

Lansing Community College

FY 2010-2011 Strategic Planning & Budget

Lansing, Michigan

LANSING COMMUNITY COLLEGE

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Letter from President Brent Knight:

After months of hard work in each division, Monday night we presented a proposed budget for FY 2010-2011 to the Board of Trustees. This followed an open budget workshop earlier in the day, when college leadership, including deans, explained the budget in detail to members of the Board of Trustees and the LCC community. Lisa Webb Sharpe, Senior Vice President of Finance and Administration, led the workshop with a review of the current and future economic outlook for Michigan. Her comments, based on a report by Citizens Research Council of Michigan, highlighted the challenges faced by higher education during the state's ongoing economic transition and resulting impact on State revenue and property values. The proposed budget reflects the priorities set by the Board of Trustees and follows the principles of AQIP, the Higher Learning Commission's Academic Quality Improvement Program.

- On the revenue side, we are assuming a reduction of 3.1 percent in state appropriations and a 6 percent decline in property tax revenue.
- On the expense side, our net health care costs are expected to increase by about 8 percent and LCC's contribution to MPSERS for employee retirement plans will rise to 19.5 percent.

In light of declining revenue and increased expenses, we have faced the difficult task of developing a budget that fulfills our mission to the community while positioning the college for the future. The budget we presented contains new initiatives while streamlining our operations. The budget presentation, "A Roadmap for Student Success," outlined details of the \$127.4 million proposal, which emphasizes student success and fiscal responsibility. The proposal includes initiatives that are expected to strengthen the college's primary focus on helping students achieve their academic goals.

New initiatives aimed at improving student success

We are all committed to helping students achieve their educational goals. Several new initiatives will enhance our efforts to increase the number of students earning certification, associate's degrees, and/or successfully transferring to 4-year colleges and universities.

- The New DEAL Program (Developmental Education and Adult Learning) will assist pre-developmental/transitional learners preparing for college level work.
- The Student Orientation Program will be improved and expanded, mandating participation for degree-seeking first time college students.
- A flexible registration program, compatible with BANNER, will be launched using a familiar Amazon.com "shopping cart" model, making registration easier.
- DegreeWorks, accessible to students and advisors, is a web-based academic advising, degree audit, and transfer articulation tool that allows advisors to provide meaningful direction to students and measure their progress toward goals. DegreeWorks is also a BANNER module.
- Additional course offerings, and enhanced technical support for online courses, will accommodate the unique needs of our students.

To accommodate the new initiatives and to close a nearly \$7.5 million gap created by declining revenue and projected needs, employees in all College divisions worked tirelessly to seek cost savings and to generate revenue.

Streamlining operations: gaining efficiencies without layoffs

The proposed budget DOES NOT include any layoffs. To achieve required savings without layoffs, however, the budget contemplates freezing wages and salaries at current levels for all employees. Senior administrators have had their salaries frozen since last year. In addition, the budget assumes adjustments to health benefits to achieve savings and bring those benefits more in line with local employers.

Administration will continue to work closely with members of the LCC Labor Coalition to accomplish these critical savings.

Savings are also achieved by streamlining and consolidating some program areas. For example, the developmental and transfer math programs will be consolidated, and truck driver training at Fort Custer (Battle Creek) will be moved to West Campus. In addition, we will improve our management of faculty and staff schedules, telephone usage, mileage, printing and copying, and travel, resulting in additional savings.

A recommended modest increase in tuition rates

It is never an easy decision to recommend a tuition increase. Despite the many new cost savings measures and revenue generating programs, there is still a budget gap of nearly \$2 million, so we have included a slight tuition increase of \$2 per billable hour (in-district) for fall 2010 and then \$2 for spring 2011. As you know, through conservative fiscal management, we've held tuition flat for the past three years.

We expect the Board of Trustees to consider the budget recommendations in their deliberations over the next month, and we are hopeful they will approve the budget at their regular meeting in May.

I am grateful to you - the college community – for your participation in this difficult but important budget process over the past several months. The process of developing the budget, as outlined to the Board of Trustees in February, has been open and transparent, resulting in a thoughtful and transformative proposal.

Thank you.

Brent Knight, Ph.D.

Read more –

[Michigan Economic and State Budget Update and Long-Term Outlook – Citizens Research Council of Michigan](#)
[LCC Budget Proposal FY2011 – A Roadmap for Student Success](#)
[LCC Budget Proposal Attachment](#)

Source: Campus Communication April 21, 2010

LANSING COMMUNITY COLLEGE

Recognizing Success, Creating Opportunity, Embracing Possibility

**P.O. Box 40010
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(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 2010-2011 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 FY2011, July 1, 2010 to June 30, 2011. As early as December 2008 however, the budget planning process pointed to a significant budget gap on the horizon for FY2011. 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 12% with employee cost sharing bringing the College increase to approximately 11%; reductions in 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 \$7.5 million budget gap, the College had no choice but to make very strategic fiscal decisions which necessitated tough reduction in costs college-wide, including health care, and 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 FY2011 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 FY2011.

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.

LCC is accredited by the North Central Association of Colleges and Schools.

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 - 2010

Deborah Canja, Chairperson
December 31, 2015

Edward Woods III, Vice Chair
December 31, 2013

Robin M. Smith Secretary
December 31, 2011

Larry Meyer, Treasurer
December 31, 2015

Jerry Hollister, Trustee
December 31, 2013

Robert E. Proctor, Trustee
December 31, 2015

Thomas Rasmusson, Trustee
December 31, 2011

Dr. Brent Knight, President, Lansing Community College

LCC is the third largest community college (in enrollment) in Michigan. The College enrolls more than 20,000 students per semester, representing about 51% in-district and 49% out-of-district students. LCC also employs over 500 full-time employees and over 2,000 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:

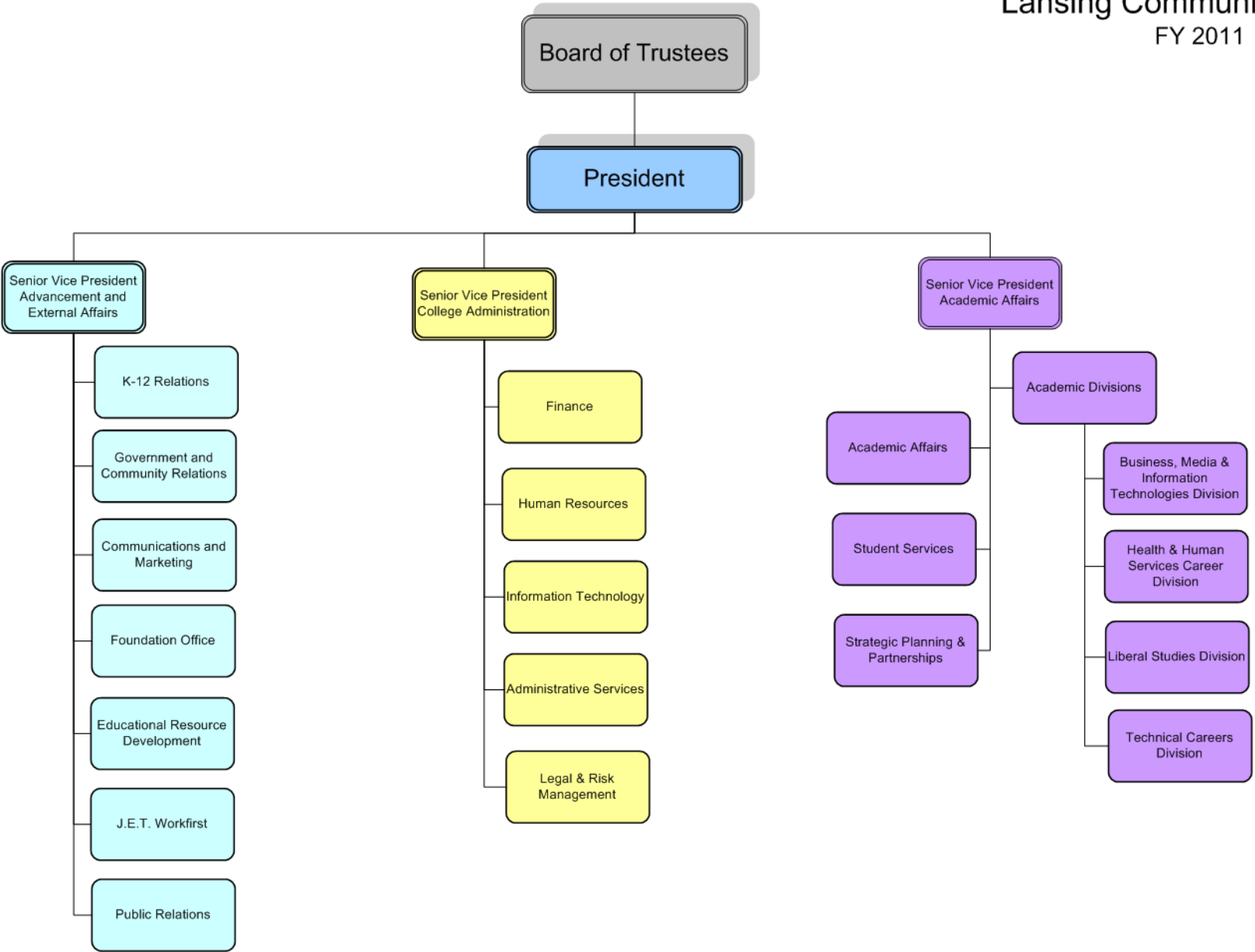
- LCC Downtown Campus, including a newly completed University Center, is a 48-acre campus covering seven city blocks and 1.1 million square feet of building space in downtown Lansing, Michigan
- LCC West in Delta Township, Michigan, comprised of 64 acres of land, houses the Michigan Technical Education Center®
- Aviation Center at the local airport
- Livingston Center at Parker Campus in Howell, Michigan
- Clinton County Center in St. Johns, Michigan
- LCC East in East Lansing, Michigan.

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 2011



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 Human Resources 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 Services

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

The Student Services 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
- Student Judicial Affairs
- Student Outreach and Recruitment
- Disability Support Services

The Student Services 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 2010, 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.

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)
- University Center

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.

eLearning

The eLearning Department is committed to student success by supporting efforts to ensure that quality online education and support services are available to a diverse population of learners through a variety of technology resources. This Department also develops, implements, designs and manages faculty and staff needs surrounding electronically supported education.

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.

University Center

The University Center is a partnership between Lansing Community College and six four-year universities, 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. Most of the degrees offered are in the technology field. All community members, as well as current and former LCC students may attend the University Center.

ACADEMIC INSTRUCTION DIVISIONS

At Lansing Community College, instruction is organized into four divisions to match the mission, namely Business, Media, and Information Technologies (BMIT), Health and Human Services (HHS), 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, including 3-D technology, on-line courses, computer-assisted instruction, and self-paced learning.

Health and Human Services

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, HHS 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:

- Allied Health and Human Services Department
- Nursing and Community Health 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 and 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
- 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 departments of Environmental, Design & Building Technologies; Transportation and Engineering Technologies; and Public Service Careers.

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:

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

Office of College Administration

The major functions, organized in four divisions, are:

- Financial Services
- Human Resources
- Administrative Services
- Information Technology
- Risk Management and Legal Analysis

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 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
- Fleet Management

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

Risk Management and Legal Analysis

Risk Management and Legal Analysis is responsible for managing the financial, physical, and reputational risks of the college. It is also responsible for managing the legal affairs of the college, reviewin the college's contracts and applications for grants and acting as a liaison between the college's administrators and legal firms. It is a resource for faculty and staff of the college in matters that involve potential liabilities and legal questions.

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
Student Success	<ul style="list-style-type: none"> • Helping Students Learn • Understanding Students' and Stakeholders' Needs • Supporting Institutional Operations • Measuring Effectiveness • Planning Continuing Improvement 	<ul style="list-style-type: none"> • Team-Based Learning • Service Learning • Leveraging Technology • K-12 Partnerships • Future State Funding 	<ul style="list-style-type: none"> • Developmental Education • Health Care • Math and Science • Financial Assistance • Teacher Education 	<ul style="list-style-type: none"> • Faculty of the Future • University Center • Alternative Energy • Enrollment Management • Expand Service Area
Community	<ul style="list-style-type: none"> • Helping Students Learn • Understanding Students' and Stakeholders' Needs • Supporting Institutional Operations • Measuring Effectiveness • Planning Continuing Improvement • Building Collaborative Relationships 	<ul style="list-style-type: none"> • Service Learning • Leveraging Technology • K-12 Partnerships • Future State Funding 	<ul style="list-style-type: none"> • Developmental Education • Health Care • Math and Science • Financial Assistance • Teacher Education 	<ul style="list-style-type: none"> • University Center • Alternative Energy • Enrollment Management • Expand Service Area

Accessibility	<ul style="list-style-type: none"> • Helping Students Learn • Understanding Students' and Stakeholders' Needs • Supporting Institutional Operations • Measuring Effectiveness • Planning Continuing Improvement 	<ul style="list-style-type: none"> • Leveraging Technology • K-12 Partnerships • Future State Funding 	<ul style="list-style-type: none"> • Developmental Education • Health Care • Financial Assistance 	<ul style="list-style-type: none"> • University Center • Enrollment Management • Expand Service Area
Employees	<ul style="list-style-type: none"> • Valuing People • Leading and Communicating • Measuring Effectiveness • Planning Continuing Improvement 	<ul style="list-style-type: none"> • Leveraging Technology • Future State Funding 	<ul style="list-style-type: none"> • Health Care • Financial Assistance 	<ul style="list-style-type: none"> • Faculty of the Future • University Center
Fiscal Responsibility	<ul style="list-style-type: none"> • Supporting Institutional Operations • Measuring Effectiveness • Planning Continuing Improvement 	<ul style="list-style-type: none"> • Leveraging Technology • Future State Funding 	<ul style="list-style-type: none"> • Financial Assistance 	<ul style="list-style-type: none"> • University Center • Alternative Energy • Enrollment Management • Expand Service Area

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:

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, education, and community partners in order to lead educational workforce initiatives.
3. Increase public awareness of LCC's provision of 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.

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 K-12 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.

Employees

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

Objectives:

Develop a strategic human resource plan 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.

Fiscal Responsibility

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.

Performance Measures

The table below shows short term performance goals for the college:

Outcome Goals	FY09 ACTUAL	FY10 ACTUAL	FY11 ESTIMATED	FY12 GOAL
1. Maintain or improve percentage of graduates who find jobs (one-year placement rate for students using institution's existing reports to the federal government)	75% 537 715 (08 grads in 09 followup)	67% 337 509 (09 grads in 10 followup)	67%	70%
2. Maintain or improve the success of students transferring to 4-year institutions (average first year GPA of transfer students)	3.08 GPA 08-09 MSU Incoming	3.02 GPA 09-10 MSU Incoming	3.02 GPA	3.05 GPA
3. Total number of degrees and awards granted in natural sciences, engineering/technology, and health care	1,352 08-09 Awards	1,296 09-10 Awards	1,300	1,325

DEFINITIONS:

1. "Graduates" as used in **Performance Measure 1** means those students who have completed the requirements for an associate degree, or sufficient courses to be eligible for a license or certificate or the testing procedure for the license (certificate). Report the one-year placement rate for graduates (to the nearest percent) as reported under existing reports to the federal government.
2. "Students transferring" as used in **Performance Measure 2** are those students who completed the requirements to transfer over 50 credits to a 4-year institution. Report the aggregate average first year GPA of all transfer students to 4-year institutions. Indicate NA if this information is not available.
3. Degrees and awards granted in natural sciences, engineering/technology and health care" as used in **Performance Measure 3** are those degrees and awards included under the federal Integrated Postsecondary Education Data System (IPEDS) Classification for Instructional Programs (CIP) codes 03, 26, and 40 (natural sciences category), 10, 14, 15, 29, 41, 46, 47, 48, and 49 (engineering/technology category), and 51 (health category).

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 also have 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 and during 2009 exacerbated Michigan's economic difficulties, as sectors such as construction, real estate, and finance collapsed.

While over the last nine years Michigan's employment situation has fared worse than the national average, and, in some cases or time periods within that range, worse than any other state's, Michigan's performance is not particularly inconsistent with other states when Michigan's economic composition is considered. Generally, states with higher manufacturing concentrations (particularly in the transportation equipment manufacturing sector) have experienced weaker job performance over the last nine years, both because of the economic changes occurring in that sector and because of the dependence of other sectors within those states on manufacturing activity. As indicated earlier, productivity gains have made American manufacturing firms more profitable and more competitive, but have reduced the need for hiring additional employees to meet increased demand.

Weak markets for housing, credit and employment, high energy prices, and substantial debt burdens are expected to exert a dragging force on any increases in demand over the forecast period. Vehicle sales are expected to remain substantially below the levels experienced over the last two decades, while the domestic share of the sales mix is expected to continue declining. Michigan's economic fortunes historically have been very closely linked with sales of domestically produced light vehicles, so it is unclear

whether Michigan's employment situation would be much better even if productivity were not rising so rapidly in the motor vehicle sector. However, the combination of high productivity and declining market share had lost nearly two-thirds of the jobs (64.4%, a decline of nearly 227,500 jobs) in transportation equipment manufacturing that existed during the peak in July 2000. March 2010 represented a new trough in total employment, with total job losses since the June 2000 peak reaching 864,700 jobs, a decline of 18.4%. As identified in versions of this report prepared for earlier forecasts, even with something approximating normal employment growth in Michigan, it is unlikely that Michigan will reach the level of employment reported in June 2000 again until some time near the year 2035.

