Support	0	0	0	-	-	-	152,621	39,775	-	192,396
1126	C Other Supplemental	0	0	0	-	-	-	9,120	86,044	-	95,164

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

Detail of General Fund Expenditure Budget

				2100	2200	2300	2400	2500	2600		
	Cost Center	FAC	AP	SS	Full Time Salaries	Part Time Salaries	Fringe Benefits	Supplies & Services	Equip/ Capital	Prof Dev & Travel	Total
1127	C Academic Supplemental & Lecturers	0	0	0	3,763,267	4,021,831	2,436,736	-	-	-	10,221,834
1160	C Architecture	0	0	0	-	-	-	2,025	-	-	2,025
1161	C Residential Construction	2	0	0	179,419	-	94,513	23,575	-	2,300	299,807
1162	C Automotive Service Technology	2	0	0	156,851	30,947	97,030	20,000	-	2,300	307,128
1163	C Chemical Processing	0	0	0	-	-	-	5,500	-	-	5,500
1164	C Electrical Technology	2	0	0	179,812	24,010	102,151	16,750	-	2,300	325,023
1165	C Manufacturing & Industrial Tech	1	0	0	111,431	-	54,154	37,100	-	1,150	203,835
1166	C Technology Facility Labs	0	1	1	117,849	68,929	84,481	20,000	-	1,250	292,509
1167	C Agriculture Technology	0	0	0	-	-	-	1,500	-	-	1,500
1169	C Computer Numerical Control	1	0	0	99,464	-	50,354	33,500	-	1,150	184,468
1171	C Computer Assisted Drafting	1	0	0	95,217	-	49,005	5,500	-	1,150	150,872
1172	C Refrigeration/Heating/Air	1	0	0	78,848	-	43,807	17,500	-	1,150	141,305
1173	C Auto Course Tool & Exam Fees	0	0	0	-	-	-	20,000	-	-	20,000
1174	C Heavy Duty Diesel	0	0	0	-	-	-	6,000	-	-	6,000
	Total Instruction	90.0	7.0	2.9	22,374,612	4,318,374	12,174,550	1,030,843	530,596	231,750	40,660,725
	Public Service										
3580	A Public Television	0	5.1	0	401,614	-	223,332	-	-	3,825	628,771
3581	A Public Radio	0	1.95	0.2	115,477	-	77,167	-	-	1,563	194,207
3588	A Planetarium Operations	0	3	0	216,848	107,406	152,560	60,500	5,000	2,499	544,813
	Total Public Service	0.0	10.1	0.2	733,939	107,406	453,059	60,500	5,000	7,887	1,367,791
	Instructional Support										
4500	C Office of VP Instruction	0	1	1	247,784	-	116,214	5,000	-	5,030	374,028
4501	C Social Sciences Division	0	1	1	176,051	1,100	93,441	3,500	-	1,447	275,539
4503	C Arts & Letters Division	0	1	2	218,708	1,100	125,752	3,500	-	1,947	351,007
4505	C Science & Mathematics Division	0	1	1	175,871	1,100	93,385	10,934	-	1,447	282,737
4507	C Business & Technical Division	0	1	2	228,305	11,336	128,801	8,000	-	1,946	378,388
4508	C Health & Wellness Division	0	2	2	302,304	13,562	175,313	3,500	-	2,696	497,375
4511	C Agriculture Tech Coordinator	0	0	0	-	-	-	49,770	-	-	49,770
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	-	-	-	204,929	-	-	204,929
4516	C Honors Program	0	0	1	53,844	-	35,865	8,500	-	6,321	104,530
4517	C Dean of Transfer & Online Learning	0	1	0	127,591	-	59,287	3,500	-	1,571	191,949
4518	C Dean of Administration	0	1.5	0.85	160,688	40,301	107,876	7,500	-	1,920	318,285
4520	A Instructional Support Svcs	0	0	1	45,448	67,774	49,248	1,500	-	500	164,470
4521	C Dean of Occup. Programs & Workforce Strategies	0	1	0	123,581	-	58,012	7,000	-	2,900	191,493
4522	F Office of Info Tech Computer Labs	0	0	0	-	104,625	-	78,337	55,271	-	238,233
4523	F Contract OIT Instruct Supp Svcs	0	0	0	-	-	-	1,972,633	-	-	1,972,633
4524	C Galleria	0	0	0	-	-	-	3,000	-	-	3,000
4526	C Academic Testing Center	0	0.5	0	28,068	164,824	69,932	285	-	375	263,484
4527	C Teach/Learn Center	0	2.8	6	462,265	144,667	355,650	24,750	-	6,951	994,283
4528	C Multimedia Lab	0	1	2	158,639	90,259	134,926	21,000	-	1,750	406,574
4530	C Library	0	4	2	384,554	127,092	260,728	17,500	-	4,276	794,150
4531	C Library Books	0	0	0	-	-	-	39,000	-	-	39,000
4532	C Periodicals	0	0	0	-	-	-	23,000	-	-	23,000
4533	C Learning Technology	0	0	0	-	-	-	108,588	-	-	108,588
4536	C Instructional Disability Access	0	0	0	-	-	-	18,000	-	-	18,000
4540	C Workforce Experience	0	0.7	0	47,947	-	28,390	10,695	-	525	87,557
4549	C Delta Archives	0	0	0	-	9,788	3,064	400	-	-	13,252

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

Detail of General Fund Expenditure Budget

	Cost Center	FAC	AP	SS	2100	2200	2300	2400	2500	2600	Total
					Full Time Salaries	Part Time Salaries	Fringe Benefits	Supplies & Services	Equip/ Capital	Prof Dev & Travel	
4550	A Faculty Center Teaching Excellence	0	0	0	-	13,140	4,113	9,000	-	12,416	38,669
4551	A Center for Organizational Success	0	0	0	-	-	-	33,000	-	242	33,242
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	-	-	-	2,800	-	-	2,800
4556	C General Education	0	0	0	-	-	-	725	-	274	999
4557	D Community Engagement	0	0	0	-	22,325	-	1,275	-	-	23,600
4558	D Service Learning	0	0	0	-	-	-	3,314	-	-	3,314
4559	A Possible Dream Program	0	1	0	58,228	26,199	45,459	450	-	750	131,086
4560	C Strategic Partnerships	0	0.8	0	76,783	-	39,415	2,850	-	2,243	121,291
4562	D Community Development	0	1	0	109,532	-	53,552	4,798	-	2,798	170,607
4563	C Democracy Commitment	0	0	0	-	-	-	14,250	-	-	14,250
4570	C e-Learning Technology Support	0	2	0	133,421	-	79,903	73,500	-	11,536	298,360
4599	E Transfers	0	0	0	-	-	-	561,000	-	-	561,000
	Total Instruct Support	0.0	24.3	21.9	3,319,612	839,192	2,118,326	3,380,685	55,271	74,803	9,787,889
	Student Services										
4537	D College Success Grant (GF)	0	0	.95	42,108	-	31,176	30,686	-	473	104,443
5608	F Contract OIT SES Supp Svcs	0	0	0	-	-	-	746,213	-	-	746,213
5609	E Matching Funds	0	0	0	-	-	-	45,159	-	-	45,159
5610	D Office of VP Student/Educ Svcs	0	1	1	236,637	83,676	137,529	119,127	16,261	5,436	598,666
5611	D Admissions	0	7	2.5	568,110	19,374	358,736	55,175	-	11,500	1,012,895
5612	D Registrar	0	3	5	521,086	11,625	315,608	35,200	-	10,750	894,269
5613	D Advising	0	17.2	2	1,133,932	11,884	720,571	16,410	-	18,900	1,901,697
5614	D Financial Aid	0	10	2	749,696	66,721	480,901	10,550	-	15,500	1,323,368
5617	C Admission Testing	0	0.5	0	28,068	-	18,342	21,000	-	375	67,785
5618	A Student Engagement	0	1	0	68,932	8,474	40,657	21,000	-	750	139,813
5620	D Dual Enrollment	0	3	1.5	291,832	-	177,171	16,450	-	7,500	492,953
5621	A SAC/Student Clubs & Organizations	0	0	0	-	-	-	25,050	-	-	25,050
5622	A Marketing & Publications	0	0	0	-	-	-	549,161	-	-	549,161
5623	D Dean of Enrollment Services	0	1	0	127,925	-	59,393	1,250	-	5,343	193,911
5625	A Veteran's Services	0	1	0	55,197	35,922	47,537	1,580	-	750	140,986
5626	D SES Software	0	0	0	-	-	-	259,247	-	-	259,237
5627	D Student Success	0	0	0	-	-	-	53,958	-	-	53,958
5630	D Collegiate	0	1	0	1,080	41,399	4,469	12,266	-	1,878	70,092
5631	D Counseling	0	4	.85	348,726	-	201,775	13,000	-	3,425	566,926
5642	D Office of Disability Resources	0	0.8	0	58,173	2,623	34,326	45,970	-	600	141,692
5644	D SES Travel and Special Events	0	0	0	-	-	-	61,943	-	-	61,943
5646	D Dean of Student Success	0	2	0	195,566	-	99,640	5,275	-	11,643	312,124
5647	A Student Senate	0	0	0	-	-	-	900	-	242	1,142
5648	D Commencement/Student Awards	0	0	0	-	-	-	17,250	-	-	17,250
5649	A Grants-Sr. Citizen	0	0	0	-	-	-	80,930	-	-	80,930
5650	A Scholarships-President's Honors	0	0	0	-	-	-	171,503	-	-	171,503
5651	A Grants-Trustees	0	0	0	-	-	-	-	-	-	-
5652	D Indian Tuition Waiver	0	0	0	-	-	-	35,000	-	-	35,000
5653	D Scholarships-Athletics	0	0	0	-	-	-	12,000	-	-	12,000
5654	A Scholarships-Adult Ed	0	0	0	-	-	-	4,843	-	-	4,843
5661	D Downtown Midland Center	0	2	0	139,704	30,999	81,898	19,200	-	1,500	273,301
5662	D Downtown Saginaw Center	0	2	1	201,0884	44,060	127,883	66,850	-	3,500	443,377
5669	D Testing	0	0	0	-	-	-	7,000	-	140	7,140
5672	E Fitness & Recreation Center	0	0.5	0.5	56,147	106,354	54,947	19,070	10,000	625	247,143
5673	D Intercollegiate Athletics-Men	0	1.5	0	93,384	73,085	76,654	64,145	-	66,233	373,501

