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**Delta College
Board of Trustees Dinner Meeting
Delta College N7
Tuesday, June 14, 2022
5:30 pm**

Board Present: A. Baldwin, R. Emrich, S. Gannon, D. Middleton, M. Nash, M. Rowley, M. Thomas, M. Wood

Board Absent: M. Benecke

Others Present: D. Allen, R. Battinkoff, T. Brown, J. Carroll, P. Clark, M. Crawmer, R. Curley, R. Curry, C. Curtis, S. DuFresne, J. Foco, M. Gavin, L. Govitz, G. Luczak, S. Raube, S. Roche, K. Schuler, E. Suniga, A. Ursuy, A. Williams, E. Yaworski, J. Young

Press Present: None

Board Chair, M. Nash called the meeting to order at 6:00 pm. He turned the meeting over to Mike Gavin, President and Andrea Ursuy, Executive Director of Administrative Services and Institutional Effectiveness, who gave a Strategic Planning Update.

M. Gavin began by sharing with the Board that tonight's presentation will give them an overview of the College's planning process; a celebration of accomplishments in 2021-2022 in regards to enrollment, retention/completion and culture; as well as planning for the future. He noted the great work that was done in strategically aligning the College's goals so that they trickle down to individual's goals.

M. Gavin shared a snapshot of one of the action projects that shows who is accountable; pieced the project out into individual tasks needed to complete; included the diversity audit pillars associated with the project; noted any connections to the HLC; and any communication strategy. All of the action projects will roll up into our two major goals of increasing completion and equity.

He shared the belonging, equity, diversity and inclusion (BEDI) framework. Data will be driving almost everything that we do. Dashboards will be created based on the four sectors of students, employees, bias and culture.

M. Gavin shared some celebrations in regards to enrollment. One of the goals was to increase by 10% the number of students who have accepted financial aid and registered. This was achieved with a focus on equity, leading to more African American students accepting aid in Winter 2022 than Winter 2021. The second goal was to reduce the number of students on the waitlist by 50%. The number of students waitlisted was reduced by 49%. This resulted in nearly 2% of our entire enrollment for the year. There is also work being done to better understand the student experience in the registration process as well as reallocating resources to reduce the advisor to student ratio.

There was a major revision to the College's developmental education courses for Math and English. This was a mandate because of the Michigan Reconnect Program. This has helped to significantly reduce the amount of time and credits to the developmental education sequence.

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In regards to retention and completion, work has already begun including:

- a review of each center to ensure it has the courses, philosophy and space related needs to achieve its mission
- the development of the Saginaw Academy of Excellence at the Saginaw Center
- the development of programs at each center supported by a schedule
- the creation of a cross-divisional course plan to increase success rates of students for our top 30 courses and top 10 programs
- the creation of a schedule that leads to higher education
- a collective bargaining agreement that focuses on assessment, data-use and continuous improvement

In regards to culture, there are several things that have come to fruition:

- listening sessions with Employees resulted in:
 - remote work procedure – in process
 - partnerships for student child care
 - the installation of cellular boosters at the Saginaw Center to enhance cellular service connectivity
 - refining our multi-factor authentication
 - continued training based on listening session
 - two-way texting to be implemented for Fall 2022
 - free STARS bussing from Saginaw to Main Campus beginning Fall 2022
- developing and living a culture of BEDI
 - improved hiring processes
 - new Chief Officer of Culture, Belonging and Community Building
 - acknowledgement of Dr. Martin Luther King Jr's birthday as a holiday
 - gender neutral bathrooms

Finally, M. Gavin noted the creation of the Council on Innovation, Belonging and Equity (CIBE); enhanced medical benefit plan to provide additional services and continued support of programs for mental health and well-being for our employees.

A. Ursuy shared with the Board one of the institutional action projects that we are focusing on in the development of data visualizations connected to completion and equity. The College has always had data available but not in an easily accessible, uniform or easily understandable form. The College has recently purchased Tableau as our data visualization tool and the Institutional Research Office will create and maintain our data visualization strategy. These visualizations will help us to focus on our key performance indicators in stabilizing enrollment, increasing retention, increasing completion rate as well as narrowing opportunity gaps. She shared with the Board two snapshots. The data is disaggregated by race, gender, age and pell status helping to provide us with information we need to begin to eliminate any opportunity gaps. Tableau will be rolled out to the broader College by Learning Days in August.

As our 2019-2023 Strategic Plan ends, it is important to include the College community in the 2023-2027 plan. This work has already begun with the Trustees at our February 2022 Special Board Meeting. We will continue to gather internal data and monitor the external environment as we build the foundation for our next plan through an inclusive mission, vision and values process. Connie Watson, a former Delta College faculty member will help to guide us through this process beginning with Fall Learning Days.

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Through various activities to help assess our culture of BEDI (Belonging, Equity, Diversity and Inclusion) as well as understand what are students need versus what we think they need, Connie will compile themes and lessons to help shape our mission, vision and values work in October during a summit for the College Community.

