



Delta College
Strategic Plan and Budget
2023–2024

Cover by Matt Brown

Delta College

FY 2023-2024

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 4,538 as reported to the State for the year ending June 30, 2022. The College produced approximately 166,850 contact hours for the 2022-2023 fiscal year. In terms of unduplicated student head count, Delta ranked 10th highest in the State. The College's staff includes approximately 417 full-time employees, 173 of which are full-time faculty. In a strategic move, the College created a new class of faculty beginning 2023 called Lecturers. There are 11 of these temporary positions ongoing to address student enrollment demands.

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 charter member of the League for Innovation in the Community College, and recently had its status as a leader in the organization recently reaffirmed. When an institution changes leadership and hires a new president, it must go through a reaffirmation process to remain on the board. In March 2023, the League Board voted to affirm Delta College as a leader in the national efforts of community colleges.

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 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.



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 (Vice Chair), Michael P. Nash, '14 (Past Chair), Wm. Michael Wood

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

President: Dr. Michael Gavin

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

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

The budget model is developed to align with the current Strategic Plan. The College President, Dr. Mike Gavin, has been in the process of developing the next institutional Strategic Plan. This past fall, the Board, faculty, staff, students, and community members engaged in a strategic planning process through focus groups and a college-wide summit. The plan focuses on moving the College in a direction toward equity and completion. On March 7, 2023, the 2023-2027 Strategic Plan was approved by the Board of Trustees.

The budget model is used primarily to build the General Fund, which is the largest fund within the College budget. The General fund accounts for most of the College's employee compensation. The model is utilized during the budget process and salary negotiations with employee groups to provide immediate feedback on the financial impact of various policy decisions. Built into the model are revenue and expense variables and an ability to calculate the financial effect of any change, since any one of these variables can significantly affect the College's General Fund operations. In addition to state appropriations and property taxes, other revenue variables included in the model are tuition (stated in terms of contact hours and tuition rate per contact hour), fees, and all other revenues.

Expense variables built into the model are salaries, fringe benefits, supplies and services, capital expenditures, and professional development and travel. Because the College negotiates a separate compensation agreement with various employee groups, and because salaries and fringe benefits make up approximately 77% of the General Fund Budget, the salaries and fringe benefits variables are subdivided into smaller units. The salaries variable units are full-time faculty, full-time faculty overload, part-time faculty, support staff, maintenance staff, and administrative and professional staff. Fringe benefits are subdivided into payroll taxes, a weighted retirement average for Michigan Public School Employees Retirement System (MPSERS) and Optional Retirement Plan (ORP), medical insurance, and other benefits.

In order to estimate the future impact of the various changes that can affect the College's operations, a base was established. It is from this base that all future revenue and expenditure estimates are calculated. The base for projections uses the 2022-2023 Budget, adjusted for known factors which have taken place over time.

Fiscal constraint and resource reallocation have played important roles in budget management during this era of economic strain, decreased enrollments and a worldwide pandemic. By May 2023, on a positive note, most local, state and federal health restrictions were lifted, and United States declared that the national emergency to respond to the COVID-19 pandemic had come to an official close, after three long years.

However, our local, state and national economy are continuing to face challenges. Michigan economists and fiscal analysts, from the State Consensus Revenue Estimating Conference (CREC) held in Lansing Michigan May 19, 2023 reported its economic forecast for fiscal year 2022-2023 through fiscal year 2024-2025. The updated economic forecast anticipates moderate changes in the United States and Michigan economies through calendar year 2025. Growth in the national economy (as measured by the percentage change in real gross domestic product) is expected to slow down in 2023 and 2024, before growing a bit faster in 2025, while the Michigan economy is expected to grow more slowly than the nation.

The CREC predicts that job growth will slow over the forecast from the growth experienced in 2022, and generally the same economic growth as forecasted at the January 2023 CREC. However, the revenue impacts from legislation, including legislation adopted since the January 2023 CREC, exceed the revenue impacts from the estimated economic changes. As a result, estimates

of General Fund revenue were decreased in each forecast year compared to the estimates made in January 2023. General Fund/General Purpose revenue is expected to fall 9.4% in fiscal year 2022-2023 and 4.0% in fiscal year 2023-2024, before growing 5.1% in fiscal year 2024-2025.

The School Aid Fund (SAF) is where community college funding comes from, consisting of earmarked tax and lottery revenue that will follow similar trends as General Fund/General Purpose revenue, although the magnitude of the changes will be less because of the greater stability of tax revenue directed to the SAF, and hold-harmless provisions of legislation intended to reduce the SAF revenue impact of any changes. SAF revenue is expected to fall 0.8% in fiscal year 2022-2023, before growing 0.8% in fiscal year 2023-2024 and 2.1% in fiscal year 2024-2025. The growth in SAF revenue in both fiscal year 2023-2024 and fiscal year 2024-2025 reflects moderate growth in gross income tax revenue, sales tax revenue, and the State education tax. These three revenue sources account for more than 80% of SAF revenue. The CREC estimates in all years are above the estimate made in January 2023.

The economy has shown some resiliency in 2022 and early 2023 despite aggressive rate hikes by the Federal Reserve to mitigate inflationary pressures. The forecast assumes that the Fed's actions to tighten financial conditions will ultimately lead to slight decline in Gross Domestic Product in the last two quarters of fiscal year 2023. Inflation has risen to the highest levels in approximately 40 years. In spite of these financial hurdles, our budgeting process remains focused on student retention, completion and equity, as outlined in the College's mission, vision, values, strategic plan pillars and initiatives.

Enrollment

Projecting enrollment requires making assumptions about the behaviors of students based upon prior historical data. Given the unprecedented changes as a result of COVID-19 disruptions, and the significant lack of previous comparable historical data, it is very difficult to predict what might happen with enrollment. There are always a number of risks when making a projection like enrollment.

The College's enrollment levels have been on a continual decline. Prior to the pandemic, Delta College was experiencing an enrollment loss in contact hours at an average of approximately 4.5% annually over the last five-year period. In addition, the region's K-12 graduating class sizes have declined, commensurate with the loss in regional population from the recessionary years a decade ago. Competition for students among institutions has also heightened. However, this past year, with the implementation of enrollment strategies and initiatives, Delta has experienced success, and our targeted efforts are finally producing growth in new student enrollments and in the retention of our current students. While our overall contact hours are still less than the pre-pandemic enrollment periods, it will be the first time in over a decade that the college is projecting an increase in contact hours from our current year 2022-2023 budget for the 2023-2024 budget.

Post COVID-19 pandemic, we are still maneuvering through uncertainty with what some have called an "induced recession" and historically high inflation rates, with low unemployment levels. COVID-19 forced institutions, like Delta to convert a majority of its face-to-face courses to an online learning modality. The online course option continues to be a popular student choice, even three years post pandemic. In addition, today's students arrive on campus shaped by various experiences and have new and shifting expectations. Many of our students have been recipients of federal emergency stimulus payments, supplemental unemployment benefits, Higher Education Emergency Relief Fund (HEERF) Emergency cash grant recipients, and federal student debt deferment, all of which government sponsored programs have either expired or are about to expire at the end of this fiscal year. What the impact will be to our students as these pandemic related programs come to an end, is yet to be determined.

We are expecting our 2022-2023 actual contact hours to total approximately 166,850, which is 2,850 or 1.74% more than the budgeted target level of 164,000 contact hours. Since the pandemic, we have utilized HEERF COVID Federal Stimulus Grant funding to supplement for any lost revenues when we close our books at the fiscal year end. We do not anticipate that the general fund will need to utilize lost revenue grant dollars for tuition and fees for the 2022-2023 fiscal year.

Delta College has spent the last two years developing strategies to overcome student retention challenges, including more effective management of the academic program, and by reorganizing its Student and Educational Services (SES) division in order to provide more support for our students outside of the classroom.

The SES Division has transformed from a traditional transactional model of student service to a highly relational model of student success. Each student will work with a student success team beginning with first contact during the admissions process. They will receive highly intentional advising and student support services during enrollments. And the College will offer personalized career development, job searches and transfer assistance at the end of the student journey. In addition, the SES division will begin

identifying and assisting students who belong to groups that have experienced success gaps including students of color, male students, veteran students, and non-traditional aged students who may be receiving Michigan Reconnect grant money.

With a strong enrollment plan in place, we are using a budget enrollment target of 165,000 contact hours for 2023-2024. While our actual enrollment for 2022-2023 is trending greater than 165,000 contact hours, due to uncertainty we are opting to budget conservatively.

Coronavirus Pandemic and Federal Stimulus Grants

Since the onset of the Coronavirus pandemic in March 2020, the College has been awarded in excess of \$35.9 million of HEERF grants from the U.S. Dept. of Education. These amounts were provided through three rounds of federal legislation, the “*Coronavirus Aid, Relief and Economic Security (CARES) Act*” approved in March 2020, the “*Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)*” passed in December 2020, and finally the “*American Rescue Plan Act (ARPA)*,” signed into law March 2021. These three rounds of funding are referred to by the U.S. Dept. of Education as HEERF I, II and III. The details of the College’s HEERF awards under all three acts are as follows:

- \$19,816,576 – Institutional Allocation – to support the College’s needs in response to the Coronavirus pandemic, also encouraged to be used for student grants
- \$14,637,406 – Direct Student Financial Assistance Allocation – to provide direct financial aid grants to students impacted by the Coronavirus pandemic
- \$ 1,505,079 – Institutions eligible for the Strengthening Institutions Program (SIP) – to support the College’s needs in response to the Coronavirus pandemic

Spending guidance for both the Institutional and Student Aid portions first received under the CARES legislation was quite restrictive, and initial guidance was severely lacking. The CRRSAA and ARPA Acts expanded the eligible spending criteria for the Institutional portion and opened up eligibility for the student aid portion to virtually all students. While the eligible spending criteria has expanded over the course of the three awards, all eligible expenses continue to be restricted to only those that have a direct nexus to COVID.

The College awarded its entire \$14.6 million student allocation directly to students in the form of cash grants, and has also used approximately \$1.9 million of its institutional allocation for this purpose. These grants are intended to help cover a student’s cost of attendance or emergency costs that arise due to COVID-19.

The following is a list of some of the categories of expenses that the College has utilized its institutional allocation for: lost revenue reimbursement, COVID team and entry screener wages and fringes, faculty training on use of the College’s learning management system D2L, instructional design for online courses, personal protective equipment, supplies and equipment to allow students to perform labs and participate in classes remotely, covering online fees for students, providing technology for students, and improvements to the College’s air handling equipment. These are just a few of the multitude of ways in which the College has been able to use this funding to support its students, faculty and staff in response to the pandemic and its lingering effects.

The current deadline for spending of all HEERF awards is June 30, 2023; however, the U.S. Dept. of Education is allowing institutions of higher education to apply for a no cost extension that contains a detailed plan of how the remaining funds will be spent. If approved, the College would have an additional year to spend the remaining grant funds. As of June 30, 2023, it is anticipated that the College will have approximately \$225,000 of SIP HEERF funding remaining to be spent. Administration has plans in place for the expenditure of this funding by the June 30, 2024, if it’s no cost extension request is approved.

State Aid

Our 2023-2024 State Appropriations revenue line item in the budget assumes a 3.5% increase to the actual 2022-2023 State Appropriations Operating Base. However, as of the date of this report, we do not have a final State Aid bill signed into legislation.

The Executive, House and Senate each have made funding proposals for Community Colleges. Each proposal varies in terms of funding appropriations, program expansions, funding eliminations, and various boilerplate changes in the Community College legislative line items. The Operational Base funding proposed for Delta College for 2023-2024 ranges from an overall net funding increase of 3.8% to 6.0%. However, beyond an on-going base increase, are appropriations of one-time funding. For example, the Senate proposal estimates Delta’s net increase would be 22.6%. When you factor in the one-time allocation, the actual increase

on-going in future years which gets added to our base would be approximately 6.0%. When a budget consists of one-time dollars, we must take precautions and not use the resources for long-term or recurring costs. The Senate one-time funding if approved is restricted for necessary improvements and deferred maintenance of community college buildings, facilities, and other physical infrastructure, necessary improvements and deferred maintenance of information technology, other technology needs. etc.

Tuition and Fees

Delta's Board of Trustees, the Budget Cabinet and administration have a long history of focusing on tuition affordability. Delta's in-district tuition continually ranks below the State average of the 28 Michigan community colleges, and remains the most affordable opportunity of both the two- and four-year institutions within a 75-mile radius.

For fiscal year 2023-2024, tuition has been set at \$127/contact hour, which is an increase of \$6.00 per contact hour for in-district students. Out-of-district tuition increased by \$9.00 per contact hour and out-of-state tuition increased by \$10.00 per contact hours to \$214 and \$224, respectively. There was no increase to the technology fee and the registration fee which remain at \$25 per contact hour and \$40 per semester, respectively. Our tuition and fee rates increased 4.04% or a combined overall total of \$6.00 for in-district tuition and technology fees, from 2022-2023 rates. Our dual enrollment tuition rate is \$127 per contact hour plus applicable fees, or the same as the in-district rate. This allows the College to remain competitive for our dual enrolled students in and out-of-district.

Delta has worked over the past few years to eliminate the confusion our students have expressed about our fees. The goal was to support students by offering a very simple tuition and fee structure. Students can now clearly understand what they are paying for in terms of hours of instruction for each course. The minimal increase in tuition and fees is an increase to revenue of approximately \$966,000 or 3.5% from 2022-2023 budget.

Compensation

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

The faculty are represented by the Delta College Faculty Association (DCFA), MEA/NEA and have a three-year collective bargaining agreement which expires June 30, 2025. The Facility Maintenance employees are represented by the American Federation of State, County and Municipal Employees (AFSCME), AFL-CIO Local Union No. 845, Council 25 and have a three-year collective bargaining agreement which expires on June 30, 2025. Actual ratified agreements can be found on the transparency reporting website at: <https://www.delta.edu/transparency>

The Administrative Professionals and Support Staff are all non-union employees. These employees receive an annual memorandum of appointment by the President of the College upon Board approval. On May 9, 2023, the Board of Trustees approved an increase of 2% to the wage and salary schedule to individual staff in accordance with the College's Performance Management System. The increase is effective July 1, 2023 through June 30, 2024.

The 2023-2024 budget reflects a total compensation budget of \$57.5 million, or net increase of \$2.9 million over the current year budget. The variance includes both increases and decreases for staffing levels such as retirements, salary replacement costs, and anticipated wage increases for employee groups, plus fringe benefit adjustments.

Retirement Benefits

On September 4, 2012, Public Act 300 was enacted addressing major reform in the Michigan Public School Employees Retirement System (MPERS). This complex reform bill addressed many of the long standing and unsustainable components of the system, including the anticipated increase in mandated employer contributions. The bill offered current employees an election for future pension and health benefits, accompanied by varying levels of employee contributions. Given the elections of all of the College's MPERS participating employees, the College's current effective contribution rate approximates 28.6% of salary. Full-time faculty and Administrative Professional Staff have the option to participate in an Optional Retirement Plan (ORP) administered by TIAA. The College contributes 10% of these employee's qualifying wage to this plan and the employee directs TIAA which investment offerings to deposit these contributions to. We are budgeting a blended retirement rate between MPERS and ORP of 25.27%. Retirement related benefit costs, and employer payroll taxes, including Federal Social Security, add approximately 32.6% of expense to each wage dollar paid for all employees.

Medical Benefits

Medical insurance continues to be managed with a focus on creating consumer awareness, wellness and involvement. The College is enrolled in a self-funded medical insurance program through Blue Cross Blue Shield. This model is a Preferred Provider Organization (PPO) and has been in place since 2011-2012. Prior to that time, the College was enrolled in a fully insured health plan. All employees of Delta College are under one health insurance pool. This has allowed the College to make adjustments in order to hold down employee and employer costs through different plan designs.

The College also offers an optional Qualified High-Deductible Health Plan (HDHP) with a Health Savings Account (HSA). This plan is underwritten by Blue Cross Blue Shield and is self-funded, which is consistent with the \$500/\$1,000 deductible PPO option. The College does not fund the deductible of the HDHP. The current employee contribution toward medical insurance is 20% of the illustrative medical premium rates.

Delta's ongoing benefit design changes and current employee contributions place the College safely below the Public Act 152 limitations on public employer payment for employee medical insurance enacted in 2011. The annual renewal date of the benefit plan year of the College is January 1.

Facility Maintenance and Equipment Replacement

Facility maintenance and equipment replacement has been an important priority to the College. The College currently allocates \$2.5 million annually for Asset Life-Cycle Replacement/Depreciation, which incorporated a \$500,000 increase in 2021-2022. This increase is to provide additional dollars in the funding mechanism for asset life cycle replacement needs for the College's new centers. Current appraised replacement value for the College buildings and contents total \$418 million. A simple 30-year life cycle replacement for the entire value would require \$13.96 million be reserved annually.

Additionally, any excess revenues over expenditures 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. Beginning in 2017-2018, a portion of any excess is now allocated to the Designated Fund for the *Reserve for Budget Sustainability* and *Reserve for Strategic Initiatives* in an effort to provide for unexpected contingencies, revenue shortfalls, emergencies, and to provide for our strategic initiatives and long-term sustainability.

Cost Savings, Funding Reallocations, Other

Through our budget process, sources of budget savings and new strategic and operational funding needs were identified for 2023-2024. These needs are solicited from budget leaders, Executive Council, and other employee groups/committees with a commitment to bring each idea forward for consideration by the President's Cabinet, and are aligned with our strategic plan. Specific reductions in spending and resource reallocations continue to be components of the annual budget process. The details of new and ongoing strategic and operational funding can be found on page 13.

In addition to the \$2.5 million dollars budgeted annually to save for asset life cycle replacement discussed previously, beginning with our 2023-2024 budget, we are budgeting an additional \$15,000 annually to start saving fund for future needs of replacing our public safety vehicles.

Overall, total General Fund budgeted expenditures are \$74.9 million for 2023-2024. This represent an overall budget increase of \$3.9 million or 5.5% over the current budget.

Fiscal Policies and Long-term Sustainability

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

- Delta's 10% Fund Balance Policy – It is a current long-term goal of the College to maintain a fund balance in the General Fund of 10% of its operating budget. It is the recommendation that we continue at this level of a 10% reserve. The 2023-2024 estimated ending fund balance is approximately 10.5% of the expenditures budget.

- We have established a *Reserve for Budget Sustainability Fund*, for contingencies or unidentified needs that is built from annual one-time savings, which essentially is an added layer of savings. This fund would have been an essential cushion during the COVID-19 pandemic, had we not received the level of Federal COVID relief funding that we did.
- Debt policies – The College has established savings, avoiding the need to borrow. This policy is to protect the assets of the College and to maintain the future sustainability of its infrastructure and state-of-the-art facilities. Through the commitment to transfer a portion of any annual General Fund surplus to our Plant Fund, the College has accumulated resources for construction projects and infrastructure needs without incurring debt.

