



# Annual Budget

Fiscal year  
2009-2010

# **Lansing Community College**

## **FY 2009-2010 Strategic Planning & Budget**

**Lansing, Michigan**

# LANSING COMMUNITY COLLEGE

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Letter from the President

***Message from the President: FY 2009-10 Budget Proposal***

Given the severe economic changes facing the nation and our state, including the recent bankruptcy of General Motors, almost all private and public sector organizations are adjusting their revenues and expenditures and doing things differently. Lansing Community College is no exception.

If we do nothing, the college would be short \$9.3 million for the fiscal year beginning July 1.

Last evening, we submitted to the Board of Trustees a proposed \$124 million balanced budget. The board is expected to take action on the budget at its June 15 meeting.

- On the revenue side, we are assuming no increase in state appropriations, a 3 percent decline in property tax revenue, and a 3.7 percent increase in tuition and fees due to enrollment growth.
- On the expense side, salaries and wages, which comprise 70% of our operating expenses, will increase an overall 5.5%. In addition, our net health care costs will increase by about 11%. Non-discretionary technology and utilities costs also will go up.

More than any other time in our history, the people this college was built to serve expect and deserve the lowest-cost tuition rates possible and to know that we are using our resources as wisely as possible.

That is why we engaged in the process of soliciting suggestions from faculty, staff, students, the Labor Coalition, and the community, as well as experienced consultants, on how we might reduce costs and improve the effectiveness and efficiency of our operations. More than 400 ideas were received and carefully examined.

**The outcome of this process is \$4.7 million in non-personnel cost reductions and revenue enhancements**, achieved through such measures as

- minimizing use of overtime and outside contracted temporary help;
- cuts in travel, supplies, printing and postage;
- a two-year pay freeze for high-level, non-union administrators; and
- increasing the returns on our investments.

**An additional \$1.3 million in savings will be achieved as a result of the voluntary retirement/separation incentive program.**

We are pleased that these efforts will yield \$6 million in savings, yet dismayed that we still face a \$3.3 million gap. To close that gap, we carefully analyzed all college departments and functions, searching for activities and areas that could be reorganized, reduced or eliminated without a serious negative impact on our educational programs and core services to students.

In deciding on changes, we have tried to minimize the number of staff members adversely affected and avoid elimination of any instructional activities or programs.

**The result is a proposed reduction of fewer than 30 currently filled non-teaching positions, significantly less than we once anticipated, and the retention of jobs for 99% of our employees. No teaching faculty positions are impacted.**

At present, three employees in the counseling department have been notified of a potential change in their employment status. This step is a result of a careful analysis of how to most effectively and efficiently provide services in the student success areas. We value the role that counselors play in ensuring student success. I assure you that we will provide an essential number of counselors necessary to meet students' needs, especially those who are disabled and/or at risk.

As part of our continuing efforts to seek solutions that do not involve staff reductions, senior leadership will continue to meet with the Labor Coalition to explore all viable alternatives to reductions in positions covered under collective bargaining agreements. Until we are confident that position reductions are our last resort, no further notifications will occur.

**The proposed budget calls for no tuition rate increases.** My job, the Board of Trustees' job, is to balance the interests of our faculty and staff with those of the thousands of students we serve every year. In this time of economic turmoil, now is not the time to raise tuition.

We have submitted a balanced budget that does not compromise the excellence of our academic programs and the outstanding faculty who make those programs possible. Instructional materials, supplies, and equipment to support a contemporary learning environment will continue to be purchased.

We also have increased our fund balance to 13 percent of total revenue to guard against the looming threat of reduced payments from the State of Michigan, which is projecting a \$1.7 billion deficit for next fiscal year. Based on what we know in this time

of economic uncertainty, we believe this is necessary and fiscally responsible to protect the institution.

We are doing our best to manage in the worst of times and be good stewards of our resources. As we move forward, I continue to welcome your ideas and recommendations.

Thank you.

Brent Knight, Ph.D.

LANSING COMMUNITY COLLEGE

*Recognizing Success, Creating Opportunity, Embracing Possibility*

**P.O. Box 40010  
Lansing, MI 48901-  
7210 (517) 483-1200  
(800) 644-4522**

To:

Stakeholders of Lansing Community College

Citizens of the Lansing Community College Resident Districts and the State of Michigan

As in recent years, the budget planning for the Fiscal Year 2009-2010 took place within the toughest economic and fiscal environment the State of Michigan has ever experienced. The perennial fiscal crises the State of Michigan has been experiencing worsened significantly with financial crisis and economic downturn the nation itself was plunged into in the fall of 2008. These changes in the economic environment provided a very challenging framework for the College's budget and overall strategic planning.

Lansing Community College's fiscal year runs from July 1 of one year to June 30 of the following year, that is for FY2010, July 1, 2009 to June 30, 2010. As early as December 2008 however, the budget planning process pointed to a significant budget gap of \$9.3 million on the horizon for FY2010. The main factors underlying this significant budget gap include: rising labor costs, especially due to labor contract obligations; health care costs, which are projected to increase by 13.8% with employee cost sharing bringing the College increase to approximately 11%; stagnant state appropriations; and falling property tax revenues.

Apart from the challenges mentioned above, the College's budget planning and choices are circumscribed by its own strategic goals of (a) operating as a fiscally responsible institution and (b) being accessible to students by providing affordable educational opportunities. The Finance Division spent a considerable amount of time and effort compiling through various versions, scenarios and projections to facilitate the budgetary decisions needed to produce a balanced budget. The Finance Division's efforts and actions expended in the attempt to put together a balanced budget have to be in line with these strategic goals.

Faced with a staggering \$9.3 million budget gap, the College had no choice but to make very strategic fiscal decisions which necessitated tough reduction in costs college-wide, including the realignment of organizational structures and positions. The very careful budget planning, the tough fiscal decisions made by the Administration and Board of

Trustees, the collaborative deliberations of the Labor Coalition in the budget process, among others, have put Lansing Community College in a position to face the difficult year ahead with the commitment to continue to provide affordable high quality educational programs.

In presenting this FY2010 budget, I would like to recognize the hard work and dedication of the budget staff and all those who contributed to the achievement of this balanced budget for FY2010.

Respectfully submitted,

Catherine Fisher, CPA  
Chief Financial Officer  
Financial Services Division

## LANSING COMMUNITY COLLEGE

Lansing Community College (LCC) is an urban, public, independent, community college, located in Michigan's capital city, established in 1957 to fulfill growing demand for specialized and technical education opportunities for the Greater Lansing's industrial workforce. The first President, Dr. Philip Gannon opened the doors to 425 students in the Fall Term in 1957.

Lansing Community College is directed and governed by a Board of Trustees, consisting of seven members, elected at large in the community college district on a nonpartisan basis. Elected members retain positions for 6-year terms. Public elections for regular board member positions are held at the end of each 6-year term.

### **Board of Trustees - 2009**

Deborah Canja, Chairperson  
*December 31, 2009*

Robin M. Smith  
*December 31, 2011*

Edward Woods III, Secretary  
*December 31, 2013*

Thomas Rasmusson, Treasurer  
*December 31, 2011*

Jerry Hollister, Trustee  
*December 31, 2013*

Chris A. Laverty, Trustee  
*December 31, 2009*

Robert E. Proctor, Trustee  
*December 31, 2009*

Dr. Brent Knight, President, Lansing Community College

LCC is the third largest community college (in enrollment) in Michigan. The College enrolls approximately 12,000 full-time-equivalent students and about 30,000 students annually, representing about 51% in-district and 49% out-of-district students. LCC also employs close to 600 full-time and over 2000 part-time faculty and staff. The College vision, mission, and guiding principles/values reflect the diversity and potential of its stakeholders.

LCC is a one-college, multi-location institution. See Appendix Figure 1.1, Figure 1.2. The main locations are:

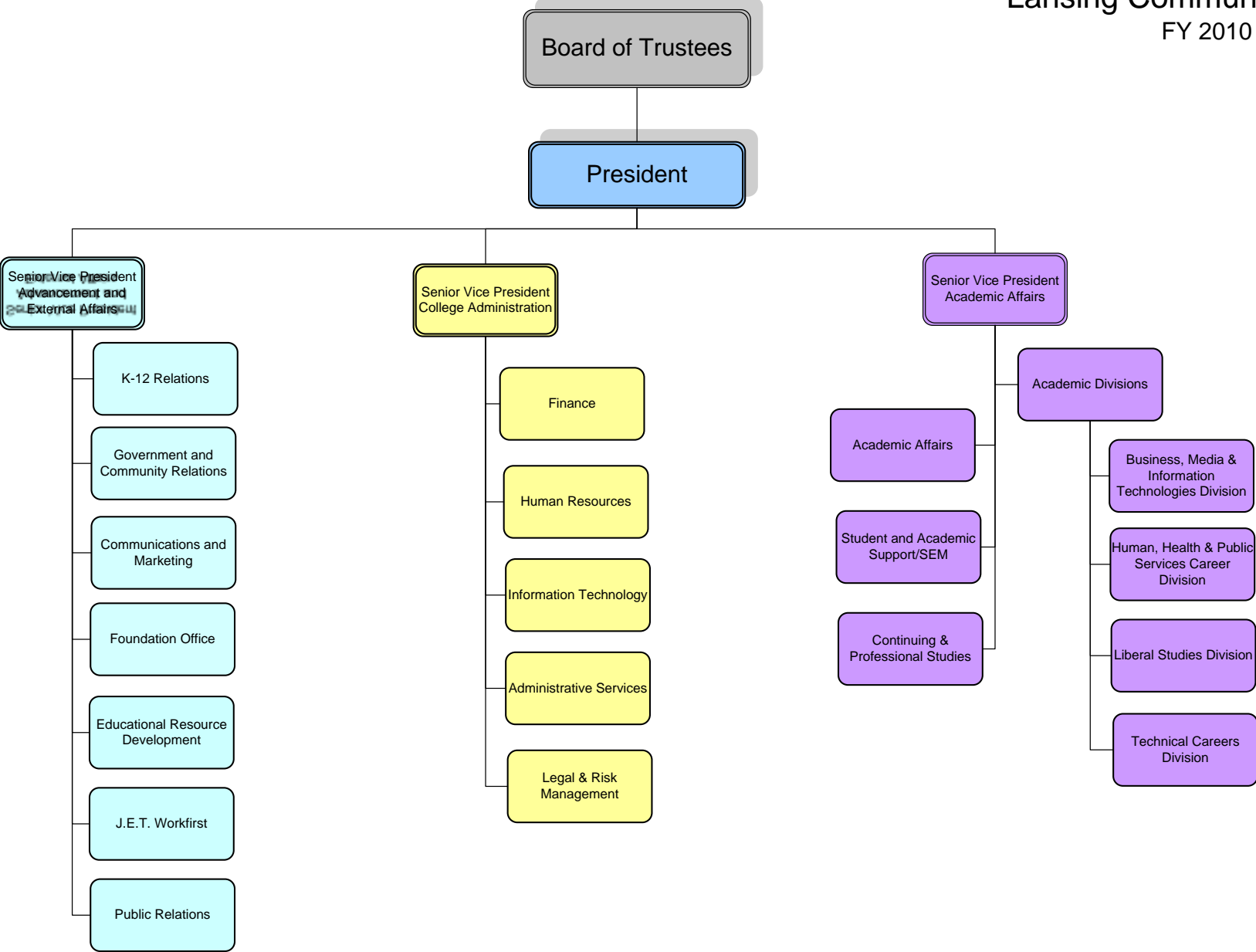
- LCC Downtown Campus, including a newly completed University Center, is a 48-acre campus covering seven city blocks and 1.1 million square feet of building space in downtown Lansing, Michigan.
- LCC West in Delta Township, Michigan, comprised of 64 acres of land, houses the Michigan Technical Education Center®
- Aviation Center at the local airport
- Parker Campus in Howell, Michigan
- Clinton County Center in St. Johns, Michigan
- LCC East, a campus in East Lansing, Michigan, which combines extension centers that are located on the east side of Lansing
- Truck Driver Training Center in Fort Custer near Battle Creek, Michigan

LCC offers students international experiences in China, France, Germany, Ghana, Ireland, and Korea. The College also offers courses at over 24 learning centers.

The Statistics and the Appendix sections present more LCC statistics, facts and maps.

# **ORGANIZATION AND DIVISIONS**

Lansing Community College  
FY 2010



# LANSING COMMUNITY COLLEGE

## Academic Divisions

The first guiding principle of the College's mission ensures instruction in four areas, which also align with the Michigan Activity Classification Structure (ACS): career and workforce development, general education, developmental education, and personal enrichment. The College ensures alignment of that principle and learning opportunities in three key ways:

1. Organizing instruction into academic divisions to match the mission;
2. Planning coordination of the College strategic plan, its master plans, and its program plans;
3. Evaluating performance at the College level.

### Academic Affairs

The Academic Affairs Office provides leadership for instruction and student support services. The Academic Affairs Office works with departments and programs to ensure that all standards required for accreditation, federal and state compliance and program licensure and certification are maintained. This office is also responsible for partnerships needed to maintain transfer articulation agreements with Colleges, universities and other organizations. In addition, the Academic Affairs Office, through the Center for Teaching Excellence and through connections with the Organizational Development Office, is responsible for providing training opportunities for instructional and student affairs faculty and staff to help assure that our students get the highest quality instruction and support.

### Student and Academic Support and Strategic Enrollment Management (SAS/SEM)

The Student and Academic Support and Strategic Enrollment Management Division offers student and academic support services which are designed to help students reach their potential as they progress towards their goals.

The SAS/SEM Division provides a variety of services which are organized into the following units:

- Admissions, Registration and Records
- Assessment Services
- Campus Life: Athletics and Student Activities
- Counseling and Advising
- Center for Employment Services
- Financial Aid
- Learning Assistance: Library and Tutoring
- Retention and Grants
- Student Judicial Affairs
- Student Outreach and Recruitment

The SAS/SEM Division has continuing educational goals that provide avenues for continuous improvement with measurable outcomes.

Since its inception in 2000, **Assessment Services** have more than doubled its testing activity. From 2000 to 2008, assessment activity increased from 33,971 tests administered and/or processed to 77,323. This activity includes administration of placement tests, proficiency exams, course exams, workforce development tests (such as WorkKeys), processing tests for online courses that are being sent to outside proctors, and certification testing for students and professionals. In addition to the Assessment Center facility located on the main campus, assessment services are also available at the Capitol Area Michigan Works in Lansing, the Clinton County Center in St. Johns, LCC East in East Lansing, the Livingston Center in Howell, and the West Campus facilities that opened in November of 2004. These assessment services support instruction, student services and the community through the provision of placement tests, course exams and workforce development exams. Total tests administered include placement testing at all locations listed above.

## **ACADEMIC INSTRUCTION DIVISIONS**

At Lansing Community College, instruction is organized into four divisions to match the mission, namely Business, Media, and Information Technologies (BMIT), Human, Health and Public Service Careers (HHPS), Liberal Studies (LS) and Technical Careers (TC).

### **Business, Media, and Information Technologies**

The Business, Media, and Information Technologies Division includes the Business Department and the Media, Art, and Information Technologies Department. These departments share the mission of providing relevant education and training for current and future employment, as well as for successful transfer to other colleges and universities.

The knowledge and skills taught in the Business, Media, and Information Technologies Division relate directly to the changing needs of employment in the businesses and organizations of our community, state, and nation--within a global economy.

The technical departments of the Business, Media, and Information Technologies Division provide training and instruction for career choices from some of the fastest growing occupations in the United States and the world today. Moreover, the Division offers a mix of traditional classroom instruction, hands-on training with state-of-the-art equipment, on-line courses, computer-assisted instruction, and self-paced learning.

### **Human, Health and Public Service Careers**

This academic division educates many of society's dedicated servants, such as health careers workers, law enforcement and corrections workers, fire fighters, childcare

workers, and human services workers. Its programs are diverse and aligned with national standards. In cooperation with community partners, HHPS is committed to offering the best hands-on educational experiences, using clinical, practicum, and skills labs to educate students with real-time teaching and learning methods. The division incorporates the following instructional departments:

- Health and Human Service Careers Department
- Nursing Careers Department
- Public Service Careers Department

## **Liberal Studies**

The Liberal Studies Division offers courses and programs in the Arts and Sciences based on traditional and contemporary values, in a climate that fosters respect for learning. These offerings impart knowledge, physical and mental skills which enable students to enrich their intellectual, professional and personal lives. The Liberal Studies Division's goal is to equip students to compete successfully mentally, physically and emotionally in junior and senior level courses at other colleges and universities.

The Liberal Studies Division prepares students to transfer to various four-year colleges and universities throughout Michigan. Many of the courses are also accepted as transfer credits throughout the United States. The Division is organized into the following departments:

- Communication Department
- Department of Mathematical Skills
- Humanities and Performing Arts Department
- Language Skills and Student Development Department
- Math and Computer Science Department
- Office of Instruction
- Physical Fitness and Wellness Department
- Science Department
- Social Science Department

## **Technical Careers**

The mission of the Technical Careers Division is to provide state-of-the-art education and training programs in technology. These programs provide individuals the opportunity to access and develop the knowledge and skills essential for transition to employment, and the opportunity for life-long training and retraining in a constantly changing job market.

Included within the division are the Apprenticeship Office and the departments of Environmental, Design & Building Technologies; and Transportation and Engineering Technologies.

The program offerings in each of these departments provide state-of-the-art technical training and instruction that give students the specialized skills to secure employment in highly technical occupations.

Educational programs for transportation industry careers include automotive technology and collision repair, aviation flight maintenance, and avionics, heavy equipment operation and maintenance, and truck driving. Exploding technological developments in the automotive industry set new standards and goals for developing necessary skills and knowledge in our automotive programs.

Efforts to advance alternative energy technologies emphasize new and changing career pathways—requiring expanded job skills in the environmental, design, and building technologies fields. Programs and curricula in residential construction, agriculture, architecture, interior design, landscaping, and horticulture reflect evolving design principles, which integrate learning outcomes in “green” and “sustainable” technologies that respond to employer and governmental expectations.

# LANSING COMMUNITY COLLEGE

## Non-Academic Divisions

### Office of the President

The Office of the President exercises executive direction and control over all aspects of the College's activities and operations within policies approved by the Board of Trustees. The President provides leadership, direction, and guidance for the senior administrators; provides administrative focus for the academic programs, student development, community services, and business services of the College; and coordinates strategic planning for the College as a whole.

### Office of Advancement and External Affairs

The major functions are:

- University Center
- School and Community Relations
- Marketing, Public Relations, Media Creation/Design
- LCC Foundation Office
- Government Relations and Grants

### Office of College Operations

The major functions, organized in three divisions, are:

- Financial Services
- Human Resources
- Administrative Services
- Information Technology

### Financial Services

The Financial Services Division handles all the business functions of the College, namely:

- Accounting
- Budget Office
- Payroll and Financial Reporting
- Purchasing
- Student Finance

### Human Resources

The division services the human resource needs of the more than 2,600 employees of Lansing Community College. The goal of the Human Resources Division is to attract, hire, develop and retain the very best talent possible for Lansing Community College. The division is structured into four groups, servicing Administrators, Full-time Faculty, Adjunct Faculty, and Full-time/Part-time Support. Each group works as an integrated team to provide comprehensive, consistent HR services covering all the following areas:

- Benefits Administration
- Professional Development and Training
- Performance Management

- Workforce Planning
- Hiring and Orientation
- Labor Relations
- Compensation and Benefits
- Wellness
- Diversity

### **Administrative Services**

The Administrative Services Division spearheads the implementation of the Facilities Master Plan of the College, and but also includes several other departments, namely:

- Physical Plant Operations
- Public Safety Department
- Materials Management
- Auxiliary Services

### **Information Technology Services (ITS)**

Information Technology Services (ITS) is a division of four departments working together to provide and sustain dependable, accessible, and responsive computing services to the LCC community.

The ITS departments, including brief mention of emphasis, are:

- Enterprise Systems - responsible for applications that support the College's administrative operations
- Personal Computing, Network, and Telecommunication Services - provide technical support for those services
- College Technical Support - manage the computer systems
- Instructional and Technology Support Services - provide the first line of assistance with the Help Desk and all computer lab services to students, faculty and staff

### **Strategic Planning & Partnerships**

The departments included in the Strategic Planning & Partnerships Division are:

- Business & Community Institute (BCI)
- eLearning
- Extension & Community Education (ECE)
- Institutional Effectiveness, Research, and Planning (IERP)
- Small Business & Technology Development Center (SBTDC)

### **The Business & Community Institute (BCI)**

Business & Community Institute of Lansing Community College offers performance solutions training and courses in a variety of topics for various industries. Training can also be customized to meet specific customer needs. BCI courses, programs, and seminars offer credit, non-credit, or continuing education unit (CEU) opportunities to meet the professional development and educational needs of employees in the greater Lansing area.

Programs, provided on-site, on-campus, and via the Internet, can be customized to utilize business organization's internal strategic plans, business process, forms, and reports.

### **Extension & Community Education**

The Department of Extension and Community Education (ECE) offers credit and non-credit classes for all age groups. Classes are located in many different communities and in convenient facilities.

### **Institutional Effectiveness, Research, and Planning (IERP)**

Institutional Effectiveness, Research, and Planning is instrumental to Lansing Community College's data-driven decision making model which integrates data, best practices through research, and quality.

Through the coordination of ad hoc, scheduled, operational, and institutional reporting, the department of Institutional Effectiveness, Research, and Planning has established an institutional standard for data and reporting.

In addition to data extraction and reporting, the department:

- Facilitates program review
- Responds to internal and external data requests
- Manages state and federal reporting (IPEDS, ACS, etc.)
- Designs surveys for both institutional and departmental use

### **Michigan Small Business & Technology Development Center**

The mission of the Lansing Community College's Michigan Small Business & Technology Development Center is to contribute to the promotion of economic development by assisting in the creation of new small business and the retention and expansion of existing small businesses. This mission is achieved by providing technical assistance to prospective and existing business owners and managers in Ingham, Eaton, Clinton, Ionia, Livingston, and Shiawassee counties. Clients with the education and training needed to establish and grow a successful small business.

The Michigan Small Business & Technology Development Center regional office, affiliated with the Business & Community Institute at Lansing Community College is one of 12 offices statewide, providing services and support to the Michigan small business community in the areas of counseling, training and research.

# **STRATEGIC PLANNING**

# LANSING COMMUNITY COLLEGE

## Strategic Planning

In 2000, the Lansing Community College's (LCC) Board of Trustees unanimously adopted the College's first strategic plan, which described the College's vision, mission, motto, guiding principles, goals, areas of priority need, and strategic initiatives designed to assure LCC's continued success in serving the learning needs of a changing community. The plan had a seven-year horizon and included a process for periodic renewals. The Board updated the plan in 2003, and engaged in a renewal process in 2005.

The key steps in LCC's strategic planning and renewal process involve:

- obtaining input from LCC's stakeholders, including faculty, staff, students, local employees, four-year institution partners, and community leaders, through surveys, planning workshops, and open forums;
- conducting research and analysis on topics that are relevant to the well-being and improvement of the entire College and/or major divisions within it;
- analyzing financial factors, such as five-year revenue/cost projections; and
- reviewing the College's quality improvement performance for instructional programs and operational systems.

In 2005, over 3,000 stakeholders provided input on the College's existing strategic plan. Additional research and analysis was conducted on LCC's competitive position; the impact of state and federal government policies and proposals, including trends in state funding; 21st Century job skills; student demographic trends and characteristics; priority community needs; the College's quality improvement process, and a number of other areas identified as integral to the College's future success. This qualitative and quantitative information was used to develop the 2006-11 Strategic Plan, which consists of Statements of Purpose, Strategic Drivers, Areas of Priority Need, Strategic Initiatives, and Results/Metrics.