In the Fall, the College leadership will create the next strategic plan with input from the Board. Much of what we are working on now will carry over to the next plan while seeking input from the College. In February or March of 2023, the new plan will be brought to the Board for approval. This will be earlier than normal and will allow us to align the plan to the budget in year one of the plan instead of having a one-year lag.

S. DuFresne, Vice President of Business and Finance presented the proposed 2022-2023 Budget. The budget is balanced while still maintaining a 10% fund balance. The College's leadership and Board of Trustees have a long history of established long-term fiscal policies and practices including designated savings for the future and setting aside reserves for unexpected circumstances. The proposed budget has a conservative approach allowing the College to be agile, flexible, innovative and focused on student success in order to adapt to the new normal. Enrollment will continue to be a challenge and is the focal point for the upcoming year with college-wide strategic enrollment and retention efforts in order to stabilize and grow enrollment.

The College will hold a budget hearing as required by law tonight at 7 pm. The authorized millage rate is 2.0427. The Board is required to approve a budget no later than June 30.

S. DuFresne gave an update on the state budget and forecast. Significant revenue increase since January include: higher than expected consumption taxes; higher income tax growth as well as business tax payments. The Michigan economy is expected to continue to recover. Both the United States and the Michigan labor markets will face labor market constraints on growth.

The budgeted General Fund revenue assumptions for state appropriations reflects an estimated 3% or \$460,000 increase from 2021-2022. The legislative process continues to be negotiated and the proposals from the governor, house and senate all vary in language and increases. In regards to property taxes the valuations combined from Bay, Midland and Saginaw counties are estimated at a 5.12% increase from 2021. The Board approved a tuition and fee increase in March of this year. This is the largest revenue source or 38.6% of the total budget. Budgeting 164,000 contact hours for 2022-2023 will have an overall increase of 1.9% or \$518,000.

The budgeted General Fund expenditures include total compensation of \$54.6 million, a 3.3% increase. This includes fringe costs associated with wages and salaries. Other increases to supplies and services include an increase of \$150,000 for utilities; \$289,000 for strategic initiatives such as Tableau; \$250,000 in reserve for state program funding gaps such as Michigan Reconnect and Future for Frontliners; and \$184,000 for the Ellucian CPI contract.

Overall the total General Fund budgeted revenues are \$71.1 million. This represents an overall budgeted revenue increase of \$2.2 million or 3.2%. The total General Fund budgeted expenditures are \$71 million which represent an overall increase of \$2.6 million or 3.9%.

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The Designated Fund is used to record transactions such as the criminal justice training programs, Corporate Services and reserves for budget sustainability and strategic initiatives. Total revenues are \$4.3 million and expenditures are \$4.4 million.

The Restricted Fund is used to account for transactions resulting from revenue received by the College from outside donors or agencies such as federal financial aid and COVID-19 grants. The estimated dollars remaining of the COVID-19 federal grant yet to be spent is \$7.2 million. Since the start of the pandemic the College has awarded in excess of \$35.9 million - \$19.8 in institutional dollars; \$14.6 in direct student financial assistance and \$1.5 for general college support. Total revenues are \$22.2 million and total expenditures are \$21.9 million with a projected ending fund balance of \$8.7 million.

The Auxiliary Fund is used to account for the transactions of activities that deliver a product or perform a service such as the bookstore, food services, the fitness and recreation center, printing and college vehicles. Total revenues and transfer-ins are \$4.3 million and total expenditures and transfer-outs are \$4.7 million. The budget has planned for an operating deficit of approximately \$368,939. The majority of this being due to the anticipated purchase of several new multi-function copying devices for approximately \$150,000. The remaining is attributed mostly to food services and the fitness and recreation center which both took a hard hit due to the pandemic.

The Plant Fund is used to record the flow of money for capital expenditures related to buildings and equipment. Expenditures are aligned using our 5-year capital outlay master plan, data from our facility assessment report, and projected annual facility needs based on lifecycle of materials. The three largest projects budgeted are the completion of K Wing - \$4.9 million; the LLIC - \$700,000 and the Planetarium chiller - \$650,000. Annually a transfer to the Plant Fund is made from the General Fund for building projects, facility maintenance and equipment life cycle replacement. The annual transfer is \$2.5 million. Based on the valuation of our total assets, the Building Research Council recommends an annual life cycle replacement allocation of 2-4% of the asset value or \$11.2 million to fund routine maintenance and capital renewal. The College has established savings therefore avoiding the need to borrow and protects the assets in order to maintain the future sustainability of its infrastructure and state-of-the-art facilities. Revenues are budgeted at \$3.6 million, and expenditures at \$7.9 with a projected fund balance of \$32,197,866.

All Funds of the College total revenues are \$105.7 million and total expenses of \$110 million. The ending fund balance is \$83.9 million.

Finally, S. Dufresne thanked the collaborative work of the Budget Cabinet and so many members of the Delta College faculty and staff that helped develop this budget.

There being no further business, the dinner meeting was adjourned at 6:53 pm.

Talisa Brown, Assistant Board Secretary

Andrea Ursuy, Board Secretary