Source: MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW - FY 2009-10 AND FY 2010-11
May 20, 2010 Senate Fiscal Agency, State of Michigan

CURRENT ECONOMIC ENVIRONMENT

In Michigan, both job growth and personal income growth are expected to remain below the national average and the historical State average and to spend the forecast period in recession. Inflation-adjusted personal income is projected to fall 0.7% in 2010 and then rise a meager 0.3% in 2011. The rate of employment declines should begin tapering during 2010 with employment forecast to decline 1.2%, the slowest annual decline since 2005 and a substantial improvement from the 6.8 % drop during 2009. Employment losses will be smaller in early 2011 and by the end of the year may exhibit some consistent gains, although on an annual basis employment in 2011 is expected to fall 0.8% the declines in wage and salary employment will extend the period of employment declines to 11 consecutive years, the longest period on record. In Michigan, below-average vehicle sales and high productivity growth will help keep the unemployment rate above the national average, with the State's unemployment rate increasing from 13.6% in 2009 to 14.1% in 2010, before slightly declining to 14.0% in 2011.

Source: MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW - FY 2009-10 AND FY 2010-11
May 20, 2010 Senate Fiscal Agency, State of Michigan

Tuition has remained constant for the three years prior to FY2011 and LCC's leadership has remained firm in their stance to keep tuition rates low in accordance with the governor's push to keep education affordable. With tuition and fees accounting for 40% of the revenue mix and few viable options available to diversify revenue sources, the college finds itself at the intersection of increasing student demand, increasing costs, and decreasing revenue.

As the least expensive post-secondary education option in a community facing a difficult economic situation, LCC is well positioned to attract a diverse group of students. High potential targets include those who are looking for a less-expensive post-secondary education option, those who have recently lost their job and are looking to retool their skill set in order to be productive in what may potentially be a more service-oriented and higher-skill-based economy, and those looking to further their education in order to remain competitive in the job market. Additionally, as the price of four-year institutions continues to rise or remain temporarily steady and cost becomes a preeminent concern, LCC's value proposition to graduating high school students improves. This value is aided

by the numerous MACRAO agreements LCC maintains with four-year institutions in the state of Michigan as well as the success of their own University Center.

Source: Knight, Brent. "State of the College Address." Lansing Community College. Lansing, MI. February 5, 2009.

Revenue Forecast

The recession continues into 2010 with significant pressure on the state budget and property tax valuations. "Revised estimates for FY2009-2010 General fund/General Purpose (GF/GP) revenues and School Aid Fund (SAF) were presented. The revised GF/GP estimate is down \$502.4 million and the revised SAF estimate is up \$255.2 million. Combined GF/GP and SAF revenue declined from FY2008-2009 by -6.4% or \$1.2 billion.

Revised revenue estimates for FY2010-11 indicate a 5% increase in GF/GP revenues and a 0.4% increase in SAF revenues. These increases are primarily due to the ongoing national and State economic recovery. The revenue projected for FY2010-11 marks the first revenue growth in two years.

Source: MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW - FY 2009-10 AND FY 2010-11
May 20, 2010 Senate Fiscal Agency, State of Michigan

State Appropriations

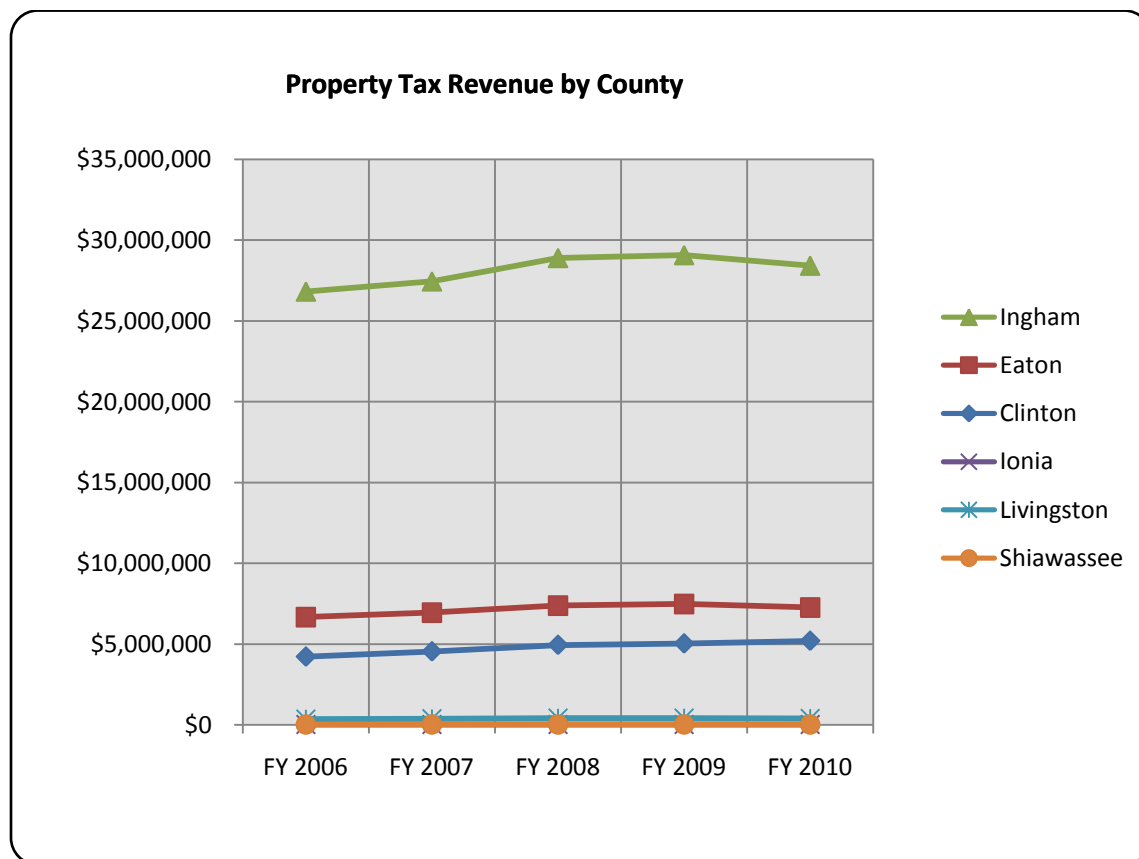
The mitigating factor for the state is The American Recovery and Reinvestment Act of 2009 (ARRA). This Act includes the appropriation of \$53.6 billion to states for fiscal relief to the State Fiscal Stabilization Fund. This ARRA funding includes \$39.5 billion for local K-12 school districts and community 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 decline in taxable valuation, which in turn results in a decline in property tax

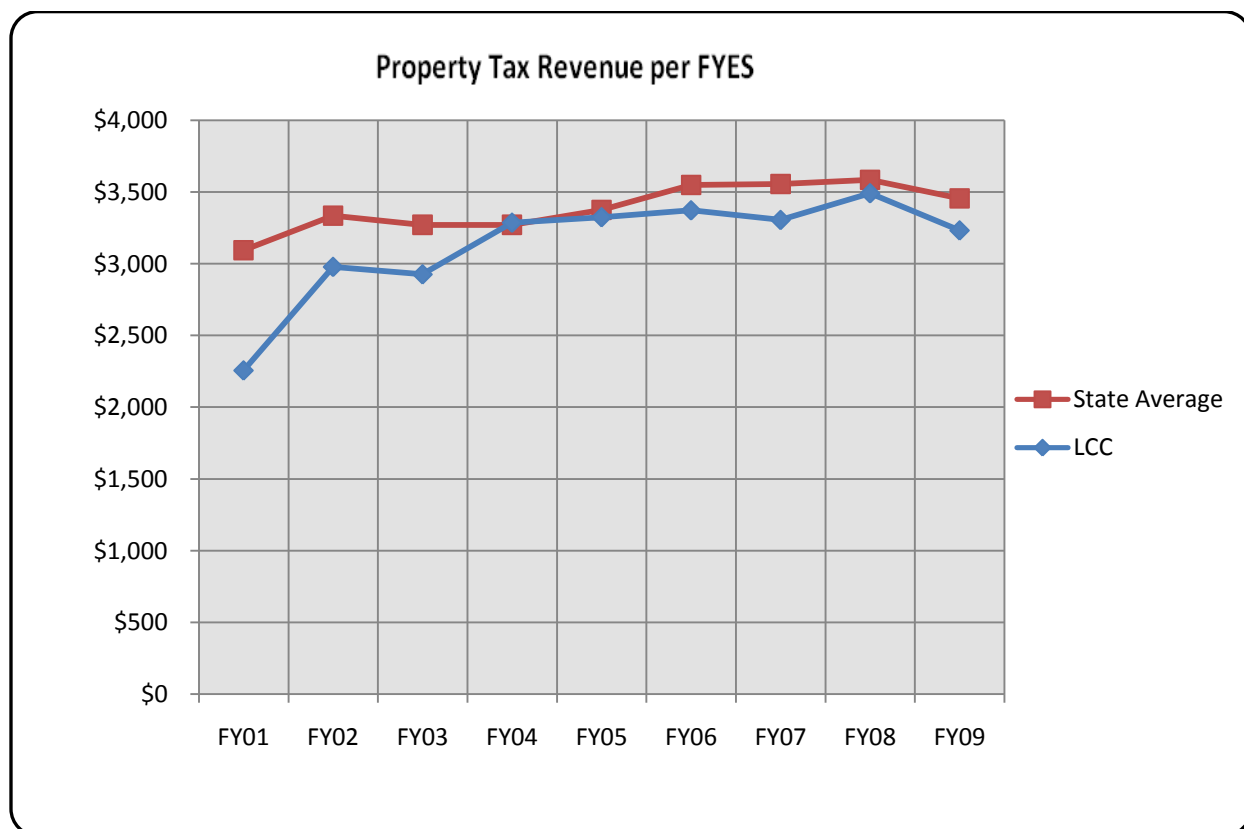
revenues. The five-year history of property tax revenues by county clearly shows this trend.

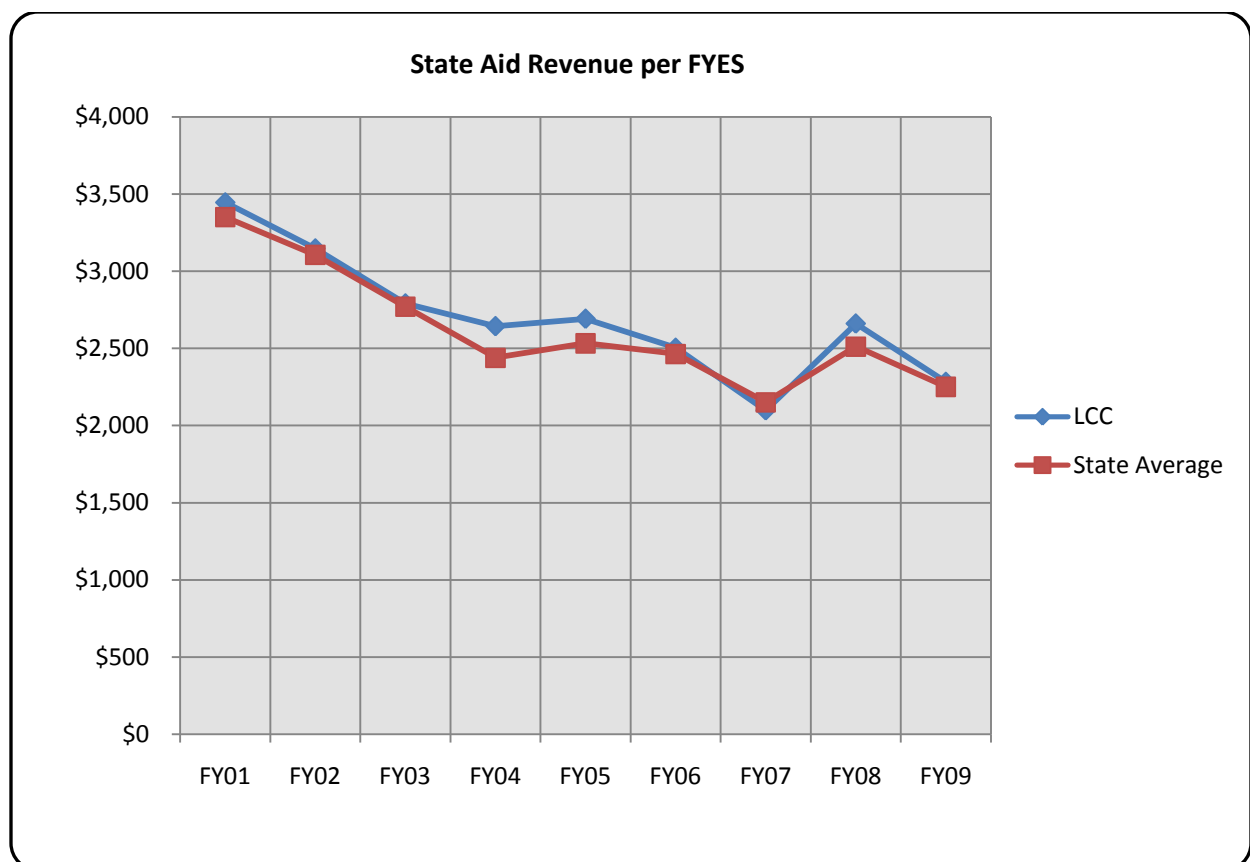
	PROPERTY TAX REVENUES BY COUNTY				
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
COUNTY					
Clinton	\$4,229,233	\$4,552,759	\$4,953,895	\$5,039,409	\$5,203,310
Eaton	\$6,673,925	\$6,957,402	\$7,392,447	\$7,487,618	\$7,270,149
Ingham	\$26,824,729	\$27,457,416	\$28,912,802	\$29,091,533	\$28,436,714
Ionia	\$18,850	\$19,763	\$22,193	\$22,301	\$21,844
Livingston	\$361,872	\$381,408	\$414,071	\$417,775	\$397,209
Shiawassee	\$24,778	\$25,324	\$26,667	\$27,474	\$29,499
Total	\$38,133,387	\$39,394,072	\$41,722,075	\$42,086,110	\$41,358,725



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 2008-09 Data Book & Companion) show clearly this state of affairs in the following two data charts.



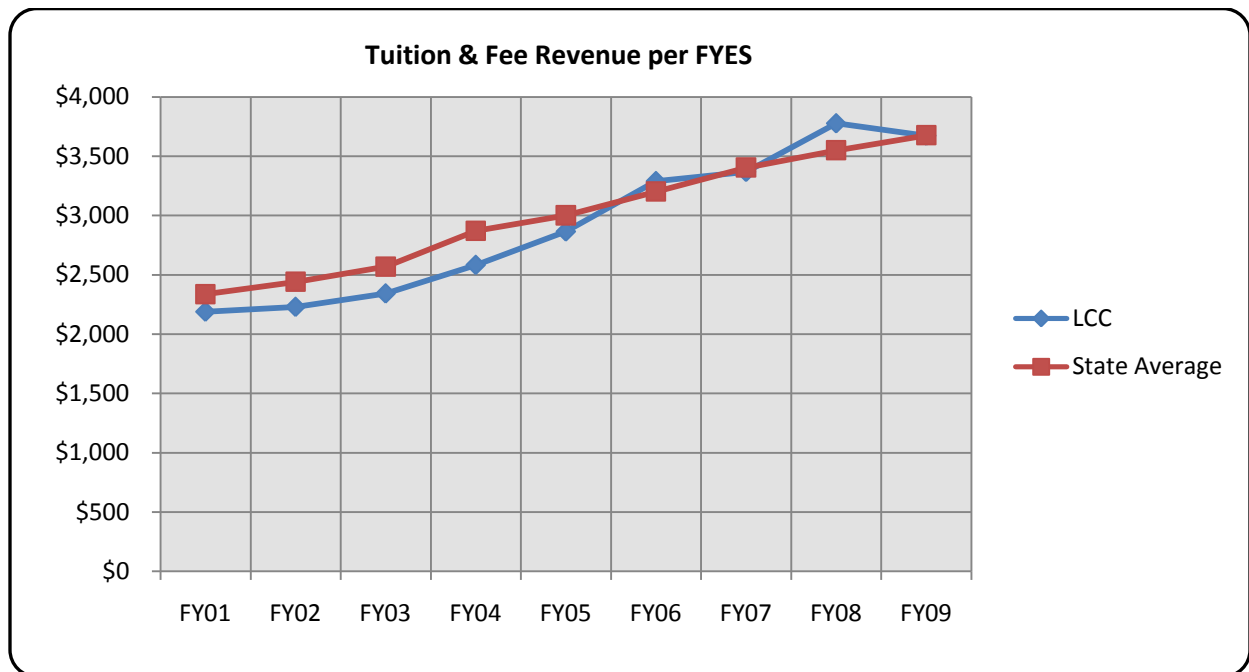


IMPACT ON FY2011 BUDGET PLANNING

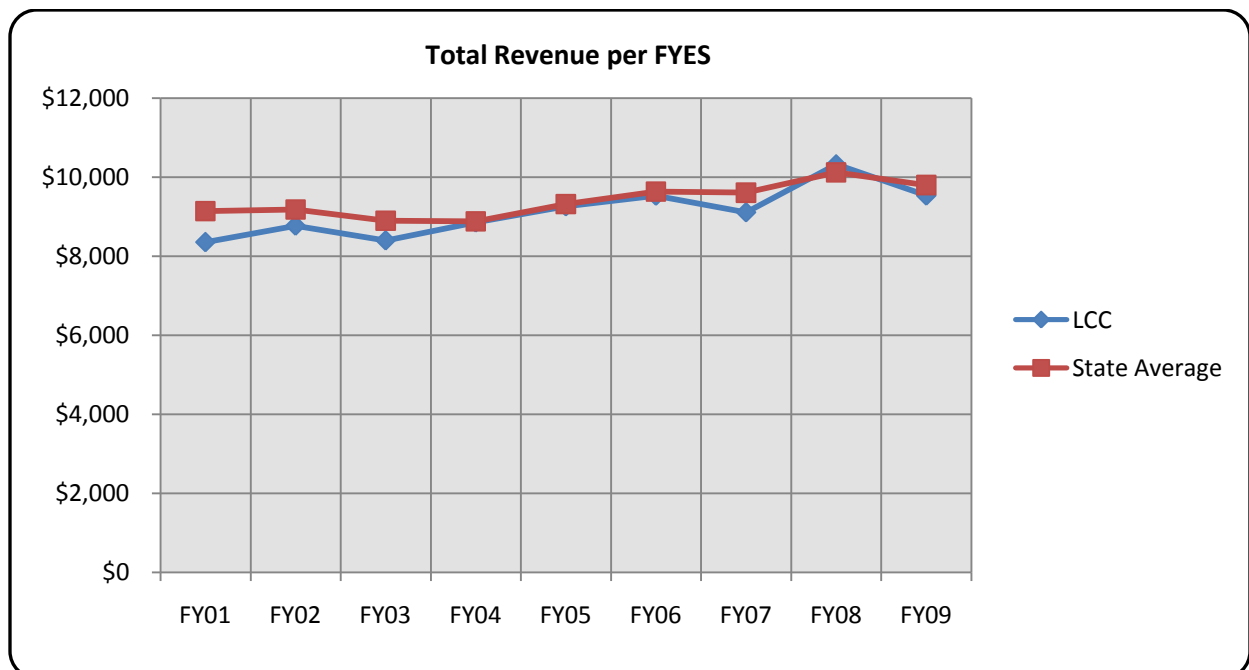
Prior to FY2008, State of Michigan appropriations and property taxes (public revenues) provided more than 60% of the College's revenues. This percentage has fallen below 60% in the last two fiscal years, and this state of revenues is expected to continue in FY2011 and probably beyond.