At the direction of President, members of the campus community participated in a strategic goal and objective setting initiative. This Strategic Planning Group created five Strategic Goals for the College and aligned them with 2006-2011 Strategic Plan, its Strategic Drivers, Areas of Priority Need and Strategic Initiatives. A Strategic Planning Matrix was created to display how the plan, drivers, areas, initiatives and categories align together.



# Lansing Community College Strategic Planning Matrix



Vision     Serving the learning needs of a changing community  
 Mission   LCC exists so that the people it serves have learning and enrichment opportunities to improve their quality of life and standard of living.  
 Motto      Where Success Begins

	Higher Learning Commission	2006-2011 Board Approved Strategic Plan		
Goal	Academic Quality Improvement Program (AQIP)	Strategic Drivers	Areas of Priority Need	Strategic Initiatives
<b>Student Success</b>	<ul style="list-style-type: none"> <li>Helping Students Learn</li> <li>Understanding Students' and Stakeholders' Needs</li> <li>Supporting Institutional Operations</li> <li>Measuring Effectiveness</li> <li>Planning Continuing Improvement</li> </ul>	<ul style="list-style-type: none"> <li>Team-Based Learning</li> <li>Service Learning</li> <li>Leveraging Technology</li> <li>K-12 Partnerships</li> <li>Future State Funding</li> </ul>	<ul style="list-style-type: none"> <li>Developmental Education</li> <li>Health Care</li> <li>Math and Science</li> <li>Financial Assistance</li> <li>Teacher Education</li> </ul>	<ul style="list-style-type: none"> <li>Faculty of the Future</li> <li>University Center</li> <li>Alternative Energy Management</li> <li>Enrollment Management</li> <li>Expand Service Area</li> </ul>
<b>Community</b>	<ul style="list-style-type: none"> <li>Helping Students Learn</li> <li>Understanding Students' and Stakeholders' Needs</li> <li>Supporting Institutional Operations</li> <li>Measuring Effectiveness</li> <li>Planning Continuing Improvement</li> <li>Building Collaborative Relationships</li> </ul>	<ul style="list-style-type: none"> <li>Service Learning</li> <li>Leveraging Technology</li> <li>K-12 Partnerships</li> <li>Future State Funding</li> </ul>	<ul style="list-style-type: none"> <li>Developmental Education</li> <li>Health Care</li> <li>Math and Science</li> <li>Financial Assistance</li> <li>Teacher Education</li> </ul>	<ul style="list-style-type: none"> <li>University Center</li> <li>Alternative Energy Management</li> <li>Enrollment Management</li> <li>Expand Service Area</li> </ul>
<b>Accessibility</b>	<ul style="list-style-type: none"> <li>Helping Students Learn</li> <li>Understanding Students' and Stakeholders' Needs</li> <li>Supporting Institutional Operations</li> <li>Measuring Effectiveness</li> <li>Planning Continuing Improvement</li> </ul>	<ul style="list-style-type: none"> <li>Leveraging Technology</li> <li>K-12 Partnerships</li> <li>Future State Funding</li> </ul>	<ul style="list-style-type: none"> <li>Developmental Education</li> <li>Health Care</li> <li>Financial Assistance</li> </ul>	<ul style="list-style-type: none"> <li>University Center</li> <li>Enrollment Management</li> <li>Expand Service Area</li> </ul>

<b>Employees</b>	<ul style="list-style-type: none"> <li>• Valuing People</li> <li>• Leading and Communicating</li> <li>• Measuring Effectiveness</li> <li>• Planning Continuing Improvement</li> </ul>	<ul style="list-style-type: none"> <li>• Leveraging Technology</li> <li>• Future State Funding</li> </ul>	<ul style="list-style-type: none"> <li>• Health Care</li> <li>• Financial Assistance</li> </ul>	<ul style="list-style-type: none"> <li>• Faculty of the Future</li> <li>• University Center</li> </ul>
<b>Fiscal Responsibility</b>	<ul style="list-style-type: none"> <li>• Supporting Institutional Operations</li> <li>• Measuring Effectiveness</li> <li>• Planning Continuing Improvement</li> </ul>	<ul style="list-style-type: none"> <li>• Leveraging Technology</li> <li>• Future State Funding</li> </ul>	<ul style="list-style-type: none"> <li>• Financial Assistance</li> </ul>	<ul style="list-style-type: none"> <li>• University Center</li> <li>• Alternative Energy</li> <li>• Enrollment Management</li> <li>• Expand Service Area</li> </ul>

Quality will be the fabric of how Lansing Community College achieves its mission.

# Strategic Goals

Strategic Planning at Lansing Community College is centered upon continuous quality improvement. The culture of continuous quality improvement at LCC is derived from the following categories established by the Academic Quality Improvement Program (AQIP) through which LCC maintains its accreditation:

- Helping Students Learn: LCC will create a learner-centered environment where the entire college focuses on student success;
- Understanding Students' and Other Stakeholders' Needs: LCC will work actively to understand student and other stakeholder needs;
- Valuing People: LCC will commit to the development of faculty, staff, and administrators, since the efforts of all are required for success;
- Leading and Communicating: LCC will build & sustain a learning environment where leadership and communication structures, networks & processes guide us in setting directions, making decisions and seeking future opportunities;
- Supporting Institutional Operations: LCC will support processes that help provide an environment where learning can thrive;
- Measuring Effectiveness: LCC will collect, analyze & use information to manage and drive performance improvement;
- Planning Continuous Improvement: LCC will align planning processes, strategies and action plans that help achieve its mission and vision;
- Building Collaborative Relationships: LCC will build collaborative partnerships and analyze how they contribute to accomplishing our mission.

This culture of quality provides an overarching framework for addressing the College's strategic planning goals:

## **Accessibility**

Lansing Community College will be accessible to students and other stakeholders.

## **Student Success**

Lansing Community College will enhance the ability of its students to succeed in meeting their learning goals.

## **Community**

Lansing Community College will contribute to the economic vitality and quality of life of the region and state.

## **Fiscal**

Lansing Community College will operate as a fiscally responsible institution.

## **Employees**

Lansing Community College values employees as its greatest resource, and strives to be an employer of choice.

Quality will be the fabric of how Lansing Community College achieves its mission.

## **Accessibility**

Lansing Community College will be accessible to students and other stakeholders.

Objectives:

1. Provide affordable educational opportunities.
2. Provide efficient, accurate, and consistent service through well-defined and well-communicated processes.
3. Provide a seamless transition from K12 through four-year colleges and/or the work place.
4. Effectively communicate college services and programs to internal and external stakeholders.
5. Maximize financial aid and scholarship opportunities.
6. Provide user-friendly online courses, resources, and services.
7. Ensure that campus and learning center environments are accessible.

## **Student Success**

Lansing Community College will promote student success by providing the programs and services that enable students to meet their educational and career goals.

Objectives:

1. Promote student ownership of their learning.
2. Improve student pass rates at course-level.
3. Improve student retention rates at course level.
4. Align curricula and courses with external standards and/or professional practices
5. Facilitate entry and exit pathways to, from and between programs.
6. Broaden integration of globalization and diversity in instruction and services.

## **Community**

Lansing Community College will contribute to the economic vitality and quality of life of the region and state.

Objectives:

1. Respond rapidly to existing and changing needs of our workforce/economic development market.
2. Expand efforts to partner with the business, educational, and community partners in order to lead educational workforce initiatives.
3. Increase public awareness of LCC providing a wide spectrum of higher education, workforce training, and career development programming.
4. Strengthen efforts to develop a culture that embraces arts, diversity and wellness.
5. Enhance employer satisfaction with LCC educated students.

## **Fiscal**

Lansing Community College will operate as a fiscally responsible institution.

Objectives:

1. Diversify revenue generating efforts and strategies
2. Design and implement a process to plan and measure long-term fiscal outcomes
3. Achieve and maintain a fund balance that is 10% of the institutional operating budget.

## **Employees**

Lansing Community College values employees as its greatest resource, and strives to be an employer of choice.

Objectives:

We will develop a strategic human resource plan by March 2008 that will address the following:

1. Recruiting, hiring, retaining, and succession planning that are open, equitable and efficient for all candidates/employees to ensure quality and best fit.
2. Providing employee orientation, training/mentoring and professional development opportunities for all employees.
3. Collaborating to build and sustain strong and effective labor/management relations.
4. Establishing processes for evaluating and developing appropriate staffing ratios.
5. Establishing competitive compensation and benefits.
6. Attaining and maintaining employee job satisfaction.
7. Providing a culture of wellness through a healthy, safe and respectful work environment.
8. Developing and maintaining an effective Employee Recognition program.

## LANSING COMMUNITY COLLEGE

### THE BUDGET AND STRATEGIC PLANNING CONTEXT

There are several external factors which significantly impact the financial planning of Lansing Community College and its overall strategic planning. These factors range from changes in the economic environment within which the College is located and operates (local, state and national), to rising labor and healthcare costs, to changes in student demographics and occupational choices and trends. Given the College's location, the first factor – the economic environment – has taken a far greater significance in recent years. This environment provides a very challenging context for the College's budget and overall strategic planning, affecting the revenues from public sources and the ability to increase tax revenues and tuition.

#### **RECENT MICHIGAN ECONOMIC HIGHLIGHTS**

Michigan's economy has spent the last nine years in recession, largely driven by the same fundamental restructuring that is affecting manufacturing globally. Manufacturing has experienced a significant surge in productivity, as the economy has become more competitive. For Michigan, the effect of productivity improvements has been substantial, particularly given that there was more room for improvement in the durable goods and motor vehicle manufacturing sectors to be implemented than in many other sectors, that Michigan is very disproportionately concentrated in motor vehicle manufacturing, and that the motor vehicle industries have become one of the most competitive sectors of the economy. Those factors have been complicated for Michigan as General Motors, Ford, and Chrysler have also lost market share, even as they have made productivity gains, leaving Michigan to lose employment from both productivity and reduced demand. The rapid and drastic decline in automobile sales since late 2008 portends a long and difficult recession for Michigan and certainly one that may be more severe than any in the post-World War II period. During the last decade productivity has risen most significantly in economic sectors in which the Michigan economy is heavily concentrated, such as the motor vehicle industry. Motor vehicle sales have remained mostly flat or experienced slight declines, while Michigan's share of the market has declined markedly. Even after eight years of employment declines, Michigan is still heavily dependent upon sectors that are highly cyclical and likely to continue to experience substantial gains in productivity and declines in employment. Based on data through 2007, Michigan represented 2.8% of the national economy (using gross domestic product by state), yet comprised 4.3% of manufacturing goods employment and 5.2% of durable goods manufacturing employment. In 2007, transportation equipment manufacturing comprised approximately 39.4% of Michigan's durable goods manufacturing employment and Michigan's motor vehicle manufacturing employment comprised approximately one-fourth of the nation's motor vehicle manufacturing employment.

Another way to see how concentrated Michigan is on motor vehicle manufacturing is to examine the share of wage income paid to employees in sectors that produce motor vehicles. In 2007, wages and salaries paid to workers in the motor vehicle manufacturing sector comprised 1.1% of private sector wages and salaries paid nationally, but 9.6% of wages and salaries paid in Michigan. Furthermore, while it is more difficult to quantify, many of Michigan's non-manufacturing sectors rely heavily, either directly or indirectly, on activity in the motor vehicle sector. Average wages in transportation equipment manufacturing are higher than in any other economic sector in Michigan, workers in the transportation equipment manufacturing sector purchase goods and services across the spectrum for their own consumption, and vehicle manufacturers are significant consumers of a variety of goods and services as well. As a result, economic downturns in the motor vehicle sector are transmitted and multiplied throughout the Michigan economy, just as any national or local economic shock is transmitted through the affected economies, but will have a greater proportional impact on Michigan than on any other state or the nation as a whole.

Source:

MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW - FY 2008-09 AND FY 2009-10

May 13, 2009 Senate Fiscal Agency, State of Michigan

## **CURRENT ECONOMIC ENVIRONMENT**

The Michigan economy, as measured by inflation-adjusted personal income, is estimated to decline 3.4% in 2009 and 6.1% in 2010, following the 0.2% decline experienced in 2008. Wage and salary employment is predicted to fall 8.8% during 2009 and 7.2% in 2010. The actual unemployment rate in Michigan stood at 15.2% at the beginning of FY2010, the highest in the nation.

### **Revenue Forecast**

In FY 2009, the economic recession is proving to be much more severe than expected and this is having a significant negative impact on State of Michigan's revenues. The state's General Fund/General Purpose (GF/GP) revenues are forecast to be down 12.2% during the state's FY 2009 compared to FY 2008. SAF revenue will decrease 5.3%. By the end of FY 2010, Michigan's economy is expected to experience renewed economic growth, but it will not be strong enough to generate an overall growth in revenue compared with FY 2009. As a result, in FY 2010, SAF revenue is expected to decline 5.1%. Revenue subject to the revenue limit will remain well below the limit in both FY 2009 and FY 2010.

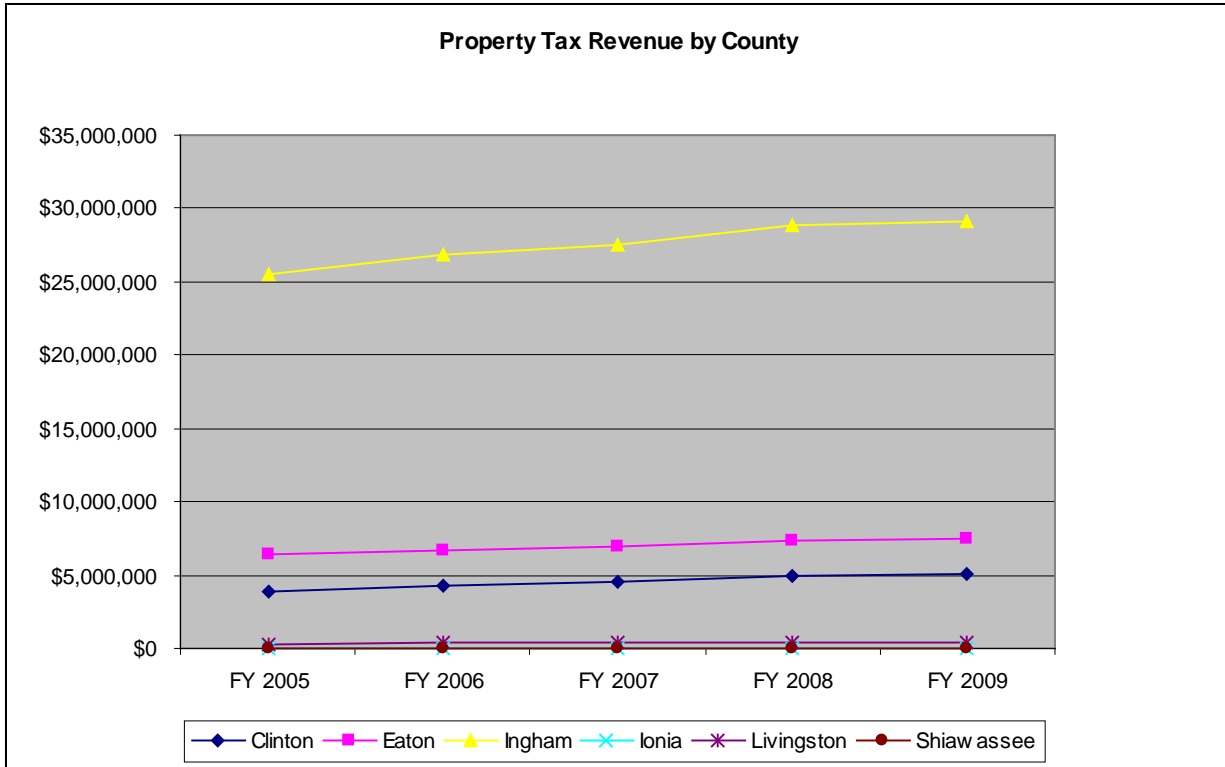
## State Appropriations

The mitigating factor for the state is The American Recovery and Reinvestment Act of 2009 (ARRA). This Act includes the appropriation of \$53.6 billion to states for fiscal relief to the State Fiscal Stabilization Fund. This ARRA funding includes \$39.5 billion for local K-12 school districts and community colleges and universities to be distributed through existing funding formulas. Michigan will receive \$1.3 billion of State Fiscal Stabilization Funds to be distributed through existing K-12 school aid, community colleges, and university funding formulas. These funds will first be used to ensure that appropriations through State funding formulas for K-12 school districts, community colleges, and universities in FY 2009, FY 2010, and FY 2011 at least equal the funding in FY 2008. At best, state appropriations to the College can be expected to be stagnant.

## Property Tax Revenue Trends

Lansing Community College derives its property tax revenues from six contiguous counties (See Appendix Figure 1-2). Property tax revenues provide a significant portion of the total revenues for the College. Prior to FY2007, property tax revenues were higher than any other source of revenue for the College accounting for 37% of total revenue in FY2007. Since then its share of total revenues has steadily declined. Two factors account for this trend. The first is the lack of significant growth in the property tax base. The second is the increase in the percentage of the levy that is deemed uncollectible. The continuous downturn in the Michigan economy and the shift in manufacturing employment continue to have a detrimental impact on the real estate market, to which a national housing crisis has added a slump in property values. The result is a very flat trend in taxable valuation, which in turn results in flat property tax revenues. The five-year history of property tax revenues by county clearly shows this trend.

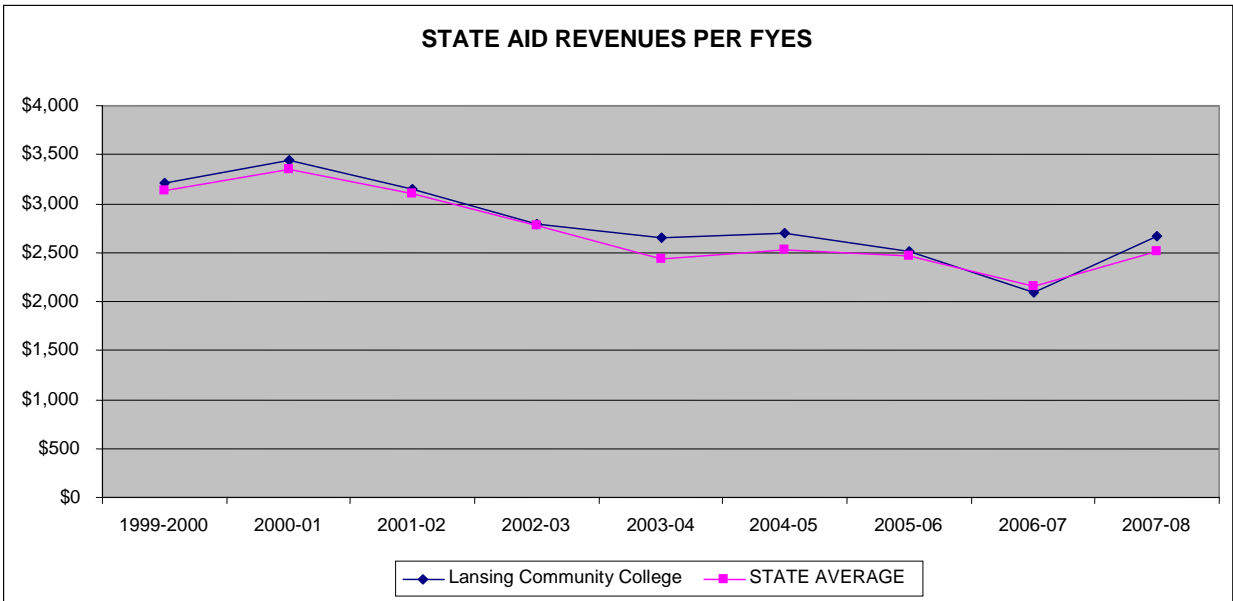
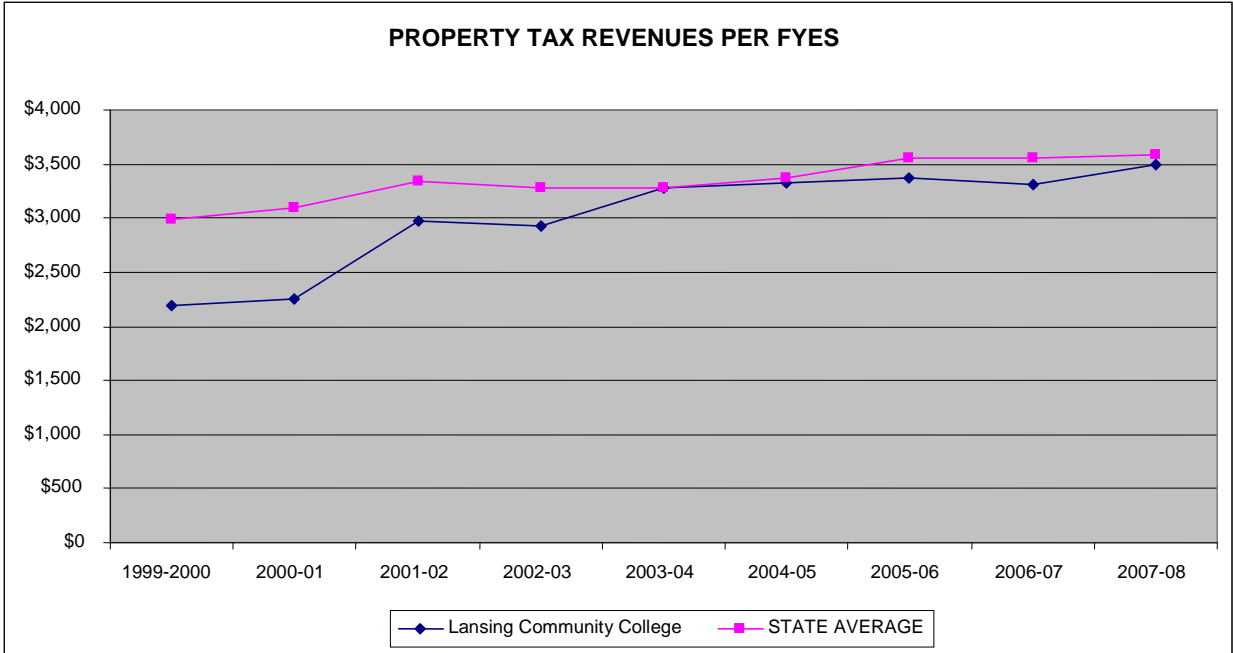
	PROPERTY TAX REVENUES BY COUNTY				
	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
COUNTY					
Clinton	\$3,846,432	\$4,229,233	\$4,552,759	\$4,953,895	\$5,039,409
Eaton	\$6,392,306	\$6,673,925	\$6,957,402	\$7,392,447	\$7,487,618
Ingham	\$25,493,408	\$26,824,729	\$27,457,416	\$28,912,802	\$29,091,533
Ionia	\$18,329	\$18,850	\$19,763	\$22,193	\$22,301
Livingston	\$332,430	\$361,872	\$381,408	\$414,071	\$417,775
Shiawassee	\$23,930	\$24,778	\$25,324	\$26,667	\$27,474
<b>Total</b>	\$36,106,835	\$38,133,388	\$39,394,072	\$41,722,074	\$42,086,110



This trend is expected to continue into the foreseeable future. The contraction in manufacturing employment and the shift to service industry will also continue to buttress this trend.

The second factor having a negative impact on the College's revenues derived from property taxes is also related to the economic environment. Up to FY2007, Property Tax Receivables remaining at the end of the fiscal year brings in at least 50% of the outstanding taxes from the counties. After FY2007, however, the rate of collection has worsened and since then an allowance has been made for only 25% collection. That is, 75% of the outstanding prior-year levied taxes are deemed uncollectible.