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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		
				Salaries	Salaries	Benefits	& Services	Capital	& Travel		
Cost Center	FAC	AP	SS							Total	
5674 D Intercollegiate Athletics-Women	0	1.5	0	93,384	102,008	86,006	80,435	-	106,423	468,256	
5675 A Club & Intramural Sports	0	0	0	-	14,284	-	3,509	-	-	17,793	
Total Student Services	0.0	60.0	17.3	5,019,771	652,488	3,155,219	2,728,305	26,261	273,486	11,855,530	
Institutional Administration											
6710 A Board of Trustees	0	0	0	-	-	-	21,368	-	8,649	30,017	
6718 A Development Office	0	5.1	0	420,158	4,195	229,305	15,000	-	3,892	672,550	
6719 A Title IX	0	1	0	80,182	-	44,230	3,300	-	1,750	129,462	
6720 A President's Office	0	1	1	317,507	13,431	143,903	6,798	-	6,487	488,126	
6722 A Memberships/Institution	0	0	0	-	-	-	141,068	-	-	141,068	
6723 A Miscellaneous	0	0	0	-	-	-	1,554,551	-	-	1,554,551	
6725 A Wellness/Prof Development	0	0	0	-	-	-	27,418	-	-	27,418	
6726 A League for Innovation/Achieve the Dream	0	0	0	-	-	-	67,948	-	1,253	69,201	
6727 A President's Special Projects	0	0	0	-	-	-	25,890	-	15,118	41,008	
6729 A Strategic Planning	0	0	0	-	-	-	16,100	-	15,533	31,633	
6730 A BEDI (Belonging, Equity, Diversity & Inclusion)	0	2	1	234,193	-	130,671	42,500	-	7,500	414,864	
6731 A Legal	0	0	0	-	-	-	163,533	-	-	163,533	
6734 E Audit	0	0	0	-	-	-	63,400	-	-	63,400	
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	-	-	68,450	536,794	-	-	605,244	
6740 F Communication Technology	0	0.75	0	57,748	-	32,438	60,844	-	1,563	152,593	
6741 E Business Services	0	1.8	2	319,890	20,506	179,426	6,061	-	3,350	529,233	
6743 E Finance Office	0	6.3	5	910,174	106,746	534,567	34,940	-	10,209	1,596,636	
6744 F Contract OIT Admin Supp Svcs	0	0	0	-	-	-	545,711	-	-	545,711	
6745 F Office of Info Tech	0	0.1	0	17,159	-	7,379	1,071,157	61,225	3,781	1,160,701	
6746 A Human Resources	0	5	3	642,587	41,732	365,632	45,669	-	7,587	1,103,207	
6747 A Shared Governance	0	0	0.5	27,442	25,004	25,969	4,738	-	461	83,614	
6748 E Post Office	0	0	1	51,370	32,047	45,109	7,362	-	739	136,627	
6750 A Institutional Advancement	0	6	0	470,525	22,542	269,165	7,500	-	5,337	775,069	
6760 A Administrative Services	0	6	0	560,839	-	290,707	67,609	-	5,424	924,579	
6772 E Credit Card Fees & Bad Debt Exp	0	0	0	-	-	-	752,574	-	-	752,574	
6774 E Tuition Waiver	0	0	0	-	-	180,000	-	-	-	180,000	
Total Institutional Admin	0.0	35.1	13.5	4,109,774	266,203	2,600,225	5,337,429	61,225	98,633	12,473,489	
Facility Management											
7775 E Public Safety	0	0.85	7	484,110	190,406	351,635	51,761	-	9,138	1,087,050	
7780 E Facility Administration	0	7.25	1	749,752	27,059	401,441	1,608	16,362	16,362	1,204,657	
7781 E Facility Operations	0	3	33	1,761,197	213,535	1,272,061	231,158	24,847	4,838	3,507,636	
7782 E Facility Utilities	0	0	0	-	-	-	1,464,861	-	-	1,464,861	
7783 E Farmhouse	0	0	0	-	-	-	12,336	-	-	12,336	
7784 E Facility Maintenance	0	0	0	-	-	-	334,488	15,000	-	349,488	
7785 E Facility Improvement	0	0	0	-	-	-	-	57,835	-	42,750	
7786 E Sustainability Office	0	0	0	-	19,846	-	4,845	-	2,301	26,992	
7787 E Midland Center	0	0	0	-	-	-	235,420	-	-	235,420	
7788 E Planetarium & Learning Center	0	0	0	-	-	-	195,180	-	-	195,180	
7789 E Saginaw Center	0	0	0	-	-	-	177,320	-	-	177,320	
7799 E Transfers	0	0	0	-	-	-	-	3,015,000	-	3,015,000	
Total Facilities Management	0.0	11.1	41.0	2,995,059	450,846	2,025,137	2,755,780	3,129,044	24,712	11,380,578	
Total Expenditures	190.0	147.5	96.8	38,552,767	6,634,509	22,526,516	15,293,542	3,807,397	711,271	87,526,002	

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

A – Administration C - Academic & Instructional Support D - Student & Educational Services
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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	\$17,600	per covered employee (weighted average)
Dental Insurance	\$1,073	per employee (weighted average)
Retirement	24.00%	of each wage dollar paid (weighted average of MPSERS at 26.00% and ORP at 12.5%)
Social Security (FICA)	6.20%	of each wage dollar paid up to \$184,500 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	\$4.60	per \$1,000 of wages up to \$90,000 max
Professional Development Allowance:		
Faculty	\$1,150	per year
Administrative/Professional Staff	\$500	per year
Support Staff	\$275	per year

Fringe benefit cost for \$25,000 in salary:	\$26,791 or 107%
Fringe benefit cost for \$50,000 in salary:	\$34,819 or 70%
Fringe benefit cost for \$75,000 in salary:	\$42,891 or 57%

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 2026-2027:

Employee Classification	Amount	Benefit	Amount
Faculty	\$ 18,040,924	Retirement	\$ 10,686,101
Supplemental and Part-Time Faculty	7,793,278	FICA and Medicare	3,243,717
Administrative/Professional Staff	11,987,477	Medical/Vision/Hearing	7,628,632
Support Staff	3,205,950	Dental Insurance	465,086
Maintenance	1,546,969	Life Insurance	41,308
Part-time Staff and Student Employees	<u>2,612,678</u>	Disability Insurance	159,945
		Professional Development	356,873
		Tuition Waiver	180,000
		Other	<u>121,724</u>
Total Wages	<u>\$ 45,187,276</u>	Total Benefits	<u>\$ 22,883,386</u>

Fringe benefits as a percentage of wages: 51%

Delta College Summary of Budgeted General Fund Personnel

	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Faculty	173	173	176	188	190
Lecturers	<u>-</u>	<u>11</u>	<u>14</u>	<u>-</u>	<u>-</u>
Subtotal – Instructors	<u>173</u>	<u>184</u>	<u>190</u>	<u>188</u>	<u>190</u>
Administrative and Professional Staff	137	141	142	144	146
Support Staff	53	59	63	64	64
Maintenance	<u>33</u>	<u>33</u>	<u>33</u>	<u>33</u>	<u>33</u>
Subtotal - Staff	<u>223</u>	<u>233</u>	<u>238</u>	<u>241</u>	<u>243</u>
Total Full-Time Personnel	<u>396</u>	<u>417</u>	<u>428</u>	<u>429</u>	<u>433</u>

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

Administrative Professionals increased in fiscal year 2023-2024 due to the addition of 4 Student Success Advisors that were previously funded by the HEERF grants.