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 FY2011. The planned increases range from 2.50% to 17% for in-district tuition and from 2.50% to 13.20% for out-of-district tuition, with

only three of the 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."

Budget planning for the Fiscal Year 2010-2011 took place within one of 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 the 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. Early on, the budget planning process pointed to a significant budget gap in excess of \$3.6 million on the horizon for FY2011. The main factors underlying this significant budget gap include: rising labor costs, health care costs, which are projected to increase by 14% with employee cost sharing bringing the College increase to approximately 8%; employer contributions to the Michigan Public School Employee Retirement System (MPSERS) rising to 19.5%, uncertain state appropriations; and falling property tax revenues. The College had no choice but to make very strategic fiscal decisions which necessitated tough reduction in costs college-wide in addition to efficiency enhancements totaling \$5.5 million.

<i>Budget and Strategic Planning Decisions - FY2011</i>	
<i>FINANCIAL IMPROVEMENT INITIATIVES</i>	
<i>Expenditure Reductions /Revenue Enhancements</i>	<i>Amount</i>
<i>Academic Savings</i>	
Math Department Consolidation	\$121,269
Move Truck Driver Training to West Campus	145,106
Section Management	160,000
Reduce Full Time Faculty Release Time	207,052
Manage / streamline operations and supply acquisition	182,952
Telephones	10,000
Mileage	10,393
Other (Print, copy, travel, and training)	5,015
<i>Total Academic Savings</i>	<i>\$841,787</i>
<i>Student Services Savings</i>	
Contract Savings	\$114,335
Reduce Library Collection Budget	25,000
Reduce Library Service Hours	11,424
Student Services Streamlining	204,286
Overtime	52,515
Mileage	1,507
Mail and Reprographics	43,888
<i>Total Student Service Savings</i>	<i>\$452,955</i>

Budget and Strategic Planning Decisions - FY2011 (continued)	
FINANCIAL IMPROVEMENT INITIATIVES (continued)	Amount
Advancement and External Affairs	
Purchased Services	\$66,503
Mileage	245
Other (Print, copy, and training)	12,255
Total Advancement and External Affairs Savings	\$79,003
Finance and Administration	
Finance Division Restructuring	\$118,520
Consulting	105,356
Reductions in ITS Maintenance and Purchased Services	306,798
Technology Replacement	500,000
Software	48,265
Overtime	118,914
Postage and Printing	92,440
Restructure Office of Finance & Administration	144,961
Mileage	2,342
Other	10,704
Telephones	6,000
Total Finance and Administration Savings	\$1,454,300
Board of Trustees	
Election Expense	\$160,000
Mileage	187
Total Board of Trustees Savings	\$160,187
College Wide	
Voluntary Retirement Separation Incentive Plan (VRSIP II)	\$450,928
Health Care	1,000,000
Total College Wide Savings	\$1,450,928
Revenue Enhancement	
On-line Seat Limits	\$450,000
Manage Seat Limits	24,000
Consistent Charges for Course Fees (Pass through costs)	264,643
Increase On-line Fees	316,125
Get a Skill / Get a Job	45,000
Total Revenue Increase	\$1,099,768
Grand Total Expenditure Reductions and Revenue Enhancements	\$5,538,928
Expenditure on New Strategic Initiatives	
Academic and Workforce Development Excellence	
Utility Training Center	\$50,000
Get a Skill / Get a Job	184,415
Technical support for e-Learning	86,754
LCC/Cooley Pre-Law Partnership	6,000
Economic Development Research & Life Enrichment Grants	50,000
Accelerated Nursing Program	99,360
National Auto Tech EF (NATEF) Summer Instructor School	4,500
Limited Expansion Recycling Pilot ended 12/31/09	58,825
Information Security Analyst	86,754
Laptop Encryption for Privacy Compliance (Phase 1)	60,000
External Security Assessment	50,000
Security Information Event Monitoring	25,000

<i>Budget and Strategic Planning Decisions - FY2011 (continued)</i>	
<i>Expenditure on New Strategic Initiatives (continued)</i>	<i>Amount</i>
Capital Project Request	1,217,786
Professional Development needs	44,807
On-Line Course Conversion	22,312
Increase DMAC lab support	17,320
Community and Allied Health Clinical Coordinator	15,900
Employee Recruitment Expenses	50,000
Replace work study student hours	125,000
Non-Discretionary Cost increases	342,518
Document Storage and Management	50,000
<i>Total Academic and Workforce Development Excellence Expenditures</i>	<i>\$2,647,251</i>
<i>Community Impact – Highly Educated Community</i>	
New DEAL Program (Developmental Education and Adult Learning)	\$146,777
Recruitment/Outreach – New Student Orientation	59,958
Student Tele-Counseling	19,584
Implement Flexible Registration	192,520
Middle College Initiative – Pilot w/Leslie Schools	45,000
Student Success in Developmental Math	(366,706)
Foster a Culture of Diversity	50,000
On-going support for Non Profit, Faith-based and Community Outreach and Marketing	52,000
<i>Total Community Impact – Highly Educated Community Expenditures</i>	<i>\$199,133</i>
<i>Student Success</i>	
Student Goal Direction/Goal Support/Goal Achieved	\$551,871
Accelerated General Education Program	11,504
Advising and Academic Progress Systems Implementation – DegreeWorks	258,920
Admissions Registration & Records and Financial Aid – Four Part Time Customer Service Staff	74,295
Achieving the Dream Grant Match	35,000
<i>Total Student Success Expenditures</i>	<i>\$931,590</i>
<i>Marketing and Communication</i>	
Customer Relationship Management	\$34,000
Communication Initiative – Campus Leadership, faculty and staff	2,000
<i>Total Marketing and Communication Expenditures</i>	<i>\$36,000</i>
<i>Grand Total Expenditure on New Strategic Initiatives</i>	<i>\$3,813,974</i>

Lansing Community College

Facilities Master Plan Summary

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 40,000 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.

LCC's current and planning horizon students, prefer a team-based learning environment, and employers want employees who have the ability to effectively communicate and work well in teams. The major advantages of team-based learning are: (1) individual students commit to a very high level of effort in their learning, and (2) learning teams are capable of solving problems that are beyond the capability of even their most talented members. Research shows that this approach works well in a community college environment.

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.

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[®]), 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 are being updated to afford better access for students and the public to LCC campuses.

- 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 10:00 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 Student Services 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 begin 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 2009.

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:

Bond Sale	Principal as of June 30, 2009	Last Payment Year
2002	\$9,075,000	2012
2003	\$13,590,000	2022
2005	\$21,740,000	2022
2006	\$9,900,000	2026
2007	\$9,470,000	2026
Total	\$63,775,000	

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 2015, 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 2015 as follows:

Facility Category	FY10	FY11	FY12	FY13	FY14	FY15
Architectural	\$413,118	\$1,240,000	\$300,000	\$1,805,000	\$384,000	\$500,000
Electrical	\$243,828	\$216,900	\$2,139,886	\$50,000	\$285,000	\$135,000
Envelope	\$86,484	\$0	\$80,000	\$80,000	\$1,180,000	\$1,010,000
Maintenance	\$65,500	\$60,000	\$160,500	\$114,000	\$36,000	\$198,500
Mechanical	\$1,123,218	\$310,000	\$593,700	\$155,000	\$595,000	\$216,500
Other	\$145,000	\$560,000	\$0	\$450,000	\$75,000	\$150,000
Roof						
Repair/Replace	\$340,432	\$286,000	\$0	\$235,000	\$325,000	\$725,000
Site Repairs	\$656,109	\$421,125	\$0	\$200,000	\$220,000	\$125,000
Grand Total	\$3,073,689	\$3,094,025	\$3,274,086	\$3,089,000	\$3,100,000	\$3,060,000

BUDGET PLANNING

LANSING COMMUNITY COLLEGE

BUDGET PLANNING AND FINANCIAL POLICIES

Lansing Community College uses the accrual basis of accounting, in accordance with GAAP as applicable to public colleges and universities and as described in Governmental Accounting Standards Board. The College follows the “business-type” activities model of GASB Statement No. 35. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods and services. The College’s functional expense classifications are in accordance with the guidance in the *Manual for Uniform Financial Reporting –Michigan Public Community Colleges*.

An accrual basis is used for budgeting, with a modified incremental basis model. A baseline budget is established, then, request for adjustments from that baseline are submitted and deliberated upon, with those deemed strategically sound being incorporated into the budget proposal.

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. They are as follows:

COLLEGE POLICIES

Financial Oversight and Monitoring Policy

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.

Capital Project Budgeting Policy

I. Purpose

This policy is intended to define purposes, parameters and total expected cost of capital projects undertaken by the college. This is intended to assure that the policy makers, students, faculty, staff and funding bodies have sufficient information to ascertain the financial impact and viability of any proposed capital project.

II. Scope

This policy applies to all proposed capital projects exceeding \$500,000.

III. General

- A. Definitions: a capital project shall be any project over \$500,000 undertaken to build, renovate, or expand any college facility or to acquire new real property for current or future use. The definition of capital project shall also include the acquisition or development of any new system, including technology, telecommunications or other similar personal property on behalf of the college, or major upgrades or modifications to same.
- B. In case of question as to whether any project shall be governed by this policy, the external auditor shall be asked in writing if such a project would or should be considered as a capital project for accounting and reporting purposes.
- C. Budget information to be included with proposal for a capital project:
1. Detail of proposed expenditures for design, construction, equipment, etc.
 2. Professional services expected to be utilized in support of the project.
 3. Contingencies.
 4. Internal staff time and resources which are expected to be required for the project.
 5. Proposed operating budget, such as added insurance, utilities, staffing, etc., when the project is completed.

BOARD GOVERNANCE POLICIES

Budgeting and Forecasting

Budgeting for any fiscal year or the remaining part of any fiscal period shall not deviate materially from Board *Ends* priorities and Board budget policy and parameters, risk

fiscal jeopardy nor fail to show a generally acceptable level of prudent professional financial foresight.

Accordingly, the President shall present a proposed budget which:

1. Contains sufficient information in accordance with policy direction established by the Board of Trustees, to enable credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
2. Plans the expenditure in any fiscal year of no more funds than are conservatively projected to be received.
3. Presents a budget for the general operating fund which would project fund balance to fall below a reasonable level, with a goal of ten percent of the college's operating budget.
4. Presents a reasonable and prudent plan to assure the fiscal soundness of future years and provides for the building of organizational capability sufficient to achieve ends in future years.
5. Includes consideration of multiple year long-range administrative plans.
6. Presents sufficient comparative financial and enrollment data to allow the Board and others to make accurate and ready comparisons of budget to actual data for prior fiscal years and to assess the reasonableness of projections for the proposed budget.

Financial Condition

With respect to the actual, ongoing condition of the organization's financial health, the President may not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures for Board priorities established in Ends and Budget policies.

Accordingly, the President may not:

1. Expend more funds than have been received in the fiscal year to date unless the debt guideline (below) is met.
2. Indebt the organization in an amount greater than can be repaid by certain, otherwise unencumbered revenues within 60 days.
3. Use any long term reserves.
4. Conduct inter-fund shifting in amounts greater than can be restored to a condition of discrete fund balances by certain, otherwise unencumbered revenues by the end of the fiscal year.
5. Allow cash to drop below the amount needed to settle payroll and debts in a timely manner.
6. Allow tax payments or other government ordered payments or filings to be overdue or not filed.

7. Allow the College's financial condition to jeopardize long-range financial requirements.
8. Incur financial liabilities, or contingent liabilities, which would otherwise be prohibited if incurred as a current expense. This shall include a prohibition against obligation to pay penalties, damages, severance, or other unbudgeted costs, without Board approval of specific Board policies providing for the same.

Annual Board Planning Cycle

To accomplish its job outputs with a governance style consistent with Board policies, the Board will follow an annual agenda which (a) completes a re-exploration of Ends policies annually and (b) continually improves its performance through attention to Board education and to enriched input and deliberation.

1. The cycle will conclude each year on the last day of December in order that administrative budgeting can be based on accomplishing a one year segment of the most recent Board long-range vision. Long range planning will be addressed annually.
2. Education, input and deliberation will receive paramount attention in structuring the series of meetings and other Board activities during the year.
3. The sequence derived from this process for the Board planning year as follows:

Sept: Tentative agenda for year, proposed community linkages for fiscal year, Board education and development, and Board self evaluation.

Oct: Continuation of September agenda. Review Ends. Facilities Master Plan update. Board self evaluation.

Nov: Organizational Performance Review. Year-end Financial Audit Report. Action on Annual Results Inventory Report – Financial Responsibility. Action on Facilities Master Plan renewal. Board self evaluation.

Dec: Review/adjust monitoring criteria. Board self evaluation.

Jan: Organizational meeting. Hold the first meeting of the Board in January following the date of the regular College District election.

Jan-Apr: Action on President's Contract. Continue to focus on concerns, issues, linkage planning and implementation. Board shall receive preliminary information on strategic initiatives, revenues and expenditures. The purpose of this information will be to provide board members with information that may assist their decision-making prior to the final approval of the budget. Action on Annual Results Inventory Reports – Access, Student Learning Outcomes & Stakeholder Satisfaction. Board self evaluation.

May: Approve property taxes/tuition budget. Board self evaluation.

June: Celebration, review of past year, contemplation of improvement areas, debate on how much and what improvements to focus on for the coming year. Board self evaluation.

Additional Governance Policies

In February, 2010, the Board adopted additional governance policies to help guide the FY2011 budget planning and development process. They are as follows:

E-104 – Community Impact Highly Educated Community

To fulfill its mission, Lansing Community College will raise the educational level of the community by:

E-104.1 – Preparing prospective and incoming students for college level work.

E-104.2 – Emphasizing foundational skill development to give learners maximum employment flexibility.

E-104.3 – Increasing Outreach to Underrepresented and Underserved Segments of Community.

E – 105 Student Success

To fulfill its mission Lansing Community College will:

E-105.1 – Focus on, invest in, and implement programs and initiatives that will substantially and positively impact student retention and completion.

E – 106 Marketing and Communication

To fulfill its mission Lansing Community College will:

E-106.1 – Increase the effectiveness of internal marketing and communication throughout the College and external marketing and communication through the communities LCC serves.

E – 107 Academic and Workforce Development Excellence

To fulfill its mission Lansing Community College will:

E-107.1 – Promote a spirit of excellence.

Budget Amendments

The President notifies the Board of Trustees if he or she 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.

Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Lansing Community College of Lansing, Michigan for its annual budget for the fiscal year beginning July 1, 2009. This is the first time the College has received this award. In order to receive this award, a budget document must be published that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a one year period. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Lansing Community College
Michigan**

For the Fiscal Year Beginning

July 1, 2009

President

Executive Director

FY2011 BUDGET ESTABLISHMENT BUDGET TIMELINE

1/11/2010	Budget Process and Objectives for Divisions presented to Executive Leadership Team (ELT)
1/12/2010	FY2010 service and supply reconciliation worksheet baseline budget, budget assumptions, initiatives, parameters, etc. presented to divisions
1/12/2010 – 2/26/10	Division work with Finance Representatives on FY2010 reconciliation and FY2011 budget reductions
1/31/2010	Divisional renovation requests due to Administrative Services Executive Director
2/2/2010	Board Packet: Budget Process and Objectives sent as information item to Board of Trustees
2/15/2010	Initiatives due to Sr. VP's. Major Equipment requests due to Sr. VP's—copy to Chris Strugar-Fritsch for installation cost review/calculation.
2/16/2010	Board Meeting presentation: Budget Process and Objectives sent as information item to Board of Trustees
2/26/2010	Major Equipment Requests and Division renovations due to Financial Planning, Analysis And Review
2/26/2010	Divisions finalize FY2010 reconciliation and FY2011 baseline, and finance staff load into Banner
2/26/2010	3-Year Technology Replacement, Media, Maintenance & Replacement, Division Renovation and Major Equipment Plans due to CFO
2/26/2010	FY2011 proposed budget changes from baseline (reductions and increase funding initiatives) due to Finance
2/26/10 – 3/1/10	FY2010 reconciliation and FY2011 baseline reviewed by Finance leadership
3/1/2010	Present FY2011 budget reduction proposals to senior leadership
3/15/2010	Present FY2010 reconciliation for approval and FY2011 preliminary budget overview at Board meeting
4/5/2010	Final draft of FY 2011 budget approved by ELT
4/19/2010	Present FY2011 budget proposal at Board workshop prior to Board meeting
5/17/2010	Provide additional information at Board workshop (tentative – if necessary)
5/17/2010	Present FY2011 budget proposal for approval at Board hearing

In November, 2009, the Administration presented an overview of economic assumptions for the FY2011 Budget. They include losses in state funding and property tax revenue and major health expense increases. Labor contracts for all but one of the seven labor unions would be expiring June 30, 2010, the last day of FY2010. November's budget gap estimation assumed zero changes in salaries and services and supplies. With these assumptions, the FY2011 budget gap was estimated to be between five and eleven million dollars.

