

# Delta College Strategic Plan and Budget 2022–2023



Cover by Luke Goodrow

**Delta College**

**FY 2022-2023**

**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 4,663 as reported to the State for the year ending June 30, 2021. The College produced approximately 162,800 contact hours for the 2020-2021 fiscal year. In terms of unduplicated student head count, Delta ranked 10th highest in the State. The College's staff includes approximately 435 full-time employees of which 173 are faculty.

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

The College's district is located in the Great Lakes Bay Region, encompassing the counties of Bay, Midland and Saginaw in Michigan. The College's Corporate Services Division provides training throughout the state. The 640-acre main campus is located in rural Bay County about equidistant from each of the major cities.

### **Downtown Centers**

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

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

Delta College opened its new 33,630 square foot **Downtown Midland Center** Fall of 2021. With a cost of approximately \$13.0 million, Delta College was able to secure \$9.15 million in private sector donations to apply to the cost, with the remaining dollars provided through Delta College's accumulated Plant Fund reserves. The Downtown Midland Center 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 building offers students an innovative environment with state-of-the-art technology, something Delta strives to provide to all of its students. The building includes biology, chemistry, and computer labs, eight classrooms, special-use training rooms, a multi-purpose room and student service spaces.

In October 2018, Delta College's Electronic Media Broadcasting – A Wing Renovations project was submitted to the State of Michigan in response to identified structural needs of current programs, learning environments and business and community needs. It was subsequently authorized for Planning under Public Act 618 of 2018 and then Authorized for Construction under Public Act 257 of 2020. Construction is currently ongoing with classes scheduled in the renovated space for Fall of 2022. The current facilities were constructed in 1961, and although maintained well, many of the architectural finishes, mechanical and electrical systems are at, or nearing the end of their useful life. When upgraded and revitalized, this area will be the platform for state-of-the-art learning and creation of a wide variety of digital media productions for students and producers. Funding for the total \$2.8 million renovation will be paid 50% from Plant Fund reserves and 50%, or \$1.4 million, match from the State of Michigan. The project also includes broadcasting equipment totaling \$3,180,850 which will be funded by Delta College Public Media through fundraising and donations already received.



### **Delta College Board of Trustees**

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

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

**Saginaw County:** Arshen R. Baldwin, The Rev. Dr. Robert L. Emrich, Marcia L. Thomas (Vice 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/Compliance Officer, Delta College, Office A093, 1961 Delta Rd., University Center, MI 48710, telephone 989-686-9547, or email [equityoffice@delta.edu](mailto: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, which is in its last year of a four-year cycle, which will end on June 30, 2023. The College President, Dr. Mike Gavin, has been in the process of developing the next institutional Strategic Plan which will be implemented for academic years 2023-2027.

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 MPSERS and ORP, medical insurance, and other benefits.

In order to estimate the future impact of the various changes that can affect the College's operations, a base was established. It is from this base that all future revenue and expenditure estimates are calculated. The base for projections uses the 2021-2022 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. On a positive note, most local, state and federal health restrictions have been lifted and the COVID—19 virus spread has slowed down significantly since March 2020.

However, our local, state and national economy are continuing to face challenges. Michigan economists and fiscal analysts, from the State Revenue Estimating Conference held in Lansing Michigan May 20, 2022 reported significant shifts in consumption from services to goods. When combined with fiscal stimulus efforts, labor market and international trade disruption's related to COVID-19, and military conflicts in Ukraine, 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, guiding principles and strategic 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 are declining commensurate with the loss in regional population from the recessionary years a decade ago. Competition for students among institutions has also heightened. However, efforts are in place to attract new enrollment and retain an increased percentage of the declining K-12 graduates.

Historically, during a recession period like 2008, where Michigan had a financial crisis and suffered significant job losses, Delta experienced an enrollment surge. Unemployed workers returned to college seeking new skills or training, due to the loss of income. With the COVID-19 pandemic, we have experienced what some have called an "induced recession of 2020." This meant the impact wasn't the result of the underlying economy, so, higher education enrollments did not surge. The shut-down of campuses and the conversion to online learning did not work well for all students. Stimulus payments, supplemental unemployment benefits and other initiatives offered nationally to reduce economic disruptions of the pandemic, didn't create the same effect as historically expected when it came to making assumptions for enrollment.

We are expecting our 2021-2022 actual contact hours to total approximately 158,500, which is 5,500 or 3.4% less than the budgeted target level of 164,000 contact hours. This equates to approximately \$897,000 less in tuition and fee revenue than what we budgeted. We are planning to utilize COVID Federal Stimulus Grant funding to supplement for these lost revenues when we close our books at the fiscal year end.

In order to help curb the enrollment declines, the College is assessing the best programs to offer to now unemployed adults who may remain displaced and who will be seeking new skills. Delta College has spent the last two years developing strategies to overcome these challenges, including more effective management of the academic program, and by reorganizing its Student and Educational Services division in order to provide more support for our students outside of the classroom.

To realize this growth, the Student Educational Services (SES) Division is changing 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 stretch goal of retaining our original 2021-2022 budget enrollment target of 164,000 contact hours, and moving that forward for 2022-2023. Based on our year end 2021-2022 projected hours of 158,500, enrollment will need to increase at least 5,500 more student contact hours, to meet the goal of 164,000 for the next fiscal year.

### **Coronavirus Pandemic and Federal Stimulus Grants**

The return to campus by College employees took place in July 2021. Health ordinances requiring social distancing, remote meetings and mask precautions have been lifted in Michigan and across the country. To maintain consistency and for the safety of our students, staff and faculty, the College continued to require employees and students that were on main campus and at the Centers to wear face coverings through April 2022.

Our FY 2022-2023 budget retains a General Fund expense line for COVID-19 related expenses of \$50,000. This account was established to purchase necessary supplies, services or equipment to maintain the safety and health of our students, employees and community members. We do not know whether this amount will be utilized, but we are planning to utilize savings in our Plant Fund if the amount exceeds this. While we have a significant amount of grant funding available for COVID expenses, we may incur expenses beyond the amount of grant funding available, or some expenses may be deemed not allowable under the grant.

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 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
- \$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 SIP award allowed for the most leniency in what it could be used for, such as to offset lost revenue due to the pandemic. 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.

As of March 2022, the College had awarded its entire \$14.6 million student allocation directly to students in the form of cash grants, and has also used approximately \$437,000 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, D2L training, instructional design for online courses, personal protective equipment, supplies and equipment to allow students to perform labs remotely, covering online fees for students, technology for students, and improvements to the College’s air handling equipment.

As of June 30, 2022, it is anticipated that the College will have approximately \$6.0 million Institutional and \$1.25 million SIP HEERF funding remaining to be spent. The US Dept. of Education has extended the spending deadline for these awards to June 30, 2023. Administration has plans in place for the expenditure of this funding by the deadline.

## **State Aid**

Our 2022-2023 State Appropriations revenue line item in the budget assumes a 3% increase to the actual 2021-2022 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 2022-2023 ranges from an overall net funding increase of 8.4% to 9.9%. However, within this overall increase, are appropriations of one-time funding. For example, the Senate proposal estimates Delta’s net increase would be 9.4%. When you factor in the one-time allocation, the actual increase on-going in future years which gets added to our base is only 4.7%. When a budget consists of one-time dollars, we must take precautions and not use the resources for long-term or recurring costs.

The House proposal introduces a brand new funding formula to accompany the existing performance funding formula. The proposal incorporates an increase that is distributed to each Community College on an equal basis, plus it introduces a new component that takes into account each institution’s 3-year average of fiscal year equated students (FYES). This is a completely different methodology to allocate appropriations for community colleges. The formula appears to have a similar methodology to that of K-12 school districts, which are funded “per pupil” or in our case, “per Fiscal Year Equated Student,” with a cap of 10% on increases. The concern for Delta and other declining enrollment institutions, if the 3-year average FYES continues to shrink, impacting our tuition and fee revenue, our State Aid Appropriations will also decline in relation to our enrollment. This change may accelerate revenue losses for community colleges by tying any state aid increases to enrollment.

## **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 2022-2023, tuition has been set at \$121/contact hour, which is an increase of \$2.00 per contact hour for in-district students. Out-of-district tuition increased by \$3.00 per contact hour and out-of-state tuition increased by \$4.00 per contact hours to \$202 and \$210, respectively. The Board also approved a \$1.00 increase in the technology fee, raising it from \$24 to \$25 per contact hour. No other changes to fees were made. Our tuition and fee rates increased 2.1% or a combined overall total of \$3.00



for in-district tuition and technology fees, from 2021-2022 rates. Our dual enrollment tuition rate is \$121 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 \$518,000 or 1.9% from 2021-2022 budget projection.

### **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 (DCFA) Delta College Faculty Association, MEA/NEA and have a collective bargaining agreement which expires June 30, 2022. The College Administration and the union reached a three-year tentative agreement in late May. Upon ratification by both parties, the new agreement would be effective July 1, 2022 through June 30, 2025. Actual ratified agreements can be found on the transparency reporting website at: <https://www.delta.edu/transparency>

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 collective bargaining agreement which expires on June 30, 2022. The College Administration and the union reached a tentative three-year agreement in late May. Upon ratification by both parties, the new agreement would be effective July 1, 2022 through June 30, 2025. Actual ratified agreements can be found on the transparency reporting website at: <https://www.delta.edu/transparency>

The Administrative Professionals, Support Staff and Corporate Services (non-grant funded), are all non-union employees. These employees receive an annual memorandum of appointment by the President of the College upon Board approval. This group also has a compensation schedule that provides additional compensation based on the College's Performance Management System.

Historically, at the regular June board meeting, the President of the College makes the annual compensation recommendation to the Board of Trustees for consideration, which would include each employee group, dependent on terms of the bargaining contracts, and any employee memorandums of appointment.

The 2022-2023 budget reflects a total compensation budget of \$54.6 million, or net increase of \$1.7 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 28.38% 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 25.07%. Retirement related benefit costs, and employer payroll taxes, including Federal Social Security, add approximately 32.4% 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.

The College has been able to add additional benefits through our health carrier at a very minimal cost, which will go into effect on January 1, 2023. The College has been able to add additional autism, enhanced chiropractic, and infertility benefits that were not offered in previous plan years. These specific benefits have been researched and requested through the Benefits Committee process for many years, but up to this point, the College has not been able to obtain an affordable option. Fortunately, through the work of our benefit consultant, we will now be able to offer these additional benefits. Our health insurance enhancements are also tied to our strategic plan, which emphasizes being people focused. And, bringing our plan up to date, will provide Delta more opportunities to recruit and retain people in a very competitive labor market.

### **Facility Maintenance and Equipment Replacement**

Facility maintenance and equipment replacement has been an important priority to the College. Beginning in 1996-1997, Delta established a long-term goal to commit approximately 5% of the budget or about \$2-3 million annually to a Facility Maintenance and Equipment Replacement Fund for capital asset life cycle replacement. Current appraised replacement value for the College buildings and contents total \$337 million. A simple 30 year life cycle replacement for the entire value would require \$11.23 million be reserved annually. 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.

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**

Our normal budget process involves seeking recommendations for cost saving measures, funding reallocations and replacement revenues. This section highlights the major new and on-going strategic and operational funding needs, including any identified new revenue and savings to the budget. These are solicited from budget leaders, Executive Council, Budget Cabinet and other employee groups/committees with a commitment to bring each idea forward for consideration by the President's Cabinet. Specific reductions in spending and resource reallocations have been components of the annual budget process and are managed by the administrative staff. The fiscal year 2022-2023 balanced budget plan incorporates savings of \$269,318, offset by \$1,226,481 in new strategic and operational funding uses.

### **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.
- 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.

- We have been fortunate enough to use our COVID Federal grant dollars to offset revenue losses due to enrollment declines over the past two fiscal years. The 2021-2022 estimated ending fund balance is approximately 10.4%. 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**

My first year as President at Delta has been truly rewarding. I have worked with a Board that is nothing but supportive of the College and student success. 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. 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

### Sources of New Revenue and Savings

Description	Amount	Strategic Focus Area	Cost Center
COVID-19 Related Expenses not Covered Under Grant Funding Reduction of 2021-2022 Allocation	\$ 50,000	PF/SS/CF/S	6761
Net Employee Compensation Reductions Due to Retirements, Replacement Cost Differentials, etc.	219,318	S	Various
<b>Total New Revenue and Savings</b>	<b>\$ 269,318</b>		

# Delta College Budget Planning and Resource Allocation Decisions

## New and On-Going Strategic and Operational Funding

### New Strategic and Operational Funding

Description	Amount	Strategic Focus Area	Cost Center
Ellucian Modernization and Ethos Package Year 4 of 5	\$ 15,960	SS	6745
Ellucian Contract Annual CPI Increase	184,300	SS	Various
Ellucian Managed Services for MacBooks and iPads	15,000	SS	6745
Depository Software Package - SoftDocs	1,455	SS/S	5626
Increases to Athletics Travel, Supplies and Wages for Coaches Addition of Volleyball and MCCA Conference Expansion	114,700	SS	5673/5674
Clery Edge & Lexipol Software for Public Safety	7,511	SS	7775
Data Visualization Specialist	91,930	SS/S	6760
Tableau Software Annual Cost	42,000	SS/S	6760
Chief Officer for Culture, Belonging and Community Building (net of existing Diversity & Inclusion Position)	105,706	CF/SS/PF	6730
CMS Website Software Annual Increase	1,245	PF/SS/S	5622
Reserve for Potential Funding Gaps in Future for Frontliners and Michigan Reconnect Grants	250,000	SS/S	6723
Increase for Rising Utility Costs	150,000	S	7782
Miscellaneous Reserve for Strategic Initiatives	246,674	SS/S	6723
<b>Total New Funding</b>	<b>\$ 1,226,481</b>		

### On-Going Strategic and Operational Funding

Description	Amount	Strategic Focus Area	Cost Center
Instructional Computer 4-Year Replacement Life Cycle Funding	\$ 87,500	SS	1124
Achieving the Dream Initiative Match	45,500	SS	5627
Asset Life Cycle Replacement/Depreciation	2,500,000	S	7799
<b>Total On-Going Funding</b>	<b>\$ 2,633,000</b>		
<b>Combined Total of New and On-Going</b>	<b>\$ 3,859,481</b>		

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

# Delta College Budget Cabinet 2021-2022

Daniel Allen .....	Associate Dean
Jennifer Carroll .....	Director of Corporate Services
Pam Clark .....	Executive Director of Institutional Advancement
Angela Cramer .....	Controller (ex-officio)
Russell Curley .....	Dean of Enrollment Management
Reva Curry .....	Vice President of Instruction & Learning Services
Chris Curtis .....	Delta College Faculty Association President
Sarah DuFresne .....	Vice President of Business & Finance/Board Treasurer
Jon Foco .....	Director of Business Services
Donna Giuliani .....	Delta College Faculty Association Representative
Cynthia Grether .....	Chair of Executive Committee for Administrative/Professional Staff 2021
Renee Hoppe .....	Faculty-at-Large Appointment through 6/2022
Tom Kienbaum .....	Representative of Facilities Maintenance Union
Tim Klingler .....	Faculty-at-Large Appointment through 6/2022
Greg Luczak .....	Manager of Finance – Academics
Daisy McQuiston .....	Co-Chair of Faculty Executive Committee
Sue Paris .....	Business & Finance Administrative Assistant
Karl Rische .....	Vice President of Student and Educational Services
Ron Schlaack .....	Chair of Budget Cabinet
Karol Syring .....	Faculty-at-Large appointment through 6/2022
Marcia Thomas .....	Board of Trustees Representative
Andrea Ursuy .....	Executive Director of Administrative Services & Institutional Effectiveness
Anna Williams .....	Chair of Support Staff Executive Committee

# Strategic Planning

# Notes



# Delta College Strategic Plan 2019-2023

Year 4 – The Delta of Tomorrow



# 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 institution.

## Strategic Planning – A Year of Transition

Dr. Michael Gavin joined Delta College as our fifth President in August of 2021. He brought with him a vision for the Delta of Tomorrow. During the 2021 – 2022 academic year, the President’s Cabinet and Executive Council worked to create a transition plan that became our year 4 strategic plan focus. The transition plan supports Board approved strategic initiatives and provides a springboard for the 2023-2027 planning process.

The goals outlined in the Delta of Tomorrow will affect the current Strategic Plan in a number of ways. They reframe some of the Action Projects that have been defined in our current Strategic Plan. Below are additional elements for our exploration and refinement.

We will do this by aligning the work of planning, budgeting, and implementation at an institutional level and in offices. The graphic below shows how we will align our strategic planning and budgeting process via the next strategic plan.

Mission/Vision/Values Strategic Planning and Budgeting Process		
AY 2021-2022	AY 2022-2023	AY 2022-2023: Close out current plan and seek Board of Trustees Approval in Winter 2023 so that FY 2024 budget can be created with this in mind
Implementation of Strategic Plan; scanning for new strategic plan	Implementation continued; scanning for new strategic plan	Conclusion of current plan and approval of strategic plan by January so goals for July 1 can be written

# Delta College Mission, Vision, and Values

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

## Mission

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

## Vision

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

## Values

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

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

# Strategic Focus Areas 2019-2023

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

The four strategic focus areas are:



## Student Success:

*Promoting success for all students, in the classroom, and in life*

## Community Focus:

*Understanding and responding to our communities' needs*

## Sustainability:

*Using all resources in an efficient and sustainable way*

## People Focus:

*Respecting and growing our people personally, professionally, and organizationally*

# Strategic Initiatives Overview 2019-2023

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

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

The strategic initiatives are listed below.