Reflections from the President

We at Delta are doing excellent work for the community and students we served Led by our Board of Trustees, and supported by committed and engaged faculty and staff, we are well on our way to becoming the national leader in innovative community college education. The administration, faculty, staff, and community understand the higher calling of education and the role it plays in ensuring a region, state, and country that is aligned with the values of equity and democracy. We are focused and clear on our goals, and the budget is well aligned with those goals. I am grateful to be part of the Delta community, and look forward to furthering our student success agenda.

Sincerely,

Dr. Michael Gavin
President

Delta College Budget Planning and Resource Allocation Decisions

Sources of New Revenue and Savings

Description	Amount	Cost Center
Reduction of COVID and Tuition Remission Costs	\$ 70,000	6761/6774
Reduction to President's Honors Scholarship General Fund	20,000	5650
Total New Revenue and Savings	\$ 90,000	

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 & Projects	\$ 3,000	4599
Admissions & Dual Enrollment/Early Middle College Supplies and Software	27,700	4537/5611
Athletics Transportation, Recruiting, Equipment and Supplies	50,000	5653/5373/5374
Net Employee Compensation Increases Due to Retirements, Contact Agreements, Salary Replacement Differentials, and Benefit Adjustments	2,819,727	Various
Dental Program Protective Gowns Previously HEERF funded (offset by a new course fee)	8,627	1078/1079
Ten16 Collegiate Recovery Program Student Counseling and Support Services	10,000	5610
Software, Educational Services, Employee Assistance, Other Supplies – Originally funded with HEERF	83,000	1125/4532/4570/6725
Facilities Increase for Cleaning Services, Cost Increases Facility Operations	130,000	7784/7787/7788/7789
Launch of New Mascot	81,300	5622
Medical Unit Mobile - Partnership with GLBHC Student Support	10,000	5610
Reserve for Future Strategic Initiatives, MI Reconnect limitations, Enrollment and Other Operational Contingencies	182,555	6723
NURO Survey 3-Year Contract	25,000	5613
Additional Personnel for Office of the Chief Officer of Belonging, Equity, Diversity, Inclusion	187,293	6730
OIT Ellucian Contract Increase (7-Year Contract, Increases in Year 1 Only)	252,583	4253/5608/6744
Public Safety Personnel for Centers, Professional Development, Vehicle Upgrades to Delta Website	43,856	7775/7799
	75,000	5622
Total New and On-Going Strategic Operational Funding	\$ 3,989,641	
Net Increase of Savings and New and On-Going Strategic Operational Funding	\$ 3,899,641	

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 Cabinet 2022-2023

Brandell Adams	Second Chance Pell Coordinator/Student Success Advisor
Jennifer Carroll	Director of Workforce Strategies
Pam Clark	Executive Director of Institutional Advancement
Angela Cramer	Controller (ex-officio)
Sarah DuFresne	Vice President of Business & Finance/Board Treasurer
Jon Foco	Director of Business Services & OIT
Stacey Gannon	Board of Trustees Representative
Chad Inabinet	Vice President of Student and Educational Services
Tom Kienbaum	Representative of Facilities Maintenance Union
Greg Luczak	Assistant Director of Business Services/Manager of Finance – Academics
Kristy Nelson	Director of Downtown Centers
Sue Paris	Business & Finance Administrative Assistant
Kayla Rahn	Dual Early Middle College Advising & Articulation Coordinator/ Chair of Executive Committee for Administrative/Professional Staff 2023
Wendy Ramirez	Administrative Assistant to the VP of Instruction & Learning Services/ Chair of Support Staff Executive Committee 2023
Pam Ross-McClain	Chief Officer of Culture, Belonging, and Community Building
Eduardo Suniga	Dean of Career Education & Learning Partnerships
Ski VanderLaan	Professor of Accounting/President of Delta College Faculty Association
Jason Young	Director of Institutional Research

Strategic Planning

Notes

Delta College Strategic Plan 2023-2027

Year 1



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 Student and Educational Services Leadership

Coordination/Resources: Pam Ross McClain, Faculty Center for Teaching Excellence Coordinator(s) for professional development; 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): Ed Suniga

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 Student and Educational Services Leadership

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 well-being and retention.

Champions (oversight): Andrea Ursuy and Loyce Brown

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): Jason Young and Data Visualization Specialist

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): Mike Gavin and Student and Educational Services Leadership



Coordination/Resources: Shelly Raube and 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): Mike Gavin and Ed Suniga

Coordination/Resources: Pete Fox, Sue Roche, and Jennifer Carroll

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 and Pam Ross McClain

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 education the region about the value of higher education and the community college.

Champions (oversight): Pam Ross McClain

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

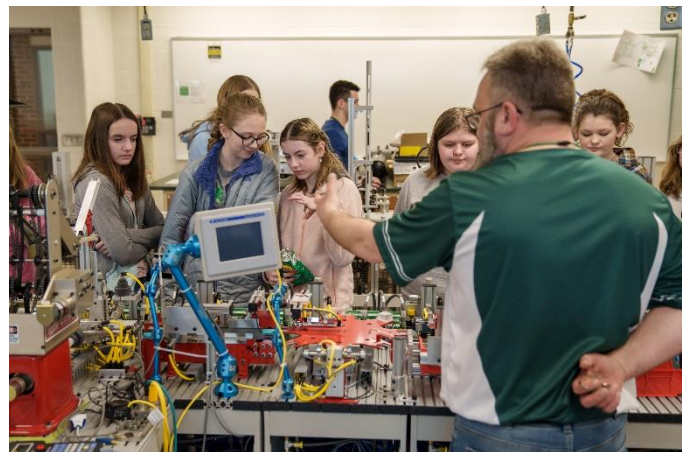
Target: Increase average student success rate by an average of 0.9% annually with a goal of increasing average student success by at least 2.7% at conclusion of the plan.

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 2022-2023, the College submitted one major project:

Priority	Project	Amount
1	Business and Office Professions – K Wing Renovation and Addition	\$ 5,701,635

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/2024-capital-outlay-project-request.html>)

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

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

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-allocate as necessary.

Delta College Procedures for Budget Amendment

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

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

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

All Funds

Notes

Delta College Budget – All Funds

Fiscal Year 2023-2024

	General	Designated	Restricted	Auxiliary	Plant	Total
Revenues						
Tuition and Fees	\$ 28,404,927	\$ 675,340	\$ -	\$ -	\$ -	\$ 29,080,267
State Appropriations	18,491,320	-	-	-	-	18,491,320
Property Taxes	26,198,480	-	-	-	-	26,198,480
Grants and Gifts	-	2,456,000	15,087,686	-	30,000	17,573,686
Auxiliary Services	-	-	-	4,429,030	-	4,429,030
Investment Income	1,400,000	-	984,908	-	1,325,100	3,710,008
Other Sources	<u>559,756</u>	<u>920,280</u>	<u>654,846</u>	<u>-</u>	<u>3,060,000</u>	<u>5,194,882</u>
Total Revenues	<u>75,054,483</u>	<u>4,051,620</u>	<u>16,727,440</u>	<u>4,429,030</u>	<u>4,415,100</u>	<u>104,677,673</u>
Expenditures						
Instruction	34,119,473	3,000,451	910,086	-	-	38,030,010
Instructional Support	<u>6,833,033</u>	<u>158,929</u>	<u>195,232</u>	<u>-</u>	<u>-</u>	<u>7,187,194</u>
	40,952,506	3,159,380	1,105,318	-	-	45,217,204
Public Service	1,273,770	7,600	1,885,040	-	-	3,166,410
Information Technology	4,552,463	-	-	-	500,000	5,052,463
Student Services	9,075,428	122,000	13,177,203	4,590,589	-	26,965,220
Institutional Administration	8,908,838	634,732	-	-	-	9,543,570
Facilities Management	<u>10,139,288</u>	<u>-</u>	<u>1,500</u>	<u>-</u>	<u>7,862,635</u>	<u>18,003,423</u>
Total Expenditures	<u>74,902,293</u>	<u>3,923,712</u>	<u>16,169,061</u>	<u>4,590,589</u>	<u>8,362,635</u>	<u>107,948,290</u>
Revenues Over/(Under) Expenditures	152,190	127,908	558,379	(161,559)	(3,947,535)	(3,270,617)
Projected Fund Balance June 30, 2023	<u>7,703,447</u>	<u>31,139,181</u>	<u>9,025,258</u>	<u>6,965,705</u>	<u>45,673,049</u>	<u>100,506,640</u>
Projected Fund Balance June 30, 2024	<u>\$ 7,855,637</u>	<u>\$ 31,267,089</u>	<u>\$ 9,583,637</u>	<u>\$ 6,804,146</u>	<u>\$ 41,725,514</u>	<u>\$ 97,236,023</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

	Actual 2018-2019	Actual 2019-2020	Actual 2020-2021	Actual 2021-2022	Projected 2022-2023
Revenues					
Tuition and Fees	\$ 30,926,722	\$ 30,677,467	\$ 26,268,585	\$ 26,514,757	\$ 28,195,860
State Appropriations	23,141,714	18,956,519	19,174,383	21,079,090	20,118,709
Property Taxes	22,613,280	22,917,823	23,420,558	23,915,994	25,124,457
Grants and Gifts	21,490,291	25,801,840	36,103,476	32,142,759	24,041,449
Auxiliary Services	5,832,902	4,892,899	3,225,515	4,088,463	4,538,790
Investment Income	2,150,139	1,761,063	782,692	96,868	3,027,628
Other Sources	<u>7,316,921</u>	<u>15,155,733</u>	<u>16,322,918</u>	<u>15,003,155</u>	<u>14,284,997</u>
Total Revenues	<u>113,471,969</u>	<u>120,163,344</u>	<u>125,298,127</u>	<u>122,841,086</u>	<u>119,331,890</u>
Expenditures					
Instruction	36,369,573	34,655,572	34,475,624	34,750,368	36,491,050
Instructional Support	<u>8,473,690</u>	<u>7,511,303</u>	<u>6,582,884</u>	<u>7,554,393</u>	<u>6,765,819</u>
	44,843,263	42,166,875	41,058,508	42,304,761	43,256,869
Public Service	2,867,765	2,715,006	2,611,578	2,926,483	3,110,864
Information Technology	3,807,097	3,858,373	3,972,844	3,918,226	4,482,503
Student Services	27,499,173	27,436,066	29,109,646	34,274,171	28,409,792
Institutional Administration	13,835,466	13,003,965	13,777,552	11,576,364	10,468,300
Facilities Management	<u>24,547,113</u>	<u>23,519,229</u>	<u>22,388,535</u>	<u>20,666,386</u>	<u>19,723,139</u>
Total Expenditures	<u>117,399,877</u>	<u>112,699,514</u>	<u>112,918,663</u>	<u>115,666,391</u>	<u>109,451,467</u>
Revenues Over/(Under) Expenditures	(3,927,908)	7,463,830	12,379,464	7,174,695	9,880,423
Beginning Fund Balance	<u>57,207,867</u>	<u>63,608,228</u>	<u>71,072,058</u>	<u>83,451,522</u>	<u>90,626,217</u>
Ending Fund Balance	<u>\$ 53,279,959</u>	<u>\$ 71,072,058</u>	<u>\$ 83,451,522</u>	<u>\$ 90,626,217</u>	<u>\$ 100,506,640</u>

Note: Fiscal year 2020-2021 changed from the prior year presentation due to implementation of GASB 87 related to broadcasting tower leases in the fiscal year 2021-2022 audited financial statements, which also required an adjustment to prior year fund balance.

General Fund

Notes

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

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

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

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

Detail discussion about the specific General Fund revenues and expenditures is contained within this section. The use of General Fund revenues is determined by the College's appropriation process which is tied to the College's strategic initiatives. The Budget Cabinet provides leadership in the appropriation process. The budget process is further described in both the Strategic Planning and Fiscal Planning sections of this document. The current year Budget Planning and Resource Allocation Decisions addressing the tactical plans that have been developed to meet the College's strategic initiatives are located on pages 21-23.

Delta College Organizational Chart

- Community
 - Board of Trustees
 - President
 - Title IX Coordinator
 - Council on Innovation, Belonging and Equity (CIBE)
 - Chief Officer of Culture, Belonging and Community Building
 - Coordinator of Veteran Services
 - Career Technical Education (CTE), Special Populations Engagement and Success Coordinator
 - 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
 - eLearning
 - Associate Director of Transfer Partnerships
 - 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
 - Manager of Finance – Academics
 - LLIC (TLC, Library and Testing Center)
 - Instructional Support Services
 - Vice President of Student Empowerment and Success
 - Dean of Enrollment and Access
 - Associate Dean of Enrollment Management
 - Associate Director of Admissions and Dual Enrollment
 - Director of Educational Opportunity Center
 - Possible Dream Coordinator
 - Admissions Technologist/Communications Coordinator
 - Registrar
 - Director of Financial Aid
 - Dean of Student Success
 - Director of Athletics and Student Athlete Development
 - Student Success Technologist/Communication Coordinator
 - Coordinator of Campus Life and Student Engagement
 - Associate Dean of Retention
 - Associate Director of Academic Advising
 - Associate Director of Career Advising
 - Disability Resource Manager
 - Counseling
 - Director of Downtown Centers
 - Assistant Director of Sustainability and Midland Center
 - Assistant Director of Downtown Saginaw
 - Vice President of Business & Finance
 - Controller
 - Budget and Finance
 - Payroll

- Student Billing and Cashier's Office
 - Director of Facilities Management
 - Facilities Operations Planning and Management
 - Sustainability and Risk Management
 - Capital Projects
 - Director of Business Services and Information Technology Services
 - Purchasing and Contract Administration
 - Auxiliary Operations
 - Information Technology Services
 - Director of Public Safety
 - Director of Police Academy/Law Enforcement Training
- 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
 - Director of Employee Development
 - Center for Organizational Success
 - Instructional Support Services
 - Director of Institutional Research
 - Faculty Center for Teaching Excellence Coordinator(s)
 - FOIA/Legal Matters

Delta College General Fund Budget

Fiscal Year 2023-2024

Revenues

Tuition and Fees

Tuition	\$ 23,395,350	
Registration Fees	717,750	
Technology Fees	4,125,000	
Program Course Fees	<u>166,827</u>	
Total Tuition and Fees		\$ 28,404,927

State Appropriations

18,491,320

Property Taxes

Bay County	6,492,206	
Midland County	7,741,078	
Saginaw County	<u>11,965,196</u>	
Total Property Taxes		26,198,480

Fund Transfers

260,156

Investment Income

1,400,000

Other

299,600

Total Revenues

\$ 75,054,483

Expenditures by Activity

Instruction	\$ 34,119,473
Instructional Support	<u>6,833,033</u>

Total Instruction 40,952,506

Public Service	1,273,770
Information Technology	4,552,463
Student Services	9,075,428
Institutional Administration	8,908,838
Facilities Management	<u>10,139,288</u>

Total Expenditures

74,902,293

Revenues Over Expenditures

152,190

Beginning Fund Balance

7,703,447

Ending Fund Balance

\$ 7,855,637

Delta College General Fund

Five Year History

	Actual 2018-2019	Actual 2019-2020	Actual 2020-2021	Actual 2021-2022
Revenues				
Tuition and Fees	\$ 28,428,625	\$ 29,016,685	\$ 25,889,541	\$ 25,796,214
State Appropriations	18,533,182	17,351,392	19,174,383	20,067,797
Property Taxes	22,613,280	22,917,823	23,420,558	23,915,994
Auxiliary Service	250,000	250,000	250,000	250,000
Investment Income	801,607	653,374	74,677	(260,484)
Grants and Other	<u>791,854</u>	<u>861,175</u>	<u>3,214,571</u>	<u>2,383,629</u>
Total Revenues	<u>71,418,548</u>	<u>71,050,449</u>	<u>72,033,730</u>	<u>72,153,150</u>
Expenditures				
Instruction	32,010,011	30,484,645	30,179,698	30,535,848
Instructional Support	<u>6,425,060</u>	<u>6,001,646</u>	<u>5,712,209</u>	<u>6,029,111</u>
Total Instruction	38,435,071	36,486,291	35,891,907	36,564,959
Public Service	1,096,759	1,093,908	965,131	1,104,806
Information Technology	3,807,097	3,858,373	3,862,291	3,918,226
Student Services	6,911,710	6,421,531	6,413,900	7,203,616
Institutional Admin	11,480,362	11,930,195	12,178,696	9,895,185
Facilities Management	<u>9,189,136</u>	<u>11,494,576</u>	<u>12,634,336</u>	<u>13,320,257</u>
Total Expenditures	<u>70,920,135</u>	<u>71,284,874</u>	<u>71,946,261</u>	<u>72,007,049</u>
Revenues Over/(Under) Expenditures	498,413	(234,425)	87,469	146,101
Beginning Fund Balance	<u>6,901,642</u>	<u>7,400,055</u>	<u>7,165,630</u>	<u>7,253,099</u>
Ending Fund Balance	<u>\$ 7,400,055</u>	<u>\$ 7,165,630</u>	<u>\$ 7,253,099</u>	<u>\$ 7,399,200</u>
~State pass-through to MPSERS	<u>\$ 4,127,662</u>	<u>\$ 3,981,980</u>	<u>\$ 4,436,370</u>	<u>\$ 4,717,718</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 2022-2023 Amount	Projected 2022-2023 % of Total	Budgeted 2023-2024 Amount	Budgeted 2023-2024 % of Total	% Change From Prior Year
Revenues					
Tuition and Fees	\$ 27,461,420	36.9%	\$ 28,404,927	37.8%	3.4%
State Appropriations	19,761,985	26.5%	18,491,320	24.6%	-6.4%
Property Taxes	25,124,457	33.7%	26,198,480	34.9%	4.3%
Auxiliary Service	250,000	0.3%	-	0.0%	-100.0%
Investment Income	1,350,000	1.8%	1,400,000	1.9%	3.7%
Grants and Other	<u>578,720</u>	<u>0.8%</u>	<u>559,756</u>	<u>0.8%</u>	<u>-3.3%</u>
Total Revenues	<u>74,526,582</u>	<u>100.0%</u>	<u>75,054,483</u>	<u>100.0%</u>	<u>0.7%</u>
Expenditures					
Instruction	32,851,626	44.3%	34,119,473	45.6%	3.9%
Instructional Support	<u>5,504,432</u>	<u>7.4%</u>	<u>6,833,033</u>	<u>9.1%</u>	<u>24.1%</u>
Total Instruction	38,356,058	51.7%	40,952,506	54.7%	28.0%
Public Service	1,140,313	1.5%	1,273,770	1.7%	11.7%
Information Technology	4,314,951	5.8%	4,552,463	6.1%	5.5%
Student Services	7,828,297	10.6%	9,075,428	12.1%	15.9%
Institutional Admin *	8,492,899	11.4%	8,908,838	11.9%	4.9%
Facilities Management	<u>14,089,817</u>	<u>19.0%</u>	<u>10,139,288</u>	<u>13.5%</u>	<u>-28.0%</u>
Total Expenditures	<u>74,222,335</u>	<u>100.0%</u>	<u>74,902,293</u>	<u>100.0%</u>	<u>0.9%</u>
Revenues Over/(Under) Expenditures	304,247		152,190		
Beginning Fund Balance	<u>7,399,200</u>		<u>7,703,447</u>		
Ending Fund Balance	<u>\$ 7,703,447</u>		<u>\$ 7,855,637</u>		
~ State pass-through to MPSERS	<u>\$ 8,118,163</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.