Support Staff increased in fiscal year 2023-2024 mainly due to the conversion of four Learning Consultants from part-time to full-time to better meet student demand and reduce the amount of turnover that was occurring due to the positions being part-time.

In fiscal year 2023-2024, the Lecturer position was added to fill unexpected vacancies that are needed for more than one semester to meet student enrollment needs. These positions were full-time temporary and were eliminated in fiscal year 2025-2026 and replaced with full-time faculty positions.

Administrative Professionals increased in fiscal year 2026-2027 due to the addition of a Nursing Success Coach and a full-time Science Lab position.

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 Workforce Strategies 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 Reserves for Strategic Initiatives established in fiscal year 2017-2018. Pages 68 and 69 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 2026-2027

Revenues

Grants and Gifts	\$ 2,562,411
Workforce Strategies Fees	559,800
Other Sources	<u>4,988,685</u>

Total Revenues \$ 8,110,896

Expenditures

Instruction	\$ 3,098,965
Instructional Support	<u>306,314</u>

Total Instruction 3,405,279

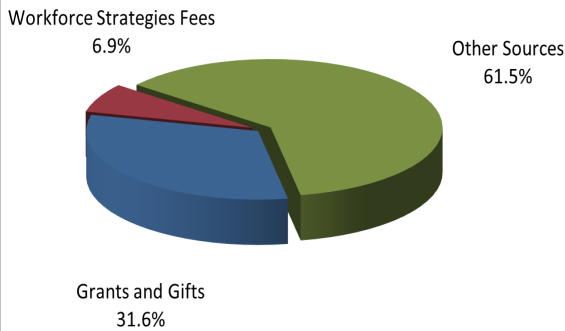
Public Service	9,450
Student Services	167,119
Institutional Administration	<u>1,139,350</u>

Total Expenditures 4,721,198

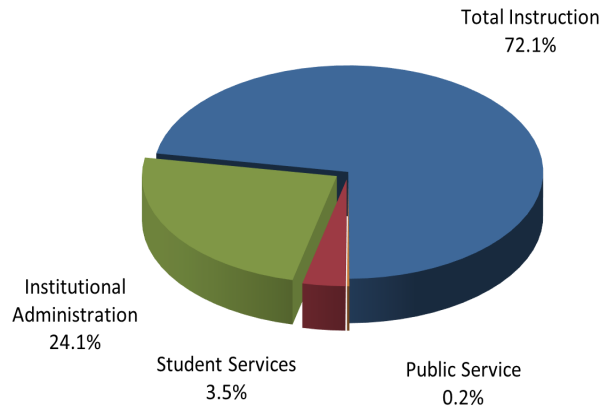
Revenues Over Expenditures 3,389,698

Beginning Fund Balance 31,953,100

Ending Fund Balance \$ 35,342,798



Revenues



Expenditures

Delta College Designated Fund

Five Year Actual History

	2021-2022	2022-2023	2023-2024	2024-2025	Projected 2025-2026
Revenues					
Grants and Gifts	\$ 2,029,854	\$ 2,100,503	\$ 2,035,164	\$ 2,307,397	\$ 2,557,056
Workforce Strategies Fees	1,075,727	918,987	769,696	1,527,450	852,310
Other Sources	859,196	1,093,131	903,749	1,019,191	1,645,004
Transfers In	<u>5,366,166</u>	<u>2,247,302</u>	<u>129,155</u>	<u>950,000</u>	<u>60,000</u>
Total Revenues	<u>9,330,943</u>	<u>6,359,923</u>	<u>3,837,764</u>	<u>5,804,038</u>	<u>5,114,370</u>
Expenditures					
Instruction	3,061,274	2,785,000	2,875,217	3,551,971	3,139,767
Instructional Support	<u>134,118</u>	<u>188,341</u>	<u>292,288</u>	<u>317,270</u>	<u>280,246</u>
Total Instruction	3,195,392	2,973,341	3,167,505	3,869,241	3,420,013
Public Service	1,349	4,285	16,890	14,485	8,672
Student Services	111,149	136,929	119,548	190,541	106,500
Institutional Administration	379,857	685,722	874,869	791,547	709,174
Transfers Out	<u>962,469</u>	<u>870,572</u>	<u>99,029</u>	<u>575,000</u>	<u>89,275</u>
Total Expenditures	<u>4,650,216</u>	<u>4,670,849</u>	<u>4,277,841</u>	<u>5,440,814</u>	<u>4,333,634</u>
Revenues Over (Under) Expenditures	4,680,727	1,689,074	(440,077)	363,224	780,736
Beginning Fund Balance	<u>24,879,416</u>	<u>29,560,143</u>	<u>31,249,217</u>	<u>30,809,140</u>	<u>31,172,364</u>
Ending Fund Balance	<u>\$ 29,560,143</u>	<u>\$ 31,249,217</u>	<u>\$ 30,809,140</u>	<u>\$ 31,172,364</u>	<u>\$ 31,953,100</u>

Notes:

1. Restricted grants managed by Workforce Strategies included above are recorded in the Restricted Fund in the audited financial statements.
2. 2021-2022 Transfers In consist of \$120,000 from Restricted Fund HEERF grants to offset Workforce Strategies lost training revenue as a result of COVID-19. An additional \$4.4 million of Transfers In came from excess fund balance in the General Fund split between the Reserve for Budget Sustainability and the Reserve for Strategic Initiatives.
3. 2022-2023 Transfers In and Out includes \$779,772 transferred from the UNUM project account to the Reserve for Strategic Initiatives. The UNUM fund had no designated purpose and had no spending for many years, so the decision was made to combine this account balance into the Reserve for Strategic Initiatives. Going forward, distributions from the UNUM quasi endowment fund will go to the Foundation to address student special needs. Transfers Out also includes the \$85,000 annual transfer to the General Fund from Delta College Workforce Strategies to cover the services provided by the General Fund.
4. 2022-2023 Transfers In also includes year-end transfer of \$1.3 million of excess General Fund net income above the required 10% fund balance requirement. This amount was split evenly between the Reserve for Budget Sustainability and the Reserve for Strategic Initiatives. This line item also includes a Transfer In of \$153,000 from the HEERF grants in the Restricted Fund to offset Workforce Strategies revenues that continue at levels lower than prior to the Pandemic.
5. The deficit of revenues under expenditures in fiscal year 2023-204 is primarily due to a reduction of transfers and spending of built-up reserves.
6. 2024-2025 Transfers include year end transfers from excess General Fund net income of \$150,000 to be used for Administrative Development Projects; \$400,000 to the Self-Insurance Fund; and \$400,000 to the Reserve for Strategic Initiatives. Transfers Out include \$530,000 to the Plant Fund, reserved for the Student Center Renovation, and \$45,000 to the General Fund from Delta College Workforce Strategies to cover the services provided by the General Fund.