While all community colleges are affected by uncertain, stagnant or declining public revenues per Fiscal Year Equated Student (FYES), Lansing Community College has fared worse than the average community college in Michigan and has remained below the state average over the past decade. The latest available data (ACS 2007-08 Data Book & Companion) show clearly this state of affairs in the following two data charts.

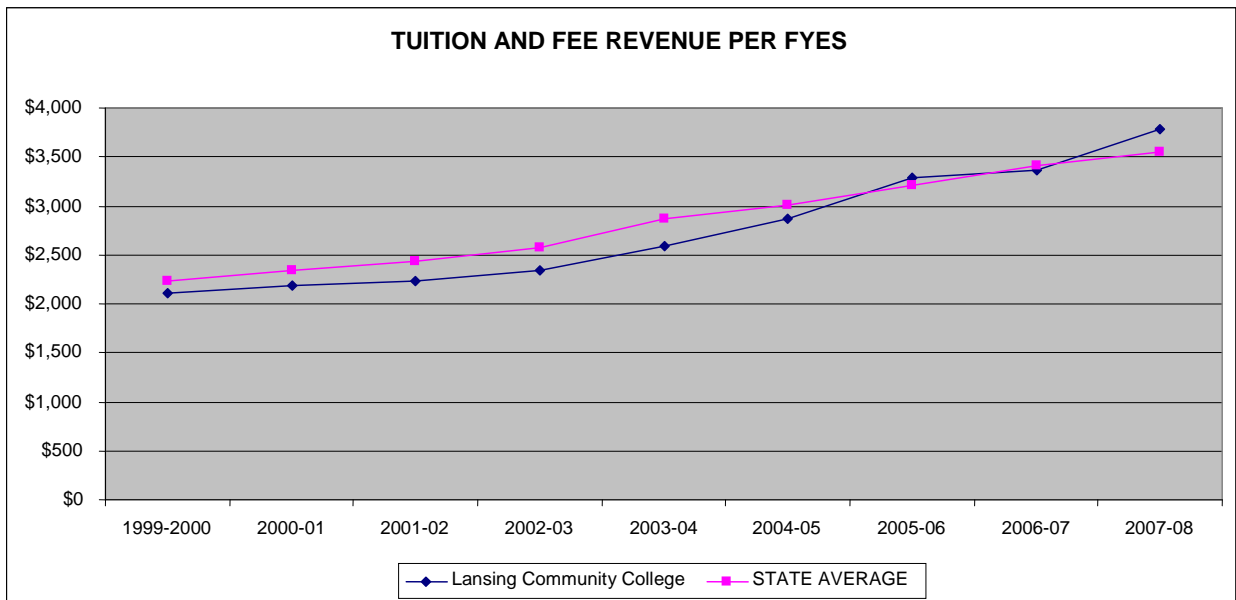


**IMPACT ON FY2010 BUDGET PLANNING**

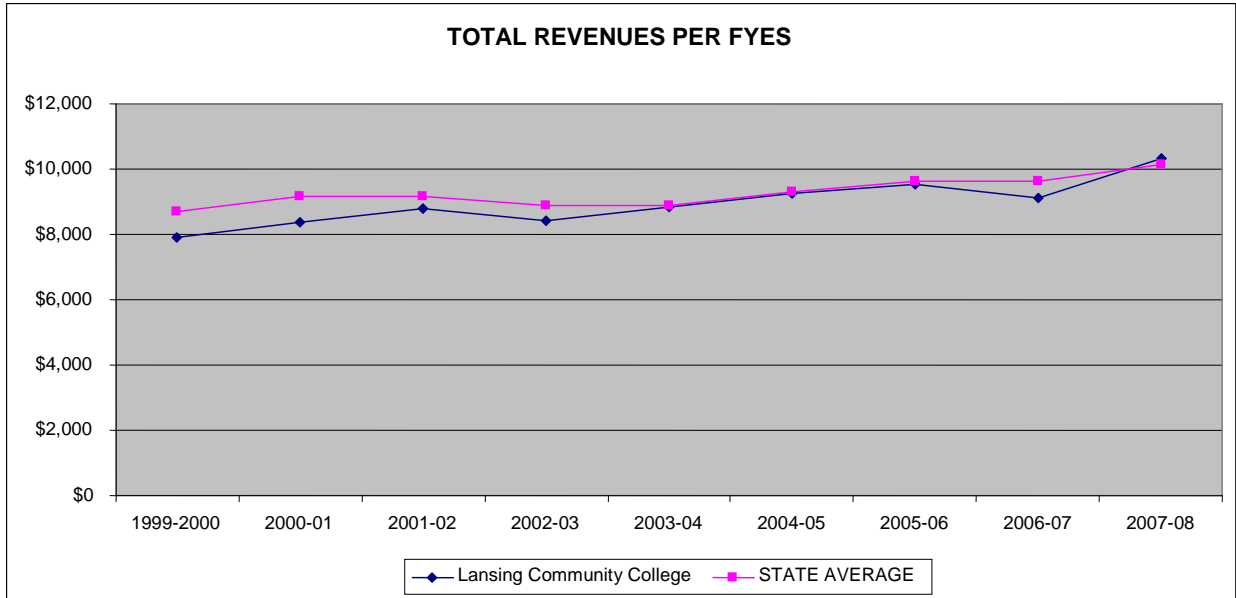
Prior to FY2008, State of Michigan appropriations and property taxes (public revenues) provided more than 60% of the College’s revenues. This percentage has fallen below 60% in the last two fiscal years, and this state of revenues is expected to continue in FY2010 and probably beyond.

Community colleges are able to increase their property tax revenue above the inflation rate only by raising the millage rate, which requires voter approval. In Michigan, property taxes are levied on the assessed taxable value of the property as established by local units, accepted by the County and equalized under State statute at approximately 50% of the current estimated market value. In March 1994, Michigan voters approved Proposal A, which limits annual increases in assessed values to the lesser of 5% or the rate of inflation with assessed value reverting to 50% of true cash value when the property is sold.

Rising costs, stagnant state appropriations, and voter reluctance to increase millage rates leave community colleges with only the option of raising tuition if they wish to maintain or expand programs. And this option has been forced on all the community colleges in Michigan in the past decade. The latest data chart below shows that while public revenues per FYES have been flat or declining, tuition and fee revenue per FYES has been rising steadily.



It appears the community colleges in Michigan have relied on increases in tuition and fees to stabilize their revenues per FYES. As the data chart shows below, combined with stagnant and declining public revenues, the upward trend in tuition and fees revenues has had the effect of preventing total revenue per FYES from declining.



A survey of Michigan’s community colleges appears to suggest that many colleges are planning to increase tuition in FY2010. The planned increases range from 2.42% to 10% for in-district tuition and from 2.82% to 14.82% for out-of-district tuition, with several colleges choosing not to raise tuition. See the Michigan Community College Business Officers Association - Tuition and Fees Survey in the Appendix.

However, raising tuition in the current economic environment can have the unfortunate effect of making a community college education less affordable to many in the region, and this conflicts with Lansing Community College’s strategic goal of accessibility and the objective to “Provide affordable educational opportunities.” The College’s FY2010 budget planning excluded an increase in tuition, and the College has to resort to significant reductions in personnel costs and operating expenditures as well as efficiency enhancements totaling \$9.3 million.

<b>Budget and Strategic Planning Decisions - FY2010</b>	
<b>FINANCIAL IMPROVEMENT INITIATIVES</b>	
<b>Description</b>	<b>Amount</b>
<b>Expenditure Reductions /Revenue Enhancements</b>	
Temporary, Overtime, Student and Contractual Services	\$987,434
College-wide Travel	\$505,952
College-wide Supplies (excluding Instructional Materials)	\$394,801
Print, Copy and Postage	\$365,177
Other Divisional Initiatives - Non-renewal of Various Contracts	\$659,661
Improve Tuition Collection	\$550,000
Enrollment Tuition Growth	\$180,000
Improved Investment Returns	\$150,000
Freeze Administrator Salaries - Level 9 and Above	\$102,366
Other Salary and Benefit Adjustments	\$778,730
Voluntary Retirement Severance Incentive Program	\$1,316,701
<b>Total Expenditure Reductions and Revenue Enhancements</b>	<b>\$5,990,822</b>
Strategic Realignment of Organizational Structures and Positions	\$3,294,503
<b>Total Financial Improvements</b>	<b>\$9,285,325</b>
<b>Expenditure on New Strategic Initiatives</b>	
<b>Academic Programs:</b>	
New Sections and Course Development FY10	\$1,289,472
Workforce Transition CAMW	\$91,942
Increase Learning for Life/Comm Ed	\$177,130
Elder College	\$36,326
Accelerated Nursing Program	\$7,800
<b>Total Expenditure on Academic programs</b>	<b>\$1,602,670</b>
<b>Information Technology Maintenance and Enhancements:</b>	
Classroom Services	\$2,033
Information Technology contractual cost increases	\$24,829
ES Banner 5 Decommissioning	\$70,000
Payment Card Industry (PCI) Compliance PA-DSS	\$37,000
SmartNet for cisco network, telephony, security and wireless equipment	\$183,333
Lansing Area Fiber Ring maintenance	\$39,000
Emerson Network Power	\$2,835
Oracle diagnostics, config mgmt, provisioning, and identity mgmt products	\$128,567
SunGard annual maintenance contract for the Banner ERP System	\$277,865
Software and Site Licenses & Service Fees	\$127,694
Performance Management System (LMS BTL)	\$80,000
Purchase additional Angel disk space	\$10,000
<b>Total Expenditure on Information Technology Maintenance and Enhancements</b>	<b>\$983,157</b>
<b>Other Funded Initiatives:</b>	
Government Relations	\$78,000
Educational Resource Development	\$110,845
Student Assessment - Accuplacer	\$41,000
Staff Development - Supervisor Training & Needs Assessment	\$49,000
<b>Total Expenditure on New Strategic Initiatives</b>	<b>\$2,864,672</b>
Utilities Cost Increase	\$74,540
Liability Insurance Increase	\$46,000
<b>Total Expenditure Increase</b>	<b>\$2,985,212</b>

# Lansing Community College

## Facilities Master Plan Summary

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Lansing Community College is the third largest community college in the State of Michigan, and has experienced rapid enrollment growth in recent years. In the ten years between 1998 and 2007, LCC's fiscal year equated student (FYES) enrollment climbed over 30%, nearly double the increase in the State's aggregate community college enrollment over the same period. Based in downtown Lansing, Michigan, the College serves more than 32,000 students on its two campuses, and at 3 learning centers, 11 areas high schools and 14 specialized facilities located throughout its service district (See Appendix Figure 1-2).

Lansing Community College's current physical plant consists of 21 owned major buildings, and including leased space, totals over 1.7 million square feet of floor space. This includes a parking structure of 318,000 square feet. The College's currently owned space includes 1,474,404 square feet of gross building space. The estimated value of the College buildings exceeds \$305 million dollars.

Founded in 1957, Lansing Community College celebrated its 50th year in 2007. Of the 21 College-owned buildings, four are older than the College itself; these are buildings that were adapted for instructional or College support purposes when downtown Lansing was chosen as a site for the community college. The average age of all buildings is 44 years old, and that presents an ongoing challenge for Physical Plant personnel to maintain adequately to best serve the College's instructional mission.

Finally, Lansing Community College currently has one of the smallest ratios of square feet per fiscal year equated students (FYES) when compared to the space available at Michigan's other 28 community colleges. Even with the completion of multiple building and renovation projects over the past seven years, Lansing Community College is fifth from the last for square feet per FYES compared to other Michigan (See Appendix Figure 1-3).

The age and construction of many of the buildings make it difficult to adapt the facilities to changing programmatic or instructional needs. Renovating these buildings would place a significant burden on the College's budget and still leave the College with inefficient facilities.

## **Adopted Strategic Plan Drives Facilities Planning**

In 2000, the LCC Board of Trustees unanimously adopted the College's first strategic plan, which described the College's vision, mission, motto, guiding principles, goals, areas of priority need, and strategic initiatives designed to assure LCC's continued success in serving the learning needs of a changing community. The plan had a seven-year horizon and included a process for periodic renewals. The Board updated the plan in 2003, and engaged in a renewal process in 2005.

The key steps in LCC's strategic planning and renewal process involve:

- obtaining input from LCC's stakeholders, including faculty, staff, students, local employees, four-year institution partners, and community leaders, through surveys, planning workshops, and open forums;
- conducting research and analysis on topics that are relevant to the well-being and improvement of the entire College and/or major divisions within it;
- analyzing financial factors, such as five-year revenue/cost projections; and
- reviewing the College's quality improvement performance for instructional programs and operational systems.

In 2005, over 3,000 stakeholders provided input on the College's existing strategic plan. Additional research and analysis was conducted on LCC's competitive position; the impact of state and federal government policies and proposals, including trends in state funding; 21st Century job skills; student demographic trends and characteristics; priority community needs; the College's quality improvement process, and a number of other areas identified as integral to the College's future success. This qualitative and quantitative information was used to develop the 2006-11 Strategic Plan, which consists of Statements of Purpose, Strategic Drivers, Areas of Priority Need, Strategic Initiatives, and Results/Metrics. In 2006-07, the President led a group of 55 college stakeholders in operationalizing the strategic plan through the identification and implementation of five strategic goals: accessibility, community, employees, fiscal responsibility, and student success. A complete copy of the College's strategic plan is included in Appendix A. A summary of the strategic drivers and priority needs follows.

### **Strategic Drivers**

Strategic Drivers are the core of the LCC plan. Strategic Drivers flow from the Statements of Purpose, translating intentions into actions that are supported by resource allocation. Drivers take into account current and projected student demographics, characteristics and needs, skills required for 21st Century jobs, as well as many other variables listed in the Introduction, above.

Nearly two-thirds of LCC's current and future students were born after 1980. Researchers refer to these students as "Millennials" and characterize them as team

oriented, public service prone, diverse and diversity advocates, digital media users, high achievers and college bound.

A study commissioned by the North Central Regional Educational Laboratory on 21st Century job skills identified four major skills: (1) digital-age literacy (scientific and economic, technological, visual and informational, multicultural and global); (2) effective communication (teaming, collaboration, and interpersonal; personal, social and civic responsibility; interactive communication); (3) inventive thinking (adaptability, managing complexity, self direction; curiosity, creativity, risk taking; higher-order thinking and reasoning); and (4) high productivity (prioritize, plan, manage for results; effective use of real world tools; relevant, high-quality products). Based on this watershed research, other research, and stakeholder input, strategic drivers will be the primary forces shaping the College's future direction.

### **Areas of Priority Need**

Areas of Priority Need are broad programs and services that College internal and external stakeholders have identified as having the greatest need. The areas identified by stakeholders have a high level of consistency with the priorities identified through research. The programs and services selected as Areas of Priority Need are to receive priority in planning and the allocation of resources. Five Areas of Priority Need were identified:

- Developmental Education
- Health Care
- Math & Science
- Financial Assistance
- Teacher Education (administrators, counselors, paraprofessionals, teachers)

The Facilities Master Plan is driven by the adoption of the strategic plan and in turn is impacted by the other master plans that fall under the strategic plan umbrella. They include the Academic Services Operational Plan, the Instructional Master Plan, the Distributive Learning Master Plan and the Technology Master Plan. All plans speak to continuous improvement. The Facilities Master Plan focused on improving facilities through 2013, especially those that house foundational programs. In 2008 and 2009, Lansing Community College will update the facilities assessment plan to address the new buildings and renovated spaces that have been completed over the last five years. This will provide the Physical Plant with up to date data and a maintenance and replacement plan that will forecast necessary facilities improvements through 2020.

### **Facilities Master Plan Process at LCC**

The strategic plan approved in 2000 created a strong foundation for facilities planning. One of the areas identified for improvement within the strategic plan's foundational focus was classroom-learning environments. Many faculty and students had identified

significant learning interference as barriers to learning. A faculty/staff task force was formed and, along with the Board of Trustees Facilities Sub-committee, identified seven priority “drivers” for facility improvements:

1. Improved space for Technology Programs
2. Improved, larger space for Human Health and Public Services Programs
3. Additional computer classrooms and lab spaces
4. Increase in science labs
5. Removal of “learning-interference” obstacles in general classrooms
6. Improved, on-campus space for shipping/receiving/warehousing
7. Movement of all regular instruction from space located south of Shiawassee and west of Capitol to the campus “core block”

The approved 2000 facilities master plan included construction of four new facilities at Lansing Community College:

- 1) A Michigan Technical Education Center (M-TEC<sup>®</sup>), built, in part, with a \$4 million grant from the Michigan Economic Development Corporation.
- 2) A new Technical Training Center, a facility adjacent to the M-TEC, to house all of the College’s technology programs, as well as its Fire Science and Police Academies.
- 3) A new Health and Human Services Building on the College’s main campus downtown, to consolidate, improve and expand College facilities for health related fields, and
- 4) A new Administration Building to consolidate institutional support functions such as the Executive Office, Purchasing, Human Resources, Accounting & Payroll and the Business Office; functions which were housed in three different campus buildings.

*As new buildings were built and staff and functions moved to these new facilities, many areas in existing buildings were vacated. A second phase of the adopted Facilities Master Plan involved replacing general classrooms in the College’s oldest building with new, state-of-the-art classrooms in renovated space. Renovations were completed for the Gannon building and the Arts & Sciences building that involved renovating 152,134 square feet for improved instructional space. The vacated space on the first floor in the AOF building was renovated to provide a new wood shop for the Tech Careers program, scene shop for the Performing Arts program and Physical Plant shop space.*

### **On-going Initiatives and New Initiatives**

Based on planning conducted in 2000, the College has made substantial progress toward improving its facilities, particularly its instructional space. With a grant from the MEDC and bonds made possible through passage of a millage by district voters in 2001, the College replaced 92 of its current classrooms with state-of-the-art classrooms, and benefited from a net gain of 28 new classrooms (both general and specialized). However, not all needs for improved facility space have been met. Based on a review

of program needs, several priority concepts have emerged for consideration and/or implementation for facility enhancements. They are:

- Campus Beautification – In spring 2005, the College hired a landscape architectural firm to develop a master plan for site improvements at the Main and West Campuses. The site improvements will add perennial flower beds at entrances into buildings and along walkways, new energy efficient exterior lighting to provide improved security and safer walkways, improvements to the amphitheatre, improved ADA access, improved wayfinding and signage. The primary focus of the West Campus improvements would be the addition of walking and fitness paths to promote health and relaxation activities for students and faculty. Improvements at both campuses incorporate utilizing the outdoor environment for science and environmental careers instructional space. In 2007, a new gateway was established with signage and landscaping at the Washington Square and Shiawassee entry to the Main Campus. During the summer of 2008, much attention was focused on tree trimming and replacing overgrown plant material. In late 2008, the landscaping was replaced between Washington Square and Grand Ave. along Shiawassee St. and a new gateway sign will be installed at the corner of Grand Ave. and Shiawassee St. Over the next one to three years, campus wayfinding and signage will be updated to afford better access for students and the public to LCC campuses.
  
- University Center – The University Center was completed in late October 2007 and was opened for instructional purposes in January 2008. The University Center is a partnership between Lansing Community College and six four-year universities and is located on LCC's main campus. Our partner universities offer junior and senior level courses leading to over 30 Bachelors' degrees, and several post-baccalaureate certificates and Masters' degrees.
  
- Science Classrooms – In the past five years, Lansing Community College has experienced an enrollment increase of 47% in its science programs. This remarkable growth has completely saturated our main campus facilities. Indeed, main campus science laboratory and lecture space has been in critically short supply for the past 2 years. For example, virtually all science department laboratories are in continuous operation from 7:30 AM until 10 PM 5 days a week, with considerable use on Saturday as well. Space issues also challenge lecture-based Science classes. Over 37% of science lecture classes on Main campus are offered outside of Science Department facilities. This puts great pressure on general classroom space across campus and also makes it very difficult for instructors to utilize demonstration materials, considered an essential part of science education in any discipline. This growth is driven in large measure by the need to train the applicant pool for LCC's Health Careers programs. The science department currently has 13 science classrooms and laboratories and supplements these facilities with four classrooms in other facilities. Pedagogic and administrative changes have also increased the need for additional instructional space. The growth trends we are seeing for science programs are expected to continue.

Enrollment for Health Careers continues to rise especially with the opening of Lansing Community College's new Health and Human Services Building last year. The Governor's call for increased technical workforce development will place additional demands on our capacity to provide science education for students. The College will need to significantly expand current capacity to meet these growing needs. Again this year, Lansing Community College will submit a Capital Outlay Project Request for an expanded science classroom facility.

- Parking Supply – The Gannon Parking Ramp at the downtown Main Campus was constructed in 1976 with a design life cycle of 30 to 40 years. Due to an aggressive maintenance program, the current usable life of the Gannon ramp is 15 to 20 years. The College has started planning for the replacement of this valuable asset by conducting a feasibility study to construct a new parking ramp on the University Center site. This will provide parking for the University Center and reduce the number of lease spaces the College uses in City of Lansing lots and ramps.
- Academic initiatives being considered and not yet funded:
  - Academic Programs are being reviewed by the Deans Council during program review to analyze program growth, program sustainability, and program ROI in order to validate and prioritize future capital facility projects. An example of the programs being evaluated for possible capital projects include:
    - HHS Third Floor Fit-Out – the balance of the HHS Third Floor (approximately 5,500 sq. ft.) is being planned to provide three general classrooms and additional faculty offices.
    - The SAS Division "One Stop" services in the Gannon Building will be evaluated and possibly redesigned to enhance operational efficiencies and accessibility. This type of renovation would be coordinated to occur during the reconstruction of the sloped glass roof structure and system projected to occur in 2009 or 2010.
    - Hospitality and Performing Arts Programs – program growth and trends in workforce development necessitate studying local need in order to determine viability of a proposal to eventually expand the facilities to support hospitality programs. Regional partnerships are being explored for possibilities to expand the performing arts programs and could be another opportunity to expand the hospitality program.
    - West Campus Auto Center Mezzanine Fit-Out – The mezzanine space in the Auto Center could be converted to three classrooms and indoor storage to accommodate program growth.
    - West Campus - a high bay training facility for industrial, advanced manufacturing, utility pole/line worker training, and construction

technology could be constructed on one of the parcels of vacant land.

- Emergency Management Safety Services – Emergency Operations Center (EOC). With the development and implementation of the EMSS department, an EOC will need to be constructed to provide a centralized location for the coordination of resources, activities and communication to effectively manage an emergency or crisis incident. During non-emergency times, this space will be used as a training center for emergency responders. The facility will have emergency generators for power, lighting, and communications. Currently, HCC 107 is being used for an initial EOC with the Photography Building being contemplated as a permanent location. Financing is needed to move from planning to implementation.

Source: The Facility Master Plan approved October 2008.

## Facilities Master Plan Financing

The adoption of the College's Facilities Master Plan in November of 2000 set the course for future construction and renovation at the College through 2007. The building priorities established in the facilities master plan were an important component of the message to voters in the fall of 2001 regarding the need for financial support. With voter approval of one additional mill in November 2001, the College was positioned to sell bonds by February 2002. Including the February 2002 bond sale, the College has sold bonds in three phases to complete the construction plans outlined in November 2000. Two subsequent bond sales, in April 2003 and in March of 2005, have included refinancing of a portion of bonds sold in 1994, and the February 2002 bond sale. The College issued two new 20-year bonds in 2006 and 2007.