## Student Success

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

## Community Focus

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

## Sustainability

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

## People Focus

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

# Tomorrow's Delta College

Delta College sits in a unique position to serve our communities with different ways to meet their substantial needs for education. Over the past decade, indeed in the past year, the landscape of higher education has shifted significantly. In order to prosper, Delta College must pivot while maintaining its tradition of academic excellence, rigor, and institutional renewal.

In the next year, Delta College will lay the foundation for an inclusive strategic plan, which will be finalized in Winter 2023. That strategic plan will ensure that Delta College is Tomorrow's College. Our initiatives will center on student success, indicated through increased degree completion and equitable outcomes for all students. The nation and region have experienced new ways of working and learning, as well as experienced a shift in racial consciousness.

*The overarching goal for our current and next strategic plan will be to become an analytical, completion-based culture where all belong.*

The first step in our work together will be to capture those changes through our work, by asking our faculty and staff how what we learned in the past 18 months can:

1. Ensure there are no equity gaps in student enrollment, retention, and completion for all students when compared to county demographics;
2. Prepare us to build toward an innovative, flexible and sustainable college in the context of severely decreasing enrollments and financial concern by:
  - a. considering what we collectively learned from the pandemic
  - b. innovating with new programs and considering new, non-credit and credit training
  - c. focusing on retention by distributing and using data widely, and
3. Enhance our ability to address the needs of our students and employees, allowing them to achieve their full and authentic selves by:
  - a. enhancing our culture
  - b. developing a robust and action-oriented diversity, equity, belonging, and inclusion plan
  - c. ensuring our employee demographics by constituency, level, and rank mirror the counties we serve

We will measure success by:

- Stabilizing enrollment
- Increasing retention by 2% fall to fall and narrowing opportunity gaps
- Increasing 6-year completion rates by 2% each year and narrowing opportunity gaps

# 2022-2023 Institutional Action Projects

## Planning for the Future:

Action Project: Develop a timeline and process for new strategic plan in 2023 that includes revision of mission, vision, and values to focus on completion and equity

Action Project: Develop a timeline and process for new strategic plan in 2023 that includes development of data visualizations connected to completion and equity relevant to offices throughout campus

Action Project: Strategically situate Delta in the region and nation in line with its focus on completion and equity

## **Strategic Initiative: Increase student recruitment, retention, and completion to positively impact the traditional, adult, online, and dual enrolled students. (Strategic Focus Areas: Student Success and Sustainability)**

Action Project: Create a college-wide enrollment and retention plan to increase success rates of students with no opportunity gaps in our top 30 courses and 10 programs

Action Project: Enhance the front-door experience in all modalities

Action Project: Use course assessment and course success rates to increase success in top 30 courses and top 10 programs while reducing opportunity gaps

## **Strategic Initiative: Utilize Delta College's competitive advantage to strengthen our connection with the communities we serve. (Strategic Focus Areas: Student Success, Community Focus, and Sustainability)**

Action Project: Review each center to ensure it has the courses, philosophy, and space-related needs to achieve its mission with a goal of increasing enrollment, retention, and completion in an equitable fashion

Action Project: Establish academic foundation for SPSD (Saginaw Public School District) Center for Excellence

## **Strategic Initiative: Increase student recruitment, retention, and completion to positively impact the traditional, adult, online, and dual enrolled students. (Strategic Focus Areas: Student Success)**

Action Project: Lay the foundation for launch of Delta Online in 2023

Action Project: Develop and deliver open enrollment career credentialing certificates for high wage high demand occupations through collaboration with faculty, SES and rebranded Corporate Services

## **Strategic Initiative: Strengthen collaborative relationships and an inclusive environment with the Board, Administration, Faculty, and Staff to develop additional avenues to increase teamwork. (Strategic Focus Areas: People Focus)**

Action Project: Strengthen collaborative relationships and an inclusive environment with the Board, Administration, Faculty, and Staff to develop additional avenues to increase teamwork by developing an accountable and administrative structure for DEBI

Action Project: Engage college stakeholders in a process for non-work-rules decision-making to focus on equity and completion

# 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 2021-2022, the College submitted two major projects (by priority):

Priority	Project	Amount
1	Business and Office Professions – K Wing Renovation and Addition	\$ 5,568,275
2	Business and Technology – M Wing Renovations	2,568,000

A copy of the Capital Outlay Plan can be accessed by going to Delta College’s public website. (<https://www.delta.edu/transparency/capital-outlay-plan/2023-capital-outlay-plan.html>)

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

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



# Budget Planning Process

Month	Action
August / September September	Prepare budget planning materials Review strategic initiatives and assumptions and develop a tentative set of planning and budgeting assumptions
October November through February February / March	Submit to Executive Council, Budget Cabinet, and Budget Groups Budget Groups develop budget requests based on College and group strategic plans Each Budget group prepares and submits a group request to Budget Cabinet. The Strategic Plan is shared with the Budget Cabinet. 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 request, develop priorities based on the College and cross functional strategic priorities, and recommends priorities to the President. 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 Board of Trustees (depending on the information that is available)
June	Presentation of Budget to the Board and approval by the Board

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

# Delta College Procedures for Budget Amendment

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

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

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

# All Funds

# Notes

# Delta College Budget – All Funds

Fiscal Year 2022-2023

	General	Designated	Restricted	Auxiliary	Plant	Total
<b>Revenues</b>						
Tuition and Fees	\$ 27,438,840	\$ 1,666,500	\$ -	\$ -	\$ -	\$ 29,105,340
State Appropriations	17,846,118	-	-	-	100,000	17,946,118
Property Taxes	24,705,463	-	-	-	-	24,705,463
Grants and Gifts	-	1,933,500	21,693,802	-	50,000	23,677,302
Auxiliary Services	250,000	-	-	3,792,650	-	4,042,650
Investment Income	324,000	-	734,000	-	439,122	1,497,122
Other Sources	<u>537,720</u>	<u>779,044</u>	<u>(171,606)</u>	<u>550,000</u>	<u>3,054,000</u>	<u>4,749,158</u>
<b>Total Revenues</b>	<u>71,102,141</u>	<u>4,379,044</u>	<u>22,256,196</u>	<u>4,342,650</u>	<u>3,643,122</u>	<u>105,723,153</u>
<b>Expenditures</b>						
Instruction	32,327,456	3,328,243	894,550	-	-	36,550,249
Instructional Support	<u>6,784,275</u>	<u>85,650</u>	<u>1,330,797</u>	<u>-</u>	<u>-</u>	<u>8,200,722</u>
	39,111,731	3,413,893	2,225,347	-	-	44,750,971
Public Service	1,191,413	12,000	1,717,350	-	-	2,920,763
Information Technology	4,406,220	-	-	-	185,000	4,591,220
Student Services	8,552,240	109,500	15,056,796	4,711,589	-	28,430,125
Institutional Administration	7,982,465	928,112	800,000	-	-	9,710,577
Facilities Management	<u>9,758,583</u>	<u>-</u>	<u>2,101,002</u>	<u>-</u>	<u>7,760,000</u>	<u>19,619,585</u>
<b>Total Expenditures</b>	<u>71,002,652</u>	<u>4,463,505</u>	<u>21,900,495</u>	<u>4,711,589</u>	<u>7,945,000</u>	<u>110,023,241</u>
<b>Revenues Over/(Under) Expenditures</b>	99,489	(84,461)	355,701	(368,939)	(4,301,878)	(4,300,088)
<b>Projected Fund Balance June 30, 2022</b>	<u>7,387,597</u>	<u>28,483,865</u>	<u>8,380,349</u>	<u>7,452,224</u>	<u>36,499,744</u>	<u>88,203,779</u>
<b>Projected Fund Balance June 30, 2023</b>	<u>\$ 7,487,086</u>	<u>\$ 28,399,404</u>	<u>\$ 8,736,050</u>	<u>\$ 7,083,285</u>	<u>\$ 32,197,866</u>	<u>\$ 83,903,691</u>

**Note:**

1. This summary depicts all funds of the College as budgeted and explained in detail in the following sections.
2. The uses of the various funds are defined by the Michigan Public Community College Manual for Uniform Financial Reporting and are explained under the Fiscal Policies section of this document. The General Fund is the primary operational fund of the College.
3. Other Sources Revenue includes both transfers in and (out). The majority of the Transfers Out from the Restricted Fund are from Coronavirus relief funds grants reimbursing the other College funds for revenues lost due to Coronavirus.

# Delta College All Funds

## Five Year Actual History

	Actual 2017-2018	Actual 2018-2019	Actual 2019-2020	Actual 2020-2021	Projected 2021-2022
<b>Revenues</b>					
Tuition and Fees	\$ 31,223,830	\$ 30,926,722	\$ 30,677,467	\$ 26,268,585	\$ 27,302,209
State Appropriations	25,089,136	23,141,714	18,956,519	19,174,383	21,351,613
Property Taxes	21,942,601	22,613,280	22,917,823	23,420,558	23,802,778
Grants and Gifts	21,054,842	21,490,291	25,801,840	36,103,476	30,796,778
Auxiliary Services	6,534,449	5,832,902	4,892,899	3,225,515	3,922,760
Investment Income	1,269,269	1,596,938	1,614,220	1,401,453	348,128
Other Sources	<u>17,174,126</u>	<u>7,870,122</u>	<u>15,302,576</u>	<u>15,677,971</u>	<u>12,194,059</u>
<b>Total Revenues</b>	<u>124,288,253</u>	<u>113,471,969</u>	<u>120,163,344</u>	<u>125,271,941</u>	<u>119,718,325</u>
<b>Expenditures</b>					
Instruction	37,258,932	36,369,573	34,655,572	34,475,624	35,294,934
Instructional Support	<u>8,375,795</u>	<u>8,473,690</u>	<u>7,511,303</u>	<u>6,582,884</u>	<u>6,397,784</u>
	45,634,727	44,843,263	42,166,875	41,058,508	42,692,718
Public Service	2,764,924	2,867,765	2,715,006	2,611,578	2,732,366
Information Technology	3,828,197	3,807,097	3,858,373	3,972,844	4,896,022
Student Services	29,148,863	27,499,173	27,436,066	29,109,646	34,187,219
Institutional Administration	11,711,080	13,835,466	13,003,965	13,777,552	11,208,369
Facilities Management	<u>20,872,193</u>	<u>24,547,113</u>	<u>23,519,228</u>	<u>22,388,535</u>	<u>20,223,189</u>
<b>Total Expenditures</b>	<u>113,959,984</u>	<u>117,399,877</u>	<u>112,699,513</u>	<u>112,918,663</u>	<u>114,939,883</u>
<b>Revenues Over/(Under) Expenditures</b>	10,328,269	(3,927,908)	7,463,831	12,353,278	4,778,442
<b>Beginning Fund Balance</b>	<u>57,207,867</u>	<u>67,536,136</u>	<u>63,608,228</u>	<u>71,072,059</u>	<u>83,425,337</u>
<b>Ending Fund Balance</b>	<u>\$ 67,536,136</u>	<u>\$ 63,608,228</u>	<u>\$ 71,072,059</u>	<u>\$ 83,425,337</u>	<u>\$ 88,203,779</u>

# General Fund

# Notes



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

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

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

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

Detail discussion about the specific General Fund revenues and expenditures is contained within this section. The use of General Fund revenues is determined by the College's appropriation process which is tied to the College's strategic initiatives. The Budget Cabinet provides leadership in the appropriation process. The budget process is further described in both the Strategic Planning and Fiscal Planning sections of this document. The current year Budget Planning and Resource Allocation Decisions addressing the tactical plans that have been developed to meet the College's strategic initiatives are located on pages 6-13.

# Delta College Organizational Chart

- Community
  - Board of Trustees
    - President
      - Title IX Coordinator
      - Council on Innovation, Belonging and Equity (CIBE)
      - Chief Officer for Culture, Belonging and Community Building
      - Vice President of Instruction and Learning Services
        - Dean of Teaching and 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
        - Dean of Career Education and Learning Partnerships
          - 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
          - CTE, Special Populations Engagement and Success Coordinator
        - Manager of Finance – Academics
        - LLIC (TLC, Library and Testing Center)
      - Vice President of Student Empowerment and Success
        - Dean of Enrollment Management
          - Associate Dean of Enrollment Management
            - Associate Director of Admissions and Dual Enrollment
          - Director of Educational Opportunity Center
          - Registrar
        - Dean of Student Success
          - Director of Athletics and Student Athlete Development
          - Associate Dean of Retention
            - Counseling/Advising
          - Director of Student & Career Engagement
            - Coordinator of Campus Life and Student Engagement
            - Collegiate Advisor
            - Director of Disability Resources
            - Coordinator of Possible Dream and Youth Development
            - Coordinator of Student Diversity and Leadership
            - Coordinator of Veteran Services
            - Manager of Academic Career Experience and Service Learning
        - Director of Downtown Centers
      - 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 Financial Aid
  - Director of Public Safety
    - Director of Police Academy/Law Enforcement Training
  - Director of Corporate Services
    - Corporate Services Business Manager
    - Corporate Services Manager of Development
- Executive Director of Institutional Advancement
  - Director of Marketing and Public Information
  - Foundation Manager
  - General Manager of Public Broadcasting
    - TV and Radio Programming
    - Engineering and IT Support
    - Local Production
  - Public Broadcasting Fundraising
  - Legislative
  - Grants and Resource Development
- Executive Director of Administrative Services and Institutional Effectiveness
  - Director of Human Resources
    - Compensation Administration
    - Recruitment and Employment
    - Benefits Administration
  - Director of Employee Development
    - Center for Organizational Success
    - Instructional Support Services
  - Director of Institutional Research
  - Faculty Center for Teaching Excellence Coordinator(s)

# Delta College General Fund Budget

Fiscal Year 2022-2023

## Revenues

### Tuition and Fees

Tuition	\$ 22,461,440	
Registration Fees	713,400	
Technology Fees	4,100,000	
Program Course Fees	<u>164,000</u>	
Total Tuition and Fees		\$ 27,438,840

### State Appropriations

17,846,118

### Property Taxes

Bay County	6,098,410	
Midland County	7,369,259	
Saginaw County	<u>11,237,794</u>	
Total Property Taxes		24,705,463

### Auxiliary Services

250,000

### Fund Transfers

254,120

### Investment Income

324,000

### Other

283,600

### Total Revenues

\$ 71,102,141

## Expenditures by Activity

Instruction	\$ 32,327,456	
Instructional Support	<u>6,784,275</u>	

Total Instruction 39,111,731

Public Service	1,191,413	
Information Technology	4,406,220	
Student Services	8,552,240	
Institutional Administration	7,982,465	
Facilities Management	<u>9,758,583</u>	