Delta College Designated Fund

Workforce Strategies Activities

	2021-2022	2022-2023	2023-2024	2024-2025	Projected 2025-2026	Budgeted 2026-27
Revenues						
Training Delivery	\$ 919,799	\$ 791,144	\$ 566,214	\$ 937,233	\$ 852,310	\$ 559,800
Training Administration	2,146,592	1,877,827	2,722,864	2,351,543	2,442,056	2,456,911
Training Development	-	10,500	-	6,000	-	-
Other	-	98,657	-	-	115,185	-
Total Revenues	<u>\$ 3,066,391</u>	<u>\$ 2,778,128</u>	<u>\$ 3,289,078</u>	<u>\$ 3,294,776</u>	<u>\$ 3,409,551</u>	<u>\$ 3,016,711</u>
Expenditures						
Training Delivery	484,474	320,453	328,752	434,995	307,126	201,242
Training Administration	2,146,592	1,877,825	2,722,759	2,344,054	2,440,422	2,450,670
Training Development	-	6,029	6,423	6,203	28	-
Other	207,376	421,442	308,670	290,040	301,776	271,850
Total Expenditures	<u>\$ 2,838,442</u>	<u>\$ 2,625,749</u>	<u>\$ 3,366,604</u>	<u>\$ 3,075,292</u>	<u>\$ 3,049,352</u>	<u>\$ 2,923,762</u>
Transfers In (Out)						
Lost Revenue HEERF Grant	120,385	153,348	-	-	-	-
College General Services Transfers	(85,000)	(85,000)	(85,000)	(45,000)	(85,000)	(45,000)
Total Transfers	<u>\$ 35,385</u>	<u>\$ 68,348</u>	<u>\$ (85,000)</u>	<u>\$ (45,000)</u>	<u>\$ (85,000)</u>	<u>\$ (45,000)</u>
Revenues Over/(Under) Expenditures	263,334	220,727	(162,526)	174,484	275,199	47,949
Beginning Fund Balance	<u>1,838,929</u>	<u>2,102,263</u>	<u>2,322,990</u>	<u>2,160,464</u>	<u>2,334,948</u>	<u>2,610,147</u>
Ending Fund Balance	<u>\$ 2,102,263</u>	<u>\$ 2,322,990</u>	<u>\$ 2,160,464</u>	<u>\$ 2,334,948</u>	<u>\$ 2,610,147</u>	<u>\$ 2,658,096</u>

Note: Grants and Michigan New Jobs Training Program contracts managed by Workforce Strategies are recorded in the Restricted Fund in the audited financial statements, however these amounts are budgeted in the Designated Fund. Delta College received Higher Education Emergency Relief Fund (HEERF) grants from the U.S. Department of Education, which allowed the College to recoup revenues lost as a result of the pandemic. These lost revenue off-sets are shown above in fiscal years 2020-2021 through 2022-2023 as Transfers In. Fiscal year 2022-2023 this division was rebranded from Delta College Corporate Services to Workforce Strategies. Fiscal year 2022-2023 revenues and expenses were lower compared with prior years due in part to a client's business ownership change which resulted in the closure of a significant Michigan New Jobs Training Program (MNJTP) training agreement.

Delta College Designated Fund

Other Significant Activities

Instruction

- Criminal Justice Training Programs
- Lifelong Learning 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 Placement Booster
- President's Honors Scholarship
- Pioneer Athletic Fundraisers
- Girls Day Out Events

Institutional Administration

- Technology Improvements
- Public Safety
- Administrative Projects
- Reserve for Budget Sustainability
- Reserve for Strategic Initiatives
- Self Insurance
- Administrative Development & Projects
- Flexible Spending Plan Administration
- Health Care Reform Plan Fees
- In-kind Gifts

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 gifts or grants may be expended. Any such transactions are classified as restricted.

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

During fiscal years 2019-2020 through 2023-2024, the College was awarded just over \$35.9 million of Higher Education Emergency Relief Fund (HEERF) grants from the US Department of Education. Approximately \$19.8 million was awarded for Institutional Allocation, \$14.6 million for Direct Student Financial Assistance, and \$1.5 million for Strengthening Institutions Programs. The College was awarded the entire \$14.6 million student allocation directly to students in the form of cash grants, as well as approximately \$1.9 million of its institutional allocation. The remaining institutional allocation was used for a variety of reasons necessary to continue learning and operations related to the impact of COVID including, lost revenue, reimbursement, instructional design, and training for online courses and D2L, personal protective equipment, technology for students, and improvements to the College's air handling equipment.

The College received several other additional grants during fiscal years 2023-2024 and 2024-2025, resulting from State and Local Fiscal Recovery Funds (SLFRF) as a result of the COVID-19 public health emergency. Many of these grants are being passed through other organizations including the Michigan Community College Association (MCCA), Michigan Economic Development Corporation (MEDC), and the Michigan Department of Lifelong Education, Advancement and Potential (MiLEAP).

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. A brief description of each of the College's current grant programs is provided on pages 76 and 77.

Delta College Restricted Fund Budget

Fiscal Year 2026-2027

Revenues

Federal Grants/Contracts	\$	19,234,242
State Grants/Contracts		125,800
Private Gifts/Grants		890,500
Other Sources		<u>1,595,882</u>

Total Revenues \$ 21,846,424

Expenditures

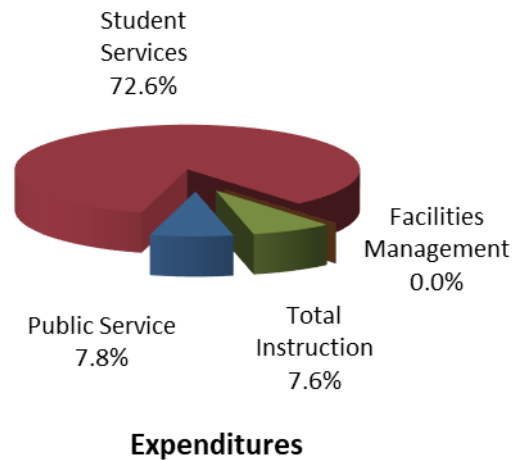
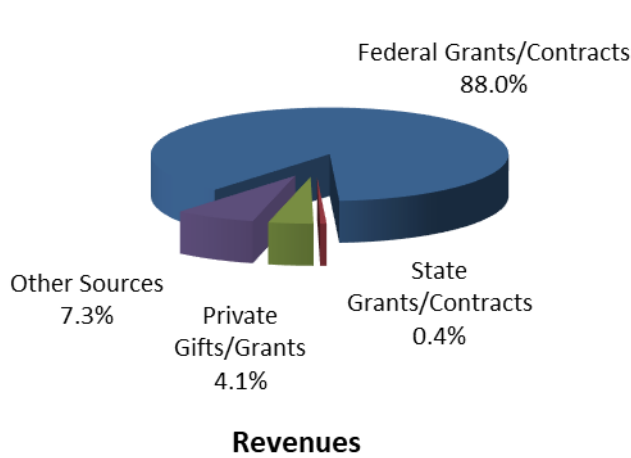
Instruction	\$	1,089,749
Instructional Support		<u>587,456</u>
Total Instruction		1,677,205
Public Service		1,712,835
Student Services		16,666,814
Facilities Management		<u>9,000</u>

Total Expenditures 22,065,854

Revenues Over/(Under) Expenditures (219,430)

