

## EXECUTIVE DIGEST

### DELTA COLLEGE

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#### **INTRODUCTION**

This report contains the results of our performance audit of Delta College for the period October 1, 1991 through September 30, 1994.

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#### **AUDIT PURPOSE**

This performance audit was conducted under the authority of Section 203, Act 163, P.A. 1993 (a section of the community colleges' appropriations act), which mandates that the Auditor General conduct not less than three performance audits of community colleges each year.

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#### **BACKGROUND**

Delta College is a public two-year institution of higher education offering academic, vocational-technical, and community education programs. The college, located in University Center, was originally established in 1922 as Bay City Junior College as part of the Bay City School District. The present Delta College was opened in 1961 on a 640-acre site at University Center, Michigan.

The college operates under the authority of Sections 389.1 - 389.195 of the *Michigan Compiled Laws*, commonly known as the Community College Act of 1966.

For the fiscal year ended June 30, 1994, the college reported current fund revenue (general, designated, auxiliary, and restricted funds) of \$59,941,610, expenditures and transfers of \$58,961,762, and 6,759 full-year equated students. As of September 30, 1994, the college employed 206 full-time faculty, 275 part-time faculty, 82 full-time and part-time administrative personnel, and 462 full-time and part-time other support personnel.

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**AUDIT OBJECTIVES,  
CONCLUSIONS, AND  
NOTEWORTHY  
ACCOMPLISHMENTS**

**Audit Objective:** To assess the college's practices which were in place to help students to be successful in completing classes/programs.

**Conclusion:** The college made good faith efforts to help students successfully complete their classes and programs. However, the college did not have mandatory placement for students recommended for developmental courses. Also, the college did not track student academic progress to assess the effectiveness of its developmental courses. (Finding 1)

**Noteworthy Accomplishments:** The college's good faith efforts to help students were accomplished by testing and identifying student educational deficiencies, offering an array of remedial courses to rectify these deficiencies, and reviewing all student grades at the completion of each semester.

**Audit Objective:** To assess the college's efforts and methods for evaluating the quality of education provided to

students who completed associate degree and certificate programs.

**Conclusion:** The college had made efforts to obtain data to evaluate the quality of its education programs. However, the college had not fully developed or implemented an institutionwide assessment plan to evaluate the quality of its education programs. Also, the college had not developed written goals for certification and licensing examination pass rates, and had not developed a system to coordinate and report certification and licensing examination results to the college administration (Findings 2 and 3).

**Noteworthy Accomplishments:** Examples of the college's assessment efforts included conducting needs assessments of existing and proposed programs; evaluating occupational programs using the Program Review for Occupational Education self-evaluation system; establishing a transfer advisory council; analyzing student licensure examination results; and surveying college graduates and transfer students. The college used the results of these evaluations in making decisions related to program revisions. We commend the college for these efforts.

**Audit Objective:** To assess the college's methods for evaluating the efficient use of resources for education programs.

**Conclusion:** The college was generally making efficient use of resources. However, the college's standards of academic achievement did not address repetitive course enrollments (Finding 4); the college had not evaluated those

degree and certification programs that produced a low number of graduates (Finding 5); the college did not have procedures to monitor the cost effectiveness of the off-campus facilities (Finding 6); and the college did not have sufficient control over its donated items (Finding 7).

**Audit Objective:** To determine the college's compliance with the Legislature's reporting requirements for education programs and selected capital outlay projects as described in the appropriations acts.

**Conclusion:** The college was generally in compliance with legislative reporting requirements. However, State fiscal year requirements for these grants were not complied with in all instances (Finding 8).

**Noteworthy Accomplishments:** The college did not use any job training and retraining investment fund grants for purposes other than their intended use.

**Audit Objective:** To assess the college's methods for allocating operating and service costs paid by the general fund for auxiliary activities.

**Conclusion:** Although the college did require an annual transfer from the auxiliary activities, the college did not determine the actual amount of operating and service costs paid by the general fund which were applicable to the auxiliary activities (Finding 9).

**Noteworthy Accomplishments:** The college is currently participating in the National Association of Colleges and Universities Business Offices Benchmarking Project. This project is designed to provide a nationwide database of costs by activity.

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**AUDIT      SCOPE  
AND  
METHODOLOGY**

Our audit scope was to examine the program and other records of Delta College for the period October 1, 1991 through September 30, 1994. Our audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included such tests of the records and such other auditing procedures as we considered necessary in the circumstances.

Our methodology included reviewing the college's admission procedures and its procedures for monitoring students' academic progress, including those students referred for developmental courses. We reviewed the college's proposed institutional assessment plan and various evaluation systems used by the college to evaluate the quality of its education programs. We also reviewed and tested college policies for monitoring repetitive enrollments, minimum class enrollments, and the enrollment of high school students. We reviewed the college's procedures for monitoring the off-campus locations, and we analyzed enrollment and space utilization data as they related to the college's proposed capital outlay project. We reviewed college program and financial records for the job training and retraining investment fund and the At-Risk Student Success Program grants. We reviewed the college's procedures for

monitoring donated items. Finally, we reviewed the college's methods and financial records related to the allocation of operating and service costs to the auxiliary activities.

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**AGENCY  
RESPONSES**

Our audit includes 9 findings and 14 corresponding recommendations. The preliminary response prepared by the college indicated that it generally agreed with our findings and has implemented or will implement most of our recommendations.