### Total Expenditures

71,002,652

### Revenues Over Expenditures

99,489

### Beginning Fund Balance

7,387,597

### Ending Fund Balance

\$ 7,487,086

# Delta College General Fund

## Five Year History

	Actual 2017-2018	Actual 2018-2019	Actual 2019-2020	Actual 2020-2021
<b>Revenues</b>				
Tuition and Fees	\$ 28,012,692	\$ 28,428,625	\$ 29,016,685	\$ 25,889,541
State Appropriations	25,089,136	18,533,182	17,351,392	19,174,383
Property Taxes	21,942,601	22,613,280	22,917,823	23,420,558
Auxiliary Service	250,000	250,000	250,000	250,000
Investment Income	351,394	190,042	451,127	653,374
Grants and Other	<u>742,749</u>	<u>1,403,419</u>	<u>1,063,422</u>	<u>2,635,874</u>
<b>Total Revenues</b>	<u>76,388,572</u>	<u>71,418,548</u>	<u>71,050,449</u>	<u>72,033,730</u>
<b>Expenditures</b>				
Instruction	32,358,466	32,010,011	30,484,645	30,179,698
Instructional Support	<u>6,127,638</u>	<u>6,425,060</u>	<u>6,001,646</u>	<u>5,712,209</u>
Total Instruction	38,486,104	38,435,071	36,486,291	35,891,907
Public Service	1,172,672	1,096,759	1,093,908	965,131
Information Technology	3,828,197	3,807,097	3,858,373	3,862,291
Student Services	6,877,719	6,911,710	6,421,531	6,413,900
Institutional Admin	10,607,457	11,480,362	11,930,195	12,178,696
Facilities Management	<u>15,358,713</u>	<u>9,189,136</u>	<u>11,494,575</u>	<u>12,634,336</u>
<b>Total Expenditures</b>	<u>76,330,862</u>	<u>70,920,135</u>	<u>71,284,873</u>	<u>71,946,261</u>
<b>Revenues Over/(Under) Expenditures</b>	57,710	498,413	(234,424)	87,469
<b>Beginning Fund Balance</b>	<u>6,843,932</u>	<u>6,901,642</u>	<u>7,400,055</u>	<u>7,165,631</u>
<b>Ending Fund Balance</b>	<u>\$ 6,901,642</u>	<u>\$ 7,400,055</u>	<u>\$ 7,165,631</u>	<u>\$ 7,253,100</u>
~State pass-through to MPSERS	<u>\$ 3,768,551</u>	<u>\$ 4,127,662</u>	<u>\$ 3,981,980</u>	<u>\$ 4,436,370</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 2021-2022 Amount	Projected 2021-2022 % of Total	Budgeted 2022-2023 Amount	Budgeted 2022-2023 % of Total	% Change From Prior Year
<b>Revenues</b>					
Tuition and Fees	\$ 25,918,015	36.3%	\$ 27,438,840	38.6%	5.9%
State Appropriations	20,051,613	28.1%	17,846,118	25.0%	-11.0%
Property Taxes	23,802,778	33.3%	24,705,463	34.7%	3.8%
Auxiliary Service	250,000	0.3%	250,000	0.4%	0.0%
Investment Income	(186,000)	-0.3%	324,000	0.5%	-274.2%
Grants and Other	<u>1,616,169</u>	<u>2.3%</u>	<u>537,720</u>	<u>0.8%</u>	<u>-66.7%</u>
<b>Total Revenues</b>	<u>71,452,575</u>	<u>100.0%</u>	<u>71,102,141</u>	<u>100.0%</u>	<u>-0.5%</u>
<b>Expenditures</b>					
Instruction	31,073,517	43.6%	32,327,456	45.5%	4.0%
Instructional Support	<u>5,707,302</u>	<u>8.0%</u>	<u>6,784,275</u>	<u>9.6%</u>	<u>18.9%</u>
Total Instruction	36,780,819	51.6%	39,111,731	55.1%	22.9%
Public Service	1,111,024	1.6%	1,191,413	1.7%	7.2%
Information Technology	4,643,658	6.5%	4,406,220	6.2%	-5.1%
Student Services	7,504,514	10.6%	8,552,240	12.0%	14.0%
Institutional Admin *	9,108,858	12.8%	7,982,465	11.2%	-12.4%
Facilities Management	<u>12,169,205</u>	<u>17.1%</u>	<u>9,758,583</u>	<u>13.7%</u>	<u>-19.8%</u>
<b>Total Expenditures</b>	<u>71,318,078</u>	<u>100.0%</u>	<u>71,002,652</u>	<u>100.0%</u>	<u>-0.4%</u>
<b>Revenues Over/(Under) Expenditures</b>	134,497		99,489		
<b>Beginning Fund Balance</b>	<u>7,253,100</u>		<u>7,387,597</u>		
<b>Ending Fund Balance</b>	<u>\$ 7,387,597</u>		<u>\$ 7,487,086</u>		
~ State pass-through to MPSERS	<u>\$ 4,717,718</u>	estimated	<u>\$ 4,717,718</u>	estimated	

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

# **General Fund**

## **Revenue Detail**

The major sources of revenue recorded and budgeted in the General Fund include state appropriations, property taxes, and tuition and fees, which together account for approximately 99% of the total General Fund revenues. Budgeted estimates for each source of revenue are based upon detailed information and analysis, depending upon the specific type of revenue.

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

Property tax revenues are budgeted based upon the total current taxable valuation that has been established for levy on the real and personal property tax rolls located within the three counties comprising the College district. The tax rolls included in the College's levy are ad valorem, industrial facilities and commercial facilities. A significant portion of the taxable valuation is captured by various tax increment financing authorities that have been established for economic development purposes. After an annual public budget/truth-in-taxation hearing has been held each June, the Board of Trustees approves the millage rate to be levied. The net total taxable valuation is multiplied by the approved millage rate to calculate the projected property tax revenue. An estimated allowance for delinquent and uncollectible property taxes is deducted from the property tax revenue budgeted. The property tax valuations and revenue calculations are presented on page 48.

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 43. Detail contact hour projections for each academic division are presented on pages 46 and 47. A historical chart of contact hours is shown on page 45.

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.

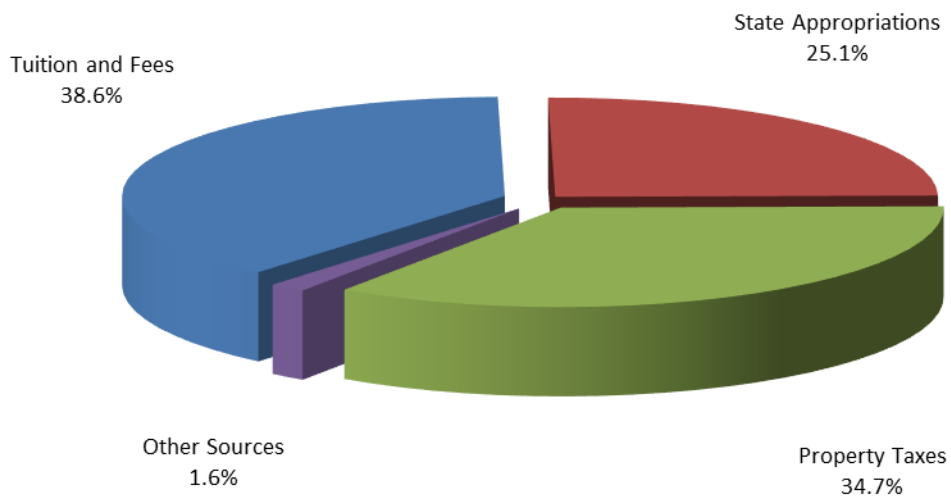


# Delta College General Fund Budget

Fiscal Year 2022-2023

## Revenues

<b>Tuition and Fees</b>		
Tuition	\$ 22,461,440	
Registration Fees	713,400	
Technology Fees	4,100,000	
Program Course Fees	<u>164,000</u>	
Total Tuition and Fees		\$ 27,438,840
<b>State Appropriations</b>		
		17,846,118
<b>Property Taxes</b>		
Bay County	6,098,410	
Midland County	7,369,259	
Saginaw County	<u>11,237,794</u>	
Total Property Taxes		23,705,463
<b>Auxiliary Services</b>		250,000
<b>Fund Transfers</b>		254,120
<b>Investment Income</b>		324,000
<b>Other</b>		<u>283,600</u>
<b>Total Revenues</b>		<u>\$ 71,102,141</u>

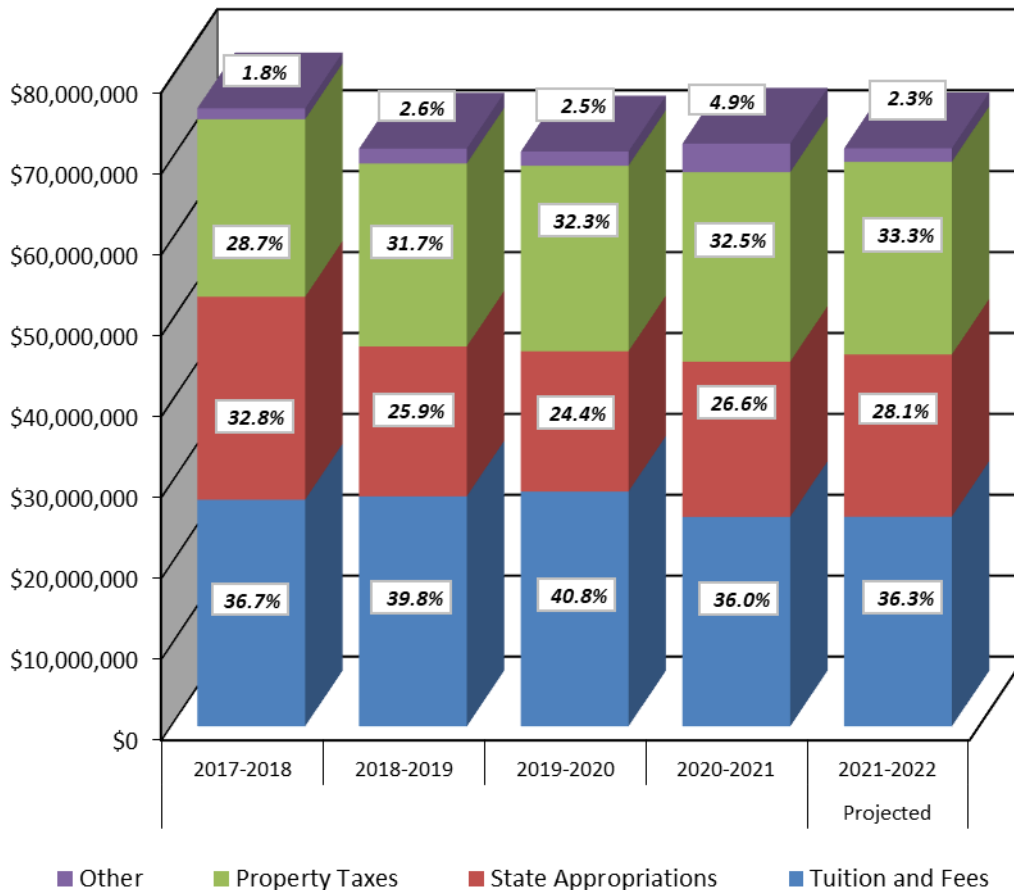


# Delta College General Fund

## Revenue Sources

### Five Year Actual History

	2017-2018	2018-2019	2019-2020	2020-2021	Projected 2021-2022
Tuition and Fees	\$ 28,012,692	\$ 28,428,625	\$ 29,016,685	\$ 25,899,541	\$ 25,918,015
State Appropriations	25,089,136	18,533,182	17,351,392	19,174,383	20,051,613
Property Taxes	21,942,601	22,613,280	22,917,823	23,420,558	23,802,778
Other	<u>1,344,143</u>	<u>1,843,461</u>	<u>1,764,549</u>	<u>3,539,248</u>	<u>1,680,169</u>
<b>Total</b>	<b><u>\$ 76,388,572</u></b>	<b><u>\$ 71,418,548</u></b>	<b><u>\$ 71,050,449</u></b>	<b><u>\$ 72,033,730</u></b>	<b><u>\$ 71,452,575</u></b>



**Note:**

1. Beginning in 2016-2017 State Appropriations includes Personal Property Tax Exemption Loss Reimbursement
2. The significant increase in Other Revenues in Fiscal Year 2020-2021 and 2021-2022 is due to Transfers In from COVID-19 relief grants, primarily to offset lost revenues due to the Pandemic.

# Revenue Sources Detail

## Tuition and Fees:

Beginning with the Fall 2019 semester, the College began charging tuition based on contact hours. For some courses, the number of contact hours is greater than the number of credits assigned to the course. Credits are standardized to maximize transferability of courses, to comply with accreditation and other factors. Contact hours are based more closely on the amount of instruction in a course, and may include time allotted for tutorials, laboratory sessions and other additional time spent in class delivery and online activities. In prior years, the College charged tuition based on course credits and assessed an Excess Contact Hour (ECH) fee per additional contact hour at a reduced rate. In 2018-2019 the ECH Fee was bill at 80% of the tuition rate in effect at that time. Since the College now charges the approved tuition rates on each contact hour, the ECH fee has been eliminated.

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

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

### Tuition rates for 2022-2023 and 2021-2022 per Contact Hour are as follows:

	FY 2022-2023	FY 2021-2022	Change	% Change
In-District	\$ 121.00	\$ 119.00	\$ 2.00	1.7%
Out-of-District	205.00	202.00	3.00	1.5%
Out-of-State	214.00	210.00	4.00	1.9%

Contact Hours	Budgeted	Actual	Change	% Change
	FY 2022-2023	FY 2021-2022		
Summer	4,304	4,138	166	4.0%
Fall	73,849	70,654	3,195	4.5%
Winter	67,211	65,519	1,692	2.6%
Spring	<u>18,636</u>	<u>18,153</u>	<u>483</u>	<u>2.7%</u>
<b>Total Contact Hours</b>	<u>164,000</u>	<u>158,464</u>	<u>5,536</u>	<u>3.5%</u>

**Note:** Contact hours for Summer, Fall and Winter semesters in fiscal year 2021-2022 are actual, whereas Spring contact hours are projected. See pages 45 - 47 for contact hour history and projections.

## Course Fees:

Course fees contained in the 2022-2023 tuition and fees budget consist of a Technology Fee of \$25 assessed on each contact hour for all courses. The Technology Fee was \$24 in 2021-2022. Due to a significant level of student confusion regarding why we charge 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 2022-2023.

# Revenue Sources Detail

	Budgeted FY 2022-2023	Projected FY 2021-2022	Change	% Change
State Appropriations	\$ 17,846,118	\$ 20,051,613	\$ (2,205,495)	-11.0%

The appropriation amounts above include \$2,000,000 and \$3,201,237 for fiscal years 2022-2023 and 2021-2022, 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 \$42,901 and \$84,730, 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 \$40,200 and \$60,100 for the two respective years.

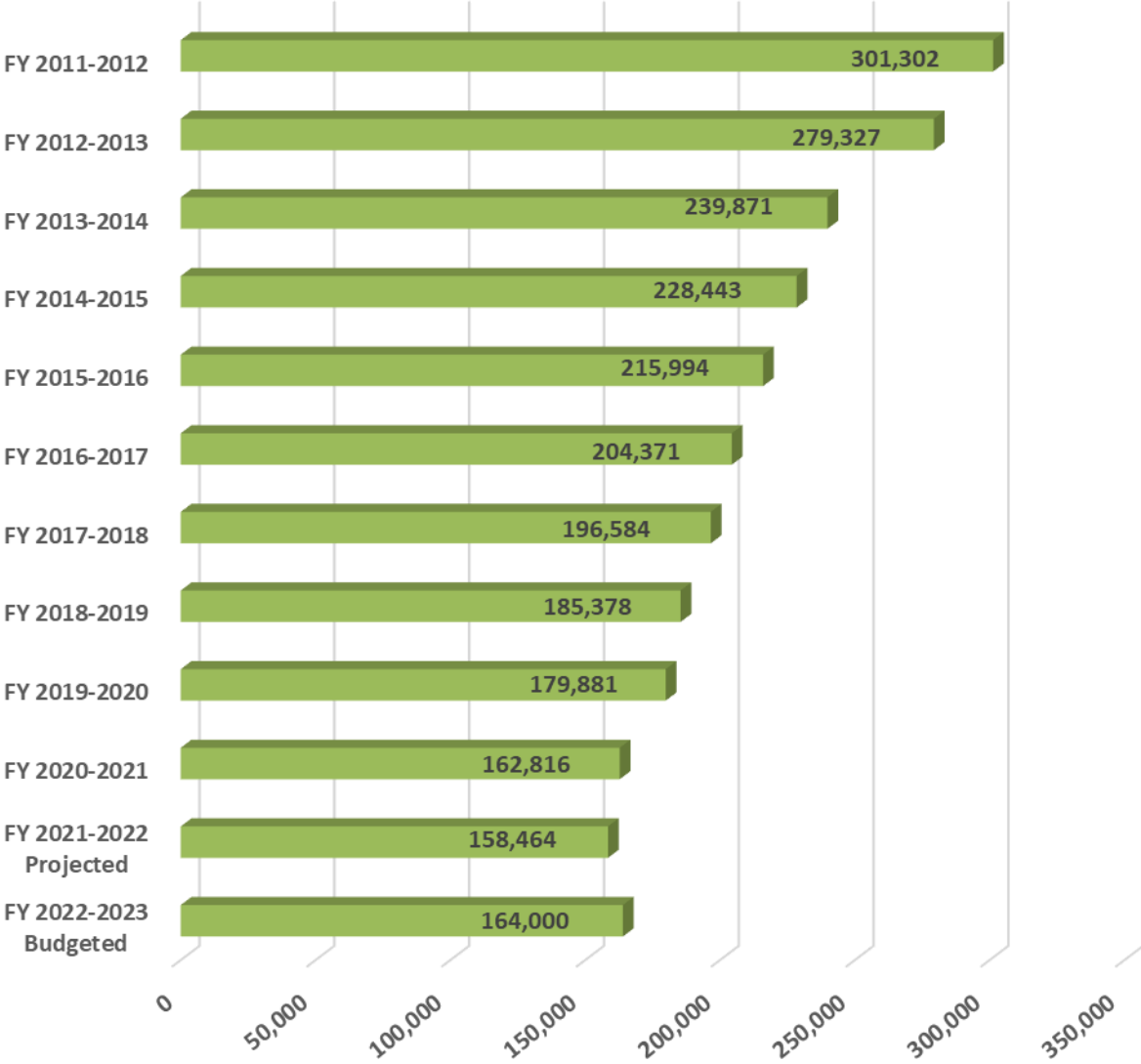
**Note:** During fiscal year 2021-2022 the College received approximately \$4.7 million from the State for pass-through to MPSERS. Since this amount is a pass through, it is not budgeted.

The projected Other Revenue below is lower than had been typical for the College as a direct result of the COVID-19 Pandemic. The College is able to recoup some of this lost revenue from Federal Coronavirus relief grants awarded through the US Department of Education. Any such lost revenue reimbursement will be recorded as a Transfer In from the Restricted Fund.