After the last bond was issued in 2007, the College's outstanding bond debt stood as follows:

<b>Bond Sale</b>	<b>Principal as of June 30, 2007</b>	<b>Last Payment Year</b>
2002	\$14,200,000.00	2012
2003	\$16,675,000.00	2022
2005	\$21,740,000.00	2022
2006	\$ 9,900,000.00	2026
2007	\$ 9,470,000.00	2026
<b>Total</b>	<b>\$71,985,000.00</b>	

The terms of all these bond issues were 20 years or less. The College has an excellent bond rating, with insured rates of AAA (S & P), and Aaa (Moody's) for the 2007 College Bonds. No bonds have been issued since, and the College's outstanding bond debt has declined by 11%.

The Facilities Master Plan, which in turn is impacted by the other master plans, has focused on improving facilities through 2013, especially those that house foundational programs. All plans speak to continuous improvement, and the financial impact of this commitment requires the expenditure of over \$3 million annually through 2013 as follows:

Facility Category	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Architectural	\$856,300	\$501,100	\$1,376,500	\$0	\$1,645,000	\$300,000	\$1,975,000
Electrical	\$597,000	\$324,200	\$431,700	\$2,325,385	\$225,000	\$2,139,886	\$0
Envelope	\$0	\$760,000	\$75,000	\$0	\$220,000	\$0	\$80,000
Mechanical	\$680,500	\$600,000	\$547,000	\$725,088	\$175,000	\$593,700	\$45,000
Roof Repair/Replacement	\$190,000	\$685,000	\$0	\$0	\$681,000	\$0	\$260,000
Site Repairs	\$40,200	\$153,800	\$574,800	\$0	\$150,000	\$0	\$200,000
General Maintenance	\$130,500	\$175,500	\$114,500	\$110,500	\$71,500	\$160,500	\$114,000
Site Improvements	\$622,000	\$104,400	\$120,000	\$0	\$0	\$0	\$450,000
<b>Grand Total</b>	<b>\$3,116,500</b>	<b>\$3,304,000</b>	<b>\$3,239,500</b>	<b>\$3,160,973</b>	<b>\$3,167,500</b>	<b>\$3,194,086</b>	<b>\$3,124,000</b>

# **BUDGET PLANNING**

# LANSING COMMUNITY COLLEGE

## BUDGET PLANNING AND FINANCIAL POLICIES

Lansing Community College, in line with its strategic goals of (a) operating as a fiscally responsible institution and (b) being accessible to students by providing affordable educational opportunities, utilizes the college budget as a primary tool of financial oversight and monitoring. The College follows well defined policies to plan and monitor financial activities.

### I. Purpose

The purpose of financial oversight and monitoring is to exercise due diligence by the Board of Trustees over College financial activities through planning and reporting based upon criteria established by the Board as well as other legal requirements and restrictions. This includes budget development, on-going financial monitoring, and compliance with budget and other relevant parameters.

In order to provide better defined policy guidance to the administration and to establish expenditure parameters and define reporting requirements, the College's Board of Trustees annually reviews and approves a budget for all operations and approved capital projects for the ensuing fiscal year. The Board also has the responsibility for selection of an external auditor who will perform an annual audit of the financial records of the College and to render an opinion to the Board as to the financial records conformance with all applicable financial recording and reporting standards.

### II. Scope

The adopted budget serves as a financial plan for the administration as well as a reporting and monitoring mechanism to allow the Board of Trustees, on behalf of the students and public, to exercise appropriate due diligence over the financial affairs of the College.

To conform with relevant professional guidance for higher education arising from the adoption of Sarbanes-Oxley in 2002, the Board of Trustees must exercise clear and transparent due diligence in its oversight of College financial activities and establish reporting and monitoring requirements necessary to fulfill its fiduciary duties.

### III. General

#### A. Required budget elements

1. Breakdown of anticipated revenues by source with comparative actual revenues for the preceding two fiscal years, and an original budget, amended budget and actual for each.
2. Proposed expenditures for each major category with comparative actual expenditures for the preceding fiscal years, and an original budget, amended budget and actual for the preceding and current fiscal year.

#### B. Categorical Reporting Requirements

To provide for meaningful budget comparisons and ease of audit comparison, the budget shall subdivide each organizational division, including the number

of authorized positions by category by division of the College and also in the following category.

Non Capital Equipment

Institutional Expenses

Utilities

Liability Insurance

Professional Services

Purchased Services

Rental Expense

Repair and Maintenance

Supplies

Travel, Training and Conferences

C. The proposed budget will include presentation arranged by the following Activity Classification Structure (ACS) categories:

1. Instruction

2. Information Technology

3. Public Services

4. Instructional Support

5. Student Services

6. Institutional Administration

7. Operations & Maintenance of plant

8. Foundation operations and fund raising

D. No funds shall be transferred out of reserves/contingency funds without prior approval of the Board of Trustees

E. The Board of Trustees shall annually set a vacancy factor for overall salaries and benefits to be utilized in budgetary planning. The vacancy factor will serve to limit over budgeting and help keep tuition and fee costs as low as possible.

F. Any material variances from the adopted revenues or expenditures shall be reported to the Board of Trustees at the next scheduled meeting. Material variances shall be defined as a 5% or greater increase in expected expenditures in a category, or a 2% decline in anticipated revenues in a revenue category. Such report shall identify the reason for such variances, if identifiable, and what actions the administration is taking to address the variances within the adopted budget. The President shall notify the Board if s/he is requesting any amendments to the budget as a result of the expected variances.

G. The President shall be required annually to certify as to the accuracy and completeness of the financial statements as prepared by the College's Chief Finance Officer, who shall be required to certify to the President as to the same.

The financial statements and management letter from the independent external auditor shall be submitted directly to the Board of Trustees with copies to the President and Chief Financial Officer.

### **Budget Amendments**

The President notifies the Board of Trustees if s/he is requesting any amendments to the budget as a result of the expected significant variances due to changes in budget assumptions, realignment or other events that have significant impact on the adopted budget. The Board of Trustees considers the amendment proposal and approves or rejects the proposed amendment.

## **Investment Policy**

Although investment income is not a major source of other revenue for the College, Lansing Community College seeks continuously to enhance revenue where possible, such as increasing returns on investments. The strategic goal of fiscal responsibility influences the activity of income generation through investments. The foremost objective of Lansing Community College's investment program is the safety of the principal of funds. Investment transactions are undertaken in a manner to ensure the preservation of capital in the overall portfolio, and to conform to the following policy.

All College investments must conform to State statutes governing investment of public funds. The following objectives will serve as a guideline for managing and investing the funds of the College. (1) The primary objective is the preservation of capital and the protection of investment principal. (2) The investment portfolio will be designed to attain the best average rate of return while avoiding undue market risks and taking into account cash flow characteristics of the portfolio. The College will strive to control risks by diversifying its investments in different security types and by investing with more than one financial institution. (3) Investments shall be made to assure that funds are available as required through cash flow projections, maturity planning and maintenance of an adequate cash base.

# FY2010 BUDGET ESTABLISHMENT

## TIMELINE OF BUDGET EVENTS

As the President described in his State of the College address, “the College faces a multi-million dollar budget deficit on July 1, 2009. In order for Lansing Community College to fulfill our promise to our students ... we need to continue to ensure the success of our students by providing high quality education and training at the lowest possible cost.”

The following is a detailed outline of the communication and events that led to the Administration’s FY2010 budget proposal:

### December 2008

At the Board of Trustees meeting in December 2008, the President presented a budget forecast for FY2010 and discussed his priorities for and concerns regarding the financial future of the College. His remarks included, but were not limited to, the following points:

- It is true that for today’s purposes, the current fiscal year is not a problem for us. But surely the fiscal year beginning July 1 is a considerable problem as we face a 5% increase in spending while revenue is in decline.
- I stated in my inaugural address that, regardless of funding cuts, we have an obligation... a social contract, with this community to meet their educational needs.
- In times like these, higher education is vital to enable economic growth.
- We have a plan to address these needs. We, as a college community, will work together to refine our plan.
- We can’t expect students to shoulder the shortfall.
- Approximately 25%-30% of our students are eligible for food stamps; a growing number of our students are unemployed. I am very reluctant to increase student charges.
- In order to survive and grow, we MUST focus on our core business of teaching and learning. It’s about Student Success. It’s no longer productive or healthy to attempt to be everything to everyone. We’re here to see that students successfully meet their educational goals.
- We will make every effort to ensure that LCC is a healthy organization now and in the future. Healthy organizations are like healthy people; more productive, leaner, and efficient. In order for this College to survive and grow, we must build a foundation that will lead to a healthy future. That foundation must be solid financially as well as academically.

- My job is to ensure that LCC remains healthy for many years to come - healthy to meet the needs of the community.
- As I have said on many occasions, we have a social contract with students and the community. We must focus our efforts directly on our primary business; educating students, training workers, and supporting economic development.
- We must define and defend our core mission. Any activity or expense that is not part of our core mission will be under scrutiny.
- We are in the midst of a planning glide path, going forward. In the coming months we will curtail activities and I will be on the same path as everyone else. We can't engage in do over's. We will need to change as we go forward.
- In my oath of office, I promised to carry out the duties and responsibilities as Chief Executive Officer of Lansing Community College. I pledged to continuously improve quality and excellence of this institution, to fully implement our vision, mission and guiding principles, and to faithfully serve this institution. I can assure everyone that goal is my singular mission.
- I will do all that I can to ensure a bright tomorrow and a bright future for LCC.
- We are entering a new era in this nation and at Lansing Community College. The future is bright for LCC. We must be more efficient, we must be more effective. By doing so, we will build a better future for the students of this community. We will not only survive, but we will emerge stronger and better.
- I am truly proud to be the President of this great community college. I thank all the employees who have made LCC what it is today. The greater Lansing community is very proud of LCC and understandably so. I will do my utmost to keep it that way.

### January, 2009

In January the Board of Trustees approved the award of a contract to the Marble Leadership Partners to "assist the College in a participatory, transformational change process leading to a student-centered, financially and culturally vibrant institution to best serve our changing region." Deliverables for this contract included, but were not limited to the following:

- Develop student-centered operating models for the College...based on benchmarks and best practices. This includes a review of organizational

structure, business processes, staff compliments, efficiency, cost reduction and redesign where appropriate...

Marble Leadership Partners immediately scheduled planning meetings with senior leaders, community stakeholders, Board members and other nationally recognized community college experts.

### February, 2009

On February 21 the Administration and Trustee Woods received an extensive list of savings opportunities from Dr. Rebecca Beard, President of the Administrative Association/AFT. This list was reviewed by Marble Leadership and Mr. David Hilquist to determine viability and to quantify any potential savings. The recommendations that were determined viable are included in the FY2010 budget as proposed.

On February 25 the Executive Leadership Team (ELT) met to finalize the budget objectives and timeline.

On February 26 President Knight announced the Marble Initiative to the College community in a Campus Communication. Excerpts from that communication are as follows:

"... we have launched a program ...to improve our operations and reduce our costs before July 1 so that we can continue to fulfill our promise. We need to develop a strong, sustainable foundation and cost structure so that we don't balance the budget deficit on students' backs through higher tuition...and so that we can invest in the emerging education needs of our students.

... we have engaged Marble Leadership Partners to help us identify these improvement opportunities. Representatives of the Marble Leadership Partners team are now on campus and have begun their work. Across the campus, the team is conducting interview-style meetings with division leaders and department heads to gain an understanding of each area, how it works, etc. The purpose of these initial meetings is to map improvement and cost savings opportunities that will require further exploration.

Upon review of the initial findings, the team will determine which areas represent the best opportunity to find improvements and cost savings and will perform more detailed research."

### March, 2009

In March the Administration presented the following information to the Board of Trustees regarding the FY2010 Budget Guiding Principles, Process and Timeline:

#### **Guiding Principles**

We must align spending priorities as follows:

1. We must continue to purchase instructional materials, supplies, and equipment to support a healthy learning environment. We must keep technology current.
2. We must continue to maintain and repair facilities, emphasizing preventive maintenance over costly repairs.
3. We must compensate faculty and staff at competitive levels to recruit and retain the most qualified people.

### **FY2010 Baseline Budget and Process**

Divisions will be provided a “status quo baseline” based upon the FY2009 budget. This baseline will be built using the following assumptions:

1. Enrollment planning will assume zero change in actual sections that ran in FY2009. There will be a source of funds available in Academic Affairs for adding sections if needed to meet registration demands.
2. The baseline will assume wage and benefit growth per our contractual commitments and published salary schedules, with no growth in FTEs from currently authorized regular positions.
3. The baseline will assume zero inflationary growth.
4. Divisions are asked to provide expense reduction initiatives, with corresponding impacts, that will reduce the budget within their division by 5% and 10%, respectively. Reductions will be allocated on a priority basis.
5. There will be a source of funds available for creative and innovative initiatives. Initiative requests are required to be submitted, with all corresponding impacts, for all funding changes from the baseline (including planned section increases). Funding will be allocated by priority.
6. Members of the Marble Consulting team worked with divisions to determine areas of opportunity. These results may be incorporated into the FY2010 budget.

### **FY2010 Budget Planning Timeline**

<b>4/20/2009</b>	Present FY2009 reconciliation for approval and FY2010 preliminary budget overview at Board meeting
<b>5/18/2009</b>	Present FY2010 budget proposal at Board workshop prior to Board meeting
<b>6/15/2009</b>	Present FY2010 budget proposal for approval at Board hearing

## April, 2009

In April the Administration proposed, and the Board adopted, the FY2009 budget reconciliation. The President updated the Board that "College leadership continues to plan next year's budget, including a prioritization of new initiatives and cost-saving measures. We plan on presenting a baseline FY2010 budget at the May 18 Board meeting."

During April Marble Leadership confirmed that there were numerous opportunities for cost savings. These included several million dollars worth of non-personnel related opportunities as well as the need to realign positions. The Administration began development of a Voluntary Retirement/Separation Incentive Program (VR/SIP) at that time.

## May, 2009

On May 4 the Administration proposed, and the Board authorized the VR/SIP and authorized the President to immediately begin negotiations with the collective bargaining units regarding same.

On May 5 the ELT met to prioritize the requested increases from the divisions and agreed to request funding for absolute necessities and those costs that are related to revenue generation.

On May 11 the Administration proposed, and the Board approved ratification of the VR/SIP for all current full-time employees with 20 or more years of LCC service (including part-time service) as of December 31, 2009, subject to College approval.

The Voluntary Retirement/Separation Incentive Program provisions and implementation plans include:

- incentive payments consisting of 50% of annual base salary
- information packets mailed to eligible employees 5/4/09
- application period ending on 5/22/09
- information meetings on campus during the application period
- approval, modification or disapproval of applications by 6/5/09
- exit dates ranging from 6/30/09 through 6/30/10

The College had the right to cap the number of approved requests for participation at 75 or any larger number. Approval or rejection of requests was based on the best interests of the College, using such criteria as the need to cover program operations and assure appropriate transition, the need to retain an employee's expertise, the need for and cost of replacing an employee, and the savings to be realized by the retirement or separation.

On May 18 the Administration presented a baseline budget to the Board. This budget included increases in non-discretionary and revenue producing expenses as prioritized by the ELT. The baseline budget included a projected deficit of \$8.9 million (verbally adjusted to \$9.3 million based upon health insurance rate increases received the day of the meeting).

At the same meeting, Marble Leadership, after consulting with the College's finance leadership, presented a list of proposed financial opportunities that were projected to close the budget gap by approximately \$4 million. In addition, the Board of Trustees approved a resolution authorizing President Knight to take all steps necessary, within the parameters set in closed session, to eliminate positions and separate staff from the College as a last resort to closing the budget gap.

Marble Leadership reported using the following processes to collaboratively solicit input:

- Interviews with on-campus leaders across the College
- Received feedback from 272 contributors: faculty (27%), staff (55%), students (14%), community (4%)
- Solicited input from Labor Coalition members in separate meetings
- Held town-hall style meetings with the President and employees

Marble Leadership considered over 450 suggestions, and proposed a list of Non-Personnel Expenditure Reduction Opportunities:

- Migrate printing/mailing to electronic formats
- Reduce travel and transportation expenses via budget, policy, and better travel services
- Continue detailed analysis of space utilization to reduce facilities cost
- Reduce external publication costs and internal print and copy costs
- Freeze pay increases for non-bargaining unit executives for next two years
- Reduce postage costs
- Refocus Wellness program
- Reduce catering expenses at college events including internal meetings
- Reduce legal expenses through closer monitoring of outside counsel
- Evaluate all property and casualty insurance policies to look for lower costs, including evaluation of deductibles
- Cancel exclusivity agreement for personal computer purchases and rebid for lower costs
- Conduct audit to ensure that dependents claimed on employee insurance are valid
- Reduce number of cell phones issued to staff
- Outsource mail presorting to State of Michigan
- Eliminate select subscriptions to IT information services
- Convert paper-intensive filing processes to electronic scanning
- Eliminate manual collection of insurance premiums for part-time employees
- Clarify and enforce existing policies regarding non-instructional expenditures
- Leverage existing city/state contracts for purchasing services and supplies
- Increase profitability of on-campus dining and vending suppliers
- Investigate higher-value alternatives to StarCard
- Improve investment yields on college restricted and on-deposit general funds
- Freeze all open positions and enforce strict analysis for position requests
- Increase employee access and responsibility for personal HR information
- Automate HR workflows and manual processes
- Automate process for employee benefits enrollment

- Rationalize and reduce use of outside contractors and temp agencies via budget and policy
- Rationalize and reduce overtime via budget and policy
- Reduce energy expenses by conducting energy audit sponsored by LCC's Alternative Energy program
- Participate with State of Michigan in regular sales of excess and used assets
- Reevaluate all blanket purchase orders
- Reduce charging limits on P-cards
- Reduce institutional membership, charitable, and civic expenditures
- Reduce marketing and public relations expenditures
- Focus quality efforts on AQIP
- Improve collections of delinquent tuition
- Cancel LCC's membership in country club
- Develop one-stop ability for all student administrative services
- Eliminate contribution to fund Board of Water & Light *Go Green* initiative
- Review grants to confirm full payment and determine opportunities for indirect cost recovery

*Note: The range of estimated savings when fully realized is between \$3-\$4mm. However, some of the estimated savings will not be fully realized in FY 2009-10.*

The ELT met on May 26 to validate the savings opportunities proposed by Marble Leadership and agreed to include these in the proposed budget. In addition, ELT members were asked to defend any of the VR/SIP requests to remain beyond June 30. The ELT also agreed to the proposal for the VR/SIP positions that provided saving opportunities through realignment or elimination. All teaching faculty were to be replaced as soon as possible.

The ELT met on May 26 and reviewed the 31 Voluntary Retirement-Separation Incentive Program applications that were submitted. All applications were approved, although alternative departure dates have been proposed for several employees, subject to the applicants' acceptance.

Twelve of the applicants are teaching faculty. Lansing Community College will maintain the current College-wide complement of full-time teaching faculty, prioritizing assignments to areas of greatest need. Other positions were reviewed to determine whether they needed to be replaced, and if so, at what level.

### June, 2009

At a special meeting of the Board of Trustees on June 4, the Administration provided information on the status of the FY2010 budget. On June 15, 2009, after a lengthy public hearing on the proposed budget, it was adopted by the Board of Trustees.

## Fiscal Year 2010 Proposed Budget

### Revenues

Total revenues are projected to exceed \$124 million.

State Appropriations – The State's FY10 appropriation to Lansing Community College is assumed to remain flat from the base funding as provided by the State in the FY09 appropriation.

Property Taxes – For FY10, property tax revenue is estimated to decrease by 3.0%. Taxable values are estimated to remain flat. The College is anticipating an increase in uncollectible property taxes and has included a conservative assumption for uncollectible property taxes in both FY09 and FY10. This overall decrease of 3.0% compares to increases of 0.8% in FY09, 5.9% in FY08 and 3.8% in FY07. The College's millage rate will remain at 3.8072 mills.

Tuition and Fees – \$50,144,681 in tuition and fees assumes approximately a 3.0% increase in enrollments and no increase in tuition rates. Course fee increases that have been previously approved by the Board are included.

In addition to course related revenue, registration fees, facility fees, virtual fees, BCI tuition-based contracts, Extension and Community Education (ECE) and the English Language Culture Center (ELCC) contribute to total tuition and fee revenue.

Uncollectible tuition in FY10 is projected at \$700,000 compared to over \$1,000,000 in FY09. The College anticipates more strictly enforcing collections and reducing the percentage of bad debt in FY10. This is an offset to Tuition and Fee Revenue.

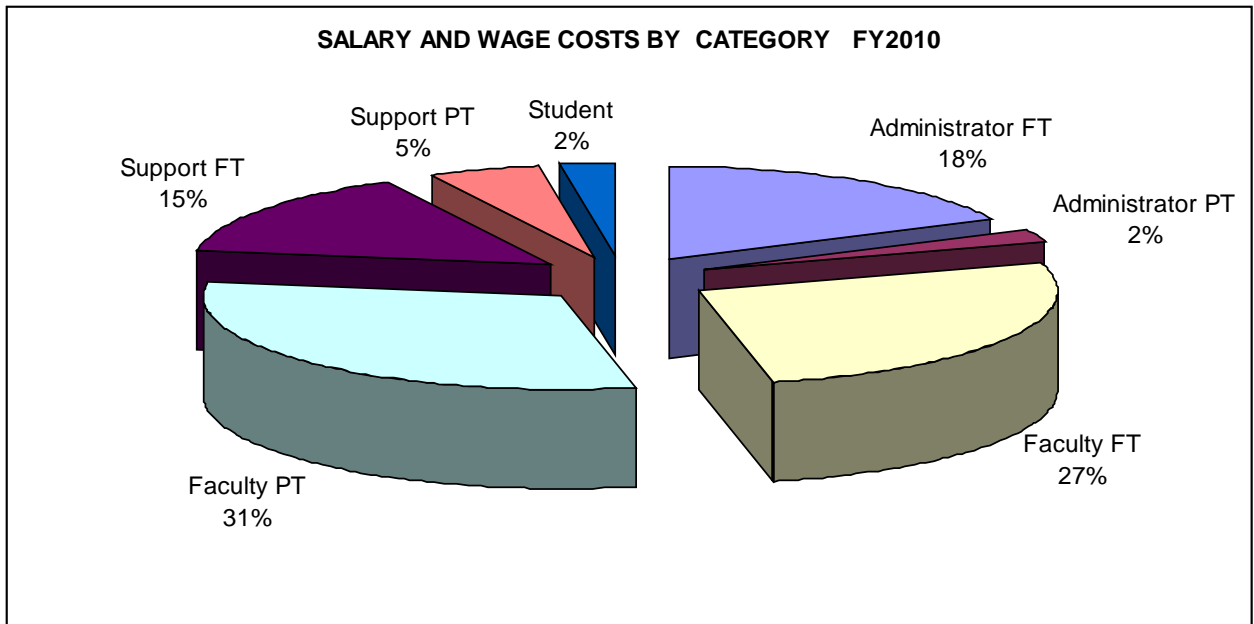
Other Revenues – Other revenues include contracted training (non credit) from the Business and Community Institute (BCI), the College's contracts with the Eaton Intermediate School District (EISD) and the Clinton County Regional Educational Services Agency (CCRESA), interest income, revenue from the Capital Quality Initiative (CQI), University Center income, rental income, sales of miscellaneous items and other miscellaneous revenues and fees (such as graduation fees, summer camps, fitness memberships, etc.). The College projects an increase in Other Revenue from the prior year of 4.7%. This is due to the projected increase in investment income.