In February, the Administration presented the following information to the Board of Trustees regarding the FY2011 Budget Guiding Principles, Process and Timeline:

- **Guiding Principles**

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

- **Important Due Dates**

1. March 15, 2010, Present FY2010 reconciliation for approval and FY2011 preliminary budget overview at Board Meeting.
2. March 19, 2010, Present FY2011 budget proposal at Board workshop prior to Board Meeting.

- **Current Services Baseline Assumptions**

1. For enrollment planning purposes, we assume that the number of sections from FY 2009-2010 remain constant.
2. No increase in authorized FTEs.
3. All temporary positions that are not grant funded will be removed from the budget.
4. No inflationary growth in supplies & services, nor in General Fund Capital Budget Transfers.

- **Development of Budget Recommendations for Board consideration**

1. Begin with the FY 2010-11 baseline.
2. All Divisions must present, for review, a plan to cut 10%.
3. New initiatives, as defined below, should be submitted when Divisions submit their budget requests. All costs and program service impacts associated with new initiatives must be included in the submission.
4. Three-year plans will be developed for:
 - a) Information Technology Replacement
 - b) Media Technology Replacement
 - c) Maintenance & Replacement

- d) Division Renovations
- e) Major Equipment
- 5. Per Board policy, Contingency Funds will equal 1 percent.
- 6. If a determination is made that additional sections need to be added, a fund source will be available within Academic Affairs.
- 7. Decisions resulting from the Academic Program Analysis will be incorporated into the FY 2010-11 Budget Recommendation to the Board.
- 8. Initiatives include the following:
 - a) Funding for innovation to keep pace with new technology
 - b) Funding for new revenue sources
 - c) Financial Improvement initiatives that require investment to increase revenue or decrease expenses in the future
 - d) Non discretionary cost increases in services and supplies

FY2011 Budget Planning Timeline

3/15/2010 Present FY2010 reconciliation for approval and FY2011 preliminary budget overview at Board meeting

4/19/2010 Present FY2011 budget proposal at Board workshop prior to Board meeting

5/17/2010 FY2011 budget proposal presented at Board hearing and for approval at Board meeting

In March, the Board approved a Voluntary Retirement/Separation Incentive Program (VRSIP) II, similar to the VRSIP implemented at the end of the FY2009. Twenty employees had expressed interest in terminating employment through VRSIP II at a cost of \$734,524. Employees would be given a one time payment upon retirement. Retirements for these twenty individuals would begin between June 30, 2010 and extend through June 30, 2011.

In April, the Administration's FY2011 Budget proposal was presented in a workshop prior to the Board Meeting for information and discussion. At the workshop, the Board and attending public were reminded of the guiding principles, shown the initial budget gap of 3.676 million, then shown the funding requests that had been selected for incorporation into the proposal, based on four of the Board Policies that had been identified as priorities (see Strategic Planning Matrix, Budget and Strategic Planning Decisions – FY2011 chart in Strategic Planning section and Board Policies in Financial Policies section):

- E-104 - Community Impact – Highly Educated Community
- E-105 - Student Success
- E-106 - Marketing and Communication
- E-107 - Academic and Workforce Development Excellence

The projected balance gap became \$7.489 million. Next, divisional recommendations to close the gap to \$1.950 million by cost savings and revenue generation were itemized

and totaled.

After considering all other cuts/savings, VRSIP II and health care options and revenue generation, the administration proposed a stepped tuition increase as follows:

Residency	Current Tuition Rate	Proposed Increase Fall 2010	Proposed Tuition Rate Fall 2010	Proposed Increase Spring 2011	Proposed Tuition Rate Spring 2011
In District	\$73	\$2	\$75	\$2	\$77
Out of District	\$134	\$4	\$138	\$4	\$142
Out of State	\$201	\$6	\$207	\$6	\$213
International	\$201	\$10	\$211	\$10	\$221

On May 17, 2010 after a public hearing on the proposed budget, the Board of Trustees had their regular meeting. Some members of the Board asked what other options were considered and rejected. It was explained that deferring strategic initiatives, involuntary staff reduction in force or using College unrestricted reserves. It was emphasized that these are not included in the Administration's recommendations. The Board adopted the proposed budget after altering the tuition increase to be the average of the proposed, stepped increases.

Residency	FY2011 Tuition Rate
In District	\$76
Out of District	\$140
Out of State	\$210
International	\$216

Fiscal Year 2011 Proposed Budget

Revenues

Total revenues are projected to exceed \$127 million.

State Appropriations – The State's FY11 appropriation to Lansing Community College is assumed to decrease by 3.1% from the FY10 level.

Property Taxes – For FY11, property tax revenue is estimated to decrease by 6.0%. The College is anticipating an increase in uncollectible property taxes and has included a conservative assumption for uncollectible property taxes in both FY10 and FY11. This overall decrease of 6.0% compares to a decrease of 1.7% in FY10 and increases of 0.8% in FY09 and 5.9% in FY08. The College's millage rate will remain at 3.8072 mills.

Tuition and Fees – The budget of \$56,245,347 in tuition and fees assumes increases in On-Line enrollment and an average increase in tuition rates for in-district, out-district, out-state and international students of \$3, \$6, \$9 and \$15, respectively. Fee increases that have been previously approved by the Board are included.

In addition to course related revenue, registration fees, facility fees, On-Line fees, BCI tuition-based contracts and Extension and Community Education (ECE) contribute to total tuition and fee revenue.

Uncollectable tuition in FY11 is projected at \$800,000 compared to \$800,000 in FY10 and \$1,385,961 in FY09. The College has more strictly enforced collections and reduced the percentage of bad debt in FY10. This is an offset to Tuition and Fee Revenue.

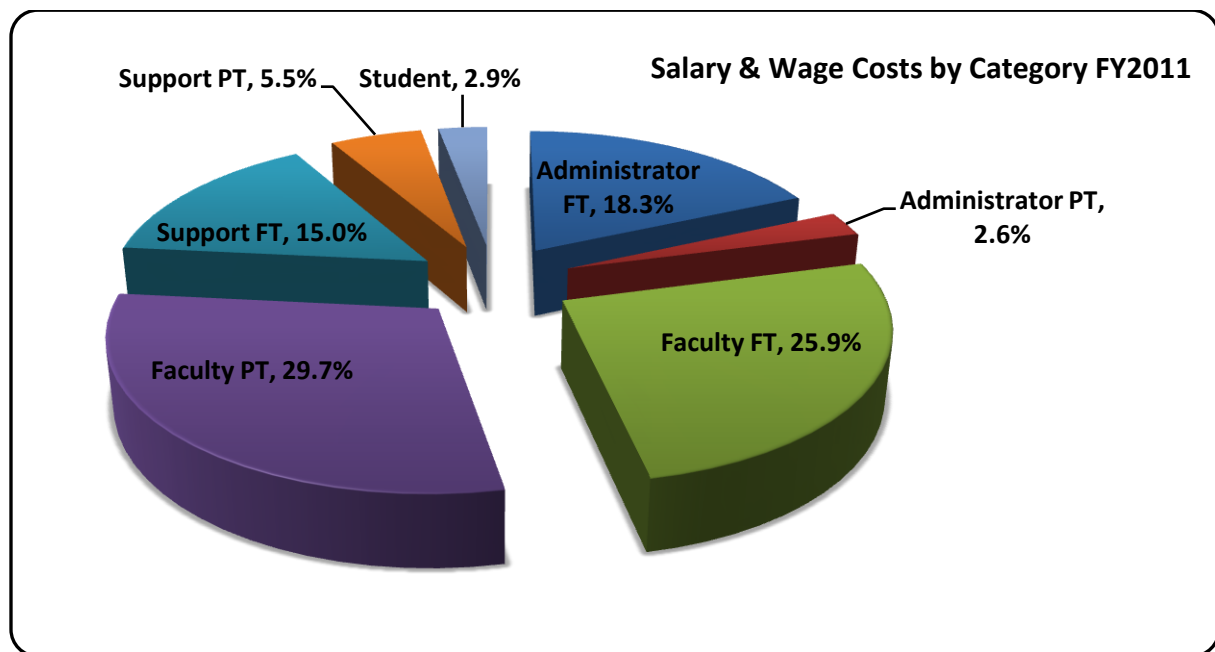
Other Revenues – Other revenues include contracted training (non credit) from the Business and Community Institute (BCI), the College's contracts with the Eaton Intermediate School District (EISD) and the Clinton County Regional Educational Services Agency (CCRESA), interest income, revenue from the 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 has also added the projected revenue from "Get a Skill/Get a Job" and projects a total increase in Other Revenue from the prior year of 1.34%.

Summary of Fiscal Year 2011 General Fund Revenues

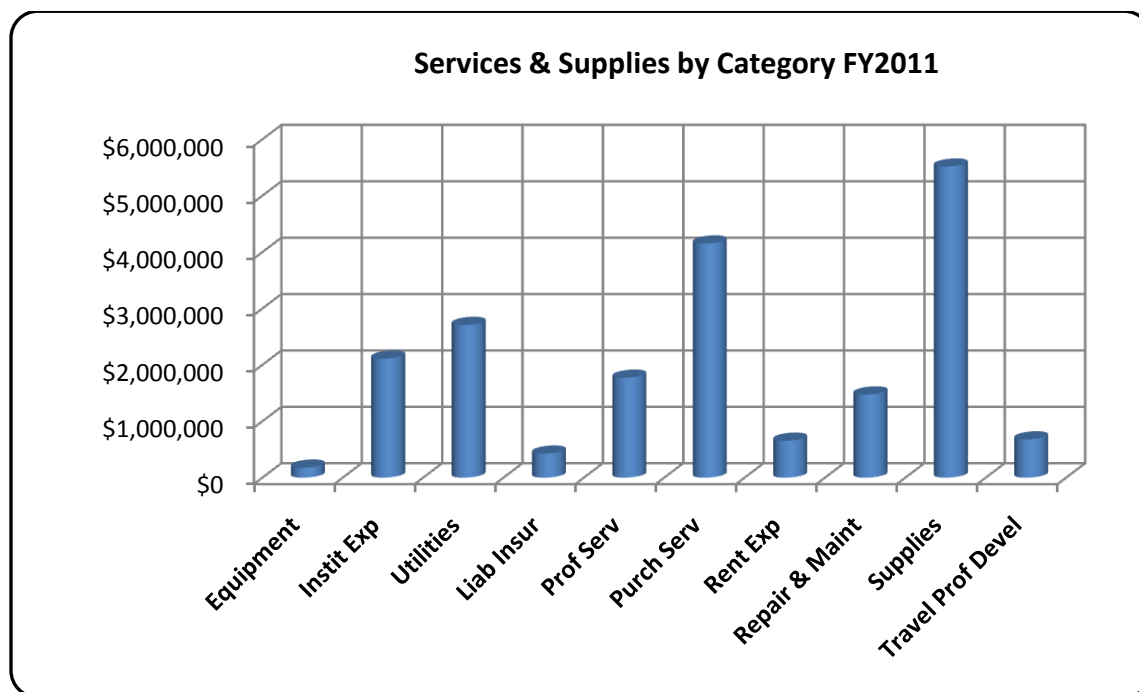
General Fund Revenues					
Total Revenues	2008 Actual	2009 Actual	2010 Budget as Amended	2011 Proposed	Percent change 2010 to 2011
State Appropriations	\$ 31,810,203	\$ 29,762,500	\$ 29,762,500	\$ 28,830,600	-3.1%
Property Taxes	\$ 41,722,075	\$ 42,147,127	\$ 41,425,000	\$ 38,939,500	-6.0%
Tuition and Fees	\$ 44,867,839	\$ 49,568,717	\$ 53,187,681	\$ 56,245,347	5.75%
Other Revenue	\$ 3,919,554	\$ 2,986,480	\$ 3,367,047	\$ 3,412,047	1.34%
Total	\$122,319,671	\$124,464,824	\$127,742,228	\$127,427,494	-.025%

Operating Budgets

Salaries, Wages, and Benefits – Salaries and benefits will comprise 68.4% of all general fund expenditures in FY11. This is compared 67.3% in FY10 amended budget. The College's contribution to the Michigan Public School Employees Retirement System (MPERS) will be 19.41% of salaries and wages effective October 2010 compared to 16.94% 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 rates are projected to increase by 8%, however the College's Health Care Task Force has been analyzing alternatives to reduce these costs while maintaining competitive benefit coverage for employees. Other benefit costs include dental, vision, social security payroll taxes, tuition benefits, life and disability insurance, and workers' compensation.



Services and Supplies – Services and supplies are decreased -1.56% from FY10 amended budget. This includes the projected financial improvement initiatives.



Contingency – The proposed Contingency budget for FY11 is \$1,274,274 or 1% of the proposed expenses.

Transfers

Child Care Scholarships - It is anticipated that \$254,142 will be sufficient for FY11. This is the same level as FY10.

Institutional Scholarships - It is proposed that the budget for institutional scholarships be increased 4.11% from FY10 to \$1,324,230 to duplicate the increase in in-district tuition. This budget funds departmental, honors, athletic, and Board of Trustees scholarships.

Capital Budgets

Major Equipment - The FY11 budget is maintained at \$1,414,500, the same level as the FY10 budget.

Debt Service - \$7,637,958 is budgeted here for principal and interest payments and includes the two recent bond issues. (See Debt Service p.82)

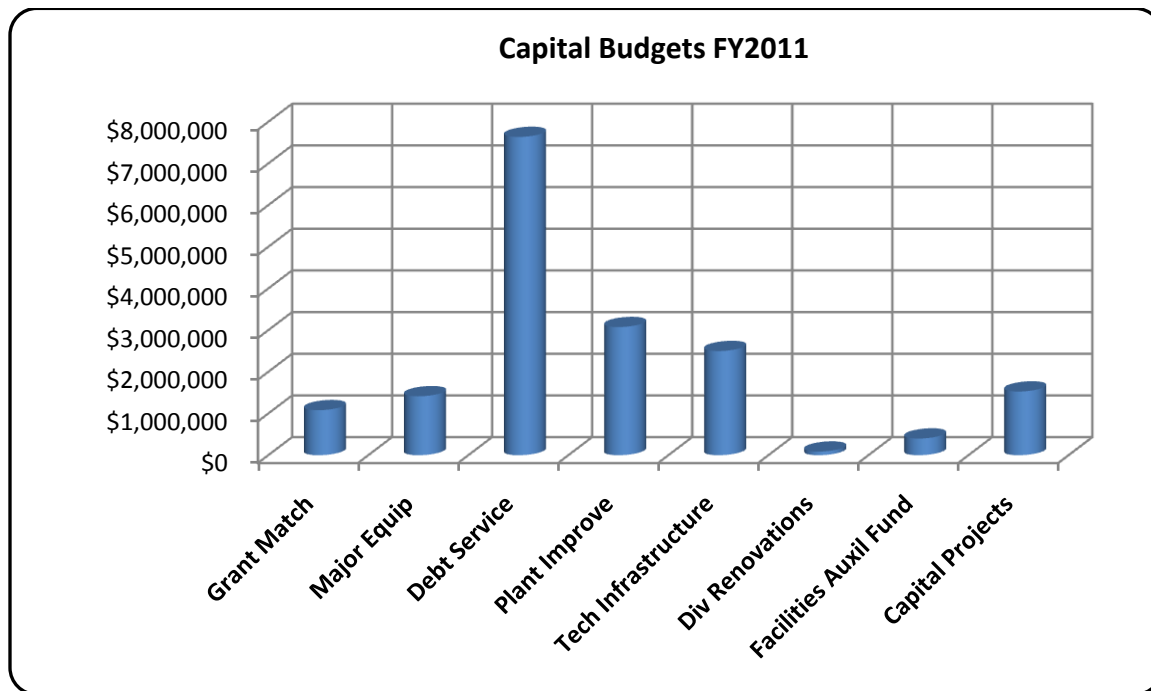
Plant Improvement – The FY11 budget is proposed at the same level as FY10, for a total of \$3,075,000. The College currently owns and maintains approximately 1.5 million square feet of space.

Technology Infrastructure – The FY11 budget is proposed at a reduction of \$500,000 from FY10 for a total of \$2,500,000.

Division Renovations – The FY11 budget maintains this budget at the FY10 level of \$87,125.

Facilities Auxiliary Fund – The FY11 budget is proposed at the same level as FY10, for a total of \$400,000.

Capital Projects -2011 – The FY11 budget begins funding for projects approved by the Board of Trustees. These are the Capital Outlay Project Request for renovation of the Arts & Science (A&S) Building (assuming matching funds from the State of Michigan) and renovations to the Gannon Building that are necessary for the renovations to A&S.



Tuition Increase Considerations

The College's current in-district tuition rate of \$73 is below the current year state-wide average. A Table in the appendix 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 proposed).

