

NOTES ON MEETING OF THE BOARD OF DIRECTORS OF THE PROPOSED
DELTA SENIOR UNIVERSITY


Tuesday, August 27, 1963
Michigan House - 7:30 p.m.

Present: Anderson, Bartlett, Bergstein, Brown, Chapin, Collings, Curtiss,
Durman, Groening, Sutton, Zahnnow

Others

Present: Bouwsma, Carlyon, Folgueras

- 1.) It was agreed that a news release would be given to the press on Wednesday, August 28th, stating that Delta College would host D.S.U. Incorporators and Board of Directors, and members of the State Board of Education on September 18, 1963.
- 2.) Dr. Collings and William Groening agreed to extend a written invitation to members of the State Board of Education for dinner on the Delta Campus previous to their meeting on September 18, 1963.
- 3.) Folgueras was asked to report as to whether all students in the Nursing Program had been informed that degree work would not be offered at Delta in September. It was indicated that Nursing students were aware of it; however, it is believed that there will be a degree program in time.



D.J. Carlyon, Recorder

PRELIMINARY PROPOSAL

Agreement Between Delta College and Delta Senior University
For the Academic Year September 1, 1963 to August 31, 1964
(For purposes of ready identification, Delta College will
be referred to as "DC" and Delta Senior University as
"DSU" in this document)

BASIC PRINCIPLES TO BE CONSIDERED

1. Originally, as we considered some form of agreement between DSU and DC, we had anticipated using the ratio of students in the two institutions as a fair and reasonable basis for the determination of many of the operating expenses, such as: Administrative costs, maintenance costs, and Student Services cost. Because of the lateness of the date, we will not be able to admit students to DSU this fall, with the probable exception of Nursing. Therefore, although this will undoubtedly be a reasonable basis for the 1964-1965 year, it obviously is not applicable for 1963-1964.
2. In order to avoid any charges that tax funds are being used to support DSU, if there is a reasonable question as to the division of cost between DSU and DC, it would seem to be the wisest course to give the benefit of the doubt to DC. (Normally, of course, it will be possible to determine with a considerable degree of preciseness the proportion of cost which should be paid by each institution).
3. There must be a monthly accounting of charges followed by a regular monthly billing to DSU by DC and prompt payment by DSU to DC.
4. Similar bank accounts of the two institutions will be maintained in different banks so that there is no confusion of accounts and no question of mixing of accounts. For example, the DC General Fund bank account is currently maintained in the Chemical State Bank of Midland. This being the case, the General Fund account for DSU should not be carried in the Chemical State Bank. I realize that this may be an unnecessary precaution, but it would seem to eliminate one possible point of concern.

BUDGET

The DC operating budget is set up under seven major groupings as follows:

Instruction
Library Services
Television
Student Services
General Administration
Plant Maintenance
General Institutional

It would seem to be most practical and efficient to consider using these groupings for the DSU operating budget. It would also simplify division of charges between the two institutions and determination of charges to DSU by DC. For purposes of this preliminary proposal, the specific arrangements will be discussed under the headings of these major budget groupings of the DC operating budget.

INSTRUCTIONAL

Where faculty members are used jointly by DC and DSU, these faculty members should be paid a proportionate rate for services preformed for each institution individually. For example, an instructor who has $\frac{3}{4}$ of his teaching load in DC will receive a check for $\frac{3}{4}$ of his salary from DC and the other $\frac{1}{4}$ as a check from DSU for $\frac{1}{4}$ teaching load for DSU.

In some cases instructors or instruction administrators will be serving DSU entirely and in such cases their salary will, of course, be paid totally by DSU. (For example, the Director of Nursing might be charged entirely to DSU).

All general expenses of instructional operation, such as supplies, duplicating, and travel, incurred by DSU, will be paid entirely by DSU.

Adult Education will be maintained by DSU on the same basis as it is by DC. That is, the income and expense will be charged directly, and it is assumed that the Adult Education division will be self-sustaining. The basis for payment to Adult Education faculty members for DSU will be the same as that used by DC.