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 50.

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 46. Detail contact hour projections for each academic division are presented on pages 48 and 49. A historical chart of contact hours is shown on page 47.

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.

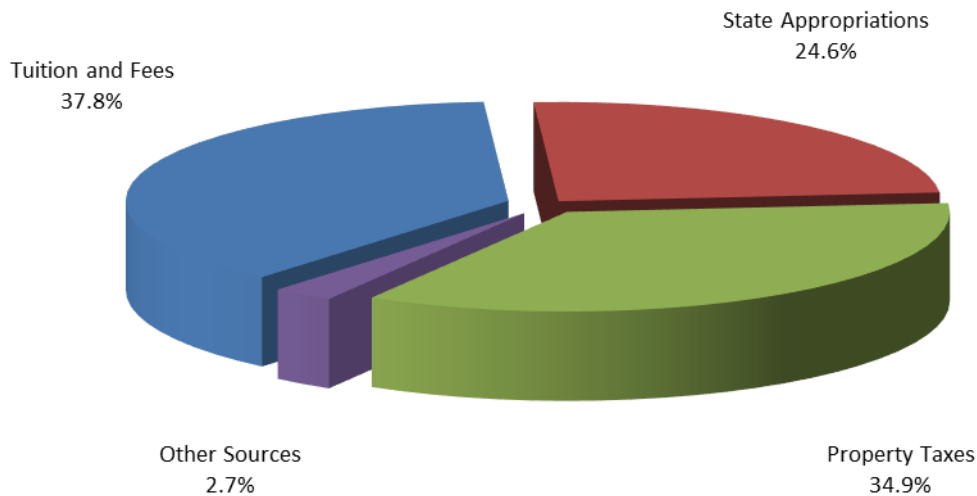
Throughout the budgeting process each year, the College adjusts its General Fund expenditures based upon the revenue projections.

Delta College General Fund Budget

Fiscal Year 2023-2024

Revenues

Tuition and Fees			
Tuition	\$	23,395,350	
Registration Fees		717,750	
Technology Fees		4,125,000	
Program Course Fees		<u>166,827</u>	
Total Tuition and Fees	\$		28,404,927
State Appropriations			18,491,320
Property Taxes			
Bay County		6,492,206	
Midland County		7,741,078	
Saginaw County		<u>11,965,196</u>	
Total Property Taxes			26,198,480
Fund Transfers			260,156
Investment Income			1,400,000
Other			<u>299,600</u>
Total Revenues		\$	<u><u>75,054,483</u></u>

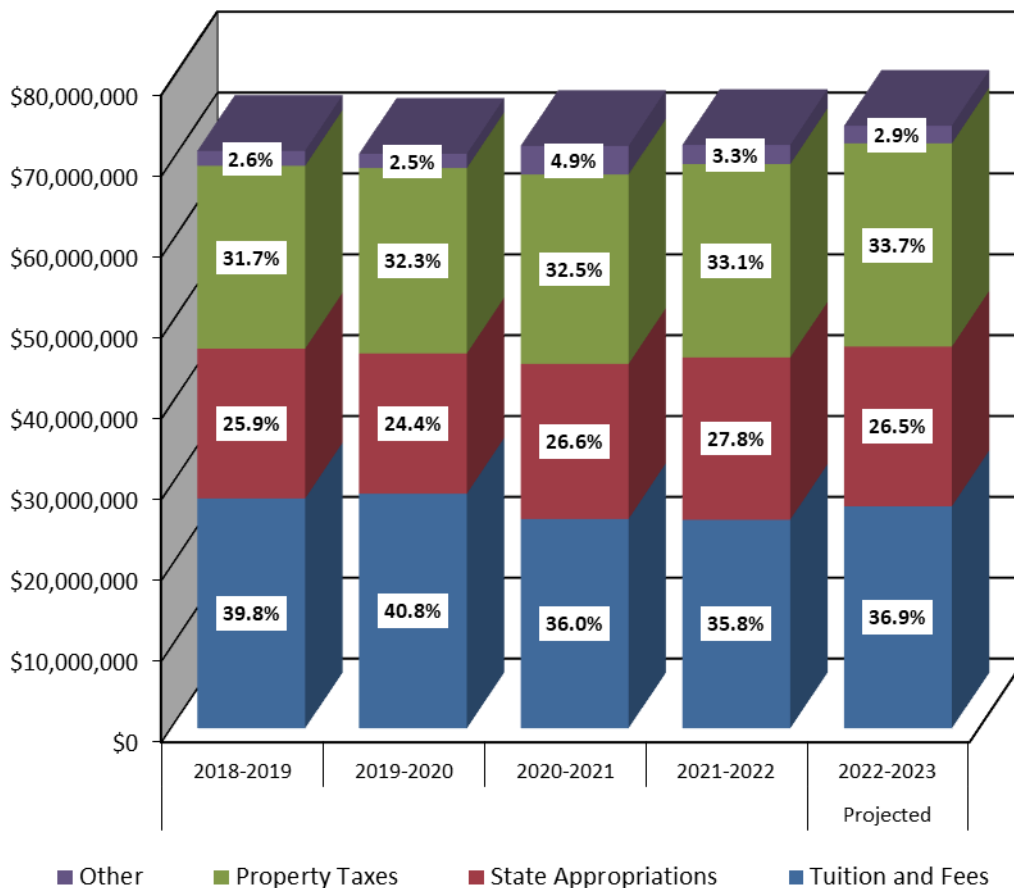


Delta College General Fund

Revenue Sources

Five Year Actual History

	2018-2019	2019-2020	2020-2021	2021-2022	Projected 2022-2023
Tuition and Fees	\$ 28,428,625	\$ 29,016,685	\$ 25,899,541	\$ 25,796,214	\$ 27,461,420
State Appropriations	18,533,182	17,351,392	19,174,383	20,067,797	19,761,985
Property Taxes	22,613,280	22,917,823	23,420,558	23,915,994	25,124,457
Other	<u>1,843,461</u>	<u>1,764,549</u>	<u>3,539,248</u>	<u>2,373,145</u>	<u>2,178,720</u>
Total	<u>\$ 71,418,548</u>	<u>\$ 71,050,449</u>	<u>\$ 72,033,730</u>	<u>\$ 72,153,150</u>	<u>\$ 74,526,582</u>



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 Transfer In from COVID-19 relief grants, primarily to offset lost revenues due to the Pandemic. Lost revenue reimbursements will be minimal in the General Fund for fiscal year 2022-2023.

Revenue Sources Detail

Tuition and Fees:

Beginning with the Fall 2019 semester, the College began charging tuition based on contact hours. For some courses, the number of contact hours is greater than the number of credits assigned to the course. Credits are standardized to maximize transferability of courses, to comply with accreditation and other factors. Contact hours are based more closely on the amount of instruction in a course, and may include time allotted for tutorials, laboratory sessions and other additional time spent in class delivery and online activities. In prior years, the College charged tuition based on course credits and assessed an Excess Contact Hour (ECH) fee per additional contact hour at a reduced rate. In 2018-2019 the ECH Fee was 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 has been eliminated.

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

In an effort to attract potential out of state students to the College's online programs, the decision was made to significantly lower the Out-of-State tuition rate for the 2021-2022 academic year. However, this rate decrease did not result in any significant change in enrollment in the Out-of-State category.

Tuition rates for 2023-2024 and 2022-2023 per Contact Hour are as follows:

	FY 2023-2024	FY 2022-2023	Change	% Change
In-District	\$ 127.00	\$ 121.00	\$ 6.00	5.0%
Out-of-District	214.00	205.00	9.00	4.4%
Out-of-State	224.00	214.00	10.00	4.7%

Contact Hours	Budgeted FY 2023-2024	Actual FY 2022-2023	Change	% Change
Summer	4,318	4,365	(49)	-1.1%
Fall	71,851	72,742	(858)	-1.2%
Winter	67,769	68,928	(1,033)	-1.5%
Spring	<u>21,062</u>	<u>20,815</u>	<u>90</u>	<u>0.4%</u>
Total Contact Hours	<u>165,000</u>	<u>166,850</u>	<u>(1,850)</u>	<u>-1.1%</u>

Note: Contact hours for Summer, Fall and Winter semesters in 2022-2023 are actual, whereas Spring contact hours are projected. See pages 47-49 for contact hour history and projections.

Course Fees:

Course fees contained in the 2023-2024 tuition and fees budget consist of a Technology Fee of \$25 assessed on each contact hour for all courses. This fee amount is unchanged from 2022-2023. Due to a significant level of student confusion regarding why we charged both a technology fee and an online course fee for those courses delivered in an online or hybrid online capacity, and the fact that the majority of all students and faculty now utilize the College's online learning management system, the College made the decision to eliminate its online course fee beginning with the Fall 2021 semester. For fiscal year 2020-2021, the College charged \$34 per contact hour for online courses.

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

Registration Fees:

Students are charged a registration fee each semester, which remains unchanged at \$40 for fiscal year 2023-2024. This fee has been at \$40 for many years.

Revenue Sources Detail

	Budgeted FY 2023-2024	Projected FY 2022-2023	Change	% Change
State Appropriations	\$ 18,491,320	\$ 19,761,985	\$ (1,270,665)	-6.4%

The appropriation amounts above include \$2.0 million and \$2.9 million for fiscal years 2023-2024 and 2022-2023, 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 \$9,033 and \$42,905, 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 \$38,000 and \$40,200 for the two respective years.

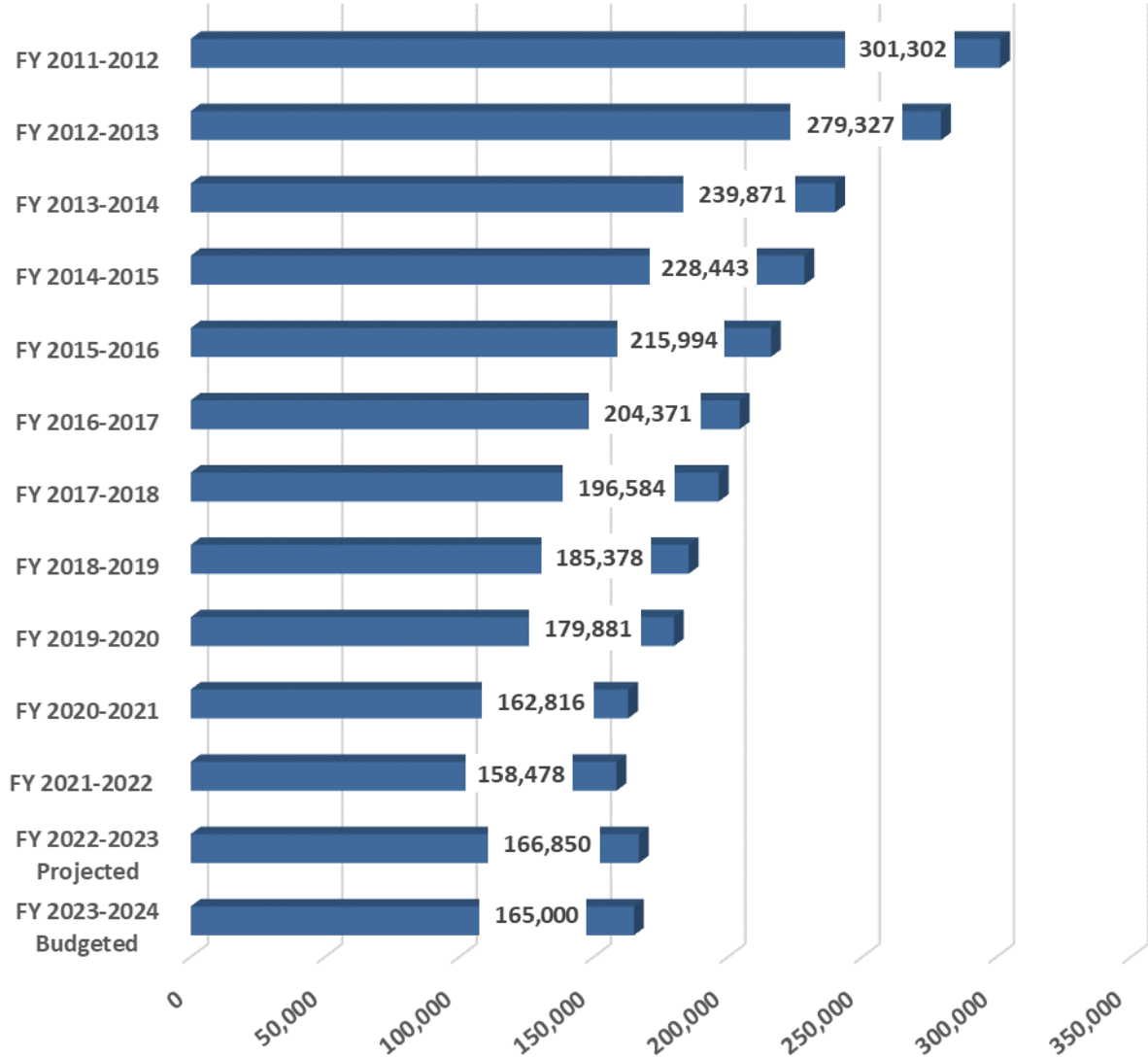
Note: During fiscal year 2022-2023 the College received approximately \$8.1 million from the State for pass-through to MPSERS. Since this amount is a pass through, it is not budgeted. Of this amount, \$5.0 million represents the UAAL pass-through that the College has been receiving for several years, and the remaining \$3.1 million is an additional Public Act section 147c(2) one-time pass-through distribution in the amount of \$3.1 to pay down the State's public school employees pension liability.

Other Revenue

	Budgeted FY 2023-2024	Projected FY 2022-2023	Change	% Change
Collegiate Ads	\$ 2,500	\$ 2,050	\$ 450	22.0%
Credit by Exam	3,000	2,315	685	29.6%
Live Scan Fees	18,000	17,000	1,000	5.9%
Miscellaneous	60,000	56,747	3,253	5.7%
Parking Fines	300	230	70	30.4%
Planetarium	66,000	96,647	(30,647)	-31.7%
Rent Space/Equipment	48,000	49,029	(1,029)	-2.1%
Reserve Parking	4,800	4,670	130	2.8%
Sale of Assets	23,000	324,156	(301,156)	-92.9%
Testing	38,000	37,896	104	0.3%
Transcript Fees	36,000	34,595	1,405	4.1%
Total Other Revenue	<u>\$ 299,600</u>	<u>\$ 625,335</u>	<u>\$ (325,735)</u>	<u>-52.1%</u>

Note: Revenue from Sale of Assets was higher than normal is fiscal year 2022-2023 due to sale of the previous Midland Center building.

Delta College Contact Hour History



Delta College Contact Hour Budget 2023-2024

Cost Center/Division	Summer 2023	Fall 2023	Winter 2024	Spring 2024	Total
1010 Education for Professional Development	0	15	5	3	23
1011 Interdisciplinary Social Sciences	0	90	44	33	167
1012 Economics	162	1,135	1,044	339	2,680
1013 History	471	1,696	1,764	786	4,717
1014 Criminal Justice	74	1,936	1,701	266	3,977
1015 Political Science	440	2,193	1,629	336	4,598
1016 Psychology	327	2,994	3,054	926	7,301
1017 Sociology	103	1,719	1,809	669	4,300
1018 Applied Behavior Science	0	95	68	24	187
1019 Child Development	0	574	705	41	1,320
1029 Communications	154	1,629	1,868	562	4,213
1044 Geography	0	559	712	395	1,666
Social Sciences Total	1,731	14,635	14,403	4,380	35,149
1021 Art	30	1,625	1,532	352	3,539
1023 Languages	59	522	499	164	1,244
1025 Interdisciplinary Humanities	18	330	320	59	727
1026 Music	83	483	558	207	1,331
1027 Philosophy	203	1,341	1,381	385	3,310
1028 Electronic Media Broadcasting	0	263	148	0	411
1031 English	851	8,902	7,320	1,841	18,914
Arts and Letters Total	1,244	13,466	11,758	3,008	29,476
1035 Mathematics	91	5,741	4,363	1,528	11,723
1041 Biology	0	7,689	7,096	2,396	17,181
1042 Chemistry	55	1,877	1,539	388	3,859
1043 Geology	0	442	399	61	902
1045 Physics	136	1,003	1,147	430	2,716
1046 Science Tech Programs	0	278	103	0	381
Science and Mathematics Total	282	17,030	14,647	4,803	36,762
1052 Lifelong Wellness	160	2,975	2,855	1,296	7,286
1070 Nursing	254	4,412	4,936	1,396	10,998
1071 Surgical Technology	0	369	324	0	693
1072 Phlebotomy	0	64	39	18	121
1073 Physical Therapy Assistant	0	572	484	0	1,056
1074 Respiratory Care	0	424	270	35	729
1076 Health Science	0	672	487	233	1,392
1077 Radiography	32	366	421	62	881
1078 Dental Hygiene	0	1,055	805	209	2,069
1079 Dental Assisting	0	329	422	253	1,004
1082 Surgical First Assistant	0	0	3	16	19
1083 Sterile Processing Technology	0	35	44	14	93
1087 Diagnostic Medical Sonography	0	292	295	199	786
Health & Wellness Total	446	11,565	11,385	3,731	27,127

Delta College Contact Hour Budget 2023-2024

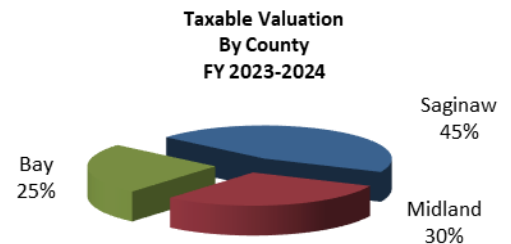
Cost Center/Division	Summer 2023	Fall 2023	Winter 2024	Spring 2024	Total
1061 Accounting	123	1,781	1,965	815	4,684
1062 Academic Career Experience	1	4	6	0	11
1063 Computer Information Systems	299	3,540	3,748	1,068	8,655
1065 Legal Support Professions	3	100	92	21	216
1066 Management	133	3,219	3,053	1,708	8,113
1067 Office Admin & Technology	56	1,375	1,345	346	3,122
1110 Skilled Trade	0	127	62	0	189
1111 Welding	0	741	868	471	2,080
1112 Auto Service Ed Program	0	76	171	21	268
1116 Fire Science Technology	0	128	104	49	281
1160 Architecture	0	315	325	3	643
1161 Residential Construction	0	341	322	0	663
1162 Automotive Service Technology	0	471	564	0	1,035
1163 Chemical Processing	0	252	117	0	369
1164 Electrical Technology	0	1,205	1,138	376	2,719
1165 Manufacturing and Industrial Technology	0	455	494	262	1,211
1169 Computer Numeric Control	0	236	333	0	569
1171 Computer Assisted Drafting	0	188	170	0	358
1172 Heating, Ventilation and Air Conditioning	0	341	385	0	726
1174 Heavy Duty Diesel	0	260	314	0	574
Business and Technology Total	615	15,155	15,576	5,140	36,486
Grand Total	4,318	71,851	67,769	21,062	165,000

Property Taxes

The following is the detail related to the taxable valuation of the Delta College District. The College's authorized millage rate for operations is 2.1000 mills, however, due to the Headlee Amendment, the College's operating millage rate has been reduced to 2.0427. The overall property values in the College's district for fiscal year 2023-2024 increased by 5.97%. The current year Headlee cap on increases in taxable assessed value per parcel for existing properties is 5.0% after adjusting for losses and additions. Based on the formula, Delta's increase in property values does not exceed the cap and therefore the College will not have a Headlee rollback for the 2023 tax year.