Tuition Rate Comparison			
	LCC Current	LCC Average Proposed	State Average Projected FY2011
In-District	\$73.00	\$76.00	\$82.00
Out-of-District	\$134.00	\$140.00	\$132.00
Out-of-State	\$201.00	\$210.00	\$180.00
International	\$201.00	\$216.00	\$180.00

BUDGET DETAIL

AND

FINANCIAL INFORMATION

LANSING COMMUNITY COLLEGE

Operating and Capital Budgets

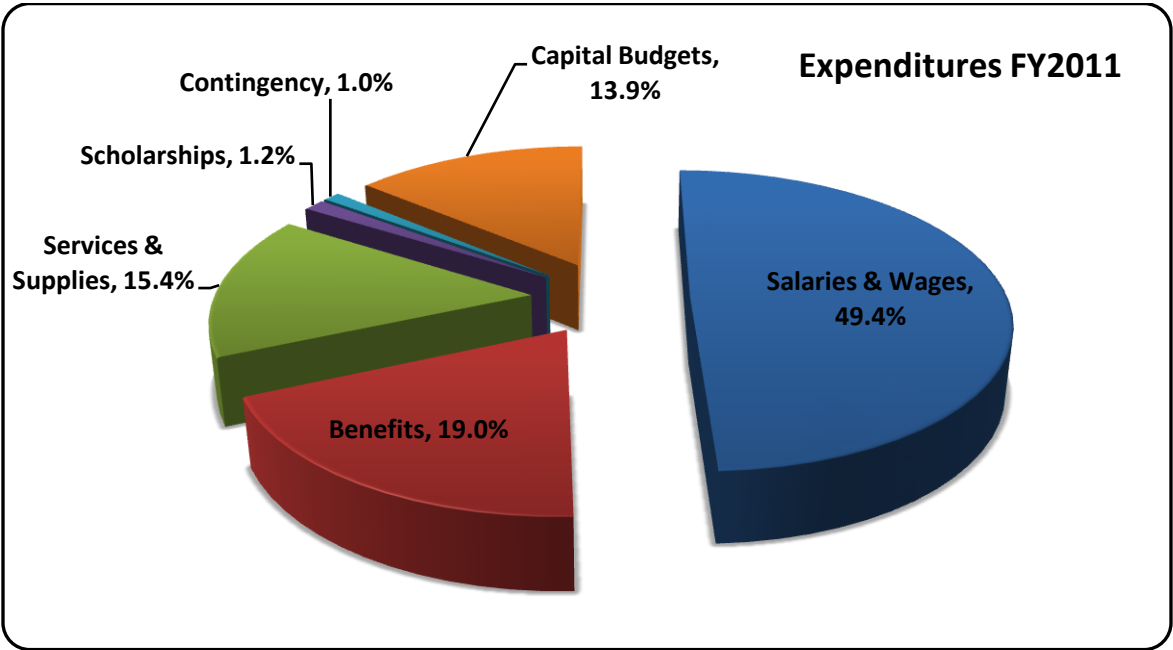
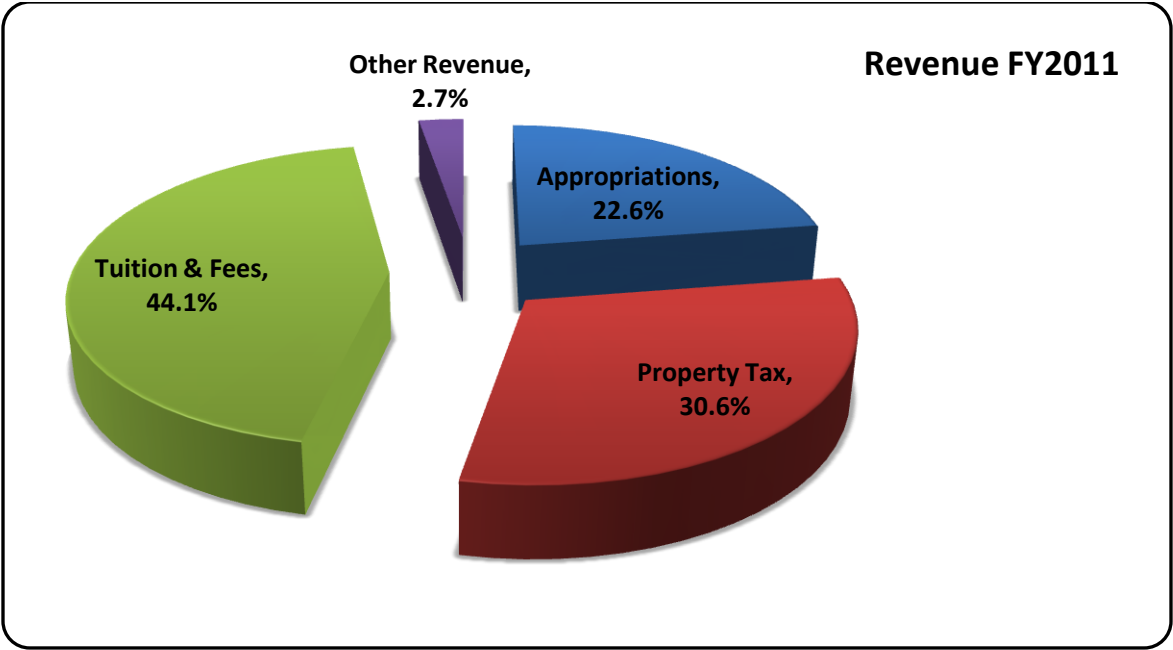
Proposed Budget Fiscal Year 2011

	Total Proposed FY2011 Budget	
<u>Revenues</u>		
State Appropriations	\$28,830,600	
Property Taxes	\$38,939,500	
Tuition & Fees	\$56,245,347	
Other Revenues	\$3,412,047	
Use of Fund Balance	\$0	
Total Revenues		\$127,427,494
<u>Operating Budgets</u>		
Salaries & Wages	\$62,948,493	
Employee Benefits	\$24,230,317	
Total Salaries + Benefits	\$87,178,810	
Services & Supplies	\$19,672,748	
General Institutional Scholarships	\$1,324,230	
Child Care Scholarship	\$254,142	
Total Operating Budgets		\$108,429,930
Contingency		\$1,274,274
<u>Capital Budgets</u>		
Grant Match	\$1,080,620	
Major Equipment	\$1,414,500	
Debt Service, all Issues	\$7,637,958	
Plant Improvement	\$3,075,000	
Technology Infrastructure	\$2,500,000	
Division Renovations	\$87,125	
Facilities – Auxiliary Fund	\$400,000	
Capital Projects-2011	\$1,528,087	
Total Capital Budgets		\$17,723,290
Total Allocation/Expenditures		\$127,427,494
Change in Net Assets		\$0
Total change in unrestricted net assets		\$0
Unrestricted General Fund Beg of Year		\$17,999,311
Unrestricted General Fund End of Year		\$17,999,311
Unrestricted Gen. Fund Target (10% Exp)		\$12,742,749

LANSING COMMUNITY COLLEGE

MAJOR SOURCES OF REVENUES AND EXPENDITURES

Proposed Budget
Fiscal Year 2011



LANSING COMMUNITY COLLEGE

Comparison of Proposed FY2011 Budget to FY2009 and FY2010

	FY2009	FY 2010	Change from FY2010	FY 2011	Change %
	Actual	Projected		Proposed	
<u>Revenues</u>					
State Appropriations	\$29,762,500	\$29,762,500	(\$931,900)	\$28,830,600	-3.13%
Property Taxes	\$42,147,127	\$41,425,000	(\$2,485,500)	\$38,939,500	-6.00%
Tuition & Fees	\$49,568,717	\$53,187,681	\$3,057,666	\$56,245,347	5.75%
Other Revenues	\$2,986,480	\$3,367,047	\$45,000	\$3,412,047	1.34%
Use of Fund Balance					
Total Revenues	\$124,464,824	\$127,742,228	(\$314,734)	\$127,427,494	-0.03%
<u>Operating Budgets</u>					
Salaries & Wages	\$61,805,934	\$62,916,785	\$31,708	\$62,948,493	0.05%
Employee Benefits	\$22,327,951	\$23,083,071	\$1,147,246	\$24,230,317	4.97%
Total Salaries + Benefits	\$84,133,885	\$85,999,856	\$1,178,954	\$87,178,810	1.37%
Services & Supplies	\$20,587,201	\$19,983,709	(\$310,961)	\$19,672,748	-1.56%
General Institutional Scholarships	\$1,406,245	\$1,271,958	\$52,272	\$1,324,230	4.11%
Child Care Scholarship	\$246,592	\$254,142		\$254,142	0.00%
Total Operating Budgets	\$106,373,923	\$107,509,665	\$920,266	\$108,429,930	0.86%
Banner Costs	\$577,566	\$0	\$0	\$0	
Contingency	\$0	\$1,332,356	(\$58,082)	\$1,274,275	-4.36%
Promise Scholarship Replacement	\$0	\$952,233	(\$952,233)	\$0	-100%
Severance - VRSIP	\$0	\$734,524	(\$734,524)	\$0	-100%
<u>Capital Budgets</u>					
Grant Match	\$1,045,620	\$1,045,620	\$35,000	\$1,080,620	3.35%
Major Equipment	\$1,614,500	\$1,414,500	\$0	\$1,414,500	0.00%
Debt Service, all Issues	\$7,602,455	\$7,609,684	\$28,274	\$7,637,958	0.37%
Plant Improvement	\$3,075,000	\$3,075,000	\$0	\$3,075,000	0%
Technology Infrastructure	\$3,320,000	\$3,000,000	(\$500,000)	\$2,500,000	-16.67%
Division Renovations	\$87,125	\$87,125	\$0	\$87,125	0%
Facilities-Auxiliary Fund	\$400,000	\$400,000	\$0	\$400,000	0%
Capital Projects – 2011	\$0	\$0	1,528,087	\$1,528,087	
Capital Projects – 2009 & 2010	\$1,950,000	\$581,521	(\$581,521)	\$0	-100%
Total Capital Budgets	\$19,094,700	\$17,213,450	(\$509,840)	\$17,723,290	2.96%
Total Revenues	\$124,464,824	\$127,742,228	(\$314,734)	\$127,427,494	-0.25%
Total Allocation/Expenditures	\$128,165,629	\$127,742,228	(\$314,734)	\$127,427,494	-0.25%
Change in Net Assets	(\$3,700,805)	\$0	\$0	\$0	
Use of Desig Funds: Tuition Stabilization & Encumbrance Change	\$2,964,101				
Total change in unrestricted net assets	(\$736,704)	\$0	\$0	\$0	
Unrestricted General Fund Beg of Year	\$18,736,014	\$17,999,310		\$17,999,311	
Unrestricted General Fund End of Year	\$17,999,310	\$17,999,310		\$17,999,311	
Unrestricted Gen. Fund Target (10% of Exp)	\$12,816,563	\$12,774,223		\$12,742,749	

Comparison of Proposed FY2011 Budget to FY2009 and FY2010 (continued)

Operating Budgets

	FY 2009	FY2010	Change from FY 2010	FY 2011	Change %
	Actual	Projected		Proposed Budget	
<u>Operating Budgets - Divisions</u>					
Academic Affairs	\$1,705,494	\$1,436,292	\$259,494	\$1,695,786	18.07%
Administrative Services	\$12,543,166	\$10,585,630	(\$291,114)	\$10,294,516	-2.75%
Advancement & External Affairs	\$3,502,114	\$3,553,091	\$202,114	\$3,755,205	5.69%
BCI	\$1,600,553	\$2,296,476	(\$75,997)	\$2,220,479	-3.31%
Board of Trustees	\$465,965	\$344,634	(\$90,273)	\$254,361	-26.19%
Business Media & Info Tech	\$8,913,222	\$8,808,369	(\$124,334)	\$8,684,035	-1.41%
Financial Services	\$3,642,740	\$3,883,083	(\$969,099)	\$2,913,984	-24.96%
Human Resources	\$1,966,953	\$1,804,605	(\$72,044)	\$1,732,561	-3.99%
Health & Human Services	\$9,939,187	\$9,017,208	\$122,713	\$9,139,921	1.36%
Information Technology Services	\$8,358,572	\$8,908,140	\$642,941	\$9,551,081	7.22%
Liberal Studies	\$26,169,337	\$27,626,188	\$3,016	\$27,629,204	0.01%
President's Office	\$2,239,040	\$2,188,862	\$564,780	\$2,753,642	25.80%
Strategic Planning & Partnerships	\$3,588,738	\$4,422,504	(\$82,569)	\$4,339,935	-1.87%
Student Services	\$11,565,831	\$11,265,332	\$638,250	\$11,903,582	5.67%
Technical Careers	\$8,520,174	\$9,843,151	\$140,114	\$9,983,265	1.42%
Total all Divisions	\$104,721,086	\$105,983,565	\$867,992	\$106,851,557	0.82%
<u>Operating Budgets - Account</u>					
Administrator Full Time	\$11,997,367	\$11,289,038	\$239,499	\$11,528,537	2.12%
Administrator Part Time	\$1,490,835	\$1,547,332	\$108,522	\$1,655,854	7.01%
Faculty Full Time	\$18,202,984	\$15,957,888	\$340,912	\$16,298,800	2.14%
Faculty Part Time	\$15,886,918	\$19,297,019	(\$580,757)	\$18,716,262	-3.01%
Support Full Time	\$9,449,515	\$9,690,586	(\$248,858)	\$9,441,728	-2.57%
Support Part Time	\$3,205,106	\$3,496,400	(\$35,832)	\$3,460,568	-1.02%
Student	\$1,573,209	\$1,638,522	\$208,223	\$1,846,745	12.71%
Total Salaries and Wages	\$61,805,934	\$62,916,785	\$31,708	\$62,948,493	0.05%
Employee Benefits	\$22,327,951	\$23,083,071	\$1,147,245	\$24,230,316	4.97%
Non Capital Equipment	\$331,970	\$318,704	(\$140,856)	\$177,848	-44.20%
Institutional Expenses	\$2,653,351	\$2,566,745	(\$456,996)	\$2,109,749	-17.80%
Utilities	\$2,708,906	\$2,481,928	\$226,760	\$2,708,688	9.14%
Liability Insurance	\$417,420	\$425,940	\$0	\$425,940	0.00%
Professional Services	\$1,667,865	\$1,932,844	(\$160,471)	\$1,772,373	-8.30%
Purchased Services	\$4,512,765	\$4,388,078	(\$235,599)	\$4,152,479	-5.37%
Rental Expense	\$634,667	\$710,830	(\$55,848)	\$654,982	-7.86%
Repair and Maintenance	\$1,266,303	\$1,307,731	\$167,317	\$1,475,048	12.79%
Supplies	\$5,557,150	\$5,149,777	\$367,421	\$5,517,198	7.13%
Travel, Training & Conferences	\$836,804	\$701,132	(\$22,690)	\$678,442	-3.24%
Total Services and Supplies	\$20,587,201	\$19,983,709	(\$310,962)	\$19,672,747	-1.56%
Total Division Operating	\$104,721,086	\$105,983,565	\$867,992	\$106,851,557	0.82%
General Institutional Scholarships	\$1,406,245	\$1,271,958	\$52,272	\$1,324,230	4.11%
Childcare Scholarships	\$246,592	\$254,142	\$0	\$254,142	0.00%
Total College Operating	\$106,373,923	\$107,509,665	\$920,264	\$108,429,929	0.86%

Summary Table of Budgeted Fulltime Positions FY2009 – FY2011

Division	Job type	FY09	FY10 Adopted	FY10 Amend #2	Change from FY10 Amend #2	FY11 Proposed
Academic Affairs	Administrative	4.00	3.00	3.83	1.00	4.83
	Faculty	3.94	2.94	2.50	0.00	2.50
	Support	3.00	2.00	3.00	0.00	3.00
Academic Affairs Total		10.94	7.94	9.33	1.00	10.33
Administrative Services	Administrative	11.00	6.00	5.00	0.00	5.00
	Support	41.00	38.00	38.00	-0.25	37.75
Administrative Services Total		52.00	44.00	43.00	-0.25	42.75
Advancement & External Affairs	Administrative	11.61	10.10	11.35	1.00	12.35
Formerly College Advancement	Support	12.65	9.15	10.65	-1.00	9.65
Advancement & External Affairs Total		24.26	19.25	22.00	0.00	22.00
BCI/Corporate College	Administrative	8.00	8.00	8.00	-1.00	7.00
	Support	7.00	7.00	5.85	0.00	5.85
BCI/Corporate College Total		15.00	15.00	13.85	-1.00	12.85
Board of Trustees	Administrative	3.00	1.00	1.00	0.00	1.00
	Support	1.00	0.00	0.00	0.00	0.00
Board of Trustees Total		4.00	1.00	1.00	0.00	1.00
Business Media & Information Technologies	Administrative	5.00	4.00	4.00	0.00	4.00
	Faculty	46.00	45.00	38.00	0.00	38.00
	Support	5.00	5.00	5.00	0.00	5.00
Business Media & Information Technologies Total		56.00	54.00	47.00	0.00	47.00
Financial Services	Administrative	13.00	12.00	11.00	-1.00	10.00
	Support	18.00	16.75	16.75	0.00	16.75
Financial Services Total		31.00	28.75	27.75	-1.00	26.75
Health and Human Services	Administrative	16.33	14.50	14.50	0.00	14.50
	Faculty	27.99	27.99	26.19	-0.20	25.99
	Support	7.00	8.00	6.00	1.00	7.00
Health & Human Services Total		51.32	50.49	46.69	0.80	47.49
Human Resources	Administrative	7.00	9.00	9.00	-2.00	7.00
	Faculty	0.00	0.50	0.50	-0.50	0.00
	Support	5.00	1.25	5.25	-1.25	4.00
Human Resources Total		12.00	10.75	14.75	-3.75	11.00
Information Technology Services	Administrative	18.00	18.00	18.00	2.00	20.00
	Faculty	0.00	1.00	1.00	0.00	1.00
	Support	19.00	24.00	24.00	-1.00	23.00
Information Technology Services Total		37.00	43.00	43.00	1.00	44.00
Liberal Studies	Administrative	17.75	17.75	17.75	-0.25	17.50
	Faculty	102.50	101.75	105.69	-3.25	102.44
	Support	16.23	15.23	15.23	-1.23	14.00
Liberal Studies Total		136.48	134.73	138.67	-4.73	133.94

Summary Table of Budgeted Fulltime Positions FY2009 – FY2011 (continued)