LIBRARY SERVICES

If a beginning is made on the purchase of volumes for the DSU library this year, then either a full time staff member should be hired or it should be determined how much time will actually be spent on DSU processing. With little or no DSU day college contemplated during the coming year, it may be assumed that no charges for general non-processing expenses need to be made to DSU. If a professional librarian is hired by DSU, this person should be responsible to the DC library with the assumption that the sharing of services of this individual by DSU and DC will compensate for the necessary time spent on DSU processing by the balance of the DC staff. All books processed by DSU and the supplies and processing costs related to this processing will, of course, be paid directly by DSU.

TELEVISION

Television services to DSU should be paid for by DSU on the same basis as charges to other schools. These charges have been tentatively set by the television department of DC (and may be later refined) but can be quite accurately determined.

STUDENT SERVICES

(Student Services includes Dean of Students, Counseling, Registration, and Student Activities)

Most Student Services will not be needed until late in the academic year. Registration expenses for Adult Education courses can be readily prorated on the basis of the number of registrations in each institution. Student activities expenses will not apply until the 1964-1965 academic year.

There will be no counseling expenses until late in the academic year and these expenses can be readily determined with a good deal of preciseness and will be charged directly to DSU as they arise. It is suggested that a proportion of the salary of the Dean of Students be charged to DSU on the assumption that there will be continuing service in the form of planning by this administrative officer.. I would suggest that 15% of his time be charged to DSU.

GENERAL ADMINISTRATION

(General administration includes: Board of Trustees, President's Office, Business Office, and Public Affairs).

Most items in this classification will be direct expenses of DSU and will not appear as expenses on DC records. There are three divisions in this classification, however, which will be shared by DSU and DC. These are the President's Office, the Business Manager's Office and Public Affairs.

Because this first year will be essentially a planning year for DSU, it will tend to demand a disproportionate share of time of several administrators including the President. I would suggest that DSU be charged for a minimum of 1/4 of the President's salary for the coming year, that 1/4 of the secretary's time, and 1/4 of the supplies and expenses of the President's Office which are used jointly, be charged to DSU. There will be a great many expenses of the President's Office which will be readily defined as either DSU or DC and will be charged directly.

I would suggest that a minimum of 20% of the Business Manager's salary also be charged directly to DSU, on the premise that an average of approximately one day a week will be spent on DSU affairs. Whatever percentage is finally determined to be equitable as a charge for the Business Manager's salary should also be used for his secretary. It seems reasonable to anticipate that 10% of the expenses of the balance of the Business Office should be charged to DSU in order to provide the cost of maintaining DSU financial records and accounts, payment of bills, payroll, and related matters.

It should be pointed out that the cost of the President's Office and the Business Manager's Office will actually be less in the next few years than anticipated for 1963- 1964.

GENERAL INSTITUTIONAL EXPENSES

This classification covers most of the service functions such as switchboard, Post Office expenses, consulting services, legal and audit fees, machine data processing, staff recruitment, and so forth.

Most of these expenses will be directly related to one institution or the other and charges will be made accordingly. Some of these expenses, however, must of necessity be shared, such as: switchboard, telephone and telegraph, and so forth. It is suggested that with the exception of the switchboard, these expenses be divided as they arise. It is further suggested that the switchboard expenses be shared 90% by DC and 10% by DSU.

PLANT MAINTAINANCE

It is suggested that charges be made on the basis of the schedule of rental charges which are made to groups who use DC facilities. Since there will be a very limited use of DC space this first year, the charge to DSU will not be great. However, the use of our standard rate of rental charges may be easily supported.

Summary

There are, of course, a great many details which will need to be considered before this proposal may be used as a working document for DC and DSU. Some of the specific items which should be weighed by the DSU board are these:

1. The possibility of a separate phone number for DSU, coming into the DC switchboard.
2. Memberships in educational associations and other organizations. (I would suggest that in most cases DSU maintain membership separate and distinct from DC.)
3. Necessary travel expenses for DSU basic needs, such as pension plan negotiations.

(Respectfully submitted by D. J. Carlyon)