## Summary of Fiscal Year 2010 General Fund Revenues

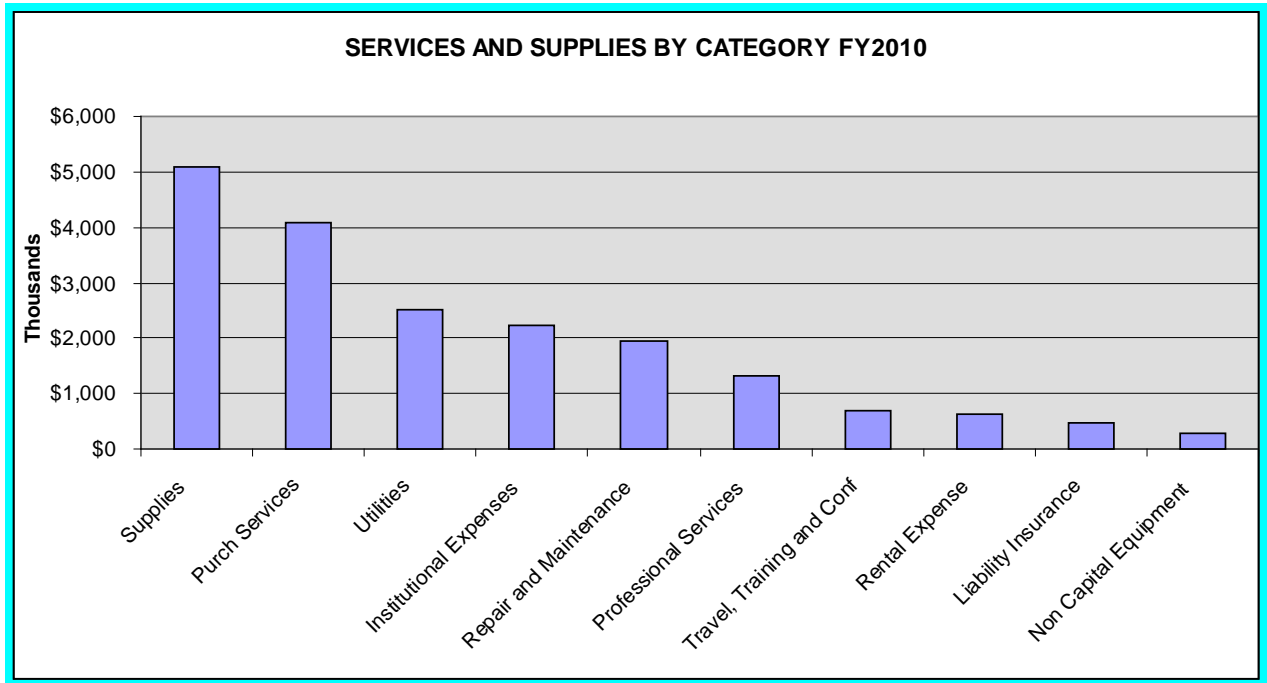
<b>General Fund Revenues</b>					
<b>Total Revenues</b>	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Budget as Amended</b>	<b>2010 Proposed</b>	<b>Percent Increase 2009 to 2010</b>
State Appropriations	\$ 25,019,900	\$ 31,810,203	\$ 29,762,500	\$ 29,762,500	0.0%
Property Taxes	\$ 39,394,072	\$ 41,722,075	\$ 42,086,110	\$ 40,825,000	-3.0%
Tuition and Fees	\$ 39,948,701	\$ 44,867,839	\$ 48,375,209	\$ 50,144,681	3.7%
Other Revenue	\$ 2,881,582	\$ 3,919,554	\$ 3,358,000	\$ 3,516,489	4.7%
<b>Total</b>	<b>\$107,244,255</b>	<b>\$122,319,671</b>	<b>\$123,581,819</b>	<b>\$124,248,670</b>	<b>0.5%</b>

### **Operating Budgets**

Salaries, Wages, and Benefits – Salaries and benefits will comprise 68.9% of all general fund expenditures in FY10. This is compared to 66.07% in FY09 amended budget. The College's contribution to the Michigan Public School Employees Retirement System will be 16.94% compared to wages and salaries beginning in October 2009. Only those full-time administrators and faculty who have chosen the College's optional retirement program (ORP) do not participate in MPERS. The College pays 12% of salaries for those individuals selecting the ORP. Health care costs are projected to increase by 13.8% with employee cost sharing bringing the College increase to approximately 11%. Other benefit costs include social security payroll taxes, tuition benefits, life and disability insurance, and workers' compensation. The College grants sabbatical leaves to various full-time faculty members to enhance their professional competence. The instructors remain on the College's payroll while on leave, and the related compensation is recorded in the fiscal year the leave is taken. For FY 2010 sabbatical leaves have been approved for 17 instructors.



Services and Supplies – Services and supplies are increasing 5.4% over FY09 amended budget. This includes the projected financial improvement initiatives.



Contingency – The proposed Contingency budget for FY10 is \$1,243,000 or 1% of the proposed expenses.

**Transfers**

Child Care Scholarships - It is anticipated that \$254,142 will be sufficient for FY10. This is the same level as FY09.

Institutional Scholarships - It is proposed that the budget for institutional scholarships be maintained at the FY09 level of \$1,271,958. This budget funds departmental, honors, athletic, and Board of Trustees scholarships.

### Capital Budgets

Major Equipment - The current year budget is proposed at the same rate as the FY09 (less one-time purchases) inflation rate for a total of \$1,414,500.

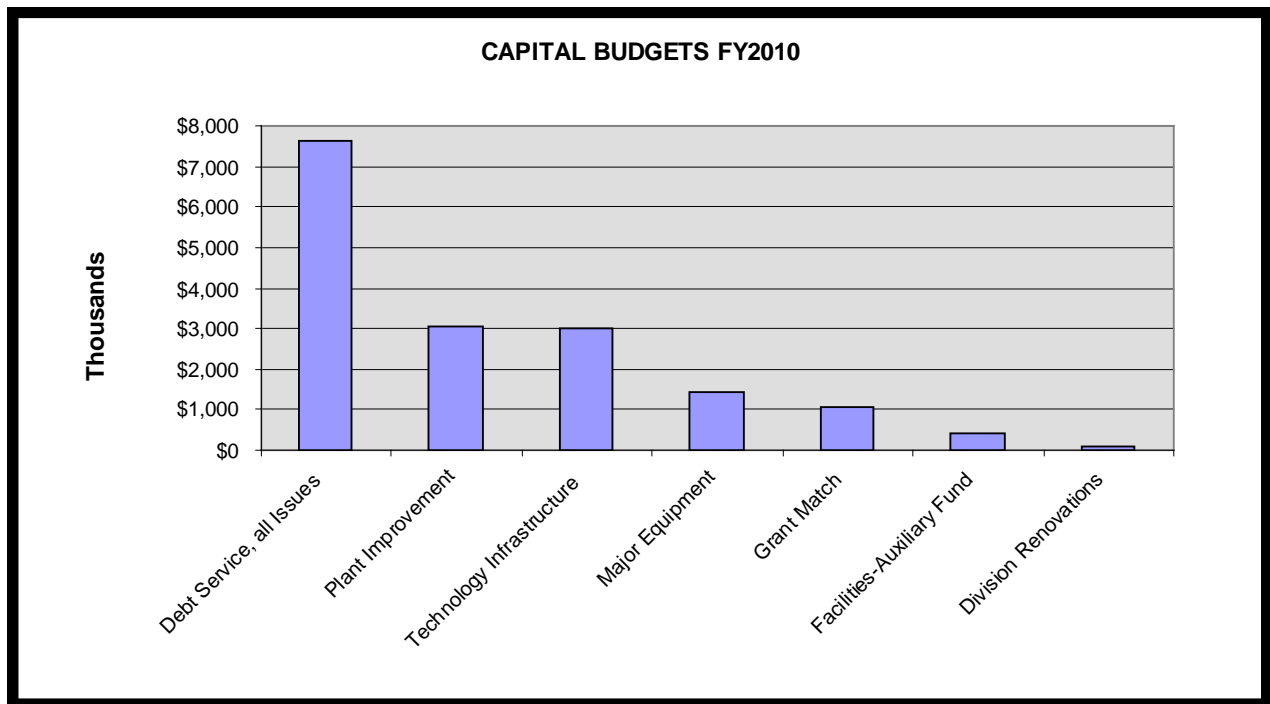
Debt Service - \$7,609,684 million is budgeted here for principal and interest payments and includes the two recent bond issues.

Plant Improvement – The current year budget is proposed at the same rate as FY09, for a total of \$3,075,000. The College currently owns and maintains approximately 1.5 million square feet of space.

Technology Infrastructure – The current year budget is proposed at the same rate as FY09 (less one-time purchases) for a total of \$3,000,000. The College has restored this funding to levels necessary to maintain technology infrastructure.

Division Renovations – This is a new Capital Project budget based upon a need identified during FY09. The current year budget is proposed at \$87,125.

Facilities Auxiliary Fund – The current year budget is proposed at the same rate as FY09, for a total of \$400,000.



### Tuition Increase Considerations

The College's current in-district tuition rate of \$73 is below the current year state-wide average. Attachment G titled "Michigan Community College Business Officers Association – Tuition and Fee Survey" shows current and projected tuition increases for the State's 28 community colleges.

The following table shows a comparison of current tuition to state averages (assuming Lansing Community College with zero increase).

<b>Tuition Rate Comparison</b>			
	<b>LCC Current</b>	<b>State Average Current</b>	<b>State Average Projected FY2010</b>
In-District	\$73.00	\$74.04	\$77.01
Out-of-District	\$134.00	\$120.53	\$125.14
Out-of-State	\$201.00	\$163.18	\$169.52
International	\$201.00	\$163.18	\$169.52

**BUDGET DETAIL**

**AND**

**FINANCIAL**  
**INFORMATION**

# LANSING COMMUNITY COLLEGE

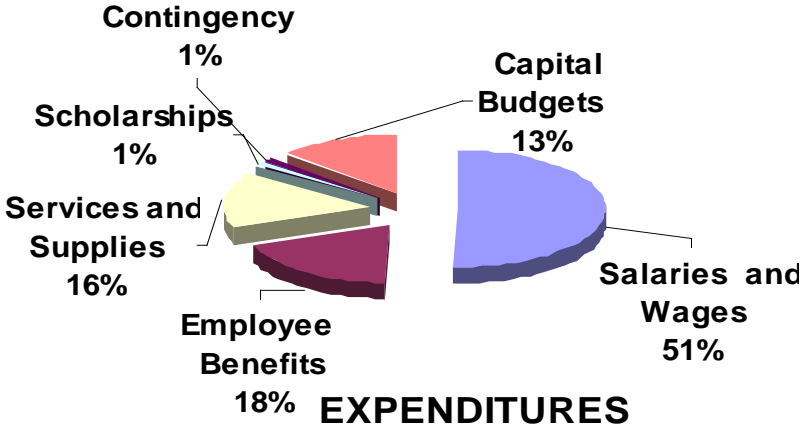
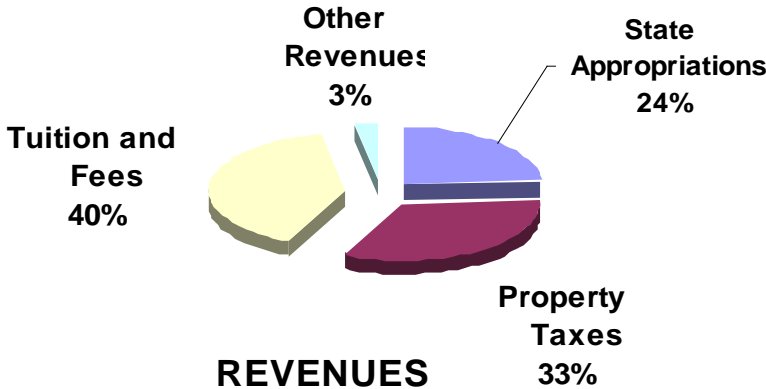
## Operating and Capital Budgets

### Proposed Budget Fiscal Year 2010

	<b>Total Proposed FY2010 Budget</b>	
<b><u>Revenues</u></b>		
State Appropriations	\$29,762,500	
Property Taxes	\$40,825,000	
Tuition & Fees	\$50,144,681	
Other Revenues	\$3,516,489	
Use of Fund Balance	\$0	
Total Revenues		\$124,248,670
<b><u>Operating Budgets</u></b>		
Salaries & Wages	\$62,675,400	
Employee Benefits	\$22,888,849	
Total Salaries + Benefits	\$85,564,250	
Services & Supplies	\$19,283,391	
General Institutional Scholarships	\$1,271,958	
Child Care Scholarship	\$254,142	
Total Operating Budgets		\$106,373,741
Contingency		\$1,243,000
<b><u>Capital Budgets</u></b>		
Grant Match	\$1,045,620	
Major Equipment	\$1,414,500	
Debt Service, all Issues	\$7,609,684	
Plant Improvement	\$3,075,000	
Technology Infrastructure	\$3,000,000	
Division Renovations	\$87,125	
Facilities-Auxiliary Fund	\$400,000	
Total Capital Budgets		\$16,631,929
<b>Total Allocation/Expenditures</b>		<b>\$124,248,670</b>
<b>Change in Net Assets</b>		<b>\$0</b>
<b>Total change in unrestricted net assets</b>		<b>\$0</b>
<b>Unrestricted General Fund Beg of Year</b>		<b>\$18,605,129</b>
<b>Unrestricted General Fund End of Year</b>		<b>\$18,605,129</b>
<b>Unrestricted Gen. Fund Target (10% Exp)</b>		<b>\$12,424,867</b>

**LANSING COMMUNITY COLLEGE**  
**MAJOR SOURCES OF REVENUES AND EXPENDITURES**

Proposed Budget Fiscal Year 2010



# LANSING COMMUNITY COLLEGE

## Comparison of Proposed FY2010 Budget to FY09 Projected

	Fiscal Year 2009	Fiscal Year 2010	Change from FY2009	Change %
	Projected	Proposed		
<b><u>Revenues</u></b>				
State Appropriations	\$29,762,500	\$29,762,500	\$0	0%
Property Taxes	\$42,086,110	\$40,825,000	(\$1,261,110)	-3%
Tuition & Fees	\$48,375,209	\$50,144,681	\$1,769,472	4%
Other Revenues	\$3,358,000	\$3,516,489	\$158,489	5%
Use of Fund Balance				
<b>Total Revenues</b>	<b>\$123,581,819</b>	<b>\$124,248,670</b>	<b>\$124,248,670</b>	<b>1%</b>
<b><u>Operating Budgets</u></b>				
Salaries & Wages	\$61,462,374	\$62,675,400	\$1,213,026	2%
Employee Benefits	\$22,361,491	\$22,888,849	\$527,358	2%
<b>Total Salaries + Benefits</b>	<b>\$83,823,865</b>	<b>\$85,564,250</b>	<b>\$1,740,384</b>	<b>2%</b>
Services & Supplies	\$20,377,584	\$19,283,391	(\$1,094,193)	-5%
General Institutional Scholarships	\$1,271,958	\$1,271,958	\$0	0%
Child Care Scholarship	\$254,142	\$254,142	\$0	0%
<b>Total Operating Budgets</b>	<b>\$105,727,549</b>	<b>\$106,373,741</b>	<b>\$646,191</b>	<b>1%</b>
Contingency	\$1,269,000	\$1,243,000	(\$26,000)	-2%
<b><u>Capital Projects</u></b>				
<b><u>Banner Costs</u></b>				
Banner backfill	\$322,136	\$0	(\$322,136)	-100%
Banner Phase II	\$453,973	\$0	(\$453,973)	-100%
<b>Banner</b>	<b>\$776,109</b>	<b>\$0</b>	<b>(\$776,109)</b>	<b>-100%</b>
<b><u>Capital Budgets</u></b>				
Grant Match	\$1,045,620	\$1,045,620	\$0	0%
Major Equipment	\$1,614,500	\$1,414,500	(\$200,000)	-12%
Debt Service, all Issues	\$7,602,455	\$7,609,684	\$7,229	0%
Plant Improvement	\$3,075,000	\$3,075,000	\$0	0%
Technology Infrastructure	\$3,320,000	\$3,000,000	(\$320,000)	-10%
Division Renovations	\$87,125	\$87,125	\$0	0%
Facilities-Auxiliary Fund	\$400,000	\$400,000	\$0	0%
Capital Projects - 2009	\$1,950,000	\$0	(\$1,950,000)	-100%
<b>Total Capital Budgets</b>	<b>\$19,094,700</b>	<b>\$16,631,929</b>	<b>(\$2,462,771)</b>	<b>-13%</b>
<b>Total Revenues</b>	<b>\$123,581,819</b>	<b>\$124,248,670</b>	<b>\$666,851</b>	<b>1%</b>
<b>Total Allocation/Expenditures</b>	<b>\$126,867,358</b>	<b>\$124,248,670</b>	<b>(\$2,618,689)</b>	<b>-2%</b>
<b>Change in Net Assets</b>	<b>(\$3,285,539)</b>	<b>\$0</b>	<b>\$3,285,539</b>	<b>-100%</b>
Use of Desig Funds - Tuition Stabilization	\$3,154,654	\$0	(\$3,154,654)	-100%
<b>Total change in unrestricted net assets</b>	<b>(\$130,885)</b>	<b>\$0</b>	<b>\$130,885</b>	<b>-100%</b>
Unrestricted General Fund Beg of Year	\$18,736,014	\$18,605,129	(\$130,885)	-1%
Unrestricted General Fund End of Year	\$18,605,129	\$18,605,129	\$0	0%
<b>Unrestricted Gen. Fund Target (10% of Exp)</b>	<b>\$12,686,736</b>	<b>\$12,424,867</b>	<b>(\$261,869)</b>	<b>-2%</b>

## Summary Table of Budgeted Fulltime Positions FY2008 – FY2010

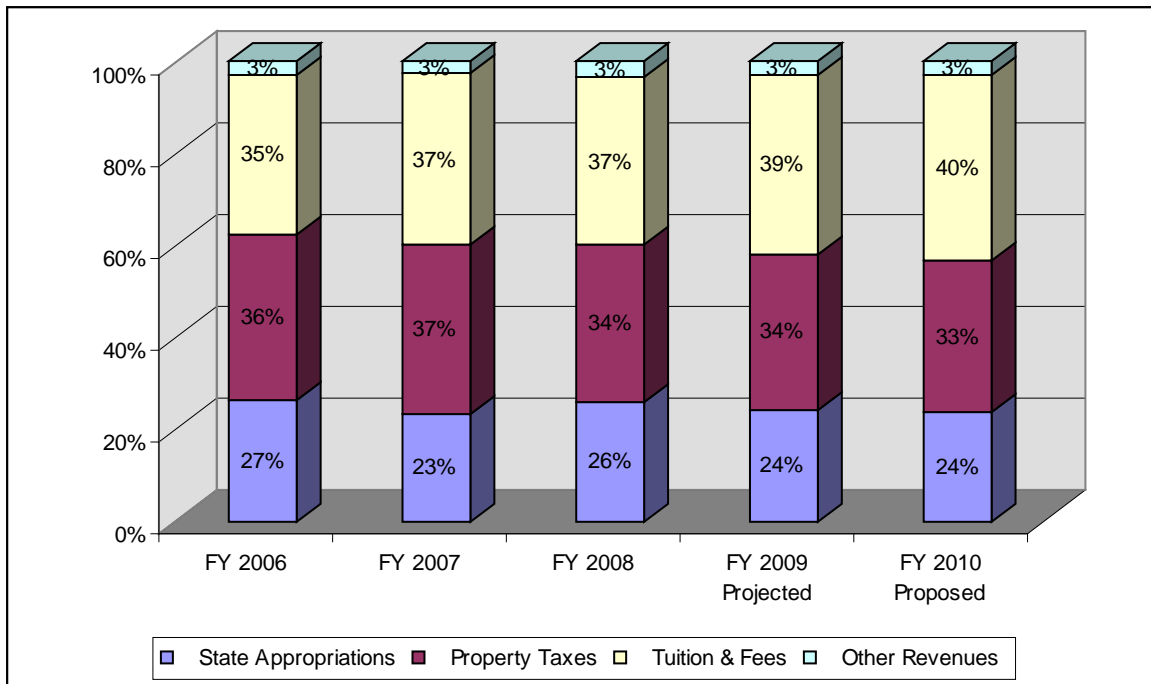
Division	Job Type	FY2008	FY2009	FY10 Proposed	Change from FY2009
Academic Affairs	Administrative	3	4	3	(1)
	Faculty	3.5	3.94	2.94	(1)
	Support	2	3	2	(1)
<b>Academic Affairs Total</b>		<b>8.5</b>	<b>10.94</b>	<b>7.94</b>	<b>-3</b>
Administrative Services	Administrative	11	11	6	(5)
	Support	48	41	38	(3)
<b>Administrative Services Total</b>		<b>59</b>	<b>52</b>	<b>44</b>	<b>-8</b>
Advancement & External Affairs	Administrative	1	11.61	10.1	(1.51)
	Faculty	0	0	0	0
	Support	2	12.65	9.15	(3.5)
<b>Advancement &amp; External Affairs Total</b>		<b>3</b>	<b>24.26</b>	<b>19.25</b>	<b>-5.01</b>
BCI/Corporate College	Administrative	10	8	8	0
	Faculty	1	0	0	0
	Support	7	7	7	0
<b>BCI/Corporate College Total</b>		<b>18</b>	<b>15</b>	<b>15</b>	<b>0</b>
Board of Trustees	Administrative	3	3	1	(2)
	Support	1	1	0	(1)
<b>Board of Trustees Total</b>		<b>4</b>	<b>4</b>	<b>1</b>	<b>-3</b>
Business Media & Information Technologies	Administrative	6	5	4	(1)
	Faculty	45	46	45	(1)
	Support	5	5	5	0
<b>Business Media &amp; Information Technologies Total</b>		<b>56</b>	<b>56</b>	<b>54</b>	<b>-2</b>
Financial Services	Administrative	12	13	12	(1)
	Support	17	189	16.75	(1.25)
<b>Financial Services Total</b>		<b>29</b>	<b>31</b>	<b>28.75</b>	<b>-2.25</b>
Human Health & Public Services	Administrative	15	16.33	14.5	(1.83)
	Faculty	27.5	27.99	27.99	0
	Support	7	7	8	1
<b>Human Health &amp; Public Services Total</b>		<b>49.5</b>	<b>51.32</b>	<b>50.49</b>	<b>-0.83</b>
Human Resources	Administrative	8	7	9	2
	Faculty			.5	.5
	Support	6	5	1.25	(3.75)
<b>Human Resources Total</b>		<b>14</b>	<b>12</b>	<b>10.75</b>	<b>-1.25</b>
Information Technology Services	Administrative	12	18	18	0
	Faculty			1	1
	Support	14	19	24	5
<b>Information Technology Services Total</b>		<b>26</b>	<b>37</b>	<b>43</b>	<b>6</b>
Liberal Studies	Administrative	13.75	17.75	17.75	0
	Faculty	74.44	102.5	101.75	(0.75)
	Support	12	16.23	15.23	(1)
<b>Liberal Studies Total</b>		<b>100.19</b>	<b>136.48</b>	<b>134.73</b>	<b>-1.75</b>
Office of the President	Administrative	4	3	3	0
	Faculty			0.25	0.25
	Support	4	3	3	0
<b>Office of the President Total</b>		<b>8</b>	<b>6</b>	<b>6.25</b>	<b>0.25</b>
Quality Planning & Economic Development	Administrative	5		0	0
	<i>Eliminated</i> Support	3.5		0	0
<b>Quality Planning &amp; Economic Development Total</b>		<b>8.50</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
SAS/Strategic Enrollment Management	Administrative	28.25	18.74	18.56	(0.18)
	Faculty	45.56	17.6	10.27	(7.33)
	Support	51	38	37.69	(0.31)
<b>SAS/Strategic Enrollment Management Total</b>		<b>124.81</b>	<b>74.34</b>	<b>66.52</b>	<b>-7.82</b>
Strategic Planning & Partnerships	Administrative	8	9	10	1
	Faculty	3	3	1	(2)
	Support	3	8	8	0
<b>Strategic Learning Partnerships Total</b>		<b>14</b>	<b>20</b>	<b>19</b>	<b>-1</b>
Technical Careers	Administrative	7	6	6	0
	Faculty	32	31	27	(4)
	Support	7	7	5	(2)
<b>Technical Careers Total</b>		<b>46</b>	<b>44</b>	<b>38</b>	<b>-6</b>
<b>Grand Total</b>		<b>568.5</b>	<b>574.34</b>	<b>538.68</b>	<b>-35.66</b>