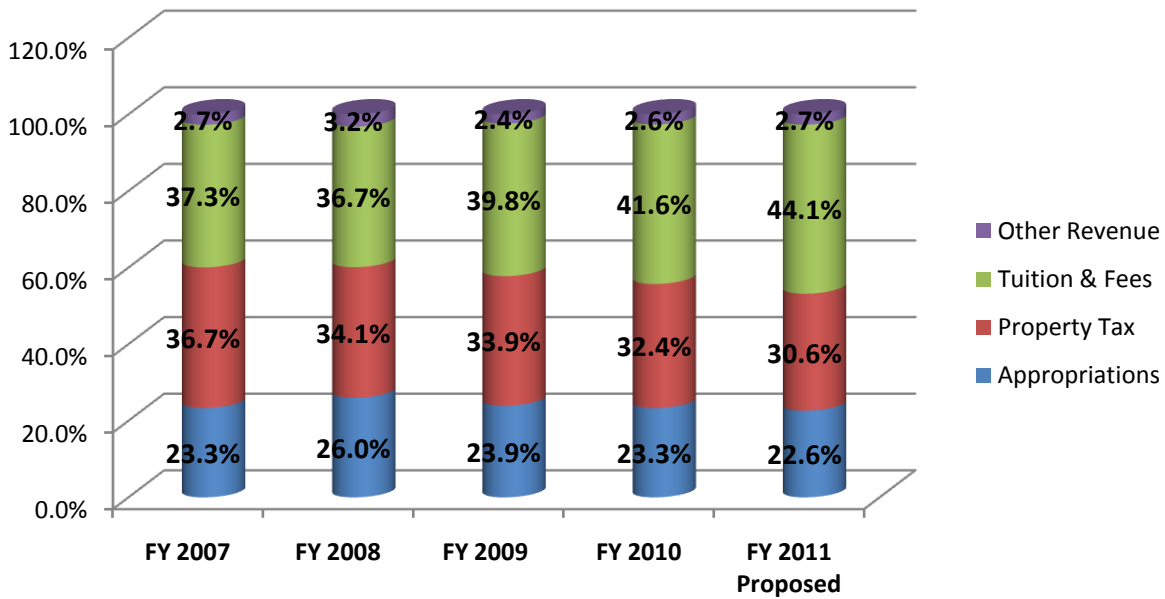
Division	Job type	FY09	FY10 Adopted	FY10 Amend #2	Change from FY10 Amend #2	FY11 Proposed
Office of the President	Administrative	3.00	3.00	5.00	0.00	5.00
	Faculty	0.00	0.25	0.25	-0.25	0.00
	Support	3.00	3.00	2.00	1.00	3.00
Office of the President Total		6.00	6.25	7.25	0.75	8.00
Student Services	Administrative	18.74	18.56	22.46	-0.33	22.13
	Faculty	17.60	10.27	15.27	0	15.27
	Support	38.00	37.69	36.69	2	38.69
Student Services Total		74.34	66.52	74.42	1.67	76.09
Strategic Planning & Partnerships	Administrative	9.00	10.00	12.00	-1.00	11.00
	Faculty	3.00	1.00	1.00	0.00	1.00
	Support	8.00	8.00	11.00	1.00	12.00
Strategic Planning & Partnerships Total		20.00	19.00	24.00	0.00	24.00
Technical Careers	Administrative	6.00	6.00	5.00	1.00	6.00
	Faculty	31.00	27.00	39.00	-1.00	38.00
	Support	7.00	5.00	8.00	-1.00	7.00
Technical Careers Total		44.00	38.00	52.00	-1.00	51.00
Grand Total		574.34	538.68	564.71	-6.51	558.2
Administrative		151.43	140.91	147.89	-0.58	147.31
Faculty		232.03	217.7	229.4	-5.2	224.2
Support		190.88	180.07	187.42	-0.73	186.69
Total		574.34	538.68	564.71	-6.51	558.2

LANSING COMMUNITY COLLEGE

SOURCES OF REVENUE

Five Year Trend

	FY 2007	FY 2008	FY 2009	FY 2010 Projected	FY 2011 Proposed
State Appropriations	\$25,019,900	\$31,810,203	\$29,762,500	29,762,500	28,830,600
Property Taxes	\$39,394,072	\$41,722,075	\$42,147,127	41,425,000	38,939,500
Tuition & Fees	\$39,948,701	\$44,867,839	\$49,568,717	53,187,681	56,245,347
Other Revenues	\$2,881,582	\$3,919,554	\$2,986,480	3,367,047	3,412,047
Total Revenues	\$107,244,255	\$122,319,671	\$124,464,824	\$127,742,228	\$127,427,494



LANSING COMMUNITY COLLEGE OPERATING AND CAPITAL BUDGETS

Five Year History

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
	Actual	Actual	Actual	Actual	Projected
<u>Revenues</u>					
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	\$42,147,127	\$41,425,000
Tuition & Fees	\$37,046,587	\$39,948,701	\$44,867,839	\$49,568,717	\$53,187,681
Other Revenues	\$3,128,504	\$2,881,582	\$3,919,554	\$ 2,986,480	\$3,367,047
Use of Fund Balance					
Total Revenues	\$106,631,679	\$107,244,255	\$122,319,671	\$124,464,824	\$127,742,228
<u>Operating Budgets</u>					
Salaries & Wages	\$50,301,852	\$53,238,325	\$57,047,240	\$61,805,934	\$62,916,785
Employee Benefits	\$18,573,125	\$18,327,774	\$19,767,699	\$22,327,951	\$23,083,071
Total Salaries + Benefits	\$68,874,977	\$71,566,099	\$76,814,939	\$84,133,885	\$85,999,856
Services & Supplies	\$17,631,694	\$17,353,682	\$18,130,668	\$20,587,201	\$19,983,709
General Institutional Scholarships	\$1,251,246	\$1,468,200	\$1,076,672	\$ 1,406,245	\$1,271,958
Child Care Scholarship	\$146,015	\$171,610	\$150,313	\$ 246,592	\$254,142
Total Operating Budgets	\$87,903,932	\$90,559,591	\$96,172,592	\$106,373,923	\$107,509,665
Contingency	\$0	\$0	\$0	\$0	\$1,332,356
Promise Scholarship Replacement	\$0	\$0	\$0	\$0	\$952,233
Severance - VRSIP	\$0	\$0	\$0	\$0	\$734,524
Capital Projects					
Banner backfill	\$0	\$387,012	\$248,458	\$ 280,763	\$0
Banner Phase II	\$0	\$0	\$0	\$ 296,803	\$0
Capitalized internal costs	\$0	(\$351,300)	(\$915,088)	\$0	\$0
Total	\$0	\$35,712	(\$666,630)	\$577,566	\$3,019,113
<u>Capital Budgets</u>					
Grant Match	\$1,124,043	\$935,954	\$1,048,312	\$1,045,620	\$1,045,620
Major Equipment	\$1,500,000	\$1,380,000	\$1,380,000	\$1,614,500	\$1,414,500
Debt Service, all Issues	\$6,304,277	\$7,054,481	\$7,509,902	\$7,602,455	\$7,609,684
Plant Improvement	\$2,972,190	\$3,000,000	\$3,000,000	\$3,075,000	\$3,075,000
Technology Infrastructure	\$3,000,000	\$1,800,000	\$2,220,000	\$3,320,000	\$3,000,000
Division Renovations	\$0	\$0	\$85,000	\$87,125	\$87,125
Facilities-Auxiliary Fund	\$0	\$0	\$400,000	\$400,000	\$400,000
Facilities - Auxiliary 2007	\$0	\$0	\$400,000	\$0	\$0
Capital Projects – 2009 & 2010	\$0	\$0	\$0	\$1,950,000	\$581,521
Plant fund - University Center	\$0	\$2,500,000	\$0	\$0	\$0
Plant fund - Banner Capitalized Internal	\$0	\$351,300	\$915,088	\$0	\$0
Total Capital Budgets	\$14,900,510	\$17,021,735	\$16,958,302	\$19,094,700	\$17,213,450
Total Revenues	\$106,631,679	\$107,244,255	\$122,319,671	\$124,464,824	\$127,742,228
Total Allocation/Expenditures	\$102,804,442	\$107,617,038	\$112,464,264	\$128,165,629	\$127,742,228
Change in Net Assets	\$3,827,237	(\$372,783)	\$9,855,407	(\$3,700,805)	\$0
Use of Desig Funds - Univ. Center	\$0	\$2,500,000	\$0	\$ (190,553)	\$0
Use of Desig Funds - Contract implem.	\$0	\$500,000	\$0	\$0	\$0
Use of Desig Funds - change in encumbrance	\$0	\$187,679	(\$534,197)	\$0	\$0
Designated Funds for Tuition Stabilization	\$0	\$0	(\$3,154,654)	\$0	\$0
Use of Desig Funds - Tuition Stabilization	\$0	\$0	\$0	\$ 3,154,654	\$0
Total change in unrestricted net assets	\$3,827,237	\$2,814,896	\$6,166,556	(\$736,704)	\$0
Unrestricted General Fund Beg of Year	\$5,927,325	\$9,754,562	\$12,569,458	\$18,736,014	\$17,999,310
Unrestricted General Fund End of Year	\$9,754,562	\$12,569,458	\$18,736,014	\$17,999,310	\$17,999,310
Unrestricted Gen. Fund Target (10% Exp)	\$10,280,444	\$10,761,704	\$11,246,426	\$12,816,563	\$12,774,223

LANSING COMMUNITY COLLEGE OPERATING DETAIL BUDGETS

Five Year History

	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010
-	Actual	Actual	Actual	Actual	Projected
<u>Operating Budgets - Divisions</u>					
Academic Affairs	\$1,654,891	\$1,511,231	\$1,852,163	\$1,705,494	\$1,436,292
Administrative Services	\$8,670,554	\$8,296,409	\$11,093,233	\$12,543,166	\$10,585,630
Advancement & External Affairs	\$1,549,954	\$1,611,101	\$242,043	\$3,502,114	\$3,553,091
BCI	\$2,047,262	\$1,984,297	\$1,617,104	\$1,600,553	\$2,296,476
Board of Trustees	\$549,666	\$801,340	\$819,449	\$465,965	\$344,634
Business Media and Information Technologies	\$8,200,206	\$8,191,684	\$8,753,669	\$8,913,222	\$8,808,369
Financial Services	\$4,146,373	\$3,452,751	\$3,111,257	\$3,642,740	\$3,883,083
Human Resources	\$1,087,322	\$1,029,590	\$1,912,011	\$1,966,953	\$1,804,605
Human, Health and Public Services	\$8,154,784	\$8,592,542	\$9,184,211	\$9,939,187	\$9,017,208
Information Technology Services	\$5,598,231	\$6,397,231	\$5,728,338	\$8,358,572	\$8,908,140
Liberal Studies	\$16,391,536	\$17,566,407	\$18,589,406	\$26,169,337	\$27,626,188
President's Office	\$1,753,675	\$1,176,712	\$1,904,650	\$2,239,040	\$2,188,862
Quality, Planning & Economic Development	\$687,178	\$707,663	\$826,478		
Strategic Planning & Partnerships	\$1,953,896	\$2,371,302	\$2,760,143	\$3,588,738	\$4,422,504
Student Services & SEM	\$16,233,150	\$17,127,614	\$18,541,807	\$11,565,831	\$11,265,332
Technical Careers	\$7,827,993	\$8,101,905	\$8,009,645	\$8,520,174	\$9,843,151
Total all Divisions	\$86,506,671	\$88,919,779	\$94,945,607	\$104,721,086	\$105,983,565
<u>Operating Budgets - Account</u>					
Administrator Full Time	\$10,157,863	\$10,246,053	\$10,345,233	\$11,997,367	\$11,289,038
Administrator Part Time	\$1,010,687	\$1,178,041	\$1,206,378	\$1,490,835	\$1,547,332
Faculty Full Time	\$14,669,084	\$16,124,995	\$16,505,924	\$18,202,984	\$15,957,888
Faculty Part Time	\$12,752,420	\$13,554,150	\$15,825,070	\$15,886,918	\$19,297,019
Support Full Time	\$7,378,045	\$7,895,826	\$8,562,234	\$9,449,515	\$9,690,586
Support Part Time	\$2,983,671	\$2,761,950	\$3,087,281	\$3,205,106	\$3,496,400
Student	\$1,350,082	\$1,477,311	\$1,515,120	\$1,573,209	\$1,638,522
Total Salaries and Wages	\$50,301,852	\$53,238,326	\$57,047,240	\$61,805,934	\$62,916,785
Employee Benefits	\$18,573,125	\$18,327,774	\$19,767,699	\$22,327,951	\$23,083,071
Non Capital Equipment	\$466,051	\$251,366	\$401,810	\$331,970	\$318,704
Institutional Expenses	\$2,025,953	\$1,531,958	\$1,638,548	\$2,653,351	\$2,566,745
Utilities	\$2,009,257	\$1,951,705	\$2,006,760	\$2,708,906	\$2,481,928
Liability Insurance	\$519,796	\$473,686	\$378,793	\$417,420	\$425,940
Professional Services	\$1,065,013	\$1,088,795	\$1,401,250	\$1,667,865	\$1,932,844
Purchased Services	\$4,616,034	\$4,911,354	\$4,408,316	\$4,512,765	\$4,388,078
Rental Expense	\$546,073	\$708,971	\$608,599	\$634,667	\$710,830
Repair and Maintenance	\$915,189	\$1,310,035	\$1,351,260	\$1,266,303	\$1,307,731
Supplies	\$4,417,404	\$4,008,955	\$4,760,211	\$5,557,150	\$5,149,777
Travel, Training and Conferences	\$1,050,924	\$1,116,857	\$1,175,121	\$836,804	\$701,132
Total Services and Supplies	\$17,631,694	\$17,353,682	\$18,130,668	\$20,587,201	\$19,983,709
Total Division Operating	\$86,506,671	\$88,919,782	\$94,945,607	\$104,721,086	\$105,983,565
General Institutional Scholarships	\$1,251,246	\$1,468,200	\$1,076,672	\$1,406,245	\$1,271,958
Childcare Scholarships	\$146,015	\$171,610	\$150,313	\$246,592	\$254,142
Total College Operating	\$87,903,932	\$90,559,592	\$96,172,592	\$106,373,923	\$107,509,665

LANSING COMMUNITY COLLEGE

REVENUE AND EXPENDITURE BY ACTIVITY – ALL FUNDS

FIVE YEAR HISTORY

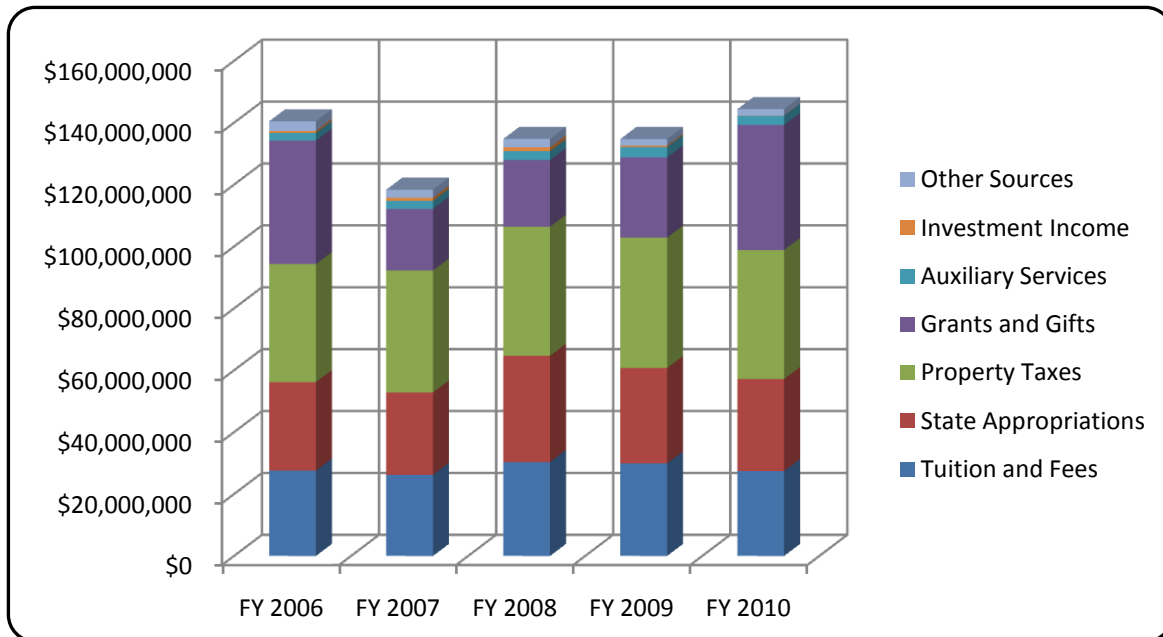
This table summarizes financial data for all the funds of the College for the past five years, and presents the overall financial position in terms of expenditure by activity type (ACS Category) and the sources of revenue that have funded these activities for the past five years. See the Appendix for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

		FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Revenue:						
	Tuition and Fees*	\$27,583,208	\$26,232,399	\$30,337,889	\$29,903,915	\$27,435,867
	State Appropriations	\$28,604,390	\$26,612,106	\$34,342,343	\$30,855,236	\$29,762,500
	Property Taxes	\$38,133,388	\$39,394,072	\$41,722,075	\$42,147,127	\$41,681,996
	Grants and Gifts	\$39,900,309	\$19,893,904	\$21,536,341	\$25,907,134	\$40,398,456
	Auxiliary Services	\$2,478,900	\$2,624,492	\$2,872,679	\$3,338,948	\$2,992,370
	Investment Income	\$667,871	\$1,018,574	\$1,244,354	\$437,689	\$82,155
	Other Sources	\$3,100,617	\$2,583,102	\$2,717,393	\$2,147,124	\$2,043,469
Total Revenue		\$140,468,683	\$118,358,649	\$134,773,074	\$134,737,173	\$144,396,813
Expenditures:						
	Instruction	\$46,152,912	\$45,659,012	\$43,283,246	\$45,855,569	\$45,724,136
	Instructional Support	\$17,074,691	\$19,147,107	\$20,447,472	\$22,343,098	\$22,090,733
Total Instruction		\$63,227,603	\$64,806,119	\$63,730,718	\$68,198,667	\$67,814,869
	Public services	\$1,865,518	\$1,842,137	\$3,022,360	\$3,134,027	\$3,066,958
	Student services	\$38,255,517	\$16,774,351	\$17,729,457	\$17,902,827	\$26,679,616
	Institutional Admin	\$9,292,787	\$8,038,973	\$8,841,886	\$15,580,830	\$12,483,400
	Facilities Management	\$16,574,333	\$17,021,870	\$19,547,376	\$23,515,345	\$20,764,960
	Depreciation	\$7,797,489	\$8,678,276	\$7,680,791	\$8,949,125	\$9,414,522
Total Expenditures		\$137,013,247	\$117,161,726	\$120,552,588	\$137,280,821	\$140,224,325
Revenues Over (Under) Expenditures and Transfers		\$3,455,436	\$1,196,923	\$14,220,486	(\$2,543,648)	\$4,172,488
Beginning Fund Balance		\$109,946,968	\$113,402,404	\$114,599,327	\$128,819,813	\$126,276,165
Ending Fund Balance		\$113,402,404	\$114,599,327	\$128,819,813	\$126,276,165	\$130,448,653

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

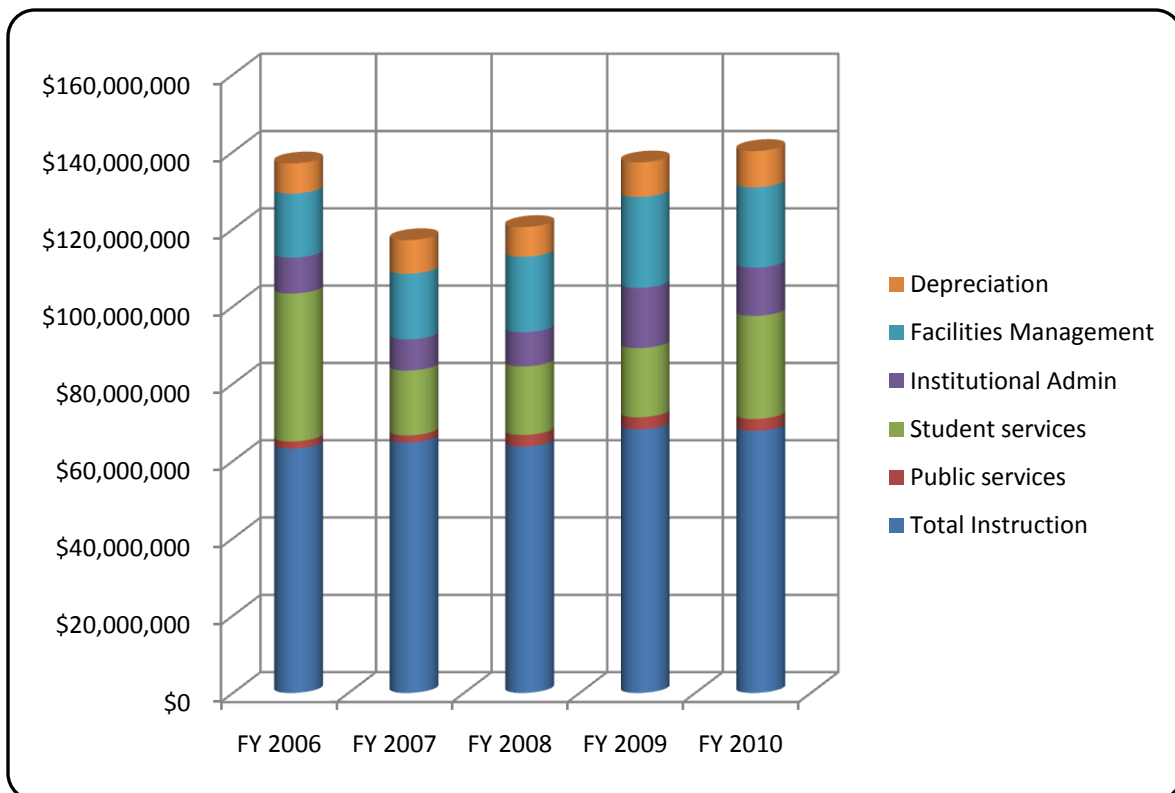
REVENUE SOURCES – ALL FUNDS

FIVE YEAR TREND



EXPENDITURE BY ACS CATEGORY – ALL FUNDS

FIVE YEAR TREND



RESTRICTED FUND

REVENUE AND EXPENDITURE BY ACTIVITY

FIVE YEAR HISTORY

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Revenue:					
Federal Grants/Contracts	\$32,836,910	\$39,675,395	\$17,590,681	\$22,011,024	\$36,954,676
State Grants/Contracts	\$5,634,449	\$5,400,777	\$1,170,917	\$1,158,988	\$589,955
Local Grants/Contracts	\$323,820	\$534,734	\$329,519	\$608,205	\$835,946
Private Gifts/Grants					
Other Sources	\$354,769	\$131,003	\$43,858	\$6,835	\$152,073
Total Revenue	\$39,149,948	\$45,741,909	\$19,134,975	\$23,785,052	\$38,532,650
Expenditures:					
Instruction	\$1,257,310	\$730,705		\$625,133	\$779,475
Instructional support	\$2,621,501	\$3,897,161	\$4,293,180	\$2,864,864	\$3,127,675
Total Instruction	\$3,878,811	\$4,627,866	\$4,293,180	\$3,489,997	\$3,907,150
Public services	\$695,482	\$523,724	\$487,793	\$830,225	\$778,984
Student services	\$35,188,277	\$41,514,979	\$15,300,720	\$21,091,732	\$34,453,125
Information Technology	\$29,906		\$20,568	\$12,122	
Institutional Administration				(\$924,707)	\$231,430
Facilities Management	\$136,884	\$252		\$331,303	\$218,367
	\$39,929,360	\$46,666,821	\$20,102,261	\$24,830,672	\$39,589,056
Transfers In (Out)					
Student Services-Match					
Other	\$797,193	\$924,912	\$954,161	\$1,045,620	\$1,056,406
Total Transfers	\$797,193	\$924,912	\$954,161	\$1,045,620	\$1,056,406
Total Expenditures					
and Transfers	\$39,132,167	\$45,741,909	\$19,148,100	\$23,785,052	\$38,532,650
Revenues Over (Under)					
Expenditures and Transfers	\$17,781	\$0	(\$13,125)	\$0	\$0
Beginning Fund Balance	\$166,962	\$184,743	\$184,743	\$171,618	\$171,618
Ending Fund Balance	\$184,743	\$184,743	\$171,618	\$171,618	\$171,618

*Federal Student Loan and Pell Grants are excluded

DESIGNATED FUND

REVENUE AND EXPENDITURE BY ACTIVITY

FIVE YEAR HISTORY

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Revenue:					
Grants and Gifts	\$0	\$0	\$0	\$0	\$0
Corporate Service Fees	\$0	\$0	\$0	\$0	\$0
Workstudy Co-Op Programs	\$0	\$0	\$0	\$0	\$0
Other Sources	\$1,175,090	\$1,346,914	\$1,077,138	\$1,514,476	\$1,573,260
Transfers In	\$0	\$0	\$0	\$0	\$0
Total Revenue	\$1,175,090	\$1,346,914	\$1,077,138	\$1,514,476	\$1,573,260
Expenditures:					
Instruction	\$0	\$0	\$0	\$28,195	\$3,245
Instructional Support	\$18,980	\$15,190	\$18,514	\$85,213	\$51,325
Total Instruction	\$18,980	\$15,190	\$18,514	\$113,408	\$54,570
Public services	\$115,754	\$150,140	\$58,497	\$143,634	\$198,676
Student services	\$738,370	\$822,578	\$777,439	\$812,505	\$670,942
Information Technology	\$36,247	\$0	\$3,113	\$6,533	\$0
Institutional Administration	\$473,577	\$573,265	\$361,531	\$61,971	\$291,659
Facilities Management	\$5,467	\$1,616	\$6,091	\$383,306	\$282,569
Transfers Out	(\$519,950)	\$660	\$0	\$0	\$0
Total Expenditures	\$868,445	\$1,563,449	\$1,225,185	\$1,521,357	\$1,498,416
Revenues Over (Under)					
Expenditures and Transfers	\$306,645	(\$216,535)	(\$148,047)	(\$6,881)	\$74,844
Beginning Fund Balance	\$47,207	\$353,852	\$137,317	(\$10,730)	(\$17,611)
Ending Fund Balance	\$353,852	\$137,317	(\$10,730)	(\$17,611)	\$57,233

LANSING COMMUNITY COLLEGE
FY2010 ACTIVE GRANT FUNDS DETAIL

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
05-09 NIRT Nanotechnology K12	This project will address the issue of the removal and treatment of waters laden with synthetic nanomaterials.	Michigan State University (MSU)	9/1/2005	8/31/2010	\$123,998
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	\$1,411,247
07-09 CPATH BD: Computing/Engineering	Promote the abilities of engineering graduates to perform problem solving with computer tools that are needed to transform mid-Michigan's economy and workforce.	National Science Foundation – MSU subcontract	9/1/2007	8/31/2010	\$30,000
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	\$265,200
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	12/31/2010	\$47,522
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	\$498,492
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
08-12 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	\$194,553

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
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
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. Specific companies to be identified throughout the length of the grant. This is a pilot project with the MEDC.	Michigan Economic Development Corporation	9/30/2008	6/30/2011	\$250,000
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	9/8/2010	\$24,778
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
09-10 Convergence Technology Center	Convergent technologies merge voice, video, image and data and require resolution of interoperability between technologies and vendors. Colleges interested in starting a Convergence Technology degree and certificate program have instituted a Mentor College program.	National Science Foundation – Collin County Community College District subcontract	9/1/2009	7 /31/2010	\$25,000
09-10 HSDCI State Foundation	State funding to support high school recapture program.	Ingham Intermediate School District	9/1/2009	8/31/2010	\$576,721
09-12 Capital Area Michigan Works! YouthBuild Project	The project aim is to transform 60 at-risk youth (16-24 year olds) into self-sufficient, productive individuals by providing them with education and employment skills, opportunities for post-secondary training in high demand fields, and practical work experience while rehabilitating five houses in Greater Lansing into low-income housing.	Capital Area Michigan Works!	9/1/2009	6/30/2011	\$151,677
09-12 CPACE II: Implementation of a Reformed Curriculum	The CPACE II grant proposal involves implementing the findings of the planning grant into the curriculum. Workforce computational skills have been identified. The plan is to integrate more computational problem-solving problems based on industry needs by using technology (Maple and MATLAB) in the calculus sequence and CPSC131 course, working with MSU engineering faculty to develop problem sets.	MSU	9/15/2009	8/31/2012	\$91,199

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
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	9/15/2009	8/31/2013	\$198,723
09-10 At Risk Student Success Program	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 Energy, Labor, and Economic Growth	10/1/2009	9/30/2010	\$157,000
09-10 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	10/1/2009	9/30/2010	\$153,540
09-12 JET Jobs, Education & Training Workfirst	The JET Program is designed to establish and maintain a connection to the labor market for individuals referred from the MI Dept of Human Services while offering educational and training opportunities and Job Search/Job Readiness activities to increase the participants' income, therefore, reducing or eliminating a family's need for public assistance.	Capital Area MI Works!	10/1/2009	9/30/2012	\$1,166,787
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
10-10 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	10/1/2009	9 /30/2010	\$48,676
09-10 Programs of Study: Automotive Tech Program	Develop a program of study in Automotive Tech. The program of study will consist of instruction, co-curricular activities, work-site learning, service learning, and other learning experiences.	MI Dept of Energy, Labor & Economic Growth	1/1/2010	9/30/2010	\$7,500
09-10 Programs of Study: Career Ladder Nursing Program	Develop a program of study in Nursing. The program of study will consist of instruction, co-curricular activities, work-site learning, service learning, and other learning experiences.	MI Dept of Energy, Labor & Economic Growth	1/1/2010	9/30/2010	\$7,500

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
10-10 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	1/1/2010	12/31/2010	\$205,000
09-11 PC Short Term Training Programs – Certified Nursing Assistant	The purpose of this grant is to train 100 dislocated workers for careers in healthcare sector. The training will lead to Certificates of Completion in either Long Term Nurse Aide (CNA) or, Pharmacy Technician. A total of 80 dislocated workers will be trained in the CNA program, while 20 dislocated workers will be trained in the Pharmacy Technician program. Both programs are designed for short-term rapid entry delivery. It will allow participants to be retrained in a four to eight week period.	Prima Civitas	3/4/2010	6/30/2011	\$226,587
10-10 YAC-HSDCI	Top priority for the Youth Action Committee grants will be programs that address the main youth problems identified by the YAC's "2008 Youth Needs Assessment survey." Items include drugs, health and social issues, stress and career/college pressure and sexuality, and on programs that encourage and support the development of youth assets.	Capital Region Community Foundation	3/10/2010	2/1/2011	\$2,500
10-12 ARRA Midwest Community College HIT Consortium	The Constortium will prepare a workforce for Region C that is prepared to ensure the adoption of Electronic Health Records (EHR), facilitate information exchange across health care providers and public health authorities, and assist in redesigning workflows within health care settings to maximize the quality and efficiency benefits of EHRs, while maintaining privacy and security of health information and records. The Consortium will deliver credit-bearing training programs and curricula throughout Region C. Training will begin by September 30, 2010 and can be completed by participants within six months, for the six workforce roles defined by the Office of the National Coordinator for Health Information Technology (ONC).	Cuyahoga Community College District	4/2/2010	4/1/2012	\$685,760

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
10-10 PERKINS CAP Leadership Grant	Funds received for the following five projects: 1. Therapeutic Massage Program Improvement 2. Conference attendance to the International Nursing Simulation Learners Resource Center 3. Conference attendance to SUM (Simulation Users Network) 4. Conference attendance to the National Teaching Institute 5. Curriculum Development & Instruction to Sustainable Construction 6. Applied Learning Technology Conference Attendance	MI Dept of Energy, Labor & Economic Growth	5/5/2010	8/31/2010	\$17,500
10-12 Military Medic to Paramedic Curriculum Development	Through Gap Analysis, a new educational curriculum -- Military Medic to Paramedic -- will be developed to prepare honorably discharged military medics to qualify to take the national paramedic licensure exam, the first part of a pathway to employment and application for entry into LCC's Advanced Standing to Registered Nurse Track program.	US Dept of Labor	6/1/2010	6/30/2012	\$190,000
10-11 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.	7/1/2010	6/30/2011	\$30,000
10-11 PERKINS Local Leadership	Salary support for Director of Academic Affairs.	MI Dept of Energy, Labor & Economic Growth	7/1/2010	6/30/2011	\$18,400
10-11 PERKINS Regional Allocation	Funds to help provide vocational-technical education programs and services to youth and adults.	MI Dept of Energy, Labor & Economic Growth	7/1/2010	6/30/2011	\$1,177,420
10-11 PERKINS Tech Prep	This program provides assistance to states to award grants to consortia of LEAs and postsecondary education institutions for the development and operation of programs consisting of the last two years of secondary education and at least two years of postsecondary education, designed to provide Tech-Prep education to the student leading to an associate degree or a two-year certificate. The program also is designed to strengthen links between secondary and postsecondary schools.	MI Dept of Education	7/1/2010	6/30/2011	\$166,253

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
10-11 Programs of Study: Criminal Justice Program	Develop a program of study in Criminal Justice. The program of study will consist of instruction, co-curricular activities, work-site learning, service learning, and other learning experiences.	MI Dept of Energy, Labor & Economic Growth	7/1/2010	9/30/2011	\$7,500
10-11 Programs of Study: Business Administration Program	Develop a program of study in Business Administration. The program of study will consist of instruction, co-curricular activities, work-site learning, service learning, and other learning experiences.	MI Dept of Energy, Labor & Economic Growth	7/1/2010	9/30/2011	\$7,500
10-13 ATE Capital Region Info Technology Professional Development Initiative	Continue to provide current and future IT students at LCC with a registered apprenticeship opportunity that will provide them with a real-world practical complement to their more theoretical classroom instruction. Consequently, these students will be better prepared for the high-wage, high-demand IT jobs in the Capital Region area.	National Science Foundation	7/1/2010	6/30/2013	\$218,294
10-11 CRCF Resource Grant HSDCI	Goal is to provide students in the HSDCI the opportunity to develop their skills in technology by integrating assistive technology in their academic courses to strengthen their literacy skills; to develop their career focus through exposure to new technologies and an interactive learning experience in the technical programs at LCC; and to develop their employability skills through a series of activities including a work based learning experience.	Capital Region Community Foundation	7/2/2010	7/2/2011	\$14,007
10-12 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	8/1/2010	1/31/2012	\$150,000
10-11 HSDCI State Foundation	State funding to support high school recapture program.	Ingham Intermediate School District	9/1/2010	8/31/2011	\$270,348
10-11 At Risk Student Success Program	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 Energy, Labor, and Economic Growth	10/1/2010	9/30/2011	\$147,800

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
10-11 GSRP Great Start Readiness Program	Funding to support costs associated with at-risk, low income children to participating in Early LCC.	MI Dept of Ed	10/1/2010	9/30/2011	\$105,400
10-11 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	10/1/2010	9/30/2011	\$163,540
10-11 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	10/1/2010	9/30/2011	\$50,528
11-16 TRIO Student Support Services	The Federal TRIO Programs are educational opportunity outreach programs designed to motivate and support students from disadvantaged backgrounds.	US Dept of Education	10/1/2011	8/31/2016	\$1,452,575