## Other Revenue

	Budgeted FY 2022-2023	Projected FY 2021-2022	Change	% Change
Collegiate Ads	\$ 1,800	\$ 825	\$ 975	118.2%
Credit by Exam	6,000	4,155	1,845	44.4%
Library Fines	400	251	149	59.4%
Live Scan Fees	20,000	19,110	890	4.7%
Miscellaneous	75,000	74,058	942	1.3%
Parking Fines	400	294	106	36.1%
Planetarium	48,000	22,606	25,394	112.3%
Rent Space/Equipment	45,000	48,110	(3,110)	-6.5%
Reserve Parking	10,000	3,360	6,640	197.6%
Sale of Assets	5,000	2,700	2,300	85.2%
Testing	30,000	24,603	5,397	21.9%
Transcript Fees	42,000	38,225	3,775	9.9%
<b>Total Other Revenue</b>	<u>\$ 283,600</u>	<u>\$ 238,297</u>	<u>\$ 45,303</u>	<u>19.0%</u>

# Delta College Contact Hour History



# Delta College Contact Hour Budget 2022-2023

Cost Center/Division	Summer 2022	Fall 2022	Winter 2023	Spring 2023	Total
1010 Education for Professional Development	0	7	19	18	44
1011 Interdisciplinary Social Sciences	0	153	58	15	226
1012 Economics	73	1,251	1,378	405	3,107
1013 History	361	1,556	1,573	384	3,874
1014 Criminal Justice	30	1,348	1,320	334	3,032
1015 Political Science	316	2,102	1,573	231	4,222
1016 Psychology	285	2,715	2,747	860	6,607
1017 Sociology	115	1,661	1,762	602	4,140
1018 Applied Behavior Science	0	77	58	25	160
1019 Child Development	0	646	647	0	1,293
1029 Communications	179	1,949	1,763	469	4,360
1044 Geography	0	161	685	415	1,261
<b>Social Sciences Total</b>	<b>1,359</b>	<b>13,626</b>	<b>13,583</b>	<b>3,758</b>	<b>32,326</b>
1021 Art	0	1,728	1,680	126	3,534
1023 Languages	60	654	518	125	1,357
1025 Interdisciplinary Humanities	46	419	246	96	807
1026 Music	109	657	677	221	1,664
1027 Philosophy	294	1,495	1,478	312	3,579
1028 Electronic Media Broadcasting	0	367	174	0	541
1031 English	885	8,980	7,097	1,618	18,580
<b>Arts and Letters Total</b>	<b>1,394</b>	<b>14,300</b>	<b>11,870</b>	<b>2,498</b>	<b>30,062</b>
1035 Mathematics	128	7,146	4,741	1,365	13,380
1041 Biology	0	6,944	6,714	1,710	15,368
1042 Chemistry	57	2,320	1,738	259	4,374
1043 Geology	0	423	567	29	1,019
1045 Physics	156	1,340	1,392	335	3,223
1046 Science Tech Programs	5	56	77	0	138
<b>Science and Mathematics Total</b>	<b>346</b>	<b>18,229</b>	<b>15,229</b>	<b>3,698</b>	<b>37,502</b>
1052 Lifelong Wellness	236	3,003	2,816	1,056	7,111
1070 Nursing	234	5,063	4,817	1,414	11,528
1071 Surgical Technology	0	497	352	0	849
1072 Phlebotomy	0	0	25	0	25
1073 Physical Therapy Assistant	0	565	495	0	1,060
1074 Respiratory Care	0	573	528	47	1,148
1076 Health Science	18	616	451	176	1,261
1077 Radiography	24	361	434	121	940
1078 Dental Hygiene	0	1,053	806	225	2,084
1079 Dental Assisting	0	335	425	261	1,021
1082 Surgical First Assistant	0	0	0	45	45
1083 Sterile Processing Technology	0	29	99	22	150
1087 Diagnostic Medical Sonography	0	285	220	199	704
<b>Health &amp; Wellness Total</b>	<b>512</b>	<b>12,380</b>	<b>11,468</b>	<b>3,566</b>	<b>27,926</b>

# Delta College Contact Hour Budget 2022-2023

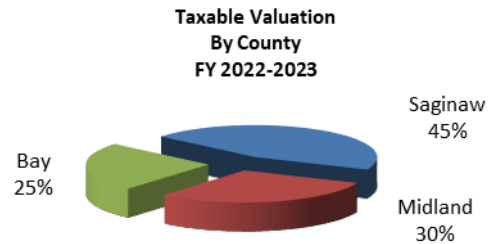
Cost Center/Division	Summer 2022	Fall 2022	Winter 2023	Spring 2023	Total
1061 Accounting	121	1,970	1,763	676	4,530
1062 Academic Career Experience	0	0	0	5	5
1063 Computer Information Systems	289	3,254	3,292	1,041	7,876
1065 Legal Support Professions	0	78	53	44	175
1066 Management	112	2,667	3,187	1,624	7,590
1067 Office Admin & Technology	100	1,362	1,279	347	3,088
1110 Skilled Trade	0	349	345	136	830
1111 Welding	0	958	957	601	2,516
1112 Auto Service Ed Program	71	5	127	78	281
1116 Fire Science Technology	0	217	67	41	325
1160 Architecture	0	312	318	31	661
1161 Residential Construction	0	317	311	0	628
1162 Automotive Service Technology	0	832	692	1	1,525
1163 Chemical Processing	0	270	141	0	411
1164 Electrical Technology	0	1,110	1,098	389	2,597
1165 Manufacturing and Industrial Technology	0	288	214	81	583
1169 Computer Numeric Control	0	550	443	20	1,013
1171 Computer Assisted Drafting	0	184	175	0	359
1172 Heating, Ventilation and Air Conditioning	0	311	345	1	657
1174 Heavy Duty Diesel	0	280	254	0	534
<b>Business and Technology Total</b>	<b>693</b>	<b>15,314</b>	<b>15,061</b>	<b>5,116</b>	<b>36,184</b>
<b>Grand Total</b>	<b>4,304</b>	<b>73,849</b>	<b>67,211</b>	<b>18,636</b>	<b>164,000</b>

# 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 2022-2023 increased by 5.1%. The current year Headlee cap on increases in taxable assessed value per parcel for existing properties is 3.3% after adjusting for losses and additions. The College will not have a Headlee adjustment for the 2022 tax year.

	Saginaw County	Midland County	Bay County	Total
<b>2022 Taxable Valuations</b>				
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>\$ 3,655,561,689</u>	<u>\$ 3,034,420,324</u>	<u>\$ 12,241,377,832</u>
<b>2021 Taxable Valuations</b>				
Ad Valorem Roll	\$ 5,451,079,509	\$ 3,506,398,594	\$ 2,998,084,421	\$ 11,955,562,524
DNR Roll	8,481,436	3,442,624	4,417,007	16,341,067
IFT Roll – New	47,536,387	19,424,994	16,178,743	83,140,124
IFT Roll – Rehab	2,615,314	641,500	-	3,256,814
Less Captured Values	<u>(248,097,652)</u>	<u>(55,532,265)</u>	<u>(109,228,047)</u>	<u>(412,857,964)</u>
Net Taxable Valuation – 2021	<u>\$ 5,261,614,994</u>	<u>\$ 3,474,375,447</u>	<u>\$ 2,909,452,124</u>	<u>\$ 11,645,442,565</u>
Percent Increase (Decrease)	5.49%	5.24%	4.30%	5.12%

Fiscal Year 2022-2023 Operating Property Tax	Revenue Calculation
Total 2022 Net Taxable Valuation	\$ 12,241,377,832
x General Operating Millage Rate	<u>2.0427</u>
Property Tax Revenues	\$ 25,005,462
Less Delinquent and Appealed Taxes	<u>(300,000)</u>
Net Operating Property Tax Revenues	<u>\$ 24,705,462</u>



## Notes:

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

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

## Exempt Personal Property Tax Reimbursements

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



# **General Fund**

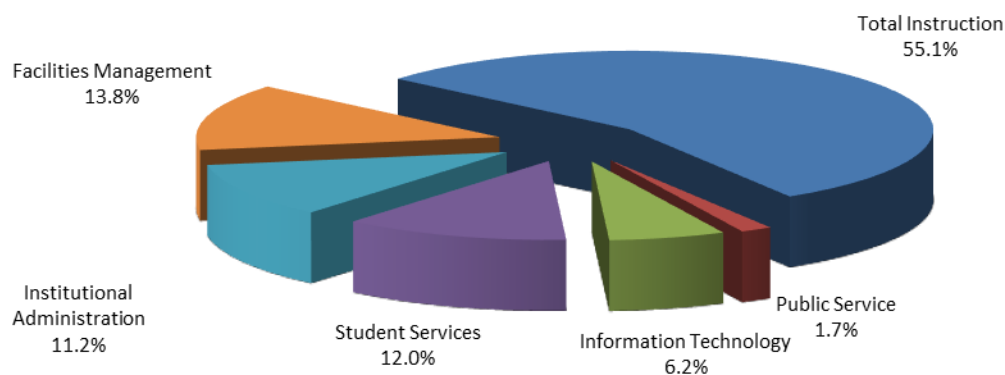
## **Expenditure Detail**

# Delta College General Fund Budget

Fiscal Year 2022-2023

## Expenditures by Activity

<b>Activity</b>	<b>Amount</b>	<b>Percentage</b>
Instruction	\$ 32,327,456	45.5%
Instructional Support	<u>6,784,275</u>	<u>9.6%</u>
Total Instruction	39,111,731	55.1%
Public Service	1,191,413	1.7%
Information Technology	4,406,220	6.2%
Student Services	8,552,240	12.0%
Institutional Administration	7,982,465	11.2%
Facilities Management	<u>9,758,583</u>	<u>13.8%</u>
Total Expenditures	<u>\$ 71,002,652</u>	<u>100.0%</u>

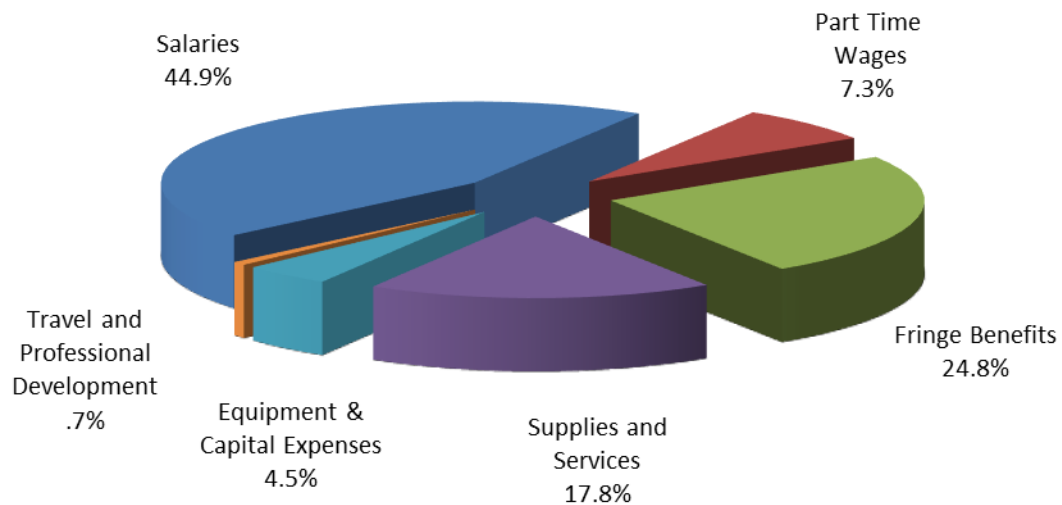


# Delta College General Fund Budget

Fiscal Year 2022-2023

## Expenditures by Object

Object	Amount	Percentage
Salaries	\$ 31,863,458	44.9%
Part Time Wages	5,156,038	7.3%
Fringe Benefits	17,612,704	24.8%
Supplies and Services	12,633,258	17.8%
Equipment and Capital Expenses	3,218,497	4.5%
Travel and Professional Development	<u>518,697</u>	<u>0.7%</u>
<b>Total Expenditures</b>	<b><u>\$ 71,002,652</u></b>	<b><u>100.0%</u></b>

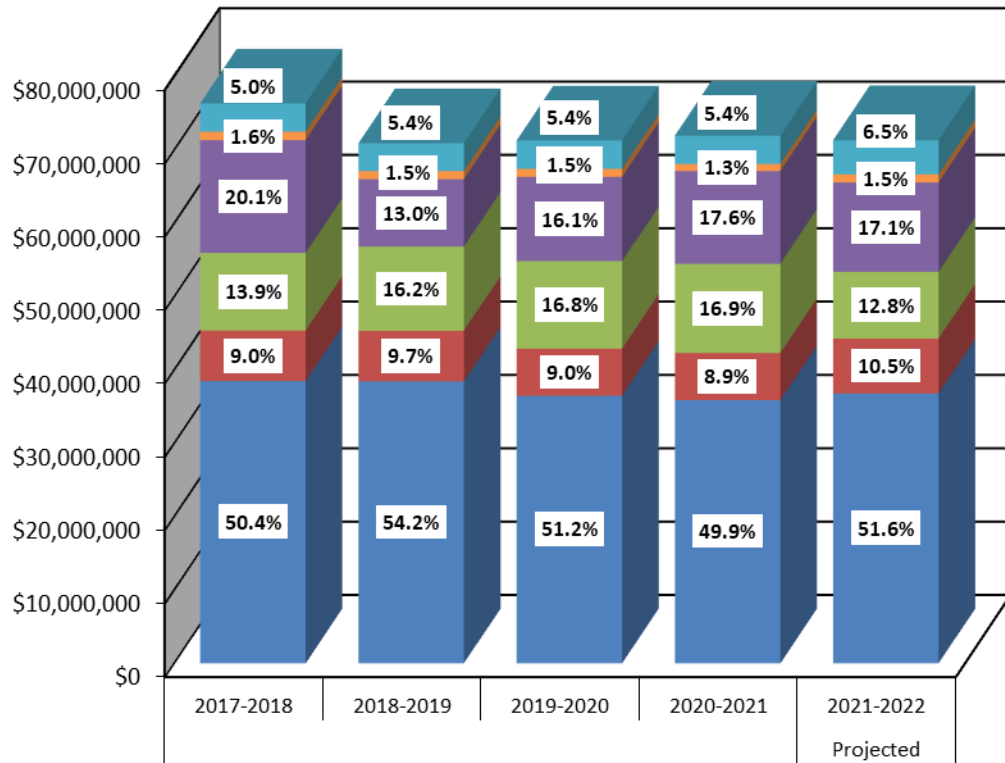


# Delta College General Fund

## Expenditures by Activity

### Five Year Actual History

	2017-2018	2018-2019	2019-2020	2020-2021	Projected 2021-2022
Instruction	\$ 32,358,466	\$ 32,010,011	\$ 30,484,645	\$ 30,179,698	\$ 31,073,517
Instructional Support	6,127,638	6,425,060	6,001,646	5,712,209	5,707,302
<b>Total Instruction</b>	<b>38,486,104</b>	<b>38,435,071</b>	<b>36,486,291</b>	<b>35,891,907</b>	<b>36,780,819</b>
Public Service	1,172,672	1,096,759	1,093,908	965,131	1,111,024
Information Technology	3,828,197	3,807,097	3,858,373	3,862,291	4,643,658
Student Services	6,877,719	6,911,710	6,421,531	6,413,900	7,504,514
Institutional Admin	10,607,457	11,480,362	11,930,195	12,178,696	9,108,858
Facilities Management	15,358,713	9,189,136	11,494,575	12,634,336	12,169,205
<b>Total</b>	<b>\$ 76,330,862</b>	<b>\$ 70,920,135</b>	<b>\$ 71,284,873</b>	<b>\$ 71,946,261</b>	<b>\$ 71,318,078</b>