# LANSING COMMUNITY COLLEGE

## SOURCES OF REVENUE

### Five Year Trend

	FY 2006	FY 2007	FY 2008	FY 2009 Projected	FY 2010 Proposed
State Appropriations	\$28,323,200	\$25,019,900	\$31,810,203	\$29,762,500	\$29,762,500
Property Taxes	\$38,133,388	\$39,394,072	\$41,722,075	\$42,086,110	\$40,825,000
Tuition & Fees	\$37,046,587	\$39,948,701	\$44,867,839	\$48,375,209	\$50,144,681
Other Revenues	\$3,128,504	\$2,881,582	\$3,919,554	\$3,358,000	\$3,516,489
<b>Total Revenues</b>	<b>\$106,631,679</b>	<b>\$107,244,255</b>	<b>\$122,319,671</b>	<b>\$123,581,819</b>	<b>\$124,248,670</b>



**LANSING COMMUNITY COLLEGE  
OPERATING AND CAPITAL BUDGETS**

**Five Year History**

	FY2005	FY 2006	FY 2007	FY 2008	FY 2009
	Actual	Actual	Actual	Actual	Projected
<b><u>Revenues</u></b>					
State Appropriations	\$29,243,500	\$28,323,200	\$25,019,900	\$31,810,203	\$29,762,500
Property Taxes	\$36,106,835	\$38,133,388	\$39,394,072	\$41,722,075	\$42,086,110
Tuition & Fees	\$30,883,698	\$37,046,587	\$39,948,701	\$44,867,839	\$48,375,209
Other Revenues	\$2,929,780	\$3,128,504	\$2,881,582	\$3,919,554	\$3,358,000
Use of Fund Balance				\$0	
<b>Total Revenues</b>	<b>\$99,163,813</b>	<b>\$106,631,679</b>	<b>\$107,244,255</b>	<b>\$122,319,671</b>	<b>\$123,581,819</b>
<b><u>Operating Budgets</u></b>					
Salaries & Wages	\$49,118,226	\$50,301,852	\$53,238,325	\$57,047,240	\$61,462,374
Employee Benefits	\$17,017,525	\$18,573,125	\$18,327,774	\$19,767,699	\$22,361,491
<b>Total Salaries + Benefits</b>	<b>\$66,135,751</b>	<b>\$68,874,977</b>	<b>\$71,566,099</b>	<b>\$76,814,939</b>	<b>\$83,823,865</b>
Services & Supplies	\$15,684,399	\$17,631,694	\$17,353,682	\$18,130,668	\$20,377,584
General Institutional Scholarships	\$817,999	\$1,251,246	\$1,468,200	\$1,076,672	\$1,271,958
Child Care Scholarship	\$272,600	\$146,015	\$171,610	\$150,313	\$254,142
<b>Total Operating Budgets</b>	<b>\$82,910,749</b>	<b>\$87,903,932</b>	<b>\$90,559,591</b>	<b>\$96,172,592</b>	<b>\$105,727,549</b>
Contingency	\$0	\$0	\$0	\$0	\$1,269,000
<b><u>Capital Projects</u></b>					
<b><u>Banner Costs</u></b>					
Banner backfill			\$387,012	\$248,458	\$322,136
Banner Phase II			\$0	\$0	\$453,973
Capitalized internal costs			(\$351,300)	(\$915,088)	\$0
<b>Banner</b>			<b>\$35,712</b>	<b>(\$666,630)</b>	<b>\$776,109</b>
<b><u>Capital Budgets</u></b>					
Grant Match	\$901,620	\$1,124,043	\$935,954	\$1,048,312	\$1,045,620
Major Equipment	\$1,014,000	\$1,500,000	\$1,380,000	\$1,380,000	\$1,614,500
Debt Service, all Issues	\$5,922,831	\$6,304,277	\$7,054,481	\$7,509,902	\$7,602,455
Plant Improvement	\$2,750,000	\$2,972,190	\$3,000,000	\$3,000,000	\$3,075,000
Technology Infrastructure	\$3,500,000	\$3,000,000	\$1,800,000	\$2,220,000	\$3,320,000
Division Renovations				\$85,000	\$87,125
Facilities-Auxiliary Fund			\$0	\$400,000	\$400,000
Facilities - Auxiliary 2007				\$400,000	\$0
Capital Projects - 2009					\$1,950,000
Plant fund - University Center			\$2,500,000	\$0	\$0
Plant fund - Banner Capitalized Internal			\$351,300	\$915,088	\$0
<b>Total Capital Budgets</b>	<b>\$14,088,451</b>	<b>\$14,900,510</b>	<b>\$17,021,735</b>	<b>\$16,958,302</b>	<b>\$19,094,700</b>
<b>Total Revenues</b>	<b>\$99,163,813</b>	<b>\$106,631,679</b>	<b>\$107,244,255</b>	<b>\$122,319,671</b>	<b>\$123,581,819</b>
<b>Total Allocation/Expenditures</b>	<b>\$96,999,200</b>	<b>\$102,804,442</b>	<b>\$107,617,038</b>	<b>\$112,464,264</b>	<b>\$126,867,358</b>
<b>Change in Net Assets</b>	<b>\$2,164,613</b>	<b>\$3,827,237</b>	<b>(\$372,783)</b>	<b>\$9,855,407</b>	<b>(\$3,285,539)</b>
Use of Desig Funds - Univ. Center			\$2,500,000	\$0	\$0
Use of Desig Funds - Contract implem.			\$500,000	\$0	\$0
Use of Desig Funds - change in encumbrance			\$187,679	(\$534,197)	\$0
Designated Funds for Tuition Stabilization				(\$3,154,654)	\$0
Use of Desig Funds - Tuition Stabilization				\$0	\$3,154,654
<b>Total change in unrestricted net assets</b>	<b>2,164,613</b>	<b>\$3,827,237</b>	<b>\$2,814,896</b>	<b>\$6,166,556</b>	<b>(\$130,885)</b>
Unrestricted General Fund Beg of Year			\$9,754,562	\$12,569,458	\$18,736,014
<b>Unrestricted General Fund End of Year</b>			<b>\$12,569,458</b>	<b>\$18,736,014</b>	<b>\$18,605,129</b>
<b>Unrestricted Gen. Fund Target (10% Exp)</b>			<b>\$10,761,704</b>	<b>\$11,246,426</b>	<b>\$12,686,736</b>

**LANSING COMMUNITY COLLEGE  
OPERATING DETAIL BUDGETS**

**Five Year History**

	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009
-	Actual	Actual	Actual	Actual	Projected
<b><u>Operating Budgets - Divisions</u></b>					
Academic Affairs	\$1,614,063	\$1,654,891	1,511,231	\$1,852,163	\$1,890,069
Administrative Services	\$8,211,973	\$8,670,554	8,296,409	\$11,093,233	\$12,044,620
Advancement & External Affairs	\$1,776,842	\$1,549,954	1,611,101	\$242,043	\$3,506,640
BCI	\$2,184,976	\$2,047,262	1,984,297	\$1,617,104	\$1,566,452
Board of Trustees	\$255,988	\$549,666	801,340	\$819,449	\$479,807
Business Media and Information Technologies	\$8,123,447	\$8,200,206	8,191,684	\$8,753,669	\$8,887,648
Financial Services	\$5,428,852	\$4,146,373	3,452,751	\$3,111,257	\$3,754,826
Human Resources	\$985,727	\$1,087,322	1,029,590	\$1,912,011	\$2,040,815
Human, Health and Public Services	\$7,359,833	\$8,154,784	8,592,542	\$9,184,211	\$10,070,968
Information Technology Services	\$5,336,169	\$5,598,231	6,397,231	\$5,728,338	\$8,295,877
Liberal Studies	\$15,094,368	\$16,391,536	17,566,407	\$18,589,406	\$26,271,539
President's Office	\$964,866	\$1,753,675	1,176,712	\$1,904,650	\$1,834,540
Quality, Planning & Economic Development	\$732,745	\$687,178	707,663	\$826,478	\$0
Strategic Planning & Partnerships	\$1,330,181	\$1,953,896	2,371,302	\$2,760,143	\$3,587,472
Student Services & SEM	\$15,062,772	\$16,233,150	17,127,614	\$18,541,807	\$11,450,812
Technical Careers	\$7,357,348	\$7,827,993	8,101,905	\$8,009,645	\$8,519,365
Total all Divisions	\$81,820,150	\$86,506,671	\$88,919,779	\$94,945,607	\$104,201,449
<b><u>Operating Budgets - Account</u></b>					
Administrator Full Time	\$9,478,709	\$10,157,863	10,246,053	\$10,345,233	\$11,940,880
Administrator Part Time	\$1,030,304	\$1,010,687	1,178,041	\$1,206,378	\$1,505,968
Faculty Full Time	\$13,955,979	\$14,669,084	16,124,995	\$16,505,924	\$17,881,086
Faculty Part Time	\$12,574,510	\$12,752,420	13,554,150	\$15,825,070	\$15,881,951
Support Full Time	\$7,778,660	\$7,378,045	7,895,826	\$8,562,234	\$9,526,600
Support Part Time	\$2,997,793	\$2,983,671	2,761,950	\$3,087,281	\$3,145,311
Student	\$1,302,271	\$1,350,082	1,477,311	\$1,515,120	\$1,580,579
Total Salaries and Wages	\$49,118,226	\$50,301,852	\$53,238,326	\$57,047,240	\$61,462,374
Employee Benefits	\$17,017,525	\$18,573,125	\$18,327,774	\$19,767,699	\$22,361,491
Non Capital Equipment	\$184,769	\$466,051	251,366	\$401,810	\$297,977
Institutional Expenses	\$1,738,279	\$2,025,953	1,531,958	\$1,638,548	\$2,590,360
Utilities	\$1,857,851	\$2,009,257	1,951,705	\$2,006,760	\$2,434,148
Liability Insurance	\$439,895	\$519,796	473,686	\$378,793	\$419,629
Professional Services	\$1,324,790	\$1,065,013	1,088,795	\$1,401,250	\$1,340,451
Purchased Services	\$3,472,235	\$4,616,034	4,911,354	\$4,408,316	\$4,461,883
Rental Expense	\$706,257	\$546,073	708,971	\$608,599	\$641,928
Repair and Maintenance	\$1,056,375	\$915,189	1,310,035	\$1,351,260	\$2,050,432
Supplies	\$3,739,025	\$4,417,404	4,008,955	\$4,760,211	\$4,936,772
Travel, Training and Conferences	\$1,164,923	\$1,050,924	1,116,857	\$1,175,121	\$1,204,004
Total Services and Supplies	\$15,684,399	\$17,631,694	\$17,353,682	\$18,130,668	\$20,377,584
Total Division Operating	\$81,820,150	\$86,506,671	\$88,919,782	\$94,945,607	\$ 104,201,449
General Institutional Scholarships	\$817,999	\$1,251,246	\$1,468,200	\$1,076,672	\$ 1,271,958
Childcare Scholarships	\$272,600	\$146,015	\$171,610	\$150,313	\$ 254,142
Total College Operating	\$82,910,749	\$87,903,932	\$90,559,592	\$96,172,592	\$ 105,727,549

# LANSING COMMUNITY COLLEGE

## REVENUE AND EXPENDITURE BY ACTIVITY – ALL FUNDS

### FIVE YEAR HISTORY

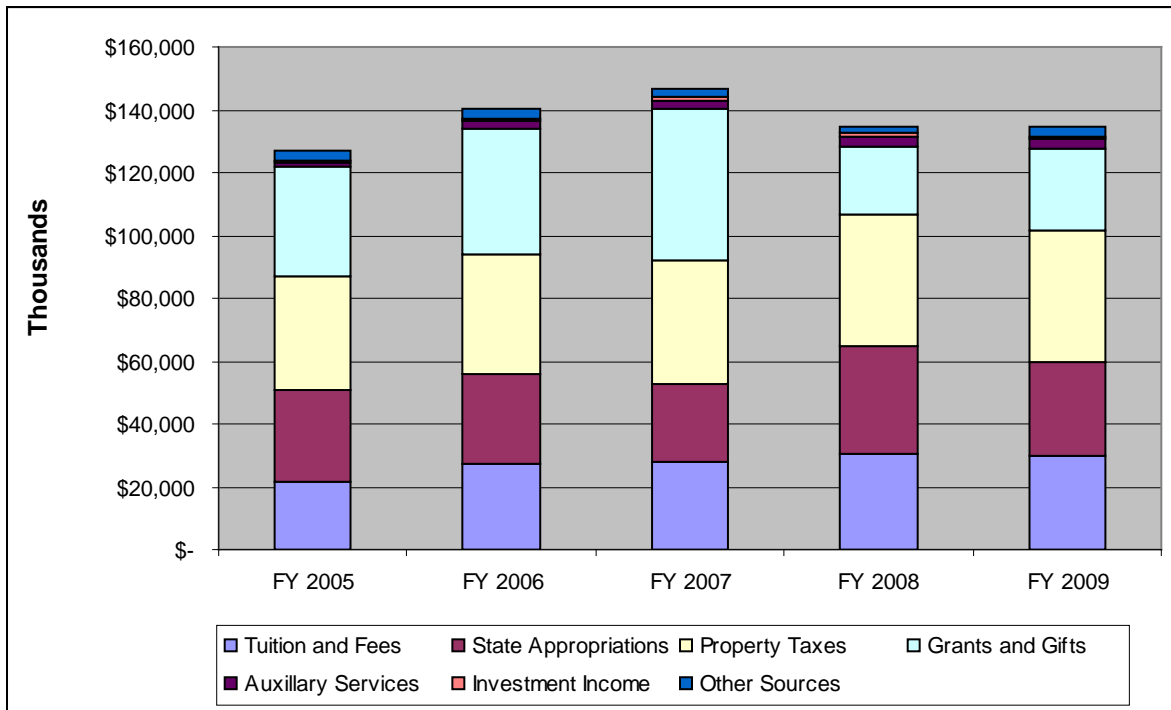
This table summarizes financial for all the funds of the College for the past five years, and presents the overall financial position in terms of expenditure by activity type (ACS Category) and the sources of revenue that have funded these activities for the past five year. See the Appendix for description of ACS categories.

		FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
<b>Revenue:</b>						
	Tuition and Fees*	\$ 21,388,720	\$ 27,583,208	\$ 27,917,453	\$ 30,337,889	\$ 29,903,915
	State Appropriations	29,243,500	28,323,200	25,019,900	34,342,343	29,762,500
	Property Taxes	36,106,835	38,133,388	39,394,072	41,722,075	42,147,127
	Grants and Gifts	35,032,733	39,900,309	48,194,836	21,944,291	25,907,134
	Auxiliary Services	1,610,893	2,478,900	2,624,492	2,872,679	3,338,948
	Investment Income	432,038	667,871	1,018,574	1,244,354	437,689
	Other Sources	2,929,003	3,381,807	2,605,932	2,309,443	3,239,860
	<b>Total Revenue</b>	<b>126,743,722</b>	<b>140,468,683</b>	<b>146,775,259</b>	<b>134,773,074</b>	<b>134,737,173</b>
<b>Expenditures:</b>						
	Instruction	36,707,105	38,379,956	39,862,366	39,503,913	42,324,809
	Instructional Support	16,441,751	17,074,691	19,147,107	19,624,663	20,865,525
	<b>Total Instruction</b>	<b>53,148,856</b>	<b>55,454,647</b>	<b>59,009,473</b>	<b>59,128,576</b>	<b>63,190,334</b>
	Public services	802,405	1,865,518	1,842,137	1,900,833	3,134,027
	Student services	33,083,298	38,255,517	45,168,131	16,630,582	18,073,863
	Information Technology	6,189,584	7,772,956	5,796,646	7,307,373	9,080,727
	Institutional Administration	12,547,805	9,292,787	10,949,980	11,598,432	14,435,229
	Facilities Management	11,558,577	16,574,333	14,133,693	16,306,001	20,417,517
	Depreciation	9,219,598	7,797,489	8,678,276	7,680,791	8,949,125
	Transfers Out					
	<b>Total Expenditures</b>	<b>126,550,123</b>	<b>137,013,247</b>	<b>145,578,336</b>	<b>120,552,588</b>	<b>137,280,822</b>
	<b>Revenues Over (Under) Expenditures and Transfers</b>	<b>193,599</b>	<b>3,455,436</b>	<b>1,196,923</b>	<b>14,220,486</b>	<b>(2,543,649)</b>
	<b>Beginning Fund Balance</b>	<b>109,753,369</b>	<b>109,946,968</b>	<b>113,402,404</b>	<b>114,599,327</b>	<b>128,819,813</b>
	<b>Ending Fund Balance</b>	<b>\$ 109,946,968</b>	<b>\$ 113,402,404</b>	<b>\$ 114,599,327</b>	<b>\$ 128,819,813</b>	<b>\$ 126,276,164</b>

\*Tuition and Fee revenues are net of Financial Aid received by students.

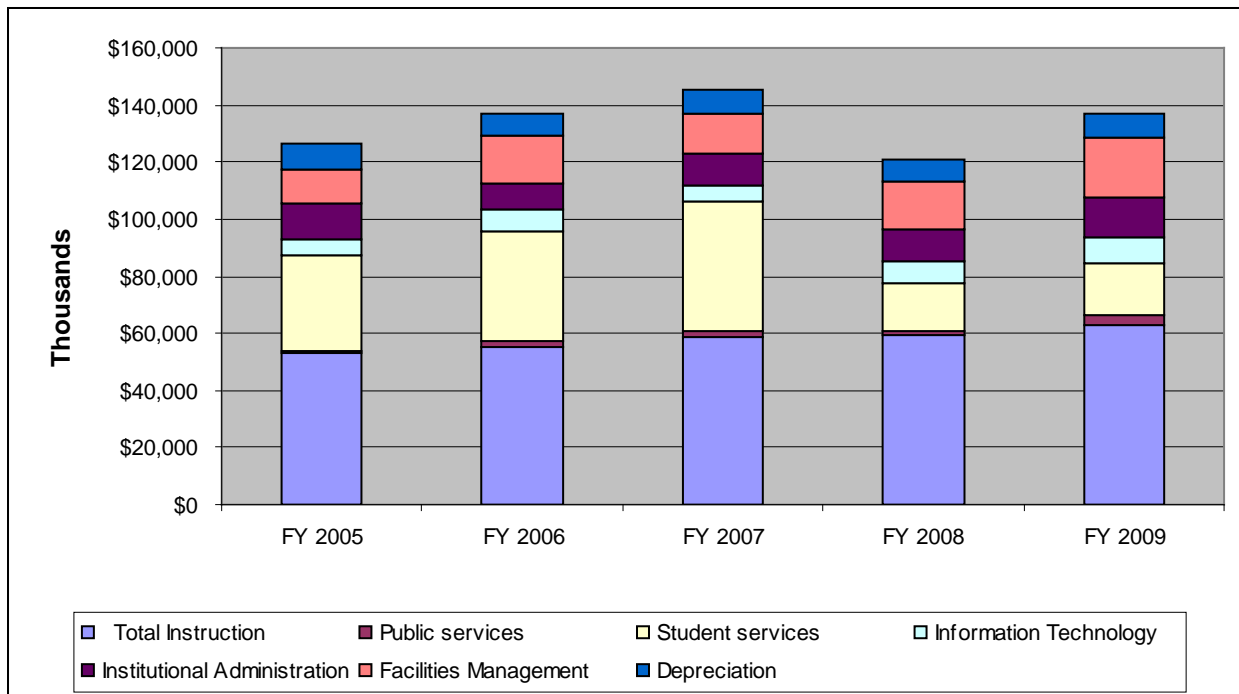
## REVENUE SOURCES – ALL FUNDS

### FIVE YEAR TREND



## EXPENDITURE BY ACS CATEGORY – ALL FUNDS

### FIVE YEAR TREND



**RESTRICTED FUND**

**REVENUE AND EXPENDITURE BY ACTIVITY**

**FIVE YEAR HISTORY**

		FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
<b>Revenue:</b>						
	Federal Grants/Contracts	\$ 27,827,169	\$ 32,836,910	\$ 39,675,395	\$ 4,161,928 *	\$ 4,326,131*
	State Grants/Contracts	4,575,191	5,634,449	5,400,777	1,170,917	1,158,988
	Local Grants/Contracts	399,864	323,820	534,734	329,519	608,205
	Private Gifts/Grants	1,195,326			13,428,753	17,684,893
	Other Sources	65,343	354,769	131,003	43,858	6,835
	<b>Total Revenue</b>	<b>34,062,893</b>	<b>39,149,948</b>	<b>45,741,909</b>	<b>19,134,975</b>	<b>23,785,052</b>
<b>Expenditures:</b>						
	Instruction	445,078	1,257,310	730,705		625,133
	Instructional support	1,904,949	2,621,501	3,897,161	4,293,180	2,864,864
	<b>Total Instruction</b>	<b>2,350,027</b>	<b>3,878,811</b>	<b>4,627,866</b>	<b>4,293,180</b>	<b>3,489,997</b>
	Public services	499,876	695,482	523,724	487,793	830,225
	Student services	31,191,834	35,188,277	41,514,979	15,300,720	21,091,732
	Information Technology		29,906		20,568	12,122
	Institutional Administration	1,206,399				(924,707)
	Facilities Management	126,566	136,884	252		331,303
		<b>35,374,702</b>	<b>39,929,360</b>	<b>46,666,821</b>	<b>20,102,261</b>	<b>24,830,672</b>
Transfers In (Out)						
	Student Services-Match					
	Other	1,319,666	797,193	924,912	954,161	1,045,620
	<b>Total Transfers</b>	<b>1,319,666</b>	<b>797,193</b>	<b>924,912</b>	<b>954,161</b>	<b>1,045,620</b>
	<b>Total Expenditures and Transfers</b>	<b>7,857</b>	<b>17,781</b>		<b>(13,125)</b>	
	<b>Revenues Over (Under) Expenditures and Transfers</b>	<b>7,857</b>	<b>17,781</b>		<b>(13,125)</b>	
	<b>Beginning Fund Balance</b>	<b>159,105</b>	<b>166,962</b>	<b>184,743</b>	<b>184,743</b>	<b>171,618</b>
	<b>Ending Fund Balance</b>	<b>\$ 166,962</b>	<b>\$ 184,743</b>	<b>\$ 184,743</b>	<b>\$ 171,618</b>	<b>\$ 171,618</b>