Beginning Fund Balance 9,755,849

Ending Fund Balance \$ 9,536,419



Restricted Fund

Grant Detail

Delta College Listing of Grant Programs

July 1, 2026 – June 30, 2027

Grant Title, Description and Funding Agency	Amount Awarded	Dates of Grant
American Chemical Society – Prepare CTP Seed Grant – Develop outreach opportunities to engage high school students by collaborating with partners across the Great Lakes Bay Area to effectively advocate for technical professionals and promote technical careers. Funded by the American Chemical Society.	\$19,963	01/06/2025 – 12/31/2025
Broadcasting – Michigan Department of Education – Delta college WDCQ-TV is a subcontractor to Detroit Public Television (WTVS), in the statewide Michigan Learning Channel initiative.	\$250,000	10/01/2025 – 09/30/2026
Local Leadership 2026-2027 – Strengthening career and technical education for the 21 st Century Act of 2018, Perkins V. Funded by the U.S. Dept. of Education passed through Workforce Development Agency of Michigan.	\$9,200	07/01/2026 – 06/30/2027
MCCA – ADN to BSN Completion Grant Program – To support the creation and execution of a program that allows individuals in Michigan with an ADN to complete a BSN degree. Funded by federal state local fiscal recovery funds (SLFRF). Passed through Michigan Community College Association (MCCA).	\$2,170,588	10/15/2023 – 09/30/2026
Michigan Works! – Wagner Peysner, PATH, WIOAA Adult, WIOA Dislocated Worker, RESEA, TGAAA and TAA/NAFTA, WIOA Basic Career Services, Reemployment Services, Business Services and Related Programs – 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.	\$2,166,783	10/01/2025 – 09/30/2026
Michigan College/University Partnership (MICUP) 2025-2026 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) King-Chavez-Parks Initiative grant, passed through Michigan Technological University.	\$6,000	10/01/2025 – 09/30/2026
MiLEAP Growing Institutional Capacity Grant – Assists in developing technology to help eliminate barriers to educational completion for low-income students. Funded by federal state local fiscal recovery funds (SLFRF). Passed through Michigan Department of Lifelong Education, Advancement and Potential (MiLEAP).	\$229,000	04/01/2025 – 03/31/2027
MiLEAP Barrier Removal, Direct to Students Grant – Dollars will be used to respond to the top needs identified to us by students: food, basic needs grants, and textbooks, with over half of the dollars to be awarded as emergency grants. Funded by Michigan Department of Lifelong Education, Advancement and Potential (MiLEAP).	\$269,379	09/01/2024 – 08/31/2026
MiLEAP College Success Grant – Assists in implementing, improving, and/or scale promising reforms of policy and practice associated with decreased time to credential increased student persistence, improved completion, and elimination of equity gaps. Funded by federal state local fiscal recovery funds (SLFRF). Passed through Michigan Department of Lifelong Education, Advancement and Potential (MiLEAP).	\$982,899	09/01/2025 – 03/31/2028
Motorcycle Safety 2025-2026 – Provide motorcycle safety training to Great Lakes Bay residents. Funded by the Michigan Department of State.	\$115,000	10/01/2025 – 09/30/2026
Carl D. Perkins Career and Technical Education Grant 2025-2026 – Provide instructional equipment, professional development, program planning, academic and support services, and career guidance and placement. Funded by U.S. Dept. of Education passed through Workforce Development Agency of Michigan.	\$1,025,952	07/01/2025 – 06/30/2026
MEATA Conference Grant 2026-2027 –Strengthening career and technical education for the 21 st Century Act of 2018, Perkins V. Funded by the U.S. Dept. of Education passed through Workforce Development Agency of Michigan.	\$5,000	07/01/2026 – 06/30/2026

Grant Title, Description and Funding Agency	Amount Awarded	Dates of Grant
TRIO – Equal Opportunity Center (EOC) – Provide information on pursuing a postsecondary degree, assistance on admissions and information to improve the financial and economic literacy of students. Funded by U.S. Dept. of Education.	\$1,396,495	09/01/2021 – 08/31/2026
U.S. Dept. of Education – Congressionally Funded Community Project (CFCP) Semiconductor Funding – Develop programs for semiconductor production and research and provide K-12 engagement for STEM topics.	\$284,000	09/01/2024 – 08/31/2027

Delta College Restricted Fund

Five Year Actual History

	2021-2022	2022-2023	2023-2024	2024-2025	Projected 2025-2026
Revenues					
Federal Grants/Contracts	\$ 27,404,918	\$ 19,422,594	\$ 16,764,654	\$ 25,310,941	\$ 21,295,716
State Grants/Contracts	161,599	577,300	404,312	415,157	264,691
Private Gifts/Grants	2,212,644	2,169,976	2,177,080	2,362,096	1,005,257
Other Sources	<u>1,148,279</u>	<u>1,310,541</u>	<u>1,477,191</u>	<u>1,565,450</u>	<u>1,723,274</u>
Total Revenues	<u>30,927,440</u>	<u>23,480,411</u>	<u>20,823,237</u>	<u>29,653,644</u>	<u>24,288,938</u>
Expenditures					
Instruction	1,080,149	982,409	882,634	2,047,516	1,592,130
Instructional Support	<u>1,364,060</u>	<u>871,721</u>	<u>163,910</u>	<u>489,720</u>	<u>505,600</u>
Total Instruction	2,444,209	1,854,130	1,046,544	2,537,236	2,097,730
Public Service	1,820,328	2,028,244	2,065,251	3,589,908	1,580,549
Information Technology	-	516,168	-	-	-
Student Services	22,317,836	15,399,664	16,919,810	23,649,789	20,208,504
Institutional Administration	208,122	402,535	-	-	-
Facilities Management	<u>322,435</u>	<u>134,805</u>	<u>236,395</u>	<u>13,396</u>	<u>372,731</u>
Total Expenditures	<u>27,112,930</u>	<u>20,335,546</u>	<u>20,268,000</u>	<u>29,790,329</u>	<u>24,259,514</u>
Transfers In/(Out)	<u>(2,930,561)</u>	<u>(2,537,724)</u>	<u>77,865</u>	<u>45,650</u>	<u>61,882</u>
Total Expenditures and Transfers	<u>30,043,491</u>	<u>22,873,270</u>	<u>20,190,135</u>	<u>29,744,679</u>	<u>24,197,632</u>
Revenues Over/(Under) Expenditures and Transfers	883,949	607,141	633,102	(91,035)	91,306
Beginning Fund Balance	<u>7,631,386</u>	<u>8,515,335</u>	<u>9,122,476</u>	<u>9,755,578</u>	<u>9,664,543</u>
Ending Fund Balance	<u>\$ 8,515,335</u>	<u>\$ 9,122,476</u>	<u>\$ 9,755,578</u>	<u>\$ 9,664,543</u>	<u>\$ 9,755,849</u>

Notes Regarding Restricted Fund Activities:

1. Fiscal year 2020-2021 through 2022-2023 increase in Federal Grant Revenues and Expenditures is due to Federal Coronavirus relief grants received from the US Department of Education. The spending deadline for these grants is June 30, 2023, with a no cost extension application available for up to an additional year to spend remaining funds, if approved.
2. The majority of the Transfers Out for fiscal years 2020-2021 through 2022-2023 consists of transfers from the Coronavirus relief grants to reimburse the College for online fees refunded to students in 2020-2021 and reimbursements for lost revenues in each of the three years. The majority of the estimated lost revenue reimbursements is for tuition and fees, Workforce Strategies training revenue and Auxiliary Services revenues. A significant amount of the transfer out in fiscal year 2022-2023 was to cover expenses incurred to improve the College's HVAC system in response to Coronavirus.
3. The majority of \$3.0 million increase in Students Services expenditures in fiscal year 2021-2022 was due to an increase in the amount of direct financial assistance grants distributed to students from the HEERF grants.
4. Federal Grant Revenue and Total Expenses and Transfers decreased in fiscal year 2023-2024 due to significantly less HEERF grant spending. As of June 30, 2023, there was only a balance of \$229,300 remaining to be spent during fiscal year 2023-2024.
5. The increase in Federal Grant Revenue was due a \$6 million increase in Pell awards, due to an increase in the number of recipient's and the average amount per student.
6. The increase in Federal Grant Revenue also included an increase in Michigan New Jobs Training Programs, which also increased Instruction Expense.