	Saginaw County	Midland County	Bay County	Total
2023 Taxable Valuations				
Ad Valorem Roll	\$ 6,158,775,441	\$ 3,887,158,887	\$ 3,325,836,498	\$ 13,371,770,826
DNR Roll	9,305,906	3,733,956	4,790,844	17,830,706
IFT Roll - New	22,201,580	6,970,360	18,342,287	47,514,226
IFT Roll - Rehab	944,075	-	-	944,075
Less Captured Values	<u>(284,732,804)</u>	<u>(59,277,853)</u>	<u>(121,767,566)</u>	<u>(465,778,223)</u>
Net Taxable Valuation – 2023	<u>\$ 5,906,494,198</u>	<u>\$ 3,838,585,350</u>	<u>\$ 3,227,202,063</u>	<u>\$ 12,972,281,610</u>
2022 Taxable Valuations				
Ad Valorem Roll	\$ 5,750,924,003	\$ 3,699,110,082	\$ 3,131,569,482	\$ 12,581,603,567
DNR Roll	8,761,281	3,556,185	4,562,739	16,880,205
IFT Roll – New	47,749,745	10,308,600	15,838,782	73,897,127
IFT Roll – Rehab	2,615,314	-	-	2,615,314
Less Captured Values	<u>(259,654,524)</u>	<u>(56,413,178)</u>	<u>(117,550,679)</u>	<u>(433,618,381)</u>
Net Taxable Valuation – 2022	<u>\$ 5,550,395,819</u>	<u>\$ 3,656,561,689</u>	<u>\$ 3,034,420,324</u>	<u>\$ 12,241,377,832</u>
Percent Increase (Decrease)	6.42%	4.98%	6.35%	5.97%

Fiscal Year 2023-2024 Operating Property Tax	Revenue Calculation
Total 2023 Net Taxable Valuation	\$ 12,972,281,610
x General Operating Millage Rate	<u>2.0427</u>
Property Tax Revenues	\$ 26,498,480
Less Delinquent and Appealed Taxes	<u>(300,000)</u>
Net Operating Property Tax Revenues	<u>\$ 26,198,480</u>



Notes:

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

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

Exempt Personal Property Tax Reimbursements

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

General Fund

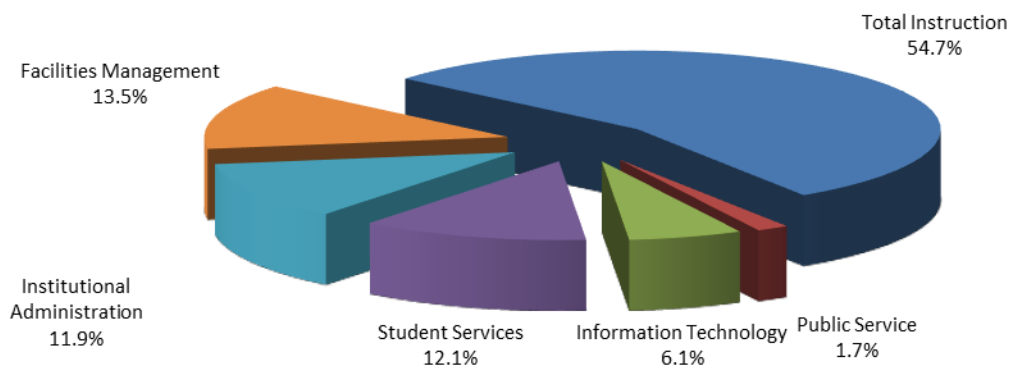
Expenditure Detail

Delta College General Fund Budget

Fiscal Year 2023-2024

Expenditures by Activity

Activity	Amount	Percentage
Instruction	\$ 34,119,473	45.6%
Instructional Support	<u>6,833,033</u>	<u>9.1%</u>
Total Instruction	40,952,506	54.7%
Public Service	1,273,770	1.7%
Information Technology	4,552,463	6.1%
Student Services	9,075,428	12.1%
Institutional Administration	8,908,838	11.9%
Facilities Management	<u>10,139,288</u>	<u>13.5%</u>
Total Expenditures	<u>\$ 74,902,293</u>	<u>100.0%</u>

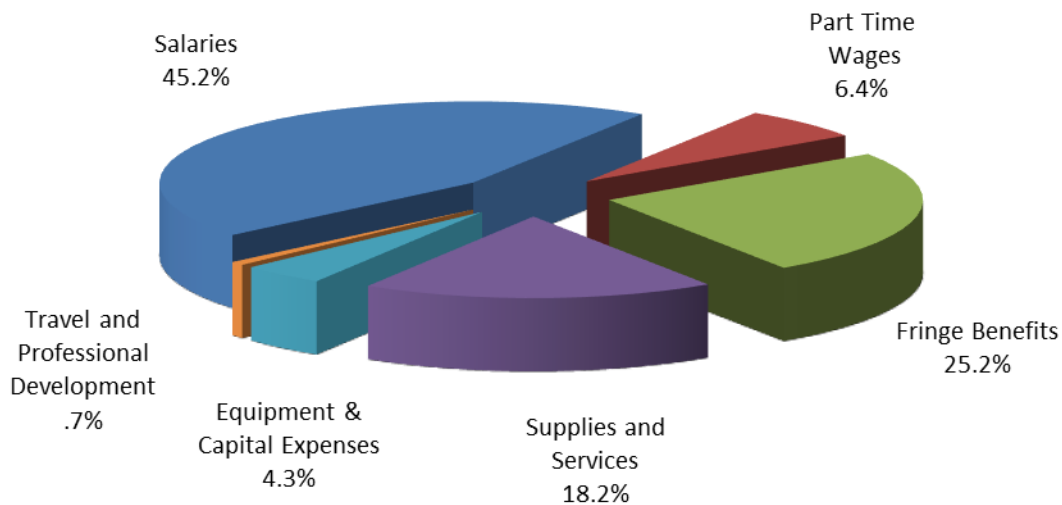


Delta College General Fund Budget

Fiscal Year 2023-2024

Expenditures by Object

Object	Amount	Percentage
Salaries	\$ 33,822,703	45.2%
Part Time Wages	4,801,234	6.4%
Fringe Benefits	18,855,805	25.2%
Supplies and Services	13,627,729	18.2%
Equipment and Capital Expenses	3,233,497	4.3%
Travel and Professional Development	<u>561,325</u>	<u>0.7%</u>
Total Expenditures	<u>\$ 74,902,293</u>	<u>100.0%</u>

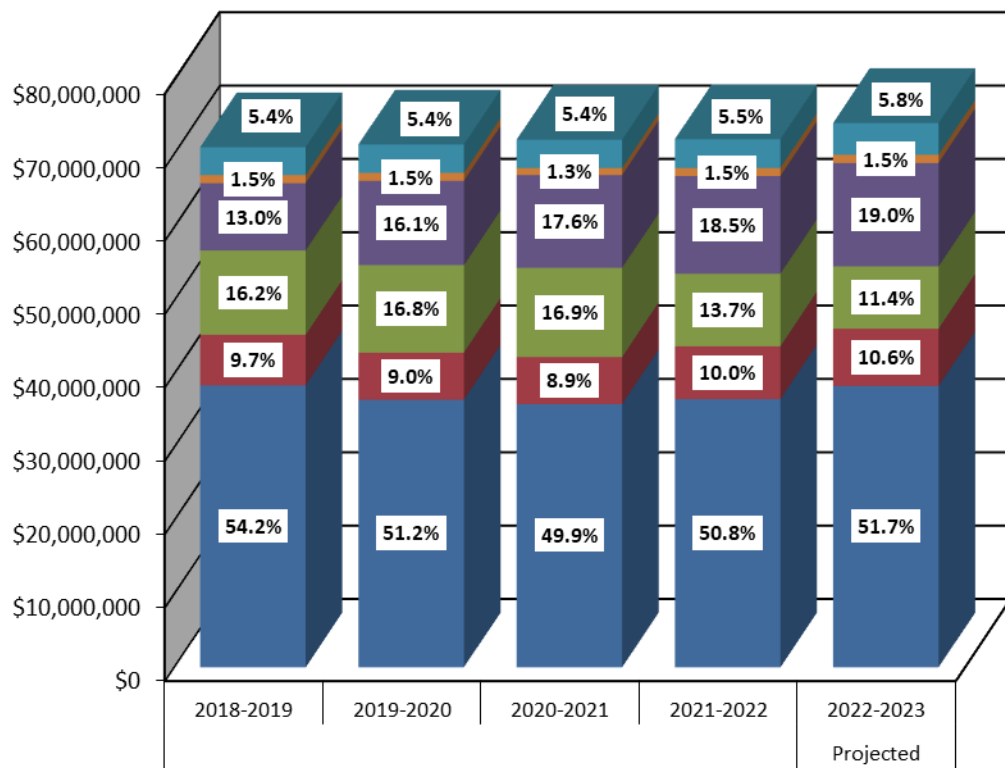


Delta College General Fund

Expenditures by Activity

Five Year Actual History

	2018-2019	2019-2020	2020-2021	2021-2022	Projected 2022-2023
Instruction	\$ 32,010,011	\$ 30,484,645	\$ 30,179,698	\$ 30,535,848	\$ 32,851,626
Instructional Support	6,425,060	6,001,646	5,712,209	6,029,111	5,504,432
Total Instruction	38,435,071	36,486,291	35,891,907	36,564,959	38,356,058
Public Service	1,096,759	1,093,908	965,131	1,104,806	1,140,313
Information Technology	3,807,097	3,858,373	3,862,291	3,918,226	4,314,951
Student Services	6,911,710	6,421,531	6,413,900	7,203,616	7,828,297
Institutional Admin	11,480,362	11,930,195	12,178,696	9,895,185	8,492,899
Facilities Management	9,189,136	11,494,576	12,634,336	13,320,257	14,089,817
Total	\$ 70,920,135	\$ 71,284,874	\$ 71,946,261	\$ 72,007,049	\$ 74,222,335



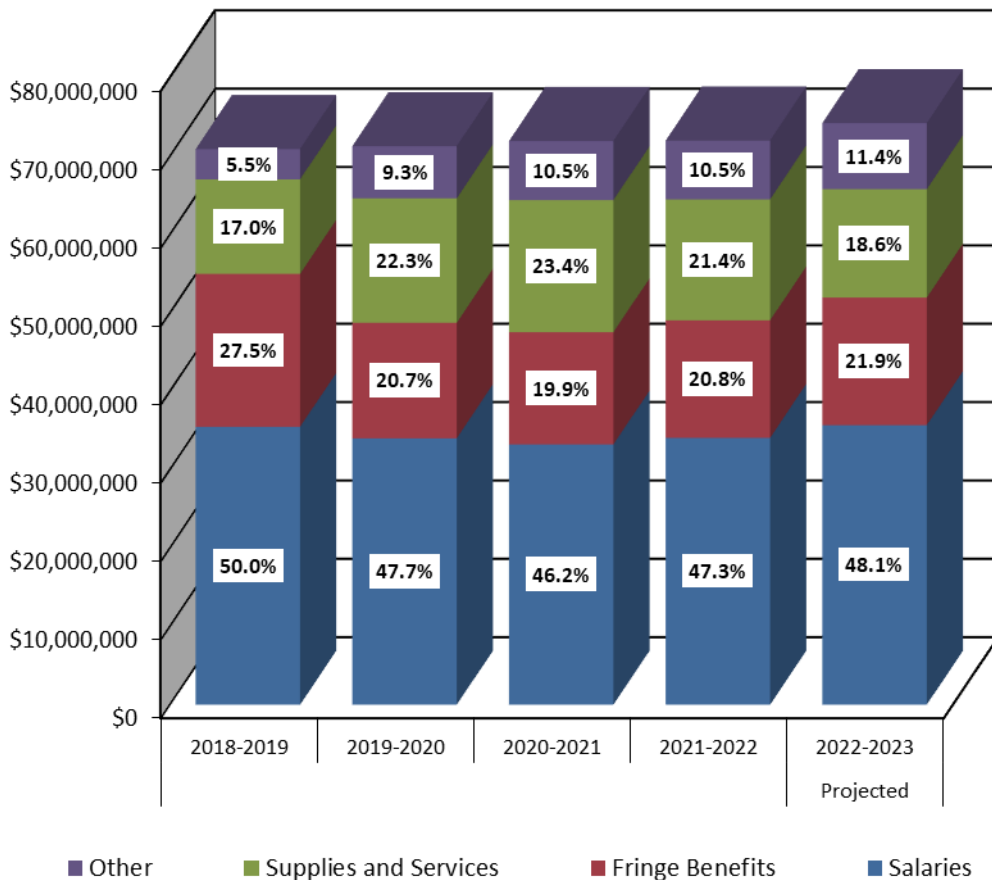
- Information Technology
- Public Service
- Facilities Management
- Institutional Admin
- Student Services
- Total Instruction

Delta College General Fund

Expenditures by Object

Five Year Actual History

	2018-2019	2019-2020	2020-2021	2021-2022	Projected 2022-2023
Salaries	\$ 35,461,589	\$ 33,997,396	\$ 33,214,255	\$ 34,056,213	\$ 35,682,587
Fringe Benefits	19,531,075	14,746,385	14,327,536	14,997,858	16,281,179
Supplies and Services	12,059,573	15,886,400	16,856,520	15,427,989	13,825,726
Other	<u>3,867,898</u>	<u>6,654,692</u>	<u>7,547,950</u>	<u>7,524,989</u>	<u>8,432,844</u>
Total	\$ 70,920,135	\$ 71,284,873	\$ 71,946,261	\$ 72,007,049	\$ 74,222,336



Notes

General Fund

Cost Center Detail

The College's organizational chart is found on page 36 and 37. 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 60-63. They are listed by the six major activity classifications prescribed by the Michigan Department of Labor and Economic Growth which administers the Community College Services Unit for the State of Michigan.