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 FY2010 the College's outstanding debt obligations stood at \$61,389,359. The taxable valuation stood at \$10,863,291,527. 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	
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
Totals	59,355,000	18,233,688	1,208,043	99,887	78,896,618

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

79 percent of LCC students receive financial aid

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

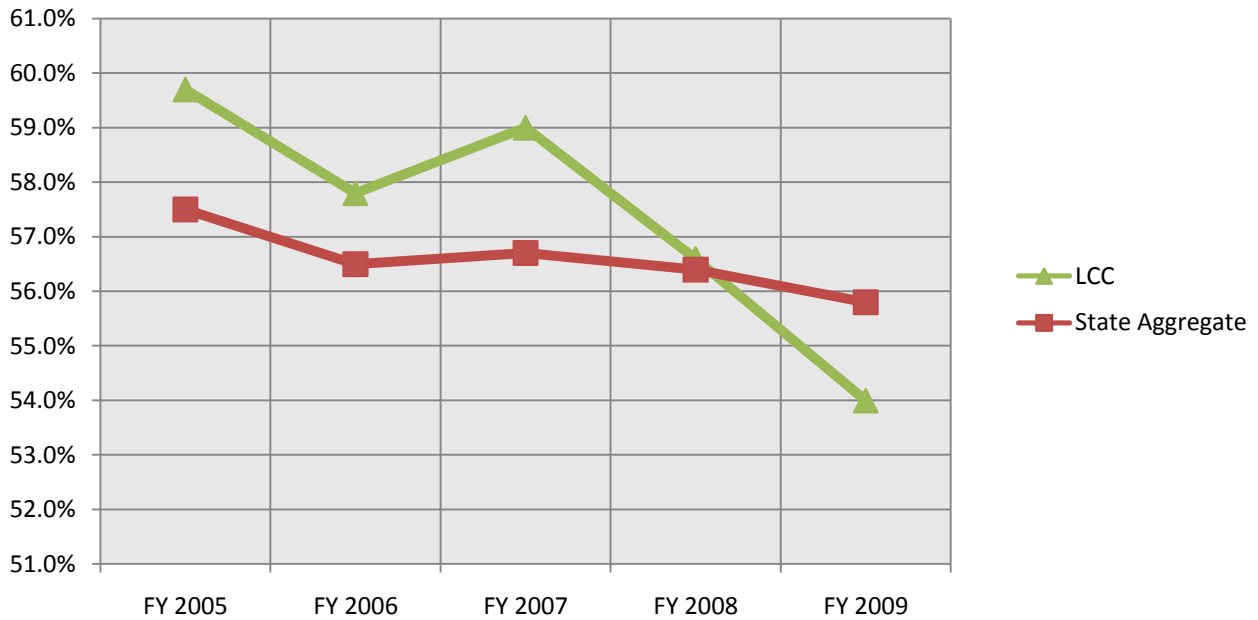
400 international students from 65 different countries

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

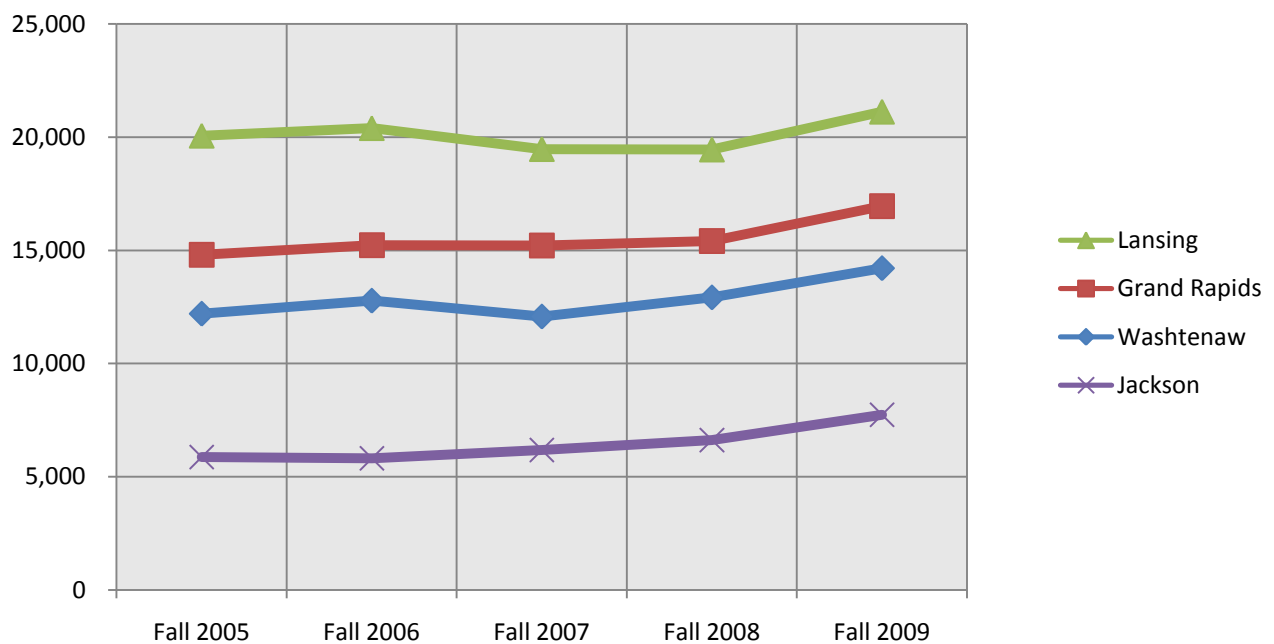
Ethnicity: White 65%, Black 8%, Hispanic 4%, Asian 2%, American Indian 1%, other/unknown 20%

LANSING COMMUNITY COLLEGE

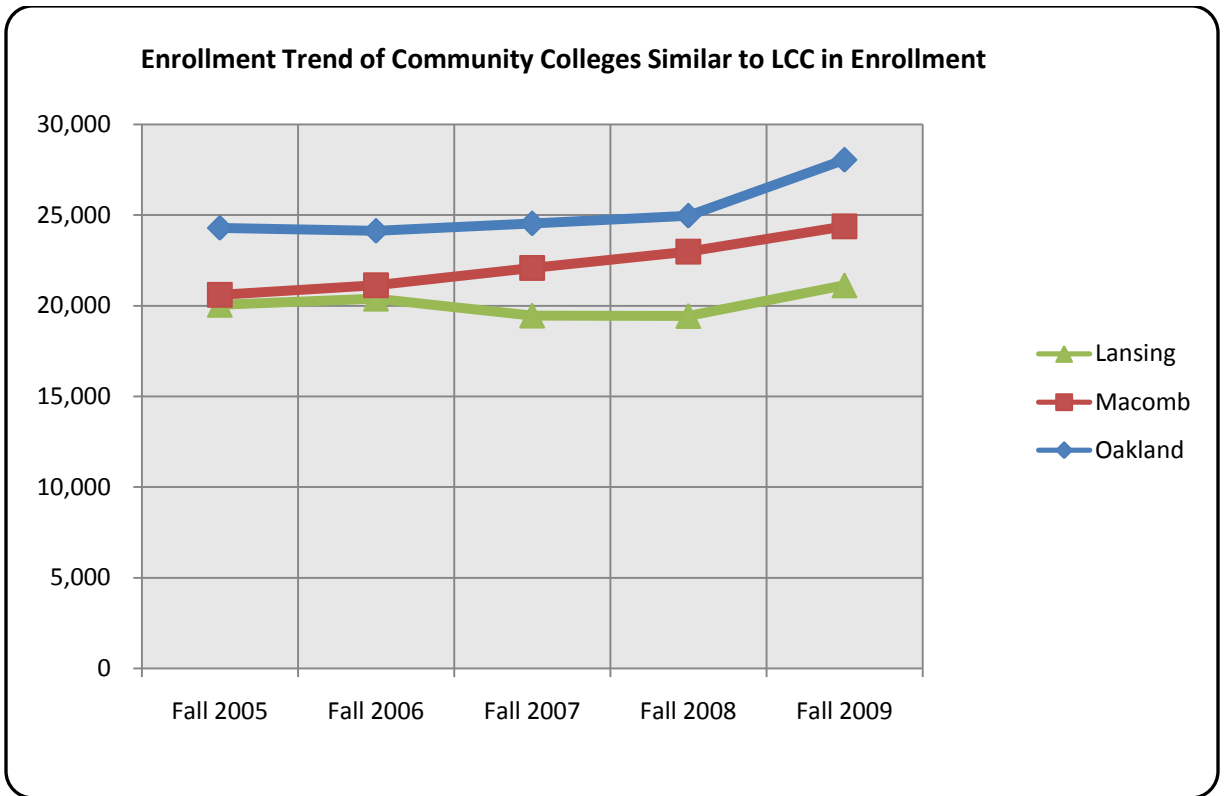
Instruction & Instructional Support as a % of Total Expenses



Enrollment Trend of Community Colleges within 100 miles of Lansing



Source: Michigan Community College Databook 2009



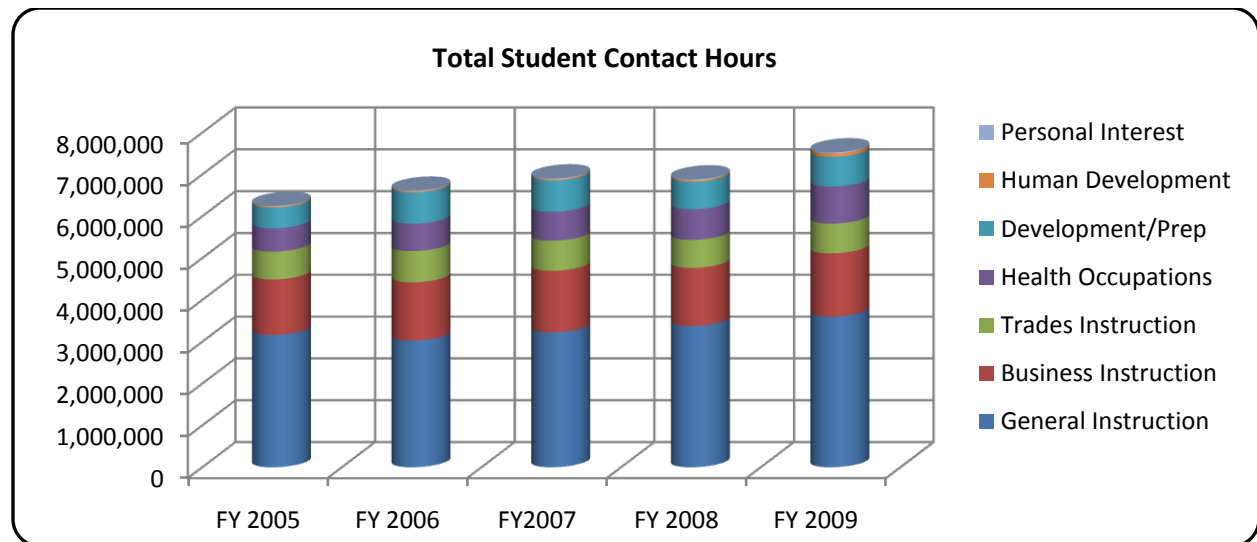
Source: Michigan Community College Databook 2009

LANSING COMMUNITY COLLEGE

Student Contact Hours by ACS Category

2005 – 2009

ACS	FY 2005	FY 2006	FY2007	FY 2008	FY 2009
General Instruction	3,162,825	3,029,146	3,227,034	3,376,512	3,599,805
Business Instruction	1,328,831	1,394,038	1,470,207	1,390,834	1,516,226
Trades Instruction	665,980	745,739	718,416	670,560	708,655
Health Occupations	556,070	654,911	695,189	731,241	887,713
Development/Prep	491,176	744,232	742,760	654,104	711,704
Human Development	24,128	26,080	28,112	32,224	78,928
Personal Interest	20,316	18,551	24,175	25,899	25,694
TOTAL	6,249,326	6,612,697	6,905,893	6,881,374	7,528,725



Source: Michigan Community College Databook 2009

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**

			2009-10 Rates			2010-11 Proposed Rates		
	COLLEGE	Annualized Fees	In-Dist	Out-Dist	Out-State Intern.	In-Dist	Out-Dist	Out-State Intern.
1	Alpena Community College	\$84	\$126	\$168	168	\$92	\$138	\$168
2	Bay de Noc Community College	83	138	175	160	86	146	187
3	Delta College	79	119	172	172	82	124	181
4	Glen Oaks Community College	77	115	144	140	80	122	154
5	Gogebic Community College	86	109	135	128	89	116	144
6	Grand Rapids Comm College	85	181	268	253	89	196	293
7	Henry Ford Community College	70	130	135	125	70	130	135
8	Jackson Community College	91	127	182	174	94	132	189
9	Kalamazoo Valley Comm College	71	113	152	145	74	120	163
10	Kellogg Community College	84	131	185	164	86	134	190
11	Kirtland Community College	78	142	176	176	81	149	184
12	Lake Michigan College	73	108	142	136	77	114	149
13	Lansing Community College	73	134	201	201	76	140	213
14	Macomb Community College	72	110	143	143	80	122	159
15	Mid Michigan Comm College	80	139	262	245	83	139	286
16	Monroe County Comm College	73	121	134	128	78	131	145
17	Montcalm Community College	77	133	197	171	79	146	217
18	Mott Community College	88	132	176	159	92	140	188
19	Muskegon Community College	72	119	162	154	77	135	185
20	North Central Michigan College	72	119	153	147	72	119	153
21	Northwestern Michigan College	77	146	187	180	77	146	187
22	Oakland Community College	60	102	143	143	62	105	147
23	Schoolcraft College	77	113	169	160	80	118	176
24	Southwestern Michigan College	88	113	122	114	91	116	126
25	St. Clair County Comm College	94	165	240	240	97	170	247
26	Washtenaw Community College	73	124	167	164	80	131	174
27	Wayne County Comm College	68	100	130	120	79	100	130
28	West Shore Community College	72	126	168	160	76	133	177
	AVERAGE	\$78	\$126	\$171	163	\$81	\$133	\$180

Figure 1-1



Figure 1-2

LCC Resident Districts and Learning Centers



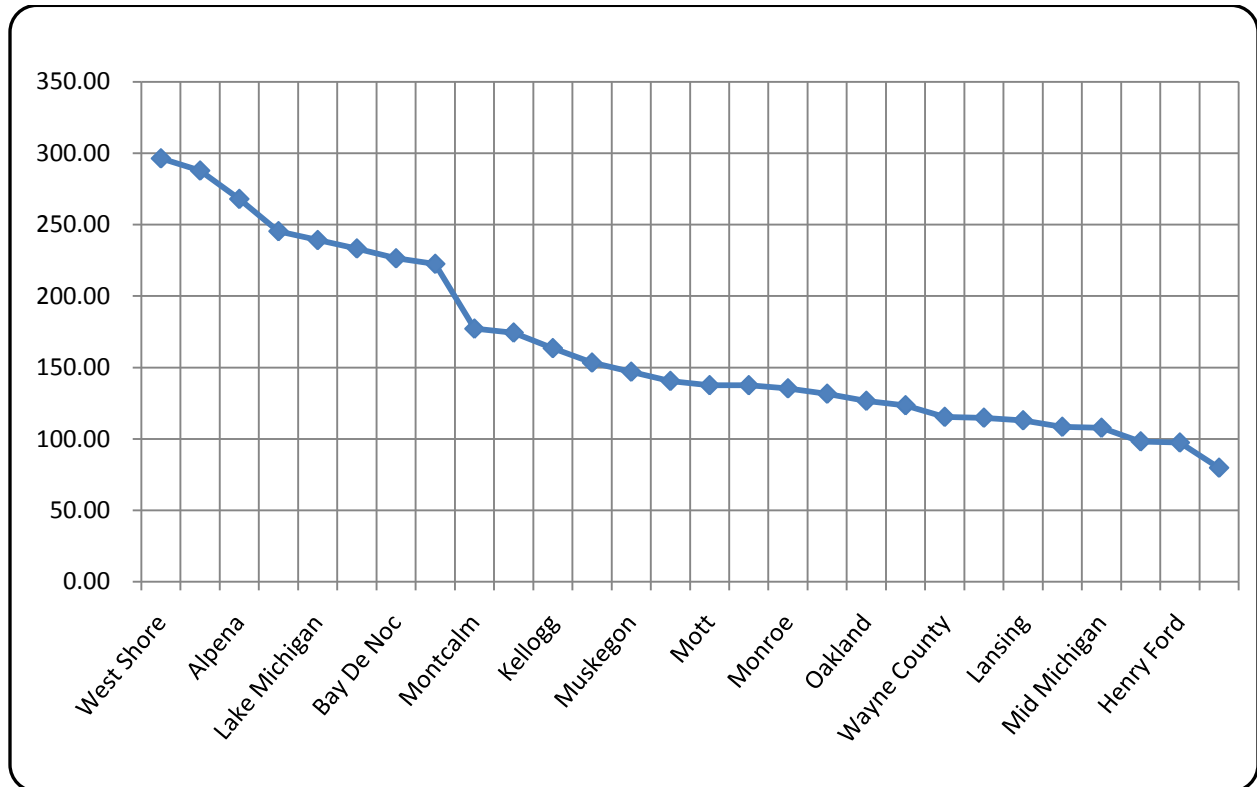
The following school districts constitute the LCC resident district:
 Bath, Dansville, East Lansing, Grand Ledge, Haslett, Holt, Lansing, Leslie, Mason, Okemos,
 Stockbridge, Waverly, Webberville, and Williamston.



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

Figure 1-3

**Square Feet per Fiscal Year Equated Student
FY 2009 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.

BANNER

An enterprise system designed for higher education. LCC has utilized Banner for finance and student system information since 2006.

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 waivers; etc.

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.

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.

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.

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 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.

Fund Group

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

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.

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.

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.

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.