Delta College Restricted Fund

Public Broadcasting Activities

	2021-2022	2022-2023	2023-2024	2024-2025	Projected 2025-2026	Budgeted 2026-2027
Television						
Support and Revenue						
College General Fund Support	\$ 591,774	\$ 650,094	\$ 672,759	\$ 670,055	\$ 622,247	\$ 616,784
Corporation for Public Broadcasting	936,870	907,024	931,653	989,581	37,980	-
Donations/Gifts/Grants/Memberships	715,531	673,783	692,880	1,407,552	632,640	638,000
Television Underwriting	36,973	33,782	26,353	29,865	34,198	30,000
Other Income	420,550	467,258	609,238	576,512	475,000	475,000
Transfers In	-	(25,000)	-	-	-	-
Total Revenues	<u>2,701,698</u>	<u>2,706,941</u>	<u>2,932,883</u>	<u>3,708,651</u>	<u>1,998,182</u>	<u>1,804,784</u>
Expenditures						
Salaries and Fringe Benefits	991,127	1,058,294	1,106,678	1,110,105	1,092,104	1,002,884
Supplies and Services	1,166,204	1,139,859	1,154,442	1,173,970	756,271	672,057
Facilities and Equipment	11,527	211,360	235,907	698,022	-	300,000
Transfers Out	-	-	-	1,000,000	-	-
Total Expenditures	<u>2,168,858</u>	<u>2,409,513</u>	<u>2,497,027</u>	<u>3,982,097</u>	<u>1,848,375</u>	<u>1,974,941</u>
Support and Revenue Over (Under) Expenditures	\$ 532,840	\$ 297,428	\$ 435,856	\$ (273,446)	\$ 149,807	\$ (170,157)
Beginning Fund Balance	<u>4,515,350</u>	<u>5,048,190</u>	<u>5,345,618</u>	<u>5,781,474</u>	<u>5,508,028</u>	<u>5,657,835</u>
Ending Fund Balance	<u>\$ 5,048,190</u>	<u>\$ 5,345,618</u>	<u>\$ 5,781,474</u>	<u>\$ 5,508,028</u>	<u>\$ 5,657,835</u>	<u>\$ 5,487,678</u>
Radio						
Support and Revenue						
College General Fund Support	\$ 189,855	\$ 208,316	\$ 215,842	\$ 165,974	\$ 166,214	\$ 178,479
Donations/Gifts/Grants/Memberships	149,717	169,921	161,961	178,112	231,962	180,500
Radio Underwriting	48,773	57,438	51,841	45,539	33,925	22,000
Other Income	4,714	14,705	33,249	19,088	18,000	15,000
Total Revenues	<u>393,059</u>	<u>450,380</u>	<u>462,893</u>	<u>408,713</u>	<u>450,101</u>	<u>395,979</u>
Expenditures						
Salaries and Fringe Benefits	217,254	237,102	246,927	213,325	271,003	259,139
Supplies and Services	105,735	104,427	97,128	104,443	142,274	160,518
Transfers Out	-	-	-	75,000	-	-
Total Expenditures	<u>322,989</u>	<u>341,529</u>	<u>344,055</u>	<u>392,768</u>	<u>413,277</u>	<u>419,657</u>
Support and Revenue Over (Under) Expenditures	\$ 70,070	\$ 108,851	\$ 118,838	\$ 15,945	\$ 36,824	\$ (23,678)
Beginning Fund Balance	<u>224,086</u>	<u>294,156</u>	<u>403,007</u>	<u>521,845</u>	<u>537,790</u>	<u>574,614</u>
Ending Fund Balance	<u>\$ 294,156</u>	<u>\$ 403,007</u>	<u>\$ 521,845</u>	<u>\$ 537,790</u>	<u>\$ 574,614</u>	<u>\$ 550,936</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. The increases in Other Income in years 2022-2023 through 2024-2025 is due to increased investment income due to increases in interest rates.
3. In fiscal year 2024-2025 Grants Revenue and Facilities and Equipment expense included \$695,000 for a FEMA grant award passed through CFB that was used to upgrade transmission equipment to support improved broadcast signal for the Next Generation Warning System Network.
4. In fiscal year 2024-2025 \$1,000,000 and \$75,000 was transferred to the TV quasi-endowment fund and Radio quasi-endowment fund, respectively.
5. Early in fiscal year 2025-2026, Congress voted to approve a recession of federal funding for the Corporation of Public Broadcasting (CPB). As a result, funding of the Community Service Grants (CSG) was eliminated. CPB revenue in fiscal year 2025-2026 included a small final payout from the CSG grant.

Notes

Auxiliary Fund

Notes

Auxiliary Fund Overview and Operations

The Auxiliary Fund supports activities that provide essential products and services to students, faculty, staff, and the broader community. These services, while revenue-generating, play a crucial role in enhancing the overall educational experience at Delta College. The goal of auxiliary operations is to be financially self-sustaining while maintaining affordability and accessibility.

Auxiliary Fund Activity Categories

The College operates the following auxiliary services, each contributing to the student experience and operational efficiency:

- Bookstore
- Food Services
- Fitness and Recreation Center
- Printing
- Planetarium Gift Shop and Conference Services
- College Vehicles

Bookstore

The Bookstore serves as the largest operation in the Auxiliary Fund, providing new and used textbooks, course packs, and instructional materials to support academic programs. To increase affordability for students, a significant portion of the inventory consists of repurchased textbooks. The Bookstore operates both in-store and online, ensuring accessibility and convenience. Beyond textbooks, the Bookstore offers school supplies, Delta College-branded merchandise, and technology accessories, making it a key resource for students and faculty alike.

Food Services

Food Services operate at Red Brix Café and Coffee 'n More on the main campus, offering a variety of food and beverage options for students, faculty, and staff. In addition to daily food service, the College provides catering services for campus events and manages vending machines at multiple locations, including off-campus centers.

In April 2021, the College transitioned from a self-operated model to a partnership with Creative Dining Services to enhance food quality, sustainability, and overall dining experience. Creative Dining, which serves multiple community colleges and universities in Michigan, brings several advantages, including:

- A full-time food service director
- Nutritional labeling and wellness programs
- Partnerships with local farms to support sustainability

The five-year contract with Creative Dining (July 1, 2021 – June 30, 2026) allows flexibility for continuous assessment and service adjustments based on campus needs and foot traffic. The college signed a new contract extending Creative Dining Services for another 5-year ending in 2031.

Fitness and Recreation Center

The Fitness and Recreation Center supports health and wellness through:

- Cardio and weight training rooms
- Three pools (lap, leisure, and therapy)
- Membership services for students, faculty, staff, and the community
- Non-academic fitness classes

These services generate revenue while fostering a culture of health and wellness on campus.

Printing Services

Printing Services provide in-house printing and copying for faculty, staff, and students. These services help reduce outsourcing costs for the College and maintain quick turnaround times for instructional materials, promotional materials, and other essential documents.

Planetarium Gift Shop & Conference Services

The Planetarium Gift Shop generates revenue through merchandise sales related to astronomy, science, and educational gifts. Additionally, Conference Services support campus and community events, offering space rentals and event coordination at the Planetarium and other College facilities.

College Vehicles

Delta College maintains a fleet of college-owned vehicles for official business, faculty and staff travel, and student field trips. The auxiliary fund supports vehicle maintenance, fuel and eventual replacements.

Budgeting and Financial Sustainability

Each auxiliary service operates on an individual budget based on projected revenue and expenses. Financial planning includes:

- Covering operational costs while maintaining affordability
- Building reserve funds for equipment repairs, facility upgrades, and unforeseen expenses
- Adjusting services based on demand, campus traffic, and external economic factors

Historically, the auxiliary budget included a \$250,000 transfer to the General Fund to support general college operations. However, starting in the 2023-2024 fiscal year, this transfer has been paused to help stabilize the Food Services operation as it adjusts to evolving campus dining habits and traffic pattern. Instead, any net income from auxiliary operations will remain within the Auxiliary Fund to strengthen its financial position. At the end of each fiscal year, the College will evaluate whether a transfer to the General Fund is needed.

By maintaining a strategic approach to auxiliary operations, Delta College ensures that these services remain financially sustainable while continuing to meet the needs of students and the campus community.

Delta College Auxiliary Fund

	2022-2023	2023-2024	2024-2025	Projected 2025-2026	Budgeted 2026-2027
Bookstore					
Revenues	\$ 3,224,769	\$ 3,515,580	\$ 3,569,074	\$ 3,595,217	\$ 3,328,246
Expenditures	<u>3,024,001</u>	<u>3,241,342</u>	<u>3,286,043</u>	<u>3,338,177</u>	<u>3,093,013</u>
Net Income (Loss)	\$ <u>200,768</u>	\$ <u>274,238</u>	\$ <u>283,031</u>	\$ <u>257,040</u>	\$ <u>235,233</u>
Food Services					
Revenues	625,496	768,320	878,715	996,152	959,922
Expenditures	<u>1,022,007</u>	<u>1,111,046</u>	<u>1,191,313</u>	<u>1,318,378</u>	<u>1,348,357</u>
Net Income (Loss)	\$ <u>(396,511)</u>	\$ <u>(342,726)</u>	\$ <u>(312,598)</u>	\$ <u>(322,226)</u>	\$ <u>(388,435)</u>
Fitness & Recreation Center					
Revenues	255,318	271,966	398,858	387,604	350,150
Expenditures	<u>251,982</u>	<u>248,325</u>	<u>311,462</u>	<u>320,056</u>	<u>304,006</u>
Net Income (Loss)	\$ <u>3,336</u>	\$ <u>23,641</u>	\$ <u>87,396</u>	\$ <u>67,548</u>	\$ <u>46,144</u>
Other Auxiliary Activities					
Revenues	431,087	457,088	512,476	496,395	474,100
Expenditures	<u>492,672</u>	<u>386,120</u>	<u>612,612</u>	<u>421,953</u>	<u>427,970</u>
Net Income (Loss)	\$ <u>(61,585)</u>	\$ <u>70,968</u>	\$ <u>(100,136)</u>	\$ <u>74,442</u>	\$ <u>46,130</u>
Total Auxiliary Services					
Revenues	4,536,670	5,012,954	5,359,123	5,475,368	5,112,418
Expenditures	<u>4,790,662</u>	<u>4,986,833</u>	<u>5,401,430</u>	<u>5,398,564</u>	<u>5,173,346</u>
Net Income (Loss)	\$ <u>(253,992)</u>	\$ <u>26,121</u>	\$ <u>(42,307)</u>	\$ <u>76,804</u>	\$ <u>(60,928)</u>
Transfers In (Out)					
General Fund	(250,000)	-	-	-	-
Other Funds	<u>292,280</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Transfers	\$ <u>42,280</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Change in Fund Balance	(211,712)	26,121	(42,307)	76,804	(60,928)
Beginning Fund Balance	<u>7,291,329</u>	<u>7,079,617</u>	<u>7,105,738</u>	<u>7,063,431</u>	<u>7,140,235</u>
Ending Fund Balance	\$ <u>7,079,617</u>	\$ <u>7,105,738</u>	\$ <u>7,063,431</u>	\$ <u>7,140,235</u>	\$ <u>7,079,307</u>