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

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

A – Administrative Group led by the President, Dr. Mike Gavin

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

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

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

F – Information Technology Group led by the Information Technology Contract Administrator, Jon Foco

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

Administrative Group

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

Academic Services Group

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

Student & Educational Services Group

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

Business & Finance Group

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

Information Technology Group

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

Detail of General Fund Expenditure Budget

					2100	2200	2300	2400	2500	2600	
					Full Time	Part Time	Fringe	Supplies	Equip/	Prof Dev	Total
Instruction	Cost Center	FAC	AP	SS	Salaries	Salaries	Benefits	& Services	Capital	& Travel	
1011	C Interdisciplinary Social Sciences	0	0	0	-	-	-	250	-	-	250
1012	C Economics	3	0	0	287,904	-	138,013	2,000	-	3,300	431,217
1013	C History	3	0	0	313,099	-	146,335	3,250	-	3,300	465,984
1014	C Criminal Justice	3	0	0	289,080	-	138,401	3,250	-	3,300	434,031
1015	C Political Science	6	0	0	606,899	-	286,296	6,000	-	6,600	905,795
1016	C Psychology	7	0	0	755,978	-	349,840	4,800	-	7,700	1,118,318
1017	C Sociology	4	0	0	340,992	-	169,853	2,700	-	4,400	517,945
1018	C Applied Behavioral Science	0	0	0	-	-	-	500	-	-	500
1019	C Child Development	1	0	0	104,491	-	48,820	2,500	-	1,100	156,911
1021	C Art & Design	3	0	0	298,458	6,231	142,101	15,750	-	3,300	465,840
1023	C Foreign Language	2	0	0	188,581	-	90,899	2,000	-	2,200	283,680
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	210,885	-	98,267	5,500	-	2,200	316,852
1027	C Philosophy	4	0	0	375,407	-	181,223	3,100	-	4,400	564,130
1028	C Electronic Media Broadcasting	1	0	0	94,220	2,652	45,426	1,800	-	1,100	145,198
1029	C Communications	6	0	0	537,425	-	263,345	5,000	-	6,600	812,370
1031	C English	20	0	0	1,978,175	-	939,514	22,000	-	22,000	2,961,689
1035	C Math	15	0	0	1,472,378	-	700,918	32,000	-	16,500	2,221,796
1041	C Biology	15	0	0	1,378,547	-	669,923	56,000	-	16,500	2,120,970
1042	C Chemistry	4	0	0	410,772	-	192,903	32,000	-	4,400	640,075
1043	C Geology	1	0	0	101,891	-	47,961	4,650	-	1,100	155,602
1044	C Geography	0	0	0	-	-	-	4,000	-	-	4,000
1045	C Physics	4	0	0	413,100	-	193,672	8,250	-	4,400	619,422
1046	C Science Tech Programs	0	0	0	-	-	-	500	-	-	500
1047	C Science Labs	0	4	0	229,296	19,553	132,959	125	-	2,000	383,933
1052	C Lifelong Wellness	5	0	0	482,443	-	230,879	12,000	-	5,500	730,822
1061	C Accounting	3	0	0	282,885	-	136,356	3,200	-	3,300	425,741
1063	C Computer Info Systems	8	0	0	793,117	37,410	388,597	12,000	-	8,800	1,239,924
1064	C Clinical Medical Assistant	1	0	0	60,867	-	34,410	2,000	-	1,100	98,377
1065	C Legal Support Professional	0	0	0	-	-	-	500	-	-	500
1066	C Management	3	0	0	322,335	-	149,386	3,500	-	3,300	478,521
1067	C Office Admin & Technology	2	0	0	188,220	-	90,781	5,000	-	2,200	286,201
1069	C Nursing Course Testing Fees	0	0	0	-	-	-	100,000	-	-	100,000
1070	C Nursing	17	0	0	1,402,793	3,315	706,545	30,000	-	18,700	2,161,353
1071	C Surgical Technology	2	0	0	174,921	-	86,390	5,500	-	2,200	269,011
1072	C Phlebotomy	0	0	0	-	-	-	2,000	-	-	2,000
1073	C Physical Therapy	2.5	0	0	246,231	-	109,812	5,700	-	2,200	363,943
1074	C Respiratory Therapy	2	0	0	167,679	-	83,997	6,000	-	2,200	259,876
1076	C Health Related Science	0	0	0	-	-	-	1,500	-	-	1,500
1077	C Radiological Technology	2	0	0	194,249	-	92,772	7,600	-	2,200	296,821
1078	C Dental Hygiene	2.9	0	0.85	246,674	56,294	155,613	54,412	-	3,465	516,458
1079	C Dental Assisting	2.1	0	0	126,700	-	71,912	15,215	-	2,310	216,137
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	143,918	-	76,148	10,450	-	2,200	232,716
1110	C Apprenticeship Program	0	1	1	107,573	-	64,144	5,700	-	775	178,192
1111	C Welding	3	0	0	258,292	-	128,232	100,000	-	3,300	489,824
1112	C Auto Service Ed Program	1	0	0	89,894	-	43,998	12,500	-	1,100	147,492
1116	C Fire Science	0	0	0	-	33,326	10,854	1,100	-	-	45,280
1124	C Instructional Equipment	0	0	0	-	-	-	-	404,777	-	404,777
1125	C Educational Support	0	0	0	-	-	-	142,621	39,775	-	182,396
1126	C Other Supplemental	0	0	0	-	-	-	9,120	87,500	-	96,620

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

Detail of General Fund Expenditure Budget

			2100	2200	2300	2400	2500	2600				
Cost Center			FAC	AP	SS	Full Time Salaries	Part Time Salaries	Fringe Benefits	Supplies & Services	Equip/ Capital	Prof Dev & Travel	Total
1127	C	Academic Supplemental & Lecturers	0	0	0	2,846,419	2,676,743	1,948,398	-	-	-	7,471,560
1160	C	Architecture	0	0	0	-	-	-	1,425	-	-	1,425
1161	C	Residential Construction	2	0	0	184,736	-	89,631	12,575	-	2,200	289,142
1162	C	Automotive Service Technology	2	0	0	154,407	-	79,612	20,000	-	2,200	256,219
1163	C	Chemical Processing	0	0	0	-	-	-	2,450	-	-	2,450
1164	C	Electrical Technology	2	0	0	167,532	21,656	91,001	8,250	-	2,200	290,639
1165	C	Manufacturing & Industrial Tech	1	0	0	106,371	-	49,440	16,600	-	1,100	173,511
1166	C	Technology Facility Labs	0	1	1	115,541	45,093	66,774	2,000	-	775	230,183
1169	C	Computer Numerical Control	1	0	0	95,084	-	45,712	18,000	-	1,100	159,896
1171	C	Computer Assisted Drafting	1	0	0	83,109	-	41,757	2,000	-	1,100	127,966
1172	C	Refrigeration/Heating/Air	1	0	0	75,912	-	39,380	9,500	-	1,100	125,892
1173	C	Auto Course Tool & Exam Fees	0	0	0	-	-	-	25,000	-	-	25,000
1174	C	Heavy Duty Diesel	0	0	0	-	-	-	6,000	-	-	6,000
Total Instruction			172.5	6.0	2.9	19,505,480	2,902,273	10,089,200	897,443	532,052	193,025	34,119,473
Public Service												
3580	A	Public Television	0	5.1	0	381,140	-	198,934	-	-	2,550	582,624
3581	A	Public Radio	0	1.8	0.2	107,977	20,302	71,030	-	-	955	200,264
3588	D	Planetarium Operations	0	3	0	196,921	93,036	133,676	60,500	5,000	1,749	490,882
Total Public Service			0.0	9.9	0.2	686,038	113,338	403,640	60,500	5,000	5,254	1,273,770
Instructional Support												
4500	C	Office of VP Instruction	0	1	1	219,756	11,040	104,317	5,000	-	4,555	344,668
4501	C	Social Sciences Division	0	1	1.4	176,828	3,407	92,773	3,500	-	1,082	277,590
4503	C	Arts & Letters Division	0	1	2	196,689	7,415	107,884	3,500	-	1,247	316,735
4505	C	Science & Mathematics Division	0	1	1	157,897	33,236	90,209	3,500	-	972	285,814
4507	C	Business & Technical Division	0	1	2	204,594	12,711	110,495	3,500	-	1,246	332,546
4508	C	Health & Wellness Division	0	1	2	205,218	863	110,703	3,500	-	1,246	321,530
4511	C	Agriculture Tech Coordinator	0	0	0	-	-	-	41,000	-	-	41,000
4513	C	Library Learning Info Center	0	0	0	-	-	-	6,150	-	360	6,510
4514	C	Learning Communities	0	0	0	-	-	-	1,425	-	328	1,753
4515	C	e-Learning Instructional Support	0	0	0	-	-	-	158,000	-	-	158,000
4516	C	Honors Program	0	0	1	48,532	4,720	30,336	8,500	-	6,096	98,184
4517	C	Dean of Transfer & Online Learning	0	1	0	114,766	-	52,213	3,500	-	1,321	171,800
4518	C	Dean of Administration	0	1.5	1.75	197,249	-	111,758	5,000	-	1,601	315,608
4520	A	Instructional Support Svcs	0	0	1	30,375	59,986	36,872	1,000	-	275	128,508
4521	C	Dean of Occup. Programs & Workforce Strategies	0	1.5	0	178,943	-	80,611	6,450	-	2,900	268,904
4522	F	Office of Info Tech Computer Labs	0	0	0	-	74,150	-	78,337	10,000	-	162,487
4523	F	Contract OIT Instruct Supp Svcs	0	0	0	-	-	-	1,880,083	-	-	1,880,083
4524	C	Galleria	0	0	0	-	265	-	3,000	-	-	3,265
4526	C	Academic Testing Center	0	0.5	0	25,032	152,439	65,116	285	-	250	243,122
4527	C	Teach/Learn Center	0	2.8	5	355,656	144,279	275,780	19,750	-	4,601	800,066
4528	C	Multimedia Lab	0	1	1	119,844	29,869	77,925	21,000	-	775	249,413
4530	C	Library	0	4	2	365,820	128,615	231,076	10,000	-	2,826	738,337
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	-	-	-	97,500	-	-	97,500
4536	C	Instructional Disability Access	0	0	0	-	-	-	18,000	-	-	18,000
4537	D	Dual Enrollment	0	2	1.25	185,888	-	107,906	18,450	-	1,344	313,588
4549	C	Delta Archives	0	0	0	-	8,828	2,875	400	-	-	12,103

A – Administration C - Academic & Instructional Support D - Student & Educational Services
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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	-	19,063	5,292	9,000	-	12,416	45,771
4551	A Center for Organizational Success	0	0	0	-	4,411	-	33,000	-	242	37,653
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	-	11,865	3,864	500	-	775	17,004
4558	D Service Learning	0	0	0	-	-	-	1,617	-	1,697	3,314
4559	D Possible Dream Program	0	1	0	54,493	-	32,305	450	-	500	87,748
4560	C Strategic Partnerships	0	0.8	0	64,376	-	32,015	2,850	-	2,018	101,259
4562	D Community Development	0	1	0	96,994	-	46,343	2,025	-	1,048	146,410
4563	C Democracy Commitment	0	0	0	-	-	-	14,250	-	-	14,250
4570	C e-Learning Technology Support	0	1	0.6	92,015	10,593	53,318	73,500	-	10,701	240,127
4599	E Transfers	0	0	0	-	-	-	495,000	-	-	495,000
	Total Instruct Support	0.0	24.0	23.0	3,090,965	717,755	1,861,986	3,129,947	10,000	64,950	8,875,603
	Student Services										
5608	F Contract OIT SES Supp Svcs	0	0	0	-	-	-	864,963	-	-	864,963
5609	E Matching Funds	0	0	0	-	-	-	45,159	-	-	45,159
5610	D Office of VP Student/Educ Svcs	0	1	1	213,335	41,041	111,449	110,391	16,261	2,211	494,688
5611	D Admissions	0	7	1.25	473,256	12,631	274,351	60,175	-	3,844	824,257
5612	D Registrar	0	3.0	3.5	389,592	29,707	229,716	34,200	-	2,463	685,678
5613	D Counseling & Advising	0	21.8	1	1,354,843	4,113	773,850	32,695	-	11,175	2,176,676
5614	D Financial Aid	0	8	1	525,294	58,169	318,801	8,550	-	4,275	915,089
5616	D Career & Employment Services	0	1.15	0	77,375	5,375	42,086	15,045	-	575	140,456
5617	C Admission Testing	0	0.5	0	25,032	-	15,467	21,000	-	250	61,749
5618	D Student Engagement	0	1	0	57,153	-	33,183	21,000	-	500	111,836
5619	D Pioneer Connect	0	0.5	3	150,426	-	99,801	500	-	1,075	251,802
5621	D SAC/Student Clubs & Organizations	0	0	0	-	-	-	22,550	-	-	22,550
5622	A Marketing & Publications	0	0	0	-	-	-	692,461	-	-	692,461
5623	D Dean of Enrollment Services	0	1	0	114,766	-	52,213	4,250	-	2,093	173,322
5625	D Veteran's Services	0	1	0.5	75,919	-	46,581	1,580	-	638	124,718
5626	D SES Software	0	0	0	-	-	-	212,054	-	-	212,054
5630	D Collegiate	0	0	0	-	39,561	4,298	9,266	-	378	53,503
5642	D Office of Disability Resources	0	0.5	0.75	58,756	2,366	38,130	45,000	-	456	144,708
5644	D SES Travel and Special Events	0	0	0	-	-	-	24,000	-	-	24,000
5646	D Dean of Student Success	0	1	0	118,003	-	53,282	8,775	-	2,143	182,203
5647	A Student Senate	0	0	0	-	-	-	900	-	242	1,142
5648	D Commencement/Student Awards	0	0	0	-	-	-	15,750	-	-	15,750
5649	A Grants-Sr. Citizen	0	0	0	-	-	-	60,930	-	-	60,930
5650	A Scholarships-President's Honors	0	0	0	-	-	-	171,503	-	-	171,503
5651	A Grants-Trustees	0	0	0	-	-	-	11,443	-	-	11,443
5652	D Indian Tuition Waiver	0	0	0	-	-	-	35,000	-	-	35,000
5653	D Scholarships-Athletics	0	0	0	-	-	-	17,000	-	-	17,000
5654	A Scholarships-Adult Ed	0	0	0	-	-	-	4,843	-	-	4,843
5661	D Downtown Midland Center	0	1.45	0	92,940	17,135	53,624	20,400	-	800	184,899
5662	D Downtown Saginaw Center	0	2	0	142,584	59,381	91,397	24,600	-	1,000	318,962
5669	D Testing	0	0	0	-	-	-	7,000	-	140	7,140
5672	E Fitness & Recreation Center	0	0.5	0.5	49,991	94,575	40,118	19,070	10,000	388	214,142
5673	D Intercollegiate Athletics-Men	0	1.5	0	87,011	41,877	63,015	47,645	-	59,858	299,406
5674	D Intercollegiate Athletics-Women	0	1.5	0	87,011	65,683	71,110	58,935	-	100,048	382,787
5675	D Club & Intramural Sports	0	0	0	-	7,591	2,472	3,509	-	-	13,572
	Total Student Services	0.0	54.4	12.5	4,093,287	479,205	2,414,944	2,732,142	26,261	194,552	9,940,391

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	
		FAC	AP	SS	Full Time	Part Time	Fringe	Supplies	Equip/	Prof Dev	Total
Cost Center					Salaries	Salaries	Benefits	& Services	Capital	& Travel	
Institutional Administration											
6710	A Board of Trustees	0	0	0	-	-	-	21,368	-	8,649	30,017
6718	A Development Office	0	4.7	0	353,235	2,973	184,072	15,000	-	2,542	557,822
6719	A Title IX	0	1	0	64,535	-	35,622	4,300	-	500	104,957
6720	A President's Office	0	1	1	330,677	6,519	146,211	6,798	-	6,262	496,467
6722	A Memberships/Institution	0	0	0	-	-	-	171,568	-	-	171,568
6723	A Miscellaneous	0	0	0	-	-	-	858,127	-	-	858,127
6725	A Wellness/Prof Development	0	0	0	-	-	-	27,418	-	-	27,418
6726	A League for Innovation	0	0	0	-	-	-	22,448	-	1,253	23,701
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	238,630	-	121,738	45,500	-	3,775	409,643
6731	A Legal	0	0	0	-	-	-	163,533	-	-	163,533
6734	E Audit	0	0	0	-	-	-	58,400	-	-	58,400
6736	E Misc Employee Benefits *	0	0	0	-	-	138,274	-	-	-	138,274
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	436,794	-	-	505,244
6740	E Communication Technology	0	0.75	0	52,036	-	27,940	85,844	-	1,375	167,195
6741	E Business Services	0	1.8	2	311,431	18,496	163,392	6,061	-	2,450	501,830
6743	E Finance Office	0	6.5	6	923,440	51,192	500,060	39,940	-	8,059	1,522,691
6744	F Contract OIT Admin Supp Svcs	0	0	0	-	-	-	521,911	-	-	521,911
6745	F Office of Info Tech	0	0.1	0	12,436	-	5,575	872,757	61,225	3,831	955,824
6746	A Human Resources	0	5	2	528,556	33,678	284,495	45,669	-	5,387	897,785
6747	A Shared Governance	0	0	0.5	24,622	22,552	22,674	4,738	-	349	74,935
6748	E Post Office	0	0	1	45,855	28,905	38,865	7,362	-	514	121,501
6750	A Institutional Advancement	0	6	0	409,273	20,332	227,726	7,500	-	3,962	668,793
6760	A Administrative Services	0	6	0	501,123	-	251,356	67,609	-	3,924	824,012
6772	E Credit Card Fees & Bad Debt Exp	0	0	0	-	-	-	461,883	-	-	461,883
6774	E Tuition Waiver	0	0	0	-	-	170,000	-	-	-	170,000
Total Institutional Admin		0.0	34.9	13.5	3,795,849	184,647	2,386,450	4,042,114	61,225	83,483	10,553,768
Facility Management											
7775	E Public Safety	0	0.85	6	390,669	166,350	266,725	32,661	-	7,075	863,480
7780	E Facility Administration	0	6.65	1	627,268	24,406	324,672	1,608	16,362	6,097	1,000,413
7781	E Facility Operations	0	4	33	1,633,147	199,194	1,108,188	181,158	24,847	4,588	3,151,122
7782	E Facility Utilities	0	0	0	-	-	-	1,473,143	-	-	1,473,143
7783	E Farmhouse	0	0	0	-	-	-	12,336	-	-	12,336
7784	E Facility Maintenance	0	0	0	-	-	-	411,912	-	-	411,912
7785	E Facility Improvement	0	0	0	-	-	-	-	42,750	-	42,750
7786	E Sustainability Office	0	0	0	-	14,066	-	4,845	-	2,301	21,212
7787	E Midland Center	0	0	0	-	-	-	235,420	-	-	235,420
7788	E Planetarium & Learning Center	0	0	0	-	-	-	215,180	-	-	215,180
7789	E Saginaw Center	0	0	0	-	-	-	197,320	-	-	197,320
7799	E Transfers	0	0	0	-	-	-	-	2,515,000	-	2,515,000
Total Facilities Management		0.0	11.5	40.0	2,651,084	404,016	1,699,585	2,765,583	2,598,959	20,061	10,139,288
Total Expenditures		172.5	140.7	92.1	33,822,703	4,801,234	18,855,805	13,627,729	3,233,497	561,325	74,902,293

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

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

Delta College Fringe Benefits

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

Benefit	Cost	
Medical, Vision and Hearing Insurance	\$13,500	per covered employee (weighted average)
Dental Insurance	\$715	per employee (weighted average)
Retirement	25.27%	of each wage dollar paid (weighted average of MPSERS at 28.62% and ORP at 10%)
Social Security (FICA)	6.20%	of each wage dollar paid up to \$160,200 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	\$1,100	per year
Administrative/Professional Staff	\$500	per year
Support Staff	\$275	per year

Fringe benefit cost for \$25,000 in salary:	\$22,651 or 91%
Fringe benefit cost for \$50,000 in salary:	\$30,996 or 62%
Fringe benefit cost for \$75,000 in salary:	\$39,386 or 53%

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 2023-2024:

Employee Classification	Amount	Benefit	Amount
Faculty	\$ 16,173,314	Retirement	\$ 9,621,113
Lecturers	451,000	FICA and Medicare	2,768,055
Supplemental and Part-time Faculty	5,080,162	Medical/Vision/Hearing	5,618,025
Administrative/Professional Staff	10,754,625	Dental Insurance	289,682
Support Staff	2,695,147	Life Insurance	39,901
Maintenance	1,345,197	Disability Insurance	142,305
Part-time Staff and Student Employees	<u>2,124,492</u>	Professional Development	273,955
		Tuition Waiver	170,000
		Other	<u>206,724</u>
Total Wages	\$ <u>38,623,937</u>	Total Benefits	\$ <u>19,129,760</u>

Fringe benefits as a percentage of wages: 50%

Delta College Summary of Budgeted General Fund Personnel

	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Faculty	178	177	178	173	173
Lecturers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11</u>
Subtotal – Instructors	<u>178</u>	<u>177</u>	<u>178</u>	<u>173</u>	<u>184</u>
Administrative and Professional Staff	125	130	133	137	141
Support Staff	61	55	52	53	59
Maintenance	<u>21</u>	<u>33</u>	<u>33</u>	<u>33</u>	<u>33</u>
Subtotal - Staff	<u>207</u>	<u>218</u>	<u>218</u>	<u>223</u>	<u>233</u>
Total Full-Time Personnel	<u>385</u>	<u>395</u>	<u>396</u>	<u>396</u>	<u>417</u>

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

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

Administrative Professionals increased in fiscal year 2023-2024 due to the addition of four Student Success Advisors that were previous 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 used to fill unexpected vacancies that are needed for more than one semester to meet student enrollment needs. These positions are full-time temporary.