\*Federal Student Loan and Pell Grants are excluded

**DESIGNATED FUND**

**REVENUE AND EXPENDITURE BY ACTIVITY**

**FIVE YEAR HISTORY**

		FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
<b>Revenue:</b>						
	Grants and Gifts					
	Corporate Service Fees					
	Workstudy Co-Op Programs					
	Other Sources	\$1,461,601	\$1,175,090	\$1,346,914	\$1,077,138	\$1,514,476
	Transfers In	217,661				
<b>Total Revenue</b>		<b>1,679,262</b>	<b>1,175,090</b>	<b>1,346,914</b>	<b>1,077,138</b>	<b>1,514,476</b>
<b>Expenditures:</b>						
	Instruction					28,195
	Instructional Support	3,559	18,980	15,190	18,514	85,213
	Total Instruction	3,559	18,980	15,190	18,514	113,409
	Public services	102,891	115,754	150,140	58,497	143,634
	Student services	1,019,760	738,370	822,578	777,439	812,505
	Information Technology		36,247		3,113	6,533
	Institutional Administration	761,553	473,577	573,265	361,531	61,971
	Facilities Management		5,467	1,616	6,091	383,306
	Transfers Out		(519,950)	660		
<b>Total Expenditures</b>		<b>1,887,763</b>	<b>868,445</b>	<b>1,563,449</b>	<b>1,225,185</b>	<b>1,521,358</b>
<b>Revenues Over (Under) Expenditures and Transfers</b>		<b>(208,501)</b>	<b>306,645</b>	<b>(216,535)</b>	<b>(148,047)</b>	<b>(6,882)</b>
<b>Beginning Fund Balance</b>		<b>255,708</b>	<b>47,207</b>	<b>353,852</b>	<b>137,317</b>	<b>(10,730)</b>
<b>Ending Fund Balance</b>		<b>\$ 47,207</b>	<b>\$ 353,852</b>	<b>\$ 137,317</b>	<b>\$ (10,730)</b>	<b>\$ (17,612)</b>

## LANSING COMMUNITY COLLEGE

### FY2010 ACTIVE GRANT FUNDS DETAIL

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
05-09 CCAMPIS 2005-2009 Childcare Access	Purpose of this grant is to support campus-based child care to increase student retention and completion of college.	US Dept of Education	10/1/2005	9/30/2009	\$374,620
05-09 JET Work First	To help participants secure employment, maintain employment and reach self sufficiency by teaching them:	Capital Area MI Works!	10/1/2005	9/30/2009	\$1,338,740
05-09 NIRT Nanotechnology K12	This project will address the issue of the removal and treatment of waters laden with synthetic nanomaterials.	MSU	9/1/2005	8/31/2010	\$163,389
06-08 KCTCS Auto Manufacturing Technology	AMTEC is identifying and validating the new skills needed for automotive manufacturing operations technicians including skilled maintenance, tool and die maintenance, and die/mold technicians.	Kentucky Community and Technical College System	7/1/2006	6/30/2010	\$39,182
06-09 WIRED Entrepreneurial Grant	LCC will launch an entrepreneurship curriculum designed to prepare students for owning their own business. Goals include launching 40 new businesses, introducing 200 K-12 students to entrepreneurship and train 240 small business owners.	MSU	2/1/2006	1/29/2010	\$658,676
06-09 WIRED Health Care Grant	LCC will launch a 3 year healthcare initiative with focus on several innovative programs that will result in additional nurses in the workforce and the introduction of the healthcare industry to local K-12 students.	MSU	7/1/2006	1/31/2010	\$1,807,267

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
06-11 TRIO 2006-2011	The Federal TRIO Programs are educational opportunity outreach programs designed to motivate and support students from disadvantaged backgrounds.	US Dept of Education	9/1/2006	8/31/2011	\$2,637,565
07-10 GSRP Great Start Readiness Program	Funding to support costs associated with 4 at-risk, low income children to participating in Early LCC.	MI Dept of Education	10/1/2007	9/30/2010	\$27,200
08-09 At Risk Grant	State allocated dollars to address the special needs of at-risk students (initially placed in 1 or more developmental courses as a result of testing, diagnosed as learning disabled or required ESL assistance).	MI Dept of Education	10/1/2008	9/30/2009	\$153,500
08-09 CET Flashover Training	This grant will provide fire fighters a chance to survive rapid fire advancement or flashover conditions that are occurring at a significantly faster rate then previously provided by fire test data.	MI Dept of Labor & Economic Growth	10/1/2008	9/30/2009	\$40,000
08-09 EDJT Demmer Corporation	To provide job training for Demmer employees.	Michigan Economic Development Corporation	9/22/2008	2/22/2010	\$250,000
08-09 EDJT Magna Corporation	To provide job training for Magna employees.	Michigan Economic Development Corporation	8/11/2008	8/11/2009	\$32,482
08-09 MDCH Mental Health and Aging Project	To increase the capacity of Michigan's community mental health system to serve older people with serious mental illness, persons with dementia, older adults with developmental disabilities and to support families.	MI Dept of Community Health	10/1/2008	9/30/2009	\$153,540

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
08-09 RICB Reasoning in Cell Biology	As a step towards a cell biology curriculum based on principled reasoning, this projects has the following goals: design formative and summative assessments, design instructional materials and implement both at LCC.	MSU	1 /15/2008	12/31/2009	\$47,522
08-10 ATE Capital Region Info Technology Prof Dev Initiative	Provide IT students with registered apprenticeship opportunities that will give them 2000 hours of practical experience to assist them in transitioning from school.	National Science Foundation	8 /1 /2008	7 /31/2010	\$149,402
08-10 EDJT Regional Grant	Regional grant to allow multiple employers, of varying demographics and with various training needs, to benefit from job training assistance in workforce development.	Michigan Economic Development Corporation	9 /30/2008	9 /30/2010	\$200,000
08-12 Great Lakes Fuel Cell Education Partnership	The mission of the Regional Partnership is to provide leadership in creating innovative fuel cell-related programs through curriculum development and enhancement, research, professional development, and partnerships to meet the current and future education and training needs of the fuel cell industry in the Great Lakes Region.	Stark State College	9 /1 /2008	8 /31/2012	\$180,375
08-12 Nano-Link Midwest Regional Center for Nanotechnology Education	NANO-LINK is designed to provide resources and support to colleges along the Midwest corridor from North Dakota to Michigan as they develop similar programs to grow a skilled nanoscience technician workforce that will foster economic growth in nanoscale science and technology in the region.	Minnesota State Colleges and Universities	9 /1 /2008	8 /31/2012	\$151,000

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
08-13 EEES Engaging Early Engineering Students	A core goal of this project is to develop a system-wide response in which instructors, administrators, and student leaders, collaborate and work as a team to increase engineering student success in all categories.	MSU	7 /1 /2008	6 /30/2013	\$498,530
09-09 ICP Ingham Coaching Project	This project will provide on-site coaching to center-based early childhood educators who have participated in a training program or college course and will be based on what was learned during this professional development.	Ingham Intermediate School District	2 /1 /2009	9 /9 /2009	\$13,750
09-09 Motorcycle Trailer Purchase	Grant to support the purchase of new storage trailer for Motorcycle Safety Training bikes.	MI Dept of State	8 /26/2009	9 /30/2009	\$5,500
09-09 Motorcycle Safety Training	To provide State of MI Motorcycle Safety training as prescribed by the Motorcycle Safety Foundation for the Lansing-area.	MI Dept of State	6 /1 /2009	9 /30/2009	\$45,822
09-09 Small Business Technology Development Center	Provide counseling, training, and research services at no or low cost to small businesses and potential entrepreneurs in Clinton, Eaton, Ingham, Ionia,, Livingston and Shiawassee counties. New business starts, job creation, and capital creation.	US Small Business Administration/Grand Valley State University	1 /1 /2009	12/31/2009	\$200,000
09-10 HSDCI Mott Foundation	Funding to support the HSDCI initiative which provides high school dropouts with educational opportunities, support systems and wrap-around services.	Mott Foundation	2 /1 /2009	7 /31/2010	\$150,000

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
09-10 HSDCI State Foundation	State funding to support high school recapture program.	Ingham Intermediate School District	9 /1 /2009	8 /31/2010	\$245,634
09-10 NCPTT Preservation of Historic Iron and Steel Bridges	The proposed project is an innovative blend of three training components to address the urgent need for greater awareness and more widespread expertise in preservation techniques for historic iron and steel structures.	US Dept of Interior	3 /1 /2009	6 /30/2010	\$25,000
09-10 NSF SBIR Supplemental Funding for Community College Research Teams	Provide students and faculty to Claytec, Inc. for the purposes of providing research assistance.	Claytec, Inc.	6 /1 /2009	6 /30/2010	\$30,000
09-10 PERKINS Fast Track	Fast Track grants are used to provide professional development to enhance instructor knowledge of specific changes in their occupational teaching area.	MI Dept of Energy, Labor & Economic Growth	7 /1 /2009	6 /30/2010	\$6,205
09-10 PERKINS Local Leadership	Salary support for Director of Academic Affairs.	MI Dept of Energy, Labor & Economic Growth	7 /1 /2009	6 /30/2010	\$18,400
09-10 PERKINS Regional Allocation	Funds to help provide vocational-technical education programs and services to youth and adults.	MI Dept of Energy, Labor & Economic Growth	7 /1 /2009	6 /30/2010	\$1,118,355

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
09-10 PERKINS Tech Prep	This program provides assistance for the development and operation of programs consisting of the last two years of secondary education and at least two years of postsecondary education.	MI Dept of Education	7 /1 /2009	6 /30/2010	\$170,528
09-12 JET Jobs, Education & Training	To help participants secure employment, maintain employment and reach self sufficiency by teaching them:	Capital Area MI Works!	10/1 /2009	9 /30/2012	\$382,000
09-13 AMTEC	Create business/industry partnerships in delivering multi-skilled maintenance technical education that meets the high priority needs of automotive manufacturers and suppliers.	Kentucky Community and Technical College System	7 /1 /2009	6 /30/2013	\$72,128
09-13 CCAMPIS Childcare Access	Purpose of this grant is to support campus-based child care to increase student retention and completion of college	US Dept of Education	10/1 /2009	9 /30/2013	\$529,152

## LANSING COMMUNITY COLLEGE

### CURRENT DEBT OBLIGATIONS

The Community College Act of 1966 limits the debt capacity of Lansing Community College and others in Michigan to 1½% of the first 250,000,000 of taxable valuation plus 1% of the excess over \$250,000,000 of the taxable valuation. At the end of the FY2009 the College's outstanding debt obligations stood at \$65,235,755. The taxable valuation stood at \$11,435,297,400. Lansing Community College is far below its statutory debt capacity, and has no problem meeting its debt obligations.

### DEBT AMORTIZATION SCHEDULE

Year	Bonds		Siemens Contract		Totals
	Principal	Interest	Principal	Interest	
FY10	4,420,000	2,887,854	252,712	49,118	7,609,684
FY11	4,650,000	2,686,128	262,092	39,738	7,637,958
FY12	4,840,000	2,500,616	271,820	30,010	7,642,446
FY13	5,055,000	2,277,324	281,909	19,921	7,634,154
FY14	5,285,000	2,040,528	292,373	9,457	7,627,358
FY15	5,520,000	1,793,424	99,849	761	7,414,034
FY16	5,800,000	1,525,808	0	0	7,325,808
FY17	6,065,000	1,244,808	0	0	7,309,808
FY18	2,830,000	952,534	0	0	3,782,534
FY19	2,955,000	828,722	0	0	3,783,722
FY20	3,080,000	698,696	0	0	3,778,696
FY21	3,205,000	562,230	0	0	3,767,230
FY22	3,320,000	419,498	0	0	3,739,498
FY23	1,600,000	276,018	0	0	1,876,018
FY24	1,650,000	210,926	0	0	1,860,926
FY25	1,725,000	143,602	0	0	1,868,602
FY26	1,775,000	72,826	0	0	1,847,826
<b>Totals</b>	<b>63,775,000</b>	<b>21,121,542</b>	<b>1,460,755</b>	<b>149,005</b>	<b>86,506,302</b>

# STATISTICS

## LANSING COMMUNITY COLLEGE

### SELECTED STATISTICS

Since 1957 more than 500,000 people have taken classes at LCC.

LCC is the fifth largest employer in the capital area, with more than 2,600 employees

75 percent of regional allied health professionals were trained at LCC

LCC's emergency medical technician program is one of only two programs in the state that is nationally accredited and part of the National Registry.

LCC graduates account for a large majority of the region's police and fire personnel

LCC is one of only 142 institutions nationwide to receive CNSS and NSA certification for its computer networking and security curriculum.

LCC's alternative energy offerings include 10 courses, two associate's degrees in applied sciences and two certificate programs.

LCC offers more than 200 courses online and has 15 associate's degrees and certificates that can be earned by students through online study.

Student Statistics:

Women 55%, Men 45%

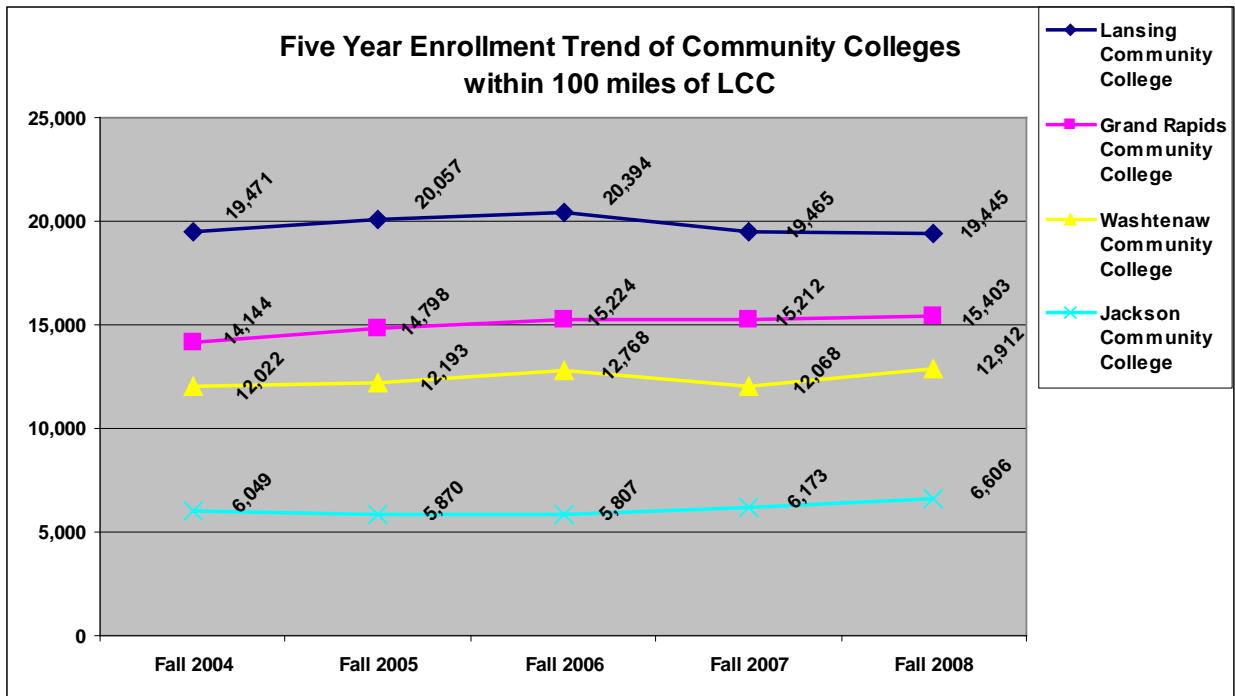
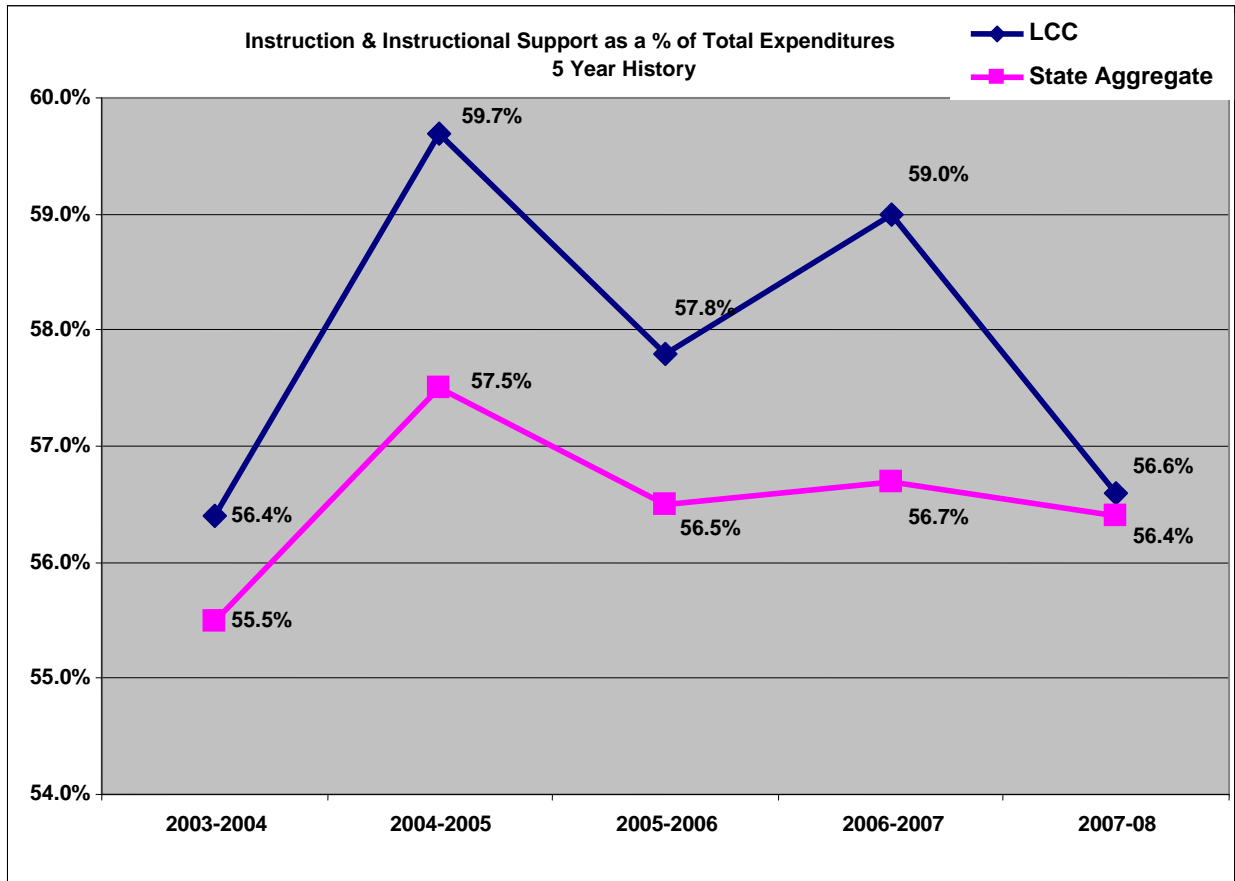
Average age 27

400 international students from 65 different countries

Employed full-time 32%; employed part-time 36%

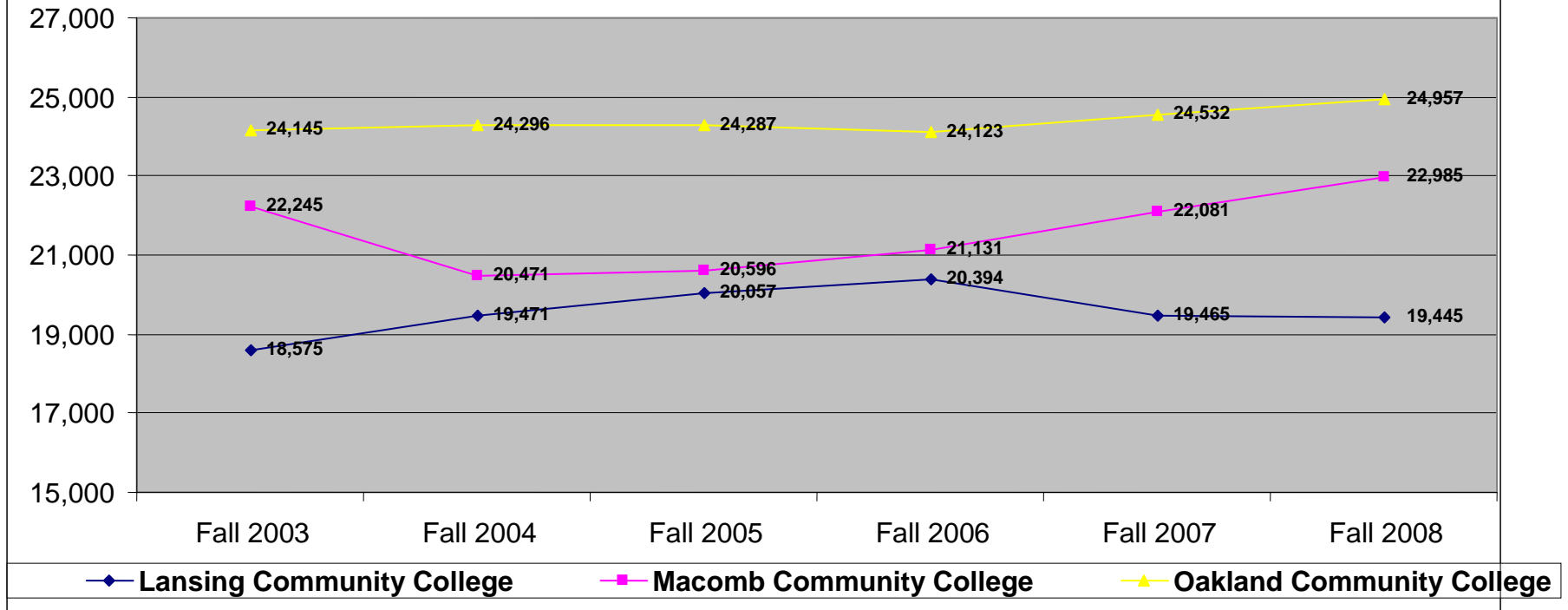
Ethnicity: White 65%, Black 8%, Hispanic 4%, Asian 2%, American Indian 1%, other/unknown 20%