Notes on Auxiliary Activities:

- Other auxiliary activities include Printing Services, Planetarium gift shop and conference services, and College fleet vehicles. 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 replacement.
- Food Services has reduced some of the services offered during the spring/summer semesters during fiscal year 2023-2024 and 2024-2025 in an attempt to reduce their operating deficit. Also, in order to help subsidize the Food Service operation, beginning with Auxiliary operating results improve, the transfer may be reinstated in the future.
- In an attempt to keep pace with rising operating costs, the Fitness & Recreation Center will be implementing a modest membership fee increase in fiscal year 2025-2026. On average, membership will increase by \$17.
- The majority of the fiscal year 2022-2023 and 2024-2025 deficits in Other Auxiliary Activities is due to purchases of new equipment for Printing Services to replace existing machines that were at the end of their useful lives. In 2022-2023 several multi-function copying devices used throughout the College were replaced. In fiscal year 2024-2025, Board approval was received to purchase three production copiers to replace old units at a cost of approximately \$181,000. The three current production copiers were purchased in 2015 with an estimated life cycle of 5 to 7 years.
- For fiscal years 2021-2022 through 2022-2023 the majority of Transfers In represents amounts received from COVID relief HEERF grants to offset ongoing revenues lost due to Coronavirus. The College was able to charge the HEERF grants for revenues lost on a gross basis, not taking into consideration any reduction of expenses.

Notes

Plant Fund

Notes

The **Plant Funds** are used to record the flow of money for capital expenditures related to buildings and equipment. The College maintains a “Facility Maintenance and Equipment Replacement Fund” in addition to a “Building and Site Fund (Construction and Full Replacement).” Budgeting and reporting for both funds are presented in one document entitled “Plant Fund” on page 91.

Each year funds are transferred to the Plant Funds from the General Fund and other funds as applicable for building projects. For 2026-2027, the following major transfers from the General Fund have been budgeted:

Asset Life-Cycle Replacement/Depreciation	\$ 3,015,000
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The College operates instructional satellite centers in each of the three counties in its district: Bay City, Midland, and Saginaw.

The **Downtown Bay City Center** opened in February of 1997. 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.

The 33,000 square foot **Downtown Midland Center** opened in Fall of 2021 replacing the Wheeler Street location in the City of Midland. 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. Total project costs were \$13 million. The Downtown Midland Center focuses on STEM (Science, Technology, Engineering and Math) tracks and courses focused on health career exploration, which joined 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, this facility allows for expanded college readiness activities and programs.

The 37,000 square foot **Downtown Saginaw Center** opened in Fall of 2019 replacing the leased Ricker Center in Buena Vista Township. This \$12,685,600 project was constructed through the State of Michigan Capital Outlay process with the State Building Authority and Delta College funding \$6,342,800 equally. The Downtown Saginaw Center functions as a Community Outreach Center that extends the College into the urban environment and engaging the significant under-served and under-represented population, as well 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.

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 Downtown
Bay City Center & Planetarium**



**Delta College Downtown
Saginaw Center**



**Delta College Downtown
Midland Center**

Delta College Plant Funds

Building and Facility Improvements Funds

	2022-2023	2023-2024	2024-2025	Projected 2025-2026	Budgeted 2026-2027
Revenues					
Investment Income (Loss)	\$ 776,047	\$ 2,058,438	\$ 2,428,552	\$ 1,603,000	\$ 1,300,000
Private Gifts/Grants	12,642	40,025	-	-	-
State Grants/Appropriations	356,724	-	-	1,917,000	-
Transfer from General Fund	8,262,438	11,122,579	14,985,952	12,173,500	3,621,000
Other Sources and Transfers	<u>2,147,626</u>	<u>19,940</u>	<u>21,345</u>	<u>270,000</u>	<u>50,000</u>
Total Revenues	<u>11,555,477</u>	<u>13,240,982</u>	<u>17,435,849</u>	<u>15,963,500</u>	<u>4,971,000</u>
Expenditures					
Equipment					
Instruction	40,832	-	-	-	-
Instructional Support	-	<u>30,502</u>	-	-	-
Total Instruction	40,832	30,502	-	-	-
Public Service	40,046	5,220	-	-	-
Information Technology	-	212,775	156,738	377,000	-
Student Services	13,888	-	-	-	-
Institutional Administration	175,956	-	-	-	-
Facilities Management	-	-	-	<u>389,000</u>	<u>240,000</u>
Total Equipment	270,222	248,497	156,738	766,000	240,000
Renovations and Transfers	<u>4,693,994</u>	<u>2,877,181</u>	<u>12,454,462</u>	<u>13,246,000</u>	<u>8,752,732</u>
Total Expenditures	<u>4,964,216</u>	<u>3,125,678</u>	<u>12,611,200</u>	<u>14,012,000</u>	<u>8,992,732</u>
Revenues Over/(Under) Expenditures	6,591,261	10,115,304	4,824,649	1,951,500	(4,021,732)
Beginning Fund Balance	<u>37,860,210</u>	<u>44,451,471</u>	<u>54,566,775</u>	<u>59,391,424</u>	<u>61,342,924</u>
Ending Fund Balance	<u>\$ 44,451,471</u>	<u>\$ 54,566,775</u>	<u>\$ 59,391,424</u>	<u>\$ 61,342,924</u>	<u>\$ 57,321,192</u>

1. The fiscal year 2021-2022 and 2022-2023 State Grants and Appropriations represent the State's 50% match on the Electronic Media Broadcasting A Wing renovation project, which was completed in fiscal year 2022-2023.
2. The majority of the \$2.1 million of Other Sources and Transfers for fiscal year 2022-2023, is a transfer in from the HEERF Grant to fund upgrades to the HVAC system made in response to COVID-19.
3. The increase in General Fund Transfers for fiscal year 2023-2024 is due to an anticipated transfer of \$8.2 million of projected net income in excess of the required minimum 10% fund balance. In recent years, a portion of the annual savings was reserved in the Designated Fund. In fiscal year 2023-2024 it was decided that the entire amount of savings should go to the Plant Fund to ensure that we build ample reserves to cover the College's future deferred maintenance projects and continue to provide state of the art instructional equipment.
4. In fiscal year 2024-2025, it was decided to continue to transfer additional General Fund savings to the Plant Fund to build reserves for deferred maintenance projects. This included a transfer of \$10.8 million.
5. Renovations expense for fiscal year 2024-2025 included \$6.7 million for the Chiller Plant and \$1.4 million for the K-Wing Renovation.
6. The fiscal year 2025-2026 \$1.9 million of State Grants/Appropriations is the State's share of the K-Wing Renovation project. The project was completed in fiscal year 2025-2026.

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 and J Wings and East Courtyard Renovation	5,800,000	-	5,800,000	-
2008	South Campus Parking and Stormwater Drain	4,800,000	-	4,800,000	-
2013	Health Professions Building	18,000,000	9,000,000	9,000,000	-
2019	Downtown Saginaw Center	12,685,600	6,342,800	6,342,800	-
2021	Downtown Midland Center	13,000,000		3,850,000	9,150,000
2022	Electronic Media Broadcasting	2,736,000	1,368,000	1,368,000	-
2025	K Wing Renovation	6,725,900	2,432,195	4,293,705	-

Delta College Plant Fund

Student Resource Center Renovation – A Wing

Delta College is proposing a renovation of its current, existing Library space, with the resulting Resource Center becoming a focal point of campus. The area being proposed for renovation (not new construction) is approximately 46,300 square feet, located on the south side of our main campus building. The changes in layout would support Delta College’s vision for removing barriers for students.