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 72 and 73 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 2023-2024

Revenues

Grants and Gifts	\$ 2,456,000
Workforce Strategies Fees	675,340
Other Sources	<u>920,280</u>

Total Revenues \$ 4,051,620

Expenditures

Instruction	\$ 3,000,451
Instructional Support	<u>158,929</u>

Total Instruction 3,159,380

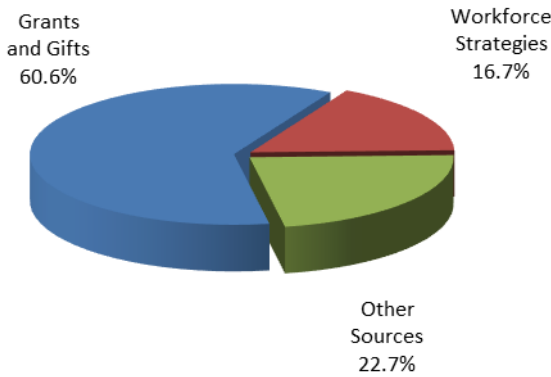
Public Service	7,600
Student Services	122,000
Institutional Administration	<u>634,732</u>

Total Expenditures 3,923,712

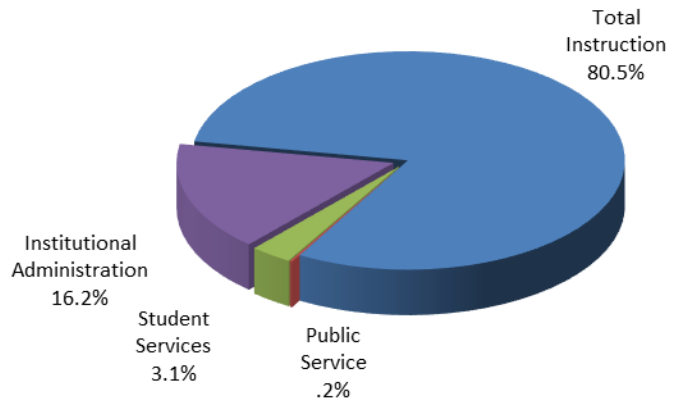
Revenues Over Expenditures 127,908

Beginning Fund Balance 31,139,181

Ending Fund Balance \$ 31,267,089



Revenues



Expenditures

Delta College Designated Fund

Five Year Actual History

	2018-2019	2019-2020	2020-2021	2021-2022	Projected 2022-2023
Revenues					
Grants and Gifts	\$ 2,762,445	\$ 2,063,534	\$ 2,042,382	\$ 2,029,854	\$ 2,072,948
Workforce Strategies Fees	2,498,097	1,660,782	369,044	718,543	734,440
Other Sources	1,289,112	914,735	589,305	859,196	1,214,310
Transfers In	<u>1,304,541</u>	<u>5,502,044</u>	<u>7,888,404</u>	<u>5,366,166</u>	<u>2,017,095</u>
Total Revenues	<u>7,854,195</u>	<u>10,141,095</u>	<u>10,889,135</u>	<u>8,973,759</u>	<u>6,038,793</u>
Expenditures					
Instruction	2,958,352	2,497,773	2,292,720	2,704,090	2,603,203
Instructional Support	<u>1,762,621</u>	<u>1,273,167</u>	<u>182,247</u>	<u>134,118</u>	<u>95,045</u>
Total Instruction	4,720,973	3,770,940	2,474,967	2,838,208	2,698,248
Public Service	9,742	4,192	1,980	1,349	4,035
Student Services	118,731	110,302	62,724	111,149	149,495
Institutional Administration	1,064,358	552,595	505,037	379,857	743,205
Transfers Out	<u>454,924</u>	<u>138,018</u>	<u>84,996</u>	<u>962,469</u>	<u>864,772</u>
Total Expenditures	<u>6,368,728</u>	<u>4,576,047</u>	<u>3,129,704</u>	<u>4,293,032</u>	<u>4,459,755</u>
Revenues Over (Under) Expenditures	1,485,467	5,565,048	7,759,431	4,680,727	1,579,038
Beginning Fund Balance	<u>10,069,470</u>	<u>11,554,937</u>	<u>17,119,985</u>	<u>24,879,416</u>	<u>29,560,143</u>
Ending Fund Balance	<u>\$ 11,554,937</u>	<u>\$ 17,119,985</u>	<u>\$ 24,879,416</u>	<u>\$ 29,560,143</u>	<u>\$ 31,139,181</u>

Notes:

1. Restricted grants managed by Workforce Strategies included above are recorded in the Restricted Fund in the audited financial statements.
2. The significant decline in fiscal year 2020-2021 in both Workforce Strategies Fee income and Instructional Support expense relates to the end of their contract with Dow.
3. Transfers in for fiscal year 2019-2020 consist of General Fund Transfers of \$1,000,000 to the Self Insurance Fund and \$2,875,000 to the Budget Sustainability Fund.
4. Transfers In for fiscal year 2020-2021 included one-time General Fund Transfers of \$813,000 to the Self Insurance Fund, \$800,000 to establish a reserve for Diversity, Equity, Belonging & Inclusion (DEBI) expenditures that may result from the College's fiscal year 2020-2021 DEI audit, \$4,455,000 to the Budget Sustainability Reserve and \$495,000 to the Innovative Initiatives Reserve. Also included are Transfers In from the Restricted Fund HEERF grants in the amount of \$1,087,000 to offset lost revenues for fiscal year 2019-2020 and fiscal year 2020-2021 for Workforce Strategies and Criminal Justice training activities.
5. Fiscal year 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.
6. Fiscal Year 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.
7. Fiscal Year 2022-2023 Transfers In also includes an anticipated year-end transfer of \$1.2 million of excess General Fund net income above the required 10% fund balance requirement. This amount will be split evenly between the Reserve for Budget Sustainability and the Reserve for Strategic Initiatives. This line item also includes an anticipated Transfer In of \$200,000 from the HEERF Grants in the Restricted Fund to offset Workforce Strategies revenues that continue at levels lower than prior to the Pandemic.

Delta College Designated Fund

Workforce Strategies Activities

	2018-2019	2019-2020	2020-2021	2021-2022	Projected 2022-2023	Budgeted 2023-2024
Revenues						
Training Delivery	\$ 1,054,408	\$ 789,524	\$ 970,755	\$ 919,799	\$ 518,816	\$ 675,340
Training Administration	3,620,986	3,207,723	1,876,521	2,146,592	1,965,120	2,276,000
Training Development	8,400	8,400	-	-	10,500	-
Other	-	-	44,726	-	-	-
Total Revenues	<u>\$ 4,683,794</u>	<u>\$ 4,005,647</u>	<u>\$ 2,892,002</u>	<u>\$ 3,066,391</u>	<u>\$ 2,494,436</u>	<u>\$ 2,951,340</u>
Expenditures						
Training Delivery	693,896	537,346	771,317	484,474	140,444	210,211
Training Administration	3,420,004	3,157,085	1,903,204	2,146,592	1,965,120	2,276,000
Training Development	5,091	5,349	4,095	-	9,361	-
Other	374,214	367,584	294,916	207,376	374,014	302,636
Total Expenditures	<u>\$ 4,493,205</u>	<u>\$ 4,067,364</u>	<u>\$ 2,973,532</u>	<u>\$ 2,838,442</u>	<u>\$ 2,488,939</u>	<u>\$ 2,788,847</u>
Transfers In (Out)						
Lost Revenue HEERF Grant	-	-	819,970	120,385	200,000	-
College General Services Transfers	(104,724)	(104,724)	(84,996)	(85,000)	(85,000)	(85,000)
Facility Renovations Transfers	(43,512)	(32,634)	-	-	-	-
Total Transfers	<u>\$ (148,236)</u>	<u>\$ (137,358)</u>	<u>\$ 734,974</u>	<u>\$ 35,385</u>	<u>\$ 115,000</u>	<u>\$ (85,000)</u>
Revenues Over/(Under)						
Expenditures	42,353	(199,075)	653,444	263,334	120,497	77,493
Beginning Fund Balance	<u>1,342,207</u>	<u>1,384,560</u>	<u>1,185,485</u>	<u>1,838,929</u>	<u>2,102,263</u>	<u>2,222,760</u>
Ending Fund Balance	<u>\$ 1,384,560</u>	<u>\$ 1,185,485</u>	<u>\$ 1,838,929</u>	<u>\$ 2,102,263</u>	<u>\$ 2,222,760</u>	<u>\$ 2,300,253</u>

Note: Restricted grants managed by Workforce Strategies are recorded in the Restricted Fund in the audited financial statements. The operating loss for fiscal year 2019-2020 is the result of cancelled training due to Coronavirus. Delta College received Higher Education Emergency Relief Fund (HEERF) grants from the U.S. Department of Education, that has 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 will be the last year that the College will have these grant funds available to offset revenues if they continue to lag behind pre-pandemic levels. In fiscal year 2022-2023 this division was rebranded from Corporate Service 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 Calculator Program
- Mathematics Placement Booster
- Computer Rental Program
- President's Honors Scholarship
- Pioneer Athletic Fundraisers
- Girls Day Out Events

Institutional Administration

- Technology Improvements
- 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. 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 page 80.

Since the onset of the Coronavirus pandemic in March 2020, the College has been awarded in excess of \$35.9 million of Higher Education Emergency Relief Fund (HEERF) grants from the US Dept. of Education. These amounts were provided through three rounds of federal legislation, the "*Coronavirus Aid, Relief and Economic Security (CARES) Act*" approved in March 2020, the *Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)*" passed in December 2020, and finally the "*American Rescue Plan Act (ARPA)*," signed into law March 2021. These three rounds of funding are referred to by the US Dept. of Education as HEERF I, II and III. The details of the College's HEERF awards under all three acts are as follows:

- \$19,816,576 Institutional Allocation – to support the College's needs in response to the Coronavirus pandemic
- \$14,637,406 Direct Student Financial Assistance Allocation – to provide direct financial aid grants to students impacted by the Coronavirus pandemic
- \$1,505,079 Institutions eligible for the Strengthening Institutions Program (SIP) - for general College support

Spending guidance for both the Institutional and Student Aid portions first received under the CARES legislation was quite restrictive, and initial guidance was severely lacking. The CRRSAA and ARPA Acts expanded the eligible spending criteria for the Institutional portion and opened up eligibility for the student aid portion to virtually all students. While the eligible spending criteria has expanded over the course of the three awards, all eligible expenses continue to be restricted to only those that have a direct nexus to COVID.

The College awarded its entire \$14.6 million student allocation directly to students in the form of cash grants, and has also used approximately \$1.9 million of its institutional allocation for this purpose. These grants are intended to help cover a student's cost of attendance or emergency costs that arise due to COVID-19.

The following is a list of some of the categories of expenses that the College has utilized its institutional allocation for: lost revenue reimbursement, COVID team and entry screener wages and fringes, faculty training on use of the College's learning management system D2L, instructional design for online courses, personal protective equipment, supplies and equipment to allow students to perform labs and participate in classes remotely, covering online fees for students, providing technology for students, and improvements to the College's air handling equipment. These are just a few of the multitude of ways in which the College has been able to use this funding to support its students, faculty and staff in response to the pandemic and its lingering effects.

The current deadline for spending of all HEERF awards is June 30, 2023; however, the U.S. Dept. of Education is allowing institutions of higher education to apply for a no cost extension that contains a detailed plan of how the remaining funds will be spent. If approved, the College would have an additional year to spend the remaining grant funds. As of June 30, 2023, it is anticipated that the College will have approximately \$230,000 of SIP HEERF funding remaining to be spent. Administration has plans in place for the expenditure of this funding by the June 30, 2024, if it's no cost extension request is approved.

Delta College Restricted Fund Budget

Fiscal Year 2023-2024

Revenues

Federal Grants/Contracts	\$	13,118,206
State Grants/Contracts		157,456
Private Gifts/Grants		1,812,024
Other Sources		<u>1,639,754</u>

Total Revenues \$ 16,727,440

Expenditures

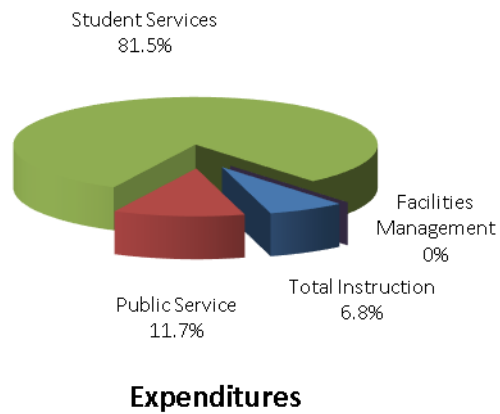
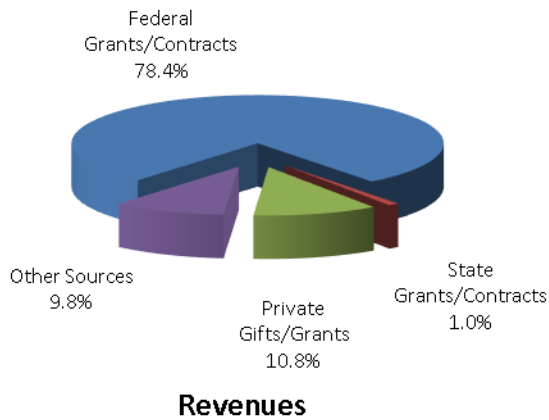
Instruction	\$	910,086
Instructional Support		<u>195,232</u>
Total Instruction		1,105,318
Public Service		1,885,040
Student Services		13,177,203
Facilities Management		<u>1,500</u>

Total Expenditures 16,169,061

Revenues Over/(Under) Expenditures 558,379

Beginning Fund Balance 9,025,258

Ending Fund Balance \$ 9,583,637



Restricted Fund

Grant Detail

Delta College Listing of Grant Programs

July 1, 2023 – June 30, 2024

Grant Title, Description and Funding Agency	Amount Awarded	Dates of Grant
Broadcasting - Community Service Grant – Assist WDCQ-TV to maintain current systems and programming for the mid- Michigan community. Funded by Corporation for Public Broadcasting.	\$817,979	10/01/2022 - 09/30/2023
Broadcasting - Universal Service Support Grant – Strengthen and support local services to advance the core mission and public service positioning of WDCQ-TV in its community. Funded by Corporation for Public Broadcasting.	\$74,327	10/01/2022 - 09/30/2023
Broadcasting - Interconnection Grant – Support the technical interconnection system, which is the means by which PBS, regional distributors and other entities distribute programming material nationwide. Funded by Corporation for Public Broadcasting.	\$14,718	10/01/2022 - 09/30/2023
EMC Foundation – Workcred – ConneC+D (Certification+Degree) Pathways to support first-generation, low-income, and adult learners.	\$62,500	08/01/2022 - 02/01/2025
Michigan Works! – Wagner Peyser, PATH, WIOAA Adult, WIOA Dislocated Worker, RESEA, TGAAA and TAA/NAFTA, WIOA Basic Career Services, Reemployment Services – Provide instruction/access to job seekers to enter job orders, resumes, and find "matches" on the Internet. Funded by Great Lakes Bay Region Michigan Works! Administration.	\$2,083,135	10/01/2022 - 09/30/2023
Michigan College/University Partnership (MICUP) 2022-2023 with Michigan Technological University – Assist minority students to transfer to Michigan Tech University. Funded by the Michigan Talent Investment Agency (TIA) / Workforce Development Agency (WDA), Martin Luther King Jr.-Cesar Chavez-Rosa Parks Initiative grant, passed through Michigan Technological University.	\$4,000	10/01/2022 - 09/30/2023
MI College/University Partnership (MICUP) 2022-2023 Student Transition Enrichment Program (STEP), with Central Michigan University (CMU) – Provide support services for low income and/or first-generation students who attend Delta College to visit CMU and learn the details of how to transfer and attend to pursue a bachelor’s degree. Funded by National Science Foundation passed through Michigan Department of Talent and Economic Development.	\$3,000	10/01/2022 - 09/30/2023
Motorcycle Safety 2022-2023 – Provide motorcycle safety training to Great Lakes Bay residents. Funded by Michigan Department of State.	\$100,600	10/01/2022 - 09/30/2023
Carl D. Perkins Career and Technical Education Grant 2022-2023 – 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.	\$956,428	07/01/2022 - 06/30/2023
State of Michigan – Academic Catch Up Program, through the Michigan Community College Association – Supports community colleges’ efforts to combat learning loss among recent high school graduates who experienced interruptions to in-person learning due to the COVID-19 pandemic.	\$113,274	04/07/2023 - 01/05/2024
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.	\$1,363,765	09/01/2021 - 08/31/2026
U.S. Department of Education – Cares Act: Higher Education Emergency Relief Fund – Institutions eligible for the Strengthening Institutions Program (SIP)	\$1,505,079	06/11/2020 - 06/30/2023*

* At the time of publication, Delta College has applied for a “no cost” extension of the U.S. Department of Education grant listed above. Therefore, the end date of the grant will be extended beyond 06/30/2023.