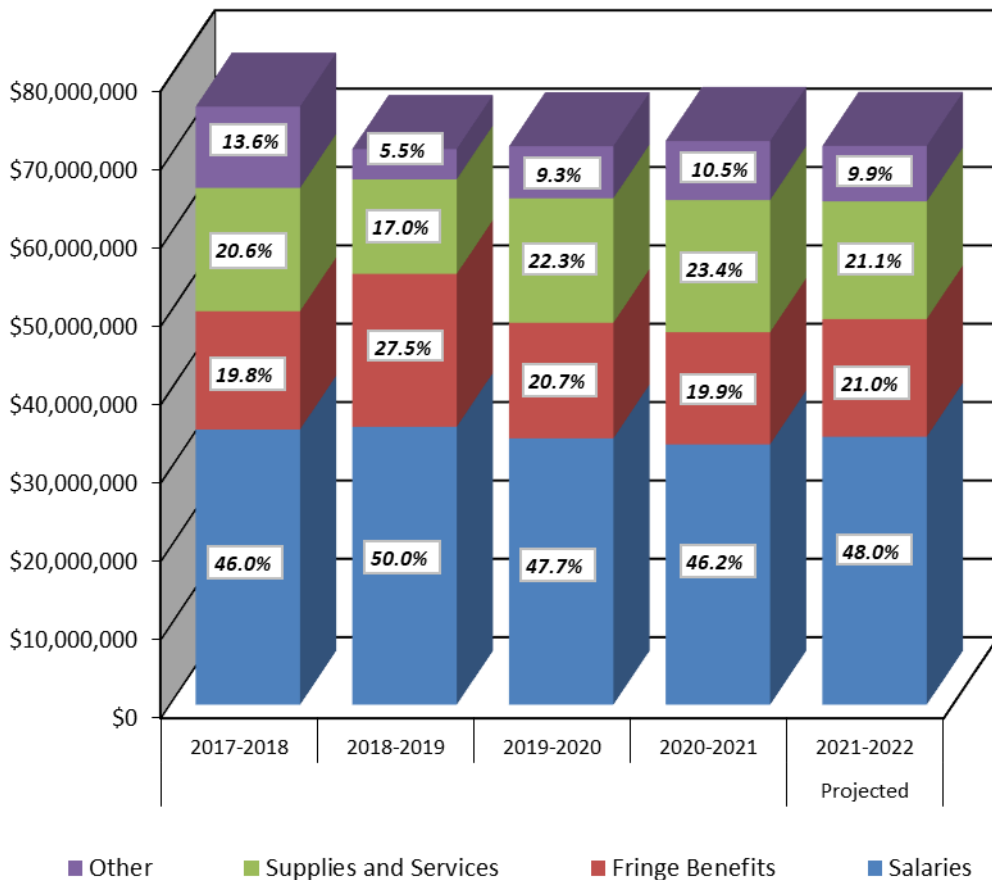
- Information Technology
- Public Service
- Facilities Management
- Institutional Admin
- Student Services
- Total Instruction

# Delta College General Fund

## Expenditures by Object

### Five Year Actual History

	2017-2018	2018-2019	2019-2020	2020-2021	Projected 2021-2022
Salaries	\$ 35,129,490	\$ 35,461,589	\$ 33,997,396	\$ 33,214,255	\$ 34,202,998
Fringe Benefits	15,087,465	19,531,075	14,746,385	14,327,536	15,012,938
Supplies and Services	15,747,103	12,059,573	15,886,400	16,856,520	15,016,167
Other	<u>10,366,804</u>	<u>3,867,898</u>	<u>6,654,692</u>	<u>7,547,950</u>	<u>7,085,975</u>
<b>Total</b>	<b>\$ <u>76,330,862</u></b>	<b>\$ <u>70,920,135</u></b>	<b>\$ <u>71,284,873</u></b>	<b>\$ <u>71,946,261</u></b>	<b>\$ <u>71,318,078</u></b>



# Notes

# **General Fund**

## **Cost Center Detail**

The College's organizational chart is found on page 34 and 35. 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 58-61. 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	
	Cost Center	FAC	AP	SS	Full Time Salaries	Part Time Salaries	Fringe Benefits	Supplies & Services	Equip/ Capital	Prof Dev & Travel	Total
	<b>Instruction</b>										
1011	C Interdisciplinary Social Sciences	0	0	0	-	-	-	250	-	-	250
1012	C Economics	3	0	0	268,334	-	128,266	2,000	-	3,300	401,900
1013	C History	3	0	0	307,649	-	141,175	3,250	-	3,300	455,374
1014	C Criminal Justice	3	0	0	278,149	-	131,489	3,250	-	3,300	416,188
1015	C Political Science	6	0	0	604,333	-	278,748	6,000	-	6,600	895,681
1016	C Psychology	7	0	0	739,209	-	336,419	4,800	-	7,700	1,088,128
1017	C Sociology	4	0	0	323,384	-	159,732	2,700	-	4,400	490,216
1018	C Applied Behavioral Science	0	0	0	-	-	-	500	-	-	500
1019	C Child Development	1	0	0	102,715	-	47,112	2,500	-	1,100	153,427
1021	C Art & Design	4	0	0	374,779	6,074	177,186	15,750	-	4,400	578,189
1023	C Foreign Language	2	0	0	183,366	-	86,979	2,000	-	2,200	274,545
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	210,373	-	95,847	5,500	-	2,200	313,920
1027	C Philosophy	4	0	0	357,564	-	170,952	3,100	-	4,400	536,016
1028	C Electronic Media Broadcasting	1	0	0	93,771	2,590	44,175	1,800	-	1,100	143,436
1029	C Communications	4	0	0	404,280	-	186,291	5,000	-	4,400	599,971
1031	C English	19	0	0	1,884,353	-	873,068	22,000	-	20,900	2,800,321
1035	C Math	15	0	0	1,446,528	-	675,759	32,000	-	16,500	2,170,787
1041	C Biology	15.5	0	0	1,370,268	-	650,597	56,000	-	16,500	2,093,365
1042	C Chemistry	5	0	0	508,878	-	234,020	32,000	-	5,500	780,398
1043	C Geology	1	0	0	97,933	-	45,542	4,650	-	1,100	149,225
1044	C Geography	0	0	0	-	-	-	4,000	-	-	4,000
1045	C Physics	4	0	0	392,464	-	182,409	8,250	-	4,400	587,523
1046	C Science Tech Programs	0	0	0	-	-	-	500	-	-	500
1047	C Science Labs	0	2.9	0	175,527	77,748	113,705	125	-	1,450	368,555
1052	C Lifelong Wellness	5	0	0	516,542	-	236,536	12,000	-	5,500	770,578
1061	C Accounting	3	0	0	270,158	-	128,865	3,200	-	3,300	405,523
1063	C Computer Info Systems	8	0	0	788,511	36,320	377,751	12,000	-	8,800	1,223,382
1064	C Clinical Medical Assistant	1	0	0	56,389	-	31,903	2,000	-	1,100	91,392
1065	C Legal Support Professional	0	0	0	-	-	-	500	-	-	500
1066	C Management	4	0	0	413,513	-	189,321	3,500	-	4,400	610,734
1067	C Office Admin & Technology	3	0	0	280,365	-	132,217	5,000	-	3,300	420,882
1069	C Nursing Course Testing Fees	0	0	0	-	-	-	100,000	-	-	100,000
1070	C Nursing	17	0	0	1,432,452	3,237	697,919	30,000	-	18,700	2,182,308
1071	C Surgical Technology	2	0	0	190,274	-	89,250	5,500	-	2,200	287,224
1072	C Phlebotomy	0	0	0	-	-	-	2,000	-	-	2,000
1073	C Physical Therapy	2	0	0	205,512	-	94,251	5,700	-	2,200	307,663
1074	C Respiratory Therapy	2	0	0	151,453	-	76,504	6,000	-	2,200	236,157
1076	C Health Related Science	0	0	0	-	-	-	1,500	-	-	1,500
1077	C Radiological Technology	2	0	0	189,229	-	88,905	7,600	-	2,200	287,934
1078	C Dental Hygiene	2.9	0	0.85	231,601	54,654	145,959	48,000	-	3,465	483,679
1079	C Dental Assisting	1.1	0	0	64,030	-	35,770	13,000	-	1,210	114,010
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	140,115	-	72,781	10,450	-	2,200	225,546
1110	C Apprenticeship Program	0	1	1	104,945	-	61,235	5,700	-	775	172,655
1111	C Welding	3	0	0	245,869	-	120,893	100,000	-	3,300	470,062
1112	C Auto Service Ed Program	1	0	0	85,321	-	41,401	12,500	-	1,100	140,322
1116	C Fire Science	0	0	0	-	32,355	10,473	1,100	-	-	43,928
1124	C Instructional Equipment	0	0	0	-	-	-	-	404,777	-	404,777
1125	C Educational Support	0	0	0	-	-	-	100,621	39,775	-	140,396
1126	C Other Supplemental	0	0	0	-	-	-	10,120	87,500	-	97,620

A – Administration    C - Academic & Instructional Support    D - Student & Educational Services  
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# Detail of General Fund Expenditure Budget

			2100	2200	2300	2400	2500	2600				
Cost Center			Full Time	Part Time	Fringe	Supplies	Equip/	Prof Dev	Total			
FAC	AP	SS	Salaries	Salaries	Benefits	& Services	Capital	& Travel				
1127	C	Academic Supplemental	0	0	0	1,922,810	2,742,372	1,510,119	-	-	6,175,301	
1160	C	Architecture	0	0	0	-	-	1,425	-	-	1,425	
1161	C	Residential Construction	2	0	0	180,302	-	85,974	12,575	2,200	281,051	
1162	C	Automotive Service Technology	2	0	0	145,346	-	74,498	20,000	-	242,044	
1163	C	Chemical Processing	0	0	0	-	-	2,450	-	-	2,450	
1164	C	Electrical Technology	2	0	0	158,762	21,025	85,710	8,250	-	275,947	
1165	C	Manufacturing & Industrial Tech	1	0	0	105,994	-	48,190	16,600	-	171,884	
1166	C	Technology Facility Labs	0	1	1	111,803	44,036	63,487	2,000	-	222,101	
1169	C	Computer Numerical Control	1	0	0	94,665	-	44,470	18,000	-	158,235	
1171	C	Computer Assisted Drafting	1	0	0	74,443	-	37,830	2,000	-	115,373	
1172	C	Refrigeration/Heating/Air	1	0	0	71,797	-	36,961	9,500	-	119,358	
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	
		<b>Total Instruction</b>	172.5	4.9	2.9	18,356,058	3,020,411	9,378,644	847,816	532,052	192,475	32,327,456
<b>Public Service</b>												
3580	A	Public Television	0	5.1	0	367,849	-	189,135	-	-	2,550	559,534
3581	A	Public Radio	0	1.8	0.2	104,186	19,711	67,499	-	-	955	192,351
3588	D	Planetarium Operations	0	2	0	159,793	90,406	107,455	60,500	5,000	1,374	424,528
3591	A	President's Speaker Series	0	0	0	-	-	-	15,000	-	-	15,000
		<b>Total Public Service</b>	0.0	8.9	0.2	631,828	110,117	364,089	75,500	5,000	4,879	1,191,413
<b>Instructional Support</b>												
4500	C	Office of VP Instruction	0	1	1	212,832	10,724	99,190	5,000	-	4,555	332,301
4501	C	Social Sciences Division	0	1	1.4	171,372	3,327	88,429	3,500	-	1,082	267,710
4503	C	Arts & Letters Division	0	1	2	194,053	7,241	103,879	3,500	-	1,247	309,920
4505	C	Science & Mathematics Division	0	1	1	152,969	32,292	86,115	3,500	-	972	275,848
4507	C	Business & Technical Division	0	1	2	198,634	12,413	105,384	3,500	-	1,246	321,177
4508	C	Health & Wellness Division	0	1	2	199,195	843	105,568	3,500	-	1,246	310,352
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	47,184	4,609	28,881	8,500	-	6,096	95,270
4517	C	Dean of Faculty	0	1	0	122,765	-	53,695	3,500	-	1,321	181,281
4518	C	Dean of Administration	0	2.5	1.75	253,659	-	140,299	5,000	-	2,101	401,059
4520	A	Instructional Support Svcs	0	0	1	29,612	58,361	35,206	-	-	275	123,454
4521	C	Dean of Career Education	0	1	0	112,510	-	50,328	6,450	-	2,650	171,938
4522	F	Office of Info Tech Computer Labs	0	0	0	-	72,412	-	78,337	10,000	-	160,749
4523	F	Contract OIT Instruct Supp Svcs	0	0	0	-	-	-	1,727,465	-	-	1,727,465
4524	C	Galleria	0	0	0	-	259	-	3,000	-	-	3,259
4526	D	Academic Testing Center	0	0.5	0	24,161	147,999	62,577	285	-	250	235,272
4527	D	Teach/Learn Center	0	2.8	1	199,309	335,592	194,851	19,750	-	3,501	753,003
4528	C	Multimedia Lab	0	1	1	116,009	28,999	74,255	6,000	-	775	226,038
4530	C	Library	0	4	2	357,579	148,811	221,292	10,000	-	2,826	740,508
4531	C	Library Books	0	0	0	-	-	-	39,000	-	-	39,000
4532	C	Periodicals	0	0	0	-	-	-	18,000	-	-	18,000
4533	C	Learning Technology	0	0	0	-	-	-	97,500	-	-	97,500
4536	C	Instructional Disability Access	0	0	0	-	-	-	18,000	-	-	18,000
4537	D	Dual Enrollment	0	2	1.25	180,814	-	102,895	4,750	-	1,344	289,803
4549	C	Delta Archives	0	0	0	-	8,571	2,775	400	-	-	11,746
4550	A	Faculty Center Teaching Excellence	0	0	0	-	18,524	5,107	9,000	-	12,416	45,047

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	
4551	A Center for Organizational Success	0	0.75	0	65,540	4,308	31,582	33,000	-	617	135,047
4552	C Accreditation	0	0	0	-	-	-	29,000	-	-	29,000
4553	C Academic Assessment	0	0	0	-	-	-	1,900	-	1,369	3,269
4554	C Developmental Ed	0	0	0	-	-	-	1,000	-	885	1,885
4555	D International/Intercultural	0	0	0	-	-	-	6,300	-	-	6,300
4556	C General Education	0	0	0	-	-	-	725	-	274	999
4557	D Community Engagement	0	0	0	-	11,519	3,729	-	-	1,506	16,754
4558	D Service Learning	0	0	0	-	-	-	1,617	-	1,697	3,314
4559	D Possible Dream Program	0	1	0	52,619	-	30,666	450	-	500	84,235
4560	D Strategic Partnerships	0	0.5	0	41,508	-	20,368	2,850	-	1,893	66,619
4562	D Community Development	0	1	0	93,355	-	44,039	2,025	-	1,048	140,467
4563	C Democracy Commitment	0	0	0	-	-	-	14,250	-	-	14,250
4570	C e-Learning Technology Support	0	2	0.6	160,346	10,345	87,495	46,000	-	11,201	315,387
4599	E Transfers	0	0	0	-	-	-	492,000	-	-	492,000
	<b>Total Instruct Support</b>	0.0	26.0	19.0	2,986,025	917,149	1,778,605	2,915,129	10,000	65,581	8,672,489
	<b>Student Services</b>										
5608	F Contract OIT SES Supp Svcs	0	0	0	-	-	-	807,222	-	-	807,222
5609	E Matching Funds	0	0	0	-	-	-	45,159	-	-	45,159
5610	D Office of VP Student/Educ Svcs	0	1	1	217,761	67,863	117,437	44,024	16,261	2,211	465,557
5611	D Admissions	0	7	1.25	447,632	8,335	257,446	50,175	-	3,844	767,432
5612	D Registrar	0	2.5	3.5	343,196	28,872	200,740	34,200	-	2,213	609,221
5613	D Counseling & Advising	0	17.3	1.5	1,092,886	4,017	610,640	7,695	-	9,063	1,724,301
5614	E Financial Aid	0	8	1	517,549	56,517	306,396	8,550	-	4,275	893,287
5616	D Career & Employment Services	0	1.8	0	42,648	12,488	27,075	15,045	-	400	97,656
5617	D Admission Testing	0	0.5	0	24,161	-	14,670	21,000	-	250	60,081
5618	D Student Engagement	0	1	0	55,293	-	31,543	13,500	-	500	100,836
5621	D SAC/Student Clubs & Organizations	0	0	0	-	-	-	22,550	-	-	22,550
5622	A Marketing & Publications	0	0	0	-	-	-	536,161	-	-	536,161
5623	D Dean of Enrollment Services	0	1	0	120,317	-	52,890	4,250	-	2,093	179,550
5624	D Multi-Cultural Services	0	0.5	0	35,363	-	18,352	17,000	-	250	70,965
5625	D Veteran's Services	0	1	0.5	73,489	-	44,259	1,580	-	638	119,966
5626	D SES Software	0	0	0	-	-	-	212,054	-	-	212,054
5627	D Student Success	0	0	0	-	-	-	45,500	-	-	45,500
5629	D Student & Career Engagement	0	1	0	83,865	-	40,924	4,000	-	500	129,289
5630	D Collegiate	0	0	0	-	38,559	4,147	9,266	-	378	52,350
5642	D Office of Disability Resources	0	0.5	0.75	66,788	2,297	39,477	45,000	-	456	154,018
5644	D SES Travel and Special Events	0	0	0	-	-	-	24,000	-	-	24,000
5646	D Dean of Students	0	1	0	113,719	-	50,724	8,775	-	2,143	175,361
5647	A Student Senate	0	0	0	-	-	-	900	-	242	1,142
5648	D Commencement/Student Awards	0	0	0	-	-	-	15,750	-	-	15,750
5649	A Grants-Sr. Citizen	0	0	0	-	-	-	60,930	-	-	60,930
5650	A Scholarships-President's Honors	0	0	0	-	-	-	191,503	-	-	191,503
5651	A Grants-Trustees	0	0	0	-	-	-	11,443	-	-	11,443
5652	D Indian Tuition Waiver	0	0	0	-	-	-	35,000	-	-	35,000
5653	D Scholarships-Athletics	0	0	0	-	-	-	7,000	-	-	7,000
5654	A Scholarships-Adult Ed	0	0	0	-	-	-	4,843	-	-	4,843
5661	D Midland Center	0	1.45	0	90,196	16,733	51,074	20,400	-	800	179,203
5662	D Saginaw Center	0	2	0	138,493	57,715	87,389	24,600	-	1,000	309,197
5669	D Testing	0	0	0	-	-	-	7,000	-	140	7,140
5672	E Fitness & Recreation Center	0	0.5	0.5	48,743	85,105	45,458	34,070	10,000	388	223,764
5673	D Intercollegiate Athletics-Men	0	1.5	0.25	98,856	40,674	68,278	42,645	-	44,927	295,380
5674	D Intercollegiate Athletics-Women	0	1.5	0.25	98,856	63,781	76,090	53,935	-	85,117	377,779