Utilizing the current Library space in a more efficient manner will allow for the addition of a major College Concourse through the middle of the space, which will connect a new south entrance point to the Library, Resource Center and the existing circulation network of main campus. The proposed Resource Center/Library will centralize essential services such as tutoring, mental health counseling, basic needs support (food pantry, housing assistance), and technological resources in a single, accessible location, thus reducing the impact of barriers that our students face. It will serve as a hub for both physical and digital student engagement, offering flexible learning spaces, enhanced digital tools, and proactive outreach to meet the diverse needs of our students.

As our student body and its needs have changed, we realize that offering services to support student learning and potential, must be addressed in a facility designed for the latest educational landscape we now face. The new design will offer resources related to the Library, along with other high impact services. This will increase access and collaboration, to help improve student persistence and completion in all academic programs. By connecting and making all resource services more visible, we will elevate student participation as they reach out for our help. The new design will create a space that welcomes visitors, while clarifying wayfinding.

The total estimated cost of the A Wing renovation project is \$23.6 million. Delta College has submitted a Capital Outlay request to the State of Michigan to support funding for this transformative investment in student success and campus modernization.



Delta College Plant Fund

Capital Outlay Master Plan

Colleges are required to submit an annual 5-Year Capital Outlay Master Plan to the State of Michigan prioritizing future major capital projects and major maintenance items in excess of \$1 million. The major capital projects, when approved by the State, will require a 50% College match. The following are the prioritized projects submitted in Fall 2025 for fiscal year 2027-2031 planning.

Priority	Major Capital Projects	Amount
1	Student Resource Center/Library - A Wing Renovation	\$ 2.603 million
2	Student Services – D Wing Renovation	7.011 million
3	Computer – Aided Design (CAD) and Engineering – M Wing Renovation	4.692 million

Priority	Major Maintenance Projects	Amount
1	Wayfinding	\$ 2.842 million
2	Water Main Project	3.000 million
3	B Wing Renovations	4.847 million
4	Roofing Replacement Projects	5.058 million
5	Road and Parking Lot Replacement	5.276 million
6	Steam Plan Project	5.000 million

Facility Maintenance and Equipment Life Cycle Replacement

The current appraised replacement value of college buildings and equipment is \$502 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 \$15.05 million annually. Likewise, a simple 30-year life cycle replacement calculation would call for an annual allocation of \$16.72 million.

Previously, \$2.0 million was budgeted annually for transfer from the General Fund to the Plant Fund for this purpose. Starting with the 2021-2022 budget, this annual transfer was increased to \$2.5 million to accumulate additional reserves in the Plant fund to maintain our downtown centers and continue with the practice of not incurring any debt. This transfer was increased to \$3.0 million in the fiscal year 2024-2025 budget. Industry standards suggest an additional \$7-8 million should be reserved annually to assure that existing facilities are maintained, and the value of the capital investment is preserved. Therefore, a portion of 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 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 2026-2027 Budget Year are listed below. The 07 Plant Fund is designated for large-scale capital projects, including new construction and full replacement initiatives. In contrast, the 08 Plant Fund supports routine maintenance, repairs, and lifecycle-based replacements.

Construction and Full Replacement (07)	Amount
A Wing Student Resource Center	\$ 242,000
Domestic Hot Water System	500,000
Farmhouse Maintenance & Upgrades	50,000
OIT Projects	500,000
Public Safety Equipment & Vehicles	150,000
S Wing Façade and Lifecycle Roofing Repairs	1,000,000
Wayfinding Project	1,400,000
Total (07) Fund	\$ 3,842,000

Facility Maintenance and Equipment Replacement (08)	Amount
Roofing	\$ 50,000
Flooring	50,000
Site	150,000
Mechanical and Electrical	250,000
Access Improvement/Safety/Compliance	20,000
Interior	100,000
Exterior	100,000
Off Campus Centers	100,000
Telecomm	20,000
Facility and Equipment (Miscellaneous Renovations, Furnishings and Accessories)	240,000
Baseball Warning Track	70,000
Campus Parking Lots and Roadways	584,000
Electrical Infrastructure Lifecycle Replacement	175,000
Gym Upgrades	100,000
L & M Wing Reconfiguration	1,000,000
Lifecycle Furniture Replacement	150,000
Lifecycle Mechanical Replacement	165,000
Lifecycle Roofing Repairs	1,216,732
Lighting Upgrades	90,000
Living Wall Replacement	175,000
Ongoing Wayfinding Maintenance	10,000
P Wing Mechanical Room Ventilation	225,000
Podium Lift Replacement	10,000
Pool Area Lighting	200,000
S Wing Flooring Replacement	300,000
Science Wing Heat Exchanger	250,000
Total (08) Fund	\$ 5,800,732
Total Plant Fund	\$ 8,992,732

Delta College Debt Detail

The College has the legal capacity to carry debt of up to \$152,489,614; 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 \$15,123,961,359.

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 Delta College Foundation, for the benefit of the College’s students and programs. The Foundation receives and administers assets exclusively for charitable and educational purposes. If the money is in the form of an endowment, it is recorded in the Endowment Fund.

The Delta College Foundation was formed on November 7, 1979, to receive and administer funds to support the College. The Foundation assists the College in its educational mission and financially supports opportunities and innovation, including scholarships, educational programs, equipment and facilities. It is exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

While the Foundation is a separate legal entity from the College, the College presents the Foundation as a discretely presented component unit with the College’s financial statements. During 2024, management of the Foundation and the College determined that it was the intent of the Foundation to have the College manage the Endowment Fund, but not to transfer ownership of the Endowment Fund to the College. Prior to this determination, the College was reporting the Endowment Fund in their financial statements. During fiscal year 2024, the reporting was corrected and the ownership for the Endowment Fund is now properly being reported in the Foundation’s financial statements.

Since 1997, the College contracted with Morgan Stanley Wealth Management, LLC to manage the investment of the endowment funds, on behalf of the Foundation. Since 2024, the Foundation has assumed responsibility for managing the funds, while continuing the relationship with Morgan Stanley Wealth Management, LLC.

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 to the Delta College Foundation Board of Directors.

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 carried out based upon the criteria established by the donor at the time the gift is given to the Foundation.

Estimated distributions from the Endowment Fund to the College for the year 2025-2026 are as follows:

Fund	Amount
Designated Fund	\$ 112,575
Restricted Fund – Broadcasting	19,939
Restricted Fund – Programs and Scholarships	870,107
Building Fund	10,602
Foundation	178,146
Quasi-Endowments	<u>152,765</u>
 Total Distributions	 <u>\$ 1,344,134</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
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
2020-2021	25,939,763	1,144,822	7,902,747	(947,593)	(459,187)	33,580,552
2021-2022	33,580,552	1,709,596	(5,466,889)	(1,043,122)	(505,493)	28,274,644
2022-2023	28,274,644	1,087,818	3,174,852	(1,127,848)	(500,097)	30,909,369
2023-2024	30,909,369	1,086,485	4,265,321	(1,199,579)	(540,352)	34,521,244
2024-2025	34,521,244	1,506,473	3,329,045	(1,272,564)	(552,025)	37,532,173
Projected 2025-2026	37,532,173	362,183	5,958,311	(1,344,077)	(629,805)	41,878,785

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

Glossary

Notes

Delta College Glossary

Administrative/Professional Staff (AP)

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

Balanced Budget

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

Capital Expenditures

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

College Priorities

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

Contact Hour

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

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.

Lecturer

A full-time temporary faculty position used to fill unexpected vacancies that are needed for more than one semester to meet student enrollment needs.

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.

Workforce Strategies

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). Workforce Strategies is charged to break even or better thus not using General Fund dollars of the College to operate.

Notes

Fiscal Policies

Notes

Statements of Fiscal Policies

A. Purpose

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

B. General Statements

1. Accounting System and Internal Accounting Control

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

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

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

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

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

2. Basis of Budgeting and Budgetary Controls

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

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

3. Governance

Delta College is governed by the Board of Trustees which has the ultimate legal institutional authority; the administration, through the Office of the President, with input through shared 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.

4. 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 (MPERS). Current GASB pronouncements require the College to record in its financial statements the College's proportionate share of the MPERS 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 MPERS 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.