Delta College Restricted Fund

Five Year Actual History

	2018-2019	2019-2020	2020-2021	2021-2022	Projected 2022-2023
Revenues					
Federal Grants/Contracts	\$ 14,822,072	\$ 16,788,824	\$ 26,814,469	\$ 27,404,918	\$ 19,226,886
State Grants/Contracts	109,225	133,575	149,815	161,599	666,945
Private Gifts/Grants	2,932,125	2,129,623	2,090,208	2,212,644	1,885,550
Other Sources	<u>1,239,616</u>	<u>1,374,754</u>	<u>1,771,751</u>	<u>1,505,463</u>	<u>1,394,566</u>
Total Revenues	<u>19,103,038</u>	<u>20,426,776</u>	<u>30,826,243</u>	<u>31,284,624</u>	<u>23,173,947</u>
Expenditures					
Instruction	1,317,991	1,344,732	2,003,206	1,437,333	995,389
Instructional Support	<u>286,009</u>	<u>236,490</u>	<u>688,428</u>	<u>1,364,060</u>	<u>1,166,342</u>
Total Instruction	1,604,000	1,581,222	2,691,634	2,801,393	2,161,731
Public Service	1,651,264	1,616,906	1,644,467	1,820,328	1,966,516
Student Services	14,813,781	15,932,718	19,325,424	22,317,836	15,530,448
Institutional Administration	-	54,733	738,960	208,122	367,424
Facilities Management	<u>2,886</u>	<u>232,673</u>	<u>222,592</u>	<u>322,435</u>	<u>2,291,239</u>
Total Expenditures	<u>18,071,931</u>	<u>19,418,252</u>	<u>24,623,077</u>	<u>27,470,114</u>	<u>22,317,358</u>
Transfers In/(Out)	<u>(345,123)</u>	<u>533,875</u>	<u>(4,727,280)</u>	<u>(2,930,561)</u>	<u>(346,666)</u>
Total Expenditures and Transfers	<u>18,417,054</u>	<u>18,884,377</u>	<u>29,350,357</u>	<u>30,400,675</u>	<u>22,664,024</u>
Revenues Over/(Under) Expenditures and Transfers	685,984	1,542,399	1,475,886	883,949	509,923
Beginning Fund Balance	<u>3,927,117</u>	<u>4,613,101</u>	<u>6,155,500</u>	<u>7,631,386</u>	<u>8,515,335</u>
Ending Fund Balance	<u>\$ 4,613,101</u>	<u>\$ 6,155,500</u>	<u>\$ 7,631,386</u>	<u>\$ 8,515,335</u>	<u>\$ 9,025,258</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. The College will apply, but we expect to have remaining funds under \$300,000 as of June 30, 2023.
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.
3. The majority of the \$2.3 million of expenditures in the Facilities category relates to improvements to the College's HVAC air handling and filtration systems made in response to COVID-19. These improvements are being funded by the HEERF grants.
4. 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.
5. Fiscal year 2020-2021 changed from the prior year presentation due to implementation of GASB 87 related to broadcasting tower leases in the fiscal year 2021-2022 audited financial statements, which also required an adjustment to prior year fund balance.

Delta College Restricted Fund

Public Broadcasting Activities

	2018-2019	2019-2020	2020-2021	2021-2022	Projected 2022-2023	Budgeted 2023-2024
Television						
Support and Revenue						
College General Fund Support	\$ 641,744	\$ 620,816	\$ 562,083	\$ 591,774	\$ 559,705	\$ 592,815
Corporation for Public Broadcasting	760,214	1,026,374	1,351,836	936,870	907,024	907,024
Donations/Gifts/Grants/Memberships	1,526,604	703,329	681,552	715,531	436,200	393,000
Television Underwriting	47,281	38,800	56,421	36,973	45,000	40,000
Other Income	234,919	351,924	392,716	420,550	526,496	687,000
Transfers In	-	950,000	-	-	-	-
Total Revenues	<u>3,210,762</u>	<u>3,691,243</u>	<u>3,044,608</u>	<u>2,701,698</u>	<u>2,474,425</u>	<u>2,619,839</u>
Expenditures						
Salaries and Fringe Benefits	935,806	914,486	880,104	991,127	996,638	1,043,100
Supplies and Services	1,007,623	1,032,680	1,070,087	1,166,204	1,116,000	1,116,000
Facilities and Equipment	49,535	80,789	91,553	11,527	200,000	100,000
Transfers Out	496,985	-	-	-	-	-
Total Expenditures	<u>2,489,949</u>	<u>2,027,955</u>	<u>2,041,744</u>	<u>2,168,858</u>	<u>2,312,638</u>	<u>2,259,100</u>
Support and Revenue Over (Under) Expenditures	\$ 720,813	\$ 1,663,288	\$ 1,002,864	\$ 532,840	\$ 161,787	\$ 360,739
Beginning Fund Balance	<u>1,128,385</u>	<u>1,849,198</u>	<u>3,512,486</u>	<u>4,515,350</u>	<u>5,048,190</u>	<u>5,209,977</u>
Ending Fund Balance	<u>\$ 1,849,198</u>	<u>\$ 3,512,486</u>	<u>\$ 4,515,350</u>	<u>\$ 5,048,190</u>	<u>\$ 5,209,977</u>	<u>\$ 5,570,716</u>
Radio						
Support and Revenue						
College General Fund Support	\$ 130,032	\$ 121,688	\$ 167,711	\$ 189,855	\$ 192,115	\$ 199,415
Donations/Gifts/Grants/Memberships	173,607	156,434	160,652	149,717	133,000	120,000
Radio Underwriting	26,877	36,466	42,929	48,773	30,000	30,000
Other Income	4,140	4,165	4,490	4,714	13,387	17,387
Total Revenues	<u>334,656</u>	<u>318,753</u>	<u>375,782</u>	<u>393,059</u>	<u>368,502</u>	<u>366,802</u>
Expenditures						
Salaries and Fringe Benefits	213,593	194,299	193,535	217,254	221,442	231,670
Supplies and Services	117,510	62,538	88,853	105,735	71,000	71,000
Total Expenditures	<u>331,103</u>	<u>256,837</u>	<u>282,388</u>	<u>322,989</u>	<u>292,442</u>	<u>302,670</u>
Support and Revenue Over (Under) Expenditures	\$ 3,553	\$ 61,916	\$ 93,394	\$ 70,070	\$ 76,060	\$ 64,132
Beginning Fund Balance	<u>65,223</u>	<u>68,776</u>	<u>130,692</u>	<u>224,086</u>	<u>294,156</u>	<u>370,216</u>
Ending Fund Balance	<u>\$ 68,776</u>	<u>\$ 130,692</u>	<u>\$ 224,086</u>	<u>\$ 294,156</u>	<u>\$ 370,216</u>	<u>\$ 434,348</u>

Notes Regarding Broadcasting Activities:

1. This data reflects Broadcasting activities recorded in both the General and Restricted Funds. There are additional resources dedicated to Broadcasting operations in the College's Endowment Fund that are not reflected above.
2. TV transfers out in fiscal year 2018-2019 represents excess cash transferred to the Station's quasi endowment fund.
3. Fiscal year 2018-2019 Radio expenses were higher than normal due to the purchase and installation of new automation equipment. This equipment allows WUCX-FM to stream its signal online.
4. The significant increase in TV donations in fiscal year 2018-2019 was due to two large estate gifts totaling approximately \$1,000,000. Approximately half of this amount was transferred to the Station's quasi-endowment to maximize earnings.
5. In fiscal year 2019-2020, \$1,000,000 was transferred from the TV quasi-endowment back into the Broadcasting Fund in anticipation of cash needs for the Station's upcoming renovation project, which accounts for the significant increase in Other Income.
6. In fiscal year 2019-2020 and 2020-2021, the TV received federal Coronavirus Relief Funds passed through CPB in the amounts of \$260,205 and \$487,890, respectively. This funding is unrestricted to its use and there is no specified spending timeframe.
7. The projected increase in Other Income in fiscal year 2022-2023 and 2023-2024 is due to increased investment income due to increases in interest rates.

Auxiliary Fund

Notes

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

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

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

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

Food Services serves students, faculty and staff in two locations on main campus (Red Brix Café and Coffee 'n More). It also provides catering services primarily for internal groups, and vending services (beverage, snack and food) on main campus and at off-campus centers. In an effort to improve customer satisfaction and the financial bottom line of the food services operation, in April 2021, the College's administration and Board of Trustees approved transitioning food services away from a self-operated service to Creative Dining Services, a food service provider that also provides services to other Michigan community colleges and universities. Creative Dining brings with them additional offerings and benefits to the College, including a full-time chef and food service director; nutritional labeling, wellness programs, partnerships with farms in Michigan, including some in our local communities, sustainability programs, online ordering and more. Creative Dining will also offer customizable catering choices for College special events. The contract with Creative Dining Services is effective July 1, 2021 through June 30, 2026.

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

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

Revenues and the related expenses are budgeted based on activities that are anticipated to occur. The budget for each activity is prepared separately, and depending on the nature of the activity and the specific funding sources, is based on known actual and/or projected data. Included in the annual auxiliary budget prior to fiscal year 2023-2024 is a transfer to the General Fund of \$250,000. Beginning with 2023-2024 the College is not budgeting the \$250,000 auxiliary transfer to the general fund, in order to help subsidize the Food Service operation as we make adjustments and evaluate our sales which will depend on campus foot traffic. Auxiliary net income in excess of the \$250,000 is retained in the Auxiliary fund to build fund balance.

Delta College Auxiliary Fund

	Actual 2019-2020	Actual 2020-2021	Actual 2021-2022	Projected 2022-2023	Budgeted 2023-2024
Bookstore					
Revenues	\$ 3,328,183	\$ 2,644,817	\$ 2,887,809	\$ 3,140,514	\$ 3,175,600
Expenditures	<u>3,077,009</u>	<u>2,608,536</u>	<u>2,864,362</u>	<u>2,975,265</u>	<u>3,092,412</u>
Net Income (Loss)	\$ <u>251,174</u>	\$ <u>36,281</u>	\$ <u>23,447</u>	\$ <u>165,249</u>	\$ <u>83,188</u>
Food Services					
Revenues	642,976	31,488	397,634	542,499	603,000
Expenditures	<u>868,944</u>	<u>92,019</u>	<u>933,908</u>	<u>964,943</u>	<u>826,370</u>
Net Income (Loss)	\$ <u>(225,968)</u>	\$ <u>(60,531)</u>	\$ <u>(536,274)</u>	\$ <u>(422,444)</u>	\$ <u>(223,370)</u>
Fitness & Recreation Center					
Revenues	231,858	40,305	178,224	209,567	227,450
Expenditures	<u>407,164</u>	<u>116,258</u>	<u>222,087</u>	<u>244,173</u>	<u>264,447</u>
Net Income (Loss)	\$ <u>(175,306)</u>	\$ <u>(75,953)</u>	\$ <u>(43,863)</u>	\$ <u>(34,606)</u>	\$ <u>(36,997)</u>
Other Auxiliary Activities					
Revenues	439,882	258,905	374,796	396,210	422,980
Expenditures	<u>368,165</u>	<u>240,785</u>	<u>284,363</u>	<u>453,783</u>	<u>407,360</u>
Net Income (Loss)	\$ <u>71,717</u>	\$ <u>18,120</u>	\$ <u>90,433</u>	\$ <u>(57,573)</u>	\$ <u>15,620</u>
Total Auxiliary Services					
Revenues	4,642,899	2,975,515	3,838,463	4,288,790	4,429,030
Expenditures	<u>4,721,282</u>	<u>3,057,598</u>	<u>4,304,720</u>	<u>4,638,164</u>	<u>4,590,589</u>
Net Income (Loss)	\$ <u>(78,383)</u>	\$ <u>(82,083)</u>	\$ <u>(466,257)</u>	\$ <u>(349,374)</u>	\$ <u>(161,559)</u>
Transfers In (Out)					
General Fund	(250,000)	(250,000)	(250,000)	(250,000)	-
Plant Fund	-	-	(5,325)	-	-
Restricted Fund	<u>251,409</u>	<u>844,263</u>	<u>582,663</u>	<u>273,750</u>	<u>-</u>
Total Transfers	\$ <u>1,409</u>	\$ <u>594,263</u>	\$ <u>327,338</u>	\$ <u>23,750</u>	\$ <u>-</u>
Change in Fund Balance	(76,974)	512,180	(138,919)	(325,624)	(161,559)
Beginning Fund Balance	<u>6,995,042</u>	<u>6,918,068</u>	<u>7,430,248</u>	<u>7,291,329</u>	<u>6,965,705</u>
Ending Fund Balance	\$ <u>6,918,068</u>	\$ <u>7,430,248</u>	\$ <u>7,291,329</u>	\$ <u>6,965,705</u>	\$ <u>6,804,146</u>

Notes on Auxiliary Activities:

- Other auxiliary activities include printing, Planetarium gift shop and conference services, Carlyon Farmhouse, college vehicles, and learning resources vending. Charges for these services are structured to cover the cost of the services plus a small amount to build a fund balance for equipment repairs and purchases.
- In fiscal year 2019-2020, Fitness & Recreation Center (FRC) expenditures were higher than normal due to a renovation of the facility. Purchases of new equipment for the renovated spaces was funded with Auxiliary fund balance reserves. Twenty thousand dollars of lifecycle equipment replacement is included in the fiscal year 2023-2024 expense budget.
- For fiscal years, 2019-2020 through 2022-2023 Transfers In from the Restricted Fund represents amounts received or anticipated to be received from COVID relief funding HEERF grants to offset revenues lost due to Coronavirus. The College is able to charge the HEERF grants for revenues lost on a gross basis, not taking into consideration any reduction of expenses.
- The majority of the fiscal year 2022-2023 projected deficit in Other Auxiliary Activities is due to the purchase of several new multi-function copying devices.
- Food Services will pilot some changes to their operations in fiscal year 2023-2024 in an attempt to reduce their operating deficit. In an effort to help subsidize the Food Service operation, the College is not budgeting the \$250,000 Auxiliary transfer to the General Fund in fiscal year 2023-2024.

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 & Equipment Replacement Fund” in addition to a “Building and Site Fund.” Budgeting and reporting for both funds are presented in one document entitled “Plant Funds” on page 90.

Each year funds are transferred to the Plant Funds from the General Fund and other funds as applicable for building projects. For 2023-2024, the following major transfers from the General Fund have been budgeted:

Asset Life-Cycle Replacement/Depreciation	\$ 2,500,000
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The College operates instructional satellite centers in each of the three counties in its district: Bay City, Midland and Saginaw.

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 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

	Actual 2019-2020	Actual 2020-2021	Actual 2021-2022	Projected 2022-2023	Budgeted 2023-2024
Revenues					
Investment Income (Loss)	\$ 549,371	\$ 94,293	\$ (296,434)	\$ 1,033,084	\$ 1,325,100
Private Gifts/Grants	4,523,372	4,858,786	178,734	20,000	30,000
State Grants/Appropriations	1,605,127	-	1,011,293	356,724	-
Transfer from General Fund	6,405,384	7,498,442	7,616,578	7,860,100	3,055,000
Other Sources and Transfers	<u>33,354</u>	<u>5,000</u>	<u>428,400</u>	<u>2,106,786</u>	<u>5,000</u>
Total Revenues	<u>13,116,608</u>	<u>12,456,521</u>	<u>8,938,571</u>	<u>11,376,694</u>	<u>4,415,100</u>
Expenditures					
Equipment					
Instruction	328,422	-	73,097	40,832	-
Instructional Support	<u>-</u>	<u>-</u>	<u>27,104</u>	<u>-</u>	<u>-</u>
Total Instruction	328,422	-	100,201	40,832	-
Public Service	-	-	-	-	-
Information Technology	-	110,553	-	167,552	500,000
Student Services	-	-	81,108	13,388	-
Institutional Administration	328,424	269,863	130,731	-	-
Facilities Management	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,046</u>	<u>-</u>
Total Equipment	656,846	380,416	312,040	261,818	500,000
Renovations and Transfers	<u>11,791,980</u>	<u>9,531,607</u>	<u>7,023,694</u>	<u>3,302,037</u>	<u>7,862,635</u>
Total Expenditures	<u>12,448,826</u>	<u>9,912,023</u>	<u>7,335,734</u>	<u>3,563,855</u>	<u>8,362,635</u>
Revenues Over/(Under) Expenditures	667,782	2,544,498	1,602,837	7,812,839	(3,947,535)
Beginning Fund Balance	<u>33,045,093</u>	<u>33,712,875</u>	<u>36,257,373</u>	<u>37,860,210</u>	<u>45,673,049</u>
Ending Fund Balance	<u>\$ 33,712,875</u>	<u>\$ 36,257,373</u>	<u>\$ 37,860,210</u>	<u>\$ 45,673,049</u>	<u>\$ 41,725,514</u>

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

The fiscal year 2021-2022 and fiscal year 2022-2023 State Grants and Appropriations represents the State's 50% match on the Electronic Media Broadcasting-A wing renovation project, which was completed in fiscal year 2022-2023.

The majority of the \$2.1 million of Other Sources and Transfers for fiscal year 2022-2023, is a transfer in from the Higher Education Emergency Relief Fund (HEERF) Grant to fund upgrades to the HVAC system made in response to COVID-19.

Delta College Plant Fund

Historical Projects

Date	Project Name	Total Cost	State of MI Share	College/Plant Fund Share	Foundation
1997-1999	Science and Learning Technology	\$ 26,000,000	\$ 12,500,000	\$ 6,000,000	\$ 7,500,000
2002-2004	Campus Renovation II Project	42,000,000	18,000,000	24,000,000	-
2005	H & J Wings and East Courtyard Reno.	5,800,000	-	5,800,000	-
2008	S. Campus Parking & Stormwater Drain	4,800,000	-	4,800,000	-
2013	Health Professions Building	18,000,000	\$9,000,000	9,000,000	-
2022	Electronica Media Broadcasting	2,736,000	\$1,368,000	1,368,000	-

Electronic Media Broadcasting – A Wing Renovations

Delta College’s Electronic Media Broadcasting – A Wing Renovations project was submitted to the State of Michigan in October 2018 in response to identified structural needs of current programs, learning environments and business and community needs. It was subsequently Authorized for Planning under Public Act 618 of 2018 and then Authorized for Construction under Public Act 257 of 2020. Construction was completed in Summer of 2022 and opened in Fall of 2022. The State’s 50% share for this project was approximately \$1.37 million.

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



Electronic Media Broadcasting (EMB) Renovation

Delta College Plant Fund

Information Technology and Computer Science – K Wing

In October of 2022, Delta College submitted the Information Technology and Computer Science – K Wing project as a capital outlay project request for state matching dollars. The estimated cost of the K Wing renovation is \$5.701 million. This project was tentatively approved by the Delta College Board of Trustees in 2017 as a College funded project, but was placed on hold due to accelerated project costs, followed by the uncertainties brought on by the ongoing pandemic. It was not previously submitted to the state as a capital funded matching dollars project, since we were working on the Downtown Saginaw Center. However, since the downtown centers have all been completed, we decided this was an ideal time to bring the project forward for consideration, as there are possible capital dollars, which may be available through the state appropriations process.

This project will renovate Delta College’s Information Technology, Computer Science and Office Professions wing, located on its main campus. The current facilities were constructed in 1961 with only minor updates since. Although the existing building has been maintained well, many of the architectural finishes, mechanical and electrical systems are at the end of their useful life and need to be replaced to meet the needs of the current programs and learning environments.