A – Administration    C - Academic & Instructional Support    D - Student & Educational Services  
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# Detail of General Fund Expenditure Budget

			2100	2200	2300	2400	2500	2600		
			Full Time	Part Time	Fringe	Supplies	Equip/	Prof Dev		
Cost Center	FAC	AP	Salaries	Salaries	Benefits	& Services	Capital	& Travel	Total	
SS										
5675 D Club & Intramural Sports	0	0	0	-	7,370	2,386	3,509	-	-	13,265
<b>Total Student Services</b>	0.0	53.6	12.5	3,913,835	490,326	2,274,678	2,490,734	26,261	163,628	9,359,462
<b>Institutional Administration</b>										
6710 A Board of Trustees	0	0	0	-	-	-	21,368	-	8,649	30,017
6718 A Development Office	0	4.2	0.5	342,667	2,903	175,597	15,000	-	2,430	538,597
6719 A Equity Office	0	0.25	1	61,676	-	37,043	6,300	-	667	105,686
6720 A President's Office	0	1	1	316,746	6,366	150,412	6,798	-	6,262	486,584
6722 A Memberships/Institution	0	0	0	-	-	-	126,068	-	-	126,068
6723 A Miscellaneous	0	0	0	-	-	-	601,029	-	-	601,029
6725 A Wellness/Prof Development	0	0	0	-	-	-	24,918	-	-	24,918
6726 A League for Innovation	0	0	0	-	-	-	22,448	-	1,253	23,701
6727 A President's Special Projects	0	0	0	-	-	-	10,890	-	15,118	26,008
6729 A Strategic Planning	0	0	0	-	-	-	16,100	-	15,533	31,633
6730 A Diversity, Equity, Belonging & Inclusion	0	1	0	112,510	-	50,328	10,000	-	500	173,338
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	-	-	82,450	422,794	-	-	505,244
6740 E Communication Technology	0	0.75	0	50,389	-	26,609	85,844	-	1,375	164,217
6741 E Business Services	0	1.8	2	301,659	17,957	155,872	6,061	-	2,450	483,999
6743 E Finance Office	0	5.5	5.5	780,954	60,747	422,541	39,940	-	5,436	1,309,618
6744 F Contract OIT Admin Supp Svcs	0	0	0	-	-	-	479,687	-	-	479,687
6745 F Office of Info Tech	0	1.1	0	85,675	-	42,892	872,757	61,225	4,331	1,066,880
6746 A Human Resources	0	5	1	454,263	32,718	238,907	37,669	-	4,845	768,402
6747 A Shared Governance	0	0	0.5	23,885	21,895	21,666	4,738	-	349	72,533
6748 E Post Office	0	0	1	44,233	28,063	36,996	7,362	-	514	117,168
6750 A Institutional Advancement	0	5.5	0	371,547	51,031	212,190	7,500	-	3,712	645,980
6760 A Administrative Services	0	6	0	489,631	-	241,092	67,609	-	3,924	802,256
6761 E COVID 19 Prevention	0	0	0	-	-	-	50,000	-	-	50,000
6772 E Credit Card Fees & Bad Debt Exp	0	0	0	-	-	-	461,883	-	-	461,883
6774 E Tuition Waiver	0	0	0	-	-	190,000	-	-	-	190,000
<b>Total Institutional Admin</b>	0.0	32.1	12.5	3,435,385	221,680	2,222,869	3,674,292	61,225	77,348	9,693,249
<b>Facility Management</b>										
7775 D Public Safety	0	0.85	5	333,730	163,920	226,900	28,661	-	1,800	755,011
7780 E Facility Administration	0	6.65	1	618,088	23,695	313,121	1,608	16,362	6,097	978,971
7781 E Facility Operations	0	4	33	1,588,059	195,004	1,053,798	181,158	24,847	4,588	3,047,454
7782 E Facility Utilities	0	0	0	-	-	-	1,471,347	-	-	1,471,347
7783 E Farmhouse	0	0	0	-	-	-	12,336	-	-	12,336
7784 E Facility Maintenance	0	0	0	-	-	-	311,912	-	-	311,912
7785 E Facility Improvement	0	0	0	-	-	-	-	42,750	-	42,750
7786 E Sustainability Office	0	0	0	-	13,736	-	4,845	-	2,301	20,882
7787 E Midland Center	0	0	0	-	-	-	225,420	-	-	225,420
7788 E Planetarium & Learning Center	0	0	0	-	-	-	205,180	-	-	205,180
7789 E Saginaw Center	0	0	0	-	-	-	187,320	-	-	187,320
7799 E Transfers	0	0	0	-	-	-	-	2,500,000	-	2,500,000
<b>Total Facilities Management</b>	0.0	11.5	39.0	2,539,877	396,355	1,593,819	2,629,787	2,583,959	14,786	9,758,583
<b>Total Expenditures</b>	172.5	137.0	86.1	31,863,458	5,156,038	17,612,704	12,633,258	3,218,497	518,697	71,002,652

\*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.

<b>Benefit</b>	<b>Cost</b>	
Medical, Vision and Hearing Insurance	\$12,600	per covered employee (weighted average)
Dental Insurance	\$700	per employee (weighted average)
Retirement	25.07%	of each wage dollar paid (weighted average of MPSERS at 28.38% and ORP at 10%)
Social Security (FICA)	6.20%	of each wage dollar paid up to \$147,000 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:	\$21,686 or 87%
Fringe benefit cost for \$50,000 in salary:	\$29,981 or 60%
Fringe benefit cost for \$75,000 in salary:	\$38,321 or 51%

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

The following is a summary of General Fund wages and fringe benefits budgeted for fiscal year 2022-2023:

<b>Employee Classification</b>	<b>Amount</b>	<b>Benefit</b>	<b>Amount</b>
Faculty	\$ 16,008,465	Retirement	\$ 9,136,018
Supplemental and Part-time Faculty	4,673,182	FICA and Medicare	2,643,515
Administrative/Professional Staff	10,255,311	Medical/Vision/Hearing	4,970,651
Support Staff	2,359,242	Dental Insurance	276,290
Maintenance	1,309,630	Life Insurance	37,980
Part-time Staff and Student Employees	<u>2,413,666</u>	Disability Insurance	137,556
		Professional Development	270,080
		Tuition Waiver	190,000
		Other	<u>220,724</u>
<b>Total Wages</b>	<b><u>\$ 37,019,496</u></b>	<b>Total Benefits</b>	<b><u>\$ 17,882,784</u></b>

Fringe benefits as a percentage of wages: 48%

# Delta College Summary of Budgeted General Fund Personnel

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Faculty	199	178	177	178	173
Administrative and Professional Staff	121	125	130	133	137
Support Staff	68	61	55	52	53
Maintenance	<u>21</u>	<u>21</u>	<u>33</u>	<u>33</u>	<u>33</u>
<b>Total Full-Time Personnel</b>	<b><u>409</u></b>	<b><u>385</u></b>	<b><u>395</u></b>	<b><u>396</u></b>	<b><u>396</u></b>

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

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

# Notes



# Designated Fund

# Notes

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

There are many activities accounted for in the Designated Fund including Corporate Services and Criminal Justice training programs. The College also has reserves set aside in the Designated Fund such as the Self Insurance reserve, and the Reserves for Budget Sustainability and Innovative Initiatives established in fiscal year 2017-2018. Pages 70 and 71 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 2022-2023

## Revenues

Grants and Gifts	\$ 1,933,500
Corporate Service Fees	1,666,500
Other Sources	<u>779,044</u>

**Total Revenues** \$ 4,379,044

## Expenditures

Instruction	\$ 3,328,243
Instructional Support	<u>85,650</u>

Total Instruction 3,413,893

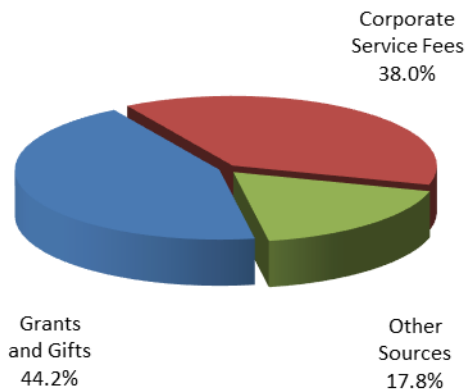
Public Service	12,000
Student Services	109,500
Institutional Administration	<u>928,112</u>

**Total Expenditures** 4,463,505

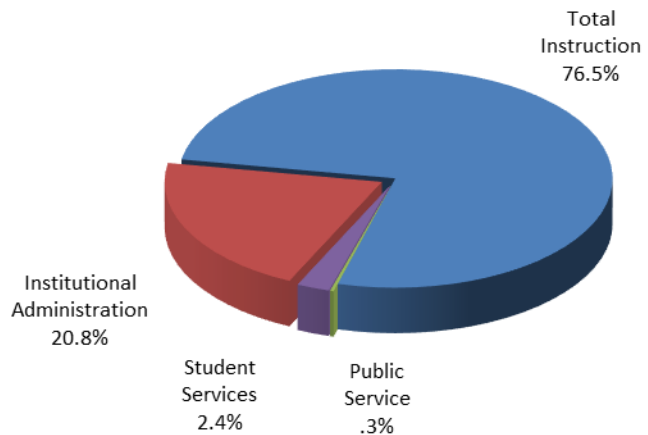
**Revenues Over Expenditures** (84,461)

**Beginning Fund Balance** 28,483,865

**Ending Fund Balance** \$ 28,399,404



**Revenues**



**Expenditures**

# Delta College Designated Fund

## Five Year Actual History

	2017-2018	2018-2019	2019-2020	2020-2021	Projected 2021-2022
<b>Revenues</b>					
Grants and Gifts	\$ 2,556,425	\$ 2,762,445	\$ 2,063,534	\$ 2,042,382	\$ 1,665,304
Corporate Service Fees	3,211,138	2,498,097	1,660,782	369,044	1,384,194
Other Sources	1,151,691	1,289,112	914,735	589,305	850,634
Transfers In	<u>4,653,826</u>	<u>1,304,541</u>	<u>5,502,044</u>	<u>7,888,404</u>	<u>4,488,919</u>
<b>Total Revenues</b>	<u>11,573,080</u>	<u>7,854,195</u>	<u>10,141,095</u>	<u>10,889,135</u>	<u>8,389,051</u>
<b>Expenditures</b>					
Instruction	3,610,857	2,958,352	2,497,773	2,292,720	3,083,325
Instructional Support	<u>1,915,284</u>	<u>1,762,621</u>	<u>1,273,167</u>	<u>182,247</u>	<u>39,470</u>
Total Instruction	5,526,141	4,720,973	3,770,940	2,474,967	3,122,795
Public Service	5,138	9,742	4,192	1,980	598
Student Services	110,991	118,731	110,302	62,724	98,626
Institutional Administration	769,550	1,064,358	552,595	505,037	600,114
Transfers Out	<u>224,957</u>	<u>454,924</u>	<u>138,018</u>	<u>84,996</u>	<u>962,469</u>
<b>Total Expenditures</b>	<u>6,636,777</u>	<u>6,368,728</u>	<u>4,576,047</u>	<u>3,129,704</u>	<u>4,784,602</u>
<b>Revenues Over (Under) Expenditures</b>	4,936,303	1,485,467	5,565,048	7,759,431	3,604,449
<b>Beginning Fund Balance</b>	<u>5,133,167</u>	<u>10,069,470</u>	<u>11,554,937</u>	<u>17,119,985</u>	<u>24,879,416</u>
<b>Ending Fund Balance</b>	<u>\$10,069,470</u>	<u>\$ 11,554,937</u>	<u>\$ 17,119,985</u>	<u>\$ 24,879,416</u>	<u>\$ 28,483,865</u>

### Notes:

1. Restricted grants managed by Corporate Services included above are recorded in the Restricted Fund in the audited financial statements.
2. The significant decline in fiscal year 2020-2021 in both Corporate Service Fee income and Instructional Support expense relates to the end of Corporate Service's contract with Dow.
3. Approximately \$900,000 of the Transfers In for fiscal year 2017-2018 was from the General Fund to eliminate deficits in the Criminal Justice and Lifelong Learning programs that had carried forward for many years, and a \$3 million transfer from the General Fund to establish an Administrative Reserve for Long-Term Budget Sustainability.
4. Transfers In for fiscal year 2019-2020 consist of General Fund Transfers of \$1,000,000 to the Self Insurance Fund and \$2,875,000 to the Budget Sustainability Fund.
5. Transfers In for fiscal year 2020-2021 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 Corporate Services and Criminal Justice training activities.
6. Transfers In for fiscal year 2021-2022 includes anticipated year-end General Fund transfers in the amount of \$1.6 million to the Reserve for Budget Sustainability and \$1.6 million to the Reserve for Strategic Initiatives. Also included is a transfer of \$395,000 from the HEERF COVID relief grants to offset Corporate Services lost revenues. There was also an \$800,000 Transfer In with an offsetting Transfer Out within the Designated Fund. The College had previously established a DEBI Reserve that was combined with the Reserve for Innovative Initiatives and renamed Reserve for Strategic Initiatives for spending on expenses necessary to meet the College's established strategic initiatives.

# Delta College Designated Fund

## Corporate Services Activities

	2017-2018	2018-2019	2019-2020	2020-2021	Projected 2021-2022	Budgeted 2022-2023
<b>Revenues</b>						
Training Delivery	\$ 1,407,688	\$ 1,054,408	\$ 789,524	\$ 970,755	\$ 1,140,933	\$ 1,621,900
Training Administration	4,103,123	3,620,986	3,207,723	1,876,521	1,809,016	1,789,600
Training Development	25,050	8,400	8,400	-	-	18,000
Other	<u>17,961</u>	<u>-</u>	<u>-</u>	<u>44,726</u>	<u>37,049</u>	<u>-</u>
<b>Total Revenues</b>	<b><u>\$ 5,553,822</u></b>	<b><u>\$ 4,683,794</u></b>	<b><u>\$ 4,005,647</u></b>	<b><u>\$ 2,892,002</u></b>	<b><u>\$ 2,986,998</u></b>	<b><u>\$ 3,429,500</u></b>
<b>Expenditures</b>						
Training Delivery	825,063	693,896	537,346	771,317	802,064	1,085,159
Training Administration	3,946,882	3,420,004	3,157,085	1,903,204	1,809,016	1,789,600
Training Development	16,664	5,091	5,349	4,095	-	9,800
Other	<u>411,003</u>	<u>374,214</u>	<u>367,584</u>	<u>294,916</u>	<u>416,267</u>	<u>361,012</u>
<b>Total Expenditures</b>	<b><u>\$ 5,199,612</u></b>	<b><u>\$ 4,493,205</u></b>	<b><u>\$ 4,067,364</u></b>	<b><u>\$ 2,973,532</u></b>	<b><u>\$ 3,027,347</u></b>	<b><u>\$ 3,245,571</u></b>
<b>Transfers In (Out)</b>						
Lost Revenue HEERF Grant	-	-	-	819,970	395,408	-
College General Services Transfers	(104,724)	(104,724)	(104,724)	(84,996)	(85,000)	(85,000)
Facility Renovations Transfers	<u>(43,512)</u>	<u>(43,512)</u>	<u>(32,364)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Transfers</b>	<b><u>\$ (148,236)</u></b>	<b><u>\$ (148,236)</u></b>	<b><u>\$ (137,358)</u></b>	<b><u>\$ 734,974</u></b>	<b><u>\$ 310,408</u></b>	<b><u>\$ (85,000)</u></b>
<b>Revenues Over/(Under) Expenditures</b>	<b>205,974</b>	<b>42,353</b>	<b>(199,075)</b>	<b>653,444</b>	<b>270,059</b>	<b>98,929</b>
<b>Beginning Fund Balance</b>	<b><u>1,136,233</u></b>	<b><u>1,342,207</u></b>	<b><u>1,384,560</u></b>	<b><u>1,185,485</u></b>	<b><u>1,838,929</u></b>	<b><u>2,108,988</u></b>
<b>Ending Fund Balance</b>	<b><u>\$ 1,342,207</u></b>	<b><u>\$ 1,384,560</u></b>	<b><u>\$ 1,185,485</u></b>	<b><u>\$ 1,838,929</u></b>	<b><u>\$ 2,108,988</u></b>	<b><u>\$ 2,207,917</u></b>

**Note:** Restricted grants managed by Corporate Services are recorded in the Restricted Fund in the audited financial statements. The operating loss for fiscal year 2019-2020 is the result of cancelled training due to Coronavirus. Delta College received Higher Education Emergency Relief Fund (HEERF) grants during fiscal year 2020-2021 that are allowed to be used to offset revenues lost (on a gross basis) due to the Pandemic. Lost revenue from both fiscal year 2019-2020 and fiscal year 2020-2021 were recouped under these grants and recorded in Transfers In during fiscal year 2020-2021. Training revenues continued to be impacted in fiscal year 2021-2022, therefore, these losses will again be offset against the College's HEERF grant funding.