# LANSING COMMUNITY COLLEGE



Source: Michigan Community College Databook 2008

### Six Year Enrollment Trend of Colleges Similar to LCC in Enrollment Size



Source: Michigan Community College Databook 2008

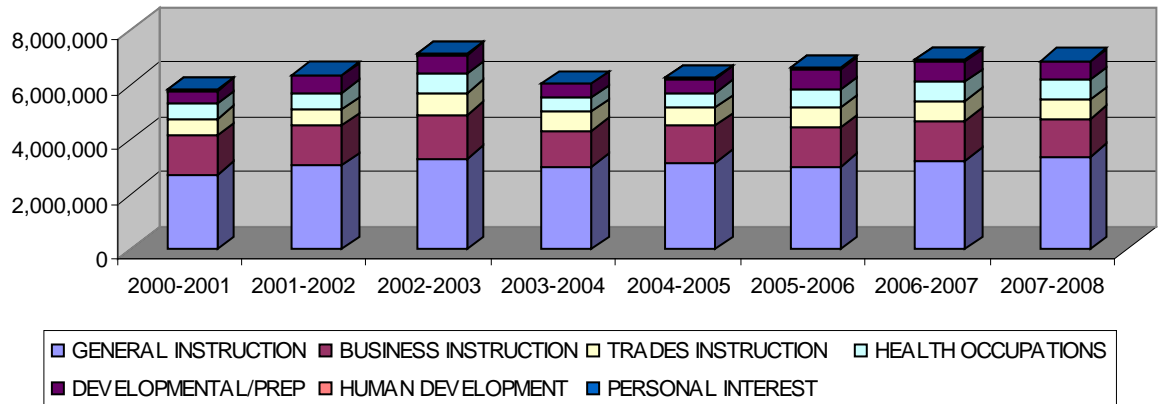
## LANSING COMMUNITY COLLEGE

### Student Contact Hours by ACS Category

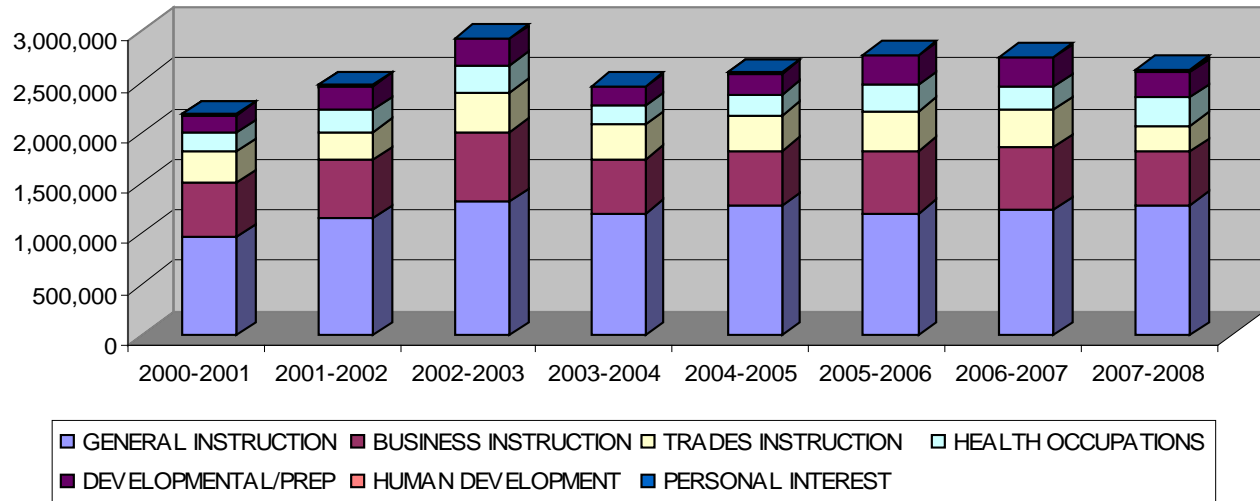
2000-2001 to 2007-2008

ACS	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
GENERAL INSTRUCTION	2,723,523	3,061,136	3,291,612	3,027,817	3,162,825	3,029,146	3,227,034	3,376,512
BUSINESS INSTRUCTION	1,420,755	1,437,458	1,627,444	1,293,885	1,328,831	1,394,038	1,470,207	1,390,834
TRADES INSTRUCTION	627,637	604,279	777,583	686,804	665,980	745,739	718,416	670,560
HEALTH OCCUPATIONS	521,150	611,321	720,814	525,406	556,070	654,911	695,189	731,241
DEVELOPMENTAL/PREP	496,155	607,773	662,041	490,640	491,176	744,232	742,760	654,104
HUMAN DEVELOPMENT				33,600	24,128	26,080	28,112	32,224
PERSONAL INTEREST	22,248	37,577	48,330	716	20,316	18,551	24,175	25,899
<b>TOTAL</b>	<b>5,811,468</b>	<b>6,359,544</b>	<b>7,127,824</b>	<b>6,058,868</b>	<b>6,249,326</b>	<b>6,612,697</b>	<b>6,905,893</b>	<b>6,881,374</b>
<b>Change – Percent</b>		<b>9%</b>	<b>11%</b>	<b>-18%</b>	<b>3%</b>	<b>5%</b>	<b>4%</b>	<b>2%</b>

**Total Student Contact Hours**

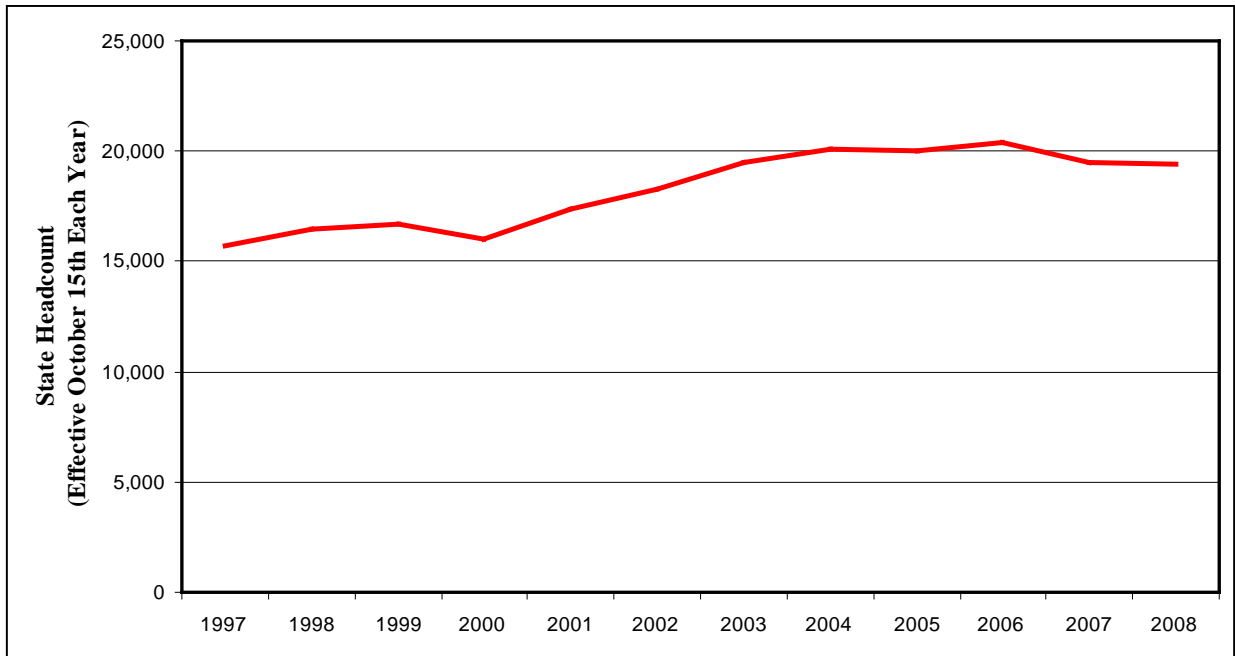


**Out-of-District Student Contact Hours**

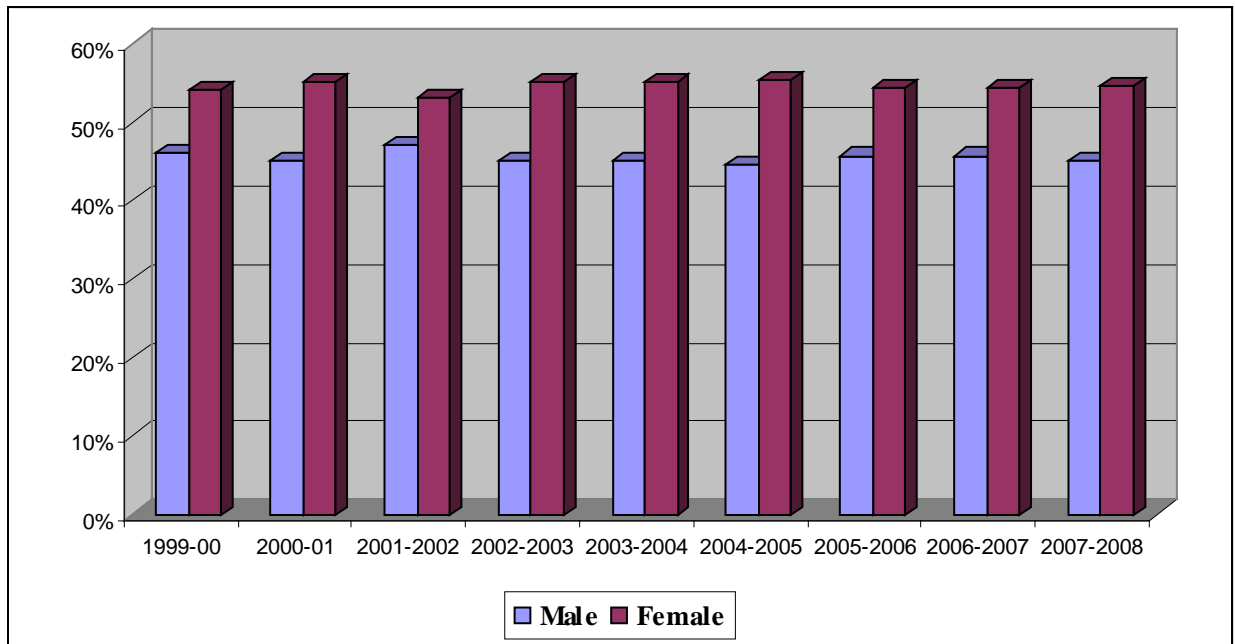


# LANSING COMMUNITY COLLEGE

## State Headcount



## Student Demographics, Gender 2001-2002 to 2007-2008



## APPENDIX

### ACS CATEGORIES

At Lansing Community College, program financial reporting complies with the activity classification structure (ACS) in The Manual for Uniform Financial reporting (MUFR) Michigan Public Community Colleges established in 1981. This makes it possible for comparisons between LCC and other community colleges in Michigan to be derived from historical data compiled in the annual ACS Data Book and Companion. The general definitions of the elements of this structure are as follows:

### DEFINITIONS

#### (1.0) INSTRUCTION

The Instruction Activity includes those activities carried out for the express purpose of eliciting some measure of educational change in a learner or group of learners.

"Educational change" is defined to include: (1) the acquisition or improved understanding of some portion of a body of knowledge; (2) the adoption of new or different attitudes; and (3) the acquisition or measured mastery of a skill or set of skills. The activities that may be carried out to elicit these educational changes include both teaching activities and facilitating activities. The instruction activity includes both credit and non-credit instructional offerings.

Course offerings are classified into one sub-activity classification on a course level. The determination of the classification of instructional offerings into the appropriate sub-activity is based on the basic and primary institutional reason for offering the courses. Briefly stated, the Activities Classification Structure recommends defining sub-activities on the basis of an aggregation of groups of courses of similar subject matter rather than on the basis of the aggregation of instructional offerings that can be applied toward a particular degree or certificate, or what is commonly called a program. Thus, the subject matter of any course determines its sub-activity classification.

#### (2.0) INFORMATION TECHNOLOGY (IT)

The information technology activity includes the technology costs that benefit the institution as a whole and those specifically related to instructional activities as defined in 1.0. This activity consists of the information technology department, the operation of the computing system for the institution, all programs that are purchased and hardware that is maintained by the IT department.

#### (3.0) PUBLIC SERVICE

The Public Service Activity includes those activities established to make available to the public the various unique resources and capabilities of the institution for the specific purpose of responding to a community need or solving a community problem. This activity includes the provision of institutional facilities, as well as those services of the faculty and staff that are made available outside the context of the institution's regular instructional program.

#### (4.0) INSTRUCTIONAL SUPPORT

The Instructional Support Activity includes those activities carried out in direct support of the instructional program. The activities that should be reported in this activity classification include: (1) activities related to the preservation, maintenance, and display of both the stock of knowledge and educational materials; (2) activities that develop and support instruction; and (3) activities directly related to the administration of instructional programs.

#### (5.0) STUDENT SERVICES

The Student Services Activity includes those activities carried out with the objective of contributing to the emotional and physical well being of the students, as well as to their intellectual, cultural, and social development outside the context of the institution's regular instructional program.

#### (6.0) INSTITUTIONAL ADMINISTRATION

The Institutional Administration Activity consists of those activities carried out to provide for both the day-to-day functioning and the long-range viability of the institution as an operating organization. The overall objective of the Institutional Administration Activity is to provide for the institution's organizational effectiveness and continuity.

#### (7.0) PHYSICAL PLANT OPERATIONS

The Physical Plant Operations Activity consists of those activities related to maintaining existing grounds and facilities, providing utility services, planning and designing future plant expansion and modifications, and safety services.

**MICHIGAN COMMUNITY COLLEGE BUSINESS OFFICERS ASSOCIATION  
TUITION AND FEES SURVEY**

	COLLEGE	Annualized Fees	2008-09 Rates			2009-10 Proposed Rates		
			In-Dist	Out-Dist	Out-State Intern.	In-Dist	Out-Dist	Out-State Intern.
1	Alpena Community College	520	84	126	168	84	126	168
2	Bay de Noc Community College	474	77	126	160	77	126	160
3	Delta College	66	79	119	172	79	119	172
4	Glen Oaks Community College	330	70	105	140	77	115	144
5	Gogebic Community College	250	81	102	128	86	109	135
6	Grand Rapids Comm College	50	83	173	253	85	181	268
7	Henry Ford Community College	402	65	120	125	70	130	135
8	Jackson Community College	480	87	122	174	89	126	179
9	Kalamazoo Valley Comm College	-	68	108	145	71	113	152
10	Kellogg Community College	180	71	114	164	78	121	171
11	Kirtland Community College	270	78	142	176	78	142	176
12	Lake Michigan College	930	73	102	136	73	102	136
<b>13</b>	<b>Lansing Community College</b>	<b>200</b>	<b>73</b>	<b>134</b>	<b>201</b>	<b>73</b>	<b>134</b>	<b>201</b>
14	Macomb Community College	40	72	110	143	72	110	143
15	Mid Michigan Comm College	120	77	130	245	80	149	272
16	Monroe County Comm College	170	67	115	128	73	121	134
17	Montcalm Community College	156	74	128	171	77	133	197
18	Mott Community College	245	80	119	159	85	127	169
19	Muskegon Community College	170	69	114	154	72	119	162
20	North Central Michigan College	260	70	114	147	72	119	153
21	Northwestern Michigan College	451	77	142	180	77	146	187
22	Oakland Community College	70	60	102	143	60	102	143
23	Schoolcraft College	130	73	107	160	77	113	169
24	Southwestern Michigan College	495	83	105	114	88	113	122
25	St. Clair County Comm College	231	87	165	240	94	165	240
26	Washtenaw Community College	210	70	121	164	77	128	171
27	Wayne County Comm College	200	58	90	120	59	93	124
28	West Shore Community College	89	72	120	160	74	124	165
	<b>AVERAGE</b>	<b>247</b>	<b>74</b>	<b>121</b>	<b>163</b>	<b>77</b>	<b>125</b>	<b>170</b>

**Figure 1-1**



Figure 1-2

LCC Resident Districts and Learning Centers



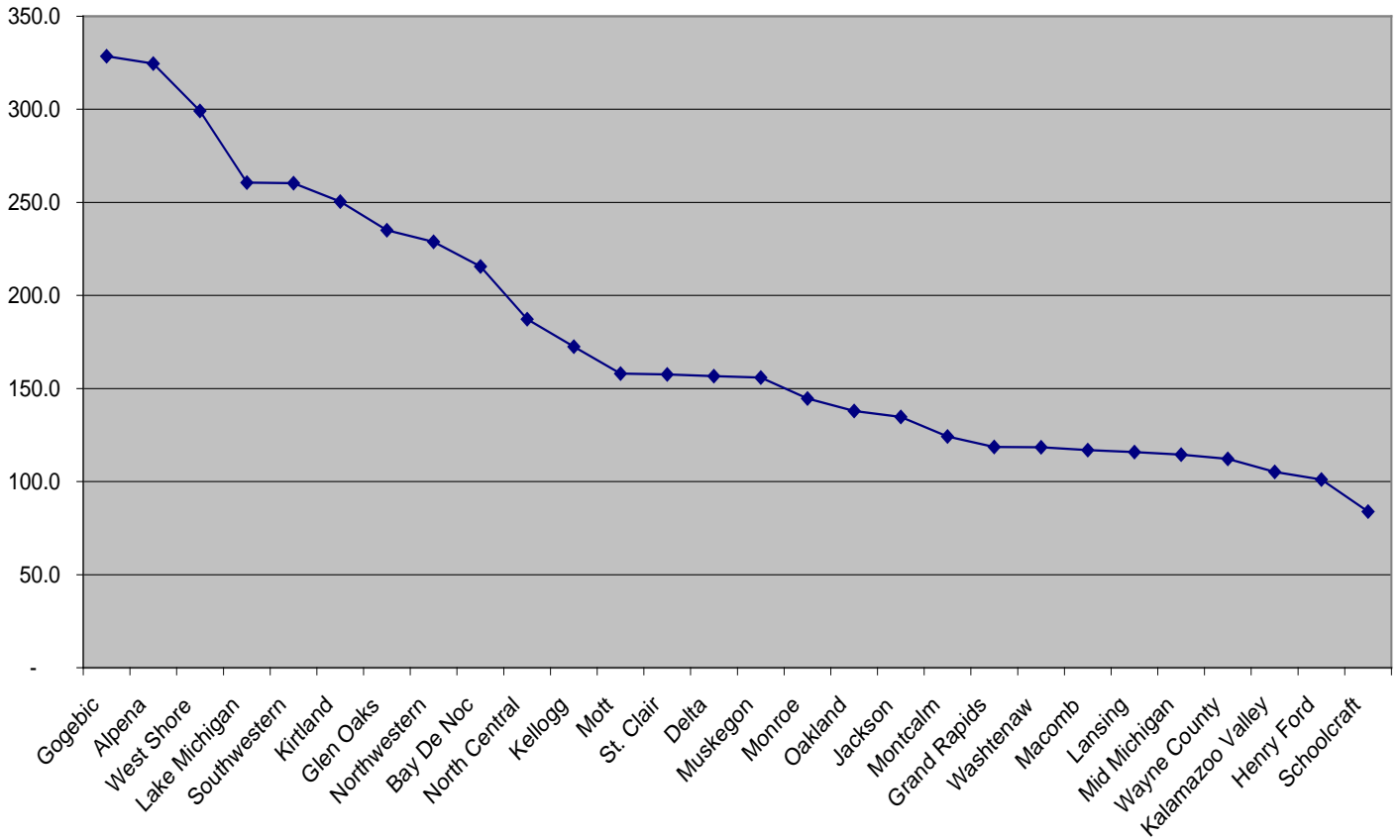
The following school districts constitute the LCC resident district:  
 Bath, Dansville, East Lansing, Grand Ledge, Haslett, Holt, Lansing, Leslie, Mason, Okemos,  
 Stockbridge, Waverly, Webberville, and Williamston.



LCC classes are held at the local schools in partnership with Community Education Offices in these locations.

Figure 1-3

Lansing Community College  
Square Feet per Fiscal Year Equated Student  
2006-2007 Enrollment Data



## Glossary of Terms

### **Academic Term**

An academic term is any period of time in which course work is offered by the institution and for which students seek enrollment. The term may include a regular session or a special session or both. The College uses the semester system, which consists of the summer, fall and spring semesters.

### **Auxiliary Fund**

The Auxiliary Fund accounts for college services where a fee is charged. Each enterprise/service should be accounted for separately using a group of self-balancing accounts within the fund. Examples of accounts in this fund include food service, bookstore, and parking. Only monies over which the institution has complete control should be included in this fund.

### **Bond**

A bond is a written promise to pay a specific sum of money, called the face value or principle amount, at a specified date (or dates) in the future, called the maturity date, and with periodic interest at a rate specified in the bond. A bond is generally issued for a specific purpose or project, such as construction of a new facility.

### **Capital Budget**

The Capital Budget includes funding for capital assets and infrastructure such as facilities, renovation, and certain equipment.

### **Contingency**

Contingency funds are those appropriations set aside as a reserve for emergencies or unforeseen expenditures. At Lansing Community College no funds shall be transferred out of reserves/contingency funds without prior approval of the Board of Trustee.

### **Course**

A course is defined as an educational unit within the instructional programs dealing with a particular subject and consisting of instructional periods and one or more instructional delivery systems. Courses are generally classified by the discipline they belong to and the level of instruction. For example, BIOL120 would be a first level (year) biology course and MATH202 would be a second level (year) mathematics course.

### **Course Credit**

The number of credits that will be earned by the student for successful completion of a course is the course credit. At Lansing Community College, it is generally measured in credit hours but varies from institution to institution depending upon the type of academic term system used.

**Debt Service**

Debt service includes expenditures for the retirement of long term debt and expenditures for interest on the debt.

**Equipment**

Generally, equipment is classified as a free-standing item having an acquisition value of \$5000 or higher, and a normal life expectancy of one year or longer.

**Benefits**

Various benefits, other than salaries and wages provided by the College to employees which include: retirement; health insurance; dental insurance; long term disability insurance; vision insurance; life insurance; earned leave; tuition wavers; etc.

**Fiscal Year**

The fiscal year is the period over which a college budgets its spending. It consists of a period of twelve months, not necessarily concurrent with the calendar year; a period to which appropriations are made and expenditures are authorized and at the end of which accounts are made up and the books are balanced. Lansing Community College's fiscal year is the period July 1 to June 30

**Full-time Equivalent (FTE)**

An FTE is equal to 100% of the normal full time work hours per job classification.

**Fund**

An income source established for the purpose of carrying on specific activities, or attaining certain objectives, in accordance with special regulations, restrictions or limitations. The terms and conditions established by this income source and/or the college must be complied with in making expenditures against the particular account.

**Fund Group**

A high level classification of all fund sources which have similar characteristics.

**Fund Accounting**

A method of accounting that separates and tracks financial transactions to meet restrictions and reporting requirements imposed by funding sources and/or the college.

**Fund Balance**

The balance remaining in each fund account representing the funds available for unforeseen occurrences, such as revenue shortfalls and unanticipated expenditures as well as for future use as the restrictions governing the fund allows.

**General Fund**

This fund is used to account for all transactions not required to be accounted for in another fund, and is used for all general purpose operating activities of the college.

### **Designated Fund**

The Designated Fund is used to account for funds which are designated for use to finance specific operations at the college. The purpose or designation of the funds is determined by the Board of Trustees and the college administration. Designated Fund includes funds such as the Auxiliary Fund and the Plant Fund.

### **Restricted Fund**

The Restricted Fund is used to account for funds that have restrictions on their use. The purpose of the funds is determined by the donors or sponsoring agency. The revenues for the restricted fund come largely from Federal Grants/Contracts, State of Michigan Grants/Contracts, Local Grants/Contracts and Private Gifts/Grants. Each specific grant is accounted for separately using a complete group of self-balancing accounts.

### **Grant**

Monetary award usually from the federal or state government and its use is restricted to a specific purpose. Each specific grant should be set up as a fund and accounted for separately using a complete group of self-balancing accounts.

### **Investment Income**

Income or revenue derived from investments in securities or other properties in which money is held, either temporarily or permanently, in expectation of obtaining revenues. Legal investments for community college funds are governed by state statute, the Community Colleges Act which allows current operating funds, special funds, interest and sinking funds, and other funds belonging to or in the custody of the College, including restricted and unrestricted funds, to be invested only in the types of investments permitted by law.

### **Plant Funds**

Funds to be used for the construction, alteration or purchase of physical property of the college e.g., land, buildings, general improvements, equipment and library collections.

### **Property Taxes**

Taxes levied on real and personal property by the college district. The community college millage is levied for the specific purpose of funding college operations.

- **State Equalized Value (SEV):** In Michigan this is 50% of the assessed value of the property.
- **Taxable Valuation:** The value of the property used to determine the property tax. It may or may not be the SEV.

### **Sabbatical Leave**

In accordance with the collective bargaining agreement between the College and its faculty, the College grants sabbatical leaves to various full-time faculty members. The leaves are granted to enhance the professional competence of these instructors, who

are required to return to work for the College a period of one year. Compensation is recorded in the fiscal year the leave is taken.

### **Supplies and Services**

Any un-capitalized article, material or service that is consumed in use, is expendable or loses its original shape or appearance with use. This category includes the cost of outside or contracted services as well as materials and supplies necessary for the conduct of the College's business.

### **State Appropriations**

Revenue received by the College from the State of Michigan based on a formula.

### **Student Services**

Student services include those activities which provide direct support services to students other than academic support services. These activities include registration and records, financial aid, counseling, placement testing, career placement assistance, health services, and student activities.

### **Student Tuition and Fees**

The student tuition and fees category includes all student tuition and student fees assessed against students for educational and general purposes. Tuition is the amount per billable hour times the number of billable hours charged a student for taking a course at the college. Fees include laboratory fees, application fees, transcript fees, and similar charges not covered by tuition.