The K Wing area of main campus is highly used each semester. During a recent Fall semester, over 1,740 students attended for instruction in the labs and classrooms in the area as part of 101 classes scheduled in the semester. The area being proposed for renovation is approximately 16,458 square feet, located on the east side of our main campus building, located in Bay County, but serving students from Bay, Midland and Saginaw counties.

When upgraded and revitalized, the area will provide state-of-the-art computer lab and classroom spaces for multiple computer and business courses. Along with the upgrades, 4,750 square feet of new space has been programmed to be added on to the building including an expanded cyber security classroom, multiple shared computer science classroom and lab spaces, along with needed storage, and support spaces.



Artist Rendering of K Wing Renovation

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. Following are the prioritized projects submitted in Fall 2022 for fiscal year 2024-2028 planning.

Priority	Major Capital Projects	Amount
1	Business and Office Professions – K Wing	\$ 5.701 million
2	Business and Technology – M Wing	3.801 million

Priority	Major Maintenance Projects	Amount
1	Parking and Road Pavement Repairs (Main Campus)	\$ 4.824 million
2	Chiller Plant Upgrades (Main Campus)	4.500 million

Facility Maintenance and Equipment Life Cycle Replacement

The current appraised replacement value of College buildings and equipment is \$418 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 \$12.55 million annually. Likewise, a simple 30-year life cycle replacement calculation would call for an annual allocation of \$13.96 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 in order to maintain our downtown centers and continue with the practice of not incurring any debt. Industry standards suggest an additional \$7-8 million should be reserved annually to 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 2023-2024 Budget Year are listed below.

Projects Approved and/or in Progress	Amount
K Wing Renovations	\$ 5,701,635
Farmhouse Maintenance and Upgrades	50,000
OIT Projects	500,000
Sculpture Projects	50,000
Midland Center Classroom Renovations	100,000
Pool Equipment Replacement	30,000
Planetarium Chiller Replacement	202,000
Hotchkiss Road Lighting Replacement	219,000
Student Retention and Completion Relation Projects	700,000
As Needed Maintenance Projects	Amount
Miscellaneous Renovations, Furnishings and Accessories	\$ 800,000
Way Finding System	10,000
Total	\$ 8,362,635

Delta College Debt Detail

The College has the legal capacity to carry debt of up to \$134,967,708; 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 \$13,371,770,826.

In May 2011, the College entered into a New Jobs Training Agreement and Revenue Bond with XALT Energy (formerly Dow Kokam, LLC) for \$6,190,000 and in May 2013, with ECO BIO Plastics Midland Inc. for \$350,000 under the New Jobs Training Program codified in Chapter 13 of the Community College Act. The revenue bond is not a general obligation of the College but is payable solely and only from the New Jobs Credit from withholding taxes to be received through these employers as a result of new jobs created and trained through the program. As of June 30, 2023, both of these agreements will be closed out.

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

Notes

Endowment Fund

Notes

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

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

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

Estimated distributions from the Endowment Fund to the College for the year 2022-2023 are as follows:

Fund	Amount
Designated Fund	\$ 107,000
Restricted Fund – Broadcasting	15,700
Restricted Fund – Programs and Scholarships	797,200
Building Fund	10,100
Foundation	173,000
Quasi-Endowments	<u>39,200</u>
 Total Distributions	 <u>\$ 1,142,200</u>

Delta College Endowment Fund

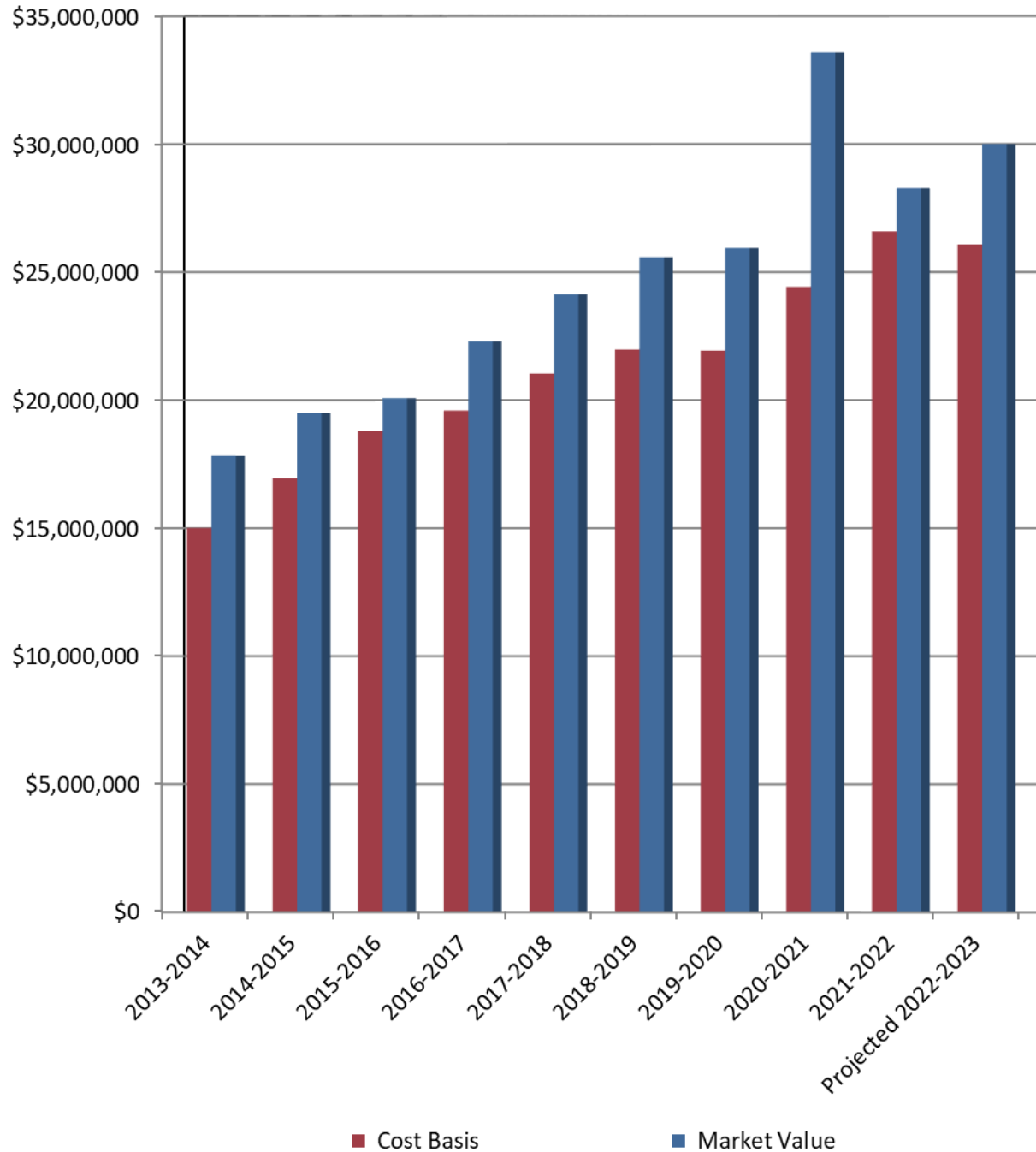
Ten Year Performance History

	Net Assets July 1	Gifts & Transfers	Earnings & Net Gain (Loss) On Investments	Distributions	Investment & Admin Fees *	Net Assets June 30
2013-2014	\$ 15,194,831	\$ 399,662	\$ 2,889,760	\$ (516,004)	\$ (147,041)	\$ 17,821,208
2014-2015	17,821,208	1,677,137	710,785	(573,471)	(149,866)	19,485,793
2015-2016	19,485,793	1,673,062	(289,663)	(634,519)	(160,346)	20,074,327
2016-2017	20,074,327	548,335	2,739,488	(721,886)	(338,599)	22,301,665
2017-2018	22,301,665	590,500	2,408,874	(784,871)	(371,582)	24,144,586
2018-2019	24,144,586	1,124,998	1,553,605	(850,391)	(391,436)	25,581,362
2019-2020	25,581,362	(258,117)	1,924,913	(897,324)	(411,071)	25,939,763
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
Projected 2022-2023	28,274,644	667,000	2,651,000	(1,142,000)	(499,800)	29,960,844

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

Delta College Endowment Fund

Ten Year History



Delta College Endowment Funds

Margaret Adams Scholarship
Charleen T. Adcock Scholarship
M. Andersen & Donna Rapp Public Media
Anderson Family Delta Sculpture Walk
Andrew F. & Mary H. Anderson Scholarship
Kurt W. Anderson Agricultural Scholarship
Athletic Scholarship
M. Seth Babcock Scholarship
Mary Ann (McGregor) Badour Scholarship
James & Joy Baker Scholarship
Barney & Gerry Ballor Family Scholarship
Ormond Barstow & Ludo Frevel Award for Scholarly
Achievement
Adeline Barth Scholarship
Baxandall Scholarship
Bay City Central Class of '41 Scholarship
Elzie & Muriel Beaver Scholarship
Eric "Q" Beckman Faculty Award for Exceptional Service
Eric "Q" Beckman Memorial Scholarship
Bergstein Award for Teaching Excellence
Leonard & Esther Bergstein Scholarship
Darrell R. Berry Scholarship
Alfred J. Bladecki Scholarship
Martin & Emma Block Scholarships
Peter D. Boyse President's Scholar Program
Peter & Barbra Boyse Speaker Series
Louise K. Brentin Scholarship
Business Division Scholarship
Carlyon Farmhouse Maintenance
Donald & Betty Carlyon Endowed Teaching Chair
Donald & Betty Carlyon Scholarship
DeeMona Chatman Scholarship
Scott Clemons Scholarship
Coca-Cola Scholarship
William R. Collings Award for Outstanding Service &
Academic Achievement
Lynn Conway Athletic Scholarship
Mary Jane Cooper Scholarship & TLC Support
Jack & Anita Crowell Scholarship
Gilbert A. Currie Estate Fund
Gilbert A. Currie Estate Scholarship
Ilau & Phillip Dean Scholarship
Keith DeLong Scholarship
Delta College Employee-Sponsored Scholarship
Delta College Foundation Fund
Delta College Foundation Student Scholarships
Delta College Planetarium Fund
Delta College Public Radio Fund
Delta College Public TV Fund
Delta Deltah's Scholarship
Robert DeVinney Endowed Teaching Chair
Dixon Family Scholarship
Herbert Doan Scholarship
B. Joe & Margery (Knepp) Dodson Scholarship

Frances Dolinski Scholarship
Henry Dolinski Scholarship
Dr. Louis W. Doll & Patricia Drury Scholarship
Tom Dostal Memorial Scholarship
Dow Chemical Company Michigan Operations Award for
Physical Science
The Herbert H. & Grace A. Dow Foundation Science
Education
Alden B. Dow Fund
Herbert H. & Barbara C. Dow Fund
Jerry & Terry Drake Scholarship & Broadcasting Program
Support
Draper Family Scholarship
Gene R. Duckworth Scholarship
Fred E. Dulmage Award for Engineering & Technology
Ellucian Higher Education Endowed Teaching Chair
Ellucian Higher Education Possible Dream Program
Dr. Robert & Carol Emrich Scholarship
Eldon Enger & Fred Ross Scholarship
English Division Guest Lecturer
James E. & Leanne Lutz Erickson Scholarship
Faculty Executive Committee Award
Fettig Family Scholarship
Arthur J. & Bette L. Fisher Scholarship
Isabella M. Flynn Scholarship
Peter & Suzanne Frantz Award for Art
Dr. John & Joanne Fuller Scholarship
Gakstatter Family Scholarship
Almon & Ethan Galloway Scholarship
David R. & Vivian S. Gamez Scholarship
Gerace Construction Scholarship
Gerity Broadcasting Company Scholarship
Gerstacker Faculty Recognition Award
Global Education Program
Robert M. Gohlke Scholarship
Dr. Jean Goodnow Scholarship
Gougeon Brothers, Inc. Award for Applied
Industrial/Technical
Gougeon Employees Foundation Business & Technology
Scholarship
Bernard C. & Lois K. (Ulrich) Graham Scholarship
Lynda V. & James M. Grant Scholarship
Patricia L. & Robert W. Grant Jr. Scholarship & Humanities
Program
Great Lakes Bay Manufacturers' Association Scholarship
Russell B. & Grace H. Green Scholarship
Priscilla Bogi Guritza Memorial Scholarship
Clarence & June Hackbarth Scholarship
Beki Gray Hadley Scholarship
David & Jackie Hall Scholarship
Hammond Family Scholarship
Sarah Hansen Scholarship
William J. Hargreaves Scholarship
Joan B. Harry Scholarship

Delta College Endowment Funds

Harry Hawkins Scholarship
Lynn Heatley Award for Distinguished Adjunct Faculty Service
Robert & Joyce Hetzler Family Award for Outstanding Service & Leadership
Hilde & Walter Heyman Scholarship
Ada E. Hobbs Scholarship
Don Holzhei Memorial Scholarship
Home Builders Association of Bay, Midland & Saginaw Counties
Honors Student Scholarship
Kimberly R. Houston Leadership & Service Learning Scholarship
Richard Paul Hunter Scholarship
Ruby T. Iwamasa Scholarship
Dr. Martin & Ruth Jaffe Scholarship
James R. & Anita H. Jenkins Family Scholarship
Phyllis E. Jones Memorial Scholarship
S. Preston & Dr. Betty B. Jones International Scholarship
Dan E. Karn Memorial Scholarship
Kaufmann Family Scholarship
Robert F. Keicher Memorial Scholarship
Dale & Alma Keyser Scholarship
Walter J. & Sophia M. Kilar Scholarship
International Order of King's Daughters & Sons Scholarship
Oscar W. Kloha Scholarship
Robert I. & Marjorie H. Knepp Scholarship
W.R. & Edith Knepp Scholarship
W.R. Knepp, Jr. Scholarship
John L. & Margaret H. Krawczyk Scholarship
Daniel P. Kubiak Scholarship
Gary Laatsch Scholarship
Jack LaBreck Scholarship
Ilene M. Lane Nursing Scholarship
Dr. Thomas H. Lane & Janis E. Landry-Lane Scholarship
Edward & Kathryn (Dunn) Langenburg Award for Education Laughner Award
Thomas & Rose Mary Laur Scholarship
Professor Marjorie M. Leeson Scholarship
Leo & Evelyn Levy Scholarship
Denise Lovay-Gravlin Memorial Scholarship
Edward & Kathleen Lunt Scholarship
Karen MacArthur Endowed Teaching Chair
Thomas & Brenda Mahar Scholarship
William & Susan Marklewitz for Health Professions
Gracia E. Marsh Memorial Nursing Scholarship
Ruth Mast Fox Scholarship
Margaret McAlear Scholarship
James R. McIntyre Award for Health Sciences
Dr. Murlene E. McKinnon Public Media
Marlene Mehlhose Scholarship
Aceie & Thelma Micho Scholarship
Rhea Miller Scholarship
Richard & Gloria Miller Scholarship

Frances Goll Mills Award for Nursing
Dorothy & Robert Monica Scholarship
Monitor Sugar Scholarship
Paul Moore Social Science Award
Morley Family Foundation Scholarship
Morley Foundation Award for Business Management
Virginia Morrison Scholarship
Wendell & Ethel Mullison Scholarship
James E. Murphy Scholarship
W. Brock Neely Scholarship
William H. "Buddy" Oates Scholarship
Oscar P. & Louise H. Osthelder Scholarship
Jesse J. Oswald Scholarship
Marguerite Scull Parker Scholarship
Possible Dream Program
Otto C. Pressprich Fund
Cecelia Randall Scholarship
Alfonso Rasch-Isla Scholarship
Connie R. Reading Scholarship
Newell Remington Scholarship & TLC Support
Skip Renker Award for Creative Writing
Robinson Family Scholarship
Renee Rookard Scholarship
Harold & Norine Rupp Scholarship
Saginaw County Child Development Centers Program Scholarship
Cliff & Grace Saladine Scholarship
Linda Ortega Scheall Memorial Scholarship
Ronnie & Christopher Scheall Scholarship
Dawn Schmidt Award for Mathematics
Peggy A. Scott Scholarship
Scott & Sandra Seeburger Family Scholarship
Charlotte Seiler Memorial Scholarship
Ralph I. & Archie M. Selby Family Scholarship
Gene F. Shrum & Dee Dee (Shrum) Wacksman Scholarship
Van Dewitt & Ruth Simmons Scholarship
John M. Smith & William Wolgast Family Softball Scholarship
Paul Sowatsky Scholarship & Award
Spittka Family Scholarship
Owen L. & Vivian Stafford & Rausch Family Scholarship
Vivian & Owen L. Stafford Public TV Support
James Stark Scholarship
Eileen & Hugh Starks Scholarship
Dr. James F. & Elizabeth Stoddard Scholarship
Greg Stryker Scholarship
Sturm Family Broadcast Programming Fund
Julius & Irene Sutto Award for Life Sciences
Paul & Margaret Thompson Scholarship
Willie E. Thompson Scholarship
Margaret Timm Award for English
Wesley Timm Award for Social Science
UNUM Student Special Assistance
Tina S. & Philip M. Van Dam Scholarship

Delta College Endowment Funds

Jeanne M. VanOchten & Wayne W. Adams Scholarship
Jim & Janis Van Tiflin Award
Glenn Waters Welding Scholarship
Lynn & Sandy Weimer Scholarship
Walter G. & Carol A. Weinlander Scholarship
Ken & "Miss Mona" White Scholarship
Macauley & Helen Whiting Fund
Lola Bishop Whitney Award for Foreign Language
David & Carol Williams Scholarship
Alice & Jack Wirt Scholarship
Stephen M. & Dena J. Wirt

Teresa Plackowski-Witucki Scholarship
Wolverine Bank Scholarship
Christopher Alen Yagiela Scholarship
Dr. Robert R. "Dr. Bob" Zimmerman Faculty Professional
Development
Dr. Robert R. "Dr. Bob" Zimmerman Scholarship
Alan & Carol Zombeck Scholarship
Alton, Sr., Alma & Alton, Jr. Zucker Scholarship
Melvin & Hilda Zuehlke Scholarship and Special Needs
Assistance Fund

Glossary

Notes

Delta College Glossary

Administrative/Professional Staff (AP)

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

Balanced Budget

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

Capital Expenditures

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

College Priorities

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

Contact Hour

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

Corporate Services

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

Cost Center

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

Credit Hour Generation

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

Equipment

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

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

Faculty (FAC)

Instructors on tenure track.

Fiscal Year (FY)

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

Delta College Foundation

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

Fringe Benefits

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

Fund Balance

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

Full Time Equivalent Student (FTE)

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

Gifts

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

Grant

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

Industrial Facilities Tax Abatement (IFT)

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

Investment Income

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

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.

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.