# Delta College Designated Fund

## Other Significant Activities

### **Instruction**

- Criminal Justice Training Programs
- \*Lifelong Learning Center Programs

### **Instructional Support**

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

### **Public Service**

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

### **Student Services**

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

### **Institutional Administration**

- Technology Improvements
- Administrative Projects
- Reserve for Budget Sustainability
- Reserve for Innovative Initiatives
- Self Insurance
- Administrative Development & Projects
- Flexible Spending Plan Administration
- Health Care Reform Plan Fees
- In-kind Gifts
- Senate Foundation Special Projects

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

# Notes



# Restricted Fund

# Notes

The **Restricted Fund** is used to account for transactions resulting from revenue received by the College from outside donors or agencies in which the College does not have absolute control over the expenditures. Such revenues may be in the form of gifts or grants. The donor or the agency specifies the purpose for which these 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 78.

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 SIP award allowed for the most leniency in what it could be used for, such as to offset lost revenue due to the Pandemic. 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.

As of March 2022, the College had awarded its entire \$14.6 million student allocation directly to students in the form of cash grants, and has also used approximately \$437,000 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, D2L training, instructional design for online courses, personal protective equipment, supplies and equipment to allow students to perform labs remotely, covering online fees for students, technology for students, and improvements to the College's air handling equipment.

As of June 30, 2022, it is anticipated that the College will have approximately \$6.0 million Institutional and \$1.25 million SIP HEERF funding remaining to be spent. The US Dept. of Education has extended the spending deadline for these awards to June 30, 2023. Administration has plans in place for the expenditure of this funding by the deadline.

# Delta College Restricted Fund Budget

Fiscal Year 2022-2023

## Revenues

Federal Grants/Contracts	\$	19,744,532
State Grants/Contracts		100,450
Private Gifts/Grants		1,848,820
Other Sources		<u>562,394</u>

**Total Revenues** \$ 22,256,196

## Expenditures

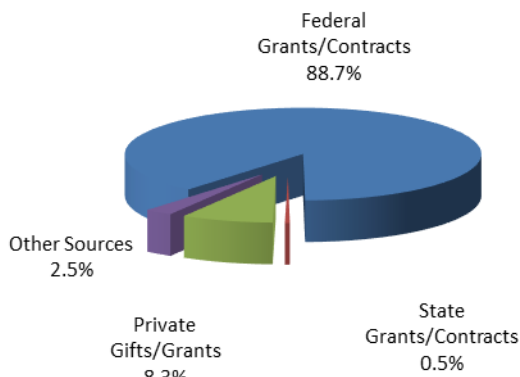
Instruction	\$	894,550
Instructional Support		<u>1,330,797</u>
<b>Total Instruction</b>		2,225,347
Public Service		1,717,350
Student Services		15,056,796
Institutional Administration		800,000
Facilities Management		<u>2,101,002</u>

**Total Expenditures** 21,900,495

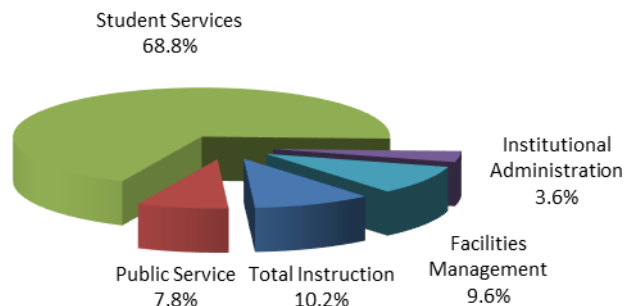
**Revenues Over/(Under) Expenditures** 355,701

**Beginning Fund Balance** 8,380,349

**Ending Fund Balance** \$ 8,736,050



**Revenues**



**Expenditures**

# **Restricted Fund**

## **Grant Detail**

# Delta College Listing of Grant Programs

July 1, 2022 – June 30, 2023

Grant Title, Description and Funding Agency	Amount Awarded	Dates of Grant
<b>Broadcasting - Community Service Grant</b> – Assist WDCQ-TV to maintain current systems and programming for the mid- Michigan community. Funded by Corporation for Public Broadcasting.	\$848,468	10/01/2021 - 09/30/2022
<b>Broadcasting - Universal Service Support Grant</b> – 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.	\$72,809	10/01/2021 - 09/30/2022
<b>Broadcasting - Interconnection Grant</b> – 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.	\$15,593	10/01/2021 - 09/30/2022
<b>Broadcasting – Michigan Department of Education</b> – Delta College WDCQ-TV is a subcontractor to Detroit Public Television (WTVS), in the statewide Michigan Learning Channel initiative.	\$83,333	11/01/2021 - 10/31/2022
<b>Michigan Works! – Wagner Peyser, PATH, WIOAA Adult, WIOA Dislocated Worker, RESEA, TGAAA and TAA/NAFTA, WIOA Basic Career Services, Reemployment Services</b> – 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.	\$3,079,242	10/01/2021 - 09/30/2022
<b>Michigan College/University Partnership (MICUP) 2021-2022 with Michigan Technological University</b> – 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	10/01/2021 - 09/30/2022
<b>MI College/University Partnership (MICUP) 2021-2022 Student Transition Enrichment Program (STEP), with CMU</b> – 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	10/01/2021 - 09/30/2022
<b>Motorcycle Safety 2021-2022</b> – Provide motorcycle safety training to Great Lakes Bay residents. Funded by Michigan Department of State.	\$82,500	10/01/2021 - 09/30/2022
<b>Carl D. Perkins Career and Technical Education Grant 2021-2022</b> – 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.	\$911,522	07/01/2021 - 06/30/2022
<b>TRIO - Equal Opportunity Center (EOC)</b> – 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
<b>U.S. Department of Education</b> – Cares Act: Higher Education Emergency Relief Fund – Direct to institutional allocation of the Higher Education Emergency Relief Fund	\$19,816,576	06/11/2020 - 06/30/2023
<b>U.S. Department of Education</b> – Cares Act: Higher Education Emergency Relief Fund – Emergency Financial Aid Grants to Students	\$14,367,406	04/25/2020 - 06/30/2023
<b>U.S. Department of Education</b> – Cares Act: Higher Education Emergency Relief Fund – Institutions eligible for the Strengthening Institutions Program (SIP)	\$1,505,079	06/11/2020 - 06/30/2023

# Delta College Restricted Fund

## Five Year Actual History

	2017-2018	2018-2019	2019-2020	2020-2021	Projected 2021-2022
<b>Revenues</b>					
Federal Grants/Contracts	\$ 15,901,600	\$ 14,822,072	\$ 16,788,824	\$ 26,814,469	\$ 26,783,728
State Grants/Contracts	331,135	109,225	133,575	149,815	93,167
Private Gifts/Grants	2,086,879	2,932,125	2,129,623	2,090,208	1,987,131
Other Sources	<u>783,503</u>	<u>1,239,616</u>	<u>1,374,754</u>	<u>1,745,565</u>	<u>1,148,066</u>
<b>Total Revenues</b>	<u>19,103,117</u>	<u>19,103,038</u>	<u>20,426,776</u>	<u>30,800,057</u>	<u>30,012,092</u>
<b>Expenditures</b>					
Instruction	1,270,696	1,317,991	1,344,732	2,003,206	1,138,092
Instructional Support	<u>332,873</u>	<u>286,009</u>	<u>236,490</u>	<u>688,428</u>	<u>651,012</u>
Total Instruction	1,603,569	1,604,000	1,581,222	2,691,634	1,789,104
Public Service	1,587,114	1,651,264	1,616,906	1,644,467	1,620,744
Student Services	15,813,716	14,813,781	15,932,718	19,325,424	22,058,739
Institutional Administration	-	-	54,733	738,960	536,928
Facilities Management	<u>2,589</u>	<u>2,886</u>	<u>232,673</u>	<u>222,592</u>	<u>922,663</u>
<b>Total Expenditures</b>	<u>19,006,988</u>	<u>18,071,931</u>	<u>19,418,252</u>	<u>24,623,077</u>	<u>26,928,178</u>
<b>Transfers Out/(In)</b>	<u>84,267</u>	<u>(345,123)</u>	<u>533,875</u>	<u>(4,727,280)</u>	<u>(2,308,765)</u>
<b>Total Expenditures and Transfers</b>	<u>18,922,721</u>	<u>18,417,054</u>	<u>18,884,377</u>	<u>29,350,357</u>	<u>29,236,943</u>
<b>Revenues Over/(Under) Expenditures and Transfers</b>	180,396	685,984	1,542,399	1,449,700	775,149
<b>Beginning Fund Balance</b>	<u>3,746,721</u>	<u>3,927,117</u>	<u>4,613,101</u>	<u>6,155,500</u>	<u>7,605,200</u>
<b>Ending Fund Balance</b>	<u>\$ 3,927,117</u>	<u>\$ 4,613,101</u>	<u>\$ 6,155,500</u>	<u>\$ 7,605,200</u>	<u>\$ 8,380,349</u>

### Notes Regarding Restricted Fund Activities:

1. Fiscal year 2020-2021 and fiscal year 2021-2022 increase in Federal Grant Revenues and Expenditures and Transfers Out is due to Federal Coronavirus relief grants received from the US Department of Education. The spending deadline for these grants has been extended to June 30, 2023.
2. The majority of the fiscal year 2020-2021 Transfers Out consists of transfers from the Coronavirus relief grants to reimburse the College for online fees refunded to students and reimbursements for lost revenue. The majority of the estimated lost revenue reimbursements is for tuition and fees, Corporate Services training revenue and Auxiliary Services revenues.
3. The majority of the anticipated fiscal year 2021-2022 Transfers Out consists of transfers from the Coronavirus relief grants to the College offset lost revenue due to COVID. The majority of the estimated lost revenue is for tuition and fees due to lower enrollments, Corporate Services training revenue and Auxiliary Services revenues.

# Delta College Restricted Fund

## Public Broadcasting Activities

	2017-2018	2018-2019	2019-2020	2020-2021	Projected 2021-2022	Budgeted 2022-2023
<b>Television</b>						
<b>Support and Revenue</b>						
College General Fund Support	\$ 625,814	\$ 641,744	\$ 620,816	\$ 562,083	\$ 538,043	\$ 558,780
Corporation for Public Broadcasting	735,643	760,214	1,026,374	1,351,836	936,870	936,870
Donations/Gifts/Grants/Memberships	566,348	1,526,604	703,329	681,552	413,879	393,500
Television Underwriting	43,789	47,281	38,800	56,421	35,000	40,000
Other Income	200,416	234,919	351,924	392,716	385,098	318,412
Transfers In	-	-	950,000	-	-	-
<b>Total Revenues</b>	<u>2,172,010</u>	<u>3,210,762</u>	<u>3,691,243</u>	<u>3,044,608</u>	<u>2,308,890</u>	<u>2,247,562</u>
<b>Expenditures</b>						
Salaries and Fringe Benefits	909,209	935,806	914,486	880,104	936,321	1,001,610
Supplies and Services	980,180	1,007,623	1,032,680	1,070,087	1,004,000	1,016,000
Facilities and Equipment	43,429	49,535	80,789	91,553	15,000	100,000
Transfers Out	62,500	496,985	-	-	-	-
<b>Total Expenditures</b>	<u>1,995,318</u>	<u>2,489,949</u>	<u>2,027,955</u>	<u>2,041,744</u>	<u>1,955,321</u>	<u>2,117,610</u>
<b>Support and Revenue Over (Under) Expenditures</b>	\$ 176,692	\$ 720,813	\$ 1,663,288	\$ 1,002,864	\$ 353,569	\$ 129,952
<b>Beginning Fund Balance</b>	<u>951,693</u>	<u>1,128,385</u>	<u>1,849,198</u>	<u>3,512,486</u>	<u>4,515,350</u>	<u>4,868,919</u>
<b>Ending Fund Balance</b>	<u>\$ 1,128,385</u>	<u>\$ 1,849,198</u>	<u>\$ 3,512,486</u>	<u>\$ 4,515,380</u>	<u>\$ 4,868,919</u>	<u>\$ 4,998,871</u>
<b>Radio</b>						
<b>Support and Revenue</b>						
College General Fund Support	\$ 127,898	\$ 130,032	\$ 121,688	\$ 167,711	\$ 184,837	\$ 189,351
Donations/Gifts/Grants/Memberships	151,051	173,607	156,434	160,652	113,990	118,000
Radio Underwriting	26,055	26,877	36,466	42,929	41,000	32,000
Other Income	3,199	4,140	4,165	4,490	4,637	4,500
<b>Total Revenues</b>	<u>308,203</u>	<u>334,656</u>	<u>318,753</u>	<u>375,782</u>	<u>344,464</u>	<u>343,851</u>
<b>Expenditures</b>						
Salaries and Fringe Benefits	214,237	213,593	194,299	193,535	211,225	220,571
Supplies and Services	94,169	117,510	62,538	88,853	70,000	71,000
Equipment	-	-	-	-	6,000	-
<b>Total Expenditures</b>	<u>308,406</u>	<u>331,103</u>	<u>256,837</u>	<u>282,388</u>	<u>287,225</u>	<u>291,571</u>
<b>Support and Revenue Over (Under) Expenditures</b>	\$ (203)	\$ 3,553	\$ 61,916	\$ 93,394	\$ 57,239	\$ 52,280
<b>Beginning Fund Balance</b>	<u>65,426</u>	<u>65,223</u>	<u>68,776</u>	<u>130,692</u>	<u>224,086</u>	<u>281,325</u>
<b>Ending Fund Balance</b>	<u>\$ 65,223</u>	<u>\$ 68,776</u>	<u>\$ 130,692</u>	<u>\$ 224,086</u>	<u>\$ 281,325</u>	<u>\$ 333,605</u>

### Notes Regarding Broadcasting Activities:

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



# 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 is a transfer to the General Fund of \$250,000. Auxiliary net income in excess of the \$250,000 is retained in the Auxiliary fund to build fund balance.

# Delta College Auxiliary Fund

	Actual 2018-2019	Actual 2019-2020	Actual 2020-2021	Projected 2021-2022	Budgeted 2022-2023
<b>Bookstore</b>					
Revenues	\$ 3,707,119	\$ 3,328,183	\$ 2,644,817	\$ 2,849,147	\$ 2,938,650
Expenditures	<u>3,570,031</u>	<u>3,077,009</u>	<u>2,608,536</u>	<u>2,951,070</u>	<u>2,937,873</u>
Net Income (Loss)	\$ <u>137,088</u>	\$ <u>251,174</u>	\$ <u>36,281</u>	\$ <u>(101,923)</u>	\$ <u>777</u>
<b>Food Services</b>					
Revenues	982,349	642,976	31,488	321,419	346,500
Expenditures	<u>1,057,728</u>	<u>868,944</u>	<u>92,019</u>	<u>832,304</u>	<u>838,939</u>
Net Income (Loss)	\$ <u>(75,379)</u>	\$ <u>(225,968)</u>	\$ <u>(60,531)</u>	\$ <u>(510,885)</u>	\$ <u>(492,439)</u>
<b>Fitness &amp; Recreation Center</b>					
Revenues	346,905	231,858	40,305	186,739	195,600
Expenditures	<u>317,053</u>	<u>407,164</u>	<u>116,258</u>	<u>194,763</u>	<u>240,047</u>
Net Income (Loss)	\$ <u>29,852</u>	\$ <u>(175,306)</u>	\$ <u>(75,953)</u>	\$ <u>(8,024)</u>	\$ <u>(44,447)</u>
<b>Other Auxiliary Activities</b>					
Revenues	546,529	439,882	258,905	315,455	311,900
Expenditures	<u>457,291</u>	<u>368,165</u>	<u>240,785</u>	<u>291,878</u>	<u>444,730</u>
Net Income (Loss)	\$ <u>89,238</u>	\$ <u>71,717</u>	\$ <u>18,120</u>	\$ <u>23,577</u>	\$ <u>(132,830)</u>
<b>Total Auxiliary Services</b>					
Revenues	5,582,902	4,642,899	2,975,515	3,672,760	3,792,650
Expenditures	<u>5,402,103</u>	<u>4,721,282</u>	<u>3,057,598</u>	<u>4,270,015</u>	<u>4,461,589</u>
Net Income (Loss)	\$ <u>180,799</u>	\$ <u>(78,383)</u>	\$ <u>(82,083)</u>	\$ <u>(597,255)</u>	\$ <u>(668,939)</u>
<b>Transfers In (Out)</b>					
General Fund	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Plant Fund	-	-	-	(5,325)	-
Restricted Fund	<u>(2,848)</u>	<u>251,409</u>	<u>844,263</u>	<u>874,556</u>	<u>550,000</u>
Total Transfers	\$ <u>(252,848)</u>	\$ <u>1,409</u>	\$ <u>594,263</u>	\$ <u>619,231</u>	\$ <u>300,000</u>
<b>Change in Fund Balance</b>	(72,049)	(76,974)	512,180	21,976	(368,939)
<b>Beginning Fund Balance</b>	<u>7,067,091</u>	<u>6,995,042</u>	<u>6,918,068</u>	<u>7,430,248</u>	<u>7,452,224</u>
<b>Ending Fund Balance</b>	\$ <u>6,995,042</u>	\$ <u>6,918,068</u>	\$ <u>7,430,248</u>	\$ <u>7,452,224</u>	\$ <u>7,083,285</u>

## Notes on Auxiliary Activities:

1. Other auxiliary activities include printing, Planetarium gift shop and conference services, Carlyon Farmhouse, college vehicles, and learning resources vending. Charges for these services are structured to cover the cost of the services plus a small amount to build a fund balance for equipment repairs and purchases.
2. In fiscal year 2019-2020, Fitness & Recreation Center (FRC) expenditures were higher than normal due to a renovation of the facility. Purchases of new equipment for the renovated spaces was funded with Auxiliary fund balance reserves.
3. The FRC implemented a minimal membership rate increase in fiscal year 2020-2021 in an effort to help balance their budget going forward.
4. 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.
5. The majority of the fiscal year 2022-2023 budgeted deficit in Other Auxiliary Activities is due to the anticipated purchase of several new multi-function copying devices for approximately \$150,000.

# Plant Fund

# Notes

The **Plant Funds** are used to record the flow of money for capital expenditures related to building and equipment. The College maintains a “Facility Maintenance & Equipment Replacement Fund” in addition to a “Building and Site Fund.” Budgeting and reporting for both funds are presented in one document entitled “Plant Funds” on page 88.

Each year funds are transferred to the Plant Funds from the General Fund and other funds as applicable for building projects. For 2022-2023, the following major transfers from the General Fund have been budgeted:

Asset Life-Cycle Replacement/Depreciation	\$ 2,500,000
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The College operates instructional satellite centers in each of the three counties in its district: Bay City, Midland and Saginaw. A newly constructed Saginaw Center opened in the Fall of 2019 in Downtown Saginaw. A new Midland Center finished construction in the Spring of 2021 in Downtown Midland and opened for the Fall semester 2021.

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

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

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



**Delta College Planetarium and Learning Center**

# Delta College Plant Funds

## Building and Facility Improvements Funds

	Actual 2018-2019	Actual 2019-2020	Actual 2020-2021	Projected 2021-2022	Budgeted 2022-2023
<b>Revenues</b>					
Investment Income (Loss)	\$ 848,578	\$ 549,371	\$ 94,293	\$ (110,416)	\$ 439,112
Private Gifts/Grants	702,123	4,523,372	4,858,786	117,438	50,000
State Grants/Appropriations	4,608,532	1,605,127	-	1,300,000	100,000
Transfer from General Fund	3,614,721	6,405,384	7,498,442	6,286,013	3,052,000
Other Sources and Transfers	<u>84,455</u>	<u>33,354</u>	<u>5,000</u>	<u>33,021</u>	<u>2,000</u>
<b>Total Revenues</b>	<u>9,858,409</u>	<u>13,116,608</u>	<u>12,456,521</u>	<u>7,626,056</u>	<u>3,643,122</u>
<b>Expenditures</b>					
<b>Equipment</b>					
Instruction	83,219	328,422	-	-	-
Instructional Support	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Instruction	83,219	328,422	-	-	-
Public Service	110,000	-	-	-	-
Information Technology	-	-	110,553	252,364	185,000
Student Services	-	-	-	-	-
Institutional Administration	835,822	328,424	269,863	-	-
Facilities Management	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Equipment	1,029,041	656,846	380,416	252,364	185,000
<b>Renovations and Transfers</b>	<u>15,355,091</u>	<u>11,791,980</u>	<u>9,531,607</u>	<u>7,131,321</u>	<u>7,760,000</u>
<b>Total Expenditures</b>	<u>16,384,132</u>	<u>12,448,826</u>	<u>9,912,023</u>	<u>7,383,685</u>	<u>7,945,000</u>
<b>Revenues Over/(Under) Expenditures</b>	(6,525,723)	667,782	2,544,498	242,371	(4,301,878)
<b>Beginning Fund Balance</b>	<u>39,570,816</u>	<u>33,045,093</u>	<u>33,712,875</u>	<u>36,257,373</u>	<u>36,499,744</u>
<b>Ending Fund Balance</b>	<u>\$ 33,045,093</u>	<u>\$ 33,712,875</u>	<u>\$ 36,257,373</u>	<u>\$ 36,499,744</u>	<u>\$ 32,197,866</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.



# Delta College Plant Fund

## Historical Projects

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

## Downtown Saginaw Center

In June of 2016, Delta College received State of Michigan Planning Authorization for the \$12,739,000 Saginaw Center Project. This 37,000 square foot facility is located in Downtown Saginaw and replaced the leased Ricker Center in Buena Vista Township. Actual expenses for the project totaled \$12,685,600. Through the State of Michigan Capital Outlay process, the State Building Authority and Delta College each funded \$6,342,800. The project had a ground breaking in March 2018 and classes began in Fall 2019.

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



**New Delta College Downtown Saginaw Center**

# Delta College Plant Fund

## Downtown Midland Center

Delta College opened the new three story, 33,630 square foot building in the Fall of 2021. With a cost of approximately \$13 million, Delta College was able to secure \$9.15 million in private sector donations to apply to the cost, with the remaining dollars provided through Delta College's accumulated Plant Fund reserves.

Located at 419 East Ellsworth in the downtown are, 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 will allow for expanded college readiness activities and programs.

The building offers students an innovative environment with state-of-the-art technology, something Delta strives to provide to all of its students. The building includes biology, chemistry, and computer labs, eight classrooms, special-use training rooms, a multi-purpose room and student service spaces.



**Delta College Downtown Midland Center**

# Delta College Plant Fund

## Electronic Media Broadcasting – A Wing Renovations

Delta College’s Electronic Media Broadcasting – A Wing Renovations project was submitted to the State of Michigan in October 2018 in response to identified structural needs of current programs, learning environments and business and community needs. It was subsequently Authorized for Planning under Public Act 618 of 2018 and then Authorized for Construction under Public Act 257 of 2020. Construction is currently ongoing with classes scheduled in the renovated space for Fall of 2022. The State’s 50% share for this project is approximately \$1.4 million.

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

## Capital Outlay Master Plan

Colleges are required to submit an annual 5-Year Capital Outlay Master Plan to the State of Michigan prioritizing future major capital projects and major maintenance items in excess of \$1 million. The major capital projects, when approved by the state, will require a 50% College match. Following are the prioritized projects submitted in Fall 2021 for fiscal year 2023-2027 planning.

<b>Priority</b>	<b>Major Capital Projects</b>	<b>Amount</b>
1	Business and Office Professions – K Wing	\$ 5.568 million
2	Business and Technology – M Wing	2.568 million

<b>Priority</b>	<b>Major Maintenance Projects</b>	<b>Amount</b>
1	South Campus Pavement Repairs (Main Campus)	\$ 2.857 million
2	Chiller 1, Chiller 2 Replacements (Main Campus)	1.500 million

## Facility Maintenance and Equipment Life Cycle Replacement

The current appraised replacement value of College buildings and equipment is \$337 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 \$10.1 million annually. Likewise, a simple 30-year life cycle replacement calculation would call for an annual allocation of \$11.2 million.

Previously, \$2.0 million was budgeted annually for transfer from the General Fund to the Plant Fund for this purpose. Beginning with the 2021-2022 budget, we are increasing this annual transfer to \$2.5 million in order to accumulate additional reserves in the Plant fund in order to maintain our downtown centers and continue with the practice of not incurring any debt. Industry standards suggest an additional \$7-8 million should be reserved annually to assure that existing facilities are maintained and the value of the capital investment is preserved. Therefore, half of any excess General Fund revenues over expenditures beyond those needed to maintain a 10% General Fund Reserve Balance are transferred to the Plant Fund at the end of each fiscal year in an effort to provide additional one-time funding for asset life cycle replacement needs, i.e. depreciation. Specific projects planned for completion and paid through these resources are included in the Capital Expenditures Budget on the following page.

# Delta College Plant Fund

## Capital Expenditures Budget

Plant Fund Capital Projects currently in planning for the fiscal year 2022-2023 Budget Year are listed below.

<b>Projects Approved and/or in Progress</b>	<b>Amount</b>	<b>Strategic Focus Area</b>
K-Wing Renovation	\$ 4,900,000	SS
Electronic Media Broadcasting – A Wing	100,000	SS
OIT Projects	185,000	SS
Sculpture Projects	50,000	CF
Delta College Observatory	500,000	SS
Delta College LLIC Renovations	700,000	SS
Planetarium Chiller Replacement	650,000	S
<b>As Needed Maintenance Projects</b>	<b>Amount</b>	<b>Strategic Focus Area</b>
Way Finding System	\$ 10,000	SS
Farmhouse Maintenance & Upgrades	50,000	S
Miscellaneous Renovations, Furnishings & Accessories	800,000	S
<b>Total</b>	<b>\$ 7,945,000</b>	

# Delta College Debt Detail

The College has the legal capacity to carry debt of up to \$127,066,036; 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 \$12,581,603,567.

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

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

# Notes

# Endowment Fund

# Notes



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

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

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

Estimated distributions from the Endowment Fund to the College for the year 2021-2022 are as follows:

<b>Fund</b>		<b>Amount</b>
Designated Fund	\$	117,200
Restricted Fund – Broadcasting		14,000
Restricted Fund - Programs and Scholarships		750,700
Building Fund		9,600
Foundation		120,700
Quasi-Endowments		<u>36,100</u>
Total Distributions	\$	<u>1,048,300</u>

# Delta College Endowment Fund

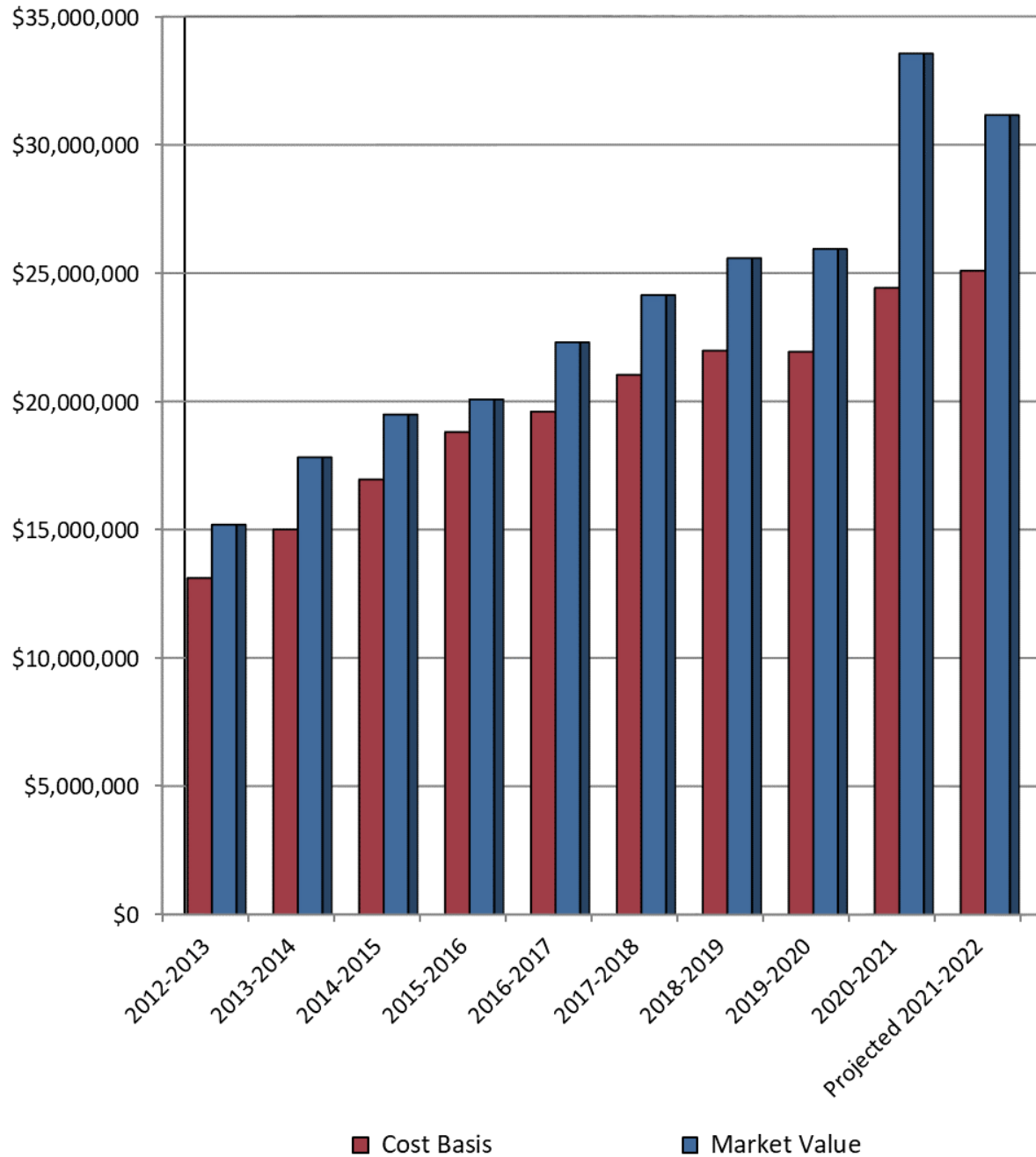
## Ten Year Performance History

	Net Assets July 1	Gifts & Transfers	Earnings & Net Gain (Loss) On Investments	Distributions	Investment & Admin Fees *	Net Assets June 30
2012-2013	\$ 13,358,377	\$ 602,682	\$ 1,856,841	\$ (501,005)	\$ (122,064)	\$ 15,194,831
2013-2014	15,194,831	399,662	2,889,760	(516,004)	(147,041)	17,821,208
2014-2015	17,821,208	1,677,137	710,785	(573,471)	(149,866)	19,485,793
2015-2016	19,485,793	1,673,062	(289,663)	(634,519)	(160,346)	20,074,327
2016-2017	20,074,327	548,335	2,739,488	(721,886)	(338,599)	22,301,665
2017-2018	22,301,665	590,500	2,408,874	(784,871)	(371,582)	24,144,586
2018-2019	24,144,586	1,124,998	1,553,605	(850,391)	(391,436)	25,581,362
2019-2020	25,581,362	(258,117)	1,924,913	(897,324)	(411,071)	25,939,763
2020 - 2021	25,939,763	1,144,822	7,902,727	(947,593)	(459,187)	33,580,552
Projected 2021-2022	33,580,552	759,000	(1,630,000)	(1,048,300)	(510,000)	31,151,252

\*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 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  
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  
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  
Harry Hawkins Scholarship  
Robert & Joyce Hetzler Family Award for Outstanding  
Service & Leadership

# Delta College Endowment Funds

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  
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  
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  
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  
James Stark Scholarship  
Eileen & Hugh Starks Scholarship  
Dr. James F. & Elizabeth Stoddard Scholarship  
Greg Stryker Scholarship  
Sturm Family Broadcast Programming Fund  
Julius & Irene Sutto Award for Life Sciences  
Paul & Margaret Thompson Scholarship  
Willie E. Thompson Scholarship  
Margaret Timm Award for English  
Wesley Timm Award for Social Science  
UNUM Projects  
Tina S. & Philip M. Van Dam Scholarship  
Jeanne M. VanOchten & Wayne W. Adams Scholarship  
Jim & Janis Van Tifflin Award  
Lynn & Sandy Weimer Scholarship  
Ken & "Miss Mona" White Scholarship  
Macauley & Helen Whiting Fund  
Lola Bishop Whitney Award for Foreign Language  
David & Carol Williams Scholarship  
Alice & Jack Wirt Scholarship  
Stephen M. & Dena J. Wirt

# Delta College Endowment Funds

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.

**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, and the Senate share responsibility for governance. The Trustees have the financial authority to operate the College from funds provided through the State. They can dispose of any College property and can establish both educational programs and vocational-technical departments. They also levy property taxes and set tuition and fee rates.

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

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

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

#### **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 (MPSERS). Current GASB pronouncements require the College to record in its financial statements the College's proportionate share of the MPSERS retirement system's unfunded long-term liability for future retirement and health care benefits. The College's full-time faculty and administration professional staff have the option to participate in the State's Optional Retirement Plan (ORP) in lieu of MPSERS participation. This plan is administered by TIAA-CREF. The College shall remain current in its payments due under the retirement programs in which the College participates.

## **I. Reserve Policies**

### **Fund Balance**

It is a long-term goal of the College to attain a fund balance in the General Fund of 10% of its operating budget. This long-term goal should be reviewed and evaluated at least every five years, the next scheduled evaluation to be for the fiscal year ending 2026.

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

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

In addition, fund balance provides:

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

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